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PROCEEDINGS AND DEBATES OF THE 101st CONGRESS, SECOND SESSION

HOUSE OF REPRESENTATIVES—*Monday, June 11, 1990*

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. HAYES of Louisiana].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
June 11, 1990.

I hereby designate the Honorable JAMES A. HAYES to act as Speaker pro tempore on this day.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We pray, O God, that the pride of accomplishment that we know as a people, will not be the same pride that keeps us from acknowledging You as our Ruler and Guide. May not our success and attainments make us so self-sufficient that we do not feel the necessity of Your redeeming and refreshing grace. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Secretary be directed to return to the House of Representatives the bill (H.R. 3656) entitled "An Act to amend the Securities Exchange Act of 1934 to improve the clearance and settlement of transactions in securities and related instruments, and for other purposes," in compliance with a request of the House of Representatives for the return thereof.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1109. An act to amend the National Trails System Act to designate the California National Historic Trail and Pony Express National Historic Trail as components of the National Trails System.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 396. An act to amend title 11 of the United States Code, the Bankruptcy Code, regarding swap agreements and forward contracts;

S. 666. An act to enroll twenty individuals under the Alaska Native Claims Settlement Act;

S. 1719. An act to designate segments of the Colorado River in Utah within Westwater and Cataract Canyons as components of the Wild and Scenic Rivers System, and for other purposes;

S. 2205. An act to designate certain lands in the State of Maine as wilderness; and

S. 2700. An act to authorize the Secretary of Veterans Affairs to proceed with a proposed administrative reorganization of the regional field offices of the Veterans Health Services and Research Administration of the Department of Veterans Affairs, notwithstanding the notice-and-wait provisions in section 210(b) of title 38, United States Code.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Chair recognizes the gentleman from Arizona [Mr. KYL] to lead the House in the Pledge of Allegiance.

Mr. KYL led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

SUPPORTING CONSTITUTIONAL AMENDMENT ON THE FLAG

(Mr. BROOKS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOKS. Mr. Speaker, this morning's decision by the Supreme Court striking down as unconstitutional the Flag Protection Act of 1989 is a grievous blow to those of us who cherish the freedoms and values symbolized by the flag of the United States. I am certain that the overwhelming majority of the American people share my concern that this emblem of our nationhood must not be subjected to physical desecration.

Mr. Speaker, for more than two centuries the American flag has stood as a symbol of the freedom and values that we cherish as a nation. As a Texan who is proud of his Nation's heritage, as a marine who fought under that banner, and as a Member of Congress who has worked in the shadow of the flag back of the Speaker's chair for over three decades, I believe it is imperative that the Congress take action to ensure that the flag will be protected from physical desecration. For that reason, I will support a resolution proposing an amendment to the Constitution authorizing the Congress and the States to prohibit the physical desecration of the flag.

I have scheduled a meeting of the Judiciary Committee for Tuesday, June 19, to consider a constitutional amendment and I hope we can have it on the floor before July 4.

SUPPORTING A TRADE AGREEMENT WITH MEXICO

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, many people anxiously awaited the recent meeting between President Bush and Mexican President Carlos Salinas de Gortari. This meeting, de-

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

signed to lay the groundwork for formal negotiations to lift trade barriers between our two countries, comes at a critical time in the world trade market.

Many people, especially those suspicious of United States motives with regards to Mexico and trade, question the merit of such an agreement to the United States. I believe there are many reasons why such a trade agreement with Mexico will benefit the United States.

With the advent of the European economic bloc—EC 92—and the continually expanding Pacific Rim/Asian economic bloc, the United States must move forward with building a competitive North American economic bloc. If we fail to do so, we will soon find ourselves swallowed up by Europe and Asia in the global market.

A free-trade agreement will also prove to be of great economic benefit to the depressed border regions of both the United States and Mexico. Local communities along the border region lack the fundamental capital investment needed to revitalize their economies. A free-trade agreement would go a long way in rectifying this problem.

Yes, there will be opposition from organized labor to any free-trade agreement, others believe there is great potential for increased migration into the United States from Mexico. While I understand such concerns, a free-trade agreement with Mexico does not mean our borders with Mexico will open up to increased migration. What it does mean is that products will be free of tariffs and other barriers to trade.

Accordingly, I will introduce today legislation urging President Bush to move forward with negotiations toward a free-trade agreement with Mexico. As our third largest trading partner, with over $52 billion in bilateral trade, it is in the interest of both the United States and Mexico to form this agreement successfully.

IN IDAHO WATER IS THE LIFEBLOOD

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, in Idaho, water is gold.

That is why Idahoans get more than a little testy when outsiders try to tell us how to use it, or when they devise plans to take it away from us.

Several weeks ago, the Supreme Court not only challenged Idaho, but all other States by stripping State control over water flow at federally licensed dams.

This represents a Federal power grab of the worst kind, one that Idahoans simply cannot and will not tolerate.

That is why I introduced H.R. 4921 to overcome the Supreme Court's water decision the very week that decision was made.

Whether passed in its original form or amended, my bill will serve as a means of reestablishing State primacy over water resources.

This is important to Idaho and all other States, and I ask all Members to join me as cosponsors.

I also want to thank Idaho's Governor, Cecil Andrus, for taking an active interest in this problem. He has announced the formation of Idaho's "water law defense team" to guide the State through perilous waters.

I have already sought the advice of some of this group's expertise, and am glad to have them involved.

Water is precious in Idaho, and we're not about to let anything wrench it away from us. Not the Supreme Court, and not the great water hog, California.

LAND OF THE FREE

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, the same freedoms that are sweeping through Russia and Eastern Europe were preserved today by the U.S. Supreme Court.

If America stands for one thing in the world it is freedom—the land of the free. I salute the Supreme Court for its courageous decision today. We have survived 200 years as a beacon of freedom and democracy in the world because our Constitution guarantees us freedom of speech—freedom to agree and freedom to disagree. It would be a sad irony if while much of the world is regaining their freedoms, we would start to chip away at ours.

Some politicians, including President George Bush, will rush to take political advantage of the flag-burning decision. By contrast, the Bush administration does virtually nothing in the face of the savings and loan scandal, the largest financial swindle in United States history.

President Bush thinks it is OK to burn taxpayers' money, while hiding behind the flag.

LET US NOT WEAKEN OUR BILL OF RIGHTS

(Mr. EDWARDS of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of California. Mr. Speaker, I spent the first few years of my life, after going to law school, first for 2 years as an FBI agent and then 4 to 5 years as a naval gunnery officer at sea.

Mr. Speaker, I am really distrubed to think that within a few days there will be an attempt to weaken the free-speech portion of the Bills of Rights. Mr. Speaker, we are the only country in the world that has this Bill of Rights, and all over Eastern Europe and Central America, South America, people wish they have a Bill of Rights. And to think that at this time, because of some foolish young men who might burn the flag, that we are considering, even considering taking that Bill of Rights and making it weaker, saying to the world that we no longer trust each other, we no longer trust free speech.

Mr. Speaker, I do hope and pray that the President's amendment when it comes up in the House and the Senate will be roundly defeated.

A PROPOSED CONSTITUTIONAL AMENDMENT PROHIBITING BURNING OF THE FLAG

(Mr. KYL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KYL. Mr. Speaker, I would like to commend and applaud the efforts of the gentleman from Texas [Mr. BROOKS] chairman of the Committee on the Judiciary, who announced this morning his intention to take the proposed constitutional amendment to allow the Federal Government and the States to prohibit the burning of the flag.

I think that that expresses the followthrough on a commitment that was made earlier that if the Constitution or if the Supreme Court should rule that a statute prohibiting the burning of the flag was unconstitutional, that this body would take up such a resolution, and I commend the chairman of the Committee on the Judiciary for his speedy action to assure that that is done.

□ 1210

In my view, Mr. Speaker, it is not necessary to engage in free speech to be able to burn the flag. We have many other ways of expressing our feelings than burning this very scared symbol of what America stands for, and as a result I think it is entirely proper for us to adopt the constitutional amendment and to permit the State themselves to determine for themselves whether they wish to amend the Constitution to prohibit the desecration of the American flag and thereby protect this symbol of the United States of America.

SUPPORT URGED FOR MICHEL-MONTGOMERY AMENDMENT TO THE CONSTITUTION ON FLAG BURNING

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, a number of us warned last year that the Democratic leadership's bill to protect the flag would prove to be unconstitutional. We said at the time it was clear from the Supreme Court's earlier decision that only a constitutional amendment would work.

We would be 9 months ahead now in getting a constitutional amendment adopted had our advice at that time been taken.

I would urge every Member to join in supporting the Michel-Montgomery amendment to the Constitution to provide for the right to protect the flag. The flag is a symbol of the United States, and I think it is very important that we be allowed to protect symbolically the United States and to communicate the fact that there are some symbols worth providing special protection for. I urge every Member to join in supporting the amendment that the gentleman from Illinois [Mr. MICHEL] and the gentleman from Mississippi [Mr. MONTGOMERY] have introduced.

THE FOUR HORSEMEN OF THE AMERICAN APOCALYPSE OF DECAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, I will not talk for the full 60 minutes, but I do want to take a few minutes to talk about the citizens opportunities movement and the work that we did on May 19 when we had an American Opportunities Workshop which was broadcast on the Family Channel and which appeared with over 600 workshops across America, including a number of local cable access channels, which then showed the local workshop. And I want to talk about the concept of the citizens opportunity movement, which is very, very important to America's future.

We are faced in a sense with the Four Horsemen of the American Apocalypse: The threats of drugs, of violent crime, of ignorance, and of debt. We have a very real danger for our children and our country that if we do not solve the problem of drugs, we will be an addicted nation incapable of competing in the world market, incapable of protecting ourselves, and incapable of sustaining freedom, because a drug-addicted citizenry is hardly a citizenry capable of governing itself.

If we do not solve the problem of violent crime, we are literally losing control of our neighborhoods and of the very fabric of civilization. The right to personal security is a right which is central to the Constitution, and all Americans have the right to expect that their homes, their neighborhoods, their streets, and their schools will be safe. And yet today we know that is not true.

Ignorance is an increasing problem, particularly in America's largest cities where our public school systems seem to have collapsed, where the great bureaucracies in New York, in Washington, in Philadelphia, in Detroit, and in Chicago are simply failing to educate an entire generation, leaving young people trapped in poverty, trapped in crime, and trapped in neighborhoods that have drug addiction because the system of education is simply no longer working.

And finally, every American is faced with the threat of a debt structure which could come tumbling down. We have the Federal debt which grows ever larger, we have the debt coming out of the savings and loan scandal, we have the debt coming out of personal indebtedness, with the fact that for a generation we have spent more than we have produced, and that whether, as a private citizen, a corporation, or a country, we are not facing up to the necessity to put our financial house in order.

These Four Horsemen of American Decay are very, very dangerous, and they are very, very real. Every American knows that drug addiction is a problem, every American knows that violent crime is a problem, every American knows that the decay of our biggest city schools is a problem, and that the ignorance it produces is a threat, both economically and politically, and every American knows that we cannot continue to pile up debt. Yet in Washington and in the bureaucratic welfare state in general, it is business as usual; it is protect the bureaucracy, protect the special interests, protect the unionized work rules, and continue pretending that somehow we can move forward if only we can raise taxes and send more money to the bureaucracy, if only we had more than $29 billion—that is right, $29 billion—which is this year's New York City budget.

I would suggest to the Members that with $29 billion, Mayor Dinkins has enough money. The problem is structural reform.

I would also suggest that if we look at what Governor Florio is doing in New Jersey, that tells us the difference between the bureaucratic welfare state of the Democrats and the reform Republicans. When Governor Kean was Governor of New Jersey, he wanted to help the children of Jersey City, so he investigated Jersey City's schools, and in a report which was a thousand pages thick he proved conclusively that Jersey City schools were not being run for the children, they were being run for the politicians, that the local political machine was exploiting and using the money that should have gone to help children and was instead going to their cronies.

For example, they found a fire extinguisher inspector who was getting $54,000 a year who had not been to work in 3 years because he had been given a political job. So for 3 years they had diverted $54,000 a year away from the children of Jersey City, and in addition, they had high schools that had not been inspected where the fire extinguishers did not work and there was the danger of a fire trap killing Jersey City's young.

Governor Kean came to the conclusion that the only solution for Jersey City was for the State to intervene and take over the work because the local machine was so corrupt and so out of question that something had to be done. The result was that the parents actually signed petitions asking that their schools be first, that far from resenting or being opposed to what the Governor was doing, people were excited to think that their children would actually have a school that was run for the children instead of for the politicians and the bureaucrats.

Now we have Governor Florio, in many ways a product of the city machine, a man elected with the support of the machine. His answer is to cut out all financial aid to the suburbs in order to pile even more money up for the political machine.

My point is simply this: I do not care how much you sent to New York or to Newark to Jersey City, as long as we have unionized work rules, a bureaucratic welfare state structure, and a massive political bureaucracy kept in place by a machine, you are not going to be able to get the schools to work, get the streets to be safe or get public housing that is habitable. So I think we have to confront the need for real reform and for real change.

On May 19, we outlined that need in the American Opportunities Workshop in a 1-hour television program which came live from six locations, from Sea Island, GA, Newnan, GA, San Diego, CA, Orange City, IA, Detroit MI, and Portland, ME. The program was broadcast into millions of homes on the Family Channel, and it was broadcast into over 600 workshops sites around the country.

In Manchester, NH, after the 1-hour television show, there was a local workshop led by the mayor of Manchester, and that was broadcast on local cable access. In St. Petersburg, FL, they took a different approach. They taped the program nationally, and the following week they had a

show in which they locally produced on their local cable first the national program which they rebroadcast and then a local discussion with Democrats and Republicans alike talking about how to apply these new ideas.

□ 1220

Our point in the American Opportunities Workshop was to suggest that we have to actually replace the bureaucratic welfare state, that it is not possible to make it work effectively, because the basic design of the bureaucratic welfare state and of its unionized bureaucracy is now hopeless. We found a lot of support for that, and indeed, this last week, the Brookings Institution, normally a liberal institution, produced a report which argued that only by going to educational vouchers can we have a public education system that works, that only by giving parents a choice by recreating a marketplace, by allowing parents to decide where the money should be spent, will we put the kind of incentive system in place that will improve our schools so our children will have a chance to get the education they need in order to defeat the danger of ignorance.

It is fascinating in that sense that, when one looks at the basic premise of public education, it is not public bureaucracy, it is not public monopoly, it is not any of the things it has grown into in any of our biggest cities. The basic tenet of public education was that we would collectively tax ourselves in order to ensure that children learn, and many of us now believe on a bipartisan basis, led by people like Polly Williams, the State representative from Wisconsin, who is a Democrat, who is a Jesse Jackson cochairman, who has introduced and passed a voucher bill which will provide this fall for a thousand children in Wisconsin to have a voucher. A thousand poor children below the poverty level in Milwaukee will have an opportunity to have a voucher this fall, because they will be able to test whether they can get a better education by going to the best school that is available rather than being trapped into a monopoly in which the bureaucracy decides what they will do.

That bipartisan commitment to real reform is growing, and my colleagues will see in the Brookings Institution report by Chubb and Moe, a report on how to reform and rethink public learning, the realization that, when we get to bureaucracies the size of Chicago, and Philadelphia, and Washington, and New York, it is impossible to reform them and make them reform and work. They are simply too big, they have too much redtape, they have too many work rules, they waste too much money, and they take too much power away from parents, and what the Brookings Institution has concluded is that we have to return to a system where parents have real choices so that they have real impact on their children's education.

But the effort is deeper and more than that. As I said earlier, the four dangers are not just ignorance. They are also violent crime, drugs and debt, and I think my colleagues will see in, for example, the bill that Senator PHIL GRAMM and I have introduced in the Gramm-Gingrich bill on drugs that it is possible to use common sense to develop approaches on drugs and crime which will, in fact, make America more successful. We think, for example, as a commonsense first step that, when the President decides that there are some military bases, fairly large military bases, that are now surplus that we no longer need, that the first three or four of those bases should be turned into prison sites so that we have more than enough prison space to house the criminals, that there is no excuse to be told that we have to put violent criminals or drug dealers back on the street, that in fact, if we use common sense, we have more than enough space, space in very, very large military bases where no civil community has to be worried, where no neighborhood has to be threatened and that, if we would, furthermore, use common sense, including in some instances prison labor so that the prisoners themselves would build the next prison, there is no reason it has to be prohibitively expensive.

During the American Opportunities Workshop the sheriff of Paulding County gave a very clear example of Perry Grogan, who is the sheriff of Paulding County, GA, which is in my district, which was on the program in the American Opportunities Workshop, pointed out that he had reduced the cost per prison bed from $80,000 to $24,000, had built a prison twice the size of the original plan, 200 beds instead of 100 beds, that they now for the moment had a surplus of beds which they were renting to the Federal Government to house Federal prisoners and that, in fact, the local jail had become a profit center for the county government because they were making more than it actually cost to run the jail by renting out the surplus space.

If we simply apply common sense focused on those kind of opportunities and success, we are convinced that it is possible to replace the bureaucratic welfare state to defeat drugs, violent crime, ignorance and debt and to provide for our children and grandchildren a 21st century America that is prosperous, safe and free.

Let me say one last thing. It is our hope, with the help of the people at National Review, who published a special supplement for the American Opportunities Workshop, it is our hope, with the help of people at the Family Network or at the Family Channel, that we will be able to have an additional program on July 21 at 10 o'clock in the morning that will be another workshop available to anybody who has cable access and can receive the Family Channel that will be available to anybody with a satellite downlink and, in addition, that that will be available to workshops, and we have had over 400 workshop sites already indicate that they would like to participate in another workshop, and we are urging them to talk with their local cable access to find a way to have their local workshop on local cable television so that we can continue the process of launching a citizens' opportunities movement and creating the kind of reform potential that will truly allow all Americans to deal with drugs, violent crime, ignorance and debt and to create a more successful and more prosperous America.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore (Mr. HAYES of Louisiana). Under a previous order of the House the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, to continue the discussion of last week with respect to the need for the American people to be duly informed, and for those of us forming part of the first branch of the Government, the Congress, the representative branch, to not abdicate the constitutional responsibility with respect to the derogation of war, the fact is that we have been living in a twilight era with respect to Presidential wars, which I think is a most fundamental issue that has confronted this history since the end of the host-shooting phase of World War II.

Mr. Speaker, I have consistently pointed to that, as I have said on previous occasions, before I ever thought, one, that I would be involved in political activity or that, much less, ever be a Member of the Congress.

I was very concerned at the time the United States became involved in Korea, and the Presidents, even though President Truman, unlike subsequent occasions with the exception of the invasion of Santo Domingo on the orders of President Johnson; they had the support or, in the case of the Korean war, the United Nations. We did not go unilaterally, at least technically, and in the case of Santo Domingo, the approval of the OAS. But every one of the other interventions by our Armed Forces had been unilateral, as in the case of Vietnam, and have been under no particular approval on the part of any other nation with token troop contributions from

Australia, for example, and even during Korea and the Vietnamese war.

But these were token, and actually we were there unilaterally and without the support of world opinion.

As a matter of fact, we never did obtain anything nearing a consent for that intervention, as well as in the case of Lebanon, the case of Grenada, and now, certainly, what is our interventions and occupations of several Central American countries because indeed, in fact, those words may sound far-reaching, but they are true in fact.

Mr. Speaker, we are in open occupation, at least in Panama and in Honduras, so that it is a prime issue. It continues to be, and until the American people face it, and they cannot accept indirectly through their elected agents, and that means the Congress and, of course, the executive branch. These are the elected officials that the people depend on.

□ 1230

Through them and their expectancy that at least the constitutional basis of our Government, the independence, the separation, and the coequality of the branches of government are going to be supported in the case of the Korean conflict, and as I said, I was just a citizen, I expressed concern about the conscription of Americans on a selective basis and impressed in the case of those unwilling to serve outside the continental United States against their will; but of course, those were back-home discussions, some with academic leaders of the area, the universities and colleges of the area, some with fellow lawyers, but I never once had any kind of a knowledgeable rebuttal.

When I found myself elected to the Congress and after having served on the local legislative level and the State legislative level where equally I was sensitive to the upholding of the State legislature's constitutional oath as well as of the city council, and that was in the case of segregation. On the city council it was a real shattering experience as we were going into the second year of a 2-year term that we were presented by the city manager then in the month of May, as a matter of fact late May, with a dilemma. He passed it over until the first week of June and that had to do with the opening of the swimming pools.

Nineteen fifty-four was the year which had announced in May the Supreme Court's pronunciamento in the case of Brown versus Schoolboard that separate, but equal, was not constitutional.

Well, down in my part of the country, perhaps in San Antonio not as much as in some of the other denser urban areas, such as Harris County, Hoston, Dallas County, Dallas, where you had a very substantial minority, that is black minority, in San Antonio historically and to the present the black presence has never been much over 7½ percent of the total population, but I was astounded when on June 19, and mind you, June 19 in Texas is emancipation day. That has commonly been referred to as Juneteenth. We were asked to attend a special called session of the council, and preceding it a precouncil meeting, and at that point the mayor said, "Well, gentlemen, the city manager has a dilemma. He wishes to discuss it with you."

The city manager said, "Well, you know, I am a former FBI agent and I have information to which I am privy that if we attempt to open the swimming pools in San Antonio we will have violence on the north side."

Well, the north side is the affluent side, and then even the peripheral areas of the north side said, "We will have some blacks," although he did not use the word blacks, "attempting to force themselves into the swimming pools, and, of course, it will be resented and we fear violence."

So he said, "I have consulted with the city attorney and now I will turn it over to the city attorney."

The city attorney reported that he had searched the ordinance books and ever since San Antonio became a municipality, somewhere around 1839, after Texas had gained its independence and under the Constitution of the Republic of Texas and subsequent to the State having gained entry to the Union in 1847 after the war with Mexico, had never bothered, he found to his great puzzlement, no segregatory ordinances with respect to tax-supported municipal facilities. The city just depended on custom, the Jim Crow State laws and those few Texas constitutional prohibitions, such as prohibiting miscegenation between the races and the like.

He said, "Well, we have a real problem. The only thing I can suggest to you, gentlemen, is that you give us your views. What is your policy? What do you want to do about it? Do you want to pass an ordinance at this date that would prohibit the use of these tax-supported facilities such as swimming pools to the blacks?"

At that point I asked the mayor if the attorney would yield to me and I said, "Well, now, Mr. Bright, why in the world at this time when the trend constitutionally and legally and every other way is in the other direction should we now at this time think of passing and adopting such type of legislation? Surely the school board decision has no impact on the municipal facilities, but they will follow as morning follows night when restrictions are placed and this minority seeking its rights under our Constitution will go to court and the court unquestionably, and I think you are a good lawyer enough to know, will find it hard to distinguish in the use of tax-supported facilities of this municipality and distinguish between taxpayers."

And he said, "Well, be that as it might, the only thing we can do is what you seek as policy and then, of course, if it is contested in court, the judge will decide."

The mayor stopped me and he said, "Look, let's get on with the business. Ralph, what will it take?"

The city attorney then said, "Well, we could try to draft some ordinances, but what do you want? What about the golf courses?"

So incredulously, I heard one or two of the council members say, "Well, on golf links, why don't we let them use the east side golf links maybe on Thursdays from 1:30 to 7 p.m., but not the Brackinridge golf links, not the other golf links," the Riverside golf links of that day.

I said, "That doesn't sound at all right. It makes no sense."

He said, "As to the swimming pools, absolutely; what we can do is say that with the exception of the Lincoln Park swimming pool," well, that was in the segregated areas anyway, "the others will not be open to citizens of black descent. With respect to the municipal auditorium, well, once a month they might have the privilege of using it on a given day."

Well, I could not believe it. I showed my opposition and shut up.

They called a regular call meeting for 2 hours later because the city attorney said that it would take about 2 or 3 hours to fix the paperwork.

We went in. This was June 19, 1954, and lo and behold, they called the roll and, of course, I was a dissenter.

I had the great privilege with a new set of councilmen, and incidentally, it was considered political suicide. At that time I did not look upon myself as venturing into politics. I thought the city council would be like a board of directors. You meet once a week and then, as now, the compensation was $20 a week for no more than 40 weeks. That was all we were given at the time. Today there is a more elaborate system. You have individual member districts. At that time I served on the council and the two times I ran for election to the council, I had to run citywide. We did not have individual districts.

So times have changed, and I think improved matters as far as council duties are concerned, but in that day and time it was looked upon very simplistically, and I thought so, too.

I soon discovered that we were getting into very, very divisive issues.

□ 1240

All of a sudden I am attacked for my vote by a member of the San Antonio Police Department, a sergeant who turned out to be the organizer of the

White Citizens' Council, and he denounced me as a, well, in terms that I do not think, even though they were printed in the San Antonio papers, I do not think that I would want to recall those bitter days that way by printing them in the RECORD. Suffice to say that it was a period of trouble and travail and some perplexity for me. It got a little nasty. The phone calls would come to the house. My wife would take them, and somebody came by in front of the little old house we were living in then and threw a roughly made cardboard cross. It did not burn, because, I guess, they did not know how to do it. It did not scare, but it did make me wonder, and it just made me dig in.

I was resolved right then and there. Then other issues arose that confirmed that I would be seeking reelection as an independent the next year, which I did, and was the first independent and the only member of that council reelected in 1955 with the sum total of $750. I realized now what a miracle that was. At that time I was very naive, and I do not think it was naivete. I think it was basically the way I felt and thought as I do today. By golly, I discovered that the people were there. I thought I did have no chance. I had four opponents running citywide and could not raise money, had no organized support, but I had worked diligently on the council.

I had spoken out on all of the issues coming across from the labor union contract with the then privately owned transportation system to the reform of the city water board, which at that time, incidentally and I say this sadly, like the present utility, the city public service board, which is the light and gas company, it was a remnant of the cold rotten borough system where there are the self-perpetuating boards, and the people had no direct control. I led the fight to reform, but I could not gain it until we got the new council.

I was the first independently elected under the form of government known as council-manager form of government. It was a happy occasion when, less than 2 years after that fated June 19, 1954, I had the great privilege of introducing an ordinance which I was able to persuade the members to do so unanimously that did away with all discrimination based on race, color, or creed in any tax-supported municipal facility. It was not easy. We had had a discussion meeting the night before, and the vote was really 5 to 4 against, and then through the help of a fellow councilman whom I had known since he was going to law school, he persuaded one other member, and then I made my pitch on the basis that it ought to be united, that our city and our people would forge ahead, and the spirit of unity would communicate, and it did.

Lo and behold, the mayor of that city within 24 hours had cablegrams, telegrams from Switzerland, from Europe, from the United Nations, congratulating him and the council, because it was the first city south of the Mason-Dixon Line that desegregated that way.

I am saying all of this and reciting all of this history in order that my colleagues would realize that whenever I have taken this forum and whatever resolutions I have introduced have never been in any but the most serious and most considered and after time-consuming study and evaluation, drafted and presented for the colleagues all through the years. I have introduced resolutions of impeachment, and I stood behind them. Unfortunately, I could never get a hearing. I did not introduce an impeachment resolution in the case of President Nixon, because others were doing it that were on the Committee on the Judiciary, and there was no need for me to join that chorus.

But in other cases, I think history will show, as it is beginning to, that the Congress escaped and abdicated a responsibility in not calling the chief executive to account to his constitutional obligations. My contention is that if that is permitted to go on and we have not learned how getting away from our laws, traditions, customs, precedents and Constituion is related in direct proportion to the mischief we have gotten into and to the extreme cost in blood and money; my charge, when I did come to the Congress and during the Vietnam war, I guess I was as much perplexed and bothered as any Member, but I spoke in this well, and I said that the President, in my opinion, did not have the constitutional right to impress and conscript an unwilling American and send that outside of the continental United States into an undeclared war, and until the Congress declared war or expressly provided for it, as there are several powers given in these special listed categories of powers inherent in the Congress and explicitly restricted and singularly so to the Congress, the Congress can do more than just a declaration of war, and there are several things that it can do under those enumerated powers in the listings there. But until the Congress does, it is my contention that no President has that power, if that is the case, and as I said all during the 1960's then we do not have a constitutional system which was envisoned when the man sat and wrote the Constitution in Philadelphia, because the one thing they feared the most was exactly that. This is the reason why, as I said last Thursday, that the first 10 years of our nationhood which was really the First and Second Contintental Congresses, and the Articles of Confederation that followed, they did not bother to even have an office that remotely looked like a Presidency. They did not call it the Presidency. They called it the chief magistrate. So that when they did, they were absolutely positive and clear that such a thing as the power to make and wage war would not be in that executive. I would be only, and only, in the Congress.

There are three real basic constitutional powers that Congress has. One is that one, the power to declare war exclusively and solely residing in the Congress. The second is the control of the purse strings. All tax matters, all revenue matters, must originate in the House of Representatives. But lately those two have been eroded. The only thing we have left, and it depends on how we exercise that one, is the third, the power to investigate, only under the Constitution, for a legislative purpose, and the Supreme Court has upheld that power in its pristine sense. It has said in opinion after opinion that the Congress' right to know is paramount, and this is where I am coming in now.

I said Thursday that when the President ordered the invasion of Panama on December 20 last year, and I say this with respect, and because I do have affection for the President, it was a mistake. It was in violation of law, both domestic law as well as international law.

Our Constitution says that the corpus of our laws consists not only of statutes but also of all treaties entered into, duly entered into. And the President's action last December violated not three but at least half a dozen treaties, solemn understandings, pledges our Government gave. We violated them all. On top of that, for the first time the military controlled the press and virtually held them in detention in a hotel.

□ 1250

Now, the American press did not see fit to do much, but it could not report to the American people what had transpired. The fact is, and these are the facts that stare at us today, the Congress has never had a full report. It has not received one to this day. So the American people do not know.

Second, our troops are still there and they are governing Panama. The so-called President there, Endara, we brought him in on that day of the invasion swore him in our military base. He was not elected. We said we were there to bring democracy. How can you bring democracy by military might?

We also firebombed the most miserable of all places, and that was the so-called Chorrillo district, which housed 100 percent blacks. These were the families and dependents of the laborers we imported at the turn of the century to use in the construction of the

Panama Canal. These shacks or buildings were made of the most fragile wood and quickly burned.

How many died? Nobody knows. We took over. We took over not any worse than Hitler's troops did when they invaded middle Europe and as they crossed their invasion into Russia.

Anybody that even looked as a sympathizer with the man we were there to overwhelm and arrest was either held, and are still being held, and there is no accounting there. We do not know.

The American people, in their name, we killed hundreds of innocent children, women, old people. There are literally thousands blinded, maimed, crippled, that are there as a result of that.

Is that right? Hardly so. It certainly was not anything but a source of condemnation by formal resolution in the United Nations. Overwhelmingly, practically unanimously, the Organization of American States condemned the United States for that invasion.

We now have troops, and the newspaper were reporting just 2 weeks ago that troops had been sent up to the border or a town on the border with Colombia.

Then we have to recall the sordid history. Theodore Roosevelt did use the Navy and Marines in order to force the separation of that isthmus known as Panama from Colombia. We did it by force and we set up the Republic of Panama. But it is and has been and we recognized it as such a formal treaty in 1977 as a sovereign nation.

So I would like to place in the RECORD a copy of a resolution I have introduced today known as House Resolution 411, entitled "Requesting the President To Furnish Certain Information to the House of Representatives on the United States' Invasion of Panama in December 1989 and Related Matters."

Now, I know some awesome things are done in the name of the American people, and there was no accounting as to those killed or those that we disposed of in mass burials or burnings, because we took over everything. Burial records, cemetery records, we took that away. The Panamanians were not allowed to. We did. We did not account, and we have not.

The British journalists there protested their incarceration. All the South American journalists, and it is from their reports that most of the information has been garnered that has given rise to the international groups and others who are now seeking some kind of justice for the victims of that invasion. But we are not out.

The President said we would go in, we would serve the purpose, we would get rid of General Noriega. I think that if General Noriega had been a member of that upper 9 or 10 percent white class which has ruled Panama and which we actually have endorsed all along—90 percent of Panamanians are mulatto, as is Noriega. Noriega is part black. I doubt seriously if he were not part black we would have done what we have done.

Now, I do not think the American people have begun to visualize the terrible impact of using military means to invade a sovereign nation, capturing and imprisoning its leader. We do not like him. Maybe he did take office by force, but so did General Pinochet in Chile, and we did not go get him and bring him up here because we wanted to teach the Chileans democracy.

There are half a dozen other rulers throughout the world that are there because of violence and undemocratic processes. This is a case where we are establishing a principle that the Nuremberg trials would be vitiated. We have violated all international norms in the treatment after his capture by our forces of Noriega. We violated the Hague Convention on the treatment of war prisoners.

Is Noriega a war prisoner? Did we go to war with Panama? The Congress did not declare it. So what kind of war was it? A Presidential war? How valid is that in our law?

In international law the only precedents are that if a crime has been committed against a nation by a ruler who in war has been captured, he shall be tried by a military tribunal.

After the First World War the allies, imposing the Draconian Treaty, also accused some of the German military and other leaders of war crimes and wanted to try them.

The German Government, such as it was, protested and said no, you do not have a right to. We will try them.

They did. Most of them were released or treated very leniently. But it was after the hot, shooting phase of World War II, and I am very careful to say the hot phase, because World War II technically has not ended. There is no peace treaty.

This is why the so-called reunification or rejoinder of the two Germanys is a question that has to be resolved by the parties participant.

The German question, quote unquote, was the reason for the cold war. Even now there is no allowance and perception for the world as it is today in Europe or anywhere else.

I also brought out Thursday, and my advice there to our leaders is, and the President particularly, I think we better start addressing South Korea and its expressed intent through its leadership, legislative, and otherwise, and the North Koreans, to rejoin, reunify, and the latent anti-Americanism which has exploded now and then with violent demonstrations against our troops stationed in South Korea.

□ 1300

We have close to 45,000 troops. What are we going to do? This is a sticking point in the case of troop withdrawal, or not, from Germany. Naturally, a people who have been occupied for 50 years, they do not care how it is done, they not only want the Russians out of East Germany, they also want every other occupying force.

But the United States is the one that from the beginning and all along has been the one to hold the biggest part of the bag. We have now over 315,000 troops still in West Germany. The British never have had anywhere near their proportionate amount; the French much less.

And of course the idea was a Europe that has not changed in our perception. It is still, in our defense for which we tax the American people over $300 billion, it is still 60 percent predicated on a Europe of 1947, 1949, 1952. That is gone forever, long gone.

We now have on the threshold of power citizens that do not recall World War II.

I pointed out time after time, ad infinitum, that the Russian leader, President Gorbachev now, and the German leader, Mr. Kohl, were 15 years old at the time of World War II.

So we have to realize that what has not changed, and to my great dismay if somebody had told me 15 years ago that we would have a President who would invoke the Calvin Coolidge gunboat Marine techniques, I would have said, "No, that is ridiculous; it can't happen." But it did. President Reagan had done exactly that. He went back to Calvin Coolidge except that in the case of Calvin Coolidge and the Secretary of State at the time, Frank Kellogg, when he ordered the Marines into Nicaragua—because you know we have invaded Central America, and if you throw in Mexico, a little better than 20 times in the 20th century. Now, in the case of Panama, we cannot even say that it was because we feared a Communist menace. This is what we have been scaring the American people all along with.

Noriega, as the North memoranda and notes which just came to light recently as a result of a court order, clearly show that we met an infinite number of times with Noriega and he committed himself to training troops, sending supplies. To whom? The Contras.

It is now common knowledge that the CIA and half a dozen of our intelligence units—you know, there are a lot many more than just the CIA—supplied Noriega, that is, the CIA alone, as much as we pay the President, $200,000 a year.

We had one unit of the military intelligence that had even invaded Noriega's residence not too many years ago, just a few years ago, without the

CIA knowing, or the other intelligence agencies.

We are just like the French were in the case of Algeria. You had six different intelligence units, and neither one communicated with the others. And of course, you know what happened to France there.

So my resolution of inquiry would say:

Resolved, That the President is requested to furnish to the House of Representatives, not later than seven days following the adoption of this resolution, full and complete information on the following:

(1) Any and all payments made to General Manuel Noriega by or through the direction of the United States government or any agent of the United States, at any time, and the source thereof;

(2) Any and all payments made to Guillermo Endara by or through the direction of the United States government or any agent of the United States, at any time, and the source thereof;

(3) A list of any and all communications of the United States government or any agent of the United States with regard to Panamanian police, Panamanian armed forces, or any officials of the Panamanian government, police, or armed forces, at any time;

(4) An accurate accounting of the number of Panamanian civilians killed during, or by virtue of, the United States' invasion of Panama, including a list of the number of Panamanian civilian casualties reported in the media of England, countries of Central America, and countries of South America;

(5) The location of all United States military personnel in Panama, the number of United States military personnel in Panama, and the mission of all United States military personnel remaining in Panama as of the date this resolution is adopted;

(6) Any and all contacts (including but not limited to telephone conversation, personal meetings, or communication of whatever sort through third parties) between any Director of the United States Central Intelligence Agency, any United States President, or any United States Vice President, at any time, and General Manuel Noriega; and

(7) Any and all activities of General Manuel Noriega in support of the armed resistance ("contras") in Nicaragua from 1979 through 1989 known to the United States government.

The information requested in this resolution shall be submitted to the House and disposed of in accordance with the Rules of the House.

And so on. I think that until this Congress exacts this knowledge, it will not be in a position to discharge its constitutional obligations to the American people from which comes all power.

You know, we tend to forget that our Constitution, the first words there are, "We the People of the United States." It does not say, "We the Congress," or "I the President," or "We the courts." Its, "We the People of the United States" are the source of all power.

We have to account to them. There is no reason why not.

For how long will we have to be appropriating? This House just appropriated between El Salvador and Panama better than three-quarters of a billion just for now.

In El Salvador, where since 1981, we have poured better than $6 billion, we have had casualties with some of our military, we have had atrocious, just unheard-of atrocities.

The murder of the six priests and their servant and her daughter. The priests were not only murdered, they were mutilated. Their brains were knocked out and thrown around.

Who did it? The Government, the armed services who are in control and have been all along, and whom we support.

The murder of the archbishop, the great Archbishop of Nicaragua, back in the beginning, in 1981, 1982, Archbishop Romero, who did that? It is obvious: the same people, the same forces, the same elements who murdered the priests.

Four or five other nuns, six or seven journalists, American, European; and we are the ones that are funding every bit of that activity.

In Nicaragua, at least we had the President saying that it was a menace to our country, that it threatened our internal security to the point where we would have to declare an embargo. Under what act, The Espionage Act of 1917, which this Congress delegated to a President during war and never recalled the most important portions of it, or even reviewed it.

So I think that to remain silent, charged with knowledge, is not living up to the oath of office that I think we take up. When we assume the office, among other things, we are sworn to support the Constitution against all foreign and domestic enemies and serve it well and faithfully.

That means that on issues that politically it would be better to keep quiet about, why stir up anybody if you are OK, in sync, back home; but we have a sacred duty under our Constitution. Whether we like it or not and whether our responsibility is to one sacred segment known as a congressional district, we are here as a congregate group voting on issues that transcend the purely parochial interests of those districts. And this is one of them. And this is the reason for my actions.

Now, on top of this I want to place in the RECORD a letter by way of reply from Federal Reserve Board Chairman, Mr. Greenspan, dated February 13, and one from the Assistant Secretary for Legislative Affairs of the Department of State.

The letters referred to are as follows:

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,
Washington, DC, February 13, 1990.

Hon. HENRY B. GONZALEZ,
Chairman, Committee on Banking, Finance and Urban Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of January 16 inquiring about government currency transactions in the San Antonio Federal Reserve branch territory.

Your letter refers to a recent currency transaction with the central bank of Panama. In the thought that some additional information on that transaction would be of interest to you, let me provide some background. The Banco Nacional de Panama, acting as agent for the Panamanian government, contacted the Federal Reserve Bank of New York to transfer from the Government of Panama's account, the sum of $50 million. The San Antonio office then prepared a shipment of $50 million in cash, which was picked up by United States military personnel. The military couriers delivered the currency to Banco Nacional de Panama in Panama City on December 28.

This transaction had the approval of the United States Department of State, the Department of Treasury, the Federal Reserve, and the United States Air Force. The formal request from Panama for the funds was made by the Ambassador of the Republic of Panama, and its Legal Representative, Carlos Rodridguez Fernandez Miranda. Because of Federal Reserve accounting conventions, this $50 million currency transaction with Panama was booked through the Federal Reserve Bank of New York, and thus does not show up on the currency surplus report for the San Antonio branch.

Let me turn now to the matter of government currency transactions with the San Antonio branch. During December 1989 the San Antonio branch received currency deposits from five government agencies. As the list below makes clear, the total amount was small relative to the branch's overall volume—less than one tenth of one percent of total deposits at the branch. There were no significant deviations from this pattern throughout the year. Moreover, we have no way of knowing the extent to which this currency volume contributed to the net receipts of the branch—that is, the extent to which the currency deposited by those agencies originated outside the branch territory.

Agency	Amount	Percent of total deposits
Department of Justice	$169,343	0.0498
U.S. Customs	18,769	.0055
U.S. District Court	34,211	.0100
U.S. Marshal	1,744	.0005
Veterans' Administration	2,386	.0007
Total	$226,453	.0665

I hope this information sheds some light on an obviously complex subject. We would be pleased to follow-up for you in any of these areas.

Sincerely,

ALAN GREENSPAN.

DEPARTMENT OF STATE,
Washington, DC, February 27, 1990.

Hon. HENRY B. GONZALEZ,
House of Representatives.

DEAR MR. GONZALEZ: The President has asked that I reply to your letter of January 16 concerning the role of the State Depart-

ment in returning to the legitimate government of Panama funds held in escrow for it.

The transfer of funds to which you refer was coordinated between the Departments of State, Treasury, and Defense. On the evening of December 27, an official of the Government of Panama contacted the Department of State and asked for the release of $70 million from the escrow account at the Federal Reserve Bank of New York, and the transfer of those funds to Panama by military aircraft. Department of State officials contacted the appropriate officials at the Department of the Treasury to obtain the release of the funds. The Department of State also immediately established contact with the Department of Defense to coordinate the transportation. Most of the preliminary arrangements were completed that very evening.

The following morning, the Panamanian Ambassador to the United States, Carlos Rodriguez, formalized his government's request. We understand that he asked Arnold and Porter to draw up the necessary documents and signed them in the offices of Arnold and Porter. I would like to emphasize that the documents in question were an official request from the Government of Panama to the Government of the United States. As such, it would have been inappropriate if not legally questionable for the Departments of State or Treasury to have prepared them. We do not know the amount of fees Arnold and Porter may have charged the Government of Panama for these services.

The Federal Reserve Bank of New York sent a staff attorney to Washington on December 28 to assist the Office of Foreign Assets Controls (FAC) at the Department of the Treasury in arranging the technical details concerning the transfer. FAC officials drafted, executed, and transmitted most of the necessary documentation required to unblock and transfer the funds. FAC officials issued the unblocking license, obtained the signatures and certifications of various affected parties, and coordinated related activities. As part of that process, FAC officials were in continuous contact throughout the day with officials at the Federal Reserve Bank of New York, the Federal Reserve Bank of Dallas (San Antonio Branch), the Air Force, and the Joint Chiefs of Staff, as well as with Arnold and Porter.

By that afternoon, our Embasssy in Panama had arranged a time and place for the money to be delivered and for security for the transfer. The funds were collected by the Federal Reserve Bank overnight and made available for military transportation to Panama. Bad weather at the airport in San Antonio delayed the departure of the plane carrying the money, but once the fog lifted the plane took off and the funds arrived at 4:00 in the afternoon on December 29.

As you can see from this chronology, officials at the Departments of State, Treasury, Defense, and the Federal Reserve worked assiduously, from December 27 to December 29 to effect the transfer of cash to Panama. The law firm of Arnold and Porter was invovled primarily in the capacity of representing its client, the Government of Panama.

While it is for the Government of Panama to speak to the issue of why it believes it needs legal services in connection with the escrowed funds, it is not our impression that its motiviation derives from a perceived need to deal with the United States Government through a law firm. Rather, the Government of Panama—like many foreign governments—has private creditors and debtors in the United States, and the handling of the serveral categories of escrowed funds has involved potential issues between the Government of Panama and private individuals and institutions. Indeed, several escrowed accounts were the subject of litigation in the U.S. between the Government of Panama and private entities. Obviously, the United States Government is in no position to advise the Government of Panama on such matters. It is our understanding that the perceived need to obtain advice and services in connection with such private legal issues has been the primary motivation of the Government of Panama in hiring an American law firm.

The United States expects to play a positive and useful role in this new chapter of Panamanian history. Consultations with the new Panamanian Government as to how we may further assist them are underway. We look forward to working with the Congress to help the new government of Panama rebuild Panamanian society on a foundation of democracy, stability, and prosperity.

Sincerely,

JANET G. MULLINS,
Assistant Secretary, Legislative Affairs.

□ 1310

I discovered in January that when Endara was installed by us by December 29, he came before the military leaders and said, "I've got real problems. If you think you have problems, we can't pay our workers. We don't have any money unless you get money for us." And the military commander said, "Of course we can't do that."

Then, of course, Endara got on the phone and got hold of the law firm that represents him, a very prominent law firm in Washington. He got hold of the individual who is a former Assistant Secretary of State for Latin American Affairs, serving in the Nixon administration, and he then contacted the Federal Reserve Bank in New York.

They have not given me a full accounting of this, but these letters I have introduced will show the response I got from the Chairman of the Federal Reserve. I had asked him how much money Federal agencies had transacted through the Federal Reserve Board branch in San Antonio. What happened was that with the emergency, mind you, that should have been the State Department or the Treasury, but it was not.

What fee did this lawyer get? A very substantial fee. Where did the money come from? Well, it went to the escrow account, which was funds impounded after President Reagan declared his embargo, and we impounded all of the revenue from the canal fees that were accruable to the Republic of Panama, and out of that they took sufficient money, I would say half a billion dollars or thereabouts, and those were securities. They flew those down to the Federal Reserve Board branch or district office in San Antonio, and at about 2 o'clock in the morning they took those certificates, they got cash, $100 bills, $20 bills, and put them in about 29 sacks, and they took them over to the Air Force base and transported them down to Panama.

I found out about this in a roundabout way, and I raised inquiries. I did get reports to an extent, not really responsive to the main issue, but nevertheless confirming that that had happened.

Now, since then who has funded those expenses? Endara knew that those workers would revolt, and if the United States thinks it had any problem in that invasion, as he told our leaders, "You just don't know what it would be to face this."

So we did that, and I have placed that in the RECORD, Mr. Speaker, so my colleagues will be able to read it.

I do think that this is a serious matter. I have thought so all along and persisted in my views during the Vietnam war. I felt that we just could not forever look the other way, that we would have to define in some way the constitutional limits of Presidential authority that the Constitution itself places on this. And if we are living in a new era in which we have to look at it again, then let us do it. Let us look at it honestly and forthrightly but at least from the standpoint of accountability.

As it is now, look at the travail we have. Would we not say that instead of the blood of over 55,000 dead, maimed, and wounded, and instead of the billions of dollars from the Treasury, if we had gotten that $35 or $36 billion together in $5 or $10 bills and put them in a C-130 or C-5-A and instead of bombing Vietnam, we had just gone over and thrown that money out, would we not be better off? I often wonder if we had done that if we would not be better off today.

And I feel the same way today. Here we are in El Salvador, no closer to a solution than ever, in fact worse. I just saw the advisory that the American Consul General in San Salvador gave me to give to a group of missionary constituents and academics that wanted permission to go down to El Salvador, and it is amazing. It is far more risky for an American there today than it ever was before, and this so advises them.

As far as Panama is concerned, an American in Panama is in real hazard today and has less freedom than during the weeks that our press was whipping up in great frenzy the attacks on off-duty American armed services personnel. Today, let me assure the Members, I have received communications from relatives of Americans who are still there, and they do not dare to come out.

So where are we? We are still governing Panama. We are occupying Panama, and we are occupying Honduras. We have literally taken over that

country for years now. We have done that illegally. President Reagan violated our own domestic laws, the neutrality acts, and international law, and we in Congress went against our own laws until the Boland resolution prohibiting aid to the so-called Contras. And then, of course, since then we have been insisting on illegal conduct by even supporting or recognizing such activities as are reflected by the so-called Contras.

So from time immemorial we have breached the basic law of international relations.

I have protested these things before, and I am on record. I realize now that we have always lived in this sort of situation. I realized that when I served on the city council and when I raised the issue of segregation, I went to the State senate. In my freshman year there I saw the same thing. We had the resistance that came out of Louisiana and out of the Confederate States. They came to the Texas Legislature with 16 separate laws or bills, and I filibustered them. We tied up the State senate for 36 hours. We were the only forum in the 11 Confederate States where they were even debated, and we were able to defeat 14 of the 16. The two that remained were declared unconstitutional subsequent to that.

So I want my colleagues to recognize the fact that this resolution of inquiry has been in the making since January. We had some consultantship with the legislative service and with the research service of the Library of Congress, and I got the history.

This is not my first resolution of inquiry, it is my second one, and under the rules it is a privileged resolution. I will make the decision on how to follow through on that, but I want my colleagues to realize that it has been introduced today. It is House Resolution 411, and I hope that at least we will give some consideration to obtaining the information, which is a paramount right, the right to know that a Congressman must have in order to knowledgeably discharge his duties.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. KYL) to revise and extend his remarks and include extraneous material:)

Mr. DANNEMEYER, for 60 minutes, on June 12.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. WASHINGTON, for 5 minutes, on June 12.

Mr. MONTGOMERY, for 60 minutes, each day on June 12 and 13.

Mr. GONZALEZ, for 60 minutes, each day on June 18, 21, 22, and 25.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. KYL) and to include extraneous material:)

Mr. ROGERS.

Mr. COX.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous material:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. TRAFICANT.

Mr. NELSON of Florida.

Mr. CLAY.

Mr. MRAZEK.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 666. An act to enroll twenty individuals under the Alaska Native Claims Settlement Act; to the Committee on Interior and Insular Affairs.

S. 1719. An act to designate segments of the Colorado River in Utah within Westwater and Cataract Canyons as components of the Wild and Scenic Rivers System, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 2205, An act to designate certain lands in the State of Maine as wilderness; to the Committees on Interior and Insular Affairs and Agriculture.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 19 minutes p.m.), the House adjourned until tomorrow, Tuesday, June 12, 1990, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3347. A letter from Deputy Under Secretary of Defense for Acquisition, transmitting his determination that the Family of Medium Tactical Vehicles Program has exceeded the program acquisition unit cost baseline by more than 25 percent as reflected in the baseline selected acquisition report, pursuant to 10 U.S.C. 2433(e)(1); to the Committee on Armed Services.

3348. A letter from Deputy Under Secretary of Defense for Acquisition, transmitting his determination that the Army tactical missile system has increased by more than 25 percent as reflected in the baseline selected acquisition report, pursuant to 10 U.S.C. 2433(e)(1); to the Committee on Armed Services.

3349. A letter from Secretaries of Housing and Urban Development and Health and Human Services, transmitting proposed modifications to the Stewart B. McKinney Homeless Assistance Act; to the Committee on Banking, Finance and Urban Affairs.

3350. A letter from Auditor, District of Columbia, transmitting a copy of his report entitled, "The Gallery Place, Parcel 6, Square 455," pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

3351. A letter from the Secretary of Labor, transmitting the Department's annual report of the Longshore and Harbor Workers' Compensation Act for the period October 1, 1987, through September 30, 1988, pursuant to 33 U.S.C. 942; to the Committee on Education and Labor.

3352. A letter from Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions for Aurelia Erskine Brazeal, of Georgia, to be Ambassador to the Federated States of Micronesia; for Frederick Vreeland, of New York, to be Ambassador to Burma; and for Roy M. Huffington, of Texas, to be Ambassador to the Republic of Austria, and members of their families, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3353. A letter from Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions for Hugh Kenneth Hill, of California, to be Ambassador to the Peoples' Republic of Bulgaria, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3354. A letter from Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

3355. A letter from the Assistant Administrator for Legislative Affairs, transmitting a summary report of activities proposed for funding in Brazil during fiscal year 1990; to the Committee on Foreign Affairs.

3356. A letter from the Assistant Administrator, Agency for International Development, transmitting the 1990 annual report of the Chairman of the Development Coordination Committee, pursuant to section 634 of the Foreign Assistance Act; to the Committee on Foreign Affairs.

3357. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting a report for fiscal years 1990-91 on the Association of Democratic Nations proposed by Pakistan Prime Minister Benazir Bhutto in June 1989; to the Committee on Foreign Affairs.

3358. A letter from the Chairman, National Endowment for the Arts, transmitting the semiannual report of the Inspector General for the period October 1, 1989 through March 31, 1990, pursuant to Public Law 95-452, section 8E(h)(2) (102 Stat. 2525); to the Committee on Government Operations.

3359. A letter from the Executive Director, Neighborhood Reinvestment Corporation, transmitting a copy of the annual report in compliance with the Government

in the Sunshine Act during the calendar year 1989, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

3360. A letter from the Chairman, Securities and Exchange Commission, transmitting the semiannual report of the Inspector General for the period October 1, 1989 through March 31, 1990, pursuant to Public Law 95-452, section 8E(h)(2) (102 Stat. 2525); to the Committee on Government Operations.

3361. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3362. A letter from the Acting Assistant Attorney General for Legislative Affairs, transmitting a draft of proposed legislation entitled "The Orderly Phase-Out of Parole Act of 1990"; to the Committee on the Judiciary.

3363. A letter from the Chairman, Council on Environmental Quality, transmitting a draft of proposed legislation to establish a Presidential awards program, administered by the Council on Environmental Quality, to recognize and stimulate excellence in environmental education in grades Kindergarten through 12; to the Committee on Merchant Marine and Fisheries.

3364. A letter from the Director, Council on Environmental Quality, transmitting the 20th annual report of the Council on Environmental Quality, pursuant to 42 U.S.C. 4341, 4344; to the Committee on Merchant Marine and Fisheries.

3365. A letter from the Administrator, General Services Administration, transmitting an informational copy of a report of building project survey which proposes Federal construction of a Federal building-courthouse in northwest Indiana, pursuant to 40 U.S.C. 606(a); to the Committee on Public Works and Transportation.

3366. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting notice that effective April 22, 1990, the Department designated the Republic of the Philippines as a danger pay location, pursuant to 5 U.S.C. 5928; jointly, to the Committees on Foreign Affairs and Post Office and Civil Service.

3367. A letter from the Comptroller General, General Accounting Office, transmitting a report entitled, "Nuclear Waste: Fifth Annual Report on DOE's Nuclear Waste Program" (GAO/RCED-90-65), pursuant to 42 U.S.C. 10101; jointly, to the Committees on Government Operations, Energy and Commerce, and Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4450. A bill to improve management of the coastal zone and enhance environmental protection of coastal zone resources, by reauthorizing and amending the Coastal Zone Management Act of 1972, and for other purposes (Rept. 10-535). Referred to the Committee of the Whole House on the State of the Union.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X the following action was taken by the Speaker:

H.R. 4329. Referral to the Committee on the Judiciary extended for a period ending not later than June 14, 1990.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT:

H.R. 4998. A bill to amend title 10, United States Code, to terminate the use by the Department of Defense of expired appropriations; to the Committee on Armed Services.

By Mr. LAFALCE:

H.R. 4999. A bill to amend the Small Business Act to provide management and technical assistance to small businesses, and for other purposes; jointly, to the Committees on Small Business and Foreign Affairs.

By Mr. RICHARDSON:

H.R. 5000. A bill regarding the establishment of a United States-Mexico Trade Area; to the Committee on Ways and Means.

By Mr. SMITH of Florida (for himself, Mr. GILMAN, and Mr. LANTOS):

H.J. Res. 592. Joint resolution to prohibit the proposed sale to Saudi Arabia of modifications and systems integration of AWACS E-3 and tanker KE-5 aircraft; to the Committee on Foreign Affairs.

H.J. Res. 593. Joint resolution to prohibit the proposed sale to Saudi Arabia of M88AI Recovery Vehicles; to the Committee on Foreign Affairs.

H.J. Res. 594. Joint resolution to prohibit the proposed sale to Saudi Arabia of defense articles and defense services to modernize the Saudi Arabian National Guard; to the Committee on Foreign Affairs.

By Mr. YOUNG of Alaska (for himself and Mr. RANGEL):

H.J. Res. 595. Joint resolution to designate October 20 through 28, 1990, as "National Red Ribbon Week for a Drug-Free America;" to the Committee on Post Office and Civil Service.

By Mr. GONZALEZ:

H. Res. 411. Resolution requesting the President to furnish certain information to the House of Representatives on the United States' invasion of Panama in December 1989, and related matters; jointly, to the Committees on Foreign Affairs and Intelligence (Permanent Select).

MEMORIALS

Under clause 4 of rule XXII,

431. The SPEAKER presented a memorial of the Legislature of the State of Hawaii, relative to enforcing the Hawaiian Homes Commission Act in Federal courts; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. STALLINGS introduced a bill (H.R. 5001) for the relief of Norman R. Ricks, which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 214: Mr. TALLON.

H.R. 220: Mr. EVANS.

H.R. 857: Mr. LEWIS of Georgia.

H.R. 1180: Mr. MINETA.

H.R. 1875: Mr. WOLPE, Mr. LEATH of Texas, Mr. SCHUETTE, and Mr. UPTON.

H.R. 2121: Mr. HUNTER, Mr. PALLONE, Mrs. BYRON, Mr. PURSELL, Mr. RANGEL, Mr. STAGGERS, Mr. GONZALEZ, Mrs. SMITH of Nebraska, Mr. MFUME, and Mr. SHARP.

H.R. 2268: Mr. EVANS.

H.R. 2353: Mr. VALENTINE, Mr. WASHINGTON, Mr. BOUCHER, and Mr. HOAGLAND.

H.R. 2972: Mr. MANTON and Mr. LANCASTER.

H.R. 3240: Mr. LEVIN of Michigan, Mr. SYNAR, and Mr. GILMAN.

H.R. 3599: Mr. SMITH of Florida, Mr. COLEMAN of Texas, Mr. DELAY, Mr. SWIFT, Mr. GONZALEZ, Mr. BILBRAY, Mr. STEARNS, Mr. WILSON, and Mr. MILLER of Washington.

H.R. 3859: Mr. RICHARDSON.

H.R. 3864: Mr. UDALL.

H.R. 3914: Mr. SPRATT, Mr. MCCANDLESS, Mr. KENNEDY, and Mr. SAWYER.

H.R. 3925: Mr. PAYNE of New Jersey, Mr. WILSON, and Mr. WISE.

H.R. 4181: Mr. APPLEGATE, Mr. CARDIN, Mr. CLEMENT, Mrs. COLLINS, Mr. DEWINE, Mr. FEIGHAN, Mr. FIELDS, Mr. FORD of Tennessee, Mr. JONES of Georgia, Ms. KAPTUR, Mr. LEATH of Texas, Mr. MCEWEN, Mr. MARLENEE, Mr. MILLER of Ohio, Mrs. MORELLA, Ms. OAKAR, Mr. PEASE, Mr. REGULA, Mr. ROGERS, Mr. STAGGERS, Mr. TANNER, Mr. TOWNS, Mr. WALSH, and Mr. WASHINGTON.

H.R. 4247: Mr. SOLOMON and Mr. COYNE.

H.R. 4297: Mr. LIPINSKI, Mr. JAMES, Mr. MORRISON of Washington, Mr. LAGOMARSINO, Mr. SMITH of New Jersey, Mr. VALENTINE, and Mr. LANCASTER.

H.R. 4334: Mr. EVANS, Mr. BUSTAMANTE, and Mr. BRUCE.

H.R. 4369: Mr. RAVENEL.

H.R. 4492: Mr. BARNARD, Ms. MOLINARI, Mrs. PATTERSON, Mr. HARRIS, and Mr. CARDIN.

H.R. 4499: Mr. SKEEN, Mr. SHAW, Mr. HUGHES, and Mr. ECKART.

H.R. 4608: Mr. BUSTAMANTE and Mr. HOUGHTON.

H.R. 4684: Mr. RANGEL.

H.R. 4703: Mr. DAVIS, Mr. YOUNG of Alaska, Mr. PICKETT, Mr. BROOKS, and Mr. THOMAS A. LUKEN.

H.R. 4761: Mr. FRENZEL.

H.R. 4854: Mr. TRAFICANT, Mr. ROE, and Mr. SCHIFF.

H.R. 4855: Mr. STOKES, Mr. DEFAZIO, and Mr. BATES.

H.R. 4856: Mr. STOKES, Mr. DEFAZIO, and Mr. BATES.

H.R. 4916: Mr. WALSH and Mrs. JOHNSON of Connecticut.

H.R. 4990: Mr. ROTH, Mr. FORD of Michigan, Mr. BEVILL, Mr. MCCURDY, and Mr. KOSTMAYER.

H.J. Res. 127: Mr. STALLINGS.

H.J. Res. 374: Mr. RAY, Mr. THOMAS of Georgia, and Mr. DARDEN.

H.J. Res. 439: Mr. COSTELLO, Mr. JONES of Georgia, Mr. DYSON, Mr. DE LUGO, Mr. OLIN, Mr. DORGAN of North Dakota, Mr. CHANDLER, Mr. GEKAS, Ms. SLAUGHTER of New York, Mr. KOSTMAYER, Mr. HYDE, and Mr. MONTGOMERY.

H.J. Res. 507: Ms. KAPTUR, Mr. NELSON of Florida, Mr. FROST, Mr. SMITH of New Jersey, and Mr. RHODES.

H.J. Res. 519: Mr. BUSTAMANTE, Mr. KENNEDY, Mr. THOMAS A. LUKEN, and Mr. SYNAR.

H.J. Res. 554: Mr. FROST, Ms. KAPTUR, Mrs. MARTIN of Illinois, Mr. DARDEN, Mr. DEWINE, Mr. DYSON, Mr. BROWDER, Mr. HALL of Ohio, Mr. ROBINSON, Mr. GINGRICH, Mr. JONES of North Carolina, Mr. TAUKE, Mr. KASICH, Mr. BATEMAN, Mr. KASTENMEIER, Mr. ERDREICH, and Mr. MARTINEZ.

H. Con. Res. 91: Mr. CRAIG.

H. Res. 342: Mr. MADIGAN.

PETITIONS, ETC.

Under clause 1 of rule XXII,

186. The SPEAKER presented a petition of Mr. A.M. Leventis, Nigeria, relative to foreign trade; which was referred to the Committee on the Judiciary.

SENATE—*Monday, June 11, 1990*

The Senate met at 1 p.m., and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. The prayer will be led by the Reverend Richard C. Halverson, Chaplain of the U.S. Senate.

Dr. Halverson.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

The prayer today is a Psalm of praise to God.—Psalm 33:1-12:

"Rejoice in the Lord, O ye righteous: for praise is comely for the upright. Praise the Lord with the harp: Sing unto Him with the psaltery and an instrument of ten strings. Sing unto Him a new song; play skillfully with a loud noise. For the word of the Lord is right; and all His works are done in truth. He loveth righteousness and judgement: the earth is full of the goodness of the Lord. By the word of the Lord were the Heavens made; and all the host of them by the breath of His mouth. He gathereth the waters of the sea together as a heap: He layeth up the depth in storehouses. let all the earth fear the Lord: let all the inhabitants of the world stand in awe of Him. For He spake, and it was done; He commanded, and it stood fast. The Lord bringeth the counsel of the heathen to nought: He maketh the devices of the people of none effect. The counsel of the Lord standeth for ever, the thoughts of His heart to all generations. Blessed is the nation whose God is the Lord; and the people whom he hath chosen for His own inheritance." Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The Senate will be in order.

Under the standing order, the majority leader is recognized.

SCHEDULE

Mr. MITCHELL. Mr. President, today, following the time for the two leaders, there will be a period for morning business with Senators permitted to speak therein during the time for morning business.

Senator RIEGLE will be recognized for a period of up to 2 hours.

There will be no rollcall votes today.

AMENDMENTS TO THE BLIND AIR PASSENGERS BILL

Mr. MITCHELL. Mr. President, I ask unanimous consent that first-degree amendments to the blind air passengers bill may be filed until 2 p.m. today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time.

I yield now to the distinguished Republican leader.

The PRESIDENT pro tempore. Without objection, the time of the majority leader is reserved.

RECOGNITION OF THE REPUBLICAN LEADER

The PRESIDENT pro tempore. Under the order, the Republican leader is now recognized.

Mr. DOLE. Mr. President, I would first ask if there is any objection to having the second reading of the proposed constitutional amendment relating to flag desecration.

The PRESIDENT pro tempore. Is there objection?

Would the Republican leader prefer to wait until we reach that period in morning business?

Mr. DOLE. I prefer to do it now, if possible.

The PRESIDENT pro tempore. Very well.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been suggested.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Does the Republican leader wish his time reserved?

Mr. DOLE. I would like to use my time now.

I again ask if we could not have the second reading of the constitutional amendment relating to the Flag Desecration Act rather than at the end of the day.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Without objection, the time of the distinguished Republican leader is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. There will now be a period for the transaction of morning business.

CALENDAR OF BILLS AND JOINT RESOLUTIONS READ THE FIRST TIME

The PRESIDENT pro tempore. The Calendar of Bills and Joint Resolutions read the first time will be transacted.

The clerk will read the first item.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 332) proposing an amendment to the Constitution of the United States authorizing the Congress and the States to prohibit the physical desecration of the flag of the United States.

The PRESIDENT pro tempore. Is there objection to further proceedings?

Mr. DOLE. Mr. President, I object.

The PRESIDENT pro tempore. Objection is heard. Under rule XIV, the measure will now appear on the calendar as the next pending measure.

The clerk will read for the second time the next item on the Calendar of Bills and Joint Resolutions.

The legislative clerk read as follows:

An act (H.R. 2690) to amend title XVII, United States Code, to provide certain rights of attribution and integrity to authors of works of visual art.

The PRESIDENT pro tempore. Is there objection to further proceedings?

Mr. DOLE. Mr. President, I object.

The PRESIDENT pro tempore. There being an objection, the measure will go over and appear on the calendar under rule XIV.

RECOGNITION OF THE REPUBLICAN LEADER

The PRESIDENT pro tempore. The Republican leader is recognized under the order.

FLAG AMENDMENT

Mr. DOLE. Mr. President, the verdict is finally in: The so-called Flag Protection Act of 1989 has received an "F." It has completely flunked the constitutionality test.

Despite its great-sounding name, the act has not protected a single flag, not one. And today, we know that the act will never, ever protect Old Glory,

having been tossed into the legal junkheap by the Supreme Court.

Last year, the Senate turned a deaf ear to myself and to my colleagues, Senators HATCH and GRASSLEY, who pointed out that the Flag Protection Act could never work. We pointed out that there was one way—and one way only—to overturn a Supreme Court decision on a constitutional issue—and that is with a constitutional amendment.

More importantly—and more regrettably—the Senate turned a deaf ear to the overwhelming majority of Americans who believe—and continue to believe—that Old Glory deserves one type of protection only—constitutional protection.

According to a recent Gallup poll commissioned by the American Legion, an overwhelming 71 percent of all Americans favor a "narrow constitutional amendment that would allow Federal and State governments to make flag-burning illegal." The poll results also show that 73 percent of the American people do not believe that a constitutional amendment would place our freedom of speech in jeopardy.

That is the American people speaking. Not the constitutional scholars who thought the Flag Protection Act would pass constitutional muster—not the academics, not the lawyers, but the American people.

The last month Senators HEFLIN and THURMOND joined me in introducing the very same constitutional amendment the Senate considered last year. It only has 20 words in it.

I ask unanimous consent that it be placed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The Congress and the States shall have power to prohibit the physical desecration of the Flag of the United States.

Mr. DOLE. The amendment has been endorsed by the Justice Department. It has been endorsed by most of the major veterans organizations, and most importantly, it has been endorsed by the President of the United States.

The amendment is now on the Senate calendar and ready for action.

So my friends and distinguished colleagues, I hope, as I have indicated upstairs in a press conference, we might take it up this week. It just happens Flag Day is this week. It is on June 14. It would seem to me that it would be a very appropriate time and a befitting time to debate the constitutional amendment on protection of the American flag.

We have had Flag Day since 1915. It was brought up during the Wilson administration. It has been celebrated each year since that time. There is great reverence for the flag. It is a unique symbol in America. We debated the amendment. We have had hearings on the amendment, and the amendment has already received the support of the majority of the Senate.

So it is not that we have to go back and reinvent the wheel. Fifty-one Senators, to be exact, were cosponsors. We hope to have those and others who now endorse the amendment, since the statute has been declared unconstitutional.

There are bound to be some in the Senate who will claim that a flag amendment will chisel away at our precious first amendment freedoms. To the naysayers I simply say this: reread the Flag Protection Act that was passed last year.

In an effort to achieve something called content neutrality, which this Senator never understood, the statute became broader—and this point I failed to make earlier—than the constitutional amendment.

Unlike the amendment, the statute covers intentional as well as unintentional conduct and public as well as private conduct. I tried to make that point on the floor. It covers contemptuous as well as uncontemptuous conduct.

Where was the first amendment last October when we had all the debate on the statute, because the statute is broader than the amendment we are offering today. So those who suggest that for some reason we are chisling away at our precious first amendment freedoms, I say look at the statute you voted for.

Mr. President, last year the editorials of Reader's Digest published a piece entitled "The Banner Yet Waves." The words contained in this piece are far better than any words I can offer you today. I quote:

While Americans know that behind this rectangle of cloth there is blood and great sacrifice, there is also behind it an idea that redefines once and forever the meaning of hope and freedom. Lawyers and justices may debate the act of flag burning as freedom of expression. But a larger point is inarguable: When someone dishonors or desecrates the banner, it deeply offends, because the flag says all that needs to be said about things worth preserving, loving, defending, dying for.

Mr. President, I said earlier in a press conference that I happened to be out at Arlington Cemetery on Memorial Day and a stranger said, "Why do you not bring the flagburners out here? Maybe they would get the message, if they were here on Memorial Day." I noted at each marker there was an American flag. I watched the change of the guard and stayed there for a couple of hours and noticed all the different organizations involved in placing wreaths at the Tomb of the Unknown Soldier and sort of watched the people from all over America, from all walks of life, rich, poor, black, white, brown, whatever, from all over America there on Memorial Day, and the centerpiece is the American flag.

Mr. President, that is what the flag debate has been all about. That is what the flag debate will continue to be about, and that is why we need a constitutional amendment. The American people demand no less, and we will hear all these constitutional experts in the U.S. Senate and others who tell us that we are all wrong and that we cannot do this or that. And they may have reasons for it. But, in my view, we have had that debate, we have had the hearings, and we are ready to take up a constitutional amendment.

I believe that the Senator from Alabama, the Senator from South Carolina, and others will address more specifics of the amendment.

I ask unanimous consent at this time that a "Dear Colleague" letter sent last week by myself and Senator HEFLIN be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, June 6, 1990.

DEAR COLLEAGUE: Last month, the Supreme Court heard oral argument in *United States* v. *Eichman* and *United States* v. *Haggerty*, the two cases involving a challenge to the constitutionality of the Flag Protection Act of 1989. The Supreme Court will settle the constitutional issues once and for all when it issues its written opinion, probably sometime in late June or early July.

If the Court does, in fact, affirm the two lower court decisions and declare the Flag Protection Act to be unconstitutional, it is our hope that the Senate would soon consider the constitutional amendment proposed by S.J. Res. 332.

S.J. Res. 332 is identical to S.J. Res. 180, which we introduced last year in response to the *Texas* v. *Johnson* decision. Like S.J. Res. 180, S.J. Res. 332 would establish a constitutional amendment allowing—but not requiring—Congress and the States to pass laws prohibiting the physical desecration of the Flag of the United States. As a practical matter, an amendment would simply validate the flag desecration statutes that are already on the books. It would not, as some critics suggest, result in an avalanche of new, and more onerous, State and Federal flag desecration statutes.

The text of S.J. Res. 332 has been endorsed by the Justice Department, by numerous academics, by most of the major veterans' groups, and by countless other concerned Americans. It has also been the subject of extensive hearings before the judiciary Committee and the subject of considerable debate on the Senate floor. Most importantly, the text of S.J. Res. 32 received the endorsement of a majority of the Senate last year—51 Senators, to be exact, both Democrat and Republican.

Furthermore, many of those who voted against the constitutional amendment last year indicated that they would support the amendment if the Supreme Court were ever to strike down the Flag Protection Act.

Popular support for a constitutional amendment remains as strong as ever. According to a recent Gallup Poll commissioned by the American Legion, an over-

whelming 71 percent of all Americans favor a "narrow constitutional amendment that would allow federal and state governments to make flag-burning illegal." The poll results also show that 73 percent of the American people do not believe that a constitutional amendment would place our freedom of speech in jeopardy."

If you would like to co-sponsor S.J. Res. 332, please contact Dennis Shea of Senator Dole's staff at 224-3135 or Matt Pappas of Sen. Heflin's staff at 224-4022.

We have attached a copy of the text of S.J. Res. 332 for your review.

Sincerely,

BOB DOLE.
HOWELL HEFLIN.

Mr. DOLE. Also, I say this in response to Jennifer Campbell, who was one of the defendants in the flag-burning statute case. She says:

I feel great, for all the people told me protesting did not do anything. I have just proved them wrong. For once the system may have worked.

Well, that is a strange way the system may have worked. The court had no choice but to strike down this unconstitutional statute. I will place my money on the young men and women who serve in America's armed services, and the rest can place their money on the Jennifer Campbells and the others who were involved in this latest flag desecration case.

I hope we can have a nonpartisan, bipartisan approval of the constitutional amendment, do it very quickly and get it out to the States. It is a long process. Two-thirds vote, plus 38 States. That is the way we should amend the Constitution. I would appreciate it if the majority leader could schedule it at the earliest possible time.

Mr. MITCHELL addressed the Chair.

The PRESIDENT pro tempore. The majority is recognized.

FLAG DESECRATION

Mr. MITCHELL. Mr. President, since becoming majority leader, I have made it a practice to consult with the distinguished Republican leader prior to making any scheduling decision, and I will, of course, do so in this instance; and I will consult with the other members of the leadership on both sides, and interested Senators. I will also, of course, consult with the House leadership. There will be ample time for debate on this issue.

But I want to respond just briefly to one of the statements made by the distinguished Republican leader in his comments, in which he sought to suggest—indeed did suggest—that those who disagree with him on this issue are, in his words, putting their money on Jennifer Campbell, the flag burner, in opposition to men and women who serve in the military. That is a most unfortunate and erroneous suggestion.

I deeply and strongly condemn the burning of the flag. I believe that every Member of the U.S. Senate shares that view. I deeply respect the men and women who serve in our Armed Forces. I was one of them. I was proud to serve. But no useful purpose is served, other than to gain temporary tactical advantage, to suggest that disagreement on the issue of a constitutional amendment involves choice between those who burn the flag and those in the armed services.

I believe that it demeans those who, on principle, oppose such an amendment, because it would be the first time in the history of our country that the Bill of Rights has been amended. To suggest such a choice is being made is erroneous; no such choice is before the Senate or the House or the country. No such choice need be made or will be made.

The question before us is whether or not after 200 years, the American Bill of Rights, the most concise, the most eloquent, the most effective statement of individual liberty in all of human history, is to be changed for the first time. We can debate that issue vigorously and well, without suggesting for a moment that the Senate is choosing between Jennifer Campbell and the men and women in our military services.

Mr. President, I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDENT pro tempore. The Chair would seek the advice of the majority leader. There are two orders, one which provides for morning business with Senators permitted to speak therein; the other which provides that Mr. RIEGLE, the Senator from Michigan, be recognized for not to exceed 2 hours. The Chair would appreciate some guidance, not seeing Mr. RIEGLE on the floor.

Mr. MITCHELL. Mr. President, it had been my understanding that Senator RIEGLE was not able to be present until sometime later. Evidently, there has been a change in plans, so I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I ask unanimous consent that Senator THURMOND be recognized to address the Senate for 4 minutes, in morning business; upon the completion of his remarks, Senator LEAHY be recognized to address the Senate for 20 minutes; and then Senator RIEGLE be recognized as under the previous order.

The PRESIDENT pro tempore. Until the first 2 hours have run?

Mr. MITCHELL. Or until such time as he yields the floor.

The PRESIDENT pro tempore. Not to exceed 2 hours.

Mr. MITCHELL. That is correct.

The PRESIDENT pro tempore. The Chair thanks the majority leader.

Without objection, it is so ordered.

Under the order, Mr. THURMOND is recognized for not to exceed 4 minutes.

Mr. THURMOND. Thank you very much. I thank the able Senator from Vermont and the able Senator from Michigan for their courtesy.

RESPONSE TO UNITED STATES VERSUS EICHMAN DECLARING THE FLAG PROTECTION ACT UNCONSTITUTIONAL

Mr. THURMOND. Mr. President, as many of us now know, this morning the Supreme Court in United States versus Eichman, ruled the Flag Protection Act unconstitutional.

I stated previously that it was highly unlikely that our statute could survive constitutional scrutiny.

I firmly believe it is now incumbent upon the Congress to act swiftly and pass a proposed constitutional amendment to prohibit the physical desecration of the American flag.

Last October, the Senate voted 51 to 48 in support of a proposed amendment. We were only 16 votes short of the necessary two-thirds for adoption in the Senate.

Two weeks ago, I joined with the distinguished minority leader, Senator DOLE and Senator HEFLIN to reintroduce the proposed constitutional amendment. This is the same language recommended by the President and embodied in Senate Joint Resolution 180 which was supported by a majority of the Senate last October.

Mr. President, while the Flag Protection Act was being considered on the Senate floor, there were a significant number of Senators who indicated they would support a proposed amendment if the statute were ruled unconstitutional. It is my belief that we can pick up the needed 16 votes to ensure passage of our proposal to protect the most poignant symbol of our democracy, the American flag.

The results of a recent Gallup poll, conducted April 11 through May 2 found that 71 percent of the American people favor "a narrow constitutional amendment that would allow Federal and State governments to make flag burning illegal."

As I have stated before, Old Glory has earned the respect and admiration of freedom loving people all over the world. The American flag embodies our commitment to democratic values of freedom and equality. It is readily apparent that an overwhelming majority of the American people want to

protect the flag from physical desecration. In fact, 48 of the 50 States have passed laws to make criminal the burning of the American flag.

Mr. President, there is no need to conduct further hearings in the Congress on this issue. The House Judiciary Committee held hearings on this issue last year and the Senate Judiciary Committee held four hearings as well. We have heard from our Nation's top constitutional scholars, representatives from most veterans' groups, private citizens, and others on this important issue.

The Members of the Senate should know by now where they stand on this issue. The American people through their State legislatures deserve an opportunity to be heard on ratification of a constitutional amendment to protect our most cherished symbol of American ideals.

I encourage the majority leader to expeditiously have our proposed amendment considered on the Senate floor. It is my understanding that the House has reached agreement to consider a proposed consitutional amendment within 30 days of the Supreme Court's decision. I see no good reason to prevent the Congress from deciding on this issue within a month's time.

In closing, I urge my colleagues to join in support of our proposed amendment, Senate Joint Resolution 332, and send it to the States for ratification.

Mr. President, I yield the floor.

The PRESIDENT pro tempore. Under the order, Mr. LEAHY is recognized for not to exceed 20 minutes.

Mr. LEAHY. I thank the Chair.

Mr. President, I also thank the majority leader, the distinguished Senator from South Carolina, and the distinguished Senator from Michigan, who helped arrange the time.

THE FLAG BURNING DEBATE

Mr. LEAHY. Mr. President, just briefly on the flag decision, and I will be speaking more about this as time goes on, there have been some suggestions that we ought to amend the Bill of Rights by Flag Day, which happens to occur this week.

I suggest that this is the fast food school of constitutional amendments. For 200 years, we have not amended the Bill of Rights. We have not found Civil wars, World Wars, Presidential assassinations and resignations, the expansion of our Nation, the slavery question, the addition of new States, none of those things, important enough to amend the Bill of Rights.

We should ask ourselves if we are now about to rush pellmell to amend the Bill of Rights because of a publicity seeker who burned the flag for a TV camera in time to get on the evening news.

I also suggest that the American people listen very carefully to the speeches, because there is a valid debate to be had on this issue. But they should understand what the distinguished Senator from Maine, Majority Leader MITCHELL said. There is not a single Senator in this body who approves of the burning of our flag. There is not a single Senator, Republican or Democrat, who is not a true patriot. They could not serve in this body, they would not want to serve in this body, if they were not a true patriot.

But I would also suggest, Mr. President, that there will be a lot of people in this country who will say, "Let us have this amendment." This is a major debate in this country. We have had now three or four people in the last year, out of this country of 255 million Americans, who have gone out to seek television cameras, to burn a flag in front of them.

Somehow, we must stop everything we are doing in this country to debate the first amendment in 200 years of the Bill of Rights because of that. Some will do that, would rather we debated that than debate the fact that we have a national debt that has mortgaged our children and our children's children.

Some would rather we debated that than to debate the fact that the United States is falling behind Japan and Europe in our competitiveness and in our innovation. Some would rather debate that than the fact that the United States has fallen behind in its schools, its health care, its housing, so that we do not have the preeminence that we had even a generation ago in the world.

Some would rather debate the symbols than the reality of where the United States might be at the turn of the new century.

Mr. President, the flag is a very valued, hallowed, and honored symbol of our Nation. But I, for one Senator, would rather debate those issues that make us great as a nation so that when I look at that symbol flying over the Capitol, or flying over my own home in Vermont, I can say, that flag is a symbol that stands for a great Nation, the preeminent Nation in the democratic world, the preeminent Nation on the globe.

Mr. President, if we do not start debating the fiscal condition of this country, if we do not start debating the fact we are no longer competitive and innovative enough to keep up with the Japanese and Europeans, and others, if we do not start debating those issues, then what does that symbol stand for?

I grew up in a generation where my parents told me that each generation has an obligation to make the Nation better for the next generation, and on and on. We have lost sight of that in the United States. Instead, we debate symbolic gestures and not reality. Symbolism is often easier than reality, but I would rather give to my children—and eventually to their children—reality, not symbolism.

Symbolism did not make this country great, reality did; sacrifice did; the fact that we would always step out and do more than other nations. So we all in the Senate revere the flag. Let us not use a debate on amending the Bill of Rights for the first time in 200 years as an excuse—in the Congress or in the White House, or anywhere else in this country—to step away from the real challenges facing America.

NEW DIRECTIONS IN U.S. FOREIGN AID POLICY

Mr. LEAHY. Mr. President, from the triumph of Solidarity in Poland, to victory by democratic parties in elections in East Germany, we are witnessing a victory of democracy—and a renunciation of Communist rule.

We have seen the liberation of Panama from the Noriega dictatorship, free elections in Nicaragua, Chile, and Namibia.

We are transfixed by the magnitude of these events. But what is the role of the United States in a world that bears no resemblance to the world of a year ago?

I believe the President of the United States has before him the greatest opportunity in decades to nurture the growth of democracy and build the framework of a lasting peace. If he responds with vision and imagination, he will have the support of Democrats and Republicans alike.

For a new bipartisan approach to work, we have to recognize that the cold war can no longer be the justification for foreign aid. It is time to begin adopting new directions and policies based upon the realities of today—and not the fears of yesterday.

In preparing this year's foreign aid bill we in Congress face a hard choice. We cannot do all that the President asks in his foreign aid budget request and at the same time respond to the changed world that has emerged in the last year. We must decide whether we wish to put more resources into foreign aid to satisfy the President's priorities while meeting vastly expanding demands, or whether we must reorder the President's declared priorities. Hard budget realities preclude significant increases in foreign aid. Substantial readjustment seems inevitable.

Foreign aid has become a front page topic. This has stimulated a good deal of debate about how we should reshape our foreign aid progress. I welcome this dialog and I would like to make a contribution to it today. My view is that we need to change our for-

eign aid priorities. As chairman of the Foreign Operations Subcommittee, I would like to outline for my colleagues some views about where we might begin to go with the fiscal 1991 foreign aid bill.

Obviously, what we can do in the bill will depend heavily on the allocation the Foreign Operations Subcommittee receives under the 302(b) process. But these are some of the goals I hope to pursue, working with my ranking member and good friend, Senator KASTEN, and the members of the subcommittee.

First, our foreign aid must more closely reflect the values and ideals of the American people.

We should end the practice of supporting despots and dictators whose sole virtue is a claim to be anti-Communist. American foreign aid must reflect a country's behavior respecting human rights and its progress in the establishment of democratic institutions. Governments that seek our help must be popularly supported at home. The days of buying allegiance against the evil empire are over.

Human rights and the treatment of the powerless should be a central concern of U.S. foreign aid policy, and not an afterthought carefully constructed so as not to offend governments on the receiving end of American generosity.

A number of us expect to begin discussions with Secretary James Baker on a possible bipartisan approach to El Salvador. I do not want to prejudge those discussions, and I will certainly listen to the views and ideas of Secretary Baker and any of the other participants.

But, neither will I disguise where I stand. Our whole aid program in El Salvador has been a tragic failure. A decade during which we have poured over $5 billion in all forms of aid have failed to reform the Salvadoran oligarchy and its partner, the army. The military is still above the law and nothing we have done alters this basic reality in El Salvador. It is long past time to cut back our military aid and to condition any remaining aid on concrete steps to end the war, to institute genuine civilian control, and to prosecute those responsible for specific human rights abuses.

If the attempt to work out an acceptable bipartisan approach on El Salvador is unsuccessful, I intend to ask the subcommittee to include restrictions and conditions on further military aid to El Salvador in the foreign operations bill linked to human rights, civilian control and peace negotiations.

The administration deserves some credit for applying human rights criteria in certain limited cases. We have cut or restricted aid to some countries, including most recently Haiti, Liberia, Somalia, Sudan, Zaire, and Burma at least in part because of those governments' abysmal human rights records. Whether the administration would have done this without pressure from Congress is an open question, but at least they acted. I call on the administration now to look hard at aid for other countries with serious human rights problems as detailed in the State Department's annual human rights report.

We need to step up to the question of whether countries the State Department characterizes as permitting or tolerating consistent patterns of human rights abuses by security forces should continue receiving unconditional U.S. aid. I realize how difficult a challenge this is for the administration, which has to weigh many factors in its conduct of foreign policy. But we cannot go on turning a blind eye to the behavior of countries who benefit from the generosity of the American people.

Second, we must begin to shift foreign aid funds away from military aid and toward economic development and humanitarian assistance.

The polls show a majority of Americans do not support foreign aid. They are afraid that much of our aid goes into the pockets of the wealthy and powerful, or into useless military weapons. At the same time, Americans are altruistic and want to help those in need abroad. They want their money to meet basic human needs such as medical care, education, food, and jobs for the poor.

The American people have reason to be cynical about foreign aid. Much of it is wasted or unproductive. More than 60 cents of every foreign aid dollar goes to military and security assistance—destined for bureaucracies and armies. Of the $15 billion foreign aid request for fiscal 1991, the administration wants more than $5 billion for direct military aid, a $300 million plus increase over last year.

Perhaps it is unfair to criticize the administration too sharply for not foreseeing the momentous events of the past year—though I would argue some of the trends have been visible for longer than a year. However, whatever the administration's rationale for asking for a large increase in military aid, the level is not justifiable in the present conditions.

That is not the kind of foreign aid Americans will support—certainly not Vermonters.

In that same bill, the administration proposes to reduce development aid to the Third World. It would cut aid to black Africa which is suffering from famine, millions of homeless refugees, economic collapse, huge foreign debt, poverty and misery on an unprecedented scale.

A fraction of the hundreds of millions of dollars in military aid and disguised rent we give to nations for anachronistic bases and access could help alleviate the real threats to global security—overpopulation, illiteracy, disease, environmental degradation, and poverty.

Some examples: With just 10 percent of our military aid—$500 million—we could nearly double our bilateral economic assistance to black Africa, the region of deepest poverty in the world. With just 5 percent of military aid—$250 million—we could finance large scale programs to conserve the world's rain forests, reduce emissions of chlorofluorocarbons, and slow global warming. With only 1 percent of military aid—$50 million—we could more than double the money going into international prevention and control of AIDS, which is rapidly becoming the scourge of Africa and Asia.

I plan to propose to the subcommittee that we cut military assistance in the foreign operations bill. The cut I will propose will be substantial, below last year's appropriated level—not just below the administration's inflated request. I will ask the subcommittee to agree those dollars be shifted to development assistance to the poorest nations and to export promotion programs to strengthen American economic competitiveness abroad.

I also will ask the committee to increase development aid to the impoverished people of sub-Saharan Africa. My goal would be an increase of at least $100 million over the administration request. I will also propose moving not less than $100 million from the requested level for military assistance into worldwide development programs aimed at food production, nutrition, basic education, family planning, health, and child survival.

And, this must be just the beginning of a long-term shift of resources away from waging the cold war to building peace and democracy in the Third World. If support for foreign aid is not to disappear altogether, we must begin now to shape a program that responds to what the American people see as the real needs overseas.

The third principle which should guide our new foreign aid policy is a concentration on responding to global threats to humanity.

It is almost a Washington axiom that programs that make the most sense often get the least money. The administration gives the lowest priorities in every foreign aid bill to the environment, the population explosion, child survival, AIDS, and alleviation of human suffering.

This is no exaggeration. Last year, over the administration's objections, Congress appropriated $65 million to the U.N. Children's Fund, a program aimed at reducing more than 30,000 preventable deaths of children each day in the Third World. The State Department now comes forward with a

20-percent cut for UNICEF this year. Despite the administration's request, I will ask the Foreign Operations Subcommittee to increase the U.S. contribution to UNICEF again this year.

Last year, Senator KASTEN and I increased environmental funding for the Agency for International Development $15 million to help combat global warming. AID objected and is seeking to cut its environment program this year. The administration also seeks to reduce the U.S. contribution to the U.N. Environment Fund despite the $4 million increase we approved last year.

I will again propose adding more money to the environmental programs of AID to support the Leahy-Kasten global warming initiative. Further, I will propose that the subcommittee include whatever funds are necessary for a U.S. contribution to the special fund being established to help poor Third World nations comply with the Montreal protocol requirements to reduce emissions of chlorofluorocarbons.

The administration's refusal to join in setting up this fund to control CFC's is an abysmal failure of leadership which we cannot tolerate. It repeats the tragic pattern of rhetoric over reality which is coming to characterize this administration in far too many fields, especially the international environment. The global warming problem is too urgent to allow special interests to prevent U.S. leadership. We must have action now.

Last year, over strong administration objections, I insisted on a $20 million increase on population control programs that provide contraceptives to the Third World poor. Despite universal recognition of the direct link between population and destruction of the environment, the administration is seeking to cut that program by $26 million in this year's budget.

Not only will my bill restore the administration's proposed cut in family planning, I will ask the subcommittee to increase AID's population control program over last year's $220 million. We must continue the effort begun last year by the Senate Foreign Operations Subcommittee to rachet up the U.S. family planning progam to levels it attained in the mid-1980's under the strong leadership of Senator KASTEN. Senator KASTEN has also declared his strong support for major increases in the population program, and I welcome the chance to work with him on this.

Last year, President Bush unwisely vetoed the foreign aid appropriations bill because Congress voted to contribute to the U.N. Population Fund, while fencing off any of our money from going to China because of concern about coercion in its family planning program. The White House gave in to single issue pressure groups. As I stated in a letter to President Bush earlier this year, if a mutually acceptable compromise cannot be worked out permitting a U.S. contribution to the U.N. Population Fund, I am going to propose a contribution to the UNFPA again in the fiscal 1991 foreign aid bill. The international population crisis is too grave for domestic political interests to block U.S. support for the most effective international population control organization.

Last year, we increased funding to combat AIDS by 8 percent. Most of these funds went to Africa. This year, AID wants to cut funding by 20 percent—despite knowledge that one of every eight adults in Uganda is infected. AIDS is becoming endemic throughout Central Africa, making serious inroads in Asia, and appearing in Central America and the Caribbean. My goal is to raise last year's AIDS program by at least 30 percent.

Whether the money is for efforts to stop the black market trade in endangered species, rain forest destruction, or another environmental initiative in the foreign aid bill, it must be defended against administration attempts to redirect the aid to military assistance.

My hope is that the Senate will agree that every one of these programs will be increased above last year's levels despite administration opposition.

This will begin to meet the demands of Americans who favor aid that feeds, heals, and sustains, and not the weapons trade that destroys, maims, and kills.

The fourth principle is that foreign aid must do much more to strengthen American economic competitiveness abroad.

Foreign aid is not some international charity or welfare program. Properly designed, it can be an investment in new trading partners, growing export markets, and more jobs in our export industries here at home. The foreign aid budget submitted by the administration is a weak response to our strong national interest in promoting American trade and investment overseas. The President gives speeches about the need to help United States businesses export and invest in Eastern Europe. But his budget request slashes funding for the Export-Import Bank, the main engine for assisting U.S. business to compete against officially supported competitors, by nearly $120 million. With four more nations turning to the Western economic system, the President's request for Eastern Europe is the same as what Congress compelled him to accept for Poland and Hungary alone last year.

After investing billions of dollars in Europe through the Marshall plan and NATO to keep democracy alive—at the very inception of its rebirth, we are cutting corners. We're telling these nations that we ran out of money—at the very moment this investment could pay off in big dividends for America's businesses and working men and women.

Our foreign assistance program must be aimed at strengthening U.S. economic involvement in the emerging democracies of Eastern Europe. We are being left behind by Western European and Japanese firms who get direct support from their governments. Working with Senator KASTEN, I will propose to the subcommittee a major Eastern European initiative aimed at strengthening the ability of American business to participate in the opening of this enormous new market as we enter the 21st century.

I will also propose increasing funding for the Export-Import Bank by $100 to $150 million so that U.S. businessmen and women can compete on a more level playing field with their Japanese and West European competitors who are coming to the table with government-backed offers.

Our aid should likewise help American businesses compete against these subsidized nations that are taking these markets away from us in Africa, Asia, and Latin America. These countries want contracts signed on the dotted line with prospective trading partners as a condition of foreign aid assistance. The foreign aid bill can give American business more tools to combat predatory financing, tied aid, and mixed credits.

If we are to compete for markets and American jobs, it is a time for boldness. To compete with Japan and Western European interests, we have to back our commercial interests as effectively as the countries that are in competition for these markets.

Fifth, the President and Congress must rebuild mutual trust and cooperation in our foreign aid programs.

In the wake of Vietnam, Watergate, Iran-Contra, and other abuses of power by Presidents, foreign aid, like American foreign policy generally, has been saddled with a legacy of mistrust and suspicion of the executive branch. Congress has, frankly, engaged in the details of foreign aid programs because it has no confidence in the good faith of the executive branch in executing our intentions in providing funds. Presidents have long complained about what they call micromanagment of foreign affairs, including foreign aid programs, but congressional involvement in the nuts and bolts is a symptom, not a cause of the mistrust and lack of cooperation.

The principal congressional device for ensuring that its own priorities are met in appropriating foreign aid funds is earmarking the allocation of money to specific programs or recipient countries.

Congress' priorities, by and large, have rather closely paralleled those of the executive branch. Earmarking has

only become a serious bone of contention in the last 2 or 3 years as resources for foreign aid have declined in real terms. Earmarking has increasingly left insufficient foreign aid money free for the President to cover what he regards as priority programs and countries not included in congressional earmarks.

Presidents of both parties have complained about earmarks. To the White House, regardless of which party controls it, earmarks are an unwarranted congressional encroachment on the constitutional prerogatives of the President to conduct foreign affairs. But to us in Congress, especially those in the two Appropriations Committees who write the bills that actually provide the dollars to the President to spend, earmarks are an indispensable and legitimate instrument for carrying out our constitutional responsibilities to determine how the public moneys will be spent.

We are not going to appropriate $15 or $16 billion in foreign aid money to the President, no strings attached, and simply ask earmarking or some other name, specific allocation by Congress to programs or countries of a large portion of foreign aid will continue. This is how we determine priorities. It is Congress' main lever for influencing foreign policy.

Important questions have been raised about whether we should not shave earmarks in certain categories of countries, or cut earmarks by a set percentage across the board. My own view is that each earmarked country must be considered on its own merits. If the funding request is justified and Congress wishes to give it priority through earmarking, then we should earmark. If changed circumstances indicates that previously requested or earmarked levels are no longer justifiable, they should be changed.

I have some specific ideas about adjustments that need to be made in some earmarks, which I will discuss with Senator KASTEN and other subcommittee members, as well as other key congressional leaders. We will be discussing the question of earmarks with the Administration as well. I plan to speak in more detail about earmarking in a later floor statement.

The President has a legitimate argument that, as the chief executor of foreign policy, he needs more flexibility in using foreign aid as a tool of American foreign policy. He needs a greater capacity to respond to specific international events and changed circumstances.

As one Senator, I have offered directly to President Bush and Secretary Baker, and I renew this offer today, to work with them to see if a way can be found to provide the President with greater flexibility in foreign aid—without undermining Congress' power of the purse. Right now, there are only three ways for the President to have flexibility in foreign aid.

We can reduce the level of earmarking. I have already indicated that while some changes in earmarking reflecting transformation of the international security situation, earmarking is an essential tool Congress is not going to surrender.

The President can reprogram funds from one activity to another. This creates bureaucratic havoc, is replete with redtape, slow and cumbersome. The President should have a better response capability than this for special situations.

The other is for the President to use his authority under section 614(a) of the Foreign Assistance Act to waive earmarks and reallocate funds. Presidents wisely have been reluctant to overuse this authority because they know tampering with earmarks will eventually lead to removal of this authority. It is the atom bomb of foreign aid.

One idea which has occurred to me is to establish a foreign aid contingency fund of a carefully limited size under the control of the President subject to the normal congressional notification process. Such a fund would give the President greater flexibility to meet unforeseen situations or changed circumstances while retaining for Congress the right to object if we disagreed with his intentions. The funds could not be spent over our objections. But, the President would not have to reprogram from other priorities or resort to section 614(a).

There are practical and political problems to this approach. Some might wonder why a Democrat would broach such an idea in a Republican administration. My answer is that, regardless of the party in the White House, the fundamental changes sweeping the world make it vital to restore bipartisanship in foreign affairs, and to rebuild executive-legislative cooperation so that we can more effectively pursue shared international goals.

I am ready to discuss this or any other idea the President may want to explore, and to see if the members of the Foreign Operations Subcommittee would be prepared to support some mutually acceptable approach.

The American people, under great bipartisan leadership, have invested heavily for years to keep the spirit of democracy from fading in Eastern Europe and throughout the free world.

But after decades of relying on superior military power and a web of global alliances to ensure our national security, we don't appear ready to capitalize on the success of this strategy.

There are advantages to be taken at every point in history. Our challenge is to support the sweeping reemergence of democracies throughout the world, and bond that friendship in agreements and contracts for our mutual prosperity.

It would be a sad irony if our Nation, resolute in defense, firm and unflinching with adversaries for all these years, failed to recognize the peace we all have been working for—and lost the opportunity to profit from it.

AMERICAN POLICY TOWARD CAMBODIA

Mr. MITCHELL. Mr. President, following the close of the United States-Soviet summit, we are reminded how many significant changes have occurred in the world in the past few years. We are also reminded that not all of America's policies have adapted to these changes in the international environment.

Regional conflicts, a recurrent theme of discussion in United States-Soviet relations, continue across the globe. Some, as in Nicaragua and Namibia, have been peacefully resolved. New conflicts threaten to break out, as between India and Pakistan. Others, such as Afghanistan and Angola, simply continue on.

To some extent, these continuing conflicts reflect the legacy of the past, a cold war, zero-sum battle of proxy forces and puppet governments. For external powers fueling such conflicts, there appears to be a lack of courage and commitment to reexamining the basis of their policies and creatively addressing the need for a peaceful solution. Nowhere is this more obvious and tragic than in the case of American policy toward Cambodia.

The Bush administration's Cambodia policy, to the extent that a thorough and conscious policy can be said to exist, has been shaped by several factors:

The legacy of bitterness and misunderstanding from earlier American involvement in Southeast Asia; the Bush administration's hesitation to confront China or cooperate with the Soviet Union in the search for peace in Cambodia; and the administration's unwillingness to act unless immediate positive results are guaranteed.

For over a decade, United States policy toward Cambodia has been seen through the prism of the superpower conflict. Because the Soviets backed the Vietnamese who invaded Cambodia, the United States automatically joined with the Association of South Asian Nations [ASEAN] and China to counter Soviet expansionism—even if it meant de facto support for the genocidal communist rebels known as the Khmer Rouge. The United States reflexively supported a policy that could produce an outcome far worse than the problem it purported to address.

The Bush administration has thoughtlessly continued this policy,

despite changes both in Southeast Asia and in superpower relations. Those changes have destroyed the only rationale used to justify that policy. The President has failed to reexamine United States interests in this conflict, failed to disentangle our policy from that of China for fear of upsetting Beijing. The Bush administration continues its policy in Cambodia despite overwhelming evidence of the dangerous result it makes more likely.

In the literal sense of the word, the administration's Cambodia policy is incredible. It is insupportable. It must be changed.

China's clients, the Khmer Rouge, are Communists who have fought to control Cambodia for over 20 years. When they succeeded, from 1975-79, they wrought unspeakable horror. It is virtually impossible to describe their methodical terror, what is now called autogenocide—the systematic destruction of one's own people.

The Vietnamese invaded Cambodia in 1979, not for humanitarian reasons, but in response to Khmer Rouge attacks. They drove the weakened Khmer Rouge into the Western fringes of the country and into Thailand.

The United States subsequently winked in encouragement as the Chinese and Thai resurrected Pol Pot's Khmer Rouge troops with arms and supplies. The United States joined China, North Korea and members of ASEAN to help support two alternative non-Communist guerrilla groups. The Reagan administration then encouraged the non-Communists to a make a formal alliance with the Khmer Rouge. This failure to distinguish between murderers and non-Communists—at the United Nations, on the ground, or in negotiations—is a grave mistake that haunts current U.S. policy.

The Khmer Rouge have two, three, or perhaps four—we do not know—times the number of troops of each other faction. In Prince Sihanouk's own words, the Khmer Rouge are "the most effective, disciplined, and well-trained military force." Unquestionably the strongest resistance force is that of Pol Pot.

The faction led by Son Sann reportedly is the second most active group, although it is the smallest of the three.

The least powerful of all is the group led by deposed Prince Sihanouk, who joined the Khmer Rouge to oppose the Cambodians who ousted him in 1970. Sihanouk now says that the Khmer Rouge are not criminals anymore, but patriots.

These functions, while they do not trust or like each other, rely on the same primary benefactor—China. China wants them to cooperate. Prince Sihanouk, once revered as Cambodia's God-King, provides the only imaginable shred of legitimacy for the Khmer Rouge. But Prince Sihanouk is nothing on the ground—his main military leverage is derived from the battlefield success of the Khmer Rouge.

When the Vietnamese had nearly 200,000 troops in Cambodia and held the Khmer Rouge at bay, the world isolated and ignored Cambodia. No one bothered to seriously consider that Chinese policies were strengthening the Khmer Rouge.

By the end of 1989, when the Vietnamese withdrew the bulk of their troops and left the country in the hands of the Government they had installed, the world awoke. The possibility of a Khmer Rouge return to power and a return of their terror became real.

Surely this is not what the United States seeks, nor is it in our interest.

What are United States interests in Cambodia? A stable regional peace, a Cambodia that no country—not Vietnam, the Soviet Union, or China—can use to project its own power. A Cambodia that will prosper economically and become a trading partner. A Cambodia that will not destroy itself once again, as it nearly did under the Khmer Rouge.

The Vietnamese have withdrawn either all or most of their troops from Cambodia. They have turned inward, trying to confront their massive economic failures at home. While one day Vietnam might again turn outward, this is most likely if hostile Cambodian forces again attack, as the Khmer Rouge did. The Soviets are seeking disengagement from the region. They want to reduce the financial burden of support; they want a peaceful solution. Whatever residual threat of Vietnamese or Soviet expansion in the region exists, it is not, in my view, outweighed by the threat of the return of the Khmer Rouge.

The Hun Sen regime is tainted by its foreign installation and by its leaders' former association with the Khmer Rouge. Like the Laotian Government with which we have relations, the Cambodian Communists have undertaken social reforms, opened the Government to former opponents, and allowed greater economic freedoms.

The current regime is not ideal; far from it. But it is not the Khmer Rouge.

The administration does not believe it faces a choice between the two. It believes that all factions can be brought into a comprehensive peace that would lead to Prince Sihanouk's election as head of a peaceful and democratic Cambodia. It desperately wants to believe that this is possible, so that it can avoid a choice between the evil and unattractive. I wish it were that simple.

It is not.

The crux of the problem is that the administration assumes that China and its client, the Khmer Rouge, if brought into a settlement, will abide by its terms. Whether this is an inclusive coalition government or an internationally administered election, such an accommodating approach requires cooperation. But our policy should not be based upon an assumption that China would be satisfied with anything less than ultimate Khmer Rouge domination, or upon the expectation that the Khmer Rouge will mend their ways.

The Bush administration has been slow to realize the inherent danger of its current policy—that it in effect sanctions the return of the Khmer Rouge.

It does so first by providing nonlethal assistance to the two non-Communist groups without adequate control over the use of their assistance.

These groups receive much of their support from China. Joined in a coalition, they do not fight against the Khmer Rouge. They fight with the Khmer Rouge. Increasingly there are reports of tactical and strategic military cooperation between Sihanouk's forces and the Khmer Rouge. Prince Sihanouk has stated that the non-Communists take ammunition and heavy weapons from the Khmer Rouge. It is alleged that all factions share intelligence information during battlefield operations.

There are also reports of the existence of a Cambodian working group in which the resistance factions coordinate planning and strategy as well as coordinating outside assistance.

Congress in 1985 barred the use of funds "for the purpose or with the effect of promoting, sustaining, or augmenting, directly or indirectly, the capacity of the Khmer Rouge or any of its members to conduct military or paramilitary operations." That was the American response to the terror perpetrated by the Khmer Rouge.

It now appears that there is reason to question whether this law is being obeyed. Accordingly, at my request, the Senate Intelligence Committee will conduct oversight hearings on the administration's policy in Cambodia, and the administration's compliance with the law.

The second way the United States indirectly promotes the return of the Khmer Rouge is through its diplomatic policy. The United States and most other nations preferred to leave the Cambodia seat at the United Nations occupied by the Khmer Rouge rather than see the Vietnamese-installed government represented in the United Nations. In 1982, the Reagan administration encouraged Sihanouk and Son Sann to join a coalition with the Khmer Rouge and jointly occupy the seat—although the Khmer Rouge in

effect controls the seat. This U.S.-engineered coalition gives the Khmer Rouge international legitimacy it does not deserve.

It is time to abandon this sickening charade and withdraw support for any coalition, regardless of its title or flag, that includes the Khmer Rouge. Better an empty seat than one stained by the crimes of the Khmer Rouge.

The third aspect of the Bush administration's policy that facilitates Khmer Rouge dominance is its conscious penalizing of the Cambodian people. The United States has been the single most important factor in ensuring Cambodia's isolation and continued poverty.

The administration refuses to allow licenses for rehabilitation or development projects in Cambodia. It makes it very time consuming and difficult for private voluntary organizations to provide even strictly defined humanitarian aid. Administration policies have in effect denied Cambodia international assistance to restore the damage done by the Khmer Rouge, let alone progress toward the country's 1969 standard of living.

Administration policymakers apparently fear that humanitarian relief, economic development, and international interactions with Cambodia will strengthen the Hun Sen regime—and that this is more important than the well-being of the Cambodian people. They seem to forget that keeping Cambodians weak and powerless helps the Khmer Rouge most.

The administration refuses even to talk to representatives of the Hun Sen regime. We have diplomatic relations with Laos, even though Vietnamese troops remain in that country. Secretary Baker has met with Angolan President dos Santos, even though the United States funds a guerrilla force in his country. But the administration will have nothing to do with Hun Sen.

How can the United States without any contact with Cambodia, understand what is happening inside the country?

There are so many basic facts we don't know for certain—from the strength and popular support for the Khmer Rouge to the effects of the economic reforms of the Hun Sen government. We are ignorant of facts that should be crucial factors in our policy toward that country.

But this administration apparently believes that this lack of knowledge is worth a political point.

In its efforts to promote a peaceful resolution of the conflict, the administration intends that the Khmer Rouge be given an entree, a chance to participate in elections, to be included in a settlement. But unless the United States changes its current priorities, this approach could facilitate Khmer Rouge domination.

Khmer Rouge domination is not what the administration intends. I believe that. But it is made more, rather than less, likely by the administration's policy.

I believe United States policy toward Cambodia cannot be based on a solution that emphasizes satisfying China and the Khmer Rouge. Their interests are not ours. United States policy in Cambodia should be first and foremost aimed at isolating the Khmer Rouge.

What changes in policy would this require?

We must first remove the fig leaf of legitimacy that we bestow upon the Khmer Rouge in the international community. The first symbolic step should be the withdrawal of United States support for the occupation of Cambodia's seat at the United Nations by a coalition government that includes the Khmer Rouge.

Second, the administration should work to convince the ASEAN countries that fund the non-Communist resistance that it is time to divorce Sihanouk and Son Sann from the Khmer Rouge.

Together, the United States and ASEAN should work to convince the non-Communist forces that such a split is a necessary step toward restoring their political autonomy and legitimacy. They are stained by their association with the Khmer Rouge; they must begin to demonstrate independence from the forces that nearly destroyed the Cambodian people.

Third, the President should clearly state that the United States will not support a negotiated solution that would give the Khmer Rouge a role in Cambodia's future or increase the likelihood of a Khmer Rouge military victory.

If the recent Tokyo talks presage a bipartite solution that would exclude the Khmer Rouge, those talks were positive. But it is troubling that the process established by the Tokyo communique would not necessarily preclude Khmer Rouge participation, as is it troubling that Prince Sihanouk hopes the Khmer Rouge will yet join him.

That the Khmer Rouge continue to insist on an equal diplomatic role will, I hope, prompt the administration to unequivocally reject a quadripartite solution.

The United States should strongly support elections in Cambodia, but those elections must be conducted in a manner that will minimize the possibility of a return of the Khmer Rouge.

Fourth, the administration must ensure that the law barring any direct or indirect U.S. support for the Khmer Rouge is being obeyed. The American people deserve a guarantee that their money is not in any way helping the forces of murder and genocide. If the U.S. Government cannot provide this guarantee, then funding for the other non-Communist partners in that coalition should be reexamined.

America does not promote democracy abroad by directly or indirectly enhancing the strength of the Communist murderous Khmer Rouge.

Fifth, the United States should talk to the Hun Sen regime. As I stated earlier, to deny all contact in order to make a political point does not serve American interests. We must be better informed about the situation within Cambodia and capable of some form of dialog with the ruling regime.

Finally, the administration should ease restrictions on humanitarian and development aid to Cambodia. The Senate recently took a positive step by adopting the Cranston-Kerrey amendment to provide $5 million of emergency aid to Cambodian children through international relief agencies. I urge the administration to use this money to help the children of Cambodia.

We should begin interacting with Cambodia, exchanging people and ideas. We should not enforce Cambodia's isolation and poverty, because isolation and poverty is not a stable basis on which to build a democratic and peaceful future.

In order to take these steps, the administration must confront three major factors affecting its current policy.

First, the administration will be forced to face the fact that China is the problem, not the solution, in Cambodia. The United States must decouple its Cambodia policy from that of the Chinese. China cannot be our partner in the search for peace as long as it supports the Khmer Rouge.

American officials have repeatedly made personal requests that China reduce that support. Yet according to the press, even administration officials admit that China has since sent large new weapons shipments to the Khmer Rouge. Is this what the President is getting in return for continuing business as usual after Tiananmen Square? If so, he is getting nothing.

The administration must recognize that China's interests are not America's interest. It is time to admit that China does not share our goals in Cambodia. It is time for American policy to reflect American goals.

Second, the Bush administration will be forced to abandon the cold war prism through which it views Cambodia. The administration remains wedded to an outmoded analysis of the conflict which has blinded officials to the dangerous result their policies may bring about.

Until the administration can objectively evaluate the situation, it will be unable to consider the Hun Sen government as part of the solution.

But just as we dealt with South Africa in Namibia and the Sandinistas in Nicaragua, so, too, will we have to

deal with the Hun Sen regime if we are to bring peace and democracy to Cambodia and prevent a return of the Khmer Rouge.

Finally, the administration will be forced to take risks, to devote energy and time to an uncertain outcome. This is difficult for an administration that engages itself only when the costs are negligible and the victory is certain. The Bush administration is so risk-averse that it appears unwilling to take the steps necessary to restore sanity and morality to our Cambodia policy. But it must do so, now.

I am certain that no American wishes to help return the nightmare of the murderous Khmer Rouge to the Cambodian people. It is time to change America's Cambodia policy accordingly.

UNITED STATES-CAMBODIAN POLICY

Mr. KERREY. Mr. President, during the Easter recess, I spent 8 days visiting Cambodia, Vietnam, and the Cambodian refugee camps in Thailand on the Cambodian border. I met with government leaders and private citizens in all three countries.

Today, I would like to present the impressions of what I saw, offer observations of our current policy toward Cambodia and Vietnam, and make some suggestions about what needs to be done before we can normalize trade and diplomatic relations with both countries.

My policy approach is to consider Cambodia and Vietnam separately. It makes sense for the United States to address the Cambodian problem as a prelude to resolving outstanding issues with Vietnam. I will attempt to do just that after I thank those who helped me with this trip.

First, I want to express my gratitude to majority leader MITCHELL for authorizing this trip. I also want to thank Senator ALAN CRANSTON for providing me with much needed direction and advice. I have discussed my views with Senator CRANSTON prior to offering them today.

In addition, I was helped immeasurably by the guidance and advice of Marvin Ott, a staff member of the Senate Intelligence Committee. Further, I want to acknowledge with appreciation the efforts of Under Secretary of State Richard Solomon. Although I have been critical of the administration's policy—particularly their successful effort to get Senate approval for the lethal aid to the non-Communist resistance and U.S. participation in a coalition that includes the Khmer Rouge—Secretary Solomon was respectful and extremely helpful.

The conflict over the future of Cambodia has continued, almost nonstop, since 1969. The long-suffering people of this beautiful and potentially prosperous country have endured a military coup, a Communist insurgency, saturation bombing by American B-52's, civil war, a Khmer Rouge regime that killed nearly a quarter of the entire population, a Vietnamese invasion, and more civil war. In discussing policy toward Cambodia, we should state that our first principle will be to do what is in the best interest of the Cambodian people themselves.

The situation has changed over the past few years. The world revolution espoused by the Soviet Union and encouraged by their surrogates is over. Vietnam and Cambodia have both gotten this message loud and clear. Soviet aid has been reduced and the cooperation which used to exist between East bloc countries, like Czechoslovakia and the German Democratic Republic, has ended.

The Bush administration must base its policy on the new circumstances and not the old. What is possible in 1990 was not possible in 1980. However, we must adjust our thinking if we are to help make it happen.

The President must resist the temptation to see Cambodia through the lens of the People's Republic of China. The President's experience as Ambassador to China in the mid-1970's has given him certain biases that affect good policy formulation.

The President was in Beijing at a time when United States-Chinese relations were beginning to improve and he worked hard to encourage that process.

Following the Vietnamese invasion we and the Chinese both worked to build a coalition of all Cambodian factions that could resist the Vietnamese. But Vietnam has left and the situation has changed.

And Tiananmen has dramatically changed the climate of United States-Chinese relations compared to the 1970's.

IMPRESSIONS

Let me begin with some impressions from my trip. These images and memories will not yield to the force of my high-minded policy pronouncements; they have an impact which must be considered separately because so few Americans have been in Cambodia.

There are more than 300,000 people living in the refugee camps on the Thai-Cambodia border. They are people residing in the no man's land of bad policy. Driven from their homes by the fear of the Khmer Rouge or the Vietnamese, or born into a life where it is illegal to learn anything more useful than how to fight a guerrilla war or to build handicrafts, these people cannot go forward or back.

There was a moment in a pediatric hospital in Phnom Penh when the suffering of the children overwhelmed me. Children were brought there, some to live but many to die. They were suffering from dengue fever, encephalitis, typhus or simple respiratory infections, all of which were preventable or curable.

The field hospital for war casualties at refugee site II on the Thai-Cambodia border made me think of the Philadelphia Naval Hospital where I was treated for 9 months in 1969. The United States was pursuing a comprehensive peace settlement then, too. It took us 4 more years to put it together, and in the meantime, thousands died.

Perhaps the most symbolic moment of the trip occurred in Hanoi. On Easter Sunday, we asked to attend services at a Catholic church. Our host brought us to the church just as mass was ending. We had an hour before our meeting with Foreign Minister Nguyen Co Thach, so we took a driving tour of Hanoi.

As we passed a lake in the center of town, our escort pointed to a monument. He said it commemorated the successful downing of an American fighter aircraft and the capture of its pilot, JOHN MCCAIN—now Senator MCCAIN.

The monument is built as a likeness of a fallen pilot. His hands are over his head in what is supposed to be a gesture of surrender.

The longer I looked at this monument, the less the figure resembled a man surrendering. The more I looked, the more the figure resembled that of Christ on the cross. Rather than being a symbol of Vietnamese heroism, or American sacrifice, it became a symbol of universal passion and redemption.

The heroes of my visit were those who solved problems one person at a time. They included Dr. Reinhard Strunz, a surgeon at the Cheung Doi refugee hospital in site II; Mitchell Carlson, a United Nations employee working in the refugee camps; Sos Kem, a Khmer-American officer from the Embassy's refugee section; and Peter and Margie Morris laboring in an ill-equipped, understaffed pediatric hospital in Phnom Penh.

The villains were those who could abstract the problem beyond the flesh and blood of life. The worst of these were the Khmer Rouge leaders in site VIII. I do not believe the Bush administration would continue supporting a coalition that included these killers if they sat across the table from them as I did.

Evil rarely appears ugly at first. It presents itself as sincere and good in the beginning. Only after it has snared its victim, does it reveal itself for what it really is. Thus, the Khmer Rouge's political message—nationalism, hatred of the Vietnamese, opposition to the decadence and corruption of the cities—is appealing and it sells.

I asked a Cambodian man, who had just finished a gripping story of his

entire family having been killed by the Khmer Rouge, if he had known Pol Pot. He said that he had. When I asked what he was like, his answer was chilling; "He was kind. Very kind. All the children loved him."

More commonly, the heroes and the villains resided in the same person. Hun Sen may be the best example. He is increasingly regarded by many of the Western representatives of humanitarian nongovernment organizations as a changed man who deserves better treatment from the American Government. Yet, Hun Sen had been a Khmer Rouge officer himself.

More significantly, in a 3-hour discussion with me, he made a concerted effort to convince me that the Cambodian people had been victimized by Pol Pot and that American policy was prolonging the pain. Not once during this conversation did he describe the miserable health and living conditions of today's Cambodians who live under his control.

Hun Sen did not understand that the solidarity of the world revolution had been shattered by the collapse of communism in Eastern Europe. When then Czechoslovakian President Jakes was in Cambodia in 1988, he was greeted as a comrade in arms. President Jakes' most celebrated prisoner is the new President of Czechoslovakia. I do not want to assist in the imprisonment of Cambodia's Vaclav Havels.

LEGACY

It is fair to say that with the fall of Phnom Penh to the forces of Pol Pot's Khmer Rouge on April 17, 1975, and the surrender of Saigon to the North Vietnamese forces 12 days later, the United States turned its back on both countries. After 30 years of involvement, beginning with our cooperation with the Viet Minh, and ending with the forces of the South against the Communist North, the United States poured tens of billions of dollars and thousands of lives into Indochina.

So complete was our about-face that we did not respond to the desperate cries for help coming from Cambodia's killing fields. It took the movie of the same name in 1984 to move us and then it was too late to do anything but provide humanitarian support to those who had survived.

So total was the desire to forget Vietnam, Cambodia, and Laos it was not until the early 1980's that Americans began to welcome home the men and women who had gone there to fight. We are beginning to settle differences between those who supported and those who opposed the war. We are beginning to do what is right for the Vietnam veterans: Parades, the Wall, agent orange settlements, and the Vessey POW missions.

Now, it is time for us to do what is right for the Vietnamese and the Cambodian. Now, it is time to face our responsibilities squarely—58,000 American service men and women died in an effort to bring freedom to the people of Indochina. We failed then, but I believe we can succeed now—without another casualty.

Mr. President, I am aware of how difficult this will be. I am aware, however, that we have a chance to save and improve the lives of people with whom our recent history has been tragically entwined.

POLICY

At this juncture, it is worth noting that my disagreement with U.S. policy is not as great as my disagreement with the policies of every other government in the region. The most reprehensible behavior is that of the People's Republic of China. Their continued vigorous support of the original leaders of the Khmer Rouge, who killed at least 1 million Cambodians during their rule from 1975 to 1978, is barbarous.

I am also critical of the Soviet Union which has viewed Cambodia as an important part of a world Socialist brotherhood. Moscow's cold-blooded realpolitik has encourged Vietnam and their proxy government in Cambodia to disregard the needs of the Cambodian people and to tolerate documented human rights abuses.

I am equally critical of Vietnam. Their invasion in 1978 did have the secondary benefit of driving the Pol Pot killers from power. However, it is clear their primary purpose was territorial expansion; their invasion and subsequent occupation was done to secure advantage for Vietnam rather than to save the Cambodian people. Vietnam's own preference for a single party, totalitarian political system, was applied in Cambodia.

I am critical of the Cambodian Government led by Prime Minister Hun Sen and President Heng Samrin. The new leaders consolidated their power in the classic Communist fashion. They stifled dissent, jailed those who threatened their power, and used fear as the principal means of controlling the population.

In spite of recent efforts to liberalize the economic and political system in Cambodia, Hun Sen and Heng Samrin must be viewed with great suspicion. They are new and unreliable members of the small group of leaders still attempting to reform their system by degree from the top, rather than by democracy from below.

Moreover, it is indisputable that both of these men were loyal Khmer Rouge leaders until their own lives were endangered in 1978 and they turned to Vietnam for protection. Hun Sen's explanation that he was young is the same as a Khmer Rouge I met with later in a Thai refugee camp. I found myself distrusting both answers.

The picture does not get any clearer when we turn to the other key players in the region. Thailand is the conduit by which substantial amounts of Chinese-supplied arms are shipped to the Khmer Rouge. The Thai Government refuses to tell the United States any details of these transactions. When the Khmer Rouge retook the gem rich Cambodian town of Pailin, Thai businessmen sent workers in to extract valuable rubies and emeralds.

Even our non-Communist allies are suspect. Prince Sihanouk has been on China's payroll for the past 15 years and has been reluctant to dissociate himself from the leaders of the Khmer Rouge. His radio broadcasts to the people in 1975 encouraged them to help Pol Pot come to deadly power. Hun Sen was one of the young men who signed up. General Sak, the able and dedicated military commander of the KPNLF, is an American citizen whose Orange County doughnut shop is probably running better than the guerrilla war he is leading with our assistance.

For the United States—without a physical presence in Cambodia and with memories of the Vietnam war distorting our view—the scene is very confusing. The more I look at Indochina, the more I am willing to risk misapplying the words of the great Oliver Wendell Holmes, Jr. His description of the mind of a bigot is what seems to happen when we try to understand Indochina: "It is like the pupil of an eye: The more light you pour upon it, the more it will contract."

Indochina is a long-distance away physically. This is not a weekend visit as Europe has become. Indochina is also a long-distance away culturally. Most difficult of all, one must cross the memory of the Vietnam war to get there.

Like a dark abyss, this memory contains spirits which torment America to this day. There is a Theodore Rothke poem which captures the essance of the fear of this memory. The poem, "The Bat," reads:

By day the bat is cousin to the mouse.
He likes the attic of an aging house.
His fingers make a hat about his head.
His pulse beat is so slow we think him dead.
He loops in crazy figures half the night.
Among the trees that face the corner light.
But when he brushes up against a screen.
We are afraid of what our eyes have seen.
For something is amiss or out of place.
When mice with wings can wear a human face.

Mr. President, I believe it will benefit Americans to face this fear directly. I believe the wounds of the war will heal if more of us learn that the people of Cambodia, Vietnam, and Laos want and are deserving of our help and friendship.

I believe it is worth the effort because America needs to advance its foreign policy beyond the old thinking of the cold war and the fear of ever be-

coming entangled again in this region of the world. I believe there is no better place to begin than in Cambodia. I believe a great success is possible at the site of one of our greatest failures.

To be successful, we should begin with a declaration of friendship for the people themselves. They are fiercely independent and proud. They are hard working and extremely capable. They deserve a better government than they have gotten. They deserve a chance to rebuild their country and their lives.

Current U.S. policy is at or near a dead end, and I believe those who formulate and implement that policy realize it. There has been no lack of effort on our part. American aid helps sustain the non-Communists. U.S. diplomats have shuttled back and forth between New York, Paris, and Jakarta seeking a formula that will, at once, end a civil war, confirm Vietnam's military withdrawal, and prevent a return engagement of the killing fields. But it has not happened and the fighting and talking grind on with no end in sight. And who benefits from this stalemate? Certainly not the non-Communists backed by the United States.

The problem is that current policy is in conflict with itself. On the one hand, we state that the Khmer Rouge are anathema and must never be allowed to return to power in Cambodia. On the other, we seek a settlement that recognizes the Khmer Rouge as one of the legitimate contenders for power in a political process to form the next Government of Cambodia. We declare as an objective an end to the fighting, while acknowledging, at least privately, that the Khmer Rouge will continue to pursue a military path to power with or without a cease fire. We have maintained a one dimensional commitment to the non-Communist forces knowing there was no political consensus that would permit military aid to them and while acknowledging that they have no serious prospects for achieving a military victory. We have adopted a posture of non-recognition and minimal communication with Vietnam and chilly disapproval toward China while pursuing a policy that depends heavily on Vietnamese cooperation and which gives China an effective veto over a settlement.

Much has been made of the fact that United States policy directly or indirectly strengthens the Pol Pot-led Khmer Rouge. This is understandable since:

First, U.S. nonlethal aid to the non-Communist factions of the resistance is fungible with lethal aid being supplied by the Chinese to all three factions. In the mind of the Chinese, at least, there is a coordinated effort against the Hun Sen government.

Second, some cooperation in the field is an inevitable consequence of shared military objectives.

Third, by strengthening NCR military operations against Hun Sen, U.S. policy indirectly aids the Khmer Rouge against Hun Sen.

There are three broad alternative policies the United States could follow in Cambodia:

First, do nothing.

Second, continue supporting a resistance government in exile with materiel and political assistance; with the objective of keeping pressure on the Hun Sen government until a comphensive and internationally accepted peace agreement is put together.

Third, negotiate directly with the Hun Sen government demanding that it meet specific political and economic conditions in return for U.S. recognition and support.

My strong recommendation would be to follow the third course with the first as a fall back option. Specifically, I believe the United States should:

First, redefine our principal objective in Cambodia as preventing the Khmer Rouge from returning to power. The other major United States interest in Cambodia—the withdrawal of the Vietnamese occupying army—appears to have been largely achieved. What remains is a humanitarian goal; that is, to bar a repeat performance by the architects of the "Killing Fields."

To make complete the divorce of American policy from the Khmer Rouge, we should announce our intention to vote to vacate the United Nations seat currently held by the resistance Coalition Government of Democratic Kampuchea. The United States chose to support this coalition in the United Nations to give an international voice to the non-Communist forces led by Prince Sihanouk and Son Sann, who was Prime Minister of Cambodia from 1970 to 1975. However, this action has also given an international voice and legitimacy to a third member of the coalition, the Khmer Rouge.

No amount of explanation can undo the damage done by giving the perpetrators of the killing fields a bona fide platform from which they can speak to the world community. No amount of effort to separate ourselves in the battlefield will enable the United States to separate itself in the world of perceptions. The only way to undo this damage is to move to vacate the seat.

Second, work with France and other interested countries to encourage a coalition of the non-Communists together with Hun Sen to isolate the Khmer Rouge. Hun Sen has a dubious history as a Khmer Rouge commander and an instrument of Vietnamese policy. But, he is cleverly very capable and shows clear signs of having moved away from an ideological to a pragmatic approach as evidenced by the recent privatization of the economy. Most important, his government is in place, in Phnom Penh, and is fighting the Khmer Rouge. I believe he is someone we can deal with.

Our message to Hun Sen should be that we are prepared to help him obtain what he desperately needs: international recognition plus foreign aid and investment. The United States is the key to World Bank loans, Japanese bilateral assistance, and Western investment—and Hun Sen knows it. In return for U.S. support, Hun Sen must make every effort to induce the non-Communists to join his regime to form an interim government of national reconciliation. Non-Communist leaders must be offered positions of influence and responsibility. The rank and file in the non-Communist camps along the Thai border must be invited to return to Cambodia with offers of land, homes, and compensation for lost assets.

Most important of all, the Phnom Penh government must make an ironclad commitment with a firm timetable to bring genuine democracy to Cambodia—including nationwide elections as envisioned in the Australia-Solarz plan. The Australia-Solarz initiative is important because it provides a formula for moving beyond an interim coalition using an election administered by the United Nations to create a permanent government. By inviting the United Nations to administer the vote, the fear that the election would be stolen or fraudulent is minimized.

In one respect, the Australian plan needs to be given further thought. Rather than legitimate the Khmer Rouge by permitting it to participate in a Supreme National Council, I believe that individual Khmer Rouge soldiers should be allowed to participate in the elections if they have laid down their arms, accepted amnesty, and pledged to observe the rules of the democratic process. The authorities of the interim coalition government could make the determination whether individual Khmer Rouge did or did not qualify under these terms. The Khmer Rouge as an organization and the top Khmer Rouge leadership would be unacceptable.

As part of an agreement, Hun Sen must formally sever any security ties with Vietnam and affirm Cambodia's sovereign independence. He must also support the creation of some sort of International Control Commission to survey Cambodia for evidence of a Vietnamese military presence. Unless these steps are taken, it will be impossible for the Cambodian Government to defeat the Khmer Rouge. Any Vietnamese influence over the Cambodian Government adds fuel to the Khmer Rouge fire. It means that Vietnam must accept the real possibility of a

Cambodian Government which is openly critical of its larger and historically dominant neighbor.

Third, our message to the non-Communists should be that we want them to join Hun Sen in a government of reconciliation opposed to the Khmer Rouge. We will exert every influence to enhance their bargaining position in negotiations over such an arrangement. But, if they do not make a good faith effort to reach an agreement with Hun Sen, while Hun Sen does so, we are prepared as a last resort to shift our support to the Phnom Penh government.

The most difficult step will be persuading Prince Sihanouk to return to Phnom Penh—presumably as Head of State. Hun Sen desperately needs two things: First, domestic political legitimacy for a regime that was installed by Cambodia's historic enemy, Vietnam; and second, international recognition and assistance. Sihanouk can help provide both. His immense popularity could transform a regime of Vietnamese puppets into a true Khmer government. His international standing could help bring acceptance at the United Nations, diplomatic recognition, and a flow of critical multilateral and bilateral aid.

Sihanouk, on the other hand, surely wants to end his peripatetic existence as Prince in exile. The non-Communists need an escape from their dead end existence along the Thai border. Hun Sen can meet both needs.

Two tough interrelated issues remain to be addressed. What about the Khmer Rouge and China? The Khmer Rouge taint is widespread in Cambodian society and the Cambodians themselves must make the ultimate judgment concerning who can be reintegrated into society, and who cannot. Individual Khmer Rouge should be offered an amnesty if they bring in their weapons and agree to rejoin society. The Khmer Rouge as an organization would be required to disband. The senior Khmer Rouge leadership might be offered safe passage and exile into China. An interim Hun Sen-Sihanouk government might determine whether any individual Khmer Rouge cadres would be acceptable in some governmental role.

If the Khmer Rouge, as expected, reject an amnesty and continue their military effort, they must be dealt with as a counterinsurgency problem. In short, the new regime in Phnom Penh, with international support, must mount a multifaceted program of political, economic and military measures, designed to undercut and ultimately defeat the Khmer Rouge. There should be no illusions; even a successful effort will take years. It took three decades to totally defeat the Malayan Communist Party [MCP] insurgency. The Khmer Rouge may be a more formidable force than the MCP at its peak.

International, economic, diplomatic, and possibly even military support will be critical in enabling Phnom Penh to ultimately defeat the Khmer Rouge. However, I do not envision any U.S. military involvement and only very modest American economic assistance.

China must be required to make a hard choice between the Khmer Rouge, on the one hand, and the international community on the other. So far, China has escaped such a choice because its client, the Khmer Rouge, has been linked with the non-Communists in the CGDK coalition. The message to China should be: We are going to help Cambodians craft a new coalition government that excludes the Khmer Rouge. You are urged to support that effort and sever your ties with Pol Pot. If the International Control Commission determines that the Vietnamese have withdrawn from Cambodia, China can join with the United States and ASEAN in declaring victory in the long effort to force the Vietnamese out. Whether or not China cooperates, however, an International Control Commission is an important step in ending the Hun Sen government's military dependence on Vietnam.

If China insists on continuing diplomatic and military support for the Khmer Rouge, it will find itself increasingly isolated and on the diplomatic defensive.

Mr. President, what I have suggested is not a magic bullet. There are no guarantees of success. But I believe this represents the most promising approach to a very difficult problem.

Finally, a word about Vietnam. Current United States policy concerning the initiation of the normalizing process with Vietnam begins with Cambodia. The policy has two triggers, both of which must be pulled by Vietnam before the process begins. The first is verification of the withdrawal of Vietnamese Armed Forces and Vietnam's assistance in concluding a comprehensive peace settlement for Cambodia. The first will not be possible until the second occurs, and the second will not occur unless we want it to happen.

The pace and scope of normalization with both Cambodia and Vietnam will also depend upon their efforts to settle the issue of American POW's and MIA's. But it is important that these be decoupled from the initiation of the process of normalized relations. Otherwise, the sword of our policy will become the instrument of that policy's death.

I want to emphasize I believe in an increased United States presence is urgently needed in both Cambodia and Vietnam. We must make it clear to all parties that we are ready to get started. Not only will this enable us to help the people of both countries, but it will help us develop the details of our policy and a better understanding of what is truly going on in the region.

In conclusion, I believe our goal should be normal trade and diplomatic relations between the United States and Vietnam. To arrive at this highly desirable objective, the governments of all three countries will have to change their policies.

It is obvious to me that Cambodia, Vietnam, China, and the Soviet Union will have to make the greatest adjustments. However, the United States is going to have to change, too. Paradoxically, the fact that we make foreign policy decisions through a complex democratic process may make it more difficult for us to change. Yet, because the United States may be the only Government of the five to sincerely care about the freedom and well-being of the people of Indochina, it may be most important that we do so.

INDIVIDUAL SURETIES ON GOVERNMENT CONSTRUCTION CONTRACTS NEED TO BE BETTER REGULATED

Mr. HATCH. Mr. President, on May 29, 1990, I held a fact-finding meeting in the Senate to examine claims by a class of 23 subcontractors on a NASA project. The claims involved the failure of the method by which individual sureties back the bonds that contractors offer to ensure on Government construction projects.

NASA PROJECT POINTED TO ABUSES

I organized the meeting after reading numerous articles in the Wall Street Journal over the past 18 months by John R. Emshwiller. Through his intensive research, Mr. Emshwiller uncovered some startling facts. His stories registered more concretely with me when I learned that some of my own Utah constituents—among them the Mark Steel Corp., Fire Engineering Corp., and West Fab Construction Co.—had lost more than $750,000 due to fraudulent surety practices by unscrupulous individuals. These same companies succeeded in getting judgments in Federal court against the sureties, but still were unable to obtain satisfaction because the sureties were without sufficient assets or had simply vanished.

Mr. Emshwiller's writings encouraged a number of congressional hearings, including one by former Senator Lawton Chiles in 1987, which led to revisions of the regulations by which contracting agencies of the Federal Government review the credit worthiness of individual sureties.

Unfortunately, however the subcontractors involved in my meeting were among a class of claimants who suffered significantly before the regulations had been revised. Fortunately, they were ably represented by their

attorneys whose timely intervention and decision to bring this matter to the attention of Congress will make the difference between success and failure in this effort.

The specific case I refer to involved NASA's Ames Research Center Integrated Test Flight Facility at Edwards AFB, CA. In October 1987, the Continental Construction Co. was awarded a NASA contract in the amount of $16 million to build the flight facility. NASA terminated CCC's contract for default on March 2, 1989. When the sureties could neither perform the contract nor pay the subcontractors for the work provided to CCC, the subcontractors sought protection under the Miller Act. As mentioned, the Miller Act relief failed because the sureties were basically valueless.

NASA has an obligation under the Federal Acquisition Regulations [FAR] to "determine the acceptability of individuals proposed as sureties." This NASA did, in my judgment, to the extent that their regulations demanded. But it was not enough, as evidenced by the decision of the Office of Federal Procurement Policy, to make far-reaching changes which, in today's environment, probably would have avoided the losses for CCC subcontractors.

NEED TO ENSURE THAT SMALL BUSINESSES STILL HAVE ACCESS

Mr. President, there is a hidden problem in going too far in excluding individual sureties on Government contracts. Often individual, rather than corporate sureties are the only forms of guarantees that small and especially minority businesses can obtain. GAO reported in October 1989 that nearly a third of such businesses use individual sureties, while virtually no large corporations use them.

But we need to balance the need for individual sureties with the corresponding obligation that we have to protect the taxpayers' investments in real property developments, along with protection of bonded contractors. Clearly, minority and other small businesses can just as easily fall prey to unscrupulous bond guarantors.

I am pleased therefore that Representative CORDISS COLLINS, chairwoman of the House Subcommittee on Government Activities and Transportation, held a hearing on June 5, 1990, to deal precisely with this issue.

My interest, as a member of the Judiciary Committee and as ranking minority member of the Labor and Human Resources Committee is to ensure that the Federal Tort Claims Act procedures are properly followed, that Congress fully discharges its obligations under article 1, section 8 of the Constitution, and that all qualified sectors of our work force and business community are fully able to participate in the competitive process.

I hope that Representative COLLINS finds a formula that allows for minority and small business guarantees and for better policing of the individual surety industry which, according to the GAO, does $800 million of business annually.

INTEND TO EXPLORE PRIVATE SECTOR RELIEF MEASURES FOR THE NASA SUBCONTRACTOR GROUP

Mr. President, I am submitting as appendices to this statement complete copies of the testimonies of the six companies represented at my meeting. These statements amply document the abuses that these companies suffered.

In the meantime, I am formulating several variations of private relief measures that can be put in place to help this group. I believe that they have fully exhausted their legal remedies, that a government obligation to them exists because of the deficiency of the surety approval procedures, and that there is sufficient support for reasonable assistance in both the House and the Senate. I further believe that the claimants have met the requirements of rule XXII of the House which establishes as a precondition to the introduction of a private bill the full pursuit of remedies under the Federal Tort Claims Act through the courts.

I want to thank the offices in the House and the Senate who participated in the meeting.

The following is a list of claimants provided for the RECORD:

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Allied Equipment, Hayward, CA	$4,000.00
Amfax Supply, CA	72,000.00
A.V. Ready Mix, Lancaster, CA	17,512.27
Biggie Crane, San Leandro, CA	45,560.00
Bill Williams Drywall, Lancaster, CA	151,000.00
Boots & Coots, Redondo Beach, CA	52,000.00
Camilo Ramirez Masonry, Bakersfield, CA	105,000.00
Door Engineering, Kasota, MN	58,350.00
Dynathane Inc., Fresno, CA	130,000.00
Emco Enterprises, Inc., Sacramento, CA	76,671.95
Fire Engineering, Murray, UT	234,432.00
Inland Elevator, Upland, CA	16,000.00
Insulated Building Products, Houston, TX	250,611.93
Interspace, San Diego, CA	2,000.00
Interstate Sheet Metal, Vancouver, WA	88,614.25
I.S.I., Nampa, ID	22,000.00
J.W. Thompson Co., St. Louis, MO	69,800.00
Mark Steel Corp., Salt Lake City, UT	516,996.00
Petterson Associates, Inc., Boise, ID	470,090.15
ReSteel, Hesperia, CA	60,311.14
Security Metal Products, Hawthorne, CA	33,628.00
Tehachapi Lumber, Bakersfield, CA	22,850.00
West Fab, St. George, UT	18,000.00

Mr. HATCH. Finally, the statements of the attendance of the May 29, 1990, meeting are submitted, along with a separate statement by Kristin S. Hackler, attorney for Biggie Crane & Rigging Co. of California.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INSULATED BUILDING PRODUCTS, INC.,
Houston, TX.

STATEMENT REGARDING HISTORY OF CONTRACT WITH CONTINENTAL CONSTRUCTION CORPORATION FOR NASA ITF AT EDWARDS AFB

1. In the early spring of 1988 we commenced negotiations with Continental Construction Corporation (CCC) regarding the insulated siding.

A standard credit check was conducted but credit amounts were lower than our proposed contract, causing us to desire further data.

We requested and received information from CCC regarding formal project specifics including the bonding company.

2. We confirmed that bonds did exist on the project with Mr. George Salas of NASA and Mr. Ted West's office of United Funding & Investor, of Jacksonville, Florida.

3. The above bonding information coupled with our understanding of Miller Act protection prompted us to accept a purchase order for insulated siding from CCC on May 9, 1988 in the amount of $282,828.00.

4. In the late summer and early fall, we delivered sixteen trucks of insulated siding plus accessories and invoiced CCC for a revised amount of $290,611.93.

5. CCC issued a payment schedule, but failed to issue any funds.

6. After failing to receive satisfactory information from the bonding company, we began legal maneuvers.

7. In late January 1989, we received $40,000 from a joint cheque agreement with another creditor (essentially by mistake), revising the amount due to $250,611.93.

8. On March 14, 1989, we filed a Miller Act complaint against Continental Construction Corporation and U.F.&I. Inc. in U.S. District Court, which was later amended against CCC, Erwin Pardue and Wilford Frank Montgomery (the latter two being the bond's personal surities).

9. On December 7, 1989, Insulated Building Products, Inc., received a default judgment against CCC, Erwin Pardue, and Wilford Frank Montgomery. No assets appear to be available for compensation, nor can the parties be found.

10. NASA claims it has paid for the material and therefore is the rightful owner. To date, we are still owed $250,611.93 (not including legal fees).

Presented by,

BRYAN C. JENTSCH,
Vice President.

MARK STEEL CORP.,
May 30, 1990.

As a representative of Mark Steel and speaking for the additional 17 other creditors not here today, we wish to extend to you our appreciation for the opportunity of being here.

There are many questions about the project at Edwards Air Force Base, called the Integrated Test Facility, which we feel have gone unanswered.

Looking back, I recall some of the major events or milestones of our association with Continental Construction. Their request for us to quote the fabricated steel created some concern internally at Mark Steel as to Continental Construction's ability to handle a job of this magnitude. We evaluated the requirements related to the delivery, type of work and who the end user was, and made the decision to quote them.

Subsequent to submitting our quotation to Continental, Mark Steel was requested to attend a meeting at their Las Vegas Office. In attendance at this meeting were the principals of Continental Construction, NASA Personnel, and from Mark Steel—A. Mark Markosian, President and Ron Wood, Sales-Marketing.

The discussions were centered around Mark Steel's qualifications to fabricate the structural steel for the project and provide evidence of the Company's financial stability.

Mark Steel presented information and photographs on recent projects which met or exceeded this one in size and complexity. As to Mark Steel's financial stability, Mr. Markosian stated that if the project required a bond, one could be readily furnished and that Mark Steel has a bonding capacity of 20 million dollars.

We also understood that inquiries were being made within the circles of Government as to Mark Steel's ability and reputation. Assuming that all sub-contractors and Continental were also subjected to an intense review and that highly visible NASA was the owner of the project and that Continental was required to bond the project, Mark Steel accepted Continental's purchase order for 1.7 million dollars and signed on October 13, 1987.

Mark Steel's commitment to complete the fabrication by March 31, 1988, required two very important things to happen; the detailing with a short approval cycle, and the placement of steel orders. Mill rollings were tight and to meet the delivery we were forced to place the entire order immediately. Normally, we would place the order to spread receipts of the 1,800 tons steel to meet fabrication demands over a several month schedule so as to lessen cash demands.

Mill rolling schedules available did not blend to the requirements necessary to complete the project without placing a total order of $800,000.00. Our commitment was sincere and the order was placed. To recover from the large cash outlay, the detailing became even more important because payment wouldn't be made until the fabricated steel was received at the jobsite.

The approval cycle of detailed drawings discussed was not being adhered to and thus began an intolerable situation. Shop personnel was available, steel was in stock but we suffered an insufficiently quantity of construction drawings. The drawings trickled in and work was completed and shipped.

In April, 1988 we requested a meeting at the jobsite to explain our dilemma of slow drawing approvals, payment of the steel invoices submitted, and some other minor items. Mark Steel was being severely impacted financially because of this project. My purpose was to convey this to NASA and Continental Construction.

I requested a meeting with Mr. David Miller, the Procurement Branch Chief, and discussed the situation with him. We expressed concern about the lack of drawings being returned and the delayed payment for steel delivered. Both items needed to be resolved or a work stoppage would occur. He explained that we were protected under the Miller Act and requested the work to continue. We were committed now. Steel in stock, no drawings to keep our workforce busy, and now late payments.

I made repeated trips to Edwards to collect monies for overdue invoices and the main concern at Mark Steel was what would happen at the conclusion of the job.

In October, 1988 we informed Continental Construction we would not ship the final loads of fabricated steel until payment had been received. The reason we were taking this stand was that we had asked the contracting officer who the bonding company was and were informed it was UF&I. This later was confirmed to be false and that personnel sureties were used by Continental Construction.

Continental Construction told us that if we didn't deliver the remaining steel that NASA had informed them to buy it from whomever they could and deduct it from our invoices. The delay of receiving the material was impacting the project. The steel was delivered under protest given to Mr. George Sales of NASA. As a matter of record, the steel that was holding up the job wasn't unloaded for days because Continental Construction's crane had been removed for lack of payment.

Mark Steel has spent many dollars in its attempt to put a program together with the other creditors to help NASA complete the Integrated Test Facility but to no avail.

We have not exhausted the last avenues through the courts. We filed a Miller Act suit and received a default judgment in the amount of $582,707.93 against Continental and the sureties. They are judgment proof. The sureties used by Continental Construction and accepted by NASA are grossly incapable of providing the financial responsibility for which they were paid.

There are many questions that seem to be unanswered in the Procurement Program used by NASA, such as retainage being paid without the completion of the work.

The Wall Street Journal has published articles referring to the inadequacies of the private sureties used. I find it hard to understand that such situations exist, when in the private sector to have a bond issued required proof of financial ability to perform, not merely a signature of a bank employee.

Your courtesy and attendance today is very much appreciated.

Thank you.

JAMES GINGRAS,
Executive Vice President.

PETERSON ASSOCIATES, INC.,
Boise, ID., May 24, 1990.

To Whom It May Concern:

Project: NASA Ames Research Center.

Subject: History behind Continental Construction relationship with Peterson Associates, Inc.

DEAR SIR OR MADAM: On April 18, 1988 we were given a verbal commitment to proceed with our portion of the work on the above mentioned project. A confirming purchase order was received on May 15, 1988. Our total contract amount of $679,484.00 was to provide Heating and Ventilating equipment per plans & specifications. Because of the high volume of dollars involved for us, I was extremely careful to make sure of Continental's bonding and their position with NASA.

On May 3, 1988 I faxed to Steve Ayers of Continental Construction credit forms, which included Lien and Bond information. I received the paperwork back from Steve Ayers on May 10, 1988. This gave me details on their bonding company, United Funding & Investors (Bond Number 5086) with the principle contact being a Mr. George Schamberger. Having received this information, I had a friend who is in the bonding business check out UF&I. He discovered that they were not even listed in the manual that rates bonding companies. Knowing this, I made contact with George Salas at NASA to inquire about the bonding company. I was told at that time that the bonding company had met all of the government's requirements for bonding agents and they were approved on this project. Having full faith in the government's ability to select companies with the proper backing, I proceeded with the order.

Everything went fairly smooth during the initial part of the project. Items were approved, shipped, and paid for within a 30 day period. I watched this very closely because of my concern about Continental and their ability to pay. Then the larger items started shipping and payments started to slip. I began calling Steve Ayers about payment. During that time I also spoke frequently with his mother Beverly Jenson. Promises were made by Steve and Beverly but payment never materialized. Therefore, on approximately December 1, 1988 I called George Salas of NASA and indicated to him that payment was not being made. I was told that Continental Construction had already been paid and that I would have to contact them for payment. On December 28, 1988 I had my attorney send a letter to UF&I attention George Schamberger indicating the amount due and payable of $264,477.15 plus interest. We received nothing back from them until further demands were made over the next few months. When it was evident that this was not working we filed against the Miller Act. We also filed against Continental Construction, Erwin Pardue and Wilford Frank Montgomery. We were able to obtain judgments against these individuals but, found it nearly impossible to serve papers. It seems each of them had made themselves extremely hard to locate.

I find it very difficult to understand how the officials at NASA can wash their hands of this issue. It was their major responsibility to make sure the contractor and bonding company were financially responsible. Small companies such as mine cannot take substantial money losses like this and stay in business.

I would also like to add that two of my major manufacturers are still owed substantial amounts of money: Mammoth—$155,900.00 + Tax & Interest; Data Aire—$49,713.00 + Tax & Interest.

Thank you,

LEE LONGSON,
Peterson Associates, Inc.

J.W. THOMPSON CO.,
St. Louis, MO.

Continental Construction #C110-21 NASA Integrated Test Facility, Summary of Events Up To May 23, 1990

The J.W. Thompson Company received P.O. #3013 from Marcum, Inc., Mechanical Contractors on November 16, 1987 for a quantity of (1) Airtrol model CBU812 air handling unit to be built in accordance with section 15880. Before accepting the purchase order for the subject equipment we reviewed the specifications and determined

that the successful general contractor was required to supply a bond. Marcum, Inc. developed financial difficulties and on May 5, 1988 we received purchase order #3110-21 from Continental Construction to complete the work for this air handling unit. The contract J.W. Thompson Co. entered into with Continental Construction was for $69,800.

During the middle of October 1988, we were pressured by Mr. Steve Ayers with Continental Construction to ship the air handling unit. At that time we asked NASA if Continental Construction had met their bonding requirements. We were informed that all requirements had been satisfied. We subsequently shipped the unit on October 31, 1988. In January 1989 we received from Continental Construction a letter requesting a lien release agreement for which we then responded with a letter on January 31, 1989 stating that we would not release the lien. On February 6, 1989 we received a letter from Beverly Jenson stating that we would receive payment by the end of February which was never received. On March 10, 1989 we contacted U.S. Equities which is Mr. Erwin Pardue's holding company. Again this met with no success so then we proceeded with litigation against the sureties and Continental Construction.

Mr. George Salas, the Contracting Officer for NASA on the project, was never any help in attempting to resolve the issue of payment. When asked who the other outstanding creditors were, he informed us that this information was proprietary to the Government and was not available.

Airtrol has informed our Company, NASA, Burns and McDonnell, and Cates Construction that Airtrol will not be responsible for the operation of the unit or subsequent damage to the aircraft electronics, nor will they be responsible for assisting in the proper completion of installation of equipment until they receive payment. They have also informed the above parties that the submittal information, drawings, and diagrams are incorrect and/or incomplete.

Since we had not received payment on our $69,800 contract, J.W. Thompson Co. began legal action in January 1989 with the firm Watson, Ess, Marshall and Enggas of Kansas City. On April 24, 1989 J.W. Thompson Co. also retained the firm Thompson & Mitchell of St. Louis. Thompson and Mitchell retained local counsel who filed a Miller Act complaint against Continental Construction and its individual sureties, Pardue and Montgomery, in U.S. District Court in California.

Continental Construction no longer exists, and Montgomery cannot be found. I have made every effort to locate and trace the assets Mr. Pardue and Mr. Montgomery listed on their financial statements, to no avail. The owner of the hotels and apartment complex Pardue listed have never heard of Mr. Pardue. One of the properties has since been sold at a foreclosure sale.

J.W. Thompson joined with other subcontractors in April 1990 to pursue any further hope of collecting the money owed to us. We hope this meeting will be of help. Thank you.

Sincerely,

J.W. THOMPSON.

[From Interstate Sheet Metal, Vancouver, WA.]

STATEMENT TO HEARING

First off this morning, I would like to thank all present for taking the time out of all your busy schedules to attend this hearing in the hopes of resolving the differences regarding how to dispose of our claims of non-payments.

Interstate Sheet Metal is a small business enterprise that specializes in Metal Roofing and Siding contracts or subcontracts on Public Works projects, mostly Federal. We have been in this business for many years employing up to forty Washington and Oregon employees. We were very aware of the risks in subcontracting on Federal projects, but had always been insured that we were protected by Miller Act Bonds.

As a usual precaution, when Continental Construction desired us to enter a subcontract on the ITF facility, we ran a credit check on them and investigated how well they were paying their bills. It was discovered that their problems with sucontractors not getting paid, and that the son and project manager, Steve Ayres, was under indictment from work on other projects even prior to starting on this contract.

At this point we did our usual next step, which was to contact the owners representative. This turned out to be George Sallis, the contracting officer for the project. Mr. Sallis informed me at that point and on many future occasions that there was a "good bond" and that all the rest of the problems were talk based on "rumors". He said the dispute with paying the steel had something to do with compliance with specifications.

Based on this, we decided that no matter what occurred, we would be protected by the bond in event of default or nonpayment.

Twice while on the site and being in a position of not receiving progress payments, Mr. Sallis told us not to worry that he would ensure we would get paid and even at one point told us that Continental was not going to get any more NASA funds, but to continue working and we would get paid.

After working three months and receiving no money at all, we pulled off the site against NASA's wishes. Mr. Sallis never did anything as best I can tell, to get us one penny. The sureties if you can call them that played stall games on taking over the project for awhile, and tried to get us to return to work, but we demanded our payments first.

Mr. Maier and I attemped to work out a sole-source contract to install the balance of the siding for the protection of the siding and the building, and we were within a week of returning to the site to perform when someone at AMES vetoed the idea and elected to leave the panels laying on their side in the mud directly against the manufacturers instructions and common practice. I was told that NASA could not issue a sole-source contract even out of the maintennce account. Mr. Maier's hands were tied by above even though he wanted to help and told me he felt very sorry for our predicament and not getting paid. Our entire billing was in the final month that Continental was defaulted in and never received payment for. NASA has never paid us through Continental for our work performed.

When we did not get paid for our billings, it destroyed our small cash flow remaining and gave us a very poor financial statement. This created a snowball effect, denying us bonding, we lost two large contracts, and had a year of extreme struggle and hardship. We only survived by having a good reputation, and getting a few subcontracts by general contractors not demanding bonding. We relied on bank credit costing us a large sum of interest to continue in business.

Besides interest, and other expenses, we are owed $127,987.44 in unpaid billings to NASA on the ITF facility. The "Bond" turned out to be two individual sureties with no real assets securing the job. They didn't perform, pay us or even stay contactible, possibly leaving the country. The assets were fraudulent blatantly, and were no "Miller Act Funds" to go after. Our council in California informed us that being that other subcontractors had perfected their Miller Act bonds, and gotten a judgement without receiving funds that there was no reason to spend thousands trying to get blood out of a turnip, and to seek relief through measures.

Our company relied on NASA and the Federal government to protect us and pay us for our work as promised. We have been patiently waiting and talking for over a year. Now its time for action, and solutions. This doesn't mean more endless dialogue, it means paying us what is due and putting this matter into the past.

EMCO ENTERPRISES, INC.,

Re: NASA Integrated Test Facility.

Sacramento, CA, May 30, 1990.

To Whom It May Concern:

Our involvement with the NASA-ITF project has been a two year travail. Our experience has included harassment and intimidation by the general contractor and outright theft of material.

Our initial contract in the amount of $125,000 dated January 1988, called for the design and fabrication of the exterior wall cladding system in concert with Insulated Building Products of Houston, Texas. Through the summer of 1988 Continental Construction exerted tremendous pressure on us, including visits by Continental personnel to our offices in Sacramento in order to expedite delivery of material in advance of the proscribed schedule. Initial shipments commenced in September 1988, though we were reticent to expedite the balance of material as we wished to assure ourselves that payment would be made on a timely basis prior to increasing our exposure. In response to a phone call from the NASA Project Engineer in late September 1988, requesting status on the fabricated material, we related that "Credit Problems" dictated our posture as to future deliveries—he expressed no surprise as to our rationale.

After receiving promises of payment, but failing to receive funds, we advised Continental in December 1988, that in accordance with our rights under the Uniform Commercial Code, we would withhold the balance of shipments until such time as Continental could prove solvency. Wishing to secure the balance of material, Continental approached us in January 1989—we negotiated a COD arrangement, to be paid in the form of Banker's Cashiers Check, in the amount of $80,000. Upon delivery by common carrier of the material in question, Continental personnel—the President, and her son the Project Manager—through an elaborate smokescreen, were able to unload the truckload of material without providing the required payment to the truck driver. Attempts to involve the Base Military Police were futile as they claimed this was simply a civil matter, beyond their jurisdiction.

With the default of Continental, we were forced to pursue our remedies under the Miller Act. In February 1990, we obtained default judgments against Continental, and the two sureties, in the amount of $76,671.95.

Since the default of Continental, we have combined efforts with others in an attempt to pursue constructive efforts to assist NASA in completion of the project—failing a positive response from the Agency, we now seek redress through other means.

Sincerely,

DAVID STONE,
Vice President.

DECLARATION OF KRISTIN S. HACKLER

I, Kristin S. Hackler, declare as follows:

1. I am an attorney duly licensed to practice law in the State of California and in the United States District Courts in the State of California.

2. One of my clients is a construction firm by the name of Bigge Crane & Rigging Company, Inc., who was a subcontractor on a federal construction project at Edwards Air Force Base for NASA. My client supplied heavy-lift truck and stationary cranes to the general contractor on the project, Continental Construction Company.

3. My client supplied the equipment and labor until late September 1988, when the equipment was pulled off the job for nonpayment of invoices due, which totaled approximately $50,000.00, and the disappearance of the jib off one of its cranes. The general contractor refused to disclose what had happened to the jib or where it was, and refused to pay on the invoices for equpment rental and work performed. My client, who had attempted to resolve the problem both with Continental and with the contract administrator (as indicated on the attached copy of a letter from Mr. Salas to my client) asked me to collect on the invoices.

4. I telephoned the contract administrator, one George Salas, at Edwards Air Force base, to seek assistance in obtaining payment from the general contractor, Continental, to request information regarding problems with the general contractor, to obtain the number of the payment bond filed for the job and to obtain the name of the surety itself.

5. Mr. Salas was most uncooperative, told me contractors always paid slowly and that there was nothing wrong with the project or the general contractor, refused to give me the name of the surety but gave me the number of the contract for the job. At no time did Mr. Salas indicate to me that there were individuals acting as sureties on the payment bond.

6. I was able to track down a name that was alleged to be the surety on the job, one United Funding & Investors. I subsequently learned that the alleged surety was merely a broker for the two individual sureties, even though in my contact with United Funding & Investors, they stated they would review the claim of my client for payment on the "bond."

7. I sent a formal demand for payment both to Continental and to Mr. Salas in mid-September 1988. There was no response from either one.

8. Having no response to my claim from United Funding & Investors, I wrote Mr. Salas again (a copy of that letter is attached hereto as Exhibit B), requesting his assistance and copies of the bond affidavits from the two individual sureties. Mr. Salas refused to respond to me either by letter or telephone. In the meantime, I was in contact with the United States Attorney's office, NASA's internal security, and other entities very interested in Continental's principals. I tracked down a grand jury indictment regarding one of Continental's principals for violations of the Davis-Bacon Labor Act and for turning in falsified invoices in prior government construction projects.

9. At no time did Mr. Salas cooperate, respond, or provide requested information to me. Eventually I obtained copies of the individual sureties' affidavits from another subcontractor who had had to get them through the Freedom of Information Act.

10. Eventually, I sued the general contractor, the broker and the individual sureties pursuant to my client's rights under the Miller Act. The general contractor and the individual sureties disappeared from the country; the individual sureties' assets pledged for the payment bond were non-existent; and my client as well as many other subcontractors lost a great amount of money.

The foregoing facts are true of my own personal knowledge; if called upon as a witness, I would be competent to testify thereto. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

KRISTIN S. HACKLER.

Dated: May 21, 1990.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION, AMES RESEARCH CENTER, DRYDEN FLIGHT RESEARCH FACILITY,
Edwards, CA, July 31, 1989.

Re contract NAS2-12683, Integrated Test Facility.

BIGGE CRANE & RIGGING CO.,
San Leandro, CA.

GENTLEMEN: This will acknowledge receipt of your letter dated July 24, 1989 concerning payment of work performed, by Bigge Crane & Rigging Co., on the Integrated Test Facility under NASA contract NAS2-12683. Be advised that this contract was awarded to Continental Construction Corporation for whom you perform work as a subcontractor.

Because the Government has not awarded a contract to your firm for the work cited in your letter there are no provisions for the Government to make payment as you request. Your recourse is to the payment bond.

Sincerely,

GEORGE R. SALAS,
Contracting Officer.

PIERUCCI & TONSING,
ATTORNEYS AT LAW,
Oakland, CA, October 19, 1988.

Re NAS2-12683 Contract.

GEORGE SALAS,
NASA Ames Research Center, Dryden Flight Research Facility, Edwards, CA.

DEAR MR. SALAS: I was able to contact a person in United Funding and Investors. In researching the "bond" on the above contract and have forwarded a claim to them. However, I have also learned from the National Association of Sureties that UFI is not a regular bonding company but rather a middleman which obtains personal guarantees from individuals. It is my understanding that two federal form #28s should have been filed with you to show the two individuals who gave their guarantees.

I am requesting, therefore, that you send me copies of the front and back of these two form 28s. I am also requesting a copy of the above listed contract.

On behalf of my client, Bigge Crane & Rigging, I request that you assist us, to the limits of your authority, in obtaining payment from Continental and the return of a major piece of equipment, a jib from the main crane.

Sincerely,

PIERUCCI & TONSING.
KRISTIN S. HACKLER.

MARK STEEL CORP.,
Salt Lake City, UT, May 30, 1990.

As a representative of Mark Steel and speaking for the additional 17 other creditors not here today, we wish to extend to you our appreciation for the opportunity of being here.

There are many questions about the project at Edward Air Force Base, called the Integrated Test Facility, which we feel have gone unanswered.

Looking back, I recall some of the major events or milestones of our association with Continental Construction. Their request for us to quote the fabricated steel created some concern internally at Mark Steel as to Continental Construction's ability to handle a job of this magnitude. We evaluated the requirements relating to the delivery, type of work and who the end user was, and made the decision to quote them.

Subsequent to submitting our quotation to Continental, Mark Steel was requested to attend a meeting at their Las Vegas Office. In attendance at this meeting were the principals of Continental Construction, NASA Personnel, and from Mark Steel—A. Mark Markosian, President and Ron Wood, Sales-Marketing.

The discussions were centered around Mark Steel's qualifications to fabricate the structural steel for the project and provide evidence of the Company's financial stability.

Mark Steel presented information and photographs on recent projects which met or exceeded this one in size and complexity. As to Mark Steel's financial stability, Mr. Markosian stated that if the project required a bond, one could be readily furnished and that Mark Steel has a bonding capacity of 20 million dollars.

We also understood that inquiries were being made within the circles of Government as to Mark Steel's ability and reputation. Assuming that all sub-contractors and Continental were also subjected to an intense review and that highly visible NASA was the owner of the project and that Continental was required to bond the project, Mark Steel accepted Continental's purchase order for 1.7 million dollars and signed on October 13, 1987.

Mark Steel's commitment to complete the fabrication by March 31, 1988, required two very important things to happen; the detailing with a short approval cycle, and the placement of steel orders. Mill rollings were tight and to meet the delivery we were forced to place the entire order immediately. Normally, we would place the order to spread receipts of the 1,800 tons steel to meet fabrication demands over a several month schedule so as to lessen cash demands.

BICENTENNIAL REFLECTION

Mr. PELL. Mr. President, on May 29, the State of Rhode Island observed the 200th anniversary of its ratification of the Constitution of the United States, marking also its entry into statehood.

The occasion was marked by a full day of colorful events throughout the

State including a reenactment of the debate over ratification of the Constitution at the Colony House in Newport where the ratifying convention was assembled in May 1790, and concluding with a statehood dinner at Rosecliff on Bellevue Avenue in Newport, RI.

Although the Constitution is today hailed throughout the world as one of the great, creative acts of government, there were spirited debates over the provisions of the proposal in a number of the former British colonies before, one by one, they agreed to ratify the Constitution and join the new nation. Nowhere, however, was opposition to the Constitution more spirited, and ratification longer delayed than in Rhode Island.

At the statehood dinner, Dr. Patrick Conley, chairman of the Rhode Island Bicentennial Foundation, delivered a "Bicentennial Reflection" recalling Rhode Island's refusal to participate in the drafting of the Constitution, its strong resistance to ratification, and the critical view taken of Rhode Island by residents of the other new States. Dr. Conley's address, entitled "Were We Really Rogues' Island?" was both entertaining and a vivid reminder of the independent spirit that dominated among Rhode Islanders 200 years ago. I ask unanimous consent that the text of his address be printed in the RECORD for the benefit of my colleagues and in observance of the Rhode Island bicentennial.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

WERE WE REALLY ROGUES' ISLAND? A BICENTENNIAL REFLECTION

(By Patrick T. Conley)

May 29, 1990, will be the two hundredth anniversary of Rhode Island's entrance into the present American Union. It will be the bicentennial of our ratification of the federal Constitution. Can Rhode Island commemorate this momentous event with head held high; or is our boycott of the federal convention and our position as the last of the original thirteen to ratify still cause for embarrassment?

Let us look at the historical record. As I have shown in my booklet First in War, Last in Peace: Rhode Island and the Constitution, 1786-1790, the Rhode Island Assembly defeated three attempts by its minority members to send delegates to the Philadelphia Convention, thus making us the only absent state. Then Rhode Island defied the instructions of the Founding Fathers by holding a popular referendum on the Constitution. Adding insult to injury, we voted down that now-hallowed document in March 1788 by a margin of more than 11 to 1. During the ratification period our legislature rejected at least eleven attempts by the Constitution's supporters (called Federalists) to convene a ratifying convention, and when we did finally assemble such a body in March 1790, the new nation had been in operation for nearly a year without us. That convention, held in South Kingstown, proposed thirty-six amendments to the Constitution (to this day all the states have managed only twenty-six alterations), and then the defiant conclave adjourned.

In May 1790, bowing to federal political, military, and economic pressure upon our tiny independent maritime republic, the recalcitrant convention reconvened in Newport and grudgingly approved the nation's new basic law, 34 votes to 32—the narrowest margin of any state. It did so with Providence threatening to secede from Rhode Island if ratification were further delayed.

Small wonder that the Constitution's supporters denounced us. To them we were Rogues' Island, home of the dishonest debtor (a reference to our paper-money issue of 1786). We were also the "Quintessence of Villainy" and an example of "democracy run rampant." For the federalists, the state symbolized the danger to order posed by popularly controlled state legislatures. From the outset, when the Massachusetts Centinel described Rhode Island's absence from the Grand Convention as a "joyous rather than a grievous circumstance," to the end of the ratification struggle, when some proposed the state's dismemberment and absorption by the surrounding states, Rhode Island endured repeated insult. Even the temperate James Madison found us exasperating. "Nothing can exceed the wickedness and folly which continue to rule there," he exclaimed. "All sense of character as well as of right have been obliterated." President George Washington agreed, and he snubbed the state when he made his triumphal tour of the Union in 1789.

The most eloquent censure of all came from neighboring Connecticut in the form of a poem called the "Anarchiad, 1786-1787," penned by a group of literati who styled themselves the Connecticut Wits. Striking a derisive note in its opening lines—"Hail! realm of rogues, renown'd for fraud and guile, / All hail; ye knav'vries of yon little isle"—this long satire ended with an admonition; "The wiser race, the snares of law to shun, / Like Lot from Sodom, from Rhode Island run." In those days political critics played hardball!

Was this litany of shame deserved? Were the Federalists correct in their assessment of our microparadise? The anser to these questions, I would argue, is no. Although Rhode Island was physically absent from Philadelphia for the drafting of what the English prime minister William Gladstone once called "the most remarkable work known to me in modern times to have been produced by the human intellect . . . in its application to political affairs," and although we were notorious in our reluctance to ratify the much-praised Constitution, our state's contribution to the nation's basic law was far from negligible, and our opposition to it was, in some respects, both prophetic and defensible.

The verdict of history often favors the winners. Lost to all but historians is the fact that the Constitution in its infancy met staunch opposition from a group called the Antifederalists. These critics were actually more numerous in 1787-88 than the Constitution's Federalist supporters. In Rhode Island, the Antifederalists were the strongest of all. The Constitution is not a perfect document today; and it was much less perfect when it emerged from the Philadelphia Convention in 1787. Antifederalists accentuated the negative.

Rhode Island, a bastion of Antifederalism, took several key positions on the proposed basic law which were meritorious (or at least justifiable), even when considered in retrospect. First, Rhode Island perceived that the new central government would be much more powerful than the one that then existed under our first national constitution, the Articles of Confederation. As a small state with a long tradition of autonomy and self-government, we feared a loss of our state's rights under the new regime. Prior to the Revolution, Rhode Island pamphleteers such as Stephen Hopkins and Silas Downer had helped to develop a theory of federalism in opposition to the attempt by the mother country to centralize power in Parliament and London. They argued that sovereignty was dual and divisible (not unitary and consolidated, as the English claimed) and that the colonial legislatures were soverign in their local, internal affairs. This federal concept, which divided sovereignty between the central government and the constituent states, was allegedly a basic theory underlying the Constitution.

Most Rhode Islanders, however, noted the absence of effective checks on the growth of national power and feared that the new central government would aggrandize itself at the expense of the states. Rhode Island demanded a guarantee (now called the Tenth Amendment) to protect the states from such encroachment. Despite the enactment of that caveat—"The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people"—the central government has now realized Rhode Island's worse fears. As we said in 1790, the national government under the Constitution possesses the tendency to swallow up the states and to become extravagant, impersonal, bureaucratic, unresponsive, and a burden to the taxpayers. As a recent successor to George Washington was forced to admit, the federal government is not the solution but the problem. Rhode Island's wary and prophetic Antifederalists have been vindicated. The Constitution has, indeed, been inimical to true or dual federalism.

Another concern of Rhode Island in 1890 was that the Constitution created a strong, remote central government without protecting the individual and his rights from abuse by that government. Anti-federalists in the ratifying conventions of more than half the states proposed amendments to the Constitution to protect individual liberties or states' rights from the arbitrary exercise of power by the new national establishment. Rhode Island, with its thirty-six suggested safeguards, was the most prolific (though many of her amendments were based upon earlier formulations by states such as Massachusetts, South Carolina, New Hampshire, Virginia, New York, and North Carolina.

The Antifederalist concern for the protection of individual liberty gave rise to the first ten amendments to the Constitution. Ratified in 1791, they became known collectively as the Bill of Rights. Rhode Island, along with North Carolina, had the luxury of debating the merits of the Constitution and the Bill of Rights simultaneously, because both North Carolina and Rhode Island were still outside the Union when the First Congress sent these precepts to the states for approval in September 1789.

The proposal of a Bill of Rights was instrumental in lessening Rhode Island's opposition to the Constitution. When the Founding Fathers addressed our long-standing concern for individual liberty, Rhode Island relented. On June 11, 1790, our Gen-

eral Assembly approved the Bill of Rights (the May ratifying convention was not empowered to do so), and Rhode Island's position was vindicated once again.

Despite its absence from the initial session of the First Congress, Rhode Island in fact exerted an influence on the formulation of the Bill of Rights, especially the First Amendment. Founded by Roger Williams as "a lively experiment" in religious liberty and separation of church and state, Rhode Island was the only New England colony without an established (i.e., tax-supported) church, and, true to the wishes of its founder and its charter, it never restricted freedom of worship. In 1789 Rhode Island, the "home of the otherwise-minded," was still a shining example of religious freedom. Although the Virginia Enlightenment tradition, rooted in natural law, was the most direct influence on the free-exercise and establishment clauses of the First Amendment, most historians (myself included) believe that the First Amendment's religion clause also emanated from Roger William's biblically based Rhode Island system and from our state's long experience with such freedoms. Here Rhode Island led the way.

Another factor in Rhode Island's rejection of the Constitution was slavery. On this issue we executed the greatest about-face since Saul of Tarsus became the Apostle Paul. During the colonial era, Rhode Island merchants led those of all other colonies in their slave-trading activities. In his recent book The Notorious Triangle, historian Jay Coughtry shows that Rhode Islanders brought to America more than 70 percent of those Africans who came to these shores in bondage. By the mid-eighteenth century, Rhode Island had an elaborate slave system on the relatively spacious estates of South County—Farms run by a group of landed gentry called the Narragansett Planters and based on a slave code resembling that of Virginia.

But the Revolution and the sentiments of the Declaration of Independence brought a change in our attitude towards slavery. So did the conversion of Rhode Island's large and influential Quaker community to abolitionism. The liberation movement began in 1778, when the General Assembly passed a wartime enlistment law stipulating that those slaves (including Indians) who enlisted in Rhode Island's "colored regiment" would be granted freedom upon completion of their term of duty. A 1779 law forbade the sale of Rhode Island slaves outside the state without their consent.

The Emanicpation Act of 1784 was the most significant of the several Revolution-inspired statutes relating to blacks. With a preface invoking the sentiments of English political theorist John Locke—namely, that "all men are entitled to life, liberty and property" (but presumably not property in men)—the measure provided for gradual manumission by giving freedom to all children born to slave mothers after March 1, 1784.

Despite this progress in Rhode Island, our local opponents of slavery realized that the Philadelphia Convention (in deference, especially, to South Carolina) had compromised on this issue and that the Constitution thrice gave implied assent to this evil institution through the clauses on representation, fugitives, and the slave trade. In particular, the twenty-year prohibition on federal legislation banning the foreign slave traffic was a concession too great for many Rhode Islanders to accept, perhaps because they wished to atone for past sins.

Only five weeks after the adjournment of the Philadelphia conclave, the General Assembly passed an act, initiated by the influential and irrepressible Quakers, prohibiting any Rhode Island citizen from engaging in the slave trade. In vigorous language this statute termed the nefarious traffic "inconsistent with justice, and the principles of humanity, as well as the laws of nature, and that more enlightened and civilized sense of freedom which has of late prevailed." A constitution which gave temporary protection to this trade was not an instrument to be warmly embraced.

Thus the state's antislavery contingent took refuge in Antifederalism, and during the critical year 1790 this connection nearly thwarted ratification. Fortunately, however, there were some abolitionist leaders who began to see the difficulties inherent in Rhode Island's continued rejection of the Constitution. One such man was the influential Quaker Moses Brown of the famous mercantile family. Despite some initial misgivings, he embraced the Federalist cause by 1790. Early in that fateful year Brown toured the state, talking with Friends at the various monthly meetings in an attempt to overcome their opposition. His campaign seems to have met with limited success, but the antislavery objections to the Constitution were by no means dispelled when the March session of the ratifying convention assembled.

Slavery engendered much discussion and debate at this South Kingtown meeting. In fact, the slave-trade provision of the Constitution provoked such opposition that an amendment was specifically proposed and approved exhorting Congress to ban the traffic immediately. Rhode Island was the only state to suggest such an amendment to the federal Constitution during the ratification struggle.

As we know, it took the federal statutory ban on the foreign slave trade (effective January 1, 1808) and, ultimately, the Civil War and the Thirteenth, Fourteenth, and Fifteenth Amendments to bring the Constitution in line with the course urged by most Rhode Islanders in 1780s (slave traders like John Brown and James DeWolf, of course, excepted). Here again, who can deny the merit of Rhode Island's Antifederalism?

Part of Rhode Island's opposition to the Constitution stemmed from the fact that Article Three gave the new federal judiciary the power to entertain suits by an individual against a state. An amendment to remove such cases from federal jurisdiction was proposed by the first session of Rhode Island's ratifying convention in March 1790, but the proposal was ignored by the First Congress. However, when the U.S. Supreme Court accepted jurisdiction of a suit against a state by a citizen of another state in the case of *Chisholm* v. *Georgia* in 1793, there was such an angry reaction that the Eleventh Amendment was immediately proposed by an overwhelming vote of both houses at the first session of Congress following the decision, and it was promptly ratified by February 1795. This amendment provided that "the judicial power of the United States shall not be construed to extend to any suit in law or equity, commenced or prosecuted against one of the United States by Citizens of another state, or by Citizens or subjects of any Foreign State." Although the new amendment did not extend to federal questions or federal suits against a state by its own citizens, it was nonetheless an early concession to Rhode Island's assertive states' rights stand.

Finally, one must note Rhode Island's popular referendum on the Constitution—a referendum that inspired Federalist denunciations because the Constitution's framers had prescribed ratifying conventions as the mode for registering approval or rejection. In March 1788, with most of Rhode Island's Federalists angrily abstaining, the state rejected the now revered Constitution by a vote of approximately 2,711 to 243 (historians' computations differ slightly.) This 11-to-1 trouncing, made worse by the Federalist boycott, would seem to do no credit to Rhode Island. Some towns even shut out the Constitution entirely: the vote was 180 to 0 in Coventry, 177 to 0 in Foster, 156 to 0 in Scituate, and 101 to 0 in Cranston. Yet Rhode Island's insistence on a constitutional referendum now seems no more than reasonable. What new basic law can be enacted today without explicit popular approval at the polls?

In view of Rhode Island's subsequent vindication, we should have no cause for shame on May 29, 1990. In fact, considering the basis of Rhode Island's opposition to the original Constitution—resistance to an overweening and unrestrained central government; concern for the sovereignty and integrity of the states in the sprirt of true federalism; solicitude for individual liberty, especially religious freedom; opposition to slavery and the incidents of servitude; and concern for democratic participation in the constitution-making process—perhaps Americans might ask not why it took Rogers' Island so long to join the Union, but rather why it took the Union so long to join Rhode Island?

TROPICAL FORESTS DISAPPEARING AT AN ALARMING RATE

Mr. PELL. Mr. President, the world's tropical rain forests are disappearing at an alarming rate. A study released Friday by the World Resources Institute in collaboration with the United Nations Environment Programme and the United Nations Development Programme reports that the rate of tropical deforestation may be up to 79 percent higher than previously thought. Based on these estimates, we are losing up to approximately 50 million acres of tropical forest annually or an area nearly 70 times the size of my home State of Rhode Island.

This situation is intolerable. The importance of tropical forests to the welfare of our planet and human beings as a species cannot be underestimated.

Tropical forests play a vital role in the prevention of global warming: acting as carbon sinks or reservoirs. When forests are cleared—through felling or burning—the carbon is oxidized and released into the atmosphere in the form of carbon dioxide, a greenhouse gas. These emissions are not insignificant. In 1987, burning of the Amazonian rain forest in Brazil released more carbon into the atmosphere than was released in the same year through the burning of fossil fuels in the United States, and our country is the largest greenhouse gas emitter. Indeed in 1987, deforestation

contributed 33 percent of the carbon dioxide emissions caused by humans.

But tropical forests are important for other reasons as well. They are the primary repository of the Earth's genetic resources or biological diversity. Half of the Earth's species are contained in tropical moist forests.

What does this mean at a practical level? Quite simply that we may be destroying the pool of genetic material that could be used for advances in medicine, biotechnology or other fields that rely on the availability of this material for research. For instance, it is estimated that 50 percent of prescription drugs now contain products originating in rain forests. It could well be that a vaccine for AIDS or a cure for a now fatal form of cancer will be based on products derived from rain forests. Moreover, efforts to develop hardier and more productive strains of crops may be hampered if the genetic material to develop these new crops is depleted.

The uses of rain forest products I have cited are speculative, but this reflects part of the tragedy of the destruction of the rain forest. In most cases we do not even know what we are losing.

In addition to the scientific basis for concern about the destruction of rain forests, difficult human rights issues are also raised. In some areas, forest dwelling tribes find themselves caught between their own needs in the forest and the desire of governments and other parts of the population to develop the forest.

For instance, in Borneo, in the Malaysian state of Sarawak, members of the forest-dwelling Penan, Kayan, and other tribes are waging a struggle to defend their rights to their customary land against encroachment by logging companies. For the nomadic Penan who survive as hunters and gatherers, deforestation has been particularly devastating, causing a decline in their food supply and a possible increase in disease.

Mr. President, the question of tribal land ownership claims in the rain forest raises a host of difficult legal questions. Land claims are based more often on customary rights than on legally binding documents. These claims are often overridden by governments more interested in exploiting forest resources than in protecting indigenous peoples. The human rights concerns this situation raises are very real and pressing. Any attempt to address comprehensively tropical deforestation must take into account the rights of the communities that live in and around the forests.

If many of the possible consequences of deforestation are ill-defined, the causes mostly are not. And therein, Mr. President, lies a cause for hope. The better we understand the forces causing the destruction of rain forests, the better we will be able to respond to them.

The basis for U.S. efforts to help preserve biological diversity and tropical forests can be found in sections 119 and 118 of the Foreign Assistance Act. I am the author of section 119 which directs the Agency for International Development to create a program to protect biological diversity in developing countries and to report annually on this program.

In addition, I am the coauthor of section 118 which directs the Agency for International Development to place "a high priority on [the] conservation and sustainable management of tropical forests." And, last year, I joined Senator LEAHY as an original cosponsor of S. 1611, which directed AID to focus its tropical forestry assistance efforts on key countries where the environmental return of U.S. assistance could be maximized.

Bilateral aid efforts, however, are clearly insufficient to stop tropical deforestation. The magnitude of the problem dictate that we undertake a coordinated global effort to save one of our planet's most important resources.

A good starting point for these efforts would be the upcoming Group of Seven summit in Houston. Last year, for the first time at a G-7 economic summit, environmental issues were a major topic of discussion. In fact, 19 of the summit declaration's 56 paragraphs were devoted to the environment. With regard to deforestation, the Summit Seven declared:

> Preserving the tropical forests is an urgent need for the world as a whole. * * * [W]e encourage, through a sustainable use of tropical forests, the protection of all the species therein and the traditional rights to land and other resources of local communities.

The summit leaders then went on to lend their strong support to the tropical forestry action plan, or TFAP for short.

While the declaration's general statements on deforestation are commendable, the G-7's endorsement of the TFAP as a solution is misguided. TFAP is a process for organizing bilateral and multilateral aid to developing countries' forestry sectors based on plans developed by those countries. The plan was intended to ensure the conservation and sound management of the forests as a resource. With a goal of promoting $8 billion in investment in tropical forests in the 5-year period for 1987 to 1991, TFAP has had and will continue to have a major impact on forestry sector investment.

Unfortunately, there is now mounting evidence that the implementation of TFAP on the national level is failing to achieve the objectives of the plan and may in fact cause deforestation rates to increase. An analysis of TFAP's implementation through national forestry action plans in nine countries—Peru, Guyana, Tanzania, Nepal, Cameroon, Colombia, Papua New Guinea, Ghana, and the Philippines—shows that in six of these countries, deforestation is likely to increase under TFAP.

The study identifies several other flaws as TFAP is implemented on the national level. For my colleagues' information, I am submitting for the RECORD a copy of a letter I sent to World Bank President Barber Conable asking that bank forestry sector lending through TFAP be halted until the program can be thoroughly reviewed. I will ask unanimous consent at this time that the letter be placed in the RECORD following my remarks. It would indeed be a tragedy if a plan designed to save tropical forests became an engine for their demise.

What should the G-7 nations do at this year's summit to save tropical rain forests? First, they should reaffirm the general principles on the importance of tropical forests and the rights of the individuals living within them. This should not be difficult, since the language was acceptable at the previous summit.

Second, the G-7 nations should call for an immediate halt to funding of forestry sector lending and aid channeled through the tropical forestry action plan pending a complete review of the TFAP and its implementation at the national level.

Third, the G-7 nations should commit themselves to increase significantly funding for research on tropical forests. At the present time, precise figures for the rate of tropical deforestation are unavailable and our understanding of what we are destroying is minimal. This knowledge will be crucial to efforts to save the forests and to help countries learn how to develop their forests without destroying them.

Fourth, the G-7 nations should work with developing nations to create a body to study alternative methods of forest development. What is seldom realized is that many traditional methods of forest development are not economically viable. Thus the tragedy of rain forest loss is compounded by the fact that the projects that caused this destruction themselves fail. Alternatives do exist. A study in the respected journal Nature found that over time, the annual market value of rubber, cocoa, and edible fruits from one hectare of the Peruvian rain forest was worth six times the value of timber harvested on that plot in a single year and twice the value of converting the land to cattle pasture.

Fifth, G-7 nations must recognize that as the principal consumers of tropical hardwoods, they bear a direct responsibility for deforestation. In conjunction with efforts to help developing nations shift to alternative

methods of forest development and sound, sustainable timber harvesting practices, the G-7 nations should commit themselves to reduce their own demand for tropical hardwoods.

Finally, we must recognize that deforestation is also a product of forces not specifically related to the forests themselves, including: Population growth and the debt and development crisis. Effective protection of tropical forests will require us to move ahead in these areas as well, and I would hope that G-7 take up these issues at the Houston summit.

Mr. President, tropical rain forests are among our planet's most important resources. If we squander them, the damage to the planet our children will inherit will be incalcuably large. We have the opportunity to take action now, we should do so.

I ask that the letter to which I referred be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC, May 2, 1990.

Hon. BARBER CONABLE,
President, the International Bank for Reconstruction and Development, Washington, DC.

DEAR MR. CONABLE: I am writing to express my concern about the Tropical Forestry Action Plan (TFAP) and to urge you to suspend bank funding for forestry projects through TFAP pending completion of a thorough review of the TFAP process. As originally conceived, I believe that TFAP was well intentioned; however, there is now mounting evidence that the implementation of TFAP on the national level is failing to achieve the objectives of the plan and may in fact cause rates of deforestation to increase. In this light, the declared intention of bilateral and multilateral aid organizations, including the World Bank, to channel large increases in forestry sector spending through the TFAP process is cause for serious concern.

An analysis of TFAP's implementation through National Forestry Action Plans (NFAPs) in nine countries—Peru, Guyana, Tanzania, Nepal, Cameroon, Colombia, Papua New Guinea, Ghana, and the Philippines—has identified the following principal concerns:

(1) *Insufficient support for forestry conservation.* TFAP envisages spending roughly $8 billion in the forestry sector over five years. Of this amount, only 8 percent is allocated for conservation purposes while 55 percent is designated for industrial use and fuelwood and agroforestry activities. For a plan that is supposed to help preserve forests, this appears to be a serious misallocation of resources.

(2) *NFAPs may increase the rate of logging.* In six of the nine countries analyzed, the NFAPs are expected to maintain or actually increase rates of logging. Moreover, there are serious concerns that the institutional capacity of the countries analyzed is inadequate to ensure that logging that does take place is carried out in a sustainable manner.

(3) *NFAPs fail to address root causes of deforestation.* Although a major goal of TFAP is to reduce deforestation, the NFAPs frequently do not address the fundamental causes of such deforestation, including: skewed land distribution, perverse economic incentives promoting deforestation, and inappropriate government policies regarding land tenure and ownership. Without addressing these issues, effective protection of forests will not be possible.

(4) *NFAPs do not provide for sufficient local involvement or access to information.* Experience has shown that effective development plans require the active participation of local residents in development projects. To date, development of NFAPs has been accomplished with minimal involvement of local population and non-governmental organizations. Moreover, access to NFAP related documentation is routinely restricted. Absent these two factors, NFAPs may well be a prescription for failure.

Current rates of tropical forest destruction may have disasterous environmental impacts. Aside from the destruction of thousands of acres of forest each year, untold numbers of plant and animal species are being driven to extinction. Moreover, deforestation is estimated to contribute between 15 and 30 percent of worldwide annual carbon dioxide emissions, one of the principal greenhouse gases. In light of the consequences of deforestation, and the concerns that have been for forestry projects through TFAP until a thorough review of the plan can be completed.

With every good wish.

Ever sincerely,

CLAIBORNE PELL,
Chairman.

ROLL BACK THE SOCIAL SECURITY PAYROLL TAX: SENATOR MOYNIHAN IS RIGHT AS RAIN

Mr. HOLLINGS. Mr. President, I read with great interest the article by our distinguished friend, Senator PAT MOYNIHAN, in the June 4 issue of the New Republic. The fact is, when Senator MOYNIHAN first proposed last December to return Social Security to a pay-as-you-go system, the Democratic establishment sputtered and hedged, and then lit out for the tall grass. They either opposed the idea outright, or solemnly allowed as how they intended to quote-unquote study the matter—as if something this straightforward and simple needed more than 5 minutes of study.

Senator MOYNHIAN is renowned for his scholarship and erudition, but the issue here is not exactly the political equivalent and quantum physics. Are you for or against cutting regressive payroll taxes on working Americans? Are you for or against masking the Federal budget deficit by massively and systematically siphoning off insurance contribution revenues from the Social Security trust fund? Every Democrat, at least, should be able to answer those two questions in the blink of an eye.

Mr. President, the problem here is that the Federal Government has been taken over by a cozy coalition of congressional Democrats and White House Republicans. The result is not just slide by budgets, but slide by government—government that is utterly incapable of decisive or bold initiative. Anyone who disturbs the tranquility by calling for sacrifice or advocating risk taking is immediately subject to pot shots from both sides of the aisle and from both parties' national committees. We witnessed this bipartisan nitpicking in reaction to Mr. ROSTENKOWSKI's budget plan, in response to Senator MOYNIHAN's FICA rollback proposal, and in opposition to my own advocacy of a value-added tax. The lesson is clear, that if you discomfit our National Unity Government here in Washington by calling for real leadership, then be prepared to die the death of a thousand nicks.

On that score, however, I am glad to report that Senator MOYNHIAN has a robust clotting factor in his political blood. His roll-back plan refuses to expire. In fact, it remains very much alive—for the simple reason that it is the right thing to do. Social Security revenues collected by the FICA payroll tax are not general revenues and were never intended to be treated as such. They are insurance contributions that, by rights, should be segregated into a sacrosanct trust fund. Presently regarding the trust fund, there is no trust and there is no fund. This is a scandal, no less so for the fact that most Americans don't know about it and therefore aren't screaming bloody murder.

Clearly, this Congress has a duty to restore honesty and integrity to Social Security financing. To that end, we are fortunate to have a champion of Senator MOYNIHAN's caliber, a man who has a profound knowledge of the Social Security program who was an active participant in the landmark Social Security reform initiative of 1983, the Greenspan Commission, and who has shown outstanding leadership as chairman of the Finance Subcommittee on Social Security. I have the greatest respect for Senator MOYNIHAN, and I think he is right as rain on this matter of rolling back the FICA tax. He has my full support. Indeed, I believe he is gaining the support of a growing number of Senators who can't stand the stench of fraud and larceny now surrounding the Social Security trust fund.

Finally, Mr. President, I ask that Senator MOYNIHAN's New Republic article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New Republic, June 4, 1990]

SURPLUS VALUE

(By Daniel Patrick Moynihan)

On the final Friday morning of 1989, at a sparsely attended press conference, I announced that I would introduce legislation to return the Social Security Trust Funds to a pay-as-you-go basis. Since then the proposal has been pronounced dead by assorted

authorities. Yet it does not die. It has acquired a kind of street life, and it is mentioned to me wherever I go. In almost forty years of political campaigns and public office of various sorts I have never seen a proposal (and a fairly abstract proposal at that) win as much support as rapidly as this has—except within the Democratic Party. Apart from Governor Mario Cuomo and Democratic National Chairman Ron Brown, established Democratic figures have been either silent or opposed.

This is strange, for it is entirely within the power of the Democratic Congress to present the Republican adminstration with a proposal that would instantly increase the take-home pay of some 132 million Americans by up to $600 a year per worker, $1,200 a year per family—this at a time when real wages have been stagnant or declining for fifteen years. The fact that we have not done this, and evidently have no intention of doing it, has produced a second debate about the state of the Democratic Party. Much of this discussion is still behind the scenes, although thoughtful journalists are beginning to report on it. Thus, Joe Klein, in New York:

"The Democrats are engaged in a quietly furious bout of internecine warfare between the politicals—pollsters, consultants, and bureaucrats-in-waiting who'd like to see the party be more aggressive and try to elect a president this century—and the congressionals, whose basic impulses are survival and compromise."

There is a touch of bewilderment in some of these reports. Thus, Jonathan Salant in the Syracuse Herald American:

"One would think that the Democrats, who have been shut out of the White House so long that it seems that the Republican National Committee's headquarters should be at 1600 Pennsylvania Avenue, would seize upon the tax issue the way a person in the desert would seize a glass of water."

A touch of impatience has appeared, as with sports writers observing an inexplicably inept ball team. Thus, Alan Emory in The Watertown Daily Times: "There is one word for the leadership of the Democratic Party on . . . [the] Social Security maneuver: Stupid."

Some analysts have asked whether we might be seeing a new kind of politicans emerging, with Democrats in control of one branch of government, Republicans the other, dividing the spoils and pretty much ignoring the country at large. If so, the Republicans, at least, are not content with this arrangement. They mean to take over Congress as well, and 1992 is the big year. No one seems to be running against the incumbent Republican president. The House will have been redistricted following the 1990 census, with several dozen seats transferred from Democratic regions in the North and East to Republican precincts in the South and West. The Senate is vulnerable as well, with many more Democratic than Republican senators up for re-election.

By way of background, in 1977 a set of increases in the rate of Social Security contributions (under the Federal Insurance Contributions Act) was put in place that, in effect, moved us from the established pay-as-you-go system to a partially funded system. These rate increases extended over a thirteen-year period. The final one went into effect this past January 1.

Little attention was paid to this shift in policy, which by definition would create a long succession of large surpluses. On the contrary, the Reagan administration came into office in 1981 proclaiming the imminent "bankruptcy" of the Trust Funds, a scare tactic that went back to the Roosevelt-Landon campaign of 1936.

Even so, the surpluses appeared to grow. In 1987, with the Democrats once again in the majority in the Senate, I became chairman of the subcommittee on Special Security and embarked on an extended inquiry into this wholly new development. The General Accounting Office looked into the matter for us. Authorities such as Robert J. Myers, that eminent Republican and longtime chief actuary of Social Security, offered their counsel in hearings.

A range of documents emerged with a common theme: These monies were not general revenues and were not to be treated as such. They were trust funds. If we cannot save the trust fund surpluses, the money should be returend to the 132 million employees and self-emloyed and six miillion employers who pay it. There was something like a bipartisan consensus on this issue: save the surplus or return it. It did not last. It was destroyed in 1989.

Another Republican administration came to office pledged to "no new taxes" despite a large and growing deficit that was beginning to compound of its own accord. (It now requires all of the income taxes collected west of Mississippi to pay the interest on the accumulated debt.) Even so, the Bush team fostered the impression that if a "slide-by" budget could be agreed upon for the coming fiscal year, the administration would sit down with the relevant congressional committees and work out a "grand accord" to arrest the deficits of the Reagan years. By the end of 1989 no such accord had even been attempted.

There is a simple plausible explanation for this: 1989 was the year the cold war ended. That meant defense outlays would be coming down. It was also the year the Social Security surplus first reached $1 billion a week, promising to rise to $4 billion by 2002 and then on to $8 billion! Inspiration struck the "read my lips" pledge could hold after all. George Will suggested: "The Bush administration is part of a single-minded strategy to use the Social Security surpluses to rent the White House for Republicans for the rest of the century, and beyond."

In the meantime, I had announced my pay-as-you-go proposal. Normally such an announcement would receive little notice, but the administration, beginning with the president, reacted as if someone had revealed a profoundly important secret. It was now clear that we were not reducing the operating budget deficit, but only financing a larger and larger share of it with a regressive payroll tax.

What followed will serve as a prelude to the present debate about the state of the Democratic Party. In brief, the press sensed that we would blow it.

Thomas Oliphant of The Boston Globe first. On January 7 he wrote: "The powers that be can't say they weren't warned about their annual theft of Social Security contributions to help finance the Reagan-Bush budget deficits" He explained the measures, reviewed its merits, suggested its appeal. Then this: "From bitter experience, it is unwise to predict that Democrats can shake off their stupor and offer bold, new policies."

Five weeks later Pat Wechsler of Newsday reported the initial reaction of Ed Rollins, co-chairman of the National Republican Congressional Committee: "I assumed the Democrats would grab that issue and create a lot of havoc among our [middle-class, small-business-type] constituencies." Wechsler continued: "The former Reagan adviser said party leaders were almost in a frenzy by the time the congressional session opened in late January. . . Then he remembered something: these are Democrats."

Senate Majority Leader George J. Mitchell has promised a clear up or down vote on the bill, and has been as supportive as his often unenviable position allows. Still, the question is why Democrats have such difficulty with such an elemental issue. Trust funds are being raided. Republican Senator John Heinz asserts that the word for what is going on is embezzlement. The common law is nowhere more strict than in the matter of trust funds. This is something people know; it implies a standard of conduct. That standard applies to public no less than to private trusts. Never mind technicalities.

And yet the term most often invoked to explain the party's palpable fear of the proposal is that it would not be . . . respnsible. This is put in quite simple terms. There is a large deficit. Dealing honestly with the trust funds would increase that large deficit. Finding substitute revenues—an afternoon's exercise, if the truth be known—would open the party to the charge of taxing and spending (albeit there is no spending here, in the sense of government programs).

The fact is that we are not being responsible. We are being programmed. The Reagan administration decided early on that a protracted budget deficit would paralyze Democrats on the domestic front. Any proposed initiative would be countered with the argument that there was no money, that the deficit would only worsen. (Observe the fate of the excellent proposals of the Pepper Commission on health insurance.) To repeat, a decision was made. In his first televised address to the nation, on February 5, 1981, the new president declared: "There were always those who told us that taxes couldn't be cut until spending was reduced. Well, you know we can lecture our children about extravagance until we run out of voice and breath. On we can cut their extravagance by simply reducing their allowance."

Eight years later, on December 8, 1988, in response to a question about the deficits, President Reagan told a press conference:

When I came here for almost half a century the debate on the Hill, in the Congress, had always been more big spending programs, more power for the federal government, more intervention in private affairs by the federal government, as against those who were preaching less. Well, now today, and for a very long time, the very question that was asked here about the deficit—the argument on the Hill today is not more spending; the argument is how best we can reduce the deficit."

Somehow Democrats did not get it. Our political imagination simply could not comprehend the idea of an administration deliberately creating a crisis. President Reagan, Richard Cohen writes in The Washington Post, "left the country with a deficit that is not incidental to policy, but defines it."

The plain fact is Democrats ought to be attracted to a proposal to raise take-home pay—responsibly or otherwise—for the blunt reason that the United States has been experiencing an unprecedented period of stagnant wages and income. In 1989 the average factory gross wage in the United States (in 1977 dollars), $167 a week, was

$20 lower than 1970. The median family income in 1988, at $32,191, was a mere $82 above the level of 1973 (in real terms). But given the growth in FICA taxes for that period, from $1,878 to $2,418, the net change over the fifteen years from 1973 to 1988 is minus $458! And it was Democrats who enacted those FICA increases, worsening an already flat period of family income extending almost the length of a generation.

Just shy of thirty years ago, I came to Washington with the Kennedy administration. I became an assistant secretary of labor, with (nominal) oversight of the Bureau of Labor Statistics. At that time the number in Washington was the unemployment rate, then hovering between 5 percent and 6 percent. Calendars were marked with the day the monthly report was due. The commissioner would let me see it for, oh, two minutes or so before rushing it down the hall to the secretary, who would rush it over to the president. Up a point, down a point, unchanged: whatever, the unemployment rate was too high, a statement that America could do better and should.

At times I wonder. What if, in 1961, median family income in the United States had not risen but fallen during the fifteen-odd years since the end of the Second World War? Would that not have been the issue on which we focused our attention and energies? As it happened, real median family income had risen almost by half since the end of the war. Then commenced an extraordinary surge: 1961, $22,000; 1962, $23,000; 1963, $24,000. And so upward, $25,000, $26,000, $27,000, $28,000, $29,000, finally in 1969, $30,000. Had we continued at this pace, median family income in 1988 would have been just under $50,000. Instead, it was stuck at $32,191—and this is the highest it's been since '73!

Women by the scores of millions have gone to work just to keep family income steady. (In 1975, 47.4 percent of women with children were in the work force. By 1988, this had risen to 65 percent.) And what do Democrats have to say on this subject? Nothing. Hence Michel Oreskes's question in the The New York Times: "What is a Democrat, anyway? Once perceived as the party of compassion and progress, Democrats are now considered by many Americans as a fragmented bunch whose policies are likely to produce (if they produce anything at all) too much spending on the poor and too many burdens on working people."

Oreskes, like most of the journalists I have been citing, was in grade school when John F. Kennedy was inaugurated. He has no recollection of a Democratic Party that thought in majoritarian terms, insisting that the unemployment rate is everybody's business. All he has to go by is what he sees now. And as with him, so with everyone else. If your family income has not increased in fifteen years, there is likely to be one thing you will know about the Democratic Pary, and that is that the party does not know about you.

There are soundly Democratic economic arguments for returning Social Security to pay-as-you-go. The FICA contribution is, in effect, an excise tax on labor, raising the cost to employers of hiring people—especially hiring low-skill, low-wage people. Lowering the rate would create jobs—perhaps a million new jobs over a decade. But in the end this is not what the Social Security issue is about. Nor is it about federal revenue. Of course the loss has to be made up. It is not that much at this point. Returning $55 billion in FICA taxes in calendar year 1991 translates into a $38 billion net reduction in federal "revenues" in fiscal year 1991 (after accounting for increased income tax receipts from the resulting higher income). The point, however, is that these are not revenues. They are insurance contributions. Once that point is agreed upon, then you go on to make up the "loss." But it needs to be done promptly. Once we are dependent on a $5 billon or $6 billion weekly surplus, it will be beyond the system's capacity for change. The Democratic Party, as they say down South, had better listen up.

TERRY ANDERSON, THOMAS SUTHERLAND

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 1,913th day that Terry Anderson has been held in captivity in Beirut.

I would also like to point out that Saturday, June 9 began the sixth year of captivity for Thomas Sutherland. Our thoughts are and will remain with him and his family.

I ask unanimous consent that an Associated Press story regarding Mr. Sutherland be printed at this point in the RECORD.

There being no objection, the story was ordered to be printed in the RECORD, as follows:

U.S. EDUCATOR BEGINS SIXTH YEAR IN CAPTIVITY

(By Donna Abu-Nasr)

BEIRUT, LEBANON.—American educator Thomas Sutherland today began his sixth year as a hostage, and his wife and friends at the American University of Beirut gathered to mark the grim milestone and discuss his life and work.

Since Sutherland was captured June 9, 1985, the only word on his condition has come from former hostages who were held with him. The pro-Iranian group that holds him, Islamic Jihad, has never issued a photograph of Sutherland as it has its other captives.

Students and colleagues who gathered Friday to mark the anniversary of Sutherland's captivity recalled his commitment to the American University of Beirut. The Scottish-born, 59-year-old educator from Fort Collins, Colo., and dean of agriculture and food sciences at the school when he was kidnapped.

MORE ON THE PEACE PROCESS

Mr. MOYNIHAN. Mr. President, not long ago, Israel's Counsel General in New York Uriel Savir wrote for the New York Times a very thoughtful opinion-editorial concerning recent events in the Middle East. I ask unanimous consent that the piece be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 1, 1990]

AN ARAB CHOIR OF HATE

(By Uriel Savir)

Tragic acts of lunacy dot the history of mankind. Man's humanity to man is tested not by the violent deeds of mentally disturbed aberrants but by how we react in the face of such abhorrent violence. Do we swiftly condemn it? Glorify it? Or worse do we promote it?

Israel's soul was numbed by the brutal attack in Rishon le Zion, when a lone gunman struck down seven innocent Palestinian workers. This revolting murder sent shock waves throughout the country, bringing an outpouring of sympathy.

A week later, a bomb exploded in a crowded marketplace in the heart of Jerusalem. One person was killed, nine were wounded. An Islamic fundamentalist group proudly took responsibility.

This week, six terrorist gunboats were apprehended on and near the shores of Israel. They were sent by Abul Abbas, a member of the executive committee of the Palestine Liberation Organization.

In response to this latest act, the Israeli Government has asked the Bush Administration to cut off its dialogue with the P.L.O. And the U.S. has demanded that the P.L.O. Chairman, Yasir Arafat, denounce the gunboat attack, which so far he has refused to do. It is taken for granted that neither act of terrorism will be denounced by the United Nations Security Council, or condemned by the Arab leadership.

On the other hand, the murder in Rishon le Zion has taken center stage. This act of a crazed individual has been used by Arab leaders in a cynical effort to rekindle the fires of the intifada, to incite rioting that has led to even more bloodshed.

Senior Palestinian leaders have even made the accusation that the killings were a premeditated act of murder by the Israeli Government. It is little wonder that, spurred by these false accusations, Palestinians took to the streets in violent protests.

And what of the Arab leaders meeting in Baghdad this week, to whom we might have expected to look for a calming effect in an already complex and volatile situation? Their concern was not how to quell the cycle of violence but how to fan the fires of hate.

The Ras Bourka affair—the 1985 tragedy in which a deranged Egyptian policeman gunned down seven Israelis in Sinai—was much different. According to witnesses, Egyptian security forces gave no help to the wounded and even stopped an Israeli doctor and other vacationers from ministering to their loved ones.

Incredibly, this demented gunman was acclaimed in some Arab and Muslim quarters for his horrendous act. Iran even issued a stamp commemorating the event. Never has a single Arab terrorist responsible for the murder of innocent Jews been brought to trial and punished by an official Arab body in the entire history of the Arab-Israeli conflict.

But we would not let the act of one unbalanced Egyptian policeman harm the precious peace between Israel and Egypt. Unfortunately we have learned that, where Israel is concerned, it is too much to expect that an Arab leader would repeat what Egypt's President, Hosni Mubarak, said after the 1985 massacre: "A limited incident that can happen anywhere, carried out by an insane man." Anywhere but in Israel.

But we are witnessing now a large Arab choir of hatred in Geneva and Baghdad that places the onus of the murder in Rishon le Zion on the Israeli Government. In that demonization of Israel the Palestinians make it exceedingly more difficult for their own society to ultimately come to terms with its neighbor.

It is incomprehensible that anyone of good faith can believe that the rampage of a single Israeli could possibly represent Government policy. The vast majority of Israelis have always yearned for a just and lasting peace.

I believe in the inevitability of peace, and for peace you pay a price and take risks. We have demonstrated this in our relationship with Egypt. We owe that commitment to future generations.

Israel accepts the legitimate rights of the Palestinian people and their wish to free themselves from Israeli rule. We have offered free and democratic elections in the territories. The Jewish nation has never sought to dominate another people, nor does it wish to now. At the same time the Palestinians must recognize Israel's right to security, with special attention given to its geopolitical situation and historical experience.

So what now lies ahead? How do we proceed to peace? Certainly not by propaganda campaigns. Now by one-sided U.N. decisions. Peace can only come as a result of mutual recognition of the interests of both sides, together with compromise compatible to us both. There is no solution by force, not for them and not for us.

The cycle of violence must be stopped if the Middle East is to avoid deteriorating into violent turmoil. The alternative is an active peace process where both sides gradually advance towards a new reality, a reality of mutual trust, compromise and understanding.

These are the alternatives. In the long run, there is no third way: it is either the continuation of violence and terror or an active peace process. As Emerson wrote, "The only thing necessary for evil to ensue, is for good men to do nothing."

The Palestinians must understand and accept that the future lies not with the vilification of Israel, whether through the international community or the United Nations. Rather it lies in working together with us. For this, they will have to move from demonization of their adversary to a compromise with their neighbor.

The PRESIDENT pro tempore. Under the order previously entered, the Senator from Michigan [Mr. RIEGLE] is recognized for not to exceed 2 hours.

Mr. RIEGLE. I thank the Chair. I know the Senator from Utah has asked me to yield to him. Let me do so at this time for whatever request he wants to make.

Mr. HATCH. Mr. President, I ask unanimous consent that I have 10 minutes to deliver my statement on the flag.

The PRESIDENT pro tempore. Is there objection?

Mr. RIEGLE. No objection, Mr. President.

The PRESIDENT pro tempore. With the understanding the time comes out of the time controlled by Mr. RIEGLE?

Mr. HATCH. I ask unanimous consent that the time not come out of the time of Senator RIEGLE.

The PRESIDENT pro tempore. Without objection, it is so orderd. The Senator from Utah is recongized for not to exceed 10 minutes.

THE FLAG

Mr. HATCH. I thank my friend and colleague from Michigan for allowing me to make this statement on the record today.

Mr. President, Congress has attempted to protect the flag the Democrat's way, and everybody knows that. Although there were some Republicans who voted against the constitutional amendment to protect the flag, the vast majority of Republicans voted for it, the vast majority of Democrats voted for the statute and against the amendment. Now, let us try something that works.

Congress must protect the American flag from physical desecration with a constitutional amendment. That was evident to 51 Senators last fall, including this Senator. I hope we can pick up the additional votes now so we can protect the flag.

I want to commend, in particular, both the disstinguished Republican leader, Senator DOLE, who was the leader in the fight for the only effective way to protect the flag, and the distinguished senior Senator from Iowa, Senator GRASSLEY. The three of us joined in voting against the sham statute and for the President's flag amendment.

I, personally, am angry. We have unnecessarily lost valuable time. There are only two sets of winners so far. The first set of winners consists of those who cast contempt on America by physically desecrating Old Glory. The second set of winners is a group of result-oriented law professors who had the ear of quite a few of my colleagues and who might benefit from some time on the other side of the lectern.

When one reads the fine print of their testimony and letters, one discovers that they covered themselves in the event of this outcome. The ones they led down the garden path, however, now find themselves standing all alone in the garden, naked.

It is now time for the Senate to hear and to heed the voices of mainstream America, whose values and common sense find plenty of room for both protection of the flag and protection of the first amendment.

I have to say that one of my colleagues called it "symbols and gestures" and not reality. I think that this involves more than symbols, more than gestures and it does involve reality. A free nation that does not honor its flag, that does not honor its national symbols, is a nation on its way down.

Somebody said today that we should not amend the Bill of Rights for the first time in 200 years. The fact of the matter is, we should not have to amend the Bill of Rights. The Supreme Court misinterpreted the Constitution in Texas versus Johnson. The Constitution should have been upheld to begin with. But, since it was not, then it seems to me we need to make some changes. So I think it is time for the Senate to heed the voices of mainstream America whose values and common sense find plenty of room for protection of both the first amendment and the flag.

Thirty-seven Senate Democrats voted against the constitutional amendment, 3 more than the 34 votes necessary to kill it. This unmitigated fiasco, whereby Old Glory remains no closer to being protected from physical desecration than the day Texas versus Johnson was handed down last year, is the direct result of the political strategy of some of our congressional Democrats. They orchestrated the procedure whereby this body first considered and adopted a doomed-to-fail statutory approach.

Then a number of them, not all but some, engaged in transparent political posturing. They maligned supporters of the constitutional amendment, including President Bush, as seeking mere political gain. They wrongly attempted to paint us as insufficiently respectful of the first amendment, even though none of us on this side, then or now, ever suggested that lack of support for the constitutional amendment showed a lack of patriotism.

We respected the sincerity of their erroneous reading of the Texas versus Johnson decision, but some did not respect our disagreement with them.

Nero fiddled while Rome burned. Similarly, some Members of Congress fiddled around ineffectively, while the flag burned. As a direct result of their woeful and almost desperate attempt to stave off the amendment which would provide effective protection of the flag, the flag still is burning, utterly unprotected from every crank who wants to desecrate her.

The ACLU, and some faculty members at our Nation's law schools, may have been satisfied by their work. But mainstream America, justifiably, feels let down.

We actually heard at least one opponent of the amendment call it the Atwater-Bush amendment. In fact, it was, and is, the people's amendment. Perhaps we should now call it the "let's do it right this time" amendment.

We heard it suggested that our support for the amendment was just a way of generating a 30-second political campaign spot. In fact, all we were doing was reading the case law correctly and trying to protect the flag the only way we honestly believed would work.

I hope that those opponents of the amendment who so fervently professed the desire to protect the flag, and I believed them then as I do today, will have an easier time reading this latest ruling. We had extensive

hearings last year on this issue, with 51 votes for this amendment. Mr. President, I think it is high time for Congress to show quickly that it really does know how to protect the flag after all.

The situation reminds me a little of a Yogi Berra story. The Yankees were leading Boston in a game that would clinch the 1951 American League pennant for New York. Yankee pitcher Allie Reynolds had a no-hitter with two out in the ninth and Red Sox slugger, Ted Williams, at the plate. The great Ted Williams hit a mile-high pop foul near the Yankee dugout. Berra circled under it and at the last moment lunged, but he dropped the ball. Williams was still alive. On the next pitch Williams hit another towering pop-up near the Yankee dugout. Berra circled under it, again. This time, he hung onto the ball, preserving the no-hitter and clinching the pennant. After the game Yankee owner Del Webb went to the clubhouse and told him, "Yogi, when I die I hope they give me a second chance the way they did you."

Congress now has a second chance to protect the flag. I say to my friends on the other side of the aisle, let us not drop it this time. And I say to my friends on this side of the aisle, let us not drop it this time because it is time we do what is right on this issue.

I said before, there are only two principled arguments on this matter. One is that we should not do anything, and the other is we should do something that is right, and that is the constitutional amendment. I naturally conclude that the second is, by far, the preferable.

As we said last fall, the Supreme Court was compelled to hold, as it did, that the Government's interest is related to expression, in light of Texas versus Johnson. We said that the exception in the statute for disposal of worn or soiled flags would render the statute facially illegal under Texas versus Johnson. The Court agreed.

As we said last fall, Congress cannot overturn this kind of constitutional decision by statute. Again, the Court agreed with every argument we made.

The Court said that use of the terms "knowingly mutilates, defaces, physically defiles, maintains on the floor or ground, or tramples upon any flag" clearly make illegal disrespectful treatment of the flag. Yet as I noted last fall, and as the Court stated in today's decision, respectful treatment of the flag was protected. Such a statute was doomed from the start and the Court has now made it official.

Mr. President, I do not think we should malign anybody's particular feelings with regard to this matter. Everyone in the Senate, regardless of their views of a constitutional amendment, loves the flag. I do believe, however, that the whole statutory approach last year was basically aimed at deflecting the concerns most Americans had about the mutilation and burning of the flag, and to just get by this issue. I think those who argued for that particular statute have not read very carefully the Supreme Court's decisions in this area.

Oddly enough, I think they were misled by a number of these law professors who, though they claim they are in the mainstream, really do not tread in the mainstream at all.

Mr. President, this is an important issue. This is not some inconsequential thing, nor is it a violation of the Bill of Rights, nor is it a trampling on the Bill of Rights. Passing this constitutional amendment is simply a way of saying: Look, there are certain parameters we are not going to let you go beyond. And we do that all the time constitutionally, and we do that all the time in our criminal law. This is a nation of freedom but we also say there are limits beyond which we, as a civilized free people, will not allow you to go.

In this case all the constitutional amendment says is we are not going to let you go beyond these limits. If you are going to burn our flag, you are going to pay a price for it. And, frankly, I do not think that is going to trample on the Bill of Rights in any way, shape, or form.

Mr. President, I hope that our colleagues will consider the President's flag amendment now that the statute is done and has bitten the dust. We knew the statute would be struck down when we argued this issue on the floor of the Senate last fall. I think we all have to acknowledge that there is only one way to resolve this problem, and that is through this constitutional amendment.

The PRESIDENT pro tempore. The time of the Senator has expired.

The Senator from Michigan [Mr. RIEGLE] is recognized.

Mr. RIEGLE. I thank the Chair. I see my colleague from Iowa has come on the floor. I want to give him a sense as to where we stand. I gather he has a statement. I had scheduled a special order to go at this time. Senators THURMOND, LEAHY, and HATCH all had pressing circumstances when they asked if I would delay, and I have done so. I do not know whether the Senator has a special need. I would like to try to accommodate that as well.

Mr. GRASSLEY. Mr. President, I ask unanimous consent for 4 minutes to speak in morning business, and it not be charged against the Senator from Michigan.

The PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from Iowa [Mr. GRASSLEY] is recognized for 4 minutes.

STATUTORY PROPOSAL TO PROTECT THE PHYSICAL INTEGRITY OF THE FLAG OF THE UNITED STATES 1990

Mr. GRASSLEY. Mr. President, as it relates to the Supreme Court's decision today, I am sorry to have predicted today's "knockout"—sorry because I think our flag is a symbol worth protecting.

Earlier this year, two Federal district courts—a continent apart—ruled that the statute enacted in 1989 to protect the physical integrity of the flag was unconstitutional.

Now, the Supreme Court has upheld their judgments. So it is "3 for 3"—just as we said.

As my colleagues will recall, I opposed the enactment of the flag protection statute.

I opposed it because I maintained it was flatly insufficient to protect our flag from physical desecration.

The decision of the Supreme Court to uphold the lower courts has proven that my opposition was justified.

As we stated in the Judiciary Committee report on this statute, my colleague from Utah, Senator HATCH, and I found the statutory approach to be little more than an empty gesture. We were joined in this by the minority leader Senator DOLE.

Given the decision of the Supreme Court, the statute cannot stop anyone from mutilating, defacing, burning, or trampling on the American flag.

It never could.

I maintain that to protect our flag from physical desecration in no way whatsoever impairs, restricts, or diminishes the first amendment principle of freedom of speech.

We can protect the flag from the threat of physical desecration without limiting freedom of speech. For many years, a Federal statute and the laws of 48 States did protect the flag from that sort of treatment.

What harm was done to the first amendment?

For all these many years, were we less free to express ourselves?

Absolutely not.

Protecting the flag from physical mistreatment does not prevent a single idea or a single thought from being expressed.

It does not interfere with the numerous ways of communicating an idea.

Rather, it merely prevents conduct with respect to one object, and one object alone—our flag.

I originally supported the flag protection statute because if it could protect the flag, its enactment might be less cumbersome.

However, the hearings held by the Senate Judiciary Committee convinced me that a statute will not survive a legal challenge.

We were told that a "content neutral" statute, if challenged, would

more than likely be approved by the Federal courts. However, the statute that was enacted is not content neutral.

In Texas versus Johnson, the Supreme Court declared that the Government's asserted interest in preserving the flag as a symbol of nationhood and national unity is insufficient to overcome a person's so-called right to burn the flag as part of expressive conduct.

The statute purports to protect the flag as a symbol, including against those who would desecrate the flag as a part of political expression.

Because this is the clear purpose of the statutory approach, it falls after Texas versus Johnson.

The unconstitutionality of any statute which attempts to protect all forms of flag destruction has been predicted by Justice Brennan, who—writing for the majority in Texas versus Johnson—wrote that any statute "that simply outlawed any public burning or mutilation of the flag, regardless of the expressive intent or nonintent of the actor."

I prefer to protect the flag through the Constitution which will merely restore the power to Congress and the States to prohibit flag desecration, which I believe they always had.

An amendment will not tinker or tamper with the Constitution or the Bill of Rights.

An amendment will not "trump" other portions of the Constitution—such as the "cruel and unusual" clause of the eighth amendment or the prohibition against "unreasonable searches and seizures" in the fourth amendment.

The only power of the amendment is its power to prohibit the physical desecration of the flag by overturning a Supreme Court decision that incorrectly interpreted the first amendment.

I urge the leadership to allow for the consideration of an amendment to the Constitution to protect the physical integrity of the flag at the earliest possible point in the Senate's schedule.

The PRESIDENT pro tempore. The Senator from Michigan is recognized.

(The following remarks by Mr. KENNEDY appear at this point in the RECORD by unanimous consent:)

FLAG DESECRATION

Mr. KENNEDY. Mr. President, this morning's decision by the Supreme Court reaffirms what the Court said last year, and what many in Congress believe—that it is unconstitutional under the first amendment to prohibit the political expression involved in burning the American flag. Old Glory never flew higher or more proudly than it does today.

I hold no brief for the flag burners. I condemn their ugly actions unequivocally. But I also reject the suggestion that the only means left for us to honor the flag is to carve a loophole in the first amendment. We do not need to destroy the first amendment in order to save the American flag.

True, the flag burners have dishonored the proud symbol of our country by their despicable tactics. But Congress will dishonor the flag far more, if we permit ourselves to be stampeded into amending the Constitution to give the flag a protection it does not need.

When we pledge allegiance to the flag, we pledge allegiance to the principles for which it stands. Few, if any, of those are more fundamental to the strength of our democracy than the first amendment's guarantee of freedom of speech. Let us not start down this disastrous road of restricting the majestic scope of the first amendment by picking the kinds of speech that are to be permitted in our society.

Next year, in 1991, the Nation will celebrate the 200th anniversary of the ratification of the first amendment and the other bedrock provisions of the Bill of Rights. It would be the height of hypocrisy for Congress to celebrate that proud bicentennial by proposing to amend the first amendment for the first time in our American history.

I urge the Senate to reject any such proposal, and I intend to do all I can to see that the first amendment stays unamended. Our flag and the democracy for which it stands are strong enough to withstand the antics and the insults of the flag burners. If we abandon our commitment to freedom of speech, then no flag and no amendment to the Constitution can save us.

I thank the Senator, and I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan retains the floor.

THE CONSTITUTIONAL AMENDMENT TO PROHIBIT DESECRATION OF THE AMERICAN FLAG

Mr. DOMENICI. Mr. President, I am pleased today to join as an original cosponsor of the constitutional amendment to prohibit desecration of our American flag.

Today, the Supreme Court once again overturned a law to prohibit flag burning. The law that the Court overturned today was the Federal law that the Congress approved last fall in response to the Supreme Court's opinion in Texas versus Johnson, which held that the burning of the American flag was a legitimate exercise of "free speech."

Today's ruling in the cases of United States versus Eichman and United States versus Haggerty was based on that earlier opinion.

Frankly, Mr. President, I disagree with the Supreme Court's analysis of flag burning. The Supreme Court erred in equating free speech with the desecration of the American flag.

The act of desecrating the American flag goes beyond merely expressing a point of view—it is a violent act against the symbol of our Nation. It is not an act of free speech. Every American is free to denounce our Nation and the ideals for which the flag stands. Frankly, I think they would be terribly misguided, but if that is what they want to say, they have the right to say it. There is a vast difference, however, between speaking one's mind and desecrating the symbol of our Nation.

Of course, we must protect the right of every American to speak his or her mind—no matter how offensive their ideas may be. Freedom of speech is a right that the Constitution grants to every American, and our Constitution has preserved the vitality of our Nation for over 200 years. However, there is a difference between speaking one's mind and desecrating the American flag.

The Supreme Court's decision is disturbing to countless Americans, particularly those who have carried the American flag into battle to protect our Nation and those who have come here from other lands in search of a better life.

That is why the American Legion called today for Congress to show its true colors and pass a constitutional amendment to ban flag burning.

When Congress passed the antiflag burning statute last fall, I expressed doubt whether the Supreme Court would uphold the law. Today's opinion validated the concerns that I expressed at that time.

Mr. President, the Supreme Court made a mistake in legalizing flag burning. We should correct that mistake.

It is clear that the only way to correct this decision is by a constitutional amendment.

The amendment that we are proposing recognizes that the flag of the United States of America is a national symbol that should not be allowed to be desecrated. The amendment states:

> The Congress and the States shall have power to prohibit the physical desecration of the flag of the United States.

To those who say we must be careful that, in reacting to this outrageous decision of the Supreme Court, we do not weaken or dilute the first amendment rights of American citizens, I wholeheartedly agree.

I think the American people believe that a constitutional amendment to ban flag burning can be drafted that will not infringe on the constitutional rights that we all hold so sacred. This amendment fulfills those requirements.

I understand the difficulty, and the significance, of seeking to overturn a Supreme Court decision. Frankly, I have come to the conclusion that the flag and all it represents deserves the protection of our laws, and that we can protect the flag without undermining the principles of the first amendment.

The American flag and all it represents deserves the protection of our laws. That is why I am pleased to join in introducing this amendment to prohibit flag burning because of the necessity to correct the flawed decision of the Supreme Court and protect the integrity of our Nation and its oldest symbol, the American flag.

THE AMERICAN FLAG

Mr. KERREY. Mr. President, I rise as well to address the decision by the Supreme Court today to strike down the statute that protected the American flag. I must confess I did not vote for that statute nor do I intend to vote for the constitutional amendment.

Mr. President, the debate about the need to protect the citizens of America from flag burners leaves me, I must confess, somewhat dismayed. It is not America's finest hour that we rise in defense of the flag saying that we are going to rush to amend the Constitution so as to be protected because we are afraid, afraid of the rising vile protests out there by people who are burning the American flag. I do not see it and I do not understand it.

I do not understand how we can make repeated trips to Eastern Europe talking about freedom, talking about the need to give human beings the right to dissent, the right to protest, the right to say they do not like their government, and to protect that right; repeated trips by me and other politicians, including the President of the United States. And not once, not once did a representative from this Government say to Gorbachev, say to Vaclav Havel, say to anyone, "Make sure that when you put together that document that secures the rights of your people, make sure you protect your flag with an amendment to your Constitution that gives you the statutory right if you want to to incarcerate someone who sets that flag on fire."

I cherish the freedoms that I have in this country. They have given me far more than I could ever give this country in return—the freedom to express myself, the freedom to be what I want to be, the freedom to travel in an almost unlimited way, and acquire whatever skills I have the energy to try to acquire.

I understand the doctrine of relative rights the Senator from Alabama so eloquently described. I understand that my freedom at some point stops against the freedom of someone else's and at some point the Govenment does have a right to constrain me; whether it is speech, whether it is religion, regardless of the freedom, that there is a limitation to my own personal freedoms.

But as offended as we are by a handful of people who have chosen to burn the American flag as a protest, can we really believe that the Nation is in such jeopardy by this handful of people who persuade no one, that there is such a real and present danger that we will now rush to offer an amendment to the Constitution? Where is the threat? Where is the danger? Where is the courage simply to stand up against those protesters and say we deny your beliefs, we disagree with what you have done, we have passionately come to the table and say that you are wrong?

But, no, we do not do that. We frame the argument, instead, as those who are for this constitutional amendment somehow are for people that wear the uniform of the United States of America and those who are against the constitutional amendment are somehow for flag burners. Shame on that argument, because that is not the issue here today.

The issue is whether or not we believe in freedom. The issue is whether or not we can fearlessly hang on to that freedom and encourage human beings to express themselves, to listen to that beating heart inside of them that says to them this is what you ought to do in spite of what the majority says. Stand and say it. Stand and deliver your feelings, your beliefs, independent of what you think of someone else might want you to do.

What do my colleagues think the just-say-no program is? When we say to your young people, "say no to drugs," we are saying to them., "say no to peer pressure, say no to your friends, say no to the majority. Stand and let your conscience deliver your decision." That is what we should be encouraging Americans to do, not suggesting somehow that we are going to make this a better country by amending the Constitution to protect us from a handful, a handful, of people who are no danger at all to our liberties or to our Nation.

Our flag is jeopardized when we forget what freedom means. Freedom means being strong enough to express yourselves. And freedom means in the end being willing to put yourself on the line for some person you do not even know, to put it all on the line for that stranger, not just for your friends.

Mr. President, I know this debate is going to get emotional. I know it is going to get framed in terms of who loves their country the most; who can stand and say that they love America the most; who can say that we here, in the U.S. Senate, do not love our country; who can say that people who have given up a bit of time to serve the people in such way cannot love their country. We all do.

But we should love freedom, and we should be willing, I believe, to protect it. This constitutional amendment that we are offering here today for consideration does just the opposite. It does not protect freedom. It discourages it.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

U.S. SUPREME COURT DECISION ON FLAG DESECRATION

Mr. HELMS. Mr. President, there was no occasion for surprise this morning when the U.S. Supreme Court in another one of those 5-to-4 decisions repeated its mistake of last year in upholding the desecration of the American flag. I say that as a Senator who voted for the constitutional amendment last year, which received 51 votes, 16 short of the necessary two-thirds, and then supported a statutory proposal, even though it was virtually certain that the Supreme Court would reject it out of hand. That happened today. It was, therefore, merely a protest vote against the first Court decision.

Needless to say, today's decision by the U.S. Supreme Court will be applauded by the liberal major news media of this country, just as was the Court's decision last year. But the Court and media and the American Civil Liberties Union, among others, are just as wrong this year as they were in 1989.

Going the statutory route was demonstrably an exercise in futility this year just as some said it would be. Thus, a year has been lost in the process that should have begun a year ago—the process of amending the U.S. Constitution to make clear that this sorry business of burning and/or otherwise desecrating the American flag must be regarded for what it is, an unlawful, unwarranted, and unacceptable assault on the very meaning of America.

So, Mr. President, for the second time, the Supreme Court in another one of those 5-to-4 votes, all the nine Justices merely repeating their respective positions of last year, has effectively found flag burning an acceptable activity. The Court, under the Constitution, of course, has the authority to come forth with unacceptable decisions, even egregiously unacceptable decisions. The Court has done that in the past and undoubtedly will do it again on future occasions involving future issues. I believe the

American people understand that, and certainly I do.

But what is next? Will the Court take the same position regarding hard core pornography? The American people understand that the power of government, all three branches of it, was intended to rest with them, the American people. The people also understand that the Constitution intended that they, the people, have a right to seek redress, and that the Congress has the power to initiate process to provide a remedy for the intransigence of the Court.

So, Mr. President, Senator DOLE was absolutely correct last year when he proposed that Congress exercise its right and I think its duty. Senator DOLE, who by the way has paid his dues to this country, offered a constitutional amendment which had the Congress approved it by the necessary two-thirds vote would now have been far down the road to letting the American people decide this issue through their own legislatures.

One needs only to recite, carefully and slowly, the words of the Pledge of Allegiance which literally millions of people recite every day, schoolchildren included. Let us take it phrase by phrase, and the inescapable message leaps out to emphasize that this is not really an issue of "freedom of speech"—the burning and desecration of the American flag. This is an assault on this Nation and all that it means to the people of this land and all that it means to the people around this world who regard the United States of America as a beacon of hope.

The millions of Americans are not saying they merely have respect for the flag.

Consider the words that follow: "I pledge allegiance to the flag of the United States of America," and not just respect for, but allegiance to the flag and the country, because it says in the next phrase, "and to the Republic for which it stands." So you see the question is if you burn or otherwise desecrate the American flag it is an explicit act designed to provoke the destruction, the desecration, of the Republic for which it, this flag, stands.

So the issue is whether such a desecration is or is not an attempt to overthrow, to destroy, to desecrate, what?

Recite the rest of the Pledge of Allegiance, and I think you will see. The explicit attempt is directed at this country, this flag burning business, this country, remember, "one Nation under God, indivisible, with liberty and justice for all." It does not say with license and justice for all. It says with liberty.

So, Mr. President, when Senator DOLE and the rest of us last year proposed a constitutional amendment, there came a tidal wave of self-annointed legal scholars and self-proclaimed guardians of the Bill of Rights effusively praising the Supreme Court for what they called its contribution to political discourse, to which I say horse feathers.

BOB DOLE was vilified, as were the rest of us, because we denied that the American flag is just another piece of cloth.

When the Senate passed the so-called Flag Protection Act last year, it was obvious that this legislation, as I said earlier, would be given the "deep 6" treatment by the Supreme Court. That happened today. But last year as soon as that Flag Protection Act was passed, remember what happened? Flags were burned all across the country in an orchestrated mockery of America.

So the point is this: The American people are not likely ever to be satisfied with rhetoric on this and other issues. They want their Congress to set in motion a process to reverse what I consider to be the Supreme Court's folly. The people instinctively understand that more than free speech is at stake.

Is it not interesting that the concept of informed political speech has been turned on its head by the Court twice now? Five of the nine Justices have now twice decreed that flag burning is a "political expression" not to be regulated like, for example, shouting "fire" in a crowded theater. On the other hand, perhaps Mr. Justice Brennan for one ought to look outside his window on Veterans Day and observe the outraged men and women who view his reasoning as incomprehensible. Let Mr. Justice Brennan ask them if burning their flag is an outrage or an invitation to fight. I think he will get a clear answer.

So the fundamental question is: What is wrong with using the constitutional process, including amending the Constitution, letting the people decide whether this Nation should protect the honor of the American flag, the flag under which so many fought and so many died.

After all, this flag is a symbol of the noblest aspirations of the American people and the hope of oppressed people around the world.

But I say again the Supreme Court now has spoken twice. Is it not time, under our tripartite system, that Congress speak and this time do it right?

We have the opportunity, we have the duty, to remedy the damage done by the Supreme Court. Let us now begin the process toward a constitutional amendment as we should have done last year.

Mr. President, I ask unanimous consent that a resolution of the North Carolina Senate, approved unanimously June 27, 1989, rejecting the first decision of the Supreme Court, be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD.

SENATE RESOLUTION 1323

Whereas the American flag is a cherished emblem symbolizing the proud history and democratic principles of the citizens of this nation; and

Whereas the intentional destruction, mutilation, and desecration of the American flag are shameful acts, insulting and abhorrent to those who treasure the beauty and simplicity with which these emblems convey to the world the values embraced by Americans. Now, therefore, be it

Resolved by the Senate—

SECTION 1. The Senate laments the decision of the United States Supreme Court declaring unconstitutional those laws prohibiting the destruction, mutilation, or desecration of the flag of the United States of America, reaffirms the respect with which it regards the American flag, and the esteem by which that symbol is regarded by the citizens of this State and the nation.

SEC. 2. The Senate urges the Congress of the United States to take appropriate action, including a constitutional amendment if necessary, to allow for laws prohibiting the destruction, mutilation, or desecration of the flag of the United States.

SEC. 3. The Principal Clerk of the Senate shall send a certified copy of this resolution to each member of the North Carolina Congressional Delegation.

SEC. 4. This resolution is effective upon adoption.

Mr. HELMS. I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

FLAG BURNING

Mr. HEFLIN. Mr. President, I was not surprised that the Supreme Court held unconstitutional the Flag Protection Act of 1989. In observing the Supreme Court in 5 to 4 decision, rarely does a sitting member of the Court change his mind. When the legislation came up I supported it, but I said it was an exercise in futility and I did not think it would do the job. I felt that a constitutional amendment was necessary, and I think we have now seen the proof in that prediction.

I sometimes or others feel that the Supreme Court fails to recognize the importance of the flag. The Pledge of Allegiance is that you pledge allegiance to the flag and to the Republic for which it stands. The flag stands for the Republic. They are basically synonymous in that the flag represents our Republic and we ought not to desecrate it.

I have joined with Senator DOLE in a constitutional amendment which would reverse these decisions of the Supreme Court. I hope that we can bring that constitutional amendment on the floor of the Senate on June 14, which is just a few days off, because that is Flag Day in the United States.

The resolution (S.J. Res. 332) performs the important task of establish-

ing a constitutional amendment allowing Congress and the States to pass laws prohibiting the physical desecration of the flag of the United States. On June 21, 1989, the Supreme Court handed down its decision in Texas versus Johnson. There, the Court held that the burning of the American flag, as a form of political expression, is protected free speech under the first amendment.

On the day that Johnson was handed down, I spoke on the Senate floor and expressed my disbelief and displeasure at the ruling of the Court. At that time, I was convinced that a constitutional amendment, as opposed to a legislative approach, was the only way of putting an end to the legal desecration of our flag. Now, that belief has become a reality.

Some say that we should not move toward a constitutional amendment, that it weakens the first amendment.

I pointed out on the floor during one of my speeches that the first amendment had been amended by other constitutional amendments. I brought out the fact that the first amendment did not give the right of freedom of expression to slaves, and the 13th, 14th, and 15th amendments implicitly changed and amended the first amendment rights.

So I say that the first amendment has been amended in the past. I recognize also that first amendment rights are not absolute and unlimited. There have been numerous decisions of the Supreme Court that limit freedom of expression.

The Founding Fathers, in drafting article V of the Constitution, intended that it would be extremely difficult to amend the Constitution, requiring a two-thirds vote of both Houses of Congress and a difficult ratification process requiring the vote of three-fourths of the States. The history of this country shows that only 26 amendments to the Constitution have been adopted and only 16 after the Bill of Rights—containing the first 10 amendments—were ratified.

We have looked at the first amendment, and other than by implicit amendments it has not changed a great deal over the years. But I feel that on this instance that it is very important that our flag be protected, and I feel that we should move forward to adopt a constitutional amendment which would allow the Congress and the States to pass laws which would protect the flag from desecration.

I yield the floor.

COMPREHENSIVE OVERVIEW OF S&L CRISIS

Mr. RIEGLE. I thank the Chair and appreciate his courtesy, as always.

Mr. President, I rise today to report on the status of the Federal Government's efforts to resolve the problems of America's troubled savings and loan industry. This is a subject of increasing concern to Members of Congress and to the American people.

I want to give my colleagues and the public generally a comprehensive overview and progress report on where things stand at this time and the outlook for the period ahead. Although I rise as chairman of the Senate Banking Committee, let me emphasize at the outset that the analysis that I will present today is strictly my own.

Let me also note that this is the first such report that I will be presenting in this fashion. I intend to provide further updates at later times when circumstances warrant. It will take some time for me to deliver this today, so I have taken special order with that thought in mind because I want to deliver the entire content of this assessment today.

I want to begin with a background and a brief review of last year's thrift legislation and the genesis of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the reform bill which has been dubbed FIRREA.

The President's savings and loan legislation came to us on February 22, 1989, when the President sent his proposed package to us to address the crisis in the savings and loan industry. The same day, Treasury Secretary Brady formally presented the contents of the proposed bill at a public Senate Banking Committee hearing, and that day Senator GARN and I introduced it in the Senate where it was designated S. 413.

It was obviously seen by the President as a top legislative priority. As I have said before, I commend him for having taken the initiative at that time to bring this issue forward on a timely basis early last year.

When the President proposed the legislation, the Senate Banking Committee had already held four hearings in the 101st Congress on the savings and loan debacle. After the bill was submitted, the committee held an additional 14 days of hearings on the problem. Over the entire 18 days of hearings then, the committee heard from some 39 expert witnesses. The witnesses included Treasury Secretary Brady, Attorney General Thornburgh, Federal Reserve Board Chairman Greenspan, FDIC Chairman Seidman, Federal Home Loan Bank Board Chairman Wall, the Comptroller General of the United States, Mr. Bowsher, among others.

The testimony of these and other witnesses comprises a testimonial record of some 2,572 printed pages. The committee has published that record in a four-volume set entitled "Problems of the Federal Savings and Loan Insurance Corporation, Senate Hearing 101-27." The Banking Committee can provide copies of that set to any Member, staff person, or interested member of the public upon request.

While today's summary is aimed at an assessment as to where we stand today and what the outlook is going forward, at an appropriate time, I will also be presenting a summary that looks backward with respect to a summary of the events during the 1980's that brought us to our present circumstance.

The hearing that I just referenced and subsequent discussions among committee members and the administration produced a legislative package reported out of the Senate Banking Committee on April 13, 1989, 50 days after its introduction in the Senate, and it was reported out by a unanimous vote of 21 to 0.

The 564-page bill reported by the committee, number S. 774, incorporated every major feature of the President's proposal. In addition, the reported bill included several significant additions to the President's proposal. These additions went beyond the President's bill in correcting past abuses and putting a stop to all unsafe and unsound practices in the savings and loan industry that had been identified.

The administration accepted these strengthening additions and publicly endorsed the Senate Banking Committee bill.

(Mr. LIEBERMAN assumed the chair.)

Mr. RIEGLE. The full Senate in turn passed the Banking Committee bill by a vote of 91 to 8 on April 19, 1989. No substantive amendments were added here on the Senate floor. The Senate version of the reform package was ready for conference 56 days after the administration bill was first introduced into the Senate.

The House for its part required under a somewhat different procedure sequential referrals of the President's proposed legislation through four separate committees. The House reported its version of the bill, H.R. 1278, from the House Committee on Banking, Financing, and Urban Affairs on May 16, 1989, from the Committee on Ways and Means on May 22 of last year, from the Committee on Government Operations on June 2, and from the Committee on the Judiciary on June 1.

The bill came to the House on June 14, 1989, and passed on June 15, 1989 by a vote of 320 to 97.

One hundred and two conferees were named to the conference committee—eight were from the Senate, three of which were conferees only on the tax provisions of the bill, and ninety-four conferees were named from the House.

On June 22, 1989, the conference committee held its first meeting, and I was elected chairman of the conference. The committee met seven times

thereafter to resolve differences between the House and Senate bills. The final conference committee bill was approved on August 3, 1989, and adopted by both the House and the Senate the following day. The Bush administration gave its strong public endorsement to the final bill.

On August 9 of last year, just 168 days after President Bush had sent his proposed bill to Congress, the President signed the 366-page final bill into law in a public ceremony in the Rose Garden. He said at that time, "This legislation will give us the tools to make our thrift institutions and our financial system as a whole strong and stable."

The savings and loan reform package that he signed into law that day represented the most significant financial restructuring legislation in over 50 years.

The bill at the time was greeted with much favorable editorial comment and positive reviews by most financial experts. The Washington Post, for example, said, "The S&L reform bill is a remarkable achievement. And "the sooner President Bush signs this legislation into law, the better for the ability of the economy and the protection of the public." That from July 31 of last year.

The New York Times called it "A promising plan to rid the industry of its rot and set S&L's on a sounder path." It noted further, "It was stronger than Mr. Bush's original plan." That, from August 9 of last year.

Commentators praised the bill for, among other things, putting an end to abusive practices, establishing much stronger capital standards for savings and loans, setting up a new administrative structure to ensure strong regulatory oversight, and providing the Justice Department with additional funds to prosecute savings and loan fraud cases and seek recovery of stolen assets.

Now, the bill that emerged from the legislative process had five main features, and let me list them.

In the area of regulatory reforms, first, it completely changed the thrift regulatory structure. It abolished the old Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation and established a new thrift regulator called the Office of Thrift Supervision under the Treasury Department.

It created a new Federal Housing Finance Board to administer the Federal Home Loan Bank System and created three separate entities under FDIC management to handle the jobs of resolving past, present, and future thrift insolvencies. They are called the FSLIC Resolution Fund, the Resolution Trust Corporation, and the Savings Association Insurance Fund, respectively.

Second, the bill channeled a great deal of money from a variety of sources including the thrift industry, the Treasury, and another new entity created by FIRREA, the Resolution Funding Corporation, that is named REFCORP, toward the task of resolving insolvent thrifts.

The bill also established several important curbs on excessive risk-taking by federally insured institutions. It imposed very tough new capital standards. It prohibited investing in junk bonds and required thrifts to phase out their existing junk bond portfolios. It sharply curtailed direct equity investments. It subjected thrifts to the same limit on loans to one borrower that applies to national banks, and it increased civil and criminal penalties for officers, directors, and professional consultants who defraud insured depository institutions.

It also placed important new restrictions on State powers. Prior to FIRREA's enactment, State law alone provided the only limitations on the powers of State-chartered thrifts. This is a very important issue still not understood even by many people who have examined this problem at great length.

In several States, those limitations were not very substantial. The States of Texas and California, in particular, removed virtually all restrictions on the investment activities of State-chartered thrifts within their States, all of them nevertheless connected to the Federal deposit insurance system.

This permitted California and Texas thrifts to raise deposits and invest them in virtually anything, knowing that the Federal deposit insurance system would pick up any loss that might result. Many thrifts exploited this opportunity to the hilt, raising brokered deposits and investing them in such things as racetracks, windmill farms, junk bonds, raw land, and other things of that sort. The consequences of such abuses for the Federal deposit insurance system were catastrophic. Listen to these numbers. In 1977, 54 percent of all of the losses in the national system went to pay for losses incurred by State-chartered thrifts in just two States, the States of California and Texas alone. And that figure grew in 1988. Fully 70 percent of all of the payouts from the insurance fund went to cover losses by State-chartered thrifts in those same two States, Texas and California.

FIRREA put a stop to those abuses. The statute generally restricted State thrifts to activities permissible for Federal thrifts, creating exceptions only for State thrifts that fully satisfy all applicable capital standards and in turn can meet a second test, namely to convince the FDIC that the activity in question poses no significant risk of loss to the deposit insurance fund.

Although many commentators at the time argued for elimination of the thrift charter altogether, the Bush administration sought to preserve a separate thrift industry as the following exchange between myself and Secretary Brady during his February 22, 1989, testimony on behalf of the administration made clear.

I posed this question to Secretary Brady: "Are we to conclude from what you have said in your presentation that the administration foresees a freestanding savings and loan industry extending out into the indefinite future, presumably dedicated to home mortgages and home lending? Is that a proper reading of what you are asserting here?"

Secretary Brady responded as follows: "Mr. Chairman, that is a very fair summary of the administration's objectives. At the bottom of all this work is the desire to put the savings and loan industry on a sound financial basis so they can fulfill their traditional function of trying to provide home loan mortgages at the lowest possible rate."

So I continued then asking him this: "Is it a fair conclusion then that the administration has reached the judgment that this is an important industry to preserve and maintain and it meets an important national need in the area of housing?"

Secretary Brady responded, and I quote him: "Exactly so." And that can be found in our Senate hearing volume 101-127, volume 2, pages 41-42, under the heading "Problems of the Savings and Loan Insurance Corporation."

Secretary Brady reiterated the administration's commitment to a separate industry at the Banking Committee's RTC oversight hearing just this year, and not very long ago, on May 23. He noted at that time "A key purpose of FIRREA—the reform law—is to provide the money and mechanisms to separate out insolvent and failing thrifts so that the industry which remains can compete successfully and safely in the finance marketplace."

It was then in accordance with the administration's wishes that FIRREA reaffirmed the Federal Government's commitment to a separate thrift industry. But the bill also included a test of the thrifts' charters, focus, and commercial viability, namely the qualified thrift lender test or the QTL test as it is known.

As of July 1, 1991, thrifts must keep approximately 70 percent of their assets in housing-related investments such as home mortgages, residential construction loans, home improvement loans, mobile home loans, and mortgage-backed securities. That is a tough standard, but an appropriate one if we are to continue with a specialized thrift industry whose central purpose

is home mortgage lending. And thrifts that cannot meet the QTL test have a direct alternative. They can convert to a bank charter and be regulated as a bank.

Let me talk some about the progress that we have made in the time since that legislation was passed in the middle of last year. The new reform law has now been in place some 9 months. Already the administration has formally notified Congress that further action will be needed to provide substantially more money to resolve insolvent thrifts than the administration originally estimated.

The administration's acknowledgment that the ultimate cost is now expected to be at least twice what it earlier indicated I think makes this a most appropriate time to review in a comprehensive manner the progress of the administration's efforts to resolve the thrift crisis, and to fully implement the law.

I think progress toward resolving the thrift crisis must be measured along several yardsticks.

First and most important is the question of what is happening to the thrift industry overall. Is it stabilizing as a result of the reform bill or is it continuing to deteriorate?

Second, what is happening to the weak thrifts? Are they making reasonable progress back toward health, or will they, too, ultimately require resolution by the Federal Government at taxpayer expense?

Third, what progress are the FSLIC resolution fund and the RTC making toward resolving failed institutions and selling off their assets? Is the pace of resolution satisfactory? Is the pace of asset disposition satisfactory? Are reasonable asset disposition and resolution policies in place?

Fourth, what is happening to the cost of the resolution effort? By most accounts it is rising. But why is the cost rising and by how much?

Fifth, what progress is being made toward bringing those who defraud banks and thrifts to justice? Does the Department of Justice have adequate resources to handle its workload?

Finally, is the administration providing the effort with the vigorous leadership that it needs? What key positions remain vacant? Is a solid team in place to guide the effort through the difficult tasks ahead?

Let me begin this analysis by discussing briefly what is happening in the thrift industry. Current discussion of the thrift crisis tends to focus on what is going on either at the FDIC or the RTC but in many respects the most important indicator of FIRREA's success or failure is whether the healthy portion of the industry is stabilizing or continuing to deteriorate. Unfortunately, because FIRREA was enacted relatively recently and because considerable time is needed to collect and compile the data, not much information is available yet on what has been happening in the thrift industry since FIRREA's enactment. The most current figures are already 5 months old and this increases our difficulty in providing timely and constructive oversight.

The problem of inadequate data deserves I think a moment of discussion. In researching the condition of the thrift industry, our staff has encountered serious debt gaps in the data and a disturbing reluctance to share what data exists on the part of some of the agencies charged with implementing FIRREA, most notably the Office of Thrift Supervision. Similar concerns have been expressed by expert witnesses before the Banking Committee.

On May 22, just a matter of weeks ago, Mr. James Barth, former chief economist at the Federal Home Loan Bank Board and distinguished scholar on the thrift industry now based at Auburn University, told the committee this. I quote him. He said:

> One thing I would like to state for the record is that I have some concerns in part because of the information within the agency. I am not sure there is proper information. I have talked to people on your own staff and they informed me occasionally that they cannot get information from places like the Federal Home Loan Bank Board and the Office of Thrift Supervision. Somebody told me at the Congressional Budget Office just a couple of days ago that he is unable to get information about troubled institutions from the Office of Thrift Supervision. And this, despite all that has happened. When I was there we had a policy of giving out all sorts of information. I think one has to encourage these agencies to share for the most part publicly available information and then we can tell more about the financial condition of the institutions and the insurance funds themselves. That does concern me, the information. I am not so sure that responsible people in the Congress and the agencies are still provided with sufficient access to relevant information at such crucial points in time.

Then Mr. George Kaufman, who is a distinguished professor of economics and finance at Loyola University at Chicago and a member of the shadow regulatory committee, supported Mr. Barth's statement in his own subsequent testimony. This is what Mr. Kaufman said:

> If I can support what Jim Barth just said, I remember in the mid-1980's when people were making independent estimates of the size of the deficit they did not get the cooperation of the agencies. They had to use information that was not as good as the information available to the agencies because the correct information was not provided to them. Consequently, when they came up with estimates that the agencies did not like they were criticized for not having the right information and making wild guesses. I think it is very important that Congress insist that the information be made available and that people could use this information to make their own estimates. I think there is a natural tendency of regulators to be rather cautious in predicting a decline of the insurance fund that would increase the cost of the taxpayer.

Unquestionably, collecting and compiling data on financial institutions is difficult, and it is time consuming. I fully appreciate the sheer operating difficulties facing our regulatory bodies in this area. But the magnitude of this problem demands an extraordinary effort to collect that data and to distribute it freely and widely. If American taxpayers must foot the bill for resolving the thrift crisis, they have a right to know exactly how the effort is progressing, and they have a right to get that information on the most timely basis possible.

What data are available tell us some things. The available data suggest neither dramatic improvement nor precipitious decline in the condition of the healthy portion of the thrift industry since FIRREA's enactment last year.

A significant part of the thrift industry, of course, was badly damaged when the reform legislation became law, and it remains so. And the data suggest that the healthy portion of the industry is more or less holding its own.

I would say the key points are these: No. 1, of the 2,949 savings and loans operating across the country at the end of 1988, over 400 have now entered RTC conservatorship or receivership. These institutions formerly represented most of the weakest thrifts in America.

No. 2, of the thrifts still free of RTC control, roughly 20 percent are undercapitalized or insolvent, and roughly 20 percent, and mostly the same institutions, were actually losing money in their operating activities as of the end of 1989. No. 3, approximately one-third of the industry is squeaking by at the moment, but will probably need a capital infusion in order to survive over the long term. The bottom line of the resolution effort hinges in large measure on how many of these thrifts in this category ultimately survive and how many ultimately fail.

No. 4, approximately 1,200 well-capitalized thrifts appear to be doing fine at the present time.

Overall, the portion of the industry outside of RTC control showed slight improvement during the second half of 1989. I have included a table labeled "Table A," which depicts changes in capitalization levels for the 6-month period ending December 31, 1989, among thrifts not in the RTC receivership or conservatorship by April 30, 1990.

Approximately half of the thrift institutions outside of RTC control appear solid by any measure. These institutions are well capitalized, and over 90 percent are operating profitably. Some 93 percent had positive income from current operations in the last quarter of 1989, for example.

Yet, thrifts showing these strong financial characteristics hold only about 20 percent of thrift assets outside RTC control. The remaining half of the industry remains a focus of greater concern. Thrifts with less than 6 percent tangible capital hold approximately 80 percent of all thrift assets outside of RTC control.

According to data provided to the Banking Committee by the OTC, roughly a quarter of these thrifts were losing money on current operations as of the last quarter of 1989, with almost 90 percent of all losses occurring among thrifts with less than 3-percent capital. While occasional losses by well-capitalized thrifts should not cause concern, thrifts with little or no capital clearly cannot afford to lose much money for very long before becoming insolvent.

On the other hand, there is reason to believe that many thrifts below the 6-percent tangible capital line will survive, because while many are losing money, the overall condition of these thrifts is not declining precipitously. Many, especially among those institutions with tangible capital asset ratios in the zero- to 3-percent range have been maintaining or even improving their capital levels by selling assets, and turning the assets into cash, then, which is reflected in their financial statements.

Thus, the substantial increase that table A shows in assets held by thrifts with tangible capital ratios of 3 to 6 percent probably came about because several large thrifts with capital in the zero- to 3-percent range as of June 1989, had sold assets and graduated upward into the stronger 3- to 6-percent range by the end of the year.

Interestingly, table A shows no increase in the number of thrifts with capital between 3 and 6 percent, probably because an even greater number of thrifts moved out of the 3- to 6-percent category range up into the ranks of those with more than 6 percent tangible capital.

This process of selling assets to improve capital ratios results directly from the capital standards enacted in FIRREA. Its effect on the industry as a whole has been very good. During the second half of 1989, the tangible capital to assets ratio of all thrifts remaining free of the RTC improved from 3.62 to 3.76 percent. While that is not a big increase, it clearly is movement in the right direction.

Let me just say at this point, this is a lengthy summary that I am presenting today, and it covers all of the functional categories that I think require analysis as to how the savings and loan recovery effort is going. So I have indicated before that I will pause in the course of this delivery today to accommodate colleagues who have brief comments they wish to make, and I will ask that their comments, when I yield for that purpose, be put at the end or the beginning of my remarks so they will not be shown as interrupting my presentation.

I know that the majority leader himself may ask to speak a little on the Cambodia issue, and I note that my colleague from Massachusetts, just back from a wedding in his family, has asked if I will yield to him at this time for 4 minutes so that he might speak on the Supreme Court decision on the flag, to which others have spoken.

Mr. RIEGLE. Mr. President, continuing on in this section that relates to how we are doing with respect to the pattern of buildup of strength in the balance sheets of savings and loans across the country, there is another very important indicator of improvement in the health of the thrift industry since FIRREA's enactment, and that is the fact that the cost of funds for thrifts has dropped relative to the cost of funds for banks.

This was a real problem prior to the time we enacted the reform package. At that time insolvent thrifts in desperate need of cash were bidding up the cost of funds for the entire thrift industry making the cost of funds for thrifts much higher than for banks, as weakened thrifts enter regulatory control in increasing numbers and as the market gains confidence in the system the cost of funds for thrift institution has dropped significantly as compared to banks.

Table B in this report details changes in the cost of funds for thrifts relative to banks during the second half of 1989 and that table shows clearly that the cost of funds for thrifts decline relative to banks for almost every type of deposit with the amount of the decline increasing with the term of the deposit. Thus will thrifts typically paid 71 basis points more than banks on 12-month certificates of deposit back in August after last year before the reform bill was passed the spread had dropped to 36 basis points by May 30, 1990, a decrease of 56 percent, clearly meaning that we were meeting one of the objectives that the bill was designed to accomplish.

And table B in our presentation lays that out in detail by what category.

Overall, the limited data available suggest that the thrifts remaining outside RTC control are neither dramatically improving nor precipitously declining. About half of these institutions appear completely sound. With respect to the remaining half, the evidence is somewhat conflicting but seems to suggest, on balance, that the institutions are more or less holding their own for now. Whether this will continue to be true will depend, in large measure, on economic events and the quality of regulation by the Office of Thrift Supervision and by competent and efficient management of the individual savings and loan institutions across the country.

Under FIRREA, thrifts that fail to meet capital requirements must file business plans showing how and when they will achieve compliance. The OTS estimates that 673 thrifts still operating free of RTC control as of September 30, 1989, failed to meet their legal requirements for capital, and table C, which I am presenting in this report, shows how many thrifts file business plans and details the results of the OTS review process of those business plans. The table shows that while 98 percent of the thrifts required to file business plans have done so, many of the plans submitted have been unacceptable to the OTS. Roughly a quarter of the plans submitted are still under review or have been withdrawn prior to evaluation by the OTS. The OTS has actually rejected slightly over half, about 52 percent of the plans that it has finished reviewing.

Mr. President, I want to get into a discussion of the three new entities that had been established under the thrift bill. Those three entities are the FSLIC resolution fund, the RTC, and the Savings Association Insurance Fund, which is called SAIF. These three entities are to deal with past, present, and future thrift insolvencies respectively. While each of these entities is administered by the FDIC, they have distinct statutory responsibilities and cash-flows and it is appropriate to discuss each of them separately.

With respect to the progress of the FSLIC resolution fund itself, the reform law established the FSLIC resolution fund as part of the FDIC and gave it responsibility for winding up the affairs of thrifts that had been put into receivership before January 1, 1989.

Most of the fund's assets and liabilities are remnants of what are called FSLIC's so-called 1988 deals, including financial assistance agreements that were entered into between the FSLIC and acquirers of failed thrifts and legal claims against officers and directors of failed thrift institutions.

I think Members of the Congress and the press would do well to pay more attention to the FSLIC resolution fund than they have thus far because, although it is not as large as the RTC, the fund has extraordinarily large liabilities in its own right, and whether they are managed well or poorly will make a significant difference in the total cost of the thrift situation.

According to recent testimony of FDIC Chairman Seidman, the fund represented a liability of $54.9 billion as of December 31, 1989 including assets of $10 billion, promissory notes of $19.4 billion, asset loss coverage of $29 billion, estimated future interest payments on promissory notes of $16.1

billion, and $0.4 billion in miscellaneous other liabilities.

With respect to cash-flows of the FSLIC resolution fund, since the beginning of fiscal 1989 the fund and its predecessor, the FSLIC, have spent $20.7 billion, including $18.5 billion for losses on thrift resolutions and payments of assistance agreements and $2.2 billion for interest on notes given to thrifts as part of those agreements.

I have in the presentation table D set forth in detail the cash flows of the FSLIC and FSLIC resolution fund since the beginning of fiscal year 1989. Table D shows that 89 percent of the expenditures have gone to cover losses on thrift resolutions and payments on assistance agreements including those entered into by the old FSLIC in the course of its so-called 1988 deals. The balance of the expenditures has gone to pay interest due on FSLIC notes issued in conjunction with those assistance agreements; most, 58 percent of the funds to satisfy these obligations have come from the Federal Government in the form of Treasury appropriations and FSLIC notes. The remainder comes from a variety of sources has we have set forth in table D.

Chairman Seidman has recently estimated that the fund will need additional Treasury outlays totaling $26 billion by the end of fiscal year 1996 to meet its assistance agreement obligations. That sum could rise or fall depending upon changes in interest rates and real estate markets.

Now, with respect to a review of the 1988 deals, many of the assistance agreements that FSLIC entered into in the course of the 1988 deals permit the Federal Government to prepay high cost notes and take back assets otherwise subject to costly yield maintenance and capital loss payments.

In order to ensure that these options receive careful consideration, the reform bill requires the RTC to review the agreements and exercise any legal rights the Government may have to reduce its costs. That process has not yet begun, but the RTC has accepted bids from private firms on the task of reviewing the agreements. The RTC expects to receive advice from those firms and report to Congress by August.

Some time ago I asked the GAO to also undertake to examine in detail those 1988 deals. They are doing so, and they will be reporting to the Congress independently on the same subject.

Let me talk now about the progress of the Resolution Trust Corporation itself. To resolve current thrift failures between January 1, 1989 and August 9, 1992, the reform law established a new agency called the RTC, the Resolution Trust Corporation, and directed it to conduct its operation so as to accomplish five goals:

One, maximize returns from the sale of failed institutions and/or their assets;

Two, minimize the impact of asset sales on local real estate and financial markets;

Three, make efficient use of funds provided by the Treasury and Revcorp, in the end to establish financing for the RTC;

Four, minimize losses realized in resolving cases; and

Five, maximize preservation of affordable residential property for low- and moderate-income individuals.

With respect to the structure of the RTC, during its consideration of the reform bill, Congress repeatedly revised the statutory provisions governing the administrative structure of the RTC in response to requests of the administration. The final administrative structure, though unusual, is precisely what the administration requested.

It is important to note that many in Congress had serious reservations about the structure of the RTC, but, finding that the administration was unyielding in its view, we ultimately gave the administration the administrative structure it sought. Under the structure, the FDIC serves as primary manager of the RTC's affairs. Day-to-day management of those affairs is thus the responsibility of the FDIC's Board of Directors, doubling, as it were, as the Board of Directors of the RTC. The Chairman of the FDIC also serves as the Chairman of the RTC.

Policymaking for the RTC resides in the RTC oversight board which consists of the Secretary of the Treasury, the Secretary of the Department of Housing and Urban Development, the Chairman of the Federal Reserve Board, and two independent members. FIRREA requires the board to oversee and be accountable for the RTC. In extraordinary circumstances, the FIRREA reform bill empowers the oversight board to remove the FDIC from its position as manager of the RTC.

To accomplish its statutory mandate, the RTC must perform two essential functions. First, the RTC must "resolve"—that is the term of art that they use to describe this process—failed savings and loans by selling them in whole or in part to acquirers or by paying off their depositors. Types of resolutions are detailed just a little bit further on. And second, the RTC must dispose of whatever assets it retains after failed thrifts have been resolved—not an easy task.

Generally, institutions that remain open for business under RTC control pending resolution are said to be in conservatorship. Again, this is a term of art that is used and is important to understand with respect to how this process works. When the institution is resolved, whatever assets remain under RTC control are put into a liquidating trust called a receivership. The thrift resolution asset disposition functions are closely linked. The more of a thrift's assets the RTC can sell prior to or in conjunction with "resolving" the thrift—putting it into receivership—the smaller the quantity of assets remaining for sale in the receivership.

Most observers believe that, in general, the RTC can get better prices by selling assets from conservatorships, that is, in the first stage, than it can by selling them in the second stage from a receivership. This is because assets tend to diminish in value after they enter direct Government management. On the other hand, because most thrifts continue to incur operating losses after entering conservatorship, there may be considerable costs associated with delays in resolution.

Having laid all that out as a foundation as to how this process is to work, let me now examine the RTC's progress in resolving failed thrift institutions and how they are doing with respect to disposing of their assets.

In terms of the pace of resolutions, the RTC has been widely criticized for moving too slowly to resolve insolvent thrift institutions. The evidence suggests that such criticism is largely justified.

Figure 1 in the report details the pace of RTC resolutions from the enactment of FIRREA through mid-May of this year. I should note in fairness to the RTC that there have been several resolutions since mid-May that are not reflected in the statistics that I am able to report today.

For example, just last Friday, on June 8, the RTC announced the resolution of an additional 15 thrifts with total assets of approximately $4.5 billion. At the same time, the RTC announced three new conservatorships.

So although the pace of resolutions has picked up significantly in the past 60 days, I think it has to be said that it has been generally disappointing overall. In fact, the pace of resolutions actually declined from an initially low level immediately following FIRREA's enactment to a virtual standstill this past winter.

I would say the result of the RTC slow start is clear. Today the RTC's resolution caseload is significantly larger, both in terms of sheer numbers of institutions and in terms of assets, than it was upon FIRREA's enactment.

Figure 2, which I have presented, shows the evolution of the RTC's caseload during the period from October 1, 1989, through mid-May 1990, and through May 18 of this year. The RTC had resolved only 108 thrifts with total assets of $26.1 billion.

Meanwhile, between October 1 and May 18, the number of thrifts in conservatorship, that is the first stage,

awaiting resolution, grew from 256 to 302, and the assets held by those thrifts in that category went up from $102.3 billion to $162.5 billion.

The fact that there have been so few resolutions is especially disappointing in view of the RTC's choice of resolution methods. Under each of the resolution methods the RTC has used so far, the RTC has retained the problem assets of the failed institution.

That fact is very important, because when the RTC, again using this term of art, has resolved its entire caseload in this manner, most of its real work will still lie ahead of it. Thus far, the RTC has employed three different types of resolution procedures.

The three are described as follows. One, is the insured deposit transfer, under which the deposits of a failed institution are sold to an acquiring bank or thrift, and then the RTC retains the assets.

Second, are what are called payoffs, in which the RTC simply pays off all of the failed institution's deposit liabilities and retains the assets.

And third, is the classification of purchase and assumption transactions under which the acquirer of the deposits also assumes some or all of the assets. In theory, a purchase and assumption transaction can be either what is called a clean bank sale in which the acquirer assumes only the good assets of the problem thrift, or what is called a whole bank sale, in which the acquirer assumes both good and bad assets. Today all of the RTC's purchase and assumption transactions have been clean bank sales.

If you are able to follow the thrust of these definitional distinctions, it means that as these institutions are peeled off and go into other hands, the problem assets remain with the Government, and in effect the toughest part of the problem to solve is still with us, and is with us today. And I will have more to say about it as we go through this analysis.

Figure 3 in our report summarizes the RTC's use of different resolution methods through May 18 of this year. As of that date, the RTC had resolved 55 institutions through insured deposit transfers; 44 more institutions through purchase and assumption transactions, all of them clean bank sales; and 9 institutions through payoffs of depositors.

Although not the most common resolution method, purchase and assumption transactions account for 74 percent of the RTC's receivership assets; payoffs account for less than 10 percent of all resolutions; and barely 3 percent of all receivership assets.

The RTC's resolution effort has also been disappointing because much of its concentration is on small institutions. Most of the institutions that the RTC has resolved through May 18, 1990 were very small. For example, 61 percent of the thrifts resolved had less than $100 million in assets and fully 82 percent had assets of less than $200 million. That is actually quite a small size, given the nature of the institutions and the full scope of the problem.

Indeed, the average size of resolved thrifts is less than half the average size of thrifts currently in conservatorship awaiting resolution. Because large institutions are significantly harder to resolve than small institutions, these facts do tend to show that the RTC is making relatively little progress in the more problematic portions of its caseload. So figure 4, which we have presented, breaks down the RTC's resolutions through May 18 by size of institution.

On April 12 of this year, the RTC oversight board approved an RTC plan to accelerate the pace of resolutions significantly.

Under this plan, the RTC will borrow up to $45 billion in working capital from the Federal financing bank. These moneys, combined with moneys available through REFCORP, which are approximately $3.5 billion more, should be used to resolve an estimatd 141 failed thrift institutions in the second quarter of 1990. This is what has been talked about by Chairman Seidman himself and has highlighted his intention to want to try to move through that batch within that timeframe.

Banking Committee staff analysis of information released by the RTC suggests that the pace of resolution has in fact picked up during the second quarter pursuant to the oversight board's plan. Between March 3 of this year and May 18, the RTC resolved 54 thrifts with assets of some $7.7 billion.

I should note again that these statistics do not reflect resolutions that have occurred since mid-May. But while there may have been additional resolutions since then, it still appears that the RTC has in general continued to focus its resolution effort on smaller institutions and continued to retain virtually all of the problem assets of the resolved institutions, and it is important that we understand that.

With respect to the pace of asset disposition—this means the task of getting rid of the assets taken back from the failed thrifts—the RTC has also been widely criticized for the slow pace of its asset disposition effort, particularly with respect to its real estate assets. Here, too, the criticisms appear to be generally valid.

Although the RTC has actually disposed of a large quantity of some types of assets during its 9 months of existence, it appears to have focused its asset disposition efforts thus far on the easy sales. Failed thrifts normally hold a wide variety of assets, but the heart of the RTC's asset disposition task usually consists of problem real estate and problem loan assets held in receivership following the resolution of failed institutions. These kinds of assets tend to be less liquid and many of the real estate assets are in geographic areas where real estate values are badly depressed, and an overhang of unsold properties now exist.

There are no current data concerning the quantity of such assets that the RTC will ultimately control, but available evidence suggests the amount will probably exceed $100 billion. It is a very sobering number.

As of March 31 of this year, 92 percent of the RTC's assets were in conservatorships. Performing loans, which were predominantly one- to four-family mortgages, comprise 50 percent of the RTC's assets. The delinquent loans and real estate owned jointly comprised 18.3 percent of the RTC's assets, or about $30 billion.

Significantly, no current data seems to exist on the composition of the RTC's portfolio of real estate owned. We put in table E, which provides further detail on RTC's asset portfolio as of March 31, 1990.

Although a total of $173.1 billion in assets were under RTC's management, the RTC had by that date actually taken control of institutions whose assets had a total book value of some $215 billion. The difference, $41.9 billion, represents assets already disposed of by the RTC as of March 31, 1990.

We have presented table F which partially details the RTC's asset disposition record through that date. The raw numbers in table F should not create a false impression that the RTC has made substantial headway in disposing of its enormous asset portfolio. In fact, the RTC's progress in this area has been extremely limited. The raw numbers are misleading for three reasons:

First, while the heart of the asset disposition job is problem loans and problem real estate held in receivership, the lion's share of sales thus far involve conservatorship assets.

Second, the RTC has concentrated on making easy sales first. The overwhelming majority of sales to date appear to consist of performing loans and securities held in conservatorships, obviously much easier assets to sell.

Third, many and perhaps most of the receivership assets that have been sold to date are believed to have been sold under terms giving the acquirer an option to put them back to the RTC at a later date. An unknown but possible large percentage of such assets may, accordingly, return to the RTC's books in the months ahead. It is important that that be flagged and that we not assume that the job is done in that area either.

So the bottom line of this is that the unfortunate truth is that the RTC has

barely started on its real asset disposition job. That is just stating a hard fact. That is not to suggest that there are not able and well-motivated and hard-driving people at work trying to get it done. I do not make that suggestion, and I am not here today to leave that inference, but only to say it is an enormous job, and we are started on it, but it is a modest start, and there is an enormous task ahead.

In sum, the RTC's thrift resolution and asset disposition efforts to date, I think, have yielded disappointing progress. At least two factors, in addition to what I have mentioned, may have contributed to the slow start. You have obvious organizational difficulties associated with starting a massive job of this scale from scratch; and, No. 2, I think a failure to develop and implement specific goals and timetables for thrift resolution and asset disposition.

Having said that, I again want to say that it is one thing for everybody who is on the outside looking in trying to assess this and evaluate it and decide what kind of progress is being made, and it is altogether different and infinitely more difficult for the person or persons inside who are charged with the obligation of getting on top of this thing and putting the procedures in place and grinding out the work and getting it done and getting it done competently. That needs to be said as well.

RTC recently announced new initiatives that may accelerate the asset disposition. For example, RTC plans to conduct an auction of up to $300 million in real estate in mid-September. Approximately 100 properties will be sold, and the auction will feature only properties worth more than $1 million. This auction will be conducted by satellite from a central auction site, and it will be downlinked to 10 U.S. cities and also to London and to Tokyo. This is an experiment, and I expect there will be a massive marketing effort to alert all potential bidders in advance of the auction.

Also, recent reports indicate that RTC is exploring options for large bulk asset sales, transactions that might move as much as $500 million in assets at once. Many experts believe that the RTC will probably have to turn to bulk sales in order to make serious progress toward reducing its asset portfolio. I should say no such sales have occurred to date. This is awfully important to all of us who are citizens of this country, because this represents assets that we now own.

Whether they are real estate assets, buildings, land, whatever they happen to be, because of the nature of the insurance fund guarantees and so forth, we now have taken these assets into the control of the Government, and they belong to us; therefore, their value is our value. So we want to make very sure that we not only achieve full value in selling off these assets, but we want to make sure that it is done fairly. We do not want anybody finding a way through a back door or a side door to get some special deal that is not available generally to anybody on a fair basis.

We want to make sure that the assets are disposed of in a way that does not create huge market problems out there that are unattended. That is a very important consideration to have to weigh. We want to make sure that, in the process of handling and disposing of these assets, not so much time is taken that the assets are not well tended in the meantime, particularly buildings which can run down and get into disrepair, and their value can fall simply because there are so many properties to keep track of, we are not in a position to look after them sufficiently. So you can have all value disappear in that form. Any value that disappears is disappearing right out of our pocket, in terms of we being the taxpayers of this country. So we obviously need as competent an effort as can be put together, given the scale and the enormous complexity and the unique nature of this particular task. So these are some of the factors that are at work here that I think need to be emphasized.

With respect to RTC cash flow, through March 31 of this year, RTC had received 59 percent of its funds, $18.8 billion from Treasury appropriations. The next largest source of funds was REFCORP bonds, which provided $9.5 billion and 30 percent of the RTC's funds.

RTC spent $16.2 billion, or 51 percent, of its cash flow to acquire assets of failed thrifts; $7 billion to make advances to thrifts in conservatorship for liquidity and replacement for high cost reposits, adding up to $12.6 billion; $9.2 billion was paid for insurance losses; administrative expenses amounted to some $100 million. Table G provides further detail on the RTC's cash flows through March 31, 1990. The Oversight Board's decision to use borrowings from the Federal financing bank as working capital to resolve 141 thrifts during the current quarter to change the RTC's cash flow picture significantly.

If it meets this target, RTC will spend an additional $19.1 billion on insurance losses and $32.5 billion on asset acquisition by June 30 of this year. When you think about it and you think about the date today, June 11, and are talking about, by the end of the month, a plan to expend essentially $50 billion just in this one area and on the items I have just described. Working capital borrowed from the Federal financing bank will provide virtually all of the funds for this operation. The Oversight Board plans to use only $3.5 billion in REFCORP funding issues.

With respect to REFCORP financing to provide the RTC with funds to cover insurance loss and failed thrifts, FIRREA authorized REFCORP to issue bonds with an aggregate principal value of $30 billion. Pursuant to this authority, REFCORP has conducted three auctions to date issuing bonds with the total principal amount of $13 billion.

Although the bonds sold in REFCORP's first auction had a 30-year term, REFCORP subsequently switched to auctioning bonds with 40-year terms. The longer maturities appear to have reduced slightly the interest rates necessary to sell the bonds. Nevertheless, and I point this out particularly to the Presiding Officer in the Chair, the average interest rate of REFCORP issues to date, 8.52 percent, significantly exceeds administration projections of an average of 7.65 percent rate. Should REFCORP's future issues carry the same average interest rate—we have no way of knowing what they will be until they occur—then REFCORP's total interest costs will exceed administration projections by about $300 million a year, or $12 billion over the life of the bonds if REFCORP continues to use 40-year maturities.

Table H details the results of REFCORP bond options to date on the subject of working capital and the budget process and this has become an issue now on the table in the budget summit.

Working capital is used when the RTC pays off the deposit liabilities of an insolvent thrift before selling all of its assets. Originally, the administration planned to use only about $10 billion in working capital, an amount initially included in its $50 billion request to the Congress for the RTC. During the legislative process, however, it became clear that much greater amounts of working capital would be needed in order for the RTC to move quickly to resolve cases without facing temporary cash shortages. Accordingly, the reform law gave the RTC relatively open-ended access to working capital, requiring only that the total working capital borrowings not exceed 85 percent of the RTC's assets. And Congress imposed the 85-percent cap to give the Treasury some protection against possible declines in the value of these RTC assets.

Although the administration originally contemplated off-budget financing for working capital, it eventually elected to use the Federal Financing Bank. I think that was a wise choice because this is a cheaper and more straightforward method of raising working capital. However, because of the rigid Gramm-Rudman rules, it creates some difficulties.

The CBO expects $24 billion in Federal Financing Bank working capital this fiscal year and an additional $31 billion next year. Increases in provisions for RTC's permanent spending will probably increase those estimates, ultimately resulting in perhaps $80 billion to $100 billion in working capital borrowings. As the amounts rise, the budget deficit will increase as the accounting would normally be done and make the Gramm-Rudman-Hollings restrictions even harder to meet. Then, conversely, in later years, the RTC conduct in this area will cause the deficit to fall as it is in the process of selling a greater volume of assets and beginning to repay its working capital borrowings.

For this reason, and others, it is my own view that the RTC's working capital borrowings should be exempted from calculation of the deficit under Gramm-Rudman. I do not think that we should be in a situation where we have to cut programs or raise taxes at a particular time simply to buy and hold for the time being the assets that the Government intends to then turn around and sell just as quickly as it can.

Let me speak for a minute about the progress of the Savings Association Insurance Fund. This is the new insurance fund that has been created to replace the old insurance fund that went out of existence.

To resolve thrift failures after August 1992, FIRREA established a new deposit insurance fund for the thrift industry, called the Savings Association Insurance Fund [SAIF] called, of course, the SAIF fund. Although SAIF will eventually be funded out of deposit insurance premiums, for the present those premium dollars go first to meet interest obligations—I know this is complicated—on FICO bonds, next to meet interest obligations on REFCORP bonds, when Federal Home Loan bank moneys are unavailable for that purpose, and then only finally into the SAIF fund to provide a future deposit insurance fund against future losses. As a consequence, only about $100 million in deposit insurance premiums has gone into the SAIF fund thus far, and that money will ultimately be turned over to the FSLIC resolution fund.

What is this whole thing going to cost? I have taken the time to lay all of this out because we have to have a well-understood benchmark that is out there in the clear light of day that we can all key off and use as a measure of progress we are making and whether or not we are meeting the objectives and thinking through any changes or corrections in our process that we need to make as we go along.

In that vein, one of the simplest questions to ask about the savings and loan resolution effort turns out to be one of the very hardest to answer; and that is when we get through with all of this, how much is it going to cost us to finally and fully resolve this problem?

Table I that we have laid out here details some of the numerous estimates of resolving the entire thrift crisis. This is a very important table. It takes an entire page. That table makes clear that there has been rampant confusion about the bottom-line cost of the thrift problem and really helps illustrate why. It helps make clear that some of that confusion can be explained by the very nature of the different estimates. Analysts produce different estimates of the problem in response to different questions. Subsequently, those estimates develop a life of their own often quite apart from the questions that they were originally intended to answer when they were put together.

For example, estimates of net public outlays are not comparable to estimates of cash outflows, nor are present-value cost estimates in any way comparable to estimates that include interest payments that are paid out periodically cumulative over the 40-year period. And obviously, estimates of a 10-year cash outflow pattern are not comparable to estimates of a 30-year cash outflow pattern. But, unfortunately, all kinds of estimates are routinely made and then confused one with the other. So I have laid out in this table a variety of these estimates indicating why each one is different from the other, based on the nature of what that particular estimate is designed to try to represent.

To cut through all of that, when the administration originally presented its plan for resolving the thrift crisis to Congress, it put the price tag at $40 billion. That figure, it is fair to say, was greeted with widespread skepticism. The administration responded by revising the estimate somewhat during the legislation process. Even so, many others continued to criticize the estimate and many in Congress expressed the concern that more funds would be needed.

In fact, as we were completing legislative work on FIRREA last year, I asked both Secretary Brady and FDIC Chairman Seidman to go back and take another look and reconsider whether the moneys provided by the bill were still going to be sufficient and suggested the data that the FDIC had already given us at that time would have been before we finished the legislation. That indicated to many of us up here that perhaps Congress should provide an additional $25 billion to $50 billion at that time.

They both maintained at that time, in response to those questions, that the $50 billion figure would be sufficient and they so stated in an exchange of letters that we had at that time, which are part of the public record. They are there for review by anyone who wants to take a look at it.

During consideration of FIRREA, it became common to speak in terms of 10-year cost of the resolution effort, a type of estimate with 2 major parts; one being the Federal deposit insurance losses plus 10 years of payments on the financing of those losses. Various 10-year estimates have circulated, most of them derived from OMB projections.

Although the 10-year cost estimates have been widely used, I really think in many ways they are misleading because including interest expenses for only the first 10 years, but not the full 40-year term of the financing, yields a figure that is neither an accurate indication of total payment over the years nor a meaningful basis for comparison with other Government programs.

The economic assumptions underlying the OMB original resolution costs were widely criticized at that time. OMB's estimates were also faulted for excluding significant costs; for example, tax losses the Treasury will incur by virtue of the FSLIC's 1988 deals. A lot were predicated on special tax advantages. That is a reason many did not like them, and are skeptical about them to this date.

In reviewing OBM's estimate after FIRREA's enactment, both CBO and later GAO concluded that RTC was underfunded by tens of billions of dollars. Even so, until recently, the administration declined to produce a more realistic estimate.

On May 31, just days ago, the FDIC and Treasury Department released analyses of different components of the total resolution costs. The administration attributed the need for a revised estimate to general decline in regional real estate markets, limited demand by potential acquirers of thrift assets and liabilities, higher interest rates than originally expected, and unexpected junk bond losses.

Taken together these analyses represent the administration's first comprehensive estimate of total resolution costs since August of last year in 1989.

Now, we have put in the report table J which summarizes the administration's latest estimates.

And although the administration made an effort to downplay the extent of its departure from its past estimates, in fact its new estimates significantly exceed the highest comparable estimates produced by anyone thus far. Indeed, Federal Reserve Chairman Greenspan noted in testimony before the Banking Committee that on a present value basis the administration's cost estimate now exceeds the previous high estimate that we heard, namely one which had been advanced by the General Accounting Office.

The administration's new estimates of the funds that will be needed by the

RTC are more than double the original estimates and on the order of double what the reform law provided. That, of course, does not mean that the problem is twice as large as it was a year ago. It does mean that we are seeing the final acknowledgment of the problem's true magnitude. I commend the administration for coming in with the revised numbers.

This is not an exact science going back to last year. And whatever forecasting mistakes might have been made or whatever assumptions that might have been made at the time that were not necessarily the best ones to make or have changed dramatically, it is very important that the facts be put on the table when they are known. That has happened now with the presentation of the Treasury Secretary about 2½ half weeks ago, 3 weeks ago. And it is very important that those facts be out there. So I, for one, feel much better about the fact that we are getting revised estimates that seem to be a much more accurate reflection of what the full size and scope of this problem is.

The fact that last year's bill did not provide the amount of funding that is going to be needed in total here has not been a cause for any delay up until this time in implementing the legislation. In terms of its cash operating needs, the RTC appears to have plenty of money available to meet its immediate operational needs. But as we move down through this problem, Congress will have to act probably later this year to provide additional funds.

In presenting the revised estimate of RTC cost to the Banking Committee, Secretary Brady suggested two alternative approaches to funding the resolution effort: Either provide a sufficient specified amount of funds to cover all or some of the remaining losses or, in the alternative, provide the RTC such sums as may be needed to complete the job. My own thought is that the latter blank check approach would be dangerous and I think inconsistent with our oversight responsibilities here in the Congress. So I would urge my colleagues to weigh the pros and cons very carefully before signing any such checks.

I want to talk for a bit on the efforts that are underway to try to bring to justice the people that have engaged in savings and loan fraud.

On the 6th of January of last year when President Bush went on national television to announce his plan to deal with the thrift industry, he said at that time "Unconscionable risk taking, fraud, and outright criminality" were major factors in creating the industry crisis. And he was correct in saying that. The President promised that his administration would "make every effort to recover assets diverted from S&L institutions and to place behind bars those who have caused losses through criminal behavior." I know George Bush, and I know he means that. So I take those words exactly as he stated them, based on my belief in his commitment to achieving that goal that he stated on that day.

Three days later, after those remarks in February of last year by the President, Attorney General Thornburgh told the Banking Committee that fraud and insider abuse "are believed conservatively to have been involved in 25 to 30 percent of the savings and loan failures." I am going to say later in this report that we are going to see from 1985 on at least 1,000 savings and loan institutions failed, those that have failed and failed in the future will be at least 1,000 in my view maybe up closer to 1,500. But using that benchmark figure, let us say a minimum of 1,000, if we use the Attorney General's estimates here 25 to 30 percent of the failure would involve some manner of fraud or insider abuse, that would mean 250 to 300 of those 1,000 institutions would show that kind of a profile.

The Attorney General went on to say that day that the President's comprehensive plan to deal with the savings and loan problem called for a $50 million increase in the budget of the Justice Department precisely to get at that problem, the fraud in the savings and loan industry. The Attorney General said the increase, and again I quote "could be used to provide on the order of 200 new investigators, over 100 new prosecutors, 30 or more new attorneys, plus additional support personnel to strengthen the enforcement of criminal and civil laws concerning financial institution fraud."

In order to enable the criminal and civil justice systems to cope with increases in financial institution fraud, Congress included in the reform bill several very important provisions to strengthen the ability of regulators and prosecutors to discover, stop, and punish fraudulent behavior. A lot of these things, while they have been in the law now for nearly a year, are still not known generally outside of a handful of people who would read the law or be charged with carrying it out in this area. But, for example, the reform law of last year increased to 20 years the maximum prison term for each count of financial institution fraud and directed the U.S. Sentencing Commission to establish guidelines insuring a substantial period of incarceration for such crimes. It also sought to enhance recovery of ill-gotten gains by providing for civil and criminal forfeiture of any property, real or personal, obtained by defrauding financial institutions.

And in one of the most important provisions, we extended the applicable statutes of limitation from 5 years out to 10 years to provide more time to carry out the investigative work and conduct the prosecution of those who had been found to have looted savings and loan institutions.

So we can reach back now to much over that 10-year timeframe, once we have identified it, in order to move in and deal with that particular problem. Those were very major changes in the law. But for that to work, because these are very complex cases and time has elapsed which makes it more difficult in some of those instances to reconstruct exactly what would have taken place, you obviously have to apply very serious and ample and adequate investigatory resources to get the job done.

So again, in the original proposal that we got last year from the administration in order to move into this problem area, they asked us to authorize $50 million a year each of the 3 years following the enactment of the bill, $50 million the first year, $50 million the second year, $50 million the third year, to add these additional resources in terms of lawyers and prosecutorial capacity to go out an catch the crooks in effect.

We took a look at that and we decided that was a good start but it was not enough, and Congress decided to beef up the amount of money. And we did not beef it up by a little, we beefed it up by a lot. We increased it by 50 percent. We took it up from $50 million to $75 million for each of the next 3 years: $75 million, $75 million, $75 million the third year. That is what we built into the law.

In addition, to top off that, we authorized an additional $10 million to give the Federal Judiciary new resources to handle the growing savings and loan backlog of fraud cases that was building up within the court systems. Because it is not enough just to go out and put the cases together and bring forth the prosecution. You have to get them into court and the courts cannot be so jammed up with other activities that you cannot go ahead and prosecute the cases. So we put $10 million in to help beef up the judiciary systems so we would have the judges and the capacity to go ahead and grind through these cases.

Notwithstanding the higher authorization levels that we put in, higher than had been asked for, the administration in turn requested and received not the $75 million that we had provided in the law, but only slightly less than $50 million, actually $49.179 million, and that money went as follows: $25 million, roughly, was allocated to the FBI to pursue these cases; a little over $20 million was allocated to—almost $20.9 million—the U.S. attorney's offices throughout country to go out and examine these cases; $2.6 million to the Criminal Division of the

Justice Department, and $678,000 to the Tax Division.

But beyond that, the administration has actively resisted the efforts that had taken place in the Congress by many to appropriate the additional funds and get up to the level that was actually set out in the law to go after these fraud prosecutions. In fact, here on the floor, just as recently as April 30 of this year, Senators WIRTH, DIXON, SASSER, SIMON, PELL, and myself proposed an amendment to the emergency appropriations legislation to provide the Justice Department an additional $19.1 million to add to what they have so they can really speed up the efforts with respect to tracking down this fraud in the thrift industry.

The administration opposed the request and I am sorry to report that that effort to add that money failed here in the U.S. Senate. So we are still searching for other legislative vehicles to which we can add more money to use to track down and to bring to justice those who have engaged in fraud and other illegal activities.

I have to also say within our budget procedures, very often we are in legislative circumstances on the floor where we have to provide an offset. In other words, if we want to spend money on something like this, beefing up the number of people out tracking down savings and loan fraud, we have to take the money from some other category of Federal spending.

So sometimes it is difficult in a given bill to find an area from which to take the money in order to put it over into an area that we think is more important. So that is part of the difficulty, of being able to provide this additional money.

But the cold fact of the matter is that if this place decides it wants to go out and spend the money to track down the fraud and undertake to recover the assets that are out there to be gotten and recouped, we can figure out a way to do it. Obviously, we have to have the administration with us. We cannot make them do it. They have to want to do it. And, hopefully, they will.

I do not know this issue is even one that has been discussed at all levels of the administration. I have no way of knowing one way or the other. But, clearly, it is one they ought to take a look at because we ought not to have any difference of opinion on this. We ought to fully fund the authorization level that is in the bill. When the President signed the bill in the Rose Garden, that part was in the bill just like every other part. The $75 million a year for each of the 3 years is there for a reason and we ought to spend evey dime of it.

The important thing is if we spend the money, we are going to get it back. We are going to get it back because we have already had information that indicates that the best estimates of the people that have to conduct the investigations is they feel they can recover more money than we will actually spend to go out and do the work. Plus we will have brought to justice the people who defrauded the system. And it is very important that that be done.

The Department of Justice has actually given us estimates in that area and they have suggested potential recoveries through criminal prosecution substantially exceed the $75 million that we are speaking about here, which is the amount we should be appropriating, I think, certainly at a minimum. In fact, in a letter dated June 12, 1989, Assistant Attorney General Carol Crawford reported that when the Justice Department asked the U.S. attorneys to estimate the amounts stolen and amounts potentially recovered under savings and loan fraud cases investigated by their offices, those responding estimated gross receipts from fraud totaling $5.8 to $8 billion, and potential recoveries of $89.6 million.

So they, themselves, talking about the people out here that are closest to these cases, putting these cases together, actually believe in their best professional judgment that if they go after these cases they can recover nearly $90 million. So if we spend $75 million and we get $90 million back, we are actually $15 million to the good. In fact, we will have done what needs to be done, and that is we will have brought a lot of people to justice as well.

That reflects only the cases under investigation by the U.S. attorneys, according to the Justice Department's letter to us, as of the spring of 1989. I think those numbers probably significantly underestimate both the amounts stolen and the amounts that could be recovered.

So there is, I think, an open-and-shut case that we ought to be investing the full amount of money to get this particular job done. I should also add, we have put in here a table, labeled table K, which shows selected trends in bank and thrift fraud prosecution over the past several years and that table demonstrates the law enforcement activity surrounding bank and thrift fraud is increasing, by every available measure.

So this is not something that is incidental, it is something that is central to the work that needs to be done.

I must also say the Department of Justice has been very straightforward in indicating that they do not have the resources they need to manage their savings and loan fraud caseload. Testifying recently before the Senate Appropriations Committee, Attorney General Thornburgh recently indicated the Department's resources are inadequate to handle a current backlog of more than 1,300 major fraud cases against thrifts and their officers and directors, apparently notwithstanding the additional funds that FIRREA has provided.

Similarly, the Associate Director of the FBI recently testified before a House committee that the Bureau needs—and he was specific about it—224 new FBI agents, it needs 113 U.S. attorneys and 14 support staff to followup on its increasing financial institution fraud caseload.

Despite these expressions of need, however, we see opposition to the additional hiring coming out of the Department. So I do not know whether that is OMB reaching in or what it may be that is going on. But I think we have to solve the problem of getting the resources, an adequate amount, into place so we can do this.

Already, the Justice Department has used the FIRREA funds that were made available to create positions for 155 new FBI agents and 115 assistant U.S. attorneys. This hiring falls significantly short of hiring objectives set forth by the Attorney General in his testimony before our committee. The indications were back in February 1989 that the $50 million authorization would permit the hiring of 200 investigators, and 100 prosecutors, and 30 additional attorneys.

I might say, too, as of mid-March—maybe the data has somewhat advanced, this is the latest we could get—only 68 of the 118 new U.S. attorney positions had been filled as of that date, which is mid-March 1990.

All of this is not to say it is easy. I am not suggesting that. I think this is miserably difficult work to accomplish, especially when you are dealing with a problem that went largely unattended for the better part of a decade. I think the people who are charged with getting this work done are working as hard as they know how to work. So I am not suggesting anything to the contrary. But I am saying it is appropriate for us to ask and answer the question: Are we supply sufficient resources to the problem? I think it is clear in this area we are not.

So until we get the resources up to the level I think is appropriate, we are not going to get the kind of results we otherwise need and could be getting.

I want to talk a little bit about filling the key positions on the resolution team.

FIRREA established several new organizations to administer different aspects of the savings and loan recovery and rescue effort, to oversee the activities of these organizations by reestablishing a variety of new boards and positions, provided that some of these positions could be filled by existing officers of the United States. There were nine newly established positions, however, requiring Presidential appointments. Table L, as it is labeled, indi-

cates the composition of different administrative bodies established and modified by FIRREA and indicates how many appointments came from that.

(Mr. BINGAMAN assumed the chair.)

Mr. RIEGLE. Mr. President, of the new positions created by FIRREA, four are especially key to the savings and loan rescue office. They are the director of the Office of Thrift Supervision, the two independent members of the RTC oversight board, and the new independent member of the FDIC board.

Anybody who has followed this knows that the initial progress in filling the new positions was very slow. The Senate received the first Presidential nomination for the position of RTC inspector general on February 20 of this year. That was 195 days after the President signed the bill into law. Since that date, however, additional nominations have been steadily forthcoming. Four of the nine positions established by FIRREA, including all four of the key ones I enumerated, have not been filled. Two nominees for the Federal Housing Finance Board and one for the FDIC Board are in the pipeline. The President has yet to nominate individuals for two vacant positions on the Federal Housing Finance Board. So I have put together a table labeled table M which details the President's progress in filling these positions and the record of Senate action on the President's nominations.

In general, the Banking Committee and the full Senate have acted very swiftly on these nominations. On an average, the Banking Committee has reported on the President's nominations within 14 days of receiving it. That means the hearing has to be held, the hearing record has to be established, all of the records, the submissions, confidential statements, and so forth, have to be reviewed before that can happen. Confirmation by the full Senate has on average occurred within 19 days after the date of nomination.

These statistics, I should say, exclude the two pending nominations to the Federal Housing Finance Board and that is for a reason: because committee actions on those nominations has been slowed, first, by delays in submitting the standard background papers to accompany the nominations and, second, by a dispute which is at this moment still unresolved over whether FHFB board members receive full-time or part-time appointments. That is a very important issue. As I say, it is not yet resolved.

Let me now touch on some of the current issues that are important to have in mind. I want to get into the minds of my colleagues and other serious persons who are following the implementation and impact of this new law. In the months since the enactment of the legislation in August of last year, there have been numerous calls to amend the statute in various ways. Throughout this period, the administration has continued to support the bill as enacted and to oppose efforts to amend the bill. I find myself very much of the same view as the administration on that point. Thus, at the Banking Committee's oversight hearing on the RTC on May 23 of this year, just a matter of 3 weeks or so ago, Secretary Brady testified as follows. It is very important that this be emphasized.

I asked the Secretary the following—and I quote right from the committee testimony.

Secretary Brady, Mr. Taylor just said a minute ago in response to Senator D'Amato that he did not think we needed any changes in the FIRREA legislation, at least at this time. Obviously, the money question is a different story. You are here and you indicated you are going to need more money. But do I take it that your view is the same as Mr. Taylor's, that you are not asking us to go in and open up the legislation in terms of other substantive changes to that legislation at this time; is that right?

He responded as follows:

That is correct. We are not asking for a change in the legislation, Chairman Riegle. It has been on the books less than 10 months now. We have plenty of work to do in making the system work as it is.

I then followed with this question.

I take it that that also means that you feel that you have what you need to work with within the structure of the legislation in terms of carrying out this assignment; is that right?

Secretary BRADY. That is right, excepting the money question which you talked about.

Of course, we know that is a different category and additional action is going to be required there, as I have discussed earlier today.

A similar exchange took place about 3 weeks ago on May 23 when Robert Glauber, who is Under Secretary for the Treasury for Finance and one of the principal architects of the administration's FIRREA plan, testified before the Banking Committee on the safety and soundness of Government-sponsored enterprises. So I asked him this question, too, because he is a key player on this matter within the administration. I want to put that exchange in the RECORD as well. So I said as follows to Mr. Glauber:

Some people are suggesting that there are some things that need to be adjusted in the FIRREA legislation and that whether it is to open the package up to do one thing or two things, that the time may be here to revisit the legislation this year and make modifications to it. I am wondering what your view is on that. Do you think the bill ought to be opened up this year.

Mr. Glauber responded:

We would prefer to see it work for a while before it is opened.

The CHAIRMAN. Then the administration has no specific recommendation with respect to changes in the package?

Mr. GLAUBER. At this time, that is correct.

I then went further and said:

Is it your view generally that the package seems to be working more or less as you intended; are you reasonably satisfied with it? I know there have been some problems with respect to getting all of the slots filled, so forth, but with respect to the mechanics of the legislation itself, is it working more or less as you anticipated?

Mr. Glauber responded:

I think there have been some things that have been perhaps unanticipated, but we think that is in a framework that can be made to operate and operate effectively, and we would prefer to operate within its framework.

Then David Mullins, who is another primary architect of FIRREA, in the Banking Committee at its March 23 hearing on his nomination to be a member of the Federal Reserve Board of Governors, made the following comment. We had a little exchange on this issue and he said:

I feel that FIRREA is a good law. I think it is the right approach. I think the administration made a good proposal and the Congress improved upon that proposal. The implementation has not gone as quickly as many would have liked and as I would have liked, but I think that really reflects the difficulty in the task rather than the legislation itself which I think is basically sound and the right approach.

Mr. Mullins is now on the Federal Reserve Board.

Notwithstanding these continuing endorsements of the administration of the package as is, I think it is fair to say that a number of the provisions have remained controversial since the statute's enactment. In both the Senate and the House, we have heard occasional calls to amend these provisions. While each Member here must make an independent judgment whether such amendments are in order, I urge my colleagues to make such decisions on the basis of very careful evaluation and with reference to the reasons that these provisions became law in the first place.

Let me now discuss three of the most controversial features of FIRREA: Its capital standards, its restrictions on loans to one borrower, and its qualified thrift lender test.

Concerning capital standards, absolutely key to stopping the abuses of this industry and getting it straightened out and keeping it on a sound footing for the future, unless a thrift has adequate capital, its own capital in the company and at risk, it is vulnerable to loan losses and other setbacks are likely to cause problems for the deposit insurance fund. History shows that institutions operate more prudently when greater amounts of shareholder capital are at risk in the event of significant losses. Treasury Secretary Brady said it very well when he

testified on February 22. He said: "Deposit insurance simply will not work without sufficient private capital at risk and up front." He is dead right.

Accordingly, FIRREA requires thrifts to meet three important capital standards.

They are complicated, but they are necessary and they are in there for a reason. First is the leverage limit under which core capital must be at least 3 percent of total assets. Second, the tangible capital requirement under which tangible capital must be at least 1.5 percent of total assets. And third, the risk-based capital requirement under which core capital must be a certain percentage of risk-weighted assets. And these standards must be no less stringent than the capital standards for national banks. And that was to jack up the weak standards, the weak capital standards in S&L's, and get them up to a higher level comparable to the higher levels that otherwise were in existence in the banking system.

The key element of core capital is the equity interest that a thrift's common shareholders have in a thrift which means certain preferred stock in addition to interests in unconsolidated subsidiaries which are also included. Supervisory goodwill—created when regulators arranged for the acquisition of failed or failing institutions may also be treated as core capital to a limited extent up through 1995, and then that, too, ends.

Between now and 1991, a thrift that fails to meet the capital standards must submit a capital improvement plan acceptable to the OTS—those are those business plans I referred to earlier—and they have to support any asset growth. If they want to get bigger, they have to match it with increased capital on the other side, and the OTS has discretion to restrict the growth of the thrift if it does not think the capital is there to support it.

Beginning January 1, 1991, the OTS must restrict the asset growth of any thrift that fails the standards, and growth will be permissible then only in low-risk assets, and then only if fully supported by increases in capital.

That is the way we are tightening down and raising the standards and bringing this industry back into a position where it ought to have been all the way along.

The OTS promulgated the new capital regulations required by FIRREA on November 8, 1989, and those regulations took effect on December 7 of last year.

FIRREA's capital standards have ended the longstanding pattern in which sick thrifts grew rapidly by paying high-interest rates, normally above-market interest rates, for deposits, often brokered deposits, and then turned around and used the proceeds to make high-risk investments, and covered up any resulting losses with creative or inaccurate accounting.

Since FIRREA was enacted, undercapitalized thrifts have had to shrink their assets and deposits in order to increase their capital ratios. There is no evidence that the new capital standards are hurting healthy, well-managed institutions. I think, on the contrary, all thrifts have benefited from a drop in the cost of funds, as data that I presented earlier in this analysis made clear.

The drop in the cost of raising the money makes healthy thrifts more profitable and reduces the losses of unhealthy thrifts, and it far outweighs the two basis point increase in thrifts' deposit insurance premiums required by the reform bill.

I should say that the OTS is developing additional risk-based capital regulations that take into account the interest-rate risk in thrifts' portfolios. And while no specific proposal has been floated to reduce capital standards, I would, speaking just as one Member, strongly urge my colleagues to resist any pressure that may arise to reduce these capital standards.

Let me talk about loans to one borrower, because this has become a hot issue. FIRREA generally requires thrifts to follow the same rule that has long prevented national banks from lending more than 15 percent of their total capital to a single borrower. Now there is an exception for loans of up to $500,000, and well-capitalized thrifts may, with the approval of OTS, make housing development loans as large as 30 percent of their capital.

But the rationale for limiting loans to one borrower is very straightforward. The owners of a federally insured thrift should be allowed to bet the whole thrift on just a few loans.

We have heard some complaints about the new limit on loans to one borrower constricting credit to homebuilders, and there clearly has been some impact. But I think these complaints have to be considered in the light of other significant developments that are also occurring at the same time, such as an end of aggressive lending by insolvent or undercapitalized thrifts; the trend toward higher credit standards and loan-to-value requirments; the apparent softening of many real estate markets, which we are beginning to see right here in the Washington metro area; the large losses that banks and thrifts have incurred on real estate loans, including loans to acquire, develop, and construct housing, which are called ADC loans, and the resulting wariness of banks, thrifts, the capital markets, and the rating agencies about such loans.

All of these things have been at work at once. It has also been asserted by some that the banking regulators are inducing a credit crunch by pressuring banks and thrifts to steer clear of real estate lending.

The chief regulators have denied this, and we have scheduled them to testify before the Senate Banking Committee on the 21st of June, just a few days from now, to discuss this issue in detail. But even if credit is tighter, that does not necessarily mean we should permit thrifts to risk large portions of their capital on a single ADC loan.

The OTS, for its part, has prescribed an interim regulation on loans to one borrower and has requested public comment on all aspects of the regulation. The comment period closed on May 29. Director Ryan testified at his confirmation hearing that he "would like to look very closely to see if there is any other type of regulatory flexibility for a transition period." Administration testimony at the Banking Committee's May 23 RTC oversight hearing indicated the OTS was considering adoption of a transition rule, and press reports suggest that adoption of a final rule by the OTS is imminent.

Now, finally, in this area with respect to the qualified thrift lender test—bear in mind I described that earlier. This is the test that prescribes how much of the activity of a savings and loan has to be in housing and housing-related activities.

Related to that, in recent years a lot of critics have increasingly questioned whether there even is a need for a separate savings and loan industry or a thrift charter dedicated to that kind of a national purpose. The critics point to the growing role of commercial banks and mortgage banks, and the secondary mortgage market and housing finance, and assert that the traditional thrift is outmoded and mortgage needs could be met just as well without a separate thrift industry.

Thrifts in turn have sought to justify their charter by emphasizing their primary role as mortgage lenders, and on this basis they have not only enjoyed a regulatory system separate from the commercial banks but preferential treatment under the tax laws.

So one issue that Congress faced in FIRREA was whether to preserve a separate thrift industry, and during the Senate Banking Committee's 18 days of hearings on a reform package, I repeatedly asked witnesses whether the country needed a separately regulated thrift industry and whether thrifts are viable specialized mortgage lenders.

Although there was some controversy on these points, we received strong testimony to the effect that thrift institutions are viable, and that the healthiest institutions are those that have focused not on the exotic activities but on home loans.

In addition, as I noted earlier, the administration vigorously supported preservation of the separate thrift industry. So in keeping with that view, the reform law revised the qualified thrift lender test and increased the sanctions for failing that test.

Now, the new QTL test, as it is called, requires at least 70 percent of the thrift's portfolio assets to be housing-related assets such as home mortgages, residential construction loans, home improvement loans, home equity loans, mobile home loans, and mortgage backed securities. All of that has the effect of helping to put credit out into the marketplace for those kinds of activities for individuals and families who need to borrow money for those purposes.

So that new test, taking it up to 70 percent, is there for a reason. It does not take effect until July 1, 1991, and no thrift can fail it until July 1, 1993.

So we left in here a recognition of the fact that there needs to be some time period in some instances to build up to that level.

I might also say that the 70-percent test is easier to meet than it appears because the test is not applied to a thrift's investment in branches, equipment, goodwill, or liquid assets.

A thrift investing 60 percent of total assets in housing-related lending should pass. In addition, up to 15 percentage points of the revenue requirement could be met through various types of public purpose lending, including, for example, loans to schools, churches, nursing homes, hospitals, and for consumer and educational purposes. Double credit is available for loans in areas with unmet credit needs.

So the qualified thrift lender test is intended to ensure that the thrift charter serves a purpose related to housing finance. That is the whole point of this exercise. Thrifts failing the test, based on a 2-year average of their assets, would be treated like banks and have to meet national bank restrictions on activities and branching rights. Their parent companies would, in turn, face the activity restrictions in capital standards that apply to bank holding companies. They would no longer be eligible for subsidized long-term loans from the Federal Home Loan banks.

Tax status, it should be noted, is determined under separate rules in the IRS code without regard to the QTL test. Some thrifts still assert that the QTL test is too restrictive, and the thrifts can prosper only if given additional flexibility to engage in such activities as commercial and consumer lending. Yet, this argument itself raises doubt about the need for a separate thrift charter. If thrifts want to engage in a wide range of banking activities, they can do so as a bank, and FIRREA preserves this option.

Although thrifts must remain in the Savings Associations Insurance Fund until 1994, they are free to convert their charters immediately and remain safe and insured. As banks, they would be free of the QTL test. Other features of thrift regulation conversion might pose some practical problems for thrifts with branch networks more extensive than those permitted for banks or for thrifts that have built up large tax-advantaged loan-loss reserves. But in both cases the problem arises from losing special benefits accorded to thrifts but not accorded to commercial banks. So if thrifts conclude that being a bank is, on balance, more advantageous than being a thrift, they remain free to make the change.

A few more things, I think, need to be touched on here. I want to talk about the oversight activity that we are engaged in that helps produce much of the date that is laid out here today.

As the Federal Government sets about trying to resolve the thrift crisis, the Banking Committee here in the Senate has two important roles to play. First, we have the job of conducting vigorous and sufficient oversight at both member level and staff level of the implementation of this law, to help ensure that the costs to the taxpayers are held down, and that the process of thrift resolution and asset disposition remains open, as efficient as possible, and free from corruption.

Second, the committee has to analyze the causes of the crisis, and ensure that any reforms needed to prevent such a crisis from happening again in other areas of our financial system are identified and put in place. The Banking Committee has been active in both roles.

With respect to oversight of the thrift reform law of last year, the committee exercises its oversight responsibilities at both the member and the staff levels. At the member level, public hearings are the primary form of oversight. At the staff level, oversight consists of ongoing efforts to monitor FIRREA implementation through research meetings and discussions with regulators and independent observers, and it goes on all day long every day, as it needs to.

Hearings since FIRREA's enactment: The Banking Committee has held three general off-site hearings on the RTC. In addition, at a separate hearing, the GAO presented the results of its audit of FSLIC's final financial statements. On October 4 of last year, the committee heard from Secretaries Brady and Kemp, Federal Reserve Board Chairman Greenspan, and FDIC Chairman Seidman concerning early implementation of FIRREA. That hearing disclosed that the Treasury Department had blocked RTC's efforts to use $8 billion in REFCORP borrowings to resolve five large thrifts by September 30 of last year. In addition, Chairman Seidman indicated at that hearing that FIRREA might not have provided enough money to complete the rescue effort.

In our oversight hearings that we had on January 31 of this year, the committee again heard from the oversight board—and in this instance Deputy Secretary Robson was substituting for Secretary Brady. At that oversight hearing, administration officials acknowledged for the first time that they felt they had the authority to raise working capital for the RTC through the Federal Financing Bank without further legislation. There had been a debate up until that time and some uncertainty. In addition, Chairman Seidman indicated, in subsequent detail to the press, plans to begin a program of open thrift assistance. Then, on April 6 of this year, Comptroller General Bowsher testified on behalf of GAO concerning GAO's audit of the FSLIC. At that hearing, Bowsher estimated it would take $140 billion to resolve the savings and loan crisis immediately, and he put the total cost, including interest over 40 years, at $315 billion. Bowsher also indicated that the estimate could rise substantially in the event of a recession or a sharp rise in interest rates.

Then most recently, on May 23, the committee heard from the members of the RTC oversight board, including newly confirmed independent members Robert Larson and Philip Jackson. Testimony at this hearing again focused on the cost of the RTC's resolution effort, with the administration presenting a new, substantially increased estimate of ultimate cost in the range of $89 to $132 billion. That is a present value cost, including liabilities of the FSLIC resolution fund and assuming no thrift failures after 1993.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. RIEGLE. Mr. President, I have about, I would say, 7 or 8 additional minutes. I ask unanimous consent, if I may, to continue for that length of time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIEGLE. Might I just ask my colleague—I have tried to accommodate others—is that an inconvenience? Others need to speak today because of time pressures they have. I have been delivering a lengthy report here. Would the Senator need to make his comments now before I finish?

Mr. HELMS. I will be glad to wait.

Mr. RIEGLE. I appreciate that.

At this hearing on the 23d of May, just several days ago, testimony focused on the cost of the RTC's resolution effort with the administration presenting a new, substantially in-

creased estimate in the range of this $89 to $132 billion, which excluded the liabilities of the resolution trust fund from FSLIC and assuming no thrift failures after 1993.

The administration on that date, also, of course, I have said earlier, indicated that the RTC's resources would probably fall short of its needs sometime in 1990 unless Congress acts soon to provide additional funds.

I want to note that the transcripts of these hearings are available for inspection by anyone. The record of the October 4 hearing has been printed and copies are available from the Banking Committee. The records of the January 31, April 6, and May 24 hearings have not yet been printed, but transcripts are available for public review in the Banking Committee's front office, and the record of those hearings will be printed in due course after the normal period needed for transcript corrections and typesetting.

I want to just quickly say here with respect to staff oversight that when I assumed the chairmanship of the Banking Committee in January 1989, the committee lacked sufficient staff to deal with the overwhelming magnitude of the crisis in the thrift industry. At that time, despite the committee's broad jurisdiction, the committee staff ranked 15th in size out of the 19 committees in the Senate. That is 15th from the top and 4th from the bottom.

With the funding increase from the Rules Committee, which we are very grateful to receive and badly needed, we were able to add several professionals to the committee staff. The Banking Committee staff now ranks 12th in size out of the 19 Senate committees, although the committee itself, with 21 members, as the occupant of the chair knows as a member of the committee, is the third largest committees in size in the Senate.

The staff currently responsible for thrift issues, including on the Democratic side Rick Carnell, Pat Mulloy, Konrad Alt, Clem Dinsmore, Bart Dzivi, Gillian Garcia, and Pat Lawler. Their counterparts on the Republican side are Ray Natter, Wayne Abernathy, Ira Paull, and John Walsh. I think it is a topflight team on both sides. We do not operate on a partisan basis. We operate on a nonpartisan basis and in a team fashion. I think they are doing important work, and I appreciate the effort that they make.

I might say that these individuals carry heavy responsibilities in addition to the oversight work on the thrift industry. So I think that the committee members and even the Senate as a whole are today better informed and better able to evaluate thrift issues at any previous time, certainly during the time that I have been serving here.

With respect to reports that are required, I am not going to read all of these right now, but we built into the law a series of periodic reports that are mandated to have to be prepared to give everybody an opportunity to measure the effectiveness of this savings and loan reform package. And they include a number of very important cross checks to enable us to get timely information and in a format that lets us know what is going on, so that if problems start to develop, we are in a position to note those and make corrections.

So I ask unanimous consent that this part, sections of reports required, be printed in full in the RECORD, and I will not read them now.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

An annual FDIC report on its operations, the condition and needs of BIF, SAIF, and the FSLIC Resolution Fund;

Quarterly FDIC reports on the condition of the funds;

An annual OTS report including a description of changes made in OTS district offices and the geographic allocation of the OTS's examination and supervision resources;

Semi-annual reports and appearances before Congress by the RTC regarding its condition, progress, exposure, asset management, market conditions in depressed regions, and the impact of assets sales on these regions;

Annual reports by the Federal Housing Finance Board and the Credit Standards Advisory Board;

Annual reports by the Federal Financial Institutions Examination Council ("FFIEC") on its monitoring of the States' new requirements for certifying and licensing appraisers and progress toward establishing a national registry;

Report by the FFIEC on the adequacy of real estate data, due in February, 1991;

Annual reports by the GAO on the BIF, SAIF and FSLIC Resolution Fund. In addition, FIRREA gives GAO authority to audit and report on the RTC, REFCORP, and the Federal Housing Finance Board.

Reports by the RTC and the GAO on FSLIC's 1988 deals.

Mr. RIEGLE. I have two other areas to briefly comment on; one is consideration of further reforms.

Many observers believe that one of the most important causes of the thrift crisis was a flawed deposit insurance system. They warned that similar problems could arise again unless Congress reforms the system's current flaws. The Banking Committee shares this concern and is studying these arguments closely.

In April of this year the committee began a series of formal hearings focused in large part on possible reforms of Federal deposit insurance and the financial institution regulatory systems. The committee has already held seven such hearings this year and plans to hold six more before the August recess.

FIRREA also requires a number of reports that will assist the committee in this effort. One is a comprehensive study of deposit insurance issues by the Treasury due in February of 1991, and a similar study by GAO due also in February of 1991. I will not name the other studies of this kind, but I ask unanimous consent they be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A study of pass-through deposit insurance by the FDIC, already completed; and

An FDIC study of risk-based deposit insurance premiums.

Mr. RIEGLE. In conclusion, I make these points out of this lengthy analysis today: I will just rattle down through them. Industrywide, I think the data shows us that weak thrifts are getting weaker and being taken over by the RTC. Stronger thrifts seem to be improving modestly. The thrifts in the middle tier that can go either way are struggling to strengthen themselves, and more time is needed to see how the group is going to fare.

The strength of the overall economy will have a substantial bearing. If these trends continue, the future will bring a smaller but healthier thrift industry. Data now available indicates that over 700 thrifts have failed since 1985. While it is impossible to predict the final number of individual thrift failures, it seems likely to me to reach the figure of at least 1,000, and it may very well approach 1,500. If one assumes a mid point, namely that 1,250 thrifts will eventually fail, from 1984 to 1985 that roughly 500 of the 2,520 thrifts that are open today and not under Government supervision might be expected to fail before the higher industry standards are fully implemented and the cleanup of past excesses is completed. That number can change depending upon a number of factors, of which the most important are the state of the economy, level of interest rates, and the strength of the real estate markets.

The cost of resolving the crisis will be at least double the administration's original predictions. New legislation is going to be needed to provide more moneys to resolve failed thrifts, probably in amounts comparable to what FIRREA provided last year. Additional money will be needed because the problem is larger than estimated and because the resolution is moving more slowly.

Next, the administrative agencies are not applying enough resources to savings and loan fraud. By every available measure, the need for additional investigative and prosecutorial resources is unprecedented. Yet, the administration has continued to oppose congressional effort to provide additional resources. A more aggressive crackdown in S&L fraud will send an important signal to others who might

contemplate further frauds against America's financial institutions.

It took several months to fill many key operational positions in administrative agencies that must implement the reform law. It appears those job vacancies and bureaucratic in-fighting may have contributed to the RTC's slow start. At present, the key jobs are filled, and it is important that the working relationships at the administrative level continue to improve.

Efforts by the RTC and the FSLIC resolution fund to actually sell failed S&L's are proceeding at a very slow pace. While the pace is accelerating, the progress to date must be considered disappointing. There is scant evidence of significant asset disposition, though the rapidly growing volume of real estate assets stands at over $16 billion and may ultimately reach $100 billion.

There is no simple recipe for orderly, efficient, and cost effective disposition of these assets, given the slack real estate market in areas where the RTC's real estate inventory is largest. This difficult problem needs the sustained attention of the administrative agencies, Congress, and the public.

Top administration spokesmen can tell us that they continue to believe that the FIRREA legislation gives them all the tools they need to deal with this problem and work through it. They have testified they do not wish to reopen the bill at this time, and their only request to us is for additional funds.

Members of Congress and the public should be concerned by the lack of good current data on trends in the thrift industry and the progress of the resolution effort.

The quantity and quality of data released by the agencies charged with FIRREA implementation is not what it should be. The Office of Thrift Supervision, in particular, has not been as forthcoming as many would wish. Given the amount of taxpayer money at stake, the public has a right to fast and full disclosure of all pertinent information. Improvement is needed in the area, and we intend to keep the pressure on to get it.

So it is still too early to predict how the entire thrift and reform and resolution process will work out in the years ahead. The Banking Committee is committed to continuing its process of vigorous oversight of all aspects of this reform bill passed in August of 1989 and on the problem of the thrift industry, and I will be making further periodic reports of this kind, as circumstances permit. I ask unanimous consent that the tables to which I have referred be printed in the RECORD, at this point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE A.—CAPITALIZATION OF THRIFTS NOT IN CONSERVATORSHIP OR RECEIVERSHIP JUNE 30, 1989 VERSUS DEC. 31, 1989

[Dollar amounts in billions]

Level of tangible capital	Number of thrifts			Thrift assets		
	June 1989 [1]	December 1989	Percent change	June 1989	December 1989	Percent change
Insolvent [2]	$157	$153	−2.5	$119.0	$116.5	−2.1
Low capital [3]	384	358	−6.8	396.5	264.2	−33.7
Some capital [4]	823	814	−1.1	387.9	470.2	+21.2
Adequate capital [5]	1,156	1,177	+1.8	196.1	206.0	+5.0
Total	2,520	2,502	−.7	1,099.3	1,056.8	−3.9

[1] Numbers of both June 1989, and December 1989, designate thrifts not in conservatorship as of April 1990.
[2] Negative or zero tangible capital.
[3] Tangible capital between 0 percent of assets and 3 percent of assets.
[4] Tangible capital greater than 3 percent of assets but less than 6 percent of assets.
[5] Tangible capital exceeding 6 percent of assets.

Source: Office of Thrift Supervision.

TABLE B.—CHANGES IN THE COST OF FUNDS FOR SAIF-INSURED INSTITUTIONS RELATIVE TO COMMERCIAL BANKS JULY, 1989 VERSUS JANUARY, 1990

[Basis points]

Type of deposit	Aug. 2, 1989	May 30, 1990	Change
Money Market	8	9	1
NOW	19	15	−4
6 Month CD	68	35	−33
12 Month CD	71	36	−35
2.5 Year CD	61	27	−37

Source: Bank Rate Monitor.

TABLE C.—FILING AND DISPOSITION OF BUSINESS PLANS BY THRIFTS NOT COMPLYING WITH CAPITAL STANDARDS AS OF SEPTEMBER 30, 1989

[Dollar amounts in billions]

	Thrifts	Assets
Total not in compliance	670	($431.5)
Business plan not required	60	(43.9)
Plan not required because of merger	14	(1.4)
Plan not required because of conservatorship	46	(42.5)
Business plan required	607	(379.1)
Plan approved	202	(132.9)
Plan denied	215	(125.3)
Plan pending review or withdrawn	175	(117.4)
Plan not filed	15	(3.6)

TABLE C.—FILING AND DISPOSITION OF BUSINESS PLANS BY THRIFTS NOT COMPLYING WITH CAPITAL STANDARDS AS OF SEPTEMBER 30, 1989—Continued

[Dollar amounts in billions]

	Thrifts	Assets
Thrift under Study	3	(8.5)

Source: Office of Thrift Supervision.

TABLE D.—*FSLIC and FSLIC resolution fund cash flows, Oct. 1, 1988–Mar. 31, 1990*

	Billions
Uses:	
Losses on thrift resolutions, payments on assistance agreements	18.5
Interest paid on FSLIC notes	2.2
Total uses	20.7
Sources:	
FSLIC notes	8.9
Treasury appropriations	3.2
Proceeds of FICO bonds	4.4
Deposit insurance premiums	1.7
Interest on investments	.2
Recoveries on other assets	2.3
Total sources	20.7

TABLE E.—CONSERVATORSHIP AND RECEIVERSHIP ASSETS UNDER RTC MANAGEMENT

[Aug. 9, 1989 to Mar. 31, 1990; dollar amounts in billions]

Type of asset	Conservatorships		Receiverships	
	Amount	Percent of assets	Amount	Percent of assets
Cash & securities	$12.4	13.39	$1.1	7.96
Mortgage-backed securities	20.2	12.66		
Other securities			.6	4.40
Performing Loans	11.6	51.31	5.3	40.06
1–4 Family Mortgages	47.6	29.79	2.6	19.94
Other Mortgages	22.8	14.24	2.2	16.32
Other Loans	11.6	7.28	.5	3.81
Delinquent Loan	11.6	7.24	2.7	20.63
1–4 Family Mortgages	1.3	0.84	.4	2.74
Other Mortgages	8.6	5.39	2.0	14.89
Other Loans	1.6	1.00	.4	2.99
Real Estate Owned	13.7	8.59	2.3	16.98
Other Assets	10.9	6.81	1.3	9.97
Gross Assets	159.8	100.00	13.3	100.00

Source: Resolution Trust Corporation.

TABLE F.—*The pace of RTC asset disposition*

[Aug. 9, 1989 to Mar. 31, 1990]	*Billions*
Total assets acquired	$215.0
Conservatorships:	
Sales	19.9
Principal and interest	16.2
Other	0.4
Total	36.5
Resolutions and receiverships:	
Sales	602
Principal and interest	905
Other	−1.3
Total	504
Total cash received	41.9
Total assets remaining	173.1

Source: Resolution Trust Corporation.

TABLE G.—*RTC cash flows, Aug. 9, 1989–Mar. 31, 1990*

Uses:	*Billions*
Resolutions:	$16.2
Losses	9.2
Asset acquisition from resolved thrifts	7.0
Advances to conservatorships for liquidity replacement of high cost deposits	12.6
Administrative expenses	0.1
Cash balance	3.2
Total uses	32.0
Sources:	
Treasury appropriations	18.8
Federal Financing Bank lending (working capital)	2.5
Federal Home Loan Bank contributions	1.2
REFCORP borrowings	9.5
Total sources	32.0

Note.—Totals may not add due to rounding.

TABLE H.—REFCORP BOND AUCTIONS

[Dollars in billions]

Auction date	Principal	Term (years)	Interest (percent)
October 1989	$4.5	30	8.15
January 1990	5.0	40	8.60
April 1990	3.5	40	8.89

TABLE I.—SELECTED ESTIMATES OF THE COST OF RESOLVING THE THRIFT CRISIS

[In billions of dollars]

Source	Estimate	Remarks
Office of Management & Budget (February, 1989).	$40	10-year net budget outlays.
Office of Management & Budget (February, 1989).	$158	Gross Federal cash outlays from 1989 to 1999, including all FSLIC Resolution Fund, RTC, and SAIF expenditures plus repayment of pre-FY '89 FSLIC notes and Federal interest on REFCORP bonds.
Office of Management & Budget (August, 1989).	$203	Same as above, adjusted for changes in financing made in conference, plus Federal interest on REFCORP bonds through 2021.
General Accounting Office (July, 1989).	$257	Gross Federal and non-federal cash flows of restoring failed thrifts and establishing SAIF over a 35-year period, including repayment of pre-FY 89 FSLIC notes and tax losses.
Congressional Budget Office (August, 1990).	$287	33-year federal and non-federal cash outflows, including repayment of pre-FY 89 FSLIC notes and interest on Treasury borrowing but net of liquidation proceeds.
Congressional Budget Office (March, 1990).	$75–80	Net costs of RTC caseload.
General Accounting Office (April, 1990).	At lest $325	Re-estimate of previous GAO estimate using GAO, not OMB assumptions.
General Accounting Office (April, 1990).	At least $140	Present-value estimate of above provided by Comptroller General Bowsher in written testimony.
Ely (April 1990)	$125	Present value estimate that includes $50 billion for pre-1989 resolutions.
Barth-Brumbaugh (April 1990).	$91–135	Present value estimate that excludes pre-1989 resolutions. The estimate depends on the resolution costs per dollar of assets of resolved institutions.

TABLE I.—SELECTED ESTIMATES OF THE COST OF RESOLVING THE THRIFT CRISIS—Continued

[In billions of dollars]

Source	Estimate	Remarks
Treasury Department (May, 1990).	$89–132	Present value estimate of insurance losses in RTC caseload under a range of assumptions. Excludes pre-1989 resolutions.

Source: Congressional Budget Office; Banking Committee Staff.

TABLE J.—THE ADMINISTRATION'S MOST RECENT ESTIMATES OF THE COST OF RESOLVING THE THIRFIT CRISIS

[Dollars in billions]

	1985–88 [1] (FSLIC)	1989–94 (RTC)	Total 1985–94
Number of failures	329	[2] 722–1,037	[3] 1,051–1,366
Assets	$130	[3]$418–570	[3]$548–700
Est. resolution cost [4]	[5] $40–$50	$89–$132	$129–$182

[1] Excludes 128 institutions in the management consignment program or closed through supervisory mergers, without government assistance.
[2] Based on RTC Oversight Board testimony May 23, 1990. Includes 93 resolved, 330 in conservatorship, and 299–614 projected by OTS.
[3] From OTS press release May 23, 1990.
[4] Estimated present value.
[5] Banking Committee staff estimate.

TABLE K.—SELECTED TRENDS IN BANK AND THRIFT FRAUD INVESTIGATION AND PROSECUTION

Category	1986	1987	1988	1989	1990	Percent change, 1986–90
Failed institutions with ongoing FBI investigations	202	282	357	404	530	+162.4
Convictions and pretrial diversions involving bank and thrift fraud and embezzlement	1,922	1,957	2,309	2,197	2,174	+13.1
Convictions and pretrial diversions involving cases with losses > $100,000	484	533	740	751	791	+63.4
Bank and thrift fraud matters handled by the U.S. attorney offices	6,278	7,159	7,388	7,620	NA	+21.4
Bank and thrift fraud cases handled by the U.S. attorney offices	2,828	3,167	3,358	3,349	NA	+18.4

NA: Not available.
Source: FBI, GAO.

TABLE L.—ADMINISTRATIVE BODIES ESTABLISHED BY FIRREA

Body	Appointed positions	New appointments required by FIRREA (number)
FDIC Board	5 members: Chair; Comptroller of the OCC; Director of the OTS; two board members	Independent board members (1).
Office of Thrift Supervision	Director	Director (1).
Resolution Trust Corporation Oversight Board	5 members: Treasury Secretary; HUD Secretary; Chairman of the Federal Reserve Board; two independent board members.	Independent board members (2).
Resolution Trust Corporation	Inspector General	Inspector general (1).
Federal Housing Finance Board	5 members: HUD Secretary; four independent members	Independent board members (4).

[1] Nomination made necessary by resignation and court decision.

TABLE M.—PROGRESS FILLING POSITIONS CREATED BY FIRREA

Position	Term	Nominee	Date nominated	Date of hearing	Date reported	Date confirmed
OTS Director	5 years	T. Timothy Ryan, Jr.	Mar. 22, 1990	Mar. 28, 1990	Apr. 2, 1990	Apr. 4, 1990.
RTC Oversight Board	3 years	Robert C. Larson	Mar. 20, 1990	Apr. 3, 1990	Apr. 5, 1990	Apr. 5, 1990.
RTC Oversight Board	3 years	Philip C. Jackson	Mar. 26, 1990	Apr. 3, 1990	Apr. 5, 1990	Apr. 5, 1990.
RTC Inspector General	Discretion of President	John J. Adair	Feb. 20, 1990	Feb. 23, 1990	Mar. 5, 1990	Mar. 27, 1990.
FHFB	3 years	Lawrence Costiglio	Apr. 20, 1990	NA	NA	NA.
FHFB	7 years	Daniel F. Evans, Jr.	Apr. 20, 1990	NA	NA	NA.
FHFB	5 years	None	NA	NA	NA	NA.
FHFB	1 year	None	NA	NA	NA	NA.
FDIC Board	6 years	Andrew C. Hove	June 5, 1990	NA	NA	NA.

NA: Not Applicable.

Mr. RIEGLE. Mr. President, I realize this has been a very lengthy report, but I think we have to have a benchmark in place at this stage of the game that lays it out in all important dimensions so that all serious parties can track this in a way in which the information is generally available, and we can all work from the best available information to try to make the judgments that are required and imposed upon us.

With that, I thank the Chair, and I thank my colleague from North Carolina who is about to speak. I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

U.S. REFUGEE POLICY

Mr. SIMPSON. Mr. President, as we await the conclusion of the activities of the day, I note of recent times a great deal of discussion about refugee issues and pushoffs in various countries of the Earth and reassessment of things in Vietnam and the Vietnamese war and our obligation to those people who threw their lot in with us. We have done a pretty good job of taking care of those people and it has been to our great, good benefit in the United States in every way.

But it was 10 years ago in March that the President signed the Refugee Act of 1980. I had been here in the Senate just about 2 years. I know the occupant of the Chair is very vitally interested in refugee issues because of his home State, Florida. The purpose of that original bill was to increase the admissions level of refugees by establishing a normal flow of 50,000 people. That was up from 17,400 people. That is where we took it in that act. Then, it changed the cold war definition of refugee by eliminating the geographical and ideological restrictions that were then applicable and also then adopting the United Nations definition. And they are the same.

So, when we passed the Refugee Act we believed that we were eliminating our former ad hoc refugee policy and were thus adopting a new policy to ensure greater equity in our treatment of refugees. We intended to begin treating all refugees in conformance with our obligations under the United Nations convention on the status of refugees. We intended to provide for the resettlement needs of homeless people outside of their own countries, and we even included under special circumstances, resettlement for refugees who were still within their own country.

For much of the past decade the new law has served us quite well. However, in these last few years, due to a combination of the rapid conclusion of the cold war and the continuing and serious budget crisis in this country, we have strayed far afield from that new policy we envisioned 10 years ago when we placed this Refugee Act on the statute books.

The United States and the international community have always emphasized that the preferable solution to the refugee problem is the voluntary repatriation of the refugee to his or her home country, returning them to their country when it is safe to do so—repatriation. If that was not possible, then resettlement in the place of first asylum was the next best solution and that was, of course, once you step onto the premise of first asylum country, you are home free.

The last and the least preferable solution all through the decades before, was resettlement in a third country. This prioritizing means that most of the world's 15 million refugees will wait in camps in neighboring countries until it is safe for them to return or until they can become self-sufficient in the first asylum country. The United Nations High Commissioner for Refugees, that is UNHCR, maintains most of these camps and is totally dependent upon the international community for funding in order to provide basic refugee assistance: food, shelter, medicine.

Unfortunately the world's donor nations, led principally by the United States, have not maintained minimum levels of support for overseas assistance and the UNHCR has had to cut back on basic refugee assistance in camps all around the world.

Why have we, I question, as a nation, cut back on this crucial refugee assistance? Because in the face of budget shortfalls, we have increased refugee admissions. We are now up to 125,000 a year, while we spend $7,000 for each refugee who is resettled in the United States. We have reduced our support of the UNHCR's fine work overseas. And for literally a few cents a day we can provide life-sustaining aid to refugees in the camps abroad—a few pennies a day. This means we are not in any way of course now, then, getting the biggest bang for our refugee buck by our current policy.

The very survival of refugees in U.N. camps is severely threatened as support for them dwindles around the world.

Part of this serious problem is that we have returned in practice to the cold war definition of refugee. With glasnost and the changes which have followed in the Soviet Union, the doors to immigration in the Soviet Union have opened wide and need to open more, and we are accepting 40,000 Soviets this year who are not outside of the country of their nationality, who have not been displaced by war or civil strife and who, in many cases, do not meet the U.N. definition of a refugee as contained in the Refugee Act. They are being admitted to the United States in response to domestic political considerations, under new refugee profiles and studies and assumptions and presumptions.

The troubling aspect of that policy is now that 40,000 Soviets are immigrating to the United States. I am very moved and inspired by that. But it is that they are entering our country as refugees with the usual refugee funding; that is, the United States is spending a great deal to do that, and other groups also. And as a result, now we are unable to meet our commitment and obligations to provide life support to needy refugees in camps all over the world for literally pennies a day. We spend $7,000 or $8,000 to relocate a refugee in the United States who is really not a refugee. We could spend $1.39 in the camps around the world and sustain people for an entire day, or sometimes pennies, literally, for a week.

We have lost track of what we are doing under political gimmickry with regard to the definition of refugee. You are either a refugee or a refugee or a refugee—and that is a person fleeing persecution or with a well-founded fear of persecution based on race, religion, national origin, or membership in a political or social organization—that is a refugee.

Let me conclude as we wind up the day's activities. We are not meeting our obligation to refugees in camps around the world. Julia Taft, former head of the U.S. Office of Foreign Disaster Assistance, who has a long time involvement in refugee issues, has written a very provocative article called "A Call to Action for Restructuring U.S. Refugee Policy." It was recently printed in the 1989 World Refugee Survey. She discusses in some detail the issues I raise, as well as other important refugee issues such as the possibility of returning to private sector funding of refugee resettlement. Private sector funding would mean that we would continue our most generous policy of accepting refugees for resettlement without depriving overseas refugees who truly meet the definition of the assistance they so desperately need.

Mr. President, I ask unanimous consent that the text of Julia Taft's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From World Refugee Survey—1989 in Review]

A CALL TO ACTION FOR RESTRUCTURING U.S. REFUGEE POLICY

(By Julia Vadala Taft)

As the world enters the decade of the 1990s, it is time to take stock of the global refugee situation—how it has evolved during the past ten years, and its prospects for diminishing in the years ahead. The 1980s were ushered in with huge flows of boat people in Southeast Asia, with the Cambodian killing fields and the ultimate outpour-

ing into Thailand; the massive displacement of refugees from the Ogaden into Somalia; mass flight from Afghanistan; the Cuban-Haitian boatlift; the revolution in Iran; and the exodus of tens of thousands of refugees from the Soviet Union.

The world, with the United States in the lead, responded well. The U.S. Refugee Act of 1980 became law; close to two million refugees were resettled into third countries; and resources to meet the assistance needs of refugees in countries of first asylum generally kept pace with the growth of the world's refugee population.

The 1990s hold out the promise of dramatic successes in refugee affairs. The fundamental thaw in relations between the Soviet Union and the United States is lessening tensions in Third World regions where ideological conflict-driven warfare has produced refugees. Regional refugee-producing strife in southern Africa, the Horn of Africa, Afghanistan, and Southeast Asia may further lessen with troop withdrawals and intensified efforts on the part of regional leaders to seek peace and accommodation.

Internal political and economic changes within the Soviet Union and Eastern Bloc nations may result in major population movements, comprised less of refugees and more of economic migrants and those seeking ethnic reunification. While such movements may not increase the magnitude of Convention refugees, we are bound to see further blurring of distinctions among migrant groups and the agencies that should be called upon to provide assistance and protection.

As the potential for refugee generation is reduced, it may be that we can now dare to dream of solutions for a majority of the world's 15 million refugees and help create conditions for them to return home safely.

In the refugee field, professionals talk about three durable solutions. The most preferable has always been that refugees could voluntarily return home. The key word, of course, is voluntary. The conditions of civil unrest in places like Afghanistan and Ethiopia generally have prevented safe return. The second best solution is for refugees to be absorbed or resettled in the region where they reside as refugees. During this decade, this approach has had practical limitations. Even the most welcoming of first-asylum countries have been reluctant to grant permanence to the refugee populations they are hosting. The solution of last resort is resettlement in a third country like the United States. This resolution is viewed as the least desirable because of its high cost and its limitations in terms of providing a realistic option for most of the world's refugees. The net result during the past decade is that most refugees have languished in camps that provide minimal life-support assistance.

There has been some modest success with the repatriation to Namibia, and much talk about prospects for future repatriations elsewhere. The Soviets have pulled out of Afghanistan, enabling refugee planners to begin to prepare for what could be the return of five million refugees. It is incredible to imagine one-third of today's refugees going home. The Vietnamese have removed themselves from Cambodia, and have thus stimulated talk about a return from Thai border camps, although of course major problems remain. Former President Jimmy Carter has hosted peace talks between the Ethiopian government and the Eritrean People's Liberation Front, the government of Mozambique is talking through intermediaries to the RENAMO insurgents, and there has been some repatriation of refugees in Central America.

A SYSTEM ON THE VERGE OF COLLAPSE

Yet at this moment of promise, a breakdown is apparent in the international refugee system that has served the world so well for decades. Some refugee experts say it is on the verge of collapse. How could this have happened?

It was only four years ago when the world responded so magnificently to the plight of millions of people suffering from famine and civil strife in the Horn of Africa. Yet now, UNHCR had to cut back on basic refugee assistance around the world.

In 1989, having responded to some costly emergencies and repatriation opportunities with special donor appeals, UNHCR faced a funding shortfall of up to $100 million from its planned level of program. The result has been a dramatic cutback in basic assistance to some of the world's most vulnerable people. All programs, even those for refugees living on the margin, are feeling the bite.

In Southeast Asia, for instance, with an international agreement in the balance for maintaining a system of first asylum for Vietnamese boat people, UNHCR has not had adequate funds to provide key personnel and a public information campaign to discourage unnecessary flight. In Pakistan, UNHCR has cut basic support for programs on the border by one third. In Africa, contracts to maintain water tanker fleets in Ethiopia came close to being cancelled, and basic feeding efforts for 800,000 Mozambican refugees in Malawi have been threatened to a point where malnutrition is widespread. In UNHCR headquarters, key Technical Support Services unit personnel, including nutritionists, epidemiologists, water experts, and camp planners, have been threatened with being laid off. Travel for all UNHCR personnel, including those providing essential services, has been cut sharply.

For 1990, prospects are dim, as well. UNHCR had been projecting a general support budget need for $414 million to maintain essential services to refugees, displaced persons, and for contiguous populations severely affected by the presence of refugees. Under the pressure of donor government cut-backs in funding, UNHCR tabled a compromise budget of $380 million. While pressing UNHCR to maintain essential life support systems, the donors have not provided resources adequate to do so. To make matters worse, UNHCR will carry a $40 million deficit over into 1990, thus mortgaging its future and that of refugees.

These budget difficulties make it apparent that the international community's basic compact that provides first-asylum protection and support services may be in jeopardy. A fundamental assumption undergirding the system has always been that developing countries should allow refugees into first asylum, not push or *refoule* them back, and that the donor countries would help them defray the expenses associated with care and maintenance. No one knows exactly what budget level might cause a revolt among the "have not" host countries, but that this is even a matter of discussion is ominous for future mass asylum requirements.

RESETTLEMENT COMPETES WITH OVERSEAS ASSISTANCE FUNDING

How could this have happened? At a time when the prospect for large-scale voluntary repatriation is brighter than ever, how could it be that the prospects for refugees are so bleak? Part of the answer is to be found in the budget priorities of countries that generously accept large numbers of refugees for permanent resettlement, such as the United States.

What is true in the United States is compounded by the budgetary impact and focus on resettlement by several of the European nations. Too often, budget systems require that the funds for resettlement compete with funds for international refugee aid and contributions to those organizations that provide direct assistance overseas.

The case of the United States is particularly ironic, as it has always maintained a dual generosity in both refugee admissions and in contributions for support of refugees in countries of first asylum. Currently, U.S. government support for overseas assistance is dwindling, in part due to its focus on refugee admissions from the USSR and Southeast Asia.

It is important to put U.S.-funded refugee assistance overseas in perspective and to understand its relationship to refugee admissions. Traditionally, the portion of the U.S. refugee budget devoted to overseas assistance has been approximately two-to-one over the allocation for domestic resettlement. In FY 89, under strong pressure to admit Soviets as refugees to the United States, that proportion dramatically changed, with more than 50 percent going to refugee admissions.

In 1982, the United States contributed more than 30 percent of the UNHCR budget. In FY 88, despite an upsurge in refugee numbers, that share dwindled to under 22 percent. In FY 89, U.S. support for the general program hit rock-bottom at 16 percent, and an overall low of less than 20 percent for its general and special program budgets combined. The situation for FY 90 looks equally bleak, with the twin pressures of State Department and congressional fixation on Soviet emigration and the need to balance the budget.

The losers in all of this are the refugees who already have lost their homelands, their possessions, and their familial and cultural ties. As budget slashing affects UNHCR and other assistance organizations—including the International Committee of the Red Cross, the UN Relief and Works Agency, and the UN Border Relief Operation—the very survival of refugees in first-asylum countries is threatened. The appetite for funds to admit Soviets as refugees will be so intense, and the rules of the budget game so strict, that it is possible that the State Department-administered Emergency Relief and Migration Assistance (ERMA) fund will be tapped to pay for additional admissions. Initiatives that would carry out repatriations and meet even the most urgent, unexpected difficulties will be stillborn within this budget context.

In FY 90, Congress appropriated a total of $525 million to the Bureau of Refugee Programs and the Office of Refugee Resettlement to cover federal admissions and resettlement costs for 111,000 refugees. While the ORR budget covers an additional 100,000 refugees admitted in previous years, a rough estimate shows the U.S. spending about $4,700 per capita on refugee admissions. Although these figures were higher in previous years, they still compare favorably with the $190 million that the United States provided to assist 14 million refugees overseas, which on a per-capita basis comes to only about $12.00. Furthermore, U.S. refu-

gee resettlement is doing less and less to diminish the populations in first-asylum camps around the world. In FY 89, for example, about fifty percent of U.S. refugee admissions came directly from their home countries to the United States.

Even this does not tell the entire story. At year's end, the State Department still did not have a budget that would accommodate its admissions estimate of 125,000. Its request for a supplemental has been denied by the Office of Management and Budget. Such a dramatic shortfall in financing, estimated at $56 million, will exert enormous budgetary pressure on the refugee program in FY 90. Administration officials are quite frank to admit that the numbers of Soviets far exceed the total number of refugee slots allocated worldwide for admission. The pressure in Congress for emergency consultations, and the supplemental budgets to implement them, will be enormous, overwhelming efforts to focus on the emergency in overseas assistance. In addition to the budget pressure, it will be virtually impossible for the leadership of the State Department's Bureau for Refugee Programs to devote any meaningful time, attention, and resources to the overseas assistance side of the program.

In times past, the relative funding given to refugee admissions versus refugee relief assistance overseas was of little significance. It was generally felt that there was enough money to meet U.S. commitments to both, and if unexpected crises emerged, either the ERMA fund could be tapped or a supplemental could be sought. Not so now under the Gramm-Rudman bipartisan budget agreement. For the first time, if additional monies are sought, they must be offset from line items in other budgets. For all practical purposes, then, when the Office of Management and Budget gives a mark, there is a *de facto* cap on the funding level for U.S. support of both admissions and overseas assistance programs. In such a situation, under this cap, overseas refugee assistance suffers when refugee admissions levels rise.

The problem is aggravated by the pressure of those exiting the Soviet Union. Contrary to the intent of the Refugee Act of 1980, which removed flight from a communist country of origin as an automatic entitlement for refugee status, new legislation perpetuates a situation in which almost all Soviet emigres are considered refugees. In FY 89, some 39,500 entered the United States, and for FY 90, a ceiling of 50,000 has been set. As mentioned earlier, this level will be substantially below the number of current applicants. It is ironic that, under the current procedure, all 280 million residents of the Soviet Union are potentially eligible to apply for the U.S. refugee program.

The answer to the opening of the Soviet empire to imigration cannot and should not be endless admission as refugees to all those who want to come to the United States. This is essentially what has happened for those in Rome and Vienna with the Attorney General's order to review all those offered parole since last year. While I endorse the Administration decision to terminate the route through Rome and Vienna and move all refugee processing to the U.S. embassy in Moscow, even that is not enough.

It is important now to begin to think of the problem of the Soviet Union and Eastern Europe in an immigration context. For starters, the Administration initiative to develop a special immigrant category for those who are of interest to the United States, but who do not pass the persecution litmus test required of refugees, is a good one. The immigration system simply must be expanded to meet the requirements of the Soviet overture. Concurrently, policymakers should be careful not to couple the willingness of the Soviet Union to allow emigration with an obligation by the United States to accept all seeking to leave. The Jackson-Vanik provisions that confer most-favored. nation status to countries allowing fee emigration do not and should not require a moral obligation that the United States accept the emigres from any country complying with the free emigration requirement.

Given budget realities, with an eye on the tradeoffs involved between refugee admissions and overseas assistance, it is time to explore how federal government refugee funds for domestic assistance might be better augmented by private efforts. The most important impediment to increased private involvement is the cost of catastrophic health insurance. Solution to this problem should be high on the agenda for the U.S. Refugee Coordinator. If this obstacle could be overcome, private sector funding might flourish and admissions numbers remain high, but with a lower per-person cost to the federal government. Improved case management and front-end loading of services should also be pursued.

STRENGTHEN REFUGEE PROGRAMS THROUGH EXECUTIVE BRANCH REORGANIZATION

Realistically, there are no short-term solutions. Interest groups, including private-sector voluntary agencies that process and resettle refugees, and state and local governments, will fight hard to maintain the status quo. Regardless of Administration resolve to promote privatization, this will undoubtedly be a painful, long-drawn-out struggle.

Because of the fiscal and political pressures associated with refugee admissions, the State Department's Bureau for Refugee Programs has concentrated its manpower and financial resources on admissions processing to the detriment of international refugee relief. If overseas refugee assistance continues to be severely disadvantaged by the cost of burgeoning refugee admissions, it may be time to consider a basic restructuring of the mandates of U.S. government institutions that select and support refugee admissions domestically and fund assistance overseas. In the early 1980s, the Agency for International Development (AID) harbored the idea that overseas refugee assistance might better be done by AID than by State. Perhaps it is time to resurrect that idea. The AID regional bureaus have considerable experience in dealing with massive displaced persons problems, and they have much more practical, on-the-ground experience than is possessed by the State Department Bureau for Refugee Programs.

AID missions in Mozambique, Ethiopia, Sudan, Pakistan, El Salvador, and Sri Lanka have invested enormous amounts of funding and manpower in designing, managing, and monitoring relief activities. By contrast, the State Department has excellent, but very few, field personnel to monitor the multilaterally funded relief programs.

In terms of meeting emergencies, AID's Offices of U.S. Foreign Disaster Assistance (OFDA) and the Food for Peace Program could easily assume the functions played by the atrophied State Refugee Bureau's Emergency Operations Unit. OFDA's quick response capability and authority to provide assistance worldwide could, with additional personnel, manage the refugee relief portfolio.

Further, AID will undoubtedly figure prominently in the country-building that will follow repatriations to Afghanistan, Cambodia, Ethiopia, and Mozambique that may be likely in the 1990s. In contrast, on matters of refugee relief, the Bureau for Refugee Programs is pre-dominantly a check-writing operation that has not developed the expertise and the adequate personnel necessary to provide meaningful performance monitoring to do the field work.

State Department managers may see some advantage at this juncture in re-thinking the role it plays in refugee admissions. One can build a good case, particularly as the refugee definition blurs in a worldwide sea of migration, for refugee admissions to be determined by an Independent Advisory Board such as exists in Canada. Such a Board would not be overly influenced by domestic politics or foreign policy interests. It would be responsible for ensuring that the refugee bonafides of the applicants are based on the criteria set forth in the Refugee Act of 1980 and the UN Protocol on Refugees.

Since the refugee resettlement programs are functioning increasingly like immigration programs, a dramatic initiative such as an independent Board may be the only approach to maintaining the special integrity of a refugee admissions program and preventing a bureaucratic amalgamation of immigration and refugee admissions. It would also help keep the program apolitical and strictly humanitarian.

Such an initiative would be a radical departure from the current trend to process refugees as an extension of immigration programs. It also would reduce the currently complicated executive branch machinery in which several agencies and State Department bureaus have an active, and sometimes conflicting, role. The Immigration and Naturalization Service, under the Department of Justice, has final authority: however within the State Department, the Undersecretary for Management, the Bureau of Consular Affairs, the Bureau for Human Rights and Humanitarian Affairs, and the Bureau for Refugee Programs all are involved in the convoluted procedure.

The split responsiblity for funding domestic reception and resettlement of refugees within the United States must also be reassessed. Currently, the Department of State and the Department of Health and Human Services (HHS) each maintains significant levels of staff to set policy, fund, and manage various aspects of the domestic resettlement program. One can argue that an effective refugee admissions and resettlement program requires a coherent federal management structure that can oversee and support the sequential needs faced by refugees from their selection for resettlement, pre-migration counseling, transportation to the United States and their integration within communities across the country.

Some experts believe the responsibility and the financial resources for supporting the entire process should be vested in HHS. I believe it would be premature to recommend such a course of action without a thoughtful debate. However, it is an option that would have the advantage of clearly placing in one domestic agency the budget and management responsibility for federal assistance to refugees resettling in the United States. This would enable the State Department to focus urgent attention on the overseas refugee relief problems and the diplomatic initiatives necessary to ensure their survival and alleviate the political con-

ditions that created their plight in the first place.

Not only should the executive branch consider the structural changes, but also Congress must re-evaluate its ability to provide adequate oversight to ensure coherence between the refugee admission and overseas assistance programs. The liabilities of the inclusion of both admissions and overseas assistance appropriations in a single account as is now the case clearly needs review.

The manner in which the refugee debate is framed in consultation between the administration and Congress works against overseas refugee assistance concerns. In testimony by the U.S. Committee for Refugees before the House Judiciary Subcommittee on Immigration, Refugees, and International Law on September 14, 1989, USCR Director Robert Winter discussed the Refugee Act of 1980 requirement that a cabinet official appear before the Judiciary Committees of the Congress to discuss the refugee admissions levels. Winter suggested that, as now structured, the law precludes serious discussion of the budgetary tradeoffs between refugee admissions and overseas assistance needs. Chairman Morrison suggested that needs of refugees in first asylum were incidental to the concerns of his committee, and were the proper concern of the foreign affairs committees.

The foreign affairs committees, the finance committees, the appropriations committees, and the Select Committee on Hunger all have proper, albeit diverse, interests in aspects of refugee admissions and relief. Yet, to date, there are few efforts toward policy and budgetary oversight and integration.

The sad result is that the refugee program is captive of the judiciary committees and their strong interest in monitoring refugee admissions issues. The members and staffs of these important committees are among the most talented and constructive advocates for refugees, domestically and internationally; however, their primary influence is on the immigration aspects. They could, and should, seek to structure the debate between refugee assistance overseas and domestically, with authority to influence budget resources for both. They too could provide a forum to discuss adequately the tradeoffs between the two competing demands for funds. Until such strong leadership is forthcoming, the death toll of overseas refugees will inevitably climb, with no element of Congress or the executive branch held accountable.

CREATE A NEW COMPACT FOR U.S. REFUGEE POLICY IN THE 1990S

During the 1980s one of the most striking aspects of U.S. refugee policy and programs has been the emergence and solidification of powerful interest groups advocating refugee resettlement.

Ethnic groups and their allies have become very effective in the art of influencing Congress and the executive branch on the merits of continued admissions for their compatriots still overseas. State and local governments, justifiably interested in ensuring that refugees resettled in their communities present no adverse economic impact, have endorsed generous benefits packages at the expense of the federal government. The private voluntary agencies have not only sought and obtained consistent flows of refugees for resettlement, but, having expended much of their own resources, have urged the bulk of the costs must be borne by others. Foreign policy experts have linked U.S. refugee admissions programs to major diplomatic priorities, such as increased Soviet emigration and the maintenance of first asylum in Southeast Asia.

These influential groups have laid a solid cornerstone for the dominant U.S. refugee policy during the 1980s, which was resettlement. Only recently have humanitarian relief agencies pleaded for increased assistance levels for refugees caught in abysmal camps in the developing world. Joining these agencies have been think tanks and advocacy groups raising the alarm over the crisis facing those languishing overseas, underserved and without prospects for repatriation or resettlement.

It has been only within the past year that these alarms needed to be sounded since the financial problems of UNHCR have now become a crisis. Assisting these refugees is not solely a matter of will, but is a matter of money and diplomatic priority. It is not too late to be responsive to the need for additional funding for international relief programs.

There is a confluence of humanitarian interests by both the groups that advocate refugee resettlement in the United States and those who demand greater attention toward those in overseas camps. Ironically, in most cases the groups are the same. What is needed is a recognition that both objectives cannot be sustained in the current budgetary framework where scarce resources will force difficult tradeoffs in refugee assistance.

With the dawn of a new decade, and new leadership in the White House and the State Department, it is indeed appropriate and essential that a major reassessment be initiated on the nature of the U.S. role and commitment to refugee assistance—both foreign and domestic. I urge this leadership to convene a national assembly of interested and knowledgeable parties from Congress, voluntary resettlement and relief agencies, refugee communities, federal, state, and local officials, corporate and labor leaders, and academic and advocacy groups. This assembly should be charged with reviewing priorities for domestic resettlement, overseas relief, private-sector funding strategies, and diplomatic advocacy.

Emerging from such a conference could be a compact on the part of all parties that would set a framework and commitment to seek a new approach to admissions, refugee care and maintenance overseas, and diplomatic overtures necessary to facilitate repatriations.

The outcome of such an initiative could not only lay a solid foundation for U.S. policy, but also provide the broad coalition with an opportunity to lead the international community in resolving fundamental political and economic problems that plague more than 15 million refugees in first asylum who, in remote places away from TV cameras, are beginning to die.

The PRESIDING OFFICER. The Senator from Pennsylvania.

U.S. CRITICAL TECHNOLOGIES: SOUND THE ALARM

Mr. HEINZ. Mr. President, in the days of the Old West, but not just in the Old West, townsfolk were summoned to help battle a town fire by the ringing of a bell. We have all seen those pictures on our television sets and in the movie theaters. We all remember neighbors turning out to form a bucket brigade. Together, they would battle to put out that blaze.

Today I take the floor for the same purpose; and that is, to ring the bell, to sound the alarm. I do so because there is a growing crisis in America's ability to compete in and even produce the critical technologies of today and, more important, tomorrow. Like the settlers before them, in many domestic industries, we are seeing the frontiers of knowledge pushed back for our continued strength tomorrow. These industries, to be successful, need a committed and unified effort from this country, just as those who conquered the Old West.

But, Mr. President, it is becoming increasingly clear that this effort is not forthcoming. It appears, instead, that our Government and this administration has systematically endeavored to wipe out anything the Government is doing on behalf of critical technologies. I am referring, for example, to the administration's removal of the very innovative and able Dr. Craig Fields from the directorship of DARPA and the successful effort of the White House staff to block any plan by the Commerce Department to develop a strategy for a domestic high density television industry. Those are just two of several examples. Actions like these are worrisome. They are worrisome because critical technologies are vital to this country's future, both economically and militarily. Yet, if it is this same sector which is in serious trouble often being outfinanced or outresearched by foreign competitors, then this country is in trouble.

As distinctions between military and nonmilitary technology break down, as more items become dual use, the United States will inevitably have to become much more competitive in international consumer markets if we are going to be able to sustain our military leadership. If we cannot do this, if we cannot become competitive in these international consumer markets, we are ultimately going to be forced to rely on foreign dual-use technology in producing the next generation of defense systems.

Most observers would say that that is not a good idea. Most people in the administration would say that is not a good idea. Yet, I have to report that this is precisely where our present course is taking us. As the Office of Technology Assessment reports in its recent study, Arming our Allies:

> Of the 20 technologies listed by DoD in its 1990 "Critical Technologies Plan," at least 15 are dual-use. * * * Japan is a leader in many of these technologies, and exports them to the U.S. and other countries both for civilian and for military use. * * * The degree of such dependence is unknown, but there is general agreement that it is increasing, especially in the field of high-technology electronic parts and components.

One such example of this steady erosion of industrial self-reliance is the U.S. optical storage industry. Optical storage will play a vital role in future electronic products. It consists of the equivalent of compact disks of information for use by computers.

One is tempted to ask what makes optical storage different from currently used storage peripheral products like floppy disks, tape cartridges, and hard disks. Most people are familiar with these. Mr. President, the difference is twofold. First, a single compact optical storage disk holds the same volume of information as 2,800 floppy disks. It is an extraordinary amount. Twenty-eight hundred times as much information. Second, it does so in an erasable form which can be removed from the work station at day's end for use at home or while traveling.

In other words, optical storage is a technological breakthrough of major proportions. It is vital, not only for its effect on computer information storage, but also for the application of key technologies which make up the optical storage industry itself. These component sectors include fiber optic connections, lasers, and micromotors and are strategic because they are the gateway to a stream of future technologies like advanced aspheric lenses, data compression chips, and holographic heads.

As the domestic optical storage industry stands now, the United States is barred from passing through that gateway. Of the component technologies which comprise optical storage, the fact is that none, absolutely none, can be purchased competitively from commercial domestic sources, that is, in this country. This can be attributed to many factors but the most important are probably the lack of indigenous venture capital resources for research and development and the methods of Japanese suppliers who are forward pricing these same components at levels far below actual costs. This strategy of weathering losses now for larger market share and profits later has undercut the ability of U.S. companies to compete in these critical sectors.

As a result, American producers of optical storage devices are either small, independent startups which are financially shaky or large companies which components and most of its production come from Japan. This, Mr. President, is not the solid industrial foundation on which we can build a prosperous future, nor is it the foundation of a viable and flexible national security strategy. Without critical technology industries like optical storage, we will not be able to build a missile or a tank, fly a plane, or launch a submarine or aircraft carrier in the future.

If the domestic optical storage industry is allowed to fail, the United States will lose much more than a simple production sector. Within the next 5 to 7 years, optical storage is predicted to become the most common storage device for computers. With no domestic producers, this country would subsequently lose any significant participation in the coming $30 billion data storage industry with its associated employment and tax base.

While this is very substantial, the damage does not stop there. Without a domestic optical storage industry, the competitiveness of companies in other industries dependent on optical storage systems for their higher value added products will be severely damaged. Such industries like HDTV, medical imaging systems, and broadband communications delivery are strategic, high growth sectors. Simply put, Mr. President, a country that cannot produce the optical storage elements of the component manufacturing base is undermined in the much larger arenas of international economic strength and national security. Considering the current status of the domestic optical storage indutionsstry, it is clear that we are a nation at risk in this critical sector.

Unfortunately, this situation does not apply solely to the optical storage industry. This sector is a paradigm for several critical technology industries in the United States and that, Mr. President, is the reason why my comments today are so important. The problems facing domestic optical storage producers are equally applicable to the production of semiconductors and HDTV, to name only two. The great burden of future American economic competitiveness and national security rests squarely on the shoulders of critical technology industries such as these. But those once broad shoulders have been considerably weakened. It is up to us to revitalize and fortify our economic muscle. A brigade of government, industry, and private parties must be formed to carry out this momentous task. The alarm has been sounded. Together, this country must rise up and answer it.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I ask unanimous consent that Senator LAUTENBERG be recognized; and that upon the conclusion of his remarks, Senator LIEBERMAN be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSACTION OF MORNING BUSINESS

The following morning business was transacted.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting a nomination which was referred to the Committee on the Judiciary.

(The nomination received today is printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 1:07 p.m., a message from the House of Representatives announced that the House has passed the bill (S. 1939) to extend the authorization of appropriations for the Taft Institute, with an amendment; it insists upon its amendment to the bill, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. HAWKINS, Mr. FORD of Michigan, Mr. WILLIAMS, Mr. GOODLING, and Mr. COLEMAN of Missouri as managers of the conference on the part of the House.

The message also announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 2497. An act to authorize and encourage Federal agencies to use mediation, conciliation, arbitration, and other techniques for the prompt and informal resolution of disputes, and for other purposes; and

H.J. Res. 520. Joint resolution granting the consent of Congress to amendments to the Washington Metropolitan Area Transit Regulation Compact.

At 2:33 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3406. An act to amend title 28, United States Code, to provide for Federal jurisdiction of certain multiparty, multiforum civil actions.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 2497. An act to authorize and encourage Federal agencies to use mediation, conciliation, arbitration, and other techniques for the prompt and informal resolution of disputes, and for other purposes; to the Committee on Governmental Affairs.

H.R. 3406. An act to amend title 28, United States Code, to provide for Federal jurisdiction of certain multiparty, multiforum civil actions; to the Committee on the Judiciary.

MEASURES PLACED ON THE CALENDAR

The following bill and joint resolution were read the second time by unanimous consent, and placed on the calendar:

H.R. 2690. An act to amend title 17, United States Code, to provide certain rights of attribution and integrity to authors of works of visual art; and

S.J. Res. 332. Joint resolution proposing an amendment to the Constitution of the United States authorizing the Congress and the States to prohibit the physical desecration of the flag of the United States.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 1224: A bill to amend the Motor Vehicle Information and Cost Savings Act to require new standards for corporate average fuel economy, and for other purposes (Rept. No. 101-329).

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LAUTENBERG (for Mr. MACK (for himself, Mr. LIEBERMAN, Mr. LAUTENBERG, Mr. GRASSLEY, Mr. MITCHELL, Mr. GRAHAM, and Mr. NICKLES)):

S. Con. Res. 138. Concurrent resolution expressing the sense of the Senate that contacts between the United States and the Palestine Liberation Organization should be suspended if the PLO has not taken certain actions; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 619

At the request of Mr. SARBANES, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 619, a bill to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr., in the District of Columbia.

S. 656

At the request of Mr. GRASSLEY, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 656, a bill to amend the Internal Revenue Code of 1986 to restore the deduction for interest on educational loans.

S. 1216

At the request of Mr. SIMON, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 1216, a bill to amend the National Labor Relations Act to give employers and performers in the live performing arts, rights given them by section 8(e) of such act to employers and employees in similar situated industries, to give to such employers and performers the same rights given by sections 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 1542

At the request of Mr. HATFIELD, the names of the Senator from Hawaii [Mr. INOUYE] and the Senator from Wyoming [Mr. SIMPSON] were added as cosponsors of S. 1542, a bill to amend chapter 55 of title 5, United States Code, to include certain employees of the Department of Commerce as forest firefighters.

S. 1651

At the request of Mr. MCCAIN, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 1651, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the United Services Organization.

S. 1974

At the request of Mr. HARKIN, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 1974, a bill to require new televisions to have built-in decoder circuitry.

S. 2112

At the request of Mr. METZENBAUM, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 2112, a bill to amend the National Labor Relations Act to prevent discrimination based on participation in labor disputes.

S. 2159

At the request of Mr. BOSCHWITZ, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 2159, a bill to amend title II of the Social Security Act to eliminate the earnings test for individuals who have attained retirement age.

S. 2179

At the request of Mr. SIMON, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 2179, a bill to maintain funding for State and local law enforcement programs in the war against drugs and crime.

S. 2256

At the request of Mr. HARKIN, the names of the Senator from Oregon [Mr. PACKWOOD] and the Senator from Idaho [Mr. MCCLURE] were added as cosponsors of S. 2256, a bill to amend title XIX of the Public Health Service Act to clarify the provisions for the allotment formula relating to urban and rural areas, and for other purposes.

S. 2314

At the request of Mr. SASSER, his name was added as a cosponsor of S. 2314, a bill to amend the Agricultural Act of 1949 with respect to the level of milk price support in effect for 1991 through 1995.

S. 2319

At the request of Mr. GARN, the names of the Senator from Mississippi [Mr. LOTT], and the Senator from Idaho [Mr. SYMMS] were added as cosponsors of S. 2319, a bill to amend the Federal Deposit Insurance Act and the Federal Credit Union Act to protect the deposit insurance funds, to limit the depository institutions, credit unions, and other mortgage lenders acquiring real property through foreclosure or similar means, or in a fiduciary capacity, and for other purposes.

S. 2540

At the request of Mr. GARN, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 2540, a bill to authorize the Board of Regents of the Smithsonian Institution to plan, design, construct and equip space in the East Court of the National Museum of Natural History building, and for other purposes.

S. 2604

At the request of Mr. GRAHAM, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 2604, a bill to facilitate the use of pesticides that are registered for agricultural minor uses, to establish the Inter-Regional Research Project Number 4 (IR-4 Program), and for other purposes.

S. 2611

At the request of Mr. HARKIN, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 2611, a bill to authorize assistance to the Washington Center for Internships and Academic Seminars.

S. 2663

At the request of Mr. MCCAIN, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 2663, a bill to provide increased and special benefits to individuals involuntarily separated from the Armed Forces, and for other purposes.

S. 2672

At the request of Mr. THURMOND, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 2672, a bill to establish a United States Marshals Foundation.

SENATE JOINT RESOLUTION 14

At the request of Mr. THURMOND, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of Senate Joint Resolution 14, a joint resolution proposing an amendment to the Constitution of the United States to allow the President to veto items of appropriation.

SENATE JOINT RESOLUTION 273

At the request of Mr. BREAUX, the names of the Senator from New York [Mr. D'AMATO], the Senator from Alabama [Mr. HEFLIN], the Senator from Virginia [Mr. ROBB], the Senator from New Mexico [Mr. DOMENICI], the Sen-

ator from Iowa [Mr. GRASSLEY], the Senator from Oregon [Mr. HATFIELD], the Senator from Indiana [Mr. LUGAR], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Indiana [Mr. COATS], the Senator from Washington [Mr. ADAMS], the Senator from Vermont [Mr. JEFFORDS], the Senator from North Dakota [Mr. BURDICK], the Senator from Georgia [Mr. NUNN], the Senator from Michigan [Mr. LEVIN], the Senator from Arkansas [Mr. PRYOR], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Illinois [Mr. SIMON], the Senator from Rhode Island [Mr. PELL], the Senator from Texas [Mr. BENTSEN] the Senator from Missouri [Mr. DANFORTH], the Senator from Hawaii [Mr. AKAKA], the Senator from Rhode Island [Mr. CHAFEE], the Senator from California [Mr. CRANSTON], the Senator from Wisconsin [Mr. KASTEN], the Senator from Maryland [Mr. SARBANES], the Senator from South Dakota [Mr. DASCHLE], the Senator from Utah [Mr. GARN], and the Senator from Oregon [Mr. PACKWOOD] were added as cosponsors of Senate Joint Resolution 273, a joint resolution to designate the week of October 7-13, 1990 as "National Health Care Food Service Week."

SENATE JOINT RESOLUTION 274

At the request of Mr. LAUTENBERG, the names of the Senator from Michigan [Mr. RIEGLE], the Senator from Michigan [Mr. LEVIN], and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of Senate Joint Resolution 274, a joint resolution to designate the week beginning June 10, 1990 as "National Scleroderma Awareness Week."

SENATE JOINT RESOLUTION 282

At the request of Mr. WILSON, the names of the Senator from Oregon [Mr. PACKWOOD], the Senator from Indiana [Mr. LUGAR], and the Senator from Hawaii [Mr. AKAKA] were added as cosponsors of Senate Joint Resolution 282, a joint resolution to designate the decade beginning January 1, 1990, as the "Decade of the Child."

SENATE JOINT RESOLUTION 289

At the request of Mr. SIMON, the names of the Senator from Oregon [Mr. HATFIELD] and the Senator from South Dakota [Mr. PRESSLER], were added as cosponsors of Senate Joint Resolution 289, a joint resolution to designate October 1990 as "Polish American Heritage Month."

SENATE JOINT RESOLUTION 300

At the request of Mr. PACKWOOD, the names of the Senator from Hawaii [Mr. AKAKA], the Senator from Washington [Mr. ADAMS], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Louisiana [Mr. BREAUX], the Senator from Montana [Mr. BURNS], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Indiana [Mr. COATS], the Senator from Mississippi [Mr. COCHRAN], the Senator from Maine [Mr. COHEN], the Senator from California [Mr. CRANSTON], the Senator from New York [Mr. D'AMATO], the Senator from Missouri [Mr. DANFORTH], the Senator from South Dakota [Mr. DASCHLE], the Senator from Arizona [Mr. DECONCINI], the Senator from Illinois [Mr. DIXON], the Senator from Kansas [Mr. DOLE], the Senator from New Mexico [Mr. DOMENICI], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Nebraska [Mr. EXON], the Senator from Ohio [Mr. GLENN], the Senator from Washington [Mr. GORTON], the Senator from Texas [Mr. GRAMM], the Senator from Iowa [Mr. GRASSLEY], the Senator from Utah [Mr. HATCH], the Senator from Oregon [Mr. HATFIELD], the Senator from Alabama [Mr. HEFLIN], the Senator from Pennsylvania [Mr. HEINZ], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Hawaii [Mr. INOUYE], the Senator from Vermont [Mr. JEFFORDS], the Senator from Wisconsin [Mr. KASTEN], the Senator from Massachusetts [Mr. KERRY], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Michigan [Mr. LEVIN], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Indiana [Mr. LUGAR], the Senator from Florida [Mr. MACK], the Senator from Idaho [Mr. MCCLURE], the Senator from Ohio [Mr. METZENBAUM], the Senator from Maryland [Ms. MIKULSKI], the Senator from New York [Mr. MOYNIHAN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from South Dakota [Mr. PRESSLER], the Senator from Nevada [Mr. REID], the Senator from Michigan [Mr. RIEGLE], the Senator from Virginia [Mr. ROBB], the Senator from Maryland [Mr. SARBANES], the Senator from Illinois [Mr. SIMON], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Alaska [Mr. STEVENS], the Senator from Virginia [Mr. WARNER], and the Senator from California [Mr. WILSON], were added as cosponsors of Senate Joint Resolution 300, a joint resolution to designate September 1990 as "Jewish Community Center Month."

SENATE JOINT RESOLUTION 306

At the request of Mr. SIMON, the names of the Senator from California [Mr. CRANSTON], the Senator from New York [Mr. MOYNIHAN], and the Senator from Wyoming [Mr. SIMPSON], were added as cosponsors of Senate Joint Resolution 306, a joint resolution to designate the period commencing October 21, 1990, and ending October 27, 1990, as "National Humanities Week."

SENATE JOINT RESOLUTION 326

At the request of Mr. D'AMATO, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Oregon [Mr. PACKWOOD], the Senator from Washington [Mr. ADAMS], the Senator from Mississippi [Mr. COCHRAN], the Senator from Alaska [Mr. STEVENS], the Senator from Utah [Mr. GARN], and the Senator from Idaho [Mr. SYMMS] were added as cosponsors of Senate Joint Resolution 326, a joint resolution to designate December 21, 1990, as a "Day of Observance for the Victims of Terrorism."

SENATE JOINT RESOLUTION 332

At the request of Mr. DOLE, the names of the Senator from Utah [Mr. HATCH], the Senator from Iowa [Mr. GRASSLEY], the Senator from Illinois [Mr. DIXON], the Senator from Wyoming [Mr. SIMPSON], the Senator from Nevada [Mr. REID], the Senator from Colorado [Mr. ARMSTRONG], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Montana [Mr. BURNS], the Senator from Alabama [Mr. SHELBY], the Senator from Indiana [Mr. COATS], the Senator from Mississippi [Mr. COCHRAN], the Senator from New York [Mr. D'AMATO], the Senator from New Mexico [Mr. DOMENICI], the Senator from Utah [Mr. GARN], the Senator from Texas [Mr. GRAMM], the Senator from North Dakota [Mr. BURDICK], the Senator from Pennsylvania [Mr. HEINZ], the Senator from North Carolina [Mr. HELMS], the Senator from Wisconsin [Mr. KASTEN], the Senator from Mississippi [Mr. LOTT], the Senator from Arizona [Mr. MCCAIN], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Oklahoma [Mr. NICKLES], the Senator from South Dakota [Mr. PRESSLER], the Senator from Virginia [Mr. WARNER], the Senator from Indiana [Mr. LUGAR], the Senator from Kentucky [Mr. FORD], the Senator from Idaho [Mr. SYMMS], and the Senator from California [Mr. WILSON] were added as cosponsors of Senate Joint Resolution 332, a joint resolution proposing an amendment to the Constitution of the United States authorizing the Congress and the States to prohibit the physical desecration of the flag of the United States.

SENATE CONCURRENT RESOLUTION 123

At the request of Mr. PELL, the names of the Senator from California [Mr. CRANSTON] and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of Senate Concurrent Resolution 123, a concurrent resolution to encourage State governments, local governments, and local educational agencies to adopt a comprehensive curricular program which provides elementary and secondary students with a thorough knowledge of the history and principles of the Constitution and the Bill of Rights and which fosters civic competence and civic responsibility.

SENATE CONCURRENT RESOLUTION 126

At the request of Mr. PELL, the names of the Senator from Indiana [Mr. LUGAR] and the Senator from Delaware [Mr. ROTH] were added as cosponsors of Senate Concurrent Resolution 126, a concurrent resolution calling for a U.S. policy of promoting the continuation, for a minimum of an additional 10 years, of the International Whaling Commission's moratorium on the commercial killing of whales, and otherwise expressing the sense of the Congress with respect to conserving and protecting the world's whale population.

SENATE RESOLUTION 282

At the request of Mr. KENNEDY, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of Senate Resolution 282, a resolution expressing the sense of the Senate regarding U.S. military assistance for the Republic of Liberia and human rights abuses in Liberia.

SENATE CONCURRENT RESOLUTION 138—REQUESTING CERTAIN ACTIONS BY THE PALESTINE LIBERATION ORGANIZATION

Mr. LAUTENBERG (for Mr. MACK, for himself, Mr. LIEBERMAN, Mr. LAUTENBERG, Mr. GRASSLEY, Mr. MITCHELL, Mr. GRAHAM, and Mr. NICKLES) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 138

Whereas, Section 1302 of Public Law 99-83 states that "no officer or employees of the United States Government . . . shall negotiate with the PLO or any representatives thereof . . . unless and until the PLO recognize's Israel's right to exist, accepts United Nations Security Council Resolutions 242 and 338, and renounces the use of terrorism";

Whereas, on May 30, 1990, the Palestine Liberation Front (PLF), a member organization of the PLO, attempted a terrorist attack against Israel;

Whereas, the leadership of the PLO has yet to condemn the May 30 terrorist attempt or to expel PLF leader Abul Abbas from PLO's Executive Committee; Now, therefore, be it

Resolved, That the Senate (the House of Representatives concurring) declares that—

(1) the PLO should condemn the May 30 PLF attack on Israel;

(2) the PLO should expel PLF leader Abul Abbas from the PLO Executive Committee given his role in the attack; and

(3) if these PLO actions are not taken in the immediate future, the United States should suspend its dialogue with the PLO until the PLO has fully demonstrated by concrete actions, including condemning the recent attack and expelling Abul Abbas from its Executive Committee, the PLO's commitments to recognize Israel's right to exist and renounce the use of terrorism.

Mr. LAUTENBERG. I thank you, Mr. President, for giving me the opportunity to now speak about a matter of great concern to the occupant of the chair, myself, and many other Members of this body.

Mr. President, I have here a concurrent resolution on behalf of Senator MACK, Senator LIBERMAN, the occupant of the chair, myself, Senator GRASSLEY, Senator MITCHELL, Senator GRAHAM of Florida, and Senator NICKLES. And I send this resolution to the desk, and ask for its consideration.

The PRESIDING OFFICER. The concurrent resolution will be received and referred to the appropriate committee.

Mr. LAUTENBERG. Mr. President, I am pleased to be able to join my colleagues in submitting this sense-of-the-Senate resolution. It calls on the administration to suspend its dialog with the PLO if the PLO fails to expel Abul Abbas from the PLO Executive Committee and condemn the May 30 attack in Israel in the immediate future. The time has come to call off this dialog between the United States and the PLO for a very simple reason: The tiger has not changed its stripes.

On May 30, the Palestine Liberation Front, a constituent group of the PLO, launched a seaborne raid on Israel. Fortunately, due to the excellent work of the Israeli intelligence and the military, the attack was foiled and no one was killed.

This attempted terrorist act clearly violates the PLO's commitment to renounce terrorism. That was the basis upon which a dialog was begun between our country and the PLO. It was a cardinal principle of the understanding that the PLO would not encourage nor support nor believe that terrorism was the way to solve the problems. It is a peculiar approach to peace to try to achieve it by creating more violence.

This attack was intended to kill as many innocent Israeli civilians as possible. The Palestine Liberation Front, known as the PLF, headed by Abul Abbas, has unabashedly claimed responsibility for this heinous act.

The connection between the PLF and the PLO is undisputed. The PLF is represented on the PLO's Executive Committee by none other than Abul Abbas, the man who masterminded the 1985 *Achille Lauro* hijacking, and the murder of Leon Klinghoffer.

Our assistant Secretary of State, John Kelly, has acknowledged that the PLF is a constituent part of the PLO. He testified before Congress recently that the United States will hold all members of the PLO Executive Committee and all of its constituent groups to Yasser Arafat's commitment to renounce terrorism.

When the United States began its dialog with the PLO, former United States Ambassasdor to Israel, Thomas Pickering and the Ambassador to Tunis, Robert Pelletreau, made clear that if terriorism occurs, the United States expects the PLO to condemn the action publicly and discipline the individual or the group responsible by at very least expelling them from the PLO. Calling on Yasser Arafat to expel Abul Abbas from the Executive Committee and condemn its recent terrorist attack follows from those original understandings.

Two weeks ago, 2 days after the attempted attack, I, along with 32 of my colleagues, sent a telegram to Secretary of State Baker. It urged the administration to immediately call upon Yasser Arafat to unequivocally denounce the attempted terrorist attack on Israel by the Palestine Liberation Front, and to expel Abul Abbas from the PLO's Executive Committee. The telegram said that if he did not take such steps, we should reevaluate the wisdom of our current policy of dialog with the PLO. Thirty-five more Senators have since added their names to this telegram which was sent again last Friday, making it clear that a majority of the Senate shares this view.

I ask unanimous consent, Mr. President, that a copy of this telegram appear in the RECORD, with a list of those Senators who added their names, following my remarks.

The PRESIDING OFFICER (Mr. RIEGLE). Without objection, it is so ordered.

(See exhibit No. 1).

Mr. LAUTENBERG. This was Arafat's golden opportunity to prove that the tiger had really changed his stripes; to align himself with the forces of peace and make it clear that he really has taken to the path of moderation; to prove to Israel that the PLO really is a moderate organization where terrorists are unwelcome, and the desire for peace is real; to show the United States that there really is something tangible to be gained from continuing this dialog.

What did he do? He failed to rise to the challenge, issuing a weak and pallid denial of responsibility. In effect, he said, so what. Despite strong administration pressure on Mr. Arafat to condemn the attack and discipline those responsible by expelling Abbas from the PLO Executive Committee, Arafat refused to take these steps. Instead, he said only that the PLO was not responsible for the raid. He declined to deplore the operation or to take any action against the Palestine Liberation Front.

Today, press reports indicate that an unidentified PLO spokesman said that the PLO is against any military action that targets civilians, whatever form it may take—an unidentified spokesman. That is simply not good enough. The United States has insisted from the beginning that Yasser Arafat renounce terrorism and publicly denounce and discipline those who continue to commit terrorist acts. He has refused to do so. He has made a mock-

ery of our dialog and undermined its central purpose of promoting peace and eradicating terrorism.

Mr. President, there is a long history of violence perpetrated by the PLO and its affiliates. One looks to Israel to let down its guard and come to the bargaining table; to say that we will take to the Palestinians and engage them in a serious debate; to say that they want to make peace, that they will surrender territory that is in fact occupied by the PLO or its disciples. But when we see an attack like this, we understand their caution. This is not the first, nor sadly, the last such attack.

The Israeli memory is continually sharpened by attacks across its border from neighbors and now from the sea. Once before, an attack was attempted from the sea, and it succeeded. Terrorists came aboard in Tel Aviv and slaughtered innocent people. The Israelis remember this so very well.

So while sometimes we lose our patience and we say to the Israelis, come on, come to the table, join in, talk to the PLO, they represent a moderate view, what we saw here was a confirmation of the things that the Israelis always have believed. That is, that the PLO is not interested in making peace, but the PLO is interested in eliminating the State of Israel from its present site.

Well, Mr. President, our country has an obligation to make sure that the conditions under which this dialog was begun continue to exist. Because we are not going to get anywhere unless the PLO understands that they first have to show good faith before anyone can expect the Israelis to sit down with them. The Israelis have said time and time again, "We will sit with Palestinians. We will not sit with the PLO." Their judgment, unfortunately, is confirmed by this recent act.

So, Mr. President, I hope that the Senate will swiftly adopt this concurrent resolution. We do not have any other choice, unfortunately, but to suspend the dialog. I hope that the President will agree with us and terminate these discussions immediately.

I yield the floor.

EXHIBIT 1

U.S. SENATE,
Washington, DC, June 8, 1990.

Hon. JAMES A. BAKER III,
Secretary of State,
Department of State,
Washington, DC.

DEAR MR. SECRETARY: We are writing to urge the Administration to immediately call upon Yasser Arafat to unequivocally denounce the attempted terrorist attack on Israel by the Palestine Liberation Front, and to expel Abul Abbas from the PLO's Executive Committee. If he does not take such steps, we should reevaluate the wisdom of our current policy of dialogue with the PLO.

This attempted terrorist act violates the PLO's commitment to renounce terrorism. The attempted terrorist attack on the Israeli coast was apparently intended to kill as many innocent Israeli civilians as possible. The Palestine Liberation Front (PLF), headed by Abul Abbas, has unabashedly claimed responsibility for this heinous act.

The connection between the PLF and the PLO is undisputed. The PLF is represented on the PLO's ruling executive committee by Abul Abbas, who masterminded the 1985 Achille Lauro hijacking and murder of Leon Klinghoffer. Assistant Secretary of State John Kelly has acknowledged that the PLF is a constituent part of the PLO. He testified before Congress last week that the U.S. will hold all members of the PLO Executive Committee and all its constituent groups to Yasser Arafat's commitment to renounce terrorism.

When the United States began its dialogue with the PLO, former U.S. Ambassador to Israel, Thomas Pickering made clear that if terrorism occurs, the U.S. expects the PLO to condemn the action publicly and discipline the group or persons responsible by expelling them from the PLO at the very least. Calling on Yasser Arafat to expel Abu Abbas from the Executive Committee and condemn its recent terrorist attempt should follow from these original understandings.

The U.S. must be firm in insisting that Yasser Arafat renounce terrorism and publicly denounce those who continue to commit terrorist acts. If he refuses to do so, he has made a mockery of our dialogue, and undermined its cental purpose of promoting peace and eradicating terrorism.

We await your response.

Sincerely,

Frank R. Lautenberg, Max Baucus, Daniel Patrick Moynihan, William S. Cohen, Paul S. Sarbanes, Brock Adams, Richard Byran, Larry Pressler, Alan Cranston, John Kerry, John Breaux, Don Riegle, John McCain, Robert Kasten, Bob Graham, Dan Coats, Dave Durenberger, Phil Gramm, Charles R. Grassley, Dennis DeConcini, Quentin N. Burdick, Barbara A. Mikulski, Carl Levin, Christoper S. Bond, Gordon J. Humphrey, Joseph I. Lieberman, John D. Rockefeller IV, Alfonse D'Amato, Herb Kohl, Rudy Boschwitz, Arlen Specter, Paul Simon, Slade Gorton, Howard M. Metzenbaum, Connie Mack, Tom Harkin.

Alan J. Dixon, Daniel K. Inouye, John Heinz, Harry Reid, Robert J. Kerrey, J. Bennett Johnston, Bill Bradley, Bob Packwood, Lloyd Bentsen, Pete Wilson, Claiborne Pell, Kent Conrad, Tim Wirth, Orrin Hatch, Daniel Akaka, Edward Kennedy, Malcolm Wallop, Don Nickles, Mitch McConnell, Patrick J. Leahy, Albert Gore, Conrad Burns, Richard Shelby, Jeff Bingaman, Howell Heflin, John Glenn, Jesse Helms, David Boren, Jim Sasser, James M. Jeffords, Nancy Landon Kassebaum.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. LIEBERMAN. Mr. President, I am privileged to be one of the original cosponsors of this concurrent resolution, and I am particularly privileged to join with my colleague, the distinguished Senator from New Jersey. May I say that I identify myself with all that he spoke here this afternoon in support of this concurrent resolution, and I am pleased that he is one of the original cosponsors, because his presence on that resolution suggests that this is not just a response to an agreement that was made in Geneva in December 1988; it is not just an expression of our concern about the appropriate road to peace in the Middle East, but it is part of America's overall opposition to terrorism. The Senator from New Jersey has been one of the leaders in the Senate and in this country in fighting terrorism, and I think that pursuit should be seen as underlying this resolution.

Mr. President, I am privileged to also join with the bipartisan group of cosponsors of this concurrent resolution—Senator MACK, Senator GRASSLEY, Senator NICKLES, Senator LAUTENBERG—and may I say a particular word of thanks and gratitude and pride that the distinguished majority leader, Senator MITCHELL of Maine, has joined us as an original cosponsor, because that certainly gives this concurrent resolution the strongest possible support.

Mr. President, I think all of us who submitted this concurrent resolution do so without any sense of joy, any sense of glee. We do it, in fact, with a profound sense of disappointment and sadness, because we understand that the suspension of the dialog between the PLO and the United States would also suspend the "most hopeful," path to trust and peace in the Middle East that we have had for some time.

We have no choice, and the reality is that if we continue the dialog with the PLO in the aftermath of the attempted terrorist raid on the civilian population on the beaches in Israel, we will, in fact, set back the cause of peace in the Middle East.

If I may say very briefly, Mr. President, in December 1988 Yasser Arafat spoke some words that the U.S. Government had been asking him to speak to enter the peace process for more than 13 years. One of the key elements of his declaration in Geneva in that month in 1988 was the renunciation of terrorism. Those are not just words. The renunciation of terrorism means the renunciation of the use of violence to achieve political ends by clandestine groups. That is the accepted definition of that term. We asked Arafat to make that renunciation because of a basic American policy: We do not negotiate with terrorists, whether in the Middle East or anywhere else.

How could we begin a discussion with a group that used terrorism against our foremost ally in the Middle East, Israel, or against American citizens, or anyone else throughout the world? That was a contract that we entered into with Arafat. The renunciation of terrorism was a key component of that contract. The events of the last couple of weeks fol-

lowing May 30 say quite simply that that contract was broken.

Mr. President, as last year proceeded and the negotiations and discussions and dialog with the PLO in Tunis proceeded also, many of us here in this Chamber were troubled by what appeared to be evidence that factions of the PLO were not keeping the promise that Arafat made. They were, in fact, carrying out terrorist raids against civilian population, particularly within the State of Israel.

That prompted Senator CONNIE MACK of Florida and me to join together in introducing the PLO Compliance Act. It had a very simple purpose. It was to have the State Department report to the Congress every 4 months to tell us whether Yasser Arafat and the PLO were living up to the promises they made in Geneva in December 1988, because those promises were the basis of the decision by our Government, which was supported by President Reagan and Secretary of State Shultz, to go forward with this dialog with the POL.

The PLO Compliance Act was adopted, and we are grateful for the support it received here in the Senate and in the other body. It was signed by the President.

In March of this year the first compliance report was issued by the State Department. It was a disappointing report because it said that there had, in fact, been 30 terrorist raids into Israel since December 1988, that at least 9 of those had been carried out by factions of the PLO.

But the report excused Mr. Arafat from any responsibility saying that he either did not know about those raids or did not apparently participate in planning them and therefore could not be held accountable for what happened.

Senator MACK and I felt strongly that that was not a fair standard to hold Arafat to. It allowed him to have recognition through this dialog, his discussions in Tunis without any sense of responsibility. It allowed him to be a leader of the PLO but without any accountability for what factions of the PLO did.

I remember on that occasion Senator MACK and I spoke to an assembled group of people from the media and someone asked me, "Do you believe, based on what you see in this report, that the dialog between the United States and the PLO should be terminated?"

And I said: "No. I am still hopeful. I want to believe that Arafat will take actions against those elements of the PLO that commit terrorist acts. I do not want to close off this path to possible peace in the Middle East."

I am afraid we have turned the corner and crossed the bridge, that the PLO has now done something that really goes beyond what is acceptable even by people who are hopeful and optimistic in trying every possible step we can take to move toward more trust and peace in the Middle East.

The May 30 raid, as Senator LAUTENBERG described, was a calculated effort to kill civilians, conceived at least 6 months ago, prepared in Libya under the sponsorship of that great patron of terrorism, Colonel Qadhafi, and then carried out, aimed at families, men, women, and children on the beaches.

Think about how we would feel if somebody attempted terrorist raids against our people, Americans on a beach in Florida or California, or Cape Cod. We would be horrified. We would want to find a way to strike back militarily. We certainly would not be talking to the people who carried out that raid because talks imply respect and trust.

So I think we have come to a point where we have to say to Mr. Arafat—and this resolution says it—either you are the leader of the PLO or you are not. If you are, you must demonstrate leadership and you must prove you have control by condemning those factions of your organization that continue to use terrorism in pursuit of their objectives. If you are not the leader of the PLO, if you are just a figurehead, you do not really control what happens, Mr. Arafat, and we have no business talking with you in any case because you cannot deliver, because you are not the person who can help bring peace to the Middle East.

Senator LAUTENBERG talked about the reaction of the Israel population and Government. I think anybody who looks at the Middle East will say this is not a conflict which will end with one swift stroke. The hatred, the suspicion among the people there, is too deep. What is going to be required for peace ultimately are steps that develop trust.

The dialog was a way to do that. A terrorist raid against civilian population on the beaches of Tel Aviv is the way to destroy almost all hope of trust within Israel, is the way not just to support the more allegedly rightwing element of raising public opinion but to destroy the hope, the optimism, the faith that is in so many other Israelis more than a majority in polls I have seen and want to believe that peace with the Palestinians are possible. But how can they believe that when their families are targets of terrorism on a religious holiday on a beach in Israel?

Mr. President, it is time to suspend the dialog and I regret it but it is time to suspend the dialog not because a promise made at Geneva was broken, not just because we should do it to genuinely support the peace process and our allies in the Middle East particularly Israel and Egypt but because it is fundamental to what America stands for. It is fundamental to the threats to our security.

I said it before, and I will say it again: the United States does not negotiate with terrorists. Therefore, we should not be having a dialog with the PLO in Tunis until the PLO demonstrates to us that they are not terrorists.

Mr. President, in the aftermath of all the changes in Eastern Europe everyone is telling us, and I think correctly so, that the greatest threats to the security of American people in the years ahead are not going to come from the Soviet Union but probably from unstable Third World nations and from terrorists.

If we turn away, turn our back on this clear case of terrorism, if we do not respond in some way, we are sending a message that we do not really care, that we are prepared to allow terrorist acts to be planned and carried out, and just to continue business as usual.

I know we do not want to do that. We do not want to do that in the interest of the security of the American people, because the reality is that more Americans have died at the hands of terrorists in the last several years than at the hands of any other foreign enemy we face.

The Pan Am flight 103 is the most dramatic example. Another one clearly is the terrorist attack on the Marine Barracks in Beirut, and finally the attack on the *Achille Lauro*, masterminded by Abu Abbas, Palestine Liberation Front, the same group that claims credit for the May 30 raid on Tel Aviv which resulted in killing Israeli people as was in the case of the *Achille Lauro* which resulted in the death of an American citizen.

If history teaches us anything, it clearly teaches us that when we are timid in the face of violence, when we refuse to respond to those who break the norms of civilized society, when we refuse to speak out and perhaps strike back against those who commit acts of violence, and destroy the international order, then we ultimately pay a far greater price. That is all that is at stake and it is a lot in the introduction of this resolution.

I hope that the Senate Foreign Relations Committee will consider it quickly and report it out to us, and I hope that the full Senate will adopt it as an expression of our strong belief, in sadness, that the administration has no course other than to suspend these dialogs. I stress what we are asking for here is suspension and not termination, and I fervently hope that we will before long have justification based on the statements and answers of Yasser Arafat and the PLO, and based upon the peaceful actions of Palestinians generally to once more renew the dialog and begin to walk together

down the road hopefully to peace in the Middle East.

Mr. President, I thank you for your patience in hearing these remarks and I yield the floor.

Mr. GRASSLEY. Mr. President, as a country committed to fighting terrorism, we should find no difficulty in formulating a response to the PLO attack on the beaches of Tel Aviv. Our response should be swift and unequivocal: The PLO has violated its commitment to renounce terrorism, the condition for establishing a U.S.-PLO dialog has been broken, and accordingly the dialog must end. Consistency and credibility demand no less from us.

Two weeks have passed and Arafat has not condemned the act. Since the incident, we waited for the right moment to halt the dialog. The President has given Arafat ample time to condemn the attack. But, civilized and rational people do not need 2 weeks to express their outrage at terrorism. Civilized and rational people do not need extra time to determine whether to condemn a mission aimed at slaughtering innocent people.

For those who were reluctant to link the PLO with the many terrorists attacks that have occurred since Yassir Arafat's December 1988 declaration, the proof could not be more conclusive in the most recent terrorist attack on the beaches of Tel Aviv.

Abul Abbas was the mastermind of this attack. Those who know his name will recall that he was also the architect of the *Achille Lauro* hijacking and the convicted murderer of American Leon Klinghoffer.

Abbas is also a member of the PLO executive committee who enjoys an office at PLO headquarters in Tunis. The executive committee serves as the PLO's cabinet. There is no doubt, no argument that Abbas is a member of Arafat's PLO; he is an officer in Arafat's PLO. And there is no doubt, no argument that it is Arafat's responsibility to condemn, expel, and turn over Abbas.

This most recent attack comes in the midst of the March 19 State Department report declaring that the PLO has lived up to its commitments to renounce terrorism. This declaration was made even though the State Department acknowledged that constituent groups of the PLO had been implicated in many terrorist incidents, but no linkage could be made between Arafat's PLO and the PLO's constituent groups.

At that time, I expressed disagreement and disappointment with the State Department's assessment.

From the start of the U.S. dialog with the PLO, the United States vowed that the dialog would stop if PLO terrorism continued. As recent as 2 weeks ago, the State Department repeated this vow. Though I believe there is substantial evidence indicating that PLO terrorism has flourished since 1988, this latest attack should be enough evidence for even the most skeptical.

We owe to the Americans killed by PLO terrorists not to sit down at the table with a PLO that has not refrained from terrorism. We owe it to the peace process to seek nothing less than a steadfast course in our fight against terrorism.

The time is now to send a strong signal against terrorism by suspending talks with the PLO until Arafat by word and by deed acts upon his declaration of December 1988.

NOTICES OF HEARINGS

COMMITTEE ON VETERANS' AFFAIRS

Mr. CRANSTON. Mr. President, I announce, for the information of Senators, that the Committee on Veterans' Affairs, which I am privileged to chair, is scheduled to hold a hearing on Thursday, June 14, 1990, in SR-418 at 8:30 a.m., to consider physician pay and other health issues—including title II and section 402 of S. 2100; S. 2701, the proposed VA Physicians' and Dentists' Compensation Act of 1990; S. 1860; a bill I intend to introduce very shortly to provide for expanded uses of VA facilities; S. 2455; S. 2456; S. 2532; S. 2542; and S. 2557.

SUBCOMMITTEE ON AGRICULTURAL RESEARCH AND GENERAL LEGISLATION

Mr. LEAHY. Mr. President, I wish to announce that the Subcommittee on Agricultural Research and General Legislation of the Senate Committee on Agriculture, Nutrition, and Forestry will hold a hearing on July 12 at 2 p.m. in SR-328A. The purpose of the hearing is to review the United States-Canada open border agreement with respect to meat and poultry. Senator DASCHLE will preside. For further information, please contact Rob Wise in Senator DASCHLE's office.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on June 11, 1990, at 4 p.m., to hold a hearing on the nomination of Karen Lecraft Henderson to be U.S. circuit judge for the District of Columbia, David C. Norton to be U.S. district judge for the District of South Carolina, Richard F. Suhrheinrich to be U.S. circuit judge for the sixth circuit, and Frederick P. Stamp, Jr., to be U.S. district judge for the Northern District of West Virginia.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE UNITED STATES SHOULD SUPPORT THE TOKYO AGREEMENT ON CAMBODIA

● Mr. KERRY. Mr. President, the Tokyo agreement signed on June 5, 1990, by Prime Minister Hun Sen of Cambodia and Prince Norodom Sihanouk is a small, but important breakthrough in efforts to find a solution to the Cambodian tragedy. This agreement, forged in Asia by Asians, makes the upcoming Perm 5 meeting next month in Paris all the more critical to finding a workable solution to the Cambodian conflict.

Despite the achievement in Tokyo, it is being downplayed by the spin doctors in Washington. Contrary to these spin doctors, the Tokyo summit on Cambodia was not an initiative of the Perm 5 United Nations Security Council members comprised of the United States, Great Britain, France, China and the Soviet Union. The significance of this idea is that it was developed in Asia with the involvement of the Thai and Vietnamese.

The initiative worked, even if the original intent of bringing the four warring factions together did not materialize. The fact that the Khmer Rouge refused to participate in the process and refused to sign the agreement may, in the end, prove more important than the actual summit idea. The United States and the other Perm 5 members now should use the leverage of the refusal to participate in the Tokyo process, to isolate further the Khmer Rouge as a player in the future of Cambodia.

The importance of the Tokyo agreement stems from the fact that it established the concept of a two-party Supreme National Council for Cambodia. The idea of a Supreme National Council appears to have originated with the Cambodian factions themselves. The Supreme National Council approach, if intelligently exploited by the United States, could be an important step in resolving the difficult question of participation by the Khmer Rouge in an interim government—a government that can symbolize Cambodian sovereignty pending elections.

The plan for a temporary U.N. administration of Cambodia—proposed formally and promoted aggressively by a Pacific nation, Australia—has made a useful contribution. But it continues to leave open to question the vital elements of a real political settlement. For example, who really is to run Cambodia as a matter of day-to-day administration during the election preparation process? In addition, early versions of the U.N. idea talked of four parties sharing control during this interim period. For parties is the old code, meaning the three resistance

partners, including the Khmer Rouge, plus the current government.

That's the deal Phnom Penh won't buy. That's the deal that it shouldn't buy a deal to be avoided at all costs by the United States.

The current head of the Cambodian Government, Hun Sen, has said that he cannot, and will not, let the Khmer Rouge, whose genocidal regime in the 1970's nearly destroyed the country, participate as a legitimized force in governing.

Regrettably, United States policy, bowing to China's adamancy, has not been nearly as clear on this point. The United States has never said that preventing the Khmer Rouge from being an identifiable part of a coalition government is unacceptable to us, as it should be.

The great strength of the Supreme National Council strategy, as it emerged from Tokyo, is that if it works, the Khmer Rouge will not be brought into Phnom Penh as an internationally-sanctioned, independent political party.

It was Japan, working with Thailand and other Asian nations, that has made this option available. As such, Japan deserves our praise, not our derision in attempting to break the Cambodia stalemate. Yet, the Bush administration is still operating on the assumption that the future of Cambodia will be determined in Washington, or Paris, or New York. In fact, that future is much more likely to be controlled by what transpires in Tokyo, Bangkok, and Beijing.

Why is the administration downplaying the Tokyo agreement? Perhaps the answer can be found in the fact that for 15 years since the fall of Saigon, the United States Government has continued to wage the Vietnam war, using surrogates to do so. There is mounting evidence that we are trying to exact revenge in Cambodia, for what was lost in our Vietnam policy 15 years ago.

According to a Washington Post story on June 8, Raoul Jennar, the former foreign affairs staff adviser to the Belgian Senate, has compiled a report on conditions inside Cambodia stemming from his travel to that country in April and May of this year. Jennar reported that the Soviet Union and Eastern European nations are cutting off most of their economic aid to the Hun Sen regime in Phnom Penh. That aid constitutes 80 percent of the revenues for the Cambodian national budget.

If this report is correct, then the United States position on Cambodia is fraught with dangerous cynicism. Jennar warns that: "The general situation of the country is progressive decay which benefits the Khmer Rouge exclusively * * *. If diplomacy continues at its slow pace and the (U.S. promoted) embargo remains, time is on the side of the Khmer Rouge."

Such circumstances may indeed provoke the demise of the Hun Sen regime, installed in power by the Vietnamese in 1979. The only winner in such a development will be the Khmer Rouge. And the United States, along with China, must bear the responsibility for the consequences as the primary architects of a policy which could bring us full circle back to the killing fields of the 1970's in Cambodia.

Since 1979 when the genocidal regime of the Khmer Rouge was ousted from Cambodia by the Vietnamese, the United States, China, and Thailand have assumed the bizarre and inexplicable responsbility for keeping the Khmer Rouge in business.

Our policy in Cambodia is a stepchild directly of our involvement in Vietnam. The invasion of Cambodia by the United States, 20 years ago, helped bring the Khmer Rouge to power and turn Cambodia into the killing fields.

The Vietnamese responded to this horror by doing what many in the international community believed was necessary, but were simply unwilling to do. Responding to direct provocation on the part of the Khmer Rouge, they ended the genocide by invading Cambodia. What was our response? Not only did we refuse to deal with the new regime which Hanoi installed, but in a fit of personal pique we organized an international economic boycott of Vietnam and Cambodia and campaigned to have the Khmer Rouge, of all people, retain Cambodia's seat at the United Nations.

There is an extraordinarily sad aspect to this conspiracy between the United States and China to ensure the survival of the Khmer Rouge. It was in reality—when one stripped away the diplomatic camouflage—the weapon by which we continued to fight the Vietnam War long after United States troops had been withdrawn, and the Government of South Vietnam had collapsed.

But our policy in the region has not been just anti-Vietnamese in motivation. It has also been anti-Soviet. Unfortunately, it is predicated today on the same set of assumptions which led us into this unholy alliance with China and the Khmer Rouge more than 10 years ago. The fact is, that even before we departed Vietnam, we struck a deal with the Chinese to contain the Soviet Union in Southeast Asia. And to contain the Soviet Union, Vietnam had to be contained. Tragically, for the people of Cambodia, their country became the battleground for this containment policy—a battleground which became the killing fields.

With the withdrawal of Soviet and Eastern European aid from Cambodia, the United States economic embargo now is close to complete. Recently, it was reported that about 1,000 Cambodians had fled by boat to Indonesia to escape the deteriorating economic situation in their homeland.

Are we prepared to accept the consequences of the success of a policy which is designed to drive the Hun Sen government from power? Are we prepared to accept the Cambodian boat people into our arms here in the United States? Are we prepared to accept the return to power of the Khmer Rouge in Cambodia as the price for our continued war against Vietnam? We must provide answers to these questions because as Jennar's report warns: "One must seriously question whether the country, Cambodia, can survive longer than 6 or 18 months."

We in the United States have been fast to note how much the world has changed in the past few years. With the rapid transition to democracy in Eastern Europe; with the Soviet Union beset by massive economic problems, secessionist efforts among the republics, and political upheaval, certainly the threat to our security has diminished substantially. Yet, nothing in our policy toward Vietnam or Cambodia reflects these global changes. The cold war has ended, but not the Vietnam war. It is time to end the Vietnam war.

If the administration does support aggressively the Tokyo agreement, we may yet bring to an end one of the most tragic chapters of our Nation's history. Yet, if our policy is predicated upon exacting revenge upon Cambodia for Vietnam, then it will be a pyrrhic victory which should shock the American conscience, even if the immorality of our position does not move United States Government decisionmakers. History, indeed, may be on the verge or repeating itself for the poor, unfortunate people of Cambodia.●

REPEAL THE EARNINGS TEST

● Mr. BOSCHWITZ. Mr. President, I rise today to bring to the attention of my colleagues a Wall Street Journal article on the Social Security earnings test. At least 26 Senators besides myself believe that the earnings test is an unfair tax and must be repealed.

Currently, the House equivalent of my bill, the Older Americans Freedom To Work Act, has 230 cosponsors. They've exceeded the magic number of 218 and are anxiously awaiting an opportunity in the House to vote to repeal this discriminatory provision.

Since the House Ways and Means Committee refuses to allow this legislation out of the committee, I think its our responsibility here in the Senate to give them that chance. I plan to attach the Older American's Freedom To Work Act to appropriate legislation

in order to get it out of the Senate and get that long-awaited vote on the House floor.

In the meantime, I will continue pushing my legislation here in the Senate and hope to see more of my colleagues joining me.

Mr. President, I ask that the Journal article be printed in the RECORD.

The article follows:

STALKING ROSTY

The last time House Ways and Means Chairman Dan Rostenkowski tried to block a tax cut for the elderly—the catastrophic health-care tax repeal—a group of seniors besieged him inside his car in Chicago until he fled his car.

Now, Rosty's committee has become the main obstacle to the repeal of one of the most unfair laws in the U.S. tax code, the earnings limit for Social Security recipients. Illinois Republican Dennis Hastert has 226 cosponsors for his bill to repeal this tax on people over age 65. A House majority is only 218. Yet Rosty, abetted by subcommittee Chairman Andy Jacobs of Indiana, won't even let the legislation come to the House floor for debate. Maybe Congress should consult the Supreme Soviet for a lesson in democracy.

The earnings limit amounts to a surtax on the working elderly. For every $3 earned by a retiree over a certain limit, he or she loses $1 in Social Security benefits. The limit in 1990 is $9,360 for seniors between age 65 and 69; it's $6,840 for seniors age 62 to 66 (who lose $1 in benefits for every $2 earned above the limit). The special tax expires at age 70.

This means in practice that retirees face an outrageously high marginal tax rate. A man in the 15% federal tax bracket who works at McDonald's can face a marginal rate of 55%. Since the earnings-limit tax also cuts his wife's Social Security benefits (even if she doesn't work), the marginal rate for the couple can reach 105%. And this doesn't count state and local taxes. The couple ends up paying the government for the privilege of working. As that Soviet emigre comedian likes to say, what a country!

It gets worse. The tax applies only to "earned" income, the sort that comes from working for a wage or salary. If income derives from interest or dividends, no Social Security benefits is lost. So the rich elderly can have a lower marginal tax rate than the average working stiff. Democrats used to care about such matters of "equity," but nowadays they'd rather be the tax collectors for the welfare state.

Rosty and his comrades are petrified that repeal might "cost" the Treasury revenue. In the static computer models of the Congressional Budget Office, repeal would "cost" $3.6 billion in the first year, and $26.2 billion over five years. This assumes repeal wouldn't change anyone's behavior. Former Treasury economists Aldona and Gary Robbins who do consider behavior, have estimated that enough seniors would happily work more and that the federal government would gain revenue. Not surprisingly, labor-participation rates among the elderly are lowest right around the income levels worst hit by the earnings-limit tax.

The earnings limit is an artifact of the Depression era, when the U.S. wanted seniors to retire so scarce jobs would open for younger people. But many parts of the U.S. now have a labor shortage. The skills and experience of the elderly are one of our most underutilized assets, and will become even more valuable as the Baby Boom generation retires. The punitive taxation of the earnings limit sends the message to seniors that their country doesn't want them to work, or that they are fools if they do. It's time for another run at Dan Rostenkowski's limousine.●

BREAST CANCER RACE FOR THE CURE

● Mrs. KASSEBAUM. Mr. President, I rise today to call the attention of my colleagues to "The Race for a Cure," a foot race on June 16 dedicated to benefiting the fight against breast cancer.

This disease is the most common form of cancer and the second leading cause of death among American women. One in 10 will develop breast cancer sometime in their lives, and this year alone, 44,000 women in the United States will die of this disease—one every 13 minutes.

Early detection is the best way to reduce these tragic statistics. If detected in its earliest stages, treatment of breast cancer is effective in nearly 90 percent of all cases. With awareness, regular medical checkups, and mammography screening, a substantial number of lives can be saved. When the breast cancer is left undetected until its later stages, chances of recovery or cure are much more remote.

I am proud to have consponsored, with Senator MIKULSKI and others, S. 2283, the Breast and Cervical Cancer Mortality Prevention Act of 1990. I strongly support this bill's provisions promoting mammography screening and increased public education about breast cancer. These are perhaps the two most important tools available to us in fighting this terrible disease. I am also pleased to be a cosponsor of legislation introduced by Senator PELL to designate October 1990 as "Breast Cancer Awareness Month."

"The Race for the Cure" on June 16 is an important way of increasing public recognition of breast cancer and the importance of early detection. Cochaired by Vice President and Mrs. Quayle, this event will encourage awareness and national support. The race consists of a 5-kilometer run, a 5-kilometer walk, and a 1-mile "fun walk." Later registration for each of these events is still possible. I strongly urge participation in this seventh annual event, and it is my sincere hope that it proves to be a resounding success.●

NATIONAL SCLERODERMA AWARENESS WEEK

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of House Joint Resolution 516, designating National Scleroderma Awareness Week, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 516 to designate the week beginning June 10, 1990 as "National Scleroderma Awareness Week."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 516) was ordered to a third reading, was read the third time, and passed.

The preamble was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COMMITTEE DISCHARGED FROM FURTHER CONSIDERATION AND JOINT RESOLUTION INDEFINITELY POSTPONED—SENATE JOINT RESOLUTION 274

Mr. MITCHELL. Mr. President, I ask unanimous consent that Senate Joint Resolution 274, the Senate companion, be discharged from the Judiciary Committee and then indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ESTABLISHING A CONGRESSIONAL COMMEMORATIVE MEDAL

Mr. MITCHELL. Mr. President, I ask unamimous consent that the Senate proceed to the consideration of Calendar Order No. 567, S. 1664, a bill to establish a congressional commemorative medal for members of the Armed Services present during the attack on Pearl Harbor.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1664) to establish a congressional commemorative medal for members of the Armed Forces who were present during the attack on Pearl Harbor on December 7, 1941.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment to strike

all after the enacting clause, and insert in lieu thereof the following:

SECTION 1. PURPOSE.

The purposes of this Act are to—

(1) commemorate the sacrifices made and service rendered to the United States by those veterans of the Armed Forces who defended Pearl Harbor and other military installations in Hawaii against attack by the Japanese on December 7, 1941; and

(2) honor those veterans on the fiftieth anniversary of that attack.

SEC. 2. CONGRESSIONAL MEDAL.

(a) PRESENTATION AUTHORIZED.—The Speaker of the House of Representatives and the President pro tempore of the Senate are authorized jointly to present, on behalf of the Congress, to the individuals certified by the Secretary of Defense pursuant to section 3 a bronze medal commemorating their service to the United States. The presentation shall be made as close as feasible to the fiftieth anniversary of the attack on Pearl Harbor. The medal may be accepted by the next of kin of any such individual who was killed in action during that attack or who died thereafter.

(b) DESIGN AND STRIKING.—The Secretary of the Treasury shall strike the medal established by subsection (a) in bronze with suitable emblems, devices, and inscriptions to be determined by the Secretary.

(c) SALE.—The Secretary of the Treasury may cause duplicates of the medal established in subsection (a) to be coined in bronze and sold under such regulations as the Secretary may prescribe, at a price sufficient to cover the cost of such medal (including labor, materials, dies, use of machinery, and overhead expenses).

SEC. 3. ELIGIBILITY TO RECEIVE MEDAL.

(a) IN GENERAL.—To be eligible to be presented the medal referred to in section 2(a), an individual must have been a member of the Armed Forces who was present in Hawaii on December 7, 1941, and who participated in combat operations that day against Japanese military forces attacking Hawaii. An individual who was killed or wounded in that attack shall be deemed to have participated in the combat operations.

(b) DOCUMENTATION.—To establish the eligibility required by subsection (a), an individual must present to the Secretary of Defense an application with such supporting documentation as the individual may have to support his or her eligibility or the eligibility of a next of kin. The Secretary shall determine, through the documentation provided and, if necessary, independent investigation whether an individual meets the criteria established in subsection (a).

(c) CERTIFICATION.—The Secretary of Defense shall, within 12 months after the date of enactment of this Act, certify to the Speaker of the House of Representatives and the President pro tempore of the Senate the names of the individuals eligible to receive the medal.

(d) NEXT OF KIN.—If applications for a medal are filed by more than one next of kin of an individual who is eligible to receive a medal, the Secretary of Defense shall determine which next of kin will receive the medal.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.—Effective October 1, 1989, there are authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

(b) REIMBURSEMENT OF APPROPRIATION.—The appropriation used to implement this Act shall be reimbursed out of the proceeds of sales under subsection 2(c).

SEC. 5. NATIONAL MEDALS.

The medals struck pursuant to this Act are national medals for purposes of chapter 51 of title 31, United States Code.

Mr. HEINZ. Mr. President, before we move to passage of the bill, I just would like to thank the majority leader and the Republican leader, as well as the members of the Banking Committee on which the Chair serves, for their efforts in bringing this important measure before the Senate. I thank the Senate in particular because the consideration is timely.

We are talking about December 7, 1991. It does mark the 50th anniversary of the attack on Pearl Harbor. After 50 years, the memory of that infamous day remains in the hearts and minds of millions of Americans. Indeed, it is a day which must be remembered by all Americans, remembered by our children, remembered by our children's children.

What this is all about, Mr. President, is that this Nation owes a great debt to the veterans who defended Pearl Harbor and other military installations in the Hawaiian Islands against the Japanese attack. The services which they performed in the face of enemy fire helped stave off total disaster. The sacrifices made by those individuals set an example to which all Americans could turn in the years of the way which followed.

We owe them a great deal, and in my judgment it is imperative that America give those courageous individuals the recognition they so rightly deserve. This bill would establish a congressional medal commemorating the sacrifices made and services rendered to the United States by those veterans of the Armed Forces who defended Pearl Harbor and other military installations in Hawaii against the Japanese on December 7, 1941. The 50th anniversary of that fateful attack will soon be upon us. Let us take this opportunity, by enacting this legislation, to properly thank those veterans with a small token which expresses our gratitude and acknowledges the sacrifice and heroism of those individuals in a time of national crisis.

Mr. President, I would be remiss if I did not take this opportunity to thank a constituent of mine, Mr. Stephen P. Yorden, of Brookhaven, PA, for bringing the need for this legislation to my attention.

Mr. President, I urge our colleagues to support the legislation.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been red the third time, the question is, shall it pass?

So the bill (S. 1664) as amended was passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDERS FOR TOMORROW

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate recesses today, it stand in recess until 9 a.m. tomorrow, Tuesday, June 12; that, following the prayer, the Journal of proceedings be deemed to have been approved; the time for the two leaders be reserved for their use later in the day; and that, upon the reservation of the leaders' time, the Senate proceed to the consideration of S. 1875, the Virginia Smith Dam and Calamus Lake Recreation Area bill; that Senator EXON be recognized to speak on the bill until 9:10 a.m.

I further ask unanimous consent that the time agreement reached on Friday with respect to consideration of this bill remain in place with the following exception; the vote on final passage begin at 9:10 a.m. and be concluded at 9:45 a.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I ask unanimous consent that it be in order now to request the yeas and nays on final passage of S. 1874.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I ask for the yeas and nays on final passage of S. 1875.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MITCHELL. Mr. President, following the disposition of S. 1875, I ask unanimous consent that my motion to proceed to the consideration of H.R. 987, the Tongas National Forest Wilderness bill be deemed agreed to, and that the bill be laid before the Senate under a time agreement entered into on last Tuesday.

In order to permit the Senate Select Committee on Ethics to meet during the day without more interruptions

than are essential, I further ask unanimous consent that any rollcall vote ordered with respect to the Tongas legislation not occur prior to 5:30 p.m. tomorrow, and that all votes ordered, with the exception of a vote on final passage and a vote to adopt the Greens Creek amendment by Senator GARN occur commencing at 5:30 p.m.

I further ask unanimous consent that at 6 p.m. the Senate proceed to vote on the motion to invoke cloture on S. 341, the blind air passengers bill, regardless of the pendency of the Tongas legislation; and that that vote be followed immediately, without any intervening action or debate, by a vote on the veto message on H.R. 2364, the Amtrak authorization bill, with the 1 hour of time for debate on this veto override vote under the previous order to occur between 4:30 and 5:30 p.m. tomorrow.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, all Senators should understand that the party conferences will occur tomorrow between 12:30 p.m. and 2:15 p.m., as under the previous order, and the official photograph of the Senate will take place at 2:15 p.m.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COSPONSORSHIP OF SENATE JOINT RESOLUTION 332

Mr. DOLE. Mr. President, I send to the desk a list of additional cosponsors to Senate Joint Resolution 332, the flag amendment. There a total now of 34, over a third of the Senate, in less than 8 or 9 hours, who are now saying we want a constitutional amendment. The Democrats are Senators HEFLIN, DIXON, HOLLINGS, REID, SHELBY, BURDICK, and FORD; the Republicans are Senators DOLE, THURMOND, HATCH, GRASSLEY, BURNS, COATS, COCHRAN, D'AMATO, DOMENICI, HEINZ, HELMS, GARN, KASTEN, MCCAIN, MCCONNELL, MURKOWSKI, NICKLES, PRESSLER, SIMPSON, WARNER, ARMSTRONG, LOTT, GRAMM, BOSCHWITZ, LUGAR, SYMMS, and WILSON. Senator HEFLIN and myself certainly invite our colleagues to take a look at the amendment and join us as cosponsors. We hope to have another announcement to make tomorrow naming additional cosponsors.

I ask unanimous consent that those names be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9 A.M. TOMORROW

The PRESIDING OFFICER. The Chair announces that under the previous order, the Senate will stand in recess until 9 a.m., Tuesday, June 12.

Thereupon, at 6:09 p.m., the Senate recessed until Tuesday, June 12, 1990, at 9 a.m.

NOMINATIONS

Executive nomination received by the Senate June 11, 1990:

DEPARTMENT OF JUSTICE

ROBERT C. BONNER, OF CALIFORNIA, TO BE ADMINISTRATOR OF DRUG ENFORCEMENT, VICE JOHN C. LAWN, RESIGNED.

EXTENSIONS OF REMARKS

CHAIRMAN LES ASPIN SPEAKS ON DEFENSE SPENDING

HON. BARNEY FRANK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Monday, June 11, 1990

Mr. FRANK. Mr. Speaker, last month, our colleague the gentleman from Wisconsin, Mr. ASPIN—who chairs the House Armed Services Committee—gave a very important and perceptive speech to the Overseas Education Fund of the National Democratic Club. Mr. ASPIN set forward a very important framework which I hope will be guiding us when we deal with the defense spending bills later this year.

At the center of his speech was a very important point which is often overlooked and which Mr. ASPIN made quite cogently: Whether or not the Soviet Union continues on a path toward more democracy is important, but that is not the critical question which affects the level of our defense expenditures. Mr. ASPIN points out in his speech, the Soviet Union's capacity to inflict military harm on us is substantially less than it was a year ago, as a result of the grave economic and social problems within the Soviet Union and the breaking away of the Eastern European countries that were incorporated in the Soviet empire against their will after World War II. As Mr. ASPIN points out, it is these factors, which it would be virtually impossible for the Soviet Union to reverse, which are most relevant to the level of American defense spending.

This is an extraordinarily important and insightful speech and I insert it here because I hope that it will be taken into account by all of the Members when we vote on these important questions:

SPEECH BY CHAIRMAN LES ASPIN

It is summit time again in Washington. Soviet President Mikhail Gorbachev is coming at the end of this month. He will be welcomed with open arms, but the welcome might not be quite as warm as it would have been a little earlier. There's been a slow-up in the break-neck pace of our improving relations. The Soviets are taking a harder line on arms control, a harder line on German unification and a harder line on Lithuania.

This shift follows a year of incredible accommodation from the Soviet Union. There is a lot of speculation in this town about what the U.S. reaction should be to this harder line, particularly Moscow's tough stance on Lithuania. Should the harder line have an impact on the crucial arms control negotiations that will be the subject of the summit? Some have argued that the summit should have been canceled because of the Lithuanian crisis.

In addition to arms control, the Congress has begun work on the fiscal 1991 defense authorization bill. What weight should be given the new hard line as we decide how much to spend next year on defense?

And what of Gorbachev, himself? Questions have been raised about his survival. What role should that play in our deliberations?

These are all important questions—questions about our tactics in dealing with the Soviet Union. But tactics are one thing and our national safety is another. How do we determine what we can safely do even if the line from Moscow—or indeed the leader in Moscow—changes?

We do it with a cold-eyed analysis of what is truly important—the state of the military threat posed to the United States by the Soviet Union. And that is what I would like to talk to you about today.

The current debate over this threat was joined in earnest on March 1st when CIA Director William Webster testified before the House Armed Services Committee at the same time that Defense Secretary Dick Cheney appeared before a subcommittee of the House Foreign Affairs Committee. Some things they agreed on, some things they disagreed on. In their disagreement lies the very heart of our defense debate this year and the larger issue of the end of the Cold War.

First of all, Cheney and Webster do not disagree about the enormous changes we have seen in 1989 in the Soviet Union and Eastern Europe and the impact these changes have upon the security of the United States. Both of them, for example, would agree that the conventional threat to Europe has changed significantly. The unilateral force reductions ordered by Mr. Gorbachev, the reductions in the armed forces of the Soviet Union's Warsaw Pact allies and the political changes that have gone on in the Eastern European countries have already changed the military situation. The Soviets have already agreed to withdraw their troops from Hungary and Czechoslovakia by mid-1991 and the impending agreement on Conventional Forces in Europe or CFE will reduce the Soviet threat even more. The result is, as both Cheney and Webster would attest, a dramatic and significant reduction in the threat to Europe.

Similarly, both Cheney and Webster would agree that there has been little change in the Soviet Union's strategic forces. The Soviets continue to build more ICBMs, more submarines that carry ballistic missiles and more bombers. However, they do not appear to be building weapons that they would have to destroy under a START agreement and may not be buying as many Blackjack bombers as we once thought. But otherwise, the modernization of their strategic forces continue. Both Cheney and Webster would agree—no change here.

In between these two extremes—enormous changes in Europe and little change in the strategic equation—there have been some changes in Soviet forces in other regional areas, particularly the Indian Ocean and the Far East, and in other parts of the Soviet budget, naval forces for example. And both Cheney and Webster essentially agree on what is going in these areas as well.

However, there is a difference between them when it comes to speculating about what might happen in the Soviet Union itself.

Dick Cheney is famous for being the most pessimistic of President Bush's top advisors about Gorbachev's chances for survival. A year ago he predicted that Gorbachev's reforms would fail and that he would be replaced by someone more hostile to U.S. interests. Since then he has been asked frequently, most recently about a week ago, if he has changed his mind. Cheney said no—and even added that his pessimism had deepened because Gorbachev seemed to be backing away from making radical economic reforms.

Judge Webster sees things differently. First, he believes that Gorbachev is in better shape politically than does Cheney. Second, Webster believes that the real threat to Gorbachev is from those who believe that reform hasn't gone far enough, not those who think it has gone to far. Third, Webster does not reject the possibility that Gorbachev could be turned out of office—even (as Cheney believes) by someone who would be more hostile to U.S. interests.

Projecting Gorbachev's future is a cottage industry in this town. Very often those who would make predictions about it argue that we have to be careful about what we do in arms control and in our defense budget because Gorbachev might not survive. Some defend Cheney's caution about changes in our defense on this ground. Cheney sometimes characterizes the argument this way, himself. But that is not really what the debate should be about.

What Webster said is that regardless of what happens in the Soviet Union, the reduction we have seen in the threat to the West is irreversible in several very important ways. Cheney, on the other hand, thinks that the threat could come back fairly easily, say, for instance, if a hardliner replaced Gorbachev. The critical part of the debate, then, is not over the reversibility of what is going on in the Soviet Union. It is over the reversibility of the reduced threat to the United States.

Cheney thinks a new Joseph Stalin or Leonid Brezhnev could ramp the threat back up again. Webster says it doesn't much matter if a new Joe Stalin shows up, the changes that have swept Eastern Europe cannot be undone: the Eastern European countries have gone their own way politically and, while there might be some backsliding in some countries, the reemergence of pro-Soviet communist regimes throughout Eastern Europe is most unlikely, to say the least.

The Soviet high command used to have direct control over the military forces of Eastern Europe which contributed about 40 percent of the Warsaw Pact's ground forces. Now the Soviet military commander must contemplate fighting his way through Eastern Europe before even reaching NATO. Webster says you can't get that particular Humpty-Dumpty back together again. These changes are pretty much irreversible no matter who rules in Moscow.

Basically, I think that Webster is right—that in some important ways the Soviet

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

threat is reduced irreversibly. But there is more.

Since Webster's testimony on March 1st, there has been additional evidence to support the view that the changes in the threat are not going to be reversed, that change is deeper and even more irreversible than Webster thought.

Fragmentary information is appearing in the papers—and it's backed up by the intelligence community—that the Red Army is in deep trouble—engulfed in the same turmoil that has afflicted Soviet society. The Soviet military is under siege from a host of social problems—including ethnic and political dissent, deteriorating living conditions, separtist activity, a post-Afghanistan syndrome, declining power and status, and emerging generational cleavages—that clearly affect its ability to perform:

—Soldiers, particularly in the Transcaucuses, are deserting their units and joining unofficial "national armies" that are resisting the Soviet security forces.

—Reservists aren't reporting for duty when they are called up and protests forced the Soviet General Staff to cancel a reserve call up last January during the riots in Baku.

—Draft resistance increased last year and may rise sharply this year as results of separatist activity in the Baltics and Transcaucuses.

It seems increasingly evident that the Red Army is in the grip of an institutional crisis.

The House Armed Services Committee asked some of our leading experts on the Soviet military, both outside the government and in the intelligence community, how all this affects the ability of the Red Army to perform as it used to. They agreed that if faced by a credible invasion threat—namely a new Hitler—the Red Army could reconstitute itself quickly.

But using the Red Army outside of Soviet borders would be very difficult, if not impossible in some instances. It took almost a year for the Soviets to mobilize for a possible invasion of Poland in 1980; doing it in 1990 seems out of the question. A full-scale attack on Western Europe or another Afghanistan adventure seem equally improbable.

In addition, some experts noted that doubts about the reliability of the Red Army put significant limits on how it might be used even inside the Soviet Union. They have to be careful about the ethnic composition of the forces they use—for example, last January's occupation of Baku in Azerbaijan.

The growing evidence that the Soviet military is an institution in crisis adds another element of irreversibility to the reduction in the Soviet threat. It affects not just the conventional threat to Europe but the Soviet threat everywhere. An army in the throes of an authority crisis and facing possible disintegration is not a reliable instrument for external aggression.

The debate, then, isn't over whether the reforms inside the Soviet Union can be reversed. They can. The debate is over whether these enormous changes in the threat to the United States can be reversed. The answer is—by and large they can't.

But this isn't the whole story. There are some areas where the Soviet threat has not diminished much, if at all. As I mentioned earlier, for instance, Cheney and Webster were agreed that there had been little change in what the Soviets were doing with their strategic forces.

And strategic forces aren't the only place where Cheney sees no change. The defense secretary recently completed a review of the four major new aircraft programs underway at the Pentagon and reported on his plans for those programs to the House and Senate Armed Services Committees. When he reported, he argued that the Soviet Union would continue, as it has in the past, to invest heavily in air defense weapons, thereby necessitating going ahead with the B-2 because improvements in Soviet air defenses will mean the B-1 can't perform as a penetrating bomber beyond the 1990s. Cheney also predicted that the Soviets would continue to produce new qualitatively better weapons as they had in the past although perhaps with some delay in procurement. For example, he predicted the Soviets would produce new tactical fighers as follow-ons to their Su-27 Flanker and MiG-29 Fulcrum, thus necessitating our continued expenditure on the Advanced Tactical Fighter.

These assertions present us with a different kind of question, a lot toughter kind of question, namely, what are the Soviets going to do in the futue. Will they continue to spend as much on defense as they have in the past? Let's see what we know that bears on that question.

The CIA recently gave its annual report on the state of the Soviet economy. Economic performance in 1989 was "abysmal," the worst since Gorbachev took over, the report said. CIA believes that the near-term prospect of even a modest economic recovery appears to be "remote at best."

According to press accounts, Soviet economists visiting in this country were surprised by the CIA report when it came out. They said the CIA was too optimistic. They said the real Soviet GNP was smaller than that estimated by the CIA, and the percentage that goes to the military was higher than the CIA thought.

Moreover, the Soviet economy in such a fragile state that a severe shock—such as ethnic unrest or prolonged labor strikes in key economic areas, both of which seem likely—could cause the economy to deteriorate sharply.

To compound the problem, Gorbachev has backed away from necessary reforms. After pushing through political measures that greatly enhanced his power, Gorbachev developed a set of radical economic measures that he presented to his Presidential Council for discussion. He decided the risk of social unrest was too great and instead ordered some watered-down reforms that will fail just as they did in the past. The Soviet economy is collapsing and it doesn't look like Gorbachev can turn it around.

Bad news for the Soviet economy is good news for American security. I listen to what the intelligence services say about the state of the Soviet economy and don't see how Moscow can spend the billions of rubles on defense that Cheney says they will. Cheney listens to them and says the follow-on aircraft might be deployed a couple of years late. I am deeply skeptical.

It's not just billions of rubles we are talking about. Scientists, engineers and other technical people are also in short supply and can only support so many initiatives. If its talented workers, and its limited computer and other resources continue to be dedicated chiefly to defense, it will have to pass up desperately needed improvements in the civilian economy.

And just how was outlined by the CIA which put it in these words:

"Soviet economic performance was abysmal in 1989—the worst since Gorbachev took over. . . Widespread breakdowns in transportation and distribution interfered with the delivery of output to both producers and consumers. The vital energy sector led the downturn in industry; for the first time since the 1940s. Total energy production fell compared to the previous year." End quote.

Next year the Soviets will start on another five-year plan. Gorbachev knows that in the absence of radical reforms his principal hope on the economic front is to shift more resources from defense to civilian uses. I think it is possible we will see cutbacks in areas—such as air defenses, aircraft carriers and even strategic forces—that will be significant and add another element of irreversibility to the declining Soviet threat.

If this happens, Cheney's arguments for such weapons as the B-2 and the advanced tactical fighter will be sharply undercut.

So, the real debate we should be having this year is not about whether Moscow is taking a harder line for the moment. It's not even about whether Gorbachev and his reforms will succeed, although we hope they do for the sake of the Soviet people. Our arms control agreements and the steps we take in our defense budget have to outlive today's negotiating posture and even today's Kremlin leader. Our national security is for keeps.

That's why the real debate is over the real threat we face today and about how quickly it could change. It's more than an academic argument. How we decide it will determine what we do in the 1991 defense budget. The worst thing we can do is spend too little on defense. The next worse thing we can do is spend too much. We have it get it right.

From the preceding, we already know something we can do. The threat to the United States' allies and interests in Europe is greatly diminished and it isn't coming back. We can cut there.

We know the Soviets have so far continued to modernize their strategic nuclear arsenal. For the time being, we have to negotiate those weapons down. They haven't started giving strategic systems away yet. So we should definitely go ahead with this arms control summit. If we're worried about changes in Moscow—in both policy and personnel—we're better off with an agreement that will be binding on the next regime.

On the question of what we should do next with our new generation of sophisticated weapons such as the aircraft Cheney discussed we should be less sure. As I said, I'm deeply skeptical about his prediction that the Soviets will press ahead with two new fighter planes and enormously expensive new air defenses.

But even those who aren't that skeptical should agree that this may not be the time for us to press ahead full bore with our matching modernization. With the terrible economic troubles facing the Soviet Union, its new five year plan may have some surprises in it at the expense of the Soviet military. It just might be worth waiting a while to find out.

TRIBUTE TO STANLEY K. SHEINBAUM

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 11, 1990

Mr. EDWARDS of California. Mr. Speaker, on Tuesday, June 12, Stanely K. Sheinbaum will be honored at a benefit for Human Rights Watch on the occasion of his 70th birthday. His devoted efforts over many years in defense of civil liberties and on behalf of peace and justice around the world certainly make him the logical choice for this tribute.

But it is perhaps typical of Stanley, that his special evening will also serve as a fundraising benefit for Human Rights Watch, a group with which he has been associated since 1981 and whose California chapter he has chaired since 1987. After all, why waste a perfectly good birthday, when you can put it to work for a good cause?

Stanley has been a long time good friend of so many of us here in this Chamber. I know my colleagues join me in offering hearty best wishes for his 70th birthday.

I thought my colleagues might enjoy seeing one of the tributes that will be paid to him on his special night. Those remarks, by Richard Parker, follow:

SO, TELL ME, WHAT EXACTLY HAS SHEINBAUM DONE TO DESERVE THIS?

(By Richard Parker)

It was past midnight, and I was sound asleep when the phone rang. "Pawkah" was the first word I heard, but it told me instantly who was calling. Who else could kidnap the two "r"s in the name "Parker" so easily? By the time I heard "I gotta tawk ta ya", I barely noticed than an "I", an "a", an "o" and a "u" had all been taken hostage too. I knew though—even before the voice told me—that this was "impawhtant".

It was Stanley. I don't remember where he was calling from—it might have been a plane at 40,000 feet, or a car rushing somewhere at 60 miles an hour, or some remote part of the globe where most people don't make even local calls. Nor do I recall now why this particular call was "impawhtant"—but it was, and it propelled me into sudden and frantic activity.

It's been like that for more than 20 years now—the phone will ring, and "Pawkah, I gotta tawk ta ya" will launch me into some new responsibility or adventure. Many of you have gotten the same call, with that same unmistakable voice at the other end of the line—and, if you're like me, you greet it as a sort of wake-up call from life.

Mark Twain once observed that he tried to act by a simple credo. "Do the right thing", he said. "This will satisfy some people, and astonish the rest". Stanley has been satisfying and astonishing people as long as I've known him. In the Sixties, it was by recognizing early on the horror and stupidity of the Vietnam War—and saying so publicly and forcefully, while too many peers were still calibrating their timorous doubts and concerns. He wrote for, and bankrolled, Ramparts in its assaults on the period's conventional wisdom. He ran for Congress twice—a full-fledged member of Lyndon Johnson's party, and a full-out opponent of the President's Asian war. He went to Chicago in the summer of 1968—and voted his heart, as a "Clean for Gene" McCarthy delegate.

In the Seventies, he took on Nixon, Kissinger & Co., as head of the Pentagon Papers defense team—an act, I told him then, meant only to prove he was bipartisan. In truth, his willingnes to do right, by its victory, served notice on those who sought not only to perpetuate an evil war, but to compromise our basic rights to privacy and a free press as well.

A peer of his might have called it the Seventh Day, and rested—but not Stanley. The Pentagon Papers drove home for him just how deeply threatened our Bill of Rights was, nearly two centuries after its creation, and how deeply justice cried out for its defense. So it was on to the ACLU, and its Southern California chairmanship—and to the Committee for Public Justice, the Legal Defense Center, the Bill of Rights Foundation, the Center for Law in the Public Interest, and the Clarence Darrow Foundation, just for good measure.

But justice requires, for its success, a populace schooled in liberty's rights—and obligations. So in addition to his other responsibilities, Stanley signed on as a Regent of the University of California—and as a fellow of the Scientists Institute for Public Information, a director of the Council on Economic Priorities, a founder of Energy Action, a trustee of the Federation of American Scientists, and a commissioner of the California Postsecondary Education Commission.

And still no seventh day of rest. There was the planet to worry about—and eight years of Reagan to contend with. So it was on to service with People for the American Way, Human Rights Watch, the International Center for Peace in the Middle East, Common Cause. And of course word needed to be gotten out on all these issues—so a magazine was needed to be started, New Perspectives, with Stanley as publisher (the fifth or sixth he's been involved with, depending on who's counting).

Then there are the arts. Apart from assembling with his wife, Betty, their extraordinary collection of modern painting and sculpture (from Calder to deKooning), Stanley found time to chair the LA Music Center's Dance Committee—a fact that led one of his more purely political friends to moan, "Now when Sheinbaum calls, I don't know whether it's for Tutu or the tutus".

Why is it that we have all gathered here tonight to acknowledge and praise this quite remarkable man? At 70, most men would expect such a gathering to include a gold watch, a pat on the back and wishes for a pleasant retirement. But who among us—least of all Stanley—could think about retiring this national treasure, when he was so much yet to give, and the world offers so much yet to do?

Instead, I'd like to imagine we're here, recalling the night when Jack Kennedy gathered a hundred Nobel Laureates at the White House, and told them that never had the place held so much intelligence—save when Jefferson dined alone. In my mind, we've gathered tonight to show Los Angeles that in this town never has so much intelligence, wit and commitment been assembled in one room—save when Stanley works the phones alone.

Socrates once said he was the wisest of men, because he knew nothing—but I think you and I can go the old philosopher one better. We are the more blessed of men and women, because we know Stanley. Watching and working with him, we have learned what energy, devotion and vision can do in an often dark and despairing world. Through him, we have seen what Mark Twain meant to "do right"—and have been thereby not just "satisfied and astonished", but learned again the greater ability to do right ourselves.

If you asked him, Stanley would probably tell you knowing that was the best birthday gift of all.

ROBERT N. NOYCE

HON. TOM CAMPBELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 11, 1990

Mr. CAMPBELL of California. Mr. Speaker, the history of American ingenuity and entrepreneurship includes great names like Eli Whitney, Thomas Edison, and Henry Ford. Robert N. Noyce, who died Sunday, June 3, of a heart attack, belongs on this list as well.

In 1959, Robert Noyce coinvented the integrated circuit, also known as the microchip. The integrated circuit—which harnessed the tremendous power of semiconductors into practical use—was the catalyst for the electronics revolution. It became the building block for products like personal computers, calculators, and programmable digital watches. Like the Model T and the light bulb, the microchip helped America change the world.

Robert Noyce's contribution did not end with his invention. In 1968, Mr. Noyce helped found the Intel Corp., where he developed a method to build computer memories on semiconductor chips. Not only gifted with a brilliant scientific mind, Mr. Noyce was also a skilled manager who became a leader in commercializing the technologies his research made possible. He was also a forceful advocate for the electronics industry in Washington, receiving national awards in science and technology from Presidents Carter and Reagan. This February, he received the Charles Stark Draper Award from President Bush.

Mr. Noyce's most recent endeavor, which occupied him until the time of his death, was his work as president of Sematech. Sematech was founded in 1988 as a government-industry consortium to revitalize America's chipmaking. The future success of Sematech will be the result of Mr. Noyce's foundation.

In addition to all the foregoing, and so many other accomplishments, Bob Noyce was a good man. He was unassuming, never intimidating another through the impressive power of his mind. He was curious about everything and devoted to constructive analysis. His approach was always that of the problem solver, rather than the cynic; and the result is a host of achievements far beyond the technical areas of electronics.

Mr. Speaker, Robert Noyce's ingenuity and entrepreneurship have transformed the world. He was also a kind man, whose humility was as great as his genius. America is the richer for his life, and the poorer for his passing.

DON'T USE A SLEDGEHAMMER ON OUR DEFENSE FORCES

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 11, 1990

Mr. CRANE. Mr. Speaker, I am increasingly worried about the surface level analysis we are seeing today concerning our Nation's defense needs. For one to believe that war, in its many forms, has become obsolete in today's world in quite obviously incorrect. However, it seems that this is the strong belief of proponents of a peace-dividend. Short-run, quick-fix policies are often popular political maneuvers, but seldom prove to be the correct response in a given situation.

Sir Issac Newton once said that "every action has an equal and opposite reaction". Taking action without careful consideration of such reactions is foolhardy and very dangerous. One need only consider nations such as Iraq and Syria who maintain substantial forces equipped with the most advanced weaponry to realize the need for a continued strong defense. Furthermore, the fact that unrest is still prevalent throughout Eastern Europe, as is evidenced by the turmoil in Lithuania as well as the outcome of the recent fraudulent elections in Romania, is reason enough to think twice before we take a sledgehammer to our defense programs.

History has proven again and again the foolish nature of hastily implemented policies. To quote from his essay entitled, "Don't Cash the Peace Dividend," which appeared in the March 26 issue of Time, Mr. Charles Krauthammer states, "We are once again in the grip of post war euphoria, and our instinct is to do what we have always done: demobilize first, ask questions later." We cannot afford to allow ourselves to become victims of post cold-war euphoria, and permit our Nation to follow the policies of immediate demobilization in the face of real potential threats around the globe. I strongly urge my colleagues to read the following article entitled, "Don't use a Sledgehammer on our Defense Forces" by F. Andy Messing, Jr.

[From the Los Angeles Times, Feb. 21, 1990]

DON'T USE A SLEDGEHAMMER ON OUR DEFENSE FORCES

(By F. Andy Messing, Jr.)

In a preemptive move, Secretary of Defense Dick Cheney announced a "streamlining" of the U.S. military, theoretically to save $39 billion. He had previously ordered the defense Establishment to reduce spending by $180 billion over a three-year period. Now President Bush is planning troop cutbacks. These are opening plays in a football game between the Administration and Congress—a game designed to take advantage of the temporary aberration caused by the greatest geopolitical reorganization since World War II. But the players are not focusing on certain vectors that will eventually converge and how to handle them.

From 1946 to 1956, Japan and Germany rebuilt their states with the help of countries that were instruments of their defeat. In that period, the world saw these nations rebound and become stable. Then, between 1957 and 1970, they became serious competitors in the world marketplace. After 1971, they became superpowers.

Today we see an analogous situation: The West is starting to rebuild the Soviet Union and the East Bloc. But it will not take the Soviets as long to recover. The Soviets' natural resources, technological advances and taste for a better life will make their rebound possible, amazing even their most cynical detractors.

The only major difference today from 40 years ago is that both the Japanese and German military-industrial complexes were destroyed and then restricted. But the military-industrial complex of the Soviet Union will still be intact, commanding about one-quarter of gross national product. Keeping in mind that President Mikhail S. Gorbachev may not have real control over his military, much less be able to retain power, one can safely assume that the Soviet military institution will promote its own agenda. Careful moves will enable it to survive an initial contraction and flourish as the economic transformation occurs, thanks to Western investment. Mutant forces—in Cuba, Vietnam, Angola and other areas—will emulate this model, generating their own turmoil. This will contribute to conflict aimed at the Free World for decades to come.

The expanding world population, with its depletion of our environment and resources, is another vector generating conflict. The population of our planet is 5.3 billion and growing exponentially. This crowding will replicate the psychology experiment demonstrating how two mice in a grocery box with an ounce of cheese are friendly, 20 under the same conditions are feisty and 200 murderous. The competition for markets, resources and trade routes will in itself generate turmoil.

Furthermore, the idea that war will become obsolete, as predicted by the authors of "Megatrends 2000," especially when the drug and terrorism vectors are considered, is unfortunately ridiculous. The notion that the level of intensity will decrease is pure fantasy, because the proliferation of nuclear, biological and chemical weapons is on the increase.

As the world reels under an average of 30 wars a year, our leaders are auctioning off our constitutionally mandated defense Establishment for a "peace dividend" that is shortsighted compared to the consequences. The remaining hollow shell, if not directed toward these specific, expanding threats, will eventually prove as rigid as the French military was in the late '30s.

Our President and military leaders, when cutting defense spending, should not be tempted to use a sledgehammer when they can use a scalpel. Accordingly, there must be selective use of Special Operation Forces to keep violence at its lowest level. Conventional brute force will be too expensive in terms of manpower, political risk and resources for the increasing and frequent small conflicts around the world. It should be saved and used only when appropriate, with Congress supporting this concept.

Cheney must not focus on a cheaper version of the same old military with the same antiquated insights. He has to reorient and redesign our defense Establishment to meet these multidimensional threats with the resources to do the job of protecting America.

THE 60TH ANNIVERSARY OF THE PORT WASHINGTON, LONG ISLAND, CHAMBER OF COMMERCE

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 11, 1990

Mr. MRAZEK. Mr. Speaker, on June 13 the Port Washington, Long Island, Chamber of Commerce will celebrate its 60th anniversary as a nonprofit organization dedicated to serving the commercial, industrial, civic and general interests of the Port Washington community. I call the attention of my colleagues to this milestone and commend the Port Washington Chamber of Commerce for its contributions to the quality of life on Long Island.

Since its inception in 1930, the Port Washington Chamber of Commerce has taken an active and visible role in promoting the community. The organization distributed postal covers to commemorate the town's distinction as point of origin for the first mail flight to Bermuda. Later, the occasion of the first passenger flight to Europe saw chamber-organized ceremonies draw 5,000 spectators to see off the Pan Am Yankee Clipper.

In recent years, the chamber has continued its support of the community. It is involved in a campaign to protect and enhance the community's waterways and waterfront. It lobbied successfully for the enforcement of no-discharge regulations in Manhasset Bay and for the installation of pumpout stations at the town of North Hempstead dock and a local marina. It is lending its support to the revitalization of the town's central business district and to the alleviation of parking problems in the town, and serves as a leading participant in the Port Washington Child Care Partnership to bring improved child care services to working parents.

At a dinner dance on June 13, the chamber will install its 60th anniversary officers and board of directors, Mr. Speaker. It also will bestow its Distinguished Community Service Award on Andrea Martone, a longtime Port Washington resident and the editor of the Port Washington News.

Mr. Speaker, the business leaders, professionals and residents who make up the Port Washington Chamber of Commerce deserve a special commendation for their community activism and for continuing a spirit of voluntarism for the community that has been a hallmark of the organization for 60 years. I'm sure my colleagues join with me today in saluting the Port Washington Chamber of Commerce for its good works, and I wish the organization further successes in the future.

IN SUPPORT OF PASSAGE OF THE EXPORT ADMINISTRATION ACT AND CONGRESSMAN LEVINE'S AMENDMENT

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 11, 1990

Mr. FALEOMAVAEGA. Mr. Speaker, I join my colleagues in support of passage of the Export Administration Act and the inclusion of Congressman LEVINE's amendment to control the export of crude oil from California.

Mr. Speaker, I support Congressman LEVINE's amendment to the Export Administration Act. Export controls on Alaska and California crude oil affect much of the Nation and especially my territory because our prices for petroleum products are tied to prices on the west coast. Current export restrictions assure that our domestic suppliers have adequate local crude oil for their refineries. If a change in export policy causes these refiners to suffer a reduced supply of their preferred local feedstock, the result could likely be processing inefficiency, higher raw material costs, and higher consumer prices for finished petroleum products.

Like other areas of the country, the economy and people of my territory rely on petroleum products for nearly all our energy needs. We have no access to nuclear or hydroelectric power, and coal is not a feasible substitute for petroleum. In addition to gasoline and diesel used by our cars and trucks, our commercial fishing fleet and air carriers require large amounts of distillate fuels. We also rely on diesel fuel for electrical power generation.

I am, therefore, concerned that export of domestic crude oil could put upward pressure on prices for petroleum products in American Samoa.

Mr. Speaker, for these reasons, I support the amendment as introduced by my colleague Congressman LEVINE.

EVARTS HIGH SCHOOL SETS THE PACE IN EDUCATION

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 11, 1990

Mr. ROGERS. Mr. Speaker, Evarts High School in Harlan County, KY, is setting trends in education that other schools across the Nation would do well to emulate.

Two years ago, the Prichard Committee for Academic Excellence chose Evarts High and seven other Kentucky schools to participate in a grand experiment. The Prichard project, as it has come to be known, encourages schools to begin the school year with a clean slate. A new classroom structure. New and innovative classes, many specially designed to meet the needs of Appalachian students. New opportunities for teachers to share their unique and underutilized talents with their school.

The Prichard project works from one fundamental principle: motivation. Teachers, administrators, students, parents, and the local business community have been enlisted to build an Appalachian school they can all be proud of.

And they have every right to be proud. Teachers and students alike are thriving at Evarts High School. Test scores are up. Interest in classes, and old-fashioned school spirit have never been higher. All just two semesters after the Prichard program took effect.

I applaud Evarts High School and the community which it serves for participating in the Prichard project. The whole Evarts community will surely see further success in the second year of the project, because the Prichard committee has provided a sound plan, and dedicated legions of students, faculty, administrators, and parents at Evarts High School have put the program to work.

STUDENTS GATHER FOR NATIONAL HISTORY DAY COMPETITION

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 11, 1990

Mr. MAZZOLI. Mr. Speaker, a different kind of summit is taking place this week in the Washington area. It won't be attended by the leader of the Soviet Union or the President of the United States—at least not yet. But, it most certainly will have in attendance a great number of tomorrow's leaders. I am describing the National History Day competition being held this week on the campus of the University of Maryland at College Park.

From all across the United States, young men and women will showcase their scholarship, research, and intellectual curiosity in a variety of historical project presentations. The students gathering here have already successfully competed at the school, local, and State levels. They are winners in every sense of the word.

I am glad to see the National History Day competition provide such a forum for encouraging scholastic achievements by our youth. A study of history can reveal invaluable lessons toward a better understanding of our culture, our society, and our world.

It seems a particularly appropriate endeavor for the students of this generation to be engaged in historical research. So many changes are sweeping the historical landscape. Each and every day provides new perspectives on what the future may bring. The world these distinguished young scholars inherit will be quite a different one than the world we Members deal with daily.

I am very pleased and proud that so many talented young students from my home district of Louisville and Jefferson County are participating in this year's competition. From St. Edward's School we have: Kelly Demaree, Carrie Gandenberger, Teresa Seewer, Mary Wheeler, and Melissa Franconia. And, from St. Stephen Martyr School we have: Jude Stuecker, Kenzie Kapp, Suzanne Mangino, and Sally Bryan. Competing from Southern High School is Eric Kraus; from Kammerer Middle School, David Anderson; and, from Sacred Heart Model School, Lauren Hammann.

I salute all of these fine representatives of Louisville and Jefferson County—winners all—who have distinguished themselves and shown remarkable intellectual and creative talents in their study of history. Their achievements reflect highly on the guidance of their parents and teachers and certainly bode well for their success in life.

A TRIBUTE TO GRIMSLEY WHIRLIES

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 11, 1990

Mr. COBLE. Mr. Speaker, around the rest of the world it is known as football. In the United States it is called soccer. Soccer is becoming increasingly popular among our youth. Also, the caliber of play is improving as more and more youngsters try their hand—or should I say foot—at soccer.

Because more people are playing and the quality of the game is improving, that makes what happened on June 2, 1990, even more impressive. North Carolina, which is becoming nationally known for its youth soccer enthusiasts, crowned a new State high school girls' champion on June 2. That championship team calls the Sixth District home, and all of us who live there are proud to say that Grimsley High School of Greensboro is the 1990 North Carolina girls' soccer champions.

The Grimsley Whirlies defeated Sanderson High School of Raleigh 1 to 0 to capture the statewide crown. Grimsley's Millicent Thornton kicked in the only goal of the game with 55 minutes left to play, and goalkeeper Mia Speckman and the rest of the Whirlies made that goal stand up. It was truly a team effort. In addition to Thornton and Speckman, congratulations should go to Kim Woodell, who assisted on the only goal and was named as the game's most valuable player; sweeper Susie Williams who blocked what appeared to be a sure-fire goal; and every member of the Grimsley squad: Margaret Brown, Tracy Coble, Duren Cowan, Erin Everton, Debbie Forrester, Karen Forrester, Jennie Haines, Stephanie Jay, Katie Hess, Jan Johnson, Amy Martin, Mary Milligan, Robyn Osborne, Emily Pifer, Tina Pifer, Chris Reynolds, Juli Sherbon, Megan Sural, Emily Wickline, and Anne Wood. Thanks also go to trainer Rob Simons and scorekeepers Jarrett Franklin, Todd Pascarella, and Brian Merrill.

This championship was particularly sweet for Coach Herk DeGraw. It was the Grimsley coach's first State title in four tries—two with the Grimsley girls and two with the boys. The championship was Grimsley's first after advancing to the semifinals five times in the State tournament's first 5 years of existence. Congratulations to Herk DeGraw and Assistant Coach Sidonie Lysiak for clearing that final hurdle and bringing home the crown. Director of Athletics Robert Sawyer also deserves praise for overseeing an outstanding program at Grimsley.

On behalf of the citizens of the Sixth District of North Carolina, congratulations to the Whir-

lies of Grimsley—the 1990 North Carolina high school girls' soccer champions.

POLK COUNTY DRUG-FREE SCHOOL PROGRAM WINNERS

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 11, 1990

Mr. IRELAND. Mr. Speaker, I rise to commend two schools in Polk County, FL—part of the 10th District which I represent—for being named as winners in the U.S. Secretary of Education's 1989-90 Drug-Free School Recognition Program. I am especially proud to note that Frostproof Junior Senior High School and Haines City High School are two of 51 schools selected out of 261 nominations nationwide for their efforts to create and maintain a drug-free environment for their students.

Now in its third year, this Drug-Free School Program honors schools that substantially reduce alcohol, tobacco, and other drug use among students. As winners, Frostproof Junior Senior High and Haines City High have set clear no-use drug policies. They have established enforcement procedures for upholding this policy, and have provided their students with an ongoing plan to remain or become drug free.

Today, representatives from both these schools are participating in a Rose Garden ceremony at the White House where President Bush will honor the 51 winning schools from across the country.

The Frostproof Junior Senior High Program stresses drug prevention activities. Students, faculty, parents, and staff work together to provide outreach and information on staying drug free. One hundred percent of their student body is involved in some aspect of the program, which teaches self-confidence and self-awareness as the most important aspect of preventing drug abuse. And the program doesn't stop with the end of the schoolday. Frostproof parents logged over 1,228 hours of volunteer service this past year, advancing the drug-free message. The program is run in cooperation with local law enforcement agencies, who meet each fall with students and provide various presentations in the school.

Haines City High School's Drug-Free Program involves all aspects of the community in working toward the goal of making—and keeping—Haines City's students drug free. Through community awareness programs at the local chamber of commerce, health fairs at area shopping malls, community forums for at-risk youth, student focus groups, and other community activities, Haines City promotes its drug-free message. Parent involvement is strong in this program, with some 7,000 volunteer hours logged last year in drug-free activities. The Polk County Sheriff's Department and Haines City Police Department support the program through speeches, security and crowd control activities, and special programs.

We as a Nation have declared war on the drugs and drug-related crime that jeopardizes our children and our communities. We know that education is our most valuable defense against this national scourge. With the programs developed by Frostproof Junior Senior High, Haines City High, and other schools across the country that care about America's future, we are winning the war on drugs. These schools provide us with hard evidence that it can be done, one community at a time. I am proud to represent these students, faculty, staff, parents, and community leaders in the U.S. House of Representatives.

A TRIBUTE TO DR. THOMAS ELLIOT JETER

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 11, 1990

Mr. CLAY. Mr. Speaker, on June 23, 1990, the American Heart Association, at its 42d, annual meeting, will recognize the exceptional contributions of one of its Washington area members, Dr. Thomas Elliot Jeter. Dr. Jeter, associate professor of oral and maxillofcial surgery, will be conferred the Louis B. Russell, Jr. Memorial Award for his outstanding achievements in promoting minority health care.

Dr. Jeter's association with the American Heart Association began with his participation in cardiac life support at Howard and Georgetown Universities. Since then, he has been instrumental in the development of the Nation's Capital affiliate of the American Heart Association through education and community programs providing for the underserved, low income, black, and other minority communities in the District of Columbia. In 1980, he initiated programs in the junior and senior high schools to teach black students the critical nature of hypertension among black Americans. He also helped establish the first programs of basic cardiac life support at Howard University. In 1984, Dr. Jeter was recognized by Congress for his pivotal role in training 10,000 Federal employees in the Federal employees pyramid for CPR. At the beginning of this year, he established four community-based American Heart Association health facilities.

As a result of Dr. Jeter's commitment to community involvement, the National Capital affiliate has thrived and flourished. Approximately 40 minority volunteers have been recruited. As of 1989, 28 percent of the affiliate leadership was composed of minorities and this percentage is expected to increase. The affiliate has also established two new fully functioning divisions, each composed primarily of a minority population.

Dr. Jeter has served on the American Association of Hospital Dentists—the American Dental Association, the American Association of Oral and Maxillofacial Surgeons, the National Dental Association, and various other community organizations. He has also been the recipient of several service awards, including the AHA Community Involvement Award, Volunteer of the Year Award, and the J.B. Johnson Community Organization Award.

Dr. Jeter recently said in the Nation's Capital affiliate newsletter, "Bringing programs and services to the people who need them and working to effectively improve their options for a better, healthier life has been a driving force in my life." Dr. Jeter's visionary work has advanced the mission of the American Heart Association among a population with substantial need. He certainly deserves to be honored for his tremendous commitment to improving health care services in the minority community. I congratulate Dr. Thomas Jeter on this very special occasion.

TRIBUTE TO DOROTHY G. WOODWORTH AND MARGE VASU

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 11, 1990

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Dorothy Woodworth and Marge Vasu, two of the many dilligent and hard working volunteers for the Arms Museum/Mahoning Valley Historical Society in my 17th Congressional District of Ohio.

Mrs. Woodworth started working at the Arms Museum in 1974. Since then, she has generously donated her time to projects ranging from acquiring the hats of the original proprietor to storing and repairing the museum's costume and textile collections. Since 1976, Dorothy has been an active member of the museum's board of trustees.

Marge Vasu began volunteering her time to the Museum in 1984, when the Historical Society needed her expertise, gained from a 23 year teaching career, to help setup a new computer system. She has been with the society ever since, manning the computers, and logging hundreds of hours setting up files, automating the mailing system, and storing the society's long range plan.

Without volunteers such as these, many small, but infinitely important organizations like the Mahoning Valley Historical Society would never be able to function. These organizations which are often overlooked when compared with the larger, nationwide groups, provide many services, and perhaps more importantly, a sense of community spirit otherwise lacking in many places.

These two fine citizens, Dorothy Woodworth and Marge Vasu, are excellent representatives of the volunteering spirit which keeps these organizations afloat. I would like to commend them and state that I am proud to have them as my constituents.

HONORING SCHOLASTIC EXCELLENCE

HON. C. CHRISTOPHER COX

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 11, 1990

Mr. COX. Mr. Speaker, I rise today to pay tribute to a group of truly remarkable students from Laguna Hills High School in Laguna Hills, CA, who recently completed a decathlon. They weren't running in a track meet or throwing the javelin or attempting the high jump, but they spent hundreds of hours after school, on

weekends and during their vacations training for this contest. There nine young men—six seniors and three juniors—were victors in a decathlon for the mind. Last month, these Luguana Hills students placed second in the ation in the 1990 U.S. Academic Decathlon.

The Laguna Hills squad began their quest by winning the Orange County and California State academic decathlon championships. In the national finals held last month in Des Moines, they finished less than 1 percent behind the first place team. One student, Bill Fischer, finished first in this division.

Each of the young men on the team is winner. Because of their commitment to excellence and their willingness to endure sacrifices, they were able to bring home more than $7,000 in scholarship money, more than any other team. In fact, the team captain, Jeff McCombs, was awarded a 5-year scholarship to one of the finest schools in America—and my alma mater—the University of Southern California.

Mr. Speaker, I am sure the Congress will join me in honoring these fine young men from Laguna Hills and their coaches, Roger Gunderson and Kathy Lane, who were named "Teachers of the Year" by the Orange County Chamber of Commerce for their success. Congratulations for a job well done to:

Jeff McCombs, senior and team captain.
Mike Lee, senior.
Jack Dietz, senior and scholarship winner.
Julian Kingston, senior and scholarship winner.
Bill Fischer, senior.
Jeff DeWitt, senior.
Jay Kim, junior and scholarship winner.
Ryan Sakamoto, junior.
Todd Faurot, junior.

TRIBUTE TO LARRY AND GINNY WELSH ON THE OCCASION OF THEIR 50TH WEDDING ANNIVERSARY

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 11, 1990

Mr. FOGLIETTA. Mr. Speaker, I rise today to honor a couple who have recently reached one of our society's most cherished milestones, their 50th wedding anniversary. When Lawrence F. Welsh took his vows with Virginia R. Nyer before Father Frank Mealey at 11 a.m. on May 29, 1940, in St. Edwards Church in Philadelphia, I am sure that both of them hoped for a long and prosperous marriage. God has blessed them and they have shared their lives for these past 50 years. Larry started a long career with the Postal Service as an inspector in Philadelphia. The training and experience he gained in the Philadelphia area held him in good stead since he went on to become the Assistant Postmaster in Cape May, NJ, where they reside today. The Welsh family is renowned in Cape May for its friendly, neighborly Irish hospitality and its concern for the community. They have become a part of the fabric of that beautiful community by the sea.

The Welsh's marriage has been blessed with four children—Pat, Sharon, Mike, and Terry—as well as 12 grandchildren and four great grandchildren.

JEANNETTE HONORS CLARKSON

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 11, 1990

Mr. MURTHA. Mr. Speaker, on May 27, the city of Jeannette, PA, held a ceremony to honor one of their citizens whose athletic career took him from Jeannette to a career in the Negro Baseball League and a brief appearance with the Boston Braves.

James (Buster) Clarkson was a baseball, football, and basketball star at Jeannette High School. He then went on to star at Wilberforce College, and from there signed to play in the Negro Baseball League. Buster was an outstanding player for the Philadelphia Stars in the days before Jackie Robinson broke the color barrier in 1947. Buster then moved into the Boston Braves' farm system, and was called to the majors in 1952. At the age of 36, this was his only major league season, but he continued to scout for the St. Louis Cardinals after his playing days were over.

Buster Clarkson passed away on January 18, 1989. His contributions to Jeannette and to Little League Baseball in Jeannette have been recognized by the citizens of the city by the placement of a memorial marker and the renaming of the West Jeannette Ballfield as the Buster Clarkson Field. I would like to recognize the achievements of Buster Clarkson, and congratulate the citizens of Jeannette on their recognition of Buster. His memory is an inspiration to all the Little Leaguers who will step on Buster Clarkson Field in Jeannette and dream of one day following him to the major leagues.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, June 12, 1990, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 13

9:30 a.m.

Armed Services

Defense Industry and Technology Subcommittee

To resume hearings on S. 2171, authorizing funds for fiscal year 1991 for military functions of the Department of Defense and to prescribe personnel levels for fiscal year 1991, focusing on implementation of the defense management report, and S. 2440, to revise certain provisions of law that affect the operations and management of the Department of Defense in the areas of military personnel, acquisition reform, civilian personnel management, and for real property.

SR-232A

Commerce, Science, and Transportation

Communications Subcommittee

To hold hearings on S. 2358, providing U.S. consumers the opportunity to enjoy the technological advancement in sound recording by use of digital audio tape recorders.

SR-253

Governmental Affairs

Oversight of Government Management Subcommittee

To hold oversight hearings to review U.S. progress in the implementation of the U.S.-Canada Great Lakes Water Quality Agreement.

SD-342

Rules and Administration

Business meeting, to consider proposed legislation authorizing funds for fiscal year 1991 for the Federal Election Commission, proposed legislation providing for the management of Senate official mail, proposed legislation authorizing the purchase of 1991 "We the People" calendars for the use of the Senate, and other pending calendar business.

SR-301

10:00 a.m.

Banking, Housing, and Urban Affairs

To hold hearings to examine financial service developments in Europe and Japan in relation to modernizing the American financial services industry.

SD-538

Foreign Relations

To hold hearings on the nominations of Roger G. Harrison, of Colorado, to be Ambassador to the Hashemite Kingdom of Jordan, and William B. Milam, of California, to be Ambassador to the People's Republic of Bangladesh.

SD-419

Labor and Human Resources

Education, Arts, and Humanities Subcommittee

Business meeting, to mark up S. 1676, to direct the Secretary of Education to repay part of the student loans of teachers in certain school districts with high percentages of low-income children in an effort to strengthen the teaching profession, S. Con. Res. 123, to encourage State and local governments and local educational agencies to adopt a comprehensive curricular program which provides elementary and secondary students with a thorough knowledge of the history and principles of the Constitution and the Bill of Rights and which fosters civic competence and responsibility, and

proposed legislation authorizing funds for the National Foundation for the Arts and Humanities Act.
SD-430

1:30 p.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Olin L. Greene, Jr., of Oregon, to be Administrator of the United States Fire Administration, Federal Emergency Management Agency.
SR-253

2:00 p.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on S. 1884, to establish a Bureau of Recyclable Commodities within the Department of Commerce to promote the use of recycled materials derived from municipal refuse.
SR-253

Foreign Relations
To hold hearings on the nominations of Richard W. Bogosian, of Maryland, to be Ambassador to the Republic of Chad, David Passage, of North Carolina, to be Ambassador to the Republic of Botswana, and James D. Phillips, of Kansas, to be Ambassador to the People's Republic of the Congo.
SD-419

JUNE 14

8:30 a.m.
Veterans Affairs
To hold hearings on title II and section 402 of S. 2100, relating to veterans physician pay and health issues, S. 1860, to require the Secretary of Veterans Affairs to furnish outpatient medical services for any disability of a former prisoner of war, S. 2455, to provide for recovery by the U.S. of the cost of medical care and services furnished for a nonservice-connected disability, S. 2456, to extend expiring laws authorizing the Department of Veterans Affairs to contract for needed care and to revise authority to furnish outpatient dental care, and other proposed legislation.
SR-418

9:00 a.m.
Armed Services
To hold hearings on the nomination of Admiral Frank B. Kelso, II, USN, to be Chief of Naval Operations.
SR-222

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on proposed legislation authorizing funds for the National Oceanic and Atmospheric Administration's ocean and coastal programs.
SR-253

Governmental Affairs
To hold hearings on S. 1951, to promote interagency cooperation in the area of science, mathematics, and technology education.
SD-342

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold oversight hearings on the competitive position of American industry in the world economy and methods to improve it.
SD-538

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Joint Economic
To hold hearings to review the official definition of poverty, focusing on whether the Census Bureau's formula for measuring poverty needs to be updated.
340 Cannon Building

1:00 p.m.
Joint Economic
Education and Health Subcommittee
To hold hearings on strategies to better prepare non-college bound youth for the transition from school to the work force.
340 Cannon Building

2:00 p.m.
Armed Services
Strategic Forces and Nuclear Deterrence Subcommittee
To hold closed hearings to review the interim report by the Independent Review Group on the B-2 Bomber.
S-407, Capitol

Commerce, Science, and Transportation
To hold hearings on the nomination of Ming Hsu, of New Jersey, to be a Commissioner of the Federal Maritime Commission.
SR-253

Foreign Relations
To hold hearings on the Income Tax Convention with Spain (Treaty Doc. 101-16), Tax Convention with the Republic of Finland (Treaty Doc. 101-11), Tax Convention with the Federal Republic of Germany (Treaty Doc. 101-10), Supplementary Protocol to the Tax Convention with the Tunisian Republic (Treaty Doc. 101-9), Council of Europe-OECD Convention on Mutual Administrative Assistance in Tax Matters (Treaty Doc. 101-6), Tax Convention with the Republic of India (Treaty Doc. 101-5), and Tax Convention with the Republic of Indonesia (Treaty Doc. 100-22).
SD-419

Select on Indian Affairs
To hold oversight hearings to examine the Indian health service nurse shortage.
SR-485

Conferees
On H.R. 3, to authorize funds to expand Head Start programs and programs carried out under the Elementary and Secondary Education Act of 1965 to included care services.
2175 Rayburn Building

JUNE 15

9:30 a.m.
Veterans' Affairs
To hold hearings on the nominations of Donald L. Ivers, of New Mexico, and Jonathan R. Steinberg, of Maryland, each to be an Associate Judge of the U.S. Court of Veterans Appeals.
SR-418

10:00 a.m.
Foreign Relations
To hold hearings to examine U.S. policy toward Iraq, focusing on human rights, weapons proliferation, and international law.
SD-419

Judiciary
To hold hearings on pending nominations for the United States Sentencing Commission.
SD-226

JUNE 19

9:30 a.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 1765, to authorize funds for the planning and construction of the Mid-Dakota Rural Water System, and S. 2710, to authorize the Secretary of the Interior to construct, operate, and maintain the Lake Andes-Wagner Unit and the Marty II Unit, South Dakota Pumping Division in South Dakota.
SD-366

Veterans' Affairs
To hold hearings on the nominations of James W. Holsinger, Jr., of Virginia, to be Chief Medical Director, and Stephen A. Trodden, of Virginia, to be Inspector General, both of the Department of Veterans Affairs.
SR-418

10:00 a.m.
Foreign Relations
To hold hearings to review the results of the General Accounting Office study of Protocol 3 to Montreal Aviation Protocols (Ex. B, 95th Congress, 1st Session).
SD-419

Judiciary
Constitution Subcommittee
To hold hearings on S.J. Res. 295, to prohibit the Supreme Court or any inferior court of the United States from ordering the laying or increasing of taxes, and S. 34, to revise the Federal judicial code to deny to inferior Federal courts jurisdiction to issue any remedy, order, writ, or other judicial decree requiring the Federal government or any State or local government to impose any new tax or to increase any existing tax.
SD-226

10:30 a.m.
Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on S. 2244, to prevent and control infestations of the coastal and inland waters of the United States by the zebra mussel and other nonindigenous aquatic nuiance species.
SD-406

2:30 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1991 for foreign assistance, focusing on U.S. military assistance.
SD-138

JUNE 20

9:30 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 1974, to require new televisions to have built in decoder circuitry designed to display closed-captioned television transmissions.
SR-253

10:00 a.m.
Environment and Public Works
Toxic Substances, Environmental Oversight, Research and Development Subcommittee
To hold hearings on environmental issues relating to Avtex Fibers, Inc., in Front Royal, Virginia.
SD-406

Finance
To hold hearings to review the President's decision to renew most-favored-nation trade status to China.
SD-215

JUNE 21

9:30 a.m.
Rules and Administration
To hold hearings on S. Con. Res. 122, to establish an Albert Einstein Congressional Fellowship Program, and S. Res. 206, to establish a point of order against material that earmarks research moneys for designated institutions without competition.
SR-301
Small Business
To resume hearings to review the Small Business Administration's small business investment companies program.
SR-428A

10:00 a.m.
Foreign Relations
Business meeting, to mark up Montreal Aviation Protocols (Ex. B, 95th Congress, 1st Session).
SD-419

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 2680, to provide for the relief of certain persons in Stone County, Arkansas deprived of property as a result of a 1973 dependent resurvey by the Bureau of Land Management.
SD-366
Select on Indian Affairs
To hold oversight hearings on S. 2451, to establish in the Department of the Interior a Trust Counsel for Indian Assets.
SR-485

JUNE 26

9:00 a.m.
Appropriations
Foreign Operations Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1991 for foreign assistance programs.
Room to be announced

2:00 p.m.
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on S. 1772, to prohibit State lotteries from misappropriating professional sports service marks.
SD-226

2:30 p.m.
Appropriations
Foreign Operations Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1991 for foreign assistance programs.
Room to be announced

JUNE 27

9:30 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings to examine the Federal Trade Commission's (FTC) international antitrust jurisdiction over foreign companies.
SR-253

JUNE 28

9:30 a.m.
Veterans Affairs
Business meeting, to consider pending legislation relating to veterans compensation and health-care benefits.
SR-418

2:00 p.m.
Foreign Relations
Terrorism, Narcotics and International Operations Subcommittee
Western Hemisphere and Peace Corps Affairs Subcommittee
To hold joint hearings on proposed U.S. military training for Peru.
SD-419

JULY 11

10:00 a.m.
Judiciary
Constitution Subcommittee
To hold hearings on S. 2370, to revise Federal copyright law to apply the fair use doctrine to all copyrighted work, whether published or unpublished.
SD-226

JULY 12

9:30 a.m.
Select on Indian Affairs
To hold hearings to examine protective services for Indian children, focusing on alcohol and substance abuse programs.
SR-485

2:00 p.m.
Agriculture, Nutrition, and Forestry
Agricultural Research and General Legislation Subcommittee
To hold hearings on the U.S.-Canada open border trade agreement, focusing on meat and poultry.
SR-328A

CANCELLATIONS

JUNE 12

2:30 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1991 for foreign assistance, focusing on eastern Europe.
SD-138

POSTPONEMENTS

JUNE 12

2:45 p.m.
Commerce, Science, and Transportation
To hold hearings on seeking an international consensus on the science of global climate change.
SR-253

JUNE 21

9:30 a.m.
Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings to review the effectiveness of the Program Fraud Civil Remedies Act.
SD-342

JUNE 22

2:00 p.m.
Agriculture, Nutrition, and Forestry
Agricultural Research and General Legislation Subcommittee
To hold hearings to review the U.S.-Canada open border agreement, focusing on meat and poultry.
SR-332

HOUSE OF REPRESENTATIVES—*Tuesday, June 12, 1990*

The House met at 12 noon.

The Reverend Maurice Ashbury, All Saints Episcopal Church, Frederick, MD, offered the following prayer:

Almighty God, our gracious Heavenly Father, we stand in Thy presence this morning lifting up our hearts and voices to Thee in praise and thanksgiving for all the blessings Thou hast bestowed upon us as citizens of our great Nation and for the great leaders Thou hast raised up amongst us. We beseech Thee to continue to endow them with wisdom to guide us in the way of prosperity, peace, and happiness. Let Thy holy spirit be the guiding light in all their deliberations that the kingdoms of this world may become Thy kingdom on Earth in which all mankind will live together in peace, love, and harmony. To Thee, O Lord, be the honor and the glory forever and ever. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentlewoman from Maryland [Mrs. BYRON] please come forward and lead the House in the Pledge of Allegiance.

Mrs. BYRON led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 516. Joint resolution to designate the week beginning June 10, 1990, as "National Scleroderma Awareness Week."

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1664. An act to establish a congressional commemorative medal for members of the Armed Forces who were present during the attack on Pearl Harbor on December 7, 1941.

TRIBUTE TO REV. MAURICE ASHBURY

(Mrs. BYRON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BYRON. Mr. Speaker, it gives me a great deal of pride and pleasure today to talk about a very well-loved Fredericktonian, Maurice Dunbar Ashbury, who just led this House in prayer.

Today is the 60th anniversary of his ordination into the Episcopal priesthood.

Mr. Speaker, there are some who call him Father Ashbury. Some call him Reverend. But most everybody calls him Deac.

Thirty years ago he had an opportunity to stand before this body as the guest of another one of his parishioners, Senator Charles Mathias. He has never retired.

Mr. Speaker, he arrived in Frederick in 1952. He is still seen on a daily basis with flowers in hand and fruit, visiting his parishioners and friends in the nursing homes and hospitals. He is very much a part of our community and a legend in Frederick.

Welcome.

GOVERNMENT WASTE

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, let us cut Government waste, not raise taxes. Behind calls for new taxes are the assumptions that the Federal budget has already been cut to the bare bones, that every program is running as efficiently as possible, and that every program serves vital national goals.

Mr. Speaker, how could we possibly justify the following programs?

A grant of $107,000 on the study of "sexual looking classical conditioning of sexual arousal, and improvement of copulatory performance with practice of the Japanese quail." How happy I was to discover the conclusion: male quails prefer female quails over male quails and female ducks for mating purposes; $2,500 to study the causes of rudeness, lying, and cheating on the tennis court; $46,000 to study how long it takes to cook a breakfast egg; $221,000 to send 21 Members of Congress and their "officials" to the Paris Air Show; and $68,000 to send officials of the Urban Mass Transit Administration to Disney World to study the secrets to the Disney transportation system.

Mr. Speaker, the burden is on Congress to change the way it does business. Taxpayers should no longer have to pinch pennies so that Congress can spend them with abandon. No tax increase period.

CONSTITUTIONAL AMENDMENT NEEDED TO BAN DESECRATION OF AMERICAN FLAG

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, yesterday's 5-to-4 U.S. Supreme Court decision has made it perfectly clear that those of us who have been insisting we need a constitutional amendment to ban the physical desecration of our American flag have been accurate.

Yes, those who live in this wonderful country but hate the United States and what we stand for are rejoicing that the U.S. Supreme Court will allow the flag burners to continue their dastardly acts.

Better than a jail term and a fine, my Kentucky constituents would like to buy the flag burners among us a one-way airline ticket to Havana or Tehran or Beijing where they can burn the American flag with honors.

I urge my colleagues to take immediate action toward a constitutional amendment to ban the malicious desecration of our American flag.

Thursday is Flag Day in the United States.

Moments ago we pledged allegiance to our flag.

Let's do our part as Members of Congress to promote and adopt legislation toward a constitutional amendment to prohibit the malicious desecration of the flag of our United States.

□ 1210

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair wishes to state that we want to welcome all our visitors to the gallery and tell them how happy we are that they are with us today, but House rules do not permit any demonstrations of approval or disapproval by visitors in the gallery, and the Chair would appreciate the cooperation of our guests.

FURTHER DIALOG WITH PLO THREATENED BY TERRORIST ACTIVITY

(Mr. SHAW asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHAW. Mr. Speaker, let me say to my colleagues in the House that actions speak louder than words.

For the last 18 months we have listened to the words of the Palestinian Liberation Organization.

And those words have told us that the PLO will recognize Israel's right to exist and that it will stop all terrorist attacks against Israel.

Mr. Speaker, the PLO's actions speak louder than its words.

Recently, 16 heavily armed Palestinian gunmen attempted an attack on an Israeli resort area, where thousands had taken the national holiday off to lie on the beach.

Fortunately, Israeli forces crushed their efforts. Now, the PLO refuses to condemn this incident.

Mr. Speaker, our President has said that we will continue a dialog with the PLO as long as it: recognizes Israel's right to exist; stops terrorist attacks; and denounces their use.

Unless the Palestinians take action to condemn this terrorist attack, the United States must show how strongly we stand behind that pledge.

And, if the PLO continues to behave in this manner, then we should consider taking action of our own, like ending our dialog with the PLO.

UNITED STATES FLAGS MADE IN TAIWAN AND KOREA, BURNED IN AMERICA

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, in parts of America today it is against the law to remove labels from mattresses or to kiss your girlfriend in public. In some communities it is against the law to criticize publicly your mother-in-law, and you can be hauled away to jail if you belch in city hall.

In nearly all of America it is against the law to drive without a seatbelt, you are not allowed to burn your trash and you are not allowed to burn your leaves, but the Supreme Court said you can burn Old Glory.

Mr. Speaker, things are so screwed up that the flag is now being made in record numbers in Taiwan and Korea and being burned in record numbers in America. What is next? Are they going to make patches and wear them on the seat of their pants, or how about an outfit for their dog?

Mr. Speaker, this is not a fight about our flag, this is a fight about national pride. Think about it, you cannot demonstrate here in the House of Representatives, but you can go outside and you can burn the flag.

OILSPILL DISASTERS

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, nearly 7 months have passed since this body passed a landmark oilspill prevention act designed to help avert such disasters as the *Exxon Valdez* or the latest nightmare—a potential 38 million gallon spill in the Gulf of Mexico.

Reports suggest that fires aboard the Norwegian tanker may finally now be under control—but there are still too many unanswered questions.

Will the ship sink? We do not know. Will we be able to avert a major spill? We do not know. Where are these heralded industry response teams we were promised? We do not know. Where is the oilspill bill? I suppose we should ask the other body.

The State of Florida just enacted its own tough oilspill law—and we continue to await a decision from the White House to ban federally permitted offshore oil drilling off our coastline.

But the Federal Government and industry still lack the ability to fight major oilspills. If we cannot prevent an oilspill just 50 miles from one of the biggest petrochemical centers in the world, can we really believe that oil drilling 40 miles from Florida's coastline will be safe?

Mr. Speaker, I would like to commend the Coast Guard for its efforts in dealing with the Norwegian tanker spill—but once again it has apparently had to operate without adequate funding, proper equipment, coordinated industry support—or a Federal oilspill bill. Let us at least get moving on the oilspill bill.

THE BIGGEST CROOKS ARE GETTING AWAY

(Mr. ANNUNZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANNUNZIO. Mr. Speaker, crooks should be in jail, whether their collar is blue or white. And the bigger the crook, the longer the jail term ought to be. Incredibly, the Justice Department is not interested in pursuing the biggest crooks in the history of this country—the savings and loan crooks.

The savings and loan crooks have pulled off the biggest heist in history, and have left the taxpayers a half trillion dollar bill.

You would think that the Justice Department would be after these crooks quicker than Dick Tracy pursues Flattop, and with just as much determination. Amazingly, the Justice Department has been more like another cartoon lawman—Deputy Dawg.

The FBI has a backlog of 21,000 criminal referrals for crimes against financial institutions. When the FBI sought 425 new agents to chase down the crooks, the Justice Department opposed the request, claiming that only 153 new agents were needed.

I want the savings and loan crooks in jail. If the Justice Department refuses to seek the necessary funding to put them there, then Congress better see to it.

Mr. Speaker, it is time to put the savings and loan crooks in jail.

GOVERNMENT WASTE

(Mrs. VUCANOVICH asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. VUCANOVICH. Mr. Speaker, let us cut Government waste, not raise taxes. Recently, when this body passed emergency aid for flood relief in the South and aid for the fledgling democracies in Panama and Nicaragua, many of my colleagues also saw fit to appropriate money for some dire emergencies of their own.

And just what were these "emergencies" that desperately needed additional Government spending? Did we finally come up with a coherent drug policy? Did we finally figure out how to solve our educational problems?

No. Instead, this body saw fit to spend $1.4 billion for their own personal pet projects. Did the allocation of $2.6 million for a convention center in Washington, DC really necessitate emergency financing? Was the funding of $6 million to build a memorial to Franklin Roosevelt 45 years after his death truly a cause that met the requirements of a dire emergency? I think not.

We can't sit here and force American citizens to pay for these outrageous examples of pork-barrel spending. We must end this wasteful use of our taxpayers' dollars and stop considering the imposition of even higher taxes onto their already overburdened shoulders.

PRESERVE THE CONSTITUTION

(Mr. KOSTMAYER asked and was given permission to address the House for 1 minute.)

Mr. KOSTMAYER. Mr. Speaker, for the first time in the history of the Republic, Congress will vote shortly on whether or not to alter the Bill of Rights. A constitutional amendment, ostensibly to ban flag desecration may in fact only encourage it.

Popular speech needs no protection. Only expressions which are unpopular

and even vile need the protection of the first amendment.

Now we are being asked to choose between the flag and the Constitution, but that is not the choice. The choice is whether to plunge a dagger into the heart of America, for that is what the first amendment is, America's heart.

The late Justice Jackson said:

The very purpose of a Bill of Rights was to withdraw certain subjects from the vicissitudes of political controversy, to place them beyond the reach of majorities and officials and to establish them as legal principles to be applied by the courts. One's right to life, liberty, and property, to free speech, a free press, freedom of worship and assembly, and other fundamental rights may not be submitted to vote; they depend on the outcome of no elections.

This is what is at stake, Mr. Speaker. Let us step back from this dangerous precipice and defend the Constitution with our votes, as so many have before us with their lives.

PROPOSED APPOINTMENT OF INDEPENDENT COUNSEL TO INVESTIGATE THE S&L DISASTER

(Mr. SMITH of Vermont asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. SMITH of Vermont. Mr. Speaker, it has been nearly a week since I introduced House Resolution 407 calling for the appointment of an independent counsel to investigate possible wrongdoing by appointed and elected Government officials in connection with the savings and loan disaster.

I am pleased to say that more than 130 colleagues have joined me in this request, and that Edwin Gray, Chairman of the Federal Home Loan Bank Board from 1983 to 1987, has also strongly supported this resolution, both for its substance and its bipartisan focus.

□ 1220

To those of my colleagues who have not signed on as cosponsors, I again ask for their support. Many of them have just returned from a weekend back home. If their constituents are anything like Vermonters, they have heard from many, many disgruntled people, people who are upset that their Government dropped the ball on this one, people excited that we may finally do something about it.

What are Americans asking? How could this have happened? Where was our Government? Their anger is real, it is deep, and it is justified.

Mr. Speaker, I ask my colleagues again today: "Let's find out how this Government allowed the S&L disaster to happen. Please support my call for an independent counsel. Support House Resolution 407."

THE POLITICS OF A FLAG BURNING AMENDMENT

(Mrs. BOXER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOXER. Mr. Speaker, there is a difference between voting for a law to ban flag burning and voting to change the Constitution to ban flag burning, and this very important debate will commence soon in the House and will be one of the most interesting we have had here.

What does not add one bit of enlightenment, or one bit of dignity, or one bit of importance to the debate is the comment by Republican Senate minority leader BOB DOLE who would demean the entire debate by saying, quote, "A vote against the flag amendment would make a pretty good 30-second spot by a lawmaker's opponent."

What a sad commentary that statement is as we enter a debate over whether to alter the first amendment of the Bill of Rights, a sacred document that is being sent for by every emerging democracy in the world. Mr. Speaker, the Republicans do not seem to understand that it is our Constitution and our Bill of Rights that makes us special, that makes our flag special.

Mr. Rollins, of the Republican Campaign Committee, says, and I quote, "Democrats are definitely not going to get a free ride on this one."

Mr. Speaker, I hope the American people will recognize that these comments by Mr. DOLE and Mr. Rollins show their complete cynical attitude toward the greatest document of freedom in the world, and I hope that they will not get a free ride, as the public understands that politics control their agenda.

THE GEJDENSON AMENDMENT TO H.R. 2567, THE BUREAU OF RECLAMATION PROJECT AUTHORIZATION

(Mr. PETRI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PETRI. Mr. Speaker, finally, this week Members of the House will get an opportunity to end one of the most absurd contradictions in the entire realm of Federal policy. That is the glaring contradiction of paying some farmers enormous sums not to grow surplus crops, while paying other farmers to grow more of those same crops by providing them with both crop subsidies and highly subsidized irrigation water from the Bureau of Reclamation.

The Gejdenson amendment to the Reclamation Project Authorization will eliminate that double subsidy. It will also give us an opportunity to demonstrate that the very worst abuse of the taxpayers dollar can in fact be eliminated.

Actually, the Gejdenson amendment is but a small first step toward rational policy. It does not do away with irrigation subsidies altogether. It merely requires farmers to choose one subsidy or the other. And the amendment has been modified to allow farmers a reasonable phase in period to plan for this change.

Now in my opinion, it is economically wasteful and environmentally damaging to subsidize water at all. We should sell Federal water to the highest bidders. But, we have to crawl before we can walk. We have to show we can stop the worst abuses before we try for further strides. And we cannot possibly justify subsidizing both water and crops when at the same time we are paying other farmers not to grow the same crops.

I would like to urge my colleagues to support this amendment—to say that "yes, we are serious about eliminating absurd and costly policies and yes, we are serious about fiscal responsibility."

WHY ISN'T THE JUSTICE DEPARTMENT PROSECUTING S&L CASES?

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, every day the news about the savings and loan scandal grows worse and worse. We are told now that thousands and thousands of cases of fraud have been detected and turned over to the Justice Department. We are told now, and understand now, that the high flyers have bilked the American taxpayer of billions of dollars.

Mr. Speaker, the question is: Where is the action by this ferocious Justice Department to bring them to justice? Why no prosecutions? Why no action? Why are they not seizing assets? Why are they not prosecuting them to the full extent of the law?

Mr. Speaker, it is time for us to see some action down at Justice, to seize the assets and put the people in jail who bilked the American taxpayer of billions and billions and billions of dollars. When will these wallflowers wake up down at Justice and understand that we demand, we want, the American public wants, actions to bring to justice those that stole from the American people.

IN FAVOR OF CODIFYING ENGLISH AS THE OFFICIAL LANGUAGE OF THE UNITED STATES

(Mr. DANNEMEYER asked and was given permission to address the House

for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Madam Speaker, I rise today in support of H.R. 4424, legislation to designate English the official language of the United States.

Each year, for as long as I have had the privilege of serving in the House, legislation has been introduced to proclaim English our official language, an innocuous affirmation in reality as most of us already perceive this to be the case. While perhaps this is why this effort has languished, I disagree with the veracity of that argument. Seventeen States clearly agree as they have deemed English their official language. Similarly, some 90 countries of the world have their own official languages.

Adopting English would have a tremendous impact on this Nation as it would promote better assimilation of the myriad ethnic groups that reside here. By neglecting to codify English in the past, we have not provided the encouragement for people of different nationalities to become proficient in English so that they could better communicate with each other. As a result, across the United States there are innumerable groups who still are illiterate in English and, for the most part, communicate in their native tongues. This has created language barriers that have yet to be broken. As more and more people are allowed to migrate to America, this communication gap will continue to get worse until we take some corrective action.

Adopting English as our official language is by no means a solution in itself; however, it is a good start in the right direction and for that reason H.R. 4424 should be enacted immediately.

FLAG BURNING

(Mr. HUTTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUTTO. Madam Speaker, the Supreme Court's ruling yesterday that overturned the law that we passed to protect the American flag has sent a clear signal back to us in Congress that we should pass a constitutional amendment. The U.S. flag is something that is dear to all Americans. It cannot be trampled or desecrated or burned with impunity. In my view, the American flag belongs to the American people. It is the symbol of all that has made our country great, and it is the thing that unifies Americans, regardless of political affiliation, race, color or creed. The flag should be treated as public property. We would not allow anyone to desecrate the Capitol of the United States, county courthouses, city halls, or any of our public institutions. A constitutional amendment would not in any way inhibit the right of Americans to express themselves through free speech, but it would allow the States to pass laws which would make it a criminal act to desecrate our beloved flag. Lest flag burning and desecration of the flag become common place, we must pass an amendment to retain the respect of America as the leader of the free world.

WAR ON DRUGS A SUCCESS IN ODESSA, TX

(Mr. COMBEST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COMBEST. Madam Speaker, every evening on the news we hear reports of the death and destruction as a result of drugs, be it the birth of trembling crack babies or the assassination of foreign leaders, but today I would like to tell this Chamber of a real success story in Odessa, TX.

Crockett Junior High School has been recognized by President Bush as having one of the Nation's finest drug-free school programs. The Crockett Colts was the only junior high school in Texas and 1 of only 51 schools nationwide selected for recognition for its drug-fighting efforts.

The faculty, parents, and most importantly the students of Crockett Junior High have demonstrated that the war on drugs can be successfully waged on the homefront but only with the involvement and encouragement of the entire community.

Crockett's drug-free program educates students about drug prevention and uses positive peer pressure to help their classmates steer clear of drugs and alcohol.

I had the pleasure of meeting these award-winning students today and it is only through the dedicated efforts of individuals like these students that this painful scourge of drugs can be stopped.

SUPPORT URGED FOR THE FIRE SAFE CIGARETTE ACT

(Mr. MOAKLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOAKLEY. Madam Speaker, I rise today to bring attention to a deadly fire that raged through a duplex in Roslindale, MA, over this past Memorial Day weekend. On early Sunday morning, a young man, who recently emigrated from Ireland, was smoking after he returned home from a Saturday night out, and dropped his lighted cigarette into an overstuffed chair. The carelessly discarded cigarette smoldered in the chair and eventually sparked the blaze that killed his young family.

The fire spread very quickly throughout the 100-year-old building. The blaze raced up the stairs and into the bedrooms where three young children and their parents, aunt, and a friend slept. The fire took the lives of Maureen O'Neill, age 22, and Myles O'Neill, age 23, and their daughters, Charlene O'Neill, age 3; Stacey O'Neill, age 2; and Leanna O'Neill, 10 months old, as well as Maureen's sister's boyfriend, Patrick McGovern.

Evidently Patrick McGovern woke during the night and realized the apartment was burning. He woke his girlfriend, Diedre, and pushed her through a window to safety. Then Patrick tried unsuccessfully to wake the rest of the family and save them from the roaring and deadly fire. Patrick, Maureen, Myles, Charlene, Stacy, and Leanna didn't stand a chance. The fire just spread too fast for them to escape. The Boston Fire Department was on the scene 3 minutes after the fire was reported. But the firefighters were too late to save this young Irish family. This fire was the worst in the city of Boston since 1972.

I rise today to once again tell you that fires like the one that killed the young Irish family can be prevented. I am urging you to support H.R. 293, the Fire Safe Cigarette Act.

□ 1230

FLAG DESECRATION

(Mr. SLAUGHTER of Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLAUGHTER of Virginia. Madam Speaker, following last year's unfortunate ruling by the Supreme Court in Texas versus Johnson, I joined as an original cosponsor of a proposed constitutional amendment to protect the flag, believing then as I do now that an amendment was the only means by which our flag could be adequately protected. However, the House was only given the option of voting on a Federal statute to protect the flag; a vote that I made with some reluctance.

Now that the Court has found the statute unconstitutional, this body must move forward to protect our flag. The flag, as our national symbol represenating the ideals and freedoms for which Americans have fought and died for over 200 years, deserves special protection. Yesterday's decision by the Court should finally convince the Congress that a constitutional amendment is the only effective means of providing our national symbol the protection it so fully deserves. I look forward to the rapid consideration of a constitutional amendment.

SOUTH KOREA CLOSES DOOR ON TRADE

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Madam Speaker, today's Wall Street Journal, and I urge you to read it, has a story, "Closing the Door, South Korea Regresses on Opening Markets, Trade Partners Say. Clamp Down on Luxuries, Which It Defines Broadly. U.S. Avoids Pushing Hard."

To buy a car, you buy bonds. Last year Korea exported 350,000 cars, and yet to buy a new car made outside of Korea you have to buy subway bonds.

Now, that is a new gimmick. You buy the bonds in order to buy the car. It includes their own cars, except it takes three times as many bonds to buy an imported car.

Some other examples outlined in this article: The Korea Trade Commission investigated 200 imported products, such as pens, steel plates, cookies, to see if they were damaging the domestic market.

They are copying American trademarks, as another instance. For example, a Korean official said he never heard of Batman, so therefore a Korean firm could appropriate it without paying for it.

Cargill wants to build a soybean crushing mill, which they desperately need. Despite the government's statement, and I quote that it encourages foreign investment, "Cargill can't get an answer, not a no, but not a yes, so it stands still."

Other examples of their restrictive policies are crackerjack type of candy is banned. Citibank that wants to build branches and were told they could, they were promised them, but they cannot get any authorization to do it.

The American Chamber of Commerce reports:

> It has become increasingly clear that at times liberalization in Korea can mean absolutely nothing.

I urge our Commerce Department and our United States trade representative to protest vigorously the protectionist policy of Korea. We have given the Koreans many opportunities to sell in an open market in the United States, and yet here we find them, and it is so well documented in this article, practicing highly protectionist policies against our goods. Certainly as we want to talk about a global market, we must demand that there be fairness in the trade relations with other countries, and particularly in this case of Korea.

INTRODUCTION OF FAIR AND REASONABLE PAYMENT LIMITATION ACT ON FARM PROGRAMS

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Madam Speaker, we all believe in equality under the law, but when it comes to our farm policy, it is clear that some programs are more equal than others.

The rice farmer in Louisiana can pick $250,000 out of Uncle Sam's pocket, but the wheat farmer in Kansas can only take a mere $50,000.

Now I ask, is that fair?

Is it fair that a wool and mohair producer can receive unlimited subsidies from the Federal Treasury—subsidies of $300,000, $400,000, or even more? Is it fair that some farmers, through legal shenanigans, can double their Federal subsidies from $50,000 to $100,000, making a mockery of the $50,000 payment limitation? Is that fair?

Madam Speaker, it is not fair, it is not right, and it makes no sense. But we can level the playing field and make it fair, Madam Speaker. I am introducing the Fair and Reasonable Payment Limitation Act, to bring fair play to farm programs.

My bill treats all farm programs equally by limiting the payments from each farm program to $50,000, and it closes the loophole that allows some farmers to double their payments.

They ought to be farming their land, not the Federal Treasury.

My bill can save more than $1 billion in unjustifiable farm subsidies over the next 5 years. If you believe in playing fair, this is the bill for you.

CONSTITUTIONAL AMENDMENT ON FLAG BURNING

(Mr. DOUGLAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOUGLAS. Madam Speaker, Will Rogers once said that when he did something funny, people called it a joke, but when Congress does something funny, they call it a law.

We did something funny last year. I said at the time that it was a joke and it was a sham. What we did was to pass a ridiculous statute to try to protect the American flag and we were denied the right by the liberals on that side of the aisle, denied the right to vote on a constitutional amendment to properly protect the flag.

We got an "F" on the statute. We got an "F" on our brief in the Supreme Court. Now it is time for the House leadership to allow us to have a vote on the Michel-Montgomery bipartisan constitutional amendment to protect the flag.

Flag Day is Thursday. I hope every Member in this Chamber comes down here and goes on record in support of the constitutional amendment. We ought to have a vote by the fourth of July to properly celebrate our Nation's independence and to do so by sending to the States a constitutional amendment to protect the flag and let us get off with the joke and the game playing and get on to a fair up and down rollcall vote on this issue.

THE CONSTITUTION IS ABOVE THE FLAG

(Mr. WASHINGTON asked and was given permission to address the House for 1 minute.)

Mr. WASHINGTON. Madam Speaker, I think the American people need to listen carefully and wait before we applaud this notion about amending our Constitution to protect our flag.

I think that what was done last year was correct, but the gentleman from New Hampshire misunderstands. We did not pass a statute to attempt to protect the flag. We did it to protect the Constitution, because desecration means the abuse of a sacred thing. We are called upon in this body to decide which is more sacred, the Constitution of the United States or the flag of the United States. It seems to me that all of us would agree that the Constitution is more sacred than any flag.

When we take the Pledge of Allegiance, we say "I pledge allegiance to the flag and to the Republic for which it stands."

This Constitution is more important than a flag. If each of us were in a room and it was on fire and we had to pick up one thing and the Constitution was in the room and the flag was in the room, which would you pick up and take out? I think all of us would take the Constitution because we know it is more important than any flag can ever be.

□ 1240

CONGRESS IS BREAKING THE LAW

(Mr. COX asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COX. Madam Speaker, yesterday Adm. John Poindexter, first in his class at Annapolis, former National Security Adviser to the President of the United States, was sentenced to do 6 months in prison. He was sentenced because of his participation in a covert operation which he thought was legal because of his interpretation of something called the Boland amendment, a rider to an appropriation bill.

Some lawyers said it applied to the NSC; others said it did not. The judge

in the Poindexter case has made his ruling.

Whatever our view of the correctness of the judgment in this case, take heed of the judge's words:

If such people are allowed to carry out their policies at all costs, then the concept of the rule of law upon which our country depends would be rendered meaningless. They have no standing in a democratic society to nullify decisions made by elected officials.

When it comes to $1 trillion a year, this Congress is breaking the law. Would that we paid as much attention as was paid in the Poindexter case to our own enactments. By June of this year we are to be finished with all appropriations and reconciliation business. We will not be done.

It is time for Congress to start obeying its own law. My very first day on the floor of this House, then Speaker Jim Wright pledged that we would finish work on our appropriations bill by the August recess. The law requires that this work be finished by June. He was pledging us to violate the law.

SUPPORT THE MONTGOMERY-MICHEL AMENDMENT

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Madam Speaker, I would like to say that I totally support the constitutional amendment that would give us the opportunity to vote in the House and also for the three-fourths of the States to ratify this constitutional amendment.

The gentleman from New Hampshire made a comment that I would like to maybe clear up the RECORD, as far as I am concerned. As to bringing up this amendment, I hope it will be the Michel-Montgomery amendment that would be added to the Constitution.

The Speaker of the House of Representatives has been very, very cooperative. In fact, he called me yesterday, and he told me that he had asked the chairman of the Committee on the Judiciary of the House to bring this legislation up before the Committee on the Judiciary and move it to the floor as quickly as possible.

I hope we will have a vote before July 4 on the Michel-Montgomery or Montgomery-Michel, resolution that will be before us. I certainly support this, and I hope my fellow Members of this side of the aisle will be totally supportive. But the Speaker has been very fair and has handled himself, in my opinion, in a perfect gentlemanly manner.

AMERICA, COME UP WITH IDEAS FOR RELEASE OF HOSTAGES

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Madam Speaker, I, too, support a constitutional amendment to protect our flag.

But the main reason I rise today, Madam Speaker, is to remind you, and through you our colleagues and our fellow countrymen, that this week on Saturday, an American imprisoned in some filthy little dungeon cellar basement in Beirut began his sixth year in captivity. Tom Sutherland only knew about 20 minutes of freedom in Beirut. When he arrived there on June 9, 1985, he was only 20 minutes out of the airport when he was taken prisoner at gunpoint on the road from the airport in to Beirut.

Terry Anderson, the AP Bureau Chief, had been taken on March 16 that same year, 1985.

Madam Speaker, five Americans and almost two dozen other hostages when we take into account the Irish, English, and all the other Europeans, have been captured. It is incredible to think that 5 years would be stolen out of these men's lives. That is almost enough time to go through college and to get a master's degree. It is enough time, if one graduates from college, to get a master's and go through a 3-year Ph.D. program and spend a year in the field in one's chosen profession. One can go through medical school, law school at night, or full-time law school and have 2 years in the field.

Five years and no resolution. Pray for these men and come up with some ideas, America, to release these men held by pirates.

SUPPORT THE CONSTITUTIONAL AMENDMENT

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute.)

Mr. APPLEGATE. Madam Speaker, what next, Madam Speaker? The U.S. Capitol Building? The White House? What next are the political arsonists going to burn? The Jefferson Memorial? The Lincoln Memorial? Or how about chipping away at the tombstones in Arlington Cemetery? Or how about the Justice Department Building where the Justices are saying that it is allowed to burn whatever one wants to burn as long as they have got a political message?

The two people who pleaded guilty to throwing blood on the Capitol Building did it for a political cause. But what if they had been found guilty and then appealed it? What would have happened then? We know what would have happened.

The flag is sacred. You must believe it when you pledge your allegiance to it, and you do it every day. We do it here, all of our membership. We must protect it once and for all.

Support the constitutional amendment.

THE ULTIMATE TEST BETWEEN SUBSTANCE AND SYMBOL

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI. Madam Speaker, little more than a year ago, 435 Members of this institution took an oath, and they swore to defend the Constitution of the United States against all enemies, foreign and domestic.

Madam Speaker, no one then would have believed that among those who we need to defend against was ourselves.

The outrage is understandable and justifiable against those who would commit vile and disgraceful acts against our flag but, nevertheless, not a foundation to, for the first time in 200 years, amend the Bill of Rights of the United States.

Madam Speaker, this is the ultimate contest between substance and symbol, the ultimate test of freedom of expression. Freedom of expression, my colleagues, is not to allow or to condone those with whom we would agree, but whether in a moment of real challenge the things that could offend us the most that we will allow and permit and defend. That is the test before us, and that is the defense of this Constitution.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO SIT DURING 5-MINUTE RULE ON TODAY AND THE BALANCE OF THE WEEK

Mr. DE LA GARZA. Madam Speaker, I ask unanimous consent that the Committee on Agriculture be permitted to sit during the 5-minute rule for the consideration of the bill, H.R. 3950, on today and for the balance of the week.

The SPEAKER pro tempore (Mrs. BOXER). Is there objection to the request of the gentleman from Texas?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that she will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules.

VETERANS RECRUITMENT AUTHORITY ACT OF 1990

Mr. MONTGOMERY. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4088) to amend title 38, United States Code, with respect to veterans recruitment appointments, as amended.

The Clerk read as follows:

H.R. 4088

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans Recruitment Authority Act of 1990".

SEC. 2. VETERANS RECRUITMENT APPOINTMENTS.

(a) POLICY.—Section 2014(a)(1) of title 38, United States Code, is amended—

(1) by striking out "It is the policy of the United States" and inserting in lieu thereof the following "The United States has an obligation to assist veterans of the Armed Forces in readjusting to civilian life since veterans, by virtue of their military service, have lost opportunities to pursue education and training oriented toward civilian careers. The Federal Government is also continuously concerned with building an effective work force, and veterans constitute a major recruiting source. It is, therefore, the policy of the United States"; and

(2) by striking out "certain veterans of the Vietnam era" and all that follows through the period and inserting in lieu thereof "qualified disabled veterans, veterans of the Vietnam era, and other veterans described in subsection (b)(2) of this section.".

(b) IMPLEMENTATION.—(1) Section 2014(b)(1) of such title is amended—

(A) in the material preceding clause (A)—

(i) by striking out "readjustment" and inserting in lieu thereof "recruitment"; and

(ii) by inserting "veterans of the Vietnam era and other before "veterans" the first place it appears;

(B) in clause (A), by striking out "up to" and all that follows through the semicolon and inserting in lieu thereof "to any position in the competitive service;"; and

(C) by striking out clauses (B) and (C) and inserting in lieu thereof the following:

"(B) a veteran of the Vietnam era shall be eligible for such an appointment without any time limitation with respect to eligibility for such an appointment;

"(C) a veteran shall be eligible for such an appointment without regard to the number of years of education completed by such veteran;

"(D) a veteran who is entitled to disability compensation under the laws administered by the Department of Veterans Affairs or whose discharge or release from active duty was for a disability incurred or aggravated in line of duty shall be given a preference for such an appointment over other veterans;

"(E) any veteran receiving such an appointment shall—

"(i) receive training or education to the extent, if any, considered appropriate by the agency involved; and

"(ii) upon successful completion of the prescribed probationary period, acquire a competitive status; and";

(D) by striking out clauses (E) and (F); and

(E) by redesignating clause (D) as clause (F) and by striking out "; and" at the end of such clause and inserting in lieu thereof a period.

(2) Section 2014(b) of such title is amended by striking out paragraphs (2) through (4) and inserting in lieu thereof the following:

"(2) The other veterans referred to in the material preceding clause (A) of paragraph (1) of this subsection are veterans who first became a member of the Armed Forces or first entered on active duty as a member of the Armed Forces after May 7, 1975, and were discharged or released from active duty under conditions other than dishonorable.

"(3)(A) Except as provided in subparagraph (B) of this paragraph, a veteran described in paragraph (2) of this subsection may receive an appointment under this section only within the five-year period following—

"(i) the date of the veteran's last discharge or release from active duty; or

"(ii) the date of the enactment of the Veterans Recruitment Authority Act of 1990,

whichever is later.

"(B) The five-year limitation in subparagraph (A) of this paragraph shall not apply to any veteran who—

"(i) has a service-connected disability; or

"(II) has served on active duty in the armed forces in a campaign or expedition for which a campaign badge has been authorized.

"(C) For purposes of subparagraph (A)(i) of this paragraph, the last discharge or release from active duty shall not include any discharge or release from active duty of less than ninety days of continuous service unless the individual involved is discharged or released for a service-connected disability, for a medical condition which preexisted such service and which the Secretary determines is not service connected or for hardship.

"(C) For purposes of subparagraph (A)(i) of this paragraph, the last discharge or release from active duty shall not include any discharge or release from active duty of less than ninety days of continuous service unless the individual involved is discharged or released for a service-connected disability, for a medical condition which preexisted such service and which the Secretary determines is not service connected, or for hardship.

"(4) For purposes of carrying out this section, the term 'veterans readjustment appointment' as used in the Executive order referred to in paragraph (1) of this subsection shall be considered to be a veterans recruitment appointment referred to in such paragraph.".

(c) CLERICAL AMENDMENTS.—The title heading for chapter 42 of such title is amended striking out "DISABLED AND VIETNAM ERA".

(2) The item for such chapter in the index of parts of title 38, United States Code, is amended by striking out "Disabled and Vietnam Era".

(d) EFFECTIVE DATE.—The amendments made by this Act shall apply only to appointments made after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. STUMP] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. MONTGOMERY].

GENERAL LEAVE

Mr. MONTGOMERY. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on H.R. 4088, the bill now under consideration, and on H.R. 4390, the next bill to be considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MONTGOMERY. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, at this table we have the blue sheet summaries of the bills to be acted on today if Members would like to get more information on this legislation.

Madam Speaker, H.R. 4088, as amended, would improve employment opportunities in the Federal Government for certain veterans.

Madam Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. PENNY], chairman of the Subcommittee on Education, Training and Employment, for an explanation of the bill.

□ 1250

Mr. PENNY. Madam Speaker, H.R. 4088, as amended, the Veterans' Recruitment Authority Act of 1990, would expand and make permanent the Veterans Readjustment Appointment Program, a noncompetitive appointment program for certain veterans.

Briefly, this bill would rename the Veterans Readjustment Appointment Program as the Veterans Recruitment Authority and make the program permanent. It would eliminate the 16-year education limitation for nondisabled veterans and extend preference in veterans readjustment appointment hiring to service-connected disabled veterans. Additionally, it would provide eligibility for a veterans readjustment appointment for 5 years after date of discharge or date of enactment, whichever is later, for nondisabled post-Vietnam era veterans. H.R. 4088 would provide lifetime eligibility for a veterans readjustment appointment for veterans of the Vietnam era, service-connected disabled veterans, and veterans who serve in a campaign or expedition for which a campaign badge has been authorized. Finally, the bill would remove the maximum grade level restriction for veterans readjustment appointments.

You may recall the House passed a veterans readjustment appointment

bill, H.R. 2486, last session. In conference, the committee was unable to reach agreement with the other body on some important provisions contained in the House-passed bill. Accordingly, CHRIS SMITH and I introduced H.R. 4088 early this session. This bill would establish a Veterans Readjustment Appointment Program identical to that which would have been instituted under H.R. 2486.

I want to thank CHRIS SMITH and all members of the subcommittee for their help and assistance. I also want to thank Chairman MONTGOMERY and the ranking minority member of the full committee, Mr. STUMP, for their cooperation and support.

I urge my colleagues to support this measure.

Mr. STUMP. Madam Speaker, I yield myself such time as I may consume and I rise in strong support of H.R. 4088, the Veterans Recruitment Authority Act of 1990. In the last session, the House passed a bill, H.R. 4286, to establish an identical program, but agreement with the Senate could not be reached on a number of important provisions. So here we are again.

Before yielding to Mr. SMITH of New Jersey, ranking minority member of the Subcommittee on Education, Training and Employment, to speak to this legislation further, I want to take a few moments to recognize the outstanding work of Mr. MONTGOMERY, our full committee chairman, of Mr. PENNY, chairman of the subcommittee, and of Mr. SMITH. They are continuing to pursue the creation of expanded Federal Employment opportunities for veterans at a particularly important juncture—a time when large numbers of men and women may be leaving our Armed Forces.

The reward of those whose loyal service won the cold war should not be unemployment.

Mr. MONTGMERY, MR. PENNY, and Mr. SMITH are leading the way in a most commendable fashion with this and other legislation to help these talented, deserving men and women return to civilian life with minimum disruption.

Madam Speaker, I urge passage of H.R. 4088.

Madam Speaker, I yield as much time as he may consume to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Madam Speaker, as the vice chairman of the Veterans' Affairs Subcommittee on Education, Training and Employment, I rise in strong support of H.R. 4088, as amended, the Veterans Recruitment Authority Act of 1990. This legislation will expand and update the Veterans Readjustment Appointment Authority [VRA] and adjust the program to better suit the needs of veterans and Federal agencies.

As my good friend and chairman of our subcommittee, TIM PENNY, has explained, H.R. 4088 opens the program to new categories of veterans and makes the program permanent. Last year, during our conference on a similar House-passed veterans readjustment appointment bill, H.R. 2486, the House reluctantly agreed to drop many worthy provisions. Subsequently, as much of the mail we received from veterans has appointed out, some Vietnam Veterans were disqualified from the program. That was wrong—and must be rectified. And H.R. 4088 will remedy this situation.

Additionally Madam Speaker, H.R. 4088 helps ensure that veterans, particularly disabled veterans, have the opportunity to secure a good job with the Government. The bill removes limitations within the program to see to it that veterans can be hired for highly skilled, top level jobs and provides for job training if needed.

Madam Speaker, I would like to thank TIM PENNY for his leadership on this bill and I would also like to thank Mr. MONTGOMERY and Mr. STUMP, the chairman and vice chairman of the full committee, for their contributions. H.R. 4088 is appropriate legislation, shaped in part by the contributions of various veterans organizations. I strongly support the bill and urge my colleagues to vote in favor of the measure.

Mr. MONTGOMERY. Madam Speaker, I yield myself 2 minutes.

I want to commend the chairman of this subcommittee, the gentleman from Minnesota [Mr. PENNY], and also the gentleman from New Jersey [Mr. SMITH], the ranking minority member of the Subcommittee on Education, Training and Employment, and all the members of the subcommittee for moving this legislation.

I also want to thank the ranking minority member, my close friend, the gentleman from Arizona [Mr. STUMP] for this total cooperation and support.

Madam Speaker, this is a good bill. It helps the veterans. I urge my colleagues to support this legislation.

Mr. GILMAN. Madam Speaker, I am pleased to rise in support of H.R. 4088, a measure to expand and make permanent the Veterans' Readjustment Appointment Program.

I would like to commend the gentleman from Minnesota [Mr. PENNY] and the gentleman from New Jersey [Mr. SMITH] for introducing this important legislation.

Madam Speaker, our support of this measure confirms the support in Congress for our veterans by establishing a lifetime eligibility for preferential hiring at the Federal level for veterans of the Vietnam era, service-connected disabled veterans, and veterans who serve in a campaign or expedition for which a campaign badge has been authorized.

Further, veterans of the post-Vietnam era would also be eligible for this preferential treatment for 5 years after the date of enactment of this measure or 5 years from their date of discharge.

The veterans readjustment appointment system provides many benefits, both to veterans and to the Federal Government. Through the veterans recruitment authority, veterans are given a preference over other candidates in Federal hiring practices.

This practice benefits and rewards our veterans for their dedicated service to our Nation. Moreover, it rewards the U.S. Government as well. Our veterans are men and women who have proved themselves to be individuals of the highest caliber.

They are hard working, of high moral character, and dedicated to our country. Each time our Nation hires a veteran, we all benefit.

Madam Speaker, I urge my colleagues to join today in support of this important legislation.

Mr. BLILEY. Madam Speaker, last winter, I was contacted by constituents of mine who were employed by the Defense Logistic Agency under the veterans recruitment authority [VRA] as appointees. These men and women had served during the Vietnam war and were given preference under VRA in hiring for Federal positions. These men and women had worked diligently at the Defense General Supply Center in my district.

Last session Congress passed an omnibus veterans bill, H.R. 901. In conference, language prevailed regarding the VRA program and drastically reshaped it. The language permitted only those Vietnam-era veterans with campaign badges and those service-connected disabled veterans the ability to be reappointed. Almost 40 appointees at the Defense General Supply Center in my district were affected. They were faced with a springtime reappointment date only to realize that due to the fact that they never actually saw combat during Vietnam, thereby not receiving a campaign badge, they were ineligible for reappointment. This ended their employment. In effect, the language put many Vietnam-era veterans across the country, who had responded to the call of their country, out of work.

Fortunately, I was able to encourage OPM to publish a rule which protected those VRA employees who were already employed under VRA. Unfortunately however, those veterans who had already lost their appointment between January 1, 1990, and the date of publication of the ruling remained unemployed as the ruling was not retroactive.

Madam Speaker, H.R. 4088 would reestablish the past policy permitting all Vietnam-era veterans to be eligible for the VRA Appointment Program. By correcting the language in the compromise of H.R. 901, we would correct the present discrimination against those who did not obtain a campaign badge in Vietnam. I strongly urge my colleagues to vote in favor of this legislation.

Mr. STUMP. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MONTGOMERY. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BOXER). The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 4088, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

AUTHORIZING GRANTS TO ASSIST MEDICAL SCHOOLS IN ESTABLISHING NEW RESEARCH CENTERS

Mr. MONTGOMERY. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4390) to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs and the Secretary of Defense to carry out a joint program to make grants for the establishment of research centers at qualifying medical schools, as amended.

The Clerk read as follows:

H.R. 4390

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. GRANTS TO ESTABLISH RESEARCH CENTERS AT MEDICAL SCHOOLS.

(a) IN GENERAL.—Chapter 73 of title 38, United States Code, is amended by inserting after subchapter III the following:

"SUBCHAPTER IV—RESEARCH GRANTS

"§ 4141. Purpose of subchapter

"The purpose of this subchapter is to authorize the Secretary of Veterans Affairs and the Secretary of Defense to carry out a joint program to assist State medical schools in the establishment of new research centers to carry out medical research in particular fields or specialties.

"§ 4142. Grant program

"(a) The Secretary of Veterans Affairs and the Secretary of Defense may jointly make grants under this subchapter to qualifying medical schools to assist such medical schools in the establishment of new medical research centers. Any such grant may only be made if the two Secretaries and the medical school enter into an agreement under section 4143 of this title.

"(b) A qualifying medical school for purposes of this subchapter is a medical school of a university that is located in a State and that—

"(1) is primarily supported by the State in which it is located;

"(2) does not have an established research center in the particular field or specialty with respect to which an application under section 4145 is submitted;

"(3) is located in proximity to, and is affiliated with, a medical facility of the Department of Veterans Affairs which itself has an affiliation with a medical facility of the Department of Defense; and

"(4) has demonstrable potential for successful development of such a new research center with the assistance of a grant under this subchapter.

"(c) Funds provided to a medical school by a grant under this subchapter may be used for—

"(1) the acquisition, construction, alteration, and renovation of facilities for the research center;

"(2) the acquisition of equipment of the research center; and

"(3) the operation of the research center during its first three years of operation.

"(d) In awarding grants under this subchapter, the two Secretaries shall ensure that the centers for which the grants are made are located in geographically dispersed areas of the United States.

"§ 4143. Activities of research centers for which grants made

"(a) Whenever a grant is made under this subchapter, the Secretary of Veterans Affairs and the Secretary of Defense shall establish an advisory committee to advise the medical school concerned with respect to the activities of the research center for which the grant is made. The advisory committee shall include representatives of the Department of Veterans Affairs, the Department of Defense, and the medical school and shall remain in existence until terminated by the two Secretaries.

"(b) A medical school to which a grant is made under this subchapter shall administer the research center for which the grant is made as a separate administrative entity with its own director (or other appropriate chief official).

"(c)(1) The Secretaries may not enter into an agreement to make a grant under this subchapter unless the Secretaries find, and the agreement includes satisfactory assurances, that the school to which the grant is made will maintain such arrangements with the Department of Veterans Affairs medical facility with which it is affiliated (including such arrangements as may be made under subchapter IV of chapter 81 of this title) as will be mutually beneficial in carrying out the mission of the respective medical facilities and the school. Such arrangements shall include provisions ensuring that research personnel of the Department of Veterans Affairs medical facility, and of the Department of Defense medical facility with which it is associated, may carry out research activities at the research center on an ongoing basis.

"(2) The agreement shall require that, to the extent not inconsistent with paragraph (1) of this subsection, facilities of the research center shall be made available for research activities on a competitive basis.

"(d) The Secretaries shall ensure that an agreement under this section includes appropriate provisions to ensure that the Federal funding for the research center, and any Federal research activities carried out at the research center, are acknowledged in the activities and publications of the center.

"(e) An agreement under this section shall contain such additional terms and conditions (in addition to those imposed pursuant to section 5070(e) of this title and this section) as the Secretaries consider appropriate to protect the interests of the United States.

"§ 4144. Funding

"(a) The amount of a grant under this subchapter, when added to any other Federal funds to be used for the project for which the grant is made, may not exceed one-half of the cost of the project.

"(b)(1) One half of the amount of a grant under this subchapter shall be provided by the Secretary of Veterans Affairs and one-half shall be provided by the Secretary of Defense.

"(2) Funds for a grant under this subchapter to be provided by the Secretary of Veterans Affairs may only be provided from funds appropriated for grants under this subchapter. Funds for a grant under this subchapter to be provided by the Secretary of Defense shall be provided from funds appropriated for research, development, test, and evaluation.

"(c) The two Secretaries may not enter into an agreement for a grant under this subchapter unless the Secretaries find, and the agreement includes satisfactory assurances, that—

"(1) the amount of support for the proposed medical research center from non-Federal sources will be at least as great as the amount of such support from Federal sources;

"(2) the amount of such support from non-Federal sources, when combined with the amount of the proposed grant, is sufficient for the project to proceed upon award of the grant; and

"(3) upon approval of the grant, no further action by non-Federal entities is required to make the necessary funds available for the project.

"(d)(1) Subject to paragraph (2) of this subsection, the Secretaries may increase the amount of any grant awarded to any applicant for a project under this section by an amount by which the Secretaries determines that the estimated cost of the construction, acquisition, or renovations has increased from the estimated cost on which the Secretaries based the determination to award the grant, if the Secretaries determine that the grant was awarded before the applicant entered into a contract for the construction or renovations provided for in such project.

"(2) A grant may not be increased under paragraph (1) of this subsection by more than 10 percent of the amount of the grant initially awarded for such project, and the amount of such grant (as increased) may not exceed 50 percent of the revised cost of the project.

"§ 4145. Grants: applications and priority

"(a) A medical school desiring to receive a grant under this subchapter shall submit to the Secretary of Veterans Affairs an application that sets forth the following:

"(1) The amount of the grant requested with respect to the project.

"(2) A description of the proposed research center, including a description of the proposed site for the center, a description of the proposed field of research in which the center will specialize, and a statement showing the capability of the medical school to successfully develop such research center.

"(3) Reasonable assurance that, upon completion of the project, the new center will be used to conduct research referred to in section 4101(c)(1) of this title.

"(4) Reasonable assurance that the title to such site will be vested solely in the applicant.

"(5) Reasonable assurance that adequate financial support will be avaiable (A) for the construction of the project (or for facility acquisition or renovation) upon award of the grant, and (B) for maintenance and operation of the facility when complete.

"(6) In the case of a project for the renovation of an existing facility, reasonable assurance that the estimated total cost of any expansion, remodeling, and alteration of the facility will not be greater than the estimated cost of construction of an equivalent new facility.

"(7) A statement of the relationship of activities to be carried out at the research center to programs and activities of the Department of Veterans Affairs, including programs for the care and treatment of veterans and programs for the recruitment and retention of health-care professionals for employment by the Department and programs and activities of the Department of Defense.

"(b) In considering applications for a grant under subsection (a) of this section, the Secretaries shall give priority to applications for grants for proposed research centers which will emphasize research in one or more of the following areas (over applications for grants for proposed centers which will not emphasize research in such areas):

"Diabetes and metabolic diseases.

"Prosthetics and rehabilitation medicine.

"Mental health, behavorial medicine, and neurological disease.

"Acquired Immune Deficiency Syndrome (AIDS) and immunodeficiency diseases.

"Alzheimer and dementia.

"Degenerative cardiopulmonary disease.

"Cancer.

"Technology assessment.

"Toxicology.

"(c) The Secretaries shall use a merit review process in considering applications and in awarding grants under this subchapter.

"(d) The amount of a grant under this subchapter shall be paid to the applicant. Such amount shall be paid, in advance or by way of reimbursement, and in such installments consistent with the progress of the project, as the Secretary may determine and certify for payment to the Secretary of the Treasury. Funds paid under this section for an approved project shall be used solely for carrying out such project as approved.

"(e) An amendment of an application (whether or not approved) shall be subject to approval in the same manner as the original application.

"§ 4146. Authorization of appropriations

"(a) There is authorized to be appropriated to the Secretary of Veterans Affairs the sum of $50,000,000 for each of fiscal years 1991 through 1994 for purposes of grants under this subchapter. Amounts appropriated pursuant to such authorization may not be used for any other purpose.

"(b) Amounts appropriated pursuant to subsection (a) of this section shall remain available for obligation until the end of the sixth fiscal year following the fiscal year for which they are appropriated, if so provided in appropriation Acts.

"§ 4147. Recovery of amounts if grant conditions not met

"(a) If the Secretaries determine that a medical school to which a grant is made under this subchapter—

"(1) fails substantially to carry out the terms of the agreement entered into under this subchapter as a condition of the grant; or

"(2) no longer operates the medical research center for which the grant was made in accordance with the purposes of the grant,

the Secretaries shall be entitled to recover from the recipient of the grant the amount of the grant.

"(b) The Secretaries shall prescribe regulations for purposes of subsection (a) of this section."

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 4134 the following:

"SUBCHAPTER IV—RESEARCH GRANTS

"4141. Purpose of subchapter.
"4142. Grant program.
"4143. Activities of research centers for which grants made.
"4144. Funding.
"4145. Grants: applications and priority.
"4146. Authorization of appropriations.
"4147. Recovery of amounts if grant conditions not met."

The SPEAKER pro tempore. Is a second demanded?

Mr. STUMP. Madam Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. STUMP] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Madam Speaker, I yield myself as much time as I may consume.

H.R. 4390, as amended, would create a new research center program in the Department of Veterans Affairs [DVA].

There are important examples of cooperative ventures between the Department of Veterans Affairs and schools of health professions related to the training and education of health providers. There are also important examples of cooperative ventures between the Department of Veterans Affairs and the Department of Defense as well as between the Department of Veterans Affairs and various communities in sharing and mutual acquisition of facilities, equipment and personnel. The successes of these cooperative arrangements are impressive and have gained the support of academics, public servants, beneficiaries, and the public.

For example, under Public Law 92-541 the Department of Veterans Affairs was authorized to implement a pilot program under which assistance could be provided for the establishment of new State medical schools. It also authorized a program of grants to provide assistance in the establishment of cooperative arrangements among universities, colleges, junior colleges, community colleges, schools of allied health professions, State and local systems of education, hospitals, and other nonprofit health manpower institutions affiliated with veterans medical facilities or programs. This program was intended to assist in improving and expanding the training of professional and technical allied health and paramedical personnel.

Public Law 97-174 authorized the DVA and the Department of Defense to enter into agreements and contracts for the mutual use or exchange of hospital and domiciliary facilities, together with supplies, equipment, material, and other resources—including personnel—needed to operate such facilities. The current number of shared services has reached 2,521. In fiscal year 1989, the dollar amount of them reached $23.4 million. In addition to these individual sharing agreements, there are six joint venture hospital construction projects currently in various phases of development. The DVA and the Air Force are now collocated in a new medical facility in Albuquerque, NM. At least three other joint construction ventures are planned with the Air Force in Las Vegas, NV, Tucson, AZ, and Anchorage, AK. Joint ventures have been initiated for outpatient clinics with the Army at El Paso, TX, and Lawton, OK.

Since 1946, DVA medical facilities have been affiliated with schools of medicine, dentistry, nursing, and other health professions at colleges and universities around the Nation. Currently, 1,411 such affiliations exist. Testimony at the committee hearings in the fall of 1989 echoes previous testimony about the mutual benefits to both the DVA and the schools and, most importantly, to veteran patients and the public health of the Nation.

However, with the exception of the recent Department of Veterans Affairs-Department of Defense cooperative research program begun in 1986, little has been done to build on the successes of the relationships between DVA/DOD, the DVA-medical schools, and the DVA-community relationships in the area of research. This is surprising since section 4101 of title 38 of the United States Code requires the Department of Veterans Affairs to conduct a program of research in order to carry out more effectively the delivery of hospital and medical services and to contribute to the Nation's knowledge about disease and disability. The code further requires that the research program be carried out in connection with the provision of medical care and treatment to veterans.

DVA research programs provide new knowledge which in turn improves the quality of patient care in veterans medical facilities and for the rest of the world's medical care as well. DVA research is essential to high quality care and that is why the committee and the Congress have long supported the veterans research programs.

The complexity and costs of cutting-edge medical research present a unique opportunity for settings where medical facilities and research-oriented universities are participants. University medical schools which are partners with the Department of Veterans Affairs and Department of Defense are ideally positioned to perform research. In addition, they are configured to apply research in seeking

better ways to treat the health problems which afflict the Nations veterans and to provide new knowledge that can be applied to the population as a whole.

H.R. 4390 would authorize the Secretary of Veterans Affairs and the Secretary of Defense to make grants for the establishment of new medical research centers that would conduct research in areas of interest to the DVA and the population as a whole.

The purpose of the reported bill is to take advantage of the proven benefits of cooperation in the areas of education and training of health professionals and health care delivery among the DVA, medical schools, and the DOD by means of a grant program to assist certain medical schools in establishing new research centers.

A medical school may apply for such grants provided that it is a medical school of a university located in a State and is primarily supported by the State in which it is located; is located in proximity to, and is affiliated with a medical facility of the DVA which itself has an affiliation with a medical facility of the Department of Defense; does not have an established research center in the particular field or specialty with respect to which an application is submitted; and has demonstrable potential for successful development of such a new research center.

Thus, it is the intention of the committee that DVA, DOD, and a medical school extend existing cooperative relationships into research activities.

Under the reported bill, the process for awarding grants would be a competitive one. The committee expects the Secretaries to use a process analogous to merit review for research grants in considering applications and in awarding grants. Merit review would entail an objective assessment of the proposed projects and would award grants to those projects which best meet the criteria set forth in the bill.

The emphasis would be placed on establishing new medical research centers. A successful applicant for a grant under this program might well have ongoing successful research programs in areas other than medical, prosthetic or health services research and such a situation might be used to demonstrate potential for purposes of applying for this grant program. However, the expectation of the committee is that this grant program would result in new capacity to conduct research. Priority would be given to those applications from schools that do not have an established research center in the particular field or specialty with respect to which an application under section 4145 is submitted.

Priority research areas are listed in the bill and include diabetes and metabolic diseases, prosthetics and rehabilitative medicine, Alzheimer's and dementia, and cancer. The committee is aware of the Secretary's Blue Ribbon Commission on Department of Veterans Affairs research programs. The committee is also aware of the longstanding discussion among members of the Federal and non-Federal research communities with regard to setting priorities for research programs. Madam Speaker, I believe that it is necessary in this time of constrained resources to consider carefully the target of research dollars and that setting priorities does not necessarily restrict the creativity and initiatives of individual researchers.

Funds obtained by successful applicants would be used for the acquisition, construction, alteration, or renovation of facilities for use as a medical research center. Funds would also be available for use in the operation of the research center for the first 3 years and for the purchase of needed equipment. This is consistent with the use of funds that were made available for the establishment of the new State medical schools.

Madam Speaker, funding for these projects would come from three sources: the Department of Veterans Affairs, the Department of Defense, and non-Federal sources. In the case of DVA funds, moneys for these projects would come from new appropriations. In no case would funds from the Department's existing research budget be allocated to fund projects under this bill. It should be clear that it is the committee's intent to ensure that current research programs are not sacrificed to fund these new medical research centers. Funding for DOD grants would come from funds appropriated for research, development, test, and evaluation.

In the case of a project that will receive funding, no more than half the total amount of funding needed will come from Federal sources. The bill would authorize the DVA and the DOD to each fund 25 percent of the total cost. At the time the grant is awarded, no further non-Federal action will be necessary to provide the non-Federal portion of the necessary funding. This is to ensure that those projects that receive Federal funding will be able to proceed with the project upon award of the grant.

Finally, Madam Speaker, this bill authorizes the appropriation of $50,000,000 to the Secretary of Veterans Affairs for each of fiscal years 1991, 1992, 1993, and 1994. These funds may be used only for the purpose of establishing new medical research centers as set forth in H.R. 4390.

We have discussed this bill with the Armed Services Committee. The proposal we are considering today includes amendments suggested by that committee. We have accepted the amendments proposed by the Armed Services Committee and I know of no opposition to the bill.

I want to thank the distinguished gentleman from Arkansas, the ranking minority member on our Subcommittee on Hospitals and Health Care, JOHN PAUL HAMMERSCHMIDT, and the ranking minority member of the full committee, the distinguished gentleman from Arizona [BOB STUMP], for their help in getting this bill to the floor.

I am also grateful to the Chairman of the Armed Services Committee, the gentleman from Wisconsin [Mr. ASPIN] and the ranking minority member of the committee, the gentleman from Alabama [Mr. DICKINSON] for their cooperation in this matter. I am especially grateful to the very able gentleman from California [Mr. DELLUMS], who chairs the Armed Services Committee's Subcommittee on Research and Development.

Finally, Madam Speaker, I want to acknowledge the work done on this proposal by the chief sponsor of the bill, the gentleman from the 11th District of Texas, Mr. LEATH. Mr. LEATH is a former member of the Veterans' Affairs Committee. The gentleman from Texas has always taken a special interest in our Nation's veterans. He has three medical centers in his district and he understands the value of medical research and the role it plays in providing quality medical care to veterans and nonveterans alike. This bill is one more example of his creative leadership. Since my friend has announced that he will retire from the House at the end of this Congress, I want him to know that we are grateful for his work on the committee and to tell him how grateful our Nation's veterans are for the work he has done for them over the years.

Madam Speaker, as I stated previously, this measure will encourage the investment of private funds for research. It seems to me that this is a good idea and I urge my colleagues to support this bill, as amended.

□ 1300

Madam Speaker, I reserve the balance of my time.

Mr. STUMP. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of H.R. 4390, as amended, a bill to authorize a joint Department of Veterans Affairs and Department of Defense Medical Research Program.

Our committee's distinguished chairman, Mr. MONTGOMERY, and the subcommittee's ranking minority member, Mr. HAMMERSCHMIDT, in conjunction with Mr. LEATH of the Armed Services Committee, have produced H.R. 4390, as amended, to address medical research needs of VA and DOD. I com-

mend them for their attention to the research side of medical care and for their understanding of its importance.

Also, the cooperation and assistance of the chairman of the Armed Services Committee, Mr. ASPIN, and of its ranking minority member, Mr. DICKINSON, is most appreciated in resolving technical matters between our two committees.

Madam Speaker, I urge my colleagues to support this bill.

Madam Speaker, I yield such time as he may consume to the gentleman from Arkansas [Mr. HAMMERSCHMIDT].

Mr. HAMMERSCHMIDT. Madam Speaker, I thank the gentleman for yielding time to me.

Madam Speaker, I rise in support of H.R. 4390, as amended, as the ranking minority member of the Subcommittee on Hospitals and Health Care. This bill will help fulfill a longstanding priority of the Committee on Veterans' Affairs which is to maximize opportunities for the Department of Veterans Affairs Research Program.

For the last few years, the Department's research program has been subjected to decreasing amounts of available funding. This bill would authorize a cost-sharing program between the Department of Veterans Affairs, the Department of Defense and State-supported universities. Such grants would provide yet another avenue by which the Department of Veterans Affairs could carry out its mandated goal of engaging in research projects germane to the veterans' population.

Health care sharing agreements between the DVA, DOD and State medical universities are not new. The committee has found these relationships to be highly successful, especially in light of the current fiscal climate. However, with the exception of the recent DVA-DOD cooperative research program, which began in 1986, little has been done to build on these successes. I have no doubt that H.R. 4390 will enhance the DVA's research program.

Since the bill specifies the use of new funding allocations for this purpose, funds will not be drawn away from the Department's already dwindling research program.

Madam Speaker, I would like to thank my colleague, Mr. LEATH of Texas, for sponsoring this bill, as well as the distinguished chairman and ranking member, Mr. MONTGOMERY and Mr. STUMP for their leadership in expediting the handling of this legislation. In addition, I want to express my appreciation to Mr. ASPIN, the chairman of the Armed Services Committee, and Mr. DICKINSON, the ranking member, for their necessary input and guidance.

Madam Speaker, I urge the support of my colleagues on H.R. 4390, as amended.

Mr. MONTGOMERY. Madam Speaker, I yield myself 30 seconds.

Madam Speaker, as I said earlier, this measure will encourage the investment of private funds for research. It seems to me to be a very, very good idea.

Madam Speaker, I urge my colleagues to support the bill.

Mr. LEATH of Texas. Madam Speaker, doesn't it make sense that America's two largest health care systems, operated by the Departments of Veterans Affairs [DVA] and Defense [DOD], could better fulfill their comparable health care missions by joining forces? And imagine how potent and productive they can be by further uniting with the Nation's medical schools to improve our quality of life through research.

These two vast medical systems already share facilities and resources in the delivery of health care. In fact, DVA and DOD currently have more than 2,500 sharing agreements across the country. To a limited extent, the wo departments also conduct cooperative medical research projects which are beneficial to all mankind.

Simple common sense. That's all it takes to understand that by sharing resources—personnel, facilities, equipment, medical supplies, knowledge—these two heatlh care systems are made stronger and more effectrive in their common missions. The purpose of the legislation we will consider today is to augment this cooperative working relationship.

H.R. 4390 would authorize the Secretary of Veterans Affairs and the Secretary of Defense, working together, to make grants for the establishment of new medical research centers at eligible medical schools. What makes this undertaking even more practical is the fact that it saves money. The private sector would be picking up its fair share of the cost.

Imagine that. This powerful triad would determine what type of research is needed and where it best could be conducted. The Federal Government would put up half the money, split evenly between DVA and DOD. The private sector would pick up the rest of the tab.

I want to emphasize that this venture would not jeopardize any ongoing DVA research efforts. DVA funding for this program would come from entirely new accounts.

Mr. Speaker, as we near the turn of the century, we are confronted by relatively new and serious medical challenges such as AIDS, Alzheimer's and other geriatric ailments, as well as those maladies which still need medical solutions that can only come from quality research.

Innovation. Practicality. Cooperation. That's what this bill employs. And, oh yes * * *

Simple common sense.

Mr. GILMAN. Madam Speaker, I am pleased to rise in support of H.R. 4390, a measure to provide VA grants to enable medical schools to establish new research centers. I would like to commend the gentleman from Texas [Mr. LEATH] for introducing this important measure, and the chairman of the Veterans Committee, the distinguished gentleman from Mississippi [Mr. MONTGOMERY] and the ranking minority member, the gentleman from Arizona [Mr. STUMP] for their unceasing efforts on behalf of our Nation's veterans.

H.R. 4390 authorizes grants to medical schools for the establishment of medical research centers specializing in areas of interest to the Department of Veterans Affairs. The areas of research that will be targeted include: Diabetes and metabolic diseases, prosthetics and rehabilitation medicine, mental health, behavioral medicine and neurological disease, acquired immune deficiency syndrome [AIDS], alzheimer's and dementia, degenerative cardiopulmonary disease, cancer, technology assessment, and toxicology.

These grants are intended to improve medical care and treatment of veterans, as well as, enhance the recruitment and retainment of qualified medical professionals for the Department of Veterans Affairs.

Madam Speaker, ensuring the integrity of the veterans health care system must remain an important concern of this body. Accordingly, I strongly support this measure, and urge my colleagues to vote in favor of it.

Mr. MONTGOMERY. Madam Speaker, I yield back the balance of my time.

Mr. STUMP. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BOXER). The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 4390, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs and the Secretary of Defense to carry out a joint program to make grants for the establishment of research centers at qualifying medical schools.".

A motion to reconsider was laid on the table.

VETERANS HEALTH SERVICES AND RESEARCH ADMINISTRATION OF THE DEPARTMENT OF VETERANS AFFAIRS REORGANIZATION

Mr. MONTGOMERY. Madam Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2700) to authorize the Secretary of Veterans Affairs to proceed with a proposed administrative reorganization of the regional field offices of the Veterans Health Services and Research Administration of the Department of Veterans Affairs, notwithstanding the notice-and-wait provisions in section 210(b) of title 38, United States Code, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. STUMP. Madam Speaker, reserving the right to object, I do not intend to object but I would like to ask the chairman of the committee for an explanation of the Senate bill.

Mr. MONTGOMERY. Madam Speaker, will the gentleman yield?

Mr. STUMP. I yield to the chairman of the committee, the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Madam Speaker, H.R. 4557, as amended, was passed unanimously by the House on May 1, 1990. Section 402 of the bill contained a provision that would permit the administrative reorganization of regional and district offices of the Veterans Health Services and Research Administration without waiting for October 1, 1990. This bill, S. 2700, would accomplish the same objective.

Current law prohibits major administrative reorganizations unless the following two requirements are met: First, a report detailing the proposed action and the justification for it must be submitted to the Congress with the proposed fiscal year's administration budget and second, the reorganization may not take place before the first day of the fiscal year for which the budget is proposed. The Congress received such a report on this proposed reorganization with the administration's proposed budget for fiscal year 1991. The Secretary of the Department of Veterans Affairs, has subsequently asked for a waiver of the statutory requirement to wait for the first day of fiscal year 1991 before beginning to implement the reorganization.

Madam Speaker, our committee and the House approved this requested waiver when we passed H.R. 4557 5 weeks ago. The Department currently spends in excess of $20 million annually for the administration of its medical programs in the field and I believe that the savings generated by granting such a waiver could be well spent in direct medical care delivery. Therefore, I urge adoption of the bill.

Mr. STUMP. Madam Speaker, further reserving the right to object, I would like to associate myself with the remarks of the chairman and hope my colleagues will join in support of this measure.

Madam Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2700

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of Veterans Affairs may proceed with the administrative reorganization described in subsection (b) of this Act without regard to section 210(b) of title 38, United States Code.

(b) The administrative reorganization referred to in subsection (a) is the reorganization of the regional field offices of the Veterans Health Services and Research Administration of the Department of Veterans Affairs as that reorganization and related activity are described in (1) letters dated January 22, 1990, and the detailed plan and justification enclosed therewith, submitted by the Secretary to the Committees on Veterans' Affairs of the Senate and the House of Representatives pursuant to such section 210(b), and (2) letters dated April 17, 1990, submitted in supplementation thereof by the Secretary to such Committees.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FEDERAL EMPLOYEES POLITICAL ACTIVITIES ACT OF 1989

Mr. FORD of Michigan. Madam Speaker, I move to suspend the rule and concur in the Senate amendment to the bill (H.R. 20) to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes.

The Clerk read as follows:

Senate amendment: Strike out all after the enacting clause and insert: That this Act may be cited as the "Hatch Act Reform Amendments of 1990".

SEC. 2. POLITICAL ACTIVITIES.

(a) Subchapter III of chapter 73 of title 5, United States Code, is amended to read as follows:

"SUBCHAPTER III—POLITICAL ACTIVITIES

"§ 7321. Political participation

"It is the policy of the Congress that employees should be encouraged to exercise fully, freely, and without fear of penalty or reprisal, and to the extent not expressly prohibited by law, their right to participate or to refrain from participating in the political processes of the Nation.

"§ 7322. Definitions

"For the purpose of this subchapter—

"(1) 'employee' means any individual, other than the President and the Vice President, employed or holding office in—

"(A) an Executive agency other than the General Accounting Office; or

"(B) a position within the competitive service which is not in an Executive agency;

but does not include a member of the uniformed services;

"(2) 'partisan political office' means any office for which any candidate is nominated or elected as representing a party any of whose candidates for Presidential elector received votes in the last preceding election at which Presidential electors were selected, but shall exclude any office or position within a political party or affiliated organization; and

"(3) 'political contribution'—

"(A) means any gift, subscription, loan, advance, or deposit of money or anything of value, made for any political purpose;

"(B) includes any contract, promised, or agreement, express or implied, whether or not legally enforceable, to make a contribution for any political purpose;

"(C) includes any payment by any person, other than a candidate or a political party or affiliated organization, of compensation for the personal services of another person which are rendered to any candidate or political party or affiliated organization without charge for any political purpose; and

"(D) includes the provision of personal services for any political purpose.

"§ 7323. Political activity authorized; prohibitions

(a) Subject to the provisions of subsection (b), an employee may take an active part in political management or in political campaigns, except an employee may not—

"(1) use his official authority or influence for the purpose of interfering with or affecting the result of an election;

"(2) knowingly solicit, accept, or receive a political contribution from any person, unless such person is—

"(A) a member of the same Federal labor organization as defined under section 7103(4) of this title or a Federal employee organization which as of the date of enactment of the Hatch Act Reform Amendments of 1990 had a multicandidate political committee (as defined under section 315(a)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(4));

"(B) not a subordinate employee; and

"(C) the solicitation is for a contribution to the multicandidate political committee (as defined under section 315(a)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(4))) of such Federal labor organization as defined under section 7103(4) of this title or a Federal employee organization which as of the date of the enactment of the Hatch Act Reform Amendments of 1990 had a multicandidate political committee (as defined under section 315(a)(4) of the Federal Election Campaign Act of 1971 (2 A.S.C. 441a(a)(4)); or

"(3) run for the nomination or as a candidate for election to a partisan political office; or

"(4) knowingly solicit or discourage the participation in any political activity of any person who—

"(A) has an application for any compensation, grant, contract, ruling, license, permit, or certificate pending before the employing office of such employee; or

"(B) is the subject of or a participant in an ongoing audit; investigation, or enforcement action being carried out by the employing office of such employee.

"(b)(1) An employee of the Federal Election Commission (except one appointed by the President, by and with the advice and consent of the Senate), may not request or receive from, or give to, an employee, a Member of Congress, or an officer of a uniformed service a political contribution.

"(2) No employee of the Federal Election Commission (except one appointed by the President, by and with the advice and consent of the Senate), may take an active part in political management or political campaigns.

"(3) For purpose of this subsection, the term 'active part in political management or in a political campaign' means those acts of political management or political campaigning which were prohibited for employees of the competitive service before July 19, 1940, by determinations of the Civil Service Commission under the rules prescribed by the President.

"§ 7324. Political activities on duty; prohibition

"(a) An employee may not engage in political activity—

"(1) while the employee is on duty;

"(2) in any room or building occupied in the discharge of official duties by an individual employed or holding office in the Government of the United States or any agency or instrumentality thereof;

"(3) while wearing a uniform or official insignia identifying the office or position of the employee; or

"(4) using any vehicle owned or leased by the Government of the United States or any agency or instrumentality thereof.

"(b)(1) An employee described in paragraph (2) of this subsection may engage in political activity otherwise prohibited by subsection (a) if the costs associated with that political activity are not paid for by money derived from the Treasury of the United States.

"(2) Paragraph (1) applies to an employee—

"(A) the duties and responsibilities of whose position continue outside normal duty hours and while away from the normal duty post; and

"(B) who is—

"(i) an employee paid from an appropriation for the Executive Office of the President; or

"(ii) an employee appointed by the President, by and with the advice and consent of the Senate, whose position is located within the United States, who determines policies to be pursued by the United States in relations with foreign powers or in the nationwide administration of Federal laws.

"§ 7325. Political activity permitted; employees residing in certain municipalities.

"The Office of Personnel Management may prescribe regulations permitting employees, without regard to the prohibitions in paragraphs (2) and (3) of section 7323 of this title, to take an active part in political management and political campaigns involving the municipality or other political subdivision in which they reside, to the extent the Office considers it to be in their domestic interest, when—

"(1) the municipality or political subdivision is in Maryland or Virginia and in the immediate vicinity of the District of Columbia, or is a municipality in which the majority of voters are employed by the Government of the United States; and

"(2) the Office determines that because of special or unusual circumstances which exist in the municipality or political subdivision it is in the domestic interest of the employees and individuals to permit that political participation.

§ 7326. Penalties

"Any employee who has been determined by the Merit Systems Protection Board to have violated on two occasions any provision of section 7323 or 7324 of this title, shall upon such second determination by the Merit System Protection Board be removed from such employee's position, in which event that employee may not thereafter hold any position (other than an elected position) as an employee (as defined in section 7322(1) of this title). Such removal shall not be effective until all available appeals are final.".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—(1) Section 3302(2) of title 5, United States Code, is amended by striking out "7203, 7321, and 7322" and inserting in lieu thereof "and 7203".

(2) The table of sections for subchapter III of chapter 73 of title 5, United States Code, is amended to read as follows:

"SUBCHAPTER III—POLITICAL ACTIVITIES

"7321. Political participation.
"7322. Definitions.
"7323. Political activity authorized; prohibitions.
"7324. Political activities on duty; prohibition.
"7325. Political activity permitted; employees residing in certain municipalities.
"7326. Penalties.".

SEC. 3. AMENDMENT TO CHAPTER 12 OF TITLE 5, UNITED STATES CODE.

Section 1216(c) of title 5, United States Code, is amended to read as follows:

"(c) If the Special Counsel receives an allegation concerning any matter under paragraph (1), (3), (4), or (5) of subsection (a), the Special Counsel may investigate and seek corrective action under section 1214 and disciplinary action under section 1215 in the same way as if a prohibited personnel practice were involved.".

SEC. 4. AMENDMENTS TO TITLE 18.

(a) Section 602 of title 18, United States Code, relating to solicitation of political contributions, is amended—

(1) by inserting "(a)" before "It";

(2) in paragraph (4) by striking out all that follows "Treasury of the United States" and inserting in lieu thereof a semicolon and "to knowingly solicit any contribution within the meaning of section 301(8) of the Federal Election Campaign Act of 1971 from any other such officer, employee, or person. Any person who violates this section shall be fined under this title or imprisoned not more than 3 years, or both."; and

(3) by adding at the end thereof the following new subsection:

"(b) The prohibition in subsection (a) shall not apply to any activity of an employee (as defined in section 7322(1) of title 5) or any individual employed in or under the United States Postal Service or the Postal Rate Commission, unless that activity is prohibited by section 7323 or 7324 of such title.".

(b) Section 603 of title 18, United States Code, relating to making political contributions, is amended by adding at the end thereof the following new subsection:

"(c) The prohibition in subsection (a) shall not apply to any activity of an employee (as defined in section 7322(1) of title 5) or any individual employed in or under the United States Postal Service or the Postal Rate Commission, unless that activity is prohibited by section 7323 or 7324 of such title.".

(c) Chapter 29 of title 18, United States Code (18 U.S.C. 592 et seq.), relating to elections and political activities is amended by adding at the end thereof the following new section:

"SEC. 610. COERCION OF POLITICAL ACTIVITY.

"It shall be unlawful for any person to intimidate, threaten, command, or coerce, or attempt to intimidate, threaten, command, or coerce, any employee of the Federal Government as defined in 5 U.S.C. 7322(1), as amended, to engage in, or not to engage in, any political activity, including, but not limited to, voting or refusing to vote for any candidate or measure in any election, making or refusing to make any political contribution, or working or refusing to work on behalf of any candidate. Any person who violates this section shall be fined not more than $5,000 or imprisoned not more than three years, or both.".

SEC. 5. AMENDMENTS TO THE VOTING RIGHTS ACT OF 1965.

Section 6 of the Voting Rights Act of 1965 (42 U.S.C. 1973d) is amended by striking out "the provisions of section 9 of the Act of August 2, 1939, as amended (5 U.S.C. 118i) prohibiting partisan political activity" and by inserting in lieu thereof "the provisions of subchapter III of chapter 73 of title 5, United States Code, relating to political activities".

SEC. 6. AMENDMENTS RELATING TO APPLICATION OF CHAPTER 15 OF TITLE 5, UNITED STATES CODE.

(a) Section 1501(1) of title 5, United States Code, is amended by inserting ", the District of Columbia," after "State".

(b) Section 675(e) of the Community Services Block Grant Act (42 U.S.C. 9904(e)) is repealed.

SEC. 7. APPLICABILITY TO POSTAL EMPLOYEES.

The amendments made by this Act, and any regulations thereunder, shall apply with respect to employees of the United States Postal Service and the Postal Rate Commission, pursuant to sections 410(b) and 3604(e) of title 39, United States Code.

SEC. 8. EFFECTIVE DATE.

(a) The amendments made by this Act shall take effect 120 days after the date of the enactment of this Act, except that the authority to prescribe regulations granted under section 7325 of title 5, United States Code (as added by section 2 of this Act), shall take effect on the date of the enactment of this Act.

(b) Any repeal or amendment made by this Act of any provision of law shall not release or extinguish any penalty, forfeiture, or liability incurred under that provision, and that provision shall be treated as remaining in force for the purpose of sustaining any proper proceeding or action for the enforcement of that penalty, forfeiture, or liability.

(c) No provision of this Act shall affect any proceedings with respect to which the charges were filed on or before the effective date of the amendments made by this Act. Orders shall be issued in such proceedings and appeals shall be taken therefrom as if this Act had not been enacted.

The SPEAKER pro tempore. Is a second demanded?

Mr. ARMEY. Madam Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

PARLIAMENTARY INQUIRY

Mr. ARMEY. Madam Speaker, I have a parliamentary inquiry?

The SPEAKER pro tempore. The gentleman will state it.

Mr. ARMEY. Madam Speaker, I demanded a second so that I could participate in this debate. I have checked with the gentleman from New York [Mr. GILMAN] and he has his time committed. I do not wish to challenge this right to control his time and fulfill his commitments to Members who have asked him for time.

Madam Speaker, I wonder if the chairman and the ranking member might find it acceptable for me to ask

unanimous consent that we increase the time of the debate by 20 minutes and allow me to control that time rather than to have me challenge the allocation of the time that has already been made.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. FORD of Michigan. Madam Speaker, reserving the right to object, my understanding of the position that I am in is that if I do not accede to his request, under the rules he will be able to take Mr. GILMAN's time away from him. I should not like the minority party who serves on the committee and does the actual hard work on this legislation to be silenced by one or two Members on that side who decide at the last minute they want to run the debate.

Madam Speaker, for that reason I am going to agree to the additional 20 minutes to be assigned to the gentleman.

Madam Speaker, I want the gentleman and other Members to know that I understand very fully why we are doing it.

Madam Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. FORD] will be recognized for 20 minutes, the gentleman from New York [Mr. GILMAN] will be recognized for 20 minutes, and the gentleman from Texas [Mr. ARMEY] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Madam Speaker, I yield myself such time as I may consume, simply to say, before recognizing the gentleman from Missouri, that this matter has been before the House before. The bill passed the House when last we considered it, 297 to 90.

The amendment which we have agreed to take is the Senate-passed bill which passed by 67 to 30.

Madam Speaker, to the contrary notwithstanding indicating it is a controversial issue, it should be taken in the context of the fact it has not really been that controversial in recent years. The bill has been a long time getting to this point, and it represents a successful effort by Congressman CLAY, who has been the most persistent advocate of this legislation for a good many years, working with the Republican members of our committee in fashioning a bill that was able to pass the committee unanimously on two occasions. That is without a single dissenting vote from the minority side.

□ 1310

That is because they have as much input into this product as we have, and I think that the House should recognize this fine job on the part of the gentleman from Missouri [Mr. CLAY] in putting together this bipartisan agreement.

Madam Speaker, today we are voting for the political emancipation of 3 million Federal workers. We are going to give to them—after 50 years—the same political rights as their counterparts in the newly formed democracies of Eastern Europe.

We are going to reform the five-decade-old Hatch Act, and allow Federal employees—on their own time, just like their neighbors—to exercise the basic, fundamental rights of political participation that the rest of us enjoy: To hold office in a political party; to work for a political organization; to work for a political campaign.

That's right—if you're a Federal worker, you have been denied these simple, taken-for-granted rights. Government workers in the Soviet Union enjoy more freedom to practice politics than America's Government workers. This is ridiculous, and this is why the House and Senate have overwheiming voted to change the system.

Now, before our few opponents begin to envision political wardheelers taking over the Federal Government and all of its services, let me assure them that we have built strong safeguards and penalties into the bill to prevent just that—or any form of political coercion.

Giving Federal employees greater rights to participate in partisan politics does not mean that the Federal work force will be politicized. Employees will still get and hold their jobs on merit, not on political connections or loyalties. The measure explicitly prohibits anyone from intimidating or coercing, or attempting to intimidate or coerce any Federal employee to participate or not to participate in any political activity, and bars any political contribution by Federal employees to their superiors. The Federal civil service will remain free of political manipulations and continue to serve the public in an impartial and fair manner.

The arguments that were used back in the 1930's to justify the Hatch Act are no longer valid today. When the Hatch Act was originally passed, less than one-third of the Federal work force of 950,000 was covered by a classified merit system. Today the Federal work force is more than three times larger, and 79 percent of that work force is covered by a well-entrenched merit system that protects both employees and the public from political influence and abuse.

Madam Speaker, not too many months ago, the Government of the United States was the model for revolutions in Poland, Hungary, Czechoslovakia—all of Eastern Europe. Leaders like Lech Walesa—and government workers in Poland—fought the good and hard fight for political freedoms. The people of Czechoslovakia—this weekend—held their first free elections in 40 years, with active, open government worker participation. This week, the once most autocratic country of Bulgaria went to the polls—again, as the result of a political movement in which government workers played a role.

What, now, would happen if you stood up in the Parliament in Warsaw and said that from now on, government workers would not be allowed to take part in politics—that the political rights they have been practicing for the last decade were no longer allowed? You would be booed, hissed, laughed at, and the subject of ridicule and disbelief by your peers and your countrymen. Yet, that is what we have done in the United States—once the model for others only dreaming of democracy.

Madam Speaker, our politically powerless Federal workers are usually the first targets of political decisions for which they have no defense. We are not advocating, nor envisioning, the gray masses of Independence Avenue rising up in a coup—we are only asking for the simple right to put up a yard sign, or display a bumper sticker, or send a check, or stuff envelopes—the same building blocks from which great people-participation democracies are built.

Madam Speaker, our Federal workers are behind in pay, below in benefits, and leaving in droves by the day. In every way that matters, we are convincing people not to work for the Government. Perhaps today's reform of the Hatch Act can be the first step toward making "government work" the proud, desirable profession it used to be.

I know the President has unveiled another veto threat on this bill, but I can't believe the threat came from him personally. He has lived in and visited too many countries where people have no political rights—to allow his own administration to suppress those rights. I think in the end, the House and the Senate—after 50 years—are going to vote to allow Federal workers—on their own time—to be free to join other Americans in political activities.

Madam Speaker, what does basic political freedom mean? It means that Nelson Mandela is visiting the United States today, and not being visited in a South African jail.

Basic political freedom means that East Germans are crossing Checkpoint Charlie with shopping bags full of goods, not being chased away from the wall by guards with guns.

Basic political freedom means that just this year, Lech Walesa, of Poland, and Vaclav Havel, of Czechoslovakia, stood right here and spoke as free men.

Don't you think the time has come for Federal workers to also join the ranks of the politically free?

With that, Madam Speaker, I yield such time as he may consume to the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. Madam Speaker, on February 6, 1975, I introduced a bill to remove unnecessary, unfair restrictions on the rights of Federal employees to participate as free citizens in the political life of the Nation. That marked the beginning of the first major congressional effort to reform the 1939 Hatch Act. Today, more than 15 years later, I am addressing this illustrious body for the eighth time on this important legislation.

On every occasion that the House of Representatives has considered this issue, it has voted overwhelmingly, on

a bipartisan basis, to reform this antiquated law and to restore to Federal and postal employees the most basic right of citizenship, the right to exercise a voice in the determination of their elected representatives. In the 94th Congress, 288 Members of the House voted to initially pass legislation to reform the Hatch Act; 241 Members voted for the conference report on that occasion and 243 Members, 26 short of the required number, voted to override President Ford's veto. In the 95th Congress, 244 Members of this body overwhelmingly voted to reform the Hatch Act, but the legislation was tied up in the Senate. In that last Congress, this body passed Hatch Act reform by a margin of 305 to 112. Once again the bill was held up in the Senate.

On April 17 of last year, this body passed H.R. 20, the bill we are considering today, by a margin of 297 to 90. This body has made clear its view that Federal and postal employees should no longer suffer under an antiquated, unnecessary law that abridges their first amendment rights and on its face should have been found unconstitutional long ago. I am pleased to say that, following 8 days of consideration, the other body has also adopted our views. On May 10, having amended the bill to further protect the ability of Federal employees to partake in the political process without fear of compulsion or reprisal, the Senate passed this legislation by a margin of 67 to 30.

The Hatch Act was originally enacted with little oversight and virtually no forethought. No public hearings were ever held on the bill in either body prior to passage. A crucial initial sponsor of the legislation, after talking with Senator Hatch agreeing to lend his name to the bill, did not realize that the bill restricted all Federal and postal employees from participating in politics. As initially passed by the Senate, those restrictions not only applied to civilian employees of the Federal Government, but were applicable to the President, his senior advisors, and to Members of Congress. Imagine that, as this bill initially passed the Senate, it forbade the President, senior administration policy makers and Members of Congress from engaging in partisan politics, or running for partisan political office.

Now compare the careful, exhaustive consideration that has been given to reform of the Hatch Act. In this body alone, Hatch Act reform legislation has been subject to more than 2 weeks of hearings and more than a week of floor consideration. As I have already pointed out, the Senate has debated this legislation on the floor for more than a week in this Congress alone.

The bill we are considering today, while similar to the House-passed version, is more modest and more restrictive. H.R. 20, as passed by the Senate, differs from the House-passed bill in three significant respects. First, the Senate-passed bill prohibits Federal and postal workers from seeking partisan elective office. Second, Federal and postal employees may solicit political contributions only for the multicandidate political action committee of a Federal labor organization of which they are a member and may only solicit from nonsubordinate Federal or postal employees who are member of that same organization. As passed by the Senate, not only are Federal employees precluded from soliciting political contributions from subordinates, but they are precluded from soliciting from any member of the general public and any Federal employee who is not a member of the same labor organization.

Finally, the Senate-passed bill incorporates two specific penalties for violations of the reformed Hatch Act that were not included in the House version. As passed by the Senate, H.R. 20 provides that an employee who has been found by the MSPB to have violated the Hatch Act on two separate occasions shall forfeit the right to be employed by the Federal Government and that anyone coercing an employee to engage or not engage in political activity shall be subject to a maximum fine of $5,000, up to 3 years imprisonment, or both.

Madam Speaker, I contend that Federal employees are as honest, as law abiding, as responsible as their counterparts in the private sector. The majority of Federal employees in supervisory positions, just like the majority of management in the private sector, will not intimidate, threaten, or coerce their employees into performing illegal political acts. If they do, however, they will find themselves liable for that ill-conceived action under the terms of this legislation.

In my own congressional district, there are a number of civilian defense employees as well as many employees of defense contractors and subcontractors. In many instances, the duties of these employees are virtually identical. Indeed, in some instances you can find them working side-by-side. Both sets of employees are dependent upon revenue provided by the Federal Government for their salaries, both sets of employees are appraised for their job performance by Federal officials. Yet, those who are contracted to work for the Federal Government enjoy full rights of citizenship. They may attend political party functions and seek to ensure that the views and candidates supported by that party reflect their interests. They may then go out and, within the provisions of law, work as hard as they are willing to elect those candidates. In short, they have a full voice in the determination of their government. They are free men and women.

The same cannot be said for those who are employed directly by the government. They, by law, are political eunuchs. They are precluded from exercising an effective voice in determining candidates for elective office. And should they seek to work for election of a candidate under very limited and restricted conditions, they are subjected to such a confusing morass of regulatory mandates that many find it both easier and safer to take no part at all in electioneering. The right of free speech and the right of association, in the instance of Federal employees is as proscribed in this country as it has been in most communist countries.

Reasons given to infringe on the basic rights of 3 million individuals range from the very naive that "it would be bad for the employee, who would find his career more and more determined by political allegiance and activity, rather than by performance on the job"; to "it would be bad for the public, which has a crucial interest in the impartiality of government service"; and finally, to the most sinister reason of all that "Federal employees are a privileged group which needs extra special protection from other government employees who are overzealous managers". Mr. Speaker, nothing could be further from the truth. Such assertions not only ignore the clear provisions of this legislation, but ignore the provisions of the Civil Service Reform Act which preclude political allegiance from serving as the basis for career advancement in government and ensure that civil servants will perform their duties without political bias.

Our mandate, indeed our obligation, is one much more earthly. It is arrived at by the application of common sense and related to common decency. We believe that the Bill of Rights was written to protect all citizens, yes, including even those who work for the United States Government. We further believe that the principles embodied in the Bill of Rights are essential not only for the protection of all citizens but for the maintenance of sound government as well.

Even given the additional protections added by the Senate, we hear rumors that the President may veto this legislation. There is no reason why threat of a Presidential veto should dampen our enthusiasm for these reforms. This legislation has been carefully balanced to fully protect the first amendment rights of Federal and postal employees, including the right to refrain from taking an active part in the political process of this country as well as the right to do so.

Madam Speaker, I get very emotional when discussing the reasons justifying enactment of this measure. For

the past 15 years, I have devoted full-time to educating my colleagues and the public about the need for granting political liberation to our Federal workforce. At times, perhaps I take excessive liberty with language in describing the provisions of the bill and its importance to both the government worker and the public at large. For instance, I have been quoted in the past as saying that Hatch Act revision "is to Federal and postal employees what the Magna Carta, the Bill of Rights, and the Declaration of Independence were to freedom loving people of yesteryear." To some that is an exaggeration, but to me it is a simplification of the travesty inflicted on American citizens because of their employment.

Repealing those provisions of the Hatch Act that unnecessarily infringe upon the right of free speech and freedom of association is an idea whose time is long overdue. Until the nearly 3 million government workers are unhatched and permitted to exercise their political rights like all others, our democracy will continue to be seriously flawed. People all over this world are overthrowing governments that deny them full participation in determining who will speak for them. What we have witnessed in Poland, Czechoslovakia, Romania, Hungary, East Germany, and even Russia is mind boggling and irreversible. Those voices in Eastern Europe who called out for political freedom could not be silenced; just as those voices in eastern Kentucky and eastern Pennsylvania should not be.

President Bush has spoken eloquently of building democracy and strengthening the foundations of free society in Eastern Europe. In a recent commencement address announcing the creation of a Citizens Democracy Corps, he said, "We know the real strength of our democracy is its citizens, the collective strength of individual Americans." Speaking of how we can help Eastern Europe build political systems based on respect for individual freedoms he stated, "Systems that allow free associations—trade unions, professional groups, political parties—the building blocks of a free society. * * * democracy and freedom threaten absolutely no one." The Secretary of State, speaking on the same subject, has underlined the wisdom of H.R. 20 even more succinctly, stating "Democracy can only flourish with extensive citizen participation."

Madam Speaker, I could not agree more. For years we have deservedly mocked the Soviet Union's contention that because they have elections their government represents the will of its people. Those elections were a farce because the people were denied any voice in the determination of who the candidates for office would be. This administration has spoken eloquently of the crucial importance of the right of the people to partake fully in the political process, to have a voice in the selection of candidates as well as the election of candidates. I am confident that when this legislation reaches the President's desk that he will recognize that these rights are no less crucial to Federal and postal employees than they are to the citizens of Hungary, Czechoslovakia, and Poland. I sincerely hope that the President will sign this bill into law since he has such a deep respect for individual freedoms and knows that exercising those freedoms poses no threats. But the threat of a potential veto should not preclude our once again passing reform legislation by another overwhelming margin. It would be a miscarriage of justice if the Congress fails to liberate the Federal work force from the shackles of this archaic law.

When the President, members of his Cabinet, and Members of Congress allege that the repressive provisions of the Hatch Act are necessary to protect Federal employees from coercion by supervisors, it's an insult to the intelligence of those workers. That's paternalism of the highest order. The Federal work force is comprised of highly educated, grown men and women who don't need anyone else to decide what's best for them. What gives bureaucrats and politicians the exclusive right to confer on American citizens a special protection, whether they want it or not?

Where do some of us get the audacity to suggest that a Federal worker should be satisfied merely because he or she can register to vote, wear a button in their lapel, and sign a nominating petition. The impertinence of that hypothesis is in itself demeaning, shameful, and disgusting. Voting in the general election between a Democrat and a Republican who became finalists in their party primaries without the meaningful inputs from a substantial number of citizens is a charade, a farce. Both candidates may be unworthy of support from those denied the right to participate.

The casting of a vote is the very last step in the political process. Political freedom in a democracy like ours means that each citizen has a right to participate or not participate. Candidates are not victorious on Election Day. Winning public office starts months before—and involves teas and parties, doorbell ringing, telephone calls, envelop stuffing, and expressions of public support by many citizens. Prohibition of the right to get involved in these activities is tantamount to denial of a free election. What happens at the end of the political process is most often determined by what happens during the fierce battles to name the eventual candidate.

This situation is very similar to the one struck down some 50 years ago by the Federal Court as unconstitutional. The State of Texas for over 50 years had a law which prohibited blacks from voting in primary elections. The court outlawed "all white primaries" because it said, in effect, that choosing candidates after the real choice had been made not only racist but also ludicrous. That means that white Federal employees are entitled to the same protections against the discriminatory and ludicrous legal restrictions.

Postal workers and Federal workers will never shed the cloak of second class citizenship as long as Hatch Act restrictions are hanging around their necks like an albatross. The case for erasing these impediments to individual freedoms and essential liberties are clear, precise and intelligent.

Mr. GILMAN. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, the legislation this body is considering before it today, H.R. 20, represents a historic step in restoring to our Federal work force the first amendment guarantees of freedom of political activity and association. I believe it is appropriate that in a year in which Americans witnessed and celebrated the resurgence of democracy and freedom throughout the world, we in the Congress begin to extend to our postal and Federal workers the fundamental freedoms as guaranteed by our Constitution.

H.R. 20 represents the first realistic opportunity in more than 50 years to amend substantially the laws prohibiting political activity on the part of Federal and postal employees. The bill received unanimous support when it was reported out of the Committee on Post Office and Civil Service, overwhelming support during its initial passage in the House, and a two-thirds majority in its passage from the Senate. i would like to take this opportunity to commend the chairman of the committee, the gentleman from Michigan [Mr. FORD], the gentleman from Minnesota and chairman of the subcommittee [Mr. SIKORSKI], and the primary sponsor of the bill, the gentleman from Missouri [Mr. CLAY] for their unyielding efforts in constructing a measure which enjoys such broad bipartisan support.

At this time I would also like to take this opportunity to give a special commendation to my predecessor, the former ranking minority member of the Committee on Post Office and Civil Service, the honorable Gene Taylor of Missouri, for his hard work and dedication to this issue. Had it not been for his skillful negotiations and perseverance in obtaining bipartisan support for this measure, I doubt if we would have the opportunity to vote on this historic legislation today. Although Mr. Taylor is no longer a member of this House, I am certain he

will be heartened to note the progress his legislation has made.

H.R. 20 addresses a fundamental flaw concerning restraints placed on the political activity by Federal workers. The present law was enacted more than 50 years ago and relies upon interpretations of more than 3,000 administrative rulings issued prior to 1940. The consequence of this confusion is that Federal and postal employees don't know what they can and can not do in political activity.

H.R. 20 takes a straightforward approach in defining the extent of permissible political activities. This measure prohibits political activities on the job, while involvement in politics after work hours is permitted. The general solicitation of contributions is prohibited except in circumstances where the employees are members of the same employee organization and the solicitation is for a contribution to the multicandidate political committee of the employee organization. Employees are generally barred from running for partisan political office. An exception is made for those employees seeking elective office within a party organization or affiliated group such as convention delegate.

The bill contains strong measures prohibiting coercion and misuse of official authority or influence, including criminal sanctions for those who coerce political activity. Included in these protections are provisions prohibiting solicitations of Government contractors or others with pending business or litigation with the Federal Government. Employees found in violation of these new provisions on two or more occasions are mandatorily removed from their position and barred from Federal employment.

Madam Speaker, this is sensible, long overdue legislation. In accepting the Senate amendments to H.R. 20 proponents of reform realize the Senate amendments may be more restrictive than the original legislation passed by the House. But we recognize the overriding need to open our political system to our Federal workers. H.R. 20 represents a compromise between those parties advocating freedom of political action for Federal and postal workers and those concerned with the nonpartisan administration of Government.

The present Hatch Act, probably more so than any other piece of legislation affecting the lives of Federal and postal workers, infringes on the personal freedoms that most of us in this country take for granted. The reforms we are debating today are neither a Republican nor Democratic, conservative nor liberal, issue. It is an issue addressing political democracy and fundamental freedom for more than 3 million Americans.

H.R. 20 is long overdue legislation and its enactment a most welcome development. Accordingly, I urge all my colleagues to support this measure by concurring in the Senate amendment and voting affirmatively for H.R. 20.

Mr. ARMEY. Madam Speaker, I yield 7 minutes to my good friend, the gentleman from Virginia [Mr. WOLF].

□ 1320

Mr. WOLF. Madam Speaker, I rise in opposition to H.R. 20, as amended by the other body, because I believe that it is a bad bill. Reasonable minds can differ on this bill, and I personally favor some modifications to the Hatch Act, but the measure before us is the wrong approach. It would basically repeal the Hatch Act, a law that has protected Federal workers from coercion, and has kept the civil service merit-based and nonpartisan for 50 years. And I believe that we should be very careful before doing away with a law that has served its purpose well for 50 years.

The American public is served by the finest civil servants in the world. It is not farfetched to say that the Hatch Act has allowed the civil service to develop into the institution that it is today—a place where dedicated employees can work and promote in many different ways the national interest, free from the debilitating effects of political coercion.

The 10th Congressional District of Virginia, which I have the honor to serve, is home to about 95,000 active and retired Federal employees. And as a former Federal employee myself, I have worked to support and promote the Federal work force. I am reminded almost every day that this country simply could not function without an effective Federal work force, and I believe that we must continue to attract qualified and experienced individuals into the Government. I have worked to make sure that the civil service remains strong and is able to attract top-quality employees, by establishing relocation services, leave sharing banks, chid care centers, job sharing, flexitime, flexiplace, and many other benefits.

It is because I am committed to the strength of our Federal service, and because I want the American public to have confidence in public servants, that I oppose H.R. 20. The Hatch Act is, above all, a protection. It protects Federal workers from the subtle political persuasion that could compromise the performance of their duties. It protects them from the partisan spoils system that characterizes the civil service of some countries, and that characterized our own civil service before 1939.

Why is this bill coming to the floor today? The supporters of this legislation believe that times have changed since the enactment of the Hatch Act 50 years ago. Times have changed, but the factors that make the Hatch Act necessary have not changed—human nature has not changed and the abuses that prompted passage of the Hatch Act in 1939 are still possible today. We have not witnessed such abuses precisely because the Hatch Act has let Federal employees know that they cannot be coerced into political participation. And the fact that the size of the Federal work force has tripled since 1939 makes the Hatch Act even more needed today. The possibilities of abuse are much greater today.

This is not the first time Congress has debated whether to repeal the Hatch Act. In fact, legislation has been introduced in every Congress since 1939, but has been rightfully rejected. One bill passed both the House and the Senate in 1976. President Ford vetoed the bill and preserved the Hatch Act, saying that "pressures could be brought to bear on federal employees in extremely subtle ways beyond the reach of anti-coercion statute so that they would inevitably feel compelled to engage in partisan political activity. This would be bad for the employee, bad for the Government, and bad for the public."

The Supreme Court has also addressed the question of the Hatch Act. In a 1973 decision the Court found that "* * * it is in the best interest of the country, indeed essential, that federal service should depend on meritorious performance rather than political service, and that political influence of federal employees on others and on the electoral process should be limited."

In a 1979 report the nonpartisan GAO found several problems with proposed changes to the Hatch Act, finding that the "elimination of restrictions on political activity could very likely increase the potential for conflict-of-interest situations to develop."

Who favors changes to the Hatch Act? Not the majority of Federal employees. I surveyed 23,000 of my constituents in 1983 and found 66 percent favored the existing Hatch Act. A poll of 10,000 Federal employees published last year by the Federal Employees News Digest found that 70 percent were either neutral or favored current Hatch Act limitations on partisan political involvement. The average Federal employee just wants to keep on doing his or her job, without having to be concerned about political pressure or the request for contributions from their superiors or coworkers.

Who opposes Hatch Act repeal? Just about every group that has taken a close look at what the mesure would really do, including: Common Cause, the American Bar Association, the Federal Bar Association, the U.S. Chamber of Commerce, the National Academy of Public Administration, the American Farm Bureau, and

major newspapers across the country such as the Wall Street Journal that have editorialized against repeal of the Hatch Act.

President Bush's senior advisers oppose this measure. The Attorney General wrote that the bill would lead to "a tragic re-politicization of the Federal workforce." The Attorney General has also stated that the bill would be unenforceable, due to the subtle nature of political coercion and the fact that it often just occurs between two individuals.

The supporters of this measure believe that it would give Federal employees greater freedom, but that is exactly wrong. It would create an environment in Federal offices where employees will be pressured by their superiors to contribute money and to participate in political campaigns. If enacted, this measure will take away the freedom of Federal employees.

What is permitted—distributing campaign literature, participating in phone banks, participating in political meetings, campaigning for candidates, soliciting contributions to PAC's—will come to be expected. A partisan supervisor could suggest to his subordinates that they support his candidate. This subtle pressure is all it takes to politicize an office, since it is only human nature that employees will want to please the boss, and not fall behind their coworkers. With the threat of negative performance appraisals, work assignments, and opportunities for advancement hanging over employees heads this will politicize the civil service. And the argument that supervisors could only engage in political activities after work hours is simplistic—the section chief will come around and say, "There is something that I want to speak to you about after work." Limiting the political activities to off-duty hours is not realistic.

I believe that, if enacted, H.R. 20 would have a negative effect on Federal employees. Is Watergate so far in the past that we forget the chilling effect of partisan politics on the Federal work force? Today we should be debating pay reform for Federal workers, or reform of the health benefits system. These measures would work to strengthen the civil service. H.R. 20 and the repeal of the Hatch Act will hurt public confidence in the civil service and will subject Federal workers to political coercion.

Back in April of last year, when the House debated H.R. 20 for the first time, I expressed my concern about the fact that the measure was brought up under a closed rule. I thought at the time that the American people deserve full debate by their elected Representatives on a law that has worked well for 50 years. Again today there will be no opportunity for amendments.

I believe that we should take a closer look at the the measure before us, which would repeal a law that has protected Federal workers for 50 years. I urge you to vote against H.R. 20 on the suspension calendar.

Mr. FORD of Michigan. Madam Speaker, I yield myself 2 minutes.

Madam Speaker, I think it was rather unfortunate for the gentleman from Virginia [Mr. WOLF] to go to the extent that he went to try to confuse this House.

First of all, I had the understanding that he spent some time in the Justice Department. I may be wrong. I thought he was with the Justice Department at one time.

□ 1330

Mr. WOLF. Madam Speaker, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Virginia.

Mr. WOLF. Madam Speaker, I have never ever been with the Justice Department. I worked for 5 years at the Department of the Interior. My wife worked at HHS, but I never worked for the Justice Department.

Mr. FORD of Michigan. Madam Speaker, I am sorry. Maybe that is why the gentleman overlooked the fact that on page 10 of the bill we make coercion of a Federal employee a crime. It is not now a crime to coerce a Federal employee. You get a slap on the hand and a letter in your personnel file.

We make it a crime punishable by a fine of $5,000 or not more than 3 years, or both. It does not have to be spelled out in the statute that all crimes are prosecuted by the Department of Justice; so the argument of the gentleman that this bill will be enforced by the Merit Systems Protection Board when it should be enforced by the Justice Department simply indicates he has not bothered to read the bill.

Now, when the bill was here before, the gentleman who just spoke made a very strong objection to the fact that when we passed the bill in the House we would have permitted Federal employees to take a leave of absence, unpaid leave of absence, and run for political office.

Now, I do not know why if the gentleman has 90,000 as the gentleman says, that sounds like some sort of a record, that is probably 15 times as many Federal employees as I have, 90,000 in one congressional district, I am curious as to why the gentleman does not want them to participate in the political process while he hastens to tell us that he chooses every occasion that presents itself to support those Federal employees. He wants to support them, however, in a paternalistic sort of way without giving them the right to participate.

Mr. WOLF. Madam Speaker, will the gentleman yield?

Mr. FORD of Michigan. The gentleman does not yield. When I finish my statement, I will yield.

Mr. WOLF. All right, I will wait.

Mr. FORD of Michigan. Madam Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Madam Speaker, I rise in support of the passage of the Senate amendments to H.R. 20 and ask that I be allowed to revise and extend my remarks.

Madam Speaker, I rise to express my support for the passage of the Senate amendments to the Hatch Act reform legislation because as an original sponsor to the House bill, I feel strongly about restoring Federal workers their right to participate in the political process. Let me first take a moment and commend my chairman, Mr. FORD, for bringing this issue to the floor for our consideration. I personally appreciate his leadership and support.

As you know, 50 years ago legislation was passed which prevented Federal workers from running for public or party office at any level and from participating in any partisan political campaigns, as volunteers or paid employees. The act was originally intended to correct alleged abuses of the merit system that arose with the growth of the Federal Government. However, times have changed. Currently, Federal workers work under a system of merit protection which was designed to shield them from political coercion. Clearly, the law which may have been necessary in 1939 is no longer appropriate.

Additionally, the first amendment of the Constitution guarantees to all citizens of the United States the right to political participation. Since 1939, Federal workers' rights in this area have been severely restricted.

The Senate amendments essentially permits employees of the executive branch and the U.S. Postal Service to engage in partisan political activity—but not to run for elective public office on a partisan ticket. The legislation further requires that these partisan political activities be conducted on the employee's own time, and not on the job. H.R. 20, as amended by the Senate, would allow Federal employees to hold office in a political party or affiliated organization and to take an active role in the management of a political campaign. However, the amendments prohibit Federal employees from running in a partisan election for an elective public office.

As a Member of Congress that represents a substantial number of Federal workers and as a member of the Committee on Post Office and Civil Service, I am proud to stand today in support of legislation which seeks to bring us all closer to true political freedom—

especially for those postal and Federal employees who have been treated as second-class citizens for the last 50 years. Again, Madam Speaker I encourage the support of my colleagues today in the passage of the Senate amendments to H.R. 20.

Mr. GILMAN. Madam Speaker, I am pleased to yield 6 minutes to the gentleman from New York [Mr. HORTON], the distinguished ranking minority member of the Committee on Government Operations.

Mr. HORTON. Madam Speaker, as the coauthor of H.R. 20, along with the gentleman from Missouri [Mr. CLAY], I rise in strong support of passage of this Senate-amended version. The actual title of H.R. 20 is the Federal Employees Political Activities Act of 1990. It is known more commonly as Hatch Act reform. Whatever its title, H.R. 20 is the product of uncounted hours of negotiation and compromise by Democrats and Republicans alike, in both the House and the Senate.

The House and Senate votes on H.R. 20 underscore the bipartisan scope of this measure. H.R. 20 passed the House in April 1989 by a 297-to-90 margin. It passed the Senate this year by a vote of 67 to 30. There is a reason that these votes were so lopsided. The reason is that H.R. 20 makes sense. Allow me to explore briefly the two components of this landmark legislation.

First, H.R. 20 says to all Federal employees that there will be absolutely no political activity in the workplace. None. Zero. Period. And it backs up this policy premise with tough penalties for violations of the act. For example, under provisions of the Senate-amended bill before us today, an employee found to violate the act on two separate occasions will be permanently barred from future Federal employment. In addition, anyone convicted of coercing a Federal employee to engage or not engage in political activity is subject to a maximum $5,000 fine, up to 3 years imprisonment or both.

Second, it says to Federal employees that their political activity outside the workplace is essentially their choice and business, just exactly as it is today the personal choice of every other American citizen. As amended by the Senate, however, H.R. 20 would prohibit Federal employees from either seeking or holding partisan elective office.

Finally, H.R. 20 would end the confusion created by more than 3,000 separate regulatory rulings on what can and cannot be done on and off the job by Federal employees. Some of these restrictions would be laughable if their impact was not so serious. A federal employee today, for example, cannot appear in a photograph with his or her spouse if the spouse is running for public office. On the other hand, a Federal employee can place in the window of their home campaign signs supporting particular candidates, but only if the signs are of a particular size. The same is true for bumper stickers. You violate the size restrictions and you could lose your job. That is just plain silly. The restrictions are so complex and varied that they have become ridiculous.

In removing the absurdity and complexity of current Hatch Act interpretations, H.R. 20 remains steadfast in consistency with the philosophy that prompted enactment of the Hatch Act more than 50 years ago. Originally the Hatch Act was enacted to insulate an emerging professional civil service from political coercion and influence, and to provide the assurance that job retention had nothing to do with one's political affiliations and beliefs.

That simple philosophy is as important today as it was in the 1930's. H.R. 20 recognizes that philosophy, but updates it to meet the reality of the 1990's. And that reality demands that no political activity by Federal employees be permitted in the workplace, but that the political activities of Federal employees outside the workplace is the personal business and choice of the individual.

Despite the bipartisan cooperation in drafting H.R. 20, and despite the overwhelming support this legislation enjoys in both the House and Senate, the administration remains opposed to its enactment. In fact, for reasons I do not understand, administration opposition seems to go hand in hand with Hatch Act reform efforts. This is true for any administration. President Carter, President Reagan, and now President Bush all have objected to reform of the Hatch Act. I am, of course, disappointed that this administration has not chosen to endorse this very reasonable compromise product, for I believe that the time for Hatch Act reform has never been more appropriate, and the vehicle never more balanced. I strongly urge my colleagues, Republican and Democrat, to support this reasonable and necessary legislation.

And now, Madam Speaker, I would like to congratulate the sponsor of the Act, Mr. CLAY, for his leadership and great effort over the years on this issue. I was very proud to work with him as principal Republican cosponsor. Also, we are here today largely because of the diligence and leadership provided by Post Office and Civil Service Committee Chairman BILL FORD and ranking member, BEN GILMAN and former ranking minority member Gene Taylor, who in the last Congress put in place the bipartisan working group which eventually produced this product. Many, many hours at many meetings were invested by these and other individuals in the House and Senate, and my hat goes off to all of them.

Madam Speaker, again, I urge my colleagues to support the passage of H.R. 20 as amended by the Senate.

□ 1340

Madam Speaker, as I said when we handled this bill on the floor back in 1989, and when we passed it so overwhelmingly, I think this should be called the Gene Taylor bill, because it was through his efforts that this bipartisan group was set up and that we were able to come to this compromise. I especially want to thank the gentleman from Missouri [Mr. CLAY] for his leadership and, of course, I would acknowledge again the leadership of Gene Taylor, who worked so hard to make it possible for us to be here on the floor today.

Madam Speaker, again, I urge my colleague to support the passage of H.R. 20, as amended by the Senate.

Mr. ARMEY. Madam Speaker, I yield 3 minutes to my good friend, the gentleman from Pennsylvanaia [Mr. WALKER].

Mr. WALKER. Madam Speaker, I thank the gentleman for yielding me this time.

Madam Speaker, I hope the Members will take account of the debate on this issue and will look at this bill. I realize that is tough to do when one looks at a list of public employee unions and how much money they give. They give hundreds of thousands of dollars in political campaign contributions. I realize it is difficult to look dispassionately at this issue, particularly for Democrats. Ninety percent of the money, since 1985, has gone to Democrats. I recognize that they have a problem in looking at this issue somewhat dispassionately.

The fact is this is a bill that we ought to look at. The gentleman from New York and the gentleman from Michigan have raised the question of criminal penalties that are in the bill, and let me tell the Members what the Attorney General of the United States says about those particular criminal penalties. He says essentially that they are worthless.

Madam Speaker, let me read to the Members from his letter.

It is unreasonable to expect that the few prohibitions listed in H.R. 20 would have any practical impact on the subtle politicization that would occur in the Federal work force. Rank-and-file civil servants would not make Federal criminal cases out of requests for political contributions or off-duty time in support of a candidate. They would find it less costly to be victimized rather than incur the job-related risks that would surely result from a complaint to law enforcement authorities. Moreover, the difficulties inherent in proving even the most patent abuses would render the protections of the criminal-justice system illusory. Thinly veiled exploitation and extortion would flourish because the politicized atmosphere of the workplace would make criminal conviction virtually impossible.

The criminal conduct that is being described as covered in this bill is worthless, according to the Attorney General.

I have just one more point to make.

Mr. FORD of Michigan. Madam Speaker, will the gentleman yield?

Mr. WALKER. I am happy to yield to the gentleman from Michigan.

Mr. FORD of Michigan. Madam Speaker, will the gentleman tell us who signed the letter?

Mr. WALKER. Excuse me?

Mr. FORD of Michigan. Who signed the letter that the gentleman just read into the RECORD?

Mr. WALKER. The Attorney General of the United States, Dick Thornburgh.

Mr. FORD of Michigan. That is the name?

Mr. WALKER. Yes.

Mr. FORD of Michigan. Not a deputy?

Mr. WALKER. No. It is over his signature, I would say to the gentleman, and he is saying that the criminal protections that the gentleman referred to rather bluntly here a few minutes ago are worthless.

One other point, I think, that needs to be made, and that is that under this bill we are going to have people on off-duty hours, Federal employees on off-duty hours, who can provide the kinds of politicization that the public has thought that they should not have to expect from Federal workers.

What am I talking about? Just today we found out that the SEC is investigating Donald Trump. What now if the SEC examiner who just happens to be investigating Donald Trump and his activities were to show up at Donald Trump's office on off-duty hours asking for a political contribution for his favorite candidate? Does anyone think he might get that contribution? I have a feeling that he might just do that. Oh, yes, do not shake your head and say it is not possible. It is possible under this bill. As long as he is on off-duty hours, he can do anything he wants in fundraising, so that examiner could show up at Donald Trump's office and say, "Now, look, I am in here earlier today as an examiner, and today I am here for a political candidate, and I want a contribution."

That is a terrible system to have put in place.

Mr. FORD of Michigan. Madam Speaker, I yield myself 1 minute.

I wish to point out that one of the three major differences between the bill we are considering today, which is the Senate-passed bill, and the bill that we already passed 291 to 90 is that it does prohibit a person from soliciting funds from anyone except a member of their own organization; not even employed in the same agency; if they do not belong to the organization, one cannot solicit them for PAC funds, so they cannot go out at night and solicit people that they do business with. They can only solicit members of their own organization for PAC funds. That is a restriction that the Senate added. We are buying into that restriction and accepting it by accepting the Senate amendments.

I know the gentleman may not have been aware that the Senate had changed the bill in that regard.

Mr. GILMAN. Madam Speaker, I yield 3 minutes to the gentlewoman from Maryland [Mrs. MORELLA], a member of the Committee on Post Office and Civil Service.

Mrs. MORELLA. Madam Speaker, I thank the gentleman for yielding me this time.

Madam Speaker, this is a wonderful moment to be here, because we have now before us H.R. 20, as amended, which is a compromise of a compromise which is going to reform an anachronistic law called the Hatch Act which was established in 1939 which has the stigma of 3,000 regulations that are absolutely constricting our 3 million Federal employees who make America run. They are ambiguous. They are repetitive. Nobody quite understands what they can do or what they cannot do.

This compromise which simply would allow Federal employees on their own time to be involved and participate in our political structure will, I hope, become law.

Right now, our Federal employees, the Secretary of a Cabinet, and take any one of our Federal Cabinets, the Secretary of the Cabinet can have a fundraiser for a political candidate while the secretarial staff in that very Cabinet Department is not allowed on his or her own time to address envelopes for a particular candidate who may be stressing the issues that he or she cares very much about, transportation, whatever that may be.

This particular piece of legislation, long overdue, is going to allow these people to become citizens.

I want to compliment the people who have been involved with this bill, certainly the gentleman from Missouri [Mr. CLAY], the gentleman from Michigan [Mr. FORD], the chairman, the gentleman from New York [Mr. GILMAN], our ranking member, the gentleman from New York [Mr. HORTON], who has been there from the start, and the other members of the Committee on Post Office and Civil Service who cared so very much about letting our Americans have an opportunity to participate.

Madam Speaker, I have spoken often at ceremonies where people become naturalized citizens, and we look at them, how they disavow their allegiance to a foreign country to vow their allegiance to our great country, and the judge at those ceremonies inevitably says to them, "And now, new citizens, I hope that you will immediately register to vote and then, beyond that, it is not enough in our great America to register to vote. You must participate. So I encourage every one of you to get involved, to work for the candidates of your choice, the issues of your choice," and this is what makes America great.

At the same time, we are depriving ourselves of allowing our Federal employees, whether at the National Institutes of Health, wherever they may be, of being allowed to be citizens of our country.

Madam Speaker, I certainly hope that this body in its wisdom, as it has for several years, will resoundingly endorse H.R. 20, as amended, to let our Federal employees become true citizens.

Mr. GILMAN. Madam Speaker, I thank the gentlewoman from Maryland for being such a staunch supporter of this measure and for her supporting argument.

Mr. ARMEY. Madam Speaker, I yield 4 minutes to my friend, the gentleman from Virginia [Mr. WOLF].

□ 1350

Mr. WOLF. Madam Speaker, I asked for this time to clarify what I was saying before. Much of what is in the bill is not bad. There are some very important points, and I think no one could argue that we ought not modify the Hatch Act in some ways.

Madam Speaker, let me try to reframe this and give some of the concerns that are in the letter from Attorney General Thornburgh.

> The inevitable result of H.R. 20 would be a politicization of the Federal workforce to the great detriment of Federal employees, the programs that these employees administer, and ultimately the public which these programs were enacted to serve. Without the Hatch Act, employees would be inevitably subject to subtle, and not so subtle, pressures to support the partisan agenda in their government offices.

Madam Speaker, that has already happened in our Government's history. It happened in Watergate. There was great pressure on career Federal employees to get aboard. The Nixon administration really put that pressure on. That is a fact that history bears out.

Once again quoting,

> Rank and file civil servants would not make Federal criminal cases out of requests for political contributions or off-duty time in support of a candidate. They would find it less costly to be victimized rather than incur the job-related risks that would surely result from a complaint to law enforcement authorities.

Madam Speaker, the point is they may really be reluctant to go to the Justice Department, and I commend the committee for that part with regard to the Justice Department language. It does improve the existing Hatch Act. But they may be reluctant

to do that in the sense they are going to be afraid of being transferred.

It is not uncommon in agencies to transfer one to Butte, MT, or transfer to places one does not want to go. If you have a son or daughter on the football team or swim team or the cheering squad, you do not want to risk being transferred out of whatever region you are in, to be sent to a region you are not in, because your children are involved. You are involved in your church or synagogue in your community. On behalf of these people, that is the concern.

Madam Speaker, in closing, the Hatch Act with the gentleman's amendment would be even a better Hatch Act. The Hatch Act ensures an environment wherein Federal employees are encouraged to impartially carry out the business of the public, rather than being distracted by the demands of political patronage. Under the Hatch Act, a promotion is based upon merit, and not upon political loyalty.

Madam Speaker, that is what I am trying to get at. I am afraid under this type of thing, as well-meaning as the committee and Members on this side are, political loyalty will be the test. I quite frankly do not want to see Federal employees put under the pressure that I believe they were placed under under Watergate and they were under before 1939. For that reason, I think a no vote would be the best vote.

Mr. FORD of Michigan. Madam Speaker, I yield myself 1 minute.

I asked the gentleman from Pennsylvania [Mr. WALKER] who had signed the letter he had, and then came to realize when he said Dick Thornburgh, that indeed the letter was addressed to me and it is included in the report filed by the committee in support of the bill.

Mr. WALKER. Madam Speaker, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Madam Speaker, the letter I have here is addressed to the Honorable NEWT GINGRICH, minority whip, and is dated today. Unless the gentleman from Michigan [Mr. FORD] got today's letter in the report, it is not the same letter.

Mr. FORD of Michigan. Madam Speaker, reclaiming my time, since we have already put the letter of the Attorney General in of April 12, 1989, and the same Attorney General is still over there, I wonder if the gentleman would offer that letter to be printed in full in the RECORD.

Mr. WALKER. Madam Speaker, I would be glad to have the letter put in.

Mr. FORD of Michigan. Just so Members can see the same Attorney General seemed to talk with a little different tone a year and a half ago about this legislation.

Mr. WALKER. Maybe the Attorney General figured out what was in the bill in the meantime.

Mr. FORD of Michigan. We thought it was good to put it in the report to help convince Members to vote for it. We are not mad at him. We thought he did a good job a year and a half ago. We wonder how any letter shows up written yesterday as an afterthought.

(By unanimous consent, Mr. WALKER was allowed to include extraneous material.)

OFFICE OF THE ATTORNEY GENERAL,
Washington, DC, June 12, 1990.

Hon. NEWT GINGRICH,
Minority Whip, U.S. House of Representatives, Washington, DC.

DEAR MR. GINGRICH. This is to inform you of our grave and unequivocal objections to H.R. 20, as amended by the Senate, a bill that would substantially repeal the Hatch Act. If this bill were presented to the President, his senior advisers would recommend that it be vetoed.

The Hatch Act of 1939 prohibits certain partisan political activities by federal government employees. It was enacted to remedy a century of patronage abuses resulting from the "spoils system." Federal programs to help the poor and the dispossessed were often perverted for political purposes. The Hatch Act seeks to guarantee the integrity of the federal civil service by assuring that federal employees are hired and promoted based upon their qualifications and not their political loyalties. It also assures that federal programs are administered on the basis of need, not politics. The Act's ban on active partisan campaigning by federal employees protects them from coercion and patronage abuse. Those protections remain essential to assure the intergrity of the federal work force and the administration of federal programs. They also are critical to the public perception and confidence in the impartial, even-handed conduct of government business.

H.R. 20 would fundamentally undermine the Merit System by changing a presumption that partisan politicking by federal servants is prohibited into a presumption that such partisan campaigning is to be encouraged. Specifically, the bill would allow federal employees to hold office in political parties, work in partisan political campaigns, and solicit political contributions from other federal employees who are members of the same federal employee organization. Such a reversal in the role of partisan politics in the ethic of public service would permit virtually unbridled partisan activities by federal employees, which, history shows, would in turn inevitably lead to the politicization of public administration. For example, H.R. 20 would permit Internal Revenue Service District Managers to serve as political party officers, loan officers with the Department of Housing and Urban Development could organize partisan campaigns after work, and federal law enforcement officers could make television commercials paid for by political committees on behalf of partisan candidates.

We note that the bill provides that these newly authorized partisan activities are not to be conducted while employees are on duty, wearing the insignia of their offices, or otherwise about the government's business. Unfortunately, these prohibitions would be meaningless. They add nothing to existing criminal prohibitions in this area (see, e.g., Chapter 29 of Title 18 of the U.S. Code, and 18 U.S.C. §§ 641 and 872). Moreover, the vestige of the Hatch Act left by H.R. 20 could easily be circumvented. For example, government officials, who belong to employee organizations, could induce subordinates to join their organizations, where employee peers could extract involuntary political contributions of money or services, as long as this activity occurred during off-duty hours and while the participants were not in government uniforms or on government property.

The inevitable result of H.R. 20 would be a politicization of the federal work force to the great detriment of federal employees, the programs that these employees administer, and ultimately the public which these programs were enacted to serve. Without the Hatch Act, employees would be inevitably subject to subtle, and not so subtle, pressures to support the partisan agenda in their government offices. It is unreasonable to expect that the few prohibitions listed in H.R. 20 would have any practical impact on the subtle politicization that would occur in the federal work forces. Rank and file civil servants would not make federal criminal cases out of requests for political contributions or off-duty time in support of a candidate. They would find it less costly to be victimized rather than incur the job-related risks that would surely result from a complaint to law enforcement authorities. Moreover, the difficulties inherent in providing even the most patent abuses would render the protections of the criminal justice system illusory. Thinly veiled exploitation and extortion would flourish because the politicized atmosphere of the workplace would make criminal conviction virtually impossible. The resulting impact on federal programs would undermine the public's confidence in the impartial administration of public business.

The Hatch Act ensures an environment wherein federal employees are encouraged to impartially carry out the public's business rather than being distracted by the demands of political patronage. Under the Hatch Act, promotion is based upon merit, not political loyalty. The Act is understood by the vast majority of federal employees as a bulwark against the political pressures that would inevitably accompany a partisan public work force. Its prohibitions are clearly set forth in the statue and regulations at 5 C.F.R. § 733. The Office of Special Counsel (OSC) is empowered to provide authoritative advice to employees with questions about the application of the statute and regulations to particular circumstances. Last year, OSC processed about 1,400 inquiries from the approximatley 3 million federal employees covered by the Act. We believe, on the basis of experience, that most federal employees either understand how the Hatch Act applies or they simply have no desire to politicize their lives and their jobs by engaging in the sort of partisan activity it covers. It is, we think, significant that there has been no groundswell of popular support for this bill from the ranks of federal civil servants.

In sum, the Hatch Act has served to shield federal employees and the programs that they administer from political exploitation and abuse for over fifty years. H.R. 20, which is being promoted as a liberator of federal workers' civil rights, is perceived by many federal workers as stripping them of that shield, and presages that those workers may have to demonstrate a fealty to a polit-

ical party that they might not otherwise endorse. We are committed to continuing the protections of the Hatch Act and urge you to join us by opposing H.R. 20.

The Office of Management and Budget has advised that there is no objection to the submission of this report to the Congress and that enactment of H.R. 20 would not be in accord with the program of the President.

Sincerely,

DICK THORNBURGH,
Attorney General.
CONSTANCE BERRY NEWMAN,
Director, Office of Personnel Management.

Mr. FORD of Michigan. Madam Speaker, I yield 4 minutes to the gentleman from Minnesota [Mr. SIKORSKI].

Mr. SIKORSKI. Madam Speaker, the reform of the Hatch Act is long overdue, and the light at the end of the reform tunnel is getting brighter all the time.

In 1939, the year the Hatch Act was passed five decades ago, many in Congress feared that the then President Roosevelt would mobilize the bureaucracy to extend his Presidency to a third term. That is why we got the Hatch Act.

Now it is 1990, and there are vast differences between the Federal work force of 1939, and the Federal work force five decades later in 1990.

In 1939, less than 32 percent of the Federal work force of then less than 1 million workers was covered by civil service. Today's Federal work force has 2 million workers, and almost 4 out of 5, 78.6 percent, enjoy merit system protections, civil service protections. The media and the many organizations that are organized to represent the interests of Federal employees also are strong and are able to provide protections to these employees and to the public not available in 1939.

The times have changed, but if you are a Federal employee, not necessarily for the better. Today we have a Federal work force which has been demoralized by pension cuts, health benefit cuts, salary cuts, a Federal work force which has been ignored at times and castigated and campaigned against at other times.

It is time to give back to these employees their constitutional right to participate, if they desire, in the democratic process on their own time, not a big deal, the right, if they want, to participate, if they want, in the critical process on their own time.

This is not a big deal. But Tiananmen Square, Gdansk Shipyard, the Berlin Wall, the Iron Curtain, are not irrelevant in this debate about recognizing the fundamental freedoms of Federal workers.

The Americans who work for America, who guide the planes we fly into Washington to attend to our business, the Americans who work for America who inspect the food we eat, who deliver the mail we send, and we send a lot of it, and who ensure our national security, deserve our trust in the very modest right to participate in the political process with integrity, with impartiality, without compromising the responsibility of their position. Some Members think this is pretty strong. They get excited and march a whole parade of horribles across this Chamber. Or they just do not like the process, or they want to do some more studying, some more careful studying.

Madam Speaker, I think we have passed this in a decade and a half three times. This is not strong. This is not radical. This is no big deal, unless you are a member of the Federal work force that is prevented from exercising your constitutional freedom to participate in democracy.

One of the remembrances Senator MOYNIHAN had of former Member Claude Pepper, he said they were in a big poll tax debate in Manhattan. He saw him there in 1942. Pepper won on the issues. He won one after another.

Then a gentleman in the audience asked, a proponent of the poll tax, asked a question of Senator Pepper. He said, "What is $1? It is not a big deal."

The whole debate shifted. Pepper got to the microphone and said, "A dollar isn't a big deal, if you have got one."

The constitutional right to participate in the political process in this limited fashion is not a big deal, unless you do not have it.

□ 1400

Mr. GILMAN. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, in closing, I would like to point out to the Members of this body of the safeguards incorporated in H.R. 20.

As amended by the Senate, H.R. 20 includes criminal as well as administrative sanctions. But this legislation extends beyond criminal penalties or administrative actions. H.R. 20 represents this body's determination that Federal and postal employees should be given the same rights and privileges accorded to other citizens of this country.

Rank and file employees are pleased with the legislation before us today. Let's not deny them their constitutional right to participate in the political process on their own time and by their own choice.

I urge all my colleagues to vote affirmatively is granting Federal and postal employees their first amendment rights in the political process.

Madam Speaker, I yield back the balance of my time.

Mr. ARMEY. Madam Speaker, I yield myself such time as I may consume.

The SPEAKER pro tempore (Mrs. BOXER). The gentleman from Texas [Mr. ARMEY] is recognized for 5 minutes.

Mr. ARMEY. Madam Speaker, I, too, have a copy of Attorney General Thornburgh's letter to Hon. NEWT GINGRICH, minority whip. In the first paragraph of that letter, the Attorney General says: "If this bill were presented to the President, his senior advisors would recommend that it be vetoed."

Then the letter goes on at some great length to explain what other reservations and concerns that the Attorney General has with the legislation. I will not read that, but there was one part of it that I found particularly interesting. According to the Attorney General's letter, specifically the bill would "allow Federal employees to hold office in political parties, work in partisan political campaigns, and solicit political contributions from other Federal employees who are members of the same Federal employee organization."

That is seen, as has been portrayed earlier in this debate, as a virtue, that a Federal employee is not allowed here to go out and solicit money from somebody not in the employment of the Federal Government, not in another agency of the Federal Government, but from fellow employees in the same agency over whom he may have supervisory powers, powers to recommend promotion, powers to assign overtime or to not assign overtime, powers to recommend raises, and with whom on a day in and day out basis that other employee must try to work on a cordial basis.

Let me talk about this bill for a moment. I have listened to this debate, and I have to tell Members that I oppose the bill very strongly. I could point out the obvious partisan nature of this debate. There are clearly partisan interests afoot here, and they are very easily seen. Everybody who is familiar with the Beck decision is well aware of the fact that organized labor is far more able to deliver the union membership's money than they are the union membership's hearts. But nevertheless, to some extent that union leadership is able to encourage their rank and file members to work in the same places where they put their money.

It is no secret that the American Federation of Government Employees in 1987-88, gave $195,715 from their PAC, 92 percent to the Democrats; the American Postal Workers Union gave $835,500, 93 percent to the Democrats; the National Association of Letter Carriers gave $1,556,516, 90 percent to the Democrats, and on and on we go, 81 percent for the National Rural Letter Carriers, the National Treasury Union Employees gave 94 percent, the

National Association of Postal Supervisors 85 percent, the National Association of Postmasters 72 percent, the National League of Postmasters, 67 percent of their money went to Democratic candidates.

I have no doubt that if these union bosses can deliver that much of the rank and file money to where they may or may not want it delivered, they can also, through subtle encouragements, deliver people on the street to carry signs, stuff envelopes, and so on.

But I do not want to talk about this in partisan terms. That is so clearly obvious we do not need to point that out.

I would like to talk about it in the sense of the incumbency advantage over a challenger candidate for public office. Everybody who works in the bureaucracy of the U.S. Government has an existing working relationship with the incumbent Member of Congress. They desire to get along with them. They will be encouraged tacitly or even by subtle coercion to work on behalf of the legislative well-being of that incumbent, and to the disadvantage of a challenger candidate, and that is detrimental to the political process.

Mr. FORD of Michigan. Madam Speaker, I yield myself 2 minutes.

Madam Speaker, I am sure that the gentleman from Texas did not intend to do it, but he put words in the Attorney General's mouth. The Attorney General quoted accurately the language of the bill saying that no one should knowingly solicit or accept a political contribution from any person unless that person is a member of the same labor organization. Then he stopped, and the Attorney General's letter I am sure, without having it in front of me, stopped because the very next words in the bill are: "who is not a subordinate employee."

The bill specifically prohibits anybody from soliciting from an employees, whether he belongs to the same organization or not, who is in any way subordinate in his job to the person doing the soliciting. I am sure that the Attorney General did not in his letter say what the gentleman seemed to be saying the letter said. I wonder if the gentleman from Texas would like to correct that for Mr. Thornburgh?

Mr. ARMEY. Madam Speaker, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Texas.

Mr. ARMEY. No, Madam Speaker, I would not like to correct Mr. Thornburgh. He can speak for himself, as does the letter.

Mr. FORD of Michigan. I do not believe the gentleman would like to leave the impression that Mr. Thornburgh said that somebody who would be a subordinate would be solicited, because the gentleman would be suggesting that the Attorney General cannot read the statute.

Mr. ARMEY. What I attributed to the Attorney General I had read as a direct quote from his letter. I do not feel the need to make a correction.

Mr. FORD of Michigan. The gentleman added parenthetically, "who might just as well be a subordinate employee." That is not what the statute says, and I do not believe anybody holding the position of Attorney General would sign a letter inaccurately quoting a statute that purports to be a legal opinion on that statute.

Mr. ARMEY. The gentleman has finally correctly distinguished between what I said and what the Attorney General said, and there is no need to correct those words I attributed to the Attorney General.

Mr. FORD of Michigan. It is not the Attorney General who suggested that an employee would be permitted to solicit funds from a subordinate, is that agreed?

I thank the gentleman.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. FORD] has 1 minute remaining.

Mr. FORD of Michigan. Madam Speaker, I yield back the balance of my time.

Mr. SLAUGHTER of Virginia. Madam Speaker, I rise today in support of maintaining the current Hatch Act. In this unfortunate age of big government, the Hatch Act provides important protections against coercion and inappropriate political activity for civil servants and the citizens of the United States. The Founding Fathers created the Constitution with the intent that government should be limited, to serve the people of this Nation, not itself as had been the case of most governments of the 17th century. Relaxation of the Hatch Act would further erode this concept, which is ingrained so strongly in the Constitution.

In my view, participation in the civil service should be based solely on the merits of the Federal employees. Only under such a system can our Government work efficiently and utilize taxpayer dollars in an effective manner which would best serve the citizens of this country and actually reduce the tax burden. In many ways, such a system does not exist today; but I think that relaxing the Hatch Act would place it that much farther from our reach.

Under current law, civil servants are not denied the right to vote or to join a political party; they are prevented from engaging in political activity for their own protection and that of the citizens of the country.

Our massive Federal Government has come to intrude into the lives of Americans too often as it is. I must oppose legislation that would allow civil servants to campaign on behalf of political candidates that would advocate bigger, less responsible government, and create a situation in which civil servants might be discriminated against if they oppose certain candidates or political agendas.

Mr. WOLPE. Madam Speaker, included among the fundamental rights guaranteed by the first amendment is the right of all citizens to participate freely in the political process by which we choose our elected representatives. Since 1939, the Americans who are most dedicated to public service have been denied this fundamental right. I urge this body to vote to restore the right of political participation to 3 million disenfranchised Federal employees.

We are simply asking that our civil servants be allowed to openly support the candidates of their choice and become active in partisan political organizations. Any American who is not paid by Uncle Sam enjoys these rights. I see no valid reason why Federal employees should not enjoy the same rights. Some of our most passionate and informed citizens belong to the civil service. This country not only owes them their political rights, but it needs their political talents.

This act ensures that the Federal workplace would remain free of political activity. It would remain a crime to coerce Federal employees to engage or not to engage in political activity or to use one's official office to influence political activities. The Federal Employees Political Activities Act will not only restore the political rights of 3 million Americans, but will help assure the continued independence of our civil service.

Mr. McMILLEN of Maryland. Madam Speaker, I rise in support of the reform of the Hatch Act. For too long, civil service employees have been considered second-class citizens when it comes to political participation. In 1939, when the Hatch Act was passed, civil service employees lacked the necessary protections against political coercion. However, today those protections exist, and the Hatch Act has become woefully outdated.

In fact, our action today will merely reflect what is already occurring in many parts of the country—41 States have passed laws allowing their employees the right to engage in forms of political activity on off-duty time. Current laws on this matter are confusing and difficult for supervisors to enforce. Today's action would clarify this issue, without politicizing the Federal workplace. This bill will allow Federal employees to participate in the full range of political activities that are open to other citizens while they are off-duty and away from the worksite.

Madam Speaker, it is time that Federal employees be given full citizenship rights in America, and have the opportunities for involvement in the democratic process that are enjoyed by all Americans.

Mr. HOYER. Madam Speaker, today I rise to join my colleagues in concurring in the Senate amendments to the Federal Employees' Political Activities Act. I would like to commend Chairman FORD for bringing this important measure to the floor today, after a very lengthy debate by the other body. I am pleased that through this process, we now have a bill that I hope will be expeditiously signed by the President.

Federal and postal employees have waged a long and valiant battle to clarify the over 3,000 regulations which govern current law about their participation in the political process. The regulations have been so confusing that some employees chose not to participate in activities that may have been allowed under the law for fear of misinterpreting the rules.

The Hatch Act reform amendments will finally revise the outdated restrictions placed on Federal employees prohibiting them from participating in our political process. The integrity of the 51-year-old Hatch Act will still be protected as the legislation imposes severe penalties on those Federal or postal employees who violate the standards of the act. The bill will continue to protect Government employees from those who may attempt to coerce them into participating or not participating in political activities.

Madam Speaker, in addition to penalizing persons who do not adhere to the requirements of the Hatch Act amendments, the Senate-passed version of the act which we will vote on today, prohibits Federal and postal employees from seeking and holding partisan elective office. In addition, employees will be prohibited from soliciting political contributions from other Federal employees who are not members of their own union and also protects the general public from solicitation.

Madam Speaker, the measure before us today will not allow Federal or postal employees workers to engage in political activities while on the job. Also, this bill prohibits employees from participating in any of the permissible activities while on duty or while wearing a uniform.

What the bill will do is restore the right for Federal and postal employees to participate in our political process as private citizens. These employees would once again become an integral part of this process as any other citizen is permitted as a constitutional right.

Therefore, Madam Speaker, I would urge all of my colleagues to join with me in supporting the effort to grant Federal and postal employees their fundamental right to take part in our Nation's political process.

Ms. PELOSI. Madam Speaker, I rise today in support of H.R. 20, the Federal Employees Political Activities Act. H.R. 20 guarantees one of the most fundamental rights accorded American citizens: the right to participate in the political process of our country.

Today we are debating whether to accept the bill as amended by the other body. I believe that the amended version lacks important provisions included in the House version of the bill. I would have preferred to send to the President a stronger, more comprehensive bill, but the threat of a Presidential veto has limited the likelihood of its enactment.

H.R. 20, nevertheless, remains an extremely important piece of legislation. H.R. 20 allows Federal employees to take part in partisan politics and secures effective safeguards against a politicized bureaucracy. It establishes once and for all that political rights will not be denied on the basis of profession, just as they are not denied by virtue of race, sex, or ethnic origin.

Federal employees deserve the freedom of participating freely and openly in the decisions which affect their welfare. I urge my colleagues to support H.R. 20 as amended.

Mr. ACKERMAN. Madam Speaker, I rise in support of H.R. 20, the Federal Employees' Political Activities Act. The bill embodies much-needed reforms of the Hatch Act, which presently restricts Federal and postal employees in their ability to participate in this Nation's democratic political processes.

At the present time, 41 States permit public employees to participate in most general campaign and partisan activities. America's 2.8 million Federal and postal workers should have this same right, but the Hatch Act prevents them. The present law is enforced by some 3,000 regulations, many of which are silly and contradictory. For example, the regulations permit Federal employees to support a candidate, but forbid them to host a "Meet the Candidate" forum in their homes. Federal employees can attend a political rally, but they can't wave a banner or flag. They can put a lawn sign in front of their homes, but it cannot be larger than a bumper sticker.

H.R. 20 would lift these confusing limitations and give Federal employees the option of participating in election campaigns on their own time, just as other citizens can. As amended by the Senate, the bill retains certain restrictions to make sure that Federal employees do not use their positions within the Government to influence anyone else. To that end, Federal employees would be strictly prohibited from engaging in any political activities while on the job, while in a Government facility, or while in uniform. Federal employees would also be barred from seeking a partisan political office and from making a political contribution to their superiors. They would also be prohibited from intimidating or coercing any Federal employee to participate, or not to participate, in any political activity. To enforce these restrictions, the bill provides an effective array of penalties, including fines, job termination, or jail.

Madam Speaker, our democracy depends upon the broadest possible participation by our citizens. For too long, Federal and postal employees have been excluded, and I urge my colleagues to support this long overdue reform.

Mr. HOUGHTON. Madam Speaker, when we debated repeal of the Hatch Act in 1987, I expressed concerns about the bill. What really bothered me was language which I feared might permit Federal employees in highly sensitive positions to subtly coerce the activities of private citizens. I thought that Internal Revenue Service auditors and Justice Department employees, for example, should be exempt for that reason. However, as we all know, there was no opportunity to amend the bill. I therefore voted against it.

The bill we have before us today helps my concerns. In a nutshell, it prohibits Federal employees from influencing the political positions of private citizens who may be vulnerable to their decisions.

As an example, let's say that an IRS agent is conducting a taxpayer return audit. That agent would not be able to approach the taxpayer on a matter of political consideration. Likewise Veterans Department employees making decisions on service-connected compensation cannot solicit political activity on the part of the veteran applicant.

I believe this language is fair and clear. It closes a giant loophole. It improves a faulty bill. I will vote for it.

Mr. RIDGE. Madam Speaker, I would like to commend my distinguished colleagues from New York and Missouri for their outstanding efforts on behalf of our Nation's Federal employees. Can we really say that nothing has changed since 1939? Technology has changed; the world situation has changed; and yes, even the civil service has changed. Our Government employees have proven themselves worthy of our trust and respect.

The civil service is a worthy career entitled to the same rights as other professions. Yet, as soon as you walk through the door, you are:

Forbidden from waiving a political poster at a convention;

Forbidden from exercising your right to hold office in a political party; and even

Forbidden from handing out campaign pamphlets to your neighbors—on your own time.

Opponents of Hatch Act reform are outraged that we should extend political rights to our civil servants. They insist that Federal employment is a privilege and this privilege justifies restrictions on partisan political activity. This is the same attitude which has brought about the silent crisis in our Federal work force. Where else can you have less right to do more for less money?

Our Nation's work force is not going to suddenly turn to coercion and corruption. IRS agents are not going to threaten political opposition with audits. Yes, bribery and blackmail are still illegal. There is fear in every workplace that employee organizations will employ intimidation techniques to gain political power. Yet, we would not deny the private sector the right to participate merely because of our irrational fears. The protections at the heart of the Hatch Act are retained in the amended version of H.R. 20. Civil servants and the public are protected from intimidation and coercion. On the job political activities would still be prohibited and subject to severe penalties. Employees would still be forbidden from running for partisan political office. However, these same employees can finally become a part of our political system of government. They can participate in activities that their friends, neighbors, and private counterparts take for granted. This is the right to free association and the right to exercise their basic first amendment rights. I urge my colleagues on both sides of the aisle to support our public servants by supporting H.R. 20.

H.R. 20—THE HATCH ACT

Mr. DENNY SMITH. Madam Speaker, while I agree that Federal employees should be able to be involved in their communities, the Hatch Act as presented to Congress was not the proper means to this end. Rather than giving civil servants more freedom, it only limits their personal choice by concentrating power in the hands of Federal unions. If the union chooses to endorse a candidate the members don't believe in, they do not have the choice to withhold their dues. This act also gives Federal union PACs exclusive rights to solicit funds from civil servants.

I would have been happy to support a bill that allows Federal Employees more participation in the political process, but endangering their job security by allowing for subtle coercion by superiors and coworkers is not the way to do it. There is no guarantee that employees would not feel pressure to conform to their superior's wishes. This is a dangerous situation for our Federal Government. Civilians

may be endangered as well, if influential Federal employees such as IRS or SEC officials have the power to exert political pressure upon citizens. Equal political rights can only be truly equal if they are individually executed, not products of subtle coercion. For these reasons, I was unable to support passage of the Hatch Act.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. FORD] that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 20.

The question was taken.

Mr. ARMEY. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. FORD of Michigan. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on the bill, H.R. 20, and the Senate amendments thereto.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

INTER-AMERICAN SCIENTIFIC COOPERATION ACT OF 1990

Mr. ROE. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 2152) to reinvigorate cooperation between the United States and Latin America in science and technology, as amended.

The Clerk read as follows:

H.R. 2152

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Inter-American Scientific Cooperation Act of 1990".

SEC. 2. FINDINGS, PURPOSES, AND DEFINITION.

(a) FINDINGS.—The Congress finds the following:

(1) The diversity of Latin American countries and their needs in science and technology are profound and should be recognized and understood in the United States.

(2) Opportunities for science and technology cooperation with Latin America have decreased significantly since the 1970's, when many countries in Latin America graduated from programs sponsored by the Agency for International Development.

(3) Latin American scientists and engineers have increasingly looked to Europe and Japan for advanced training and research. This trend, in conjunction with the emphasis on science and technology in Latin American national development plans and the increase in science and technology cooperation among Latin American nations, will mean a loss of United States influence if the United States does not act to reassert its interest in Latin America.

(4) Investment by the United States in the Latin American science and technology infrastructure and participation of United States scientists and engineers in short-term and long-term assignments in Latin America can strengthen United States influence in Latin America and contribute to many United States national goals, including scientific access, trade and investment relations, common security, and the opportunity to contribute to economic development and political stability in the region.

(5) Science and technology cooperation with the United States, and advanced training and research in the United States, can bring many benefits to Latin America. In less advanced countries, cooperation can contribute to the strengthening of basic science and technology infrastructure. In industrially advanced Latin American countries, cooperation can increase opportunities in many scientific disciplines and in the frontier scientific fields.

(6) Considerable progress in science and technology cooperation can be made with relatively modest investments.

(7) Celebration of the quincentennial of Columbus' discovery and the return to democracy in a number of Latin American countries provide a focus for the reversal of the decline in science and technology cooperation with Latin America.

(b) PURPOSES.—The purposes of this Act are—

(1) to reinvigorate cooperation between the United States and Latin America in science and technology;

(2) to contribute to the development of scientific infrastructure throughout Latin America, both by building on existing centers of excellence and by creating science and technology strength in institutions where none currently exists; and

(3) to establish an Inter-American Scientific Cooperation Program in the National Science Foundation to provide a focal point in the United States Government for science and technology cooperation with Latin America.

(c) DEFINITION.—As used in this Act, the term "Latin America" means Mexico, Central America, and South America.

SEC. 3. ESTABLISHMENT OF THE PROGRAM.

The National Science Foundation shall establish an Inter-American Scientific Cooperation Program (hereafter in this Act referred to as the "Program") aimed at increasing the level of science and technology cooperation between the United States and Latin America. The Program shall identify and cooperate with private and governmental funding bodies, both in Latin America and in the United States, and shall encourage cost-sharing and innovative financing (such as debt swaps) of cooperative projects. The Program shall include the following elements:

(1) Encouragement and funding of project development interchanges and joint research projects between United States and Latin American scientists and engineers. Joint projects and interchanges funded by the National Science Foundation shall include cost sharing from sources within the Latin American countries whose citizens participate. The Director of the National Science Foundation shall determine the amount of cost sharing which is required.

(2) Establishment of an Inter-American Scientific Educational Development Exchange. The Exchange's activities shall include graduate and post-doctoral fellowships in science and technology for Latin Americans to study in the United States and for United States citizens to study in Latin America; collection and dissemination of information to Latin Americans on other avenues for advanced study in science and technology in the United States; and United States assistance to Latin American institutions, at the institutions' request, for development of courses, seminars, and curriculum in science and technology. For fellowships sponsored by the Exchange, priority will be given to those candidates who are professionally active scientists or engineers and whose institutions give assurance that a position will be available to them after completion of their fellowship. Fellowships for Latin Americans shall include cost sharing from sources within the country of origin of the recipient. The amount of cost sharing required shall be determined by the Director.

(3) Providing information and technical assistance to Latin American countries interested in establishing computer linkages between United States and Latin American scientists and engineers.

(4) Providing information to enable the routing of United States scientific equipment to Latin America, including information with respect to matching equipment with need, identifying technical maintenance requirements, and meeting customs regulations.

(5) Promotion of research programs which utilize unique natural environments or existing centers of research excellence in Latin America, such as the Charles Darwin Research Station in the Galapagos Islands.

SEC. 4. REPORT.

Each year at the time of submission to the Congress of the President's budget, the Director of the National Science Foundation shall submit to the Congress a report which—

(1) details activities conducted pursuant to this Act during the preceding fiscal year;

(2) describes plans for the current and upcoming fiscal years' activities;

(3) recommends priorities for cooperation in terms of scientific disciplines and geographic regions; and

(4) recommends necessary legislative or administrative changes in the Program.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

Of the funds authorized for fiscal years 1991, 1992, and 1993 under section 101 of the National Science Foundation Authorization Act of 1988 (Public Law 100-570), up to $5,000,000 for fiscal year 1991, up to $10,000,000 for fiscal year 1992, and up to $10,000,000 for fiscal year 1993 are authorized to be used for carrying out this Act; except that of the funds available for International Cooperative Scientific Activities, not more than 25 percent shall be made available for carrying out this Act for each such fiscal year.

□ 1410

The SPEAKER pro tempore (Mrs. BOXER). Pursuant to the rule, a second is not required on this motion.

The gentleman from New Jersey [Mr. ROE] will be recognized for 20 minutes, and the gentleman from California [Mr. PACKARD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. ROE].

Mr. ROE. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I am pleased to bring to the floor H.R. 2152, legislation which would breathe new life into the scientific exchanges between the United States and our neighbors in Mexico, Central America, and South America.

I would like to thank the chairman of our Subcommittee on international Scientific Cooperation, the gentleman from Texas [Mr HALL], and his ranking Republican member, the gentleman from California [Mr. PACKARD], for their longstanding interest in and contributions to the development of the legislation. The ranking Republican member of the Committee on Science, Space, and Technology, the gentleman from Pennsylvania [Mr. WALKER], is also to be complimented for his strong support of the bill. And finally, I greatly appreciate the excellent work of the chairman of our Subcommittee on Science Research and Technology, the gentleman from North Carolina [Mr. VALENTINE], and the gentleman from New York [Mr. BOEHLERT] as this bill was perfected.

Madam Speaker, over the past 3 years, the Committee on Science, Space, and Technology has held hearings and has conducted oversight visitations to five South American countries to review science and technology [S&T] cooperation with Latin America. Both the hearings and the visit have shown us that political and economic turmoil have weakened the scientific infrastrucutre of many Latin American countries. Further, in recent years, as opportunities for S&T cooperation between the United States and Latin America have decreased, Latin Americans have looked increasingly to Europe and Asia for advanced training and research. Japan, South Korea, China, Germany, France, and the Soviet Union have begn to formulate cooperative agreements with Argentina, Brazil, Mexico, Panama, and Peru. We are, ironically, falling behind in science support within our own hemisphere. It was concern over this erosion of U.S. involvement in Latin America that led to the introduction of H.R. 2152 last year.

These trends are reversible. Our work has certainly shown us that, despite the lack of attention to these programs, Latin American interest in cooperation with the United States remains strong. An excellent example of the kind of cooperation that this bill would foster occurred earlier this year in Costa Rica, when 250 space scientists participated in the Space Conference of the Americas: Perspectives on Cooperation for Development. The conference, which grew out of an idea propounded by astronaut Franklin Chang-Diaz and our former ranking Republican member Manuel Lujan, resulted in identification of 66 space projects which could be further developed with inter-American cooperation.

I would like to emphasize that H.R. 2152 is exceedingly timely. With all the attention that Eastern Europe is currently receiving, we have a tendency to forget that, in the past few years, virtually all of the military dictatorships in Latin America have been replaced by democratically elected governments. We should try to reinforce this trend with closer cooperation in sicence and technology, which not only can yield good science, but can also advance U.S. Economic and foreign policy objectives. For example, the bill provides for graduate and postdoctoral fellowships, both for Latin Americans studying in the United States and for U.S. students who wish to study in Latin America.

These exchanges are investments in our inter-American future. As part of the future leadership in their homelands, these Latin American students will play key roles in determining the political and economic alliances that the region will make in the next century. And our country's future leaders can likewise only benefit from increased understanding of and cooperation with our southern neighbors.

The Latin American research community is small but vital. In hearings before the committee last year, Dr. Leon Ledermann, Nobel laureate and director of the Fermi Laboratory in Illinois, spoke eloquently of the contributions that Latin American physicists are making to the U.S. high-energy physics program. In the life sciences, unique natural environments and conditions make Latin America a critical area for research opportunities for U.S. scientists. The Galapagos Islands, which provided Darwin with the inspiration to develop the basic theories of modern biology, remain a wonderful natural laboratory for evolution. In addition, many studies of global change will be centered in Latin America. To throughly investigate such topics as the deforestation of the Amazon Basin and its contribution to global climate change and species diversity, U.S. scientists need stable working relationships with Latin American scientists and access to these environments. The Inter-American Scientific Cooperation Act will target key projects of this sort for funding by the National Science Foundation.

As one witness testified last year, the legislation "ends 15 years of disregard" in the United States for inter-American S&T relations. Even though the funding levels in H.R. 2152 are quite modest, the bill does send a strong signal that the United States wants to form a stronger partnership with Latin America in science and technology. I urge my colleagues to support enactment of H.R. 2152.

Madam Speaker, I reserve the balance of my time.

Mr. PACKARD. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I share my colleagues' support for this legislation. I would initially like to express my appreciation for the leadership of Secretary of Interior Manuel Lujan Jr., who personally brought this critical issue to the forefront of the Science Committee's agenda last Congress. I also commend Chairman BOB ROE for providing the impetus in this Congress to introduce and move this legislation.

Extraordinary global changes have opened up new opportunities in many areas of the world. Yet, as we seek to enhance new opportunities with Eastern Europe and the Soviet Union, we must not do so at the expense of valuable opportunities with our neighbors in Latin America. Certainly, it is critical for the national security and economic stability of this country that strong ties exist between Latin America and the United States.

Scientific and technological cooperation cannot be viewed as disassociated from other important issues between our countries—trade, energy resources, economic development, immigration, and unemployment,

Chairman ROE quoted Dr. Leon Lederman.

In a hearing of H.R. 2152, the nobel prize winner and director of fermi lab, Dr. Loen Lederman, stated:

> Development [resulting from science and technology] will serve to diminish the severe social and economic problems [in Latin America], leading to greater political stability and, for the U.S., a more sophisticated set of customers for our products and a greater choice of products for our consumers.

President De Gortari of Mexico has stated that "the creation of new jobs is the only answer to immigration; we should be exporting products, not people." Certainly, science and technology are the building blocks of economic development. Besides strengthening Latin America's infrastructure for science and technology, expanded cooperation with the United States should lead to wider practical application of scientific advances in industrial development, agricultural production, environmental protection, health care and other fields.

During the sixties and seventies, the United States provided the resources necessary to help develop Latin America's infrastructure for science and engineering; thousands of scientists were trained, largely in the United States. Unfortunately, in the mid-seventies, political and economic turmoil disrupted these cooperative efforts.

Several changes have occurred which make this an appropriate time to reinforce, improve and expand the traditional ties between the Latin American and the United States scientific communities. Recently elected

democratic governments in some Latin American countries have made the general economic and political climate more favorable to investment than at any time in the past 10 years.

Further, many Latin American countries are establishing science and technology priorities. However, they are rapidly expanding cooperation with Europe, Japan, and Canada in many strategic fields, and an increasing number of their graduate students are being trained in Europe rather than in the United States.

The United States can and should assist in providing the leadership necessary for the development of a strong scientific community in the Western Hemisphere. H.R. 2152 is intended to strengthen scientific ties between the United States and Latin America by establishing the Inter-American Scientific Cooperation Program within the National Science Foundation with no additional appropriations.

The act provides a focus in the U.S. Government for science and technology cooperation with Latin America. The program would stress key initiatives, such as joint United States-Latin American science projects; graduate and postdoctorial fellowship exchanges; transfer of scientific equipment to Latin America; and information exchanges to develop Latin American library resources.

The amount of funding in H.R. 2152 may seem small in comparison with the scope of the proposed program and the magnitude of the problem it addresses. But this should not obscure the bill's significant symbolic value. It sends a signal that the United States wants to form a stronger partnership with Latin America in science and technology.

I therefore fully support this legislative initiative. I also believe the level of investment should increase in the years to come. Over the long term, this investment will yield valuable scientific, economic, political, and social benefits for ourselves and our neighbors in the Western Hemisphere.

□ 1420

Mr. ROE. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from North Carolina [Mr. VALENTINE], chairman of the Subcommitee on Science, Research, and Technology of the Committee on Science, Space, and Technology.

Mr. VALENTINE. Mr. Speaker, I thank the chairman of the committee for yielding this time to me.

Mr. Speaker, I rise in support of H.R. 2152, the Inter-American Scientific Cooperation Act. The purpose of this legislation is to establish a program at the National Science Foundation which will stimulate greater scientific and technological interchange and cooperation between the United States and Latin America.

I want to thank our committee chairman, Mr. ROE, for his leadership both in introducing this important bill and also in bringing it to the floor. Also, I want to complement the ranking Republican Member, Mr. WALKER, for his contributions in ensuring the progress of the bill through the legislative process.

Movement of the bill through committee was the result of bipartisan effort by Members of two subcommittees of the Science, Space, and Technology Committee; and, I want to acknowledge the efforts of my colleagues, Mr. HALL and Mr. PACKARD, chairman and ranking Republican member, respectively, of the International Scientific Cooperation Subcommittee.

The Inter-American Scientific Cooperation Act will establish a balanced program of cooperative research, advanced training in science and engineering, and improvements to the scientific infrastructure in Latin America. The legislation will build on existing programs and begin new programs at the National Science Foundation.

Although in certain fields, such as astronomy, scientific ties with Latin America are long-standing, there has been a general erosion of involvement in recent years. One sign of the erosion can be seen in the decline in numbers of Latin American students seeking advanced training in the United States.

Interchanges between individual scientists and engineers establish the personal connections which lead to greater international understanding. Such interchanges are especially important with Latin America both because of the proximity and also the economic potential of the region. Economic growth, which is tied to political stability, is dependent on technological advancement.

It is to the benefit of the United States to assist in the scientific and technological advancement of Latin America. Helping to develop new scientific resources and new scientists will add to the store of basic knowledge available for the ultimate benefit of all. Moreover, our assistance in building up the science and technology base in Latin America will create goodwill that, in turn, will assist us in competing in the inter-American marketplace in the future.

H.R. 2152 will help reinvigorate cooperative research and educational activities between United States and Latin American scientists and engineers. The legislation represents an investment in our own and our neighbors future well-being. I urge my fellow Members to vote for H.R. 2152.

Mr. PACKARD. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER], the vice chairman of the full Committee on Science, Space, and Technology.

Mr. WALKER. Mr. Speaker, this legislation brings to fruition the highly merited personal initiative of my predecessor on the Science Committee, Manuel Lujan.

I would like to thank our chairman, Congressman HALL, and Congressman PACKARD for their leadership in bringing it to the floor.

Mr. Speaker, the recent events in Eastern Europe have overshadowed the many dynamic changes also occurring in Latin America.

With democracy making new gains in Latin America, we should also enhance our relationship with our southern neighbors.

Basically, H.R. 2152 will increase R&D cooperation and technology and education exchange between the United States and our Latin American friends.

The activities in H.R. 2152 will be accomplished through the National Science Foundation's International Cooperative Scientific Activities Program. This program serves as the vehicle for the United States to assist and broaden our basic research ties to our friends all over the world.

This legislation will, in effect, strengthen the focus and increase the concentration of NSF's international support on our own hemisphere.

Additionally, this bill is structured to redirect existing funds within the program; thereby, maintaining fiscal responsibility. No new money is authorized.

I urge all my colleagues to support this legislation.

Mr. ROE. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Texas [Mr. HALL], chairman of the Subcommittee on International Scientific Cooperation.

Mr. HALL of Texas. Mr. Speaker, I certainly want to follow protocol and thank the gentleman from New Jersey [Mr. ROE] for all his hard work and for his statement explaining the background behind the Inter-American Scientific Cooperation Act.

As the chairman mentioned, the International Scientific Cooperation Subcommittee held hearings in both 1987 and 1989 on the subject of increasing cooperation in science and technology with Latin America. In addition, two major congressionally mandated studies of this subject have been completed in the past 2 years, one by the State Department and another by the Stanford Research Institute. As the chairman points out and as we have learned from these hearings and reports, the timing seems to be extremely good for a focused effort within the U.S. Government aimed at reinvigorating our S&T relationships with the countries of Latin America.

H.R. 2152 provides this focus by creating the Inter-American Scientific

Cooperation Program within the National Science Foundation. The program will include a number of activities: Joint research projects, two-way educational exchanges, especially for graduate students and postdoctoral candidates, computer linkages for communications and data exchange, information on access to scientific equipment, and promotion of programs which utilize unique natural environments or unique research facilities, such as the Darwin Research Station on the Galapagos Islands.

In developing these programs, we have attempted to be cost effective by encouraging the NSF to use both creative financing mechanisms such as debt-for-science swaps and cost sharing by Latin American countries themselves. In addition, we have structured the program in such a way as to encourage Latin American scientists who participate in exchanges to return home to build up the scientific infrastructure of their native countries.

Mr. Speaker, the importance of Latin America has been clearly highlighted by recent events—in particular, the introduction of democracy in Chile, Panama, and Nicaragua, and the discussions of a free-trade pact with Mexico. The time is right for us to do what we can in the S&T area to make sure that these efforts do not falter. Over the long term, this investment will yield valuable scientific, economic, and political benefits for ourselves and for our neighbors in the Western Hemisphere.

If Latin America is to grow out of its debt crisis and its other economic problems, it will be through the vigorous application of science and technology to local conditions. This bill takes a step in that direction, and I urge my colleagues to support it.

Mr. PACKARD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ROE. Mr. Speaker, I have no further request for time, and I yield back the balance of time.

The SPEAKER pro tempore (Mr. ESPY). The question is on the motion offered by the gentleman from New Jersey [Mr. ROE] that the House suspend the rules and pass the bill, H.R. 2152, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2152, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey.

There was no objection.

□ 1430

INTERNATIONAL SPACE YEAR

Mr. ROE. Mr. Speaker, I move to suspend the rules and pass the Senate joint resolution (S.J. Res. 75) relating to NASA and the International Space Year, as amended.

The Clerk read as follows:

S.J. RES. 75

Whereas in 1985 Congress proposed an International Space Year (ISY) for 1992, commemorating the 500th anniversary of Columbus' voyage to the New World and the 35th anniversary of the International Geophysical Year that ushered in the space age;

Whereas Congress also requested the President to ensure the ISY and to initiate interagency and international discussions for an ISY;

Whereas in 1986 President Reagan endorsed the ISY and reported to Congress that NASA had found worldwide support for an ISY in 1992, consisting of space activities coordinated on a global basis; and the President directed NASA to move the concept forward internationally and to lead an interagency effort for domestic activities;

Whereas NASA has exercised admirable leadership, through the Office of Space Science and Applications and the Division of International Relations, in establishing the Space Agency Forum on ISY (SAFISY) to coordinate ISY planning, with a current worldwide membership of 25 national space agencies or equivalent bodies;

Whereas SAFISY planning is accelerating, with particular emphasis on coordinating current and planned space agency activities so as to improve efficiency and maximize scientific and economic return on space investments; and

Whereas the ISY also is generating numerous educational activities, including classroom activities, films, television programs, that will greatly improve public understanding of the significance and potential of the space age: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the sense of the Congess that the President should—

(1) reaffirm support for the ISY and invite foreign leaders to do the same;

(2) support the World Space Congress, to be convened in 1992, in its efforts to encourage cooperative space activities among nations in space science, space exploration, and the application of space technology;

(3) invite the American public to develop ISY activities that foster the global perspective of the ISY;

(4) direct NASA to continue to develop ISY activities through SAFISY, with a primary emphasis on Mission to Planet Earth, but also with a strong emphasis on the other space sciences, human exploration, education, and developing nations applications; and

(5) report to Congress at the earliest practicable date, but no later than September 1, 1990, on the steps taken to carry out items (1) through (4) above, including a list of all current and planned NASA initiatives in each of the categories mentioned in item (4).

The SPEAKER pro tempore (Mr. ESPY). Pursuant to the rule, a second is not required on this motion.

The gentleman from New Jersey [Mr. ROE] will be recognized for 20 minutes, and the gentleman from Pennsylvania [Mr. WALKER] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. ROE].

Mr. ROE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I rise in strong support of Senate Joint Resolution 75, relating to the National Aeronautics and Space Administration [NASA] and the International Space Year 1992. The year 1992 was selected as international space year because it marks the 500th anniversary of the first journey of Christopher Columbus to the New World as well as the 35th anniversary of the international geophysical year.

Senate Joint Resolution 75 is the last piece of legislation introduced by the late Senator Matsunaga, who first proposed the concept of an international space year in 1985. Today's passage of this legislation would be a lasting tribute to our esteemed former colleague.

Mr. Speaker, I would like to take this opportunity to recognize five members of the Science, Space, and Technology Committee whose cooperation made it possible to bring this resolution to the floor today: Mr. NELSON of Florida, Mr. HALL of Texas, Mr. SENSENBRENNER of Wisconsin, Mr. PACKARD of California and, of course, the ranking Republican member of the committee, the gentleman from Pennsylvania, Mr. WALKER. In addition, I would like to thank the gentleman from Florida, the distinguished chairman of the Committee on Foreign Affairs, for his cooperation in expeditiously bringing this resolution to the floor for consideration today. Chairman FASCELL, as a tribute to Senator Matsunaga, agreed to forgo action by the Foreign Affairs Committee on Senate Joint Resolution 75 without prejudice to that committee's jurisdiction.

Senate Joint Resolution 75 is an important piece of legislation because it accomplishes three important objectives at a very critical time in the planning for the International Space Year.

First, it reaffirms the support of Congress and the President for this program.

Second, it gives legislative recognition to the World Space Congress that will be convened in 1992. This meeting will be an important event that brings together governmental space agencies and private sector organizations that have significant roles in planning for the International Space Year.

And third, it reemphasizes that the original scope of International Space Year included human exploration,

education, space applications for developing nations as well as NASA's mission to Planet Earth.

Mr. Speaker, Senate Joint Resolution 75 constitutes an important statement by this Congress of support for critical space programs and activities. I urge my colleagues to join me in voting for the resolution.

Mr. WALKER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of Senate Joint Resolution 75, the resolution regarding the International Space Year.

Mr. Speaker, the Committee on Science, Space, and Technology in this House has shown its support for the International Space Year on several occasions. I am now pleased to lend my support to Joint Resolution 75, which reaffirms our commitment and allows President Bush to reaffirm his support for International Space Year 1992 and to the World Space Congress.

Mr. Speaker, 1992 marks the 500th anniversary of the voyage of Christopher Columbus to the New World, and it is fitting that we would mark this anniversary in part by focusing our intentions on voyages that this and future generations will make to the frontier in space.

However, Mr. Speaker, many of us had hoped a decade or so ago that by this anniversary of Columbus' voyage that we would have the space station in place and that we would have an international space station serving all of mankind by 1992. Our inability to get our act together well enough to get the space station funded and built in that kind of timeframe prevented us from having that to focus on, but this particular event, by recognizing International Space Year, I think will give an appropriate recognition to what we hope the voyages of the future will accomplish.

Mr. Speaker, the gentleman from New Jersey [Mr. ROE] has amply explained the provisions of Senate Joint Resolution 75, so I would just conclude by urging my colleagues to support the resolution and point out that the administration does support enactment of this particular piece of legislation.

Mr. FASCELL. Mr. Speaker, I would like to join the distinguished chairman of the Committee on Science, Space, and Technology, Representative ROE, in supporting passage of Senate Joint Resolution 75, relating to NASA and the International Space Year.

First, I would like to acknowledge the dedication of our former colleague, the late Senator Spark Matsunaga, to greater international space cooperation. Five years ago, the late Senator first proposed the concept of an international space year. Last March, the Senate passed Senator Matsunaga's resolution—the last resolution he introduced—and today we consider the measure in the House of Representatives.

I urge my colleagues to support this resolution which reaffirms support for the International Space Year in 1992 and the World Space Congress also to be convened in 1992. The purpose of the World Space Congress is to support international cooperation in space, space science, space exploration, and the application of space technology.

The resolution further directs NASA to continue to develop International Space Year activities through the Space Agency Forum on the International Space Year—a body of 25 national space agencies—with an emphasis on Mission to Planet Earth, a program designed to monitor the environment.

In a time of reduced tensions between the superpowers and greater unity between East and West Europe, we need to take advantage of opportunities to cooperate in the key areas of the peaceful uses of space and the environment.

For these reasons, I urge my colleagues to support Senate Joint Resolution 75.

Mr. WALKER. Mr. Speaker, I yield back the balance of my time.

Mr. ROE. Mr. Speaker, I, too, have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. ROE] that the House suspend the rules and pass the Senate joint resolution, Senate Joint Resolution 75, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate joint resolution, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on Senate Joint Resolution 75, the Senate joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

AIRCRAFT CATASTROPHIC FAILURE PREVENTION RESEARCH ACT OF 1990

Mr. ROE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4887) to amend the Federal Aviation Act of 1958 relating to research for prevention of defects, failures, and malfunctions of aircraft, aircraft engines, propellers, and appliances, which could result in a catastrophic failure of an aircraft, as amended.

The Clerk read as follows:

H.R. 4887

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Aircraft Catastrophic Failure Prevention Research Act of 1990".

SEC. 2. CATASTROPHIC FAILURE PREVENTION RESEARCH PROGRAM.

(a) GENERAL AUTHORITY.—Section 312(b) of the Federal Aviation Act of 1958 (49 U.S.C. App. 1353(b)) is amended by inserting after "inflight aircraft fires," the following: "to develop technologies and methods to assess the risk of and prevent defects, failures, and malfunctions of products, parts, processes, and articles manufactured for use in aircraft, aircraft engines, propellers, and appliances which could result in a catastrophic failure of an aircraft,".

(b) GRANT PROGRAM.—Section 312 of such Act is amended by adding at the end the following new subsection:

"(g) CATASTROPHIC FAILURE PREVENTION RESEARCH GRANT PROGRAM.—

"(1) GENERAL AUTHORITY.—The Administrator may make grants to colleges, universities, and nonprofit research organizations (A) to conduct aviation research relating to development of technologies and methods to assess the risk of and prevent defects, failures, and malfunctions of products, parts, processes, and articles manufactured for use in aircraft, aircraft engines, propellers, and appliances which could result in a catastrophic failure of an aircraft, and (B) to establish centers of excellence for continuing such research.

"(2) SELECTION AND EVALUATION PROCESSES.—The Administrator shall establish a solicitation, application, review, and evaluation process that ensures (A) the funding under this subsection of proposals having adequate merit and relevancy to the research described in paragraph (1).".

(c) CONFORMING AMENDMENT.—That portion of the table of contents contained in the first section of such Act which appears under the heading:

"Sec. 312. Development planning."

is amended by adding at the end the following:

"(g) Catastrophic failure prevention research grant program.".

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

Section 506(b) of the Airport and Airway Improvement Act of 1982 (49 U.S.C. App. 2205(b)) is amended by redesignating paragraph (5), and any reference thereto, as paragraph (6), and by inserting after paragraph (4) the following new paragraph:

"(5) AUTHORIZATION FOR CATASTROPHIC FAILURE PREVENTION RESEARCH PROGRAM.—For research relating to prevention of defects, failures, malfunctions, in products, parts, processes, and articles manufactured for use in aircraft, aircraft engines, propellers, and appliances which could result in a catastrophic failure of an aircraft under section 312 of the Federal Aviation Act of 1958, there is authorized to be appropriated from the Trust Fund for fiscal year 1991 $10,000,000.".

The SPEAKER pro tempore. Under the rule, a second is not required on this motion.

The gentleman from New Jersey [Mr. ROE] will be recognized for 20 minutes, and the gentleman from Florida [Mr. LEWIS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. ROE].

Mr. ROE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the legislation before the House, the Aircraft Catastrophic Failure Prevention Research Act, H.R. 4887, addresses the important safety issue of detecting flaws, defects, and problems in aircraft before they become accidents.

The chairman of the Transportation, Aviation, and Materials Subcommittee, Mr. TORRICELLI of New Jersey, is to be congratulated for expeditiously moving this legislation through the subcommittee. The ranking minority member, Mr. WALKER, deserves a great deal of credit for his efforts to see that the legislation moved quickly to the House floor. Finally, I want to recognize the efforts of my good friend from Florida, Mr. LEWIS, author of this bill, for his foresightedness in advancing this issue, which could significantly improve aviation safety in the future, and I also would like to add that the gentleman from Florida [Mr. LEWIS], our good friend, has been a very dynamic initiator of important legislation in this body.

The legislation will establish research aimed at preventing accidents like the July 1989 crash of the DC-10 in Sioux City, IA. The aircraft suffered a catastrophic disintegration of an engine that was the result of an undetected crack in the fan disk, a crack that began in 1971. The National Transportation Safety Board concluded that this was a preventable accident. Clearly the current procedures in aircraft accident prevention are not adequate.

Another recent example will also illustrate why this legislation is so important.

On February 24, 1989 a cargo door blew off a Boeing 747 flying over the Pacific Ocean. Nine passengers were sucked out of the aircraft and fell to their deaths. This was not the first time an accident like this had occurred. In 1987 a cargo door malfunctioned in a flight over the Atlantic Ocean but, fortunately, no lives were lost. The real tragedy was that FAA had not mandated corrective changes quickly enough to prevent a recurrence. The agency cited a lack of urgency as the reason. In April of this year, the National Transportation Safety Board placed the blame for the accident on FAA for being lax.

The legislation before us would address this type of problem by mandating the development of technologies and methods to assess the risk of and prevent problems which could result in catastrophic aircraft failure, and also this research program into the prevention of defects, failures and malfunctions of aircraft, aircraft engines, propellers and appliances which could result in catastrophic failure of an aircraft.

It would not take a loss of life before FAA would have the data on which to require safety improvements. Accidents such as these and other preventable accidents are unacceptable to me and all the members of this body to the flying public. I believe that every person who steps on an airplane in New Jersey or any other State, has the right to expect that all has been done that can reasonably be done to detect and prevent problems that could cause a catastrophic failure.

□ 1440

This legislation will help accomplish that goal.

H.R. 4887 will establish, for the first time, a Federal Aviation Research Program to better anticipate and hopefully eliminate all of these accidents that are preventable.

The bill expands the research mandate of Public Law 100-591, the Aviation Safety Research Act of 1988. That act mandated that FAA establish a long-term safety research program. H.R. 4887 mandates that the research also include accident prevention, something that will benefit everyone who steps on an airplane in the future.

As an original cosponsor, I urge all Members to support this important legislation.

Mr. LEWIS of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to express my appreciation to Chairman ROE and the ranking member, Mr. WALKER, in bringing the Aircraft Catastrophic Research Act of 1990, H.R. 4887, before the House in such a timely manner.

Both Mr. ROE and Mr. WALKER are original cosponsors of the legislation, which speaks to their interest and support. I also want to thank Chairman TORRICELLI for his efforts in moving the bill through subcommittee.

All my colleagues on the committee and subcommittee agreed unanimously that this most important legislation will significantly advance aviation safety.

The witnesses at two hearings, from the aviation industry and the administration, that addressed this bill expressed support for the program it mandates. We are aware of no opposition.

As the chairman so correctly described, the crash of United flight 232 in Sioux City, IA, last July was a preventable accident caused by the disintegration of a fan disk. It was an undetected crack that widened and stretched for 17 years.

Inexplicably, the FAA had not mandated the type of inspections that would reveal these flaws, nor had they even examined the possibility such accidents could occur, until after the crash of flight 232.

The Aloha Airlines accident in April 1988 was caused by cracks and corrosion in the metal skin that began two decades earlier. They called it a 1-in-10-billion accident.

Since then, though, more intensive inspections have found numerous aging aircraft with extensive cracks.

Accidents such as these helped me coin the phrases "Tombstone Technology" and "Graveyard Reactions." That is when you conduct research to correct a problem after a fatal accident.

United flight 232 and Aloha. Both preventable accidents, but the agency efforts were not sufficient to detect such problems. Thus, H.R. 4887, the first big step toward eliminating preventable aviation accidents.

The 35 million Americans who fly have every right to demand the planes they pay to fly on are safe. The status quo has for too long been to do something about problems after they have caused great destruction and cost human life.

This bill will create a new status quo, where American ingenuity and persistence solves problems through research before they cause accidents, not at the end of a tragic flight.

I will not rest until this bill is passed by the Senate, funded and implemented by the Federal Aviation Administration. No aviation fatalities and a research program to back it up are attainable.

I trust you will all join me in that commitment, beginning with your support of H.R. 4887. Again, I thank Chairman ROE and ranking member WALKER and my colleagues on the Science Committee for their support and interest.

I also want to commend the committee staff who worked so hard on the many aspects of this legislation. They include John Doyle, committee counsel; Paula Teeples, legislative clerk, and Curt Hollmann of my staff.

Mr. ROE. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from New Jersey [Mr. TORRICELLI], chairman of the Subcommittee on Transportation, Aviation and Materials of the Committee on Science, Space, and Technology.

Mr. TORRICELLI. Mr. Speaker, I want to thank the distinguished chairman of the committee for yielding me this time.

I, too, Mr. Speaker, rise in support of the bill, H.R. 4887, to authorize a program of research at the FAA to prevent defects, design errors, and malfunctions that could lead to catastrophic failure in the Nation's airliner fleet.

I want to commend the chairman of the full committee, the gentleman from New Jersey [Mr. ROE], my colleague, for his leadership in bringing this important legislation to the floor of this House in such a quick and ex-

pedited basis, and particularly I want to congratulate the gentleman from Florida [Mr. LEWIS], the ranking member of our Subcommittee on Transportation, Aviation and Materials.

It is Mr. Speaker, largely through his actions and foresight that this legislation was both written and brought to the committee and to this floor today.

Mr. Speaker, H.R. 4887 responds to what I believe is a missing element in our aviation safety research efforts. Specifically, it is aimed at finding research methods to detect potentially catastrophic flaws in aircraft introduced during design or the manufacturing process.

The bill expands the current program of research at the FAA to include development of technologies and methods to assess the risk of and prevent the occurrence of defect that could bring an aircraft to destruction.

As the committee chairman has indicated, a number of recent accidents graphically illustrate the need for this research. The Sioux City accident, in which 112 people lost their lives gives us at least two graphic examples.

First, we had the highly publicized failure of a critical engine component, caused by a subsurface crack that had gone undetected for 18 years and ultimately led to a violent disintegration of the entire engine.

But a lesser known aspect, however, was the loss of ability to control the aircraft due to the destruction of all three hydraulic lines, caused by flying shrapnel. If an emergency shut-off system had been in place, loss of the fluid and the crash itself probably could have been prevented. The FAA is now considering requiring exactly such a system.

A year earlier, as has also been mentioned by the gentleman from Florida [Mr. LEWIS] and the gentleman from New Jersey [Mr. ROE], the Aloha accident was caused by a crack, this time in the fuselage, that had been missed by repeated inspections. Miraculously, only one person died in that accident.

Obviously, better methods and technologies are needed to detect or prevent these and other kinds of failures.

This bill authorizes $10 million from the aviation trust fund in fiscal year 1991 to begin the search for these methods and technologies.

I believe it is a good and sound investment of the taxes that all Americans pay as airline passengers, one that we can all appreciate.

People have a right to demand all reasonable efforts to ensure their safety. The technology exists. Methods can be found. These are problems that can be solved.

H.R. 4887 begins this effort to find these technologies and to bring safety and to learn from these recent and very tragic accidents.

Mr. LEWIS of Florida. Madam Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Madam Speaker, I thank the gentleman for yielding this time to me.

I am pleased to support H.R. 4887, which I have cosponsored.

I want to take part of my time to commend the gentleman from Florida for his work in sponsoring this legislation and bringing the bill to the floor. The gentleman from Florida [Mr. LEWIS] is someone with a long background in aviation and aviation technology. I think he is to be commended for his work in putting this legislation together and for helping us to address this problem of advanced aircraft or aging aircraft and the need to make certain that they are safe for American airline passengers.

□ 1450

The results of recent airline accident investigations have indicated that at least some of these tragedies could have been prevented if adequate inspection and flaw detection had been available.

H.R. 4887 will help remedy this problem by directing the FAA to develop a plan for enhancing the sharing of information of state-of-the-art means of detecting and preventing defects and failures.

The $10 million funding for this program is contained within the overall FAA research and development authorization which the Committee on Science, Space, and Technology expects to bring to the floor very shortly. This is just the type of activity the FAA's research arm should be undertaking.

I again congratulate the gentleman from Florida [Mr. LEWIS] for his initiative in this area, and I thank the chairman, the gentleman from New Jersey [Mr. ROE], and the chairman of the subcommittee, the gentleman from New Jersey [Mr. TORRICELLI], for their quick consideration of the bill and getting it to the floor today.

Mr. LEWIS of Florida. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ROE. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BOXER). The question is on the motion offered by the gentleman from New Jersey [Mr. ROE] that the House suspend the rules and pass the bill, H.R. 4887, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROE. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4887, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

MISSISSIPPI RIVER CORRIDOR STUDY COMMISSION ACT OF 1989

Mr. VENTO. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 2174) to establish a commission to prepare a report on the feasibility of creating a Mississippi River National Heritage Corridor, as amended.

The Clerk read as follows:

H.R. 2174

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Mississippi River Corridor Study Commission Act of 1989".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) The Mississippi River flows through 10 States from its headwaters in the State of Minnesota to the Gulf of Mexico and comprises a ribbon of commerce, history, archeology, wildlife habitat, urban and rural communities, and open space containing historical, recreational, natural, scenic, cultural, economic, and scientific resources of major significance to the Nation.

(2) The national interest would be served by—

(A) preserving, protecting, and enhancing such resources for the benefit of the people of the United States; and

(B) improving the coordination between all levels of government in such corridor.

(3) The preservation, protection, and enhancement of such resources has not been fully realized despite efforts by the States through which the Mississippi River flows, political subdivisions of such States, and volunteer associations and private businesses in such States.

(4) Most existing Federal agency programs lack sufficient coordination with State and local planning and regulatory authorities to provide for resource management and economic development in a manner that is consistent with the protection and public use of the Corridor's resources.

(5) The national Government should assist in coordinating preservation and interpretation activities of public and private entities with respect to the significant resources associated with the Mississippi River.

(6) The establishment of a commission as provided for by this Act will—

(A) focus attention on the unique and nationally significant resources of this region; and

(B) provide a means and a stimulus for coordinating the preservation, protection, enhancement, enjoyment, and utilization of the resources of this region.

(7) The establishment of such commission would provide a national entity to gather, assess, and disseminate information on the recreational, cultural, historic, natural, scenic, and economic opportunities in this region.

SEC. 3. DEFINITIONS.

For purposes of this Act:

(1) The term "Commission" means the Mississippi River Corridor Study Commission.

(2) The terms "Mississippi River Corridor" and "Corridor" mean the area included by the Commission in a proposed Mississippi River National Heritage Corridor.

(3) The term "Mississippi River State" means any of the States of Arkansas, Illinois, Iowa, Kentucky, Louisiana, Minnesota, Mississippi, Missouri, Tennessee, or Wisconsin.

SEC. 4. ESTABLISHMENT OF COMMISSION.

There is established a Commission to be known as the Mississippi River Corridor Study Commission.

SEC. 5. DUTIES OF THE COMMISSION.

(a) STUDY.—

The Commission shall study and make recommendations regarding—

(1) the feasibility of creating a Mississippi River National Heritage Corridor for the Mississippi River Corridor; and

(2) the preservation, protection, enhancement, enjoyment, and utilization of the historic, economic, natural, recreational, scenic, cultural, and scientific resources of the Corridor consistent with the purposes of this Act.

(b) INFORMATION COLLECTION; CONSULTATION.—As part of the study conducted under subsection (a), the Commission shall—

(1) assess the preservation, protection, enhancement, enjoyment, and utilization potential of the historic, economic, natural, recreational, scenic, cultural, and scientific resources of the Corridor;

(2) collect information dealing with ongoing activities, management plans, and opportunities regarding historic, economic, natural, recreational, scenic, cultural, and scientific resources in the Corridor;

(3) make such information available to Federal agencies, States and political subdivisions thereof, tribal governments, educational institutions, volunteer associations, and private businesses to assist such entities in undertaking activities to preserve, protect, enhance, or utilize the historic, economic, natural, recreational, scenic, culturral, or scientific resources of the Corridor;

(4)(A) consult with the Mississippi River Parkway Commission, the Upper Mississippi River Basin Association, the Great River Road Association, the Lower Mississippi Delta Development Commission, and the Mississippi River Coordinating Commission; and

(B) cooperate with such commissions and associations in the performance of their duties;

(5) provide a forum for the consideration of resource issues relating to the Corridor;

(6) seek and encourage the participation of affected State and local governments, interested citizens, public officials, groups, agencies, educational institutions, and others in the preservation, protection, enhancement, enjoyment, and utilization of the Corridor's resources.

(7) recommend methods and means for educating the general population about the national importance and value of the Mississippi River as a natural resources and national treasure; and

(8) make the Commission accessible to such groups, agencies, and citizens by holding at least one well publicized public hearing in every State within the Corridor.

(c) REPORT.—The Commission shall prepare a report—

(1) specifying the results of the study conducted under subsection (a); and

(2) containing—

(A) a description of the Mississippi River Corridor and the proposed boundaries of a Mississippi River National Heritage Corridor (if so recommended) showing the primary corridor and such secondary zones as may be appropriate;

(B) an inventory and assessment of the historic, economic, natural, recreational, scenic, cultural, and scientific resources of the Corridor;

(C) specific preservation and interpretation goals and a priority timetable for their achievement;

(D) proposed alternative management strategies whereby the funds, data, personnel, and authorities of public and private entities may be combined and coordinated in furtherance of the purposes of this Act;

(E) proposed changes in Federal, State, and local laws and regulations that are needed to accomplish the purposes of this Act, in whole or in part;

(F) proposals to improve guidance and assistance provided to Mississippi River States and political subdivisions thereof and other entities regarding their compliance with applicable provisions of the Clean Water Act (33 U.S.C. 1251 et seq.), the Safe Drinking Water Act (42 U.S.C. 300f et seq.), and related laws; and

(G) such recommendations as the Commission may deem appropriate with respect to subparagraphs (A) through (F) and with respect to public access to and interpretation of the natural and cultural resources of the river and related outdoor recreation opportunities.

SEC. 6. ORGANIZATION OF THE COMMISSION.

(a) NUMBER AND APPOINTMENT.—The Commission shall be composed of 15 members as follows:

(1) The Director of the National Park Service (or designee).

(2) The Secretary of Transportation (or designee).

(3) The Secretary of Commerce (or designee).

(4) The Director of the United States Fish and Wildlife Service (or designee).

(5) The Chief of Engineers of the Army Corps of Engineers (or designee).

(6) One member from each Mississippi River State appointed by the Governor of such State from among the members of the Mississippi River Parkway Commission from such State.

(b) FIRST APPOINTMENTS.—Members of the Commission required by subsection (a) to be appointed shall be first appointed not later than 45 days after the effective date of this Act.

(c) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment is made.

(d) TERMS.—Members of the Commission shall be appointed for the life of the Commission.

(e) PAY.—Members of the Commission shall serve without pay.

(f) REIMBURSEMENT OF EXPENSES.—While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including a per diem allowance in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed travel expenses under section 5703 of title 5, United States Code.

(g) QUORUM.—(1) Nine members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(2) A member of the Commission may vote by means of a signed proxy exercised by another member of the Commission, but any member so voting shall not be considered present for purposes of establishing a quorum.

(h) CHAIRPERSON.—As the first item of business at the first meeting of the Commission, the members of the Commission shall elect a chairperson of the Commission from among the members appointed under subsection (a)(6).

(i) MEETINGS.—(1) The Commission shall meet at the call of the chairperson or a majority of the members.

(2) Not later than 30 days after the members of the Commission are first appointed, the Commission shall hold its first meeting.

(3) The Director of the National Park Service shall select the date of the first meeting and shall serve as chairperson until the election of the chairperson under subsection (h).

SEC. 7. STAFF OR COMMISSION; EXPERTS AND CONSULTANT; PERSONNEL OF FEDERAL AGENCIES.

(a) STAFF.—The Commission may appoint and fix the pay of such staff as the Commission considers appropriate subject to—

(1) the provisions of title 5, United States Code, governing appointments in the competitive service; and

(2) the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(b) EXPERTS AND CONSULTANTS.—The Commission may procure temporary and intermitent services under section 3109(b) of title 5, United States Code.

(c) PERSONNEL OF STATES AND POLITICAL SUBDIVISIONS.—The Commission may—

(1) accept the services of personnel detailed from a Mississippi River State or a political subdivision thereof; and

(2) reimburse such State or such subdivision for such services.

(d) PERSONNEL OF FEDERAL AGENCIES.—At the request of the Commission, the head of any Federal agency may detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this Act.

SEC. 8. POWERS OF THE COMMISSION.

(a) HEARINGS AND SESSIONS.—For the purpose of carrying out this Act, the Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate.

(b) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission may, if so authorized by the Commission, take any action which the Commission is authorized to take by this section.

(c) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(d) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

SEC. 9. SUBMISSION OF REPORTS.

(a) INTERIM REPORT.—Not later than two years after the date of the first meeting of the Commission, the Commission shall submit to the President, the Speaker of the House of Representatives, the President of the Senate, and the Governor of each Mississippi River State a report describing the progress of the Commission in carrying out the duties of the Commission under section 5.

(b) FINAL REPORT.—Not later than 3 years after the date of the first meeting of the Commission, the Commission shall submit to the President, the Speaker of the House of Representatives, the President of the Senate, and the Governor of each Mississippi River State the report required by section 5(c).

SEC. 10. TERMINATION OF COMMISSION.

Notwithstanding section 14(a)(2) of the Federal Advisory Committee Act (5 U.S.C. App.), the Commission shall cease to exist 90 days after submitting the report required by section 5(c) and submitted under section 9(b).

SEC. 11. CONSENT TO NEGOTIATE PROPOSED COMPACTS.

The Congress hereby consents to the negotiation by any State referred to in section 3 with one or more of any other such State of proposed interstate agreements or compacts among such States in furtherance of the purposes of this Act or the study referred to in section 5 or any material component thereof.

SEC. 12. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to the Commission to carry out this Act $500,000 for each fiscal year in which the Commission is in existence.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2174, the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was not objection.

Mr. VENTO. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, this measure, H.R. 2174, was introduced by our colleague, the gentleman from Mississippi [Mr. ESPY]. The bill has 72 cosponsors at last count, a broad range of bipartisan support.

This measure would provide for the establishment of a Commission to study the Mississippi River corridor. As the so-called Father of Waters, the Mississippi is fabled for its role in the development of our Nation. Coming from Minnesota, the headwaters of that great river, I know firsthand the diverse nature of the river and its resources even within my own State. That diversity is magnified over the 2,500-mile course that the river takes.

There is no question that the Mississippi River and its environs are a tremendous resource. It is one of the most distinguishable topographic features, of course, in all of North America.

The question is how do we provide the appropriate preservation and utilization of a resource that covers thousands of miles. It includes numerous governmental bodies and agencies and contains a wide spectrum of characteristics and features.

In the 100th Congress, legislation was introduced to formally designate the Mississippi River National Heritage Corridor. The Committee on Interior and Insular Affairs held a hearing on that bill, and, again, when the bill was reintroduced in 1989 by the same sponsor, the gentleman from Mississippi [Mr. ESPY].

Based on these hearings and subsequent discussions, the legislation was revised to provide for a thorough study of the Mississippi River corridor. While at first blush this may seem an extremely ambitious undertaking, the study's scope and content are not unprecedented. Numerous plans and studies on various aspects of the Mississippi River have been developed over the years. Nearly 40 years ago in 1951 a comprehensive study on the entire Mississippi River corridor was done in developing a parkway proposal for the entire length of the river.

The Mississippi River, of course, is a national treasure. The sum of its parts represents a broad interrelated national asset that encompasses significant Federal, State, and local resources with management responsibilities that extend among the numerous governmental jurisdictions.

The purpose of the study contained in this measure is to look at those resources and responsibilities and provide us with information and recommendations on their present and future use.

The Study Commission provided for by this legislation has no authority to superimpose a new layer of regulation or responsibility.

I believe it is appropriate, though, to undertake such a study, not necessarily with an eye toward expanding the Federal role, but, rather, reviewing existing efforts and developing recommendations on how to better coordinate and consult on those efforts to maximize the resource value of the river corridor.

Madam Speaker, I think it should be noted that within the river corridor there are numerous units of the National Park System, dozens of landmarks and other resources which already fall under the gambit of Federal designation and recognition. These resources, together with the numerous fish and wildlife resource areas and the State designations, speak to the importance that the river has, the recognition that it has received both from the national, State, and local perspective.

It is important that, in managing the corridor resource in a holistic manner, that in fact the study try to provide a policy path which, indeed, will provide guidance on how these resource values and designations can be made most meaningful.

Madam Speaker, I want to take this special opportunity to commend the gentleman from Mississippi [Mr. ESPY] for his diligence and perseverance in seeking this legislation.

I believe that H.R. 2174, as amended, is a worthy initiative, an ambitious iniative, and one that will make a difference in terms of what the future policies are with regard to National Government, State, and local concerning that important resource, the Mississippi River.

Madam Speaker, I am pleased to recommend the adoption of this measure by the House.

Mr. LAGOMARSINO. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, although I appreciate the hard work of Chairman VENTO, Mr. ESPY, and many others on this legislation, the gentleman from California regrettably cannot lend his support to it.

H.R. 2174 was the subject of considerable controversy when it was approved by the House Committee on Interior and Insular Affairs 9 months ago on a 25-to-15 vote. It was opposed by the administration at that time and that position still holds.

One of the greatest concerns of many Members was whether funding this Commission is a proper function of the Federal Government. Many of us represent States which participate in regional compacts with our neighbors to address issues of mutual concern. These compacts are generally funded by our respective States as they should be. We are not convinced that the Mississippi River Corridor Study Commission should be funded any differently.

Moreover, the respective States are in an infinitely better financial position to pay the $1.5 million cost of the Commission created by this legislation than is the Federal Government. According to a 1988 study conducted by the Council of State Governments, the 10 States having representations on this Commission had an average per capita outstanding debt of $915 compared to a per capita debt of $11,245 for the Federal Government.

If history is any reliable guide, H.R. 2174 will ultimately cost the Federal Government far more than the $1.5

million authorized by this legislation for a study. We anticipate that when the Mississippi River Corridor Study Commission reports back to Congress in 3 years, the cost of funding its recommendations will run into the millions of dollars. Of course, the Federal Government will be asked to provide a considerable amount of the funding.

Let us not forget that a variety of existing Commissions have already spent millions along the Mississippi River. The Great River Road Association alone has spent nearly $750 million in Federal, State, and local funds along the river. A new Federal commission can only be expected to request more money for innovative new projects along the Mississippi River.

In summary, I believe that H.R. 2174 is unnecessary and will ultimately cost the Federal Government far more than the $1.5 million it authorizes to fund the Mississippi River Corridor Commission. If there is great interest in creating such a Commission, then I believe it is a proper function of the States involved to fund it.

Mr. VENTO. Madam Speaker, I yield such time as he may consume to the sponsor of this measure, the gentleman from Mississippi [Mr. ESPY].

Mr. ESPY. Madam Speaker, I thank the gentleman for yielding me this time.

Madam Speaker, I thank the gentleman from Minnesota [Mr. VENTO], the chairman, for supporting this legislation and for giving me much guidance and support in the formulation of it.

As the sponsor of the corridor bill, I am joined, Madam Speaker, by 72 cosponsors of this bill as it is being considered for passage today.

I would like to stress to the body that among the cosponsoring Members is included the House minority leader, the gentleman from Illinois [Mr. MICHEL].

Madam Speaker, during the 100th Congress, we laid the groundwork for resubmission of the corridor bill in the 101st Congress.

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We think we created a new excitement about the Mississippi River in the 100th Congress and educated people about the resources of the river. With the continuing advice and shared leadership of our supporters on this measure, we stand poised to pass this bill.

I believe we have designed a bill that achieves what we feel is good for the corridor region and our Nation. Initially, by creating a study commission to define the geographical boundaries of the corridor, and compiling a regional inventory of scenic, historic, recreational, wildlife, natural and general development resources within the corridor, I believe we will establish a Federal policy of management and conservation, rather than exploitation of our natural treasures.

Madam Speaker, the Mississippi River is a national treasure, not a regional river. It needs to be stressed that 41 percent of the Nation's water flow currently comes down the Mississippi River. The Mighty Mississippi is known throughout the world, and its reputation as a great river goes beyond the fact that it is just a massive body of flowing water. The Mississippi River means trade, commerce, recretion, and jobs, and it reflects upon our history, culture, and we want to protect its future.

This corridor bill is timely and necessary if we are to exercise any management of this great resource. There is no single source that collects or disseminates information on the multiuses and opportunities in the Mississippi River Valley. For national and international general inquiries on tourism, recreation, cultural events, economic development, and wildlife information along the river, the Corridor Commission would be the perfect source. The Commission formed by this legislation will also serve to inventory a variety of data about the river and the events and activities that make it an important part of our lives.

As you may know, the Lower Mississippi Delta Development Commission recently submitted its final report to Congress which contained 68 goals and 400 action recommendations for Government, business, educational institutions, and religiously based organziations. The report has a subsection devoted to tourism where it lists 64 recommendations, several being directly related to what will be achieved by the corridor bill, principally the creation of a single entity that could consolidate and disseminate tourism information to national and international inquiries.

I believe the multifaceted study will generate volumes of helpful information on the resources and economic opportunities in the corridor. We can establish a balanced approach in the uses of the river that will help preserve its beauty, its health, and its reputation as a living, working river.

In 1988, the Sierra Club published a citizen's agenda entitled "Restoring America's Great Watershed: The Mississippi." As well as noting the corridor bill's proposed contribution to improving public awareness of the resources offered by the Mississippi River, it calls the corridor area an "untapped recreational gold mine." Madam Speaker, I hope we can tap this resource and responsibly raise its profile as an economic treasure.

The bill we discuss today calls for a modest funding level of $500,000 in each of 3 years during the Commission's study.

Madam Speaker, the $500,000 sum for an effort that covers more than 3,000 miles of river is modest, and I believe we can build on the work of the Delta Commission, the Mississippi River Parkway Commission, the Corps of Engineers, the National Park Service, and other local, State, and Federal agencies and institutions.

Madam Speaker, I wish to thank the chairman and ranking minority member of the subcommittee for their expert advice and support. I wish also to thank the House minority leader, the gentleman from Illinois [Mr. MICHEL], for his cosponsorship, and that of 71 of our other Members.

Madam Speaker, we really should pass this bill.

Mr. LAGOMARSINO. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BOXER). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 2174, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to provide for the establishment of the Mississippi River Corridor Study Commission, and for other purposes.".

A motion to reconsider was laid on the table.

EXPRESSING THE SENSE OF CONGRESS REGARDING WHALE PROTECTION

Mr. YATRON. Madam Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 287) calling for a U.S. policy of promoting the continuation, for a minimum of an additional 10 years, of the International Whaling Commission's moratorium on the commercial killing of whales, and otherwise expressing the sense of the Congress with respect to conserving and protecting the world's whale population, as amended.

The Clerk read as follows:

H. CON. RES. 287

Whereas whales are a unique marine resource of great esthetic and scientific interest and are a vital part of the marine ecosystem;

Whereas the indifinite moratorium on commercial whale killing adopted by the International Whaling Commission in 1982 to take effect in 1986 is subject to review and reconsideration in 1990;

Whereas this moratorium has not yet resulted in a full cessation of whale killing for commerce;

Whereas there remain great uncertainties as to the true status of whale populations, due to the difficulty of studying them, their slow reproductive rate, and the unpredict-

ability of their recovery even when fully protected;

Whereas whales are subject to grave environmental threats from nonhunting causes such as pollution, loss of habitat, increased shipping, oil and gas exploration, and the use of driftnets and other nonselective fishing techniques, which underscore the need for special safeguards for whale survival;

Whereas the International Whaling Commission has not yet demonstrated its capability for strict and truly international monitoring and enforcement, and for insistence on humane killing methods;

Whereas poweful moral and ethical questions have been raised regarding the killing of whale for profit; and

Whereas a full decade free of whale killing for commercial purposes is the bare minimum necessary to seek satisfactory answers to the questions, concerns, and uncertainties cited above: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) United States policy should promote the maximum conservation and protection of the world's whale populations;

(2) toward that goal, the United States should work to continue the International Whaling Commission moratorium on the commercial killing of whales and maintain zero catch limits for all whale stocks for at least another decade, that is, to the year 2000 or beyond;

(3) in addition, the United States should work to strengthen the International Whaling Commission as the indispensable organization for safeguarding for future generations the great natural resources represented by the whale stocks, and should encourage the Commission to establish and carry out long-term programs of nonlethal research and comprehensive assessment for all whale stocks on a global basis, including small cetaceans; and

(4) in so promoting the conservation and protection of the world's whale populations, the United States should make the fullest use of diplomatic channels, appropriate domestic and international law, and all other available means.

The SPEAKER pro tempore. Is a second demanded?

Mr. BROOMFIELD. Madam Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. YATRON] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. YATRON].

Mr. YATRON. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, the Subcommittee on Human Rights and International Organizations, which I chair, has conducted extensive hearings on whales and other marine mammals, the most recent being in September of last year. There is substantial evidence which indicates that many species of whales continue to decline.

In 1986, the International Whaling Commission's moratorium on commercial whaling took effect. Previous catch limits proved insufficient to arrest the loss of whales. At that time, the IWC also agreed to make a comprehensive assessment of whale stocks to be completed by 1990. This assessment, however, will not be completed on time, and the moratorium will be up for discussion at this year's IWC meeting in early July. In addition, some countries continue to kill whales, in violation of the IWC moratorium.

I introduced House Concurrent Resolution 287 to reaffirm congressional and American support for the ban on commercial whale killing. The measure is nonbinding, has bipartisan support with over 60 cosponsors, and is not opposed by the administration.

The Foreign Affairs Committee approved House Concurrent Resolution 287, in May after adopting a clarifying amendment which was requested by the administration.

Let me commend Chairman FASCELL for his leadership on protecting whales and other valuable marine mammals. Let me also commend Mr. BEREUTER for all his efforts in this regard.

I also want to commend Congressman BROOMFIELD for his leadership in this issue.

I believe that enactment of House Concurrent Resolution 287 before the next meeting of the International Whaling Commission is essential to ensure that there are no doubts about America's commitment to whale preservation. I ask all my colleagues to support this measure and join me in preserving these great species.

Mr. BROOMFIELD. Madam Speaker, I yield myself such time as I may consume. The world's whales have been hunted to the verge of extinction. Some species, such as the blue whale, may never recover. We must ensure that this tragedy does not expand to include even more species.

Commercial whaling has been outlawed since 1982, under a moratorium adopted by the International Whaling Commission. Despite the moratorium, Japan and Norway have continued to send out whaling fleets. These countries claim that their whaling is for research purposes, but in fact large numbers of whales are killed and the catch is sold commercially.

I am pleased to be a cosponsor of this resolution, which calls upon the U.S. Government to work for a continuation of the current moratorium on commercial whaling. It also calls for further strengthening the IWC as a conservation organization and for further research on whales.

This resolution is entirely consistent with the Marine Mammal Protection Act. That act embodies U.S. policy on whale conservation and protection and also provides for a comprehensive program of research and management.

I understand that the administration, based on scientific evidence and the recommendations of international experts, will strongly argue for continuation of the IWC moratorium. I have also been informed that the State Department has no objection to congressional adoption of this resolution.

The United States must keep up the pressure on the countries which continue whaling, to comply with the IWC moratorium and provide real protection for the world's remaining whales. The essential first step in this regard is to work for continuation of the current moratorium on commercial whaling.

Mr. SMITH of New Jersey. Madam Speaker, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Madam Speaker, I want to commend the gentleman from Pennsylvania [Mr. YATRON] for his work on House Concurrent Resolution 287. The gentleman worked well on this issue, had hearings, and discussed it at length in our Subcommittee on Human Rights and International Organizations. I believe this sends a clear message to the world community and the International Whaling Commission that this country stands firmly behind the moratorium. I think that message cannot be repeated often enough.

Madam Speaker, I again wish to commend my good friend, the gentleman from Pennsylvania [Mr. YATRON] for taking the leadership on this important issue.

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Mr. YATRON. Madam Speaker, I thank our colleague from New Jersey, Mr. CHRIS SMITH, for his leadership in preserving whales for a number of years.

Mr. FASCELL. Madam Speaker, I rise in support of House Concurrent Resolution 287. This resolution advocates a U.S. policy of promoting a continuation of the International Whaling Commission's moratorium on the commercial killing of whales.

Madam Speaker, the current moratorium on commercial whaling as adopted by the International Whaling Commission in 1982, will be open for review this year. Although the existing moratorium has been an important step in the conservation and protection of the world's whale populations, this resolution reflects the need for another 10 years of zero catch limits to study whale behavior and the effects of the encroachment of man on whale habitats.

This resolution expresses the sense of the Congress that the United States should:

Work to continue the moratorium until the year 2000 or beyond;

Work to strengthen the International Whaling Commission so that it can properly safeguard whale stocks; and

Fully use our diplomatic channels and the force of international and domestic laws to promote whale protection worldwide.

Madam Speaker, I urge the adoption of this resolution.

Mr. SMITH of New Jersey. Madam Speaker, I rise in support of this resolution calling for the continuation of the moratorium on commercial killing of whales for at least the next decade. I want to commend my friend and colleague, GUS YATRON, for his untiring leadership in these global environmental issues such as preservation of the whales.

The International Whaling Commission [IWC] adopted the current moratorium which took effect in 1986, but evidence is clear that the whale population continues to decline, and therefore continuation of the moratorium is warranted. This resolution sends a strong message to our allies that the United States is committed to the conservation and protection of the world's whale population, whether that protection is achievable through diplomatic channels, or domestic and international law if necessary.

As my colleagues know, at the IWC meeting held a year ago, Japan announced its intention to harvest 400 minke whales in 1989, under the justification of scientific research. The United States strongly endorses the work of the IWC and its specific, strict criteria for defining scientific whaling. For this reason, Mr. Speaker, the United States has consistently raised concerns with Japan regarding their whale harvesting practices, and the appropriate United States response to such activities.

Madam Speaker, I urge my colleagues to support this resolution calling for a cessation of commercial whaling until the year 2000 at the least. The United States must continue to urge our allies to abide by this goal so that the whale population can stabilize and long-term programs of nonlethal research and comprehensive assessment for all whale stocks can be conducted on a global basis.

Mrs. KENNELLY. Madam Speaker, I rise today in strong support of House Concurrent Resolution 287 which would extend the whaling moratorium for another 10 years. The United States must not passively stand by and watch countries such as Japan, Iceland, and Norway once again purge our international waters of this great animal.

I would first like to praise the fine organization based in my district, the Cetacean Society International. Their tireless efforts of informing people of the plight of the whale population around the globe, is one of the primary reasons I stand before you today as a cosponsor of this resolution.

One can't help but have a deep fascination and respect for the whale. The whale has always been uniquely an American symbol. Herman Melville chose the whale for what many regard as the greatest American novel ever written, "Moby Dick." Its tradition can still be felt throughout New England in such old whaling towns as Nantucket, New Bedford, Newport, New London, and Mystic—towns which once thrived on the whaling industry in the mid-1800's—towns where old fishermen still weave tales about "Nantucket sleighrides," and their ancestors' battles with the infamous sperm whale. Today, these tales pay tribute to this majestic creature. They remind us of the scarcity of these great animals, and the need to preserve this species.

In my home State of Connecticut the sperm whale remains our State animal. The symbolic tradition of the whale continues in the great city of Hartford, where the whale is the symbol of our greatest professional sports team, the Hartford Whalers.

Mr. Speaker in years to come, this graceful creature must not be but a memory; we must not stand in this Chamber discussing what we should have done. The United States must now take the lead in the international community and encourage other nations to participate in an extended international whaling moratorium.

Ms. PELOSI. Madam Speaker, I rise today in support of House Concurrent Resolution 287, which would call for an extension of the International Whaling Commission moratorium on the commercial fishing of whales. I commend, our colleague, Congressman YATRON for developing legislation which would address the serious problem of the dwindling whale populations of our planet's oceans.

Commercial whaling has contributed to a precipitous decline in the whale population. Before the introduction of commercial whaling, for example, scientists estimate the blue whale population at 225,000. Recent studies suggest the figure for whales in the Western Hemisphere, roughly half of current numbers, to be now less than 500.

If we reopen the door to the commercial fishing of whales, we risk making extinct the marine mammals who are so vital a part of the marine ecosystem. Moreover, we leave to tomorrow's leaders a precedent of environmental ignorance. Our children deserve a world as rich in natural resources as the one which we inherited.

House Concurrent Resolution 287 is a positive step toward saving the world's whales. It extends the International Whaling Commission's moratorium on commercial whaling for at least 10 years and encourages domestic and international efforts to promote the preservation of whales.

I urge my colleagues to support House Concurrent Resolution 287.

Mr. BROOMFIELD. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. YATRON. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BOXER). The question is on the motion offered by the gentleman from Pennsylvania [Mr. YATRON] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 287, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. YATRON. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on House Concurrent Resolution 287, the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

CONCERNING HUMAN RIGHTS AND DEMOCRACY IN NEPAL

Mr. SOLARZ. Madam Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 323) concerning human rights and democracy in Nepal, as amended.

The Clerk read as follows:

H. CON. RES. 323

Whereas the people of Nepal had been governed by the partyless Panchayat system since 1962, in which political parties were formally outlawed and freedom of association, expression, and assembly had been limited through arrest, detention, and mistreatment of prisoners of conscience;

Whereas the Constitution and the legal code of Nepal restrict religious freedoms guaranteed by the Universal Declaration of Human Rights, with many Nepalese citizens having faced charges, trial, or prison sentences for their choice of religious affiliation and for other religious activities;

Whreas the Government of Nepal has announced that it will grant amnesty to all religious prisoners and dismiss all pending cases against persons charged for religious activities;

Whereas from January through April 1990, hundreds of thousands of citizens of Nepal expressed their support for multiparty democracy and other political reforms in Nepal, including freedom of expression and association;

Whereas thousands of protesters were detained, many of whom were seriously mistreated in custody, and scores were killed during mass demonstrations;

Whereas after several weeks of demonstrations, King Birendra Bir Bikram Shah Dev lifted the ban on political parties, initiated discussions with opposition leaders, invited them to form an interim government and appointed Nepali Congress leader K.P. Bhattarai to serve as Prime Minister, and expressed support for the development of a multiparty system;

Whereas actions of King Birendra helped a forestall further bloodshed and facilitated the process of democratization in Nepal; and

Whereas the United States, which as friendly relations with Nepal and has provided more than $300,000,000 in economic assistance to Nepal since 1951, has a strong interest in the promotion of democracy and respect for human rights in Nepal: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), that the Congress—

(1) applauds the efforts of the people of Nepal to bring about political reform and democratization in their country through peaceful means;

(2) expresses its sympathy to the families of those citizens of Nepal who lost their

lives during prodemocracy protests, and welcomes statements by Nepali leaders calling for investigations of the killings and other mistreatment of demonstrators and calling for compensation for victims;

(3) welcomes the decision of the King of Nepal to legalize political parties and to endorse a process of political reform.

(4) expresses its support for the efforts of Prime Minister K.P. Bhattaria to guide the transition toward multiparty democracy in Nepal; and

(5) urges all individuals and groups in Nepal to work peacefully toward the established of a political system that guarantees internationally recognized human rights, including—

(A) the rights of freedom of expression, association, and assembly, and

(B) the right of the people of Nepal to choose their political leaders by free and fair elections in which participation will be guaranteed to all political parties committed to pursuit of political goals through peaceful means; and

(6) welcomes the statement of the Government of Nepal that it will release all persons imprisoned for the exercise of their religious beliefs, and urges the Government of Nepal to ensure that no Nepalese citizen is punished for exercising religious rights guaranteed by the Universal Declaration of Human Rights, including the freedom of change one's religious or belief and the freedom, in public or private, to manifest one's religion or belief in teaching, practice, worship and observance.

The SPEAKER pro tempore. Is a second demanded?

Mr. BROOMFIELD. Madam Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York [Mr. SOLARZ] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, sometime in the last century in a very famous case before the Supreme Court of the United States, Daniel Webster advanced the argument on behalf of Dartmouth College that it may be a small college, but there are those who love it. This resolution has to do with Nepal, which may be a small country, but there are those who love it.

The concurrent resolution which is now before us, Madam Speaker, applauds the efforts of the people of Nepal to bring about peaceful political reform and democratization in their country. It expresses sympathy to the families of those Nepalese who lost their lives during the movement for democracy which took place in Nepal a few months ago. It also welcomes the call on the part of Nepalese leaders for investigations into the killings of innocent civilians which took place at that time and urges compensation for the families of the victims.

I am pleased to say, Madam Speaker, that the resolution also welcomes the announcement which was forthcoming only yesterday on the part of the Government of Nepal that it is releasing all those people in Nepal who have been imprisoned for religious activities, and that it intends to dismiss cases against those charged in connection with religious activities. This was a matter of very particular concern to a number of Members of the House, including, perhaps most prominently, my very good friend on the other side of the aisle, the gentleman from New Jersey [Mr. SMITH]. And I would even like to entertain the thought that knowledge that the House was about to adopt this resolution—which, as reported by the Foreign Affairs Committee, called on the Government of Nepal to release religious prisoners—may have been a factor in the Government's very welcome and positive decision to permit the release from prison of people who were really guilty of no crime other than to carry out the dictates of their faith and of their religion.

The resolution also urges all individuals and groups in Nepal to work peacefully toward the establishment of a democratic political system that respects fundamental human rights, and finally it welcomes the decision on the part of King Birendra to legalize political parties, and expresses support for the efforts of Prime Minister Bhattarai to guide the transition to democracy.

I want to take this opportunity, Madam Speaker, to thank my very good friend and colleague on the Foreign Affairs Committee, the distinguished chairman of the Subcommittee on Human Rights, the gentleman from Pennsylvania [Mr. YATRON] for his cosponsorship of this resolution and for his willingness to help us move it through the legislative process.

This is a moment when the winds of democracy are clearly sweeping throughout the world, and I am particularly pleased that they have reached Nepal as well.

Last spring there were several weeks of massive demonstrations in Nepal, during the course of which literally hundreds of thousands of people engaged in peaceful protests on behalf of the establishment of a multiparty democracy in their country. Fortunately, King Birendra responded to the manifest will and wishes of his own people be agreeing to permit the establishment of a multiparty democracy and by calling upon the leaders of the opposition, including the president of the Nepal Congress Party, Mr. Bhattarai, to assume responsibility for government during the period in which a new constitution will be drawn up in Nepal.

I was in Kathmandu last month where I was privileged to meet not only with the King, but with Prime Minister Bhattarai and with other leaders of the various movements and parties in Nepal, and I can tell Members that the Nepalese people were fully aware of the sympathy and support they were receiving from the United States in general, and from the Congress of the United States in particular during this moment of great national crisis in their country. The fact that there were Members of this body and of the other body who were willing to publicly speak up on behalf of the democracy movement was a source of great moral and political encouragement to literally tens of thousands of Nepalese citizens who were prepared to put their lives, their fortunes and their sacred honor, as our forefathers were over 200 years ago, on the line for democracy.

So this resolution, which takes note of the developments which have occurred in Nepal over the course of the last few months, also expresses the strong support of the Congress of the United States for the process of democratization now underway in Nepal. It welcomes the decision of the King to permit the legalization of opposition political parties, and to accept a new role for himself in the future of Nepal as a constitutional monarch who will reign rather than rule over the country. And it also encourages all individuals and movement in Nepal to continue working in a peaceful way for the kind of institutional changes which are so important if the future of Nepal is going to be assured.

Over the last few decades, Madam Speaker, we have spent more than $300 million in development assistance in Nepal. It is a country with which we have had a long association, and I think all of us can warmly welcome the developments that have taken place there. I can assure Members that the adoption of this resolution, while it may not be on the front page of the New York Times or the Washington Post, will surely be big news in Kathmandu and elsewhere throughout Nepal. And I think it will be very helpful in creating a firm foundation for an even closer and constructive relationship between the world's greatest democracy here in the United States and the newest democracy in South Asia.

□ 1520

Mr. BROOMFIELD. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, the yearning for democracy is stirring the hearts of people in Asia as well as in Eastern Europe. We have witnessed the oppressive response of the government in China, but in Nepal the King has

helped facilitate the process of democratization.

The situation in Nepal could have been as disastrous as the one in China. Since 1962, Nepal has been governed by the monarch and a partyless legislature. Political parties were outlawed, and freedom of association, expression, and assembly were severely limited.

As in China, there were mass popular demonstrations for political reform in Nepal. Unfortunately, while seeking governmental change, many Nepalese were killed, and many more were arrested and imprisoned.

But here the parallels between Nepal and China end. On April 8, the King acknowledged the aspirations of the people, ended the bloodshed, and allowed political reform to begin.

Madam Speaker, House Concurrent Resolution 323 applauds the courage of the people of Nepal, welcomes the King's acknowledgement of the aspirations of the people, and supports the Prime Minister in his efforts to bring political reform to Nepal.

Because of the leadership of our colleague, Congressman CHRIS SMITH, this resolution also addresses a serious concern that had clouded this otherwise bright picture—the matter of religious intolerance. I am pleased that Nepal has recently announced full amnesty for all religious prisoners. I know we all welcome this step by Nepal and hope that no Nepalese citizen will ever be punished again for exercising religious rights guaranteed by the Universal Declaration of Human Rights.

Madam Speaker, I wish to commend Congressmen FASCELL, SOLARZ, LEACH, YATRON, and SMITH for their work on this resolution. It is an important expression of support for the peaceful political changes taking place in Nepal. It also serves to highlight how different the situation might have been in China with farsighted leaders. I urge our colleagues to support House Concurrent Resolution 323.

Mr. SOLARZ. Madam Speaker, I yield 120 seconds to the very distinguished gentleman from New Jersey [Mr. YATRON].

Mr. YATRON. Madam Speaker, I rise in support of House Concurrent Resolution 323. I would like to commend my colleague from New York [Mr. SOLARZ] for introducing this resolution concerning human rights and democracy in Nepal. I would also like to thank the distinguished chairman and ranking minority member of the Foreign Affairs Committee, Mr. FASCELL, and Mr. BROOMFIELD for their endorsement of this measure.

For 28 years this small Asian kingdom has been governed by a partyless system that limited basic civil and political rights. Because of the efforts of the Nepali people, political parties have recently been legalized, setting the groundwork for multiparty democracy in Nepal. This did not come without a price—thousands of protesters were detained and scores were killed during demonstrations. The Nepalese people should be commended for their courage and determination in seeking political pluralism.

Madam Speaker, it is important at this time to encourage the positive changes in Nepal, therefore, I urge the adoption of this resolution.

Mr. BROOMFIELD. Madam Speaker, I am happy to yield 2 minutes to the gentleman from New Jersey [Mr. SMITH], a member of the Committee on Foreign Affairs.

Mr. SMITH of New Jersey. Madam Speaker, I thank the gentleman for yielding.

Madam Speaker, I rise in strong support of the measure introduced by my colleague, the gentleman from New York [Mr. SOLARZ], who has once again carefully crafted language, in this case, commending the Nepalese people for the critical role which they exercised in bringing about political reform in their country.

Madam Speaker, I deeply respect and appreciate also my colleague's leadership as chairman of the Subcommittee on Asian and Pacific Affairs and his willingness to work with the minority in crafting this language.

Madam Speaker, it is important we continue to highlight the concerns of religious believers, especially that of the Christian community which has had dozens of its members incarcerated and mistreated over the last several months and years.

Madam Speaker, in the wake of the dramatic changes which have transpired in Nepal this spring, the country is now poised to embark on a new political life. Thousands of Nepali citizens bravely took to the streets in protest of the generation-old, partyless system and pressed for the guarantee of human rights which had vanished.

To his credit, King Birendra recognized the need for stability and an end to the bloodshed and deaths which were mounting. It is he who brought about an open dialog with some of the opposition. The interim government which has now been formed offers real hope for a new political system on the rise in Nepal.

Madam Speaker, many who had hopes over the years saw those hopes fade again and again but now have been encouraged and rejuvenated by the very real possibility that basic human rights will soon be guaranteed in law and in practice.

With the political climate in flux, the Nepalese are debating at length the reform of their political system, their new constitution, the provision of universally recognized human rights, and preparations are under way for free, fair and open national elections.

As the chairman has pointed out, we learned today via diplomatic cable that the King had granted amnesty to all religious prisoners. I think it is important that as we look at the list of people incarcerated, we compare those lists with others which have been compiled to ensure that all who have been incarcerated because of his or her beliefs are allowed out of prison.

I am pleased to say that we have no evidence that, since the interim government come to power, any new cases have developed or any new incarcerations on account of religious views have been recorded. We consider this a good step forward. I think it is important that we encourage that trend. This resolution, I think, helps to encourage that process, and I again commend the chairman of the Subcommittee on Asian and Pacific affairs for his leadership on this issue. For the record, I wish to include at this point the list of 29 incarcerated Christians of whom we are all aware:

CONVICTED ON RELIGIOUS GROUNDS

Name	Sex	Place of detention	Sentence (years)	Nature of crime
(1) Charles Mendies	M	Central	6	Preaching.
(2) Dabal Bahadur Bam	M	Dhangadhi	3	Attempting to Preach.
(3) Haribatka K.C.	M	Okhaldunga	1	Conversion to Christianity.
(4) Chhatraman Karki	M	Biratnagar	1	Do.
(5) Ran Bahadur Shrestha.	M	Okhaldunga	1	Do.
(6) Bednidhi Nepal	M	Biratnagar	1	Do.

IMPRISONED WHILE AWAITING TRIAL

Name	Sex	Place of detention	Nature of crime
(1) Kumar Rai	M	Dhankuta	Conversion to Christianity.
(2) Dhan Bahadur Rai	M	do	Do.
(3) Gobin Rai	M	do	Do.
(4) Kamal Khatri	M	do	Do.
(5) Ramesh Rai	M	do	Do.
(6) Santa Bahadur Rai	M	Okhaldhunga	Do.
(7) Chitra Bahadur Rai	M	Dhankuta	Do.
(8) Dhan Kumar Rai	M	do	Do.
(9) Shanta Rai	F	Biratnagar	Do.
(10) Dipa Rai	F	do	Do.
(11) Gyanu Khatri	F	do	Do.
(12) Dhan Seri Rai	F	do	Do.
(13) Dhan Maya Rai	F	do	Do.
(14) Manju Rai	F	do	Do.
(15) Mina Kumari Rai (with a newborn baby).	F	do	Do.
(16) Shubhawati Rai (with a small child).	F	do	Do.
(17) Gauri Maya Rai (with a small child).	F	do	Do.
(18) Ram Bahadur Magar	M	Dhankuta	Do.
(19) Prasad Rai	M	do	Do.
(20) Anil Rai	M	do	Do.
(21) Chandra Pulami Magar	M	do	Do.
(22) Khadga Bahadur Magar	M	do	Do.
(23) Dhan Bahadur Magar	M	do	Do.

Mr. BROOMFIELD. Madam Speaker, I yield such time as he may consume to the gentleman from Iowa [Mr. LEACH].

Mr. LEACH of Iowa. Madam Speaker, I would just like to underscore the depth of the concern in the United States for the people of Nepal.

Nepal is a country for which the United States has always had particularly warm feelings.

After three decades of partyless monarchial government dominated by King Birendra, the Government of Nepal has finally acceded to popular demands for democratic political change. Mass demonstrations early this forced the King on April 8 to lift the ban on political parties. One week later he dissolved the national panchayat or the old-style legislature, along with several panchayat-related national organizations, through which the monarch had maintained political control in this Himalayan kingdom.

The acting President of the Nepali Congress Party has been sworn in as Prime Minister, and he heads a coalition cabinet of 11 ministers, with but 2 representatives of King Birendra.

Nepal's new Prime Minister has declared that a general election will take place sometime next year. A constitutional reform committee will be formed to recommend constitutional amendments conforming with a multiparty political system.

And on the diplomatic front, we have all been heartened by the recent news that India has agreed to lift the economic sanctions against Nepal, which it had imposed against this landlocked country since March of last year.

So all and all, from a congressional perspective, I feel confident in saying Americans can only welcome these recent developments. Nepal's future looks bright, and we in the United States can only extend our best wishes toward Nepal's new democratic endeavor, and wish her Godspeed.

Mr. SOLARZ. Madam Speaker, I yield 2 minutes to the very distinguished gentlewoman from the State of Washington [Mrs. UNSOELD] who has been in the forefront of the effort to promote the cause of human rights, economic self-sufficiency, and religious freedom in Nepal.

Mrs. UNSOELD. Madam Speaker, I applaud the chairman, Mr. SOLARZ, and the committee for bringing this important and balanced resolution to the floor of the House of Representatives and for highlighting our concern for human and political rights in the Kingdom of Nepal. I want to thank the chairman and members of the committee for allowing me to participate in the hearing last month and for including in the resolution a provision seeking an end to official persecution of the Christian minority in Nepal.

Having lived in Nepal 5 years, I have a special interest in Nepal and great fondness for its generous and beautiful people. It has, therefore, been especially troubling for me to hear of the persecution of Nepal's Christian minority by the Government.

The Government of Nepal has agreed to abide by article 18 of the United Nation's Universal Declaration of Human Rights, which states that freedom of conscience and religion are fundamental human rights. In spite of this, it is illegal for Nepalese citizens to cause a disturbance to Hinduism or even to convert to another religion. Human rights groups have reported growing persecution of the Christian church in Nepal since the early 1980's.

Just last month, I received a letter from a trusted friend in Nepal confirming that dozens of Christians are now serving prison terms because of their faith, and that dozens more are awaiting trial.

This resolution encourages badly needed democratic reforms in Nepal. It specifically urges the Government of Nepal to release all people imprisoned for exercising their religious beliefs.

In a case of remarkable timing, the King announced just this morning that he will grant amnesty to all religious prisoners. Nepalese Christians jailed for their beliefs need our support until they are actually released and are afforded the right to worship freely.

We can help by approving this measure.

□ 1530

Mr. BROOMFIELD. Madam Speaker, I yield 3 minutes to the gentleman from New York [Mr. WALSH].

Mr. WALSH. Madam Speaker, I rise today in support of House Concurrent Resolution 323, a resolution praising the efforts of King Birendra and the people of Nepal in bringing about political reforms aimed at democratizing their country. As a cosponsor of this bill, I believe it is important that our Government make a statement praising and encouraging the recent movements toward democracy in Nepal. I commend the Foreign Affairs Subcommittee on Asian and Pacific Affairs and its distinguished chairman, STEPHEN SOLARZ for his outstanding leadership on this issue and I thank him for giving me the opportunity to speak out in support of human rights and democracy in Nepal.

From 1970 to 1972, I served as a Peace Corps volunteer to Nepal in the Terai—south central Nepal as an agricultural extention agent. During my service I became very attached to the people and to this incredibly beautiful country. Geographically it could be described as the Switzerland of Asia: mountainous, independent, and surrounded by major powers—Pakistan, India, and China.

For many years the country was ruled by a king in a partyless governmental system. While the King's rule was benign the governments he formed were accused of political suppression and of preventing human rights.

Recently, as has been noted by my distinguished colleagues, dramatic changes have occurred. An end to the current form of government, the panchayat system, came with cataclysmic street demonstrations—resulting in much death and violence.

The King, who studied in our country as well as in England and who is about my age, made a wise decision. He capitulated to popular demands and opened up the country to democratic reform. Political parties are now legal and a new coalition government has been installed. Hopefully, this is the beginning of a transition to a constitutional monarchy similar to Great Britain.

These are exciting times for this ancient country and its people. I am encouraged by the decisions of the new government to reform the Constitution and to hold free and fair elections within 1 year. Also I want to praise the decision to free all religious prisoners. Already the interim government has achieved one of its major priorities: the resolving of the trade dispute between India and Nepal. India's agreement to lift its economic sanctions and to open commercial land routes with Nepal will provide Nepal's economy, which ranks among the poorest countries of the world, with critically needed supplies. It will also end the destruction of Nepal's hardwood forests to provide scarce fuel.

I urge my colleagues to support a new Nepal. By supporting this resolution we will be sending a signal to Nepalese citizens of our unwavering support for human rights and democracy. I therefore urge my colleagues to approve this resolution.

Mr. BROOMFIELD. Madam Speaker, I yield 2 minutes to the gentleman from California [Mr. HERGER].

Mr. HERGER. Madam Speaker, I would like to commend the gentleman from New York [Mr. SOLARZ] for his attention to this important issue, and for bringing this matter before the House today.

I represent over 15,000 Sikhs who have friends and relatives living in India, and I have been most concerned with the human rights issues on the Indian subcontinent.

I'm sure each of us shared this concern earlier this year with the tense situation in Nepal. It is certainly welcome news that a positive outcome has resulted from their movement for greater democracy.

I believe this outcome gives us room to hope for an even more peaceful change in the region fostering democracy, greater tolerance of religious and ethnic minorities, and respect for basic human rights.

Again, Madam Speaker, I commend the gentleman for bringing this resolution to the floor. There is a great deal more work that remains to be done in this very important region, and I look forward to working with him again to help improve the human rights situation for all the people of South Asia.

Mr. SOLARZ. Madam Speaker, I yield such time as he may consume to my very good friend, the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Madam Speaker, I thank the gentleman from New York [Mr. SOLARZ], and I appreciate his yielding time to me so that I and the gentleman from Indiana [Mr. BURTON], the distinguished ranking member of the Subcommittee on Africa, might discuss with this body our decisions not to act today on House Resolution 384 expressing the sense of the Congress regarding the urgent famine situation in Ethiopia and the need for all of the warring parties in Ethiopia, the Ethiopian Government and the Eritrean Liberation Front to place humanitarian interests above political and military objectives. We have decided to postpone action while we monitor closely what happens in the aftermath of developments that have only occurred in the last few days.

At the time of the United States-Soviet summit, it was announced that the Ethiopian Government had agreed to cease bombing Massawa, and that it was prepared finally to permit the delivery of relief through the port of Massawa under United Nations auspices. According to the administration, the Ethiopian Government's bombing of Massawa stopped at some point last week.

Second, the Ethiopian Government agreed at the time of the summit to permit the United Nations to serve as an observer in negotiations with the EPLF, under the auspices of former President Carter.

Third, in the last 2 months, we are informed that the flow of emigration of Ethiopian Jews had accelerated to a level of approximately 500 per month.

Let me say that I am encouraged by these developments, and I hope that they will be strengthened and augmented by immediate further action on the part of the Ethiopian Government and other parties to the conflict inside Ethiopia.

However promising these changes are, however, it would be exceedingly premature to conclude that they satisfy the concerns of Congress and that congressional pressure on Ethiopia should be eased. At this critical point in which massive famine intercepts with massive warfare in northern Ethiopia, we need to keep sight of the broader picture, to watch events very closely, and to respond quickly if the Ethiopian Government does not carry through on the pledges it has recently made.

Ethiopia is at a historical crossroads. A quickly evolving military end game—pitting a discredited regime desperately fighting for its survival against two powerful insurgencies smelling victory—is now driving events. There is considerable danger of further disintegration and violence in Ethiopia. If events reach this point, it will seriously damage human relief efforts and make it exceedingly more difficult than it already is to establish peace, democratic reform and stability in Ethiopia. American diplomacy and leadership needs to look ahead now, not later, while we need to apply immediate and concentrated pressures on all of the warring parties in Ethiopia.

The Ethiopian Government, for its part, needs to go well beyond simple verbal commitments if it is to build its credibility with this Congress. It must actively and convincingly demonstrate that it is committed to a timely and expeditious opening of Massawa, under United Nations' auspices. It needs to quickly agree to comprehensive free passage arrangements, under United Nations' auspices, for all affected areas.

Moreover, the international community needs to be convinced that the cessation of bombing against Massawa is a permanent as distinguished from a temporary or tactical maneuver. Thousands of innocent, noncombatants in Massawa, Afabet, and Nacfa have been killed or injured in the past 2 months by brutal air attacks, reportedly employing cluster bombs, napalm and fragmentation weapons. Two weeks ago, the American public saw the horror of these attacks on our evening television screens; this is intolerable, it cannot be repeated, and I call upon whoever is supplying Ethiopia with these weapons to cease immediately. It is against its recent record of the destruction of the society of Massawa that we must judge the actual intentions of the government. It is the Ethiopian Government's responsibility to actively prove that it has changed course. I am especially concerned on this score, since there is a clear threat that if fighting with the EPLF moves closer to the Eritrean capital of Asmara, the Ethiopian Government will unleash similar violence against residential areas.

We also need to see continued acceleration of the emigration of Ethiopian Jews. Current levels, while representing progress over the past, are still short of what is required to meet the needs of that population or convince the American public that the Ethiopian Government is firmly committed to international principles of human rights, in particular to rights of emigration and family reunification. This vulnerable population should not be held hostage as a bargaining chip for security assistance or diplomatic advantage.

Madam Speaker, I am pleased at this point to reserve the balance of the time I have been allotted, if that is permissible, in order to invite some comments from my distinguished ranking member, the gentleman from Indiana [Mr. BURTON], who has worked with me so closely on this entire question.

Mr. BROOMFIELD. Madam Speaker, I am happy to yield 10 minutes to the distinguished gentleman from Indiana [Mr. BURTON].

□ 1540

Mr. BURTON of Indiana. First of all, Madam Speaker, there is a real reluctance on my part to pull this resolution, but I am agreeing with my chairman, the gentleman from Michigan [Mr. WOLPE], that this is probably the proper thing to do. The reason I am a little reluctant to pull this resolution, although I will go along with it, is because the man who has been in control of Ethiopia for lo these many years is in my opinion one of the worst violators of human rights in the history of mankind. He has butchered his people. He has tortured his people. He has done horrible things, beyond comprehension, to the people of Ethiopia, and, because of his governmental policies, we have seen famines that reach far beyond famines which we normally see from drought or pestilence. These famines have killed literally millions and millions of human beings, and it is because of this one solitary figure, and I am confident that the Supreme Being that governs all of us will one day deal harshly with this individual.

Madam Speaker, last week I had an opportunity to view on my television set a video cassette recording of the bombing on Massawa. Massawa is an important city through which a lot of food supplies have come to help the famine victims, the victims of that famine in Ethiopia, and Mr. Mengistu, using Soviet military supplies and military supplies from other countries, has been dropping napalm and cluster bombs on innocent civilians, men, women, and children, murdering and disabling them to such a degree that it makes me sick to watch the tape.

Madam Speaker, he has been doing that, trying to regain that port city. No concern about human rights, only concern about his lust for power and control.

Well, now Mr. Mengistu is about to make some changes. He has said he is willing to allow the U.N. to come in. Madam Speaker, we are very pleased to hear that. They should have been in there a long time ago to bring about peace and stability to that region, and to bring peace and foodstuffs to people who are dying and to allow the Red Cross in. He said that he is going to allow the Falasha Jews to emigrate, if they choose, and they have, in effect, been held hostage for some time, and we are happy to see that he is starting to ease up in that particular area as well. In addition, he has said they are going to suspend the bombing of Massawa. That should never have taken place in the first place because all he was bombing was innocent men, women, and children who had nothing to do with the conflict. He was merely trying to extract the price for the en-

emies of his to take charge of that particular area.

Madam Speaker, the reason he is doing it is not for humanitarian purposes, and I think this should be made very, very clear. The reason the butcher of Ethiopia is moving back, in my view, is because he is taking it on the chin in the war over there, and he realizes, if he does not start to negotiate at the conference table, he is liable to lose the whole war, and he may become the Ceausescu of Europe, which might not be all that bad.

Madam Speaker, I would just like to say that I think those who violate human rights in this world, those who torture fellow human being, those who extract an unfair price for their power, should be taken to task, and today we are withdrawing a resolution that I think would have put a great deal of pressure on Mr. Mengistu, and I want the world to know, as well as my colleagues, that we are not doing it because we think Mr. Mengistu is a good guy. We are doing it because we want the U.N. in there, because we want the bombing of Massawa stopped completely and not resumed, and because we want the Falasha Jews released and able to emigrate wherever they want to go.

So, because of these things I, along with my colleague, the gentleman from Michigan [Mr. WOLPE], will agree to withhold this resolution at this time, but we reserve the right, if this carnage starts to reraise its ugly head, if Mr. Mengistu starts to extract more vengeance upon innocent people in that country, we reserve the right to bring this legislation back to the floor and pass it posthaste, and I have no doubt that we would pass it unanimously in this body, if we were to choose to bring it back.

So, I would just like to send one more little message to Mr. Mengistu: "Your back is against the wall. You're starting to negotiate. We are happy to see that, but let us get the job done. Let's bring peace, and stability and democracy to Ethiopia and stop this carnage once and for all, and let the people get the food they are entitled to."

Madam Speaker, we have had that food sent over there. He has let it rot on the docks. He charged us $50,000 for trucks to deliver it, charged us $50 to $60 a ton, $150 a ton, to put our food on the dock, and then he would not deliver it to use it as a weapon against his very own people.

So, I say to Mr. Mengistu, "We hope and pray that you'll see the light of day. Negotiate a settlement to that conflict, that there will be peace, freedom and democracy, and that this famine, once and for all, will be ended because you'll allow our foodstuffs to get in there."

Mr. WOLPE. Madam Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Michigan.

Mr. WOLPE. Madam Speaker, I thank the gentleman from Indiana [Mr. BURTON] for the role he has played in moving this resolution to the floor, and I thank him, as well, for his observations and views just a moment ago.

I want to just underscore the dimensions of the humanitarian tragedy that we face here. There are literally millions of lives that are at risk. A way must be found to have a ceasefire, to permit relief to flow freely and to all parts of the country to end the human rights violations and to settle the internal political problems that have divided this country for over so many years, and it needs to be understood at least that the prospect of normalization with the Ethiopian Government hinges upon addressing all of these issues, not just one, not just on a momentary basis, but on a permanent basis. We need to have that ceasefire in place. We need to see a resolution of all the problems, a true, genuine negotiation under way.

Madam Speaker, it also needs to be stressed that the EPLF and the TPLF need to understand our own attitude; that is, the attitude of the American Government toward each of them will directly relate to their cooperation in facilitating relief and negotiating a lasting political settlement. These parties must all be continued to be pressured to facilitate the opening of Massawa, the entry of the United Nations, the effective delivery of relief to affected persons in all areas, including those areas under government control.

Madam Speaker, I thank the gentleman from Indiana [Mr. BURTON], and I hope that the colloquy we have had today will impress upon all the parties the urgency with which we view the situation in Ethiopia and our determination to press forward with legislation, if there is any interruption in the progress that has taken place in the last few days.

Mr. BURTON of Indiana. Madam Speaker, I thank the gentleman from Michigan [Mr. WOLPE] for his contribution and for his leadership on the committee in bringing this resolution to the floor.

Madam Speaker, I would just like to end my statement by saying this: It is appalling to me that the tyrants of this world wait until their backs are to the wall before they start to negotiate peace, freedom, and democracy and human rights in many of these countries. I hope that the tyrants of the world who are watching Ethiopia right now learn from what is happening there. They have seen peace and freedom start to move in Eastern Europe because the people want peace, freedom and democracy. They do not want totalitarian dictatorships running their lives, and that is the wave of the future. It is the wave of the future, and Mr. Mengistu is of the past, and his type of tyranny is of the past, and so to all of those who are tyrants around the world I say, "Let the word go forth that democracy, freedom and human rights are the wave of the future and that their kind of brutality will not be tolerated by the democracies of the world any longer."

Mr. SOLARZ. Madam Speaker, I yield myself 2 minutes.

Madam Speaker, I wish to conclude with some observations on Nepal, which was the presumptive basis for this debate. Let me just say that there were many countries around the world that had multiparty systems. There were other countries that had one-party systems. For quite some time Nepal had a unique arrangement. They had a no-party system, the so-called Panchayat system. It obviously was not acceptable to a great majority of the Nepalese people who peacefully demonstrated in favor of the multiparty system last spring. Through great struggle and sacrifice they appear to have achieved their objectives.

Madam Speaker, this resolution takes note of what has been accomplished and lends the very strong support and endorsement of the U.S. Congress and of the America people to the latest victory for democracy which is taking place around the world.

Madam Speaker, I urge my colleagues to support this resolution.

Mr. FASCELL. Madam Speaker, I rise in support of House Concurrent Resolution 323, concerning human rights and democracy in Nepal. I am pleased to support this resolution, and I commend Representatives SOLARZ and YATRON and the other cosponsors for their leadership on this issue.

Although recent events in Nepal have not received as much international attention as the dismantling of the Berlin Wall and elections in Eastern Europe, that country has also made dramatic strides toward democracy. Many thousands of its citizens, who have an average annual per capita income of only $160, demonstrated actively for political reform this year, persuading the King of Nepal to lift the ban on political parties which has been in force since 1962, and moving the country toward greater democracy.

House Concurrent Resolution 323 expresses the support of the Congress for the brave efforts of the people of Nepal to bring about political reform and democratization and endorses and encourages the actions of the new government in guiding the country toward multiparty democracy. It also urges continued peaceful efforts to develop a political system that guarantees internationally recognized human rights for all of Nepal's citizens.

I hope my colleagues will join with me in this expression of support for the people of Nepal as they continue their participation in the international progress toward democracy.

Mr. PORTER. Madam Speaker, I rise today in support of House Concurrent Resolution

323 concerning the advancements of human rights in Nepal.

The global sweep of democracy is reaching the far corners of the world as the first steps toward freedom are taken in Nepal. For the last 30 years, the people of Nepal have been calling for the establishment of freedom and democracy. In the past few months, thousands of demonstrators have shown their support for a multiparty democracy through peaceful rallies. Finally on April 8, 1990, the people were heard. King Birendra took the encouraging step of lifting the ban on political parties and allowing an interim government to be formed. The people of Nepal should know that the United States stands up for their fight for freedom. The King should know of the support following his decision for political reform. Prime Minister Bhattarai should know of the U.S. support of him and the multiparty democracy he will form.

Nepal has embarked upon the long road toward democracy and there is still much work that needs to be done. Religious freedom is still not a recognized human right the citizens of Nepal can exercise. Christians, Buddhists, and others are persecuted everyday for practicing a different religion than Hinduism, the official state religion. Due to a recent supreme court decision in the case of Charles Mendies, it is now a punishable offense to not only convert from the Hindu religion but to practice the Christian faith. Presently, Charles Mendies is serving a 6-year prison term for proselytizing.

In accordance with the advancements being made, the government did allow a Christian rally to take place on May 7, and government officials declared a "new era of human rights." I look forward to this new era. Democracy includes many freedoms that the people of Nepal deserve. Religion is one of them.

The recent developments in Nepal serve as an encouraging signal for the promise of democracy in the entire Himilayan region. It is extremely unfortunate that neighbors of Nepal, like Tibet, are not experiencing the same freedoms. Democracy and the respect for fundamental human rights continue to be abridged in Tibet. We must continue to oppose human rights violations in Tibet as we continue our support for democracy in Nepal.

The SPEAKER pro tempore (Mrs. BOXER). The question is on the motion offered by the gentleman from New York [Mr. SOLARZ] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 323, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SOLARZ. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on House Concurrent Resolution 323, the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

KOREAN MUTUAL DEFENSE TREATY

Mr. SOLARZ. Madam Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 325) expressing the sense of the Congress that the United States remains firmly committed to its Mutual Defense Treaty with the Republic of Korea and is steadfastly dedicated to the promotion of security and peace on the Korean Peninsula.

The Clerk read as follows:

H. CON. RES. 325

Expressing the sense of the Congress that the United States remains firmly committed to its Mutual Defense Treaty with the Republic of Korea and is steadfastly dedicated to the promotion of security and peace on the Korean peninsula.

Whereas the Korean people earnestly desire a peaceful democratic reunification of their divided country;

Whereas peace and stability on the Korean peninsula are essential to regional and world peace and stability;

Whereas the Republic of Korea has undergone a peaceful transition to a democratic form of government;

Whereas the economic growth of the Asia-Pacific region is of great significance to the world economy;

Whereas the Republic of Korea, as a leading economic power in the region, is an increasingly important trading partner of the United States;

Whereas trade between the United States and the Republic of Korea has grown to the point where the Republic of Korea is the 7th largest market for United States goods;

Whereas the North Korean Government has never renounced its ambition of reunifying the Korean peninsula under Communist control;

Whereas the North Korean Government maintains a trained army of one million troops and has deployed many of its forces close to the Demilitarized Zone, thereby posing a potentially serious threat to the security of the Republic of Korea;

Whereas the Republic of Korea has taken significant steps to contribute to its own self-defense and to increase its share of the burden of maintaining the United States forces in Korea;

Whereas despite these steps, an indigenous balance of power has not yet been achieved on the Korean peninsula, and North Korean forces possess significant quantitative advantages in military personnel and many categories of weapons;

Whereas in light of this imbalance of indigenous forces, the United States has deployed forces on the Korean peninsula for deterrence since the Korean War;

Whereas the United States has recently announced that it will remove approximately 2,000 Air Force personnel and 5,000 ground troops from Korea over the next 1 to 3 years; and

Whereas North Korea has not yet responded positively to proposals of the Republic of Korea and United Nations Command to lessen political and military tensions and institute confidence building measures: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that, notwithstanding the announced reductions in the number of United States troops in the Republic of Korea, the United States—

(1) remains firmly committed to its Mutual Defense Treaty with the Republic of Korea, and

(2) is steadfastly dedicated to the promotion of security and peace on the Korean peninsula.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New York [Mr. SOLARZ] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I think I can fairly say that this resolution enjoys very strong bipartisan support. I certainly appreciate the willingness on the part of my very good friends on the other side of the aisle, the gentleman from Michigan [Mr. BROOMFIELD], the gentleman from Iowa [Mr. LEACH], and others, to facilitate the expeditious consideration of this resolution.

I understand this resolution also enjoys the very strong support of the administration. Indeed, all Americans can support this resolution. What it does is to express and to reaffirm the very strong commitment on the part of the United States to the defense and security of the Republic of Korea.

A short while ago, in response to the changing international climate, the administration announced that it was to withdraw approximately 7,000 American troops from South Korea over the next few years. While this still leaves approximately 36,000 American troops in that country, it nevertheless raised some understandable anxieties on the part of our friends in Seoul about the extent to which this might signal a diminution in American interest in the security of South Korea. Specifically, there was concern that the announced troops cuts might be perceived in P'yongyang as an indication of the fact that the United States was no longer prepared to live up to its responsibilities within the framework of our mutual security treaty with South Korea to come to their defense in the event that there should be another war on the Korean Peninsula.

The primary purpose of this resolution is to lay those utterly unfounded and unjustifiable concerns to rest. The resolution makes it clear that we continue to have a very strong interest in the preservation of peace on the

Korean Peninsula and that we intend to fulfill our obligations in that regard to the Republic of Korea.

Over the course of the last 3½ decades, ever since the end of the Korean war, we have managed to preserve a fragile peace on the Korean Peninsula, in no small measure because of the clear and unequivocal character of the American defense commitment to South Korea. The fact of the matter is that North Korea continues to enjoy some significant conventional military advantages vis-a-vis South Korea. They have substantial superiority not only in terms of manpower, but in terms of materiel as well. Without the continued presence of American defense forces in South Korea, without the continued commitment on the part of the United States to come to the defense of South Korea in THE VENT IT SHOULD BE ATTACKED AGAIN, IT IS ENTIRELY POSSIBLE THAT THE LEADERSHIP IN NORTH KOREA MIGHT CONCLUDE THAT THAT THE TIME HAD COME TO MAKE ANOTHER EFFORT TO REUNIFY THE KOREAN PENINSULA BY FORCE OF ARMS.

Our country shares the aspirations of all Koreans for the eventual renuification of their country, but we believe, as do virtually all the people in South Korea and I would hope the people of North Korea as well, that the reunification of the Korean Peninsula must come about through peaceful and democratic means, not by force of arms.

The last time there was a war on the Korean Peninsula well over 1 million Koreans lost their lives. The economies of both the North and the South was completely shattered and destroyed. If there should be another war in Korea, I have no doubt that the numbers who would be killed and wounded would quite possibly exceed the casualty levels in the previous conflict. Furthermore, the economic consequences of another war are too catastrophic to even contemplate.

In order to avoid any misperception by North Korea as to American resolve with respect to the security of the Republic of Korea, this resolution restates and reaffirms the historic commitment on the part of the United States to the defense of South Korea and makes it very clear that the modest withdrawals which will be taking place, which have been discussed with our friends in Seoul, can and will be done in a way that will not in any way diminish our effective capacity to contribute to the defense of the Republic of Korea.

Mr. BROOMFIELD. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, one of the most important relationships in Asia is the Mutual Defense Treaty between the United States and the Republic of Korea. We have fought side by side with the Republic of Korea in war, and we have stood ready to help preserve her freedom in the uneasy truce with North Korea.

However, this important relationship goes far beyond our military ties. It encompasses trade, cultural and educational exchanges, joint business activities, and the common effort to preserve peace and growth in Asia and the Pacific.

Through this partnership and the hard work of the Korean people, South Korea has become one of the free market showcases of Asia. During this entire period of growth and progress, South Korea has continually faced the threat of invasion and terrorism by North Korea. Faced with a 1-million-soldier North Korean military machine, and having over the years experienced the killing of four South Korean cabinet ministers and the bombing of a South Korean commerical airliner, the South Koreans know that the North has lost none of its enthusiasm for bloodshed.

Madam Speaker, as part of our defense and budget cutback, we have withdrawn some of the 45,000 troops stationed in South Korea. Because of this, passage of House Concurrent Resolution 325 has become extremely important. This resolution expresses the sense of the Congress that the United States continues to remain firmly committed to the Mutual Defense Treaty with the Republic of Korea, and that we are dedicated to the promotion of security and peace on the Korean Peninsula.

This is an important message of reassurance for our friends in South Korea, and it continues to put North Korea on notice as to how serious we are. I urge my colleagues to join me in support of this resolution.

Mr. SOLARZ. Madam Speaker, I have no further requests for time, but before I yield back the rest of my time I see that my very good friend, the gentleman from Iowa [Mr. LEACH] is on his feet, and perhaps the distinguished ranking minority member wishes to yield some of his time to him.

Mr. BROOMFIELD. Madam Speaker, I am very happy to yield 4 minutes to the distinguished gentleman from Iowa [Mr. LEACH].

□ 1600

Mr. LEACH of Iowa. Madam Speaker, let me just say that it is obvious to all that the relationship between the United States and the Republic of Korea is evolving in all fields: Politically, in terms of the balance of trade, and in security. Over the coming years, according to a Department of Defense White Paper, South Korea is inevitably going to assume an increasing share of its own defense, not only in terms of manpower and cost but also command.

Nevertheless, the United States remains committed to assisting South Korea, so long as such assistance is both needed and desired by Seoul, to deter aggression on the part of the North. Here it should be pointed out that while the Republic of Korea has steadily moved forward to improve its indigenous capacity for self-defense the military threat from the North itself has not diminished. Pyongyang has increased in an absolute sense its number of combat troops, as well as quantities of modern equipment. North Korea still maintains over a million men in active military duty, compared to 650,000 in the South.

In addition to the blatantly panoplied, and extravagant size of the North Korean military, the forward deployment of its armed forces is itself threatening—constituting what amounts to jumping off points for an invasion of the South. Given the clandestine tunneling by the North, its assiduous stockpiling of war material, and other evidence of aggressive miliary planning, we can assume that there will be scant warning time of an invasion across the demilitarized zone [DMZ].

North Korea is also widely believed to be actively trying to produce an atomic bomb, and may even be on the threshold of doing so. This would be a development of the most unfortunate character, one that would have very serious consequences for the development of peace and stability on the Korean peninsula.

As if these salient and inescapable military facts were not enough alone to warrant extreme vigilance in the councils of state in Seoul and Washington, there is the matter of North Korea's leadership and its intentions for the future. In this regard, the record of North Korean diplomacy over the last several decades does not give rise to any sense that Pyongyang's extremism is mellowing with age. Quite the contrary. There are, in fact, no indications that North Korea's unrepentant Stalinist dictator—Kim Il-Sung—has abandoned his goal of uniting Korea under Communist rule, by force of arms if need be.

Therefore, the United States has done what it can to provide various military technologies, command and control, intelligence, logistics support, and most importantly, our commitment under the 1954 Mutual Defense Treaty to serve as a deterrent against North Korean attack. Should that deterrent ever fail, the United States remains fully prepared to join hands with the South to preserve its sovereignty and territorial integrity.

On a more upbeat note, this spring has seen South Korea truly emerge as an active player on the world stage. President Roh Tae Woo's recent visit to Japan resulted in firm demonstra-

tions of resolve on the part of both Seoul and Tokyo, in the words of President Roh, to "forge a new era of friendship and cooperation."

Just last week, President Roh met with the Soviet Union's Mikhail Gorbachev in San Francisco. While it is not yet clear whether formal diplomatic relations between Seoul and Moscow are imminent, it does look as though diplomatic recognition—for the first time in 86 years—is at least impending.

Indeed, over the past 2 years South Korea has established diplomatic relations with every East European country except Albania and East Germany, with that latter omission soon to be of no practical consequence. We in the United States can only hope that Seoul's Nordpolitik with Pyongyang will, over time, prove as fruitful and effective.

Not only in these diplomatic achievements, therefore, but in other areas as well, South Korea has much to be proud of. It has established and continues to perfect representative democracy. Its economy is the envy of many states, not only in Asia, but around the world. It has a well educated, hard working, and increasingly prosperous populace.

To conclude, since the Korean conflict of 1950-53, in which America itself suffered over 130,000 casualties with 30,000 killed, the United States has stood by our South Korean ally to deter aggression from North Korea. Our bilateral relationship remains strong, and will continue to remain strong even as it evolves to reflect an ever-changing world scene. We value this relationship, both government to government and people to people, and we in the United States continue to view our interest in freedom on the Korean Peninsula a common obligation and concern.

Mr. BROOMFIELD. Madam Speaker, I yield 3 minutes to the distinguished gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Madam Speaker, I rise in strong support of House Concurrent Resolution 325, a resolution reasserting the firm commitment of the United States to the mutual defense treaty with the Republic of Korea.

The Republic of Korea represents an impressive success story both for the economic miracle it has achieved in development for its people and for the security role it has played for helping to ensure the stability of the east Asian region.

With democracy and reform sweeping away totalitarian Marxist governments in most of the world, the anachronistic regime of Kim Il-Sung continues to pose a military threat to the South. The North Koreans have failed to respond to numerous overtures intended to lessen tensions between the North and the South. The recent meeting of Soviet President Gorbachev with South Korean President Roh marks an historic opening between those two nations. It signals improved relations and demonstrates the degree to which the North Korean government is out of step with contemporary political developments.

As a close and valued ally to the United States, the Republic of Korea deserves continued United States support and friendship. The mutual defense treaty between our two nations is a firm symbol of that relationship, and it is appropriate that we in the Congress reaffirm our commitment to promoting democracy, peace, and security in South Korea. I think it is especially appropriate to do so at this particular time so as to make it absolutely clear to the North Korean Government that it should not take action against South Korea based on the premise that it might be losing the support of the U.S.S.R. and therefore should strike before that happens.

I urge my colleagues to give their strong support to House Concurrent Resolution 325.

Mr. BROOMFIELD. Madam Speaker, I yield 3 minutes to the distinguished gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Madam Speaker, I will not take all of the time. I will try to be brief.

Madam Speaker, I just want to, first of all, commend the chairman of the subcommittee, the gentleman from New York [Mr. SOLARZ], as well as the ranking Republican on the full committee and the ranking Republican on the subcommittee for bringing this resolution to the floor. It is timely, and it is terribly, terribly important.

South Korea, for all of these 40 years, has been one of the strongest links in our chain of defense for this country, and, whereas Korea can say that if there was no United States of America there would be no Korea, we Americans might very well say the same thing, because it is Korea that has been on the front lines for lo these many years when communism was spiraling all over this world.

Yes, we do pay respect to them for the great work they have done in helping us to defend the free world. While we are at it, let me just pay tribute again to those 5.7 million Americans who served in the Korean war between the years of 1950 through 1953. Most of those people are still alive. Fifty-four thousand of them are not because they died in battle, captivity, or wounded after war.

I would remind this body that back in 1986, we passed legislation on this floor that came out of the Committee on Foreign Affairs which I happened to be a member at the time which established the Korean War Memorial. Since that time we have been able to raise through private donations over $5.2 million for a Korean War Memorial that will be built across the Mall from the Vietnam Memorial as it exists today. We still have a long way to go. We only have until October 1991, which is not that far away, to finish raising those funds, and I would just remind the Members that those contributions are still being accepted by the Korean War Memorial Fund here in Washington, DC.

Again, I thank the gentleman for bringing this resolution to the floor, and I thank the chairman of the full committee.

Mr. FASCELL. Madam Speaker, I rise in strong support of House Concurrent Resolution 325, expressing the sense of the Congress that the United States remains committed to the defense of the Korean Peninsula. This resolution sends an important signal at a crucial time in international relations. While most of the rest of the world basks in the glow of the end of the cold war and United States citizens look forward to the end of confrontation with the Soviet Union, Korea remains one of the world's potential hot spots. As the resolution points out, North Korea retains over 1 million men under arms, deployed provocatively close to the 38th parallel dividing the peninsula.

In marked contrast to the liberalization occurring in Eastern Europe, the renegade regime in Pyongyang seems sadly impervious to change. Its substantial conventional military capabilities, past history of terrorism, and rumored clandestine nuclear weapons program, coupled with unswervingly hostile rhetoric, give no observers of Korean affairs cause for much optimism. Against this background, the mere fact of ongoing discussions between North and South, and between the United States and North Korea in Beijing, is remarkable. For its part, the United States has and will continue to stand behind South Korea in its efforts to develop more people-to-people contacts and confidence-building measures with the North. For the near term, it appears the best outcome will be achieved through limited exchanges facilitated by the Red Cross and through increased, if informal, economic cooperation and trade. These developments should be enthusiastically supported by the surrounding nations and other interested in Korean affairs.

Despite the tense sitiuation on the peninsula, South Korea made its own peaceful transition to democracy. One of the elements which made that historic occasion possible was the defense relationship with the United States and the United States commitment to defend South Korea from aggression. With help from the United States, South Korea has become much better able to defend itself from aggression, and its military has become one of the finest and most professional in the world. Successful relationships like the United States-Korea security partnership must, however, change with the times. The United States after consultation with its Korean allies, announced it would reduce from 10 to 15 percent of its forces in the Republic of Korea over the next few years. What made this pos-

sible was the increased ability of Korea to perfom many of the missions heretofore assigned to United States forces, and the close planning relationship our two countries have developed over the years. As the resolution notes, this reduction of United States forces in no way diminishes the United States commitment to peace on the Korean Peninsula.

Madam Speaker, I commend this resolution to all Members, and urge their enthusiastic support.

Mr. BROOMFIELD. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SOLARZ. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BOXER). The question is on the motion offered by the gentleman from New York [Mr. SOLARZ] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 325.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SOLARZ. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Concurrent Resolution 325, the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

RIO GRANDE AMERICAN CANAL EXTENSION ACT OF 1990

Mr. KOSTMAYER. Madam Speaker, I move to suspend the rules and pass the bill (H.R 4758) to provide for the construction, operation, and maintenance of an extension of the American Canal at El Paso, TX.

The Clerk read as follows:

H.R. 4758

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rio Grande American Canal Extension Act of 1990".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) The Riverside Dam on the international reach of the Rio Grande at El Paso, Texas, provides the water used to irrigate nearly 32,000 acres of farmland in the United States.

(2) In June 1987, the Riverside Dam failed, and the temporary replacement structure now in place on the river cannot be relied upon to guarantee the continued provision of these waters to the United States.

(3) Building a permanent structure in an international reach of the Rio Grande would require the conditional approval of the Government of Mexico through an action of the International Boundary and Water Commission, United States and Mexico, and Mexico could use such structure to divert waters to its own land.

(4) The United States constructed the American Dam completely in United States territory to ensure that waters from the American Canal would be completely retained within the United States up to a point below Mexico's diversion at the International Dam.

(5) Potentially disruptive international issues might arise from the commingling of the waters of the United States and the waters of Mexico in this reach of the Rio Grande, while such issues would not arise if a canal extension were constructed and operated wholly on the American side of the river.

(6) The construction and operation of an extension of the American Canal which would lie wholly in the United States would provide for a more equitable distribution of waters between the United States and Mexico, reduce water losses, and eliminate many hazards to public safety.

SEC. 3. CONSTRUCTION OF CANAL EXTENSION, OPERATION, MAINTENANCE, AND USE.

(a) CONSTRUCTION OF EXTENSION.—Subject to subsection (e), the Secretary shall construct an extension of the American Canal, together with pumping plants, wasteways, measuring devices, and other facilities needed to connect such extension with existing irrigation systems. Such extension shall lie wholly in the United States and shall be approximately 13 miles in length, beginning at the downstream end of the current American Canal in El Paso, Texas, and extending to Riverside Heading.

(b) OPERATION OF CANAL.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary shall operate the extension of the American Canal provided for in subsection (a).

(2) DELIVERY OF WATERS.—The Secretary shall enter into an agreement with El Paso County Water Improvement District Number 1 pursuant to which the Water Improvement District would be responsible for the operation of the American Canal with respect to the delivery of all waters, with the exception of those waters belonging to Mexico which, consistent with paragraph (3), the Secretary shall be responsible for delivering.

(3) UNITED STATES OBLIGATIONS UNDER 1906 AND 1933 CONVENTIONS.—In authorizing the agreement described in paragraph (2), this Act—

(A) does not in any way affect the jurisdiction, powers, or prerogatives of the International Boundary and Water Commission, United States and Mexico, and

(B) does not in any way impede the ability of the United States Government to fulfill its obligations under the 1906 and 1933 Conventions.

(c) USE OF CANAL AS CONVEYANCE CHANNEL.—

(1) USE BY MEXICO.—The Secretary may enter into an agreement with Mexico which permits Mexico to use the American Canal as a conveyance channel. Any such agreement shall require Mexico to make payments to the United States for Mexico's use of the American Canal.

(2) USE BY NON-FEDERAL ENTITIES.—Upon obtaining the express approval of the Secretary, El Paso County Water Improvement District Number 1 may enter into agreements with other non-federal entities pursuant to which such entities may use the American Canal as a conveyance channel.

(d) MAINTENANCE OF EXTENSION.—The Secretary shall maintain the extension of the American Canal provided for in subsection (a).

(e) LOCAL CONTRIBUTIONS TO COSTS.—The extension of the American Canal provided for in subsection (a) may not be constructed unless the Secretary and El Paso County Water Improvement District Number 1 have entered into the following agreements:

(1) CONSTRUCTION COSTS.—An agreement pursuant to which El Paso County Water Improvement District Number 1 will pay $5,000,000 as its share of the construction costs for the construction of the extension of the American Canal provided for in subsection (a).

(2) MAINTENANCE COSTS.—An agreement pursuant to which El Paso County Water Improvement District Number 1 will contribute a cumulative amount of $50,000 each year to the United States Commissioner as its share of the costs for maintenance of the extention of the American Canal provided for in subsection (a). After the 7-year anniversary of the completion of the construction of that extension (and after the end of each 7-year interval since the last such renegotiation), the Secretary and the El Paso County Water Improvement District Number 1 may renegotiate the amount of the contribution of El Paso County Water Improvement District Number 1 pursuant to the agreement required by this paragraph in order to reflect any increase in Bureau of Labor Statistics Consumer Price Index-Urban Wage Earners and Clerical Workers (CPI-W)-1982-84-100 Index. In the event the funds contributed by the El Paso County Water Improvement District Number 1 pursuant to this paragraph are not utilized during any given year, the funds shall be carried over to the succeeding years in a contingency fund for necessary preventative and routine maintenance work to be performed by the United States Section, International Boundary and Water Commission.

(f) REPEAL OF PREVIOUS CONSTRUCTION AUTHORIZATION.—Title IV of the Act entitled "An Act to authorize various Federal reclamation projects and programs, and for other purposes", approved September 28, 1976 (Public Law 94-423; 90 Stat. 1327), is repealed.

SEC. 4. STUDY OF SUBSIDENCE DAMAGE.

The Secretary—

(1) shall conduct a study to determine the likelihood and extent of any damage to property adjacent to the American Canal which would be caused by subsidence related to the Canal extension provided for in section 3(a), and

(2) shall submit a report to the Congress detailing his findings not later than 1 year after the date of the enactment of this Act.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated—

(1) $42,000,000 to construct the extension of the American Canal provided for in section 3(a); and

(2) such sums as may be necessary to operate and maintain that extension and to conduct the study required by section 4.

SEC. 6. DEFINITIONS.

As used in this Act—

(1) the term "American Canal" means the Rio Grande American Canal constructed pursuant to the Act of August 29, 1935 (49 Stat. 961);

(2) the term "United States Commissioner" means the United States Commissioner, International Boundary and Water Commission, United States and Mexico; and

(3) the term "Secretary" means the Secretary of State, acting through the United States Commissioner.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Pennsylvania [Mr. KOSTMAYER] will be recognized for 20 minutes, and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. KOSTMAYER].

□ 1610

Mr. KOSTMAYER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, H.R. 4758 would provide for the construction, operation, and maintenance of an extension of the American Canal at El Paso, TX.

The extension would lie entirely on the U.S. side of the border and would result in a number of needed benefits to communities on both sides of the border. Among these benefits would be a more equitable distribution of waters between the United States and Mexico, the reduction of water losses, and the elimination of many hazards to public safety.

This bill has been considered by the Committee on Foreign Affairs and its Subcommittees on International Operations and on Western Hemisphere Affairs. During this process all problems with the bill have been worked out. So far as this Member is aware the bill is supported on both sides and by the administration.

The bill authorizes $42 million for the construction of the extension, and such sums as may be necessary for its maintenance. One of the issues that was worked out in our committee is the obligation of the El Paso County Water Improvement District to contribute to these costs. Under this agreement, the amount of this contribution will be $5 million for construction costs and $50,000 per year for maintenance costs.

Madam Speaker, this bill is the result of a great deal of cooperation and compromise among the majority and minority on two subcommittees, the State Department, the local water district, and—most importantly—the sponsor of the bill. I want to thank everyone involved for their constructive participation.

Before turning the time over to the distinguished ranking minority member of the subcommittee, who has been instrumental in this process, I yield such time as he may consume to the distinguished sponsor of the measure, Mr. COLEMAN of Texas.

Mr. COLEMAN of Texas. Madam Speaker, I rise today to ask for the support of my colleagues for H.R. 4758, a bill to authorize the construction, operation, and maintenance of an extension to the American Canal in El Paso, TX, by the Secretary of State acting through the Commissioner of the International Boundary and Water Commission. I would like to thank Chairman DANTE B. FASCELL and Representative WILLIAM S. BROOMFIELD, ranking minority member of the Foreign Affairs Committee, for their assistance on this bill. I would also like to take this opportunity to thank subcommittee chairmen, GEO. W. CROCKETT and MERVYN DYMALLY, for holding hearings on this legislation and Representative PETER KOSTMAYER for his moving it forward. This bill was also referred to the Committee on Interior and Insular Affairs and I am grateful to Chairman MORRIS UDALL and Subcommittee Chairman GEORGE MILLER for their support.

Congress previously authorized such a construction program in 1976, when it authorized the U.S. Bureau of Reclamation to build such an extension. As a feature of the Rio Grande project, the American Canal extension would be located along the Rio Grande River within the city of El Paso, county of El Paso, in west Texas. The extension project would consist of widening about 1.4 miles of the existing American Canal, constructing a 13-mile extension of the canal, modifying traffic and drainage structures, and eliminating a portion of the existing Franklin Canal.

This project would bestow numerous benefits upon this area in southwest Texas and enjoys the support of local, State, and Federal agencies. During the last 7 years, I have worked closely with local officials interested in the extension of the American Canal and the two most directly involved Federal agencies, the Bureau of Reclamation and the International Boundary and Water Commission, have both indicated their support for this project. The International Boundary and Water Commission has stated it would complete an environmental assessment on the project. Further, the legislation calls for cost-sharing by the local irrigation district, and contributions from Mexico and other non-Federal beneficiaries such as the city of El Paso. The irrigation district would contribute $5 million for construction plus $50,000 a year in maintenance costs.

The construction of an extension to the American Canal—which would lie in its entirety on the United States' side of the international border with Mexico—and its operations would result in a number of needed benefits to the communities on both sides of the border. Among these benefits are a more equitable distribution of waters between the United States and Mexico, the reduction of water losses, and the elimination of many hazards to public safety.

The possibility of international friction between Mexico and the United States would be reduced if the American Canal is extended. The present canal does not allow optimal control over the portion of water belonging to the United States and it is believed that illegal diversion of water is taking place by Mexican farmers. As such, potentially disruptive international issues might arise from the commingling of the waters of the United States and the waters of Mexico in this reach of the Rio Grande, while such issues would not arise if a canal extension were constructed and operated wholly on the American side of the river. The proposed extension would eliminate that diversion and would eliminate the source of potential disputes and tension.

Another benefit to be achieved from the legislation would be the salvage of between 12,000 and 22,000 acre feet of water lost annually because of seepage. Water transportation losses fluctuate greatly in the Franklin Canal as well as the Rio Grande due to the dirt lining and seepage losses. Salvaged water could increase annual allotments to each water right acre if a cement-lined canal were available. The value of this amount of conserved water is enormous to a community such as El Paso because of the water shortage in the area.

A third benefit that would result is the elimination of health and safety hazards to El Paso citizens. The current use of the Franklin Canal, located in the downtown area, has created a health and safety problem because refuse and garbage are illegally dumped in the canal, creating a breeding ground for bacteria. Disease-carrying mosquitos, spiders, scorpions, and snakes breed and live in the vegetation along the canal, and stagnant water during the months when irrigation is not carried through the Franklin Canal creates further health problems due to contamination.

In addition, a number of drownings occur every year in the canal because of its proximity to residential areas. The 5.5 miles of the Franklin Canal I am proposing to eliminate have the heaviest density of population per square mile than any other area of El Paso. The average size of a family in this area is 5.6 persons, and the largest percentage of children in the families are less than 13 years of age and have no access to public or private swimming pools. The proposed extension would render the Franklin Canal obsolete and it could be filled in for some more beneficial public use in the area.

Finally, this project would have the added benefit of creating construction jobs as well as other employment opportunities in a border area that is

beset with economic problems and high unemployment.

Again, I urge my colleagues to vote for this worthwhile project.

Mr. LAGOMARSINO. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of H.R. 4758, providing for the authorization of appropriations for the extension of the American Canal in El Paso, TX.

When this measure first came before the Subcommittee on Western Hemisphere Affairs, I raised objections to the bill because it failed to provide adequately for local cost-sharing in the construction, operation, and maintenance of the canal.

As a result of extensive discussion between all the interested parties, the U.S. Government through the International Boundary and Water Commission, local authorities, and the office of Congressman RON COLEMAN, cost-sharing formulas were worked out to the satisfaction of all the participants.

With the adoption of a number of changes recommended by the administration and the International Boundary and Water Commission, the administration has no objection to this bill.

I am pleased that this matter has been resolved in an effective and timely manner, and that the long-overdue construction of a permanent extension of the canal along the Rio Grande in El Paso can now go forward.

The construction and operation of the American Canal in El Paso will provide for a more equitable distribution of water between the United States and Mexico, it will reduce water losses, and it should eliminate a number of hazards to public safety.

I urge my colleagues to support passage of this bill.

Mr. BROOMFIELD. Madam Speaker, H.R. 4758, the Rio Grande American Canal Extension Act of 1990, authorizes the construction of a 13-mile extension to provide irrigation to roughly 32,000 acres of U.S. farmland. Since the 1987 failure of the Riverside Dam, a temporary structure has been used, but a lasting solution has been elusive.

The history of this legislation is intertwined with the complex existing water agreements with Mexico. Enactment of H.R. 4758 will help avoid a controversy with our southern neighbor over water ownership without raising the issue of differing United States and Mexican interpretations of the Convention of 1906 governing bilateral water rights. Extending the American Canal would provide irrigation without necessitating the construction of a new dam, which would involve a wide range of bilateral problems.

In my view, H.R. 4758 is markedly improved from previous legislation addressing this issue, particularly by including provisions for local cost-sharing, thereby ensuring that those who benefit most from the project will help bear a greater portion of the cost. The cost-sharing provisions cover both construction and maintenance of the canal extension. Specific administration concerns were also addressed by the inclusion of legislative language referring to U.S. obligations under the Conventions of 1906 and 1933.

The legislation before the body is a fair and measured response to the situation near El Paso, TX with full recognition of the sensitive international issues involved. I have no objection to the passage of H.R. 4758.

Mr. FASCELL. Madam Speaker, I want to commend the gentleman from Pennsylvania [Mr. KOSTMAYER], the acting chairman on the Subcommittee on Western Hemisphere Affairs, and the gentleman from California [Mr. DYMALLY], the chairman of the Subcommittee on International Operations and their ranking members for their efforts in bringing this legislation to the floor. This legislation represents not only a bipartisan congressional effort but an effort between the Federal Government and the local government of El Paso.

I would especially like to commend the gentleman from Texas [Mr. COLEMAN], who for several years now has worked diligently in an effort to bring about the passage of this legislation. The people of El Paso are lucky to have a Congressman like RON COLEMAN representing their interests. He was particularly helpful in working out a compromise that makes the El Paso County Water Improvement District a partner in the construction and maintenance of the canal.

The extension of the American Canal authorized by H.R. 4758 is very important to the people who live in and around the city of El Paso. This project will not only bring about great improvements in the efficient management of water taken from the Rio Grande River but will alleviate the public safety and health problem caused by the old canal. Madam Speaker, I urge my colleagues to support the passage of H.R. 4758.

Mr. LAGOMARSINO. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. KOSTMAYER. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BOXER). The question is on the motion offered by the gentleman from Pennsylvania [Mr. KOSTMAYER] that the House suspend the rules and pass the bill, H.R. 4758.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. KOSTMAYER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4758, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules. Pursuant to clause 5, rule I, the Chair will now put the question on the motion to suspend the rules on which further proceeding were postponed earlier today.

FEDERAL EMPLOYEES POLITICAL ACTIVITIES ACT OF 1989

The SPEAKER pro tempore. The pending business is the question of suspending the rules and concurring in the Senate amendment to the bill, H.R. 20.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. FORD] that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 20, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 334, nays 87, answered, not voting 11, as follows:

[Roll No. 163]

YEAS—334

Ackerman	Condit	Gaydos
Anderson	Conte	Gejdenson
Andrews	Conyers	Gephardt
Annunzio	Cooper	Geren
Anthony	Costello	Gibbons
Applegate	Coughlin	Gilman
Aspin	Coyne	Glickman
Atkins	Craig	Gonzalez
AuCoin	Crockett	Goodling
Barnard	Darden	Gordon
Bates	Davis	Goss
Bentley	de la Garza	Grandy
Bereuter	Dellums	Grant
Berman	Derrick	Green
Bevill	DeWine	Guarini
Bilbray	Dicks	Gunderson
Bilirakis	Dingell	Hall (OH)
Bliley	Dixon	Hall (TX)
Boehlert	Donnelly	Hamilton
Boggs	Dorgan (ND)	Hammerschmidt
Bonior	Douglas	Harris
Borski	Downey	Hastert
Bosco	Dreier	Hatcher
Boucher	Duncan	Hawkins
Boxer	Durbin	Hayes (IL)
Brennan	Dwyer	Hayes (LA)
Brooks	Dymally	Hefner
Browder	Dyson	Hertel
Brown (CA)	Early	Hoagland
Bruce	Eckart	Hochbrueckner
Bryant	Edwards (CA)	Holloway
Buechner	Emerson	Horton
Burton	Engel	Houghton
Bustamante	English	Hoyer
Byron	Erdreich	Hubbard
Campbell (CA)	Espy	Huckaby
Campbell (CO)	Evans	Hughes
Cardin	Fascell	Hutto
Carper	Fazio	Jacobs
Carr	Feighan	Jenkins
Chandler	Fish	Johnson (SD)
Chapman	Flake	Johnston
Clarke	Flippo	Jones (GA)
Clay	Ford (MI)	Jones (NC)
Clement	Ford (TN)	Jontz
Clinger	Frank	Kanjorski
Coleman (TX)	Frost	Kaptur
Collins	Gallo	Kasich

Kastenmeier	Nielson	Skeen
Kennedy	Nowak	Skelton
Kennelly	Oakar	Slattery
Kildee	Oberstar	Slaughter (NY)
Kleczka	Obey	Smith (FL)
Kolbe	Olin	Smith (IA)
Kostmayer	Ortiz	Smith (NJ)
LaFalce	Owens (NY)	Smith (VT)
Lancaster	Pallone	Smith, Robert (OR)
Lantos	Panetta	Solarz
Laughlin	Parker	Solomon
Leath (TX)	Parris	Spence
Lehman (CA)	Pashayan	Spratt
Lehman (FL)	Patterson	Staggers
Lent	Payne (NJ)	Stallings
Levin (MI)	Payne (VA)	Stark
Levine (CA)	Pease	Stenholm
Lewis (GA)	Pelosi	Stokes
Lipinski	Penny	Studds
Livingston	Perkins	Sundquist
Lloyd	Petri	Swift
Long	Pickett	Synar
Lowery (CA)	Pickle	Tallon
Lowey (NY)	Poshard	Tanner
Luken, Thomas	Price	Tauke
Machtley	Pursell	Tauzin
Manton	Quillen	Taylor
Markey	Rahall	Thomas (CA)
Martin (IL)	Rangel	Thomas (GA)
Martin (NY)	Ravenel	Thomas (WY)
Martinez	Ray	Torres
Matsui	Regula	Torricelli
Mavroules	Rhodes	Towns
Mazzoli	Richardson	Traficant
McCloskey	Ridge	Traxler
McCurdy	Rinaldo	Udall
McDade	Robinson	Unsoeld
McDermott	Roe	Upton
McGrath	Ros-Lehtinen	Valentine
McHugh	Rose	Vento
McMillan (NC)	Rowland (CT)	Visclosky
McMillen (MD)	Rowland (GA)	Volkmer
McNulty	Roybal	Vucanovich
Mfume	Russo	Walgren
Michel	Sabo	Walsh
Miller (CA)	Saiki	Washington
Miller (OH)	Sangmeister	Waxman
Miller (WA)	Sarpalius	Weiss
Mineta	Savage	Weldon
Moakley	Sawyer	Wheat
Molinari	Saxton	Whittaker
Mollohan	Schaefer	Whitten
Montgomery	Scheuer	Williams
Morella	Schneider	Wilson
Morrison (CT)	Schroeder	Wise
Morrison (WA)	Schuette	Wolpe
Mrazek	Schumer	Wyden
Murphy	Serrano	Wylie
Murtha	Sharp	Yates
Myers	Shays	Yatron
Nagle	Shuster	Young (AK)
Natcher	Sikorski	Young (FL)
Neal (MA)	Sisisky	
Neal (NC)	Skaggs	

NAYS—87

Archer	Gingrich	Oxley
Armey	Gradison	Packard
Baker	Hancock	Paxon
Ballenger	Hansen	Porter
Bartlett	Hefley	Ritter
Barton	Henry	Roberts
Bateman	Herger	Rogers
Beilenson	Hiler	Rohrabacher
Bennett	Hopkins	Roth
Broomfield	Hunter	Roukema
Brown (CO)	Hyde	Schiff
Bunning	Inhofe	Schulze
Callahan	Ireland	Sensenbrenner
Coble	James	Shaw
Coleman (MO)	Johnson (CT)	Shumway
Combest	Kyl	Slaughter (VA)
Courter	Lagomarsino	Smith (NE)
Cox	Leach (IA)	Smith (TX)
Crane	Lewis (CA)	Smith, Denny (OR)
Dannemeyer	Lewis (FL)	Smith, Robert (NH)
DeLay	Lightfoot	Snowe
Dickinson	Lukens, Donald	Stangeland
Dornan (CA)	Madigan	Stearns
Edwards (OK)	Marlenee	Stump
Fawell	McCandless	Walker
Fields	McCollum	Weber
Foglietta	McCrery	Wolf
Gallegly	McEwen	
Gekas	Meyers	
Gillmor	Moorhead	

NOT VOTING—11

Alexander	Kolter	Rostenkowski
DeFazio	Moody	Vander Jagt
Frenzel	Nelson	Watkins
Gray	Owens (UT)	

□ 1640

Mr. STANGELAND changed his vote from "yea" to "nay."

Mr. GUNDERSON and Mr. THOMAS of Wyoming changed their vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment was concurred in.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. NELSON of Florida. Mr. Speaker, had I been present, I would have voted "aye" on rollcall No. 163.

IDAHO CENTENNIAL DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 245) designating July 3, 1990, as "Idaho Centennial Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore (Mr. HATCHER). Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I do so in order to yield to the chief sponsor of the joint resolution, the gentleman from Idaho [Mr. STALLINGS].

Mr. STALLINGS. Mr. Speaker, I would like to thank the gentleman from Ohio [Mr. SAWYER] chairman of the Subcommittee on Census and Population, and the ranking minority member, the gentleman from Pennsylvania [Mr. RIDGE], for bringing this legislation to the floor. In addition, I am pleased to note that a majority of our colleagues have joined me in sponsoring House Joint Resolution 466, officially recognizing the Idaho centennial on July 3, 1990. In particular, I'd like to thank my colleague from Idaho, Mr. CRAIG, for his important contribution to this effort. And finally, I would like to note the outstanding work of the Idaho Centennial Commission, and the people themselves, who have given tirelessly to prepare community events around the State.

Mr. Speaker, as a historian, I have always found special enjoyment exploring and celebrating the past. When Sacajawea led the Lewis and Clark expedition over the Bitteroot Mountains into her Idaho homeland, the explorers discovered a world of unmatched beauty and potential. In the years that followed, the land captivated the imagination of explorers and settlers alike, and many chose to stay and call it home. Our pioneer farmers made the desert bloom, turning the sagebrush into an agricultural bonanza. The promise of gold and silver brought miners to the Idaho mountains and they, in turn, delivered to the Nation a vast array of mineral wealth. Loggers harvested the forests and provided the materials to build towns and industries. Ranchers raised cattle and sheep to feed and clothe the Nation. In short order, the special combination of enterprising people and environmental wealth had earned Idaho the opportunity to become a State.

Mr. Speaker, a century later, the Idaho centennial celebration is in full swing and I want to take a moment and encourage all Americans to stop in for a visit. There is energy and excitement throughout the State that can not be matched. From the smallest towns to the largest cities, the people of Idaho are pausing to look back to the accomplishments of the past as they prepare for the bright and promising future. It is a celebration that is a tribute to Idaho and the Nation, truly of, by, and for the people. But be careful; if you visit Idaho this year, you may not want to leave.

I thank my colleagues for their consideration of this bill and I urge passage of House Joint Resolution 466.

Mr. RIDGE. Mr. Speaker, continuing my reservation of the right to object, I would like to thank the gentleman from Idaho [Mr. STALLINGS] and I yield to the chief Republican sponsor of this joint resolution, our friend and colleague, the gentleman from Idaho [Mr. CRAIG].

Mr. CRAIG. Mr. Speaker, I thank the gentleman very much for yielding.

Mr. Speaker, it is my pleasure to join with my colleague from the second district, the gentleman from Idaho [Mr. STALLINGS]. We have worked jointly to bring to the floor House Joint Resolution 466, recognizing Idaho's 100th birthday.

On July 3, 1890, at 10 a.m., President Benjamin Harrison signed a proclamation declaring Idaho a State, and this year the birthday party is on. As my colleague has mentioned, from the smallest community to our largest community, the city of Boise, our capital, there are great and grand events that we invite all Americans to come and participate in.

It is oftentimes difficult for Idahoans to realize that we are really a very young State. This morning, on the steps of the Capitol, I spoke to a young group of Idaho citizens from a high school in north Idaho. They were here visiting our Nation's Capital, looking at sights that are in some in-

stances nearly 300 years old. While Idaho or the area of the territory was contemplating statehood this Nation was already a good number of years old with a thriving civilization and community environment here on the east coast.

□ 1650

So, Mr. Speaker, it is now Idaho's turn, as it is many Western States, to claim 100 years of age and to recognize that through this resolution both the gentleman from Idaho [Mr. STALLINGS] and I are proud that we can be a part of it and that the U.S. Congress and the citizens of this country can, in fact, be a part of recognizing our State's birthday.

Mr. Speaker, I say to my colleagues, "We hope you all come to Idaho in the course of the year and have a good time in our marvelous and beautiful State."

We encourage our fellow Members to vote for this resolution, and we thank them for joining with us and the 223 signatures and cosponsorships that it took to bring this issue to the floor.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. HATCHER). Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 245

Whereas at 10 a.m., on July 3, 1890, President Benjamin Harrison signed a proclamation declaring Idaho a State;

Whereas the State of Idaho is known as the Gem State;

Whereas the State of Idaho has become a national leader in agriculture, natural resource industries, technology, and manufacturing;

Whereas the people of Idaho have harvested the natural abundance to produce a wealth which has enabled the building of cities, educational institutions, an unhurried pace of life, and a rich culture, while maintaining the pristine ecology;

Whereas the beautiful mountains, rivers, lakes, trees, deserts, plains, and fields of the State of Idaho are appreciated and preserved, and the quality of life is unsurpassed; and

Whereas on July 3, 1990, the State of Idaho will begin a new century of statehood: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 3, 1990, is designated as "Idaho Centennial Day", and the President is authorized and requested to issue a proclamation acknowledging the economic, social, and historic contributions of the people of the State of Idaho to the United States during the past century.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BALTIC FREEDOM DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 251) designating "Baltic Freedom Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I yield to the gentleman from Pennsylvania [Mr. RITTER], the cosponsor of the joint resolution.

Mr. RITTER. Mr. Speaker, I am quite pleased that we are considering here today Senate Joint Resolution 251 which will commemorate June 14 as Baltic Freedom Day. It comes at a particularly opportune time in history when the Baltic States are emerging from bondage. I want to especially thank my colleague, the gentleman from Michigan [Mr. HERTEL], who has worked closely with me on this project over the years, and I would like to thank also Senator DON RIEGLE for his efforts in the Senate.

Mr. Speaker, this is a unique year for Baltic Freedom Day, and, my colleagues, we are looking forward to even greater fulfillment of the dream of real Baltic freedom every day.

The support of this bill, by Members of all political stripes is encouraging. It commemorates the anniversary of one of the darkest days in their difficult struggle, and it sends an important message to the people of the Baltic nations, and to President Gorbachev and President Bush, that the people of the United States support the Baltic people in their struggle for self-determination and independence.

This June 15 will mark the 49th anniversary of the brutal deportation of thousands of Baltic citizens by Soviet troops under the direction of Joseph Stalin. During the dark night of June 14, over 40,000 Estonian, Latvian, and Lithuanian citizens were arrested by the Soviet secret police and the army, thousands died and most were deported to concentration camps in Siberia where large numbers perished. June 14, 1941, marked the beginning of numerous waves of forcible deportation from the Baltic States that resulted in the loss of over 600,000 Baltic citizens: In 1941, 1945, 1946, and 1949; and that is out of a population of only several millions of people.

Mr. Speaker, we must not forget June 14, 1941, because, as we have seen in recent months, vestiges of Stalinism remain in the Baltic States.

In fact, today marks the 55th day of the economic blockade of Lithuania by the KGB and the Soviet military. The people of Lithuania, now live under war time conditions of rationing. No gasoline has been available for private consumption for almost a month, and 85 percent of the households in cities in Lithuania have no running hot water.

The most difficult conditions caused by the Soviet military's blockade, are in the Lithuanian hospitals where most surgical, radiological and laboratory testing procedures have been suspended because of a shortage of sterilizing chemicals, surgical thread, and heat and electricity for hospital wards.

Mr. Speaker, now is the time for the Congress of the United States to send a clear message to President Gorbachev and to President Bush that we support the Lithuanian people, and all of the Baltic peoples, in their struggle for freedom, self-determination, and independence.

The Baltic people have suffered and died for too long in their struggle to regain their independence. As we remember June 14, 1941, and we see the continued oppression and military occupation of the Baltic nations and the economic blockade, we should commemorate this year's Baltic Freedom Day with a solemn realization of their terrible suffering.

And, we have the moral mandate to help, to help this tree of suffering bear its fruit: Democracy has been reborn in the Baltic States, it is in its infancy and cries out to us for support and assistance. We cannot, we must not turn away in this crucial time.

We have reached a historical turning point. The U.S. Congress has passed the "Baltic Freedom Day" Resolution for the past 9 years, but for the first time Baltic freedom is no longer a distant and faint hope, a dream, it has the potential for reality. For the first time in 50 years there are freely elected governments in the Baltic States that have embarked on the road to reestablishing true independence in Estonia, Latvia, and Lithuania.

Mr. Speaker, I thank my colleagues for their support of this year's Baltic freedom resolution, which now more than ever stands as an important statement of our solidarity with the Baltic people in their continued struggle for freedom.

Mr. RIDGE. Mr. Speaker, further reserving the right to object, I yield such time as he may consume to our colleague and friend, the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Speaker, I thank the gentleman from Pennsylvania [Mr. RITTER] for offering this important resolution.

Several months ago an historic event occurred, and one that will be remembered for many years to come. The Berlin Wall came down signalling an end to the cold war, signalling an era of peace and of hope around the world, and since then some of the

leaders from the nations which once formed the Warsaw Pact have come to this very Chamber to take this well and to speak to us about their dreams and aspirations of freedom.

Mr. Speaker, each of us in America have taken for granted these principles for so long, but to hear these new leaders of the new democracies come to the United States to make their first speech because they want to identify with our freedoms is truly an inspiration to every American.

However, my colleagues, do not believe for a second that the fight for freedom is over around the world. Do not believe for a second that the battles have been won.

In the Baltic area, unfortunately the people of Estonia, Latvia and Lithuania still beg and aspire for that same freedom that has been enjoyed in Eastern Europe, and they look to the West for support. For 50 years the United States of America has stood steadfastly in favor of freedom and independence for the Baltic nations. We have said, through Democratic and Republican Presidents alike, that these countries were taken by Hitler and Stalin in one of the dirtiest deals of World War II and that they should have their freedom restored.

Yes, my colleagues, we led. We led the world in saying that the Baltic nations should have their freedom, and now today, as the political situation changes in Eastern Europe and the Soviet Union, one would think the opportunity would be there. But it has not been. Unfortunately for the Baltic nations, they are still only dreaming of freedom.

Mr. Speaker, this resolution by the gentleman from Michigan in the other body and by the gentleman from Pennsylvania [Mr. RITTER] in this body states again what we have said for half a century, that we stand behind the people of the Baltic States, the Estonians, the Latvians and the Lithuanians, and, like other action we have taken on this House floor, we are saying with this important resolution that we will not forget their dream of freedom, and the day will come when the Presidents of Estonia, Latvia and Lithuania as free nations stand in this Chamber and we cheer them for their aspiration of freedom and democracy as we have enjoyed for so many years in this country.

Mr. Speaker, I salute the sponsors of the resolution.

Mr. RIDGE. Mr. Speaker, further reserving the right to object, I yield to the gentleman from Ohio [Mr. SAWYER].

Mr. SAWYER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I simply want to include in the RECORD, at this point, a letter from Chairman FASCELL, of the Committee on Foreign Affairs, that indicates a waiver, without prejudice, of jurisdiction on the resolution being considered.

The letter further requests that any reports submitted to Congress, in accordance with clause 4 of the resolution, be submittted to both the Committee on Foreign Affairs and the Committee on Post Office and Civil Service.

COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, June 12, 1990.

Hon. WILLIAM D. FORD,
Chairman, Committee on Post Office and Civil Service, Washington, DC.

DEAR MR. CHAIRMAN: I am writing with respect to H.J. Res. 493, designating June 14, 1990, as "Baltic Freedom Day", and for other purposes. It is my understanding that the Committee on Post Office and Civil Service is planning on having this considered on the Floor sometime this week.

Due to the timeliness of this resolution, I would have no objection to the consideration of this measure, without prejudice to the jurisdiction of the Committee on Foreign Affairs, as soon as possible. I would, however, request that the Presidential report required by clause (4) of the resolution be submitted to the Committee on Foreign Affairs, as well as your committee, when it is received.

With best wishes, I am

Sincerely yours,

DANTE B. FASCELL,
Chairman.

Mr. GILMAN. Mr. Speaker, I rise to express my strong support for House Concurrent Resolution 493, designating June 14, 1990, as "Baltic Freedom Day." From 1918 to 1940, the Baltic States existed as independent, sovereign nations and as fully recognized members of the League of Nations. The Baltic peoples have cherished the principles of religious and political freedom throughout their entire history.

This extraordinary year during which we have seen Eastern Europe begin to democratize is especially significant for Estonia, Latvia, and Lithuania; 1990 marks the 50th year of the invasion, seizure, and illegal incorporation of the Baltic States into the Soviet Union against the national will and desire for independence of the Baltic people.

For the last 50 years, Soviet occupying forces engaged in the forced deportation of native Baltic peoples from their homelands to concentration camps in Siberia. Now, with the advent of glasnost in the Soviet Union, we call upon President Gorbachev to move out of the way and allow the aspirations of the Baltic peoples to become a reality.

In the spirit of democratization and progress in the U.S.S.R., we call upon the Soviet Union to uphold basic principles of international law, to uphold principles and rights which are guaranteed by the Soviet Constitution.

Accordingly, Mr. Speaker, I commend the gentleman from Pennsylvania [Mr. RITTER] for his outstanding work on this measure, and I urge its unanimous adoption by this body.

□ 1700

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. HATCHER). Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 251

Whereas the people of the Baltic States of Estonia, Latvia, and Lithuania have cherished the principles of religious and political freedom and have recently held mass demonstrations calling for freedom and independence;

Whereas from 1918 to 1940, the Baltic States existed as independent, sovereign nations and as fully recognized members of the League of Nations;

Whereas 1990 marks the 50th anniversary of the invasion, seizure, and illegal incorporation of the Baltic States into the Soviet Union against the national will and the desire for independence and freedom of the Baltic people;

Whereas 1990 also marks the 50th anniversary of the continued policy of the United States of not recognizing the illegal forcible occupation of the Baltic States by the Soviet Union;

Whereas, due to Soviet and Nazi collusion, the Baltic States suffered a loss of one-third of their population by the end of World War II;

Whereas, under Soviet occupation, the native Baltic peoples have been deported from their homelands to forced labor and concentration camps in Siberia and elsewhere;

Whereas the people of the Baltic States have unique indigenous cultures, national traditions, and languages, which have been threatened by decades of russification;

Whereas the Soviet Union has introduced into the Baltic States ecologically unsound industries without proper safeguards, and the presence of those industries has critically endangered the environment and well-being of the Baltic people;

Whereas, as part of Soviet President Mikhail Gorbachev's campaign of openness, restructuring, and democratization, the Soviet leaders have officially acknowledged the illegality of the secret protocols to the 1939 Molotov-Ribbentrop Pact, which led to the Soviet military invasion of the Baltic States in 1940;

Whereas, in the spirit of openness and democratization, the Baltic peoples are affirming their right, upheld both by international law and by the Soviet Constitution, to restore full independence through parliamentary and peaceful means; and

Whereas the United States, as a member of the United Nations, has repeatedly upheld the right of nations to self-determination: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) the Congress recognizes the continuing desire and right of the people of the Baltic States for freedom and independence;

(2) the Congress, in keeping with the policy of the United States to deny recognition of the Soviet occupation of the Baltic States, urges the Soviet Union to recognize the sovereignty of the Baltic States and to yield to the rightful demands of the Baltic peoples for independence from foreign domination and oppression, as guaranteed by Principle Eight of the Helsinki Accords, to which the Soviet Union is a signatory;

(3) June 14, 1990, the anniversary of the first mass deportation of the Baltic peoples from their homelands in 1941, is designated as "Baltic Freedom Day", as a symbol of the solidarity of the people of the United States

with the aspirations of the captive Baltic people; and

(4) the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe Baltic Freedom Day with appropriate ceremonies and activities, and to submit to the Congress within 60 days a statement articulating specific actions the United States Government is taking, in fulfillment of the intent of the nonrecognition principle to—

(A) support the peaceful restoration of the independence of the Baltic States; and

(B) to encourage Soviet support for a peaceful transition to independence and democracy in the Baltic States.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on Senate Joint Resolution 245 and Senate Joint Resolution 251, the Senate joint resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

VACATING SPECIAL ORDERS

Mr. DOUGLAS. Mr. Speaker, I ask unanimous consent that the 60-minute special orders granted to the gentleman from Arizona [Mr. KYL] and the gentleman from Georgia [Mr. GINGRICH] on June 20, 1990, be vacated.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

CONSTITUTIONAL AMENDMENT ON FLAG BURNING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire [Mr. DOUGLAS] is recognized for 5 minutes.

Mr. DOUGLAS. Mr. Speaker, what I want to do this afternoon is to discuss for 5 minutes where we stand with regard to the flag amendment to the Constitution.

I think as everybody in this body knows, we had the flag amendment before the Judiciary Committee last year, but it was stolen from us by a maneuver whereby a statute was drafted and put on the floor and adopted. At that time I voted against the statute. I spoke against it in the committee. I said it was a sham and a joke and I said the committee was going to get an "F" on the statute, and it did. The statute was struck down by the same 5-to-4 vote and for the same reasons that the Court had previously ruled a year ago this month in the case of Texas versus Johnson.

Now, tomorrow morning at 9 o'clock in the Cannon Office Building, there will be a hearing by the Subcommittee of Civil and Constitutional Rights of the Committee on the Judiciary. The gentleman from California [Mr. EDWARDS] and the gentleman from Wisconsin [Mr. SENSENBRENNER], who are the leaders of that committee, will begin their work of marking up a constitutional amendment to properly protect the American flag.

I do not know what they are going to be doing, but I hope that it is the bipartisan Michel-Montgomery amendment.

My committee has not done a stellar job of rewriting things. I think it would do best just to not fiddle with it, but pass the amendment out of the subcommittee so that next week on the 19th when the full committee takes up the constitutional amendment, we could adopt it and send it here to the floor so that we could have a rollcall vote on the constitutional amendment prior to the Fourth of July.

Now, there are a couple of things that people have said; namely, one of the chairmen, the gentleman from California [Mr. EDWARDS] has said that this is politicizing the flag. Let me answer that charge. This is not politicizing the flag. That was done by the leadership of this body last year when they denied us the right, both in the committee and on this floor, to vote on the constitutional amendment. Had we done so, it would have gone to the States in 1989 and they would be debating it and determining whether to ratify it; but unfortunately, they chose to politicize it and delay it and then try to get the Supreme Court to delay the question and dump it into this year, so that to the extent that there is a political problem it is not one of the minority's making. It is one of the majority party's making.

Second, they will say, "What is the problem? Why are we fixing this problem? When have there been flag burnings?"

I have a number of clippings in front of me of over a thousand instances, that is one-oh-oh-oh, over a thousand instances of flag burnings around the country. Portland, OR, in May, there was a flag burning.

Seattle, last October, over a thousand flags burned.

Utah, in the fall of 1989, another flag burning.

My own State of New Hampshire in Newport had a flag burning.

Now, these are just a few clippings from around the country to show that we do have a steady problem. We have flag burnings occurring all over this Nation.

I would submit that we have an obligation to that special symbol to protect it.

Now, the third point I want to make is this. People say, "How can you do this? You are hurting the first amendment."

If I honestly thought that, I would not support the constitutional amendment, but I offer a quote from Earl Warren, former chief Justice of the U.S. Supreme Court in the case of Street versus New York, in which he said:

> I believe that the States and the Federal Government do have the power to protect the Flag from acts of desecration and disgrace.

He was joined in that opinion with Hugo Black, a strong believer in the first amendment, Justice Black said:

> It passes my belief that anything in the Federal Constitution bars a State from making the deliberate burning of the American Flag an offense.

That is the end of the quotation from Justice Hugo Black.

These two men were strong, steady civil libertarians, but they knew you could draw a line, a line between speech, parading and writing letters and publishing newspapers, a line called conduct, the physical act of burning the American flag, and that one limited message is all we are trying to do here in this body, I hope between now and the Fourth of July, and that is to properly protect the American flag.

I thank the Chair for the opportunity to share these views with the membership.

H.R. 4424—LANGUAGE OF GOVERNMENT ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. EMERSON] is recognized for 5 minutes.

Mr. EMERSON. Mr. Speaker, last Tuesday, an overwhelming majority of Alabama voters—89 percent—declared that English should be that State's official language. Alabama thus become the 18th State to enact such a measure, either by constitutional amendment or by statute.

The move is a wise one indeed. Language is a powerful tool, not to be underestimated. Reason tells us, and history confirms, that those who speak the same language are invariably united in a common identity. Those who cannot communicate with one another are destined to inevitable misunderstandings and misconceptions.

What we have here in America—our famed melting pot—is an unusual phenomenon. Throughout the history of the world, wars have been fought, lives have been lost, and century-old conflicts have taken place over differences in culture, religion and heritage. Yet

we, a nation of immigrants, have been able to live with one another in peace. Why? Largely, it is because we share a common goal, a common identity. Our common language has provided a kind of national glue, a common thread, by which people of diverse cultures and backgrounds can live and work side by side.

Back in 1915, Theordore Roosevelt warned us that "the one absolutely certain way of bringing this Nation to ruin, of preventing all possibility of its continuing to be a nation at all, would be to permit it to become a tangle of squabbling nationalities." With Tuesday's vote, the people of Alabama have affirmed their intention to focus on our strengths, our common bond and keep our Nation together. It's time for Congress to take that same step. Support H.R. 4424, the Language of Government Act, to maintain that bond that makes each and every one of us, no matter what our skin color, heritage, or national origin may be, uniquely American.

JUNE 14: A DAY TO BECOME SERIOUS ABOUT PROTECTING THE FLAG

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana [Mr. TAUZIN] is recognized for 5 minutes.

Mr. TAUZIN. Mr. Speaker, June 14 is an important day in my life personally. It is the day 47 years ago mom and dad gave birth to their only son.

But it is also an important day for America, and it is a day, I hope, when we become serious about protecting the U.S. flag from desecration.

I would hope, frankly, this House can move swiftly in providing the American public a chance to vote on making that kind of conduct unlawful in our society. That is not speech. That is conduct that is reprehensible, and we ought to make it illegal in our society.

THE "MEGA BORG" INCIDENT

Mr. Speaker, I wanted second to call the attention of the Members to the ongoing incident in the Gulf of Mexico, the incident involving the Norwegian tanker *Mega Borg,* which is still afire, although the Coast Guard indicates that the fire is increasingly coming under control.

That vessel contains 39 million gallons of oil, about three times the equivalent of what was being carried in the *Exxon Valdez.* The good news is that the tank containing the oil is intact and was never compromised in the incident, at least as of this time. And the good news is that the great bulk of that oil is not likely to spill into the Gulf of Mexico if the fire can be brought under control.

The bad news is that we were as unprepared to deal with that catastrophe as we were to deal with the *Exxon Valdez.* Let me say it again: the bad news is today we were as unprepared to deal with a catastrophe like the *Exxon Valdez* as we were several years ago when the *Exxon Valdez* incident first occurred.

Let me tell the Members why we are unprepared. It is not that this Government is not collecting the tax of 5 cents per barrel that we mandated be collected to be prepared. We are collecting that money. In fact, as of April, the collection has accrued to the tune of $55.2 million.

Let me tell the Members the bad news. Not one dime of that money has been spent to buy one piece of equipment, to employ one person, to pre-position one set of supplies, to deal with a catastrophe like a big spill in the Gulf of Mexico or anywhere else along the coast of the United States. Why Not? Because OMB and the Committee on the Budget in this Chamber have dedicated those tax collections, 5 cents per barrel, to offset deficits of this Government. OMB plans to use the money in that trust fund through 1991, to offset deficit spending instead of providing it to do the job the Coast Guard needs done to provide personnel and equipment to get us ready for those spills when they occur. That is scandalous, but it is fact.

Not one dime is being spent to prepare us for those spills when they occur when, in fact, we are collecting the tax today to prepare for those spills. So the Coast Guard is stretched thin today.

Four incidents right now in the Atlantic and Gulf, 37 personnel assigned to four incidents in the Coast Guard.

If the Members think their coastline is protected, let me assure them we are are in no better shape today then we were before the *Exxon Valdez.* We will not be in better shape until two things happen: First, OMB and the budget process has to begin allocating some of these funds to the Coast Guard for pre-positioning strike teams; and second, we need to complete the work on the oilspill liability bill now in conference.

Let me call the Members' attention to one problem the Norwegian tanker incident has called again to our attention, and that is that we have not yet ratified the international protocols, and the Senate is still objecting to ratifying those protocols. Without the international agreement which we negotiated and which we signed and which we have not yet ratified, this people, this Government and our people, are unprotected from international oilspills by international tankers. That Norwegian tanker is not in American waters. It is in international waters. It is an internationally flagged vessel, and we have no protections whatsoever if that vessel does not assume responsibility for its own actions. Until we ratify those protocols we are, in fact, unprotected.

Mr. Speaker, as we meet here today, first, we do not have strike teams out there; second, we have not ratified the protocals.

The only conclusion I can reach from those two facts is that we are as unprotected today as we were before the *Exxon Valdez.*

Can we do something about it? Yes. We can get OMB to spend some of that money on the Coast Guard like we intended, put out some strike teams and some equipment, and second, we can hurry the process of the oilspill liability bill and ratify the protocols to give this country some protection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

[Mr. ANNUNZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

SUPPORT H.R. 4329, AMERICAN TECHNOLOGY PREEMINENCE ACT OF 1990

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. VALENTINE] is recognized for 5 minutes.

Mr. VALENTINE. Mr. Speaker, I would like to call to the attention of my colleagues an article that appeared in the April 30 edition of Business Week Magazine entitled "Industry Needs A Better Incubator Than The Pentagon." It states what everyone has known for some time but no one wants to admit. The United States indeed has depended very heavily on the Pentagon, which in some years has spent as much as one-third of the Nation's research and development dollars, for the technology base underlying many of this Nation's most successful commercial technologies. Many major innovations in technology, such as supercomputers, telecommunications, aerospace, and advanced materials can be directly traced back to Pentagon research and development. Now, with the end of the cold war clearly in sight, and declines in defense spending occurring, we need to look for new ways for guaranteeing that American industry receives the government assistance it so desperately needs to keep up with the industrialized nations of the world. One way to do this is through the technology programs of the Department of Commerce, especially the Advanced Technology Program established by the Omnibus Trade and Competitiveness Act of 1988 (Pub. L. 100–418). This program was created to foster the development of emerging technologies, encourage joint ventures, and help American companies meet the challenge of foreign technology initiatives, most of which are government-supported. I urge my colleagues to support this program when H.R. 4329, the American Technology Preeminence Act of 1990, comes up for consideration on the House floor.

INDUSTRY NEEDS A BETTER INCUBATOR THAN THE PENTAGON

(By Robert Kuttner)

Ever since World War II, the U.S. has had an unacknowledged industrial policy known as the Pentagon. Every time the military buys a new weapon system, it subsidizes a technology. The Pentagon also invests massively in basic research through national laboratories, independent contractor research, and applied projects financed by the Defense Advanced Research Projects Agency. DARPA, with a budget of over a billion dollars a year, is the U.S. equivalent of Japan's Ministry of International Trade & Industry.

Officially, America's stated economic ideology is laissez-faire. The government stays out of the private market, and private investors decide which new technologies to back. It is therefore awkward to admit the role of the Pentagon as America's MITI. But the Pentagon can rightly claim parentage of major innovations in everything from computerized machine tools to integrated circuits, advanced composite materials, supercomputers, optics, and telecommunications.

The U.S. government maintains the pretense that it nonetheless practices laissez-faire by acting as if the Pentagon is wholly separate from the marketplace. Just as national defense occasionally requires practices otherwise odious to a free society, such as conscription, censorship, and killing, it occasionally requires a dose of (gasp!) economic planning. Thus, the private market economy is over here, the national security establishment over there, and never the twain shall meet.

Dangerous Dependency. But real economies don't work that way, for research spills over. It was not the invisible hand but the U.S. Air Force that made commercial aircraft America's largest export winner. Moreover, the Pentagon itself needs a strong commercial economy for many products vital to the national defense. If, for example, the U.S. semiconductor industry were to vanish, the Pentagon would either depend on foreign producers for a strategic product or would maintain an in-house semiconductor industry at astronomical expense.

In 1989, the Pentagon published a list of 22 "strategically critical" technologies. These included a few purely military ones, such as automatic target recognition. But for the most part, it listed broad generic technologies key to commercial competitiveness: microelectronic circuits, robotics, fiber optics, biotechnology, superconductivity, and advanced composite materials, among others. The premise that any commercial fallout must be incidental to a military purpose ties technology policy into knots. And as the cold war winds down, it becomes ever harder to argue that these advanced technologies are purely military imperatives.

Advocates of civilian industrial policy find themselves using the Pentagon as a stalking horse because it is the only ideologically permissible game in town. Senator Jeff Bingaman (D.-N.M.), who chairs the Armed Services subcommittee on defense industry and technology, has conducted a series of brilliant hearings, smoking out the dirty little secret that militarily and commercially strategic technologies are essentially one and the same. A group called Rebuild America, chaired by Representative Mel Levine (D.-Calif.) has lobbied for industry-led research consortiums in key emerging industries with both military and commercial applications such as high-definition television.

Starvation diet. However, the White House is wise to the stalking-horse game. It has virtually killed public funding for HDTV and is also trying to shave DARPA's budget. In the 1988 trade act, Senator Ernest F. Hollings, (D.-S.C.) managed to insert a provision setting up a tiny commercial technology office in the Commerce Dept., known as the National Institute of Standards & Technology. But the Administration has starved NIST for funds. Supporters of even minimalist industrial policy within the Administration—Commerce Secretary Robert A. Mosbacher and Deputy Secretary Thomas J. Murrin, Craig I. Fields at DARPA, and White House science adviser D. Allan Bromley, have been outflanked and undercut by the laissez-faire ideologues at the White House—Chief of Staff John H. Sununu, Chief Economic Adviser Michael J. Boskin, and Budget Director Richard G. Darman.

Other nations, of course, have neither our dogmatic devotion to laissez-faire nor a large defense establishment as a closet industrial policy. Japan's MITI is clear about its commercial goals: It wants Japan's advanced industries to be second to none. The European Community, likewise, can admit that it has a civilian technology policy frankly intended to advance European industry.

The end of the cold war forces a reckoning. America needs to support key technologies not because the Russians are coming but because individual private companies don't invest enough in research and development. An advanced economy requires advanced technology. We've been able to maintain the myth that the invisible hand does it all, only because of the anamalous role of the Pentagon. But that hasn't fooled our trading partners—only ourselves. It's high time to get serious about helping industry develop the commercial technology America needs.

AMERICA AND THE PHILIPPINES: A SPECIAL BOND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. GUARINI] is recognized for 5 minutes.

Mr. GUARINI. Mr. Speaker, June 12 is a very special day for the people of the Philippines and the people of the United States.

It is a day to celebrate Philippine independence, a day to celebrate an extraordinary friendship between two nations and two peoples, and a day to renew America's commitment to democracy around the world.

I have been interested in the Philippines since the Second World War, when I served in the Pacific Theater with the U.S. Navy. The liberation of the Philippines was an important moment in history, and a rewarding experience.

During the battles of Leyte and Lingayen Gulf, I saw firsthand the bravery and valor that has characterized Philippine history. I have come to know a people whose warmth and friendship have created a timeless bond between our two nations.

Nothing better illustrates the ties that bind our nations than the victory of democracy in the Philippines. Throughout the world there is a trend towards freedom, a movement for democracy, a belief in what is known in the Philippines as people power.

The Philippines face the economic challenge of poverty and the military challenge of armed insurgence. American support and American commitment are more important than ever, as democratic institutions are consolidated and the people struggle for a better life.

The Philippine people have always had a unique devotion to learning and a great interest in music, literature and art. Filipinos, like Americans, prosper from a culture of diversity. Both of our nations are a mosaic of many different people, from many different cultures, united by common values and ideals.

While the major languages are Tagalog, Filipino and English, more than 70 native dialects are spoken throughout the nation. The Philippines are a wonderful blend of Asian and Western traditions, an openness to new ideas combined with a real sense of history.

The United States stands with President Cory Aquino as she works for peace, prosperity, and stability. We stand with the people of the Philippines in their search for even greater progress. And as democracy spreads around the world, we are proud of the leading role played by the Philippines and committed to a future that continues and expands the extraordinary friendship between our nations.

CONGRESSIONAL DELEGATION TO KOREA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 60 minutes.

Mr. MONTGOMERY. Mr. Speaker, during the period of May 25 to May 31, it was my privilege to lead a congressional delegation to Panmunjom, Korea, to accept five sets of remains from the Korean conflict.

This marked the first time since 1954 that North Korea had returned remains from the war.

Mr. Speaker, we think this is a positive step that will expedite the transfer of additional remains of those from all countries who fought in the Korean conflict. This humanitarian gesture should foster good will that could lead to a step-by-step improvement in relations between North Korea and the United States as well as between North and South Korea. I think it is very important to note that the timing of this turnover was very appropriate. It took place on Memorial Day weekend and on the eve of the 40th anniversary of the start of the war which we will mark on June 25.

I want to thank my colleagues who went on this trip with us, the special delegation, the gentleman from Arizona [Mr. STUMP], who is a World War II veteran and ranking Republican on the Committee on Veterans' Affairs, the gentleman from Michigan [Mr. TRAXLER], a Korean war era veteran, who served in the Army.

□ 1720

I would like to thank the gentleman from New York [Mr. SOLOMON], who served with the Marine Corps during the Korean conflict. He is the former ranking member of the Committee on Veterans' Affairs. Also the gentleman from Indiana [Mr. MCCLOSKEY] as well as the gentleman from Nevada [Mr. BILBRAY]. Both of these Members serve on the Committee on Armed Services, and I might say both were working through other channels, the gentleman from Nevada [Mr. BILBRAY] and the gentleman from Indiana [Mr. MCCLOSKEY], in getting these remains back, and they helped a great deal on getting this trip to move forward enabling us to go to Panmunjom.

I would like to thank the gentleman from Colorado [Mr. CAMPBELL], who as an 18-year-old kid from Colorado went to Korea. He was in combat there and I think he got a lot out of the trip, probably more than the rest of us. He had served there in Korea and saw some South Korean friends that he participated with in this conflict.

Then we have the gentleman from Pennsylvania [Mr. WELDON], also on the Committee on Armed Services, whose tie with the ceremony was very important. It could be that one of the remains we brought back could be from his congressional district.

Mr. Speaker, I have some other remarks, but since some of my colleagues are here, I would like to yield to different ones at this time who would like to make any remarks.

Mr. Speaker, I yield to the gentleman from New York [Mr. SOLOMON] on the Committee on Rules, a former member of the Committee on Veterans' Affairs, who went on the trip. He is a Marine combat veteran and a great person to travel with.

Mr. SOLOMON. Mr. Speaker, first of all let me congratulate the gentleman from Mississippi [Mr. MONTGOMERY], because I do not think we have seen it in the paper yet, but the U.S. Supreme Court this morning ruled in favor of the Montgomery amendment which blocked Governors from holding back the National Guard if they are called into service in an emergency.

We take our hat off to the gentleman from Mississippi [Mr. MONTGOMERY]. That was a great amendment and it came at a great time.

Let me also thank the gentleman from Mississippi [Mr. MONTGOMERY] for the privilege of traveling with him to the DMZ to bring back the remains of our fallen soldiers. It was an emotional time for all of us.

The Communist philosophy is the only governmental philosophy that has ever withheld the remains or kept prisoners of war after a war has ended. To think that all this time has passed now, some 36 years since the truce at the DMZ, to think that we still have the possibility of live POW's over there, to think that we still know from our own prisoners who did return to this country where some of our dead are buried, and to think that that Communist governments still to this day will not let investigatory committees go in to find those bodies and to bring them home, is a terrible, terrible shame. At least there are going to be five families that will have some peace of mind, and perhaps there is hope from all the work that the gentleman from Mississippi [Mr. MONTGOMERY] has done and all the others that we will have future remains brought home, so that these families can, God rest their souls, rest in peace.

I commend the gentleman and the rest of the committee for the fine job they did in going over there to bring home those bodies. Let us hope it does lead to other future results. Again, thank you for all you have done, SONNY.

Mr. MONTGOMERY. I thank the gentleman from New York [Mr. SOLOMON] for his total support. It is a long trip over there, 19,560 miles roundtrip, and we all felt like we handled ourselves pretty well. We do hope that we can further see that we get more Americans returned. We know there are some more there, certainly, and we would like to bring them home for proper burial.

Mr. Speaker, I yield to the gentleman from Indiana [Mr. MCCLOSKEY].

Mr. MCCLOSKEY. Mr. Speaker, I too would like to commend the gentleman from Mississippi [Mr. MONTGOMERY], the distinguished member of the Committee on Armed Services and chairman of the Committee on Veterans' Affairs, for his leadership in this area. This is not a one-time thing or a brief thing with Chairman MONTGOMERY. This is something that the gentleman has been working on for years as to Indochina, as to Korea, and indeed for service personnel for all wars. As the gentleman from New York [Mr. SOLOMON] says, Mr. Chairman, from the bottom of my heart I want to thank you, and I know the gentleman from Nevada [Mr. BILBRAY] too, for your generosity in allowing us full and total participation in the workings of that Codel. It is very important that the Montgomery-Codel brought back five sets of remains. Historically it is very important that these are the first to come back since the close of the Korean war.

Until recently, as all Members know, the Korean conflict in many ways seemed somewhat lost to history, a nearly forgotten episode between two other conflicts.

I commend the governments of North Korea and the Soviet Union for their sincere and compassionate efforts regarding these remains. As North Korean officials have indicated to me recently, and also to the gentleman from Nevada [Mr. BILBRAY], literally hundreds or more remains are available if a process is established between our two governments, or, as the case may be, and this is a matter of some controversy, the various governments involved to return those remains.

We need further agreements, we need a process, and we hope we hear something positive soon, that we continue to hear positive things from the Government of North Korea.

Never forget that hundreds of Americans, one figure reliably reported now, which obviously can vary, is 389, but hundreds of Americans were left behind, not missing in action, but known alive, known to be alive and reported to be in captivity shortly before the end of that war.

These people have been totally lost to history as are the veterans of numerous other countries on our side of the conflict.

We strongly urge a full accounting of these and others lost to history. Glasnost and democracy appear to be the trend everywhere, and thus hopefully all parties involved in the several conflicts involving POW-MIA concerns will work to totally resolve these concerns for family, history, and the future.

I again thank the gentleman from Mississippi [Mr. MONTGOMERY], and thank him for setting up this special order.

Mr. MONTGOMERY. I thank the gentleman from Indiana [Mr. MCCLOSKEY] for participating today and also for taking this long journey, the sad journey that we took to Korea. I hope it will lead to other things pertaining to that part of the world.

Mr. Speaker, I yield to the gentleman from Arizona [Mr. STUMP], the ranking minority member of the Committee on Foreign Affairs, a good friend, and a great helper.

Mr. STUMP. Mr. Speaker, I thank the distinguished chairman of the Committee on Veterans' Affairs for yielding.

Mr. Speaker, I was privileged to travel with the distinguished Chairman of the House Committee on Veterans' Affairs, the Honorable G.V. (SONNY) MONTGOMERY, and a congressional delegation, to Panmunjom, Korea, where we accepted five sets of remains from the Korean conflict. The timing for repatriating these fallen servicemen was particularly fitting as it occurred on Memorial Day weekend and within 1 month of the 40th anniversary of the beginning of the Korean war. The delegation shares Chairman MONTGOMERY's hope that this humanitarian gesture will lead to better relations between our countries and future transfer of additional remains.

I cannot say enough about the leadership consistently demonstrated by Chairman MONTGOMERY in areas pertaining to our servicemen and women, and veterans. He literally will go to the ends of the Earth in support of the brave individuals who sacrifice so much in defense of our country and liberty.

Mr. Speaker, standing at the 38th parallel, one is reminded of the thousands of Americans, and soldiers from many other nations, who gave their lives to contain Communist aggression, in what has come to be called the forgotten war. Our Nation must never forget the service and sacrifice rendered to the ideals of freedom on the battlefields of Korea. The tenuous peace existing between North and South Korea is guarded today by dedicated United States service personnel. Events in other parts of the world giving rise to great hopes for lasting improvements in relations between East and West are not spreading rapidly to Korea. The cold war is very much alive along the demilitarized zone [DMZ]. The North Koreans have not indicated a willingness to pursue meaningful reductions similar to those contemplated by Warsaw Pact nations.

In the rush to respond to changing conditions in Europe we must not forget the need to maintain a high state of readiness in potential trouble areas around the world. Our steadfast pursuit of peace through strength with our NATO allies is making unprecedented progress. The men and women who served at our European bases are seeing the results of their dedication in the shining faces of people enjoying more freedom than imaginable only months ago. Our men and women on station in Korea today are providing that same steadfast pursuit of peace through strength. We must honor the sacrifice of our Korean war veterans by renewing our determination to see real peace in Korea. Hopefully, humanitarian efforts such as Chairman MONTGOMERY's will hasten the day when the people of North Korea can rejoice in the new freedom felt by so many in Eastern Europe.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman from Arizona [Mr. STUMP], and would like to point out what he mentioned about the 38th parallel. Some Americans probably do not know that we have over 45,000 American soldiers on the front lines over there supporting the South Koreans, so we do have a definite interest in that part of the world. Also we had the pleasure and privilege of meeting the son of one of our colleagues, Lt. Jim Skelton, who is an artillery battery executive officer in Panmunjom.

Also we had from our own congressional districts, soldiers, Americans, that protect the freedom of South Korea. So it was a good trip. We saw some of our own over there.

□ 1730

Mr. Speaker, I am glad to yield to the gentleman from Michigan [Mr. TRAXLER]. I thank the gentleman for coming up here. He is a very important member of the Appropriations Committee with very important responsibilities in his subcommittee of jurisdiction, and I thank him for coming by.

Mr. TRAXLER. Mr. Speaker, I wish to commend Chairman MONTGOMERY for leading this delegation and making me a part of it. Nothing in my life has been more touching and more meaningful than to have joined with him and the other members of this delegation to return the bodies of those Americans who gave their all in the service of their Nation during the Korean war. It was a very touching and bittersweet journey.

I know of no one who could have done a better job in this Congress than the chairman of our delegation, Mr. MONTGOMERY. He conducted himself at all times with proper decorum, intelligence, and with understanding of the sensitive, diplomatic nature of our undertaking, but also with the grandest and greatest respect for those remains which it was our responsibility to receive and to return to Hawaii. I was deeply honored and most appreciative for being a member of that journey, and I thank the gentleman from Mississippi [Mr. MONTGOMERY] from the bottom of my heart for allowing me to participate.

Mr. MONTGOMERY. I thank the gentleman, who has one of the most important jobs in the House of Representatives, for taking that week and going to Korea and being a part of this sad work that we had to do.

Mr. BILBRAY. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Nevada [Mr. BILBRAY].

Mr. BILBRAY. Mr. Speaker, I appreciate the gentleman yielding to me. I, too, along with FRANK MCCLOSKEY, back in August 1989 traveled to the Soviet Union with the Armed Services Committee on an historic visit to that country in which the Soviets opened up previously secret and remote military installations to the Armed Services Committee to visit.

During that visit one of the questions that was brought up by our Soviet colleagues in the Supreme Soviet was the fact of the missing in action in Afghanistan and their young men who are missing in that country. We brought up the fact that we would be willing to try to help them in recovering their young men, both the bodies of those that were killed in Afghanistan and those that are missing in action in that country or who are held as prisoners of war. But we asked them to help us with our problem with our MIA's both in Vietnam and in Korea.

Both FRANK MCCLOSKEY and myself shortly thereafter received communications from the Soviet Embassy that they had contacted the North Koreans who are generally not the easiest people in the world to work with. It is probably one of the truly totalitarian states left in the world and is a tremendously closed society.

While we were negotiating and talking to the North Korean Ambassador, of course you, Mr. Chairman, also were working and moving forward with them and with the veterans of the Korean war who were pushing to get these bodies back, and those representatives of the Chosin Few, those veterans that fought along the Chosin Reservoir during the Korean war, both from the 2d Division of the Army and the U.S. Marine Corps, trying to find the bodies of their fallen comrades that were buried in that retreat from the north, in the Yalu River to South Korea and were never recovered. There are over 8,177 bodies of soldiers that are unaccounted for somewhere, POW's that were buried outside of their POW camps, others who where buried by their comrades as they made this retreat, or they drove northward and were hopeful that the bodies would be recovered later and returned to the United States.

Most Americans remember Vietnam where young men who fell in the field were picked up almost instantaneously and flown aboard a helicopter and returned to a secured zone, and the remains were sent back to the United States. Unfortunately, that was not true in Korea. We did not recover a lot of the bodies of our fallen comrades, and they were left there in North Korea, and they have languished since 1954.

Through your efforts and others on this committee, the North Koreans seem to be opening a slight crack in that door. They gave us 5 bodies out of 8,000 that are up there. Hopefully from the percentages that were recovered from Vietnam, which were much less, there were somewhere between 1,500 and 2,000 bodies that could be returned.

I too, like my comrades on this trip when they traveled to North Vietnam, felt the emotion of those bodies being turned over. But I also remember that day on Hickham Field in Honolulu when they brought those young men out under the American flag and they brought their caskets to us, and the feeling that thank God they were back on American soil, and for the families of those young men that fell, four members of the Army, one Air Force that we have recovered. Two we have

identified, hopefully have identified through their dog tags, and three hopefully will be identified in the next 6 months. To their survivors we hope that it brings some consolation that their bodies can be now buried at their homes, Lieutenant Saunders from Utah and the young soldier from Pennsylvania from CURT WELDON's district.

Hopefully through our efforts and the efforts of all of the Chosin Few, the Korean war veterans, you, Mr. Chairman, and even our friends on the Committee on Defense and National Security of the Supreme Soviet, we thank them for their efforts and the North Korean Ambassador at the United Nations, we thank him for his efforts in doing it. We just hope that that little crack that we had opened so narrowly just this last Memorial Day will be a door that will swing wide open, and better relations between our two governments will ensure that we will be able to return the bodies that we lost so long ago, nearly 40 years ago. And we pray to God that every body that is recoverable will be returned to be buried in American soil so that their families can honor and our veterans can honor those who gave so much for our democracy.

I thank the gentleman again for yielding.

Mr. MONTGOMERY. Mr. Speaker, I certainly thank the gentleman from Nevada and want to thank as well the gentleman from Indiana [Mr. MCCLOSKEY], again for their work in going through the Soviet Union and the North Korean mission in New York that, I believe their efforts helped break this loose so that we were able to recover those remains. I was involved in bringing home the first remains from North Vietnam. We did not have a mission in New York to deal with the North Vietnamese, and we had to go through other countries around the world. It makes it much easier by having a mission to a potential enemy, which we might say North Korea is, by having a mission in New York, as the gentleman mentioned, and we can talk to their mission, their Ambassador there, and get quick answers, which in Vietnam took a long, long time. So maybe we can crack open that door even more by being able to quickly talk to the North Koreans.

Again, I thank the gentleman.

Mr. Speaker, I yield to the gentleman from Colorado [Mr. CAMPBELL], who fought in the Korean conflict at the age of 18 years.

Mr. CAMPBELL of Colorado. Mr. Speaker, first of all I want to say I am honored to be a cosponsor of H.R. 5053, the Korean Commemorative Coin Resolution, which will be used to raise money to build the Korean War Memorial, and certainly I am also honored to be able to accompany my friends and colleagues from the Veterans' Affairs Committee here to the floor today, and particularly want to thank our codel leader, Chairman SONNY MONTGOMERY, for inviting me to go to Panmunjom with the committee to retrieve the remains of five U.S. servicemen who lost their lives during that war.

It has been 38 years since I last stepped out of an airplane at the airport in Seoul. I was 18 then, and had quit high school halfway through my senior year to join the Air Force. I had been sent to air police school in Florida to learn the finer points of man's ingenious inventions designed to destroy the enemy before his ingenious inventions destroyed you.

Before this trip, we had been briefed by the State Department on the current political climate in Korea, but even from the windows of Air Force Three, I could see that Seoul had survived and prospered since the Korean conflict—the United States Government had never acknowledged that it was a war.

The rubble of Korea in 1952 had, Phoenix-like, emerged as a Far East oasis. While we were taxiing to the ultramodern Seoul international airport, I mused about my initial arrival in Korea almost four decades ago.

The 10-foot concrete airport sign proclaiming the location was pockmarked with bullet holes, and the urgent hubbub of troops coming and going, supplies being unloaded and bombs being loaded on B-26's all gave the scene a bizarre carnival atmosphere.

The roar of vintage World War II P51 Mustangs and the then-new F80 fighters were an odd mix as America moved from the age of conventional warfare to the jet age in her first conflict since 1945.

As an air policeman, my assignment, as many others, was to protect our airfields and all their support mechanisms. Seoul was K16; Pusan, K9; Teagu, K8; and so on. We did not use their airport names. I still don't know why.

We were loaded onto military trucks that first day, to proceed across the Han River to our first assignment: a radar unit in downtown Seoul that lay in still-smoking ruins. The front had been advanced about 10 miles north of Seoul. It had only been a matter of months since Heartbreak Ridge, Pork Chop Hill and the Inchon landing. All were places paid for in American and South Korean blood as our United Nations forces inched their way north after almost being pushed into the sea at Pusan the year before.

As we crossed over the Han bridge, I saw three bodies hanging by their necks from the bridge structure and was told by our driver that the bodies were South Koreans who collaborated with the North and had been caught the day before. Instant punishment; no due process.

I remember fingering the St. Christopher medal my mother insisted I wear when I told her I would be shipping out to Korea. My father was proud that I had volunteered rather than be drafted. He was a World War I Army veteran who, like most American Indians, was extremely proud of ing in the U.S. military.

My mother, however, being a devout Catholic, had some difficulty understanding how her son, who since birth had been taught to believe in the Ten Commandments, could now volunteer to go to a place where he might have to break one. "Thou shalt not kill" was not for Sunday only; not to my mom.

As the days and weeks wore on, my initial anxieties began to dissipate. Guarding the base perimeter, delivering supplies to outposts and making occasional trips to the front became daily routine.

At night, we had regular visits from "Bed Check Charlie," a nickname we gave to the nighttime flyovers by an enemy reconnaissance plane trying to pinpoint allied targets around Seoul. Sometimes he would drop a bomb or two to keep us on our toes. Each night the big guns only a few miles north would light up the sky, and their sound, like distant thunder, would remind us that death was our neighbor.

I often wondered about the young men I met from other countries. Canada, Turkey, Australia, Greece, Great Britain, and a number of other countries had sent young men and women to this conflict, as we had. Many were not sure of the morality of war but were equally sure of their commitment to freedom. Nearly 55,000 Americans made their commitment absolute, as did thousands from other countries.

I thought about them now as our military staff cars took us north to Panmunjom to receive the remains of five of my countrymen who died four decades ago. I thought of Wilbur DeBusk with whom I had gone all through elementary school and high school. Wilbur was in the Army and was but 1 of those 54,246 who died here.

I think the dead must all have been something like Wilbur. Various colors, yes, and with different religions and hometowns, but surely they shared similar aspirations and dreams. And their deaths certainly brought a deep loss to someone who loved them. "Willy" left three brothers, a sister, his parents, and a small town in California in grief.

I found myself wondering if the young Korean university students behind the current "Hate America Week" would feel differently about

Americans if they had known Willy. They weren't born yet when Willy gave his life for their freedom and perhaps mine.

I felt sad knowing these students would never know the terrible price Americans paid in the 1950's so they could have the freedom to protest against America in the 1990's.

I had become fast friends with a Korean judo instructor in those days and now wondered what he thought of all this.

The road to the demilitarized zone began to change with each mile, although I was struck by the smooth ride on a paved highway through the scenic countryside. I distinctly remember that the roads 38 years ago were terrible and nearly impassable in many places. As we traveled farther north, I recalled that we had been told that North Korea had amassed more than 1 million soldiers north of the DMZ—more than all the allied forces currently in South Korea.

This return of American remains, the first five of the several hundred remains in the possession of North Korean authorities, might be the beginning of a better understanding between our two countries. At the same time, however, our allies in the south had expressed their displeasure when they learned we would be going north to retrieve the remains ourselves.

Representative G.V. "SONNY" MONTGOMERY, the chairman of the House Committee on Veterans' Affairs and a retired general himself as well as the leader of our delegation, was determined to abide by all diplomatic protocol, military procedures and Korean customs to allay any suspicions of officials of both Koreas.

I fleetingly wished I had my long-lost St. Christopher medal.

Monday—Memorial day—we arrived in Panmunjom escorted by Adm. Larry Vogt. In cosmopolitan Seoul, we could not have imagined the contrast that greeted us at Panmunjom. Sandbags and tank traps, gunship helicoptors and howitzers spoke plainly of the tension that exists so close to the world's fifth largest economy.

The skies were leaden, and although our North Korean counterparts were cordial and gracious, an air of uneasiness was present. After a few formal statements from both their team leader and ours, we proceeded to view the remains. This was not to be an easy task; it was a duty.

Crack U.N. honor guards, six to a casket, carried our soldiers across the line that separates one country into two. As the U.S. representatives, we received them and draped each with a U.N. flag—later in Hawaii, the U.N. flags would be replaced by U.S. flags. The transfer documents were signed by each of us, while Representative CURT WELDON of Pennsylvania noted that one boy, Private Saunders, had been raised only 1½ miles from the Weldon house.

We ate a hurried lunch. Army officials had thoughtfully seated us by soldiers from our own home States. I told the two sergeants I was with—Gary Adams and Alfred Alvarez of Colorado Springs—I would call their families for them upon my return.

Before the meetings we had been briefed on possible dangers and been told by Colonel Buckley: "If gunfire starts, hit the floor." Cripes. That's just what I was told the last time I was here, 38 years ago. Perhaps things hadn't changed that much.

But at least now the soldiers didn't have to get hot water for shaving by running a Jeep and draining the radiator water. GI food has improved, too. No "C" rations, no mess kits, no K.P.

The five remains didn't seem like many, considering 8,000 Americans are still unaccounted for, but it was a start. For the families of the five, it was everything. I was the only member of our delegation who had been here during the war, although two, including retired Gen. Richard Stillwell, had also been in Korea previously. Perhaps my views were a little different than the others.

The return to Seoul was aboard a big double-rotor helicopter; the remains were being transported by vans. I was looking forward to our last evening in Seoul, because the Army had located my old judo instructor, Dr. Chang Han Ju, and had made arrangements for me to have supper with him.

That evening, as my friend of 38 years and I walked among the bustling streets, I recalled that where we now strolled in comfort, I used to give coins and C rations to crippled street children orphaned by the war. My friend reminded me that without the uncommon valor of many common Americans, Korea might still be as it was 38 years ago.

He also told me that the student anti-American protests did not involve a majority of the students, and that the people who remembered the war have a fondness for Americans and America.

Our evening ended too soon. In the morning, our delegation would board the gleaming blue and silver 707 bound for Hawaii, where full military honors would be accorded the servicemen whose remains we carried back. They left their country without much fanfare from long-since deactivated Camp Stoneman in California. They would return with pomp and ceremony reserved for America's greatest heroes.

At 0700, we departed from Seoul. As the engines spooled up, I could see our host delegation waving goodbye and knew that the words "United States of America" painted on the sides of our graceful bird filled them with pride as they did me.

Our pilot urged the four engines forward as we picked up speed, lifted off and began climbing through the morning haze. As I looked down for my last view of Seoul, I thought of a distant time in which more than 2 million young men from both sides of the dispute were killed or wounded. There must be a better way to resolve our differences, but we have not yet learned it.

I marveled at how such total devastation could reemerge into such prosperity, a credit, I thought, to the perseverance and productiveness of the Korean people. I was so proud of the thousands of American men and women who served in the 1950's, and still do to make this possible.

I couldn't help thinking of five of them, one airman and four soldiers who helped sow the seeds of freedom that are still bearing the fruits of victory today. If only they knew; but then again, maybe they do. God bless America.

□ 1740

Mr. MONTGOMERY. I thank the gentleman from Colorado for certainly helping on the trip. We were very proud to have him as part of our delegation. He gave us a lot of good information and made the trip more satisfying.

Mr. Speaker, I would like to yield to another of my colleagues, the gentleman from Pennsylvania [Mr. WELDON], CURT WELDON. CURT, I thank you for being a part of this long journey.

Mr. WELDON. I thank my good friend and colleague, the chairman of the Committee on Veterans' Affairs, the gentleman from Mississippi [Mr. MONTGOMERY].

It was indeed a historic occasion for me, Mr. Chairman, because 36 years is, in fact, a very long time. Thirty-six years is the period of time that we have waited for at least a small accounting of the remains of those brave Americans who gave their lives, who are still listed as missing, from the Korean war.

Mr. Speaker, this was an extremely important event that the gentleman from Mississippi put together for this body and for this Nation, and all of us who were part of the delegation applaud him for his leadership. Perhaps no one could have put this delegation together in the manner that it was put together, except for the gentleman.

Certainly with the strong support of my good friend and colleague, the gentleman from Arizona [Mr. STUMP], who I know you agree was an equally fine representative of our minority party on that delegation.

It was important because we recovered these remains and were able to bring back what we hope will be the beginning of thousands of Americans

who have been unaccounted for since the Korean war. But it was also an important event because for those Korean veterans, many of whom I deal with on a regular basis back in my district, have felt somewhat neglected over the years, that perhaps America has not paid the proper attention to the Korean war that it properly deserved, that dedication and sacrifice made by so many thousands of Americans in that conflict.

So I think this event had a dual significance: Bringing back the remains of those individuals as, hopefully, a start of a process that will continue, but also a chance for us to recognize and, again, on the 40th anniversary of that conflict, hold up for all Americans to see that there are still 8,000 Korean Americans who have been left behind in that conflict.

So it was also a chance for us on this Memorial Day to pay tribute to our Korean American veterans.

I want to say to the chairman, as a member of the Committee on Armed Services, I especially enjoyed going to Camp Bonifas and up to the farthestmost lookout point of the DMZ to get a chance to talk to our young GI's, to see their preparedness, to see where our military dollars are going.

There is no opportunity for Members of this body to see their defense dollars at work like there is in going up to that position and seeing our forward most deployed forces basically in a position that could lead to the potential for war or conflict at any given hour of the day. And to see the spirit and enthusiasm of these young soldiers really made me come back with a renewed sense of support to my job as a member of the Committee on Armed Services, to make sure that we never forget that we have a job to do for these young people and we are prepared, in fact, in all parts of the world and certainly are in support of the South Koreans in the demilitarized zone as we saw at Panmunjon.

The South Koreans are, in fact, grateful for what we have done. We saw that in our meetings with the foreign minister from South Korea, the visit that the chairman arranged for us; with the United States Ambassador to South Korea with whom we met.

I want to pay a special thanks to you, Mr. Chairman, because throughout the entire trip you were especially sensitive to the State Department, to the United Nations, to make sure that we, as Members of Congress, did not overstep our bounds. We were not there as members of the administration, and you made that point clear time and time again. We were there to receive these remains, and we were there to do it in a manner that was consistent with the resulting arrangements from the United Nations and the appropriate Armistice Commission.

I applaud you for that leadership role. You handled the sensitivity of our relations with the South Koreans and the United Nations in an extremely capable manner, and all of us applaud you for that.

In the conversation that we had with our Ambassador, I think it was constantly reaffirmed that you had done a splendid job in making sure that we, in fact, did not do anything to harm our relations with the South Koreans.

It was an especially sad trip for me because the chairman had told me when he first invited me that there was a potential that one of the five remains may, in fact, have been from Pennsylvania. We did not know when we left this country whether or not that was true.

The night before, we were given the opportunity to view the remains and to see the artifacts that were found with the remains, we in fact were given two dog tags. As you know, one of those dog tags was from Arthur Seaton, who in fact was born and raised in the city of Chester, less than 2 miles from my hometown.

Mr. Speaker, it was an especially moving time for me to realize that we in fact were going to be bringing back the potential remains of someone who was in fact a neighbor of mine, someone who had gone off to fight in the Korean war and was lost some 40 years ago.

Since that point in time, we have been in touch with the family of Mr. Seaton. We have told them we do not know whether in fact these remains are in fact his remains. That cannot be positively determined until the forensic military experts have completed their work in Honolulu. But we do know we have the dog tags and we do know these remains were in the general proximity.

We hope that in fact one of these remains is in fact Mr. Seaton's. If it is, we will conduct a major event to bring home his remains and properly recognize and bury those remains in his hometown and home city.

Not only was it important for the Seaton family and my home county and for the people who are Korean veterans in my district, but also as a symbol for all those Korean Americans that we in the Congress and that this administration who worked so closely with you, Mr. Chairman—and I know you had personal conversations with the President on this issue—that we are collectively not going to rest until we have a full accounting for every American who fought in that Korean war and that we are going to do our best to also have an accounting for those other veterans of those other nations that fought in the Korean war; that we are not going to just ask for an accounting for our own soldiers but will ask for an accounting of all of those veterans who fought and died in that conflict.

So I want to applaud the chairman once again, as I know my colleagues have done and will be doing. I say to the chairman, "Thank you for inviting me. I look forward to working with you and your leadership on veterans' issues."

I look forward to working with General Stilwell as we attempt to accomplish what all of us want, that is, a permanent monument, permanent place to recognize the Americans who fought in the Korean war, here in Washington, our Nation's capital.

So again, Mr. Chairman, I thank you for your invitation and I applaud you for your leadership role and for your dedication to the men and women who serve in our Armed Forces of this great Nation.

Mr. MONTGOMERY. I thank the gentleman from Pennsylvania [Mr. WELDON]. He certainly added to the trip. I recall the work that you have done on improving the firefighting and firefighting equipment in this country as well as in the armed services, and at several Air Force bases that we went to, some of these firefighters made the point to come around to thank you for the work that you had done in that area.

Mr. Speaker, I would hope that the identification laboratories in Honolulu, probably the best in the world, can identify these Americans. It is a shock at first when you tell the families that we found "your husband or your brother and we are bringing him home." But after we get these individuals back home, it brings a sad satisfaction to the families. That is the experience that I found in dealing in this area, that, "We know where he is, he is home, he is in the family plot, and we thank you for bringing him home."

So I do hope we can also find out what happened to these other Americans and see that we can get them back on American soil.

So thank you very much.

□ 1750

I would like to thank Gen. Richard Stilwell, former commander-in-chief of the U.N. Command. I thank him for spearheading the effort and for the work he has done to fund and construct the Korean War Veterans Memorial in Washington. General Stilwell went with us on this trip. He was very helpful.

My appreciation also goes to Tom Gregory, a Florida member of The Chosin Few veterans' organization. Tom Gregory got active about finding out about these remains several years ago. He contacted his Congressman, the gentleman from Florida [Mr. BENNETT], and Mr. BENNETT contacted me. I got in touch with Tom Gregory, and

we moved ahead, working together to get these remains home.

To Dick Adams, president of the Korean War Veterans Association, credit must be given for working on this issue for so long and from so many different directions. The organization, the Korean War Veterans Association, was certainly helpful to us.

The State Department has been very cooperative. In fact, after my dealings concerning Vietnam, it was easier this time dealing with the State Department than when we worked on getting those American remains back from the Vietnam war. We got along well with the State Department. They did not throw roadblocks up to keep us from going to Korea.

Mr. Speaker, I would like to give just a little background on what did take place in that part of the world. The United States was 1 of the 16 United Nations member countries which sent troops and assisted South Korea in the June 25, 1950 to July 27, 1953 conflict with the Democratic People's Republic of Korea, or North Korea, and the People's Republic of China. That conflict is often referred to as "The Forgotten War." It came on the heels of a major global conflict and preceded the controversy of Vietnam. It came in between World War II and Vietnam.

According to the U.S. Army, there were 5.8 million American personnel that fought in the Korean war, that went to Korea. American casualties included more than 54,000 Americans killed, about the same number we lost in Vietnam, and over 100,000 Americans were wounded in the Korean conflict. More than 8,000 are still listed as missing in action and unaccounted for. So 8,000 did not come home.

The U.S. Government, through the U.N. Command, has exerted every effort to obtain the fullest possible accounting of the MIA's and the return of these remains.

In 1954, more than 4,000 remains were returned from North Korea, and about 1,800 of these 4,000 remains were Americans. But we have not received any remains since 1954. In August 1986, the U.N. Command turned over to North Korea a large amount of material regarding the probable locations of remains. In other words, the United Nations turned over to North Korea maps where we thought Americans had been buried, not only Americans but other allies in that war. There were detailed charts, there were maps that pinpointed burial sites associated with 13 former POW camps and a POW hospital. Also we provided the North Koreans with 291 crash sites of American aircraft in North Korea.

Armed with this information, as well as with information provided by the Chosin Few veterans' organization, North Korea announced in 1987 that it had excavated 5 sets of remains.

Since that time we have been working with various congressional, State Department, U.N. Command, and private groups, trying to figure out some way to get these Americans home. We accomplished that 2 weeks ago.

In November of last year, I became involved in efforts to recover these remains. I went to New York, and I met with North Korea's mission chief in New York City. I went twice to New York to meet with the North Koreans. As I said earlier, as an adversary, it is much easier if they have missions in this country, so at least we can talk to them, and when we are talking, there is a good chance we are not going to go to war with them. Whatever we did was sanctioned by the State Department.

As has been mentioned here today, we knew we could not as a congressional delegation negotiate with the North Koreans on anything else, and we did not. Both President Bush and Secretary of State Baker were kept abreast of the progress which we were making to get these remains returned from Panmunjom.

I also enlisted the assistance of the Chinese Embassy here in Washington to facilitate an earlier agreement.

As I mentioned, the gentleman from Indiana [Mr. McCLOSKEY] and the gentleman from Nevada [Mr. BILBRAY] were working through the Soviet Embassy. Let me say that we understood, as I mentioned earlier, that we could not negotiate in any way, and we let the North Koreans know that. We will probably talk to them again about other matters, and the information we obtain from the North Koreans we will turn over to the President of the United States and to the State Department.

I believe the door has been partly opened for the return of more remains and for some type of normalization between the United States and North Korea and between North Korean and South Korea. Secretary Baker, testifying before the Senate Foreign Affairs Committee in February, said this:

> We are looking for a steady, reciprocal process toward better relations both between North and South Korea and between the United States and North Korea.

We brought these remains back to Hickam Air Force Base in Honolulu. They have been turned over to our identification laboratories there. Colonel Webb, who heads up that laboratory, the Army's Central Identification Laboratory, feels confident that with the information we brought back, they can identify these remains. We have the complete health charts on those 8,000 Americans that did not come home, the Americans that were lost in the Korean war. However, we do not have the dental x rays. They were not taken during the Korean war, but we do have written dental records. We hope to get more remains. We think these five can be identified and others will be identified and brought home for proper burial.

So our delegation is proud that we were the first in 36 years to be given the opportunity to receive American remains from the Korean war. I certainly want to thank President Bush, Speaker FOLEY, the State Department, and our own U.S. military. Without them, it simply could not have been possible to take this long trip, with the logistics involved. And so to all the brave Americans who served in Korea, and particularly those unaccounted for and to our five countrymen who are now home at last, and to the families of each, let me say that it is our sincere hope that we did serve you well.

Mr. Speaker, until we meet again, I appreciate very much having had this opportunity to present this material in this special order.

□ 1800

The SPEAKER pro tempore (Mr. HATCHER). Under a previous order of the House, the gentleman from Texas [Mr. DELAY] is recognized for 60 minutes.

[Mr. DELAY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

AN UNPRECEDENTED USE OF FEDERAL RESOURCES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DANNEMEYER] is recognized for 60 minutes.

Mr. DANNEMEYER. Mr. Speaker, tomorrow, 1 o'clock, the House will take up a major bill dealing with the AIDS epidemic in this country, and I would like at this time, this afternoon and this evening, to talk a little bit about the act itself and an amendment that this Member from California will be offering that, if it is successful, will finally move the response of this Nation and the States of the Union from essentially what up till now has been a civil rights approach to a public health problem in dealing with this epidemic.

This AIDS Prevention Act of 1990 is a pathbreaking piece of legislation in many respects. For the first time, the Federal Government would make resources available to States, hospitals, high-risk clinics, and nonprofit health care facilities to provide preventive health service to low-income individuals afflicted with a specific disease—AIDS. Indeed, an earlier version of this legislation included an unprecedented expansion of the Medicaid Program to provide therapeutic measures to persons infected with the fatal

virus. But, because linking Medicaid eligibility to a specific disease set an uncomfortable precedent for many members of the committee, this provision was deleted.

The point is that this legislation breaks new ground in bringing Federal resources to bear on a very specific national health problem—the epidemic of HIV infection. It includes many admirable provisions which, if enacted, would establish sound priorities and provide State and local health officials with appropriate resources to fight this horrible epidemic.

Although some members of the committee may hesitate at authorizing more than $885 million in new spending on AIDS prevention and treatment services at this fiscally uncertain time, it is my belief that Federal spending on AIDS will continue to increase rapidly in the years ahead no matter what we do, as more and more of the estimated 1 million Americans who are infected with the HIV virus develop AIDS-related symptoms and require expensive hospital and outpatient care. Fred J. Hellinger, a senior economist with the Agency for Health Care Policy and Research, estimates that the lifetime medical care cost of treating a person with AIDS is $75,000. Hellinger calculates the cumulative lifetime medical care costs of treating AIDS patients during a given year, moreover, to be $4.3 billion in 1990, $5.3 billion in 1991, $6.5 billion in 1992, and $7.8 billion in 1993. These costs include inpatient hospital care, nursing home and home health costs, counseling, and therapeutic drug costs.

Given the inevitable surge in future AIDS spending, it is our responsibility to ensure that Federal dollars are spent wisely. This means that, to the maximum extent possible, we must target Federal dollars on geographic areas with high levels of HIV infection. Whenever at-risk persons interact with the health care system in one of these areas, the health care provider should encourage these persons to undergo HIV testing and counseling. For those who learn that they are infected, therapeutic measures such as AZT should be made available.

The goal of this approach is to alert as many at-risk individuals as possible to their HIV serostatus. Early diagnosis and knowledge of infection benefits both the infected individual and his or her sexual and intravenous needle sharing partners. Early diagnosis enables public health officials to provide therapeutic measures to seropositive persons, to warn unsuspecting partners of their exposure to a fatal virus, and to learn of the extent of infection in various geographic areas. H.R. 4785 addresses this need, in part, by requiring State grantees to establish programs to notify the unsuspecting sexual and intravenous needle sharing partners of infected persons of their risk of exposure. This, too, is unprecedented, in that it may require States to enact new legislation or take administrative steps to comply with this mandate in an area traditionally left to the discretion of the States—public health law.

H.R. 4785 provides State and local health officials with most of the tools necessary to achieve this goal. First, the bill targets Federal dollars on hospitals with the heaviest caseloads of AIDS patients. According to estimates from the National Association of Public Hospitals, 50 hospitals care for 50 percent of all AIDS patients in America and, remarkably, only 200 hospitals care for 85 percent of the AIDS patient caseload. In fact, in many metropolitan areas, a single hospital may handle a third or more of all the AIDS-related admissions for that area.

Data from an ongoing HIV seroprevalence survey of patients admitted to the emergency department of the Johns Hopkins University Hospital since 1986, indicate that the overall level of infection has been increasing steadily among a predominately low income and minority population in Baltimore. The seroprevalence level during this period has increased from 3 percent in 1986, to 5.2 percent in 1987, to 6 percent in 1988, to 7.5 percent in 1989. Among young black males, the level of infection has increased even more dramatically, reaching 16 percent in 1989.

Preliminary data from the Sentinel Hospital survey conducted by the Centers for Disease Control [CDC] suggest similar concentrations of infection exist in inner-city areas across America. In order to obtain HIV seroprevalence rates for proxy samples of the population in various geographic areas, CDC researchers excluded patients admitted to hospitals for conditions associated with HIV infection, drug related conditions, or violent injury—which often is drug related. Even with these corrections, CDC found that every 1 of the 27 hospitals analyzed has admitted at least one HIV infected patient for reasons unrelated to that person's infection. Overall, CDC found a range of infection from 0.1 to 6.0 percent. In one hospital in northern New Jersey, 21 percent of males between the ages of 25 and 44 were HIV positive. It is important to emphasize that the vast majority of these persons do not know that they are infected with a fatal, transmissible virus.

This immense concentration of HIV infection in relatively few hospitals argues for an approach that targets Federal dollars on hospitals serving patient populations from high incidence areas. Thus, H.R. 4785 includes a new program to provide funds to hospitals with disproportionately large AIDS caseloads to offer preventive health services to all patients entering the hospital between the ages of 15 and 50, and to others for whom such services are medically appropriate. Expenditures under this section are primarily for HIV testing and counseling and, for the duration of the patient's hospital stay, therapeutic measures. Upon the patient's discharge, the hospital must also inform seropositive patients of the availability of appropriate outpatient services.

H.R. 4785 also requires clinics which, by definition, offer services to high risk individuals to offer and encourage HIV testing and counseling, and, where appropriate, therapeutic measures—to all patients using their services. These include clinics for tuberculosis, sexually transmitted disease, intravenous drug use, and family planning. In addition, clinics that provide health care to pregnant women must make these services available to women determined to be at-risk for HIV.

Another important provision in this legislation is section 2610, which establishes a new program to provide preventive health services to inmates in prisons with significant levels of HIV infection. In order to target these resources on prisons with the greatest number of infected inmates, H.R. 4785 allows State health officials to identify high incidence prisons, taking into account: First, the level of infection in the geographic areas in which the inmates resided; second, the extent to which the population in these areas is known to have engaged in high risk activity; and third, the extent to which medical examinations of inmates indicate that the inmates have engaged in such behavior.

□ 1810

Not every prison will qualify for funds under these criteria, and some States will find that the seroprevalence rate among its inmate population is zero or close to zero. Unfortunately, this is not the case in most States. According to the CDC, the overall seroprevalence rate in 109 prisons surveyed between January 1988 and September 1989 was 6.3 percent. In some prison systems, infection rates range as high as 25 percent.

There are many sound reasons to implement mandatory HIV testing and counseling programs in the prison setting. First, many inmates enter prison seronegative, but are infected during their incarceration. A Department of Justice study estimated that each year 60 inmates in the Maryland State prison system are infected by other inmates. In Nevada, the study found, eight inmates acquire the fatal virus each year. All of these unfortunate transmissions could be avoided. In States with much larger inmate populations and greater concentrations of

HIV infection, the level of intraprison transmission is undoubtedly much higher.

Second, mandatory prison testing is the best way to bring early diagnosis of HIV infection and counseling to intravenous drug users who do not seek drug treatment. Intravenous drug users who enter treatment programs receiving funds under section 2605 will be offered preventive health services. But the vast majority of intravenous drug users never voluntarily enter treatment programs and, as a result, are extraordinarily difficult to reach for purposes of providing HIV prevention services.

One way to reach this high risk group is to make these services available in prison. According to the CDC, 83 percent of intravenous drug users reached through a federally funded outreach demonstration program had been incarcerated at one time. The National Association of State Alcohol and Drug Abuse Directors agrees with this figure, placing it at 80 percent.

Finally, mandatory HIV testing in prisons offers hope to the unsuspecting partners of seropositive inmates. As stated previously, the CDC estimates that 6.3 percent of the inmate population is infected with the HIV virus. If this is true for the entire U.S. inmate population, almost 24,000 inmates are HIV infected. The vast majority of these inmates do not know that they are infected. In 1988, approximately 340,000 prisoners were released either conditionally or unconditionally. If 6.3 percent of these prisoners were infected, then more than 19,200 inmates were released without knowing their HIV positive serostatus. As they return to their neighborhoods, they may spread the fatal virus unwittingly to loved ones. The mandatory HIV prison testing program in H.R. 4785 represents a strong first step toward breaking the chain of transmission in areas with high levels of drug use.

One of the major failures of the bill that the House will consider tomorrow relates to the implementation of what routinely has been the foundation cornerstone of Public Health's effort to control any communicable disease, particularly of a venereal nature. The amendment that this gentleman from California will offer to the bill tomorrow deals with that failure or omission; namely, it will require that any State that makes application for use of funds under this bill will be required to put into effect the normal way that our public health system has functioned to control communicable disease of a venereal nature.

In a nutshell, what this means is that the same standard that our public health officials pursue to control curable venereal disease will be placed into effect to control a noncurable venereal disease.

To give this matter a little more perspective and the need for the amendment to be realized is that in 11 geographical areas of this country, 10 States and the District of Columbia, containing 78 percent of the cases, this fundamental public health step that I am talking about is not now in effect.

There is great controversy in some quarters as to whether or not this step should be implemented, and it has evidenced itself, for instance, in the State of New York, the State with the largest number of AIDS cases in the country. The split is evidenced by the fact that in New York State the New York State Medical Society has filed a lawsuit that is pending in the appellate court system against the State health officer, Dr. Axelrod, to compel Dr. Axelrod to list HIV positive people on the list of reportable diseases.

Dr. Axelrod, in my judgment, should have exercised his discretion to do so years ago, early in the eighties. Had we done so, I believe that there are a large number of people who are infected with the HIV virus today who would not be so infected and facing a death sentence.

This amendment that this gentleman from California will offer tomorrow has been endorsed by organizations that have endorsed H.R. 3102, which contains a Federal mandate on the question of confidential reporting. In other words, this amendment that I will offer to H.R. 4785 is contained as an essential element of H.R. 3102, a bill which I introduced last year, and that bill contains a Federal mandate on the question of confidential reporting, and for that reason I believe it is fair to say that these organizations are also in support of the principal of a Federal mandate of confidential reporting that is in the amendment that I will offer tomorrow:

The Medical Society of the State of New York, the Massachusetts Medical Society, the Medical Society of New Jersey, Arkansas Medical Society, Tennessee Medical Association, South Dakota State Medical Association, West Virginia State Medical Association, North Carolina Neurological Society, New York State Society of Surgeons, New York State Society of Obstetricians and Gynecologists, New York State Society of Orthopedic Surgeons, Stanislaus County Medical Society in California, Imperial Medical Society of California, the National Association of Medical Examiners, the American Academy of Orthopedic Surgeons, the American Society of Abdominal Surgeons, the American Neurological Association, the Independent Doctors of America, the Association of American Physicians and Surgeons, Americans for Sound AID Policy, American Family Association, American Federation of Small Business, Concerned Women for America, and the Congress of Racial Equality.

The confidential reporting and contact tracing that I am talking about that will be a part of the amendment that this gentleman will be offering tomorrow to this bill will contain confidential reporting, improves the effectiveness of partner notification programs. There are many points in the partner notification process where it is essential that the Public Health caseworker be able to contact the indexed patient. Recalling that 15 to 20 percent of infected individuals do not return to their HIV test results for counseling and tracing, for example, it is simply impossible with our reporting system in place to contact these pople to advise them of their positive HIV status. Confidential reporting enables local health officials to spend the funds appropriated pursuant to this legislation effectively.

H.R. 4785 is a ground breaking piece of legislation. For the first time the Federal Government will commit billions of scarce Federal dollars to the war against a specific sexually transmitted disease. In conjuction with partner notification, reporting is the best known method for interrupting the chain of transmission of the HIV virus. If the States want all these funds, they should be willing to implement additional public health measures to contain the epidemic. There are no longer any rational reasons for an infected person to go underground and avoid the health care system.

□ 1820

The opponents of confidential reporting cite two studies, conducted in 1986 and 1987, in Oregon and South Carolina to support their contention that identify link reporting will drive infected persons underground. This argument is outdated for the followed reasons: First, we have AZT, aerosolized pentamidine and other thereapeutic measures to offer infected persons; second, the Americans with Disabilities Act will extend Federal civil rights protections to individuals infected with the HIV virus; and third, there are no longer any doubts about the accuracy of the tests for HIV virus. Only mentally ill or deluded persons will avoid life prolonging drugs and refuse to cooperate with partner notification efforts.

We should not structure our entire public health care system around the irrational fears and behavioral quirks of a small minority of the at-risk population. These are human beings we are talking about who care about the health and safety of their loved ones. Our policy should reflect that assumption.

The opponents of confidential reporting support legislation, H.R. 4080, to require HIV-infected persons to turn over their names, addresses, phone numbers, and Social Security

numbers to any army of bureaucrats in order to receive a limited package of medicaid benefits. Infected persons would have to reveal much more identifying information under H.R. 4080 than under the amendment offered by this gentleman from California.

If an at-risk person would be willing to reveal their identities to an army of State and Federal medicaid bureaucrats in order to obtain AZT, why would they not do the same to cooperate in vital partner notification programs?

In conclusion, I would like to make reference to a speech that a person who at one time occupied space on the political left in American politics, David Horowitz, gave last fall, and I will not read all of it. But I will read the portion of it that relates, I think, and has relevance to the amendment that this gentleman from California will be offering tomorrow, because I think it helps give the issue a little perspective. This gentleman, by the way, Mr. Horowitz, was a participant in the Vietnam war resistance efforts during that era in the Nation's history, was identified, I think, with activities on the Communist Party, and is now moved on the political spectrum, one might say, to the political right, and is, I think, exhibiting excellent wisdom in how we should be dealing with this epidemic.

That is what says, in part:

We are suffering from the most devastating epidemic of sexually transmitted disease in our Nation's history. That is not unconnected to the doctrines of sexual liberation promoted by progressive activists or the protection of alternative lifestyles that those same activists have promoted to the point of crippling the traditional procedures of our public health system. Over a million Americans have been infected with this silent killer, yet nearly 10 years after the virus started its deadly journey, the AIDS lobby has paralyzed our public health system so effectively that we cannot even track its deadly course. This compassionate, liberal solution which compels us not to test and not to report the progress of an epidemic has resulted in the preventable deaths of tens of thousands of young gay males and a steadily growing menace to the population at large.

I think Mr. Horowitz spoke eloquently when he uttered those statements, and I am happy to say that the amendment was supported by an overwhelming majority of the Members on the minority side in the Committee on Energy and Commerce, In fact, 16 of the 17 members of that committee, and 1 of the members who voted against it, I think, tomorrow will be voting for it.

The leadership on the Republican side is supporting it. We will have some distinguished members of the Democratic Party speaking and voting for the amendment tomorrow, and I hope on a bipartisan basis that the House will add this amendment on reportability to H.R. 4785.

"M" AND "MERGED SURPLUS" ACCOUNTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. IRELAND] is recognized for 60 minutes.

Mr. IRELAND. Mr. Speaker, on May 10 and May 21, I presented two reports to the House on the "M" and merged surplus accounts of the Department of Defense [DOD]. I am now in the process of preparing a third report. In making the third report, I will offer legislative remedies for the problems and abuses I identified in the first two reports and should be ready to present sometime next week.

In the interim, I would like to provide a brief status report on where we stand with these issues.

ACCOUNT CLOSING ACT OF 1990

My colleague Mr. DINGELL, chairman of the Energy and Commerce Committee, and I have drafted the Account Closing Act of 1990 to address problems associated with the "M" and merged surplus accounts raised in my first two reports. This bill would apply to the entire Government.

The Account Closing Act of 1990 has five specific objectives:

First, zero balances in both "M" and merged surplus accounts;

Second, halt flow of new money into both accounts;

Third, allow additional 2-year grace period after appropriations expire as provided in current law;

Fourth, expired appropriations would be rescinded at end of 2-year grace period;

Fifth, maintain line item and fiscal year identity of all funds until spent or rescinded; and

Sixth, agencies authorized to use current appropriations in small amounts to pay outstanding bills if chargeable to the same account.

Critics suggest that the Account Closing Act of 1990 would leave DOD without enough money to pay outstanding obligations and claims. Well, of one thing I am certain. There is no shortage of money at the Pentagon to pay old bills and claims that might arise after expired appropriations are rescinded. At the end of fiscal year 1989, DOD had $39.9 billion in current appropriations that remained unobligated. That amount is projected to grow to $41.4 this year.

If an old bill or claim were submitted for payment after the "M" accounts are closed, for example, it would be charged to current appropriations that remain available—but unobligated—for the same purpose. This would not give DOD unrestricted access to those funds, however. Existing rules and procedures governing reprogrammings would then apply. Under those rules, once an amount crosses a specified dollar threshhold, then DOD would have to notify Congress of its plans to move the money, and Congress could block it if deemed inappropriate.

HEARING

On June 6, a joint hearing was held before the Energy and Commerce and Government Operations Committees to address agency concerns about the Account Closing Act of 1990.

Testimony from this hearing suggests that there is a concensus for eliminating the merged surplus accounts. However, witnesses raised some pertinent questions about the need for "M" accounts—particularly at the Pentagon.

DOD officials contend that some portion of the $18.7 billion held in its "M" accounts is chargeable to valid obligations, and these must be met. That's a true statement, but ask them to place a dollar value on valid obligations. They can't do it. Even though required by law to audit those accounts annually—section 1554, Title 31, U.S. Code—these accounts have never been audited in their entirety. DOD says the job is just too big to handle. They don't have the audit resources to do it.

Well, Mr. Speaker, as a former banker, I have never heard of an account that is too big to audit. I don't think such an account exists—nor do I believe that one should be allowed to exist. I learned an important lesson in banking: inactive accounts need closer scrutiny and more restricted access. If DOD says it can't audit those accounts, that is reason enough to abolish them. An inability to audit them must mean that the audit trail is gone. When Government money loses its fiscal year and line item identity—and thats what happens in the "M" and merged surplus accounts, there is no audit trail. Records have been destroyed. We have a responsibility to close down that kind of operation.

Over the next few days, I will be reviewing the results of the June 6 hearing. I will be working with Mr. DINGELL and other interested members to determine whether our Account Closing Act of 1990 needs some fine tuning. Hopefully, we will be in a position to introduce it in the near future.

GAO REPORT ON GOVERNMENTWIDE BALANCES

On May 18, I asked the GAO to compile a table showing the dollar balances in both the "M" and merged surplus accounts for the whole Government.

On June 5, I received a partial response—a table showing that a total of $28.1 billion is held in "M" accounts.

Mr. Speaker, I request permission to place the table in the RECORD.

The GAO informed me, however, that it would take several auditors at least 5 to 6 months to compile comparable figures for the merged surplus accounts. That's a red flag if there ever was one. If our legislation is adopted, we may not need that information, but if questions arise about the need for those accounts, then I will ask GAO to press on with the inquiry.

CRS REPORT

Mr. Speaker, I also request permission to place a report in the RECORD prepared by Mr. Tom Nicola of CRS American Law Division. It is dated April 30, 1990. It provides detailed information on the legal authority for the "M" and merged surplus accounts, and how they might be used to circumvent the Antideficiency Act.

Mr. Nicola did an excellent job. I recommend his work to anyone interested in understanding the issues surrounding these two accounts and bringing some discipline and ac-

countability into the way these moneys are handled at DOD and some other agencies.

Executive branch "M" account balances as of Sept. 30, 1989

Executive branch component	*Unliquidated obligations ("M" account balances)*
Executive Office of the President[1]	4,274,528,431.40
Executive agencies:	
Department of Agriculture	228,707,278.74
Department of Commerce	94,494,504.69
Department of Education	1,252,849,525.07
Department of Health and Human Services, including Social Security Administration	428,078,292.29
Department of Housing and Urban Development	474,339,046.19
Department of the Interior	87,762,772.50
Department of Justice	177,462,671.61
Department of Labor	1,220,571,822.67
Department of State	122,499,671.99
Department of Transportation	570,951,744.94
Department of Treasury	101,286,440.10
Department of Veterans Affairs	64,122,199.25
Environmental Protection Agency	97,576,122.79
General Services Administration	10,638,210.13
National Aeronautical and Space Administration	174,007,763.50
Office of Personnel Management	13,044,500.33
Small Business Administration	2,995,059.86
Department of Energy	6,639,885.39
Department of Defense[2]	18,670,813,460.95
Independent agencies	25,602,020.28
Total	28,098,971,424.67

[1] The majority of this figure consists of funds appropriated for foreign military sales credit, economic support funds, and development assistance.

[2] This figure includes Army, Navy, Air Force, and Defense agencies.

Source: Data compiled from the Department of the Treasury's 1989 annual report, and not verified.

NANCY R. KINGSBURY,
Director,
Air Force Issues.

HOUSE OF REPRESENTATIVES,
Washington, DC, May 18, 1990.

Hon. CHARLES A. BOWSHER,
Comptroller General, General Accounting Office, Washington, DC.

DEAR CHARLES: I am writing to request further assistance in connection with my ongoing review of the "M" and "Merged Surplus" acounts of the Department of Defense (DOD).

To put the whole problem in better perspective, I would like to have the dollar balances in those two accounts for the entire government at the end of fiscal year 1989. That number should be broken down by agency.

Numerous requests and phone calls to the Treasury Department have failed to produce the desired information. I am hoping that your organization might be able to do better and extract the information.

Since a hearing is scheduled for June 6th on the "M" and "Merged Surplus" accounts and legislation is being drafted, I need this information as quickly as possible.

Your continued support is appreciated.

Kind regards.

Sincerely,

ANDY IRELAND.

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC, April 30, 1990.

To: Hon. Andy Ireland; Attention: Charlie Murphy.

From: American Law Division.

Subject: Whether Appropriation Account Balances in Merged ("M") Accounts and Merged Surplus Accounts Are Susceptible to Antideficiency Act Violations.

This memorandum responds to an inquiry, transmitted by Charlie Murphy of your staff, regarding whether appropriation account balances in merged "M" accounts and merged surplus accounts are susceptible to Antideficiency Act violations. These accounts consist of obligated balances and unobligated balances, respectively, from several different appropriation accounts in each agency, respectively. It has been estimated that as of September 30, 1989, the Army, Navy, and Air Force together had "M" account balances of $17.2 billion and merged surplus account balances of $25.3 billion. Letter from Hon. John D. Dingell, Chairman of the Subcommittee on Oversight and Investigations of the House Committee on Energy and Commerce to Hon. Leon E. Panetta, Chairman of the House Committee on the Budget 2 (March 7, 1990).

The Antideficiency Act, codified in relevant part at 31 U.S.C. § 1341, prohibits an officer or employee of the United States government from making or authorizing an expenditure of obligation exceeding an amount available in an appropriation or fund for an expenditure or obligation. Note that this provision appears in the disjunctive: it prohibits making or authorizing an expenditure or obligation. Moreover, it correlates an expenditure or obligation to an amount available in the appropriation or fund from which the expenditure is paid or the obligation is made.

DESCRIPTION OF PROCEDURES FOR CLOSING APPROPRIATION ACCOUNTS

Sections 1551-1557 of title 31 of the United States Code (section 701-708 prior to the 1982 recodification of title 31) outline procedures for closing appropriation accounts. These sections originally appeared in the Act of July 25, 1956, ch. 727, 70 Stat. 647 (P.L. 84-798) (hereinafter referred to as the 1956 Act.) These procedures acknowledge that agencies incur obligations, award contacts or place orders, for example, and pay (liquidate) them at different times, sometimes after appropriations lapse. They are designed to dispense with the need for agencies to return to Congress after lapse to request deficiency appropriations so that they can pay obligations.

The 1956 Act modified a procedure adopted in the Act of July 6, 1949, ch. 299, 63 Stat. 407 (P.L. 159). The 1949 Act gave the Comptroller General governmentwide responsibility to certify claims against lapsed appropriations. Certified claims were paid by the Department of the Treasury from a single certified claims account comprised of lapsed appropriations, that is, unexpended balances that had remained on the books of the government for two years after the fiscal year or years for which appropriated. The House report to the bill that became the 1956 Act indicated that a single governmentwide approach was unsatisfactory because the Comptroller General annually had to certify 30,000-40,000 claims that raised no questions of law or fact, duplicating initial agency approvals. H. Rep. No. 2015, 84th Cong., 2d Sess. (1956), reprined in 1956 U.S. Code Cong. & Ad. News 3520, 3521.

To eliminate this duplication, the 1956 Act replaced the single governmentwide system with agency merged accounts for each general purpose. It also authorized agencies rather than the Treasury Department to pay bills on which there is no question but for which appropriations have lapsed in the same manner as bills payable from currently available appropriations. Id. at 3620.

The closing provisions define both obligated balances and unobligated balances. Section 1551(a)(1) defines an "obligated balance" as the "amount of unliquidated [unpaid] obligations applicable to the appropriation less amounts collectible as repayments to the appropriation." Section 1551(a)(2) defines an "unobligated balance" as the "difference between the obligated balance and the total unexpended balance."

Section 1552(a)(1) requires transfer of an obligated balance from each account on the September 30th of the second fiscal year after the period of availability ends to an appropriation account of the agency responsible for paying the obligation. Amounts transferred from all appropriation accounts for the same general purpose are merged in the account for paying obligations. This merged account is referred to as the "M" account. It contains balances that an agency has obligated during the period of availability, a fiscal year in the case of an annual appropriation, for example, and the two succeeding fiscal years.

While an agency generally only may incur obligations during a period of obligational availability, the first year or years for which funds were appropriated in the case of an annual appropriation or multiyear appropriation, respectively, for example, see 31 U.S.C. § 1502(a), it may pay them indefinitely after an appropriation expires. If an agency pays an obligation during the first two years following an obligational period, it draws funds from an expired appropriation account. The appropriation account and fiscal year retain their identities for the first two years after the period. After unpaid obligated balances are merged into an "M" account following the second fiscal year after expiration, the agency pays the obligation out of the "M" account. Following transfer to the "M" account, each account balance loses its appropriation account name and fiscal year identity.

An example helps explain the closing procedure for obligated balances. For annual funds appropriated for Fiscal Year 1990 for operations and maintenance, for example, an agency may incur obligations until September 30, 1990, the last day of Fiscal Year 1990. Fiscal Year 1990 is the period of obligational availability. An agency may pay obligations incurred during Fiscal Year 1990 during Fiscal Year 1991, Fiscal Year 1992, or indefinitely. If it pays Fiscal Year 1990 obligations during the two succeeding fiscal years, it draws funds out of the expired Fiscal Year 1990 operations and maintenance appropriation account. For these two fiscal years, the account retains its names and fiscal year identity even though it has expired. If the agency pays the Fiscal Year 1990 obligation after September 30, 1992, the last day of Fiscal Year 1992, the second fiscal year after the obligational period, the agency still may pay the obligation, but it draws funds from the "M" account, the account into which all appropriation accounts for the same general purpose have been merged.

As noted earlier, balances not obligated during the obligational period are treated

differently. Second 1552(a)(2) of title 31 of the United States Code requires withdrawing unobligated balances not later than the November 15 after the period of availability ends. At the end of the obligational period, they revert to the Treasury or, if derived only from a special or trust fund, to the fund from which derived. This subsection authorizes the head of an agency to restore to the appropriate account an amount required to pay obligations whenever he or she decides that part of the withdrawn unobligated balance is required to pay them. The 1956 Act required an agency head to report to the Director of the Bureau of the Budget (now the Office of Management and Budget), Comptroller General, Speaker of the House, and President of the Senate before restoring unobligated balances, section (a)(2) of the 1956 Act, but this reporting requirement was repealed in 1960. P.L. 86-533, § 1(25), 74 Stat. 249 (1960).

For the first two years after expiration, unobligated balances transferred pursuant to this authority become "surplus authority." This authority is available to restore to or withdraw from the expired appropriation account from which derived. See general Accounting Office, Report to the Secretary of Defense, "Financial Management: Defense Accounting Adjustments for Stock Fund Obligations Are Illegal," AFMD-87-1 Appendix I 16 (1987). Following the second fiscal year after expiration when obligated balances are transferred into the agency's "M" account, remaining unobligated balances go from surplus authority into the merged surplus account. This account differs from the "M" account because the former contains only unobligated balances while the "M" account contains only obligated balances that remain available to pay obligations.

Section 1552(a)(2) requires withdrawing unobligated balances from appropriation accounts available for a definite period. A corresponding provision, section 1555(a) of the United States Code, requires withdrawing unobligated balances in appropriation accounts available for indefinite periods. When an agency head determines that the purposes for which an appropriation was made have been carried out or when no disbursement is made against an appropriation for two fiscal years, the unobligated balance in the indefinite period account must be withdrawn in the way provided in section 1552(a), first to surplus authority and then to the merged surplus account. Like its counterpart in a definite period account, an unobligated balance withdrawn from an indefinite period account under section 1555(a) may be restored to an applicable appropriation account to pay obligations and to settle accounts. 31 U.S.C. § 1555(b).

Section 1553(a) states that each appropriation account established under section 1552, i.e., each "M" and merged surplus account, is accounted for separately and remains available until expended to pay obligations chargeable against any appropriation from which the account is derived.

GENERAL ACCOUNTING OFFICE OPINION

On June 24, 1975, the General Counsel of the General Accounting Office issued an unpublished opinion that addressed an inquiry relating to recording obligations after the obligational period and their effect on Antideficiency Act violations. B-179708-O.M. (General Counsel Paul G. Dembling) (June 24, 1978), cited in General Accounting Office, Principles of Appropriations Law 4-39 (1st ed. 1982). The specific question was whether balances in the "M" and surplus accounts may be used to pay not only obligations recorded during an obligational period, but also obligations properly chargeable against an appropriation year or years in the "M" account but not recorded until after that period. The first category was referred to as an obligation adjustment, i.e., simply adjusting upward an obligation recorded during the obligational period, while the second category was referred as a "new" obligation.

The question was raised because of a Navy Comptroller Notice ("NAVCOMPT") then in effect. It required submitting an Antideficiency Act violation report whenever an obligation was not recorded until after the obligational period if that recording would have shown an overobligation or overexpenditure if it had been made during the period. The General Counsel was asked whether this notice was legally valid.

The General Counsel responded that the restoration authority, authority granted in section 1552(a)(2) to restore withdrawn unobligated balances from the surplus merged account "to liquidate obligations and effect adjustments," obviously may be used to adjust obligations recorded during the obligational period. He noted that a purpose of enacting this authority was to permit an agency to adjust upward an amount that had been recorded where the amount originally recorded proved less than the actual amount needed for obligation.

He expressed an opinion that the restoration authority also may be used to pay so-called "new" obligations, i.e., those properly chargeable to a particular appropriation account but not recorded until after the obligational period, provided that they meet the criteria specified in 31 U.S.C. § 1501(a). Section 1501(a) (formerly section 200(a)) requires that an amount must be recorded as an obligation only when supported by documentary evidence of, among other things, a binding agreement between an agency and another person that is in writing and executed before the end of an obligational period, a loan agreement showing an amount and terms of repayment, or a grant or subsidy.

The General Counsel cited a number of reasons for his opinion. He said that although the legislative history of section 1552 seems to emphasize using restorations to adjust amounts of obligations recorded during the obligational period, neither that history nor the language of the statute itself limits the restoration authority in this way. Moreover, neither section 1501(a) nor 1502(a) (formerly sections 200 (a) and (d) of title 31, respectively) necessarily precludes paying unrecorded transactions that meet the substantive criteria for "obligations." Section 1502(a) states that the balance of an appropriation limited for obligation to a definite period is available to pay expenses properly incurred during the period of availability or to complete contracts properly made within that period and obligated in a manner consistent with section 1501.

Finally, he said, there appears to be no basis in terms of the purpose of sections 1551-1557 to differentiate between adjustments to obligation amounts previously recorded during an obligational period and adjustments involving otherwise valid obligations which for some reason ("probably administrative oversight in many cases") were never formally recorded. B-17908-O.M. 5 (June 24, 1974). He said that, ". . . we consider it proper to handle unrecorded but otherwise valid obligations by restoration in the same manner as upward adjustments to previously recorded obligations." Id.

The General Counsel then turned to the Navy practice of requiring an Antideficiency Act violation report whenever an obligation or expenditure was identified as actually having been incurred against an appropriation during the obligational period but not recorded until after that period if recording prior to lapse would have caused an overobligation or overexpenditure. He said that once an appropriation balance reaches an "M" account, i.e., two years after the end of the obligational period, as a practical matter, it no longer is susceptible to violations of the Antideficiency Act, provided that the total of all such payments does not exceed the entire "M" account balance. The reason is that under section 1551(a), an "M" account balance is available to pay any obligation attributable to any of the appropriations from which it is derived. Consequently, payments from an "M" account do not need to be related to specific balances of appropriations transferred to it.

He said that a different result applies during the first two years after the obligational period before obligated balances are transferred from an expired appropriation account into an "M" account. During that period, obligated balances remain in expired accounts that retain their names and fiscal year identities. An early version of section 1551 required transfer of obligated balances into an "M" account within two months after expiration. See H.R. Rep. No. 2015, 84th Cong., 2d Sess. 1 (1956), reprinted in 1956 U.S. Code Cong. & Adm. News 3521. When Congress considered the 1956 Act, it increased the waiting period from two months to two years in response to concerns about the effect of the shorter period on potential Antideficiency Act violations.

He added that during the two-year period before transfer of remaining obligated balances to an "M" account, amounts identified as valid obligations against an appropriation account that cause obligations to exceed an undisbursed balance may be paid by restoration from the withdrawn unobligated balance (surplus authority), but only up to the maximum amount of the withdrawn balance. These obligations may be adjustments to previously recorded obligations or previously unrecorded "new" obligations, provided, of course, that the latter category of obligations properly were chargeable to the appropriation account during the obligational period.

He noted that section 1554(a) (formerly section 703(a)) appears to support this view. This section directs the head of each agency at least once each year to review each appropriation account established for the agency under section 1552. If the undisbursed balance exceeds the obligated balance, the excess must be withdrawn in the way provided in section 1552(a)(2), i.e., withdrawn into surplus authority or a surplus merged account. If, on the other hand, the obligated balance exceeds the undisbursed balance, the excess may be restored to the account in an amount not more than the remaining unobligated balances of the appropriations available for the same general purposes. Thus, the amount that can be restored is limited by the amount of the unobligated balance in surplus authority. Before restoring an amount, the agency head must make a restoration report as may be required by the President.

An example reveals how section 1554(a) operates. For a $100 million appropriation account, assume that during an obligational period an agency incurs obligations of $90 million and does not obligate $10 million. At

the end of the period, the $90 million obligated balance becomes the expired appropriation that retains its name and fiscal year identity and remains available to pay obligations. By the November 15th following the September 30th close of the fiscal year (assuming that the funds were appropriated for the full fiscal year), the $10 million unobligated balance is withdrawn; it reverts to the Treasury and becomes surplus authority.

Further assume, during the first fiscal year following the end of the obligational period, that the agency disburses (pays) $25 million of the $90 million in the expired account comprised of obligated balances. (These amounts are hypothetical and do not presume to reflect actual spendout rates. Different kinds of programs spend out at different rates.) The amount remaining in the expired appropriation would drop to $65 million ($90 million minus $25 million). If during that year the agency makes no adjustments upward or downward to obligations, the undisbursed balance, the balance remaining after paying obligations, precisely would equal the remaining obligated balance—$65 million for each.

If, however, during that year the agency discovers that it only needs $23 million to pay $25 million in obligations, the undisbursed balance would exceed the obligated balance by $2 million ($90 million minus $23 million equals an undisbursed balance of $67 million against remaining obligations of $65 million). Under 31 U.S.C. § 1554(a), the agency head would be required to withdraw the $2 million excess undisbursed balance into surplus authority. In the reverse situation, where an agency discovers that it needs $27 million to pay $25 million in obligations, the obligated balance would exceed the undisbursed balance by $2 million ($90 million minus $27 million equals an undisbursed balance of $63 million against remaining obligations of $65 million) and the amount of the excess could be restored from surplus authority, but only up to the total amount of unobligated balances. In the example, the total unobligated balance transferred to surplus authority was $10 million ($100 million minus $90 million in obligations incurred during the obligational period). During the first two years after the obligational period expires, the amount in surplus authority could not exceed the reciprocal of the obligated balance. After that two years, however, the amount available for restoration from the merged surplus account would not be so limited because all balances in that account would be available for restoration.

After citing section 1554(a), the General Counsel said that where identifiable obligations during the two-year period prior to transfer into an "M" account exceed the entire undisbursed appropriation balance—both obligated and unobligated—the excess would constitute an Antideficiency Act violation and could only be paid by a deficiency appropriation.

The General Counsel closed by summarizing the effect of his conclusions on the Navy Comptroller Notice. As noted earlier, this notice required submitting an Antideficiency Act report whenever an obligation or expenditure was identified as actually having been incurred during the obligational period but not recorded until after it, if recording prior to lapse would have caused an overobligation or overexpenditure before lapse.

He stated that if actual obligations (whether recorded or not) in excess of a total appropriation account are not identified until after the obligated balance has been transferred to an "M" account, they may be paid from that account without violating the Antideficiency Act, provided that the amount does not exceed the entire "M" account balance. He added that it is immaterial whether or not those obligations exceed the amount of the particular appropriation to which they originally were attributable. On the other hand, if obligations exceeding the full appropriation amount are identified before transfer to the "M" account, an Antideficiency Act violation must be reported and a deficiency appropriation must be requested. He said that these consequences apply as soon as obligations are identified. For example, he said, a previously unrecorded obligation identified before transfer to an "M" account may not be ignored until after the time of transfer.

CONCLUSION

This memorandum has addressed whether balances in "M" accounts and merged surplus accounts are susceptible to violations of the Antideficiency Act. The "M" and merged surplus accounts consist of obligated and unobligated balances, respectively, from many different accounts for the same general purpose in each agency. Balances obligated during an obligational period are transferred to "M" accounts two years after the end of that period. For the first two years, these balances remain in expired accounts that retain their names and fiscal year identities. Balances not obligated during the obligational period are transferred shortly after that period to surplus authority for two years and then to merged surplus authority.

A 1974 unpublished opinion issued by the General Counsel of the General Accounting Office said that, as a practical matter, balances in "M" and merged surplus accounts may not be susceptible to Antideficiency Act violations unless all payments from those accounts exceed the total in them. The Act prohibits making or authorizing an expenditure or obligation that exceeds the amount available in the appropriation or fund from which the obligation is made or the expenditures is paid. He said that those balances are susceptible to such violations during the first two years after the obligational period before obligated and unobligated balances are transferred into merged accounts.

THOMAS J. NICOLA,
Legislative Attorney.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DOUGLAS) to revise and extend their remarks and include extraneous material:)

Mr. IRELAND, for 60 minutes, today.

Mr. DOUGLAS, for 5 minutes, today.

Mr. COUGHLIN, for 60 minutes, on June 20.

Mrs. JOHNSON of Connecticut, for 60 minutes, on June 20.

Mr. BALLENGER, for 60 minutes, on June 20.

Mr. WALKER, for 60 minutes, on June 20.

Mr. LOWERY of California, for 60 minutes, on June 20.

Mr. UPTON, for 60 minutes, on June 20.

Mr. KYL, for 60 minutes, on June 20.

Mr. HUNTER, for 60 minutes, on June 20.

Mr. SMITH of Vermont, for 60 minutes, on June 20.

Mr. GOSS, for 60 minutes, on June 20.

Ms. MOLINARI, for 60 minutes, on June 20.

Mr. BARTLETT, for 60 minutes, on June 20.

Mr. GUNDERSON, for 60 minutes, on June 20.

Mr. GINGRICH, for 60 minutes, on June 20.

Mr. EMERSON, for 5 minutes, today.

Mr. DORNAN of California, for 60 minutes, on June 13 and 60 minutes on June 20.

(The following Members (at the request of Mr. CAMPBELL of Colorado) to revise and extend their remarks and include extraneous material:)

Mr. TAUZIN, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. VALENTINE, for 5 minutes, today.

Mr. GUARINI, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DOUGLAS) and to include extraneous material:)

Mr. COURTER.

Mr. SCHIFF.

Mr. PURSELL.

Mr. RITTER.

Mr. SUNDQUIST in two instances.

Mr. SAXTON.

Mr. COBLE.

Mr. DOUGLAS in two instances.

Mr. GALLO.

Ms. ROS-LEHTINEN in two instances.

Mr. HORTON.

Mr. HOUGHTON.

Mr. GEKAS in two instances.

Mr. MCDADE.

Mr. GREEN.

Mr. VANDER JAGT.

Mr. GINGRICH.

Mr. CONTE in two instances.

Mr. LOWERY of California.

Mr. THOMAS of California.

Mr. MILLER of Washington.

Mr. BLILEY in two instances.

(The following Members (at the request of Mr. CAMPBELL of Colorado) and to include extraneous matter:)

Mr. SMITH of Florida.

Mr. MONTGOMERY.

Mr. EDWARDS of California.

Mr. PEASE.

Mr. FRANK.

Mr. FASCELL in two instances.

Mr. MURTHA.

Mr. FAUNTROY.

Mr. BEILENSON.

Mr. RICHARDSON in two instances.
Mr. BOSCO.
Mrs. LOWEY of New York.
Ms. SLAUGHTER of New York.
Mr. APPLEGATE in two instances.
Mr. MINETA.
Mr. DELLUMS in two instances.
Mr. STARK in two instances.
Mr. NEAL of Massachusetts.
Mr. MATSUI.
Mr. TRAFICANT.
Mr. DYSON.
Mr. SKELTON.
Mr. KLECZKA.
Mr. LEVINE of California.
Mr. HOYER.
Mr. HOCHBRUECKNER.
Mrs. BYRON.
Mr. BARNARD.
Mrs. SCHROEDER.
Mr. DARDEN.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1664. An act to establish a congressional commemorative medal for members of the Armed Forces who were present during the attack on Pearl Harbor on December 7, 1941; to the Committee on Banking, Finance and Urban Affairs.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 4612. An act to amend title 11 of the United States Code regarding swap agreements and forward contracts; and

H.J. Res. 516. Joint resolution to designate the week beginning June 10, 1990, as "National Scleroderma Awareness Week."

ADJOURNMENT

Mr. DANNEMEYER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 25 minutes p.m.) the House adjourned until tomorrow, Wednesday, June 13, 1990, at 10 a.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports and amended reports of various House committees concerning the foreign currency and U.S. dollars utilized by them during the fourth quarter of 1988, the first, second, third and fourth quarters of 1989, and the first quarter of 1990, and a consolidated report and amendments concerning the foreign currency and U.S. dollars utilized by various individuals and delegations traveling under an authorization from the Speaker during the first quarter of 1990 are as follows:

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMISSION ON SECURITY AND COOPERATION IN EUROPE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1988

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Jesse L. Jacobs	11/11	11/20	U.S.S.R		[3] 1,665.00						1,665.00
Total					1,665.00						1,665.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Originally reported $1,850.00; $185 was returned.

STENY HOYER, May 16, 1990.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, SPECIAL TASK FORCE ON EL SALVADOR, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 11 AND FEB. 14, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. John Joseph Moakley	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon. David E. Bonior	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon. Daniel R. Glickman	2/11	2/13	El Salvador		254.00		[3] 150.00				404.00
Commercial transportation							680.00				680.00
Hon. Steny H. Hoyer	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon. Barbara B. Kennelly	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon. Frank McCloskey	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon. Jim McDermott	2/11	2/14	El Salvador		381.00						381.00
Commercial transportation							1,127.00				1,127.00
Hon. Matthew F. McHugh	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon. George Miller	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon. Gerry E. Studds	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon. Bud Shuster	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon. David Dreier	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon Robert K. Dornan	2/12	2/14	El Salvador		254.00		[3] 150.00				404.00
Commercial transportation							595.00				595.00
Hon. Bob McEwen	2/11	2/14	El Salvador		381.00						381.00
Commercial transportation							1,278.00				1,278.00
Hon. Bill McCollum	2/11	2/13	El Salvador		381.00						381.00
Commercial transportation							735.00				735.00
Michael J. O'Neill	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
James P. McGovern	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
John J. Dooling	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
William Woodward	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Mark Murray	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Nancy Agris	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Cindy Arnson	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Louis H. Dupart	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
William B. Inglee	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Randy Scheunemann	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Kevin O'Leary	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Jerry Hartz	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, SPECIAL TASK FORCE ON EL SALVADOR, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 11 AND FEB. 14, 1990—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Total					10,033.00		11,315.00				21,348.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military transportation.

JOE MOAKLEY, Apr. 2, 1990.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO LITHUANIA AND WEST BERLIN, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 20 AND 27, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Richard Durbin	2/21	2/25	G.D.R.	1,004.18	621.00		4,917.00	2,487	[3] 1,348.00	3,491.18.00	6,886.00
	2/25	2/26	Lithuania			464	301.00			464	301.00
	2/26	2/27	U.S.S.R.								
Hon. C. Christopher Cox	2/21	2/25	West Germany	1,004.18	621.00		4,917.00	5,890.00	[3] 3,658.39	6,894.18	9,196.39
	2/25	2/26	Lithuania			464	301.00				301.00
	2/26	2/27	U.S.S.R.								
Hon. John Miller	2/21	2/25	West Germany	1,004.18	621.00		4,917.00	3,602.20	[3] 2,237.39	4,606.38	7,775.39
	2/25	2/26	Lithuania			464	301.00				301.00
	2/26	2/27	U.S.S.R.								
John W. Griffin	2/21	2/25	West Germany	1,004.18	621.00		4,917.00	395.80	[3] 245.84	1,399.98	5,783.84
	2/25	2/26	Lithuania			464	301.00				301.00
	2/26	2/27	U.S.S.R.								
Bill Sarpalius	2/21	2/25	West Germany	1,004.18	621.00		4,917.00	884.60	[3] 524.60	1,848.70	6,062.60
	2/25	2/26	Lithuania			464	301.00				301.00
	2/26	2/27	U.S.S.R.								
Total					3,105.00		26,090.00		8,014.22		37,209.22

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Includes telephone calls, visa fees, and transit fee.

RICHARD DURBIN, May 8, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Brook Ball	3/31	4/2	Commonwealth of the Bahamas		380.00		[3]				380.00
Melanie Barber	3/31	4/2	Commonwealth of the Bahamas		380.00		[3]				380.00
Hon. Joseph Brennan	3/27	3/28	Belgium	14,138	366.00		[3]				366.00
	3/29	3/31	West Germany	600.85	322.00		[4] 156.31		[5] 217.43		695.74
	3/31	4/2	France	2,764.58	434.00		[4] 61.86		[5] 56.96		552.82
	4/2	4/4	England	267.92	452.00		[4] 63.88		[5] 239.83		755.71
Barbara L. Cavas	3/31	4/2	Commonwealth of the Bahamas		380.00		[3]				380.00
Hugh N. Johnston	3/27	3/28	Belgium	14,138	366.00		[3]				366.00
	3/29	3/31	West Germany	600.85	322.00		[4] 156.31		[5] 217.43		695.74
	3/31	4/2	France	2,764.58	434.00		[4] 61.86		[5] 56.96		552.82
	4/2	4/4	England	267.92	452.00		[4] 63.88		[5] 239.83		755.71
Hon. Walter B. Jones	3/27	3/28	Belgium	14,138	366.00		[3]				366.00
	3/29	3/31	West Germany	600.85	322.00		[4] 156.31		[5] 217.43		695.74
Mary J. Kitsos	3/27	3/28	Belgium	14,138	366.00		[3]				366.00
	3/29	3/31	West Germany	600.85	322.00		[4] 156.31		[5] 217.43		695.74
	3/31	4/2	France	2,764.58	434.00		[4] 61.86		[5] 56.96		552.82
	4/2	4/4	England	267.92	452.00		[4] 63.88		[5] 239.83		755.71
Thomas R. Kitsos	3/27	3/28	Belgium	14,138	[6] 366.00		[3]				366.00
	3/29	3/31	West Germany	600.85	[7] 322.00		[4] 156.31		[5] 217.43		695.74
	3/31	4/2	France	2,764.58	[8] 434.00		[4] 61.86		[5] 56.96		552.82
	4/2	4/4	England	267.92	[9] 452.00		[4] 63.88		[5] 239.83		755.71
Hon. Thomas J. Manton	3/27	3/28	Belgium	14,138	366.00		[3]				366.00
	3/29	3/31	West Germany	600.85	322.00		[4] 156.31		[5] 217.43		695.74
	3/31	4/2	France	2,764.58	434.00		[4] 61.86		[5] 56.96		552.82
	4/2	4/4	England	267.92	452.00		[4] 63.88		[5] 239.83		755.71
Cornel Martin	3/31	4/2	Commonwealth of the Bahamas		380.00		[3]				380.00
Eleanor P. Mohler	3/27	3/28	Belgium	14,138	366.00		[3]				366.00
	3/29	3/31	West Germany	600.85	322.00		[5] 156.31		[5] 217.43		695.74
	3/31	4/2	France	2,764.58	434.00		[4] 61.86		[5] 56.96		552.82
	4/2	4/4	England	267.92	452.00		[4] 63.88		[5] 239.83		755.71
Rodney Moore	2/26	3/2	Canada		[10] 450.00		[11] 512.41				962.41
Hon. Patricia Saiki	3/27	3/28	Belgium	14,138	366.00		[3]				366.00
	3/29	3/31	West Germany	600.85	322.00		[4] 156.31		[5] 217.43		695.74
	3/31	4/2	France	2,764.58	434.00		[4] 61.86		[5] 56.96		552.82
	4/2	4/4	England	267.92	452.00		[4] 63.88		[5] 239.83		755.71
Gerald Seifert	3/27	3/28	Belgium	14,138	366.00		[3]				366.00
	3/29	3/31	West Germany	600.85	322.00		[4] 156.31		[5] 217.43		695.74
	3/31	4/2	France	2,764.58	434.00		[4] 61.86		[5] 56.96		552.82
	4/2	4/4	England	267.92	452.00		[4] 63.88		[5] 239.83		755.71
Hon. Robin Tallon	3/27	3/28	Belgium	14,138	366.00		[3]				366.00
	3/29	3/31	West Germany	600.85	322.00		[4] 156.31		[5] 217.43		695.74
	3/31	4/2	France	2,764.58	434.00		[4] 61.86		[5] 56.96		552.82
	4/2	4/4	England	267.92	452.00		[4] 63.88		[5] 239.83		755.71

REPORT OF EXPENDITURES FOR OFFICIAL TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1989—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Billy Tauzin	3/31	4/2	Commonwealth of Bahamas		380.00		([3])				380.00
Edmund B. Welch	3/27	3/28	Belgium	14,138	366.00		([3])				366.00
	3/29	3/31	West Germany	600.85	322.00		[4] 156.31		[5] 217.43		695.74
	3/31	4/2	France	2,764.58	434.00		[4] 61.86		[5] 56.96		552.82
	4/2	4/4	England	267.92	452.00		[4] 63.88		[5] 239.83		755.71
Cynthia Wilkinson	3/31	4/2	Commonwealth of the Bahamas		380.00		([3])				380.00
Roy W. Willis	3/31	4/2	Commonwealth of the Bahamas		380.00		([3])				380.00
William Wright	3/31	4/2	Commonwealth of the Bahamas		380.00		([3])				380.00
Committee total					20,804.00		3,614.96		5,656.42		30,075.38

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military transportation.
[4] Prorated share, ground transportation.
[5] Prorated share, miscellaneous expenses.
[6] Traveler returned $180 to Department of State (Belgium portion).
[7] Traveler returned $225 to Department of State (West Germany portion).
[8] Traveler returned $290 to Department of State (France portion).
[9] Traveler returned $362 to Department of State (England portion).
[10] Cash advance from Department of State; traveler returned $67 to DOS.
[11] Commerical airfare.

WALTER B. JONES, Chairman, May 24, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE FOR REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
John Cullather	6/18	6/21	England	337.88	507.00	8.00	[3] 12.00				
Commercial airfare							3,039.00				3,558.00
James K. McCallum	6/11	6/18	Scotland	450.62	705.00	1,130	[3] 17.68				
Commercial airfare							3,217.00				3,939.68
Brian J. O'Malley	4/20	4/22	France	4.101.30	651.00		([4])				
	4/23	4/24	England		226.00		([4])				877.00
Committee total					2,089.00		6,285.68				8,374.68

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Ground transportation.
[4] Military transportation provided by DOD.

WALTER B. JONES, Chairman, May 9, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Daschbach, Richard J.	7/16	7/20	Switzerland	1,104.68	684.00		[3] 2,380.78				3,064.78
Melius, Thomas O	8/21	8/23	Canada		250.00		[3] 312.68				562.68
Committee total					934.00		2,693.46				3,627.46

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Commercial airfare.

WALTER B. JONES, Chairman, May 9, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Donald J. Barry	10/7	10/21	Switzerland		[3] 2,500.00		[4] 2,417.00				4.917.00
Bondareff, Joan M	10/10	10/15	Yugoslavia		[3] 900.00		[4] 2,651.00				
	10/15	10/20	France	6,534.70	1,010.00						4,561.00
Hon. Jim Bunning	10/27	10/28	Panama		116.00		([5])				
	10/28	10/29	Nicaragua		190.00						
	10/29	10/30	El Salvador		127.00						433.00
DeFerrari, Gina	10/7	10/18	Switzerland		[3] 2,500.00		[4] 2,417.00				4,917.00
McCallum, James K.	11/12	11/18	Madeira		[3] 800.00		2,564.00				
					[6] 91.22		[7] 18.00				3,473.22
Melius, Thomas O	10/6	10/21	Switzerland		[3] 2,500.00		[4] 2,417.00				4,917.00
Moore, Charles O	10/1	10/6	Switzerland	258.93	948.00		[4] 2,464.00				

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1989—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Ground transportation							53.09				3,465.09
O'Malley, Brian J	12/14	12/15	West Germany	334.06	191.00		(5)				
	12/15	12/16	Czechoslovakia	939.00	146.00						337.00
Pike, Jeffrey R	11/	11/17	Madeira		[3] 700.00		[4] 2,564.00				3,264.00
Committee total					12,719.22		17,565.09				30,284.31

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Cash advance issued by State Department.
[4] Commercial airfare.
[5] Military transportation provided by Department of Defense.
[6] Official telephone expenses—reimbursement.
[7] Ground transportation.

WALTER B. JONES, Chairman, May 9, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO AUSTRALIA AND NEW ZEALAND, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 10 AND FEB. 20, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Jeffrey R. Biggs		2/10	Andrews AFB		[3] 509.97						509.97
	2/10	2/11	Hickam AFB, Honolulu								
	2/11	2/14	Guam								
	2/14	2/15	Palau								
	2/15	2/18	Christchurch, New Zealand						136.92		136.92
	2/18	2/18	Somoa								
	2/18	2/20	Maui, Hawaii								
	2/20		Andrews AFB								
Frank Holtz		2/10	Andrews AFB		[3] 509.97						509.97
	2/10	2/11	Hickam AFB, Honolulu								
	2/11	2/14	Guam								
	2/14	2/15	Palau								
	2/15	2/18	Christchurch, New Zealand						136.92		136.92
	2/18	2/18	Somoa								
	2/18	2/20	Maui, Hawaii								
	2/20		Andrews AFB								
Total					1,019.94				273.84		1,293.78

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Trip total.

JEFFREY R. BIGGS, June 6, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, HON. BOB McEWEN, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 11 AND FEB. 20, 1989

Name of Member or Employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Bob McEwen	2/11	2/12	Zaire		233.00						233.00
	2/12	2/16	S. Africa		617.00						617.00
	2/16	2/18	Zimbabwe		279.80				6.30		286.10
	2/18	2/19	Malawi		133.00						133.00
	2/19	2/20	Cape Verde								
Military transportation							14,029.90				14,029.90
Total					1,262.80		14,029.90		6.30		15,299.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

BOB McEWEN.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Chester Atkins	2/18	2/19	Malaysia				2,911.00				2,911.00
Hon. Jim Kolbe	1/18	1/19	Philippines		314.00						314.00
	1/19	1/21	Singapore		292.00						292.00
Commercial transportation							2,226.00				2,226.00
Hon. Bill Lowery	1/7	1/9	Germany								
	1/10	1/11	Czechoslovakia								
	1/12	1/14	Zaire		303.00						303.00
Commercial transportation							4,842.40				4,842.40
Hon. Robert Mrazek	1/8	1/9	Germany		199.00						199.00
	1/9	1/10	Czechoslovakia		196.00						196.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1990—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	1/10	1/11	France		222.00						222.00
	1/11	1/14	Zaire		451.50						451.50
Commercial transportation							4,676.00				4,676.00
Hon. John Murtha	1/15	1/18	Norway		678.00						678.00
	1/18	1/21	England		651.00						651.00
	1/21	1/22	Belgium		200.00						200.00
Military transportation							5,209.00				5,209.00
Hon. Ralph Regula	1/15	1/18	Norway		678.00						678.00
	1/18	1/21	England		651.00						651.00
	1/21	1/22	Belgium		200.00						200.00
Military transportation							5,209.00				5,209.00
Hon. Martin Sabo	1/15	1/18	Norway		678.00						678.00
	1/18	1/21	England		651.00						651.00
	1/21	1/22	Belgium		200.00						200.00
Military transportation							5,209.00				5,209.00
Hon. Jamie L. Whitten	1/15	1/18	Norway		678.00						678.00
	1/18	1/21	England		651.00						651.00
	1/21	1/22	Belgium		200.00						200.00
Military transportation							5,209.00				5,209.00
Robert V. Davis	3/23	3/26	U.S.S.R		550.00						550.00
Commercial transportation							2,312.00				2,312.00
Military transportation							1,013.00				1,013.00
Kathleen Johnson	1/5	1/19	Australia		1,059.51						1,059.51
Commercial transportation							2,534.89				2,534.89
Edward E. Lombard	1/14	1/7	U.S.A		360.00				70.70		430.70
	1/7	1/12	Mexico		770.03				32.12		802.15
Commercial transportation							1,392.74				1,392.74
John R. Mikel	3/23	3/26	U.S.S.R		550.00				14.00		564.00
Commercial transportation							2,312.00				2,312.00
Military transportation							1,013.00				1,013.00
Fredrick G. Mohrman	1/15	1/18	Norway		678.00						678.00
	1/18	1/21	England		651.00						651.00
	1/21	1/22	Belgium		200.00						200.00
Military transportation							5,209.00				5,209.00
John G. Osthaus	1/4	1/10	Italy		974.00						974.00
	1/10	1/15	Israel		910.00						910.00
	1/15	1/18	United Kingdom		651.00						651.00
Commercial transportation							3,559.00				3,559.00
John G. Osthaus	3/23	3/26	U.S.S.R		550.00						550.00
Commercial transportation							2,312.00				2,312.00
Military transportation							1,013.00				1,013.00
Donald E. Richbourg	1/15	1/18	Norway		678.00						678.00
	1/18	1/21	England		651.00						651.00
	1/21	1/22	Belgium		200.00						200.00
Military transportation							5,209.00				5,209.00
William Schuerch	2/10	2/17	Philippines		1,099.00						1,099.00
Commercial transportation							4,596.00				4,596.00
J. David Willson	1/15	1/18	Norway		678.00						678.00
	1/18	1/21	England		651.00						651.00
	1/21	1/22	Belgium		200.00						200.00
Military transportation							5,209.00				5,209.00
Committee total					20,154.04		73,176.03		116.82		93,446.89

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JAMIE WHITTEN, Chairman, May 24, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, SURVEYS AND INVESTIGATIONS STAFF, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Richard H. Ash	3/16	3/18	Hong Kong		440.00		3,103.05		48.50		3,591.55
	3/18	3/24	Thailand		634.50						634.50
G. Carter Baird	1/14	1/19	Korea		825.00		2,598.63		8.00		3,431.63
Carroll L. Hauver	1/22	1/25	Costa Rica		285.00		640.00		7.00		932.00
	3/16	3/18	Hong Kong		440.00		3,103.05		104.50		3,647.55
	3/18	3/24	Thailand		571.50						571.50
William P. Haynes	1/23	1/25	Dominican Republic		204.75		514.80		10.00		729.55
	3/16	3/18	Hong Kong		440.00		3,497.22		35.00		3,972.22
	3/18	3/20	Singapore		252.00						252.00
	3/20	3/22	Malaysia		198.00						198.00
	3/22	3/24	Burma		158.00						158.00
	3/24	3/25	Thailand		126.00						126.00
Robert E. Jamison	1/15	1/19	Korea		601.25		2,241.21		37.50		2,879.96
Jeffrey A. Kans	1/15	1/22	Korea		974.50		2,654.84		7.45		3,636.79
	1/22	1/25	Philippines		243.75						243.75
	1/25	1/30	Japan		656.25						656.25
Robert W. Lautrup	3/25	3/31	England		1,081.25		3,192.00		57.97		4,331.22
Henry P. McDonald	1/23	1/25	Costa Rica		313.50		496.00				809.50
	3/16	3/18	Hong Kong		440.00		3,025.77		36.00		3,501.77
	3/18	3/25	Thailand		729.00						729.00
Robert H. Pearre	1/23	1/25	Dominican Republic		204.75		443.10		10.00		657.85
	3/16	3/18	Hong Kong		440.00		3,497.22		53.00		3,990.22
	3/18	3/20	Singapore		252.00						252.00
	3/20	3/22	Malaysia		198.00						198.00
	3/22	3/24	Burma		158.00						158.00
	3/24	3/25	Thailand		126.00						126.00
R.W. Vandergrift	1/23	1/25	Dominican Republic		204.75		443.10		10.00		657.85
	3/17	3/18	Hong Kong		280.00		4,562.00		45.50		4,887.50

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, SURVEYS AND INVESTIGATIONS STAFF, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1990—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	3/18	3/20	Singapore		252.00						252.00
	3/20	3/22	Malaysia		198.00						198.00
	3/22	3/24	Burma		158.00						158.00
	3/24	3/25	Thailand		94.50						94.50
B. Alan Weaver	3/25	3/31	England		1,081.25		3,192.00		134.00		4,407.25
L. Michael Welsh	3/25	3/31	England		1,081.25		3,192.00		51.85		4,325.10
Vernon Westbrook	1/15	1/22	Korea		974.50		2,654.84		7.45		3,636.79
	1/22	1/25	Philippines		243.75						243.75
	1/25	1/30	Japan		656.25						656.25
Committee total					16,217.25		43,050.83		663.72		59,931.80

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JAMIE WHITTEN, Chairman, May 24, 1990.

REPORT OF EXPENDITURE FOR OFICIAL FOREIGN TRAVEL, COMMITTEE ON GOVERNMENT OPERATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Mike Synar	1/2	1/6	Venezuela	11,730	269.66		883.00				1,152.66
Hon. Chuck Douglas	1/2	1/6	Venezuela	20,000	464.00		883.00				1,347.00
Sandra Z. Harris	1/2	1/6	Venezuela	3,840	88.28		883.00				971.28
Mathew R. Fletcher	1/2	1/6	Venezuela	25,000	580.00		883.00				1,463.00
Hon. William F. Clinger, Jr	1/5	1/10	London		939.00		1,508.00				2,447.00
Hon. Robert E. Wise, Jr	1/13	1/17	Peru		408.00						408.00
	1/17	1/18	Bolivia		126.00						126.00
Military aircraft							4,056.92				4,056.92
Hon. Al McCandless	1/13	1/17	Peru		408.00						408.00
	1/17	1/18	Bolivia		126.00						126.00
Military aircraft							4,056.92				
Lee R. Godown	11/13	1/17	Peru		408.00						408.00
	1/17	1/18	Bolivia		126.00						126.00
Military aircraft							4,056.92				4,056.92
Kathleen Smith	1/13	1/17	Peru		408.00						408.00
	1/17	1/18	Bolivia		126.00						126.00
Military aircraft							4,056.92				4,056.92
Mary Tripp-Wolfensberger	1/13	1/17	Peru		408.00						408.00
	1/17	1/18	Bolivia		126.00						126.00
Military aircraft							4,056.92				4,056.92
Hon. John Conyers, Jr	1/15	1/17	Peru	656,080	204.00		132.70				336.70
	1/17	1/21	Bolivia	1,521	507.00						507.00
	1/21	1/22	Colombia	21,454	49.00						49.00
Military aircraft							6,809.63				6,809.63
Hon. Gary A. Condit	1/15	1/17	Peru	656,080	204.00		132.70				336.70
	1/17	1/21	Bolivia	1,521	507.00						507.00
	1/21	1/22	Colombia	21,454	49.00						49.00
Military aircraft							6,809.63				6,809.63
Hon. Donald E. Lukens	1/15	1/17	Peru	656,080	204.00		132.70				336.70
	1/17	1/21	Bolivia	1,521	507.00						507.00
	1/21	1/22	Colombia	21,454	49.00						49.00
Military aircraft							6,809.63				6,809.63
Frank Clemente	1/15	1/17	Peru	656,080	204.00		132.70				336.70
	1/17	1/21	Bolivia	1,521	507.00						507.00
	1/21	1/22	Colombia	21,454	49.00						49.00
Military aircraft							6,809.63				6,809.63
Amit Pandya	1/15	1/17	Peru	656,080	204.00		132.70				336.70
	1/17	1/21	Bolivia	1,521	507.00						507.00
	1/21	1/22	Colombia	21,454	49.00						49.00
Military aircraft							6,809.63				6,809.63
Carol Bergman	1/15	1/17	Peru	656,080	204.00		132.70				336.70
	1/17	1/21	Bolivia	1,521	507.00						507.00
	1/21	1/22	Colombia	21,454	49.00						49.00
Military aircraft							6,809.63				6,809.63
Ronald Stroman	1/15	1/17	Peru	656,080	204.00		132.70				336.70
	1/17	1/21	Bolivia	1,521	507.00						507.00
	1/21	1/22	Colombia	42,908	98.00						98.00
Military aircraft							6,809.63				6,809.63
Ilene G. Rosenthal	1/15	1/17	Peru	656,080	204.00		132.70				336.70
	1/17	1/21	Bolivia	1,521	507.00						507.00
	1/21	1/22	Colombia	42,908	98.00						98.00
Military aircraft							6,809.63				6,809.63
Ellen P. Rayner	1/15	1/17	Peru	656,080	204.00		132.70				226.70
	1/17	1/21	Bolivia	1,521	507.00						507.00
Military aircraft							6,809.63				6,809.63
Delegation Expenses	1/13	1/17	Peru						4,349.34		4,349.34
	1/17	1/21	Bolivia							10,761.51	
	1/21	1/11	Colombia						572.15		572.15
Kathleen Smith	3/25	3/30	Colombia	225,987.60	490.00		798.00				1,388.00
Mary Smith-Wolfensberger	3/25	3/30	Colombia	225,987.60	490		798				1,288.00
Committee total					12,879.04		89,501.57		15,683.00		118,064.51

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JOHN CONYERS, Jr., Chairman, May 18, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1990.

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Barbara L. Cavas	3/1	3/2	Panama		[3] 9.00		[4] 7,336.11				7,345.11
Hon. Roy Dyson	3/1	3/2	Panama		[3] 9.00		[4] 7,336.11				7,345.11
Hon. Dennis Hertel	3/1	3/2	Panama		[3] 9.00		[4] 7,336.11				7,345.11
Brian J. O'Malley	3/1	3/2	Panama		[3] 9.00		[4] 7,336.11				7,345.11
Charles R. Ulrich	3/1	3/2	Panama		[3] 9.00		[4] 7,336.11				7,345.11
David S. Whaley	3/1	3/2	Panama		[3] 9.00		[4] 7,336.11				7,345.11
Committee total					54.00		44,016.66				44,070.66

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Cost of housing at Panama Canal Commission Headquarters; paid by Department of Defense.
[4] Prorated share of military transportation provided by Department of Defense.

WALTER B. JONES, Chairman, May 9, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SMALL BUSINESS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. John LaFalce	1/2	1/3	Yugoslavia		162.00				47.07		209.07
	1/3	1/5	Hungary		348.00						348.00
	1/5	1/7	Czechoslovakia		392.00				74.59		466.59
	1/7	1/10	Poland		375.00						375.00
	1/10	1/12	Germany		398.00				95.60		493.60
Military transportation							7,876.67				7,876.67
Hon. David Dreier	1/2	1/3	Yugoslavia		162.00				47.07		209.07
	1/3	1/5	Hungary		348.00						348.00
	1/5	1/7	Czechoslovakia		392.00				74.59		466.59
	1/7	1/10	Poland		375.00						375.00
	1/10	1/12	Germany		398.00				95.60		493.60
Military transportation							7,876.67				7,876.67
Hon. Richard Neal	1/7	1/10	Poland		375.00						375.00
	1/10	1/12	Germany		398.00				95.60		493.60
Military transportation							628.81				628.81
Committee subtotal					4,163.00		16,382.15		530.12		21,035.27
Donald Terry	1/2	1/3	Yugoslavia		162.00				47.07		209.07
	1/3	1/5	Hungary		348.00						348.00
	1/5	1/7	Czechoslovakia		392.00				74.59		466.59
	1/7	1/10	Poland		375.00						375.00
	1/10	1/12	Germany		398.00				95.60		493.60
Military transportation							7,876.67				7,876.67
Jeanne Roslanowick	1/2	1/3	Yugoslavia		162.00				47.07		209.07
	1/3	1/5	Hungary		348.00						348.00
	1/5	1/7	Czechoslovakia		392.00				74.59		466.59
	1/7	1/10	Poland		375.00						375.00
	1/10	1/12	Germany		398.00				95.60		398.00
Military transportation							7,876.67				7,876.67
Gary Luczak	1/2	1/3	Yugoslavia		162.00				47.07		209.07
	1/3	1/5	Hungary		348.00						348.00
	1/5	1/7	Czechoslovakia		392.00				74.59		466.59
Committee subtotal					4,292.00		15,153.34		546.18		20,561.52
	1/7	1/10	Poland		375.00						375.00
	1/10	1/12	Germany		398.00				95.60		398.00
Military transportation							7,876.67				7,876.67
John Starrels	1/2	1/3	Yugoslavia		162.00				47.07		209.07
	1/3	1/5	Hungary		348.00						348.00
	1/5	1/7	Czechoslovakia		392.00				74.59		466.59
	1/7	1/10	Poland		375.00						375.00
	1/10	1/12	Germany		398.00				95.60		493.60
Military transportation							7,876.67				7,876.67
Pamela Reid	1/2	1/3	Yugoslavia		162.00				47.07		209.07
	1/3	1/5	Hungary		348.00						348.00
	1/5	1/7	Czechoslovakia		392.00				74.59		466.59
	1/7	1/10	Poland		375.00						375.00
	1/10	1/12	Germany		398.00				95.60		375.60
Military transportation							7,876.67				7,876.67
Committee subtotal					4,163.00		23,630.01		520.12		28,187.53
Vincent Randazzo	1/2	1/3	Yugoslavia		162.00				47.07		209.07
	1/3	1/5	Hungary		348.00						348.00
	1/5	1/7	Czechoslovakia		392.00				74.59		466.59
	1/7	1/10	Poland		375.00						375.00
	1/10	1/12	Germany		398.00				95.60		493.60
Military transportation							7,876.67				7,876.67
Committee subtotal					1,695.00		7,876.67		212.26		9,768.93
Committee total					14,313.00		63,642.17		1,808.68		79,553.25

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JOHN J. LaFALCE, Chairman, May 17, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO EL SALVADOR, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 8 AND JAN. 10, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Michael J. O'Neil	1/8	1/10	El Salvador	1638.30	254.00			235.35	37.32	1890.65	291.32
Military Transportation							2125.00				2,125.00
William Woodward	1/8	1/10	El Salvador	1638.30	254.00			252.34	37.33	1890.64	291.33
Military Transportation							2125.00				2,125.00
Louis Dupart	1/8	1/10	El Salvador	1638.30	254.00			234.35	37.32	1890.65	291.32
Military Transportation							2125.00				2,125.00
Victor Johnson	1/8	1/10	El Salvador	1638.30	254.00			234.34	37.32	1890.65	291.32
Military Transportation							2125.00				2,125.00
James P. McGovern	1/8	1/10	El Salvador	1638.30	254.00			234.35	37.32	1890.65	291.32
Military Transportation							2125.00				2,125.00
Total					1,270.00		10,625.00		186.61		12,081.61

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

MICHAEL J. O'NEIL, Mar. 21, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO BELGRADE, BUDAPEST, PRAGUE, WARSAW AND BERLIN, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND JAN. 12, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Barbara Vucanovich	1/2	1/3	Yugoslavia		162.00				47.07		209.07
	1/3	1/5	Hungary		348.00						348.00
	1/5	1/7	Czechoslovakia		392.00				74.59		466.59
	1/7	1/10	Poland		375.00						375.00
	1/10	1/12	Germany		398.00				95.60		493.60
Military transportation							7,876.67				7,876.67
James T. Molloy	1/2	1/3	Yugoslavia		162.00				47.07		209.07
	1/3	1/5	Hungary		348.00						348.00
	1/5	1/7	Czechoslovakia		392.00				74.59		466.59
	1/7	1/10	Poland		375.00						375.00
	1/10	1/12	Germany		398.00				95.60		493.60
Military transportation							7,876.67				7,876.67
Total					3,350.00		15,753.34		434.52		19,537.86

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

BARBARA VUCANOVICH, Feb. 9, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO IRELAND, ENGLAND, NORTHERN IRELAND, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 12 AND JAN. 22, 1990

Name of Member or Employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Brian Donnelly	1/12	1/21	Ireland/Northern Ireland	1,051.01	1,644.00		3,994.00				5,638.00
Hon. Bernard Dwyer	1/17	1/20	England/Northern Ireland	372.71	583.00		4,956.00				5,539.00
Werner Brandt	1/12	1/22	Ireland/Northern Ireland	1,323.35	2,070.00		4,758.00				6,828.00
Kevin Peterson	1/12	1/22	Ireland/Northern Ireland	1,323.35	2,070.00		4,758.00				6,828.00
Thomas Barker	1/12	1/20	Ireland/Northern Ireland	914.84	1,431.00		4,758.00				6,189.00
Total					7,798.00		23,224.00				31,022.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

BRIAN DONNELLY, Mar. 17, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, SPECIAL TASK FORCE ON EL SALVADOR, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 11 AND FEB. 14, 1990

Name of Member or Employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. John Joseph Moakley	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon. David E. Bonior	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon. Daniel R. Glickman	2/11	2/13	El Salvador		254.00		[3] 150.00				404.00
Commercial transportation							680.00				680.00
Hon. Steny Hoyer	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon. Barbara B. Kennelly	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon. Frank McCloskey	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon. Jim McDermott	2/11	2/14	El Salvador		381.00		[3] 300.00				381.00
Commercial transportation							1,127.00				1,127.00
Hon. Matthew F. McHugh	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon. George Miller	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon. Gerry E. Studds	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon. Bud Shuster	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon. David Dreier	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Hon. Robert K. Dornan	2/11	2/14	El Salvador		381.00		[3] 150.00				531.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, SPECIAL TASK FORCE ON EL SALVADOR, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 11 AND FEB. 14, 1990—Continued

Name of Member or Employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Commercial transportation							595.00				595.00
Hon. Bob McEwen	2/11	2/14	El Salvador		381.00		[3] 300.00				381.00
Commercial transportation							1,278.00				1,278.00
Hon. Bill McCollum	2/11	2/13	El Salvador		254.00						254.00
Commercial transportation							735.00				735.00
Michael J. O'Neill	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
James P. McGovern	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
John J. Dooling	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
William Woodward	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Mark Murray	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Nancy Agris	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Cindy Arnson	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Louis H. Dupart	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
William B. Inglee	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Randy Scheunemann	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Kevin O'Leary	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Jerry Hartz	2/11	2/14	El Salvador		381.00		[3] 300.00				681.00
Total					10,033.00		11,315.00				21,348.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military transportation.

JOE MOAKLEY, Mar. 15, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO NORTH ATLANTIC ASSEMBLY AT PARIS, FRANCE AND BRUSSELS, BELGIUM, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 11 AND FEB. 17, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Charles Rose	2/12	2/14	France		440.00						
	2/14	2/16	Belgium		400.00						
Military transportation							4,020.50				
Commercial transportation							2,236.00				7,096.50
Hon. Gerald Solomon	2/11	2/14	France		660.00						
	2/14	2/16	Belgium		400.00						
Military transportation							7,047.70				8,107.70
Hon. Bart Gordon	2/11	2/14	France		660.00						
	2/14	2/16	Belgium		400.00						
Military transportation							7,047.70				8,107.70
Ronald Lasch	2/11	2/14	France		660.00						
	2/14	2/17	Belgium		600.00						
Military transportation							425.70				4,024.90
Commercial transportation							2,339.20				
Totals					4,220.00		23,116.80				27,336.80

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

C. ROSE, Mar. 7, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO FRANCE AND POLAND, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 8 AND FEB. 17, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Thomas R. Wolanin	2/8	2/11	France	3,259.75	579.00					3,259.75	579.00
	2/11	2/17	Poland		750.00						750.00
Commercial transportation							1,688.80				1,688.80
James Kulikowski	2/11	2/15	Poland		500.00						500.00
Commercial transportation							1,013.00				1,013.00
Lucien Nedzi	2/11	2/17	Poland		750.00						750.00
Commercial transportation							1,416.12				1,416.12
Total					2,579.00		4,117.92				6,696.92

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

THOMAS R. WOLANIN, Apr. 11, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO LITHUANIA AND WEST BERLIN, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 20 AND FEB. 27, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Richard Durbin	2/21	2/25	G.D.R.	1,004.18	621.00		4,917.00	2,487.00	1,348.00	3,491.18	6,886.00
	2/25	2/26	Lithuania			464.00	301.00			464.00	301.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO LITHUANIA AND WEST BERLIN, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 20 AND FEB. 27, 1990—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	2/26	2/27	U.S.S.R.								
Total					621.00		5,218.00		1,348.00		7,187.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

RICHARD DURBIN, Mar. 27, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO ZAMBIA, SOUTH AFRICA, NAMIBIA, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAR. 1 AND MAR. 5, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. William H. Gray III	3/1	3/2	Zambia				11,742.34				11,742.34
	3/2	3/4	South Africa	325.12	127/175					325.12	302.00
	3/4	3/4	Namibia								
	3/5	3/5	Barbados	475	236.00					475	236.00
Hon. Vic Fazio	3/1	3/2	Zambia				11,742.34				11,742.34
	3/2	3/4	South Africa	325.12	127/175					325.12	302.00
	3/4	3/4	Namibia								
	3/5	3/5	Barbados	475	236.00					475	236.00
Hon. Ron Dellums	3/1	3/2	Zambia				11,742.34				11,742.34
	3/2	3/4	South Africa	325.12	127/175					325.12	302.00
	3/4	3/4	Namibia								
	3/5	3/5	Barbados	475	236.00					475	236.00
Hon. Howard Wolpe	3/1	3/2	Zambia				11,742.34				11,742.34
	3/2	3/4	South Africa	325.12	127/175					325.12	302.00
	3/4	3/4	Namibia								
Subtotal					1,916.00		46,969.36				48,885.36
	3/5	3/5	Barbados	475	236.00					475	236.00
Hon. Steven Solarz	3/1	3/2	Zambia				11,742.34				11,742.34
	3/2	3/4	South Africa	325.12	127/175					325.13	302.00
	3/4	3/4	Namibia								
	3/5	3/5	Barbados	475	236.00					475	236.00
Hon. Beverly Byron	3/1	3/2	Zambia				11,742.34				11,742.34
	3/2	3/4	South Africa	325.12	127/175					325.12	302.00
	3/4	3/4	Namibia								
	3/5	3/5	Barbados	475	236.00					475	236.00
Hon. Mike Andrews	3/1	3/2	Zambia				11,742.34				11,742.34
	3/2	3/4	South Africa	325.12	127/175					325.12	302.00
	3/4	3/4	Namibia								
	3/5	3/5	Barbados	475	236.00					475	236.00
Hon. Dean Gallo	3/1	3/2	Zambia				11,742.34				11,742.34
	3/2	3/4	South Africa	325.12	127/175					325.12	302.00
Subtotal					2,152.00		46,969.36				48,819.36
	3/4	3/4	Namibia								
	3/5	3/5	Barbados	475	236.00					475	236.00
Hon. Jim McCrery	3/1	3/2	Zambia				11,742.34				11,742.34
	3/2	3/4	South Africa	325.12	127/175					325.12	302.00
	3/4	3/4	Namibia								
	3/5	3/5	Barbados	475	236.00					475	236.00
Mr. Jon Plebani	3/1	3/2	Zambia				11,742.34				11,742.34
	3/2	3/4	South Africa	325.12	127/175					325.12	302.00
	3/4	3/4	Namibia								
	3/5	3/5	Barbados	475	236.00					475	236.00
Jeronme Mandesire	3/1	3/2	Zambia				11,742.34				11,742.34
	3/2	3/4	South Africa	325.12	127/175					325.12	302.00
	3/4	3/4	Namibia								
	3/5	3/5	Barbados	475	236.00					475	236.00
Alan Bowser	3/1	3/2	Zambia				11,742.34				11,742.34
Subtotal					1,850.00		46,969.36				48,819.36
	3/2	3/4	South Africa	325.12	127/175					325.12	302.00
	3/4	3/4	Namibia								
	3/5	3/5	Barbados	475	236.00					475	236.00
Deborah Johns	3/1	3/2	Zambia				11,742.34				11,742.34
	3/2	3/4	South Africa	325.12	127/175					325.12	302.00
	3/4	3/4	Namibia								
	3/5	3/5	Barbados	475	236.00					475	236.00
Tami McMinn	3/1	3/2	Zambia				11,742.34				11,742.34
	3/2	3/4	South Africa	325.12	127/175					325.12	302.00
	3/4	3/4	Namibia								
	3/5	3/5	Barbados	475	236.00					475	236.00
Robert LeGrand	3/1	3/2	Zambia				11,742.34				11,742.34
	3/2	3/4	South Africa	325.12	127/175					325.12	302.00
	3/4	3/4	Namibia								
	3/5	3/5	Barbados	475	236.00					475	236.00
Subtotal					2,152.00		35,227.02				379.02
Lorraine Miller	3/1	3/2	Zambia				11,742.34				11,742.34
	3/2	3/4	South Africa	325.12	127/175					325.12	302.00
	3/4	3/4	Namibia								
	3/5	3/5	Barbados	475	236.00					475	236.00
Mike O'Neil	3/1	3/2	Zambia				11,742.34				11,742.34
	3/2	3/4	South Africa	325.12	127/175					325.12	302.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO ZAMBIA, SOUTH AFRICA, NAMIBIA, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAR. 1 AND MAR. 5, 1990—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	3/4	3/4	Namibia								
	3/5	3/5	Barbados	475	236.00					475	236.00
Salih Booker	3/1	3/2	Zambia				11,742.34				11,742.34
	3/2	3/4	South Africa	325.12	127/175					325.12	302.00
	3/4	3/4	Namibia								
	3/5	3/5	Barbados	475	236.00					475	236.00
Subtotal					1,614.00		35,227.02				36,841.02

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

WILLIAM H. GRAY III, Apr. 4, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO BERLIN AND BONN, WEST GERMANY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAR. 16 AND MAR. 19, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. John W. Bryant	3/16	3/19	West Germany		414.00		5,814,00				6,228.00
Total					414.00		5,814.00				6,228.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JOHN W. BRYANT, Apr. 17, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO MOSCOW, U.S.S.R., U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAR. 22 AND MAR. 26, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Michael J. O'Neill	3/22	3/26	U.S.S.R.		550.00						
Commercial transportation							2,312.00				
Military transportation							524.62				3,386.62
David Kehl	3/22	3/26	U.S.S.R.		550.00						
Commercial transportation							2,312.00				
Military transportation							524.62				3,386.62
Total					1,100.00		5,673.24				6,773.24

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

MICHAEL J. O'NEIL, Apr. 17, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MR. CHARLES E. WHITE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 2, AND JAN. 6, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Charles E. White	1/3	1/5	Romania				2,799.00				2,799.00
Total							2,799.00				2,799.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CHARLES E. WHITE, Feb. 5, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, HON. BRUCE F. VENTO, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 5 AND JAN. 17, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Bruce F. Vento	1/5	1/10	Great Britain	539	868.00			178.97	288.00	717.97	1,156.00
	1/11	1/13	Czechoslovakia		392.00						392.00
	1/13	1/17	Austria	6,521.20	548.00			2,380	200.00	8,901.20	748.00
Total					1,808.00				488.00		2,296.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

BRUCE F. VENTO, Feb. 15, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MS. DOROTHY TAFT, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 13 AND FEB. 16, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Dorothy Taft	2/13	2/16	Romania		528.00						528.00
Commercial air							2,210.00				2,210.00
Total					528.00		2,210.00				2,738.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DOROTHY DOUGLAS TAFT, Mar. 20, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, HON. DAVID E. BONIOR, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 24 AND FEB. 26, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. David E. Bonior	2/24	2/26	Nicaragua		389.95						389.95
Military transportation							654.95				654.95
Total					389.95		654.95				1,044.90

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DAVID E. BONIOR, May 24, 1990.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3368. A communication from the President of the United States, transmitting amendments to the fiscal year 1991 request for appropriations in the amount of $229,979,400 for the special assistance initiative for Eastern Europe and $70,020,600 for the U.S. subscription to paid-in capital for the European Bank for Reconstruction and Development, pursuant to 31 U.S.C. 1107 (H. Doc. No. 101-201); to the Committee on Appropriations and ordered to be printed.

3369. A letter from the Director, the Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority as of June 1, 1990, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 101-202); to the Committee on Appropriations and ordered to be printed.

3370. A letter from the Comptroller of the Department of Defense, transmitting a copy of the contract award report for the period July 1, 1990 to August 31, 1990, pursuant to 10 U.S.C. 2431(b); to the Committee on Armed Services.

3371. A letter from the Administrator, Health Care Financing Administration, transmitting a report entitled "Rural Health Care Transition Grant Program"; to the Committee on Energy and Commerce.

3372. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions of Philip S. Kaplan, of California, for the rank of Ambassador during his tenure of service as U.S. Representative to the Negotiations on Conventional Armed Forces in Europe, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3373. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions of David Passage, of North Carolina, to be Ambassador to the Republic of Botswana, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3374. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions of G. Philip Hughes, of Virginia, to be Ambassador to the Barbados, to the Commonwealth of Dominica, to St. Lucia, to St. Vincent, and the Grenadines, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3375. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions of Richard Wayne Bogosian, of Maryland, to be Ambassador to the Republic of Chad, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3376. A letter from the Director, National Park Service, transmitting the 1989 annual report covering the disposal of surplus Federal real property, under the public benefit discount program for parks and recreation purposes, pursuant to 40 U.S.C. 484(c); to the Committee on Government Operations.

3377. A letter from the Acting Chairman, U.S. Nuclear Regulatory Commission, transmitting a report on the Commission's activities under the Government in the Sunshine Act during calendar year 1989, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

DISCHARGE FROM UNION CALENDAR; SEQUENTIALLY REFERRED

Under clause 5 of rule X the following action was taken by the Speaker:

H.R. 4115. The Committee of the Whole House on the State of the Union discharged, and referred to the Committee on Science, Space, and Technology for a period ending not later than July 25, 1990, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of the Committee on Science, Space, and Technology pursuant to clause 1(r), rule X.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. STAGGERS (for himself, Mr. JONES of Georgia, Mr. ROWLAND of Georgia, Mr. HARRIS, Mr. PAYNE of Virginia, and Mr. PARKER):

H.R. 5002. A bill to amend title 38, United States Code, with respect to veterans' housing and memorial affairs programs; to the Committee on Veterans' Affairs.

By Mr. BONIOR (for himself and Mr. HERTEL):

H.R. 5003. A bill to provide that no funds may be obligated for the expansion or purchase of the Berz-Macomb Airport in Macomb County, MI; to the Committee on Public Works and Transportation.

By Mr. CLARKE:

H.R. 5004. A bill to amend the Wild and Scenic Rivers Act to designate certain segments of the Mills River in the State of North Carolina for potential addition to the wild and scenic rivers system; to the Committee on Interior and Insular Affairs.

By Mr. DICKS (for himself and Mr. CAMPBELL of Colorado):

H.R. 5005. A bill to amend the Indian Health Care Improvement Act to improve the health status of the urban Indian population and to enhance the quality and scope of health care services, disease prevention activities, and health promotion initiatives targeted at the urban American Indian population; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

By Mr. DINGELL (for himself and Mr. LENT (both by request), and Mr. MARKEY):

H.R. 5006. A bill to provide comprehensive regulatory supervision over stocks and stock derivative instruments, to protect investors and assure the stability of the U.S. capital markets, to enhance innovation and competition in financial products, and for other purposes; jointly, to the Committees on Energy and Commerce and Agriculture.

By Mr. HASTERT (for himself, Mr. MICHEL, Mr. MADIGAN, Mr. EVANS, Mr. SANGMEISTER, Mr. HAYES of Illinois, Mr. DURBIN, Mr. POSHARD, Mr. BRUCE, Mr. ROSTENKOWSKI, Mr. ANNUNZIO, Mr. RUSSO, Mr. FAWELL, Mr. YATES, Mr. SAVAGE, Mr. LIPINSKI, Mr. HYDE, Mrs. MARTIN of Illinois, Mr. COSTELLO, Mrs. COLLINS, Mr. PORTER, and Mr. CRANE):

H.R. 5007. A bill to designate the facility of the U.S. Postal Service located at 100 South John F. Kennedy Drive, Carpentersville, IL, as the "Robert McClory Post Office"; to the Committee on Post Office and Civil Service.

By Mr. HUBBARD (for himself, Mr. MATSUI, Mr. FAZIO, and Mr. DRIER of California):

H.R. 5008. A bill to amend the Federal Deposit Insurance Act to provide the same deposit insurance treatment for deposits of State and local government and nonprofit organization deferred compensation plans as is provided for deposits of Keogh plans and individual retirement accounts; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HYDE (by request):

H.R. 5009. A bill to authorize appropriations for fiscal year 1991 for intelligence and intelligence-related activities of the U.S. Government, the intelligence community staff, and the Central Intelligence Agency retirement and disability system, and for other purposes; jointly, to the Committees on Intelligence (Permanent Select), Ways and Means, the Judiciary, Armed Services, and Banking, Finance and Urban Affairs.

By Mr. GONZALEZ:

H.R. 5010. A bill to provide separation, placement, and job training benefits for military and Federal civilian service personnel and communities affected by funding cuts within the Department of Defense; jointly, to the Committees on Armed Services, Post Office and Civil Service, and Ways and Means.

By Mrs. JOHNSON of Connecticut (for herself, Mr. SHAW, and Mr. BLILEY):

H.R. 5011. A bill to authorize States to conduct demonstration projects designed to improve the provision of child welfare, foster care, and adoption assistance services; to the Committee on Ways and Means.

By Mr. JOHNSON of South Dakota:

H.R. 5012. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Lake Andes-Wagner Unit and the Marty II Unit, South Dakota Pumping Division, Pick-Sloan Missouri Basin Program, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. OLIN (for himself, Mr. ROSE, and Mr. MORRISON of Washington):

H.R. 5013. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to revise the provisions regulating the export of pesticides which have had their registrations canceled or suspended; to the Committee on Agriculture.

By Mr. ROWLAND of Connecticut (for himself and Mr. SHAYS):

H.R. 5014. A bill to authorize the payment of a dislocation allowance under title 37, United States Code, to members of the uniformed services who, although not ordered to a new duty assignment, are required to relocate from Government-furnished housing as a result of a base closure or realignment under title II of the Defense Authorization Amendments and Base Closure and Realignment Act; to the Committee on Armed Services.

By Mrs. SCHROEDER:

H.R. 5015. A bill to prohibit plutonium processing operations at the Rocking Flats Nuclear Weapons Plant until the Secretary of Energy develops a plan to close the plant and until the need for, and safety of, such operations are established, and for other purposes; to the Committee on Armed Services.

By Mr. TRAFICANT:

H.R. 5016. A bill to authorize the Secretary of Transportation to carry out a highway demonstration project in Youngstown and Campbell, OH; to the Committee on Public Works and Transportation.

By Mr. VANDER JAGT (for himself and Mr. MATSUI):

H.R. 5017. A bill to clarify the tax treatment of intermodal containers; to the Committee on Ways and Means.

By Mr. KENNEDY (for himself, Mr. ACKERMAN, Mr. ANDERSON, Mr. ANDREWS, Mr. ANNUNZIO, Mr. ANTHONY, Mr. APPLEGATE, Mr. ATKINS, Mr. AUCOIN, Mr. BAKER, Mr. BARTLETT, Mr. BEILENSON, Mr. BENNETT, Mr. BERMAN, Mr. BILBRAY, Mr. BLILEY, Mr. BOEHLERT, Mrs. BOGGS, Mr. BONIOR, Mr. BORSKI, Mr. BOSCO, Mr. BOUCHER, Mrs. BOXER, Mr. BRENNAN, Mr. BROWDER, Mr. BROWN of California, Mr. BRYANT, Mr. BUECHNER, Mr. BUNNING, Mr. BURTON of Indiana, Mr. BUSTAMANTE, Mrs. BYRON, Mr. CALLAHAN, Mr. CARDIN, Mr. CARPER, Mr. CARR, Mr. CHAPMAN, Mr. CLARKE, Mr. CLAY, Mr. CLEMENT, Mr. COLEMAN of Texas, Mr. CONTE, Mr. COOPER, Mr. COSTELLO, Mr. COURTER, Mr. COYNE, Mr. COX, Mr. CRAIG, Mr. CROCKETT, Mr. DARDEN, Mr. DEFAZIO, Mr. DREIER of California, Mr. DE LUGO, Mr. DELLUMS, Mr. DERRICK, Mr. DICKS, Mr. DIXON, Mr. DONNELLY, Mr. DORNAN of California, Mr. DURBIN, Mr. DYMALLY, Mr. DYSON, Mr. EARLY, Mr. EDWARDS of Oklahoma, Mr. ECKART, Mr. ERDREICH, Mr. ESPY, Mr. EVANS, Mr. FASCELL, Mr. FAUNTROY, Mr. FAZIO, Mr. FEIGHAN, Mr. FISH, Mr. FLAKE, Mr. FRANK, Mr. FROST, Mr. FUSTER, Mr. GEJDENSON, Mr. GAYDOS, Mr. GEREN, Mr. GILMAN, Mr. GILLMOR, Mr. GINGRICH, Mr. GONZALEZ, Mr. GORDON, Mr. HALL of Ohio, Mr. HARRIS, Mr. HASTERT, Mr. HAYES of Illinois, Mr. HAYES of Louisiana, Mr. HEFNER, Mr. HERTEL, Mr. HILER, Mr. HOAGLAND, Mr. HOCHBRUECKNER, Mr. HOPKINS, Mr. HORTON, Mr. HOUGHTON, Mr. HOYER, Mr. HUBBARD, Mr. HUGHES, Mr. HUNTER, Mr. HUTTO, Mr. JOHNSTON of Florida, Mrs. JOHNSON of Connecticut, Mr. JONES of Georgia, Mr. JONTZ, Mr. KANJORSKI, Ms. KAPTUR, Mr. KASICH, Mr. KLECZKA, Mr. KOLTER, Mr. KOSTMAYER, Mr. LAFALCE, Mr. LANTOS, Mr. LIVINGSTON, Mr. LEACH of Iowa, Mr. LEATH of Texas, Mr. LEHMAN of California, Mr. LEHMAN of Florida, Mr. LENT, Mr. LEWIS of California, Mr. LEWIS of Georgia, Mr. LIGHTFOOT, Mrs. LLOYD, Ms. LONG, Mr. THOMAS A. LUKEN, Mr. MADIGAN, Mr. MANTON, Mr. MARKEY, Mr. MARTIN of New York, Mrs. MARTIN of Illinois, Mr. MARTINEZ, Mr. MAVROULES, Mr. MCCANDLESS, Mr. MCCLOSKEY, Mr. MCCRERY, Mr. MCDADE, Mr. MCDERMOTT, Mr. MCGRATH, Mr. MCNULTY, Mr. MOAKLEY, Mr. MONTGOMERY, Mr. MOODY, Mr. MOORHEAD, Mrs. MORELLA, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. MURTHA, Mr. NATCHER, Mr. NEAL of Massachusetts, Mr. NEAL of North Carolina, Mr. NELSON of Florida, Ms. OAKAR, Mr. OBEY, Mr. OLIN, Mr. ORTIZ, Mr. OWENS of New York, Mr. OWENS of Utah, Mr. OXLEY, Mr. PASHAYAN, Mr. PALLONE, Mr. PARRIS, Mrs. PATTERSON, Mr. PAXON, Mr. PAYNE of New Jersey, Mr. PRICE, Mr. PURSELL, Mr. QUILLEN, Mr. RANGEL, Ms. PELOSI, Mr. ROTH, Mr. RICHARDSON, Mr. RIDGE, Mr. ROE, Mr. ROSE, Mrs. ROUKEMA, Mr. ROWLAND of Connecticut, Mr. RUSSO, Mr. SABO, Mrs. SAIKI, Mr. SAWYER, Mr. SAXTON, Mr. SCHEUER, Mr. SCHUMER, Mr. SERRANO, Mr. SHARP, Mr. SHAW, Mr. SHUMWAY, Mr. SIKORSKI, Mr. SISISKY, Mr. SLATTERY, Ms. SLAUGHTER of New York, Mr. SOLOMON, Mr. ROBERT F. SMITH, Mr. SMITH of Texas, Mr. SPENCE, Mr. SPRATT, Mr. STALLINGS, Mr. STUDDS, Mr. SWIFT, Mr. SUNDQUIST, Mr. SYNAR, Mr. TALLON, Mr. TAUZIN, Mr. THOMAS of Georgia, Mr. THOMAS of California, Mr. TORRES, Mr. TORRICELLI, Mrs. UNSOELD, Mr. WALGREN, Mr. WALSH, Mr. WAXMAN, Mr. WEBER, Mr. WEISS, Mr. WHEAT, Mr. WOLF, Mr. WOLPE, Mr. WYDEN, Mr. WYLIE, Mr. VENTO, Mr. TANNER, Mr. FOGLIETTA, and Mr. IRELAND):

H.J. Res. 596. Joint resolution designating July 22, 1990, as "Rose Fitzgerald Kennedy Family Appreciation Day"; to the Committee on Post Office and Civil Service.

By Mr. LEWIS of Georgia (for himself and Mr. WHEAT):

H.J. Res. 597. Joint resolution to designate June 12, 1991 through June 19, 1991 as "Negro Baseball Leagues Recognition Week"; to the Committee on Post Office and Civil Service.

By Mr. McDADE (for himself, Mr. GRANDY, Mr. SKELTON, Mr. BUSTAMANTE, Mr. MARTIN of New York, Mr. OBEY, Mrs. UNSOELD, Mr. TRAXLER, Mr. POSHARD, Mr. LIGHTFOOT, Mr. MCNULTY, Mr. TANNER, Mrs. VUCANOVICH, Mr. IRELAND, Mr. LANCASTER, Mr. WILSON, Mr. BAKER, Mr. EVANS, Mr. WATKINS, Mr. CRAIG, Mr. HORTON, Ms. KAPTUR, Mr. HATCHER, Mr. BROOMFIELD, Mr. SHUMWAY, Mr. FAZIO, Mr. SPRATT, Mr. MCEWEN, Mr. CONTE, Mr. ECKART, Mr. DYSON, Mr. RAHALL, and Mr. BEVILL):

H.J. Res. 598. Joint resolution designating September 9 through 15, 1990 as "Rural Small Business Week"; to the Committee on Post Office and Civil Service.

By Mr. STANGELAND:

H.J. Res. 599. Joint resolution to designate July 1, 1990, as "National Ducks and Wetlands Day"; to the Committee on Post Office and Civil Service.

By Mr. STUMP:

H.J. Res. 600. Joint resolution proposing an amendment to the Constitution of the United States to provide for 4-year terms for Representatives and to limit the number of terms Representatives may serve; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

432. By the SPEAKER: Memorial of the House of Representatives of the State of Hawaii, relative to urging the Congress to extend the territorial limits of the United States and Coastal States from 3 to 12 miles offshore; to the Committee on Merchant Marine and Fisheries.

433. Also, memorial of the House of Representatives of the State of Ohio, relative to urging the Congress to review the provisions of the Social Security Act known as the Social Security offset and windfall; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 39: Mr. BARNARD and Mr. SOLARZ.
H.R. 201: Mr. ERDREICH.
H.R. 214: Mr. MINETA.
H.R. 220: Mr. HAWKINS and Mr. FUSTER.
H.R. 290: Mr. FISH and Mr. HORTON.
H.R. 446: Mr. THOMAS A. LUKEN, Mr. MARTINEZ, Mr. PACKARD, and Mr. CALLAHAN.
H.R. 520: Mr. HORTON.
H.R. 521: Mr. HORTON.
H.R. 522: Mr. HORTON.
H.R. 523: Mr. HORTON.
H.R. 586: Mr. MAVROULES.
H.R. 1068: Mr. PALLONE.
H.R. 1249: Mr. YATES.
H.R. 1292: Mr. DICKS and Mr. HUGHES.
H.R. 1693: Mr. CLAY.
H.R. 2380: Ms. SLAUGHTER of New York and Mr. BUSTAMANTE.
H.R. 2460: Mr. OLIN.
H.R. 2776: Mr. CLEMENT and Mr. MRAZEK.
H.R. 2958: Mr. CHANDLER.
H.R. 3256: Mrs. SCHROEDER, Mr. RANGEL, Mrs. VUCANOVICH, Mr. DWYER of New Jersey, Mr. BROWN of California, and Mrs. UNSOELD.
H.R. 3409: Ms. SCHNEIDER, Mr. HENRY, Mr. KOLTER, Mr. ROGERS, and Mr. EVANS.
H.R. 3719: Mr. LEWIS of Georgia and Mr. HUGHES.
H.R. 3745: Mr. STOKES.
H.R. 3783: Mr. CONDIT.
H.R. 3799: Mr. HORTON.
H.R. 3801: Mr. HORTON.
H.R. 3805: Mr. OWENS of Utah.
H.R. 3831: Mr. SMITH of Vermont, Mr. UDALL, Mr. BORSKI, Mr. KOSTMAYER, Mr. STARK, and Mr. ENGEL.
H.R. 3858: Mr. CLINGER, Mr. SMITH of New Jersey, and Mrs. SMITH of Nebraska.
H.R. 3859: Mr. SABO, Mr. HOUGHTON, Mr. WILLIAMS, Mr. CONTE, and Mr. SAXTON.
H.R. 3864: Mr. YATES, Mr. DYSON, and Mr. SMITH of Florida.
H.R. 3933: Ms. LONG.
H.R. 3963: Mr. SHAW.
H.R. 4038: Mr. FRENZEL.
H.R. 4048: Mr. ANNUNZIO, Ms. PELOSI, Mr. LEWIS of Georgia, Mr. DELLUMS, and Mr. PANETTA.
H.R. 4051: Mr. ERDREICH, Mr. KILDEE, Mr. OWENS of Utah, and Mr. PENNY.
H.R. 4079: Mr. DUNCAN.
H.R. 4146: Mr. SHAW.
H.R. 4149: Mr. LANCASTER, Mr. SAWYER, and Mr. TOWNS.
H.R. 4263: Mr. LEWIS of Georgia.
H.R. 4274: Mr. JOHNSON of South Dakota and Mrs. VUCANOVICH.
H.R. 4287: Mr. BARNARD, Mr. BATEMAN, Mr. BEREUTER, Mr. BUNNING, Mr. HASTERT, Mr. INHOFE, Mr. IRELAND, Mr. KASTENMEIER, Ms. LONG, Mr. MARKEY, Mr. OXLEY, Mr. PACKARD, Mr. PAYNE of Virginia, Ms. ROS-LEHTINEN, Mr. SANGMEISTER, Mr. SLAUGHTER of Virginia, Ms. SNOWE, Mr. TALLON, and Mr. YATRON.
H.R. 4300: Mr. SOLARZ and Mr. NEAL of Massachusetts.
H.R. 4311: Mr. TORRES and Mr. DYSON.
H.R. 4492: Mr. DERRICK.
H.R. 4512: Mr. SCHULZE and Mr. GRADISON.
H.R. 4517: Mr. AUCOIN.
H.R. 4518: Mr. JOHNSON of South Dakota.
H.R. 4530: Mr. OWENS of Utah.
H.R. 4531: Mr. LANCASTER, Mr. FAUNTROY, Ms. PELOSI, and Mr. BROWN of California.
H.R. 4548: Mr. BROWN of California.
H.R. 4564: Mr. THOMAS A. LUKEN and Mr. TRAXLER.
H.R. 4575: Mr. HUGHES.
H.R. 4578: Mr. LANCASTER and Mr. BUSTAMANTE.
H.R. 4589: Mr. PAXON and Mr. ROHRABACHER.
H.R. 4601: Mr. BURTON of Indiana.
H.R. 4640: Mr. SUNDQUIST, Mr. MONTGOMERY, and Mr. EDWARDS of Oklahoma.
H.R. 4641: Mr. ANNUNZIO.
H.R. 4681: Mr. COURTER and Mr. DWYER of New Jersey.
H.R. 4690: Mr. ENGEL, Mr. HUGHES, and Mr. OWENS of Utah.
H.R. 4716: Mr. SCHULZE, Mr. FAWELL, and Mr. CHAPMAN.
H.R. 4721: Mr. CRANE.
H.R. 4741: Mr. INHOFE and Mr. OBERSTAR.
H.R. 4773: Mr. ECKART and Mr. SERRANO.
H.R. 4793: Mr. TOWNS, Mr. CHAPMAN, Mr. DYSON, Mr. KANJORSKI, Mr. SERRANO, Mr. FOGLIETTA, and Mr. HUGHES.
H.R. 4808: Mr. THOMAS A. LUKEN.
H.R. 4810: Mr. SWIFT.
H.R. 4816: Mr. RHODES, Mr. RAHALL, and Mr. POSHARD.
H.R. 4834: Mr. MARKEY.
H.R. 4855: Mr. DWYER of New Jersey.
H.R. 4856: Mr. DWYER of New Jersey.
H.R. 4868: Mr. EVANS, Mr. FROST, and Mr. LEVINE of California.
H.R. 4891: Mr. POSHARD, Mr. WILSON, Mr. MCCLOSKEY, Mr. TOWNS, and Mr. SARPALIUS.

H.R. 4903: Mr. FLAKE, Mr. RUSSO, Mr. HERTEL, Mr. BOEHLERT, Mr. HAYES of Illinois, Mr. ROWLAND of Connecticut, Mr. VANDER JAGT, Mrs. COLLINS, Mr. KILDEE, Mr. SMITH of Florida, Mr. KOLTER, Mrs. JOHNSON of Connecticut, Mr. RANGEL, Mr. STOKES, Mr. MOLLOHAN, Mr. HARRIS, Mr. AUCOIN, Mr. LEACH of Iowa, Mr. GUARINI, Ms. PELOSI, Mr. ROBINSON, Mr. EVANS, Mr. SABO, and Mr. KOSTMAYER.
H.R. 4929: Mr. BLAZ and Mr. CRAIG.
H.R. 4931: Mr. BURTON of Indiana.
H.R. 4959: Mr. FRANK, Mr. CRAIG, and Mr. KOLBE.
H.R. 4990: Mr. LANCASTER, Mr. STARK, Mr. COBLE, Mrs. SCHROEDER, Mr. ENGLISH, Mr. HEFNER, Mr. YATES, Mr. WALGREN, and Mr. VALENTINE.
H.J. Res. 350: Mr. IRELAND and Mr. MCDADE.
H.J. Res. 439: Mr. SUNDQUIST, Mr. DE LA GARZA, Mr. MARTINEZ, Mr. MILLER of California, Mr. GONZALEZ, Mr. DONALD E. LUKENS, Mr. PANETTA, Mr. BEREUTER, Mr. MCDERMOTT, Mrs. UNSOELD.
H.J. Res. 459: Mr. NOWAK, Mr. DEWINE, Mr. MOORHEAD, Mr. SERRANO, and Mr. CARPER.
H.J. Res. 481: Mr. SLATTERY, Mr. DOWNEY, Mr. DORNAN of California, Mr. EARLY, Mr. FUSTER, Mr. LANTOS, Mr. MCCOLLUM, Mr. OWENS of New York, Mr. FLAKE, Mr. LOWERY of California, Mr. MOODY, Mr. NELSON of Florida, Mr. RAHALL, Mr. PRICE, Mr. ROYBAL, Mr. SPRATT, Mr. TRAFICANT, Mr. FAWELL, and Mr. JOHNSON of South Dakota.
H.J. Res. 482: Mr. NAGLE, Mr. NOWAK, Mr. DELLUMS, Mr. DYSON, and Mr. AUCOIN.
H.J. Res. 486: Mr. GORDON, Mr. GOODLING, and Mr. JOHNSTON of Florida.
H.J. Res. 493: Mr. HATCHER, Ms. LONG, Mr. VISCLOSKY, Mr. NELSON of Florida, Mr. YOUNG of Florida, Mr. SKEEN, Mr. COBLE, and Mr. FAZIO.
H.J. Res. 507: Mr. BROWN of Colorado, Mr. GALLO, Mrs. MARTIN of Illinois, Mr. MANTON, Mr. COUGHLIN, and Mr. SKAGGS.
H.J. Res. 509: Mr. HORTON, Mr. FEIGHAN, Mr. CARPER, Mr. CARR, Mr. CLARKE, Mr. CROCKETT, Mr. DICKS, Mr. DIXON, Mr. FLIPPO, Mr. FRANK, Mrs. MEYERS of Kansas, Mr. STUDDS, Mr. MOAKLEY, and Mr. PICKETT.
H.J. Res. 519: Mr. SKELTON and Mr. HARRIS.
H.J. Res. 522: Mr. DEFAZIO, Mr. HILER, Mr. QUILLEN, Mr. COUGHLIN, Mr. JONTZ, and Mr. HUNTER.
H.J. Res. 524: Ms. KAPTUR, Mr. MACHTLEY, Mr. DIXON, Mr. LEWIS of Georgia, Mr. SLATTERY, and Mr. KLECZKA.
H.J. Res. 566: Mr. ROE, Mr. RAY, Mr. FAZIO, Mr. GEJDENSON, Mr. ENGEL, Mr. FEIGHAN, Mr. BATEMAN, Mr. MCDERMOTT, Mr. MARTINEZ, Mr. AUCOIN, Mr. POSHARD, Mr. LIPINSKI, Mr. GORDON, Mr. MANTON, and Mr. ERDREICH.
H.J. Res. 568: Mr. ACKERMAN, Mr. ANNUNZIO, Mr. APPLEGATE, Mr. BENNETT, Mr. BEVILL, Mr. BUSTAMANTE, Mr. BROWDER, Mrs. BYRON, Mr. CLARKE, Mr. CLAY, Mrs. COLLINS, Mr. COSTELLO, Mr. COURTER, Mr. CROCKETT, Mr. DYSON, Mr. ENGEL, Mr. ERDREICH, Mr. FALEOMAVAEGA, Mr. FAUNTROY, Mr. FAZIO, Mr. FOGLIETTA, Mr. FRENZEL, Mr. GALLEGLY, Mr. GEJDENSON, Mr. GORDON, Mr. HARRIS, Mr. HENRY, Mr. HEFNER, Mr. HORTON, Mr. HUBBARD, Mr. HUGHES, Mr. HYDE, Mrs. JOHNSON of Connecticut, Mr. LANCASTER, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. LEWIS of Georgia, Mr. MCDADE, Mr. MCDERMOTT, Mr. MCEWEN, Mr. MCNULTY, Mr. MATSUI, Mr. MAVROULES, Mr. MILLER of Washington, Mrs. MORELLA, Mr. MRAZEK, Mr. PAYNE of New Jersey, Ms. PELOSI, Mr. PICKETT, Mr. PRICE, Mr. QUILLEN, Mr. RAHALL, Mr. RANGEL, Mr. RICHARDSON, Mr. ROE, Mrs. ROUKEMA, Mrs. SAIKI, Mr. SAWYER, Mr. SAXTON, Mr. SMITH of Iowa, Mr. SMITH of Florida, Mr. SPENCE, Mr. TAUKE, Mr. TOWNS, Mrs. UNSOELD, Mr. VANDER JAGT, Mr. WELDON, Mr. WALGREN, Mr. WALSH, Mr. WHITTAKER, Mr. WOLF, and Mr. YOUNG of Alaska.
H.J. Res. 579: Mr. TALLON, Mr. FUSTER, Ms. MOLINARI, Mr. LENT, Mr. MARTIN of New York, Mrs. COLLINS, Mr. FAUNTROY, Mr. PAXON, Mr. ACKERMAN, Mr. ANNUNZIO, Mr. DWYER of New Jersey, Mr. MCNULTY, Mr. SMITH of Florida, Mr. TORRICELLI, Mr. SPENCE, Mr. FROST, Mr. FALEOMAVAEGA, Mr. VALENTINE, Mr. SKEEN, Mr. WEISS, Mr. PALLONE, Mr. RANGEL, Mr. QUILLEN, Mr. HUGHES, Ms. SLAUGHTER of New York, Mr. MILLER of California, Mr. GALLO, Mr. HARRIS, Mr. SHAW, Mr. MANTON, and Mr. FAZIO.
H. Con. Res. 62: Ms. KAPTUR, Ms. SLAUGHTER of New York, Mr. DYMALLY, and Mr. GAYDOS.
H. Con. Res. 207: Mr. ACKERMAN, Mr. BOSCO, Mr. BENNETT, Mr. BONIOR, Mrs. BOXER, Mrs. BYRON, Mr. CARDIN, Mr. CHAPMAN, Mr. COLEMAN of Texas, Mr. COOPER, Mr. COUGHLIN, Mr. CROCKETT, Mr. COSTELLO, Mr. DE LUGO, Mr. EVANS, Mr. ESPY, Mr. FORD of Tennessee, Mr. GIBBONS, Mr. GINGRICH,

Mr. HALL of Ohio, Mr. HAMILTON, Mr. HOCHBRUECKNER, Mr. HYDE, Mr. KASICH, Mrs. KENNELLY, Mr. KILDEE, Mr. KOLTER, Mr. LAUGHLIN, Mr. LANCASTER, Mr. LEHMAN of Florida, Mr. LEVINE of California, Mr. MADIGAN, Mr. MAZZOLI, Mr. MCGRATH, Mr. MOODY, Mr. MORRISON of Connecticut, Mr. NAGLE, Mr. NEAL of North Carolina, Mr. OWENS of New York, Mr. PAYNE of New Jersey, Mr. PETRI, Mr. RANGEL, Mrs. SCHROEDER, Mr. SENSENBRENNER, Mr. SERRANO, Mr. SKAGGS, Mr. SMITH of Vermont, Mr. SOLARZ, Mr. STARK, Mr. STENHOLM, Mr. STOKES, Mrs. UNSOELD, Mr. VENTO, Mr. WALGREN, and Mr. YATRON.

H. Con. Res. 287: Mr. LEWIS of California and Mr. CARPER.

H. Con. Res. 293: Mr. FALEOMAVAEGA, Mr. BATES, Mrs. BENTLEY, and Mr. NEAL of North Carolina.

H. Con. Res. 315: Mr. SHARP, Mr. DINGELL, Mr. LIVINGSTON, Mr. VALENTINE, Mr. KASTENMEIER, Mr. PEASE, Mr. SHUMWAY, Mr. MURPHY, Mr. SAVAGE, Mr. IRELAND, Mr. ROSE, and Mr. BATES.

H. Con. Res. 323: Mr. WALSH.

H. Con. Res. 333: Mr. KASTENMEIER, Mr. ESPY, Ms. MOLINARI, Mr. LEACH of Iowa, and Mr. FAZIO.

H. Res. 134: Mr. BLILEY.

H. Res. 240: Mrs. MEYERS of Kansas and Mr. HUGHES.

H. Res. 374: Mr. TAUKE and Mr. HEFLEY.

H. Res. 384: Mr. YATRON, Mr. FLIPPO, Mr. JACOBS, Mr. COYNE, Mr. ANDREWS, Mr. PEASE, Mr. LEWIS of Georgia, Mr. PORTER, Mr. FUSTER, Mr. HUCKABY, Mr. INHOFE, Mr. KOLTER, Mr. DWYER of New Jersey, Mr. SERRANO, Mr. BLAZ, Mr. ROE, Ms. PELOSI, Mr. BERMAN, Mr. FRENZEL, Mr. ECKART, Mr. UDALL, and Mr. WALGREN.

H. Res. 402: Mr. LEWIS of Georgia, Mr. POSHARD, Mr. RINALDO, Mr. COSTELLO, Mr. LEHMAN of Florida, Mr. STUDDS, and Mr. LEATH of Texas.

H. Res. 407: Mr. LAGOMARSINO, Mr. RICHARDSON, Mr. MARTINEZ, Mr. SAWYER, Mr. HAWKINS, Mr. WALGREN, Mr. GREEN of New York, Mr. MARLENEE, Mr. PURSELL, Mr. HAYES of Illinois, Mr. LEWIS of California, Mr. MCMILLEN of Maryland, Mr. KILDEE, Mr. BURTON of Indiana, Mrs. LOWEY of New York, Mr. GEKAS, Mr. HENRY, Mr. ROBERTS, Mr. RITTER, Mr. MCCRERY, Mr. DORNAN of California, Mr. BLILEY, Mr. MCDADE, Mr. KASICH, Mr. COOPER, Mr. MACHTLEY, Mr. HILER, Mr. KOSTMAYER, Mr. PASHAYAN, Mr. ERDREICH, Mr. LEACH of Iowa, Mr. COBLE, Mr. HOUGHTON, Mr. WOLF, Mr. BROWDER, Mr. MILLER of California, and Mr. SISISKY.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2567

By Mr. DEFAZIO:

—At the end of the amendment, insert the following new section:

SEC. 1308. RESTRICTION OF BENEFITS TO CITIZENS AND RESIDENT ALIENS.

(a) Section 202(7) of the Act is amended by striking the period and inserting in lieu thereof the following: ": *Provided*, That all such persons are citizens of the United States or resident aliens thereof.".

(b) Section 202(9) of the Act is amended by striking the period and inserting in lieu thereof the following: ": *Provided*, That all such persons are citizens of the United States or resident aliens thereof.".

By Mr. GEJDENSON:

—Page 20, after line 16, add the following:

TITLE XIII—COST OF IRRIGATION WATER

SEC. 1301. COST FOR DELIVERY OF WATER USED TO PRODUCE THE CROPS OF CERTAIN AGRICULTURAL COMMODITIES.

Section 9 of the Reclamation Projects Act of 1939 (43 U.S.C. 485h) is amended by inserting at the end thereof the following new subsection:

"(g)(1) All contracts entered into, renewed, or amended under authority of this section or any other provision of Federal reclamation law after—

"(A) 2 years after the date of enactment of this subsection shall require that the organization agree by contract with the Secretary to pay at least 50 percent of full cost for the delivery of water used in the production of any crop of an agricultural commodity for which an acreage reduction program is in effect under the provisions of the Agricultural Act of 1949; and

"(B) 4 years after the date of enactment of this subsection shall require that the organization agree by contract with the Secretary to pay at least full cost for the delivery of water used in the production of any crop of an agricultural commodity for which an acreage reduction program is in effect under the provisions of the Agricultural Act of 1949.

"(2) The Secretary shall announce the amount of the full cost payment for the succeeding year on or before July 1 of each year.

"(3) As used in this subsection, the term 'full cost' shall have the meaning given such term in paragraph (3) of section 202 of the Reclamation Reform Act of 1982.

"(4) This subsection shall not apply to—

"(A) any contract which provides for irrigation on individual Indian or tribal lands on which repayment is deferred pursuant to the Act of July 1, 1932 (chap. 369; 47 Stat. 564; 25 U.S.C. 386(a); commonly referred to as the "Levitt Act"); and

"(B) an amendment of any contract with any organization which, on the date of enactment of this subsection, is reguired pursuant to the delivery of water to make cash contributions of at least 20 percent of the cost of construction of irrigation facilities concurrently with the construction of such facilities by the Secretary.".

By Mr. HEFLEY:

—On page 7, delete lines 12 through 18 and insert in lieu thereof the following:

SEC. 207. UPPER ARKANSAS RIVER BASIN WATER QUALITY RESTORATION INITIATIVE.

(a) AUTHORIZATION.—The Secretary of the Interior is authorized, in consultation with the State of Colorado, the Environmental Protection Agency, and other Federal entities, to conduct investigations of water pollution sources and impacts attributed to mining related and other development in the Upper Arkansas River Basin, to develop corrective action plans, and to implement corrective action demonstration projects.

(b) UPPER ARKANSAS RIVER BASIN.—For the purposes of subsection (a), the Upper Arkansas River Basin means the hydrologic basin in the Arkansas River in Colorado extending from Pueblo Dam (a United States Bureau of Reclamation facility) upstream to its headwaters.

(c) PUBLIC INVOLVEMENT.—The development of all corrective action plans and subsequent corrective action demonstration projects shall be undertaken with appropriate public involvement pursuant to a public participation plan, consistent with regulations promulgated under the Federal Water Pollution Control Act, developed by the Secretary in consultation with the State of Colorado and the Environmental Protection Agency.

(d) UTILIZATION OF NON-FEDERAL FUNDS AND SERVICES.—The Secretary shall arrange for cost sharing with the State of Colorado and for the utilization of non-Federal funds and in-kind services where possible. The Federal share of costs for the activities authorized subsection (a) of this section shall be limited to 50 percent.

(e) SUBMISSION OF PLANS TO CONGRESS.—Prior to implementing any corrective action demonstration project, the Secretary shall submit a copy of the proposed project plans to the Speaker of the House of Representatives and the President Pro Tempore of the Senate.

(f) CERCLA.—Nothing in this act shall be construed to affect or modify in any way the obligations or liabilities of any person under the development of corrective action plans and implementation of corrective action demonstration projects shall be exclusive of all enforcement actions taken pursuant to the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

SEC. 208. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out the activities specified in sections 201 through 207 of this title, the sum of $20 million (based upon January 1989 prices). There are also authorized to be appropriated such additional sums as may be required for operation and maintenance of the works authorized by sections 201 and 207(a) of this title.

By Mr. LEHMAN of California:

—At the end of the amendment offered by Mr. MILLER, add the following:

SEC. . FAMILY EXCEPTION.

(a) LIMITATION ON OWNERSHIP.—Section 204 of the Act is amended—

(1) by inserting "(a)" after "204.";

(2) in subsection (a), as designated by paragraph (1), by inserting "subsection (b) and" after "provided in"; and

(3) by adding after subsection (a), as designated by paragraph (1), the following:

"(b)(1) Subsection (a) shall not apply to irrigation water delivered to a limited or qualified recipient that meets the following requirements:

"(A) The limited or qualified recipient is comprised solely of family members.

"(B) Each of the family members comprising the limited or qualified recipient is receiving irrigation water for use in the irrigation of not more than 960 acres of class I lands or the equivalent thereof owned by the family, whether situated in one or more districts.

"(2) For the purposes of paragraph (1)—

"the term 'family' means persons of not more than 3 generations related by blood, all of whom are 18 years of age or older, and the spouse of any such person."

(b) PRICING.—Section 205(a) of the Act (as amended by section 1303(b)) is amended—

(1) by striking "and" at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting "; and" and

(3) by inserting after paragraph (3) the following:

"(4) the landholding, farm, or farm operation of a family (as defined in section 204(b)) in excess of 960 acres of class I land or the equivalent thereof times the number

of members in the family who comprise the limited or qualified recipient (as modified by section 204(b))."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to irrigation water delivered on or after the date which is 9 months after the date of enactment of this Act.

By Mr. MILLER of California:

[Amendment No. 1]

—1. On page 3, line 10, delete "1989" and insert in lieu thereof: "1990".

—2. On page 16, line 6, delete "1994" and insert in lieu thereof: "1995".

—3. On page 18, delete lines 17 through 24.

—4. On page 20, delete lines 7 through 16 and insert in lieu thereof the following:

"(a) AUTHORIZATION.—The Secretary is authorized and directed to conduct a feasibility study on establishing a Federal fish hatchery in McDowell County, West Virginia. Conditioned upon the completion of the feasibility study and the location of a suitable site and water supply, the Secretary is authorized to construct a Federal fish hatchery as provided for in the feasibility study. The study shall be undertaken by the United States Fish and Wildlife Service in consultation with the State of West Virginia.

"(b) If a fish hatchery is constructed in McDowell County, West Virginia pursuant to Sec. 1201(a), the fish hatchery shall be known as the Carl R. Sullivan National Fish Hatchery.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated the sum of $2,500,000 to carry out the provisions of this title."

—5. At the end of the bill, insert the following new title:

TITLE XIII—WATER AND POWER NEEDS OF INSULAR AREAS.

SEC. 1301. FINDINGS.

The Congress hereby finds and declares that assuring adequate supplies of water, sewerage, and power for the residents of American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, and the Virgin Islands has become a problem of such magnitude that the welfare and prosperity of these jurisdictions require the Federal Government to assist in finding permanent, long-term solutions to their water, sewerage, and power problems.

SEC. 1302. STUDY.

(a) AUTHORIZATION.—The Secretary, acting through the Bureau of Reclamation, is authorized and directed to undertake a comprehensive study of how the long-term water, sewerage, and power needs of American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, and the Virgin Islands can be resolved. Such study shall be conducted in consultation with the governments of those islands. Such study for each jurisdiction shall include, but not be limited to—

(1) an assessment of the magnitude and extent of current and expected needs.

(2) an assessment of how the needs can be resolved;

(3) the costs and benefits of alternative solutions;

(4) the need for additional legal authority for the President to take actions to meet the needs; and

(5) specific recommendations for the role of the Federal Government and each local government in solving the long-term needs.

(b) SUBMISSION OF THE REPORT.—Not later than 2 years after the date of enactment of this title, the Secretary shall transmit the studies required by this section, together with supporting documentation and recommendations of the Secretary and the views of the governments of the islands referred to in subsection (a), to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

SEC. 1303. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary, acting through the Bureau of Reclamation, through the end of fiscal year 1994, such sums as may be necessary, which are authorized to remain available until expended.

—6. Amend the title so as to read: "A bill entitled: Reclamation Projects Authorization and Adjustment Act of 1990".

[Amendment No. 2]

—1. On page 3, line 10, delete "1989" and insert in lieu thereof: "1990".

—2. On page 16, line 6, delete "1994" and insert in lieu thereof: "1995".

—3. On page 18, delete lines 17 through 24.

—4. On page 20, delete lines 7 through 16 and insert in lieu thereof the following:

"(a) AUTHORIZATION.—The Secretary is authorized and directed to conduct a feasibility study on establishing a Federal fish hatchery in McDowell County, West Virginia. Conditioned upon the completion of the feasibility study and the location of a suitable site and water supply, the Secretary is authorized to construct a Federal fish hatchery as provided for in the feasibility study. The study shall be undertaken by the United States Fish and Wildlife Service in consultation with the State of West Virginia.

"(b) If a fish hatchery is constructed in McDowell County, West Virginia pursuant to Sec. 1201(a), the fish hatchery shall be known as the Carl R. Sullivan National Fish Hatchery.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated the sum of $2,500,000 to carry out the provisions of this title.".

—5. Amend the title so as to read: "A bill entitled: Reclamation Projects Authorization and Adjustment Act of 1990".

[Amendment No. 3]

—At the end of the bill, insert the following new title:

TITLE XIII—WATER AND POWER NEEDS OF INSULAR AREAS

SEC. 1301. FINDINGS.

The Congress hereby finds and declares that assuring adequate supplies of water, sewerage, and power for the residents of American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, and the Virgin Islands has become a problem of such magnitude that the welfare and prosperity of these jurisdictions require the Federal Government to assist in finding permanent, long-term solutions to their water, sewerage, and power problems.

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(1) an assessment of the magnitude and extent of current and expected needs.

(2) an assessment of how the needs can be resolved;

(3) the costs and benefits of alternative solutions;

(4) the need for additional legal authority for the President to take actions to meet the needs; and

(5) specific recommendations for the role of the Federal Government and each local government in solving the long-term needs.

(b) SUBMISSION OF THE REPORT.—Not later than 2 years after the date of enactment of this title, the Secretary shall transmit the studies required by this section, together with supporting documentation and recommendations of the Secretary and the views of the governments of the islands referred to in subsection (a), to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

SEC. 1303. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary, acting through the Bureau of Reclamation, through the end of fiscal year 1994, such sums as may be necessary, which are authorized to remain available until expended.

[Amendment No. 4]

—At the end of the bill, insert the following new title.

TITLE —RECLAMATION REFORM ACT AMENDMENTS

SEC. . SHORT TITLE DEFINITION.

(a) SHORT TITLE.—This title may be cited as the "Reclamation Reform Act Amendments of 1990".

(b) DEFINITION.—As used in this title, the term "the Act" means the Reclamation Reform Act of 1982 (Public Law 97-293, 96 Stat. 1263, 43 U.S.C. 390aa, *et seq.*).

SEC. . NEW DEFINITION.

Section 202 of the Act is amended by adding the following new definition, and renumbering the subsequent sections accordingly:

"(3) The term 'farm' or 'farm operation' means any landholding or group of landholdings, including partial landholdings, directly or indirectly farmed or operated by an individual, group, entity, trust, or any other combination or arrangement. The existence of a farm or farm operation will be presumed when ownership, operation, management, financing or other factors, individually or together, indicate that one or more landholdings, including partial landholdings, are directly or indirectly farmed or operated by the same individual, group, entity, trust or other combination or arrangement thereof: *Provided*, That the mere sharing of labor, equipment or services by members of a family, where such sharing is not part of any larger direct or indirect joint operation or management, shall not by itself initiate said presumption.".

SEC. . ADDITION OF FARM OR FARM OPERATION TO THE ACT.

(a) The second sentence of section 203(b) of the Act is amended by inserting after "landholding" wherever it appears, the following: ", farm, or farm operation", and inserting after "leased" wherever it appears the following: ", farmed or operated".

(b) Section 205 of the Act is amended by inserting after "landholding" wherever it appears, the following: ", farm, or farm operation", and by inserting after "landhold-

ings" the following: ", farms or farm operations".

SEC. . TRUSTS.

Section 214(a) of the Act is amended by striking the period and inserting at the end of the section the following: ", except that such limitations shall apply to any trust, trust beneficiary, and farm or farm operation operated by or for such trustee for one or more beneficiaries. The provisions of this section, as amended, shall be applicable to any trust approved by the Secretary prior to June 14, 1990, to which the Secretary has not already applied such ownership or pricing limitations, one hundred and eighty days after the date of enactment of this Act. In the case of all other trusts, such limitations are immediately applicable.".

SEC. . INTENT AND PURPOSES.

Section 224(c) of the Act is amended to read as follows:

"(c) The Secretary is directed to prescribe regulations and shall collect all data necessary to carry out the intent, purposes, and provisions of this title and of other provisions of Federal reclamation law.".

SEC. . REPORTING REQUIREMENTS.

(a) Section 228 of the Act is amended by inserting after "contracting entity" wherever it appears, the following: ", farm, or farm operation".

(b) Section 206 of the Act is amended by inserting after the final sentence the following: "This section shall also apply to all landholdings, farms, or farm operations, to all lands operated under any kind of operating agreement, and to all operators thereof. The Secretary, may also require the submission of any agreement of other document relating to the certification.".

SEC. . RELIGIOUS OR CHARITABLE ORGANIZATIONS.

Section 219 of that Act is amended by—

(a) inserting at the beginning "(a)"; and

(b) inserting the following new subsections:

"(b) The terms "farm" or "farm operation" shall not apply to any landholding of religious or charitable entity or organization which qualifies as an individual under this section. If an individual religious or charitable entity or organization holds land as a lessor within a district, it shall qualify as an individual with respect to such lands: *Provided*, That the entity or organization directly uses the proceeds of the lease only for charitable purposes: *Provided further*, That the lessee is eligible to receive reclamation water upon the leased lands.

"(c) If an individual religious or charitable organization holds lands within a district, but fails to qualify as an individual under this section, its lands within a district with regard to which it does not qualify as an individual shall be lands held in excess of the ownership limitations of section 209 of this Act, and shall receive reclamation water only as excess lands in compliance with the provisions of section 209 of this Act. the failure of an individual religious or charitable entity or organization to qualify as an individual under this section shall not affect the qualification as an individual under this section of another individual religious or charitable entity organization which is affiliated with the same central organization or is subject to a hierarchical authority of the same faith.".

[Amendment No. 5]

—1. On page 19, line 1, amend the title so as to read:

"TITLE X—AMENDMENTS TO RECLAMATION STATUES".

—2. On page 19, line 17, insert the following new section:

SEC. 1002. AUTHORITY FOR APPROPRIATE PENALTIES.

Section 224 of the Reclamation Reform Act of 1982 (43 U.S.C. 390ww), as amended, is further amended by adding at the end of subsection (c) the following: "Notwithstanding any other provision of law, the Secretary shall establish appropriate and effective penalties for failure to comply with any provision of this Act or any regulation established pursuant to this Act.".

[Amendment No. 6]

—1. On page 19, line 1, amend the title so as to read:

"TITLE X—AMENDMENTS TO RECLAMATION STATUTES".

—2. On page 19, line 17, insert the following new section:

"SEC. 1002. AMENDMENT TO RECLAMATION REFORM ACT OF 1982.

"The Reclamation Reform Act of 1982 (Public Law 97-293, 96 Stat. 1263, 43 U.S.C. 390aa, *et. seq.*) is amended by inserting the following new section:

"APPLICATION TO INDIAN LANDS

"SEC. 231. The provisions of this Act shall not apply to Indian tribal land held in trust so long as such land is operated by or for the benefit of the tribe. The provisions of this Act shall apply to: (1) all lands owned in fee by an individual Indian and for which no exemptions have been provided for either by law, compact or treaty; and (2) all tribal land which has been leased or otherwise made available to non-tribal individuals or entities.".

[Amendment No. 7]

—On page 4, line 20, add the following new subsection:

(C) At the end of section 106(a), add the following:

": *Provided further*, That the sums authorized for appropriation in this paragraph shall not be authorized after one year from the date of enactment of this Act, unless the Secretary finds that the State of Wyoming, in cooperation with the U.S. Fish and Wildlife Service, has completed a study and established an appropriate schedule of downstream release requirements from the Buffalo Bill Dam for protection of fisheries, riparian habitat, and recreational uses in the Shoshone River.".

By Mr. MORRISON of Washington:

—Page 20, after line 16, add the following:

TITLE XIII—SUNNYSIDE VALLEY IRRIGATION DISTRICT

SEC. 1301. CONVEYANCE.

The Secretary of the Interior shall convey to Sunnyside Valley Irrigation District of Sunnyside, Washington, by quitclaim deed or other appropriate instrument and without consideration, all right, title, and interest of the United States, excluding oil, gas, and other mineral deposits, in and to a parcel of public land described as Lots 1 and 2 of Block 34 of the Town of Sunnyside in Section 25, Township 10 North, Range 22 East, Willamette Meridian, Washington.

By Mr. SHUMWAY.

—At the end of the bill, insert the following new title:

TITLE —SLY PARK UNIT SALE

SEC. . SALE OF SLY PARK UNIT.

(a) IN GENERAL.—The Secretary shall, as soon as practicable after date of enactment of this Act, sell the Sly Park Unit to the El Dorado Irrigation District.

(b) SALE PRICE.—The Secretary shall negotiate with the District a sale price which is acceptable to both the District and the United States. The factors to consider when negotiating the sale price shall primarily include, but are not limited to—

(1) the construction costs as included in the accounts of the Secretary, plus

(2) interest on the construction costs allocated to domestic use at the authorized rate included in enactment of the Act of October 14, 1949 (63 Stat. 852) up to an agreed upon date, plus

(3) the presently assigned Federal operation and maintenance costs, less

(4) all revenues to date as collected under the terms of the contract (Symbol 175v-1809) between the United States and the El Dorado Irrigation District.

(c) TERMS OF PAYMENT.—The Secretary may negotiate for a payment of the purchase price on a lump-sum basis or on a semiannual basis for a term of not to exceed twenty years. If payment is not to be lump-sum, then the interest rate to be paid by the District shall be the rate referred to in subsection (b)(2).

(d) CONVEYENCE.—Upon completion of payment by the District, the Secretary shall convey to the El Dorado Irrigation District all right, title, and interest and future liability of the United States in and to the Sly Park Unit. All costs associated with the transfer shall be borne by the District.

SEC. . DEFINITIONS.

For the purpose of this Title, the term—

(1) "El Dorado Irrigation District" or "District" means a political subdivision of the State of California duly organized, existing, and acting pursuant to the laws thereof with its principal place of business in the city of Placerville, El Dorado County, California.

(2) "Secretary" means Secretary of the Interior.

(3) "Sly Park Unit" means the Sly Park Dam and Reservoir, Camp Creek Diversification Dam and Tunnel and conduits and canals as authorized under the American River Act of October 14, 1949 (63 Stat. 853).

—Page 20, after line 16, add the following new title:

TITLE XIII—BUY-AMERICAN

SEC. 1301. BUY-AMERICAN REQUIREMENT.

(a) DETERMINATION BY THE SECRETARY OF THE INTERIOR.—If in carrying out title I of Public Law 97-293 (96 Stat. 1261), any provision of this Act, or any amendment made by this Act, the Secretary of the Interior, with the concurrence of the United States Trade Representative and the Secretary of Commerce, determines that the public interest so requires, the Secretary of the Interior is authorized to award to a domestic firm a contract that, under the use of competitive procedures, would be awarded to a foreign firm, if—

(1) the final product of the domestic firm will be completely assembled in the United States;

(2) when completely assembled, not less than 51 percent of the final product of the domestic firm will be domestically produced; and

(3) the difference between the bids submitted by the foreign and domestic firms is not more than 6 percent.

In determining under this subsection whether the public interest so requires, the Secretary shall take into account United

States international obligations and trade relations.

(b) LIMITED APPLICATION.—This section shall not apply to the extent to which—

(1) such applicability would not be in the public interest;

(2) compelling national security considerations require otherwise; or

(3) the United States Trade Representative determines that such an award would be in violation of the General Agreement on Tariffs and Trade or an international agreement to which the United States is a party.

(c) LIMITATION.—This section shall apply only to contracts for which—

(1) amounts are authorized by title I of Public Law 97-293, this Act, or any amendment made by this Act to be made available; and

(2) solicitations for bids are issued after the date of the enactment of this title.

(d) REPORT TO CONGRESS.—The Secretary shall report to the Congress on contracts covered under this section and shall report to the Congress on the number of contracts that meet the requirements of subsection (a) but which are determined by the United States Trade Representative to be in violation of the General Agreement on Tariffs and Trade or an international agreement to which the United States is a party. The Secretary shall also report to the Congress on the number of contracts covered under this title and awarded based upon the parameters of this section.

(e) DEFINITIONS.—For purposes of this section:

(1) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(2) DOMESTIC FIRM.—The term "domestic firm" means a business entity that is incorporated in the United States and that conducts business operations in the United States.

(3) FOREIGN FIRM.—The term "foreign firm" means a business entity not described in paragraph (2).

By Mr. TRAFICANT:

—Page 20, After Line 16, insert the following new subsection:

( ) RESTRICTIONS ON CONTRACT AWARDS.—No person or enterprise domiciled or operating under the laws of a foreign government may enter into a contract or subcontract made pursuant to this Act if that government unfairly maintains, in government procurement, a significant and persistent pattern or practice of discrimination against United States products or services which results in identifiable harm to United States businesses, as identified by the President pursuant to section 305(g)(1)(A) of the Trade Agreements Act of 1979.

—Page 20, after line 16, insert the following new section:

SEC. . PROHIBITION AGAINST FRAUDULENT USE OF "MADE IN AMERICA" LABELS.

If the Secretary of Interior determines that any person intentionally affixes a label bearing a "Made in America" inscription to any product sold in or shipped to the United States that is not made in America, the Secretary shall declare that person ineligible to receive a Federal Contract or Grant in conjunction with the issuance of any contract made under this Act for a period of not less than 3 years and not more than 5 years. The Secretary may bring action against such person to enforce this subsection in any United States district court.

By Mr. WATKINS:

—At the end of the bill, insert the following new title:

TITLE —McGEE CREEK CONTRACT ADJUSTMENT

SEC. . CONTRACT ADJUSTMENT.

(a) AUTHORIZATION.—The Secretary is authorized and directed to enter into a contract with the McGee Creek Water Authority, Oklahoma City, Oklahoma, accepting a payment of $88,629,000.

(b) CONTRACT TERMINATION.—Upon receipt of the payment specified in subsection (a), the McGee Creek Water Authority's obligation under contract between the Authority and the Secretary numbered 0-07-50-X0822, dated October 11, 1979 shall be terminated.

SEC. . TITLE TO PROJECT FACILITIES.

Notwithstanding any payments made by the McGee Creek Water Authority pursuant to section (a) of this title or pursuant to any contract with the Secretary, title to project facilities of the McGee Creek Project, Oklahoma shall remain with the United States.

SENATE—*Tuesday, June 12, 1990*

(Legislative day of Monday, June 11, 1990)

The Senate met at 9 a.m. on the expiration of the recess, and was called to order by the Honorable J. ROBERT KERREY, a Senator from the State of Nebraska.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Thou wilt keep him in perfect peace, whose mind is stayed on thee; because he trusteth in thee. Trust ye in the Lord forever: for in the Lord Jehovah is everlasting strength.—Isaiah 26:3-4.

Gracious God, Father of us all, whose love is unconditional, universal, and eternal, help us to see that however great the pressure or pain, however deep the frustration, we have a refuge in Thee. Our help is in the name of the Lord and as we put our trust in Thee, Thy peace prevails, Thy grace enables us to meet every exigency in the strength and wisdom of the Lord. Thank Thee faithful Father in Heaven, for this extraordinary provision for all the vicissitudes of life. In the name of Him who never leaves us nor forsakes us. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 12, 1990.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable J. ROBERT KERREY, a Senator from the State of Nebraska, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. KERREY thereupon assumed the chair as Acting President pro tempore.

The ACTING PRESIDENT pro tempore. In my capacity as a Senator from the State of Nebraska, I suggest the absence of a quorum.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RENAMING OF CALAMUS DAM AND RESERVOIR

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of S. 1875, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 1875) to redesignate the Calamus Dam and Reservoir authorized under the Reclamation Project Authorization Act of 1972 as the Virginia Smith Dam and Calamus Lake Recreation Area.

The Senate proceeded to consider the bill which had been reported from the Committee on Environment and Public Works, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. RENAMING OF DAM AND RESERVOIR.

The Calamus Dam and Reservoir in the North Loup division of the Missouri River Basin project shall be known and redesignated as the "Virginia Smith Dam and Calamus Lake Recreation Area".

SEC. 2. LEGAL REFERENCES TO BUILDING.

Any reference in any law, regulation, document, record, map, or other paper of the United States to the dam and reservoir referred to in section 1 is deemed to be a reference to the "Virginia Smith Dam and Calamus Lake Recreation Area".

SEC. 3. EFFECTIVE DATE.

The provisions of this Act shall be effective on January 3, 1991.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Nebraska is recognized until 9:10 a.m.

Mr. EXON. Mr. President, I thank the Chair and I thank my colleagues. I appreciate the help that my colleague has given in our joint introduction of the measure that is presently before the U.S. Senate.

Mr. President, the legislation before us would designate the Calamus Dam in central Nebraska as the Virginia Smith Dam. I introduced this legislation last August to honor the retiring Congresswoman from Nebraska's Third District.

VIRGINIA SMITH has worked hard over the years for this and other worthy projects and I think it is entirely fitting that she be honored in this way. VIRGINIA's determination and commitment to serving the Third District as well as all of Nebraska is well documented.

This dam and the Calamus Lake which it creates is nestled in the hills of the Loup and Garfield Counties in central Nebraska. It is a truly beautiful area. The Virginia Smith Dam will serve Nebraska agriculture and recreational interests for years and years and generations and generations to come.

I would just like to take a moment to thank my friend and colleague who is the occupant of the Chair at the present time, Senator KERREY, for his guidance and his assistance on this very, very important matter to Nebraskans. I believe that there is unanimous support for this piece of legislation, Mr. President.

The occupant of the Chair and this speaker both had the honor of serving as Governor of Nebraska. We know well this area. We know the beauty of the famed Nebraska Sand Hills where the water that makes up the Calamus River starts. It feeds through one of the most beautiful parks in the whole United States and it comes down now to become an important part of the Loup irrigation district to provide not only continued water resources for recreation but also, even more important for agriculture purposes, to provide for stability of the heartland of America. We in Nebraska know the State, a major agriculture producer and a major contributor, through our agriculture exports by our family farmers and our family ranchers, does more than anything else to help straighten out the serious imbalance of trade.

Mr. President, I hope that this legislation will be promptly approved by the Senate.

I would like to inquire of the Chair at this time as to whether or not the yeas and nays have been ordered.

The ACTING PRESIDENT pro tempore. The yeas and nays have been ordered.

Mr. EXON. As I understand it, the vote will occur then at 9:10; is that correct?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. EXON. Mr. President, I yield the floor.

Mr. GRASSLEY. Mr. President, I know the vote is at 9:10. I ask unanimous consent to use the intervening time to speak as if in morning business.

Mr. EXON. Mr. President, I have no objection to granting the request of our friend and colleague from Iowa. I only would like to say I assume that there is no one else that wishes to

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

make any remarks on this bill before the time runs out. If there is no one else that wishes to speak in behalf of this legislation, then I certainly have no objection to the unanimous-consent request by the Senator from Iowa.

FARM PROGRAM FLEXIBILITY: A NECESSARY CHALLENGE FOR THE 1990 FARM BILL

Mr. GRASSLEY. Mr. President, leading up to this year's farm bill discussions, the leading complaint I heard from Iowa farmers was about the lack of flexibility within our current farm program.

Soybean farmers were worried about the economic disincentives to planting soybeans which was resulting in an erosion of U.S. market share to the South Americans.

Corn farmers wanted the ability to decrease or expand production based upon market signals.

Conservationists wanted a program that allowed for the establishment of long-term rotations that preserved soil and protected our ground water. They contended that farmers would not implement such a rotation for fear of losing the security of their farm program base.

Even the administration supported the idea of flexibility to help reduce program crop expenditures.

There didn't appear to be anyone with a credible reason opposed to the idea of allowing farmers to respond to market signals.

But suddenly, flexibility seems to be less of a priority. The House Agriculture Committee approved language that allows for more flexibility, but in reality will preserve the status quo with respect to planting program crops over nonprogram crops.

And here in the Senate, it does not sound like we are doing any better. My hope is, however, that as the Senate Agriculture Committee proceeds with their deliberations, they will make farm program flexibility a primary goal.

What do we have to gain from additional planting flexibility?

First, we give our farmers the ability to respond to market signals when they are making planting decisions. These decisions are now based on prices which are artificially set to provide important income support. Unfortunately, these prices also distort our supply of program crops in comparison to demand.

Most farmers do what they can to limit their risk and increase their income. Its plain good business sense. Under current farm law, the best way to hedge your risk is to farm the program. You maintain your program crop bases regardless of the market prices because you are guaranteed at least the target price times your ASCS yield.

Let us put this in practical terms. A farmer has historically planted three-fourths of his acres to a program crop and one-fourth of his acres to nonprogram crops. At planting time, the farmer must make a decision as to whether or not he should maintain this ratio. To make this decision, he must weigh the potential returns of the program crop payments versus what he expects the market price will be for the nonprogram crop at the end of the year.

The return for his program crop is guaranteed by the target price. The return for his nonprogram crops is not. This decision is simple for most farmers.

Further, the farmer must consider the fact that any new acres planted to nonprogram crops will reduce his program base and thus, his future program crop income.

A solution has been proposed that would remove the loss of base acres, but until you remove the economic disincentive to flexibility—you have only a partial solution that doesn't accomplish our stated goal.

As the Senate Agriculture Committee continues to work, it is imperative that they evaluate the benefits of true flexibility as well as the options already proposed.

Flexibility is important as a means of protecting soil and ground water. Continuous cropping of any commodity leads to a breakdown of soil nutrients and an increase in plant diseases and pests common to that crop. Breaking this cycle allows the planting of crops which can restore soil nutrients, reduce pesticide usage, and provide vegetative cover that limits soil erosion.

Flexibility in farm programs will enable farmers to utilize rotations to meet these needs.

Flexibility also returns the responsibility for planting and marketing decisions back where it belongs—to the American farmer.

The past 2 years, under provisions of the Disaster Assistance Act of 1988, farmers have had the opportunity to plant oilseeds on base acres without loss of base. The result of the program this year is a projected 1.9-million-acre increase in oilseed plantings.

Within this 0/25 planting option, soybeans provide us with the most dramatic example. The 3-percent increase in soybean plantings associated with this program does not equal the 4- to 5-percent increase in world demand we have seen in recent years. While overall world demand has increased 25 percent the past 10 years, the United States has actually seen a 17-percent decrease in soybean production.

This is the best example of how real flexibility cannot be achieved by simply correcting the base limitations found within our current farm program. What is necessary is the elimination of the distortions which come about through our current farm programs. Only by neutralizing these signals, will farmers base planting decisions upon the markets as opposed to the support prices.

World oilseed demand is increasing. U.S. farmers must be given the opportunity to respond to this world demand. The Senate earlier this session passed legislation creating a checkoff program for soybeans to help us further increase world and domestic demand for soybeans. What will be the benefit of this increase, however, if our farmers still turn to program crops because it is the only way they can limit their risks.

American farmers do not want to support a checkoff program that will build markets for our South American competitors. And I intend to work to make sure our producers are not supporting market development without the ability to take full advantage of those new markets through true planting flexibility.

This question of flexibility must be resolved by the Senate Agriculture Committee.

If legislation comes forth from the committee without an economically neutral planting option, this Senator, and others, need to work to provide farmers the flexibility they need to meet current world demand.

RENAMING OF CALAMUS DAM AND RESERVOIR

The Senate continued with the consideration of the bill.

The ACTING PRESIDENT pro tempore. Under the previous order, the committee substitute is agreed to, the bill is ordered to be engrossed for a third reading, and is considered read the third time.

The hour of 9:10 having arrived, the bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Rhode Island [Mr. CHAFEE] and the Senator from Missouri [Mr. DANFORTH] are necessarily absent.

The ACTING PRESIDENT pro tempore. Are there any other Senators in the Chamber who desire to vote?

The result was announced, yeas 97, nays 1, as follows:

[Rollcall Vote No. 113 Leg.]

YEAS—97

Adams	Bradley	Conrad
Akaka	Breaux	Cranston
Armstrong	Bryan	D'Amato
Baucus	Bumpers	Daschle
Bentsen	Burdick	DeConcini
Biden	Burns	Dixon
Bingaman	Byrd	Dodd
Bond	Coats	Dole
Boren	Cochran	Domenici
Boschwitz	Cohen	Durenberger

Exon	Kerrey	Pryor
Ford	Kerry	Reid
Fowler	Kohl	Riegle
Garn	Lautenberg	Robb
Glenn	Leahy	Rockefeller
Gore	Levin	Roth
Gorton	Lieberman	Rudman
Graham	Lott	Sanford
Gramm	Lugar	Sarbanes
Grassley	Mack	Sasser
Harkin	McCain	Shelby
Hatch	McClure	Simon
Hatfield	McConnell	Simpson
Heflin	Metzenbaum	Specter
Heinz	Mikulski	Stevens
Helms	Mitchell	Symms
Hollings	Moynihan	Thurmond
Inouye	Murkowski	Wallop
Jeffords	Nickles	Warner
Johnston	Nunn	Wilson
Kassebaum	Packwood	Wirth
Kasten	Pell	
Kennedy	Pressler	

NAYS—1

Humphrey

NOT VOTING—2

Chafee Danforth

So, the bill (S. 1875), as amended, was passed.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. EXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TONGASS TIMBER REFORM ACT

The ACTING PRESIDENT pro tempore. Under the previous order the motion to proceed to H.R. 987, the Tongass National Forest wilderness bill is agreed to.

The clerk will report the bill.

The legislative clerk read as follows:

A bill (H.R. 987) to amend the Alaska National Interest Lands Conservation Act, to designate certain lands in the Tongass National Forest as wilderness, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause, and insert in lieu thereof the following:

SECTION 1. SHORT TITLE AND DEFINITION.

(a) SHORT TITLE.—This act may be cited as the "Tongass Timber Reform Act".

TITLE I—FOREST MANAGEMENT PROVISIONS

SEC. 101. TO REQUIRE ANNUAL APPROPRIATIONS FOR TIMBER MANAGEMENT ON THE TONGASS NATIONAL FOREST.

The Alaska National Interest Lands Conservation Act (Public Law 96-487, hereinafter referred to as "ANILCA") is hereby amended by deleting section 705(a) (16 U.S.C. 539d(a)) in its entirety and inserting in lieu thereof the following:

"SEC. 705. (a) Subject to appropriations, other applicable law, and the requirements of the National Forest Management Act of 1976 (Public Law 94-588), except as provided in subsection (d) of this section, the Secretary shall seek to provide a supply of timber from the Tongass National Forest which (1) meets the annual market demand for timber from such forest and (2) meets the market demand from such forest for each planning cycle.".

SEC. 102. IDENTIFICATION OF LANDS UNSUITABLE FOR TIMBER PRODUCTION.

ANILCA is further amended by deleting section 705(d) (16 U.S.C. 539d(d)) in its entirety and inserting in lieu thereof:

"(d) All provisions of section 6(k) of the National Forest Management Act of 1976 (16 U.S.C. 1604(k)) shall apply to the Tongass National Forest except that the Secretary need not consider economic factors in the identification of lands not suited for timber production.".

SEC. 103. FISHERIES PROTECTION.

Section 705 (16 U.S.C. 539d) of ANILCA is amended by adding at the end thereof the following new subsection:

"(e) In order to assure protection of riparian habitat, the Secretary shall maintain a buffer zone of no less than one hundred feet in width on each side of all Class I streams in the Tongass National Forest, and on the last three hundred feet before the confluence with Class I streams of those Class II streams which flow directly into a Class I stream, within which commerical timber harvesting shall be prohibited, except where independent national forest timber sales have already been sold prior to March 1, 1990, or where volume has been released prior to March 1, 1990, to either the Alaska Pulp Corporation or the Ketchikan Pulp Company pursuant to the long-term timber sale contracts numbered 12-11-010-1545 and A10fs-1042 respectively. If such an independent timber sale or relased volume is within the buffer zone, the Secretary shall make every effort to relocate such independent sale or released volume to an area outside of the buffer zone. The Secretary shall use best management practices, as defined in the Region 10 Soil and Water Conservation Handbook (FSH 2509.22), January 1990, to assure the protection of riparian habitat on streams or portions of streams not protected by such buffer zones. For the purposes of this subsection, the terms 'Class I streams' and 'Class II streams' mean the same as they do in the Region 10 Aquatic Habitat Management Handbook, (FSH 2609.24), June 1986.".

SEC. 104. FUTURE REPORTS ON THE TONGASS NATIONAL FOREST.

Section 706(a) of ANILCA (16 U.S.C. 539e(a)) is amended by striking the second sentence.

SEC. 105. SMALL BUSINESS SET-ASIDE PROGRAMS.

(a) Section 14(i)(1) of the National Forest Management Act of 1976 (16 U.S.C. 472a(i)(1)), is amended by striking the following: "road: *Provided*, That the provisions of this subsection shall not apply to sales of timber on National Forest System lands in the State of Alaska." and inserting in lieu thereof "road.".

(b) Section 705 (16 U.S.C. 539d) of ANILCA is amended by adding at the end thereof the following new subsection:

"(f) Subject to appropriations, the provisions of this Act and other applicable law (including but not limited to the requirements of the National Forest Management Act of 1976 (Public Law 94-588)) and in order to assure the continuation of the Small Business Administration timber sale program, the Secretary shall seek to provide a supply of timber from the Tongass National Forest which meets the demand of those purchasers qualifying as 'small business concerns' under the Small Business Act as amended (15 U.S.C. 631 et seq.).".

TITLE II—TONGASS NATIONAL FOREST LANDS PROTECTION

Title V of ANILCA ia amended by adding at the end thereof the following new section:

"SEC. 508. LUD II MANAGEMENT AREAS.—The following lands are hereby allocated to Land Use Designation II ('LUD II') as described in the Tongass National Forest Land Management Plan, completed March, 1979, and amended Winter 1985-1986, and shall be managed by the Secretary of Agriculture in perpetuity in accordance with such designation:

"(1) YAKUTAT FORELANDS.—Certain lands which comprise approximately 139,144 acres, as generally depicted on a map entitled 'Yakutat Forelands LUD II Management Area—Proposed' and dated May, 1989.

"(2) BERNERS BAY.—Certain lands which comprise approximately 46,000 acres, as generally depicted on a map entitled 'Berners Bay LUD II Management Area—Proposed' and dated May, 1989.

"(3) CHUCK RIVER.—Certain lands which comprise approximately 72,503 acres, as generally depicted on a map entitled 'Chuck River LUD II Management Area—Proposed' and dated May, 1989.

"(4) GOOSE FLATS.—Certain lands which comprise approximately 23,798 acres, as generally depicted on a map entitled 'Goose Flats LUD II Management Area—Proposed' and dated May, 1989.

"(5) KADASHAN.—Certain lands which comprise approximately 33,641 acres, as generally depicted on a map entitled 'Kadashan LUD II Management Area—Proposed' and dated May, 1989.

"(6) KARTA.—Certain lands which comprise approximately 38,046 acres, as generally depicted on a map entitled 'Karta LUD II Management Area—Proposed' and dated May, 1989.

"(7) LISIANSKI RIVER/UPPER HOONAH SOUND.—Certain lands which comprise approximately 135,426 acres, as generally depicted on a map entitled 'Lisianski River/Upper Hoonah Sound LUD II Management Area—Proposed' and dated May, 1989.

"(8) MT. CALDER/MT. HOLBROOK.—Certain lands which comprise approximately 56,540 acres as generally depicted on a map entitled 'Mt. Calder/Mt. Holbrook LUD II Management Area—Proposed' and dated May, 1989.

"(9) NUTKWA.—Certain lands which comprise approximately 28,118 acres, as generally depicted on a map entitled 'Nutkwa LUD II Management Area—Proposed' and dated May, 1989.

"(10) OUTSIDE ISLANDS.—Certain lands which comprise approximately 75,017 acres as generally depicted on a map entitled

'Outside Islands LUD II Management Area—Proposed' and dated May, 1989.

"(11) TRAP BAY.—Certain lands which comprise approximately 6,646 acres as generally depicted on a map entitled 'Trap Bay LUD II Management Area—Proposed' and dated May, 1989.

"(12) YOUNG LAKE.—Certain lands which comprise approximately 18,173 acres as generally depicted on a map entitled 'Young Lake LUD II Management Area—Proposed' and dated May, 1989.".

TITLE III—MODIFICATION OF LONG-TERM TIMBER SALE CONTRACTS IN SOUTHEAST ALASKA

SEC. 301. CONTRACT MODIFICATIONS.

(a) DEFINITIONS.—As used in this section, the term "Secretary" means the Secretary of Agriculture. The term "TLMP" means the Tongass National Forest Land Management Plan, completed March, 1979, and amended Winter 1985-1986. The term "contracts" means the long-term timber sale contracts numbered 12-11-010-1545 and A10fs-1042 between the United States and the Alaska Pulp Corporation, and between the United States and the Ketchikan Pulp Company, respectively.

(b) FINDING.—The Congress hereby finds and declares that it is in the national interest to modify the contracts in order to assure that valuable public resources in the Tongass National Forest are protected and wisely managed. Modification of the long-term timber sale contracts will enhance the balanced use of resources on the forest and promote fair competition within the southeast Alaska timber industry.

(c) UNILATERAL CHANGES.—The contracts are hereby modified to:

(1) assure that all timber sale planning and environmental assessment procedures regarding the contracts are consistent with procedures for independent national forest timber sale, pursuant to the National Forest Management Act of 1976 (Public Law 94-588), the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and other applicable laws;

(2) eliminate the practice of harvesting a disproportionate amount of old-growth timber by limiting the volume schedule for harvest over the rotation in volume classes 6 and 7, as defined in TLMP and supporting documents, so that the proportion of volume scheduled in these classes within a contiguous management area does not exceed the proportion of volume currently represented by these classes within the management area;

(3) assure that all timber offered under the contracts shall be substantially harvested within three years or the Secretary shall withhold further offerings, unless harvesting has been delayed by third-party litigation;

(4) assure that the Secretary determines the location and size of sale units and the timing of timber harvests;

(5) allow rejection of timber offered under the contracts. Upon rejection of any timber offered, the Secretary may re-offer such timber to any qualified bidder under independent national forest timber sales. If the rejected timber is subsequently sold within twelve months and harvested within the independent contract period, that amount of timber shall be subtracted from the volume remaining under the appropriate contract;

(6) assure that utility logs offered under the contracts shall be counted against contract volume requirements;

(7) assure that purchaser road credits are provided under the contracts in a manner consistent with independent national forest timber sale procedures; and

(8) assure that timber offered under the contracts shall be priced according to independent national forest timber sale procedures with stumpage rates and profitability criteria consistent with those of independent purchasers in competitive sales.

(d) CERTIFICATION TO CONGRESS.—Notwithstanding any other provision of law, the Secretary is directed to make the necessary revisions to the text of the contracts to reflect the modifications to such contracts made by subsection (c) of this section. The Secretary shall promptly, and in no event later than ninety days after the date of enactment of this Act, transmit the text of the modified contracts to the Congress together with his certification that these revisions are in compliance with the modifications made by subsection (c). Until such time as the Secretary transmits the text of the modified contracts to the Congress, but no later than ninety days after the date of enactment of this Act, the Secretary is authorized to conduct timber sale operations on the Tongass National Forest in accordance with the provisions of the contracts as they existed on the day before the date of enactment of this Act. At such time as the Secretary transmits the modified contracts to Congress, or ninety days after the date of enactment of this Act, whichever is sooner, the Secretary shall conduct timber sale operations on the Tongass National Forest only in accordance with the provisions of the modified contracts.

(e) The Secretary shall take such other actions in management of the Tongass National Forest as may be necessary to meet the provisions of subsection (c).

(f) GAO AUDIT.—The Comptroller General of the United States shall, on a continuing basis, audit the actions taken by the Secretary to revise the text of the contracts pursuant to the modifications made pursuant to subsection (c). Within thirty days after the Secretary's transmittal of the contracts and certification to Congress, and in no event later than one hundred and twenty days after the date of enactment of this Act, the Comptroller General shall submit a report to Congress describing the revisions made by the Secretary to the contracts and stating whether, in the opinion of the Comptroller General, the revised contracts are in compliance with the requirements of this section.

TITLE IV—HAIDA LAND EXCHANGE ACT AMENDMENT

The Haida Land Exchange Act of 1986 (Public Law 99-664) is hereby amended by adding the following new section at the end thereof:

"SEC. 12. SULZER PORTAGE LANDS SELECTION.

"(a) WITHDRAWAL.—The following lands are withdrawn, subject to valid existing rights, from all forms of appropriation under the public land laws, including the mining and mineral leasing laws, and from selection under the Alaska Statehood Act (Public Law 85-508) as amended:

"COPPER RIVER MERIDIAN

"Township 76 South, Range 85 East

"Section 16: South half south half, northwest quarter southwest quarter.

"Section 17: West half, southeast quarter, south half northeast quarter.

"Section 18: All, fractional.

"Section 19: North half northeast quarter, southeast quarter northeast quarter, northeast quarter nothwest quarter.

"Section 20: North half, north half southeast quarter southeast quarter southeast quarter.

"Section 21: All.

"Section 22: South half, south half north half, fractional.

"Section 23: South half, fractional.

"Section 24: South half, fractional.

"Section 25: All, excluding islets.

"Section 26: North half, north half southeast quarter, fractional.

"Section 27: East half, east half west half, northwest quarter northwest quarter, southwest quarter southwest quarter.

"Section 28: Northeast quarter northeast quarter, southeast quarter southeast quarter.

"Section 31: Southwest quarter, west half southeast quarter.

"Township 76 South, Range 86 East

"Section 30: Southwest quarter, including all fractional lands on west shore of Big Creek Bay.

"Township 76 South, Range 86 East

"Section 31: East half west half, southwest quarter southeast quarter, northwest quarter southeast quarter.

"Township 77 South, Range 86 East

"Section 2: North half, southeast quarter, north half southwest quarter.

"(b) SELECTION.—(1) For a period of one year after the date of enactment of this section, Haida Corporation shall be entitled to select lands from among those lands withdrawn pursuant to subsection (a). Haida Corporation shall notify the Secretary of the Interior which lands so withdrawn Haida Corporation wishes to select and shall designate which Haida Exchange Lands and/or outstanding selection rights under section 16 of the Alaska Native Claims Settlement Act (43 U.S.C. 1615) Haida Corporation intends to exchange or relinquish in return for its selections hereunder.

"(2) The exchange of lands selected by Haida Corporation pursuant to this subsection for Haida Exchange Lands or selection rights under section 16 of the Alaska Native Claims Settlement Act shall be on an acre-for-acre basis. The conveyance of lands to Haida Corporation and Sealaska pursuant to this subsection shall be deemed a conveyance of lands pursuant to the Alaska Native Claims Settlement Act.

"(3) After their selection, the surface estate in lands selected by Haida Corporation pursuant to this subsection shall be conveyed to Haida Corporation and the subsurface estate in such lands shall be conveyed to Sealaska Corporation in partial fulfillment of such corporations' entitlement under the Alaska Native Claims Settlement Act and pursuant to the provisions of that Act, provided that the United States shall reserve an easement one hundred feet in total width for the use of the State of Alaska for a transportation corridor on the Sulzer Portage trail between Cholmondley Sound and Hetta Inlet, provided, however, that timber occurring within the easement boundaries shall remain the property of Haida Corporation.

"(c) DURATION.—The withdrawal made pursuant to subsection (a) shall terminate ninety days after the United States has conveyed the surface and subsurface estates of all lands selected by Haida Corporation pursuant to subsection (b) to Haida Corporation and Sealaska Corporation respectively, or one year after the date of enactment of this section, whichever is later.".

The ACTING PRESIDENT pro tempore. Under the previous order there will be 4 hours of debate on this bill with only the following amendments in order: a Johnston amendment on land exchange, 1 hour of debate; a Johnston amendment on buffer zone, 1 hour of debate, with a second-degree Murkowski amendment, 1 hour of debate; two committee technical amendments, a Garn Greens Creek amendment with no time limit and germane second-degree amendments in order.

Mr. JOHNSTON. Mr. President, I am very pleased to bring before the Senate the compromise legislation on the Tongass Timber Reform Act. Mr. President, as my colleagues, I am sure, are aware, the Tongass National Forest is one of the last remaining and one of the richest and biggest rain forests left in the United States and one of the best and most beautiful in all the world.

For years, Mr. President, there has raged a controversy about Tongass, two very legitimate interests: The interest of what we might call the environmental community in wanting to preserve this very beautiful and very important and productive rain forest; on the other hand, the jobs involved in the timber industry in Alaska, to continue to wish to harvest that timber in the Tongass Forest.

On March 7, Mr. President, the Committee on Energy and Natural Resources came to a compromise solution for this, which I believe is fair to all interests, and serves well both the environment and the jobs left in Alaska. Basically, it deletes 4.5 billion board feet mandated harvest level. It deletes that $40 million direct appropriation. It protects riparian habitat on the Tongass by placing 100-foot buffer zones on key fish producing streams. It significantly modifies the long-term contracts by removing the inequities that have long existed between the shore-term and long-term contracts, and it protects in perpetuity some 673,000 acres of key fish and wildlife areas from timber harvesting and other harmful activity.

This land protection proposal follows the recommendation of the Southeast Conference, a group of civic and business leaders in southeast Alaska, and it is strongly supported by the Governor of Alaska.

Mr. President, I am very pleased that we could report this legislation overwhelmingly from the committee. I am very pleased that it has the—so far as I know—virtual unanimous support from the environmental community. While it does not represent the full extent of what Alaskans or many Alaskans would wish in terms of their ability to harvest timber, it has been accepted broadly by Alaskans as well. I am very pleased that we are now ready to pass this legislation.

Mr. President, Tongass reform is one of the most important environmental issues that we will face this year. It is an issue that has been before the Congress for several years, and it is well past time that the Senate acted on it.

The laws that prescribe the management of the national forests give clear direction that the various uses and resources of the national forests should be carefully balanced. However, over the years, actions by the Forest Service, and by Congress, have given the timber resource on the Tongass prominence over other resources.

Billions of board feet of timber are still under obligation to 50-year contracts, which undeniably favor the long-term contract holders over independent operators; unlike other national forests, a $40 million direct appropriation is made available each year; and existing law mandates the annual harvest of billions of board feet of timber. All of this, combined with a lack of sensitivity on the part of the Forest Service to noncommodity resources, has produced a timber bias on the Tongass, at the expense of other resource values.

Important fish and wildlife species, including black bear, deer, moose, wolves, seals, sea lions, ravens, bald eagles, and a relatively large and thriving population of brown bears, as well as pink, coho, chum, sockeye, and king salmon, steelhead and trout rely on the Tongasss for habitat. Many of these species depend on high-volume old growth stands to provide appropriate cover and browse. Biologists are concerned that the Forest Service is harvesting the old growth timber on the Forest at a rate which will significantly reduce the populations of fish and wildlife that depend on it. The Alaska Department of Fish and Game has recently predicted a significant decline in the deer population as second growth stands replace old growth. The grizzly bear population has also seen significant reductions over the last few years due to timber harvesting and increased human access to bear habitat.

A number of measures relating to Tongass reform which respond to the concerns over Forest Service management of the Tongass National Forest, have been introduced this Congress. On February 2, 1989, Senator WIRTH introduced S. 346. Senator MURKOWSKI introduced a very different reform bill, S. 237, on January 25, 1989. On July 17, 1989, the House of Representatives passed H.R. 987, a very strong Tongass reform bill, by a vote of 356 to 60. Among other provisions, this bill includes the designation of 1.8 million acres of wilderness in southeast Alaska and the cancellation of the two long-term contracts.

In hopes of reaching a compromise between the various Tongass reform proposals, I circulated a proposed amendment in the nature of substitute to H.R. 987 prior to the beginning of the committee's markup of the Tongass issue. This proposal sought to provide for a better balance between the commodity and noncommodity resources of the forest while protecting the local economy from economic disruption.

On March 7, the committee adopted this proposal unanimously with only one major change. It is this proposal which is currently before the Senate as the committee reported bill. As reported, the bill:

Deletes the 4.5 billion board feet mandated harvest level;

Deletes the $40 million direct appropriation;

Protects riparian habitat on the Tongass by placing 100-foot buffers on key fish-producing streams;

Significantly modifies the long-term contracts by removing the inequities that have long existed between the short-term and the long-term contracts; and

Protects in perpetuity 673,000 acres of key fish and wildlife areas from timber harvesting and other harmful activities. This lands protection proposal follows the recommendations of the Southeast Conference, a group of civic and business leaders in southeast Alaska, and is strongly supported by the Governor of Alaska.

This bill is a tough reform measure, but it is also a fair one. It will ensure that the Tongass is treated, for the most part, like other national forests. It removes the timber bias on the forest by taking away the special advantages the Timber Program has received in the past. It resolves the imbalance between the long-term and short-term contracts without abrogating the U.S. legal obligations to the two long-term contract holders. It permanently protects sensitive fish and wildlife habitat areas, many of which include irreplaceable old growth stands. And, it goes a long way in protecting the riparian areas within the forest which are so vital to fish and wildlife, and the thriving fisheries industry in southeast Alaska.

In accordance with the time agreement entered into for this measure, several amendments will be offered during the course of the debate which I believe will enhance the protections the bill affords.

This bill is indeed a compromise. There are those who would prefer that it go farther, and those who would prefer that it not go as far as it does. But, it is time to make a decision. This issue has been discussed and debated thoroughly and completely. Over the last 3 years the Senate has held 6 days of hearings in Washington and Alaska. We have heard from Alaskans from all walks of life, from politicians, to loggers, to fishermen. While they disagree on many aspects of the Tongass

debate, they are united on one point. They would all like to put this issue behind them. I share their sentiments.

Mr. President, the time has come to resolve the issue of Tongass reform. I believe that this bill allows us to do that in a fair and equitable manner.

At this point Mr. President, I would like to provide some further background on the issues surrounding Tongass reform for the benefit of my colleagues.

BACKGROUND

The Tongass National Forest was first established in southeast Alaska in 1907. A year later, the Tongass and the Alexander Archipelago Forest Reserve were consolidated into a single national forest by Presidential proclamation, giving it the distinction of the Nation's largest national forest, a distinction it maintains today.

Through much of the forest's history, the Forest Service, often with the assistance of Congress, has encouraged the development of a timber industry in southeast Alaska as an inducement for employment and population growth. In the 1920's, the Forest Service worked with the Alaska Territorial Government to establish a timber industry in hopes of stabilizing the boom or bust Alaska economy. However, an obstacle to harvesting national forest timber arose in the form of Native claims to lands in the Tongass. Consequently, in 1947, Congress passed the Tongass Timber Act, which provided a temporary mechanism for dealing with Native land claims while allowing the Forest Service to continue to sell timber.

In the early 1950's, as long-term timber sales were being phased out in the lower 48 States, the Forest Service sought to establish four long-term timber sales in southeast Alaska, each requiring the construction of a pulp mill. Ultimately, three contracts were signed, two of which are still in effect today. Fifty-year contracts were signed in 1951 with Ketchikan Pulp Co.—now owned by Louisiana Pacific—for 8.25 billion board feet of timber, and in 1956 with Alaska Lumber & Pulp Co.—now the Japanese-owned Alaska Pulp Corp.—for 4.975 billion board feet of timber. Pulp mills were subsequently built by these two companies in Ketchikan and Sitka respectively. The Ketchikan Pulp Co. contract will expire in 2004 and the Alaska Pulp Corp. contract will terminate in 2011.

LONG-TERM CONTRACTS

Approximately two-thirds of the annual allowable sale quantity on the Tongass is dedicated to meeting the requirements of the 50-year contracts. The remainder of the volume is offered through auction in contracts which are usually 3 years in length.

The long-term contracts vary significantly from the short-term independent contracts used by other companies in southeast Alaska and on all other national forests. Aside from the obvious difference in the length of time and amount of volume under obligation, many procedural differences exist as well. Specifically, the long-term contracts offer significant advantages over independent sales in the manner in which price is determined and costs are applied, the flexibility afforded the long-term contract holders in the selection of timber sold and harvested, and the size and location of the sales.

In recent years the long-term contracts have been particularly controversial. In 1981, both Ketchikan Pulp Co. and Alaska Pulp Co. were found guilty of antitrust violations. A recent investigation by the Subcommittee on General Oversight and Investigations of the House Committee on Interior and Insular Affairs concluded that the Alaska Pulp Co. fired an employee, in large part due to his testimony before the subcommittee in support of Tongass reform legislation.

On September 11, 1990, the Forest Service and Alaska Pulp Corp. announced mutually negotiated changes to that company's 50-year timber sale contract for Tongass timber. However, that revised contract has not yet been implemented since it is currently under appeal by the Southeast Alaska Conservation Council primarily for lack of NEPA compliance. While the Forest Service maintains that the new contract reconciles many of the differences between short-term and long-term sales, many believe that the new contract fails to sufficiently address these differences and may actually worsen the imbalance between the long-term and short-term contracts.

As of March 1, 1990, approximately 2.9 billion board feet of timber remains committed to the Ketchikan Pulp contract and 2.6 billion board feet to the Alaska Pulp Corp. contract. Serious questions have arisen as to whether the Forest Service can achieve its multiple-use mandate on the Tongass while under obligation to timber companies for billions of board feet of timber.

NATIONAL FOREST MANAGEMENT ACT

In 1976, Congress passed the National Forest Management Act [NFMA] as an amendment to the Forest and Rangeland Renewable Resources Planning Act of 1974 [RPA]. Among other things, NFMA directs the Forest Service to prepare a comprehensive, integrated land management plan for each national forest. NFMA also includes specific standards and guidelines that the Forest Service is to follow in the preparation of the land management plans. Specifically, the plans must incorporate the policies of multiple-use and sustained yield; consider the economic and environmental aspects of resource management; protect the diversity of plant and animal communities; and provide for timber harvesting only on lands where soil, streams, and other resource values will not be damaged, and lands can be adequately reforested.

Section 15(b) of NFMA specifically requires the Forest Service "in developing 5-year operating plans under the provisions of existing 50-year timber sales contracts in Alaska, to revise such contracts to make them consistent with the guidelines and standards provided for in NFMA, and to reflect such revisions in the contract price of timber." While the Forest Service maintains that they have brought the contracts under compliance with NFMA, many argue that the Forest Service has failed to make the changes required by section 15(b) of NFMA.

In 1979, the Forest Service released the Tongass land management plan [TLMP], the first comprehensive plan adopted pursuant to NFMA. TLMP maintained that the Tongass could sustain a harvest level of 450 million board feet annually, while still meeting the environmental and economic considerations mandated by NFMA. The Forest Service is currently revising TLMP as required by NFMA and anticipates that a draft plan will be released in June 1990.

ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT [ANILCA]

After lengthy and complex negotiations, the Alaska National Interest Lands Conservation Act [ANILCA] passed the Congress and became law in 1980. Among other conservation system unit designations, ANILCA set aside approximately 56 million acres of wilderness in Alaska, 5.4 million of which is in the Tongass National Forest.

During the consideration of ANILCA, a compromise was worked out in an attempt to deal with the concerns of some that such large wilderness designation on the Tongass would have a negative impact on the local economy of the region. This compromise in ANILCA:

Authorized a permanent appropriation of "at least $40,000,000 annually or as much as the Secretary of Agriculture finds is necessary" to maintain the timber supply on the Tongass. This fund, known as the Tongass timber supply fund, is in addition to any general appropriation the forest may receive;

Directed that a timber supply of 4.5 billion board feet per decade be maintained on the Tongass; and

Exempted the Tongass from section 6(k) of NFMA which requires the Forest Service to classify lands unsuitable for timber production and prohibits harvesting in these areas until the lands are reevaluated in the next planning cycle.

ECONOMICS

Currently about 60 percent of the timber from the Tongass is made into

pulp to be used for producing products such as rayon and cellophane. The remainder of the timber is manufactured into lumber. Virtually all of the saw and pulp products are exported. While Federal regulations require timber harvested from Federal land in Alaska to be processed before being exported, much of the saw timber is only manufactured into cants, which are merely squared-off round logs.

In addition to the 2 long-term contract holders, approximately 20 other firms hold contracts with the Forest Service to harvest timber on the Tongass. These independent contractors purchase about one-third of all Tongass timber sales. The other major competitors in the southeast Alaska timber market are the Alaska Native corporations. Because the Native corporations are harvesting timber from their own lands, they can export round logs directly without having to process them. The Native timber harvest in southeast Alaska has increased steadily in recent years from 145 million board feet in 1980 to over 400 million board feet in 1988. As Native corporations deplete timber supplies off their own lands, they are expected to be increasingly active in bidding on timber sales off Federal lands in the Tongass in the near future.

From 1980 through 1986, depressed markets and increasing competition from Native corporations caused Forest Service sales to decline dramatically. While the Forest Service offered an average of 450 million board feet of saw timber to meet its requirements under ANILCA, the agency was only able to sell about 53 percent of this volume. However, stronger markets have prevailed since 1986 and improving markets have resulted in sales of approximately 380 MMBF (saw timber) in 1989.

I am hopeful that this background is helpful in convincing Senators that management on the Tongass National Forest is in desperate need of reform, that a timely resolution of this issue is important, and that the committee bill offers the best opportunity to put this matter behind us once and for all.

Mr. METZENBAUM addressed the Chair.

Mr. JOHNSTON. I yield the floor, Mr. President.

The ACTING PRESIDENT pro tempore. The Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, I ask the chairman of the Energy Committee to yield the floor for one specific purpose, and that is, that I might rise to say I served on that committee with him as the chairman for many years, 10, 12, 14 years, and he has been a leader of that committee, balanced and fair and concerned; and on many occasions he and I were in total disagreement, but in not one instance did it ever become a personal matter. I just wanted to say that I think this is the apex, the height of his leadership.

His leadership with respect to this particular piece of legislation is absolutely magnificent, and I think he has shown a balanced concern about the people of Alaska, interest in Alaska, and those who are concerned about preserving the Tongass Forest, and it has been such a privilege to me to work with him in connection with this particular bill, the last bill I worked on before I left the committee; and I certainly did not leave it out of any disagreement with him, because he could not have been a more accommodating chairman.

I think that his leadership in connection with this legislation is an absolute high point in the beautiful career he has had over a period of many years. I do not mean it as an ending of a career or anything of a kind, because we look forward to working with him for many years in the future. I just wanted to interrupt him long enough to say how much I was privileged to work with him on his committee and in fashioning this legislation. For every piece I contributed to the bill, he contributed 100 pieces, and it is a fine piece of legislation. I hope that the hours will not be far distant before the Senate sees fit to pass it. I thank the Senator for permitting me to interrupt his presentation.

Mr. JOHNSTON. Mr. President, I thank the distinguished Senator from Ohio for his very generous remarks. He is overly generous, but they are overly appreciated.

Mr. President, I ask unanimous consent that the committee reported amendment in the nature of a substitute be adopted and considered as original text for the purpose of further amendment.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none. Without objection, it is so ordered.

AMENDMENT NO. 2014

Mr. JOHNSTON. Mr. President, I have two technical amendments which I will send to the desk at this time, and I ask unanimous consent that these technical amendments be considered en bloc and agreed to en bloc. They simply make a map correction for the Hakutat Forelands area and an amendment to the title which has been cleared on both sides.

Mr. President, I amend that to ask that one technical amendment regarding a map correction for the Yakutat Forelands be considered at this time.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 2014.

Mr. JOHNSTON. I ask unanimous consent that reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

On page 19, line 4, strike "139,144 acres," and insert in lieu thereof "137,947 acres,".

On page 19, line 7, strike "May, 1989." and insert in lieu thereof "March, 1990.".

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Louisiana.

The amendment (No. 2014) was agreed to.

AMENDMENT NO. 2015

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 2015.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following new title:

TITLE —ECHO COVE LAND EXCHANGE

SEC. . DEFINITIONS.

(a) DEFINITIONS.—As used in this title—

(1) the term "the Settlement Act" means the Alaska Native Claims Settlement Act (Public Law 92-203,) as amended;

(2) the term "Secretary" means the Secretary of Agriculture;

(3) the term "lands" has the same meaning as specified in Section 102 of ANILCA;

(4) the term "Goldbelt" means Goldbelt, Incorporated, an Alaska Native Corporation (as such term is defined in sections 102 (6) and (9) of ANILCA); and

(5) the term "Echo Cove lands" means the lands owned by Goldbelt generally depicted on a map entitled "Echo Cove Lands" and dated April, 1990, aggregating approximately 1,151 acres; the term "Hobart Bay lands" means the lands generally depicted on a map entitled "Hobart Bay Lands" and dated April, 1990, aggregating approximately 2,600 acres. Such maps will be kept on file in the offices of the Secretary of Agriculture in Washington, DC, and in the Alaska Region office of the Forest Service in Juneau, Alaska.

SEC. . EXCHANGE TERMS.

(a) If, within ninety days after enactment of this Act, Goldbelt conveys to the United States the Echo Cove lands, then, effective on the date of such conveyance, there is hereby granted to Goldbelt, subject to valid existing rights, the Hobart Bay lands. Upon conveyance of the Hobart Bay lands to Goldbelt, Goldbelt will be afforded all rights and privileges of ownership of such lands.

(b) Effective on the date of enactment of this Act, the Hobart Bay lands are with-

drawn from all forms of entry, location and appropriation under the public lands laws, including mining and mineral leasing laws, and from selection under the Alaska Statehood Act until conveyance to Goldbelt. Such lands shall remain withdrawn until conveyed pursuant to subsection (a). During the withdrawal period, the Secretary shall manage the Hobart Bay lands so that no new rights shall be created.

(c) Any lands acquired by the United States pursuant to this title shall become part of the Tongass National Forest and the Secretary shall modify the boundaries of the Tongass National Forest accordingly.

SEC. . SETTLEMENT ACT LAND AND CONVEYANCES.

Any lands or interests therein conveyed to Goldbelt pursuant to this title shall be deemed lands and interests conveyed pursuant to the Settlement Act and any conveyances effected by this title shall be deemed conveyances to Native Corporations pursuant to the Settlement Act.

SEC. . ACCESS.

Goldbelt shall have such rights of access to the Hobart Bay lands as are set forth in section 1110(b) of ANILCA, in addition to such rights of access as may exist under other laws and regulations.

SEC. . SURVEYS.

The Secretary shall complete the survey of the Hobart Bay lands in conjunction with the conveyance made pursuant to section within one year from the date of enactment of this title. Goldbelt shall complete any surveys as may be necessary with regard to the Echo Cove lands in conjunction with the conveyance made pursuant to section within one year from the date of enactment of this title: *Provided, however,* That Goldbelt shall not be required to survey or resurvey any boundaries used in any interim conveyance or patent conveying Echo Cove lands to Goldbelt. As soon as practicable after the completion of the surveys, the Secretary shall publish legal descriptions of those lands conveyed pursuant to this title in the Federal Register. After the surveys are completed, the Secretary shall deliver to Goldbelt a patent confirming the legislative exchange of the Hobart Bay lands made pursuant to section and Goldbelt shall deliver to the Secretary a quitclaim deed confirming its conveyance of the Echo Cove lands referred to in section .

Mr. JOHNSTON. This is the so-called Goldbelt amendment. In the late 1970's, after prolonged controversy, the Goldbelt which is a Native corporation in Alaska gave up its original land selection on Admiralty Island and selected alternative properties at Hobart Bay and Echo Cove.

Goldbelt moved to these areas with anticipation that they would continue to harvest timber off their own private lands but would also have the opportunity to harvest nearby national forest timber in Chuck River and Port Houghten areas, the committee bill protects the Chuck River area of Tongass by a special LUD II designation which precludes timber harvesting in the area. Goldbelt is therefore concerned it would not have sufficient timber to harvest and would lose the benefits of a costly road and transportation network they have developed on their own lands at Hobart Bay.

Originally Goldbelt asked that the Chuck River LUD II area within the committee bill be significantly reduced so that the corporation would buy national forest timber sales in the area. However the Chuck River LUD II area contains some of the most valuable salmon fisheries in southeast Alaska and has very fragile soils and particularly vulnerable to landslides. The State of Alaska has stopped proposed timber sales in the past in the Chuck River area out of concern to the damage logging and road building would do the sensitive soils and fisheries in the area.

Instead of carving up the Chuck River area, we have instead found a win-win solution to the Goldbelt's problem one that is supported by both Goldbelt and the environmental community. In this exchange, Goldbelt would receive approximately 2,600 acres of land in the vicinity of their current holdings in Hobart Bay. This would allow them to continue harvesting activities on what will become their own lands, taking advantage of transportation systems already in place. The Federal Government would in turn receive approximately 1,150 acres of very valuable recreation land in the Echo Cove area of the Tongass north of Juneau. Those lands are very scenic and offer outstanding recreational opportunities, such as saltwater boating and fishing, locally, for crab and halibut.

The Forest Service has been interested in this property for quite some time and this exchange provides an excellent opportunity to acquire it.

Forest Service regional personnel support the exchange. Unlike the Greens Creek exchange, the issue surrounding the exchange were fully discussed in subcommittee hearings and full committee markup. In lieu of a Goldbelt amendment offered in committee, the committee directed the staff to address Goldbelt's concern. This exchange is a result of those efforts.

Also, unlike the Greens Creek exchange, the Goldbelt Corp. would be directly affected by this legislation, that is, by the Tongass legislation itself.

So, Mr. President, I believe the Goldbelt compromise is a good one that is supported by all parties that has been heard in committee, is fair and should be passed at this time.

The PRESIDING OFFICER (Mr. KOHL). Who yields time?

The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, first of all, let me apologize to my colleague, the chairman of the Energy Committee. My chief staffer is on crutches today and as a consequence it took us a little longer than we anticipated. And I have been on an all-night flight from Alaska. So the Senator from Louisiana has some advantage of debate. But nevertheless I am prepared for I think an extended discussion.

It is my understanding that the majority has accepted the technical amendments pending on the Yakutat and has introduced the Goldbelt amendment.

If there is no objection, then I would be prepared to make an opening statement at this time.

Mr. President, today the Senate finally takes action on H.R. 987 which is the Tongass Timber Reform Act. It is fair to say that I support the bill, but I do not like it. It contains several provisions that are not needed nor are they justified. However, it represents, as much legislation ultimately does, a compromise and, as a consequence, I would encourage all my colleagues to support the compromise as well.

Because the legislation is critically important to the people of southeastern Alaska, it will have an immense effect on their lives and on their futures. But this legislation will also have an impact on many other States because it establishes precedents for the way we will manage our other national forests.

Because the impact of this bill on Alaska is so great, I am going to spend a little time to tell my colleagues about southeast Alaska and the history of the Tongass National Forest.

But before I do that, I recognize and thank the chairman of the Energy Committee, Senator JOHNSTON, for his work on this legislation and that of the professional staff. He and they have been fair. They have been impartial and have worked diligently to craft a compromise which we have before us.

I think the unanimous vote, 19 to nothing, in the Energy Committee reporting out the bill some time ago is evidence that Senator JOHNSTON and the staff have succeeded in formulating that compromise.

However, despite the chairman's efforts in reaching a compromise, this legislation is still quite unpopular in many areas of Alaska because the pressure to pass Tongass timber reform legislation is based upon many false premises.

Chief among these false premises are allegations that some would have that the Tongass National Forest is in danger of being clear cut and that the administration of the timber program is a waste of taxpayers' money.

Mr. President, nothing could be further from the truth. Only 10 percent of the forest will ever be harvested and this 10 percent is harvested on a sustained yield basis over a 100-year rotation, unlike no other national forest in our Nation.

This 10 percent of the forest contains only one-third of the high volume old growth timber stands over

which there is increasing public concern. The Tongass, I am proud to say, has led the way in old growth forest protection when compared with other regions of our Nation.

Two-thirds of our old growth timber resources have already been dedicated exclusively to wilderness and fish and wildlife habitat in the Tongass National Forest.

I know of no other forest that has dedicated such vast acreage to wilderness and fish and wildlife habitat.

In addition, Mr. President, the Tongass leads the Nation in fisheries and enhancement work such as the construction of the fish ladders, seeding of lakes, current Forest Service fisheries enhancement work, and has the potential to bring additional 8 million to 10 million pounds of salmon into our fishermen's nets each year and those of British Columbia and Washington and Oregon as well.

Yet to wilderness preservation advocates that is simply not enough. They will not be satisfied until they have forced all but perhaps a few fishermen and backpackers from southeast Alaska.

In 1989, the Forest Service paid the State of Alaska over $5 million from timber receipts for schools and roads and still returned over $1 million to the Treasury of the United States. In fact, every $1 spent on the timber program in the Tongass generated $1.41 in revenue. Mr. President, that is 41 percent return on the Government's investment and that is representative as a consequence of improved market conditions.

You do not have to be a financial wizard to realize that a 41-percent return on investment is not a bad deal. No matter how you look at it, administration of the Tongass in 1989 did not result in "a taxpayer ripoff" as some have said. This is why the Tongass is not, Mr. President, on the list of below cost forest included in the President's budget. On the other hand, in some States I could mention—Colorado for example, has three forests on that list which lose about 68 cents for every dollar spent.

I would like to see those who target Alaska forest environmental votes do a little more to clean up perhaps some of their own forest and generate a higher return in their own area.

Mr. President, I ask unanimous consent to have printed in the RECORD at this time the President's budget below cost test forests. In Montana, the Beaverhead, which returned 25 cents for each dollar spent; in Colorado, the Arapaho and Roosevelt Pike and San Isabel and White River—those three respectively returned 30 cents, 33 cents, and 41 cents for every dollar spent; in Georgia, the Chattahoochee returns $1.06—there is a 6-cent return to the Federal Government; in Tennessee, the Cherokee, 72 cents returned for every dollar spent; in Virginia, the George Washington, 45 cents for every dollar spent; in Illinois, the Shawnee, 16 cents for every dollar spent; and in Ohio and Indiana the Wayne-Hoosier, 97 cents for every dollar spent.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PRESIDENT'S BUDGET BELOW COST TEST FORESTS

State	Forest	Return for each $1 spent
Montana	Beaverhead	$0.25
Colorado	Arapaho & Roosevelt	.30
	Pike & San Isabel	.33
	White River	.41
Georgia	Chattahoochee	[1] 1.06
Tennessee	Cherokee	.72
Virginia	George Washington	.45
Illinois	Shawnee	.16
Ohio/Indiana	Wayne-Hoosier	.97

[1] Includes Oconee forest.
Source: U.S. Forest Service fiscal year 1989 TSPIRS.

The Tongass National Forest is not included in the President's list because it is not below cost. The Tongass realized a return of $1.41 for every dollar spent on the timber program in FY 1989.

Mr. MURKOWSKI. Mr. President, it is ironic that we are acting on this bill today which makes significant land designations in the Tongass National Forest.

Mr. President, 10 years ago in this body, we did the very same thing. That bill was the Alaska National Interest Lands Conservation Act, or ANILCA. It designated 56 million acres of wilderness in the State of Alaska; 5.4 million acres or one-third of the Tongass was included in that designation.

At that time, the people of Alaska assumed that we have done our fair share to preserve a portion of this Nation's public lands and wilderness. And we were proud of that settlement. Yet here we are today, 10 years later, again taking land out of a multiple use and locking it away from the most productive economic use.

I might remind the Chair that what we are talking about is a renewable resource, timber. Properly managed, obviously, the second growth fluorishes much greater than the initial low growth, of which about 30 percent in the southeast forest is dying or in a state thereof.

The fight to maintain the viability of Alaska's communities is certainly at stake here. The lifeblood of the resource produced on public lands means jobs. It is constant and at times tiresome to have a situation that has been going on as long as the Tongass debate. The land designations in the bill before us today are nothing more than an attempt to pull again the Federal rug out from under southeast Alaska.

Mr. President, I would like to draw attention to the map of southeastern Alaska, which is on my left. I think it is critical that Members understand the current land designation in the Tongass so that they can really appreciate the impact of this legislation.

Mr. President, there are nearly 21 million acres of land in southeast Alaska. It is an area larger than West Virginia, or about the size of the New York-to-Washington corridor; 65,000 people live in this area from the Canadian border to the head of Lynn Canal. Ninety-five percent of southeastern Alaska is owned by the Federal Government—95 percent; 3.2 million acres are national park land; 16.8 million acres are national forest lands; and 65 percent of the combined park and forest lands are already managed as wilderness, maintained roadless and exclude commodity uses such as timber management and mining.

As I have indicated, in that 16.8 million acres in the Tongass, it is the Nation's largest national forest. It is larger than West Virginia and three times larger than New Hampshire.

On the map, I refer to the dark blue. These areas that are dark blue represent the 5.4 million acres of permanent wilderness taken out of the multiple use in 1980. In other words, prior to 1980, that was multiple use land, could be open for timber mining and so forth; it was taken out and put into wilderness.

It is rather curious also to point out, Mr. President, what we have over here is Canada. Everything on the right is Canada. This is the Canadian border across Dixon Entrance. So you can see that it was not by accident that these vast acreages along the Canadian border were put into wilderness to ensure that there would be no access corridors coming from Canada into southeastern Alaska. They virtually shut off the access by putting it into wilderness.

Now let us look at the orange and red. These represent the areas which are managed for roadless recreation and old growth ecosystem protection. I refer to the red and the orange.

So what you can see here is the areas that were not placed into wilderness along that Canadian border were actually put in a roadless recreation and an ecosystem protection which basically closed off any of the remaining alternatives for access to corridors in Canada. So you have an area here that is practically closed off.

Over here you have the Gulf of Alaska. You have no road system throughout this entire area of southeastern Alaska; just relatively small communities with a few miles of road.

I am often reminded of the person that went to Ketchikan and stayed there a short time and decided that he was going to drive out. He drove 12 miles to the end of the road and that was it. There is no other thing at the

end of the road other than the end of the road. A rather unique set of circumstances. It is not only true in Ketchikan. It is true in Wrangell, Petersburg, Sitka, and Juneau.

These areas have been set aside by Congress and the Forest Service, removing 70 percent of harvestable old growth forests from timber protection.

Let us look at some of the other colors. The green and light blue indicate areas currently available for multiple-use management, these areas on Prince of Wales, these areas around Wrangell, Mitkof Island, and over in Chichagof.

You can see they are small in comparison to the combined blue and orange, which have been set aside for nontimbered areas or wilderness.

If the Tongass bill passed by the House were to become law, the 1.8 million acres of light blue areas, which are these, would be taken out of the timber base and those would be wilderness, too. That is what the House bill is all about.

As is, the bill before us today, which is the compromise, takes 673,000 acres, or nearly 40 percent of the light blue area, and removes it from the timber base.

Another way to look at the Tongass is to focus just on the productive forest lands. Seven point three million acres of the Tongass are rock and ice; they are high elevation Alpine meadows, muskeg. Just 9.5 million acres are tree covered.

Within the tree-covered area, 5.7 million acres are harvestable old-growth forest land, or what is commonly called productive forest land.

So one-third of that productive forest land, over 1.7 million acres, is already protected in perpetuity in wilderness. One might ask, how much is enough? One-third is in wilderness and another third, over 2 million acres, is managed for fish and wildlife habitat and old-growth protection, and is also off limits to timber harvesting.

That leaves one-third, Mr. president, or 1.8 million acres, as the only portion of the Tongass currently available for timber harvesting.

Under current law, only 1.7 million acres, or one-tenth of the Tongass, can ever be managed for timber production. This timber management area will be harvested over and over again in the 100-year cycle application, producing twice the volume in second and subsequent growths.

It is fair to say that anyone who has traveled to Sitka, Ketchikan, or looked out of their hotel window in Juneau, what you are looking at is second growth. It is much heavier than the initial growth, and much healthier. It is natural; it reseeds itself.

There are assertions that the Tongass rain forest is being destroyed or clear-cut into oblivion. Mr. President, those assertions are totally unfounded. Ninety percent of the total forest and two-thirds of the high-volume old-growth timber will never be logged.

Mr. President, the bill before us would take another 260,000 acres out of the timber base, leaving only 1.4 million acres, or about 8 percent of the total forest available, to support an industry which accounts for approximately 25 percent of the southeast Alaska economy.

Mr. President, three legislative measures addressing management of the Tongass Forest were before the Energy and Natural Resources Committee when the committee reported the bill. First, we had the Murkowski-Stevens bill, or S. 237. The bill, as introduced, makes needed corrections in the Tongass Timber Management Program. These changes make the timber program, we think, more responsive to market demand for wood products and ensure that the forest planning process is not weighted in favor of timber harvesting alone.

It should be noted that our bill eliminates the $40 million direct appropriation for the Tongass timber supply fund and eliminates the mandate that the Forest Service supply 4.5 billion board feet of timber per decade to the dependent timber industry.

Our bill attempts to maintain a viable timber industry by directing the Forest Service to keep enough land in multiple use to produce 4.5 billion board feet of timber over a 10-year period if the industry should require it to meet the market demand.

Mr. President, this is tied right into market demand.

The amount of timber actually sold and cut each year would be set by the appropriations process and market demand, the same way as any other national forest.

My colleague from Colorado has introduced Senate bill 346, which is designed, in my opinion, to severely cripple the industry in Alaska. It repeals section 705 of ANILCA. It basically goes back on a compromise crafted by the Congress in 1980, and mandates the termination of two 50-year timber contracts which are vital to the ecomony of southeastern Alaska. And it puts an additional 1.8 million acres of valuable forest lands off limits to multiple-use management.

The bill does nothing to maintain the viability of the timber industry and, Mr. President, should that measure become law, it would reduce the sustained yield of the Tongass Forest by more than half and abrogate contracts resulting in potential liability to the United States which could run into hundreds of millions of dollars.

Much has been said of the contract liability, Mr. President. But a contract was made with the Federal Government and the pulp mills, and obviously if those contracts were canceled, that would be subject to extended litigation.

It would also require the Federal Government to walk away from a commitment, a commitment made to the peoples of southeastern Alaska, a commitment that families, businesses, and communities have relied upon for some 40 years.

To complicate things, of course, we have the House bill. This is the Tongass wilderness bill—and I emphasize the word "wilderness," because that is truly what it is. It proposes to take more out of the timber base and put it into wilderness. One again asks the question, how much is enough?

The Tongass wilderness bill as passed by the House goes even further to drive the timber industry out of southeast Alaska. That bill designates 1.8 million acres of wilderness in 23 areas, which are in many cases areas critical to the viability of local communities. Those wilderness withdrawals will also preclude mining and the development of many critical transportation and utility corridors, basically freezing the community development of southeast Alaska.

Much of the mineral potential of southeastern Alaska has not even been discovered. Much exploration work needs to be done. One of the amendments that will be discussed today is reflective of the mineral potential of areas in southeastern Alaska.

Virtually all the communities in southeastern Alaska lie isolated within the Tongass National Forest.

The elimination of transportation and utility links between communications will have a devastating effect on the quality of life in these communities in the future. Again, Mr. President, I remind my colleagues that in southeastern Alaska, we have the community of Ketchikan. It is on an island with a limited road system, dependent on air and ferry service, but has no land connection to the next community, which is Wrangell or Petersburg or Juneau or Haines or Skagway. All these communities, with the exception of Juneau, are on islands. The only connection is by water passage or air. It is unlike any other area of the United States.

By carefully selecting wilderness areas, restricting access to utility corridors, you preclude the development of hydro, which has tremendous potential in many of the areas because of the high mountain lakes and the ability to move a power grid from the Ketchikan area or from the Prince Rupert area up through the entire area of southeastern Alaska. They could very well be precluded.

The House bill also hides behind a legitimate concern about the viability of fisheries resources and attempts, in my opinion, a new kind of a land graph under the general term of

buffer strips. Mr. President, mandating a 100-foot no-cut zone along a stream bank to protect fish habitat does not really sound like much to ask for, and it really is not. In fact, this is exactly what the Forest Service does, and more, on a site-specific basis now. But this is not what the House buffer strip provision is about. The House buffer strip requires a latticework of 200-foot no-cut zones along every river, every stream, and the smallest creek in the forest regardless of whether there are any fish in the streams or any fish affected.

Mr. President, I grew up in Ketchikan, AK. I think it rained 226 inches a year. The House bill would mandate any riplet that came down from a bill as having a 200-foot no-cut zone around it, even though it may be dry for most of the year.

Mr. President, we are going to debate buffer strips and a buffer strip amendment later today. I do not intend to go into the details of this provision. However, I do not want anyone to think that requiring buffer strips along all streams in the Tongass is a harmful provision. Buffer strips are appropriate, buffer strips are needed, and buffer strips will be provided. But in the House bill, it goes so far as to not even address the real requirement, which is to maintain the anadromous and other fish in the various streams in southeastern Alaska.

Mr. President, there are 42,533 miles of streams in the Tongass. Half of those miles, or 21,500, are in the 5.7 million acres of productive forest land. Mr. President, the 1978 Tongass National Forest plan balanced wilderness, fish, and wildlife habitat protection and multiple use. It found that the Tongass Forest could produce over 10 billion board feet of timber each decade on a sustained yield basis. However, the 1978 forest plan recommended a sustained yield harvest of only 4.5 billion board feet per decade and reserved over half of the forest for other uses not directly compatible with timber management, including wilderness preservation.

But the Congress indicated in 1979 that it preferred 5.4 million acres of wilderness, including much of the accessible timber. The wilderness area proposed by Congress would reduce available timber by 112 million board feet each year from 4.5 billion to 3.38 billion per decade. Mr. President, that would cost southeastern Alaska many, many hundreds of jobs.

Searching for a way to mitigate the impact of wilderness on the livelihood of southeastern Alaskan residents, we had the late Senator Jackson and Senator Tsongas, who formerly sat in this body, and the senior Senator from Alaska, TED STEVENS, my colleague, work with the Forest Service to formulate what is now section 705 of the ANILCA. Under that section, the Forest Service would be given the funds and the authority to include additional timber economically marginal because of its remoteness in quality and put it into the timber base, the sustained yield capacity of the multiple use forest left after the wilderness withdrawals from 3.38 to 4.5 billion board feet per decade, and thereby avoid the economic dislocation in southeastern Alaska. This is the core of the 1980 Tongass deal. Basically that is, I think, what I would call the price of wilderness. We took out of the timber base 1.7 million acres of accessible commercial timber and put it in the wilderness, the price of wilderness. The law creating wilderness also ensured that such wilderness would not result in economic dislocation in southern Alaska.

The House passed the Tongass wilderness bill, and it not only doubles back on the promises Congress made to Alaskans in 1980, but goes further to root out of the Tongass the timber industry and the communities which really depend upon it. The House bill attempts to shut down the industry through the cancellation of contracts and the reduction of the timber supply through termination of the intensive forest management program. It would remove an additional 1.8 million acres from multiple use management, making wilderness the dominant use of the forest. This, of course, is a concern for Alaskans. The House bill leaves only 37 percent of the entire 16.8 million acres of forest available for multiple use, such as timber management, mining, road access, hunting, fishing, and recreation. It would greatly affect the future growth of the southeast Alaska tourism industry and eliminate any possibility that many isolated communities would some day be connected by some type of utility system or roads by utilizing ferries over the water points.

Most important is the fact that the 23 proposed wilderness areas totaling more than 1.8 million acres are aimed at the heart of the short-term viability of our timber industry. The House bill also abrogates contracts with the two pulp mills that depend on the Tongass Forest for wood fiber. If the pulp mills have to close their doors, the rest of the industry will collapse. It has been estimated that somewhere in the area of 45 percent of the harvestable material is only good for pulp. Half the wood fiber goes to the pulp mills and approximately half goes into saw logs and into the sawmills. The sawmills basically sell their chips back to the pulp mills, and we have an integrated industry built around the pulp. They are critical components to sound forest management practices, and you cannot close them without killing the entire industry.

Let me walk through that very briefly, Mr. President, and explain again that with some 30 to 45 percent of the harvestable wood in a state of decay or dying, the only market for it is in wood fiber. If it were not for the existence of the two pulp mills to provide a market for those products, they would either remain in the woods and we would have selective type logging or, if the prices were sufficient, those pulp logs would be removed and exported out of the State and, as a consequence, we would be exporting our jobs as well as our tax base.

The whole concept of the Tongass National Forest when it was first designed was to have a combination of sawmills and pulpmills, with the sawmills taking the saw logs and utilizing the better timber and the pulpmills taking the rest. It is fair to say, Mr. President, that that practice has worked pretty well.

The 1947 Tongass Timber Act was really more than enabling legislation for two pulpmill contracts. It was really a Federal commitment to the people of southeastern Alaska. Entire communities believed in and in fact were built on this commitment by the Federal Government. Many people located their families, invested in their homes and businesses on the reliance of the United States living up to its end of the bargain. Towns were established and expanded. Schools came into reality. Hospitals were expanded and built. Families settled in, and when their children reached adulthood many found work in the woods and the mills and homes near their parents.

I know what I am talking about, Mr. President, because I grew up in southeastern Alaska. I grew up in Ketchikan. I have worked in Wrangell. I lived in Juneau for 4 years during the time I was Commissioner of Economic Development. I know this balance. I know the harmony between the people who are dependent on the timber industry for their livelihood.

Both pulpmills use a contract with the Federal Government for a long-term supply as collateral to obtain financing and made substantial investment in facilities. A year-round timber industry grew up around the pulpmills, including sawmills, logging camps, stevedoring operations and air taxi services, all of which worked in harmony to serve additional industries today. For example, the expanding tourism industry is served by tugs that are there because when they are not berthing ships, they are towing logs and moving timber from the camps into the pulpmills and sawmills.

It is questionable if you would have that type of equipment standing by just for a few months in the summer when the tourist ships arriving. There are other examples of this type of cooperation.

We have had our ups and downs in the markets, Mr. President. Markets have been poor. Now they are better. The pulpmills did not break their contracts when the markets were in decline. Instead, they used their 50-year timber contracts as collateral to finance prolonged operating losses.

We have one Japanese-owned mill in Sitka. It has been criticized from time to time because, perhaps, it is Japanese. They employ American laborers, American management, but it is Japanese capital. We have Japanese capital throughout America—automobile plants, parts plants—and I see no criticism coming from my colleagues. In fact, many times when I go overseas I am running into Governors who are soliciting foreign investment. This was an early investment. It came in right after the war.

In the time that the Japanese have had this pulpmill, they have accumulated a staggering debt during the market depression of the mideighties, but they refused to close their doors. They treated the upholding of their commitment to the United States as a matter of honor. Japanese officials have worked long and hard to restructure the past debts of that organization, the Alaska Pulp Co.

According to the Forest Service, over the last 10 years the Tongass timber industry has supported approximately 11,900 jobs each year on the average, and an annual payroll of $127 million. But these numbers, Mr. President, have to be put into perspective. The Tongass forest products industry accounts for 30 percent of all private industry employment in southeast Alaska and is responsible for one-quarter of the southeast Alaska economy.

Mr. President, these jobs are sorely needed in my State where we are currently experiencing high levels of unemployment due to a decline in the price of oil. The two pulpmills are the only two year-round manufacturing plants in our entire State—a land mass one-fifth the size of the entire United States. The Federal Regional Development Program for southeastern Alaska has worked, and the House bill pulls the rug right out from under it.

Mr. President, the House bill also legislates the forest plan for the Tongass before its revision can really be completed. The Tongass forest planning team has put together what they call a draft plan, working for some 2 years at a cost of over $5 million to the taxpayers, and the draft plan is due in June of this year, just a few weeks away.

Hearings have been held in communities throughout southeastern Alaska. Hundreds and hundreds of people have invested their faith and valuable time in the forest planning process. The State of Alaska Department of Fish and Game alone has worked thousands of man hours, over 59 man months, preparing its input into the forest plan. All of this effort would be wasted, Mr. President, by the House bill. It is up to this body, the Senate, to see that the taxpayers' money is not wasted and that the Forest Service is allowed to carry out its responsibilities under the Forest Management Act.

Mr. President, the Tongass plan is the very first forest plan in our Nation—the first forest plan in our Nation—to be revised. To circumvent the process such as we are doing sets a very, very bad precedent. How many more plans for how many more national forests will be brought before Congress before their revisions are complete just to meet the agendas of various preservationists? We have too much at stake in our national forests across the Nation to make a mockery of the planning process.

Why the urgency, Mr. President? Certainly the Tongass is not in danger of being clear-cut. Only 1.7 million out of 17-million-acre forests will be logged over the hundred-year cycle in perpetuity. At present this land base is managed to produce 45 billion board-feet of timber during the next 100 years. In the second 100-year cycle, because of our extraordinary regeneration rates in southeastern Alaska, the same area is estimated to be able to produce 90 billion board-feet of timber.

This still leaves, Mr. President, one-third of the old growth set aside in wilderness in perpetuity, another third set aside for fish and wildlife habitat with no logging. We are only talking about maintaining one-third of the commercial forest, Mr. President, for logging but no more than 10 percent cut at any one time.

Responsible forest management involves more than just sound sustained yield timber harvesting practice. The 5.4 million acres of congressionally designated wilderness in the Tongass preserves one-third of the most magnificent old growth forest for the benefit of future generations. But make no mistake about it, timber old growth forest is in the process of dying and growing and regenerating. One only need walk through timber forest to get a quick idea of what takes place when nature moves through the process of trees dying and new growth coming afterward.

In fact, the 1-million acre Admiralty Island National Monument Wilderness is a model for the preservation of biodiversity which we should encourage other nations and other forests to follow. It is truly something of which we can be very proud.

Mr. President, an additional one-third of the old growth forest is dedicated exclusively to nontimber uses such as wildland recreation. In all, due to the extremely valuable fish and wildlife, recreation and wilderness resources deserving special protection, 90 percent of the 17-million-acre forest will never be logged.

I think it is appropriate to compare the Tongass with some of our other forests because this is an obligation that we have as stewards of our national heritage and treasure. Compare the harvest in the Tongass to timber harvest activity in other States. Let us put in some dimension that we can understand. We sustain one-fourth of the southeast Alaska economy, one-fourth of the economy, on a harvest of 450 million board feet per year from a 17-million-acre forest.

Eight to ten billion—that is right, billion—board feet are cut per year on the 23 million acres of national forest in Washington and Oregon. Eight to ten billion on 23 million acres in Washington and Oregon, and we are cutting 450 million board feet from a 17-million-acre forest.

Commercial forest land in New York totals 17.4 million acres or slightly larger than the Tongass, yet over 2.5 billion board feet of timber is cut each year in New York, and we are cutting 450 million in Alaska.

Where is the equity? What is this all about? Three times as much firewood alone, 1.5 billion board feet is cut each year in New York as is cut for all purposes in the Tongass. One-and-a-half billion board feet for firewood, and we are cutting 450 million board feet per year and maintaining one-fourth of southeastern Alaska's economy.

Mr. President, if cutting pulpwood is a problem, they cut in New York 425 million board feet of pulpwood per year while we try to sustain an integrated industry and the economy of a region on just that much in southeast Alaska. One wonders where the justice is.

Should we not wait to see the most advanced and expensive resource analysis ever performed on a national forest, and have the best judgment of the resource professionals before mandating land use strategies for the Tongass? Obviously, some of my colleagues do not think so. Some of them do not trust the Forest Service. They do not think we could rely on what the Forest Service says.

Well, if that is the case, Mr. President, we should come up with some other responsible agents of the forest that we can feel comfortable with. These are professional foresters who have dedicated their lives and their careers, and their business is maintaining sound forest management practices. Are we able to micromanage the growth of our forests? I do not think so. Do the environmentalists and the preservationists? I do not think so. I think we have to depend on these who are committed to sound forest management practices. And I think the Forest Service is that agency.

Well, southeastern Alaskans agree with me. The Southeast Conference, representing the cities and businesses in southeast Alaska, certainly thinks so. The congressional delegation thinks so. The administration thinks so as well.

It is only the special interest groups seeking to maximize wilderness in all the national forests who are attempting to drive their process through Congress before the first Tongass land management plan, or TLMP, provision is complete.

Mr. President, the bill before us today, as I indicated, is objectionable for some of the same reasons that I have already outlined. It short circuits the planning process by taking 673,000 acres out of the multiuse category without the benefit of the revised forest plan or the TLMP.

Mr. President, I do not believe that all provisions in the bill are justified as I said. However, as I have also said I support the bill. It is apparent that a bill which makes needed changes to the Tongass management plan cannot pass without such provision. Therefore, I believe that the bill reported by the committee is an acceptable compromise.

Mr. President, before I conclude my remarks, I want to commend the Southeast Conference for taking on a very difficult task of formulating a consensus of the Tongass position for southeast Alaska. The Southeast Conference is an organization representing the communities and businesses of southeastern Alaska.

The people of that organization have worked very hard to put together a consensus position among the residents of the Tongass, and they deserve our gratitude and appreciation. They met many times on the subject. There are many people and interest groups who rely on the Tongass for their livelihood and quality of life.

Meeting the needs of all people is a very difficult balancing act and the final analysis may not be possible but I commend the commitment to at least try to achieve it.

Nevertheless, the Southeast Conference produced a policy proposal which had a few loose ends but attempted to address the concerns about management of the forest while maintaining the viability of the industry. I believe that proposal contained clear and workable goals and objectives for reform of the Tongass Timber Program.

That proposal recommended that, one, Congress not create additional wilderness in the Tongass, or any statutory land classification that prohibits or impacts transportation and utility corridors, mining, or any other use than timber harvest; two, the question of "buffer strips" along salmon streams and tributaries be addressed in the Tongass land management plan TLMP, and not by Congress—not by Congress. That was the recommendation of the Southeast Conference; and that Congress wait for the results of the TLMP provision before adopting any statutory land use strategy.

Obviously, we are not waiting for that either. But it is critically important that the views of Alaskans living and working in the forest are reflected in any legislation mandating land use, and that input has come in through the Southeast Conference.

Mr. President, I observe that my colleagues from the Western States must continually oppose much of the national preservation group agendas for local land use in their States.

Large areas of our State, as I have already mentioned, are owned by the Federal Government, and the relationship between the Federal land manager and local communities is one that runs very deep because our people's livelihood really depends upon it.

Many of my Eastern colleagues will never, and can never, fully understand how the large Federal presence affects our workers, our families, our communities, and our State in general.

Consider what it would be like to give up control of a large land area in your own State. One would ask what areas would you choose? Worse yet, what if the Government decided for you? I have 56 million acres of the 90 million acre national wilderness preservation system in my State; Mr. President, 56 million acres out of 90 million acres in my State. How much is enough, Mr. President.

The designated wilderness in Alaska is larger than the land mass in the State of Idaho. One would think the Wilderness Act was written with only Alaska in mind, but I guess it was not.

How long would my colleagues go about selecting which segment of their population would be allowed to remain and which would be required to relocate? How would you choose which of your industries and communities would be dismantled for the alleged "good of the Nation?" How would you explain to your working mothers and fathers that there would be no longer a job to support their families, pay the mortgage on their house because the Government, located some 3,000 miles away in Washington, DC, knew best how to allocate use of the land at the same time breaking a commitment made in 1980?

Mr. President, the most difficult explanation of all is to explain to your neighbors and friends how people thousands of miles away, with little or no knowledge about their community or their traditions or their way of life, people who have nothing personal to lose in the outcome of a decision, could have more voice in the process than they have themselves. Well, that is something I want all my colleagues to think about as we address this bill today.

Mr. President, I have gone on at some length to set the record, because I felt it appropriate to provide a little history and background of the circumstances that led into where we are today, 10 years later, revising again the Tongass National Forest.

My good friend, the senior Senator from Alaska, has come into the Chamber, and I know he, too, wishes to speak at some length.

Mr. President, I ask the Chair how much time is remaining on this side? I believe we had 4 hours on the bill.

The PRESIDING OFFICER. The Senator had control of 2 hours. He has now used 1 hour.

Mr. MURKOWSKI. I thank the Chair and yield the floor at this time.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS. Mr. President, I ask my colleague if he will yield me a portion of the time that is remaining.

Mr. MURKOWSKI. I am very pleased to do so.

The PRESIDING OFFICER. The Chair recognizes Senator STEVENS.

Mr. STEVENS. Mr. President, we start today, I hope, what will be the final chapter of the legislative saga that is more than a decade old. I have been in the middle of the legislative battles over how Alaska's Tongass National Forest should be managed now for many years.

The people of my State and I are ready to see these issues settled. Alaskans will not stand aside and let the whims of extreme environmentalists destroy the economy of any region of our State.

The timber industry in Alaska is small by national standards. In recent years, while about 10 billion board feet have been harvested each year from national forests throughout the country, only about 300 to 400 million board feet have been cut in our State, in the Tongass. More wood is cut from the national forest in Washington and Oregon alone in a single year than is cut from our State in a decade.

Concerns have been raised about the impact of timber harvesting on the Tongass, as far as the environment is concerned. It is interesting, in the Tongass an average of 47 seedlings take root for every mature tree that is cut down. It is not necessary to reseed in this national forest, the Tongass. In fact, the most carefully managed stands actually have to be thinned out at least twice during their growing cycle.

One-third of the commercial quality timber in the Tongass is managed for timber harvesting. In addition, another third of the productive old growth is statutorily protected already, and more of this forest is managed for uses other than timber. Yet,

it was set aside as a national forest to assure continued production of timber for the national economy.

I believe this natural resource area is well managed and is not threatened by the existing timber harvesting. This is a national forest, not a national park. People live and work in this forest. A good number of them, almost 3,400 people, make their living solely from cutting and processing the trees that are harvested in the Tongass. Their interests should be balanced against the desire to leave this forest uncut. That is really and truly the meaning of multiple use that still applies in our national forest.

In the 1980 debate, 10 years ago, I pleaded that the wilderness set-asides not cost Alaskans their jobs, that enough timber remain available to maintain the current jobs then existing in the southeastern Alaskan area. The problem then was between proposed wilderness and the areas the Forest Service was already managing in 1980 for other use.

The sustained yield of the forest would have been pushed down to about 330 million board feet a year, if we listened exclusively to the wilderness advocates. The average harvest during the 4 years previous to the consideration of the bill in 1980, ending in 1979, that 4-year period averaged a harvest of 450 million board feet per year.

It was suggested that the Forest Service could intensively manage this forest. Normal timber stands, we were told, could be thinned and brought to maturity more quickly. That would increase the yields from some parts of the forests over a very long period, a process that was called at the time, "an increase in the allowable cut effect."

A more expansive idea was brought forward to make economically marginal stands of timber equal in value to the more productive stands. Now, these expansive areas are areas which, due to their low volume per acre, low quality of wood or difficulty of access, normally would have been passed over in favor of the harvesting of other parts of the forest.

In 1979 the Forest Service had spent $25 million managing a timber program on the Tongass. The Forest Service estimated then that it would need about $15 million more to carry out enough intensive management to increase the production of the areas that would not be set aside for wilderness from 330 million board feet to 450 million board feet, making the average up, in other words, from the areas that were not set aside.

We did set aside 1.4 million acres of the Tongass for wilderness in 1980. At that time, it was the extreme environmental advocates who seized on the Forest Service suggestion and offered the Forest Service suggestion as a complete solution to the problem.

I can almost hear ringing in my ears today about what they said then. They said that the Tongass timber supply fund, which will be repealed now by this legislation, "will be a small price to pay in order to preserve this great wilderness." The cost of increased activity in the Tongass increased management activity was not a cost of timber harvest, it was the cost of the set-asides of wilderness in 1980.

Mr. President, in 1978, the bill that almost passed Congress—had passed the House and was going to pass the Senate with my support—was blocked by my then colleague in the very last minutes, and that would have set aside 2.7 million acres. Two years later, the demands of these same advocates was 5.4 million acres. When they came forward with the suggestion, I asked just consideration of a few conditions. One was that the 150 million board feet be put into a 10-year figure of 4.5 billion, and that it not be put into the report, that it instead by put in the law, and it was.

I also asked, to protect the appropriations process, that the increase in the amount suggested that would be necessary for this intensive management be established as a direct permanent appropriations. That was agreed to also. The Tongass timber fund of $40 million per year was guaranteed.

Now this bill repeals both of those conditions. I remind the Senate of that. Those were conditions that were added at my request that I am now willing to see repealed.

In 1980, there was a national and probably a worldwide depression in the timber market. Demand dropped. Profits evaporated. The stumpage fees paid to the Federal Government fell to minimum levels and harvests fell to their historic lowest.

In the Tongass at one point after 1980 only one timber operation remained, the pulpmill at Ketchikan.

During this period the Forest Service, the Alaska timber industry, and I made some mistakes. The Forest Service continued to prepare timber and offer it for sale at 450 million board feet per year—taking their cue from the target set in the 1980 act as an annual basis rather than using the 10-year average.

The timber industry urged the Forest Service to put their money into making timber sales profitable with a reinterpretation of intensive management. I made a mistake in not realizing the Forest Service actually built up a backlog of timber sales prepared but not sold in that period immediately after 1980.

Once the backlog was recognized, changes were made. The timber market improved, starting in 1986. Harvests went up, and during the last 3 years the industry in southeast Alaska has used up the backlog. There has been no real loss. In fact, demand this year for timber could outpace the supply even under the existing statutory guarantee.

But there is vocal, local support for closing some additional areas to timber harvest in the Tongass. The bill before us now responds to that vocal support to the Southeast Conference which was made up of representatives of major interest groups in all the large cities of the Tongass region and some of the smaller ones, environmental groups, industrial groups, chamber of commerce groups, city councils. They met. And while there is not unanimity in southeastern Alaska, I feel there is a clear majority that now seeks help from the Congress, help in protecting the job base that is there while at the same time adding additional protection to some of the areas Alaskans sought to protect even before 1980.

There were more than 4,000 jobs in the timber industry in 1980. Today, less than 3,400 work in that industry.

With increased demand for wood—there has been increase in demand for wood from the Tongass—there is really, I might say, Mr. President, no reason why this industry should not grow. It still will not grow. The 1980 act assured it could not grow beyond the level of 1979. It now, under this bill, will shrink once again, and the people of southeastern Alaska will eventually lose more jobs as more of the forest is closed to timber harvesting.

One thing that would hurt southeast Alaska more is the continued bickering now between the House and Senate here in Congress dragging this matter out for another year or two. With this in mind, I have urged Alaskans to support this Senate bill, the bill that has come out of the Senate Energy Committee. And I intend to support that bill here on the floor of the Senate. It will be the first time I have supported a bill of this type affecting this forest in this manner.

I did support the conference committee report that came out in 1978, which was proposed by my colleagues. But I had not supported the bill on the floor.

The economy of southeastern Alaska is the most diversified and healthy in our State. Fishing is the mainstay really of many communities there, and there are provisions in this bill that will protect salmon streams from the adverse effects of logging, and I support those provisions; but putting an end to high seas interception of our fish would resolve an even greater threat to the fishing industry in southeastern Alaska.

Tourism is a growth industry in southeast Alaska with an increase in

cruise ship passengers of 90 percent between 1980 and now. This bill sets aside some additional critical areas for those tourism ventures that are marketing unspoiled wilderness in the true sense.

But the timber industry is still the third leg of this healthy economy of the southeastern area. Once again I plead that Congress protect the jobs of Alaskans who are involved in that industry also. The Senate bill will maintain the timber industry at about the present level, I believe, for a short time, roughly another period of 10 years. If the conference committee similarly produces a bill which will not cripple this industry now, I think that we will have a final bill here that I can once again support coming out of that conference.

Mr. President, if we do that, I predict in about 10 years we will be back again because the effects of this bill will not be felt for about 10 years. Hopefully by that time Congress will start relying on the Tongass land use management plan, a statutory process paid for by our taxpayers in which we have invested many hours of manpower in planning for the right way to manage this forest. That was the case in 1980. We ignored it then. It is the case now. The planning process is going on now and once again it is being ignored by both the House and Senate.

We hope to have more local input into the process of planning in the period ahead now because we have a new relationship among wilderness advocates, fishing groups, tourism planners, industrial developers and political officials in southeastern Alaska. I think they can work out a new plan with which we can all live. This bill could start us in that direction.

However, Mr. President, I want to make one last statement.

If this conference committee drastically changes this bill and spells out a more immediate death to the timber industry in southeastern Alaska, I shall be back on this floor and shall oppose the bill with every bit of my strength. I think that we have to take action in a way that will ease the impact on the job base of the Tongass, ease the impact on the people who depend upon this industry for their livelihood.

I urge support of this bill now and I seek a commitment that the Senate conferees will defend it when it is passed by the Senate. I hope that I can support the bill that comes out of conference as a result of this action. And again I point out to the Senate that this is the first time the two Senators from Alaska have urged the Senate to support a bill that makes major changes in the management structure of our major national forest, and those changes eliminate the guarantees I sought in 1980 for the continued protection for this industry.

These are needed changes to restore a sense of balance in southeastern Alaska, and we support them, but we support them with that plea that I make, Mr. President, that the job base of southeastern Alaska be protected through this process in the period ahead.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSTON. Mr. President, I yield 20 minutes to the distinguished Senator from Colorado.

The PRESIDING OFFICER. The Chair recognizes the Senator from Colorado.

Mr. WIRTH. I thank the distinguished manager of the bill and chairman of the committee.

Mr. President, I think we reached a very reasonable compromise on this piece of legislation. I greatly appreciate the comments by the senior Senator from Alaska, talking about that compromise, and I commend the distinguished Senator from Louisiana [Mr. JOHNSTON] for doing an extraordinarily good job of working out this proposal. A compromise it is, Mr. President.

I had not intended to make any comments at this time, but earlier comments make it appropriate to comment on the other side of the issue so that we could set the record straight and make it clear why this is a compromise, as there are many of us who came in with a very different view of what legislation ought to be passed. In fact, the legislation which I offered, Mr. President, S. 346, had 53 cosponsors in the U.S. Senate for a bill that reached significantly further than this compromise.

It is important to understand why.

As was pointed out, Tongass is the Nation's largest national forest, a remarkably beautiful place. I have been there. It is a little more than 16 million acres, almost 17 million acres, recognized nationally and internationally as one of the world's most spectacular natural environments.

It is the largest expanse, Mr. President, of pristine, temperate rain forest remaining in North America. And it is widely recognized as one of the most significant natural environments that we have remaining, either in our hemisphere or anyplace in the world.

It includes the largest population of bald eagles and grizzly bears in the world, and its other wildlife populations are equally as impressive and abundant. It is truly a wonderland, Mr. President, one that I believe we have an obligation to preserve, not only for our lifetimes, but for future generations. We have inherited this extraordinary beauty on this Earth, Mr. President, and we have an obligation to pass at least some of that on to future generations.

The streams in the Tongass are the spawning grounds for five species of Pacific salmon. My legislation, S. 346, was broadly supported by the fishing industry in Alaska, who came and testified and have been very, very strong supporters of this legislation.

One would not want it to appear that somehow this legislation runs counter to the economic needs or desires of southeast Alaska. The fishing industry is very strongly supportive of my legislation as initially introduced.

These resources that are there, Mr. President, in southeast Alaska, are threatened by management policies which have overemphasized logging at the expense of all of the other resources. This is a symptom of the problem that exists not only in the Tongass National Forest in southeast Alaska, but across the Nation. It is a symptom of the old way of doing business in our national forests. This legislation gets about the business of changing those practices, and it is about time.

We are moving away from a time in which the taxpayer was willing to spend huge sums to subsidize logging. Why in the world should the taxpayer subsidize timbering in our national forests? President Bush recognized that in his budget proposal, and made what I thought were some very interesting proposals for stopping below cost timber sales in three national forests in Colorado, and elsewhere. I think that is exactly what we ought to do.

I hope the Appropriations Committee in its wisdom reflects the recommendations made by the President to stop what we have been doing in the past, which is subsidizing one particular industry, at very significant expense to the taxpayer, and to the environment.

What we have here is a reaction to our new understanding now of old growth and the importance of old growth. Some people have argued, well, you just harvest the timber and replant it. And you have seen the advertisements on television, watched the foresters going through and putting in new trees. And it all looks like this is a wonderful harvest, just like a wheatfield in eastern Colorado, or a cornfield in Iowa.

Well, it is not the same. What happens is we are doing more in an old forest and old-growth areas, we are doing a lot more than just harvesting timber. If we want to harvest timber, let us set up tree farms and grow trees in very temperate areas, in warm climates where the trees grow very quickly.

If we want to do that sort of thing, let us do it very efficiently. Let us not confuse the value of timber with the value of old growth.

When I was in Alaska we had the experience of going up into an old-growth forest which is right next to an area which had been timbered some years ago. There are, in southeast Alaska, numerous places where you can see forests that have grown back after being logged, including areas logged by the Russians about 100 years ago. The Russians, as you know, had jurisdiction in that area of southeast Alaska until the purchase by the United States from the Russians. They had come down to that area, and timbered a lot of it for housing and ships.

Those areas that had been timbered have reseeded and are now regrown. You have a forest there that is all exactly the same. All the trees are the same size, the forest canopy is very, very thick, and there is nothing that lives on the ground floor of the forest. There is nothing there. You can barely get through there. There is no wildlife, and no plant life on the floor of the forest, to speak of. It is all packed in. It is a tree farm. It is not a forest, it is a tree farm. You cannot even walk through that, Mr. President.

It is an absolute joy as you are making your way, fighting your way through that second growth forest, when suddenly, you get to where the logging stopped and you get to the old growth, and it opens up.

There, in the old-growth forest, you get some of the most magnificient high canopy, wildlife, game, and a tremendous diversity of life. That is the old-growth forest. That is what we are talking about protecting, this old-growth forest and this remarkable diversity of life. It is not a tree farm. No question about it.

If we want to make our national forest a tree farm, let us have legislation that says let us have a tree farm. We could go ahead and do that. But the old-growth is exceedingly different, and we have come to understand that this is important, that this nurtures all kinds of different life, all kinds of different values, not only values of the environment but economic values as well.

It is becoming increasingly well understood in terms of economic value that if you look at the value of big game in my own State of Colorado, increasingly people are coming to understand that an elk is worth significantly more than the timber, because of the value elk has into the local economy. So values are changing, and what this legislation is all about is this change in values.

We also have to look at this issue, Mr. President, in the context of a significantly renewed sense of urgency about a lot of global environmental issues, starting with the devastation of forests all over the world.

We have seen the contribution of that devastation to the production of carbon dioxide and global warming, and to flooding that has ravished the Indian subcontinent and ravished the Philippines.

So it is within this context, Mr. President, that we must view this issue. Within the context of a changing way of doing business; we should not be providing anymore this massive taxpayer subsidy of a small and declining industry. We have to understand and are coming to understand the old-growth issue. We are coming to understand a whole series of other economic and environmental values and an understanding of our future.

Finally, we are coming to understand, Mr. President, that this is seen in the context of a whole set of new global environmental concerns. This legislation, I believe, may be the first time in which we have in the Senate and in the Congress made a shift from the old way of doing business to a new and I think more enlightened and progressive way of doing business. That is happening. We are not making a shift as far as I would like to make it, but we are at least making that shift.

Now, let us talk about what has gone wrong in the past. I think it is appropriate here, Mr. President, and I will do so very, very briefly.

What we have done in the past in the Tongass is to set in the law the requirement that 4.5 billion board feet of timber be harvested every decade. We do not do that in any other national forest. We do not say you will harvest this amount, no matter what the demand or supply may look like. That makes no sense at all.

In no other national forest do we do that. In no other national forest do we bypass the appropriations process and give an automatic appropriation to the Forest Service to cut those trees. No other national forest has either of those items within it.

The timber harvest goal now set for the Tongass has often exceeded market demand. In many cases, there has been no demand for the timber, and yet we have been going out and saying cut 4.5 billion board feet per decade, or 450 million board feet per year.

In many years there has not been any demand. Consequently, the price of this timber has tumbled even further than we can possibly imagine.

There is little, if any, competition for timber in the Tongass. The product goes to only two mills. Interestingly enough, in 1981, the courts found that the two companies that operate these two mills in the Tongass were guilty of violating the antitrust laws, and that they had in fact conspired in the previous decades to drive what little competition there was out of business. So we are not in a competitive situation.

One of the mills that we are subsidizing is owned by a consortia of Japanese businesses. There is nothing wrong with Japanese ownership of this, I suppose. It is perfectly legal.

What is interesting, Mr. President, is that what is happening is that the timber going to this mill, the Alaska Pulp Corp., is going there at less than $3 per thousand board feet. That timber, our timber from Alaska, U.S. taxpayer-owned, is going at less than $3/1,000 board feet. You might ask how much is a thousand board feet? Is that a lot of timber or is that a little bit of timber? Let us get a context for it, Mr. President. The average wood-frame house in the United States uses somewhere between 6,000 and 10,000 board feet; 6,000 to 10,000 board feet in the average house in the United States.

We are letting Alaska Pulp, owned by the Japanese, get 1,000 board feet of timber for less than $3. So, effectively what we are saying is we are going to give you the timber necessary to build the average house in the United States for about $25. That just gives a context, Mr. President, as to what is going on. That is just ridiculous, the idea of having this timber go at such exceedingly low prices.

They can get a spruce tree for less than the price of a Big Mac. That is under the old contracts. Under the one contract that has been redone with great seriousness and attention, one of the mills now pays more. But the other mill still gets a spruce tree for the price of a Big Mac and a Coke. This is giving away the timber. And the Forest Service has told us that it costs $100 just to prepare a thousand board feet of timber for sale.

So it costs $100 to prepare the timber for sale, and we are selling it for less than $3, that is where these numbers of the 97-percent subsidy come from. It is a wonderful deal for the people who own the timber, the pulp companies. It is a lousy, lousy deal for the American taxpayer. So that is another one of the reasons why many of us at least 54 Members of the Senate, Mr. President, believe this whole thing has gotten off track. It has gotten off track, and I think in this legislation we are getting it more closely back on track.

You might ask if this is unusual, if what is going on in this national forest is different than what is going on elsewhere? Of course it is. When there were competitive bids, Mr. President, on the Tongass forest, they were not getting $3 per thousand board feet, they were getting as much as $200 per thousand board feet. The taxpayer is getting back $3. It does not make a lot of sense to me.

In addition, Mr. President, everybody is competing on the Tongass for the same areas. It has been pointed

out this is a great big forest and only a very small percentage is logged.

Let us talk about what the forest actually looks like. It is 16.7 million acres. That seems like a lot. We think it is probably all alike, all forest and all timber and so on? Not the case. Of the 16 million acres, only about a third are commercial forest land. These are all the trees that can get to market at all. Only about a third of the whole forest has trees on it that might get to market. The rest of it is very scruffy timber you could not market, or is rock and ice, or swampy bog. So only a third of the total has any timber on it whatsoever.

Of the third that has timber on it, which is about 5.5 million acres, about 1.5 million acres of that is wilderness now, or 8 percent of the Tongass National Forest altogether. Eight percent of this extraordinarily beautiful place is in wilderness now.

Of the remainder, under the Johnston compromise, which I hope we will all be accepting, we are preserving a very small amount of the old growth. Even under the Johnston compromise, Mr. President, we are preserving only a small amount of the old growth. There are about 500,000 acres remaining of high-volume old growth on the Tongass only about 80,000 acres of the high-volume old growth is now in wilderness. About 400,000 acres are not protected. In terms of sheer protection we are protecting still but a small percentage of the old growth.

The legislation I had offered initially, which has 53 cosponsors in the Senate and had the support of many others who said they would vote for the legislation when it came to the floor, S. 346 repealed the automatic cut, the 4.5 billion board feet over 10 years, which we do not have on any other national forest. We got rid of the automatic appropriation to go to tearing down the Tongass. We canceled the two 50-year contracts, and we put a lot of this area off limits to logging. We really attempted to save much of the old growth. That is the other position on this, Mr. President. The compromise now before us does not go half that far.

I was not going to go on this long but I thought it was appropriate for the record. Let us be very clear as to where this compromise comes from. I must say, the compromise put together by the chairman of the committee, I think, is a sound and fair one.

I was in Alaska at the request of the distinguished junior Senator and chaired hearings up there in Sitka and Ketchikan. We had, I think, the longest hearings I ever sat through in 16 years in the Congress, Mr. President. We had hundreds and hundreds of witnesses. The distinguished junior Senator from Alaska was very patient sitting through that. We heard a lot of testimony, and I hope the people there who wanted to testify had a feeling they had fair input. I do believe everybody has had fair input on this. I do think this is a fair compromise, Mr. President.

It does not reach nearly as far as I would like to go. If I had my druthers, if we were able to do this in the ideal world that I would define, it would be quite a different bill. But this is an institution that is focused on the art of compromise and the art of what you can get done, and I think this is a fair way of going about doing it.

Mr. President, I ask unanimous consent that a side-by-side be put in the RECORD that describes the compromise, describes the initial legislation, and describes the House bill, so people can look at all three of those in the RECORD and see what the differences are.

The PRESIDING OFFICER (Mr. ROCKEFELLER). Without objection, it is so ordered.

(See exhibit 1.)

WHAT IS THE TONGASS NATIONAL FOREST?

Mr. WIRTH. Mr. President, the Tongass is the Nation's largest national forest, totaling nearly 17 million acres. It is located in southeast Alaska, but its natural resources are internationally famous, and nationally and internationally important. The Tongass is the largest expanse of pristine temperate rain forest left in North America, and is widely recognized as one of the world's most spectacular natural environments. It includes the largest populations of bald eagles and grizzly bears in the world. Its other wildlife populations are equally as impressive and abundant. Its rivers are the spawning and rearing grounds of the five species of Pacific salmon whose harvest is the basis of a huge commercial and sport fishing industry in Alaska.

WHAT IS THE PROBLEM?

These important resources are threatened by management policies which have over-emphasized logging at the expense of all these other resources. Just as importantly, these same policies have cost the American taxpayer hundreds of millions of dollars, as the U.S. Forest Service has sold a huge volume of timber from this forest for a fraction of what it cost the Forest Service to administer the sales and build roads to serve them. In effect, rather than selling our trees, the Forest Service has been paying two large corporations to take our trees.

Such a policy would make little sense on its own. But when you add to these financial losses the impacts on the natural environment, including threats to the health of the salmon fishery which is the largest employer in this region, it makes no sense at all. Our management of the Tongass, America's rain forest, is internationally important, and not just because of its own significant natural resources. The entire world's climate may be threatened by the extent of destruction of tropical rain forests, due to their role in absorbing carbon dioxide, a greenhouse gas, from our atmosphere. We also know that destruction of those tropical rain forests by far the largest threat to the biological diversity of our planet, as these forests are home to more species than any other habitat on Earth. But if we hope to influence the developing world to stop the destruction of tropical rain forests for what we see as short-sighted economic development, we need to clean up our own house first. If we cannot change what appears to all the world to be a policy of short term economic development of our rain forest at any cost to the environment, how can we hope to get the developing world to change their policies?

SOURCES OF THE PROBLEMS

The sources of this one-sided, fiscally and environmentally blind policy are many. Forest Service policy on the Tongass is driven by congressional direction that the Tongass Harvest 4.5 billion board feet of timber per decade, and a provision of law that gives the Forest Service however much money it takes to do this, bypassing the appropriations process. No other national forest has either a congressionally directed timber harvest goal, or a blank check for its timber program.

The timber harvest goal now set for the Tongass has often exceeded the market demand for the timber—leading to the Forest Service spending millions of dollars to prepare timber sales that no one wanted. The blank check has had effects which everyone who has a checkbook can imagine. Another part of the problem in the Tongass is that there is little if any competition for timber on the Tongass. Most of the timber in the forest is assigned to one of two large pulp mills which have a monopoly on large areas of the forest. Unlike every other purchaser of national forest timber, they do not have to bid against each other or other timber buyers for government timber.

Interestingly enough, in 1981 the courts found these two companies guilty of violating the antitrust laws to drive what little competition they did have out of business.

The prices assigned to the companies under the contracts have been absurdly unrealistic. The Forest Service reduced prices for almost a decade to $1.47 per thousand board feet of timber. It takes 5,000 or 6,000 board feet of timber to build an average house. So that's less than $10 a house.

At the same time, competitively bid sales on this same forest have gotten more than $200 per thousand. And some private land owners have gotten more than twice that! These same monopolistic contracts charge the companies an average cost for all the differ-

ent kinds of timber they took—and the companies have taken advantage of this by high-grading—concentrating taking the biggest and best timber only, while paying the average price. And that is where the environmental problems come in. The Tongass National Forest is a rugged landscape, very mountainous and steep. More than 40 percent of the forest has no trees on it at all—it is either swampy bog or the rocks and ice of the high mountaintops.

Only a third of the Tongass is classified as commercial forest land. And of that, only a fraction has deep enough soils and good enough conditions to have grown classic old growth forest. That is the area with some of the best timber. It is also some of the most vital wildlife and fisheries habitat in the forest. The big trees surround rivers that teem with fish. And the big trees support an ecosystem that is of critical importance to many of the creatures of the forest—including its game species.

Continuing to focus timber harvest on these important areas, and maintaining an artificially high harvest level, means drastic impacts on the fish and wildlife of this area, as the State's Department of Fish and Game has testified. It means cutting the heart out of the forest.

WHAT WE SHOULD DO (S. 346)

In February 1989 I introduced S. 346, the Tongass Timber Reform Act. That bill proposed a number of measures to restore balance between the timber program and the other resources and uses of the Tongass National Forest. I am proud that 53 of my colleagues have joined me in sponsoring this bill. S. 346 advocated the following measures:

First, repealing the legislated timber harvest goal for the Tongass, so that harvest levels are set through the same planning processes used on all other national forests.

Second, repealing the permanent appropriation of Federal funding for the Tongass Timber Program, so this forest's funding is annually reviewed by the Appropriations Committee.

Third, canceling the two 50-year contracts that deliver a monopoly on Federal timber to two pulp mills at artificially low prices.

Fourth, putting 23 areas totaling 1.8 million acres of the forest off-limits to logging. These are areas of particularly important fish, wildlife, recreational and ecological resources.

THE COMMITTEE COMPROMISE (THE PROCESS WE WENT THROUGH)

The bill before us today, Mr. President, is quite a bit different from S. 346. We went through a long process to consider these issues in great detail in the Energy Committee. Under the leadership of Chairman JOHNSTON, the committee studied and considered these issues at length.

I myself chaired two hearings on my bill, and a bill authored by Senator MURKOWSKI, in Sitka and Ketchikan, AK. We heard testimony from hundreds of Alaskans from all walks of life and all shades of opinion on these issues. Senator BUMPERS also chaired a hearing here.

Under the leadership of the Senator from Louisiana, the Energy Committee tried to forge a compromise that addressed the problems I outlined earlier while also taking into consideration the concerns of Senator MURKOWSKI and his colleague Senator STEVENS for the impacts that changes might have on the future of their State's timber industry. The bill before the Senate today represents the outcome of this effort. It was voted out of the Energy Committee unanimously, and I think it represents a workable approach to refocusing the management of our largest national forest. It is a compromise. I have advocated stronger measures, and still believe that stronger measures are warranted to redress the problems I have seen on the Tongass National Forest.

WHAT THE COMPROMISE DOES (THE SUBSTANCE)

The committee bill deletes the inflexible timber harvest target in existing law. It differs from what I had proposed in adding a requirement for the Secretary of Agriculture to attempt to meet the market demand for timber in setting his timber harvest goals. No other forest has such a mandate, but this is a great improvement over the current situation.

The committee bill does delete the permanent appropriation for timber activities on the Tongass, just as S. 346 advocated. The committee bill does not cancel the 50-year timber contracts which, by their terms, have seemed to drive the entire of the management of the forest. It does, however, direct the Secretary to modify the contracts to stop their worst effects, including letting the contract holders rather than the forest service select and schedule timber for harvest, allowing high-grading of the forest, and the charging of prices far below the market for timber. The committee bill does prohibit logging in significant areas of the Tongass, although I advocated protecting much more land than the bill includes. My original bill advocated 23 areas totaling 1.8 million acres. The committee bill protects 12 areas totaling about 675,000 acres. It also prohibits logging in 100-foot buffer zones along certain streams in the Tongass.

Mr. President, in our hearings in Alaska we heard many requests from many Alaskans for the permanent protection of areas in the Tongass. These were areas of particular importance to local fishermen, or for local hunters, or for other reasons. The 12 in the committee bill were supported for protection by the Governor of Alaska, and by a broad coalition of local communities and business interests in southeast Alaska.

There were many others that were brought to our attention that I believe are equally deserving of protection from logging. These include: The Anan and Naha areas that are included in wilderness by the House bill; much of the land at the north end of Chichagoff Island, including the Port Althorp, Idaho Inlet, Mud Bay, and Point Adolphus areas and the islands just offshore of them; and the salmon bay lake area, an important sockeye salmon fishery that is one of the few places on the huge Prince of Wales island that has not already been logged. Mr. President, there are many other areas worthy of protection.

In addition, I think that the amendment adopted by the committee to restrict the buffer zones to only the first 300 feet of major tributaries of salmon streams (the "class II" streams) was unwise and unsupported by the facts of the situation, and I will support Senator JOHNSTON's amendment to protect the entire length of class II streams.

Protection of the salmon fisheries of southeast Alaska has to be one of our highest priorities in this legislation, and I believe we should do our best to accomplish it. Some may argue that the impact of additional buffer areas on the timber industry is too high. I don't believe that the facts support that. These buffer zones represent perhaps a 5-percent impact on the timber available from the Tongass, where the average harvest has been half of what has been available.

SUPPORT THE COMPROMISE

In summary, Mr. President, I hope that all of my colleagues will vote for the amendment I have mentioned, and that they will vote for the bill. It is a good bill, which goes a long way to address the fiscal and environmental problems we have seen in the management of this forest.

Finally, Mr. President, I again commend the distinguished chairman of the committee and I thank the two Senators from Alaska. I know this is a very difficult time for them. Here are people homing on their State, and I understand that this is complicated. This is a national resource. They have certainly been very clear and good advocates for their State and its interests. I respect that and respect the way in which they have gone about doing this.

I hope we can now pass this legislation rapidly on the floor and move on to conference, get a piece of legislation, and then maybe, as the distinguished senior Senator from Alaska said, come back here 10 years from now—let us hope that what we do is successful enough that it will be at least 10 years before we have to come

back to revisit the topic of the management of the Tongass National Forest.

EXHIBIT 1

TONGASS NATIONAL FOREST

S. 346	H.R. 987	H.R. 987
Supported by 53 Cosponsors	Passed in House by a Vote of 356-60, July 1989	Adopted Unanimously by Senate Energy Committee, March 1990
Repeals Section 705(a) of Alaska Lands Act, eliminating the automatic annual appropriation of at least $40 million to the Tongass timber supply fund and eliminating the directive to supply 4.5 bbf of Tongass timber to the timber industry every decade.	Same as S. 346	Repeals 705(a), but adds a provision that mandates the Secretary of Agriculture to seek to "meet market demand" for Tongass timber (subject to appropriations, NFMA and other applicable laws).
Repeals Section 705(d) of Alaska Lands Act. Sec. 705(d) exempts the Tongass from provision 6(k) of the NFMA. 6(k) requires the Forest Service to remove unsuitable timberland from the scheduled timber base.	Same as S. 346	Repeals 705(d), making all 6(k) provisions apply "except that the Secretary need not consider economic factors in the identification of lands not suited for timber production." This is designed to "give the Forest Service some flexibility in harvesting marginal timber stands."
Terminates long-term timber contracts with APC and LPK. Allows competitive bidding on all timber contracts.	Same as S. 346	Directs modifications of long-term contracts to: (1) be consistent with independent timber sales, pursuant to NFMA, NEPA, and other applicable laws, (2) eliminate "high-grading" of prime old growth, (3) assure that USFS (rather than contract-holders) determines size, location and timing of clearcuts, (4) require rejected timber to be subtracted from contract, (5) assure that utility logs are counted against contract volume, and (6) assure stumpage rates are consistent with independent sales.
Places a temporary moratorium on logging 23 areas (1.8 million acres) of high value fish and wildlife habitat.	Designates 23 areas (1.8 million acres) as Wilderness.	Prohibits commercial logging but allows other limited developments (including mining and "vital transportation links" in 12 areas (673,000 million acres) of valuable fish and wildlife habitat.
Does not address streamside buffers	Requires the Forest Service to leave a minimum of 100 foot buffers along salmon spawning streams and major tributaries (Class I, Class II, and important Class III streams).	Establishes 100 foot minimum buffer zones on Class I streams, and "on the last 300 feet before the confluence with Class I streams of those Class II streams which flow directly into Class I streams."
Does not address Tenakee road	Prohibits connecting logging road to community of Tenakee Springs, Chichagof Island—at community's request.	Does not address Tenakee road.
Does not address small business timber purchasers	Does not address small business timber purchasers	Directs the Secretary to seek to meet the demand of small business timber sale purchasers.
Does not address Haida land transfer	Does not address Haida land transfer	Transfers 5800 acres of Tongass National Forest land to the Haida Native Corporation by amending the Haida Land Exchange Act of 1986.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, I believe the Goldbelt amendment is now pending.

The PRESIDING OFFICER. The Senator is correct.

Mr. JOHNSTON. I think we should be ready to vote on that, so I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. How much time is remaining on the Goldbelt amendment?

The PRESIDING OFFICER. Senator MURKOWSKI controls 30 minutes on the Goldbelt amendment.

Mr. MURKOWSKI. Thirty minutes? It was an hour equally divided?

The PRESIDING OFFICER. That is correct.

Mr. MURKOWSKI. Mr. President, the Goldbelt amendment, which the Senator from Louisiana referred to, provides for a land exchange between the Forest Service and Goldbelt, Inc., which are the natives in residence in Juneau, AK. The junior Senator from Alaska feels it provides a unique opportunity for the Government to acquire some important property for the benefit of the lifestyle of Juneau, the residents of the capital city. Under the exchange, Goldbelt will deed to the Government certain lands it owns near Echo Cove, and, in exchange, Goldbelt will receive several parcels of timber property adjacent to its own timber operation at Hobart Bay. Hobart Bay is a remote area some 100 miles south of Juneau. There is no road extension from Juneau to Hobart Bay.

The Echo Cove lands Goldbelt will provide in the exchange are at the end of an existing highway on the north end of Juneau. These lands are near Echo Cove and along the coast of Berners Bay.

Mr. President, these would add to the recreation area which is accessible by car from Juneau.

It is adjacent to the area which is currently the end of the road going north out of Juneau. This is a unique opportunity in that the land the Government acquires will be used to create an extensive recreational area which Juneauans would be able to reach at their leisure by a short drive. The projected recreation ares would include some 5 miles of shore line on Berners Bay, a popular area for camping, canoeing and, kayaking. It is one of the areas that could be reached by boat as well from the end of the road. It also includes a number of good beaches, plus all of Goldbelt's ownership along Sawmill Creek and Cowee Creek, two popular sport fishing streams for salmon and trout.

Goldbelt will receive in return timber acreage adjacent to the Hobart Bay lands. This will allow Goldbelt to sustain its Hobart Bay timber operations for an additional year and partially mitigate the effects of removing the nearby Chuck River area for future timber operations under title II of the bill.

It is appropriate to note the Goldbelt folks moved from Admiralty Island, where they had the availability of timber under Federal authorization, to Hobart Bay because they felt Hobart Bay would provide them with the availability of bidding on future timber sales. Now the land around them has been withdrawn or the proposed land would be withdrawn. So as a consequence, they are left with a substantial investment in roading, in log dumps and without the ability to bid on timber that is adjacent to them because its was withdrawn.

Clearly, they felt that there has been a breach of trust. Mr. President, as a consequence, I think this is a fair amendment. It provides for an opportunity to acquire a unique recreation area, accessible by car from Juneau, and provides a measure of relief for Goldbelt. I applaud the effort of all those in working out a solution, and I urge its adoption.

Mr. WALLOP. Mr. President, I rise in strong support of the Johnston amendment to provide for an exchange of lands for the Goldbelt Native Corp. in southeast Alaska.

Goldbelt is one of the four urban Native corporations created under the Alaska Native Claims Settlement Act. It received no cash but did receive the right to select timberlands from within the Tongass National Forest; it selected land on the west coast of Admiralty Island. During the 1970's, Goldbelt gave up its original land selection on Admiralty Island because of concerns and lawsuits by the conservationist groups. It also gave up the opportunity to share costs with other Native corporations who had selected on Admiralty Island.

In reliance on the Forest Service proposals, Goldbelt, Inc. moved its operations to Hobart Bay. Goldbelt had to finance those timber operations by itself. Its reselection was a significant concession by Goldbelt to environmental interests, who had no objections to the Chuck River sale area at that time. Goldbelt should not be penalized again because of changing environmental whims. One of the reasons it reselected at Hobart Bay was its expectation that its substantial investment there would eventually be used to support timber operations on planned Forest Service sale areas around Hobart Bay, as well as on its own lands.

Not only did Goldbelt spend considerable money on moving from Admiralty Island to Hobart Bay, but then spent $17 million on developing an infrastructure at Hobart Bay, an investment that would not have been made but for the Forest Service plans to open up sale areas over the long term. However, under this legislation, their lands will be virtually surrounded by LUD-II areas and they will thus be unable to use this infrastructure.

The exchange is an attempt to mitigate the effects of the Tongass legislation in designating no-cut areas which virtually surround Goldbelt's Hobart Bay property. These areas would otherwise have been available for planned Forest Service timber sales in the near future.

This amendment reflects an agreement made at the committee's markup with the chairman and Senator MURKOWSKI to work out a provision to provide this Native corporation some relief from the no-cut designation of the Chuck River area in the committee bill. One relief alternative which was seriously considered would have allowed logging in some areas of the Chuck River drainage. The agreed amendment retains the no-cut category for the entire 72,503 acres of the Chuck River area designated in the committee bill.

The exchange would grant Goldbelt about 2,600 acres in various parcels adjacent to its Hobart Bay lands and allow it to continue its timber operations at Hobart Bay for another couple of years and use the substantial investment at Hobart Bay it expected to be used to support timber operations on the Forest Service sale area which will be eliminated by the legislation.

The Government will receive in return about 1,150 acres of prime recreational property Goldbelt owns at the end of the highway near Echo Cove and along Berners Bay. I understand it will be developed as a recreational area for the citizens of Juneau.

This is a more than equitable and reasonable solution to the problem faced by Goldbelt. It provides Goldbelt a measure of relief and creates a significant recreational area for Juneau. I urge my colleagues to support the Johnston amendment, and I would also like to thank the chairman of the committee for encouraging all of us to attempt to work out a reasonable solution as reflected in the amendment before us.

Mr. President, I know of no opposition to this amendment. I yield the floor.

Mr. BUMPERS. Mr. President, I support the amendment offered by the Senator from Louisiana, and I thank the Senator for his assistance in developing this amendment.

Goldbelt, Inc., the Native corporation for Juneau, AK, testified before my subcommittee in February regarding the detrimental impact of certain land designations in the House bill on the native corporation and its shareholders. Goldbelt expressed similar concerns regarding the compromise substitute for the House bill proposed by Senator JOHNSTON. During the Energy Committee markup of the compromise substitute for the Tongass reform bill, a number of members including myself, expressed a desire to try to address Goldbelt's concerns without upsetting the delicate balance achieved by the substitute. At the chairman's suggestion, we entered into discussions to develop a consensus amendment to add to the bill on the floor.

The pending amendment is the result of our efforts and I believe it has the support of not only the members of the Energy Committee and the Goldbelt Native Corp., but also the Governor of Alaska, the Forest Service, and the major interest groups involved in Tongass reform.

The amendment provides for a land exchange by which the U.S. Forest Service will acquire approximately 1,151 acres of land owned by Goldbelt at Echo Cove, an area on the south side of Berners Bay, about 38 miles north of Juneau. The present public road system ends at the cove, making it the most remote area accessible from Juneau. In exchange, the United States will convey to Goldbelt approximately 2,600 acres of timber lands in the remote Hobart Bay area. The exchange lands are in several parcels, adjacent to lands already owned by Goldbelt in the area. The Echo Cove lands have been appraised at $5.1 million; the Hobart Bay lands have been valued at approximately $7.5 million by the Forest Service. The Forest Service believes that public ownership of the scenic waterfront lands at Echo Cove will greatly enhance recreation opportunities in the Juneau area, and that the exchange is in the public interest.

By way of background, Goldbelt is one of four urban Native corporations created under the Alaska Native Claims Settlement Act of 1971 [ANCSA]. Unlike the more than 200 regional and village Native corporations created under ANCSA, Goldbelt received no cash distributions from the Alaska Native Fund. They did receive the right to select lands within the Tongass National Forest in settlement of the aboriginal claims of their Tlingit and Haida shareholders.

In 1974, Goldbelt selected valuable timber lands on the west coast of Admiralty Island, with the intention of cooperating with other Native corporation landowners on Admiralty in sharing the costs for the infrastructure necessary to harvest timber. This initial selection resulted in several years of controversy and litigation with conservation groups who objected to logging on Admiralty Island.

The president of Goldbelt testified in February of this year that in 1979, exhausted by this controversy and without funds to pursue the litigation, Goldbelt gave up its Admiralty Island selections and received the surface rights to timber lands around Hobart Bay, an area about 80 miles south of Juneau, where the conservation groups had expressed no interest. The reselection at Hobart Bay required Goldbelt to fund the entire cost of a timber harvesting infrastructure, an investment of about $17 million. Goldbelt planned to use this infrastructure not only to support logging activities on its own lands, but in connection with five planned Forest Service sales adjacent to its lands.

The Native corporation was therefore quite distressed to learn that the House-passed Tongass bill designated two areas near Hobart Bay encompassing the planned timber sales, as the Chuck River and the Port Houghton-Sanborn Canal Wilderness Areas.

According to Goldbelt, these wildernesss designations would cause their investment at Hobart Bay to become virtually worthless. Although it did not designate any wilderness areas, the Senate Energy Committee bill permanently barred timber harvesting in the Chuck River area through its direction that the area be managed in LUD-II status in perpetuity. While sympathetic to Goldbelt's situation, many members of the Energy Committee recognized the importance of pro-

tecting the Chuck River drainage to fishermen and conservationists in Alaska. We were also informed that the sensitivity of the area is such that timber harvesting in the area could be problematic. Therefore, rather than deleting the permanent LUD–II designation of the Chuck River area as Goldbelt initially requested, the committee amendment provides for the land exchange I have described previously.

The exchange provides Goldbelt with additional timber in the Hobart Bay area, thereby extending the usefulness of the corporation's infrastructure investment. The lands will be conveyed to Goldbelt, providing more certainty of economic return than a possible timber sale on Federal lands. The United States receives prime recreational lands of approximately equal value in exchange, and the sensitive Chuck River drainage will be left intact. I believe the exchange amendment is a win, win solution for all concerned and I urge its adoption.

GOLDBELT AMENDMENT TO H.R. 987

Mr. McCLURE. Mr. President, I rise today to express my strong support for the amendment offered by Senator JOHNSTON, which would provide for an exchange of lands for the Goldbelt Native Corp. in southeast Alaska.

This amendment would provide for an exchange between Goldbelt and the Federal Government, of the Echo Cove and Hobart Bay lands in southeast Alaska. Goldbelt was created by the Alaska Native Claims Settlement Act, and received no cash but did receive the right to select timberlands from within the Tongass National Forest. In 1980, as a result of much controversy and litigation, it relinquished its land selection on Admiralty Island to which it was entitled under ANCSA, when Admiralty Island was made a national monument. Goldbelt subsequently moved its selection to Hobart Bay lands adjacent to the Chuck River area, based on its understanding that it would be able to harvest the timber in that area, and also based upon its ability to bid on National Forest timber sales in the area adjacent to its holdings. Goldbelt voluntarily exchanged its Admiralty Island lands for the Hobart Bay lands with the understanding that this would pacify the conservationists who wanted the Admiralty Island lands to be designated as a national monument.

Goldbelt's timber sales are a part of the independent sales program reserved for small companies such as Goldbelt, and not part of the long-term contracts supplying the paper mills. Goldbelt has been harvesting timber in the Chuck River area, and has spent several million dollars to move its land selection to Hobart Bay, in addition to the $17 million spent on developing its timber harvest infrastructure in the area. Its current operation employs over 170 people with a payroll of $8.8 million—clearly an important part of the economy of that area in southeast Alaska and a viable source of income for those Native Alaskans. Its current timber operation will be completed in 1991, and unless Goldbelt is allowed to bid for timber in this area, those people will become unemployed. As the legislation before us stands, the designation of Chuck River and the Port Houghton-Sanborn Canal as LUD–II areas would virtually isolate their property and drastically affect the economic viability of logging the nearby Forest Service timber sales which Goldbelt had counted on in trading Admiralty Island lands for those in Hobart Bay. The set-aside for this area will close the entire area adjacent to Hobart Bay to timber harvest and prevent Goldbelt any opportunity to compete for timber harvesting in the area. Any proposed development in the area would result in years of endless and expensive litigation. This is clearly unfair and contrary to what Goldbelt was led to believe, that they had a reasonable expectation that they would be able to bid on Forest Service sales in the Chuck River area, when it moved off Admiralty Island to this set-aside, and we must, in all fairness, change this provision to provide for their economic well-being.

The committee did discuss this problem during markup of the legislation, and decided to defer any action until it reached the floor to see if some equitable solution could be found. This amendment accomplishes that goal. That time has now come, and I urge my colleagues to vote for this very important amendment.

The PRESIDING OFFICER. The Senator from Alaska controls 25 minutes.

Mr. MURKOWSKI. Mr. President, I see no one wishing to speak on this side. I urge adoption of the amendment.

The PRESIDING OFFICER. Is all time yielded back?

Mr. MURKOWSKI. I yield my time back.

The PRESIDING OFFICER. All time is yielded back. The question is agreeing to the amendment.

The amendment (No. 2015) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MURKOWSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2016

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 2016.

On page 16, lines 21 and 22, strike the following phrase "the last three hundred feet before the confluence with class I streams of";

And at the end of the committee substitute insert the following new section:

SEC. . No later than one year after the date of enactment of this Act, the Secretary of Agriculture in consultation with the State of Alaska and affected private land owners, shall prepare and transmit to the Congress a study containing recommendations on the need, if any, to standardize riparian management practices for Federal, State, and private lands within the Tongass National Forest.

Mr. JOHNSTON. Mr. President, this amendment has to do with class I and class II streams in Alaska and the buffer zone that affects them. A class I stream, Mr. President, is an anadromous stream. That means principally in Alaska that it has salmon in it. A class II stream is a resident sport fishery stream.

The amendment which I have just proposed provides for a 100-foot buffer zone on class I streams, which is already provided in the bill; and also for class II streams which flow into class I streams. Most class II streams do flow into class I streams almost by definition. There are very few class II streams which do not flow into class I streams. What this amendment does is provide that with respect to class II streams that do flow into class I streams, that they shall be protected by a 100-foot buffer.

Why the protection, Mr. President? Because, of course, if you cut the timber close to a stream, you affect the sedimentation rate, the rate of water flow, the temperature in the stream and, in effect, you endanger the salmon population. For that reason, we wanted to protect these class II streams.

In the Energy Committee, Mr. President, we put forth a compromise bill of which this amendment was a part. The distinguished junior Senator from Alaska proposed an alternative amendment which would limit the class II protection to the first 300 feet of class II streams. In other words, our amendment, which we now propose, would protect the class II streams for the whole length of those streams and would provide the 100-foot buffer zone. Under the bill as it now is proposed, as it was amended in the Energy Committee by a 10 to 9 vote, only the first 300 feet of those streams would be protected.

Mr. President, this amendment is supported by the United Fishermen of Alaska, by the Governor of Alaska, by the National Marine Fisheries Service, all of which believe that it is necessary in order to protect these streams to provide for this 100-foot buffer zone.

Mr. President, it seems to me that this is an entirely reasonable amendment, and I urge my colleagues to support it because it is at the very heart of fish protection in Alaska. I reserve the remainder of my time.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, on the time over here I would like to ask the Senator a question. My colleague from Alaska has the amendment that is in the bill, as my colleagues know. The statement of the Senator from Louisiana is correct concerning the position that has been expressed by the United Fishermen of Alaska concerning the amendment that the Senator from Louisiana has just offered.

I want to ask my friend, this question: Clearly, the state of the law of the State of Alaska pertaining to private lands and then to State lands is different now from the procedures that would be followed with regard to Federal lands in Alaska. That means in the Tongass that we could have private lands, basically the native lands on which there is logging, or the State lands—the State did get a substantial portion of those lands under the Statehood Act—and then the vast area of the Tongass, which is Federal lands. We could have three different management practices.

Rather than getting into an argument over this bill, and I would like to see us come to a position where we have a bill where we have had no real disagreement and 100 percent of the Senate can support, would my friend from Louisiana consider just this simple proposition: That we agree to his amendment and restore the original position of the chairman of the committee, but we add to that amendment that he has just presented, a direction to the Forest Service to study the State law and to work with the State and the private owners in southeastern Alaska and report back to the Congress if a change in this is necessary to bring about uniform management within the Tongass?

What I perceive is that in some of these streams there will be one buffer zone under the Senator's amendment, there would be another buffer zone actually under the State law regarding private lands, and then a different one with regard to the State on its own lands. I think that is unfortunate, but I understand the Senator from Louisiana's position. It is supported by the United Fishermen of Alaska organization. But I think even they and the Governor would agree that we ought to study this to see if we could bring about uniformity of management on the same stream.

I am not talking about uniformity of management all over. It may be on one stream you would use the State's formula, another you would use the formula for private lands, and another you would use the formula you would apply to the Federal portion of the forest. Would the Senator consider modifying his amendment to direct the Forest Service to study this and report back as to whether it is necessary to change this provision in order to follow good management practices on each of the streams of southeastern Alaska in this great forest?

Mr. JOHNSTON. Mr. President, on the one hand, I do not believe that a problem of differing management regimes is a problem in Tongass because of the some 16 million acres of land of the Tongass, only 250,000 is nonfederally owned. However, if what the Senator is suggesting is that we have the Forest Service simply study this and advise us whether in their judgment we should change the regime, of course, I would agree to that.

Mr. STEVENS. Mr. President, that is all I seek. I understand the position that has been expressed by the United Fishermen and by the State. I also perceive there is a difference. Incidentally, the figures the Senator mentions are correct now but there will be additional lands going out of Federal management as the State selections and Native selections are approved. So it is possible in the future to have more of a substantial difference on a very isolated basis, I would agree. The vast bulk of this area is managed by the Federal Forest Service. But I throw that out to both of the managers of the bill as my suggestion as to how to get out of a seeming impasse.

Mr. JOHNSTON. Does the Senator have the language drafted or would he like for us to draft it?

Mr. STEVENS. We will have it in just a moment if the Senator will entertain it.

Mr. JOHNSTON. Mr. President, I would certainly entertain that language. I think it is a good way to compromise this amendment. It gives us the protection which we wish, but it does detail the Forest Service to investigate this matter and report back to us. If in fact the logic of a change is brought to us, we would certainly accommodate to that change. But I think this is a good way to compromise this.

Mr. WIRTH addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSTON. Mr. President, I yield to the Senator from Colorado such time as he wishes.

Mr. WIRTH. I thank the Senator.

Mr. President, I hope if in fact we reach this agreement—this is the first I heard about this but I hope that we can work out the agreement—we could include in the RECORD as well for the purposes of analysis by the U.S. Forest Service the State of Alaska's own data. There is a very interesting memo from the Department of Fish and Game in the State of Alaska, June 7, 1990, which has an extensive discussion of the buffer zone issue and comes out very strongly on the side of the position taken by the distinguished chairman of the committee, Senator JOHNSTON.

I hope, Mr. President, we might include that memo at the appropriate point in the RECORD. If I could get the attention of the senior Senator from Alaska, I assume that in the drafting of the amendment we would also want, where appropriate, to include the State of Alaska's Department of Fish and Game as well, so that they would get together with the Forest Service on this issue, I assume that would be the intent of the amendment.

Mr. STEVENS. If the Senator will yield, of course, that was my suggestion, that we have the Forest Service confer with the State and with the private managers. There is a very small amount, as the Senator knows, owned by the Native people there but it is managed for logging and I think the report should tell us whether it is necessary to make any changes to assure protection of these streams for anadromous fish populations. It may be that they will suggest additional buffers. I do not know. But I think there ought to be uniformity on each of these streams.

Mr. WIRTH. Mr. President, I appreciate the remarks of the senior Senator from Alaska. I ask unanimous consent that this memo from the Department of Fish and Game in the State of Alaska, dated June 7, 1990, outlining their discussions and analysis of the Johnston and Murkowski amendments be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

STATE OF ALASKA,
DEPARTMENT OF FISH AND GAME,
June 7, 1990.

MEMORANDUM

To: Rick Reed, Regional Supervisor, Division of Habitat.

From: Dave Anderson, Ph.D, Regional Supervisor, Wildlife Conservation, Region I.

This is to summarize our recent discussions on the relative merits of Sen. Johnston's amendment (100 ft. buffer on all Class I streams and Class II streams that are tributaries of Class I streams) and Sen. Murkowski's proposal to use the State Forest Practices standards for state lands south of the Alaska Range.

We are in agreement that the Johnston amendment is preferable. This position is consistent with that of Governor Cowper (16 May letter to Sen. Johnston and 24 May letter to Sen. Murkowski), and for a variety of reasons is the correct approach.

Under the State Act, buffer strip requirements are found in AS 41.17.118 (2)(A)(B):

(2) on state forest land managed by the department that is located south of the Alaska Range,

(A) harvest of timber may not be undertaken within 100 feet immediately adjacent

to an anadromous or high value resident fish water body

(B) between 100 and 300 feet from the water body, timber harvest may occur but must be consistent with the maintenance of important fish and wildlife habitat.

By contrast, the Johnston amendment uses the Forest Service classification system and establishes buffers within 100 feet of all Class I streams, and Class II streams that are tributaries of Class I streams.

Class I: anadromous streams, adfluvial streams (migrate to lakes, not saltwater), and potential enhancement sites (i.e., upstream blockages).

Class II: No anadromous fish, but resident fish with limited sport value. High-value sport fisheries are class I.

How do these approaches compare? First, we observed that the State Act will not protect numerous Class II streams. That is because (2)(A) includes only "high value resident fish water" bodies. These are defined [AS41.17.041 (7)]— as "resident fish populations that are used for recreational, personal use, commercial, or subsistence purposes;" In other words, they must be fished. They are many Class II tributaries that are not fished. These would be protected under the Johnston amendment, because Class II includes low-value resident fish streams—all the way to non-fished. In the State Act version, we are concerned about the burden and ambiguity of determining whether or not a stream is fished, and hence included.

Why is protection of class II tributaries important? There are many reasons, such as siltation, water temperature, debris torrents, and future potential. A complete discussion of this can be found in other correspondence.

A second major difference is that the State Act will not protect potential enhancement sites—the Johnston amendment will. This will foreclose Forest Service options, as well as State and public options. We believe that the Forest Service classification system should be used in federal legislation. The law should be framed to reflect existing, well-understood usage. This is a minor, but noteworthy point.

We also believe that if State Act language is adopted, it should not be taken out of context, i.e., the whole package should be considered. Examples include:

(1) 41.17.115. Intent for Riparian Areas.

(2) 41.17.098 (d) This paragraph impowers ADF&G to make a variety of important determinations, such as road locations in riparian systems. Similar consideration should be given biologists on federal lands.

(3) 41.17.118(2)(B) Fish and Wildlife management zones between 100-300 feet.

Finally, the question will be raised as to why the Governor supports a position different from the State Forest Practices Act. We raised the following points in defense of our position:

(1) The State Act was developed for all Alaska under a consensus constraint involving many disparate players and for State lands with different concerns than S.E. Alaska.

(2) The State was not overly concerned about Class II stream protection for three reasons:

A. Nearly all State-owned forest lands in S.E. Alaska are already planned. Buffer standards are in place and equal to or in excess of those required by the State Act. For example, the 1986 Haines State Forest Plan established a 5-year prohibition on logging within 300 feet of catalogued anadromous fish streams, and within 500 feet of lakes with anadromous fish populations. This was to allow studies on effects of logging to be completed.

In addition, a permanent fish habitat management zone of the same dimensions was created. The primary management objective of this zone is "to maintain or enhance anadromous fish habitat". DNR is required to consult with ADF&G on activities within this area.

B. In the Susitna Valley, Class II streams have no or little timber.

C. In the State Act, we focused on South Central boreal forest. This is the location of the major blocks of State timber. In these areas, little commercial timber exists above anadromous or high-value and resident streams; hence, the need for a different standard such as Sen. Johnston's amendment was not deemed critical.

Mr. WIRTH. Mr. President, for the purposes of the record, I would like to point out very briefly what we are talking about, which is protecting buffer zones on the streams in which the fish come up to spawn.

On the left here is a picture of an undisturbed stream in the Tongass, in old growth forest. You see a lot of the old trees that are down. This provides the kind of habitat, the kind of pools, and so on, where the salmon come in and can breed.

On this side you see what happens when there is clear-cutting. Unfortunately, this is the problem that has occurred. You can see the streams coming through here absolutely ravaged, clear-cut, and the result of that is what occurs in these photographs, Mr. President. You see the waste that comes into the stream, the siltation into the stream, and, really the destruction of the stream. This is why the fishing industry in Alaska is so concerned that an appropriate buffer zone policy be developed.

When you provide a buffer zone and this kind of protection, you end up with streamside vegetation that provides streams with nutrients, keeps the temperature warmer in the winter and cooler for fish when they are coming up and breeding, and you protect the incredible abundance of salmon and other fish that exist in undisturbed streams in the Tongass National Forest.

This is a startling visual contrast, Mr. President, showing the need for buffers. One set of photos shows us protecting the streams for the breeding of fish, and this is what happens when you do not do it. I think we are all agreed on the fact there should be protection. The Johnston approach, which had originally been in the committee legislation, was weakened considerably by an amendment in committee. Going back to the Johnston approach would be far preferable, and I would hope that we would take on the approach suggested by the distinguished chairman of the committee.

Mr. President, I yield the floor.

Mr. STEVENS. Mr. President, will the Senator yield 1 minute before he gives up the floor or I would use our time, either one?

I want to say to the Senator there is no disagreement about buffer zones.

Mr. WIRTH. There is not.

Mr. STEVENS. We have been interested in buffer zones since I was in the State legislature. We have reviewed this matter. We do have some disagreement with the Federal officials as to classifications of some streams, and I think it is fair to say that the Federal Fish and Wildlife people who advise the Forest Service have a broader category of streams than the State does. That is pointed out by United Fishermen in their letter, and that is one reason they support the Federal position.

I cannot argue between the two scientists, the Federal scientists as opposed to the State scientists working in Fish and Game in the State or Fish and Wildlife in the Federal Government, but I do think that the management concept requires us to find some uniformity, and I hope that the Senator from Colorado would understand what it is we are trying to do.

I just think each stream ought to have the protection required to maintain the fish population and that that may vary, but it should not vary because of the application of the law of the jurisdiction that happens to be imposed on the piece of land going upstream. As I said, you could literally have three different ownerships on the same stream and under this proposal we would have three different buffer strips mandated under existing State and Federal law. I think that is unfortunate and there ought to be uniformity, not necessarily throughout the whole Tongass but on each stream. That is what I see.

Mr. JOHNSTON addressed the Chair.

Mr. WIRTH. There is no disagreement.

Mr. President, I think I have the floor, do I not?

The PRESIDING OFFICER. The Senator had yielded the floor. The Senator from Louisiana requested the floor.

Mr. JOHNSTON. Mr. President, I have some language which I believe would achieve what the senior Senator from Alaska just asked, and that is at the end of the pending amendment to insert the following language:

No later than 1 year after the enactment of this act, the Secretary of Agriculture, in consultation with the State of Alaska, shall prepare and transmit to the Congress a study containing recommendations on the need, if any, to standardize riparian management for Federal, State and private lands within the Tongass National Forest.

I believe that is what the Senator described, and if that meets with the agreement of all parties, I will, after they——

Mr. STEVENS. Will the Senator yield?

Mr. JOHNSTON. Yes.

Mr. STEVENS. I would like to have that amendment, if the Senator would do so, spell out the requirement to consult with the State of Alaska and with the owners of the private land, which in this instance as we know are the Native people.

Mr. JOHNSTON. In consultation with the State of Alaska, and affected private landowners.

Mr. STEVENS. Those are my suggestions and I appreciate the Senator's consideration of it.

Mr. MURKOWSKI. If I may just make a point, we have many streams. I think the Senator from Louisiana when he has flown over southeastern Alaska has observed the terrain, where we will have a Native-owned timber sale, Native land, and the stream will go through this.

Under the current State forest management practices which was just signed into law—and I might add it has been signed into law since our committee debated it and discussed the issue—there is a provision under State law for 66 feet of buffer strips around private lands; around State land, it is 100 feet.

The senior Senator and I feel that when we have a stream that goes through private land, State land, and Federal land there should be a uniformity of application.

So that is what we are attempting to achieve here recognizing that the State saw fit to have lesser standards on private land. But clearly if the Senator and myself look at our proposed amendments, they are very, very close. Each one requires 100 feet, no-cut zone on anadromous streams. Each one requires 100 feet no-cut zone on streams with resident fish populations.

The Senator from Louisiana relies on the Forest Service to make the determination of class 1 and class 2 streams. The Senator from Alaska relies on the State and the State's ability to maintain a stream determination to continue to provide detailed evidence on a residential fish population.

So I think what the senior Senator has suggested as far as a compromise is to somehow get us to uniformity of management where we have the same stream moving from Federal to State, and from State to Federal.

It is my understanding that the originator of the compromise would give us the assurance that within 1 year the Forest Service would meet with the State and private landholders to determine if there is a need for uniformity.

My question to the Senator from Louisiana is if there is any, if they say there is a need and we are relying on people who are responsible for forest management practices, how do we implement it? Under what terms and conditions would we implement it?

Mr. JOHNSTON. Mr. President, if the Forest Service presents a report detailing that there is a need, and if the Congress agrees with the logic of that, certainly, I would think the appropriate place to act on that would be in the Senate Energy Committee where we would bring the Forest Service up, hold a hearing, and pass legislation to implement it.

Mr. MURKOWSKI. I do not know about the senior Senator from Louisiana, but the junior Senator from Alaska has lived with Tongass for 10 years. It would be I think an occasion if we could resolve it rather than bringing it back again in a year. I am sure the chairman is not anxious to. My concern is we bring it back and theoretically we open it up.

I see the staff wincing a little bit.

I wonder if we could not explore some other way to determine that, if all parties are in general agreement, something can be worked out. Our point of argument I think is very, very narrow. What we are really talking about here is the appropriate way to manage forest practices.

Mr. JOHNSTON. Mr. President, I urged my friends from Alaska to accept yes for an answer. This amendment is their suggestion. I think it is a reasonable one and we are willing to accept the amendment at least as the senior Senator has proposed. I think if the Forest Service reports back, and it appears that they are right, I think our committee would report it. But I think for the time being, Mr. President, we would not want to waterdown that minimum 100 foot on class I's and class II's lower than class I's because really this is already a compromise. I think it is a good one.

Mr. WIRTH. Will the Senator yield?

Mr. JOHNSTON. I yield for a question.

Mr. WIRTH. It might also be that the State of Alaska decides—they currently have three different levels of protection depending on who owns the land—might decide to conform their level of protection to what the U.S. Forest Service currently does which would be the final law. Is that correct?

We might well find the State of Alaska making the change to come back here. That would certainly resolve the concerns of the junior Senator from Alaska.

Mr. JOHNSTON. That could well be. I think it is an appropriate way to work out this dispute.

Mr. MURKOWSKI. I would like to discuss this with my colleague who stepped off the floor.

How can we be assured that we would limit the opening of the Tongass in a year to this one topic as opposed to opening it up for any other amendment action that someone might care to address?

Mr. JOHNSTON. Mr. President, the suggestion of the senior Senator was that the Secretary make a study on this one area, on this one issue. That is what his suggestion suggests. That is what the proposed language would require. It is limited in its terms to that.

I am willing to accept the amendment as a compromise from the Senators from Alaska.

Mr. MURKOWSKI. Mr. President, I think my friend from Louisiana has to appreciate my concern over opening up the whole Tongass again for other revisions that might be forthcoming.

Mr. JOHNSTON. I can tell the Senator that after all the time and effort that he and I and others on the committee have put into this matter—and now being close to a compromise which, if it does not delight the Senator from Alaska, the junior Senator, it certainly pleases him and he has supported this—it certainly pleases me. I will not be anxious to bring this matter up for a reexamination other than on this one specific narrow area that we are dealing with in the instant amendment.

Mr. MURKOWSKI. Would the Senator from Louisiana object to specific language that would, in effect, limit revisiting the Tongass in a year to this specific matter? I do not know whether we confined the committee from any amendment or action that one member would want to attach. But it is the junior Senator's intent, and I think the intent of the Senator from Louisiana, to have some assurance that we do not open the entire Tongass up again.

Mr. JOHNSTON. Mr. President, without amending the Constitution, we could not preclude our ability to act on this again next year, but I can assure the Senator that as far as the present chairman of the Energy Committee is concerned, that we are not going to reopen Tongass next year, except for this narrow matter, or unless there is some overriding consideration, and I cannot imagine what it would be. This is not going to be an annual exercise, Mr. President. As far as I am concerned, this is management regime for the Tongass National Forest, and we are simply not going to open it up again next year and go through this annual exercise.

Mr. WIRTH. Will the chairman yield?

Mr. JOHNSTON. Yes.

Mr. WIRTH. Is it the chairman's understanding that if we do not move this, we might be encouraging some of us to open up for amendments next year?

Mr. JOHNSTON. I think the Senator is exactly correct.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KERRY). Without objection, it is so ordered.

AMENDMENT NO. 2016, AS MODIFIED

Mr. JOHNSTON. Mr. President, I ask unanimous consent that I be allowed to modify the pending amendment in a manner that I will read and send to the desk, that that modification, along with the pending amendment, shall be agreed to and shall not be further amendable, and the amendment will read as follows:

* * * and at the end of the committee substitute insert the following new section:

No later than 1 year after the date of enactment of this act, the Secretary of Agriculture, in consultation with the State of Alaska and affected private landowners, shall prepare and transmit to the Congress a study containing recommendations on the need, if any, to standardize riparian management practices for Federal, State, and private lands within the Tongass National Forest.

The PRESIDING OFFICER. Is there objection to the proposed modification of the Senator from Louisiana?

The amendment, as modified, is as follows:

On page 16, lines 21 and 22, strike the following phrase "the last three hundred feet before the confluence with class I streams of";

And at the end of the committee substitute insert the following new section:

SEC. . No later than one year after the date of enactment of this Act, the Secretary of Agriculture, in consultation with the State of Alaska and affected private land owners, shall prepare and transmit to the Congress a study containing recommendations on the need, if any, to standardize riparian management practices for Federal, State and private lands within the Tongass National Forest.

Mr. MURKOWSKI. Mr. President, both the senior Senator and myself have looked it over and discussed it at some length, and it fits within our concern over uniformity and the methodology to obtain it. I appreciate the response of the senior Senator for Louisiana in his willingness to amend his amendment to include this language.

Mr. STEVENS. Mr. President, reserving the right to object, I state my deep appreciation to the two Senators, the two managers of the bill, for the consideration of my suggestion.

The PRESIDING OFFICER. Hearing no objection, the modification of the Senator from Louisiana is accepted.

Mr. JOHNSTON. Mr. President, the amendment now as modified is also agreed to; is that correct?

The PRESIDING OFFICER. No. Only the modification is accepted. There is still time remaining on the amendment.

Mr. JOHNSTON. Mr. President, my unanimous-consent request was that I be allowed to modify my amendment and that the amendment, as modified, then be agreed to and not be further amendable. I ask for that unanimous-consent agreement.

The PRESIDING OFFICER. Is there objection?

Mr. MURKOWSKI. Mr. President, I am not going to object but I advise the Senator that I intend to speak very briefly on this, but I will not object to the unanimous-consent request.

BUFFER ZONE AMENDMENT

Mr. McCLURE. Mr. President, I rise to state my strong opposition to Senator JOHNSTON'S amendment to delete the language relating to buffer zones in the committee substitute to H.R. 987. The effect of this amendment would be to extend the 100-foot buffer zones along all class I and class II streams. I simply do not see the need to blanket-prescribe 100-foot buffer zones all along class II streams, when the committee language extends the buffers for 300 feet along class II streams from where they converge with class I streams.

Class I streams are those in which salmon spawn and where game fish reside, and class II streams are those in which fish of limited sport value reside, and which eventually empty into class I streams. During the committee markup, the committee voted to extend the buffer zones up all class I streams and for 300 feet along class II streams from their convergence with class I streams. Most sediment settles within 300 feet and this amendment would protect sediment resulting from logging from entering class I streams. My colleague's amendment is absolutely unnecessary, and indeed does great detriment to an already pernicious provision in the legislation as it now reads. A 100-foot buffer extending 300 feet up a class II stream is simply enough.

I would like to point out to my colleagues who may not be familiar with the Tongass National Forest that the Forest Service presently has an intricate, site-specific mechanism for riparian management. The National Forest Management Act of 1976, section 6(g)(E), states that the Forest Service should insure that timber will be harvested from National Forest System lands only where protection is provided for streams, wetlands, and other bodies of water from detrimental changes in water temperatures, blockages of water courses, and deposits of sediment, where harvests are likely to seriously and adversely affect water conditions or fish habitat.

Regulations further direct that special attention shall be given to land and vegetation for approximately 100 feet from the edges of all perennial streams. No management practices causing detrimental changes in the water temperature or chemical composition, blockage of water courses, or deposits of sediment shall be permitted.

In 1983, the Alaska Regional Guide was developed by the Forest Service, the National Marine Fisheries Service, and the Alaska Department of Game and Fish which established aquatic habitat management units [AHMU's], which give site-specific directives for protection of fish habitat. There are three broad categories of Tongass streams, classified and cataloged according to their importance to fish:

Class I: Those with anadromous fish habitat or a high value resident sport fishery. Anadromous fish spend part of their lifestyle in freshwater and part in saltwater.

Class II: Those with resident fish populations.

Class III: Those with no fish present but with potential water quality influence on downstream fish habitat.

Special consideration is given to the 100 feet on either side of streams. Through an interdisciplinary team and National Endowment Policy Act [NEPA] processes, the Forest Service tailors units within an AHMU to meet the needs of a particular stream. The management prescription must have prior approval before timber harvest is done in the area, and the interdisciplinary team formulates alternative management regimes which appear in the draft environmental impact statement. The public and State agencies respond to the proposed alternatives, and the final environmental impact study is published.

I simply do not see the need to prescribe buffer zones for 100 feet on each side of class I streams, and especially along the entire length of class II streams. It is absolutely unnecessary. The National Marine Fisheries Service supports this provision, and the Forest Service opposes it. If the Forest Service is doing such a poor job of managing fish habitat, then why was the statewide catch for 1989 a record 690 million pounds? And why has there been a fourfold increase in fish runs over 1983 figures? During the hearings, we heard uncontested testimony about how the Forest Service has increased the fish production of forest streams. Not one shred of evidence was presented to the committee which would indicate that current management practices have had an adverse impact on the fishing industry.

In fact, during the 1980–86 period, commercial fisheries harvested over 144 million pounds of salmon annually. Since 1983, the catches have averaged over 30 million fish per year, which is much higher than the historical averages, with two all-time records set in the last 4 years. Someone must

be doing something right, which I find refreshing, in view of the fact that we are nevertheless debating a prescription not warranted and the need for which has not been established.

We have heard uncontested testimony about how the Forest Service has increased the fish production of forest streams. If we truly are concerned about maintaining and enhancing the southeast Alaska fishery, the best action we could take would be to let the Forest Service manage the riparian areas. They have the knowledge, the experience, and the capability. What they do not need from us is our interference.

I am extremely distressed by the fact that the Deputy Regional Director of the National Marine Fisheries Service has stated to this committee that he would advocate applying the 100-foot buffer zone principle, or a variation thereof, to national forests, within the lower 48 States.

Also during the hearings held in March, the National Marine Fisheries Service stated that it is essential to apply the 100-foot standard to riparian management. But on closer questioning, Dr. Brooks of NMFS admitted that the standard is arbitrary; that, in fact, stream production could in some cases require less, and in other cases more.

The enlargement of the buffer zone provision would create in some cases an almost impenetrable web that would greatly increase logging costs and could result in even greater environmental disruption. The Forest Service must retain the discretion and authority to manage the sale areas in a way that is both environmentally sound, and makes good sense.

One of the most worrisome things about the buffer zone provision is that once passed, it would enable the NMFS to extend the 100-foot buffer to the lower 48 States. This is simply not acceptable. There must be room for site-specific decisionmaking, and the Forest Service has enough prescription already with the 100-foot buffers along class I streams and 300 feet up class II streams. I hardly think that we need to micromanage every little thing the Forest Service, those who we have given a mandate to as the professional resource managers, tries to do, as if we and only we, in the Congress, know best. I do not agree that we necessarily know best. Let the Forest Service have a little discretion.

Also, in some instances, the provision would limit the ability of the Forest Service to access streams and pull out large woody debris, in the cases where there are blowdowns, as happens periodically in southeast Alaska. Large woody debris in excess can be damaging to fish habitat; and the Forest Service does much more than harvest timber—they also proactively manage the riparian area. One result of the Forest Service improving fish habitat is the potential annual increase of 8 million pounds of anadromous fish.

I am very chagrined by the fact that we are endorsing a blanket prescription for riparian management. Many research studies have been, and are being, conducted in southeast Alaska on habitat requirements of anadromous and resident fish, effects of land-use activities on fish habitat, and fish habitat enhancement opportunities. Results are incorporated into Forest Service policies and prescriptions. Research has pointed out the substantial variability in condition, and the opportunities and need for similarly variable prescriptions. An example is large woody debris. Previously, biologists and others believed that all logging debris had to be removed from streams to protect fish habitat, and Forest Service policy reflected this. Through research, it was determined that some large woody debris in streams is needed to protect fish and to increase salmon and trout production. Current policy and management practice provides for enough debris for fish habitat and retention of standing trees nearly for future replacement. Research has identified other ways to protect and enhance fish habitat. In some locations, increased light reaching the stream is needed to increase fish production, further pointing out the need for individual prescriptions based on local condition and characteristics.

I might point out to my colleagues that any net gain from fisheries production which would result from the amendment would be small and would result in far less gain to the fish industry than the impact caused to the timber industry by the large loss of allowable sale quantity. According to Forest Service estimates, the allowable sale quantity would be reduced by approximately 25 percent because of this provision. The buffer strip provision has more of an impact on the timber industry than does the proposal to designate the 23 areas as LUD–II.

A Forest Service exhibit has shown that existing direction to protect riparian habitat and water quality represents about 3 to 5 percent of productive forest available for harvest being reserved as buffers. The current geographic information system [GIS] inventory indicates that 6 to 9 percent of the productive forest would be in the buffer or primary stream channels. It is estimated that 20 to 25 percent of the productive forest land is in buffers of tributaries not included in the geographic information system inventory.

Mr. President, it is absolutely unnecessary to prescribe riparian management in this manner. I yield the floor.

The PRESIDING OFFICER. Under the unanimous-consent agreement, the amendment, as modified, would be accepted, and, if the Senator wishes to speak afterwards, the Senator has that right.

Mr. MURKOWSKI. I wish to speak afterwards.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2016), as modified, was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. MURKOWSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I thank my two colleagues from Alaska for their cooperation in this matter, which has been excellent.

Mr. MURKOWSKI. Mr. President, if I may ask the Senator from Louisiana, I assume that we will be recessing here in a few minutes for lunch and then we have additional amendments that we will take up later on this afternoon.

The PRESIDING OFFICER. The Senator is correct. Under the previous order, the Senate will recess at the hour of 12:30.

Mr. MURKOWSKI. I ask unanimous consent that I may speak for a few minutes on the issue of uniformity with regard to buffer strips.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

BUFFER STRIPS

Mr. MURKOWSKI. Mr. President, I think it is important that we recognize the commitment that has been made to enhance the fisheries resource for the first time on any national forest anywhere mandating a buffer strip application. The significance of this, I think, will lead the way for other national forests to adopt similar legislation to mandate such forest management practices. The Forest Service has had the authority to mandate buffer strips for some time, but clearly there was no uniformity that could stand the test of those who would care to perhaps second guess the application.

And there are experts, of course, who have been addressing the adequacy of 100 feet, 200 feet, and the application of anadromous streams to those streams that hold resident fish populations and to those streams that hold nothing more than water.

The significance of what has taken place in Alaska, I think, first has to go back to the initiative taken by the State legislature in adopting a forest management practice act, an act that, first of all, set realistic mandates on private land, which is primarily Native land, setting forth 66 feet on the side of anadromous streams for a buffer strip and mandating a 100-foot no-cut zone on State lands with anadromous streams as well as 100-foot no-cut

zones along all streams with resident fish.

The application of this, plus the willingness of my colleague from Louisiana to include in his amendment a provision where the Forest Service will evaluate and assess the uniformity, I think is meaningful and goes a long way toward setting forth a practice for Alaska that is not only in the best sense of forest management practices but indeed will enhance our fisheries resource.

Mr. President, there is a good deal of confusion about salmon harvest levels in southeastern Alaska and the effect that increased logging has had on salmon harvest. I will ask unanimous consent to have printed in the RECORD a comparison for a period from 1979 to 1989 showing the millions of pounds and millions of dollars of value.

It is interesting to note that from 1988 the millions of pounds went from 90 to 257 million, the value from $108 to $128 million. There have been differences in the years in the 10-year span primarily due to causes that are a little difficult to identify. Whether the fish were caught on the high seas or caught somewhere in between or were lost through some other means is not known, but clearly, as a consequence of increased logging, we have not seen measurable declines in salmon harvest levels in southeastern Alaska.

I ask unanimous consent that this be printed in the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SOUTHEAST ALASKA SALMON HARVEST LEVELS

Year	Million of pounds [1]	Millions of dollars [1]
1979	72.9	84.9
1980	93.0	72.9
1981	110.7	82.4
1982	123.0	74.3
1983	155.7	63.3
1984	154.8	82.2
1985	231.0	99.0
1986	215.0	93.5
1987	73.5	64.1
1988	90.7	108.0
1989	257.9	128.0

[1] Source: U.S. Forest Service and Alaska Department of Fish and Game.

The Tongass National Forest has supported a year-round timber industry since the 1950's with no measurable impact on Salmon harvests.

Mr. MURKOWSKI. I think, as a consequence of the realization that the committee had not had a chance to have the input from the State Forest Management Practices Act, which has not become law nor had it been signed by the Governor prior to our action, and the fact that the Senator from Alaska has attempted in this legislation to include the State forest management practices law as being applicable for Federal lands as well, we have come probably as close as we probably could under the circumstances recognizing that we will have now this evaluation and report back to the committee by the Forest Service within a year's time. And I particularly appreciate the position of the senior Senator from Louisiana assuring me that he will do all within his power to limit the opening to this particular topic.

I also advise my colleagues that there are those who do not feel that 100 feet on anadromous streams or 100 feet on streams that carry major fish populations is adequate. They want class three streams included as well. The effect of this on the timber base would be very, very significant and would reduce by nearly 50 percent the allowable cut, and that is a situation that is in the House bill. It is appropriate that we recognize it as we go to conference, that we have that reality, and I think we have set a responsible pattern here in addressing adequacy of buffer zones on anadromous streams and those that have resident fish populations. But by no means are we prepared, nor are we going to settle, for the alternative that is in the House bill of class three streams, which, as I have indicated, would devastate the industry.

Mr. President, I assume the Senate will be recessing soon. Is that correct?

The PRESIDING OFFICER. The Senator is correct, the hour of 12:30 having arrived.

Mr. MURKOWSKI. May I ask the Chair what time we will go back on the Tongass bill?

The PRESIDING OFFICER. The Senate will reconvene at the hour of 2:15 p.m.

Mr. JOHNSTON. Mr. President, I will tell my colleagues there is only, under the unanimous-consent agreement, one additional amendment that is in order on this bill and that is the so-called Greens Creek amendment as to which there is no time agreement, so there could be unlimited debate on the Greens Creek amendment, if offered.

I hope, if offered, it will not provoke that much debate. But in any event, that will be the matter ready to be proposed at 2:15.

RECESS

The PRESIDING OFFICER. The hour of 12:30 having arrived, under the previous order the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon, at 12:30 p.m., the Senate recessed until 2:16 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. SIMON].

The PRESIDING OFFICER. If no one seeks the floor, in my capacity as a Senator from Illinois, I suggest the absence of a quorum. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

SENATE PHOTOGRAPH

Mr. MITCHELL. Mr. President, I would like to ask that Senators take their seats so we can determine who is not here and available in the Capitol and on their way, as opposed to being away from the Capitol.

Mr. President, may we have order?

The VICE PRESIDENT. The Senate will come to order. Senators on both sides, please cease conversation. The majority leader desires to speak.

The majority leader is recognized.

Mr. MITCHELL. Mr. President, we are attempting to, at this moment, the staffs on both sides, determine which Senators are on their way so that we do not leave out anybody who is actually physically in the Capitol.

As soon as we do that, which will be momentarily, I am going to ask unanimous consent that the Senate stand in recess subject to the call of the Chair.

As soon as that occurs, I will then make an announcement with respect to the number and timing of the photographs. If we can have the cooperation of Senators, we can complete this process in a relatively brief period of time.

I understand we are now waiting for just one.

The VICE PRESIDENT. Let me see if I can obtain order.

Will the Senate come to order?

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate stand in recess subject to the call of the Chair.

There being no objection, the Senate, at 2:32 p.m., recessed until 2:43 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. SIMON].

The PRESIDING OFFICER. The majority leader is recognized.

THE PENDING OILSPILL LEGISLATION

Mr. MITCHELL. Mr. President, as articles in this morning's Washington Post and New York Times point out, the oilspill last week in New York Harbor and the threat of a 38-million-gallon spill off the Texas coast have underscored, once again, the urgent need for comprehensive oil pollution control legislation.

Ten months ago the Senate overwhelmingly passed such legislation to prevent oilspills and, for those spills

that do occur, to ensure immediate and effective response, to restore damage to natural resources and to compensate people who have sustained economic loss. There has been some progress in resolving differences between this legislation and a bill passed by the House last November.

On March 13, the Senate made a major proposal to the House to reconcile these differences by offering to accept more than two dozen significant provisions in the House bill.

The House and Senate are in agreement on the need for an industry-financed fund of at least $1 billion to ensure quick compensation for cleanup costs and damages from oilspills.

We are close to agreement on provisions to improve Federal and industry capabilities to clean up a worst-case oilspill. I believe that we will shortly reach accord on provisions to require new vessels to have double hulls and to mandate a phaseout of the existing single-hull fleet.

The House and Senate also are in agreement that the new Federal oilspill bills should preserve the ability of States to retain and enact more stringent oilspill liability laws.

Mr. President, the Senate voted unanimously to specifically preserve existing and future State oilspill liability laws. The House voted overwhelmingly on three occasions not to preempt such laws. I want to repeat and reemphasize that. The Senate voted unanimously to specifically preserve existing and future State oilspill liability laws. The House voted overwhelmingly on three occasions not to preempt such laws.

The major problem preventing quick enactment of comprehensive oilspill legislation has been the insistency by the oil shipping industry, the administration, and others, on adopting House bill provisions that would indirectly overturn these votes and other provisions in both bills through implementation of the 1984 international oilspill protocols.

I reject such attempts to set in motion a process through the protocols that would do indirectly that which Congress has been unwilling to do directly.

The Senate bill and the House bill, without the protocol provisions, offer an oilspill prevention regime that would achieve its objective by building on Federal and State law and by preserving our options to strengthen such laws in the future.

The protocol provisions in title III of the House bill, on the other hand, attempt to establish a liability regime that contradicts the one established elsewhere in the House bill, and that dismantles present Federal and State oilspill liability statutes and proscribes future ones.

The Senate bill and the House bill, without title III, offer an effective Federal and State liability system to prevent spills by inducing a high standard of care for all persons engaged in the handling and transporting of oil and to ensure that as much as possible, the polluter, not the American taxpayer, pays for the cleanup costs and damages that result from spills.

The regime of Federal and State laws seeks to ensure the fullest possible compensation of oilspill victims. It is a system that makes it more likely that claims are more fully paid by the polluter. In those cases in which the polluter cannot be found, is not able to pay, or State and Federal liability limits, if any, have been reached, the Federal oilspill liability trust fund is available to compensate claimants quickly.

The protocols in title III of the House bill, on the other hand, offer a liability regime that tolerates any behavior short of criminal negligence in the handling and transporting of oil, and that insulates captains, pilots, and charterers from liability. It is the regime that preempts any Federal or State law from imposing a higher standard of care or from holding any responsible person liable, and one that, to a significant and unacceptable degree, transfers the costs of spills from those who are responsible to the American taxpayers.

Full compensation for catastrophic spills almost certainly cannot be obtained from the polluter under the oil pollution regime that would be put in place by the protocols and title III of the House bill. Instead, compensation is limited to the amounts in the international fund and the Federal oilspill liability trust fund.

Under the regime that would be established by the Senate bill and the House bill without title III, the victims of Exxon's spill in Prince William Sound would have been fully compensated because Exxon would have been strictly liable for all cleanup costs and damages incurred as a result of its spill in Prince William Sound. These amounts already are estimated at approximately $2 billion; total costs and damages may exceed this amount by several times.

On the other hand, the regime offered by the protocols and title III of the House bill would have preempted the standards of care under the House and Senate bills, and Alaskan State law holding Exxon fully liable would have been preempted.

As a result, Exxon's liability would have almost certainly been limited to less than $60 million, and Exxon's victims could not have obtained more than $250 million from the international regime and $1 billion from the Federal trust fund, if this bill had been enacted. These amounts would have had to have been paid by the American people rather than Exxon, and they would not even have covered the existing cleanup costs and initial damages.

In addition, the protocols and title III offer a regime that would have allowed Exxon to submit claims to the international fund for its cleanup costs. The victims of Exxon's actions, therefore, would have been forced to compete on an equal footing with Exxon for the $260 million available from that fund.

The choice presented by the 1984 protocols is not whether to have an international oilspill regime. The choice, instead, is whether the regime offered by the 1984 protocols is worth voiding State and Federal laws and many of the provisions in the House and Senate bills that are the subject of this conference.

I am unalterably convinced that the 1984 protocols are not worth that price.

Moreover, there is no reason to consider enactment of title III of the House bill because it is meaningless unless it is preceded by ratification of the protocols.

That authority under the Constitution for such ratification is vested with the President, "by and with the advice and consent of the Senate." It is the Senate and the Senate alone that has that authority.

The protocols have been pending before the Senate since 1985. During that time, the Senate has been unwilling to give its advice and consent and, instead, has expressed reservation.

As a result as the Journal of Commerce has noted under these circumstances, "Insisting that the protocols be accepted in the oilspill is tantamount to opposing passage of this badly needed legislation."

I wish to repeat that. "Insisting that the protocols be accepted in the oilspill bill is tantamount to opposing passage of this this badly needed legislation."

Mr. President, as the original sponsor of that bill I hope very much that those who have so far prevented passage of this badly needed legislation will reconsider and permit us to proceed with this good strong bill.

Mr. ADAMS. Mr. President, will the majority leader yield?

Mr. MITCHELL. Yes, I yield the floor.

Mr. ADAMS. Mr. President, I support the majority leader's position. We had the tragedy of this last week.

I particularly am in support of the double hull provision which is in that bill and which could have prevented portions of what have happened in these last tragic days.

I agree with the majority leader. We need to have this conference over. Several months ago we passed this bill. We should accept the provision that says there shall be double hulls on the

oil tankers in the United States and prevent these spills where we can and be better prepared to deal with them afterward.

I appreciate the fact that the majority leader has made this statement. I join with him in saying let us get this conference over, let us have the double hulls.

Mr. President, once again oil tanker accidents are headline news. Last week the *B.T. Nautilus* ran aground, dumping more than 250,000 gallons of oil near Bayonne, NJ. Now we have a major fire aboard the *Mega Borg*, a Norwegian tanker in the Gulf of Mexico near Galveston, TX. We must all hold our breath and hope that the vessel's cargo tanks, which still hold nearly 38 million gallons of oil remain intact.

Once again the need to prevent these spills is made all too clear. While comprehensive oil-spill legislation languishes in conference, preventable oil spills continue to occur.

The most important oilspill prevention measure under consideration in conference is the House proposal to mandate double hulls on all vessels carrying oil in American waters. Let me bring my colleagues up to date on where things stand on this issue in the conference committee.

Several months ago, the Senate made the House an offer on this issue. The key phrase in this offer is "double hulls or better." This means that if the Coast Guard or the National Academy of Sciences finds that some other requirement is better than double hulls, double hulls would not be required.

If we handed out awards for false advertising, double hulls or better would win top prize. This is the same approach that was used at the international level to give us segregated ballast in 1978. The oil industry's allies on the National Academy of Sciences are now engaged in a desperate search for segregated ballast, part II, the sequel. Whatever it is, I'm afraid it will be a real horror show compared to the protection we can get from double hulls. Mark my words, double hulls or better will mean no double hulls.

Fortuately, the House is holding firm. Their latest counteroffer includes a double-hull mandate for new tanker construction. While I am very concerned about other aspects of this counteroffer, including an overly long phaseout for the existing fleet, and an unacceptable exemption for vessels that transfer, or lighter, their oil 60 miles or more from our coast, the mandate issue is the most important. The tightest phaseout provision imaginable is worthless if the Coast Guard is allowed to wriggle their way out of a double-hull requirement through creative use of administrative discretion.

Mr. President, I call upon the Senate conferees to accept the House position on a mandate. Our Nation's coastlines and waterways are too precious to be left at risk while the oil industry figures out a clever way to avoid double hulls. Receding to the House on the double-hull mandate issue will be a significant step toward providing these marine areas with the protection they deserve.

"MEGA BORG": MEGA DISASTER?

Mr. LIEBERMAN. Mr. President, as I speak, a massive oil tanker continues to list in the waters of the Gulf of Mexico, as its cargo continues to leak into the water, and burn into the atmosphere.

It is too early to assess the extent of environmental damage. But the *Mega Borg* has the potential to be a mega-disaster. The cargo of the tanker is 38 million gallons of oil—three times more than the amount that spewed out of the *Exxon Valdez* in Alaska last year. The oil is light crude, and its effect on the water and the Texas coast may not be as great as that of the Prince William Sound spill.

But that is small comfort. The fact is, oilspills like this one are bound to happen, as long as we transport oil by boat, and as long as we put safety and the environment second on our list of priorities. In fact, the effect of this accident has been far greater in human terms than the *Exxon Valdez*, for two men have died, and two more are still missing. And, as in Alaska, the economy of a region—its tourism and commerce—are threatened.

I hope that one consequence of this new disaster at sea is speedier approval of oilspill legislation by the Congress. As a member of the Environment Committee, I was pleased to play a role in shaping this legislation, but I believe the version that emerges from the conference committee should combine the strongest features of both bills under consideration.

One reason this legislation is important is that it would put in place emergency response teams and equipment that could react quickly to an emergency like that of the *Mega Borg*. In fact, if such a team were located in the Gulf of Mexico, foam might have put the fire out more quickly, before major damage was done to the ship.

As it is, the private contractors had to send to Rotterdam, in The Netherlands—5,000 miles away—for equipment to fight the fire. Coast Guard officials on the scene said this is "free enterprise at work." I say it is free private and public enterprise asleep at the wheel. It is proof that Government must play a role in demanding more of the oil and shipping industry and more of itself when it comes to the transportation of massive amounts of oil over our waters.

The fact that it took 57 hours for the needed equipment to arrive on the scene leads me to ask: Did the Coast Guard have access to similar equipment, perhaps through the U.S. Navy, located in the United States? If so, might that equipment have been used on an emergency basis to prevent a bigger disaster from happening? The legislation now in conference would clearly give the President the power to order that any steps necessary be taken to forestall a major oilspill, but I believe current law should have been sufficient to allow the Coast Guard to step in if it had quicker access to better firefighting equipment.

I also hope conferees will agree to House language that calls for double hulls on oil tankers. Such a provision would not have prevented the *Mega Borg* accident, because the double hulls would only be required on new vessels, and older vessels would not have to be retrofitted for another 15 years. But the earlier we establish such a requirement, the more oilspills we can prevent in the future.

Mr. President, the sight of tankers gushing oil is becoming all too common on the television screens of the American people. They sense the danger to our environment, and they want action. The time is ripe for passage of oilspill legislation. I hope that the remaining differences holding up agreement on the new law can be ironed out in the very near future so that we can put in place the protections we need to prevent the *Exxon Valdez* and the *Mega Borgs* of the future.

TONGASS TIMBER REFORM ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. Does the Senator from Louisiana seek recognition?

Mr. JOHNSTON. What is the pending business?

The PRESIDING OFFICER. H.R. 987, the Tongass National Forest legislation.

Mr. JOHNSTON. Mr. President, I yield the floor.

Mr. BUMPERS. Mr. President, I rise in strong support of H.R. 987, the Tongass Timber Reform Act, which was reported unanimously by the Committee on Energy and Natural Resources on March 7. The Tongass National Forest blankets the southeastern region of Alaska, covering almost 17 million acres of islands, coastline, and mountains. The forest contains magnificant stands of virgin timber, spruce, and hemlock 200 feet high and hundreds of years old, productive salmon streams, scenic coves, fiords, and snow-capped mountains, and an abundance of wildlife. The Tongass Forest is a resource of national and international

stature and it has rightly become a cause celebre of many national conservation groups. It is also of immense importance to the Alaskans who depend on timber, or commercial fishing or tourism for their livelihoods, who hunt, fish, hike, and camp in the forest, and for whom the land has historic and ancestral ties.

The management of the Tongass National Forest has been the subject of intense debate in recent years. The major areas of controversy have been:

The Tongass Timber Supply Fund, a direct appropriation of at least $40 million to maintain the timber supply on the Tongass;

A legislatively mandated harvest level of 4.5 billion board feet per decade for the forest;

Two long-term, 50-year timber sale contracts entered into by the Forest Service with private timber companies, allowing thoses companies to harvest approximately two-thirds of the annual allowable sale quantity in the forest under extremely favorable terms and conditions; and

The inadequate protection of nontimber values in the forest, particularly fisheries resources and wilderness values.

The Senate Energy and Natural Resources Committee has taken an active interest in the Tongass during the past few years. In 1987, the Subcommittee on Public Lands, National Parks and Forests held hearings on S. 708, a bill introduced by Senator Proxmire to eliminate the guaranteed funding for the Tongass and make the forest subject to annual appropriations, as are all other national forests in the United States. The 1987 Budget Reconciliation Act eliminated this $40 million appropriation for 2 years, but did not address the other reforms sought for the management of the forest. While comprehensive Tongass legislation has passed the House of Representatives twice by wide margins, consensus on a bill has been more difficult to achieve in the Senate. In 1989, the subcommittee conducted hearings in Washington and in Alaska on Tongass legislation, S. 346, introduced by Senator WIRTH, and S. 247, introduced by Senator MURKOWSKI. In February of this year, we held hearings on certain provisions of the House-passed bill, H.R. 987.

Within the Energy Committee, both Senators WIRTH and MURKOWSKI have worked very hard on this issue. And both have strongly held and often opposing views regarding the future of the Tongass Forest. The chairman of the Energy Committee, Senator JOHNSTON, deserves enormous credit for taking the initiative to fashion a compromise that achieves consensus while addressing all of the concerns the public has raised about the Tongass Forest in a responsible manner. Without his leadership we would not be on the Senate floor today, and Tongass reform—an item at the top of the environmental agenda for many years—would be far from realization.

H.R. 987, as reported by the committee, would permanently eliminate the $40 million direct appropriation for the Tongass Timber Supply Fund and repeal the 4.5-billion-board-foot timber supply requirement enacted in 1980. The committee bill legislatively modifies the contracts between the United States and Alaska Pulp Corp. and the United States and Ketchikan Pulp Co. to resolve the major problems associated with the long-term contracts. All of these changes will make the management of the Tongass National Forest fiscally sound and more consistent with the multiple use mandate of the National Forest Management Act. In addition, the committee substitute recognizes the extraordinary fish and wildlife, scenic and recreational values of the Tongass by prohibiting timber cutting within 100 feet of major salmon streams and by designating 12 areas totaling 673,000 acres for permanent protection from timber harvesting. These areas were identified by the Southeast Conference, an organization of elected officials and community and business leaders in southeastern Alaska, and have been endorsed by the Governor of Alaska.

Mr. President, the time has come to move forward on Tongass reform and to resolve the conflicts over the management of this splendid old growth coastal rain forest. The committee reported bill will stop the overcutting of the forest, end the subsidies to the timber industry, protect the important fisheries, and preserve the most sensitive areas of the Tongass. It deserves the support of the Senate.

Mr. WALLOP. Mr. President, although I reluctantly support the bill as reported by the committee, I would like to make a few remarks.

I wholeheartedly agree with the Forest Service position that a single minimum-width buffer zone policy does not recognize the tremendous variability in site-specific conditions, nor the range of management options available to achieve overall management objectives including but not limited to enhancement to fish habitat and water quality. I am not pleased with the way in which we are treating the buffer zone provision; the Forest Service estimates that virtually 25 percent of the allowable sale quantity on the Tongass will be lost. As Senator MCCLURE has stated, the buffer strip provision has more of an impact on the timber industry than does the proposal to designate the 23 areas as LUD-II—at least during this planning cycle. While I agree with the position that preserving our natural resources is of extreme importance, I completely disagree with the position that unneeded 100-foot buffer strips along almost all the streams are more important than the livelihoods of those in southeast Alaska and that professional scientific judgment should be cast aside.

However, I am a bit disappointed that we have disregarded the opinions and positions of the Senators from Alaska. The Senators in this case are not advocating buffer strips along all class I, II, and some class III streams. The economic viability of southeast Alaska is dependent in large part upon sound multiple use management of this great national forest. Consistent maneuvering to return to the table and the continued attempt to diminish the multiple use land base only erodes the economic progress made by the residents of this section of the country.

Also, I am frankly disappointed in the fact that we keep coming back to the Tongass after serveral compromises were reached. People have the right to count on something. Both the Alaska Native Claims Settlement Act and the Alaska National Interest Lands Conservation Act were long fought and complex measures. Agreement was reached, and even if it did not satisfy everyone, it was an agreement. I, frankly, am a little tired of agreements which only work one way.

I also want to register my strong dismay over the permanent LUD-II designation. No timber harvesting was unpalatable enough, but permanent designation under a management prescription which would otherwise be subject to comprehensive review under NFMA and NEPA is simply wrong. There is simply no justification, environmental or otherwise, for hamstringing essential transportation decisions affecting southeast Alaska which could be considered and accommodated under normal forest management. The fact that the Alaska delegation reluctantly supports the designation provides little comfort. Extortion is hardly the way the Senate should operate. No justification was ever presented as to why the prescriptions involved in LUD-II on recreation development and transportation were essential to the salvation of the Republic. Under the guise of limiting timber harvesting, the committee substitute will savage the future development of southeast Alaska as surely as would wilderness designation.

My concern regarding the land set-aside package springs from the failure of the committee to utilize the official Southeast Conference position, as expressed in its testimony at the February hearing. There seems to be no good reason to utilize its original position when it has been revised and is clearly the overwhelming position of the Southeast Conference. Additionally, the Southeast Conference believes that it is most useful to await the full

planning process which has just a few months remaining. I agree with this and believe that the committee should have eliminated the land set-aside issue from the legislation in its entirety and left that to the land planning process. This is the Southeast Conference recommendation, the recommendation of the land managing agency, the U.S. Forest Service, and the process which I hope someday will become rule rather than the exception for southeast Alaska. This is the second time that Congress has moved to intervene in the planning process after millions of dollars have been spent, and just as the planning process is in its final stage, literally only months from completion. This is not the process outlined in the National Forest Management Act and is not the way I believe the land planning process on the Tongass National Forest should be accomplished.

However, I am very pleased that we have worked out the problems with the Goldbelt exchange, and I thank the chairman of the committee for his assistance and indulgence in working out this provision.

The Alaska delegation feels that this legislation is the most workable compromise reachable on the Tongass. I defer to the delegation, and I urge its adoption by my colleagues. Thank you, Mr. President,

Mr. BINGAMAN. Mr. President, I am pleased to rise today in support of the Tongass Timber Reform Act, H.R. 987, as amended. I believe this is a balanced bill that will adequately protect this majestic national forest in Alaska while assuring a sustainable supply of timber for current and future needs. I am asking the Members of the Senate to vote in favor of this legislation and send a clear message to the American people that we support conservation of national forests.

The Tongass National Forest is one of the few remaining tempeate rain forests in the world. The old-growth forests of the Tongass support a variety of wildlife, including the greatest concentration of bald eagles and grizzly bears in the United States and sensitive salmon spawning grounds. This forest is a national resource which lacks an equal and warrants the special consideration it is receiving today.

The debate on this complicated and important issue has been considerable. We have reviewed many alternatives and the impacts of these alternatives on the environment and the citizens of Alaska. I believe that the legislation reflects the conclusions drawn from these reviews. It is very clear that we have weighted the economic impacts associated with such legislation while exploring new ways to protect this unique national resource for future generations.

The landmarks of the Tongass Timber Reform Act include the provisions that would eliminate the $40-million-a-year permanent appropriation, delete the 4.5-billion-board-feet per decade timber harvest requirement, and modify two long-term timber sale contracts to be more consistent with independent short-term sales. In addition, the bill protects 673,000 acres of the Tongass National Forest from commercial timber harvesting and establishes buffer, no harvest, zones around certain streams.

Mr. President, this legislation recognizes the economic needs of the southeast Alaska communities; it recognizes that the current management direction is unacceptable; and it recognizes that some areas should be protected while others should be managed for a sustained supply of timber.

I believe this bill will make significant progress in reforming the fiscal and timber management plan of our Nation's largest national forest. I urge my colleagues to support this important legislation.

Mr. McCLURE. Mr. President, opponents of Tongass reform legislation point to "The Compromise" which was struck during negotiations on the Alaska National Interest Lands Conservation Act. They believe, as I do, that the timber provisions were included in ANILCA as a tradeoff for the 5.4 million acres of new wilderness on the Tongass. I will not belabor this point, for I have spoken to this specific issue on numerous occasions on this floor and in more than a few hearings. I believe my record is very clear regarding my position on this matter.

The Tongass land management plan is the Nation's first forest plan to be revised. Since 1987, the cost of this effort to the taxpayer now totals $6,974,492.

As directed, the Forest Service has included a program of unprecedented public involvement. In addition, a most significant opportunity for public involvement will be available soon when the draft environmental impact statement for the revised plan is released in late June. This publication will display alternative choices for management and provide the public an opportunity to review and comment on all work completed in the revision process to date.

I fail to see any wisdom in designating additional land use designations prior to the release of the revised plan. The public has been and will be given the opportunity to have their voices heard and participate in the planning process. It is fundamentally wrong for us to circumvent the very process we mandated. One point I find particularly troublesome is the fact that we chose to ignore the best available information from the professionals in Alaska, and we have set a clear precedent to ignore the entire planning process on forests in the lower 48 States. In short, I would have sincerely liked to have had the opportunity to weigh and evaluate the findings of our Forest Service professionals before taking such Draconian action.

By waiting, the committee would still have the opportunity to ignore the findings in the revised plan, but at least it would have had some understanding of the consequences of its action. In addition, we would have at least maintained some of our credibility by utilizing the time, effort, and almost $7 million that we have thus far expended on the revision of the Tongass land management plan.

The committee-reported bill is a result of issues not settled on merit, but by emotion in many cases. The Alaska delegation has attempted to fairly protect the interest of their various constituents only to be overruled or forced into compromise. I believe it is time to reflect and afford Alaska the same deference we have given to North Carolina, Nevada, and Washington. I see no legitimate reason not to.

Despite my very serious misgivings on the committee-reported bill, I have deferred to the Alaska delegation. I see absolutely no justification for not deferring to the delegation from Alaska on fundamental land management decisions in their State. They certainly should be afforded the same opportunities as the rest of the delegations considering land use designations within their respective States.

I hope and trust my colleagues will attempt to incorporate that philosophy when they cast their votes today.

Mr. KERREY. Mr. President, today I rise to express my support for the passage of the Tongass Timber Reform Act. I am pleased that the full Senate finally has the opportunity to act on this important legislation. It is time that we finally reform the Forest Service's management of our country's largest national forest.

At a time when we are concerned about the deforestation of tropical rainforest and the depletion of our country's old growth forests, this bill protects a spectacular region from ill-conceived management practices right here in our country. The Tongass contains the last large expanse of rainforest in the world's temperate zone. Yet our Government is spending millions of dollars every year to subsidize the destruction of old growth forest that is not only critical to the survival of wildlife, but is vital to the region's commercial fishery and tourism industries. The Forest Service recovers only a fraction of the $40 million annual subsidy pumped into the Tongass.

Americans are right to oppose the special management provisions in the Tongass National Forest that have benefited two pulp mills by granting them special subsidies. These companies have been buying 400-year-old trees worth $700 for as low as $2 each.

Proponents have been quick to argue that these subsidies are an important form of economic assistance to southeast Alaska, yet the number of timber-related jobs in the region has dropped immediately following the introduction of the subsidy largely because market conditions worsened. The subsidies have not contributed to good economic development in the region. Further, the timber-management practices in the region are threatened by the two other industries—commercial fishery and tourism—that have been growing during the last decade.

Mr. President, I am pleased that the Senator from Colorado, Mr. WIRTH and the chairman of the Energy and Natural Resources Committee, Mr. JOHNSTON, have joined forces and formulated a bill that puts a stop to destructive environmental and wasteful fiscal practices. In coming weeks the Senate and House will reconcile their two versions of the Tongass Timber Reform Act and I hope that the conferees will carefully consider both bills and agree to a bill that will provide the best possible protection for the region.

The PRESIDING OFFICER. The Senator from Utah is recognized.

AMENDMENT NO. 2017

(Purpose: To authorize an exhange of lands in the Greens Creek area)

Mr. GARN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The senator from Utah [Mr. GARN], proposes an amendment numbered 2017.

Mr. GARN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. without objection it is so ordered.

The amendment is as follows:

At the end of bill add the following new title:

TITLE V—GREENS CREEK LAND EXCHANGE

SEC. 506. DEFINITIONS.

For the purposes of this title—

(1) the term "Atikon" means Atikon, Inc., a —— corporation, its successors and assigns;

(2) the term "Cube Cove lands" means the subsurface of the lands generally depicted on a map entitled "Cube Cove Exchange Lands" and dated March, 1990, aggregating approximately 23,072 acres;

(3) the term "Echo Cove Sealaska Acquisition lands" means the subsurface of the lands generally depicted on a map entitled "Echo Cove Acquisition Exchange Lands" and dated June 4, 1990, aggregating approximately 160 acres;

(4) the term "Echo Cove Sealaska Disposition lands" means the subsurface of the lands generally depicted on a map entitled "Echo Cove Disposition Lands, and dated June 4, 1990, aggregating approximately 886 acres;

(5) the term "fund" means the Admiralty Island Inholding Acquisition Fund established by section 502(c)(4);

(6) the term "Greens Creek Joint Venture" means the mining venture that owns the Greens Creek mine and core or perfected mineral claims, pursuant to section 504 of ANILCA (94 Stat. 2403), in the Greens Creek area of Admiralty Island National Monument, and its successors and assigns;

(7) the term "Greens Creek lands" means the subsurface of the lands generally depicted on a map entitled "Greens Creek Lands" and dated March 16, 1990, aggregating approximately 18,839 acres;

(8) the term "Hobart Bay lands" means the subsurface of the lands generally depicted on a map entitled "Hobard Bay Exchange Lands" and dated June 4, 1990, aggregating approximately 5,953 acres;

(9) the term "Hydaburg lands" means the lands generally depicted on a map entitled "Hydaburg Traditional Use Sites" and dated June 11, 1990, aggregating approximately 4,395 acres;

(10) the term "Katlian Bay and Charcoal and & Alice Islands Lands" means the subsurface of the lands generally depicted on a map entitled "Katlian Bay/Charcoal & Alice Islands Exchange Lands" and dated March 16, 1990, aggregating approximately 3,223 acres;

(11) the term "Kootznoowoo-Angoon lands" means the subsurface of the lands generally depicted on a map entitled "Angoon Exchange Lands" and dated June 4, 1990, aggregating approximately 1,600 acres;

(12) the term "Lake Florence lands" means the lands generally depicted on a map entitled "Lake Florence Lands" and dated March, 1990, which constitute the southernmost drainage of the Cube Cove lands, aggregating approximately 6,006 acres;

(13) the term "lands" means lands, waters, and interests therein;

(14) the term "Libbey Creek lands" means the subsurface of the lands generally depicted on a map entitled "Libbey Creek Exchange Lands" and dated June 4, 1990, aggregating approximately 3,360 acres;

(15) the term "Native Corporation" has the meaning stated in section 3(m) of the Settlement Act (43 U.S.C. 1602(m));

(16) the term "net profits" means the gross revenues realized by Sealaska from the sale of the minerals mined or otherwise produced from the Greens Creek lands minus such costs and expenses, including depreciation and depletion, as would be deductible under generally accepted accounting principles and industry practices consistently applied, treating as outstanding costs the amount of any operating loss that is incurred relative thereto in any year after the beginning of commercial production of minerals from those lands;

(17) the term "Nutkwa Lagoon lands" means the lands generally depicted on a map entitled "Nutkwa Lagoon Exchange Lands" and dated May 8, 1990, aggregating approximately 2,484 acres;

(18) the term "Port Houghton/Sanborn Canal lands" means the subsurface of the lands generally depicted on a map entitled "Port Houghton/Sanborn Canal Area Exchange Lands" and dated March 16, 1990, aggregating approximately 1,994 acres;

(19) the term "Regional Corporation" has the meaning stated in section 3(g) of the Settlement Act (43 U.S.C. 1602(g));

(20) the term "Sealaska" means Sealaska Corporation, a Regional Corporation existing under the laws of the State of Alaska, its successors and assigns;

(21) the term "Secretary" means the Secretary of Agriculture;

(22) the term "the Settlement Act" means the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.);

(23) the term "Shee Atika" means Shee Atika, Inc., a Native corporation, its successors and assigns; and

(24) the terms "subsurface estate" and "surface estate" have the same meanings as they have when used in the Settlement Act.

SEC. 502. EXCHANGE TERMS.

(a) AUTHORIZATION.—In exchange for the conveyances described in paragraph (2) and the agreement described in subsection (c), if there is on file with the Secretary an exploration agreement between Sealaska and the Greens Creek Joint Venture respecting minerals located in the Greens Creek lands, the Secretary may convey to Sealaska, subject to valid existing rights, all right, title and interest of the United States in—

(A) the Greens Creek lands;

(B) the Libbey Creek lands;

(C) the Hobart Bay lands;

(D) the Echo Cove Sealaska Acquisition lands; and

(E) the Hydaburg lands,

aggregating approximately 32,707 subsurface acres.

(2) In exchange for the conveyances described in paragraph (1), the Secretary may accept from Sealaska, subject to valid existing rights, all of its right, title and interest in and to—

(A) the Katlian Bay and Charcoal and Alice Islands lands;

(B) the Port Houghton/Sanborn Canal lands;

(C) the Echo Cove Sealaska Disposition lands;

(D) the surface and subsurface estate in the Nutkwa Lagoon lands, with the exception of title to the locatable minerals and common varieties of mineral materials contained in the subsurface estate, and reasonable rights of access thereto, which shall be retained by Sealaska;

(E) the Kootznoowoo-Angoon lands; and

(F) subject to the contingency described in subsection (b), the Cube Cove lands,

aggregating approximately 33,259 subsurface acres and 2,484 surface acres.

(b) CONTINGENCY.—(1) Unless otherwise agreed to in writing by the Secretary and the owners of the surface interests, the United States shall receive no property or executory interest in and to the Cube Cove lands until it acquires title to the surface estate in those lands, at which time the Secretary shall exercise the right of the United States to acquire the Cube Cove lands.

(2) The United States may acquire the Cube Cove surface and subsurface interests at one time or in segments.

(3) Not later than 90 days also the date of enactment of this Act, the Secretary shall enter into an agreement with Sealaska by which the parties shall agree on the terms and conditions on which the Cube Cove lands will be conveyed to the United States.

(c) EQUALIZATION.—(1) At the time of the conveyances described subsection (a), Sealaska shall enter into an agreement with the United States whereby Sealaska agrees to make a value equalization payment consisting of—

(A) 10 percent of any income received by Sealaska from the lease of minerals removed or sold from any Greens Creek lands in which Sealaska does not establish an

equity interest in the development of those lands; or

(B) 10 percent of any net profits received by Sealaska from minerals removed or sold from any Greens Creek lands in which Sealaska establishes an equity interest in the development of those lands.

(2) For the purposes of section 7(i) of the Settlement Act (43 U.S.C. 1606(i)), Sealaska may deduct amounts equal to the value equalization payments made pursuant to paragraph (1) from revenues it receives from the subsurface estate acquired pursuant to this section, notwithstanding any agreement among the regional corporations to the contrary.

(3) Monies paid to the United States by Sealaska as a value equalization payment pursuant to paragraph (1) shall be covered into the general fund of the Treasury of the United States.

(4)(A) There is established in the Treasury of the United States a trust fund to be known as the "Admiralty Island Inholding Acquisition Fund", consisting of such amounts as may be appropriated or credited to the fund provided in this paragraph.

(B)(i) Until December 31, 1991, there is authorized to be appropriated to the Fund the amount of $10,000,000.

(ii) There is appropriated to the Fund an amount equivalent to the amount of the value equalization payment that is in excess of the amount appropriated pursuant to the authorization under clause (i).

(C)(i) Amounts in the fund shall be available as provided in appropriation Acts, only for purposes of making expenditures for—

(I) the acquisition of privately owned inholdings in the Lake Florence lands;

(II) if no inholdings under subclause (I) are available for acquisition, the acquisition of privately owned inholdings in other areas of the Admiralty Island National Monument; and

(III) if no inholdings under subclauses (I) and (II) are available for acquisition, the acquisition of privately owned inholdings that have high recreation, scenic, subsistence, wildlife, or related noncommodity values located in other portions of the Tongass National Forest, as determined by the Secretary.

(ii) Any acquisition made pursuant to this clause (i) shall be made on a willing-seller basis and subject to the limitations of section 1302 of ANILCA (16 U.S.C. 3192).

(D) The management of the fund by the Secretary of the Treasury shall comply with the requirements of section 9602 of the Internal Revenue Code of 1986.

(d) EXPIRATION OF AUTHORITY.—The authority of the Secretary to make the conveyances described in subsection (a) shall expire if—

(1) Sealaska does not, by appropriate corporate action, approve the exchange in accordance with the terms stated in this Act not later than 180 days after the date of enactment of this Act; or

(2) Sealaska disapproves the terms of the exchange stated in this Act.

SEC. 503. SETTLEMENT ACT LAND AND CONVEYANCES.

Any lands or interests therein conveyed to a Native Corporation pursuant to this title shall be deemed to be lands and interests conveyed pursuant to the Settlement Act, and any conveyance effected pursuant to this title shall be deemed a conveyance to a Native Corporation pursuant to the Settlement Act.

SEC. 504. SUBSURFACE ACCESS.

Sealaska shall have such rights of access to the Greens Creek lands and other subsurface lands acquired herein as are provided in section 1110(b) of ANILCA (16 U.S.C. 3170(b)), in addition to such rights of access as may exist under other law.

SEC. 505. MONUMENT COMPATIBILITY.

Upon acquisition of the Greens Creek lands, Sealaska shall be permitted to carry out activities related to the exercise of rights so acquired in accordance with regulations promulgated by the Secretary to ensure that such activities are compatible, to the maximum extent feasible, with the purposes for which the Admiralty Island National Monument was established.

SEC. 506. LEASES.

The Secretary may issue surface leases to Sealaska in accordance with section 504(f) of ANILCA (94 Stat. 2403).

SEC. 507. LAKE FLORENCE NEGOTIATIONS.

(a) IN GENERAL.—The Secretary shall engage expeditiously in good faith negotiations with Atikon, Sealaska, and Shee Atika for independent voluntary exchange agreements by which the United States would acquire all of the surface estate or all of the surface and subsurface estates held by them in the Lake Florence, Lake Kathleen, and Wards Creek drainages of the Admiralty Islands.

(b) PRIORITY.—The first priority of the negotiations described in subsection (a) shall be acquisition of the Lake Florence drainage.

(c) TIMBER HARVESTING.—Nothing in this section shall be construed to preclude the commercial harvesting of timber in the Lake Florence, Lake Kathleen, or Wards Creek drainages of Admiralty Island prior to the execution of any independent voluntary exchange agreement described in subsection (a).

SEC. 508. MANAGEMENT OF NUTKWA LAGOON.

Upon their acquisition by the United States pursuant to section 502(a), the Nutkwa Lagoon lands shall be incorporated in the Nutkwa LUD II Management Area designated in section 508 of ANILCA, as added by title II of this Act, and shall be managed by the Secretary in perpetuity in accordance with that designation.

SEC. 509. RULES OF CONSTRUCTION.

Nothing in this title shall be deemed or construed to—

(1) require a subsistence determination pursuant to section 810 of ANILCA (16 U.S.C. 3120) or any other law;

(2) affect Atikon, Sealaska, Shee Atika, or the Greens Creek Joint Venture by—

(A) limiting the use of lands owned by them;

(B) affecting their valid existing rights; or

(C) clouding the title of lands and interests owned by them; or

(3) limit the authority of the Secretary under other law to enter into land exchanges with Atikon, Sealaska, Shee Atika, or the Greens Creek Joint Venture.

Mr. GARN. Mr. President, this amendment is the Sealaska/Greens Creek land exchange amendment.

Mr. President, the Kennecott Corp. is the majority owner, 53 percent, of the Greens Creek Mine on Admiralty Island in Alaska. Kennecott is also one of the largest employers in the State of Utah. In my state alone the company employs over 2,300 people. Success of Kennecott at Greens Creek would bolster the company's financial strength and permit it to explore and develop other mineral deposits throughout Alaska and the nation. Any mining activity which contributes to the long-term health of Kennecott contributes to the Utah economy as well. Therefore, I am offering a land exchange amendment which paves the way for the continued exploration and development of the Greens Creek Mine area.

One issue for the Senate to consider in this proposal is whether this would be an exchange for equal value between the Sealaska Corp. and the United States? In answering this, the Senate should consider the tangible and intangible values of land to be received by each party. Under the exchange, Sealaska would receive over 18,000 acres of subsurface lands adjacent to the Greens Creek Mine, and over another 13,000 acres of lands elsewhere in the Tongass National Forest. Sealaska is currently negotiating with Kennecott an agreement to conduct exploration and production of any economic mineral deposits on the adjacent lands. Both Sealaska and Kennecott believe that economically recoverable deposits of silver, gold, lead, and zinc may exist on these lands, but this view is only an educated guess based on the geologic structure underlying the Greens Creek Mine. The value of the mineral deposits on these lands is not known by the Government or any private party and will not be known until exploration occurs. Sealaska is therefore taking a gamble in deciding to trade lands it currently owns for the remainder of the Green Creek Mine area and Kennecott would bear the costs of further exploration.

In exchange, the United States would receive over 33,000 acres of subsurface lands in the Tongass National Forest. This land is valuable because it represents some of the remaining private inholdings in the Tongass. The Government and the environmental community have long coveted privately held lands in an effort to consolidate the Tongass into Federal ownership. The exchange serves that purpose. Additionally, Sealaska would transfer ownership of over 2,400 acres of surface estate surrounding Nutkwa Lagoon. This area has long been held out as an environmental priority for consolidation within the proposed conservation unit because of its scenic qualities. Sealaska has harvestable timber at Nutkwa valued in the millions of dollars which it trades as part of this proposed exchange. Sealaska is therefore exchanging lands of known economic and aesthetic value for lands with a speculative mineral value. As part of this exchange, Sealaska would grant a valuable future interest in the subsurface estate underlying the Cube Cove drainage on Admiralty Island. The ownership interests of the United

States in the subsurface would automatically rest upon a subsequent agreement with the Shee Atika Corp. transferring the Cube Cove surface estate to the Government. The Forest Service has been seeking to consolidate Cube Cove in the conservation unit for years. This future interest in the Cube Cove subsurface estate brings the Federal Government closer to realizing that goal.

Additionally, the exchange includes a unique revenue sharing provision which requires Sealaska to give the United States Government 10 percent of all payments received for exploration and potential development of its lands in the Greens Creek Mine area. This revenue is to form an Admiralty Island Inholding Acquisition Fund to be used solely for other land acquisitions by the Government in the Tongass National Forest. This provision further tips the balance in favor of finding an equal value exchange.

Notwithstanding the valuation issue, the Senate must also consider whether the exchange itself would accomplish other national interest objectives. There are many reasons for approval of this land exchange. Further consolidation of the Tongass National Forest is achieved. The regional economy of Southeast Alaska would benefit from potentially longer term mining activity at Greens Creek, and a portion of those benefits would be passed onto the Federal Government through increased tax revenues. Further discoveries of silver, gold, zinc, and lead would serve to reduce the reliance of our Nation on foreign sources of valuable minerals. For all these reasons, Senate approval of the proposed land exchange should occur.

My colleagues need to be aware that the United States Forest Service, in a letter to Sealaska on June 8, 1990, "supports full development of the Greens Creek mineral deposit through conveyance of minerals to private ownership utilizing land exchanges." Later in that letter, in describing the land exchange contained in my amendment, the Forest Service states, "we now have the essential elements of an exchange. Because of this progress, our respective lawyers are now negotiating the terms of an exchange agreement. * * * We fully expect the Congress will ultimately need to ratify our agreement." I will have a copy of the complete Forest Service letter printed in the RECORD. Obviously, there are implementing issues that need to be resolved, but these would occur when the Forest Service and Sealaska actually finalized the land exchange authorized by this amendment.

The Greens Creek Mine entered into production at the beginning of 1989. It currently employs 250 people with an annual payroll of $10 million. Over $170 million has been spent in bringing the mine into production. During the 10 year production life, the mine should process annually 6.4 million ounces of silver, 30,000 ounces of gold, 25,000 tons of zinc, and 9,000 tons of lead. This mine represents the culmination of almost two decades of effort to bring it into production.

Unfortunately, the Greens Creek Mine lost over $8 million during its first year of operation in 1989, and is projected to lose over $3 million in 1990. Contrary to the belief of some, this mine is not a "cash cow," and for it to be successful, it will be essential to extend its mine life through a land exchange as proposed here, in order to allow for additional exploration and potential development.

The high costs involved in developing the mine is the result of environmental requirements. It is an underground mine and its operation has not been challenged by any environmental group. What this amendment would do is permit further exploration in the area which could lead ultimately to further underground development if economic mineralization is discovered. All future development would occur with the consent of the Forest Service, since the Forest Service would continue to own the surface acreage of the entire area. it is a fact that the Greens Creek mine has been held out by all parties involved, including the Forest Service and environmentalist groups, as a model mine which has been developed and operated in a conservation area without damage to the environment.

Although Kennecott, a Utah corporation, is the operator and majority owner of the mine, it is currently involved in a joint venture with Hecla Mining Co., 28 percent; the CSX Corp., 13 percent; and Exalas Resources, 6 percent. The Greens Creek Mine is a good example of mining companies throughout the West banding together to bring investment and employment opportunities to another Western State, Alaska. I ask the Senate to join in this cooperative spirit by approving the Greens Creek land exchange.

Mr. President, I ask unanimous consent the June 8, 1990, letter from the Forest Service be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE,
Juneau, AK, June 8, 1990.

Mr. ROBERT LOESCHER,
Executive Vice President, Natural Resources, Sealaska Corp., One Sealaska Plaza, Suite 400, Juneau, AK.

DEAR MR. LOESCHER. I want to summarize what I believe to be the current status of our Admiralty Island land exchange negotiations. As we have indicated in our previous correspondence, the Forest Service supports development of the Greens Creek mineral deposit through conveyance of minerals to private ownership utilizing land exchanges. Equally as important, to the extent possible, we want to consolidate Federal ownership within the Admiralty Island National Monument. To these ends, we need to assure that the United States and other parties owning lands or other interest on Admiralty Island receive fair compensation within the terms of any exchange.

In an effort to achieve our land consolidation objective with respect to the 23,072 acres of private lands at Cube Cove, the Forest Service has been making slow but positive progress with the timber and surface owners, and more rapid progress with you as the subsurface owners.

With respect to the Greens Creek, there has been significant progress toward a negotiated agreement as a result of your latest proposal of June 4, 1990, as well as my meetings earlier this week in Washington, D.C. with your legal counsel and ours. I believe we now have the essential elements of an exchange. Because of this progress, our respective lawyers are now negotiating the terms of an exchange agreement. Through these ongoing negotiations, we expect continued progress in resolving the many issues involved in such a complex transaction.

At this time, we feel that our best chance of success lies with completion of these ongoing negotiations. We want to reduce this matter to writing as soon as possible. Only when all the elements of an agreement are written, will the public and all the parties be able to understand the public and private interests to be served. We fully expect that Congress will ultimately need to ratify our agreement. Legislative action must promote our reaching a satisfactory agreement. We are concerned that in its generalized form, it does not address issues which may arise in our ongoing negotiations and because it might unwisely limit the scope of negotiations.

While there are details yet to be negotiated, I believe I can summarize (and display on the enclosure) the essential elements of an exchange. Sealaska would acquire rights in the approximately 18,839 acres of Greens Creek subsurface and, in addition, would acquire another approximately 13,868 acres of subsurface estate made up of split-estates within the Tongass National Forest. In exchange for these acres, the United States would acquire from Sealaska approximately 33,259 acres of subsurface estate, including the subsurface at Cube Cove. Because of concerns about the effects of a Cube Cove subsurface exchange on the surface rights of Shee Atika, our respective counsels are currently drafting an option to allow us to acquire these subsurface rights at some future time when we acquire Shee Atika's surface rights. In addition, the United States would acquire from Sealaska approximately 2,484 acres of surface at Nutkwa Lagoon. In the Nutkwa subsurface exchange, Sealaska would reserve locatable mineral rights subject to the conditions of 36 CFR 251.15 and with access subject to ANILCA, Sec. 1110(b). In addition to the surface and subsurface exchanges, Sealaska would also provide the United States with a 10 percent value equalization payment calculated from Sealaska's gross income derived from the Greens Creek minerals extraction.

There are several outstanding issues which yet need to be negotiated. For example, we need to develop and document a clear understanding as to how the cash equalization payment would be calculated and how records would be maintained. This will be particularly important for our suc-

cessors who will ultimately have to implement the program over the years. Similarly, there are questions about land surveys; when they are required and who does them. On those and similar conveyance issues, we will need to coordinate with our colleagues at the Bureau of Land Management. While the mining operation is ongoing, Sealaska must have reasonable use of the surface for mining and access purposes. However, we need to agree on the terms and conditions of that surface use. There is also the issue of extralateral rights and the question of whether rights to mineral veins should extend beyond the boundaries of the subsurface rights conveyed. There has to be adequate provision made for reclamation of the National Monument. Some of these concerns may be addressed using some of the same mechanisms as proposed for the Nutkwa Lagoon subsurface. Other issues simply need additional discussion.

I look forward to discussing the additional items and completing all the necessary details of a mutually satisfactory written agreement which we can implement administratively or through legislation at the earliest date.

Sincerely,

GARY A. MORRISON,
Forest Supervisor,
Chatham Area, Tongass National Forest.

Land exchange areas

[All acreages are approximate]

Lands or interests in lands to be received by Sealaska Corp.:	*(Acres)*
Libby Creek subsurface	3,360
Hobart Bay subsurface	5,953
Echo Bay subsurface	160
Greens Creek subsurface	18,839
Haida traditional use sites	4,395
Subsurface subtotal	32,707
Lands or interests in lands to be received by the United States:	
Cube Cove subsurface	23,072
Kootznoowoo, Angoon subsurface, P.L. 96-487, Sec. 506.(a)(3)(A)	1,600
Nutkwa Lagoon subsurface	2,484
Katlian Bay subsurface	3,190
Charcoal/Alice Islands subsurface	33
Echo Cove subsurface	886
Port Houghton subsurface	1,994
Subsurface subtotal	33,259
Nutkwa Lagoon surface	2,484
Surface subtotal	2,484

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, there is a great deal to be said for the amendment proposed by the Senator from Utah. As a matter of fact, I had intended at one time to offer a somewhat similar amendment as a committee amendment, provided that that amendment was broadly approved by all parties and was more or less a consensus amendment.

I thought it was very close to a consensus amendment and it appeared consensus was coming together. However, since that time, Mr. President, I have thought it much preferable not to consider this amendment at this time for the following reasons.

This is a controversial land exchange amendment. It involved the giving up of land by Sealaska, which is broadly supported by many groups in Alaska, including the Sierra Club. It involves granting to Sealaska and to their mining lessee further rights to explore and exploit the ore body which they are now mining into land presently owned by the United States.

Mr. President, as the Senator from Ohio [Mr. METZENBAUM] is prepared to argue and will argue, he believes that the value is, in his estimation, grossly unequal. There are at least some in the Forest Service who have at one time opposed this matter. I have, personally, not received any communication from them stating that they now support it, although I have heard rumors that they do support it.

But what really needs to be done, Mr. President, in this and in other controversial land exchanges, is that we ought to have a hearing. I have agreed to have a hearing on this matter on June 28, on legislation which has been introduced as S. 2273.

It is not that I oppose this land exchange. To the contrary, I expect that we will be able to work out a land exchange. It seems to me it is broadly supported; although, frankly, I would like to bring the Forest Service in and ask them specifically and directly what their position is and get their answer on the record.

But, Mr. President, June 28 is only 16 days away, and I assure my dear friend from Utah there is no intent to delay this matter; rather, there is every intention to press it to an early resolution in the Energy Committee.

My opposition is simply that this is a contentious land exchange that needs a hearing. Otherwise, Mr. President, there will be all kinds of accusations, many of them unfair and unfounded, but nevertheless accusations that this is of unequal value and it is unfair to the United States.

The only way to air that out is in a committee hearing, which we are planning to have on June 28. I hope my friend from Utah will take that into consideration. If he does, of course, wish it to be considered by a vote of the Senate, I understand that well because there are many strong equities in his favor.

Nevertheless I can assure him, whether or not he presses it to a vote, we will consider it in committee on June 28.

The PRESIDING OFFICER (Mr. GRAHAM). The Senator from Alaska.

Mr. STEVENS. Mr. President, I am correct there is no time limit on this amendment?

The PRESIDING OFFICER. There is no time limit on the amendment. The Senator is correct.

Mr. STEVENS. Mr. President, this amendment goes back into a great deal of history, the Alaska Native Land Claims Settlement Act of 1971.

Shee Atika is the village corporation of Sitka. It obtained the right to land under the 1971 act and attempted to start harvesting its land. It was the subject of a considerable number of suits, but it has been successful in those suits, although nearly bankrupted by the effort to preserve its rights.

This exchange came into being in about 1985 and the proponents have attempted to develop an exchange that would be acceptable to all concerned. I think the Senate should know they have worked very hard and practically have unanimous support except for the Senator here on the floor who is going to object.

I think it is unfortunate that a proposal like this, which has now reached the point where it ought to be realized, is proposed to go back to the committee for hearing.

It may not have had a formal hearing, but I think we have all worked with it for a substantial number of years and many of these exchanges are, in fact, worked out through the process of negotiations with so many different interests that are involved.

I only wish other Senators represented a State where every single exchange attracts the attention of 535 Members of the Congress. We, unfortunately, have that situation. But in this circumstance I can report this exchange is unique and ought to have the overwhelming support, really, of the Senate right now.

Under this exchange, the Sealaska Corp., which is a regional corporation of southeast Alaska, would receive 33,000 acres of subsurface, and would give up about an equal number of acres; 18,800 acres of the subsurface are at Greens Creek.

The interesting part about this is that Sealaska will pay a 10-percent value equalization payment out of any total income it receives from the sale or development of minerals at Greens Creek. This will go into a fund to be used to acquire in holdings on Admiralty Island, the very island that the proponents of major proportions of this bill have attempted to protect.

I would also point out that Greens Creek subsurface areas are subject to section 7(i) of the 1971 Alaska Native Land Claims Settlement. That means that regional corporation must share its income, if any, from the mineral development, subsurface development, with the other regional corporations that were created by that act. It is a very unique revenue-sharing concept.

To the extent these acres might prove to be capable of mineral development and have value, not only will 10 percent of the income derived by the subsurface land owner go into a fund to acquire in holdings, but 70 percent of the net income received by that corporation would have to be shared with the other 11 Alaska regional corporations, the stock of which is all held by Alaskan Native people.

This Greens Creek mine, as the Senator from Utah has explained, is the largest silver mining operation in North America and has a mine life now with its existing mineral deposit of about 10 years. If this exchange is completed and if it is successful, I am informed that if an economic ore body is identified on the exchanged land, it could extend this mine life another 10 to 15 years.

It is probably one of the most unique exchanges that we have seen because, in this instance, of the long delay involved. Mr. President, almost everyone from Alaska or concerned with Alaska has reviewed this and, to my knowledge, is prepared to accept it and prepared to realize that it does mean a great deal to these Native corporations to have additional income from land which they currently can only get income from by cutting the trees, which is the very purpose for the bill we have here, to set-aside more of that land to prevent harvest of this timber.

In exchange for their land, they get a potential in terms of subsurface value. If it proves to have economic value, it will be spread so far across the State, it is a substantial benefit to every Native person in the State of Alaska.

I find it very difficult to hear that there are objections that have been raised to this proposal. Those objections are, as I understand it, based upon a concept that the United States is somehow or the other being ripped off by huge corporate interests.

The people who are involved in this exchange, the shareholders, are a very small corporation. There is a potential large corporation that will explore these lands. If they are successful, the income from the lands that are leased to the Kennecott Co. will come to these small Alaska corporations.

The Forest Service has a statutory duty to protect the public interest in exchanges such as this, and it has agreed, I am informed, that the exchange is an equal value exchange. As I said, that is approximately 33,000 acres of subsurface, including 19,000, roughly, at Greens Creek, to be exchanged for 33,000 acres of other subsurface throughout southeastern Alaska.

I really think it is unfortunate that we are in a position, when we are ready to pass this bill, that it has an amendment that we all thought was going to be accepted. That was my understanding until just the last few weeks when the time agreement that was being shopped around here was objected to.

I want to point that out again, as I did at the time the bill was called up by the majority leader. That time agreement was objected to by my friend from Ohio, not by this Senator. This Senator was waiting for it to be cleared and was informed it was never cleared.

Mr. METZENBAUM. Will the Senator from Alaska yield for a question at this point?

Mr. STEVENS. Yes, I will yield.

Mr. METZENBAUM. The Senator just made a statement that the Forest Service agreed that the respective values were pretty much equal. We have not been informed to that effect, and I am wondering whether or not you could tell us how the Forest Service has advised the Senator to that effect?

Mr. STEVENS. I have a letter which I will be glad to share with the Senator dated June 11. I ask unanimous consent it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
Washington, DC, June 11, 1990.

Hon. TED STEVENS,
U.S. Senate,
Washington, DC.

DEAR SENATOR STEVENS: In response to your recent inquiry, we believe the Forest Service and Sealaska Corporation have reached agreement on the essential elements of a land exchange involving the Greens Creek mine on Admiralty Island.

As indicated in the enclosed letter of June 8 from Forest Supervisor Gary Morrison to Mr. Robert Loescher of the Sealaska Corporation, we support full development of the Greens Creek mineral deposit through conveyance of minerals to private ownership utilizing land exchanges that would consolidate Federal ownership within the Admiralty Island National Monument.

The essential elements of the agreement include:

(1) Conveyance to Sealaska from the United States of approximately 32,700 acres of subsurface estate, including 18,839 acres at Greens Creek as well as other subsurface lands, consistent with the purposes of ANCSA and subject to valid existing rights.

(2) Conveyance to the United States from Sealaska of approximately 33,300 acres of subsurface estate including, at some future date, the 23,072 acres of Sealaska subsurface at Cube Cove.

(3) Conveyance to the United States from Sealaska of 2,484 acres at Nutkwa Lagoon adjacent to an area of National Forest land proposed for wilderness designation in H.R. 987, as passed by the House. Sealaska would reserve locatable minerals subject to the conditions of 36 CFR 251.15 and with access subject to ANILCA Section 1110(b).

(4) Receipt by the United States of 10 percent of any gross receipts by Sealaska as a result of minerals production from the lands to be conveyed to Sealaska at Greens Creek.

As Supervisor Morrison points out in the enclosed letter, there are several details yet to be resolved. Negotiations are continuing to complete a detailed, written land exchange agreement. We believe the long-term interests of the public and the parties directly involved would be best served by completing such a written agreement.

Once the agreement is completed, it could then be ratified by the Congress. We will keep you informed of our progress in completing a written agreement.

In summary, we support the basic purposes of the Greens Creek exchange, and we are pleased with the progress of our recent negotiations with Sealaska. However, we recommend that the Congress defer legislative action until the completion of a written land exchange agreement. If however, Congress decides to proceed with legislation at this time, the exchange should be contingent upon a written land exchange agreement that is acceptable to the Secretary of Agriculture and that addresses the issues raised in Mr. Morrison's June 8 letter to Mr. Loescher.

An identical letter is being sent to Senator Murkowski and Congressman Young.

Sincerely,

F. DALE ROBERTSON,
Chief.

Mr. STEVENS. Mr. President, it is from Dale Robertson, the Chief of the U.S. Forest Service. He has written to me as follows:

In response to your recent inquiry, we believe the Forest Service and Sealaska Corporation have reached agreement on the essential elements of a land exchange involving the Greens Creek mine on Admiralty Island.

As indicated in the enclosed letter of June 8 from Forest Supervisor Gary Morrison to Mr. Robert Loescher of the Sealaska Corporation, we support full development of the Greens Creek mineral deposit through conveyance of minerals to private ownership utilizing land exchanges that would consolidate Federal ownership within the Admiralty Island National Monument.

He goes on to point out what the essentials of it are. That will appear in the RECORD.

He says:

As Supervisor Morrison points out in the enclosed letter, there are several details yet to be resolved. Negotiations are continuing to complete a detailed, written land exchange agreement. We believe the long-term interests of the public and the parties directly involved would be best served by completing such a written agreement.

Once the agreement is completed, it could then be ratified by the Congress. We will keep you informed of our progress in completing a written agreement.

In summary, we support the basic purposes of the Greens Creek exchange, and we are pleased with the progress of our recent negotiations with Sealaska.

And it goes on:

If, however, Congress decides to proceed with legislation at this time, the exchange should be contingent upon a written land exchange agreement that is acceptable to the Secretary of Agriculture. * * *

It is my understanding we are prepared to accept that concept.

Mr. METZENBAUM. May I have a copy of the letter?

Mr. STEVENS. I will be happy to give the Senator a copy of it.

Mr. JOHNSTON. Will the Senator yield?

Mr. STEVENS. I yield.

Mr. JOHNSTON. The Senator pointed out he is putting the whole letter in the RECORD. It is true, of course, the letter recommends:

We recommend that the Congress defer legislative action until the completion of a

written land exchange agreement. If, however, Congress decides to proceed with the legislation at this time, the exchange should be contingent upon a written land exchange agreement that is acceptable to the Secretary of Agriculture and that addresses the issues raised in Mr. Morrison's June 8 letter to Mr. Loescher.

The point is, would not that advice in that letter be consistent with having a hearing oin this matter June 28?

Mr. STEVENS. Mr. President, I am not convinced that is the case. In view of the timing of this legislation and the fact it is part of the whole subject, and I am sure the Senator knows that tied up in this whole subject, again, is another subject; that is, the future of Cube Cove, in the event this exchange is approved.

It is my hope we would take both into conference and be able to resolve the Cube Cove issue, along with the whole subject of which areas are going to be logged and which are not, and make the exchange contingent upon the written agreement, as is indicated by this letter.

This amendment is subject to amendment. That was going to be my suggestion to the Senator from Utah, that we do proceed with the suggestion from the Chief of the Forest Service, but if we do not carry Greens Creek into the conference—I am not going to be in the conference—if the Greens Creek amendment does not go into conference, then the whole subject, as I understand it, of Cube Cove, which is also known as the Lake Florence area, which is one of great interest to the people that are concerned with Admiralty Island, if it is not taken in at the same time, then we are going to be back here later with a bill deciding what to do with the Cube Cove or Lake Florence area.

Now, I have urged, and I think the Senator from Louisiana realizes that I am urging, that the Greens Creek amendment be adopted subject to the suggestion of the Forest Service, that a written agreement be subject to the approval of the Secretary of the Interior—I think that is proper—and that we proceed also with the Cube Cove concept. But, in any event, I think the amendment of the Senator from Utah, as I understand it, carries the Cube Cove concept into conference anyway. The subject is covered by the amendment of the Senator. It does not provide for the proper disposal of it, but I do believe in conference those people who are concerned with the whole subject will come forward with the proper resolution of Cube Cove.

We are prepared with the Cube Cove amendment, if the Senator wishes to raise it. As I indicated, I think this amendment is subject to a second-degree amendment. But I oppose taking it back into the committee because the committee knew about this subject when it was meeting. It was our understanding that this amendment would be offered on the floor, that it would be supported by the members of the committee, and that what we were talking about, Mr. President, was the Cube Cove or Lake Florence problem, of how to deal with it, assuming approval of the exchange. It was not until the Senator from Ohio decided to oppose this amendment, which I had not been informed of before—I am not a member of the committee any longer, and I do beg the Senator's pardon; if he raised the matter in committee, I did not know that—but I was informed just a couple of weeks ago of the Senator's opposition to the proposed Garn amendment on Greens Creek. I assumed it was a proper amendment because it was, after all, his constituent that is mining at Greens Creek now and has a very successful mine. As I have indicated, it is my understanding it is probably the largest mine of that type in North America today.

Alaskans have a dual interest, Mr. President. That dual interest is that they not only try to resolve the Shee Atika problem of how to satisfy the rights they obtained under the 1971 act. It is, after all, 1990. That does not seem to me to be rushing into a decision concerning those rights. And, second, to assure that this mine, which is now a substantial employer in our State, has the right to expand.

There has been considerable change in the interpretation of this mine since the time we considered this issue in 1980. I think that is another subject which could be discussed at length. I do not want to go into it right now. But I think all concerned and those who have been watching it should realize that the changes which have come about in terms of the actual drilling that has taken place since 1980, have demonstrated the different type of ore body and the distribution of that ore body in the area. Had we known that in 1980, I do not think we would be here now because we would have extended the area that was reserved for the expansion of the mine in the beginning. As it is now, there is not that capability without an exchange of this type.

But because Shee Atika has the basic claim to the Cube Cove area, Mr. President—that is the thing to keep in mind. It is their basic claim to log Admiralty Island, which no one at this time wants to see happen—that gives the right to them to offer to exchange a portion of that for lands that are within the Forest Service area. And, after having exchanged that, they would then have the opportunity to participate in the development of the area.

I think the Senator from Utah has an amendment that ought to be voted on. It ought to go to conference. And, again, we ought to all realize that this is not going to be the final disposition of it. We could take the amendment of the Senator from Utah into conference with the letter from the Forest Service, and everybody concerned could see to it that it was worked out both in terms of the approval of the written agreement the Forest Service now wants and the resolution of what is going to happen to the Cube Cove or Lake Florence area after the matter is in conference.

I am reading now from the letter of the Senator from Ohio which was placed on my desk. It says: "This small plot of land is worth from $1.5 to $5 billion." That is ludicrous, absolutely ludicrous. I just do not know where that has come from at all. It is a proposal to exchange it for operations of the privately owned mine that is producing—and it is a substantially producing mine, but to get that kind of value, the land value, it must be projecting a lifetime income from an absolutely successful mine on the market. That does not mean the land value is that amount by any chance.

I hope we would have the occasion to get into this conference, Mr. President. I support the Senator from Utah. I hope that we will persist. This is one I would like to see go to a vote. I have tried to avoid votes on this bill in order to demonstrate our support for the basic bill and to demonstrate to the House that we are united in the Senate on this Tongass matter. This will be the first time that that has ever happened.

On all timber matters this is true. This is a mining matter now. This is not an exchange of timber values. This is an exchange of subsurface rights to try to work out the future expansion of this mine and the protection of one small village corporation and the regional corporation in terms of its right to share in the economic development of the future. If this exchange does not go through, those native people involved in the area, the indigenous people in the area, will not have any income from the development of this mine. They have no such income today. The development is taking place on patented mining claims today, Mr. President. I think it is ultimately a fair arrangement to see to it that the peoples' forefathers who inhabited that area for centuries have a development of this mine of staggering potential if it proves that that other body is in fact in the subsurface areas.

They are taking, as the Senator from Utah says, an extreme risk because they would be exchanging valuable known rights for a potential mineral deposit participation.

I thank the Chair.

Mr. MURKOWSKI. Mr. President, I join with my colleague, the senior Senator from Alaska, in supporting the

amendment of the Senator from Utah. I think it is appropriate to reflect a little bit on how significant this particular mine is in the history of Alaska.

This mine has been open a little over a year. I had the pleasure of going over to Admiralty and participating in the cutting of the ribbon. The significance of this mine for Alaska is that it is the first major mine to open since the Second World War. I am talking about minerals as opposed to coal. You have a land mass one-fifth the size of the United States with tremendous mineralization. You have the ownership of the land, the land freezes that we have had, the contesting of the opportunity to get patented claims, the cumbersome process that thwarted mineral exploration in Alaska, yet just over the border on the Canadian side we have seen decades of significant mineral exploration and the development of mines. So along came Greens Creek. The mine itself is primarily a silver mine. There has been about $170 million expended, and we have now operating the first major mine in the State of Alaska in over 40 years.

Then there followed another mine in Kotzebue, the Red Dog Mine. Mr. President, it is interesting to note that in Red Dog we had to do another land exchange to make the mine possible. The national environmental groups opposed the mine. They opposed the road out to the port, and we had to do a land exchange.

In the State of Colorado, or the State of Montana, where they had an opportunity to develop the infrastructure, they do not have to go through the terrrible birth pains that we in Alaska have to. We cannot open a major mine anywhere without running into an environmental roadblock laid by well-meaning, but somewhat misled people, who are simply trying to maintain Alaska in a wilderness state.

These are the facts, Mr. President. Here we have a proposal under the regulations to provide for an exchange of land. This is what our Native people were told was a process that would work. Well, we are exercising that prerogative today, and to suggest that this amendment is inappropriate or should not come up is poppycock. This amendment has been discussed in the committee on numerous occasions. It has been discussed by various members. It has gone back and forth as to whether it is going to be supported by various members, but the fact is it is good for Alaska. It is good for the country.

Mr friend from Ohio has a legitimate point in his concern over how do you possibly address values? When you are looking at subsurface values, it is like looking for oil. You know you have oil if you found the pool of oil, but mostly when you go look for oil you do not find it. This is true in minerals, even is more so because of the broken up country.

When these claims were first found, patented, the Greens Creek claim, they did not know where the mineral veins would necessarily go. You can only do so much drilling. I know for a fact that the actual mining does not show as high a recovery rate as some of the drill logs initially showed. So they go in. They open up the mine. They go to the expense.

Then they proceed to find that their ore bodies move in different directions, and there is a reasonable chance that the particular area that they are interested in may carry the vein into that area. It may be richer. It may be less. They do not know.

I have had some conversations with the Senator from Ohio. I, too, am at a loss to suggest a methodology where we could compare subsurface unknown values for known surface values. But I think we have to look at the alternatives. If we do nothing with that, whatever is there, it is going to simply sit there.

The question of how we resolve what it is worth will only be known if it is explored and brought into production. If it is brought into production, it will provide a royalty for the Federal Government, and for the State of Alaska. It will provide jobs for Alaskans, and it is not going to detract from the activity associated with this one mine on Admiralty Island because it is going to be a tunnel subsurface operation.

So I think we have to look, as we address the concerns that my friend from Ohio has on the issue of value to the reality, that if there is no mineral discovery there, obviously you are not going to have an expansion of the mine. You are not going to have an extension of the life of the mine. You are not going to have the employment base that goes with it. Those are givens.

On the other hand, if it is there, you are going to have these things, the question of value. When you look at minerals, there are so many differences. There are world market conditions. If a mine were to come on line in Chile, a silver mine that could produce at less cost, do you know what would be the first thing to shut the mine in Alaska down? The high cost of mines in Alaska.

That is just the reality of doing business in my State. I beg you and I beseech you to consider the dilemma we are in. We have no method to address the process of trying to develop Federal lands that have mineralization in any other manner or form than this kind of an exchange.

I would be happy to sit down and try to address at further length with my friend from Ohio how to give him some comfort on value, other than to say 90-some percent of the mineral areas in the State of Alaska are controlled by the Federal Government. The Federal Government is not in the business of opening up mines, and investing in the risks associated with that.

Under the Mining Act, the basis of the Federal contribution was to make Federal lands available for exploration so they can be developed, so they could provide jobs and give our Nation some type of mineral independence, that now we see is past in many instances because of both South Africa and the Soviet Union, which I think is a real tragedy.

So I think if we wanted to address this amendment in such a way as to have the amendment from my friend from Utah—draft it in such a way—meet the requirements of the final drafting subject to the Forest Service which has jurisdiction in the area, then I think you have a practical application. You have the safeguards, and the check and balances, because obviously the Forest Service is a steward of these lands. I think they have an obligation to reference the Federal jurisdiction as well as the Federal interest.

I think that is a process on which we can proceed and resolve this issue because why should we hold back for an indeterminant period of time an exchange that basically makes sense.

It makes sense to the environmentalists. The Sierra Club has basically supported it and there has been a lot of hard work that has gone into this. A lot of the effort is due to my colleague from Ohio who, in good faith, addressed certain constituents who were interested in this. In the process—my good friend is known for his inquisitiveness—he began to say what about values? How do we relate to values?

I say to the Senator, I do not know how you could possibly make a determination of what the actual value is, but I do not know that it really makes that much difference when you consider what mineralization is all about in the sense of the higher values associated with employment—with developing the largest producing silver mine and, I might add, its gold is a small byproduct of the process. It is the largest producing silver mine in the United States. It produced 5.1 million ounces of silver, 27,000 tons of lead and zinc, and 23,000 ounces of gold. That mine currently employs 250 workers with a payroll of $10 million, a payroll that was not in existence in Juneau, AK, 18 months ago.

The exchange would create the possibility of an extended life for the mine if the mineralization is there. It would provide for continuity of employment for not only Juneau residents, but other small Alaskan communities. And the exchange is supported by the landholders around as the only method to achieve the actual

transfer. I know of no other alternatives.

I would certainly appreciate those who might speak against the amendment, to address just how Alaska and Alaskans can possibly get there from here in this minefield of bureaucracy that has been laid down by the Federal Government in well-meaning regulations, to the point where we no longer have prospectors going out and attempting to develop in our State because it is so costly. It is so time consuming. You need a fleet of Philadelphia attorneys to advise you. It is only the major mineral companies that can afford to do business in Alaska. I think that is contrary to the tradition and what we would like to see because there is a great deal of Alaska that has future potential.

Just like the argument about somebody stating that the Congress is in danger of clearcutting, I would remind my colleagues that we now have two operating mines in the State of Alaska. We have one coal mine; I am not including that. We have two operating mines that are classified as mines, in an area again one-fifth the size of the United States.

So the exchange concept furthers the goal of all concerns, and the Alaskan Native Claim Settlement Act provided for the exchange and provided the commitment to promote economic self-sufficiency for the Alaskan Native people. That is what is happening here. The landholder, Sealaska, is proposing the exchange with the village corporation Shee Atika. They will enter into an agreement to implement the Sealaska shareholder hire program that will provide training and employment for the Native people, and the royalties will be subject to 7(i), which is sharing. It is a winner all the way around.

I think it would be a dereliction of our duty to simply lay this aside and say, let us take it up later or let us hold a hearing. There has been more time and effort trying to reach a compromise by all the parties concerned on this amendment than anything I have seen in the committee for some time affecting Alaska.

So I urge my colleagues to reconsider the merits of this and recognize that we are not running rampant in developing Alaska's minerals. It is a tough road; it is very, very expensive, and the permitting process would drive the ordinary human being simply out of his mind, because of the complexities. So with that, I again urge my colleagues to support the pending amendment, and I am happy to enter into a dialog with my friend from Ohio.

Mr. METZENBAUM. Will the Senator be good enough to yield for a question?

Mr. MURKOWSKI. Yes.

Mr. METZENBAUM. Early in the Senator's remarks he made the statement that we are not going to learn anything more about this matter. It has all been resolved and discussed, and we have gone as far as we are going to go. There is no reason to do anything further.

I am not sure that I understand this, but I think I do. As I understand it, the 18,000 acres that were originally being offered in the exchange for this particular parcel of land, the small parcels, has now been changed to 33,000 acres. I only learned about that since this matter came to the floor. Is the Senator aware of that major change?

I have no idea where those additional 15,000 acres are, what they are worth, nor am I even certain about the facts; it is only that which has been told to me as I have been here on the floor in the last hour.

Mr. MURKOWSKI. Well, what they have attempted, Mr. President, to do is negotiate a settlement that would be agreeable to all parties. All parties consist of obviously the Sealaska Corp., the Shee Atika Group, the Greens Creek Group, and then the specific areas—and the Sierra Club, too, I might add that, and both parties might concur to reach a resolve.

I have a copy of the land exchange areas and the acreage that I would be happy to provide to my friend from Ohio, if that would be of interest. It is the lands or interest in lands to be received by the United States: 23,000 acres of Cube Cove. Kootznoowoo, Angoon subsurface, 1,600 acres; Nutkwa Lagoon, subsurface and limited surface, 2,400 acres; Katlian Bay, subsurface 3,100 acres; Charcoal/Alice Islands, 33 acres; Echo Cove, 886 acres; and Port Houghton, subsurface, 1,994 acres.

The value of these lands pretty much consist of gravel in the sense of subsurface potential.

Mr. METZENBAUM. My question is not the specifics, because I am somewhat confused as to the specifics, because as I understand it, we have been talking for some days, maybe weeks, about this particular amendment. As I understand, what has occurred is that we are advised by the Forest Service and apparently therefore, by the amendment, that the number of acres being offered in the exchange has radically changed, not by a few hundred acres, but by something like going from 18,000 acres to 33,000 acres, as I understand it.

Regardless of whether my numbers are correct, I am asking my friend from Alaska whether he is not as much surprised as I about this new development and whether that does not provide all the more reason why the amendment should not be accepted at this point, until there is an opportunity to have a hearing and see what this is all about.

Mr. MURKOWSKI. That is a good question. Mr. President, if I may respond, I think that the Senator from Ohio would agree that, first, proposed under Greens Creek was 18,839 acres. If that is a given, then the proposal for Libby Creek subsurface is 3,300 acres; Hobart is 5,900 acres; Echo Bay is 160 acres; and Haida Traditional is 4,395, and that was proposed by the Forest Service to give the Forest Service management capability for both surface and subsurface, which is certainly appropriate for an agency to be able to manage both the surface and subsurface of the land.

Mr. METZENBAUM. But it is something different, and we have been talking about it for weeks, and it is only a development within the last few hours.

Mr. MURKOWSKI. It is not in the last few hours. I do not know when I got this, but it has been a while.

Mr. METZENBAUM. I say to my colleague that until 20 minutes ago, I had never heard of these new figures, and I have been negotiating on this subject for a number of days and weeks, and I never heard of these new figures. The Greens Creek amendment we are talking about is not the same Greens Creek amendment that was originally talked about. I do not think that the amendment was described in the unanimous-consent agreement, but it certainly is a different one than that which had been contemplated in the original unanimous-consent agreement.

Mr. MURKOWSKI. Well, Mr. President, the Senator makes a point that I think deserves some examination and explanation. I do not know whether the Senator from Ohio has a letter dated June 8, 1990, from Gary A. Morrison, Forest Supervisor, Chatham Area, Tongass National Forest.

Mr. METZENBAUM. I do not.

Mr. MURKOWSKI. I would be happy to provide that.

Mr. METZENBAUM. Nor have I ever seen a June 11 letter until it was made available here on the floor.

Mr. MURKOWSKI. The June 8 letter, which is the one I was referring to specifically, states the subsurface total at 32,707 acres, of which 18,839 was the Greens Creek subsurface.

I think my colleague will recall, however, that it is generally understood that this entire discussion and negotiation was subject to the finality of the Forest Service resolving the issue between Sealaska Corp. and putting it in formalized form, and that still has not been done in a final form. I recognize that inconsistency, but it is my hope that we would not cause the world to stand still, because what we are really concerned here with is the value of subsurface, which we do not know. We

know the value of surface, because you can see. You either have timber on it, or the timber has been cut. It may have some other value, but it is relatively modest in relationship to the unknown of a subsurface claim, which is what we are talking about exchanging.

I am not going to debate the Senator from Ohio on the fact that there may be certain inconsistencies on subsurface exchanges, but I ask the Senator, does it really make that much difference? What are we really doing here, if we allow this exchange to go through and this area is mineralized? It will benefit all the people concerned, including the Federal Government. So I guess I do not see why we are arguing over a small differential of acreage that really has no significance in relationship to the whole.

Mr. METZENBAUM. I would be very happy to respond. We are talking about two different kinds of acreage. We are talking about the acreage on the subsurface rights, which can be seen on that little yellow spot back there on the map, and we are talking about the amount of acreage that is going to be given in exchange for all the land surrounding it. What we are talking about is how much land was going to be given in exchange for the right to mine all of that green area around the little yellow spot.

As I understand it, we were to be given x number of acres—the United States was. The Senator says what difference does it make? This is a Federal asset and belongs to all the people of the country. The question is of giving it away to a private corporation—In fact, there were a number of private corporations, a matter to which I will address myself subsequently.

Now the question arises, is it not a fact that we were going to get so many acres, and then the Forest Service had been involved in this matter, discussing it with us. We learn here on the floor that the number of acres that is going to be offered in exchange, if the deal goes through, is not x, but it is x plus y, and y appears to be a rather substantial number of acres.

Frankly, I do not have any ideas as to the value of that acreage. I have some figures here which indicate that the Forest Service thinks some of this acreage is worth $3 an acre. If you talk about $3 an acre, and you are talking about 18,000 acres, you are talking about no money at all as compared to the millions and billions of dollars we are talking about in diamonds, silver, zinc, and lead.

So what we have before us is a new proposition—I do not think much better than the previous one, but certainly one that was not contemplated when it was originally talked about when we talked about it last week or 2 weeks ago. What I am saying is that my guess is that my friend from Alaska had never heard of that particular change until we came to this floor. We are not talking about peanuts; we are talking about a major number of additional acres being offered, which only serves to indicate that those who are the offerors, the Sealaska Corp., and Kennecott Copper, and the other people involved in this matter, are aware of the fact that it is a steal at this price, and they are willing to put something more into it; and they are willing to throw still more in it, is my guess, if they can get the subsurface rights on this green area behind me on the chart.

Mr. GARN. Will the Senator yield for a response?

Mr. METZENBAUM. I yield the floor.

Mr. GARN. I am puzzled by the——

The PRESIDING OFFICER. The Senator from Alaska has the floor, having yielded for the purposes of a question from the Senator from Ohio. Does the Senator from Alaska yield?

Mr. MURKOWSKI. I yield, without losing my right to the floor.

The PRESIDING OFFICER. The Senator yields for the purpose of a question.

Mr. GARN. The Senator from Ohio asked a question, and I asked the floor to respond to a question from the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Alaska yields to the Senator from Utah for the purpose of a comment.

Mr. GARN. As the author of the amendment, I would like to respond to the Senator from Ohio. The Senator is correct, the acreage has been increased.

The response I want to make is that on this issue of value, it is a very difficult one to determine. The reason that I think it is a win-win situation is because you are trading subsurface rights that have not been proven, and the real key, I think, to this is the fact that where you can, without expiration, determine the subsurface rights of any of the lands being talked about trading, you may have some suspicions; but what you are going to do, you are going to have companies go in and spend a great deal of money in exploration; and if there is nothing there, they have gained nothing. If there is something there, that is why the 10-percent royalty went in. To lose $1 billion to $1.5 billion—I do not know how anybody can come up with that figure—assuming it is correct, $1 billion, and the Government gets $500 million out of it, there is no risk. Where does the 10-percent royalty come from?

Mr. METZENBAUM. The 10-percent royalty goes to Sealaska Corp., and then what they are proposing is that Sealaska Corp., in your proposal, pays 5 percent of the 10 percent to the U.S. Government. We do not get the entire amount.

Mr. GARN. Well, you do not get the entire amount——

Mr. METZENBAUM. I stand corrected. Five percent royalty is paid to Sealaska, and Sealaska is proposing—to reverse the way I said it—to pay the Federal Government 10 percent of the 5 percent they get, so on the deal you made, we would not be getting any $100 million from the Government.

It would be I think 10 percent of that or 5 percent of that. Is that correct?

The PRESIDING OFFICER. The Senator from Alaska yielded.

Mr. MURKOWSKI. If I may clarify.

The PRESIDING OFFICER. The parliamentary status is that by unanimous consent the Senator from Utah is given the floor for purposes of comment, with the Senator from Alaska retaining his rights.

Does the Senator from Utah have further comments to make?

Mr. GARN. If I could finish the only other comments I wish to make on the statement of the Senator from Ohio, the lands have been dramatically increased. In order to try and help come up with a fair value over the last couple of weeks the Forest Service has been negotiating. I think you will find land has been added to both sides, not just one which I submitted for the record land or interest in lands to be received by the United States.

So, yes, the lands or interest in the lands to be received by the Sealaska Corp. have been increased from 18,839 to 32,707, but as well subsurface total on lands received by the United States have been increased to 33,259. So it has not just been added on one side. They have added lands on both sides to the issue trying to resolve this closely as they can the equal value situation.

The other point of it is that when you look at Lake Lawrence and Cube Cove, I do not know how you place a value from an environmental standpoint on value of that not being timber cut down. So there are a lot of intangibles that are being given up by Sealaska that the Environmentalists certainly approve of.

I thank the Senator from Alaska.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I wonder if I can help enlighten my colleague from Ohio.

Again the Senator from Ohio is at a disadvantage if he does not have this June 8 letter to the Forest Service from Mr. Loescher. I will be happy to give him a copy now. With regard to his question about—I think the general words were steal, the second paragraph of the second page reads as follows:

In addition to the surface and subsurface exchanges, Sealaska would also provide the United States with a 10 percent value equalization payment calculated from Sealaska's gross income derived from the Greens Creek minerals extraction.

Of course, this is assuming that there are minerals to be extracted. If there are not, then obviously the consideration which was given is a value that is tangible for an unknown value that could not be a value of any consequence and so it could be simply a very, very poor business deal.

I remind my friend from Ohio, if he is looking at the map behind him, which I think he has referred to on a couple occasions, if the lands were not withdrawn for mining basically minerals could be located and developed without any payment or exchange to the United States. The lands in this case are currently part of the national monument and withdrawn from mining and mineral exploration.

So what I am telling the Senator from Ohio is if it were not in the national monument Greens Creek could go in there and mine it, but it is in a different category. If those lands were not subject to this restriction the minerals could be located and developed without any payment to the United States.

This exchange simply allows exploration and development with payment to the United States of a royalty and a transfer of lands to the United States, and it is basically a reasonable deal. I cannot assure the Senator that it is fair on either side because you have an unknown here on minerals. But if there are no minerals, that is the risk the parties take in giving up surface and subsurface rights of other lands for the unknown subsurface, and that is the point of the Senator from Alaska.

Mr. METZENBAUM. Mr. President, will the Senator from Louisiana yield for a question?

Mr. MURKOWSKI. I am happy to yield for a question.

Mr. METZENBAUM. The Senator from Alaska has suggested, and there have been some Members of the Senate who apparently have been misinformed, that this matter did not proceed along the lines of the Garn amendment, that this land would be subject to the 1872 mining law.

Is the Senator aware of the fact that that is not the case? I am informed that under the Alaska National Interest Lands Conservation Act, section 503(f)1, it is specifically not applicable and it takes an act of Congress to reopen Admiralty Island to further mining, and that is why Sealaska and Kennecott and Heckla and Mitsubishi are here today; that is why they visited Congress on this issue for years.

That law of 1872 is not applicable. Many Members of this body have been under the impression that it is. But the fact is that the Alaska National Interest Lands Conservation Act specifically provides that it is not.

Is the Senator aware of that?

Mr. MURKOWSKI. I think if the Senator had been listening carefully, that is just specifically what I said. I said to the Senator that if the land was not withdrawn, mining minerals could be collected and developed without any payment. But it is currently part of the national monument and withdrawn from mining and mineral exploration, which is what I said.

Now if these lands were not subject to this restriction, the minerals could be located and developed without any payment to the United States.

The point the Senator from Alaska is making is that this is the only vehicle for an exchange. What is occurring here, what occurred in the committee, the question of the value, the quid pro quo, I think is a legitimate question of the Senator from Ohio, but if he could tell me how you can fairly ascertain subsurface for surface when you have two willing partners willing to give up surface and subsurface for unknown subsurface, I would feel much better about it.

(Mr. LIEBERMAN assumed the chair.)

Mr. METZENBAUM. After my colleague from Alaska yields the floor, I would be glad to address myself to that.

But I want to make it very clear to all of our colleagues in the Senate that this property could not be mined without a specific act of Congress. It could not be mined without a specific act of Congress, though some had thought under the mining law of 1872 it could be.

Mr. STEVENS. Will the Senator yield?

Mr. MURKOWSKI. Before I yield, and I would yield for a question, I would point out the claims that are being mined now were patented claims prior to the monument. So they have a continuity under the Mineral Mining Act.

And what we are trying to do here is to move on to a methodology as a consequence of the national monument coming in later. So the patented claims came first, then came the national monument. Now, how do we make it work within the laws that we have to live with, with mining in a national monument? But we are not just breaking ground here and saying we are mining in a national monument. What we are mining are patented claims that were filed before.

I wonder if you would agree to lifting the restrictions on mining in this area so that the mineral value could be determined, with or without an exchange? Would that be a consideration the Senator from Ohio might reflect on?

Mr. METZENBAUM. May I have the question again?

Mr. MURKOWSKI. Would you agree to lift the restriction on mining in this area so the mineral value can be determined?

Mr. METZENBAUM. I think that would have to depend upon how we go about determining who would have the right to mine it, and what the Federal Government would get out of it.

Mr. MURKOWSKI. We could dictate what the Federal Government would get out of it. That is a process of this body, what we want. But the question is, how do we make a step-by-step process work if it is not what is going on here now.

Mr. METZENBAUM. I think the Senator from Alaska is attempting to approach this matter in a reasonable way. I do not know that we could work out that procedure about which he speaks on the floor of the Senate. The Chairman of the Energy and Natural Resources Committee has indicated he would like this matter to go to hearing. I would not doubt that, in a hearing, such a procedure at least could be explored. Whether or not a fair arrangement could be reached, I cannot say at this moment. But certainly it cannot be done here on the floor of the Senate in the late afternoon, when the rules of the game are being changed as we stand here.

The fact is that we have been talking about Greens Creek for weeks, and talking about the Federal Government giving the native Sealaska 18,839 acres, and the native Sealaska giving the Federal Government 12,500 acres. And suddenly, on the floor of the Senate, we are now talking about the Federal Government not turning over 18,000 acres, but turning over 32,707 acres; about two-thirds again as much.

And Sealaska is turning over almost three times as much, but of course it does not matter. You can have different land. Some land has tremendous subsurface value; other land has no value.

As I said before, some of that land is probably worth $3 an acre, according to the Forest Service. But some of it, those little piles of yellow land over there, which is 357 acres and which has produced about $100 million in 1 year, that is worth one heck of a lot of money.

And if the veins are going out into that other 18,000 acres and now to 33,000 acres, I would say the American people have a concern, and have a right to see they get the best dollar they can.

Mr. MURKOWSKI. I do not disagree, and I am going to yield the floor. The Senator had asked what are we giving in consideration. If he wants acreage, the lands to be received by Sealaska total 32,000 acres. The lands to be received by the United States

totals 36,000 acres plus the Government gets 10 percent.

Now, the point is there are about 350 million acres in the State of Alaska. We are arguing here over the difference between whether it is equitable for a 32,000-acre exchange vis-a-vis 35,000 or 36,000. That is what we are arguing about.

I do not know whether it is equitable, but those claims where the Senator refers to his chart in yellow were patented mining claims where they actually proved up through the process. I can assure the Senator that those early miners that went in there and made those initial discoveries and patented those claims, if they had felt at the time other areas looked as good and as those, they would have filed on the others, too. But they did not.

This is a high-risk exchange for Sealaska, a very, very high-risk exchange. But it is a win situation for Alaska, because we might get a mine that might last for another 20 years. We might get employment that might last for another 20 years. We might get a tax base; the Federal Government might get an extension.

And to suggest that somehow we cannot trust the Forest Service to proceed with this exchange so that they can have both control of surface and subsurface, and work this thing out, I think the Senator and the chairman would recognize that this has been a moving effort to try and bring all parties together. The Senator from Colorado has been active in it as well.

So it is not something that just came up today. I have been aware of the negotiations for some time, as evidenced by the letter.

I yield to my friend from Alaska.

Mr. STEVENS. I was just going to ask my good friend on this whole question, has the Senator yielded the floor?

Mr. MURKOWSKI. Yes, I yielded the floor.

The PRESIDING OFFICER. The senior Senator from Alaska now holds the floor.

Mr. STEVENS. I will not keep the floor long, Mr. President. I was going to make the comment to my fellow Senator from Alaska that I am sort of amazed at the economics of the Senator from Ohio. I am reminded of the Prudhoe Bay.

I just saw figures the other day that indicated that of the total value of oil that has been recovered from Prudhoe Bay, the United States has taken 34 percent of it, and the State of Alaska has taken 30 percent of it. The total amount, in other words, has been just slightly more than one-third going to the private sector developers.

Of that amount, the State, as a landowner, is getting a royalty of about $1 a barrel. The oil, and I am sure the Senator knows, is being sold for $18 a barrel.

In other words, the Senator's figures concerning the value of this small plot of land, $1.5 to $5 billion—even if it is correct he is talking about the gross value of the ore out there in the market in Hong Kong. It has nothing to do with the amount of taxes paid to the Federal Government, to the State government, to the employees, and all the people who are going to transport ore and send it through the smelters. The value to the landowner is going to be infinitesimally small, compared to the ultimate value of the ore.

The Senator is saying the exchange should be based upon the market value of the ore potential that could be discovered there. I really cannot believe we are going to hold up an exchange on that kind of economics, because the value of this land to Sealaska is going to be the value it gets in rent and its percentage of a royalty that will come to the landowner as a result of this. It has already agreed to pay 10 percent of that amount to the Federal Government to require other in-holdings, and 70 percent of the amount it receives is going to the other 11 corporations—incidentally, each of which will also pay taxes.

So, as a practical matter, I really do not understand this objection, based upon this cash cow theory. I would like to see that cash cow and find out how you milk it because it seems to me that this is a very logical exchange.

Do not forget, it is the keystone to moving forward to the stopping of harvesting of timber that Shee Atika has the right still to harvest on Admiralty Island. If this is not approved, then Shee Atika is going to go ahead with its harvesting of that timber. We feel we should go ahead now and resolve the problems of Admiralty

We have, I think, come a long way here as Alaskans in terms of meeting the objections raised by environmental groups and others concerning harvesting of Admiralty. This is the key. Approve Greens Creek, and it takes with it a new agreement with regard to three things: The surface of the Shee Atika claims that they can harvest, the subsurface of that area, and the ultimate disposition of the surface itself, once it could be disposed of and turned into a recreation area or something else after the timber might be harvested.

So the future use of Cube Cove and the area that is still the most key area on Admirality Island is tied up in this exchange, and that is why I would like to see it go ahead. It carries with it into the conference the whole future of Cube Cove and Lake Florence.

I swear I never expected to find this cash cow out on the floor when we are talking about the problems of the timber harvest on Admirality Island. It sounds like one of those dairy bills I look at every once in a while. I think the Senator from Ohio might know a little bit more about the dairy business than we do, but the cash cow thing does not fit in this.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. I will be happy to address myself to the cash cow in this entire deal, but I see two of my colleagues waiting to be recognized to speak. When they get through I will be happy to speak.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. WIRTH. Mr. President, I appreciate the Senator from Ohio deferring briefly to me and to the Senator from Florida. I had originally felt some kind of legislation addressing the Greens Creek exchange made pretty good sense, and I think ultimately it probably does. Obviously, this has gotten very complicated in terms of the acreage discussed by the distinguished Senator from Ohio, and the evaluation issues he has discussed. And, I suspect, maybe our best policy is going to be to go ahead and have a hearing on this and maybe defer this whole area, but I will leave that up to the chairman of the committee and the distinguished author of the amendment.

When we do deal with this issue Mr. President, if we do get to that point, I hope we will take into consideration the very important Lake Florence area of Admiralty Island National Monument. This is an area that the Forest Service and the State of Alaska and conservation groups have all identified as a very, very important recreation resource. As pointed out by the distinguished senior Senator from Alaska, that area could well be logged if we do not work out some kind of exchange.

Shee Atika, Inc., Koncor Forest Products, Co., and Atikon, Inc.—the owners of Lake Florence—would like Congress to enact a more detailed framework for an exchange so we can preserve the Lake Florence area and exchange some other part of the Tongass for it. Maybe I am complicating this even further, but this is an important part of any exchange package we might put together.

If this Greens Creek matter remains as an amendment, I hope we would give this consideration. If not, I certainly hope if we have hearings on this—and I suspect we are going to get to that point—we should also include in that hearing discussions of the Lake Florence issue. I have had discussions with the staff of the committee, and I think we can include that. I just wanted to make my concern on this matter a part of the record at this point.

I thank, again, the distinguished senior Senator from Ohio for allowing me to have a few minutes before he speaks at length.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Florida.

Mr. GRAHAM. Mr. President, I was seeking recognition earlier for purposes of asking a short series of questions to either the sponsor or one of the Senators knowledgeable on this issue. I ask if one of those would be willing to take the floor for purposes of responding?

To the Senator from Alaska, I have been reading the amendment as offered by the Senator from Utah as well as the letter dated June 11 from Mr. Robertson, outlining the state of the negotiation.

It appears from the June 11 letter that the negotiations are somewhat in a state of flux, and earlier questions and responses indicate that has been the case for several days, at least.

As of what date in time of negotiations is the amendment that is before us appropriate?

The PRESIDING OFFICER. The junior Senator from Alaska.

Mr. MURKOWSKI. In response to the question from my friend from Florida, Mr. President, I understand from the correspondence I have, represented by a letter from the Forest Service dated the 8th of June, and I think I can perhaps summarize it, there are several outstanding issues which yet need to be negotiated.

For example, we need to develop and document a clear understanding as to how the cash equalization payment would be calculated and how records would be maintained. This will be particularly important for our successors, who will ultimately have to implement the program over the years. Similarly, there are questions about land surveys; when they are required and who does them. On those and similar conveyance issues, we will need to coordinate with our colleagues at the Bureau of Land Management. While the mining operation is ongoing, Sealaska must have reasonable use of the surface for mining and access purposes. However, we need to agree on the terms and conditions of that surface use. There is also the issue of extralateral rights and the question of whether rights to mineral veins should extend beyond the boundaries of the subsurface rights conveyed. There has to be adequate provision made for reclamation of the National Monument. Some of these concerns may be addressed using some of the same mechanisms as proposed for the Nutkwa Lagoon subsurface.

So I point out this is the type of negotiation that is ongoing between the parties concerned. In the spirit of resolving this, it would have to be resolved to the Forest Service's satisfaction.

Mr. GRAHAM. The second question is, the letter from Mr. Robertson had stated the preference that "Congress defer legislative action until the completion of a written land exchange agreement," with all of those issues that my colleague has just enumerated resolved.

He goes on to say, however, if, "* * * Congress decides to proceed with legislation at this time, the exchange should be contingent upon a written land exchange agreement that is acceptable to the Secretary of Agriculture."

Does the amendment that is currently before us have such a stipulation, that it is contingent upon its acceptability to the Secretary of Agriculture, and, if not, is it the intention of the sponsors to offer such a second-degree or perfecting amendment prior to our vote?

Mr. STEVENS. Mr. President, could I respond to that? I am sure the Senator from Utah and the Senator from Alaska might interject.

The PRESIDING OFFICER. The senior Senator from Alaska is recognized.

Mr. STEVENS. This is an authorization to the Secretary of Agriculture to complete the exchange. As has been stated, it is no longer open for mining but exchange would accomplish that effect.

In section 502 of this Greens Creek amendment, it specifically says that the Secretary is authorized to convey to Sealaska the rights that are sought. In other words, it is not a mandate to do it, and the Secretary need not act at all. So I feel that the reservation of the chief of the Forest Service is met by the amendment since it is not a decision by Congress, it is an authorization that the Secretary of Agriculture proceed, and we believe he would proceed only if he had the agreement that the chief of the Forest Service wishes.

Mr. GRAHAM. Is the Senator also saying if the final written agreement is at variance with the determination of the authorization contained in this proposal that the Senator would therefore assume that the Secretary would not proceed to complete the transaction?

Mr. STEVENS. If the Senator would look at 502, I think he would agree that the answer is the authorization of the Secretary is not inconsistent with what the Chief of the Forest Service outlined. That would be one of his requirements for that agreement.

It does not specify all of the things that would be in the agreement, however, some of which has just been mentioned by Senator MURKOWSKI. We do not believe that a specific agreement such as that needs to be waited upon because the Secretary will not act under the authorization of this until he does have the agreements. It does give him specific authority to obtain specific agreements in writing and that is sufficient, in my judgment, to proceed.

Mr. GARN. Will the Senator from Florida yield for a response?

Mr. GRAHAM. Yes.

Mr. GARN. It certainly is my intent with this amendment, just as the Senator from Alaska has outlined, because the Tongass bill was up and it certainly fit within the framework of the Tongass bill that we proceed. I would have preferred to have had an agreement in hand so we knew exactly what it was. We do not. But it is an authorization. Certainly, it could not go through until the Secretary had approved the final agreement in writing.

Plus, I think the Senator should also be aware that the surface rights are being maintained and, therefore, they could not mine without approvals in that way.

But if it would make the Senator from Florida feel better, I certainly would have no problem and would be willing to modify the amendment so that rather than what we are assuming or are saying should go forward, that it would be contingent upon a written land exchange agreement that is acceptable to the Secretary of Agriculture. If that would satisfy the Senator from Florida, I would have a modification drafted to my amendment to put those exact words in it so that it is explicit rather than as the Senator from Alaska explained.

I think it is sufficient now, but we could spell it out in the amendment.

Mr. GRAHAM. I thank the Senator. The final question relates to the issue of equivalency of value. I recognize the difficulty of appraisal of any property, subsurface or surface rights, given the diversity of factors which influence those values. But I have had personal experience with the evaluation of subsurface rights as part of an exchange.

In fact, this Congress, within the last 2 years, authorized such an exchange involving rights between the Big Cypress area adjacent to the Florida Everglades and some property in Phoenix, AZ, a very complicated appraisal which included subsurface as well as surface rights. There was great concern about assuring that the two parties, the Federal Government and private parties, were being treated in an equitable manner.

I am surprised that we are dealing with a situation in which we are saying that it is not possible to do an appraisal of subsurface values in this proposed exchange. What is peculiar about this circumstance that makes it go beyond the range of difficult to the category of impossible in terms of an appraisal?

Mr. MURKOWSKI. I will try to answer my colleague from Florida. Mr. President, topography in the area is very, very rugged. The surface is tree covered, old growth, high hills—in fact, probably you consider them mountains. We call them hills. But they are very steep. There are a lot of rock ledges, underbrush and so forth.

The mining is being done on the claims where patent is underground. I do not recall the depths that they are into the mountain.

To realistically try and evaluate those subsurface mineral potentials would require extensive drilling. The country in Southeastern Alaska is very fractured. There have been prospects throughout Southeastern Alaska since the mining engineers first came into the country. But it is so broken up because of the glacial activity that the veins peter out and then they spring up again.

What we have here is really an effort to try and address how to get an exchange so that exploration in a monument can occur which would be not an open pit with a rather ugly problem with overburden and so forth, but tunneling hard rock type of mine.

There is no way without that kind of drilling to make a determination of just what the potential value would be. Then, of course, we are addressing the ability of this concentrate to hold up on a world market, competing with South African silver which is mined at much lower cost, and other areas of the world that pay a labor scale much less than the United States prevailing scale.

These are some of the difficulties that we run into.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. GRAHAM. I yield.

Mr. JOHNSTON. Mr. President, I am advised that at 4:30, we are to go to the Amtrak debate and stay on that from 4:30 to 5:30. We have votes at 6 o'clock. So I wonder if there is an inclination on the part of Senators perhaps to have a vote on this matter at 5:30.

Mr. METZENBAUM. If my friend, the chairman of the committee, will permit me to say something, I have sat here patiently. I have a rather full speech to make. I did not want to preclude the two Senators from Alaska nor the Senator from Utah, the proponents of the amendment, from speaking. I did not want to stand in the way of the Senator from Colorado and the Senator from Florida. Although I have asked some questions, I have not spoken. So I have to say I would object because I do wish to be heard, and I will say that I will be heard for maybe an hour. I have a rather full speech. As the Senator from Louisiana knows, this is not a subject I have treated lightly. I have worked on it for a number of weeks. I do hope to have an opportunity.

Mr. JOHNSTON. I wonder if the Senator would be inclined, though, to make a motion to table, to put his statement into the RECORD if the motion to table is successful, then he would not have to actually make his speech. If his motion to table is not successful, then he would, indeed, want to make a speech and probably say more than that.

Mr. METZENBAUM. I would prefer not to be pressed to do that, if the Senator does not mind at this point.

Mr. JOHNSTON. I understand. I thank the Senator for allowing me to interrupt.

Mr. GRAHAM. Mr. President I have concluded my question. I thank the Chair.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. MURKOWSKI. I yield.

The PRESIDING OFFICER. The Chair recognizes the senior Senator from Alaska.

Mr. STEVENS. I thank the Chair. To the Senator from Florida, I would point out that there were claims on these properties that were rejected despite the examination by the mining companies of Greens Creek exchange lands extensively, including some drilling. Those claims under the mining law were rejected because they have discovered no valuable minerals.

The problem is, as Senator MURKOWSKI says, you cannot drill and do all of these other things extensively until you have the right for total exploration underground. The claims of these lands had been previously rejected, based upon a Forest Service determination that there had been no proof of valuable minerals in the areas covered by the claims. Now the exchange lands are sought to be made available for exploration through the process of a lease from the entity that obtains the lands through the exchange. But the mining companies did pursue these rights through the Mining Act, and they were rejected because they had not made any discoveries at the time.

The PRESIDING OFFICER. The Chair recognizes the Senator from Utah.

Mr. GARN. Mr. President, I realize we are changing to a different subject, but I send a modification of my amendment to the desk at this time.

Mr. EXON. What is the request of the Senator from Utah?

The PRESIDING OFFICER. The Senator will state his request.

Mr. GARN. The request is one that I suppose both Senators did not hear because they were off the floor.

"The provisions of this exchange should be contingent upon a land exchange agreement that is acceptable to the Secretary of Agriculture."

The PRESIDING OFFICER. The Senator has that right.

The modification is as follows:

At the appropriate place, insert the following:

The provisions of this exchange shall be contingent upon a land exchange agreement that is acceptable to the Secretary of Agriculture.

GREENS CREEK LAND EXCHANGE AMENDMENT TO H.R. 987

Mr. McCLURE. Mr. President, I rise today to voice my support for the amendment offered by Senator GARN to give Sealaska, an Alaska Native corporation, an interest in the Greens Creek Mine on Admiralty Island, and exchange for that surface and subsurface rights to lands owned by Sealaska.

The Greens Creek mineral deposit was first identified in 1975. During the years 1975-78, claims were staked and exploration was begun by the Greens Creek joint venture. The geologic structure in which the mineral deposits occur is continuous over a large area although economically recoverable ore tends to be in pods of varying sizes.

During the 1970's, Congress debated the status of Admiralty Island as part of the Alaska lands debate. The Alaska National Interest Lands Conservation Act of 1980 [ANILCA] designated most of Admiralty Island as a national monument including the area in which the Greens Creek mine is located. Congress provided specific statutory authority covering the development of Greens Creek mineral claims in section 503 of the act. This statutory direction permitted a 5-year period for further exploration on existing claims at Greens Creek, which expired in 1985. As a result of the exploration by the joint venture, eight claims, in addition to nine claims upon which it had already made valid mineral discovery, were identified.

The joint venture began production on the Greens Creek mine on February 1, 1989, employing approximately 250 full-time employees working around the clock producing gold, silver, lead and zinc. The estimated life of the mine is approximately 10 years.

While a major ore body was identified during that exploration period, the joint venture believes that much of the remaining unexplored land is highly prospective and capable of containing valid mineral discovery. However, the joint venture cannot explore that area under the terms of the present Federal statutory regime.

For this reason, the joint venture has sought over the last 6 years a means of obtaining access to explore the surrounding area. The joint venture first proposed an administrative boundary adjustment in 1984. More recently, it has worked with the Sealaska Corp., the regional Native corporation for the Southeast Alaska region, to obtain approval for a land exchange by which Sealaska would become the owner of subsurface areas surrounding the existing Greens Creek claims. The joint venture, in agreement with Sealaska, would explore this area and pursue development of

any mineralization that is economically feasible.

Under the proposed land exchange, Sealaska would give the U.S. Government valuable lands in five different areas of the Tongass National Forest in return for the subsurface lands surrounding the Greens Creek Mine. These acquired lands could then be explored for economic mineral development by the Greens Creek joint venture.

The land exchange also provides a mechanism to enhance the conservation values of the Admiralty Island National Monument. It establishes an Admiralty Island Inholding Acquisition Fund dedicated to the purchase of private inholdings within the monument. When all such inholdings have been acquired, or when none are available for purchase, the fund's assets can be used to acquire inholdings elsewhere in the Tongass National Forest. It would be funded from 10 percent of the proceeds received by Sealaska from development of minerals found in the area that it acquired through the land exchange. This is the first time a private interest has offered the government such a value equalization payment in a land exchange.

There are considerable benefits to the Federal Government, the State of Alaska, and the local economy. An area of privately owned subsurface within the Admiralty Island wilderness would become federally owned. This complies with the general environmental goal that private inholdings within national conservation units be acquired by the Federal Government on a willing seller/willing buyer basis.

The possibility of extending the life of the Greens Creek mine beyond its existing 10 years would occur. The existing jobs and contribution to Federal, State and local tax base, along with other economic benefits, would continue.

The Congress, as part of the Alaska Lands Act, specifically provided for exploration of the area, and this legislation provides a balanced regime to permit property and environmentally sound exploration and development of the area.

Mr. President, the amendment before you today authorizing and directing a land exchange between the Sealaska Corp. and the United States would open the way for further exploration of the Greens Creek deposit on Admiralty Island in Alaska. I strongly support this amendment although it does not directly relate to mining activities in my home State of Idaho.

I support this amendment for two reasons. The first is that an Idaho firm, the Hecla Mining Co., has significant ongoing investments in a mining operation at Greens Creek. Hecla is one of the corporate participants in the Greens Creek joint venture, which owns the Greens Creek mine on Admiralty Island. Hecla has informed me that the proposed land exchange between the United States and Sealaska will create an opportunity for further exploration of the remaining mineral deposits within the Greens Creek drainage by the joint venture. Extending the life of the Greens Creek Mine beyond its estimated 10-year period would benefit Hecla because it would permit the company to maximize this investment. Such success in turn spills over into Hecla's other gold and silver operations in Idaho and other areas of the United States.

Beyond my purely parochial reasons, I am also supporting the land exchange because of its benefits to our Nation. If the United States is to remain strong and self-sufficient, we need access to economically recoverable mineral deposits. The ability to mine the silver, gold, zinc, and lead deposits at Greens Creek decreases the pressure on our trade deficit and reliance on foreign mineral resources. This alone should justify the land exchange. The amendment does, however, provide for an equal value exchange because of the exchange of other inholdings in the Tongass National Forest for the subsurface lands adjacent to the Greens Creek Mine. The direct and indirect economic benefits to Southeast Alaska bolster that region's business and employment base, thus adding to coffers of the Federal Government through increased tax revenues. Additionally, Senator GARN has included a provision in the amendment which permits the Federal Government to share in the payments which may be available to Sealaska should economically recoverable mineral deposits be discovered on the lands subject to this exchange. This value equalization payment was agreed to by Sealaska.

This discussion leads to my final point: the Committee on Energy and Natural Resources is currently considering whether to amend the Mining Law of 1872 to require the payment of royalties to the Federal Government when entrepreneurs engage in the exploitation of mineral deposits under valid patent on the Federal lands. Notwithstanding that Sealaska will own the subsurface of these lands should this amendment pass, most of you know my strong feelings on this issue, and I will not belabor the point at this time.

I would urge my colleagues, however, not to use this amendment as a forum for seeking changes in the mining law. The appropriate place to discuss such change is in the Energy Committee. Instead, the Senate should focus on the only issue relevant to this proposed land exchange. Is it in the national interest to permit the Greens Creek exchange to go forward? The answer to that question is "Yes."

The Greens Creek exchange should also not be used as a test case for the imposition of a separate Federal royalty as a precondition for approval of land exchanges. Sealaska and the joint venture should not be required to follow some new economic standard for mineral development as long as the mining law permits mineral development not subject to royalties on the Federal lands through the rest of the Nation.

The revenue sharing provision in the amendment has been included only because it was agreed to by Sealaska in advance in order to enhance the value of the land being traded to the United States.

The Senate shall have ample time to debate the pros and cons of a generic restructuring of the mining laws. I urge my colleagues to focus on the national interest questions involving the exhange itself and approve Senator GARN's amendment.

AMTRAK REAUTHORIZATION AND IMPROVEMENT ACT—VETO

The PRESIDING OFFICER. Under the previous order, the veto message on H.R. 2364, the Amtrak reauthorization bill, now recurs. There is 1 hour of debate equally divided and controlled in the usual form.

Who seeks recognition?

The Chair recognizes the Senator from Nebraska [Mr. EXON]. Senator EXON will control half of the time allocated for this debate, having one-half hour.

Mr. EXON. I inquire of the Chair, as I understand it, there is 1 hour equally divided, 30 minutes on this side, 30 minutes on that side. Is that correct?

The PRESIDING OFFICER. Senator from Nebraska is correct.

Mr. STEVENS. Mr. President, will the Senator yield for a parliamentary inquiry, while the managers are still on the floor?

Mr. President, it is my understanding—I would like to have the attention of Senator from Louisiana—we are on this bill now and there will be a vote at 6 p.m. and another at 6:15.

Mr. JOHNSTON. The Senator is correct.

Mr. STEVENS. And prior to that we were supposed to go back at 5:30 to the Tongass bill for the purpose of any votes that had been ordered. No votes have been ordered. It is my understanding the Senator from Ohio is going to make a statement. Before I left the floor, I wanted to make sure there would be no votes between 5:30 and the time set for 6, if there is a rollcall at 6 and another one at 6:15.

The PRESIDING OFFICER. The Chair recognizes the Senator from Louisiana.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Senator from Nebraska now controls the time.

Mr. EXON. I do not mind yielding so long as we have an hour equally divided under the previous arrangement.

The PRESIDING OFFICER. Hearing no objection, we will go into a quorum call now. The time will not be subtracted from either side on the Amtrak bill. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, so we get started on the right basis, time has now started, a half-hour on each side on the Presidential veto override. I yield 2 minutes to the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. SARBANES. Mr. President, I rise in very strong support of overriding the President's veto of the Amtrak Reauthorization and Improvement Act of 1990. Unfortunately, this veto action is in a consistent pattern of the previous administration of taking measures which would derail our Nation's passenger rail system, and I very much hope the Members of this body will soundly reject it.

Since it was established in 1970, Amtrak has been an essential part of our transportation network. The railroad currently carriers some 30 million passengers each year including over 1½ million travelers in Maryland who rely on Amtrak for commuting to work and other transportation needs. It plays a very important role in reducing air and highway traffic congestion, and provides a mode of transportation to hundreds of communities that are not served by airlines or other systems of mass transit. It is clearly energy efficient and environmentally sound.

I want to underscore that. Amtrak is energy efficient and environmentally sound.

Over the years, Amtrak has become an efficient and reliable method of transportation. It has made great progress in reducing dependence on Federal funds while improving the quality of service. In 1981, Amtrak covered 48 percent of its costs through earned income. In 1988, that figure rose to 69 percent. This year, 75 percent of its costs are expected to be met through the railroad's own earned resources. By the year 2000, Amtrak expects to be self-sufficient, eliminating the need for any Federal operating support.

No other rail passenger system in the world can match Amtrak's record. In fact, other industrialized countries subsidize their national rail passenger operations at much higher levels than the United States. Each year Amtrak sets new records for ridership and passenger miles traveled. Reservations are often booked weeks in advance and passengers must be turned away.

In order to sustain its operations and to keep up with the increased demand for its services, Amtrak needs continued Federal support and a modest increase in funding to purchase new cars and locomotives, upgrade its capital stock and make other improvements to permit faster, safer, and more reliable trains.

This act authorizes operating and capital funding for Amtrak in the amount of $684 million for fiscal year 1991 and $712 million for fiscal year 1992. Compare these figures to the $50 billion program which the 12 members of the European Community recently committed in order to improve their rail passenger service over the next several years.

America's future economic strength depends upon our willingness to make prudent investments in a number of important areas including our transportation infrastructure. Failure to make these investments will impede our country's effort to build a more prosperous and competitive economy.

This bill, of which I am proud to be a cosponsor, continues the investment we have made in Amtrak over the last two decades, and provides sorely needed funding for modernizing the system.

I urge the Members to vote to override this legislation so that the innercity rail passenger service will continue to play an important role in our Nation's transportation system.

Mr. President, I ask unanimous consent that a recent editorial from the Baltimore Sun which underscores Amtrak's phenomenal success story be printed in the RECORD, and again, I urge my colleagues to join in voting to override this veto.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun, Apr. 24, 1990]

AMTRAK'S SHRINKING SUBSIDY

One of the quiet success stories in the nation's transportation industry has been the gradual improvement of Amtrak's financial condition. A quasi-public line that used to depend on Washington for 52 percent of its operating costs now turns to the Congress for only 28 percent of its everyday expenses.

That's a considerable achievement, one that is expected to be repeated in the years ahead as Amtrak officials continue to seek ways to trim costs, lure more passengers to Amtrak's 24,000 miles of routes and find new revenue sources. By the end of the decade, Amtrak could be close to the breakeven point.

Much of the credit goes to W. Graham Claytor, who has worked some of the same magic he previously employed at Norfolk Southern Railroad. He has turned Amtrak into a viable rail company, the nation's only passenger-rail system.

But now Amtrak needs additional help if it is to draw greater numbers of passengers. Mr. Claytor estimates that the railroad will need $2 billion over the next 10 years to replace aging cars, locomotives, stations and tracks. Congress could provide part of that money through relatively small annual appropriations on top of an operating subsidy that may slip below $600 million this year, compared with nearly $900 million in 1981. But there is another promising option. If Congress decides to raise the gasoline tax to help pay for a much-needed overhaul of the nation's transportation infrastructure, it could take care of Amtrak's capital requirements by dedicating one penny of that tax to the railroad.

Amtrak cannot be expected to draw more passengers without modern cars and ever-faster locomotives. The better the rail service, the greater the number of people who will decide to turn to rail—one of the most fuel-efficient ways to travel. That's the kind of trend Congress should encourage. Given Amtrak's impressive improvements, the railroad deserves Washington's support.

Mr. EXON. Mr. President, I yield myself such time as I might need. I wish to thank the distinguished Senator from Maryland for the excellent statement that he made in support of overriding the veto of the President of the United States. I, too, hope that will be accomplished within the hour.

Mr. President, last Thursday on June 7, the House of Representatives overrode the President's veto on H.R. 3624, the Amtrak Reauthorization and Improvement Act by a significant margin of 294 to 123 votes. The Senate began debate on the override that same day.

I, along with others supporters of Amtrak, was prepared to vote on the override of last week. It was my belief that on Thursday last we indeed had the votes to override the veto. I can only hope that today those same Senators will vote in favor of the public interest and help ensure adequate transportation for communities all across this country.

I am quite fearful, Mr. President, that an awful lot has gone on since Thursday last when we tried to vote on this and the vote today, I think the vote is going to be very close.

I know there has been a lot of vote counting. I know that the White House and their operatives have been very active in this area. I understand there is a massive Republican gathering of some type this evening where the President is going to be saluted in some fashion, birthday celebration or something. There has even been some talk for those who are trying to get the President's veto sustained that it would not be a nice thing to override for the first time in the U.S. Senate a veto that President Bush has instituted and therefore it would only be the good and kind thing to do, not to override.

I hope that we can get back not to what is nice for a party but what is right for America. Overriding this

veto, is certainly right for America and the transportation needs of our country.

At this time, Mr. President, I would like to read into the RECORD a letter from the President of Amtrak, Graham Claytor. This letter appears in the House Report 101-207 accompanying H.R. 2364. This letter was written to the chairman of the House Energy and Commerce Committee in support of H.R. 2513, the bill introduced in the House which embodied the ICC provision contained in the Amtrak conference agreement. The letter reads as follows:

DEAR CHAIRMAN DINGELL: I am writing to express my support for H.R. 2513, which would require that acquisitions of major rail carriers by noncarriers be approved by the Interstate Commerce Commission.

Although Amtrak operates over its own railroad along most the Northeast Corridor, elsewhere across the country it operates on rail lines owned by private freight railroads. In order for Amtrak to provide marketable, safe rail passenger service off the Northeast Corridor, in my opinion there thus must be a well-maintained national freight railroad infrastructure on which to operate our trains. As a result of the line rationalization that has followed the consolidation of the freight railroad industry, Amtrak route options in many parts of the country already are very limited. Acquisition of major rail carriers by persons whose objective may not be the preservation and maintenance of the existing rail infrastructure poses a serious threat to the future of rail passenger service. I beleive that your proposed legislation would help ensure that any such acquisition serves the public interest.

As you know, section 1 of the bill provides that the Commission must consider several factors in evaluating an acquisition, including "the effect of the proposed transaction on the adequacy of transportation to the public." I would suggest that this factor be modified to require consideration of "the effect of the proposed transaction on the adequacy of freight and passenger transportation to the public." In this way, the Commission can include in its evaluation whether the acquisition could result in the downgrading or elimination of passenger service.

As I have recently stated in testimony before both House and Senate committees, I believe that Amtrak's future is inextricably tied to the health of the freight railroad industry. I applaud the efforts of the sponsors of H.R. 2513 to protect our future. I would be pleased to discuss more fully with you the implications of this issue on our national rail passenger system. Sincerely, W. Graham Claytor, Jr., President.

Mr. President, we see the ICC provision as tied not only to the health of the freight industry, but to the continuation of the passenger railroad system as well.

Additionally, I would like to submit an article from the Journal of Commerce which appeared on April 6, 1990. The article contains contents of an interview conducted by Leo Abruzzese with Edward J. Philbin, the chairman of the Interstate Commerce Commission. I will read into the RECORD a quote made by ICC Chairman Philbin:

It seems to me that Congress is very wise in now turning its attention to acquisitions of railroads by non-railroad entities.

If, as a result of a highly leveraged buyout (the purchaser) sells off portions of the railroad's properties, then * * * you might wind up with a railroad that cannot continue to operate as a railroad.

The proponents of this bill want to keep the railroads operating.

Let me dispel a few arguments being made by those opposing this Amtrak authorization bill.

First of all, this provision would not reregulate the rail industry as the administration and others have claimed. The Staggers Rail Act of 1980 remains untouched by this legislation. All this provision does is eliminate the anomaly in current law that requires ICC review if a nonrailroad wishes to acquire a few miles of track from a railroad, but does not provide for review if the nonrailroad wants to buy the entire railroad company. Think about that. I think you will recognize that it makes no sense. The measure of regulation required by this bill is miniscule. There are only 16 class I carriers nationwide and all carrier acquisitions of other carriers are currently regulated, regardless of size and impact.

So all should understand notwithstanding the objections of the President and the Secretary of Transportation that they simply do not seem to understand what we are doing, what should be done, and what is necessary to assure the future of not only our passenger service, but possibly large portions of the United States with regard to rail service itself.

Second, the administration argues that the ICC provision would drive up the cost of capital and inhibit a future restructuring of existing class I railroads. The provision has no effect on the restructuring of class I railroads and the cost of capital. Any financial or structural changes by an existing class I railroad under existing ownership and control are completely immune from this legislation. This provision is focused solely on the situation where a company or an individual with no prior role in the railroad industry is seeking control of one of the Nation's largest railroads.

What other obligation of the Interstate Commerce Commission, what other obligation could such an organization have that would be more important than at least looking at a nonrailroad entity, someone, a person, a company, or a corporation, who has never been in the railroad business, suddenly, through junk bonds or other manipulations on Wall Street, decides they are going to buy a major class I railroad?

Those who vote to sustain the President's veto are simply saying that does not make any difference, and it does not make any sense for the ICC to be vitally concerned about the very essentials of rail transportation in the United States from here on out.

The veto provisions tell the ICC simply to screen, to check the nonrailroad bidder for control of a major railroad for fitness based on public interest that includes maintaining a transportation service, not overburdening the railroad financially, and protecting the Federal Government if it happens to be a creditor.

The Interstate Commerce Commission provision has had bipartisan support in both the House and the Senate. In the House, the ranking Republican of the Energy and Commerce Committee, the ranking Republican on the Subcommittee on Transportation and Hazardous Materials, as well as all the other Republicans in the subcommittee, voted to override the President's veto of this measure.

Truly, it is a nonpartisan effort. Could it be that maybe those individuals are a little closer and understand a little better the devastation that the failure of a railroad in a particular community can bring to that community and all those surrounding it?

In the Senate, the original ICC measure was sponsored by Senator PRESSLER of South Dakota, Senator DASCHLE of South Dakota, Senator SIMON of Illinois, and Senators GRASSLEY and HARKIN of Iowa.

Mr. President, a vote for this bill is also a vote for the environment. Amtrak reduces congestion on the highways and air space and our airports.

Last Thursday I spoke at length regarding achievements of Amtrak and how it has advanced significantly in just the last few years, now covering 75 percent of its costs, up from only 48 percent as recently as 1981.

Demand for Amtrak service continues to increase at very rapid rate. If we are going to have a sound transportation policy in the United States, we must keep the trains running with a vote to override this veto.

Mr. President, I reserve the remainder of my time.

ORDER OF PROCEDURE

The PRESIDING OFFICER. Who seeks recognition?

The Chair recognizes the Senator from New Mexico [Mr. DOMENICI].

Mr. DOMENICI. Mr. President, I believe we are in the process of clearing this request with the other side. I ask unanimous consent that I be permitted to proceed for 3 minutes as if in morning business to send a message to the desk and amend the House bill and return it to the House.

The PRESIDING OFFICER. Is there objection?

Mr. EXON. Mr. President, there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

PETROGLYPH NATIONAL MONUMENT ESTABLISHMENT ACT

Mr. DOMENICI. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 286.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 286) entitled "An Act to establish the Petroglyph National Monument in the State of New Mexico, and for other purposes", do pass with the following amendments:

Strike out all after the enacting clause and insert:

TITLE I—PETROGLYPH NATIONAL MONUMENT

SEC. 101. (a) This title may be cited as the "Petroglyph National Monument Establishment Act of 1990".

(b) The Congress finds that—

(1) the nationally significant Las Imagines National Archeological District on Albuquerque's West Mesa Escarpment contains more than 15,000 documented prehistoric and historic petroglyphs;

(2) this district also contains approximately 65 other archeological sites;

(3) the West Mesa Escarpment and the petroglyphs are threatened by urbanization and vandalism, and hundreds of petroglyphs have already been destroyed;

(4) the State of New Mexico has shown great leadership by recognizing the importance of the archeological resources of the West Mesa Escarpment through the establishment of the Las Imagines National Archeological District;

(5) the city of Albuquerque has played a significant role in the preservation of the natural, cultural, and recreational resources of the West Mesa Escarpment;

(6) the Middle Rio Grande Pueblo Tribes have shown a strong and sincere interest in preservation of their heritage through protection of the West Mesa Escarpment;

(7) the Atrisco Land Grant, now held by Westland Development Company, Incorporated, a corporation whose stock is owned primarily by heirs of the Atrisco Land Grant, has played a significant role in the settlement of the West Mesa area since the grant's formation in 1692 and has shown a strong interest in the preservation of their traditional lands;

(8) the National Park System has no unit established for the specific purpose of protecting, preserving, and interpreting prehistoric and historic rock art; and

(9) in light of the national significance of the West Mesa Escarpment and the petroglyphs and the urgent need to protect the cultural and natural resources of the area from urbanization and vandalism, it is appropriate that a national monument be established in the West Mesa Escarpment area, near Albuquerque, New Mexico.

SEC. 102. (a) In order to preserve, for the benefit and enjoyment of present and future generations, that area in New Mexico containing the nationally significant West Mesa Escarpment, the Las Imagines National Archeological District, a portion of the Atrisco Land Grant, and other significant natural and cultural resources, to provide for the interpretation of such resources, and to facilitate research activities associated with the resources, there is hereby established, subject to subsection (d), the Petroglyph National Monument (hereinafter referred to as the "monument") as a unit of the National Park System. The monument shall consist of approximately 7,274 acres including the Atrisco, Boca Negra, and Piedras Mercadas Units as depicted on the map entitled "Boundary Map, Petroglyph National Monument", numbered NM-PETR-80,010B and dated May 1990, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, in the offices of the Department of Energy, Minerals, and Natural Resources of the State of New Mexico, and in the office of the mayor of the city of Albuquerque, New Mexico.

(b) The monument shall be administered by the Secretary or, where appropriate, by the Secretary in cooperation with the State of New Mexico (hereinafter referred to as the "State") and the city of Albuquerque, New Mexico (hereinafter referred to as the "city"), in accordance with section 104 of this title.

(c) Within 6 months after the enactment of this title, the Secretary shall file a legal description of the monument with the Committee on Energy and Natural Resources of the Senate and the Committee on Interior and Insular Affairs of the House of Representatives. Such legal description shall have the same force and effect as if included in this title, except that the Secretary may correct clerical and typographical errors in such legal description. The legal description shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, in the offices of the Department of Energy, Minerals, and Natural Resources of the State of New Mexico, in the office of the mayor of the city of Albuquerque, New Mexico, and in the monument office: Provided, That the Secretary may from time to time, after completion of the plan referred to in section 105(a) of this title, make minor adjustments to the boundary by publication of a revised map or other boundary description in the Federal Register.

(d) The monument shall be established only when the city, the State, and the Secretary have entered into a binding agreement that all lands within the boundaries of the monument shall be managed in accordance with section 104 of this title.

SEC. 103. (a)(1) Within the boundary of the monument, the Secretary is authorized to acquire lands and interests in lands by donation, purchase with donated or appropriated funds, exchange, or transfer from any other Federal agency, except that lands or interests therein owned by the State or a political subdivision thereof may be acquired only by donation or exchange.

(2) The Secretary may also acquire some or all of the approximately 95 acres within the area identified as "Potential Addition" on the map referenced in section 102(a), if, after consultation with the Commission established under section 108, the Secretary determines that such acquisition would further the purposes of this Act.

(3) The authority of the Secretary to make acquisitions pursuant to paragraph (2) shall expire on the date three years after the date of enactment of this Act.

(4) Any lands acquired pursuant to paragraph (2) shall be incorporated into Petroglyph National Monument and shall be managed accordingly.

(b) Where the surface and subsurface estates of private land to be acquired are separately owned, the Secretary shall acquire the subsurface estate to such land prior to or at the same time the surface estate is acquired: Provided, That this subsection shall not be applicable if the Secretary determines that the prior acquisition of the surface estate is necessary—

(1) to prevent damage to the resources of the monument; or

(2) to properly manage and interpret the monument in accordance with section 102.

(c) The Secretary may exchange lands within the area described on the map referred to in section 102 as the Piedras Marcadas Unit for lands owned by the city within the area described on the map referred to in section 102 as the Atrisco Unit. The Secretary may exchange lands within the area described on the map referred to in section 102 as the Boca Negra Unit for lands owned by the State within the area described on the map referred to in section 102 as the Atrisco Unit. Exchanges shall be on the basis of equal value, and either party to the exchange may pay or accept cash in order to equalize the value of the properties exchanged.

(d) Prior to acquiring fee simple ownership of private lands or interests therein within the boundaries of the monument, the Secretary is authorized to acquire an appropriate interest in such land by donation or for a nominal fee from its owners for the purpose of providing immediate protection against trespass and vandalism and initiating any resource inventories necessary to carry out the purposes of this title.

SEC. 104. (a) Pending establishment of the monument and thereafter, the Secretary shall administer lands and interests therein under his jurisdiction within the boundary of the monument. The Secretary shall administer, manage, and protect the monument in accordance with the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1 et seq.), the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461 et seq.), and this title, and in such manner as to preserve, for the benefit and enjoyment of present and future generations, its cultural and natural resources, and to provide for interpretation of and research on such resources.

(b) Units of the monument to be managed by the State and the city shall be managed and developed in accordance with management and operational plans prepared cooperatively with the National Park Service, consistent with section 106 of this title. Visitor use and interpretive programs within the State and city units shall be undertaken consistent with plans developed with the assistance of the National Park Service.

(c) The Secretary is authorized to enter into cooperative agreements with either the State or the city under which the Secretary may manage and interpret any lands owned by the State or the city, respectively, within the boundaries of the monument.

(d) In order to encourage a unified and cost effective interpretive program of the natural and cultural resources of the West Mesa Escarpment and its environs, the Secretary is authorized to enter into cooperative agreements with other Federal, State, and local public departments and agencies, Indian tribes, and nonprofit entities providing for the interpretation of these resources. Such agreements shall include, but need not be limited to, provision for the Secretary to develop and operate interpretive facilities and programs on lands and interests in lands outside the boundaries of the monument, with the agreement of the owner or administrator thereof. Such cooperative

agreements may also provide for financial and technical assistance for the planning and implementation of interpretive programs and minimal development related to those programs.

(e) Federal laws generally applicable to units of the National Park System, including the National Environmental Policy Act of 1969 and the Archeological Resources Protection Act of 1979, shall apply to the monument. The Secretary is authorized to pursue concurrent jurisdiction of the monument for the purposes of law enforcement and implementation of Federal regulations.

SEC. 105. (a) The Secretary may participate in land use and transportation management planning conducted by appropriate local authorities for lands adjacent to the monument and may provide technical assistance to such authorities and affected landowners for such planning.

(b) Nothing in this title shall be construed as authorizing or requiring revocation of any interest or easement for existing electric transmission or distribution facilities or prohibiting the operation and maintenance of such facilities within or adjacent to the boundaries of the monument.

SEC. 106. (a) Within 3 years from the date funding is made available for the purposes of this section, the Secretary, in cooperation with the city and the State, shall develop and transmit to the Committee on Energy and Natural Resources of the Senate and the Committee on Interior and Insular Affairs of the House of Representatives, a general management plan for the monument consistent with the purposes of this title, including but not limited to—

(1) a statement of the number of visitors and types of public use within the monument which can be accommodated in accordance with the protection of its resources;

(2) a resource protection program;

(3) a general interpretive program;

(4) a plan to implement the joint resolution entitled "American Indian Religious Freedom", approved August 11, 1978 (42 U.S.C. 1996);

(5) a general development plan for the monument, including proposals for a visitors' center, and the estimated cost thereof; and

(6) a development plan for the Rock Art Research Center.

(b) The management plan shall be prepared in consultation with the Petroglyph National Monument Advisory Commission, established pursuant to section 107, appropriate Indian tribes and their civil officials, the heirs of the Atrisco Land Grant, the New Mexico State Historical Preservation Office, and other interested parties.

(c) The Secretary shall undertake, in consultation and cooperation with appropriate New Mexico Indian tribes and their civil officials, research on other Rio Grande style rock art sites in New Mexico on Federal lands, and through cooperative agreements with State and willing private land-owners, on non-Federal lands. The Secretary shall provide the Committee on Energy and Natural Resources of the Senate and the Committee on Interior and Insular Affairs of the House of Representatives, within 3 years of the date funding is made available for the purposes of this section, a report that—

(1) lists various locations of Rio Grande style rock art;

(2) identifies the ownership of the rock art;

(3) identifies the condition of the resources; and

(4) identifies the appropriate type of technical assistance needed for the protection and care of these resources.

The report shall be updated and transmitted to such committees every 2 years thereafter.

SEC. 107. (a) In order to provide for research relating to Rio Grande style rock art, undertake comprehensive evaluations of petroglyphs within the national monument, prepare interpretive programs that are sensitive to the concerns of the Indian and Hispanic peoples, and relate monument resources to other styles and forms of rock art, the Secretary, acting through the National Park Service and in cooperation with the University of New Mexico, other educational institutions, foundations, Indian tribes, and private entities, shall establish a Rock Art Research Center (hereinafter referred to as the "Center").

(b) The Center shall function as a focal point for the systematic and scholarly collection, analysis, and dissemination of information relating to Rio Grande style rock art, and other forms of rock art within the region.

(c) The Center shall produce research data and educational materials that will enhance public understanding of prehistoric and historic rock art.

(d) The Center shall provide for a broad program of research including ethnographic studies, resource management techniques, and comparative studies of rock art forms and styles.

(e) Research shall be primarily directed toward rock art managed by the National Park Service. The Secretary may enter into cooperative agreements with other agencies and entities as may be appropriate to carry out the requirements of the Rock Art Research Center.

(f) The Secretary, acting through the National Park Service, is authorized to undertake research and assist in management and protection of Rio Grande style rock art sites on public and, with the agreement of the landowner, private lands within the Galisteo Basin. The Secretary is authorized to enter into cooperative agreements with landowners of such rock art sites and expend appropriated funds for research, site protection, and interpretive programs. Research shall include the identification and mapping of rock art sites and the development of protection options.

SEC. 108. (a) There is established the Petroglyph National Monument Advisory Commission (hereinafter referred to as the "Commission"). The Commission shall be composed of 11 members appointed by the Secretary for terms of 5 years as follows:

(1) one member, who shall have professional expertise in history or archaeology, appointed from recommendations submitted by the Governor of the State of New Mexico;

(2) one member, who shall have professional expertise in history or archaeology, appointed from recommendations submitted by the mayor of the city of Albuquerque, New Mexico;

(3) one member, who shall have professional expertise in Indian history or ceremonial activities, appointed from recommendations submitted by the All Indian Pueblo Council;

(4) one member who shall be a shareholder of the Westland Development Company, Incorporated;

(5) one member who shall be an heir of the Atrisco Land Grant;

(6) one member who shall be an affected landowner;

(7) one member who shall have professional expertise in Indian rock art;

(8) one member who shall have professional expertise in cultural anthropology;

(9) one member who shall have professional expertise in geology;

(10) one member from the general public; and

(11) the Director of the National Park Service, or his or her designee, ex officio.

(b) Any member of the Commission may serve after the expiration of his term until his successor is appointed. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(c) Members of the Commission shall serve without pay. While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5, United States Code.

(d) The Chair and other officers of the Commission shall be elected by a majority of the members of the Commission to serve for terms established by the Commission.

(e) The Commission shall meet at the call of the Chair or a majority of its members, but not less than twice annually. Six members of the Commission shall constitute a quorum. Consistent with the public meeting requirements of section 10 of the Federal Advisory Committee Act (5 U.S.C. App.), the Commission shall, from time to time, meet with persons concerned with Indian history and historic preservation and with other interested persons.

(f) The Commission may make such bylaws, rules, and regulations as it considers necessary to carry out its functions under this title. Section 14(b) of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission.

(g) The Commission shall advise the Secretary on the management and development of the monument and on the preparation of the plan referred to in section 105(a) of this title. The Secretary, or his designee, shall from time to time, but at least semiannually, meet and consult with the Commission on matters relating to the management and development of the monument.

(h) The Commission shall cease to exist 10 years after the date of its first meeting.

SEC. 109. There are authorized to be appropriated such sums as may be necessary for the purposes of this title. The Secretary shall prepare and submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Interior and Insular Affairs of the House of Representatives, concurrently with the proposed budget for the second fiscal year beginning after the date of enactment of this title, and every five years thereafter, a report on the status of the agreement referred to in section 102(d), its associated costs, and any proposed alterations to the agreement.

TITLE II—PECOS NATIONAL HISTORICAL PARK

SEC. 201. The purpose of this title is—

(1) to recognize the multitheme history, including the cultural interaction among diverse groups of people, of the Pecos area and its "gateway" role between the Great Plains and the Rio Grande Valley, and

(2) to provide for the preservation and interpretation of the cultural and natural resources of the Forked Lightning Ranch by establishing the Pecos National Historical Park.

SEC. 202. (a) In order to enhance and preserve the existing Pecos National Monument and related nationally significant resources for the benefit and enjoyment of present and future generations, there is hereby established the Pecos National Historical Park (hereinafter in this title referred to as the "park").

(b) The park shall include the existing Pecos National Monument and the area known as the Forked Lightning Ranch which surrounds the Pecos National Monument and shall consist of approximately 5,865 acres of the lands and interests in lands as generally depicted on the map entitled "Boundary Map—Pecos National Historical Park Boundary Concept", numbered 430/80028 and dated March 1990. The map shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. The Secretary of the Interior (hereinafter in this title referred to as the "Secretary") may from time to time make minor revisions in the boundary of the park in accordance with section 7(c) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l-4 and following).

(c) The Act entitled "An Act to authorize the establishment of Pecos National Monument in the State of New Mexico, and for other purposes" approved June 28, 1965 (79 Stat. 195), is hereby repealed, and any funds available for purposes of the Pecos National Monument shall be available for purposes of the park.

SEC. 203. The Secretary is authorized to acquire lands, waters, and interests therein within the boundaries of the park by donation, purchase with donated or appropriated funds, or exchange: Provided, however, That the Secretary may not acquire lands within the Forked Lightning Ranch as depicted on the map from the owner of record of such lands as of May 1, 1990, without the consent of such owner unless the Secretary determines that the lands are being used, or that there is an imminent threat that the lands will be used, for any purpose that is incompatible with the purposes of this Act.

SEC. 204. The Secretary shall administer the park in accordance with the provisions of this title and the provisions of law generally applicable to the administration of units of the National Park System, including the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2-4), and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461-7).

SEC. 205. Within 3 full fiscal years from the date funding is made available for the purposes of preparing a general management plan, the Secretary shall develop and transmit to the Committee on Energy and Natural Resources of the Senate and the Committee on Interior and Insular Affairs of the House of Representatives, a general management plan for the park consistent with the purposes of this title, including (but not limited to)—

(1) a general visitor use and interpretive program that fully considers the prehistoric and historic aspects of the national historical park including the "gateway theme" and early Spanish settlement of New Mexico;

(2) a statement on the number of visitors and types of public uses within the park which can be reasonably accommodated in accordance with the protection of its resources; and

(3) a general development plan for the park, including the estimated cost thereof.

SEC. 206. The Secretary, acting through the National Park Service, shall undertake a study of the Rowe Ruin, Arrowhead Pueblo, Hobson-Dressler Ruin, and Las Ruedas site for the suitability and feasibility of their inclusion in the park. The Secretary shall submit the study to the Congress within one year after the date of enactment of this title.

SEC. 207. There is authorized to be appropriated such sums as may be necessary to carry out this title.

TITLE III—ZUNI-CIBOLA NATIONAL HISTORICAL PARK AND JUAN DE ONATE MEMORIAL

SEC. 301. The first sentence of section 202 of Public Law 100-225 (16 U.S.C. 460uu-12) is amended by deleting "and Zuni-Cibola National Historical Park" and inserting "Zuni-Cibola National Historical Park, and Petroglyph National Monument".

SEC. 302. The Zuni-Cibola National Historical Park Establishment Act of 1988 (16 U.S.C. 410pp et seq.) is amended—

(1) in section 2(c)—

(A) by striking "24 months" and inserting "6 years"; and

(B) by striking "24-month" and inserting "6-year"; and

(2) in section 3(a) by striking "18 months" and inserting "5½ years".

SEC. 303. (a) The tract of land described in subsection (b) shall be treated as public land for the purposes of the Act of June 14, 1926 (43 U.S.C. 869 et seq.; commonly known as the "Recreation and Public Purposes Act").

(b) The land referred to in paragraph (1) is approximately 5 acres of the Sebastian Martin Land Grant near Los Luceros, New Mexico, as generally depicted on the map entitled "Onate Memorial Map" and dated July 1989.

Amend the title so as to read: "An Act to establish Petroglyph National Monument and Pecos National Historical Park in the State of New Mexico, and for other purposes.".

AMENDMENT NO. 2018

Mr. DOMENICI. Mr. President, on behalf of Senator JOHNSTON, I move that the Senate concur in the House amendment with further amendments which I now send to the desk.

The PRESIDING OFFICER. The clerk will report the amendments.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for Mr. JOHNSTON, proposes an amendment numbered 2018.

Mr. DOMENICI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

1. Strike tile I in its entirety and insert in lieu thereof the following:

"TITLE I—PETROGLYPH NATIONAL MONUMENT

"SEC. 101. SHORT TITLE AND CONGRESSIONAL FINDINGS.

"(a) This title may be cited as the 'Petroglyph National Monument Establishment Act of 1990'.

"(b) The Congress finds that—

"(1) the nationally significant Las Imagines National Archeological District on Albuquerque's West Mesa Escarpment contains more than 15,000 documented and prehistoric and historic petroglyphs;

"(2) the district also contains approximately 65 other archeological sites;

"(3) the West Mesa Escarpment and the petroglyphs are threatened by urbanization and vandalism, and hundreds of petroglyphs have already been destroyed;

"(4) the State of New Mexico has shown great leadership by recognizing the importance of the archeological resources of the West Mesa Escarpment through the establishment of the Las Imagines National Archeological District;

"(5) the city of Albuquerque has played a significant role in the preservation of the natural, cultural, and recreational resources of the West Mesa Escarpment;

"(6) the Middle Rio Grande Pueblo Tribes have shown a strong and sincere interest in the preservation of their heritage through protection of the West Mesa Escarpment;

"(7) the Atrisco Land Grant, now held by Westland Development Company, Incorporated, a corporation whose stock is owned primarily by heirs of the Atrisco Land Grant, has played a significant role in the settlement of the West Mesa area since 1692, and the corporation's shareholders have shown a strong interest in the preservation of their traditional lands;

"(8) the National Park System has no unit established for the specific purpose of protecting, preserving, and interpreting prehistoric and historic rock art; and

"(9) in light of the national significance of the West Mesa Escarpment and the petroglyphs and the urgent need to protect the cultural and natural resources of the area from urbanization and vandalism, it is appropriate that a national monument be established in the West Mesa Escarpment area, near Albuquerque, New Mexico.

"SEC. 102. ESTABLISHMENT OF PETROGLYPH NATIONAL MONUMENT.

"(a) In order to preserve, for the benefit and enjoyment of present and future generations, that area in New Mexico containing the nationally significant West Mesa Escarpment, the Las Imagines National Archeological District, a portion of the Atrisco Land Grant, and other significant natural and cultural resources, and to facilitate research activities associated with the resources, there is hereby established the Petroglyph National Monument (hereinafter in this title referred to as the 'monument') as a unit of the National Park System. The monument shall consist of approximately 5,280 acres generally known as the Atrisco Unit, as depicted on the map entitled "Boundary Map, Petroglyph National Monument", numbered NM-PETR-80,010C and dated June 1990, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior in the offices of the Department of Energy, Minerals, and Natural Resources of the State of New Mexico, and in the office of the mayor of the city of Albuquerque, New Mexico.

"(b) The monument shall be administered by the Secretary of the Interior (hereinafter in this title referred to as the 'Secretary') or, if the monument is expanded pursuant to section 104(a), by the Secretary in cooperation with the State of New Mexico (hereinafter in this title referred to as the 'State') or the city of Albuquerque, New Mexico (hereinafter in this title referred to as the 'city'), in accordance with section 105.

"(c) Within 6 months after the date of enactment of this title, the Secretary shall file a legal description of the monument with the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs

of the United States House of Representatives. Such legal description shall have the same force and legal description as if included in this title, except that the Secretary may correct clerical and typographical errors in such legal description. The legal description shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, in the offices of the Department of Energy, Minerals, and Natural Resources of the State of New Mexico, and in the office of the mayor of the city of Albuquerque, New Mexico: *Provided,* That the Secretary may from time to time, after completion of the general management plan referred to in section 108(a), may make minor adjustments to the monument boundary by publication of a revised map or other boundary description in the Federal Register.

"SEC. 103. LAND ACQUISITION AUTHORITY.

"(a) The Secretary is authorized to acquire lands and interests therein within the monument boundary by donation, purchase with donated or appropriated funds, exchange, or transfer from any other Federal agency, except that lands or interests therein owned by the State or a political subdivision thereof may be acquired only by donation or exchange.

"(b) Where the surface and subsurface estates of private land to be acquired are separately owned, the Secretary shall acquire the subsurface estate to such land prior to or at the same time the surface estate is acquired: *Provided,* That this subsection shall not be applicable if the Secretary determines that the prior acquisition of the surface estate is necessary—

"(1) to prevent damage to the resources of the monument; or

"(2) to properly manage and interpret the monument in accordance with sections 102 and 105.

"(c)(1) The Secretary is authorized to exchange Federal lands within the area described on the map referred to in section 102(a) as the Piedras Marcadas Unit for lands owned by the city within the area described as the Atrisco Unit on such map.

"(2) The Secretary is authorized to exchange Federal lands within the area described on the map referred to in section 102(e) as the Boca Negra Unit for lands owned by the State within the area described as the Atrisco Unit on such map.

"(3) Exchanges shall be on the basis of equal value, and either party to the exchange may pay or accept cash in order to equalize the value of the properties exchanged.

"(d) Prior to acquiring fee simple ownership of private lands or interests therein within the monument boundary, the Secretary is authorized to acquire an appropriate interest in such land by donation or for a nominal fee from the owner or owners of such lands for the purpose of providing immediate protection against trespass or vandalism or initiating any resource inventories necessary to carry out the purposes of this title.

"SEC. 104. EXPANSION OF THE MONUMENT.

"(a) Upon the execution of a binding agreement between the Secretary, the State, and the city that the lands identified in this subsection shall be perpetually managed in accordance with section 105, the Secretary shall include such lands, totaling approximately 1,994 acres, within the monument boundary. The lands referred to in this subsection are:

"(1) the approximately 1,779 acres generally known as the Piedras Marcadas Unit, as depicted on the map referred to in section 102(a); and

"(2) the approximately 215 acres generally known as the Boca Negra Unit, as depicted on the map referred to in section 102(a).

"(b)(1) The Secretary is authorized to acquire, as provided in section 103(a), some or all of the approximately 95 acres of land, or interest therein, within the area identified as 'Potential Addition' on the map referred to in section 102(a), if, after consultation with the Petroglyph National Monument Advisory Commission established under section 110, the Secretary determines that such acquisition would further the purposes of this title.

"(2) The authority of the Secretary to make acquisitions pursuant to paragraph (1) shall expire on the date 3 years after the date of enactment of this Act.

"(3) Any lands acquired pursuant to paragraph (1) shall be incorporated into the monument and managed accordingly.

"SEC. 105. ADMINISTRATION AND MANAGEMENT OF THE MONUMENT.

"(a) The Secretary shall administer, manage, and protect the monument in accordance with the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1 et seq.), the Act of August 231, 1935 (49 Stat. 666; 16 U.S.C. 461 et seq.), and this title, and in such a manner as to preserve, for the benefit and enjoyment of present and future generations, its cultural and natural resources, and to provide for the interpretation, of and research on such resources.

"(b) Units of the monument which may be added pursuant to section 104(a) shall be managed and developed in accordance with management and operational plans prepared concurrently with the National Park Service, and consistent with section 108. Visitor use and interpretive programs within such units shall be undertaken consistent with plans developed with the assistance of the National Park Service.

"(c) The Secretary is authorized to enter into cooperative agreement with either the State or the city under which the Secretary may manage and interpret any lands owned by the State or the city, respectively, within the boundaries of the monument.

"(d) In order to encourage a unified and cost effective interpretive program of the natural and cultural resources of the West Mesa Escarpment and its environs, the Secretary is authorized to enter into cooperative agreements with other Federal, State, and local public departments and agencies, Indian tribes, and nonprofit entities providing for the interpretation of these resources. Such agreements shall include, but need not be limited to, a provision for the Secretary to develop and operate interpretive facilities and programs on lands and interests in lands outside the monument boundary, with the agreement of the owner or the administrator thereof. Such cooperative agreements may also provide for financial and technical assistance for the planning and implementation of interpretive programs and minimal development related to these programs.

"(e) Federal laws generally applicable to units of the National Park System, including but not limited to, the National Environmental Policy Act of 1969 and the Archeological Resources Protection Act of 1979, shall apply to the monument. The Secretary is authorized to pursue concurrent jurisdiction of the monument for the purposes of law enforcement and implementation of Federal regulations.

"SEC. 106. LAND USE AND TRANSPORTATION PLANNING.

"The Secretary may participate in land use and transportation management planning conducted by appropriate local authorities for lands adjacent to the monument and may provide technical assistance to such authorities and affected landowners for such planning.

"SEC. 107. EXISTING TRANSMISSION OR DISTRIBUTION FACILITIES.

"Nothing in this title shall be construed as authorizing or requiring revocation of any interest or easement for existing transmission or distribution facilities or prohibiting the operation and maintenance of such facilities within or adjacent to the monument boundary.

"SEC. 108. GENERAL MANAGEMENT PLAN.

"(a) Within 3 years from the date funding is made available for the purposes of this section, the Secretary, in cooperation with the city and the State, shall develop and transmit to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives, a general management plan for the monument consistent with the purposes of this title, including, but not limited to—

"(1) a statement of the number of visitors and types of public use within the monument which can be accommodated in accordance with the protection of its resources;

"(2) a resource protection program;

"(3) a general interpretive program;

"(4) a plan to implement the joint resolution entitled 'American Indian Religious Freedom', approved August 11, 1978 (42 U.S.C. 1996);

"(5) a general development plan for the monument, including proposals for a visitors' center, and the estimated cost thereof; and

"(6) a plan for the Rock Art Research Center established in section 109.

"(b) The general management plan shall be prepared in consultation with the Petroglyph National Monument Advisory Commission established pursuant to section 110, appropriate Indian tribes and their civil officials, the heirs of the Atrisco Land Grant, the New Mexico State Historical Preservation Office, and other interested parties.

"(c) The Secretary shall undertake, in consultation and cooperation with appropriate New Mexico Indian tribes and their civil officials, research on other Rio Grande style rock art sites on Federal lands in New Mexico, and through cooperative agreements with State and willing private landowners, on non-Federal lands. The Secretary shall provide the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives within 3 years of the date funding is made available for the purposes of this section, a report that—

"(1) lists various locations of Rio Grande style rock art;

"(2) identifies the ownership of the rock art;

"(3) identifies the condition of the resources; and

"(4) identifies the appropriate type of technical assistance needed for the protection and care of these resources.

The report shall be updated and transmitted to such committees every 2 years thereafter.

"SEC. 109. ROCK ART RESEARCH CENTER.

"(a) In order to provide for research relating to Rio Grande style rock art, undertake comprehensive evaluations of petroglyphs within the monument, prepare interpretive programs that are sensitive to the concerns of the Indian and Hispanic peoples, and relate monument resources to other styles and forms of rock art, the Secretary, acting through the National Park Service and in cooperation with the University of New Mexico, other educational institutions, foundations, Indian tribes, and private entities, shall establish a Rock Art Research Center (hereinafter in this title referred to as the 'Center').

"(b) The Center shall function as a focal point for the systematic and scholarly collection, analysis, and dissemination of information relating to Rio Grande style rock art, and other forms of rock art within the region.

"(c) The Center shall produce research data and educational materials that will enhance public understanding of prehistoric and historic rock art.

"(d) The Center shall provide for a broad program of research including ethnographic studies, resource management techniques, and comparative studies of rock art forms and styles.

"(e) Research shall be primarily directed toward rock art managed by the National Park Service. The Secretary may enter into cooperative agreements with other agencies and entities as may be appropriate to carry out the requirements of the Center.

"(f) The Secretary, acting through the National Park Service, is authorized to undertake research and assist in the management and protection of Rio Grande style rock art sites on public and, with the agreement of the landowner, private lands within the Galisteo Basin. The Secretary is authorized to enter into cooperative agreements with landowners of such rock art sites and expend appropriated funds for research, site protection, and interpretive programs. Research shall include the identification and mapping of rock art sites and the development of protection options.

"SEC. 110. PETROGLYPH NATIONAL MONUMENT ADVISORY COMMISSION.

"(a) There is hereby established the Petroglyph National Monument Advisory Commission (hereinafter in this title referred to as the 'Commission'). The Commission shall be composed of 11 members appointed by the Secretary for terms of 5 years as follows:

"(1) one member, who shall have professional expertise in history or archeology, appointed from recommendations submitted by the Governor of the State of New Mexico;

"(2) one member, who shall have professional expertise in history or archeology, appointed from recommendations submitted by the mayor of the city of Albuquerque, New Mexico;

"(3) one member, who shall have professional expertise in Indian history or ceremonial activities, appointed from recommendations submitted by the All Indian Pueblo Council;

"(4) one member, who shall be a shareholder of the Westland Development Company, Incorporated;

"(5) one member, who shall be an heir of the Artrisco Land Grant;

"(6) one member, who shall be an affected landowner;

"(7) one member, who shall have professional expertise in Indian rock art;

"(8) one member, who shall have professional expertise in cultural anthropology;

"(9) one member, who shall have professional expertise in geology;

"(10) one member from the general public; and

"(11) the Director of the National Park Service, or his or her designee, ex officio.

"(b) Any member of the Commission may serve after the expiration of his or her term until a successor is appointed. A vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

"(c) Members of the Commission shall serve without pay. While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5, United States Code.

"(d) The Chair and other officers of the Commission shall be elected by a majority of the members of the Commission to serve for terms established by the Commission.

"(e) The Commission shall meet at the call of the Chair or a majority of its members, but not less than twice annually. Six members of the Commission shall constitute a quorum. Consistent with the public meeting requirements of section 10 of the Federal Advisory Commission Act (5 U.S.C. App.), the Commission shall, from time to time, meet with persons concerned with Indian history and historic preservation, and with other interested persons.

"(f) The Commission may make such bylaws, rules, and regulations as it considers necessary to carry out its functions under this title. Section 14(b) of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission.

"(g) The Commission shall advise the Secretary on the management and development of the monument, and on the preparation of the general management plan referred to in section 108(a). The Secretary, or his or her designee, shall from time to time, but at least semiannually, meet and consult with the Commission on matters relating to the management and development of the monument.

"(h) The Commission shall cease to exist 10 years after the date of its first meeting.

"SEC. 111. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated such sums as may be necessary for the purposes of this title. The Secretary shall prepare and submit to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives, concurrently with the submission to Congress of the President's proposed budget for the second fiscal year beginning after the date of enactment of this title, and every 5 years thereafter, a report on the status of the agreement referred to in section 104(a), its associated costs, and any proposed alterations to the agreement.".

2. On page 16, line 25, strike " 'Boundary Map—Pecos National Historical Park Boundary Concept, numbered 430/80028 and dated March 1990." and insert in lieu thereof, " 'Pecos National Historical Park Boundary Concept', numbered 430/80028 and dated March 1990.".

Mr. JOHNSTON. Mr. President, last January, the Senate passed S. 286, a bill to establish the Petroglyph National Monument near Albuquerque, NM. The House of Representatives has recently amended the bill and sent it back to the Senate. In addition to making certain changes with respect to the proposed monument, the House amendment also establishes the Pecos National Historical Park in New Mexico, amends the definition of the Masau trail to include Petroglyph National Monument within the trail, extends the time period for the establishment of the Zuni-Cibola National Historical Park, and provides for the disposition of 5 acres of land for a memorial to Juan Onate near Los Luceros, NM.

As originally passed by the Senate, the Petroglyph National Monument would consist of three units, the Atrisco, Piedras Marcadas, and Boca Negra units. The House amendment also includes all three units within the monument, but provides that the monument shall not be established until the Secretary of the Interior, the State of New Mexico and the city of Albuquerque, NM have entered into a binding agreement to manage the monument in accordance with the provisions of S. 286.

While I agree with the general intent of the amendment, to require that if the State and the city manage units of the monument, they should manage such units in accordance with Federal standards, I am concerned that there is some ambiguity concerning the eventual status of the monument as well as the Secretary's power to acquire lands within the monument.

As passed by the House, the monument would be established only when all three parties enter into a binding agreement. This leaves open a possibility, however unlikely, that the monument may never be established. In addition, while I am sure that there is no intent to preclude the Secretary's authority to acquire lands within the monument boundary, I do not believe that the current language ensures such acquisition authority prior to the execution of the binding agreement.

I am offering two amendments to the House amendment. The first amendment is a substitute to title I of the House amendment. In addition to making several technical, clarifying and conforming corrections, the amendment clarifies the monument's permanent status and the Secretary's land acquisition authority. The amendment provides that upon enactment of the bill, the monument will be established, consisting of the 5,280-acre Atrisco unit. Upon the execution of a binding agreement between the Secretary, the State, and the city with respect to the management of the Piedras Marcadas and Boca Negra units, those units are to be added to the monument. As the monument would be established immediately upon en-

actment of this legislation, I believe that this removes any ambiguity over the Secretary's land acquisition authority.

The second proposed amendment makes a technical correction to title II of the House amendment, which establishes the Pecos National Historical Park. The amendment corrects the reference to the park boundary map.

Mr. President, these amendments are noncontroversial and are supported by both New Mexico Senators. I urge my colleagues to adopt both amendments and pass S. 286.

Mr. DOMENICI. Mr. President, New Mexico is a State of magnificent natural beauty. New Mexicans have a special appreciation of the land. Perhaps because so much of our livelihood is derived from the land, we have been wise stewards of our natural heritage. It is a tribute to the people of New Mexico that so many want to preserve the resources of the State so that future generations can enjoy the New Mexico that we know and love today.

During my time here in the Senate, I have been involved in designating El Malpais National Monument and Chaco Culture National Historical Park in New Mexico, in protecting the Chama, the Jemez, and the Pecos as wild and scenic rivers, and in preserving almost 1 million acres throughout New Mexico as wilderness—such as the Bisti and Sandia Wilderness areas.

I'm pleased to have had the opportunity to help protect and preserve the environment of New Mexico. Much has been done, yet more needs to be done.

S. 286, the bill before the Senate, would provide much-needed protection to two more areas in New Mexico by establishing the Petroglyph National Monument and the Pecos National Historical Park.

S. 286 was previously approved by the Senate on January 24. At that time, the bill focused on the establishment of the Petroglyph National Monument. When the bill was considered by the House of Representatives, it was amended to include, in addition to the Petroglyph National Monument Establishment Act, the Pecos National Historical Park Act, and provisions affecting the Zuni-Cibola National Historical Park and the Juan de Onate site in New Mexico. The House approved the amended S. 286 by a vote of 415 to 0 on May 22.

While by and large, I support the changes the House has made, the House amendment would delay the establishment of the Petroglyph National Monument until an agreement is reached with the city of Albuquerque and the State of New Mexico on the management of their respective lands. Because the petroglyphs need to be protected immediately, the Senate needs to amend the bill as passed by the House to permit the Petroglyph National Monument to be established without further delay.

I hope that this body will add its unanimous approval to S. 286, as amended.

THE PETROGLYPH NATIONAL MONUMENT ESTABLISHMENT ACT

Title I of the bill essentially contains the provisions of S. 286 as passed by the Senate, the Petroglyph National Monument Establishment Act.

The Petroglyph National Monument would be located on a volcanic escarpment in Albuquerque that contains thousands of ancient petroglyphs. The monument is needed to protect the escarpment and the thousands of ancient petroglyphs it contains from being destroyed by vandalism and increasing urbanization.

Starting about 1000 B.C. and through the next 25 centuries, the native American people who lived in the Rio Grande Valley carved thousands of petroglyphs on the dark boulders that are strewn along the slope of the West Mesa Escarpment.

By the time that the first Spanish explorers arrived in the area in 1540, over 15,000 Indian petroglyphs stretched along the 17 miles of the escarpment. The early Spanish settlers carved their symbols into the escarpment, creating their own petroglyphs.

Mr. President, when I was growing up in Albuquerque, it was a small city nestled in the Rio Grande Valley and surrounded by the desert. Across the desert to the east were the Sandia Mountains—to the west was the West Mesa Escarpment. Although we were aware of the petroglyphs carved onto the escarpment, no one paid them much attention.

The Albuquerque that my grandchildren are growing up in is a much different place. Albuquerque has grown into a sprawling metropolitan area of almost half a million people. The city has stretched across the desert to the foothills of the Sandia Mountains and to the edge of the escarpment. And the petroglyphs, which everyone now realizes are an important link in the area's early history, are threatened by the spreading city and by vandalism. Hundreds of petroglyphs have already been destroyed.

The escarpment and the petroglyphs have been declared to be 1 of the 11 most threatened sites in the Nation by the National Trust for Historic Preservation.

In order to prevent any further destruction of the escarpment and the petroglyphs, we must act to preserve this area soon. If we delay, this magnificent resource, which forms a scenic boundary of Albuquerque and contains an important part of the city's history, will be lost.

Mr. President, the city of Albuquerque and the State of New Mexico have begun the process of protecting the escarpment and its historic petroglyphs. Now it is time for the Federal Government to establish its role in this project.

Title I of S. 286 would establish a Petroglyph National Monument. The 7,369-acre monument would be divided into 3 units: a 5,375-arce federally managed Atrisco Unit; a 215-acre State/city-managed Boca Negra Unit; and a 1,779-acre city-managed Piedras Marcadas Unit. The monument would be administered by the National Park Service, in cooperation with the State and the city.

The amendments added by the House to the Petroglyph National Monument Establishment Act and the further amendments that hopefully this body will approve today will:

First, allow the Secretary of the Interior to add 95 acres to the Federal area of the monument.

Second, delete the Senate provision that would have permitted Westland Development Co., which owns a large portion of the land to be incorporated into the monument, to buy back its land if the monument ever ceases to exist.

Third, strike the section that would have guaranteed access to the monument to native Americans for traditional religious and cultural purposes. The All Indian Pueblo Council asked for this to be deleted, as the National Park Service has established criteria for the use of park units for traditional religious and cultural purposes.

Fourth, require a study of archaeological sites in the Galisteo Basin between Albuquerque and Santa Fe and authorize the National Park Service to help protect these private sites.

Fifth, establish a Rock Art Research Center and permit the National Park Service to study Indian and non-Federal lands, with the consent of the landowner, in the Rio Grande rock art study authorized by the bill.

Sixth, add lands owned by the State of New Mexico and the city of Albuquerque to the monument once an agreement is reached with the National Park Service to provide consistency in management of the three units of the monument.

Seventh, add an anthropologist to the Monument Advisory Commission.

I support the inclusion of these amendments in the Petroglyph National Monument Establishment Act.

The monument proposal has been developed over the past 4 years and has involved scores of Federal, City, and State officials, private landowners, and concerned citizens. It enjoys unusually strong and practically universal support. This effort has brought together people from all segments of the Albuquerque community, united in their goal to preserve Albuquerque's environment.

In addition, the creation of the Petroglyph National Monument is con-

sistent with the President's commitment to protecting the environment through the development of National Park units in and near urban areas.

The Petroglyph National Monument is an innovative proposal because, unlike most national park units, the Federal Government would not be responsible for the full cost of acquisition, development, and operation. Rather, the costs of the project would be split between the Federal, State, and city governments.

The total cost of acquisition for the monument will be approximately $90 million. The cost to the Federal Government will be approximately $58 million. However, the value of the land acquired will be much greater, as significant portions of the monument may be acquired by donation or exchange.

Although the price tag is high, I would like to assure you, Mr. President, that the monument boundaries have been tightly drawn so as to encompass the minimum amount of land necessary to create a viable unit of the National Park System.

In addition, the majority of the land for this project will be acquired by the city and the State. The Federal Government will acquire approximately 2,350 acres of private land, the city has acquired or will acquire 4,250 acres, and the State has acquired or will acquire 770 acres. The State and the city, thus, together will contribute over 2 acres for every acre that the Federal Government will purchase.

The city of Albuquerque will be responsible for $25 million of the acquisition cost of the monument. It has already levied a one-quarter cent "quality of life" tax that will yield $14 million for land acquisition at the monument. The city intends to obtain the remaining 11 million dollars' worth of land for the monument through alternative sources of funding and creative, low-cost acquisition methods.

The State of New Mexico will be responsible for $7 million of the acquisition cost of the monument. It has authorized the issuance of $6 million in severance tax bonds for this purpose, contingent upon enactment of the Federal legislation authorizing the monument. The authority for $300,000 of severance tax bonds is set to expire on June 30 if the Petroglyph National Monument Establishment Act is not signed into law by then.

Mr. President, we need to protect the Albuquerque petroglyphs. We need to protect them now. If we fail to protect them, this magnificent area will be lost forever. Therefore, we need to pass this legislation quickly.

THE PECOS NATIONAL HISTORICAL PARK ACT

Mr. President, title II of the bill is the Pecos National Historical Park Act, which would replace the existing Pecos National Monument with an expanded unit of the National Park System.

This legislation is a fitting way to celebrate the 25th anniversary of Pecos National Monument, which is being observed this year.

Pecos National Monument, located in the Upper Pecos Basin in northern New Mexico, was originally designated in 1965 and currently encompasses 365 acres. It contains the ruins of the ancient Pueblo of Pecos and the remains of two Spanish missions, one built in the 17th century and the other built in the 18th century.

Recently, a proposal surfaced to subdivide and develop some of the land surrounding the National Monument in the Upper Pecos Basin. The residents of the area were very concerned about this proposal and the effect it would have on the monument and surrounding lands in the Upper Pecos Basin. As a result of local opposition, the development proposal was dropped.

Mr. President, the people of New Mexico have spoken. They want Pecos National Monument and the Upper Pecos Basin protected. The Upper Pecos Basin is a classic example of the mixing of cultures that makes New Mexico so unique. It was the site of important events in the native American, Hispanic, and Anglo history of New Mexico. I am pleased that the legislation before the Senate would protect the historic resources of Pecos National Monument and the Upper Pecos Basin.

The Pecos National Historical Park Act would abolish Pecos National Monument and establish in its place the Pecos National Historical Park. The new park would consist of 5,865 acres. The lands to be added to the park by this bill contain sites associated with Native American history and prehistory, Spanish colonization, the Santa Fe Trail, and the Civil War Battle of Glorieta.

Senator BINGAMAN and I introduced the Pecos National Historical Park Act as a separate bill, S. 2254, earlier this year. The Senate Energy and Natural Resources Committee approved this bill on May 23. I am pleased that the House has incorporated this legislation in S. 286.

The Pecos National Historical Park Act is a logical extension of legislation that I included in the El Malpais Act of 1987, Public Law 100-225. The El Malpais Act permits individuals to donate land for incorporation into Pecos National Monument.

Although the National Park Service already has authority to expand the National Monument under the provision that I included in the El Malpais Act, this bill authorizes lands to be added to the park through purchase, donation, or exchange.

The lands that would be added to the park by this bill are currently part of the Forked Lightning Ranch, which is owned by Greer Garson Fogelson. Mrs. Fogelson, like her late husband Buddy Fogelson, is an extremely generous individual. The people of New Mexico are privileged to have been the beneficiaries of the philanthropy of Mr. and Mrs. Fogelson. For example, the Fogelsons donated the majority of the land contained in the current National Monument and donated half the funds to construct the visitors center at the monument. Today, Pecos National Monument is an outstanding unit of the National Park System, and that is due in no small measure to the generosity of the Fogelsons.

It is my strong hope that those interested in seeing additional lands at Pecos protected will acquire Mrs. Fogelson's lands and then donate them to the National Park Service pursuant to the provision that I included in the El Malpais Act. I understand that the potential for conservation buyers purchasing the land and donating it to the National Park Service is good.

Mr. President, even though the bill would permit the National Park Service to purchase the land for the park, donation of the land should be the preferred option and it is my expectation that the land will be donated as provided for in the El Malpais legislation.

Mr. President, as originally introduced, the Pecos National Historical Park Act would have permitted the National Park Service to condemn Mr. Fogelson's land. I think it would be inappropriate for the Federal Government to condemn this land, especially in light of the great generosity of the Mr. and Mrs. Fogelson.

I am pleased, therefore, that the House, at my suggestion, included a provision in the bill to prohibit the National Park Service from condemning Mrs. Fogelson's land. This provision, which was also included in the bill as approved by the Senate Energy Committee, requires that the National Park Service acquire land from Mrs. Fogelson on a willing seller basis only.

AMENDMENT TO THE MASAU TRAIL

Section 301 of S. 286 would amend the legislation that created the Masau Trail, an automobile touring route in New Mexico and Arizona, to include the Petroglyph National Monument established by title I in the Masau Trail.

The Masau Trail automobile touring route will link various historic and prehistoric sites of interest in western New Mexico and eastern Arizona. The trail will introduce visitors to the wealth of historic, cultural, and natural sites in these parts of New Mexico and Arizona, providing a comprehensive perspective on the history of the Indian peoples of the region.

When the Masau Trail was originally created by Public Law 100-225, the

El Malpais Act of 1987, it was anticipated that the Petroglyph National Monument would be added to the Trail when the monument was established. The Petroglyph National Monument will serve as a gateway to the Masau Trail, introducing visitors to the historic Indian sites of western New Mexico and eastern Arizona.

The language of section 301 was included in S. 286 as originally approved by the Senate.

AMENDMENT TO THE ZUNI-CIBOLA NATIONAL HISTORICAL PARK ACT

Section 302 of the bill would extend the time for the National Park Service and Zuni Pueblo to agree to the terms of a lease to establish the Zuni-Cibola National Historical Park.

Section 302 is similar to S. 2430, which Senator BINGAMAN and I introduced earlier this year. S. 2430 was approved by the Senate Energy and Natural Resources Committee on May 23. I support the inclusion of this legislation in S. 286.

Locateld 40 miles south of Gallup, Zuni Pueblo is the largest of the 19 pueblos in New Mexico. The Zuni Valley has been occupied continuously from an early period. Several of the ancient pueblo sites on the present-day reservation were visited by Coronado in 1540 during his famous search for the "Seven Cities of Cibola."

In 1988, Congress authorized the creation of the Zuni-Cibola National Historical Park on 800 acres of the Zuni Reservation in Public Law 100-567. The Park would interpret the ruins of four prehistoric villages. The Zuni would continue to own the land in the park, but would donate a 99-year lease to the National Park Service, which would manage the area.

Under Public Law 100-567, if a lease was not agreed to by April 1990, the authority to create the park would expire. In January of this year, the Zuni held an election in which the voters rejected a proposed lease with the Park Service, and the authority to create the park subsequently lapsed.

The Zuni have requested additional time to work out the terms of the lease agreement with the National Park Service.

Section 302 would grant the Park Service and the Zuni another 4 years to agree on the terms of the lease.

JUAN DE ONATE LAND TRANSFER

Section 303 of S. 286 would permit the Bureau of Land Management to utilize the Recreation and Public Purposes Act to transfer a 5-acre tract of BLM land to Rio Arriba County, NM. Rio Arriba County wishes to erect a monument to a Spanish explorer, Juan de Onate, on this site, which is near where Onate's expedition established the first European settlement in what is now the United States.

Mr. President, I believe the House has improved S. 286. This legislation will now not only provide protection to the petroglyphs in Albuquerque, but also to the unique resources of the Upper Pecos Basin. I hope that all Senators will join me in supporting S. 286.

Mr. President, before concluding, I think it would be appropriate to note the contributions of several staff members who worked very hard on this legislation: Sean Bersell and Tony Gallegos of my staff; Mary Martinek of the office of Representative STEVE SCHIFF, who is the main House sponsor of this bill; Mitch Fourshee of Senator BINGAMAN'S staff; and Jim O'Toole, David Brooks, and Tom Williams—professional staff members of the Senate Energy Committee. I very much appreciate everything that they have done to assist in the enactment of this legislation.

I yield the floor.

The PRESIDING OFFICER. The question now occurs on the motion of the Senator from New Mexico.

The motion was agreed to.

Mr. DOMENICI. I thank the Chair and the distinguished Senator from Nebraska and the other side for letting us expedite this measure.

I yield the floor.

AMTRAK REAUTHORIZATION AND IMPROVEMENT ACT—VETO

The Senate continued with the consideration of the House message.

The PRESIDING OFFICER. Who seeks recognition?

The Chair recognizes the Senator from Wisconsin [Mr. KASTEN].

Mr. KASTEN. Mr. President, we are debating here today whether or not to override the President's veto of the conference report on H.R. 2364, providing Amtrak funding authorizations for fiscal years 1989 through 1992. We should note, I believe, from the outset that the fight over this veto of the Amtrak authorization bill is not over the funding of Amtrak. The Senate has already passed on this question, and the President agrees with that portion of the conference report. Rather, the President's entire veto message was based solely on the provision of the bill which would extend the regulatory authority of the ICC over certain railroad acquisitions.

In fact, to quote from the final paragraph of the President's letter of June 6 to Representative BOB MICHEL. The quote is:

> I would sign an Amtrak reauthorization identical to H.R. 2364, but without the ICC provision described above.

In a letter to Senator DANFORTH of June 5, Messrs. Darman, Sununu, and Skinner also stated that the President would sign a bill that included the Amtrak authorization levels, modified tax treatment of transportation employees, and the provision enabling the commuter rail service for northern Virginia, which is so important to our two colleagues from that State.

Thus, out of the nine provisions in this bill, only one is objectionable. Let us look at the provisions of the bill on which the President and the Congress agree:

First, authorization levels of $630 million for 1989; $656 million for 1990; $684 million for 1991; and $712 million for 1992.

Second, authority making possible the commencement of commuter rail service between northern Virginia and Washington, DC.

Third, the President agrees on authority allowing railroad acquisition and rehabilitation funds to be transferred to a project other than that for which it was granted, as long as it is not on a connecting line.

Fourth, we agree on requiring Amtrak to work with the State of Washington to study the feasibility of reestablishing service between Seattle and Vancouver, British Columbia.

Fifth, we agree on requiring Amtrak to study rerouting certain trains through Iowa.

Sixth, we agree that no motor carrier or rail employee shall be subject to income taxation in any State other than his or her State of residence.

Seventh, we agree to allowing Amtrak to pay into the Railroad Unemployment Insurance Act fund on an experience basis, similar to the treatment already accorded other commuter railroads and reflecting the switch of the whole system to an experience-based program, and that, incidentially, will be saving Amtrak roughly $16 million.

Eighth, we agree on requiring the Secretary of Transportation to study the need and demand for continuing the Federal loan guarantees under section 511 of the Railroad Revitalization and Regulatory Reform Act.

So we agree on the vast majority of this legislation. As I have mentioned, the President has indicated that he will sign an Amtrak authorization containing all of the provisions of the piece of legislation before us, except for the ICC provision.

Just such a bill has been introduced in the House of Representatives, and we will be shortly introducing a companion bill in the Senate. Thus, we have it within our capability to provide an authorization for Amtrak, which I favor. We can take up the ICC jurisdictional issue as a freestanding matter if in fact it still is really important.

Finally, the ICC provision is directly counter to the deregulatory approach that has rescued what was a dying industry. A recent GAO report noted the benefits that have flowed to the rail industry and, importantly also rail shippers as a result of the partial de-

regulation accomplished by the Staggers Rail Act of 1980.

With this experience so much before us, why do we want to adopt an industry-specific extension of ICC regulation? The Congress has not adopted any rules relating to acquisitions generally; yet here, where we should be striving to have rail and its competitors governed by similar rules, we are considering another rail-specific set of regulations.

I believe that this is an incorrect path. Therefore, despite my strong support for the Amtrak portions of the legislation, I urge my colleagues to vote to sustain the President's veto of the conference report on H.R. 2364.

Mr. President, I yield 7 minutes to the distinguished Senator from Montana.

The PRESIDING OFFICER. The Chair recognizes the Senator from Montana [Mr. BURNS] for 7 minutes.

Mr. BURNS. I thank the Senator. I ask unanimous consent that we proceed for 5 minutes as in morning business.

Mr. EXON. Mr. President, there is objection. We will not be proceeding with any further interruptions. We will not be proceeding with any more time from this bill. We will continue to focus on the measure at hand.

The PRESIDING OFFICER. The pending business is the 1-hour long discussion of the Amtrak reauthorization bill and veto divided in the normal way; the majority time, is controlled by Senator EXON, of Nebraska, and minority time by the Senator from Wisconsin. Senator BURNS was yielded 7 minutes for the purpose, I presumed, of discussing this bill.

Mr. BURNS. I yield that time back to the manager of the bill.

The PRESIDING OFFICER. Who yields time?

Mr. EXON. Mr. President, I yield 7 minutes to the Senator from Virginia, Senator ROBB.

The PRESIDING OFFICER. The Senator from Virginia [Mr. ROBB] is recognized for not to exceed 7 minutes.

Mr. ROBB. Mr. President, I rise again today to urge my colleagues to vote to override the President's veto of the Amtrak reauthorization bill. I will be brief, having made a longer statement on Thursday when this matter first came to the floor.

A number of things, it seems to me, have gotten lost in this debate. First, this is a debate about the Amtrak bill. And having ridden a few trains this weekend in conjunction with a daughter's graduation from college in the northeast corridor, I am even more convinced that this Congress should be supportive of Amtrak.

If the Senate cannot override this veto, Amtrak will immediately lose $16 million in scheduled savings from an adjustment in its railroad unemployment insurance liability, an adjustment authorized by this bill, as noted by the Senator from Wisconsin.

Amtrak will also lose some of its anticipated revenue from its operation of the Virginia Railway Express into Union Station, if this bill is not enacted. The management contract between the two entities sets the fee as a function of the number of riders and trains, and if the trains cannot run into Union Station because of the liability provisions contained in this bill, there will be fewer trains, fewer riders, less income for Amtrak, and lots more automobile traffic.

So even though the Appropriations Committee, chaired by the distinguished President pro tempore, has appropriated money for Amtrak without an authorization in the past, we all know that such authorizations are subject to points of order.

Furthermore, the amounts authorized in this bill represent a real congressional commitment to providing Amtrak with the funds it needs to invest in desperately needed capital equipment.

So despite what we may hear or have heard, passage of this bill at this time does matter. It matters in a very real way to the Virginia Railway Express, because without this bill, they lose the option on the additional railway cars to run trains across the river into Union Station.

As my colleagues know by now, the administration cites only one provision in this bill, a provision dealing with the jurisdiction of the Interstate Commerce Commission, as the basis for its veto. I am aware that the President has even told the minority leader in the House, Mr. MICHEL, that he will sign an Amtrak bill similar to this one, if the ICC provision is removed.

Mr. President, I have read the ICC provision. It does not continue "reregulation of the railroad industry." Rather, as one Member of the House on the other side of the aisle stated during the House debate on this override, this provision simply closes a loophole in the current law and makes explicit the Commision's authority to review the acquisition of a railroad by a nonrailroad.

While my primary interest in this bill has been parochial, the ICC provision nonetheless does make sense. It seems to me that it is a reasonable means of ensuring that someone takes the public interest in continued operation of more than 140,000 miles of railroad into account.

The new Chairman of the ICC, Edward J. Philbin, agrees. In an April 6, 1990, article in the Journal of Commerce, Mr. Philbin is quoted as saying:

> It seems to me that Congress is very wise in now turning its attention to acquisitions of railroads by non-railroad entities.* * * If, as a result of a highly leveraged buyout, (the purchaser) sells off portions of the railroad's properties, then * * * you might wind up with a railroad that cannot continue to operate as a railroad.

I agree with Mr. Philbin. I urge my colleagues to cast a vote for Amtrak and a vote for the Virginia Railway Express, notwithstanding the President's request and the promises that have been made to the contrary. I know that the administration has pulled out the stops to get enough commitments to assert its authority in this particular case; but this is a good bill, and it seems to me that this is the right time. I urge my colleagues to pass this bill notwithstanding the President's veto.

Mr. President, I yield the floor.

Mr. EXON. Will the Senator also yield back any remaining time that he had? I do not believe he used the full 7 minutes.

Mr. ROBB. Mr. President, I yield back any time that was not used.

The PRESIDING OFFICER. Who yields time?

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin controls the time.

Mr. WARNER. Mr. President, I wonder if my distinguished colleague from Nebraska will yield me a minute or two of his time.

Mr. EXON. I will yield, but I am rapidly running out of time.

The PRESIDING OFFICER. The Senator from Nebraska has 8½ minutes, and the Senator from Wisconsin, 24½ minutes.

Mr. EXON. I yield 1 minute to the senior Senator from Virginia.

Mr. WARNER. I wish to congratulate those with whom I have been working here for some time to try to persuade our colleagues on the merits of the position that we have. I want to compliment my distinguished colleague from Virginia. This has probably been one of the tougher assignments that we have had in the period that he has been here in the Senate. I wish to commend him and the leadership, provided by the Senator from Nebraska. We have given it our best shot, if I may say, and we will have to see how the votes finally roll out of here in a matter of a few minutes. I thank the Chair.

Mr. KASTEN. Mr. President, I yield 7 minutes to the distinguished Senator from Montana.

Mr. BURNS. Mr. President, we have talked about this subject a long time, and it seems like we talked about it in committee, going over this business of railroads and transportation and shipping, and I do not think anything ever really got the attention of the State of Montana like when the railroad stopped carrying cattle. We shipped a lot of livestock. We thought maybe the service was abused a little bit, and so they just quit it.

But, simply stated, we saw railroads get into some financial straits that we never witnessed before; services dropping off, financial problems. Then, in 1980, comes deregulation.

I plan to introduce a bill to protect Amtrak. Amtrak service in my State is very important, especially to the north or the high line of Montana. Those who live on the high line, we only have one line going through Montana, these people lack many of the convenient transportation services that people in more urban areas enjoy. Amtrak service is very important to them.

In 1989 Amtrak served 126,000 Montanans, and that is quite a few because our total population is about 750,000. And they also expended $602,000 worth of goods and services in Montana. So you can see why I would be very very interested in seeing that Amtrak survived.

The bill that I am going to introduce contains generous authorizations to meet Amtrak's needs for capital improvement. It contains a valuable, much needed civil liability provision that smooths the way for new railway commuter services by Amtrak in northern Virginia for those commuters. I happen to live in northern Virginia. I would like to see that come. I happen to drive 395 every morning. It is called the world's largest parking lot between 6:30 and 9 o'clock in the morning.

It contains various studies of Amtrak service that will be of benefit to particular States and localities. It simplifies Federal tax treatment for certain transportation employees. It reduces the unemployment insurance burden on Amtrak in a way that the administration favors.

Mr. President, I would welcome cosponsors for this valuable and popular measure because I think it is important. We must not hesitate because the President said he will sign it.

The fact that this bill is identical to the conference report on H.R. 2364, except for omitting the ICC reregulatory provision, means that we can pass this bill immediately. Contrary to assertions from some quarters, the bill does not need to be referred to committee in either body.

A decade or so ago, the American railroads were in bankruptcy. The industry was in poor financial health. Congress reacted wisely and loosened the strangleland of Government regulation on the industry by passing the Staggers Rail Act of 1980. Today, the railroad industry is generally healthy and there is widespread consensus that deregulation has been a major factor.

The provision vetoed by the President would have reversed this trend. It would have intefered with the necessary flow of capital into the rail industry as needed to keep it the viable competitor it has become. The President said it succinctly in his veto message when he stated:

> The new regulatory hurdle in H.R. 2364 * * * could inhibit the future flexibility of Class I freight railroads to use capital restructuring to adapt to ever-changing markets and economic circumstances.

The offending provision does not in any sense close a loophole in existing ICC authority. The ICC oversees consolidations of carriers, which can affect the level of competition that keeps rates down. That is a valid activity, and no one suggests that the Commission's role there is unnecessary. It is entirely another matter to interject the Commission into acquisitions where competitive questions are not at issue, and to make the Commission the arbiter of the financial characteristics of the transaction. This is no loophole—it is an entirely new realm of authority.

We must emphasize that the Commission already has the authority to review abandonment proposals and other activities that could affect rail service and it affects my State of Montana. We are captive shippers. It has the power to scrutinize dispositions of rail line segments and any financing of an acquisition that involves the issuance of securities or new obligations by the target carrier.

So, with this in mind, and the legislation proposed in the future—and I mean pretty near future—for all these reasons, I urge my colleagues to sustain the President's action, and to take up my proposal at the earliest opportunity. This way all Americans can benefit from the excellent provisions that were contained in H.R. 2364.

So I urge my colleagues to support the President because we do not gain anything by reregulating a vital industry to this country. We just absolutely are taking a step in the wrong direction.

Thank you, Mr. President. I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. KASTEN. I yield such time as he may require to the distinguished Republican leader.

Mr. DOLE. Mr. President, I did not hear all of the remarks of the distinguished Senator from Montana, but I understand he intends to introduce a bill which is the same, or exactly the same, as H.R. 2364, except for section 8, which conters jurisdiction upon the Interstate Commerce Commission over acquisition of rail carriers by entities that are not actual or potential competitors, has been deleted. Beyond that everything is the same.

I think that is precisely the President's objection to H.R. 2364. It is sound legislation. I commend the distinguished Senator from Montana who will be introducing that legislation. I believe I am listed as a cosponsor of that legislation.

SAME AS H.R. 2364 EXCEPT ICC PROVISION

The bill is exactly the same as H.R. 2364 except that section 8, which confers jurisdiction upon the Interstate Commerce Commission over the acquisition of rail carriers by entities that are not actual or potential competitors, has been deleted.

Mr. President, this is the legislation that we sould be voting on and this is the legislation that is needed.

ECONOMIC PLIGHT OF RAILROADS

A decade ago, the railroad industry was in sad shape. The industry that helped to fuel the great economic expansion of this country was itself on the precipice of financial disaster. This had happened in spite of the fact that railroads remained an important and irreplaceable part of our transportation system both for passenger service and—of particular importance in my State of Kansas—for the shipment of grain and other goods and commodities.

Although there are numerous reasons why the railroad industry found itself in this shape, one inescapable reason which was noted in a May 1990 report of the General Accounting Office—not somebody in the administration—this was an independent agency, which many think tilts toward the Democratic side—was too much regulation. To Congress' credit, it recognized this problem and passed the Staggers Rail Act in 1980 to reduce ICC regulation drastically.

ECONOMIC RECOVERY OF RAILROADS

Today, Mr. President, there is a whole new story to tell about the railroad industry and this successful and happy ending can in large part be attributed to deregulation. As the current ICC Chairman said at his confirmation hearing, "The Staggers Act saved the Nation's rail industry from financial collapse."

An industry whose economic prospects were at best considered poor or perhaps even dismal, can now boast the lowest overall debt level of 29 major industries studied by the ICC. Indeed, since 1980, the railroads' rates of return have steadily increased and continue to do so.

Profits are up, investment is up, loan performance is up, competition is up, service is up, quality is up, and prices are down. What more do you want? In short, Mr. President, compared to where matters stood 10 years ago, there is only good news to report.

WHY CHANGE SOMETHING THAT WORKS?

Based on this picture, I do not understand why some are now calling for additional regulation of the railroad industry. And that is a provision which the President objects to. That is a provision we are going to vote on here at 6:15, and which, without that

provision I guess there is no opposition.

Specifically, a provision in H.R. 2364 which the administration strongly opposes, which I and other Senators strongly oppose and which is not contained in the bill the distinguished Senator from Montana has indicated he will introduce, would institute for the first time, and for the railroad industry alone, Government review and approval of acquisitions of railroads by entities that are not actual or potential competitors.

Such a provision is a roadblock to the successful policy of rail deregulation implemented by Congress a decade ago.

As we all know, it is not always the case that Congress adopts legislation which turns out to do what everyone hoped and intended it would do. Yet in this case—and with the benefit of hindsight—we are able to see the positive results of our work as evidenced by the prosperity of the rail industry.

If the railroad industry is singled out from all other industries for regulation under such circumstances by the ICC, the gains achieved during the last decade will disappear during the next decade.

Railroads will become less attractive to outside investors since such regulation will increase the burdens on and the expenses incurred by investors and railroads alike.

Acquisitions of railroads by noncarriers—acquisitions that have been good for the industry during the last decade—will become less attractive and therefore less likely to be consummated. It is no secret outside the beltway that the more an industry is regulated, the more likely investors are to put their money in non or lesser regulated industries.

In short, this provision of H.R. 2364 will make it harder for railroads to get outside financing and the capital they do get is going to cost them more.

CURRENT REGULATORY SCHEME WORKS

Finally, Mr. President, I want to emphasize that to authorize the ICC to review transactions involving the acquisition of a carrier by a nonrailroad just does not make sense given the current regulatory framework.

The ICC has the authority to review and approve the merger of two or more carriers.

It has the authority to review and approve any purchase or lease of a carrier by another carrier.

And it has the authority to review and approve acquisitions of two carriers by a business that is not a carrier.

Each of these transactions raises a potential antitrust or competitive concern that deserves Government review and that is obviously not raised in connection with the acquisition of a railroad by a noncarrier.

In addition, if the concern is the financial condition of the acquirer, it is important to note—as the former ICC Chairman testified—that the ICC has never been in the business of analyzing acquisitions from a financial point of view.

Finally, the Hart-Scott-Rodino Antitrust Improvements Act authorizes the Department of Justice and the Federal Trade Commission to review all significant acquisition transactions, including ones that would involve the acquisition of a carrier by a nonrailroad. Such oversight ensures that there are no loopholes and that the public interest is being served.

CONCLUSION

In sum, Mr. President, the bill that the distinguished Senator from Montana will introduce shortly, and that I and other Senators will be cosponsors of is the bill we want to pass. There is no doubt that we need an Amtrak Reauthorization and Improvement Act. But we need one that makes sense and that does not undo the good work we have done in the past. That's why I support such a bill and along with the administration, oppose H.R. 2364 which is bad for the industry and bad for the consumer.

I strongly urge my colleagues to vote to sustain the President's veto on H.R. 2364 and to take up consideration of this bill as soon as possible.

So it would seem to me that if we can sustain the President's veto at the appropriate time, then we could go back and take a look at the bill that Senator BURNS from Montana will introduce, and I would hope we could have the necessary votes to support the President.

I thank the manager on our side and I look forward to sustaining the President's veto at 6:15.

The PRESIDING OFFICER. Who yields time?

Mr. KASTEN. Mr. President, may I inquire how much time is remaining?

The PRESIDING OFFICER. The Senator from Wisconsin has remaining 15 minutes and 40 seconds, the Senator from Nebraska, 7 minutes and 13 seconds.

Mr. KASTEN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point, first of all a letter from the President to the Republican leader of the House of Representatives, dated June 6, 1990, stating his support of all the provisions of this legislation except for section 8; a letter to Senator DANFORTH, from the director of OMB, dated June 5, 1990, signed by the Chief of Staff to the President, the Secretary of Transportation, and the Director of the Office of Management and Budget; a letter to Senator DANFORTH from Mr. James E. Duffy, Chairman of the Committee Against Revising Staggers; a letter to Senator DOLE from the Transportation Reform Alliance, dated June 5, 1990; and a letter to Senator DANFORTH from Citizens for a Sound Economy, dated June 4, 1990.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, June 6, 1990.

Hon. BOB MICHEL,
Republican Leader,
House of Representatives, Washington, DC.

DEAR MR. LEADER: I understand you are planning to introduce new legislation today to reauthorize Amtrak. I further understand that this new legislation would be identical to H.R. 2364, except that it would not include the Interstate Commerce Commission (ICC) regulatory provision.

I disapproved H.R. 2364 solely because of the ICC provision. The provision would have required, for the first time and for the railroad industry alone, government review and approval of acquisitions by entities that are not actual or potential competitors—including a carrier's own management or employees. Since there is already adequate authority to protect the public interest in railroad acquisitions, there is no justification for creating such a serious regulatory roadblock to financial restructuring of the railroad industry.

I would sign an Amtrack reauthorization identical to H.R. 2364, but without the ICC provision described above.

Sincerely,

GEORGE BUSH.

THE WHITE HOUSE,
Washington, June 5, 1990.

Hon. JOHN C. DANFORTH,
U.S. Senate, Washington, DC.

DEAR SENATOR DANFORTH: The question has been raised whether the President would approve Amtrak authorization legislation similar to H.R. 2364 without the Interstate Commerce Commission (ICC) regulatory provision. The President has indicated that he would sign a bill similar to H.R. 2364, which would include the Amtrak authorization levels, modified tax treatment of transportation employees, and provision for commuter rail service to Northern Virginia.

The President vetoed H.R. 2364 solely because of the new ICC regulatory provision and the burden it would impose on the freight rail industry. The President has long supported the 1980 Staggers Rail Act reforms, which helped to revitalize the Nation's freight carriers and created a favorable climate for rail investment after decades of neglect.

Rather than reducing regulatory burdens, H.R. 2364 would institute, for the railroad industry alone, Govenment review and approval of acquisitions by entities that are not actual or potential competitors, including a carrier's own management or employees. This would create an unwarranted regulatory roadblock to financial restructuring of the railroad industry and interfere with ability of the Nation's largest freight railroads to obtain needed capital. As the President's veto message makes clear, it is this change in permanent law that precipitated his veto.

We look forward to working with you to produce an Amtrak reauthorization bill that the President can sign.

With best regards,

RICHARD G. DARMAN,
Director, Office of Management and Budget,

JOHN H. SUNUNU,
Chief of Staff to the President.
SAMUEL K. SKINNER,
Secretary, Department of Transportation.

COMMITTEE AGAINST REVISING STAGGERS,
Bethlehem, PA.

Hon. JOHN C. DANFORTH,
U.S. Senate, 249 Russell Senate Office Building, Washington, DC.

DEAR SENATOR DANFORTH: The Committee Against Revising Staggers urges you to vote to sustain the President's veto of H.R. 2364, the Amtrak Reauthorization and Improvement Act of 1990, because it contains a new regulatory burden on the nation's freight railroads.

The Committee Against Revising Staggers ("CARS") is a group of 442 shippers throughout the USA who believe that deregulation of the railroad system in 1980 benefited railroads, shippers and consumers. As shippers, CARS is committed to the belief that the Staggers Act is working well for shippers in achieving its overall goal of keeping the country's railroads viable in the private sector through reliance on the marketplace. We believe that Section 8 of H.R. 2364 violates this basic principle by adding new authority for the ICC to review business transactions involving railroads.

Even more importantly, the provision provides a precedent for legislative tinkering with ICC authorities under the Staggers Rail Act and a movement back toward the regulatory restrictions and the inefficiencies that in the 1970s bankrupted almost a quarter of the nation's rail trackage. At that time, rail service was plagued by delays, derailments and car shortages. Something had to be done and Congress wisely chose to lessen regulation. The result was the Staggers Act which has resulted in reduced rates and new innovative services for shippers and movement by the railroads to rebuild a system which was literally falling apart.

Now is not the time to reverse that movement. Again, we urge you to vote to sustain the President' s veto of H.R. 2364.

Sincerely,

JAMES E. DUFFY,
Chairman.

COMMITTEE AGAINST REVISING STAGGERS

A.C. Dutton Company.
A.E. Staley Manufacturing.
A&K Railroad Materials.
A-Top Polymers, Inc.
Abbott Laboratories.
ABL TRANS.
Acier Casteel, Inc.
ADM Miling.
Agrex, Inc.
AGRICOR, Inc.
Agripac, Inc.
Alabama River Pulp Co.
Alcan Smelters & Chemicals.
Allied International.
Allied Tube & Conduit Corp.
American Borate Company.
American Colloid Company.
American Crystal Sugar Company.
American Greetings Corp.
American Hardwood Company.
American Maize Products Co.
American Pacific.
American Retail Federation.
AMERON.
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Anheuser-Busch Co.
Apex Oil Company.
Arcadian Corporation.
Archer Daniels Midland Co.
Arizona Feeds.
Armitage Shanks, Inc.
Armour-Dial, Inc.
Armstrong World Ind.
Ash Grove Cement Co.
Asphalt Materials.
Asphalt Supply & Service, Inc.
Associated Distributors, Inc.
August Distributors, Inc.
Badger Mining Corporation.
Badger Paper Mills.
Basic American Foods.
Bay Chemical Co.
Bay State Shippers.
Beatrice/Hunt Wesson Foods.
Beker Industries Corporation.
Bell Carter Foods.
Bennett Industries.
Benson-Quinn Company.
Best Foods, Div. of CPC.
Bethlehem Steel Corporation.
Black and Decker (U.S.) Inc.
Blue Bird Body Company.
Bordo Citrus Products Corp.
Bradford Coal Company.
Brae Corporation.
Bristol-Myers Company.
Bronco Wine Co.
Brown Alcantar & Brown Cust. Bkr.
Buckman Labs.
Buffalo Brake Beam Co.
Bulk Materials Transfer.
Bulkley Dunton.
Bushnells Warehouse Corp.
C.E.P. Inc.
Cadbury Schweppes, Inc.
California Cooler.
Campbell Soup Company.
Canada Cement Lafarge
Canada Colors & Chemicals, Ltd.
Canfor, USA.
Canton Lumber Co.
Caraustar Industries.
Carolina Steel Corporation.
Cascade Steel Rolling Mills, Inc.
Cascade Warehouse Company.
Cascade West Trans. Brokers, Inc.
Cascades U.S.A., Inc.
Caterpillar Company.
Centennial Mills, Inc.
Centex Corporation.
Cerro Sales Corporation.
CF&I Steel.
CFC Companies.
Champion International.
Chanen's, Inc.
Chemical Enterprises, Inc.
Chemstan, Inc.-Chemeco, Inc.
Chicago Shippers, Inc.
Chrisman Fertilizer Company.
Church & Dwight Company.
Cincinnati Terminal Warehouses.
Cleo Div. of Gibson Greetings.
Collins & Aikman.
Colonial Sugars, Inc.
Columbia Iron & Metal.
Columbia Steel Casting Co.
Commercial Transportation Svcs.
Commodities Trading Int. Corp.
ConAgra, Inc.
Conrad Yelvington Distr.
Continental Lime, Inc.
Coors Industries.
Corn Products U.S.-CPC Int.
Corson Lime Company.
Crescent Cardboard Company.
Cullum Companies, Inc.
Culp Industries.
CXT Systems Corp.
DAP, Inc.
Darling-Delaware & Co.
Dart Container Corporation.
Dave's Feed & Grain.
Dellen Wood Products.
Deutz-Allis Company.
Diamond Institutional Dist.
Dick Simon Trucking.
Diehl Lumber Proucts, Inc.
Distron.
Dixie Portland Flour Mills, Inc.
Dole Packaged Foods Co.
Dome Petroleum, Ltd.
Donaldson Company, Inc.
Donoho Clay Company.
Drackett Company.
Drayage Association of Calif.
Dunavant Enterprises, Inc.
Duro Bag.
Energy Coatings Company.
Ergon, Inc.
Evans Grain & Elevator.
Expert Freight, Inc.
Facet Enterprises, Inc.
Federal Paper Board Co.
Fibreboard Corporation.
Filter Media Co.
Finch, Pruyn & Company, Inc.
Forest Products Sales, Inc.
Foster Commodities.
Foster Farms.
Foxboro Terminals Co., Inc.
Friona Industries.
Frito Lay, Inc.
Furman Lumber, Inc.
Gang Nail Systems, Inc.
General Clay Products Corp.
General Motors Corporation.
Genex Terminals, Inc.
Genstar Cement Company
Genstar Stone Products
Geo. A. Hormel Co., Inc.
George T. McLean Co., Inc.
Georgetown Steel Corporation.
Georgia-Pacific Corporation.
Gilmore Steel Company.
Gladish & Associates.
Glazer's Wholesale Drug Co.
Gordon Food Service.
Government Suppliers Consol. Svc.
Graham Grain Company.
Grain Processing Corporation.
Great Salt Lake Minerals & Chem.
Great Southern Paper Co.
Great Western Malting Co.
Green Bay Packaging, Inc.
Grocers Supply.
Gulf Coast Forest Products.
Gulf Coast Grain.
H.R. Bell & Associates.
Hamilton Concrete Prod.
Hammond Lead Products.
Hampton Lumber Company.
Hanjin Container Lines, Ltd.
HAR-TRU Corporation.
Harborlite Corporation.
Harris-Hub Company.
Hartz Mountain.
Heinz USA.
Henry S. Branscome, Inc.
Heppner Hardwoods, Inc.
Hillsboro Glass Co.
Hoff Forest Products.
Hoffmaster Paper Company.
Howell Enterprises.
Hub City Alabama.
Hub City Carolina Terminals.
Hub City Cincinnati Terminals.
Hub City Fla. Terminals.
Hub City New Haven.
Hubinger.
Hughes Railway Supplies.
HVC Daily.
Hyundai Merch. Marine (Amer.), Inc.
I.S. Joseph Company.
IBP, Inc.

Idaho Timber Corporation.
Inland Empire Paper.
Inolex Chemical Company.
Interamerian Transport Systems.
Intermodal Transport Co. (ITCO).
Intermountain-Orient, Inc.
International Salt Company.
Interstate Brick.
J&M intermodal, Inc.
J.C. Penney, Inc.
J.H. Stewart & Son Trucking.
J.H. Smucker Company.
J.R. Simplot Company.
James River Corp.
Jefferson Smurfit Corp.
Jessco Division.
Johnson & Johnson Baby Products.
Johnson Controls.
Kal Kan Foods, Inc.
Keating Fibre, Inc.
Kellogg Company.
KemaNord, Inc.
Kempsville Building & Matis.
Kennecott Utah Copper Div.
Kentucky Agricultural Energ Cor.
Kentucky-Tennessee Clay.
Kerley Enterprises, Inc.
Kern Foods.
Keystone Filler & Mfg. Co.
Keystone Steel & Wire Co.
Kimberly-Clark Corporation.
KLS Logistics Services.
Knight Transportation.
Kraft, Inc.
Lauhoff Grain Company.
Lavelle Company.
LAWI/CSA.
Leaf River Forest Products.
Lehigh Portland Cement Company.
Lennon Industries, Inc.
Les Schwab Warehouse Center, Inc.
Lever Brothers.
Lincoln Brick Company.
Lone Star Industries, Inc.
Longtree Ltd. Partnership.
Louisiana-Pacific Corporation.
Louisville Edible Oil.
Lowe's Cos. Inc.
Lukens Steel Company.
Lyman Elevator.
M&S Freight Brokers.
MacMillan Bloedel Bldg. Mtls.
MacMillan Bloedel Ltd.
Madden Contracting Co., Inc.
Manitowoc Company.
Manley Brothers.
Manufacturers Consolidation Svc.
Manufacturers Intermodal Trans.
Marion Steel Comapny.
Martin Industries, Inc.
Martin Marietta Aggregates.
Martin Marietta Magnesis Spec.
Martin-Bower Company.
Martex Inc.
Marvin Lumber & Cedar Company.
Masonry Products Sales, Inc.
Maui Pineapple Company, Ltd.
McCann's Piggyback Consolidation.
McCann's Transportation, Inc.
Mead Johnson & Company.
Menasha Corporation.
Mennel Milling Company.
Merchants Grain & Transportation.
Midwest Shippers' Agents, Inc.
Mobay Corporation.
Molly Pitcher Services.
Montague-Betts Company, Inc.
Motrux Frieght Services.
Mountain American Shippers Assn.
Mountain States Energy Corp.
Murray Elevators.
Nabisco Brands, Groc. Prod. Div.
National Piggyback Services, Inc.
Nationwide Shippers Coop. Assoc.
Nekoosa Papers, Inc.
Nissan Manufacturing Corp. USA.
Noranda Sales Corp. Ltd.
Norcom Export, Inc.
North American Transportation.
North Pacific Lumber Company.
Northwest Packing.
Nucor Corporation.
Ohio Pulp Mills, Inc.
Oil Dri Corporation.
OK Feed Mill.
OMYA, Inc. Vermont Marble Co.
Ore-ida Foods, Inc.
Pacific Coast Producers.
Pacific Engineering & Prod. Co.
Paragon Supply, Inc.
Parker Brokerage.
Parker Grain Company.
Part IV Associated.
Patterson Frozen Foods, Inc.
PB&S Chemical Co.
Peachtree Doors, Inc.
Perdue Farms, Inc.
Pet, Inc.
Petrolite Speciality Polymers.
Philip Morris, U.S.A.
Pine Mountain Corporation.
Pioneer Wood Products.
Pittsburgh-Des Moines Corp.
Plum Creek Timber Co., Inc.
Pope & Talbot, Inc.
Power Parts Co.
Printon Kane/Waring Group.
Printon, Kane Research, Inc.
Procter & Gamble Comapny.
Professional Medical Products.
Proler International Corp.
PSI Corporation.
Publix Super Markets, Inc.
Pucci Distribution Company.
OV Distributors, Inc.
R&D Latex.
R & H Trucking.
R.A. Barnes, Inc.
R&R Transportation Services.
R&S Materials, Inc.
Rail Van Consolidators, Inc.
Ralston Purina Co.
Redland Worth Corporation.
Reed Lignin, Inc.
Reilly Tar & Chem. Corp.
Reynolds Aluminum.
Richmond Transportation Svcs.
Rio City Terminal Company, Inc.
Riviana Foods, Inc.
Roaring Spring Blank Book Co.
Robert Lee Company, Inc.
Rogers Walla Walla, Inc.
Rohm & Haas Company.
Ross Laboratories.
Royal Apex Silver, Inc.
Royal Oak Ent.
Royster Company.
Rubicon, Inc.
Rudolph Miles & Sons Custom Bkr.
Safeway Stores, Inc.
Sandoz Crop Protection Corp.
Scott Paper Company.
Sea Containers.
Seaboard Farms, Inc.
Sears, Roebuck and Co.
Shields Bag & Printing Company.
Sierra Chemical Company.
Silver King Mines, Inc.
Simpson Paper Company.
Simpson Timber Company.
Smith Frozen Foods, Inc.
Solite Corporation.
South Atlantic Bonded Warehouse.
South Forest Ind.
Southern Hardwoods Company.
Southern Terminal Warehouse.
Southern Wood Piedmont Co.
Southgate Corporation.
Southwestern Portland Cement Co.
Southwire Company.
Sprenger Midwest, Inc.
St. John Grain Growers.
Stanislaus Food Products Co.
Star-Kist Foods, Inc.
Statler Tissue Co.
Stokely USA, Inc.
Stouffer Foods Corporation.
Structural Wood Corporation.
Sturgis Iron & Metal Co., Inc.
Sun Harbor International.
Sunset Moulding Company.
Sunshine Biscuits, Inc.
Sunstrand Corporation.
Superior Fiberglass, Inc.
Superior Products, Inc.
T.J. Lipton Company.
TBC Corporation.
Tedford Brokerage Co.
Tell City Chair Co.
Terminal Freight Handling Co.
Texasgulf Chemical Company.
The Clorox Co.
The Hipage Company.
The Hon Company.
The Hub Group.
The Kenco Group.
The Quaker Oats Company.
The Stroh Brewery Company.
The Terminal Corporation.
Thomas Industries, Inc.
Tobacco Valley Lumber.
Tolan Freight Traffic Services.
Toshiba America, Inc.
Toyota Motor Sales, U.S.A., Inc.
TPI, Inc.
Trailer Mate, Inc.
Trans. Brokers Conf. of America.
Trans. Management Consultants.
Trans-World Intermodel Sys.
Trans-World Piggyback, Inc.
Transbulk, Inc.
Transport Source.
Transportation Information Svcs.
Tri-Valley Growers.
Tyson Foods.
U.S. Intermodal Services.
Union Camp Corporation.
United Facilities, Inc.
United Parcel Service.
United Purchasers Association.
United Refrigerated Service.
United Salt Corporation.
Universal Edible Oils.
Universal Foods Corporation.
Utalite Corp.
V.M.S. Inc.
V-1 Oil.
Valley Grain Products.
Valley Steel Products Company.
Van Waters & Rogers.
Vicksburg Chemical Corp.
Victor Cushwa & Sons.
Viking Forest Products.
Virginia Chemicals, In.
Virginia Port Authority.
VME Americas.
W. Silver, Inc.
Wallowa Lake Forest Industries.
Watervliet Paper Company.
Wedron Silica Co.
Welch Foods.
Wellsville Fire Brick Co.
Wenger's Feed Mill, Inc.
Western Alfalfa, Inc.
Western Intermodal.
Western Traffic Conference.
Weston Paper & Mfgr. Co.
Westvaco Corp.
Weyerhaeuser Company.
Willamette Industries, Inc.
Windsor Minerals, Inc.
Woolcott Research Associates, Inc.

X-Rail Systems, Inc.
Young Refining Co.
Youngstown Steel Door Co.

TRANSPORTATION REFORM ALLIANCE,
Washington, DC, June 5, 1990.

Hon. ROBERT DOLE,
Republican Leader, U.S. Senate,
Washington, DC.

DEAR SENATOR DOLE: We the undersigned support President Bush's veto of H.R. 2364, the Amtrak reauthorization bill, because it includes a provision that would impose new, unprecedented regulation on the freight railroad industry and undermine the ability of the industry to raise needed capital funds in the financial markets. We urge you to sustain his veto.

In the late 1970s and early 1980s, Congress reduced economic regulation of the airline, railroad, intercity bus, and trucking indusries in order to lower transportation rates, improve service, increase competition, and for railroads, rejuvenate the industry. This reduction in regulation has been a success for consumers, businesses, and those transportation companies that have done the best job of satisfying their customers.

For instance, in the case of the railroad industry, shipping rates have dropped by 22 percent. Further, between 1980 and 1985 annual rail investment in track and other plant tripled, which, in turn, increased train reliability, decreased freight car shortages, and reduced accidents by 50 percent. Competition among railroads and with other modes also has increased as rails have sought to exploit new markets and to win back traffic long ago lost to the truckers. Finally, Wall Street has started to show some interest in investing in the railroad industry.

Despite these improvements, some are now calling for new economic regulation of the railroad industry. Specifically, the provision to which the President has objected would institute for the first time, and for the railroad industry only, government review and approval of acquisitions of railroads by entities that are not actual or potential competitors.

This provision is contrary to what Congress achieved nearly a decade ago. By imposing a lengthy review process, wought with uncertainty, this provision clearly would make it more difficult for the industry to attract needed capital, thus increasing the cost of capital. This, in turn, is likely to adversely affect the industry's ability to offer competitive rates and services to its customers. Further, there is no reasonable justification for treating railroad acquisitions differently than those of other businesses, unless, of course, the provision's proponents are seeking to lay the groundwork for future legislation covering other businesses as well. The Interstate Commerce Commission, the Federal Trade Commission and the Justice Department all currently have authority to review acquisitions that threaten to reduce competition. There is no good reason to expand this authority, especially in view of the adverse consequences.

Reduced government regulation of the transportation industry has been a success. Accordingly, Congress should seek to further eliminate regulation not increase it. It also is unfair to single out the railroad industry for treatment different than accorded other businesses. Finally, this provision threatens to serve as an unwarranted precedent. We strongly urge you to vote to sustain the President's veto.

Sincerely,

Wayne Valis, Executive Director; Pamela Garvie, Project Coordinator; American Bus Association; Associated Builders and Contractors; Burlington Northern Railroad; Citizens for a Sound Economy; Committee for Private Offshore Rescue and Towing; Greyhound Lines Inc.; National-American Wholesale Grocers' Association; Scott Paper Company; Transportation Brokers Conference of America; Union Pacific; United States Chamber of Commerce.

CITIZENS FOR A SOUND ECONOMY,
Washington, DC, June 4, 1990.

Hon. JOHN DANFORTH,
U.S. Senate,
Washington, DC.

DEAR SENATOR DANFORTH: On behalf of the 250,000 members and supporters of Citizens for a Sound Economy, I urge you to support President Bush in his veto of H.R. 2364, the Amtrak Reauthorization Bill. H.R. 2364 breaks new and dangerous ground by requiring ICC approval of private rail carriers' acquisitions, even where no competitive or legitimate public concerns exist. This bill takes a marked step backward in the battle to eliminate unsound regulatory stranglehold on American competitiveness.

Furthermore, Amtrak is presently well on the track to self-sufficiency, a course that would be retarded by returning to the inefficient umbrella of subsidization. Faced with decreasing subsidies, Amtrak has streamlined its pay schedule, saving the railroad $50 million each year and significantly improving its ability to recover costs. Reversing the progress already made would be a tragic loss for consumers, and would send a negative response to financial markets about private innovation.

Amtrak receives the highest subsidy per passenger-mile of any form of transportation available. On some Amtrak routes, it would actually be cheaper to buy each passenger an airline ticket than to pay the present subsidies. H.R. 2364 would increase this subsidy, in the face of persistent, horrific budget deficits, by 18 percent over the next two years. This money could easily be used to fund more urgent programs.

Whether or not you agree with Amtrak's destiny as a self-sufficient, competitive firm, this proposal's extension of ICC control to existing private, independent railroad firms should be reason enough to derail it. Once again we urge you to support the president's veto.

Sincerely,

WAYNE GABLE,
President.

ICC REVIEW COULD STUNT INVESTMENT IN RAILROADS

Railroads have spent $22 billion on capital improvements since 1980. This investment has helped slash accidents by 64 percent and improve service for most shippers. Yet a provision in the vetoed Amtrak reauthorization bill would actually discourage investment in railroads by giving the Interstate Commerce Commission (ICC) authority to block acquisitions of railroads by non-railroad companies

The Staggers Rail Act of 1980 helped make railroads a more attractive investment by deregulating more than 90 percent of rail traffic, making is easier for railroads to discontinue uneconomical service, and encouraging them to compete aggressively for customers. Investors inside and outside the industry responded to these incentives. Whereas bankrupt railroads operated 21 percent of the industry's trackage in the late 1970s, the industry has now eliminated deferred maintenance, federally-subsidized Conrail has become a profitable private enterprise, and federal subsidies to other freight railroads have fallen by 90 percent since 1980.

A provision tacked onto the Amtrak reauthorization bill could stunt that progress. The provision would require ICC review and approval of any non-railroad company's bid to buy a major railroad. The bill offers the ICC little guidance in conducting the review, but the primary intent is apparently to discourage leveraged buyouts of railroads.

Ironically, the review provision could actually discourage infusions of funds that some railroads may need to stay afloat. The accompanying table shows railroads' rate of return on investment in 1988, the most recent year for which the ICC has compiled figures. Only four railroads earned enough to cover their cost of capital in 1988. Given this situation, policymakers ought to welcome just about anybody willing to risk putting money into this industry.

Instead, Congress seems willing to let the ICC declare that some investors' money just isn't welcome. The principal reason is that at least some leveraged buyouts are thought to be too risky for railroads. Instead of letting the investors and bankers with their own money on the line decide whether the risk is worth taking, Congress would let the ICC do so. Small wonder that the ICC itself does not want this new responsibility!

RAILROADS' RATES OF RETURN ON INVESTMENT, 1988

Railroad	Rate of return (percent)
Atchison, Topeka & Santa Fe Railway Co	5.65
Boston and Maine Corp	(1)
Burlington Northern Railroad Co	11.78
Chicago and North Western Transportation Co	11.89
Consolidated Rail Corp	5.93
CSX Transportation, Inc	8.06
Denver and Rio Grande Western Railroad Co	6.87
Florida East Coast Railway Co	14.63
Grand Trunk Western Railroad Co	1.99
Illinois Central Railroad Co	4.84
Kansas City Southern Railway Co	11.54
Norfolk Southern Corp	13.06
Soo Line Railroad Co	5.01
Southern Pacific Transportation Co	2.94
Union Pacific Railroad Co	11.19
Cost of Capital	11.70

[1] Operating loss.

Source: ICC, "Ex Parte No. 483—Railroad Revenue Adequacy—1988 Determination" (Nov. 17, 1989).

Proponents of ICC review seek to guard against the possibility that debt-ridden railroads will stop serving unprofitable or less profitable routes. Unfortunately, this argument overlooks the fact that the total amount of debt a railroad carries does not affect the profitability of individual routes. A railroad with huge debts would want to keep any route that's making money, because it could use the profits on that route to help pay the debts. On the other hand, even a railroad with no debt would want to shed money-losing routes.

To the extent that policymakers are concerned about preserving rail service, ICC review of financial deals is unnecessary. The ICC already has the authority to block abandonments of existing routes. If "excessive" levels of corporate debt are a genuine

concern, policymakers should reexamine the tax code provisions that reward debt and punish equity. Such an approach would yield far greater results than piecemeal provisions that would discourage investment in specific industries.

JEROME ELLIG,
Senior Fellow in Political Economy.

Mr. KASTEN. All of these groups of individuals join in urging us to sustain the veto of the President and then move forward with this legislation without the one ICC provision.

I think it is clear if we do sustain the veto at 6:15, that we can move quickly with the remainder of the legislation, including the northern Virginia transportation issue that is important to both Senators from Virginia.

I think if we sustain the veto, we move forward on the legislation without that one section and I think we can be successful and we can reauthorize Amtrak, which is what all of us very much want to do. I hope we do sustain the veto and we can move forward and authorize Amtrak. I am hopeful we can do it, certainly within weeks. Maybe it might take months, but we can certainly do it within the legislative time that remains.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. I yield myself such time as may be necessary.

Mr. President, at this time I ask to have reprinted in the RECORD at this date, the letter sent by the chairman of the Energy Committee, Mr. DINGELL, to Senator HOLLINGS, that I referenced when we debated this matter on Thursday.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HOUSE OF REPRESENTATIVES, COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, June 6, 1990.

Hon. ERNEST F. HOLLINGS,
Chairman, Committee on Commerce, Science, and Transportation, U.S. Senate, Washington, DC.

DEAR FRITZ: I understand that representatives of the Administration have indicated to various Senators that if the President's veto of the Amtrak reauthorization bill is sustained, the President would sign a new bill "similar to H.R. 2364" but without the Interstate Commerce Commission (ICC) provision to which he objected in his veto message. Although I am not quite sure what is meant by the word "similar," I am writing because I would not want Senators to make their decisions about the upcoming override vote on the assumption that consideration of even an identical bill is likely to ensue in the House. In fact, the obstacles to passage of such new legislation are legion.

As an initial matter, H.R. 2364 as considered by the House contained provisions in the jurisdiction of two House committees, the Committee on Energy and Commerce and the Committee on the Judiciary. The conference report on H.R. 2364 includes two Senate provisions of interest to two other House committees—Ways and Means with respect to a provision that will save Amtrak $16 million annually in rail unemployment taxes, and Public Works with respect to Senator Gorton's amendment to eliminate multiple states' withholding of income taxes from transportation workers.

In all likelihood, a new bill introduced in the House, even minus the ICC provision, would be referred initially to at least three and possibly as many as all four of these House committees. Without question, Judiciary, Ways and Means, and Public Works would all be given the opportunity to consider the measure either initially or sequentially. In the same vein, even if the Senate were to pass such a bill and send it to the House, that bill too would be referred to the relevant committees. In either case, a substantial amount of time would be consumed, and it is not evident that the bill would ever reach the floor.

I understand, as well, that Senator Warner has explored the possibility of attaching the Northern Virginia commuter rail provision in this legislation to an appropriations measure. As you know, the Rules of the House provide for points of order to be asserted against any such nongermane Senate amendments in an appropriations bill. While such points of order are often waived on minor matters, I do not think that would be the case here. Much as the House is sympathetic to the need for commuter rail service in Northern Virginia and has endeavored in H.R. 2364 to make such service a reality, a provision as important as this one, infringing significantly on the jurisdiction of two authorizing committees, would almost certainly result in a point of order being asserted.

In addition, the Northern Virginia Transportation Authority's (NVTA) rail car acquisition contract will result in substantially higher costs if a firm order is not placed by early August. Even if a point of order on an appropriations measure is waived, it is unlikely that any such measure will have been conferenced and signed into law by then. Moreover, during the short period of time remaining before the August recess, almost all of our Committee's attention is likely to be consumed by the conference on H.R. 3030, the Clean Air Act Amendments of 1990. For this reason, too, it is doubtful that the House could meet the NVTA's August deadline through consideration of a new bill.

I am concerned that some Senators might assume they can vote to sustain the veto here without doing real damage to Amtrak and the many parties that have vital interests in H.R. 2364. Given the shortness of time before adjournment, the pendency of other urgent business, and the many procedural obstacles to further House consideration of this matter, the scenario being painted by the Administration's representatives for further consideration of the Amtrak bill seems to me so unrealistically optimistic that it should not form the basis for a vote, one way or the other, on the veto override.

Sincerely,

JOHN D. DINGELL,
Chairman.

Mr. EXON. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point a letter from Mr. James E. Bartley, the executive vice president of the National Industrial Transportation League, the oldest and largest shipper organization in the United States, dated June 7, 1990, wherein he said,

Dear Chairman Exon, at the request of your staff we have reviewed H.R. 2364. We do not believe that the bill has a significant reregulatory impact.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Washington, DC, June 7, 1990.

Hon. J. JAMES EXON,
Chairman, Surface Transportation Subcommittee, Commerce, Science and Transportation Committee, U.S. Senate, Washington, DC.

DEAR CHAIRMAN EXON: At the request of your staff, we have reviewed H.R. 2364. We do not believe that the bill has a significant reregulatory impact.

Sincerely,

JAMES E. BARTLEY,
Executive Vice President.

Mr. EXON. In addition I would like to have the following letters in support of the overriding of the veto printed in the RECORD.

United Shareholders Association, dated June 12, 1990; the Railway Worker Advisory, dated June 6, 1990; the International Brotherhood of Teamsters, dated June 5, 1990; the American Federation of Labor and the Congress of Industrial Organizations, dated June 5, 1990; the American Employees Stock Ownership Association, dated June 6, 1990; and telegrams from the Department of Transportation, AFL-CIO, dated June 7, 1990; and from the National Association of Retired and Veteran Railway Employees, dated June 5, 1990.

There being no objection, the letters and telegrams were ordered to be printed in the RECORD, as follow:

UNITED SHAREHOLDERS ASSOCIATION,
Washington, DC, June 12, 1990.

The Hon. J. JAMES EXON,
U.S. Senate, Room 300, Hart Senate Office Building, Washington, DC.

DEAR SENATOR EXON: The United Shareholders Association supports the Amtrak Reauthorization Bill, H.R. 2364. USA's 64,000 members endorse the idea of having a review period for the sale of rail properties, but the legislation should also ensure that the period will not be used by management to entrench themselves, but to ensure that the highest possible price is attained.

The taxpayers and the shareholders must be protected from having the assets of the nation's rail system sold off to low bidders behind closed doors.

USA recognizes these are complex issues. The intertwining interests of the public, shareholders, and employees have for too long been disregarded by corporate rail management determined to be accountable to no one. All interested parties, including employees, deserve a fair chance to bid for railroad assets. Shareholders deserve a fair return on their investment. And, the taxpayers deserve a rail system that works without being forced to carry additional financial freight from corporate mismanagement. USA believes all these interests will be best served by passing this bill.

Thank you for the opportunity to share our views with you. Please feel free to pass

them along to your colleagues in the Senate.

Sincerely,

RALPH V. WHITWORTH,
Director.

RAILWAY WORKER ADVISORY,
Washington, DC, June 6, 1990.

Hon. J. JAMES EXON,
U.S. Senate,
Washington, DC.

DEAR SENATOR EXON: In the next few days, the Senate is scheduled to consider the veto message on H.R. 2364—the Amtrak Reauthorization and Improvement Act of 1990. On behalf of the men and women who operate and maintain America's passenger rail carrier, we urge your support in overriding President Bush's veto of this important rail transportation legislation.

As you are well aware, this legislation authorizes necessary funding for Amtrak through FY 1992. And, while Amtrak's dependence on federal funding has decreased dramatically over the past decade, it is imperative that adequate funding be provided to assure future growth and expansion, to replace an aging passenger rail fleet and to pay decent wages to Amtrak employees, who today earn about 20 percent less in wages than their counterparts employed on the major freight railroads.

H.R. 2364 also clarifies that rail employees who work in more than one state will only be taxed in their home state. Just in terms of fairness and equity, it is our view that employees whose duties require them to cross state lines should not be penalized with the burden of multi-state tax liability.

In addition, the legislation closes a loophole in current law concerning the Interstate Commerce Commission's authority to scrutinize acquisitions of major railroads. This issue is of particular concern to rail employees in the wake of last year's highly leveraged takeover of the Chicago & North Western Railroad by Japonica Partners, a New York investment firm. President Bush vetoed the legislation on the basis that this provision was unnecessary "re-regulation." However, we see nothing wrong with a provision intended to protect the public trust as well as the integrity of the rail network from transactions that recent events have shown often result in the financial ruin of profitable and successful companies.

Finally, H.R. 2364 eliminates the last stumbling block to launching new commuter rail service between Northern Virginia and Washington, D.C. It is our view that all efforts to start-up commuter rail services should be supported in light of the highway gridlock that plagues every major city in America.

Rail labor supports H.R. 2364 because it makes sense for our nation as a whole. More and more today we are seeing added emphasis on the need to develop alternative means of transportation for moving goods and people. As such, now is not the time to wipeout funding for our nation's passenger rail system.

President Bush has stated that if his veto is sustained, an alternative Amtrak reauthorization package absent the ICC provision can be agreed upon by the Senate and House. However, nothing could be further from the truth, as Rep. John Dingell, Chairman of the House Energy and Commerce Committee, has indicated that certain procedural obstacles make it extremely unlikely that an alternative bill will be taken up in this Congress.

For this reason, and those we have mentioned above, we urge your support in overriding President Bush's veto of H.R. 2364. Please contact us if we can answer any questions or further clarify rail labor's position on this critical legislation.

Sincerely,

RICHARD I. KILROY,
Chairman.
GEOFFREY N. ZEH,
Vice-Chairman.

INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN & HELPERS OF AMERICA, AFL-CIO
Washington, DC, June 5, 1990.

DEAR SENATOR. You will soon be considering a vote to override a veto of H.R. 2364, the Amtrak Reauthorization bill. On behalf of the International Brotherhood of Teamsters and thousands of our members employed in the trucking industry, I urge your support for a veto override.

The Amtrak Reauthorization bill contains a section which provides that truck, bus, and rail employees be subject to the income tax laws of only the state in which they reside. Passage of this bill would correct a tax situation in certain areas of the country where our drivers are assessed income tax not only in the state in which they reside but also by various states in which they travel through or deliver goods and products.

As you know, this legislation was vetoed because of a provision which would close a loophole in current ICC administrative procedures. Currently, the ICC must review and approve an acquisition of any individual segment of a rail line by a non-carrier but not an acquisition of the entire railroad. Section 8 would simply grant the ICC explicit jurisdiction to review non-carrier acquisitions of a major rail carrier to ensure that the transaction is in the public interest. We feel this is a sound provision and should not hinder passage of this legislation. The International Brotherhood of Teamsters urges your support for a veto override of H.R. 2364.

Sincerely,

DAVID A. SWEENEY,
Director, Department of Legislation.

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, DC, June 5, 1990.

DEAR SENATOR: On behalf of the AFL-CIO, I strongly urge you to vote to override the President's veto of the Amtrak Reauthorization bill, H.R. 2364. The override vote could occur this week.

The Amtrak Reauthorization bill reflects a carefully crafted bipartisan compromise. In addition to providing funding for Amtrak, the measure contains several meritorious provisions including the elimination of multi-state taxation of transportation employees who work in more than one state and the authority to establish commuter rail transportation between northern Virginia and the District of Columbia.

The President, however, vetoed H.R. 2364 ostensibly because of the provision clarifying the Interstate Commerce Commission's (ICC) authority to review the acquisition of a major freight railroad by a non-railroad. In our view, it is difficult to understand the veto of H.R. 2364 on this basis.

Under the provision in question, the ICC is given the explicit authority to review acquisitions of a single major (Class I) rail carrier by a non-railroad to ensure that the transaction is in the public interest. Current law clearly grants the ICC the authority to review virtually every other type of railroad transaction including the merger or consolidation of two or more railroads, the sale, purchase, or lease of any segment of rail between railroads, or even the purchase of two or more railroads by a non-railroad. Without H.R. 2364's ICC provision, therefore, the anomalous situation could continue in which the ICC has explicit authority to review the sale of a one-mile segment of rail track or the sale of two entire railroads to a non-railroad but no comparable authority to review the acquisition of a single railroad.

Thus, the bill simply closes a loophole to ensure that all railroad transactions are reviewed by the ICC to examine the public interest implications. Significant in this regard is that the 14 operating Class I railroads employ over 230,000 workers and serve thousands of communities and shippers. Unlike the airlines or the trucking industry where another company can step in to replace service that was discontinued, railroads usually own the track they use. When railroads go out of business, such track is often torn up or abandoned, leaving communities and shippers without the possibility of new rail service.

The bill merely reaffirms that the ICC can review a non-carrier's acquisition of a major freight railroad in the same manner that it would review another railroad's acquisition of that freight carrier. H.R. 2364's ICC provision ensures that the potential non-carrier acquiror has sufficient financial resources and is committed to maintaining existing rail service, and that will prevent extensive harm to shippers and will protect the public interest.

For these reasons, the AFL-CIO urges you to vote to override the veto of this important measure.

Sincerely,

ROBERT M. MCGLOTTEN,
Director, Department of Legislation.

[Telegram]

WASHINGTON, DC, *June 6, 1990.*

Hon. J. JAMES EXON,
Senate Office Building,
Washington, DC.

On behalf of the department's affiliates and the working people who operate and maintain America's transportation network, we urge your support of the upcoming override vote on the President's veto of H.R. 2364—the Amtrak Reauthorization and Improvement Act of 1990.

Sincerely,

RICHARD I. KILROY,
President, Department of Transportation Trades, AFL-CIO.

THE AMERICAN EMPLOYEES STOCK OWNERSHIP ASSOCIATION,
Tucson, AZ, June 6, 1990.

Re: Amtrak reauthorization bill H.R. 2364.

Hon. J. JAMES EXON,
U.S. Senator, Hart Office Building, Washington, DC.

DEAR SENATOR EXON: We want you to know that AESOA, as spokesmen for thousands of employee shareholders, support the Amtrak Reauthorization Bill HR 2364. We feel that some Senators may not fully recognize the importance of the section in this bill which calls for a 90 day review period on the sale of rail properties. We feel that this is of crucial economic importance

to the customers and employees in this industry.

Had this been part of the law when the Southern Pacific Transportation Company ("SP" Railroad) was being sold, we believe the SP would have become employee owned without the threatening debt burden of 100% financing. The Soo Line and the Chicago North Western cases could have similarly benefited. We believe that the employees should not be denied a fair opportunity to become owners. The proven power of employee ownership to increase competitiveness, productivity and profitability must be empowered within the rail industry.

We believe that HR 2364 takes a major step in the right direction to bring this vitally important aspect into reality. America's rail industry can no longer afford the political and economic machinations of corporate managers and others who fight to prevent rail employees from having a fair opportunity to become owners. We also believe that the shareholders of the public companies will be best served when the employees are given a realistic opportunity to make a superior bid for ownership.

Thank you for your consideration. Please feel free to share our view point with your fellow Senators.

Respectfully yours,

RICHARD D. FOLEY,
Chairman, AESOA.

[Telegram]

KANSAS CITY, MO, *June 5, 1990.*

Hon. ERNEST F. HOLLINGS,
Senate Office Building,
Washington, DC.

National Association of Retired and Veteran Railway Employees urges you to override President Bush's veto on Amtrak bill HR 2364. The loss of revenue would be devastating to the railroad pension. Please vote to retain language of original bill.

NATIONAL OFFICERS.

Mr. EXON. I ask unanimous consent following the printing of those in the RECORD an interesting and timely editorial from Traffic World, of June 4, 1990, to be printed in the RECORD, together with an article from the Journal of Commerce, of April 6, 1990, by Leo Abruzzese entitled "New ICC Chairman Says He Has No Secrets, No Hidden Agenda."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Traffic World, June 4, 1990]

TIME FOR A GUT CHECK

The White House has put on a full-court press to convince members of the Senate to watch President Bush's lips once again, and to ignore his deeds.

The upcoming congressional vote on overriding Bush's latest ill-advised veto is being offered as more a test of the president's manhood than an examination of the issues contained in the bill: money for Amtrak, a reasonable federal review of major railroad purchases, and authority to begin new rail commuter service in suburban Washington.

This administration's "transportation policy" seems to be passing from the ridiculous to the outrageous, with unseen Wall Street forces pulling powerful strings and determining how the nation handles its myriad transportation issues.

Unfortunately, the president seems more concerned about the impact the legislation might have on a few profiteers than the impact bad railroad sales have on the movement of freight or on shippers or consumers.

The White House cry that the bill smacks of "reregulation" because it clarifies the Interstate Commerce Commission's role to include at least a cursory review of all major railroad acquisitions is as big a red herring as this town has seen since this administration offered up mag-lev as the answer to the rail industry's woes.

Congress clearly never intended "deregulation" to mean "no regulation." The spirit of deregulation, as we measure it, is it to remove all unnecessary and unproductive regulation.

Some segments of the American financial community have taken the ICC's lack of oversight of the financial affairs of the railroads as a license to steal, and we are only beginning to pay the price for some of the asinine arrangements that sailed through with nary a peek by an objective, qualified overseer.

Congress already vested the ICC with the responsibility to police the nation's transportation system, and the sale of major railroads to firms that don't happen to already own one seems to fit into that charge. Thus the president's claim that he vetoed the bill to retain the purity of the Staggers-cleansed rail industry is hogwash.

All the veto does is protect some special interests, and keeps the henhouse door open a while longer.

This is time for a gut check on Capitol Hill. An override of the president's veto is clearly in order.—*Howard S. Abramson.*

NEW ICC CHAIRMAN SAYS HE HAS NO SECRETS, NO HIDDEN AGENDA

(By Leo Abruzzese)

WASHINGTON.—"I don't have any secrets," said Edward J. Philbin the new chairman of the Interstate Commerce Commission, "because I don't have an agenda."

Secret plans and hidden agendas have been a big part of the ICC in recent years, Under the stewardship of Heather J. Gradison, who ended her four-year run as chairman in February, the ICC battled Congress, labor unions and, most of all, itself. Mr. Philbin thinks he can change that.

"The five (commissioners) should act in a collegial fashion," the 57-year-old former law school professor said in an interview. "That does not mean that I am trying to drive everybody into 5-0 votes. But we should attempt on a personal and professional level, to consider others' viewpoints in arriving at our decisions."

The commission has held several open conferences during Mr. Philbin's first six weeks in office, and has promised regular public meetings. That's a departure from the sometimes isolated, closed-door decision-making that dominated the Gradison years. Mr. Philbin, who spent the last five-and-a-half years as a member of the Federal Maritime Commission, is still learning about railroads and trucks, the two principal industries the ICC regulates. But unlike his predecessor, an avowed deregulator who campaigned to sunset the agency, Mr. Philbin takes the philosophical middle road.

I agree with the motivations behind the Staggers (Rail) Act and the Motor Carrier Act . . . to remove from transportaton modes all unnecessary regulation," he said "The real rub comes in the definition of what's necessary and what's unnecessary, and I think you have to approach that on a case-by-case basis."

Scrutinizing railroad acquisitions is one of the ICC's necessary chores. Lawmakers are considering a bill that would expand the commission's review authority to include railroad purchases by nontransportation companies, especially investor groups proposing leveraged buy-outs.

The agency is divided. Some commissioners contend its current authority applies only when one railroad purchases another.

"It seems to me that Congress is very wise in now turning its attention to acquisitions of railroads by non-railroad entities," Mr. Philbin said. "If, as a result of a highly leveraged buy-out. (the purchaser) sells off portions of the railroad's properties, then . . . you might wind up with a railroad that cannot continue to operate as a railroad."

Even so, Mr. Phibin wants to send a message to Capitol Hill.

"We'd call "Time out," if Congress gave the ICC new responsibilities but no new money, he said.

"With these rather novel, creative financial structures, I'm not sure we have sufficient people with sufficient expertise to analyze those types of deals in a hurry;" he explained.

Railroad labor issues, which Mr. Philbin rarely faced at the maritime agency, continue to occupy much of the commission's time.

"To be truthful, I was rather surprised at the amount of labor considerations that had to go into the decisions that we're making here," he said.

Railroad workers who lose their jobs after a sale are entitled by law to severance pay and other compensation. But the ICC has been reluctant in some cases to impose financial obligations on railroads that could kill a deal.

"Labor protection (provisions) put you in a situation of making value judgments, where no attorney really likes to be," Mr. Philbin said. "There is, fortunately, a long body of cases at the ICC interpreting those provisions. I'm not writing on a clean slate here. I resort to those prior decisions. which already have wrestled with that dilemma."

Some trucking issues present equally tough choices for the new chairman. In at least one case, he has chosen to avoid the controversy entirely.

Mr. Philbin has declined to vote on truck rate disputes that force commissioners to choose between legally filed rates and negotiated rates. When similar cases arose at the maritime agency. Mr. Philbin supported the filed rate. The trucking issue now is before the Supreme Court.

"Four (federal) courts of appeal have upheld (negotiated rates) and one court of appeal has overturned them," he explained. "For me to come in at this point and muddy up the waters with my viewpoints. . . doesn't seem to be very productive to me. I'll await the outcome of the Supreme Court case."

Mr. Philbin also will await the outcome of a new ICC trucking probe before deciding if the industry's pricing procedures need changing.

Since 1987, some trucking companies simultaneously have filed rate increases through group pricing associations and by independent action. Freight shippers have complained and the ICC is investigating.

"We're not quite sure what is going on." Mr. Philbin said, "The companies were apparently following legal procedures but none (of the commissioners) understood really why it was happening."

Unlike Mrs. Gradison, Mr. Philbin hasn't decided if the pricing associations, called rate bureaus, are still needed in a largely deregulated trucking industry.

"Certainly, Congress thinks that they have a utility because they allow them under the law" he added "And I am really not burning to have the law changed."

Procedurally, Mr. Philbin is promising to establish a legislative wish list to present to Congress.

Mr. EXON. Mr. President, the good that comes out of these discussions is that we have finally brought the administration around to recognize we should have a national rail passenger service. I have listened to the debate from the other side of the aisle and I find for the first time the administration has signaled they want to continue Amtrak.

I point out if you look at the record you will see they zeroed out Amtrak. There is no funding for Amtrak in the recommendations that the administration sent earlier to the Congress this year, so we are making some progress.

Essentially, Mr. President, I wish all Senators and all shippers and especially all people living in rural America would hear this: The President is objecting to a piece of legislation that would affect the Union Pacific Railroad, vital to Nebraska's interests; or the Burlington Northern Railroad, vital to all of the States of the northern part of our country, including Montana. Under the present law, Burlington Northern or Union Pacific could sell out their line totally. They could sell it to someone who had never operated a railroad before. And there would be absolutely no protection whatsoever for the traveling public, for the shipping public or for all of the communities represented on those lines, to do anything at all about it.

Have we not seen enough of Wall Street manipulation; of corporate raiders coming in and buying an entity, not to operate it as it was before but to convert it some way to a money-making scheme?

Anyone who votes to sustain the President's veto is giving every class 1 railroad, of which there are 16 in the United States of America, the right to sell out that railroad to anyone that they want to without any interference, or even a look see by the Interstate Commerce Commission.

Those are the facts. That is why some of the big railroads behind the scenes have been working against this. Because what they want is the right to do anything they want to do, when they want to do it, without consideration for the obligation they have as a major transportation system.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time? If no Senator yields time, the time will be equally deducted from both sides.

The Senator from Wisconsin has remaining 11 minutes and 20 seconds; the Senator from Nebraska has remaining 2 minutes and 30 seconds.

Mr. KASTEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, I yield 30 seconds to the Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I am an original cosponsor of this legislation, and I am chairman of the subcommittee that funds Amtrak and a Senator that represents a State that depends greatly on Amtrak. I am asking all of my colleagues, and particularly those who seek transportation funding for all modes of transportation, to remember that Amtrak is an integral part of a balanced transportation network. We need it in States throughout this country even if Amtrak does not run directly in there. It is part of our transportation need. It is part of our transportation network.

Mr. President, as an original cosponsor of this legislation, as chairman of the subcommittee that funds Amtrak, and as a Senator representing a State that depends greatly on Amtrak, I rise to urge my colleagues to join me in voting to override the President's veto of the Amtrak authorization bill.

The President says that he vetoed this bill because of a provision relating to the ICC. We hear from the administration that if that provision were removed, the President would sign the bill.

To borrow an old expression, they're trying to railroad us. I urge my colleagues to think carefully about this. This administration, like the one before it, has not supported Amtrak.

I am not sure we can assume that they have now come on board. They had the chance to show their support for Amtrak when the budget proposal was submitted. But what did it contain for Amtrak? Zero.

The President asked for no funds for Amtrak. And that means one thing—the end of Amtrak. That is not just my assessment. It is the administration's conclusion.

On April 19, my transportation appropriations subcommittee took testimony from Gilbert Carmichael, the administrator of the Federal Railroad Administration.

At that hearing, we discussed the lack of a budget request for Amtrak.

I asked:

How would you run Amtrak without Federal support, beginning October 1? What would you do?

Mr. Carmichael, the Federal Railroad Administrator, responded:

On zero budget? I would shut her down.

That is what the administration's top railroad official said. And, by asking for no funds for Amtrak, that is apparently what the administration is willing to accept. But, it is something we cannot accept. We support Amtrak because we recognize that it is an important part of our balanced national transportation network.

This is not a time to be backing away from intercity passenger rail service. It is a time when we should be doing all we can to expand it.

As we focus on the goals of cleaner air and less energy dependence, Amtrak stands out as a part of any viable solution. As we look to prevent gridlock on our roads from choking off economic growth, we should take a lesson from so many of our fellow industrialized nations, and invest in rail.

Look at France. Just a few weeks ago, on May 18, their high speed passenger train, the TGV, broke a record by reaching a speed of 320 miles per hour. Think of what that could mean—Washington to New York in well under 2 hours.

But here in the United States, not 1 week later, instead of putting us on track for an improved rail system, the President said he is willing to derail our trains.

What would the elimination of Amtrak mean? Ask Amtrak's 21½ million intercity passengers what they'd do. Ask the 17 million commuters who depend on Amtrak to get to work each day. Ask the 109 communities served by Amtrak who have no air service, or the 31 towns who have no air or bus service, and for whom Amtrak is the only public transportation link with the rest of the Nation.

In the Northeast Corridor, Amtrak's riders would be forced into cars or planes. Take, for example, those who travel on Amtrak between Washington and New York each day. Transporting all of those people by plane would require an additional 60-70 flights each day. Anyone familiar with the congested airspace in this region knows that's not possible. And the prospect of dumping all these people into cars and then onto I-95 or the New Jersey Turnpike is not any better.

As I said earlier, this is not the time to turn our backs on Amtrak. Under Graham Claytor, Amtrak is a success story. Between 1981 and 1989, Amtrak's Federal subsidy decreased by 56 percent in constant dollars. Yet, its performance improved. I would like to see some of the programs at the Pentagon subjected to such standards.

Let us look at a few other specifics:

Amtrak now recovers 75 percent of its costs, up from 48 percent in 1981, and far ahead of other rail systems around the world.

Amtrak carried 21.4 million intercity passengers in fiscal year 1989, as well as 17.4 million commuters. For fiscal year 1989, 5.86 billion passenger miles were recorded, up significantly from previous years.

Revenues reached $1.27 billion in fiscal year 1989, up almost 15 percent from fiscal year 1988.

In spite of all this, the administration's transportation policy, embodied in this veto, calls for the elimination of Amtrak funding. This is shortsighted. It ignores the long-term needs of our country. And, it ignores the fact that Amtrak has a specific plan to eliminate the need for Federal support by the year 2000. But, rather than encourage this, the administration would cut off Amtrak now. The result: the loss of intercity passenger rail service.

I would like to take a few moments to talk about the provision that is the stated basis for the veto of this conference report.

Again, the administration seems to believe that deregulation means "no regulation."

They will not acknowledge that there is a role for the Federal Government in ensuring that the public interest is protected.

That is what this provision does. It simply recognizes that there is an underlying public good served by a national rail system. It says that we should make sure that that public interest is not forgotten in an age of leveraged buyouts and takeovers.

Mr. President, if this oversight had been exercised in the mid to late 1980's with regard to the airline industry, we might have avoided many of the problems we now see there.

I came to the Senate from the private sector. I believe strongly in the free market, and what it has done, and can do, for this country. This provision doesn't mean the end of the free market.

It would just take a minimal step to try to make sure that private sector activities don't undermine the overwhelming public interest.

Mr. President, today we have the opportunity to tell the American people that they deserve the freedom to travel and that we were not going to take away the only means of public transportation for so many communities in this country.

We can make it clear that we aren't willing to cast aside the idea of a balanced, national transportation system, that is so essential to our economic well being.

I urge my colleagues to join me in voting to override the President's veto.

Mr. EXON. I yield 30 seconds to the Senator from Iowa.

Mr. HARKIN. I thank my friend from Nebraska for yielding this time.

Mr. President, the ICC has the jurisdiction to approve or not approve the abandonment of even a single mile of railroad branch lines. Given that fact, it is absurd, totally absurd for the administration to take the position that the ICC should not have the authority to consider a leveraged buyout which can throw in jeopardy thousands of miles of track; and because it is so absurd, this body should vote to override the veto.

Mr. President, the Senate should override the President's veto of this bill. The only objection the President has to the Amtrak reauthorization measure is to a provision which says that the ICC should review all acquisitions of major railroads He did not object to the funding of Amtrak.

The rail acquisition issue came up last year when the Wall Street group Japonica—a company which owns no rail property—tried to take over the Chicago and Northwestern Railroad, which serves my State. Japonica argued that, according to current law, the ICC does not have jurisdiction over rail acquisition attempts by purchasers who do not already own rail property. Japonica maintained that its takeover bid should not be subject to ICC scrutiny.

The Iowa DOT and many other State departments of transportation raised the very troubling concern that the sale of the CNW to Japonica would greatly increase the railroad's burden of debt and would endanger the viability of the railroad. Questions also surfaced about the potential that the railroad would default on obligations to the U.S. Government.

If a major railroad collapses, it means greatly increased transportation costs for shippers, the possible inability of certain factories to operate at all, and lower prices to farmers for their grain. It means a decrease in the efficiency of the economy of the areas served by a railroad. And, if a railroad is large enough, its financial collapse might require a bailout by the Federal Government to ensure continued rail service. There are rumors that takeovers of specific railroads are now being discussed.

The ICC held a hearing on the Japonica offer and determined that it did not have jurisdiction over Japonica's bid. Frankly, I think the ICC erred in construing its existing authority in such a narrow fashion. Thus, I introduced legislation to make it clear that the ICC does have the authority to regulate any class I railroad purchase.

The ICC has the jurisdiction to approve or not approve the abandonment of even a single mile of a railroad branchline. Given that, it is absurd for the administration to take the position that the ICC should not have the authority to consider a leveraged buyout which could throw in jeopardy thousands of miles of track. It is simply irresponsible to allow leveraged buyout takeover artists to cherry pick this Nation's infrastructure.

It is absurd to allow a leveraged buyout partnership to move in, dismember the assets of a major railroad, sell the real estate holdings in various cities and acquire huge personal wealth at the Nation's expense and then to say: "We cannot afford to run this railroad with all of the debt it has."

In the last few weeks, numerous reports have surfaced about the possible near complete collapse of intercity bus service caused in part by leveraged buyouts. One of the major problems that Greyhound faces can be traced to the buyout of that company and its main competitor. The companies' revenues have not easily covered the huge debt that was created by the buyout.

This is not a reregulation issue. I do not believe that we should return to the pre-Staggers Act days of nit-picking regulation. But, I do believe that the ICC should examine acquisitions of major railroads to determine whether they serve the public's interest.

If this veto is not overridden, Amtrak will not have an authorization. It is doubtful that a new authorization can be passed in this Congress.

The PRESIDING OFFICER. Who yields time?

Mr. EXON. Mr. President, I understand my time has expired. How much time remains?

The PRESIDING OFFICER. The Senator from Wisconsin has remaining 6 minutes. The time of the Senator from Nebraska has expired.

Mr. EXON. I ask unanimous consent that the Senator from Nebraska be given an additional 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, I yield 1 minute of my remaining 3 minutes to my friend and colleague from the State of Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. SIMON. Mr. President, I thank my colleague from Nebraska. I simply concur with what has been said. The President's veto is wrong in terms of passenger traffic in this Nation and it is infinitely wrong in terms of the ICC approval.

What we want to avoid is to have a situation where people will come in and buy a railroad and then just dismember it. Railroads are treated differently in our laws than any other entity because they are so important to this country. And yet, without this safety valve, we could have a transportation mess that is similar to the savings and loan mess, not in terms of dollars, but in terms of damage we do to this great country. There is no restriction on what might happen in the way of debt that would make servicing

the rail lines much more difficult. I hope we override the President's veto. It is in the national interest to do so.

Mr. CRANSTON. Mr. President, I want to urge my colleagues to join in voting to override the President's veto of H.R. 2364, the Amtrak Reauthorization and Improvement Act of 1990. Last week, the House of Representatives voted overwhelmingly to override the President's veto and today I hope that the Senate will take similar action.

Mr. President, H.R. 2364 is a good bill which has strong support in both the Senate and the House. It would provide essential capital funding for fiscal year 1991 and 1992 for necessary modernization and maintenance. Failure to override the President's veto in this body could mean the end of nationwide passenger rail service.

To lose Amtrak service at this critical juncture in its development would be nothing short of tragic. After years of continued improvement, Amtrak is now able to meet 75 percent of its operating costs from its own revenues. It's projected that by the year 2000, Amtrak will be 100 percent self-sufficient. To stop Federal funding now, when Amtrak is so close to becoming self-sustaining is illogical and constitutes short-sighted transportation policy.

The administration's reason for the veto concerns a minor provision in the legislation which would require ICC jurisdiction over acquisitions of major rail carriers by noncarriers. It would grant the ICC clear authority to review acquisitions of class I railroads by noncarriers to ensure that the public interest is being taken into account. Protecting the stability and financial integrity of the largest carriers so that rail service will continue is clearly of concern to the public.

The administration included zero funding for Amtrak in this year's budget proposal. In vetoing this legislation, the administration has again gone on record as opposing Federal funding for Amtrak in spite of the fact that there is an increased public demand for Amtrak service.

I believe that citizens of this country want a passenger rail service. They want an alternative to the congestion on the highways and in the skies.

Not too long ago the Senate finished debating reauthorization of the Clean Air Act. It became very obvious to this Senator during that debate that we need to do everything we can, from an environmental perspective, to encourage people to get out of their cars and into mass transit and rail. Stopping Federal funding for Amtrak is totally inconsistent with the action we took just 2 months ago on the clean air bill.

Mr. President, Amtrak is a national rail service, not just a Northeast corridor route as it is sometimes perceived. In California, Amtrak operates five long-distance trains, including the Coast Starlight which travels from Los Angeles to Seattle; the Southwest Chief, a Los Angeles to Chicago line; the California Zephyr from San Francisco to Chicago; the Sunset Limited from L.A. to New Orleans; and the Desert Wind, an L.A. to Chicago via Salt Lake City route.

Amtrak also operates 11 short-distance routes throughout California. Total ridership on Amtrak in California amounted to over 5 million passengers in 1989 alone.

Amtrak employs over 2,200 California residents and spent about $13 million for goods and services there last year. Obviously, continuation of Amtrak service is not just a concern to residents of the Northeast.

Just last week the voters in California indicated their strong support for an alternative to the gridlock they face everyday on the highways. By passing propositions 116 and 108, the voters in California authorized two bond issues totaling almost $3 billion that would pay for the acquisition of rights-of-way and capital expenditures for intercity rail, commuter rail, and rail transit programs.

The passage of both of these rail bond issues sends a clear signal that Californians recognize the need for alternative modes of transportation and most importantly that they are willing to pay for it.

Mr. President, from both a transportation and an environmental point of view, Amtrak deserves the continued support of the Federal Government. I urge my colleagues to vote to override the President's veto.

Mr. CONRAD. Mr. President, I rise today to alert my colleagues that I intend to vote to override the President's veto of H.R. 2364, legislation to reauthorize the National Railroad Passenger Corporation.

I was pleased to see that the House overrode the President's veto by a wide margin. It is my hope that the Senate will do the same and the President's veto will be rebuffed.

This veto is another in a long series of hostile actions toward Amtrak by this administration and the last administration. The question of funding and the future of Amtrak has become an almost yearly dance between the administration and Congress—the administration eliminates funding for Amtrak, and Congress reaffirms its commitment to passanger rail service. It seems the message simply never gets through.

I am a longtime supporter of Amtrak, Mr. President. In my rural State of North Dakota, Amtrak provides vital transportation and communication links in a large and isolated State. Passengers travel in comfort and safety on Amtrak; many who cannot drive consider the continuation of passenger rail service crucial to their everyday lives. Amtrak's package express is vital to North Dakota communities since it brings medications and other urgently needed supplies to communities along the Amtrak route. Equally important, communities in North Dakota with Amtrak service count passenger service among the most important componments of their effort to keep their communities alive, linked to the rest of the world.

North Dakotans are enthusiastic supporters of Amtrak. The long distance Empire Builder serves the cities of Devils Lake, Fargo, Grand Forks, Minot, Rugby, Stanley, and Williston. Ridership in 1990 exceeded 78,000 passengers.

Last year, Amtrak was asked to consider rerouting its Empire Builder. This would have meant discontinued service to three communities in North Dakota—Grand Forks, Devils Lake, and Rugby. Mr. President, the entire North Dakota congressional delegation worked hard to prevent that from happening, but the response of the people of those communities was what was so astounding. I received letters, telegrams, petitions, and visits from North Dakotans asking me to fight that proposed reroute. Community leaders traveled from North Dakota to meet with the chairman of Amtrak to try to find a way to prevent the rerouting of the Empire Builder. Fortunately, we were able to prevent the rerouting of the Empire Builder. Mr. President, I have only rarely seen such an outpouring of support. It further convinced me that Amtrak service must be maintained and potentially expanded.

The bill would reauthorize Amtrak for 3 years. It might mitigate the intensity of some of these yearly battles over Amtrak funding. It also contains some technical changes which will allow Amtrak to save millions of dollars over the course of the next couple years. The bill also includes important provisions to prevent the multistate taxation of transportation employees who work in more than one State. Finally, it contains a small provision related to the Interstate Commerce Commission [ICC] which provoked the President to veto this important bill.

I truly cannot understand the reason behind the veto message we are faced with today. Under the provision the President found so objectionable, the ICC is given the explicit authority to review acquisitions of a single major—class I rail carrier by a nonrailroad to ensure that the transactions is in the public interest. Current law grants the ICC the authority to review virtually every other type of railroad transactions including the merger or consolidation of two or more railroads, the sale, purchase, or lease of any segment of rail between railroads, or even the

purchase of two or more railroads by a nonrailroad.

As one Amtrak supporter in my State pointed out, the ICC could review the sale of 1 mile of track from one rail carrier to another, but without this provision it could not review a heavily leveraged buyout—funded with junk bonds by a Wall Street takeover artist—of one of the major railroads in the country. To say that this provision constitutes wholly new, dangerous, and expanded regulatory review, Mr. President, is simply ludicrous.

I simply see this as another assault on rail passenger service in the United States. I am making a special, plea to my colleagues—on behalf of the citizens of my State—to override this veto. North Dakotans, many of whom are elderly and cannot or will not fly or drive, need passenger rail service. Without the Federal funding authorized by this bill, Amtrak cannot continue to operate a nationwide system. Rural areas losing this service will suffer most heavily. They need Amtrak to continue to solid footing. Please let the President know that vetoes over technical, minor portions of legislation are simply not to be tolerated, especially on legislation that is so important to many Americans. Let's not involve our constitutents any further in this battle between the administration and Congress regarding the future of Amtrak—let's override this veto.

AMTRAK—CRITICAL TO AMERICA'S FUTURE

Mr. KERRY. Mr. President, I would like to address for a moment the President's veto of the Amtrak authorization and why I believe we must vote to override this unfortunate use of Presidential power.

Mr. President, Amtrak is a critical component of our Nation's transportation system. Amtrak provides intercity and commuter rail passenger service in the United States on a network that extends from coast to coast. Approximately half of Amtrak's traffic and revenues are generated in the passenger corridor that extends from Boston to Washington, DC. This system carries more than 20 million passengers more than 5 billion passenger miles each year, and, its operating deficit has been declining significantly in recent years. For the people of Massachusetts Amtrak provides a critical link to the rest of our Nation and is an important part of the economic infrastructure of our economy. Amtrak is an essential part of America's future and the future of Massachusetts. In Boston and throughout Massachusetts the thousands who ride our commuter rail system every day and the tens of thousands who travel in and out of our State every year understand its value.

Moreover, just think for a moment about the environmental implications of Amtrak's 5 billion plus passenger miles each year that would have to be traveled by car or by plane if Amtrak were not available. Everyone in politics these days claims to be an environmentalist. But, when the speeches are over and the real work is done, it is support for environmentally critical basic services like Amtrak that make difference between environmental improvement and deterioration.

And, as I have said many times before, Federal support of Amtrak is one of the most cost-effective investments America's taxpayers have ever made. Just imagine the ten of billions of dollars in additional taxpayer dollars it would be necessary to spend on roads and bridges and airports if Amtrak and its workers were not on the job. And, imagine the highway deaths and injuries that would result from the inevitable increase in highway travel and congestion that Americans without Amtrak would endure.

Mr. President, I have opposed administration attempts to kill Amtrak since the day I arrived in the Senate. In fact, as Lieutenant Governor of Massachusetts I helped to rally support for this important service. I am very sorry that their administration has chosen to continue this misguided opposition of its predecessor to Amtrak. I was hoping that a "kinder and gentler" President would look beyond ideology to the real and unmatchable value of this system to our people.

As a Senator from Massachusetts, I am looking forward to improved Amtrak service in the Northeast. We have a great opportunity to begin to provide fast train service from Boston to New York. The legislation before us includes a provision which I proposed that will lead us to much more rapid service between Boston and New York. The benefits of this service to my State are tremendous and have been fostered and endorsed by the coalition of Northeast Governors who have been working toward this goal for many years.

But, Mr. President, as I argue again for Amtrak and reiterate my full support, I would be remiss if I did not take this opportunity to raise one serious concern.

Mr. President, I am concerned with the trend in labor-management relations at Amtrak. I am hearing too frequently from the men and women who make Amtrak what it is today, that they are unhappy and concerned with the way in which they are being treated. This simply must be revised in the interest of all of us.

We must be able to attract and retain the best railworkers available in Amtrak. Only a well trained, well motivated, highly productive and fairly compensated labor force is capable of keeping Amtrak safe, efficient, and attractive to our passengers.

In conclusion, Mr. President, I call in all of my colleagues to join me in overriding this unfortunate Presidential veto. A strong, healthy, productive passenger rail system, operated by dedicated men and women who are paid an equitable wage, is vital to the economic security and environmental health of this country and of Massachusetts. I recommit myself and my full efforts to Amtrak, its workers and its passengers, to see that our shared vision of our passenger rail future is realized.

Mrs. KASSEBAUM. Mr. President, I rise in support of the Amtrak Reauthorization and Improvement Act of 1990. It is my understanding that all parties, including the administration, support the reauthorization of funds for our national rail passenger service Amtrak. The real issue here is a provision in the conference report which would require that acquisitions of major rail carriers by noncarriers be reviewed by the Interstate Commerce Commission. This provision, in my view, should not hold up the much-needed funds for Amtrak. In fact, I believe the argument in favor of granting ICC oversight in these instances have some merit.

The ICC already is required to review and approve a number of transactions involving major rail carriers. These transactions include the merger of two or more carriers, the acquisition of control of one carrier by another, and the acquisition of control of at least two carriers by an entity that is not a carrier. This being the case, it seems to me only logical that ICC oversight be extended to acquisitions of a carrier by a company that is not involved in the rail business.

Mr. President, as we enter the 1990's, we will be witnessing with greater and greater frequency the results of the corporate takeovers and leveraged buyouts that characterized the 1980's. Specifically, we will see more and more companies, leveraged to the hilt, forced to file bankruptcy under chapter 11. In the airline industry, we have already witnessed the demise of two major carriers, Braniff Airlines and Eastern Airlines. To forestall this in the future, I supported legislation that gave the Department of Transportation oversight of airline acquisitions. While there are differences between the two industries, I think an analogy can be drawn that suggests the ICC provisions would also be worthwhile.

We have already witnessed several hostile takeover attempts in the railroad industry, the side effects of which are only beginning to be realized. If the proposed legislative had been in effect years ago, I believe we could have avoided some of the problems the railroads are now facing. Some argue the provision adds yet an-

other layer of regulation to an already deregulated industry—yet more government interference in the private sector. They are missing one very important point. The public, indeed the Nation at large, has a very strong interest in ensuring that our national transportation system remains vital and strong. The railroad industry, like the airline industry, is a vital part of that system, and we have a responsibility to keep it intact. In my view, the ICC provision at issue here will further that purpose. For this reason, Mr. President, I support this legislation and will vote to override the President's veto.

Mr. CHAFEE. Mr. President, I urge my colleagues to join in me sustaining the President's veto of the Amtrak reauthorization.

I have long supported the National Railroad Passenger Corporation's efforts to provide efficient rail service. Unfortunately, I cannot support this particular reauthorization because it contains a provision unrelated to Amtrak that would create an unjustified regulatory burden with regard to acquisitions of major freight railroads.

This provision would provide for Interstate Commerce Commission [ICC] review of such railroad purchases by nonrail companies. The ICC already has authority to evaluate mergers between railroads for their competitive consequences. Proponents of the provision in this bill claim it merely closes a loophole in the law whereby a proposal by a noncarrier to acquire a segment of a rail line is subject to review, but a proposal to acquire an entire railroad is not. Current law governing such transactions, however, is more than sufficient to protect the public interest in these matters.

In addition to its power to review rail mergers, the ICC currently has authority to examine the issuance of securities or the assumption of an obligation or liability by a railroad to finance a noncarrier's acquisition. The purpose of such reviews is to determine, among other things, whether the issuance or assumption will impair the financial ability of the railroad to provide service.

What the law should not do is mandate that the ICC evaluate the financing, control, and related details of a transaction when neither a merger, nor railroad financing is involved. As Secretary of Transportation Samuel K. Skinner has said in opposing this provision, "Government regulation should intervene in private decisionmaking only where necessary to achieve national goals and only in a way that achieves public benefits at least sufficient to offset the costs imposed." Clearly, the provision at hand fails this test.

Amtrak is an important transportatin link in the Northeast for many travelers from my home State of Rhode Island. Furthermore, I strongly believe the need for greater incentives to travel by train is a critical aspect of our drive to ensure a healthy clean air environment.

Today I will join in introducing an Amtrak reauthorization identical to the bill vetoed by the President, but for the deletion of the ICC provision. It is my sincere hope that we will sustain the President's veto and quickly present him with a reauthorization absent this detriment to investment in the freight railroad industry.

Mr. HOLLINGS. Mr. President, I rise today to strongly recommend that the Senate override the President's veto of H.R. 2364. Many fear that the President's decision to veto such a worthy bill must have been based primarily on his longstanding opposition toward Federal funding for Amtrak and not for the stated reason contained in his veto message to Congress. It is inconceivable to me that an attempt to close an obvious loophole in existing law could be viewed by the administration as being tantamount to reregulation. The Congress has not imposed a burdensome regulatory scheme on private entities attempting to purchase railroads. It has merely concluded that the ICC should review—on an expedited basis—the proposed acquisition by a noncarrier of a class I carrier to determine whether such a purchase will continue to serve the public good, as a policy matter.

As we know, under current law, a nonrailroad entity that wants to purchase one mile of an existing railway would have to obtain ICC approval. Why then would the President seriously consider expedited ICC review of an agreement to purchase an entire railroad to be so onerous? I, for one, have difficulty understanding the President's rationale for basing his veto on this issue.

This is a good bill, with a bipartisan constituency, and it deserves the support of each and every Member of the Senate. The provision in question merely mandates a level playing field where all parties wishing to purchase a class I railroad have to show that the purchase is good for the public, our constituents, and our communities. It gives the ICC the authority to review these matters before problems arise. We are all well aware of the enormous startup costs associated with operating a class I railroad. The ICC has particular expertise to review the terms of a deal to determine whether those costs would adversely impact the delivery of services by that railroad, regardless of whether the purchase is by a railroad or a non-railroad entity.

I urge my colleagues to join with me today in supporting the action already taken overwhelmingly by the House of Representatives by voting to override the President's veto of this very necessary Amtrak reauthorization bill.

OVERRIDE THE PRESIDENT'S VETO OF H.R. 2364, THE AMTRAK REAUTHORIZATION AND IMPROVEMENT ACT OF 1989

Mr. SIMON. Mr. President, I wish to join my good friend and colleague, Senator EXON of the great State of Nebraska, to urge every Member of the Senate to join us in voting to override the President's veto of Amtrak's authorization. I do not think that the President, himself, has had the time to carefully examine our national transportation priorities because if he did, he would realize what a bargain Amtrak has been to the Nation, to the environment, to energy lowering energy dependence, to the safety of travelers old and young, and to 500 rail cities and towns across the Nation.

This is not a partisan measure. The interest in preserving rail service in this Nation is clear to the majority of my colleagues on both sides of the aisle. The real issue here is where we stand in protecting the public's interest in looking forward to having a first rate national rail passenger service and a first rate rail freight system as well.

Why would we combine protection of the freight system with an Amtrak bill? Amtrak uses freight lines to serve 450 rail towns and cities outside the Northeast corridor, and the condition of those railroads clearly effects the quality of Amtrak's service and even the ability of Amtrak to provide that service at all.

There are 35 cities in Illinois now served by Amtrak traveling over 6 freight railroads, and, as we have learned too well in the past few years, the condition of those railroads affects not only the quality of Amtrak's service, but its ability to attract revenue-paying passengers as well.

There are many more communities and a few States without Amtrak service that are seeking to get new or improved Amtrak service in the future. Illinois is working with other States to upgrade that service to higher speeds between Chicago and places like Minneapolis, Milwaukee, Indianapolis, Detroit, and St. Louis to the standards of Amtrak's Northeast corridor service. There Amtrak has already attracted more riders between the District of Columbia and New York than all the airlines combined. Without enough railcars, Amtrak has standing room on many of its trains between New York and Albany and is turning away passengers from other routes.

The President has clearly shown through his budget for next year that he does not support any Federal assistance to Amtrak, or to the railroads for rail system improvement. In fact, all he has offered is advice. Railroads are the only form of national transportation that have to build and fix their

own rights of way and pay taxes on them as well. I do not think Amtrak or the private sector for that matter is looking for advice at this time from the President on how to stay in the rail business.

He completely sidesteps the funding issue and shifts the attack to a provision in the bill to allow the Interstate Commerce Commission to review, in as little as 90 days, buyouts of entire class I railroads by individuals who are not in the rail business. The intent of this provision closes a loophole in ICC's authority to protect a class I freight railroad from being purchased for its cash and assets and dismantled leaving thousands of communities without service. To protect themselves from unwanted takeovers a railroad company may be forced to buy back its own stock at inflated prices by taking on a heavy burden of debt. The Interstate Commerce Commission is responsible now for protecting the public interest in preserving rail service through review of other types of railroad transactions.

We discovered this loophole when the ICC Commissioner Gradison declined to review the threatened takeover of the 6,200-mile Chicago & Northwestern Railroad by Japonica Partners, an investment firm from New York. CNW was instead restructured by a consortium known as Blackstone Capital Partners, left with a debt load of $1.3 billion.

CNW paid out $27.1 million more in interest in the fourth quarter of 1989 than the fourth quarter of the previous year. The railroad has also sold a 208-mile segment in Wisconsin lowering their revenues as well. The point here is that a once strong railroad with a cash balance of $84.7 million on hand and another $105 million in bank credit has been converted to one which faces a fight for its survival.

I should add here that some cases before the Interstate Commerce Commission have taken years to resolve. In this case, the ICC has only 90 days—90 days, before it decides. In no way does this effect the choices of the shareholders, but it may assist in keeping a good railroad investment growing over the long term.

Mr. BIDEN. President Bush's veto of the Amtrak reauthorization bill has little to do with the merits of Amtrak itself. The veto came about because of a provision in the bill that allows the Interstate Commerce Commission [ICC] to review purchases of railroads by non-railroad companies.

However, in explaining the reasons for his veto, President Bush has made clear that he supports Amtrak as it currently operates. In a June 6 letter to House Republican Leader BOB MICHEL, President Bush wrote: "I disapproved H.R. 2364 solely because of the ICC provisions. * * * I would sign an Amtrak reauthorization identical to H.R. 2364, but without the ICC provisions described above."

I state this clearly for the record so the President's veto does not perpetuate the myth of the 1980's that Amtrak is somehow an endeavor unworthy of Federal support. The record of the past decade shows the fallacy of this argument. The President's comments implicitly recognize that progress.

Amtrak has improved its performance dramatically. While the railroad used to recover less than half of its variable costs, it now recovers 75 percent. A goal of full recovery, thought to be impossible a few years ago, may be within reach.

One reason costs recovery has increased is the improvement in equipment and service that Amtrak has made since its inception. It is important to remember that Amtrak's relatively dismal early operating performance was in no small part due to the obsolete and decaying equipment it inherited. The effort to provide attractive, competitive passenger rail service started out under severe handicaps.

But Amtrak has managed to turn this situation around—not without tough decisions and sacrifice, but tremendous progress has been made.

Amtrak is at a turning point in its history. The railroad has weathered a decade of criticism by the administration and has emerged in better shape than at the start. But to meet the goal of no Federal operating subsidies by the turn of the century, further investment will be needed in new equipment to replace aging cars and locomotives and expand fleet size to meet rising ridership demand.

That is what this reauthorization bill seeks to allow. The higher authorization levels are not due to a deterioration in service and ridership that must be compensated for, but rather because of improvements in those areas. In contrast to conditions the railroad faced at its inception, the higher funding levels are to maintain current levels of service, not draw them out from the depths of bankruptcy.

The improvements in equipment are not of the bullet train or magnetic levitation type. Those leaps in technology are moving along a different timetable. The equipment this bill will allow to be brought into Amtrak's service fleet is lower technology by comparison, but is crucial to maintaining effective levels of service.

As I noted earlier, the provisions I have outlined are not what the President objects to. Last January, the President sent to Congress a budget which took a fairly hard line on Amtrak, calling for an elimination of operating subsidies but offering to look for some unknown and undescribed alternative sources of funding.

But just a few months later, the President says he has no objections to the provisions of a bill that allow a rise in Amtrak's Federal funding. That's a remarkable change of heart, and one that I hope will be reflected in the budget he sends to Congress for the 1992 fiscal year.

For while the President's proposals to end Amtrak may score rhetorical points in some areas of the country, those of us who know of Amtrak's value to our region's economy realize the harm caused by repeated budget attacks. The uncertainty caused by the President's budget proposals to end Amtrak do little to allow the railroad to confidently plan for its future.

If the President is serious about looking for ways to attract outside investment to Amtrak, nothing would do more to encourage that investment than to express support for the long-term health of Amtrak. What investor will be willing to put money into Amtrak if the administration continues to call for its elimination? If outside investment is to be found, the administration's attacks only result in Amtrak being forced to pay higher interest rates because of this artificially created uncertainty over its future.

Whether or not the President's veto is upheld, the value of Amtrak has been acknowledged by the administration. Will this support last? I have my doubts, but I am hopeful that come next January, the President's budget will reflect that support and the spectacle of Amtrak being singled out for elimination will cease.

Mr. WARNER. Mr. President, I rise today to support the veto override of the Amtrak reauthorization bill. This legislation has twice passed the House of Representatives overwhelmingly—the original bill by a vote of 296-93, and the conference report by an even wider margin of 322-93. The Senate agreed to the conference report by voice vote.

This legislation would reauthorize Federal funding for Amtrak through fiscal year 1992. This would be the first reauthorization of Federal financial assistance for Amtrak since 1985. Amtrak was created 20 years ago to preserve a national rail passenger system. Since then, it has demonstrated a growing market for its energy-efficient, environmentally-benign alternative to increasingly congested highways and crowded skies. Amtrak is eager to play an increasingly important role in a balanced national transportation system. It has demonstrated a market for the rail passenger service alternative and has proven the improving economics of its service. Amtrak offers a less expensive alternative to the enormous cost of highway and airport expansion and it is ready to be a leader in the development and operation of high-speed rail systems.

Passage of the Amtrak Authorization and Improvement Act will send an important message to this Nation's travelers, as well as to the private financial markets, that the Federal Government supports a growing role for Amtrak in addressing the congrestion and pollution that is so choking this Nation's transportation system.

Mr. President, this legislation will also allow northern Virginia's proposed commuter rail service to move forward. The Virginia Rail Express would provide daily commuter rail service from Manassas and Fredericksburg, and points in between, to Union Station in Washington, DC. The rail service would help relieve traffic congestion along Interstates 66 and 95 and could possibly save commuters several hours of driving time on the highways each day.

Mr. President, if we delay action on this bill, the Northern Virginia Transportation Authority's rail car acquisition contract will result in substantially higher costs if a firm order is not placed by early August.

Mr. President, if the Senate fails to override the President's veto with respect to this bill, I will work hard to continue to seek funding for Amtrak. I will also pursue another means of achieving final passage of the commuter rail legislation now in the Amtrak reauthorization bill. This is a vital piece of legislation which will affect many commuters throughout the State of Virginia. The sooner this legislation is passed, the sooner the rail service can commence.

Mr. DURENBERGER. Mr. President, I am voting to override the President's veto of H.R. 2364, the Amtrak Reauthorization and Improvement Act of 1990 because I support national passenger rail service.

This legislation recognizes that Amtrak badly needs additional funds for capital purchases of rolling stock to meet the demand for additional service and allow for upgrading the cars serving the Amtrak fleet. Furthermore, H.R. 2364 clarifies that rail employees who work in more than one State will be taxed only by the State in which they reside. Finally, I am not sure that the ICC provision in this legislation is the best means of protecting railroads from investors more interested in liquidating assets than providing service. However, I will not risk all the good of this legislation on the assumption that there will be another opportunity for this Congress to pass this legislation.

During the last decade, Amtrak has gone through a remarkable transformation. In 1980, Amtrak's revenue-to-expense ratio was only 48 percent. Its ridership was declining and many transportation experts had given up hope that national rail passenger service was a viable mode of transportation in the United States. Furthermore, much of the trackage which Amtrak used was in very poor condition due to deferred rail maintenance efforts. At that time, Amtrak was encountering serious operating problems due to derailments and speed restrictions caused by the poor track conditions. Amtrak had such a dismal performance record that President Carter recommended down-sizing Amtrak into a regional passenger carrier. He almost succeeded, but Congress opposed him, managing to salvage a national system, albeit at a sharply reduced level of Federal funding.

Today, the performance of Amtrak is much brighter. Despite a decrease in Federal subsidies, Amtrak's revenues have doubled. Through improved revenues and productivity, Amtrak has recouped a significantly larger percentage of its total cost with its own revenue. This year, it is estimated that Amtrak revenues will cover 75 percent of its cost. Furthermore, the tide of falling ridership has been reversed. Amtrak is now projected to carry nearly 6 billion passenger-miles, the highest level since Amtrak was created in 1971.

This success is attributable to the joint effort by Congress, States local communities, labor, and the railroads. When I entered the U.S. Senate, it was evident that national rail passenger service would continue only if Amtrak was supported by a revitalized rail industry, and strong State and local support. Shortly after I arrived in Washington, DC, Congress took decisive action to help restore the financial stability and competitiveness of the rail industry. These efforts are now bearing fruit. According to the Department of Transportation's National Transportation Strategic Planning Study, American railroads are now the most efficient in the world.

Although Amtrak has made vast improvements, more needs to be done. One of the most troublesome portions of rail which Amtrak uses is the segment of the Empire Builder between Minneapolis-St. Paul and Chicago. The running time on this segment is about one-third longer than it was 40 years ago. Significant rehabilitation of that section of rail is taking place, although at a very slow pace which greatly frustrates rail passengers traveling on the Empire Builder.

Likewise, many rail passenger stations had been allowed to deteriorate. Just several blocks north of the U.S. Capitol Building, Union Station was literally crumbling before the eyes of Congress. Today, Union Station's restoration is now drawing rave reviews from travelers and is considered a must see attraction for tourists visiting Washington, DC. Other communities served by Amtrak have mounted similar efforts to spruce up and remodel their stations to achieve the comfortable ambience which travelers have come to expect. In addition, many of these stations have now been remodeled so that they also serve as intermodel transfer centers.

Earlier this year, the administration completed its extensive evaluation of the Nation's transportation needs when it released its national transportation policy document "Moving America: New Directions, New Opportunities." That document cited some of the accomplishments Amtrak has achieved during the 1980's. It also mentioned future opportunities available for passenger rail service by providing American travelers with high speed rail or magnetic levitation transportation systems. Furthermore, the national transportation policy confirmed that the rail industry, unlike air and highway transportation, is not plagued by severe congestion problems. In fact, railroads are currently operating well below their capacity.

In the early 1980's, I co-chaired the U.S.-International High Speed Rail Congress where I saw the tremendous potential for futuristic rail passenger service to meet the transportation needs between cities where air and highway traffic are gridlocked. Already, Amtrak carries more than a third of the passengers traveling between New York City and Washington, DC. Minnesota, Illinois, and Wisconsin transportation officials are currently working together to examine the feasibility of upgrading current rail passenger service between Chicago to the Twin Cities to high-speed rail or a magnetic levitation system.

Mr. President, it is for these reasons that I am compelled to override the President's veto of H.R. 2364, the Amtrak Reauthorization and Improvement Act of 1990.

Mr. DODD. Mr. President, I rise in strong support of H.R. 2364, the Amtrak Reauthorization and Improvement Act of 1990. I intend to vote today to override President Bush's veto of this very important legislation.

Amtrak is a critical link in the transportation network that spans the country and is a vital transportation lifeline for the citizens of Connecticut and millions of others throughout the Northeast corridor where Amtrak carries more than 11 million passengers annually. Of that amount, over 1.2 million are residents of Connecticut operating out of 19 rail stations across the State.

Despite the repeated attacks and complaints of its critics, Amtrak revenues and service have shown nothing but improvement over the last decade. Reliance on Federal money is down with fares and other revenues accounting for 72 cents of every dollar spent by Amtrak, up from only 40 cents in 1980. In 1989, Amtrak reported record income of $1.3 billion with predictions

that Amtrak might be able to cover all of its operating costs by the year 2000.

In his budget proposal for fiscal year 1991, President Bush eliminated all funding for Amtrak. Such a proposal would no doubt spell the end for nationwide passenger rail service precisely at a time when Amtrak has proven its effectiveness in maintaining and advancing our Nation's vital rail network as we look toward a new century. True to form, the President vetoed H.R. 2364. He cited a provision in the conference report which would require that acquisitions of major rail carriers by noncarries be reviewed by the Interstate Commerce Commission. My understanding of that provision is that it merely closes a loophole in the Commission's existing authority to review line sales; it is hardly a reason to jeopardize the transportation needs of millions of Americans.

Mr. President, let us join our colleagues from the other Chamber in overwhelmingly voting to override the President's veto of the Amtrak Reauthorization and Improvement Act of 1990.

Mr. EXON. Mr. President, I yield myself whatever remaining time I have.

The PRESIDING OFFICER. The Senator has remaining 2 minutes and 6 seconds.

Mr. EXON. Mr. President, let us focus, as we come down to this vote, on how wrong the President's position is. It has been misinterpreted as reregulation of the railroads. Is there a single person in the U.S. Senate, man or woman, or a single person in the United States of American who believes that it is in the public interest to allow the Union Pacific or the Burlington Northern to sell their railroad to anyone that they want, including one who has never operated a railroad before? And the public interest goes along with junk bonds, with corporate raiders and highly leveraged buyouts.

It would be wonderful, indeed, I suppose, for the management of the Union Pacific Railroad, for example, to sell their railroad to John Doe, who does not know anything about operating a railroad, at a very highly leveraged buyout that would almost guarantee that the railroad would go broke in the future. I guess that is the free enterprise system

It is not the way America should work. It is not the way Union Pacific should be run or Burlington Northern or any other major railroad. If a few greedy railroads are taking the position that they should have the right to sell to anybody they want without even the Federal Government and the Interstate Commerce Commission taking a look at it, they are dead wrong. The President of the United States is wrong. And if we do not pass this type of legislation now or sometime in the future, it is going to come home to haunt large sections of the United States of America.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Wisconsin has remaining 6 minutes; the Senator from Nebraska, 8 seconds.

Mr. KASTEN. Mr. President, I want to point out one fact I think a number of people might be confused about. Further ICC authority is simply unnecessary. Under current law, the ICC has the authority to review the effects of any buyout, including the ability to review any proposed sale of a line segment, for example, or any proposed abandonment. The ICC has that authority.

The President's veto is correct. I believe that because the ICC review section in effect calls for increased regulation, some would say reregulation, that we need to sustain the President's veto and go forward with the rest of this legislation.

I agree with the Senator from Nebraska that we are in a position now where we have the administration—we have been keeping Amtrak going essentially through the appropriations process—but we now are in the position where we have the administration in support of this bill. I think that is a positive step and a step in the right direction. As they are in support of this bill, they indicated they would sign this bill without that one provision; we have an opportunity of going forward.

So what we must do at 6:15 is vote to sustain the President's veto and go forward with the reauthorization bill. I believe we can go forward with it quickly. It will be the legislation Senator BURNS and a number of us have cosponsored, the Burns legislation. That legislation can go forward quickly. We can pass it, and the President of the United States will sign that bill. I think it will be an important step because of the struggle we have had with Amtrak over the past several years.

I reserve the remainder of my time.

Mr. EXON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Nebraska has 8 seconds remaining.

Mr. EXON. Let us eliminate the confusion. The ICC can take a look, if Burlington Northern sells to Union Pacific.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. EXON. But if it is somebody who has never owned a railroad, they cannot. That is the main flaw. I suggest we should not overlook that.

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

Mr. KASTEN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Wisconsin yields back the remainder of his time. All time has expired.

Mr. KASTEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AIR TRAVEL RIGHTS FOR BLIND INDIVIDUALS ACT

The PRESIDING OFFICER. Under the previous order the Senate will now return to the consideration of S. 341 which the clerk will report.

The legislative clerk read as follows:

A bill (S. 341) to amend the Federal Aviation Act of 1958 to prohibit discrimination against blind individuals in air travel.

The Senate resumed consideration of the bill.

Pending:

Kassebaum Amendment No. 2000, to establish guidelines for Federal standards of liability for general avaiation accidents.

Mr. SHELBY. Mr. President, amending this important bill to provide significant rights to blind airline passengers with sweeping aviation products liability standards legislation is wrong. Such a tactic is simply a means to delay and impair the substantive rights of blind individuals to be treated fairly. Not only is this amendment inappropriate at this time, but the amendment itself is lacking in merit.

As the Judiciary Committee report on S. 640 recognizes, "The creation of national product liability standards for the general aviation industry is contrary to historical precedent and would establish a dangerous standard to follow." Our Nation was founded upon a delicate balancing of important interests embodied in the notion of Federalism. This legislation, by one sweep of the pen, would alter centuries of legal tradition and allow for the encroachment of the Federal Government into an area of the law which has been traditionally reserved to the States. I do not believe that this is a wise course to follow, and I believe that the Federal Government has enough issues to legislate—without becoming entangled in the new area of tort law.

In addition to being poor policy, this legislation has a number of glaring flaws. As I understand the bill as currently drafted, the statute of repose would effective immunize manufacturers for their negligence in cases involving planes over 20 years old. But the facts are that the average age of a general aviation aircraft in the United States is 23 years of age. To protect manufacturers in this manner would

be outrageous, and could prevent injured victims and their families from receiving compensation for their injuries.

Another section of the bill would provide for concurrent Federal and State jurisdiction for cases arising under this bill. As everyone knows, the Federal judiciary is already severely overworked, and to increase the workload of the courts with these types of complex and lengthy cases will only increase the burden on the courts and impair the speedy resolution of these cases.

Finally, the general aviation industry is not woefully suffering as the proponents of S. 640 and this amendment would have you believe. Sales of these aircraft have increased 41 percent since 1987. Flying magazine reported that the 1989 industry trade show, "Was like the good old days of the 1970's with new airplanes being introduced in droves, orders written on the spot and companies reporting solid, even record, profits." Clearly, facts illustrate that this industry does not need the special protections which would be afforded by this amendment.

Therefore, regarding S. 341, the air travel rights for the blind bill, I urge my colleagues to vote for cloture and to defeat this amendment.

Ms. MIKULSKI. Mr. President, I rise today to express my support for the Air Travel Rights for Blind Individuals Act.

This has been a historic year for physically challenged Americans.

By passing the Americans with Disabilities Act earlier this year, the Congress reaffirmed Thomas Jefferson's credo that all men—and I must add, all women—are created equal.

Whether or not we have the same ability to see, to hear, or to perform certain physical tasks, we are all endowed by our Creator with the same unalienable rights.

The Air Travel Rights for Blind Individuals Act continues to move us forward into a world without discrimination, without barriers restricting the full and free participation of every American in every aspect of the American dream.

Blind Americans need to travel from city to city just the same as sighted Americans do—and for all the same reasons. To do business. To give lectures. To visit loved ones. To take vacations.

But unlike sighted Americans, blind Americans may be retricted from sitting in certain areas of an airplane. They may be publicly reprimanded simply for taking their assigned seats.

The Federal Aviation Administration takes the position that "only those people who can help other passengers get off the plane safely and quickly should sit in exit rows."

Yet, not one life has ever been lost because a blind person was seated near an aircraft emergency exit.

Quite the contrary, more than once, blind individuals have demonstrated that they are better able to assist in evacuations where the lights are out or the plane is filled with smoke—because they are accustomed to moving quickly and confidently without the benefit of sight, while sighted passengers often become frightened or disoriented under these circumstances.

I must say a few words here to recognize the outstanding accomplishments of the National Federation of the Blind, which is headquartered in Baltimore, MD.

The federation is committed to the complete integration of the blind into society on an equal basis. They know the potential that blind people have to contribute to our economy and our society—and they have worked long and hard to realize that potential on behalf of every blind American.

Toward this end, they provide public education, advocacy, and scholarships for blind individuals.

Also, in cooperation with the U.S. Department of Labor, the federation has developed a program of job opportunities for the blind. This program helps qualified blind people to find employers, and helps employers meet affirmative action requirements for disabled employees by hiring truly qualified employees.

I am proud to have the National Federation of the Blind in my State, and I am proud to support them in their efforts to pass this bill.

I hope my colleagues will support cloture, so that we may get on with adopting this legislation and continuing our progress in eliminating discrimination in our Nation.

Mr. CRANSTON. Mr. President, today I rise in support of invoking cloture on S. 341, the Air Travel Rights for Blind Individuals Act.

Mr. President, S. 341 is a bill with broad-based support that should pass with minimum opposition. This bipartisan legislation would prevent commercial airlines from discriminating against blind persons. I think it would be simply unconscionable to jeopardize its passage by using it as a vehicle for a host of nongermane amendments. The civil rights of blind persons and not partisan politics should be our priority today.

Mr. President, as a principal sponsor of the Air Carrier Access Act of 1986, a law we passed to ensure that individuals with disabilities not be discriminated against by the airlines, I was disappointed to learn that blind persons were still being subjected to discrimination in air travel. S. 341 would rectify this situation once and for all. It would specifically prohibit an air carrier from restricting seating assignments on the basis of blindness. I say to my colleagues let us proceed to the immediate passage of this important bill by voting for cloture.

The PRESIDING OFFICER. The hour of 6 o'clock p.m. having arrived, under the previous order, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on S. 341, a bill to amend the Federal Aviation Act of 1958 to prohibit discrimination against blind individuals in air travel.

E.F. Hollings, Brock Adams, Robert C. Byrd, John D. Rockefeller, Tom Daschle, Alan Cranston, Richard Bryan, George J. Mitchell, Barbara A. Mikulski, Harry Reid, John Breaux, David Boren, Patrick Leahy, Joe Lieberman, Albert Gore, Jr., Edward M. Kennedy.

(Disturbance in the Visitors' Galleries.)

The PRESIDING OFFICER. The galleries will come to order. The guests in the galleries are reminded that they are guests of the U.S. Senate and that any expressions are contrary to the rules of the Senate.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent the quorum call has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on S. 341, the blind air passengers bill, shall be brought to a close?

The yeas and nays are required, and the clerk will call the roll.

The bill clerk called the roll.

The PRESIDING OFFICER (Mr. BRYAN). Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 56, nays 44, as follows:

[Rollcall Vote No. 114 Leg.]

YEAS—56

Adams	Durenberger	Lieberman
Akaka	Exon	Metzenbaum
Baucus	Fowler	Mikulski
Bentsen	Glenn	Mitchell
Biden	Gore	Moynihan
Bingaman	Graham	Pell
Boren	Harkin	Pressler
Bradley	Hatfield	Pryor
Breaux	Heflin	Reid
Bryan	Hollings	Riegle
Bumpers	Inouye	Robb
Burdick	Jeffords	Rockefeller
Byrd	Johnston	Roth
Cohen	Kennedy	Sanford
Cranston	Kerrey	Sarbanes
Daschle	Kerry	Sasser
DeConcini	Kohl	Shelby
Dixon	Leahy	Simon
Dodd	Levin	

NAYS—44

Armstrong	Boschwitz	Chafee
Bond	Burns	Coats

Cochran	Helms	Nunn
Conrad	Humphrey	Packwood
D'Amato	Kassebaum	Rudman
Danforth	Kasten	Simpson
Dole	Lautenberg	Specter
Domenici	Lott	Stevens
Ford	Lugar	Symms
Garn	Mack	Thurmond
Gorton	McCain	Wallop
Gramm	McClure	Warner
Grassley	McConnell	Wilson
Hatch	Murkowski	Wirth
Heinz	Nickles	

The PRESIDING OFFICER. The rollcall vote on the motion to invoke cloture is 56 yeas, 44 nays; three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

AMTRAK REAUTHORIZATION AND IMPROVEMENT ACT—VETO VOTE

The PRESIDING OFFICER. The veto message on H.R. 2364, the Amtrak reauthorization bill, now recurs. The question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding?

The yeas and nays are required.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 64, nays 36, as follows:

[Rollcall Vote No. 115 Leg.]

YEAS—64

Adams	Exon	Lieberman
Akaka	Ford	Metzenbaum
Baucus	Fowler	Mikulski
Bentsen	Glenn	Moynihan
Biden	Gore	Nunn
Bingaman	Graham	Pell
Boren	Grassley	Pryor
Bradley	Harkin	Reid
Breaux	Hatfield	Riegle
Bryan	Heflin	Robb
Bumpers	Heinz	Rockefeller
Burdick	Hollings	Roth
Byrd	Inouye	Sanford
Cohen	Johnston	Sarbanes
Conrad	Kassebaum	Sasser
Cranston	Kennedy	Shelby
D'Amato	Kerrey	Simon
Daschle	Kerry	Specter
DeConcini	Kohl	Warner
Dixon	Lautenberg	Wirth
Dodd	Leahy	
Durenberger	Levin	

NAYS—36

Armstrong	Gramm	Mitchell
Bond	Hatch	Murkowski
Boschwitz	Helms	Nickles
Burns	Humphrey	Packwood
Chafee	Jeffords	Pressler
Coats	Kasten	Rudman
Cochran	Lott	Simpson
Danforth	Lugar	Stevens
Dole	Mack	Symms
Domenici	McCain	Thurmond
Garn	McClure	Wallop
Gorton	McConnell	Wilson

The PRESIDING OFFICER. On this vote, the yeas are 64, the nays are 36. Two-thirds of the Senators present and voting, not having voted in the affirmative, the bill, on reconsideration, fails of passage.

Mr. MITCHELL. Mr. President, I enter a motion to reconsider the vote by which the bill failed of passage.

Mrs. KASSEBAUM. Mr. President, if I may just say, I do not know if this is the appropriate time, but in response to the leaders's request, I will just say to the leader that I regret he is not going to consider S. 341. It is my understanding, Mr. President, that the leader has decided not to consider S. 341, and I regret that because I really hoped that we could consider that.

I had offered, on my amendment, to have a vote at any time with a time agreement, certainly a tabling motion or to set it aside and consider it at some other time, if I could get a time certain on some other legislation. So, I would just like to say I would be more than happy to consider some other accommodation and I hope he will not pull the bill just because of my amendment.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there now be a period for morning business, with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Ohio [Mr. METZENBAUM] is recognized.

UNITED STATES-IRAQI RELATIONS

Mr. METZENBAUM. Mr. President, 23 years ago last week, Israel defeated massed Arab armies in what has been called the "Six Day War." Israel's victory was seen as a classic case of "David" using skill and daring to overcome a "Goliath's" overwhelming force.

Twenty-three years ago, I would have hoped to be standing before my Senate colleagues in June of 1990 talking about the growing cooperation among Israel and its neighbors. I would have hoped that nearly a quarter century after the Jews refused to be driven into the sea, the Arab world would have come to terms with the existence of Israel.

Mr. President, I regret that this is not the case. There have been some remarkable accomplishments in 23 years. The Camp David accords; the reacceptance of Egypt into the Arab fold after its peace with Israel; the recent uniting of the two Yemens. These events mark high points on the road to Middle East peace and stability.

But the Arab world, with few exceptions, is still fixated on its mission to reject regional peace and to destroy the State of Israel.

Mr. President, one of the more recent examples of this malignant attitude has come from Iraq's capital of Baghdad, in the person of President Saddam Husayn.

I stood before my colleagues less than 1 month ago arguing against a measure which would have imposed tough sanctions on Iraq. It was my feeling that sanctions on Iraq would not contribute to regional stability at that time. I felt that a policy which isolated such a well-armed leader as Saddam Husayn, not to mention such a belligerent leader, did not serve the interests of the United States or of United States allies.

Mr. President, I met with President Husayn as part of the Middle East delegation led by Senate Minority Leader DOLE. We met with Husayn for nearly 3 hours in the Iraqi city of Mosul. Soon after we returned to Washington, the Iraqi ambassador requested a meeting with the members of the Dole delegation. We met with the ambassador for over 1 hour and had a very frank, if not blunt, exchange of views.

My opposition to the Iraqi sanctions legislation was based on the outcome of these meetings. I am not here to tell my colleagues that these were friendly meetings; but I did feel that they were businesslike. I felt that there might be some potential opening to improve United States—Iraqi relations—albeit a very small opening. For example, Iraq wants western assistance in developing its economy. I felt that this represented a possible diplomatic lever that we could use with Iraq.

Mr. President, let me quote my own words during the Senate's debate on May 17, 1990: "* * * if we do not give the President of Iraq the chance to indicate that he is indeed interested in moving (toward modernization), then I think we err, and I think we err on the side of more misery and more trial and more tribulation for the peoples who live in the Middle East."

Mr. President, I felt that the United States' greatest responsibility regarding Iraq was to be a force for moderation. Sanctions make us feel good, particularly when they are imposed against such a warlike figure as Saddam Husayn. But I questioned whether or not Iraqi sanctions at that time would promote moderation or slam the door on moderation.

Mr. President, Saddam Husayn has had numerous opportunities to indicate his interest in moderation. He is arguably the most powerful man in the Arab world at this time—he is free to chart whatever course he may

choose. I had originally suggested that Husayn should be given 30, perhaps 60 days to send us a signal regarding his intentions: some small indication that he was prepared to do business, even in the midst of his harsh rhetoric.

Mr. President, less than 1 month has elapsed since I suggested that the Senate withhold judgment in the interest of moderation. To this Senator, Saddam Husayn has sent more than enough signals regarding his intentions. At every turn, using every opportunity possible, Saddam Husayn has indicated his desire to overthrow the forces of moderation in the Middle East.

Husayn has waged a campaign to supplant the more moderate Hosni Mubarak of Egypt as the leading Arab diplomat; Husayn fought hard for a vitriolic condemnation of Israel and the United States as host of the recent Arab summit.

Husayn is becoming an enthusiastic patron of the Palestine Liberation Organization.

I have not received any communication from the Iraqi Ambassador or any other Middle East official which would lead me to give Husayn more time.

Mr. President, I originally said that we should give President Husayn 1 month, maybe 2, to show us that he wants to be a constructive player in Middle East politics. Slightly more than 3 weeks have elapsed and I have seen all I need to see.

I hope that President Husayn's representatives are watching the Senate today. Husayn knows who I am, and he knows how I feel. He knows that this Senator, one of the strongest supporters of the State of Israel in the entire United States Government, was prepared to fight to preserve a chance for diplomacy with Iraq. President Husayn should know that he has squandered that chance.

Mr. President, Saddam Husayn offers the United States no opportunity for constructive dialog. Indeed, Husayn is a leading cause for the recent downward spiral of events in the Middle East. The United States must take all steps necessary to defend its interests, and the interests of its allies, in the face of such warlike maneuvering from Baghdad.

Mr. President, 23 years ago, Israel proved that peace in the Middle East was the only alternative to endless warfare. Yet, it seems that President Husayn has chosen to ignore the lessons of the Six Day War. Any new legislation on Iraqi sanctions will receive my earnest consideration, and I urge my colleagues on the Foreign Relations Committee to scrutinize United States-Iraqi relations during the hearings on this subject scheduled for this week.

Mr. President, I ask unanimous consent to print three articles in the RECORD: A Wall Street Journal, New York Times, and Washington Post plus U.S. News & World Report June 4, 1990, cover story on Saddam Husayn entitled "The Most Dangerous Man in the World."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From U.S. News & World Report, June 4, 1990]

THE WORLD'S MOST DANGEROUS MAN

In this strange season of political upheaval, with the lights of dictators winking out around the globe, the world suddenly seems a saner and safer place. But as Mikhail Gorbachev and George Bush confer this week, providing a little new hope for safety and sanity, in ancient Baghdad, half a world away, a dangerous man with great ambitions is hosting a summit of his own.

While Bush and Gorbachev are signing agreements to reduce their arsenals of chemcial and nuclear arms, Iraqi President Saddam Hussein, the host of the Arab summit, continues to spend billions of dollars in the pursuit and development of those very same weapons. What is even more troubling is that while the superpowers are trying to ensure that their bulging arsenals are never used, Hussein has already lobbed his nerve gas not only at his archenemies in Iran but at some of his own people, killing sereral hundred Kurdish tribesmen. It is no small irony that this new threat to peace and stability is coming from Mesopotamia, from the cradle of civilization, but if Saddam Hussein has taken note of the fact, he has not deigned to comment on it. He is not, after all, a man much inclined to humor. What he is, demonstrably, is the most dangerous man in the world.

In his ruthless and obsessive quest to become the "Sword of the Arabs," as Hussein lately has styled himself, he has relied upon the complicity of Western and other governments, the greed of middlemen, and a clandesting arms-procurement network with front compaines in the U.S. and Europe. The Atlanta branch of Italy's biggest state-owned bank extended more than $1 billion in credit for Iraqi arms deals, U.S. officials say (page 45). A Canadian ballistics and rocket expert was helping Hussein build the world's biggest gun when he was mysteriously murdered in Brussels (page 48), and Iraq obtained hundreds of tons of a chemical used to make mustard gas from a Baltimore manufacturer before the transaction was caught by U.S. Customs.

The fateful combination that fuels Iraq's drive for military power is at once simple and familiar: Money, militarism and ego. With virtually unlimited funds from an oil industry that has an estimated 10 percent of the world's petroleum reserves, he has infinitely more cash to spend on instruments of destruction than Iran, Libya or North Korea. The U.S. intelligence community has consistently underestimated Iraq's military capabilities, but now a growing number of intelligence officials believe Hussein may have a nuclear-weapons capability in between two and five years (page 49). And unlike Kim II Sung in North Korea, Hussein's ambitions are not contained by a powerful military of his border. His phenomenal military spending, estimated by some intelligence officials at as much as $50 billion over the past decade, has made him the world's single biggest buyer on the international market of chemical, biological and nuclear weaponry.

Even more frightening than his capabilities are the ample indications that Hussein has few qualms about using them. "I swear to God," he said in a statement printed around the world a few weeks ago, "we will let our fire scorch half of Israel if it tries to wage anything against us." Defenders of the Iraqi leader point out that he threatened to use force only in retaliation for an Israeli attack. But he is so isolated, both from his own people and from the international community, that no one knows for sure what he might do.

Worse, there is virtually no one, at home or abroad, who can restrain his worst impulses. He has few friends, even in the Arab world, and fewer and fewer within Iraq's own political structure. He has stubbed out rivals, real and imagined, like cigarette butts, and Western intelligence agencies have reported several instances in which he has pulled the trigger himself. Hussein committed his first murder at 14, attempted his first political assassination at 22, and there is no evidence to suggest he has broken the habit. The State Department calls Iraq's human-rights record "abysmal" and says the country continues to harbor several of the world's most notorious terrorists.

In recent years, moreover, what few constraints there were on Hussein have withered. The Ba'ath Socialist Party, which he rode to power, and the Revolutionary Command Council, which he dominated once he got there, have both fallen into decline, and more and more of the business of government is being handled by trusted members of Hussein's own family. Thus isolated, Hussein charts his own increasingly dangerous course. "He understands Iraq," says Amatzia Bar'am, a professor at Haifa University and one of the world's foremost scholars on Iraq. "But he doesn't understand how the American administration, Israel or Iran think. His advisers are afraid to give him bad news [and] . . . he is prone to make mistakes because he doesn't understand many things outside Iraq." With no back channel to Israel, the potential for a crisis arising from miscommunication seems especially high.

The growing numbers of Soviet Jews emigrating to Israel and the continued violence against Palestinians in the West Bank and Gaza, and now in Israel itself, have inflamed the Arab world, and Hussein has suddenly returned to the conflict with Israel with a vengeance, hailed by his brethren as the only Arab leader willing to stand up to Israel.

A megalomaniac reminiscent of deposed Romanian dictator Nicolae Ceausescu, Hussein is no stranger to self-aggrandizement. Besides the ubiquitous posters of him around Baghdad, the city where Scheherazade once whiled away a thousand and one nights with her exotic tales, Hussein has taken to telling some tall tales of his own, styling himself in the image of the great Babylonian kings Nebuchadnezzar and Hammurabi. Like Ceausescu and Kim Il Sung, he also likes titles. Before becoming the "Sword of the Arabs," he was the "indispensable leader" and historical leader."

And now he is equipped to be as good as his word. Hussein's nonstop shopping has brought him a fundamental change in the strategic balance of the Middle East. No longer can Israel readily consider a preventive strike, as it did in 1981, when its bombers destroyed the Iraqi nuclear plant at Osirak. And military analysts say that with its fleet of missiles constantly being improved, by the mid-1990s Iraq will be able to

hit targets inside Israel without entering Israeli airspace. "Are we as a state and as a people ready for this challenge and able to deal with it?" Retired Maj. Gen. David Ivry, the director general of Israel's Ministry of Defense, asked recently. "In my opinion, No."

How Hussein has managed this transformation is as much a measure of his own ruthlessness as it is of the see-no-evil arms dealers around the globe, and of their respective governments that, almost every time the capacious pockets of Iraq opened up, offered a free and friendly hand to make sure deals got done.

With French assistance, Iraq has built an entire electronics complex and can now construct its own integrated electronic circuits for use in missile-guidance systems and other military applications.

In the U.S., as elsewhere, the motive for helping Iraq get weapons has been greed. When Iraq was at war with Iran, the official U.S. policy was to "tilt" toward Iraq. But that did not mean U.S. companies could sell weapons to Iraq, which was designated by the State Department as a state sponsor of terrorism. Unfortunately, the legal prohibitions never seemed to amount to much.

Sleeping policemen: In 1982, with an O.K. from the U.S. Commerce Department, Hughes Aircraft Company sold Iraq 60 small, bubble-topped helicopters for $25 million. The middleman was Iraq's most prolific arms broker, a genial Lebanese named Sarkis Soghanalian. In 1985, Soghanalian brokered another deal, this time for 26 McDonnell-Douglas-Hughes choppers worth $27.4 million, and former Atty. Gen. John Mitchell assisted with the transaction. Again, Commerce approved.

The holes in the U.S. net were everywhere. In 1985, the Centers for Disease Control in Atlanta (CDC) sent three shipments of something called West Nile Fever virus to Iraq. The virus causes wrenching nausea and mild fever, and it had infected two Israeli military installations. CDC officials note that it kills only 1 percent of those it afflicts, and they say they sent the virus to Iraq because they knew the doctor who requested it and believed it would be used for research. The CDC made no attempt to verify that, however, and congressional investigators inquired whether the virus might have been used in Iraq's biological-weapons program. In any event, the CDC has since re-examined its criteria for filing such requests, doctors there say.

Occasionally, but only with great effort, some of the holes in the U.S. net were plugged. In 1986, a Pentagon official named Stephen Bryen learned of a shipment of large analog computers to Iraq's Saad-16 missile-development complex. Commerce said the computers had no military use and approved the shipment. "We got hold of the advertising literature [for the computers]," Bryen says, "and it bragged about their military applications." It would take a year, but Bryen finally succeeded in blocking the shipment.

Just last year, there was another rare success. A London company that supportedly specialized in exporting mini-hamburgers to the Middle East approached a San Marcos, Calif., electronics firm and inquired about buying high-energy capacitors that could be used to help detonate a nuclear explosion. What would a hamburger outfit want with capacitors like that, the company owner wondered. He quickly alerted a U.S. Customs agent in San Diego, who posed as an export manager for the firm and proceeded to negotiate the transaction with three Iraqi government engineers and two employes of the alleged hamburger firm, Euromac, Ltd. Earlier this year, the sting operation hit pay dirt. All five persons have been indicted in the U.S. and Britain, but the three Iraqis have vanished, and Hussein himself has since boasted publicly that Iraq has obtained the same type of capacitors from another source.

A sampling of the weapons delivered to Iraq in the 1980s

Brazil:
500 EE-3 Jararaca and EE-9 Cascavel armored reconnaissance vehicles.
China:
1,500 T-59 and T-69 main battle tanks;
80 J-7 fighters.
Czechoslovakia:
1,000 BMP-1 armored infantry fighting vehicles.
Egypt:
100 Multiple rocket launchers.
France:
94 Mirage F1 fighters;
300 AML-60 and AML-90, armored reconnaissance vehicles;
60 Roland surface-to-air missiles;
700 Exocet air-to-surface missiles.
South Africa:
200 15-mm howitzers.
U.S.S.R.:
500 T-72 main battle tanks;
1,000 T-62 main battle tanks;
350 Scud-B surface-to-surface missiles;
25 MIG-29 Fulcrum Fighters;
33 MiG-25 Foxbat fighters;
70 MiG-23 Flogger fighters;
70 MiG-21 Fishbed fighters;
30 Su-25 Frogfoot ground attack fighters;
50 Su-20 Fitter ground attack fighters;
8 Tu-22 Blinder bombers;
8 Tu-16 Badger bombers;
500 122-mm towed howitzers.

Other known export sales to Iraq

Britain—Computer-controlled machinery.
Belgium—Mustard gas components.
France—Nuclear reactor, missile-navigation systems.
Italy—Uranium ore and nuclear technology.
Sweden—Assistance in missile projects.
U.S.—Computers, test equipment, helicopters.
West Germany—Heavy-duty pumps.

What makes all this weaponry especially frightening is the fact that Iraq is rapidly acquiring an impressive arsenal of missiles to deliver it. With help from West Germany, Austria and perhaps Brazil, Iraq is pursuing both solid and liquid-fueled missiles and is believed to have spent well over $1 billion on the program so far. A joint missile program with Egypt and Argentina has largely been abandoned, but Iraq has taken elements of the program, called Condor II, to upgrade the guidance and warhead technology on its existing al-Abbas and al-Husayn missiles. "The bottom line," says Michael Eisenstadt, a military analyst at the Washington Institute for Near East Policy, "is that the al-Abbas and al-Husayn will give Iraq the strategic deterrent capability that it needs."

Family ties: For this, Hussein can be given much of the credit. He chose his No. 2 man wisely and placed him in charge of Iraq's Ministry of Industry and Military Industries. Hussein Kamil al-Majid is married to Saddam Hussein's daughter Ghard, and he supervised the expansion of the elite Republican Guard. A third man, Lt. Gen. Amer Hamoudi al-Saadi, has done a brilliant job overseeing Iraq's missile program. Both Kamil and al-Saadi have been wise, electing to build what can be built inside Iraq and buying the rest outside through front companies like the Euromac hamburger firm. "The Iraqis are doing the best job of any Third World country in collecting high tech in the military field," says Haifa University's Bar'am. ". . . Their fingerprints never appear."

Given the obvious dangers, it would seem imperative for the U.S. to try to impose whatever constraints it can on Saddam Hussein. But the Bush administration's view, in the words of John Kelly, the assistant secretary of state for Near Eastern affairs, is that "there is still a potentiality for positive alterations in Iraqi behavior." Others, in and out of the government, are not so sure. Some wonder about a potential attack on neighboring Kuwait, or on Saudi Arabia, if an attack on Israel does not come first. Others cite the brutality of the Hussein regime and ask why the U.S. does not take action to express its displeasure. "You accurately recite a chamber of horrors," Representative Tom Lantos (D-Calif.) told Assistant Secretary Kelly recently, "and then you sort of express the hope . . . that Iraq under Saddam Hussein will turn in the direction of being a responsible and peace-loving member of the international community." What Iraq is, for the time being, is the most dangerous and destabilizing member. Here is a glimpse of how it got that way:

ALL THE EX-PRESIDENT'S MEN

Of all the deals that gave Saddam Hussein the equipment he needed for his desperate war against Iran, none was stranger than the one that brought a Miamian named Sarkis Soghanalian together with three former top officials of Richard Nixon's administration. Even Nixon got involved.

Soghanalian was the middleman through whom Hussein insisted outsiders deal, and in 1983, former Atty. Gen. John Mitchell and retired Marine Col. John V. Brennan, once Nixon's military adviser, contracted with the secretive arms dealer to sell Iraq $181 million worth of uniforms. According to a lawsuit filed last March, former Vice President Spiro Agnew served as an "intermediary" between Mitchell and Brennan and a company called Pan-East, which had found a country to manufacture most of the uniforms—Romania. Mitchell and Brennan's Washington-based company, Global Research International, was to receive an $8.7 million commission.

To ensure success, Brennan called Nixon's office and asked for a letter of reference. Nixon obliged. In a May 3, 1984, letter to Romanian leader Nicolae Ceausescu, Nixon wrote, "I can assure you that Colonel Brennan and former Atty. Gen. John Mitchell will be responsible and constructive in working on this project with your representatives." He closed by relaying "warm personal regards to you and Mrs. Ceausescu." In a second letter to Ceausescu on Oct. 31, 1986, Nixon wrote: "My good friend John Mitchell told me recently that the contract between the Ministry of Lights Industries and Pan-East International was complete, and I want to let you know how highly Mr. Mitchell spoke of the diligence of the Romanian workers." Soghanalian says Nixon also called Ceausescu. "He was their angel," Soghanalian said. "He was, of course, introducing Brennan and everybody else."

Did Nicolae Ceausescu, who was overthrown and executed last December with his wife Elena, make money in the deal? A lawyer representing Brennan and the estate

of Mitchell, who died in November, 1988, says he can't discuss the deal. Agnew's lawyer did not return phone calls. Soghanalian says Ceausescu "did not go hungry."

Unlikely partners: Today, the uniforms deal is the subject of a lawsuit in Washington Global Research claims Soghanalian use its fee from the uniforms deal to settle his own $7 million debt with Hussein. Soghanalian says he owes Global nothing.

The uniforms deal wasn't the only one between these unlikely partners. In 1985, Global and Soghanalian sold Iraq 26 McDonnell Douglas-Hughes helicopters for $27.4 million. Apparently, Global once again had trouble collecting its commission, $548,000. In an Aug. 2, 1985, letter to Soghanalian, Mitchell wrote, "In view of the developments in the uniform program, it has been a long, dry spell in our dealings, and we would appreciate your remittance at the earliest possible date."

THE BANK: FOLLOWING THE TANGLED MONEY TRAIL

The trouble that Banca Nazionale Del Lavoro has seen is no small matter. Former BNL officials are the subject of a grand-jury inquiry in the U.S., while at headquarters in Rome the bank's chairman and director general have resigned. Ten employes at the BNL branch in Atlanta have been fired. A half-dozen lawsuits have been filed. Still, BNL would be just another bank in hot water except for the fact that the business that got it there has much to do with the way the government of Iraq pursues and pays for sensitive Western technology. In this case, the $3 billion in unauthorized loans and letters of credit BNL's Atlanta branch issued would have been a wonderfully discreet way to finance a weapons plant, but it didn't quite work out that way.

It began with an ambitious American banker named Christopher Drogoul, BNL's Atlanta branch manager. He was driven, friends say, by suggestions from Rome that the branch would soon be closed. Before long, however, Drogoul found some Iraqi government representatives who wanted credit to pay for U.S. grain, frozen poultry and other commodities. Within months, BNL had extended them millions of dollars.

That deal marked the beginning of a relationship that would lead to 2,500 letters of credit and loans. BNL soon found itself underwriting an ambitious Iraqi shopping list, many of the items on it classified by Western governments as "dual use," meaning they have both industrial and military applications. Iraq, U.S. officials say, used as much as a billion dollars of BNL credit to purchase such equipment to build weapons. One American company, Lummus Crest of Bloomfield, N.J., was given $53.8 million in credit for construction of a petrochemical plant near Baghdad. Another, XYZ Options of Tuscaloosa, Ala., arranged to sell Iraq $14 million worth of machinery to make carbide tools, but was prevented from delivering a presision grinder after U.S. officials questioned its ultimate use. Still other funds went to finance the purchase of either high-tech companies themselves or the construction in Iraq of new factories that will soon become state property.

The transactions were complex. Take the sale of Matrix-Churchill. A British machinery firm, it hadn't made a profit in a decade. Nevertheless, the company was purchased in 1987 by TMG Engineering, which in turn was controlled by TDG, a subsidiary of Al-Arabi Trading, a Baghdad holding company with close ties to Saddam Hussein's government. Within two years, Iraq had used $16 million in BNL credit to purchase precision lathes and other equipment from Matrix-Churchill. TDB officials have denied that their company is controlled by the Iraqi government.

That wasn't the end of it. According to Britain's Financial Times newspaper, TDG also had a hand in buying a Northern Ireland aerospace company, Lear Fan, which specializes in composite plastics, the kind used to make advanced airplanes and, conceivably, missiles. A partner in the deal was SRC Engineering, a company run by Gerald Bull, the arms dealer and engineer who had sold Iraq on his supercannon, known as the Big Gun. The new aerospace firm, SRC Composites, applied to Northern Ireland for a start-up grant of more than $1 million. British officials, fearful that SRC Composites' real mission was making missile parts, quashed the grant on Aug. 14, 1989, effectively killing the project.

The weapons laboratories of Iraq and the machinations of SRC and Al-Arabi Trading are a long way from Atlanta. There, Drogoul now faces the federal investigation and a racketeering suit filed by BNL. Drogoul's lawyer concedes that his client failed to report the proper loan-risk information to the Federal Reserve and the correct amount of the loans to BNL's New York office. But he says his client earned no bonuses or personal commissions on the business. For its part, BNL recently agreed to make good on the outstanding letters of credit in dispute, which means Iraq will get most of the technology it wanted. With results like this, there is no reason to expect that Iraq will stop its Byzantine procurement practies anytime soon.

THE BIG GUN: A MAKE-MY-DAY SUPERWEAPON

If anything galvanized the West's attention on Iraq, it was evidence that Gerald Bull, a renegade, naturalized-American artillery genius, was helping Baghdad build the world's biggest gun. But it wasn't until Bull was shot to death outside his Brussels apartment on March 22 with $22,000 untouched in his pocket—and after customs agents across Europe seized 298 tons of massive polished steel tubes headed for Iraq—that the mysterious project was revealed.

Bull himself was something of a mystery. He was given to hyperbole and self-promotion, but he was also brilliant and of unquestioned accomplishment. Born in 1928, he quickly established himself as a Canadian "whiz kid" in rocketry and ballistics. In the 1960s, he co-ran the U.S.-Canadian High Altitude Research Project (HARP) that fired probes into space with giant cannons. One, in Quebec, had a 16-inch barrel and was 172 feet long. A 120-foot version in Yuma, Ariz., set a world record by shooting a projectile 112 miles straight up. The U.S., more interested in rockets, quit the project in 1970.

Frustrated, Bull turned back to artillery design. He helped South Africa build one of the best artillery pieces in the world, the G-5 155-millimeter howitzer and its long-distance pickle-shape shell. He used artillery shells acquired from the U.S. Army, however, and in 1980 he pleaded guilty to smuggling embargoed arms to South Africa and spent four months in prison.

After his release, a bitter Bull moved to Brussels and met Sarkis Soghanalian, a Miami businessman who was selling arms to Iraq. Soghanalian says Bull soon was trying to interest the Iraqis in building huge guns. Apparently, he succeeded. Indeed, a British Customs official told U.S. News, two big guns had been ordered and one, code-named "Baby Babylon" by the Iraqis, already had been sent. It had a 16-inch bore and was about 120 feet long—the same size as one of the Bull guns in HARP. But it failed during testing in Iraq, and British Customs seized the replacement parts. The second, "Big Babylon," was to be the monster, 512 feet long with a 39-inch bore. It was to be built of 52 pieces; apparently, 44 of them already had been sent to Iraq when the others were intercepted.

Big Babylon would have been the fulfillment of Bull's dream—and Saddam Hussein's, too. Such a gun, mounted at a 45-degree angle and shooting rocket-boosted projectiles, could obtain unheard-of distances—or launch satellites, as Bull wrote in a book published in 1988. He estimated that a three-stage rocket shot out of his smaller 16-inch gun could fly 5,000 miles. In theory then, the supergun would have been able to lob huge projectiles at Iraq's enemies for much less than the cost of ballistic missiles. The falling shells might penetrate antimissile defenses being built by Israel—surely an attractive idea to Hussein.

But would it have worked? Chuck Bernard, a former Navy rocket-and-ballistics expert who worked with Bull in the early 1960s, contends that what might be gained militarily by the gun's long range would be lost in its inaccuracy. And some military analysts argue that a monstrous gun pointed at, say, Tel Aviv would have been an easy target for Israeli bombers. Could it have been a launcher for spy or communications satellites instead? "We guess it certainly was intended as a launcher for satellites, but there's no reason to preclude launching anything else," said a British Customs spokesman. "Remember, what goes up might well come down."

HOW QUICKLY CAN IRAQ GET THE BOMB?

The most troubling single question about Iraq's growing arsenal is how close Saddam Hussein is to having nuclear weapons. The official U.S. estimate is that Iraq won't be a nuclear power for five to 10 years. But an increasing number of U.S. intelligence officials, as well as British and Israeli experts, believe Iraq could acquire a nuclear capability in as few as two to five years.

Baghdad is sparing no expense in its pursuit of the bomb. Following Israel's 1981 attack on Iraq's Osirak nuclear reactor, Husein seems to have followed the example of Pakistan and China and begun seeking an easily concealed enrichment process that can produce weapons-grade uranium.

Using this method, uranium ore is first converted in a chemical process to uranium hexafluoride gas. Iraq already has 250 tons of uranium concentrate called yellowcake, legally purchased a decade ago from Niger, Portugal, Brazil and Italy. The stockpile is not subject to International Atomic Energy Agency (IAEA) inspections. An Iraqi industrial complex at al-Qaim, built by European companies, which ostensibly processes phosphate ore, also has plants that can produce hydrogen fluoride that can be used to make nerve gas or to make uranium hexafluoride gas. Most press coverage of Iraq's nuclear effort has concentrated on 27 pounds of weapons-grade uranium that survived Israel's 1981 bombing, but that uranium is regularly inspected by the IAEA and is unlikely to be used for a weapons program except in dire circumstances.

A question of time. The biggest missing pieces of the puzzle are how far Iraq has progressed in building a centrifuge plant for enriching uranium hexafluoride gas, and

where the Iraqis are conducting their centrifuge research. The U.S. is fairly confident that Iraq does not yet have a prototype centrifuge plant running, and that belief is largely behind the 5-to-10-year estimate. But, says W. Seth Carus, a missile expert at the U.S. Naval War College Foundation and a longtime observer of Iraqi weapons programs: "If I were doing it and I were them, I'd have it in a place where you couldn't take pictures of it, underground and preferably in the side of a mountain."

U.S. officials admit that their assessment has another major loophole. "The estimate has a caveat—that they don't get significant assistance from abroad," says one administration expert.

But a growing body of evidence suggests that Iraq's nuclear program is getting considerable foreign assistance from West German companies, China and perhaps Pakistan. U.S. intelligence officials say Pakistan may be contributing to the Iraqi nuclear effort by providing Baghdad with vital expertise and technology for its uranium-enrichment program, in return for cooperation on acquiring restricted items.

The American nuclear capacitors that were confiscated in London last March, and a shipment of vacuum diffusion pumps that U.S. Customs officials seized in March, 1989, are both items that Pakinstan may be seeking for a second enrichment plant it reportedly is constructing at Golra. Cardoen Industries, a Chilean arms company with close ties to Iraq, is suspected of transshipping sophisticated oscilloscopes from Europe to Iraq for testing detonating devices. Carlos Cardoen, head of the company, denies selling any oscilloscopes to Iraq. Officials in Bonn say a West Germans company, H & H Metalform, has sent equipment suitable for manufacturing centrifuges to Iraq, and at least two German technicians are believed to have helped Iraq assemble a plant for the equipment. U.S. intelligence officials say that China is helping Iraq to manufacture the special magnets needed to balance the centrifuges.

Experts say Iraq would need 1,000 centrifuges working for a year to enrich enough uranium to make one bomb. Synchronizing the centrifuges is a complex task: They fly apart if not aligned properly. And even if they work, they tend to break down easily. Special magnets are needed to minimize friction. Vacuum pumps and piping move the uranium hexafluoride gas from one centrifuge to another, in what is known as a cascade.

U.S. officials assume it will take Iraqi engineers time to master the mechanics and techniques needed to build and operate a centrifuge enrichment plant. But Simon Henderson, the former editor of *MidEast Markets*, believes Iraqi engineers, with their experience in Iraq's flourishing arms industry, will have less difficulty building a centrifuge plant than did Pakistan. "Making centrifuges work stretched the Pakistanis' capabilities, but it doesn't necessarily stretch Iraqi capabilities," he says.

How fast Iraq acquires a bomb also depends on what kind of nuclear device it wants. The fastest route, says nuclear expert Leonard Spector of the Carnegie Endowment, would be for Iraq to build a uranium bomb using an implosion method, as soon as it has amassed enough weapons-grade material. This type of bomb would require non-nuclear testing but the tests could be conducted secretly in a building or underground. One or two unwielding bombs might be enough to intimidate Iraq's Persian Guld neighbors, but they would be unlikely to provide the deterrent Iraq wants against nuclear-armed Israel. More likely, Hussein will keep his program secret until he can build nuclear warheads, a more lengthy and complicated process but one that eventually could make him the most feared leader in the Middle East.

THE CHEMICALS FROM BALTIMORE TO BAGHDAD

Dennis Bass was feeling good. The special agent for the U.S. Customs Service had put his reputation on the line to track 120 tons of poison-gas chemicals sent illegally from Baltimore through ports halfway around the world to Iran. Now, he could laugh, for his men had filled the chemical drums with water instead. "Can you imagine how the Iranians felt when they opened them up and all they had was water," Bass mused. "Maybe even the Ayatollah found out."

When Bass searched the offices of the chemical manufacturer, however, he got a nasty surprise. Documents buried in the files of Alcolac International, located in Baltimore, showed that Bass and his colleagues had missed a second shipment of chemicals used in the production of mustard gas. Nearly 300 barrels of the stuff, 520 tons, had gone not to Iran, but to Saddam Hussein's government in Iraq. "Here's a company in Baltimore," Bass said in disgust, "that's supplying both sides of a war effort."

Even with search warrants and a trip to Switzerland, it took Bass nearly a year to unravel Alcolac's web of dealings with Iraq. When he did, he found a network that stretched from Switzerland to Japan to the U.S. to Singapore, with a number of stops in between. It all began with Frans Van Anraat, a mysterious European businessman who ran a Singapore company that bought and sold chemicals. In 1984, Bass says, Van Anraat was introduced to Charles Tanaka, an export-import agent in Japan. Van Anraat was looking for a chemical called thiodiglycol, a key ingredient in mustard gas. Tanaka found some in Japan, and shipped it to Europe for Van Anraat, who sent it to Iraq.

But in early 1987, as Iran and Iraq bombarded each other with chemical weapons, thiodigylcol became scarce. Tanaka couldn't get enough from Japan to satisfy Van Anraat and Iraq, and Iran wanted it, too. Tanaka turned to America, a riskier proposition because by then the U.S. had banned such shipments. Tanaka quietly called Harold Greenberg, a friend who ran a Brooklyn sheet-metal export business, and Greenberg sent his partner Nick Defino out in search of thiodigylcol. Defino got off to a bad start, Bass says, when he mistakenly called Morton Thiokol, a giant chemical producer. Defino started by asking to buy "thiokol." "You want to buy our company?" came the response. Eventually, Defino got things straightened out and hooked up with Alcolac. Up until then, says Bass, Alcolac sold only small amounts of thiodiglycol, which is also used in making ballpoint pens. The Defino-Greenberg offer was very attractive. They wanted to broker hundreds of tons, a million dollars worth. Their cut would be 1 cent a pound.

Government documents show that Alcolac export manager Leslie Hinkleman and the brokers considered shipping it to Monrovia, Liberia, or to a nonexistent company in Antwerp. They finally settled on "Western Europe," labeling the chemical "textile additive." Where it really went, Bass says, Hinkleman didn't ask. Then, an Alcolac accountant heard that U.S. companies were illegally sending thiodiglycol to Iraq. He voiced concern, and top company officials stopped the shipments when they could not determine precisely where the chemical was going. The shipments to Iran continued, Bass believes, because the brokers' papers showed a legal destination—Singapore. In the end, federal charges were brought for export violations. Greenbert, Defino and Hinkleman pleaded guilty to one count each, and Alcolac could be fined up to $1 million.

But how to catch Tanaka and Van Anraat? Tanaka, it turned out, was easy. Customs had Greenberg tell Tanaka the coast was clear to return to America to sell Japanese fingerprint technology, of all things, to police here. When Tanaka stepped off the plane, he was nabbed. He later pleaded guilty. Van Anraat remains at large in Europe.

Back in Baltimore, Customs agents acknowledge that tips and dumb luck play a large role in finding such smugglers. Iraq is reaching out to companies all over the globe. Yet in all of Maryland, with the bustling ports of Baltimore and Baltimore-Washington International Airport, Customs has just five export investigators. Against that kind of competition, the odds against stopping illegal shipments to outlaw states like Iraq are long indeed. Bass is struck by how Iraq's vast arms network is built around an international network of middlemen who will sell anything for a buck. "If someone asked for bicycle tires, or someone asked for mustard gas," says Bass, "I don't think it would have made a difference to Frans Van Anraat."

[From the Wall Street Journal, May 31, 1990]

ARAB SUMMIT ISSUES UNSPECIFIED THREATS TO BACKERS OF JERUSALEM AS ISRAEL CAPITAL

(By Geraldine Brooks)

At the close of a three-day Arab League summit in Baghdad, Libya's Moammar Gadhafi said he had stopped attending most such gatherings because they "amounted to nothing but a big zero." The Baghdad summit, he conceded, "deserves to be rated one mark above zero."

Mr. Qadhafi's modest grade probably reflects the evaluation of most delegates, none of whom got exactly what he wanted from a meeting called to tackle what many Arabs consider the threat posed by Soviet Jewish immigration to Israel. The delegates split over how stridently they should criticize the U.S. for backing Israel.

Iraqi President Saddam Hussein and the Palestine Liberation Organization Chairman Yasser Arafat had hoped for condemnation of Israel and the U.S., backed with economic sanctions including, perhaps, a limited oil embargo.

But such moderate choices as Egypt's Hosni Mubarak and Saudi Arabia's King Fahd mostly prevailed, nevertheless ending up with resolutions harsher than they would have preferred. Mr. Mubarak, arguing against condemnation of the U.S., said Washington was playing a constructive role in urging talks between Israel and Palestinians, even though that plan has been shelved during Israel's political crisis.

The summit communique threatened punitive "political and economic measures" against nations that recognize Jerusalem as the capital of Israel but didn't specify what actions would be taken. The communique also criticized the U.S. Congress for supporting Israel's claim to Jerusalem, even though

U.S. government policy holds that Tel Aviv is the capital of Israel.

The summit failed to deliver to its host, Mr. Hussein, the Arab leadership position he had hoped for. Instead, by agreeing that annual summits would be held in Cairo beginning in November, the gathering conferred prestige on Mr. Mubarak.

Palestinian newspapers expressed disappointment over the summit. Al-Fajr, an East Jerusalem paper, accused moderate Arab leaders of "taking orders from America."

[From the New York Times, May 31, 1990]

ENDING MEETING, ARABS STRIKE HARSHER TONE

BAGHDAD, IRAQ, May 20.—Ending a three-day summit meeting here, Arab leaders today denounced Soviet Jewish immigration to Israel as a grave threat to their security and condemned what they called United States support for Israel's policies of "aggression, terrorism and expansionism."

Palestinians, Egyptians and other participants at the gathering said the meeting represented a shift away from the moderate consensus that has built around Egypt over the past two years and toward a newer and more confrontational Arab mood that has fed on the absence of progress toward Middle East peace.

The leaders, however, refrained from threats of specific economic or other action to counter the Soviet Jewish migration to Israel, Arab diplomats said. Rather, they said, the final communiqué between hardliners and the less anti-Western group led by Egypt that sought to minimize anti-Americanism and avoid positions that would limit room for maneuver in the region's convoluted diplomacy.

The gathering, boycotted by Syria, was called by Iraq and the Palestine Liberation Organization to forge a unified response to the Soviet Jewish migration and to marshal support behind Iraq in its conflict with the West over its acquisition of advanced arms.

"Now I have an answer for my people that all the Arabs are standing with them," Yasser Arafat, the PLO chairman, said at the closing session. The Libyan leader, Col. Muammar el-Qaddafi, also expressed satisfaction, saying such meetings often produce "positions below zero. With this summit we are one point above zero."

Divisions at the meeting forced the leaders to abandon a plan to send a letter to President Bush and President Mikhail S. Gorbachev of the Soviet Union at their summit talks in Washington; the Arab leaders could not agree on the language of the letter.

Egyptian officals said President Hosni Mubarak, whose country receives $2.3 billion a year in United States aid, has resisted the inclusion of much stronger anti-American sentiment in the summit conclusions. But, in a setback, he was unable to stem what some Arab diplomats call a rising tide of frustration and anti-American feeling caused by the wide perception that Washington is unwilling to use its full influence with Israel.

The communiqué said the cause of Middle East tension lay in continued Israeli occupation of Arab territory. "In this regard, the United States bears a fundamental responsiblity as the power supplying Israel with the military means, the financial aid and the political cover without which this state could not pursue such policies or defy with such arrogance the will of the international community," it said.

Arab diplomats said the wording was a toned-down version of earlier drafts.

Despite earlier calls by President Saddam Hussein of Iraq for Arab economic reprisals against countries perceived as supporting the Soviet Jewish influx into Israel, the communiqué offered only an appeal to countries to avoid aid to Israel "that would facilitate the implanting of the immigrants in Palestine and other occupied territories."

"The conference is fully convinced that the transfer of Soviet and other Jews to Palestine and other occupied Arab territories represents a new aggression against the rights of the Palestinian people, and a grave threat to the Arab nation," it said, urging "all necessary measures to defend the rights of the Palestinian people and Arab national security."

Reflecting appeals by the P.L.O. for an international force to protect the 1.7 million Palestinians in the West Bank and Gaza Strip, the communiqué urged the United Nations to create "an international instrument of control" to prevent Jewish settlement in the territories, where a Palestinian revolt has been under way for almost 30 months.

In an acknowledgment of President Hussein's demand for Arab support in the face of Western efforts to oppose his moves to obtain advanced armaments, the Arab leaders "reaffirmed Iraq's right to take all necessary measures to guarantee and defend its national security," the communiqué said.

[From the Washington Post, June 5, 1990]

PLO SHIFTS ITS FOCUS TO CONFRONTATIONAL IRAQ

(By Caryle Murphy)

BAGHDAD, IRAQ.—The Palestine Liberation Organization, frustrated at the breakdown of a U.S.-Egyptian initiative to set up direct Palestinian-Israeli talks, has shifted its primary diplomatic focus in the Arab world from Egypt to Iraq.

By identifying more closely with Iraq and its confrontational leader, President Saddam Hussein, the PLO hopes that "maybe the Americans will try to understand us better. Maybe they will try to understand we are not ready to surrender," said Abdullah Hourani, a member of the PLO's executive committee and a confidant of Chairman Yasser Arafat.

The move reflects a convergence of Baghdad's and the PLO's interests, Saddam Hussein is promoting a tough, combative Arab stand against U.S. policies, particularly support for Israel, as he aims to become the preeminent Arab spokesman. He apparently hopes to give impetus to this leadership bid by acting as a vocal patron of the PLO.

The PLO, meanwhile, complains that it has nothing to show for months of close coordination with U.S. ally Egypt, which was aimed at implementing Secretary of State James A. Baker III's proposals for direct talks between Palestinian and Israeli officials in Cairo.

The PLO decision to give more attention to relations with Baghdad also indicates what many observers see as Iraq's blossoming regional influence. "From our point of view," Hourani said, "the main development in the balance of power in the region is the growing Iraqi power, militarily, politically and economically . . . . Iraq is creating the material base for a balanced settlement in the region . . . which is not accepted by the Israelis or the Americans."

PLO-Iraqi cooperation was clear at the Arab League summit meeting held here last week as the two worked closely to stake out militant positions critical of U.S. Middle East policies during the debates.

A moderate Arab bloc led by Egyptian President Hosni Mubarak, who publicly differed with Saddam Hussein in their speeches, succeeded in toning down the language of the final communique. But the document was a far sharper denunciation of U.S. policies than those issued after past Arab summits.

Hourani said, however, that the PLO is still ready to deal with Baker's proposals, which were rejected by Israel in March, if they are reactivated.

"The PLO is, up to now, honest to any word" that it asked the Egyptians to relay to the Americans, Hourani said in an interview last week. He was referring to Egypt's role as an intermediary between the PLO and Washington in the negotiations seeking to implement Baker's proposals.

Egypt assumed that role after Mubarak, hoping to energize a peace process, drew up a 10-point proposal for implementing Israeli Prime Minister Yitzhak Shamir's plan for elections in the Israeli-occupied West Bank and Gaza Strip. Mubarak's initiative was taken up by the United States and modified into the Baker proposals.

During these negotiations, the United States communicated with the PLO principally through the Egyptian government. This nettled Palestinian leaders who would have preferred to discuss the Baker plan in the direct U.S.-PLO contacts that began in Tunis early last year.

Those contacts, now known as the U.S.-PLO dialogue, were begun after Arafat, in December 1988, recognized Israel and renounced terrorism. Then-president Ronald Reagan authorized a dialogue with the PLO through the U.S. ambassador to Tunisia, Robert Pelletreau.

PLO officials have said they believe Egypt's ability to exert diplomatic pressure on the PLO's behalf is hampered by Cairo's economic dependence on the United States and its peace treaty with Israel. Some complained that Egypt, in an effort to please Washington, was pressuring the Palestinians to make too many concessions.

PLO-Egyptian relations soured further when the PLO failed to strongly condemn the terrorist attack on a busload of Israeli tourists near Cairo in February. In the aftermath, Egyptian newspaper columnists, some close to Mubarak, harshly criticized the PLO for this.

Hourani placed closer PLO-Iraqi cooperation in the context of the PLO's decision to pursue what he called alternate channels to get across its case.

"The channel which we were working with Egypt and through Egypt, which is the American channel, did not give any result, or at least did not give so much result," he said. "The Egyptians tried from their side. But because of the Israeli attitude and from our point of view, because of the American attitude which did not put enough pressure on Israel, the peace march . . . didn't achieve any progress."

"So now, we are trying to activize the other channels," Hourani said, indicating that the PLO hopes to get Europe and the Soviets to play a more active role.

In Saddam Hussein, the PLO sees a partner willing to strike a bellicose posture toward Israel and Washington. Relations between the PLO and Iraq have not always been rosy. Twenty years ago, when troops of Jordan's King Hussein clashed with PLO forces, eventually expelling them from

Jordan, Iraqi troops stationed there did nothing to help the PLO.

The PLO does not intend to drop its relationship with Egypt or "to exclude America," Hourani said. "But we don't want only to depend on this channel." On this score, he said, "we find very good understanding from Iraq."

Mr. METZENBAUM. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Republican leader is recognized.

FLAG AMENDMENT

Mr. DOLE. Mr. President, I would like to announce that Senate Joint Resolution 332, the flag amendment introduced by myself and Senator HEFLIN, has picked up 13 more cosponsors today, bringing the total number of cosponsors to 47. We are now more than two-thirds of the way to getting two-thirds of the Senate behind the Amendment.

The new Democratic cosponsors are Senators BREAUX, EXON, BRYAN, BAUCUS, and DECONCINI. The new Republican cosponsors are Senators MCCLURE, STEVENS, GORTON, ROTH, WALLOP, MACK, KASSEBAUM, and HATFIELD.

It is significant that Senators GORTON and HATFIELD are now on the amendment. They voted against the amendment last year, believing—like many of their Senate colleagues—that the Flag Protection Act would work as advertised. But after the Supreme Court gave the statute a flunking grade this week, they now believe that a constitutional amendment is the only sure-fire way to protect the flag without doing violence to our precious first amendment freedoms.

Mr. President, it is still my hope that the majority leader will allow the Senate to consider the flag amendment his Thursday, June 14, Flag Day.

I can not think of a more appropriate day on which to honor the flag. And I can not think of a more appropriate way to honor those who have given their lives to defend Old Glory and the cherished values that she represents.

Mr. President, there are now 35 Republican cosponsors and 12 Democratic cosponsors. I know Senator HEFLIN has been engaged in a daylong hearing. I would expect a number of other Democratic cosponsors tomorrow and additional Republican cosponors. I thank all my colleagues for their support. It is my hope that we can act upon this amendment very soon. As I understand, Speaker FOLEY has indicated they will vote in the House within 2 weeks. We have already had hearings on this amendment. It seems to me that there is no need for additional hearings. It is only 20 words. We know precisely what is in it. I hope we could find some time before the House acts since we acted in the first instance before the House. I will be discussing that with the majority leader in the next couple days. In fact, I just discussed it informally on the floor with the distinguished majority leader.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. AKAKA. I thank the chair.

(The remarks of Mr. AKAKA pertaining to introduction of S. 2725 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

A RESPONSE TO DR. BENNETT

Mr. MOYNIHAN. Mr. President, I rise to a distressful task.

On Friday morning, the New York Times reported that Dr. William J. Bennett, who holds, through Senate confirmation, the position of Director of National Drug Control Policy, had journeyed to Albany where he issued, in the Times account, "a blistering attack on Gov. Mario M. Cuomo's drug policies." The Times account gave no specifics, and it would appear that there were none. Dr. Bennett is quoted as follows:

> Nobody is afraid of this guy, He's got a record to run on and the record on drugs, I have to tell you, is not what it should be.

I have to say that if a year ago I had any reason to suppose that Dr. Bennett would use his office in this manner, I would have taken whatever measures necessary to see that he was not confirmed for it.

That he has attacked our Governor is of no concern to me. It ought, however, to be a considerable concern to him. It is the manner of the attack. Dr. Bennett is an educated man, having had the great privilege of an undergraduate education at Williams College, one of the most exclusive institutions of its kind in the world. He earned advanced degrees at Texas and at Harvard. He was Director of the National Center for the Humanities in that great university complex of North Carolina. He came to Washington first as Director of the National Endowment for the Humanities. In a word, a man of culture and presumed intellectual standards.

How does such a man come to refer to the Governor of the State of New York as "this guy"? We recognize the idiom. It is so-called tough guy talk. It can be learned from Hollywood movies, also from detective novels. In the movies, some such roles are sympathetic, some not. All, however, are presented as authentic. This is the only way the poor, dumb slob knows how to talk because they "didn't teach him nuthin'" on the Bowery, and besides, he was a truant and a troublemaker and the sisters gave up on him and he ended in reform school where he learned a life of crime.

Actually, the pose is best displayed through a certain demotic regression. What Dr. Bennett ought to have said was, "Nobody is afraid of dis guy." Mind, he may have done just so, and the Times may have cleaned up his pronunciation.

In any event, we have to ask ourselves where this speech was acquired. Not, I should think, on that elm-lined campus in Williamstown, MA. Surely, not at Harvard. Hardly to be imagined at the National Center for the Humanities.

Where then?

I fear that answer is that he got it from the notion that there are political rewards to be had for tough guy talk in what you might call an upscale administration.

None of this would trouble me, save for one thing. The Anti-Drug Abuse Act of 1988, which created the position Dr. Bennett holds, was no ordinary statute. Certainly it was not just another exercise in law enforcement. To the contrary, it was an avowed, explicit effort to redefine the problem of drug use in the United States. That there is a law enforcement problem is a given. What the statute asserted is that there is also a public health problem.

The primary innovation of the law was to establish the national objective of reducing demand, as well as supply." The Director was given two Deputy Directors. One for demand, one for supply. Demand was listed first.

We had no illusion that this would be a simple task. To the contrary. The public does not see drug use as a health problem; it does not see the appearance of crack cocaine as an epidemic health problem. In part, this is because the medical profession is reluctant to engage the issue in these terms. And yet, the extraordinary advances by, and optimism among neuroscientists dealing with the brain and its disorders, suggests that medical dispositions could well change. While the toll of the epidemic argues that until there is some advance in treatment—on request, as the statute provides—we will make little headway, save in the manner of epidemics generally, which crash at a certain point. But often after extraordinary damage has been done.

The job of the Director of National Drug Control Policy was intended, at least by me, first of all and above all to try to facilitate this transition to the control of drug abuse in a biomedical mode. We thought Dr. Bennett could handle this conceptually. It was explained to him patiently, in detail. And we have been hugely disappointed. He was no more than confirmed in office when he abandoned the goal for which the office was created. The Times story includes this passage:

> In his speech to a joint session of the Legislature, which was delivered in the Senate

chamber, Mr. Bennett said New York had made progress in the war on drugs but needed to do better.

He focused on law-enforcement issues, encouraging the legislators to override Mr. Cuomo's veto of the death penalty and to pass a bill that would strengthen the state's ability to seize property used in drug transactions. That bill is backed by Mr. Cuomo.

Mr. Bennett said little about drug treatment initiatives, which have been the centerpiece of recent anti-drug efforts by the Cuomo administration.

To say again, Dr. Bennett "focused on law enforcement issues" and "said little about drug treatment initiatives."

The legislative history of the Anti-Drug Abuse Act of 1988 has been explained to Senators before, and I will not take the Senate's time repeating it in full. I should like, however, to remind Senators of a few salient points. On May 15, 1988, then-Majority Leader ROBERT C. BYRD established a Democratic Working Group on Substance Abuse that was to be chaired by our colleague Senator SAM NUNN of Georgia and myself. The working group came about for one simple reason. Many Senators were concerned that our drug strategy was altogether too much directed toward issues of law enforcement. We had no disagreement with law enforcement; we simply felt it was inadequate to deal with what we saw as a public health emergency; specifically epidemic free-base cocaine abuse. Therefore, the working group conceived the notion of dividing our response to the drug problem between issues of demand on the one hand and issues of supply on the other.

To repeat, in our view, demand came first. In addition to creating the Office of the Director of National Drug Control Policy, our legislation created two deputies. The first, a Deputy Director for Demand Reduction; the second, a Deputy Director for Supply Reduction. This is the order in which they appear in the act. The heart of our strategy was that drug abusers should be enabled to receive treatment on request. Section 2012(5) of the Anti-Drug Abuse Act states that one of its primary purposes is "to increase, to the greatest extent possible, the availability and quality of treatment services so that treatment on request may be provided to all individuals desiring to rid themselves of their substance abuse problem." I wrote those words. The Congress passed them, President Reagan signed them into law—but Dr. Bennett seems to ignore them.

He appears to have instructed his Deputies to ignore them. The Deputy Director for Demand Reduction, Dr. Herbert D. Kleber, formerly of Yale, wrote an article published in the New York Times on January 26, 1990 entitled "No Quick Fixes for Drug Addicts." In the article, Dr. Kleber states that the President's 1990 National Drug Control Strategy does not "endorse what has come to be known as 'treatment on demand'." Dr. Kleber should know that the Senate holds him in the highest regard. Yet it is Congress that makes the laws, and Congress wrote "treatment on request" into statute. It is not for Dr. Kleber or Dr. Bennett to endorse this standard—it is for them to carry it out.

It is not that Drs. Bennett and Kleber are not aware of this. Again, in private conversations and public hearings we have laid out the legislative history and intent of the framers of the Anti-Drug Abuse Act in some detail. I met with Dr. Bennett in my office on February 9, 1989, a full month before he was sworn in. I met with Dr. Kleber in my office on November 16, 1989. I responded to his piece in the New York Times with a letter to the editor, printed on February 8, 1990. It reads:

To the Editor:

Herbert D. Kleber in "No Quick Fixes For Drug Addicts" (Op-Ed, Jan. 26) states that the President's 1990 national drug control strategy does not "endorse what has come to be known as 'treatement on demand'" and goes on to explain why.

Section 2012 of the Anti-Drug Abuse Act of 1988 provided as one of its primary purposes "treatment on request to all individuals desiring to rid themselves of their substance abuse problem." I wrote that section. I did not write "treatment on demand," feeling, well, that it didn't sound right. I wish I had written "treatment on application." No matter. It comes to the same thing. The law that created Dr. Kleber's position in government also prescribes that drug treatment be made available to all who seek it.

Was Congress aware that there are difficulties, ambiguities, frustrations involved with developing effective treatment programs, as Dr. Kleber describes? Yes, we were. We were continuously in touch with him while drafting the 1988 bill.

Now to a crucial point. Under Federal practice, Medicaid will not reimburse hospitals for treatment for crack cocaine addiction. Not even for pregnant women. Heroin, yes. Crack, no. I have repeatedly urged—begged—the director of the Office of National Drug Control Policy to use his office to get this absurdity corrected. That is why we created the office. Dr. Kleber's office also. A.M. Rosenthal has pleaded that the President be told, "Do it, please, just do it." But nothing has been done.

The new national drug control strategy does not even mention Medicaid.

We do not get through. Dr. Bennett barely mentioned treatment in his speech in Albany last week. The strategy—the yearly submission of which was also required by our legislation—proposes spending $10.6 billion on drug programs next year. But instead of the 50/50 split between treatment and law enforcement envisioned by the act, Dr. Bennett proposes that we spend 73 percent on supply reduction and only 27 percent on demand reduction.

The Medicaid statute, also known as title XIX of the Social Security Act, is silent on the subject to Medicaid reimbursement for drug abuse treatment. This has led to general confusion over exactly what types of drug treatment the Federal Medicaid Program will reimburse. Administration officials were not immune to this confusion. Officials of the Health Care Financing Administration, including Mr. William Toby, HCFA Administrator for Region II, which includes New York State, explained that Medicaid moneys could be used only for services related to methadone treatment. Other HCFA officials, including Mr. Thomas Hoyer, Director of the HCFA Office of Legislation, disagreed. No clear answer was forthcoming.

In an effort to end the confusion, I introduced the Drug Abuse Treatment Act, S. 1673, on September 26. The bill as introduced would have extended to all indigent individuals, male or female, Medicaid coverage for drug abuse treatment.

On October 3, I offered a modified version of S. 1673 as an amendment to S. 1711, the National Drug Control Strategy Act of 1989. It had bipartisan support. I would especially note the cosponsorship of the Republican leader, Senator DOLE. The amendment passed the Senator unanimously.

Unanimous support in the Senate. But from the administration, we have had nothing but silence. The measure was reported in the press, was the subject of editorials, but not a word from the Office of the Director of National Drug Control Policy.

On December 12, 1989, the chairman of the Senate Judiciary Committee, Senator BIDEN, held a hearing on the President's Drug Control Strategy. I was asked to speak and to introduce the first witness, Mayor-elect Dinkins. At the hearing, I publicly called upon Dr. Bennett to tell where the administration stands on the matter of Medicaid reimbursement for drug abuse treatment:

May I then make one request of you, Mr. Chairman? Would you ask Dr. Bennett to come before this committee and say where the administration stands? If he cannot report that the administration supports treatment on request for drug-addicted pregnant welfare mothers—or their children—surely the only honorable course is for him to resign as head of the Office of National Drug Control Policy.

This produced a response—of sorts. Not a direct response, mind. But an indirect one through the press. I now quote from a report by Alan Emory in the Watertown Daily Times from December 14:

Mr. Bennett told The Times . . that treatment was "an important part" of the war on drugs and that funding has risen 53 percent, with more money being asked in the fiscal 1991 budget.

However, he said, it would be "irresponsible" to talk about treatment alone, since law enforcement and treatment had to work together. . . .

There was a legitimate question whether the financing of such treatment would be

through Medicaid—the program of medical assistance for the needy—or block grants, Mr. Bennett said, and he had not made up his mind about that. * * *

Asked about the difference in treating the two types of addiction, Mr. Bennett said he could not explain it.

When a reporter asked whether the drug czar could justify denial of payments for one, but not the other, Mr. Bennett replied he could not. * * *

There has been no further response from Dr. Bennett to our proposal, a proposal which passed this body by a unanimous vote.

I must bring to the Senate's attention a letter I received a little over 2 weeks ago—nearly 8 months after the passage of our amendment—from Dr. Gail R. Wilensky, Administrator of the Health Care Financing Administration. In the letter, Dr. Wilensky states that "It is simply not true that Federal Medicaid policy will not permit payment to hospitals for treatment of crack cocaine addiction." This is welcome news. But what about Dr. Bennett's statement that "he has not made up his mind" about Medicaid reimbursement for drug abuse treatment. Further, Dr. Wilensky does not provide any facts to support here assertion that Bush aministration policy allows States the use of Federal Medicaid moneys for drug abuse treatment. It is allowed, how much is spent? Are any States using Medicaid moneys for drug treatments? Now one knows. The confusion continues.

On April 23, 1990, the chairman of the Finance Committee, Senator BENTSEN, the Republican leader, Senator DOLE, and I formally asked the General Accounting Office to conduct a study of the use of the Medicaid Program for drug abuse treatment. Perhaps conincidentally, Dr. Wilensky's letter came exactly 1 month later. Staff at the GAO, however, indicate that due to the lack of data of HCFA, the results of this study may be a long time in coming.

In the meantime, we can act. We can eliminate all confusion and enact the provision this body passed unanimously last fall. It will not be easy. The House, despite Congressman RANGEL's efforts in this regard, has failed to act on the proposal. In the meanwhile, Dr. Bennett travels to Albany to impersonate Edward G. Robinson.

Mr. President, I ask unanimous consent that a letter from Dr. Gail R. Wilensky be printed in the RECORD at this point.

I thank the Chair.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF
HEALTH AND HUMAN SERVICES,
Washington, DC, May 23, 1990.

Hon. DANIEL P. MOYNIHAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MOYNIHAN: I am writing to convey our concern that there may be some misunderstanding about Medicaid coverage for crack cocaine addiction. The intent of this letter is to clarify what coverage does exist under the Medicaid program. To the extent individuals are eligible for Medicaid and need inpatient hospital care, it is covered under the Medicaid program. For mandatory Medicaid benefits, such as inpatient hospital services, our regulations explicitly prohibit States from using a recipient's diagnosis, type of illness, or condition as the basis for arbitrary limiting or denying coverage.

A State may determine that the hospital setting is not appropriate for the treatment of certain conditions. However, it is simply not true that Federal Medicaid policy will not permit payment to hospitals for treatment of crack cocaine addiction.

In fact, the Medicaid program offers a wide range of benefits which may be of use to crack cocaine addicts. Beyond payment for inpatient and outpatient hospital treatment which are mandatory benefits, States also have the option to include clinic and rehabilitative services in their Medicaid benefit packages. These services provide outpatient care that could range from short episodes to full day treatment programs.

Although the above services are allowable for all States, they are optional. Each State designs its own program, building on the basic Federal requirements. States establish their own regulations and instructions and construct eligibility, coverage, and payment rules with which they operate their programs. Thus, general statements about Medicaid must be quite general to be applicable across the board.

Another difficulty in discussing an issue like treatment of crack cocaine addiction is that title XIX of the Social Security Act provides coverage for generic services rather than coverage for specific diagnoses or conditions. Thus, when a specific condition is discussed, it is necessary to determine the appropriate services the State Medicaid program offers that can be used to treat the symptoms of the condition. In raising the question of hospital care and crack cocaine addiction, the issue must be posed as follows—what, if any, type of inpatient hospital care is medically appropriate for the treatment of crack cocaine addiction? This is a question that must be answered by the individual State in developing its Medicaid coverage package.

Medicaid has one statutory restriction that is of particular relevance to the coverage of substance abuse services. Title XIX precludes the payment for services to individuals between the ages of 22 and 65 in institutions for mental diseases (IMDs). Under the International Classification of Diseases, Clinical Modification (ICD-9-CM), alcohol and drug abuse are classified as mental disorders. Consequently, facilities that exclusively treat psychiatric or substance abuse disorders are considered by Medicaid as IMDs. This restriction in Medicaid coverage relates to the long standing State role in supporting mental health and substance abuse treatment services and operating State mental institutions.

While recognizing the States' primary role in providing services in these areas, the Federal government does target substantial support to States for the prevention and treatment of substance abuse through many activities, most notably the Alcohol, Drug Abuse, and Mental Health Services Block Grant. This grant program provides funds to the States to enhance and expand alcohol, drug abuse, and mental health services according to individual State needs. In response to the National Drug Control Strategy, the drug abuse portion of this block grant has been significantly increased this year. The Alcohol, Drug Abuse, and Mental Health Administration also has funds available through several categorical programs which target pregnant women and their infants as well as high-risk populations.

Like you, Dr. Sullivan and I remain strongly committed to fighting drug abuse and reducing the demand for drugs. Should you or your staff require further information on this matter please contact me or Thomas Gustafson, Acting Director, Office of Policy Analysis, of my staff. He may be reached at (202) 245-0500. We welcome your interest in this area, and look forward to working with you on matters of mutual concern.

Sincerely,

GAIL R. WILENSKY, Ph.D.,
Administrator.

EXPANDED USE OF RESERVE COMPONENT FORCES IN THE DEPARTMENT OF DEFENSE

Mr. NUNN. Mr. President, I would like to share with my colleagues a recent thoughtful article entitled "After the Cold War: Expand the Reserves" by Col. Eric L. Chase, USMCR, in the June 1990 issue of the highly respected military journal, the Marine Corps Gazette.

The central thesis of Colonel Chase's article is that "the size and role of the U.S. Reserve Establishment should expand to meet the perceived potential needs of the active services as their assets are drawn down during a hoped-for period of diminished officer in the Marine Corps Reserve, Colonel Chase cites three compelling arguments for increasing our reliance on Reserve Component forces: First, the training and maintenance of Reserve forces are less expensive than active forces; second, simply reducing active forces will not fully satisfy our national security needs; and finally, expanded Reserve forces would have the training and readiness capability to meet the most likely contingencies on a timely basis.

Colonel Chase also outlines a series of changes in current policies and statutes to expand the use of Reserve Component forces in the Defense Department. These suggestions include experimenting with a mix of Active and Reserve Component personnel serving in the same unit; increasing cross-training with active units in annual training of reserve units; and requiring every Reserve Component unit to be mobilized without prior notice at least one weekend per year.

Mr. President, I have recently suggested that increased utilization of Reserve Component forces should be one important element of a new military strategy that responds to the recent changes in the threats to our national security. I agree with Colonel Chase that there is a need to develop a new

total force package that will include a greatly increased role for the Reserve Components, and I think his article in the Marine Corps Gazette makes an important contribution to this effort.

I ask unanimous consent that Colonel Chase's article "After the Cold War: Expand the Reserves" from the June 1990 issue of the Marine Corps Gazette be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Marine Corps Gazette, June 1990]

AFTER THE COLD WAR: EXPAND THE RESERVES

(By Col. Eric L. Chase, USMCR)

The sudden tumbling of Warsaw Pact regimes in 1989 and 1990 has caused more Western alliance rethinking than have the cumulative geopolitical events since the establishment of NATO (North Atlantic Treaty Organization) in 1949. Virtually all administration spokesmen, including President Bush, and many academic observers (e.g., Henry Kissinger) are actively counseling caution and prudence against any precipitous or immediate winddown of free-world military strength. In a similar vein, the Commandant of the Marine Corps urgently advised the Congress to reject any regression "to an era of budget driven strategy." To avoid repetition of the "five-year trend of conventional force disarmament" that preceded the Korean War, Gen. Gray counsels in his annual report to the Congress that "our strategy must be firmly based upon our enduring national interests and an assessment of the threat to those interests."

The trend toward dramatic arms and personnel reductions in the near term, however, seems unstoppable (unless the Soviet threat of the past four decades is somehow resuscitated). Witness: current plans to reduce the end strengths of all the Services: the agreement to withdraw substantial forces from Europe in conjunction with the Soviet pullback: testimony on Capitol Hill from all quarters that investments in strategic weapons can be sharply cut; a general criticism that our allies, including Japan, should bear a more equitable share of the burden of maintaining free-world security; and the planned base closings and reductions (a process that predates the current euphoria over the relaxation of East-West tensions).

In this remarkable era of rapid marches of democracy into Eastern Europe, extended battles against the inevitable defense cuts are not at all likely to succeed. Instead, the professional military of the United States must be in the vanguard of developing and proposing both short-term and long-term solutions to America's security needs, with the foreknowledge that such solutions will be based upon shrinking resources. If the true defense experts of the Nation fail by default to develop an appropriate structural response to present political realities, then an impatient Congress will impose ad hoc solutions in response to growing pressures from the American public. This is not to say that the military has failed to commence such development. It has. For example, the Army has publicly proposed a significant reduction in force. In his annual report, Gen. Gray, "[r]ecognizing that threat conditions are changing, [has] responded by refining [the] structure to be more responsive to the new security environment." Even more comprehensive solutions to satisfy defense needs at less cost are urgently called for.

The central thesis of this article is that the size and role of the U.S. Reserve Establishment should expand to meet the perceived potential needs of the active Services as their assets are drawn down during a hoped-for period of diminished security requirements. Because of the author's experience, some of the specific examples of possible expanded Reserve roles apply to the Marine Corps. In principle, however, the proposal crosses all Service lines.

Obviously, structural overhaul of the Reserve components will be both a creature of congressional legislation and a revision of congressional policy. In the politics of persuasions, the "trading in" of active duty forces for Reserves meets at least three vital criteria for approval. First the training and maintenance of Reserve forces are vastly less expensive than their Regular counterparts. Second, reduced Regular forces alone would not satisfy the security needs of the Nation. Third, expanded Reserve forces would have the training and readiness capability to meet the most likely exigencies on a timely basis.

(1) The first element of the persuasive process is not subject to reasonable debate or doubt. Man for man, Reserve forces cost the taxpayers a small fraction of the investment in the full-time components. Politicians and interest groups are already drawing battle lines over an elusive or nonexistent "peace dividend." While steps, such as the withdrawal of a hefty percentage of forward deployed forces from Europe, will generate savings, the general migration of large segments of U.S. military strength into the active Reserve would penalize a huge saving in defense outlays.

The savings accrued as a result of an enhanced Reserve would be both short and long-term. In addition to ongoing personnel and support service costs, which would be greatly reduced, projected outlays for retired reservists would be significantly lower than for regulars. (Reserve retirement benefits generally do not begin until the retiree reaches age 60 and retired pay is formulated on the basis of participation.)

(2) Regular forces do not now have the ability to respond to every potential crisis. How far the Services can cut back their active strengths and still fulfill the country's immediate and most likely defense needs will be a matter of vigorous debate. The Commandant has questioned whether the Marine Corps can or should be further reduced in strength, given real world likelihoods. (See, for example "Interview, General M. Gray, Jr.," *Naval Institute Proceedings*, April 1990.)

The lack of lift capability for the Marine Corps and the necessity of having to assign its Marine expeditionary forces (MEFs) selectively in the event of war are old problems. A smaller peacetime Corps will exacerbate these and other impediments to large-scale mission accomplishment. With expected broad cuts for the Army and Navy, their resource allocations against many possible contingencies will be even more severely pressed.

In a lengthy peacetime environment, regular forces are apt to be primarily trained for low-intensity conflict or special operations contingencies and only secondarily for prolonged theater warfare, in which Regular forces would require augmentation in any event. The Commandant urges that the Marine Corps is already configured "to keep an eye on the threat of the most likely conflicts in the mid- to low-intensity range." But it is unlikely that even the Corps will continue to enjoy immunity from the impending budget slashing.

Only the most naive observer would contend that the current relaxation of East-West tensions has reduced the need for immediately mobilized large-scale forces to anything close to a zero probability. As fast as Eastern European events have moved in a favorable direction, they could turn sour. The Middle East remains rife with war potential that could pull U.S. forces abroad to protect vital interests. Much of Latin America remains in the throes of economic chaos, which could ignite unforeseen needs to mobilize American military power in a hurry. No attempt is made here to catalog the infinite possibilities; suffice it to say that a much smaller active military infrastructure will not—and should not—be manned or geared to accomplish most large-scale missions alone. A critical question for the Nation to decide is, "How far can we reduce with national security?"

(3) The present likelihood is that dramatic force reductions will occur because of political momentum and fiscal realities, fueled by a rosy view of international relationships, irrespective of the greater national security risks that may arise. A reinvigorated, expanded Reserve would minimize these risks.

Can the Reserves do the job? this issue will no doubt be hotly debated, with opposing positions rolling out their arsenals of hard facts, disputed premises, and ingrained biases. If it is perceived that the Reserve components are no more capable, on a rapid-response basis, of filling the void left by reduced Regular forces than would a resumption of the draft, then Congress could opt for an even smaller Reserve than at present to accompany the inevitable reduction of active forces. There is no historical or training logic to this proposition. Reserves en masse were successfully called to duty in Korea. Selective examples of Reserve augmentation in Vietnam abound. Reserve forces, selectively inducted and trained and in an ongoing training status, will be ready for combat roles either immediately or after short "refresher" retraining. Gen. Gray has consistently advocated the Total Force concept; he never fails to give the Reserves their due in his overall assessments of the capabilities of the Corps.

An expanded Reserve Establishment should prepare to increase the breadth and quality of its training to coincide with its expanded size and mission roles. This factor is perhaps the most critical to the meaningful assumption of greater reliance upon Reserve forces.

The myriad of possible changes in the laws and policies affecting an expanded Reserve cannot be addressed in this short article. The following kinds of changes in, or stricter adherence to, law or policy, however, should be considered:

A significant increase in executive authority to call up Reserves for active duty.

A commitment to activate and deploy the Reserves before draftees in wartime.

Unit-for-unit replacement by Reserves of deactivated Regular units and a corresponding authorization to increase the size of the Reserves.

Experimentation with a "mix" of Regulars and Reserves serving in the same unit.

Reasonable incentives for selected, recently retired 20-year men and women to serve as reservists.

Greatly increased cross-training with Regular units in annual training duty of Reserves.

Increase of the annual training duty requirement of Reserve combat and combat support units from two to four weeks, preferably split into two two-week segments. Appropriate incentives and further employment protections should be implemented to protect Reserves who serve additional periods of active duty.

Assurance that all standardized testing and evaluation is the same for Reserves and Regulars.

Elimination of waivers for physical fitness and marksmanship requirements.

Annual requirement for every unit to be mobilized without prior notice at least one weekend per year.

A revision of command structures throughout the Reserve Establishment, to include an increase in flag rank billets for Reserves to be commensurate with increased Reserve strength. For example, if the Marine Corps were to be reconfigured so that there were two active and two Reserve MEFs, then the Corps should establish a Reserve three-star billet.

There is an inherent reluctance of the active Services to yield mission roles or end strength. Gen. Gray's advocacy of the maintenance of three active MEFs and one Reserve MEF is clearly based upon his expert analysis of real-world requirements for the Corps. The other Services most notably the Army, will not credibly carry an argument of any continued need for Cold War end strength. Even the Corps is likely to endure a scaling down during peacetime. The Defense Establishment, including the Service heads, must persuade the Congress and the American public that national security requires the Reserve alternative to certain active units, not their total elimination.

The critical, even urgent, point in this article is not to dogmatically or specifically propose an increase in Reserve forces over the next several years. Rather, what is of utmost importance is that the military itself turn its attention to the issue of Reserve expansion in the face of unavoidable withdrawals of forward deployed forces and reductions of active forces in general. Under the auspices of the Joint Chiefs of Staff, the Services should work together, as well as within their own forces, to propose and study the alternatives. Upon completion of an expedited review of the alternatives, the Services, with and through the Department of Defense, should work with Congress to develop a comprehensive "new total force" package that will include a greatly increased role for the Reserves.

The specific impact of recent events on U.S. military force structure remains unknown. In the inevitable process of change, the Services should be proactive. The positive advocacy of expanded Reserve size and roles in the face of diminished Regular forces will serve the continued national security requirements of the United States and its allies.

(Col. Chase served as an infantry platoon leader in Vietnam. As a reservist, he has been an infantry company commander and a battalion staff officer. Currently, he is one of the primary instructors in the USMC Law of War course offered approximately four times a year at the Naval War College, Quantico, and other locations.)

SENATOR BURDICK'S 30TH ANNIVERSARY IN THE SENATE

Mr. DECONCINI. Mr. President, it is a distinct honor and pleasure for me to share some thoughts with you about a dear and distinguished colleague on the occasion of his 30th anniversary of service in this august body. I am, of course, speaking of the senior Senator from North Dakota, QUENTIN BURDICK.

Many thoughts come to mind when I think about the Senator from North Dakota: quiet, humble, hard-working, unquestioned integrity, and a wonderful sense of humor. But QUENTIN BURDICK is also a very complex individual who has engaged in many quiet battles and activities during his years of Senate service on a wide range of causes, many of which I suspect are unknown, especially to the new Members of this body.

One area in which Senator BURDICK has made an indelible mark is his work with and for native Americans. Without a shadow of a doubt, he has been a leading proponent of Indian interests throughout his three-decade career in the Senate. He has championed their cause quietly, effectively, and consistently. His father before him was a friend and teacher of native Americans. The Senator grew up near and on reservations in North Dakota and has continued his friendship and working partnership with native Americans ever since.

He has pursued a personal crusade of educating and persuading native Americans in North Dakota to exercise their right to vote; he has brought business and industrial development to the reservations; he has assured the availability of Indian health care facilities and generally played the lead role in developing opportunities for native Americans.

In addition to working with native Americans, he also shared recreational time with them—riding horseback, attending rodeos on the reservations, and joining in various ceremonial and social activities of the tribes. As a tribute to a long life of care and service to native Americans, Senator BURDICK was honored by the Sioux Nations by being inducted into their tribe and given the name of "Old Bear." That title is fitting in so many ways.

Senator BURDICK also has an extensive collection of native American memorabilia displayed in this office, including priceless photographs of Sioux chiefs by Richard Barry taken over 100 years ago. I am certain Senator BURDICK would welcome all members to stop by his office to see this minimuseum of native American history.

In the early and midseventies Senator BURDICK served as the chairman of the Courts Subcommittee of the Senate Judiciary Committee. During that period, he was responsible for oversight of the third branch of our Government, and performed that task with the diligence and professionalism we have come to expect and respect in him. During his tenure as subcommittee chairman, he concluded that the Nation's bankruptcy system has inadequate and that its thirties nomenclature and provisions were sadly outdated and could not meet the commercial and individual needs of a booming Nation. Accordingly, in the early seventies the Senator introduced and shepherded through the Senate legislation to create the Commission on the Bankruptcy Laws of the United States. He subsequently served on this Commission which issued a high quality report to Congress in 1973 on the state of bankruptcy law. During 1974 and 1975, the Senator conducted lengthy and complex hearings on this issue and by late 1976, he had developed tentative legislation to respond to the growing bankruptcy crisis. Concurrently, he continued to develop and pass a number of other court-related initiatives which substantially improved our judicial system.

It was into this setting that I arrived when I begun my Senate career in 1977. At the beginning of the 95th Congress, Senator BURDICK was offered a seat on the Appropriations Committee. In making that switch, Senator BURDICK was required under Senate rules to vacate his position on the Judiciary Committee. As fate would have it, I was assigned to the Judiciary Committee. As subcommittee assignments were decided, I found myself in the position of becoming the successor chairman of the courts subcommittee. Needless to say, I needed help. I recall going to Senator BURDICK who patiently took the time to advise me of the workings of the Judiciary Committee and the issues that were of importance. He also provided me with valuable advice on how to conduct myself as chairman of this critical subcommittee. That advice was extremely beneficial to me, and over the course of the next 4 years our subcommittee succeeded in passing a large number of major pieces of legislation, many of which were initially conceived by the Senator from North Dakota. Included in this list was the Bankruptcy Reform Act of 1979, a monumental bill numbering several hundred pages, which brought to a conclusion the efforts begun nearly a decade before by Senator BURDICK. I would also like to mention that I inherited from Senator BURDICK, Bob Feidler, who served as my counsel on the subcommittee for 8 years.

I was also appointed to the Senate Appropriations Committee in 1977, where I have had the privilege of serving with Senator Burdick, and I have watched him up close trying to protect the interests of his beloved State of

North Dakota. Senator BURDICK's deep commitment to the causes in which he believes and to which he has dedicated his life and his energies has brought him the admiration and respect of each of his colleagues. His 30 years of service in this body underscore his love for this institution. He has respected its traditions and worked hard to improve it. The Senate is a prouder and richer institution as a result of his service, and I know all members of this body join me in congratulating him on his 30 years of exemplary service. I can only conclude by saying, "Well done, Old Bear. Well done."

SUPPORT FOR THE WIRTH-GRAHAM-DIXON BILL ON S&L CROOKS

Mr. SANFORD. Mr. President, I rise in strong support of the bill, S. 2712, introduced last week by my colleagues from Florida, Colorado, and Illinois with respect to prosecution of S&L crooks. We have all watched with horror as story after story is uncovered of fraud and abuse on the part of managers of some of our savings and loans institutions. We have heard testimony in the Senate Banking Committee from the Attorney General, Mr. Thornburgh, that there has been an epidemic of fraud in the savings and loan industry and that more than a quarter of the failures in the industry can be attributed to criminal activity on the part of thrift institution managers.

Time and time again during consideration of the Financial Institutions Reform, Recovery and Enforcement Act statements were made by the administration that a major goal of that legislation was to ensure that such fraud and financial loss never happens again and that those who participated in it would be forced to pay for the cleanup of the industry.

Yet so far, the administration has not acted on a good portion of those commitments. In particular, the administration has been moving at a snails pace in investigating and prosecuting criminal and civil cases involving savings and loan associations.

So far, the FBI has taken no action on 21,000 referrals of financial institution misconduct cases, 234 of which involve potential losses of $1 million or more. The FBI took minimal action on 2,500 other cases that were later put on inactive status.

Mr. President, the American public is outraged that crooks and high fliers have bilked billions and billions of dollars from our savings and loans and have been allowed to get away with it. I am outraged too. At a minimum, we owe it to the American people who are being asked to foot much of the bill for the shoring up of the thrift insurance fund to prosecute all those responsible for the fraud and to seek recovery of the money that has been stolen or squandered.

Yet the administration has not taken such prosecution efforts seriously. The Congress authorized an extra $75 million a year through 1992 to enable the Justice Department to pursue S&L cases, but the Attorney General requested only $50 million of that amount for fiscal year 1990. One year after enactment of FIRREA, the administration is not requesting additional prosecuting attorney's positions nor are they requesting additional FBI agents to handle the S&L fraud cases.

This bill will go along way toward ensuring that the proper emphasis is placed on the prosecution of these financial institution crimes. Each day the Justice Department delays costs us the chance for successful prosecutions and for actions that might result in the recovery of at least some of the money that has been stolen or squandered.

I urge my colleagues to support this bill and to continue to urge the administration to take a more aggressive stance in tracking down and bringing to justice those who have defrauded the American taxpayer through abuses at savings and loans.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 1,914th day that Terry Anderson has been held in captivity in Beirut.

A GOOD FRIEND TAKES A NEW JOB

Mr. DOLE. Mr. President, A good friend of many Senators, Dr. Fredrick F. Chien, was recently selected to be the Foreign Minister of the Republic of China on Taiwan.

Many of us got to know Dr. Chien well during his 5 years of service as head of the Coordination Council for North American Affairs—the office representing the interests of the Republic of China in Washington. We worked with him on many issues of mutual interest to the United States and the Republic of China—our defense cooperation, our increasingly important trade and investment relationship, and the ties which grow out of the long friendship between the peoples of our two countries.

Dr. Chien represented the Republic of China's interests on all these issues with skill and grace, at a time of great change in American diplomacy in Asia and the world.

For the past couple of years, Dr. Chien has served as chairman of his government's Council for Economic Planning and Development. As he did in Washington, he did an outstanding job in that post.

Without question, he is also going to be an outstanding Foreign Minister. He is not only a good personal friend to many of us, but he is a good friend of this country. His tenure as Foreign Minister is one more reason why we will continue to have close and cooperative relations with the Republic of China on Taiwan.

I congratulate Dr. Chien on this important new assignment, and I know that I speak for many Senators in saying how much I look forward to working with him on the many issues of mutual concern to our two countries.

FREE ELECTIONS IN CZECHOSLOVAKIA

Mr. McCAIN. Mr. President, last night I returned from Czechoslovakia where I witnessed a proud society enjoy the first free elections there in nearly half a century. I cochaired an international delegation of election observers organized by the National Republican Institute for International Affairs. My cochair, the gracious and talented Senora Norma Gaborit de Callejas, first lady of Honduras, was an outstanding representative of her country and a distinguished leader of our delegation. I am proud to report that our delegation, comprised of many able individuals from several countries acquitted itself very well. Guided by the very capable President of NRI, Keith Shuette, and his exceptional staff, we were able to verify the essential fairness of the election.

On behalf of our delegation, I want to thank the people of Czechoslovakia for letting us share in that transforming moment in their history. In Bratislava and in Prague, I was privileged to observe Czechs and Slovaks take an important step toward overcoming the betrayal endured by half a continent for half a century. I will long remember the experience.

The great American writer, William Faulkner believed "that man will not merely endure; he will prevail."

For Americans, who believe that we have always served mankind's aspirations to be free, it is enormously gratifying to see Faulkner's prophesy come true in Czechoslovakia.

Czechoslovakia has prevailed. And over 90 percent of eligible voters there went to the polls to proclaim their historic victory over tyranny.

Now the good people of that great country will build institutions to protect the many from the tyranny of a few as they will establish just laws to protect the civil rights of minorities.

As in any democracy—new or old—improvements will be necessary to more closely reflect the will of the people. That is as true in Czechoslovakia as it is in the United States. Democracy always remains an experi-

ment. We can learn much from the democratic experiment in Czechoslovakia. We are reinvigorated by the dramatic events in that country. Czechoslovakia can learn much from the successful democratic experiments in the countries represented in our delegation. We are eager to provide every assistance.

Let us begin by remembering the wise words of the theologian, Reinhold Niebuhr: "Man's capacity for justice makes democracy possible, but man's inclination to injustice makes democracy necessary."

We Americans are anxious and grateful to have an opportunity to work with Czechoslovakians as they build a society that recognizes the wisdom of that observation.

We wish Czechoslovakians well as we welcome them to the community of free peoples.

INDIANA TELETHON AIDS DISASTER VICTIMS

Mr. COATS. Mr. President, last weekend I toured the small towns of southern Indiana that were devastated by the recent spate of tornadoes that touched down in my State. Everywhere I traveled I saw brave, compassionate, dedicated men and women, tirelessly working to restore their homes and farms and communities, committed to the task of helping one another through this time of natural disaster and tragedy.

I was especially impressed by the work and dedication of the staff and management of Station WRTV in Indianapolis which aired a 2-hour telethon to raise funds to help the neediest families who were victims of these terrible storms.

I am deeply proud of the efforts of WRTV personnel and the thousands of Indiana volunteers throughout the State who came to the aid of their fellow Hoosiers during this time of misfortune.

Mr. President, during my visit to WRTV-TV, I made a brief statement expressing my gratitude to the station and to the volunteers whose charitable spirit has been the source of successful recovery in Indiana and an inspiration to others. I ask unanimous consent that the complete text of this statement be printed in the RECORD at this point.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

INDIANAPOLIS, INDIANA'S, WRTV-TV TELETHON

Mr. President, just over a week ago, Americans saw on the evening news how Southern Indiana was visited by natural disaster and sudden death. Violent tornadoes cut jagged wounds that ran for miles in a normally peaceful landscape. Homes and farms were reduced to rubble and splinters. Eight Hoosiers died.

Last weekend I toured by air the broad pathways of destruction. In these quite, small towns, before last week, it would have been impossible to imagine that a summer day could kill. In one place nearly destroyed by storms I saw a lone flag, tattered by wind, stand at half staff for those who lost their lives.

But this weekend I also saw something the national news did not report. I saw how compassion and help have advanced nearly as fast as these sudden storms.

On just a few days notice, WRTV-TV in Indianapolis devoted two hours to a telethon that will provide needed aid to the victims of this disaster. One hundred people from that station alone worked on this effort. Scores more joined to make it a success. John Proffitt, General Manager of WRTV, gave the telethon his full backing. No commercials were run during the event. I saw first-hand the dedication of these committed people by taking a small part in the program.

Support from the community was broad and enthusiastic. WTVW-TV in Evansville preempted its programming to run the telethon live. Indiana Bell donated all the telephone lines. Major Indiana companies were generous. PSI Energy, for example, donated $25,000.

The telephones began ringing at 6:30 p.m., half an hour before the telethon began. They did not stop until 12:30 a.m., three and a half hours after the telethon ended. By the time the evening came to a close, WRTV had raised more then $200,000 for tornado victims.

A recent statewide survey found that Indiana households donate 80 percent more money to charity than their national counterparts. Seventy-five percent of those responding to the survey said they were regular volunteers to some charity or cause—compared to 48 percent nationally.

The work of WRTV-TV and the generous response of Hoosiers have proven the health of this volunteer spirit once again. But even more importantly, these efforts have given timely help and hope to people facing uncertain days of mourning and crisis—men and women who have suddenly found themselves in their moment of greatest need.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and withdrawals which were referred to the appropriate committees.

(The nominations and withdrawals received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 2:20 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1620. An act to amend provisions of title 28, United States Code, relating to judicial discipline, and to establish a commission to the problems and issues involved in the appointment and tenure (including discipline and removal) of article III judges; and

H.R. 3657. An act to amend the Securities Exchange Act of 1934 to provide additional authorities to the Securities and Exchange Commission to prevent disruptions to the Nation's securities markets.

At 6:21 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill and joint resolutions, without amendment:

S. 2700. An act to authorize the Secretary of Veterans Affairs to proceed with a proposed administrative reorganization of the regional field offices of the Veterans Health Services and Research Administration of the Department of Veterans Affairs, notwithstanding the notice-and-wait provisions in section 210(b) of title 38, United States Code;

S.J. Res. 245. Joint resolution designating July 3, 1990, as "Idaho Centennial Day"; and

S.J. Res. 251. Joint resolution designating "Baltic Freedom Day."

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 20) to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes.

The message further announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4653. An act to reauthorize the Export Administration Act of 1979, and for other purposes.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker has signed the following enrolled bill and joint resolution:

H.R. 4612. An act to amend title 11 of the United States Code regarding swap agreements and forward contracts; and

H.J. Res. 516. Joint resolution to designate the week beginning June 10, 1990, as "National Scleroderma Awareness Week".

ENROLLED BILL SIGNED

At 6:30 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 20. An act to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the nation, to protect such employees from improper political solicitations, and for other purposes.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1620. An act to amend provisions of title 28, United States Code, relating to judicial discipline, and to establish a commission to study the problems and issues involved in the appointment and tenure (including discipline and removal) of article III judges; to the Committee on the Judiciary.

H.R. 4653. An act to reauthorize the Export Administration Act of 1979, and for other purposes.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 3657. An act to amend the Securities Exchange Act of 1934 to provide additional authorities to the Securities and Exchange Commission to prevent disruptions to the Nation's securities markets.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3090. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend language contained in the Act of August 30, 1890, ch. 841, 26 Stat. 417 (commonly known as the Second Morrill Act) to improve the management of Federal funds utilized for supporting instruction in the food and agricultural sciences; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3091. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the President's fifth special impoundment message for fiscal year 1990; pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Agriculture, Nutrition, and Forestry, and the Committee on Commerce, Science, and Transportation.

EC-3092. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Air Force's proposed letter of offer to Portugal for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-3093. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Air Force's proposed letter of offer to Saudi Arabia for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-3094. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Army's proposed letter of offer to Saudi Arabia for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-3095. A communication from the Secretary of the Treasury, transmitting, pursuant to law, a report on the financial safety and soundness of the Government-sponsored enterprises; to the Committee on Banking, Housing, and Urban Affairs.

EC-3096. A communication from the Chairman and Vice Chairman of the Interagency Council on the Homeless, transmitting, pursuant to law, proposed modifications to the Stewart B. McKinney Homeless Assistance Act; to the Committee on Banking, Housing, and Urban Affairs.

EC-3097. A communication from the Secretary of Transportation, transmitting, pursuant to law, the 10th annual report on Collision Avoidance Systems; to the Committee on Commerce, Science, and Transportation.

EC-3098. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the National Sea Grant College Program Act, as amended, to authorize appropriations for fiscal years 1991 and 1992; to the Committee on Commerce, Science, and Transportation.

EC-3099. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, a report on the proposed use of certain NASA funds; to the Committee on Commerce, Science, and Transportation.

EC-3100. A communication from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize the appropriation of $2.5 million to complete the renovation of the Guam Memorial Hospital; to the Committee on Energy and Natural Resources.

EC-3101. A communication from the Assistant General Counsel for International Affairs, Department of Energy, transmitting, pursuant to law, notice of a meeting related to the International Energy Program; to the Committee on Energy and Natural Resources.

EC-3102. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3103. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3104. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3105. A communication from the Acting Administrator of General Services, transmitting, pursuant to law, a proposed prospectus for Federal construction of a Federal Building-Courthouse in Shreveport, Louisiana; to the Committee on Environment and Public Works.

EC-3106. A communication from the Acting Administrator of General Services, transmitting, pursuant to law, a proposed prospectus for lease of space in Buffalo, New York, for the Internal Revenue Service; to the Committee on Environment and Public Works.

EC-3107. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the 1990 annual report of the Social Security Administration; to the Committee on Finance.

EC-3108. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report on Federal Advisory Committees established under the Social Security Act during calendar year 1989; to the Committee on Finance.

EC-3109. A communication from the Acting Assistant Attorney General (Legislative Affairs), transmitting, pursuant to law, a report on behalf of the Department of State, the U.S. Customs Service, and the Immigration and Naturalization Service on the tr-agency plan for the Machine Readable Document Border Security System; to the Committee on Foreign Relations.

EC-3110. A communication from the Administrator of the Agency for International Development, transmitting, pursuant to law, the Agency's Fiscal Year 1989 Annual Report on Title XII—Famine Prevention and Freedom from Hungar; to the Committee on Foreign Relations.

EC-3111. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, the semianual report of the Office of Inspector General, NASA, for the period ended March 31, 1990; to the Committee on Governmental Affairs.

EC-3112. A communication from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the semi-annual report of the Office of Inspector General, Securities and Exchange Commission, for the period ended March 31, 1990; to the Committee on Governmental Affairs.

EC-3113. A communication from the Chairman of the National Endowment for the Arts, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, National Endowment for the Arts, for the six month period ended March 31, 1990; to the Committee on Governmental Affairs.

EC-3114. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-205 adopted by the Council on May 15, 1990; to the Committee on Governmental Affairs.

EC-3115. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-207 adopted by the Council on May 15, 1990; to the Committee on Governmental Affairs.

EC-3116. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-207 adopted by the Council on May 15, 1990; to the Committee on Governmental Affairs.

EC-3117. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-208 adopted by the Council on May 15, 1990; to the Committee on Governmental Affairs.

EC-3118. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-209 adopted by the Council on May 15, 1990; to the Committee on Governmental Affairs.

EC-3119. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-210 adopted by the Council on May 15, 1990; to the Committee on Governmental Affairs.

EC-3120. A communication from the Secretary of Labor, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Labor, for the period ended March 31, 1990; to the Committee on Governmental Affairs.

EC-3121. A communication from the Administrator of General Services, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, General Services Administration, for the period ended March 31, 1990; to the Committee on Governmental Affairs.

EC-3122. A communication from the Attorney General of the United States, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Justice, for the period ended March 31, 1990; to the Committee on Governmental Affairs.

EC-3123. A communication from the Chairman of the Board of Directors of the Panama Canal Commission, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Panama Canal Commission, for the period ended March 31, 1990; to the Committee on Governmental Affairs.

EC-3124. A communication from the Chairman of the Consumer Product Safety Commission, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Consumer Product Safety Commission, for the period ended March 31, 1990; to the Committee on Governmental Affairs.

EC-3125. A communication from the Executive Director of the Neighborhood Reinvestment Corporation, transmitting, pursuant to law, the annual report of the Corporation under the Government in the Sunshine Act for calendar year 1989; to the Committee on Governmental Affairs.

EC-3126. A communication from the Chairman of the Equal Employment Opportunity Commission, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Equal Employment Opportunity Commission, for the period ended March 31, 1990; to the Committee on Governmental Affairs.

EC-3127. A communication from the Secretary of Veterans Affairs, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Veterans Affairs, for the period ended March 31, 1990; to the Committee on Governmental Affairs.

EC-3128. A communication from the Chairman of the Federal Trade Commission, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Federal Trade Commission, for the period ended March 31, 1990; to the Committee on Governmental Affairs.

EC-3129. A communication from the President of the Inter-American Foundation, transmitting, pursuant to law, the annual report of the Foundation under the Freedom of Information Act for calendar year 1989; to the Committee on the Judiciary.

EC-3130. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—Chapter 1—Migrant Education Program; to the Committee on Labor and Human Resources.

EC-3131. A communication from the President and Chief Executive Officer of the College Construction Loan Insurance Association (CONNIE LEE), transmitting, pursuant to law, the annual reports of the Corporation for calendar years 1989 and 1988; to the Committee on Labor and Human Resources.

EC-3132. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, the annual report of the Commission for calendar year 1989; to the Committee on Rules and Administration.

EC-3133. A communication from the Administrator of the Small Business Administration, transmitting a draft of proposed legislation to amend the Small Business Act; to the Committee on Small Business.

EC-3134. A communication from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to improve personnel management in the Department of Veterans Affairs; to the Committee on Veterans Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. INOUYE, from the Select Committee on Indian Affairs, with amendments:

S. 1747: A bill to provide for the restoration of Federal recognition to the Ponca Tribe of Nebraska, and for other purposes (Rept. No. 101-330).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1770: A bill to assess the suitability and feasibility of including certain Shenandoah Valley Civil War sites in the National Park System, and for other purposes (Rept. No. 101-331).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. PRYOR:

S. 2722. A bill to amend the Internal Revenue Code of 1986 with respect to the treatment of interest paid in connection with certain life insurance contracts; to the Committee on Finance.

By Mr. BURNS (for himself, Mr. DOLE, Mr. DANFORTH, Mr. KASTEN, Mr. BOND, Mr. GORTON, Mr. THURMOND, Mr. COATS, Mr. JEFFORDS, Mr. LUGAR, Mr. CHAFEE, Mr. D'AMATO, Mr. BOSCHWITZ, Mr. DOMENICI, Mr. GARN, Mr. MURKOWSKI, Mr. PACKWOOD, Mrs. KASSEBAUM, Mr. MCCAIN, Mr. RUDMAN, and Mr. GRASSLEY):

S. 2723. A bill to amend the Rail Passenger Service Act to authorize appropriations for the National Railroad Passenger Corporation and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. PELL (for himself, Mr. KENNEDY, Mr. METZENBAUM, Mr. DODD, Mr. SIMON, Mr. JEFFORDS, Mr. DURENBERGER, Mr. CHAFEE, and Mr. DANFORTH):

S. 2724. A bill to extend and improve arts and humanities programs, museum services, and arts and artifacts indemnification, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 2725. A bill to amend the Employee Retirement Income Security Act of 1974 with respect to the preemption of the Hawaii Prepaid Health Care Act; to the Committee on Labor and Human Resources.

By Mr. MOYNIHAN:

S.J. Res. 334. Joint resolution to recognize the Mozart Bicentennial, to be observed at the Lincoln Center in New York City, New York, as a National Observance of the 200th anniversary of the death of Wolfgang Amadeus Mozart; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PRYOR:

S. 2772. A bill to amend the Internal Revenue Code of 1986 with respect to the treatment of interest paid in connection with certain life insurance contracts; to the Committee on Finance.

TREATMENT OF INTEREST ON CERTAIN LIFE INSURANCE CONTRACTS

● Mr. PRYOR. Mr. President, today I am introducing a bill to limit certain excessive practices involving business-owned life insurance products. While businesses have traditionally used life insurance policies for sound business purposes, some extreme marketing practices have developed that must be addressed in order to preserve the integrity of business-owned life insurance.

The bill specifically targets two problems. The first issue involves a company's ability to inflate interest rates on insurance policies, thereby allowing loan rates greatly in excess of the current cost of money. To address this problem, the bill sets a limit on deductible policy loan interest so that only that amount of interest that does not exceed the competitive price of money on the open market may be deducted. The limitation is defined in terms of Moody's cost of money index—a standard already used by the insurance industry in other contexts. A related problem also addressed is a company's ability to create much larger dividends with which it can pay premiums on a tax-free basis during the 4 years in which premiums must be paid.

The second issue addressed in the bill involves so-called janitor insurance. Janitor insurance refers to the practice of insuring all or most of a company's employees in order to generate tax-free funds earmarked for benefits limited to senior officers or some other select group. Although it is technically possible that such products might be created, after careful review my staff has failed to find evidence that any company has actually bought such a program.

However, even the possibility of such excessive use of tax benefits raises a problem. Insuring many to benefit a few is inconsistent with widely accepted nondiscrimination concepts and would also circumvent the $50,000 loan interest deduction limitation. To eliminate this potential practice, my proposal would subject business life in-

surance policies to the following new rules.

First, under this legislation, employees who are to be insured by their company must be notified of the fact, and given the opportunity to decline such coverage. Second, when an employer uses life insurance to legitimately provide for its employees, each and every employee who is covered by a life insurance policy will have to be eligible to receive the benefits of that policy. These rules, however, will not affect insurance arrangements that are not tied to benefits, such as key man and buy-sell programs.

Finally, some people have raised concerns about the tax aspects of a nontax motivated insurance arrangement whereby when an old employee leaves and a new employee is substituted for the old employee under the business-owned life insurance policy. This practice is an attempt to continue the underlying policy without repaying acquisition costs. Questions have been raised as to whether the substitution of insured is a taxable event. My proposal reflects the generally accepted belief that a tax on the policyholder's gain—if any—in the policy is incurred at the time of the substitution. My legislation contains a new 1099 reporting requirement to ensure the reporting and collection of tax liability connected to substitutions of insureds.

Mr. President, I firmly believe that business-owned life insurance is a valuable insurance product for business use. Business-owned life insurance policy benefits are an absolute necessity for safeguarding against corporate losses in the event of an untimely death. Businesses have a long history of using insurance policies to supplement employee benefit or compensation programs, and when not excessive, such practices should be allowed to continue.

I welcome any additional comments or suggestions regarding this legislation. With refinement of the rules regarding business-owned life insurance, such as the refinements proposed in this bill, I think we can curb possible excesses relating to such policies and maintain the integrity of business-owned life insurance policies.●

By Mr. BURNS (for himself, Mr. DOLE, Mr. DANFORTH, Mr. KASTEN, Mr. BOND, Mr. GORTON, Mr. THURMOND, Mr. COATS, Mr. JEFFORDS, Mr. LUGAR, Mr. CHAFEE, Mr. D'AMATO, Mr. BOSCHWITZ, Mr. DOMENICI, Mr. GARN, Mr. MURKOWSKI, Mr. PACKWOOD, Mrs. KASSEBAUM, Mr. MCCAIN, Mr. RUDMAN, and Mr. GRASSLEY):

S. 2723. A bill to amend the Rail Passenger Service Act to authorize appropriations for the National Railroad Passenger Corporation, and for other purposes; to the Committee on Commerce, Science, and Transportation.

NATIONAL RAIL PASSENGER CORPORATION AUTHORIZATION

Mr. BURNS. Mr. President, I am today introducing legislation to authorize appropriations for the National Railroad Passenger Corporation. I ask unanimous consent that a letter from the President of the United States concerning this legislation be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, DC, June 6, 1990.

Hon. BOB MICHEL,
Republican Leader, House of Representatives, Washington, DC.

DEAR MR. LEADER: I understand you are planning to introduce new legislation today to reauthorize Amtrak. I further understand that this new legislation would be identical to H.R. 2364, except that it would not include the Interstate Commerce Commission (ICC) regulatory provision.

I disapproved H.R. 2364 solely because of the ICC provision. The provision would have required, for the first time and for the railroad industry alone, government review and approval of acquisitions by entities that are not actual or potential competitors—including a carrier's own management or employees. Since there is already adequate authority to protect the public interest in railroad acquisitions, there is no justification for creating such a serious regulatory roadblock to financial restructuring of the railroad industry.

I would sign an Amtrak reauthorization identical to H.R. 2364, but without the ICC provision described above.

Sincerely,

GEORGE BUSH.

By Mr. PELL (for himself, Mr. KENNEDY, Mr. METZENBAUM, Mr. DODD, Mr. SIMON, Mr. JEFFORDS, Mr. DURENBERGER, Mr. CHAFEE, and Mr. DANFORTH):

S. 2724. A bill to extend and improve arts and humanities programs, museum services, and arts and artifacts indemnification, and for other purposes; to the Committee on Labor and Human Resources.

ARTS, HUMANITIES, AND MUSEUMS AMENDMENTS

Mr. PELL. Mr. President, today I am introducing the Arts, Humanities, and Museums Amendments of 1990. This bill, which represents the administration's proposal, reauthorizes the National Foundation on the Arts and Humanities Act for a period of 5 years beginning with fiscal year 1991. This act authorizes the activities of the three leading Federal agencies that support the cultural life of the United States: the National Endowment for the Arts, the National Endowment for the Humanities, and the Institute of Museum Services.

As the chief Senate sponsor of the original 1965 act, it is a distinct pleasure for me to join with President Bush in sponsoring legislation that will extend these vital programs that have done so much to enrich the lives of the American people. The Endowments, which are now in their 25th year, have been a tremendously positive force in American life.

I salute the President for reaffirming the important role that these agencies play and for requesting their extension without crippling restrictions that would do nothing but chill the lively artistic life that has come to characterize our great country. This controversy has raged on long enough and it is time to let the Arts Endowment get back to work. Its Chairman, John Frohnmayer, has given us his guarantee that grant procedures will be carefully monitored and that obscenity will have no place in his agency. He is an honorable man and we owe him our trust.

I also wish to recognize the fact that the administration has requested increases in the budgets of each agency covered by this bill. These increases may be small, but in light of the relatively flat budgets of recent years, they mark a significant endorsement of these critical programs and indicate yet again how support for these agencies continues to be bipartisan.

While the bill I am introducing today is the administration's reauthorization proposal, I want to make it clear that it will serve as the foundation from which we will work in committee. It will be the framework within which we will work to support an endowment where procedures are as fair and accountable as possible. The changes called for in this proposal, while largely technical in nature, are noncontroversial, reasonable, and timely. I invite my colleagues to join in this effort and, if there are positive and constructive suggestions to improve the operations of these agencies, I am ready to consider them.

Mr. President, I ask unanimous consent that the bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2724

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Arts, Humanities, and Museums Amendments of 1990".

TITLE I—NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

SEC. 101. DEFINITIONS.

Section 3 of the National Foundation on the Arts and the Humanities Act of 1965 (hereafter in this title referred to as the "Act") (20 U.S.C. 952) is amended—

(1) in subsection (b), by inserting "the traditional arts practiced by the diverse peoples of the United States," after "major art forms,";

(2) in subsection (d), by inserting "the widest" after "develop and enhance"; and

(3) in subsection (d)(2), by inserting ", 7(c)(10)," after "section 5(l)".

SEC. 102. ESTABLISHMENT OF THE NATIONAL ENDOWMENT FOR THE ARTS.

Section 5 of the Act (20 U.S.C. 954) is amended—

(1) in subsection (c)—

(A) in paragraph (2), by inserting "or tradition" after "authenticity";

(B) in paragraph (5), by inserting "education," after "knowledge,";

(C) by striking "and" at the end of paragraph (7);

(D) by redesignating paragraph (8) as paragraph (10);

(E) by inserting after paragraph (7) the following new paragraphs:

"(8) projects that enhance managerial and organizational skills and capabilities;

"(9) international projects and productions in the arts; and"; and

(F) in the second sentence, by striking "clause (8)" and inserting "paragraph (10)";

(2) in subsection (g)(2)(E)—

(A) in clause (i), by striking "the previous 2 years" and inserting "the most recent year for which information is available"; and

(B) by amending clause (ii) to read as follows:

"(ii) for the most recent year for which information is available, a description of the extent to which projects and productions receiving financial assistance from the State arts agency are available to all people and communities in the State; and";

(3) in subsection (l)(1)—

(A) by striking "and" at the end of subparagraph (E);

(B) by striking the period at the end of subparagraph (F) and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(G) stimulating artistic activity and awareness that are in keeping with the varied cultural traditions of the United States."; and

(4) in subsection (m)—

(A) in the first sentence, by striking "develop" and inserting "employ";

(B) by striking the fourth sentence; and

(C) in the last sentence, by striking "not later than October 1, 1988, and biennially thereafter" and inserting "not later than October 1, 1992, and quadrennially thereafter".

SEC. 103. ESTABLISHMENT OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES.

Section 7 of the Act (20 U.S.C. 956) is amended—

(1) in subsection (a), by striking "a National" and inserting "the National";

(2) in subsection (c)—

(A) by inserting "enter into arrangements, including contracts, grants, loans, and other forms of assistance, to" after "is authorized to";

(B) in paragraph (2), by striking "(including contracts, grants, loans, and other forms of assistance)";

(C) in paragraph (3), by striking "award" and all that follows through "humanities." and inserting "initiate and support training and workshops in the humanities by making arrangements with institutions or individuals.";

(D) in paragraph (7), by striking ", through grants or other arrangements with groups,";

(E) by striking "and" at the end of paragraph (8);

(F) by striking the period at the end of paragraph (9) and inserting "; and"; and

(G) by adding at the end the following new paragraph:

"(10) foster programs and projects that provide access to and preserve materials important to research, education, and public understanding of the humanities.";

(3) in subsection (d), by striking "correlate" and inserting "coordinate";

(4) in subsection (f)—

(A) in paragraph (2)(A) by striking "the humanities council in existence on the date of the enactment of the Arts, Humanities, and Museums Amendments of 1985, as the State agency" and inserting "as the State agency the humanities council in existence on the date of designation";

(B) in paragraph (2)(A)(viii)(I), by striking "previous two years" and inserting "most recent year for which information is available";

(C) in paragraph (2)(A)(viii)(II), by inserting "for the most recent year for which information is available," after "(II)";

(D) in paragraph (3)(J)(i), by striking "previous two years" and inserting "most recent year for which information is available"; and

(E) in paragraph (3)(J)(ii), by inserting "for the most recent year for which information is available," after "(ii)";

(5) in the third sentence of subsection (g), by striking "not later than" and all that follows through "1985";

(6) in the second sentence of subsection (h)(2)(B), by striking "Endowment on" and inserting "Endowment for";

(7) in subsection (k)—

(A) in the first sentence, by striking "develop" and inserting "employ";

(B) by striking the third sentence; and

(C) in the last sentence, by striking "October 1, 1988, and biennially thereafter" and inserting "October 1, 1992, and quadrennially thereafter";

(8) by amending subsection (l) to read as follows:

"(l) A group shall be eligible for financial assistance under this section only if—

"(1) no part of the net earnings of the group inures to the benefit of any private stockholder or individual; and

"(2) donations to the group are allowable as a charitable contribution under section 170(c) of the Internal Revenue Code of 1986."; and

(9) by adding at the end the following new subsection:

"(m) The Chairperson of the National Endowment for the Humanities, with the advice of the National Council on the Humanities, is authorized to make the following annual awards:

"(1) The Jefferson Lecture in the Humanities Award to honor an individual for distinguished intellectual achievement in the humanities. The annual award shall not exceed $10,000.

"(2) The Charles Frankel Prize to honor persons who have made outstanding contributions to the public understanding of the humanities. Up to five persons may receive the award each year. No award shall exceed $5,000.".

SEC. 104. ESTABLISHMENT OF THE FEDERAL COUNCIL ON THE ARTS AND HUMANITIES.

Section 9 of the Act (20 U.S.C. 958) is amended by striking subsection (d).

SEC. 105. ADMINISTRATIVE PROVISIONS.

Section 10 of the Act (20 U.S.C. 959) is amended—

(1) in subsection (a)(6), by striking "529" and inserting "3324";

(2) by striking subsections (e) and (f);

(3) by redesignating subsections (b), (c), and (d) as subsections (e), (f), and (g), respectively;

(4) by designating the second through the fifth sentences of the existing subsection (a) as subsection (b);

(5) by designating the sixth through the eighth sentences of the existing subsection (a) as subsection (c);

(6) by designating the ninth through the eleventh sentences of the existing subsection (a) as subsection (d);

(7) in subsection (c) (as designated by paragraph (5)), by striking "clause (4)" and inserting "subsection (a) (4)"; and

(8) in subsection (g)(3) (as redesignated by paragraph (3)), by striking "the last sentence of subsection (a)" and inserting "subsection (d)".

SEC. 106. AUTHORIZATION OF APPROPRIATIONS.

Section 11 of the Act (20 U.S.C. 960) is amended—

(1) in subsection (a)—

(A) in the first sentence of paragraph (1)(A), by striking "$121,678,000" and all that follows through "section 5(g)" and inserting "$125,800,000 for fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992 through 1995";

(B) in the first sentence of paragraph (1)(B), by striking "95,207,000" and all that follows through "section 7(f)" and inserting "$119,900,000 for fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992 through 1995";

(C) in paragraph (1), by striking subparagraph (C);

(D) in paragraph (2)(A)—

(i) by striking "1990" and inserting "1995";

(ii) by striking "paragraph (8)" and inserting "paragraph (10)"; and

(iii) by striking "$8,820,000" and all that follows through "1989 and 1990" and inserting "$13,000,000 for fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992 through 1995";

(E) in paragraph (2)(B)—

(i) by striking "1990" and inserting "1995"; and

(ii) by striking "$10,780,000" and all that follows through "1989 and 1990" and inserting "$12,000,000 for fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992 through 1995";

(F) in paragraph (3)(A)—

(i) by striking "1990" and inserting "1995"; and

(ii) by striking "$20,580,000" and all that follows through "1989 and 1990" and inserting "$15,000,000 for fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992 through 1995";

(G) in paragraph (3)(B)—

(i) by striking "1990" and inserting "1995"; and

(ii) by striking "$19,600,000" and all that follows through "1989 and 1990" and inserting "$15,150,000 for fiscal year 1991 and such sums as may be necessary for each fiscal year 1992 through 1995"; and

(H) in paragraph (3), by striking subparagraph (C) and redesignating subparagraph (D) as subparagraph (C);

(2) in subsection (c)—

(A) in the first sentence of paragraph (1), by striking "$15,982,000" and all that follows through "fiscal years 1989 and 1990" and inserting "$21,200,000 for fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992 through 1995"; and

(B) in paragraph (2)—

(i) in the first sentence, by striking "$14,291,000" and all that follows through "fiscal years 1989 and 1990" and inserting "$17,950,000 for fiscal year 1991 and such

sums as may be necessary for each of the fiscal years 1992 through 1995"; and

(ii) in the second sentence, by striking "or any other source of funds"; and

(3) by amending subsection (d) to read as follows:

"(d)(1) The total amount of appropriations to carry out the activities of the National Endowment for the Arts shall be $175,000,000 for fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992 through 1995.

"(2) The total amount of appropriations to carry out the activities of the National Endowment for the Humanities shall be $165,000,000 for fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992 through 1995.".

TITLE II—MUSEUM SERVICES

SEC. 201. NATIONAL MUSEUM SERVICES BOARD.

Section 204 of the Museum Services Act (hereafter in this title referred to as the "Act") (20 U.S.C. 963) is amended—

(1) in subsection (a)(1)(A), by inserting "conservational," after "curatorial,"; and

(2) in subsection (d)(1), by striking "four" and inserting "three".

SEC. 202. DIRECTOR OF THE INSTITUTE.

Section 205(a) of the Act (20 U.S.C. 964(a)) is amended—

(1) in paragraph (1), by striking "be compensated at the rate provided for level V of the Executive Schedule (5 U.S.C. 5316), and shall"; and;

(2) in paragraph (2), by striking "Chairperson's" and inserting "Director's".

SEC. 203. ACTIVITIES OF THE INSTITUTE.

Section 206 of the Act (20 U.S.C. 965) is amended—

(1) in subsection (a)(5), by striking "artifacts and art objects" and inserting "museum collections"; and

(2) in subsection (b)—

(A) in paragraph (1), by striking "with professional museum organizations", "to such organizations", and "enable such organizations";

(B) in paragraph (2)(B), by striking—

(i) "the"; and

(ii) "of any professional museum organization";

(C) in paragraph (2), by striking "(A)" and all that follows through "(B)";

(D) in paragraph (3), by striking "to professional museum organizations"; and

(E) by striking paragraph (4).

SEC. 204. AUTHORIZATION OF APPROPRIATIONS.

Section 209 of the Act (20 U.S.C. 967) is amended—

(1) by amending subsection (a) to read as follows:

"(a) For the purpose of making awards under section 206, there are authorized to be appropriated $24,000,000 for fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992 through 1995."; and

(2) in subsection (d)—

(A) by striking "during the period beginning on the date of the enactment of this Act and ending October 1, 1990,"; and

(B) by inserting "for each of the fiscal years 1991 through 1995" after "to be appropriated".

TITLE III—MISCELLANEOUS

SEC. 301. INDEMNITY AGREEMENT.

Section 5 of the Arts and Artifacts Indemnity Act (20 U.S.C. 974) is amended—

(1) in subsection (b), by striking "$1,200,000,000" and inserting "$3,000,000,000";

(2) in subsection (c), by striking "$125,000,000" and inserting "$300,000,000"; and

(3) in subsection (d)—

(A) by striking "or" at the end of paragraph (2); and

(B) by striking paragraph (3) and inserting the following new paragraphs:

"(3) $10,000,000 but less than $125,000,000, then coverage under this Act shall extend to loss or damage in excess of the first $50,000 of loss or damage to items covered;

"(4) $125,000,000 but less than $200,000,000, then coverage under this Act shall extend to loss or damage in excess of the first $100,000 of loss or damage to items covered; or

"(5) $200,000,000 or more, then coverage under this Act shall extend only to loss or damage in excess of the first $200,000 of loss or damage to items covered.".

SEC. 302. STUDY OF ALTERNATIVE FUNDING OF THE HUMANITIES.

Section 401 of the Arts, Humanities and Museums Amendments of 1985 (Public Law 99-194; 99 Stat. 1345) is repealed.

SEC. 303. POSITIONS AT LEVEL IV.

Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Director of the Institute of Museum Services".

ARTS, HUMANITIES, AND MUSEUMS AMENDMENTS OF 1990—SECTION-BY-SECTION ANALYSIS

To amend the National Foundation on the Arts and the Humanities Act of 1965, as amended (20 U.S.C. 951, *et seq.*), and for other purposes.

TITLE I: NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES

Section 101

Section 101(1) of the bill amends the definition of "the arts" in section 3(a) of the National Foundation on the Arts and the Humanities Act of 1965, hereafter referred to as "Act", to recognize explicitly the inclusion of the traditional arts as practiced throughout the country within that term.

Section 101(2) of the bill amends the definition of the term "project" in section 3(d) of the Act to underscore that programs which enhance public knowledge and understanding of the arts should be available to all peoples throughout the nation.

Section 101(3) of the bill changes the internal section references of section 3(d) of the Act to the Code section numbers and amends the definition of "project" in section 3(d) of the Act so that a National Endowment for the Humanities (NEH) preservation project could use grant funds for renovation and construction purposes. Currently, NEH may fund renovation and construction purposes. Currently, NEH may fund renovation and construction activities only with challenge grants funds.

Section 102

Section 102(1) of the bill makes several changes to section 5(c) of the Act. Paragraph (2) is amended to recognize that excellence is embodied in the artistic standards applicable to the traditional arts. Paragraph (5) is amended to reference education explicitly among the types of arts projects which may be supported. New paragraphs (8) and (9) are added: the former describing authority to provide organizational and managerial assistance to arts organizations; the latter recognizing the authority of the National Endowment for the Arts (NEA) to support international arts activities. Paragraph (9) conforms the NEA's basic grantmaking authority to that of the NEH, which was amended for this purpose in 1985.

Section 102(2) of the bill revises certain reporting requirements for state arts agencies as outlined in section 5(g)(2)(E) of the Act. Currently, state arts agencies are required by the Act to provide information annually on their activities over the preceding two years. The bill requires this information to be reported annually only for the most recent preceding year for which information is available. The bill changes the requirement of reporting this information from the preceding two years to only the preceding year because elsewhere, the state has already agreed to provide annual reports. This method was decided upon after a costly and intense study undertaken with the state arts agencies to create an annual information collection system. The change would also prevent the undesirable effect of receiving duplicative information. The bill also increases the scope of the reporting requirement to include all projects funded by the arts agencies. This change also makes the requirement more compatible with existing state information.

Section 102(3) of the bill amends the NEA Challenge Grant program authority as outlined in section 5(l)(1) of the Act to include a new emphasis for the use of Challenge grants: stimulating artistic activity and awareness with respect to the varied cultural traditions throughout the nation.

Section 102(4) of the bill strikes out the requirement in section 5(m) of the Act that a "national information and data collection" system be *developed* by NEA and inserts a requirement that such a system be *employed*. This change is being made because the system has already been developed pursuant to the requirements of the 1985 reauthorization. The provision that a plan be submitted to Congress within one year of the effective date of the 1985 Act has been accomplished and, therefore, that provision is also being deleted. The provision of the last sentence which currently provides that the state of the arts report was to be submitted by October 1, 1988 and biennially thereafter. The report for 1988 was submitted and a second one will be submitted in accordance with the current law by October 1, 1990. The bill would require submission of the next report in 1992, and quadrennially thereafter. Generally, changes in the arts fields do not occur so rapidly as to warrant a full-scale report to the Congress and the President every two years. A four-year interval would provide more perspective and thus permit a more significant report. Developments that might occur between reports could be brought to the attention of Congress through the NEA planning documents, Congressional budget submissions and reports, or other appropriate formats.

Section 103

Section 103(1) of the bill amends the current statutory language to provide that the National Endowment for the Humanities is being created. The current language states that "a" National Endowment is being created.

Section 103(2) of the bill amends the introductory paragraph of section 7(c) of the Act to provide for the different means by which the NEH chairperson may carry out the nine program areas set forth. The amendment specifically provides that "contracts, grants, loans, and other forms of assistance" may be used by the Chairperson. The understanding has always been that

the Chairperson has had such authority, even though such references only appear in paragraphs 2, 3 and 7 of Section 7(c) of the Act. Congress provided NEA with express authority to enter into contracts in 1967 when Section 7(c) was amended to provide authority to carry out a program of "contracts with, or grants-in-aid to, groups or . . . individuals . . ." Because the general authority has been extended to all programs, reference to the particular methods, e.g., contracts, grants and loans, in paragraphs 2, 3, and 7 of Section 7(c) have been deleted.

Also, it amends Section 7(c) of the Act by adding paragraph (10), which pertains to fostering interchange of information in the humanities, by adding to the Chairperson's authority to foster programs and projects which provide access and preservation of certain materials. Reference to "projects" allows preservation funds to be used for renovation and construction.

Section 103(3) of the bill makes a technical correction in the term used in section 7(d) of the Act to describe the Chairperson's responsibility for coordinating NEH's programs with other federal programs.

Section 103(4)(A) of the bill specifies that whenever a State chooses to establish a State agency to administer the State's humanities plan, that State must designate the humanities council which is in existence on the date the State agency is established as the State agency. The current statutory language in section 7(f)(2)(A) requires only that humanities councils "in existence on the date of the enactment of the Arts and Humanities Act of 1985" are eligible to be designated the sole State agency. Such groups might no longer exist.

Section 103(4)(B–C) of the bill revises certain reporting requirements for state humanities agencies, even though there are no such agencies at this time. Currently, state humanities agencies, if any existed, would be required to provide certain data on an annual basis under section 7(f)(2)(A)(viii)(I) and (II) of the Act. This requirement in current law relates to the level of participation by scholars and scholarly organizations and the extent to which programs are available to all people and communities in a given state. The bill changes the reporting requirements for these data from information for the preceding two years to the preceding year for which the information is available. With this change, information from only the preceding year is necessary. Annual reporting of this type of data is more compatible with existing state information systems.

Section 103(4)(D–E) of the bill makes the same reporting changes to section 7(f)(3)(J)(i) and (ii) of the Act for state humanities councils or committees as was provided for in Section 103(4)(B–C) with respect to state humanities agencies.

Section 103(5) of the bill is amended to delete the date by which the Secretary of Labor was to prescribe standards. The deadline has been met and the deletion does not affect the Secretary's authority to prescribe standards, regulations, and procedures.

Section 103(6) of the bill corrects the name of the National Endowment for the Humanities as misstated in section 7(h)(2)(B).

Section 103(7) of the bill strikes out the requirement in section 7(k) of the Act that a "national information and data collection" system be developed by NEH and inserts a requirement that such a system be employed. This change is being made because the system has already been developed pursuant to the requirements of the 1985 Act. The provision that a plan be submitted to Congress within one year of the effective date of the 1985 Act has been accomplished and, therefore, that provision is being deleted. The foregoing are the same being recommended for NEA in Section 102(4)(A) of the bill. The last sentence of Section 7(k) currently provides that the state of the humanities report was to be submitted by October 1, 1988 and biennially thereafter. The report for 1988 was submitted and a second one will be submitted in accordance with current law by October 1, 1990. The bill would require submission of the next report in 1992, and quadrennially thereafter. Generally, changes in the humanities field do not occur so rapidly as to warrant a full-scale report to the Congress and President every two years. A four-year interval would probably provide more perspective and thus permit a more significant report. Developments that might occur between reports could be brought to the attention of Congress through NEH planning documents, Congressional budget submissions and reports, or other appropriate formats.

Section 103(8) of the bill repeals subsection 7(1) of the Act which required that a plan be submitted by NEH to the Equal Employment Opportunity Commission by January 31, 1986. Such a report was presented to EEOC by the date indicated, fulfilling the requirements of this subsection. NEH continues to be in compliance with EEOC requirements which no longer include submission of goals and timetables for agencies with less than 500 employees.

In place of the foregoing provision which has been deleted, a new provision has been inserted to require that a group applicant must meet certain statutory tests in order to qualify as a non-profit organization. This new provision is the same as the one found in Section 5(f) of the Act and is being added to be in conformity with NEA's provision.

A new subsection (m) has been added to Section 7 of the Act to provide express authority to the Chairperson, with the advice of the National Council on the Humanities, to make an annual $10,000 award to the Jefferson Lecturer and up to five $5,000 awards to persons selected to be recipients of the Charles Frankel Prize. These awards have been given in the past by NEH with the knowledge and implicit approval of Congress. The NEA has the National Medal of Arts award program which was established in 1983.

Section 104

Section 104 of the bill repeals subsection 9(d) of the Act. Section 9(d) required the Federal Council on the Arts and the Humanities to undertake a study pertaining to museums and the Institute of Museum Services. A report based on this study was presented to Congress in February 1988, thereby fulfilling the requirement of this subsection.

Section 105

Section 105(1–8) of the bill amends the statutory reference in Section 10(a)(6) of the Act to reflect the renumbering by Congress of former section 529 as new section 3324. The bill further amends the unnumbered paragraph following paragraph (8) of section 10(a) of the Act by making it new paragraph (b). The bill further amends said unnumbered paragraph as paragraphs (c) and (d), at the places where mention is made of the selection of panels of experts and their duties. These new subsections were created because they did not relate to the preceding paragraph (8) and dealt with seperate subject matters. By virtue of adding these two new subsections, the subsequent subsections (b), (c), and (d) have been redesignated as (e), (f), and (g). Two subsections have been deleted. Subsection (e) required a joint study of arts and humanities education to be conducted by the two Endowments and the Secretary of Education. The study was completed and the report made to the various committees of Congress by the date indicated, thereby fulfilling the requirements of this subsection. Subsection (f) required the two Endowments to submit reports to Congress detailing the procedures used in selecting experts for appointment to panels and the procedures used by the panels in making recommendations for funding applications. Both studies were completed and submitted to Congress, thereby fulfilling the requirements of this subsection.

Section 106

Section 106(1)(A) of the bill provides for a five year authorization of definite program appropriations for NEA, for fiscal years 1991 through 1995. It authorizes $125,800,000 for fiscal year 1991, and such funds as may be necessary for the remaining fiscal years.

Section 106(1)(B) of the bill provides for a five year authorization of definite program appropriations for NEH, for fiscal years 1991 through 1995. It authorizes $119,900,000 for fiscal year 1991, and such sums as may be necessary for the remaining fiscal years.

Section 106(1)(C) of the bill strikes section 11(a)(1)(C) of the Act which provided for a one-time appropriation of funds for fiscal year 1977.

Section 106(1)(D) of the bill extends the authorization of appropriations for NEA's Treasury funds for five years. It authorizes $13,000,000 for fiscal year 1991, and such sums as may be necessary for the remaining fiscal years.

Section 106(1)(E) of the bill extends the authorization of appropriations for NEA's Treasury funds for five years. It authorizes $12,000,000 for fiscal year 1991, and such sums as may be necessary for the remaining years.

Section 106(1)(F) of the bill extends the authorization of appropriations for NEA's Challenge Grant Program for five years, through fiscal year 1995. It authorizes $15,000,000 for fiscal year 1991, and such sums as may be necessary for the remaining fiscal years.

Section 106(1)(G) the bill extends for NEA's authorization of appropriations for Challenge grants for five years, through fiscal year 1995. It authorizes $15,150,000 for fiscal year 1991, and such sums as may be necessary for the remaining fiscal years.

Section 106(1)(H) of the bill deletes the requirement of section 11(a)(3)(C) of the Act that if at the end of the ninth month of any fiscal year Challenge Grant funds cannot be used by one of the Endowments, that Endowment shall transfer the unused funds to the other Endowment. This provision has been in the law since 1976 when the Challenge program was first established for the two Endowments but has never been used. At the inception of this new program, there may have been the concern that Challenge grantees might not be able to meet the 3 to 1 matching requirements which would result in some of the appropriated funds not being used during the fiscal year. However, such a conern has not been borne

out. Therefore, deletion of the transfer provision is consistent with the experience of the two Endowments and the independence they have as to all other programs.

Section 106(2)(A) of the bill extends the authorization of appropriations for the administrative funds for the NEA by authorizing $21,200,000 for fiscal year 1991, and such sums as may be necessary for the remaining fiscal years.

Section 106(2)(B) of extends the authorization of appropriations for administrative funds for NEH by authorizing $17,950,000 for fiscal year 1991, and such sums as may be necessary for the remaining fiscal years. It also restricts the $35,000 cap on the use of funds for reception and representation expenses only to appropriated funds. Funds reserved by NEH from other sources, such as gifts and bequests would not be subject to the $35,000 limitation. Rising costs relating to events that we propose to make statutory, such as the Jefferson Lecture and the Frankel Prize make this change advisable.

Section 106(3) of the bill amends section 11(d)(1) and (2) of the Act to extend the authorization of appropriations for the two Endowments for five years and authorizes $175,000,000 for the National Endowment for the Arts and $165,000,000 for the National Endowment for the Humanities for fiscal year 1991, and such sums as may be necessary for the remaining fiscal years.

TITLE II: MUSEUM SERVICES

Section 201

Section 201(1) of the bill amends section 204(a)(1)(A) of the Act to add "conservation" to the types of resources that are to be represented by the membership of the National Museum Services Board. This addition emphasizes the importance of conservation concerns to IMS programs, the museum community and the general public.

Section 201(2) of the bill changes the annual minimum number of meetings required for the National Museum Services Board from four as stated in section 204(d)(1) of the Act to three. It conforms the authorizing legislation to actual practice, as approved annually by the Congress in appropriations acts.

Section 202

Section 202(1) of the bill removes the restriction on salary level of the IMS Director as prescribed in section 205(a)(1) of the Act. The Director's compensation level is to be provided for in Chapter 53 of title 5 of the U.S. Code by the amendment contained in section 303 of the bill.

Section 202(2) of the bill corrects a drafting error in section 205(a)(2) of the Act, which refers to the "Chairperson" rather than the "Director."

Section 203

Section 203(1) of the bill changes the reference in section 206(a)(5) of the Act to "artifacts and art objects" to "collections" to symbolize the importance of conserving all types of materials in the collections of the various types of museums supported by IMS. Muesums eligible for IMS programs include, for example, zoos and botancial gardens, historic houses, and science and technology centers as well as art and other types of museums.

Section 203(2) of the bill eliminates the two restrictions on the funding of projects to strengthen museum services (section 206(b)(1), (2), (3), and (4) of the Act). First, it removes the provisions limiting funding to professional museum organizations. This change would allow IMS to fund other types of organizations which propose worthwhile projects.

Second, it removes the one-year limit on these projects (section 206(b)(2)(A) of the Act). The limit prevents extending the availability of funding in cases where a project is delayed by unexpected circumstances and prevents high quality, beneficial projects from being funded if they cannot be completed in one year. The following provision is renumbered to reflect the deletion.

Section 204

Section 204(1) of the bill extends, for five years, the authorization of appropriations for all IMS programs, as well as the authorization of appropriations to match contributions to IMS (section 209 of the Act). The bill authorizes $24,000,000 for fiscal year 1991, and such sums as may be necessary for the remaining fiscal years.

TITLE III: MISCELLANEOUS

Section 301

Section 301(1) of the bill amends section 5(b) of the Arts and Artifacts Indemnities Act, referred to as "Act" through section 301 of this section-by-section analysis, by increasing the aggregate level of insurance available for international exhibitions under the Act at any one time to $3,000,000,000. The current statutory limit is $1,200,000,000. This increase is necessary to meet the demand for coverage under the Act and to make the benefits of the Act more widely available. This increase is justified by the continuing escalation in art market values since the current limit was established. The availability of this insurance is key to staging international exhibitions. Since this program was instituted in 1975, there have been only two valid claims totalling $104,000. Based on experience under this Act, it is anticipated that this amendment will have no significant budgetary impact.

Section 301(2) of the bill amends section 5(c) of the Act by increasing the amount of insurance available for a single exhibition to $300,000,000. The current limit is $125,000,000. This increase is necessary to provide adequate coverage of international loans protected by the Act. The higher limit is a realistic accommodation of the effects of the dramatic increase in the value of art objects since the current limit was established. Availability of this insurance is key to staging international exhibitions. Since this program was instituted in 1975 only two certified claims totaling $104,000 have been presented. Based on experience, it is anticipated that this amendment will have no significant budgetary impact.

Section 301(3) of the bill amends section 5(d) of the Act by amending the deductible amounts under indemnity agreements by adding layers of $100,000 and $200,000, based on the total value of the exhibition. The current statutory limits are $15,000, $25,000, and $50,000, depending upon the value of the exhibition. The sliding scale formula used to determine the current limits should be applied to the increase in the per exhibition ceiling. The deductible layers protect the U.S. Treasury from multiple claims for minor losses or damage. This amendment would actually limit the budgetary impacts or claims against the Federal government by increasing the exposure of the exhibition organizer who would be responsible for arranging for additional insurance to cover the deductible amount.

Section 302

Section 302 of the bill repeals Title IV of the Arts, Humanities, and Museums Amendments of 1985 which directed the Comptroller General to conduct a study to determine the feasibility of establishing a revolving fund comprised of payments made to the Federal government for right to use artistic and other works in the public domain with the funds to be used to supplement funding of the agencies under this Act. Work on the project was terminated after the Comptroller General's office consulted with members of Congress and determined that the study should not be pursued.

Section 303

Section 303 of the bill amends 5 U.S.C. 5315 to add the Director of the Institute of Museum Services to level IV of the Executive Schedule for compensation purposes. Section 202(1) of the bill removes the level V provision which was included on the enabling legislation. The Director's compensation level was set at level V when the agency's budget was $3 million and the Director reported to the Director of Health, Education, and Welfare. The budget and degree of responsibility have increased substantially in the last fourteen years. The budget is now $23 million and the Director reports to the President. The level IV more appropriately reflects the director's responsibilities and role as advocate for the Nation's museums.

Section 304

Section 304 of the bill makes these amendments effective on the date of enactment.

Mr. DODD. Mr. President, I rise today in strong support of the bill being introduced to reauthorize the National Endowment for the Arts [NEA]; the National Endowment for Humanities [NEH]; and the Institute for Museum Sciences [IMS]. The measure introduced by Senator PELL is the administration's original reauthorization package—free of content restrictive language—and authorizes the NEA, NEH, and IMS each for 5 years.

For over 25 years our Nation's cultural heritage has been enhanced by the NEA, NEH, and IMS. The modest amount of Federal dollars appropriated each year to encourage and support cultural and artistic projects make a world of difference. As John Frohnmayer discussed in his testimony before the Subcommittee on Education, Arts, and Humanities on March 29, in just 1988, the Federal contribution of $119 million in NEA grants generated over $1.6 billion in private funding of the arts.

The controversy over this year's reauthorization centers unfortunately on the NEA and the funding of a few controversial projects. We stand to lose a great deal if Members of Congress succeed in adding additional content restrictive language to the bill. The NEA Chairman has always had the authority to deny funding to an arts project. For this reason, I opposed including language in H.R. 2788 to mandate that the NEA not award a grant to a project considered obscene or absent of serious literary, artistic, political, or scientific value. I would steadfastly oppose any efforts to further mandate how the NEA should de-

termine who is eligible for Federal support.

Of the 85,000 NEA grants awarded in the last 25 years, fewer than 20 have been controversial. Some feel that the funding of a few controversial projects is enough to warrant eliminating the NEA or restricting the NEA's authority. However, if only 0.025 percent of the 85,000 grants are controversial, it seems to me that the current funding system works. These isolated incidents are not reason enough to consider eliminating or interfering with the authority of the NEA or restricting artistic creativity. The NEA deserves our full support.

One of our cherished rights in this country is the freedom of expression. We may not always like what we hear, see, or read. However, any effort to restrict such expression will only erode our first amendment rights. For this reason, I strongly urge my colleagues to join me in supporting the reauthorization package being introduced today and to oppose any further restrictions on artistic content.

Mr. CHAFEE. Mr. President, I am pleased to join with Senator PELL and others in introducing a 5-year reauthorization bill for the National Endowment for the Arts, or NEA.

This bill will serve as a basis for discussion as the Senate Labor Subcommittee on Education, Arts, and Humanities continues its hearings on both the NEA and the relationship between art and government.

Much has been said over the past year about the NEA. It is my hope that this bill will spur calm and reasoned discussion about the NEA. Such a worthwhile agency deserves our careful attention, and we must not be hasty in our actions.

I would like to applaud President Bush for his strong and steady backing of the arts. The President has shown that he both admires and is proud of our world-renown American creativity, and that he has faith in the good judgment of NEA Chairman John Frohnmayer, his colleagues, and the American people. I join many Rhode Islanders in thanking him for his words of support for the NEA.

My home State of Rhode Island is small in size, but rich in cultural and artistic activity. For us, the NEA has had a far reaching and positive impact on our children, our communities, and even our economy. I hope that we in Congress will be able to ensure that this positive impact continues.

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 2725. A bill to amend the Employee Retirement Income Security Act of 1974 with respect to the preemption of the Hawaii Prepaid Health Care Act; to the Committee on Labor and Human Resources.

PREEMPTION OF HAWAII PREPAID HEALTH CARE ACT

Mr. AKAKA. Mr. President, I rise today to introduce legislation on behalf of myself and the senior Senator from Hawaii that will provide the State of Hawaii with a full exemption from the Employee Retirement Income Security Act of 1974 [ERISA]. This will permit the State to rectify inconsistencies in its innovative approach to health care.

Hawaii has done what other States and the Federal Government have not been able to do: Enact universal health care coverage for all its citizens.

Hawaii has achieved this unique status through a network of three major health care programs: The Hawaii Prepaid Health Care Act of 1974, which covers 88 percent of the population; the State's Medicaid Program, which uses Federal and State funds to guarantee access to care for the 7 percent of the population at the bottom rung of the economic ladder; and the new State Health Insurance Program, 5 percent of the population ineligible for either prepaid health care or Medicaid.

However, maintaining this health care network has not always been easy, and the Federal Government has sometimes been the greatest obstacle to universal coverage. As evidence of this, I point to the State's experience with the Hawaii Prepaid Health Care Act, which requires employers to provide certain minimum health care coverage for their employees.

In 1980, the Ninth Circuit Court of Appeals held that the preemption clause in Employee Retirement Income Security Act of 1974 prevented the State of Hawaii from enacting minimum health care requirements for employers governed by ERISA. The U.S. Supreme Court affirmed the lower court ruling, and concluded that relief could come only from Congress.

Soon thereafter, I sponsored legislation to grant an exemption for the Hawaii statute. After much debate in Congress, a limited ERISA exemption was signed into law. However, the exemption was not prospective and only permitted the State to require the specific benefits set forth in its 1974 statute.

An unfortunate consequence of the Federal enactment has been that the Hawaii Prepaid Health Care Act has been "frozen in time," as of January 14, 1983, the date the ERISA exemption was signed into law. There is an urgent need to bring the State statute up to date, for there have been no amendments since the State's 1974 statute was enacted.

Mr. President, it is wrong to prevent a State that has been at the forefront of enlightened approaches to health care from making changes which broaden essential areas of coverage. Hawaii should not have to resort to back-door approaches in order to extend basic health care to its citizens. My legislation will permit the State to address these issues and upgrade its successful health care programs.

Hawaii has a substantial investment in its prepaid health care law, and once granted the flexibility that my bill would provide, its provisions will serve as a model for State and Federal Governments to emulate.

Mr. President, I hope my colleagues will support this bill, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2725

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PREEMPTION OF HAWAII PREPARED HEALTH CARE ACT.

Section 514(b)(5) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1144(b)(5)) is amended to read as follows:

"(5)(A) Except as provided in subparagraph (B), subsection (a) shall not apply to the Hawaii Prepaid Health Care Act (Haw. Rev. Stat. §§ 393-1 through 393-51).

"(B) Nothing in subparagraph (A) shall be construed to exempt from subsection (a) any State tax law relating to employee benefit plans."

By Mr. MOYNIHAN:

S.J. Res. 334. Joint resolution to recognize the Mozart Bicentennial, to be observed at the Lincoln Center in New York City, NY, as a national observance of the 200th anniversary of the death of Wolfgang Amadeus Mozart; to the Committee on the Judiciary.

OBSERVANCE OF THE 200TH BIRTHDAY OF WOLFGANG AMADEUS MOZART

● Mr. MOYNIHAN. Mr. President, I rise today to introduce legislation to pay tribute to one of the world's greatest composers, Wolfgang Amadeus Mozart, by asking that Congress recognize the Mozart Bicentennial Program to be performed in New York City at Lincoln Center from January 1991 through August 1992 as a national observance of the 200th anniversary of Mozart's death.

The bicentennial program at Lincoln Center will be the first occasion that Mozart's complete works will be presented under one auspice. This grand undertaking will be presented by the distinguished resident companies at Lincoln Center: The Metropolitan Opera, the New York Philharmonic, the New York City Ballet, the New York City Opera, the Chamber Music Society of Lincoln Center, the Julliard School, the Film Society of Lincoln Center, the Lincoln Center Theater, the School of American Ballet, the New York Public Library at Lincoln Center, and the Lincoln Center for the Performing Arts, Inc.

Born in Salzburg, Austria, the son of a violinist and composer, Wolfgang Amadeus Mozart displayed early signs of genius. By the age of 5 he was composing minuets; at 12, operas. Mozart played before several imperial courts by age 6 and was hugely successful while touring. He was exposed to and influenced by the music of Johann Christain Bach and Franz Haydn, both of whom played large roles in molding Mozart's works. Mozart composed his first symphonies under J.C. Bach's guidance. In 1772, Mozart's style changed from light rococo in the Haydn-influenced Sturm und Drang, storm-and-stress style. At age 22, Mozart was considered a mature composer, yet he could not find a permanent appointment. So he returned to Archbishiop Colloredo, with whom his relations were turbulent. Soon after, the archbishop severed his ties with Mozart leaving him without any official patronage. Despite the lack of a steady income, Mozart wrote some of his greatest works during this period—including "Jupiter," "The Marriage of Figaro," "Don Giovanni," and six quartets dedicated to Haydn. These are but a few of his masterpieces. Years later, Joseph II, emperor of Austria, engaged him as chamber composer. This brilliant musician died indigent on December 15, 1791 at the age of 36. He was buried in a pauper's grave with no attendants at his funeral.

Generally, acknowledged as a member of the Viennese Classical School, Mozart himself never created a school of his own. In spite of his musical genius, the majority of his works were not published until after his death. Yet Mozart had mastered every musical form from symphony to sonata to opera with a staggering ability and a profound understanding of the beauties and subtleties of each. Perhaps Mozart's greatest achievement lay in the quality of his operatic characters. His characterizations revealed basic human frailties. Unlike other composers, Mozart developed character who grew throughout the opera, creating a work which was much more dramatic and personal than that of his predecessors.

On the 200th anniversary of Mozart's death it is most appropriate to comment upon the work that literally consumed his life, his "Requiem" Mass. The "Requiem" Mass is a piece best remembered by its tragic beauty, and the manner in which it spirals inevitably toward the final, fatal passages, resolving into a tranquil peace. Mozart's "Requiem" Mass seems guided by Polyhymnia, the muse for sacred song.

Though his passing may have gone unattended in his day, Mozart's contribution to our country's cultural heritage should not be ignored. Lincoln Center's national observance will serve to remind us of Mozart's passion, vision, and dedication to his art. But most importantly, this grand celebration will share the beauty of Mozart's musical legacy. How better to honor this brilliant artist?●

ADDITIONAL COSPONSORS

S. 47

At the request of Mr. CRANSTON, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 47, a bill to prohibit discrimination on the basis of affectional or sexual orientation, and for other purposes.

S. 659

At the request of Mr. SYMMS, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 659, a bill to repeal the estate tax inclusion related to valuation freezes.

S. 1878

At the request of Mr. GRAHAM, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of S. 1878, a bill to amend title XIX of the Social Security Act to allow for State matching payments through voluntary contributions and State taxes.

S. 1946

At the request of Mr. CRANSTON, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 1946, a bill to amend various provisions of law to ensure that services related to abortion are made available in the same manner as are all other pregnancy-related services under federally funded programs.

S. 2041

At the request of Mr. SYMMS, the names of the Senator from Washington [Mr. GORTON] and the Senator from Utah [Mr. HATCH] were added as cosponsors of S. 2041, a bill to amend title XVIII of the Social Security Act to provide uniform national conversion factors for services of certified registered nurse anesthetists.

S. 2044

At the request of Mr. BIDEN, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 2044, a bill to require tuna products to be labeled respecting the method used to catch the tuna, and for other purposes.

S. 2077

At the request of Mr. GRASSLEY, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 2077, a bill to amend the Federal Aviation Act of 1958 to limit the age restrictions imposed upon aircraft pilots.

S. 2152

At the request of Mr. MCCONNELL, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 2152, a bill to provide for international negotiations to achieve agreement on regulation of certain precursor and essential chemicals critical to the manufacture and trafficking of illicit narcotics.

S. 2229

At the request of Mr. DODD, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 2229, a bill to reauthorize the Head Start Act for fiscal years 1991 through 1994, and for other purposes.

S. 2247

At the request of Mr. GRAHAM, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 2247, a bill to establish the Florida Keys National Marine Sanctuary in the State of Florida, and for other purposes.

S. 2312

At the request of Mr. SYMMS, the name of the Senator from North Dakota [Mr. BURDICK] was added as a consponsor of S. 2312, a bill to amend the Internal Revenue Code of 1986 to exclude from gross income payments made by public utilities to customers to subsidize the cost of energy and water conservation services and measures.

S. 2517

At the request of Mr. LEVIN, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 2517, a bill to provide that any distribution permitted under the Internal Revenue Code of 1986 to a first time home buyer from the individual retirement account of the home buyer, or the home buyer's parents or grandparents be free from the 10 percent penalty for early distributions.

S. 2604

At the request of Mr. GRAHAM, the name of the Senator from Iowa [Mr. GRASSELY] was added as a cosponsor of S. 2604, a bill to facilitate the use of pesticides that are registered for agricultural minor uses, to establish the Inter-Regional Research Project No. 4 (IR-4 Program), and for other purposes.

S. 2611

At the request of Mr. HARKIN, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 2611, a bill to authorize assistance to the Washington Center for Internships and Academic Seminars.

S. 2638

At the request of Mr. GRASSLEY, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 2638, a bill to authorize the Secretary of the Army to provide shoreline projects to maintain certain flood control projects on the Mississippi and Iowa Rivers.

S. 2647

At the request of Mr. KENNEDY, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 2647, a bill to provide for the admission of the State of New Columbia into the Union.

S. 2712

At the request of Mr. KOHL, his name was added as a cosponsor of S. 2712, a bill to establish a Financial Services Crime Divisions in the Department of Justice.

At the request of Mr. GRAHAM, the names of the Senator from Nebraska [Mr. EXON], the Senator from Connecticut [Mr. DODD], and the Senator from North Carolina [Mr. SANFORD] were added as cosponsors of S. 2712, supra.

SENATE JOINT RESOLUTION 274

At the request of Mr. LAUTENBERG, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of Senate Joint Resolution 274, a joint resolution to designate the week beginning June 10, 1990, as "National Scleroderma Awareness Week."

SENATE JOINT RESOLUTION 283

At the request of Mr. CRANSTON, the names of the Senator from Michigan [Mr. RIEGLE], the Senator from Massachusetts [Mr. KERRY], the Senator from Hawaii [Mr. AKAKA], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of Senate Joint Resolution 283, a joint resolution to commemorate the centennial of the creation by Congress of Yosemite National Park.

SENATE JOINT RESOLUTION 289

At the request of Mr. SIMON, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of Senate Joint Resolution 289, a joint resolution to designate October 1990 as "Polish American Heritage Month."

SENATE JOINT RESOLUTION 293

At the request of Mr. RIEGLE, the names of the Senator from Virginia [Mr. WARNER] and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of Senate Joint Resolution 293, a joint resolution to designate November 6, 1990, as "National Philanthropy Day."

SENATE JOINT RESOLUTION 305

At the request of Mr. THURMOND, the names of the Senator from New Mexico [Mr. DOMENICI], the Senator from Rhode Island [Mr. CHAFEE], and the Senator from Washington [Mr. GORTON] were added as cosponsors of Senate Joint Resolution 305, a joint resolution to designate the month of September 1990, as "National Awareness Month of Children with Cancer."

SENATE JOINT RESOLUTION 317

At the request of Mr. LAUTENBERG, the names of the Senators from Maine [Mr. COHEN and Mr. MITCHELL], and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of Senate Joint Resolution 317, a joint resolution to designate the week of October 14, 1990, through October 20, 1990, as "National Radon Action Week."

SENATE JOINT RESOLUTION 332

At the request of Mr. DOLE, the names of the Senator from Idaho [Mr. MCCLURE], the Senator from Louisiana [Mr. BREAUX], the Senator from Alaska [Mr. STEVENS], the Senator from Nebraska [Mr. EXON], the Senator from Washington [Mr. GORTON], the Senator from Nevada [Mr. BRYAN], the Senator from Delaware [Mr. ROTH], the Senator from Arizona [Mr. DECONCINI], the Senator from Wyoming [Mr. WALLOP], the Senator from Oregon [Mr. HATFIELD], the Senator from Florida [Mr. MACK], the Senator from Kansas [Mrs. KASSEBUAM], and the Senator from Montana [Mr. BAUCUS] were added as cosponsors of Senate Joint Resolution 332, a joint resolution proposing an amendment to the Constitution of the United States authorizing the Congress and the States to prohibit the physical desecration of the flag of the United States.

SENATE CONCURRENT RESOLUTION 134

At the request of Mr. HEINZ, the names of the Senator from Montana [Mr. BURNS], the Senator from North Dakota [Mr. CONRAD], the Senator from Arizona [Mr. MCCAIN], the Senator from Nebraska [Mr. EXON], the Senator from Arizona [Mr. DECONCINI], the Senator from Tennessee [Mr. GORE], and the Senator from South Dakota [Mr. DASCHLE] were added as cosponsors of Senate Concurrent Resolution 134, a concurrent resolution expressing the sense of Congress concerning a 1991 White House Conference on Aging.

SENATE CONCURRENT RESOLUTION 137

At the request of Mr. BOSCHWITZ, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of Senate Concurrent Resolution 137, a concurrent resolution to express the sense of Congress that the 1990 Nuclear Non-Proliferation Treaty [NPT] Review Conference should reaffirm the support of the parties for the objectives of the NPT, in particular preventing the spread of nuclear weapons to additional countries.

AMENDMENTS SUBMITTED

TONGASS WILDERNESS ACT

JOHNSTON AMENDMENTS NOS. 2014 AND 2015

Mr. JOHNSTON proposed two amendments to the bill (H.R. 987) to amend the Alaska National Interest Lands Conservation Act to designate certain lands in the Tongass National Forest as wilderness, and for other purposes; as follows:

AMENDMENT No. 2014

On page 19, line 4, strike "139,144 acres," and insert in lieu thereof "137,947 acres,"

On page 19, line 7, strike "May, 1989." and insert in lieu thereof "March, 1990.".

AMENDMENT No. 2015

At the appropriate place in the bill, add the following new title:

TITLE —ECHO COVE LAND EXCHANGE

SEC. . DEFINITIONS.

(a) DEFINITIONS.—As used in this title—

(1) the term "the Settlement Act" means the Alaska Native Claims Settlement Act (Public Law 92-203,) as amended;

(2) the term "Secretary" means the Secretary of Agriculture;

(3) the term "lands" has the same meaning as specified in Section 102 of ANILCA;

(4) the term "Goldbelt" means Goldbelt, Incorporated, an Alaska Native Corporation (as such term is defined in sections 102(6) and (9) of ANILCA); and

(5) the term "Echo Cove lands" means the lands owned by Goldbelt generally depicted on a map entitled "Echo Cove Lands" and dated April, 1990, aggregating approximately 1,151, acres; the term "Hobart Bay lands" means the lands generally depicted on a map entitled "Hobart Bay lands" and dated April, 1990, aggregating approximately 2,600 acres. Such maps will be kept on file in the offices of the Secretary of Agriculture in Washington, DC, and in the Alaska Region office of the Forest Service in Juneau, Alaska.

SEC. . EXCHANGE TERMS.

(a) If, within ninety days after enactment of this Act, Goldbelt conveys to the United States the Echo Cove lands, then, effective on the date of such conveyance, there is hereby granted to Goldbelt, subject to valid existing rights, the Hobart Bay lands. Upon conveyance of the Hobart Bay lands to Goldbelt, Goldbelt will be afforded all rights and privileges of ownership of such lands.

(b) Effective on the date of enactment of this Act, the Hobart Bay lands are withdrawn from all forms of entry, location and appropriation under the public lands laws, including mining and mineral leasing laws, and from selection under the Alaska Statehood Act until conveyance to Goldbelt. Such lands shall remain withdrawn until conveyed pursuant to subsection (a). During the withdrawal period, the Secretary shall manage the Hobart Bay lands so that no new rights shall be created.

(c) Any lands acquired by the United States pursuant to this title shall become part of the Tongass National Forest and the Secretary shall modify the boundaries of the Tongass National Forest accordingly.

SEC. . SETTLEMENT ACT LAND AND CONVEYANCES.

Any lands or interests therein conveyed to Goldbelt pursuant to this title shall be deemed lands and interests conveyed pursuant to the Settlement Act and any conveyances effected by this title shall be deemed conveyances to Native Corporations pursuant to the Settlement Act.

SEC. . ACCESS.

Goldbelt shall have such rights of access to the Hobart Bay lands as are set forth in section 1110(b) of ANILCA, in addition to

such rights of accesss as may exist under other laws and regulations.

SEC. . SURVEYS.

The Secretary shall complete the survey of the Hobart Bay lands in conjunction with the conveyance made pursuant to section within one year from the date of enactment of this title. Goldbelt shall complete any surveys as may be necessary with regard to the Echo Cove lands in conjunction with the conveyance made pursuant to section within one year from the date of enactment of this title: *Provided, however,* That Goldbelt shall not be required to survey or resurvey any boundaries used in any interim conveyance or patent conveying Echo Cove lands to Goldbelt. As soon as practicable after the completion of the surveys, the Secretary shall publish legal descriptions of those lands conveyed pursuant to this title in the Federal Register. After the surveys are completed, the Secretary shall deliver to Goldbelt a patent confirming the legislative exchange of the Hobart Bay lands made pursuant to section and Goldbelt shall deliver to the Secretary a quitclaim deed confirming its conveyance of the Echo Cove lands referred to in section .

JOHNSTON AMENDMENT NO. 2016

Mr. JOHNSTON proposed an amendment, which was subsequently modified, to the bill H.R. 987, supra, as follows:

On page 16, lines 21 and 22, strike the following phrase "the last three hundred feet before the confluence with Class I streams of"; And at the end of the committee substitute insert the following new section:

"SEC. . NO LATER THAN ONE YEAR AFTER THE DATE OF ENACTMENT OF THIS ACT, THE SECRETARY OF AGRICULTURE, IN CONSULTATION WITH THE STATE OF ALASKA AND AFFECTED PRIVATE LAND OWNERS, SHALL PREPARE AND TRANSMIT TO THE CONGRESS A STUDY CONTAINING RECOMMENDATIONS ON THE NEED, IF ANY, TO STANDARIZED RIPARIAN MANAGEMENT PRACTICES FOR FEDERAL, STATE AND PRIVATE LANDS WITHIN THE TONGASS NATIONAL FOREST.".

GARN AMENDMENT NO. 2017

Mr. GARN proposed an amendment to the bill H.R. 987, supra, as follows:

At the end of bill add the following new title:

TITLE V—GREENS CREEK LAND EXCHANGE

SEC. 506. DEFINITIONS.

For the purposes of this title—

(1) the term "Atikon" means Atikon, Inc., a ——— corporation, its successors and assigns;

(2) the term "Cube Cove lands" means the subsurface of the lands generally depicted on a map entitled "Cube Cove Exchange Lands" and dated March, 1990, aggregating approximately 23,072 acres;

(3) the term "Echo Cove Sealaska Acquisition lands" means the subsurface of the lands generally depicted on a map entitled "Echo Cove Acquisition Exchange Lands" and dated June 4, 1990, aggregating approximately 160 acres;

(4) the term "Echo Cove Sealaska Disposition lands" means the subsurface of the lands generally depicted on a map entitled "Echo Cove Disposition Lands, and dated June 4, 1990, aggregating approximately 886 acres;

(5) the term "fund" means the Admiralty Island Inholding Acquisition Fund established by section 502(c)(4);

(6) the term "Greens Creek Joint Venture" means the mining venture that owns the Greens Creek mine and core or perfected mineral claims, pursuant to section 504 of ANILCA (94 Stat. 2403), in the Greens Creek area of Admiralty Island National Monument, and its successors and assigns;

(7) the term "Greens Creek lands" means the subsurface of the lands generally depicted on a map entitled "Greens Creek Lands" and dated March 16, 1990, aggregating approximately 18,839 acres;

(8) the term "Hobart Bay lands" means the subsurface of the lands generally depicted on a map entitled "Hobard Bay Exchange Lands" and dated June 4, 1990, aggregating approximately 5,953 acres;

(9) the term "Hydaburg lands" means the lands generally depicted on a map entitled "Hydaburg Traditional Use Sites" and dated June 11, 1990, aggregating approximately 4,395 acres;

(10) the term "Katlian Bay and Charcoal and & Alice Islands Lands" means the subsurface of the lands generally depicted on a map entitled "Katlian Bay/Charcoal Alice Islands Exchange Lands" and dated March 16, 1990, aggregating approximately 3,223 acres;

(11) the term "Kootznoowoo-Angoon lands" means the subsurface of the lands generally depicted on a map entitled "Angoon Exchange Lands" and dated June 4, 1990, aggregating approximately 1,600 acres;

(12) the term "Lake Florence lands" means the lands generally depicted on a map entitled "Lake Florence Lands" and dated March, 1990, which constitute the southernmost drainage of the Cube Cove lands, aggregating approximately 6,006 acres;

(13) the term "lands" means lands, waters, and interests therein;

(14) the term "Libbey Creek lands" means the subsurface of the lands generally depicted on a map entitled "Libbey Creek Exchange Lands" and dated June 4, 1990, aggregating approximately 3,360 acres;

(15) the term "Native Corporation" has the meaning stated in section 3(m) of the Settlement Act (43 U.S.C. 1602(m));

(16) the term "net profits" means the gross revenues realized by Sealaska from the sale of the minerals mined or otherwise produced from the Greens Creek lands minus such costs and expenses, including depreciation and depletion, as would be deductible under generally accepted accounting principles and industry practices consistently applied, treating as outstanding costs the amount of any operating loss that is incurred relative thereto in any year after the beginning of commercial production of minerals from those lands;

(17) the term "Nutkwa Lagoon lands" means the lands generally depicted on a map entitled "Nutkwa Lagoon Exchange Lands" and dated May 8, 1990, aggregating approximately 2,484 acres;

(18) the term "Port Houghton/Sanborn Canal lands" means the subsurface of the lands generally depicted on a map entitled "Port Houghton/Sanborn Canal Area Exchange Lands" and dated March 16, 1990, aggregating approximately 1,994 acres;

(19) the term "Regional Corporation" has the meaning stated in section 3(g) of the Settlement Act (43 U.S.C. 1602(g));

(20) the term "Sealaska" means Sealaska Corporation, a Regional Corporation existing under the laws of the State of Alaska, its successors and assigns;

(21) the term "Secretary" means the Secretary of Agriculture;

(22) the term "the Settlement Act" means the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.);

(23) the term "Shee Atika" means Shee Atika, Inc., a Native corporation, its successors and assigns; and

(24) the terms "subsurface estate" and "surface estate" have the same meanings as they have when used in the Settlement Act.

SEC. 502. EXCHANGE TERMS.

(a) AUTHORIZATION.—In exchange for the conveyances described in paragraph (2) and the agreement described in subsection (c), if there is on file with the Secretary an exploration agreement between Sealaska and the Greens Creek Joint Venture respecting minerals located in the Greens Creek lands, the Secretary may convey to Sealaska, subject to valid existing rights, all right, title and interest of the United States in—

(A) the Greens Creek lands;

(B) the Libbey Creek lands;

(C) the Hobart Bay lands;

(D) the Echo Cove Sealaska Acquisition lands; and

(E) the Hydaburg lands,

aggregating approximately 32,707 subsurface acres.

(2) In exchange for the conveyances described in paragraph (1), the Secretary may accept from Sealaska, subject to valid existing rights, all of its right, title and interest in and to—

(A) the Katlian Bay and Charcoal and Alice Islands lands;

(B) the Port Houghton/Sanborn Canal lands;

(C) the Echo Cove Sealaska Disposition lands;

(D) the surface and subsurface estate in the Nutkwa Lagoon lands, with the exception of title to the locatable minerals and common varieties of mineral materials contained in the subsurface estate, and reasonable rights of access thereto, which shall be retained by Sealaska;

(E) the Kootznoowoo-Angoon lands; and

(F) subject to the contingency described in subsection (b), the Cube Cove lands,

aggregating approximately 33,259 subsurface acres and 2,484 surface acres.

(b) CONTINGENCY.—(1) Unless otherwise agreed to in writing by the Secretary and the owners of the surface interests, the United States shall receive no property or executory interest in and to the Cube Cove lands until it acquires title to the surface estate in those lands, at which time the Secretary shall exercise the right of the United States to acquire the Cube Cove lands.

(2) The United States may acquire the Cube Cove surface and subsurface interests at one time or in segments.

(3) Not later than 90 days also the date of enactment of this Act, the Secretary shall enter into an agreement with Sealaska by which the parties shall agree on the terms and conditions on which the Cube Cove lands will be conveyed to the United States.

(c) EQUALIZATION.—(1) At the time of the conveyances described in subsection (a), Sealaska shall enter into an agreement with the United States whereby Sealaska agrees to make a value equalization payment consisting of—

(A) 10 percent of any income received by Sealaska from the lease of minerals removed or sold from any Greens Creek lands in which Sealaska does not establish an

equity interest in the development of those lands; or

(B) 10 percent of any net profits received by Sealaska from minerals removed or sold from any Greens Creek lands in which Sealaska establishes an equity interest in the development of those lands.

(2) For the purposes of section 7(i) of the Settlement Act (43 U.S.C. 1606(i)), Sealaska may deduct amounts equal to the value equalization payments made pursuant to paragraph (1) from revenues it receives from the subsurface estate acquired pursuant to this section, notwithstanding any agreement among the regional corporations to the contrary.

(3) Monies paid to the United States by Sealaska as a value equalization payment pursuant to paragraph (1) shall be covered into the general fund of the Treasury of the United States.

(4)(A) There is established in the Treasury of the United States a trust fund to be known as the "Admiralty Island Inholding Acquisition Fund", consisting of such amounts as may be appropriated or credited to the fund provided in this paragraph.

(B)(i) Until December 31, 1991, there is authorized to be appropriated to the Fund the amount of $10,000,000.

(ii) There is appropriated to the Fund an amount equivalent to the amount of the value equalization payment that is in excess of the amount appropriated pursuant to the authorization under clause (i).

(C)(i) Amounts in the fund shall be available as provided in appropriation Acts, only for purposes of making expenditures for—

(I) the acquisition of privately owned inholdings in the Lake Florence lands;

(II) if no inholdings under subclause (I) are available for acquisition, the acquisition of privately owned inholdings in other areas of the Admiralty Island National Monument; and

(III) if no inholdings under subclauses (I) and (II) are available for acquisition, the acquisition of privately owned inholdings that have high recreation, scenic, subsistence, wildlife, or related noncommodity values located in other portions of the Tongass National Forest, as determined by the Secretary.

(ii) Any acquisition made pursuant to this clause (i) shall be made on a willing-seller basis and subject to the limitations of section 1302 of ANILCA (16 U.S.C. 3192).

(D) The management of the fund by the Secretary of the Treasury shall comply with the requirements of section 9602 of the Internal Revenue Code of 1986.

(d) EXPIRATION OF AUTHORITY.—The authority of the Secretary to make the conveyances described in subsection (a) shall expire if—

(1) Sealaska does not, by appropriate corporate action, approve the exchange in accordance with the terms stated in this Act not later than 180 days after the date of enactment of this Act; or

(2) Sealaska disapproves the terms of the exchange stated in this Act.

SEC. 503. SETTLEMENT ACT LAND AND CONVEYANCES.

Any lands or interests therein conveyed to a Native Corporation pursuant to this title shall be deemed to be lands and interests conveyed pursuant to the Settlement Act, and any conveyance effected pursuant to this title shall be deemed a conveyance to a Native Corporation pursuant to the Settlement Act.

SEC. 504. SUBSURFACE ACCESS.

Sealaska shall have such rights of access to the Greens Creek lands and other subsurface lands acquired herein as are provided in section 1110(b) of ANILCA (16 U.S.C. 3170(b)), in addition to such rights of access as may exist under other law.

SEC. 505. MONUMENT COMPATIBILITY.

Upon acquisition of the Greens Creek lands, Sealaska shall be permitted to carry out activities related to the exercise of rights so acquired in accordance with regulations promulgated by the Secretary to ensure that such activities are compatible, to the maximum extent feasible, with the purposes for which the Admiralty Island National Monument was established.

SEC. 506. LEASES.

The Secretary may issue surface leases to Sealaska in accordance with section 504(f) of ANILCA (94 Stat. 2403).

SEC. 507. LAKE FLORENCE NEGOTIATIONS.

(a) IN GENERAL.—The Secretary shall engage expeditiously in good faith negotiations with Atikon, Sealaska, and Shee Atika for independent voluntary exchange agreements by which the United States would acquire all of the surface estate or all of the surface and subsurface estates held by them in the Lake Florence, Lake Kathleen, and Wards Creek drainages of the Admiralty Islands.

(b) PRIORITY.—The first priority of the negotiations described in subsection (a) shall be acquisition of the Lake Florence drainage.

(c) TIMBER HARVESTING.—Nothing in this section shall be construed to preclude the commercial harvesting of timber in the Lake Florence, Lake Kathleen, or Wards Creek drainages of Admiralty Island prior to the execution of any independent voluntary exchange agreement described in subsection (a).

SEC. 508. MANAGEMENT OF NUTKWA LAGOON.

Upon their acquisition by the United States pursuant to section 502(a), the Nutkwa Lagoon lands shall be incorporated in the Nutkwa LUD II Management Area designated in section 508 of ANILCA, as added by title II of this Act, and shall be managed by the Secretary in perpetuity in accordance with that designation.

SEC. 509. RULES OF CONSTRUCTION.

Nothing in this title shall be deemed or construed to—

(1) require a subsistence determination pursuant to section 810 of ANILCA (16 U.S.C. 3120) or any other law;

(2) affect Atikon, Sealaska, Shee Atika, or the Greens Creek Joint Venture by—

(A) limiting the use of lands owned by them;

(B) affecting their valid existing rights; or

(C) clouding the title of lands and interests owned by them; or

(3) limit the authority of the Secretary under other law to enter into land exchanges with Atikon, Sealaska, Shee Atika, or the Greens Creek Joint Venture.

PETROGLYPH NATIONAL MONUMENT ESTABLISHMENT ACT

JOHNSTON AMENDMENT NO. 2018

Mr. DOMENICI (for Mr. JOHNSTON) proposed an amendment to the amendments of the House to the bill (S. 286) to establish the Petroglyph National Monument in the State of New Mexico, and for other purposes, as follows:

1. Strike title I in its entirety and insert in lieu thereof the following:

"TITLE I—PETROGLYPH NATIONAL MONUMENT

"SEC. 101. SHORT TITLE AND CONGRESSIONAL FINDINGS.

"(a) This title may be cited as the 'Petroglyph National Monument Establishment Act of 1990'.

"(b) The Congress finds that—

"(1) the nationally significant Las Imagines National Archeological District on Albuquerque's West Mesa Escarpment contains more than 15,000 documented and prehistoric and historic petroglyphs;

"(2) the district also contains approximately 65 other archeological sites;

"(3) the West Mesa Escarpment and the petroglyphs are threatened by urbanization and vandalism, and hundreds of petroglyphs have already been destroyed;

"(4) the State of New Mexico has shown great leadership by recognizing the importance of the archeological resources of the West Mesa Escarpment through the establishment of the Las Imagines National Archeological District;

"(5) the city of Albuquerque has played a significant role in the preservation of the natural, cultural, and recreational resources of the West Mesa Escarpment;

"(6) the Middle Rio Grande Pueblo Tribes have shown a strong and sincere interest in the preservation of their heritage through protection of the West Mesa Escarpment;

"(7) the Atrisco Land Grant, now held by Westland Development Company, Incorporated, a corporation whose stock is owned primarily by heirs of the Atrisco Land Grant, has played a significant role in the settlement of the West Mesa area since 1692, and the corporation's shareholders have shown a strong interest in the preservation of their traditional lands;

"(8) the National Park System has no unit established for the specific purpose of protecting, preserving, and interpreting prehistoric and historic rock art; and

"(9) in light of the national significance of the West Mesa Escarpment and the petroglyphs and the urgent need to protect the cultural and natural resources of the area from urbanization and vandalism, it is appropriate that a national monument be established in the West Mesa Escarpment area, near Albuquerque, New Mexico.

"SEC. 102. ESTABLISHMENT OF PETROGLYPH NATIONAL MONUMENT.

"(a) In order to preserve, for the benefit and enjoyment of present and future generations, that area in New Mexico containing the nationally significant West Mesa Escarpment, the Las Imagines National Archeological District, a portion of the Atrisco Land Grant, and other significant natural and cultural resources, and to facilitate research activities associated with the resources, there is hereby established the Petroglyph National Monument (hereinafter in this title referred to as the 'monument') as a unit of the National Park System. The monument shall consist of approximately 5,280 acres generally known as the Atrisco Unit, as depicted on the map entitled "Boundary Map, Petroglyph National Monument", numbered NM-PETR-80,010C and dated June 1990, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior in the offices of the

Department of Energy, Minerals, and Natural Resources of the State of New Mexico, and in the office of the mayor of the city of Albuquerque, New Mexico.

"(b) The monument shall be administered by the Secretary of the Interior (hereinafter in this title referred to as the 'Secretary') or, if the monument is expandad pursuant to section 104(a), by the Secretary in cooperation with the State of New Mexico (hereinafter in this title referred to as the 'State') or the city of Albuquerque, New Mexico (hereinafter in this title referred to as the 'city'), in accordance with section 105.

"(c) Within 6 months after the date of enactment of this title, the Secretary shall file a legal description of the monument with the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives. Such legal description shall have the same force and legal description as if included in this title, except that the Secretary may correct clerical and typographical errors in such legal description. The legal description shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, in the offices of the Department of Energy, Minerals, and Natural Resources of the State of New Mexico, and in the office of the mayor of the city of Albuquerque, New Mexico: *Provided*, That the Secretary may from time to time, after completion of the general management plan referred to in section 108(a), may make minor adjustments to the monument boundary by publication of a revised map or other boundary description in the Federal Register.

"SEC. 103. LAND ACQUISITION AUTHORITY.

"(a) The Secretary is authorized to acquire lands and interests therein within the monument boundary by donation, purchase with donated or appropriated funds, exchange, or transfer from any other Federal agency, except that lands or interests therein owned by the State or a political subdivision thereof may be acquired only by donation or exchange.

"(b) Where the surface and subsurface estates of private land to be acquired are separately owned, the Secretary shall acquire the subsurface estate to such land prior to or at the same time the surface estate is acquired: *Provided*, That this subsection shall not be applicable if the Secretary determines that the prior acquisition of the surface estate is necessary—

"(1) to prevent damage to the resources of the monument; or

"(2) to properly manage and interpret the monument in accordance with sections 102 and 105.

"(c)(1) The Secretary is authorized to exchange Federal lands within the area described on the map referred to in section 102(a) as the Piedras Marcadas Unit for lands owned by the city within the area described as the Atrisco Unit on such map.

"(2) The Secretary is authorized to exchange Federal lands within the area described on the map referred to in section 102(e) as the Boca Negra Unit for lands owned by the State within the area described as the Atrisco Unit on such map.

"(3) Exchanges shall be on the basis of equal value, and either party to the exchange may pay or accept cash in order to equalize the value of the properties exchanged.

"(d) Prior to acquiring fee simple ownership of private lands or interests therein within the monument boundary, the Secretary is authorized to acquire an appropriate interest in such land by donation or for a nominal fee from the owner or owners of such lands for the purpose of providing immediate protection against trespass or vandalism or initiating any resource inventories necessary to carry out the purposes of this title.

"SEC. 104. EXPANSION OF THE MONUMENT.

"(a) Upon the execution of a binding agreement between the Secretary, the State, and the city that the lands identified in this subsection shall be perpetually managed in accordance with section 105, the Secretary shall include such lands, totaling approximately 1,994 acres, within the monument boundary. The lands referred to in this subsection are:

"(1) the approximately 1,779 acres generally known as the Piedras Marcadas Unit, as depicted on the map referred to in section 102(a); and

"(2) the approximately 215 acres generally known as the Boca Negra Unit, as depicted on the map referred to in section 102(a).

"(b)(1) The Secretary is authorized to acquire, as provided in section 103(a), some or all of the approximately 95 acres of land, or interest therein, within the area identified as 'Potential Addition' on the map referred ton in section 102(a), if, after consultation with the Petroglyph National Monument Advisory Commission established under section 110, the Secretary determines that such acquisition would further the purposes of this title.

"(2) The authority of the Secretary to make acquisitions pursuant to paragraph (1) shall expire on the date 3 years after the date of enactment of this Act.

"(3) Any lands acquired pursuant to paragraph (1) shall be incorporated into the monument and managed accordingly.

"SEC. 105. ADMINISTRATION AND MANAGEMENT OF THE MONUMENT.

"(a) The Secretary shall administer, manage, and protect the monument in accordance with the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1 et seq.), the Act of August 231, 1935 (49 Stat. 666; 16 U.S.C. 461 et seq.), and this title, and in such a manner as to preserve, for the benefit and enjoyment of present and future generations, its cultural and natural resources, and to provide for the interpretation, of and research on such resources.

"(b) Units of the monument which may be added pursuant to section 104(a) shall be managed and developed in accordance with management and operational plans prepared concurrently with the National Park Service, and consistent with section 108. Visitor use and interpretive programs within such units shall be undertaken consistent with plans developed with the assistance of the National Park Service.

"(c) The Secretary is authorized to enter into cooperative agreement with either the State of the city under which the Secretary may manage and interpret any lands owned by the State or the city, respectively, within the boundaries of the monument.

"(d) In order to encourage a unified and cost effective interpretive program of the natural and cultural resources of the West Mesa Escarpment and its environs, the Secretary is authorized to enter into cooperative agreements with other Federal, State, and local public departments and agencies, Indian tribes, and nonprofit entities providing for the interpretation of these resources. Such agreements shall include, but need not be limited to, a provision for the Secretary to develop and operate interpretive facilities and programs on lands and interests in lands outside the monument boundary, with the agreement of the owner or the administrator thereof. Such cooperative agreements may also provide for financial and technical assistance for the planning and implementation of interpretive programs and minimal development related to these programs.

"(e) Federal laws generally applicable to units of the National Park System, including but not limited to, the National Environmental Policy Act of 1969 and the Archeological Resources Protection Act of 1979, shall apply to the monument. The Secretary is authorized to pursue concurrent jurisdiction of the monument for the purposes of law enforcement and implementation of Federal regulations.

"SEC. 106. LAND USE AND TRANSPORTATION PLANNING.

"The Secretary may participate in land use and transportation management planning conducted by appropriate local authorities for lands adjacent to the monument and may provide technical assistance to such authorities and affected landowners for such planning.

"SEC. 107. EXISTING TRANSMISSION OR DISTRIBUTION FACILITIES.

"Nothing in this title shall be construed as authorizing or requiring revocation of any interest or easement for existing transmission or distribution facilities or prohibiting the operation and maintenance of such facilities within or adjacent to the monument boundary.

"SEC. 108. GENERAL MANAGEMENT PLAN.

"(a) Within 3 years from the date funding is made available for the purposes of this section, the Secretary, in cooperation with the city and the State, shall develop and transmit to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives, a general management plan for the monument consistent with the purposes of this title, including, but not limited to—

"(1) a statement of the number of visitors and types of public use within the monument which can be accommodated in accordance with the protection of its resources;

"(2) a resource protection program;

"(3) a general interpretive program;

"(4) a plan to implement the joint resolution entitled 'American Indian Religious Freedom', approved August 11, 1978 (42 U.S.C. 1996);

"(5) a general development plan for the monument, including proposals for a visitor's center, and the estimated cost thereof; and

"(6) a plan for the Rock Art Research Center established in section 109.

"(b) The general management plan shall be prepared in consultation with the Petroglyph National Monument Advisory Commission established pursuant to section 110, apprpriate Indian tribes and their civil officials, the heirs of the Atrisco Land Grant, the New Mexico State Historical Preservation Office, and other interested parties.

"(c) The Secretary shall undertake, in consultation and cooperation with appropriate New Mexico Indian tribes and their civil officials, research on other Rio Grande style rock art sites on Federal lands in New Mexico, and through cooperative agreements with State and willing private landowners, on non-Federal lands. The Secre-

tary shall provide the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives within 3 years of the date funding is made available for the purposes of this section, a report that—

"(1) lists various locations of Rio Grande style rock art;

"(2) identifies the ownership of the rock art;

"(3) identifies the condition of the resources; and

"(4) identifies the appropriate type of technical assistance needed for the protection and care of these resources.

The report shall be updated and transmitted to such committees every 2 years thereafter.

"SEC. 109. ROCK ART RESEARCH CENTER.

"(a) In order to provide for research relating to Rio Grande style rock art, undertake comprehensive evaluations of petroglyphs within the monument, prepare interpretive programs that are sensitive to the concerns of the Indian and Hispanic peoples, and relate monument resources to other styles and forms of rock art, the Secretary, acting through the National Park Service and in cooperation with the University of New Mexico, other educational institutions, foundations, Indian tribes, and private entities, shall establish a Rock Art Research Center (hereinafter in this title referred to as the 'Center').

"(b) The Center shall function as a focal point for the systematic and scholarly collection, analysis, and dissemination of information relating to Rio Grande style rock art, and other forms of rock art within the region.

"(c) The Center shall produce research data and educational materials that will enhance public understanding of prehistoric and historic rock art.

"(d) The Center shall provide for a broad program of research including ethnographic studies, resource management techniques, and comparative studies of rock art forms and styles.

"(e) Research shall be primarily directed toward rock art managed by the National Park Service. The Secretary may enter into cooperative agreements with other agencies and entities as may be appropriate to carry out the requirements of the Center.

"(f) The Secretary, acting through the National Park Service, is authorized to undertake research and assist in the management and protection of Rio Grande style rock art sites on public and, with the agreement of the landowner, private lands within the Galisteo Basin. The Secretary is authorized to enter into cooperative agreements with landowners of such rock art sites and expend appropriated funds for research, site protection, and interpretive programs. Research shall include the identification and mapping of rock art sites and the development of protection options.

"SEC. 110. PETROGLYPH NATIONAL MONUMENT ADVISORY COMMISSION.

"(a) There is hereby established the Petroglyph National Monument Advisory Commission (hereinafter in this title referred to as the 'Commission'). The Commission shall be composed of 11 members appointed by the Secretary for terms of 5 years as follows:

"(1) one member, who shall have professional expertise in history or archeology, appointed from recommendations submitted by the Governor of the State of New Mexico;

"(2) one member, who shall have professional expertise in history or archeology, appointed from recommendations submitted by the mayor of the city of Albuquerque, New Mexico;

"(3) one member, who shall have professional expertise in Indian history or ceremonial activities, appointed from recommendations submitted by the All Indian Pueblo Council;

"(4) one member, who shall be a shareholder of the Westland Development Company, Incorporated;

"(5) one member, who shall be an heir of the Artrisco Land Grant;

"(6) one member, who shall be an affected landowner;

"(7) one member, who shall have professional expertise in Indian rock art;

"(8) one member, who shall have professional expertise in cultural anthropology;

"(9) one member, who shall have professional expertise in geology;

"(10) one member from the general public; and

"(11) the Director of the National Park Service, or his or her designee, ex officio.

"(b) Any member of the Commission may serve after the expiration of his or her term until a successor is appointed. A vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

"(c) Members of the Commission shall serve without pay. While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5, United States Code.

"(d) The Chair and other officers of the Commission shall be elected by a majority of the members of the Commission to serve for terms established by the Commission.

"(e) The Commission shall meet at the call of the Chair or a majority of its members, but not less than twice annually. Six members of the Commission shall constitute a quorum. Consistent with the public meeting requirements of section 10 of the Federal Advisory Commission Act (5 U.S.C. App.), the Commission shall, from time to time, meet with persons concerned with Indian history and historic preservation, and with other interested persons.

"(f) The Commission may make such bylaws, rules, and regulations as it considers necessary to carry out its functions under this title. Section 14(b) of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission.

"(g) The Commission shall advise the Secretary on the management and development of the monument, and on the preparation of the general management plan referred to in section 108(a). The Secretary, or his or her designee, shall from time to time, but at least semiannually, meet and consult with the Commission on matters relating to the management and development of the monument.

"(h) The Commission shall cease to exist 10 years after the date of its first meeting.

"SEC. 111. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated such sums as may be necessary for the purposes of this title. The Secretary shall prepare and submit to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives, concurrently with the submission to Congress of the President's proposed budget for the second fiscal year beginning after the date of enactment of this title, and every 5 years thereafter, a report on the status of the agreement referred to in section 104(a), its associated costs, and any proposed alterations to the agreement.".

2. On page 16, line 25, strike " 'Boundary Map—Pecos National Historical Park Boundary Concept, numbered 430/80028 and dated March 1990." and insert in lieu thereof, " 'Pecos National Historical Park Boundary Concept', numbered 430/80028 and dated March 1990.".

VETERANS COMPENSATION COST-OF-LIVING ADJUSTMENT ACT

CRANSTON AMENDMENT NO. 2019

(Ordered referred to the Committee on Veterans' Affairs.)

Mr. CRANSTON submitted an amendment intended to be proposed by him to the bill (S. 2100) To increase the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans; to amend title 38, United States Code, to improve veterans' compensation, healthcare, insurance, and housing programs, and to provide for transitional group residences for veterans recovering from substance-abuse disabilities; and for other purposes, as follows:

At the end of the bill add the following new title:

TITLE V—LEASING AND DISPOSITION OF REAL PROPERTY

SEC. 501. SHORT TITLE.

This title may be cited as the "Department of Veterans Affairs Facilities Enhanced-Use Lease Act of 1990".

SEC. 502. ENHANCED-USE LEASES AND SPECIAL DISPOSITION OF PROPERTY

(a) AMENDMENT TO CHAPTER 81 OF TITLE 38, UNITED STATES CODE.—Chapter 81 of title 38, United States Code, is amended by adding at the end the following new subchapter:

"SUBCHAPTER V—SPECIAL LEASES OF REAL PROPERTY

"§ 5061. Definitions

For the purposes of this subchapter:

"(1) The term 'enhanced-use lease' means a written agreement for the lease of designated property at a Department facility for a use that (A) will, at least in part, contribute in a cost-effective manner to the mission of the Department, and (B) will be consistent with and not adversely affect that mission.

"(2) The term 'designated property' means any real property under the jurisdiction or control of the Secretary and identified by the Secretary in a notice of designation.

"(3) The term 'notice of designation' means a written notice by the Secretary to the Committees identifying designated property with respect to which the Secretary proposes to enter into a enhanced-use lease.

"(4) The term 'Committees' means the Committees on Veterans' Affairs of the Senate and the House of Representatives.

"§ 5062. Enhanced-use leases

"(a)(1)(A) Notwithstanding section 5022 of this title, section 321 of the Act of June 30, 1932 (47 Stat. 412; 40 U.S.C. 303b), and sections 202 and 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483 and 484), the Secretary may enter into enhanced-use leases with respect to any designated property and may dispose of such property in accordance with section 5064 of this title.

"(B) The Secretary may enter into an enhanced-use lease under this subchapter only if the Secretary determines that the proposed lease—

"(i) will provide, at least in part, a cost-effective means of carrying out or providing appropriate space for an activity contributing to the mission of the Department; and

"(ii) will be consistent with and not adversely affect the mission of the Department.

"(2) The provisions of the Act of March 3, 1931 (46 Stat. 1494; 40 U.S.C. 276a et seq.), section 421 of the Veterans' Benefits and Services Act of 1988 (Public Law 100-322; 102 Stat. 552), Federal laws relating to environmental and historic preservation, and title 31, United States Code, shall not, by virtue of this subchapter, become inapplicable to a designated property.

"(3) A designated property shall not be considered unutilized or underutilized for purposes of section 501 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411).

"(b)(1) The selection of a lessee under an enhanced-use lease shall be made pursuant to competitive procedures prescribed by the Secretary, after consultation with the Administator of General Services.

"(2) The term of an enhanced-use lease may not exceed—

"(A) 35 years in the case of a lease involving the construction of a new building or the substantial rehabilitation of an existing building, as determined by the Secretary; or

"(B) 20 years in the case of a lease not described in subparagraph (A) of this paragraph.

"(3)(A) Each enhanced-use lease entered into under this subchapter shall be for fair consideration, as determined by the Secretary. Consideration under such a lease may be provided in cash or in-kind, or a combination of the two.

"(B) Consideration in-kind may include goods or services of benefit to the Department, including construction, repair, remodeling, or other physical improvements of Department facilities, maintenance of Department facilities, or the provision of office, storage, or other usable space.

"(4) In determining whether the consideration provided for in an enhanced-use lease is fair consideration, the Secretary shall take into account the value of any goods or services to be provided by the Federal Government to or for the benefit of the lessee.

"(c)(1) Subject to paragraph (2) of this subsection, a designation by the Secretary of any land or improvement described in section 421(b)(2) of the Veterans' Benefits and Services Act of 1988 (Public Law 100-322; 102 Stat. 552) as a designated property shall be considered to be a prohibited action under that section to dispose of the land or improvement.

"(2) A designation by the Secretary of any land or improvement described in such section 421(b)(2) for an enhanced-use lease shall not be considered to be a prohibited action under that section if, under the lease—

"(A) the designated property may be used solely for child-care services;

"(B) such services must be provided exclusively for the benefit of employees of the Department, individuals employed on the premises of such land, and employees of a health-personnel educational institution that is affiliated with a Department facility;

"(C) the majority of the employees benefited by such services must be employed by the Department; and

"(D) the majority of the children served must be the children of employees of the Department.

"§ 5063. Requirements relating to designation of a property

"(a) Before the Secretary designates a property for an enhanced-use lease, the Secretary shall conduct, in the local community in which the property is located, a public hearing to receive the views of veterans service organizations, local commercial enterprises, and other interested parties regarding the proposed lease and the possible effects of the lease, including the effects of the lease—

"(1) on local commerce and other aspects of the local community.

"(2) on programs administered by the Department; and

"(3) on services to veterans in the local community.

"(b) Before conducting any public hearing referred to in paragraph (1) of this subsection, the Secretary shall provide veterans, residents, and businesses in the local community with reasonable notice of the proposed lease, including—

"(1) the time and place of the hearing;

"(2) identification of the property proposed to be leased;

"(3) a description of the proposed uses of the property;

"(4) a description of the proposed lease, and

"(5) a description of how the proposed lease—

"(A) will contribute cost-effectively to, be consistent with, and not adversely affect the mission of the Department; and

"(B) will affect services to veterans.

"(c)(1) Not more than 10 days after designating any property as a property for an enhanced-use lease, the Secretary shall notify the Committees of the designation and publish a notice of the designation in the Federal Register.

"(2) An enhanced-use lease may not be entered into with respect to any property unless notice of the designation required under paragraph (1) of this subsection is provided to the Committees and published in the Federal Register—

"(A) at least 90 days before the date on which the Committees are notified pursuant to paragraph (1) of this subsection if the notice is submitted to the Committees during the period beginning January 1 and ending March 31; or

"(B) at least 180 days before such date if the notice is submitted to the Committees during the period beginning April 1 and ending December 31.

"(3) Each notice of designation shall include the following:

"(A) Identification of the property involved.

"(B) An explanation of the background, rationale, and economic factors in support of the proposed lease, including a summary of a cost-benefit analysis.

"(C) A summary of the views expressed by interested parties at the public hearing conducted in connection with the proposed designation together with a summary of the Secretary's response to those views.

"(D) A general description of the proposed lease.

"(E) A description of how the proposed lease—

"(i) will contribute cost-effectively to, be consistent with, and not adversely affect the mission of the Department; and

"(ii) will affect services to veterans.

"(4) Not less than 30 days before entering into an enhanced-use lease, the Secretary shall advise the Committees of any changes or modifications of the information previously submitted to the Committees and provide the Committees with a copy of the proposed lease.

"§ 5064. Special dispositions of leased properties

"(a) The Secretary may initiate action for the disposal of leased property to the lessee at any time during the term of an enhanced-use lease or within 30 days after the expiration of the term of the lease by requesting the Administrator of General Services to carry out a special disposition of the property pursuant to subsection (b) of this section. The Administrator, upon request of the Secretary, shall take appropriate action under this title to dispose of property of the Department that is or has been subject to an enhanced-use lease.

"(b) A special disposition under this section may be made for cash or such other consideration as the Secretary and the Administrator of General Services jointly determine is in the best interest of the United States and upon such other terms and conditions as the Administrator considers appropriate. In carrying out a special disposition of property under this section, the Administrator may utilize any other authority available to the Administrator under any other provision of law.

"(c) Not less than 90 days before a special disposition of property is made under this section, the Secretary shall notify the Committees of the Secretary's intent to dispose of the property and publish notice of the proposed disposition in the Federal Register. The notice shall describe the background, rationale, and economic factors in support of the proposed special disposition (including a cost-benefit analysis summary), the intended consideration, and the method, terms and conditions of the proposed disposition.

"§ 5065. Disposition of proceeds

"Funds received by the Department under an enhanced-use lease or from a special disposition of leased property shall be deposited in the nursing home revolving fund established under section 5016 of this title and shall be administered as part of that fund. An amount sufficient to pay for any expenses incurred by the Secretary in connection with any enhanced-use lease entered into by the Secretary under this subchapter shall be deducted from the proceeds of the lease and used by the Secretary to reimburse the account from which the funds were used to pay such expenses, and an amount sufficient to pay any expenses incurred by the Administrator of General Services in connection with the special disposition of any property shall be deducted from the proceeds of the sale and used by the Administrator to reimburse the account from which funds were used to pay such expenses.

"§ 5066. Construction standards

"Unless the Secretary provides otherwise, the construction, alteration, repair, remodeling, or improvement of any property that is the subject of an enhanced-use lease shall comply with all standards applicable to construction of Federal buildings, but shall not be subject to any State or local law relating to building codes, permits, or inspections. When Federal construction standards are applicable to such property, the Secretary shall conduct periodic inspections of the construction for the purpose of ensuring that the standards are met.

"§ 5067. Exemption from state and local taxes

"The Department's interest in any enhanced-use lease and in any property subject to such an agreement shall not be subject, directly or indirectly, to any State or local laws relative to taxation, fees, assessments, or special assessments, except sales taxes associated with the construction, alteration, repair, remodeling, or improvement carrier out under this title.

"§ 5068. Limitations on number of agreements

"(a) Not more than 30 enhanced-use leases may be entered into under this title and not more than 10 such leases may be entered into in any fiscal year.

"(b) A lease entered into by the Secretary shall not be considered an enhanced-use lease for the purposes of the limitations provided in subection (a) of this section if the primary use made of the leased premises is the provision of child-care services for employees of the Department.

"§ 5069. Expiration

"No enhanced-use lease may be entered into under this subchapter after September 30, 1994.".

(b) CLERICAL AMENDMENTS.—(1) The chapter heading for chapter 81 of such title is amended by adding at the end the following: "; SPECIAL LEASES OF REAL PROPERTY".

(2) The table of chapters at the beginning of such title and at the beginning of part VI of such title are each amended by striking out the period at the end of the item relating to chapter 81 and inserting in lieu thereof the following: "; Special Leases of Real Property.".

(3) The table of sections at the beginning of chapter 81 of such title is amended by adding at the end the following:

"SUBCHAPTER V—SPECIAL LEASES OF REAL PROPERTY

"Sec.
"5061. Definitions.
"5062. Enhanced-use leases.
"5063. Requirements relating to designation of a property.
"5064. Special dispositions of leased properties.
"5065. Disposition of proceeds.
"5066. Construction standards.
"5067. Exemption from state and local taxes.
"5068. Limitations on number of agreements.
"5069. Expiration.".

Mr. CRANSTON. Mr. President, as chairman of the Committee on Veterans' Affairs, I have today submitted amendment No. 2019 to S. 2100, the proposed Veterans Compensation Cost-of-Living Adjustment Act of 1990. This amendment contains provisions to authorize the Secretary of Veterans Affairs, under certain circumstances, to enter into "enhanced-use leases" of Department of Veterans Affairs [VA] property.

This legislation is similar in concept to S. 2532, an "Act for the Use and Disposition of Designated VA Facilities," that I introduced on April 26, 1990, at the request of the administration. The purpose and provisions of that bill are explained in the April 26, 1990, transmittal letter from the Secretary of Veterans Affairs to me, which was printed in the CONGRESSIONAL RECORD for April 26, 1990, beginning on page S 5134. My legislation would add certain procedural safeguards, restructure the provisions proposed in S. 2532, incorporate them in a new subchapter V of chapter 81 of title 38, United States Code, and add another year, fiscal year 1994, to the project authority.

BASIC PURPOSE

The basic purpose of both S. 2532, as it has been explained by VA officials to committee staff, and my amendment is to enable VA—through the use of authorities, which these proposed measures grant, to enter into extended leases of selected properties and accept inkind consideration in lieu of or in combination with rental payments—to meet VA requirements for space or services that it would otherwise be unable to meet or unable to meet as cost effectively.

Under current law, section 5022 of title 38, VA may lease its property to a third party for no more than 3 years. There are no provisions expressly enabling VA to enter into leasing arrangements as a means of obtaining services that would contribute to the ability of VA facilities to carry out their missions.

Both my proposal and S. 2532 would permit VA, after local public hearings and with prior congressional notice, to enter into long-term lease arrangements that would result in VA property being improved or utilized in a cost-effective manner. In addition, both proposals would enable the Department to acquire services without direct Federal capital expenditure. Examples could include the development and operation, by the lessee, of parking facilities that would meet the needs of VA patients and their families as well as VA employees, and child care centers that would meet VA employee needs. The availability of such services could obviously make a significant contribution to VA's recruitment and retention of qualified personnel.

One of the first projects contemplated by the VA under the proposed lease authority would involve the development of a Federal-private partnership for the establishment of a nursing home and retirement residences at the site of the present Baltimore VA medical center.

The present medical center is located in a residential site, known as Loch Raven, on a 15-acre tract containing a multistory, 291-bed hospital and numerous auxiliary buildings. A new VA hospital is now under construction in downtown Baltimore and is scheduled to open in fiscal year 1992.

VA would invite bids from private developers to lease and renovate the existing medical center campus for use as a nursing home, offices, and retirement residences. VA would place in the complex some of its current patients who are in community nursing homes and would move a research facility from a downtown Federal building to the Loch Raven site. To attract developers, the lease would allow private use of the facilities, in addition to providing improved space for VA use. A portion of the community nursing home built by the developer and operated by a private firm would be set aside for VA patients at a discounted cost, with the balance available to the operator for use by private patients.

This project would offer tangible benefits to all affected parties. The VA and veterans in the Baltimore area, taxpayers, and community residents would all benefit from this type of arrangement. VA would gain the use of facilities for nursing home patients and an improved arrangement for research space, the residential environment of the neighborhood would be preserved, and the community would gain an economic asset.

Mr. President, neither the administration's proposal nor mine would require new appropriations to VA. Both, however, would require a detailed justification by the Secretary before designating VA-controlled real estate for an enhanced use lease, and both would require written notice by the Secretary to the Senate and House Committees on Veterans' Affairs.

Under both the administration's proposal and mine, the Secretary could enter into enhanced use agreements for terms of up to 35 years—20 years where new construction or substantial rehabilitation is not involved. The Department's interest in any enhanced use lease and in any property that would be subject to such an agreement would not be subject, directly or indirectly, to any State or local laws relative to taxation, fees, assessments, or special assessments, except sales taxes that would be associated with the construction, alteration, repair, remodeling, or improvement that might be carried out under this legislation.

I note that the proposal legislation is consistent with legislation authority already available to Department of Defense—title 10, United States Code, sections 2667 and 2809—and to the Department of the Interior—title 16, United States Code, section 20 et seq.—to enter into long-term leases and, within certain limits, receive inkind consideration.

Although the concept has been used to some extent by the Departments of Defense and Interior, its use by VA needs to be tested. The administration and I have both selected the target number of 30 projects to be entered into under our legislation. I believe, however, that another year would be useful and thus have specified an expiration date to September 30, 1994. To ensure further that the development is done in a measured, orderly manner. My legislation would permit not more than 10 projects in any one fiscal year. Also, because child care for employees is so important to so many VA facilities in their recruitment and retention efforts, I have excluded projects that are primarily for child care services from being counted against the total.

Much is at stake in this type of undertaking. When VA leases its property for up to 35 years, it is obviously giving up control of that property to a major extent for a very long time. I believe it is critical, therefore, that Federal interests be protected as strongly as possible consistent with VA's ability to achieve the essential benefits of enhanced use leases. Many of the differences between my proposal and the administration's bill, S. 2532, relate to such safeguards.

SUMMARY OF DIFFERENCES FROM S. 2532

Mr. President, my legislation differs from S. 2532 in the following ways:

First, whereas the S. 2532 consists of freestanding provisions, my legislation would add a new subchapter V, "Special Leases of Real Property" to chapter 81 of title 38, United States Code.

Second, section 2(b)(1)(A) of S. 2532 would require that an "ehanced-use agreement" be consistent with VA's mission. My legislation—in new sections 5061(1) and 5062(a)(1)(B) of title 38—would broaden that requirement so as to permit an enhanced use lease only where the Secretary has determined that the lease would provide, at least in part, a cost-effective means of carrying out or providing appropriate space for an activity contributing to, and would be consistent with and not adversely affect, the mission of the Department.

Third, consistent with the purpose of section 421 of the Veterans' Benefits and Services Act of 1988—Public Law 100-322, my legislation would add provisions—in new section 5062(a)(2) and (c)—generally to preclude, without further legislation, the use of this extended lease authority with respect to certain VA properties in southern California. My legislation would provide, however, that an enhanced use lease would not be considered a prohibited action if the designated property is used solely for child care services to be provided for the benefit of employees of the Department of Veterans Affairs or of an affiliated health personnel educational institution and other individuals employed on the premises of the land, with services predominantly benefiting VA employees and their children. I would invite future legislative proposals for specific enhanced use leases appropriate to these southern California properties.

Fourth, section 2(b)(1)(A) of S. 2532 would require the Secretary to follow "competitive procedures" in entering into enhanced use agreements. My legislation—in new section 5062(b)(1)—would additionally specify that such competitive procedures be prescribed by the Secretary in consultation with the Administrator of General Services.

Fifth, section 2(b)(1)(A) of S. 2532 would require that an enhanced use agreement be in return for payment of consideration to the VA, in cash or inkind—for example, construction alteration, repair, remodeling, improvement, extension, maintenance, space, services, or other benefit to the VA, and that the consideration received reflect the Government's contribution to the agreement. My legislation—in new section 5062(b)(3)(A)—would clarify these provisions by: First, expressly requiring that the consideration be fair consideration, and second, specifying that, in determining fair consideration, the Secretary would have to "take into account the value of any goods or services to be provided by the Federal Government to or for the benefit of the lessee."

Sixth, section 2(b)(2) of S. 2532 would require that, before designating a property for an enhanced use agreement, VA conduct a public hearing addressing the enhanced use agreement's impact on local commerce. My legislation—in new section 5063(a)—would clarify and expand the public hearing safeguard by requiring that the public hearing be held in the local community to receive the views of veterans service organizations, local commercial enterprises, and other interested parties regarding the proposed lease and the possible effects of the lease on local commerce and other aspects of the local community, on programs administered by the Department, and on services to veterans in the local community. In addition, my legislation—in new section 5063(b)—would require that, before conducting the public hearing, the Secretary give veterans, residents, and businesses in the local community reasonable notice, including the time and place of the hearing, identification of the property proposed to be leased, a description of the proposed uses of the property, a description of the proposed lease, and a description of how the proposed lease will contribute to, be consistent with, and not adversely affect, the mission of the Department and will affect services to veterans.

Seventh, my legislation would add—in new section 5063(c)(1)—requirements for the Secretary to notify the committees of the designation of a property for an enhanced use lease, and to publish a notice of the designation in the Federal Register, not more than 10 days after the designation is made.

Eighth, section 2(b)(2) of S. 2532 would require that the Veterans' Affairs Committees be notified not less than 30 days prior to VA entering into an enhanced use agreement. My legislation—in new section 5063(c)(2)—would strengthen the advance notice requirement by providing that VA must give notice to the committee and publish notice of the lease in the Federal Register: First, at least 90 days before entering into an enhanced use lease of the notice is submitted during the period January 1 through March 31, or second, at least 180 days before entering the lease if the notice is submitted during the period April 1 through December 31.

Ninth, section 2(b)(2) of S. 2532 would require that the notice of designating a property to the Committee identify the facilities, explain the background, rationale, and economic factors—including a cost-benefit analysis—in support of the proposed enhanced use agreement, specify the date on which a public hearing, was held addressing the enhanced use agreement's impact on local commerce, and outline the proposed agreement in general terms. My legislation—in new section 5063(c)(3)—would add a requirement that notices to committees include a summary of views expressed by interested parties at the public hearing, together with a summary of the Secretary's response to those views, and a description of how the proposed lease would contribute cost-effectively to, be consistent with, and not adversely affect, the mission of the VA and would affect services to veterans.

Tenth, section 2(b)(2) of S. 2532 would require the Secretary, not less than 10 days prior to entering into an enhanced use agreement, to advise the committees of any changes or modifications of the information previously submitted and provide a copy of the draft agreement. My legislation—in section 5063(c)(4)—would increase that notice period to 30 days before entering the lease.

Eleventh, section 2(b)(3) of S. 2532 would provide the Secretary with authority to direct the disposal of the designated facilities, or the VA's interest therein, at the end of or during the term of the enhanced use agreement. My legislation—in new section 5064(a)—would limit VA's authority to initiate actions for a special disposal of leased property by permitting disposition only to the lessee and would specify that the authority to initiate a special disposition would expire 30 days after the expiration of the lease.

Twelfth, section 2(b)(3) of S. 2532 would require the Secretary to provide the committees with written notice of the Government's intent to dispose of designated facilities not less than 60 days prior to such disposition. My legislation—in new section 5064(c)—would increase that notice period to 90 days and would also require publication in the Federal Register by the same deadline.

Thirteenth, section 2(b)(3) of S. 2532 would provide that, upon disposition of the property, cash proceeds—less amounts necessary to reimburse the costs incurred for the disposition—will be deposited into the nursing home revolving fund—as established by section 5016 of title 38, United States Code—or an enhanced use fund, as appropriate. My legislation—in new section 5065—would require the deposit of all proceeds in the nursing home revolving fund.

Fourteenth, section 2(b)(7) of S. 2532 would limit the total number of enhanced use agreements to 30. My legislation—in new section 5068—would include that limit and also provide that not more than 10 such leases may be entered in any fiscal year and would exempt leases under which the premises are used primarily for child care services for VA employees from these numerical limitations.

Fifteenth, under section 2(b)(6) of S. 2532 the authority to enter into enhanced use agreements would expire on September 30, 1993, and under my legislation—in new section 5069, on September 30, 1994.

CONCLUSION

Mr. President, the Department of Veterans Affairs has identified a very positive way to enhance the value of VA's real estate inventory, increase the availability of needed services to veterans and their dependents, improve the Department's ability to recruit and retain qualified employees, and enable local VA facilities to interact in mutually beneficial ways with their communities—all without the need for additional appropriations. I certainly agree with the concept. Enhanced use leases seem to be a way of answering a variety of questions being raised by VA's shifting veteran population, its aging facility infrastructure, and the increasing number of employees who are part of two wage earner or single parent families.

Mr. President, I believe that we must always be open to new ways of administering the public trust but, at the same time, cautious and prudent in exercising that responsibility. Providing the Secretary of Veterans Affairs with an authority to develop a Federal-private sector lease is indeed a significant step of faith, showing congressional confidence in our newest Cabinet-level department. Limiting that authority to 4 years and specified numbers of projects in total and per year and requiring public hearings and advance notice to the Committees on Veterans' Affairs reflect the prudence that I believe is necessary.

Mr. President, I look forward to working with my colleagues on the Veterans' Affairs Committee, as well as the administration, in the further development of this legislation. I also invite all of my colleagues to join with me in support of this measure.

This amendment is scheduled for consideration in connection with the hearing that the Committee will be conducting on June 14, at 8:30 a.m. in room 418 of the Russell Senate Office Building.

NOTICES OF HEARINGS

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. FORD. Mr. President, I would like to announce for the Senate and the public that a hearing has been scheduled before the Subcommittee on Energy Research and Development.

The purpose of the hearing is to receive testimony on the Department of Energy's human genome project.

The hearing will take place on Wednesday, July 11, 1990, at 2 p.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

Those wishing to provide written testimony for the printed hearing record should send it to the Subcommittee on Energy Research and Development, U.S. Senate, Washington, DC. 20510, Attn: Ben Cooper.

For further information, please contact Ben Cooper at (202) 224-7569.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. NUNN. Mr. President, I would like to announce for the information of the Senate and the public that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, will hold a hearing on health care costs and revenue recovery firms.

This hearing will take place on Wednesday, June 20, 1990, at 9:30 a.m. in room 342 of the Dirksen Senate Office Building. For further information, please contact Daniel Rinzel of the subcommittee's minority staff at 224-9157.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE DEFENSE INDUSTRY AND TECHNOLOGY

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Subcommittee on Defense Industry and Technology of the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, June 12, 1990, at 9:30 a.m. to receive testimony on international defense trade and cooperation in review of S. 2171, the Department of Defense Authorization Act for fiscal year 1991.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation and the National Ocean Policy Study, be authorized to meet during the session of the Senate on Tuesday, June 12, 1990, at 9:30 a.m. on the Environmental Satellite Programs of the National Oceanic and Atmospheric Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, June 12, at 10 a.m. to hear Secretary of State Baker on the United States-Soviet summit and the upcoming NATO summit.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, June 12, 1990, at 2 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be authorized to meet during the session of the Senate on Tuesday, June 12, beginning at 10 a.m., to conduct a business meeting to markup S. 203, Ground Water Research an Education Act; S. 1178, Coastal Protection Act; S. 1731, Louisiana Coastal Wetlands Act; S. 1893, Asbestos School Hazard Abatement Reauthorization Act; S. 2176, the Pollution Prosecution Act of 1990; S. 2371, Environmental Research Institute Feasibility Study; S. 1875, Virginia Smith Dam naming bill; 16 GSA prospectuses; one 11(b) resolution; and other pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on June 12-15, 1990, at 9:30 a.m. to hold a business meeting on the 1990 farm bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Tuesday, June 12, 1990, at 9:30 a.m. for a hearing on the subject: S. 1978, the Trade and Technology Promotion Act of 1989.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PROJECTION FORCES AND REGIONAL DEFENSE

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Subcommittee on Projection Forces and Regional Defense of the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, June 12, 1990 at 10 a.m. to receive testimony on the state and capabilities of the U.S. Marine Corps in review of S. 2171, the Department of Defense Authorization Act for fiscal year 1991.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

A BANANA WAR IN HONDURAS

● Mr. KERRY. Mr. President, I would like to bring to the attention of my colleagues to a serious situation which has been developing into a crisis for Honduras. The crisis involves a group of small independent banana growers in Honduras who are trying to break a virtual monopoly enjoyed by Chiquita Brands International, based in Cincinnati, OH.

In recent months, the world market for bananas has been expanding dramatically, particularly with the opening of the Eastern European markets. Over the past several months, small banana growers in Honduras have tried to sell their produce to these and other European markets to meet the growing demand for fresh fruit abroad and to improve their own financial situation.

However, according to published reports, Chiquita has effectively blocked these small growers' trade expansion efforts, in some instances with armed force, in others, through manipulation of Honduran courts. The result: Bananas bound for Europe never leave the country; they are left to rot in the trains that transported them from the farm to port; the growers lose millions of dollars; and Honduras' economy suffers as the export of one of its greatest revenue earners comes to a halt.

The 1990 banana conflict is clearly reminiscent of the years during which Honduras and other Central American countries were known as banana republics. During that era, multinational corporations colluded with military dictators to exercise monopoly control over the region's agricultural production. Today, this dispute threatens to destroy newly elected Honduran President Rafael Callejas' efforts to expand international trade and investment in his country.

The banana war in Honduras is now more than 100 days old. Despite multimillion-dollar losses to growers and the Government of Honduras, the dispute is expected to continue for some time.

The independent growers have sought to break away from Chiquita because they claim the company has not lived up to a contract dating back to the mid-1970's. Ilsa Diaz, the owner of a Honduran export company, which has become the focus of the new banana war, says that Chiquita promised to pay the growers in United States dollars and to boost payments to the growers on a regular basis.

Instead, Diaz points out that Chiquita has paid the growers in the less favorable Honduran Lempira and has kept prices far below what competitors are willing to pay. An Irish-owned fresh fruit distributor recently paid Diaz $4.40 per box of bananas; Chiquita was paying less than $2 per box.

Mr. President, the action of Chiquita in Honduras conjures up an era of multinational corporate venality which, in the past, provoked considerable anti-North American sentiment throughout Latin America. Chiquita's actions in Honduras undermine United States foreign policy interests in the region.

This dispute has been recently documented in a series of news articles. I ask that these articles which appeared in the May 1, 1990, edition of the Cincinnati Inquirer; the June 11, 1990, edition of Time magazine; and the April 30, 1990 Washington Times, be printed in the RECORD.

The articles follow:

[From the Cincinnati Enquirer, May 1, 1990]

BANANA WAR SIMMERS IN HONDURAS

(By Mark Braykovich)

In the tiny Central American republic of Honduras, a small but significant banana war has broken out.

The arena is the port of Puerto Cortes, where the normally bustling yet peaceful loading of bananas onto ships has turned ugly in recent weeks.

A dispute over export rights between longtime banana king Chiquita Brands International Inc. and several banana growers has erupted into armed confrontation and legal one-upmanship. It also has brought into question once more the relatively free hand Cincinnati-based Chiquita and its predecessors have enjoyed there for nearly a century.

"I think (Chiquita) is beginning to understand that a new force is coming to Honduras," said Ilsa Diaz, owner of a Honduran export company at the center of the latest controversy.

At issue is a longstanding contract between banana growers and Chiquita. The growers now refuse to abide by the contract: Instead of raising bananas for Chiquita, they have been selling them to Diaz and another competitor.

The recent events are reminiscent of similar, often bloody clashes earlier in the century between the then-United Fruit Co. and banana growers. Because the government almost always sided with corporate interests Honduras and other neighboring banana-growing nations came to be labeled—some say partronizingly—the banana republics.

Under Honduras' new government and constitution, Diaz and other business owners hope to break Chiquita's monopoly and get more fair terms for Honduran banana growers at a time when demand for their bananas has skyrocketed because of the opening of several European markets.

According to Diaz and Mario Echeverri, a Honduran banana grower no longer doing business with Chiquita, here is a summary of recent events:

A month ago, a ship loaded with Europe-bound bananas was boarded by men with guns and a court order. They unloaded the bananas, claiming Echeverri and some other growers owed money to Tela Railroad, a Chiquita subsidiary.

A week later, a second shipment suffered the same fate. About 25,000 boxes of bananas were confiscated.

On April 2, another ship was awaiting loading when the intended cargo was confiscated and the customs seals broken.

Two weeks ago, as a fourth ship was prepared to leave Puerto Cortes, Echeverri was arrested, and fraud charges were filed against him. The bananas aboard the ship were seized.

"It has been like piracy," said Diaz, who contends Chiquita is responsible for the armed intervention.

"We are not going to resort to violence or strong-arm tactics," said Charles Morgan, Chiquita vice president and general counsel. "We're not that kind of company."

The banana war has been just as brutal in the courts. Chiquita has been litigious in recent months, seeking to stop Echeverri and several other growers from selling their bananas to Diaz's company, which in turn sells them to FII-Fyffes, an Irish fresh fruit distributor. Until last year, Fyffes marketed Chiquita bananas in parts of Europe and was partly owned by Chiquita.

"(Fyffes) took that grower (Echeverri) away from us," said an executive of American Financial Corp. (AFC), the Cincinnati company controlled by financier Carl Lindner. AFC owns 81% of Chiquita, which was United Brands Co. until this year and United Fruit Co. before that.

Fyffes has said publicly it has done nothing wrong.

Chiquita—arguing the growers have a contractual obligation to supply Chiquita and that Fyffes induced a breach of contract by enlisting them—convinced a Honduran judge to ban the sale of bananas by the independent growers to Fyffes. Chiquita also has been told the Honduran Supreme Court is investigating the matter.

On April 10, Diaz said, another court ruled in favor of the growers, permitting sales to Fyffes and ordering Echeverri's release. Morgan said he is unaware of that ruling. "Fyffes is just flouting the judge's order," he said.

Despite the intrigue, Chiquita insists the dispute is not a big deal. Although Honduras supplied Chiquita with one-fourth of its $1.37 billion banana crop last year, Echeverri and the other growers represent less than 5% of the Honduran crop, said the AFC executive, who requested anonymity.

Those growers sought to break away from Chiquita because they say the company did not live up to a contract dating back to the mid-1970s. Diaz said Chiquita promised to pay the growers in U.S. dollars and to boost banana payments regularly.

Instead, said Diaz, Chiquita has paid in the less favorable Honduran lempira and has kept prices far below that competitors such as Fyffes are willing to pay. Fyffes, for instance, recently paid Diaz $4.40 per box of bananas; Chiquita was paying less than $2, she said.

"Our position is that we've lived up to the contract," said Chiquita's Morgan. "It's up to the courts to decide if there has been a breach of contract."

Morgan said Chiquita will continue to press its case in court; Diaz said she, the growers and Fyffes will do the same.

"I think everything will be OK," said Diaz. "But if they need to use force and guns, I can't predict what will happen in the future."

Armed confrontation already may have run its course. Over the weekend—without incident—the ship *Nova Scotia* was loaded with bananas purchased from Diaz by Fyffes. It set sail Monday morning for Europe.

[From the Washington Times, Apr. 30, 1990]

HONDURAS BANANA BRAWL BREWING?

(By Stephen Green)

The emergence of peace and the trend toward democracy in Central America may bring a welcome respite to the cruel violence and other problems that have plagued the region. But the onset of even relative tranquility may prove to be a short-lived phenomenon without the economic revitalization required to combat widespread poverty.

Of special concern to those who wish to prevent a reversion to the patterns of the region's disreputable past are questions about the level of U.S. financial aid and what will occur if U.S. assistance declines.

With increasing pressures for additional American help to the emerging democracies in Eastern Europe, there is the likelihood of less money for traditional aid recipients, including Central America?

Nonetheless, as ripples from the changes in Eastern Europe reach Central America, they have been accompanied by an unexpected economic opportunity. Fortuitously, Eastern Europe possesses an appetite for bananas—the chief cash crop of Central America.

A new market for bananas offers hope for increasing exports from Central America in return for hard currency—money that could help lift peasants and workers out of poverty. But what now is occurring in Honduras, the original banana republic, indicates that selling Central American bananas on the open market to Eastern Europe may not be as easy as it should be.

United Brands, the multinational corporation based in Cincinnati, has enjoyed a monopoly on Honduran bananas through its wholly owned subsidiary, Chiquita International Trading Co. United is blocking efforts by Honduran independent growers to sell their bananas to Eastern Europe.

In an effort to take advantage of the dramatic expansion of the international banana market, the independent growers in Honduras have sought to sell to Eastern Europe through Promexh, an exporting firm founded by Ilsa Diaz, president of the women's press organization in Central America.

In March, the Dutch-registered freighter Casablanca had just loaded a $1 million cargo of bananas bound for Europe when a group of armed men boarded the vessel and seized the fruit. They claimed that the independent growers owed the bananas as payment of a debt to Tela Railroad Co., the Honduran railroad also owned by United Brands. Three similar seizures from other freighters followed.

In the most recent incident, Mario Echeverri, a leading independent farmer, also was seized at the instigation of United Brands, and fraud charges were placed against him in the Honduran courts.

The flimsy nature of the accusations against the independent farmers has been underscored by the actions of the Honduran courts. Trial judges have freed Mr. Echeverri and have ordered the loading of the freighters to proceed.

Yet United Brands has not given up. The company continues to harass the independent growers with litigation and claims that they must settle debts to the Tela Railroad with bananas that the growers want to ship to Europe.

The evidence suggests that the effort to stop the independents from exporting to Eastern Europe is intended to preserve the long-standing banana monopoly rather than to collect legitimate debts. The Honduran courts have ruled against the railroad's refusal to accept money in lieu of bananas as payments from the growers. United also has failed to win in court its claim of exclusive rights to the independents' crops.

The refusal of United Brands to comment on what is transpiring in Honduras reinforces the impression that the corporation is waging a banana war to preserve its monopoly. In the interest of commercial fair play, United Brands and its subsidiaries in Honduras ought to end their strong-arm tactics against the independent banana growers.

American interests are best served by Hondurans becoming full-fledged participants in the market for international trade. Central American nations with healthy economies are more likely to remain democratic and less likely to need looking after by the United States.

[From Time Magazine, June 11, 1990]

THE BANANA REBELLION

The struggle has all the classic images of a revolution: machete-wielding peasants, gun-toting men in uniform, alleged acts of sabotage. But the rebellion brewing in Honduras has an unusual rallying cry: Bananas! For nearly a century, U.S. giant Chiquita Brands International (formerly United Fruit) has enjoyed a virtual monopoly on the republic's banana exports. But many growers today want to sell their products to Fyffes Group, a British fruit company offering $4.40 a box, vs. Chiquita's estimated $3.

The U.S. company insists that growers are legally bound to sell to it until 1992. As a result, Fyffes' port shipments have been blocked by armed guards. Campesinos armed only with farm implements have confronted them, but no injuries have been reported so far. Last month a train packed with Fyffes bananas was derailed in northern Honduras when it hit what police said was a deliberate obstruction. The contractual dispute is working its way through the Honduran courts.●

HUD SECRETARY JACK KEMP

● Mr. KASTEN. Mr. President, I bring to the attention of the Senate an article in today's Wall Street Journal by HUD Secretary Jack Kemp on what we must do to extend economic opportunity to all Americans.

As Secretary Kemp points out, one of the most important steps we can take is to cut the capital gains tax rate to 15 percent. This one move would create more economic opportunity and upward mobility for minority Americans.

Black Americans account for 13 percent of this country's population, but for only 0.5 percent of the wealth. The high capital gains tax is locking capital into conservative investments like blue chip stocks and tax-free bonds. Lower taxes would free up this capital, meaning that the benefit from a 15-percent capital gains tax will adhere with special vigor to the new issues of stock by high-risk minority startups.

Mr. President, extending the economic pie to America's poor ought to be the chief goal of our national economic policy. I agree with Jack Kemp that this goal is best achieved by removing disincentives that keep the less fortunate out of the mainstream economy.

I ask that Secretary Kemp's article be printed at this point in the RECORD.

The article follows:

[From the Wall Street Journal, June 12, 1990]

LIBERATE AMERICA'S OTHER ECONOMY

(By Jack Kemp)

In 1984, Mario Cuomo of New York electrified the Democratic Convention with his tale of America as two cities, one rich and one poor, permanently divided into two classes. He talked about the rich growing richer and the poor becoming poorer, with the conclusion that class conflict, if not warfare, was the only result, and redistribution of wealth the solution.

With all due respect to Gov. Cuomo, he got it wrong. America is not divided immutably into two static classes. But it is separated or divided into two economies. One economy—our mainstream economy—is democratic and capitalist, market-oriented and entrepreneurial. It offers incentives for working families in labor and management. This mainstream economy rewards work, investment, saving and productivity. Incentives abound for productive economic and social behavior.

It was this economy, triggered by President Reagan's supply-side revolution of tax cuts in 1981, that generated 21.5 million new jobs, more than four million new businesses, relatively low inflation and higher standards of living for most people. This economy has created more jobs in the past decade than all of Europe, Canada and Japan combined. And according to the U.S. Treasury, federal income taxes paid by the top 1% of taxpayers has surged by more than 80% to $92 billion in 1987 from $51 billion in 1981.

POCKETS OF POVERTY

There is another economy—a second economy that is similar in respects to the East European or Third World socialist econo-

mies. It functions in a fashion opposite to the mainstream capitalist economy. It predominates in the pockets of poverty throughout urban and rural America. This economy has barriers to productive human and social activity and a virtual absence of economic incentives and rewards. It denies black, Hispanic and other minority men and women entry into the mainstream. This economy works almost as effectively as did hiring notices 50 years ago that read "No Blacks—or Hispanics or Irish or whatever—Need Apply."

The irony is that the second economy was born of desire to help the poor, alleviate suffering, and provide a basic social safety net. The results were a counterproductive economy. Instead of independence, the second economy led to dependence. In an effort to minimize economic pain, it maximized welfare bureaucracy and social costs.

All around the world, despite the resistance of the old guard, freedom and free markets, democracy and capitalism are increasingly on the march. East Europe is looking to us for market-oriented answers, but so is East Harlem, East St. Louis and East Los Angeles.

If we are to present the example of democratic capitalism and the rule of law to the rest of the world, we've got to make it work for the low-income people and distressed neighborhoods and communities right here in our own country. Whether it's called bleeding-heart conservatism, capitalism with a social conscience, or populist conservatism—it's the right thing to do, the right time to do it, and we're the right people to help lead it.

Let's step away from our orthodox notions and examine this from afar. What if you wanted to create poverty? What policies and principles would you use to destroy the economy of cities and make people dependent on government? How would you do it? Let me offer some suggestions:

Impose steeply graduated and progressive tax rates and then inflate the currency to push people into ever higher tax brackets.

Reward welfare and unemployment at a higher level than working and productivity.

Tax the entrepreneur who succeeds in the legal system—while permitting an underground, untaxed, economy.

Reward people who stay in public housing more than those who want to move up and out into private housing and home ownership.

Reward the family that breaks up rather than the family that stays together.

Encourage debt, borrowing and spending rather than saving, investing and risk-taking.

Weaken and in some cases destroy the link between effort and reward.

The startling fact in America today is that the highest marginal tax rates are being paid not by the rich, but by welfare mothers or unemployed fathers who want to take a job. In most cities, a welfare mother would have to earn $15,000 to $18,000 in a private-sector job to earn the equivalent of the average tax-free welfare payment.

According to a study by Christopher Jencks and Kathryn Edin in American Prospect magazine, a mother with two children who is employed at about $5 an hour would take home about 45 cents an hour less than if she were on welfare. She loses nearly $4 a day after taking into account the loss of government benefits, taxes and such work-related expenses as transportation and child care.

The heavily regulated U.S. housing market is another example of government-created scarcity. Rent control in many major cities has crippled rental housing by making it unprofitable to be a landlord or investor. Rent controls do not help the poor, because they cut apartment supply.

Another glaring example of counterproductive government policy is how the Department of Housing and Urban Development had been spending more than $1,300 per unit to subsidize vacant public housing—housing often used as crack houses for gangs and drug pushers. The Bush administration has started a policy called Operation Occupancy under which only units actually occupied by low-income people will receive public housing subsidies.

Let me outline some ideas for a national agenda to help low income people and our nation find the keys that will unlock the shackles of poverty and despair:

Cut the capital-gains tax to 15%. Eliminate it in distressed inner cities and rural communities that we would designate as Enterprise Zones.

Expand resident management and urban homesteading in public housing to empower residents to buy their own homes and enjoy the dignity of ownership.

Widen use of housing vouchers and certificates to give low-income families greater choice of where to live, while expanding access to affordable housing for those most in need.

Reform the tax system to remove low-income families from the tax rolls and dramatically increase the after tax income of welfare mothers and unemployed fathers who go to work.

In 1948, at the median income, a family of four paid virtually no income tax and only $30 a year in direct Social Security taxes (1%). This year, the same family's tax burden would be more than $6,000. To reach a level comparable to 1948, the personal exemption—the tax allowance for the costs of nurturing children—would have to be well over $6,000 today. Instead, it is only $2,000.

EXPAND TAX CREDIT

Expand the earned-income tax credit dramatically, creating up to a $6,000 exemption for children under 16.

Help the homeless. Congress should pass the administration's new Shelter Plus Care program to expand community based mental-health facilities, drug-abuse treatment, job training, and day care. This program will help homeless Americans get shelter, transitional housing, and support services to help them re-enter the mainstream economy.

Provide educational opportunity by expanding true choice and competition through magnet schools, education vouchers or tuition tax credits.

Encourage Congress to pass President Bush's HOPE legislation, including IRAs for first-time home buyers, the low-income housing tax credit, and Operation Bootstrap linking housing vouchers to strategies for gaining self-sufficiency.

A program like this would make the 1990s the decade in which we win the war against poverty—just as the decade of the 1980s was the one in which we won the Cold War against communism.●

COSPONSORSHIP OF S. 2712

● Mr. KOHL. Mr. President, I rise today to ask to have my name added as cosponsor of S. 2712, a bill to establish a Financial Service Crime Division in the Department of Justice. I do so with mixed emotions.

On one hand, I am proud to join my colleagues in urging the creation of this new division. The Department of Justice and the FBI must be given the strength they need to pursue the S&L criminals who gambled and lost with taxpayers' money.

On the other hand, I am sorry that we need this legislation. If there is one thing that makes this country unique, it is our commitment to equal justice under the law. That means that thieves are arrested, prosecuted, and punished—regardless of their wealth or social status.

The Department of Justice's current backlog of financial fraud cases makes me wonder how seriously the administration takes this principle. As of February, the FBI had 21,147 such cases on which no action had been taken; 1,000 of these involve amounts over $100,000; 234, amounts over $1,000,000.

There is no excuse for letting these cases go unexamined. Those guilty of financial fraud took illegal risks with other people's money. And, in the United States, the law says you pay for your illegal actions—no matter how white your collar is.

In addition, those S&L officials guilty of criminal behavior are directly responsible for the growing cost of the bailout. And they should be the first to cover those costs. We in Congress and the administration have no right to put one penny of taxpayer money toward the bailout until we are prepared to collect every cent we can from the S&L criminals.

From its beginning, the S&L crisis has been a shameful display of irresponsibility. An irresponsible Federal Government underregulated a shaky, desperate thrift industry. Irresponsible thrift executives took illegal risks with depositors' money.

I am proud today to be part of reversing this trend. S. 2712 will give the Department of Justice the authority to make S&L criminals take responsibility for their actions. In doing so, it approaches one aspect of the S&L crisis as the whole problem should be approached—straightforwardly, openly, and honestly.●

THE TRUTH ABOUT THE AH-64 APACHE

● Mr. McCAIN. Mr. President, the Army's AH-64 Apache is the world's most capable and lethal attack helicopter. It was designed to carry out its wartime missions in day or night, in fair or adverse weather, and in the most hostile battlefield threat conditions. It can, and has, operated in all of these conditions during the invasion of Panama carried out last December, as well as in mock combat such as the annual Reforger exercises in Germa-

ny. The Apache is considered by the Army to be a real force multiplier as a multimission combat weapons system. This will expand its capabilities to include Third World scenarios, low intensity conflicts, and special operations.

However, the Apache has been the subject of critical press reports recently, and I was concerned enough about the wide distribution of the allegations in those reports that I wrote to the Secretary of the Army to obtain the Army's analysis of those stories. The Army's reply to me is dated May 31, 1990, and I will ask that the text of that reply be printed in the RECORD at the conclusion of my remarks. I would like to add my own comments concerning a few of the problems with the Apache that have been the focus of these press reports.

One issue is the fact that the Apache costs about $3,900 per flying hour to operate. This is a correct figure, but it was printed in the context as if this is an extraordinarily high amount. This figure includes the full payroll costs of the flight crew and the maintenance personnel who work with the aircraft. Those payroll costs amount to about $2,000 of the hourly cost. As the data in the Army's reply demonstrates, $3,900 is a rather typical operating cost for an Army helicopter. Indeed, it is only about 30 percent higher than the cost per flying hour for the Army's old Cobra attack helicopter; the Cobra has only a rudimentary attack weapons system, no night vision or night attack capability, and does not have anywhere near the flight performance or battle damage hardening that the Apache possesses. The Army typically rates the Apache as eight times more combat-effective than the Cobra. So when the Army gets eight times the effectiveness for a 30-percent increase in operating cost, I would say that they have made a very wise investment.

Another allegation is that the Apache has a very poor operational readiness rate. Here again, some figures used to make this argument are misleading. The Apache readiness rate for full mission capability in June 1989, as cited, was only about 50 percent. What is not explained is that freak, violent storms of tornado-like severity, occurred at Fort Hood, TX, May 12, 1989, and in South Carolina, June 16, 1989, shortly before the June 1989 rating. A large number of the Army's Apaches are stationed at Fort Hood, and a National Guard Apache battalion was at the location of the South Carolina incident. The storms damaged 124 Apaches; throwing many over on their sides causing extensive damage to the rotor systems and other parts of the aircraft. These aircraft took considerable time to repair and return to flight status. As the storm damage has been repaired, Apache readiness has increased at a steady and consistently upward trend.

During the first two quarters of fiscal year 1990, there has been a very encouraging 10 percent increase in Apache readiness. One reason this favorable trend continues is the "Apache action team" formed over a year ago by the Army and the AH-64 prime contractor. The purpose of this team is to improve reliability and maintainability of specific parts in the aircraft that require the most frequent repair actions, and expedite the process by which engineering changes, as the fixes are called, are made and put into production. It takes time for these actions to appear as improvements in operating costs and readiness rates, but their impact is beginning to be reflected in the steadily improving rates. As more and more of the improvement initiated by the action team are fielded throughout the Army's Apache fleet, the impact will be a dramatically better readiness rate in the fleet. The Apache readiness rate is expected to be at or above Army required standards by the end of this year.

Let me emphasize that the readiness rates being discussed are those for normal peacetime operating tempos, which the Army deliberately constrains, to some extent. Thus, readiness capability is affected by slowing the availability of repair parts as well as repairs in the depots. When an Apache battalion or any other operational unit goes into combat, the added spares required to support a higher than normal flying hour effort and a higher overall readiness rate, are provided to the unit. Such was the case in Panama, in Operation Just Cause, where the Apaches had an admirable combat record. Readiness rates were maintained at over 80 percent due to this support. Apaches flew the vast majority of their combat missions at night, when Cobras could not operate. They used their Hellfire missiles to destroy targets at standoff range, as well as their 30mm guns. Some sustained battle damage, but all returned to base and were repaired within 36 hours; attesting to the built-in survivability of the aircraft. The operational commanders were very enthusiastic about the capability demonstrated by the Apache in the combat environment.

Another demonstration of the Apache's ability to sustain a high operating tempo when fully supported was the Reforger battlefield exercises in Germany earlier this year. The Army used six full battalions of Apaches; the largest number to date for a single exercise. Those six units sustained a readiness rate of over 80 percent while flying some 2,600 hours in simulated combat missions. Here again, the operational commanders were simply delighted with the Apache and its ability to operate at night and in adverse weather conditions well behind enemy lines. I have attached a compendium of comments by senior Army officials and Apache commanders at the end of my remarks which are illustrative of how they view this superb fighting machine. I will ask that these also be printed in the RECORD.

Another allegation about the Apache has been that the Army National Guard can not maintain the Apache because it is too complex a weapons system. Nothing could be further from the truth. The North Carolina National Guard was the first unit to be fully equipped and trained with Apaches. When that unit completed its training at Fort Hood, it received the highest score, at that time, of any Apache battalion to have completed the final training exercise, called the ARTEP. The unit did experience some supply availability problems when it first returned to North Carolina. These were caused by the need to set up a new supply pipeline system for the unit. However, now that this system is functioning, readiness rates are running on a par with active Army units, demonstrating the ability of the Army National Guard to maintain the Apache.

Now I would like to digress from the inaccurate reporting on Apache and mention a future major enhancement to its capability that will come from the incorporation of the Longbow radar fire control and missile system. This system essentially consists of a millimeter wave radar that can detect and identify targets in true all-weather conditions plus a fire-and-forget version of the Hellfire missile that can lock on to targets identified by the radar and then self-guide to attack the target. This new system already has been prototype-tested in operational conditions with excellent results.

The benefits of Longbow Apache seem obvious. The Longbow Apache will be able to perform standoff combat at night and adverse weather conditions where existing heat-sensing systems have limited range. It will also be able to launch missile attacks on its targets and then perform evasive maneuvers, or remasking to avoid hostile, antiaircraft fire while the missile guides itself to the target. This capability will greatly improve the Apache's effectiveness by allowing combat in more severe weather and by improving survivability in the face of heavy defenses. Indeed, extensive wargaming analyses have shown Longbow has at least 10 times the combat effectiveness over presently fielded Apaches in detecting targets, engaging them and surviving on the battlefield.

Another advantage of Longbow will be that it will result in a basic simplification of the electronic systems in the Apache due to the use of the most

recent advances in microelectronic technology. These newer electronic units will replace the older ones and the operating costs will decrease and reliability and maintainability factors will be improved. The Longbow system is currently in R&D and will be retrofitted into approximately one-third of the Army's Apache fleet later in the decade. It promises to add a major enhancement to this superb weapons system. I strongly urge Members' support for this highly enhanced system.

There is one problem with the Apache Program that I would like to bring to my colleagues' attention; the Apache aircraft shortfall of the Army National Guard Apache Battalions. While we as a nation are looking to draw down our Active duty manpower in the Armed Forces and turn over many of their potential combat roles to National Guard and Reserve units, the Army has planned to equip their Apache battalions in the Guard with only 15 aircraft instead of the 18 used by Active duty battalions. The rationale for this is the current procurement total of 807 Apaches is inadequate to equip the Guard and Reserve battalions at full strength. I believe it is unwise not to fill out the 12 National Guard Apache battalions and the 2 Reserve battalions to full strength, and I would urge my colleagues to consider the possibility of continuing AH-64 Apache production in subsequent years at a very modest rate until the Guard and Reserves' force structure needs are met.

The fiscal year 1991 funding requirement to maintain this possibility is an economical $18 million in advance procurement funds for a 1992 buy of 36 aircraft. This will preserve the option to buy more Apaches next year to balance the shortfall in the Guard and Reserves. In addition it will preserve the industrial base for attack helicopters and enhance opportunities for continued international sales. The advance procurement items could be diverted to the spares pool in the event a decision next year deems those aircraft unnecessary. It seems to be a wise, precautionary investment to me.

Mr. President, I thank my colleagues for their consideration of the points raised about the AH-64 Apache, and I hope that they will examine the following materials concerning the program, which I submit for the RECORD.

The material follows:

ARMY COMMENTS

The Army feels that the Apache is one of its major success stories! The Army responded in writing with a point/counter point paper that corrected or clarified the many inaccuracies in the *Philadelphia Inquirer* article.

Secretary of the Army Michael Stone speaking before a group during the recent Army Aviation Association of America (AAAA) Convention in Orlando, FL stated: "Apache is the finest attack helicopter in the world". This is how the Secretary of the Army characterized the combat-proven AH-64A in his defense of the APACHE recently before congressional leaders. He also testified to Congress (House Subcommittee on Oversight and Investigations for Energy and Commerce) "the Apache has given the U.S. a capability that is the envy of the world. . . . The Army believes in the Apache and the capability it brings to the battefield . . . the intrinsic Apache design was battle-proven in Panama."

Stone was joined in his testimony by Major General Donald Williamson, Commander of AVSCOM, and Major General William H. "Bud" Forster, Requirements Director for the Army Staff. In his defense of the Apache, MG Williamson said: "The Apache is performing magnificently in a difficult environment. After 250,000 hours of flight, the material is better, the manufacturing is better, the personnel are better, and the training is better."

Mr. Joe Cribbins, Chief of Army Aviation Logistics, and Special Logistics Chief to the Deputy Chief of Staff for Logistics, U.S. Army stated at AAAA: "Reference the recent articles on Apache. Most of what we are reading is old news. The Apache has been getting a 'BAD RAP' in the press recently. . . . McDonnell Douglas has been doing an outstanding job in taking care of their responsibilities in reliability improvements on the Apache and in working with the Army on the Apache Action Team during the last 14 months for correction of readiness and maintenance problems."

MG Rudy Ostovich, Chief of Army Aviation and Commander of the U.S. Army Aviation Center recently stated: "The Apache is the world's greatest attack helicopter . . . (in Panama) the Apache delivered lethal, precise, devastating killing power . . . I'm very proud of that aircraft and what it's done for our nation." His speeches were given at both AAAA in Orlando (April 1990) and at the Carlisle, PA Army War College (May 1990).

The Vice Chief of the Army recently committed to near term improvements in Apache, as a result of shortcomings identified by the Army Apache Action Team, in recognized personnel and maintenance shortages in the attack battalions.

The Vice Chief of the Army directed, in February, that the primary individual task list for AH-64A Apache Battalion mechanics must be battle focused on maintenance and repair of the equipment for which they are responsible. AH-64A mechanics, as a minimum, must spend an average of 4.5 hours per day maintaining/repairing AH-64's. This is an increase of 2.0 hours of maintenance over the current maintenance level of 2.5 hours a day.

The Vice Chief of the Army has authorized the increase of 35 additional personnel in the Apache. This increase is levied at completion of providing the minimum requirement for supporting the peacetime flying rate in a AH-64A Battalion.

LTC Don Vinson, Commander of the 1-82nd Aviation Battalion, said: "Many Panamanian soldiers gave themselves up when they saw an Apache. The Apache's survivability . . . and its ability to withstand small arms fire was just as advertised." Don Vinson commanded the Apache Attack Helicopter Battalion employed on "Operation Just Cause," (A summary of his Aviation Soldiers' comments is on the following page.)

Colonel Johnny Hitt, Commander of the 11th Brigade, recently stated: "In accomplishing all required missions, we proved the Apache could work in the field and be maintained in the mud. Peacetime requirements limited many flights because of weather, that we would have flown in actual combat."

Lieutenant Colonel Jerry Saltness, Commander of the 4-229 Attack Helicopter Battalion, USAREUR, said: "We maintained 81% fully mission capable aircraft during REFORGER. Every mission we flew included no less than 16 out of 18 Apaches in the air."

Lieutenant Colonel Terry Branham, Commander of the 2-6th Attack Helicopter Battalion, said: "We engaged targets faster than umpires could give us credit and control the battle. (During REFORGER.) With some of the oldest Apaches in the fleet, we kept 14 flying on a daily basis, logging almost 400 flying hours during the exercise."

SUMMARY OF SOLDIERS' COMMENTS

Many details about the Apache's performance in Panama are still classified. Yet, Army pilots of the 1-82nd Aviation Regiment, who flew 11 Apaches there, are anxious to talk about their successes. Following are their comments.

Apache's performance in Panama was, in a word, awesome. That was the word from pilots and crews who took the Apache into battle for the first time. Apache has been praised repeatedly for its survivability, night vision capability, and extended range performance.

LTG Jimmy Ross, the Army's Deputy Chief of Staff of Logistics, said: "We had great success with the Apache because of its night vision system, which allowed pilots to identify and attack known targets, including anti-aircraft batteries, in the opening minutes of the operation."

"A combat leader has to have reliable equipment to carry out the mission. 'Operation Just Cause' proved to me that the Apache is the Army's most maneuverable combat helicopter. Apache is a young weapon system of which great things can be expected in the future."

"During the Panama invasion, I was part of a crew that had the misfortune of taking small arms fire throughout the aircraft. Approximately 23 rounds hit the aircraft and not one round penetrated the cockpit. With serious damage done to several major components, the aircraft still flew 20 minutes on one engine to home base. If not for the construction and backup system of this awesome helicopter, I might not be here . . . I feel the Apache is a proven helicopter in battle and I owe my life to the design and construction of the AH-64."

"Overall, the Apache is the F-15E of the helicopter world. Its awesome airframe coupled with the weapons mix make it a formidable aerial weapons delivery platform. I would rather be sitting inside an Apache shooting than being on the receiving end of it."

"I have found that if you give it the daily attention it requires . . . you will have the capability to deploy and fight day or night anywhere in the world."

"Non-Cobra jocks missed some interesting experiences which would have given them a substantial basis for comparison with AH-64s . . . the Apache offers full ordnance, full fuel, and good old-fashioned cold air without sacrifice of maneuverability or weapons accuracy. *All of this and it can do it at night.*"

"One thing Panama proved to me is AH-64A survivability. After attacks in Panama,

I was assigned to fly an aircraft that took over 20 rounds of small arms fire . . . After about 10 hours of flight time in that aircraft, over water and jungle, my confidence in the aircraft increased measurably."

"Apache can bob and weave in the treetops after a terrain flight takeoff, arrive in a battle position, and effectively immobilize and demoralize most any threat. The AH-64 clearly demonstrated its survivability in Panama; aircraft returned bullet-ridden and battle-damaged were repaired and returned to the battle."

"I have flown AH-1s, the German BO-105, the British Lynx, and most other attack-capable rotary wing aircraft in the free world. None of these aircraft hold a candle to the Apache . . . There is no other attack helicopter in the world I would rather fly into combat, and that's the bottom line."

"The durability, maneuverability and agility of this aircraft have proven unsurpassed in combat. Even after extensive combat damage, the aircraft will carry out its airborne mission . . . a confidence builder."

DEPARTMENT OF THE ARMY,
OFFICE OF THE SECRETARY OF THE ARMY,
Washington, DC, May 31, 1990.

Hon. JOHN MCCAIN,
U.S. Senate, Washington, DC.

DEAR SENATOR MCCAIN: This replies to your letter to Secretary Stone requesting information regarding the Philadelphia Inquirer article "Probe Uncovers Serious Flaws in Apache Helicopter." I have tried to answer your questions in the same sequence you used.

The AH-64 Apache is designed as a near all weather aircraft and has operated successfully in all weather conditions. Water leaks were a serious problem several years ago. but modifications have been made to seals and acceptance procedures have been changed following extensive testing to reduce leakage. The intense rain in Panama did affect the Apache. The flexing in the airframe allows some moisture to enter under certain conditions; and the rain, coupled with high humidity, created a moisture saturated environment. The drying of parts in kitchen ovens has not been confirmed; however, some parts were placed in a building with air conditioning and humidity control due to the intense rain and humidity in Panama. Regardless, the Apache's combat capability was proven as all missions were flown and completed during the Panama invasion. In any event, the invasion in Panama would not have been cancled because of the mission capability of the Apache. In fact, the Army is proud of the contribution the Apache made to our success in just cause.

For fiscal year (FY) 1990, Army Apache cost of operation is $3,924.00 per light hour. A cost chart with detailed cost accounts is enclosed. Also enclosed are cost comparisons for FY88, FY89, and FY90 for the AH-64, AH-1, UH-60, and CH-47D.

The total program cost to buy 807 Apaches is $11.8 billion. To date, $10.0 billion has been obligated for the procurement of 675 aircraft.

As with any weapon system during combat, a great deal of effort was expended by our soldiers to ensure JUST CAUSE was successful. Aircraft that were damaged during combat or required unscheduled maintenance were repaired and returned to service in country. Repair parts were made available from the most readily available source. Extensive storm damage experienced at Fort Hood in May 1989 did impact Army parts supply. However, recovery was well along, and there was minimal impact on the Panama mission. Any unique climatic combat environment could be expected to require special efforts.

The Army and McDonnell Douglas Helicopter have identified and are in the process of fixing, or are prepared to fix, all known maintenance problems associated with Apache. Issues relating to Apache reliability, maintainability, and supportability are being worked by a joint Apache Action Team consisting of members from the Army, McDonnell Douglas, and Martin Marietta. Additional and improved diagnostic equipment is being provided to our maintenance units. This will improve our units' ability to troubleshoot and maintain the Apache, thus reducing maintenance downtime.

The 15 fielded Apache Battalions have over 90 percent of authorized support and common equipment essential to combat operations. When a shortage affects a unit's mission, the Army takes immediate action to ensure that shortage is eliminated.

An information paper is enclosed with additional details on the Apache experience in Panama, during Reforger 90, and in the Army National Guard. Notwithstanding some of the problems encountered since fielding began four years ago, the Apache is the finest attack helicopter in the world today. The Army, in conjunction with McDonnell Douglas, is aggressively pursuing solutions to design and reliability shortcomings associated with this aircraft. Although there is still work to be done, a great deal of progress has been made toward this effort.

Thank you for your interest in the Apache. I trust this information will be useful to you.

Sincerely,

KATHRYN G. CARLSON,
Lieutenant Colonel, U.S. Army Chief, Special Actions Branch, Congressional Inquiry Division.

O&M cost, Apache, fiscal year 1990 (per flight hour)

Replenishment (repair parts and spares):	
Repair parts	$436
Spares	399
POL	62
Depot maintenance:	
Secondary items	792
End item	52
MPA:	
Crew	870
Maintenance	1,133
Other O&M	180
Total cost per hour	3,924

O&M COST COMPARISON FISCAL YEAR 1990

	Ah-64	Ah-1	UH-60	CH-47D
Replenishment:				
Parts	$436	$170	$175	$310
Spares	399	251	257	493
POL	62	47	62	184
Depot maintenance:				
Secondary Items	792	283	378	114
End Items	52	81	78	171
MPA:				
Crew	870	884	840	1,007
Maintenance	1,133	1,133	843	4,480
Other O&M	180	180	144	567
Total	3,924	3,029	2,777	7,326

O&M COST COMPARISON FISCAL YEAR 1989

	Ah-64	Ah-1	UH-60	CH-47D
Replenishment:				
Parts	$422	$154	$167	$265
Spares	891	302	256	444
POL	77	61	92	249
Depot maintenance:				
Secondary Items	792	305	382	97
End Items	47	38	22	79
MPA:				
Crew	747	1,127	743	1,290
Maintenance	1,084	1,012	801	4,110
Other O&M	167	179	133	544
Total	4,227	3,178	2,596	7,069

O&M COST COMPARISON FISCAL YEAR 1988

	Ah-64	Ah-1	UH-60	CH-47D
Replenishment:				
Parts	$328	$139	$171	$277
Spares	702	305	316	383
POL	71	57	85	229
Depot maintenance:				
Secondary Items	572	307	297	519
End Items	15	46	107	116
MPA:				
Crew	663	997	658	1,151
Maintenance	877	817	647	3,340
Other O&M	138	149	111	445
Total	3,366	2,917	2,392	6,460

INFORMATION PAPER

Subject: Apache Experience During Panama, Reforger and in Army National Guard.

1. Purpose. To provide information for Senator John McCain.

2. Facts.

a. Panama

(1) Six Apaches from 82d Aviation Brigade (20 Apaches assigned to this Brigado) were deployed in Panama from 16 November 1989 through 20 December 1989. During that time, 61 hours were flown while maintaining 81% Mission Capable (MC) and 76% Fully Mission Capable (FMC) rates.

(2) Five of the six Apaches were mission ready at H-hour, 20 December 1989. One aircraft (85-2440) was down during the entire operation for a fuel cell damaged during deployment.

(3) The Apache completed 10 of 10 missions during the battle period (20 December 1989-9 January 1990). Three Apaches sustained damage from small arms fire. Despite damage, every aircraft returned to base and was repaired and returned to action within 36 hours. No crew injuries were reported due to crew survivability protection built into the Apache.

(4) On 21 December 1989, an additional five Apaches were sent to Panama for support of an increase in mission requirements and to pick up the missions of the three damaged aircraft while repairs were being made. An Apache in an operational unit flies an average of 13 hours per month. In Panama between unit flies an average of 13 hours per month. In Panama between 20 December 1989 and 9 January 1990, the 11 Apaches averaged 21.5 hours for the 19 day period.

(5) During the entire Panama operation, the 11 Apaches flew over 300 hours (238 during the actual operation) of which one-half were at night and maintained a Mission Capable (MC) readiness rate of over 80%. At the start of the operation, two aircraft were scheduled on the first mission. The hydraulic pump on the first aircraft did fail creating an aircraft abort. This aircraft did not

make the mission. During the mission the second aircraft had a TADS circuit breaker pop, assumed to be the result of 30mm firing vibrations. The co-pilot/gunner thought he had sustained battle damage. The TADS circuit breaker was recycled while still airborne bringing the aircraft back to a Fully Mission Capable (FMC) status. The aircraft could have continued the mission using the pilot's night vision system as a backup mode, however, the mission was over. The problems with the first aircraft were quickly repaired.

(7) The maintenance requirements during Panama were similar to those experienced during daily operations. The workloads were the result of the increase operation flying required to support the operation mission.

b. Reforger 90

(1) During Reforger 90, six Apache Battalions maintained a Mission Capable (MC) rate over 80% while flying over 2600 hours. Commanders reported low mission abort rates and high mission because in defeating opposing forces.

(2) After action reports detailing the operation are not available at this time.

c. Army National Guard

(1) The 1-130 Aviation Battalion (NC-ARNG) was the first Reserve Component unit to receive the AH-64 Apache. The unit has operated and maintained the Apache to support mission requirements, annual flight training periods (AFTP) and successfully maintained their AH-64s through their Army Readiness Training Evaluation Program (ARTEP) and certification. During the conduct of the ARTEP, the unit sustained and maintained readiness levels equal to active Army units. The unit has experienced similar difficulties that every unit experiences when completing the ARTEP and redeploying to home station.

(2) The learning curve on maintenance is beginning to level out and supply difficulties experienced upon return to home station have recently been resolved through the NC State Guard Aviation Office. The 1-130 Aviation Battalion has the trained personnel and adequate facilities necessary to sustain their AH-64s.

(3) All lessons learned have been passed on to the National Guard Bureau for infusion into fielding plans for future Guard AH-64 battalions.●

REEVALUATING OUR NATIONAL DEFENSE NEEDS

● Mr. ARMSTRONG. Mr. President, recently my friend Howard H. "Bo" Callaway made an extremely thoughtful and important presentation to the colloquium of the Total Force Policy Group. A former Secretary of the Army, a graduate of the U.S. Military Academy, former member of Congress and a civic and political leader, Bo Callaway is recognized as an expert on national defense issues.

In his report to the Total Force Policy Study Group, Mr. Callaway comes to grips with some fundamental issues that clamor for the attention and interest of Senators.

Bo Callaway's statement is an excellent starting point for those of us who are shifting gears and trying to reevaluate our national defense need in a dramatically changed military and political environment. I commend his address to my colleagues.

The statement follows:

ADDRESS BY HOWARD H. CALLAWAY

At the time that Congress required the Secretary of Defense to review the Total Force Policy, no one realized that changes in the Soviet Union and in Eastern Europe would be so sudden or that they would so dramatically change the military threat to the United States and even more dramatically change the political environment in Congress.

With the advent of these changes, the Total Force Study takes on increased importance. Our review must begin with a risk assessment which restates the new threat in such a clear and credible manner that the Congress and the American people will believe it.

The mix of Active, Reserve and Guard units, the roles of the various services and the make up of the units of these services must be subject to the most intensive review possible. Nothing that may have been sacred before should now remain unexamined. Too much has changed. Our review must be total and fundamental. It should not just tinker with or improve the present system. It should start from the beginning with the new threat, not just adjust our old thinking. The American people and the U.S. Congress want a new beginning based on the best thought available and they deserve no less. We must think big and put aside all previous convictions. The circumstances are new. Our concepts and thoughts need to be just as new. The new threat may even require a totally new system.

I am confident that this group will be able to make recommendations to the Secretary of Defense and the President that can be the basis for a sensible and realistic Total Force concept. Given the present attitude of the American people, however, I doubt that the Congress will be willing to fund the Total Force that is needed to insure the strength of the nation in a still dangerous time. So, my view is that no matter how good a job the Total Force Group does, it may be to no avail unless a public and clearly articulated strategy is devised that will gain the necessary support for spending the resources required to put the plan into effect.

Why do we presently lack the support of the American people? For two reasons, I think. First, they are convinced that there is unreasonable waste in the Pentagon. They know they are not getting their money's worth for the taxes they pay. Second, they don't really understand the need for strong and therefore expensive defense at a time when the Soviets seem so much less threatening and the Warsaw Pact is falling apart. Unless we can solve these two concerns, it won't matter much what we decide.

Let me address both concerns. First, waste is a difficult topic for those of us who understand our defense requirements. We all have a fierce pride in the dedication and effectiveness of the people, both military and civilian, who make the department work. Most of us think that we get more efficiency and value for the dollar of tax money spent in the Department of Defense than in any other department of government. The dedication of our young men and women is legendary.

Nevertheless there is waste. The American people know it and they apply a different standard for efficiency in the military than they do in social welfare program. They will not support us, nor will Congress, unless we convince them that we are serious about getting full value for every dollar spent.

They also expect a "peace dividend" to be used either to reduce taxes, reduce the deficit or increase social spending. They are now convinced that this "peace dividend" exists. Politicans of both parties are already making plans to spend it for their own pet projects. Nothing we say can convince the American people that they are not due a very large dividend unless we first convince them that we are operating efficiently.

Creating an efficient system is not easy. The Congress has micro managed efforts for efficiency and blocked many innovative programs. Congress frequently prohibits management initiatives if these changes might not be popular in a particular district.

You cannot manage change without flexibility. Now faced with the greatest change in recent history, we are having to manage with increasing restrictions imposed by Congress. You cannot expect the Secretary of Defense to manage the changes needed if he is too restricted in what he is allowed to do. The best manager cannot make improvements if he is not free to manage. We must convince the Congress that most Americans really want both security and cost effectiveness and that the only way to accomplish what the American people want is to give the Department of Defense the flexibility to manage the changes that need to be made.

A major cause of increased costs in the Department of Defense is a system that gives little reward to those who save. There is no advantage gained by operating below budget on a given project. The service that makes the saving generally does not get to use these savings. Normally savings made in one year just reduce the budget for the next year. This prompts a last minute rush to spend all the money available at the end of each fiscal year. Even worse, it causes an attitude among many that saving and cost effectiveness are of little value.

As a result, there is no constituency for saving, because there is no reward to those who save. General Creighton Abrams was Army Chief of Staff when I became Secretary of the Army. Abe was one of the greatest leaders of men that our country has ever produced. We had a wonderful relationship. Together we determined to make the Army as cost effective as we possibly could. We reduced administrative positions in favor of combat positions, improving the "tooth to tail" ratio enough to add three additional active divisions without additional funds. That was our reward. We eliminated fifteen per cent of the Army positions in the Pentagon, 205 positions from the Office of the Secretary of the Army alone. We strongly encouraged ineffective senior officers and non commissioned officers to retire. All of this saved a lot of money and made a more cost effective and efficient Army. It was an achievement that Abe and I were extremely proud of. Yet, we didn't get much support from outside the Army. No one seemed to really care. There was no enthusiasm from the Department of Defense, and certainly none from the other services who felt that our success might force them to make similar sacrifices without any compensating rewards. You can't expect people to act in irrational ways. Unless there is an incentive for saving, there is little chance that we will have saving.

My view is that in order to get the funds to have the Total Force that is needed, we must solve this problem. The solution is

simple. We must create a constituency for saving and a system for rewarding those services and individuals who increase savings and efficiency.

One place to save big money is in procurement. The current military procurement system is a scandal. It takes us two to three times as long to field a new tank in the U.S. as in the U.S.S.R. New weapon system electronics typically cost three to four times as much as the previous generation. We know what the answer is. We just don't know how to get there. Again, the solution is simple. We need, for starters, to reduce the number and scope of Congressional oversight committees, to extend the entire DOD budget cycle to two years and to reduce the number and scope of regulations while holding industry responsible for performance specifications.

Military procurement needs total reform, not just improvement. The reform must be based on performance rather than compliance with increasingly incoherent and unreasonable regulations. Again, the impediment is Congress. Members of Congress take very seriously their Constitutional duty to appropriate all funds, as well they should. The trick is to get the job done and still encourage Congress to do what it should do—to set the policy for procurement, without micro managing.

A sensible policy of procurement, based on performance more than adherence to regulations, would provide far more effective weapons systems and would save a great deal of money. An informed American people would enthusiastically support such a program and would translate this support into support in Congress.

But, even a constituency for saving and genuine reform of procurement is not enough. We also need a well thought out and well articulated strategy not only for the Total Force, but for all aspects of Defense strategy. No one really knows quite where we are heading, now that so much has changed. There cannot be a higher priority than refining and articulating to all corners of America this strategic plan as simply and as often as possible. We cannot achieve success unless the American people understand and approve of what we propose. But, even this is not enough.

What is still missing is a partnership with the American people and through them with Congress. There may always be some adversarial relationship between any department of the executive branch and the Congress because of the different role that each plays. But since Vietnam we have had far more conflict with committees and with members on both sides of the aisle than necessary. Essentially all members of Congress and all members of the Department of Defense have the same goals. Almost without exception, all want the same effective defense for our people. All want to get value for the dollar. All want for America to be a leader of the world in the 21st century.

What is the problem? It is in large measure the distrust that the Congress feels for the Defense Department and vice versa. How do we end this distrust? The first and most important thing is for the Department of Defense to work extremely hard to make Congress a partner rather than an adversary. This can be done, but we will have to work at it. We are very fortunate at this time to have as our Secretary of Defense an extremely able person who has spent the last ten years of his life as a member of Congress. He is highly respected on both sides of the aisle. If anyone can do it, he can.

We must take Members of Congress into our confidence. We need to let them know what we are doing. We have to seek their advice in a meaningful way. We must look at them as true partners, because they are. They are not enemies, they are partners. They are a vital part of the process that is required under our constitution to make an effective military force. It is understandable, because of the impediment that they have imposed to a lot that we want to do, that we tend to treat them as adversaries. They are not. Furthermore, if they continue to be treated as adversaries, they will win. We will not. We cannot tell them what to do. We must win them over. We can't do this until we think of each other as partners designing our defense for the future in a changed and still changing world.

Once we consider the members of Congress as our partners, we will naturally take them into our confidence. We will explain our strategy to them and get them to buy in. We will emphasize every time we meet with them that we must have the flexibility to manage in this time of great change. We will explain why we must be able to use money that we save rather than having it revert to the general treasury.

We must have a plan that will both satisfy our need to spend the money for our purposes and their need for being the appropriations authority. It can be done. There is precedent for this. When the Army in the mid 70's added active divisions by reducing support in favor of combat forces, this was done with an agreement from Congress that the Army could use the money it saved to increase the number of active divisions. Both the Army and Congress benefitted from the agreement. It worked.

What is the risk in this approach? I don't think there is any. A Congress in partnership with the Department of Defense cannot possibly be more uncooperative than an adversarial Congress. What is the reward? It is enormous! It is a strategy, well understood and supported by the American people. It is better weapons systems produced in less time and for less money. It is a Department of Defense where there is such an incentive to save that everyone is motivated toward getting more value for every dollar. It is a "peace dividend" of billions and billions of dollars that can be used to reduce the deficit or for any other purpose the American people desire. It is a first class, efficient military prepared to defend against the new threats of the 21st Century. Is it worth a try? I think so!●

CALLER ID

● Mr. KOHL. Mr. President, as many of my colleagues know, last week hearings were scheduled on a bill I have introduced to deal with a telephone technology known as Caller ID—a technology which, if unregulated, would force all people making a telephone call to reveal their number to the party they are calling. Those hearings were postponed because of the tragic death of Keenen Peck, a member of my staff who had been working on this issue for me.

I suspect that one way to memorialize Keenen is to continue working on this issue; that is precisely what I intend to do. In that spirit, I would like to call to the attention of my colleagues an article which appeared in the June 18 issue of Business Week by Peter Coy.

Mr. Coy suggests in his piece that Caller ID "has the potential to be a useful, unobjectionable technology if safeguards can be agreed to." I agree. And I was particularly delighted to learn that Mr. Coy's concept of what would constitute appropriate "safeguards" is totally consistent with my bill, S. 2030. As Mr. Coy writes, "fortunately there's a reasonable solution to the desire to balance our privacy rights with the desire to expand the use of Caller ID: Permit caller, but make phone companies offer blocking for free to anyone who wants it. And simply accept the fact that some abusive callers will try to hide behind the protection. Then, nail the abusers with other services, such as call tracing which traps the number at the phone company so it can be turned over to the police."

Mr. President, I believe Mr. Coy intelligently and effectively summarizes the arguments on this issue. I ask unaimous consent that the text of his article appear in the RECORD and I urge my colleagues to review it.

The article follows:

[From Business Week, June 18, 1990]

WHY ALL THE HEAVY BREATHING OVER CALLER I.D.?

(By Peter Coy)

Most of the country doesn't have it yet, but caller identification is already emerging as perhaps the most loved and most hated new technology since the disposable diaper. Those in favor say Caller I.D. can squelch obscene callers, discourage false-alarm calls to police and fire departments, and generally keep people from being slaves to the jangling telephone. Opponents say it is Big Brother invading the caller's privacy—even a form of illegal wiretapping, as a Pennsylvania court ruled recently.

Both sides are indulging in hyperbole. That's too bad, since Caller I.D. has the potential to be a useful, unobjectionable technology if safeguards can be agreed upon.

For the uninitiated, Caller, I.D. is a phone company service that lets you see a display of the number of the person who's calling before you pick up the phone. One exception: It doesn't yet work for calls that come through long-distance companies. A similar service has been available for two years to big businesses on their 800 and 900 lines. In fact, American Express Co. operators at one location once greeted callers by name, but they found it made people nervous. Now, they pretend they don't know who you are until you've spoken. Caller I.D. for the general public began in 1988 in New Jersey and should become available throughout much of the country over the next few years.

Privacy rights are at the heart of the debate. The contending camps simply differ over who should be protected, the caller or the called. Posed as an either-or proposition, there's no simple answer. As the called person, I'd like to know whether that heavy breathing on the line is coming from a pervert or from my asthmatic second cousin. As a school principal, I want to know where bomb threats originate. But as a caller, I don't want my unlisted number exposed. If I anonymously call the local carpet store, I

don't want to be badgered by a salesman for the next five weeks. And let's be honest: If I call in sick to work, I don't want my boss to see that I've placed the call from Jack's Powerlifting Salon.

CAVEAT CALLER

The Pennsylvania case demonstrated the extremes of opinion. Opponents were heartened when the court likened Caller I.D. to call-tracing devices, which are restricted under the state's wiretap statute. About 15 states have similar laws, so the decision, if upheld, could be influential. The court also found the service violated state constitutional privacy rights. Such proponents as Bell of Pennsylvania, which defended Caller I.D. as a boon to privacy, argued that no one should have the option to block their numbers from being displayed, aside from police, battered women's shelters, and a few other special cases. The phone company argues, probably correctly, that obscene callers would be the first to get I.D. blocking, diminishing the service's effectiveness.

Legislation to exempt Caller I.D. from wiretap laws can probably overcome courts' objections in most locales. A bill now in Congress would amend the federal wiretap law for just that reason. What's unfortunate is that the Pennsylvania court found against Caller I.D. on constitutioal grounds as well—a bit of overkill that only makes it harder to reach a solution.

Meanwhile, the phone company's prohibition on blocking of I.D. displays is understandable in that it undermines the usefulness—and salability—or Caller I.D. But it seems punitive to law abiding customers who, for all sort of ligitmate reasons, simiply don't want their numbers preceding them where ever they dial. Even now caller can't shield their I.D.'s from 800 and 900 operators.

NAIL ABUSERS

Fortunately, there's a reasonable solution: Permit Caller I.D., but make phone companies offer blocking for free to anyone who wants it. And simply accept the fact that some abusive callers will try to hide behind the protection. Then, nail the abusers which other services, such as call tracing, which traps the number at the phone company so it can be turned over to police

These aren't foolproof alternatives, but neither is unblocked Caller I.D.—sickos can always call from a phone booth. And if the annoyance is something milder—telemarketers or a bowling partner you're trying to avoid—you can always get an answering machine to screen your calls. It's cheaper than Caller I.D., which runs $6.50 per month—plus $40 to 80 for the hardware.

If Caller I.D. with optional blocking has so many drawbacks why bother with it at all? Etiquette. Some day, letting your number be displayed when you make a call may be as polite as putting a return address on an envelope or standing in front of a peephole when you ring someone's doorbell. No need for defiant posturing: This is simply a case where laws—and manners—need to catch up with technology.

BUDGET SCOREKEEPING REPORT

● Mr. SASSER. Mr. President, I hereby submit to the Senate the latest budget scorekeeping report for fiscal year 1990, prepared by the Congressional Budget Office in response to section 308(b) of the Congressional Budget Act of 1974, as amended. This report was prepared consistent with standard scorekeeeping conventions. This report also serves as the scorekeeping report for the purpose of section 311 of the Budget Act.

This report shows that current level spending is under the budget resolution by $3.3 billion in budget authority, and over the budget resolution by $4.2 billion in outlays. Current level is under the revenue floor by $5.2 billion.

The current estimate of the deficit for purposes of calculating the maximum deficit amount under section 311(a) of the Budget Act is $114.8 billion, $14.8 billion above the maximum deficit amount for 1990 of $100.0 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC., June 11, 1990.

Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1990 and is current through June 8, 1990. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the 1990 Concurrent Resolution on the Budget (H. Con. Res. 106). This report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of section 5 of S. Con. Res. 32, the 1986 First Concurrent Resolution on the Budget.

Since my last report, dated June 6, 1990, there has been no action that affects the current level of spending or revenues.

Sincerely,

ROBERT D. REISCHAUER.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE 101ST CONG. 2D SESS., AS OF JUNE 8, 1990

[In billions of dollars]

	Current level [1]	Budget resolution H.Con. Res. 106	Current level +/− resolution
Budget authority	1,326.1	1,329.4	−3.3
Outlays	1,169.4	1,165.2	4.2
Revenues	1,060.3	1,065.5	−5.2
Debt subject to limit	3,057.6	3,122.7	−65.1
Direct loan obligations	19.1	19.3	−.2
Guaranteed loan commitments	115.1	107.3	7.8
Deficit	114.8	[2] 100.0	[3] 14.8

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for this approval and is consistent with the technical and economic assumptions of H. Con. Res. 106. In addition, estimates are included of the direct spending effects for all entitlement or other mandatory programs requiring annual appropriations under current law even though the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions. In accordance with Sec. 102(a) of the Balanced Budget and Emergency Deficit Control Reafirmation Act (101 Stat. 762) the current level deficit amount compared to the maximum deficit amount does not include asset sales.

[2] Maximum deficit amount [MDA] in accordance with section 3(7)(E) of the Congressional Budget Act, as amended.

[3] Current level plus a minus MDA.

THE CURRENT LEVEL REPORT 101ST CONG., 2D SESS., SENATE SUPPORTING DETAIL, FISCAL YEAR 1990 AS OF CLOSE OF BUSINESS JUNE 8, 1990

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			1,068,600
Permanent appropriations and trust funds	954,969	791,109	
Other legislation	635,362	638,737	566
Offsetting receipts	−233,985	−233,985	
Total enacted in previous sessions	1,356,347	1,195,862	1,069,166
II. Enacted this session:			
Dire Emergency Supplemental Apropriations (Public Law 101–302)	2,293	666	
An act making technical amendments to Title 5, U.S. Code (Public Law 101–303)		−1	
Total enacted this session	2,293	665	
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses: Amtrak Reauthorization and Improvement Act (H.R. 2364)	−10		−10
V. Entitlement authority and other mandatory adjustments required to conform with current law estimates in budget resolution:			
Salaries of judges	−8	1	
Payment to judicial officers' retirement fund	−4	−4	
Judicial survivors' annuities fund	−3	−3	
Fees and expenses of witnesses	−5		
Justice assistance	−4		
Fisherman's guaranty fund	1	1	
Administration of territories	−1		
Firefighting adjustments	−1,057	−192	
Federal unemployment benefits (FUBA)	5		
Advances to unemployment trust fund	(48)	(48)	
Special benefits	−24		
Black Lung disability trust fund	52	31	
Vaccine improvement program trust fund	7	7	
Federal payments to railroad retirement	1	1	
Retirement pay and medical benefits	−4		
Supplemental security income program	263	263	
Special benefits, disabled coal miners	21		
Grants to States for Medicaid	−907		
Payments to health care trust funds	(325)	(325)	
Family support payments to States	84	84	
Payments to States for AFDC work programs	15	15	
Payments to States for foster care	−83		
Health professions student loan insurance fund	−25	−7	
Guaranteed student loans	−175		
College housing and academic facilities loans	−3	−3	
Rehabilitation services	−79		
Payments to widows and heirs	(1)	(1)	
Reimbursement to the rural electrification fund	111	111	
Dairy indemnity program	(1)	(1)	
Conservation reserve program	720		
Special milk program	−2		
Food stamp program	−2,000		
Child nutrition programs	−74		
Federal crop insurance corporation fund	(1)		
Agriculture credit insurance fund	342		
Rural housing insurance fund	(1)		
Rural communication development fund	(1)		
Payments to the farm credit system financial assistance corporation	−2		
Coast Guard retired pay	−17		
Payment to civil service retirement	(84)	(84)	
Government payments for annuitants	−3	−2	
Readjustment benefits	−62		

THE CURRENT LEVEL REPORT 101ST CONG., 2D SESS., SENATE SUPPORTING DETAIL, FISCAL YEAR 1990 AS OF CLOSE OF BUSINESS JUNE 8, 1990—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues
Compensation	258	208	
Pensions	−62		
Burial benefits	−4		
Loan guaranty revolving fund	−7		
Disaster relief	−1,100	−883	
Total entitlement authority	−3,834	−371	
VI. Adjustment for Economic and Technical Assumptions	−28,685	−26,763	−8,900
Total current level as of June 8, 1990	1,326,110	1,169,393	1,060,256
1990 budget resolution H. Con. Res. 106	1,329,400	1,165,200	1,065,500
Amount remaining:			
Over budget resolution		4,193	
Under budget resolution	3,290		5,244

[1] Less than $500 thousand.

Notes.—Number may not add due to rounding. Amounts shown in parenthesis are interfund transactions that do not add to totals.●

FREEDOM OF CHOICE ACT

● Mr. BAUCUS. Mr. President, I have added my name as a cosponsor to S. 1912, the Freedom of Choice Act. I have done so because I firmly support the right to privacy, including the principles embodied in Roe versus Wade.

The decision of whether or not to have an abortion is one of the most personal decisions a woman can make. Women should be able to make this decision according to their own circumstances and beliefs—without unnecessary interference from the Government or politicians.

Unfortunately, the Supreme Court has been retreating from Roe versus Wade and the right to privacy which was reaffirmed in that case. Last year's Webster decision, in particular, undermined privacy rights significantly. The Freedom of Choice Act is designed to end this retreat and reaffirm Americans' fundamental right to privacy. To do so, the act would codify the Supreme Court's basic holding in Roe, as elaborated upon in subsequent pre-Webster decisions.

Concerns have been raised about whether the act would permit laws that encourage parental involvement before a young woman makes her decision. Under Roe, the Supreme Court has upheld such laws, so long as they contain a bypass procedure for cases—such as incest—where special circumstances make parental involvement inappropriate. A legal analysis by the Congressional Research Service concludes that, by incorporating the Roe standard, the Freedom of Choice Act would continue to permit such laws. "It is likely," the report says, that "the courts would interpret the otherwise unexplicated language of the [Act], if enacted, in a way as to make it compatible with the surrounding body of law into which it must be integrated. That body of law includes, under the regime of Roe versus Wade, the permissibility of State laws mandating parental notification or consent, subject to an alternative bypass."

I feel the Freedom of Choice Act is necessary to send a clear message that the constitutional right to privacy should be maintained.●

HOUSING OPPORTUNITY ZONES LEGISLATION

● Mr. GORTON. Mr. President, recent studies suggest that in some parts of the country as much as one-third of the price of a new home is attributable to regulatory restraints imposed by multiple layers of government. the result is the housing affordability crunch being felt across the country.

Unfortunately, solutions to the housing affordability crisis have not surfaced. Instead, local and Federal officials are left looking to each other for the answer. It is teamwork we need, and that is why I commend to my colleagues the housing opportunity zones legislation introduced last week by Senator BOSCHWITZ and myself.

This bill begins to solve the problem by providing a framework for local and Federal agencies to work together. Through improved cooperation, we can make housing affordability for low- and moderate-income people a reality. Here is how housing opportunity zones would work.

Housing opportunity zones are similar to enterprise zones in that they are based on the idea that bringing down government barriers to entrepreneurship, and offering tax and regulatory incentives, can revitalize distressed areas.

In cities and towns around the country, the "distress" of these neighborhood is due, in part, to exclusive zoning restrictions, overly complex building codes, regressive property taxes, and other similar restraints which make rehabilitation or redevelopment of housing cost-prohibitive.

Our bill directs the Secretary of HUD to designate 50 housing opportunity zones across the country. Cities and towns competing for HOZ designation will be required to offer a plan to eliminate barriers to home construction and improvement.

In addition to bringing down barriers, the applicants will be enticed to offer low priced land, vacant city-owned property, low-interest loans, and real estate tax abatements in order to promote housing development targeted for people with low and moderate incomes.

Once designated a housing opportunity zone, the local incentives will be boosted by a series of Federal incentives such as rental rehab grant bonuses, CDBG benefits, targeted FHA insurance, and urban homesteading preferences.

In short, a locality's willingness to reduce impediments to low-income housing development will be rewarded with Federal incentives, creating a market free of unnecessary costs which artificially drive up home prices.

Mr. President, housing opportunity zones will help make the American dream of home ownership an American reality for people from all walks of life. I urge my colleagues to support this important legislation.●

U.S. TOBACCO FIRMS COVET THAILAND

● Mr. SIMON. Mr. President, at the end of my remarks, I ask to have printed in the RECORD an article from the Chicago Tribune titled "U.S. Tobacco Firms Covet Thailand," written by Mary Kay Magistad.

In the article, it mentions that the United States Trade Representative, Carla Hills, is pushing Thailand to permit American cigarettes to be sold there.

We have already had testimony in a hearing conducted by Senator TED KENNEDY that the United States is doing a disservice to Third World countries, particularly Thailand, in our aggressive attempts to sell this poison to them.

We expect our Trade Representative to push American products, but American products that do harm to other nations should not be pushed.

I hope restraint will be used by our Trade Representative in this field, and if restraint is not used, then we will have to look for legislative alternatives.

The article follows:

U.S. TOBACCO FIRMS COVET THAILAND

(By Mary Kay Magistad)

BANKOK, THAILAND.—Buffeted by changing attitudes and increasingly tougher regulations at home, U.S. tobacco companies have begun turning to markets abroad. They have already persuaded Taiwan and Korea to accept American cigarettes and advertising. Now, they're targeting Thailand.

For more than a year, U.S. trade officials have worked with the U.S. tobacco industry to try to pry open the Thai market. So far, Thailand has resisted and continues to ban foreign cigarette imports.

On Bangkok's smoggy street corners, hawkers turn a brisk business of both Thai and foreign cigarettes. As of 1986, 48.8 percent of Thai males over age 10 smoked, along with 4.1 percent of Thai females.

The U.S. tobacco companies are seeking their fair share of this market. They say it's unfair for the Thailand Tobacco Monopoly to push its cigarettes without U.S. brands competing on the same hawker's cart.

They point out that black market American cigarettes already make up some 4 percent of the Thai market.

U.S. Trade Representative Carla Hills has given Thailand a November deadline to allow American cigarettes. Otherwise, she

has threatened to ban Thai exports to the United States equal to the amount of U.S. cigarettes that would have been sold in Thailand if the market were open—about $166 million annually.

But many Thais—and Americans—say this is hypocritical. Surin Pitsuwan, a Thai member of parliament, complained that the "fair trade" issue is only a smoke screen for the U.S. Cigarette Export Association's self-interest.

"What they are really saying is, 'Since Thais are so uninformed of the danger of cigarette smoking, we should be pushing our lethal products hard to get them addicted to this American good taste and good life habit, before they find out,' " Surin said.

Hills dismisses the Thai protests. "I don't see how health concerns can enter the picture if the people are smoking their own cigarettes," she said recently.

Cigarette consumption increased 8 percent in Thailand last year. The U.S. tobacco lobby reasons that if Thais are going to get their cigarettes from somewhere it might as well be from U.S. companies.

The World Health Organization has labeled cancer from tobacco the single largest preventable cause of death in the world, killing at least 2.5 million people each year.

Anti-smoking campaigns have helped reduce fatalities in the literate West. The percentage of Americans who smoke has plummeted from 40 percent in 1965 to 29 percent three years ago. The U.S. surgeon general has estimated that 789,000 lives have been saved because of the decline in smoking.

While smoking has become less fashionable in the U.S., Thailand has become an especially promising market. Things Americans are coveted as status symbols—from Levi jeans to McDonald's hamburgers. A shrewd cigarette advertising campaign could be very appealing to the young and impressionable.

U.S. trade officials say this is fine—as long as the Thailand Tobacco Monopoly continues to use similar methods to promote its cigarettes. But a growing number of Americans question whether the U.S. should be pressuring other countries not to export addictive drugs while pushing to be allowed to export addictive cigarettes.

"With the active support of our own government, we are cultivating a cancer pandemic in the Third World and Asia," U.S. Rep. Chester Atkins (D-Mass.) said earlier this month.

Atkins and Rep. Mel Levine (D-Calif.) have proposed a bill that would ban the U.S. government from imposing trade restrictions as a way to pry open new cigarette markets. This would apply whether or not a country's restrictions on U.S. cigarette advertising and sales are thought to be in breach of fair trade practice. The legislation is still being debated.●

LT. COL. BRYANT DOUGHERTY

● Mr. WARNER. Mr. President, I rise to honor a loyal and dedicated American, Air Force Lt. Col. Bryant Dougherty, who passed away on May 25, 1990, after a bout with cancer.

Born on November 18, 1951 at Wright-Patterson Air Force Base, OH, Bryant Dougherty later graduated from the Air Force Reserve Officer Training Corps Program at Louisiana State University, in 1974. He completed pilot training as a distinguished graduate in 1975, and attended F-4 fighter aircraft training prior to his first operational assignment at Spangdahlam Air Base, Germany. Lieutenant Colonel Dougherty then made the transition to F-4G aircraft, and spent 4 years flying "Wild Weasels" in Germany and at George Air Force Base, CA.

In 1982, Lieutenant Colonel Dougherty was selected as the aide to then Vice Chief of Staff of the Air Force, Gen. Jerome F. O'Malley. He remained with General O'Malley for 3 years, until he attended the Armed Forces Staff College. Following his graduation, in 1985, he began F-15 training and returned to the Tactical Air Command's 1st Tactical Fighter Wing at Langley Air Force Base as a flight commander, assistant operations officer, chief of current operations, and finally as chief of safety.

In July 1989, he was reassigned to Headquarters, 7th Air Force, Osan Air Base, Korea, as the Chief of Tactical Operations. There he was diagnosed with cancer. Despite his illness, Lieutenant Colonel Dougherty was selected as one of 22 lieutenant colonels in the Air Force scheduled to attend the August 1990 class of the National War College in Washington, DC.

Colonel Dougherty is survived by his wife, Donna Kimberly (a major in the USAF Reserve); a son, Brett Russell; a daughter, Diane Ellen; his brother, Lt. Col. Mark E. Dougherty, USAF; his sister, Mrs. Diane Ralston; and his father, Gen. Russell E. Dougherty, former commander-in-chief of the Strategic Air Command.

Lt. Col. Bryant Dougherty's career is an inspiration and he will remain a shining example of the finest type of professional military officer in our Nation. His quiet perseverance and leadership, his tireless sense of duty and dedication have brought honor to this country and to our Armed Forces. The service of Lieutenant Colonel Dougherty to his country will not be forgotten; his legacy will live on in the hearts and minds of his family, friends and his fellow officers. I am proud to pay tribute to this fine American.●

LEAVE THE STOCK INDEX FUTURES ALONE

● Mr. SIMON. Mr. President, there is much discussion these days about what should be done about the stock index futures.

Recently, Commissioner William P. Albrecht, of the Commodities Futures Trading Commission has an article in the New York Times that sums the situation up well.

I urge my colleagues to read what he has to say before making a commitment on this matter.

I ask to have this printed in the RECORD at this point.

The article follows:

[From the New York Times, May 13, 1990]

LEAVE THE STOCK INDEX FUTURES ALONE

(By William P. Albrecht)

In New York and Washington these days, there is a lot of grumbling about stock index futures. These are contracts to buy or sell the value of stock index, like the Standard & Poor's 500, on a future date at a price established when the contract is entered into.

One argument in particular that has captured attention is that, at 10 percent, margins on these indexes are too low, causing turmoil in our markets. This argument is not new. After the stock market crash in October 1987, there was a great clamor to raise margins on stock index fuures. Then, as the issues were analyzed, and as the market calmed down, pressure diminished. Now, the proposal has resurfaced.

The ostensible reason for raising margins keeps shifting. The proponents of higher margins started with concern over financial integrity, then shifted to volatility, and are now pushing the rather slippery notion of the need for harmonization. None of these arguments hold water.

Financial integrity. The purpose of margins on futures contracts is to protect the financial integrity of the market by insuring that both parties to a contract fulfill their obligations. This system works very well and no investor lost money due to default in the futures market in either October 1987 or October 1989.

Volatility. To reduce volatility, we must reduce speculation in index futures by raising margins, proponents say. While this line of reasoning may sound plausible, neither economic theory nor the extensive statistical analysis conducted to date provide any support for the idea that index futures increase price volatility in the underlying cash market. In fact, they ovewhelmingly indicate exactly the opposite: On Oct. 19, 1987, for example, the largest price declines occurred when index arbitrage volumes were at their lowest.

Forced selling to meet margin calls. Even if stock index futures do not usually increase volatility, the proponents of higher margins claim they do in times of market stress. But if this were true, wouldn't we see a net close-out of futures positions on high-volatility days? In fact, on both Oct. 19, 1987, and Oct. 13, 1989, just the opposite was true—on balance, people were moving into stock index futures.

Harmonization. Reason has taken its toll among some, and many proponents of higher margins no longer rely upon the volatility rationales. Instead, they push for higher margins in order to "harmonize" them, claiming that the link between the stock market and the stock index futures market requires that there be a link between margins on stocks and margins on index futures. Margins do not have to be the same, the argument runs, but they should always means that stock index futures margins should be higher.

These critics argue that the difference between stock margins of 50 percent and those of stock index futures margins is inequitable. It is important to note, however, that the stock margins actually required of professionals are only about 20 to 25 percent. Thus, a more accurate comparison of margins is 25 percent to 10 percent. Wholly different margining systems have evolved in the futures and securities markets. The futures system provides for daily settlement of positions and continuous adjustment of margin levels to take into account market

volatility. The system for margining stock transactions permits up to five days for settlement, and margin levels are not adjusted to account for market volatility. The fact that no one is suggesting that the futures margining systems be harmonized in these other respects suggests that something may be right with the existing system.

There really is no proven case for raising margins. Much of the support for this proposal comes from those in the securities industry who believe their financial woes would be cured by imposing higher costs on their competitors in the futures industry. Even if they are right about the cause of their problems (and I do not think they are), the solution is surely not to raise margins. All this will do is shift futures business overseas.●

BALTIC FREEDOM DAY

● Mr. SIMON. Mr. President, on June 14, 1990, Americans of Baltic heritage will once again celebrate "Baltic Freedom Day," a testament to their continued commitment to independence for the captive nations. As a longtime friend of the Baltic community, I am proud to rise today in support of their aspirations.

The promise of freedom for the Baltic peoples has never been as close as it is today. The revolutions that swept Eastern Europe in the last year have given Baltic people the world over the hope that their day is near. On March 11, 1990, Lithuania bravely declared its independence from the Soviet Union. Latvia and Estonia followed with their own plans for sovereignty and freedom.

Yet the Soviet Union continues to stifle these dreams through harassment and intimidation. Moscow continues to delay the inevitable: complete independence for Lithuania, Latvia and Estonia. The United States has never recognized the illegal annexation of the Baltic republics, but now more than ever, America must show its support for the Baltic people.

Mr. President, I am proud to be a cosponsor of the Baltic Freedom Day resolution, as I have been in the past. By commemorating Baltic, Freedom Day, we show the Baltic people—and Soviet leaders—that the United States has not forgotten their long struggle for independence. I ask my colleagues, and all Americans, to join me in recognition of Baltic Freedom Day.●

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I ask unanimous consent that Senator INOUYE be recognized to address the Senate, and that upon the completion of his remarks the Senate stand in recess as under the order until 10 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

LOOKING TO THE FUTURE: AMERICAN DEFENSE POSTURE IN A CHANGING WORLD

Mr. INOUYE. Mr. President, today I speak to the Senate on the great issue of our time. I rise to address a subject of much speculation in the towns and cities of our Nation, and in capitals around the world. I am engaged by the issue of war and peace in the age of glasnost and the fate of that security system which has bound together the democratic nations of the West for nearly half a century. I am deeply troubled.

Today the streets of Europe are filled with revelry as people from the Atlantic to the Urals rejoice in the blush of new-found freedoms. No longer is the line which runs from stettin to trieste a boundary synonymous with the division of mankind, a trip-wire of the nuclear age. Rather, its long, dark shadow has melted into the landscape. The passions it aroused are gradually fading as the euphoria of the moment consigns them to memory. In time, the barbed wire and watchtowers of the Iron Curtain shall become yet another attraction in guidebooks to the history of Europe—a curiosity of the cold war as much as the Maginot and the Seigfried Line have become to symbolize the trials of the Second World War.

Mr. President, at long last the dark shade has been lifted. Night is ending and Eastern Europe is awaking from a deep, prolonged sleep. For the first time in two generations, the warm sunlight of freedom has shone on the faces of a poor, oppressed people. Let us remember that while the rest of the world marched in triumph after the defeat of Hitler, those within the Soviet orbit fell victim to yet another enslaver. Only now, is the magnitude of the Stalinist tyranny surfacing. As the terrible secrets of the Katyn Forest are unearthed and the terror of the Gulags are uncovered, the world is forced, once again, to confront its conscience and ask those eternal questions: How could such crimes have been committed? Did we fail to act? Could they happen again?

Like most Americans, I am gladdended by the prospect of reform in Eastern Europe and hopeful that it will continue. I share with my colleagues the prayer that times have changed and that prosperity, and brotherhood, will rule the day. But history is a stern teacher and I am an avid pupil. She has taught me to be skeptical—and I am. Swords, I have learned, are not so easily beaten into plowshares. Age old enmities rarely are forgotten. Man's base instincts, cunning and brutality, are not so easily, or willingly, contained.

INSTABILITIES REMAIN

Mr. President, fundamental instabilities remain in the international system, instabilities which cannot be ignored or wished away at any price. The demise of the bipolar world brings with it new uncertainties about the future—uncertainties which must be confronted squarely and decisively by men of vision and of courage.

Instead, we who are charged with the responsibility of ensuring our country's national defense are being asked to relinquish that measure of security which has preserved us in freedom since the end of the Second World War. Without a compass or map to guide our way, we are being pressed to draw down our Armed Forces, as if the millennium were at hand. During my lifetime, this illusion appeared many times. And it has, as quickly, disappeared, passing along with that burst of enthusiasm and expectation with which it was ushered in.

Mr. President, we are a proud and fair nation. A good people, magnanimous in victory, just as we are strong and persistent in war. However, many among us are impatient with the pace of change and appear willing to sacrifice our lives and our treasure at the slightest suggestion that peace is at hand. I stand before the Senate today to urge the American people to make full use of caution in this endeavor. Prudence, my colleagues, should guide our action, not wishful thinking. For, as the late President Roosevelt once observed, "Our security is not a matter of weapons alone. The arm that wields them must be strong, the eye that guides them clear, the will that directs them indomitable."

EAST EUROPE IN DISARRAY

Great and uncontrollable forces have been unleashed on the continent of Europe. Whether they will be used for good, or for ill, remains uncertain. What is known is that cries of liberal reformers are too often echoed not by democratic voices but by the bellicose howls of radical nationalists, ethnic partisans, religious zealots and monarchists.

As in the days before the Second World War, territorial claims have found expression in violence and disorder. Tribal hatreds and ancient vendettas have taken root in a new generation of Europeans, sparking conflict, and bloodshed. In the ancient lands of Transylvania, Moldavia, Lithuania, Armenia, Serbia, and the transcaucuses, former victims of oppression have taken up arms against one another as if the Soviet Empire, with all its barbarism, had never existed. A new democratic environment has become a source of unity and strength—and sadly, also a breeding ground for discontent. As one who has witnessed such ferment often in my lifetime, I am unwilling to pronounce Gorbachev's great enterprise a success, until the final keystone is lowered into the arch.

Mr. President, the abortive revolutions of 1848 in Germany, 1917 in Russia, 1948 in Czechoslovakia, 1956 in Hungary, and 1968 again in Czechoslovakia, loom as dark reminders that once conflicts are ignited, they are not so easily quelled. It was our own revolutionary, Thomas Jefferson, who cautioned a young republic about the dangers of the mob—and he was correct. Let us hope that Mr. Gorbachev succeeds, but let us not forget that revolutions are a hazardous occupation, requiring from those touched by their influence—vigilance, caution and circumspection.

VIEWS OF RETRENCHMENT

There are those among us, however, who take exception to this view of our changing times. They argue that a new, and possibly irreversible reality has taken hold in Europe and that our actions are at least as important to the survival of peristroika as are Gorbachev's skills as a leader. They say that if Gorbachev is to succeed, then we must rally to his side and be prepared to undertake whatever initiatives are called for to ensure his survival. If this should require large-scale troop reductions, then, so be it; in their view, we must out-match him measure for measure. If the Warsaw Pact is rendered impotent as a military force, then we, in the West, must abandon our commitment to the Atlantic Alliance. If Germany is reunified, as indeed it may be, then, say these voices, we must guarantee it neutrality.

I, for one, take issue with this logic. I refuse to follow that path. Others may plunge into the abyss; I prefer to carefully construct bridges which lead safely from the divisions of the past to a new world united in the peace which we all hope will emerge.

It is not my intention to be a naysayer or a Jeremiah prophesying imminent catastrophe. Rather, I hope to remind those who would leap to judgement about the permanence of change in the Soviet Union, that the impetus for today's reform movement rests on the work of a single, solitary man. To gamble our security, and that of our children, on the survival of this, or any, individual is naive. To abandon the elaborate security system which has protected our freedom in crisis after crisis, in Berlin, in Greece, and in Cuba, is reckless and foolhardy.

My duty—as I see it—is to the American people. My charge is to ensure that their welfare is protected in the event that Mr. Gorbachev and his grand experiment should meet an untimely end.

I am mindful of concern voiced by Soviet scholars who point to the increasing restlessness within the Soviet military as a threat to reform in the Soviet Union. The pullback of the Red Army from Afghanistan, its growing problems with internal discipline, its dissatisfaction with the level of post-service benefits and its mounting anger with the restraints being placed on it as it attempts to surpress popular rebellion in the republics—all of these setbacks have aroused the Soviet military.

Faced with these humiliations, and the prospect of an imminent drawdown in force structure, reactionary forces within the military could be prompted to attempt a seizure of power. I need not elaborate on the destabilization effects such a coup attempt would have on the present government and its relationships with the outside world.

We must be alert to where the currents of modern history are taking us. The channel that guarantees our safe passage in a nuclear age is narrow indeed. When we are asked to provide large sums of reconstruction aid and advanced technology to our former adversaries, we must be sure that such assistance is not being squandered or put to an insidious purpose. The invalid whose health we nurse back today, could well become the titan we confront tomorrow. Let it not be said, as a Nation, we were so consumed with the fruits of victory, that we unwittingly sewed the seeds of our own misfortune. As Winston Churchill once observed, "The problems of victory are more agreeable than those of defeat, but they are no less diffcult."

THE LIMITS OF U.S. ASSISTANCE

Mr. President, it is the inevitable consequence of today's democratic revolutions that the United States has been called upon to shoulder a large portion of the burden of reconstruction. While this is surely a testament to the triumph of our economic and political system, it is a task of such immensity that no one country can shoulder it alone. The United States simply can no longer be in the position of being the principal supporter of every emerging democracy, particularly when we must sacrifice our own defense in order to finance assistance to others. Lest we forget, it is this very same defense budget, and the deterrent force it maintains, that has helped to ensure the collapse of Communism.

Though we rejoice in the new-found freedoms in Panama, Nicaragua, Namibia and Eastern Europe, there are practical limits to our largess. Our domestic problems are too vast, our foreign commitments too numerous, and our resources too limited, to shoulder alone the burdens of the world. That is not to say that we should not contribute to the reconstruction of Eastern Europe to the best of our ability, but rather, that we should not neglect our other responsibilities in Africa, Asia, Latin America and the Pacific when doing so.

I believe that perhaps the greatest contribution we can make to European stabilization for America to remain a force of constancy, of predictability, and of strength to maintain peace. The support of sound fiscal policies, and the promotion of measured development in Eastern Europe, will provide the best hope for a prosperous future. Since the end of World War II, the United States has been the principal engine of growth for the world economy, and despite up-and-coming competition from Japan and Germany, and the newly industrialized Asian countries, it remains that leader today. It is our task to ensure that the United States also remains the guardian of democratic values, and that it maintains the strength it requires to be the primary protector of those values, into the 21st century.

THE TRIUMPH OF DETERRENCE

Mr. President, the road that has brought us to this time in history has been a difficult one. More than once we have been poised on the brink of war, only to pull back in the final hours before catastrophe. These events should have taught us a powerful lesson in the importance, and the lasting relevance, of deterrence as a national strategy. For nearly 50 years a broad range of military options—from the military leverage provided by our superior conventional forces, to the assured destruction of nuclear retaliation—has given the President of the United States the flexibility and the independence he required to advance the cause of peace.

I am not confident that we have determined what kind of smaller, leaner military will provide that same level of security. How can we, at reduced cost and with a diminished military capacity, provide the President with an equally wide variety of deterrent options? I believe that deterrence, at the lowest cost, but at the maximum effectiveness, must continue to be the guiding principle behind our military doctrine, regardless of the political changes coursing about us.

In the European theater, the same holds true for NATO's doctrine of flexible response, which must not be abandoned in the rush to reform the Alliance. For I believe that this doctrine has been responsible, in large measure, for discouraging the Kremlin's costly harassment and probing of Alliance defenses over the years. NATO's readiness to respond to any Soviet military provocation, with equal and proportionate force, has proved its value in preventing the outbreak of war in Europe.

ETERNAL VIGILANCE

Mr. President, in this time of uncertainty, we cannot be sure the cordial atmosphere that now exists between East and West will continue. We cannot be certain that the changes fostered under the banners of glasnost and perestroika will continue to devel-

op. We cannot, with confidence, say that all in the Soviet hierarchy support this course or that all Soviet hawks have been replaced by doves. Some in the Kremlin could well regard glasnost as an effective, albeit sinister strategy for achieving their goals.

Though this is unlikely, it, nonetheless, should be a factor in all of our deliberations about the national defense. On more than one occasion in history, nations have used the pretense of peace to prepare for war. It was Hitler who so skillfully took advantage of the interlude between the two World Wars to restore Germany's military might. And when he had accomplished his objective, he was able to dictate to the world the terms of Czechoslovakia's surrender.

For all we know, Moscow's willingness to divest itself of its troublesome allies in Eastern Europe may be an act of shrewd political calculation, intended to return the Union of fiscal solvency and ethnic purity. We have never been very good at decoding the Kremlin's intentions, and I have no reason to believe that we are any wiser today. All of the scholars, the Kremlinwatchers, the apologists, and the critics, were unable to predict the events which have overtaken us in Eastern Europe in the past year.

I have no reason to believe that—12 months hence—those who now cogitate on the state of the world will prove any more reliable in their forecasting.

Mr. President, prudence requires that we assume the worst and hope for the best. We must be alive to the fact that Mr. Gorbachev's glasnost could really be a phantom in disguise, a Trojan Horse within the walls of the Western Alliance "Love your neighbor," the wise Benjamin Franklin once said, "but don't pull down your hedge!"

Mr. President, Gorbachev has done his work well. He has mastered the art of Western political discourse. He has donned Western attire and shown us a human face. He has appealed to our sense of fairness and drawn us into his plans. In the process, he also may have influenced American public opinion in ways which satisfy our eternal yearning as a people for peace and prosperity. In late 1985, 76 percent of Americans surveyed said that the Soviets were either a serious or a very serious threat to the United States—today only 33 percent hold this view. The Iron Curtain may have rusted away, but Soviet weaponry, particularly its strategic arsenal, has not. In fact, it is growing stronger and more potent day by day.

When all is said and done, the Soviet Union will still be the greatest land power in Asia, and the United States will still be a maritime nation dependent upon trade and contact with the Euro-Asian landmass for its survival. The facts of geography are immutable. Politics cannot alter what is a fundamental competition between Washington and Moscow for increasingly scarce resources, their opposing needs for secure lines of communication through the Middle East and Southeast Asia, and their commitments to friends around the globe.

Increasingly, today, there are those who would turn the clock back to the dark days of the cold war. I am certainly not one of these individuals. But the prevalence of Russian nationalists and old-style Communists, gives me pause to be concerned. Mr. Gorbachev may be the best hope the Soviet people have had in six generations to experience freedom, but the jury which sits in judgment on his ambitious program has yet to render its final verdict.

OUT-OF-AREA THREATS REMAIN

Mr. President, as we set about the task of accommodating the changes percolating in Europe, we must also be alive to the many other threats to international peace which gird the globe. I am speaking here of the ongoing conflicts in Asia, Africa, Latin America, and the Middle East, which have the potential of sparking a conflict which could engulf the United States. There are those, including Zbigniew Brzezinski, a former national security adviser, who believe that the American people can be shielded from the awesome effects of a nuclear conflict in the Middle East. I beg to differ, and profoundly so. Not only is the involvement of the United States made inevitable by our ongoing commitments to the region, but, to fail to act to end such a conflict would surely be an abdication of our responsibilities as a superpower.

Mr. President, the Joint Chief's military net assessment for 1990 notes that "The continuing challenge of intractable conflicts in the third world poses increasingly complex security tasks, especially given the relentless proliferation of advanced weaponry." Ballistic missiles, they observe, "have introduced a new era in regional conflict, increasing the potential for escalation and widespread destruction. In addition, traditional regional animosities, exacerbated by the problems of debt, terrorism, insurgencies, drug trafficking, and Islamic fundamentalism will continue to command U.S. attention and defense resources."

Everywhere one looks today, one sees smoldering regional conflicts challenging, albeit defying, the trend toward greater accommodation between east and west. In Kashmir, the conflict between India and Pakistan remains a flashpoint of particular concern. Both nations are presumed to possess battlefield nuclear weapons and the will to use them if the tide of conventional war should move in a direction unfavorable to either.

On the Korean peninsula, armies of the North and South face each other in a standoff which has remained essentially unchanged for two generations. I believe that the situation is more unstable today than it has been in recent years. The North continues to lose allies and financial support, thus making the prospect of a peaceful transfer of power questionable. A drawdown of U.S. troop strength could trigger the North to act, drawing us once again into conflict on the peninsula. The newly democratic Government of South Korea is young and continues to require our support.

In Afghanistan, the withdrawal of Soviet forces has not meant an end to the fighting. To the contrary, the Kabul government remains determined to resist the onslaught of rebel Mujahidin whose own unity of purpose has been shattered by internecine strife. A similar fate has bedeviled the opposition forces in southern Africa where progress toward the dismantling of apartheid has been slowed by intertribal fighting.

More worrisome, however, is the ongoing conflicts between the Arab States and Israel and among the Arab States themselves. The recent declaration by Iraq's President Saddam Husayn that he has the chemical weapons to destroy half of Israel if attacked, has raised, once again, the specter of another, even more deadly, Middle East war. Everyday, there are new revelations that Iraq has acquired, through both legal and illegal means, the capability to wage nuclear, biological, and chemical warfare. The country's deployment of dual-capable ballistic missiles with ranges of up to 1,500 kilometers, ensures that Tel Aviv and Teheran, much of the Soviet Union and Turkey, Syria, Saudi Arabia, and Egypt, and even the American 6th Fleet stationed in the Mediterranean could fall within its killing range.

Though Israel and some of her neighbors are believed to have developed a deterrent capability, it must be clearly understood that against such awesome power, there is no effective defense, and there are no currently available countermeasures in the region.

Mr. President, I am concerned that the flames of regional conflict are being fanned by the very forces which should, by all rights, be in the forefront of peacemaking. Countries such as Great Britain, France, Germany, and Italy, which have themselves experienced the horrors of total war twice in this century, have been the ones most responsible for transferring lethal technologies to the anti-Western countries in the Middle East.

A recent survey of Americans revealed that 74 percent felt that nuclear weapons in the hands of Third

World countries was among the most serious threats to U.S. national security—second only to drug trafficking, which was cited by 84 percent of those questioned.

The world is less secure, and the future of East-West relations is less bright, because of the actions of our allies, some of which have openly encouraged the export of the equipment to manufacture chemical weapons to such lawless States as Libya, Iran, and Iraq. Others have simply turned a blind eye to the actions of their citizens and private companies by failing to enforce existing export control laws.

Let us not forget that Iran and Iraq did not hesitate to empty their deadly arsenals in the Persian Gulf war. According to Amnesty International, Iraq used poison gas to kill between 6,000 and 10,000 people, including many of its own Kurdish population.

Equally disturbing is the military assistance being provided by countries in our own hemisphere to anti-Western insurgencies, and warring states around the globe. The rise of Argentina and Brazil as two of the world's major arms exporters points to the increasing ease with which weapons of mass destruction can be produced and acquired today. The seemingly intractable problem of international debt also has driven many countries like China with the technical know-how, to rely on the trafficking of arms as a principal source of revenue.

Unfortunately, the United States and the Soviet Union have been unable to remain out of the fray. I am increasingly concerned that the prospect of a conventional forces agreement in Europe will result in the wholesale transfer of frontline weaponry to the Third World. Already this is occurring. Nearly 40,000 main battle tanks are due to be withdrawn from superpower arsenals in the coming years. The United States already has promised to give Egypt 700 M-60's, with 60 more destined to Morocco along with the possible sale of 24 F-16 fighter aircraft from our reserve stocks. The Soviet Union is expected to provide large quantities of its decommissioned equipment to Iraq, a country which already fields 5,500 main battle tanks, 1,000 armored infantry fighting vehicles, and 3,000 artillery pieces.

Mr. President, the world arms market is now awash in low-priced, highly-lethal arms of the most modern sort. The ready availability of such materiel to terrorist organizations and drug traffickers should be of special concern to all nations. While the countries of Eastern Europe appear no longer to provide a safe haven for the forces of darkness to train and plan their cowardly operations, countries like Libya, Syria, North Korea, Cuba, Lebanon, Iraq, and South Yemen remain ready, if not eager, hosts. Any reconfiguration of U.S. military force structure must take into account these multiple threats. A flexible, mobile, highly responsive military will be needed to operate in increasingly complex counterterrorist, counternarcotic and conventional warfare environments which could become the mainstay of conflict in the 1990's.

THE RANGE OF SOVIET POWER AND POTENTIAL

Mr. President, Soviet military power continues to pose the principal threat to our national security in the world today. Its range of deployable forces, its multitheater combatant capability and its extensive industrial base, provide it with an unparalleled capacity to disrupt or destroy any attacker. At the same time, the Soviet Union today stands as the only country in the world capable of holding all of the territory of the United States at risk—this, despite its economic woes, its internal political tensions and the apparent disintegration of the Warsaw Pact.

Mr. President, I wish to distance myself from those who believe we should rush to conclude a conventional forces agreement with the Kremlin on the grounds that it might help Gorbachev or constrain the Soviet military's warfighting potential should he fall from power. This is not the way for a great nation to conduct its defense policy, nor is it a wise negotiating posture. We are not in a race to see who can build-down their force structure more quickly—or in advance of the morning headlines. Yes, we should be alert to new opportunities, but we should not be so naive as to believe that conventional disarmament, by itself, is a guarantor of peace.

It is time that we asked ourselves whether we are merely reacting to events as they unfold, or are we guiding them to our best advantage? Are we allowing our defense policy to be dictated from within the Kremlin walls, or is it truly the product of Presidential initiative? From all appearances, it seems as if the ship of state is adrift without a captain, and that decisions about our national defense are being made in a piece-meal fashion, without regard to long-term objectives. I pray that this is not the case.

It is important to recall that decisions taken today to reduce the combat capability of our Armed Forces could have repercussions well into the early part of the next century. With major weapons systems taking upward of 15 years to move from concept to deployment, any slowdown in the pace of product development could see an erosion in the qualitative edge of the U.S. military. Similarly, any permanent loss in our manufacturing capacity, affects the level of our fighting readiness if our optimistic threat assessments for the future prove incorrect.

THE SOVIET CONVENTIONAL FORCE THREAT

Today, according to the latest Defense Intelligence Agency estimates, the Soviet Armed Forces comprise over 5½ million men, with its ground complement grouped into 200 active divisions. By comparison, Mr. President, the United States deploys 2.1 million men under arms, with our army grouped into 18 Active divisions and 10 Reserve divisions. Two of these Active divisions and one Reserve division are soon to be disbanded.

Soviet offensive capability is supported by 51,000 main battle tanks; The United States deploys a scant 16,000 main battle tanks. The Soviets field 1,465 surface-to-surface missile launchers; the United States fields 441 surface-to-surface missile launchers. The Soviets deploy 59,500 infantry fighting vehicles and armored personnel carriers; the United States deploys 32,600 infantry fighting vehicles and armored personnel carriers.

Equally impressive is the Soviet Air Force, which deploys 620 strategic bombers and 4,595 tactical aircraft. Again, by comparison, the United States fields a far less numerous conventional air force with 372 strategic bombers and 3,577 tactical aircraft.

Soviet air defense units also include 12,000 surface-to-air missile launchers and 100 antiballistic missile launchers; United States air defense units include 630 surface-to-air missile launchers and no—I repeat no—ABM launchers.

Even with a conventional forces agreement in Europe, the Soviets still will maintain a sizable presence in Asia and the Pacific—its power projection capabilities significantly enhanced by 368 submarines—compared to 133 submarines for the United States. The U.S.S.R. has 264 surface combatant warships; the United States has 229 surface combatant warships.

What does all this ultimately mean? It means that the United States finds itself numerically disadvantaged in virtually every area of men and combatant materiel. Unlike the past, when United States equipment was vastly superior to that of the Soviets in performance and maintainability, today we find many Soviet systems are achieving qualitative parity with their United States counterparts.

THE SOVIET STRATEGIC THREAT

Despite some hopeful changes in Soviet conventional force structure, no such claim can be made for their strategic capabilities. Unclassified intelligence assessments note that there has been "no stand-down in Soviet strategic nuclear readiness, and no diminution in the size, variety or potency of their atomic arsenal."

This is a disturbing trend and one which demands our continued vigilance.

To their credit, the Soviets finally have acknowledged that the Klras-

nyarsk radar violated the 1972 ABM treaty and have agreed to dismantle it. They have allowed onsite inspections, as we have, of some of the most secret weapons facilities and have remained, essentially, within the letter and spirit of the unratified START Agreement. In recent months, the Soviets have even premitted pilots from NATO countries to fly in one of their front-line fighters, the MIG-29, and continue to allow NATO observer groups to monitor their training exercises. Moreover, the Soviets appear to be proceeding apace in destroying their intermediate-range missiles covered under the INF Treaty.

These are extraordinary gestures, ones which should be encouraged and built upon. However, by themselves, they do not alter the fundamental threat posed to United States security by Soviet strategic nuclear systems, nor have they slowed the momentum which these programs have generated. This worries me greatly.

Analysts expect the Soviets to continue upgrading their ICBM, SSBN, and bomber force over the next decade, increasing their accuracy and placing United States at greater risk. The joint military assessment for 1990 notes that:

> Although the Soviets currently are modernizing forces along the lines envisioned in the start negotiations, in the absence of a treaty, they could add additional weapons to their inventory by fiscal 1997. * * * concurently, enhanced reliability and accuracy potentially reduce the number of warheads the Soviets need to achieve their postulated damage goals. As a result, there could be an increase in the lethality and number of Soviet reserves composed of mobile, survivable weapons making United States forces less effective.

The Soviet's continued emphasis on strategic modernization also is focusing on both rail-mobile and silo-based SS-24's and road-mobile SS-25's. By the mid to late 1990's, these delivery vehicles could make up half their ICBM force and pose new and more difficult targeting and verification challenges for U.S. offensive forces.

The Soviets already have deployed about 250 of these mobile ICBM's, a force which is much more survivable and flexible than their current silo-based strategic missiles. On the other hand, the United States currently has no comparable system in the field. As the Soviets deploy mobile ICBM's, Mr. President, we continue to debate mobile ICBM's. They deploy, we debate.

Soviet moderization of the air-breathing and sea-based components of its strategic nuclear triad also is robust.

Last year, the Soviets launched two of their most modern ballistic missile submarines—A Delta IV class vessel and a huge Typhoon class vessel. Conversely, the United States launched only one trident strategic submarine in 1989.

The Soviets also are increasing the lethality and effectiveness of these submarines with two types of modified and improved sea-based strategic missiles. The United States has only one new sea-based strategic missile being deployed—the Trident II, or D-5 system.

Soviet strategic bomber forces are becoming a much more potent and important part of their nuclear triad. Bear H bombers armed with long-range cruise missiles are an increasing threat to the American homeland. The new Blackjack bomber continues in production and is the world's largest and heaviest bomber.

The Blackjack carries the new AS-16 nuclear armed, air-to-surface missile which can be used against theater and intercontinental targets. Although our understanding of Blackjack bomber production has changed, there is no question that this new system increases the nuclear strike capabilities of the U.S.S.R.

Meanwhile, efforts to maintain and improve U.S. strategic bomber forces have been plagued by controversy or problems.

The current U.S. strategic air-to-surface missile, the short range attack missile-A, has raised safety concerns which have forced the pentagon to take it off alert. The program to field a replacement, the SRAM II, has experienced budget and technical proglems.

The B-1B bomber's deficient elecronic countermeasures system still requires improvement. The B-2 Stealth bomber force objective has been cut from 132 to 75, and the Pentagon is considering whether to change the total buy of advanced cruise missiles.

The picture is clear, Mr. President. The United States is struggling to maintain and improve its strategic nuclear deterrent forces to meet its needs for the 1990's and beyond. As we struggle, the Soviets march steadily onward and make more progress toward the same goal.

THE FUTURE OF THE ATLANTIC ALLIANCE

Mr. President, I would be remiss in my remarks if I did not speak directly to the issue of NATO and the future of U.S. involvement in that important security framework born 41 years ago. Today, in the wake of all the changes that have buffeted Europe, there is a growing chorus of voices calling for the dismantlement of that great alliance. I could not be more in disagreement with this position. We should never abandon our commitment to the tenet of collective security. Since the principles of European and American solidarity were first laid down in the Atlantic Charter, it has been NATO, more than any other organization, which fostered the political and military solidarity necessary to keep peace in Europe.

The potential for a Soviet blitzkrieg is diminished by the disunity of the Warsaw Pact. It, nonetheless, is true that a demilitarized Germany and a dissolute NATO could revive that potential. Therefore, it remains for a strong Atlantic Alliance to ensure that no encouragement is given to the reconstitution of the pact as an instrument of aggression. In NATO's success we are reminded that never in the history of Europe has such a successful or democratic alliance been formed.

From Turkey to Iceland, NATO's member states contribute to the defense of the union through a coordinated command structure, integrated reconnaissance missions, regular joint field exercises, shared infrastructure, nuclear planning, and fully integrated wartime operations. This is no small achievement. Our experience with earlier attempts at European unity demands that this alliance not be discarded on the mere suggestion that we have achieved peace in our time. Over the years, military necessity has led to political harmony, a precious and rare thing for 16 nations which have known their share of interstate conflict.

No doubt there is much room for the evolution of NATO. Quite possibly its political role could be increased commensurate with the gradual democratization of Eastern Europe. But this will take time and, surely it will take money. I increased host-nation support, more joint weapons production, greater mission specialization, and enhanced training and base operational efficiency will become a necessity as the U.S. defense budget undergoes readjustment.

In the meantime, I believe it is premature to contemplate the rapid drawdown of U.S. troop levels in Europe beyond the 195,000 which the administration has proposed.

The backbone of the alliance has been, and should remain for the near term, the American troop presence on the continent. Should a future united Germany call for the removal of all allied forces from its soil, then, through the collective process, alternative arrangements will have to be made for a U.S. presence on the continent.

If American troops are the backbone of the alliance, then surely tactical nuclear weapons are its sinews, providing the power needed to repel or defeat a massed ground assault. Though it is likely that fewer of these weapons will be required in the future for the defense of Western Europe, a portion of the current force should be retained against the possibility of future aggression.

A limited number of air launched systems based in Great Britain, or on

the high seas, may provide a satisfactory alternative to the present arrangement.

It is impossible to foresee the role which NATO will have in the years ahead. Yet, in the area of conventional and strategic arms verification, its value could be substantial. If only to allay the fears of the secret pacts, the blank checks and the political intrigues of an earlier generation, then we must do everything in our power to encourage the full participation of NATO member states in its decision-making process. Secrecy breeds fear and destabilization.

Inclusion and discussion leads to the management of differences. Nothing could be more crucial in the nuclear age. As the history leading to World War I taught us, bilateral treaties are not enough to ensure peace in Europe.

Mr. President, isolation on the part of the United States will not make the threat of war go away. Active involvement in the world, shared responsibility, frank dialogue, open borders, economic and political cooperation at all levels of society, are the true guarantors of international peace and security. As Prince Metternich discovered well over a century-and-a-half ago, a European political system resting only as the balance of power between the most powerful states on the continent was an unworkable proposition.

As for the United States, we must take care not to grow weary with momentary setbacks or with the seeming impatience with which other states may judge our conduct. Perseverance is the legacy which we inherited from our frontier days and we should not forsake it for short-term satisfaction. We must not weaken in our resolve to maintain peace, shirk from our global responsibilities, or capitulate to those who would judge our foreign policy or defense requirements solely on the basis of an actuarial table. I am concerned that all the talk of a peace dividend is merely a euphemism for our disengagement from world affairs, and that, at present, the impetus to save dollars appears stronger than our sense of national mission.

The security of our country and our way of life requires a far more elaborate calculation than a quarterly profits report. That calculation involves not only the correlation of forces, but also the maintenance of espirit d'corps among our armed forces, a trust in our nation's leadership, a strong commitment to basic values, a determined display of the national will, and, if need be, the exercise of military power.

Mr. President, it is impossible to imagine that in 1990, a great power such as the United States can remain aloof from the changes which are occurring in Europe or the conflicts they might spawn. Nor is it possible to imagine that disengagement from the European landmass can be accomplished without a price. Retreat, particularly precipitious retreat, always has its price. It is for this reason, if none other, that we must keep our powder dry, our battlements strong and our watch-towers well-lighted.

SHAPING OUR FUTURE MILITARY

Continuing to maintain a strong and effective deterrent force in a time of austerity is a difficult, and often frustrating challenge. Much of the difficulty stems from the fact that while threat assessments may change and public opinion may vary in the extreme, the successful employment of force by a law-abiding society requires sustained and thoughful investment.

This, I believe, can be accomplished through such mechanisms as stronger service accountability, joint service equipment purchases, multi-mission units and improved tactical and strategic intelligence.

I do not favor the adoption of a 5-year defense budget plan which, if enacted before the recent changes in Europe 10 months ago, already would be obsolete. It also would significantly restrict congressional oversight activities through the budget justification process.

Mr. President, it was George Washington who once remarked to a joint session of Congress in 1790, that "To be prepared for war is one of the most effective means of preserving peace." His words ring just as true today as they did when they were spoken.

I believe that if the United States is to be ready to meet any of the contingencies which might arise in the generation ahead, we must not waiver from several principles of sound combat which have stood the test of time. To do any less, is to proceed down a treacherous path, one which no wise man would wish to travel and down which no father or mother would wish to send their son. In sum, I believe that if we are to remain a free and unmolested nation in the years ahead—

We must retain the capability to keep the peace and deter war across the entire spectrum of conflict;

We must maintain the ability to respond to mid- and low-intensity conflict in multiple theaters of operation and at the time and place of our choosing;

We must continue to modernize both our tactical and strategic air and sealift to ensure a rapid and sustained power projection capability;

We must be able to maintain our international commitments, and support our friends and allies at times of crisis; and last,

We must ensure the high quality and motivation of our men and women under arms. We must broaden public support for our military; we must instill in every young person a respect for the constitution and the civilian leadership of our Armed Forces and we must build and nurture a broad consensus behind our national foreign policy objectives.

GUIDING OUR MILITARY ENGAGEMENT

At the same time, we must be cognizant of the way in which we employ our Armed Forces. For a well-run military is a precious resource when placed in the service of a freedom-loving people, who respect life and who defend human rights. It is for this reason that the doctrine of deterrence should forever guide our national defense policy and warfare should be seen as the option of last resort of this government. As we struggle to realign our defense budget and to bring necessary economies to our force structure, I, for one, will continue to be guided by five solemn objectives.

First, prior to the outbreak of war, we must employ our forces with the intention of encouraging, whenever and wherever possible, a diplomatic resolution of our differences;

Second, if war, occurs, we must be prepared to engage the enemy as far from our shores as possible;

Third, once at war, we must use our forces to encourage a conclusion of conflict at the lowest level of fighting, with the least collateral damage and in proportion to the threat;

Fourth, in war, our goal must be to seek not stalemate or attrition, but victory through decisive military engagements;

Fifth, we must ensure the conclusion of a conflict as quickly as possible and, if necessary, we must be prepared to carry the battle to the capital of the enemy and impose, if need be, a solution favorable to U.S. national interests.

CONCLUSION

Mr. President, I believe I am a man of peace. I have known war. Consequently, I have devoted my public career to the development of peace and international understanding. My focus has always been on the achievement of peace within an evolutionary framework—to give peace the support it needs.

It does little good to wish for peace; we must work for it. That means taking care to establish sound, carefully conceived agreements and institutional relationships. Therefore, before the process of retrenchment takes hold, we must have a complete and fundamental review of our entire defense strategy and determine what we require to provide and protect that framework.

Like my colleagues I am cognizant of the need to restore the domestic economy. We must, and we shall, improve health care, revitalize our Nation's infrastructure, and attend to the needs of the less fortunate through better schools, housing, and nutrition programs. Yet, having seen first hand the devastation caused by a madman let

loose upon the European countryside, I remain convinced that the first duty of government is to provide for the national defense and the security of all our citizens.

Mr. President, I hope that as we move from a cold war to a warm peace, our military will continue to receive the honor and the respect it deserves. For it is the servicemen and women of this Nation who deserve the credit for making this glorious day possible.

Mr. President, I believe it is our job, as civilian leaders, to ensure that the heralding of peace does not cause us to break faith with our military, to allow the social compact which we have with those in the defense establishment to languish, and to leave the champions of peace the first victims of their own success.

There is no masking the fact that these are difficult times for our military—an institution which has served us bravely and honorably over the years and for which we, as a nation, are deeply grateful. It is ironic that the reductions we may be required to make to reach deficit targets will fall most heavily on those who have served us well.

I hope the years ahead will prove that we have listened to President Roosevelt and have been wise enough to learn from his warning that "those who have long enjoyed such privileges as we enjoy forget in time that men have died to win them."

Mr. President, we have won a great victory on the continent of Europe for the third time this century. We cannot allow the pride we all share in that accomplishment to be diminished. Nor can we allow future generations to forget the supreme sacrifices made by America's fathers, sons, and brothers toward that noble end. Because of their service, the wind-swept fields of Europe, from Flanders to Fribrucken, rejoice in yet another chance for peace.

Mr. President, we must not lose sight of the fundamental differences which have separated Soviet and American society, differences which gave substance and meaning to the cold war. We have different cultures, different histories, and different attitudes toward war and peace. None of these differences, I believe, constitutes an impenetrable obstacle to better relations. But it will take time before fears and mutual suspicions of generations are overcome and the demons which haunt the boundary line from Stettin in the Baltic to Trieste in the Adriatic are finally laid to rest.

Mr. President, I yield the floor.

ORDERS FOR TOMORROW

RECESS UNTIL 10 A.M.; MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m. tomorrow, Wednesday; that following the time for the two leaders there be a period for morning business until 10:30 a.m., with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 10 A.M. TOMORROW

The PRESIDING OFFICER (Mr. ROBB). Under the previous order, the Senate now stands in recess until 10 a.m., tomorrow, June 13.

Thereupon, at 8:02 p.m., the Senate recessed until Wednesday, June 13, 1990, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate June 12, 1990:

THE JUDICIARY

RANDALL R. RADER, OF VIRGINIA, TO BE U.S. CIRCUIT JUDGE FOR THE FEDERAL CIRCUIT VICE JEAN GALLOWAY BISSELL, DECEASED.

WILLIAM M. SKRETNY, OF NEW YORK, TO BE U.S. DISTRICT JUDGE FOR THE WESTERN DISTRICT OF NEW YORK VICE JOHN T. CURTIN, RETIRED.

THE FOLLOWING-NAMED PERSONS TO BE ASSOCIATE JUDGES OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR TERMS OF 15 YEARS:

JOHN HENRY BAYLY, JR., OF THE DISTRICT OF COLUMBIA, VICE IRALINE GREEN BARNES, RETIRED.

LINDA TURNER HAMILTON, OF THE DISTRICT OF COLUMBIA, VICE CARLISLE EDWARD PRATT.

DEPARTMENT OF JUSTICE

FRED L. FOREMAN, OF ILLINOIS, TO BE U.S. ATTORNEY FOR THE NORTHERN DISTRICT OF ILLINOIS FOR THE TERM OF 4 YEARS VICE ANTON R. VALUKAS, RESIGNED.

BENJAMIN F. MARSH, OF OHIO, TO BE A MEMBER OF THE FOREIGN CLAIMS SETTLEMENT COMMISSION OF THE UNITED STATES FOR THE TERM EXPIRING SEPTEMBER 30, 1992, VICE ROBERT J. KABEL, TERM EXPIRED.

FEDERAL INSURANCE TRUST FUNDS

THE FOLLOWING-NAMED PERSONS TO BE MEMBERS OF THE BOARDS OF TRUSTEES OF THE FEDERAL HOSPITAL INSURANCE TRUST FUND; THE FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND AND THE FEDERAL DISABILITY INSURANCE TRUST FUND; AND THE FEDERAL SUPPLEMENTARY MEDICAL INSURANCE TRUST FUND FOR TERMS OF 4 YEARS:

STANFORD G. ROSS, OF THE DISTRICT OF COLUMBIA, VICE SUZANNE DENBO JAFFE.

DAVID M. WALKER, OF VIRGINIA, VICE MARY FALVEY FULLER.

WITHDRAWALS

Executive message received June 12, 1990, withdrawing from further Senate consideration the following nominations:

FEDERAL INSURANCE TRUST FUNDS

THE FOLLOWING-NAMED PERSONS TO BE MEMBERS OF THE BOARDS OF TRUSTEES OF THE FEDERAL HOSPITAL INSURANCE TRUST FUND; THE FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND AND THE FEDERAL DISABILITY INSURANCE TRUST FUND; AND THE FEDERAL SUPPLEMENTARY MEDICAL INSURANCE TRUST FUND FOR TERMS OF 4 YEARS, WHICH WERE SENT TO THE SENATE ON JANUARY 3, 1989:

MARY FALVEY FULLER, OF CALIFORNIA.
SUZANNE DENBO JAFFE, OF NEW YORK.

EXTENSIONS OF REMARKS

A TRIBUTE TO ST. CHARLES, MD

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. DYSON. Mr. Speaker, today I rise to pay tribute to one of the oldest and most successful planned communities in the United States, St. Charles, MD.

St. Charles is a family community of 30,000 people. It is expected that, by completion of construction in the year 2015, St. Charles will include about 10,000 acres and 25,000 housing units with a population of more than 80,000 residents. This will make it one of the largest population centers in Maryland.

The community is made up of five villages which are carefully planned neighborhoods. Each individual village includes parks, lakes, hiking trails, and bicycle paths. Each neighborhood is also planned for a mix of residential housing, making this community accessible to a greater number of people. St. Charles also consists of 600 acres of commercial property and 800 acres of industrial property in three business parks.

St. Charles, which is located in Charles County, has the lowest property tax in metropolitan Washington, DC. St. Charles also has a rapidly growing population rate. In fact, the community has doubled its population, from 14,500 in 1980 to 30,000 in 1990.

Interstate General Co. [IGC] is the developer and primary homebuilder of St. Charles. In addition to putting together a master plan for the community, IGC prepared a plan which enabled the community to obtain private financing through the sale of HUD-backed bonds and to receive other federally guaranteed funds. Not only does IGC develop residential lots for its own use in homebuilding, it also sells developed residential lots in St. Charles to regional and local homebuilders.

Mr. Speaker, I also wish to recognize the residents of St. Charles for the role they have played in creating this unique community. They have contributed to the planning and they have helped to ensure that St. Charles has developed into a community with many of the cherished advantages and characteristics of earlier, smaller towns. In a time of increased concerns over crime and other urban problems this is a significant achievement.

Today, as it celebrates its 25th anniversary, St. Charles is living testimony to the potential success of partnerships between the Federal Government and private industry. This partnership has stimulated employment and economic growth as well as building better communities for families to live in.

I am proud to represent the residents of St. Charles and I congratulate them and IGC for their respective roles in establishing one of the Nation's most successful planned communities.

FALL RIVER, MA, OBSERVES MEMORIAL DAY

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. FRANK. Mr. Speaker, the people of New England continue to observe Memorial Day in the spirit in which it was originally declared—as a chance for us to express our profound gratitude to the young men and women who have given their lives for their country.

One of the cities where Memorial Day is at the center of a series of important events is Fall River, MA, where there is a great deal of energy expended on behalf of American Veterans.

The people of Fall River are very proud to be the home of the battleship U.S.S. *Massachusetts,* and on May 20, Vietnam war veteran James Cooper, Jr., who is the commander of the Fall River War Veterans Council delivered an important address aboard the ship on that day.

While I was not able myself to attend that address, it was called to my attention by Joseph Hanify, Register of Deeds for the part of Bristol County which I represent in Congress. I concur in Joe Hanify's high evaluation of Mr. Cooper's speech and I ask that it be printed here:

MEMORIAL DAY: REMEMBER, MOURN, HONOR

(By James Cooper, Jr.)

Editor's Note: This message was delivered on May 20 by James Cooper Jr., a Vietnam War veteran and commander of the Fall River War Veterans Council, to a Memorial Day gathering aboard the U.S.S. *Massachusetts.*

After the Civil War, survivors and relatives one day each year would pick spring flowers and decorate the graves of those who had died. That day became known as Decoration Day, what we now call Memorial DAY.

The name has changed, but not the meaning. It is that meaning that we try to define and distill today.

What is Memorial Day? What does it mean to us? What is the symbolism of a friend, a child, a spouse, a parent, one of us placing a rose across a grave of a veteran lost in battle?

Are we trying to touch and preserve the memory of that person? Are we mourning the loss of that life? Or are we honoring the value of that life to us, the heroic actions taken by the veteran killed in combat?

Through our feelings and thoughts about the veteran, I think we are doing all three on this Memorial Day. We are reaching out to the lost veteran, trying to refresh and keep alive our memories of that person.

And, yes, we are mourning the loss of that person's life. But we're also honoring that husband, father, son or brother for the sacrifices he made. We remember, we mourn, we honor.

I was reminded recently that some individual effort is required to truly honor America's veterans. A neighbor had asked me to explain to his eight-year-old granddaughter why we celebrate Memorial Day.

Well, I sat down with her on the backsteps of her house and began to tell her about the need to remember America's fallen veterans. But then I stopped. How could she understand the meaning of Memorial Day?

Like millions of other young Americans who have not had to live through war, she would not be able to put my words into a context she could relate to.

As I looked at her, I wondered whether only those of us who have experienced war or lost a loved one in war can really give meaning to their loss and Memorial Day. And I also asked myself if we truly do that and, if so, how?

Then I realized it's not through simple words like democracy and freedom but through our feelings and thoughts about those words that we honor our war dead.

I tried to make an effort with my neighbor's grandchild—I tried to make Memorial Day real for her. I told her about the same quetions I had as a child about men who left our neighborhood and never returned. Where did they go?

I told her about the fathers of friends who never came back. And I told her how my father answered my questions—that they died for the real freedoms we cherish in our country, freedoms that must be defended to be preserved. We thank them for guaranteeing the liberties we cherish and enjoy.

Well, she looked up at me with a wrinkled brow and asked, "What do you mean?"

Her question prompted me to think harder. In my mind I started to recall America's history in defense of freedom.

I remembered the 16 million Americans who served in World War II, and the 670,000 wounded and 405,000 killed in action while fighting Nazi oppression in Europe. Names of places like Bataan and Corregidor in the South Pacific, where captured Americans underwent brutally cruel treatment as POWs, came back to me.

I remembered the airmen, marines, sailors and soldiers and nurses who were wounded and killed in the Korean War, and the 389 Americans who are still missing from that war. And I thought about the over 55,000 veterans who were killed in Vietnam, and the over 2,400 Americans still missing in Southeast Asia 15 years after the end of that war.

Then more recent events came to mind:

The bombing of the U.S. Marine barracks in Beirut, Lebanon in 1983, which resulted in the loss of over 260 American lives.

The Iraqui attack on the USS Stark in the Persian Gulf in 1987, which killed 27 American sailors.

The loss of American lives in the liberation of Grenada and Panama.

I didn't tell my neighbor's granddaughter about these places or veteran—didn't want to shock her. I didn't want to hurt her.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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Passing on what we experienced and know is not easy sometimes.

But how could I explain the meaning of Memorial Day to her?

I suddenly remembered a friend in combat, and a picture of him I had kept in my wallet for years. In the photograph he's carrying a small child, about the age of my neighbor's grandchild, to safety. Not long after that photograph was taken he was killed while helping a wounded soldier get to safety and medical treatment.

I told my neighbor's granddaughter about him, that he was only 18 and had always volunteered for dangerous duty. Then I showed her the photograph.

I looked at the photograph with her. Then my words just came out, almost as if I hadn't thought about them. I said to her, "He's not only carrying a child to safety in that photograph, he's cradling freedom."

Well, we both sat there on the back steps quietly for a few moments. She looked down and seemed to be shaking a little. As I put my arm around her shoulder, I could see a tear falling down her cheek.

It was then that I realized we had been feeling the meaning of Memorial Day. And it wasn't through simply mentioning words like democracy and freedom. It was through reflecting on the sacrifices that have been made to ensure our democracy and freedom.

I went on to explain that even today freedom is being sought and threatened throughout the world. The struggle for democracy and individual freedom and political representation in China, Eastern Europe, Central and South America, and South Africa, among other places, attest to our thirst for freedom and independence. These quests for freedom must be fought for, too.

She looked up at me, brushing her eyes with the back of her hand and giving a little half-smile. As serious and frightening the concept of war was to her that afternoon, she seemed to understand that those who have died did not die in vain. They died to help us live a free life.

That was her lesson that recent afternoon. My lesson was learning through her that we must really look hard inside and actually give ourselves, for at least this one Memorial Day, to our war dead. We must touch them with our feelings, thoughts and prayers. We have an obligation through the freedoms that they guarded to preserve and be proud of our heritage, our nation and our fallen comrades.

Even today, most Americans don't realize the number of military men and women who are risking and losing their lives in defense of this nation. A recent federal study found that from 1980 to 1988 more than 19,000 service men and women died on active duty. As American veterans, we are entrusted to keep their memories alive.

How we choose as individuals to honor our deceased veterans on Memorial Day is an individual choice. But it may help to look deeper inside, to focus and reflect on what they did for us.

Maybe that's not the easiest way, but it's the most we can give them in return for their courageous duty. Remember, mourn and honor. And celebrate the freedoms they protected for us. Thank you and may God bless you.

NEEDS OF NATIVE AMERICAN CHILDREN

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. RICHARDSON. Mr. Speaker, child abuse is a serious problem in the native American community. As a member of the Committee on Interior and Insular Affairs, I recently chaired hearings in Albuquerque, NM, on this critical issue. For these reasons, I would like to bring to the attention of my colleagues the excellent testimony of Lance Chilton, M.D. of New Mexico. Dr. Chilton recently testified before the Senate Select Committee on Indian Affairs that the Bureau of Indian Affairs must be made responsive to this serious matter by establishing recommended Indian child resource centers in each BIA area office. I believe his comments deserve our serious consideration.

TESTIMONY OF LANCE CHILTON, M.D.

Hello. I am Lance Chilton, M.D., member of the American Academy of Pediatrics' Subcommittee on Indian Health and a practicing pediatrician in Albuquerque, New Mexico. I served in the Indian Health Service on the Navaho reservation for two years and currently serve as a member of the child health team for the Indian Health Service in the Albuquerque area. I am pleased to have the opportunity to talk with you about the needs of Native American children.

The Academy is an organization of 39,000 board-certified pediatricians. Individual members, as well as the organization, have for many years devoted time, energy, and advocacy efforts to improving the health of Native American children and to improving the services provided through the Indian Health Service. All infants, children and adolescents of Indian tribes must have access to appropriate, quality health care. They deserve the same protections other children in our country enjoy.

The Academy has strongly supported child abuse programs at the federal, state, and local levels. The Academy also develops programs and materials to train pediatricians and other professionals to prevent, recognize and treat physical and sexual abuse. We have played a role in raising public awareness of the damage that may be done to children by those entrusted with their care and of the lasting effects such harm can create.

The American Academy of Pediatrics commends the Senate Select Committee on Indian Affairs for its leadership in drawing attention to the need for training, treatment and prevention of family violence and the need for other means of ensuring child protection on Indian reservations. In sponsoring the Indian Child Abuse Prevention and Treatment Act last year, which passed the Senate in November 1989, you took a step toward giving children on reservations the same protections as other children in our country.

The Academy supports S. 2340, the Indian Child Protective Services and Family Violence Prevention Act. This legislation calls for the establishment of an Indian child resource center in each area office of the Bureau of Indian Affairs (BIA). Each center must be staffed by multidisciplinary teams trained in prevention, identification, investigation, and treatment of physical and sexual abuse. These teams are to provide consultative services to Indian tribes, Indian organizations, and inter-tribal consortia.

It is critical in this era of scarce resources, that agencies and disciplines coordinate efforts toward common goals. The BIA Child Resource Centers must work with the Indian Health Service personnel, who see the same families for many of the same problems.

The bill also provides grants to tribes, or inter-tribal consortium, for the development or enhancement of child protective service programs. These programs should incorporate investigation, education and prevention necessary personnel, training and treatment for abuse victims. Personnel should include representatives from medicine, mental health services, law, social services, and education. Personnel should be familiar with and sensitive to the culture and value system of the families with whom they are working.

For child protective services to be established for children and adolescents of Indian tribes, it is important that such programs be under the jurisdiction of each tribe. Each program must be adapted to reflect the heritage and laws of that tribe, recognizing the wide variations that exist among the tribes and nations of Native Americans. There must be cooperation among medicine, law enforcement, education, and social services. Child protective service personnel must be cognizant of the ethnicity, cultural background and strengths of the community, and should work within the local environment. Therefore, we support the legislation's aim to create systems appropriate to each Indian tribe's needs.

In developing programs and models for the Indian child abuse resource centers and for the child protective service programs, existing successful programs could be adapted to the needs of each tribe or inter-tribal consortium. The Academy could be a resource for such information.

Finally, the bill directs the Secretary of HHS, through the Indian Health Service, to establish an Indian Family Violence Prevention and Treatment Grant program. The grant will support the development and implementation of programs for the treatment and prevention of family violence and the provision of immediate shelter and assistance for family violence victims and their dependents. Family violence results in increased risk for child abuse and becomes a method of coping with conflict. It can perpetuate a cycle of abuse, which becomes difficult to break. The Academy strongly urges the Committee to focus grants on ongoing mental healths services, on outreach services to identify families at risk, and on provisions of appropriate prevention and treatment services.

In summary, we commend the Committee for its leadership in an area with desperate needs. The Academy is prepared to provide further information upon request.

A SALUTE TO DR. H. FRANK COLLINS

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. DYMALLY. Mr. Speaker, I rise today to salute Dr. H. Frank Collins, senior pastor of Calvary Baptist Church in Bellflower, CA, for his 27 years of spiritual leadership and community activity. Dr. Collins, the youngest of 12 children was born in a farming district of northwestern Alabama. In pursuit of an education, he attended schools in Alabama, Texas, Tennessee, Indiana, and Illinois. Dr. Collins holds doctorate degrees from Bob Jones University, California Graduate School of Theology, and Pacific Coast Baptist Bible College.

In July 1951, Dr. Collins was ordained, and pastored churches in Franklin, IN, and Greenville, SC. He served as assistant to the president of Baptist Bible College of Springfield, MO, until he answered the call to be the pastor of Calvary Baptist Church of Bellflower, CA, in June 1963. This congregation, under his guidance grew from less than 500 members to its present followers of approximately 3,000, and supports 52 missionaries worldwide. In addition to its missionary work, Calvary Baptist also supports three educational institutions, two of which honor Dr. Collins by naming dormitories—Collins Hall—as a testament to his good work and caring for his fellow men and women.

Prior to his ministry, Dr. Collins, a professional musician, enjoyed a career on radio and television, and continued in the media as a speaker on radio and television for the program "Meet In Time at Calvary," on Channel 9 in Los Angeles and heard on several radio stations in the Los Angeles area for over 15 years.

Dr. Collins married the former Bernice Scott of Indiana in 1946. She was a professional singer with the CBS Network and radio station WHAS of Louisville, KY. Of this happy union, two children, Sandra Gale Lapham of Bellflower, CA, and David Scott Collins of Lubbock, TX, were born.

Mr. Speaker, it is my distinct privilege and honor to ask you and my colleagues to join with me and my constituents in the 31st Congressional District of California, in acclaiming Dr. Collins, a leader in the community, a role model for us all, and an inspiration to the congregation at Calvary Baptist Church.

HUMAN-RIGHTS ABUSES MOUNT IN TIBET

HON. CHUCK DOUGLAS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. DOUGLAS. Mr. Speaker, unfortunately, with the lifting of martial law in Lhasa, Tibet, the impression may have been given that things had improved in that country. The violence and repression against the Tibetan people continues unabated. I attach a copy of the recent article in the May 29, 1990 Washington Post for additional information in this ongoing terror by the Government of China against the formerly free and independent country of Tibet:

HUMAN-RIGHTS ABUSES SAID TO MOUNT IN TIBET

(By Lena H. Sun)

Human-rights abuses by Chinese authorities in Tibet have increased in the last few years, and the lifting of martial law in Lhasa this month did nothing to ease repression there, according to a new report by the human-rights group Asia Watch.

The report, scheduled to be released today, comes at a time when moves are underway in Congress to reverse President Bush's decision last week to renew China's most-favored-nation trade status. Bush, in announcing his decision, praised China for lifting martial law in Tibet and restoring U.S. consular access to the region.

Diplomats and others have said Beijing's decison to lift martial law in the Tibetan capital was partly aimed at influencing the decision on China's trade status.

The Asia Watch report said that Chinese authorities lifted martial law in Lhasa on May 1 because "the level of repression is secure enough as to no longer require a conspicuous military role in suppressing dissent."

According to Asia Watch, there is no indication that lifting of martial law has led to the release of any political prisoners.

In addition, "the reports that come out of Tibet show that the incidence of serious torture is that least as bad as it has been for years, and in some cases, it seems worse," said Robin Munro, who monitors China for the group.

The group criticized the Bush administration for failing to acknowledge the severity of human-rights violations in China, adding that the situation in Tibet "appears in retrospect as having been something of a testing ground for the PRC [People's Republic of China] authorities in the 1980s . . . in how best to forcefully suppress dissent and then deal with international reaction."

Beijing, which rules Tibet, contends the region is an inalienable part of China, but many Tibetans favor independence or greater autonomy. In recent years, Buddhist monks and nuns have led numerous independence demonstrations.

When police openend fire on protesters in Lhasa on March 5, 1989, three days of rioting followed, prompting authorities to impose martial law in Lhasa for the first time in 30 years.

Arrests of Tibetan political dissidents then increased, with "at least several hundred Tibetans" taken into custody, the report said. Tibetans and Chinese officials said late last year that Lhasa's prisons held more than 680 Tibetans accused of involvement in pro-independence activities. Almost half of those were said to be monks, nuns, and novices.

The imprisonment of Tibetans who advocate independence for Tibet remains "a particularly serious area of human-rights violations," the report said, and it described the continuing use of torture in Tibetan prisons. Nuns in custody are alleged to have been beaten and attacked by dogs and subjected to torture with electic cattle prods applied to their genitals, it said.

TRIBUTE TO JOSEPH A. MANENTE

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Mr. Joseph A. Manente, who is retiring after over 30 dedicated years of Postal Service to the Girard area of my 17th Congressional District of Ohio.

Upon graduating from Girard High School, Mr. Manente honorably served his country in the United States Army for 2 years in Germany. Following his discharge from the military, Mr. Manente attended Kent State University and entered the U.S. Postal Service on June 8, 1959.

Throughout Mr. Manente's distinguished postal career, many of the people on his route have conveyed their appreciation for his friendly smile and his punctual service. Outside of his postal career, Mr. Manente stays very active in the community and is a leading member of St. Rose Church.

Again, I would like to recognize and congratulate Mr. Joseph A. Manente for over 30 years of exemplary postal service in the Girard area. I am proud and honored to represent such a fine citizen.

THE THIRD REUNION OF THE DEADLINE GANG OF WEST SPRINGFIELD, MA, HONORING THE LATE HOCKEY GREAT, PETER BESSONE

HON. SILVIO CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. CONTE. Mr. Speaker, I rise today to pay tribute to the "Deadline Gang of Westfield, MA, and one of it's outstanding original members, hockey great, Peter "the Hermit" Bessone.

Although the name "Deadline Gang" may sound a bit ominous, especially in today's definition of the word gang, the "Deadline Gang" was far from a destructive unit. The members were mostly the sons and daughters of immigrants who came to this country around the turn of the century. They were virtually penniless and, like so many others, came seeking a better life. They were pioneers to the Memorial Avenue area of West Springfield, where they became industrious and law-abiding citizens.

The origins of the name "Deadline Gang" is actually rather simple. In the 1920's and 1930's the young men of the area set deadlines at Agawan Bridge and the Memorial Avenue railroad crossing, prepared to defend their territory against any invaders, especially when it concerned parents, women or property.

The people were for the most part a proud, though poor, group and held a deep sense of what true Americanism entailed. They were

peace-loving and raised their children to respect the law and the rights of others.

Part of this nurturing included sports activities for the young men, many of whom attained national recognition, and home-making and education for the young women to prepare them for life's future endeavors.

Among the athletes that came out of the "Deadline Gang" were Angelo Bertelli, football all-American and Heisman Trophy winner at Notre Dame; Mario and Babe Zucchini, heros in an Italian Olympic victory over the United States team in hockey; Gene Grazia, a member of the 1960 U.S. Olympic Gold Medal Hockey Team; Henry Campanini, a hockey captain at Michigan State; Amo Bessone, a national Coach of the Year Award winner in hockey at Michigan State; and the man they are honoring at their third reunion, the late Peter Bessone. Peter spent 10 years in the American Hockey League and a season with the National Hockey League's Detroit Red Wings, the first western Massachusetts athlete to make hockey's big league.

Mr. Bessone learned to skate on the ponds around his Memorial Avenue home and became West Springfield High School's first hockey superstar. He inspired many of the neighborhood children to follow his footsteps into various levels of the game including the professional ranks. Mr. Bessone was one of the first players to be admitted to the U.S. Hockey Hall of Fame, where he is honored along side many of hockey's greats.

At the third reunion of the "Deadline Gang," Pete will be posthumously honored with an appropriate plague, presented by Angelo Bertelli, 1943 Heisman Trophy winner and former friend and neighbor of Mr. Bessone.

Mr. Speaker, I appreciate having had this opportunity to speak on behalf of the "Deadline Gang" and hockey legend Peter "the Hermit" Bessone. I wish the Gang all the best for their reunion and pay my respects to the late, great Peter Bessone.

TRIBUTE TO DR. WILLIAM T. IVERSON

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Ms. ROS-LEHTINEN. Mr. Speaker, I am very pleased today to bring to the attention of my colleagues and the public the great work of Dr. William T. Iverson. Dr. Iverson term as pastor of the Shenandoah Presbyterian Church ended this May after serving the people of my congressional district for the past year.

When Dr. Iverson arrived at this church, he announced his plans to reach out to the Latin American community and make the Shenandoah Presbyterian Church a problem solver for the whole area. The neighborhood where this church is located has undergone a dramatic change. Many Central American families have come to Miami, FL, seeking refuge. Dr. Iverson saw the needs his community had and met it with a dedicated volunteer program aimed at making these new arrivals self-supporting members of our community.

Dr. Iverson even took in over 63 newly arrived Nicaraguan refugees into his own home and gave them a place to live until they had a place of their own. The church also housed 40 more refugees in the church while placing others in various places. Dr. Iverson also organized local companies like McArthur Dairy and Christian Community Services to contribute and collect food and other necessities. His efforts, and others, also helped locate apartments for all the refugees.

Presently, Dr. Iverson has initiated a new phase in the program which the church used to instruct new arrivals in the English language and how to locate employment as well as housing. The program uses refugee volunteers as well as graduate students in facilitating the assimilation process. The program was so successful that all of the refugees taken in and assisted are now standing on their own two feet and no longer need any assistance.

This May, Dr. Iverson passed the helm to Carlos Salabarria, who, as the new pastor, will continue serving the whole community. Dr. William T. Iverson can take special pride in these accomplishments because Dr. Iverson's father, Daniel Iverson, started Shenandoah Presbyterian Church in 1929. Our community owes a debt of gratitude to Dr. Iverson and people like him for serving as some of the many thousand points of lights that make this a great Nation. We wish Dr. Iverson much success in his future endeavors.

CONGRATULATIONS TO THE MARKSMEN OF THE PENNSYLVANIA NATIONAL GUARD

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. MURTHA. Mr. Speaker, it brings me great pleasure to congratulate the Pennsylvania National Guard marksmen assigned to the 28th Signal Battalion for their outstanding performance. These sharpshooters began their winning ways when they took honors in combat rifle, national match rifle, national match pistol, combat pistol, and M–60 light machinegun matches at the Winston P. Wilson Championship Matches at Little Rock, AR, in September 1989.

In March 1990, the M–16 combat rifle team placed first overall and won the Infantry Trophy Match at the Army Reserve Forces Championships at Fort Benning, GA. The M–60 machinegun team finished third.

Once again, in May the Pennsylvania National Guard came out on top by making a clean sweep of all team awards at the U.S. Army Small Arms Championships at Fort Benning, GA. During this competition with 15 competing teams, these sharpshooters first won the Precision Combat Team Match, then the Infantry Trophy Team Match, and finally the Combat Rifle Team Championship. I want to specifically congratulate S. Sgt. George Morgan of Portage, PA, for his individual performance in this championship.

Mr. Speaker, I am very proud of the Pennsylvania National Guard for they have the best marksmen in the United States.

JEAN AND MARVIN STAIMAN RECEIVE TORCH OF LIBERTY AWARD

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. GEKAS. Mr. Speaker, I invite my colleagues to join me in recognizing from my congressional district in Pennsylvania a special couple who work to truly make this a kinder, gentler Nation. Jean and Marvin Staiman work for a sometimes elusive goal—the elimination of hatred and prejudice from our society.

In recognition of their dedication, the Anti-Defamation League of B'nai B'rith is presenting the Staimans with the Torch of Liberty Award. This honor goes only to those men and women who personify in word and deed the noblest traditions of the United States. Intertwined with the security of our democracy, those traditions include fairness, peace, freedom, equality, justice, and compassion for people of all races, religions, and color.

Widely respected in the Williamsport community, Jean and Marvin have for decades dedicated themselves to causes that nurture the sick, the needy, and distressed. Between them, they have served the United Way, the Williamsport Arts Council, the American Cancer Society, the Nurses' Residence of the Williamsport Hospital, the Lycoming College Expansion Program, the James V. Brown Library, the Kiwanis, the Boy Scouts of America, the Lycoming County Department of Children and Youth Services, the YMCA Board of Directors, and the Eastern Division of Hadassah.

Jean seeks to spread knowledge of Judaism—its meaning, history, and heritage to the world. In addition to teaching this message at the high school and college levels, she wrote and published an article on Judaism in a national Catholic magazine.

They have both received numerous awards and citations for their contributions to the community.

Mr. Speaker, we need extraordinary citizens to ensure that America remains a symbol of truth in the world. On behalf of all those whose lives have been touched by Jean and Marvin Staiman, I thank them for being extraordinary.

ON PROTECTING THE AMERICAN FLAG

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. SUNDQUIST. Mr. Speaker, according to a recent Gallup survey, 72 percent of Americans disagree with the notion that burning an American flag is free speech and protected by the Constitution. And 71 percent want us to enact a constitutional amendment to allow Federal and State government to make flag desecration illegal.

As we prepare to mark Flag Day, I think it is timely and important to remind ourselves why it is that so many Americans feel so deeply about this symbol of our freedom, and why the vast majority of the American people have asked us to protect that symbol from desecration.

I would like to enter into the CONGRESSIONAL RECORD the position of the American Legion of Tennessee, as well as the text of a resolution adopted by that body earlier this year.

THE POSITION OF THE AMERICAN LEGION OF TENNESSEE, ON FLAG PROTECTION, AND THE PASSAGE OF HOUSE JOINT RESOLUTION 638

From the sad day, June 21, 1989, when the Supreme Court ruled that flag burning may be considered an expression of political protest, protected by the constitutional guarantees of freedom of speech under the First Amendment, the American Legion made a commitment to this state and nation that we would act responsibly, always using a positive approach to find a way to correct this unfortunate ruling.

The American Legion believes flag burning is wrong, and that it is a reprehensible *act* done only to call attention to what a protester is *saying*, and therefore is *not* speech.

The American Legion is convinced, and many constitutional experts agree, that the new Federal law will eventually be ruled unconstitutional based on the Supreme Court's June 21 decision. A law cannot overturn a decision of the Supreme Court. The Constitution is the highest authority of law in our land, and is the only document to which the Supreme Court must adhere.

To those who say "don't tamper" with the Constitution:

The American Legion responds by pointing out that the Constitution has been amended 26 times . . . the first ten of which combine to create the Bill of Rights. Our Founding Fathers specifically set up an amendment procedure, and in their wisdom, correctly made it a time consuming and even laborious procedure.

To those whose argument that an amendment would "tamper or water down" the First Amendment rights of free speech:

A flag protection amendment has nothing to do with the First Amendment. It would not change the words or intent of the First Amendment at all. It would simply create a special place in the Constitution to protect the flag by saying it is unique and holds an honored place in our nation's eyes. A 1989 Gallup Poll conducted by The American Legion shows that 70 percent of all Americans believe that a flag amendment would *not* restrict their freedom of speech.

Only "we the people" can amend the Constitution. Congress only has the authority to approve a *proposed* amendment. Thirty-eight of the fifty state legislatures must then ratify it before it officially can become part of the Constitution. The American Legion is simply saying Congress should, at least, give the people, through their state lawmakers, the opportunity to decide the matter as the Founding Fathers envisioned. George Washington in his Farewell Address, said, "The basis of our political system is the right of the people to make and alter their constitutions of government."

CHARLES G. NORTON,
Department Adjutant.

HOUSE JOINT RESOLUTION 638

Whereas, although the right of free expression is part of the foundation of the United States Constitution, very carefully drawn limits on expression in specific instances have long been recognized as legitimate means of maintaining public safety and decency, as well as orderliness and productive value of public debate; and

Whereas, certain actions, although arguably related to one person's free expression, nevertheless raise issues concerning public decency, public peace, and the rights of expression and sacred values of others; and

Whereas, there are symbols of our national soul such as the Washington Monument, the United States Capitol Building, and memorials to our greatest leaders, which are the property of every American and are therefore worthy of protection from desecration and dishonor; and

Whereas, in the War of 1812 the American Flag stood boldly against foreign invasion, symbolized the stand of a young and brave nation against the mighty world power of that day, and in its courageous resilience inspired our national anthem; and

Whereas, in the Second World War the American Flag was the banner that led the American battle against fascist imperialism from the depths of Pearl Harbor to the mountaintop on Iwo Jima, and from defeat in North Africa's Kasserine Pass to victory in the streets of Hitler's Germany; and

Whereas, the American Flag symbolizes the ideals for which good and decent people fought in Vietnam, often at the expense of their lives or at the cost of cruel condemnation upon their return home; and

Whereas, the American Flag was carried forth to the moon as a banner of goodwill, vision, and triumph on behalf of all mankind; and

Whereas, the American Flag to this day is a most honorable and worthy banner of a nation which is thankful for its strengths and committed to curing its faults, and remains the destination of millions of immigrants attracted by the universal power of the American ideal; and

Whereas, the law as interpreted by the United States Supreme Court no longer accords to the Stars and Stripes that reverence, respect, and dignity befitting the banner of that most noble experiment of a nation-state; and

Whereas, it is only fitting that people everywhere should lend their voices to a forceful call for restoration to the Stars and Stripes of a proper station under law and decency: Now, therefore,

Be it resolved by the House of Representatives of the Ninety-Sixth General Assembly of the State of Tennessee, the Senate concurring, That this General Assembly respectfully memorializes the Congress of the United States to propose an amendment of the United States Constitution, for ratification by the states, specifying that Congress and the states shall have the power to prohibit the physical desecration of the flag of the United States.

Be it further resolved, That copies of this resolution be transmitted to the Speaker of the United States House of Representatives, the Speaker of the United States Senate and all members of the congressional delegation from the state of Tennessee.

A TRIBUTE TO RUBY COLEMAN

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. APPLEGATE. Mr. Speaker, I rise today to recognize Ruby Coleman on her retirement from the Columbiana County Board of Elections in Lisbon, Ohio. Ruby is being honored for her 13 years of dedicated service at a dinner on June 22, 1990.

Ruby's participation in politics and the community goes beyond her work at the Board of Elections. She has been awarded with the title of Outstanding Member of the Business and Professional Women of East Liverpool and Ohio, and is an active member of the Federated Democratic Women for the State of Ohio. She has also been Democratic Central Committeewoman for 25 years. These groups support political candidates running for office at the local, State, and Federal levels.

Ruby is an active bowler and plays in a local women's league. She also likes to talk on her C.B., and, because of her blond hair, is known by her C.B. friends as "Snow White." In the midst of her busy schedule, Ruby finds time for her husband Walt.

Mr. Speaker, it is my honor to congratulate Ruby Coleman on her retirement and thank her for her many years of dedication to both politics and the community. I join her loved ones and friends in wishing her all the very best success in the years to come.

HONORING THE NAVAJO CODE TALKERS OF WORLD WAR II

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. RICHARDSON. Mr. Speaker, I would like to take this opportunity to honor a group of World War II heroes that few people know about. I am referring to the Navajo Code Talkers, a group of native Americans who played a crucial role in the war.

On Friday, June 15, at Los Alamos National Laboratories in Los Alamos, NM, the Navajo Code Talkers will be recognized for their courageous efforts in World War II. There is an important connection between the code talkers and Los Alamos Labs. While scientists at the Los Alamos were developing the world's first atomic bomb during the 1940's, the Navajos were doing their part to aid the war effort by communicating sensitive military messages in a language impervious to codebreaking.

The Marine Corps' Navajo Code Talker Program was established in September 1942 as the result of a recommendation made the previous February by Mr. Philip Johnston to Maj. Gen. Clayton B. Vogel, USMC, commanding general, Amphibious Corps, Pacific Fleet, whose headquarters was at Camp Elliot, CA. Mr. Johnston was the son of a missionary to the Navajo Tribe and was fluent in the language having lived amongst the Navajos for 24 years. He believed that the use by the

Marine Corps of Navajo as a code language in voice—radio and wire—transmission could guarantee communications security.

Mr. Johnston's rationale for this belief was that Navajo is an unwritten language and completely unintelligible to anyone except another Navajo and that it is a rich, fluent language for which code words, in Navajo, could be devised for specialized military terms, such as the Navajo word for "turtle" to represent a tank. With the cooperation of four Navajos residing in the Los Angeles area, and another who was already on active naval service in San Diego, Mr. Johnston presented a demonstration of his theory to General Vogel and his staff at Camp Elliot on February 28, 1942. Marine staff officers composed simulated field combat messages which were handed to a Navajo who then translated it into tribal dialect and transmitted it to another Navajo on the other end of the line. The second Indian then translated it back into perfect English and in the same form which had been provided originally.

The demonstration proved entirely successful and as a result, General Vogel recommended the recruitment into the Marine Corps of at least 200 Navajos for the Code Talker Program. As a footnote, tests in the Pacific under combat conditions proved that classified messages could be translated into Navajo, transmitted, received, and translated back into English quicker than messages which were encoded, transmitted, then decoded employing conventional cryptographic facilities and techniques.

With the Commandant's approval, recruitment began in May 1942. Each Navajo recruit underwent basic boot camp training at the Marine Corps recruit depot, San Diego, before assignment to the field signal battalion training center at Camp Pendleton. It should be noted that at the outset, the entire Navajo Code Talker project was highly classified and there is no indication that any message traffic in the Navajo language—while undoubtedly intercepted—was ever deciphered.

Initially, the course at Camp Pendleton consisted of training in basic communication procedures and equipment. At the same time, the 29 Navajos comprising the first group recruited devised Navajo words for military terms which were not part of their language. Alternate terms were provided in the code for letters frequently repeated in the English language. To compound the difficulty of the program, all code talkers had to memorize both the primary and alternate code terms, for while much of the basic material was printed for use in training, the utmost observance of security precautions curtailed the use of printed material in a combat situation.

Once the code talkers completed training in the States, they were sent to the Pacific for assignment to the Marine combat divisions. In May 1943, in response to a request for a report on the subject, the various division commanders reported to the commandant that excellent results had been achieved to date in the employment of Navajo Code Talkers in training and combat situations, and that they had performed in a highly commendable fashion. This high degree of praise concerning the Navajo's performance prevailed throughout the war and came from commanders at all levels.

Although recruitment of the Navajos was comparatively slow at the time the program was first established, Marine recruiting teams were sent to the Navajo territory and a central recruitment office was set up at Fort Wingate, NM. By August 1943 a total of 191 Navajos had joined the Marine Corps for this specific program. Estimates have placed the total number of Navajos in the Code Talker Program variously between 375 and 420 individuals. It is known that many more Navajos volunteered to become code talkers than could be accepted; however, an undetermined number of other Navajos served as Marines, in the war, but not as code talkers.

In recognition of their dedicated service to America during World War II, the Navajo Code Talkers were awarded a certificate of appreciation from the President of the United States in December 1981.

It is indeed an honor to recognize the achievements of these special individuals, many of them fellow New Mexicans. Their role in protecting this country during the war should not go unnoticed, as their dedication and patriotism run deep.

NEW ENGLAND CREDIT CRUNCH CONTINUES

HON. CHUCK DOUGLAS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. DOUGLAS. Mr. Speaker, in New England we are currently very much involved in a credit crunch despite what some of the media may imply to the contrary. Friday, 2 weeks ago, the New Hampshire Bankers Association, the Business Industry Association of New Hampshire, and the Granite Foundation helped promote a dialog on the problem facing my State. The visit by the Comptroller of the Currency, Robert L. Clarke, was preceded by an excellent summary of the situation in New England which I submit for the RECORD because it is important that the Nation know what is happening to my region and to my State.

THE SITUATION

It is generally agreed that New England is presently involved in an economic downturn tied to slowdowns in the defense, high-tech and financial services sectors which, until recently have fueled an enviable growth rate and broad area prosperity. It is also accepted that the area's resources are such that the downturn is cyclical although its duration is not clear. In recent months area bank lending has slowed. This phenomenon is termed a "credit crunch." The changed economic environment has certainly played a role, but many say the crunch reflects a response by bankers to federal bank regulators who, it is charged, have clamped down too hard on New England banks and their borrowers.

There is ample anecdotal evidence that a so-called "credit crunch" exists. Moreover, recent surveys confirm that banks have tightened their lending policies to small and mid-sized businesses in reaction to regulatory "advisories" to raise their standards and tighten their terms on real estate loans. Some economists are concerned that whatever the cause, the tightening, coupled with a cyclical downturn, will kick our economy into a recession.

Regulators have responded to these concerns in various ways. They denied they were changing the rules, but admitted they were "getting tough" in light of the "changed economic environment." Later, in a most unusual gesture, the government's three top banking regulators, Alan Greenspan, Robert Clarke and William Seidman told the American Bankers Association that banks "should not overreact" to the new standards of enforcement and should keep making loans—including real estate loans—to qualified borrowers, more recently, federal regulators have stated that the credit crunch problem continues to exist because of "economic conditions, new laws and overreaction by bankers."

Others assert that although the economy is slow and laws like FIRREA have made banking tougher, it is the regulators who are causing the problem, by "targeting" New England banks in order to shock the rest of the country into line. No one denies that many banks may have invested too much in our recent growth, but many also believe that this is neither the time nor the place to apply either tougher new standards or old standards more harshly.

NO GOOD DEED GOES UNPUNISHED

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. DYMALLY. Mr. Speaker, I bring to the Members' attention an editorial which appeared in Roll Call, June 7, 1990.

NO GOOD DEED GOES UNPUNISHED

Rep. Mervyn Dymally (D-Calif), like many other Members of Congress, has over the years given his time and his reputation to charity. Since Members have a certain amount of clout, when one of them calls a potential contributor to suggest a charitable donation, the contributor has a reason (in addition, of course, to the goodness of his heart) to comply. The charity business has always operated in such a manner: A corporate CEO calls one of his firm's major suppliers and makes the mild recommendation that the supplier donate $1,000 to the CEO's favorite charity. The supplier does the moral and financial calculus and decides, yes, it would be a darned good idea.

Is there anything wrong with such a process? Is there anything wrong with Members of Congress affiliating themselves with such institutions as the Mervyn Dymally Scholarship Foundation, which helps poor children in the Congressman's district? Or with Sen. Bob Dole's (R-Kan) charitable foundation that helps disabled Americans? What about Members like Reps. Pat Schroeder (D-Colo), Newt Gingrich (R-Ga), and Dan Rostenkowski (D-Ill), who take in tens of thousands of dollars in speaking fees from corporations and then donate the proceeds to charitable organizations in their districts?

We would be foolish to deny that, indeed, there is the slight odor of politics attached to these charitable activities, just as there is the slight odor of business attached to activities like the one involving the CEO we described above. But so what? In this age in which midgets stride the great American stage, the press and the so-called public in-

terest groups judge political figures by how clean they are—not by what they believe or what they do.

The purists from Common Cause, Public Citizen, and many of this nation's newspapers are demanding an ethical standard of Members of Congress that, paradoxically, is destructive of good works. Their ideal, apparently, is the politician who does nothing political—raises no money, takes no trips, associates not at all with constituents who have money, keeps his hands clean of any "outside" endeavor, including charitable ones.

Dymally, who has been pursued by the Washington Post over contributions made by a New York diamond dealer to his scholarship foundation, has decided to solve the problem simply by throwing in the towel. He cut all of his ties to outside organizations, telling Roll Call last week, "I said to myself, what am I taking this heat for? I don't benefit from this stuff."

He's right. The Dymally affair is only the latest example of "nickel-dime politics"—a process by which trivialities receive detailed scrutiny and larger matters of public policy are barely discussed. In the past, we've called this fascination a kind of decadence, a fin-de-siecle obsession with minutiae by opinion leaders who have no opinions, or who can't make judgments about what's important and what's not. In the case of Congressional charity, what's important is obvious—that the Dymally Foundation helps poor kids in Los Angeles get scholarships, that the Dole Foundation helps disabled Americans get jobs. But, as Dymally himself ruefully put it, "No good deed goes unpunished."

TRIBUTE TO THE WILLIAM C. DOHERTY BRANCH NO. 40, NATIONAL ASSOCIATION OF LETTER CARRIERS

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to the William C. Doherty Branch No. 40 of the National Association of Letter Carriers, which will be celebrating its 100th anniversary on July 24.

Branch No. 40 has a long and distinguished history of community service in and around Cleveland, OH. The branch has been on the forefront in customer service and speedy mail delivery. They are especially proud of William Briggs, a native of Cleveland who served as postal employee during the Civil War and who appointed the country's first letter carrier. He initiated the concepts of free home delivery service as well as designating the first letter box and the first postal uniform.

Branch No. 40's success stems from its dedication and hardwork. The members of branch No. 40 have always been willing to try new policies, thus making the U.S. Postal Service a better and more efficient organization.

Mr. Speaker, I would like to take this opportunity to congratulate the William C. Doherty Branch No. 40 of the National Association of Letter Carriers on their 100th anniversary. Branch No. 40 has been on the forefront of the development of Postal Service not only here in the United States but also in the rest of the world. I wish its members the best as they enter their second century of service.

COMMEMORATING THE 45TH ANNIVERSARY OF THE ORDINATION OF FATHER CARLO BEVILACQUA ON JUNE 12, 1990

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. CONTE. Mr. Speaker, I rise today to honor an outstanding constitutent and longtime family friend, Father Carlo Bevilacqua, of Mount Carmel Church in Pittsfield, MA. It seems like only yesterday that I rose in this very room to honor him on the 40th anniversary of his ordination into the priesthood.

Forty-five years ago today, Mr. Speaker, Father Carlo was ordained as a Catholic priest. The people of Pittsfield have been very fortunate to have a man of Father Carlo's caliber as their religious leader. I think it goes without saying that the Mount Carmel Parish has never been served by a more understanding and dedicated pastor. The diocese of Springfield has also recognized his excellence and bestowed the title of parochial vicar upon him, a title he not only deserves, but a position which holds responsibilities he proudly carries out with his own warmth and charisma.

Father Bevilacqua came to the Lakewood area of Pittsfield many years ago and his presence, sincerity, and concern for his parish left an indelible mark on many of us in the community. His actions have continuously spoken as loudly as his words. Not only has Father Bevilacqua continued his exemplary service to his parish, but he has also remained a devoted Red Sox fan throughout the years as well.

Mr. Speaker, Father Carlo's devotion to God and his parish are in themselves actions that warrant our recognition. It gives me special pleasure to stand here today and honor this truly remarkable clergyman on this, the 45th anniversary of his ordination. Father, we are all blessed by the fact that you have given your devoted service to us at Mount Carmel Church for so many glorious years and look forward to celebrating your silver jubilee with you in the not so distant future.

TRIBUTE TO HELEN MUIR

HON. ILEANA ROSS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Ms. ROS-LEHTINEN. Mr. Speaker, I rise to pay tribute to an outstanding citizen and author, Ms. Helen Muir.

On June 21, the Equitable Life Assurance Society of the United States and Tishman Speyer Properties are hosting a booksigning and a cocktail reception honoring Ms. Muir and her newly updated book, Miami, U.S.A.

Her book Miami, U.S.A. has been an American classic since 1953. Now in the second edition, Miami U.S.A. is completely revised with 28 full-color photographs of Miami. Photographed by Masud and Najam Quraishy, of Kenya Photo Mural, and illustrated endpapers by Carol Garvin, the photographs depict many of the exquisite sites of Miami.

Ms. Helen Muir first came to Miami in 1934 from the New York Journal to direct publicity at the Roney Plaza Hotel. Since that time, Ms. Muir has written columns for the Miami Herald and the Miami News. In addition, she served as the children's book editor of the Miami Herald and the drama critic of the Miami News. For 3 years she wrote a syndicated column from Miami, and has written for national magazines such as the Saturday Evening Post, Nation's Business, and Women's Day.

In 1984, Ms. Muir received the Trustee Citation of the American Library Association for, among other reasons, "her eagerness to spotlight the library at every opportunity."

In 1984, she was elected to the Florida Women's Hall of Fame at ceremonies at the Governor's mansion.

Mr. Speaker, it gives me great pleasure to congratulate Ms. Helen Muir on this special occasion. I hope that Ms. Helen Muir proceeds to have great success in her future endeavors and continues to show us the beauty of Miami.

HEROISM OF DAVID MYERS

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. MURTHA. Mr. Speaker, I would like to take a moment to recognize Mr. David B. Myers of Greensburg, PA. David is 19 years old, and is a firefighter with the Midway-St. Clair Fire Department. On March 11, David responded with other members of the Midway-St. Clair Fire Department to the scene of a water main break. Although the water from a high-pressure joint was flowing rapidly, no one at the scene knew that this stream was actually a large, deep creator filled with cold, turbulent water. Nine-year-old Danny DeAugustine certainly didn't know, and was watching the activity when the pavement under his feet suddenly collapsed, sweeping him away in the current.

David Myers did not hesitate, leaping in the water to rescue the boy, who had already gone under. He managed to keep a grip on the bank while holding on to the boy until other fire fighers could help him pull Danny to safety.

David Myers did not think about being a hero when he jumped in the turbulent stream to save Danny DeAugustine. He simply saw a boy in trouble, and did what he felt needed to be done to save him. The Midway-St. Clair Fire Chief and the Hempfield Township Bureau of Fire have recognized David's action for what it was, however, a heroic act of brav-

ery which averted a possible tragedy. David's courage and commitment to service through his work as a firefighter is an inspiration to youth not only in western Pennsylvania, but all over the Nation. With young people like David Myers around, I have no fears for the future of our country.

PENNSYLVANIAN HONORED FOR EAGLE SCOUT AWARD

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. GEKAS. Mr. Speaker, I ask my colleagues to join me in honoring a fine young man from my congressional district in Pennsylvania.

On July 7, Marlin Russell Derk will join the ranks of those special individuals who have received the highest award in the Boy Scouts of America—the Eagle Scout Award. He achieved this honor, in part, by holding a child identification fingerprinting program. When I see such service to others, I see a glimpse of the future—what this Nation can be like, if we follow the lead of the scouts.

Marlin earned both his Webelos Badge and Arrow of Light Award in 1982, just 1 year after entering the Cub Scouts. Since then, he has earned a total of 22 merit badges, was inducted into the Order of the Arrow, and he sealed his membership in the order by obtaining brotherhood. Marlin also earned the Living Faith Lutheran Church Award. He has held several positions with his troop, among these are patrol leader, assistant senior patrol leader, senior patrol leader, and troop guide.

Besides excelling in the Boy Scouts, Marlin has also been a member of his school's cross-country team and track and field for 4 years, and a member of the boys' varsity bowling team for 3 years. Marlin will continue his endeavors in the U.S. Air Force, where he joined under the Delayed Enlistment Program.

Scouting is more than learning how to build a campfire or to tie a knot. Scouting teaches a love of outdoors and appreciation of our environment; it teaches tolerance and self respect. To put it purely and simply, scouting teaches lessons that last a lifetime. So let us honor Marlin Russell Derk for all his accomplishments, and wish him luck on all of his future endeavors.

MID-SOUTH EXPORTERS RECEIVE NATION'S TOP HONOR

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. SUNDQUIST. Mr. Speaker, at a time when all of us are interested in promoting trade and improving America's competitive position, I think it important that we recognize those who have succeeded in those efforts.

I am pleased and proud that the Mid-South Exporters' Roundtable this year received our country's highest export service award, the President's "E-Star Award". This award recognizes the best of the best. Among all recipients of our export awards, the E-Star is presented to those groups demonstrating consistently superior performance in increasing or promoting exports over a sustained period.

Mid-South Exporters' Roundtable is the sixth organization in my home State of Tennessee to win this award and the first to receive it personally from the President.

I want to commend Roundtable President Dan Williams of Plough, Inc., and board members Hal Farnsworth of Farnsworth International, Allen Good of First Tennessee Bank, and Jeanne Goodman of Sovran Bank for their leadership in the export promotion field. I offer their work in Memphis and the mid-South to my colleagues as an example for successful export promotion programs elsewhere in the Nation.

TRIBUTE TO MARY ALICE CUPP

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. APPLEGATE. Mr. Speaker, it is an honor for me to bring to the attention of this House and its membership the retirement of a constituent of mine, Mrs. Mary Alice Cupp of East Liverpool, OH, from the Columbiana County, OH, Board of Elections.

Throughout her 30-year career with the board, the last 10 of which she has served as director, Mary Alice has exemplified the true definition of public servant. As a child, she listened to family discussions about local candidates and when the opportunity presented itself, Mary Alice decided to try to get even a part-time job with the election board. Over the years, this opportunity blossomed into an excellent reputation for knowledge and fairness for Mary Alice.

Of her many attributes, I believe that the one that is most complimentary, most accurate and the one of which she is most proud is her sense of fairness and equality. In an atmosphere of partisan politics where this fairness and equality is often disregarded, ignored or forgotten, Mary Alice has gone the extra distance to make this not only a priority, but a necessity and has made the Columbiana County Board of Elections truly bipartisan.

Over the years, Mrs. Cupp has also found time to raise two children, serve as a Columbiana County precinct committee person for the past 22 years, and to serve as the secretary and/or treasurer to the county Democrat party for the past 20 years.

Mr. Speaker, Mary Alice Cupp will be missed at the board of elections in Columbiana County, OH, but truly earned her retirement. I know I speak for all who know her in wishing her well and happiness for years to come.

LOCAL HEROES

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. RICHARDSON. Mr. Speaker, an exceptionally selfless and courageous eighth-grader was among this year's Jefferson Award recipients in New Mexico. Ray Ragsdale of Ruidoso, who last year organized a mission to aid poor children in Mexico despite a severe physical handicap, was honored recently at a luncheon in Albuquerque, sponsored by KOAT-TV in Albuquerque and American Home Furnishings, an Albuquerque business.

Ray, who lost his right leg to cancer in 1985, is student body president at Ruidoso Middle School, where he has organized projects honoring New Mexico's veterans and assisting the elderly. He is involved in PALS [Peer Assistance League] in which students offer counseling to other students. He plays tackle for the football team and is a wrestler. Last December, he and several schoolmates traveled to Palomas, Mexico, to deliver toys, clothing, food, and books to the needy children of that border town. Instead of lamenting his handicap, he views his life as a gift of a second chance.

Although Ray did not seek recognition, we are fortunate that the management and staff of KOAT-TV feel strongly that significant public service should not go unrewarded. This important local institution should be commended for volunteering its valuable time and energies to identifying and honoring the most deserving.

Other Jefferson Award winners were Wayne Baker, of Cimarron; Dr. Paul Peralta-Ramos, of Taos; Dr. Robert J. Saul, of Mountanair; Della Tapia, of Tajique; Bernadette Morrow, of Capulin, and Rod Doll, of Albuquerque.

Mr. Baker was honored for his work with the Cimarron Ambulance Service in rural northeastern New Mexico. Since helping to found the service in 1980, Mr. Baker has worked in a variety of capacities from chief of ambulance services and training officer to emergency services worker. He currently serves as vice president of the Northeastern New Mexico Emergency Services Council and chairman of the Emergency Medical Services in Cimarron.

Paul Peralta-Ramos founded the Millicent Rogers Foundation in Taos 37 years ago to preserve his mother's collection of Native American and Hispanic art. In 1956 he created the Millicent Rogers Museum to share the collection with the public. The museum has since grown into a vital community cultural institution that affirms the importance of the Native American and Hispanic cultures for future generations of New Mexicans.

Dr. Robert J. Saul came to the rural town of Mountainair in 1949 for a visit and has been there ever since. He is the only doctor for the town and surrounding area. He sets no office hours, makes house calls on the elderly and is always on hand when he is needed. Since his father worked for the railroad, he gives free care to the railroad workers who live at his hotel. He also attends ballgames, rodeos, and other events furnishing free medical supplies and care.

Della Tapia has provided the leadership to obtain some basic services for her small community. Tajique now has a new water system and a public telephone, and will soon get a community building and a fire station thanks to her efforts.

Bernadette Morrow started a computer club for elementary school students in Capulin and

after 1 year, 90 percent of the student body has joined. He computer lab serves teachers and community groups as well as students, and she saves store receipts to fund additional equipment for the school.

Rod Doll teaches driving to the handicapped, the elderly, and those who do not speak English. He has an extensive knowledge of adaptive devices and can modify or specialize many pieces of equipment, enabling quadruplegics and paraplegics to drive. The ability to drive means freedom and independence to a handicapped person and has enabled many of Mr. Doll's students to continue their education and pursue worthwhile work.

Mr. Speaker, young Ray Ragsdale and his fellow Jefferson Award recipients stand as proof that an individual need not be rich or powerful to make a difference to many lives. They are a credit to their communities and their State and a fine example for all of us.

IN RECOGNITION OF JANET R. McALILEY

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Ms. ROS-LEHTINEN. Mr. Speaker, it is a great pleasure to recognize Ms. Janet R. McAliley, this year's recipient of the American Jewish Congress Ruth Greenfield Award.

The American Jewish Congress Ruth Greenfield Award recognizes outstanding leadership and significant and enduring contributions to the community. Ms. Janet R. McAliley, in her many years of service to citizens of Dade County, has made quality education for Dade's children her own personal mission.

Ms. McAliley was elected to the Dade County School Board in 1980 and reelected in 1984 and 1988. She currently serves as vice chairperson of the seven-member board.

A graduate of the University of Florida, Janet McAliley has a record of distinguished civil involvement which includes membership on the board of directors of CHARLEE of Dade County, the Dade Miami Criminal Justice Council, the New World School of the Arts Executive Committee, the HRS District XI Child Abuse/Neglect Prevention Task Force, the Legislative Task Force on Education, and a board member and past chairperson of the Dade County Constituency for Children.

Previously, Ms. McAliley served on the State Board of Education Task Force on Drug Abuse and Dropout Prevention and the United Way Childcare Committee. In addition she was a member of the Dade Monroe Mental Health Board, and was appointed by Federal Judge C. Clyde Atkins to the Bi-Racial/Tri-Ethnic Committee of the Dade County Public Schools.

Through her efforts, many doors of opportunity have been opened as walls of ignorance and bigotry have crumbled. Her work is truly representative of the ideals and principles of the American Jewish Congress. Congratulations, Ms. Janet R. McAliley.

MIXING BUSINESS AND POLITICS

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. DYMALLY. Mr. Speaker, the Los Angeles Business Journal recently ran a feature story about my good friend, Joe Cerrell. I am pleased to enter this article for Members' review:

[From the Los Angeles Business Journal, May 14, 1990]

JOE CERRELL: MIXING BUSINESS AND POLITICS

(By Chip Jacobs)

Joe Cerrell figures it was the easiest money he ever made. At 31, he was offered a job any gray-haired politico would kill for: California campaign manager for Lyndon Johnson's 1968 re-election bid.

But 10 days after Cerrell accepted the post, Johnson came to the nation with a heavy heart. The world was stunned; Cerrell was counting his blessings. He had a $10,000, nonrefundable contract with Johnson. "I thought I had died and gone to heaven," Cerrell says.

Twenty-three years and hundreds of races later, the veteran political consultant sits behind his messy, cherry desk, recalling the ups and downs of elections long over. His Mid-Wilshire office is like the Brown Derby of government. Photographs of Cerrell with LBJ, Hubert Humphrey, and John Kennedy line the walls.

Today, however, the 54-year-old ex-New Yorker doesn't want to harp on the ties that have made him an institution in political circles. It's the consulting company he founded when Johnson was in office that's on his mind. And for Cerrell—a straight-talking man who name drops as quickly as he pokes fun at himself—that's not campaign rhetoric.

After years of mostly behind-the-scenes political work, Cerrell Associates Inc. has carved out a growing piece of the public affairs and corporate image business. Present and past clients are as powerful as they are diverse: Atlantic Richfield, McDonald's, MCA, Shearson Lehman Bros. and Westinghouse. Congressman Jim Lloyd and state assembly leader Willie Brown Jr. have relied on Cerrell's savvy, as have most Democratic presidential candidates since John Kennedy.

The firm's billings, which remained steady but not spectacular throughout the 1970s, have begun to soar. In 1980, billings were $282,000. Last year Cerrell Associates posted billings of roughly $2.3 million. That made the company the 35th largest independent public relations firm in the nation according to the O'Dwyer's Directory.

Cerrell Associates is also on a political roll, winning 20 out of 22 local and state political campaigns in 1988. It also won a victory for its client, Hertz, when it got the Los Angeles Airport Board of Commissioners and City Council to rule that all car-rental companies—not just ones that operate near public grounds—must pay government fees for doing business at Southland airports.

Cerrell, a hefty man with a sheepish smile and graying hair, credits the success to the same things that make a campaign work: long hours, a dedicated staff, homework and picking the right battles.

Cerrell, moreover, is a realist. He knows the firm has profited from a shift in the business agenda as quality-of-life issues—primarily the environment—have become as hot as a mudslinging Senate race.

"I've thanked a lot of the leaders at insurance companies recently," Cerrell said. "I say if it wasn't for you, the oil companies would still be public enemy No. 1."

That's not to say Cerrell Associates has been afraid to take on thorny issues. In recent times, the firm helped Browning Ferris Industries keep an Azusa landfill open and helped an unlikely coalition of business and environmental groups defeat a plan to build a wind farm near Gorman. Cerrell also lost a tough battle two years ago when voters rejected an Occidental Petroleum plan to drill for oil in the Pacific Palisades.

Nonetheless, Cerrell Associates President Hal Dash claims the firm has batted consistently high by mixing the "basics with the subtleties," using all the tools of the modern political campaign. That runs the gamut, from grass-root organization-building, direct mail and research to field operations, lobbying, political action committees and "media monitoring."

"You've got to put the message across honestly, directly and with the knowledge you are battling in the marketplace of ideas," says Dash, a 12-year veteran of the firm.

But even with the triumphs, both Cerrell and Dash concede the firm and its staff of 26 has a certain image problem. While the firm is still actively immersed in local and state campaigns, political candidates made up less than a quarter of its client list.

"I don't think Cerrell can become a public relations firm in the classic sense," said a public affairs executive at one of the city's biggest PR shops. "They are inside political negotiators who operate within government."

Comments like that irk Cerrell. "When I'm dead and buried, people will still think I was only involved in politics. I know we can't compete with Hill and Knowlton or Rogers & Cowan by doing just public relations. I can help McDonald's [restaurant chain] in a lot of ways, but I can't sell their hamburgers. We do what we know, issues."

Cerrell also knows his own schedule probably hasn't faded the firm's image as only a hub of political strategists. A workaholic who spurns exercise, Cerrell does a local cable-TV public affairs show, makes himself available for network sound bites and teaches political science at USC. He also has done little to hide his loyalty to an embattled friend and ally, Tom Bradley.

A self-described political junkie, Cerrell also continues to advise political heavyweights in both parties, like Senate Majority Leader George Mitchell and President Bush's Chief of Staff, John Sununu. It's all part of the fraternity of politics, snaps Cerrell, a master of tactics with an affinity for pizza.

"Joe is a very careful student of politics with a touch of imaginative genius and a sense of strategy," says conservative columnist Rowland Evans.

Reared in New York, Cerrell moved to Los Angeles in 1951. Two years later he enrolled at USC, not exactly a bastion of liberalism. But it was at USC that the moderate Democrat discovered his place in the sun, playing an active role in campus politics.

That hardly tells the story. In 1954, Cerrell got a chance to meet an obscure clerk named Jesse Unruh who was running for the state assembly. Relying on pure tenacity, Cerrell got Unruh to speak at USC and that opened the floodgates. In just one year,

Cerrell got his favorite politician, Hubert Humphrey, to speak on campus and then Adlai Stevenson and John Kennedy.

So impressed were state Democratic leaders that Cerrell was given a full-time job with gubernatorial candidate Pat Brown. One year later, at 22, he was made executive director of the state Democratic party. Later he would become assistant manager for John Kennedy's Southland campaign, a member of Pat Brown's reelection effort and West Coast adviser to Lyndon Johnson.

By December 1966, Cerrell decided to start his own firm, naming it Golden State Consultants. "I didn't want my name on it just in case it flopped," Cerrell said.

Working out of cramped offices in the Democrat's Los Angeles headquarters, Cerrell managed to rustle up two clients in what were admittedly tough times. Average yearly billings: $12,000. One of his first clients was a small, upstart company called Pacific Southwest Airlines. Cerrell held onto that account for 12 years, ultimately losing it in 1979 when he got permission for PSA to be an interstate airline.

"I was so successful I lost the account," Cerrell said with a school-boy grin.

Now that Cerrell Associates is well established, the chairman isn't sure he wants to push the firm into the "big leagues" of public affairs. He said the gradual change at the company from a "mom-and-pop business" to a medium-size outfit hasn't convinced him he needs that elusive $500-million account.

"The advantage of a company our size is that we are hungry without being greedy," Cerrell said, noting that most accounts pay in the $10,000-to-$50,000 range. Besides he said, if the firm grew too much, too quickly, it would mean more paperwork. "I'm a lousy administrator," he admits.

Ethical considerations also come into play when the firm decides whether to take on a new client, even though Cerrell has grown weary from telling people that U.S. politics is just as dirty—or conversely, ethical—as it was in Andrew Jackson's time.

"One reason I've been around professionally for 32 years is that I am very cognitive of ethics," Cerrell said quietly. "I'm in this to win, but not at all costs. I've lost elections because I won't kick people in the crotch."

That means the company will turn down financially rewarding business that goes against the grain of the firm's moral fiber. Cerrell, for instance, rejected what could have been "serious money" when he turned down the National Rifle Association's request for help on a state initiative making it easier to own a gun.

But idealism, like politics, stops at the water's edge. Cerrell advises clients to contribute to politicians who can influence their operations. He also raised a few eyebrows on the many judicial campaigns the firm's managed, spending more than $100,000 for especially tight races, a precedent.

Like a legislator tired of floor fights, Cerrell says he relishes his "non-political" activities in recent times as much as political triumphs. His role in bringing the Clippers basketball team to L.A. and erecting a three-dimensional theatre at the California Museum of Science and Industry puts sparkle in his eyes. So does mention of his family; his wife of 27 years, Lee, works at the firm, as do his daughter and stepson.

So who exactly is the man called the guru of California politics? A master of the inner workings of government, a political king maker, a master of the media who can get his clients in the news. A little of each, depending on the circumstances, most say.

"He's a detail guy who sees the big picture," says Dash. When asked to give an example of the "Cerrell touch," Dash recalled the time in 1987 the firm handled the Southland trip for Vasken I, the leader of the Armenian Church. When the archbishop flew to Los Angeles International Airport, he was swarmed by his followers and the media. But he had to make a 2:30 p.m. mass in Hollywood and time was running out.

"We didn't know how to beat the traffic and we needed a contingency plan. Armenia isn't a sovereign nation so we couldn't get the San Diego of Santa Monica Freeways closed. So Joe got on the phone, made a few phone calls, and quickly got a Highway Patrol Motorcade. We needed something expedited. It was classic Joe."

LaFAYETTE, GA, STUDENTS ENHANCE LANGUAGE LEARNING

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. DARDEN. Mr. Speaker, I often have encouraged young people to learn other languages for their own benefit and to ensure that our Nation is prepared for the new international economic challenges we are facing. In LaFayette, GA, students are pursuing this goal in a unique manner. Students at LaFayette High School are using ham radio to communicate directly with people from other countries and hear other languages spoken fluently. Not only are these students improving their language abilities, they are also gaining valuable insights about the technological aspects of radio communication. LaFayette High School foreign language instructors Hunt Turner and Glenn Jones are offering extraordinary opportunities for their students to gain valuable skills and facilitate academic accomplishment. Following is an article by Doug Hawley of the Walker County Messenger detailing this innovative approach to language learning:

[From the Walker County (GA) Messenger, May 25, 1990]

HAM—LaFAYETTE'S LANGUAGE CLASSES GO RIGHT TO THE SOURCE TO LEARN THEIR LINGO, ASSISTED BY RADIOS

(By Doug Hawley)

A foreign language study revolution?

That appears the case at LaFayette High School.

Hunt Turner, who serves as the school's chairman of foreign languages, recently said, "The whole idea is to get students beyond taking Latin and doing multiple questions. For years, foreign language people have been trying to do something."

Direct contact with people from other countries through amateur radio is the revolutionary project. People in other parts of the United States also are being reached.

"LaFayette is one of the very few public high schools that has risen to the challenge," Turner declared. "We've had cooperation from the administrators in seeing the usefulness in communicating with natives of the foreign countries." Some 15 students and teachers have earned Federal Communication Association licenses by taking classes either before or after school on their own time.

According to Turner, "All the students will not have licenses. We want to keep a small pool of people with licenses so the other students will speak with German-speaking people, French-speaking people and Spanish-speaking people."

German, French and Spanish are the foreign languages being taught at LaFayette.

Turner said, "The radio has really improved the students' knowledge of geography and global events. My Spanish students spoke directly with Puerto Rico the day after Hugo hit the island. The German students were talking with Germany about the recent evacuation of East Germany. They were able to discuss the feeling of both East Germans and West Germans. We have communicated as long as a class period . . . about an hour."

Two of his Spanish students heartily endorse the new program.

Mark Peppers said, "It has more of an influence on a technological standpoint for me . . . understanding radio waves dealing with physics. I've been planning into going into aerospace or something like that. One day I talked to somebody in California who flew an FA-18 Hornet on an aircraft carrier that was based in the Middle East. He was a naval aviator on leave."

Although only a sophomore, Peppers is looking well ahead.

He said, "I'm thinking about going to Georgia Tech. The ham radio gives me an application of the language. I'm actually able to talk to the people. It will help me in life."

Before exiting LaFayette in a college prep program, Peppers will have taken three years of Spanish.

Gina Corbin, a junior, offered, "This program certainly helps. I can practice on the radio speaking with the Spanish-speaking people."

She will be able to put her knowledge into good use this summer.

"I have an opportunity to go to Mexico for three weeks," she said. "That will help."

Ms. Corbin is traveling with a group from Mission Ridge Baptist Church of LaFayette.

Glenn Jones, who teaches German, admittedly entered the program with apprehension.

"I was not real excited about it," he said, "I'm not mechanical."

He quickly changed his mind.

Jones acknowledged, "It paid off more than I'd thought. The students hear real accents. I'll always have an English accent."

Due to a big difference in time zones, it is difficult to communicate directly with German students.

Jones pointed out, "When it's 10 o'clock here, it would be about 6 (evening) in Germany. We've never talked to the schools due to that time difference. We have corresponded."

Yet, an engineer from Germany has "talked with my class for an hour," and a German emigrant in Arizona "gets up at 6 in the morning (Pacific Coast Time) just to talk to my class (9 a.m., Eastern Time)."

LaFayette's students have access to an IBM type computer interfaced with VHF and HF Radio for digital communications on a global scale and for digital satellite communications. There also is a short wave transceiver which can be used throughout the world.

Turner said that the equipment costs one-fifth of a portable language laboratory

without tapes or about $2,500 compared to $14,000.

"We have tried to make attempts with all 50 states," Turner said. "We have been receiving cards (QSL—verification cards radio operators send back and forth) from all 50 states. We've made contact with 35 states, including Alaska and Hawaii."

He added, "It really has improved the ability of the students to speak in the various foreign languages more spontaneously. They're getting responses from real people. When they're earning their licenses, they're learning math, physics and all Morse Code. Many of them are learning the capabilities of a computer other than video games. I'm learning a lot as well."

Most students are members of the LaFayette High School Amateur Radio Club. Its nickname is Rambling Hams—with the logo showing a pig riding in a jalopy.

THE CAPITAL GAINS PROMISE: STILL FALSE

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. PEASE. Mr. Speaker, I would like to insert into the CONGRESSIONAL RECORD this recent the New York Times editorial concerning the proposal to reduce the tax rate on capital gains. This editorial addresses the concerns that I have been been raising with my colleagues for the past several years.

[From the New York Times]

THE CAPITAL GAINS PROMISE: STILL FALSE

When Washington's budget negotiators get to the dicey question of which taxes to raise, it will be no surprise if the Administration comes out for tax reduction. President Bush still wants a special break for capital gains. It's still a bad idea.

Since 1986, capital gains—income from the appreciated value of an investment—have been taxed at the same rates as ordinary income, mostly at 28 percent. The previous lower rate was eliminated by a key compromise in the 1986 reform package. That's reason No. 1 to maintain the status quo: a deal is a deal.

The Reagan Administration wasn't happy with the agreement on capital gains, however, and President Bush campaigned on a promise to repeal it. He insists that a preferential rate stimulates investment. But it's unproven that a lower tax would stimulate much new investment. It might even stimulate consumption if people didn't reinvest their gains.

Reason No. 2 is the familiar but correct argument that a capital gains tax favors the rich. A 15 percent tax, which Mr. Bush has advocated, would shower two-thirds of its benefits on people with incomes over $200,000. Politically, this may be the opposition's best rallying point, but there are solid economic negatives as well.

Besides overturning the deal sealed in 1986, tax preference for capital gains violates the sound philosophy behind President Reagan's original proposal for reform. The economy functions best if people invest, save or spend their money according to the merit of the options, not because one or the other saves more taxes. With a special rate for gains, the Government would be saying invest in stocks and bonds—and timber and real estate, if they're included—rather than in money market mutual funds or other ways taxes as ordinary income. The special rate would also revive tax shelter abuses as taxpayers converted ordinary income into gains that would be taxed less.

Capital gains aren't treated as badly as Mr. Bush implies. Gains are not taxed until an investor decides to sell; as long as an investment is held, the taxpayer gets the compounding benefit of untaxed growth. And gains are not taxed at all if the investment is passed on to heirs and beneficiaries when the investor dies. This loophole amounts to $5 billion a year in potential taxes not collected.

In Washington's desperation for ways to shrink the deficit, a capital gains tax cut offers one mighty temptation in the short term: higher revenue from a lower tax. A reduced tax for past as well as future investments would immediately boost revenues as investors unloaded investments they held onto when the tax was higher.

The Treasury says this revenue boost would continue in years to come, but other authorities say it would soon become a revenue drain. Congress's Joint Committee on Taxation, which has the final word in evaluating tax bills, has estimated that over five years, a 15 percent tax on gains would cut revenue by $11 billion.

The fairest way to treat gains is to index them so investors pay tax only on real, not paper gains. And if Congress wanted a real increase in revenue, it would tax gains at death.

UCLA WOMEN WIN SOFTBALL SERIES

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. LEVINE of California. Mr. Speaker, I rise today to congratulate the UCLA women's softball team on their third consecutive NCAA championship, their sixth in the last 8 years. After their 62-6 season, the Bruins were the favorites going into the series, held in Oklahoma City over Memorial Day weekend. They lived up to their fearsome reputation.

Despite a rain delay after 2½ innings of the final game against Fresno State, the Bruins returned unperturbed to win the game 2-0 the following day. Backed up by an outstanding group of fielders, Heather Compton pitched a stellar game, giving up on only one hit in the fifth inning, and striking out five batters.

Mr. Speaker, an article appeared in the Los Angeles Times last week which described the Bruin's performance in the series. I ask that the article be printed in the RECORD, and ask my colleagues to join me in congratulating the UCLA women's softball team on their victory.

[From the Los Angeles Times, May 29, 1990]

COLLEGE SOFTBALL WORLD SERIES—UCLA'S DRIVE TO TITLE IS OVERNIGHT SUCCESS

OKLAHOMA CITY—Heather Compton had to wait a day to resume pitching UCLA to its third consecutive NCAA women's College World Series championship. But she didn't let it bother her.

"There was no hestitation," Compton said after UCLA defeated Frenso State, 2-0, Monday. "You get really nervous. You have to turn that nervousness into excitement, and I tried to go out there and do my best."

Compton and UCLA led, 1-0, after 2½ innings of play Sunday, but the game was postponed because of rain. She finished a one-hit, five-strikeout performance Monday.

UCLA Coach Sharron Backus said it was difficult to determine what effect, if any, the delay had on her team.

"It's hard to say. We were extremely tired. I got a couple of hours of sleep," Backus said.

"I didn't know which team was going to wake up this morning or whether Fresno was going to come in and take it away."

The Bruins (62-6) scored in the first inning on two singles and a wild ptich and in the third on two singles and a sacrifice.

Compton (18-1) had a perfect game going into the fifth inning, but gave up a single to leadoff batter Kerri Donis.

Terry Carpenter took the loss for Fresno State (61-15).

The Bruins have won six of the last eight NCAA titles, but Fresno State Coach Margie Wright doesn't believe in a UCLA dynasty.

"The only dynasty they have is in their own heads," she said. "When the other teams believe they can start the same thing, then they can do it. I thought this year was the year someone would do that. I think other teams allow that to happen."

LOW-DEFAULT RATE ON STUDENT LOANS IN NEW MEXICO

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. RICHARDSON. Mr. Speaker, I rise today to bring to the attention of my colleagues, the exceptionally low-default rate on student loans in New Mexico.

As you may be aware, default costs are at an all time high. Default payments rank fourth in the Education Department's expenditures for any single program or activity. The national rate of defaulted student loans is 16 percent. However, New Mexico, has a default rate of 3.4 percent—which translates into a 98 percent collection rate. The low-default rate can be credited to a fourteen-year-old policy under which loan defaulters are taken to court.

Mr. Speaker, I am extremely proud of this outstanding accomplishment by the New Mexico Educational Assistance Foundation. I believe that if more States took such aggressive action, the average national student loan default rate would be lower and the Department of Education could spend more money providing educational services instead of paying default costs.

I would like to take this opportunity to share the following article with my colleagues, which provides, in more detail, the student loan collection policy in New Mexico.

The article follows:

[From the Albuquerque Journal, May 28, 1990]

N.M. A LEADER IN COLLECTING BAD STUDENT LOANS—DEFAULT RATE LESS THAN ONE-FOURTH OF NATIONAL AVERAGE

(By Johanna King)

While the rest of the country struggles to get student loans repaid, New Mexico boasts

a 98-percent collection rate, thanks to a policy adopted 14 years ago.

Borrowers who don't pay are sued, said John Silko, attorney for the New Mexico Educational Assistance Foundation.

New Mexico's default rate is 3.4 percent, compared to an average 16 percent nationally, said Phillip Cauthen, spokesman for the federal Office of Post-Secondary Education. The state ultimately collects on about half of its defaulted loans, bringing its collection rate to about 98 percent.

"That's a great example of aggressiveness on their part," Cauthen said. "I applaud that."

The foundation files an average 400 civil lawsuits each month against borrowers whose payments are more than three months late, Silko said. In about 85 percent of the cases, the entire debt is collected. The process can take up to 10 years.

The non-profit, self-supporting foundation was created by the Legislature in 1981 to make loans and service loans made by other lenders. It serves all of the state's public schools, except Western New Mexico University. It also serves the state Commission on Higher Education and a few private, non-profit institutions.

Defaulted loans go to a guarantor, which works to collect the debt.

In most states, loans are in default when payments are more than six months overdue, Silko said. In New Mexico, however, the loan may not go to the guarantor for up to two years, depending on litigation.

The state's low default rate has helped make more money available for student loans, Silko said.

Because of the foundation's successful collection policy, New Mexico is not actively participating in a national program to help borrowers who have defaulted on their student loans, Silko said.

The program, which began March 1, gives borrowers who are at least six months delinquent on their loans until Aug. 31 to pay off the debt without penalties or collection charges.

Cauthen said the success of the program cannot yet be measured.

Silko said the federal program is available to a few New Mexico borrowers who have not been sued by the foundation. However, no one in the state has taken advantage of the program, he said.

"The inherent flaw with the federal program is it applies to people who probably didn't have the money to make regular payments in the first place," Silko said. "To ask them to pay off everything by August is just not realistic."

The foundation began filing lawsuits against overdue borrowers in 1976, when the state's default rate was about 22 percent, Silko said.

It's lawsuits make up about 20 percent of the civil cases filed in Bernalillo County District Court.

In recent months, the numbers have been much higher—the foundation has filed about 4,000 losses since October—because of a backlog created when the foundation converted to a new computer system, he said.

The backlog has been erased, Court Administrator Thomas Ruiz estimated extra personnel costs for processing the extra cases at $10,000 through 1989 and about $5,000 this year.

The foundation does not have to pay filing fees for the lawsuits against borrowers until the case is settled or a judgment is awarded, Silko said.

While the foundation seeks judgments for the entire amount of the debt. "the lawsuit does not preclude borrowers from working out a fair and easy payment plan." Silko said, noting that about half of the lawsuits are settled out of court.

"It wakes them (borrowers) up when they get the first letter talking about a lawsuit," said Marlene Collins, director of the foundation's guaranteed student loan program.

The cases that are never resolved, Collins said, usually involve borrowers who can't be found.

[From the Albuquerque Tribune, May 29, 1990]

NEW MEXICO HAS HIGH COLLECTION RATE

New Mexico has a 98 percent collection rate for student loans thanks to a 14-year-old policy that takes borrowers who don't pay to court.

The New Mexico's default rate is 3.4 percent, compared with an average 16 percent nationally, said Phillip Cauthen, spokesman for the federal Office of Post-Secondary Education. The state ultimately collects on about half of its defaulted loans, bringing its collection rate to about 98 percent.

The New Mexico Educational Assistance Foundation files an average 400 civil lawsuits each month against borrowers whose payments are more than three months late, said foundation attorney John Silko.

The entire debt is collected in about 85 percent of the cases in a process that can take up to 10 years.

EDUCATIONAL CHOICE: THE BEST SOLUTION TO TODAY'S BUREAUCRATIC SCHOOL SYSTEM

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. GINGRICH. Mr. Speaker, the following article, which appeared in the Washington Post yesterday, reinforces my belief that until we give educational choice a chance, the education system in the United States will continue to decline under its current destructively irresponsible bureaucratic control.

I think it is significant that the Brookings Institute has come to realize that the Republican administration's position on choice education is indeed the answer to the problems in our education system. It is time to give our young people a chance to obtain a better education by eliminating bureaucracy and allowing individuals to take charge of their education.

[From the Washington Post, June 11, 1990]

A RADICAL PRESCRIPTION FOR SCHOOLS—RESEARCHERS SEE BUREAUCRACY AS THE PROBLEM, AUTONOMY AS CURE

(By Kenneth J. Cooper)

Eight years ago, two Stanford political scientists set out to explore a theoretical question about public education. They wanted to know what difference it makes that public school systems are controlled by elected officials.

John E. Chubb and Terry M. Moe deliver their blunt answer in a new book published by the Brookings Institution, "Politics, Markets and America's Public Schools," which is based on an survey of 20,000 principals, teachers and students from 500 schools.

Basically, Chubb and Moe answer that politics makes no good difference in public schooling. They recommend a radical solution: Not only would they let any student choose any public school, but they would almost let anyone operate a public school, ending the geographic monopolities of school districts.

The researchers concluded that public bureaucracies that control education block the formation of effective schools. They propose "creating a system that is almost entirely beyond the reach of public authority." Chubb and Moe estimate that the constraints imposed by central offices and union contracts cost a high school student the equivalent of a year of study.

Chubb, now a senior fellow at Brookings, said in an interview that school bureaucracy is "not just a problem, it's the problem. It's kind of a good news finding. If bureaucracy is the key problem, that's a problem the public policy-makers can control."

The endorsement of public school choice—which has been primarily advocated by the Bush administration and conservatives—has drawn attention partly because the research was financed mostly by Brookings, which retains a reputation for being a liberal think tank. The Education Department and private foundations also supported the study.

"We welcome converts," said Herb Berkowitz, spokesman for the conservative Heritage Foundation. He described the book as "full of all sorts of things the Heritage Foundation has been talking about for years, full of school choice, vouchers and all that good stuff."

One critic of the Brookings study, California Superintendent of Public Instruction Bill Honig, challenged the conclusion that schools cannot improve without radical surgery on bureaucracy. He cited an increase in test scores, equivalent to a year of study, registered by California seniors in the last five years after improvements in curriculum and teacher training.

"Theirs is just all theory," Honig said. "We've got that gain another way. . . . There are other ways of building in incentives [to improve schools] without taking these radical steps."

Chubb and Moe found that a high degree of autonomy prevailed at effective schools, which are described in other education research as those having strong principals, high expectations of students and a clear sense of purpose. The authors also found that school autonomy was likely to be present only at public schools located in small suburbs with homogenous populations. But automony is found at private school anywhere.

"Private schools aren't working because of some magic. . . . They're working because they're focusing on the client [student] and are more effectively organized," Chubb said.

Their proposed overhaul is intended to introduce into public education the market incentives that shape private schools.

States would set minimal standards for public schools—roughly analogous to the existing requirements for graduation, health and safety and teacher certification imposed on private schools. States would relinquish broad authority over other matters such as instructional hours, textbooks and tenure.

Conceivably, private schools could become public schools by signing a new charter. Other groups could organize new public schools and operate outside the control of existing districts. Each school could set its tuitions.

State and local funds would be rolled into "scholarships" approximating per pupil ex-

penditures, except that states would reduce their contributions for students in rich districts and increase them for poor districts. State and federal funds for disadvantaged students would be added to their scholarships. Families could not supplement their children's scholarships, but an entire district could vote to raise its per pupil contribution.

Then through state-run "choice offices," students would get information on various schools and apply to them. Schools could set their own admissions criteria, "subject only to nondiscrimination requirements." The offices would send the scholarship money directly to the schools.

Chubb acknowledged the political difficulties of achieving such a system, which would crimp the power of local officials, teachers unions and state bureaucrats. But in another sense, he added, it would be easier to curb the government role in schools than to expand it.

"It doesn't require elaborate legislation. While it may seem radical, it's a fairly easy thing to do," Chubb said.

SITUATION IN ETHIOPIA

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. BURTON of Indiana. Madam Speaker, the people of Eritrea have suffered and fought bravely for many years against brutal tyranny. Under the leadership of the Eritrean People's Liberation Front [EPLF], they have organized the territory under their control—which encompasses most of Eritrea—in remarkable fashion. Their relief arm, the Eritrean Relief Association [ERA], has been extremely efficient and capable in providing assistance to so many of their heroic people. The EPLF has come a long way politically, and they are a legitimate and moderate force to be reckoned with. Most importantly, they are fighting heroically and successfully against the brutal, murderous, dictatorial, Communist Government of Ethiopia.

Recently, the Eritrean people in Massawa were subjected to a vicious bombing attack. The cities of Nacfa and Afabet were also bombed. Napalm and cluster bombs were used. None of us who saw the film of the bombing of Massawa will ever forget those poignant images.

Recently, a doctor from New York, Wesley Sowers, M.D., visited Eritrea under the auspices of Americares, a relief organization based in New Canaan, CT. I would like to submit for the RECORD a letter which he wrote to the New York Times which included impressions of his visit to Eritrea.

[From the New York Times, June 7, 1990]

ERITREANS DEMONSTRATE ABILITY TO GOVERN

(By Wesley Sowers, M.D.)

To the Editor:

I have recently returned from a trip to Eritrea, during which I served as a health and nutrition consultant for Americares, a relief organization based in New Canaan, Conn. The purpose of the trip was to gather information about the famine and the needs of the region. I feel that two statements you attribute to diplomatic sources in "Ethiopian Rulers Seen as Imperiled" (news article, May 20) are not accurate.

You report that senior officials of the Eritrean Peoples Liberation Front told diplomats and reporters they were concerned their military victories were running ahead of their political ability to govern. This contradicts my experience. We spoke to many senior officials, including Isaias Afwerki, secretary general of the rebel organization, and they all insisted they have demonstrated their ability to govern in the areas under their control.

They have established health care and educational systems, and local and regional government agencies. The Eritrean Relief Association, working with the liberation front and local bodies, has distributed food aid without international assistance in one of the most logistically difficult countries in the world. My experience with the liberation front indicated that its ranks are filled with competent, well-educated men and women, confident and eager to accept the responsibilites of governing.

You also report diplomats stated that the famine crisis has been "somewhat averted" by food that has been delivered and recent rains. Nothing could be further from the truth. Having lived in the Sudan, working with Eritrean refugees in 1984-85, I am exquisitely sensitive to the fact that nothing is more dangerous than complacency in a famine-threatened region. The Eritrean Relief Association has done an excellent job of transporting and distributing food, but is far short of its needs. The association stresses that it is imperative for sufficient food to be transported and stored in regional staging areas before the seasonal rains. Roads become nearly impassable in the rainy season, and food supplies upon which Eritreans are then totally dependent, could be cut off.

Rains also increase the threat of disease. Malaria and infectious diarrhea increase in this period, and these illnesses, along with possible epidemics of measles and meningitis, could have a profound effect on a population with a high malnutrition rate.

To suggest that recent rainfall may help avert famine is deceptive. Last year at this time, there was an abundance of rain before the growing season. A drought in July and August, however, caused total failure of the crop and precipitated this year's crisis. It is unfortunate that famine is worthy of attention only after people are dying and their suffering is sufficiently gruesome to awaken the sensibilities of a world numbed by the grim standards set by the famine of five years ago, initiated by circumstances similar to those now in Eritrea.

THE NATIONAL COOPERATIVE PRODUCTION AMENDMENTS OF 1990

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. ROE. Mr. Speaker, I rise in strong support of H.R. 4611, the National Cooperative Production Amendments of 1990, and I commend my distinguished colleague—the gentleman from Texas, Chairman JACK BROOKS—for his leadership on this important issue.

One of the most important steps Congress has taken to increase the competitiveness of American business is to begin reforming the antitrust laws by permitting companies to do research together. In 1983 and 1984, under the leadership of Chairman FUQUA, Mr. MINETA, and Mr. SENSENBRENNER, the Committee on Science and Technology held extensive hearings and markup sessions on the relationship between antitrust legislation and high technology.

In 1984, reform legislation was introduced and was considered by the Committee on Science and Technology and the Committee on the Judiciary. Our two committees reported antitrust legislation, supported it on the floor of the House and met in conference for several months with members of the Senate Judiciary Committee, where we forged the final text of the National Cooperative Research Act of 1984 which gave protection from nuisance suits and from treble damages to companies who join together to do research.

While many companies have reaped the benefits of joint research made possible under the act, the passing years have made it abundantly clear that there are occasions when American companies need to manufacture new products together to compete in world markets. increasingly, as communication and transportation systems continue to improve, what were once entirely or primarily domestic markets are more and more frequently becoming global markets. In this ever-changing, ever-shrinking world economy, there is a perception that antitrust laws can inhibit necessary cooperative production arrangements in the United States, while foreign companies can manufacture products together in their own countries whenever market forces dictate that this is the sensible way to do business. We must let American companies compete on an equal footing with European and Asian companies. We must awaken to the fact that in a business world which is growing increasingly compex and increasingly international, American companies must often manufacture goods together to stay competitive.

The House will soon consider H.R. 4329, the American Technology Preeminence Act, designed to enhance the position of U.S. industry in this global economy through application of the results of research and development. As introduced and adopted by the House Science, Space, and Technology Committee, H.R. 4329 removes some of the impediments to bringing research and development to actual production, much as H.R. 4611 does.

In transitioning from R&D to actual production, Americans need to become more aware of how important industry standards are to the economic well-being of this country. Indeed, our commercial economy relies to a great deal on national and international standards for every measurement in virtually every product. In the United States, standards development is an important function involving billions of dollars and hundreds of thousands of scientists and engineers, working through voluntary standards organizations which exemplify participatory democracy at its best.

The legislation before us today, H.R. 4611, does much to help foster a more favorable environment in which American technological know-how can be more easily steered from

the research and development phase to actual production. In this process, the development of standards play an integral role in the path from innovation to production. Standards facilitate the application of laboratory technology to new or improved products and services beneficial to consumers. This is particularly true where innovations are characterized by interdependent technologies that require interoperability for successful use in the marketplace.

When the Committee on Science, Space, and Technology considered the American Technology Preeminence Act, H.R. 4329, language was adopted that is very similar to the legislation now before us.

Our Science Committee proposal extends the same protections to joint production ventures that Congress gave to research and development joint ventures under the 1984 act. Under our bill, joint production ventures that register with the Federal Trade Commission and Justice Department would be freed from the twin threats of having to pay treble damages and attorneys' fees if they inadvertently trigger the antitrust laws in their joint activities. The practical effect would be to end the threat of costly nuisance suits brought by private entites which may or may not be competitors of the joint venturing companies. On the other hand, the antitrust laws are not repealed and the Government is not at all hindered in bringing a cause of action against those parties who choose to commit violations of the antitrust laws under the guise of legitimate joint production ventures. The only question raised was whether we had gone far enough.

H.R. 4611 differs substantially from H.R. 4329 in two regards. H.R. 4611 extends the 1984 protections to joint production but not joint manufacturing. It also places a 30-percent cap on foreign participation in protected joint ventures. While significant, these changes are much less important than moving forward.

As important as the changes contained in H.R. 4611 and in H.R. 4329 are, they should not be considered the final word on antitrust reform. Antitrust concerns of importance to significant segments of our economy must continue to receive a fair hearing on the merits.

One area where additional work is needed is the interplay between standards and antitrust law. It is my hope that the appropriate committee of the Congress will explore this topic further, either in the context of H.R. 4611 or other legislation.

The modified final judgment which ended the Govenrments's antitrust litigation against AT&T broke that company into AT&T and seven regional bell operating compaines [RBODS]. Before the judgement, when he had one dominant phone company in the United States, the protocols that allow various phone systems to work could be set much more easily. At present, the eight companies, for fear of violating antiturst laws, are constrained from bringing forward a common position on new technolgy to a standard meeting where it can be debated. From the point of view of the RBOCS, much time is wasted and an inapropriate competitive barrier is established by not being able to discuss common problems in advance of these meetings. These companies seem to have a valid problem.

I therefore, urge my colleages in both the House and Senate to give this matter careful consideration and to explore the ramifications of a limited standards exemption for the telephone industry.

Mr. Speaker, H.R. 4611 has as its objective the stimulation of American innovation and global competitiveness while remaining faithful to the Nation's antitrust laws. In recognizing the middle step between R&D and production, the development of standards in the context of joint production ventures, Congress must guarantee that America remains competitive in the international marketplace through the provision of quality products and services that are compatible and work.

To me, joint manufacturing often is an eminently reasonable way to do business and an idea whose time has come. I urge my colleagues to support H.R. 4611. It is time to make it perfectly clear that, when it makes economic sense to do so, American companies should be allowed to cooperate in the manufacture of products that will make our country prosperous and a good place to live in the years to come. I urge my colleagues to vote "yes" on H.R. 4611.

CAPITAL MARKETS COMPETITION, STABILITY, AND FAIRNESS ACT OF 1990

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. DINGELL. Mr. Speaker, today Mr. LENT and I are introducing, at the request of the administration, the Capital Markets Competition, Stability, and Fairness Act of 1990, to provide comprehensive regulatory supervision over stocks and stock derivative instruments, to protect investors and assure the stability of the U.S. capital markets, to enhance innovation and competition across markets in financial products, and for other purposes. I am authorized by Mr. LENT to say that he concurs in these remarks.

Pursuant to an Executive order dated November 5, 1987, a task force was created to study the events surrounding the October 1987 market break with a view toward determining what happened, why it happened and how such an event could be avoided in the future. The resultant January 8, 1988, report of the Presidential Task Force on Market Mechanisms found as follows:

Analysis of market behavior during the mid-October break makes clear an important conclusion. From an economic viewpoint, what have been traditionally seen as separate markets—the markets for stocks, stock index futures, and stock opinions—are in fact one market. Under ordinary circumstances, these marketplaces move sympathetically, linked by financial instruments, trading strategies, market participants, and clearing and credit mechanisms.

To a large extent, the problems of mid-October can be traced to the failure of these market segments to act as one. Confronted with the massive selling demands of a limited number of institutions, regulatory and institutional structures designed for separate marketplaces were incapable of effectively responding to intermarket pressures.

Because stocks, futures, and options constitute one market, there must be in place a regulatory structure designed to be consistent with this economic reality. The October market break illustrates that regulatory changes, derived from the one-market concept, are necessary both to reduce the possibility of destructive market breaks and to deal effectively with such episodes should they occur. The guiding objective should be to enhance the integrity and competitiveness of U.S. financial markets.

To effectuate these conclusions and objectives, the administration's bill would:

Transfer to the Securities and Exchange Commission [SEC] the authority to regulate stock index futures and options on stock index futures;

Provide the SEC with oversight authority over the futures exchanges' ability to set margins, similar to its current oversight authority over margin-setting by the options exchanges—there would be no preset minimum margins established by statute;

Modify the "exclusivity clause" of the Commodity Exchange Act to allow instruments with both futures and securities characteristics to trade in both the commodity markets—under the Commodity Exchange Act; and the securities markets—under the Federal securities laws; and to authorize the Commodity Futures Trading Commission [CFTC] to exempt other hybrid financial products from regulation under the Commodity Exchange Act;

Provide appropriate transition provisions; and

Require the SEC to report to Congress within 18 months on any additional modifications that may be necessary for the efficient regulations of the one market of stocks, stock options, and stock index futures.

This legislation is complex and will require careful, thorough, and detailed hearings to make sure that its purposes are effectively and fully carried out. Given the high priority that the administration has given this matter and the lateness in the session, we intend to begin that process as soon as possible under the leadership of the chairman of the Subcommittee on Telecommunications and Finance [Mr. MARKEY], and that subcommittee's ranking Republican [Mr. RINALDO]. We invite the constructive comments and assistance of our colleagues, all affected industries and their regulators, and the public, in examining and processing this important legislation.

Charles MacKay wrote in 1841 under the title "Extraordinary Popular Delusions and the Madness of Crowds" that "nations, like individuals, cannot become desperate gamblers with impunity. Punishment is sure to overtake them sooner or later." The October 1987 market break was a warning. We cannot continue to ignore the regulatory-structure lessons of that event. And, more importantly, facing EC 1992, we must enhance the integrity and competitiveness of our markets if we are to maintain our global leadership. We urge the

support of our colleagues in meeting these goals.

A section-by-section analysis of the bill follows:

SECTION-BY-SECTION ANALYSIS

SECTION 1: SHORT TITLE

This section provides that the short title of the bill is the "Capital Markets Competition, Stability, and Fairness Act of 1990".

SECTION 2: PURPOSES

This section finds that the markets for stocks and stock derivative instruments function as one market and provides that the purposes of the Act are to promote the efficiency, coordination, and stability of the stock and stock derivative markets; to facilitate the development of financial products; to enhance the competitiveness of the United States financial markets; and to foster the trading of innovative financial products.

SECTION 3: REGULATION OF STOCK INDEX PRODUCTS

This section amends the Securities Exchange Act of 1934 and the Commodity Exchange Act to transfer to the Securities and Exchange Commission the authority under the Commodity Exchange Act to regulate stock index products.

Section 4C of the Securities Exchange Act—Regulation of Stock Index Products by the Securities and Exchange Commission. Section 3(a) of the bill adds a new section 4C to the Securities Exchange Act. This transfers to the Securities and Exchange Commission the powers and responsibilities currently exercised by the Commodity Futures Trading Commission under the Commodity Exchange Act concerning the following: stock index products; any person purchasing, selling or advising with respect to such products; any exchange for such products; and any futures association whose members include any of the foregoing. Stock index products are defined in subsection (d) to mean any contract of sale (or option on such contract) for future delivery of a group or index of equity securities (or any interest therein or based on the value thereof).

This provision and the parallel provision added to the Commodity Exchange Act give the Securities and Exchange Commission authority to regulate transactions in stock index products and persons who engage in those transactions. The Securities and Exchange Commission and the Commodity Futures Trading Commission should assist each other to the maximum extent possible in carrying out the purposes of this bill.

New section 4C also incorporates into the Securities Exchange Act the provisions of the Commodity Exchange Act (as amended by this bill and in effect on the effective date of this bill) to be administered by the Securities and Exchange Commission pursuant to its authority and responsibility concerning stock index products. Accordingly, these provisions become a part of the federal securities laws. In addition, rules adopted by the Securities and Exchange Commission under this new authority will be codified with the other rules under the Securities Exchange Act.

Provisions of the Securities Exchange Act that refer to "this title and the rules and regulations thereunder" include the incorporated provisions of the Commodity Exchange Act and the rules and regulations thereunder adopted by the Securities and Exchange Commission concerning stock index products and the persons specified above whose activities with respect to such products give the Securities and Exchange Commission jurisdiction over them. Provisions of the federal securities laws that refer to the Commodity Exchange Act, such as the statutory disqualification provisions, will continue to apply to persons regulated under this section. The Securities and Exchange Commission will be entitled to deference in exercising its authority under these provisions independent of the Commodity Futures Trading Commission.

The provisions of the Commodity Exchange Act incorporated into new section 4C may be amended in the future only through amendment to the Securities Exchange Act. Any future amendments to provisions of the Commodity Exchange Act will have no effect on the provisions incorporated in new section 4C, unless an amendment to that section is also expressly provided.

New section 4C also authorizes the Securities and Exchange Commission to adopt rules relating to stock index products that are reasonably designed to prevent fraud. This authority, like that provided in Section 15(c)(2) and other similar sections of the Securities Exchange Act, will permit the Commission to adopt rules reasonably designed to proscribe fraudulent activity that do not depend on the presence of scienter or any other state of knowledge.

The Securities and Exchange Commission is given specific authority to exempt persons from requirements imposed by virtue of Section 4C. Such authority permits the agency to avoid imposing additional regulatory requirements on persons when their activity in stock index products is *de minimis* and such additional requirements would not serve the purposes of this bill.

Finally, new Section 4C also specifically provides that, in promulgating rules in the exercise of the powers and responsibilities granted by this bill, the Securities and Exchange Commission is required to consider the sufficiency of any existing rules as well as the views of the Commodity Futures Trading Commission. This is similar to the provision in the Government Securities Act that requires the Treasury Department to consider the views of the Securities and Exchange Commission in promulgating rules relating to government securities. This consultation requirement has worked well in the regulation of government securities, and the purpose of the similar provision here is to promote the greatest degree of cooperation between the two Commissions, particularly during transition, with minimum disruption to the regulation and operation of the markets for stock index products markets.

Section 2(a) of the Commodity Exchange Act—Securities and Exchange Commission Authority Over Stock Index Products. Section 3(b) of the bill amends section 2(a) of the Commodity Exchange Act to add a provision, parallel to new section 4C of the Securities Exchange Act described above, that transfers to the Securities and Exchange Commission the authority in the Commodity Exchange Act over stock index futures (and options thereon). With respect to such products, the term "Commission" as used in the incorporated provisions of the Commodity Exchange Act means the Securities and Exchange Commission, other than when that term is used in section 2(a), except for the last two sentences of section 2(a)(1)(A) and clauses (ii) and (ioii) of section 2(a)(1)(B).

Section 3(a)(10) of the Securities Exchange Act—Definition of Security. Section 3(c) of the bill amends the definition of "security" under the Securities Exchange Act to treat equity index futures and options thereon as securities for specific, limited purposes relating to general antifraud prohibitions and related enforcement authority. The amendment to Section 3(a)(10) provides that transactions in equity index futures or options thereon are deemed to be transactions in securities for purposes of the general antifraud prohibition (§ 10(b)) and related enforcement authority (§ 21) of the Securities Exchange Act. Accordingly, the Securities and Exchange Commission and private litigants have the ability to enforce and bring private damage actions under Rule 10b-5, including actions relating to insider trading, fraudulent sales practices, and other causes of action under that rule, where the violative conduct occurred in connection with the purchase or sale of an equity index future or option thereon. Related authority concerning investigations, injunctions, and prosecution of offenses (§ 21) is also made applicable to transactions in equity index futures and options thereon.

Under Section 10(b) the Commission also has the ability to engage in additional rulemaking concerning manipulative or deceptive devices or contrivances relating to transactions in equity index futures or options thereon. This amendment would not extend the applicability of other provisions of the federal securities law relating to securities nor would it extend the applicability of the Securities Investor Protection Act to customer claims based on equity index futures or options thereon.

Section 3(a) of the Securities Exchange Act—Definition of Stock Index Products. Section 3(d) of the bill adds a new definition to section 3(a) of the Securities Exchange Act of 1934. The term "stock index product" is defined as any contract of sale (or option on such contract) for future delivery of a group of index of equity securities (or any interest therein or based on the value thereof).

Section 14 of the Commodity Exchange Act—Reparations. In providing for reparations proceedings with respect to stock index products, section 3(e) of the bill explicitly allows the Securities and Exchange Commission to enter into an agreement with the Commodity Futures Trading Commission to administer such proceedings in order to take advantage of economies of scale. This permits efficient handling of complaints involving both stock index and other futures and will permit the Securities and Exchange Commission to arrange with the Commodity Futures Trading Commission for the CFTC administrative law judges and their clerical support unit to handle such proceedings through the initial decision. Any person filing a complaint involving transactions in stock index products will have a right to appeal to the Securities and Exchange Commission the findings of the administrative law judge employed by the Commodity Futures Trading Commission.

SECTION 4: MODIFICATION OF REGULATION OF INNOVATIVE FINANCIAL PRODUCTS

Section 2(a)(1)(B)—Modification of Regulation of Certain Financial Products. Section 4(a) of the bill amends section 2(a)(1)(B) of the Commodity Exchange Act to address issues relating to the exclusivity of jurisdiction of the Commodity Futures Trading Commission over financial instruments that have any degree of "futurity." By adding a new clause (vi), the amendment: creates a new, broader exception from

the exclusivity provision of the Commodity Exchange Act for transactions involving securities, including government securities; clarifies other existing exceptions currently found in the "Treasury Amendment" to the Commodity Exchange Act; and clarifies that swap agreements are not subject to the Commodity Exchange Act provided they are undertaken by the parties to the agreement in conjunction with their business (including financial intermediation) or risk hedging activities. The definition of swap agreements for purposes of this section parallels the definition of swap agreements in proposed new section 560 of the Bankruptcy Code.

The purpose of the swap agreement provision is to exclude from coverage the swap market as it exists today and as it may develop in the future, except to the extent that swap agreements might be developed that are marketed to the general public. The requirement that swaps be undertaken in connection with the parties' business is intended to include within the exception swap agreements entered into by an entity to lower or fix interest or other costs related to the entity's business (such as the cost of fuel for a large hospital). It also permits financial intermediaries to engage in swaps and permits swaps for risk hedging proposes. Since swap agreements are not amenable to trading on futures exchanges, this provision clarifies that standardization of terms of swap agreements can occur free of concern that such standardization will cause such transactions to fall within the coverage of the Commodity Exchange Act. This is particularly important for provisions that represent prudent business practice, such as those that would facilitate a system or margining or more efficient clearing of swap transactions.

The only instance when the Commodity Exchange Act or the provisions incorporated by new section 4C of the Securities Exchange Act would be applicable to transactions involving the instruments listed above is when they are contracts of sale of a commodity for future delivery *and* are conducted on a designated contract market. In addition, as described below, the Commodity Futures Trading Commission is given specific authority to exempt certain financial instruments from regulation under the Commodity Exchange Act if such an exemption would be consistent with the public interest.

The intent of the new exception for transactions involving securities is to overrule the decision of the U.S. Court of Appeals for the Seventh Circuit in *Chicago Mercantile Exchange* v. *SEC*, 883 F.2d 537 (7th Cir. 1989), *petitions for cert. filed sub nom. American Stock Exchange, Inc. et al.* v. *Chicago Mercantile Exchange, et al.*, 58 U.S.L.W. 3642 (U.S. March 22, 1990) (No. 89-1502) and *Philadelphia Stock Exchange, Inc.* v. *Chicago Mercantile Exchange, et al.*, 58 U.S.L.W. 3642 (U.S. March 26, 1990) (No. 89-1503). The result of this decision and the lack of specific exemptive authority has been to impede the development of innovative financial instruments that may have some aspect of futurity. The amendment provides that instruments with, for example, characteristics of both futures and securities can be traded either on designated contract markets or in the securities markets. As a result, the regulatory regime will be determined by the market and the nature of the product rather than by protected litigation.

Section 4(b) of the bill amends section 2(a)(1)(B) of the Commodity Exchange Act to state expressly that nothing in the Commodity Exchange Act limits the jurisdiction of the Securities and Exchange Commission. This section is not intended to override the effect of the amendment discussed in the preceding paragraph, which provides that a futures contacts trading on a designated contract market shall be regulated solely pursuant to the Commodity Exchange Act.

Section 4—Exemptive Authority. Section 4(c) of the bill amends section 4 of the Commodity Exchange Act to provide the Commodity Futures Trading Commission with the authority to exempt certain transactions that might otherwise be subject to the Commodity Exchange Act. The amendnent permits exemption of transactions involving financial instruments that arguably have some degree of futurity (but do not involve delivery of a tangible commodity) from regulation under the Commodity Exchange Act if the exemption would be consistent with the public interest. With this exemptive authority, the CFTC can facilitate the development of additional new products that might be considered futures contracts but which are not amenable to trading on futures exchanges.

SECTION 5: MARGIN AUTHORITY WITH RESPECT TO STOCK INDEX FUTURES

Section 5a(12) of the Commodity Exchange Act—Approval of Contract Market Margin Rules. Section 5(a) of the bill amends section 5a(12) of the Commodity Exchange Act to remove the exemption from agency review that currently applies to contract market rules that set margin levels on stock index products. As a result, the Securities and Exchange Commission would have the authority to review and approve or disapprove margin rules of contract markets concerning stock index products. This authority is similar to the current review and approval authority that the SEC exercises over margin rules for options, which has in effect been delegated to the SEC by the Federal Reserve. As with margins on options, this provision does not set pre-established margin limits by statute.

Section 8a(7) of the Commodity Exchange Act—Altering or Supplementing Rules of Contract Markets. Section 5(b) of the bill amends section 8a(7) of the Commodity Exchange Act to remove the requirement to make a request in writing that a contract market change its own rules before commencing a proceeding to amend the rules of a contract market for stock index products. This allows the Securities and Exchange Commission to commence a proceeding immediately to determine if changes in the rules of a contract market are necessary or appropriate for the protection of specified persons or the ensure fair dealing.

This section of the Commodity Exchange Act is also amended to add to the persons whose protection is to be considered in amending contract market rules "other participants in the contract market or in the equity securities markets". In addition, the bases for amending contract market rules are expanded to include the furtherance of the public interest. Finally, the limitations on amending rules that set levels of margin are eliminated for margin relating to stock index products.

SECTION 6: RECOGNITION OF LINKED MARKETS

Section 3—Purposes for Regulation. Section 6(a) of the bill amends section 3 of the Commodity Exchange Act to add to the purposes for regulation. As amended, the section states that trading in stock index products is directly related to trading in the underlying securities markets and that, accordingly, regulatory coordination is required.

Section 2(a)(i)(B)—Approval of Equity Index Products. Section 6(b) of the bill amends section 2(a)(i)(B) of the Commodity Exchange Act to add a new standard for the designation of contract markets for stock index products. This standard requires the Securities and Exchange Commission to consider whether such a contract is consistent with the fair and efficient operation of the stock index futures markets and the maintenance of fair and orderly markets in any securities composing the index underlying such contract.

SECTION 7: CONTINUATION OF STATUS OF REGISTERED AND DESIGNATED PERSONS

This section provides continuity for the contract markets and regulated persons whose activities in stock index products thereon bring them under the jurisdiction of the Securities and Exchange Commission. Under this section the only change that occurs automatically on the effective date (which is ninety days after the date of enactment) is the change in regulators.

Subsection (a) provides that the persons currently registered pursuant to the Commodity Exchange Act are deemed registered with the Securities and Exchange Commission.

Subsection (b) provides that the contract markets designated pursuant to the Commodity Exchange Act for trading stock index products are deemed to be similarly designated by the Securities and Exchange Commission.

Subsection (c) provides that the National Futures Association is deemed registered with the Securities and Exchange Commission.

Under subsection (d) all orders, rules and regulations, and interpretations under the Commodity Exchange Act, rules of the contract markets, and rules of the National Futures Association, relating to stock index products and the persons listed above remain in effect until modified, terminated, set aside or superseded in accordance with applicable law.

Finally, subsection (e) provides that this bill does not affect rights and duties existing before the effective date, including any reparation proceeding filed with the Commodity Futures Trading Commission. In addition, this bill does not affect any proceeding commenced by or against the Commodity Futures Trading Commission.

SECTION 8: REPORT

This section provides that, within eighteen months of the Act's effective date, the Securities and Exchange Commission will report to the Congress on the need for future legislation to achieve the purposes of this bill with respect to the appropriate regulation of stock index products.

SECTION 9: TECHNICAL AMENDMENTS

This section contains various technical amendments to the Commodity Exchange Act. Section 9(a) of the bill amends section 2(a)(1)(A) of the Commodity Exchange Act to remove the "SEC Savings Clause." This provision is no longer necessary in light of the amendment to section 2(a)(1)(B) described above.

Section 2(a)(1)(A) is also amended to remove the "Treasury Amendment," which involves financial instruments that currently receive exemptive treatment under the Commodity Exchange Act. This amendment is no longer necessary in light of the amendment (described above) that clarifies that

the Commodity Futures Trading Commission does not have jurisdiction with respect to securities and other enumerated instruments unless they are futures contracts traded on a designated contract market.

Section 9(b) of the bill amends section 2(a)(1)(B) of the Commodity Exchange Act to delete the time limitation on the definition of "security" with respect to the standards for equity index futures and futures on individual securities, in order to assure that other amendments made by this bill will be effective. Other technical amendments relate to the transfer of functions from the Commodity Futures Trading Commission to the Securities and Exchange Commission.

SECTION 10: EFFECTIVE DATE

This section provides that the provisions in the bill will become effective ninety days after the date of enactment.

LEGISLATION INTRODUCED TO RESOLVE CONTAINER LEASING CONTROVERSY

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. MATSUI. Mr. Speaker, I rise today, along with my colleague, Mr. VANDER JAGT, to introduce legislation which will confirm the longstanding interpretations of the investment tax credit and accelerated depreciation provisions of the Internal Revenue Code as applied to intermodal cargo containers of U.S. leasing companies. In general, this legislation will allow the credit and accelerated depreciation deductions for containers which were placed in service by U.S. lessors prior to January 1, 1990, and which were or are leased to container users such as shipping companies that have trade routes that touch the United States. Our proposal is intended to resolve a controversy which has affected the entire container leasing industry since the mid-1980's when the Internal Revenue Service began to change its interpretation of the provision applying the credit and depreciation to containers.

At the time of the original enactment of the investment credit in 1962, the credit was not made available for property used predominantly outside the country. Yet, Congress apparently sensed the future importance of seagoing cargo containers to the United States' competitive position in the world economy. A special provision made the credit available for any U.S. company's container which is used in the transportation of property to or from the United States, even though such containers obviously would spend most of their time at sea and in foreign ports. Congress also made the credit available to other transportation-related property that is used predominantly outside the United States, such as aircraft, railroad rolling stock, vessels, and motor vehicles. Property that was eligible for the credit under these provisions was, and continues to be, eligible for accelerated depreciation even though the credit was repealed in the Tax Reform Act of 1986.

In 1962, containerization was a relatively new development, but it had already begun to revolutionize international trade. Container leasing quickly became the fastest-growing segment of the industry, and they will continue to do so if the costs of providing these containers does not escalate too high by virtue of unnecessary Government actions.

For more than 20 years following the enactment of the credit and container provision, domestic container lessors claimed the credit and deductions on substantially all of their containers. The lessor's practices were confirmed consistently when their tax returns were audited. The IRS had numerous opportunities to propose specific guidelines which differed from the interpretations of the lessors and their audit agents. A revenue ruling could have been published, a regulations project could have been initiated, or one taxpayer's audit could have become the subject of a request for technical advice from the national office. But through the 1960's and 1970's, none of these opportunities were utilized. Not until 1981–82 did the IRS initiate a project to develop guidelines for the container provision. After two meetings with leasing industry representatives, that project ended with no apparent change in policy, thereby confirming industry practices up until that time. Then, in the mid-1980's, IRS audit agents began to disallow the credit and deductions because the lessor could not prove specifically which containers entered or left a U.S. port each year. This approach was formalized in January of this year in Revenue Ruling 90–9.

The revenue ruling requires the container owner to prove on a container by container basis that a substantial portion of a particular container's activity during the taxable year is in direct transportation of property to or from the United States. The ruling states that direct transportation consists of the transportation of property by the container with the United States as the origin or the terminus of the trip for the container and the property.

The interpretation and application of Federal tax laws are functions which the Treasury and the IRS must perform without an excess of second guessing; otherwise, the system cannot be expected to function properly. Our courts have long recognized this and have given considerable weight to interpretations of law as presented in regulations and revenue rulings. Furthermore, it is particularly important that the audit process concerning the facts of a specific taxpayer's returns should not be subjected to outside pressures—either for or against the taxpayer's position.

However, in this situation, I believe that congressional action to overrule the IRS position is not only appropriate, but essential for two reasons. First, I believe that the revenue ruling incorrectly interprets the law and the general congressional intent for the container provision. Second, even if that interpretation were valid, it differs so significantly from more than 20 years of audit practices that its retroactive application to an entire industry is unjustifiable.

The IRS interpretation is inconsistent with the simple statutory language, which does not impose either a "substantial use" requirement or the requirement that taxpayers prove which containers were used in "direct" transportation to or from a U.S. port. In fact, by inserting the "substantial" use requirement, the ruling appears to ignore numerous judicial opinions which conclude that such adjectives can be aplied to investment credit provisions only when they are used in the statute. It also overlooks the realities of container leasing, where lessors do not have immediate control over each container or its daily whereabouts. While lessors maintain extensive records about their containers, the ability to document each container's movement depends on other companies' records and their willingness to provide lessors with such records.

I believe that this interpretation defeats rather than implements the intent of Congress in enacting the container provision in 1962. The industry was just a few years old at that time, and it would not have been possible to foresee its rapid growth, and its role in moving goods to and from the United States. Nonetheless, Congress was aware that containers were becoming an important mode of transportation for goods moving between the United States and our trading partners. The clear intent of the container provision—indeed of all five of the transportation-related provisions—was to provide a tax benefit to the owners of assets which were essential to the foreign commerce of the United States. I believe that, within the context of the early 1960's, Congress fully intended that its container provision be liberally interpreted using a standard which could be met by container owners. This general intent has been reflected in the administrative guidance interpreting the other transportation-related exceptions to the predominate foreign use rule. For example, vessels documented for use in the foreign and domestic commerce of the United States qualify for the credit even if they are used exclusively outside of the United States.

Retroactive application of the revenue ruling is particularly unfair. Until the revenue ruling was published this year, no guidance on the container provision had been issued. Lessors and then IRS audit agents applied the container provision with a commonsense reading of the statute. It was not simple luck in winning the "audit lottery" and container credits were generally accepted during audits. The major lessors had 100,000 or more containers apiece in the late 1970's, and throughout the relevant period of years the credits were the largest items on their returns. These credits could not have been overlooked by the IRS. Taxpayers were routinely claiming the credit and their audit agents were accepting their interpretations, without documentation, regarding the particular ports of call for the six trips made per year for the average cargo container.

Now, some 28 years after the credit was enacted and 4 years after it was repealed, taxpayers are faced with a ruling which requires documentation that was not previously required. That documentation must be produced for years as far back as 1974. Such retroactive application is both unfair and impossible to achieve. Absent an extraordinary combination of goodwill from their lessee and of luck that lessees' shipping records still exist, the lessors cannot fully comply with the ruling. Even if lessee records existed and were made available to lessors, it would be extremely difficult and costly to sift through the records to trace the movements of a

single container, let alone a whole fleet. Today, each of the largest U.S. lessors have several hundred containers. I doubt that our predecessors who adopted the container provision in 1962 would have expected it to be interpreted to require lessors to prove that each container touches the United States each year.

As an alternative to the substantive and recordkeeping requirements of the revenue ruling, a "safe harbor" has been provided in a revenue procedure that also was published in January of this year. However, the safe harbor effectively allows only slightly more than half of the credits claimed by container lessors in prior years. This does not provide a basis for an industry-wide settlement of this controversy.

This situation is so unusual that I believe corrective legislation is essential. A whole industry faces the unpalatable option of entering protracted and expensive litigation or accepting the half-a-loaf offered in the revenue procedure. In this case, Congress should provide a clear and workable statutory standard which is a fair and reasonable elaboration of the container provision.

The legislation introduced today provides a standard which will confirm the long-standing practices of the U.S. container leasing industry by overruling the revenue ruling and the revenue procedure for containers placed in service prior to January 1, 1990.

BAKERSFIELD NAMED ALL-AMERICA CITY

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. THOMAS of California. Mr. Speaker, a recognition long overdue has finally occurred and fills me with great pride: Bakersfield, CA, has been designated as an All-America City by the National Civic League.

It is a designation for which Bakersfield is proud, enthused, and deserving.

The purpose of this award is to recognize community progress through citizen action. It recognizes how people have gotten involved to solve their community needs and problems. The award stands for those intangible qualities of community pride, togetherness, and self-help.

It has been apparent for years that Bakersfield is a leader in the customary ways in which a city is measured—affordable housing; short commutes; a solid standard of living; a good climate; honest, efficient government; strong volunteer commitments; and, a positive family atmosphere.

But Bakersfield is also the hub of a billion-dollar agricultural, oil, and aerospace economy. Bakersfield's work force is among the smartest and hardest working of any city in the Nation. Bakersfield is the heart of a county, Kern County, with vast natural and human resources.

I am especially grateful to Leadership Bakersfield, a Chamber of Commerce task force that spearheaded the drive for the award.

I am proud that Bakersfield won this award, proud for its residents and its leaders. Bakersfield is indeed an all-america city, and rightfully takes its place today among the leading communities in this great Nation.

BYRON HONORS ESSAY WINNERS

HON. BEVERLY B. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mrs. BYRON. Mr. Speaker, I would like to take this opportunity to congratulate the four winners of the International Association of Lions Clubs' District 22-W essay contest: Matthew Ernst, Shawna Buswell, Elmer Breeden, and Tina Tichnell. The "American Heritage and Patriotism" contest involved essays regarding the contributions made by new Americans to their community.

Matthew won with an essay entitled, "Evan Shelby's Contribution to Our Community: An Immigrant's Enrichment of the American Heritage." Matthew currently attends Clear Spring Middle School in Washington County, MD. He writes how Shelby helped create the Clear Spring community by establishing a plantation as well as a fort. During his residence, Shelby participated in many activities, including serving in the military and farming.

Shawna, a recent graduate from Francis Scott Key High School, in Carroll County, MD, won with an essay entitled "My Father's Contribution to America: My Heritage." In this essay, Shawna describes how her father sadly left his family in Japan in 1956 to emigrate to the United States. Upon arrival, her father was placed with a foster family and had his name changed from Junea to Mark. As Mark matured he developed into a local community leader and role model to three children, all while working 60-80 hours a week so his family could maintain a comfortable lifestyle.

Elmer Breeden's award winning essay, entitled "Robert Strawbridge's Contribution to Our Community," tells of an Irish immigrant who settled in Frederick, MD. Robert Strawbridge came to Frederick in order to introduce the gospel to the New World. After overcoming many obstacles, including banishment, Strawbridge soon established himself as a clergyman. He preached about love, compassion, and charity, and made it possible for future generations to worship in Methodist churches.

Tina Tichnell recounts the contributions made by her ancestor George Humphrey Tichenor. Her essay, "My Ancestor's Contribution to American Life—My Heritage," describes Tichenor's life during the 19th century. In addition to leading a successful military career during the Civil War, George Tichenor was the originator of antiseptic surgery.

Again, I would like to extend my congratulations to Matthew, Shawna, Elmer, and Tina. Their accounts of the contributions made by new Americans to their communities should serve as a model for all Americans to follow in order to provide future generations with the privileges and freedoms which we currently enjoy.

JEWISH FEDERATION COUNCIL OF GREATER LOS ANGELES POLICY STATEMENT ON ISRAEL

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. BEILENSON. Mr. Speaker, I would like to bring to my colleagues' attention the following policy statement on Israel which the Jewish Federation Council [JFC] of Greater Los Angeles released last week. I have worked with the JFC on many occasions and they are a superb organization, always in the forefront of questions concerning human and civil rights, particularly as they relate to the Jewish people. I commend their statement to your attention.

JEWISH FEDERATION COUNCIL OF GREATER LOS ANGELES POLICY STATEMENT ON ISRAEL

The Jewish Federation Council of Greater Los Angeles has had an historic and significant relationship with the State and people of Israel since the founding of the State.

Within recent days, the world has again witnessed efforts by Arab leaders to discredit, isolate, and malign Israel, while PLO-supported terrorist units have sought to penetrate Israel's coastline. Daily, we witness attempts at the United Nations and elsewhere to focus blame and condemnation on Israel and to seek to curtail the historic exodus of Jews from the Soviet Union to Israel. There is no Israeli government policy to settle immigrants in the territories, and few have. Arab propagandists have mounted a campaign of misinformation to stop Jewish immigration. We categorically reject any justification for the statements by President Mikhail Gorbachev, during the just-completed summit, threatening to curtail Jewish immigration to Israel. We affirm United States policy to grant most favored nation trade status to the Soviet Union, but only if emigration remains free and open. Further, we call upon the governments of the Soviet Union and other nations to condemn and counter anti-Semitic actions. The voices of hate must not be allowed to go unchallenged.

Therefore, we call upon our community and the friends of Israel in urging that the United States government reassess its relationship with the Palestinian Liberation Organization in light of the PLO's violation of an agreement not to engage in terrorist actions. Further, we urge the United States and responsible nations throughout the world to cease military and political support of Arab states which seek to escalate at alarming levels the sale of arms and the threat of terror through nuclear and chemical warfare.

We call upon the Congress and the Administration to reaffirm our longstanding and historic relationship to the State of Israel as symbolized by the United States foreign aid commitment.

At this special moment in Jewish history where the opportunities for freedom and family reunification are so critical to the ingathering of hundreds of thousands of Jewish families into Israel, the Jewish Federation Council of Greater Los Angeles stands in solidarity with the people and State of Israel.

CELEBRATION OF THE SOUTHAMPTON SESQUITRICENTENNIAL

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. HOCHBRUECKNER. Mr. Speaker, I am honored and priviledged to address my colleagues on the occasion of the 350th birthday of the town of Southampton, NY. Today, I join thousands of Long Islanders and New Yorkers in honoring and celebrating the sesquitricentennial of the town of Southampton, one of the original settlements in New York.

This occasion is particularly significant because the town of Southampton is known as the first English settlement in New York. On June 12, 1640, a small group of English settlers arrived at Long Island at what is now known as North Sea. The original deed indicates that the group of settlers possessed a small tract covering several square miles. This area covered, generally, all the land from what is now Sagaponack to the Shinnecock Canal, and from Peconic Bay to the Atlantic Ocean.

The community of Southampton has grown and diversified throughout its 350 years. The Southampton community was first sustained by a rich and fertile farmland. However, soon abundant fishing and whaling industries established it as a major seaport town. With the passing of the whale ships and the seaport era came the first railroad, which brought visitors in great numbers, mostly from New York City. Local historian Robert Keene states, "They came to see and enjoy the unspoiled beauty of the magnificent beaches and to rusticate in an atmosphere of unsurpassed rural beauty and unique native hospitality."

Mr. Speaker, while Southampton no longer holds the unclaimed rustic flavor that it once possessed, it still contains the unique, small-town qualities which appealed to its earlier inhabitants, and which continue to draw visitors from around the world. Today, I join the people of Long Island and New York State in celebrating the heritage of the town of Southampton.

INTRODUCTION OF ROCKY FLATS CLOSURE LEGISLATION

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mrs. SCHROEDER. Mr. Speaker, today I am introducing legislation to force the Department of Energy to get serious about closing down the Rocky Flats Nuclear Weapons Plant outside Denver. Rocky Flats refines, shapes, and machines plutonium to make nuclear devices, or pits, which serve to detonate nuclear weapons. The business end of every nuclear bomb and missile in the U.S. inventory is made at Rocky Flats.

This is extremely dangerous work, both to the workers in the plant and to the people living around the plant. Ingested plutonium is fatal; a mere 400 grams of plutonium can start a nuclear explosion. Building nuclear triggers, or pits, produces virulent wastes, both radioactive and nonradioactive, which are dangerous to process and store. In short, a plant like Rocky Flats should never have been sited near a city. It should never have been placed 14 miles upwind and upstream from the heart of a city of one-half million residents and well within a metropolitan area of nearly 2 million people.

Worse yet, Rocky Flats has been operated in a cavalier and sloppy manner. Today, there are pounds and pounds of plutonium trapped in the exhaust ducts. Fires break out with some regularity due to old and faulty wiring. There are no diagrams showing where safety switches and valves are located. The new contractor, EG&G has been working for 5 months trying to make the plant safe to operate. So far, they have not succeeded.

At the end of the Reagan administration, the Department of Energy [DOE] produced its 2010 report which held out the promise that Rocky Flats would be moved within 22 years. The Department of Energy under Secretary Walkins has, however, rescinded that study and is now talking about a much slower schedule. Some DOE officials talk about a transfer of plutonium operations from Rocky Flats in 2010 or 2015, followed by years for decontamination of the plant.

Next month I will be 50 years old. I want to live to see the day that Rocky Flats is no longer a contaminated wasteland in the midst of the Front Range. I want children born today in Denver General Hospital to be able to raise their children in a city which does not sit under the constant threat of a nuclear catastrophe.

My legislation states that Rocky Flats cannot start up or continue plutonium processing operations until safety is assured and until DOE submits a closure plan. This plan must provide that DOE stop all plutonium processing operations at Rocky Flats by the year 2000, complete decommissioning and decontamination by the year 2005, and clean up and sell off the land by 2007. Included in that plan also has to be provisions to retrain and place workers in other comparable jobs.

Prior to restart, both the Defense Nuclear Facilities Safety Board and the Secretary of Energy would have to certify to Congress that operation of the plant poses no realistic danger either to public health and safety or to the health and safety of any worker at the plant. And, the Secretary of Energy would have to certify that the operation of the plant is essential to national security because there is no other way to secure the needed nuclear devices.

If I had my wish, Rocky Flats would never start processing plutonium again and a crash program to clean the place up would begin immediately. But, I know that politics is the art of the possible. So, I am submitting this bill as a resonable way to balance our national defense needs with the legitimate interest of the people of the Denver metro area to get rid of this mammoth hazard.

Late last week, I indicated my intent to introduce this legislation. The evervigilant press office at the Department of Energy says Schroeder Bill is Premature." Incredibly, the release argued that Rocky Flats could not cease its hazardous and polluting activities by the year 2000 because that would violate the National Environmental Policy Act [NEPA]. This argument is, of course, silly. The fact is that, if DOE wants to close Rocky Flats in the next decade, it can do so. When DOE wants something, like getting Rocky Flats operating again, it will turn heaven, Earth, and NEPA to do so. But, when DOE wants to prevent the permanent closure of Rocky Flats, it will cite scripture, or at least NEPA, to stop it.

I will be pursuing this legislation in the Armed Services Committee and may attach it to the defense authorization bill. I ask for the support of my colleagues.

PRIDE OF JUDEA MENTAL HEALTH CENTER

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. SCHEUER. Mr. Speaker, responding to growing societal needs, pressures, and challenges has been the mission of the Pride of Judea Mental Health Center of Douglaston since its founding as an orphanage in East New York 75 years ago.

A nonprofit, nonsectarian, outpatient psychiatric clinic licensed by the New York State Department of Mental Hygiene and approved by the New York State Department of Social Welfare, the Pride today provides a wide array of services for people of all ages, irrespective of race, creed, color, sex, national origin, or ability to pay. The veritable plethora of emotional problems faced by individuals in need of compassionate assistance and support has necessitated that the center's staff adopt and adapt various treatment approaches over the years.

The Pride's many and varied offerings include: individual psychotherapy and group therapy, an early childhood evaluation and treatment program, marriage and single-parent family counseling, child abuse and teenage suicide-prevention programs, an alcohol and substance-abuse program, family treatment, an older-adult program, an after-care program for psychiatric patients being released by hospitals, and crisis counseling and emergency services. The Pride also provides outreach and consultation services to schools and community groups.

From its humble inception as a children's home in 1915 to its status as one of New York's most innovative and far-reaching mental-health centers today, Pride of Judea has had thousands of successes.

I am proud to have such a fine center located within my congressional district, and I extend my congratulations to its devoted staff and board members—past and present—without whom the Pride of Judea Mental Health Center would not now be marking 75 years of distinguished service to those in need in the Greater New York area.

In particular, I'd like to commend Sol Orlinsky, Pride's board chairman and immediate past president, under whose leadership the center has made particularly great strides

toward increasing its services through outreach and education efforts targeted to senior citizens, children, adolescents, the chronic mentally ill, and the homeless. I am pleased to note that these efforts are ongoing—a reflection of the staff's and board's unflinching commitments to helping eradicate, or at least ease, some of the mental anguish and afflictions that ail our community. May the devotion and zeal that they have shown to date continue unabated for many years to come.

A TRIBUTE TO CAPTAIN SHINTA ASAMI

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. ANDERSON. Mr. Speaker, I rise today to salute Capt. Shinta Asami as the 1990 recipient of the shipping and transportation industries' "Good Scout Award."

Captain Asami's education and career in the shipping industry is long and distinguished. His skills and professionalism have helped make the Long Beach Port one of the largest cargo handling facilities in the world. Mr. Asami graduated from Tokyo Nautical College in September 1945, however, due to the confusion of post-WWII Japan, Shinta neither received a diploma nor secured a sailing position until the following year. After serving briefly on a surplus U.S. Navy ship, he later joined Kawasaki Kisen Kaisha when steamship companies were permitted to operate by the U.S. General Headquarters.

Mr. Asami first saw the United States in 1953 when he visited Long Beach and New York City aboard the *Kunikawa Maru,* 1960 brought his promotion to the rank of captain and the job of inaugurating the Alaska Service. His fine performance got him promoted to the position of marine superintendent of "K" Line, where from New York City he managed all "K" Line vessels in the United States. From this vantage point, Mr. Asami was able to observe the new shipping industries technologies of containerization, palletization, and roll-on roll-off systems. Through his expertise in the container field, Shinta became the manager of the "K" Line container division.

In 1970, while he was manager of the port affairs division of the "K" Line, Mr. Asami finalized discussions with the Port of Long Beach, and as a result, he opened the largest and most modern marine terminal in the United States. That company was named International Transportation Service, Inc [ITS]. The company opened for operations in 1972 and Captain Asami was named president in May of that year. He has overseen ITS's expansion to include such companies as Husky Terminal and Stevedoring, Inc., TransBay Container Terminal, Inc., and the Rail-Bridge Terminals (New Jersey) Corp. in New Jersey.

Under Shinta's leadership, ITS has developed many innovations over the years. Most recently, the on-dock double stack train operation which allows more cargo on trains, thereby, easing city and highway traffic adding the benefit of cleaner air quality. This concept has been enthusiastically endorsed by both the city of Long Beach and the Port of Long Beach.

Captain Asami and his wife, Toshiko, are heavily involved in community affairs. His special interest in the Boy Scouts started in 1977 when he became a Century member. He has also brought runners from Japan for the 1990 Long Beach Marathon.

Today, I am joined by my wife Lee, in saluting Captain Asami for his remarkable career that has brought so much to the city and community, matched only by his untiring efforts on behalf of this area's youth. We wish Capt. Shinta Asami all the best in the years to come.

ELON COLLEGE WINS CHAMPIONSHIP

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. COBLE. Mr. Speaker, in some athletic circles North Carolina is known as a hotbed for basketball. North Carolina, to some, is synonymous with golf. To others, auto racing comes to mind when you think of the Tar Heel State. Thanks to a college in our congressional district, Mr. Speaker, from now on, when you think of North Carolina and athletics, you must also include tennis. That's because on May 25, 1990, Elon College clinched the 39th annual National Association of Intercollegiate Athletics [NAIA] Men's Tennis Championship. The Fightin' Christians capped a tremendous weekend on May 26 by capturing individual championships in both singles and doubles competition.

Elon College was led by fifth-year coach Tom Parham, who became the first coach in NAIA tennis history to claim championships at two different schools. He's also only the fourth coach to win this tournament more than once. Coach Parham led Atlantic Christian College to NAIA titles in 1979 and 1984. For his efforts, Tom Parham was named the Penn-NAIA Coach of the Year. This marks the fourth time Coach Parham has captured this national coaching honor.

Each member of the Elon College tennis team deserves special recognition. Congratulations go to Roland Thornqvist, Stefan Hager, Billy Scott, Craig Stone, Michael Leonard, and Jeff Gagnon for an outstanding team championship. Also deserving praise for their contributions to Elon's latest national championship are athletic director Dr. Alan White, associate athletic director Clay Hassard, sports information director Bill Grubbs and trainer Martin Baker.

While all deserve recognition for their part in bringing the national crown to Elon, special mention must go to Roland Thornqvist. He came to Elon College from Stockholm, Sweden, and he completed what is believed to be the first perfect singles season in NAIA men's tennis history. His 37-0 record was completed with a 6-3, 6-2 win in the title contest against Sandeep Mulay of Atlantic Christian.

Later that same day, Thornqvist teamed with fellow Swede Stefan Hager to add the doubles titles for Elon with a 3-6, 7-6, 6-4 win over the top-seeded team of Yue Wang and Jie Chen of Brigham Young-Hawaii. If you think Elon's win was only because of its Swedish connection, think again. Coach Parham said that Billy Scott, Jeff Gagnon, Michael Leonard and Craig Stone all added big wins in the early rounds. "Those guys scored 12 points for us," Parham told the Burlington Times-News. "Last year we had 11 points as a team. Every other team out there had foreign players, and here we were with four North Carolina boys and two Swedes. I just appreciated it for the kids."

Coach Parham said that Thornqvist was the deciding factor in Elon's latest NAIA title. "He scored 15 points for us. He came to our school on a half-scholarship because he entered in January. That was the best half-scholarship Elon has ever spent."

Athletic director, Dr. Alan White, captured what happened in Kansas City perfectly. "This was a great national championship by a great group of young men," Dr. White told the Times-News. "They have been led by a great coach as reflected by his induction into the NAIA Hall of Fame. All of us at Elon are most proud for them in their achievements this season. The entire squad is of championship caliber on and off the court, and I appreciate the effort and sacrifice they have made in accomplishing their ultimate goal."

Dr. White, I will add just one note to that statement: On behalf of the people of the Sixth District of North Carolina, thanks for making North Carolina home to the NAIA national champions.

PROTECTING OUR FLAG—NO EROSION OF LIBERTY

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. RITTER. Mr. Speaker, in light of yesterday's Supreme Court decision striking down the Flag Protection Act of 1989, U.S. versus Eichman, I am placing in the RECORD an editorial that appeared in the July 3, 1989, edition of the Bethlehem Globe-Times. This editorial, done in the wake of last year's Supreme Court decision, is most applicable to yesterday's rerun Supreme Court decision and the upcoming debate on a constitutional amendment to protect our flag.

PROTECTING OUR FLAG—NO EROSION OF LIBERTY

Last week The Globe-Times asked you to share, with other readers, your comments on the Supreme Court decision which permits burning of the U.S. Flag as a form of free speech.

Your response has been overwhelming. As of late Friday, we received 37 letters; that is as many as we normally receive, on a variety of subjects, in three weeks. More are coming in each day.

It is appropriate that we share many of those comments with our community today, on the eve of our nation's 213th birthday. Some appear opposite this page; the remainder will appear through the rest of the week in a special column on our editorial page.

But more important, we must share with you, in this editorial, our perception of the ultimate meaning of this debate. And that meaning is clear.

The Flag of the United States is the embodiment of our national values, and deserves constitutional protection from those who would burn it.

We do not arrive at this conclusion easily, or without reservation. Indeed, we are dismayed that the debate since the Court's decision has been oversimplified, reduced to pure black-and-white.

We hear two debates raging: one intellectual, one emotional.

The emotional debate is strong, angry and eloquent, and it is reflected in the overwhelming sentiment of our readers' letters. The message is succinct: the Flag is more than a piece of brightly colored cloth, and far more than a symbol of our national values. For most in our community the Flag is an object of almost spiritual significance. It embodies, in its red, white and blue cloth, the very fabric of our national being.

The intellectual debate is powerful, too, and the Court's 5-4 vote recognized that forcefulness. Among the values of our nation symbolized by the Flag is the right to freedom of expression guaranteed by the First Amendment of the Constitution. It is the value which permits the voice of truth and justice and freedom to ring out even in the din of oppression and corruption. In the process, it also protects the voices of darkness—bigots, hatemongerers, and even those who would tear down our nation itself.

Ultimately, however, we see no conflict between these debates, because respect for the Flag and protection of our precious First Amendment right to free speech can live together under one constitutional roof. One need not erode or undermine the other.

The Flag, you see, is more than a symbol. It is part and parcel of our heritage, and as such is worth protecting.

In this context, the Flag is no different than the Washington Monument, the Lincoln Memorial, the White House, or any other "common property" we share as a nation. Yes, these too are symbols. Yes, they too are only inanimate objects, made of brick and mortar and wood and granite.

Yet while we permit men and women of radically different ideas to congregate around these monuments and express their divergent views, we do not permit them to deface, vandalize, bulldoze or burn our national heritage. Our constitutional right to freedom of speech, you see, does not mean that we have a constitutionally protected freedom to act.

So let men and women this Fourth of July rally around our Flag—and let them say what they will. Let them celebrate America or, if they choose, even revile it.

But let our Flag continue to wave for it protects more than a hollow symbolism. It stands as a monument to the most precious 213 years of heritage our ancient world has known.

STATEMENT IN SUPPORT OF THE URBAN INDIAN HEALTH EQUITY ACT

HON. NORMAN D. DICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. DICKS. Mr. Speaker, I am pleased to introduce legislation today to enable our society to move forward in addressing a major area of neglect in the Nation's health care system, that being the plight of urban Indians.

The critical focus of this bill is one of equity and fairness, and in an era of reduced Federal support, a more efficient distribution of limited resources. Under the present health care system administered by the Indian Health Service, the primary focus of care is on reservation Indians. I recognize the importance of an adequate delivery of medicines and services to the reservation setting and have worked on the Appropriation Committee to secure such funds. However, I believe that it is unfortunate and unfair to ignore and drastically underfund programs that serve urban Indians, particularly given the reality that over 50 percent of all Indians currently reside in urban settings.

Studies which have focused on a comparison of the health problems of reservation versus urban Indians indicate that Indians in an urban environment suffer at least the extent of health problems faced by those in the reservation dwelling.

However, the critical difference is that the urban patient has less resource support and more difficulty getting the access to address his or her immediate health needs. Furthermore, special problems have been identified as more actute in the urban Indian population than in the broader Indian community. Urban Indians have a higher incidence of contraction of the AIDS virus, and are more frequently known to be intravenous drug users. Incidences of child abuse and spousal abuse are also very high in urban areas, a problem that is too often ignored until a crisis results.

Most tragically, treatment, care, and monitoring has been so fragmented and minimal that we really do not have a firm handle on the true extent of the health problem facing this very important segment of our society, the urban Indian. If enacted, the proposed legislation will address comprehensively and in a focused manner the major health problems facing the urban Indian population. Rather then being submerged in the bureaucracy of the Department of Health and Human Services, these needs would come together under an umbrella, allowing resources to be better targeted and more efficiently utilized.

Specifically, the bill includes provisions that address key areas of need as well as authorizing specific funding levels to respond. First of all, the bill permits the Secretary of the Department of Health and Human Services to provide health promotion and disease prevention services through contracts with urban Indian health organizations. The bill also allows the Secretary to provide grants for immunization initiatives based on specific criteria such as population size and alternative resource availability. Another provision of the bill authorizes a mental health initiative for urban Indian organizations to provide a specific set of services such as a community needs assessment and outreach services.

The bill provides for a comprehensive and coordinated approach to fighting child abuse, including: assessing the extent of the problem, training medical teams, and providing education, treatment, and therapy. Finally, the bill aims at expanding and relocating existing urban Indian health care facilities for more efficient and better quality service delivery, and includes an important equity funding provision which ensures that funding for urban Indian health will increase at the same rate that it does for the overall Indian Health Service Program.

This bill represents an important step in the right direction, and is the beginning of establishing a solid foundation from which the urban Indian community can build a more certain and healthier future. I urge my colleagues to support this legislation.

BURBANK HOSPITAL: 100 YEARS OF CARING

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. NEAL of Massachusetts. Mr. Speaker, it is with pride today that I pay tribute to a very special hospital that is celebrating their 100th anniversary in serving the people of Fitchburg and all of north central Massachusetts. The Burbank Hospital, founded by Gardner S. Burbank, a lifelong resident of Fitchburg, has strived to provide responsive health care with an emphasis on personalized, comprehensive patient care.

Gardner S. Burbank, a successful businessman, had a dream of building a hospital for his community. Mr. Burbank left his entire fortune to the city of Fitchburg for the purpose of establishing a community hospital. This hospital was the first professional health care institution of its kind located outside of a major city. Hospitals for the most part, were not present in communities like Fitchburg during the late 1800's.

Also with his estate, Gardner Burbank also left a vision for the hospital. He said, "Those in poverty and sickness shall ever be received and cared for kindly and tenderly without money and without regard to color or nationality."

After Mr. Burbank's death in 1888, his wife, Sarah W. Burbank, continued to pursue her husbands' dream. Mrs. Burbank, with careful use of family funds, helped make Burbank Hospital what it is today.

Although Burbank Hospital has grown and changed with the times, it still operates on the basis of Gardner Burbank's initial intent; to provide a community hospital which is dedicated to high quality, compassionate health care. I would like to thank Burbank Hospital and all the staff, including President William J. Williams and chairman of the board, the Honorable Andre A. Gelinas, for their commitment to making Fitchburg and north central Massachu-

setts a healthier place. I would also wish for another 100 years of compassionate service and a successful June celebration entitled "The Picture of Health at 100."

THE 275TH ANNIVERSARY OF SUFFERN'S CHRIST EVANGELICAL LUTHERAN CHURCH

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. GILMAN. Mr. Speaker, a house of worship of Suffern, NY, in my 22d Congressional District is celebrating its 275th anniversary. I invite all of our colleagues to join with us in congratulating the congregation of this historic church on marking this remarkable milestone.

The Christ Evangelical Lutheran Church was founded on June 14, 1715, when a small band of Lutherans gathered in Mahwah, NJ—then as now, just across the border from New York State—and decided to form a congregation to serve God and their neighbors.

Throughout the years, the Christ Evangelical Lutheran Church continued to grow and to thrive, serving the hard-working pioneers who settled the Ramapo Mountain area.

On March 24, 1850, the church moved a few miles, across the border to Suffern, NY. Its congregants from the States of New York and New Jersey continued their worship of God and their service to the community. In 1855, an impressive new structure was built on Church Road in Suffern. This fine structure served the congregation so well that it is still in use today. The church building is a monument to 135 years of memories.

The world has changed in so many ways since the Christ Evangelical Lutheran Church was founded 275 years ago. But the everlasting truths of the Bible, of belief in our Supreme Being, and in the importance of compassion and charity for our neighbors, have stood the test of time. The Christ Evangelical Lutheran Church is a living embodiment of these ideals, and is a link between the present and the time of our forbearers.

Mr. Speaker, I invite my colleagues to join with me to commending the Christ Evangelical Lutheran Church upon the celebration of a successful 275 years, and in wishing future generations of Christ Church parishioners continued success and community service.

MILWAUKEE PUBLIC SCHOOLS VOTER REGISTRATION PROGRAM

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. KLECZKA. Mr. Speaker, I would like to share with my colleagues an article from the June 7 Washington Post, which describes a model program undertaken by the Milwaukee Public Schools to encourage voter registration among young Americans.

As was evident in the debate and subsequent passage of H.R. 2190, the National Voter Registration Act, active steps must be taken to encourage participation in the electoral process. The United States now has the lowest voter participation rate among industrialized nations—lower than over 130 countries.

Wisconsin has been one of the most progressive States in eliminating barriers to the polls. Since 1976, Wisconsin has been among the three States that offer election day registration at the voting site. I am proud to say Wisconsin has ranked in the top four States in voter turnout in each of the last four Presidential elections.

Continuing in this tradition, Milwaukee Public Schools have unveiled a program to register 18-year-old students in the system before graduation. School officials hope to register 60 to 70 percent of the 5,000 eligible students.

I would like to commend and congratulate the Milwaukee Public Schools for developing this program, the faculty and administrator's who are implementing it, and most importantly the students who are taking on this most important civic duty.

At this point, I would like to include in the RECORD the article which describes this effort.

CIVICS WITH A SIGNATURE: TURNING STUDENTS INTO VOTERS—MILWAUKEE PROGRAM TO REGISTER 18-YEAR-OLDS MAY BE MODEL FOR OTHER URBAN SCHOOL SYSTEMS

(By Bill Peterson)

MILWAUKEE.—Eleven 18-year-olds stood sheepishly in the front of Room 115 at Solomon Juneau Business High School with their right hands held high in the air. They and hundreds of other seniors in classrooms across this city were registering to vote as part of a pilot program designed to reverse the downward trend in voting among young Americans.

Milwaukee public school officials said they hope to register 60 to 70 percent of the 5,000 18-year-olds in the system before graduation later this month and serve as a model for other big-city school systems nationwide.

The goal may be overly ambitious. Only seven of the system's 15 high schools began the effort on schedule last week, and they registered a total of only 800 new voters, officials said. Absenteeism, communication problems and misunderstandings about who was eligible to vote were blamed for the poor showing.

The swearing-in ceremony here was conducted during an English class by Ethel Walker, a guidance counselor, and Jim Johnson, a public affairs officer from school board headquarters, both of whom have been deputized as registrars.

"We don't want to say you have to register. But we want to make it clear we expect you to register," Walker told the class during an inpromptu civics lesson.

"To me, this is very important because voting is power," said Johnson.

Only one 18-year-old student in Room 115 refused to sign a yellow registration card. Tracy Taylor said she was worried she would be called for jury duty if she signed up. "I really don't know about the consequences. . . . I want to find how many times I'm going to get called" for jury duty, she said.

Six of the 11 students who signed up said they would not have registered if the opportunity had not presented itself in their classroom. "Would I have registered? I doubt it. We all have so much else to do," said Carlos Rocket. "I hadn't even thought about it. All my thoughts are on college next year."

School officials here and in San Diego were persuaded to undertake the classroom registration drives by People for the American Way, a Washington-based lobby group, as part of an attack on one of the most perplexing problems in American politics: the decline in voting.

The inspiration for the programs came from the Dade County (Fla.) schools, where 98 percent of eligible students are registered to vote.

"We want to show what big school systems can do so by the 1992 election we can spread to all the big school systems in the country," said Sanford D. Horwitt, director of a citizen participation project for People for the American Way.

He said many schools have voter registration programs, but they tend to be either the pet project of one teacher or one-shot deals where the League of Women Voters or some other group sets up a registration table near election time.

Johnson's goal is to institutionalize the registration program so it occurs every year in every school. The process begins with the school board passing a resolution proclaiming voter registration month and ends with each school reporting to the board how many students it registers, he said.

Horwitt said catching young voters in the classroom is the cheapest and most effective way to register them. "Everyone is there. It sends a message that the institution believes something important is happening, that this is something we value."

Only 50.1 percent of those eligible voted in the 1988 presidential election, a 64-year low, setting off a debate on the alienation of voters from government. The alienation is especially strong among young people.

Since 1972, when 18-year-olds first were given the right to vote, voter participation among 18- to 24-year-olds has declined steadily. In 1988, only half of this group was registered to vote, and only one-third actually voted.

A series of polls and focus groups conducted last year for People for the American Way found a "troubling" lack of understanding about citizenship among young people. Asked to name a quality that makes the United States special, one young man replied, "Cable TV." Asked how to get more young people to vote, a young woman said, "Pay them."

"I think there is an attitude that you are so remote from government that your vote isn't all that important," said Don Wild, a social studies teacher at Alexander Hamilton High School here.

Wild said there has been a marked decline in student interest in current events from the early 1970s. That was especially evident last fall when one communist government after another fell in Eastern Europe.

"The thing that shocked me was here the Cold War was ending and not one student mentioned it in class . . . not one single kid," he said. Wild blames this largely on the number of students working after school. He estimates that 80 percent of the senior class at Hamilton High works 20 to 40 hours a week. "You're dealing with kids who come in exhausted every day," he said.

The voter registration program, however, has been unusually successful at Hamilton. After one week, 160 of the 190 eligible seniors had registered. "Kids want to vote. They want to be registered to vote," said Wild, who has run a registration program of

his own for the last six years. "The problem is: Why don't they vote?"

THE CANCER OF RACISM

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. MINETA. Mr. Speaker, racism is a cancer. It is a cancer rooted in unwarranted fear, and in willful ignorance. it is a cancer that speads steadily, silently—unless good people raise up their voices in protest, and demand that sanity and understanding prevail.

Mr. Speaker, we all know the forms of racism. What we cannot know in truth is how deep the cancer is in our own society. Throwing a brick through a window or burning a cross on a lawn are obvious, extreme examples of hate. But racism is not confined to extremes—and the subtleties of racism are perhaps the most potent poison of all.

In the May 16, 1990, issue of the Washington Post, columnist Tony Kornheiser wrote eloquently about this subtle poison in our society. I commend it to the attention of my colleagues in the hope that they will, in turn, speak out against "the ordinary face of racism."

THE ORDINARY FACE OF RACISM

(By Tony Kornheiser)

Two men were traveling together last Sunday morning, one white, one black. They were flying from New York to Washington. Both were dressed neatly in suits. Both held similar complimentary tickets, authorized by the airline's management as part of a TV advertising trade-out.

They approached the ticket counter, where two agents—one white male and one white female—were working.

The white man handed over his ticket. The male agent glanced at it, smiled and asked him where he preferred to sit.

"Aisle, near the middle of the plane," he said.

He got 17C.

He lingered near the counter, waiting for his friend to select the seat on the opposite aisle, so they might chat during the flight.

The black man handed over his ticket. The female agent glanced at it and asked, "Do you have some identification?"

"Yes, I do," the black man said, and he reached for his wallet. "But just out of curiosity, do you mind telling me why you want to see it?"

The agent grinned in embarrassment.

She said nothing in response.

"How about a credit card?" the black man said, and he pulled one out of his wallet.

"Do you have a work ID?" she asked, apparently hoping to see something with the black man's photo on it.

"No," he said, and whipped out another credit card.

"A driver's license would be fine," she said, sounding trapped.

"I don't have my driver's license with me," he said. "I'm taking the plane, not the car." Though he maintained an even tone, you could feel the heat smoldering behind his eyes. He continued to flash credit cards.

Throughout the incident the white man had said nothing. He felt his body tense when he'd heard the agent ask his friend for ID. They were both flying on the same kind of ticket; he hadn't been asked for ID. He felt there was no good reason for the inquiry—only one bad one—and he'd thought about coming to his friend's aid. But he'd decided it was better to back off. As it continued, he sensed he was watching an accident happen, waiting for the impact.

"That's fine, sir, thank you," the agent finally said, shrinking a bit with each successive credit card. "Enjoy the flight."

The men rode the escalator up to the gate area in silence.

The white man shook his head. "I've probably watched that a hundred times in my life," he said. "But that's the first time I've ever seen it."

The black man nodded. He'd seen it more times than he cared to count. "You don't ever need to remind yourself that you're black," he said, "because every day there's somebody out there who'll remind you."

They walked on for a while, and the black man started to laugh to himself. Pirouetting, he modeled his outfit, an Italian-cut, doubled-breasted suit with a red rose in his lapel for Mother's Day. "I really can't look any better than this," he said sardonically. Then, he looked into his friend's eyes and said, "I had my driver's license. But if I show it, we may as well be in Soweto."

They were boarding the airplane now. The white man wanted to find something appropriate to say to assuage his friend's discomfort, but kept coming up dry. He knew if he asked the ticket agent, she'd claim she didn't have a prejudiced bone in her body, she was just doing her job; she couldn't possibly appreciate what it's like to live in a place where it doesn't matter that you're a college graduate, that you're respected in your field, that you earned a handsome salary, and that you're a responsible adult and parent if you're always one ticket counter away from being a suspect.

We find racism in our daily headlines. In mob violence: whites killing blacks in Howard Beach and Bensonhurst. Blacks in Flatbush attacking Vietnamese men they'd mistaken for their intended targets, Koreans. In inflammatory rhetoric; whites in Bensonhurst shouting that they don't want blacks in their neighborhood, Al Sharpton threatening New York City will burn if he doesn't approve of the Bensonhurst verdict. Screeching examples like these are easily condemned as products of lunatic behavior. We're all shocked and outraged by the mindless fury of such whirlwinds.

This incident at the airport, this is the everyday, insidiously banal face of racism. This is the cancer.

To be inescapably defined by color. When someone is pointing you out in a crowd, never to be referred to as "the thin guy," or "the tall guy," or "the young guy," but invariably as "the black guy."

Everybody keeps track of the big stories with racial overtones: the Central Park jogger, the subway vigilante, whether Louis Farrakhan balances David Duke.

Nobody keeps count of this.

Can you show me some ID?

A TRIBUTE TO ALFRED (SASS) APPLEGATE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. COURTER. Mr. Speaker, it is my pleasure to bring to the attention of my colleagues the accomplished career of Mr. Alfred "Sass" Applegate. This June, Mr. Applegate will be retiring from his teaching position at Hackettstown High School after 38 years of dedicated service.

Mr. Applegate graduated from the University of Scranton in 1950 after serving 2 years in the U.S. Army Air Corps. He returned to his high school alma mater in 1952 and began teaching. Throughout his career Mr. Applegate held many positions at Hackettstown High School. He served as chairman of the social studies department for 24 years. Mr. Applegate also acted as football coach and headed the wrestling and track programs from 1952 until 1976.

The students of Hackettstown High School have been very lucky to have had such a dedicated teacher in their service. I take great pride in noting his accomplishments before my colleagues.

TRIBUTE TO THE UNIVERSITY OF GEORGIA BULLDOGS NATIONAL CHAMPIONSHIP IN BASEBALL

HON. DOUG BARNARD, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. BARNARD. Mr. Speaker, I rise today to pay tribute to the 1990 University of Georgia baseball team which won its first-ever national championship.

The Georgia Bulldogs finished the season with a 52-19 record overall and ranked number 1 in both Baseball America and Collegiate Baseball polls. Georgia head coach Steve Webber was also named the National Coach of the Year by Collegiate Baseball magazine.

Several members of the team were named to various All-America teams and four of the players were selected in the major league baseball draft.

In addition to Coach Webber, the championship team was assisted by the following: Greg Appleton, assistant coach; Jim Bagnall, assistant coach; Mike Hawkins, student assistant; Pat Foren, manager; Jeff Chambers, trainer; Mike Nayman, baseball sports information director; and Rodney Wood, student SID assistant.

The players on the winning team are Joey Alfonso, Bruce Chick, Terry Childers, Jeff Cooper, Steve DeBlasi, Dave Fleming, Matt Hoitsma, Brian Jester, Joe Kelly, Ray Kirschner, Don Norris, Tommy Owen, Stan Payne, David Perno, Doug Radziewicz, Mike Rebhan, Kendall Rhine, J.R. Showalter, McKay Smith, J.P. Stewart, Ray Suplee, Tracy Wildes, and Tom Zdanowicz.

Congratulations to the 1990 University of Georgia Bulldogs baseball national champions. How 'Bout Them Dawgs!

INTRODUCTION OF THE INTERMODAL CONTAINER TAX TREATMENT CLARIFICATION ACT OF 1990

HON. GUY VANDER JAGT
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. VANDER JAGT. Mr. Speaker, today I am introducing, along with Mr. MATSUI, the Intermodal Container Tax Treatment Clarification Act of 1990, legislation to prevent a substantial retroactive change in the ability of U.S. companies to claim the investment tax credit and accelerated depreciation on the intermodal cargo containers which they lease ot shipping companies and businesses. The legislation is specifically intended to overrule Revenue Ruling 90-9 with respect to containers placed in service by U.S. container lessors prior to January 1, 1990.

From its original enactment in 1962 until its general repeal in 1986, the investment tax credit generally was not allowed for property used predominantly outside of the United States. However, exceptions to this rule were provided for certain categories of assets to transport people or property to and from this country. These exceptions sanction the predominant foreign use of transportation-related property as part of the credit's general purpose to improve our competitive position in the world economy. One of these exceptions applies to containers used in the transportation of property to and from the United States.

Before January of this year, there were no Treasury regulations or rulings interpreting the exception for containers, even though that provision had been in the law for more than 25 years. Consequently, container owners relied on a commonsense reading of the statute and the apparent congressional intent for the container provision when determining how the credit applied to their containers. This interpretation also determined which containers qualified for accelerated depreciation. For more than 20 years, the audit practice of the Internal Revenue Service was to confirm the general availability of credits and deductions claimed by two groups of container owners—U.S. shipping companies and U.S. container leasing companies. For lessors, the container credit was by far the largest item on each tax return and could not have been simply overlooked by the audit agents. Over the years, the IRS also issued liberal interpretations of other transportation-related exceptions which further confirmed the lessors' general approach to the container exception.

Then, in 1984, IRS agents radically altered their audit practices with respect to container lessors and began disallowing the credit for containers because the lessors could not prove that each container touched the United States each year. In January, this approach was formally published in Revenue Ruling 90-9, which requires all container owners to demonstrate on a container-by-container basis that a substantial portion of a particular container's activity during the taxable year is in the direct transportation of property to or from the United States. "Substantial" is not defined or described in the ruling, so taxpayers have no basis on which to argue that they have met the ruling's requirement. The ruling defines "direct transportation" as involving only those trips that begin and end in the United States; trips between foreign ports are not taken into account, even if the property inside the container may eventually come to the United States. Neither of these adjectives—substantial and direct—is used in the statute, and neither has any support in the legislative history. Yet, the ruling is to be applied retroactively.

Whatever the merits of the approach adopted by the revenue ruling, it represents a dramatic change from established practices. I believe it is fundamentally unfair for the IRS to retroactively interpret—and modify—the statutory container exception in this manner. First, while we could debate the intellectual niceties of whether the new position of the IRS represents a change in its position or, instead, the establishment of a position where none previously existed, such a debate could not obscure the fact that in the 20-year period following enactment of the credit, container lessors never had any indication that their records were inadequate to support their claiming the credit and deductions despite numerous audits. The IRS had opportunities to issue regulations or rulings on the container exception, but did not provide these or any other form of guidance. Indeed, an IRS project to provide guidance on the container exception that began in 1981 was closed a year later, after meetings with the container leasing industry, without any apparent change in existing practices.

Second, the IRS interpretation is inconsistent with judicial precedents which have liberally interpreted the investment tax credit provisions in general. I believe this interpretive approach of the courts, which is also reflected in IRS interpretations of other transportation-related exceptions which accompany the container provision, is consistent with congressional intent.

Third, as Treasury and the IRS apparently have recognized in this case, such a major change in interpretive policy is a tax policy decision that requires careful review by the IRS and Treasury, followed by publication in a national policy statement such as a published revenue ruling. Only through such a national pronouncement can all affected taxpayers be fairly put on notice that such a change has occurred. Any such major change of policy should be prospective only and should include complete relief under section 7805(b) of the Internal Revenue Code.

Fourth, any change in interpretive policy by the IRS with respect to the container exception should balance the IRS's strict—and possibly incorrect—reading of the statute against the need for a practical and reasonable resolution of the controversy. It is clear that Congress, in creating the container exception, did not contemplate that the IRS would interpret the provision in a manner which makes it practically impossible to utilize the benefits of the provision. The revenue ruling would require lessors to document retroactively the daily movements of individual containers. Providing such documents prospectively will be difficult enough, given that container lessors now typically manage fleets in excess of 200,000 containers that are used in carrying goods for lesees who are not under the control of the lessors. But retroactively providing such documents probably will be impossible.

Lessors keep detailed records about their containers, but they cannot maintain records regarding container movements when they are not in control of the containers. Lessee documents, to the extent they have not already been disposed of, focus on shipments of cargo, not on the specfic containers, and the cost of attempting to reconstruct the travel of a particular container probably would exceed the value of the credit. The willingness of lessees to provide such records to lessors—assuming the records exist is a factor which lessors cannot reasonably be expected to influence retroactively.

The revenue ruling would apply to open taxable years, which generally include all the 1980's for the leasing companies. That is a long period, but the lessors' exposure is even greater because the ruling also applies to containers placed in service in closed taxable years but which generated credit carryovers to open years. This extends the ruling's effect back as far as 1974.

If the container lessors had had the benefit of a ruling or regulations 25 years ago, they could have taken the appropriate steps to qualify for the credit or to challenge the IRS interpretation in a timely manner. In any event, they could have set leasing rates and information requirements based on the costs on complying with the interpretation. But the retroactive imposition of a restrictive interpretation at this late date is unreasonable and unjustified.

As an alternative to the substantive and recordkeeping requirements of the revenue ruling, a safe harbor has been provided in Revenue Procedure 90-10, published at the same time as the revenue ruling. It is interesting to read the portion of the revenue procedure which confirms that the revenue ruling's recordkeeping requirements are unfair, noting that a safe harbor is necessary because separate tracing of containers is too costly and difficult given the numbers of containers and the fact that lessees have physical control over the containers.

However, the safe harbor effectively allows little more than half of the credits at issue for prior years. This is not an adequate solution to the retroactive problem posed by the revenue ruling. Moreover, the practical effect of the IRS's proposed safe harbor is not only to require a predominant use test but to impose an "exclusive use" test for purposes of determining whether the credit is allowed in full. By way of example, I believe that the containers used by the affected taxpayers could achieve a 100-percent qualification for the investment tax credit under the theory of the proposed safe harbor only if every trip made by containers worldwide was either to or from the United States. Likewise, a majority of the credit would be allowable only if a majority of all container trips are to or from the United States. I believe that this is clearly inconsistent with the language and the intent of the statute.

Taxpayers have argued with the IRS for several years about this issue in an effort to achieve an administrative result which would fairly resolve the controversy. While that process was under way, there was hope that it

would be successful. Unfortunately, the result was unsatisfactory. A legislative resolution is now essential to prevent the unfair retroactive impact of the IRS revenue ruling. I strongly urge my colleagues to support this legislation's prompt enactment.

SUMMARY EXPLANATION OF THE LEASED CARGO CONTAINER LEGISLATION

PRESENT LAW

Prior to its repeal by the Tax Reform Act of 1986, the investment tax credit generally was not available for property which was used predominantly outside the United States. An exception to the predominant foreign use rule is provided in Code section 48(a)(2)(B)(v) for "any container of a United States person which is used in the transportation of property to and from the United States." (Similar transportation-related exceptions are also provided for aircraft, railroad rolling stock, vessels and motor vehicles.) Property that was eligible for the credit under the container provision was, and continues under present law to be, eligible for accelerated depreciation.

For more than 25 years following the enactment of the investment tax credit in 1962, there were no regulations or rulings interpreting the container provisions. Taxpayers and audit agents developed interpretations which governed the application of the container provision with minimal controversy. In January 1990, the Internal Revenue Service published the first formal interpretation of the container exception in Revenue Ruling 90-9, which allows the credit and accelerated depreciation deductions only if a taxpayer can document on a container-by-container basis that a substantial portion of a particular container's activity during the taxable year is in the direct transportation of property to or from the United States. The ruling states that "direct transportation" consists of the transportation of property by the container with the United States as the origin of terminus of the trip for the container and the property. The revenue ruling applies retroactively. As an alternative to both the revenue ruling's interpretation of the statutory exception and its recordkeeping requirements, the Service also published a "safe harbor" in Revenue Procedure 90-10, which allows a taxpayer to elect to treat specified percentages of its containers placed in service each year after 1973 as qualifying under the container provision.

REASONS FOR CHANGE

The revenue ruling imposes a highly restrictive interpretation of the container provision and, as such represents a substantial change from more than 20 years of Service audit practice. Taxpayers reasonably relied on the simple statutory language and on the Service's liberal interpretations of other transportation-related provisions, coupled with prior audit practice, as confirmation of the general availability of the credit and accelerated depreciation deductions. Moreover, taxpayers never had any indication that their records were inadequate to support the credit. Therefore, retroactive application of the revenue ruling would be substantially unfair given the probable impossibility of developing the required records from prior years. After application of the recapture rules, the revenue procedure's alternative "safe harbor" allows just over 50 percent of claimed credits for prior years. This does not provide an adequate basis for an industry-wide settlement of this controversy.

To prevent a significant retroactive change in policy and the subsequent expense of protracted litigation, a statutory standard is necessary for application of the container provision in prior years.

EXPLANATION OF THE BILL

Overview

The bill provides a statutory standard for determining the eligibility of leased intermodal cargo containers for he investment tax credit and accelerated oepreciation deductions. This standard will apply retroactively to leased containers placed in service before January 1, 1990, thereby overruling the Internal Revenue Service's interpretation in Revenue Ruling 90-9.

The bill describes a particular category of containers which qualify for the credit and deductions under Code section 48(a)(2)(B)(v). The bill explicitly provides that it is not intended to create any inference regarding how present law applies to other categories of containers that are not described in the bill, such as containers owned by their users or containers placed in service after 1989. Section 48(a)(2)(B)(v) will continue to apply to those other categories of containers without regard to the bill.

Under the bill, an intermodal cargo container owned by a United States company and placed in service before January 1, 1990, generally qualifies for the credit and deductions if it is subject to a "qualifying lease" or is being repaired, maintained, moved or held for lease by the lessor or any lessee. The container must be engaged in one or more of these activities throughout the taxable year. (In the year a container is placed in service, these requirements are to be met only for the period following the placement in service date.) An intermodal cargo container, as described in Revenue Procedure 90-10, is "a reusable box of standarized dimensions and performance characteristics" constructed to certain standards and used to transport goods.

Statutory standard

In general, a "qualified lease" is any lease (including any sublease) to a "container user" that has "one or more trade routes that contact the United States." For this purpose, a "container user" is a company in the business of shipping or transporting other companies' cargo by containers (such as a steamship company) or a company that uses a container to ship or transport its own cargo (such as a manufacturer which packs goods for export or import in containers which it has leased and then ships those containers). Therefore, the lease or sublease to the actual user is to be taken into account. Intermediate leases to agents or leasing "pools" (which then sublease the containers to the users) are not considered. Similarly, "safe harbor lease" agreements under former Code section 168(f)(8) and financing arrangements with lenders are not taken into account.

A container user is considered to have "one or more trade routes that contact the United States" if at any time during the taxable year that company either uses a vessel that receives or delivers a container in the United States or uses a container to ship cargo to or from the United States. A company will be treated as having trade routes that contact the United States even though the company does not own a vessel but rather operates or charters a vessel or ships its cargo on another company's vessel. Proof of trade routes may be established by published schedules, U.S. dock records, records of vessel owners, and other public documents or private records.

A qualifying lease also includes any "short-term lease to a container user. This includes a lease (or sublease) for a stated period of time that does not exceed 50 percent of the depreciation "class life" of the container. It also includes any master lease agreement or other lease agreement (such as daily or "per diem" leases) that does not require the lessee or sublessee to use, hold or pay rent for a particular container for a specified period of time. (These containers can be returned to the lessor at any time and then leased to another lessee.) Options to renew are not taken into account in determining the stated term of a lease. This definition of a short-term lease or sublease denies the benefit of the bill to any container used under a long-term lease unless the container user has a U.S. trade route.

Effective date

In general, the bill will apply the statutory standard to containers that were placed in service before January 1, 1990. Such containers must have been placed in service either in a taxable year for which the audit adjustment or refund period has not closed or in a closed taxable year from which an investment credit was carried forward to an open year. This is intended to assure that the statutory standard will govern all audit controversies concerning pre-1990 containers, in lieu of the revenue ruling. While the legislation is retroactive in effect, the proposal applies only for purposes of depreciation deductions and investment credits used in open years. Thus, for example, where the statute of limitations otherwise precludes a refund claim, the legislation cannot be used as a basis for making such claim.

NATIONAL ASSOCIATION OF BROADCASTERS HONORS WILLIAM B. SMULLIN

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. BOSCO. Mr. Speaker, William B. Smullin was honored recently as the recipient of the National Association of Broadcasters' 1990 Distinguished Service Award—the broadcasting industry's highest honor. I have known Bill for years, and I could not have been more pleased to see him receive this award. I encourage my colleagues to consider Bill's thoughts on the cable TV industry:

Today Herbert Hoover and I have two things in common. We both worked under the Federal Radio Act and here I am getting NAB's Distinguished Service Award as he did years ago. I was surprised and greatly honored and I thank you, as well as those who, unbeknownst to me, labored in my behalf.

In 1953 we installed TV stations in Medford, Oregon and Eureka, CA. Klamath Falls and part owned Roseburg came in 1956. We purchased Redding, California in 1963. KAEF and KFWU in California arrived in 1989. We started cable in 1958. From then to May, 1982, we were an operating part of four counties in southern Oregon and three counties in northern California. Those systems today are owned by TCI, Falcon, Viacom and Cox. In 1982 we sold cable in Oregon and purchased Crest-

view Cable in northeast Oregon which has small systems.

If Congress had deregulated cable in 1981 we would have sold the TV stations and kept cable. The reason is simple—cable now has the power to break and destroy TV in our markets. Our TV satellite station purchases last year were made simply to maintain market share for our base California TV station.

Let's talk about monopoly in communications. How would you rank the media? Would you put newspapers or the movie producing industry first? Certainly both are fewer in numbers than radio/TV. What about cable? Thanks to Congress with its deregulation and as stated, cable now has the power of life or death over most TV stations.

Where we now operate our base TV stations, there is one daily newspaper and in all instances it is group absentee owned. There are three other TV stations and one cable system which is also absentee owned. There are 14 movie screens of which 12 are owned by group absentee companies. Finally, there are the AM & FM stations of which some are always for sale. With these facts you certainly can rate the degrees of monopoly in our markets. TV and radio are the tail end charlies.

Insofar as we are concerned certain Senators and Congressman aren't living in the real communication world as it exists in the non-big city areas today. They also seem to think that the TV industry produced all the tapes for VCR's when of course, these tapes of good and questionable movies really come from the movie industry, under USA or alien ownership.

Now let us look at what cable and newspapers have in common.

1. Congress gave cable an effective monopoly and through joint operating agreements Congress gives many newspapers their own special monopoly;
2. They get fees from subscribers; and
3. They sell advertising.

Cable is succeeding beyond belief in our markets. Some systems have more subscribers than the local newspaper, and cable is certainly less labor intensive than newspapers.

What about the phone companies under their deregulation? Technically, they are qualified to operate cable. So too is a television station able to operate cable in the same area but—FCC rules prohibit that. Why are the little bells rushing around, forming local committees, cozying up to legislators and suddenly appearing very friendly. I presume they want special legislation. Every time I make an interstate call I feel safer rate wise. The reason is that the FCC seems to handle rates better than do state puc's. What's more, I don't have to contribute to a PAC fund for FCC members. Incidently, please don't think the FCC hasn't slapped my wrist. Long ago, I had the first application for the second radio station in Sacramento and the other applicant got the grant. Also my nearly 60 years experience has taught me that the FCC is a good postgraduate school for attorneys. Most of you in this room have enjoyed making contributions to their education.

Recently, we saw three prominent Senators appearing before a Senate committee headed by another prominent senior Senator. We listened as they expounded on how campaign expenditures should be limited and the proposed legislation should be treated favorably. These men have heavy seniority. Each was complaining about the high cost of campaigns. Cost and price of TV was stressed as part of the reason for the proposed legislation. In 1932 there wasn't any TV and only 400+ radio stations. The congressional candidates simply put on their campaign hats and went around their districts shaking hands and talking with constituents. In most instances today, the Congressman have smaller geographic districts then they had in 1930. Why can't they campaign as they did at the beginning?

Concerning this subject, some years ago the NAB board had members with continuous service of seventeen or eighteen years. By membership referendum, the bylaws were changed to the present system where a director can only succeed self by one term. Since then NAB membership has grown and the Board is more responsive to the needs of membership.

By this time, you may have gathered that I have more faith in the ability of the FCC to regulate our communications industries than I do for the Congress to dabble in it. Yes, I do think overall that the FCC has done a better job. When I pay my taxes I don't pay them to help the Democrats or the Repulicans. I pay them to support and sustain the U.S. Government. If the U.S. Congress had stayed within its budget as well as the FCC has, we would have more money to assist those people who these past few months have demonstrated that there is power in communications in this world in which we live.

In closing I want to recognize a most sensible request made last month by a leading Senator. He asked the FCC to deal directly with the network financial interest rule which is a communication subject that has been kicked around on the Hill for some time and has likewise been before the Commission. We say congratulations to that Senator.

The full FCC team, for the first time in several years, is now in place and its members don't have to worry about breaking quorum when they go to the bathroom. So let's have the Senate and House let the FCC do the work it is supposed to do and the Congress do the work it is supposed to do including regaining fiscal responsibility and making Washington D.C. safe for visitors and citizens.

VIETNAM: NORMALIZATION OF RELATIONS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. EDWARDS of California. Mr. Speaker, in a column reprinted from June 1, 1990, San Jose Mercury News, Tran Tuong Nhu points out that the people of Vietnam deserve the same opportunities for economic advancement that we have recently accorded the people of China.

She explains that we are asking the impossible of the Vietnamese: That they should simultaneously leave Cambodia, and prevent the ascension to power of the Khmer Rouge in that country; both to be achieved while withstanding the intense economic pressure of an American embargo. Her eloquent remarks on this issue are set forth below.

A CARROT FOR CHINA, BUT STICK FOR VIETNAM

(By T.T. Nhu)

Mike Morrow has been in and out of Vietnam since 1967. He was a founder of Dispatch, a tiny news agency that broke the My Lai massacre story in 1969. Expelled from the country in 1973, Morrow moved to Hong Kong where he started a number of businesses. He represented the American Chamber of Commerce of Hong Kong in its relations with the Vietnam's Chamber of Commerce.

Since 1979, Morrow has been returning to Vietnam as a consultant for foreign companies considering doing business there. In the past year, he made over 20 trips. On April 23, 1990, Morrow and a French businessman, Rodzniak Thierry, were arrested in Danang, central Vietnam, on vague security-related charges. Several Vietnamese associates, Do Ngoc Long and Doan Thanh Liem, among others, were also detained and are still in prison.

After three weeks, Morrow, 43, was released after agreeing to admit to "inadvertent culpability"—technical violations of travel and contact with Vietnamese.

Morrow, who speaks Vietnamese, was struck by his interrogator's conviction that the CIA had played a major role in destabilizing Communist governments in Eastern Europe and was planning to launch Contra-style military action in Vietnam. The interrogator accused longtime American friends of Vietnam, and Morrow himself, of working for the CIA.

"It's so sad that even people the Vietnamese used to consider their friends have now come under suspicion," said Marrow, who still hopes to do business in Vietnam.

Morrow feels his arrest was a result of increasing paranoia engendered by the policy of isolation by Washington.

"It would be a great tragedy for Vietnam to relapse into a war psychosis," he said from Hong Kong after his release. "I agree with the Vietnamese intellectuals who are now being arrested by the security police that the lifting of the U.S. trade embargo is critical to Vietnam being able to achieve a pluralistic society.

"Like so many other Americans of my generation, I have shared some of Vietnam's most bitter history. This is why I would ask President Bush to lift the trade embargo now. The war is over and cannot be allowed to start again."

I thought of Morrow's plea after President Bush announced on May 24 that he would extend the most-favored-nation trade status to China for another year.

"By maintaining our involvement with China," Bush said, "we will continue to promote the reforms for which the victims of Tiananmen gave their lives. The people in China who trade with us are the engine of reform opening to the outside world. . . . Our responsibility . . . is best met not by isolating those forces from contact with us or by strengthening the hand of reaction, but by keeping open the channels of commerce and communication."

These reasonable and sympathetic words seem to express exactly why the United States should extend the same opportunities to other countries struggling their way out of political paranoia and economic misery.

The problem with this approach in China is that the ossified leadership is repressive, intransigent and unlikely to make anything more than cosmetic changes. Chinese lead-

ers, like Vietnamese, are gripped by paranoia because of the changing circumstances around the world.

In contrast, the people in both countries are bravely yearning for democracy. Vietnam, its economy reduced to zero, has everything to gain from the easing of economic pressure. Continued isolation means more political repression for the people.

Although most ordinary people in Vietnam and the United States are willing to put the past behind them, the men who determine national security matters in Washington have a deep aversion which borders on psychosis regarding Vietnam. Determined to continue to punish Vietnam, Washington expects to renew the embargo against Vietnam on Aug. 28.

The United States had demanded Vietnamese withdrawal from Cambodia as a condition for easing sanctions, which would lead to normalization. When Vietnam withdrew most of its troops, Assistant Secretary of State for East Asia and Pacific Affairs Richard H. Solomon complained the pullout "is not enough. After more than a decade of occupation Hanoi has an obligation to more than just walk away, leaving Cambodia in a state of civil war."

The hang-up is that Vietnamese troops are what block the return of the Khmer Rouge, a situation which Washington has said it emphatically does not want.

At some point, the policy makers in Washington must stop the tortured logic which puts Vietnam in the impossible situation of blocking the Khmer Rouge and yet being accused of occupying Cambodia.

There are 65 million people in Vietnam and over 1 billion in China ready to be unfettered. They will continue to be victims of repression unless their aspirations for freedom are supported by those of us who value democracy.

REPRESENTATIVE FRANK HORTON HONORED BY RIT

HON. LOUISE M. SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Ms. SLAUGHTER of New York. My dear friend and colleague FRANK HORTON was honored recently by the Rochester Institute of Technology [RIT] with the presentation of an honorary doctor of humane letters. I would like to enclose on his behalf the following citation that was read during the May 18 Academic Awards Ceremony at the National Technical Institute for the Deaf [NTID] by Richard Rose, the president of RIT:

FRANK HORTON: DOCTOR OF HUMANE LETTERS

For more than 27 years, Frank Horton has served the Rochester area in the United States House of Representatives. He has listened to them, sympathized with their problems, and pressed their cases before the Congress and federal Agencies.

He has risen through the ranks from a freshman in the 88th Congress to become the Dean of the New York State Congressional Delegation and has seen enormous changes in history and government. He was there when the National Technical Institute for the Deaf Act became law and, fortunately for Rochester Institute of Technology, has been there to support the Institute at all times.

As the senior Republican on the Government Operations Committee—the premier investigative committee of the House of Representatives—he has been a watchdog over federal departments and agencies, ensuring the economy and efficiency of the government in administering federal policies and programs. In this role he has had vast responsibility and has provided leadership for ferreting out waste, fraud, and abuse.

When he saw a need for concentrating bureaucracy in smaller, more manageable units, he recommended the creation of the Department of Education. He was the only Republican on the Government Operations Committee to favor this move.

Congressman Horton has been a long-time foe of federal red tape and has provided the leadership to root out waste. As Chairman of the Commission on Federal Paperwork, he was responsible for saving taxpayers billions of dollars by eliminating excess paperwork, thus reducing the hours that Americans spend filling out forms.

Since 1983, he has served Rochester Institute of Technology as a member of the NTID National Advisory Group and, in that capacity, has testified in Congress on behalf of the federal appropriation that enables RIT to continue to provide education for its deaf students. He has vigorously supported the funding levels necessary for NTID to maintain programs that lead deaf students to successful careers.

Because of his generosity of spirit, to celebrate his 25th year in the House of Representatives, Rochester Institute of Technology honored him by establishing an endowed scholarship fund in his name.

Therefore, I present Frank Horton as a candidate for the degree Doctor of Humane Letters from Rochester Institute of Technology.

PENNSYLVANIA NEWSPAPER WINS PULITZER

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. KOSTMAYER. Mr. Speaker, I would like to draw the attention of my colleagues to the third in a series of 10 editorials written by Tom Hylton of the Pottstown Mercury in Pottstown, PA.

These editorials, which won this year's Pulitzer Prize for editorial writing, address a most pressing problem in southerastern Pennsylvania—farmland preservation.

Throughout the Eastern United States, open space and farmland is rapidly vanishing from the congested corridor between Boston and Washington where it is most desperately needed. The landscape of the east coast is being transformed into a chain of cities and sprawling suburbs that swallow up the countryside and the open spaces in between.

These editorials chronicle the tragic destruction of the American countryside and highlight the efforts of a single community in southeastern Pennsylvania to slow it down a bit.

RAMPANT DEVELOPMENT MAY DOOM CHESTER COUNTY'S FARM INDUSTRY

This is the last fall harvest for Horace Mowrer.

"It's no longer farming country," said Mowrer, an East Vincent Township supervisor. Development has taken over.

The first Mowrers came to Chester County from Germany in the 1740s. For six generations, the family tilled Chester County soil. Mowrer has worked his own 104-acre farm and planted several hundred acres rented from neighbors.

Mowrer's son, Michael, will continue the tradition. But not in Chester County. The Mowrers have bought two farms, of 348 acres and 202 acres, in central Pennsylvania.

"The main reason I'd say I'm looking forward to getting out of here is the traffic situation," Mowrer said. "With all the building going on, traffic's going to get heavier." The Mowrers considered another spot in Chester County, but "we couldn't afford anything in this area here."

The Mowrers are not alone. Between 1982 and 1987, Chester County lost 252 farms and 30,037 acres of farmland, not to mention thousands of acres of woodlands and other open space. All went to development.

Aside from a few rural counties with small populations, Chester County is the fastest growing county in Pennsylvania. Lancaster and Bucks counties are close behind.

The urban megalopolis is surging down the Route 202 "high-tech" corridor from King of Prussia into the very heart of the county. Strip malls and luxury-class Levittowns are elbowing into the Brandywine Valley from Delaware. Development spatters from the new Route 422 expressway onto the northern townships.

Last year, 32,400 acres—an area one third the size of Philadelphia—was approved for commercial and residential development.

The Chester County Planning Commission expects the county's population to grow from 340,000 in 1987 to about 400,000 in the year 2000—an increase of 60,000 people in just 13 years. But the planning commission has underestimated growth in the past.

According to existing zoning laws, there is room for more than one million people in Chester County.

This proliferating growth is coming at the expense of Chester County's number one industry—agriculture. Last year, Chester County's 1,800 farms employed about 14,000 people, more than any other industry. With $290 million in cash receipts last year, Chester County ranks second in agricultural output among Pennsylvania's 67 counties, and 11th among the 1,566 counties east of the Mississippi River.

Not only does Chester County have soil that is as fertile as any in the world, a stable climate, and s solid agricultural support industry, it is conveniently adjacent to the fourth largest metropolitan marketplace in the United States.

Does it make sense to destroy the farms to accommodate suburban sprawl?

"Every year we lose 2 to 5 percent of our dairy farms," said Richard Breckbill, president of the Chester/Delaware County Farmers Association. Unless something is done, he said, "there's not going to be any left in 10 or 15 years."

Something you can do to ensure there will be farms in Chester County a decade from now is vote yes on the $50 million bond issue for farmland and open space preservation.

PRESIDENT BUSH ON GI BILL: "ONE OF THE BEST FEDERAL INVESTMENTS SINCE BETSY ROSS BOUGHT NEEDLE AND THREAD"

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. MONTGOMERY. Mr. Speaker, on June 5, it was my privilege to participate in a White House Rose Garden ceremony which recognized the more than one million young men and women in our Armed Forces who are participating in the Montgomery GI bill Education Assistance Program.

This 5-year-old education benefit, along with other incentives, is responsible for a marked improvement in the quality of our military service personnel. Further, it has given thousands who otherwise could not have afforded it an opportunity to go to college and to improve their lives.

The highlight of the Rose Garden ceremony was remarks delivered by President George Bush, whose comments underscored his commitment to education in America. I would like to share with my colleagues his remarks:

REMARKS BY THE PRESIDENT IN CEREMONY RECOGNIZING ONE MILLIONTH PARTICIPANT IN MONTGOMERY GI BILL

Please be seated. Thank you all. And I'm delighted to be here with two members of my Cabinet—Dick Cheney, who's doing an outstanding job leading America's defense forces; and, of course, Sam Skinner, our very able Secretary of Transportation. Chairman of our Joint Chiefs is here, General Colin Powell, Secretary Stone, Secretary Rice. General Gray was to be here, and there he is. And I'm going to omit somebody, so I'll stop right there. But just welcome all of you.

And I also want to recognize, single out, so many members of the United States Congress that are here today. I'm delighted that you are. And, of course, the representatives of the Armed Forces. Most of all, I guess we got to pay tribute to the distinguished representative from the State of Mississippi, the Chairman of the House Veterans Affairs Committee—and the Army veteran for whom this historic bill was named, our old friend, my old friend, Sonny Montgomery.

Sonny—I got to hand it to Sonny. He and I were elected to Congress on exactly the same day many years ago. And he's the one who's got his name on both a major, significant piece of legislation and a gigantic building—Air National Guard complex down in Mississippi.

But today, I'm pleased and honored to welcome you to the Rose Garden and to have this opportunity to tell you personally just how important I believe this program is. From the time it was first launched in 1944, the original G.I. Bill was a huge, bold and successful experiment—an ongoing experiment in which young men and women from all walks of life are given not only a choice, but also a chance—a chance for a higher education and their own piece of the American dream.

In 1945—October—Barbara and I joined the ranks of more than 40,000 couples who headed to college that year on the original G.I. Bill. America's schools were soon swamped with prefab houses and trailers. And by 1946 and 1947, the flood tide had crested—and more than two and a half million veterans had embarked on getting their education.

The G.I. Bill has special importance to me, and special importance to the peace and prosperity that America has enjoyed during the 46 years since it first began. The G.I. Bill changed the lives of millions by replacing old roadblocks with paths of opportunity. And, in so doing, it boosted America's work force, it boosted America's economy and really it changed the life of our nation.

And thanks to people like Congressman Montgomery and other leaders here from both the Senate and the House today, the G.I. Bill has continued to successfully improve and evolve. And I remember some of the tough battles that were fought to get the new bill through Congress. Sonny interrupted one marathon conference session with a rather unique reminder of the needs of the military—and of his own commitment to stick it out. He brought in C-Rations. Well, I've tried C-Rations and eating them on the Hill is my definition of serious commitment.

The success of Sonny's effort is evidence in the young American heroes we salute today—the men and women here representing America's armed services and symbolizing the one millionth participant in the Montgomery G.I. Bill. Airmen like Alabama's Jeramie Brown, who leaves for Munich tomorrow to help tell the story of America through the Armed Forces Network. The Coast Guard's Keith Pyle, who was part of the honor guard last month at the wreath-laying cermony at the Tomb of the Unknown Soldier. Medical Specialists like the Army's Linda Meidling, who's been on the Dean's List at Stockton State College since 1987. And reservists like Chicago's Teryl Speights, who puts in time with two jobs—reading X rays at the West Side V.A. Hospital, and reading radar screens at Glenview Naval Air Base. Those are definitely two jobs, Teryle, that you don't want to get mixed up.

But for America, as for these individuals, the paycheck has been terrific. Today, the Montgomery G.I. Bill ranks among the most practical and cost-efficient programs ever devised; and represents one of the best federal investments since Betsy Ross bought needle and thread.

To begin with, right now the program is more than paying for itself and, even as payouts increase, four decades of experience have taught us that the increased earnings of these educated G.I.s also mean increased tax revenues for America. And the additional education its participants receive continues to produce a technological gain for our country.

Even more important are the improvements in our Armed Forces. The Montgomery G.I. Bill has been an important component in the success of America's all-volunteer forces. And let me just repeat here what Colin Powell and the other Chiefs have told me over and over again—we have never had better men and women in the Armed Forces than we have today. This program contributes to savings because better educated recruits mean training costs and attrition have gone down, while productivity and morale have gone up.

This bill is playing an important role in promoting excellence in our Armed Forces. And it's also playing an important role in promoting excellence in education. Several of its components—choice, flexibility, competitiveness—parallel some of the most important components of the Educational Excellence Act that we sent to the Congress last April; a critical first step in our efforts to revitalize quality in America's schools.

It was passed by the Senate in February. And I believe it's time for the House to act now. So let's make this year of change, a year of progress in education. Let's strike a blow for excellence; and let's get that legislation passed.

Education is our most enduring legacy, vital to everytthing we are and can become. And the Montogomery G.I. Bill is a powerful example of what is right about education in America. Our Armed Forces and our system of higher education are today the envy of the world. And so I'm here to thank you for your important work, the work you do in defending our nation's freedom, in educating our nation's youth, and in ensuring that whether in military might or educational excellence the United States of America stands second to none.

Thank you for coming to the White House today. And God bless you in your efforts. And God bless the United States of America. Thank you all very, very much.

A SALUTE TO JOE GROSS

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. DELLUMS. Mr. Speaker, I rise to salute Joe Gross, who has worked in the past 6 years to improve the quality of public education for all of our children in the city of Berkeley, CA. This work included a 4-year term, 1984–88, on the board of education of the Berkeley Unified School District.

Since the passage of the Gann Initiative, which placed a strict ceiling on taxes in California, school systems all over California have had great difficulty in maintaining a basic level of quality in their schools. Through these difficult times, Mr. Gross maintained a vision that education could be exciting, useful, and delivered fairly to all children.

His diligence in workng with parents and educators was critical in extracting the best that our community could offer and in ameliorating the damage of severe financial cuts. Mr. Gross made critical contributions in these crucial areas:

Making decisions with a priority for allocating resources in the classroom;

Ensuring that all school sites had quality staff;

Developing and enforcing policies on how to group and serve children in the classroom so that all children received the attention they need;

Working as an advocate for children not experiencing academic success in our schools;

Helping families find their way through the system;

Meeting with the community to provide timely information;

Drawing on community talent to advise the Board, and the District, particularly in struggling for racial balance on affirmative action district committees;

Mediating between factions in order to facilitate board decisions which kept serving all children as the top priority;

Meeting with board members to keep lines of communication open, and hostility out of the boardroom;

Initiating meetings with community groups when there was division in the community, especially racial, to try to bridge chasms, and to maintain the focus on improving classroom quality.

On behalf of my constituents, I thank Mr. Gross for his work.

THE PLF TERRORIST ATTACK AT TEL AVIV

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. BLILEY. Mr. Speaker, just last week, an offshoot of the Palestine Liberation Organization [PLO] launched a seaborne attack on the hotel district of Tel Aviv. The players, members of the Palestine Liberation Front [PLF], trained by the Libyan Army, were ordered to "kill any person [they] encountered." All this in an effort to avenge the killing of seven Arabs by a deranged Israeli soldier.

Though the PLF guerrillas were intercepted before any damage could be achieved, or any lives taken, this dispilay of terrorist activity drastically alters the scope and direction of any negotiations between the United States and the PLO on peace in Israel.

It seems to me that in December 1988, the PLO, led by Yasser Arafat, renounced its use of terrorism in a so-called effort to launch negotiations with the Israelis or the United States or any other intermediary in order to begin peace talks in Israel and the occupied territories. As I further remember, the United States had agreed to delve into a dialog as long as the PLO did not continue to use terrorism as a means to achieve its ultimate goal.

The PLF has reacted violently to an act by one deranged former soldier. In 1985, a similar situation took place where the shoe was on the Israeli foot. An Egyptian soldier stationed in the Sinai became uncontrollable and violent, killed 10 Israeii tourists and his commanding officer. Though immediately there was tremendous tension in the Middle East, Israel realized that the acts of one deranged soldier are not representative of an entire nation.

Any kind of fragile trust that may have been established between the PLO and the rest of the international community has certainly been shaken by this outright display of terrorism. The intention of the raid on May 30 was so obviously a terrorist act that it is an affront to the negotiators and those who have made an attempt to meet the PLO as representatives of the Arabs in what had seemed to be a mutual goal of peace. The mere fact that Mr. Arafat will not expel Abul Abbas, leader of the PLF, from the executive committee of the PLO nor will he renounce this terrorist act and dissociate the PLO from it, leaves one to wonder if terrorism could actually be condoned by the PLO. If this is not the case, then one wonders if Mr. Arafat, who claims to be the leader of the Arab people, can truly be the pilot of Arab negotiations and the destiny of the Arab nation.

INTRODUCTION OF THE CAPITAL MARKETS COMPETITION, STABILITY AND FAIRNESS ACT OF 1990

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. MARKEY. Mr. Speaker, today marks the accomplishment of an important step in the effort to reform our financial regulatory structure to accommodate the rapid changes which have overtaken and, at times, endangered our financial markets. I am honored to join the chairman of the Committee on Energy and Commerce, Representative JOHN DINGELL, and the committee's ranking minority member, Representative NORMAN LENT, in introducting the "Capital Markets Competition, Stability and Fairness Act of 1990," at the request of the Department of the Treasury and the Bush administration.

This legislation was prempted by the historic and record-breaking crash of the stock market on October 19, 1987, the mini-crash of October 13, 1989, and recurring episodes of extradinary stock market volatility during recent years. In addition, this bill secures the competitive position of our U.S. trading markets by allowing for the trading hybrid instruments on both securities and commodities exchanges. Currently, new trading products have been removed from trading on securities markets in the United States due to the unintended impact of a Commodity Exchange Act [CEA] provision which mandates the products with an element of futurity must trade exclusively on a futures exchange.

Briefly, the administration's bill calls for the transfer of the regulation of stock index futures from the Commodity Futures Trading Commission [CFTC] to the Securities and Exchange Commission [SEC], the oversight of margin setting on stock index futures by the SEC, and the modification of the CEA to allow for the trading of hybrid products on securities exchanges.

In order to understand the significant of the step we are taking today and to appreicate the deliberative process which has informed the drafting of this legislation, I believe that it is helpful to review briefly the events which have led to the administration's proposal. Following the market's record collapse of 508 points in October 19, 1987, President Reagan formed the task force on market mechanisms, headed by Nicholas Brady, to ascertain the causes of the market's steep decline and to put forward recommendations. On Jauary 8, 1988, the task force made the following five recommendations: First, one agency should regulate intermarket issues affecting our financial markets; second, clearing and settlement systems should be coordinated; third, margins should be consistent aross the markets; fourth, circuit breakers regulating trading should be implemented; and fifth, information systems should be established which allow transactions and market conditions to be monitored.

In response to the recommendations of the Brady Commission's report, the working group of financial markets was instituted by Executive order in March 1988. The working group was chaired by the Secretary of the Treasury, or his designee, and included as members the Chairman of the SEC, the CFTC, and the Federal Reserve Board. The working group presented its first report in May 1988, and at that time, recommended the implementation of circuit breakers, urged progress on coordinated clearance and settlement, and supported the continuation of the group as a forum to resolve intermarket issues and disputes.

Since that time, our financial markets have suffered through recurring bouts of extraordinary volatility and the minicrash of October 13, 1989. In addition, during this period new financial products have fallen victim to cross-jurisdictional law suits which have stopped the trading of certain products. Given these events, the chairman of the working group, Robert R. Glauber, the Treasury's Under Secretary of Finance, revisited the group's earlier recommendations and has drafted the administration's current proposal. We are now in the situation where three members of the working group are supportive of the administration's proposal and the CFTC remains opposed.

I believe that it is adundantly safe to say that the working group has not rushed to judgment. Clearly, many had hoped that the working group would provide the necessary structure and mechanism for resolving intermarket issues and for keeping pace with our rapidly changing financial world. We've tested that hope for the last 2 years. It's now time that we recognize the limitations of such an approach and move on to reach a legislative resolution. Indeed, the inability of the working group to reach a unanimous consensus on market reform issues indicates that we cannot continue to rely on the working group mechanism as a substitute for legislatively mandated structural reforms.

My views are well known. I support the basic recommendations of the Brady report and I had introduced legislation in 1988, H.R. 4997, with my colleague, Mr. JIM COOPER, to implement the basic recommendations of the Brady report. That legislation and the administration's proposal is based on the underlying premise that the stock market and its derivatives are closely linked and that our regulatory scheme should reflect market realities. I believe that our regulatory structure should be as smart as our most innovative traders and the trading strategies they employ. Our current bifurcated regulatory structure has become an unnatural structure which we are now straining to make fit or rapidly changing financial markets. Unfortunately, between the regulatory cracks slip investor confidence in the stability and integrity of our securities and futures markets. And there is the possibility that market manipulations that span our securities and futures markets are made more easy by our current bifurcated scheme. We certainly pay a price for our current regulatory structure, and I believe that that price has been far too high.

We seem to have forgotten a fundamental fact—our financial markets are designed to aid the capital formation process. When our Nation's capital formation system is impaired and endangered by an inappropriate regulatory structure, we must take the necessary steps, however painful, to quickly impose a remedy.

For that reason, I urge my colleagues, and all interested individuals, to work closely with me in supporting the administration's proposal and in refining and improving this proposal in the coming weeks as the Subcommittee on Telecommunications and Finance continues its consideration of this legislation.

HORACIO AGUIRRE DAY

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. FASCELL. Mr. Speaker, it is with great pleasure that I rise today to call the attention of our colleagues to a recent act of the Florida Legislature which as declared May 1 as Horacio Aguirre Day in recognition of his outstanding civic contributions on behalf of his community and the State of Florida in general.

Dr. Aguirre, a native-born American of Nicaraguan descent, is active not only in his community and profession but throughout the hemisphere. He participates in numerous civic, commercial, and professional associations in this country and is a highly respected member of the Inter-American Press Association. He has been decorated by the Governments of Panama, Ecuador, the Dominican Republic, and Spain.

Certainly, the honors and awards that he has received over the years distinguish him, but it is by means of his work that we best know and appreciate him. On July 4, 1953, Dr. Aguirre founded Diario Las Americas, a nationally circulated Spanish-language newpaper. Thomas Jefferson said that if he were forced to choose between government without newspapers or newpapers without government, he would choose the latter, so strongly did he feel about the importance of the press in our society. Yet, without Diario Las Americas, many of our Spanish-speaking citizens would have government without a newspaper.

The great public service that Dr. Aguirre's paper performs is that of opening up the possibility of full participation in national and community life. The news pages inform his readership about local, national, and international events. In his editorial pages, Dr. Aguirre has been a staunch foe of communism and a forceful advocate for democracy. Community news items let readers know when and where neighborhood and cultural events are to be held so that they may attend. Advertising pages tell them about employment opportunities and available goods and services. For many, Diario Las Americas has been a passport to American society. We owe Horacio Aguirre a profound debt of gratitude for enriching our community life by the participation of so many who might otherwise have been excluded.

On a personal note, I have known Dr. Aguirre and his family for over 30 years. His children are following his outstanding example of good citizenship and community involvement.

I commend the Florida Legislature for recognizing Horacio Aguirre's contribution to our society and I join wth them in saluting his many achievements.

IN HONOR OF ELLEN SCHMALL

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. LOWERY of California. Mr. Speaker, it gives me great pleasure to call your attention to Mrs. Ellen Schmall, an outstanding businesswoman and community leader from California's 41st Congressional District.

Mrs. Schmall is currently chief executive officer for the Point Loma Federal Credit Union. She has held this position since 1962. During her tenure, the credit union has increased its assets from $1 million to $150 million; its membership has grown from 2,000 to 32,000; the number of branches has expanded from 1 to 8, and the staff has leaped from 2 to 150. Today, the Point Loma Credit Union is one of the most successful in San Diego.

The Point Loma Credit Union has not been the only organization to benefit from Ellen's leadership. Although she has spent countless hours at her vocation, she has still found time to assist the San Diego Peninsula Chamber of Commerce where she serves on the board of directors and on the education committee.

Ellen Schmall's tireless efforts have led to numerous awards and distinguished achievements. She presided over the merger of the Naval Undersea Center and Employees Federal Credit Union, and she was instrumental in the construction of the credit union headquarters in 1977.

And now, after 30 years of devoted service, Ellen Schmall has decided that it is time to begin a new chapter of her life. On June 30 of this year, she will be retiring. Mr. Speaker, please join me and the people of San Diego in saluting Mrs. Ellen Schmall for her dedication and commitment. We wish her continued success and happiness in her future endeavors.

FLAG PROTECTION AMENDMENT

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. GALLO. Mr. Speaker, yesterday, the U.S. Supreme Court, on a narrow 5–4 decision, struck down the antiflag desecretion law passed by Congress last year.

As a result, I am renewing my call for a constitutional amendment to protect the American flag from desecration by giving Congress and the States the constitutional power to enact laws on this subject.

This is an emotional issue for many people, as it should be, but it is not one that threatens the Bill of Rights, as its opponents have claimed, any more than current laws that protect our Capitol from desecration limit the right of free speech.

Our flag belongs to all of us, as a people, but it is not private property, any more than the U.S. Capitol is private property.

When protesters defaced the steps of the U.S. Capitol recently with a red substance that they said was blood, they were arrested.

That same legal protection should be extended to our flag, but the Supreme Court has now left us with only one alternative, if we are serious about protecting our flag, as we would protect the Capitol or the White House. That is to amend the Constitution to provide specifically for its protection.

When we talk about protection of our flag, we are not talking about a piece of cloth. This goes to the heart of our national pride and identity, and the sacrifices of those individuals who have defended our national principles to the ultimate.

We are talking about those 1.1 million young people who carried that flag into battle but did not come back.

We are talking about the millions more who did come back, some with permanent injuries, who were willing to risk their lives to carry that flag into battle.

We are also talking about the 2,377 Vietnam veterans nationwide, include 64 in New Jersey, who are still missing in action.

And, when we talk about our flag, we are talking about our future as well. We do not condone desecration of our public buildings and our flag should be allowed the same protection under the law.

Mr. Speaker, as a cosponsor of several joint resolutions proposing an amendment to the Constitution allowing Congress and the States to protect the flag, I was willing to support the attempt to provide a legislative protection for our flag, but the U.S. Supreme Court has now removed that alternative by its decision.

Now, that the law has been struck down, I am renewing my call for an amendment. We were promised a vote on an amendment by the leadership of this body and I am pleased that this vote will take place in a timely fashion.

THE IMPACT OF DEFENSE SPENDING ON AEROSPACE FIRMS

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. BUECHNER. Mr. Speaker, I rise today to share with my colleagues a revealing article by Sal Monaco and Stan Feldman which discusses the impact of defense spending on aerospace firms.

Today, there is much talk about arbitrary spending reductions, and too little discussion on the ramification of such indiscriminate, drastic cuts. There are many of us who are quite concerned with not only the threat to our national security which such cuts may pose, but also the possible disappearance of the defense industry's productive capacity. As a result of recent increases in defense spending, the Department of Defense will be forced

to spend more money for fewer defense goods unless some means of maintaining market value and maximizing shareholder equity can be achieved.

"The Impact of Defense Spending on Aerospace Firms," has done a remarkable job of discussing this topic and in expressing the need to preserve the synergy of the relationship between the defense industry and the aerospace industry.

Mr. Speaker, I urge my colleagues to review this article to better familarize themselves with this close relationship and the very meaningful purposes these industries serve.

THE IMPACT OF DEFENSE SPENDING ON AEROSPACE FIRMS

(By Sal Monaco and Stan Feldman)

Aerospace Sales and Profits Surged in the 80's

The decade of the 90's, already remarkable for the rapid growth of world democracy, will impact the fabric and structure of U.S. industry as no period has since the industrial revolution. U.S. manufacturing, already reeling from the surge of competition from Western Europe and Asia will be sorely tested to maintain its world dominance in high technology production as world markets expand and global competition intensifies. At the same time, U.S. industry must learn to cope with continuing and significant downturns in DoD investment.

Although some have argued that DoD purchases in the 80's were inefficient, trying to do too much too fast, the fact remains that this infusion of spending into the U.S. industrial base fostered the rapid growth of major defense firms as well as the introduction of many second- and third-tier suppliers to the defense industry. Defense and aerospace firms reaped the rewards of this surge growing revenues by 160% and profits by 71% from 1979 to 1989 (See Figure 1).[1]

The Current and Past Environment

The build-up in defense expenditures in the early 1980's required that American industry rapidly expand its capital base and labor supplies in order to meet this large and growing demand. In some industries, the defense build-up resulted in the employment of under utilized capacity while in others it required new additions to capital. Both the size of demands and the speed with which the build-up was taking place gave rise to concerns that the increments to defense spending would be inflationary and therefore potentially destabilizing. As it turned out, the build-up was not inflationary and was a prime contributor to stable economic growth during the decade of the 1980's.

Today, the situation is entirely different. In certain respects the current environment may be more destabilizing to the economy and our defense capability than any period since the early 1970's. While the spread of democratic movements abound, the direction they will take and the U.S.'s ability to control events that might impact our national interest in an adverse way is far less certain. While the potential for peaceful coexistence is probably greater today than at any time during this century, the outlook for the future is more variable and the role of U.S. more uncertain. The long-term outlook for reduced federal spending for defense, has resurrected the policy of keeping new technology "on the shelf" and maintaining an industrial capacity to surge when needed, i.e., maintaining only limited production while continuing R&D. In such an environment, the degree to which the defense industrial base can contract without limiting its ability to expand on short notice is more critical than ever.

The Shrinking Defense Budget and Its Impact on the Aerospace Industry

Given the perceived potential for peace and the severe budget crisis the U.S. currently faces and will face in the future, deep cuts in the defense budget come as no surprise. There is a cost, however. Cutting defense spending may well result in the inability to resurrect our military industrial capability in case of an emergency or, more likely, the lack of capital and labor skills necessary to produce needed avionics for aircraft, propulsion systems for submarines, etc. In addition, this will deter commercial spillovers and, subsequently, the ability of U.S. industries to compete globally.

When customers leave, firms either find new customers or they go out of business. In the case of companies whose primary customer is the DoD, their likelihood of survival in large part depends on their willingness to downsize or their ability to transition to commercial products where they can use their valuable skills and technologies. To the extent they can do this, their capital base does not go away but is rather transformed at some expense (dollars and time). The size of this expense depends on the degree of substitution between civilian and military capital. The greater the substitutability the easier it is to transition, and the less likely the portion of the industrial base capable of meeting defense demands will be compromised by a cut in defense expenditures.

To the extent that defense capital and civilian capital are not substitutes, real cuts in defense spending will result in a real reduction in the defense capital base. This reduction will first take the form of unutilized capacity and as time goes on a real depreciation in the asset base. Put differently, defense sector capital that is released from defense production may have little or no market value if it cannot, at minimum cost, be transformed and used economically for non-defense production. Hence, it would be irrational for private companies to hoard it waiting for that distant day when defense demand will require its use. It is this development that should concern the DoD the most since it indicates that productive capacity will actually disappear and not be available if an unpected military build-up were it required.

Industry executives, critically aware of the need to maintain market value and maximize shareholder equity, will seek growth opportunities in the 90s. To the extent that the corporate culture will adopt to commercial ventures, some firms will enter the commercial marketplace more aggressively than others, and some firms not at all—nevertheless, they must turn their attention to these markets if they wish to achieve growth rates that they became accustomed to in the 80s. As defense demand declines, industry production for defense will decline, resulting in fewer major contractors and much fewer second and third tier suppliers. At the same time commercial opportunities will attract businesses away from their traditional markets and the portion of U.S. industry allocated for defense will drop resulting in a much smaller skilled labor force to draw if the need arises. DRI estimates that the portion of U.S. industry allocated for defense will drop from 25 percent to 15 percent during the 90s (See Figure 2).

From another perspective, a shrinking defense capital base is equally problematic. If the fixed defense resource base is large relative to the level of demand in the current and future defense budgets, it follows that fixed costs will be spread over fewer units of defense output thus resulting in an increase in unit costs. To the extent that this cannot be offset by a productivity increase, unit prices will rise in order to maintain unit margins. If prices rise by more than demand declines, then the DoD would be in the unenviable position of spending more money on fewer defense goods. On the other hand, if unit margins are allowed to decline (defense firms cannot pass on incremental costs above productivity gains in the form of higher prices) firms will exit the industry thus allowing incumbent firms to utilize their capacity more efficiently. This will in the end result in a smaller number of firms serving defense and consequently, a smaller defense capital base which translates to less capacity to surge if the need arises. Although unit costs and hence unit prices of defense goods may be no larger than they were when the defense industrial base was larger, the capacity will have diminished.

This suggests that as real resources are removed from the defense sector and as that sector adjusts, we can anticipate, for a period of time at least, aerospace firms leaving the defense business (lost or transitioned capacity); and unit prices of defense goods rising as plant utilization declines and profit margins drop.

[1] Sales and operating profits for the firms comprising Standard and Poor's Aerospace Industry Group: Boeing, General Dynamics, Grumman, Lockheed, McDonnell Douglas, Martin Marietta, Northrop, Rockwell, Raytheon, United Technologies.

THE "FLYING DUTCHMAN" LANDS THE BIG ONE FOR TEAM SHIERSON

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. PURSELL. Mr. Speaker, I would like to take this opportunity, as the proud Representative from Michigan's Second District, to pay tribute to the home racing team which won this year's Indianapolis 500.

Driver Arie Luyendyk, dubbed the "Flying Dutchman," powered the Douglas Shierson Racing Team of Adrian to its first Indy 500 win on May 27. From his third position start, Arie drove to an amazing win at the old brickyard—and his first Indy-car victory to date. And what a way to make your break onto victory lane, by capturing racing's crown jewel, the Indy 500.

The Shierson win also had another Second District tie—team sponsor, Domino's Pizza, is headquartered in Ann Arbor.

Mr. Speaker, as you know, winning the Indy 500 is a team effort and the Shierson win was no different. The members of the Shierson team each contributed to the record run.

I would like to acknowledge those individuals at this time. Members of the team, in addition to owner Doug Shierson, are Neil Micklewright, team manager; John Dick, chief engi-

neer; Mike Battersby, chief mechanic; Brad McCanless, mechanic; Dan Miller, mechanic; Richard Walker, mechanic; Bob Aiken, mechanic; Mike Litwaitis, fabricator; Fred Crook, gearbox man; Rob Sack, assistant engineer/computer man; Richard Gaiera, truck driver; and Cory Hoonhout, painter.

Mr. Speaker, I ask my colleagues to join me in paying tribute to this year's Indy 500 winners: Arie Luyendyk, Team Shierson, and Domino's Pizza.

COMMENDATION OF EASTMAN KODAK'S EDUCATION EFFORT

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. HORTON. Mr. Speaker, I would like to commend the Eastman Kodak Co., Rochester's largest employer, for their outstanding effort to improve education. In collaboration with the Rochester City School District, Kodak will be implementing programs designed to improve the quality of education and increase students' interest in math and science.

Plans include the establishment of prekindergarten learning centers with a focus on science. In addition, Kodak employees will enter city schools and work with the teachers to enhance and expand science and math curriculum. Elementary and secondary students are being invited to visit Kodak facilities. Similar plans are being made in other communities throughout the Nation where Kodak has facilities.

In embarking on this program, Kodak is taking an unprecedented step toward the improvement of education. I would like to call attention to this creative and much-needed effort. Kodak is clearly taking the initiative to get our Nation's educational system on the right track. It is a program which others can copy as well.

Since Kodak will be lending its staff, the project will not require a significant amount of spending. As a result, not only will students and teachers profit, but Kodak and the surrounding community will also benefit by improving the potential work force.

I want to make special mention of Kay Whitmore, the new CEO of Kodak, and his predecessor, Colby Chandler, who have made working with the educational community in Rochester a high priority. Both men deserve tremendous credit for taking the lead with this program. Colby has long been a vocal proponent of having business become actively involved with education. I am glad to see that Kay plans to build on the foundation which Colby has laid with this innovative program.

I urge my colleagues to bring the Kodak example to the attention of businesses in their districts. We can all learn from Kodak's innovative approach to solving some of the pressing problems in the field of education.

RECOGNITION OF DAVID J. KEARS AS AN OUTSTANDING PUBLIC ADMINISTRATOR

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. STARK. Mr. Speaker, I rise today to pay tribute to Mr. David J. Kears, agency director of the Alameda County Health Care Services Agency, in California's Ninth Congressional District. Mr. Kears is being recognized as an outstanding public administrator for his extraordinary efforts at Highland General Hospital, in Oakland, CA.

David Kears was born in Oakland, CA, where he still resides with his wife, Muriel, and their family. His early years in Oakland combined an enthusiasm for academic achievement and a passion for basketball.

Mr. Kears' scholastic endeavors took him to the University of California, Berkeley, where he graduated in 1968 with a major in liberal arts and a minor in sociology. He continued his graduate work at Berkeley and received a masters degree in 1970 in social welfare with a psychiatric casework specialty. He also holds a clinical social work license.

While in school, Mr. Kears performed his internship at the Sonoma State Hospital and Children' Guidance Clinic in Palo Alto. After graduation he went to work as a psychiatric social worker at Napa State Hospital. He thrived in that setting from 1970 to 1974 and advanced to assistant program director. Beside sharpening his own clinical and managerial skills during that period, he improved relationships with surrounding counties and expanded and revised Napa's ward programs.

Mr. Kears began his career in Alameda County as a psychiatric social worker in 1974. In the ensuing years, Mr. Kears held many department head positions in the Health Care Services Agency. In March 1986, Mr. Kears was appointed to the agency director position, at which time he not only took over the reins of the agency but also became acting director of Highland General Hospital during a time of reorganization.

As director of health care, Mr. Kears is responsible for providing overall director, consultation, and troubleshooting to the six departments which now comprise the agency and include: mental health services, community health service, alcohol and drug services, environmental health, Fairmount Hospital, and Highland General Hospital. He makes sure care is provided to people who otherwise would not receive proper attention. In an article he wrote for the Oakland "Tribune on April 23, 1990, "Highland's Dire Need for a Transfusion," he stressed the fact that "without Highland Hospital there would be no health care for thousands of people already pushed out of private hospitals by their inability to pay."

Mr. Speaker, I would like to commend Mr. Kears for outstanding efforts as the agency director of the Alameda County Health Care Services Agency. Mr. Kears is truly committed and has dedicated himself to providing proper health care to all residents of the Alameda County area.

CONGRATULATIONS BOB COTTINGHAM, JR., 1990 NATIONAL SABRE CHAMPION

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. PAYNE of New Jersey. Mr. Speaker. I would like to take this opportunity to congratulate Bob Cottingham of Orange, NJ on his recent victory at the U.S. Fencing Association national championships competition in Salt Lake City, UT. On Sunday, June 10, 1990, Bob Cottingham slashed and thrust his way to become the gold medalist in the men's sabre final.

Bob is a 1986 graduate of Columbia University where he led the Lion's to first place positions at the Ivy League championships, the Eastern championships and the National Collegiate Athletic Association [NCAA] championships. In 1986, Bob became the NCAA champion. His other accomplishments include participating as a member of the Olympic Fencing Team in Seoul, Korea.

Mr. Speaker, Bob's accomplishments in academics and fencing are attributable to his commitment to excellence and perserverence. He is also committed to sharing his experiences with the young people in the 10th Congressional District. He has spoken to many school students about fencing, careers, setting goals and achieving them. I believe he is a positive role model for our youth and an asset to our community.

Mr. Speaker, I know my colleagues join me in congratulating Bob Cottingham on his most recent accomplishment and wish him continued success in reaching all of his goals.

INTRODUCTION OF RURAL SMALL BUSINESS WEEK JOINT RESOLUTION

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. McDADE. Mr. Speaker, today I am introducing a joint resolution to honor America's rural small businesses. These firms are emerging as the lifeblood of our rural communities and their importance, as well as their nagging problems, needs to be recognized by the Congress and the citizens of the United States.

During the 1980's, urban areas of the United States enjoyed robust economic growth. Much of the credit for this activity accrues to the small entrepreneur in these metropolitan areas. These overachievers were responsible for roughly 92 percent of the over 10 million small business jobs created during the decade. These jobs help lift the American economy from the stagflation recession days of the late 1970's and today remain pivotal in the continuation of the longest peacetime expansion in our country's history. Today, 6 of every 10 U.S. workers are employed in a

small firm and nearly 40 percent of our gross national product is generated by them.

The vital role these concerns play in maintaining the health of the American economy is now being emulated internationally. The fall of the Iron Curtain in Eastern Europe and the initial plodding steps toward a mixed economy in the Soviet Union have spurred demand on behalf of the peoples of these nations to own and operate small businesses. The leaders of these countries, recognizing the catalytic impact these firms can have in producing economic growth, have acceded to these demands. Again, the world responds to concept and practices begun in America.

It is unfortunate, therefore, that the United States itself does not more aggressively apply the lessons learned from the success of small urban U.S. businesses and apply this knowledge to rural areas. During the 1980's, while the rest of the United States basked in economic prosperity, over half of all rural countries saw their unemployment rates skyrocket to over 10 percent. And, whereas small businesses located in metropolitan areas created just under 9.5 million new jobs in that 10-year period, now-metropolitan areas generated only 816,000—this despite the fact that over 24 percent of all U.S. citizens live and work in such locations. If rural America is to survive, given the changing character of the farm economy, more effort and determination is going to have to be expended by all parties concerned—Federal, State, and local government, as well as rural citizens. It is to help begin this process that I offer this measure.

By focusing the Nation's attention on rural small businesses for a week late this summer, I hope that all Americans will take special note of their importance to the overall health and prosperity of the United States. I urge my colleagues to join me in this tribute.

A TRIBUTE TO THE EDUCATIONAL ALLIANCE

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. GREEN of New York. Mr. Speaker, I rise today to honor the Educational Alliance, which is celebrating its 100th anniversary. Since its formation in 1889, the Educational Alliance has been devoted to helping those in need.

On Thursday evening, June 7, 1990, a spectacular event was held to commemorate the publication of "The Educational Alliance: A Centennial Celebration." That book, written by Adam Bellow, describes the rich history of the agency and its enormous contributions to the community.

The celebration centered around a magnificent exhibit of all the photographs in the book. Those pictures document the hardships of Eastern European immigrants arriving at Ellis Island as well as photos of their daily lives on the lower East Side of Manhattan. Also included in the exhibit are photographs of the participants of the many programs sponsored by the Educational Alliance.

The Educational Alliance is an overall social service agency that offers programs ranging from art classes to drug rehabilitation. It takes great pride in the services it provides and the accomplishments it achieves. It began as a settlement house serving its immediate area. Its founders were part of the uptown German-Jewish establishment who felt obligated to aid Eastern European immigrants, by showing them how to take advantage of the American way of life.

Thursday night's event was part of a larger 4-year celebration of the Educational Alliance's centennial. The festivities are being held over a 4-year period as this was the length of time it took the founders to gather enough money to build the first building.

I should like to take this opportunity to congratulate and commend all those who contributed in making the Educational Alliance what it is today.

PHILIPPINE INDEPENDENCE DAY

HON. JOHN MILLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. MILLER of Washington. Mr. Speaker, as the Filipino-American community celebrates the independence of the Philippines today, I want to join you in observing this important occasion.

The Filipino-American community in the United States, by sharing its curtural heritage, makes our country a dynamic and diverse society. The Filipino-American community in the First Congressional District should be commended for their dedication to serving and strengthening the community and the Northwest.

I am proud and honored to represent the Filipino-Americans of the First District and I look forward to working with you in the future.

DETECTIVE JAMES GARCIA: MAKING OUR COMMUNITIES SAFE

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mrs. LOWEY of New York. Mr. Speaker, I rise today to pay tribute to an outstanding American whose dedication and commitment have made New York State a safer place to live.

Detective James Garcia has been a true leader in our communities' crusade against illegal drugs. Through his tireless efforts, a $70 million drug ring was uncovered in New York State. This discovery has significantly reduced the flow of drugs in New York State.

He has been recognized by the New York State Legislature for his outstanding performance in the line of duty and his diligence in our Nation's war against drugs. He also bears the distinction of being the most decorated police officer in the entire Mount Vernon Police Department.

Despite threats to his life, he has bravely continued in service to the people of the Mount Vernon community. I believe that it is clear that Detective Garcia has made a significant and positive contribution to our community and his record of service and dedication should be recognized by his fellow citizens and should serve as a model for all to emulate.

IN SUPPORT OF FREEDOM TO EMIGRATE

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. SAXTON. Mr. Speaker, I would like to take this opportunity today to take part in the Annual Congressional Call to Conscience Vigil for Soviet Jews by pledging my full support for the refuseniks, and to encourage the Soviet Union to grant emigration rights to this persecuted people.

American commitment to human rights such as freedom, democracy, and the basic right to emigrate is an integral part of our public policy. It was quite unfortunate that the Soviets, on February 22 of this year, unilaterally dissolved previously agreed upon direct commercial air flights between Moscow and Tel Aviv. This unwelcome action once again demonstrates Moscow's half-hearted commitment to human rights and true democracy.

In this sense, I urge the President to reconsider waiving the 1974 Jackson-Vanik amendment that prevents the granting of most-favored-nation status to a country, such as the Soviet Union, that denies its citizens the right or opprotunity to emigrate. The simple objective should be that the United States will support President Gorbachev's reforms only so long as they lead to democratic results—one of which should be its relaxation of emigration.

I would like to relate to you, Mr. Speaker, the plight of two refuseniks who I am particularly concerned about, Lev and Lia Milman, who have been consistently refused permission to emigrate on the pretext that Mr. Milman has learned state secrets before he retired in 1979. This refusal to grant exist-visas is a violation of the Final Document of the Helsinki Review in January of 1989, and a demonstration of the hollowing of glasnost.

The Milmans appealed their case to learn that the review, which was scheduled for 1991 or 1992, will not be considered until 1995. Both Mr. and Mrs. Milman suffer from serious medical attention and deserve to live the rest of their lives with family members. Mr. Milman is a 77-year-old suffering from a heart disorder and fading vision as the result of glaucoma, and Mrs. Milman is in need of medical attention for her severe kidney problem.

Mr. Speaker, I would like to implore that the Soviet Government allow those who live in constant fear of persecution the chance to emigrate. It is of paramount importance that we show our support for the granting of human rights in the Soviet Union.

TRIBUTE TO REV. ROOSEVELT AUSTIN, SR.

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. TRAXLER. Mr. Speaker, I rise to honor the Rev. Roosevelt Austin, Sr., pastor of the Zion Baptist Church of Saginaw. He received the Second Annual Image Award on Friday, June 8, at the Saginaw Civic Center's Unity Hall. He was honored for his many outstanding contributions as a minister, civic and political leader in the Saginaw community.

Roosevelt Austin was born August 17, 1926, in Plasiance, LA, the first born of 12 children. His father died when he was very young and he helped raise his younger brothers and sisters while his mother worked. Although he endured many trials and tribulations as a child, he remained focused on the pursuit of his education and finally received his high school diploma at the age of 23.

As a spirited young man dedicated to the ideals of serving. Roosevelt Austin listened to an inner voice that persuaded him to become a Baptist minister. After he was ordained in 1953, Reverend Austin came to Saginaw to deliver his message of faith and goodwill as an assistant at the Zion Baptist Church. Because there wasn't enough money for him to concentrate on pastoral duties in the early years, he worked for General Motors and the Saginaw Community Hospital while he traveled to Detroit 2 nights a week for 3 years to earn his degree.

Over the past 35 years, Reverend Austin has taken his message from the pulpit into our community. He is a past member of the Saginaw City Council and has been a key ministerial representative on the Governor's Initiative on Substance Abuse. He currently serves on the board of directors of the Opportunities Industrialization Center of Metropolitan Saginaw and the Second National Bank. He has served on the Delta College Committee of 100, a citizen's group which provided the college a comprehensive blueprint for programs, facilities, and operations for the next century.

Today, he continues to give a fine sense of achievement and excellence to our youth. Our Saginaw community has a great deal of gratitude and thanks for his tireless public service. Please join me in celebrating Reverend Austin's special talents as he receives the Second Annual Image Award.

THE RECENT SUPREME COURT DECISION ON FLAG BURNING

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. WEISS. Mr. Speaker, once again, the Supreme Court has correctly ruled that flag burning, although offensive, is protected by the first amendment.

As one privileged to have been granted American citizenship, served in the U.S. Armed Services and been elected to Congress, I reaffirm my respect for the flag and the ideals it represents. In no way is that respect mitigated by my support of this decision.

What makes the United States unique among most other governments, what makes us such a great democracy, is that we do not silence certain types of political expression simply because we disagree with them, or find them offensive.

I would remind my colleagues that unhampered political dialog is the lifeblood of democracies. We in Congress have a responsibility to foster and protect that dialog. Any legislation banning flag desecration is a curb on political speech and an abdication of congressional responsibilities.

I urge my colleagues to stand by the court's decision. True leadership in a democratic nation requires courage to tolerate views we find abhorrent. Now, more than ever, we in Congress need to assert that leadership.

IN MEMORY OF SAMUEL H. ADLER

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. SMITH of Florida. Mr. Speaker, the community of south Florida has lost a great friend and philanthropist. Samuel H. Adler of Miami, FL, died of cancer 2 weeks ago at the age of only 66. Sam was a devoted husband, father, grandfather, developer, and philanthropist who cared about the quality of life of many people. He is survived by his loving wife, Bernyce; his children Michael, Karen and Sara; and five grandchildren, Matthew, David, Rachel, Jonathan, and Daniel.

Sam was a former president of the Greater Miami Jewish Federation, a vice chairman of the Mount Sinai Medical Center's Board of Trustees, and a national vice chair of the United Jewish Appeal. In these and many other civic and philanthropic endeavors, Sam's ability to touch the soul of those with whom he came in contact was rare and remarkable.

Although he was a successful real estate developer in New York and southern Florida, he was most proud of the Federation Housing Program, which he founded to provide quality shelter to elderly underprivileged people. Sam also derived pleasure in providing the means and structures that brought learning and health care to the community. He donated the Adler-Shinensky libraries to the Central Agency for Jewish Education and to the Miami Beach Hebrew Academy. Additionally, Sam was president of Mount Sinai Hospital's foundation and helped launch its first capital campaign.

Simply put, Sam Adler immersed himself in working for the common good; including serving as a director of the Jewish Home for the Aged, the National Foundation for the Advancement of the Arts, and the New World Symphony.

South Florida was lucky when Sam Adler decided to move with his family from New York almost 32 years ago. His activism and zest for life touched so many. He had many friends in southern Florida, in the Jewish community, and around the world. He has left a legacy with his children and grandchildren of caring and concern for people, and a belief that helping others is the highest calling to which we can aspire.

His son, Michael, has begun to assume his mantle at home in Florida and nationally. His wife, "Bunny," continues her charitable and philanthropic work. His grandson, Matthew, who just celebrated a bar mitzvah, carries on the tradition as well.

Many of us were proud to call Sam Adler our friend. He shall be deeply missed.

A SALUTE TO CLIFFORD MING WONG

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. DELLUMS. Mr. Speaker, I rise to honor my constituent, Mr. Clifford Ming Wong, as he retires from 35 years of distinguished service with the Berkeley Unified School District.

Clifford Ming Wong epitomizes all that is positive in the word "educator" in the State of California and this Nation. He has touched the lives of thousands of children through his work as teacher, counselor, dean, vice principal, personnel director, and assistant then associate superintendent.

The loyalty, integrity, sound judgement and devotion to duty of Clifford Ming Wong is legendary in the Berkeley schools. Over the years he has established and maintained open lines of communication with Berkeley's economically and politically diverse multiethnic, multilingual population so that former students, parents, and colleagues continue to turn to him for his astute advice.

Mr. Wong was born into a large, part immigrant Chinese family, and raised in the height of the depression. This experience helped to form his character which takes family and community responsibility seriously. His athletic prowess, quick mind and language facility helped him in his youthful endeavors with the San Francisco Recreation Department, San Francisco YMCA, and the Post Office. He answered the call of service during the Korean war where he further developed his appreciation of human worth. When he returned from Korea and Japan, he continued formal studies which eventually led to four credentials and a lifetime in education.

The career of Clifford Ming Wong is a living testament against prejudice and social injustice. His strong belief in the goodness of humanity has been translated into action as husband, father, uncle, grandparent, civic supporter, education leader, athlete and friend.

Clifford Ming Wong is an honorable citizen who has given much to the people and the city of Berkeley. I am proud to pay tribute to him today.

A TRIBUTE TO DR. BETTY H. SLAUGHTER

HON. IKE SKELTON
OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 12, 1990

Mr. SKELTON. Mr. Speaker, I rise before you and my fellow Members today to pay tribute to Dr. Betty H. Slaughter who has served the county of Lafayette in Missouri for the last 49 years and retired on June 1 of this year.

Dr. Slaughter graduated from the Kirksville osteopathic school, one of only 14 women in her class, in 1936. She served internships in Kirksville and Wichita and had her residency in Denver. She spent 1 year in general practice in Louisville, KY, before moving to Lafayette County in 1941 so that she could be closer to her brother, Dr. E.F. Slaughter. Her only move since her arrival in Lafayette County was to the office across the hall in the building she set up residency in on Main Street.

Dr. Slaughter was one of five children of a former county judge. Dr. Slaughter, also the niece of several osteopathic physicians, had envisioned herself entering the medical field from a very young age. Dr. Slaughter never discouraged anyone from entering the medical profession but always stressed that it was the healing of people that was the most important goal of a doctor.

Dr. Slaughter has healed countless numbers of patients. Handling everything from the common cold to the most death threatening of injuries, she has been a pillar in her community during her entire career. The county of Lafayette, as well as the medical profession, is not just losing a doctor, but also a great humanitarian as well. Join me in celebrating the fantastic record of service of Dr. Betty H. Slaughter and wishing her the most joyous retirement.

SENATE—*Wednesday, June 13, 1990*

(Legislative day of Monday, June 11, 1990)

The Senate met at 10 a.m. on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. The prayer will be led by the Chaplain, the Reverend Richard C. Halverson.

Dr. Halverson.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

*Wherewithal shall a young man cleanse his way? by taking heed thereto according to thy word. * * * Thy word have I had in mine heart, that I might not sin against thee.*—Psalm 119:9, 11.

Eternal God, perfect in truth and love, we thank You for the words of the Psalmist, guiding us in the way of righteousness. Life is perishable, Lord. We wear out and run down, defeated by circumstances, despite Your promise to sustain us in the struggle and enable us to triumph over circumstances. We were meant to be victors rather than victims of life's exigencies and burdens. Yet so often we capitulate to our weaknesses and propensity to evil. Help us Lord, in humility, to acknowledge our need of Thee and our dependence upon Thee that we may maximize our effectiveness as representatives and leaders. In Jesus' name whose life was a model of integrity, justice, and love. Amen.

The PRESIDENT pro tempore. The Senate will be in order.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. Under the standing order, the acting majority leader is recognized for 10 minutes.

THE JOURNAL

Mr. HOLLINGS. Mr. President, on behalf of our distinguished leader, Senator MITCHELL, I ask unanimous consent that the Journal of the proceedings be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. HOLLINGS. Mr. President, this morning following the time for the two leaders, there will be a period for morning business not to extend beyond 10:30 a.m. with Senators permitted to speak therein for up to 5 minutes each.

At 10:30 this morning, the Senate will resume consideration of H.R. 987, the Tongass timber bill, with Senator GARN's Greens Creek amendment pending and the only remaining first-degree amendment to the bill, with germane second-degree amendments in order to that amendment.

On behalf of Senator MITCHELL, I would like to alert Senators that at least two rollcall votes are possible relative to the disposition of the Garn amendment and on final passage of the bill.

RESERVATION OF LEADER TIME

Mr. HOLLINGS. Mr. President, I would like to reserve the remainder of the leader's time.

The PRESIDENT pro tempore. Without objection, the remainder of the leader's time will be reserved.

Mr. HOLLINGS. I ask unanimous consent that the Republican leader's time be reserved as well.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the order, there will now be a period for transaction of morning business with Senators recognized therein for not to exceed 5 minutes each.

The Senator from South Carolina [Mr. HOLLINGS] is recognized for 5 minutes.

THE S&L CRISIS

Mr. HOLLINGS. Mr. President, the distinguished Chair, the chairman of our Appropriations Committee, has effected the discipline. Our subcommittees have met. We have virtually completed our hearings. We are prepared to mark up, debate, enact, and pass through this Senate our 13 appropriations bills under Senator BYRD's leadership. However, due to the summit and the other proceedings, we withhold momentarily—maybe not momentarily, but all summer. We do not know at this point.

But in the meantime, there is a crisis, Mr. President, that is as equally serious as the deficit itself; and, that is, with respect to the investigations and prosecution of our savings and loan fraud debacle.

In testimony before the Senate Banking Committee on May 23, the Secretary of Treasury Brady said the cost to U.S. citizens of this S&L debacle will be $300 billion over the next 10 years and some $500 billion over the next 30 years. Yet, little is being done really to bring to justice those responsible for the destruction of our financial institutions.

Last year, the Congress enacted the Financial Institution Reform Recovery and Enforcement Act of 1989, FIRREA, which authorized $75 million annually for 3 years to investigate and prosecute financial institution crimes. The administration, however, only requested some $50 million for fiscal year 1990. Of course, that is what the Congress enacted, some $49.2 million.

The $49.2 million provided for fiscal year 1990 was used to increase the staff of the FBI and the U.S. attorneys offices throughout the country. But unfortunately the funding was inadequate to meet the staffing needs identified by an FBI survey of its 59 field division offices, and its 93 U.S. attorneys offices.

Back in December, specifically, on Pearl Harbor day, the 7th of December of last year, a survey was published by the FBI showing that some 224 more FBI agents, 113 more assistant U.S. attorneys, and 142 more support staff were requested than were received. The FBI and U.S. attorneys had been shortchanged, $72 million.

On May 2, just last month, FBI Director, Judge Sessions, testified before our Appropriations Subcommittee of Commerce, Justice, State, that and I quote:

> The magnitude of white-collar crime is such that it is impossible for the FBI to investigate all the white-collar crime cases that come to our attention.

Imagine a statement of that kind, by the chief investigative officer of the Federal Government saying it is just impossible to investigate.

Judge Sessions went on to say:

> * * * in bank frauds and embezzlements, there are a tremendous number of cases that we cannot address. * * * We have spoken to the House Banking Committee about unaddressed cases and are concerned about our lack of resources.

Then according to Director Sessions he stated "there are over 20,000 referrals."

I did not say 2,000, but 20,000 referrals on bank frauds and embezzlement matters in these S&L cases.

Unfortunately, the FBI only has, and I am quoting him again:

* * * 7,000 cases currently under investigation with the resources we have * * * there is no question about it, there are a number of banks and savings and loans that are our responsibility but we cannot address all of the referrals.

Of the 7,000 savings and loan fraud cases under investigation by the FBI, the FBI in its December survey designated 1,300 major cases each over at least $100,000, with many around $1 million, that are inactive because of limited personnel resources. To fully fund these additional cases, the personnel identified by the FBI survey, thus eliminating the backlog in cases, as well as expanding investigations into the over 13,000 referrals that we know about, it would cost some $109.5 million.

I do not want to take further time of the Senate, but I would provide the FBI with $47.3 million, the U.S. attorney's with $46 million, the tax division with $3.6 million, the criminal division with $6.7 million, and the civil division with $5.9 million. I ask unanimous consent that this listing be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Financial institution fraud initiative

[In millions of dollars]

FBI—(224 agents/146 support)	$47.3
U.S. Atty—(205 atty/205 supt/50 auditors)	46.0
Tax—(32 atty/20 support)	3.6
Criminal—(43 atty/39 support)	6.7
Civil—(29 atty/19 support)	5.9
Total	109.5

Mr. HOLLINGS. Mr. President, I am trying to emphasize that we are not just willy-nilly running out and grabbing a figure out of the air. This is minimal, $109.5 million necessary to get into the cases—and, we know that is on the side of the law.

Mr. President, more than anything else, we ought to know the needs of our 302(b) allocations. It would be nice to come in and say we solved at the summit the deficit problem and then come around and give us a 302(b) allocation that is inadequate to meet our needs. That happened last year and caused our distinguished chairman to have to provide on a separate measure the drug enforcement funding. That had to be passed entirely separately, because our own 302(b) allocation under the budget agreement was totally inadequate.

So what does the Bush administration propose in the way of S&L investigations and prosecutions in light of this particular survey?

Mr. President, I ask unanimous consent that I may continue for 2 more minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HOLLINGS. The administration is requesting $53.5 million for FIRREA in fiscal year 1991. That is basically the base amount, which actually adds $700,000 to the FBI, when you break it down, nothing for the U.S. attorneys, and a small amount for the Tax Division at the Department of Justice. You look around and say, Heavens above, in light of this survey here at the end of the year, they have over 20,000 cases reported, 7,000 they find they have to get on right now, but of those 7,000, they have 1,300 major cases which are inactive, and still they only ask for a $700,000 increase at the FBI.

This, Mr. President, is unforgivable. The President and Attorney General are obviously not placing a priority on the investigation and prosecution of bank fraud and embezzlement cases. So on behalf of our subcommittee, I want to announce now that we are going to aggressively try to obtain at least $109.5 million for the frontline forces in the effort to investigate and prosecute those responsible for the savings and loan debacle and possibly substantially more. But I think that the Senate ought to be on notice now that we are into it, we have heard the expert testimony, and we have looked in behind the report of the FBI. It is valid. It is substantiated. Yet, we are not doing anything about it.

The American public cannot understand why the crooks in the S&L's seem to go free. It seems like the more you steal, the less you are prosecuted. The less you steal, you really get the full force of law enforcement in Washington.

I yield the floor.

Mr. COHEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine [Mr. COHEN] is recognized for not to exceed 5 minutes.

WARREN B. RUDMAN: SENATOR AND SOLDIER

Mr. COHEN. Mr. President, for many Americans, Memorial Day is an abstract event, and to those with no personal connection to the men and women who gave their lives in defense of this country, it is often viewed as a time for parades and speeches and spending time with family and friends. But for my friend and colleague from New Hampshire, this day has very real significance.

WARREN RUDMAN served as a U.S. Army company commander and platoon leader in the Korean war, and he knew personally many of the men that this day honors. In an article printed in the Manchester, NH, Union Leader, Senator RUDMAN recalls vividly the death of one soldier whose memory he carries with him. That soldier, who WARREN knew only as McCann, was killed by attacking Chinese troops on a night when he volunteered to man a listening post on the front of the United States lines. McCann died 6 days before he was rotated back to the United States and 2 days before the armistice was signed. WARREN said, "So every Memorial Day I think of a lot of people, but I think of him in particular, because he was everything that is good about the American soldier. He had good humor; he was a good leader. He was as afraid of what was going on around us as anybody was, and we all had fear, but he overcame it. He was a solid person."

Well, if this man represents everything that is good about the American soldier, I say that WARREN RUDMAN represents to me all that is good about an American Senator. In a place where battles are fought with words and brain power, rather than bullets and fire power, Senator RUDMAN has proven himself to be one of the very best.

He is a man who—I say this with admiration and affection—has the manner of a drill sergeant or drill instructor, and the mind of a general. He is given to detail and also has a mind of great scope. For 10 years he has been my friend and colleague, and I have benefited from his quick wit and strong will.

And as this body knows, WARREN RUDMAN is straightforward and unflinching, traits which have won him the respect of all of us. I have seen his commitment and his unwillingness to compromise on what he believes to be right. This courage that he demonstrated on the battlefields of Korea has followed him to the Halls of Congress.

His fellow soldiers were lucky to have him by their side. I feel privileged to serve with him in the U.S. Senate, because time after time we have turned to WARREN, whether in dealing with budget deficits or allegations of executive power abuse, or indeed in passing judgment on the conduct of each Member of this Senate.

In each instance, he has carried out his responsibilities with an absolute fidelity to the truth and to the highest standards that a fiduciary has in this great institution. We have been indebted to him for his service in the past, and he continues to give great service to his country.

Mr. President, I ask unanimous consent that a copy of the article that appeared in the Union Leader be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Manchester (NH) Union Leader, May 30, 1990]

"FORGOTTEN WAR" CASUALTIES REMEMBERED BY RUDMAN

(By Thomas H. Gorey)

WASHINGTON.—U.S. Sen. Warren Rudman, R-N.H., who served in combat during the

Korean War, says every Memorial Day has a special significance for him.

"It's not a general remembrance of a lot of nameless and faceless people who have displayed great valor and have died in combat," Rudman said in an interview. "But it's very specific people, of whom there were many in my rifle company and battalion that, of course, I knew that didn't make it home."

Rudman, a U.S. Army company commander and platoon leader in the 38th Infantry Division, said he recalls Korea's "extraordinary cold in the wintertime, the impossible terrain, the absolute fierceness of the combat, the masses of Chinese troops," who entered the war on the side of North Korea in October, 1950.

Rudman, whose 13-month tour of duty in Korea went from late 1952 to late 1953 (when he was 22 and 23 years old), also remembers his war comrades, though "none of us probably knew each other's first names" in the 38th Infantry's "K" Company.

In particular, Rudman recalls a young man named McCann, a sergeant first class from New York City, a Catholic of Irish descent who he said was about 6 feet tall and had an athletic build.

Rudman recollects how McCann had sought permission to fly, during combat, the flag of New York City, which then-Mayor Robert F. Wagner had sent to him. "He wanted to fly it over his bunker," Rudman said, laughing. "We said, 'You can't do that. You can fly it on the back side of the hill. But you're not putting target practice up on our bunkers.'" After McCann was killed, Rudman's company sent the New York City flag to McCann's mother.

Rudman's memories of McCann were sharpened last August, when the senator visited Korea and walked on Sugar Loaf Hill, where his company had fought. The hill is about 150 yards from the demilitarized zone, a military buffer zone that divides North and South Korea.

"I walked the entire hill (with U.S. military personnel) and I came to a spot which brought back very sad memories," Rudman said. "It was on the night of the 25th of the July, 1953. And I remember that date very clearly because it was two days before the armistice (signed by the United Nations and North Korea), which was July 27th, 1953.

"We had been under a lot of probing attacks by the Chinese, and so we were putting listening posts out, well in front of our lines, to give us advance notice," the senator said. "That's normal infantry tactics—that you have the line here, and maybe a hundred yards out you put people in deep foxholes with radios or small sound-powered phones to hear the approach of the Chinese and so forth.

"As it turned out that particular night, the Chinese launched an attack across our front," Rudman said. "They weren't really coming at us, they were moving in front of us, but right up close, a few hundred yards away. And there was an awful lot of fire coming into our positions. At about 4:30 in the morning, we couldn't raise McCann, who had volunteered to go down to the listening post for the night. So . . . an executive officer, a guy named Smathers, and I went down the hill, it was still pitch black, and we found him, and a guy with him, whose name I think was Gallegos, dead—machine gun fire."

Rudman said McCann "was the last casualty that we took—he and his buddy—during the Korean War. He was the last one. And the irony was not only that the truce came two nights later, but that McCann was due to rotate on the first of August and go back to the states. . . .

"So every Memorial Day I think of a lot of people, but I think of him in particular, because he was everything that's good about the American soldier. He had a good humor, he was a good leader. He was as afraid of what was going on around us as anybody was—we all had fear—but he overcame it. He was a solid person.

Although 54,246 Americans were killed in the three-year Korean War—almost as many as died in the Vietnam War (58,151) over a decade (1964-75)—the Korean conflict has been labeled "The Forgotten War." Why?

"I don't know," Rudman said. "I just think it was postwar (exhaustion). The American people were tired. World War II had ended five years before. There was a lot of criticism of (then-President) Harry Truman for sending the troops there at the time.

"But I have to tell you that I think it's one of the wars of which this country can have the greatest pride," said Rudman, who won the Bronze Star, the Presidential Korea Citation, and the Combat Infantry Badge. "All you have to do is go back to South Korea and look at that country today, which is an emerging democracy, with one of the highest standards of living in the entire Far East. We use their products every day—people are driving Hyundai cars and cooking on Samsung microwave ranges, and watching GoldStar television sets. When I was in Korea, it was a desolate country."

By contrast, Rudman noted, North Korea has been under communist domination since Kim Il Sung took control in 1948. North Korea "is still the most repressive country in the world * * *" Rudman observed. "They have one radio and one television station. You have a radio in your house that has one frequency, and a television set that has one channel. You must listen to it. People can't have cars. They can have only bicycles. They can't travel from their villages. It's total mind control, It's George Orwell's '1984' on planet Earth in 1990."

Asked how he reacted to death as a young man fighting in Korea, Rudman paused with a sigh, then said, ". . . When I got to Korea and I took over a rifle platoon, I think that first night we took casualties. And a couple of kids I met that morning were dead that night. And that really had a terrible impact on me. But I have to tell you, and it's a terrible thing to say, but you become used to it (death). You become accustomed to it. I assume it's like a fireman who has to go to burning buildings and take bodies out. I suppose the first time it happens, it's really going to hit you hard. But all of a sudden, you know, that's your life. You're removed from the rest of the world. You're not part of humanity, you're part of a killing machine. And that's what you're there for."

Mr. COHEN. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The time of the Republican leader has been reserved by unanimous consent. Additionally, he has 5 minutes in morning business if he wishes to take it.

RECOGNITION OF THE REPUBLICAN LEADER

The PRESIDENT pro tempore. The Republican leader, the Senator from Kansas, is recognized.

Mr. DOLE. I thank the distinguished Presiding Officer.

THE THRIFT CRISIS

Mr. DOLE. Mr. President, I thank my distinguished colleague, the chairman of the Banking Committee, Senator RIEGLE, for the statement he made day before yesterday, a very detailed status report on the savings and loan disaster.

The report was straightforward. It was informative. And it was a much-needed exposition of the enormous problems now facing our Federal thrift regulators.

I agree with Senator RIEGLE that the pace of asset dispositions by the RTC has been disappointing so far. According to the latest statistics, the RTC has resolved 108 institutions—either through insured deposit transfers, purchase and assumption transactions, or the direct payoff of depositors.

No doubt about it, that is a lot of work by the RTC, but it is simply not good enough.

Fortunately, the pace of dispositions has been picking up in recent weeks, and that is encouraging news.

I commend the FDIC for adopting Operation Clean-Sweep and for taking some responsible risks by instituting the accelerated resolution and open thrift assistance programs.

I also commend the RTC Oversight Board for adopting a policy to slash, by a full 15 percent, the prices of real estate assets that remain unsold for 6 months.

Although some observers are legitimately concerned about depressing the real estate markets through a Government dumping program, the RTC, and the American taxpayer, simply cannot afford to be the Nation's landlord. Whatever the short-term pain, and whatever the short-term cost, the RTC must reduce its real estate inventory and place its property holdings back into the hands of private individuals.

Senator RIEGLE was also right on target the day before yesterday when he stated that the RTC's borrowings for working capital should be off-budget for purposes of Gramm-Rudman.

And he was right when he stated that much more work needs to be done in the enforcement area.

It has become all too apparent that one of the main causes behind the collapse of the thrift industry can be summed up in a single word—"greed." The greed of dishonest thrift executives. The greed of dishonest attorneys and accountants. The greed of other dishonest thrift insiders.

This is not just my view. It happens to be the view of Attorney General Richard Thornburgh, who recently testified before Congress that 25 to 30 percent of all thrift failures can be attributed to fraud or insider abuse.

AN AMENDMENT TO THE CRIME BILL

These are obviously alarming numbers, and they underscore the need to finally get tough with those who have flouted the law for so long and who have ripped off the taxpayers of this country to the tune of billions and billions of dollars.

That is why Senator HEINZ and I intend—or perhaps I should say would like—to offer an amendment to the pending crime bill that would significantly beef up the Government's enforcement powers to combat fraud in the thrift industry.

The Heinz-Dole amendment would incorporate the provisions of the Taxpayer Recovery Act, which I introduced earlier this eyar.

These provisions would make criminal restitution orders issued against those who have defrauded financial institutions nondischargeable in chapter 13 bankruptcy proceedings. They would also give the FDIC more time to object to the discharge of a debt in bankruptcy. And they would allow the FDIC to invade the exempt property of a bankrupt debtor in order to satisfy a judgment for damages based upon fraud or defalcation.

The Heinz-Dole amendment also incorporates the language of a bill recently introduced by Senator HEINZ. This bill gives the FDIC priority over other creditors and shareholders in court proceedings against the directors and officers of insured financial institutions. It establishes bank fraud as a predicate offense for purposes of RICO. And it directs the Federal courts to give thrift fraud cases expedited treatment.

Mr. President, the Heinz-Dole amendment does even more. It grants to the OTS, the RTC, and the FDIC the authority to freeze the assets of a financial institution if there is a substantial likelihood that these assets will be unjustly dissipated.

And most importantly, the Heinz-Dole amendment authorizes more U.S. attorneys, more Secret Service agents, and more IRS agents to investigate cases involving thrift fraud and to bring the S&L criminals to justice.

Mr. President, Senator HEINZ and I want to offer this amendment to the crime bill. We feel it is vitally important legislation. If we can do it there we would like to do it separately, and I suspect that the distinguished chairman of the Banking Committee, Senator RIEGLE and ranking Republican member, Senator GARN, believe this legislation is important, too.

Last week, Senate Republicans offered to restrict debatable amendments to the crime bill to a fixed number—24, to be exact—12 Democratic amendments and 12 Republican amendments.

As far as I know, the offer has been received by the manager of the crime bill, Senator BIDEN, but has not yet been accepted.

I hope the offer is accepted. It deserves to be accepted. And I look forward to debating the Heinz-Dole amendment and to passing comprehensive crime legislation, perhaps later this week.

As far as I know that offer has been received by the manager of the crime bill, the Senator from Delaware [Mr. BIDEN], and I guess he now has it under consideration. I hope we can work out some accommodation on the crime package, an equal number of Members on each side of the aisle.

It seems to me that it is important legislation and that we ought to get on with it as quickly as we can.

CONGRESS: PART OF THE PROBLEM

I would like to make one final point here.

Senator RIEGLE's status report mentions Congress' role in overseeing the restructuring of the thrift industry, but it fails to point out that Congress was a big part of the S&L problem in the first place.

It was Congress which spent all of 1986 studying the President's $15 billion FSLIC recapitalization plan, only then to reject the plan in favor of a watered-down $5 billion Band-aid version. Needless to say, if Congress had adopted the President's recapitalization plan in 1986, the size of the savings and loan bailout would be much smaller today.

It was also Congress—which throughout the 1980's—rejected bill after bill that would have given the Federal banking regulators greater enforcement powers.

And it was Congress which yelled a loud "no" to the bank board when the board asked Congress for the authority to limit the types of investments that thrifts could legally make.

Obviously, Congress shares much of the blame for the collapse of the thrift industry. And Congress shares much of the responsibility for ensuring that the cleanup of the industry proceeds quickly and at the lowest cost possible to the American taxpayer.

CONSTITUTIONAL AMENDMENT TO PROTECT THE FLAG

Mr. GORTON. Mr. President, as a former attorney general who has studied the Constitution extensively, I recognize the seriousness of any proposal to amend the Constitution. An amendment to allow the Congress and the States to pass laws prohibiting the physical desecration of the flag of the United States, however, seems to me appropriate considering the unique stature of the flag as the symbol of the United States.

Historically, the flag has rightfully been considered appropriate for unique protection.

In 1969, Justice Abe Fortas wrote:

(T)he flag is a special kind of personality. Its use is traditionally and universally subject to special rules and regulations.

For more than 200 years it has been assumed that both the States and the Federal Government have the right to protect the flag of the United States from desecration and to impose criminal sanctions for the violation of such protective laws.

In 1969, for example, Chief Justice Earl Warren, a noted liberal, stated:

I believe that the States and Federal Government do have the power to protect the flag from acts of desecration and disgrace.

At the same time, Justice Hugo Black, a celebrated civil libertarian, said:

It passes my belief that anything in the Federal Constitution bars a State from making the deliberate burning of the American flag an offense.

Justice Abe Fortas, further wrote:

(T)he States and the Federal Government have the power to protect the flag from acts of desecration committed in public.

Later, in 1974, Justice White added:

The flag is a national property, and the Nation may regulate those who would make, imitate, sell, possess, or use it. I would not question those statutes which proscribe mutilation, defacement, or burning of the flag or which otherwise protect its physical integrity * * *.

A fundamental basis for these views historically supporting the constitutionality of flag desecration statutes is, of course, the fact that the physical desecration of the flag is not "speech" in any meaningful sense of that term. Flag desecration is an action, an action which is designed to provoke a reaction, and often to incite violence.

Two hundred years of history illustrate that statutes declaring flag desecration to be unlawful, their validity accepted, were rarely used, and succeeded in meeting their goals without limiting free speech in general, or vigorous and free political debate in particular.

It is the Supreme Court of the United States, in Texas versus Johnson, and United States versus Eichman, which has in the course of the last year radically, without valid justification, and with the narrowest of margins overturned these 200 years of history. It is the Court which has repudiated a broad national consensus, and intruded into a field properly be-

longing to the Congress and the States. In validating the destruction of the unique symbol of the United States it leaves those who would retain an historical understanding no alternative except to prepare an amendment to the Constitution.

One of the greatest enduring stories of the Civil War centers on the flag and is told in John Greenleaf Whittier's poem, "Barbara Fritchie":

Up rose old Barbara Fritchie then,
Bowed with her fourscore years and ten;
Bravest of all in Frederick town,
She took up the flag the men hauled down,
In her attic-window the staff she set,
To show that one heart was loyal yet.
Up the street came the rebel tread,
Stonewall Jackson riding ahead.
Under his slouched hat left and right
He glanced; the old flag met his sight.
She leaned far out on the window-sill,
And shook it forth with a royal will.
"Shoot if you must, this old grey head,
But spare your country's flag," she said.

The point of the story is that Jackson's Confederates bowed to that imperious request and left Barbara Fritchie's flag untouched.

The flag symbolizes the Nation in peace as well as war. In fact, no other American symbol has been so universally honored. From the 1931 congressional declaration of "The Star Spangled Banner" as our national anthem to the 1987 designation of John Philip Sousa's "The Stars and Stripes Forever" as the national march, the flag has served as the revered and protected symbol of our Nation. That is, until the recent Supreme Court ruling.

It is now appropriate, Mr. President, for the Congress and the people of the United States to tell the Supreme Court that it was simply wrong. The flag of the United States does merit special legal protections. I preferred to do so by statute, and consequently voted against a constitutional amendment last year. But the Supreme Court has left us no other alternative. As a consequence, the Congress should submit a constitutional amendment to the States which will allow, but not require, Congress and the States to pass laws prohibiting the physical desecration of the flag of the United States.

That kind of prohibition will not limit oral disrespect or any other form of political speech or writing. It will merely restore the understanding of the Constitution under which Americans have lived for 200 years and will restore a proper deference to the symbol of our Nation.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. KERREY). The time for morning business is concluded.

TONGASS TIMBER REFORM ACT

The PRESIDING OFFICER. The pending business is H.R. 987, the Tongass National Forest wilderness bill, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 987) to amend the Alaska National Interest Lands Conservation Act, to designate certain lands in the Tongass National Forest as wilderness, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Garn amendment No. 2017, to authorize the exchange of subsurface land owned by the Federal Government in the Greens Creek Area for lands owned by the Sealaska Corporation.

AMENDMENT NO. 2017

Mr. JOHNSTON. Mr. President, I was just given a letter, dated June 13, from the Sierra Club, which states as follows:

Yesterday during debate on the Garn amendment to the Tongass Timber Reform Act, the Sierra Club's position was misrepresented. We would like to set the record straight.

The Sierra Club urges the Senate to table the Garn amendment.

The Sierra Club believes there should be a committee hearing to review thoroughly all facets of this complicated issue. This amendment should not jeopardize the swift passage of important Tongass legislation now before the Senate. This legislation goes a long way toward resolving the environmental and fiscal problems besetting the Tongass.

The letter goes on to say that the Garn amendment is a complicated amendment which ought to be heard in committee.

Mr. President, I ask unanimous consent that this letter be printed in the RECORD. I apologize. I think it was perhaps I who said yesterday the Sierra Club had signed on to what I believed to be the Garn amendment.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SIERRA CLUB,
Washington, DC, June 13, 1990.

DEAR SENATOR: Yesterday during debate on the Garn amendment to the Tongass Timber Reform Act, the Sierra Club's position was mirepresented. We would like to set the record straight.

The Sierra Club urges the Senate to table the Garn amendment.

The Sierra Club believes there should be a committee hearing to review thoroughly all facets of this complicated issue. This amendment should not jeopardize the swift passage of important Tongass legislation now before the Senate. This legislation goes a long way toward resolving the environmental and fiscal problems besetting the Tongass.

The Garn amendment is too complex, of sufficient magnitude in its own right, and certainly very contentious. It is also an issue very much in flux at this point.

The Sierra Club has a long history of involvement in this issue. We do not oppose a land exchange that gives land surrounding the Greens Creek silver mine to Sealaska Corporation. However, in getting land with considerable mineral potential within Admiralty Island National Monument, Sealaska and other corporations should relinquish title to land they now own within the Monument.

The Garn amendment does not fully achieve this goal of consolidating land ownership within Admiralty Island National Monument. Nor are there any second degree amendments that consummate such a consolidation.

In time there is no doubt an exchange can be configured to accomplish the objective of land consolidation and to ensure there is a proper return to the federal government. But we should learn first, then act.

Sincerely,

MIKE MATZ,
Washington Director, Alaska Program.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I rise to indicate my opposition to the Garn amendment, the so-called Greens Creek amendment, to the Tongass National Forest reform legislation.

I strongly support the Tongass Timber Reform Act, as amended. I voted to report the bill from the Senate Energy Committee on March 7 of this year. Senator JOHNSTON, as chairman of the Energy Committee, deserves a lot of credit for building a consensus to move the bill through committees and for bringing it to the floor for a vote, and I commend him for his able and diligent efforts.

The Energy Committee reported the bill after developing a full hearing record on management of the Tongass in which all views are aired. Some Senators wanted more lands to be designated as wilderness. Others wanted more land left open to commercial uses. Compromises were made. That is how the process works. We held hearings. We developed a record in the committee report.

Senator BRADLEY and I expressed our support for even greater protection of more old growth forest as wilderness, more buffer zone protection for more streams in the Tongass. I am pleased to note the chairman has offered an amendment to add back to the bill buffer zone protections that were in an earlier form of the bill that had 53 cosponsors. That is good, very good. We have aired our differences in committee.

I parenthetically note that since the time the matter was considered in committee, I have left the committee

and gone on to another committee. But I am proud of my participation and I am particularly proud of the leadership of the chairman in connection with this matter.

In that committee, we developed a record. We now come to the full Senate to allow each Senator to make an informed choice about management of America's unique temperate rain forest, the Tongass. However, we have before us an amendment called the Greens Creek land exchange. I strongly oppose this amendment on both procedural and substantive grounds. There has been no hearing on this exchange. And, as a matter of fact, before we came to the floor yesterday, we were talking about an exchange of 12,000 acres for 18,000 acres.

And then, when we got to the floor we learned that there was to be an exchange of 32,000 acres for 33,000 acres, a substantially different proposal than that which had been talked about previously.

But, regardless, that is not the main issue, the number of acres. The main issue has to do with the value of a certain portion of that acreage. Looking at the very great potential wealth of the land at issue, there should be, there must be a hearing. I know Senator JOHNSTON agrees there should be a hearing. It is my understanding that the Sierra Club has indicated that they agree there should be a hearing and they have been very much involved in this legislation.

We need to answer some very basic questions. What is the land worth that the Government would receive? There are literally millions of acres in Alaska, so merely getting acreage for acreage means nothing, unless we know what kind of acreage we are getting, because we know what kind of acreage we are giving up.

What are the subsurface rights we are exchanging worth? Are we being fair to the public or is this just another special deal? A similar exchange, the exact details of which continue to change, was proposed to this Congress on March 9, 1990, in S. 2273. Subsequently a House bill to the same effect was introduced. No hearings have been held on either bill. An exchange involving the same parties was attempted by legislation 4 years ago, in 1986. It was a very different deal, we are told.

We know this. No witness has testified on the proposed Greens Creek exchange, not one. The committee knows nothing about the specifics, nothing about value. But it is being proposed to the Senate as an amendment to the Tongass timber reform bill.

Given the lack of a record, I did my own research to determine what the United States would be giving and what it would be getting under the proposed exchange. I am shocked by what I found. I must confess that what I found had to do with facts that existed prior to the amendment that was offered yesterday, which was a changed amendment. But in all candor, the substance, the reality, the impact is not different because, although there is a proposal to add more acreage to be given to the Government, that is not particularly important. The extra acreage that the Government would be giving up, frankly I have no knowledge about that additional acreage. I do not know whether it is valuable or not valuable. No one in the U.S. Senate that I know of knows about it, unless those who are proposing it know about it. Certainly the chairman of the committee, and certainly, I, who have had an interest in the subject, have had no information on it. We have not been informed.

What we have here is that which would appear to be another example of a wasteful Government giveaway. The proposed exchange previously provided, and really in substance provides, that the United States is going to get a certain number of acres from the Sealaska Corp. And the subsurface rights to 18,839 acres of land near Greens Creek on Admiralty Island in the Tongass Forest will be given back, will be given to Sealaska.

Why should we give Sealaska Greens Creek when we do not have any idea what it is worth? More to the point, why does Sealaska want it? And why is Kennecott Corp. interested in it? Why is the Hecla Corp. interested in it? Why is Mitsubishi interested in it?

I will tell my colleagues why, in one word: Gold. "There is gold in them there hills." There is gold and there is silver and there are other valuable minerals including zinc and lead.

Although we do not know what those 18,000 acres are worth, those 18,000 acres surround a place called Greens Creek Mine. We have a pretty good idea of what the Greens Creek Mine is worth.

Mr. President, I am going to go back to a chart to indicate what we are talking about so Members of the Senate will have some understanding of the significance of this exchange.

What we are talking about has to do with this land in green, plus some additional land that I know nothing about, because it has only been added to the package as of yesterday. We know this, that on this map, in this area which is called the Greens Creek Mine, there are 357 acres. That is all that is in this area. We know in the 11 months in 1989—I do not have the figures for the 12th month—that area produced about 92 million dollars' worth of valuable minerals: silver, $34 million; gold, $15 million; zinc, $34 million; lead, $9 million. For 11 months, $92 million. Assume $100 million for the year.

Whether or not that will last for 10 years or 15 years or 25 years or whether there will be additional veins open, we do not know. But certainly it is reasonable to assume it is worth something in the area of $1 billion to $1.5 billion and maybe as much as $5 billion.

The exchange we are talking about is the Greens Creek exchange. We are talking about giving up this land, all of this land here that is pictured in green. All of this land is going to be given to the Sealaska Corp., which in turn is then going to turn it over to Kennecott Copper and to Hecla Corp., and to Mitsubishi. They are going to develop it and we will get into those details in a bit.

The question is, What are the veins worth? Are there gold mines going this way? Are there silver mines going this way? Is it reasonable to assume that the vein stops at the property line? Of course not. We know already that here is an area that is separate and apart from this other area where the mines are. It is certainly not unreasonable to assume that in between there, there are valuable deposits.

Does that vein run all the way out here, or this way? No one knows. I do not know. But Sealaska, in this legislation, is proposing that we give it away. The Federal Government owns it—we give it away.

We are talking about giving away all the land surrounding the hole in the doughnut. We are talking about an exchange that is about 50 times the size of the hole in the doughnut and we are not certain what is in that. But the 18,000 acres sought by Sealaska Corp. and Kennecott Corp. and Hecla and Mitsubishi surround one of the most successful silver mines in North America.

The U.S. Bureau of Mines says that Alaska's nonfuel mineral output was doubled in 1989, due to the output of the newly opened Greens Creek Mine on Admiralty Island. This one mine doubled the total of the mineral output value of everything in all of Alaska.

In its first 11 months it produced 6,411,469 ounces of silver with an average value of $5.5 an ounce, or a value of $34 million. It produced 38,813 ounces of gold with an average value of $381 an ounce, valued at $15 million. It produced 23,000 tons of zinc valued at $34 million, and it produced 11,622 tons of lead valued at $9.3 million.

That makes the total of $92 million for 11 months, or the $100 million that I previously mentioned.

These figures were obtained from the U.S. Department of the Interior, Bureau of Mines. The figures represent the metal values in ore mined and delivered to the mine mill plus tonnage stockpiled; in other words, ore mined but awaiting milling. But this was not a surprise.

The Greens Creek Mine Co. provided U.S. Forest Service geologists with ore samples at the time of the mining claim validity determination in the summer of 1987. Mining company data at that time established total ore reserves; that is, proven deposits of 3,534,947 tons with the following content:

Silver, 23.77 ounces a ton; gold, 0.18 ounces a ton; zinc, 9.69 percent, and lead, 3.88 percent.

Average mining recovery is 88.2 percent, meaning that Greens Creek could expect to get about 90 percent of the metal content out of the ore. At the time, Greens Creek figured the average value per ton at $214.43. This value changes with the price of the metals. The mine has an expected life of 10 years minimum.

So if you have it 15 years, 25 years, one does not know what the expected life would be, but early reports suggest that the ore is getting greater and richer as they follow the ore veins.

The U.S. Geological Survey has reviewed the available geology, geophysics, geochemistry, mineral deposit information and exploration history of Admiralty Island and while they are not yet ready to give us a complete analysis, they tell me that they expect that the 18,000-acre tract contains "large amounts of undiscovered metallic mineral resources."

It is no secret why Sealaska, Kennecott, Hecla and their partners are interested in the 18,000 acres. Sealaska intends to hold it as a passive owner and enter into a 5-year exploration agreement with the Greens Creek joint venture. Sealaska would hope to receive about a 5-percent royalty from the output of the 18,000 acres from the Greens Creek joint venture.

So who are these joint venturers who would stand to make 95 percent of the profit of the mine?

The Greens Creek Mine Co. is a joint venture composed of some pretty big commercial operators. I trust they know a good thing when they see it. It is not Sealaska that is really going to be the major beneficiary. The major beneficiaries of this claim are the ones who have been lobbying around here.

The Kennecott Corp. which has a 53.1 percent interest, a big Utah company is a subsidiary of the RTZ Corp. PLC of England. RTZ is one of the world's largest natural resource companies and one of the largest companies in the United Kingdom with a capitalization at December 31, 1989, of $9.2 billion. Last year RTZ acquired the bulk of the minerals business of the British Petroleum Co., Ltd., at a cost of $3.5 billion. The Greens Creek Mine in Alaska was included in the acquisition, as was the Bingham Canyon Copper Mine operated by Kennecott in Utah. The Greens Creek Mining Co., a wholly owned subsidiary of Kennecott Corp.—a Utah corporation—is the operator of the ongoing mine.

There are others in this deal, others who are going to share in the 95 percent.

Another of the joint venturers is Hecla Mining Co., with a 28-percent interest. Hecla, an Idaho corporation, is a diversified mining company with assets totaling $222 million. Hecla—and this is important—listed its 28 percent interest in Greens Creek as third among its "principal assets and sources of revenue" in its form 10-K filed for the year ended December 31, 1989, with the U.S. Securities and Exchange Commission.

The remaining 18.9 percent interest in the mine is owned by two corporations—by CSX Energy, Inc., which has 12.6 percent interest, a wholly owned subsidiary of CSX Corp.—the $13 billion transportation, natural resources, and real estate development conglomerate based in Virginia. The last partner is Exalas Resources Corp. They have a 6.3-percent interest. That is a subsidiary of the Mitsubishi Corp.

This powerful joint venture intends to lease the 18,000 acres from Sealaska.

So many will be talking about this being a Sealaska deal. Quit kidding yourself. This is not a Sealaska deal. This is a 95-percent deal for four major corporations: Kennecott, Hecla, CSX, and Exalas Resources Corp.

They are the ones who are going to get the 95 percent.

As long as we mention Sealaska, which seems to be the thrust of what we are talking about, which is only going to get 5 percent and out of that 5 percent then proposes to pay 10 percent to the Federal Government, we are going to take a look and see who Sealaska is.

We are told this exchange would help out Sealaska. My distinguished friends from Alaska say this is something that is helping the natives of Alaska. I am one who is as concerned about the Natives of Alaska as I think any Member of the Senate, and they talk about Sealaska being a little old Alaskan native company. Let us take a look and see who Sealaska really is.

It is true Sealaska is a native corporation. It is one of 13 such corporations established by Congress under the Alaska Native Claims Settlement Act in 1971. But Sealaska is no piddling little native company trying to help a few Alaskan Natives.

As a matter of fact, the real beneficiaries of it are the officers and the directors of the corporation. Sealaska is a diversified holding company with annual sales of $275 million in 1989; that is, sales in excess of $5 million a week.

Through subsidiaries, Sealaska operates fresh and frozen seafood processors, wholesales timber and logs, and wholesales sand and gravel. Sealaska holds interests in Alaska United Drilling, Inc., which is oil well drilling, Klawock Island Dock Co., Inc., a log transfer facility, and owns a 49-percent interest in Swecker Salmon Farm, Inc. That is not in Alaska but in Olympia, Washington, which operates a fish farm.

Sealaska owns 100 percent of the stock of Ocean Beauty Seafoods, Inc., a Seattle, WA-based seafood processing company. It also owns 100 percent of Washington Fish and Oyster Co., Inc., in Seattle, a seafood processsing company. In addition, it owns Sealaska Timber Corp., which is also involved in timber development and marketing, and 100 percent of Fairbanks Sand & Gravel, which operates as a wholesaler of sand, gravel, and concrete.

Sealaska markets seafood under the brandname Ocean Beauty Seafood and sells to seafood and timber brokers and other business concerns in Alaska, Washington, and Oregon, the Far East and Europe.

Sealaska has total assets of $279 million and it has a net worth of $141 million.

This is a somewhat modest account, frankly, of Sealaska's wealth because as Sealaska explains in its annual report, it already owns 274,000 acres of land in the Tongass but carries the land and related timber and subsurface resources received therefrom at zero in its financial statements. So its net worth is substantially higher than that.

Mr. JOHNSTON. Will the Senator yield?

Mr. METZENBAUM. For a question?

Mr. JOHNSTON. Yes. Just on the subject of Sealaska, the Senator is not suggesting that Sealaska is doing anything other than what we wished it to do under the Native Claims Settlement Act, which is to prosper, to represent its 16,000-odd stockholders well and seek to make their investments produce more income?

Mr. METZENBAUM. As a matter of fact, I am raising a question. Sealaska, I think, has 15,000 Native owners, and I think they are trying to do a good job. But I think before I conclude my colleague will agree that Sealaska is taking care of some of its executives and officers far better than many corporations take care of their executives and officers, and I am about to get into that at the moment.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. METZENBAUM. For a question.

Mr. STEVENS. For a question.

I might say to my friend I have another meeting. I have to be off the floor. I would like to stay and participate. I wish to ask the Senator from Ohio one question.

I am the author of the exchange provision. That really requires an ex-

change of lands in Alaska before they are acquired by condemnation. I am sure the Senator knows that. We are land poor. The Federal Government is land poor in Alaska. I did not want to see the situation develop that Federal agencies would start to condemn lands that were in private ownership, whether they are surface or subsurface, before there had been an attempt to exchange.

In working out that exchange provision at the time, it was the decision that we would not put a value-for-value exchange provision in the Alaska Native Land Claims Settlement Act because of the fact that many of the values that were set aside were the environmental values. What is the value of a park? What is the value of this Cube Cove on Admiralty Island? To try to establish a value just in terms of the timber or just in terms of the minerals misses the point that we are supposed to be protecting portions of this area that have value that is not capable of being calculated. What is the value of having Admiralty Island and keeping it now preserved without any further cutting?

My friend from Ohio, I hope, will answer the question in terms of his opposition to the exchange of subsurfaces. The subsurface exchange is absolutely essential in order that there can be a sale of the surface value, because I am certain the Senator from Ohio knows the subsurface of Cube Cove is owned by one corporation, the surface by another. This is the exchange of the subsurface value which will then lead to the agreement to not cut the timber on the surface.

Does my friend from Ohio insist that we go in now to what we were asked not to go into, and that is to try to determine what is the value, the esthetic value of the preservation of Admiralty Island? That seems to be, Mr. President, what my friend from Ohio is saying, that in order to go ahead with this exchange, we have to write into this 1971 act something that is not there, and that is a value-for-value concept on these exchanges. Is that the position of the Senator from Ohio, that he wants Congress now to put a value-for-value concept into the exchanges in Alaska?

Mr. METZENBAUM. Let me make it very clear to my friend from Alaska. When we talk about exchanges having environmental considerations, when we are talking about timber, when we are talking about the beauty of the land, the Senator from Alaska knows that that is one of the reasons I have been supportive of the Tongass bill and other legislation having to do with Alaska, because I consider myself an environmentalist. I am concerned about preserving tremendously wonderful assets that are in the environment—the trees, the lakes, the grounds in Alaska. But in this instance we are not talking just about beauty. We are talking about dollars. We are talking about the subsurface rights. We are talking about the fact of that which may be worth billions of dollars in subsurface rights in gold and silver and lead and zinc.

That is a different kind of beauty. It is not a beauty that has to do with what you see. It is a beauty having to do with value; it is a beauty that is used to balance the budget.

What I am trying to say here is that, yes, we might want to consider an exchange depending upon the fair value, but I want all of the people of this country, including the people in Alaska, to be treated fairly. What we are talking about is giving away this unbelievably valuable asset—I say unbelievably valuable because no one knows what its real value is, but my guess is that Kennecott and Helca and Mitsubishi know what the value is. They know what it is, and we are being asked to give away the subsurfact rights for some land that may or may not have a value.

Now, that is fine, but let us be certain that the people of this country get a fair deal. That is exactly what my position is and will continue to be, and that is that when we give away valuable land, we are not just talking about trees; we are not just talking about water. We are talking about gold and silver and zinc and lead. It is absolutely irrefutable that between those two orange spots, there has to be some veins of ore that have value. How far out they go into those green areas, I do not know.

Mr. STEVENS. Will the Senator yield for another question?

Mr. METZENBAUM. If the Senator does not mind, I am just making my opening statement. I want to be courteous.

Mr. STEVENS. I just want to ask my question. Then I will leave the Senator alone.

Mr. METZENBAUM. If the Senator makes it a short question and not a speech, I will be glad to take it.

Mr. STEVENS. In order, Mr. President, to ask a question, I find it necessary to make a speech sometimes, but this question will be short.

Does the Senator know that there were claims on this land that is covered by the exchange that were disapproved because there was no proof of any discovered mineral value despite the rather extensive drilling program that took place on those claims, that these claims were turned down because the companies did not prove that they had found mineral value; it is a totally speculative area?

Mr. METZENBAUM. I know nothing at all about that. I have not been informed to that effect by the timber service, by the geological service, by the authors. I have not been informed to that effect by anyone. But whether they were or they were not turned down in yesteryear, the fact is we know what the facts are this year, in 1989.

Let me proceed.

In recent years, Sealaska also realized—and I want to again point out that Sealaska I am only mentioning because so many others have mentioned them. They are only going to get 5 percent and they are offering to pay the United States 10 percent. It is these other people, they are the ones getting the benefits of this bill—95 percent. Sealaska realized proceeds of $45,214,000 from the sale of net operating losses of $140 million, $29 million in fiscal year 1989 alone. I do not know how that works out, but they still seem to have a great net worth. Whether that is bookkeeping or not, I do not know. I know that last year Sealaska made money but paid no Federal income tax and paid no tax in 1987 or 1988 either.

We are not talking about a small group of Natives getting together to eke out a living. We are talking about making a swap of American land to a major American corporation.

Now, it is true that Sealaska's capital stock is owned by 15,500 Alaskan Natives, as I just said to my colleagues from Louisiana, and it is also true that the company distributed $6.5 million last year. But it should also be pointed out that they distributed $6.5 million to the Natives but they paid $4.2 million, two-thirds of the total amount distributed to the Natives, to just its officers and directors in salaries, in fees, and bonuses. On top of that, the officers and directors received securities, property, insurance payments, and reimbursement, personal benefits, and contributions to the corporate 401-K plan. The three top earning officers of Sealaska's Ocean Beauty Seafoods subsidiary alone made $1 million between them last year. And it just so happens that the three officers of that company are all members of one family: The vice chairman of Ocean Beauty Seafoods, Victor W. Horgan, Sr., made $431,671 last year.

I have no idea whether that family is an Alaskan family or not an Alaskan family. The president and chief executive officer of Ocean Beauty, who also happens to be his son, Timothy H. Horgan, made $325,558. That is not too shabby.

The executive vice president and operations officer of Ocean Beauty, another son, Victor, made $234,598. Other officers of Sealaska and its subsidiaries had reported base salaries ranging from $72,800 to $155,000, with directors' fees, commissions, and bonuses, total compensation, for Sealaska's officers ranged from $102,781 to $191,343. These were not Alaskan Native benefits. These were corporate officers. As I pointed out, $6 million

went to the natives, $4 million went to the corporate executives.

Sealaska's corporate generosity extended also to its 20 directors. This is shocking. Each director averaged $41,726 each for serving on the board of directors.

Having been involved somewhat in the corporate world before I came to the Senate, I know that the salaries and the pay to corporate directors has gone up. But I would venture to say that the $41,726 average pay to the directors is far, far in excess of the average pay to any similar company doing $275 million a year in business in a year. That is the kind of money that maybe General Motors might pay, maybe some of the other top corporations—but $41,762?

So I suggest—and I do not know all the facts, that Sealaska—which again I want to point out is only going to get 5 percent of the benefits of this deal—it is not really being operated solely for the Natives, which I think all of us had hoped when we passed that legislation, Natives legislation; but it is being operated by some executive, of those who are the officers and the directors.

I do not begrudge Sealaska its wealth. As a matter of fact, I think it is great that 15,000 Natives own it. But I think they ought to get whatever benefits there are from it, and not just some of its top officers. The way it is set up, it should be treated fairly, but it should not be entitled to a giveaway of the assets belonging to all of the American people. There is not any reason that I know why we should have special legislation to give Sealaska Corp. 18,000 acres of subsurface rights, Alaskan subsurface rights, which in turn they will then lease out, only get back 5 percent of the net, and 95 percent will go to the four major corporations.

Mr. President, I think I may have some additional comments to make. But I think at this point I will yield the floor.

Mr. GARN addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. Mr. President, I have listened to the Senator from Ohio and many of the statements that he has made about the percentages owned by various corporations. If he had been on the floor when I made my opening statement yesterday he would have heard all of those same facts presented. But there is a difference in tone here.

We have not heard much about the value of this exchange. The Senator from Ohio is a friend of mine. I hope he still is when I finish my remarks. But he is our most distinguished populist in this body. What he is doing today is what he has done very successfully many, many times, and very skillfully; diverting away from the major issue to attack big corporations, reverse Robin Hood or something, I guess. And it is effective. It sounds good.

We have these poor little Alaska Natives up there being abused by these big bad corporations. Over and over again, "big is bad."

It is very difficult for a Senator from Ohio to understand what it is like to be a public land State. I very much wish at this very moment that two-thirds of Ohio was owned by the Federal Government so that I could stand up here and talk about the American peoples' land and what it would do to the tax base of Ohio, what the county commissioners would do if they only had one-third of the land to tax, and the mayors, the city councils, the Governor, and how you provide roads, police, and fire protection without that tax revenue.

Yes, Utah is a public land State. Two-thirds of my entire State is owned by the Federal Government. The Governor is responsible for a third of it. We have some counties in there, in my State, but between State and Federal ownership 96 percent is owned by the Federal Government and the State. So the poor county commissioners have 4 percent of the total land and buildings to tax to provide municipal and county services.

So yes, I get kind of sick and tired sometimes of what I hear on this floor from those States who do not have that kind of implication, and who stand here over and over again and talk about the American peoples' land. I will guarantee you we would be happy to give that land back for the tax base, or I would love to have the eastern or midwestern part of this country two-thirds owned by the Federal Government and see if those same speeches would be given.

How could you provide jobs in your State when you have to deal with the GS-8's and 10's, BLM, and the Forest Service, when your elected representatives do not have any say over how two-thirds of your State is run. Every time you want to open a development, this is what you deal with. You hear about the big, bad corporations. Well, we heard about big Kennecott.

I do not know whether the Senator from Ohio knows it or not. Kennecott used to be the biggest employer in the State of Utah, the biggest private employer, the biggest taxpayer in terms of property taxes, income taxes from their employees. It was a valuable asset to my State when two-thirds of it are off limits. You try to make a living off the one-third of it that is left. Kennecott is big, bad? They went out of business. They closed down. Salt Lake County was devastated because of the lack of tax revenue, and it impacted the entire State.

Not an academic case of this big, bad Kennecott trying to rip off some Alaska Natives. Baloney. They were nonexistent. The whole Kennecott Copper Mine was closed down. Nobody was working out there except a few maintenance people.

Fortunately, after a year and a half being totally shut down and the resulting economic disaster that it caused in my State, they were able to reopen with dramatic wage concessions made by the unions. They came back. They now operate with 2,500 to 3,000 employees, a fraction of what they had before.

So I think it ought to show in the record this big, bad Kennecott that we are hearing about today and these other companies to which the Senator has referred. I think it ought to be stated for the record; what it means to my State. This Senator was elected to represent the State of Utah, to try to create jobs in my State, and create a viable economy. I will do that. But I do not have to sit here on the floor and listen to this reverse Robin Hood story about robbing from the rich, and public land State, from a Senator or any Senator who lives in a State who does not have this problem.

Boy, I would love to be out here doing the reverse. The Senator from Ohio is trying to create a viable economic situation in his State, which he does and does well; He represents his State well.

This Senator is trying to do the same thing. I ask some consideration from those Senators who do not have two-thirds of their State owned by the Federal Government. I ask that they have a little understanding of that situation and not play political games with it, not play "Mr. Populist," because again, I will not make an apology, my friend from Ohio, for trying to help my citizens have jobs and keep a company that stopped its existence and was totally closed down. The Senator would do the same thing in his State.

I will not be interrupted. I listened to the Senator's whole statement. He did not listen to my statement yesterday; he did not give me the courtesy of listening to my opening statement on why I thought this was a good trade.

So I have gone off the subject, as well, of the value of this trade, to another subject. I think it is time this Senate started listening to some of us who are in Western public land States, and the impact it has when we try to keep jobs and want to keep our young children home.

Most of our college graduates in Utah have to leave. They cannot find adequate jobs there. We have a fine educational system, but a lot go to other places, like Ohio. One of the reasons for that is two-thirds of our State is tied up by the Federal Government. We cannot develop it. We cannot

create jobs. We cannot mine it. We cannot harvest the timber. We cannot graze without the permission of some bureaucrat in the Federal Government.

I am asking my friend from Ohio, today, for some understanding of that problem. I retract what I said about wishing Ohio had two-thirds ownership by the Federal Government. I would not impose that on my friend. I would not want him to have to deal with that particular problem, or what my colleagues from Alaska have to deal with. We only have two-thirds public lands in Utah. The Senator from Alaska has 90 percent or something.

So we get branded as antienvironment, and all sorts of things, trying to rip off the Federal Government, to take advantage of the American taxpayers' land. That is not what we are trying to do.

We were elected by the people in our States—I was not elected to represent anybody but Utah, and I am going to do that to the best of my ability. If it gets me labeled as antienvironment, or whatever, I am going to fight for jobs in my State, just like the Senator from Ohio does, and as I have said, does very well.

Let us look at the context in which this debate is occurring and the difficulties we have. How nice it would be to have all private land. If somebody wants to open a mine and create 250 jobs, be our guest, as long as you meet the environmental concerns, and so on. It is impossible for me to describe how I have spent 23 years in public life trying to solve this problem of having all that land removed from the tax rolls, trying to produce local government services without the benefit of those tax revenues. The Senator has resources in his State he cannot develop because somebody from some other State says, "I do not like that." They can use the facilities of the Federal Government to prevent that.

We have 29 counties in my State. Twenty-five of them, have less than 10,000 in population. One county is bigger than Connecticut, Rhode Island, and Delaware put together and has less than 10,000 people in it. Ninety percent of it is Federal and State owned. So can you develop the resources? No, you cannot do that. The royalties go to the Federal Government, for the most part. You are hamstrung.

The town I was born in had 5,000 people in 1932, when I was born, and it still has 5,000 people. There are no young people there any more. They cannot stay there and make a living, because they have a little town and all around is Federal land, BLM, or Forest Service, or Park Service, or whatever.

What an accident of history for the West to have been so owned by the Federal Government. Eastern Europe is a lot more free today than the Western United States is. Absolutely unbelievable. So let us have a little understanding in this body and from my friends of the difficulties of constantly trying to create jobs.

We have discrimination against Western coal, too. We have clean, low-sulfur coal, but it is rather interesting that you cannot export it to the East. Our coal is cleaner before it is scrubbed than eastern coal is after, but because of economic considerations, you cannot mix it; you have to burn West Virginia coal or Ohio coal or something else, even if you have to put it all in the scrubbers. But do not let that clean Western coal in.

Let us look at the context of this debate and look at what those of us from Utah and Alaska are trying to do. You better believe it, I am standing here trying to help Kennecott to be able to dig some silver and some gold up there and make a profit. I hope the Alaskan Natives get some of it, too. We are hoping to solve some environmental problems by not cutting some timber on Admiralty Island, which I think is a heck of a good tradeoff, but again, I make no apology for that.

This is a good exchange. It ought to go forward. It will not take the time to go back to my desk and get the Alaska Conservation, the other environmentalists, and all those letters—I will put them in the RECORD—of all the people who support this.

I remind my colleagues, getting back on the specific issue, that this exchange is subject to final agreement being drafted in writing and being approved by the Secretary of Agriculture. I also remind my colleagues that the Federal Government maintains the surface rights, so all of the conditions under which they drill a deep mine have to be agreed to. All the protections are there. We are not talking about strip mining; we are not talking about open mines. We are talking about deep mines.

I suggest that if we attack all the big corporations in this country, we are not going to have very many jobs; we are not going to have a very strong economy. One of the reasons the Japanese are so successful is they have a cooperative relationship between business and government. They work together in the interests of Japan.

What do we have in this body? Always a conflict; always an adversarial relationship. Let us knock big business; let us stand up and advocate the little guy and the American taxpayer. It sounds so good. It gets votes at election time. But does it create jobs? Does it make us competitive?

I do not understand why we have this constant adversarial relationship between business and government. We ought to be corporate America, like corporate Japan. We could beat their socks off. They are not brighter than we are; they are not smarter; they are not more intelligent. They are more pragmatic; they are more realistic. They are more nationalistic about protecting their own interests. That is the main reason for the trade deficit.

Having said all of this, I am not just an advocate of business. I am not saying they always do things right, that at times they do not have excessive profits. Of course, all that is true. But it is time we started looking at the bottom line. Alaska needs jobs. They need a lot of jobs up there. We need the minerals that come out of there. And Kennecott Copper Corp. in my State needs jobs too, especially after the dramatic reduction in employment over the years and the impact that has had on my State's economy, certainly I want Kennecott Copper to be successful. I make no apology for that.

I stand up and say I want them to be successful. I want them to make a lot of money. Because if they do, there will be a lot of people employed in my State, and they will be able to buy automobiles, and they will be able to buy washing machines, and they will pay taxes on their income, and Kennecott will pay taxes on their income. They will pay local property taxes and local income taxes, and they will pay taxes to the Federal Government. That is the way the system works; that is what Eastern Europe is going to learn. It is too bad we cannot remember it in this country.

Yes, I want them to make a lot money and pay a lot of taxes and to pay local property taxes, and I want our kids in Utah to be able to stay home and work for Kennecott and McDonnell Douglas and other companies. Maybe I did not learn how a capitalistic system works, but I think I did in college, and I think I learned it back here. And I want all of these American corporations to make a lot of money, pay a lot of taxes, and create a lot of jobs.

I will go back to what I said in my opening statement yesterday. This is a good amendment, one of those win-win situations all the way around that would be good for everybody. If the Senator is worried about the valuation, I remind him, the final agreement has not been concluded and has to go back to the Secretary of Agriculture. I made that an explicit part of my amendment yesterday.

I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, first, I tell my friend from Utah I am still his friend. I do not mind. He can insult me, call me a populist. That is fine with me. I am comfortable.

Second, I tell him if Kennecott Copper is having problems in Utah

and problems with jobs in Utah and, if I can be helpful, I want to be helpful because I am concerned about people being employed in Utah or any one of the other 49 States and possessions of the United States.

But we are not talking about that. We are talking about a giveaway of some lands that are owned by the people of the United States and making an exchange of those lands, lands that we really do not know their value and giving them away in exchange for some lands that we are told have a value of about $3 an acre. Frankly, I have no idea whether they are worth $3 an acre or $20 an acre or $200 an acre. Those are the figures the Forest Service gave us. That could be wrong.

My point is that whenever the U.S. Government is giving up something that it owns, and particularly something that we have every reason to believe is extremely valuable, then we ought not to be giving it away. We ought to know what we are giving away.

The reason that Kennecott Copper comes into this discussion is because this amendment has previously been discussed as being a Sealaska amendment. That is the corporation that is mentioned in the amendment. So you have to look behind the Sealaska deal. When you look behind the Sealaska deal, you see that the United States is going to get 10 percent of what Sealaska gets, and Sealaska is going to get 5 percent royalty from this combination of Kennecott, Hecla, and Mitsubishi and that one other company whose names slips by me.

Therefore, I am saying, look, I do not think that it is right to give away to any company, no matter what distress they are in, in Ohio, Utah, or New York or Louisiana, properties owned by the people of this country. We do not do that. We should not do that. All I am saying is let us see to it that the American taxpayer is adequately protected.

Mr. MURKOWSKI. Mr. President, will my colleague yield for a question?

Mr. METZENBAUM. Let me finish and then I will.

All I am saying is I want to be certain that the American people's interest is protected. Maybe the deal is right, I do not know. But I doubt it. But, conceivably, it might be right.

When you say that the Secretary of Agriculture is going to have to sign off, I have respect for the Secretary of Agriculture, but he is not going to know any more about this deal without having appraisals made, and, as the distinguished Senator from Alaska has said previously, it is awfully difficult to determine the value of land with subsurface properties. How do you find out what is down there without drilling? How do you make those tests? The Secretary of Agriculture is in pretty good position to tell you whether you can grow wheat, oats, or something else on the surface, but he does not know anything about how to go down below the ground and find out.

The Senator from Alaska and I were talking about the subject the other day, and I think he said it on the floor, the difficulty is how do you determine the value of the subsurface rights, and particularly how do you make that determination when it is in an area immediately surrounding a particular location, 357 acres, which is very productive and valuable gold, silver, zinc, and lead properties.

I am glad to yield to the Senator from Utah for a question.

Mr. GARN. Mr. President, if the Senator will yield for a moment, I can say I agree completely with the statement the Senator from Ohio just made. I do not disagree with a single word he has just said in response to what I said.

Certainly, this Senator does not want to give away the taxpayers' money. If there is any proof of that, I have been here for nearly 16 years, and I guarantee the Senator that over the entire 16 years, there are only two or three Senators who have voted more conservatively than I have with the fiscal policy of this country, to the criticism of some. I am in the top 5 percent of the Senate in protecting the taxpayers' money. So the Senator from Ohio better believe this Senator from Utah despite what I want to do for Kennecott.

Mr. METZENBAUM. I like the Senator too much to get into a discussion of that subject.

Mr. GARN. I understand. I do not want to deal with it.

Mr. METZENBAUM. I do not intend to make this into a personal discussion.

Mr. GARN. I am not. I am only saying I am speaking for myself. I have a record and reputation of voting conservatively on fiscal matters.

This Senator is not standing here asking for an unfair deal. I am not trying to do that in favor of a Utah corporation or the others that are involved. That is the nut of the argument. That is where the difference of opinion is. Is it a fair trade or not? All the other debate that has gone on and which I was addressing myself to, painting these as big, bad corporations gets back to what I said in my opening statement yesterday. It is impossible to make an accurate determination until exploration starts. I am not a mining expert. Neither is the Senator from Ohio. Our backgrounds are not in that area. But I am certainly well aware in my own State of the number of times land has been leased on the promise that there were vast returns and they have come up with nothing. Other times when you have not expected much there have been rich deposits.

So for anybody to come up and talk about exact values at this point is impossible. I do not care what kind of geologist you get out there. The Senator from Ohio knows about oil. Sometimes you get a dry hole; sometimes you do not. No matter what anybody does, you cannot present an agreement to this Congress or to the Secretary of Agriculture where anybody can say with certainty where is an exact equal value trade.

So what we were talking about were some other values. For example, not cutting the timber. That is very important. That is hard to place a dollar value on. So there are some environments tradeoffs.

I certainly am not opposed to changing the mix, never have been. There is not a final agreement. Some of the things the Senator was objecting to yesterday he characterized as a giveaway. Some of us characterize it as trying to make an equal value exchange.

Mr. METZENBAUM. The Senator and I both agree we do not know what the additional lands are all about. It is words on a piece of paper. There are hundreds of thousands of acres up there in Alaska. Unless you know what you are talking about, unless you know the land, it means nothing.

What we are really talking about is not acreage. We are talking about acreage that is located next to valuable mines that are producing gold and silver, lead and zinc, and that is the sum and substance of it.

Mr. GARN. That is correct. I am glad we have finally gotten down to the bottom line of what this debate should have been about for 2 days. It is simply, do we have a correct mix? I do not know yet. Neither does the Senator from Ohio. Do we need to attack all the big corporations when we are agreed that we both want to achieve an equitable mix in this exchange?

Mr. METZENBAUM. The only reason to bring the others in is they are the 95 percent beneficiaries of this bill and they are not mentioned in this bill. The only one mentioned in this bill is Sealaska, and all they have is a 5 percent stake.

Mr. GARN. They were certainly mentioned, in the specific percentage the Senator mentioned, in my opening statement.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio holds the floor.

Mr. GARN. He is welcome to keep it. I am through.

Mr. METZENBAUM. I yield for a question to the Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I ask the Senator from Ohio if he is of the opinion that it is a giveaway by

the Federal Government to have a program where a prospector can go out on public lands and, if he makes a mineral discovery and does the assessment work, pays $100 annually or thereabouts, that that is a giveaway of the public trust in that claim may be worth millions and billions of dollars that would go to that individual or his estate, or to a large corporation? Is that a giveaway in the mind of the Senator from Ohio of public resources? That is the law in this country today.

Mr. METZENBAUM. Yes. I understand that.

First of all, let me make it very clear that law is not applicable to this land. That is specifically exempted by reason of another statutory provision. So, it is not applicable.

If the Senator is asking me a policy question like asking me am I in favor of national health insurance, do I believe there ought to be some other kind of law, do you think this is fair or unfair, I am prepared to answer, but I want to make it very clear that law is not applicable to the instant situation.

Mr. MURKOWSKI. The Senator from Alaska is aware of that.

Mr. METZENBAUM. The Senator is aware of that. As long we are in agreement on that, having said that, I say to the Senator from Alaska I already advised my staff I think it is time we take a look at a law that I guess is about 118 years old and see whether or not it is not time to amend it or change it. Maybe the Senator from Alaska would be pleased to join me in a present day reassessment of a 118-year-old law with respect to mining.

But as far as this debate is concerned it is really not helping that.

Mr. MURKOWSKI. The Senator from Alaska asked a specific question, and the Senator from Ohio did not care to respond specifically. The Senator from Alaska feels that "if it ain't broke, don't fix it." And I do not think the mining law of 1872 is "broke." I think it has helped develop a mineral industry in this country that, while it is not as significant as we would like for other reasons, nevertheless has worked.

I am just a bit afraid of our alternatives. Some might suggest that the Government somehow get involved in the development of minerals on public land. I cannot think of any more inefficient and prosocialistic method. It certainly has not worked in other countries. But it is clear that the Senator from Ohio does not specifically care to address the question as to whether he considers that a giveaway, but more or less I gather he is in favor of taking a look at the mining law of 1872.

Mr. METZENBAUM. It is a different subject.

Mr. MURKOWSKI. It has been looked at in the Energy Committee and I think most of those members have determined that it is appropriate to change the law at this time. Obviously, we will see.

Mr. METZENBAUM. Mr. President, let me finish up my remarks and then maybe it is time to bring this matter to a close.

On its face, this matter should not be accepted. To say that the Forestry Service has come to a tentative agreement subject to the Secretary of Agriculture does not mean a thing. Because, frankly, I do not know how the Forestry Service can arrive at a determination without knowing value. I do not know how the Secretary of Agriculture can arrive at a determination without knowing value.

It may mean an appraisal, it is not easy to appraise subsurface land. But my guess is that those who are far more knowledgeable than I about subsurface lands would be able to come to some determination, maybe, to enable them to make the award of the contract. In all likelihood, we ought to do as we do in other instances. There ought to be a competitive bidding.

I would like the attention of my colleague, the chairman of the committee, for a moment. I just was saying that there is some talk about an appraisal, but an appraisal provides difficulties because it is so difficult to appraise subsurface lands. One of the things that I think might be considered in a hearing is the procedure that has been followed in other areas where properties of the United States have been leased out with respect to the Outer Continental Shelf. We have used competitive bidding.

I can very well see where you could have an arrangement for competitive bidding on these valuable lands and you could permit the Government to do its own drilling, to make that information available. You also, as I see it, could say to those who want to submit competitive bids, that they would have a period of time within which they could do their own drilling. I would submit if this matter is to go to a hearing that some consideration be given to that kind of a procedure. Or, absent that, that the GAO be given an opportunity to give their ideas as to how the Government can be best treated.

I think the matter ought to go to a hearing. But I do not think it is a simple black and white question, that you go to a hearing and you can come up with a simplistic answer, because, when all is said and done, I think 100 Members of the Senate would agree that it is very difficult to determine value.

But we know this: there is not a Member of this U.S. Senate, whether it is the author of the amendment, the Senator from Alaska, the Senator from Ohio, the Senator from Louisiana or anybody else, there is not anybody who is able to determine the real value. What we want to do is to see that whoever goes in there and does the drilling, gets the lease to do the job, that that particular group pays the Government the maximum that is fair and reasonable and still leaves them an opportunity to make a profit.

So I hope that if this matter is tabled and the Senator from Louisiana sees fit to go forward with a hearing, which I understand he does, and I would support that concept, that it not just be a routine determination: Well, we have had the hearing, now the Agriculture Department and the Forestry Department says that this is fair.

With all due respect to them, they do not know. They are not dishonest people. They do not know. I think on the Outer Continental Shelf, if my recollection is right, I think we have something like 30-percent participation for the Government and some sort of a 10-percent deal as well. I am not certain of the specifics. The Senator from Louisiana is probably far more familiar than I.

I hope that we would try to explore that kind of a program, and that in a hearing we at least give considerations to various alternatives as to how the public's interest can best be served, while at the same time being fair to all of those who would like to do the drilling.

Mr. JOHNSTON. Mr. President, I say to my friend from Ohio, obviously, I am strongly advocating a hearing, as the Senator knows. And I would not want to prejudge the result of that hearing. I think we are going to find in the hearing that this piece of property or pieces of property are fundamentally different than the Outer Continental Shelf. First, because the Outer Continental Shelf does lend itself to public bidding where you could have a number of different leases in a number of different wells.

I think we are going to find that it is really a question of Kennecott or no one else, or should I say Sealaska or no one else, because we do not want a proliferation of mines in Alaska. We really made an exception for this particular Greens Creek mine. There are only a few mines up there in all of Admirality Island. And we made an exception for this one.

There was some controversy about whether there should be mining allowed at all in this beautiful forest. We would not want to put this area out for public bid, I do not believe, although again that is something I would not want to prejudge until we have a hearing. But my judgment is that we would not want to have another mine, another intrusion.

The advantage here with Kennecott is they are already underground and the question is if the vein goes in the direction that they think it goes, then

they can continue with that underground mine with the same entrance, the same footprint to the land that they have now without any additional footprint.

I think we are also going to find that it would be uncommonly difficult to make the same kind of appraisal here that you might have in other areas simply because of the cost. For example, at the Quartz Hill Mine, a molybdenum mine, they have been assaying the resource there for over 10 years and they do not know the full extent yet, at least they did not the last time I was there. I think you can probably do it in less than 10 years, but it would be very expensive.

But, the Senator's point—and I think it is a valid one—is that we ought to bring in the experts who know about this, people from the Agriculture Department, from Interior, from USGS, and anyone else who has an opinion on it, and ask them, in their judgment, what the value is and what the fair terms of the lease should be. The thing that has been made very clear to me is that any time you have one of these controversial land exchanges, you ought to go through the discipline of a hearing. And that is my position.

By the way, I am not down on Sealaska. I am surprised at the salaries of the officers of one of its wholly owned subsidiaries. But Sealaska, in my judgment, is basically a good corporation. That is not an issue here. The issue here is the fairness of this land exchange and whether or not it is premature to make a judgment on it without a hearing.

As far as Sealaska is concerned, it has received environmental awards, and I do not want the record to be too much down on Sealaska, because I think from all I know they are one of the best. They are doing the job they have been created to do.

Mr. METZENBAUM. I am not here to smear or to negate the reputation of Sealaska. I only brought up the Sealaska matter because it was suggested that really this is just for a little group of Natives. We are trying to help them. All of us have a certain amount of compassion for Alaska Natives.

I just want to make it clear, that, yes 15,000 Natives do own it but 40 percent of the earnings of the company are going to the officers and directors. That is the only reason I brought it up.

But I totally agree, it would be inappropriate to leave this floor, making it appear that Sealaska is in some way a bad operation, a negative operation, an inappropriate kind of company. It is not.

Mr. JOHNSTON. I say to my friend I was unaware of, nor do I now know fully all of the remuneration of the directors and officers of Sealaska or any of its subsidiaries, other than what the Senator has said here. And I am not here to pass judgment on that. I am simply not familiar with it. But I am glad he did make the point that we should not leave the floor with a black eye for Sealaska because I do not think it deserves that.

Mr. METZENBAUM. I agree.

Mr. JOHNSTON. I think what Sealaska does deserve in this legislation is to have the hearing, to go into this issue of value, of appropriateness of an exchange, as fully as we can. That is what the Sierra Club now wants. I put in their letter dated today.

I hope, I say to my friend from Alaska, we could have an arrangement here where we can not decide this today but go to an early hearing, June 28. We have made the announcement. It is not my purpose to defeat this land exchange or to defeat an appropriate land exchange. But it is my purpose, rather, to have a full and complete hearing so we can satisfy everyone that whatever land exchange we ultimately approve, if we approve one, that it has seen the light of day, it has met the test of adversarial consideration. That is all I want to do.

I hope we can find a way to do that.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I appreciate the comments of the floor manager. I think the Senator from Utah, the senior Senator from Alaska, and myself would agree with the comments of the chairman of the Energy Committee with regard to the June hearing. If it can be on the 28th, which he has announced, why I think that would be most expeditious.

I would like to try again to address very briefly the uniqueness of this particular type of exchange and to, hopefully, assure my friend from Ohio that there are a different set of circumstances here. There is what they call a "prudent man" rule. It addresses the validity of these claims.

The Senator from Ohio has gone on at great length about the difficulty of assessing value. But the Forest Service and various agencies involved in managing public land have what they call a prudent man rule. The prudent man rule is—and it is applicable on these particular claims—that basically a prudent man could not make money from the standpoint of the risk associated with development and the likelihood of generating a profit.

Now, in the Forest Service evaluation, I should point out to the Senator from Ohio, the result was an appraisal of zero economic value. I stress, for the attention of the Senator from Ohio, zero economic value.

That does not mean there is not value there. But it does not mean there is value. And there is no methodology to ascertain value. I wish there was because if there was, we probably would not be spending all this time on this.

The Forest Service has rejected the validity of the mineralization findings originally submitted by the Greens Creek joint venture.

I again call to the attention of my friend from Ohio the map he has drawn attention to on several occasions. Those little gold areas that I can hardly see from here are the patented claims. This area was examined extensively at the time when the original discoveries were made.

I assure the Senator from Ohio, based on those findings, there was ample opportunity before the area went into a national monument for further claims to be filed and patented and proven up. They were not because the prospects were not that good.

Now we have a developed mine. There is reason to believe that there might be valuable minerals in the associated area and that is the basis for the trade.

But the Senator from Ohio has raised, again, and again, the point: Well, is the public interest protected? Are they going to get fair value? What we have here—and again I ask for the attention of the Senator from Ohio because I do not think he has quite grasped it—these lands are in a national monument. They are closed to mineral entry as a result of ANILCA in 1980. So no prospector could go in and prove up and file a claim.

If they were open to the mining laws as are other public lands, mineral exploration and development could occur, and without transfer of any lands to the United States. So the point is, since these are in a national monument, the only other alternative is for some kind of an exchange to take place. If they were not, the argument over equity back to the Federal Government would have no application at all. It is only because this area is in a national monument and therefore it is close to mineral claims or further mineral exploration. Under the proposed exchange the United States will receive 10 percent of the value of the royalty and valuable lands in exchange for this area. The Senator from Ohio is suggesting that the value is not adequate. Value is relative and I think he would agree to that. It is interpretation.

What we have here is 32,707 acres of land that would be received by Sealaska Corp. and the United States would get approximately 35,000 acres in return. We can go into the justification of whether that is adequate value or inadequate value. But for the Senator to say, as he has repreatedly said in his statements that this is a giveaway—I take exception to that. It is an exchange. I ask that the Senator from Ohio recognize that it is not a giveaway. It is an exchange. He can legiti-

mately argue whether there is adequate consideration for the exchange but it is an exchange and it is not a giveaway. I want to make that point very clear because I think it may have been lost to some.

Mr. METZENBAUM. Will the Senator yield for a question?

Mr. MURKOWSKI. I yield for an answer to that specific question.

Mr. METZENBAUM. Would the Senator from Alaska agree if he were to come to the floor and provide for an exchange of 10 acres of land in Alaska for 10 acres of downtown real estate in Washington, that would be a giveaway?

Mr. MURKOWSKI. If it were in the ghetto of Washington, I am not so sure.

Mr. METZENBAUM. I am talking about 10 acres of downtown development, real estate, in Washington.

Mr. MURKOWSKI. I respond by saying if there were 10 acres in Alaska of a mine that was operational, of course there is justification.

Mr. METZENBAUM. It is a giveaway. It is a question of definition.

Mr. MURKOWSKI. I think it is a question of definition.

The point the Senator from Alaska is trying to make and I think has made over and over, is that, we do not know what the value of the subsurface is. Ordinarily, you do not find what you are looking for when you look for minerals. That is just a universal premise. Just like you do not find oil when you go to look for it. The exception is finding it rather than the rule.

The point that the Senator from Alaska wants to make and I think it is referenced by my senior colleague, Senator STEVENS, as well, is that this exchange is not a giveaway. To suggest the two Alaskan Senators would support a giveaway of public land within our State is simply not realistic nor is it accurate.

I find that the research done by my good friend, the Senator from Ohio, is surface research. He is really not knowledgeable, in depth of the concept and the principles involved in how this process can work in a national monument. There is a specific proposal and a specific methodology. It is a land exchange. We debate this same issue in committee from time to time.

The Secretary of the Interior has the authority to initiate exchanges, but these exchanges, appropriately, have been brought back to the committee. We have debated them in the committee. The Senator from Alaska simply knows no other way to accommodate under the law, necessarily, the ability to exchange lands. Yet, it was provided for in ANILCA and I think it is absolutely necessary.

The Senator from Alaska wants to conclude with one specific reference. I think it is a responsibility that the Senator from Ohio has to accept as a consequence of his objection to proceeding with the Greens Creek amendment, as proposed.

There has been much talk about whether this exchange is equitable or not. I have indicated that we are not giving it away. It is an exchange of land. This is value being given. The Senator should recognize that this exchange will prevent further timber harvesting on a national monument wilderness inholding.

If we were able to go ahead with this today, the Lake Florence harvest would not take place on Admiralty Island. As the Senator may recall, Cube Cove is an inholding of about 23,000 acres. The entire area, as proposed in this exchange—some 6,000 acres of standing timber that has not been logged, high value spruce—is going to be logged now. That logging will take place by October 1 of this year. Logging roads have been built to the edge of Lake Florence now.

I am very sorry to hear that the Sierra Club has indicated a lack of support for this because I think they, too, as well as the Senator from Ohio, have to bear the responsibility that the world just does not stand still while Congress meets, relates, and discusses. Logging will go ahead. This 6,000 acres at Cube Cove that has not been logged, that has been of great interest to environmental groups, such as the Sierra Club, there is logging that has been going on in there for several years. There were 23,000 acres given to the Shee Atika Native Corp.

The Senator from Alaska proposed early exchanges for various areas that had been withdrawn at the request of environmental groups from time to time in hopes that an exchange could be made so that there would be no logging on Admirality Island. Unfortunately, the environmental groups did not get behind and support such an exchange as proposed by the Senator from Alaska. That exchange specifically was designed to take lands that had gone into various types of protective classifications and pulling some of those out, recognizing that the sanctity of Admiralty Island was perhaps the highest and most significant single issue to try and maintain.

Nevertheless, we at this time have an opportunity to assure, in the acceptance of the Greens Creek amendment, that the remaining 6,000 acres of old growth timber will not be cut. It appears now that we are not going to be able to move on the Greens Creek amendment and, as a consequence, we are facing the realization that Koncor, the organization that has the contract for logging and has notified the Forest Service will initiate a logging program for the Lake Florence area, the last remaining 6,000 acres in the 23,000-acre Shee Atika holding.

So I emphasize to my colleague from Ohio that there is a need for action if, indeed, there is any interest on the other side to try and save this last remaining 6,000 acres from logging.

I again draw the attention of my colleague from Ohio, if I may, to the fact that there has been no mention of the value of this 6,000 acres that is proposed to be logged, which is part of the exchange proposal because it is surface, not subsurface. I think that in itself is justification for speedy action on the amendment. But I just lay that out to my friend from Ohio that he and others who are opposed to this have to bear that responsibility, the last acreage on Admirality in the national monument is going to be cut because we are unable to proceed with this amendment. I think that is, indeed, very, very unfortunate and deserves at least a comment from the Senator from Alaska.

So, Mr. President, as we wind up, the debate on this issue, I think it is fair to say the junior Senator from Alaska is disappointed that we are not able to proceed because of the objection of some of our Members. I hope that somehow the Senator from Ohio takes the time to try and sit down with the agencies who have the managing responsibility for this exchange—the Forest Service—to work out in his mind, perhaps, something acceptable because, as the Senator from Alaska has indicated, the world is not going to stop while we wait and debate. That timber in Lake Florence is going to be logged, and that is, indeed, unfortunate that we cannot initiate this exchange in a timely manner to avert that. That is not my responsibility. I have done certainly all I can, along with the senior Senator as well.

Mr. President, I yield the floor at this time.

The PRESIDING OFFICER (Mr. LIEBERMAN). The Chair recognizes the Senator from Rhode Island [Mr. CHAFEE].

Mr. CHAFEE. Mr. President, this is a complicated matter. I hope the managers and the Senator from Ohio might work out something that would resolve this problem. I think it is a problem that all of us would like to see solved. It is, as I mentioned previously, confusing. There are vast acreages involved.

As I understand, the chairman of the committee has promised a hearing in the latter part of this month and from that would come some information that would be helpful in the solution.

As I understand, this is a suggestion that perhaps this could be approved contingent upon subsequent approval by the Congress. That makes some sense. I do not know just what the chairman of the committee is working on, but it would certainly, I think, bring a lot of solace to those of us who

find this extremely complicated and concerned about the lack of a hearing.

As I understand, there has been no hearing on this particular matter and there is a suggestion, as I understand it—I do not know if it is agreeable to the junior Senator from Alaska—that following the hearing Congress would, what? React once again on the subject?

Mr. JOHNSTON. Mr. President, I say to my friend from Rhode Island it is my view that we should definitely have a hearing on the question of this land exchange. What we have been negotiating between the various parties here is in lieu of seeking the approval of this exchange by legislation, that we direct a study to be made with recommendations to be made to the Congress by the Secretary of Agriculture. We were here working on that appropriate wording. I do not know whether that meets with the approval of the various parties. I would ask the junior Senator, if I am in order——

Mr. CHAFEE. Yes. I was just curious. I wondered if that met with the approval of the Senator from Alaska.

Mr. JOHNSTON. Does the junior Senator from Alaska wish to pursue that? Because I think it is time to bring the matter to a head, either by having a compromise or by having a motion to table.

Mr. MURKOWSKI. The Senator from Alaska has seen the original amendment. I assume that is what the Senator from Louisiana is referring to.

Mr. JOHNSTON. There are several iterations of that but it deals with the subject matter of the recommendations by the Secretary of Agriculture to the Congress.

Mr. MURKOWSKI. I would like to see the final language. But in the spirit of proceeding, I agree with that general thought process, although the Senator from Alaska is disappointed that we cannot move ahead because I think we would prevail if we would take it to a vote.

Mr. JOHNSTON addressed the Chair

Mr. STEVENS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, I think the wording of this ought to be very easy to work out, and so I ask my friends to let us come together and work out this wording. The important thing about an amendment dealing with Greens Creek is it puts the subject matter into conference, and that is all you can accomplish anyway. I think the Senator from Ohio is suggesting some wording which calls for recommendations without an executed recommended agreement. Is that correct?

Mr. METZENBAUM. That is correct. I think we could very well let the Secretary make this recommendation, give it to the Congress, then determine in a hearing, whatever, what is the appropriate way to go. I am trying to work on that. I am not exactly fully cognizant of the implications of the additional language that is in this proposed amendment with reference to the timber cutting. I have asked some people more knowledgeable than I about that subject. I just want to be certain as to the significance of that. I also want to be certain of the language of this amendment. But I am very happy to continue to try working on it.

Mr. GARN. Will the distinguished manager yield?

Mr. JOHNSTON. I will yield.

Mr. GARN. During the last few minutes, we have been trying to work out a compromise. I did submit to the Senator from Ohio what I thought was an eminently fair and reasonable compromise, and I hope he would be willing to consider it. I do not happen to be an attorney, but the language is so simple that I find it puzzling we cannot accept it. It simply says we direct the Secretary to participate in expedited negotiations and to come back within 60 days with a recommended agreement to Congress and, if not, why, they have not come back with it. In other words, whatever he recommends makes no difference; Congress has the right to turn it down.

I do not understand the fears of the Senator from Ohio. We are in exactly the same position. Get on with it.

Mr. JOHNSTON. May I say to my friend from Idaho——

Mr. GARN. I am from Utah, but Idaho is a good State.

Mr. JOHNSTON. It is out there in one of the public lands States.

Mr. GARN. Idaho has less public lands than Utah.

Mr. JOHNSTON. I say to my friend from Utah we are close to getting this thing worked out. We will get the recommendations back. The wording of it I think is not of essential importance; the matter will be there as a matter in conference to be discussed, and that is the point.

Mr. GARN. I might suggest—the distinguished senior Senator from Alaska seeks recognition—either while he is speaking we discuss it, or when he is through we suggest the absence of a quorum and see if we can work out some language that is acceptable to both sides.

Mr. STEVENS. Will the Senator yield for just a moment?

Mr. JOHNSTON. I will.

Mr. STEVENS. Mr. President, my goal is just the same as articulated by the Senator from Louisiana, the manager of the bill, and that is the subject matter of the Greens Creek exchange and Cube Cove, which is the Lake Florence area, be taken into conference.

Meanwhile, Mr. President, the hearings that the distinguished chairman of the committee has suggested, along with the Senator from Arkansas, could proceed. We could hopefully wind those up and bring into the conference not only the results of those hearings but the recommendation of the Secretary, and I think we might end up achieving the objective of dealing with both Greens Creek and the preservation of Lake Florence, which is now the goal of the southeastern conference and the goal that I wish to support. I have already discussed this matter with Senator MURKOWSKI and Senator GARN, Senator JOHNSTON, and staff. I hope the Senate will proceed as the Senator has outlined, and I am ready to proceed with the language of the Senator from Louisiana as soon as possible.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Louisiana suggests the absence of a quorum. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. JOHNSTON. Mr. President, I think we now have an amendment as to which we will all, maybe agree is too strong a word, but at least we will allow to go through and resolve the matter.

I ask is unanimous consent necessary at this point to agree to have an amendment?

The PRESIDING OFFICER. If the Senator wishes to modify the amendment, to ask unanimous consent is required. However, you may offer an amendment in the second degree, if you wish.

Mr. JOHNSTON. I will not offer this until we have a very brief discussion. If it provokes anything other than a very brief discussion, I think we ought to give up the attempt. But I think it is very simple.

What the amendment says is that in lieu of having an approved exchange, the Secretary would be directed to continue to engage in expedited negotiations with Sealaska Corp. for a voluntary exchange agreement through which the United States would acquire surface and subsurface estates held by Sealaska in the Tongass National Forest in exchange for subsurface estate in the Greens Creek area of Admiralty Island.

Within 60 days of enactment, the Secretary shall submit his recommendations as to whether or not an exchange could be made, and if so, its appropriate terms to Congress, or shall

report to Congress as to why such recommendation has been made.

We have similar direction to engage in expedited negotiations with Shee Atika, Atikon, and Sealaska for an independent voluntary exchange agreement through which the United States would acquire all of the surface estates or all of the surface and subsurface estates held by these parties in the Lake Florence, Lake Kathleen, and Wards Creek drainages of Admiralty Island.

Mr. President, what I would have in mind by this amendment is that this would be the amendment in lieu of the exchange amendment, that we would proceed with our hearings on June 28, call in all the appropriate parties. We would also hopefully get the recommendations of the Secretary of Agriculture and we would have him in to testify by June 28, and if, in fact, we had a broad consensus of the matter, this amendment would put the matter in conference, which is all that you can ask for, anyway.

So, Mr. President, I hope, based upon this amendment, we can by unanimous consent delete the pending amendment and go to final passage without further delay.

Mr. METZENBAUM. Reserving the right to object, I do not intend to object, I question my friend, chairman of the committee, as to whether or not he thinks he ought not agree to evaluate or reassess the previously announced intention to go forward with a hearing on June 28, and not wait until the time of the hearing, until such time as the Secretary has come forth with his recommendation.

June 28 was originally set when there was not this provision being made in this amendment as to the Secretary making an evaluation as to whether an agreement should or should not be made, and the terms of that agreement.

It seems to me if there is a hearing on June 28, the substance of that hearing would have to be why do not we wait to see what the Secretary is going to have.

I hope that the chairman will reserve a determination on that. The Secretary may be ready by that time, but, if not, there is not much reason to go forward with the June 28 hearing.

Mr. JOHNSTON. I say to my friend that I think we should proceed with the June 28 hearing. If the Secretary comes to that hearing, and I can assure the Senator that he will be invited or his chief representative. If he says that he is not ready to make any recommendations at that time, and the matter should be further considered, then I believe we would have a second hearing. But, clearly, we ought to proceed on June 28. We made that announcement.

Mr. GARN. Will the chairman yield?

Mr. JOHNSTON. Yes.

Mr. GARN. I agree with the chairman. I do not think it makes any difference whether the Secretary is ready to make his recommendations at that time. There are a lot of other witnesses that I think we should hear in making our determination. Therefore, I think it would be useful to proceed with the chairman's original recommendation, with a hearing on June 28 to gather that information.

My expectation is that we would probably need a second, separate hearing specifically on the Secretary's recommendation, if he comes up with one, apart from all the other information gathered. I would see the necessity for two hearings, in any event, even though June 28 is a necessary part of the process.

Mr. JOHNSTON. Mr. President, I feel a magic moment approaching.

Mr. MURKOWSKI. Mr. President, I would like to direct to the floor manager the question of the time sequence in section 501(a). We have a 60-day enactment period. I wonder if the Senator would, in section 501(b), where it reads: "The Secretary is directed to engage," modify it to include the words "during the 60-day period referenced in subsection (a)."

The Senator from Alaska would agree to the amendment with that provision, because I think it is appropriate that both subsections (a) and (b) have the same time sequence.

Mr. JOHNSTON. The Senator would like to add after the word "engaged," "during the 60-day——

Mr. MURKOWSKI. "Period referenced in subsection (a)." That is all.

AMENDMENT NO. 2020

Mr. JOHNSTON. Mr. President, I think that is an appropriate suggestion. So I say to my colleagues that the amendment that I will now ask unanimous consent for will read as follows, in the first sentence, at 501(b), "The Secretary is directed to engage, during the 60-day period, in expedited negotiations," et cetera.

So, Mr. President, I think the moment of agreement has arrived. I, therefore, ask unanimous consent that the pending amendment and the second-degree amendment thereto be laid aside, that in lieu thereof, the amendment which I now send to the desk be immediately considered.

The PRESIDING OFFICER. Is there objection?

Hearing none, it is so ordered. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 2020.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

SEC. 501. (a) The Secretary is directed to continue to engage in expedited negotiations with Sealaska Corporation for a voluntary exchange agreement through which the United States would acquire surface and subsurface estates held by Sealaska in the Tongass National Forest, in exchange for subsurface estate in the Greens Creek area of Admiralty Island. Within 60 days of enactment the Secretary shall submit his recommendation as to whether or not an exchange should be made, and, if so its appropriate terms, to Congress, or shall report to Congress as to why no such recommendation has been made.

SEC. 501. (b) The Secretary is directed to engage during the 60 day period in expedited negotiations with Shee Atika, Inc., Atikon, Inc. and Sealaska for independent voluntary exchange agreements through which the United States would acquire all of the surface estate or all of the surface and subsurface estates held by these private parties in the Lake Florence, Lake Kathleen, and Wards Creek drainages of Admiralty Island. The first priority of such negotiations shall be acquisition of the Lake Florence drainage.

Mr. JOHNSTON. Mr. President, the amendment has not been discussed. I hope we will approve it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana.

The amendment (No. 2020) was agreed to.

The PRESIDING OFFICER. Amendment No. 2017 is thereby withdrawn without objection.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote and to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM. Parliamentary inquiry, Mr. President. I want to be clear. As I understood, the Chair just ruled that amendment 2017 is withdrawn. Does that mean that the amendment of the Senator from Louisiana that was just offered falls with that amendment?

The PRESIDING OFFICER. The amendment offered by the Senator from Louisiana was a first-degree amendment. It therefore stands.

Mr. METZENBAUM. That first-degree amendment was in order pursuant to the unanimous-consent agreement?

The PRESIDING OFFICER. It was.

Mr. METZENBAUM. Therefore, the amendment of the Senator from Louisiana has been accepted and adopted and is in order.

The PRESIDING OFFICER. The Senator from Ohio is correct.

Mr. METZENBAUM. I thank the Chair.

TITLE II

Mr. MURKOWSKI. Mr. President, title II of the bill before us would establish a number of permanent nonharvest areas on the Tongass which would be managed as permanent LUD II's as defined in the 1979 TLMP.

Would the Senator explain the uses permitted in a legislative LUD II area?

Mr. JOHNSTON. By LUD II, we mean "Land Use Designation II" set forth in the final environmental impact statement for the Tongass land management plan dated March 12, 1979. Management implications of LUD II are listed on pages 8 and 9 of that document. Areas allocated to LUD II are to be managed in a roadless state to retain their wildland character, but this would permit wildlife and fish habitat improvement and primitive recreational facility development.

Mr. MURKOWSKI. Senator JOHNSTON, I understand that while timber harvesting is not permitted, timber salvage sales would be permitted to prevent significant damage to other resources such as control of disease or tree infestation. Am I correct?

Mr. JOHNSTON. The Senator is correct. Timber salvage sales would be permitted where necessary to protect other resources in a LUD II area.

Mr. MURKOWSKI. It is my understanding that personal use of timber would be allowed for cabin logs, firewood, float logs, fish trolling poles, and other similar uses. I presume that this is limited by the 10,000-board-foot per person rule which applies elsewhere in the Tongass National Forest. Am I correct in my understanding of these uses?

Mr. JOHNSTON. The Senator is correct.

Mr. MURKOWSKI. Am I correct in my further understanding that water and power developments can be permitted if they are designed to retain the overall primitive characteristics of the area. Am I correct in my understanding that such uses are permitted?

Mr. JOHNSTON. The Senator is correct.

Mr. MURKOWSKI. Am I correct in my understanding that roads may be built to serve such activities as mining, power and water development, aquaculture development, transportation needs determined by the State of Alaska and vital transportation system linkages? This would include the transportation corridors developed by the Alaska Department of Transportation for southeast Alaska.

Mr. JOHNSTON. Roads may be constructed in a LUD II area to serve the activities you describe if authorized by the Forest Service. In making its determination for authorization, the Forest Service will fully assess the environmental impacts of the construction of such roads and consider all available alternatives.

Mr. MURKOWSKI. Does permitting mining include the ability to build tailings dams so long as such dams can be designed to retain the overall primitive characteristics of the allocated areas? For example, the Jualin Mine would be in the Berner's Bay LUD II area. Would a tailings dam be allowed in Berner's Bay to permit this mine to be constructed and operated?

Mr. JOHNSTON. Mining is a use allowed under the LUD II designation. The Forest Service however will review such mining activity under the NEPA process and consider alternatives which are consistent with the overall primitive character of the area. The Forest Service may allow tailings dams to be built in a LUD II area after it has fully assessed the environmental impacts and considered all available alternatives.

Mr. MURKOWSKI. Am I correct in my understanding that float planes and motor boats on fresh water are permitted so long as such use does not become excessive?

Mr. JOHNSTON. The Senator is correct.

Mr. MURKOWSKI. Am I correct in my understanding that permanent improvements such as fish ways, fish hatcheries, and aquaculture sites may be built in LUD II areas?

Mr. JOHNSTON. The Senator is correct. However, the design of such facilities may be restricted to conform with the purposes of the designation.

Mr. MURKOWSKI. I thank the Senator for his views.

SECTION 105

Mr. MURKOWSKI. Section 105 of the bill deals with the Small Business Set Aside Program. I wonder if Senator JOHNSTON would explain to me how certain provisions of the section are intended to act.

Mr. JOHNSTON. I yield to Senator BUMPERS who is chairman of the Small Business Committee which deals with the Small Business Administration timber sale program.

Mr. MURKOWSKI. Section 105(b) adds a new subsection (f) to section 705 of ANILCA which subject to applicable laws requires the Secretary to provide a supply of timber to the Tongass National Forest which seeks to meet the demand of purchasers qualifying as small business concerns under the Small Business Act. This provision is extremely important to me because I want to make sure that the small business operators on the Tongass are protected. These are operators who do not have long-term sales and must rely on the ordinary Forest Service timber sale program to survive. I favor a strong SBA set aside which will meet the needs of the small business operators without requiring them to compete with the independent and long term sales.

Mr. BUMPERS. Yes, the Senator offered this amendment in the Energy Committee and I think it is a good amendment. I share the Senator's views that the language in subsection (f) is designed to accomplish the purposes you have mentioned.

Mr. MURKOWSKI. In providing that the Secretary shall seek to provide a timber supply which meets the demand of small business purchasers, is it the bill's intent to make sure that sufficient SBA program timber is offered so that these timber purchasers have the opportunity to purchase enough timber to keep their mills operating?

Mr. BUMPERS. Yes, it is, consistent with other laws applicable to national forests. The idea is that the Tongass SBA timber sale program would be conducted like SBA timber sale programs elsewhere in the National Forest System.

Mr. MURKOWSKI. On the Tongass National Forest it takes some time for a timber sale to be offered from the date that the timber sale is conceived. The Forest Service estimates that sometimes it takes as many as 7 years. Oftentimes, there are lawsuits which preclude timber from being sold which has been through the timber sale preparation process. Is it the intent of the provision that the Forest Service take all of this into account in preparing SBA timber sale program adequate to meet small business market demand?

Mr. BUMPERS. That is my understanding of the intent of the provision.

Mr. MURKOWSKI. Is it the intent of this provision that the Forest Service request sufficient funds from the Appropriations Committee to meet market demand as we have discussed?

Mr. BUMPERS. There is no explicit funding requirement in the provision, however I would agree with the Senator that seeking adequate funds for timber sale preparation is an implicit part of the requirement that the Forest Service seek to meet small business demand.

Mr. MURKOWSKI. I thank the Senator for his views.

Mr. President, as the Senate prepares to vote on the Tongass National Forest reform bill it is appropriate that I make a few brief remarks.

Let there be no doubt, Mr. President, that this legislation is extremely important to the people of southeast Alaska and to me personally. There are those that would use the concern generated about timber management, and I believe this concern is without basis, to cause serious damage to the economic and social fiber of southeast Alaska.

But in this body, Mr. President, the Alaskans have been given fair and reasonable treatment. This is in large part to the credit of my colleague from Louisiana, the able chairman of the Senate Energy and Natural Resources Committee, and my colleague from Arkansas, Senator BUMPERS, chairman of the Public Lands Subcommittee.

Alaskans have had fair hearings in both Washington, DC, and in Alaska. On more than one occasion, the chair-

man has presided over long sessions inquiring with great interest into controversial issues related to Tongass management.

And when I asked the subcommittee chairman to hold hearings in Alaska so that Alaskans could be heard on an issue so critical to their lives—I was accommodated. Senator BUMPERS did so even though the pressure to move legislation was great. I thank Senator WIRTH and Senator BURNS for traveling to Alaska with me to listen to the testimony of concerned Alaskans.

The field hearings in Alaska revealed that while there were many disparate opinions in southeast Alaska about Tongass management a great effort was being made to develop a consensus position. The Southeast Conference, a group of community leaders from throughout southeast Alaska, had worked long and hard to build a detailed position that a majority of the communities could support. Their position was supported by the Governor at the hearing in Sitka and later became the foundation for the compromise bill advanced by Senator JOHNSTON in committee. This bill was reported unanimously by the committee and I believe will receive overwhelming support in the full Senate today.

The development of Tongass legislation in the Senate is in stark contrast to what has occurred in the House. The House-passed measure takes away the consideration given for 5.4 million acres of wilderness designations by the Congress in 1980, cancels existing timber contracts exposing the United States to potentially huge liability, and designates nearly 2 million acres of additional wilderness in the Tongass Forest. Should this measure become law it will devastate the timber industry in my State—an industry which is the economic underpinning of a region larger than West Virginia. This measure passed the House over the objections of the entire Alaska congressional delegation and Alaska's Governor. To make matters worse, the House measure was advanced without a single hearing in Alaska.

While I do not like every provision of the Senate committee bill, I appreciate the careful attempt which has been made in the Senate to balance the national interest in the Tongass Forest with the needs of southeast Alaskans who depend on the forest for their livelihoods. In my view, no such effort has been made in the House. As we proceed to conference on this bill my senior colleague from Alaska and I ask for the support of other Members in advancing the good work of the Senate and the interests of Alaskans.

Mr. ADAMS. Mr. President I am pleased to join my colleagues in supporting the passage of the Tongass timber reform bill. We have before us today the result of many months of negotiation. I believe the result is a fair and equitable compromise.

The management of the Tongass has become a matter of tremendous national and international interest. To date, I have received thousands of letters from citizens in my State of Washington asking that we save the Tongass. I believe that the volume of mail that has arrived in my office regarding this issue accurately reflects the concern in my State about the management of our national forests. We in the Pacific Northwest are particularly sensitive to the difficult problems posed by changes in forest management practices. The battle over the fate of our old growth forests has been a tremendously agonizing one pitting environmental values against the economies of local communities. I understand how difficult it is to make management changes which result in lost jobs. Unfortunately, however, difficult decisions are sometimes necessary to protect the environment and jobs in the long term.

Mr. President, I believe that there is another significant reason for supporting Tongass reform; that reason is purely financial. Tongass has also become a symbol to both environmentalists and economists of poor management policy. The Congressional Budget Office estimates that the passage of this legislation will result in a savings of $28 million in 1991 and $44 million in subsequent years. In these times of fiscal constraints and a severe budget deficit, it is unthinkable that we continue to subsidize, at enormous financial cost, the continued harvesting of the Tongass. Good financial stewardship as well as good environmental stewardship, demand a reform in the Tongass Forest management policy.

In addition, the environmental and ecological costs of this subsidy should be taken into account. In recent times, it has become clear that we need to do more to protect our resources—100 years ago, we believed that our forests were limitless, indestructible. Over the years, we have learned a tremendous amount about the intricate and fragile nature of our forests. Today, we realize that unless we manage our resources responsibly, we will not have those resources to rely upon in the future. The Tongass is our Nation's largest forest and harbors abundant fish, wildlife, flora, and fauna. We still have the opportunity to manage it wisely and I am pleased that the Senate has taken that responsibility seriously.

Finally, Mr. President, I would like to commend Senator JOHNSTON and the Energy and Natural Resources Committee members and staff for their outstanding work in bringing the Tongass bill before us. I recognize how difficult it has been to reach an agreement on this issue and admire Senator JOHNSTON's work in furthering this process. This bill has been a long time coming and I am grateful to those people who made it possible.

Mr. ROTH. Mr. President, I rise today in support of the legislation before us, H.R. 987, the Tongass Timber Reform Act. The legislation to amend the Alaska National Interest Lands Conservation Act is an important step forward in the protection, management, and conservation of our national forests. It is a step that we should have made a long time ago. The forest, located in southeastern Alaska, is a national treasure that supports an incredible abundance of fish and wildlife, and is one of the last remnants of a far larger rainforest that once stretched from northern California to Alaska.

As one of the key cosponsors of the 1980 Alaska lands act to protect millions of acres of Alaskan wilderness I am disappointed that the debate on the management of the Tongass National Forest has taken this long. Huge sums of money have been spent to build roads into remote and fragile areas to make timber available for sale. This has resulted in the wasting of our taxpayer dollars, and encouraged unsound environmental practices which is destroying salmon spawning streams and wildlife habitat. The Forest Service spends $40 million annually to maintain a timber supply. Yet, we don't know if the timber is necessary or whether the timber sales will even take place. From the period of 1980 through 1986, the Forest Service spent $386 million while it only took in $32 million. As the New York Times stated in their editorial of September 20, 1989, "we have been selling 500-year-old trees for about the price of a cheeseburger." Since about 60 percent of timber harvested in the Tongass goes for rayon and cellophane production, we are selling the tree to make the cellophane to wrap the cheeseburger.

The current management practices have resulted in wasting millions of our taxpayers dollars while encouraging unsound environmental practices which destroy salmon spawning streams and wildlife habitat. How can we tell countries like Brazil, Madagascar, and Indonesia to undertake responsible forest management practices, when we cannot manage our own forests responsibly?

The protection of our wilderness and the proper stewardship of our national heritage is an important issue to all of us. It is one of the few treasures that we can pass along to future generations unscathed. With so much national attention focused on the environment and in particular this measure, I am pleased to see that we are finally able to right a wrong.

This legislation is a major step forward in bringing these contracts into line with the short-term contracts used in the rest of the National Forest System, and should do no harm nor destablize the local economies. I commend Senators JOHNSTON, WIRTH, STEVENS, and MURKOWSKI in the preparation of this compromise measure before us.

The PRESIDING OFFICER. Is there further debate?

Is all time yielded back?

Mr. JOHNSTON. Mr. President, I have an amendment to the title. Is that in order now?

The PRESIDING OFFICER. It is not in order at this time. Is all time yielded back?

Mr. JOHNSTON. I yield the remainder of my time, Mr. President.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

Mr. JOHNSTON. Mr. President, I thank all parties engaged in this bill for their extraordinary cooperation. The two Senators from Alaska, whose State is vitally and directly affected by this, have been real champions in helping us fashion an agreement. The Senator from Ohio has searchingly examined the bill, and I think contributed successfully to its confection.

The Senator from Utah has been very helpful, and as we proceed with seeking to get an exchange on Greens Creek—and I hope we can—I expect him to be a strong player, and I know he will want to participate with us in the conference committee. Senator WIRTH from Colorado and Senator BUMPERS from Arkansas, of course, have been very strong advocates of the Tongass National Forest legislation, as has Senator MCCLURE and others.

Mr. President, I especially want to thank the staff who have done such an outstanding job all through this legislation, and it is not over yet. I especially thank Mike Harvey, Daryl Owen, Tom Williams, Beth Norcross, and Diane Nagel. I especially want to note the work of Beth Norcross, who is our resident forester and a tremendous expert on this whole area. We would not have been able to get such a good settlement and agreement on this matter without her help, as well as that of the other staff members.

So, Mr. President, with that, I ask for the yeas and nays.

Mr. MURKOWSKI. Mr. President, I would like to thank my colleague and thank all those who are responsible as well. I encourage my colleagues, when we go to the conference to recognize that the Senate has held extensive hearings with good debate. I thank, particularly, Senator JOHNSTON, who has made, I think, a very fair and responsible effort to examine the entire Tongass issued through the hearings which were held in Alaska, through the numerous committee hearings held here in Washington. And, to a large degree, credit goes to my colleague from Louisiana for expediting this legislation, I think, in a very fair and equitable manner.

The senior Senator from Alaska and myself are most appreciative. I know that he has a luncheon today, so I will not extend my remarks any further, but I could at great length go on and expound as to how cooperative and responsible he and the professional staff, Beth Norcross and our own staffs have been. Senator STEVENS and myself are most appreciative. I thank my friend from Louisiana.

The PRESIDING OFFICER. Does the Senator from Louisiana wish to ask for the yeas and nays?

Mr. JOHNSTON. Yes. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, the seafood luncheon is now going on. We cannot reach the majority leader to ask that the vote be put off until 2 o'clock. So we will just do that informally. I will come back at the end of the luncheon and ask for the vote at around 2 o'clock. So Senators should be advised that we will have the vote at about 2 o'clock.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. CRANSTON. Mr. President, I am now going to make a unanimous-consent request, which I understand has been cleared on both sides.

I ask unanimous consent that the vote on final passage of H.R. 987, the Tongass wilderness bill, occur at 2 p.m. today without any intervening action or debate.

The PRESIDING OFFICER. Is there objections?

Mr. MURKOWSKI. The Senator from Alaska would not object, and is very pleased to hear with some certainty that we are going to resolve the Tongass issue, at least until we get to conference. I will not object.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. CRANSTON. Mr. President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 1,915th day that Terry Anderson has been held in captivity in Beirut.

Last Friday I spoke of a letter Mr. Anderson's daughter, Sulome, wrote on the occasion of her fifth birthday. The joy of Sulome's birthday was sadly overshadowed by her father's long years in captivity; by his inability to share in her special day.

Sulome has never met her father. Yet her sorrow has not been lost on the citizens of Beirut. On her birthday, June 7, Lebanon's eight daily newspapers published Sulome's letter. In addition to printing the letter in Arabic, An-Nahar and four other dailies printed the original English-language text of the letter. Let us hope that Terry Anderson was one of the readers.

SENIOR INTERNSHIP PROGRAM

Mr. PRESSLER. Mr. President, for 16 years I have sponsored a senior citizen intern. This year I was pleased to have as my intern Fern Stringham of Sioux Falls, SD. She is an outstanding example of an actively employed senior citizen. Fern, in addition to caring for a spouse and home, is employed 4 days per week as a bookkeeper for Service Master.

Fern and the 143 other senior interns who served here this spring are vibrant men and women. They came to Washington and Capitol Hill to learn more about the important issues that affect America's older citizens. Through the Internship Program these senior citizens received a well-rounded educational experience that provided useful insights into the dynamics of government and the history of American political life.

The Senior Citzen Internship Progam is an excellent means of helping citizens to become involved in and

to understand the complex issues that are deliberated within the House and Senate Chambers. These men and women return to their communities more aware of the many issues facing our Nation and with a stronger desire to continue their involvement in community leadership roles.

Mr. President, each year I ask my intern to report on his or her experience as a senior intern. I ask unanimous consent that the report of Fern Stringham, my 1990 senior citizen intern, be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT ON SENIOR INTERN PROGRAM 1990

Sunday evening, May 13, 143 elderly overachievers and 15 spouses met at two hotels to share a meal and get acquainted. There was an orientation by the Close-Up staff and when we were asked what our earliest political memory was, I could remember my uncle's living room over-flowing with paper sunflowers which were part of the hype for Landon & Knox who ran against FDR. The year must have been 1936, and my uncle was Deuel county chairman.

MONDAY, MAY 14, 1990

U.S. Senate floor visit: We felt honored to be able to actually sit at a Senator's desk and be instructed by John Doney and then later Senator Robert Dole welcomed us and did an expert job of fielding political questions from our group.

Legislative process seminar: Held in the Dirksen Bldg. Senator Cochran was there to greet us and then Bill LaForge explained how the House and Senate are driven by policy, procedure and politics. (This helped us understand why legislation seems to take forever.) Portia Mittleman explained how sub-committees work. Judith Schneiner, a very sharp young lady, explained her job with the Congressional Research Service.

Aging Committee Overview: Lunch was in the Grand Ballroom of the Ramada Renaissance TechWorld where we remained in place for the seminar presented by Richard Veloz and Chris Jennings. These two left me feelings somewhat uneasy with such facts as; there are 33 million elderly on medicare which fund is about to run out of money; there will not be a Peace Bonus. It's all going to be spent in Eastern Europe and to maintain jobs in the military. (President Eisenhower warned us about the military-industrial complex. [My comment]) Also, no news to us, was the ever escalating cost of medicine. They informed us that 65% of the elderly do not have insurance that will pay for prescription drugs. When the income of the elderly does not stretch to cover rent, food, and medicine, the medicine is the item not purchased. The House Select Committee on Aging concerns itself with housing, human services, health and long term care, and income of the elderly. They also wanted to hear from us through our individual Congressmen. They said since the avalanche of mail about the tax on catastrophic health care, they have not heard from us.

Walking workshop: Bill Bowersock, our Close-Up guide took us for an interesting tour of the Capitol. His interest in the Brumidi art work on the walls and the ceiling and other highlights made it an especially interesting tour.

Topical seminars: After dinner at our hotel, we had a choice of four different seminars given by our Close-Up guides. It became apparent that they took this very seriously. I went to "A Closer Look at the Clean Air Act" given by Stephanie who talks very fast and is a walking encyclopedia. She had covered the walls with a paste up outline. She had handouts which covered the current law, the Senate version and the House version, now under discussion. Shirley Jensen, Tom Daschle's intern, brought out the fact that burning Ethanol in cars was a very clean burning alternative fuel, and had other desirable effects such as the balance of trade and a market for the farm product. The group realized that the clean-up would be very expensive but felt we were leaving quite a mess for our children and we should pay the price it takes the clean up the air.

TUESDAY, MAY 15, 1990

Visit to Lincoln Memorial and Vietnam War Memorial

Seminar on long term health care: This was in the Rayburn House Bldg. and we were greeted by Congressman Edward Roybal who seemed to me to be a very compassionate man. The fact that these Senators and Congressman took their time to greet us was important to the Senior Interns.

Discussion concerned the National Health Plan before the House. Brought out was the fact that there are 1.3 million people in nursing homes and twice that many being cared for by family members, often at great stress to those caregivers. Almost without exception, these old folks would prefer to be in their own homes, but at this time there is very little provision for government aid for expenses. The White House doesn't see the need for long term care. The only current solution was private pay or private insurance except for those of moderate means who would be allowed to retain $30,000 per individual of their assets and be able to receive government aid. Home care is part of this package and there was some fraud expected and an ombudsman feature was being written into the bill.

Budget process: Lunch was at Loews L'Enfant Plaza where we remained for the budget activity. Since I am a bookkeeper in the real world, I got to be a recorder. That also meant my book got turned in to be recorded by Close-Up. Again we were told not to count on a Peace Bonus, that some options were not available because that made the process too complicated, and providing jobs seemed to be a reason to continue to build bombers. We only eliminated 2/3 of the deficit, but we did not use the $44 billion in the Social Security fund.

Dinner was co-sponsored by the Republican National Committee, Democratic National Committee, Democratic Congressional Campaign Committee and Democratic House and Senate Council. This was held in a lower level room in the Quality Hotel Capitol Hill, where the acoustics were bad and the pitch by the political parties was given while we were served our meal and were eating. There was nothing on the agenda for later in the evening and after the meal members of the Senior Interns announced that they were drawing up a proposal to ask their Congressmen to include an older person on their Washington staff. That was why I was so pleased to meet Mr. Fuller in Senator Pressler's Washington office.

WEDNESDAY, MAY 16, 1990

Interns morning in sponsoring offices: We had a group photo taken on the steps of the House and the photographer was late so all the Interns arrived quite late to their respective offices. Mary Schneider took me around and introduced me to everyone and told me what they do there. Also, Mary had come out in a rain storm Sunday night to the hotel for the orientation dinner which I thought was an extra courtesy on her part. I could not have had a more thoughtful liaison from the first phone call until the hug good-bye on Friday evening.

Congressional Wives Club First Ladies Luncheon: I was the envy of every female when they heard where I got to go for lunch on Wednesday noon! The ambiance, decorations, entertainment, were all fabulous! Just being able to hear the Marine Band in person is a thrill for someone from South Dakota. And to be in the same room with Barbara Bush and hear her give her lovely speech is a lifetime memory. What a nice thing for Mrs. Pressler to do. Everyone at the luncheon got a shopping bag full of "loot", so when we got back to Senator Pressler's office, we took it all out on Jeri's desk and examined everything. When I got back to where our bus would pick us up, several interns were already there and I even got my picture taken showing off the shopping bag and it's contents.

Twilight visit to Jefferson Memorial and after dark visit to Iwo Jima Memorial: Before the visits, dinner was at Cates Restaurant. The bus ride was extra information as we were taken down Embassy Row and along Rock Creek Park. I'm not sure if that was this evening or Thursday evening. This evening and after the play on Thursday, we were transported after dark and it was a new experience for me to see the Memorials and the Capitol with their after dark illumination.

THURSDAY, MAY 17, 1990

Topical Seminars: Again, there was a choice of four different topics presented by our Close-Up guides. I was pleased to be in Stephanie's group; the topic being "World Events Shaping Foreign Policy: Case Study—Lithuania." I came to this session with absolutely no background information, but what is going on in Europe is so incredible; it just sounded like the most interesting topic. Since I have been home, I have followed all the news as James Baker urges Lithuania to "cool it." Stephanie outlined the National Interests of any country:

Economic: Trade agreements to provide goods, and jobs for the workers.

Security: Easy for America because of our free border with Canada.

Ideological: Capitalism or Communism.

After much information about what was going on in Lithuania at the present and the options available to the USA, we did a simulation, with three groups being Lithuania, USSR & USA. We in Lithuania decided we had moved too fast, without a plan and until it appears that some outside help is coming we should indeed "cool it" but continue to make plans and reach out to other countries, particularly for petroleum supplies. Also, that we should appeal to the United Nations for help. Russia decided that no way were they going to let up the pressure on Lithuania because other countries would follow. USA decided that Russia does have the bomb, and we should be cautious.

Diplomatic visit to the Embassy of Saudi Arabia: We went through a security check, walked down a hall and sat in a nice auditorium where we were shown slides of life in Saudi Arabia. Afterwards we asked questions but our host was an expert in avoiding

those subjects not complementary to his country. The subject of drugs was brought up and he stated that this is a worldwide problem, but in Saudi Arabia drug traffickers are put to death, and that caused a 60% reduction in the problem.

Luncheon seminar on the media by Sarah McClendon: Held in the grand ballroom of the Hotel Washington. Her message was that the individual can make a difference. The country needs to be educating for peace. We need to do more long range planning; such as turn military bases into prisons.

Seminar on the executive and legislative branches: Held in the Thomas Jefferson Memorial Auditorium at the U.S. Dept. of Agriculture. Given by former Congressman Lloyd Meeds. He came across very well as he explained the balance of power between the two branches of government, and how world events tend to change the balance. Also, made us understand why the presidential line item veto isn't such a good idea. Our group voted its dissatisfaction with the Pork Barrel. He said ⅓ of a Congressman's time is spent raising money for his campaign and that campaign time should be limited to 6 to 8 weeks.

Performance of "Sarafina!" at the Kennedy Center after dinner at the Down Under. We arrived at the Center in plenty of time to go out on the terrace and enjoy the view of Washington. The play was 2 hours and 45 minutes long. We could not understand 90% of the dialogue but the dances and music were very good. The actors were young South Africans whose first language was not English. The program notes explained the plot which was not that difficult to follow and revolved around the difficulties of the blacks in Soweto. There was a Zulu dance at the end which was remarkable.

FRIDAY, MAY 18, 1990

Seminar on Eastern Europe and the U.S.S.R.: Given by James Swihart and Tom Martens in a committee room of the Rayburn Bldg. Two very knowledgeable gentlemen who made me feel much better about the future of the world. They told of a group of 24 countries with the intent of transitional support of Eastern Europe planning to spend 14 billon dollars, 1 billion of which would come from the USA over a period of 3 years. The Soviet Union is breaking up and Marxism and Leninism are dead. The Czar and the Russian Orthodox Church used to be the glue that held their country together, and the communist party undermined their own legitimacy. As the Soviet military unwinds they will have 3 million men unemployed and homeless. Fifty-two different languages are taught in the public schools of the U.S.S.R. The average Russian wants his life to be better but he doesn't want to work harder.

The art of diplomacy is foreseeing the inevitable and hastening its outcome.

Aid to Israel, Egypt & Philippines is 4.5 billion dollars. Somehow the exact figure to Israel doesn't get printed anywhere. When our group asked why the U.S. was still sending so much aid to Israel, we were told that 70% of the support of the Democratic Party comes from Jews!

Aims of the U.S. State Department are: Survival of the United States, healthy and growing U.S. economy, stable and secure world.

House floor visit: With remarks by Clerk of the House Donnald Anderson. He told us what he does, explained the electronic voting system, and pointed out various features of the room itself. The 23 marble relief protraits of the lawgivers were especially interesting.

Visit to Union Station: Friday afternoon was originally supposed to be free time but Close-Up did take us to Union Station or the Smithsonian by bus and then gave us two optional tours for the afternoon, besides staying at the Smithsonian with a pick up at 4:30. I had seen Union Station in a state of disrepair, so it was fun to see it looking so grand and being put to such good use. It was so crowded at the lunch hour and so noisy down stairs and we were in such a rush, I want to go back sometime, not at mealtime to have another look.

Visit to the Washington National Cathedral: Talk about timing! The last remaining ceremonial stones are scheduled to be blessed by Prince Phillip and put in place Sunday, after 83 years of building. We were given a complete tour and I got so interested in the mechanics of working on a building for 83 years that I bought the book which explains all about it.

When we got back to the hotel the Senator's car and driver were already waiting to whisk us off to a cocktail party at the Senator's home.

Final banquet: An extra nice sit down meal rather than a buffet, after which there was a talent show put on by some of the Senior Interns.

SATURDAY, MAY 19, 1990

Breakfast and final farewells: Many new friendships were formed this week, so this breakfast was a special time, as we met for the last time on the 16th floor of the hotel, with bags packed ready to return to our own communities with a wonderful experience we will all remember always.

Some additional comments

Close-Up has a program that does everything it says it will and a little extra. The young guides were fun and well informed. George, our bus driver was no dummy either, when it came to what was where in Washington. Also, everything was paid for down to the bell-hops tip. There were 2 days when no lunch was planned on the program, and they handed out an envelope with $10 to cover that. Friday afternoon was free time but they added a bus trip to Union Station with a pause of about 1 hour and then a ride and pick up at three different stops.

Hotel: The hotel was older but did a nice job for us. We had two dinners and every breakfast there. The breakfasts were buffet's in which were included prune juice, cranberry juice and egg-beaters. (All items of interest only to the elderly.) Also there was fruit, sausage or bacon, various breakfast breads and various cereals, pancakes or french toast and coffee or tea at the table. They also had the most dedicated bell-hop I have ever seen. He was literally running Saturday morning. My only complaint was the 24 hour delay in telephone messages. We also all got a wake up call every morning.

Food: Was outstanding everywhere we went except Cates.

Bill H.R. 2460 or S. 2159: This was being promoted with the crossed out rocking chair and called the "Older Americans Freedom to Work Act of 1990." Well I'm "agin it". We do have the freedom to work until we are 70, and with the shortage of good younger help, those who want to can find something to do even after that. What the backer's of this plan want, is to have their cake and eat it too. They want to draw their full Social Security benefit and not have an earnings limit, and continue to work. They could end up killing the goose that laid the golden egg, and be told either work or draw Social Security but not both.

Government spending payroll tax deductions for other than Social Security benefits is wrong. It's a regressive tax and the people paying into the fund see it as a pay-as-you-go tax supporting the elderly and we are not getting all the benefits. That Payroll tax was started and has always been set aside for Social Security, not for whatever the Government wants to spend it for. Nor are we, who came after the "notch" being supported the way we supported the generation before us who did not pay into the fund all their working lives like we have.

SENATOR DAVE DURENBERGER

Mr. DOLE. Mr. President, this morning our colleague DAVE DURENBERGER made a statement to the Senate Select Committee on Ethics. It is an important statement for all of us to read and for the benefit of our colleagues and other readers of the RECORD. I ask unanimous consent that the Senator's statement appear at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY U.S. SENATOR DAVE DURENBERGER BEFORE THE SENATE ETHICS COMMITTEE, JUNE 13, 1990

Members of the Committee, my colleagues, I have a statement to make this morning. In the formal sense it is a statement to you and the rest of our 93 colleagues in the Senate. But it is also to a larger audience outside this room, in this city, in Minnesota and across the country.

It is not a statement I enjoy making, but one I have longed to deliver.

For that reason alone, I welcome these hearings, because they afford me an opportunity to say some things that need to be said. My attorney has dealt with many of the legal and factual questions and my purpose today is to deal with the personal and context issues which I believe should inform your judgement, and the judgement of the people of Minnesota on these matters.

I am going to deal with four subjects: the proper historical context for the events in question; the condominium partnership; the publishing arrangements; and lessons I have learned from all this. And then I will close with a special request to the Committee.

HISTORICAL PERSPECTIVE

Reputation is the life blood of public service. By any analysis, after 21 months, this process has left this public servant about a quart low. This has been an exceedingly costly experience for me in many ways.

I entered elective office for the first time in 1978 with a desire to address the decline of public confidence in public institutions. So while it is personally painful for me, as a former member of this Committee and a member of the Senate for 11 years, to be before you in this circumstance, I recognize the necessity and the importance of what we are doing here.

I hope you will agree that I have done everything within my power to cooperate with the Committee:

I turned over literally thousands of documents to the Committee; most of the so-called evidence in this matter was willingly given to the Committee. Much of Mr. Ben-

nett's talk yesterday was built on his interpretation of some usually very personal notes and memorandum which we made available to the Committee.

I took the unprecedented step of releasing my personal attorneys from their attorney/client privilege regarding matters under investigation so that they could speak freely to the Committee. You acknowledged as much in your opening statements. But in addition—

I have tried very hard to refrain from talking about this matter, in spite of the intense media interest and my own political survival instinct to "get my story out." And—

I have never once "worked" the facts in this case with my colleagues on the Committee through our various political and personal relationships.

I have respected this process and tried to bring it to a responsible and fair conclusion.

In the final analysis, your judgment will rest on conclusions you make about me and about my motivations during this period. You will be examining volumes of records, factual statements and other materials. I would urge the Committee and those observing these events not to let the presence of an accusation color their interpretation of the facts. There is more than one way to read this record; I know because I have lived it.

I would ask you to carefully consider five points which any fair judgment should take into account:

First, in all these activities, to the degree it was humanly possible, I acted in good faith, and with no intent whatsoever to violate the rules of the Senate. I know that in my heart to be the case. That good faith is evidenced in many ways, not the least of which is the way I have related to this committee during this process.

Second, all the key decisions were based on the advice of outside, independent counsel—often two or three attorneys—and reaffirmed by contacts with Ethics Committee, the Rules Committee or the Federal Elections Commission, whichever had jurisdiction. I used outside counsel, in part, because I was on the Ethics Committee, and what I learned there. I came to believe that in the rules-driven ethics system, the lawyers who represent themselves have fools for clients. I did not use a lawyer on my Senate staff, but outside counsel. I state this for background purposes, not as an excuse: I, of course, accept full responsibility for errors which were made.

Third, if I established any pattern of conduct, it was to throw myself aggressively into my work as a United States Senator, to be as effective a Senator as I could possibly be. That created certain strains and vulnerabilities in my personal life and my decision-making process. Again, not an excuse—background. But I have been a good Senator for the people of Minnesota and America.

Fourth, I have never sold my vote or improperly used my influence with a federal agency for my personal gain. Nothing I have ever done as a Senator has compromised the public good for the benefit of a special interest.

And fifth, the first four points notwithstanding, I clearly recognize that my actions and inactions, have hurt many, my family, friends, staff, supporters, and the people of my State. For that I am deeply sorry; I know that I have incurred a debt I will have to work the rest of my life to repay.

This investigation—and this hearing—focuses on only a few years of the 55 years of my life. While it may appear proper to talk about those years as if they could be cleanly separated and studied, there is much living that has affected those years.

Very briefly, let me give you some context.

I was born on the campus of the monastery of St. John's Abbey and University in Collegeville, a second generation Minnesotan. My father—the college athletic director for 42 years. My mother—a superb woman, was a mother, teacher, volunteer. I graduated from grade school, high school and college at St. John's.

St. John's is a Benedictine community. The Benedictine motto is "work and pray." I learned those lessons well, as you will see.

I spent time in the army, graduated from the U of M Law School in 1959 and joined a firm in South St. Paul.

In 1962, I married Judy McGlumphy. Our sons were born in 1963 and 1964, 1965 and 1967. We discovered that Judy had breast cancer at the birth of our youngest son. She died three and one half years later at the age of 31.

At that time, I was serving as Governor Harold LeVander's chief of staff. Shortly after Judy's death I became H.B. Fuller Company's legal and community affairs counsel—and became active in the leadership of dozens of community projects.

Despite appearances, I was overwhelmed by sadness and the daunting challenge of raising four small boys, all under the age of eight.

Within a year of Judy's death I met and married Penny Thuet. She was a Viet Nam War widow of a U.S. Marine captain. Steve Thuet was killed in the Tet offensive.

Penny undertook to help raise four boys. While she had her own cross to bear, she added five more of ours.

With a mother lost to Charlie, David, Mike and Danny, a husband lost to Penny and a wife lost to me, sadness made bonding difficult in our family. Some of that sadness was acknowledged and some was never dealt with. My grief counseling was to throw myself into my work.

Yes, that was a serious mistake. But one I did not know how to acknowledge.

I was elected to the Senate in 1978. And again, I threw myself into my work. That's not hard to do here. Over the past 12 years, I have been extremely proud of representing the people of Minnesota, handling their constituent issues and helping develop legislation on national health policy, intergovernmental relations, national security, tax reform, civil rights and economic equity, the environment, and most recently working on the Clean Air Act, the Pepper Commission and the Americans with Disabilities Act—among many other areas.

There have been many ups and downs in my personal life.

But I thank God for the friends, staff past and present and constituents who have supported me and especially for my family who remain the keys in my daily life, even after everything I've put them through—my parents, four brothers and sisters, Penny, her folks, Charlie, David and his wife Sue, Mike and Danny.

There have been good times and tough times in my career—but one thing remains constant.

I believe deeply in public service. It's been my vocation, my passion and sometimes, my refuge. Whatever public service has cost me, including the opportunity for personal wealth or, for that matter, even financial security—it has been worthwhile.

There are many things in my life I would change if I could start over. The opportunity to serve my community—whether on a park commission or in the U.S. Senate—is not something I have ever regretted.

Hopefully, some sense of my past will help inform the future.

Yesterday's presentation by Mr. Bennett painted a very different portrait of me and my situation. I would say to the members of the Committee that you can only accept Mr. Bennett's characterization if you ignore four clear and undisputed historical facts:

1. My personal history includes three decades of public service requiring substantial responsibility and integrity. I led numerous grass roots organizations. I was an attorney in private practice. I was Executive Secretary to the Governor of Minnesota. I was corporate counsel to a Fortune 500 company.

2. I have a strong background in ethics in government. I was the Vice Chair of the Minnesota Ethical Practices Board and its predecessor, the Minnesota Ethics Commission. I was Executive Director of the Minnesota Construction Study Commission and the Minnesota Supreme Court Advisory Committee on Professional Standards for Judges.

3. None of the people involved with me in these matters can be described as anything but understanding, well respected members of their communities; they are not fast-buck, or special interest operators.

Roger Scherer: President of a family lumber company, President of the Minneapolis Chamber of Commerce, former state legislator.

Paul Overgaard: President of an investment company, former state senator and candidate for governor, was my campaign manager in 1978.

Randy Johnson: the County Commissioner in Hennepin County.

Gene Holderness: the Chief Executive Officer of one of the major national law firms in the Twin Cities.

Tom Horner: a major partner in a major public relations firm.

Doug Kelley: Assistant U.S. District Attorney, conqueror of Mt. Everest, candidate for governor.

To me, "reprehensible" is an appropriate word to characterize the suggestion that these people would participate in the kind of a schemes outlined by Special Counsel.

4. All of these matters were done in the open and disclosed. There has been no obfuscation or cover-up. Would anyone in their right mind cook up a scheme to evade the Senate rules with an organization called Piranha Press?

No. Mr. Bennett's characterization flies in the face of these well-known facts, which I urge you to take into account as you weigh his conclusions.

CONDOMINIUM PARTNERSHIP

I want to turn now to several comments which reflect in a more personal way on the facts my counsel has given you. First let me talk about what has come to be known as the "condo deal."

Those Americans who argue for a "citizen legislature" can look to me—for better or worse—to see some of the realities that face someone who comes into public office relatively late in life. I was a grassroots activist. What I knew about the mechanics of the Senate came when I was told how much I could spend for staff, given the keys to my office and told, "good luck."

After election in November, my family and I stayed in our Minneapolis home until it was sold in February of 1979. We then moved to McLean, Virginia. Each time I returned to Minnesota, I stayed at a Minneapolis hotel, until June of 1979 when we bought a small condominium in a downtown Minneapolis condominium building that was just opening.

The condo is not, contrary to some impressions that have been created, what you would call lavish. It is not very big—about the size of an efficiency apartment. It has a bedroom, a bath, a sitting area and a kitchen. It is—approximately the same size as the hotel room I've been staying in for the last five months, just a block away.

Coming from a state that expects much of its public officials and—coming into politics later in life—I was committed to spending as much time as possible in Minnesota.

And, much of that time was spent in and around the Minneapolis-St. Paul area. More than half the people of Minnesota live in the Twin Cities area and about 70 percent live within an hour's drive, making it logical that Minneapolis would be the place where I would be spending most of my time.

Personal convenience and privacy were factors in wanting to have a regular place to stay, rather than continuing to rent a room in a hotel. I was able to leave clothing there, for example. You can't imagine how many times shirt sleeve weather in Washington turns into overcoat weather in Minnesota. I kept a lot of books and personal files there. I kept a typewriter and paper to write speeches and other material, drawing on the records and files I could keep in a condominium, but not in a hotel.

I tell you all of this only because I don't want you to think of the condominium as a palatial home 23 stories above the Twin Cities, or that is use was devoted to lavish entertainment for me and my family. It's one of seven units in the sixth floor of a 23 story building. A quick tour—a redundant phrase when applied to this condo—would convince you all that it's really not suited for much more than sleeping and work. It served me as both an office and place to stay, on those frequent occasions I came to Minnesota.

Despite all these advantages, after several years it became apparent that the condominium in Minneapolis was an expense I couldn't afford. By the spring of 1983, my friend and political chairman, Gene Holderness had persuaded me that I needed to sell the condo and stay in a hotel or rent so I could be eligible for Senate reimbursement on official business trips to Minneapolis.

If I didn't have to spend so much time in the Twin Cities on official Senate business, I would not have bought a second home or rented a condo. Many senators owned two homes. I owned a second home in Minneapolis until I couldn't afford to, and then I rented from a partnership in which I was a part owner.

My counsel, Mr. Hamilton, has discussed in detail how the issue of my lodging was resolved. What remains is to focus on the key questions:

First: should the Senate reimburse a senator on official business in his home state for the expense of a hotel, but not for a nearly identical rental unit if the senator is a part owner?

The second: the issue of "backdating." Was this partnership agreement fully in force in July of 1983? Did the subsequent sale of the condo occur in April 1987? And did I participate in the backdating of any documents?

The answer to the reimbursement question is simple.

The Senate doesn't have a rule that directly applies.

I had asked my campaign lawyer (a former FEC lawyer) to advise me on what Senate Rules permitted. His opinion was that I could be reimbursed for stays in the Minneapolis condominium as long as my legal residence was my parents' home 75 miles away.

His opinion was confirmed when a member of my staff asked the Rules Committee and the Ethics Committee about the partnership situation. No Rules Committee or Disbursing Office Auditor questioned it in the six and one half years I received reimbursement, even though the vouchers I submitted made it clear that I always stayed in the same condominium.

Now for the so-called "backdating issue." Originally, I had intended to sell our condo to save expenses of ownership. On or about July 28, Roger Scherer and I reached agreement to combine our condos. The written partnership agreement was signed at a later time, along with the deeds.

It's not unusual for there to be a delay between verbal and written agreement. In this case, I didn't push to get the paperwork done because my energies were on work and on some critical personal problems.

Neither my wife nor I, nor Roger Scherer nor his wife participated in the backdated notarization on the deed by Randy Johnson. He didn't do it in our presence. We didn't even see it until a few months ago.

A national accounting firm has advised us that this was a partnership for tax purposes as of July 28, 1983.

The second backdating issue involves the 1987 sale of the condo to Independent Service Company. Throughout the sale, my personal attorney Michael Mahoney contacted me for my input on decisions; subsequently I found out that that was an apparent violation of the regulations controlling blind trusts.

In June I began to press Mr. Mahoney to finalize the sale of the condominium. My Chief of Staff, Doug Kelley, was not satisfied that the effective date of the sale was clear until late 1987, and that's when rent vouchers for the period from April forward were submitted.

After that, I was the recipient of periodic angry letters from Mr. Overgaard pressing me to make the trustee, Mr. Mahoney, get all the necessary legal papers filed. You heard one of Mr. Overgaard's confidential letters to me read yesterday by Mr. Bennett. The reason that you have that letter is that I sent a copy of it, that I retained it for my files, but also sent a copy to Mr. Mahoney to force him, as a trustee, to act. To show him the depths of Paul Overgaard's frustrations and imaginations.

That didn't get done to Mr. Overgaard's satisfaction until my Chief of Staff, Bert McKasy, intervened to straighten the deal out in the Fall of 1989. However, the intent is clear: Mr. Overgaard made a down payment, signed a promissory note, paid the expenses on the condo, and I paid rent to ISC.

I realize these matters are complex and, as described in detail by my counsel, involve many people and many actions over a period of four or five years.

But, there are several important things to highlight.

First, throughout the formation of the investment partnership and the sale to Mr. Overgaard, I sought independent counsel; every subsequent decision was made on the basis of legal advice.

Second, I gave instructions to my staff to seek reimbursement only for official Senate business.

Third, the partnership allowed me to serve my Minnesota constituents better and more frequently in a way I could afford, and as an alternative to comparable, more expensive but reimbursable accommodations. It was not a financial windfall for me.

Fourth, I did not increase my time spent in Minnesota in order to collect expense payments that could be used to increase the partnership equity. Prior to entering the partnership, during the time of the partnership, and since, I have always spent more than 100 days per year in Minnesota. My Senate colleague, Rudy Boschwitz, spent even more.

Fifth, I did not participate in backdating any notarization of documents at any time. Let me repeat that. I did not participate in backdating any notarization of documents at any time.

And, finally, despite all the steps I took to ensure that the expense payments were proper, despite the fact that over almost six years no one in the Senate ever questioned my requests for reimbursement, despite the fact that there is no Senate rule on renting from an entity in which I have an interest, I said in December of last year and I recommit today, to abide by whatever decision my colleagues make and return any payments I was not entitled to. In response to an inquiry I made voluntarily last December, I returned $11,005 in payments the Rules Committee determined I was not eligible to receive.

THE PUBLISHING ARRANGEMENT

And now let me talk about what has been referred to for the last four years as the "book deal."

I think as we all know many people in public life write books. Many people in elected national office have written books for a wide variety of reasons. Normally these books don't sell particularly well and the authors don't write them to make money. They write them because they have something they want to say.

It was in this role, as an educator, that I wrote my books; the books gave a broader forum to ideas I wanted to contribute to the national agenda.

I am the oldest son of two teachers. A journalist and editor in high school, college, the Army—all of my life I have been an educator: as a community activist, a speaker, a parent, a legislator and yes, as a public speaker and a writer.

Former Cabinet Secretaries Jim Schlesinger and Jeanne Kirkpatrick read the manuscript of Neither Madmen Nor Messiahs, my first book on national security, and wrote forwards for it.

Once the book was published, promotional events were held both in Washington and Minnesota, organized by Gary Diamond, the publisher. These events generated exposure and extensive news coverage, including favorable comments from national figures and a very flattering review in the Minneapolis Star Tribune. In addition, an agreement with B. Dalton Booksellers was reached to sell the book in Minnesota and Washington, D.C.

It was only after the book's publication that my attorney, Mike Mahoney, presented me with a proposal to create a stipendiary relationship with the publisher. In return for exclusive rights to Neither Madmen Nor Messiahs and making appearances to promote the book and the publisher, Piranha

Press was to pay me $12,500 per quarter for two years.

The question you are asked to decide is this: was the contract I subsequently made a legitimate stipendiary contract or was it a scheme to get around the limit on honoraria?

Let me suggest a way to approach the answer. Ask yourself: is he a writer? Or is he a politician who uses books for some devious purpose?

The first part of the answer depends on the books. I remain proud of my books' contents. They are thoughtful, original statements on critical national policy issues. They were not designed to make money for me. They were not sold by my staff. They were not vanity books. They sold 3,000 to 5,000 copies—about average for public books.

Is he a good writer? Ask an audience. Prolific? You bet. Writes most speeches, books, op-eds and columns.

Did he intend his book promotion contract to promote book sales? or to make him money? The answer is: Both. And that's the key.

If I spoke often and well this fledgling publisher would have the opportunity, the audience, and the money to publish and sell more of my works. If I spoke well I earned at least what several other colleagues did who were earning money from a stipendiary contracts.

I object to the characterization yesterday of Mr. Diamond. For example, he characterized the publisher in terms of one wrestling book in the 1970s. The truth is that Gary Diamond comes from a family of journalists, his dad being sports editor of the Minneapolis Star Journal. Gary has been in journalism since he was a 10 year old copy boy at the Minneapolis paper. He was a Marine combat correspondent. He has been a reporter, and editor, and an owner of newspapers. He has been in the publishing business since 1947, publishing trade magazines for 25 years. He also publishes every year the annual yearbook for the second biggest state fair in America, the great Minnesota State Fair.

Were there no red flags to tell me not to do it? Consider the facts:

In advance of my decision, Mike Mahoney, my attorney, provided me with two written opinions and numerous oral assurances supporting his advice.

In advance of my decision, the FEC approved the arrangement without questions.

We reviewed the arrangement with the Ethics Committee and received oral approval.

Almost without exception, over many appearances in two years, I was not contacted with complaints or even questions about the format, the sponsorship or the fee.

My disclosure statement of May 1986 brought the arrangement to the attention of the news media, including the fact that sponsors were paying my publisher for my appearances. Other than reporters, no one—not the Ethics Committee or the FEC—raised questions about the contract until political partisans used the issue two years later in my 1988 reelection campaign.

But, Senator, you'll say, didn't the stipendiary relationship strike you as unusual? No, not then. Here's why.

I was well aware of other senators who were paid stipends in excess of honorarium limits for commonplace activities including radio appearances and college speeches and counsel has shown you examples.

I relied on paid professional counsel, the FEC, and the Ethics Committee to guide me.

About May 20, 1986, the FEC's Assistant Press Officer, Sharon Snyder was asked by a reporter about the nature of the promotions. She said, and I quote, "I don't think that legally changes the fact that he is getting a stipend (a fixed amount) and not an honoraria. He is performing services for the company and has a contract with the publisher." That is from an article which appeared in the *St. Paul Pioneer Press Dispatch* on May 21.

Also, as testimony and affidavits attest, my staff and I reviewed procedures with my attorney before and throughout implementation.

Next question, did the publisher receive anything of value?

Again, the answer is yes. He hoped to establish himself as a credible publisher of public policy books. His calling card with other authors was to be my book, Neither Madmen Nor Messiahs.

Mr. Diamond also earned a profit through the arrangement. The only payment to me was the quarterly stipend of $12,500.

Perhaps because this was his first foray into book publishing, I was given no direction by him and was left to my own judgment to promote books, to promote the publisher or to speak well to promote myself and my ideas to the benefit of the publisher. Mr. Diamond never provided me with specific promotional procedures to use in each speech, nor did he ever criticize how I was meeting my contractual obligations. And, the hosts of these speeches and the audiences seemed satisfied with my speeches and the arrangements.

What I have told you is what I saw and what I believe. I obviously and with good reason thought I was proceeding in a manner that was above board and fully consistent with the rules of the Senate.

Again, here's the record:

I inquired about the deal with the Ethics Committee staff and was informed that the matter was in the jurisdiction of the FEC. I did not file a formal request for opinion with Ethics, but I did with the FEC. But Ethics was on notice.

When my own administrative assistant asked the Ethics Staff in February of 1986 about the contract they said if the FEC approved it, it was OK.

After full public disclosure and public debate of propriety—and editorial criticism of the contract in May 1986, I voluntarily decided to cancel it at the end of 1986. That's right: I ended it three and a half years ago. The Ethics Committee and the FEC took no action.

Nobody did anything until friends of my political opponent in the 1988 election filed their complaint with this committee. Those facts clearly indicate that I proceeded with the explicit and implicit approval of the authorities charged with this responsibility.

But having said all this and having had the opportunity to review the special counsel's evidence he's introduced today, I want to acknowledge the problems in the way in which my books were promoted and sold, especially the problems with appearance. Giving speeches to organizations that usually pay honoraria, but in this case pay sponsor fees to a publisher who pays me in a quarterly stipend, sure as heck looks like a way to get around the law limiting honoraria. Assurances and legal opinions aside, I should have known it would and I should have avoided it. I'm sorry I didn't.

WHAT I HAVE LEARNED

Having spoken at length in defense of my actions on the two central issues, it may be easy for some to say that I am still blind to the things that have brought us here today.

Nothing could be further from the truth.

While I don't presume on this occasion and in this forum to offer myself as an expert or a guide to my colleagues on the Committee or in the Senate on the subject of political ethics, there are a few personal thoughts that I want to share.

It is with a great deal of sadness that I approach this proceeding, and review my own actions which have provoked them. The Senate is an institution that I love and hold in highest reverence. There is nobody like it in all the world, or in human history, where democratic ideals are more clearly expressed. The Senate is the unique embodiment of two cherished principles: majority rule and minority rights. The Senate is a celebration of both our unity and diversity as Americans. The men and women who serve in the Senate, and who have served here during my eleven years, are worthy of the great history and purpose of this institution.

To the extent my actions, inactions or failure to perceive the consequences of my actions have in any way reflected poorly on the Senate, as an institution, or been uncomfortable or distressful to you as persons, I am sincerely sorry.

I have always tried to uphold and strengthen this institution.

I have refrained from the practice of trying to improve my stock by attacking my colleagues or the institutions of government.

I have been careful not to abuse my rights or privileges as a Senator with respect to allowing the Senate to work its will and get its business done.

I have tried to avoid rank partisanship and demagoguery.

I have been eager to take on difficult committee assignments and tackle complicated issues like Medicare reform, intelligence oversight and clean air.

I believe I have made a significant contribution to the work product of this institution. I have taken my institutional responsibility very seriously, to protect the Senate's structure and ease its operation.

And that sense of the value of institutional responsibility makes my sense of sadness over this situation all the more acute.

As I have said, I was raised in a small town. The first 21 years of my life were in a closely knit educational community. Other people's perceptions weren't much of a factor in this environment, since we were largely know on a first-hand basis.

But such personal relationships cannot exist in the larger public arena. People must out of necessity rely on others' views and impressions. Perception becomes a real factor.

Appearances, I have learned, are more than just a tool of public relations, they have ethical consequences far greater than we usually attribute to them.

As Professor Thompson of Harvard testified to the House of Representatives: "Public officials * * * have an ethical obligation to do all they can to make sure that citizens do not have any reasonable basis for believing that they or their colleagues are violating their own ethics rules. There is an ethical obligation to protect the appearances of propriety almost as great as to produce its reality."

I have learned that a clear conscience, or a legal opinion, does not make you "ethically bullet-proof."

The difficulty for "rules-driven" ethics is that it is difficult to write or enforce a rule governing appearances. It becomes quite difficult when ethics, like beauty, is in the eye of the beholder.

But let there be no misunderstanding of what I am saying—there is no excuse for my actions to be found in changing public perceptions, or in the way other members conduct themselves. I am fully responsible and accountable for the mistakes I made.

I am simply pointing out, from my own experience, the broader challenge of political ethics which we in this body will have to address: in campaign finance reform, in limitations on honoraria, our association with non-profit organizations, the pro-active work of Ethics, Rules and Disbursing to inform and advise in a host of other issues.

Public attitudes about political ethics have changed and we have to change with them or be swept aside.

There is one area of Senate institutional change which bears mentioning, of which you are especially aware. I needn't remind the six of you in particular that the U.S. Senate is no longer the place to which America brings its poor, its tired, its hungry masses to represent people like them and the rest of our country. While the pride of our democracy is still the citizen nature of our legislature, we've made it awfully difficult for ordinary folks to be represented here by people just like them.

I remember well, Mr. Vice Chair, the day in 1981, just after your election put you and me into the majority in the Senate, sitting in your office. I was admiring the New Hampshire furniture you'd brought down to Washington as part of your effort to hold down the cost of living in this very expensive place. And you commented on how they wanted you on the Appropriations Committee to decide a $132 million national defense budget.

The point is, many of us have had to make accommodations to serve in the U.S. Senate.

Gentlemen, you know from this afternoon's testimony, during that costly period of family life that I was ill-prepared for, I had a real financial squeeze.

It's no excuse, but I spent a lot of money on lawyers, tax advisors and the like to make sure I could concentrate my full energies on my constituents needs and the opportunities a dramatic time of change in America presented to a United States Senator from Minnesota.

This institution, the Senate, and all its little bureaus and committees and bureaucracies, was very little help to a Senator seeking advice on financial matters.

This place operated then, and this is the part that is now beginning to change because it has to change, in a way that placed all the burden for knowing and complying with rules on the Senator, and none on the institution itself.

CONCLUSION

In conclusion, members of the Committee and Senate, and especially the people of Minnesota, I want to express again my regret for the circumstances that have brought us to this point.

I acted in good faith.

I sought out competent legal and official advice.

I worked too hard on your public agenda to attend to my private one.

Since my service to you began, I have never sold your vote, or bartered your influence to enrich myself.

But, I recognize that real damage has been done by what has been perceived as my desire to push the limits and take advantage of the Senate, and for that I am sorry.

As my counsel has already stated to you, the members of the Committee, we have decided to submit this matter to your judgement at this time, based on the record of the last 21 months, and our presentations.

Furthermore, I would ask that since this material is now in the public domain, and I am constrained by both resources and this process to respond, that you make your recommendations to the Senate as soon as possible. You six alone possess all the facts, and the knowledge of the Senate rules and standards by which to interpret them. To leave this much data on the table without your conclusions, the judgement of Senators, not of a hired lawyer by which to interpret them, works strongly and unfairly to my disadvantage.

In addition to the factual evidence, you have worked with Mr. Bennett for over a year. He has a right to his conclusions and characterizations, but I hope and believe they will not be a substitute for your independent judgement, that your personal analysis and conscience will lead you to your own conclusion. In the final analysis, I am asking that each of you come to your own personal conclusions on these matters. The Special Counsel has had his opportunity; today I have had mine. As you weigh this matter, I hope that you will consider the whole person of Dave Durenberger, what I did wrong and what I've done right for this institution. I hope you will compare that with your own experience of life in this body. And I trust you will reach a decision which is both true and fair, one which you will be able to explain with a clear conscience to the people of Alabama, Arkansas, Mississippi, New Hampshire and North Carolina.

My life and reputation are at stake, and I believe each of you will combine both good judgement and compassion in your decision.

Members of the Committee, those are my feelings and my motivations as best as I can express them. I hope they will be received in the spirit in which they were offered.

One last thing about me: Dave Durenberger does not run from a challenge. I believe in the fairness of the people of Minnesota. I believe in this institution and the value it places on effectiveness and hard work. And I believe in myself enough to know that there is much I have to contribute to the quality of life and governance in this country.

There is an ancient proverb that says: every blow that doesn't break your back strengthens it. I am a stronger, wiser, more committed Senator than I was seven years ago. I am a better Senator than I was 22 months ago. I know I certainly have a ways to go to convince people of that fact. In order that that can take place, this process should go forward, and the Committee and the Senate render its judgement. I will abide by that decision.

Furthermore, I state today that when that is done, I intend to serve this body and my home State with a renewed conviction to exemplify the servant in public service.

Tolstoy said every man wants to change the world, but only the best wants to change himself. Recognizing what I have put at risk, and strengthened by what I have learned, I am eager to get about doing a better job of meeting that standard. For the mistakes I have made, let me repeat that I am sorry. And I am looking forward to making amends the only way I know how: by being the best person, and the most effective Senator I can be, every day I serve in the U.S. Senate.

LITHUANIA

Mr. D'AMATO. Mr. President, I was shocked and pleased and delighted when I received, at about 1, information from the Tass News Service, that Prime Minister Prunskiene said that an agreement had been reached to partially lift the embargo in Lithuania. Then there were reports from the White House, and the President obviously indicated his welcome reception of this news.

I have to tell my colleagues that my enthusiasm was tremendously dampened and tempered—although this is what I had been hoping for, that this would be quietly resolved, with the Soviets picking up this blockade and beginning the negotiation process—when a little more than an hour ago, at 3:25, President Landsbergis from Lithuania said to me, unfortunately, at this moment those reports are not really accurate. Yes, indeed, the Prime Minister had been undertaking these negotiations, but the agreement has not been solidified and that, indeed, although these talks of lifting the embargo have begun, the embargo itself and the restoration of some of the fuel and other materials has not taken place.

In addition, President Landsbergis reports that this agreement has not been consummated, that there has not been a restoration of any of these supplies. I say this because there was such great pleasure, and the news flashes as they came across would almost indicate this was a fait accompli. That is simply not the case.

Once before the Soviets did the same thing. They put out a propaganda release, indicated that 85 percent of the natural gas would be restored. There were many who were cheering and hailing this. And we found it was a cruel hoax. It did not come to pass.

I hoped this time they would demonstrate some good will, they would move forward, beginning to lift this economic blockade as well as undertake these negotiations, because, as President Landsbergis told me as recently as 3:25 today, the economic embargo continues with its full impact and it has not been alleviated to any extent whatsoever. And there is no agreement.

I feel that is the kind of propaganda that flies in the face of demonstrating good will by way of actions, and it is about time the people of Lithuania received some benefits from these accords, from the agreements that have flowed from Washington, from the

agreements the Soviets hope to obtain. I think it is important that we let them know we are looking for action and not rhetoric.

DEATH OF PATRICIA BERG

Ms. MIKULSKI. Mr. President, I rise today with great sadness to inform the Members of this body of the death yesterday of Patricia Berg of Bethesda, MD. Mr. President, any death is a tragedy; the death of Ms. Berg was particularly tragic because it could have been prevented so easily.

Patricia Berg had a loving husband and two teenaged sons. She took care of herself; she did all the right things. She went in for a pap smear every year, every year she was told everything was fine. But everything was not fine, Mr. President. Ms. Berg's pap smear samples were being sent to a laboratory in Rockville that should not have been in business, and in fact has since been shut down. But this laboratory was operating for years under terrible conditions. And for a number of years, it appears, this laboratory misread Ms. Berg's pap smears. They told her doctor that there was nothing to worry about. But last year, it was clear there was something to worry about. In May 1989, Patricia Berg found out she had cervical cancer that had already spread so far that she would not survive.

Mr. President, cervical cancer is curable 90 percent of the time when it is detected early. The direct cause of Ms. Berg's death was cervical cancer; the real cause of her death was laboratory error.

Mr. President, this body passed a law unanimously in October 1988 intended to clean up clinical laboratories. We gave the Health Care Financing Administration a big job, I know. But we did not give them an impossible task, and we did not give them a job that they hadn't known for years needed to be done.

Mr. President, as long as women like Patricia Berg are dying I will not be silent. Until I am sure we have a regulatory system in place that ensures people's safety, I am going to continue to raise my voice in protest. Until we know that no one will have to say to two teenaged boys that their mother did everything she was supposed to do to take care of her health, but she died anyway because of someone else's mistakes, I will continue my fight, and I urge my colleagues to join me.

MFN STATUS FOR CHINA

Mr. DECONCINI. Mr. President, occasionally, there is an event so dramatic, so compelling, that it changes our view of the world. One year ago such an event occurred in Tiananmen Square in the Chinese capital of Beijing. All of us saw the prelude: The large demonstrations by the prodemocracy students movement, the construction in the square of the "Goddess of Liberty"—so reminiscent of our own Statue of Liberty in New York Harbor—as well as the ecstatic celebrations at the expected dawn of new freedoms for all Chinese.

We also all saw the tragic end: Demonstrators bloodied by the fire of automatic weapons, a lone, unarmed student blocking the path of tanks, and dissidents rounded up for prison or the firing squads. It was an event so clear and so vivid that it will stay with us indefinitely.

Unfortunately, there are those who want us to forget. The Chinese leaders that ordered this atrocity say that nothing at all happened in Tiananmen Square. They claim that Chinese soldiers merely defended themselves against the brutal attacks of some students. The magnitude of this lie is astonishing. The bloody events in Tiananmen Square were broadcast into our homes and offices only 1 year ago. We have not forgotten.

Unfortunately, there is one man in American public life who appears to have forgotten. Soon after the killings of the prodemocracy demonstrators, he quietly sent his highest ranking foreign policy managers to drink a toast to the very leaders that perpetrated this massacre. He vetoed attempts by the Senate to protect Chinese students in the United States and then forgot to fulfill his promise to take equivalent steps under Executive order. Most recently, he agreed to reward the butchers of Tiananmen Square by extending yet again most-favored-nation trade status.

President Bush has received very little in return for his indulgent treatment of the cynical old men in China's ruling clique. It is now very clear that repression has not eased in China.

A recent issue of the Washington Post carried a story on a report by Asia Watch on the human rights situation in Tibet. According to this report, more than 680 Tibetans accused of involvement in the independence movement have been imprisoned. If anyone doubts the brutality of the regime in Beijing, Asia Watch reports that "the incidence of torture is at least as bad as it has been for years and in some cases, it seems worse."

The plight of those who fought for democracy for China has not improved. As we all saw on television news, even the possibility of the smallest spark of resistance filled Tiananmen Square with soldiers on the anniversary of the massacre. It is hard for this Senator to see where the Bush administration's policy of gentle treatment for the Chinese leadership has given us any influence with that government. They reportedly have continued to send missiles to Iraq and Saudi Arabia, thus continuing the proliferation of deadly weapons into an increasingly destabilized part of the world. Additionally, the Chinese leadership has ignored calls, both from our diplomats and a group of 200 prominent scientists, for the release of human rights activist and astrophysicist Fang Lizhi from his refuge in our Embassy in Beijing.

In this case we have to recognize that good will does not beget good will. It seems to only beget continued defiance and contempt. I wonder who is playing the pawn at this point.

I think that the question now before us is quite clear. Do we stand with a totalitarian government that uses murder, torture, and terror to maintain its hold on power? Or do we stand with the forces of democracy that are trying to lead China to freedom? Do we stand with the old guard that is attempting to prevent China from joining the surge toward liberty and free market economics that is sweeping the world? Or do we stand with the courageous students trying to liberalize and modernize their country?

President Bush has made his choice. We now have to make ours. We must stand with the students and those moving toward democracy. We must avoid the incentive to seek a short-term economic gain in order to maintain our long-term agenda of strong support for human rights and liberties the world over.

I look forward to working with the majority leader and others on both sides of the aisle to prevent this sad example business as usual with China from going forward. It is my hope that we can find the support for human rights in this body which seems to be lacking in the Bush administration and that we can revoke China's most-favored-nation status.

REMEMBERING ELECTRONICS PIONEER BOB NOYCE

Mr. WILSON. Mr. President, I rise today to honor Dr. Robert Noyce, who passed away on June 3. Dr. Noyce's landmark achievements in the field of high technology earned him a place alongside such distinguished American inventors as Benjamin Franklin, Thomas Edison, and Alexander Graham Bell. Indeed, Bob Noyce was an individual whose life represented the best of the American spirit.

Born the son of a congregational minister in Iowa, Robert Noyce became one of America's foremost pioneers in the computer industry. He graduated Phi Beta Kappa from Grinell College and received his doctorate from the Massachusetts Institute of Technology.

In 1957, Dr. Noyce founded the Fairchild Corp. in Mountain View, CA, where he coinvented the integrated circuit, a miracle of design which can

store, channel, and manipulate millions of electrical signals on a sliver of silicon the size of a thumbnail. This microchip became the basis for the modern personal computer and launched a technological revolution that continues to this day.

Brian Bloch, director of the National Science Foundation, has called the integrated circuit the "key invention of the 20th century." Indeed, the integrated circuit was central to the development of the computer systems used by our space program, as well as breakthroughs in medical equipment ranging from pacemakers to arthroscopic surgical devices.

Even our day-to-day lives have been affected by Dr. Noyce's innovation. The presence of pocket calculators, portable televisions, and microwave ovens are just a few examples of the many technological fruits of Bob Noyce's ingenuity.

Bob Noyce embodied the American entrepreneurial spirit. He helped transform acres of peaceful California fruit orchards into the heart of America's high-technology industry, Silicon Valley. Not surprisingly, Bob Noyce was known by friends and colleagues in high-technology industry as the "Mayor of Silicon Valley."

In 1968, Robert Noyce founded Intel, which is currently the world's leading supplier of microprocessors and the third-largest semiconductor producer.

At the age of 60, a time of life when many are beginning to plan their retirement, Dr. Noyce was named president and CEO of Sematech, a consortium between government and electronics firms that was created to help revitalize America's international competitiveness in the electronics industry.

Truly, Bob Noyce's contributions to America's technological growth are incomparable. He held 16 patents related to semiconductor devices, methods, and structures. He was the recipient of the Franklin Institute's Ballantine Medal, the National Medal of Technology, and the National Medal of Science. This year he was the corecipient of the National Academy of Engineering's first Charles Stark Draper Prize, the engineering profession's highest honor.

Bob Noyce's drive for technological growth was matched with a passion for the outdoors. A typical Bob Noyce vacation would include skiing the "Bugaboos," a mountainous range of glaciers in Canada. Such was the existence on this Earth of Bob Noyce, who lived all aspects of his life to the fullest.

A pioneer whose innovations represent the cornerstone of the modern information age, and a crusader dedicated to preserving America's technological edge in the world, Bob Noyce symbolized the American success story. While today's children evoke the names of Edison, Bell, and Wright as Americans whose innovations have forever changed the way in which we live, tomorrow's children will no doubt remember Dr. Robert Noyce and live in a world still evolving as a result of his grand achievements.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KOHL). Without objection, it is so ordered.

VOTE

The PRESIDING OFFICER. Under the previous order, the vote now occurs on passage of H.R. 987.

The bill having been read a third time, the question is, Shall the bill pass?

The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. Senator from Wyoming [Mr. WALLOP] is necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming [Mr. WALLOP] would vote "yea."

The PRESIDING OFFICER (Mr. ADAMS). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 116 Leg.]

YEAS—99

Adams	Ford	McCain
Akaka	Fowler	McClure
Armstrong	Garn	McConnell
Baucus	Glenn	Metzenbaum
Bentsen	Gore	Mikulski
Biden	Gorton	Mitchell
Bingaman	Graham	Moynihan
Bond	Gramm	Murkowski
Boren	Grassley	Nickles
Boschwitz	Harkin	Nunn
Bradley	Hatch	Packwood
Breaux	Hatfield	Pell
Bryan	Heflin	Pressler
Bumpers	Heinz	Pryor
Burdick	Helms	Reid
Burns	Hollings	Riegle
Byrd	Humphrey	Robb
Chafee	Inouye	Rockefeller
Coats	Jeffords	Roth
Cochran	Johnston	Rudman
Cohen	Kassebaum	Sanford
Conrad	Kasten	Sarbanes
Cranston	Kennedy	Sasser
D'Amato	Kerrey	Shelby
Danforth	Kerry	Simon
Daschle	Kohl	Simpson
DeConcini	Lautenberg	Specter
Dixon	Leahy	Stevens
Dodd	Levin	Symms
Dole	Lieberman	Thurmond
Domenici	Lott	Warner
Durenberger	Lugar	Wilson
Exon	Mack	Wirth

NAYS—0

NOT VOTING—1

Wallop

So the bill (H.R. 987) as amended, was passed.

Mr. JOHNSTON. Mr. President, I send to the desk an amendment to the title and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

Amend the title so as to read "An Act to amend the Alaska National Interest Lands Conservation Act, to protect certain lands in the Tongass National Forest in perpetuity, to modify certain long-term timber contracts, to provide for protection of riparian habitat, and for other purposes."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MURKOWSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MURKOWSKI. Mr. President, on behalf of Senator STEVENS and myself, I would like to thank the floor manager, Senator JOHNSTON, the majority leader, who has been very fair in encouraging we move along and giving us the time to do so. I'd like to thank Senator WIRTH, Senator GARN, and a number of my other colleagues, for the very fair and expeditious manner in which the Tongass reform legislation was passed 99 to 0.

I also want to remind my colleagues that through the cooperation of the Senator from Louisiana, we were able to work out amendments. I think all our colleagues would agree there were no real tough votes in working toward the final resolve of the Tongass legislation. That was through the cooperation not only of the Senator from Louisiana, but the professional staff in working with our staff.

I think we have a piece of legislation we can go to conference with. I encourage my colleagues to stay with us in conference, because that is going to be the final battle on the Tongass.

Again, let me thank the leader, Senator BENNETT JOHNSTON, not only for his leadership in putting this together but also for hosting a lovely luncheon today.

Mr. JOHNSTON. I thank my colleague.

Mr. WIRTH. Mr. President, I thank the distinguished senior Senator from Louisiana for his very able work. He did a superb job of drawing together a lot of extraordinarily disparate, conflicting opinions and approaches. He was a master politician and negotiator at work. I thank the Senator for a job very, very well done.

Mr. President, I also take a moment to commend my colleagues in the Senate for this very big and important vote. What we have just done is the first of what I believe is going to be a series of changes in the way we in the United States view our natural resources, use our natural resources, and look at both national and internation-

al environmental issues, the way in which we have changed our way of doing business in the Tongass National Forest, moving away from such a heavy taxpayer subsidy of timber, moving toward other uses of the forest, a whole series of models that we are setting. No longer are we going to be embarrassed about what we are doing in the Tongass.

Last year Senator HEINZ, Senator GORE, Senator SHELBY, and I were in Brazil. We had a long discussion with the then-President of Brazil about the Amazon and the cutting down of the the rain forest. The first thing he said to us, Mr. President, was, "Why are you here talking to us about the rain forest in the Amazon? What are you doing in your own backyard in the Tongass?" A very legitimate question a year ago. Now I believe, after this legislation goes through the House and goes through conference, we will no longer have that question asked of us and once again the United States can be the leader.

We have a series of other issues coming up on natural resources. The below-cost timber sale issue is going to come up again, sure as can be, in the appropriations legislation; the use of recreation dollars and how we assure that those dollars go back to the national parks, go back to the national forests and do not go into the black hole of the Treasury; the way in which we manage and save our public lands; our energy policy and the relationship of energy policy to global warming; ozone policy, and convincing this administration that it is going to have to work with other developing countries around the world to make sure they can and want and have the wherewithal to comply with the Montreal protocol, something we have been very delinquent about in the United States. Maybe the White House between now and next Wednesday will get the signal and agree it is important for us to work with India and China and other developing nations on the Montreal protocol, and to help them meet the conditions of that which we had previously, as you will also remember, in an almost scandalous way, refused to do.

Then, finally, I believe that mega issue we are going to have to come back and address is the issue of population. People are squeamish sometimes to talk about this. But no matter what we do on these other issues, we must take on the problem of world population growth, as we did during the sixties and seventies. We are going to have to start doing that again in the 1990's.

As a closing comment on that, Mr. President, our current President, George Bush, when he was a Member of the House of Representatives, was one of the country's leaders on population policy. The distinguished Presiding Officer will remember that from his days in the House. Then Congressman Bush was a very enlightened Member of the Congress on population. He has, since then, done a 180 on the population issue, and we are now losing our commitment to an enlightened world population policy.

This decade is absolutely crucial. Look at the demographics of the country now, the demographics of the world in the 1990's, the childbearing age, where the great bulge is in world population. If we do not take on that issue now, Mr. President, we are going to have a very difficult time having a globe that sustains the standard of living and quality of life which we hope for all individuals.

Those are some of the issues to which we are going to have to step up. I make these points now because we stepped up to the first one on the Tongass bill, a very important statement by the Senate.

I thank my colleagues for their very strong support. We had more than 53 Senate cosponsors of the initial legislation, which was a very, very strong bill. We have a good compromise that has come out of this. Now let us move on to some of these other important issues.

Mr. President, I thank the Chair. I yield the floor.

Mr. BUMPERS. Mr. President, I wish to echo a portion of what the distinguished Senator from Colorado just said about population because global warming, ozone depletion, and all the other global environmental issues are not solvable and never will be solvable until the No. 1 problem on the planet is solved, and that is global population increases. For about a month, I have been speaking here almost weekly on this subject. I hope that it would gather a little momentum. I am certainly pleased to see the Senator from Colorado is interested in it.

We are adding 100 million people a year to the planet, 100 million more mouths to feed, and they are slashing and burning both temperate and tropical forests to cook their food, to clear land to grow more food, even though the land is not capable of sustaining food growth over any period of time, and yet the United States does not contribute to the United Nations program for helping nations solve their population problems.

The reason we do not contribute is because there is always a filibuster in this body against it. This program of the United Nations operates in China, and so we will not contribute to it.

Mr. President, I will tell you an interesting statistic. The world spent $1 trillion last year on weapons. Our share of that was about $320 billion. The whole world spent $3 billion trying to do something about the population explosion of the planet. I am not sure what that figures out to. That is about 0.3 percent spent to control the world's population compared to what the world spent on weapons.

Incidentally, there are 29 nations on Earth that spent more money last year on weapons, and, incidentally, they are the poorest of the poor—29 nations spent more on weapons than they did on health care and education combined. And there are 61 nations that spent more money last year on weapons than they did on health care. The United States is one of them.

Mr. President, getting back to the more immediate subject of the Tongass National Forest, I voted for the bill. I had a very small role in crafting the bill. I think it is a suitable solution to a lot of very knotty problems. I am very pleased that the Senator from Utah pulled down his amendment. The Forest Service and the Sealaska regional corporation and others are still working out an agreement on that land exchange, or that mineral exchange, however you choose to view it.

I wish to say to the Senator from Ohio—and I am sorry he is not on the floor—that the mining that is taking place now by Kennecott does not yield the U.S. Government a thin dime.

We do not get a dime in royalty out of it. And the reason we do not is because those are patented claims under the 1872 mining law.

All you people that have been playing the lottery, I will tell you a better way to get rich than to play the lottery. You go out west to Idaho, Wyoming, Nevada, California, any place you want to go out West. You do not have to go West, but if you are looking for minerals you go West. You go out there and you stake a claim, put 4 stakes down, and claim 20 acres, and go file that claim with the Bureau of Land Management. Then you spend $100—and do not stop at just 20 acres, you file as many of those 20-acre claims as you want to, 500 acres, 500,000 acres. Each claim can only be 20 acres. You go file that with the Bureau of Land Management. Then you put $100 worth of work a year into developing that claim to prove that that 20-acre plot has minerals on it.

At the end of 5 years, you go in to BLM and you tell them, I believe this land has commercially mineable minerals under it. I want a deed. I want a deed to this 20 acres. I want to pay the Government $2.50 an acre for it. Chances are BLM will give you a deed to that 20 acres for the sum total of 50 bucks.

All you people wanting to get rich, that is all you have to do. You think I am kidding? Call BLM. Call the Forest Service. GAO did a study on this. One guy perfected claims on public land near Keystone, CO, I do not know how many acres; he turned around and sold it for $10,000 an acre. He got it from

the United States for $2.50 an acre. Let me go ahead.

If you do decide that you do not want to turn around and sell this land to somebody else and get rich that way, let us assume it really does have minerals under it and you want to mine it. You do not have to put up a reclamation bond. Just start digging on that thing, tear it up, get a bulldozer on it, and just make the biggest mess that ever was. No Federal law requires to put up a bond.

Let us assume after you have created an unbelievable environmental mess, you decide to abandon the mine because it is not profitable. Just walk off. Nobody is going to make you clean up anything. Can you believe that? Can you believe that the U.S. Government gives people land for $2.50 an acre, allows them to go mine it without even putting up a bond to reclaim the land? If they strike it rich, they do not pay the Government a red cent in royalty. If they do not strike it rich, they walk off from it, leaving the taxpayers with billions of dollars of environmental pollution to clean up.

Can you believe that? Believe it.

I have a bill that has been pending here for a year, and I cannot get it out of committee. They say well, the mining business is important in my State. I do not question whether mining creates jobs and is important in a particular State. But those same mining companies, whether it is Kennecott or somebody else, if they mine on private land, they have to sign a contract to clean it up, to mine it in an environmentally acceptable way, and they have to pay that landowner 3 to 10 percent of the value of everything they take off of his land. But if you take the minerals from old uncle sugar, old uncle zap, you do not have to do any of those things. It is free.

Finally, Mr. President, I heard the Senator from Ohio this morning reading off a list of salaries of officers of the Sealaska Native Regional Corp., and the board members. That is totally irrelevant to the amendment that the Senator was debating. What Sealaska pays its board members and officers, and so on, is a matter for their own membership and their own stockholders to decide. That is not a matter for the U.S. Senate to decide.

Sealaska is one of two or three profitable native corporations up there. Incidentally, I think the salaries he was reading off this morning were the officers who were running one of their fishing operations. Sealaska does a little less than $300 million a year. It has the reputation of being a well-run corporation so far as I know. I know some of the people in it. They are some of the finest people I have ever known.

It is not for the U.S. Senate to decide what they pay their officers or board members.

I am glad the Senator from Utah pulled his amendment down. I could not have voted for it, I do not think, because there needs to be a hearing held on the exchange. The Forest Service needs to be brought in. The parties are negotiating now. The various issues involved, I think, can be worked out. It is premature to bring it up now.

Mr. President, I do not see any other Senator who wishes to speak, so I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. GRASSLEY. Mr. President, I ask unanimous consent that I may address the Senate for 7 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FARM PROGRAM

Mr. GRASSLEY. Mr. President, leading up to this year's farm bill discussions, the leading complaint that I heard from Iowa farmers was about the lack of flexibility within the current 1985 Farm Program.

Soybean farmers were worried about the economic disincentives to planting soybeans, which was resulting in an erosion of U.S. market share to our South American neighbors.

Corn farmers wanted the ability to decrease or expand production based not upon some decision by Wastington politicians and bureaucrats, but upon whatever signals came from the marketplace.

Conservationists wanted a program that allowed for the establishment of long-term rotations that preserved soil and protected our ground water. They contended that farmers would not implement such a rotation for fear of losing the security of their Farm Program base.

Even the administration supported the idea of flexibility to help reduce program crop expenditures—less money coming from the Federal Treasury.

So there did not appear to be anyone with a credible reason opposed to the idea of allowing farmers to farm according to the marketplace, as opposed to political decisions made in Washington, DC. But now, all of a sudden, flexibility talked about for the last several months seems to be less of a priority as we consider discussion of the 1990 farm bill. The House Agriculture Committee, for instance, approved language that allows for more flexibility, but in reality will preserve the status quo with respect to planting program crops over nonprogram crops.

Here is the U.S. Senate it does not sound like we are doing any better when it comes to fulfilling that grass roots desire to respond to the marketplace and doing that through flexibility. My hope is that as the Senate Agriculture Committee proceeds with their deliberation, they will make the Farm Program and Farm Program flexibility a primary goal.

What do we have to do to get more flexibility, and what do we have to gain from that additional planting flexibility? First, we give our farmers the ability to respond to market signals when they are making planting decisions. These decisions are now based on prices which are artificially set to provide important income support. Unfortunately, these prices also distort our supply of program crops in comparison to demand.

Most farmers do what they can to limit their risk and increase their income. It is plain good business sense. Under current farm law, the best way to hedge your risk is to farm the Farm Program. You maintain your program crop bases, regardless of the market prices, because you are guaranteed at least the target price multiplied by your ASCS yield.

Let us put this in practical terms. A farmer has historically planted three-fourths of his acres to a program crop and one-fourth of his acres to nonprogram crops. At planting time, the farmer must make a decision as to whether or not he should maintain this ratio. To make this decision, he must weigh the potential returns of the program crop payments versus what he expects the market price will be for nonprogram crops at the end of the harvest season. The return for his program crops is guaranteed by the target price. The return for his nonprogram crops is not so guaranteed. This decision is very simple for most farmers. Further, the farmer must consider the fact that any new acres planted in nonprogram crops will reduce his program base and, thus, will reduce his income protection in future years as he participates in the Farm Program.

A solution has been proposed that would remove the loss of base acres, but until you remove the disincentive to flexibility, you have only a partial solution that does not accomplish our stated goal.

As the Senate Agriculture Committee continues to work, it is imperative that they evaluate the benefits of true flexibility, as well as the options already proposed. Flexibility is important as a means of protecting soil and ground water. Continuous cropping of any commodity leads to a breakdown

of soil nutrients and an increase in plant diseases and pests common to that crop. Breaking this cycle allows the planting of crops which can restore soil nutrients, reduce pesticide usage, and provide vegatative cover that limits soil erosion, in the Farm Program that will enable farmers to utilize rotation for soil conservation purposes. Flexibility also returns a responsibility for planting and marketing decisions back to where it belongs, with the American farmer.

The past 2 years, under provisions of the Disaster Assistance Act of 1988, farmers have had the opportunity to plant oilseeds on base acres without the loss of base. The result of the program this year is a projected 1.9 million acre increase in oilseed plantings, some of that in soybeans being planted in my State. Within this 0/25 planting option, soybeans provide us with the most dramatic example. The 3-percent increase in soybean plantings associated with this program does not equal the 4- to 5-percent increase in world demand that we have seen in recent years. So while overall world demand has increased 25 percent the past 10 years, the United States of America and our farmers have actually seen a 17-percent decrease in soybean production, a very negative aspect of our present farm program.

This is the best example of how real flexibility cannot be achieved by simply correcting base limitations found within our current Farm Program. What is necessary is the elimination of the distortions which come about through our current farm programs. Only by neutralizing these signals will farmers base planting decisions upon the market as opposed to the support prices.

World oilseed demand is increasing. U.S. farmers should be given the opportunity to respond to this world demand. The Senate, earlier this session, passed legislation creating a checkoff program for soybeans to help us further increase world and domestic demand for soybeans. What will be the benefit of this increase, however, if our farmers still turn to program crops, because that is the only way that they can limit their risk.

American farmers do not want to support a checkoff program that will build markets for our South American competitors. And I intend to work to make sure our producers are not supporting market development without the ability to somehow take full advantage of those new markets through true planting flexibility.

This question of flexibility, then, Mr. President, must be resolved by the Senate Agriculture Committee. If legislation comes forth from the committee without an economically neutral planting option, this Senator and several others, as well, plan to work to provide farmers the flexibility they need to meet current world demand before we pass a 1990 farm bill.

Mr. President, I yield the floor.

Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

PLANTING FLEXIBILITY IN THE FARM BILL

Mr. BOSCHWITZ. I happened to be here in the Chamber when my good friend and colleague, the Senator from Iowa, spoke about flexibility. I want to speak about flexibility as well, because I say to my friend from Iowa that he is right on, that flexibility started out during this session to be an important element to the farm bill and is somehow kind of fading away.

As he points out, the House bill that they have completed contains the so-called 0/25 solution. The 0/25 program is not much flexibility at all, because once again you have to give up, as the Senator pointed out, virtually all your Farm Program benefits in order to take advantage of flexibility.

The Senator pointed out the real problems that we have had in the business of oil seeds. It has been the fastest growing crop, fastest not in growing of the crop itself but rather the fastest increasing large agricultural crop in the last two decades. It has been oil seeds. As a matter of fact, the exports of oil seeds have tripled in the last two decades. Where the United States started out as exporting 80 percent of the world's soybeans and soybean cakes, oil, and so forth in 1970, we are now down to 34 percent. Our exports have gone from 80 to 34 percent.

Why, Mr. President? Because of the lack of flexibility. If you have a corn base, you have to use it or lose it. If you plant corn on that base, not soybeans, you are going to lose the base protection and farm payments and the result is the very basis of your land, the basis of agriculture will go down in the event you do not plant the program crop.

Because of budget constraints this year, I say to my friend from Iowa, there is going to be great pressure on farm type of aid or subsidy. There will be great pressure on it.

The importance of flexibility, I say to my friend from Iowa, is thereby made even greater. The importance is enhanced because farmers in order to substitute new types of income must have flexibility. But as I see this bill going through the Senate committee, I see a lack of flexibility and, indeed, I will join the Senator from Iowa when he offers amendments to restore flexibility to the bill that we are going to vote on here on the floor.

We are already trying to make some moves in committee to see that flexibility is restored. Flexibility began, I might say, in northwestern Minnesota where we were on a drought tour where we went through the State observing the drought and where farmers began to talk to me in the summer of 1988 about the desirability of flexibility so that they could plant other crops and not just be tied into one single crop.

Not only is it advantageous for the farmer; it is advantageous to the environment; it is advantageous to rotate crops so that, indeed, the soil will be restored and the soil will be renewed and the soil will hold together and not be swept away by rains or by wind. That is where flexibility began, up in northwestern Minnesota.

I brought it back here and talked about it to then Secretary Lyng and Secretary Yeutter to put it into his plan. I put it into a bill that was introduced.

I pledge to the Senate and I pledge to my friend from Iowa that, indeed, we will see flexibility at least voted on here on the floor of the Senate, and the flexibility giving the farmers an opportunity to respond to markets is an important element to the 1990 farm bill.

Because of the difficult years that we have had in agriculture, upward of 92, perhaps even 93 percent, of farmland in corn, wheat, and feed grains have been entered into the program. Once you are in that program, you have to plant that program crop or you lose your base. you cannot do that because part of the value of your land is associated with that base.

So we have locked in rural America to plant certain things because of their participation in farm programs. We need to give them flexibility so they can respond to world markets, so that they can maintain farm income and so that, indeed, America can benefit from its farms as it always has.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ROBB). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FAMILY AND MEDICAL LEAVE ACT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 770, the Family and Medical Leave Act.

Mr. DOLE. Reserving the right to object, and I shall object. I have a request to object on this side. I have no objection to proceeding to the bill per-

sonally, but I have objection on behalf of one of my colleagues.

The PRESIDING OFFICER. Objection is heard.

CLOTURE MOTION

Mr. MITCHELL. Mr. President, I move to proceed to the consideration of H.R. 770, the Family and Medical Leave Act, and I send a cloture motion on the motion to proceed to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of H.R. 770, the Family and Medical Leave Act.

Paul Simon, Daniel K. Inouye, Brock Adams, Herb Kohl, Bill Bradley, Edward M. Kennedy, Alan Cranston, George Mitchell, Claiborne Pell, Howard Metzenbaum, Patrick Leahy, Wyche Fowler, Timothy Wirth, Harry Reid, Bob Kerrey, Christopher Dodd, and Barbara A. Mikulski.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DODD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. MIKULSKI). Without objection, it is so ordered.

Mr. DODD. Madam President, more than 20 months ago, in October 1988, I stood at this very same desk on the Senate floor, and I said then that I felt at the time, "Never in the history of American politics has there been a constituency so popular—but with so little political clout—as the American family." Never in my political career have I been as eager to prove myself wrong as I am today, standing here on the Senate floor in June 1990.

We are now over a year-and-a-half older, and I hope that we are a year-and-a-half wiser, as well. The American family, the children of this Nation, certainly have cause for optimism. The other body recently approved, by a wide margin, a compromise version of the Family and Medical Leave Act which is now before the U.S. Senate. Many Members of this body who felt our original bill went too far feel that this compromise language is workable and fair to workers and employers alike.

I believe we have an opportunity for the kind of bipartisan cooperation which comes along rarely in a politician's career. The reason? It is very simple. The American family—the children of this country—have sent us and this Congress a very powerful message; and they simply will not go away.

We all know the demographics which make family leave such an urgent national priority. Only 1 in 10 American families today has their father at work while the mother stays at home with the children; 1 in 10, Madam President; 56 percent of all American women and more than half of all mothers of infants under 1 year of age are now working outside of their homes. We have 29 million two-earner families with 25 million children; almost 8 million single parent families with an equal number of children. And by 1995, two-thirds of all preschool children will have mothers working full time outside of the home. The statistics go on and on. We can run but we cannot hide from them.

Madam President, if I asked you "what do the United States and South Africa have in common?"—your answer would probably be "not much, I hope." But would you know that we are the only two industrialized nations in the world without national family leave policies? All of our major competitors, including West Germany, Japan, Canada, as well as dozens of Third World nations, have recognized that there is a national interest in helping families balance work and family responsibilities. The bottom line, quite frankly, is this: American parents ought to be able to have jobs and their families as well. And parents ought to be able to deal with rare family crises without losing those jobs. As a nation, all of us have a stake in that, morally, socially, economically, and politically.

What do American families do now when a crisis hits? The sad news is that many working people are on their own, caught in a Hobson's choice between their families and their jobs. Let us set aside the stories we heard from parents in nine hearings across the country over the last 3 years, good people and productive workers losing their jobs because they have families as well. Let us look at the numbers.

According to a recent survey of Fortune 500 companies, only half the employers surveyed offer critical infant-mother bonding leave beyond the childbirth-related disability period. The U.S. Chamber of Commerce reported a survey which revealed that 82 percent of employers provide no leave to care for sick children, no leave; if your child is desperately ill and you are an only parent trying to raise that child who is desperately ill, there is no leave policy. They further went on an cited that 85 percent provide for no leave for elder care; and 75 percent offer no leave for fathers. Only six States in this country and about a quarter of employers offer the leave time for adoption which most adoption agencies require. A survey in my home State of Connecticut, one of the most progressive States in the Nation, revealed that fewer than 10 percent of the 750 firms surveyed offer infant care leave over and above normal sick leave policies. As a nation, I believe we can do better.

The Family and Medical Leave Act idea is an idea, the concept behind which is very simple and the cost I might add is small. The compromise version of the bill now before us provides 12 weeks of unpaid leave for birth, adoption, or the serious illness of an immediate family member, yourself, your child, your spouse, or your elderly parent. That is a total of 12 weeks total for all these family emergencies, with no separate medical leave provision as in our original legislation; Job protection during the key family crises which can remove the primary breadwinner from the labor force and cripple a family's economic security.

What is the cost of this bill? It does not cost the Federal Government one red cent. There is not a single penny of Federal dollars in this legislation. According to a General Accounting Office study, which I asked for, the cost to American business would be less than $236 million each year. That averages out to $4.35 per covered worker or less than 2 cents a day. That is on an average of a benefit package which cost employers $8,101 a year. That is the average benefit package for a firm that belongs to a Chamber of Commerce. The GAO says this bill would cost $4.35 per covered worker per year, 2 cents a day to say when your kid is sick or you would like to adopt some unwanted child, or your parent who lives with you needs some care, if you have exhausted sick leave and vacation pay and used all the other benefits available to you, then we will give you unpaid leave for a few days and weeks in order to provide for a family member. And it may cost us 2 cents a day to do so. In 1990 we ought to be able to do that in this country. That is what this bill is basically designed to achieve.

Ninety-five percent of all businesses are exempt. We are only covering 5 percent overall businesses in the country. We say that if you are an employer that employs 50 employees or less forget about it, do not worry about it; you are not covered. Small business is out of it. There is no reason for them to be concerned at all. They are not in this bill. Ninety-five percent of all businesses are exempt and some of those covered already offer similar plans. Two cents a day for job security during a family crisis; less than 2 cents a day. That is a nominal price indeed.

The Washington business lobby will make a biased guess about the effect of the bill on employer flexibility and

the potential reduction of existing employee benefits. This, I would add, despite repeated assertions by State departments of labor, unions, and businesses with leave policies in place, that there simply is no relationship between family leave and the costly ongoing benefits which businesses typically provide. The business lobby will tell us what they think family leave will do to business if this bill is enacted. We have heard from dozens and dozens of business people who know the effect because they already have leave policies in place. They say that family leave actually saves them money in reduced turnover, absenteeism, and hiring and training costs.

Why do we hear one thing from business lobbyists and another thing from business people themselves? The answer, I believe, is quite simple. Over the last 50 years, in times of national consensus, when the Government has stepped in to ensure a minimum floor of protection and human decency for American workers, we have heard the same "Chicken Little" arguments from the business lobby that we will hear today, and I can recite: Child labor laws, occupational safety and health, minimum wage, and civil rights. Each time Congress has put fair labor standards in place, we were told the sky was falling. And yet, I think most Americans agree that these laws have not only made us a more decent and humane Nation but have made us stronger economically as well. Five years from now, when this family leave policy is in place throughout the Nation, we too will be wondering what all the fuss was about in 1990.

Madam President, family leave is not a new issue. In over a dozen congressional hearings over the past 3 years, we have developed one of the most extensive legislative records ever in support of this legislation. We have before us today a compromise bill which provides job security for American parents in a way that is fair and affordable to American industry. We all want to support profamily policies which make it economically feasible for parents to be home with their children; that is what this legislation is all about. That is what it is designed to achieve.

We all want adoption to expand women's pregnancy-related options; that is what this legislation is all about. It will help in that regard. We are all concerned about children at risk of drug abuse—children whose future productivity as employees depends on the early intervention which only parental bonding can provide; that is what this legislation is all about, as well. I believe now is the time to pass the Family and Medical Leave Act, and together, I think we can achieve the mutual goals which we all espouse.

Madam President, it is not a complicated bill. It has been modified substantially. It is a piece of legislation whose time has come.

It is an opportunity for us to do that which we did a year ago on child care legislation in this body. The two pieces of legislation are designed to really put some legislative muscle behind the rhetoric of the proper family values that are espoused on a daily basis in this Chamber and elsewhere, to say to working families in this country we realize it is a new and different day, a generation that is faced with different challenges, that of providing for economically needed options for families, and at the same time providing for the care that only parents can truly provide in a home setting.

This legislation says that if you are faced with a crisis affecting that family, that we want to be in a position to tell you that you ought not to have to choose between your job and your kids if, God forbid, you are in one of those crises.

Madam President, I know that there are many Members here who have been through it, Members in this body who have had children that have been desperately ill, many Members of this body whose spouses have been very, very sick in a hospital.

When that occurs, our colleagues stand up and they ask to be excused, because they have a bigger priority than being here for a vote. They are going to go home. And we understand it, because, frankly, if they did not, they would probably be in trouble, even if they were not decent enough to care about it. They know if they were staying here and not be with that kid or spouse, the people would wonder what their priorities were as human beings.

So Members of Congress take a leave. We get paid; that is the difference. We do not get docked for salary when we go to spend time with our children when they are sick, or with a spouse. We say we understand it.

All we are saying with this legislation is that if you are an employee in a business that hires more than 50 people and, God forbid, you are faced with that same kind of a crisis that a Member of Congress is, that you, too, can take some time to be with your family.

Sorry, you are unlike the Congressman; you cannot get paid. You cannot get paid. We will keep your job for you for a few weeks; not forever, not 6 years, but for a few weeks while you go and spend time with that family member. When you come back, we will resume your salary, your wage. And we will try to provide a like kind of job for you. Not the same job. And, by the way, you have got to use your vacation pay or time, and you have got to use your sick leave.

You cannot say: "I want to take some unpaid leave today, and by the way, I am going to take a 2-week vacation in August." No; you have to use your vacation time in August to be with your sick child.

We do not do that. We will take our recess in August. If your child becomes sick and you are a Member of Congress, presumably you will go off and spend time with that child, and you will take your recess as well. But the average citizen cannot do that.

So, Madam President, I hope that we will finally be able to go home and say, "Look, here is something we have done for you." And we will catch up with the rest of the world, and do something decent.

We are going to hear, Madam President, get ready for it: Oh, the competitive edge will be lost. We are not going to be able to compete with the Japanese or West Germans because, God forbid, we are going to say that unpaid leave is something we ought to be able to provide for workers.

I remind my colleagues that Japan and West Germany and every other industrialized nation provide a leave policy. Most of them provide paid leave, by the way, and they are beating our clock today with those policies. To suggest somehow that we are going to lose out to them because we try to help out an employee with a family member that is in a desperate condition is wrong.

I have talked about illness and sickness, the sad crises, Madam President. There is a joyful crisis that we try to cover as well, a newborn child and an adoption.

Madam President, every year or 2, I am responsible for bringing to the floor here the reauthorization of special-needs adoption legislation. Most of my colleagues probably were not even aware of it because I do not think we have had a recorded vote on it. It is done by unanimous consent, usually done at the end of the week.

The bill costs a couple of million bucks. It does not provide for much. We try to provide for help in special-needs cases, in adoptions of mentally handicapped and physically handicapped children which no one will adopt. We try to encourage families and agencies to help out those kids.

All of us support that. We understand how important it is for a child to be loved. This bill says that if you want to adopt a child, you can take some unpaid leave now. By the way—again, I come back to this—you have to use up all of your other leave benefits before you get to this one.

Who adopts kids? Candidly, the very poor cannot, and the very rich rarely do. I will tell you who adopts kids: middle-income folks, usually families that can hardly afford it, that have two or three other kids, and they will

take these children and bring them into their homes. They are working folks, and they want to do it.

But any adoption agency will tell you, you have to have a period of time to be with that new child. Should we not be saying that if American families will take some kid that is unloved, that is sitting today in some foster-care home or some other God-forbidden location where they are not getting the kind of care a family could provide, that if you are willing to do that, we are willing to say, take a few weeks, establish that relationship, and give that child a chance at a bright future? That is not a crisis. That is something we ought to be encouraging and promoting.

When a newborn child arrives, is it really so radical that we say for a period of a maximum of 12 weeks, 3 months, that you can be with your newborn infant and not lose your job? Is that a radical idea? Do we not, all of us, suggest and encourage that to many of our colleagues here who have children, who have become parents? What do we say to them? "Now take time to be with that new infant. Take the time; it is important." We encourage that.

Well, that is all we are saying here. We are saying, use your vacation time, use your sick leave, use all of those other benefits, but by the way, if at end of all that, you need a few weeks to be with this newborn infant, then be with them. We are not going to pay you, but we want you to know your job will be there when you come back.

Some will say it ought to be provided for in negotiations with collective bargaining. This is not a dental plan I am talking about here, Madam President. This is not some argument for another week of vacation. This is an issue that involves human decency, basic human decency. That is all it is. It ought to be a minimum floor. And at the nominal cost of 2 cents a day, it is very little to ask, it seems to me.

So I hope that my colleagues, as they look at this, will look at the facts and not be fooled, as I know they will not, by a lot of rhetoric that just does not reach the truth on this issue, and will support this legislation.

This ought not to be a matter of partisan debate. In fact, instead of having to fight to bring it up, frankly, there should have been a fight to have me bring it up earlier, because it is the kind of thing every single Member of this body ought to respect. It has been watered down, moderated substantially, changed in many, many ways to meet the criticisms of some who found it to be too excessive in the original drafting. So it is exactly the House-passed bill that we are offering here, Madam President.

My hope would be that we would be able to debate this, if we want to. I ask my colleagues to raise questions with me, if they like, about various aspects of it.

Let us not take time to filibuster and spend days on something as simple as this. What better time, with Father's Day coming up, to send a sound message that family leave for fathers as well is someting that we would like to see the American people have the right to enjoy.

Madam President, I yield the floor.

Mr. D'AMATO. Madam President, I very much would like to at this time, commend the Senator from Connecticut for the emotion and the passion that he has demonstrated in his commitment to this cause. I hope we are able to deal with this bill and work out any problems that may be attendant with it. I think it makes good sense, and I would like to see us deal with it in a manner which would send a very clear signal to the families. I believe the bill has tremendous merit.

Mr. PACKWOOD. Madam President, I am delighted to be a cosponsor of the Family and Medical Leave Act and I am even more delighted that at long last the Senate is taking up this landmark piece of legislation.

The need for a Federal law has become urgent. President Bush talks of a kinder, gentler nation. We now have the opportunity to be that kinder, gentler nation. This measure is a step in the right direction.

What we are saying with this bill is simple justice: A single mother should not be forced to lose her job to take care of a dangerously ill child. A father should be able to count on returning to work after taking care of his family's emergency at home.

Fairness in the workplace will pay off for employers, too. Understanding the problems that families face will bring dividends in the way workers feel about their work. Instead of losing valuable productivity on the job, employers with leave policies in place report gains in productivity and retention of a loyal and experienced work force.

The demographic revolution in the American work force is having a profound effect on the lives of working men and women and their families. Today, more than half of the 45.6 million children in two-parent families have both parents in the work force. The number of women working outside the home has increased 178 percent since 1950. More than one-half of all mothers with infants under 1 year of age now work outside the home. Two-thirds of mothers of children under the age of 3 work outside the home.

We are no stranger to these statistics. We have heard them here before. It is time we face up to the changing reality of our economy—single parents and two wage-earning parents dominate the work force. It is time now to take action, to ensure that no longer will American workers have to face difficult choices as they seek to balance family and workplace responsibilities. The dual goals of family and work are important to our Nation's well-being. It is time we support working parents by providing flexible leave options which promote family stability and job security.

The Family and Medical Leave Act before us today is a good way to help ease the tremendous pressures parents face in balancing workplace and family responsibilities.

The House has passed its bill. That bill is a viable compromise which I feel we can all support. The compromise would require companies of 50 or more employees to allow their permanent workers 12 weeks of unpaid leave per year for the birth of a baby or serious family illness. Data from my own State of Oregon, which has a family leave standard of 12 weeks, finds that businesses have had little trouble in complying with the standard.

Under the bill before us, only workers who have been on the job for a year or more and who have worked an average of half time or more during that year would be eligible for unpaid leave. Employees would be assured of reinstatement to the same or equivalent job upon their return, and would continue to receive health care coverage during their absence. The General Accounting Office estimates the cost of the bill to be no more than $188 million per year, most of which will result from the continuation of health insurance coverage for employees.

This bill is a reasonable approach. It seeks to meet the needs of families while helping businesses plan for workers taking leave. An estimated 95 percent of all firms, those with fewer than 50 employees, would be exempt from the bill's requirements. The Family and Medical Leave Act is not antibusiness. Indeed, many firms that already have leave policies in place report improved employee loyalty, reduced turnover and absenteeism, and enhanced productivity.

It seems clear that business owners and their employees will benefit mutually from an unpaid leave policy such as envisioned in this bill. I urge my colleagues to support this long overdue measure to help America's families.

Mr. KENNEDY. Madam President, before commenting on H.R. 770, the family leave legislation, I want to take this opportunity to commend my friend and colleague from Connecticut for moving this legislation from the committee to the floor of the U.S. Senate. Almost 2 years ago, this legislation was filibustered and we were unable to move to final passage. Over the past 2 years—this legislation has required many long hours of work, many trips across the country holding

hearings and presenting the compelling case for family leave to the Labor and Human Resources Committee. Senator DODD has worked to fashion and shape the bipartisan coalition which now is urging the Senate to give consideration to this legislation. He has been tireless in seeking out accommodation, adjustments, and compromise. He has done a great deal to bring us to the point where I, like others, am extremely hopeful that we will permit the Senate to exercise its judgment. When it does, my colleagues will demonstrate overwhelming support for this very basic and fundamental matter of justice.

I will sum it up this way. No American should be forced to choose between the job that they need and the child that they love.

Too many Americans, too many working families, face this impossible choice. I commend the Senator from Connecticut for bringing us to this point, and I think all of us who are committed to this legislation recognize his leadership in this area.

Second, Madam President, I welcome the fact that the leader has scheduled this legislation. I know he is strongly in support of this bill. He has worked tirelessly with all of us in getting us to this particular point this afternoon, hopefully only a short time away from when we will obtain the support of the Senate. And then, hopefully, we will be able to persuade the President to sign this important bill. I express my appreciation to the majority leader.

Madam President, I think all of us understand that the work force has changed dramatically over the period of the past few years. People have often asked, why this bill? Why now? There is a very simple explanation: there has been a dramatic change in the work force. In many instances today both parents are working. There has also been a dramatic increase in the number of single parents in our Nation over recent years. Both of these have been increasingly phenomena.

The need for this legislation is increasing every day. I remember the last time we debated this issue, when we talked about the fact that during the time that was spent from the beginning of the debate to the time the bill was defeated by filibuster, hundreds of Americans were losing their jobs due to the very circumstances which are addressed by this legislation. There is a very compelling need for the Senate to pass this bill.

I think it is very difficult for most of us to understand that when parents confront a medical emergency for a sick child and they take time off, that they face a very real threat of losing their jobs. I think most of us want to believe that that is not happening in America, but it is. The record is replete with these kinds of tragedies taking place in communities across this country—and it is deplorable.

Fortunately, Madam President, we have many businesses that do provide for these emergencies, and we applaud them. We have had many, in my own State of Massachusetts, that have undertaken positive employee protections and we are very proud of those employers. But we are targeting those businesses that have not demonstrated that sense of corporate responsibility and have fired those individuals who have needed leave to care for their children.

Madam President, the Senator from Connecticut reviewed very carefully, as did the Senator from Oregon, the cost of this legislation. The bottom line is this: It is less than 2 cents a day for every covered employee. There has been a campaign of disinformation, of gross distortion of both the cost and the impact of this legislation on American business. But, Madam President, if I have any complaints about this legislation, it is that it does not go far enough.

We are basically exempting 95 percent of the businesses in this country. Only 5 percent will be covered by this legislation. This House bill, H.R. 770, is a real compromise, a dramatic change from the legislation that was brought forward and debated on the floor of the Senate 2 years ago. I urge my colleagues to take the time to review the changes that have been made. If there is really a justification, a reason to vote against this bill, it is because it does not do enough. It is important to note that with the passage of this legislation, the United States, of all industrial countries, will still be the furtherest behind in the civilized world in terms or providing adequate family leave for our workers.

Madam President, this is an extremely modest proposal. It establishes a very basic and fundamental principle which this body, I hope, will embrace.

I have had a personal experience with the need for family leave. My son had cancer and I had to spend a great deal of time with him while he received chemotherapy. I know how important and valuable that time was. The people that I represent in Massachusetts understood my family obligation. They did not write to complain about it, and they felt that if I missed a vote, well then, so be it. I believe that is the real feeling of families all over this country.

As has been pointed out very well by the Senator from Connecticut, Senators are fortunate enough to have family leave. As a Member of the Senate, I was able to take off 3 days, every 3 weeks over a 22-month period. I doubt if there is a business in this country where a parent would have the same flexibility. My constituents gave me that flexibility—and I believe they deserve the same.

Madam President, this legislation makes the down payment on a policy of decency for American families. We must do no less, American workers deserve no less.

I yield the floor.

Mr. DODD. Madam President, before my colleague from Massachusetts leaves, I want to tell him as well how grateful I am for his support. Obviously, as a subcommittee chairman, nothing can happen if your full committee chairman does not want it to. Not only was my full committee chairman helpful, this legislation would never have arrived on the floor today, it would never have achieved the status it did a year ago, we would not have had the action in the House, had it not been for his deep commitment to this basic concept of human decency that he has so eloquently described this afternoon. So I want to publicly express my gratitude to him, Madam President, for his efforts at making it possible for this legislation to come forward; and as my colleague from Massachusetts has pointed out, also the Senator from Maine, our distinguished majority leader, for making it possible for this legislation to come to the floor.

Again I thank my colleague from Massachusetts. He has been tireless in his support, in constant meetings with groups and organizations interested in this legislation. Without that kind of personal involvement and commitment, we would not have arrived at the position we are today. Once again, the Senator from Massachusetts has demonstrated his commitment to the families in very concrete terms. This is not a rhetorical issue, a campaign issue for him. It is something he believes in very deeply, and I thank him for his commitment.

Mr. HATCH. Madam President, I have enjoyed listening to the arguments today. I want to make it clear that I am not one of those who has a hold on the motion to proceed. I think we ought to proceed. I think we ought to dispose of this matter, and we ought to do it as quickly as we can.

On the other hand, I am not criticizing anybody who is asserting their rights under the rules. But I would prefer to go ahead with this matter, debate it, talk about the pros and cons.

It is easy to get emotional about this. As the father of 6 and grandfather of 10, I am very, very concerned about these matters. I have advocated strongly for child care alongside of my good friend and colleague from Connecticut. I have stood up on the child-care issue when it was very difficult to do so. But, this is a different issue and certainly one which deserves serious thought about the potentially nega-

tive consequences as well as the positive consequences.

In the month of April, I had the privilege of visiting several of the East bloc countries, or what I would call the central European countries: East Germany, Poland, Czechoslovakia, Hungary, and Yugoslavia. Wherever I went, I asked them what caused this remarkable explosion in democracy. They would all say, well, in one way or another, Gorbachev and his perestroika. Then they would say, but if it had not been for President Reagan and his policies we would not be there, we would not have had this explosion in democratic principles. And then they invariably would get kind of a wry smile on their faces and they would say, but while we are thirsting for the free enterprise system, stock markets, privatization, and all these other things that might make a difference, we notice that you Americans are starting to adopt the very programs that have really caused us the problems we have and are trying difficultly to throw off in order to have the free enterprise system.

They were talking about restrictive, inflexible government-mandated programs that control business and the lives of people. Perhaps there are some areas where government help and guidance is appropriate. But the problem is every time we turn around there is another proposed mandate which will be placed on the backs of the citizens in this country.

Madam President, I believe that every Member of the Senate supports the idea of parents being able to spend time with their children. I certainly do. As a matter of fact I would like to see parents spend more time with their children at every age level, not just in infancy. But that is not the issue here.

The two real questions the Senate is being asked to address is first, whether or not the Congress can effectively legislate a one-size-fits-all standard of business behavior; and, second, whether or not Government should restrict the flexibility of workers to negotiate benefits according to their own needs and desires.

That is something that is left out in this thing. If we mandate a particular benefit we take away the rights of workers to select from a whole wide variety of benefits and we limit the flexibility of benefits selection because we are going to tell them what they have to have. Many companies, and it has been admitted here today, already make accommodations for their employees who need leave. I have to commend these forward looking companies. I think it is the right thing to do. I encourage them all over America to do it.

But let us be honest. These companies are not just being nice. They are pursuing these enlightened employment policies because they find there are substantial benefits to them in terms of having a stable, well-trained, and loyal labor force. Legislating a standard we eliminate competition among employers and send the message that innovation in personnel policies or good labor management relations are no longer necesary or worthwhile.

We also impose additional costs on business. Some of my colleagues have argued that these costs are minimal. But the real cost is not the dollar increase in personnel or insurance. It is the imposition of mandatory fixed regulations that make adapting to change more difficult. It is the inflexibility of the policy that will ultimately cost us the most. Some companies can afford the additional costs. Some will find it difficult. Other will find it impossible under their business scheme and approach.

Unfortunately this bill does not take into account these differences. Single workers or workers who are past the age of parenting infants for example will pay for the benefit for their coworkers. They do not feel good about this. They would rather choose another benefit. They like the idea of flexible benefit programs. They will not get the paid dental insurance, additional vacation time, or profit sharing they might have otherwise chosen or received.

Union negotiators will be limited since parental leave will no longer be on the table during collective bargaining. I believe the Congress could use its collective brain power to come up with an approach that encourages firms to adopt parental leave policies rather than one that browbeats them into compliance with an arbitrarily established standard.

But to anyone who has analyzed this legislation this is not an acceptable approach. I welcome opportunity for full and open debate on this proposal. I believe there are many issues which should be addressed before we are asked to vote on a piece of legislation with such sweeping and unprecedented consequences.

Let me begin by reading a letter sent to all Senators by Secretary of Labor Elizabeth Dole:

With the House of Representatives having completed consideration of H.R. 770, the Family and Medical Leave Act on May 10, the Senate may soon consider this legislation, S. 345 or another modified version of it. Some are referring to the House passed legislation as a "compromise". Rather than go to the heart of the Administration's objections to H.R. 770, these amendments were totally unresponsive to the concerns we have raised to date.

There is no question I will strongly recommend that President Bush veto the so-called compromise version, as passed by the House. It is mandated "parental leave" redux—just like its predecessor—telling businesses what benefits they must offer. There's no flexibility. In my book, compromise means give and take. But the authors of this "compromise" only fulfilled one half of that question—they took, but gave nothing.

Despite this, several Senators have asked for the Administration's position on the House passed bill which would:

Require that employers grant 12 weeks per year of leave for the birth, adoption, or sickness of a child, parent or spouse;

Make technical amendments to limit the definitions of "parent" for purposes of elder care leave provisions and "health care provider" for purposes of determining seriousness of illnesses;

Eliminate the automatic drop after three years in the small business threshold to companies with 35 employees or more (from the threshold of 50 or more employees that was previously a part of H.R. 770); and,

Prohibit two parents from taking leave simultaneously, even if they work for separate employers.

The workplace of the near future will comprise an even greater number of families who need and demand supportive structures in the workplace to enhance their participation in it. Yet, "family friendly" workplaces will never be the product of Federal policies that over simplify, mandate, stipulate and regulate.

Flexibility and choice is what working families want from their workplace. One of my highest priorities is making work and family complementary—not conflicting goals. But we cannot achieve that end, when in the wisdom of Washington, we tell businesses how and what benefits to offer their employees.

By imposing Federal mandates on certain leave policies such as those contained in H.R. 770, as passed by the House or S. 345, we may upset the delicate, individual balance that lies at the heart of work and family flexibility and the entire system of voluntarily provided employee benefits.

I hope this clarifies the Administration's position on this important legislation.

With my warmest regards,

Sincerely,

ELIZABETH DOLE.

Let me elaborate for a second or two on a few of the points made by Secretary Dole which have led to the administration's strong opposition to this legislative proposal.

For instance, in recent years there has been a growing trend among our Nation's employers to provide a wide array of employee benefits. A partial list of those benefits which most workers now take for granted include but are not limited to: Health insurance, life insurance, dental and vision care, long- and short-term disability, generous paid vacations, sick leave, maternity leave, pensions, paid holidays, bereavement leave, education assistance, legal aid, adoption assistance, profit sharing, employee assistance programs, and employee discounts.

Why do employers offer these benefits? Certainly, there has been no act of Congress mandating that they do so. In fact, all of these benefits clearly cost employers money. Indeed, recent surveys indicate that employee benefits as a percentage of labor costs have increased dramatically over the past few years. In fact, rapid increases in health care costs have led many em-

ployers to consider new ways of containing those costs.

The reason employers are offering these benefits is plain and simple: It makes good business sense to do so. If a company wants to attract and retain good employees, if a company wants to keep a high level of productivity, if a company wants to fight against the labor shortage that so many areas are dealing with now, that company will pay good wages and offer benefits that workers want and need.

The fact that so many women are now in the work force has led many employers to offer generous packages that will keep those women on the work force. Let me give you an example.

In 1978, the Shawnee Mission Medical Center in Shawnee Mission, KS, conducted a study which assessed the needs of its employees and found out that 93 children of their employees needed child care services. The very next year the hospital spent $60,000 in remodeling and startup costs. The center had enough room for 100 children when it first opened but has expanded several times. Now it is licensed for 260 children. The center is open from 6 a.m. to midnight Monday through Friday, and it is able to accommodate more than 500 children during those hours.

Prior to opening the day care center, the hospital was paying about $10,000 a month for agency nurses. Because of the child care center, there is no nursing shortages at the hospital and the need for agency nurses has vanished. In fact, there is a waiting list of nurses who are seeking spaces in the center for their children.

Not surprisingly, the Shawnee Mission Medical Center has gained a competitive edge in hiring and in keeping a stable work force. In fact, when authorities at the hospital asked how the child care center influenced their employees' decision to remain an employee of the hospital, 56 percent said it was a deciding factor while only 6 percent said it was not a factor at all.

This, Madam President, is happening at a hospital when other hospitals are currently fighting for their survival and are doing everything to get a competitive edge including downsizing, merging and even closing beds.

Did an act of Congress force Shawnee Mission Hospital to give their employees this benefit? No, Madam President. What happened is that a smart and responsive administration saw a need and filled it.

Let me give you a few other examples of what the private sector is doing, without benefit of congressional mandate, to assist the American worker meet work and family needs.

Procter & Gamble has taken a lead in child care for its employees. First in 1984 it contributed $35,000 to help setup a community referral service in the Cincinnati area where 12,500 of its employees work. It followed up with a $375,000 grant to open two child care centers. Did an act of Congress for Procter & Gamble to make this grant? No, Madam President. Procter & Gamble saw a need and filled it.

Merck Corp. headquartered in Rahway, NJ, provides 6 weeks of paid leave for disability. Unpaid leave is permitted up to 18 months, with employee benefits continuing. The employee is guaranteed his or her previous position or a similar position upon his or her return to work. Merck also provides subsidies for the adoption of a child and the company provides financial support for nearby day care centers. Did Congress order Merck to do this? No, Madam President. Merck saw a need and filled it.

Zayre Corp. gives child care reimbursements of up to $20 a week to employees at its headquarters with preschoolers. Did Congress pass a law ordering Zayre to provide this subsidy?

No, Madam President, Zayre saw a need and filled it.

Even smaller businesses are going above and beyond in providing benefits to their employees. Johnson Postman Co., in Takoma, WA, is a small wholesale building materials business employing 42 people. The company provides a generous and comprehensive insurance and benefit package that probably exceeds many of the provisions proposed in S. 2488. In addition, the company is generous in its leave policy and diligently takes into consideration the family aspect of each of its employees. The company completely pays the entire premium for the Washington State Industrial Insurance of which they are only required to pay one-half. The company is able to be generous with salaries and bonuses and manages to stay competitive in the marketplace. Why? Because they have a happy and stable work force which is loyal to the company. Does Johnson Postman want S. 2488 to pass? No, Madam President. Johnson Postman has asked Congress to let it remain flexible in what they perceive to be a volatile economy. Johnson Postman has written that S. 2488 would seriously hamper all their efforts to provide both their employees and customers what they need the most—to stay in business.

Cafeteria style benefits is one of the best ways in which employers are able to provide what their employees really want and need. Each year, Chemical Bank allows employees to designate up to $15,000 in payroll deductions that can be used for supplementary medical coverage, legal fees, or child care costs, Steelcase, Inc., an office furniture manufacturer in Grand Rapids, MI, allows employees to spend part of their nonsalary compensation of child care costs instead of, for example, dental insurance. Most importantly, employees like flexible benefit plans. A survey conducted for the Employers Council on Flexible Compensation found that 91 percent of the women and 80 percent of the men responding prefer flexible compensation programs. Sixty-six percent of the women said that such flexible plans allow them to select benefits to meet specific needs.

There are many surveys regarding what employers are offering in terms of employee benefits. A survey by the Food Marketing Institute of wholesale and retail food distributors operating more than 10,000 stores and employing over 1 million people shows that 88 percent of employers offering maternity benefits provide paid leave for full-time workers. The average paid leave of those surveys is 14 weeks with an additional week of unpaid leave.

A survey of 357 companies representing all sectors of the private economy by the American Society for Personnel Administration shows that 80 percent of women who are absent from work because of pregnancy-related disabilities receive partial or full pay. Additionally, 90 percent of the companies allow parents time off to care for sick children.

A survey by the Concerned Alliance of Responsible Employers of over 1,300 retailers, wholesale-distributors, small manufacturers and restaurant owners—86 percent of which employ less than 51 employees—revealed the following leave policies: 83 percent provide sick leave; 71 percent provide leave without pay; 91 percent provide vacations; and 60 percent provide maternity leave. Of those who provide maternity leave, 70 percent provide additional leave without pay for new parents. In addition to generous leave policies, 90 percent of those surveyed provide health insurance, 87 percent provide life insurance and 58 percent provide prescription drug benefits. What act of Congress Madam President, forced all these small companies to provide these benefits? None.

A National Federation of Indpendent Business field survey of 20,000 firms indicate that 72 percent of small firms allow time off for the birth, adoption, or serious illness of a child. Of the 16.3 percent who do not allow time off, more than half were from firms with fewer than five employees.

The Bureau of Labor Statistics discovered in a special survey last year that 25,000 of the Nation's establishments with 10 employees or more sponsor day-care centers for their workers' children. An additional 35,000 establishments also provide financial assistance to be used specifically for child care.

Another survey by the consulting firm of A.S. Hansen revealed last fall that the number of companies offering flexible compensation programs

had increased by over 71 percent from the year before. Because these companies found that this is what their employees wanted. That same survey found that 48 percent of the flexible compensation plans included a flexible spending account for dependent care.

In 1986, American employers paid $2.5 trillion in employee compensation, of which $412 billion was spent on employee benefits. Madam President, $412 billion in employee benefits alone. According to reports by the Employee Benefit Research Institute and the American Society for Personnel Administration, 89 percent of medium and large firms provide pension coverage; 82 percent of medium and large firms provide health coverage and; 65 percent of small firms provide health care coverage.

Pension plan contributions amounted to $120 billion, while employers spent $109 billion on health care coverage for workers and their families. In 1986, of full-time employees working for medium and large firms, 96 percent participated in optional life insurance plans. Eighty-seven percent of workers' life insurance coverage was fully paid for by employers. Almost half opted to participate in disability insurance plans. About 40 percent of employers fully financed disability insurance. All received paid vacation leave. Ninety-nine percent received paid holiday leave. More than 60 percent received paid pregnancy disability leave.

According to the conference board, a well-respected organization expert in employee benefits policy, companies will create or expand a variety of programs aimed at helping employees care for young children and aging relatives. Child care is expected to receive increased corporate attention. The major shift predicted will be giving employees more flexiblity in their work schedules and more options in their benefit packages. The conference board also predicted that many companies will offer long-term care insurance to help pay nursing home bills for employees and aging relatives, permit employees to take extra personal time to care for sick children or ailing elderly relatives and continue to allow employees to set aside part of their pretax earnings for dependent care. According to the board, some firms are stepping up their training to make managers aware of family related issues. Companies have begun to realize that even the most responsible family policy will not yield desired outcomes for the company or the employee if the need for sensitivity has not been conveyed to midlevel managers or communicated throughout the company culture. Particularly with innovations such as paternity leave, employees need to be reassured that supervisors support the new benefits and that taking advantage of it will not put one's career at risk. This information is straight from the experts in benefits policy, Madam President. This is not stated as the result of a mandate from Congress. The conference board has also noted that faced with a tight labor market, small companies as well as larger ones are developing child care benefits in order to recruit and keep employees. The number of companies contracting with resource and referral programs has grown to somewhere between 800 and 1,200. Business consortiums are being formed to pool resources for child care. Labor unions are becoming more active in negotiating for child care benefits. More companies are spearheading efforts to help employees tap family resources in their community.

One of the most important reasons why employers are offering such a wide array of employee benefits is because this country is facing a critical labor shortage, particularly in major metropolitan areas. Unemployment has fallen below 5 percent in 31 major areas in 19 States. And, Madam President, this is just the beginning. As the so-called baby bust generation reaches adulthood, a slower-growing population is propelling the country into a period of labor scarcity that could last until the turn of the century, when the current baby boomlet will provide a fresh supply of new workers.

A study by the National Restaurant Association says that its members could experience a shortfall of 1 million workers by 1995. A report by the National Retail Merchants Association says that youth shortages impact the retail business more than many other industries.

Employers are making many changes to respond to the work force shortage, with new ways of recruiting, compensating, and promoting employees, particularly women. IBM is spending millions to set up child-care referral services. Hewlett-Packard Co. and Lotus Development Corp., have expanded their maternity leave policies. BankAmerica Corp., has altered its career ladders so that more female tellers will become vice presidents. Bruce Carswell, vice president for human relations at GTE Corp., has been quoted as saying, "Women will gain as more shortages develop."

From southern Delaware's seashore resorts to Philadelphia's booming suburban shopping malls and northern New Jersey's sprawling industrial base, Mid-Atlantic employers face a critical and growing shortage of workers. Employers are literally trying everything—from benefit increases, more flextime, part-time workers and higher wages—to meet the shortage. The supply in clerical help in Delaware is particularly tight because of the State's aggressive economic development laws that have attracted 31 major national banking and credit card operations to the State in the last few years. Employers are forced to focus on the workplace environment in order to retain a skilled and productive work force. They are offering cafeteria benefits, day care, child care referral, and other incentives to attract and retain even the lowest level worker. The Chamber of Commerce in Delaware is urging employment agencies that recruit for banks to expand their search for workers beyond the region. The Delaware Chamber of Commerce has a booming new child care referral service funded by the private sector. Last year, the service received 6,000 calls.

In Corning, NY, Corning Glass Works is trying to put more women in management and executive positions. Corning's program, called Total Quality Program lays out nine objectives, including periodic review of pay to ensure fairness, establishing and enforcing nondiscrimination policies, helping employees develop their careers, providing training programs, making child care available, and offering parental leave.

Corning's child care program is modeled after that of IBM.

IBM's child care program has served 28,000 children of employees nationwide. IBM contracted with Work/Family Directions, Inc., of Watertown, MA, in 1984 to train child care providers in an effort to prevent a shortage in what has developed as a critical work force shortage. IBM established its Child Care Referral Service, a national network of more than 200 community-based resource and referral organizations that provide parents with information and guidance on child care services near an employee's home. With money from IBM and other companies, Work/Family Directions has trained 3,500 child care providers.

The cost of the referral system is picked up by IBM, but the parent must pay for the child care services. The advantage to the network is a variety of choices for the parent. Parents may choose among a day care center, a family day care home, a school age program, day care in the parent's home, summer day camps, and other facilities.

Of course, not everyone is lucky enough to work for IBM or Corning Glass Works, which can afford to provide such generous fringe benefits. However, as I have indicated earlier, thousands of small to medium sized firms are finding that the best way to keep employees is to provide good wages, good working environments, and good benefits.

Madam President, considering the staggering statistics on our Nation's current and future labor shortage, considering the incredibly high sums of money now being spent on employee benefits, considering what hun-

dreds of thousands of companies are doing for millions of workers, why are we considering Federal legislation forcing employers to meet a ridiculous Federal standard that so many companies have gone far beyond.

We are telling employers that they are not smart enough or innovative enough to see the changing needs of their employees.

We are telling the Nation's work force that they are not able to expect and demand certain employee benefits and that Congress is the best judge of what they want and need.

We are taking it upon ourselves to be the employee benefits manager for all small, medium, and large companies.

Mr. President, I am sure that by even considering such ridiculous legislation as the Family and Medical Leave Act, we are doing a grave injustice and disservice to all those hundreds of thousands of companies and millions of employees who know far better than we do what they want in terms of work and family benefits.

Madam President, I have the utmost respect for my colleague from Connecticut. I know he is sincere, I know he believes in what he is doing. Frankly, I would like to see every business in America make sure that if they can provide parental leave, this is an option that they will provide. I do not want to see anybody fired because of the desire to have a family, be it natural birth, or an adoption. Nor do I want to see any employee suffer because they are concerned about some family need, or because there is a serious illness in the family.

The fact of the matter is, however, that the real offensiveness of this bill is not any of that. It is the mandate nature of the benefit. It is telling people what they have to do. It is making it an inflexible requisite.

Madam President, this is a serious matter. I think we could come up with a way of providing incentives to business to provide reasonable parental leave. I believe no employee in America should have to suffer because they have some of these matters happen in their family. I do think we ought to encourage our families in every way we can. But Government's job is not to issue restrictive mandates on the backs of citizens or business. I think the more we do the more we take away the right to deal reasonably with the many situations faced by employees and their employers in modern-day America. I simply ask that we explore the cons as well as the pros before blindly accepting another Federal mandate.

Mr. DODD. Madam President, just very briefly, I want to address some of the points that my distinguished friend and colleague from Utah raised. First of all, he knows how much respect I have for him and affection as a friend and as a colleague, and for the tremendous amount of effort he places on the child care legislation. Having done all of that, I am stunned he would be on the opposite side of this issue, but I respect his position. I just regret that he is not allied with us on this issue, as well.

I need to respond to a couple of points, because they have been part of the ongoing objections that have been raised. The NFIB has testified against this legislation, almost in any form. It does not make a difference.

I can have an exemption for 10,000 employees and the objection would be there because of this philosophical notion that somehow the Government does not have a right to require a business to do anything. I suppose they want to be the only organization or association in the world no one can tell what they ought to be doing in any circumstances.

One of the arguments is, if you provide this benefit, you have to take others away. My good friend raised that today as one of his concerns, that if you have this, that means you are going to lose that employee stock option plan, or sick pay, or whatever else it may be.

I asked Mr. Motley, the executive director of NFIB, "Can you cite for me one example of any company in any State where they have taken away one benefit because they provided parental leave or family leave?"

Well, it has been a long time since that question was asked. He could not cite a single example of a single business that said, we are going to impose or allow family and medical leave, and because we are doing that, we are going to reduce everyone's sick pay, or everyone's vacation days, or everyone's dental plan, and in order to do this, we are going to make you pay in the other areas.

So the argument somehow that things are going to affect other benefits is a rhetorical suggestion, not supported by one single piece of evidence. In fact, Madam President, I asked the question, and I suppose I should have known better, because I asked for one example. He could have very easily said, yes, the XYZ Corp. is an example. Yet, Madam President, not one single case in the entire country could be pointed out where an employee or a group of employees lost benefits because that employer decided they were going to put a family leave policy in place. So that argument has no basis in fact at all.

Second, by legislating standards, you create unequal competition among employers. That is just not the case. What we are doing here is, in fact, creating a level playing field. We are saying all employers who employ 15 employees or more have to have this program. That is the law.

So you can hardly suggest it is going to create an uneven situation here at all. This standard would apply across the board to those large employers in this country. So rather than creating an unequal competition among employers, it does quite the opposite.

Madam President, I remember when I first introduced this legislation several years ago, the business lobby came out and said this bill is going to cost, I think, in the neighborhood of $16 billion. It will cost this country $16 billion. they sent out mailings all across America—$16 billion.

I asked the General Accounting Office if that was accurate. Even before the study came back, the Chamber of Commerce naturally came and apologized to me, but not before they sent out some 20 million mailings in this country identifying the cost of the bill.

Then they came and said, "We are sorry. We made a mistake. Our numbers were off."

We heard the Senator from Oregon, and we heard the Senator from Massachusetts. The bill costs somewhere between $180 million and $230 million, not $16 billion; but do you think the organization sent out a correction to its people on its mailing list apologizing for the mistake? Of course not.

So what you end up with is a lot of businesses in this country that received a mailing relying on that information, believing today this legislation is going to cost billions of dollars, when in fact the very organization that sent out the information has apologized for that mistake. So we are talking about 2 cents a day, 2 cents a day per employee.

Madam President, I just hope that my colleagues—and I will provide them with a sheet that identifies the kind of factual errors that have been made about this legislation and provide alongside that the actual facts, so they will have the benefit of knowing what, in fact, the case is and what this bill will do and what it will not do.

I wanted to correct the record before the close of debate on this matter for a while, just to make sure that those who are viewing or listening would understand what in fact this legislation does and does not do. I see the majority leader on the floor.

I yield the floor.

The PRESIDING OFFICER. The distinguished majority leader is recognized.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. MITCHELL. Madam President, to accommodate the caucuses of both parties, which are about to occur, and expected to last about an hour, I ask unanimous consent that the Senate

stand in recess subject to the call of the Chair.

Thereupon, the Senate, at 5:06 p.m., recessed subject to the call of the Chair; whereupon, at 7 p.m., the Senate reassembled when called to order by the Presiding Officer [Mr. ROCKEFELLER].

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, there will be no further rollcall votes this evening. Both parties held caucuses over the last couple of hours on the subject of the budget procedure, and we are making some progress toward developing a mechanism, a procedural mechanism, to permit us to move forward on the appropriations process. Discussions are continuing this evening involving the chairman and ranking member of the Budget Committee and their respective staffs, and we hope to be taking up and dealing with the budget procedure tomorrow morning.

Mr. DOLE. Mr. President, I want to underscore what the majority leader has said. We have had our respective caucuses, and we have had a good discussion of the procedure as was recommended to us by Senator DOMENICI, and I think to the Democratic caucus by Senator SASSER. We believe there is an area of agreement, and we need additional time, but not much more time. As the majority leader said, Senators SASSER and DOMENICI are meeting as we speak, going over the process.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The majority leader is recognized.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there be a period of morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the Presdient of the United States submitting sundry nominations which wer referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:56 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3656. An act to amend the Securities Exchange Act of 1934 to improve the clearance and settlement of transactions in securities and related instruments, and for other purposes; and

H.R. 4758. An act to provide for the construction, operation, and maintenance of an extension of the American Canal at El Paso, TX.

The message also announced that the House has agreed to the following concurrent resolution:

H. Con. Res. 325. Concurrent resolution expressing the sense of the Congress that the United States remains firmly committed to its Mutual Defense Treaty with the Republic of Korea and is steadfastly dedicated to the promotion of security and peace on the Korean peninsula.

At 1:41 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2152. An act to reinvigorate cooperation between the United States and Latin America in science and technology;

H.R. 4088. An act to amend title 38, United States Code, with respect to veterans recruitment appointments;

H.R. 4390. An act to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs and the Secretary of Defense to carry out a joint program to make grants for the establishment of research centers at qualifying medical schools; and

H.R. 4887. An act to amend the Federal Aviation Act of 1958 relating to research for prevention of defects, failures, and malfunctions of aircraft, aircraft engines, propellers, and appliances, which could result in a catastrophic failure of an aircraft.

The message also announced that the House has agreed to the following concurrent resolutions:

H. Con. Res. 287. Concurrent resolution calling for a United States policy of promoting the continuation, for a minimum of an additional 10 years, of the International Whaling Commission's moritorium of the commerical killing of whales, and otherwise expressing the sense of the Congress with respect to conserving and protecting the world's whale populations; and

H. Con. Res. 323. Concurrent resolution concerning human rights and democracy in Nepal.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

At 2:28 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill and joint resolution:

S. 2700. A bill to authorize the Secretary of Veterans Affairs to proceed with a proposed administrative reorganization of the regional field offices of the Veterans Health Services and Research Administration of the Department of Veterans Affairs, notwithstanding the notice-and-wait provisions in section 210(b) of title 38, United States Code; and

S.J. Res. 251. Joint resolution designating "Baltic Freedom Day."

The enrolled bill and joint resolution were subsequently signed by the President pro tempore [Mr. BYRD].

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 2152. An act to reinvigorate cooperation between the United States and Latin America in science and technology; to the Committee on Labor and Human Resources.

H.R. 4088. An act to amend title 38, United States Code, with respect to veterans recruitment appointments; to the Committee on Veterans' Affairs.

H.R. 4390. An act to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs and the Secretary of Defense to carry out a joint program to make grants for the establishment of research centers at qualifying medical schools; to the Committee on Veterans' Affairs.

H.R. 4758. An act to provide for the construction, operation, and maintenance of an extension of the American Canal at El Paso, Texas; to the Committee on Environment and Public Works.

H.R. 4887. An act to amend the Federal Aviation Act of 1958 relating to research for prevention of defects, failures, and malfunctions of aircraft, aircraft engines, propellers, and appliances, which could result in a catastrophic failure of an aircraft; to the Committee on Commerce, Science, and Transportation.

The following concurrent resolutions were read, and referred as indicated:

H. Con. Res. 323. Concurrent resolution concerning human rights and democracy in Nepal; to the Committee on Foreign Relations.

H. Con. Res. 325. Concurrent resolution expressing the sense of the Congress that the United States remains firmly committed to its Mutual Defense Treaty with the Republic of Korea and is steadfastly dedicated to the promotion of security and peace on the Korean peninsula; to the Committee on Foreign Relations.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 3656. An act to amend the Securities Exchange Act of 1934 to improve the clearance and settlement of transactions in securities and related instruments, and for other purposes.

The following concurrent resolution was read, and placed on the calendar:

H. Con. Res. 287. Concurrent resolution calling for a United States policy of promoting the continuation, for a minimum of an additional 10 years, of the International Whaling Commission's moritorium on the commercial killing of whales, and otherwise expressing the sense of the Congress with respect to conserving and protecting the world's whale populations.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The PRESIDENT pro tempore (Mr. BYRD) announced that on today, June 13, 1990, he has signed the following enrolled bills and joint resolution, which had previously been signed by the Speaker of the House:

H.R. 20. An act to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes;

H.R. 4612. An act to amend title 11 of the United States Code regarding swap agreements and forward contracts; and

H.J. Res. 516. Joint resolution to designate the week beginning June 10, 1990, as "National Scleroderma Awareness Week."

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, June 13, 1990, he had presented to the President of the United States the following enrolled bill and joint resolution:

S. 2700 An act to authorize the Secretary of Veterans Affairs to proceed with a proposed administrative reorganization of the regional field offices of the Veterans Health Services and Research Administration of the Department of Veterans Affairs, notwithstanding the notice-and-wait provisions in section 210(b) of title 38, United States Code; and

S.J. Res. 251. Joint resolution designating "Baltic Freedom Day".

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with amendments:

S. 2393. A bill to prohibit certain food transportation practices and to provide for regulation by the Secretary of Transportation that will safeguard food and certain other products from contamination during motor or rail transportation, and for other purposes (Rept. No. 101-332).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BOREN (for himself, Mr. COHEN, Mr. HOLLINGS, Mr. DECONCINI, Mr. HATCH, Mr. MURKOWSKI, Mr. WARNER, Mr. BIDEN, and Mr. THURMOND):

S. 2726. A bill to amend the National Security Act of 1947 to improve counterintelligence measures through enhanced security for classified information, and for other purposes; to the Select Committee on Intelligence.

By Mr. GRAHAM (for himself and Mr. MACK):

S. 2727. A bill to amend title 28, United States Code, to provide for the appointment of an additional bankruptcy judge for the Middle District of Florida; to the Committee on the Judiciary.

By Mr. D'AMATO (for himself, Mr. GORTON, Mr. DECONCINI, Mr. COATS, Mr. LOTT, and Mr. SPECTER):

S. 2728. A bill to amend title 10, United States Code, to clarify and expand the authority of the Armed Forces to provide support for civilian law enforcement agencies; to the Committee on Armed Services.

By Mr. CHAFEE (for himself, Mr. BAUCUS, Mr. DURENBERGER, Mr. MITCHELL, Mr. LIEBERMAN, Mr. HUMPHREY, Mr. COHEN, Mr. GLENN, Mr. ROTH, and Mr. KOHL):

S. 2729. A bill to amend the Coastal Barrier Resources Act, and for other purposes; to the Committee on Environment and Public Works.

By Mr. HELMS:

S. 2730. A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to require a 5-percent reduction in certain assistance under that act to a law enforcement agency unless such agency has in effect a binding enforcement officers bill of rights; to the Committee on the Judiciary.

By Mr. CRANSTON (by request):

S. 2731. A bill to amend title 38, United States Code, to improve personnel management in the Department of Veterans Affairs; to the Committee on Veterans' Affairs.

By Mr. CRANSTON (by request):

S. 2732. A bill to amend title 38, United States Code, to alter the amount of certain types of special pay authorized to be paid to physicians and dentists employed by the Veterans Health Services and Research Administration; to the Committee on Veterans' Affairs.

By Mr. BINGAMAN:

S. 2733. A bill to establish an Inter-American Scientific Cooperation Program to increase the level of science and technology cooperation between the United States and Latin America; to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BOREN (for himself, Mr. COHEN, Mr. HOLLINGS, Mr. DECONCINI, Mr. HATCH, Mr. MURKOWSKI, Mr. WARNER, Mr. BIDEN, and Mr. THURMOND):

S. 2726. A bill to amend the National Security Act of 1947 to improve counterintelligence measures through enhanced security for classified information, and for other purposes; to the Select Committee on Intelligence.

COUNTERINTELLIGENCE IMPROVEMENTS ACT

● Mr. BOREN. Mr. President, I am pleased to introduce today, together with the distinguished vice chairman of the Select Committee on Intelligence, Senator COHEN, legislation which would significantly improve the counterintelligence posture of the United States. Entitled the "Counterintelligence Improvements Act of 1990," this bill incorporates the recommendations recently made to the Select Committee on Intelligence by a distinguished panel of private citizens which Senator COHEN and I asked to look at this area.

In transmitting these recommendations to the committee, the chairman of the panel, Eli S. Jacobs, wrote that "[w]hile these proposals can be refined and improved, [the panel] believes that the enactment of this or similar legislation would significantly strengthen the ability of the United States to deter, detect, and prosecute persons who turn to espionage."

These recommendations are the product of a 6-month review of the existing statutory framework governing the detection and prosecution of espionage. This effort was led, as I mentioned, by Eli S. Jacobs, a well-regarded industrialist, who over the past 30 years has developed an exceptional grasp and knowledge of this Nation's national security policy issues. To touch briefly on his experience in the area, he began his education on national security matters as a counterintelligence officer in the U.S. Army. He has long been a member of the General Advisory Committee on Arms Control and Disarmament. He serves on the Defense Policy Board which advises the Secretary of Defense on policy issues. He is also on the Chief of Naval Operations Executive Panel and was a member of the important Carnegie Endowment for International Peace's Panel on International Security.

Serving on the panel with Mr. Jacobs was a singular group of private citizens with impressive accomplishments both within the Government and on the outside. These included Admiral Bobby Inman, who had previously served as Director of the National Security Agency, Deputy Director of Central Intelligence, and Director of Naval Intelligence; Warren Christopher, an attorney, who formerly served as Deputy Secretary of State and Deputy Attorney General; Lloyd Cutler, an attorney, who served as counsel to President Carter; Arthur B. Culvahouse, an attorney, who served as counsel to President Reagan; Sol Linowitz, a lawyer and diplomat, who served as Ambassador to the Organization of American States and as negotiator of the Panama Canal Treaty; Richard Helms, former Director of Central Intelligence and Ambassador to Iran; Seymour Weiss, former State Department official, Ambassador to the Bahamas, and Chairman of the Defense Policy Board; and Harold Edgar, professor of law at Columbia University.

The panel was motivated largely by the large number of espionage cases

we have had over the last 15 years, many of which have resulted in catastrophic damage to the Nation's security. Indeed, the Select Committee on Intelligence has documented 57 cases since 1975 where U.S. citizens have been arrested for espionage, attempted espionage, or for activities that appeared related to espionage, such as "stockpiling" classified documents at home for that "rainy day." The vast majority of these cases have involved U.S. citizens taking the initiative, either to contact foreign governments or to hedge against future setbacks.

The panel did an in-depth study of these cases, and attempted to craft legislative solutions that would deal with the problems evident from the cases. We believe they did an excellent job.

Some may say, Mr. President, that this is all well and good, but the cold war is over and we do not need to worry about espionage any longer.

We are certainly witness to extraordinary events in the Soviet Union and Eastern Europe. No one can dispute that. But are our worries over further losses through espionage at an end? Clearly, they are not. First of all, improved relations do not necessarily translate into less espionage. U.S. counterintelligence agencies report no diminution in recent months in the collection efforts of the Soviet intelligence services, for example. Indeed, with improved relations will like come an improved operating environment for foreign intelligence services no longer viewed as so threatening by Americans and no longer so constrained by personnel ceilings and travel limitations.

Second, as I have mentioned, the largest part of the espionage problem is largely impervious to political change in the Soviet Union and Eastern Europe, and that is the phenomenon of the United States citizen with access to highly classified information who volunteers his services to a foreign intelligence service for money. No foreign government is going to turn down an opportunity to acquire information in its own national interests; the market for U.S. classified information is hardly about to dry up.

Third, the Soviet and East European services are not the only ones we have to worry about. There are numerous countries out there, ranging from those who publicly and routinely berate us to countries who are ostensibly our friends, who are eager to obtain information that will improve their economic competitiveness, their military prowess, or give them an advantage in terms anticipating world events. Espionage has been a problem since the early days of the Republic, and is hardly about to vanish in this era of good feelings.

The Jacobs panel told the committee that it has considered a number of proposals to deal with the problem of espionage that it rejected as being too intrusive in terms of the rights and privacy of Americans. The panel attempted to craft proposals that did not impose an undue burden on civil liberties. We believe they succeeded.

The bill we are introducing today incorporates all of the panel's recommendations to the committee with little substantive change. We believed it was important to start with what the panel gave us, and then consider what improvements may be needed. Indeed, it is clear as a result of the public hearing on May 23, 1990, where these proposals were presented to the committee, there are likely to be a number of changes which would be desirable and would be acceptable to the panel itself. So, I emphasize, Mr. President, that while we are starting with the proposals as they were presented, Senator COHEN and I maintain an open mind in terms of additional changes that may be desirable.

We are also mindful that these recommendations cover a range of statutory provisions, many of which overlap the jurisdiction of other committees. I want to assure our colleagues, Mr. President, that the interests and equities of other committees certainly will be respected as this bill proceeds through the legislative process.

Now, let me turn to the bill itself, and highlight the thrust of its provisions.

The first proposal is to establish by statute uniform minimum requirements for everyone granted a top secret security clearance, applicable to all three branches of Government. There is no law on the books which currently establishes such requirements, and, indeed, such requirements vary from agency to agency.

Thus, this portion of the bill deals only with the highest category of security clearance, and with the people who are, by definition, being placed in a position to cause "exceptionally grave" damage to the national security of the United States. The bill would establish a number of requirements that persons who receive such clearances consent to the Government's being able to access certain of their financial records as well as their travel records. Reports of foreign travel would be also required of these Government employees, as would reports of efforts by foreign nationals improperly to solicit classified information.

The proposal would exempt elected officials and Federal judges from the investigative requirements and would permit the President wide discretion in terms of how the system was implemented.

Section 3 of the bill is intended to strengthen the protection of cryptographic information, which means codes and coding machines. The key element of the section would require that all Government communicators, in whatever agency they may be employed, be subject to the possibility of a limited, counterintelligence-scope polygraph examination during the period of their employment as communicators. Basically, they would be asked if they were a spy. The intent is to reach that population of Government employees who run communications centers processing classified information, who build coding machines, and devise codes. The consequence to the United States of the loss of such information justifies this requirement. The panel believed it would help deter those in this category from contemplating espionage.

Section 4 would give the Director of the National Security Agency discretionary authority to provide certain assistance to employees for up to 5 years after they leave NSA to help them cope with problems. Experience shows that post-employment problems can jeopardize classified information to which employees have been exposed. CIA exercises such authority under existing law, and it has proven useful on occasion to protect the secrets of the agency.

Section 5 would amend the Right to Financial Privacy Act to permit persons with top secret clearances to provide their consent to the appropriate governmental authorities' obtaining access to certain of their financial records. This proposal complements the provision in the first proposal requiring consent to financial records as a condition of access to top secret information. It is necessary because under the Right to Financial Privacy Act as it now stands, a person may only consent to access to his financial records for a period of 3 months.

Section 6 would make it a crime to possess espionage devices where the intent to violate the espionage statutes could be shown. This proposal is similar to a statute already on the books that criminalizes the possession of electronic surveillance equipment, as well as to many State statutes making possession of burglary tools a crime where the intent to use them for this purpose could be established. This provision would enable the Government to prosecute someone who was found in the possession of such devices as burst transmitters or sophisticated concealed cameras where the intent to commit espionage could otherwise be proved, without the necessity of proving the passage of classified information, and without proving a conspiracy by showing an agreement with another person.

Section 7 would make it a crime to sell to a person representing a foreign power documents or materials that are marked or otherwise identified as top secret without the Government having to prove as an element of the offense

that the classification marking had been properly applied. This would allow the Government to prosecute such conduct without having to reveal the top secret information in question.

Section 8 of the bill would add a new provision to that part of the criminal code that deals with the responsibilities of Government employees. It would create a new misdemeanor offense for any Government employee who knowingly removes top secret documents without authority and retains them at an unauthorized location. This provision would provide the Government with a lesser criminal sanction to deal with the problem of Government employees stockpiling highly classified documents with the thought that later they may want to convert them to use.

Section 9 would merely extend an existing statute which provides for the forfeiture of profits associated with violation of 18 U.S.C. 794, the so-called Son of Sam law, to other types of espionage convictions.

Section 10 would permit the Government to deny retirement pay to U.S. retirees in the civil service retirement system, the Foreign Service retirement system, and the CIA retirement and disability system who are convicted of espionage in foreign courts which involves U.S. national defense information. The Attorney General would have to certify that the conviction had been obtained under procedures which accorded the U.S. retiree due process rights comparable to those provided under the constitution.

Section 11 would amend the Fair Credit Reporting Act to permit the FBI to obtain consumer credit reports on persons who are certified by the director of the FBI as suspected of being agents of foreign powers, as defined by the Foreign Intelligence Surveilliance Act of 1978. Limited identifying information could be obtained when certified as necessary in other cases. Consumer credit agencies who provide such reports would be prohibited from disclosing the request to the consumer involved. This is similar to authority the FBI already possesses to obtain bank records under the Right to Financial Privacy Act of 1979.

Section 12 of the bill would amend the Electronic Communications Privacy Act of 1986 to permit the FBI to obtain subscriber information about persons with unlisted telephone numbers who are called by foreign powers or agents of foreign powers. Under the existing law, the FBI can obtain the toll records of foreign powers and agents of foreign powers pursuant to the certification of the Director of the FBI. These toll records are useless, however, in those instances where the FBI cannot get the names and addresses of persons whose unlisted telephone numbers are called. This proposal would authorize the FBI to obtain from the phone company very limited information identifying a person whose unlisted telephone number is called by a foreign power or an agent of a foreign power. It does not authorize any other investigative activity on the part of the FBI concerning such person. Any addiitional activity would have to be authorized in accordance with other FBI investigative authorities.

Section 13 of the bill would amend the existing statute which provides discretionary authority to the Attorney General to pay rewards for information concerning terrorism, to permit him to pay similar rewards for information leading to an arrest or conviction for espionage or the prevention of espionage. The bill would authorize payments up to a million dollars for this purpose.

Section 14 would extend the court order procedure for electronic surveillances, established by the Foreign Intelligence Surveillance Act of 1978, to physical searches done for national security purposes which are now undertaken without a court order under a claim of inherent presidential authority. Subjecting such searches to a court order process not only would be an important safeguard for the civil liberties of Americans, but would serve as a protection for employees of the executive agencies who are asked to engage in such searches. The FISA has worked exceedingly well over the 10 years where electronic surveillances are concerned, and the bill would apply its procedures to physical searches as well.

Mr. President, I believe the Jacobs panel has performed a real public service in developing these proposals. The committee is certainly appreciative, as should be all of our colleagues that these very busy and talented people should take the time without remuneration to look at ways we can improve the statutory framework for dealing with this serious and intractable problem. There will, undoubtedly, be refinements in these proposals in the course of the legislative process, but I believe they have done the basic spadework and provided us with a balanced set of proposals which can, in principle, command a consensus of the Congress.

Mr. President, I ask unanimous consent that the text of the bill and an accompanying section-by-section analysis be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2726

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Counterintelligence Improvements Act of 1990".

SEC. 2. AMENDMENT TO THE NATIONAL SECURITY ACT OF 1947.

(a) IN GENERAL.—The National Security Act of 1947 (50 U.S.C. 401 et seq.) is amended by inserting at the end thereof the following new title:

"TITLE VIII—UNIFORM REQUIREMENTS FOR ACCESS TO TOP SECRET INFORMATION

"SEC. 801. MINIMUM REQUIREMENTS FOR A 'TOP SECRET' SECURITY CLEARANCE.—Except as otherwise provided by section 804 and in accordance with the procedures required by section 805, no person shall be given a security clearance after the effective date of this title by any department, agency, or entity of the United States Government, which would afford such person access to top secret information owned, originated, or possessed by the United States, unless such person is a citizen of the United States and has, at a minimum—

"(1) been the subject of a completed background investigation by competent investigative authority;

"(2) agreed to permit appropriate investigative authorities, during the initial background investigation and for such time as the clearance remains in effect, and for 5 years thereafter, access to—

"(A) financial records concerning the subject pursuant to section 1104 of the Right to Financial Privacy Act of 1978;

"(B) consumer reports concerning the subject pursuant to section 1681b of the Consumer Credit Protection Act; and

"(C) records maintained by commercial entities within the United States pertaining to any travel by the subject outside the United States;

"(3) agreed, for such period as such clearance may be in effect, to report to the department, agency, or entity granting the security clearance any travel to foreign countries which has not been authorized as part of the subject's official duties; and

"(4) agreed to report to the Federal Bureau of Investigation or other appropriate investigative authorities any unauthorized contacts with persons known to be foreign nationals or persons representing, or purporting to represent, foreign nationals, where an effort to acquire classified information is made by the foreign national or persons representing a foreign national, or where such contacts appear intended for this purpose.

Failure by the subject to comply with any of the requirements of this section shall constitute grounds for denial or termination of a security clearance permitting access to top secret information.

"SEC. 802. REQUIREMENTS FOR ADDITIONAL INVESTIGATIONS.—In accordance with the regulations issued pursuant to section 804, persons who are granted 'Top Secret' security clearances shall, at a minimum—

"(1) be subject to additional background investigations by appropriate governmental authorities during the period such clearance is maintained at no less frequent interval than every 5 years, except that any failure to satisfy this requirement that is not attributable to the subject of such investigation shall not result in loss or denial of the security clearance concerned; and

"(2) be subject to investigation by appropriate governmental authority at any time to ascertain whether such persons continue to meet the standards for access to top secret information.

"SEC. 803. DEFINITIONS.—As used in this title—

"(1) the term 'security clearance' means a determination by competent governmental authority to permit a person routine access to information that has been marked or designated as requiring protection in the interests of national security;

"(2) the phrase 'department, agency, or entity of the United States Government' includes the executive, legislative and judicial branches of the United States Government, and all elements thereof; and

"(3) the term 'top secret information' means information that has been marked or otherwise designated pursuant to law or Executive Order Numbered 12356 of April 2, 1982, or successor Executive orders, as information, the unauthorized disclosure of which reasonably could be expected to cause exceptionally grave damage to the national security.

"SEC. 804. EXCEPTIONS AND WAIVER AUTHORITY.—

"(a) Notwithstanding section 801, persons holding elected positions in the executive and legislative branches, or who are judges of courts established pursuant to Article III of the Constitution of the United States, shall, by virtue of their positions, be entitled to access to such top secret information as may be necessary to carry out their official duties without obtaining a security clearance based upon compliance with section 801.

"(b)(1) The President, or his designee, may waive the requirements imposed in section 801, either for particular categories of cases or as they apply to particular departments, agencies, or entities within the United States Government, whenever he deems it necessary in the interests of national security.

"(2) The President or his designee, as the case may be, shall record any waiver made under paragraph (1) and, with respect to any waiver that applies to particular departments, agencies, or entities within the executive branch, report such waiver within 30 days to the Select Committee on Intelligence of the Senate and to the Permanent Select Committee on Intelligence of the House of Representatives.

"SEC. 805. IMPLEMENTING PROCEDURES.—The President, after appropriate consultation with the Congress and the Administrative Office of the United States Courts, shall issue regulations to implement this title, which regulations shall be binding upon the executive, legislative, and judiciary branches of Government, and incorporated into appropriate policy instruments within each branch of Government. In addition, such regulations shall provide for the establishment within the Executive Office of the President of a central office to monitor the implementation and operation of this title, including the establishment of a single registry to maintain accountability of all 'Top Secret' security clearances issued pursuant to this title.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect 180 days after the date of enactment of this Act.

SEC. 3. PROTECTION OF CRYPTOGRAPHIC INFORMATION.

The National Security Act of 1947 (50 U.S.C. 401 et seq.), as amended by section 2, is further amended by inserting at the end the following new title:

"TITLE IX—PROTECTION OF CRYPTOGRAPHIC INFORMATION

"SEC. 901. (a) REQUIREMENTS FOR ACCESS TO CRYPTOGRAPHIC INFORMATION.—(1) Any person who is granted access to classified cryptographic information or routine, recurring access to any space in which classified cryptographic key is produced or processed, or is assigned responsibilities as a custodian of classified cryptographic key, shall, as a condition of receiving such access, or being assigned such responsibilities, and at a minimum:

"(A) meet the requirements applicable to 'Top Secret' information pursuant to title VIII; and

"(B) be subject to periodic polygraph examinations conducted by appropriate governmental authorities, limited in scope to questions of a counterintelligence nature, during the period of such access.

"(2) Failure to submit to an examination required under paragraph (1) shall be grounds for removal from access to cryptographic information or spaces.

"(b) DEFINITIONS.—For purposes of this section—

"(1) the term 'classified cryptographic information' means any information classified by the United States Government pursuant to law or Executive order concerning the details of (A) the nature, preparation, or use of any code, cipher, or cryptographic system of the United States; or (B) the design, construction, use, maintenance, or repair of any cryptographic equipment;

"(2) the phrase 'custodian of classified cryptographic key' means positions that require access to classified cryptographic key beyond that required to operate cryptographic equipment designed for personal or office use, future editions of classified cryptographic key, or classified cryptographic key used for multiple devices;

"(3) the term 'classified cryptographic key' means any information (usually a sequence of random binary digits), in any form, classified by the United States Government pursuant to law or Executive order that is used to set up and periodically change the operations performed by any cryptographic equipment;

"(4) the term 'cryptographic equipment' means any device, apparatus or appliance used, or prepared, or planned for use by the United States for the purpose of authenticating communications or disguising or concealing the contents, significance, or meanings of communications; and

"(5) the phrase 'questions of a counterintelligence nature' means specified questions to ascertain whether the subject is engaged in espionage against the United States on behalf of a foreign government or knows persons who are so engaged.

"SEC. 902. IMPLEMENTING REGULATIONS.—The President shall, within 180 days of the date of enactment of this title, promulgate regulations to implement the provisions of this title. The President shall provide copies of such regulations to the Armed Services Committees of the Senate and House of Representatives, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives.".

SEC. 4. CERTAIN ACTIONS TO DEAL WITH PROBLEM EMPLOYEES AFTER TERMINATION OF EMPLOYMENT.

The National Security Agency Act of 1959 (50 U.S.C. 402 note) is amended by inserting at the end thereof the following new section:

"SEC. 17. (a) Notwithstanding any other law, the Director of the National Security Agency may, in his discretion, use appropriated funds to assist employees who have been in sensitive positions who are found to be ineligible for continued access to Sensitive Compartmented Information and employment with the Agency, or whose employment with the Agency has been terminated, in finding and qualifying for subsequent employment, in receiving treatment of medical or psychological disabilities, and in providing necessary financial support during periods of unemployment, if, in the judgment of the Director, such assistance is essential to maintain the judgment and emotional stability of such employee and avoid circumstances that might lead to the disclosure of classified information to which such employee had had access. Assistance provided under this section shall not be provided for a period in excess of 5 years after the termination of the employment of the employee concerned.

"(b) The Director of the National Security Agency shall report annually to the Appropriations Committees of the Senate and House of Representatives, the Select Committee on Intelligence of the Senate, and to the Permanent Select Committee on Intelligence of the House of Representatives with respect to any expenditure made pursuant to this section.".

SEC. 5. AMENDMENT TO RIGHT TO FINANCIAL PRIVACY ACT.

Section 1104 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3404) is amended by adding at the end thereof the following new subsection:

"(d)(1) Notwithstanding the provisions of subsection (a), a customer who is the subject of a personnel security investigation by an authorized government authority as a condition of receiving or maintaining a security clearance at the level of 'Top Secret', pursuant to applicable Executive order or statute, may authorize nonrevokable disclosure of all financial records maintained by financial institutions for the period of the customer's access to top secret information and for up to 5 years after access to such information has been terminated, by the government authority responsible for the conduct of such investigation for an authorized security purpose.

"(2) Such authority shall be contained in a signed and dated statement of the customer which identifies the financial records which are authorized to be disclosed. Such statement also may authorize the disclosure of financial records of accounts opened during the period covered by the consent agreement which are not identifiable at the time such consent is provided. A copy of such statement shall be provided by the government authority concerned to the financial institution from which disclosure is sought, together with the certification required pursuant to section 1103(b) (12 U.S.C. 3403(b)).".

SEC. 6. NEW CRIMINAL OFFENSE FOR THE POSSESSION OF ESPIONAGE DEVICES.

(a) IN GENERAL.—Chapter 37 of title 18, United States Code, is amended by inserting at the end thereof the following new section:

"SEC. 799a. POSSESSION OF ESPIONAGE DEVICES.—Whoever knowingly maintains possession of any electronic, mechanical, or other device or equipment within the United States, or in areas within the jurisdiction of the United States, knowing or having reason to know that the design and capability of such device or equipment renders it primarily useful for the purpose of surreptitiously collecting or communicating information, with the intent of utilizing such device or equipment to undertake actions in violation of section 793, 794 or 798 of this title, shall be fined not more than

$10,000 or imprisoned not more than 5 years, or both.".

(b) AMENDMENTS TO TABLE OF SECTIONS.—The table of sections for chapter 37 of title 18, United States Code, is amended by adding at the end thereof the following new item:

"799a. Possession of espionage devices.".

SEC. 7. NEW OFFENSE FOR SELLING TO FOREIGN GOVERNMENTS DOCUMENTS AND OTHER MATERIALS DESIGNATED AS TOP SECRET.

(a) IN GENERAL.—Chapter 37 of title 18, United States Code, is amended by inserting after section 794 the following new section:

"§ 794a. Sale or transfer of documents or materials marked as 'Top Secret'

"(a)(1) No person shall knowingly sell or otherwise transfer for any valuable consideration to a person or persons representing a foreign power, as defined in section 101(a) of the Foreign Intelligence Surveillance Act of 1978, or their intermediaries—

"(A) any document, writing, code book, sketch, photograph, map, model, instrument, equipment, electronic storage media, or other material, or portion thereof, that is marked or otherwise designated in any manner, pursuant to applicable law and Executive order, as 'Top Secret', or

"(B) any such document, writing, code book, sketch, photograph, map, model, instrument, equipment, electronic storage media, or other material, or portion thereof, which has had such marking or designation removed without authority and the person making the sale or transfer is aware of such removal.

"(2) Paragraph (1) shall not be deemed to be violated by a person who makes such sale or transfer pursuant to applicable law or executive branch authority.

"(b) In any prosecution under this section, whether or not the information or material marked or designated as 'Top Secret' has been properly marked or designated pursuant to applicable law or Executive order shall not be an element of the offense.

"(c) Violation of this section shall be punishable by imprisonment for a maximum of 15 years.".

(b) AMENDMENTS TO TABLE OF SECTIONS.—The table of sections for chapter 37 of title 18, United States Code, is amended by inserting after the item relating to section 794 the following new item:

"794a. Sale or transfer of documents or materials as marked 'Top Secret'.".

SEC. 8. LESSER CRIMINAL OFFENSE FOR THE REMOVAL OF TOP SECRET DOCUMENTS BY GOVERNMENT EMPLOYEES AND CONTRACTORS.

(a) IN GENERAL.—Chapter 93 of title 18, United States Code, is amended by inserting at the end thereof the following new section:

"§ 1924. Removal of 'Top Secret' documents or material

"Whoever, being an officer, employee, or person acting for or on behalf of the United States or any department or agency thereof, and having, by virtue of his office, employment, or position, become possessed of documents or materials classified at the level of 'Top Secret' pursuant to applicable law or Executive Order, willfully and knowingly removes such documents or materials without authority and retains such documents or materials at an unauthorized location, shall be fined not more than $10,000, or imprisoned for not more than one year, or be removed from office or employment, or be subjected to any combination of such sanctions.".

(b) AMENDMENT TO TABLE OF SECTIONS.—The table of sections for chapter 93 of title 18, United States Code, is amended by adding at the end thereof the following new item:

"1924. Removal of 'Top Secret' documents of material.".

SEC. 9. EXPANSION OF EXISTING STATUTE REGARDING FORFEITURE OF COLLATERAL PROFITS OF CRIME TO ADDITIONAL ESPIONAGE OFFENSES.

Section 3681 of title 18, United States Code, is amended—

(1) in subsection (a), by striking out "section 794" and inserting in lieu thereof "sections 793, 794, and 798"; and

(2) by adding at the end thereof the following new subsection:

"(e) For purposes of this section, convictions pursuant to military court-martial for offenses comparable to violations of sections 793, 794, and 798 of this title, or convictions by foreign courts for offenses which, if perpetrated within the United States, would constitute offenses under sections 793, 794, and 798 of this title, shall be considered as convictions for which actions may be ordered pursuant to this section.".

SEC. 10. DENIAL OF ANNUITIES OR RETIRED PAY TO PERSONS CONVICTED OF ESPIONAGE IN FOREIGN COURTS INVOLVING UNITED STATES INFORMATION.

Section 8312 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) For purposes of subsections (b)(1) and (c)(1), an offense within the meaning of such subsections is established if the Attorney General certifies—

"(1) that an individual subject to this chapter has been convicted by a court within a foreign country in circumstances in which the conduct violates the provisions of law enumerated in subsections (b)(1) and (c)(1), or would violate such provisions, had such conduct taken place within the United States, and that such conviction is not being appealed;

"(2) that such conviction was obtained in accordance with procedures that provided the defendant due process rights comparable to such rights provided by the United States Constitution, and such conviction was based upon evidence which would have been admissible in the courts of the United States; and

"(3) that such convictions occurred after the date of enactment of this subsection.".

SEC. 11. AUTHORIZING THE FBI TO OBTAIN CONSUMER REPORTS ON PERSONS BELIEVED TO BE AGENTS OF FOREIGN POWERS.

Section 608 of the Consumer Credit Protection Act (15 U.S.C. 1681f) is amended—

(1) by inserting "(a)" before "Notwithstanding"; and

(2) by inserting at the end thereof the following new subsection:

"(b)(1) Notwithstanding the provisions of section 604, a consumer reporting agency shall furnish a consumer report to the Federal Bureau of Investigation when presented with a request for a consumer report made pursuant to this subsection by the Federal Bureau of Investigation if the Director of the Federal Bureau of Investigation, or his designee, certifies in writing to the consumer reporting agency that such records are sought in connection with an authorized foreign counterintelligence investigation and that there are specific and articulable facts giving reason to believe the person to whom the requested consumer report relates is an agent of a foreign power, as defined in section 101(a) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801). Notwithstanding section 609, no consumer credit reporting agency, officer, employee, or agent of such institution shall disclose to any person that the Federal Bureau of Investigation has sought or obtained a consumer report respecting any consumer pursuant to this subsection.

"(2) A consumer reporting agency shall also furnish to a representative of the Federal Bureau of Investigation identifying information respecting any consumer, as specified in paragraph (1), when presented with a written request signed by the Director of the Federal Bureau of Investigation, or the Director's designee, stating that such information is necessary to the conduct of an authorized foreign counterintelligence investigation. Notwithstanding section 609, no consumer credit reporting agency, officer, employee, or agent of such institution shall disclose to any person that the Federal Bureau of Investigation has sought or obtained identifying information respecting any consumer pursuant to this subsection.".

SEC. 12. AUTHORIZING FBI ACCESS TO SUBSCRIBER INFORMATION OF PERSONS WITH UNLISTED NUMBERS WHO ARE CALLED BY FOREIGN POWERS OR AGENTS OF FOREIGN POWERS.

Section 2709(b) of title 18, United States Code, is amended to read as follows:

"(b) REQUIRED CERTIFICATION.—The Director of the Federal Bureau of Investigation (or his designee) may—

"(1) request such information and records if the Director (or the Director's designee) certifies in writing to the wire or electronic communication service provider to which the request is made that—

"(A) the information sought is relevant to an authorized foreign counterintelligence investigation; and

"(B) there are specific and articulable facts giving reason to believe that the person or entity to whom the information sought pertains is a foreign power or an agent of a foreign power as defined in section 101 of the Foreign Surveillance Act of 1978 (50 U.S.C. 1801); and

"(2) request subscriber information regarding a person or entity if the Director certifies in writing to the wire or electronic communications service provider to which the request is made that—

"(A) the information sought is relevant to an authorized foreign counterintelligence investigation; and

"(B) that information available to the Federal Bureau of Investigation indicates there is reason to believe that communications facilities registered in the name of the person or entity have been used, through the services of such provider, in communication with a foreign power or an agent of a foreign power, as defined by section 101(a) of the Foreign Intelligence Act of 1978 (50 U.S.C. 1801).".

SEC. 13. TO PROVIDE FOR REWARDS FOR INFORMATION CONCERNING ESPIONAGE.

(a) IN GENERAL.—Chapter 204 of title 18, United States Code, is amended—

(1) by inserting at the end of the chapter heading "AND ESPIONAGE";

(2) in section 3071, by inserting "(a)" immediately before "With respect to";

(3) in section 3071, by adding at the end thereof the following new subsection:

"(b) With respect to acts of espionage involving or directed at United States information classified in the interests of national security, the Attorney General may reward any individual who furnishes information—

"(1) leading to the arrest or conviction, in any country, of any individual or individuals for commission of an act of espionage against the United States;

"(2) leading to the arrest or conviction, in any country, of any individual or individuals for conspiring or attempting to commit an act of espionage against the United States; or

"(3) leading to the prevention or frustration of an act of espionage against the United States.".

(b) AMOUNT OF REWARDS.—Section 3072 of title 18, United States Code, is amended by striking out "$500,000" and inserting in lieu thereof "$1,000,000".

(c) DEFINITIONS.—Section 3077 of title 18, United States Code, is amended by inserting at the end thereof the following new paragraphs:

"(8) 'act of espionage' means an activity that is a violation of section 794 or section 798 of this title.

"(9) 'United States information classified in the interests of national security' means information originated by or on behalf of the United States Government concerning the national defense and foreign relations of the United States that has been determined pursuant to law or Executive order to require protection against unauthorized disclosure and that has been so designated.".

SEC. 14. TO PROVIDE FOR A COURT ORDER PROCESS FOR PHYSICAL SEARCHES SIMILAR TO THAT FOR ELECTRONIC SURVEILLANCE.

The Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) is amended—

(1) in the table of contents of title I, in the item relating to section 102, by inserting "and search" after "electronic surveillance";

(2) in the heading for title I, by inserting "AND PHYSICAL SEARCH" after "ELECTRONIC SURVEILLANCE";

(3) in section 101(h)—

(A) in the text above paragraph (1), by inserting "or physical searches" after "surveillance"; and

(B) in paragraph (1), by inserting "or search after surveillance";

(4) by amending section 101(k) to read as follows:

"(k) 'Aggrieved person' means a person who is the target of electronic surveillance or physical search or any other person whose communications, activities, or property were subject to electronic surveillance or physical search.";

(5) in section 101, by inserting at the end thereof the following new subsection:

"(p) 'Physical search' means any physical intrusion into the premises or property (including examination of the interior of property by technical means) or any seizure, reproduction, or alteration of information, material, or property, under circumstances in which a person has a reasonable expectation of privacy and a warrant would be required for law enforcement purposes.";

(6) in section 102—

(A) in the heading of the section, by inserting "OR PHYSICAL SEARCH" after "ELECTRONIC SURVEILLANCE"; and

(B) by inserting in subsection (b) "or physical search" after "electronic surveillance" the first place it appears;

(7) in section 103(a), by inserting "or physical searches" after "electronic surveillance", each place it appears;

(8) in section 104—

(A) by inserting in the first sentence of subsection (a) "or physical searches" after "electronic surveillance";

(B) in subsection (a)(3), by inserting "or physical search" after "electronic surveillance";

(C) in subsection (a)(4)(A), by inserting "or physical search" after "electronic surveillance";

(D) in subsection (a)(4)(B), by inserting ", or a physical search is conducted," after "directed";

(E) by striking out "and" at the end of subsection (a)(4)(B);

(F) at the end of subsection (a)(4), by inserting "and" and a new subparagraph as follows:

"(C) where approval is sought for a physical search, the facility, place, or property to be searched is owned, used, or possessed by, or is in transit to, a foreign power or agent of a foreign power.";

(G) in subsection (a)(6), by inserting "or search" after "surveillance";

(H) in subsection (a)(8), by inserting "where approval for electronic surveillance is sought," before "a statement";

(I) in subsection (a)(10), by inserting "where approval for electronic surveillance is sought," before "a statement";

(J) by inserting at the end of subsection (a) a new paragraph (12) as follows:

"(12) where approval for more than one physical search is sought, a statement of the number of physical searches to be conducted, and the period of time required for such searches."; and

(K) by striking out "and" at the end of paragraph (10);

(L) by striking out the period at the end of paragraph (11) and inserting in lieu thereof the following: "; and";

(M) in subsection 104(b), by inserting "or physical search" after "electronic surveillance";

(9) in section 105—

(A) in subsection (a), by inserting "or physical search" after "electronic surveillance" each place it appears;

(B) in subsection (a)(3)(A), by striking out the "and" at the end thereof;

(C) in subsection (a)(3)(B), by adding "and" at the end thereof;

(D) by inserting after subsection (a)(3)(B) the following new subparagraph:

"(C) where authority for a physical search is sought, each facility, place, or item or property to be searched is owned, used, or possessed by, or is in transit to, a foreign power or agent of a foreign power";

(E) in subsection 105(b), in the text above paragraph (1), and in subsections 105(b)(1)(A) through (E), by inserting after "surveillance", wherever it may appear, "or physical search";

(F) in subsection 105(b)(1)(F), by inserting "electronic surveillance is authorized and" after "whenever";

(G) by striking out "and" at the end of subsection 105(b)(1)(E) and by adding at the end thereof the following new subparagraph:

"(G) whenever more than one physical search is authorized under the order, the authorized scope of each search and what minimization procedures shall apply to the information acquired by each search; and";

(H) in subsections 105(c) and (d)(1), by inserting after "surveillance", wherever it may appear, "or physical search";

(I) by inserting at the end of subsection (d)(1) the following new sentence: "Any order issued under this section authorizing a physical search shall constitute a search warrant authorized by law for purposes of any other law.";

(J) in subsection 105(d)(2), by striking out "a" before "surveillance" and inserting in lieu thereof "an electronic"; and

(K) in subsections 105(d)(3) and (e), by inserting after "surveillance" each place it appears, "or physical search"; and

(10) in sections 106, 107, 108, 109, 110, and 111, by inserting "or physical search" after "surveillance" each place it appears.

COUNTERINTELLIGENCE IMPROVEMENTS ACT OF 1990—AN ABBREVIATED SECTION-BY-SECTION ANALYSIS

Section 1 contains the short title of the bill.

Section 2 adds a new title VIII to the National Security Act of 1947 to establish uniform requirements for access to TOP SECRET information.

Section 801 of this new title provides that, except as permitted by section 804, no person shall be given a TOP SECRET security clearance after the effective date of the Act unless such person is a United States citizen and has met, at a minimum, the standards set forth in this section. These standards include (1) an initial background investigation by competent investigative authorities in the Executive branch; (2) an agreement to permit the government access to financial records, consumer report information, and travel records during the initial investigation, during the period of access to TOP SECRET information, and for five years thereafter; (3) agreed to report, during the period of access, any foreign travel which has not been authorized as part of the subject's official duties; and (4) agreed to report contacts with foreign nationals where improper efforts to obtain classified information are made or are apparent. Failure to comply with any of these requirements would constitute grounds for denial or termination of a TOP SECRET clearance.

Section 802 provides that persons who are granted a TOP SECRET clearance shall be reinvestigated at least every five years, but that failure to satisfy this requirement that is not attributable to the subject but rather to the government shall not be grounds for loss or denial of the security clearance. This section also provides that persons granted a TOP SECRET clearance may be investigated at any time to ascertain whether they continue to meet the standards for access to TOP SECRET information. Such investigations would be undertaken in circumstances which suggest the subject may not continue to meet such standards.

Section 803 contains the definitions of terms used in this title.

Section 804 provides for exceptions to the requirements of section 801, and permits the President to waive such requirements for particular categories when necessary in the interests of national security, provides such waivers are reported within 30 days to the congressional intelligence committees. This section exempts from the requirements of section 801 persons holding elected office in the Executive and Legislative branches, as well as federal judges of courts established pursuant to Article III of the Constitution. Such persons are entitled to obtain access to top secret information as may be necessary to carry out their official duties by viture of their positions rather than meeting the requirements of section 801.

Section 805 requires the President, after appropriate consultation with the Congress

and Administrative Office of the United States Courts, to issue regulations to implement this title, binding upon all three branches. Such regulations must include a provision for a central office to monitor the operation of this title and to maintain a single registry for all Top Secret clearances issued pursuant to this title. This title would take effect 180 days after its enactment.

Section 3 of the bill would add a new title IX to the National Security Act of 1947 dealing specifically with the protection of cryptographic information.

Section 901 establishes minimum, uniform security requirements for persons granted access to classified cryptographic information or routine, recurring access to spaces where classified cryptographic key is produced or processed, or is assigned responsibilities as a custodian of classified cryptographic key.

Subsection (A) provides that such persons will meet the requirements applicable to access to TOP SECRET information established by the foregoing new title VIII. In addition, subsection (B) provides that such persons shall be subject to a periodic polygraph examination, limited in scope to questions of a counterintelligence nature, during the period of their access. Failure to submit to such examination shall be grounds for removal from access to cryptographic information or spaces.

Subsection (b) contains the definitions of the terms used in this title.

Section 902 requires the President, within 180 days of enactment, to issue implementing regulations, copies of which shall be provided to the congressional Armed Services and intelligence committees.

Section 4 of the bill amends the National Security Agency Act of 1959 to add a new section 17. This section provides discretionary authority to the Director of the National Security Agency to use appropriated funds to assist former employees whose employment with the Agency has been terminated, in finding and qualifying for subsequent employment, in receiving treatment for medical or psychological disabilities, or in providing necessary financial support during periods of unemployment, if the Director determines that such assistance is essential to avoid circumstances that might lead to the disclosure of classified information to which the employee had had access. Such assistance may be provided for up to five years after termination of employment of the employee concerned. The Director of NSA is required to make annual reports to the congressional Appropriations Committees and Intelligence Committees of the uses made of this authority.

Sections 5 of the bill amends section 1104 of the Right to Financial Privacy Act of 1978 to provide that persons who are the subjects of background investigations for TOP SECRET security clearances may authorize nonrevokable disclosure of their financial records, covered by the Act, to authorized government authorities. Such permission may extend for the entire period of access to such information and for five years thereafter.

Section 6 of the bill would create a new criminal offense for the possession of espionage devices where the intent to use such devices in violation of the espionage laws could be proved. Such conduct could be punished by a fine of up to $10,000 or imprisonment for not more than five years, or both.

Section 7 of the bill would create a new criminal offense for selling to foreign governments documents and other materials designated as TOP SECRET. In any prosecution under this section, subsection (b) provides that whether or not the information or material marked or designated as TOP SECRET was properly classified shall not be an element of the offense. Violation of this section would be punishable by imprisonment for up to 15 years.

Section 8 of the bill would create a new misdemeanor offense making it a crime for an officer, employee, or contractor of the United States to knowingly remove without authority TOP SECRET documents or materials and retain them at an unauthorized location. Violation of this section would be punishable by a fine of up to $10,000, imprisonment for not more than a year, removal from office or employment, or any combination of such punishment.

Section 9 of the bill would amend section 3681 of title 18, United States Code, to extend coverage of the special forfeiture provision, permitting the Attorney General to file suit to recover the profits of certain crimes, to additional crimes of espionage and to espionage convictions in foreign courts for misconduct that would constitute offense under U.S. espionage laws.

Section 10 of the bill would amend section 8312 of title 5, United States Code, to provide that a U.S. retiree who is convicted of espionage in foreign courts, where such conduct would have violated U.S. laws had it taken place in the United States, may be denied an annuity or retired pay if the Attorney General is able to certify that such conviction has occurred and is not being appealed, and that such conviction was obtained in accordance with procedures that provided the defendant with due process comparable to that provided in U.S. courts.

Section 11 of the bill amends section 608 of the Consumer Credit Protection Act (15 U.S.C. 1681f) to require consumer reporting agencies to furnish consumer reports to the FBI pursuant to the certification of the Director of the FBI or his designee that the person to whom such reports related is believed to be an agent of a foreign power, as defined in the Foreign Intelligence Surveillance Act of 1978. Section 11 further provides the FBI may request indentifying information respecting any consumer from consumer reporting agencies when necessary to the conduct of an authorized counterintelligence investigation. In either case, the consumer reporting agency is precluded by this section from divulging to the consumer that the FBI has sought or obtained such information.

Section 12 of the bill amends section 2709(b) of title 18, United States Code, to provide that the Director of the FBI or his designee may request from wire or electronic communications service providers subscriber information concerning a person or entity where the Director of the FBI certifies that the information sought is relevant to an authorized foreign counterintelligence investigation and there is reason to believe that communciations facilities registered in the name of the person or entity have been used, through the services of such provider, in communication with a foreign power or agent of a foreign power, as those terms are defined in the Foreign Intelligence Surveillance Act of 1978. This authority would enable the FBI to obtain information relating to the identity of a person or entity who was called by a foreign power or agent of a foreign power.

Section 13 of the bill amends Chapter 204 of title 18, United States Code, to permit the Attorney General discretionary authoritly to pay rewards up to $1,000,000 for information leading to the arrest or conviction for espionage, or leading to the arrest or conviction for conspiracy, or an attempt, to commit espionage, or leading to the prevention or frustration of an act of espionage against the United States.

Section 14 of the bill amends the Foreign Intelligence Surveillance Act (FISA) of 1978 to provide a court order process, similar to that required for electronic surveillance, for physical searches done for foreign intelligence purposes. It would empower the special courts, established under the FISA, upon appropriate application and with appropriate certifications, to issue an order authorizing a physical search for foreign intelligence purposes.●

● Mr. COHEN. Mr. President, I am very pleased to join with Senator BOREN, the distinguished chairman of the Select Committee on Intelligence in sponsoring the Counterintelligence Improvements Act of 1990.

I, too, would join him in commending the panel of distinguished private citizens whose work this bill represents. For people the likes of Eli Jacobs, Bobby Inman, Warren Christopher, Lloyd Cutler, A.B. Culvahouse, Sol Linowitz, Richard Helms, Seymour Weiss, and Harold Edgar to give of their time and talents, without remuneration, to develop these proposals is an example of selfless public service in the best tradition of that concept. It demonstrates to me that it is still possible to draw upon knowledgeable private citizens, unencumbered by bureaucracies or partisanship, and produce results that I doubt we could ever see emerge from the Government itself.

What this panel has done for us is make clear that the real espionage problem lies not on the outside, but on the inside. It is Americans who have access to sensitive classified information, who at their own initiative provide such information to other countries, not out of ideological zeal or because they are being blackmailed, but because they can get money for it.

The activities of these traitors have cost us dearly. We have had to replace communications systems and codes; we have lost military technologies that cost us billions to develop; we have lost war plans that could have cost American lives had we gone to war; and we have lost intelligence operations and capabilities that were providing significant benefits. The costs of espionage are not precisely quantifiable, but it is clear that they have been substantial.

Although the extent of damage being perpetrated by the American volunteer has been apparent for several years now, the Jacobs panel reports that not enough has been done to cope with it. This is the essential thrust of their recommendations.

As they have so aptly pointed out to us, this part of the problem—the American volunteer—is not likely to be

discouraged by the political changes in the Soviet Union or the democratic reforms in Eastern Europe. Indeed, some Americans may feel even more comfortable selling secrets to countries which no longer appear to threaten us. I recall that the convicted spy John Walker compared himself to certain Wall Street traders, equating espionage to passing a little inside information. In an era of improving relationships, it will become increasingly easy for the would-be spy to rationalize such conduct. And, indeed, the opportunities for contacts to occur are likely to multiply as bilateral relationships warm. As I mentioned at the hearing with the Jacobs panel, the era of the cloak and dagger may be over, but the cloaks are likely to multiply and become even more pervasive in their effort to procure military, industrial, and commercial secrets. The head of the KGB, Vladimir Kryuchkov, recently stated in public that the KGB plans to collect information to enhance the Soviet Union's competitive position commercially.

What more warning do we need? Do we wait for the next disaster to occur? If there are things we might do to improve the ability of the Government to deal with this problem, should we not do them?

This is basically what the Jacobs panel recommended to us. No one is under any illusion that their proposals will eliminate espionage. But they should give the Government an improved ability to deter U.S. citizens from spying, to detect those who are not deterred, and to help prosecute those who trade our security for their enrichment.

Inevitably, recommendations such as these raise civil liberties concerns to which I am especially sensitive. Surely, we do not want to Stalinize the intelligence community in the name of national security. While I think the panel was very sensitive itself to this concern, perhaps there are ways we can improve these proposals in this regard without doing injury to their purpose. But we must realize that access to our Nation's secrets is a privilege—one that must be more carefully granted and more carefully guarded. If we are going to give a person the capability of doing grave damage to the security of this country, it seems to me that we can ask that person to give up a measure of his or her privacy in return.

In conclusion, Mr. President, let me simply state that this or similar legislation should be enacted. Congress bears a large share of the responsibility here, in providing the statutory tools needed to deal with this intractable problem which has been, and will continue to be, so costly to our Nation's security. Senator BOREN and I believe this bill offers us the opportunity to do something constructive in this important area. I hope our colleagues will agree.

Mr. President, several days ago, one of the distinguished members of the Jacobs panel, Warren Christopher, wrote a piece that appeared in the June 10, 1990, edition of the Los Angeles Times which explains very well what motivated this legislation. I ask unanimous consent that it be printed in the RECORD.

I also ask unanimous consent that a short summary of the Jacobs' panel legislative proposals be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, June 10, 1990]

DRAMATIC CHANGES IN ESPIONAGE SPUR A CALL FOR LAWS TO STEM LOSSES

(By Warren Christopher)

Massive compromises of our nation's most sensitive military secrets during the past 20 years have forced an urgent review of our laws to deter, detect and prosecute those who commit espionage against the United States. Convicted traitors like the Walker family of spies, Jerry Whitworth, Ronald Pelton and William Kampiles have inflicted grave damage by transferring vital defense information to foreign powers.

There is no official estimate of the cost of remedial measures necessary to counteract the espionage, but it is conservatively believed to range in the billions. Beyond the dollars, the spying has endangered our national security to such a breathtaking extent that we can all be thankful that war did not break out while some of our most sensitive secrets were compromised.

An intensive study of the recent spy cases reveals dramatic changes in the nature and character of espionage. Recognition of these changes can provide a promising basis for shoring up federal espionage laws to help protect our secrets without endangering our civil liberties.

In the recent past, our counterespionage efforts have been premised on the outmoded assumption that the traitors are ideologues sympathetic to our nation's adversaries or that they are individuals capable of being blackmailed or coerced into revealing our secrets. Modern-day espionage simply does not fit neatly into these patterns, with the result that our efforts at prevention and detection have fallen far short of the mark.

Alarmed by the dramatic compromises of military secrets, the chairman and vice chairman of the U.S. Senate Intelligence Committee—Sens. David L. Boren (D-Okla.) and William S. Cohen (R-Me.)—recently convened a bipartisan advisory panel of experienced citizens to analyze the changing face of espionage and make recommendations. The panel, chaired by industrialist Eli S. Jacobs, systematically reviewed the 19 leading espionage cases brought since 1971 and studied about an equal number of cases in which prosecution for espionage was not feasible for various, sometimes highly classified, reasons.

The panel made several important findings. The motivating factor in most of the 19 cases was money—not ideology or blackmail but a naked desire for money. The winding down of the Cold War is likely only to accelerate this shift in motivation.

The spies involved were generally relatively low-ranking individuals with top-secret or even higher clearances. These were not the glamorous, high-profile agents of spy fiction but obscure individuals who had been entrusted with the nation's most sensitive information. Pressed for funds or captivated by the prospect of high living, they turned traitors when they saw an opportunity for financial gain.

The majority of the spies were volunteers. They brazenly offered their services to our adversaries, through telephone calls, posted letters, personal interviews—in almost every conceivable way. John Walker and Pelton walked into the Soviet Embassy in Washington; several others telephoned the Soviets offering to spy. Virtually all of the cases involved foreign travel during which the spies met their foreign handlers. Vienna was the favorite rendezvous but other crossroads cities like Paris, Hong Kong, Casablanca and Tel Aviv were also involved. The quick trips they took to avoid detection would never have been feasible before the jet age.

The advisory panel is currently presenting the results of its intensive study to the Senate and House Intelligence committees. Building on its factual analysis, the panel has recommended 13 changes in our espionage laws, written more than 70 years ago. Each of the legislative proposals is based upon one or more specific cases in which the panel believes that the proposed change, had it been in place, would have increased the chance that the traitor would have been deterred or detected.

One of the central problems addressed by the recommendations is the change in the basic motivation from ideology to money. The lifestyles of the traitors provided obvious clues that, seen in retrospect, should have provided warning signals. Walker spent heavily and gave lavish gifts; Whitworth drove a Rolls-Royce; Pelton was on the brink of bankruptcy; Larry Chin gambled heavily.

To deter and detect those who would spy for money, the panel recommends that persons who apply for top-secret clearances must consent to federal authorities obtaining access to their records maintained by financial institutions during the time of their employment and for five years thereafter. To limit the intrusion, the provision would be applicable only to those who have access to top-secret information and thus are in a position to cause grave damage to our national security. Post-employment consent, whether five years or a lesser time, is regarded as improtant because some of the most egregious cases involved the transfer of secrets soon after resignation.

The nexus between foreign travel and espionage is addressed in two ways in the panel's proposals. Anyone with a top-secret clearance is required to report any foreign travel not authorized as part of official duties. Moreover, those individuals must consent to access to international travel records maintained by airlines, steamships and other foreign-travel facilities. Armed with such data, our counter intelligence services may be able to correlate the travel of suspected spies with other available information suggesting that espionage is being planned or carried out.

The panel's proposals would also make it a crime to possess espionage devices with the intent to spy or to remove and retain top-secret documents. Other proposals would close gaps in the FBI's authority to obtain telephone and credit records pertinent to its investigation of suspected foreign agents

and those who would offer secrets to foreign powers.

Espionage has proved to be a most difficult crime to uncover and prosecute, in part because an intelligence compromise may not come to light for decades. All too often we become aware of a traitor only when turned in by a family member or identified by a defector. To encourage reporting of suspicious activity, one of the panel's proposals is to give the attorney general authority to pay rewards up to $1 million for information leading to arrest of spies or the prevention of esiponage. This authority would be a great bargain for our country if it proved useful even once a year.

The 13 proposals will now be subject to extensive screening and debate in Congress, which will weigh the same issues considered by the panel. Will the proposals provide useful tools in dealing with the new character of espionage? Do they result in an impermissible invasion of the privacy of those holding the high-security clearances? Are there less-instrusive ways to accomplish the same result?

With the thaw in Soviet relations and the march of democracy in Eastern Europe, it is natural to ask whether we need to worry any longer about espionage. Beguiling as it is to contemplate a world without spies, it would be dangerously naive to drop our guard. The superpower status of the United States will always make us a prime target for spies, whether it be an effort to compromise our most sensitive military secrets or foreign-sponsored espionage against our high-technology businesses.

As Sen. Boren said, "In the changing world we live in, intelligence services once hostile will become friendly, and friendly services will become hostile." The risk that they will obtain our vital secrets is greatly aggravated in the modern era where traitors don't wait to be recruited but offer our sensitive information to the highest bidder. When our deepest secrets are on the market, there will be buyers, Cold War or no Cold War.

Espionage against the United States may be changing form, but there is no sign that it is declining. The KGB has put us on notice by openly saying that espionage against commercial targets will help improve the competitiveness of Soviet companies. The warming relationships with some of our traditional adversaries may simply give their intelligence operations greater access to our secrets.

"The era of the cloak and dagger may be over," said Cohen, "but the cloaks are likely to multiply and become more pervasive in their effort to procure military and commercial secrets."

SUMMARY OF JACOBS' PANEL LEGISLATIVE PROPOSALS

1. PROTECTION FOR TOP SECRET INFORMATION

Establishes uniform requirments binding upon all branches of government for access to TOP SECRET information;

Requires persons considered for such access to consent to government access to certain types of records, and make certain reports, during the period of access and, with regard to some requirements, for five years after access is terminated.

2. AMENDMENT TO RIGHT TO FINANCIAL PRIVACY ACT OF 1978

Permits persons receiving or maintaining a TOP SECRET security clearance to consent to disclosure of their financial records to authorized government agencies during the period of access and for up to five years thereafter.

3. PROTECTION OF CRYTOGRAPHIC INFORMATION

Makes all government communicators subject to the possibility of a random, counterintelligence-scope polygraph examination.

4. AFTER-CARE FOR FORMER NSA EMPLOYEES

Authorizes the Director, NSA, to take certain actions to assist problem employees for five years after they leave NSA, similar to CIA's authority in this area.

5. POSSESSION OF ESPIONAGE DEVICES

Establishes a new criminal offense for possession of espionage devices where intent to commit espionage can be proved.

6. SALE OR TRANSFER OF TOP SECRET DOCUMENTS

Establishes a new criminal offense for persons to sell or transfer documents or materials marked or identified as TOP SECRET without having to prove such documents or materials had been properly classified, i.e. that their disclosure would cause "exceptionally grave damage to the national security."

7. REMOVAL AND RETENTION OF TOP SECRET DOCUMENTS

Establishes a new criminal offense for government employees who remove TOP SECRET documents without authority and retain them at an unauthorized location.

8. FORFEITURE OF PROFITS ASSOCIATED WITH ESPIONAGE

Expands the existing forfeiture statute to cover additional crimes of espionage, as well as courts martials and foreign convictions for such crimes.

9. DENIAL OF RETIREMENT PAY FOR FOREIGN CONVICTIONS

Expands existing statutory prohibition in the Civil Service Retirement System to permit the U.S. to deny retirement pay to persons convicted of espionage in foreign courts which involves U.S. classified information.

10. AMENDMENT OF CONSUMER CREDIT PROTECTION ACT

Permits the FBI to obtain consumer reports on persons believed to be agents of foreign powers without such persons being notified by the consumer reporting agency.

11. AMENDMENT TO ELECTRONIC COMMUNICATIONS PRIVACY ACT

Permits FBI to obtain subscriber information from telephone companies on persons with unlisted numbers who are called by "foreign powers" or "agents of foreign powers."

12. REWARDS FOR REPORTING ESPIONAGE

Provides authority for the Attorney General to pay rewards, up to $1 million, for information leading to arrests or convictions for espionage, or for the prevention of espionage.

13. EXPANDING FISA TO INCLUDE PHYSICAL SEARCHES

Would subject physical searches in the United States to the same court order procedure as is required for electronic surveillances.●

● Mr. BIDEN. Mr. President, I am pleased to join my distinguished colleagues, Senator BOREN and Senator COHEN, the chairman and vice chairman of the Intelligence Committee, in introducing the Counterintelligence Improvements Act of 1990.

The springboard for this important legislation is a series of recommendations made by one of the most distinguished and knowledgeable groups ever assembled to study this Nation's counterintelligence activities. Chaired by Eli Jacobs and Adm. Bobby Ray Inman, this group included Sol Linowitz, Warren Christopher, Lloyd Cutler, A.B. Culvahouse, and Prof. Harold Edgar.

This distinguished group met for more than 6 months, and studied the statutory framework for the conduct of U.S. counterintelligence activities. They presented the product of their hard work and careful analysis to the Intelligence Committee at a hearing held on May 23. While I was unable to attend the hearing because I was floor-managing the omnibus crime bill, I have since studied the group's recommendations and the hearing transcript.

The legislation I join in introducing today is, in my view, a good starting point. The bill very practically and widely addresses some fundamental counterintelligence problems on which the original 1947 act was inadequate.

For example, the bill would standardize requirements for handling highly classified material and maintaining security clearances for employees entrusted with sensitive materials. Very importantly, it would provide for the National Security Agency to assist so-called problem employees whose personal or financial situations might make them vulnerable to espionage attempts.

There are certain provisions in the legislation that need additional work and refinement. After additional study, we may even find that some should be discarded. We must take the utmost care, of course, to ensure that the civil liberties of all of our citizens, including those who work on sensitive national security positions, are adequately protected. We will probe these and other issues when the Judiciary Committee reviews the provisions properly within our jurisdiction.

In the end, our task is to find a balance—an appropriate balance between protecting the civil liberties of our citizens and protecting the information that is vital to our national security. I look forward to working with my colleagues on the Intelligence Committee in striking that balance, and in refining the legislation we are introducing today in order to develop the best possible product.●

By Mr. GRAHAM (for himself and Mr. MACK):

S. 2727. A bill to amend title 28, United States Code, to provide for the appointment of an additional bankruptcy judge for the Middle District of Florida; to the Committee on the Judiciary.

APPOINTMENT OF ADDITIONAL BANKRUPTCY JUDGES

Mr. MACK. Mr. President, I am pleased to sponsor legislation with my colleague, Senator BOB GRAHAM, to create three additional bankruptcy judgeships in Florida. These judgeships have been approved by the Judicial Conference based on standards established by the Bankruptcy Committee of that conference.

According to the survey report prepared by the Bankruptcy Division of the Administrative Office of the U.S. Courts, the Middle District of Florida had 4,251 petitions filed per judge during the 12 months ending June 30, 1989. This far exceeds the first part of the Bankruptcy Committee's two prong threshold test for considering additional judgeship requests—1,800 to 2,000 total petitions filed per judge. In fact, according to the survey, the Middle District's 17,003 case filings in 1989 would have exceeded the first part of the threshold test even with two additional judgeships.

Likewise, with a caseload of 150 chapter 11 filings per judge, the Middle District met the second part of the threshold test of 100 chapter 11 filings per judge. With a total of 598 chapter 11 cases filed, the district also would have met the second part of the threshold test with one additional judge, and would have nearly met the standard if it had two additional judges. The Middle District's per judge caseload placed it in the top three nationally in total filings, chapter 7 filings, chapter 11 filings and adversary proceeding filings.

Further, according to the survey, the total number of cases filed in the southern district during the statistical year ending June 30, 1989, was 6,234 which included 334 cases under chapter 11 of the Bankruptcy Code. The court's total caseload increased by 25.6 percent from June 30, 1988, to June 30, 1989. This represents more than triple the national increase of 8.1 percent and the fifth fastest growing rate among the 90 districts nationwide.

Of the 6,234 cases filed in the southern district, there were 2,078 total cases filed, on a per judge basis, including 111 chapter 11 cases. The survey report indicated, in view of the district's current level of total case filings and chapter 11 filings and the likelihood of a continued increase in the number of cases filed, an additional bankruptcy judge was needed.

In light of the importance of the judiciary in our Nation and the resources necessary for the judiciary to faithfully carry out the duties of its office, I strongly support the creation of these additional bankruptcy judgeships and I urge my colleagues to do the same.

By Mr. D'AMATO (for himself, Mr. GORTON, Mr. DECONCINI, Mr. COATS, Mr. LOTT, and Mr. SPECTER):

S. 2728. A bill to amend title 10, United States Code, to clarify and expand the authority of the Armed Forces to provide support for civilian law enforcement agencies; to the Committee on Armed Services.

DEFENSE DRUG INTERDICTION ASSISTANCE ACT

Mr. D'AMATO. Mr. President, I rise today, on behalf of myself and Senators GORTON, DECONCINI, COATS, LOTT, and SPECTOR, to introduce the Defense Drug Interdiction Assistance Act.

Congress has continually and substantially increased the resources and activity level of the Defense Department's counternarcotics effort. The commitment of President Bush and Secretary Cheney to an enhanced and expanded role for the Department of Defense in the detection and monitoring of drug trafficking is one which I strongly support.

I am concerned, however, that our military's ability to be a key player in the war on drugs has been hampered by statutes and Defense Department regulations which are either counterproductive or have become outdated. This legislation is designed to enable the Defense Department to take a more active role in providing counternarcotics support to law enforcement agencies.

My legislation does not alter existing posse comitatus statutes and regulations, which prohibit the Armed Forces from directly engaging in law enforcement activities. The bill does refine and clarify existing statutory language to facilitate the Defense Department's assistance and support to law enforcement agencies. The legislation includes provisions to:

First allow the Defense Department to plan and create missions and training for the primary purpose of aiding civilian law enforcement agencies. Currently, the Defense Department may support law enforcement agencies if such support is incidential to military training. This section raises the priority of the counternarcotics mission, in a way that is compatible with Secretary Cheney's defense guidance, to a level that it deserves;

Second, authorize the Secretary of Defense to determine whether specific assistance to law enforcement agencies is of sufficient priority to outweigh short-term effects on military preparedness. The current statute states that any Defense Department support must not adversely affect military preparedness;

Third, grant a local commander the authority to approve the use of military aircraft to provide point-to-point transportation and training flights for civilian enforcement officials within the continental United States. Such authority, according to the present law, is subject to joint approval by the Secretary of Defense and the Attorney general, and, in the case of a law enforcement operation outside of the land area of the United States, the Secretary of State. This process is too cumbersome and should be streamlined;

Fourth, give clear authority for the use of military personnel to surveil areas in which law enforcement agencies suspect illicit narcotics trafficking;

Fifth, permit Defense Department assistance to law enforcement agencies at any location even if there is a reasonable likelihood of armed confrontation. Military personnel are presently limited to locations where there is not a reasonable likelihood of confrontation. The term "reasonable likelihood" lends itself to broad interpretation and results in unnecessary restrictions on military assistance; and

Sixth, exclude Reserve enlisted members and officers who aid civilian law enforcement agencies from end-strength computations. This provision gives the Reserve forces an incentive to increase their participation in the counternarcotics mission.

On March 30, 1990, I wrote to Assistant Secretary of Defense Stephen Duncan, the Defense Department's drug coordinator, to request a review of a draft of this legislation. I had further requested that we receive comment by April 17, 1990, in order to prepare for an April 24 Appropriations Subcommittee on Defense hearing on the topic of our military's counternarcotics efforts. Unfortunately, this review is still not complete, although, it is my understanding that comments will be forthcoming shortly.

On May 24, 1990, I filed this legislation as an amendment to S. 1970, the crime bill, which was the pending business during that week. It was my intention to have this legislation discussed and voted on its merits. Unfortunately, it now appears that amendment will not be included on a shortened list of amendments when the Senate resumes debate on the crime bill.

It is my hope that, when this bill is referred to the Senate Armed Services Committee for consideration, the committee will include our language in the defense authorization bill and report. I look forward to working with the committee on achieving this goal.

Mr. President, real wars involve total national commitment, a comprehensive strategy, and enough resources to win. I believe that this bill is a step in the right direction. I urge my colleagues to support this important legislation.

I ask unanimous consent that copy of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2728

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CLARIFICATION AND EXPANSION OF AUTHORITY OF THE ARMED FORCES TO PROVIDE SUPPORT FOR CIVILIAN LAW ENFORCEMENT AGENCIES.

(a) PLANNING AND EXECUTION OF MILITARY TRAINING OR OPERATIONS IN SUPPORT OF CIVILIAN LAW ENFORCEMENT AGENCIES.—Section 371(a) of title 10, United States Code, is amended by adding at the end the following new sentence: "The Secretary may also plan and execute military training or military operations for the primary purpose of aiding civilian law enforcement agencies in connection with law enforcement programs specified in section 374(b)(4)(A) of this title.".

(b) USE MILITARY AIRCRAFT.—Section 374(b)(2) of such title is amended by adding at the end thereof the following new subparagraphs:

"(F) Subject ot the approval of the commanding officer concerned—

"(i) transportation of civilian law enforcement personnel by military aircraft from one point within the United States to another point within the United States in connection with law enforcement programs specified in paragraph (4)(A); and

"(ii) flight training exercises for civilian law enforcement personnel.

"(G) Aerial surveillance of any area in connection with law enforcement programs specified in paragraph (4)(A).".

(c) ASSISTANCE AUTHORIZED TO BE PROVIDED WITHOUT REGARD TO LIKELIHOOD OF ARMED CONFRONTATION.—Section 374(c) of such title is amended by adding at the end the following new sentence: "However, the Secretary may make such personnel available to any Federal, State, or local civilian law enforcement agency to operate equipment for any purpose authorized in this chapter without regard to the likelihood that an armed confrontation may occur during the course of the operation of the equipment.".

(d) ADVERSE AFFECT ON MILITARY PREPAREDNESS.—Section 376 of such title is amended—

(1) by striking out "Support" in the first sentence and inserting in lieu thereof "(a) Subject to subsection (b), support"; and

(2) by adding at the end the following new subsection:

"(b) The Secretary may provide support (including the provision of any equipment or facility or the assignment or detail of any personnel) to a civilian law enforcement agency under this chapter if the Secretary determines that the importance of providing such support outweighs any short term adverse effect that the provision of such support may have on military preparedness.".

SEC. 2. EXCLUSION OF MEMBERS OF THE ARMED FORCES PERFORMING CERTAIN TYPE OF SERVICE FROM END-STRENGTH COMPUTATION.

(a) ENLISTED MEMBERS.—(1) Chapter 31 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 520c. Exclusion of certain enlisted members from end-strength computations

"Enlisted members on active duty (other than for training) or on full-time National Guard duty (other than for training) in connection with aiding civilian law enforcement agencies pursuant to chapter 18 of this title shall not be counted toward the annual end strength authorized for reserves on active duty in support of the reserve components of the armed forces or toward the strengths authorized in section 517 of this title.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"520c. Exclusion of certain enlisted members from end-strength computations.".

(b) OFFICERS.—(1) Chapter 32 of such title is amended by adding at the end the following new section:

"§ 528. Exclusion of certain Reserve officers from end-strength computations

"Reserve officers on active duty (other than for training) or on full-time National Guard duty (other than for training) in connection with aiding civilian law enforcement agencies pursuant to chapter 18 of this title shall not be counted toward the annual end strength authorized for reserves on active duty in support of the reserve components of the armed forces or toward the strengths authorized in section 524 of this title.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"520c. Exclusion of certain Reserve officers from end-strength computations.".

By Mr. CHAFEE (for himself, Mr. BAUCUS, Mr. DURENBERGER, Mr. MITCHELL, Mr. LIEBERMAN, Mr. HUMPHREY, Mr. COHEN, Mr. GLENN, Mr. ROTH, and Mr. KOHL):

S. 2729. A bill to amend the Coastal Barrier Resources Act, and for other purposes; to the Committee on Environment and Public Works.

COASTAL BARRIER RESOURCES ACT AMENDMENTS

● Mr. CHAFEE. Mr. President, together with nine of my colleagues, I am pleased to introduce the Coastal Barrier Resources Act Amendments of 1990. This legislation expands and improves upon the 1982 Coastal Barrier Resources Act.

The Coastal Barrier Resources Act is a law which makes good economic and environmental sense. The act is based on the premise that the Federal taxpayer should not subsidize the high financial risks of developing barrier beaches and islands.

The 1982 Act established the Coastal Barrier Resources System composed of 186 undeveloped coastal barrier units covering 670 miles of shoreline along the Atlantic and gulf coasts. Federal expenditures which contribute to the development of these fragile areas are prohibited. Thus, the act gets the Federal Government out of the business of subsidizing high-risk development on undeveloped barrier islands. This brings our Nation's fiscal policy in line with other Federal efforts, including the establishment of national seashores and national wildlife refuges, to preserve coastal barriers.

Under the Coastal Barrier Resources Act, the Department of the Interior was directed to report back to Congress with recommendations for improving the System. Interior's report, issued in early 1989, recommends the addition of 422 new shoreline miles to the Coastal Barrier Resources System. Significant new areas recommended for inclusion within the System include the Florida Keys, Puerto Rico, and the Virgin Islands. The Department's new maps also significantly expand existing units within the Coastal Barrier Resources System through inclusion of the associated aquatic areas behind those units. Under a 1988 law, the Department of the Interior has also mapped 152 miles of shoreline along undeveloped coastal barriers on the Great Lakes.

The legislation which I am introducing today would incorporate most of the Department of the Interior's suggestions for additions to the System along the coasts of the Atlantic Ocean, the Gulf of Mexico and the Great Lakes.

This legislation does not address the Pacific coastline.

A new provision, modeled after a section in the 1982 bill, would allow States to elect to add areas protected under State and local authority to the Coastal Barrier Resources System. In responding to the Interior Department's draft report, many States recommended that so-called otherwise protected areas be included within the System to provide additional assurance that these areas would remain protected. I hope that coastal States will take advantage of this opt-in provision to broaden the reach of the Coastal Barrier Resources System.

With approximately 75 percent of our Nation's population living within 50 miles of the coast, the development pressures on coastal barriers are enormous. According to the Department of the Interior, from 1950 to 1980, development on coastal barriers increased from about 10 percent to about 40 percent of the available real estate. This general trend increases pollution of wetlands and near-shore waters, reduces public access to our Nation's beaches and increases the susceptibility of the Federal Treasury when it comes to paying the relief and reconstruction coasts associated with major storms.

However, I note for the benefit of my colleagues that this high rate of development has resulted in a situation where some of the Department of the Interior's maps, which were put together based on overflights and aerial photography, site-visits and information collected from States, localities, and private citizens in 1988, are already out of date when it comes to the development status of certain new units. I encourage my colleagues to work with me to validate the accuracy of the maps of undeveloped coastal barriers in their States.

Mr. President, the Coastal Barrier Resources Act restricts federally subsidizes development of undeveloped

coastal barriers in order to: reduce the wasteful expenditure of Federal dollars; to minimize the loss of human life; and, to reduce damage to fish and wildlife habitat. The beauty of the act is that serves these goals without creation of new regulations and new bureaucracies. It simply removes the numerous Federal incentives for development within designated areas.

In 1982, Secretary Watt testified that:

With no change in Federal policy, the present value of Federal expenditures on undeveloped coastal barriers over the next 20 years could cost the American taxpayer from $5.5 billion to $11 billion.

Last year, the Department of the Interior estimated that savings to date due to establishment of the Coastal Barrier Resources System total over $800 million.

Barrier islands, bays, and beaches are the first line of defense protecting the mainland from the wind and wave energies associated with major storms and hurricanes. Development of these areas decreases their ability to absorb the force of storms and buffer the mainland. The horrible destruction caused by Hurricane Hugo was a drastic reminder of the susceptibility of coastal development to the power of nature. The Federal Emergency Management Agency has paid out $349 million in Federal flood insurance claims, over half the balance of the National Flood Insurance Program Fund, for Hugo victims. Other disaster relief costs paid out of the U.S. Treasury due to Hurricane Hugo total well over $1 billion.

And, coastal storms are often deadly. In 1900, over 6,000 people lost their lives when a hurricane struck Galveston, TX. Over 400 people died in the Florida Keys during a 1935 hurricane.

Last year, Dr. Robert Sheets, Director of the National Hurricane Center, told the Subcommittee on Environmental Protection that the majority of Americans living on the coast have moved there during the last few decades, a period of unusually low hurricane activity. Dr. Sheets worries that "we may not fare as well today as we have in the past if huricane activity returns to the frequencies experienced during the 1940's through 1960's." As roadway systems have not kept up with population growth, it will become increasingly difficult to evacute coastal areas in the face of a major storm.

Beyond the economic and safety issues, another compelling reason to support the Coastal Barrier Resources Act is that it contributes to the protection of our Nation's coastal resources. Coastal barriers protect and maintain the wetlands and estuaries that provide fertile acquatic habitat essential to the survival of innumerable species of fish and wildlife. Large populations of waterfowl and other migratory birds depend on the habitat protected by coastal barriers for wintering areas.

Undeveloped coastal barriers are areas of unique beauty providing popular recreational opportunities. These areas deserve protection for public enjoyment.

I believe that Congress should make every effort to conserve barrier islands and beaches. This legislation offers an opportunity to increase protection of coastal barriers and, at the same time, save the taxpayers money. I urge my colleagues to work with me to get this bill enacted.

Mr. President, I ask unanimous consent that a copy of a section-by-section description of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION DESCRIPTION OF CHAFEE BILL—COASTAL BARRIER RESOURCES ACT AMENDMENTS OF 1990

Section 1—Title.

Section 2—Subsection (a) amends the definition of "undeveloped coastal barrier" by deleting the requirement that it consist of unconsolidated sedimentary materials.

Subsection (b) amends the definition of "undeveloped coastal barrier" by striking the provision which excludes areas which are "otherwise protected" through Federal, State or local law or by a private entity.

Subsection (c) contains technical amendments regarding the definition of "System".

Section 3—This Section repeals Section 4 of the existing law and replaces it with the following new provisions:

Subsection (a) establishes that the Coastal Barrier Resources System consists of:

1. units which already are within the System—clauses (i) and (ii);

2. units within the Great Lakes (with the exception of two Michigan units which the Department of the Interior has since determined to be developed) which were mapped by the Department of the Interior pursuant to the 1988 amendments—clause (iii);

3. new units recommended for inclusion in the System by the Department of the Interior in the context of their 1988 "Report to Congress" and undeveloped coastal barriers which are owned and protected by the Federal Government or a private entity (note: "otherwise protected areas" and military and Coast Guard lands which are currently in the System will not be deleted)—clause (iv);

4. undeveloped coastal barriers owned by the U.S. which are determined to be excess—subparagraph (a)(1)(B);

5. undeveloped coastal barriers owned by State or local governments which the State elects to have included in the System—subparagraph (a)(1)(C).

Paragraph (a)(2) establishes the mechanism through which excess Federal undeveloped coastal barrier properties would be included into the System.

Paragraph (a)(3) establishes the "opt-in" mechanism whereby Governors may elect to have any portion of an undeveloped coastal barrier property owned by the State or by a local government within the State included within the System.

Subsection (b) provides for the filing and distribution of new maps.

Subsection (c) provides States with the opportunity and the Department with the authority to make minor and technical amendments to the maps. The Department of the Interior would be required to respond in writing to any State whose boundary modification recommendation was rejected. The Department is also directed to review the maps every 7 years and upon the request of each State's coastal zone management office.

Section 4—This section amends Section 6 provisions on exceptions to the prohibition on new Federal expenditures making some minor, technical changes and requiring that disposal of dredge materials related to Federal navigation projects (i.e., minimizing the damage to fish and wildlife and other natural resources, etc.).

Section 5—This section directs the Federal agencies to self-certify compliance with the Act to the Senate and House Committees and the Secretary of the Interior (rather than to the Office of Management and Budget as required under current law).

Section 6—This section authorizes appropriations of up to $1 million/year for fiscal years 1991 and 1992.●

● Mr. COHEN. Mr. President, I am pleased to join as an original cosponsor of the Coastal Barrier Resources Act. I want to commend Senator CHAFEE for his hard work in preparing this bill for introduction. This is a difficult bill because of the myriad views that must be taken into account, and I believe he has done an admirable job.

The Coastal Barrier Resources Act of 1990 perpetuates the principles established in the Coastal Barrier Resources Act of 1982, which I strongly supported. In that legislation, Congress stated that it wanted to enact a sound policy governing the protection of our undeveloped barrier islands and that the best means of achieving that goal was to eliminate the Federal subsidies that encouraged development in these fragile areas. At the same time that the Federal Government was spending millions of dollars for flood insurance, road construction, sewage treatment plant construction and other activities on coastal barrier islands, which supported the rapid development of these popular coastal areas, it was also spending millions for emergency assistance to coastal residents and businesses following hurricanes, tropical storms and lesser storms. This policy made no sense, and Congress moved to alter it in 1982. By eliminating this unsound use of taxpayers' dollars, a worthy goal in and of itself, we also reduced the extent to which barrier island development would occur. I cannot think of a more logical approach to this issue than was included in the 1982 law.

The legislation being introduced today carries on the groundwork laid in the 1982 law. It reflects many of the recommendations made by the Department of Interior in its report on the Coastal Barrier Resources System issued in December 1988. Many new barrier islands are recommended for inclusion in the CBRS, and some areas are recommended for deletion. The

bill also allows a State or local government to "opt in" to the CBRS if it so desires.

I expect that this bill, if enacted, will continue to contribute to the protection of our important coastal barrier islands. These areas serve as extremely crucial ecosystems for many species of wildlife. If development occurs at the rapid pace that has occurred in the past, the continued ability of our wildlife resources to exist in these areas is threatened. These threats must be reduced, and one of the best ways of doing so is by eliminating the Federal subsidies that promote development.

The 1982 Coastal Barrier Resources Act was an important first step towards establishing the goal of reducing the pace of development on our fragile coastal areas. Senator CHAFEE's legislation is an equally significant next step that maintains one of the most sound policies enacted by Congress in the past decade.

I urge my colleagues to support this bill and hope it will receive consideration by the full Senate in the near future.●

● Mr. ROTH. Mr. President, I rise today as an original cosponsor of the valuable and important bill introduced by my distinguished colleague, Senator CHAFEE. This legislation, known as the "Coastal Barrier Resources Act Amendments of 1990," would expand a system in which coastal barrier lands could be protected, mapped, and otherwise accounted for by the Department of the Interior. This legislation also would prevent Federal dollars, taxpayer dollars, from being spent to help private individuals who build on coastal barrier lands.

The Coastal Barrier System along the Gulf of Mexico and the Atlantic Ocean is one of the longest and best defined chains on the Earth. These islands stretches over 2,700 miles along our nation's shoreline absorbing the impact of the day-in day-out crash of waves. There can be no doubt about it: coastal barrier lands play a vital role protecting the mainland from excessive wind and water damage. The Department of the Interior puts it bluntly, "without associated coastal barriers, large population centers on the mainland would be threatened by the direct assaults of the sea."

Coastal barriers also provide habitats for migratory birds and other animals. These habitats are vital spawning, nesting, and feeding areas for millions of finfish, shellfish, and other organisms that spend much, if not all of their lives in water. Without barrier islands lobsters, sea trout, blue fish, and other commerically important organisms would be in shorter supply. As a consequence, these areas must be protected from development which produces either directly or indirectly the loss of significant marine populations.

Coastal barriers are put in place by natural ocean processes, and later are erased from our sight by these same processes. They are often subject to fierce waves, howling wind, pelting rain. Sometimes they are created by one hurricane and destroyed by the following hurricane. Barrier lands are by definition impermanent, and their lifespans sometimes are short. As a result, the construction of permanent structures on these shifting islands is extremely risky and inadvisable. Yet, despite these facts, over 7 million people are exposed to extreme weather damage along the east and southern coasts. The Federal Government, through the National Flood Insurance Program, provides over 150 billion in insurance coverage to over 2 million people. And the Department of the interior believes that expanding current development programs to undeveloped barrier islands could run the Government over 5 times the cost of public acquisition of these lands.

Given the prime importance of coastal barrier lands in saving the Government money, protecting the mainland, and providing a habitat for animals and aquatic organisms we need to protect all the barrier islands feasible. The bill that has been introduced by Senator CHAFEE will help us accomplish this task by adding the following lands to coastal barrier system: units in the Great Lake system, new units recommended by the Department of the Interior, excess coastal lands, those lands which State or local government elect to have included, plus some technical corrections to lands that were inadvertantly added when we first addressed this issue.

Again let me repeat, barrier islands, are vital to America. Excess development costs the Government money, destroys important animal habitats, and threatens mainland populations. Mr. President, fellow Senators, I urge you to give this bill your serious attention, and I hope you will join me in sponsoring this legislation to help America's coasts.●

By Mr. HELMS:

S. 2730. A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to require a 5-percent reduction in certain assistance under that act to a law enforcement agency unless such agency has in effect a binding enforcement officers bill of rights; to the Committee on the Judiciary.

LAW ENFORCEMENT OFFICERS BILL OF RIGHTS

Mr. HELMS. Mr. President, I'm introducing today what I believe Senators will agree is a significant piece of legislation entitled "the law enforcement officers' bill of rights."

Mr. President, law enforcement officers across America are the foot soldiers in the war on crime and drugs. They are on the front line where their lives are in constant jeopardy. They work long hours protecting society. All of us owe them our gratitude and our respect.

I have decided that a good way to express that respect is to make certain that the rights of law enforcement officers are protected when the going gets tough. The law enforcement officer's bill of rights would guarantee that police officers will be treated fairly during any inquiry.

Mr. President, too often law enforcement officers lose their jobs for frivolous reasons—or for no reason at all. For example, the officer may have a difference of opinion with a superior. Furthermore, many small law enforcement agencies do not have a formal procedure for conducting inquiries.

This bill sets minimum procedures for inquiries, and grants law enforcement officers certain minimum rights, during that process.

Mr. President, the able Senator from Kentucky [Mr. MCCONNELL] has introduced legislation somewhat similar to the bill I am introducing today. However, my bill differs from Senator MCCONNELL's bill in several important respects.

The chiefs of police groups expressed concerns with the law enforcement officer's bill of rights. I have attempted to address their concerns in my bill, while still assuring police officers of certain minimum rights. I believe a careful balance has been achieved:

First, my bill requires that only 5 percent of law enforcement grants be withheld from a State until it implements a law enforcement officers' bill of rights. The McConnell bill requires witholding 20 percent.

Second, my bill does not preempt existing State laws that meet the minimum requirements of the bill.

Third, the sections on political activity and public legal assistance for civil suits have been deleted.

Fourth, I have revised the language of the enumerated rights to as to track more closely the Maryland State statute. We provide the policemen with the same rights, but the language is more specific.

Fifth, the bill adds a section requiring that policemen be given an opportunity for a hearing. The procedures for such a hearing are left up to the States. This strengthens the protection afforded the law enforcement officer.

Sixth, the bill allows the States to decide that this bill of rights does not apply to summary punishment or emergency suspensions that do not result in dismissal, demotion, transfer, or similar action. These provisions track similar provisions in the Maryland statute.

Seventh, my bill does not include a section on the disclosure of finances. I

felt that each State should be allowed to decide how to deal with that particular issue.

Finally, we define law enforcement officers as sworn officers of a public agency—or allow each State to use its definition.

Mr. President, I believe that these changes address many of the concerns of the chiefs of police, while still providing policemen the necessary minimum rights.

By Mr. CRANSTON (by request):

S. 2731. A bill to amend title 38, United States Code, to improve personnel management in the Department of Veterans Affairs; to the Committee on Veterans' Affairs.

PERSONNEL MANAGEMENT IN THE DEPARTMENT OF VETERANS AFFAIRS

Mr. CRANSTON. Mr. President, as chairman of the Veterans' Affairs Committee, I have today introduced, by request, S. 2731, a bill to authorize Saturday premium pay for VA nursing assistants and to extend for 1 year to 2 years the general minimum period of obligated service under VA's Health Professional Scholarship Program. The Secretary of Veterans Affairs submitted this legislation by letter dated June 1, 1990, to the President of the Senate.

My introduction of this measure is in keeping with the policy which I have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all administration-proposed draft legislation referred to the Veterans' Affairs Committee. Thus, I reserve the right to support or oppose the provisions of, as well as any amendment to, this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point, together with the June 1, 1990, transmittal letter and enclosed analysis of proposed bill and cost estimation worksheet.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2731

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That

Section 4107(f) of title 38, United States Code, is amended by inserting after the penultimate sentence the following:

"Notwithstanding any other provision of law and subject to the conditions prescribed in the preceding sentence, the Secretary may pay additional pay to nursing assistants on the same basis as provided for nurses in subsection (e)(3) of this section."

SEC. 2. Section 4312(c)(1) of title 38, United States Code, is amended by striking the period at the end of clause (B) and inserting in lieu thereof the following: ", but for not less than two years."

ANALYSIS OF PROPOSED BILL

Section 1 would amend section 4107(f) of title 38, United States Code, to authorize discretionary Saturday premium pay for VA nursing assistants (NA's). Currently, section 4107(f) authorizes Saturday premium pay for licensed practical nurses, vocational nurses and various other health care professionals when the Secretary determines it is necessary to recruit and retain qualified personnel in those professions. Section 211 of Public Law 100-322 expanded that authority to include pharmacists and occupational therapists.

The cost estimate for this proposal is $1,009,000 per year for the next five fiscal years (assume 20% of all NA's would be authorized Saturday premium pay).

Section 2 of the proposed bill would amend section 4312(c)(1)(B) of title 38, United States Code, to require a two-year minimum period of obligated service.

Subsection (c)(1) currently sets out the terms of an HPSP agreement and stipulates in paragraph (B) that a participant agree to a one-year minimum period of obligated service for each school year or part thereof of scholarship support. Public Law No. 96-330, § 201, which established the VA Health Professional Scholarship Program (HPSP) in 1980, required a two-year minimum period of obligated service. Subsequent legislation, section 216(b) of Public Law 101-322 enacted May 20, 1988, reduced the minimum period of obligated service from two years to one. Section 2 would reinstate the two-year minimum period of required service by amending the last sentence of paragraph (B) to include the clause "but for not less than two years."

The draft bill would not affect current HPSP participants with agreements for a one-year minimum period of obligated service as required under current law but would apply to prospective HPSP participants. Thus, restoring the minimum period of required service to two years would enhance the effectiveness of the HPSP without jeopardizing existing agreements with HPSP participants.

There are no costs associated with this proposal.

COST ESTIMATION WORKSHEET

Legislation number/name: Draft bill to amend title 38 U.S.C. to improve Personnel Management in the Department of Veterans Affairs

Subtitle number/name: ————

Section number/name: Sec. 1 Additional Pay Authority for VA Nursing Assistants.

I. 6-year cost estimation:

[In thousands of dollars]

	Fiscal year—						Total
	1990	1991	1992	1993	1994	1995	
(a) Total cost	1,009	1,009	1,009	1,009	1,009	1,009	5,045
(b) FTEE							
(c) Dollar authorization specified in bill (if any)							
(d) Add'l appropriation required	1,009	1,009	1,009	1,009	1,009	1,009	5,045
(e) Workload (Units = ————)							

II. Assumptions and methodology of cost, FTEE, and workload projections: Use a cost estimation (continuation) worksheet for additional space.

SEE CONTINUATION SHEET

III. Name of responsible service/program: Office of Health Care Staff Development and Retention (10BRR); date: 2/5/90.

Staff contact person: Betsy Dillard. Telephone: 233-5315.

1. Assumptions:

As of 9/30/89—employed 10,459 LP/VNs and 15,064 NAs.

Saturday premium pay of 25%.

Same percentage of NAs would be authorized Saturday premium pay as now authorized for LP/VNs.

Average salary of NAs as of 9/30/89—$17,596.

Average hourly of NAs—$8.46 ($17,596 divided by 2080 hours).

Average hourly Saturday premium pay rate—$2.12 ($8.46 × 25%).

Average Saturday premium pay rate per day—$2.12 × 8 hours = $16.96.

2. Estimate of annual cost of Saturday premium pay for NAs:

As of 2/2/90, 4,004 LP/VNs are receiving Saturday premium pay on the same basis as RNs. 4,004 divided by 10,459 (number of LP/VNs as of 9/30/89) = .38

Assume same percentage of NAs will be authorized Saturday premium pay on the same basis as RNs. 15,064 (number of NAs as of 9/30/89) × .38 = 5,724

Assuming 20% of NAs assigned Saturday duty per week: 5724 × .20 =1145

$16.96 (average daily Saturday premium pay for NAs) × 1145 × 52 weeks= $1,009,798 (additional cost of Saturday premium pay for NAs).

THE SECRETARY OF VETERANS AFFAIRS,
Washington, June 1, 1990.

Hon. DAN QUAYLE,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: There is transmitted herewith a draft bill "To amend title 38, United States Code, to improve personnel management in the Department of Veterans' Affairs." We request that it be referred to the appropriate committee for prompt consideration and enactment.

The enclosed draft bill would enhance VA personnel management in one instance, by enlarging pay authority for VA nursing assistants, and in the second, by extending the minimum period of obligated service under VA's Health Professional Scholarship Program.

ADDITIONAL PAY AUTHORITY FOR VA NURSING ASSISTANTS

Section 1 of the draft bill would amend section 4107(f) of title 38 United States Code, to give the Secretary discretionary authority to pay Saturday premium pay to VA nursing assistants (NA's). NA's performing a tour of duty within the period commencing at midnight Friday and ending at midnight Sunday, would be eligible for additional pay at a rate equal to twenty-five percent of their hourly rate of basic pay. Under current law the Secretary has similar authority to pay various VA health-care professionals (e.g., licensed practical nurses (LPN's), vocational nurses, pharmacists, respiratory and occupational therapists) when and where necessary to recruit and retain qualified personnel. This proposal would extend that authority to include NA's.

The fact that LPN's and vocational nurses at some VA facilities receive Saturday premium pay, but NA's at the same health-care facility do not, is perceived as unfair. Moreover, many private hospitals and medical facilities provide similar pay incentives to

their employees required to work additional weekend shifts. Consequently, at VA health-care facilities where NA's work the same schedule alongside LPN's and vocational nurses, but do not receive weekend pay (comparable to that of other VA nursing personnel or their counterparts in the private sector), we are experiencing increasing difficulties with morale. Such circumstances increase the rate of turnover among NA's at these facilities and frustrate VA efforts to replace lost personnel. Although this is not occurring system-wide, some individual VA facilities are experiencing difficulties hiring and retaining NA's. This provision would give the Secretary discretion to resolve those difficulties when necessary for recruitment and retention.

EXTENDED SERVICE—HEALTH PROFESSIONAL SCHOLARSHIP PROGRAM

Section 2 of the draft bill would amend 38 U.S.C. § 4312(c)(1)(B) to require a minimum two-year service obligation for participants in VA's Health Professional Scholarship Program (HPSP).

The HPSP, first authorized in 1980, was designed to address two concerns: the growing national need for qualified health care professionals, and VA's need to compete effectively with other employers for this scarce personnel resource. Under the HPSP, VA provides scholarships to students pursuing careers in various health-care professions. (From 1982 through 1985, more than 1,200 nursing students were awarded scholarships.) In exchange for this assistance with their education and training, scholarship recipients must agree to an obligated period of employment with the VA.

The initial period of service required under the 1980 statute was two years. New graduates require twelve to sixteen weeks of orientation and for most disciplines up to six months of on-the-job training. Thus, it is typically seven to eight months before a former HPSP recipient can function independently and VA begins to recoup the full benefit of its scholarship investment. The two-year minimum thus allowed roughly fourteen months "journeyman" service before a graduate completed his/her employment obligation. It was consistent with VA's practical need for fully qualified and contributing health-care personnel and had proven effective in stabilizing staffing and reducing turnover. Moreover, past program participants perceived the two-year obligation as a reasonable exchange for the financial and educational benefits they received. Notwithstanding the practical value of the two-year minimum, Congress in 1988 decreased the minimum period of obligated service to one year (Pub. L. No. 100-322, § 216(b)). This action was taken apparently to parallel the one-year service requirement in a very different program, the Nurse Education Tuition Reimbursement Program under 38 U.S.C. § 4321. That program, unlike the HPSP, applies to persons who are already employed full-time by VA and who are assigned to VA health-care facilities.

In the same legislation which reduced the minimum period of obligated service (Pub. L. No. 100-322 § 216(b)) Congress also required that priority be given to students in their last year of training. Thus, the majority of current HPSP awards are for one year and will have only a one-year service commitment. To date, no participant with a one-year service agreement under the amended statute has completed the program. However, we anticipate the reduced period of required service will diminish the effectiveness of the scholarship program in enabling the effectiveness of the scholarship program in enabling VA to maintain a qualified staff of health-care professionals. Some 360 scholarships (with one-year minimum required employment service) were awarded during 1988 and 1989, and we expect that the number of participants with one-year agreements will continue to increase.

In many instances the one-year minimum is inadequate for new appointees to reach their full professional potential and allow VA a fair return on its investment. The one-year minimum also frustrates efforts to meet staffing needs, particularly in health-care disciplines, such as nursing and physical therapy, where VA continues to experience shortages. Restoring the two-year minimum would help assure the HPSP's continued value for maintaining adequate VA health-care.

We estimate enactment of the proposal expanding Saturday premium pay authority will cost the VA $1,009,000 per year over the next five fiscal years (assuming 20% of all VA NA's would be authorized Saturday premium pay). There is no cost associated with the proposal to increase the minimum period of obligated service under the HPSP; however, we expect it will prove more cost effective than the current one-year minimum.

The Office of Management and Budget advises that there is no objection from the standpoint of the Administration's program to the submission of this legislative proposal to the Congress.

Sincerely yours,

EDWARD J. DERWINSKI.

By Mr. CRANSTON (by request):

S. 2732. A bill to amend title 38, United States Code, to alter the amount of certain types of special pay authorized to be paid to physicians and dentists employed by the Veterans' Health Services and Research Administration; to the Committees on Veterans' Affairs.

PHYSICIANS AND DENTISTS SPECIAL PAY ACT

Mr. CRANSTON. Mr. President, as chairman of the Veterans' Affairs Committee, I have today introduced, by request, S. 2732, the proposed Physicians and Dentists Special Pay Act of 1990. The Secretary of Veterans Affairs submitted this legislation by letter dated June 11, 1990, to the President of the Senate.

My introduction of this measure is in keeping with the policy which I have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all administration-proposed draft legislation referred to the Veterans' Affairs Committee. Thus, I reserve the right to support or oppose the provisions of, as well as any amendment to, this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point, together with the June 11, 1990, transmittal letter and enclosed summary of the bill, section-by-section analysis of the bill, and documents providing cost data.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2732

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Physicians and Dentists Special Pay Act of 1990."

(b) except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section of title 38, United States Code.

SEC. 2. Section 4118(a)(1) is amended—

(a) by striking out "in an amount that" and all that follows through "dentist in the Department of Medicine and Surgery bears to full-time employment)" and inserting in lieu thereof "to any physician or dentist employed in the Veterans Health Services and Research Administration"; (b) by striking out "Department" at the end of that paragraph and inserting in lieu thereof "Veterans Health Services and Research Administration"; and

(c) by adding at the end thereof "The amount of special pay paid to a physician or dentist pursuant to this section, on or after January 1, 1991, may not, when combined with such physician's or dentist's basic pay, exceed the rate of basic pay for Level I of the Executive Schedule authorized by section 5312 of title 5.".

SEC. 3. Section 4118(b) is amended—

(a) by striking out the language in paragraph (1) and inserting in lieu thereof "to the Chief Medical Director and Deputy Chief Medical Director, in addition to the primary special pay provided for in this subsection, incentive special pay in an amount equal to the maximum amount of special pay provided for in subparagraphs (A)(i), (A)(ii), (B), and (C) of subsection (c)".

(b) by striking out "$7,000" in paragraph (2) and inserting in lieu thereof "$2,000"; and

(c) by striking out "$7,000" in paragraph (3) and inserting in lieu thereof "$1,500".

SEC. 4. Section 4118(c)(1) is amended—

(a) by striking out "of not more than $15,500" in the first sentence;

(b) by striking out "$6,000" in clause (i) of subparagraph (A) and inserting in lieu thereof "$7,000";

(c) by striking out subclauses (I), (II), and (III) of clause (ii) of subparagraph (A) and inserting in lieu thereof:

"(I) of less than two years, $1,000;

"(II) of two years but less than four years, $3,500;

"(III) of four years but less than six years, $7,000;

"(IV) of six years but less than ten years, $10,000;

"(V) of ten years but less than fifteen years, $12,500;

"(VI) of fifteen years but less than twenty years, $14,500; and

"(VII) of twenty years or more, $16,500.";

(d) by striking out "not less than $4,000 nor more than $15,500" in clause (iii) of subparagraph (A) and inserting in lieu thereof "not more than $23,500";

(e)(1) by striking out "$9,900" in clause (i) of subparagraph (B) and inserting in lieu thereof "an amount of not less than $14,500";

(2) by striking out "$12,600" in clause (ii) of subparagraph (B) and inserting in lieu thereof "an amount of not less than $14,500 nor more than $20,000";

(3) by striking out "$13,000" in clause (iii) of subparagraph (B) and inserting in lieu thereof "$25,500";

(4) by striking out "$13,500" in clause (iv) of subparagraph (B) and inserting in lieu thereof "$30,000";

(5) by striking out "$14,440; or" in clause (v) of subparagraph (B) and inserting in lieu thereof "$30,000;";

(6) by striking out "$15,300." in clause (vi) of subparagraph (B) and inserting in lieu thereof "$35,000; or"; and

(7) by adding at the end of subparagraph (B) the following two new clauses: "(vii) as a Medical Center Director, an amount not more than $25,000; or (viii) as the Medical Inspector, an amount not more than $35,000."

(f)(1) by striking out "(i)" in subparagraph (D);

(2) by striking out "or (ii) in the Central Office of the Department of Medicine and Surgery," in subparagraph (D); and

(3) by striking out "not less than $2,000 nor" in subparagraph (D) and inserting in lieu thereof "not".

(4) by adding the following new sentence at the end of subparagraph (D): "No payments shall be made to the Chief Medical Director or Deputy Chief Medical Director under the authority of this subparagraph unless such payments are first approved by the Secretary."

SEC. 5. Section 4118(c)(2) is amended—

(a) by striking out "of not more than $7,500" in the first sentence; and

(b) by striking out "$2,750" in clause (i) of subparagraph (B) and inserting in lieu thereof "an amount not less than $3,000 nor more than $5,000".

SEC. 6. Section 4118(c)(3) is amended—

(a) by striking out "of not more than $15,500" in the first sentence;

(b) by striking out subclauses (I), (II), and (III) of clause (i) of subparagraph (A) and inserting in lieu thereof:

"(I) of less then two years, $750;

"(II) of two years but less than four years, $2,625;

"(III) of four years but less than six years, $5,250;

"(IV) of six years but less than ten years, $7,500;

"(V) of ten years but less than fifteen years, $9,375;

(VI) of fifteen years but less than twenty years, $10,875; and

"(VII) of twenty years or more, $12,375.";

(c) by striking out "not less than $3,000 nor more than $12,375" in clause (ii) of subparagraph (A) and inserting in lieu thereof "not more than $17,625";

(d) by striking out "$7,220" in clause (i) of subparagraph (B) and inserting in lieu thereof "an amount not less than $3,375 nor more than $10,875";

(e)(1) by striking out "(i)" in subparagraph (D);

(2) by striking "or (ii) in the Central Office of the Department of Medicine and Surgery," in subparagraph (D); and

(3) by striking out "not less than $1,500 nor more than $4,000" in subparagraph (D) and inserting in lieu thereof "not more than $3,750".

SEC. 7. Section 4118(c)(4) is amended—

(a) by striking out "of not more than $7,500" in the first sentence; and

(b) by striking out "$2,750" in clause (i) of subparagraph (B) and inserting in lieu thereof "an amount not less than $2,250 nor more than $3,750".

SEC. 8. Section 4118(c) is amended by striking out paragraph (5) in its entirety.

SEC. 9. Section 4118 is amended by striking out subsection (d) in its entirety and by redesignating subsections (e), (f), (g), and (h), as subsections (d), (e), (f), and (g), respectively.

SEC. 10. Section 4118 is amended—

(a) by striking out "Administrator" wherever it appears and inserting in lieu thereof "Secretary";

(b) by striking out "Department of Medicine and Surgery" wherever it appears and inserting in lieu thereof "Veterans' Health Services and Research Administration";

(c) by striking out "Veterans' Administration" wherever it appears and inserting in lieu thereof "Department of Veterans' Affairs".

SEC. 11. EFFECTIVE DATE.—The amendments made by sections 1 through 8 shall take effect on October 1, 1990.

SEC. 12. SAVINGS PROVISION.—An employee who, on the date of enactment of this law, is receiving special pay pursuant to subsection (a)(1) of section 4118 shall not have his or her special pay reduced by operation of this law.

SECTION-BY-SECTION ANALYSIS

Section 1(a) of the draft bill states the bill's title: "Physicians and Dentists Special Pay Act of 1990."

Section 1(b) of the draft bill provides that an amendment of a section or other provision of law made by this bill shall be considered as an amendment of a section or other provision of title 38, United States Code, unless otherwise expressly provided.

Section 2 of the draft bill would amend section 4118(a)(1) by removing the monetary cap on the total amount of special pay (which has two components: primary and incentive) which any one physician or dentist may receive under section 4118. The amendment would also eliminate language limiting the total annual amount of special pay for part-time physicians and dentists to a proportional amount of the full-time maximum. Currently, the law limits the yearly total amount of special pay to $22,500 for full-time physicians, and $10,000 for full-time dentists (and a proportional amount for part-time physicians and dentists). Additional caps limiting the amount of incentive pay to an amount equal to the total permissible special pay less primary pay, are set forth in subsections (c)(1), (c)(2), (c)(3) and (c)(4). These caps on total special pay and total incentive pay represent amounts which are less than the full amount of special pay to which an eligible physician or dentist might otherwise be entitled under the remaining provisions of section 4118. This amendment would make available the full range of each element of special pay for those who are eligible. However, the draft bill would impose a cap on total pay such that special pay may not, when added to an employee's basic pay, exceed the rate of basic pay established for Level I of the Executive Schedule.

Section 3(a) of the draft bill would amend section 4118(b)(1) by changing the manner in which special pay for the Chief Medical Director and Deputy Chief Medical Director is calculated. The current law requirs the Secretary to provide these officials with "the maximum amount of such special pay," a reference to the $22,500 ceiling on special pay currently imposed by subsection (a). Because the draft bill proposes to remove this ceiling, special pay for these officials would instead be defined by totaling the maximum amount of all types of special pay authorized by section 4118 for full-time physicians, with the exception of "scarce medical specialty" and "geographic incentive" pay under 4118(c)(1)(iii). Thus, these two officials would receive: $2,000 under subsection (b)(2) (primary special pay); $7,000 under subsection (c)(1)(A)(i) (full-time status); $16,500 under subsection (c)(1)(A)(ii) (tenure of service); $35,000 under subsection (c)(1)(B) (service in a position of administrative responsibility); and $2,500 under subsection (c)(1)(C) (board certification); for an annual total of $63,000 in special pay. By defining the special pay for these officials in terms of a total of these figures, it is not intended that the individual incumbents of those positions actually meet the qualifications for each of the highest levels of special pay they will be receiving.

Section 3(b) of the draft bill would amend section 4118(b)(2) by decreasing the amount of primary special pay for eligible full-time physicians from $7,000 to $2,000.

Section 3(c) of the draft bill would amend section 4118(b)(3) by decreasing the amount of primary special pay for eligible part-time physicians from $7,000 to $1,500.

Section 4(a) of the draft bill would amend section 4118(c)(1) by removing the monetary cap on the total amount of incentive special pay which any full-time physician may receive. Currently, the law limits the yearly amount of incentive special pay to $15,500. This cap represents an amount which is less than the full amount of special pay to which an eligible full-time physician might otherwise be entitled under the remaining provisions of section 4118. This amendment would make available the full range of each element of special pay for those who are eligible. The draft bill contains parallel provisions for part-time physicians, and full-time and part-time dentists.

Section 4(b) of the draft bill would amend section 4118(c)(1)(A)(i) by increasing the amount of incentive special pay for full-time physician status from $6,000 to $7,000.

Section 4(c) of the draft bill would amend section 4118(c)(1)(A)(ii) by changing the time increments in which tenure of service of full-time physicians within the Veterans' Health Services & Research Administration is measured, and by generally increasing special pay for such tenure of service. The current law provides for $1,000 for two to five years service; $2,000 for five to eight years of service; and $3,000 for eight or more years of service. The amendment would create more categories of tenure, and set ranges of allowable special pay for each of those categories as follows: $1,000 for less than two years; $3,500 for two to four years; $7,000 for four to six years; $10,000 for six to ten years; $12,500 for ten to fiftenn years; $14,500 for fifteen to twenty years; and $16,500 for twenty years or more. The bill contains a parallel provision for part-time physicians.

Section 4(d) of the draft bill would amend section 4118(c)(1)(A)(iii) by changing the monetary limits for "scarce medical specialty" special pay to full-time physicians. The current law provides that the Chief Medical Director may provide from $4,000 to $15,500 in incentive special pay for service in a medical specialty with respect to which the Chief Medical Director has determined, pursuant to implementing regulations, that there are extraordinary difficulties in the recruitment or retention of qualified physicians. The amendment would remove the lower monetary limit, and authorize "scarce medical specialty" pay of up to $23,500. The draft bill contains a parallel provision for part-time physicians.

Section 4(e)(1) of the draft bill would amend section 4118(c)(1)(B)(i) by changing the amount of special pay for a full-time physician serving as a Service Chief (or comparable position as determined by the Chief Medical Director) from a flat $9,990 to provide a range from $4,500 to $14,500. The draft bill contains a parallel provision for part-time physicians, and for full-time and part-time dentists.

Section 4(e)(2) of the draft bill would amend section 4118(c)(1)(B)(ii) by changing the amount of special pay for a full-time physician serving as a Chief of Staff or in an Executive Grade from a flat $12,600 to an amount within a range from $14,500 to $20,000. The draft bill contains a parallel provision for part-time physicians.

Section 4(e)(3) of the draft bill would amend section 4118(c)(1)(B)(iii) by changing the amount of special pay for a full-time physician serving as a Deputy Service Director or in a Director Grade from $13,000 to $25,000.

Section 4(e)(4) of the draft bill would amend section 4118(c)(1)(B)(iv) by changing the amount of special pay for a full-time physician serving as a Service Director from $13,500 to $30,000.

Section 4(e)(5) of the draft bill would amend section 4118(c)(1)(B)(v) by changing the amount of special pay for a full-time physician serving as a Deputy Assistant Chief Medical Director from $14,440 to $30,000.

Section 4(e)(6) of the draft bill would amend section 4118(c)(1)(B)(vi) by changing the amount of special pay for a full-time physician serving as an Associate Deputy Chief Medical Director or Assistant Chief Medical Director from $15,300 to $35,000.

Section 4(e)(7) of the draft bill would amend section 4118(c)(1)(B) by adding two new clauses authorizing the Secretary to provide incentive special pay to a full-time physician serving as a Medical Center Director in an amount up to $25,000, and to provide incentive special pay to the Medical Inspector in an amount up to $35,000.

Section 4(f) of the draft bill would amend section 4118(c)(1)(D) by eliminating the provision which authorizes "geographic incentive" pay automatically for full-time physicians in the Central Office of the Veterans Health Services and Research Administration, and by eliminating the $2,000 minimum for geographic incentive pay. The draft bill contains parallel provisions for part-time physicians. The law's current upper limit of $5,000 would remain unchanged. Accordingly, the amendment would authorize geographic incentive pay of up to $5,000 for those categories of physicians in a specific location with respect to which the Chief Medical Director has determined, pursuant to implementing regulations, that there are extraordinary difficulties in the recruitment or retention of qualified physicians. Thus, even under the amended law, the Chief Medical Director can approve geographic pay for specific categories of physicians at VA locations in Washington, D.C., including Central Office, so long as the appropriate determination is made. This section of the draft bill also adds a new sentence to section 4118(c)(1)(D) which requires that the Secretary approve any payments of geographic incentive pay to the Chief Medical Director or the Deputy Chief Medical Director.

Section 5(a) of the draft bill would amend section 4118(c)(2) by removing the monetary cap on incentive special pay which any full-time dentist may receive. Currently, the law limits the yearly amount of incentive special pay to $7,500. This cap represents an amount which is less than the full amount of special pay to which an eligible full-time dentist might otherwise be entitled under the remaining provisions of section 4118. This amendment would make available the full range of each element of special pay for those who are eligible. The draft bill contains parallel provisions for full-time and part-time physicians, and for part-time dentists.

Section 5(b) of the draft bill would amend section 4118(c)(2)(B)(i) by changing the amount of special pay for a full-time dentist serving as a Service Chief (or in a comparable position as determined by the Chief Medical Director) from a flat $2,750 to an amount with a range from $3,000 to $5,000. The draft bill contains parallel provisions for part-time dentists, and for full-time and part-time physicians.

Section 6(a) of the draft bill would amend section 4118(c)(3) by removing the monetary cap on incentive special pay which any part-time physician may receive. Currently, the law limits the yearly amount of incentive special pay to $15,500. This cap represents an amount which is less than the full amount of special pay to which an eligible part-time physician might otherwise be entitled under the remaining provisions of section 4118. This amendment would make available the full range of each element of special pay for those who are eligible. The draft bill contains parallel provisions for full-time physicians and for full-time and part-time dentists.

Section 6(b) of the draft bill would amend section 4118(c)(3)(A) by changing the time increments in which tenure of service of part-time physicians within the Veterans' Health Services & Research Administration is measured, and by generally increasing special pay for such tenure of service. The current law provides for $750 for two to five years service; $1,500 for five to eight years of service; and $2,250 for eight or more years of service. The amendment would create more categories of tenure, and set ranges of allowable special pay for each of those categories as follows: $750 for less than two years; $2,625 for two to four years; $5,250 for four to six years; $7,500 for six to ten years; $9,375 for ten to fifteen years; $10,875 for fifteen to twenty years; and $12,375 for twenty years or more. The draft bill contains a parallel provision for full-time physicians.

Section 6(c) of the draft bill would amend section 4118(c)(3)(A)(ii) by changing the monetary limits for "scarce medical specialty" special pay to part-time physicians. The current law provides that the Chief Medical Director may provide from $3,000 to $12,375 in incentive special pay for service in a medical specialty with respect to which the Chief Medical Director has determined, pursuant to implementing regulations, that there are extraordinary difficulties in the recruitment or retention of qualified physicians. The amendment would remove the lower monetary limit, and authorize "scarce medical specialty" pay of up to $17,625. The draft bill contains a parallel provision for full-time physicians.

Section 6(d) of the draft bill would amend section 4118(c)(3)(B)(i) by changing the amount of special pay for a part-time physician serving as a Service Chief (or in a comparable position as determined by the Chief Medical Director) from a flat $6,220 to an amount with a range from $3,375 to $10,875. The draft bill contains parallel provisions for full-time physicians, and for full-time and part-time dentists.

Section 6(e) of the draft bill would amend section 4118(c)(3)(D) by eliminating the provision which authorizes "geographic incentive" pay for part-time physicians in the Central Office of the Veterans Health Services and Research Administration, by eliminating the minimum for geographic incentive pay, and by changing the authorized maximum amount of geographic incentive pay $3,750. The law currently sets upper and lower limits of $1,500 and $4,000, respectively. Accordingly, the amendment would authorize geographic incentive pay of up to $3,750 for those categories of physicians in a specific location with respect to which the Chief Medical Director has determined, pursuant to implementing regulations, that there are extraordinary difficulties in the recruitment or retention of qualified physicians. The draft bill contains a parallel provision for full-time physicians.

Section 7(a) of the draft bill would amend section 4118(c)(4) by removing the monetary cap on the total amount of incentive special pay which any part-time dentist may receive. Currently, the law limits the yearly amount of incentive special pay to $7,500. The draft bill contains parallel provisions for full-time dentists, and for full-time and part-time physicians.

Section 7(b) of the draft bill would amend section 4118(c)(4)(B)(i) by changing the amount of special pay for a part-time dentist serving as a Service Chief (or in a comparable position as determined by the Chief Medical Director) from a flat $2,750 to an amount with a range from $2,250 to $3,750. The draft bill contains parallel provisions for full-time dentists, and for full-time and part-time physicians.

Section 8 of the draft bill would amend section 4118(c) by deleting paragraph (5), which currently provides that, with two exceptions, a physician or dentist may not be provided incentive special pay under both clauses (A) [pertaining to full-time status, tenure, and scarce medical specialty] and (B) [pertaining to increased administrative responsibility] of paragraph (1), (2), (3), or (4) (whichever is applicable) of section 4118(c). The exceptions provide that a Service Chief may receive incentive special pay for full-time status and for service in a scarce medical specialty, and a Chief of Staff may receive incentive special pay for full-time status. By deleting this entire paragraph, the draft bill would allow physicians and dentists to collect all types of special pay for which they are eligible.

Section 9 of the draft bill would amend section 4118 by deleting subsection (d), which currently provides that geographic incentive pay shall not be included for purposes of determining the applicability to a physician's or dentist's special pay of the cap on total special pay and on total incentive pay. This section would not be necessary in light of the proposed elimination of these caps. Section 8 also redesignates the succeeding subsections (e), (f), (g), and (h), as subsections (d), (e), (f), and (g), respectively.

Section 10 of the draft bill would amend section 4118 by changing all references to "Administrator," "Department of Medicine and Surgery," and "Veterans Administration," to "Secretary" "Veterans Health Services and Research Administration," and "Department of Veterans' Affairs," respectively. These changes are consistent with Pub. L. No. 100-527, which established the

Department of Veterans Affairs as an executive department.

Section 11 of the draft bill would provide that the amendments made by the draft bill would take effect July 1, 1990.

Section 12 of the draft bill would insure that employees receiving special pay pursuant to current special pay agreements would not be adversely affected during the pendency of those agreements. Because the draft bill reduces the amount of primary pay, and removes the automatic geographic incentive pay for employees might be entitled to receive less special pay under the new law than they received under the current law. Therefore, the draft bill provides that employees entitled to receive special pay under the terms of a written special pay agreement, as of the date of enactment of this law, will not have any component of his or her special pay reduced by operation of this law during the duration of that agreement.

SPECIAL PAY FOR PHYSICIANS AND DENTISTS—RECOMMENDED OPTION

	Full time physicians			Part-time physicians		
	Proposed	FTEE	Cost	Proposed	FTEE	Cost
Special pay category:						
Primary	$2,000	6,732	$13,464,000	$1,500	1,990	$2,985,000
Full time	7,000	6,732	47,124,000	0	0	0
Tenure:						
0 to 2 years	1,000	1,510	1,510,000	750	590	442,500
2 to 4 years	3,500	1,416	4,956,000	2,625	380	997,500
4 to 10 years	8,500	1,773	15,070,500	6,375	475	3,028,125
10 to 20 years	13,500	1,546	20,871,000	10,125	414	4,191,750
20+ years	16,500	487	8,035,500	12,375	131	1,621,125
Total tenure cost			$50,443,000			10,281,000
Scarce specialty:						
Anesthesiology	14,000	177	2,478,000	10,500	47	493,500
Specialized surgery	18,800	146	2,744,800	14,100	390	5,499,000
Radiology	15,600	402	6,271,200	11,700	94	1,099,800
Gen. surgery/urology	14,000	378	5,292,000	10,500	283	2,971,500
Physiatry	6,400	209	1,337,600	4,800	35	168,000
SCI	10,800	43	464,400	8,100	0	0
Psychiatry	8,800	1,138	10,014,400	6,600	242	1,597,200
Total scarce specialty cost			28,602,400			11,829,000
Board certification	2,000	4,376	8,752,000	1,500	1,411	2,116,500
Responsibility level:						
Service chief	11,600	761	8,827,600	8,700	131	1,139,700
Chief of staff	16,000	155	2,480,000	0	0	0
MD/DDS director	20,000	5	100,000	0	0	0
Medical director	27,500	19	522,500	0	0	0
ADCMD/ACMD	28,000	8	224,000	0	0	0
Total responsibility level cost			12,154,100			1,139,700
Cost for FT and PT physicians			160,539,500			28,351,200
Proposal costs for physicians			188,890,700			

	Full-time dentists			Part-time dentists		
	Proposed	FTEE	Cost	Proposal	FTEE	Cost
Primary	2,500	814	2,035,000	1,875	55	103,125
Full time	1,000	814	814,000	0	0	0
Tenure	800	814	651,200	600	55	33,000
Scarce specialty	7,000	262	1,834,000	5,250	0	0
Service chief	4,000	162	648,000	4,200	0	0
Cost for FT and PT dentists			5,982,200			136,125
Proposal costs and dentists			6,118,325			
Subtotal—proposal cost			[1]195,009,025			[1]138,450,000
Benefits cost			[2] 25,351,173			[2] 17,998,500
Total cost of proposal			220,360,198			156,448,500
Cost in excess of FY 88 cost			63,911,698			
Less cost of rescinding offset			24,200,000			
Final cost of proposal			39,711,698			
Cost over 5 years						227,755,000

[1] FY 1988 costs.
[2] Benefits costs.

ASSUMPTIONS FOR SPECIAL PAY PROPOSAL COST ESTIMATES

Where ranges are available (i.e., responsibility levels, scarce specialties) 80% of the maximum of the range was used for costing purposes.

Part-time physician amounts were costed at 75% of the proposed full-time rates consistent with the current special pay law.

Benefits were costed at 13%.

A six-year estimate of additional costs follows:

Total additional cost

	Million
FY 1991	$39.7
FY 1992	42.6
FY 1993	45.5
FY 1994	48.5
FY 1995	51.4
FY 1996	54.3
Total	$282

Six year cost estimate based on the following assumptions:

9,591 FTEE will remain constant.

Only increase to cost of special pay will occur in tenure categories.

Estimate assumes ⅓ of employees estimated to be in each tenure grouping will move to higher tenure grouping annually.

No cost of living increases are applied to special pay.

SUMMARY OF DRAFT BILL

The draft bill would amend the physicians and dentists special pay statute (38 U.S.C. § 4118) to provide greater flexibility in setting appropriate amounts, and to authorize generally higher amounts, of certain types of special pay for physicians and dentists employed by the Veterans Health Services & Research Administration (VHS&RA). It also specifies a new mechanism for calculating special pay for VHS&RA's two top medical officers (the Chief Medical Director and Deputy Chief Medical Director), and eliminated the authority to grant incentive pay to physicians based solely on their employment in VHS&RA's Central Office.

THE CURRENT LAW

Special pay, which eligible physicians and dentists within VHS&RA receive in addition to their base pay, consists of primary special pay and incentive special pay. Primary special pay, which must be paid to all eligible physicians and dentists, is currently set at $7,000 for physicans, and $2,500 for dentists. Incentive special pay, which is discretionary with the Secretary, is divided into several types, each of which provides a certain amount of such pay for a particular characteristic of employment. Specifically, the law currently authorizes incentive special pay for: (1) full-time status; (2) tenure of service; (3) service in certain designated "scarce medical specialties"; (4) service in a position of administrative responsibility, such as Service Chief or Chief of Staff; (5) board certification (physicians only); (6) service in certain designated geographic locations which have difficulties in recruitment or retention; and (7) service in VHS&RA's Central Office (physicians only). Maximum authorized amounts of incentive special pay payable for each of these elements are set forth separately for full-time physicians, part-time physicians, full-time dentists, and part-time dentists.

The current law imposes a cap on the total annual amount of special pay any physician or dentist may receive ($22,500 for physicians and $10,000 for dentists), and a corresponding cap on incentive special pay ($15,500 and $7,500). The current law also provides that with two exceptions, a physician or dentist serving in certain designated positions of increased administrative responsibility may not receive incentive special pay under the applicable clause pertaining to full-time status, tenure, and scarce medical specialty. The exceptions provide that a Service Chief may receive incentive special pay for full-time status and for service in a scarce medical specialty, and a Chief of Staff may receive incentive special pay for full-time status. It also specifies that the Chief Medical Director and Deputy Chief Medical Director shall receive the maximum amount of special pay allowable, i.e., $22,500 per year.

SPECIAL PAY CURRENTLY AUTHORIZED BY LAW IS INADEQUATE

On October 10, 1989, the Secretary of the Department of Veterans Affairs (VA), transmitted to the President, via the Office of Management and Budget, his Quadrennial Report on the Adequacy of Special Pay for Physicians and Dentists. This report was submitted pursuant to 38 U.S.C. § 4118(g), which requires the Secretary to report to the President every four years, recommending appropriate amounts of special pay to assure that VA physicians' and dentists' pay is reasonably comparable to that of non-VA physicians and dentists. The report was prepared by a VA task force, and was based in part on a detailed study by the Klemm Analysis Group, comparing physicians and dentists pay within VHS&RA to that of non-VA physicians and dentists.

As described in the quadrennial report, the VA is facing both a current crisis and an impending crisis in the recruitment and retention of physicians and dentists. There has been no increase in special pay for physicians and dentists since 1980. During that time, however, the VA has increased salary rates for nurses and other technical healthcare workers, and salaries for non-VA physicians and dentists have also gone up significantly. Meanwhile, the number of patients treated within the VA health care system has continued to increase. The Klemm study found that in some medical specialty areas, VHS&RA lags 33% more behind national pay rates. As a result, VHS&RA has been forced to rely increasingly on scarce medical specialty contracts to insure availability of certain specialists. These contracts are becoming more expensive, and also conceal the real vacancy rate within those specialties. In addition, although VHS&RA physician work force increased by 14% from 1981 to 1988, this was primarily due to a large increase in the number of part-time physicians. A higher percentage of part-time physicians means that VHS&RA must hire more physicians to accomplish the same amount of work, at increased personnel costs. It also complicates coverage, decreases efficiency, and disrupts the continuity of patient care.

Furthermore, the necessity of hiring at higher grades in order to attract physicians, has led to pay "compression," which means that there is essentially no career ladder for VA physicians. As a result, many physicians leave the VA within the first six years of service. This turnover is costly in terms of recruitment and training, and is extremely disruptive to the continuity of patient care.

The Klemm study also revealed that physician vacancies within the VA are becoming increasingly harder to fill, and are often filled by physicians who are less qualified than the physician who left the position. For example, at the time of the quadrennial report, VHS&RA reported 17 Chief of Staff vacancies, which past experience indicated would take an average of over 18 months to fill. Clearly, such a prolonged vacancies among senior physician administrators hampers the efficient operation of the VA's health care system. The report concluded that part of the problem is a lack of monetary incentive for VA physicians to accept the added responsibility associated with the Chief of Staff position.

Finally, the report noted that one of the last incentives to remaining in VA service will expire on October 1, 1990, when the amount of special pay credited to full-time VA physicians and dentists for retirement purposes will be increased from 50% to 100%. Nearly half of the Chiefs of Staff and 27% of Service Chiefs will be eligible to retire in 1990, and VHS&RA anticipates that, unless significant incentives to remain in VA service are implemented, large numbers of seasoned physicians and dentists will retire.

It is clear from the quadrennial report, and from the Klemm study findings, that if the VA is to attract and retain the sophisticated and highly-trained work force is necessary to provide quality health care to veterans and to carry out its research and teaching responsibilities, the VA must be able to offer physicians and dentists pay packages which are reasonably comparable to non-VA levels of pay. In order to accomplish this goal, the currently authorized levels of special pay must be altered.

PROPOSED CHANGES IN CURRENT LAW

(1) Increase incentive special pay for physicians

The primary way in which the proposed legislative changes would address the problems outlined above, is by allowing the VA to offer increased incentives to physicians for full-time status, long-term service (tenure), service in scarce medical specialities, and for service in positions of administrative and managerial responsibility. In order to encourage full-time employment, incentive special pay for full-time status has been increased from $6,000 to $7,000. And in order to alleviate pay "compression" and to aid in retention of senior physicians, special pay for tenure has been expanded, and amounts have been increased as follows:

	Current law	Draft bill
2 to 5 years	$1,000	0 to 2 years $1,000.
5 to 8 years	$2,000	2 to 4 years $3,500.
8 or more	$3,000	4 to 6 years $7,000.
		6 to 10 years $10,000.
		10 to 15 years $12,500.
		15 to 20 years $14,500.
		mMre than 20 $16,500.

In addition, incentive special pay for scarce medical specialties would be authorized up to $23,500. Specific specialties and corresponding ranges of special pay authorized for each specialty will be designated in regulations. The $23,500 figure represents the highest amount anticipated under those regulations. VHS&RA does not anticipate paying the maximum amount in more than a few cases. The new authority would permit individual rates to reflect local differences in recruitment problems, as well as individual differences in physician expertise and assignment. The currently authorized range of $4,000 to $15,500 does not provide the necessary flexibility or adequate monetary incentive to attract scarce specialists in fields such as specialized surgery and radiology. The draft bill also increases the monetary incentives for positions of increased administrative responsibility, adds Medical Center Director to the positions for which such incentives are authorized, and sets special pay ranges for those positions. Because VHS&RA health care facilities vary widely in size and complexity, a range, rather than a flat figure, is desirable for positions outside of Central Office so that special pay for a particular position can be tailored to the complexity of the assignment and the size of facility. The proposed changes are as follows ["CMD" = Chief Medical Director]:

	Current law	Draft bill
Service chief	$9,900	$4,500–$14,500.
Chief of staff	$12,600	$14,500–$20,000.
Deputy service director	$13,000	$25,000.
Service director	$13,500	$30,000.
Deputy assistant CMD	$14,400	$30,000.
Associate deputy CMD or assistant CMD.	$15,300	$35,500
Medical center director		0 to $25,000.
Medical inspector		0 to $35,000.

Finally, the geographic pay component of incentive special pay, currently authorized within a range of $2,000 to $5,000 for full-time physicians, would be altered by eliminating the floor of each range. This would permit more meaningful distinctions to be made among geographic areas. There are currently 18 locations designated to receive geographic incentive pay. In addition, the draft bill would also eliminate the automatic authority to grant geographic incentive pay to physicians of VHS&RA's Central Office. Accordingly, those physicians could receive such pay only if categories of physicians in the Central Office were designated pursuant to the same standards applicable to other geographic locations, *i.e.*, the Chief Medical Director must determine, pursuant to regulation, that there are extraordinary difficulties in the recruitment or retention of qualified physicians in a specific category of physicians. The draft bill also prohibits the Chief Medical Director and the Deputy Chief Medical Director from receiving geo-

graphic incentive pay unless first approved by the Secretary. Under the current law—which gives the Chief Medical Director a blanket authority to designate specific locations with respect to which there are extraordinary difficulties in recruitment or retention of qualified physicians in a specific category, and to approve geographic incentive pay for those physicians—the Chief Medical Director would be authorized to approve his or her own special pay. In order to avoid the resulting conflict of interest issues (at the very least, such a situation would create the appearance of a conflict of interest), the draft bill requires the Secretary to approve any geographic incentive pay for the Chief Medical Director.

The draft bill would also alter incentive special pay for part-time physicians in all of the areas discussed above (except, full-time status). As under the current statutory scheme, those amounts would be set at 75 percent of the amount authorized for full-time physicians.

(2) Increase incentive special pay for dentists

Incentive special pay for dentists would be changed in only one respect. The incentive special pay for dental Service Chiefs would be increased from $2,750 for full-time, and $2,750 for part-time, to ranges of $3,000–$5,000 and $2,250–$3,750, for full-time and part-time, respectively. The quadrennial report noted significant delays and difficulties in filing Dental Service Chief positions over the past several years, and concluded that the current differentials were ineffective.

(3) Other adjustments: decrease primary special pay, remove caps, and redefine special pay for CMD and DCMD

The draft bill would decrease primary special pay for full-time physicians from the current amount of $7,000 to $2,000. As noted in the quadrennial report, this $5,000 offset would be better spent to extend and increase tenure pay to assist in retention. However, some amount of primary special pay is necessary to insure adequate and competitive starting salaries.

Another important feature of the draft bill is its change in the caps on the amount of special pay any one physician or dentist may receive. Currently, the law imposes a cap of $22,500 on the total amount of special pay for physicians and a cap of $10,000 for dentists. It sets corresponding caps of $15,500 and $7,500 on incentive special pay for part-time physicians and dentists, respectively. Under the draft bill, pay would be limited only by the rate of basic pay established for Level I of the Executive Schedule (Cabinet Secretaries). This overall limitation is to insure that these Executive Branch employees do not receive higher pay than members of the President's Cabinet. It will affect only high level executives such as the Chief Medical Director and the Deputy Chief Medical Director.

The draft bill also removes the general prohibition against physicians and dentists collecting incentive special pay under both clause (A) [pertaining to full-time status, tenure, and scarce medical specialties] and clause (B) [pertaining to positions of increased administrative responsibility] of the applicable paragraphs in section 4118(c). The current law makes limited exceptions for Service Chiefs (who may collect full-time and scarce medical specialty pay), and Chiefs of Staff (who may collect full-time pay). However, the current law prohibits any physician or dentist serving in a designated position of administrative responsibility from receiving incentive special pay for tenure. In order to attract and retain high quality administrators, it is important that these physicians be eligible for every available type of incentive pay, including that for full-time status, tenure, and scarce medical specialty. As a practical matter, only Service Chiefs will be likely to qualify for scarce medical specialty pay (by being assigned to spend at least 75% of their time practicing that speciality). But in order to preserve the possibility that others may qualify, the prohibition should be lifted as to all of the listed positions.

The draft bill also alters the manner in which special pay for the Chief Medical Director and Deputy Chief Medical Director is calculated. The current law simply specifies that they will receive "the maximum amount" authorized under section 4118. Because of the $22,500 cap on the amount of special pay any one physician can receive, these two officials are entitled to that amount under the current law. The draft bill removes that cap, and, therefore, must prescribe a new method for figuring their special pay. By providing that these officials will receive (in addition to primary special pay) the maximum amount authorized for full-time status, tenure, responsibility, and board certification, subject to the Level I limitation, the draft bill insures that they will always receive at least as much special pay as any other physician in Central Office.

It is necessary that the maximum incentive be made available to the two top VHS&RA officials, so as to attract and retain the best possible candidates for these important positions. These positions also involve great responsibility, which qualified physicians would not likely be willing to undertake without adequate monetary rewards. The draft bill would entitle them to $63,000 in special pay, but not to exceed the Level I limitation. When added to their base salaries of $89,000 (for the Chief Medical Director) and $83,600 (for the Deputy Chief Medical Director), their total pay package will be comparable to the compensation that officials in similar private sector positions would receive.

It is conceivable that a full-time physician Service Chief with maximum tenure, spending more than 75% of his time serving in a scarce medical specialty for which maximum special pay is authorized, receiving maximum geographic incentive pay, and possessing subspecialty certification, could be authorized more special pay than the Chief Medical Director and Deputy Chief Medical Director. However this scenario is considered unlikely. In any event, the higher base pay of the Chief Medical Director and Deputy Chief Medical Director will insure that these two VHS&RA officials are authorized more total pay than even this hypothetical physician.

Finally, the draft bill contains a savings provision, which would insure that employees receiving special pay pursuant to current special pay agreements would not be adversely affected during the pendency of those agreements. Because the draft bill reduces the amount of primary pay, and removes the automatic geographic incentive pay for employees serving in Central Office, it is possible that some employees might be entitled to receive less special pay under the new law than they received under the current law. Therefore, the draft bill provides that employees entitled to receive special pay under the terms of a written special pay agreement, as of the date of enactment of this law, will not have any component of his or her special pay reduced by operation of this law during the duration of that agreement.

THE SECRETARY OF VETERANS AFFAIRS,
Washington, June 11, 1990.

Hon. DAN QUAYLE,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: There is a transmitted herewith a draft bill "To amend title 38, United States Code, to alter the amount of certain types of special pay authorized to be paid to physicians and dentists employed by the Veterans Health Services and Research Administration." We request that it be referred to the appropriate committee for prompt consideration and enactment.

The primary purpose of this proposed legislation is to amend the physicians and dentists special pay statute (38 U.S.C. § 4118) to provide greater flexibility in setting appropriate amounts, and to authorize generally higher amounts, of certain types of special pay for physicians and dentists employed by the Veterans Health Services and Research Administration (VBHS&RA). Physicians and dentists special pay has been a critical factor in the VA's ability to attract and retain a qualified medical workforce. However, as documented in the VA's Quadrennial Report to the President on the Adequacy of Special Pay for Physicians and Dentists (submitted to the House and Senate Committees on Veterans' Affairs and the Office of Management and Budget in October 1989), the VA's special pay system has not kept pace with changing marketplace conditions. There has been no increase in special pay since 1980. As a result, the VA is now facing a crisis in the recruitment and retention of qualified physicians and dentists, particularly with regard to scarce medical specialties and positions of administrative and managerial responsibility. The increasing necessity of hiring at higher grades in order to remain competitive has also led to the problem of pay "compression," virtually eliminating any career ladder for physicians.

In accordance with recommendations in the quadrennial report, which reflect the conclusions of a VA task force as to how scarce health care dollars can best be used to improve the problems identified in that report, the proposed legislation removes caps on special pay, generally increase authorized amounts of incentive special pay, provides greater flexibility in setting amounts of incentive pay, and adjusts certain other features of the special pay statute. However, consistent with Administration policy, total pay under the bill, i.e., basic pay plus speical pay, may not exceed the rate of basic pay for Level I of the Executive Schedule. The draft bill would also ensure that employees receiving special pay pursuant to current special pay agreements at the time of enactment will not have their special pay reduced by operation of these amendments during the pendency of those agreements.

In proposing these legislative changes, we have taken into account that there are non-pay benefits to VA employment, such as opportunity for teaching and research, and freedom from malpractice costs and other burdens associated with private practice; but we must recognize that pay is also a strong and necessary incentive for both recruitment and retention purposes. Submission of this draft bill fulfills the pledge made by the Deputy Secretary to the House

Veterans' Affairs Committee, that legislation implementing the changes in the quadrennial report would be prepared in early 1990.

The cost of the proposed legislation would be $39,711,698 for Fiscal Year 1991. This cost excludes the already administratively accomplished recission of the past practice of offsetting special pay following general pay increases. The enclosed cost sheet provides a more detailed breakdown of cost information. This action increased pay for VA physicians by $24,000,000 annually.

The enclosed summary contains a more detailed discussion of the provisions in the draft bill, and their underlying rationale.

The Office of Management and Budget advises that there is no objection to the submission of this legislative proposal and that its enactment would be in accord with the program of the President.

Sincerely yours,

EDWARD J. DERWINSKI.

By Mr. BINGAMAN:

S. 2733. A bill to establish an Inter-American Scientific Cooperation Program to increase the level of science and technology cooperation between the United States and Latin America; to the Committee on Commerce, Science, and Transportation.

INTER-AMERICAN SCIENTIFIC COOPERATION ACT

● Mr. BINGAMAN. Mr. President, today I rise to introduce the Inter-American Scientific Cooperation Act of 1990. The United States is a world leader in science and technology. In order to maintain and strengthen our leadership, the United States needs to reevaluate our current process for science and technology cooperation. Unfortunately, cooperative efforts between the United States and one of our most important partners, Latin America, have declined in the past 20 years. This bill seeks to reverse this trend by establishing a strong alliance in joint research and education between Latin America and the United States.

As a result of the political and economic turmoil in Latin America in recent years, these nations have had an extremely difficult time in developing their scientific and technological resources. In addition, a new generation of advanced technologies, microelectronics, biotechnologies, new materials, and new energy technologies, present a new set of challenges and problems for science and technology activities all over the world. Hence, the rapid rate of advancement has made it difficult for Latin American countries to keep abreast of the latest global scientific developments.

Cooperation between Latin America and the United States has declined. As a result, Latin America has looked to Europe and Japan for scientific and technological training. This trend, in conjunction with the increased emphasis on science and technology in the national development plans of many Latin American nations, will mean a loss of U.S. influence if we do not act to reassert our interest in this area. Such a reawakening of U.S.-Latin American cooperation is not only possible but imperative. The bill I am introducing today is a step toward reinvigorating this cooperation.

Increased science and technical cooperation would not only aid Latin America but would also benefit the United States. Unique natural environments and conditions make Latin America a critical area for research opportunities for U.S. scientists. For example, to thoroughly investigate such topics as the deforestation of the Amazon Basin and its contribution to global climate change and species diversity, U.S. scientists need stable working relationships with Latin American scientists and access to these environments.

The new Inter-American Scientific Cooperation Program within the NSF would consist of several elements. The first is an expansion of funds. At present, NSF funds joint research projects between the United States and Latin America through its international division, with funding under $1 million. This bill would expand the scope of joint research activities with an authorization of $5 million in fiscal year 1991 and $10 million in fiscal year 1992 and 1993.

The bill would also increase the number of Latin American exchange students eligible to study in the United States. Since the peak year of 1982, enrollment of Latin American students in the United States has dropped by 31 percent; Latin American students tend to elect to study in Europe and in Japan. This trend has been fostered by several factors including the Latin American debt crisis, devaluation of currencies, decline of oil revenues, rise in the cost of education in the United States, improvement in indigenous opportunities, and increased opportunities in other Latin American countries, Europe, and Japan. In order to reverse these trends, the bill establishes the Inter-American Scientific Educational Fund to provide graduate and post doctoral fellowships, both for Latin Americans studying in the United States and for United States students who wish to study in Latin America. These exchanges are investments in our political future. As part of the future leadership in their homelands, these students will play key roles in determining the political and economic alliances that the region will make in the next century.

In order to augment the communication between the United States and Latin America, the bill will authorize the NSF to coordinate science and technology information exchanges between the United States and Latin America. It will develop Latin American library resources, fund publication costs, and establish computer links between United States and Latin American scientists and engineers. This type of communication link is critical for strengthening the Latin American scientific infrastructure.

Finally, the program will explore innovative financing. Debt-for-development swaps have been encouraged by an Internal Revenue Service ruling that opened the way for creditors of debt-distressed countries to receive charitable deductions when those creditors donate part or all of the value of debts owed to eligible nonprofit organizations. The bills requires NSF to investigate these and other innovative methods of financing cooperative projects.

I would like to note that this legislation derives from the initiative taken by my esteemed former colleague, Manuel Lugan, Jr., now Secretary of the Interior, who for years was a representative of my home State of New Mexico and who was the ranking Republican member of the House Science, Space, and Technology Committee. I am pleased to see that his longstanding interest in stimulating U.S.-Latin American science and technology cooperation is finally winning broad support. This bill is the companion measure to H.R. 2153, as introduced by Representative ROE, chairman of the House Science, Space, and Technology Committee. I am pleased to be associated with the efforts of these two distinguished gentlemen.

Mr. President, the viability of the U.S. economy is inescapably linked to the world economy; America no longer occupies the position of dominance it once did. A successful Latin America will be fundamental to world economic growth and thus to own. No other nation has closer ties to and greater interest in Latin America than the United States. Increased cooperation in science and technology is an important way for the United States to help Latin American nations grow and prosper. It is my sincere hope that my colleagues will support this legislation.

I ask unamimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2733

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Inter-American Scientific Cooperation Act of 1990".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds the following:

(1) The diversity of Latin American countries and their needs in science and technology are profound and should be recognized and understood in the United States.

(2) Opportunities for science and technology cooperation with Latin America have decreased significantly since the 1970's,

when many countries in Latin America graduated from programs sponsored by the Agency for International Development.

(3) Latin American scientists and engineers have increasingly looked to Europe and Japan for advanced training and research. This trend, in conjunction with the emphasis on science and technology in Latin American national development plans and the increase in science and technology cooperation among Latin American nations, will mean a loss of United States influence if the United States does not act to reassert its interest in Latin America.

(4) Investment by the United States in the Latin American science and technology infrastructure and participation of United States scientists and engineers in short-term and long-term assignments in Latin America can strengthen United States influence in Latin America and contribute to many United States national goals, including scientific access, trade and investment relations, common security, and the opportunity to contribute to economic development and political stability in the region.

(5) Science and technology cooperation with the United States, and advanced training and research in the United States, can bring many benefits to Latin America. In less advanced countries, cooperation can contribute to the strengthening of basic science and technology infrastructure. In industrially advanced Latin American countries, cooperation can increase opportunities in many scientific disciplines and in the frontier scientific fields.

(6) Considerable progress in science and technology cooperation can be made with relatively modest investments.

(7) Celebration of the quincentennial of Columbus' discovery and the return to democracy in a number of Latin American countries provide a focus for the reversal of the decline in science and technology cooperation with Latin America.

(b) PURPOSES.—The purposes of this Act are—

(1) to reinvigorate cooperation between the United States and Latin America in science and technology;

(2) to contribute to the development of scientific infrastructure throughout Latin America, both by building on existing centers of excellence and by creating science and technology strength in institutions where none currently exists; and

(3) to establish an Inter-American Scientific Cooperation Program in the National Science Foundation to provide a focal point in the United States Government for science and technology cooperation with Latin America.

SEC. 3. ESTABLISHMENT OF THE PROGRAM.

The National Science Foundation shall establish an Inter-American Scientific Cooperation Program (hereafter in this Act referred to as the "Program") aimed at increasing the level of science and technology cooperation between the United States and Latin America. The Program shall identify and cooperate with private and governmental funding bodies, both in Latin America and in the United States, and shall encourage cost-sharing and innovative financing (such as debt swaps) of cooperative projects. The Program shall include the following elements:

(1) Encouragement and funding of project development interchanges and joint research projects between United States and Latin American scientists and engineers. Joint projects and interchanges funded by the National Science Foundation shall include cost sharing from sources within the Latin American countries whose citizens participate. The Director of the National Science Foundation shall determine the amount of cost sharing which is required.

(2) Establishment of an Inter-American Scientific Educational Development Exchange. The Exchange's activities shall include graduate and post-doctoral fellowships in science and technology for Latin Americans to study in the United States and for United States citizens to study in Latin America; collection and dissemination of information to Latin Americans on other avenues for advanced study in science and technology in the United States; and United States assistance to Latin American institutions, at the institutions' request, for development of courses, seminars, and curriculum in science and technology. For fellowships sponsored by the Exchange, priority will be given to those candidates who are professionally active scientists or engineers and whose institutions give assurance that a position will be available to them after completion of their fellowship. Fellowships for Latin Americans shall include cost sharing from sources within the country of origin of the recipient. The amount of cost sharing required shall be determined by the Director.

(3) Providing information and technical assistance to Latin American countries interested in establishing computer linkages between United States and Latin American scientists and engineers.

(4) Providing information to enable the routing of United States scientific equipment to Latin America, including information with respect to matching equipment with need, identifying technical maintenance requirements, and meeting customs regulations.

(5) Promotion of research programs which utilize unique natural environments or existing centers of research excellence in Latin America, such as the Charles Darwin Research Station in the Galapagos Islands.

SEC. 4. REPORT.

Each year at the time of submission to the Congress of the President's budget the Director of the National Science Foundation shall submit to the Congress a report which—

(1) details activities conducted pursuant to this Act during the preceding fiscal year;

(2) describes plans for the current and upcoming fiscal years activities;

(3) recommends priorities for cooperation in terms of scientific disciplines and scientific regions; and

(4) recommends necessary legislation or administrative changes in Program.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the National Science Foundation to carry out this Act $5,000,000 for fiscal year 1991, $10,000,000 for fiscal year 1992, and $10,000,000 for fiscal year 1993.●

ADDITIONAL COSPONSORS

S. 22

At the request of Mr. PRESSLER, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 22, a bill to prohibit all U.S. military and economic assistance for Turkey until the Turkish Government takes certain actions to resolve the Cyprus problem.

S. 47

At the request of Mr. CRANSTON, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 47, a bill to prohibit discrimination on the basis of affectional or sexual orientation, and for other purposes.

S. 185

At the request of Mr. DIXON, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 185, a bill to amend the title 18 of the United States Code to punish as a Federal criminal offense the crimes of international parental child abduction.

S. 374

At the request of Mr. REID, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 374, a bill to amend the National Trails System Act to designate the Pony Express National Historic Trail as a component of the National Trails System.

S. 416

At the request of Mr. DOMENICI, the name of the Senator from Montana [Mr. BAUCUS] was added as a cosponsor of S. 416, a bill to provide that all Federal civilian and military retirees shall receive the full cost-of-living adjustment in annuities payable under Federal retirement systems for fiscal years 1990 and 1991, and for other purposes.

S. 435

At the request of Mr. REID, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of S. 435, a bill to amend section 118 of the Internal Revenue Code to provide for certain exceptions from certain rules determining contributions in aid of construction.

S. 566

At the request of Mr. CRANSTON, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 566, a bill to authorize a new corporation to support State and local strategies for achieving more affordable housing, to increase homeownership, and for other purposes.

S. 930

At the request of Mr. DODD, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of S. 930, a bill to amend the Occupational Safety and Health Act of 1970 to establish an Office of Construction, Safety, Health, and Education within OSHA, to improve inspections, investigations, reporting, and recordkeeping in the construction industry, to require certain construction contractors to establish construction safety and health programs and onsite plans and appoint construction safety specialists, and for other purposes.

S. 1884

At the request of Mr. GORE, the name of the Senator from Washington [Mr. GORTON] was added as a cospon-

sor of S. 1884, a bill to promote the use of recycled materials derived from municipal refuse, and for other purposes.

S. 1946

At the request of Mr. CRANSTON, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1946, a bill to amend the various provisions of law to ensure that services related to abortion are made available in the same manner as are all other pregnancy-related services under federally funded programs.

S. 1981

At the request of Mr. MACK, his name was added as a cosponsor of S. 1981, a bill to permit the Bell Telephone Companies to conduct research on, design, and manufacture telecommunications equipment and for other purposes.

S. 2031

At the request of Mr. KENNEDY, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 2031, a bill to further the foreign policy of the United States by establishing a Partnership for Democracy to assist the peoples of foreign countries in developing democratic forms of government and free market economies.

S. 2051

At the request of Mr. HEFLIN, the name of the Senator from Tennessee [Mr. SASSER] was added as a cosponsor of S. 2051, a bill to amend the Social Security Act to provide for more flexible billing arrangements in situations where physicians in the solo practice of medicine or in another group practice have arrangements with colleagues to cover their practice on an occasional basis.

S. 2112

At the request of Mr. METZENBAUM, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 2112, a bill to amend the National Labor Relations Act to prevent discrimination based on participation in labor disputes.

S. 2239

At the request of Mr. PELL, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 2239, a bill to amend title 10, United States Code, to require sealed bids and competitive proposals for the procurement of professional services by the Department of Defense to be evaluated on the basis of a 40-hour work week.

S. 2307

At the request of Mr. RIEGLE, the name of the Senator from Hawaii [Mr. INOUYE] and the Senator from North Dakota [Mr. BURDICK] were added as cosponsors of S. 2307, a bill to require the Secretary of Health and Human Services to provide intensive outreach and other services and protections to homeless individuals.

S. 2327

At the request of Mr. KERRY, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 2327, a bill to authorize Federal depository institution regulatory agencies to revoke charters, terminate deposit insurance, and remove or suspend officers and directors of depository institutions involved in money laundering or monetary transaction reporting offenses.

S. 2346

At the request of Mr. REID, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 2346, a bill to prohibit certain practices in the raising of calves, and for other purposes.

S. 2353

At the request of Mr. HEFLIN, the names of the Senator from Louisiana [Mr. JOHNSTON], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Georgia [Mr. FOWLER], and the Senator from Texas [Mr. BENTSEN] were added as cosponsors of S. 2353, a bill to direct the Secretary of Agriculture to provide for national mobilization of rural firefighting forces to deal with the mounting danger of wildfires in the urban-rural interface areas of the United States, and for other purposes.

S. 2356

At the request of Mr. SYMMS, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 2356, a bill to amend the Internal Revenue Code of 1986 to allow tax-exempt organizations to establish cash and deferred pension arrangements for their employees.

S. 2393

At the request of Mr. EXON, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 2393, a bill to prohibit certain food transportation practices and to provide for regulation by the Secretary of Transportation that will safeguard food and certain other products from contamination during motor or rail transportation, and for other purposes.

S. 2516

At the request of Mr. EXON, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 2516, a bill to augment and improve the quality of international data compiled by the Bureau of Economic Analysis under the International Investment and Trade in Services Survey Act by allowing that agency to share statistical establishment list information compiled by the Bureau of the Census and for other purposes.

S. 2537

At the request of Mr. DASCHLE, the names of the Senator from Illinois [Mr. SIMON] and the Senator from Kentucky [Mr. FORD] were added as cosponsors of S. 2537, a bill to amend chapter 32 of title 38, United States Code, to authorize the pursuit of flight training under that chapter.

S. 2600

At the request of Mr. KENNEDY, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 2600, a bill to combat homelessness through the establishment of housing-based family support centers, through the provisions of housing-based services to elderly individuals with chronic and debilitating illnesses and conditions, through the provision of residence-based outpatient mental health services, and through the use of grants for the improvement of community development corporations, and for other purposes.

S. 2663

At the request of Mr. MCCAIN, the names of the Senator from Tennessee [Mr. GORE] and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 2663, a bill to provide increased and special benefits to individuals involuntarily separated from the Armed Forces, and for other purposes.

SENATE JOINT RESOLUTION 248

At the request of Mr. BOSCHWITZ, the names of the Senator from Nebraska [Mr. EXON] and the Senator from Delaware [Mr. BIDEN] were added as cosponsors of Senate Joint Resolution 248, a joint resolution to designate the month of September 1990 as "International Visitor's Month".

SENATE JOINT RESOLUTION 283

At the request of Mr. CRANSTON, the names of the Senator from Tennessee [Mr. GORE], the Senator from Georgia [Mr. FOWLER], the Senator from Utah [Mr. GARN], the Senator from Arizona [Mr. DECONCINI], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of Senate Joint Resolution 283, a joint resolution to commemorate the centennial of the creation by Congress of Yosemite National Park.

SENATE JOINT RESOLUTION 284

At the request of Mr. BYRD, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of Senate Joint Resolution 284, a joint resolution to designate the week beginning September 16, 1990, as "National Give the Kids a Fighting Chance Week".

SENATE JOINT RESOLUTION 290

At the request of Mr. ARMSTRONG, the names of the Senator from Indiana [Mr. COATS], the Senator from Illinois [Mr. DIXON], the Senator from Tennessee [Mr. GORE], the Senator from Connecticut [Mr. DODD], the Senator from Arizona [Mr. DECONCINI], and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of Senate Joint Resolution 290, a

joint resolution to designate the week of July 22 through 28, 1990, as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War".

SENATE JOINT RESOLUTION 296

At the request of Mr. SPECTER, the names of the Senator from Delaware [Mr. BIDEN], the Senator from North Dakota [Mr. BURDICK], the Senator from North Dakota [Mr. CONRAD], the Senator from Arizona [Mr. DECONCINI], the Senator from Illinois [Mr. DIXON], the Senator from Ohio [Mr. GLENN], the Senator from Tennessee [Mr. GORE], the Senator from Alabama [Mr. HEFLIN], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Massachusetts [Mr. KERRY], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Maryland [Ms. MIKULSKI], the Senator from New York [Mr. MOYNIHAN], the Senator from Alabama [Mr. SHELBY], the Senator from Illinois [Mr. SIMON], the Senator from Connecticut [Mr. DODD], the Senator from Tennessee [Mr. SASSER], the Senator from Louisiana [Mr. BREAUX], the Senator from Georgia [Mr. NUNN], the Senator from Texas [Mr. BENTSEN], the Senator from Virginia [Mr. ROBB], the Senator from New Jersey [Mr. BRADLEY], the Senator from Hawaii [Mr. INOUYE], the Senator from Hawaii [Mr. AKAKA], the Senator from California [Mr. CRANSTON], the Senator from Missouri [Mr. BOND], the Senator from Indiana [Mr. COATS], the Senator from Mississippi [Mr. COCHRAN], the Senator from New York [Mr. D'AMATO], the Senator from Washington [Mr. GORTON], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Vermont [Mr. JEFFORDS], the Senator from Idaho [Mr. MCCLURE], the Senator from Wyoming [Mr. SIMPSON], the Senator from Alaska [Mr. STEVENS], the Senator from South Carolina [Mr. THURMOND], the Senator from California [Mr. WILSON], the Senator from Montana [Mr. BURNS], the Senator from Idaho [Mr. SYMMS], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Oregon [Mr. HATFIELD], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Utah [Mr. GARN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Utah [Mr. HATCH], the Senator from Delaware [Mr. ROTH], the Senator from Kansas [Mr. DOLE], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Iowa [Mr. GRASSLEY], the Senator from Wisconsin [Mr. KASTEN], and the Senator from Oklahoma [Mr. NICKLES] were added as cosponsors of Senate Joint Resolution 296, a joint resolution designating August 7, 1990, as "National Neighborhood Crime Watch Day".

SENATE JOINT RESOLUTION 299

At the request of Mr. JOHNSTON, the names of the Senator from Maryland [Ms. MIKULSKI], the Senator from West Virginia [Mr. BYRD], the Senator from Delaware [Mr. ROTH], the Senator from Mississippi [Mr. COCHRAN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Alaska [Mr. STEVENS], the Senator from Hawaii [Mr. AKAKA], the Senator from Wisconsin [Mr. KASTEN], the Senator from Rhode Island [Mr. CHAFEE], the Senator from South Carolina [Mr. THURMOND], and the Senator from Vermont [Mr. JEFFORDS] were added as cosponsors of Senate Joint Resolution 299, a joint resolution to designate the period October 1, 1990, through October 1, 1991, as the "Year of the Wetlands".

SENATE JOINT RESOLUTION 301

At the request of Mr. PELL, the names of the Senator from Michigan [Mr. RIEGLE], the Senator from Louisiana [Mr. BREAUX], and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of Senate Joint Resolution 301, a joint resolution designating October 1990 as "National Breast Cancer Awareness Month".

SENATE JOINT RESOLUTION 321

At the request of Mr. BOSCHWITZ, the names of the Senator from Minnesota [Mr. DURENBERGER], the Senator from Alabama [Mr. SHELBY], the Senator from Montana [Mr. BURNS], the Senator from Indiana [Mr. LUGAR], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Indiana [Mr. COATS], the Senator from Idaho [Mr. MCCLURE], the Senator from Ohio [Mr. METZENBAUM], the Senator from California [Mr. WILSON], the Senator from Kansas [Mr. DOLE], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Utah [Mr. HATCH], the Senator from Virginia [Mr. WARNER], the Senator from Arkansas [Mr. PRYOR], the Senator from Idaho [Mr. SYMMS], the Senator from California [Mr. CRANSTON], the Senator from Ohio [Mr. GLENN], the Senator from Maine [Mr. COHEN], the Senator from Michigan [Mr. LEVIN], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. BOND], the Senator from Florida [Mr. MACK], the Senator from Hawaii [Mr. INOUYE], the Senator from Louisiana [Mr. BREAUX], the Senator from Oregon [Mr. HATFIELD], the Senator from North Dakota [Mr. BURDICK], the Senator from Virginia [Mr. ROBB], the Senator from Tennessee [Mr. SASSER], the Senator from Illinois [Mr. SIMON], the Senator from Nebraska [Mr. EXON], the Senator from Wisconsin [Mr. KASTEN], the Senator from New Mexico [Mr. DOMENICI], the Senator from Pennsylvania [Mr. HEINZ], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Vermont [Mr. JEFFORDS], the Senator from South Carolina [Mr. THURMOND], the Senator from Georgia [Mr. NUNN], the Senator from Michigan [Mr. RIEGLE], the Senator from Iowa [Mr. GRASSLEY], the Senator from New York [Mr. D'AMATO], the Senator from New York [Mr. MOYNIHAN], the Senator from Utah [Mr. GARN], and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of Senate Joint Resolution 321, a joint resolution to designate the week of August 19 through 25, 1990, as "National Agricultural Research Week."

SENATE JOINT RESOLUTION 329

At the request of Mr. DECONCINI, the names of the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Louisiana [Mr. JOHNSTON], and the Senator from New York [Mr. D'AMATO] were added as cosponsors of Senate Joint Resolution 329, a joint resolution to designate the week of June 17, 1990 through June 23, 1990 as "National Week to Commemorate the Victims of the Famine in Ukraine, 1932-1933," and to commemorate the Ukrainian famine of 1932-1933 and the policies of Russification to suppress Ukrainian identity.

SENATE CONCURRENT RESOLUTION 134

At the request of Mr. HEINZ, the names of the Senator from Michigan [Mr. RIEGLE], and the Senator from Colorado [Mr. WIRTH], were added as cosponsors of Senate Concurrent Resolution 134, a concurrent resolution expressing the sense of Congress concerning a 1991 White House Conference on Aging.

SENATE CONCURRENT RESOLUTION 138

At the request of Mr. MACK, the names of the Senator from California [Mr. WILSON], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Ohio [Mr. METZENBAUM], the Senator from Mississippi [Mr. LOTT], the Senator from California [Mr. CRANSTON], the Senator from Maine [Mr. COHEN], the Senator from Illinois [Mr. DIXON], the Senator from Texas [Mr. GRAMM], the Senator from Oregon [Mr. PACKWOOD], the Senator from Indiana [Mr. COATS], the Senator from Arizona [Mr. DECONCINI], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of Senate Concurrent Resolution 138, a concurrent resolution expressing the sense of the Senate that contacts between the United States and the Palestine Liberation Organization should be suspended if the PLO has not taken certain actions.

AMENDMENT NO. 1871

At the request of Mr. BOSCHWITZ, the names of the Senator from Indiana [Mr. LUGAR], the Senator from Kentucky [Mr. MCCONNELL], and the Senator from Indiana [Mr. COATS] were added as cosponsors of amendment No. 1871 intended to be proposed to S. 1970, a bill to establish constitu-

tional procedures for the imposition of the sentence of death, and for other purposes.

AMENDMENTS SUBMITTED

TONGASS NATIONAL FOREST WILDERNESS DESIGNATION

JOHNSTON AMENDMENT NO. 2020

Mr. JOHNSTON proposed an amendment to the bill (H.R. 987) to amend the Alaska National Interest Lands Conservation Act to designate certain lands in the Tongass National Forest as wilderness, and for other purposes, as follows:

SEC. 501. (a) The Secretary is directed to continue to engage in expedited negotiations with Sealaska Corporation for a voluntary exchange agreement through which the United States would acquire surface and subsurface estates held by Sealaska in the Tongass National Forest, in exchange for subsurface estate in the Greens Creek area of Admiralty Island. Within 60 days of enactment the Secretary shall submit his recommendation as to whether or not an exchange should be made and, if so, its appropriate terms, to Congress, or shall report to Congress as to why no such recommendation has been made.

SEC. 501. (b) The Secretary is directed to engage during the 60-day period in expedited negotiations with Shee Atika, Inc., Atikon, Inc. and Sealaska for independent voluntary exchange agreements through which the United States would acquire all of the surface estate or all of the surface and subsurface estates held by these private parties in the Lake Florence, Lake Kathleen, and Wards Creek drainages of Admiralty Island. The first priority of such negotiations shall be acquisition of the Lake Florence drainage.

FAMILY AND PARENTAL LEAVE ACT

COATS AMENDMENT NO. 2021

(Ordered to lie on the table.)

Mr. COATS submitted an amendment intended to be proposed by him to the bill (H.R. 770) to entitle employees to family leave in certain cases involving a birth, an adoption, or a serious health condition and to temporary medical leave in certain cases involving a serious health condition, with adequate protection of the employees' employment and benefit rights, and to establish a commission to study ways of providing salary replacement for employees who take any such leave, as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Family Leave Act of 1990".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
TITLE I—GENERAL REQUIREMENTS FOR MATERNITY LEAVE
Sec. 101. Definitions.
Sec. 102. Family leave requirement.
Sec. 103. Employment and benefits protection.
Sec. 104. Employee's failure to return to work.
Sec. 105. Effect on existing maternity benefits.
Sec. 106. Effect on other laws.
TITLE II—ENFORCEMENT
Sec. 201. Enforcement provisions.
Sec. 202. Effective date; regulations.
TITLE III—COVERAGE OF CONGRESSIONAL EMPLOYEES
Sec. 301. Family leave for congressional employees.
TITLE IV—REVENUE PROVISIONS
Sec. 401. Short title.
Sec. 402. Findings.
Sec. 403. Additional deduction for costs of family leave.

TITLE I—GENERAL REQUIREMENTS FOR MATERNITY LEAVE

SEC. 101. DEFINITIONS.

As used in this title:

(1) ELIGIBLE EMPLOYEE.—The term "eligible employee" means any female employee as (defined in section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)) who has been employed by the employer from which leave is sought for at least—

(A) 1,250 hours of service during the previous 12-month period; and

(B) 12 consecutive months.

(2) EMPLOYER.—

(A) IN GENERAL.—The term "employer" means any person who employs an eligible employee and is engaged in commerce or any industry affecting commerce.

(B) PERSON.—For purposes of subparagraph (A), the term "person" includes—

(i) any person who acts, directly or indirectly, in the interest of an employer to any of the employer's employees;

(ii) any successor in interest of an employer; and

(iii) any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)).

(C) PUBLIC AGENCY.—For purposes of subparagraph (A), a public agency shall be considered to be a person engaged in commerce or in an activity affecting commerce.

(3) EMPLOYMENT BENEFITS.—The term "employment benefits" means all benefits provided or made available to employees by an employer, and includes group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether such benefits are provided by a policy or practice of an employer or through an employee benefit plan defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(1)).

(4) SECRETARY.—The term "Secretary" means the Secretary of Labor.

SEC. 102. MATERNITY LEAVE REQUIREMENT.

(a) ENTITLEMENT.—

(1) IN GENERAL.—An eligible employee shall be entitled, subject to section 103, to 10 workweeks of unpaid leave during any 24-month period because of the birth of a son or daughter of the employee.

(2) EXHAUSTION OF OTHER LEAVE.—An eligible employee shall exhaust all accrued sick leave, vacation leave, or other paid leave before using the leave provided under paragraph (1).

(3) REDUCTION.—The 10-week period of unpaid leave provided in this subsection shall be reduced by the amount of paid leave substituted pursuant to paragraph (2).

(b) LEAVE SCHEDULE.—Unpaid leave provided under this section shall be taken in consecutive workweeks.

(c) NOTIFICATION OF INTENT TO USE LEAVE.—Not less than 30 days prior to the day on which the leave provided for under this section is to commence, an eligible employee shall notify the employer in writing of—

(1) the intent to take the leave;

(2) the date on which leave is to commence; and

(3) the reason for taking leave.

(d) NOTIFICATION OF INTENT TO RETURN.—Not later than 21 days prior to an intended date of return, an employee shall provide notice in writing of the intent of the employee to return from the leave provided for in this section.

(e) FAILURE TO NOTIFY OR INADEQUATE NOTIFICATION.—

(1) IN GENERAL.—An employer may deny restoration under section 103 if an employee fails to provide the notice required under subsections (c) and (d) or submits a false statement in such notice.

(2) GOOD FAITH.—Good faith errors in the notices described in this section shall not constitute false statements.

SEC. 103. EMPLOYMENT AND BENEFITS PROTECTION.

(a) RESTORATION OF POSITION.—

(1) IN GENERAL.—An eligible employee who takes leave under section 102 for its intended purpose shall be entitled, on return from such leave—

(A) to be restored by the employer to the position of employment held by the employee at the time the leave commenced;

(B) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment; or

(C) to preferred rehire status as provided for in paragraph (2).

(2) PREFERRED REHIRE STATUS.—If the position held by an employee immediately prior to the commencement of the leave of such employee under section 102 is not available at the time that such employee returns for restoration to such position under paragraph (1) as a result of the elimination of the position, the filling of the position, or the desire of the employer to keep such position vacant, such employee shall be entitled to be given first priority over any other qualified applicant for the first equivalent position that may become available.

(3) PROHIBITION ON LOSS OF BENEFITS.—The taking of leave under this title shall not result in the loss of any employment benefit earned prior to date on which such leave commenced.

(4) CONSTRUCTION.—Except as provided in subsection (c), nothing in this section shall be construed to entitle any restored employee to—

(A) the accrual of any seniority or employment benefits during any period of leave; or

(B) any right, benefit, or position of employment other than any right, benefit, or position to which the employee would have been entitled had the employee not taken the leave.

(5) CERTIFICATION BY HEALTH CARE PROVIDER.—As a condition of restoration under paragraph (1), the employer may have a policy that requires each employee to receive certification, from the employee's

health care provider, that the employee is able to resume work.

(b) EXEMPTION CONCERNING CERTAIN HIGHLY COMPENSATED EMPLOYEES.—

(1) DENIAL OF RESTORATION.—An employer may deny restoration under this subsection to any eligible employee described in paragraph (2), if—

(A) such denial is necessary to prevent substantial and grievous economic injury to the employer's operations;

(B) the employer notifies the employee of its intent to deny restoration on such basis at the time the employer determines that such injury would occur; and

(C) in any case in which the leave has commenced, the employee elects not to return to employment after receiving such notice.

(2) EMPLOYEES.—An eligible employee described in this paragraph is a salaried eligible employee who is among the—

(A) highest paid 10 percent of employees; or

(B) 5 highest paid employees;

whichever is greater, of the employees employed by the employer at the facility at which the employee is employed.

(c) MAINTENANCE OF HEALTH BENEFITS.—Subject to section 104, during any period an eligible employee takes leave under this title, the employer shall continue coverage for such employee under any group health plan (as defined in section 162(i)(2) of the Internal Revenue Code of 1986 (29 U.S.C. 162(i)(2)) for the duration of such leave at the level and under the conditions under which coverage would have been provided if the employee had continued in employment continuously from the date the employee commenced the leave until the date the employee is restored under subsection (a).

SEC. 104. EMPLOYEE'S FAILURE TO RETURN TO WORK.

In the case of an employee who fails to return to an employment position described in section 103(a) after taking leave under section 102, the continuation of the employee's health care coverage as provided in—

(1) section 4980B(f) of the Internal Revenue Code of 1986 (26 U.S.C. 4980B(f)); or

(2) title XXII of the Public Health Service Act (42 U.S.C. 300bb-1 et seq.);

shall be reduced by the length of such leave.

SEC. 105. EFFECT ON EXISTING MATERNITY BENEFITS.

(a) MORE PROTECTIVE.—Nothing in this title shall be construed to diminish an employer's obligation to comply with any collective bargaining agreement or any employment benefit program or plan that provides greater maternity leave rights to employees than the rights provided under this title.

(b) LESS PROTECTIVE.—The rights provided to employees under this title shall not be diminished by any such agreement, program or plan.

SEC. 106. EFFECT ON OTHER LAWS.

(a) IN GENERAL.—This title shall not preempt any provision of any State or local law that requires employers to offer more extensive maternity leave than that provided for in the title.

(b) NO VIOLATION OF CERTAIN EXISTING DISCRIMINATION LAWS.—An employer who complies with any provision of this title shall not be considered to be in violation of title VII of the Civil Rights Act of 1964, as amended by the Pregnancy Discrimination Act of 1978.

TITLE II—ENFORCEMENT

SEC. 201. ENFORCEMENT PROVISIONS.

(a) CIVIL PENALTIES.—

(1) IN GENERAL.—Subject to paragraph (2), any employer who violates any provision of this Act may be assessed a civil penalty of not more than $10,000.

(2) DETERMINATION OF AMOUNT.—In determining the amount of any penalty under paragraph (1), the Secretary of Labor (hereinafter in this title referred to as the "Secretary") shall take into account the previous record of the person in terms of compliance with this Act and the gravity of the violation.

(3) COLLECTION.—Any civil penalty assessed under this subsection shall be collected in the same manner as is required by subsections (b) through (e) of section 503 of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1853) with respect to civil penalties assessed under subsection (a) of such section.

(b) INJUNCTIVE ACTIONS BY THE SECRETARY.—The Secretary may bring an action under this section to restrain violations of this Act. The Solicitor of Labor may appear for and represent the Secretary in any litigation brought under this section. In any action brought under this section, the district courts of the United States shall have jurisdiction, for cause shown, to issue temporary or permanent restraining orders and injunctions to require compliance with the Act, including such legal or equitable relief incident thereto as may be appropriate, including, but not limited to, employment, reinstatement, promotion, and the payment of lost wages and benefits.

(c) PRIVATE CIVIL ACTIONS.—

(1) LIABILITY.—An employer who violates this Act shall be liable to the eligible employee affected by such violation. Such employer shall be liable for such legal or equitable relief as may be appropriate, including employment, reinstatement, promotion, and the payment of lost wages and benefits.

(2) MAINTENANCE OF ACTION.—An action to recover the liability prescribed in paragraph (1) may be maintained against the employer in any Federal or State court of competent jurisdiction by an employee or prospective employee for or on behalf of such employee, prospective employee, and other employees or prospective employees similarly situated. No such action may be commenced more than 3 years after the date of the alleged violation.

(3) FEES.—The court, in its discretion, may allow the prevailing party (other than the United States) reasonable costs, including attorney's fees.

(d) WAIVER OF RIGHTS PROHIBITED.—The rights and procedures provided by this Act may not be waived by contract or otherwise, unless such waiver is part of a written settlement agreed to and signed by the parties to the pending action or complaint under this Act.

SEC. 202. EFFECTIVE DATE; REGULATIONS.

(a) EFFECTIVE DATE.—Except as provided in subsection (b), this Act shall become effective 6 months after the date of its enactment.

(b) REGULATIONS.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall issue such rules and regulations as may be necessary to carry out this Act.

TITLE III—COVERAGE OF CONGRESSIONAL EMPLOYEES

SEC. 301. FAMILY LEAVE FOR CONGRESSIONAL EMPLOYEES.

(a) HOUSE EMPLOYEES.—

(1) IN GENERAL.—The rights and protections under titles I and II shall apply with respect to an employee in an employment position and any employing authority of the House of Representatives.

(2) ADMINISTRATION.—In the administration of this subsection, the remedies and procedures under the Fair Employment Practices Resolution shall be applied.

(3) DEFINITION.—As used in this subsection, the term "Fair Employment Practices Resolution" means House Resolution 558. One Hundredth Congress, agreed to October 3, 1988, as continued in effect by House Resolution 15. One Hundred and First Congress, agreed to January 3, 1989.

(b) SENATE EMPLOYEES.—

(1) SENSE OF SENATE.—It is the sense of the Senate that the rights and protections under titles I and II should apply with respect to an employee of the Senate or any office thereof.

(2) ADMINISTRATION.—Not later than 180 days after the date of enactment of this Act, the Senate Committee on Rules and Administration shall report to the Senate a Senate resolution (including necessary amendments to Senate rules and regulations) that—

(A) applies rights and protections in accordance with paragraph (1);

(B) establishes the scope of coverage of such rights and protections; and

(C) establishes such remedies and enforcement and other procedures as are necessary to carry out subparagraph (A).

TITLE IV—REVENUE PROVISIONS

SEC. 401. SHORT TITLE.

This Act may be cited as the "Family Leave Benefits Assistance Act of 1989".

SEC. 402. FINDINGS.

Congress finds that—

(1) America is facing a labor shortage and must find ways to successfully integrate women, minorities, and welfare recipients into the workforce;

(2) most new entrants into the workforce will be women with families;

(3) employers are offering improved benefits to accommodate the needs and interests of employees;

(4) parental and medical leave benefits fill the need of working men and women with family responsibilities;

(5) mandated leave will be harmful to employers, especially small businesses, and will be provided at the expense of employees who do not need or desire them; and

(6) employers should be provided an incentive to offer voluntary family leave for their employees, without loss of choice or flexibility in the workplace.

SEC. 403. ADDITIONAL DEDUCTION FOR COSTS OF FAMILY LEAVE.

(a) GENERAL RULE.—Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to itemized deductions for individuals and corporations) is amended by adding at the end thereof the following new section:

"SEC. 197. ADDITIONAL DEDUCTION FOR COSTS OF PROVIDING FAMILY LEAVE.

"(a) ALLOWANCE OF DEDUCTION.—In the case of an employer, in addition to the amount otherwise allowable as a deduction under this chapter, there shall be allowed as a deduction an amount equal to 50 percent of the qualified family leave expenses paid or incurred by such employer during such taxable year.

"(b) QUALIFIED FAMILY LEAVE EXPENSES.—For purposes of this section, the term 'qualified family leave expenses' means—

"(1) salary or wages (or amounts in lieu of salary or wages) for any period during

which the employee is on qualified family leave, and

"(2) employee benefit costs with respect to any employee to the extent allocable to any period during which the employee is on qualified family leave.

"(c) QUALIFIED FAMILY LEAVE.—

"(1) IN GENERAL.—For purposes of this section, the term 'qualified family leave' means—

"(A) in the case of an employer that provides paid maternity leave, any period (not exceeding 10 weeks) during which the employee is temporarily absent from work on account of birth of a child of the employee; or

"(B) in the case of an employer who employs less than 50 employees, any period (not exceeding 10 weeks) during which the employee is temporarily absent from work on account of birth of a child of the employee, the placement of a child with the employee for adoption or foster care, or serious health condition of a child, spouse, or parent of the employee.

"(2) REQUIREMENTS.—Leave shall only be considered as 'qualified family leave' under this section if—

"(A) the leave is in addition to any sick leave, annual leave, or vacation leave to which the employee is otherwise entitled,

"(B) before taking the leave, the employee has exhausted all other available leave,

"(C) the employee continues to be covered under any group health plan (as defined in section 162(i)(2)) of the employer for the duration of the leave at the same level and under the same conditions as such coverage would have been provided if the employee had continued to work during the period of the leave,

"(D) the employee provides assurances satisfactory to the employer that such employee will return to work for the employer,

"(E) the leave is pursuant to a written plan of the employer which is reasonably expected to be in effect for at least 1 taxable year, and

"(F) such written plan meets the restoration requirements of subsection (d) and the certification requirements of subsection (e).

"(d) RESTORATION REQUIREMENTS.—

"(1) IN GENERAL.—A plan meets the restoration requirements of this subsection if—

"(A) it provides that any employee taking leave under such plan shall be entitled, upon return from such leave—

"(i) to be restored by the employer to the position of employment held by the employee when the leave began, or

"(ii) to be restored to an equivalent position with equivalent employee benefits, pay, and other terms and conditions of employment; and

"(B) taking of leave under such plan does not result in the loss of any employment benefit earned before the date on which the leave begins.

"(2) CERTAIN BENEFITS NOT REQUIRED.—Nothing in paragraph (1) shall be construed to entitle any restored employee to—

"(A) the accrual of any seniority or employment benefits during any period of leave, or

"(B) any right, benefit, or position of employment other than any right, benefit, or position to which the employee would have been entitled had the employee not taken leave.

"(3) EXCEPTION FOR CERTAIN HIGHLY COMPENSATED EMPLOYEES.—

"(A) IN GENERAL.—An employer may deny restoration under this subsection to any employee described in subparagraph (B) if—

"(i) such denial is necessary to prevent substantial and grievous economic injury to the employer's operations,

"(ii) the employer notifies the employee of its intent to deny restoration on such basis at the time the employer determines that such injury would occur, and

"(iii) in any case in which the leave has commenced, the employee elects not to return to employment after receiving such notice.

"(B) EMPLOYEE DESCRIBED.—An employee described in this subparagraph is a salaried employee who is among the greater of the—

"(i) highest paid 10 percent of employees, or

"(ii) 5 highest paid employees,

employed by the employer within 75 miles of the facility at which the employee is employed.

"(e) CERTIFICATION REQUIREMENTS.—

"(1) IN GENERAL.—A plan meets the certification requirements of this subsection if such plan requires that each request for leave under such plan on account of the serious health condition of an individual be supported by a certification issued by a physician licensed under State law who is providing care to the individual.

"(2) REQUIREMENTS OF CERTIFICATION.—A certification shall be sufficient for purposes of paragraph (1) if it states—

"(A) the extent to which the health condition is a serious health condition,

"(B) the date on which the serious health condition commenced,

"(C) the probable duration of the condition, and

"(D) the appropriate medical facts within the physician's knowledge regarding the condition.

"(f) EMPLOYEE BENEFIT COSTS.—For purposes of this section—

"(1) IN GENERAL.—The term 'employee benefit costs' means amounts paid or incurred by the employer for employee benefits.

"(2) EMPLOYEE BENEFITS.—The term 'employee benefits' means all benefits provided or made available to employees by an employer, and includes group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether such benefits are provided by a policy or practice of an employee or through an employee benefit plan as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(1)).

"(g) SERIOUS HEALTH CONDITION.—For purposes of this section, the term 'serious health condition' means any illness, injury, impairment, or other physical or mental condition which—

"(1) results in the individual being in imminent danger of death,

"(2) requires a transplant or amputation, or

"(3) requires extended inpatient care in a hospital or constant home care.

"(h) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section."

(b) CLERICAL AMENDMENT.—The table of sections for part VI of subchapter B of chapter 1 of such Code is amended by adding at the end thereof the following new item:

"Sec. 197. Additional deduction for costs of providing family leave."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after the date of the enactment of this Act in taxable years ending after such date.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON CONSUMERS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Consumer Subcommittee, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on June 13, 1990, at 2 p.m. on S. 1884, National Recyclable Commodities Act of 1989.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON COMMUNICATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Communications Subcommittee, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on June 13, 1990, at 9:30 a.m. on S. 2358, Digital Audio Tape Recorder Act of 1990.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Wednesday, June 13, 1990, at 10 a.m. to conduct a hearing to examine financial service developments in Europe and Japan in the context of considering measures to modernize America's financial services industry.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, June 13, at 10 a.m. to hold an ambassadorial nomination hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, June 13, at 2 p.m. to hold an ambassadorial nomination hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on June 13, 1990, at 1:30 p.m. on the nomination of Olin L. Greene, Jr., of

Oregon, to be the Administrator of the U.S. Fire Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government Management, Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, June 13, 1990, at 9:30 a.m., to hold a hearing on Oversight of U.S. Progress Under the Great Lakes Water Quality Agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EDUCATION, ARTS, AND THE HUMANITIES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Education, Arts, and the Humanities of the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Wednesday, June 13, at 10 a.m., for an executive session on pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

U.S. SERVICEMEN MISSING IN SOUTHEAST ASIA

● Mr. LEAHY. Mr. President, I have consistently supported efforts by the U.S. Government to determine the fate of our missing servicemen in Southeast Asia. There are over 2,000 individuals who remain unaccounted from our conflict in this region.

Over the past several years, Gen. John W. Vessey, Jr. (retired), has worked hard as the special Presidential emissary to Hanoi. General Vessey has been able to improve communications with the Socialist Republic of Vietnam on resolving this important issue. There are approximately 1,700 Americans missing in Vietnam alone. I commend General Vessey for his efforts.

Accounting for all our servicemen should remain the highest priority of the Department of Defense. I recently received a petition from over 50 Vermonters who shared with me their continuing concern for learning more about what happened to these individuals. There are four Vermonters currently listed missing in action. But these petitions express concern for all those who never returned home.

The petitions I received requested me to forward them to Ambassador Trinh Xuan Lang, Permanent Representative to the United Nations, Socialist Republic of Vietnam. I ask that a sample of the petitions and the accompanying letter I sent to Trinh Xuan Lang be printed in the RECORD.

The material follows:

U.S. SENATE,
Washington, DC, June 5, 1990.

Hon. TRINH XUAN LANG,
Permanent Representative to the United Nations, Socialist Republic of Vietnam, New York, NY.

DEAR MR. AMBASSADOR: I recently received the enclosed petitions from over 50 Vermonters about U.S. servicemen missing in the Socialist Republic of Vietnam.

I have consistently supported efforts by the United States Government to learn more information about these individuals. Over the past several years, your government has provided important information to our government. In some cases, the remains of several soldiers have been returned. I hope that our governments can continue to foster these important exchanges.

Thank you for reviewing these petitions from my constituents.

Sincerely,

PATRICK LEAHY,
U.S. Senator.

ROXBURY, VT.
May 16, 1990.

Senator PATRICK LEAHY,
U.S. Senate,
Washington, DC.

SIR: The Americans that have signed the enclosed petitions have a great passion towards the POW-MIA issue and feel that it has been drawn on for too long. There has been much progress in the last several years due to the actions of the National League of Families of American Prisoners and Missing in Southeast Asia and others, and we are happy to see this.

We request that you forward these petitions to the Socialist Republic of Vietnam Mission to the United Nations with a cover letter that stresses the humanitarian necessity to resolving this issue. Their cooperation to date should be commended, but the fact remains that there are still over 2300 American citizens that have not returned home after serving their country.

Thank you for your cooperation in helping resolve this important and humanitarian issue.

Sincerely,

BRADFORD S. DOANE.

PETITION TO HANOI

To: Ambassador Trinh Xuan Lang, SRV Ambassador to the United Nations.

As Americans, we applaud your government's renewed humanitarian commitments to Presidential Emissary General John Vessey, Jr., and recent increases in cooperation on the POW/MIA issue. We urge you to continue to accelerate efforts by returning any US servicemen or civilians still in your country and providing information and remains of those still missing as a result of the war between our nations. We recognize the potential for progress, and while suffering occurred on both sides, we are distressed that the uncertainty of so many American families has not yet been ended. Please move swiftly to resolve this humanitarian issue and return our men to their homeland.

Send signed petitions to your congressman: U.S. House of Representatives, Washington, DC 20510. Requests that he/she forward them, with a cover letter, to the Socialist Republic of Vietnam (SRV) Mission to the United Nations.●

TRIBUTE TO FRANK A. ADAMO

● Mr. D'AMATO. Mr. President, I rise today to congratulate Mr. Frank A. Adamo, Jr., for being honored by the Congress of Italian American Organizations on June 22, 1990.

Mr. Adamo, a long time resident of Yonkers, NY, has achieved an extensive record of service to his community. In 1963, he was elected to the Yonkers Common Council, where his hard work and dedication resulted in four consecutive terms. Mr. Adamo's success in the common council led in turn to his election as majority leader, a position in which he has served for over 30 years, and also to his election as the youngest vice mayor in a city in the United States.

Mr. Adamo's commitment to his community deserves much recognition. He has offered his time as an officer or manager to many organizations, some of which include the immediate past president/delegate, the Coalition of Italian-American organizations, the Columbia Republican League, the Yonkers League for Retarded Children, the Yonkers Heart Fund, and the NYS Coaches Association. Most recently, Mr. Adamo chaired the Westchester Italian Hertiage Day Celebration for 3 years and is a member of the Tri-State Italian Congress.

Mr. Adamo also deserves a great deal of respect for his contribution to today's business world. Business is the backbone of the American economy, and participants such as Mr. Adamo ensure that businesses run effectively. Mr. Adamo is the owner or member of the board of the directors of six corporations. He is also the sole proprietor of Adam Bennett Associates, the exclusive caterer at the Italian City Club, and has served as a member and elected official of Local 178, Hotel and Restaurant Workers.

Currently, Mr. Adamo continues to be politically active. He has been a member of the Westchester Republican County Committee for 28 years, and presently serves as the Ninth Ward Republican leader. His participation at eight Republican National Conventions as a guest and a delegate is widely known, as is his invitation by former President Reagan to attend a conference dealing with U.S.-Latin American policy at the White House.

It is my great pleasure to take this opportunity to congratulate Mr. Frank A. Adamo for his many years of involvement and success within his community, his State, and his party. His current success as the 12th grade dean of students at Saunders High School also deserves mention. I furthermore extend my sincere wishes for a successful evening with the Congress of Italian American Organizations in Yonkers.●

THE LEAGUE OF WOMEN VOTERS

● Mr. BRADLEY. Mr. President, the League of Women Voters is holding its biennial national convention this week in Washington. I ask my colleagues to join me in congratulating the League of Women Voters on their outstanding work and their new president, Susan S. Lederman, as she assumes office as the league's president.

Ms. Lederman is a professor of political science at Kean College in New Jersey. As an educator, writer, and community volunteer, Susan Lederman understands the importance of an educated and involved populace. She cares deeply about drawing people into the democratic process and is committed to the principles of democracy and civic duty on which the League of Women Voters was founded.

Ms. Lederman has put those principles into practice as the immediate past president of the New Jersey League of Women Voters. She has also served on many important public advisory boards, including the Regional Plan Association's New Jersey Committee; the New Jersey State and Local Expenditure and Review Policy Commission; the New Jersey Supreme Court Committee on the Tax Court, to name only a few.

The League of Women Voters is an integral part of our political process. We have come to depend on their efforts to increase voter registration and to increase our understanding of both issues and political candidates. The league was founded to fight for women's suffrage and thrives today as an organization committed to helping Americans play an active role in our Government.

For 70 years, the League of Women Voters has encouraged public participation in our democracy. Our Government is enriched by their efforts. I ask my colleagues to join me in wishing Susan Lederman well as she begins her tenure as president of the League of Women Voters.●

SUPER Q AND W-QBA SERVE AND UNITE TWO CULTURES

● Mr. GRAHAM. Mr. President, I rise today to recognize two pillars of Miami's broadcasting community, W-QBA and Super Q Radio of Miami, the two most listened-to Spanish language radio stations in America.

W-QBA AM and Super Q FM have served the south Florida area for 42 and 11 years, respectively, broadcasting in both English and Spanish. They have recently joined the Spanish Radio Network, the largest Hispanic broadcasting company in America and part of the Tichenor Media System. This development will allow both south Florida stations to draw on the resources of the network, enabling them to better serve south Florida.

Since 1948, when W-QBA's predecessor station began partial broadcasts in Spanish, the station has fulfilled the news and entertainment needs of south Florida's rapidly growing Hispanic community. By continously meeting the needs of south Florida's Cuban community, W-QBA earned itself the nickname "La Cubanisima." W-QBA's longevity and popularity are proven by the instant recognition in the Hispanic community of station personalities Garcia Fuste, Agustin Tamargo, Jaime de Aldeaseca, Dr. Rico-Perez, Nestor Cabell, and station manager Julio Enrique Mendez.

Mr. President, W-QBA's success led to the establishment of its FM sister station, Super Q. Super Q remains a truly revolutionary concept in American broadcasting: a truly bilingual station which plays both Latin and American music. Super Q has introduced many an English-speaking Floridian to the rhythms of salsa and merengue, while introducing Latin Americans to American rock and roll. In addition, its cosponsoring of concerts with other area radio stations has brought the Miami area music as diverse as Julio Iglesias and Michael Jackson.

Besides bringing together two south Florida's cultures, both stations have made significant civic and charitable contributions to south Florida. Several of these events have become institutions. The blood drive which W-QBA sponsors has consistently broken all Florida records year after year. Super Q's sponsorship of the Three Kings Parade on Miami's Eighth Street is one of the year's high points for all of south Florida. This parade, in which I participate every year, exposes many native-born Americans for the first time to Christmas Cuban-style.

It is hard to imagine south Florida without W-QBA and Super Q. By serving Florida's growing Hispanic community and providing a forum for all Floridians to learn from each other, both stations have greatly enriched the social and cultural life of our State.

Like south Florida, both stations have grown a great deal and will continue to grow to meet the needs of one of our country's most dynamic communities. I look forward to their joining the Spanish Radio Network and continuing to provide south Florida with quality bilingual news and entertainment programming.●

STEEL SUBSIDY OF THE DAY—NO. 2

● Mr. HEINZ. Mr. President, today I would like to acquaint Senators with yet another example of the problem of foreign steel subsidies and how they damage the U.S. steel industry.

Today's subsidy of the day comes from Austria. Despite making pledges to the contrary, Austria continues to subsidize its domestic steelmakers. This support has taken the form of capital infusions under the 1987 financing law. In 1988, this provision provided infusions of $91 million to Voest-Alpine AG and $180 million to Voest-Alpine Stahl AG. In 1989 an additional $45 million was authorized for the latter firm. At this time, nearly $550 million in funds are still available for future capital infusions.

Mr. President, these subsidization practices are restricted under our bilateral consensus agreement with Austria regarding steel production, and it is apparent that further capital infusions after the signing of the agreement would be a violation of it. It is situations like this one which can do unfair damage to the international competitiveness of the U.S. steel industry and render the President's program ineffective.

I would also note that it is also situations like this one which would be addressed by the proposed Trade Agreements Compliance Act to make absolutely sure that trade agreements we have entered into, such as these bilateral consensus agreements, are properly implemented. Ensuring that is good for our steel industry, good for the country, and good for the trading system as a whole. Without rules and agreements on fair trade and the means to enforce them, we will only retreat economically into a Hobbesian world, where life, as he put it, is nasty, brutish, and short. I urge Senators to review this legislation carefully and add their support to it.●

MISSOURI TOWN CELEBRATES ITS SESQUICENTENNIAL

● Mr. BOND. Mr. President, I rise today in recognition of Platte City, MO, which will celebrate its sesquicentennial June 29 and 30, 1990. Platte City is a picturesque town located along the Platte River. Founded in the late 1830's, it was made county seat of Platte County on December 4, 1839. Platte City became incorporated in September 1843 with a little more than 400 residents.

As a community, Platte City boasts many amenities: a city park and recreational area, excellent schools, and the Platte County Museum. The museum includes the county archives and genealogical library, and is located in a lovely, restored Victorian house, possibly modeled after the Missouri Governor's mansion.

Platte City currently has 2,500 residents, and is continually growing. Just last year a new post office was built, and the city hall moved from its location into the old post office building. Additionally, the Mid-Continent Public Library has a large new facility located on East Main Street.

Platte City's residents have a deep sense of pride in their community. As

they celebrate the sesquicentennial of their town, I wish the residents of Platte City continued prosperity and growth, and I give them my hearty congratulations on their first 150 years of existence.●

INTRODUCTION OF RESOLUTION CALLING FOR SUSPENSION OF THE U.S./PLO DIALOG

● Mr. MACK. Mr. President, on Monday I introduced on behalf of myself and Senators LIEBERMAN, LAUTENBERG, GRASSLEY, MITCHELL, GRAHAM, and NICKLES a resolution calling for the suspension of the dialog between the United States and the PLO, if the PLO has not condemned the terrorist attack against Israel on May 30 and expelled Abul Abbas from its executive committee.

Abul Abbas is best known for his terrorist attack on the *Achille Lauro* cruise ship in October 1985 during which an American, Leon Klinghoffer, was murdered in his wheelchair and thrown overboard.

On May 30, the Palestine Liberation Front, an arm of the PLO led by Abul Abbas, launched a seaborne terrorist attack on Israel. The attack began in Libya, where the terrorists embarked in one boat, then launched six smaller boats off Israel's coast. Four of the boats had technical problems and the Israeli military succeeded in blocking the last two. After a short battle on a beach near Tel Aviv, 4 of the terrorists were killed and 12 were captured.

One of the captured terrorists openly admitted that his objective was to massacre Israeli civilians. He said, on Israeli television, that his mission was to "kill as many civilians as possible."

The objective of the foiled attack was clearly to turn the heart of Israel's largest city into a battle zone. One captured terrorist said publicly, "My personal mission was to go into the Sheraton Hotel. * * * 'You must go in and clean it out,' they told us. 'Don't leave anyone alive—children, women, old people. Don't leave anyone alive. Kill them.'"

It is clear, given the number of terrorists involved, the weapons and maps they carried, and the timing and destination of the attack that the purpose was to stage a spectacular massacre that would fundamentally change the political landscape.

Clearly, the attack was a violation of the PLO's commitment to renounce terrorism. It was more than an ambiguous or borderline violation of the supposed promise to break with terrorism—it was a flagrant breach of the trust of the United States.

When the United States began an official dialog with the PLO in December 1988 it took Yasser Arafat at his word. That word was worthless. The United States has demanded that Arafat condemn the attack of May 30 and move to expel Abul Abbas from the PLO's executive committee. Arafat has not only refused to take any action against Abbas—he refuses to condemn the attack or even call it terrorism.

Arafat's Chief Deputy Salah Khalaf specifically stated in a June 3 interview:

> The [U.S.] request is refused, absolutely * * *. We never committed ourselves that we are going to stop our military resistance.

In other words an attack that could have resulted in dozens of Israeli civilian dead the PLO calls "military resistance."

Last week the PLO's executive committee met for 2 days in Baghdad to discuss its response to the U.S. request to condemn and expel one of its members for the May 30 raid. The resulting statement not only failed to condemn the attack or announce any action against Abul Abbas, it condemned the United States for "protecting Israel and its crimes."

The PLO does not regard the deliberate killing of Israeli civilians as terrorism. It is that simple. To the extent that anyone has been able to understand the PLO definition of terrorism, it is limited to hijacking and bombings outside of Israel.

As Salah Khalaf told Los Angeles Times after the attack:

> From the beginning, we made it clear to the American Ambassador in Tunis that we are committed to renouncing terrorism outside the occupied territories and Israel, but we didn't commit ourself to stop our armed struggle.

In other words, the PLO regards the State of Israel as a free-fire zone where any atrocity they commit is by definition not terrorism but armed struggle.

Obviously, the PLO is trying to have it both ways: to continue to use terrorism while enjoying the recognition and support of civilized nations. This cannot continue. The PLO, if it wishes to deal with the United States, must break with terror, fully and fundamentally. By terrorism we mean attacks directed against civilians. The deliberate murder of innocent civilians is terrorism—calling it legitimate armed struggle or military operations does not change that fact.

It is impossible for PLO Chairman Yasser Arafat to escape shared responsibility for this attack. First, as State Department spokesman Charles Redman said:

> If the PLO cannot or will not exercise control, it raises questions concerning the commitment undertaken in the name of the PLO—indeed, questions about the PLO's ability to carry out its commitments. (New York Times, March 3, 1989.)

Assistant Secretary of State for Near East Affairs John Kelly also specifically addressed this question. After confirming that the administration viewed the Abul Abbas' PLF as a PLO member group, Abassador Kelly said, "If we had information that indicated, for instance, that an element of the PLO * * * was involved in committing the act and that there were orders from the leadership to do it, we would draw the conclusion that they had violated the statement they made in December 1988."

Within the PLO, Abul Abbas has been known as an ally and protege of Yasser Arafat. Abbas sided with Arafat in at least two key junctures in recent years; the 1984 Palestine National Congress meeting at which there was a split on diplomatic strategy, and during the fighting in Lebanon with pro-syrian PLO factions. The U.S. Defense Department's study "Terrorist Group Profiles" states that the PLF led by Abul Abbas "supports Arafat's leadership."

I am confident that the administration will move to cut off the U.S.-PLO dialog. The State Department and the President are to be commended for moving quickly and unequivocally to condemn the May 30 attack as a terrorist attack.

Once the U.S.-PLO dialog is suspended, there are lessons to be learned before it is resumed. First, PLO rhetoric alone cannot be relied upon. Only concrete actions that irrevocably demonstrate a fundamental change in the nature and strategy of the PLO will demonstrate that the PLO has in fact broken with its bloody past.

Second, turning a blind eye to PLO terrorism doesn't work. Many observers of the PLO believe that the most recent attack has only been the most serious of many since the PLO's December 1988 commitments. The March 19 State Department report bent over backwards to explain away or ignore actions that I believe were violations of the PLO's commitments. This approach has been proven counter productive, as the PLO took our lenient approach as a green light to escalate its terrorist attacks.

Third, American diplomats should drop the notion that we need the U.S.-PLO dialog to continue the peace process. It is not as if communication with the PLO would end if the official dialog were ended. Even without the dialog, the United States would communicate with the PLO through Egypt and other third parties. Ending the dialog only ends the quasi-recognition that the United States has bestowed upon the PLO as a reward for promises now broken.

Fourth, it is time to focus on a tenet of U.S. policy that remains valid but has been neglected. Now is the time to focus our efforts on attaining peace treaties between Israel and the Arab States. It is unrealistic and imprudent to expect Israel to cede territory to a new Arab state except in the context of peace agreements with the Arab

States with armies that can threaten her existence. At the Arab summit in Baghdad, Iraq repeated its threat to wipe out half of Israel with chemical weapons if Israel acts again to prevent Iraq from developing nuclear weapons.

Mr. President, it is time to end the U.S.-PLO dialog, and not resume it until the PLO has taken concrete steps to end its campaign of terrorism against Israel. These steps must include, but should not be limited to, the condemnation of the May 30 terrorist attack and the expulsion of Abul Abbas from the PLO's executive committee.

Personally, I do not believe that simply expelling Abul Abbas from the PLO would be sufficient evidence that the PLO was no longer a terrorist organization. We would not let a convicted murderer off the hook if he renounced murder and turned in a fellow killer to the authorities. Particularly if that murderer had a long record of denying responsibility for crimes he continued to commit and justify.

Terrorists use murder as a tool of diplomacy. It is inappropriate, if not naive, to apply legalistic norms and diplomatic niceties to terrorists. Innocent lives are at stake; we must not apply the standard of trust that would apply to civilized nations to a band of dangerous international criminals.

There comes a time when we must stop acting as if the PLO are a bunch of naughty boys whose mischief reflects a harmless and passing phase of development. The PLO leadership is not only guilty of dozens of premeditated murders, they continue to justify their past crimes while promising to commit more.

It would be entirely appropriate for a nation that is a victim of such crimes to seek to bring the criminals to justice, or to retaliate militarily in a proportionate manner. The United States has responded militarily with similar provocation against Libya, the same country whose government was directly supported in the May 30 PLO attack.

While the United States does not need to respond to an attack on our ally Israel militarily, we certainly must treat the attack with the utmost seriousness.

The PLO is a heavily armed repeat offender who shows no remorse. We must not give Yasser Arafat the diplomatic equivalent of parole based on promises and cosmetic actions. In my view, the PLO's trail of blood is too long to accept anything less than a clear track record demonstrating fundamental and practically irreversible changes of heart and policy before any dialog is resumed.

Yesterday, Secretary of State James Baker testified that, in making its decision on whether to suspend the U.S.-PLO dialog, the United States would "not allow the pursuit of peace to undercut its commitment to combat terrorism."

While I agree with Secretary Baker's sentiment, I disagree with the premise that promoting peace and combating terrorism are conflicting principles. Holding the PLO accountable for its terrorist acts is an absolute prerequisite to any peace process that will promote the freedom and security of Israel. A peace process that turns a blind eye to PLO terrorism will not lead to peace, and is not in the interest of the United States or Israel.

I ask unanimous consent that the text of Senate Concurrent Resolution 138 as introduced yesterday be reprinted at this point in the RECORD. I also ask unanimous consent that Senators WILSON, SPECTER, METZENBAUM, LOTT, CRANSTON, COHEN, DIXON, GRAMM, PACKWOOD, COATS, DECONCINI, and WARNER be added as cosponsors.

The resolution follows:

SENATE CONCURRENT RESOLUTION 138—REQUESTING CERTAIN ACTIONS BY THE PALESTINE LIBERATION ORGANIZATION

Mr. MACK, (for himself, Mr. LIEBERMAN, Mr. LAUTENBERG, Mr. GRASSLEY, Mr. MITCHELL, Mr. GRAMM, and, Mr. NICKLES) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 138

Whereas, Section 1302 of Public Law 99-83 states that "no officer or employee of the United States Government . . . shall negotiate with the PLO or any representatives thereof . . . unless and until the PLO recognizes Israel's right to exist, accepts United Nations Security Council Resolutions 242 and 338, and renounces the use of terrorism";

Whereas, on May 30, 1990, the Palestine Liberation Front (PLF), a member organization of the PLO, attempted a terrorist attack against Israel;

Whereas, the leadership of the PLO has yet to condemn the May 30 terrorist attempt or to expel PLF leader Abdul Abbas from PLO's Executive Committee; Now, therefore, be it

Resolved, That the Senate (the House of Representatives concurring) declares that—

(1) the PLO should condemn the May 30 PLF attack on Israel:

(2) the PLO should expel PLF leader Abdul Abbas from the PLO Executive Committee given his role in the attack; and

(3) if these PLO actions are not taken in the immediate future, the United States should suspend its dialog with the PLO until the PLO has fully demonstrated by concrete actions, including condemning the recent attack and expelling Abdul Abbas from its Executive Committee, the PLO's commitments to recognize Israel's right to exist and renounce the use of terrorism.●

CHEMICAL AND BIOLOGICAL WEAPONS CONTROL ACT OF 1990

● Mr. GARN. Mr. President, a few weeks ago the Senate passed S. 195, the Chemical and Biological Weapons Control Act of 1990. This bill was intended to impose tough sanctions on countries that use chemical weapons and on foreign companies that knowingly assist the spread of these horrible weapons. I got involved in this debate on the floor because of my strong belief that tough sanctions are the best way to stop technology leakage.

I have been working on this issue for many years. In the 1985 Export Administration amendments, I pushed for discretionary sanctions authority against foreign companies that violate Cocom rules. This authority was greatly expanded and toughened in the Toshiba sanctions amendment to the trade bill that I proposed in 1987, I worked with Senator Dole in drafting very tough sanctions for chemical weapons proliferation, which was reintroduced in the 101st Congress as S. 8.

The company sanctions provision of S. 8 and the provision reported by the Foreign Relations Committee in S. 195 were based closely on my Toshiba sanctions provision. I got involved in the floor debate on S. 195 to press a jurisdictional argument for placing these sanctions in the EAA as a companion to the Toshiba sanctions, and to make sure that the company sanctions would be every bit as tough as the original Toshiba sanctions.

I am pleased to report that the managers accepted two toughening amendments to broaden the coverage of sanctions and make them harder to remove. While these changes should have made the bill stronger, the legislation was seriously weakened because import sanctions, which were the only meaningful company sanction in the bill, were deleted.

The managers agreed to delete import sanctions in an effort to accommodate jurisdictional concerns of the Finance Committee. I certainly understand the committee's concerns on this score, since this was a major issue for me with the bill. I also applaud Senator BENTSEN's stated intention to support import sanctions in conference and to fashion even stronger sanctions.

Unfortunately, however, we now go to conference with sanctions that have strong jaws and no teeth, and I worry that the Senate's bargaining position has been seriously damaged. The House does not favor tough, mandatory sanctions. The White House opposes any language that directs the actions of the President to impose tough sanctions. Because the Senate's bill now has weaker sanctions than the House, we will be under pressure to accept the weaker overall formulation in the House bill.

The Senate must not accept an outcome in which we produce toothless sanctions for the spread and use of genocidal weapons. Unless we produce a tough bill, we will not be able to "bite" a violator, we'll have to "gum"

them to death—or let the State Department talk them to death. I urge my colleagues to stand firm in conference for tough chemical weapons sanctions.●

CONSTITUTIONAL AMENDMENT TO PROTECT THE FLAG

● Mr. BAUCUS. Mr. President, last year the Supreme Court ruled that a Texas flag desecration law was unconstitutional.

Some suggested that Congress respond by immediately passing a constitutional amendment. Others suggested that we take a more conservative approach, by modifying the Federal flag desecration statute to bring it into line with the Supreme Court's decision.

I supported the second approach. As I said then, "when it comes to the Constitution, and the Bill of Rights so precious to us all, we must be conservative. The Founding Fathers gave us the means to amend the Constitution. But their clear intent was to limit amendments to fundamental questions that could not be resolved any other way."

Unfortunately, the Supreme Court now has ruled, in a narrow 5-4 decision, that the flag desecration statute we passed last year is unconstitutional. With all due respect, I disagree with the Court's decision. I simply do not believe that the first amendment protects flag-burning.

But the Court has ruled. As a result, it now appears that only a constitutional amendment will protect the flag.

Last year I indicated that, in this event, I would support such a constitutional amendment. Accordingly, I now am cosponsoring the Dole-Heflin amendment, Senate Joint Resolution 332, which provides that "Congress and the States shall have power to prohibit the physical desecration of the flag of the United States."

Some will say that this amendment unduly inhibits free speech. I disagree. Our flag is a unique national symbol, above politics, which represents our common values, our common aspirations, and the sacrifices millions of Americans have made to preserve our way of life. I agree with Justice Steven's dissent, in last year's case, that the flag possesses "a uniqueness that justifies a governmental prohibition against flag burning." Certainly the Montana Legislature's long-standing decision to prohibit flag-burning has not inhibited robust political debate in our own State.

I regret, Mr. President, that these Supreme Court decisions compel a constitutional amendment. But we must protect the flag.●

CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration en bloc of Calendar Nos. 511, 512, 513, 514; that the committee amendments where appropriate be agreed to; that the bills, as amended, where amended, be deemed read a third time and passed; that the motion to reconsider the passage of these bills be laid upon the table; and that the title amendment, where appropriate, be agreed to.

I further ask unanimous consent that any statements relating to these calendar items appear at the appropriate place in the RECORD and that the consideration of these items appear individually in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

COPYRIGHT FEES AND TECHNICAL AMENDMENTS ACT

The Senate proceeded to consider the bill (S. 1271) to amend title 17, United States Code, to change the fee schedule of the Copyright Office, and to make certain technical amendments, which had been reported from the Committee on the Judiciary, to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Copyright Fees and Technical Amendments Act of 1989".

SEC. 2. FEES OF COPYRIGHT OFFICE.

(a) FEE SCHEDULE.—Section 708(a) of title 17, United States Code, is amended to read as follows:

"(a) The following fees shall be paid to the Register of Copyrights:

"(1) on filing each application under section 408 for registration of a copyright claim or for a supplementary registration, including the issuance of a certificate of registration if registration is made, $20;

"(2) on filing each application for registration of a claim for renewal of a subsisting copyright in its first term under section 304(a), including the issuance of a certificate of registration if registration is made, $12;

"(3) for the issuance of a receipt for a deposit under section 407, $4;

"(4) for the recordation, as provided by section 205, of a transfer of copyright ownership or other document covering not more than one title, $20; for additional titles, $10 for each group of not more than 10 titles;

"(5) for the filing, under section 115(b), of a notice of intention to obtain a compulsory license, $12;

"(6) for the recordation, under section 302(c), of a statement revealing the identity of an author of an anonymous or pseudonymous work, or for the recordation, under section 302(d), of a statement relating to the death of an author, $20 for a document covering not more than one title; for each additional title, $2;

"(7) for the issuance, under section 706, of an additional certificate of registration, $8;

"(8) for the issuance of any other certification, $20 for each hour or fraction of an hour consumed with respect thereto;

"(9) for the making and reporting of a search as provided by section 705, and for any related services, $20 for each hour or fraction of an hour consumed with respect thereto; and

"(10) for any other special services requiring a substantial amount of time or expense, such fees as the Register of Copyrights may fix on the basis of the cost of providing the service.

The Register of Copyrights is authorized to fix the fees for preparing copies of Copyright Office records, whether or not such copies are certified, on the basis of the cost of such preparation.".

(b) ADJUSTMENT OF FEES.—Section 708 of title 17, United States Code, is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(2) by inserting after subsection (a) the following:

"(b) In calendar year 1995 and in each subsequent fifth calendar year, the Register of Copyrights, by regulation, may increase the fees specified in subsection (a) by the percent change in the annual average, for the preceding calendar year, of the Consumer Price Index published by the Bureau of Labor Statistics, over the annual average of the Consumer Price Index for the fifth calendar year preceding the calendar year in which such increase is authorized.".

(c) CONFORMING AMENDMENT.—Section 704(e) of title 17, United States Code, is amended by striking out "708(a)(11)" and inserting in lieu thereof "708(a)(10)".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect 6 months after the date of the enactment of this Act and shall apply to—

(A) claims to original, supplementary, and renewal copyright received for registration, and to items received for recordation in the Copyright Office, on or after such effective date, and

(B) other requests for services received on or after such effective date, or received before such effective date for services not yet rendered as of such date.

(2) PRIOR CLAIMS.—Claims to original, supplementary, and renewal copyright received for registration and items received for recordation in acceptable form in the Copyright Office before the effective date set forth in paragraph (1), and requests for services which are rendered before such effective date shall be governed by section 708 of title 17, United States Code, as in effect before such effective date.

SEC. 3. TECHNICAL AMENDMENTS.

(a) SECTION 111.—Section 111 of title 17, United States Code, is amended—

(1) in subsection (c)(2)(B) by striking out "recorded the notice specified by subsection (d) and"; and

(2) in subsection (d)—

(A) in paragraph (2) by striking out "paragraph (1)" and inserting in lieu thereof "clause (1)";

(B) in paragraph (3) by striking out "clause (5)" and inserting in lieu thereof "clause (4)"; and

(C) in paragraph (3)(B) by striking out "clause (2)(A)" and inserting in lieu thereof "clause (1)(A).

(b) SECTION 801.—Section 801(b)(2)(D) of title 17, United States Code, is amended by striking out "111(d)(2) (C) and (D)" and inserting in lieu thereof "111(d)(1) (C) and (D)".

(c) SECTION 804.—Section 804(a)(2)(C)(i) of title 17, United States Code, is amended by striking out "115" and inserting in lieu thereof "116".

(d) SECTION 106.—Section 106 of title 17, United States Code, is amended by striking out "118" and inserting in lieu thereof "119".

(e) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall be effective as of August 27, 1986.

(2) The amendment made by subsection (c) shall be effective as of October 31, 1988.

(3) The amendment made by subsection (d) shall be effective as of November 16, 1988.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

COPYRIGHT TRIBUNAL REFORM AND MISCELLANEOUS PAY ACT

The Senate proceeded to consider the bill (S. 1272) to amend chapter 8 of title 17, United States Code, to reduce the number of Commissioners on the Copyright Royalty Tribunal, to provide for lapsed terms of such Commissioners, and for other purposes, which had been reported from the Committee on the Judiciary, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION . SHORT TITLE.

This Act may be cited as the "Copyright Royalty Tribunal Reform and Miscellaneous Pay Act of 1989".

SEC. 2. COPYRIGHT ROYALTY TRIBUNAL AND COPYRIGHT OFFICE.

(a) MEMBERSHIP OF THE COPYRIGHT ROYALTY TRIBUNAL; LAPSED TERMS; PAY.—Section 802(a) of title 17, United States Code, is amended to read as follows:

"(a) The Tribunal shall be composed of three Commissioners appointed by the President, by and with the advice and consent of the Senate. The term of office of any individual appointed as a Commissioner shall be seven years, except that a Commissioner may serve after the expiration of his or her term until a successor has taken office. Each Commissioner shall be compensated at the rate of pay in effect for Level V of the Executive Schedule under section 5316 of title 5.".

(b) COPYRIGHT OFFICE.—Section 701 of title 17, United States Code, is amended by adding at the end the following new subsection:

"(e) The Register of Copyrights shall be compensated at the rate of pay in effect for level IV of the Executive Schedule under section 5315 of title 5. The Librarian of Congress shall establish not more than four positions for Associate Registers of Copyrights, in accordance with the recommendations of the Register of Copyrights. The Librarian shall make appointments to such positions after consultation with the Register of Copyrights. Each Associate Register of Copyrights shall be paid at a rate not to exceed the maximum annual rate of basic pay payable for GS-18 of the General Schedule under section 5332 of title 5.".

SEC. 3. PAY RATES FOR PAROLE COMMISSION.

(a) CHAIRMAN.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Chairman, United States Parole Commission.".

(b) OTHER COMMISSIONERS.—Section 5316 of title 5, United States Code, is amended by adding at the end the following:

"Commissioners, United States Parole Commission (8).".

SEC. 4. PAY RATES FOR DEPUTY AND ASSISTANT COMMISSIONERS OF PATENTS AND TRADEMARKS.

Section 5316 of title 5, United States Code, is amended by adding at the end the following:

"Deputy Commissioner of Patents and Trademarks.

"Assistant Commissioner for Patents.

"Assistant Commissioner for Trademarks.".

SEC. 5. EFFECTIVE DATE; BUDGET ACT.

(a) EFFECTIVE DATE.—The amendments made by this Act shall take effect on the date of the enactment of this Act.

(b) BUDGET ACT.—Any new spending authority (within the meaning of section 401 of the Congressional Budget Act of 1974) which is provided under this Act shall be effective for any fiscal year only to the extent or in such amounts as are provided in appropriations Acts.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

COPYRIGHT FEE AND TECHNICAL AMENDMENTS ACT

The bill (H.R. 1622) to amend title 17, United States Code, to change the fee schedule of the Copyright Office, and to make certain technical amendments, was considered, ordered to a third reading, read the third time, and passed.

COPYRIGHT TRIBUNAL REFORM AND MISCELLANEOUS PAY ACT

The bill (H.R. 3046) to reduce the number of Commissioners on the Copyright Royalty Tribunal, to change the salary classification rates for members of the Copyright Tribunal and the United States Parole Commission, for the Register and Associate Registers of Copyrights, and for the Deputy and Assistant Commissioners of Patents and Trademarks, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I am advised that Senator LIEBERMAN wishes to address the Senate, so I ask unanimous consent that upon his seeking recognition, that Senator LIEBERMAN be recognized to address the Senate and that upon completion of his remarks the Senate stand in recess under the order until 9:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LIEBERMAN. Mr. President, is the Senate now in morning business, may I inquire of the Chair?

The PRESIDING OFFICER. The Senator is correct. The Senator may proceed.

Mr. LIEBERMAN. Thank you.

THE FATE OF DEMOCRACY IN ROMANIA

Mr. LIEBERMAN. Mr. President, last month I was privileged to cochair an observer delegation to the Romania election that was sponsored by the National Democratic and Republican Institutes.

When I returned from that mission, I was cautiously optimistic about the fate of democracy in Romania. The elections were, it is true, somewhat scarred by irregularities, and the campaign season that led up to the election was not totally open and fair, as we know it here in the United States. But, overall, I believe that the results of the election reflected the will of the people and that Romania had begun to move down the road toward democracy, certainly some enormous steps from the dictatorship under which they lived a few months ago.

Unfortunately, my optimism on returning from that trip has been tempered by news today that the newly elected government has taken strong and violent action against protesters who had been camped in University Square in Bucharest for the past several months.

Mr. President, I visited those protesters when I was in Romania, and I found them to be mainly idealistic, peaceful people who earnestly desired no more than a quicker pace on the path toward freedom and democracy in their country.

Seeing those same people today on the television with blood streaming down their faces, in the wake of a violent suppression of their protest earlier today is dispiriting to me and I am sure to everyone who has had high hopes for Romania, as it emerges from decades of dictatorship. Reports that the newly elected President called on his supporters on television to go out into the streets to protect his administration are also very disturbing because they are not the acts of a leader in a time of crisis which are aimed at restoring order and balance. In fact, they are creating much more disorder, chaos, and repression.

I believe that the President had other options. I believe that the protesters should have been allowed to continue their peaceful vigil in University Square just as protesters routinely occupy Lafayette Park in Washington across the street from the White House and so many other public places in our country. That inconvenience is one of the prices we pay for a true democracy.

Mr. President, when I returned from Romania I reported to my colleagues here in the Senate that, based on what I had seen there, I thought that the United States should consider extending once again the most-favored-nation trade status that had been removed from Romania 2 years ago. I said that based on the progress that has been made and my belief that MFN status should be considered extended with some conditions, conditions that encourage the Government of Romania to move that country further down the road to democracy, to recognize the rights of minorities within that country, particularly the Hungarian minority and to move more aggressively than they have indicated thus far toward aspects of a market economy, which is the most state-controlled economy in all of Eastern Europe. Today's events are a setback, in my opinion, for Romania's chances to obtain most-favored-nation trade status soon and other forms of recognition and support for the world community.

We have to continue to provide emergency relief for orphanages and other public health institutions that meet the needs of the people that have been afflicted for too long. But I am afraid that long-term aid and other forms of special and privileged contract must hang in the balance.

I hope that President Iliescu will reverse the position he has taken on the protesters in University Square. I hope that he will act to release those who are in custody and provide amnesty to those protesters who have demonstrated on the streets in the wake of this morning's arrests. If such action is not taken, I fear that Romania will lose many of the gains that it has made since the revolution of last December.

This is a critical moment in the history of this great and ancient and proud nation. I hope that those in charge will demonstrate at this moment real leadership, compassion, dedication to human rights and an understanding of what true democracy is all about. If they do, they will find here in the Senate, throughout this country, and throughout the world, I am sure, the kind of support that will enable the people of Romania to live the decent and free lives that they have so long desired and so deeply deserve. With the door to democracy now open in this country, there must be and can be no turning back.

Thank you, Mr. President.

I yield the floor.

ORDERS FOR TOMORROW

RECESS UNTIL 9:30 A.M.; APPROVAL OF THE JOURNAL; RESERVATION OF LEADER TIME; MORNING BUSINESS; CONSIDERATION OF MOTION TO PROCEED TO H.R. 770

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9:30 a.m. on Thursday, June 14; that following the prayer, the Journal of the proceedings be deemed approved; that the time for the two leaders be reserved for their use later in the day; that upon reservation of the leaders' time there then be 3 hours of morning business, equally divided and controlled between the two leaders; and that at the end of that period the Senate resume consideration of the motion to proceed to H.R. 770.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9:30 TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until 9:30 a.m., Thursday, June 14.

Thereupon, the Senate, at 7:17 p.m., recessed until Thursday, June 14, 1990, at 9:30 a.m..

NOMINATIONS

Executive nominations received by the Senate June 13, 1990:

DEPARTMENT OF STATE

KENNETH NOEL PELTIER, OF TEXAS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE FEDERAL AND ISLAMIC REPUBLIC OF THE COMOROS.

GEORGE FLEMING JONES, OF TEXAS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE CO-OPERATIVE REPUBLIC OF GUYANA.

HARRY S TRUMAN SCHOLARSHIP FOUNDATION

THE FOLLOWING-NAMED PERSONS TO BE MEMBERS OF THE HARRY S TRUMAN SCHOLARSHIP FOUNDATION FOR TERMS EXPIRING DECEMBER 10, 1993:

JOHN ASHCROFT, OF MISSOURI, VICE TERRY EDWARD BRANSTAD, TERM EXPIRED.

RICHARD C. HACKETT, OF TENNESSEE, VICE ROBERT MICHAEL ISAAC, TERM EXPIRED.

HOUSE OF REPRESENTATIVES—*Wednesday, June 13, 1990*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Teach us, O gracious God, the meaning of community and the vital bonds that make us one people. As You have created every one of us, so remind us of our responsibility to care for each other, to share one other's burdens and pain, to celebrate with one another the joy and happiness of the gifts of life. May not our personal goals or desires keep us from knowing the satisfaction that comes when we open our hearts and minds to the concerns of all Your people of Your whole created world. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEGE OF ALLIEGIANCE

The SPEAKER. The gentleman from New Hampshire [Mr. DOUGLAS] will please come forward and lead the House in the Pledge of Allegiance.

Mr. DOUGLAS led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate agrees to the amendments of the House to the bill (S. 286) entitled "An act to establish the Petroglyph National Monument in the State of New Mexico and for other purposes," with amendments.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled bill on Tuesday, June 12, 1990:

H.R. 20. An act to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes.

WHAT SWIFT AND SEVERE PUNISHMENT?

(Mr. ANNUZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANNUNZIO. Mr. Speaker, when President Bush signed the savings and loan bill last August 9, he said, and I quote, "those who try and loot the savings of their fellow citizens deserve and will receive swift and severe punishment."

Unfortunately, that promise is not being fulfilled by the administration. The Justice Department has been a less than enthusiastic pursuer of savings and loan crooks. Congress authorized $75 million to investigate and prosecute the crooks, but the Justice Department only requested two-thirds of that money.

There is no shortage of crooks to pursue. The GAO found fraud in the two-thirds to three-quarters of the failed savings and loans it studied. There have been 21,000 criminal referrals to the Justice Department alleging fraud and other crimes in financial institutions. Nevertheless, the Justice Department has been reluctant to pursue the crooks with vigor and speed.

Every day that passes without energetic investigation of the savings and loan crooks makes it that much more likely that they will escape prosecution and prison.

Mr. Speaker, it is time for the administration to fulfill President Bush's promise of swift and severe punishment for S&L crooks. It is time to put the savings and loan crooks in jail.

NATURE'S SOLUTION TO INDOOR AIR POLLUTION

(Mr. DOUGLAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks)

Mr. DOUGLAS. Mr. Speaker, according to an EPA report, people in industrialized countries spend over 90 percent of their time indoors. In 1989, the EPA also found that "sufficient evidence exists to conclude that indoor air represents a major portion of the public's exposure to air pollution and may pose serious and acute chronic health risks." Every day, the public is exposed to gases and volatile organic chemicals. The most worrisome pollutants are radon, asbestos, and tobacco smoke, among others.

The potential economic impact of indoor air pollution could be in the tens of billions of dollars per year.

NASA has been conducting a study of indoor air pollution for two decades to improve the quality of air we breathe. They have discovered a low-tech, low-cost approach to this problem—living green and flowering plants. In NASA experiments, plants, and flowers were found to remove as much as 87 percent of toxic indoor air pollutants within 24 hours. Pollutants are absorbed through plants, leaves, their roots, and the bacteria that live on them.

Indoor air can be as much as 100 times more polluted than outdoor air. I call on my colleagues to join the Foliage for Clean Air Council to help reduce indoor air pollution. Nature has provided an inexpensive and easy solution, let's take advantage of it.

WAVE THE FLAG, BURN THE TAXPAYER

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks)

Mrs. SCHROEDER. Mr. Speaker, the Bush administration has in its arsenal a tough and effective weapon to clean up the savings and loan scandal—the Racketeer Influenced and Corrupt Organizations Act [RICO].

Corrupt organizations perfectly describes the once high-flying, insider-dealing, thrift institutions that made a few people rich and left the taxpayers with a $500 billion tab.

Under the RICO law, the Federal agencies cannot only go after the assets of those who defrauded the Government, but they can collect treble damages.

What is the Bush administration doing with RICO? The Attorney General's RICO prosecutions are underwhelming. Worse, the Attorney General is lobbying to gut the RICO law so that even corrupt thrift executives currently under investigation will be let off the hook.

What does President Bush have to say? "Wave the flag—burn the taxpayer."

THE S&L SCANDAL: WHO PAYS?

(Mr. KENNEDY asked and was given permission to address the House for 1 minute.)

Mr. KENNEDY. Mr. Speaker, the cost of the S&L bailout is going through the roof. A year ago the administration said that $50 billion was needed to clean up the mess. Last month, it upped the price tag to as much as $132 billion. But even that is too low, say others. By the time America digs out of this scandal, it could cost as much as $1.4 trillion. And almost two-thirds of that will be interest paid on borrowed funds—just because the administration preaches "no new taxes" instead of pay as you go.

But let us not fool anyone. The S&L bailout has raised taxes—on working Americans, who will have to pay over $2,000 for the crimes of greedy thrift owners and their cronies. And what about the wealthiest in America, who can most afford to pay, and who profited the most from the high-interest rates caused by the S&L feeding frenzy? We cut their taxes over 10 years from 70 to 28 percent—and some people in America still want to give them a capital gains tax cut.

Mr. Speaker, as Congress faces further S&L bailout legislation, it is time to stop sticking it to the poor and working people of this country. We need a pay-as-you-go system where the wealthy and powerful put up their fair share of the bailout. They are the ones who had the party. They ought to be the ones to pay for it. Simple fairness, and the economic survival of this Nation, demand nothing less.

SUPPORT TEXTILE MACHINERY

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, it is better to have a fence at the top of the hill than an ambulance at the bottom. That is a cliche—but only because of its truth. Our basic domestic industries are falling victim to a trend of import penetration. Once that trend begins, it keeps accelerating. Can we afford to let our industrial base erode?

Along with 53 other cosponsors of H.R. 1461, I would like to stop this trend for textile machinery by letting the industry use a portion of tariffs collected on import machinery to fund research and development.

The trend is evident. The Department of Commerce reported that textile machinery employment was cut more than half in one decade, from 35,000 workers to 16,500. The International Trade Commission [ITC] found that industry shipments were down from $1.7 billion in 1960 to $948 million in 1986. ITC also reported the share of the U.S. market held by imports went from 6.9 percent in 1960 to 57.5 percent in 1986.

The Commerce Department stated improved performance will require extensive investment by this industry in research and development. The goal of H.R. 1461 is to give the industry a financial boost in reversing that trend. What better way to do that than to use some of the tariffs collected on import machinery. Let us enact this bill and turn the successful foreign competition into a benefit for our own industry.

PROSECUTIONS DEMANDED IN S&L SCANDAL

(Mr. TANNER asked and was given permission to address the House for 1 minute.)

Mr. TANNER. Mr. Speaker, many of us recognize that the savings and loan problem entails more than just criminal behavior. Some things that frankly we can do little about are involved in this matter, but we can do something about criminal behavior.

Mr. Speaker, some 16 months ago, the President sent to us a plan to reform the industry. Among his goals was one to place behind bars those who have caused losses through criminal behavior.

Now, months after the Congress has acted, we seem to be getting a new report every week about the escalating costs of the cleanup. Yet, we have heard very little about the prosecution of those involved in criminal activity that contributed to this problem.

Congress appropriated the money necessary for the Justice Department to do its job of prosecuting those responsible. Not one indictment has been handed down.

The program to reform the thrift industry is in place. The money to seek out and prosecute those involved in criminal activity is there. The administration must do more than just seek more money to address the savings and loan problem; it must try to address the savings and loan problem; it must try to solve the mess we are in.

PROPOSED LEGISLATION WOULD PROVIDE BETTER COMPETITIVE ENVIRONMENT FOR TEXTILE MACHINERY INDUSTRY

(Mr. COBLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBLE. Mr. Speaker, we in Congress have shown our willingness to bail out failed industries or companies. But would it not be better to avoid this scenario entirely by addressing problems before they reach a crisis stage?

The U.S. textile machinery industry hangs precariously on a cliff, beset by rising imports and a world market that stacks the deck against it. If we improve that competitive environment, we can help the industry to prosper.

H.R. 1461 would do that. Studies conclude that this industry needs substantial investment in research and development. H.R. 1461 would take some of the tariffs on imported machinery, and let the industry apply it to closing the technology gap.

This is not a bailout. It is a helping hand to an industry already working to stay competitive. Commitment to R&D was steady through the 1980's, at 2.5 to 5 percent of sales. But in actual dollars, the amount has declined.

Industry research and market development has helped. The late 1980's saw increased shipments and improved export sales.

That is a hopeful sign. But much of the improvement reflects stability in the value of the dollar. And much of the sales came in parts and accessories. Those shipments, too, will decline without continued sales of basic machinery.

H.R. 1461 is our chance to help an industry without resorting to protectionism or waiting until a bailout is needed.

PROSECUTOR FOR S&L SCANDAL NEED NOT BE "SPECIAL"

Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

Mr. DORGAN of North Dakota. Mr. Speaker, some of my colleagues this morning are talking about a "special" prosecutor for the savings and loan scandal. I have a question. What happened to the regular prosecutor?

We spend hundreds of millions of dollars down at the U.S. Justice Department. We have thousands of lawyers down at the Justice Department. They are our prosecutors.

What has happened? Where are they? Are they missing? Should we put their pictures on the sides of milk cartons? What has happened to all these folks?

Thousands of people committed fraud in the S&L industry, and nothing is happening to them, but if somebody goes down this afternoon and steals a loaf of bread at a convenience store, they are going to jail in handcuffs. The folks that took America for a ride and stole us blind, they are still not going to jail; they are going to resorts. Why? Because we have an Attorney General who apparently is not competent enough to prosecute.

It is time for this Attorney General to get on the ball and start putting the folks who took America for a ride in jail. They stole us blind. We should not put up with it. We do not need a special prosecutor; we need a prosecutor that knows how to prosecute, and we need him now.

PROPOSED LEGISLATION WOULD MANDATE RESTITUTION EVEN IN FACE OF BANKRUPTCY

(Mr. GEKAS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, the Supreme Court of the United States very recently handed down a very unfortunate decision, and we ought to know the ramifications of it. The Court ruled in this particular case that where a couple had committed fraud and was ordered to pay restitution to the Commonwealth for having defrauded it in a welfare scam, they did not have to repay that money because they filed for bankruptcy and the bankruptcy wiped out the restitution that was ordered by the judge.

We cannot abide by that kind of result. Even with the savings and loan prosecutions that are yet to come and the insider traders who are yet to be prosecuted, do we want to see them ordered to pay restitution of millions of dollars and then move to the next courtroom and file for bankruptcy and not have to repay that money? If Members do not want to see that kind of a result, I ask them to join me in the cosponsorship of a bill I have introduced that would reverse that Supreme Court decision and would allow restitution to remain in force no matter what kind of bankruptcy or other action that convict would seek.

U.S. NAVY'S PROBLEMS ESCALATE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, American sailors deserve battle pay. Navy jets are bombing our own ships. Men and missiles are being washed overboard. Navy rockets, when fired, do cartwheels like giant Shamu. Big guns do fire, and then they do not fire. Ships run into each other, ships run aground, and after all that, they have no spare parts for anything.

But guess what? A Pentagon spokesman said that the Navy has an excellent safety record. I want to ask, whose standards do they use? General Custer's?

Now, to take the cake, listen to the latest. The graduates at the Academy got their diploma with the Navy Seal, and the word was spelled N-A-V-E-L. Now, how is that for attention to detail?

Mr. Speaker, I think that says it all. We should cut that Barnum & Bailey act at the Pentagon and straighten out our budget before our whole economy goes belly-button up. Think about it.

CONSTITUTIONAL AMENDMENT ON FLAG DESECRATION NO THREAT TO FREE SPEECH OR EXPRESSION

(Mrs. MARTIN of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MARTIN of Illinois. Mr. Speaker, on Monday, the Supreme Court ruled 5 to 4 that legislation which Congress passed in 1989 to defend the integrity of the American flag was unconstitutional. On this day, of all days, I believe that we in the Congress have to consider that decision and the role we might play in altering it.

For many of us in the House, Monday's ruling came as no surprise. Though we supported passage of the Flag Protection Act, we suspected at the time that we were building a house upon the sand. After all, the legislation was brought before the House in response to an earlier 5 to 4 decision that interpreted first amendment guarantees to cover the purposeful desecration of the American flag.

Well, we went the extra mile in deference to our colleagues who considered proposals to amend the Constitution extreme, emotional, or a threat to our liberty. We went the extra mile and we're back where we started.

Mr. Speaker, a narrowly drawn and focused amendment to the Constitution allowing Congress to enact legislation to protect the integrity of the flag—an amendment similar, in other words, to a number of those introduced last year—is no threat to anyone's right of free speech or expression.

The American flag stands throughout the world as the preeminent symbol of freedom and of our Government's respect for the rights, liberties, and prerogatives of individual men and women. Here at home it stands as the preeminent symbol of our unity and dedication to the ideals and the vision that inspired the founders of this great Republic—this great and living experiment in democracy.

Efforts to defend the integrity of that symbol, to give it a special place and special protection in the Constitution, are a threat to no one's liberty. It's time that the Congress of the United States joins the American people in recognizing that fact.

□ 1020

THE ANSWER IS DOUBLE HULLS

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI. Mr. Speaker, how much more will it take? The *Mega Borg* is burning off the Texas coast. A quarter of a million gallons of oil poured through the split hold of a tanker in New York Harbor last week. The *Exxon Valdez* still burns in our memory. Still this torrent of oil gushing through our waters has not convinced the administration or some Members of this institution to take action.

Mr. Speaker, earlier this year the gentleman from New Jersey [Mr. GALLO] and I offered an answer: Double hulls and double bottoms on every oil tanker coming into the harbors, sailing off the beaches of this Nation. For 20 years the answer has been clear. Only double bottoms can safeguard our waters. Foreign nations have provided this answer for themselves. Even some oil companies are acting.

Mr. Speaker, 20 years' worth of studies have proved that this can be avoided, and I call upon the Members of this institution: Go to the conferees. Go to our colleagues. Vote for this provision. Bring it back to this floor. Put a double bottom, put a margin of safety, on every oil tanker in American waters. Twenty years later, after the Coast Guard acted, we can follow them.

We can provide an answer: A double bottom on every oil tanker.

NEW LEGISLATION WOULD ALLOW U.S. MILITARY BANDS TO SELL THEIR RECORDINGS

(Mr. SHAW asked and was given permission to address the House for 1 minute and to include extraneous material.)

Mr. SHAW. Mr. Speaker, I am submitting for the RECORD a copy of the U.S. military band performances scheduled for this summer on the west terraces of the Capitol, and would like to encourage all Members to attend one of these performances. Our Nation's military bands have been noted as some of the finest in the world. I strongly recommend you take the opportunity to experience one of these inspirational performances because you will not be able to take it home with you. Titles 10 and 14 of the U.S. Code prohibit U.S. military bands from selling their recordings, but I am working to change this outdated law. After you personally enjoy the brilliance of this music, I hope you will add your name as a cosponsor of my bill, H.R. 2800—to permit recordings of these military bands to be sold commercially—and allow patriotic Americans nationwide to bring the experience home.

U.S. MILITARY BAND PERFORMANCES

U.S. NAVY BAND

Monday Evenings

June 4, 11, 18, 25.
July 2, 9, 16, 23, 30.
August 6, 13, 20, 27.

U.S. AIR FORCE BAND

Tuesday Evenings

June 5, 12, 19, 26.
July 3, 10, 17, 24, 31.
August 7, 14, 21.

U.S. MARINE BAND

Wednesday Evenings

June 6, 13, 20, 27.
July 11, 18, 25.
August 1, 8, 15, 22, 29.

U.S. ARMY BAND

Friday Evenings

June 1, 8, 15, 22, 29.
July 6, 13, 20, 27.
August 3, 10, 17, 24, 31.

All concerts will commence at 8 p.m., weather permitting.

PROTECTING THE WILDERNESS CANYONLANDS OF THE COLORADO PLATEAU

(Mr. KOSTMAYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOSTMAYER. Mr. Speaker, a couple of weeks ago I had the pleasure of spending several days in the magnificent State of Utah with my friend and colleague WAYNE OWENS.

At Congressman OWENS' invitation, I spent a full day in south central Utah viewing several areas proposed for wilderness designation in his bill H.R. 1500.

It would be hard to overstate the beauty of these areas and I am proud to be an original cosponsor of Mr. OWENS' bill.

Events I witnessed while in Utah also convince me that we must move to protect these areas as soon as possible. During the trip, we hiked along a desert river at the bottom of a canyon in the midst of the incredible landscape of the San Rafael swell and walked along the canyon rim overlooking the river far, far below.

Mr. Speaker, nothing marred the beauty of this area. Nothing, that is, except the sound of dirt bikes roaring along the river bottom.

The canyon bottom of the San Rafael River is currently managed by the Bureau of Land Management as a wilderness study area. But you would never know it from the motorcycles. No signs in the canyon warn that motorized vehicles are prohibited on these lands. I know the BLM is understaffed, underfunded, and overworked. But the wilderness areas of Utah need more protection and need it as soon as possible.

Mr. Speaker, in order to hasten that day I urge my colleagues to join the 80 Members who have cosponsored H.R. 1500. There is no place on Earth quite like the wilderness canyonlands of the Colorado Plateau and what we lose in the next few decades can never be replaced.

NATIONAL DOMESTIC VIOLENCE AWARENESS MONTH

(Ms. SLAUGHTER of New York asked and was given permission to address the House for 1 minute.)

Ms. SLAUGHTER of New York. Mr. Speaker, in America today, more than 2,400 women have been beaten and abused—victims of domestic violence—and it isn't even noon yet.

By midnight, that number will reach nearly 5,800. Multiply that by 365 days a year and you have another frightening statistic.

Domestic violence is the single largest cause of injury to women in the United States. This silent crime knows no bias—it transcends racial, social, and economic lines and strikes at the heart of our Nation's families. When a mother is beaten, there is a 50-percent chance that her children will be abused as well.

Last year, Congress for the first time designated October as "National Domestic Violence Awareness Month" as a way to draw attention to the devastating effect of domestic violence in America and to demonstrate the support for programs that assist these victims.

Today Congressman MILLER and I have introduced a resolution to again designate October as National Domestic Violence Awareness Month.

Mr. Speaker, we must recognize the victims who have persevered and overcome this daily violence. We also need to commend the hard work and invaluable achievements that have been made through programs to combat domestic violence.

I invite my colleagues to join me, Representative MILLER, and 99 other original cosponsors in bringing much needed attention to this tragic national problem.

DON'T FORGET LITHUANIA

(Mr. SARPALIUS asked and was given permission to address the House for 1 minute.)

Mr. SARPALIUS. Mr. Speaker, as we see the struggles of Lithuania being pushed off of the front pages of our newspapers and placed on the back pages, we must not forget their struggle and their determination for freedom and independence.

However, Mr. Speaker, today in Lithuania, because of the strains that the Soviet Union has placed on them, nearly 200,000 people are unemployed. Factories have reduced their hours because of the lack of energy. No gasoline has been available at the pumps since May 18, 1990.

Yet, Mr. Speaker, there is a caravan of trucks waiting at the Lithuanian-Polonian border to provide gasoline. Eighty-five percent of the households today in Lithuania do not have any hot running water. Hospitals are running out of surgical thread, cotton balls, surgical materials, surgical gloves. Surgeries are only available in life-threatening situations. Lithuania has no army. They have no means of defending themselves.

However, Mr. Speaker, that is the price that they are willing to pay for freedom and independence, and that is the price to be able to worship their God, to be able to choose to live anywhere that they wish. I say to all Members, "Please don't forget Lithuania and their struggle for freedom."

THE ATTORNEY GENERAL IS NOT AT FAULT IN THE S&L CRISIS

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, there is an old story about the boy who murdered both his parents and then threw himself on the mercy of the court because he was an orphan. I am reminded of that old story when I heard some of our Democratic colleagues come to the floor today talking about the savings and loan crisis.

It was this Congress that in the dark of night in the conference committee raised the insurance limits to $100,000, thereby creating the abuses that most people now recognize as the true problem in the S&L crisis. It was the chairman of the committee in this House that so abused the process that there was a thick Committee on Standards of Official Conduct report that came out with regard to his problems with special interests, and yet this Congress could not bring itself to act. It was the Speaker of this House that had a cozy relationship with the regulators over a period of time; the former Speaker I should say, that resulted in his need to resign.

So, Mr. Speaker, it is this Congress that is in large part responsible for the problems that we now see today in the savings and loan crisis.

It is rather difficult for me to accept then the people who are, at least in part, responsible for the problem coming here somehow suggesting the Attorney General is at fault for the S&L crisis.

□ 1030

REWRITING HISTORY ON THE SAVINGS AND LOAN CRISIS

(Mr. NAGLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NAGLE. Mr. Speaker, I had not planned on speaking this morning; however, the gentleman from Pennsylvania has spurred me to action, to suggest that somehow this crisis is the responsibility of Democrats in the Congress, when we watched the past ad-

ministration of which the gentleman from Pennsylvania was such a great fan, watched with indifference the growing crisis in the S&L's, incapable of acting, incapable of leadership, believing that Government regulation had no responsibility to oversee the industry, forgetting the lesson of 50 years ago from the Great Depression, trying to restore us to what we were before in the abuses of the stock market crash first vested upon this country in 1929, to suggest that somehow two Members of Congress and one a former Speaker, who was never directly linked to the crisis, were somehow responsible for this debacle that the current administration now refuses to clean up; my goodness, we are trying to rewrite history here on the floor. The responsibility for this mess and the failure to clean it up rests solely with the administration and their incapacity and inability and unwillingness to spend the money that Congress has appropriated to prosecute the criminals and to start regulating an industry that desperately needs regulation.

Mr. Speaker, I am shocked by the comments of the gentleman from Pennsylvania.

INVITATION TO COSPONSOR HOUSE JOINT RESOLUTION 407, CREATING A SPECIAL INVESTIGATOR FOR THE S&L CRISIS

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, we can point fingers as it relates to the savings and loan crisis if we wish, but I would suggest that if we wish not, that we all become cosponsors of House Joint Resolution 407, the legislation of the gentleman from Vermont [Mr. SMITH] to create a special investogator. The reason that is critically necessary is because I served on the House Ethics Committee, and I will tell you that if you want to go back and read the proceedings of the Ethics Committee, there was a Speaker who resigned and he resigned because he could not risk an open investigation of his relationship with savings and loans and his involvement there.

There was a House leader who chose not to have his activities fully investigated because he was so heavily involved with savings and loans.

Now, that is reality. That is what the record says.

Our responsibility is to create a solution to the problem that we can tell to the American taxpayer who is now being asked to pay over $2,000 per taxpayer to bail out this debacle, that there are answers and that those who participated in the development of this crisis are going to be prosecuted and placed in jail. That is a responsible answer for this Congress.

Mr. Speaker, let us not play partisan politics, but if you wish to, go read the RECORD.

THE SOCIAL SECURITY NOTCH

(Mr. MURPHY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MURPHY. Mr. Speaker, this afternoon we will be holding a special order on the subject of the Social Security notch problem which affects some 7 million American retirees.

In December of 1977 I cast my vote against the measure that created the notch inequity. Since that date I have sponsored, along with over 250 of my colleagues, scores of bills, attended many meetings, attended marches and hearings, to reverse that injustice, but to no avail.

We keep hearing day after day about the huge surplus in the Social Security trust fund. We read about how it is being used to mask the size of the deficit. We seem willing to do everything we can with this money except pay it and use it for those people who need it most, our senior citizens. They are not greedy. They do not expect retroactivity. They are not looking for something inconsistent with what Congress has not done before. They are looking for justice and fairness and we have an obligation to examine their problem and take appropriate action now.

I can understand there might be some disagreement over which action is set, but we do have an obligation and a right to address that measure here in the House, and I urge the leadership of the Ways and Means Committee to give us that opportunity.

SUPPORT RESOLUTION FOR INDEPENDENT COUNSEL ON SAVINGS AND LOAN CRISIS

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, today I join with our colleague, the gentleman from Vermont, Mr. PETER SMITH, in his resolution asking for an independent counsel on the issue of the savings and loans. I do so because I am greatly concerned about the ability of the Attorney General to carry out this investigation. We are now told that some 20,000 cases have been referred to the office for prosecution of various individuals within the savings and loan industry that took America's money, gambled with it and lost it, and now are living in many instances a very high life style in their mansions and on their yachts and in their fancy cars, and American families are being asked to bail out the savings and loan; and yet we find out at the same time that the administration is not spending the money that is necessary for the prosecution of these cases. They have not asked for the prosecutors necessary to develop the cases around the country.

As we all know, delay is on the side of the defendant and delay is on the side of these individuals as these cases lie dormant in the offices of Federal prosecutors all over the country.

Now special prosecutors are usually reserved for the cases of high conflicts of interest. The conflicts of interest here in the Attorney General's office may very well be that he just does not see this as a priority, nor does the President of the United States see this as a priority in prosecuting those individuals who stole America's savings.

PERSONAL EXPLANATION

Mrs. MARTIN of Illinois. Mr. Speaker, although I was present, I was not recorded for the vote on May 22 for the House passage of legislation to create the Petroglyph National Monument, a unit of the National Park System, I would have voted "yea" on the Vento motion to supend the rules and pass the bill, S. 286 (rollcall 124).

Mr. Speaker, I ask unanimous consent that my explanation may appear immediately after rollcall vote No. 124 in the permanent CONGRESSIONAL RECORD.

The SPEAKER pro temore (Mr. TANNER). Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 4785, AIDS PREVENTION ACT OF 1990

Mr. WHEAT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 408 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 408

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4785) to amend the Public Health Service Act to establish a program of grants to provide preventive health services with respect to acquired immune deficiency syndrome, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Energy and Commerce

now printed in the bill as an original bill for the purpose of amendment under the five-minute rule and said substitute shall be considered as having been read. No amendment to said substitute shall be in order except the amendments printed in the report of the Committee on Rules accompanying this resolution. Said amendments shall be considered in the order and manner specified in the report and shall be considered as having been read. Said amendments shall be debatable for the period specified in the report, equally divided and controlled by the proponent and a Member opposed thereto. Said amendments shall not be subject to amendment except as specified in the report. The amendments offered by Representative Madigan of Illinois shall be considered en bloc. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After passage of H.R. 4785, it shall be in order to take from the Speaker's table the bill S. 2240 and to consider said bill in the House, and it shall then be in order to move to strike out all after the enacting clause of the Senate bill and to insert in lieu thereof the provisions contained in H.R. 4785 as passed by the House. It shall then be in order to move to insist on the House amendment to S. 2240 and to request a conference with the Senate.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. WHEAT] is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 408 is a modified open rule providing for 1 hour of general debate, to be equally divided between the chairman and ranking minority member of the Committee on Energy and Commerce on H.R. 4785, the AIDS Prevention Act of 1990.

The resolution makes in order the Energy and Commerce Committee amendment in the nature of a substitute now printed in the bill as original bill for the purpose of amendment under the 5-minute rule and said substitute is to be considered as having been read.

The rule makes in order the five amendments which were brought to the attention of the members of the Rules Committee by our colleagues Mr. MADIGAN, Mr. LENT, Mr. BURTON, Mr. DANNEMEYER, and Mr. WAXMAN. No amendments to the bill are in order except for these five which are printed in the report accompanying this resolution.

The amendments are to be considered in the order and manner specified, and the debate time provided on the amendments is to be equally divided and controlled by the proponent and opponent of the amendment.

The amendments are not subject to amendment with the exception of the Dannemeyer amendment which is subject to amendment by a substitute to be offered by our colleague from California, Mr. WAXMAN.

The amendments offered by Representative MADIGAN are to be considered en bloc.

At the conclusion of the consideration of the bill for amendment, the rule provides for one motion to recommit with or without instructions.

Finally, after passage of H.R. 4785, the rule makes in order a motion to take S. 2240 from the Speaker's table and to consider the bill in the House. It shall then be in order to move to strike out all after the enacting clause of the Senate bill and to insert in lieu thereof the text of H.R. 4785 as passed in the House.

A motion to insist on the House amendment and to request a conference with the Senate may then follow.

House Resolution 408 provides that Members may fully debate this bill and, for Members who expressed their interest, the opportunity to offer amendment to the bill. Therefore, I recommend a favorable vote by my colleagues on its passage so that we may proceed to consideration of this important legislation.

□ 1040

Mr. QUILLEN. Mr. Speaker, I yield myself as much time as I may use.

Mr. Speaker, I rise in support of the modified open rule that the Rules Committee has adopted for consideration of the bill H.R. 4785, the AIDS Prevention Act of 1990. On the whole, this rule will allow for appropriate and focused debate on several important issues regarding the deadly AIDS virus.

I would particularly like to call Members' attention to the Waxman substitute amendment. If offered, this amendment would provide a useful clarification to the bill—a bill that already strikes an appropriate balance by directing States to conduct contact tracing of individuals exposed to HIV and by preserving the State public health officer's authority to determine the extent of the contact tracing program.

I would not want to have it any other way. Contact tracing programs are labor-intensive public health operations. These same public health departments are responsible for other critical activities like immunizing children and inspecting food handling establishments. I know that many Members feel strongly that the priorities of the public health departments should be established with input at the local level and not entirely by the Congress. This amendment would allow for that vote if need be.

Even strong supporters of contact tracing like the American Medical Association and the Association of State and Territorial Health Officials readily acknowledge that contact tracing programs are more effective in some places than in others—depending on a number of factors like the extent of HIV infection in the local population. These factors create an environment that is unique to each community and require contact tracing programs to be designed accordingly. Since this rule provides for a possible vote on the Waxman substitute, support for this rule would allow the advice of our leading medical authorities to be fully weighed.

But let us not get hung up on the issue of amending this legislation to require that those doing HIV testing must report the identity of those who test positive to the public health authorities. The underlying bill already requires States to carry out contact tracing and the Waxman amendment would make it perfectly clear that the reporting of those who test positive may be part of that contact tracing program.

On the other hand, the amendment that my friend, the gentleman from California [Mr. DANNEMEYER] may offer under this rule would directly challenge basic assumptions about any federally funded HIV-testing and counseling program. But that is the choice this House may be called on to make. This rule would allow Members to vote up or down the Dannemeyer amendment on whether or not mandatory names reporting to State health authorities should be in the final bill.

I urge my colleagues to support this rule as striking a fair balance between both sides on this controversial issue.

Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, this bill was described as a modified open rule. Language sometimes I guess has consequence, so I think we ought to make it quite clear, modified open rules are closed rules. This particular rule is a closed rule. It only allows some amendments.

I guess I am a little confused as to why on a bill of this nature it is necessary to have a closed rule. Other than the fact that the committee chairman requested a closed rule, as most committee chairmen like to do, because they do not want to put up with Members of the House dealing with their work of art, the fact is that this is the kind of bill that certainly could have been subjected to the process of the Members of this House working their will.

The problem with this particular closed rule is the fact that we are

more and more moving into the realm where the Committee on Rules is simply protecting the committees of the House and not allowing Members of this House to work their will.

I give as a case in point that four of the five amendments that are allowed in this rule come from members of the committee of jurisdiction. These are the people who have had their crack at the bill, and now you are giving four of the five amendments that are available to those particular people. The rest of the House is cut out, and we will not have an opportunity for the rest of the House to have much of a say at all about the legislation.

I suggest that this process is wrong. I think that it is a bad trend line that we are seeing in this Congress when the Committee on Rules has consistently brought rules to the House floor that are closed or modified closed rules, and where open rules are a rarity rather than the standard.

I am at a loss to understand why on a bill of this nature we would not have the House work its will. Now, it is my understanding that they have allocated all of the amendments that people came to the Committee on Rules and asked for. That is not an explanation.

Everybody who knows how the House of Representatives works understands that most Members do not focus on legislation coming to the floor until it is actually on the schedule. In this particular case, by the time the bill was scheduled, Members had lost their opportunity to make their pitch at the Committee on Rules.

So once again we have a situation where the House is being hogtied and being told that they cannot have their rights protected in terms of offering amendments and in terms of inspiring debate on the bill. I find it disappointing. I think it is a trend that the Committee on Rules is permitting to go on and on. Despite assurances early on that this session and this Committee on Rules were going to be considerate of rights of the Members, what we have is a Committee on Rules that now becomes dedicated to strangling House debate, rather than fostering House debate.

Mr. Speaker, I hope that Members will vote against the rule as a closed rule.

Mr. WHEAT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, while I do not want to argue semantical games whether the rule is a modified open or closed rule, I do want to make it clear that the Committee on Rules made it known to Members that there would be an opportunity to offer amendments to this particular legislation, and all amendments that were presented to the Committee on Rules were in fact included in the rule and will be allowed for consideration under the rule that is being proposed here.

Mr. Speaker, with that, I would ask Members to vote in favor of the rule so we can expedite consideration of this important legislation.

Mr. Speaker, I move the previous question on the resolution. The previous question was ordered.

The SPEAKER pro tempore (Mr. TANNER). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 308, nays 109, not voting 15, as follows:

[Roll No. 164]

YEAS—308

Ackerman	Dingell	Hubbard
Alexander	Dixon	Huckaby
Anderson	Donnelly	Hughes
Andrews	Dorgan (ND)	Hutto
Annunzio	Downey	Jacobs
Anthony	Durbin	Jenkins
Applegate	Dwyer	Johnson (SD)
Aspin	Dymally	Johnston
Atkins	Dyson	Jones (GA)
AuCoin	Early	Jones (NC)
Barnard	Eckart	Jontz
Bateman	Edwards (CA)	Kanjorski
Bates	Emerson	Kaptur
Beilenson	Engel	Kasich
Bennett	English	Kastenmeier
Berman	Erdreich	Kennedy
Bevill	Espy	Kennelly
Bilbray	Evans	Kildee
Billey	Fascell	Kleczka
Boehlert	Fazio	Kolter
Boggs	Feighan	Kostmayer
Bonior	Fish	LaFalce
Borski	Flippo	Lancaster
Bosco	Foglietta	Lantos
Boucher	Ford (MI)	Laughlin
Boxer	Ford (TN)	Leach (IA)
Brennan	Frank	Lehman (CA)
Brooks	Frost	Lehman (FL)
Browder	Gallo	Lent
Brown (CA)	Gaydos	Levin (MI)
Bruce	Gejdenson	Levine (CA)
Bryant	Gephardt	Lewis (GA)
Bustamante	Geren	Lipinski
Byron	Gibbons	Lloyd
Callahan	Gilman	Long
Campbell (CO)	Glickman	Lowey (NY)
Cardin	Gonzalez	Luken, Thomas
Carper	Goodling	Machtley
Carr	Gordon	Madigan
Chandler	Gradison	Manton
Chapman	Grant	Markey
Clarke	Gray	Martinez
Clay	Green	Matsui
Clement	Guarini	Mavroules
Coleman (MO)	Gunderson	Mazzoli
Coleman (TX)	Hall (OH)	McCloskey
Collins	Hall (TX)	McCrery
Condit	Hamilton	McCurdy
Conte	Harris	McDade
Conyers	Hatcher	McDermott
Cooper	Hayes (IL)	McGrath
Costello	Hayes (LA)	McHugh
Coughlin	Hefner	McMillan (NC)
Courter	Hertel	McMillen (MD)
Coyne	Hoagland	McNulty
Darden	Hochbrueckner	Meyers
de la Garza	Hopkins	Mfume
DeFazio	Horton	Michel
Derrick	Houghton	Miller (CA)
Dicks	Hoyer	Miller (OH)
Miller (WA)	Quillen	Spratt
Mineta	Rahall	Staggers
Moakley	Rangel	Stallings
Mollohan	Ravenel	Stark
Montgomery	Ray	Stenholm
Moody	Regula	Stokes
Moorhead	Richardson	Studds
Morella	Rinaldo	Swift
Morrison (CT)	Roe	Synar
Morrison (WA)	Ros-Lehtinen	Tallon
Mrazek	Rose	Tanner
Murphy	Roukema	Tauzin
Murtha	Rowland (CT)	Taylor
Myers	Rowland (GA)	Thomas (GA)
Nagle	Roybal	Thomas (WY)
Natcher	Russo	Torres
Neal (MA)	Sabo	Torricelli
Neal (NC)	Saiki	Towns
Nielson	Sangmeister	Traficant
Nowak	Sarpalius	Traxler
Oakar	Savage	Udall
Oberstar	Sawyer	Unsoeld
Obey	Saxton	Valentine
Olin	Scheuer	Vento
Ortiz	Schroeder	Visclosky
Owens (NY)	Schumer	Volkmer
Owens (UT)	Serrano	Walgren
Pallone	Sharp	Walsh
Panetta	Shays	Watkins
Parker	Sikorski	Waxman
Parris	Sisisky	Weiss
Pashayan	Skaggs	Weldon
Patterson	Skelton	Wheat
Payne (NJ)	Slattery	Whitten
Payne (VA)	Slaughter (NY)	Williams
Pease	Slaughter (VA)	Wise
Pelosi	Smith (FL)	Wolf
Penny	Smith (IA)	Wolpe
Perkins	Smith (NJ)	Wyden
Pickett	Snowe	Yates
Pickle	Solarz	Yatron
Poshard	Solomon	Young (AK)
Price	Spence	

NAYS—109

Archer	Grandy	Robinson
Armey	Hammerschmidt	Rogers
Baker	Hancock	Rohrabacher
Ballenger	Hansen	Roth
Bartlett	Hastert	Schaefer
Barton	Hefley	Schiff
Bentley	Henry	Schneider
Bereuter	Herger	Schuette
Bilirakis	Hiler	Schulze
Broomfield	Holloway	Sensenbrenner
Brown (CO)	Hunter	Shaw
Buechner	Hyde	Shumway
Bunning	Inhofe	Shuster
Burton	Ireland	Skeen
Campbell (CA)	James	Smith (NE)
Clinger	Johnson (CT)	Smith (TX)
Coble	Kolbe	Smith (VT)
Combest	Kyl	Smith, Denny (OR)
Cox	Lagomarsino	Smith, Robert (NH)
Craig	Lewis (CA)	Smith, Robert (OR)
Crane	Lewis (FL)	Stangeland
Dannemeyer	Livingston	Stearns
Davis	Lowery (CA)	Stump
DeLay	Lukens, Donald	Sundquist
DeWine	Marlenee	Tauke
Dickinson	Martin (IL)	Upton
Dornan (CA)	McCandless	Vander Jagt
Douglas	McCollum	Vucanovich
Dreier	Molinari	Walker
Duncan	Oxley	Weber
Edwards (OK)	Packard	Whittaker
Fawell	Paxon	Wylie
Fields	Petri	Young (FL)
Gallegly	Porter	
Gekas	Rhodes	
Gillmor	Ridge	
Gingrich	Ritter	
Goss	Roberts	

NOT VOTING—15

Crockett	Leath (TX)	Pursell
Dellums	Lightfoot	Rostenkowski
Flake	Martin (NY)	Thomas (CA)
Frenzel	McEwen	Washington
Hawkins	Nelson	Wilson

□ 1110

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Finance and Urban Affairs be permitted to sit today for the consideration of H.R. 1180, the Housing and Community Development Act of 1990, while the House is sitting for amendment under the 5-minute rule.

Mr. Speaker, the ranking minority member, the gentleman from Ohio [Mr. WYLIE], is in agreement with this request.

The SPEAKER pro tempore (Mr. TANNER). Is there objection to the request of the gentleman from Texas?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 2567, RECLAMATION PROJECTS AUTHORIZATION AND ADJUSTMENT ACT OF 1989

Mr. FROST. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 409 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 409

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2567) to authorize additional appropriations for the construction of the Buffalo Bill Dam and Reservoir, Shoshone Project, Pick-Sloan Missouri Basin Program, Wyoming, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and the amendment made in order by this resolution and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, by titles instead of by sections and each title shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 7 of rule XVI are hereby waived. No amendments to said substitute, except pro forma amendments for the purpose of debate, shall be in order except those printed in the "Amendment" portion of the Congressional Record prior to their consideration. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Texas [Mr. FROST] is recognized for 1 hour.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from California [Mr. PASHAYAN], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 409 is a modified open rule providing for the consideration of H.R. 2567, the reclamation project authorization. The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs.

The rule makes in order the consideration of an amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs and now printed in the bill as original text for the purpose of amendment under the 5-minute rule. The rule also provides that the substitute shall be considered by titles instead of by sections and waives all points of order against the substitute for failure to comply with the provisions of clause 7 of rule XVI, the germaneness rule. Further, House Resolution 409 provides that only pro forma amendments and those amendments printed in the CONGRESSIONAL RECORD prior to the consideration of H.R. 2567 will be in order when the substitute is considered for amendment under the 5-minute rule.

Finally, Mr. Speaker, the rule provides that at the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and permits any Member to demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. Speaker, as reported, H.R. 2567 is a simple authorization permitting the Bureau of Reclamation to study, design, construct, and/or modify various water and power projects. However noncontroversial the bill and substitute might be, there are two amendments which are germane to the substitute which are controversial. The first of these amendments, which will be offered by the gentleman from California [Mr. MILLER] seeks to close loopholes and would tighten limits on the amount of subsidized water made available to large acreage western farmers. The second amendment, which will be offered by the gentleman from Connecticut [Mr. GEJDENSON] would phase out delivery of subsidized water used to boost production of surplus crops.

Mr. Speaker, House Resolution 409 allows the offering of germane amendments to the committee substitute if such amendments have been printed in the CONGRESSIONAL RECORD in a timely manner. I urge my colleagues to adopt this rule in order that the House may consider H.R. 2567 and all eligible amendments.

Mr. PASHAYAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 409 is a modified open rule under which the House shall consider authorization changes for 10 projects concerning the Bureau of Reclamation.

The bill itself, H.R. 2567, made in order by this rule, is essentially a noncontroversial measure. Taken together, the 12 titles reported from the Committee on Interior and Insular Affairs deal with simple issues: authorizations for cost limitations, design, and construction; and water reallocation, a long-term water contract, an expanded service area, and several small authorizations.

Mr. Speaker, two titles of the bill would change permanent reclamation law and thereby open up the Reclamation Reform Act of 1982 to amendments on the floor.

The rule provides a germaneness waiver for the committee substitute. The Committee on Interior and Insular Affairs added 11 unrelated titles to a bill raising the Federal cost of the Buffalo Bill Dam in Wyoming by $12 million.

Under the rules of the House, these unrelated titles would be subject otherwise to a germaneness point of order.

Mr. Speaker, the rule also provides that no amendment to the committee bill shall be in order except those printed in the RECORD at least 1 legislative day prior to their consideration.

Although this restriction on amendments is somewhat unusual, I am personally very pleased that the rule requires the printing of amendments prior to their consideration. The Committee on Rules included this provision in an attempt to be fair to Members who have an interest in amendments that may be offered from the floor changing reclamation law.

Mr. Speaker, I commend the gentleman from Texas [Mr. FROST] and our other colleagues on the Rules Commit-

tee for providing this preprinting requirement.

When this matter was first before the Committee on Rules 7 months ago, the gentleman from California [Mr. MILLER] indicated his desire to use the substitute of the Committee on Interior and Insular Affairs—this noncontroversial package of individual projects—as the vehicle for rewriting the Reclamation Reform Act of 1982.

□ 1120

Mr. Speaker, the amendment circulated at that time, 7 months ago, would invalidate many existing legal farming operations in the 17 Western States that rely on water from the Bureau of Reclamation for irrigating crops. Since the proposed amendment would have a direct, and perhaps even a disastrous, effect on the Central Valley of California, the Committee on Rules delayed action for 7 months. The gentleman from California [Mr. MILLER] has never introduced his proposed amendment in the form of a bill. It has never undergone hearings or markup before the Committee on Interior and Insular Affairs, or for that matter on the subcommittee of the gentleman from California [Mr. MILLER], the Subcommittee on Water, Power and Offshore Energy Resources. So, Mr. Speaker, there is no material available to Members of the House whose districts might be affected, so that they can find out exactly what is being proposed.

Mr. Speaker, several members of the Committee on Interior and Insular Affairs felt that this was an attempt to bypass the regular legislative process, that the issues should have been aired in the committee hearings and that any proposed legislation should come to the floor in the form of a bill reported from the committee of jurisdiction, the Committee on Interior and Insular Affairs. None of this happened. This apparently will not happen.

Mr. Speaker, I should thank the chairman of the Committee on Rules, the gentleman from Massachusetts [Mr. MOAKLEY], for his fairness to me and others interested in reclamation law. Mr. Speaker, the chairman of the Committee on Rules has been fair to all concerned, and for this reason I shall not oppose this rule, although I strongly oppose the procedure and the tactics being employed by the gentleman from California [Mr. MILLER]. Some Members, however, might oppose the rule, and I urge my colleagues to pay close heed to their arguments in opposition to the rule.

Mr. Speaker, the program for this bill is to do this rule and general debate on H.R. 2567 today and to take up the amendments on Thursday. Members who have amendments to the committee substitute should file them in the RECORD today.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from California [Mr. LEHMAN].

Mr. LEHMAN of California. Mr. Speaker, I rise in strong opposition to the rule and urge my colleagues to reject it.

Mr. Speaker, the rule makes in order a very controversial amendment by the gentleman from California [Mr. MILLER] printed in the RECORD only today that has never even been heard in the subcommittee of the gentleman from California, the Subcommittee on Water, Power and Offshore Energy Resources, of which I am a member, and it has never been heard or discussed in the full Committee on Interior and Insular Affairs either.

The amendment of the gentleman from California [Mr. MILLER] has nothing whatsoever to do with the legislation before us. It does not substantively impact any of the other provisions of the bill. It constitutes a deliberate attempt to circumvent the committee process. This amendment fundamentally changes a very complex law that has evolved over a 90-year period.

I do not believe that the gentleman from California [Mr. MILLER], nor I, nor any member of the Committee on Interior and Insular Affairs, nor any Member of this House, can fully appreciate what this amendment means, nor what it can do. How could we?

Mr. Speaker, no one affected by this amendment has had the opportunity to see the amendment. No one affected by this amendment has had an opportunity to testify concerning its impact. No one affected by this amendment has had an opportunity to put anything in the RECORD. Mr. Speaker, this is a fundamental change. Where is the report language to explain it? Why has the public been cut out of this process? There have been no witnesses. No one has been able to ask questions.

Mr. Speaker, that is not how this process ought to work. One person should not make laws on a take-it-or-leave-it basis. The gentleman from California [Mr. MILLER] talks of big corporate business and investors, but do not be fooled. The amendment deals with much more than that. Were he only addressing those problems, I would not be standing here in this well.

Mr. Speaker, the shoddy draft amendment of the gentleman from California [Mr. MILLER] will make it impossible for fathers and sons and brothers and sisters to farm together. They will not be able to pool their financing. They will not be able to negotiate a common agreement with a packinghouse. Anything they do in concert as a family in a joint operation creates the presumption that they are violating the new reclamation law of the gentleman from California [Mr. MILLER]. Should the concept of a family pooling its separate interests and farming together be a violation of reclamation law? Of course not. Family farmers are more efficient when resources are pooled and a family works together. It is good economic sense. It is good social policy. And it is what the act is all about.

Mr. Speaker, these people are not looking for loopholes. They are trying to be efficient and competitive. The gentleman from California [Mr. MILLER] would punish them for this without a hearing, without a markup, and without the opportunity to express themselves.

Why are we rushing to judgment? My guess is for some, good press is good policy. But, in the real world, many innocent people will have their lives disrupted. Obviously, the author does not know these people. His method of catching the crooks is to spray the crowd with bullets.

The harm done by the approach of the gentleman from California [Mr. MILLER] far outweighs the benefits. I urge the Members of this House to give those of us on the committee and our constituents the opportunity our chairman has denied us. We reject this tactic. Vote "no" on the rule.

Mr. PASHAYAN. Mr. Speaker, I yield 5 minutes to the gentleman from Idaho [Mr. CRAIG].

Mr. CRAIG. Mr. Speaker, let me join in the remarks of the gentleman from California [Mr. LEHMAN], my colleague, for I feel as he does, that the procedures of the House and the committee have been effectively circumvented by the gentleman from California [Mr. MILLER]. He did that with intent, for he has come to the Committee on Rules to gain something he could not gain through the normal procedures of the House.

Should it irritate me as a minority Member of this body? No, not necessarily. In the 10 years I have been here, I am well used to being run over on a variety of issues, especially if I do not agree with the majority of my committee. However, Mr. Speaker, I think my colleagues have just heard from another member of that committee, who happens to be a majority member of the committee, who, like I, agree that the Committee on Rules should never have allowed this rule out, it should never have been crafted, and, more importantly, they should not have waived germaneness.

What has ultimately happened here, and I hope the House is listening, both majority and minority, is that a shell bill has been crafted, a shell bill known as reclamation projects authorization, and the substance of the bill is now being put before the body

through amendments in a rule in which there were never any hearings held, never any votes taken in the committee of jurisdiction.

Why would the chairman of a subcommittee do that? Why would he circumvent the rules that he himself helped craft? Is it possible that he knew he could not get it through the committee? Strong possibility. He told the Committee on Rules, and he told every other person in the House and especially those of the Committee on Interior and Insular Affairs, that there was but one amendment, but one amendment that he wanted to apply to the 1982 Reclamation Reform Act to change something known from a report by the GAO as congressional expectations.

I say to my colleagues, "If you look at the RECORD today, it isn't one amendment. It's now seven amendments, seven amendments that he had to beg the Rules Committee to waive the germaneness rule to get in. They aren't even appropriately applied to this Reauthorization Act unless you break the rules of the House or unless you change the rules."

Mr. Speaker, this is a subcommittee chairman asking for this, and I would ask majority and minority alike to look at their backside, and I ask, "When will it happen to you on the Interior Committee? When will you be told one thing and then have another thing happen?"

Mr. Speaker, that is exactly what is going on in the House today. We are being told one thing, one amendment, and now there are 11 that will substantively change the Reformation Reform Act of 1982.

I ask my colleagues, "Have you ever heard the phrase 'congressional expectation'?" I doubt that they have, Mr. Speaker. It has no legal standing whatsoever.

Now we do know that congressional intent has the possibility of legal standing. We oftentimes hear this body speak of congressional intent. We tie that into the RECORD of proceedings. We write that around the law. We put that in committee reports. We speak of, day after day, what the intent of the Congress is when crafting legislation but not expectations.

□ 1130

I have before me a GAO investigation, an audit, an overview of the 1982 Reform Act. They say that congressional expectation has not been met, not congressional intent. It is on that basis that the rules of the committee have been circumvented, that a chairman himself would choose not to abide by the rules he helped to write and he would go to the Rules Committee and ask them to bend, if not break them, is inexcusable.

I suggest that the rule you have before you is not a bending, but a breaking, and if you vote for it you have condoned it. You have condoned a circumventing of the process of the committee structure of this House, not that is was voted up or down, not that it was heard, none of those things went on. If I had been defeated fairly and squarely by my colleague, the gentleman from California, in the committee, I might still be here very upset because he and I would disagree on the issue, but I would not be irate, and I am irate that he would not use the process and the procedure of the committee that he someday wishes to chair, that he would circumvent and create a shell by which he could then come to the Rules Committee and then come to the floor with not one, but 11 amendments, to change a major law that this House held hearings, debated for months, and finally passed in 1982.

Does it mean something to the West? You bet it does. Does it mean something to thousands of farmers? You bet it does.

The SPEAKER pro tempore. The time of the gentleman from Idaho has expired.

Mr. PASHAYAN. Mr. Speaker, I yield 2 additional minutes to the gentleman from Idaho.

Mr. CRAIG. Mr. Speaker, I thank my colleague for yielding the additional time.

It is for that reason, and that reason alone, this rule ought not to be granted today, that the 11 amendments, quantitative and qualitative as they may be, should go back to the committee from which they did not come, for the proper kind of hearing that they desire and for a substantive vote up or down in the committee by the very chairman who has circumvented the rules that he crafted.

So I close by asking the question, why would an all-powerful chairman of the House committee or subcommittee in this instance circumvent or attempt to violate his own rule, when he alone can control, based on the votes he or she has, the procedures and the processes of that committee?

I think when you ask yourself that question, it is self-answering. It is for that reason that this rule ought to be voted down and those issues that are embodied in the rule and in the 11 amendments and in this authorizing act ought to go back to the committee from which it came for the purpose of hearing in a fair, open and public way.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 5 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, this rule that we are about to vote on and the legislation coming to the floor gives a historic opportunity to the Congress of the United States to, in fact, complete the venture that we started many, many years ago in reforming the Reclamation Act of 1902 and the major reforms that were carried out almost unanimously in this body and in the Senate in 1982, where we struck a bargain with the Western farmers of the United States, we said that we would upgrade the 160-acre limitation, we would allow you to own 960 acres and we would continue to divide your subsidized waters for those 960 acres, but those 960 acres had to be held separately, that that had to be a farming unit, and 99 percent of the farmers in the West comply with that law; but now we are down to 1 percent of the people who want to have both their individual wealth, their large land holdings and their Federal subsidies.

What we have now are a handful of people who when the law was published and the intent of Congress was clear, as every member of that committee has said, they went around and hired their law firms, some of the largest law firms in this country. They then went to solicit the Department of the Interior, and when the Department of the Interior published its regulations to insist that we do what we did today, they had the person responsible for writing those regulations fired.

They then hired President Reagan's speech writer to lobby and they got an exemption for themselves, Mr. Speaker. They got an exemption for themselves, so the Boswell Ranch instead of splitting itself up into 960-acre parcels so they could receive subsidized water, simply created 23 paper farms in trust and they farm that trust today, 23,000 acres. They farm with federally subsidized water and they compete against farmers in every other part of the United States who do not get that subsidy. They compete against farmers in their own neighborhood who have to farm 960 acres to get that subsidy, but they got the lawyers to get the subsidy for them.

Now we see people who have created paper farms one after another so that they would not have to split up their land holdings.

This was a deal struck with the people of the United States. We invested billions of dollars in western waterworks. You can chart the migration of cotton across the United States as it went for federally subsidized water and destroyed the cotton industry in other parts of the country.

Today you will have an opportunity to take a handful of people and tell them to comply with the law.

The amendment that I offer is an amendment that was drafted by the GAO that said if you do this, this handful of farmers will have to comply with the law.

We have allowed for fathers, sons, and daughters, who want to share

equipment or share labor, they can continue to farm.

The gentleman from California [Mr. LEHMAN] will have an amendment that will simply allow people to farm 10 and 20,000 acres as one large unit.

Let me tell you what we are talking about. This subsidy for 960 acres is worth over $300,000 to that farmer. Now one farm has put together 23,000 acres fully subsidized. Do you really think that should be allowed?

Those of you who represent farmers in the Midwest or the South who have to depend upon God to deliver their water, should they really be competing against people who not only have subsidized water, but subsidized crops?

This is a matter of equity. This is what we agreed to in the conference committee. This was what was signed into law by the President. This is what was manipulated throughout the eighties by the large farmers, some of the wealthiest people in America and their large law firms.

We are now down to the final few, the final few who have been able to flaunt the law, receive their Federal subsidies and keep their thousands and thousands of acres of farmland intact.

Now, they do not ever have to sell their land, but if they want to farm more than 960 acres, they just have to pay full price for water. Now, a lot of people in California pay full price for water, a lot of people in Arizona.

I find it interesting that the gentleman from Idaho is making such a hard-fought argument for a handful of large land barons in California for privileges that nobody in Idaho experiences, because they comply with the 960-acre limitation or its equivalency thereof.

We are down to a handful of large corporate agribusiness conglomerates in California and a few in Arizona.

This is what you said what you wanted to do in 1982 and this will give you that opportunity.

I thank my colleagues for their attention.

Mr. PASHAYAN. Mr. Speaker, let me observe before I yield some time to the gentleman from Idaho, that the gentleman from California conveniently omitted the essential fact that the farm that he has reference to was purchased by 326 employees, that the firm the gentleman had reference to no longer owns the farm. They sold it to their employees in a plan that is very much like an ESOP.

It is entirely misleading for the gentleman to suggest that the farm is being operated as a unit for one owner. It is being operated as a unit for 326 former employees.

Mr. Speaker, I yield 5 minutes to the gentleman from Idaho [Mr. CRAIG].

Mr. GRAIG. Mr. Speaker, we are now beginning to debate the substance of the issue instead of the rule. Why? Because the gentleman from California [Mr. MILLER] that you just heard did not present it before the committee. This issue has never been debated before the committee. I cannot tell the gentleman from California whether I can or would agree or disagree with him.

I am not defending Boswell entities of California. I am defending hundreds of farmers in Idaho, and let me suggest to you I might be defending somebody else like cooperatives who are farming, like Indian tribes who have relationships that are more than 960 acres.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. CRAIG. I will yield to the gentleman in the committee. Mr. Speaker, I will not yield.

Mr. MILLER of California. You choose not to debate the rule?

Mr. CRAIG. Mr. Speaker, I would have been very happy to have yielded to the gentleman from California [Mr. MILLER] in the Committee on Interior and Insular Affairs, where this should have been debated, but I will not yield on the floor at this time. The gentleman may gain his own time.

Indian tribes, cooperatives, noncorporate farms, family farms, hundreds of them across the West, fathers and sons and daughters who farm together, are now going to be torn apart in their relationships by this legislation.

We might have been able to do better had we had this in the committee. We might have been able to carve out the concerns that the gentleman from California [Mr. MILLER] has.

But let me suggest that the amendment I see before me, that I have had only minutes to read, is a very broad-brushed approach to a very specific and narrow problem. And that is the failing of this process if we allow this rule to pass.

It is not just a single entity in California, it is a multiplicity of entities across California and Idaho and other Western States that have reclamation projects, and it can be, and it is, fathers and sons and cooperatives and Indian tribes and other entities separate from being individuals.

Mr. PASHAYAN. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. CONDIT], whose district is severely impacted by the other gentleman from California [Mr. MILLER].

Mr. CONDIT. Mr. Speaker, I just received the latest amendments this morning, and that is insufficient time to review a complex subject. No hearing has been scheduled to review these amendments, no markup, no opportunity to negotiate. The only review that we have really had on this issue was on "60 Minutes," if you can call that a review.

Amendments that are offered are suposed to go to a committee so that we can sit down and work out a solution to a problem. I, as well as other Members of the Central Valley, have offered to work with the gentleman from California [Mr. MILLER], to work an accommodation. If there are problems that we need to work out, we are willing to do that. But, Mr. Speaker, this is not the way to conduct public policy. This is a comprehensive amendment. It affects the lives of thousands of farmers around the country. It affects the way they do business.

It is inappropriate for us to have amendments, and then in a few minutes be expected to vote on the amendments. It is inappropriate for us to conduct public policy in that manner.

This is an important issue to family farmers around this country. Make no mistake about it, this amendment does not affect just a few people, just a few farmers in the Central Valley of California. The Miller amendment affects a lot of farmers around this country, family farmers, family farmers who share a tractor, a packing shed, a hay barn, the same accountant, the same attorney. They are affected.

This means they have to change the way they conduct their business. It may mean the margin of whether or not they are successful.

This is an important amendment. It is important enough that it should go to a subcommittee, it should be talked about. There should be some negotiation.

Frankly, if the gentleman from California [Mr. MILLER] has so much merit on his side, he ought to be able to get that amendment right through his subcommittee without any difficulty.

Mr. Speaker, I would ask Members, please, send this back to the committee. If it is worthy of some changes, if there are some meritorious arguments on the part of the gentleman from California [Mr. MILLER], we are willing to change it, negotiate it, make it right. But let us not do something to affect the family farmer so that they cannot conduct business in a competitive way.

I ask that we do not allow this rule to become in effect.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from Illinois [Mr. RUSSO].

Mr. RUSSO. Mr. Speaker, there is an old legal saying when you don't have the law on your side, you argue the facts. When you don't have the facts on your side, you argue the law. So what we have here today is when you don't have the substance on your side, you argue the procedure.

The taxpayers in this country are fed up with incumbents. You know

why? Because we are not straight with them.

Here we go again, taking taxpayer dollars and subsidizing the rich land barons of America. We are already subsidizing the rich through the Tax Code. We have done that since the 1981 Tax Act. Now we are going to subsidize them through the bailout of the S&L's. And now some people want to subsidize them through the reclamation program. And what the gentleman from California [Mr. MILLER] is saying look, if you want to farm 960 acres, we will give you subsidized water. If you are going to circumvent the law and have 23,000 acres farmed, you are not going to get subsidized water.

We are the protectors of the purse of the taxpayers of this country, not the land barons. Let us wake up: the people are getting fed up with us. We have to protect their purse, not the purse of the land barons of this country.

Do yourself a favor and vote for this rule and vote for the Miller amendment.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY. Mr. Speaker, I just want to associate myself with both the remarks and the passion of the gentleman from Illinois [Mr. RUSSO].

Mr. PASHAYAN. Mr. Speaker, observing the prior speaker and his resort to remarks on substance, I suppose when one does not have logic, one resorts to passion.

Mr. Speaker, I yield 1 minute to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES. Mr. Speaker, I associate myself with the passion, but not the remarks.

Mr. Speaker, this is not a rule, because a rule presupposes it is going to follow the rules which underlie it. This does not.

The gentleman from California [Mr. MILLER] made it very plain in his remarks that there are merely a handful of farm operators whom he alleges are not living within the spirit and letter of the 1982 Reclamation Reform Act.

If that is the case, we ought to know that. We do not know it, because they have never had an opportunity to come before any committee of this House and explain why they believe they are operating within the letter and the spirit of the act of 1982.

The Boswell farm has been given one opportunity to defend itself, and that was on "60 Minutes." Anybody who watches "60 Minutes" knows that defending yourself against Mike Wallace is not usually the most even-handed opportunity at defense.

This is not fair. Nobody in this House knows exactly what the substance of these amendments are. Nobody who is affected by them knows what the substance of them are. But most importantly, the author of this amendment has come to the floor of this House and has singled out by name the farm operator in California, and has said by name, the gentleman from California [Mr. MILLER] has singled out an individual farm operation in California and has accused it of violating if not the letter of the 1982 act, then his expectation of the 1982 act. Not congressional expectation, GEORGE MILLER, expectation. This is no way for us to do business.

□ 1150

Defeat the rule. Send this amendment back to committee, and let us have an opportunity to find out what really is going on. If GEORGE MILLER is right, then let us pass the amendments once we all know what is going on.

Mr. PASHAYAN. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. LEHMAN].

Mr. LEHMAN of California. Mr. Speaker, removing some of the passion from this debate for a moment, I do think it is important to get some of the facts on the table regarding the one individual trust that has been mentioned on the floor, of the so-called Boswell Trust, which is really known as the Westhaven Trust.

The facts are that pursuant to reclamation law, and I would tell Members I have no bone to pick here, I disagree with Boswell on a lot of things, and in fact in two of the last three elections they helped fund my opponents, but the facts here are quite different from what has been portrayed by supporters of this rule on the floor, and the fact is that pursuant to reclamation law they broke up their lands. They sold it to their employees, 358 of them, an irrevocable interest in that entire ranch. They decided the best thing to do was to sell it to their employees. They financed the sale of that to their employees, and they set up a trust arrangement outside to manage it. It is managed by a bank in California. Boswell has no economic interest in whether that ranch does well or does poor. They have been hired on a per-acre basis to farm it with no interest in how it does, no benefit, in other words, from the price of water. In fact, the agreement requires the land to be sold over the next 20 years.

Basically what was done here was the sale of the land to the employees of the company. South of the border they call that land reform and people applaud it. Here people are trying to tell us there is something wrong with what was really a rather straightforward transaction.

The proponents of this rule like to bring up that example because I guess around here a big corporation has a bad name sometimes. But the real reason to oppose this rule does not have to do with that side issue. It has to do with the impact this will have, and maybe the gentleman from California [Mr. MILLER], does not intend this but it is the result, on individual family farming operations that are trying to comply with the law, that are not looking for loopholes in the law, but merely want to continue to operate their business in a traditional and efficient manner.

Mr. PASHAYAN. Mr. Speaker, will the gentleman yield to engage in a colloquy?

Mr. LEHMAN of California. Yes, Mr. Speaker, I yield to the gentleman from California.

Mr. PASHAYAN. Mr. Speaker, the gentleman made mention that the Boswell Co. has no economic interest in the farm that it sold to its employees. Would the gentleman agree when I say that neither has it any legal interest? It is completely divested of all legal and equitable ownership of any kind, is that not true?

Mr. LEHMAN of California. That was the requirement set forth in the agreement with the Department of the Interior, which was modified. The original Boswell proposal was not acceptable and was changed to meet the Department of the Interior's primary objections that the company have no economic interest or no economic benefit from the delivery of water.

Mr. PASHAYAN. But nor have they any ownership in it, would the gentleman agree with me?

Mr. LEHMAN of California. Exactly.

Mr. PASHAYAN. So they no longer own the land?

Mr. LEHMAN of California. No; their employees, 358 of them, in an irrevocable trust, own the land.

Mr. PASHAYAN. And we could ask any one of these employees because they are having to pay taxes on that land, are they not?

Mr. LEHMAN of California. Certainly.

Mr. PASHAYAN. Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 5 additional minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I think this debate is healthy because I think it lays out for Members of the House exactly what is taking place here, and that is in fact why we can ascribe noble character, noble intentions to the people that are doing these, and they are the pillar of their communities.

Let us just remember that they have their hand in every taxpayer's pocket in the United States. In the creation of the trust, the Boswell Trust, this 23,000 acres, that was not receiving Federal subsidized water a year ago but is this year, and it is costing your

taxpayers $2 million additional, and they now generate profit. Without the subsidy, they are right, they cannot generate a profit. With the subsidy, they are profitable. That is the subsidy that we are giving them.

This 23,000 acres was purchased with one loan, this 23,000 acres has one trustee that makes all of the management decisions, so when they tell Members that these are separate little owners, these separate little owners do not decide what crop is going to be planted, they do not decide whether they are going to plant or not, they do not decide what they are going to do with their land, when they are going to till the land. The trustee decides that. The annual farming operation is farmed with one annual operating loan. These people do not decide whether to go into debt or not to go into debt. The trustee does that. In fact, Mr. Boswell sits on the board of the bank that is the trustee.

So Members start to see the arrangement here. They have created paper farms, paper farms that exist only in the law offices, paper farms that only exist in the bank trust departments.

But these people are not farming this. These people are wearing three-piece suits. These people hire their attorneys. These people fly in corporate jets, and they do it at the largesse of your taxpayers, of your constituents, the people that you talk to about waste, fraud, and abuse.

We have told a farmer that if he could farm 960 acres we would provide subsidized water. In the Midwest most people farm 200 acres and try to support their families. They may go out and try to lease another 200 acres, or borrow it from their neighbor to try to make it work. Here we give 960 acres, and whether it rains or shines we deliver water to the property, and they do not have to pay the full cost for it.

So what this debate is about is not the family farmer, it is not the brother and the sister, it is not the father and the son or the father and the daughter. This is about a few people who have more to pay lawyers than most families make in a year. And this is about whether the Congress meant what it said in 1982, that we are going to cut off the subsidy after 960 acres.

Ninety-nine percent of the farmers in the reclamation areas of the West comply with the law. They comply with the law in Idaho and Nevada, in Utah and Colorado, Oregon and Washington. But a handful of people in the old Central Valley of California, where you have spent billions of dollars, Mr. Speaker, they just cannot get their face out of the Federal trough, and you are going to get a chance today to either vote with them or get the pigs out of the trough. Make up your mind.

Mr. DOWNEY. Mr. Speaker, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from New York.

Mr. DOWNEY. Mr. Speaker, as I understand this, the GAO report said that back in 1982 we established this 960-acre limit, but we called it a landholding.

Mr. MILLER of California. That is correct.

Mr. DOWNEY. And we have been providing apparently over the period of time since 1982 the equivalent of a CETA program for farmers and accountants out West.

Is it true that the GAO found one farm of 12,340 acres that had established itself into 18 partnerships, 24 corporations, 11 trusts, and 24 individuals so that it would be eligible for this 960 acres?

Mr. MILLER of California. That is exactly it. They had to establish multiple corporations, they had to establish multiple partnerships, not to better farm the land, not to be more productive, but to mine the Treasury. They are farming the Treasury, ladies and gentlemen, they are not farming the land. They are showing up here and collecting more than a whole city of welfare recipients can collect, and they are among the richest people in the United States.

The gentleman from New York is right. If we look at what we are trying to get rid of here, review the GAO report. These are people that said my God, my subsidy is going to be gone, so let us form some shell corporations, let us form some shell partnerships and let us form some trust arrangements, and then we will be able to continue to farm the Treasury because that is where the profit is, ladies and gentlemen. As the farmers in the South and the farmers in the Midwest know, it is damn hard to make a living off of the land itself, but if you can make Uncle Sam your partner, my God, you can live in Beverly Hills, and you can call up your farm operator every day and tell him to turn the water into the fields.

Mr. PASHAYAN. Mr. Speaker, I yield 2 minutes to the gentleman from Idaho [Mr. CRAIG].

Mr. GRAIG. Mr. Speaker, I wish my colleagues would realize that this does not deal with one farm landholding in the California farming country as has been portrayed by the Chair.

□ 1200

That simply is not the case. What is the case is that phone calls are now pouring into my office from farmers in Idaho who drive Chevrolets and do not fly jets, from farmers who have sons and daughters, who have involved them in their business, who are saying, "Will the Miller amendment hurt me?"

My answer is I do not know. I have not read it. There were no hearings, there was no substantive input. You have not been given a chance to be heard.

Mr. MILLER is out on a crusade, a personal crusade.

Let me also quote from the GAO study:

> The act is silent on whether multiple landholdings can operate together as one large farm while qualifying individually for federally subsidized water on up to 960 acres.

Now, Mr. MILLER and I disagree, but, doggone it, folks, we ought to have a right to have this in full committee under a fullblown hearing and not debate it in bits and pieces on the floor by a gentleman from New York who has never looked at the GAO audit until it was handed to him a minute ago. That is the issue at hand, substantive debate, substantive input and responsible decisionmaking when we form public policy for this country and for the taxpayers of this country.

It will not be allowed by this rule.

Mr. FROST. Mr. Speaker, I have no other additional requests for time at this point. If the gentleman from California [Mr. PASHAYAN] would like to conclude, I would be happy to conclude on this side.

Mr. PASHAYAN. Mr. Speaker, I yield 1 minute first to the gentleman from California [Mr. CONDIT] whose district is adversely impacted by the amendment of the gentleman from California [Mr. MILLER].

Mr. CONDIT. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would just like to reiterate and take issue with my colleague from California. This is about family farmers, this is about uncles, brothers, cousins, people who farm together as a family unit. It is about making sure that they continue to do that.

But Mr. MILLER has told us everything that is wrong with reclamation law in California today. His rhetoric is that there are total abuses out there and we need to do something about correcting those abuses. He talked about the philosophy of this bill, of his amendment, what he wants to do; but he did not tell us today why he did not take it to subcommittee, why he did not go through the process that most people in this House go through.

I think that is the key question. The key question is: If he has merit on his side, if it is true that we need to make some changes, why not go to the subcommittee, get a thorough and thoughtful review and then take action on this floor at a later date?

Do it the right way. The American public, the American farmers' life is going to be affected by this, and we need to be thoughtful when we take action on this.

Mr. PASHAYAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I make one or two very brief observations. First of all, the GAO report said that the Boswell trust is entirely legal. Second of all, I appreciate the remarks of the gentleman from California [Mr. MILLER] on this point because the Boswell Co., when it owned the land, got no subsidy on the 23,000 acres except for subsidy of 960 of those acres. Now it is true there is subsidized water going to all 23,000 acres because the Boswell Co. no longer owns the land. It is the 326 employees that own the land, it is the 326 employees that are getting the benefit of the subsidy. And that, Mr. Speaker, is exactly what the reclamation program is designed to do, and that is an average-size farm of 70 acres.

Now, Mr. Speaker, I think all the way from Massachusetts to California, from Washington to Florida, 70 acres is a small farm. That is what Mr. MILLER is trying to take apart with his amendment and, quite frankly, given what I know of his philosophical views, I am astonished that he would break and shatter the dreams of small landowners, of people who otherwise, but for the benefaction of their boss, the Boswell Co., would never have dreamed of actually owning land that they now own. I find that astonishing.

Mr. Speaker, having no further requests for time, I yield back the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume only to conclude by saying that this has been a difficult issue. The Committee on Rules has tried to deal with this in as fair and equitable way as possible so that the significant controversy could be joined on the floor.

We have had a little sampling of what we will hear later on during the consideration of the bill. There are passions on both sides. We have provided the opportunity for this to be resolved in the rule.

Mr. Speaker, I urge adoption of the rule.

Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. TANNER). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CRAIG. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device and there were—yeas 250, nays 167, answered "present" 1, not voting 14, as follows:

[Roll No. 165]

YEAS—250

Ackerman	Green	Pallone
Alexander	Guarini	Patterson
Anderson	Hall (OH)	Payne (NJ)
Andrews	Hamilton	Payne (VA)
Anthony	Harris	Pease
Applegate	Hawkins	Pelosi
Armey	Hayes (IL)	Penny
Aspin	Hayes (LA)	Petri
Atkins	Hefley	Pickett
AuCoin	Hefner	Pickle
Barnard	Hertel	Porter
Bates	Hiler	Poshard
Beilenson	Hoagland	Price
Bennett	Hochbrueckner	Rahall
Bereuter	Horton	Rangel
Berman	Hoyer	Regula
Bevill	Huckaby	Richardson
Boggs	Hughes	Rinaldo
Bonior	Jacobs	Roe
Borski	Jenkins	Ros-Lehtinen
Bosco	Johnson (SD)	Rose
Boucher	Johnston	Rowland (GA)
Boxer	Jones (GA)	Roybal
Brennan	Jones (NC)	Russo
Brooks	Jontz	Sabo
Browder	Kanjorski	Saiki
Brown (CA)	Kaptur	Sangmeister
Bruce	Kastenmeier	Sarpalius
Bryant	Kennedy	Savage
Bustamante	Kennelly	Sawyer
Campbell (CA)	Kildee	Saxton
Cardin	Kleczka	Scheuer
Carper	Kolter	Schroeder
Carr	Kostmayer	Schulze
Chapman	LaFalce	Schumer
Clarke	Lancaster	Sharp
Clay	Lantos	Shays
Clement	Laughlin	Sikorski
Collins	Leath (TX)	Sisisky
Combest	Lehman (FL)	Skaggs
Conte	Lent	Skelton
Conyers	Levin (MI)	Slattery
Cooper	Levine (CA)	Slaughter (NY)
Costello	Lewis (GA)	Smith (FL)
Coyne	Lipinski	Smith (IA)
Darden	Lloyd	Smith (NJ)
DeFazio	Long	Smith, Robert (NH)
Dellums	Lowey (NY)	Snowe
Derrick	Luken, Thomas	Solarz
Dicks	Manton	Spratt
Dixon	Markey	Staggers
Donnelly	Martinez	Stark
Dorgan (ND)	Mavroules	Stenholm
Downey	Mazzoli	Stokes
Durbin	McCloskey	Studds
Dwyer	McCrery	Synar
Dymally	McDermott	Tallon
Dyson	McGrath	Tanner
Early	McHugh	Thomas (GA)
Eckart	McMillen (MD)	Torres
Edwards (CA)	McNulty	Torricelli
Engel	Meyers	Towns
Erdreich	Mfume	Traficant
Evans	Miller (CA)	Traxler
Fascell	Mineta	Udall
Feighan	Moakley	Unsoeld
Flake	Mollohan	Vento
Flippo	Morella	Visclosky
Foglietta	Morrison (CT)	Volkmer
Ford (MI)	Morrison (WA)	Walgren
Ford (TN)	Mrazek	Washington
Frank	Murphy	Waxman
Frost	Murtha	Weiss
Gallo	Nagle	Wheat
Gaydos	Natcher	Whitten
Gejdenson	Neal (MA)	Williams
Gephardt	Neal (NC)	Wilson
Gibbons	Nowak	Wise
Gillmor	Oakar	Wolpe
Gilman	Oberstar	Wyden
Glickman	Obey	Yates
Gonzalez	Olin	Yatron
Gordon	Owens (NY)	
Gray	Owens (UT)	

NAYS—167

Archer	Bentley	Brown (CO)
Baker	Bilbray	Buechner
Ballenger	Bilirakis	Bunning
Bartlett	Bliley	Burton
Barton	Boehlert	Byron
Bateman	Broomfield	Callahan
Campbell (CO)	Hyde	Rogers
Chandler	Inhofe	Rohrabacher
Clinger	Ireland	Roth
Coble	James	Roukema
Coleman (MO)	Johnson (CT)	Rowland (CT)
Coleman (TX)	Kasich	Schaefer
Condit	Kolbe	Schiff
Coughlin	Kyl	Schneider
Courter	Lagomarsino	Schuette
Cox	Leach (IA)	Sensenbrenner
Craig	Lehman (CA)	Shaw
Crane	Lewis (CA)	Shumway
Dannemeyer	Lewis (FL)	Shuster
Davis	Livingston	Skeen
de la Garza	Lowery (CA)	Slaughter (VA)
DeLay	Lukens, Donald	Smith (NE)
DeWine	Machtley	Smith (TX)
Dickinson	Madigan	Smith (VT)
Dornan (CA)	Marlenee	Smith, Denny (OR)
Douglas	Martin (IL)	Smith, Robert (OR)
Dreier	Martin (NY)	Solomon
Duncan	Matsui	Spence
Edwards (OK)	McCandless	Stallings
Emerson	McCollum	Stangeland
English	McDade	Stearns
Espy	McEwen	Stump
Fawell	McMillan (NC)	Sundquist
Fazio	Michel	Swift
Fields	Miller (OH)	Tauke
Fish	Miller (WA)	Tauzin
Gallegly	Montgomery	Taylor
Gekas	Moody	Thomas (CA)
Geren	Moorhead	Thomas (WY)
Gingrich	Myers	Upton
Goss	Nielson	Valentine
Gradison	Ortiz	Vander Jagt
Grandy	Oxley	Vucanovich
Grant	Packard	Walker
Gunderson	Panetta	Walsh
Hammerschmidt	Parker	Watkins
Hancock	Parris	Weber
Hastert	Paxon	Weldon
Hatcher	Perkins	Whittaker
Henry	Pursell	Wolf
Herger	Quillen	Wylie
Holloway	Ravenel	Young (AK)
Hopkins	Rhodes	Young (FL)
Houghton	Ridge	
Hubbard	Ritter	
Hunter	Roberts	
Hutto	Robinson	

ANSWERED "PRESENT"—1

Pashayan

NOT VOTING—14

Annunzio	Hall (TX)	Nelson
Crockett	Hansen	Ray
Dingell	Lightfoot	Rostenkowski
Frenzel	McCurdy	Serrano
Goodling	Molinari	

□ 1227

Messrs. SKEEN, BAKER, and MYERS of Indiana changed their vote from "yea" to "nay."

Messrs. KILDEE, DORGAN of North Dakota, HORTON, STENHOLM, OLIN, and SCHULZE changed their vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON H.R. 5019, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1991

Mr. BEVILL, from the Committee on Appropriations, submitted a privileged report (Rept. No. 101-536) on the bill (H.R. 5019) making appropriations for energy and water development for the fiscal year ending September 30, 1991, and for other pur-

poses, which was referred to the Union Calendar and ordered to be printed.

Mr. MYERS of Indiana reserved all points of order on the bill.

AIDS PREVENTION ACT OF 1990

The SPEAKER pro tempore (Mr. TANNER). Pursuant to House Resolution 408 and rule XXIII, the Chair declares the House in the Committee of the Whole on the State of the Union for the consideration of the bill, H.R. 4785.

□ 1230

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4785) to amend the Public Health Service Act to establish a program of grants to provide preventive health services with respect to acquired immune deficiency syndrome, and for other purposes, with Mr. MFUME in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from California [Mr. WAXMAN] will be recognized for 30 minutes and the gentleman from Illinois [Mr. MADIGAN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman and my colleagues, some people speak about the AIDS epidemic as if the whole epidemic were over, as if it was a problem only in the 1980's. AIDS is not over. We have, in fact, seen only the beginning.

Mr. Chairman, having missed our opportunity to provide an ounce of prevention, we must now prepare to pay for pounds and pounds of cure. There have been over 130,000 cases of AIDS reported in the United States among adults and children. The Centers for Disease Control estimates that there are a million Americans infected and that 20 percent of these people are very close to becoming sick, and we have no plan to deal with these health care needs. Hospitals and community care providers are overwhelmed. Voluntary organizations and charities are strained to the breaking point.

Mr. Chairman, Surgeon General Koop, who testified before our subcommittee this year, indicated that in his opinion we had no plan for dealing with these problems despite all of his efforts and all of ours. This bill today takes an important first step.

Mr. Chairman, the AIDS Prevention Act of 1990 is a bill to provide for health care services in response to the AIDS epidemic in the United States. It authorizes funds for services for prevention, both for preventing infection among the uninfected and preventing disease among those already infected. It also authorizes funds for health and support services for people who are ill and for emergency assistance to those cities that are hardest hit by the epidemic.

These measures are long overdue:

Many of our public health clinics that are trying to control such problems as drug abuse or tuberculosis are being asked to provide AIDS services as well, with no additional funding. The result can only be an erosion of these clinics' primary services.

Many of our AIDS counseling and testing programs have no financing for the provision of early intervention health care. The result can only be incomplete prevention programs that serve no one well.

Many of our hospitals are struggling with the tidal wave of acute cases of AIDS coming into their emergency rooms and admitting offices and have no place to serve these people on an outpatient basis or after their hospitalization. The result can only be overcrowding and a diminished level of care.

Such inadequacies are in no one's interest. The system does not adequately prevent infection among the uninfected, prevent disease among the infected, or provide care for the sick. And the system concentrates its care at the most expensive point—acute care for persons who are desperately ill.

This bill will take first steps to remedy these inadequacies.

It will provide for a continuum of prevention services—counseling and testing, diagnostics for those who test positive, and therapeutics for those whose diagnostics indicate a medical intervention.

It will provide emergency relief for those cities that have been hardest hit by the epidemic.

And it will provide ongoing demonstration projects for the provision of comprehensive care to people who are ill.

The bill was reported by a unanimous vote, both from the Subcommittee on Health and the Environment and from the Committee on Energy and Commerce. I anticipate no serious opposition to its passage.

Mr. Chairman, we will have some amendments, which I will discuss at the appropriate time, over which there is controversy, but, when we get to the final passage of the bill, I expect that this bill will pass easily.

I want to thank the Members and the staff from both sides of the aisle for their help in moving this legislation so quickly and so smoothly.

A number of difficult issues have been resolved, Mr. Chairman, and I think these efforts will be rewarded with a bill that all Members can vote for and be proud of, and I urge support for the bill.

Mr. Chairman, I reserve the balance of my time.

Mr. MADIGAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 4785, the AIDS Prevention Act of 1990. This bill is the product of considerable effort, negotiation, and compromise between the two Members from California. I think both gentleman should be congratulated for the constructive way they have worked together to resolve their diverse views on how to deal with the AIDS epidemic.

This bill was reported out unanimously by both the Health Subcommittee and the full Energy and Commerce Committee with a variety of amendments. The main focus of the bill is designed to make the new advances that have been made in AIDS preventive treatments and care more widely available.

The two most significant features of the bill would:

First, establish a grant program to provide counseling, testing, and preventive health services. Half of the appropriated funds would be awarded to the States and the other half would be awarded to categorical grantees. Given that there is no cure for AIDS, we can only halt its spread by convincing infected individuals to modify their high-risk behavior and other individuals to take precautions against becoming infected. Hopefully, this program will take a big step in this direction.

Second, establish emergency relief grants for metropolitan areas with the highest incidence of AIDS cases. The health care systems in many urban areas have been weakened by the huge numbers of AIDS cases. This program is designed to assist those communities in providing outpatient care.

It is my intention to offer a series of amendments that have been worked out with the distinguished chairman of the Health and the Environment Subcommittee to resolve a number of concerns that have been raised by the administration. I am very grateful for the cooperation and input of the chairman and his staff in crafting these amendments. I believe that these amendments will ensure our mutual desire that limited Federal resources be focused among the most needy citizens of our country.

In conclusion, I urge my colleagues to act prudently and to adopt this realistic and balanced legislation. I am hopeful that we will be able to send this legislation to the President before the Congress adjourns.

Mr. WAXMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr.

LEHMAN] for the purposes of a colloquy.

Mr. LEHMAN of Florida. Mr. Chairman, under the bill, emergency assistance funds are to be provided through public or private nonprofit agencies. In Miami, the principle provider of AIDS services over the years has been Project Outreach which was developed and coordinated by the Hospice Foundation, but operated by Hospice, Inc. Project Outreach is the largest hospice-type provider of health care services to persons with AIDS in the United States, and it is the only comprehensive care alternative to institutionalization for AIDS patients in Miami. The Hospice Foundation is a nonprofit organization which in some cases is also the source of funds for Project Outreach. The Hospice Foundation is not a licensed or certified provider of health care services. Hospice, Inc. is the licensed and certified provider of record for Project Outreach. It is a for-profit organization. Hospice, Inc. provides the nursing, psychosocial care, drugs and medication, equipment and other health care services used by Project Outreach to care for AIDS patients.

Would it be the committee's intent that the Hospice Foundation be an eligible recipient of HIV grant funds under this bill and be permitted to use these funds to contract for direct health care services with a for-profit provider such as Hospice, Inc.?

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. LEHMAN of Florida. I yield to the gentleman from California.

Mr. WAXMAN. Yes. Nonprovider organizations like the Hospice Foundation can certainly receive funds from metropolitan area grantees. Also, nonprofit organizations such as the Hospice Foundation in Miami can enter into cooperative agreements or subcontracts with profitmaking organizations such as Hospice, Inc. Usual Federal rules about excessive cost or charge would, of course, apply. I know of the good work of Project Outreach and I assume that the local government in Miami would work closely with them in carrying out this legislation.

Mr. LEHMAN of Florida. Also the bill provides for a local health services planning council to establish the blueprint for AIDS services. That council is to include a broad range of community health care providers and other organizations in these programs. Would the Hospice Foundation be eligible to be a member of such a council in Miami?

Mr. WAXMAN. Yes, it is the committee's intention that the Hospice Foundation, as a coordinator of local services to people with AIDS, certainly be considered both a health care provider and a community based service organization. Accordingly, the Hospice Foundation would be eligible to be a member of the local planning council in Miami.

□ 1240

Mr. MADIGAN. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. DANNEMEYER], a member of the committee.

Mr. DANNEMEYER. Mr. Chairman, I would like to take this opportunity to thank my committee chairman, the gentleman from California [Mr. WAXMAN], and the ranking minority member, the gentleman from Illinois [Mr. MADIGAN] for all the work that our committee members have done. It has been extensive. We have disagreements in certain areas, but overall I believe we have an admirable bill.

I will be offering an amendment that deals with that disagreement on what I call the cornerstone of our effort of what our country should be pursuing to control the epidemic; namely, the reportability of positive HIV test results in confidence to public health officials for the purposes of partner notifications.

To put the issue in perspective, I would like to describe for my colleagues just a little as to how our society has dealt generally with curable veneral disease, and then draw the comparison.

When a physician in practice in America encounters a patient with curable veneral disease, such as syphilis or gonorrhea, the doctor is required to breach the confidentiality that exists between doctor and patient and report the status of that infection in confidence to the local Public Health Department and certain identifying information taken down by the county health department and then a health investigator comes out and asks the person with the curable disease, "Who have your sexual contacts been?"

If at that point that person with this curable veneral disease says to the health investigator, "I'm not going to share that sensitive information with you. Get out of here, or I'll call the ACLU."

And the House investigator says, "Citizen, if you don't tell us voluntarily who your sexual contacts have been, we will take you into custody," subtly, but that is what they will tell him.

Now, we Americans have put up with that invasion of our civil liberties with equanimity. We have accepted this invasion of our privacy. Why? So profound is the public policy in America to prevent the transmissibility of a curable veneral disease.

All my amendment says is that if it makes sense to adopt that kind of policy to protect people from getting a curable veneral disease, for goodness sakes we should have the same policy implemented across this land to prevent the transmissibility of a noncurable veneral disease, the HIV virus. That is all my amendment does.

You would think that there was something radical about the amendment that this Member from California will be offering. That is all it does.

You will say, "What is the opposition? Why would people be opposed to this routine public health measure to control an epidemic?"

By then you have to get into the problems that this epidemic has presented across this land. The reality is that we are dealing with the first politically protected disease in the country. In a nutshell, there is a political force in Congress, in the United States and in the public health world of medicine that wants to treat AIDS as a civil rights issue. I want to treat it as a public health issue.

I happen to believe as a matter of principle that the civil rights of the uninfected take precedence over the civil rights of the infected. The infected, however, claim that their privacy takes precedence over the civil rights of the uninfected. That is what this fight is all about.

There has been much progress in the last 2 years since the House last considered this issue, moving from the civil rights approach which currently we are pursuing, to the public health approach that I support and the importance of what I am talking about is apparent when we analyze that today across this land in 10 States and the District of Columbia, which together comprise about 78 percent of the AIDS cases in America, we do not have in place the routine step that I am talking about.

My colleague, the gentleman from New York [Mr. GREEN] happens to be in an unenviable position, because New York State has the largest number of AIDs cases in America. My State of California has the second largest number of AIDS cases.

The Medical Society of the State of New York, I am happy to say, has specifically endorsed the amendment that I am talking about, as has the Medical Society of the State of New Jersey and the State of Massachusetts and four other, a total of seven States in the Union and their medical societies have endorsed the amendment that I will be offering in the amendment status.

Confidential reporting enables local public health officials to carry out partner notification programs. Without a system to collect identifiers from seropositive individuals, health officials will not be able to recall those who return for their test results and subsequently contact them to obtain accurate information concerning the whereabouts of their partners.

Second, there are no longer any rational reasons for an infected person to go underground to avoid the healthcare system. Opponents of reporting

cite two studies conducted in 1986 and 1987 in Oregon and South Carolina to support the theory that confidential reporting will drive at risk persons underground. This theory is flawed for the following reasons: First, AZT and aerosolized pentamidine are now available for seropositive persons; second, the Americans With Disabilities Act provides Federal civil rights protection to HIV-infected persons; third, there are no longer any questions concerning the accuracy of the HIV testing technology; and fourth, States with confidential reporting test more persons per 100,000 population than States with anonymous testing.

Third, only mentally ill or deluded persons will avoid life-prolonging drugs and refuse to cooperate with partner notification efforts. We should not structure our entire public health system around the irrational fears and behavioral quirks of a small minority of the at-risk population. These are human beings, who care about the health and safety of their loved ones. Our policy should reflect that assumption.

Ironically, the opponents of confidential reporting support legislation that would require HIV-infected persons to turn over their names, addresses, phone numbers, and other identifying information to an army of State and Federal Medicaid bureaucrats in order to receive a limited package of Medicaid benefits. Infected persons would have to reveal much more identity linked information under H.R. 4080 than under the amendment this gentleman plans to offer. If at-risk persons would be willing to reveal their identities to all these bureaucrats in order to obtain AZT, why would they not do the same to cooperate in vital partner notification programs?

An interesting question that will come up in the debate is should we have a Federal mandate on reportability?

I say the answer to that question is yes, given the magnitude of the problem across this land. AIDS is consuming an ever larger share of the Federal budget. As recently as 1980 the Federal Government was spending zero dollars on AIDS. Now total Federal expenditures, research, education, treatment, and counseling, approaches $4 billion annually. H.R. 4785 will add an additional $800 million to this amount.

□ 1250

The AIDS epidemic is concentrated in very few geographic areas. To illustrate, only 50 hospitals nationwide treat 50 percent of all AIDS patients; 200 hospitals treat 85 percent of these patients. Yet the areas with the worst AIDS problem conduct no partner notification.

In New York City, with between 200,000 and 400,000 HIV-infected residents, not one of the 11,000 individuals who tested positive for HIV in 1989 was referred to the Health Department for partner notification. In Washington, DC and other cities the story is the same.

In conjunction with partner notification, reporting enables health officials to spend all these funds wisely. In conjunction with partner notification, reporting is the best known method for interrupting the chain of transmission of infection. There are many junctures in the partner notification process where it is essential that the caseworker be able to contact the index patient.

If a relatively small number of States contains such a large portion of the AIDS cases, who will consume most of these funds, is it not reasonable to ask that they implement reporting and partner notification programs?

The following organizations have endorsed H.R. 3102, which contains a Federal mandate on the question of confidential reporting. I share these with Members.

Medical Society of the State of New York.
Massachusetts Medical Society.
Medical Society of New Jersey.
Arkansas Medical Society.
Tennessee Medical Association.
South Dakota State Medical Association.
West Virginia State Medical Association.
North Carolina Neurosurgical Society.
New York State Society of Surgeons.
New York State Society of Obstetricians and Gynecologists.
New York State Society of Orthopaedic Surgeons.
Stanislaus County Medical Society (CA).
Imperial County Medical Society (CA).
National Association of Medical Examiners.
American Academy of Orthopaedic Surgeons.
American Society of Abdominal Surgeons.
American Urological Association.
Independent Doctors of America.
Association of American Physicians and Surgeons.
Americans for a Sound AIDS Policy.
American Family Association.
American Federation of Small Business.
Concerned Women for America.
Congress of Racial Equality.

Some Members will ask why in the world is a civil rights organization, CORE, supporting my amendment? Their leaders are outraged that some people want to treat this as a civil rights issue, not a public health issue.

Mr. WAXMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, at this point in the debate we have what is called general discussion on the bill itself. The gentleman from California [Mr. DANNEMEYER] has used his time to discuss his amendment. I do want to point out there will be an opportunity to hear the debate on that amendment. The amendment of the gentleman is very controversial. His amendment is opposed by all the public health groups, from the American Medical Association, the American Public Health Association, the American Nurses Association, the American Hospital Association, the American College of Obstetricians and Gynecologists, the American Psychological Association, and on and on and on.

Mr. Chairman, I only say this for the simple purpose that no one should be misled during the general debate that the amendment of the gentleman from California [Mr. DANNEMEYER] is a responsible one agreed to by the people who believe this issue should be handled as a health issue. The health people do not think his amendment would be constructive, and they have raised opposition to it.

We want to use our time now in general debate and wait for the debate on amendments to go into further reasons why some of the amendments are wise and others in our opinion are not so wise.

Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, I rise in support of H.R. 4785, the AIDS Prevention Act of 1990. This legislation is urgently needed by cities and States across the United States. AIDS has struck many communities, but the impact of this epidemic is felt nowhere in the United States more profoundly than in my home city of New York. The number of AIDS cases exceeds one-fifth of the total cases reported nationwide. More than 16,000 New Yorkers have died. And more than 235,000 New Yorkers are thought to be infected and will become sick before the epidemic is over. AIDS is now the leading cause of death among New York City's men ages 30 to 44, women from 25 to 39, and children ages 1 to 4.

In other communities, the cases and deaths may not be as numerous as those in New York, but they are climbing each day. The most severely affected cities—New York, San Francisco, Los Angeles, Miami, and Newark—are well-known. But there are many others with high and growing rates of infection, caseloads, and deaths: Atlanta, Austin, Baltimore, Oakland, San Juan, Seattle, and Tampa, to name just a few.

All of these cities and many others are experiencing the kind of disaster that a hurricane or earthquake can wreak on human lives and city and State finances. The HIV epidemic has brought into sharp focus the deplorable state of health care in America. Many urban health care systems are staggering under the weight of AIDS, drug abuse, homelessness, and mental illness. Access to adequate health care is limited for many of our citizens; 37 million have no insurance of any kind. Testimony at hearings held by the Subcommittee on Human Resources and Intergovernmental Relations, which I chair, emphasized the crisis in

hospital overload, shortage of personnel, and lack of resources to care for those struck by the epidemic.

The AIDS Prevention Act will provide an infusion of essential funds to many of those hard hit cities for emergency health care relief.

Scientists have discovered that early intervention can delay the onset of illness in HIV-infected persons. These treatments offer hope to thousands of HIV-infected individuals. By slowing the progression of the disease, a substantial measure of patient care can be moved from the hospital bed into the clinic, thus reducing the pressure on hospitals and reducing the cost of care, at least for awhile.

But science has outdistanced health care delivery and financing. Early intervention is expensive, and health care providers consistently express their need for additional resources to offer the life-extending treatments. The administration has done little to make it available. In fact, the President's budget request for fiscal year 1991 eliminated all funds for the Drug Reimbursement Program that helps uninsured low-income persons pay for AZT and other AIDS-related drugs that are part of early intervention.

Once again, Congress must fill the leadership void. The AIDS Prevention Act will support vital early intervention services to help persons with HIV infection preserve their good health for as long as possible. The treatments will be combined with prevention services to help slow the transmission of HIV.

Representative DANNEMEYER is planning to offer an amendment to federally mandate the reporting of names of all persons who test positive be reported to their States. I vigorously oppose this amendment for it will discourage persons at risk of infection from being tested. The negative consequences of not being tested are first, that persons with asymptomatic HIV infections will miss the opportunity to obtain early intervention where it is offered, and second, persons at risk, whether infected or not will not be exposed to pre- and post-test counseling that accompanies testing and offers prevention education to those who are infected or at risk.

I commend my distinguished colleague, HENRY WAXMAN, for his fine work in sponsoring this legislation and bringing it to the floor and urge my colleagues to defeat negative amendments and vote for the adoption of the bill on final passage.

The CHAIRMAN. The Chair will announce that the gentleman from California [Mr. WAXMAN] has 18 minutes remaining, and the gentleman from Illinois [Mr. MADIGAN] has 17 minutes remaining.

Mr. MADIGAN. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. GREEN].

Mr. GREEN of New York. Mr. Chairman, I rise in support of the AIDS Prevention Act of 1990, H.R. 4785. As a result of the very substantial investment that we have made in research regarding AIDS, we now know some things. We know what the virus is that causes the ailment. We know how it is transmitted. We have some treatments for AIDS.

Alas, we have not yet found either a vaccine or a cure, but we can in fact treat patients and extend their lives. So the time is certainly here, and perhaps long overdue, when the Congress must address not just AIDS research, but also treatment of persons with AIDS.

The AIDS Prevention Act of 1990 takes a very important step in that direction. As we now have treatments, expensive treatments, it is important to make them available to all who can benefit from them. The AIDS Prevention Act of 1990 will do that.

As we know how the disease is transmitted, it is important to try to educate all of the public as to that information so that false beliefs as to how the disease is transmitted are swept away and people can act on the true information that is available. The AIDS prevention Act of 1990 will do that.

It is also very important that we look at what AIDS is doing to the health care systems in those metropolitan areas where AIDS is most prevalent. In my city, New York City, the AIDS situation has swamped our entire health care system. While the situation has been aggravated an ill-advised policy on the part of Governor Cuomo and his health commissioner of closing hospital and nursing home beds long after the scope of the AIDS and drug epidemics were clear, nontheless it is also clear that we are at a point today where our hospitals are filled to capacity.

□ 1300

If someone with a totally unrelated condition comes into an emergency room and needs a hospital bed, that person may often lie in the hall outside the emergency room for a day or two before a bed becomes available upstairs, again because of the tremendous impact that the AIDS epidemic is having on our hospitals.

The emergency assistance this bill provides to metropolitan areas with those concentrations of AIDS and the possibility for treatment on an outpatient basis when dealing with the disease in its early stages are very important components of this bill.

This bill is a very important step forward, and I would urge all of my colleagues to vote for the AIDS Prevention Act of 1990.

Mr. WAXMAN. Mr. Chairman, I am pleased to yield 4 minutes to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, I thank the gentleman for yielding time to me and commend the gentleman from California [Mr. WAXMAN], the gentleman from Illinois, [Mr. MADIGAN], the committee, and the staff of the subcommittee for bringing this important legislation, the AIDS Prevention Act of 1990, to the floor.

I rise today in support of this legislation, Mr. Chairman, which would provide funds for research and prevention of acquired immune deficiency syndrome, as well as providing relief to those cities hardest hit by the AIDS epidemic. I sympathize with my colleagues, the gentleman from New York, Mr. GREEN and Mr. WEISS, who mentioned how their communities were affected by AIDS. My own city of San Francisco, which I share representation with Mrs. BOXER, has lost nearly 6,000 people to AIDS. There are approximately 750,000 people in the San Francisco and 6,000 people have died of AIDS. So it is with deep gratitude and appreciation that I come to the floor to thank the gentlemen and the members of the committee for this important legislation.

As Members know, Mr. Chairman, AIDS has been identified by both the administration and the Congress as our Nation's top health priority, and this legislation is a giant step forward in addressing the epidemic. This legislation has been crafted with care and is important because it authorizes grants to States and health care facilities for the provision of AIDS-preventive health services, which includes testing and counseling, authorizes grants to certain hospitals and prisons to provide AIDS-preventive health services and prevention, always important, and establishes demonstration programs for the purpose of conducting clinical research on therapies for pediatric HIV patients and their families, authorizing $30 million in fiscal year 1991 for demonstration projects for comprehensive treatment services. All of these programs are critical if we are to really help people with AIDS and save lives.

This bill would also provide desperately needed assistance to cities with a large number of AIDS cases to provide AIDS health support services. The bill specifies that the services to be provided with these emergency grants are to be community-based, enhancing the availability and quality of outpatient and ambulatory care to low-income individuals and families with HIV.

I believe this legislation gives us the opportunity to care for people in a way that is both humane but is also cost-effective. As I mentioned, my city has lost 6,000 people. It is such an astounding number that I mourn every time I say it.

But San Francisco, during the course of that tragedy, has become a model city for community-based care and health services for people with AIDS. For that reason, many people with AIDS come to cities like San Francisco, New York, and Los Angeles in search of care and assistance. This legislation would assist these cities with the double burden of taking care of not only long-term residents, but also those people seeking care who come to our cities. These cities can in turn advise and assist others in preventive health care services for people with AIDS.

We have heard from the public health experts. We have seen the effectiveness of community-based treatment and prevention efforts. It is now time to act. We must work together, the local, State, and Federal Government, volunteers, doctors, educators, to improve the understanding of AIDS and not make it worse.

I therefore urge my colleagues to resist the Burton amendment and the Dannemeyer amendment, and I urge them to support H.R. 4785 without any weakening amendments.

Mr. MADIGAN. Mr. Chairman, I yield 3 minutes to the gentlewoman from New York, [Ms. MOLINARI].

Ms. MOLINARI. Mr. Chairman, I rise in strong support today of H.R. 4785, the Aids Prevention Act of 1990. As a Representative of New York City, I would like to thank my colleagues, the gentleman from California, [Mr. WAXMAN] and the gentleman from Illinois [Mr. MADIGAN] for bringing this important piece of legislation to the floor. It is vital to the future of our country and critical to the urban areas that are severely impacted, in particular New York City.

Some opponents of this legislation have stated that we should perhaps not take a disease-specific approach. We responded as a nation, let me remind them, to the polio epidemic, and we contribute on an annual basis to research and preventive measures for cancer. We can no longer ignore this national tragedy. We can no longer ignore the inability of municipalities to financially deal with this problem.

Speakers before me have noted the disastrous situation unique to New York City. Speakers before me have emphasized, and the need has to be reemphasized, that this is a disease that consumes man, woman, and child in major urban areas. The New York City Health Department estimates that between 125,000 and 235,000 New Yorkers are infected with HIV. Because its incubation period is 10 years, New York faces even more serious problems in the future, as does the rest of this country.

In New York City, only four HIV AIDS community-based primary care centers are fully operational at present, and one has a waiting list of over 100 people waiting to see a physician. The New York City HSA AIDS Task Force says 90,000 HIV-related physician visits are needed this year, but each primary care center cannot handle more than 4,000 such visits in a year.

A recent study by the American Council on Science and Health reported that 1 in 25 New York City adults will become sick from the AIDS virus within the next 10 years, and the frightening impact will be felt by every New York City resident.

New York and other like impacted urban areas are financially crippled now, and our services are sharing in the pain and the strains of this national epidemic. Without Federal assistance, education will suffer, environmental concerns will suffer, housing opportunities will suffer. Congress must act now to provide cities such as New York with emergency assistance grants. These moneys will enable us to provide early intervention methods as well as preventive measures so that thousands of individuals could live longer lives if the appropriate treatments were available.

I urge my colleagues today to support the AIDS Prevention Act of 1990 and to focus in on the devastation of this disease and the fear that it represents. We must act now to provide Federal funding for the battle against AIDS so that we can prevent paying more for it later, more in terms of dollars, more in terms of human lives lost to this unforgiving and devastating disease.

Mr. WAXMAN. Mr. Chairman, for the purposes of a colloquy, I yield such time as she may consume to the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Chairman, I thank the gentleman from California for yielding time to me and his willingness to take part in this colloquy.

Mr. Chairman, I am concerned that the cities of Hartford, New Haven, and Bridgeport, in my State of Connecticut, are not eligible for emergency relief grants under the bill as drafted. Only 4 of the 13 eligible SMA's have an AIDS rate higher than Hartford or New Haven's. And only 6 of the 13 eligible areas have a rate higher than Bridgeport's. Hartford, CT, ranks fifth in the Nation in terms of incidence of AIDS with 48.9 cases per 100,000 according to the Centers for Disease Control. New Haven ranks sixth with 47.5 cases per 100,000 and Bridgeport ranks ninth with 27.9 cases per 100,000. In addition, Connecticut has the highest incidence of pediatric AIDS in the Nation.

Now I understand that these cities are not eligible because they do not meet the 2,000-case threshold. However, I would ask the gentleman if he would be willing to review this matter in conference in light of the extremely high incidence of AIDS in these three cities in my State.

Mr. WAXMAN. Mr. Chairman, will the gentlewoman yield?

Mrs. KENNELLY. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Chairman, I certainly will continue to review the matter. There are many communities that are being hard hit by this AIDS epidemic. We have a cutoff point to get those that are the most severely impacted at the moment.

There are other provisions in the bill that I think will be of assistance to the gentlewoman's communities, and we will continue to look at this issue with her in this legislation.

Let me just repeat again, this bill is only a big first step. It is not an answer to the enormous problems of this tidal wave of AIDS cases that are about to sweep over the health care system all over the country.

Mrs. KENNELLY. I thank the gentleman for any consideration that he can give to my cities.

Mr. MADIGAN. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. BURTON].

□ 1310

Mr. BURTON of Indiana. I thank the gentleman for yielding.

Mr. Chairman, a number of speakers have come to the floor today to talk about this issue.

The gentleman from Illinois [Mr. MADIGAN] said, "Given that there is no cure for AIDS, we can only halt its spread by convincing," get this, listen to this, "by convincing infected individuals to modify their high-risk behavior and other individuals to take precautions against becoming infected." I agree with that. But how do you convince people to modify their behavior if they do not even know they have AIDS?

Ninety-five percent of the people in this country who are infected with the AIDS virus do not even know they have it. They can carry it for 7 years, on average, before they get full-blown AIDS. And during that entire time, they look like any other human being, and anyone who comes in contact with them is at risk of getting AIDS. Some people can carry it for up to 20 years before any manifestation of the disease.

Yet we hear today we want those people to modify their behavior, those who are infected with AIDS. They do not even know they have it. The only way they will know they have it is if we test. You have to test individuals.

Now, we have tested in the past. We have tested this Nation for tuberculosis, we have tested this Nation for syphillis. Neither one of those diseases was as lethal as AIDS, and yet we will

not allow a national testing program to deal with this pandemic.

Now, 3 or 4 years ago, 5 years ago, the Centers for Disease Control told us there were 1.5 million people infected and it was doubling every 12 to 18 months.

Now they are telling us we only have 1 million people infected. Yet you heard that in New York and California thousands of people are dying, and yet the numbers they say that are infected are less than they were 5 years ago.

The fact of the matter is many experts believe we have 5 to 6 million people infected and 95 percent of those people are spreading the disease because they do not even know they have it and they are going on with business as usual.

What I do not understand on this floor is why we do not follow the policies of the past, and that is, to test this Nation to find out who has the disease, where it is spreading most rapidly so that we can formulate a policy to deal with it.

We are running around this place with our head in a sack trying to deal with a potential national catastrophe.

Yet they will say to you that we should not test because it is going to violate someone's civil rights or some other reason.

The fact of the matter is we will have testing; the only question is will we wait until 10 million or 20 million people are dead or dying before doing it?

Mr. WAXMAN. Mr. Chairman, I yield 2 minutes to the gentlewoman from San Francisco, CA [Mrs. BOXER].

Mrs. BOXER. I thank the gentleman for yielding.

Mr. Chairman, I want to associate myself with the comments of my colleague, the gentlewoman from San Francisco, NANCY PELOSI. She went over many of the points that are well taken in our particular area, where we do have a high incidence.

But for this moment or two I would like to really congratulate the gentleman from California [Mr. WAXMAN], the gentleman from Illinois [Mr. MADIGAN], and the entire Committee on Energy and Commerce because I think what this committee has shown is that AIDS is a health issue, it is not a political issue.

We have to work together, Democrats and Republicans alike, and fight this battle together. That is what this bill really does. It brings us all together.

This bill enables us to fight together against this disease.

Now, there are a few people who have amendments who I think will try to undermine that consensus. I hope they will go down to defeat; I believe that they will.

I want to speak for a moment as the chair of the Human Resources Task Force of the Committee on the Budget and as chair of the AIDS Task Force, a position I held every year I was on there, and to say that what this bill does is carry out everything that we identified in the Committee on the Budget hearings as being absolutely necessary.

First of all, early intervention with AZT. The good news is that AZT works; the bad news is that if we cannot get it to the people, we have not done anybody any good.

It is expensive, we have to figure out a way to counsel, we have to figure out a way to get the drug to the people.

Second, our cities and our hospitals that are overburdened, that are bending under this disease, need help. Disaster aid to cities and hospitals is the second important part of this bill.

Third, pediatric AIDS; we must spend more on research, we have to understand how the disease is transmitted from mother to fetus. We have to reach out to the people in the inner cities who are single mothers, who need to help their children, and need help themselves.

This bill addresses those issues. I am proud to associate myself with it. I urge a "yes" vote.

Mr. MADIGAN. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. I thank the gentleman for yielding.

My colleagues, I rise in support of the Dannemeyer and Burton amendments and in support of the bill.

I hate to hear the term used that these amendments weaken this hard-crafted piece of legislation. It is a very large bill. It takes a lot of time to read it. Because Mr. DANNEMEYER has already strengthened the bill with prison reporting, testing and with hospital testing. He would further strengthen the bill with reportability and contact testing.

People have risen from the San Francisco area, the New York area, the Connecticut area and read off figures which are deeply felt. But I think we should give a little "compared to what?"

Here are the latest figures mailed by the National Institutes of Health and the Centers for Disease Control just yesterday and which will arrive in a handful of offices. Most of us have not even asked to get these figures on a monthly basis.

They are stunning.

Cases as of 13 days ago, 132,140. Now, that is probably 20 percent low. It is for sure 10 percent low. That is what the prior Surgeon General told me. It is probably 20 percent low out of mercy, not to hurt families who reported death from pulmonary disease, a type of cancer or heart problem when it was really brought on by AIDS, including some direct dementia attacks.

Deaths as of 13 days ago, 83,145.

On the Vietnam wall there are 40,000 combat deaths, 58,174 overall. We are already 30,000 beyond the Vietnam Wall. If it is 20 percent low, then it is 99,774 deaths.

Listen to the new deaths last month, the beautiful month of May in the United States of America: 3,558.

Compared to what? The Revolutionary War that gave birth to this country was 4,435. That is how many will die this month of June.

The War of 1812 was half of this; Pearl Harbor was 423 people, men and women.

We have no control over this—3,558 dead last month. And this bill is going to help a little, but not enough without the Dannemeyer amendment on reportability and contact tracing. These dueling health organizations cross the country, the Dannemeyer list is highly impressive, and their list is impressive. But I did some checking.

Here is what our staffs tell us: Most of the organizations, most that Mr. WAXMAN will quote, have their headquarters inside the beltway. Most of the organizations, medical societies of New York, Massachusetts, Arkansas, New Jersey, Tennessee, South Dakota, West Virginia, they are outside the beltway. That may not tell you anything, but it tells me something.

It tells me something about the politics of this catastrophic health problem and why we need contact tracing and reportability.

In the amendment debate I will read the letter from the New England Journal of Medicine.

Mr. WAXMAN. Mr. Chairman, I yield 1 minute to a very distinguished member of our subcommittee, the gentleman from New York [Mr. TOWNS].

Mr. TOWNS. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of the bill. I want to thank the gentleman from Illinois and the distinguished chairman of the subcommittee for accommodating my concerns in this en bloc amendment.

Mr. Chairman, New York City will be one of the beneficiaries of the legislation that we are considering today. Our city hospitals are undergoing serious financial strain because of the tremendous amount of resources which must be committed to the care of AIDS patients.

The bill before us contains clarifying language that will ensure that those facilities that are currently providing services will receive the grant moneys authorized in this bill. For New York City, this language is important because of the important role that private voluntary hospitals are playing in serving AIDS patients. Seven out of the ten hospitals with the largest number of AIDS patients in 1988 were private not for profit hospitals.

I believe that it is important, Mr. Chairman, that those entities which are actually providing the care, be they public or private, should be the entities that receive the funds.

□ 1320

Mr. WAXMAN. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Chairman, let me add my accolades to those of all other Members, again to the chairman of the subcommittee, the ranking member of the subcommittee, and the whole Committee on Energy and Commerce for this important legislation.

I would say to my colleagues that I have been here 10 years, and we have passed large numbers of bills about disasters. All natural disasters. We have passed them when a flood hits a certain region, or a drought hits a certain region. We move and give them aid. I have supported all of those.

I used to be befuddled how my region, New York City, would be hit by many disasters—none of them natural, many of them man-made so to speak—and there would be nothing. We would be left struggling on our own. I thought, well, the reason for this was not by design, it is simply when the country was founded, most of the disasters were natural. Now there are many more man-made disasters, but it would be fair to rectify this kind of injustice, that it was about time that when disasters affecting urban areas were affected, this body responded with the some generosity of spirit and move toward helping those areas as it does when natural disasters hit.

This bill does just that. It says to cities like New York, New York which has 25 percent of the total AIDS patients in this country, that we understand your problem. We are now struggling mightly to deal with it ourself, talking to the city. It is not a moment that occurs that frequently, but it is occurring here, and it is a wonderful moment. It is a good moment. It is a moment that I hope we will not forget.

To inform my colleagues of the kind of problems we face in the city right now, 10 percent of city beds are filled with people with AIDS. Hospitals are collapsing, due to the financial burdens placed upon them. In 1994, we will need another 2,300 beds, four to five hospitals. In 1994, budget for AIDS, help for AIDS, will be 80 percent of the police department budget. So this help is definitely needed.

I urge my colleagues to vote for it, and I hope it will be the first of many bills that recognize the kind of disasters that urban areas need help for.

Mr. WAXMAN. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON. Mr. Chairman, I am pleased to rise in support of H.R. 4785, the "AIDS Prevention Act of 1990". This legislation is vital to the very health and well-being of our entire Nation.

Many argue that the worst of the AIDS epidemic is over. Nothing could be further from the truth. In fact, the AIDS crises continues to tighten its grip on growing numbers of helpless victims. The number of AIDS cases has reached staggering proportions, and the fatality rate is even more alarming. This year alone, we have already experienced a 42-percent increase in AIDS cases, numbering over 13,000, as well as a 50-percent increase in the death rate.

H.R. 4785 is vital to this Nation as a whole, and to my district, in particular. In Long Beach, alone, we have had 794 AIDS cases—with a fatality rate of nearly 65 percent, over 500 deaths. Long Beach currently has the second highest rate of HIV/AIDS cases in the State of California—a State that ranks behind only New York and Florida in reported AIDS cases.

Given the worsening financial constraints on the Los Angeles County health system, the immediate future of the surviving 284 AIDS victims in Long Beach remains uncertain.

The city of Long Beach has many fine agencies and organizations that are helping numerous AIDS sufferers. These agencies stand to benefit substantially from passage of this bill. The city of Long Beach Department of Health and Human Services, the Long Beach AIDS hospice project, the Samaritan House, ONE-in Long Beach, Project Ahead, and Being Alive, are just a few of the agencies that desperately await enactment of H.R. 4785. They have all made a positive impact in the effort to reduce the transmission of the HIV virus by providing behavioral change support programs for HIV positive individuals while they receive health assessment, health education, and medical and psychological treatment services. Their gallant effort, however, will not be enough to stem the tide of AIDS unless we continue to support their programs and provide the necessary funds. H.R. 4785 allows us the opportunity to do that.

The fundamental problem in providing adequate care to individuals with the HIV infection, quite simply, involves the lack of available resources. In Long Beach, our most acute problem is the lack of accessible outpatient clinic services for persons who require preventive therapy and monitoring. It is not uncommon in my district for HIV positive residents to wait up to 6 weeks before they receive proper medical treatment. I understand that my district is not the only one to suffer from these circumstances. In a country with the world's most advanced medical technology, it is simply unacceptable to allow such, medical neglect. Fortunately, members of the Energy and Commerce Committee have recognized this problem and addressed it in H.R. 4785.

Make no mistake, how we here in Congress handle the AIDS crises will determine how long it will continue. America can afford to wait no longer for the aid that H.R. 4785 provides. I commend the committee chairman Mr. DINGELL for his bringing this bill to the floor, and the subcommittee chairman Mr. WAXMAN, for his many years of work on this issue, and for his tireless efforts on this particular bill.

Mr. MADIGAN. Mr. Chairman, I yield 5 minutes to the ranking member of the Committee on Energy and Commerce, the gentleman from New York [Mr. LENT].

Mr. LENT. Mr. Chairman, the AIDS epidemic continues to be a terrible tragedy. First, there is the direct human tragedy for the victims and their families. And the epidemic is also exerting continuing pressure on our entire health care system—particularly in States and urban areas of the highest incidence of the disease. For years, the picture of this epidemic has been entirely bleak.

However, recently, medical studies have shown that certain drug treatments can hold off the most serious symptoms for months or years in people who have been infected with the HIV virus. This legislation is directed toward the goal of providing funds to offer these preventive drugs to individuals, and providing additional assistance to cities which have been hit the hardest by the epidemic.

In the negotiations on this bill, I am very pleased that the two gentlemen from California have worked in a collegial fashion to work out a number of compromises on the legislation before us. At committee markups, a number of amendments offered by the distinguished, Republican gentleman from California were approved. These included: First, an amendment which requires States, as a condition for receiving funds, to have in place or to establish civil and criminal penalties for the knowing transmission of the HIV virus; second, a perfected amendment which creates a grant program to provide funds to States for the mandatory testing and the provision of preventive services to prisoners in prisons in areas of high incidence of AIDS; and third, an amendment which authorizes grants for the purpose of offering and encouraging preventive health services to hospitals that have been hit hardest by the AIDS epidemic.

I would also like to say a few words about an amendment which I sponsored that was accepted by the committee authorizing research projects for the development of drug therapies for pediatric AIDS patients.

Among the most tragic victims of this terrible epidemic are the poor

children that have been stricken with this terrible disease. And, according to the Centers for Disease Control, children constitute the fastest growing AIDS population.

While the number of children currently afflicted with AIDS is relatively small, the Centers for Disease Control projects that by 1991, as many as 20,000 children will be infected with HIV. Experts also predict that AIDS will be one of the five major causes of death among children between 1 and 4 years old within the next 5 years. Unfortunately, many experts have expressed the concern that the pace of drug development for these young patients has lagged significantly behind that of similar projects for adults. Section 403 of the legislation addresses this problem by authorizing grants for the purpose of conducting clinical research for the development of therapeutic drugs for pediatric HIV patients, and by targeting these research projects to local community clinics which serve the families of those who are at risk.

Also, during the floor consideration of this bill, I will be offering an amendment which will authorize pediatric demonstration projects and will increase the authorization level for adult and pediatric AIDS demonstration projects. My intent in offering this amendment is to provide an increase in funding for the pediatric AIDS projects. These projects are currently in place and have proven to be extremely effective in providing a wide spectrum of health care support and social services to families and children. This authorization will assure that existing projects continue, and that new communities can also benefit from these projects. I believe I can confidently say that there will be strong bipartisan support for this amendment.

I would again like to express my pleasure to my colleagues on the Energy and Commerce Committee that we have been able to form a consensus on many of the important issues in this legislation.

□ 1330

The CHAIRMAN. The Chair will advise the author of the bill, the gentleman from California [Mr. WAXMAN], that he has 3 minutes remaining, and that the gentleman from Illinois [Mr. MADIGAN] has 1 minute remaining in general debate.

Mr. WAXMAN. Mr. Chairman, I yield the balance of our time to the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. I thank the gentleman for yielding this time to me.

Mr. Chairman, I would like to commend the leadership of the Committee on Energy and Commerce for bringing this important and very significant bill to the floor. I particularly would like to commend my close friend and colleague, the gentleman from California [Mr. WAXMAN] for the leadership on this issue which he has been providing for many, many years. I commend also the Members on both sides of the aisle who have played an important role in enabling us to deal with this very important piece of legislation.

This legislation, Mr. Chairman, due to its preventive nature, is an exceptionally wise economic investment. Our country, I believe, cannot afford not to invest in AIDS prevention, because of the significant savings, both in terms of human costs and financial costs this prevention will provide.

I am also pleased that a provision was added to this legislation in committee to deal with pediatric AIDS research, and I am very pleased to hear that an additional amendment will be introduced on the floor to add additional authorized resources to the pediatric AIDS area. Much more needs to be done in this area, and this bill is an important step in the right direction.

A number of us here in the Congress, and particularly a number of us in California, have learned quite a bit about the tragedy and travail that has occurred in the pediatric AIDS area through the courageous leadership of the Pediatric AIDS Foundation, which happens to be located in my district, and its two key leaders, Elizabeth Glaser and Ms. De Laurentis. Ms. Glaser and Ms. De Laurentis have done a fine job, as has their staff and fine volunteer organization, in educating Members of Congress around the country with regard to the urgency of focusing much more attention and much more resources in the pediatric AIDS area. This legislation, as it currently stands and as I believe and hope it will be amended on the floor, will do a great deal to advance that cause.

Mr. Chairman, in general, southern California ranks second in the Nation in the number of reported AIDS cases. This legislation is aimed at providing much needed resources to combat AIDS in just such highly infected geographic areas. The bill makes important grants to provide assistance to public or nonprofit hospitals, clinics, nursing homes, or health centers that are providing services to a disproportionate share of low-income individuals and families with HIV disease. These institutions will enhance the quality of services and deliver outpatient and ambulatory care services, including comprehensive treatment and family support services.

The funds will also be used to assist mechanisms that assure the continuity of health insurance and integrate early diagnosis and early intervention services with primary health care and support services. In addition, States will use the funds to provide health and support services to infants, children, women, and families with HIV disease. Services will be provided on a sliding fee scale based on ability to pay.

Most importantly, this bill fills in the gaps in services and research other initiatives have left. It sets up a system for notifying emergency response workers if they are exposed to infectious diseases, and makes grants to hospitals and prisons to defray the staggering costs of AIDS services. Finally, the bill provides funding for demonstration projects for pediatric AIDS, rural area services, and drug provision.

Mr. CHAIRMAN, I am very pleased to lend my support to this extremely important legislation, and I urge its passage on the House floor.

Mr. BRENNAN. Mr. Chairman, I rise today in support of the AIDS Prevention Act of 1990. I believe this bill will serve as a significant stepping ground to increased access to testing, counseling, early intervention, and treatment services for people with the HIV virus or AIDS disease. Equally important, this legislation highlights the prevention component of our Nation's so-called fight against the AIDS virus.

I believe education, counseling, and voluntary testing, particularly when targeted toward individuals at-risk of getting AIDS, are currently our best ammunition in curbing further spread of the HIV virus. The AIDS Prevention Act takes a public and personal health perspective of this unfortunate disease. It will serve not only the approximately 1 million individuals believed to be infected with the HIV agent, but also the families, the communities, and the entire society within which these people live.

Mr. Chairman, in my home State of Maine an estimated 103 people have AIDS, while 1,160 are estimated to be HIV infected. I believe these numbers are alarming. While Maine is a small rural State, these numbers are troubling, the statistics in New York and California are astounding. Passage of this bill is an absolute necessity for Maine and for those areas where the AIDS epidemic is dictating emergency relief.

I am supporting this legislation because it will provide essential services to those in Maine who are, or may someday find themselves, a family member, a friend, or a companion struggling with an HIV infection or AIDS. I am also voting for this bill because it may protect some people from ever having to struggle with AIDS. I urge my colleagues to join me in support of the AIDS Prevention Act.

Mr. PANETTA. Mr. Chairman, as the House votes on the AIDS Prevention Act, I would like to take this opportunity to note that the House passed a budget resolution which contains almost $3 billion in programs to fight AIDS, making efforts to fight this disease a true budget priority. As an estimated 1.5 million Americans are infected with the AIDS virus, it is no exaggeration to say that AIDS will be one of the major economic challenges facing the country as it enters the 1990's. The number of AIDS cases is projected to rise to 365,000 by 1992, severely testing the resources of many States and localities. Deaths

from AIDS will decrease only if medical, educational, and other preventive measures are successful.

As chairman of the Budget Committee, I worked with my colleagues to introduce a budget resolution which assumes additional spending across six budget functions for programs of education, prevention, research, testing, training, and other assistance to the victims of this tragic disease. In passing this resolution, Congress recognized that the AIDS epidemic represents a very real fiscal challenge as well as a national tragedy. I am pleased that the Congress has decided not to invest further in band-aid solutions. The budget resolution assumes a $700 million increase in budget authority for the Public Health Service AIDS budget, bringing its fiscal year 1991 total to $2.35 billion. In addition, the resolution includes $104 million above inflation specifically targeted for pediatric AIDS projects. This amount will be sufficient to provide substantial increases in basic biomedical AIDS research. Our willingness to confront the problem head on represents a light at the end of the long tunnel ahead.

The administration has felt less urgency on this issue. Under the Bush administration proposal, research, prevention, and education programs would be increased only 7 percent, and overall spending for AIDS would increase only $87 million. This is evidence that Mr. Bush is not willing to look AIDS in the face and make the full commitment necessary to save millions of lives.

The AIDS Prevention Act represents a continuation of the wise beginning made by Congress in May. It will authorize a good part of the money included in the budget resolution for purposes of AIDS prevention, treatment, and counseling. In addition, it is consistent with recommendations outlined in the Budget Committee's report that increased funding be used for prevention, early intervention, and assistance to heavily impacted areas. Ultimately, the Appropriations Committee, in its good judgment, will be responsible for ensuring that funds are adequately distributed. It is my hope that Congress will continue work on this issue recognizing that real solutions are necessary for both our health and our economic welfare.

Mr. SHAW. Mr. Chairman, I rise today in support of the AIDS Prevention Act of 1990, and to commend Mr. WAXMAN and Mr. MADIGAN for their work on this legislation.

As we all know, AIDS threatens the health of every community in our Nation, without regard to age, sex, or national origin. The Center for Disease Control reports that at least 1 million Americans are capable of spreading the HIV virus, and this number is growing rapidly. H.R. 4785 will expand preventive and early intervention services necessary to stem the epidemic's present rate of growth.

Another critical portion of the bill recognizes those areas facing a literal health disaster. The State of Florida, for example, is the 3d highest State in the Nation for reported AIDS cases—with the bulk of these cases coming from cities in south Florida.

To the credit of this bill, AIDS is finally being looked at as a priority health issue in this country. I urge my colleagues to join me and vote in favor of The AIDS Prevention Act.

Mr. MINETA. Mr. Chairman, I rise today in strong support of H.R. 4785, the AIDS Prevention Act of 1990.

As of May 16 more than 132,000 cases of AIDS have been reported in the United States. Almost 81,000 people have died; many of them struck down in the prime of life.

Every day across this country, doctors, nurses, hospital administrators, and thousands of volunteers battle this disease alongside those who suffer from it. They do so knowing they will not win very often, and that victories, when they come at all, are temporary.

Even in the face of daily tragedy, they continue to fight the infections and the despair that AIDS brings with it. They continue to fight the ignorance and the bigotry and the fear.

For 9 years they have fought this battle. Sometimes with no help from the powers that be, and all too often in the face of active opposition.

After 9 years, Mr. Chairman, the epidemic continues to grow. In some parts of the country, the scope of the tragedy threatens to overwhelm the systems set up to help. Health care workers and volunteers are being spread so thin, they fear their ability to help will soon break down.

Without the emergency aid contained in this bill, their fears could very well come to pass.

Mr. Chairman, ours is a caring country. Across this Nation, thousands of men and women from all walks of life are fighting AIDS and hopelessness.

Today, by passing H.R. 4785, we can send them the clear message that the Congress stands with them in that fight.

I urge my colleagues to support the bill.

Mr. MATSUI. Mr. Chairman, before us today is a much-needed bill that addresses the single most significant health threat in our Nation's history. The AIDS Prevention Act takes affirmative steps toward providing preventive health services to people who are at risk of getting AIDS. This bill will make a difference for millions of Americans.

While a cure for AIDS is still elusive, researchers have made great strides in developing treatments for those who have tested HIV positive. Health care services must be made available to as many people as possible, until the time that a cure is known—and these services must be made available to all those in need, not just to those who have the knowledge and can afford such treatment.

To pretend that this dreaded disease is going to disappear or that only certain people suffer from AIDS is not only ignorant, but irresponsible. AIDS is a fact of life for all Americans, regardless of whether the individual is a minority, gay or lesbian, a drug abuser, or poor. This disease strikes all segments of our society.

The sad facts are that AIDS is on the rise in many communities and information about how to prevent AIDS or where to go for counseling and services is scarce in these areas. The National Commission on AIDS estimates that for minorities and women, the AIDS epidemic will reach even greater proportions during the 1990's. By passing this legislation today, we can take an affirmative step to stem the spread of AIDS among minorities and women.

Today we can come forward and acknowledge the strain the spread of AIDS has placed on our communities and take some positive steps to reduce this burden. Our social service systems, hospitals, and communities all are overwhelmed by the AIDS epidemic. This bill provides some relief to these institutions by providing funds for counseling and preventive services, while also acknowledging the tremendous human toll this disease is exacting.

This legislation targets funds to areas most in need. Relief would be available not only to social services agencies and health facilities, but to community-based organizations to provide counseling and services to the families of individuals with AIDS. The toll AIDS takes on the families of those with the disease cannot be forgotten. I urge my colleagues to support this important legislation and to make that important difference to many Americans and their families.

Mr. HOYER. Mr. Chairman, my principal reason for joining the debate this afternoon is to join with my colleagues who have expressed their strong opposition to the Dannemeyer amendment.

But first I want to congratulate our colleague, the chairman of the House Energy and Commerce Subcommittee on Health and the Environment, Congressman WAXMAN, for bringing the AIDS Prevention Act to the floor for our consideration.

Our approach to health care in this country has helped produce one of the most sophisticated, intensive, and effective systems of care in the world—if you're lucky to have access to that care, and if you and your local provider can afford it.

The committee is taking one of the first steps in a process that may eventually help fill in the gaps in our haphazard and piece-meal approach to health care in this country. But in bringing this very important legislation to the floor, the committee is taking important steps to deal with a specific crisis that is affecting many communities and hundreds of thousands of Americans who are dealing with the physical, emotional, and financial consequences of AIDS.

Tens of thousands of Americans—Americans of every color, infants and adolescents, the wealthy and the destitute, the homemaker and the homeless—are victims of this deadly disease.

H.R. 4378 will help these people live longer, more productive lives by providing for quicker intervention like the early administration of anti-AIDS drugs like AZT. That is "prevention," ladies and gentleman, something about which we do too little.

The bill also provides funds for counseling and testing of individuals who may be at risk for the disease. Again, the committee has provided additional support for preventive health care that not only leads to appropriate counseling and medical intervention for those who have the infection, but also will help protect those Americans who have not been exposed to HIV.

Uncharacteristically, Mr. Chairman, the proponents of the Dannemeyer amendment argue that unlike our treatment of any other communicable disease, a federally mandated identity reporting requirement is the only way

to assure that local jurisdictions spend these funds appropriately.

The last time a similar amendment was debated and defeated in this body, the identifying-information reporting requirements adopted by the State of Colorado were much discussed by proponents of a similar amendment.

This year, however, I've noted the absence of this State's experience from the debate. The reason is that this local jurisdiction has also instituted an anonymous testing and contact tracing program to attract those individuals who will not otherwise come forward.

The Dannemeyer amendment would explicitly preclude this well-established approach toward protecting the public health.

Furthermore, the Dannemeyer amendment does not, in fact, provide any better incentive or improved mechanism for contact tracing; the Dannemeyer amendment does pose a dangerous threat by discouraging those potentially infected with HIV from seeking appropriate testing, counseling, and medical care.

The Dannemeyer amendment explicitly mandates an activity that has traditionally been under the purview of local and State governments, encroaching not only on their prerogatives, but also on their ability to protect the public health based on local conditions and experience.

Mr. Chairman, I once again want to congratulate Mr. WAXMAN, Mr. MADIGAN, and the members of the subcommittee for their fine work on this bill, and urge my colleagues to vote no on the Dannemeyer amendment, yes on the Rowland-Waxman substitute, and yes on final passage.

Mr. SANGMEISTER. Mr. Chairman, today the House of Representatives has taken decisive action in the battle against AIDS. By passing the AIDS Prevention Act of 1990, Congress has decided to allocate the necessary resources to health workers so that they can effectively work to stop the spread of AIDS.

After examining the statistics and other information we now have on AIDS, it was very easy for me to cast my vote in favor of this bill. The Centers for Disease Control, based in Atlanta, has reported that there are already over 125,000 AIDS cases and projected a cumulative total of 480,000 by the year 1993. Ten percent of all cases of AIDS in America are among women and young children. Many of these children were born with the disease. At least 80,000 people have been known to have died from AIDS. Most heath experts would agree that this is a conservative estimate and that many more have died without having been diagnosed with AIDS.

The bill that we have passed today authorizes funding to States and health care facilities for the provision of AIDS prevention health services. In addition, the bill authorizes emergency relief grants to the metropolitan areas hardest hit by the AIDS epidemic.

Already there has been an enormous human and economic cost as a result of the spread of AIDS. The United States must marshal the necessary resources to permanently stop AIDS. This deadly disease presents an immediate and major threat to the health of this Nation and I believe the action taken by the House today is a major step toward resolving this crisis.

Mr. FAZIO. Mr. Chairman, I strongly support H.R. 4785, the AIDS Prevention Act. I commend the sponsor of the bill, Congressman HENRY WAXMAN, for his tireless efforts on behalf of this bill as well as his work on other important measures which address the AIDS crisis in this country.

H.R. 4785 is a comprehensive bill containing a number of important provisions to help in the prevention and treatment of AIDS. This bill authorizes grants to States and health care facilities for the provision of AIDS preventive health services—including testing and counseling—authorizes emergency relief grants to the metropolitan areas hardest hit by the AIDS epidemic, creates a system for notifying emergency workers of possible exposure to infectious diseases, authorizes various other grants and demonstration projects, and requires certain studies to be conducted regarding AIDS.

The need for this legislation is clear as thousands are dying and enormous strains are being placed on our health care system and local communities. AIDS continues to be our No. 1 public health concern. As of the end of April, 132,510 individuals were reported to be inflicted with AIDS in the United States and 80,798 of those individuals had died. My own State of California has been particularly hard-hit, with the second highest rate of HIV infection in the country. Millions more will continue to be infected until adequate steps are taken to address the spread and treatment of AIDS. Consequently, H.R. 4785 is a responsible bill which will provide relief and assistance to our local communities and States as well as HIV-infected individuals.

While H.R. 4785 is a responsible bill, the Dannemeyer amendment to the bill to require States, as a condition of receiving grants under the bill, to gather the names of those who test positive for HIV, is not.

I strongly oppose this amendment because it would hamper our efforts in preventing the spread of AIDS. Experience has taught us that mandatory reporting of names discourages those who may test HIV positive from coming in to be tested. A blanket reporting requirement scares away those individuals who are in greatest need of being counseled and tested. In addition, partner notification and contact tracing do not require reporting.

The States are well equipped to set their own policies regarding reporting. Under the Waxman-Rowland substitute, which I support, each State is free to determine under what circumstances identifying information may or may not be required. Many States already have in place effective systems for reporting HIV results which meet the needs of the citizens of their States. Mandating Federal reporting is unnecesary and unprecedented—there are no Federal requirements for reporting any other disease, even those much more contagious than AIDS, such as polio.

H.R. 4785 is a responsible bill which is urgently needed. I urge my colleagues to support this legislation without the Dannemeyer amendment.

Mr. MADIGAN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered as an original bill for the purpose of amendment and is considered as having been read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 4785

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "AIDS Prevention Act of 1990".

TITLE I—PREVENTIVE HEALTH SERVICES WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

SEC. 101. ESTABLISHMENT OF PROGRAM OF GRANTS.

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended—

(1) by redesignating title XXVI as title XXVII;

(2) by redesignating sections 2601 through 2614 as sections 2701 through 2714, respectively; and

(3) by inserting after title XXV the following new title:

"TITLE XXVI—PREVENTIVE HEALTH SERVICES WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

"PART A—GRANTS FOR PROVISION OF SERVICES

"SEC. 2601. ESTABLISHMENT OF PROGRAM.

"(a) ALLOTMENTS FOR STATES.—For the purposes described in subsection (c), the Secretary, acting through the Director of the Centers for Disease Control and the Administrator of the Health Resources and Services Administration, shall for each of the fiscal years 1991 through 1995 make an allotment for each State in an amount determined in accordance with section 2613. The Secretary shall, make payments, as grants, to each State from the allotment for the State for the fiscal year involved if the Secretary approves for the fiscal year an application submitted by the State pursuant to section 2612.

"(b) CATEGORICAL GRANTS.—For the purposes described in subsection (c), the Secretary, acting through the Director of the Centers for Disease Control and the Administrator of the Health Resources and Services Administration, may make grants to public and nonprofit private entities specified in subsection (d)(1).

"(c) PURPOSES OF GRANTS.—

"(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) or (b) unless the applicant for the grant agrees to expend the grant for the purposes of providing, on an outpatient basis, the preventive health services specified in paragraph (2) with respect to acquired immune deficiency syndrome.

"(2) SPECIFICATION OF PREVENTIVE HEALTH SERVICES.—The preventive health services referred to in paragraph (1) are—

"(A) counseling individuals with respect to acquired immune deficiency syndrome in accordance with section 2603;

"(B) testing individuals with respect to such syndrome, including tests to confirm the presence of an infection with the etiologic agent for such syndrome, tests to diagnose the extent of the deficiency in the

immune system, and tests to provide information on appropriate therapeutic measures for preventing and treating the deterioration of the immune system and for preventing and treating conditions arising from the infection; and

"(C) providing the therapeutic measures described in subparagraph (B).

"(3) REQUIREMENT OF AVAILABILITY OF ALL PREVENTIVE HEALTH SERVICES THROUGH EACH GRANTEE.—The Secretary may not make a grant under subsection (a) or (b) unless the applicant for the grant agrees that each of the preventive health services specified in subparagraphs (A) through (C) of paragraph (2) will be available through the applicant. With respect to compliance with such agreement, a grantee under subsection (a) or (b) may expend the grant to provide the preventive health services directly, and may expend the grant to enter into agreements with other public or nonprofit private entities under which the entities provide the services.

"(4) OPTIONAL SERVICES.—A grantee under subsection (a) or (b)—

"(A) may expend the grant to provide outreach services to inform individuals, as appropriate, of the availability of preventive health services from the grantee; and

"(B) may, in the case of individuals who seek preventive health services from the grantee, expend the grant—

"(i) for case management to provide coordination in the provision of health care services to the individuals and to review the extent of utilization of the services by the individuals; and

(ii) to provide assistance to the individuals regarding establishing the eligibility of the individuals for financial assistance and services under Federal, State, or local programs providing for health services, mental health services, social services, or other appropriate services.

"(1) IN GENERAL.—Subject to paragraph (2), the Secretary may not make a grant under subsection (a) or (b) for the provision of preventive health services under subsection (c) in a State unless, in the case of any such service that is available pursuant to the State plan approved under title XIX of the Social Security Act for the State—

"(A) the applicant for the grant will provide the preventive health service directly, and the applicant has entered into a participation agreement under the State plan and is qualified to receive payments under such plan; or

"(B) the applicant for the grant has entered into an agreement with a public or nonprofit private entity under which the entity will provide the health service, and the entity has entered into such a participation agreement and is qualified to receive such payments.

"(2) WAIVER REGARDING CERTAIN SECONDARY AGREEMENTS.—

"(A) In the case of an entity making an agreement pursuant to paragraph (1)(B) regarding the provision of preventive health services, the requirement established in such paragraph shall be waived by the Secretary if the entity does not, in providing health care services, impose a charge or accept reimbursement available from any third-party payor, including reimbursement under any insurance policy or under any Federal or State health benefits program.

"(B) A determination by the Secretary of whether an entity referred to in subparagraph (A) meets the criteria for a waiver under such subparagraph shall be made without regard to whether the entity accepts voluntary donations regarding the provision of services to the public.

"(e) PROVISIONS REGARDING CATEGORICAL GRANTS.—

"(1) CERTAIN MINIMUM QUALIFICATIONS OF GRANTEES.—The entities referred to in subsection (b) are public entities (including States), and nonprofit private entities, that—

"(A) are grantees pursuant to section 317(j)(2), section 318(c), section 329, section 330, section 340, section 509A, or section 1001;

"(B) are hospitals;

"(C) are health care facilities that provide, on an outpatient basis, care for individuals infected with the etiologic agent for acquired immune deficiency syndrome;

"(D) have under any appropriations Act received funds as alternate blood testing sites;

"(E) are comprehensive hemophilia diagnostic and treatment centers; or

"(F) are otherwise experienced in providing health care to individuals at risk of infection with such etiologic agent.

"(2) PREFERENCES IN MAKING CATEGORICAL GRANTS.—

"(A) Subject to subparagraph (B), the Secretary shall, in making grants under subsection (b), give preference to qualified applicants that will provide preventive health services pursuant to such subsection in any geographic area for which—

"(i) in the case of grants for fiscal year 1991, the number of additional cases of acquired immune deficiency syndrome, as indicated by the number of such cases reported to and confirmed by the Secretary for the most recent fiscal year for which such data is available, increased significantly above the number of additional cases of such syndrome reported to and confirmed by the Secretary for the fiscal year immediately preceding such most recent fiscal year; and

"(ii) in the case of grants for fiscal year 1992 and subsequent fiscal years, the number of additional cases of infection with the etiologic agent for acquired immune deficiency syndrome, as indicated by the number of such cases for the most recent fiscal year for which such data is available, increased significantly above the number of additional such cases for the fiscal year immediately preceding such most recent fiscal year.

"(B) In the case of grants under subsection (b) for fiscal year 1992 and subsequent fiscal years, the Secretary shall, for purposes of preferences under subparagraph (A), apply the criteria described in clause (i) of such subparagraph if the Secretary determines that sufficient and accurate data are not available for applying the criteria described in clause (ii) of such subparagraph.

"(C) In providing preferences under subparagraph (A) for a fiscal year, the Secretary shall give special consideration to rural areas meeting the applicable criteria established in such subparagraph.

"(3) REQUIREMENT REGARDING SERVICES FOR INDIVIDUALS WITH HEMOPHILIA.—In making grants under subsection (b), the Secretary shall ensure that any such grants made regarding the provision of preventive health services to individuals with hemophilia are made through the network of comprehensive hemophilia diagnostic and treatment centers.

"(4) TECHNICAL ASSISTANCE REGARDING APPLICATIONS.—The Secretary may, directly or through grants or contracts, provide technical assistance to nonprofit private entities regarding the process of submitting to the Secretary applications for grants under subsection (b).

"SEC. 2602. REQUIREMENTS REGARDING CONFIDENTIALITY AND INFORMED CONSENT.

"(a) CONFIDENTIALITY.—The Secretary may not make a grant under section 2601, unless—

"(1) in the case of any State applying for such a grant, the State agrees to ensure that information regarding the receipt of preventive health services is maintained confidentially pursuant to law or regulations in a manner not inconsistent with applicable law; and

"(2) in the case of any other entity applying for such a grant, the entity agrees to ensure that information regarding the receipt of preventive health services pursuant to the grant is maintained confidentially in a manner not inconsistent with applicable law.

"(b) INFORMED CONSENT.—

"(1) IN GENERAL.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that, in conducting testing pursuant to subsection (c)(1) of such section, the applicant will test an individual only after obtaining from the individual a statement, made in writing and signed by the individual, declaring that the individual has undergone the counseling described in section 2603(a) and that the decision of the individual with respect to undergoing such testing is voluntarily made.

"(2) PROVISIONS REGARDING ANONYMOUS TESTING.—

"(A) If, pursuant to section 2611(b), an individual will undergo testing pursuant to subsection (c)(1) of section 2601 through the use of a pseudonym, a grantee under such section shall be considered to be in compliance with the agreement made under paragraph (1) if the individual signs the statement described in such subsection using the pseudonym.

"(B) If, pursuant to section 2611(b), an individual will undergo testing pursuant to subsection (c)(1) of section 2601 without providing any information relating to the identity of the individual, a grantee under such section shall be considered to be in compliance with the agreement made under paragraph (1) if the individual orally provides the declaration described in such paragraph.

"SEC. 2603. REQUIREMENT OF PROVISION OF CERTAIN COUNSELING SERVICES.

"(a) COUNSELING BEFORE TESTING.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that, before testing an individual pursuant to subsection (c)(1) of such section, the applicant will provide to the individual appropriate counseling regarding acquired immune deficiency syndrome (based on the most recently available scientific data), including counseling on—

"(1) measures for the prevention of exposure to, and the transmission of, the etiologic agent for such syndrome;

"(2) the accuracy and reliability of the results of testing for infection with such agent;

"(3) the significance of the results of such testing, including the potential for developing acquired immune deficiency syndrome;

"(4) encouraging the individual, as appropriate, to undergo such testing;

"(5) the benefits of such testing, including the medical benefits of diagnosing the infection in the early stages and the medical benefits of receiving preventive health services during such stages;

"(6) provisions of law relating to the confidentiality of the process of receiving such services, including information regarding any disclosures that may be authorized under applicable law and information regarding the availability of anonymous counseling and testing pursuant to section 2611(b); and

"(7) provisions of applicable law relating to discrimination against individuals infected with the etiologic agent for acquired immune deficiency syndrome.

"(b) COUNSELING OF INDIVIDUALS WITH NEGATIVE TEST RESULTS.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that, if the results of testing conducted pursuant to such section indicate that an individual is not infected with the etiologic agent for acquired immune deficiency syndrome, the applicant will review for the individual the information provided pursuant to subsection (a), including—

"(1) the information described in paragraphs (1) through (3) of such subsection; and

"(2) the appropriateness of further counseling, testing, and education of the individual regarding such syndrome.

"(c) COUNSELING OF INDIVIDUALS WITH POSITIVE TEST RESULTS.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that, if the results of testing conducted pursuant to such section indicate that the individual is infected with the etiologic agent for acquired immune deficiency syndrome, the applicant will provide to the individual appropriate counseling regarding such syndrome, including—

"(1) reviewing the information described in paragraphs (1) through (3) of subsection (a);

"(2) reviewing the appropriateness of further counseling, testing, and education of the individual regarding such syndrome; and

"(3) providing counseling on—

"(A) the availability, through the applicant, of preventive health services;

"(B) the availability in the geographic area of appropriate health care, mental health care, and social and support services, including providing referrals for such services, as appropriate;

"(C) the benefits of locating and counseling any individual by whom the infected individual may have been exposed to such etiologic agent and any individual whom the infected individual may have exposed to such agent; and

"(D) the availability of the services of public health authorities with respect to locating and counseling any individual described in subparagraph (C).

"(d) ADDITIONAL REQUIREMENTS REGARDING APPROPRIATE COUNSELING.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that, in counseling individuals with respect to acquired immune deficiency syndrome pursuant to this section, the applicant will, when appropriate, ensure that individuals (including women, children, and hemophiliacs) are provided opportunities to undergo the counseling under conditions appropriate to their needs with respect to the counseling.

"(e) COUNSELING OF EMERGENCY RESPONSE EMPLOYEES.—The Secretary may not make a grant under section 2601 to a State unless the State agrees that, in counseling individuals with respect to acquired immune deficiency syndrome pursuant to this section, the State will provide opportunities for emergency response employees to undergo the counseling under conditions appropriate to their needs with respect to the counseling.

"(f) RULE OF CONSTRUCTION REGARDING COUNSELING WITHOUT TESTING.—Agreements made pursuant to this section may not be construed to prohibit any grantee under section 2601 from expending the grant for the purpose of providing counseling services described in this section to an individual who will not undergo testing regarding acquired immune deficiency syndrome as a result of the grantee or the individual determining that such testing of the individual is not appropriate.

"SEC. 2604. APPLICABILITY OF REQUIREMENTS REGARDING CONFIDENTIALITY, INFORMED CONSENT, AND COUNSELING.

"The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that, with respect to testing for infection with the etiologic agent for acquired immune deficiency syndrome, any such testing carried out by the applicant will, without regard to whether such testing is carried out with Federal funds, be carried out in accordance with conditions described in sections 2602 and 2603.

"SEC. 2605. REQUIREMENT FOR CERTAIN GRANTEES OF OFFERING AND ENCOURAGING PREVENTIVE HEALTH SERVICES.

"(a) IN GENERAL.—The Secretary may not make a grant under section 2601 unless, with respect to preventive health services, the applicant for the grant agrees that—

"(1) if the applicant is a health care provider that regularly provides treatment for sexually transmitted diseases, the applicant will offer and encourage such services with respect to individuals to whom the applicant provides such treatment;

"(2) if the applicant is a health care provider that regularly provides treatment for intravenous substance abuse, the applicant will offer and encourage such services with respect to individuals to whom the applicant provides such treatment;

"(3) if the applicant is a family planning clinic, the applicant will, as medically appropriate for the individuals involved, offer and encourage such services with respect to individuals to whom the applicant provides family planning services;

"(4) if the applicant is a health care provider that provides treatment for tuberculosis, the applicant will offer and encourage such services with respect to individuals to whom the applicant provides such treatment; and

"(5) if the applicant is a health care provider that regularly provides health care to pregnant women, the applicant will offer and encourage such services with respect to any pregnant woman to whom the applicant provides health care and whom the applicant determines is at risk with respect to acquired immune deficiency syndrome.

"(b) REFERRALS REGARDING PEDIATRIC CASES.—The Secretary may not make a grant under section 2601 to an applicant to which subsection (a)(5) applies unless the applicant agrees that, if a grantee under section 2653 exists in the geographic area involved, the applicant will provide a referral to the grantee for any pregnant woman determined by the applicant to be infected with the etiologic agent for acquired immune deficiency syndrome.

"(c) SUFFICIENCY OF AMOUNT OF GRANT.—With respect to compliance with the agreement made under subsection (a), the Secretary may require a grantee under section 2601 to offer, encourage, and provide preventive health services in accordance with such subsection only to the extent that the amount of the grant is sufficient to pay the costs of offering, encouraging, and providing the services.

"(d) CRITERIA FOR OFFERING AND ENCOURAGING.—Subject to section 2601(c)(3), a grantee to whom subsection (a) applies is, for purposes of such subsection, offering and encouraging preventive health services with respect to the individuals involved if the grantee—

"(1) offers such services to the individuals, and encourages the individuals to receive the services, as a regular practice in the course of providing the health care involved; and

"(2) provides the preventive health services only with the consent of the individuals.

"SEC. 2606. GRANTS FOR HOSPITALS REGARDING OFFERING, ENCOURAGING, AND PROVIDING PREVENTIVE HEALTH SERVICES.

"(a) IN GENERAL.—In addition to grants under section 2601, the Secretary may make grants to public and nonprofit private hospitals for the purpose of offering, encouraging, and providing preventive health services to inpatients of the hospital.

"(b) MINIMUM QUALIFICATIONS OF GRANTEES.—The Secretary may not make a grant under subsection (a) unless the hospital involved has, for the most recent fiscal year for which the data is available, admitted as inpatients of the hospital—

"(1) not fewer than 250 individuals with acquired immune deficiency syndrome; or

"(2) a number of such individuals constituting 20 percent of the number of inpatients of the hospital admitted during such period.

"(c) REQUIREMENT OF OFFERING, ENCOURAGING, AND PROVIDING PREVENTIVE HEALTH SERVICES.—

"(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) unless, subject to paragraph (3), the hospital involved agrees—

"(A) to offer and encourage preventive health services with respect to—

"(i) any inpatient of the hospital who is between 15 and 50 years of age (inclusive); and

"(ii) any inpatient for whom the hospital determines that such services are medically appropriate; and

"(B) to make available such services to any such inpatient who, pursuant to subparagraph (A), requests the services.

"(2) SUFFICIENCY OF AMOUNT OF GRANT.—With respect to compliance with an agreement under paragraph (1), the Secretary may require a grantee under subsection (a) to offer, encourage, and provide preventive health services only to the extent that the amount of the grant is sufficient to pay the costs of offering, encouraging, and providing the services.

"(d) RESTRICTIONS REGARDING PROVISION OF SERVICES.—The Secretary may not make a grant under subsection (a) unless the hospital involved agrees that—

"(1) the grant will not be expended to provide preventive health services to any individual who is not an inpatient of the hospital; and

"(2) in the case of any inpatient who is infected with the etiologic agent for acquired immune deficiency syndrome, the grant will not be expended to provide preventive health services to the inpatient if the hospital learns of the infection through any means other than offering, encouraging, and

providing the services pursuant to subsection (c)(1).

"(e) REQUIRED REFERRALS.—The Secretary may not make a grant under subsection (a) unless the hospital involved agrees that, in the case of any individual to whom the hospital has provided preventive health services pursuant to subsection (c)(1), the hospital will, upon discharging the individual from the hospital, provide appropriate referrals for the individual regarding the receipt of such services on an outpatient basis from a grantee under section 2601, or another appropriate entity, that provides such services in the geographic area involved.

"(f) REPORTS TO SECRETARY.—The Secretary may not make a grant under subsection (a) unless the hospital involved agrees that, with respect to cases of infection with the etiologic agent for acquired immune deficiency syndrome, the hospital will confidentially report to the Secretary, for each fiscal year for which the grant is made, information sufficient—

"(1) to perform statistical and epidemiological analyses of the incidence of such cases among inpatients of the hospital; and

"(2) to perform statistical and epidemiological analyses of the demographic characteristics of the population of such inpatients who have such infections.

"(g) APPLICABILITY OF PROVISIONS REGARDING INFORMED CONSENT, COUNSELING, AND OTHER MATTERS.—The Secretary may not make a grant under subsection (a) unless the hospital involved agrees that sections 2601(c)(3), 2602, 2603, 2604, and 2611 will apply to the provision of preventive health services pursuant to the grant in the same manner and to the same extent as such sections apply to the provision of such services by grantees under section 2601.

"(h) REQUIREMENT OF APPLICATION.—The Secretary may not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(i) REPORT TO CONGRESS.—Not later than 1 year after the date on which amounts are first appropriated pursuant to subsection (k), and annually thereafter, the Secretary shall submit to the Congress a report on activities carried out by grantees under this section, including any information regarding acquired immune deficiency syndrome that is developed pursuant to such activities.

"(j) CRITERIA FOR OFFERING AND ENCOURAGING.—For purposes of this section, a hospital receiving a grant under subsection (a) is offering and encouraging preventive health services with respect to the inpatients involved if the hospital—

"(1) offers such services to the inpatients, and encourages the inpatients to receive the services, as a regular practice in the course of providing health care to inpatients of the hospital; and

"(2) provides the preventive health services only with the consent of the inpatients.

"(k) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1991 through 1995.

"SEC. 2607. REQUIREMENT FOR STATE GRANTEES OF NOTIFICATION OF CERTAIN INDIVIDUALS RECEIVING BLOOD TRANSFUSIONS.

"(a) IN GENERAL.—The Secretary may not make a grant under section 2601 to a State unless the State provides assurances satisfactory to the Secretary that, with respect to individuals in the State receiving, between January 1, 1978, and April 1, 1985 (inclusive), a transfusion of whole blood or a blood-clotting factor, the State will—

"(1) encourage the population of such individuals to receive preventive health services; and

"(2) inform such population of any public health facilities in the geographic area involved that provide such services.

"(b) RULE OF CONSTRUCTION.—An agreement made under subsection (a) may not be construed to require that, in carrying out the activities described in such subsection, a State receiving a grant under section 2601 provide individual notifications to the individuals described in such subsection.

"SEC. 2608. REQUIREMENT FOR STATE GRANTEES OF REPORTING AND PARTNER NOTIFICATION IN CASES OF INFECTION.

"(a) REPORTING.—The Secretary may not make a grant under section 2601 to a State unless, with respect to testing for infection with the etiologic agent for acquired immune deficiency syndrome, the State provides assurances satisfactory to the Secretary that the State will require that any entity carrying out such testing confidentially report to the State public health officer information sufficient—

"(1) to perform statistical and epidemiological analyses of the incidence in the State of cases of such infection;

"(2) to perform statistical and epidemiological analyses of the demographic characteristics of the population of individuals in the State who have such infections; and

"(3) to assess the adequacy of preventive health services in the State.

"(b) PARTNER NOTIFICATION.—The Secretary may not make a grant under section 2601 to a State unless the State provides assurances satisfactory to the Secretary that the State will require that the State public health officer, to the extent appropriate in the determination of the officer, carry out a program of partner notification regarding cases of infection with the etiologic agent for acquired immune deficiency syndrome.

"SEC. 2609. REQUIREMENT FOR STATE GRANTEES OF ESTABLISHMENT OF CIVIL AND CRIMINAL ACTIONS REGARDING KNOWING TRANSMISSION.

"(a) IN GENERAL.—The Secretary may not make a grant under section 2601 to a State unless—

"(1) subject to the condition described in subsection (b), the State prohibits any individual who is infected with the etiologic agent for acquired immune deficiency syndrome from making a donation of blood, semen, or breast milk, if the individual knows of the infection and knows that the individual will through such donation expose another to such etiologic agent in the event that the donation is utilized;

"(2) subject to the condition described in subsection (b), the State prohibits any individual infected with such etiologic agent from engaging in sexual activity if the individual knows of the infection and knows that the individual will through such sexual activity expose another to such etiologic agent;

"(3) subject to the condition described in subsection (b), the State prohibits any individual infected with such etiologic agent from injecting himself or herself with a hypodermic needle and subsequently providing the needle to another for purposes of hypodermic injection, if the individual knows of the infection and knows that the individual will through the provision of the needle expose another to such etiologic agent in the event that the needle is utilized;

"(4) subject to the condition described in subsection (b), the State prohibits any individual from engaging in any behavior with the intent to expose another to such etiologic agent, which behavior would, if carried out as intended, result in exposing the other individual to such etiologic agent; and

"(5) subject to the condition described in subsection (b), the State authorizes a civil cause of action for damages for any violation of a prohibition described in any of paragraphs (1) through (4), and authorizes a criminal penalty for any such violation.

"(b) CONSENT TO RISK OF TRANSMISSION.—The condition referred to in each of paragraphs (1) through (5) of subsection (a) is that the prohibition described in each such paragraph shall not apply if the individual who is subjected to the behavior involved provides prior consent for being exposed to the etiologic agent for acquired immune deficiency syndrome.

"(c) TIME LIMITATIONS WITH RESPECT TO REQUIRED LAWS.—With respect to complying with subsection (a) as a condition of receiving a grant under section 2601, the Secretary may make a grant to a State under such section if—

"(1) for each of the fiscal years 1991 and 1992, the State provides assurances satisfactory to the Secretary that by not later than October 1, 1992, the State will establish the prohibitions and civil and criminal actions described in subsection (a); and

"(2) for fiscal year 1993 and subsequent fiscal years, the State has established such prohibitions and such criminal and civil actions.

"(d) STATE CERTIFICATION WITH RESPECT TO REQUIRED LAWS.—With respect to complying with subsection (a) as a condition of receiving a grant under section 2601, the Secretary may not require a State to enact any statute, or to issue any regulation, if the chief executive officer of the State certifies to the Secretary that the law of the State is in substantial compliance with this section.

"SEC. 2610. GRANTS FOR STATES REGARDING MANDATORY TESTING AND OTHER PREVENTIVE HEALTH SERVICES FOR INDIVIDUALS SENTENCED TO CERTAIN STATE PRISONS.

"(a) IN GENERAL.—In addition to grants under section 2601, the Secretary may make grants to States for the purpose of assisting the States in providing preventive health services to individuals sentenced by the State to a term of imprisonment. The Secretary may make such a grant only if the State involved requires, subject to subsection (d), that—

"(1) the services be provided to such individuals; and

"(2) each such individual be informed of the requirements of subsection (c) regarding testing and be informed of the results of such testing of the individual.

"(b) REQUIREMENT OF MATCHING FUNDS.—

"(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) unless the State involved agrees that, with respect to the costs to be incurred by the State in carrying out the purpose described in such subsection, the State will make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount equal to—

"(A) for the first fiscal year of payments under the grant, not less than $1 for each $3 of Federal funds provided in the grant;

"(B) for any second fiscal year of such payments, not less than $1 for each $2 of Federal funds provided in the grant;

"(C) for any subsequent fiscal year of such payments, not less than $1 for each $1 of Federal funds provided in the grant.

"(2) DETERMINATION OF AMOUNT OF NONFEDERAL CONTRIBUTION.—

"(A) Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(B) In making a determination of the amount of non-Federal contributions for purposes of subparagraph (A), the Secretary may include only non-Federal contributions in excess of the average amount of non-Federal contributions made by the State involved toward the purpose described in subsection (a) for the 2-year period preceding the first fiscal year for which the State is applying to receive a grant under such section.

"(c) MANDATORY TESTING.—The Secretary may not make a grant under subsection (a) unless—

"(1) the State involved requires that, subject to subsection (d), any individual sentenced by the State to a term of imprisonment be tested for infection with the etiologic agent for acquired immune deficiency syndrome—

"(A) upon entering the State penal system; and

"(B) during the 30-day period preceding the date on which the individual is released from such system;

"(2) with respect to informing employees of the penal system of the results of such testing of the individual, the State—

"(A) upon the request of any such employee, provides the results to the employee in any case in which the employee has a reasonable basis for believing that the employee may have been exposed by the individual to the etiologic agent; and

"(B) informs the employees of the availability to the employees of such results under the conditions described in subparagraph (A);

"(3) with respect to informing the spouse of the individual of the results of such testing of the individual, the State—

"(A) upon the request of the spouse, provides such results to the spouse prior to each conjugal visit and provides such results to the spouse during the period described in paragraph (1)(B); and

"(B) informs the spouse of the availability to the spouse of such results under the conditions described in subparagraph (A); and

"(4) the State, except as provided in paragraphs (2) and (3), maintains the confidentiality of the results of testing conducted pursuant to this subsection and makes disclosures of such results only as medically necessary.

"(d) DETERMINATION OF PRISONS SUBJECT TO REQUIREMENT.—

"(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) unless the State involved agrees that the requirement established in such subsection regarding the provision of preventive health services to inmates will apply only to inmates who are incarcerated in prisons with respect to which the State public health officer, after consultation with the chief State correctional officer, has, on the basis of the criteria described in paragraph (2), determined that the provision of such services is appropriate with respect to the public health and safety.

"(2) DESCRIPTION OF CRITERIA.—The criteria to be considered for purposes of paragraph (1) are—

"(A) with respect to the geographic areas in which inmates of the prison involved resided before incarceration in the prison—

"(i) the number of cases of infection with the etiologic agent for acquired immune deficiency syndrome in the geographic areas during the period in which the inmates resided in the areas;

"(ii) the per capita incidence of such cases in the areas during such period; and

"(iii) the extent to which a significant percentage of the population of the areas is known by the State public health officer to have engaged, during such period, in behavior that places individuals at risk with respect to such cases; and

"(B) the extent to which medical examinations conducted by the State for inmates of the prison involved indicate that the inmates have engaged in such behavior.

"(3) AVAILABILITY OF RELEVANT DATA.—The Secretary may not make a grant under subsection (a) unless, with respect to the criteria described in paragraph (2), the State agrees that if sufficient and accurate data regarding the number of cases of infection with the etiologic agent for acquired immune deficiency syndrome is not available, data regarding the number of cases of such syndrome will be utilized.

"(e) APPLICABILITY OF PROVISIONS REGARDING INFORMED CONSENT, COUNSELING, AND OTHER MATTERS.—The Secretary may not make a grant under subsection (a) unless the State involved agrees that sections 2601(c)(3), 2603, and 2611(c) will apply to the provision of preventive health services pursuant to the grant in the same manner and to the same extent as such sections apply to the provision of such services by grantees under section 2601.

"(f) REQUIREMENT OF APPLICATION.—The Secretary may not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(g) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1991 through 1995.

"SEC. 2611. ADDITIONAL REQUIRED AGREEMENTS.

"(a) REPORTS TO SECRETARY.—The Secretary may not make a grant under section 2601 unless—

"(1) the applicant submits to the Secretary—

"(A) a specification of the expenditures made by the applicant for preventive health services for the fiscal year preceding the fiscal year for which the applicant is applying to receive the grant; and

"(B) an estimate of the number of individuals to whom the applicant has provided such services for such fiscal year; and

"(2) the applicant agrees to submit to the Secretary a report providing—

"(A) the number of individuals to whom the applicant provides preventive health services pursuant to the grant;

"(B) epidemiological and demographic data on the population of such individuals;

"(C) the extent to which the costs of health care for such individuals are paid by third-party payors;

"(D) the average costs of providing each category of preventive health service; and

"(E) the aggregate amounts expended for each such category.

"(b) PROVISION OF OPPORTUNITIES FOR ANONYMOUS COUNSELING AND TESTING.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that, to the extent permitted under State law, the applicant will offer substantial opportunities for an individual—

"(1) to undergo counseling and testing pursuant to such section without being required to provide any information relating to the identity of the individual; and

"(2) to undergo such counseling and testing through the use of a pseudonym.

"(c) PROHIBITION AGAINST REQUIRING TESTING AS CONDITION OF RECEIVING OTHER HEALTH SERVICES.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that, with respect to an individual seeking health services from the applicant, the applicant will not require the individual to undergo testing described in such section as a condition of receiving any health services unless such testing is medically indicated in the provision of the health services sought by the individual.

"(d) INCREASED AVAILABILITY OF PREVENTIVE HEALTH SERVICES.—If an applicant for a grant under section 2601 has carried out a program of providing any preventive health service during the majority of the 180-day period preceding the fiscal year for which the applicant is first applying to receive such a grant, the Secretary may not make such a grant to the applicant for any fiscal year unless the applicant agrees to expend the grant only for the purpose of significantly increasing the availability of preventive health services provided by the applicant above the average level of availability provided under the program during such period.

"(e) LIMITATION ON IMPOSITION OF FEES FOR SERVICES.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that, if a charge is imposed for the provision of preventive health services under the grant, such charge—

"(1) will be made according to a schedule of charges that is made available to the public;

"(2) will be adjusted to reflect the income of the individual involved; and

"(3) will not be imposed on any individual with an income of less than 100 percent of the official poverty line, as established by the Director of the Office of Management and Budget and revised by the Secretary in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981.

"(f) RELATIONSHIP TO ITEMS AND SERVICES UNDER OTHER PROGRAMS.—

"(1) IN GENERAL.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that, subject to paragraph (2), the grant will not be expended to make payment for any preventive health service to the extent that payment has been made, or can reasonably be expected to be made, with respect to such service—

"(A) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program; or

"(B) by an entity that provides health services on a prepaid basis.

"(2) APPLICABILITY TO CERTAIN SECONDARY AGREEMENTS FOR PROVISION OF SERVICES.—An agreement made under paragraph (1) shall

not apply in the case of an entity through which a grantee under section 2601 provides preventive health services pursuant to subsection (c)(3) of such section, if the Secretary has provided a waiver under subsection (d)(2) of such section regarding the entity.

"(g) ADMINISTRATION OF GRANT.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that—

"(1) the applicant will not expend amounts received pursuant to such section for any purpose other than the purposes described in such section;

"(2) the applicant will establish such procedures for fiscal control and fund accounting as may be necessary to ensure proper disbursement and accounting with respect to the grant; and

"(3) the applicant will not expend more than 10 percent of the grant for administrative expenses with respect to the grant.

"SEC. 2612. REQUIREMENT OF SUBMISSION OF APPLICATION CONTAINING CERTAIN AGREEMENTS AND ASSURANCES.

"The Secretary may not make a grant under section 2601 unless—

"(1) an application for the grant is submitted to the Secretary containing agreements and assurances in accordance with this part and containing the information specified in section 2611(a)(1);

"(2) with respect to such agreements, the application provides assurances of compliance satisfactory to the Secretary; and

"(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this part.

"SEC. 2613. DETERMINATION OF AMOUNT OF ALLOTMENTS FOR STATES.

"(a) MINIMUM ALLOTMENT.—Subject to the extent of amounts made available in appropriations Acts, the amount of an allotment under section 2601(a) for a State for a fiscal year shall be the greater of—

"(1) $100,000 for each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico, and $50,000 for each of the territories of the United States other than the Commonwealth of Puerto Rico; and

"(2) an amount determined under subsection (b).

"(b) DETERMINATION UNDER FORMULA.—The amount referred to in subsection (a)(2) is the product of—

"(1) an amount equal to the amount made available pursuant to section 2616(b)(1) for the fiscal year involved; and

"(2) a percentage equal to the quotient of—

"(A) an amount equal to the number of cases of acquired immune deficiency syndrome reported to and confirmed by the Director of the Centers for Disease Control for the State involved for the most recent fiscal year for which such data is available; divided by

"(B) an amount equal to the number of cases of acquired immune deficiency syndrome reported to and confirmed by the Director of the Centers for Disease Control for the United States for the most recent fiscal year for which such data is available.

"(c) DISPOSITION OF CERTAIN FUNDS APPROPRIATED FOR ALLOTMENTS.—

"(1) IN GENERAL.—Any amounts available pursuant to paragraph (2) shall, in accordance with paragraph (3), be allotted by the Secretary each fiscal year to States receiving payments under section 2601(a) for the fiscal year (other than any State referred to in paragraph (2)(C)). The Secretary shall make payments, as grants, to each such State from any such allotment for the State for the fiscal year involved.

"(2) SPECIFICATION OF AMOUNTS.—The amounts referred to in paragraph (1) are any amounts that are not paid to States under section 2601(a) as a result of—

"(A) the failure of any State to submit an application under section 2612;

"(B) the failure, in the determination of the Secretary, of any State to prepare the application in compliance with such section or to submit the application within a reasonable period of time; or

"(C) any State informing the Secretary that the State does not intend to expend the full amount of the allotment made to the State.

"(3) AMOUNT OF ALLOTMENT.—The amount of an allotment under paragraph (1) for a State for a fiscal year shall be an amount equal to the product of—

"(A) an amount equal to the amount described in paragraph (2) for the fiscal year involved; and

"(B) the percentage determined under subsection (b)(2) for the State.

"SEC. 2614. PROVISION BY SECRETARY OF SUPPLIES AND SERVICES IN LIEU OF GRANT FUNDS.

"(a) IN GENERAL.—Upon the request of a grantee under section 2601, the Secretary may, subject to subsection (b), provide supplies, equipment, and services for the purpose of aiding the grantee in providing preventive health services and, for such purpose, may detail to the State any officer or employee of the Department of Health and Human Services.

"(b) LIMITATION.—With respect to a request described in subsection (a), the Secretary shall reduce the amount of payments under section 2601 to the grantee involved by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

"SEC. 2615. EVALUATIONS AND REPORTS.

"(a) EVALUATIONS.—The Secretary shall, directly or through grants and contracts, evaluate programs carried out with grants made under section 2601.

"(b) REPORT TO CONGRESS.—The Secretary shall, not later than 1 year after the date on which amounts are first appropriated pursuant to section 2616(a), and annually thereafter, submit to the Congress a report—

"(1) summarizing the reports submitted to the Secretary pursuant to section 2611(a)(2);

"(2) describing model programs for the provision of preventive health services;

"(3) recommending criteria to be used in determining the geographic areas with the most substantial need for preventive health services;

"(4) summarizing evaluations carried out pursuant to subsection (a) during the preceding fiscal year; and

"(5) making such recommendations for administrative and legislative initiatives with respect to this title as the Secretary determines to be appropriate.

"(c) STUDY REGARDING PARTNER NOTIFICATION.—

"(1) IN GENERAL.—The Secretary shall conduct a study of programs of partner notification for the purpose of determining—

"(A) in the case of individuals who have been notified under such programs regarding acquired immune deficiency syndrome, the percentage of such individuals who undergo counseling and testing regarding such syndrome;

"(B) in the case of such individuals who have undergone testing regarding such syndrome, the number of such individuals determined through the tests to be infected with the etiologic agent for such syndrome; and

"(C) the extent to which such programs have, in the case of such individuals, resulted in behavioral changes that are effective regarding the prevention of exposure to, and the transmission of, such etiologic agent.

"(2) REPORT.—Not later than 1 year after appropriations are first made under section 2616(a), the Secretary shall complete the study required in paragraph (1) and submit to the Congress a report describing the findings made as a result of the study.

"SEC. 2616. FUNDING.

"(a) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants under subsections (a) and (b) of section 2601, there is authorized to be appropriated $500,000,000 for each of the fiscal years 1991 through 1995.

"(b) ALLOCATION OF FUNDS BY SECRETARY.—

"(1) ALLOTMENTS.—For the purpose of making allotments under section 2601(a), the Secretary shall make available 50 percent of the amounts appropriated pursuant to subsection (a), subject to paragraph (3).

"(2) CATEGORICAL GRANTS.—For the purpose of making grants under section 2601(b), the Secretary shall make available 50 percent of the amounts appropriated under subsection (a), subject to paragraph (3).

"(3) EVALUATIONS.—For the purpose of conducting evaluations under section 2615(a), the Secretary shall make available 1 percent of the amounts appropriated under subsection (a) for a fiscal year. Amounts appropriated under such subsection shall not be subject to being made available by the Secretary under section 2711.

"(c) USE OF FUNDS.—Counseling programs carried out under this part—

"(1) shall not be designed to promote or encourage, directly, intravenous drug abuse or sexual activity, homosexual or heterosexual;

"(2) shall be designed to reduce exposure to and transmission of the etiologic agent for acquired immune deficiency syndrome by providing accurate information; and

"(3) shall provide information on the health risks of promiscuous sexual activity and intravenous drug abuse.".

TITLE II—EMERGENCY RELIEF FOR AREAS WITH SUBSTANTIAL NEED FOR SERVICES

SEC. 201. ESTABLISHMENT OF PROGRAM OF GRANTS.

Title XXVI of the Public Health Service Act, as added by section 101(3) of this Act, is amended by adding at the end the following new part:

"PART B—EMERGENCY RELIEF FOR AREAS WITH SUBSTANTIAL NEED FOR SERVICES

"SEC. 2621. ESTABLISHMENT OF PROGRAM OF GRANTS.

"(a) ESTABLISHMENT.—

"(1) ELIGIBLE GEOGRAPHIC AREAS.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall, subject to paragraph (2), make grants in accordance with section 2623 for the purpose of assisting in the provision of the services specified in subsection (c) in any metropolitan statistical area for which, as of June 30, 1990, in the case of grants for fiscal year 1991, and as of March 31 of the most recent fiscal year for which

such data is available in the case of a grant for any subsequent fiscal year—

"(A) there has been reported to the Director of the Centers for Disease Control a cumulative total of more than 2,000 cases of acquired immune deficiency syndrome; or

"(B) the per capita incidence of cumulative cases of such syndrome (computed on the basis of the most recently available data on the population of the geographic area) is not less than 0.0025.

"(2) REQUIREMENT REGARDING CONFIRMATION OF CASES.—The Secretary may not make a grant under paragraph (1) for a metropolitan statistical area unless, before making any payments under the grant, the cases of acquired immune deficiency syndrome reported for purposes of such paragraph have been confirmed by the Secretary, acting through the Director of the Centers for Disease Control.

"(b) DESIGNATION OF POLITICAL SUBDIVISION TO RECEIVE GRANT.—The Secretary may make grants under subsection (a) only to the chief elected official of the city, urban county, or other political subdivision that administers the public health agency serving the greatest proportion of cases of acquired immune deficiency syndrome in the eligible geographic area involved, as indicated by the number of such cases reported to the Director of the Centers for Disease Control.

"(c) SPECIFICATION OF HEALTH AND OTHER COMMUNITY-BASED SERVICES.—The services referred to in subsection (a) are community-based services—

"(1) to enhance the quality of outpatient and ambulatory care services provided to low-income individuals and families with HIV disease;

"(2) to deliver outpatient and ambulatory care services including case management to such individuals and families, including comprehensive treatment and support services;

"(3) to prevent unnecessary inpatient hospitalization; and

"(4) to expedite the provision of services to individuals in the most medically appropriate level of service.

"(d) PROVISIONS REGARDING SERVICE PROVIDERS.—

"(1) CERTAIN MINIMUM QUALIFICATIONS.—The Secretary may not make a grant under subsection (a) unless the political subdivision involved agrees that, in expending the grant, the services specified in subsection (c) will be provided only through public or nonprofit private clinics, sub-acute care facilities, community health centers, community mental health centers, hospices, ambulatory care facilities, or other public or nonprofit private entities, that—

"(A) provide health care to a disproportionate share of low-income individuals and families with HIV disease; and

"(B) incur uncompensated costs in providing health care to such individuals and families.

"(2) REQUIREMENT OF STATUS AS MEDICAID PROVIDER.—

"(A) Subject to subparagraph (B), the Secretary may not make a grant under subsection (a) for the provision of health services under subsection (c) in a State unless, in the case of any such service that is available pursuant to the State plan approved under title XIX of the Social Security Act for the State—

"(i) the political subdivision involved will provide the health service directly, and the political subdivision has entered into a participation agreements under the State plan and are qualified to receive payments under such plan; or

"(ii) the political subdivision has entered into an agreement with a public or nonprofit private entity under which the entity will provide the health service, and the entity has entered into such a participation agreement and is qualified to receive such payments.

"(B)(i) In the case of an entity making an agreement pursuant to subparagraph (A)(ii) regarding the provision of health services, the requirement established in such subparagraph shall be waived by the Secretary if the entity does not, in providing health care services, impose a charge or accept reimbursement available from any third-party payor, including reimbursement under any insurance policy or under any Federal or State health benefits program.

"(ii) A determination by the Secretary of whether an entity referred to in clause (i) meets the criteria for a waiver under such clause shall be made without regard to whether the entity accepts voluntary donations regarding the provision of services to the public.

"(3) PRIORITIES.—The Secretary may not make a grant under subsection (a) unless the political subdivision involved agrees that, with respect to health care providers described in paragraph (1), the political subdivision will give priority to providing the services specified in subsection (c) through such providers that—

"(A) have established, and agree to implement, a plan to evaluate the utilization of services provided in the care of individuals and families with HIV disease; and

"(B) have established a system designed to ensure that such individuals and families are referred to the most medically appropriate level of care as soon as such referral is medically indicated.

"(e) DEFINITIONS.—For purposes of this part:

"(1) The term 'eligible geographic area' means a metropolitan statistical area described in subsection (a)(1).

"(2) The term 'metropolitan statisical area' means such areas as specified by the Secretary.

"SEC. 2622. ADMINISTRATION OF GRANTS.

"(a) IN GENERAL.—To receive a grant under section 2621(a), the administering local political subdivision shall, subject to subparagraph (B)—

"(1) establish, through intergovernmental agreement with the chief elected officials of all local political subdivisions that have in excess of 10 percent of all individuals with acquired immune deficiency syndrome, as reported to the Centers for Disease Control, in such subdivision within the eligible geographic area, an administrative mechanism to allocate funds and services based on the proportion of cases of such syndrome and severity of need of such subdivisions; and

"(2) establish a council in accordance with subsection (c).

"(b) PRIORITIES IN ALLOCATION OF FUNDS.—Allocation of funds and services under subsection (a) for an eligible geographic area shall be made in accordance with the priorities established, pursuant to subsection (c)(2) of subsection (b), by the council that serves the eligible geographic area pursuant to such subsection.

"(c) HIV HEALTH SERVICES PLANNING COUNCIL.—

"(1) IN GENERAL.—To be eligible for assistance under this part, the chief elected official described in subsection (a)(1) shall agree to provide for an HIV health services planning council not later than 30 days after the date on which such assistance is first received by the official. Such a council shall include representatives of—

"(A) health care service providers;

"(B) community-based service organizations;

"(C) social service providers;

"(D) mental health providers;

"(E) local public health agencies;

"(F) hospital planning agencies or health care planning agencies;

"(G) affected communities;

"(H) community leaders;

"(I) State government;

"(J) grantees under section 2601; and

"(K) individuals who are infected with the human immunodeficiency virus.

"(2) DUTIES.—The planning council provided for under paragraph (1) shall—

"(A) develop a comprehensive plan for the organization and delivery of health services described in section 2621(c) that is compatible with any existing State or local plan regarding the provision of health services to individuals with HIV disease;

"(B) establish priorities for the allocation of funds within the eligible geographic area; and

"(C) assess the efficiency of the administrative mechanism in rapidly allocating funds to the areas of greatest need within the eligible geographic area.

"(3) METHOD OF PROVIDING FOR COUNCIL.—

"(A) IN GENERAL.—In providing for a council for purposes of paragraph (1), a chief elected official receiving a grant under section 2621(a) may establish the council directly or designate an existing entity to serve as the council.

"(B) CONSIDERATION REGARDING DESIGNATION OF COUNCIL.—In making a determination of whether to establish or designate a council under subparagraph (A), a chief elected official receiving a grant under section 2621(a) shall consider whether the purpose of the council can most effectively be carried out by designating as the council an existing entity that has demonstrated experience in assessing and planning, within the eligible geographic area, health care service needs regarding acquired immune deficiency syndrome.

"(C) PRIORITY IN DESIGNATIONS.—If a chief elected official receiving a grant under section 2621(a) makes a determination that, in providing for a council under paragraph (1), an existing entity should be designated to serve as the council, the chief elected official shall give priority to designating an entity described in subparagraph (B).

"(d) ADMINISTRATION AND PLANNING.—Not to exceed 5 percent of amounts received under a grant awarded under section 2621(a) may be utilized for the administration of the grant.

"SEC. 2623. TYPE AND DISTRIBUTION OF GRANTS.

"(a) GRANTS BASED ON RELATIVE NEED OF AREA.—

"(1) IN GENERAL.—In carrying out section 2621(a), the Secretary shall make a grant for each eligible geographic area for which an application under section 2624(a) has been approved. Each such grant shall be made in an amount determined in accordance with paragraph (3).

"(2) EXPENDITURES OF APPROPRIATIONS.—Of the amounts appropriated under section 2625 for a fiscal year, the Secretary shall reserve 50 percent for making grants under paragraph (1). Not later than 90 days after the date on which appropriations under such section are made for a fiscal year, the Secretary shall obligate all of the amounts so reserved.

"(3) AMOUNT OF GRANT.—

"(A) IN GENERAL.—Subject to the extent of amounts made available in appropriations Acts, a grant under paragraph (1) for an eligible geographic area shall be made in an amount equal to the sum of—

"(i) an amount determined in accordance with subparagraph (B); and

"(ii) an amount determined in accordance with subparagraph (C).

"(B) AMOUNT RELATING TO CUMULATIVE NUMBER OF CASES.—The amount referred to in clause (i) of subparagraph (A) is an amount equal to the product of—

"(i) an amount equal to 75 percent of the amounts reserved under paragraph (2) for the fiscal year involved; and

"(ii) a percentage equal to the quotient of—

"(I) the cumulative number of cases of acquired immune deficiency syndrome in the eligible geographic area involved, as indicated by the number of such cases reported to the Director of the Centers for Disease Control; divided by

"(II) the sum of the cumulative number of such cases in all eligible geographic areas for which an application for a grant under paragraph (1) has been approved.

"(C) AMOUNT RELATING TO PER CAPITA INCIDENCE OF CASES.—The amount referred to in clause (ii) of subparagraph (A) is an amount equal to the product of—

"(i) an amount equal to 25 percent of the amounts reserved under paragraph (2) for the fiscal year involved; and

"(ii) a percentage developed by the Secretary through consideration of the ratio of—

"(I) the per capita incidence of cumulative cases of acquired immune deficiency syndrome in the eligible geographic area involved (computed on the basis of the most recently available data on the population of the geographic area); to

"(II) the per capita incidence of such cumulative cases in all eligible geographic areas for which an application for a grant under paragraph (1) has been approved (computed on the basis of the most recently available data on the population of such geographic areas).

"(b) SUPPLEMENTAL GRANTS.—

"(1) IN GENERAL.—Not later than 150 days after the date on which appropriations are made under section 2625 for a fiscal year, the Secretary shall obligate 50 percent of the amounts appropriated under such section for the fiscal year for the purpose of making grants under section 2621(a) to eligible geographic areas whose application under section 2624(c)—

"(A) contains a report concerning the dissemination of emergency relief funds under subsection (a) and the plan for utilization of such funds;

"(B) demonstrates the severe need in such area for supplemental financial assistance to combat the HIV epidemic;

"(C) demonstrates the commitment of the local resources of the area, both financial and in-kind, to combating the HIV epidemic;

"(D) demonstrates the ability of the area to utilize such supplemental financial resources in a way that is immediately responsive and cost effective; and

"(E) demonstrates that resources will be allocated in accordance with the local demographic incidence of AIDS including funds for services for infants, children, women, and families with HIV disease.

"(2) AMOUNT OF GRANT.—The amount of each grant made by the Secretary under paragraph (1) shall be determined by the Secretary based on the application submitted by the eligible geographic area.

"SEC. 2624. APPLICATION.

"(a) IN GENERAL.—To be eligible to receive a grant under section 2621, an eligible geographic area shall prepare and submit to the Secretary an application in such form, and containing such information as the Secretary shall require, including assurances adequate to ensure—

"(1) that, if the applicant for the grant has carried out a program of providing any health service regarding acquired immune deficiency syndrome during the majority of the 180-day period preceding the fiscal year for which the applicant is first applying to receive such a grant, the applicant will, for each fiscal year for which such a grant is made to the applicant, expend the grant only for the purpose of significantly increasing the availability of such services provided by the applicant above the average level of availability provided under the program during such period; and

"(2) that agencies and institutions within the eligible geographic area that will receive funds under a grant provided under this part shall be participants in an established HIV community-based continuum of care.

"(b) DATE CERTAIN FOR SUBMISSION.—To be eligible to receive a grant under section 2621(a) for a fiscal year, an application under subsection (a) shall be submitted not later than 45 days after the date on which appropriations are made under section 2625 for the fiscal year.

"(c) ADDITIONAL APPLICATION.—An eligible geographic area that desires to receive a grant under section 2623(b) shall prepare and submit, to the Secretary, an additional application at such time, in such form, and containing such information as the Secretary shall require, including the information required under such subsection.

"SEC. 2625. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of making grants under section 2621(a), there are authorized to be appropriated $300,000,000 for each of the fiscal years 1991 and 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1995.".

TITLE III—EMERGENCY RESPONSE EMPLOYEES

SEC. 301. ESTABLISHMENT OF PROGRAM.

Title XXVI of the Public Health Service Act, as amended by section 201 of this Act, is amended by adding at the end the following new part:

"PART C—EMERGENCY RESPONSE EMPLOYEES

"Subpart I—Guidelines and Model Curriculum

"SEC. 2631. GRANTS FOR IMPLEMENTATION.

"(a) IN GENERAL.—With respect to the recommendations contained in the guidelines and the model curriculum developed under section 253 of Public Law 100-607, the Secretary shall make grants to States and political subdivisions of States for the purpose of assisting grantees regarding the initial implementation of such portions of the recommendations as are applicable to emergency response employees.

"(b) REQUIREMENT OF APPLICATION.—The Secretary may not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there is authorized to be appropriated $5,000,000 for each of the fiscal years 1991 through 1995.

"Subpart II—Notifications of Possible Exposure Regarding Acquired Immune Deficiency Syndrome and Other Infectious Diseases

"SEC. 2641. ESTABLISHMENT OF REQUIREMENT OF NOTIFICATIONS WITH RESPECT TO VICTIMS ASSISTED.

"(a) ROUTINE NOTIFICATION OF DESIGNATED OFFICER.—

"(1) DETERMINATION BY TREATING FACILITY.—If a victim of an emergency is transported by emergency response employees to a medical facility and the medical facility makes a determination that the victim has an infectious disease, the medical facility shall, with respect to the determination, notify the designated officer of the emergency response employees who transported the victim to the medical facility.

"(2) DETERMINATION BY FACILITY ASCERTAINING CAUSE OF DEATH.—If a victim of an emergency is transported by emergency response employees to a medical facility and the victim dies at or before reaching the medical facility, the medical facility ascertaining the cause of the death of the victim shall, with respect to the designated officer of the emergency response employees who transported the victim to the initial medical facility, notify the designated officer of any determination by the medical facility that the victim had an infectious disease.

"(3) REQUIREMENT OF PROMPT NOTIFICATIONS.—With respect to a determination described in paragraph (1) or (2), the notification required in each of such paragraphs shall be made as soon as is practicable, but not later than 48 hours, after the determination is made.

"(b) NOTIFICATION UPON REQUEST OF DESIGNATED OFFICER.—

"(1) DETERMINATION BY TREATING FACILITY.—If a victim of an emergency is transported by emergency response employees to a medical facility, the medical facility shall, upon the request of the designated officer of any emergency response employees who attended, treated, assisted, or transported the victim, notify the designated officer of any determination by the medical facility that the victim has an infectious disease.

"(2) DETERMINATION BY FACILITY ASCERTAINING CAUSE OF DEATH.—If a victim of an emergency is transported by emergency response employees to a medical facility and the victim dies at or before reaching the medical facility, the medical facility ascertaining the cause of the death of the victim shall, upon the request of the designated officer of any emergency response employees who attended, treated, assisted, or transported the victim, notify the designated officer of any determination by the medical facility that the victim had an infectious disease.

"(3) REQUIREMENT OF PROMPT NOTIFICATION.—

"(A) A medical facility shall make a notification required in paragraph (1) or (2) as soon as is practicable, but not later than 48 hours, after receipt of a request pursuant to the paragraph involved if, prior to the request, a determination described in such paragraph has been made by the medical facility.

"(B) A medical facility shall make a notification required in paragraph (1) or (2) as soon as is practicable, but not later than 48 hours, after making a determination described in the paragraph involved if, after

receipt of a request pursuant to such paragraph, the determination is made.

"(c) PROCEDURES FOR NOTIFICATION OF DESIGNATED OFFICER.—

"(1) CONTENTS OF NOTIFICATION TO OFFICER.—In making a notification required under subsection (a) or (b), a medical facility shall provide the date and, to the extent practicable, the time on which the victim of the emergency involved was transported by emergency response employees to a medical facility.

"(2) MANNER OF NOTIFICATION.—If a notification under subsection (a) or (b) is mailed or otherwise indirectly made—

"(A) the medical facility sending the notification shall, upon sending the notification, inform the designated officer to whom the notification is sent of the fact that the notification has been sent; and

"(B) such designated officer shall, not later than 10 days after being informed by the medical facility that the notification has been sent, inform such medical facility whether the designated officer has received the notification.

"(d) DESIGNATION OF INDIVIDUALS TO REQUEST AND RECEIVE NOTIFICATIONS FROM MEDICAL FACILITIES.—

"(1) IN GENERAL.—The public health officer of each State shall, for the purpose of requesting and receiving notifications under subsections (a) and (b), and for the purpose of carrying out subsection (e), designate 1 official or officer of each employer of emergency response employees in the State.

"(2) PREFERENCE IN MAKING DESIGNATIONS.—In making the designations required in paragraph (1), a public health officer shall give preference to individuals who are trained in the provision of health care or in the control of infectious diseases.

"(e) NOTIFICATION OF EMPLOYEE.—

"(1) ROUTINE NOTIFICATION OF EMPLOYEE.—After receiving a notification under subsection (a) or (b), a designated officer of emergency response employees shall, to the extent practicable, immediately notify each of such employees who—

"(A) responded to the emergency involved; and

"(B) as indicated by guidelines developed by the Secretary, may have been exposed to an infectious disease.

"(2) NOTIFICATION UPON REQUEST OF EMPLOYEE.—A designated officer of emergency response employees shall, upon request of such an employee—

"(A) determine whether, if a victim of an emergency to which the employee responded had an infectious disease, the employee might have been exposed to the disease, as indicated by guidelines developed by the Secretary; and

"(B) make a request described in subsection (b) if, as indicated by a determination made pursuant to subparagraph (A), the employee might have been exposed to the disease.

"(3) CONTENTS OF NOTIFICATION TO EMPLOYEE.—A notification under this subsection to an emergency response employee shall inform the employee of—

"(A) the fact that the employee may have been exposed to an infectious disease and the name of the disease involved;

"(B) any action by the employee that, as indicated by guidelines developed by the Secretary, is medically appropriate; and

"(C) if medically appropriate under such criteria, the date and time of such emergency.

"(f) LIMITATION.—Subsections (a)(1) and (b)(1) shall not apply to any determination described in such subsections made with respect to a victim of an emergency after the expiration of the 60-day period beginning on the date that the victim is transported by emergency response employees to a medical facility.

"SEC. 2642. RULES OF CONSTRUCTION.

"(a) TESTING.—Section 2641 may not, with respect to victims of emergencies, be construed to authorize or require a medical facility to test any such victim for any infectious disease.

"(b) CONFIDENTIALITY.—Section 2641 may not be construed to authorize or require any medical facility, any designated officer of emergency response employees, or any such employee, to disclose identifying information with respect to a victim of an emergency or with respect to an emergency response employee.

"(c) FAILURE TO PROVIDE EMERGENCY SERVICES.—Section 2641 may not be construed to authorize any emergency response employee to fail to respond, or to deny services, to any victim of an emergency.

"SEC. 2643. INJUNCTIONS REGARDING VIOLATION OF PROHIBITION.

"(a) IN GENERAL.—The Secretary may, in any court of competent jurisdiction, commence a civil action for the purpose of obtaining temporary or permanent injunctive relief with respect to preventing a violation of section 2641.

"(b) FACILITATION OF INFORMATION ON VIOLATIONS.—The Secretary shall establish an administrative process for encouraging emergency response employees to provide information to the Secretary regarding violations of section 2641. As appropriate, the Secretary shall investigate alleged such violations and seek appropriate injunctive relief.".

TITLE IV—CERTAIN HEALTH CARE SERVICES

SEC. 401. GRANTS FOR PROVISION OF CERTAIN SERVICES.

Title XXVI of the Public Health Service Act, as amended by section 301 of this Act, is amended by adding at the end the following new part:

"PART D—CERTAIN HEALTH CARE SERVICES

"SEC. 2651. GRANTS FOR DEMONSTRATION PROJECTS FOR COMPREHENSIVE TREATMENT SERVICES.

"(a) IN GENERAL.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, may make grants to public and nonprofit entities for the purpose of providing for demonstration projects to provide comprehensive treatment services for individuals infected with the etiologic agent for acquired immune deficiency syndrome.

"(b) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out subsection (a), there are authorized to be appropriated $30,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 through 1995.

"SEC. 2652. GRANTS TO STATES FOR PROVISION OF DRUGS FOR TREATMENT.

"(a) IN GENERAL.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, may make grants to States for the purpose of assisting States—

"(1) in purchasing drugs approved by the Commissioner of Food and Drugs for use in the treatment of cases of infection with the etiologic agent for acquired immune deficiency syndrome (including treating and preventing conditions arising from such infection); and

"(2) in distributing such drugs as medically appropriate to indigent individuals in need of the drugs who have no other means by which to acquire the drugs.

"(b) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out subsection (a), there are authorized to be appropriated $30,000,000 for each of the fiscal years 1991 through 1995.

"SEC. 2653. DEMONSTRATION GRANTS FOR RESEARCH AND SERVICES FOR PEDIATRIC PATIENTS REGARDING ACQUIRED IMMUNE DEFICIENCY SYNDROME.

"(a) IN GENERAL.—The Secretary, acting through the Administrator of the Health Resources and Services Administration and the Director of the National Institutes of Health, shall make demonstration grants to community health centers, and other appropriate public or nonprofit private entities that provide primary health care to the public, for the purpose of—

"(1) conducting, at the health facilities of such entities, clinical research on therapies for pediatric patients infected with the etiologic agent for acquired immune deficiency syndrome; and

"(2) with respect to the pediatric patients who participate in such research, providing health care on an outpatient basis to such patients and the families of such patients.

"(b) MINIMUM QUALIFICATIONS OF GRANTEES.—The Secretary may not make a grant under subsection (a) unless the health facility operated by the applicant for the grant serves a significant number of pediatric patients and pregnant women infected with the etiologic agent for acquired immune deficiency syndrome.

"(c) COOPERATION WITH BIOMEDICAL INSTITUTIONS.—

"(1) DESIGN OF RESEARCH PROTOCOL.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant—

"(A) has entered into a cooperative agreement or contract with an appropriately qualified entity with expertise in biomedical research under which the entity will assist the applicant in designing and conducting a protocol for the research to be conducted pursuant to the grant; and

"(B) agrees to provide the clinical data developed in the research to the Director of the National Institutes of Health.

"(2) ANALYSIS AND EVALUATION.—The Secretary, acting through the Director of the National Institutes of Health—

"(A) may assist grantees under subsection (a) in designing and conducting protocols described in subparagraph (A) of paragraph (1); and

"(B) shall analyze and evaluate the data submitted to the Director pursuant to subparagraph (B) of such paragraph.

"(d) CASE MANAGEMENT.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees to provide for the case management of the pediatric patient involved and the family of the patient.

"(e) REFERRALS FOR ADDITIONAL SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees to provide for the pediatric patient involved and the family of the patient—

"(1) referrals for inpatient hospital services, treatment for substance abuse, and mental health services; and

"(2) referrals for other social and support services, as appropriate.

"(f) INCIDENTAL SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees to provide the family of the pediatric patient

involved with such transportation, child care, and other incidental services as may be necessary to enable the the pediatric patient and the family of the patient to participate in the program established by the applicant pursuant to such subsection.

"(g) APPLICATION.—The Secretary may not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(h) EVALUATIONS.—The Secretary shall, directly or through contracts with public and private entities, provide for evaluations of programs carried out pursuant to subsection (a).

"(i) DEFINITION.—For purposes of this section, the term 'community health center' has the meaning given such term in section 330(a).

"(j) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $20,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 through 1995.".

TITLE V—CERTAIN DEFINITIONS

SEC. 501. DEFINITIONS FOR TITLE XXVI OF PUBLIC HEALTH SERVICE ACT.

Title XXVI of the Public Health Service Act, as amended by section 401 of this Act, is amended by adding at the end the following new part:

"PART E—GENERAL PROVISIONS

"SEC. 2661. DEFINITIONS.

"For purposes of this title:

"(1) The term 'counseling with respect to acquired immune deficiency syndrome' means such counseling provided by an individual trained to provide such counseling.

"(2) The term 'designated officer of emergency response employees' means an individual designated under section 2641(d) by the public health officer of the State involved.

"(3) The term 'emergency' means an emergency involving injury or illness.

"(4) The term 'emergency response employees' means firefighters, law enforcement officers, paramedics, emergency medical technicians, and other individuals (including employees of legally organized and recognized volunteer organizations, without regard to whether such employees receive nominal compensation) who, in the course of professional duties, respond to emergencies in the geographic area involved.

"(5) The term 'employer of emergency response employees' means an organization that, in the course of professional duties, responds to emergencies in the geographic area involved.

"(6) The term 'exposed', with respect to acquired immune deficiency syndrome or any other infectious disease, means to be in circumstances in which there is a significant risk of becoming infected with the etiologic agent for the disease involved.

"(7) The term 'infection with the etiologic agent for acquired immune deficiency syndrome' includes any condition arising from such etiologic agent.

"(8) The term 'infectious disease' means hepatitis B, hepatitis non-A/non-B, pulmonary tuberculosis, meningicoccal meningitis, rubella, infection with the etiologic agent for acquired immune deficiency syndrome, and any other disease designated, in accordance with guidelines issued by the Secretary, as an infectious disease for purposes of part C.

"(9) The term 'person' includes one or more individuals, governments (including the Federal Government and the governments of the States), governmental agencies, political subdivisions, labor unions, partnerships, associations, corporations, legal representatives, mutual companies, joint-stock companies, trusts, unincorporated organizations, receivers, trustees, and trustees in cases under title 11, United States Code.

"(10) The term 'preventive health services' means the services specified in section 2601(c)(2).

"(11) The term 'State' means each of the several States, the District of Columbia, and the territories of the United States.

"(12) The term 'territories of the United States' means each of the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

"(13) The term 'testing for infection with the etiologic agent for acquired immune deficiency syndrome' includes any diagnosis of such infection made by a health care provider licensed to make such a diagnosis under the law of the State in which the diagnosis is made.".

TITLE VI—GENERAL PROVISIONS

SEC. 601. STUDY REGARDING ACQUIRED IMMUNE DEFICIENCY SYNDROME IN RURAL AREAS.

(a) IN GENERAL.—The Secretary of Health and Human Services, after consultation with the Director of the Office of Rural Health Policy, shall—

(1) conduct a study for the purpose of estimating the incidence and prevalence in rural areas of cases of acquired immune deficiency syndrome and cases of infection with the etiologic agent for such syndrome; and

(2) in carrying out the study, determine the adequacy in rural areas of services for diagnosing such cases and providing treatment for such cases that are in the early stages of infection.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Health and Human Services shall complete the study required in subsection (a) and submit to the Congress a report describing the findings made as a result of the study.

SEC. 602. TECHNICAL AND CONFORMING AMENDMENTS.

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended—

(1) in section 406(a)(2), by striking "2101" and inserting "2701";

(2) in section 465(f), by striking "2601" and inserting "2701";

(3) in section 480(a)(2), by striking "2101" and inserting "2701";

(4) in section 485(a)(2), by striking "2101" and inserting "2701";

(5) in section 497, by striking "2601" and inserting "2701"; and

(6) in section 505(a)(2), by striking "2101" and inserting "2701"; and

(7) in section 926(b) (as added by section 6103(c)(1) of Public Law 101-239), by striking "2611" each place such term appears and inserting "2711".

SEC. 603. EFFECTIVE DATES.

Part C of title XXVI of the Public Health Service Act (as added by section 301 of this Act) shall take effect on the expiration of the 60-day period beginning on the date of the enactment of this Act. Such title shall otherwise take effect October 1, 1990, or upon the date of the enactment of this Act, whichever occurs later.

The CHAIRMAN. No amendment to said substitute shall be in order except those amendments printed in House Report 101-528. Said amendments shall be considered in the order and in the manner specified in said report, shall be considered as having been read, and shall not be subject to amendment except as specified in said report.

The amendments offered by the gentleman from Illinois [Mr. MADIGAN] or his designee shall be considered en bloc.

It is now in order to consider amendment No. 1 printed in House Report No. 101-528.

AMENDMENTS EN BLOC OFFERED BY MR. MADIGAN

Mr. MADIGAN. Mr. Chairman, I offer amendments en bloc.

The CHAIRMAN. The Clerk will designate the amendments en bloc.

The text of the amendments en bloc is as follows:

Amendments en bloc offered by Mr. MADIGAN:

In section 2601 of the Public Health Service Act, as proposed to be inserted by section 101(3) of the bill, insert after subsection (d) the following new subsection (and redesignate subsequent subsections accordingly):

"(e) REQUIREMENT OF MATCHING FUNDS REGARDING STATE ALLOTMENTS.—

"(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) unless the State involved agrees that, with respect to the costs to be incurred by the State in carrying out the purpose referred to in such subsection, the State will make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount equal to—

"(A) for the first fiscal year of payments under the grant, not less than $1 for each $5 of Federal funds provided in the grant;

"(B) for any second fiscal year of such payments, not less than $1 for each $4 of Federal funds provided in the grant;

"(C) for any third fiscal year of such payments, not less than $1 for each $3 of Federal funds provided in the grant;

"(D) for any fourth fiscal year of such payments, not less than $1 for each $2 of Federal funds provided in the grant; and

"(E) for any subsequent fiscal year of such payments, not less than $1 for each $1 of Federal funds provided in the grant;

"(2) DETERMINATION OF AMOUNT OF NON-FEDERAL CONTRIBUTION.—Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions."

In section 2611 of the Public Health Service Act, as proposed to be inserted by section 101(3) of the bill, strike subsections (d) and (e) and insert the following:

"(d) INCREASED AVAILABILITY OF PREVENTIVE HEALTH SERVICES.—

"(1) IN GENERAL.—If during the period specified in paragraph (2) an applicant for a grant under section 2601 has with non-Federal funds carried out a program of providing services for the prevention or treatment of cases of infection with the etiologic agent for acquired immune deficiency syndrome,

or social services regarding such cases, the Secretary may not make such a grant to the applicant for any fiscal year unless the applicant agrees to expend the grant only for the purpose of significantly increasing the availability of such services provided by the applicant above the average level of availability provided under the program during such period.

"(2) RELEVANT PERIOD OF TIME.—The period referred to in paragraph (1) is the fiscal year preceding the fiscal year for which the entity involved is first applying to receive a grant under section 2601.

"(e) REQUIREMENTS REGARDING IMPOSITION OF FEES FOR SERVICES.—

"(1) IN GENERAL.—The Secretary may not make a grant under section 2601 unless, subject to paragraph (3), the applicant for the grant agrees that—

"(A) in the case of individuals with an income less than or equal to 100 percent of the official poverty line, the applicant will not impose a charge on any such individual for the provision of preventive health services under the grant;

"(B) in the case of individuals with an income greater than 100 percent of the official poverty line, the applicant—

"(i) will impose a charge on each such individual for the provision of such services; and

"(ii) will impose the charge according to a schedule of charges that is made available to the public;

"(C) in the case of individuals with an income greater than 100 percent of the official poverty line and not exceeding 200 percent of such poverty line, the applicant will not, for any calendar year, impose the charge in an amount exceeding 5 percent of the annual gross income of the individual involved; and

"(D) in the case of individuals with an income greater than 200 percent of the official poverty line, the applicant will not, for any calendar year, impose the charge in an amount exceeding 10 percent of the annual gross income of the individual involved.

"(2) APPLICABILITY OF LIMITATION ON AMOUNT OF CHARGE.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that the limitations established in subparagraphs (C) and (D) of paragraph (1) regarding the imposition of charges for services applies to the single annual aggregate of charges imposed for such services, without regard to whether such charges are characterized as enrollment fees, premiums, deductions, cost sharing, copayments, or similar items.

"(3) WAIVER REGARDING CERTAIN SECONDARY AGREEMENTS.—The requirement established in paragraph (1)(B)(i) shall be waived by the Secretary in the case of any entity for whom the Secretary has granted a waiver under section 2601(d)(2)."

In section 2616(a) of the Public Health Service Act, as proposed to be inserted by section 101(3) of the bill, strike "$500,000,000" and insert "$400,000,000".

In section 2621(d)(3) of the Public Health Service Act, as proposed to be inserted by section 201 of the bill, insert after subparagraph (B) the following new subparagraph (and make appropriate technical changes at the end of subparagraphs (A) and (B)):

"(C) have provided such services to a significant number of individuals with acquired immune deficiency syndrome."

In section 2621 of the Public Health Service Act, as proposed to be inserted by section 201 of the bill, insert after subsection (d) the following new subsection (and redesignate subsequent subsections accordingly):

"(e) REQUIREMENTS REGARDING IMPOSITION OF FEES FOR SERVICES.—

"(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) unless, subject to paragraph (3), the applicant for the grant agrees that—

"(A) in the case of individuals with an income equal to or less than 100 percent of the official poverty line, the applicant will not impose a charge on any such individual for the provision of preventive health services under the grant;

"(B) in the case of individuals with an income greater than 100 percent of the official poverty line, the applicant—

"(i) will impose a charge on each such individual for the provision of such services; and

"(ii) will impose the charge according to a schedule of charges that is made available to the public;

"(C) in the case of individuals with an income greater than 100 percent of the official poverty line and not exceeding 200 percent of such poverty line, the applicant will not, for any calendar year, impose the charge in an amount exceeding 5 percent of the annual gross income of the individual involved; and

"(D) in the case of individuals with an income greater than 200 percent of the official poverty line, the applicant will not, for any calendar year, impose the charge in an amount exceeding 10 percent of the annual gross income of the individual involved.

"(2) APPLICABILITY OF LIMITATION ON AMOUNT OF CHARGE.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that the limitations established in subparagraphs (C) and (D) of paragraph (1) regarding the imposition of charges for services applies to the single annual aggregate of charges imposed for such services, without regard to whether such charges are characterized as enrollment fees, premiums, deductions, cost sharing, copayments, or similar items.

"(3) WAIVER REGARDING CERTAIN SECONDARY AGREEMENTS.—The requirement established in paragraph (1)(B)(i) shall be waived by the Secretary in the case of any entity for whom the Secretary has granted a waiver under subsection (f)(2)(B)."

In section 2624 of the Public Health Service Act, as proposed to be inserted by section 201 of the bill, strike subsection (a)(1) and insert the following new paragraph:

"(1) that, if the applicant for the grant has, during the fiscal year preceding the fiscal year for which the applicant is first applying to receive such a grant, carried out with non-Federal funds a program of providing services for the prevention or treatment of cases of infection with the etiologic agent for acquired immune deficiency syndrome, or social services regarding such cases, then the applicant will, for each fiscal year for which such a grant is made to the applicant, expend the grant only for the purpose of significantly increasing the availability of such services provided by the applicant above the average level of availability provided under the program during such period; and"

In section 2625 of the Public Health Service Act, as proposed to be inserted by section 201 of the bill, strike "$300,000,000" and insert "$275,000,000".

In section 2652 of the Public Health Service Act, as proposed to be inserted by section 401 of the bill, insert after subsection (a) the following new subsection (and redesignate subsequent subsections accordingly):

"(b) REQUIREMENT OF MATCHING FUNDS.—

"(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) unless the State involved agrees that, with respect to the costs to be incurred by the State in carrying out the purpose referred to in such subsection, the State will make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount equal to—

"(A) for the first fiscal year of payments under the grant, not less than $1 for each $5 of Federal funds provided in the grant;

"(B) for any second fiscal year of such payments, not less than $1 for each $4 of Federal funds provided in the grant;

"(C) for any third fiscal year of such payments, not less than $1 for each $3 of Federal funds provided in the grant;

"(D) for any fourth fiscal year of such payments, not less than $1 for each $2 of Federal funds provided in the grant; and

"(E) for any subsequent fiscal year of such payments, not less than $1 for each $1 of Federal funds provided in the grant.

"(2) DETERMINATION OF AMOUNT OF NON-FEDERAL CONTRIBUTION.—Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions."

In section 2661 of the Public Health Service Act, as proposed to be inserted by section 501 of the bill, insert after paragraph (8) the following new paragraph (and redesignate subsequent paragraphs accordingly):

"(9) The term 'official poverty line' means the poverty line established by the Director of the Office of Management and Budget and revised by the Secretary in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981."

The CHAIRMAN. The gentleman from Illinois [Mr. MADIGAN] will be recognized for 5 minutes, and a Member opposed will be recognized for 5 minutes.

The Chair recognizes the gentleman from Illinois [Mr. MADIGAN].

Mr. MADIGAN. Mr. Chairman, I rise to offer a series of amendments en bloc which have been worked out with both the administration and the distinguished democratic subcommittee chairman from California. Before I explain my amendment in detail, I would also like to express my pleasure that the majority and minority have been able to work in a collegial fashion during negotiations on this bill. And I am glad to say that on most of the important aspects of the bill, compromises have been worked out.

The first amendment would target preventive and community-based service funds to assist the financially needy in a fair and equitable manner while at the same time maximizing the effectiveness of the grant funds. This would be accomplished in the following manner:

For individuals with incomes at 100 percent of the Federal poverty line or below, services would be provided free of charge.

In the case of individuals with incomes above the Federal poverty line, charges must be imposed on a sliding scale. For individuals with incomes between 100 percent and 200 percent of the poverty line, charges cannot exceed 5 percent of an individual's annual gross income. For those with incomes greater than 200 percent of the poverty line, charges cannot exceed 10 percent of their annual gross income.

These fee schedules will apply both to title I and title II of the act for preventive health care services and emergency relief respectively.

The second amendment clarifies the maintenance of effort provisions in title I and II of the legislation. In general, the maintenance of effort provisions ensure that grantees must maintain their investment for all HIV-related services, and that Federal money must be used to significantly increase AIDS-related services.

This amendment would specify the following rules that a grantee must follow in calculating the amount of funds that the grantee is currently spending on HIV-related services for the maintenance of effort calculation:

First, all funds that the grantee spends in the preceding fiscal year for preventive and social services must be counted in the calculation; and

Second, only non-Federal funds must be counted in the calculation.

The third amendment would apply to titles I (grants to States) and title IV (State grants for provision of AIDS drugs) and require a State matching requirement for funds which would be phased in over 5 years. This provision would ensure the efficient use of Federal resources and encourage States to continue sharing the cost of HIV services. In the first year, the Federal match would be 5 Federal dollars for 1 State dollar, and in subsequent years, the Federal match would be phased-downed eventually to reach a dollar-for-dollar match in 1995.

The fourth amendment would lower the authorizations in titles I and II. In title I the authorization would be lowered from $500 million annually to $400 million. In title II the authorization would be lowered from $300 million to $275 million.

Mr. WAXMAN. Mr. Chairman, I ask unanimous consent that I may be given 5 minutes to speak in support of the amendments en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

□ 1340

Mr. WAXMAN. Mr. Chairman and my colleagues, I support the amendment drafted by the gentleman from Illinois [Mr. MADIGAN]. I know that he and his staff have worked to make this proposal meet the concerns expressed by the administration. I recognize that he has gone far to reach a middle ground.

Mr. Chairman, this amendment is a fair compromise. I want to thank the gentleman from Illinois for his work and join him in urging that this en bloc amendment be adopted.

Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey [Mr. PAYNE].

Mr. PAYNE of New Jersey. Mr. Chairman, I rise in support of H.R. 4785, the AIDS Prevention Act of 1990. This important legislation will authorize funds to provide AIDS preventive health services, to protect health care workers from infectious diseases, to ease the burden on hospitals which treat a high proportion of AIDS patients, and to finance certain demonstration projects and studies. Perhaps, most significantly, the AIDS Prevention Act will authorize grants to provide emergency relief for the metropolitan areas hardest hit by the AIDS epidemic. This legislation represents an important step toward alleviating the AIDS crisis.

AIDS is a national epidemic that requires national leadership. AIDS is devastating communities in all regions of the country: the Northeast, the South, the Midwest, and the West. It is not an isolated disease that affects only certain people. This killer disease does not respect sex, age, or ethnicity. AIDS and HIV, the virus that causes AIDS, are found in men and women, adults and children, whites, Latinos, African-Americans, and other ethnic groups. Over 80,000 Americans have died from AIDS since it was first diagnosed in 1981. Right now, an estimated 1 to 1.5 million Americans are infected with HIV. These numbers are expected to get worse before they get better. That's why it is important for us to act swiftly and support timely legislation such as the AIDS Prevention Act.

I am especially pleased that this legislation is providing grants to States and targeting hard hit cities. In my home State of New Jersey, nearly 8,000 AIDS cases have been confirmed since 1981, ranking us fourth in the country. Nearly 5,000 of these individuals have died. The epicenter of the AIDS epidemic in New Jersey is in my hometown of Newark, which is one of the cities targeted in this bill. The Newark metropolitan area has over 3,300 reported AIDS cases, the most of any city except New York, San Francisco, Los Angeles, and Houston. The difference between Newark and these other cities is that Newark has less that half a million people, while these other cities have millions of residents. Therefore, on a per capita basis, Newark has one of the most concentrated incidences of AIDS in the country.

Newark and New Jersey are also different from other cities and States in that a majority of our AIDS cases are not related to homosexual activity. Nationally, 67 percent of the reported AIDS cases are among homosexual and bisexual men. The pattern is different in New Jersey, where over 53 percent of AIDS cases are among intravenous drug abusers. The AIDS Prevention Act is good legislation because it gives flexibility to local officials to determine service priorities.

New Jersey also has a relatively high incidence of HIV infection in women, children, and adolescents. One quarter of those who have contracted AIDS through IV drug use are women. Two-thirds of those who have gotten the virus through unprotected sexual intercourse are women. Overall, more than one in five people with AIDS in New Jersey is female, a larger proportion than any other State. In Essex County, where Newark is located, over one in every 100 pregnant women carries the AIDS virus. In fact, more than 60 percent of our female drug using population is infected with HIV. Another 10 percent of pregnant women in Newark do not use drugs, but they are heterosexually exposed to HIV. Women infected with HIV may transmit the infection to their babies before or during birth.

Infants and children with AIDS make up 3 percent of New Jersey's total AIDS cases. This proportion is also larger than any other State. Again, Newark is the epicenter of the pediatric AIDS outbreak in New Jersey. According to the Centers for Disease Control, Newark ranks third nationally in the number of reported cases of pediatric AIDS. In all, 5 of the 25 metropolitan areas with the highest incidence of pediatric AIDS are located in New Jersey. Given the comparatively high incidence of AIDS among New Jersey's children, I am especially supportive of the section of this bill which authorizes grants for demonstration projects for pediatric AIDS.

AIDS is particularly devastating New Jersey's urban minority communities. A black in New Jersey has 12.4 times the chance of contracting AIDS compared to the average white American. A Hispanic in New Jersey has 5.8 times the risk of the average white American. Since the beginning of the AIDS epidemic, racial and ethnic minorities have been disproportionately represented among AIDS cases.

In March 1989, I conducted a congressional hearing in Newark on the AIDS problem. The testimony presented showed that an already drastic situation was rapidly getting worse. Since that time, more than 2,000 additional AIDS cases have been documented in New Jersey. The testimony at that hearing also revealed the need for mroe services, such as testing and counseling. Testing and counseling are needed to promote early intervention.

I wholeheartedly support the section of this legislation that authorizes AIDS preventive health services, such as testing and counseling. However, I want to make it clear that confidentiality must be maintained. I know there are some in the Chamber who favor mandatory reporting of the names of those individuals who test HIV positive. I want to make it clear that I believe there should be no Federal requirement for reporting the names of HIV infected persons. Such a requirement would discourae individuals in high risk groups from seeking early voluntary testing. If we truly are concerned about AIDS prevention, then we will not enact any type of mandatory name reporting requirement which would drive underground precisely those people who we want to help.

In addition to money for preventive services, emergency relief funds to deal with the AIDS epidemic are desperately needed in New Jersey. A crisis situation exists, and extraordinary measures are required to overcome the problem. AIDS is straining the delivery system of health care in New Jersey. The AIDS crisis is acutely affecting our inner-city hospitals and the AIDS patients they serve. The New Jersey Hospital Association reports that on any given day, more than 600 New Jersey hospital beds are occupied by AIDS related cases. Moreover, an increasing number of AIDS patients have no health insurance. The financial burden posed by AIDS is overwhelming New Jersey's health care system.

We must enact emergency aid to help those hospitals which treat a high proportion of AIDS patients. The dedicated health care professionals who daily face the challenge of overcoming this disease are counting on us for support. Newark is fortunate to have many committed professionals who work with AIDS, three of whom I would like to mention for their outstanding contributions for the battle against this deadly disorder. Dr. James Oleske, a professor of pediatrics at the University of Medicine and Dentistry of New Jersey [UMDNJ], was one of the first physicians to recognize AIDS in children. A television movie was aired last year about his work with pediatric AIDS, yet he still has difficulty receiving funding to continue his work. Mary Boland, the director of the Children's Hospital AIDS Program at Children's Hospital of New Jersey, is a pioneer in developing a model of care for pediatric AIDS. Dr. Milton Prystowsky, the senior pediatric cardiologist and director of government relations for Children's Hospital of New Jersey, has worked diligently to expand health care coverage for children with AIDS, and he is currently trying to secure funds for a National Resource Center for Pediatric AIDS at UMDNJ. The relief authorized through this legislation will help these and other professionals who confront the AIDS epidemic on a daily basis.

AIDS is the No. 1 public health problem in the United States today. Ten years ago, AIDS was virtually unheard of. Today, the number of Americans who have died from AIDS is approaching one-and-a-half times the number of Americans who died in the Vietnam conflict. The estimated number of Americans infected with HIV is greater than the individual populations of 13 States. AIDS is growing and spreading rapidly. We cannot waste any more time. We need a national AIDS policy, and we need Federal leadership on the AIDS issue. We must act now to prevent infection among the uninfected, and to prevent disease among those already infected. And we must show care and compassion to those with AIDS.

Mr. Chairman, the AIDS epidemic is particularly acute in urban minority communities, like Newark, and it is destroying the lives of thousands of men, women, and children and their families. At the same time, AIDS is exhausting the financial resources of those communities which have been hardest hit by the crisis. Therefore, I implore my colleagues in the House to support the AIDS Prevention Act, a significant piece of legislation which would authorize much-needed emergency relief for hospitals and clinics in cities which have been overwhelmed by the AIDS crisis.

The CHAIRMAN. The question is on the amendments en bloc offered by the gentleman from Illinios [Mr. MADIGAN].

The amendments en bloc were agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in House Report 101-528.

AMENDMENT OFFERED BY MR. LENT

Mr. LENT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. LENT: In section 2651 of the Public Health Service Act, as proposed to be inserted by section 401 of the bill—

(1) in subsection (a), strike, "individuals" and insert "adults and children"; and

(2) in subsection (b), strike "$30,000,000" and insert "$50,000,000".

Mr. LENT. Mr. Chairman, as I understand it, the rule provides for 10 minutes of debate on this amendment, 5 to be allocated to the proponents, and 5 to the opponents, and I ask unanimous consent, since I understand there is no opposition, that the gentleman from California [Mr. WAXMAN], the chairman of the Subcommittee on Health and the Environment, be allocated the 5 minutes that would otherwise have been allocated to the opposition.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LENT. Mr. Chairman, my amendment authorizes the pediatric AIDS demonstration projects and increases the authorization level for the adult and pediatric AIDS demonstration projects by $20 million in 1991, and provides "such sums as may be necessary" in the out years. These projects are currently in place and have proven to be extremely valuable in providing a wide array of health care, support, foster care and rehabilitative services to adults, children, and families.

My intent in offering this amendment is to provide an increase in funding for the pediatric AIDS projects. According to CDC, women and children constitute the fastest growing AIDS population. While the number of new AIDS cases reported to the CDC increased by 9 percent in 1989, during that same period the number of newborns exposed to HIV through perinatal transmission grew 17 percent and the number of new cases among women increased 11 percent. These statistics are startling and reveal that AIDS demographics are changing dramatically.

The Pediatric Demonstration Program has provided health care and support services since 1988. This program currently represents the only Federal grants devoted specifically to the delivery of health care services for children with AIDS and their families.

The program reflects the unique needs of children with AIDS. AIDS progresses much differently and often more rapidly in children than in adults. Once they develop AIDS, children become sick faster and often require more resource intensive care than do adults with AIDS.

Children with AIDS face a complex set of problems due to the fact that most commonly at least one if not both parents are also infected with the virus. Therefore, in addition to basic medical services, the demonstration program has provided the support mechanisms needed to keep families together and intervened when parents became unable to care for their children. The program has utilized providers such as children's hospitals, community health centers, hemophilia treatment centers, and other community-based organizations to provide these needed comprehensive services.

This authorization should continue the existing good projects already operating as well as enable new communities to address the HIV epidemic among women, children, and families.

This amendment is supported by the National Hemophilia Foundation, the

Pediatric AIDS Coalition and the National Association of Children's Hospitals and Related Institutions. I will insert their letters of support for this amendment in the RECORD immediately following my remarks.

I urge my colleagues to join me in supporting this amendment.

[The letters referred to follow:]

NACHRI,
Alexandria, VA, June 12, 1990.

Hon. NORMAN F. LENT,
Ranking Minority Member, Committee on Energy and Commerce, House of Representatives, Washington, DC.

DEAR REPRESENTATIVE LENT: On behalf of NACHRI—the National Association of Children's Hospitals and Related Institutions—may I express our strong support for your leadership on behalf of efforts to ensure federal funding for both research and health service delivery that meet the special needs of children with HIV infection and AIDS.

In particular, we support two amendments to H.R. 4785, the "AIDS Prevention Act," which you have sponsored to address the problem of pediatric AIDS:

We commend the Energy and Commerce Committee for its approval of your amendment, offered during full committee markup of H.R. 4785, to authorize $20 million in demonstration grant funding to promote the participation of children with AIDS in NIH-sponsored clinical treatment trails.

We commend to the full House your floor amendment to clarify that the bill's authorization of demonstration grant funds for treatment of individuals with AIDS includes support for demonstration grants designed to meet the unique needs of children with HIV infection and should be set at $50 million for FY 1991.

Children and women today represent about 10 percent of all people with AIDS. The rate of growth of new cases of AIDS is now far greater among infants exposed to the virus in utero or following birth than is the rate of growth for new cases of AIDS among all people with AIDS. And because children with AIDS become sicker faster than adults and experience significant developmental delays, they have unique and often resource intensive care needs.

Your amendments are designed to advance research in the most effective new treatments for children with HIV infection and to ensure the most cost-effective and appropriate delivery of care for them.

As leading providers of hospital care for children with very specialized health care needs and children of families with very low incomes, children's hospitals have emerged in the forefront of health care delivery for HIV-infected children. We urge your colleagues in the House to join you in supporting these two important pediatric AIDS amendments.

Sincerely,

ROBERT H. SWEENEY,
President.

THE NATIONAL HEMOPHILIA FOUNDATION,
New York, NY, June 12, 1990.

Hon. NORMAN F. LENT,
House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN LENT: The National Hemophilia Foundation is very appreciative of your leadership in strengthening the authorization for the AIDS demonstration projects for comprehensive treatment services. We fully support your amendment providing for an increased authorization level in order to assist infants and children infected with HIV and AIDS. We believe that the increasing number of pediatric AIDS cases cannot be ignored; and that your amendment takes a dramatic step in bringing substantive attention to this situation.

We would like to share with you our concerns with the pediatric and adolescent cases occurring in families with hemophilia. Few people realize the impact HIV and AIDS have had on the lives of people with hemophilia. Because of their reliance on blood products, over half of the hemophilia population has been exposed to HIV. About 10-15 percent of spouses of persons with hemophilia have been exposed to HIV, having a profund impact on families. Over 30 percent of all AIDS cases between ages 6-19 involve patients with hemophilia. Because of this magnifying problem, the Office of Maternal and Child Health and the Centers for Disease Control established a national goal for the hemophilia community to "prevent new cases of HIV infection in the sexual partners and offspring of persons with hemophilia".

In light of the growth of pediatric AIDS cases particularly among minorities, a carefully crafted response focused on family centered services in the community is required. For children with hemophilia infected by HIV or AIDS that means using the network of hemophilia treatment centers established by Congress nearly 15 years ago. The National Hemophilia Foundation supports your amendment as the effective framework for addressing pediatric AIDS and marshalling available resources to respond to this problem.

Sincerely,

ALAN BROWNSTEIN,
Executive Director.

PEDIATRIC AIDS COALITION,
Washington, DC, June 13, 1990.

NORMAN F. LENT,
House of Representatives,
Washington, DC.

DEAR MR. LENT: On behalf of the Pediatric AIDS Coalition, I would like to thank you for sponsoring an amendment to H.R. 4470, the AIDS Prevention Act of 1990, supporting the pediatric health demonstration grants. Your amendment clarifies the intent of the demonstration projects to include pediatric and adult grants and increases the authorization ceiling to allow funding for the services which are so desperately needed.

These projects provide the full range of specialized health, developmental, and social services which HIV infected women and children require. Your leadership in recognizing their vital importance to this vulnerable population is to be commended.

We look forward to working closely with you to ensure final passage of this important legislation.

Sincerely,

SUSAN M. CAMPBELL,
Chair.

Mr. WAXMAN. Mr. Chairman, I support the amendment. The gentleman from New York [Mr. LENT], my committee colleague, created a program in committee to provide for improvements in clinical research and care for children with AIDS and their families. Now this amendment would provide for demonstration projects to improve the comprehensive health care services for pediatric AIDS cases and their families. It is a needed program.

I congratulate our colleague, the gentleman from New Yorkr [Mr. LENT], for his efforts in this area, and I urge all Members to support the amendment.

Mr. LENT. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. MADIGAN].

Mr. MADIGAN. Mr. Chairman, I rise in support of the amendment offered by the distinguished ranking member of the Energy and Commerce Committee.

The Centers for Disease Control projects that by 1991, as many as 20,000 children will be infected with HIV. Children with AIDS are primarily from poor, minority, fragmented families who lack access to primary health care. As a result of these facts, children and their families need different medical and social services than adults with AIDS and more communities will be faced with treating greater numbers of children with AIDS.

The pediatric AIDS demonstration projects currently in place have been very effective in providing health care support and social services to children with AIDS and their families. This amendment will ensure that these projects continue and that projects in more communities can begin to address the growing problem of children with AIDS.

I urge my colleagues to support this amendment.

Mr. LENT. Mr. Chairman, I yield back the balance of my time.

Mr. WAXMAN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. LENT].

The amendment was agreed to.

□ 1350

The CHAIRMAN. It is now in order to consider amendment No. 3 printed in House Report 101-528.

AMENDMENT OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BURTON of Indiana: Insert after title V of the bill the following new title (and redesignate subsequent titles and sections accordingly):

TITLE VI—ANNUAL TESTING FOR ALL INDIVIDUALS IN UNITED STATES

SEC. 601. FINDING.

The Congress finds that there is a national emergency as a result of the substantial incidence in the United States of individuals infected with the etiologic agent for acquired immune deficiency syndrome.

SEC. 602. SENSE OF CONGRESS.

It is the sense of the Congress that, as a matter of sound public health policy—

(1) each State should ensure that individuals residing in the State are tested annually for the purpose of determining whether

the individual is infected with the etiologic agent for acquired immune deficiency syndrome; and

(2) the results of such testing should be confidentially reported to the Director of the Centers for Disease Control.

SEC. 603. REQUIREMENTS REGARDING ANNUAL TESTING.

(a) ANNUAL TESTING OF ALL INDIVIDUALS.—Each State shall ensure that each individual residing in the State is tested each year for the purpose of determining whether the individual is infected with the etiologic agent for acquired immune deficiency syndrome.

(b) CONFIDENTIALITY.—Except as provided in subsection (c), each State shall ensure that confidentiality is maintained with respect to the results of test performed under subsection (a).

(c) REPORTS TO CENTERS FOR DISEASE CONTROL.—Each State shall report the results of test performed under subsection (a) to the Director of the Centers for Disease Control.

(d) COUNSELING OF INFECTED INDIVIDUALS.—Each State shall ensure that any individual determined to be infected with the etiologic agent for acquired immune deficiency syndrome is provided appropriate counseling with respect to preventing further incidents of cases of such infection.

SEC. 604. ENFORCEMENT.

(a) TERMINATION OF CERTAIN GRANT PAYMENTS.—The Secretary of Health and Human Services shall, in accordance with subsection (b), terminate payments to States under grants made under title XXVI of the Public Health Service Act (as added by this Act) to any State that, in the determination of the Secretary, fails to comply with the requirements established in section 603.

(b) APPLICABILITY.—With respect to fiscal year 1992 and subsequent fiscal years, payments referred to in subsection (a) shall be terminated for calendar quarters beginning after the date on which the Secretary of Health and Human Services makes a determination of noncompliance under such subsection.

The CHAIRMAN. The gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

Mr. BURTON of Indiana. Mr. Chairman, according to the Center for Disease Control we have between 1 and 1½ million people infected with the AIDS virus in this Nation. Five years ago they said we had about 1½ million people infected and that it was doubling every year to 18 months.

The fact of the matter is that we really do not know how many people are infected in this country, but many experts believe we have at least 4 to 5 million people infected, that is today, and they carry the virus for an average of 7 years before they get full-blown AIDS. In other words, a person can look perfectly normal for up to 7 years and have the AIDS virus and be condemned to death. Some people can carry this virus for up to 20 years before getting full-blown AIDS, and anyone they come in contact with sexually can get the virus. These people look perfectly healthy during this period of time.

This bill has language to enable public health officials to notify the sexual partners of those who test positive for AIDS, but most who are conversant with the AIDS epidemic will tell you that as many as 95 percent of those who are infected and have the AIDS virus do not even know it. The only way to notify the sexual partners of those Americans who have the AIDS virus is to find out who has the AIDS virus, and the only way to do that is to test for AIDS nationally.

We did it in other health emergencies, like tuberculosis and syphilis, and those deseases were not nearly as lethal as the AIDS virus.

Now, there are key issues surrounding the amendment I have offered here today. First of all, this amendment would accomplish a number of things. It would identify AIDS-positive individuals so they can be treated and provided counseling on their infection. It would collect accurate statistical information on how the virus is being spread and where it is being spread so as to prevent further spreading.

The cost if we tested everybody in America would be about $1.2 billion a year, but if we tested only those between the ages of say 12 and 60, it would be about half that amount, or $620 million a year, and that is a relatively small addition to the $150 billion we spend annually for health care, and it is not much considering the AIDS epidemic will cost this Nation $44 billion a year starting around 1992.

An ounce of prevention is worth a pound of cure.

The total cost of medical care for people with AIDS or the HIV infection in New York State alone was estimated at $1.3 billion last year and is expected to double in the next 3 years, and $1.3 billion per year would test every man, woman, and child in the country.

In New York State, hospitals will need an additional 7,000 nurses during the next 3 to 4 years to take care of AIDS patients.

And now the need for confidential reporting, it is very important. According to Dr. George Connelly, who now works for the CDC, there is no way to calculate the extent of underreporting of AIDS because we do not know how many people have it, and the only way you will know is through a testing program.

There is public support for testing. AZT now offers a powerful incentive for individuals to find out their HIV status. A study reported in the Journal of the American Medical Association found that 93 percent of the Homosexual population said they would be tested if the tests were confidential, and 88 percent said they would take a mandatory AIDS test provided they were protected by antidiscrimination laws, and we just passed the ADA law out of this body about a week ago.

A nationwide poll found that nearly two-thirds of Americans would find Government-imposed testing acceptable. We did it for syphilis and we did it for tuberculosis, and we ought to do it for a disease that is as the AIDS virus.

Finally, they talk about false-positive reports. A report published by the Hudson Institute finds that these concerns are groundless. They quote such successive confirmatory tests on those testing positive can reduce the false-positive rate to 1 in millions, and at relatively low cost.

The military says that we can test everybody in this Nation for about $5 to $6 a person.

Finally, we do not know who or how many in this country have the AIDS virus. May of those that they have sexual contact with will become victims, and they are going to die. The only way to stop the spread of the AIDS epidemic is to test, identify those who have the AIDS virus, and then have a comprehensive program to counsel, to help, and stop those who are infected who test positive from passing it on and expanding this epidemic.

We must take action soon on the testing program, if not now.

In my view we will have testing. The only question is do we wait until we have 20 to 30 million people dead or dying in this country or who are condemned to this horrible death or do we do it now?

My feeling is that we ought to do it right now before this epidemic gets completely out of control.

Mr. WAXMAN. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from California [Mr. WAXMAN] is recognized for 5 minutes.

Mr. WAXMAN. First of all, Mr. Chairman, I want to make a few points myself. This amendment is unreasonable, unaffordable, and unproductive. The amendment would require that every State test every citizen every year.

Let us just look at how much that is going to cost. Using the Center for Disease Contol estimate of the average cost of counseling and testing per person, if we carried out this Burton amendment it would cost the States $11¼ billion a year. Using the Congressional Budget Office assumptions of the cost of counseling and testing, this amendment would cost the States nearly $14 billion every year.

Mr. Chairman, with that kind of money we could direct it where it would do more good than to require people who are at low risk for having the AIDS virus to come in and be tested and counseled.

This is not a productive or constructive amendment, and I would urge opposition to it.

Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. MADIGAN].

Mr. MADIGAN. Mr. Chairman, I also rise in opposition to the amendment.

I understand the intent of the gentleman is to protect the American public, but he would do that not at a cost of $1.3 billion a year, but rather at a cost of $11¾ billion a year to test millions of individuals who have no connection whatsoever to any of the behaviors which are determined to cause the spread of the HIV infection.

The gentleman when he was in the well said that you do not have to worry about this false-positive stuff, but he said that only if you take the successive tests.

The studies that we have from the Center for Disease Control show that testing among low-risk populations creates false-positive rates as high as 33 percent. That means that millions of Americans could have their lives seriously disrupted by a false-positive test, which proves during further testing to have been incorrect.

Now, $11¾ billion a year could be better spent in a lot of ways to combat this disease. I urge opposition to the amendment.

Mr. WAXMAN. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. GREEN].

Mr. GREEN. Mr. Chairman, I thank the gentleman for yielding me this time

In the brief time I have, let go over the false-positive arithmetic. Of one-half percent of the population has AIDS and you have only 2.2-percent false-positives, which is that the Congressional Research Service tells me the Western Blot test will produce — and from Mr. BURTON's 6-percent cost that seems to be the test he has in mind—then if you test 10,000 people you will have 50 false-positives, and, of the remaining 9,950 people, 2.2 percent of them are 219 false-positives. So when you test everyone, you get more than four times as many false-positives as true-postives. That is an absurd way to spend your money trying to fight AIDS. The arithmetic just is not there.

We ought to focus the testing on those people who are in the high-risk populations where those odds change very radically, rather then wasting billions of dollars every year screening people who are at no or low risk for AIDS.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield for just 30 seconds?

Mr. WAXMAN. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, I thank the gentleman very much for yielding to me.

The U.S. military has been testing 2 million people a year at an average cost of $5 per person, and they will tell you, the people who are experts in this——

The CHAIRMAN. All time for debate on this amendment has expired.

The question is on the amendment offered by the gentleman from Indiana [Mr. BURTON].

The amendment was rejected.

The CHAIRMAN. It is now in order to consider amendment No. 4 as offered by the gentleman from California [Mr. DANNEMEYER] and as printed in Hosue Report 101-528.

□ 1400

AMENDMENT OFFERED BY MR. DANNEMEYER

Mr. DANNEMEYER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. DANNEMEYER: Strike section 2608 of the Public Health Service Act, as proposed to be inserted by section 101(3) of the bill, and insert the following:

"SEC. 2608. REQUIREMENT FOR STATE GRANTEES REGARDING REPORTING AND PARTNER NOTIFICATION IN CASES OF INFECTION.

"(a) REPORTING.—

"(1) IN GENERAL.—The Secretary may not make a grant under section 2601 to a State unless, with respect to testing for infection with the etiologic agent for acquired immune deficiency syndrome, the State provides assurances satisfactory to the Secretary that—

"(A) any entity carrying out such testing confidentially report to the State public health officer information sufficient—

"(i) to perform statistical and epidemiological analyses of the incidence in the State of cases of such infection;

"(ii) to perform statistical and epidemiological analyses of the demographic characteristics of the population of individuals in the State with such infections; and

"(iii) to assess the adequacy of preventive health services in the State; and

"(B) subject to subsection (b) (relating to partner notification), any entity carrying out such testing confidentially report to the appropriate public health office, as determined by the State, information sufficient—

"(i) in the case of any individual with such an infection, to provide the sexual and intravenous needle-sharing partners of the individual—

"(I) with every opportunity to learn that the partners have been exposed to such agent; and

"(II) with counseling and testing regarding acquired immune deficiency syndrome;

"(ii) in the case of any individual with such an infection to provide the individual—

"(I) with therapeutic measures for preventing and treating the deterioration of the immune system and conditions arising from the infection; and

"(II) with other preventive health services pursuant to section 2601(c)(1);

"(iii) with respect to any individual who has undergone such testing by the entity and who does not seek the results of the testing, to recall and provide the individual with the counseling, therapeutic measures, and other preventive health services appropriate for such individuals; and

"(iv) with respect to any individual for whom a notification for purposes of clause (i) is appropriate, to transfer to the public health office any applicable legal responsibility to carry out the activities described in clauses (i) through (iii) regarding the health of the individual.

"(2) RULE OF CONSTRUCTION WITH RESPECT TO IDENTITY OF INFECTED INDIVIDUALS.—With respect to compliance with paragraph (1)(B) as a condition of receiving a grant under section 2601, such paragraph may not be construed—

"(A) to require that a State establish a requirement that the names and addresses of individuals described in such paragraph, be reported for purposes of the paragraph, if the individuals can be located with information other than names or addresses; or

"(B) to prohibit the State from establishing a requirement that the names and addresses of all individuals described in such paragraph be reported for purposes of the paragraph.

"(b) PARTNER NOTIFICATION.—The Secretary may not make a grant under section 2601 to a State unless the State provides assurances satisfactory to the Secretary that the State will require that the appropriate State public health office, to the extent appropriate in the determination of the office, carry out a program of partner notification regarding cases of infection with the etiologic agent for acquired immune deficiency syndrome."

In section 2611 of the Public Health Service Act, as proposed to be inserted by section 101(3) of the bill, strike subsection (b) (and redesignate subsequent subsections accordingly).

The CHAIRMAN. The gentleman from California [Mr. DANNEMEYER] will be recognized for 15 minutes, and a Member opposed will be recognized for 15 minutes.

The Chair recognizes the gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I have noticed with interest that many of the speakers that talked during general debate were from New York City or from San Francisco, and that is not surprising, because three cities, New York City, San Francisco, and Los Angeles, comprise about half the cases in America. The reason I am offering my amendment on reportability and contact tracing is because, frankly, in New York City they are doing nothing to interfere with the course of the disease between the infected and the noninfected. The chairman of the health committee in the city council of New York. Mr. Joseph Lisa, testified before a committee in support of my amendment. He said that 11,000 individuals tested positive in New York City in 1989, and New York City's health officials have done nothing in the way of contact tracing, which is the cornerstone of how our society should be controlling this epidemic.

Similarly in San Francisco and Los Angeles, those two cities in my home State of California have not put in place the cornerstone of public health efforts, and that is the reason for the amendment that I am offering.

PARLIAMENTARY INQUIRY

Mr. AUCOIN. Mr. Chairman, I have a parliamentary inquiry. What is the regular order at this point? Do we have an amendment before us?

The CHAIRMAN. We have an amendment as offered by the gentleman from California [Mr. DANNEMEYER].

Mr. AUCOIN. Has the amendment been read?

The CHAIRMAN. The amendment has been designated by the Clerk and under the rule is considered as having been already read.

The Chair will also point out that Mr. DANNEMEYER reserves 14 minutes of debate on this amendment, and a Member in opposition will be granted 15 minutes. Does the gentleman from California [Mr. WAXMAN] rise in opposition?

Mr. WAXMAN. Mr. Chairman, I do rise in strong opposition to the Dannemeyer amendment.

The CHAIRMAN. The gentleman from California [Mr. WAXMAN] will be recognized for 15 mniutes.

Mr. WAXMAN. Mr. Chairman, I reserve the balance of my time.

AMENDMENT OFFERED BY MR. ROWLAND OF GEORGIA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. DANNEMEYER

Mr. ROWLAND of Georgia. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. ROWLAND of Georgia as a substitute for the amendment offered by Mr. DANNEMEYER: In section 2608 of the Public Health Service Act, as proposed to be inserted by section 101(3) of the bill, add at the end the following:

"(c) RULE OF CONSTRUCTION.—With respect to individuals who have been tested regarding acquired immune deficiency syndrome, an agreement made under this section may not be construed to require or prohibit a State from providing that identifying information concerning such individuals is required to be submitted to the State."

Mr. ROWLAND of Georgia. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the Rowland-Waxman amendment which I am offering will make it clear that individual States would have the prerogative of deciding what is to be done with test results. This, of course, allows the States to design their own program with reference to the suitability of what is needed in each State.

Mr. Chairman, the reason I do this is because what we now have in place in our country seems to be working relatively well.

I want to read a letter from the director of the division of public health in my own State of Georgia which I think serves as an example of just how well the States are managing this problem on their own at this time. This was written to me just this week. It is from Dr. Alley, who is director of the division of public health.

The Division of Public Health and the Georgia Department of Human Resources request that you do not support the Dannemeyer amendment to H.R. 4785, federally mandating nominal reporting of HIV infection. The AIDS epidemic is in various stages of progression and has unique epidemiological charcteristics in each state. Health professionals are clearly the individuals with the background and experience necessary to determine selection of timing of intervention for control of infectious diseases. We encourage you to support the Rowland-Waxman substitute amendment, leaving the decision on nominal reporting to the states, rather than mandating it at the federal level.

Mr. Chairman, there are a few States now that mandate reporting of names for the purpose of contact tracing. However, most of the States in the country at this time have a combination of anonymous and confidential reporting which seems to be working very well.

Mr. Chairman, I have a list of the various organizations that oppose the Dannemeyer amendment and support this substitute. Among those are the American Medical Association, the American Academy of Pediatrics, the American College of OB-GYN, the American Nurses Association, the American Public Health Association, along with some groups that determine legislative activity in the States, such as the National Conference of State Legislators, the National Governors' Association, and several others. I will not read all of those.

Mr. Chairman, what we really need to do is leave the States the flexibility of making a determination about what type of reporting they will have with regard to testing. Once you put in Federal law a mandate, then this removes the flexibility that the States have, and changing circumstances when the States might like to make a difference in what they are doing cannot be done if we have federally mandated reporting, as is required by the Dannemeyer amendment.

The CHAIRMAN. Does the gentleman from California [Mr. DANNEMEYER] rise in opposition to the amendment?

Mr. DANNEMEYER. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from California [Mr. DANNEMEYER] is recognized for 15 minutes.

Mr. DANNEMEYER. Mr. Chairman, I yield 2 minutes to my colleague, the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, my good friend, the gentleman from Georgia [Mr. ROWLAND], of whom I have the highest regard, is a doctor of medicine. The amendment of the gentleman appears to me to gut the Dannemeyer amendment and leaves us pretty much where we are right now. That concerns me, because the States have the right now to have the reportability and any other provisions that we have talked about.

The gentleman from California [Mr. DANNEMEYER] is trying to set up a national program of reportability to protect the Nation. My view is we need a comprehensive program to deal with AIDS, not a piecemeal approach. We need to have reportability, contact tracing, more money for scientific research, education, and we need testing and counseling.

The gentleman from California [Mr. WAXMAN], the chairman of the subcommittee, a while ago gave us some exorbitant figure on how much it would cost to test. The fact of the matter is the United States military for the past 5 to 6 years have been testing 2 million people a year at an average cost of between $5 and $6 per person for three tests when necessary, two ELISA tests, and a Western block test.

So when they tell you these exorbitant figures and what it is going to cost this Nation, they are just dead wrong. And they are talking to people who have never had any experience with testing. CDC never did testing. Why did you not ask the military? They have been doing it for 5 years. Because they are deliberately in my view misleading the people of this country.

Mr. Chairman, let me also say they were talking about false positives, indicating the tests are not accurate. A report published by the Hudson Institute recently finds that these concerns are groundless, and I quote:

Successive confirmatory tests on those testing positive can reduce the false positive ratio to one in millions, and at a relatively low cost.

So we can have accurate testing, and we can do it at a low cost, and we can save this country millions of dollars by protecting people who would otherwise become infected.

The problem with these people is they just simply do not want testing for myraid reasons. But 95 percent of the people in this country that have the AIDS virus do not know it. They can carry it for from 7 to 20 years without any manifestation of the disease, and everyone that comes in contract with them is at risk of getting it and dying.

We will have testing. We will have testing unless we find a cure for this dread disease. But are we going to wait until 20 million or 30 million people are dead or dying? That is the question. We need to do it now.

Mr. ROWLAND of Georgia. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon [Mr. AUCOIN].

Mr. AuCOIN. Mr. Chairman, I strongly oppose the Dannemeyer amendment which would require that all States gather the names of every person who tests positive and to compile a list which I think, Mr. Chairman, would be the largest deterrence to people going and taking the tests that I can imagine. I hope that the House today will not be bamboozled by this amendment.

□ 1410

The effect will scare people away from taking the test. What we should be about is getting people to be tested, making them feel safe in being tested so that we can get at the disease.

Some people seem to be more interested in stigmatizing people and labeling them than solving a public health epidemic. If we want to solve a public health epidemic, then we ought to make it possible to do what the State of Oregon has done.

The State of Oregon, prior to 1986, did require the compilation of names. After December 1986, the law was changed. I would like to have the Members of the House listen to what a difference that made in terms of the number of people who actually got tested.

We found that in the 3½ months prior to the time when the tests could be done anonymously, twice as many people who were infected were identified after they have anonymity at their disposal, twice as many in the 3½ months after the law was changed were found, were tested and found to be infected than was the case before the law was changed and when the name had to be listed. I think that should tell us something. It tells us that people, when they are afraid that they are going to be stigmatized, are going to be afraid to be tested. If they are not tested they could carry the disease, and what we want to do is solve the public health epidemic. So I think listing is a step in the wrong direction, and I urge the House to defeat the Dannemeyer amendment and to support the Rowland substitute.

Mr. DANNEMEYER. Mr. Chairman I yield 5 minutes to my colleague, the gentleman from New York [Mr. LENT], the ranking minority member of the Committee on Energy and Commerce.

Mr. LENT. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of the amendment offered by my colleague, the gentleman from California [Mr. DANNEMEYER], and in opposition to the amendment offered by the gentleman from Georgia [Mr. ROWLAND].

The purpose of identity-linked reporting as provided in this amendment is to provide the infected individual and his or her partners with the information that they are HIV-positive so that they can benefit from preventative services. This is a sound public health response, supported by the medical societies of many States, including New York, New Jersey, and Massachusetts.

I would like to point out that an early version of this legislation contained a Medicaid expansion which allowed low-income individuals who are infected with the HIV virus to qualify for a modified package of Medicaid benefits. Although that was dropped from this legislation, this particular benefit is included in H.R. 4080, the Medicaid AIDS and HIV Amendments of 1990 sponsored by our subcommittee chairman, the gentleman from California [Mr. WAXMAN].

To qualify for the Medicaid benefit under H.R. 4080, introduced by Mr. WAXMAN, an individual must test positive for the HIV virus and have an abnormally low immune function and meet income and resource tests of the Supplemental Security Income Program of Social Security. If an individual meets these requirements, he would qualify for a limited Medicaid benefit which would provide services identical to the preventative services specified in the legislation which we are currently considering.

Consequently, an individual's HIV status, his name, Social Security number under H.R. 4080 would be placed in the information files of the Social Security Administration and the State Medicaid eligibility and reimbursement departments. And since HCFA does audit various Medicaid programs, this information would end up there as well.

Also, that individual would be issued a special Medicaid card which would specify the services they could receive, which would clearly identify that individual as HIV-positive.

The point is that in this Medicaid expansion for those who are HIV-positive, the gentleman from California, [Mr. WAXMAN] and his 58 cosponsors have already made the choice that to provide effective treatment individuals must know that they are HIV-positive, and the Federal and State funding agencies must also have this information linked to name, address, Social Security number, and so forth to fund these services.

That, Mr. Chairman, is precisely the intent behind name reporting as provided in the Dannemeyer amendment to enable the appropriate local public health authorities to notify individuals and their partners of their positive HIV status so that they can begin to receive preventative services. And it is so important that they begin early on with this particular disease.

So to my colleagues on the majority side I ask: How can you object to name reporting in this legislation when you take the opposite stance in your Medicaid legislation?

I would just note in closing that the medical society of my State, New York, supports the reporting amendment sponsored by the gentleman from California [Mr. DANNEMEYER]. I just want to quote from this letter which is dated June 6, 1990 and addressed to Congressman DANNEMEYER.

> The Medical Society believes that it is imperative that the Federal and State governments develop and implement public health measures that are scientific and epidemiologically sound in order to contain the spread of the disease and to provide therapy for those who are infected.
>
> The confidential reporting called for by the Dannemeyer amendment would be a meaningful and significant measure in the development of a sound public health response.

I urge my colleagues to vote against the substitute offered by the gentleman from Georgia [Mr. ROWLAND] and in favor of the amendment offered by the gentleman from California [Mr. DANNEMEYER].

Mr. WAXMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. PORTER] in opposition to the Dannemeyer amendment.

Mr. PORTER. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I support the Rowland-Waxman substitute to the Dannemeyer amendment. A Federal mandate for reporting of identifying information on HIV-positive individuals is poor public health policy.

The purpose of the AIDS Prevention Act is to encourage high risk individuals to voluntarily seek HIV testing. Many people at risk for AIDS are engaged in stigmatized or criminal behaviors. Without a strict guarantee of anonymity, many who would otherwise undergo testing and counseling will simply continue to avoid the health care system.

Recent experience confirms this fear. In 1988, when South Carolina instituted a mandatory names reporting requirement, the number of homosexual men seeking testing dropped 51 percent, and the number of HIV-positive tests dropped 43 percent. By contrast, when Oregon recently eliminated its mandatory name reporting requirement, the number of HIV-positive tests increased 136 percent.

Mr. Chairman, only by reaching out to high-risk individuals and working to modify high risk behavior will we be able to contain the spread of AIDS. Any policy that drives people away from testing and counseling programs would actually foster the spread of the disease. Unfortunately, this is exactly what the Dannemeyer amendment would do.

In supporting names reporting, proponents of the Dannemeyer amendment cite various public health concerns. These claims are without merit. H.R. 4785 already requires collection of epidemiological data from the testing programs. In addition, the legisla-

tion requires States to adopt partner notification programs. These can be accomplished without names reporting. In fact, 42 States currently conduct partner notification or contact tracing without mandatory names reporting.

Proponents also claim that the Dannemeyer amendment will simply treat AIDS in the same fashion that all other communicable diseases are treated. Nothing could be further from the truth. For no other disease does the Federal Government mandate reporting of confidential identifying information. By adopting the Dannemeyer amendment we would actually be treating AIDS differently than any other disease.

Mr. Chairman, I am joined by a broad spectrum of individuals and organizations in opposing this amendment. The American Psychological Association, the National Conference of State Legislatures, the American Medical Association, and former Surgeon General Dr. C. Everett Koop, to name just a few, all believe that the Dannemeyer amendment would impede our ability to contain the spread of AIDS.

Mr. DANNEMEYER. Mr. Chairman, I yield 3 minutes to my colleagues, the gentleman from California [Mr. DORNAN].

□ 1420

Mr. DORNAN of California. Mr. Chairman, the prior speaker, who is a colleague, friend, and whom I respect greatly, said that the Dannemeyer amendment would treat this differently from the way any other health crisis is treated. Well, that is a half-truth at best. Every State treats syphilis the same, but not every State treats this catastrophic disease the same because it has been treated politically by some areas for so long. It has not been treated as a catastrophic disease that it is.

I brought up the latest figures as of 13 days ago, May 31. I pointed out that in the month of May, a beautiful spring month, across our 50 United States and territories, 3,558 people died of AIDS.

When Mr. WAXMAN, my friend and colleague from California, opened this debate, he said that some Members are acting like this is a past plague. He said very true and frightening words, the plague is just beginning. It is just kicking into low gear. We are going to go through four or five gears and into overdrive before this century is out, and the death toll will stagger this country and maybe bankrupt our health processes.

We have to have reportability, we have to have contact tracing. What are we afraid of? What are our sensitivities here? The greatest living statesman of Western civilization in this century was Winston Churchill. His father died of syphilis. He was born to public service through Lord Randolph Churchill. He was a great man, but he contracted syphilis and probably from prostitutes. It is in all the written works on the Churchill family. It is in the motion pictures.

The family doctor took the American wife of Lord Randolph Churchill, Jenny, told her her husband had syphilis and she could contract it from him through marital relations. He gave her a chance to protect her life.

Why do we still approach this AIDS plague without total contact tracing and telling partners, male or female, that, "Your partner can kill you if he or she is irresponsible"?

Here is a letter that I said in general debate that I would read, from the Massachusetts Medical Society, not headquartered inside this Washington, DC, environment of thinking, this beltway mentality. This is the area where the prestigious New England Medical Journal comes from. This is the oldest medical society of the United States:

DEAR CONGRESSMAN DANNEMEYER: I am glad to support your efforts to encourage the use of contact tracing in the fight against the spread of AIDS. The Massachusetts Medical Society has unsuccessfully introduced legislation to establish a contact tracing program in Massachusetts this year. Our Committee on Public Health and Committee on Legislation both strongly support the legislative intent embodied in your amendment to H.R. 4785.

The efforts you have made to make necessary epidimiological information available to local authorities and to inform unknowing persons of their possible exposure to the HIV virus are laudable. I was very pleased to see your removal of language which would have required reporting of seronegative individuals. With this change, your amendment is consistent with the Massachusetts Medical Society's legislative efforts and sound medical practice.

Best of luck in your efforts.

Sincerely,

W.M. MCDERMOTT, JR., M.D.

Confidential, that is all we are asking for with the Dannemeyer amendment, the Burton amendment, all amendments of this side.

Mr. DANNEMEYER, my colleague from California, has already improved this bill with hospital and prison testing. Let us improve it some more right now and let us begin to get a handle on this plague.

Last month, more people died, by 1,500 people, than died in the Pearl Harbor attack. We have a Pearl Harbor in front of us every month. Let us do the right medical process to end it.

Mr. ROWLAND of Georgia. Mr. Chairman, I yield 1 minute to the gentlewoman from Maryland [Mrs. BYRON].

Mrs. BYRON. I thank the chairman.

Mr. Chairman, let me say that Dr. ROWLAND and I were appointed to the AIDS Task Force over 2 years ago and we have watched during that period this disease grow to epic proportions. His substitute answers the questions that I have.

My rural area is experiencing enormous problems with AIDS. But I think the Rowland substitute, which leaves things as they are, gives the States the opportunity to decide.

Mr. Chairman, I urge my colleagues to support the Rowland substitute, and yield back the balance of my time.

Mr. DANNEMEYER. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. HOLLOWAY].

Mr. HOLLOWAY. I thank the gentleman.

Mr. Chairman, I want first of all to say what should be said for BILL DANNEMEYER and the battle he is fighting to try to bring some sensibility to this issue, something that says we are willing to address it.

Our forefathers came here, they came here to protect rights, but there comes a point where we in the body must work to protect people and let what will happen to the one happen. This amendment only makes sense. It is what should happen. We have to treat AIDS for what it is—a contagious disease.

We have to treat this as we would tuberculosis or any other disease.

If the homosexual lobby was not as powerful as it is today, I think perhaps this amendment would pass by a voice vote. But with the stress that we have to put up with here in Washington, the ones of us who believe in fundamentals, some of us who believe in the care for the numbers over concerns of the one, are here to say that I thank BILL DANNEMEYER for offering this amendment. I am here to say that I support it.

I think we have to do what is right. I think we have to know who is the carrier of this virus, to know in some way that they have to be able to confidentially report.

If we do not keep spending the tremendous amounts of money that we are going to spend—and in my district I hear over and over again why are we spending all of the money on AIDS research and what it is and much less for heart disease or cancer as we should then we should approve this amendment.

It is because of the powerful lobby that there is here that we are not likely to approve this. Let us do what is right. Let us give the States figures on who is infected so that we can control this disease, or we will continue to spend more and more and more money as the years come along.

Let us pass the Dannemeyer amendment.

Mr. WAXMAN. Mr. Chairman, I yield 4 minutes to one of the two physicians in the House of Representatives, the gentleman from Washington [Dr. MCDERMOTT].

Mr. McDERMOTT. Mr. Chairman, I rise in support of the Waxman-Rowland substitute.

The Dannemeyer amendment presents us with a clear choice: the choice between fighting AIDS and fighting the people living with AIDS. Make no mistake—the choice is that simple and that clear.

The Dannemeyer amendment requires the States to keep lists of the people infected with the human immunodeficiency virus. What will that accomplish? How will it help us fight AIDS? And why should the Federal Government require the States to keep these lists, when there is no such requirement for any other disease?

I do not know the purpose or value of these lists. But I do know this: requiring people to go on a list will keep some people—many people—from getting tested. They will not get the testing, counseling, and treatment this bill offers, because they are afraid of the discrimination and harassment so many people with AIDS confront.

Maybe they should not be afraid. Maybe they should trust the public health authorities to observe the confidentiality that the gentleman from California promises.

But they will not see it that way. Thousands will avoid being tested. They will get sicker faster, and die sooner. Some of them will infect others, because they do not know they are infected, or they do not know how to prevent spreading the virus.

So our choice today is not how people should respond to being put on a list. Our choice is whether to force the States to deny them services because they are afraid of going on a list. Our choice is whether to make it easy to seek testing and treatment, or whether to throw obstacles in the way.

That choice will affect not just those who carry the AIDS virus. It affects everyone. It will weaken our war on AIDS, depriving us of a weapon we need—the weapon of knowledge.

And for what purpose? What end does the Dannemeyer amendment serve? It serves some people's need to take names, to make lists. Never mind that we can gather statistics, notify partners, prevent the spread of the virus, and treat people living with AIDS without making lists. Some people just want to have a list—confidentially, of course.

All the amendment does is help spread fear and ignorance, driving people away from testing and guaranteeing that the money in this bill will be used less effectively. All it does is weaken our defenses against this deadly disease, giving us some sort of illusion that we are fighting it by keeping lists of its victims.

The Waxman-Rowland substitute follows the public health approach recommended by the AMA and other health authorities, leaving States with the latitude to design the most effective reporting systems for their circumstances. It assures accurate statistical reporting, appropriate partner notification, and—absolutely essential to fighting this epidemic—the most widespread possible voluntary testing.

The AIDS virus is a dangerous and deadly enough enemy. Let us not make enemies of its victims. Let us not deny them help because they are afraid. Let us adopt this substitute.

□ 1430

Mr. DANNEMEYER. Mr. Chairman, I yield myself 1 minute in order to ask the gentleman from Washington [Dr. McDERMOTT] a question; Doctor, are you any relation to the Dr. McDermott, executive director of the Massachusetts Medical Society, which medical society has endorsed my amendment? This is W.M. McDermott, Jr. Is that your relation?

I yield to the gentleman from Washington.

Mr. McDERMOTT. Mr. Chairman, I am only related through St. Patrick. Sometimes McDermotts are wrong. In this case, the one speaking on the floor is correct.

Mr. DANNEMEYER. The McDermott I am talking about is apparently exhibiting more wisdom, and I hope that wisdom will someday come to the gentleman on the floor.

Mr. Chairman, I reserve the balance of my time.

Mr. ROWLAND of Georgia. Mr. Chairman, I yield 1 minute to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I rise in opposition to the Dannemeyer amendment, which would federally mandate identification of people who are HIV positive. Although I am opposed to this amendment on a number of levels, I will confine my remarks to the devastating effect it would have on women and children.

Many children born to HIV-infected mothers initially test positive for the AIDS antibody at birth. However, only 30 to 60 percent of these infants actually become infected. The rest simply lose their mother's antibody. Consequently, programs designed to compel identification of the infected individual can result in stigmatization of a significant number of young children. Perhaps even of greater significance, mandatory reporting can have the effect of discouraging pregnant women from seeking prenatal care or participating in voluntary testing, counseling, or treatment programs because of fear of discrimination and its adverse consequences.

It is of utmost importance to our system of health care that patients know that information shared with their physicians will be kept confidential. Confidential information used for statistical and epidemiological purposes allows the State to gather information necessary to assess current and future health needs, while protecting the privacy of the individual.

I urge all my colleagues to join me in opposition to this amendment.

Mr. DANNEMEYER. Mr. Chairman, I yield 2 minutes to the gentleman from Utah [Mr. NIELSON].

Mr. NIELSON of Utah. Mr. Chairman, I rise today in support of the amendment offered by my good friend, the gentleman from California [Mr. DANNEMEYER].

AIDS is an issue that deserves and receives our continual attention. No longer is it viewed as an affliction on the allegedly guilty, rather it is a terror that often strikes the most innocent. I support the Dannemeyer confidential contact tracing amendment in hopes that through contact tracing, those who have the disease can receive treatment and those who do not have AIDS will never get it.

Ironically, many of those who adamantly oppose this amendment vigorously fought for H.R. 4080, the Medicaid AIDS and HIV Amendments of 1990. Under Medicaid requirements, those seeking assistance will have to reveal a good deal of confidential information. I must wonder aloud: if at-risk persons would be willing to reveal their identities to Medicaid officials in order to receive AZT, would not they want to do the same to cooperate in vital partner notification programs?

AIDS treatment is a health issue, not a civil rights issue. I urge that my distinguished colleagues keep that in mind and vote in favor of the Dannemeyer amendment.

Mr. DANNEMEYER. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Chairman, I wondered if Dr. McDERMOTT could engage in a friendly colloquy here, and I will share the 3 minutes I have just been given with the good doctor, because this House might be a healthier body if we had more dentists and doctors serving among our midst. I am surprised we only have two.

The thing I noticed in your very thoughtful remarks that was a little bit repetitious, and I think deliberately so, was the word "list" or "lists." It hit me over and over and over and over again. I was beginning to feel like there was an overtone there of some sort of totalitarian evil intent behind the amendment, to rack up lists where we might hurt people.

By way of asking a question, I would like the gentleman to know I gave the last pay raise that started during the sitting of this House to AIDS hospices. I have lost 11 friends to AIDS. Not just Paul Gant of California and Terry Dolan, and my aunt's secretary, and a lawyer that helped me get elected in

1976, other people that are national names, some that are private names. Eleven friends. One of my best friends from college, Dick, and I did not know he died until I saw it in People magazine, a very successful screen writer. This is a very tough issue, and I think people on both sides are trying to get a handle on it.

Here is my question to Dr. McDERMOTT: When they are trying to inform partners about syphilis which thanks to the great doctors we can control, it is not always fatal as it was with Sir Randolph Churchill; do they not keep lists, confidentially, that they accumulated through contact tracings to use the lists to inform partners and loved ones? Are there not lists involved there?

Mr. McDERMOTT. If the gentleman will yield, in order to answer that question, I think I need to say a little bit more about this disease. The difference between, and one of the distinctions that I have not heard made out here is between a sexually transmitted disease such as syphilis or gonorrhea or some other disease where there are symptoms, where someone has symptoms. The disease the gentleman chose, syphilis or gonorrhea, have symptoms which take someone to the doctor.

The question that we are dealing with in AIDS is an epidemic, where it is silent for 1 year, 2 years, 3 years, 4 years.

Mr. DORNAN of California. Fourteen years, maybe.

Mr. McDERMOTT. If the gentleman will continue to yield, perhaps as long as 14 years. The problem, then, is how do we let people get in and get tested when they have to voluntarily think that it is an issue they ought to go to a doctor about?

Mr. DORNAN of California. To reclaim my time, I will give the gentleman time to utilize at the end of my time to make the point, I ask in all honesty, why do we have the dual medical organizations? Perhaps we can match one another, health society for health society, nurses group for doctors group, psychiatrist against psychiatrist; what is it that is causing this division in the medical community?

Mr. McDERMOTT. If the gentleman will continue to yield, I cannot speak for what the process has been in all these organizations. That will be a little presumptuous, but there is obviously concern over how we deal with this. The experience on the grounds, however, has been that if we have mandatory reporting, as they did in Oregon and South Carolina, what we do is have an immediate drop in the number of people who come in for voluntary testing. In Georgia, they get people from South Carolina and Alabama—both States with mandatory reporting. That is what happens.

□ 1440

Mr. ROWLAND of Georgia. Mr. Chairman, I yield 1½ minutes to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, less than a month ago, we passed an amendment regarding food handling which continued the misinformation and hysteria surrounding the AIDS tragedy. Today we are considering the Dannemeyer amendment, which would make this situation worse.

The Dannemeyer amendment would require States to gather the names or other identifying information of people who test positive for AIDS. This is wrong and unnecessary!

Many people are reluctant to get tested for AIDS because they are afraid of discrimination due to the disease, and the societal stigma of the disease itself. That's one of the things that makes AIDS different from other diseases. The current confidentiality of AIDS test results allows people to be tested, examined, and treated without discrimination. This fact encourages people to seek anonymous testing for this disease.

The Dannemeyer amendment undermines all of our attempts to stop the spread of AIDS. This amendment will scare people into not being tested or treated for this horrible disease. If we make it impossible for people to be anonymously tested for AIDS, less people will go for testing. Rather than making the situation worse, reporting the results of these tests will cause more people to unknowingly infect people with the AIDS virus. The end result of this amendment will be to increase, not decrease, the number of people infected with the AIDS virus.

The Dannemeyer amendment is opposed by most of the medical profession, including the American Medical Association, the American Hospital Association, and the American Public Health Association. The members of these groups treat people with AIDS every day and know the best ways to stop it from spreading. If this amendment would help stop the spread of AIDS, do you think they would oppose it? Of course not!

Mr. Chairman, it is about time we stopped responding to the hysteria surrounding AIDS and really worked toward finding a cure for this horrible disease. This has nothing to do with powerful lobbyists—it has something to do with people and compassion. We need to show compassion and help people with AIDS, not throw obstacles in their path. I urge my colleagues to listen to the medical experts and oppose the Dannemeyer amendment, and support the Waxman-Rowland substitute, and support the Waxman bill.

Mr. DANNEMEYER. Mr. Chairman, I yield 2 minutes to my colleague, the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Chairman, I rise in support of the Dannemeyer amendment and in opposition to the Rowland amendment.

We have a bill before us that is going to address a very serious issue, and that is the issue of AIDS. We are going to have a testing program, we are going to have a counseling program, and we are going to have hopefully a preventive medicine program. But if we do not have the Dannemeyer amendment, it is kind of like having a new automobile when we have the vehicle and we have the engine, but we do not have the transmission to connect the two.

We need a provision that provides for confidentiality of testing and partner tracing. The Dannemeyer amendment does not say how each State should set up its particular notification program and confidential reporting program, so it does allow for localities, for States and large cities like New York City and San Francisco, perhaps Dallas or Houston, to take care of local concerns about confidentiality. We are not trying to set a Federal mandate that tells the States how to do their reporting systems. But we have a very serious public health issue. With every other communicable disease, we have contact tracing and confidential reporting. AIDS should be not different.

We need to pass the Dannemeyer amendment. We have a good bill. The gentleman from California [Mr. WAXMAN] has done a good job in shepherding this legislation through the Committee on Energy and Commerce. We are going to spend an additional billion dollars testing for AIDS and treating for AIDS. We need to have this amendment as part of the bill.

So, Mr. Chairman, I urge my colleagues to oppose the amendment offered by the gentleman from Georgia [Mr. ROWLAND] and to support the amendment offered by the gentleman from California [Mr. DANNEMEYER].

The CHAIRMAN. The Chair will state that the gentleman from California [Mr. DANNEMEYER] has 9 minutes remaining, the gentleman from California [Mr. WAXMAN] has 8 minutes remaining, and the gentleman from Georgia [Mr. ROWLAND] has 6½ minutes remaining.

Mr. DANNEMEYER. Mr. Chairman, I yield 2 minutes to my colleague, the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I would like to set the record straight on just a few points.

The gentleman from Washington [Mr. MCDERMOTT] said that we need more knowledge. I submit to the Members that testing, contact tracing, and

confidential reportability are going to give us that knowledge. Ninety five percent of the people that have the AIDS virus do not know it, and, therefore, we do not know all the ways it is being spread or where it is being spread. So that covers a lot of information that we would get from doing these three things, so if we want knowledge, we should be doing those things.

Now, tuberculosis was reported. In fact, with tuberculosis, the people that had it were put in sanatoriums. My wife had tuberculosis when she was a young girl. They would take you out of society put you away.

We are not saying that we should do that with AIDS, but we are saying at the very least that we ought to be doing testing and we ought to be reporting and we ought to be doing contact tracing, because this is a deadly disease. It cannot be cured. Since there are no symptoms to AIDS, as the doctor said, and you can have it for up to 20 years without any manifestation of it and you can give it to other people during that entire time, it makes sense to get as much information as possible, and it makes sense to test.

The last thing I would like to mention real briefly is this: As my colleague, the gentleman from New York, said, we were all hysterical about AIDS and we had a bill that passed a couple of weeks ago regarding food handlers and how you could not get AIDS through somebody handling your food. But in the newspaper yesterday, it said this, and I quote: "AIDS Causing Increase in Tuberculosis and Hepatitis-B Around the World." I will read this: "The AIDS epidemic is fueling a sudden and alarming worldwide increase in tuberculosis, the ancient scourge that has been one of history's deadliest disease."

You can get tuberculosis and you can get hepatitis-B from somebody who has it handling your food. What happens with AIDS is it breaks down your immune system and you get TB and hepatitis-B, and you can go out and give it to other people.

So we really need a comprehensive program before it gets completely out of control. We will be testing someday if we do not find a cure. We will have testing, but are we going to wait until 20 or 30 million people are going to die?

Mr. WAXMAN. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, I say to my colleagues that we do want to inform people who are infected of the fact that they are infected, so that they can take the drug necessary to forestall full blown AIDS and prevent pneumonia and other diseases. We want to inform people who are positive that they are positive, so we can counsel them to change their behavior and not spread the disease to others.

If we want to counsel, test more people, we can do it in a number of ways. But the gentleman from Indiana [Mr. BURTON] has a suggestion for us. Let us force everybody to come in for a test every year and spend $14 billion in the process. Not everybody has this infection.

Mr. DANNEMEYER. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. No; I am not going to yield. It is my time, and if I have time left over, I will yield later.

Mr. Chairman, all the elderly in this country and all the people who lead monogamous lives are not likely to be infected with the AIDS virus. We do not need to bring them in to be tested. People are not completely unaware of the fact that they may have AIDS. After all, AIDS is a sexually transmitted disease, so many people who are sexually active ought to be worried and they ought to come in and be counseled and tested. But if their name is going to be on a list, they are going to be afraid to come in.

Who are the people that have AIDS? For the most part, they are gay men and drug users, people who have in many States in this country regarded as having committed crimes. If their names are going to be on a list and they are afraid their name is going to be on that list for the purpose of prosecuting them and putting them in jail or putting them in camps, they are not going to come in. This would undermine exactly the public health purpose.

We talk about gay men and drug users. There is another group that is likely to have AIDS, and they have pleaded with us and said, "Don't adopt this Dannemeyer amendment." That is the Hemophiliac Foundation.

Well, wait a minute. Hemophilia is not a kind of thing where society has the same perspective as about gay men and drug users. But, they tell us, remember Ryan White, a kid, a hemophiliac who had a blood transfusion and got AIDS and was forced out of school and his family thrown out of the city in which they lived.

□ 1450

Tell these people not to worry, come in and trust the gentleman from California [Mr. DANNEMEYER] and others who would like to have their names down on a list. If we want people to come in, we need to encourage them to come in. We need to give them the medications that will keep them from getting AIDS, and we need to show them that we are trying to control and treat the disease, not to punish them for possibly having the infection. The way we have handled every contagious disease in this country is to let the States decide how to handle the matter.

Mr. Chairman, why should we take the AIDS disease and have a Federal mandate telling all States that they must handle it exactly the same way: keep the names? We do not have to, and we should not. Let States decide it for themselves.

Mr. Chairman, some States will decide they want to have the names down on a list so they can do contact tracing. Other States may decide they do not need to have a name on a list. They can do contact tracing by talking to the individual who has been tested. I ask, "How are you going to know about the sexual partners of people who are infected without them telling them to you? Are you going to torture them to get that information?"

Mr. Chairman, obviously that would be ludicrous, so I suggest that this amendment of the gentleman from California [Mr. DANNEMEYER] is a pernicious one, and it ought to be defeated.

The Rowland-Waxman amendment says, "Let the States decide how to deal with the problem that is going to be different State to State and community to community," and I say to my colleagues, "Don't put this whole issue in a straitjacket and say there's only one way to do it. That's not what the public health experts are telling us to do."

Mr. Chairman, the American Medical Association, the Public Health Association, Surgeon General Koop all say the same thing. And I did talk to Secretary Sullivan who told me that he thinks the States ought to have the prerogative, we ought to encourage people to be tested, but not force this issue.

My colleagues, I urge opposition to the amendment of the gentleman from California [Mr. DANNEMEYER] and support for the amendment of the gentleman from Georgia [Mr. ROWLAND] and me.

Mr. DANNEMEYER. Mr. Chairman, I yield 2 minutes to my colleague, the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Chairman, I would like to engage the gentleman from California [Mr. WAXMAN] in a colloquy, if he would be willing to do so.

Mr. WAXMAN. I would be pleased.

Mr. BARTON of Texas. Mr. Chairman, first of all I say to the gentleman from California [Mr. WAXMAN], "HENRY, I understand totally your sincerity about this. I know that you're doing what you think is absolutely right. No question. But, you know, you have accepted and agreed that we need to have testing, we need to find out who, if any in the population, has the AIDS virus. The fact that they're going to come in and do the test. If in fact they test positive and want treatment, someone is going to know that."

So, Mr. Chairman, my question to the gentleman from California [Mr. WAXMAN] is: What is the difference in that and in doing the next step and reporting that to the public health authorities and then also notifying their partners so that we can try to prevent the spread of the disease, What makes him unwilling to go to the next step?

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Chairman, I am not unwilling, and I think a State may decide to have a reporting system as a way of doing their contact tracing, but, if somebody has syphilis or has AIDS, full-blown AIDS, and they know they are sick, they are going to come in for treatment. However, Mr. Chairman, a lot of people do not know that they are sick. They think they may be infected. They worry about it. But we deny a lot worse things that we fear and dread, and those people may be afraid to come in to be tested at all to find out that information if they think their names are going to be on a list.

Mr. BARTON of Texas. So, Mr. Chairman, the concern of the gentleman of California [Mr. WAXMAN] is, if they test positive and it is reported, that they know it will be reported, and they would not do the test.

I ask the gentleman from California [Mr. WAXMAN], "Is that your concern?"

Mr. WAXMAN. Mr. Chairman, that is my concern, and that is the concern of every health organization, of every expert in this area, the people who work with these cases. It is not just my sincere feelings. I have to rely on them, and I think that is what we ought to look for, for advice in how to deal with this epidemic, not to the gentleman from California [Mr. DANNEMEYER] and others who do not have the background and experience to know what is best.

Mr. BARTON of Texas. Mr. Chairman, if it were not for the fact, and the gentleman from California [Mr. WAXMAN] and I know that there is in the public at large a social stigma attached to AIDS, and, if it were not for that fact, if it were any other communicable disease, would the gentleman from California take the position that he is taking?

Mr. WAXMAN. Mr. Chairman, if the gentleman from Texas [Mr. BARTON] will continue to yield, some States have told us that in a city like San Francisco or New York, where there is a high gay population, they did not think it was worth their resources to try to track down individuals. They thought it was a better use of their resources to blanket the whole community and say, "You're at risk. Come in to be tested." They did not want to have to track each individual.

So, Mr. Chairman, I just think they ought to be able to handle the matter based on their local circumstances and not be told from Washington how to handle it.

The CHAIRMAN. The Chair will advise proponents and opponents of the substitute in question that all comments during the debate and during the colloquy should be directed to the Chair and not to each other in the second person.

Mr. ROWLAND of Georgia. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Louisiana [Mrs. BOGGS].

Mrs. BOGGS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California [Mr. DANNEMEYER] which I know is most sincerely offered, but for several years I have served on the Select Committee on Children, Youth and Families with the gentleman from Georgia [Mr. ROWLAND], and in that capacity I feel that I have to share with our colleagues a special letter of opposition that has been received from the National Association of Children's Hospitals and related institutions. In this letter, the organization expressed its concerns about how the name-reporting amendment would affect children and their mothers.

Ten percent of all cases of AIDS in America are among women and young children. However, the children's hospitals point out that a large number of infants who test positive at birth are actually not infected and that the Dannemeyer amendment would "result in stigmatization of a significant number of young children." The children's hospitals also argue that "mandatory reporting can have the effect of discouraging pregnant women from seeking prenatal care or participating in voluntary testing, counseling, or treatment programs."

The children's hospitals have urged that we defeat the Dannemeyer amendment because of its harmful effect upon the epidemic's smallest victims—children with AIDS. These hospitals are major providers of care to these individuals and have been in the forefront of AIDS services. We should listen carefully to their advice Mr. Chairman, and should defeat the Dannemeyer amendment.

Mr. DANNEMEYER. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, I would like to address the argument of the gentleman from Oregon [Mr. AUCOIN], my colleague, on the issue of confidentiality. That is a red herring, and I will tell my colleagues why.

Mr. Chairman, this Nation has witnessed the reporting of over 130,000 cases of fully developed AIDS across this country. We have mandated the reportability for fully developed AIDS from the beginning of the epidemic in the early 1980's, as we should, in confidence, as it should have been done. I challenge people across this country to name one instance where the existing system of confidentiality and public health has broken down and public health officials have improperly revealed the name of a person, one of these 130,000 people who had fully developed AIDS. I am still waiting.

Mr. Chairman, the point is the existing system of confidentiality that is in place to protect the identity of fully developed AIDS cases has worked, as it should, to protect their identity, and that same system of confidentiality will work to protect the identity of persons who are HIV positive.

With respect to the argument of a list that the gentleman from Washington [Mr. MCDERMOTT] talked about, it is interesting because the inference is somehow that some of us want to keep a list. That is the fartherest thing from my mind. All this amendment of mine would require is that the taking of identifying information and functioning of reportability would operate the same way that we collect this information in dealing with curable venereal diseases. We would have the same standard in dealing with this noncurable disease, and I would submit that, if we have that standard of reportability and contact tracing for a curable venereal disease, should we accept a lesser standard and practice for a noncurable, venereal disease?

Mr. Chairman, this list does not exist except in the minds of those who seek to create this bogeyman as a means of opposing this reasonable amendment that I am seeking in the House to adopt.

□ 1500

Also the gentleman from Oregon [Mr. AUCOIN] made reference to what is happening in the State of Oregon. Unfortunately, the gentleman has not kept up to date on what is developing across this Nation. Two years ago when that study took place, we did not have AZT. We did not have the Americans With Disabilities Act, which now gives antidiscrimination protection to persons with HIV.

The accuracy of the HIV test was questioned by some 2 years ago. Today it is the consensus of almost everyone that I have ever heard of that the HIV test is an accurate as our medical science can get.

The reality is that States with confidential reporting, such as Colorado, test more persons per 100,000 population than States with anonymous testing, such as New York and California.

In fact, the deficiency in the experiment in Oregon was mentioned in an article in Lancet that was published in August 1988. The authors of the article, Feres, Foster, and Fox, and it related to this study in the State of Oregon between 1986 and 1987.

The point was that anonymous reportability has a tendency to increase homosexuals coming in to be tested, but they found that it did not work with respect to the groups at risk for HIV infections, such as drug users. The authors concluded that it would be necessary to reevaluate the impact of anonymous testing when the nature of the infected population change. They go on to say that in their judgment there no longer could be a case made to prefer anonymous reportability over confidential reportability.

With respect to the arguments about a Federal mandate, you know, let us face it, we have a major Federal problem on our hands.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. DANNEMEYER. Mr. Chairman, I yield myself an additional 2 minutes.

The CHAIRMAN. The Chair will advise the gentleman from California that he has only 1 minute remaining.

Mr. DANNEMEYER. Well, I yield myself that additional minute.

We have a major public health crisis on our hands. We Federal taxpayers are being asked to pony up about $4 billion to fight this epidemic this year. I submit to my colleagues that if we are going to be asked to expend that kind of money, we should also require that those who are HIV carriers be accountable to the public health-care system.

To say in the face of this epidemic that each State can decide for itself on the issue of reportability is not unlike trying to run World War II on the idea that each Governor can decide whether they want to send their residents to defend the Federal Government. That is how serious this problem is.

For the proponents of this measure to stand here with a straight face and suggest that they want to reveal all this sensitive information to establish eligibility for Medicaid to get access to Federal money and then say they have no responsibility to be accountable as HIV carriers to the public health care system is to me an indefensible position and total nonsense.

I ask you to reject the amendment of my friend, the gentleman from Georgia [Mr. ROWLAND] and to support the amendment that this Member from California has offered.

Mr. WAXMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. ECKART].

Mr. ECKART. Mr. Chairman, I thank my colleague for yielding me this time.

I come to the floor to speak in support of the amendment of the gentleman from Georgia and the amendment of the gentleman from California.

Let us talk for a moment about those least capable of defending themselves in our society, the pregnant women and children and America's safety forces. What do they say about this bill, for if there is a surface argument to which we should find ourselves initially attracted by this amendment pending before us by the gentleman from California [Mr. DANNEMEYER], it would be to protect those who are least capable of protecting themselves.

The fact of the matter is that with unanimity the pediatric hospitals, those who provide care for pregnant women and children, and the major association's of the Nation's safety forces all say, "No thank you," to the Dannemeyer amendment.

And why is that the case? First, those children and pregnant women, the ones that we want to bring into the system, if convinced that there is a list, whether or not one exists, are the least susceptible to persuasion to enter our health-care system and will be even more frightened away from it by the Dannemeyer amendment. That is why the Rowland-Waxman alternative allows States to tailor make their programs to their populations.

As to the question also of those least capable of protecting themselves, the Nation's safety forces, understand that a paramedic or firefighter when called to a car crash or to a fire or to the scene of another major disaster does not find himself or herself in a set of circumstances similar to a sterile operating room. They are faced with tragedy where a moment's indecision can cost a life and therefore must know that they have to move quickly. That is why the associations, particularly the International Association of Firefighters, speaks so eloquently against the Dannemeyer amendment and in favor of the Rowland-Waxman amendment. They know that their best hope is a program initiated by the states which will provide protection to the Nation's safety workers.

Stand with the children. Stand with the mothers. Protect America's safety forces. Support the Rowland-Waxman amendment.

Mr. ROWLAND of Georgia. Mr. Chairman, let me say to the gentleman from California [Mr. DANNEMEYER], to the gentleman from California [Mr. DORNAN], and to the gentleman from Indiana [Mr. BURTON], I think we all want the same thing. We want to bring this epidemic to a halt. We want to remove the divisiveness that we feel in our country right now relative to this disease. We all have the same objective in mind.

The gentleman from California [Mr. DORNAN] asked a few minutes ago, with all sincerity, what is the division of the medical community in this country? I do not really believe there is a division of the medical community in this country. I think that we all want the same thing. We want to deal with this disease.

The gentleman from California [Mr. DANNEMEYER] has pointed out that there are various State medical societies that support his amendment. Now, what my substitute for the gentleman's amendment does is to leave it with the States to make that determination. These various State medical societies may have different types of local situations that would necessitate them wanting to have mandated reporting. We have in this country now a few States that have mandated reporting. That may best fit their situation. It may best fit the situation of those State medical societies who support the gentleman from California.

So what I am saying is let us leave it to the States. I know that in my own State of Georgia we have a system there that seems to be working very well. We have a combination system of anonymous reporting of test results and confidential reporting of test results. If an individual wants to be tested anonymously, it is done by a number. Their name is never revealed. If they want confidential reporting, then they can do that. Their name is kept confidential.

Now, if they happen to be HIV positive and were tested anonymously, then they can make their names available so that they can have treatment, but they do not have to do that if they do want to.

This is currently working very well in my own State of Georgia. The medical community there supports it. The State government supports it.

Just to give you an example of how well it is working, South Carolina has mandated reporting on one side, Alabama on the other side. In Augusta, GA, which is adjacent to South Carolina, people are coming in to our State from South Carolina to be tested so they will not have their names reported. Our State has seen an increase of these numbers. The number of people in Columbus, GA, coming from Alabama has greatly gone up as well because they have mandated reporting in Alabama.

What I am saying is let us leave the responsibility of this to the States. That is where it properly belongs. The State medical societies who support the Dannemeyer amendment and want to have mandated reporting can do this. That is entirely up to them to do.

Mr. DANNEMEYER. Mr. Chairman, will the gentleman yield?

Mr. ROWLAND of Georgia. I yield for 30 seconds to the gentleman from California.

□ 1510

Mr. DANNEMEYER. Mr. Chairman, since the gentleman from Georgia [Mr. ROWLAND] wants to leave this decision on reportability to the States, does he also want to leave the finan-

cial responsibility for paying for the epidemic to the States?

Mr. ROWLAND of Georgia. Mr. Chairman, reclaiming my time, as a matter of fact the amendment that we adopted earlier by the gentleman from Illinois is going to require the States to put some money in there.

The point at this particular point in the debate is that the States should retain that flexibility. Once we mandate it on the Federal level, the States lose control completely and will not be able to be flexible in dealing with this AIDS epidemic.

Mr. Chairman, I urge support of the Waxman-Rowland substitute and defeat of the Dannemeyer amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. LEHMAN of Florida. Mr. Chairman, I would like to take this opportunity to express my opposition to the Dannemeyer amendment to H.R. 4785, the AIDS Prevention Act and plus support for the Waxman/Rowland substitute.

Pediatricians, who provide the care for the thousands of AIDS babies in America, believe that a Federal requirement to report identifying information on every mother and child will damage their medical work. In a recent letter, the American Academy of Pediatrics pointed out that,

A reporting requirement may discourage testing among high-risk individuals, voluntary contact tracing, and voluntary perinatal screening. This requirement would be prohibitive to public health efforts to limit the spread of AIDS.

The pediatricians have also pointed out that most babies that might be labeled "infected" are, in fact, false positives, and that reporting will have no demonstrable health benefit.

The tragedy of AIDS babies is severe already. As Members of Congress, we should follow the best advice and counsel of those health professionals who are working to care for these children and to end this tragedy. We should not make their jobs harder and the problems worse.

I would like to urge my colleagues to vote for the Waxman/Rowland substitute and against the Dannemeyer amendment.

Mr. WEISS. Mr. Chairman, I rise in strong opposition to the Dannemeyer amendment and in support of the Waxman/Rowland substitute. The Dannemeyer amendment would require that the names of all persons who test positive for HIV be reported to their States. The substitute clarifies the language in the bill regarding reporting, affirming that the decision to require reporting names or other identifying information lies with the individual State.

Scientists have not yet brought us a cure for AIDS. Nor is there a vaccine that can prevent infection. The only way this deadly epidemic can be halted is through behavior change in persons who are infected or at risk of infection. Testing, along with pre- and post-test counseling, is one of the best ways to change behavior. For, whether the individual tests positive or negative, the counseling that is the essential complement to an HIV test exposes him or her to prevention education that can result in a reduction in transmission.

A second reason for testing is the possibility of early intervention to prevent the onset of serious illness. For those who have access to the treatments that can prolong good health, testing is essential.

The absolute confidentiality of AIDS test results—and even of the fact that an individual has been tested—is essential if we are to encourage all persons at risk of infection to be tested and counseled. We know there is no question that the reporting of names discourages persons at risk from getting tested, for the inadvertent release of test results is always a possibility, even in the most rigorously guarded systems.

In Oregon, HIV testing included reporting, using names, until December 1987, when anonymous testing was offered for the first time. The availability of anonymous testing increased the overall demand for testing by 50 percent—by 125 percent for gay and bisexual men, 65 percent for female prostitutes, 17 percent for IV drug users and 32 percent for others. Many more persons sought testing because they knew their names would not be reported to the State or to anyone else.

The fear of discrimination is real. We have all heard of the person with AIDS who is discharged from the hospital only to find that her landlord has evicted her from her apartment, or the person with asymptomatic HIV infection whose employer has learned of the infection and fired him. We know the sad story of Ryan White and, of course, there are many others who have been discriminated against, but whose lives have not reached the front pages.

If the Dannemeyer amendment is adopted, we will deliver a major setback to the control of AIDS. And we will be directing States to do something they should have the authority to decide themselves. There is no Federal requirement to report names for any other disease.

The House resoundingly defeated a similar amendment in the 100th Congress by a vote of 70 to 327. I call on my colleagues to resoundingly defeat the Dannemeyer amendment by voting for the Waxman/Rowland substitute.

Mr. MINETA. Mr. Chairman, I rise in support of the Rowland/Waxman amendment.

The characteristics of the AIDS crisis are not uniform across this country. In fact, the disproportionate impact in some of our Nation's cities is one of the primary reasons for this bill.

I have received letters supporting the Rowland/Waxman amendment from the U.S Conference of Mayors, the National Conference of State Legislatures, and the National Association of Counties. They know that to meet this challenge, they need flexibility.

The Dannemeyer amendment, in its present form, would take away that flexibility. I urge my colleagues to preserve it by voting "aye" on the Rowland/Waxman amendment.

Mr. OWENS of New York. Mr. Chairman, I rise in strong support of H.R. 4785, the AIDS Prevention Act of 1990. This act will go far toward treatment and education of this devastating disease, and will be a virtual economic godsend to those large cities such as New York which have been hard hit by the economic demands placed on it by the AIDS epidemic.

New York City serves as a prime example of what this act seeks to accomplish. The impact of the AIDS epidemic is more widespread in New York City than in any other city in this Nation.

The cumulative number of AIDS cases exceeds one-fifth of the total reported nationwide. New York City hospitals serve 34 percent of all AIDS inpatients.

There have been 26,606 people in New York City diagnosed with AIDS—16,000 of those people have died.

In New York City AIDS is now the leading cause of death among men aged 30 to 44, among women aged 25 to 39, and among children aged 1 to 4.

New York City leads the Nation in the number of children with AIDS. And the numbers in New York City, and across the Nation, are only getting worse.

In New York City there are an estimated 235,000 people currently infected by the AIDS virus. Nationally, there are an estimated 600,000 people infected who need medical attention, and an estimated 1 million people infected who do not yet need medical attention. Most of these people will develop full blown AIDS in the next 10 years, and still more will become infected. All of these people will require some form of health care and social services, from supportive counseling to acute, episodic hospitalization and hospice care.

Cities and localities across the Nation have been devastated by this epidemic. Public health systems were, at best, ill equipped to deal with the massive influx of underinsured and uninsured patients seeking acute health care due to AIDS complications. Emergency measures required that communities pull together to provide innovative community-based care responses. At the same time, the finances and personnel of local public health systems have been completely overwhelmed by the new and steadily increasing demands placed upon them.

The drastically increasing numbers of people with AIDS blatantly shows that these problems are not going to decrease for many years to come.

Next week the sixth international conference on AIDS will convene in San Francisco; 12,000 experts will come from all corners of the world to share and discuss the ever-changing impact of AIDS, and hopefully, the ever-increasing possibilities for finding a cure for this devastating epidemic.

New hope for a vaccine for the AIDS virus has emerged following recent research successes. Obstacles previously thought to be impossible to overcome have been surmounted. However, even conservative estimates put the realization of this goal at least 10 years away.

Hundreds of thousands of people will die from AIDS in the next 10 years.

We must act now. Funds for AIDS research must be significantly increased immediately. Funds for the care of people with AIDS must also be increased. And increased funds for the prevention of AIDS have become, in the truest sense of the phrase, a dire emergency.

For those cities effected by the AIDS epidemic, the problem has become one of crisis proportions.

We must vote to pass the AIDS Prevention Act of 1990.

PARLIAMENTARY INQUIRY

Mr. DANNEMEYER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DANNEMEYER, Mr. Chairman, what will be the first vote?

The CHAIRMAN. The first vote will be on the substitute offered by the gentleman from Georgia [Mr. ROWLAND].

All time has expired on the subsititute. Does the gentleman from California [Mr. WAXMAN] yield back the balance of his time?

Mr. WAXMAN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Georgia [Mr. ROWLAND] as a substitute for the amendment offered by the gentleman from California [Mr. Dannemeyer].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WAXMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 312, noes 113, not voting 7, as follows:

[Roll No. 166]

AYES—312

Ackerman	Carr	English
Alexander	Chandler	Erdreich
Anderson	Chapman	Espy
Andrews	Clarke	Evans
Annunzio	Clay	Fascell
Anthony	Clement	Fazio
Applegate	Clinger	Feighan
Aspin	Coleman (MO)	Fish
Atkins	Coleman (TX)	Flake
AuCoin	Collins	Flippo
Ballenger	Condit	Foglietta
Barnard	Conte	Ford (MI)
Bateman	Conyers	Ford (TN)
Bates	Cooper	Frank
Beilenson	Costello	Frost
Bennett	Coughlin	Gallo
Bereuter	Courter	Gaydos
Berman	Coyne	Gejdenson
Bevill	Crockett	Gephardt
Bilbray	Darden	Geren
Boehlert	de la Garza	Gibbons
Boggs	DeFazio	Gillmor
Bonior	Dellums	Gilman
Borski	Derrick	Glickman
Bosco	DeWine	Gonzalez
Boucher	Dickinson	Gordon
Boxer	Dicks	Goss
Brennan	Dingell	Gradison
Brooks	Dixon	Grandy
Browder	Donnelly	Grant
Brown (CA)	Dorgan (ND)	Gray
Bruce	Downey	Green
Bryant	Durbin	Guarini
Buechner	Dwyer	Gunderson
Bustamante	Dymally	Hall (OH)
Byron	Dyson	Hamilton
Campbell (CA)	Early	Harris
Campbell (CO)	Eckart	Hatcher
Cardin	Edwards (CA)	Hayes (IL)
Carper	Engel	Hayes (LA)
Hefner	Mfume	Sawyer
Henry	Miller (CA)	Scheuer
Hertel	Miller (WA)	Schiff
Hoagland	Mineta	Schneider
Hochbrueckner	Moakley	Schroeder
Hopkins	Molinari	Schumer
Horton	Mollohan	Serrano
Houghton	Montgomery	Sharp
Hoyer	Moody	Shays
Huckaby	Morella	Sikorski
Hughes	Morrison (CT)	Sisisky
Jacobs	Morrison (WA)	Skaggs
Jenkins	Mrazek	Skeen
Johnson (CT)	Murphy	Skelton
Johnson (SD)	Murtha	Slattery
Johnston	Nagle	Slaughter (NY)
Jones (GA)	Natcher	Smith (FL)
Jones (NC)	Neal (MA)	Smith (IA)
Jontz	Neal (NC)	Smith (NE)
Kanjorski	Nowak	Smith (VT)
Kaptur	Oakar	Smith, Robert (OR)
Kasich	Oberstar	
Kastenmeier	Obey	Snowe
Kennedy	Olin	Solarz
Kennelly	Ortiz	Spratt
Kildee	Owens (NY)	Staggers
Kleczka	Owens (UT)	Stallings
Kolbe	Oxley	Stark
Kolter	Pallone	Stokes
Kostmayer	Panetta	Studds
LaFalce	Pashayan	Swift
Lancaster	Patterson	Synar
Lantos	Payne (NJ)	Tanner
Leach (IA)	Payne (VA)	Tauke
Lehman (CA)	Pease	Thomas (GA)
Lehman (FL)	Pelosi	Thomas (WY)
Levin (MI)	Penny	Torres
Levine (CA)	Perkins	Torricelli
Lewis (CA)	Pickett	Towns
Lewis (GA)	Pickle	Traficant
Lipinski	Porter	Traxler
Lloyd	Poshard	Udall
Long	Price	Unsoeld
Lowey (NY)	Quillen	Valentine
Luken, Thomas	Rahall	Vento
Lukens, Donald	Rangel	Visclosky
Machtley	Ravenel	Walgren
Manton	Ray	Washington
Markey	Rhodes	Watkins
Martin (NY)	Richardson	Waxman
Martinez	Ridge	Weiss
Matsui	Rinaldo	Weldon
Mavroules	Robinson	Wheat
Mazzoli	Roe	Whittaker
McCandless	Ros-Lehtinen	Whitten
McCloskey	Rose	Williams
McCrery	Rowland (CT)	Wilson
McCurdy	Rowland (GA)	Wise
McDade	Roybal	Wolpe
McDermott	Russo	Wyden
McGrath	Sabo	Yates
McHugh	Saiki	Yatron
McMillen (MD)	Sangmeister	Young (AK)
McNulty	Sarpalius	
Meyers	Savage	

NOES—113

Archer	Fields	Madigan
Armey	Gallegly	Marlenee
Baker	Gekas	Martin (IL)
Bartlett	Gingrich	McCollum
Barton	Goodling	McEwen
Bentley	Hall (TX)	McMillan (NC)
Bilirakis	Hammerschmidt	Michel
Bliley	Hancock	Miller (OH)
Broomfield	Hansen	Moorhead
Brown (CO)	Hastert	Myers
Bunning	Hefley	Nielson
Burton	Herger	Packard
Callahan	Hiler	Parker
Coble	Holloway	Parris
Combest	Hubbard	Paxon
Cox	Hunter	Petri
Craig	Hutto	Pursell
Crane	Hyde	Regula
Dannemeyer	Inhofe	Ritter
Davis	Ireland	Roberts
DeLay	James	Rogers
Dornan (CA)	Kyl	Rohrabacher
Douglas	Lagomarsino	Roth
Dreier	Laughlin	Roukema
Duncan	Lent	Saxton
Edwards (OK)	Lewis (FL)	Schaefer
Emerson	Livingston	Schuette
Fawell	Lowery (CA)	Schulze
Sensenbrenner	Spence	Upton
Shaw	Stangeland	Vander Jagt
Shumway	Stearns	Volkmer
Shuster	Stenholm	Vucanovich
Slaughter (VA)	Stump	Walker
Smith (NJ)	Sundquist	Walsh
Smith (TX)	Tallon	Weber
Smith, Robert (NH)	Tauzin	Wolf
	Taylor	Wylie
Solomon	Thomas (CA)	Young (FL)

NOT VOTING—7

Frenzel	Lightfoot	Smith, Denny (OR)
Hawkins	Nelson	
Leath (TX)	Rostenkowski	

□ 1532

Mrs. MARTIN of Illinois and Mr. HAMMERSCHMIDT changed their vote from "aye" to "no."

Messrs. VISCLOSKY, SISISKY, YOUNG of Alaska, and KASTENMEIER changed their vote from "no" to "aye."

So the amendment offered as a substitute for the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. DANNEMEYER], as amended.

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DANNEMEYER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 422, noes 1, not voting 9, as follows:

[Roll No. 167]

AYES—422

Ackerman	Bruce	Dellums
Alexander	Bryant	Derrick
Anderson	Buechner	DeWine
Andrews	Bunning	Dickinson
Annunzio	Burton	Dicks
Anthony	Bustamante	Dingell
Applegate	Byron	Dixon
Archer	Callahan	Donnelly
Armey	Campbell (CA)	Dorgan (ND)
Aspin	Campbell (CO)	Dornan (CA)
Atkins	Cardin	Douglas
AuCoin	Carper	Downey
Baker	Carr	Dreier
Ballenger	Chandler	Duncan
Barnard	Chapman	Durbin
Bartlett	Clarke	Dwyer
Barton	Clay	Dymally
Bateman	Clement	Dyson
Bates	Clinger	Early
Beilenson	Coble	Eckart
Bennett	Coleman (MO)	Edwards (CA)
Bentley	Coleman (TX)	Edwards (OK)
Bereuter	Collins	Emerson
Berman	Combest	Engel
Bevill	Condit	English
Bilbray	Conte	Erdreich
Bilirakis	Conyers	Espy
Bliley	Cooper	Evans
Boehlert	Costello	Fascell
Boggs	Coughlin	Fawell
Bonior	Courter	Fazio
Borski	Cox	Feighan
Bosco	Coyne	Fields
Boucher	Craig	Fish
Boxer	Crane	Flake
Brennan	Dannemeyer	Flippo
Brooks	Darden	Foglietta
Broomfield	Davis	Ford (MI)
Browder	de la Garza	Ford (TN)
Brown (CA)	DeFazio	Frank
Brown (CO)	DeLay	Frost

Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Grant
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hoagland
Hochbrueckner
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Laughlin
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken, Thomas
Lukens, Donald
Machtley
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Pashayan
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roe
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Sangmeister
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (VT)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stangeland
Stark
Stearns
Stenholm
Stokes
Studds
Stump
Sundquist
Swift
Synar
Tallon
Tanner
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Thomas (WY)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Walsh
Washington
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOES—1

Holloway

NOT VOTING—9

Crockett
Frenzel
Hawkins
Lightfoot
Nelson
Parris
Rangel
Rostenkowski
Smith, Denny (OR)

□ 1550

Mrs. JOHNSON of Connecticut changed her vote from "no" to "aye."

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

Mr. FIELDS. Mr. Chairman, I rise in support of the Dannemeyer amendment which would require States to gather the names—or other ifying informations—of all people who test positive on an AIDS test.

I think most of us in Congress will agree that the AIDS epidemic is so serious and so far reaching that containing and eradicating the disease will entail a vast commitment of Federal resources. The Federal Government's response to the AIDS outbreak thus far has been unprecedented. And, finding an AIDS cure is a challenge we must continue to face. However, before we issue a blank check for the Federal response to this disease, it is important to assess what we are already spending on AIDS relative to other life-threatening diseases.

For instance, a close look at the figures for AIDS programs reveals that AIDS is already being funded way over other deadly diseases such as cancer, heart disease, and diabetes.

American taxpayers spent $3 billion on AIDS programs in fiscal year 1990 and $1.5 billion in research. The administration has asked for another $3.5 billion in fiscal year 1991.

Yet, the administration only proposed $600 million for heart and vascular diseases within the National Heart, Lung and Blood Institute. In essence, Americans are spending only 17 percent as much on programs dealing with vascular disease as they are spending on AIDS.

Cancer is expected to kill a half-million Americans in 1990; yet total funding for the National Cancer Institute in the Pres's proposed budget is $1.69 billion—half as much as the proposed AIDS funding.

Diabetes affects 11 million people and 36,000 die from the disease annually—yet, the yearly budget for diabetes is $259 million.

I think we can all agree that most Federal AIDS funds have been well spent. In the future, the Federal Government will be faced with funding new therapies and better treatments that may help patients survive infections.

But, if we're going to ask the taxpayer to foot the bill for much of this additional care, doesn't the Government have an obligation to ensure that those dollars are spent in the most cost-effective way? Clearly, the most cost-efficient way to curtail the spread of HIV-infection is to focus scarce Federal resources on those at-risk individuals who have been ified through partner notification programs.

Health care spending is fast approaching $2 billion per day—far ahead of any other country. It is becoming increasingly clear that difficult questions regarding health care spending will have to be examined and debated by the Congress. But regardless of how we proceed in solving the health care cost crisis, we are going to have to begin the painful process of determining which activities are cost-efficient.

The debate here today isn't about discrimination or even about State's rights. It is one of accountability. Unless the Congress embraces the most cost-effective ways to battle the AIDS epidemic, we may be faced with a challenge we cannot meet.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. GRAY) having assumed the chair, Mr. MFUME, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4785) to amend the Public Health Service Act to establish a program of grants to provide preventive health services with respect to acquired immune deficiency syndrome, and for other purposes, pursuant to House Resolution 408, reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. MADIGAN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 408, noes 14, not voting 10, as follows:

[Roll No. 168]

AYES—408

Ackerman
Alexander
Anderson
Andrews
Annunzio
Anthony

Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Browder
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clarke
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins
Combest
Condit
Conte
Conyers
Cooper
Costello
Coughlin
Courter
Cox
Coyne
Craig
Crockett
Dannemeyer
Darden
Davis
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Douglas
Downey
Dreier
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Foglietta
Ford (MI)
Ford (TN)
Frank
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Grant
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hoagland
Hochbrueckner
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Lagomarsino
Lancaster
Lantos
Laughlin
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken, Thomas
Lukens, Donald
Machtley
Madigan
Manton
Markey
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Parris
Pashayan
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Poshard
Price
Quillen
Rahall
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roe
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Sangmeister
Sarpalius
Savage
Sawyer
Saxton
Scheuer
Schiff
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (VT)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Spence
Spratt
Staggers
Stallings
Stangeland
Stark
Stearns
Stenholm
Stokes
Studds
Sundquist
Swift
Synar
Tallon
Tanner
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Thomas (WY)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walsh
Washington
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOES—14

Crane
Duncan
Edwards (OK)
Gekas
Hancock
Holloway
Hunter
Kyl
Marlenee
Pursell
Schaefer
Solomon
Stump
Walker

NOT VOTING—10

Frenzel
Hawkins
Kennedy
LaFalce
Lightfoot
Mazzoli
Nelson
Rangel
Rostenkowski
Smith, Denny (OR)

□ 1611

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on H.R. 4785, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PERSONAL EXPLANATION

Mr. MAZZOLI. Mr. Speaker, had I been present, I would have voted "yea" on rollcall No. 168, final passage of H.R. 4785.

PERSONAL EXPLANATION

Mr. NELSON. Mr. Speaker, I would have voted "aye" on rollcall No. 164, No. 165, No. 166, No. 167, and No. 168.

PERSONAL EXPLANATION

Mr. DENNY SMITH. Mr. Speaker, I wish to express my support for H.R. 4785, the AIDS Prevention Act of 1990, as amended.

I missed these recorded votes because I was unavoidably detained while meeting with Secretary of Agiculture, Clayton Yeutter, and representatives of Oregon's timber communities. The purpose of this meeting was to discuss with Secretary Yeutter the timber crisis facing the Pacific Northwest should the northern spotted owl be listed as threatened under provisions of the Endangered Species Act. If this subspecies is listed, Oregon, among other States in the region, will face certain economic disaster.

AIDS now affects even the innocent such as unborn children, emergency medical personnel, and law enforcement officials. As a nation, we need to do all in our power to stop the spread of this disease. I believe H.R. 4785 is the first step in that direction.

However, had I been present to vote, I would have voted "nay" to the Waxman amendment, "yea" to the Dannemeyer amendment, and "yea" to final passage of H.R. 4785, as amended.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 4785, AIDS PREVENTION ACT OF 1990

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 4785, the Clerk be authorized to correct section numbers, cross-references, punctuation, and indentation, and to make other technical and conforming changes necessary to reflect the actions of the house.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Speaker, pursuant to the provisions of House Resolution 408, I call up from the Speaker's table the Senate bill (S. 2240) to amend the Public Health Service Act to provide grants to improve the quality and availability of care for individuals and families with HIV disease, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WAXMAN moves to strike out all after the enacting clause of the Senate bill, S. 2240, and to insert in lieu thereof the provisions of the bill, H.R. 4785, as passed, as follows:

SECTION 1. SHORT TITLE.

This Act may be cited as the "AIDS Prevention Act of 1990".

TITLE I—PREVENTIVE HEALTH SERVICES WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

SEC. 101. ESTABLISHMENT OF PROGRAM OF GRANTS.

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended—

(1) by redesignating title XXVI as title XXVII;

(2) by redesignating sections 2601 through 2614 as sections 2701 through 2714, respectively; and

(3) by inserting after title XXV the following new title:

"TITLE XXVI—PREVENTIVE HEALTH SERVICES WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

"PART A—GRANTS FOR PROVISION OF SERVICES

"SEC. 2601. ESTABLISHMENT OF PROGRAM.

"(a) ALLOTMENTS FOR STATES.—For the purposes described in subsection (c), the Secretary, acting through the Director of the Centers for Disease Control and the Administrator of the Health Resources and Services Administration, shall for each of the fiscal years 1991 through 1995 make an allotment for each State in an amount determined in accordance with section 2613. The Secretary shall, make payments, as grants, to each State from the allotment for the State for the fiscal year involved if the Secretary approves for the fiscal year an application submitted by the State pursuant to section 2612.

"(b) CATEGORICAL GRANTS.—For the purposes described in subsection (c), the Secretary, acting through the Director of the Centers for Disease Control and the Administrator of the Health Resources and Services Administration, may make grants to public and nonprofit private entities specified in subsection (d)(1).

"(c) PURPOSES OF GRANTS.—

"(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) or (b) unless the applicant for the grant agrees to expend the grant for the purposes of providing, on an outpatient basis, the preventive health services specified in paragraph (2) with respect to acquired immune deficiency syndrome.

"(2) SPECIFICATION OF PREVENTIVE HEALTH SERVICES.—The preventive health services referred to in paragraph (1) are—

"(A) counseling individuals with respect to acquired immune deficiency syndrome in accordance with section 2603;

"(B) testing individuals with respect to such syndrome, including tests to confirm the presence of an infection with the etiologic agent for such syndrome, tests to diagnose the extent of the deficiency in the immune system, and tests to provide information on appropriate therapeutic measures for preventing and treating the deterioration of the immune system and for preventing and treating conditions arising from the infection; and

"(C) providing the therapeutic measures described in subparagraph (B).

"(3) REQUIREMENT OF AVAILABILITY OF ALL PREVENTIVE HEALTH SERVICES THROUGH EACH GRANTEE.—The Secretary may not make a grant under subsection (a) or (b) unless the applicant for the grant agrees that each of the preventive health services specified in subparagraphs (A) through (C) of paragraph (2) will be available through the applicant. With respect to compliance with such agreement, a grantee under subsection (a) or (b) may expend the grant to provide the preventive health services directly, and may expend the grant to enter into agreements with other public or nonprofit private entities under which the entities provide the services.

"(4) OPTIONAL SERVICES.—A grantee under subsection (a) or (b)—

"(A) may expend the grant to provide outreach services to inform individuals, as appropriate, of the availability of preventive health services from the grantee; and

"(B) may, in the case of individuals who seek preventive health services from the grantee, expend the grant—

"(i) for case management to provide coordination in the provision of health care services to the individuals and to review the extent of utilization of the services by the individuals; and

(ii) to provide assistance to the individuals regarding establishing the eligibility of the individuals for financial assistance and services under Federal, State, or local programs providing for health services, mental health services, social services, or other appropriate services.

"(d) REQUIREMENT REGARDING STATUS AS MEDICAID PROVIDER.—

"(1) IN GENERAL.—Subject to paragraph (2), the Secretary may not make a grant under subsection (a) or (b) for the provision of preventive health services under subsection (c) in a State unless, in the case of any such service that is available pursuant to the State plan approved under title XIX of the Social Security Act for the State—

"(A) the applicant for the grant will provide the preventive health service directly, and the applicant has entered into a participation agreement under the State plan and is qualified to receive payments under such plan; or

"(B) the applicant for the grant has entered into an agreement with a public or nonprofit private entity under which the entity will provide the health service, and the entity has entered into such a participation agreement and is qualified to receive such payments.

"(2) WAIVER REGARDING CERTAIN SECONDARY AGREEMENTS.—

"(A) In the case of an entity making an agreement pursuant to paragraph (1)(B) regarding the provision of preventive health services, the requirement established in such paragraph shall be waived by the Secretary if the entity does not, in providing health care services, impose a charge or accept reimbursement available from any third-party payor, including reimbursement under any insurance policy or under any Federal or State health benefits program.

"(B) A determination by the Secretary of whether an entity referred to in subparagraph (A) meets the criteria for a waiver under such subparagraph shall be made without regard to whether the entity accepts voluntary donations regarding the provision of services to the public.

"(e) REQUIREMENT OF MATCHING FUNDS REGARDING STATE ALLOTMENTS.—

"(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) unless the State involved agrees that, with respect to the costs to be incurred by the State in carrying out the purpose referred to in such subsection, the State will make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount equal to—

"(A) for the first fiscal year of payments under the grant, not less than $1 for each $5 of Federal funds provided in the grant;

"(B) for any second fiscal year of such payments, not less than $1 for each $4 of Federal funds provided in the grant;

"(C) for any third fiscal year of such payments, not less than $1 for each $3 of Federal funds provided in the grant;

"(D) for any fourth fiscal year of such payments, not less than $1 for each $2 of Federal funds provided in the grant; and

"(E) for any subsequent fiscal year of such payments, not less than $1 for each $1 of Federal funds provided in the grant.

"(2) DETERMINATION OF AMOUNT OF NON-FEDERAL CONTRIBUTION.—Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(f) PROVISIONS REGARDING CATEGORICAL GRANTS.—

"(1) CERTAIN MINIMUM QUALIFICATIONS OF GRANTEES.—The entities referred to in subsection (b) are public entities (including States), and nonprofit private entities, that—

"(A) are grantees pursuant to section 317(j)(2), section 318(c), section 329, section 330, section 340, section 509A, or section 1001;

"(B) are hospitals;

"(C) are health care facilities that provide, on an outpatient basis, care for individuals infected with the etiologic agent for acquired immune deficiency syndrome;

"(D) have under any appropriations Act received funds as alternate blood testing sites;

"(E) are comprehensive hemophilia diagnostic and treatment centers; or

"(F) are otherwise experienced in providing health care to individuals at risk of infection with such etiologic agent.

"(2) PREFERENCES IN MAKING CATEGORICAL GRANTS.—

"(A) Subject to subparagraph (B), the Secretary shall, in making grants under subsection (b), give preference to qualified applicants that will provide preventive health services pursuant to such subsection in any geographic area for which—

"(i) in the case of grants for fiscal year 1991, the number of additional cases of acquired immune deficiency syndrome, as indicated by the number of such cases reported to and confirmed by the Secretary for the most recent fiscal year for which such data is available, increased significantly above the number of additional cases of such syndrome reported to and confirmed by the Secretary for the fiscal year immediately preceding such most recent fiscal year; and

"(ii) in the case of grants for fiscal year 1992 and subsequent fiscal years, the number of additional cases of infection with the etiologic agent for acquired immune deficiency syndrome, as indicated by the number of such cases for the most recent fiscal year for which such data is available, increased significantly above the number of additional such cases for the fiscal year immediately preceding such most recent fiscal year.

"(B) In the case of grants under subsection (b) for fiscal year 1992 and subsequent fiscal years, the Secretary shall, for purposes of preferences under subparagraph (A), apply the criteria described in clause (i) of such subparagraph if the Secretary determines that sufficient and accurate data are not available for applying the criteria described in clause (ii) of such subparagraph.

"(C) In providing preferences under subparagraph (A) for a fiscal year, the Secretary shall give special consideration to rural areas meeting the applicable criteria established in such subparagraph.

"(3) REQUIREMENT REGARDING SERVICES FOR INDIVIDUALS WITH HEMOPHILIA.—In making grants under subsection (b), the Secretary

shall ensure that any such grants made regarding the provision of preventive health services to individuals with hemophilia are made through the network of comprehensive hemophilia diagnostic and treatment centers.

"(4) TECHNICAL ASSISTANCE REGARDING APPLICATIONS.—The Secretary may, directly or through grants or contracts, provide technical assistance to nonprofit private entities regarding the process of submitting to the Secretary applications for grants under subsection (b).

"SEC. 2602. REQUIREMENTS REGARDING CONFIDENTIALITY AND INFORMED CONSENT.

"(a) CONFIDENTIALITY.—The Secretary may not make a grant under section 2601, unless—

"(1) in the case of any State applying for such a grant, the State agrees to ensure that information regarding the receipt of preventive health services is maintained confidentially pursuant to law or regulations in a manner not inconsistent with applicable law; and

"(2) in the case of any other entity applying for such a grant, the entity agrees to ensure that information regarding the receipt of preventive health services pursuant to the grant is maintained confidentially in a manner not inconsistent with applicable law.

"(b) INFORMED CONSENT.—

"(1) IN GENERAL.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that, in conducting testing pursuant to subsection (c)(1) of such section, the applicant will test an individual only after obtaining from the individual a statement, made in writing and signed by the individual, declaring that the individual has undergone the counseling described in section 2603(a) and that the decision of the individual with respect to undergoing such testing is voluntarily made.

"(2) PROVISIONS REGARDING ANONYMOUS TESTING.—

"(A) If, pursuant to section 2611(b), an individual will undergo testing pursuant to subsection (c)(1) of section 2601 through the use of a pseudonym, a grantee under such section shall be considered to be in compliance with the agreement made under paragraph (1) if the individual signs the statement described in such subsection using the pseudonym.

"(B) If, pursuant to section 2611(b), an individual will undergo testing pursuant to subsection (c)(1) of section 2601 without providing any information relating to the identity of the individual, a grantee under such section shall be considered to be in compliance with the agreement made under paragraph (1) if the individual orally provides the declaration described in such paragraph.

"SEC. 2603. REQUIREMENT OF PROVISION OF CERTAIN COUNSELING SERVICES.

"(a) COUNSELING BEFORE TESTING.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that, before testing an individual pursuant to subsection (c)(1) of such section, the applicant will provide to the individual appropriate counseling regarding acquired immune deficiency syndrome (based on the most recently available scientific data), including counseling on—

"(1) measures for the prevention of exposure to, and the transmission of, the etiologic agent for such syndrome;

"(2) the accuracy and reliability of the results of testing for infection with such agent;

"(3) the significance of the results of such testing, including the potential for developing acquired immune deficiency syndrome;

"(4) encouraging the individual, as appropriate, to undergo such testing;

"(5) the benefits of such testing, including the medical benefits of diagnosing the infection in the early stages and the medical benefits of receiving preventive health services during such stages;

"(6) provisions of law relating to the confidentiality of the process of receiving such services, including information regarding any disclosures that may be authorized under applicable law and information regarding the availability of anonymous counseling and testing pursuant to section 2611(b); and

"(7) provisions of applicable law relating to discrimination against individuals infected with the etiologic agent for acquired immune deficiency syndrome.

"(b) COUNSELING OF INDIVIDUALS WITH NEGATIVE TEST RESULTS.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that, if the results of testing conducted pursuant to such section indicate that an individual is not infected with the etiologic agent for acquired immune deficiency syndrome, the applicant will review for the individual the information provided pursuant to subsection (a), including—

"(1) the information described in paragraphs (1) through (3) of such subsection; and

"(2) the appropriateness of further counseling, testing, and education of the individual regarding such syndrome.

"(c) COUNSELING OF INDIVIDUALS WITH POSITIVE TEST RESULTS.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that, if the results of testing conducted pursuant to such section indicate that the individual is infected with the etiologic agent for acquired immune deficiency syndrome, the applicant will provide to the individual appropriate counseling regarding such syndrome, including—

"(1) reviewing the information described in paragraphs (1) through (3) of subsection (a);

"(2) reviewing the appropriateness of further counseling, testing, and education of the individual regarding such syndrome; and

"(3) providing counseling on—

"(A) the availability, through the applicant, of preventive health services;

"(B) the availability in the geographic area of appropriate health care, mental health care, and social and support services, including providing referrals for such services, as appropriate;

"(C) the benefits of locating and counseling any individual by whom the infected individual may have been exposed to such etiologic agent and any individual whom the infected individual may have exposed to such agent; and

"(D) the availability of the services of public health authorities with respect to locating and counseling any individual described in subparagraph (C).

"(d) ADDITIONAL REQUIREMENTS REGARDING APPROPRIATE COUNSELING.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that, in counseling individuals with respect to acquired immune deficiency syndrome pursuant to this section, the applicant will, when appropriate, ensure that individuals (including women, children, and hemophiliacs) are provided opportunities to undergo the counseling under conditions appropriate to their needs with respect to the counseling.

"(e) COUNSELING OF EMERGENCY RESPONSE EMPLOYEES.—The Secretary may not make a grant under section 2601 to a State unless the State agrees that, in counseling individuals with respect to acquired immune deficiency syndrome pursuant to this section, the State will provide opportunities for emergency response employees to undergo the counseling under conditions appropriate to their needs with respect to the counseling.

"(f) RULE OF CONSTRUCTION REGARDING COUNSELING WITHOUT TESTING.—Agreements made pursuant to this section may not be construed to prohibit any grantee under section 2601 from expending the grant for the purpose of providing counseling services described in this section to an individual who will not undergo testing regarding acquired immune deficiency syndrome as a result of the grantee or the individual determining that such testing of the individual is not appropriate.

"SEC. 2604. APPLICABILITY OF REQUIREMENTS REGARDING CONFIDENTIALITY, INFORMED CONSENT, AND COUNSELING.

"The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that, with respect to testing for infection with the etiologic agent for acquired immune deficiency syndrome, any such testing carried out by the applicant will, without regard to whether such testing is carried out with Federal funds, be carried out in accordance with conditions described in sections 2602 and 2603.

"SEC. 2605. REQUIREMENT FOR CERTAIN GRANTEES OF OFFERING AND ENCOURAGING PREVENTIVE HEALTH SERVICES.

"(a) IN GENERAL.—The Secretary may not make a grant under section 2601 unless, with respect to preventive health services, the applicant for the grant agrees that—

"(1) if the applicant is a health care provider that regularly provides treatment for sexually transmitted diseases, the applicant will offer and encourage such services with respect to individuals to whom the applicant provides such treatment;

"(2) if the applicant is a health care provider that regularly provides treatment for intravenous substance abuse, the applicant will offer and encourage such services with respect to individuals to whom the applicant provides such treatment;

"(3) if the applicant is a family planning clinic, the applicant will, as medically appropriate for the individuals involved, offer and encourage such services with respect to individuals to whom the applicant provides family planning services;

"(4) if the applicant is a health care provider that provides treatment for tuberculosis, the applicant will offer and encourage such services with respect to individuals to whom the applicant provides such treatment; and

"(5) if the applicant is a health care provider that regularly provides health care to pregnant women, the applicant will offer and encourage such services with respect to any pregnant woman to whom the applicant provides health care and whom the applicant determines is at risk with respect to acquired immune deficiency syndrome.

"(b) REFERRALS REGARDING PEDIATRIC CASES.—The Secretary may not make a grant under section 2601 to an applicant to which subsection (a)(5) applies unless the applicant agrees that, if a grantee under section

2653 exists in the geographic area involved, the applicant will provide a referral to the grantee for any pregnant woman determined by the applicant to be infected with the etiologic agent for acquired immune deficiency syndrome.

"(c) SUFFICIENCY OF AMOUNT OF GRANT.—With respect to compliance with the agreement made under subsection (a), the Secretary may require a grantee under section 2601 to offer, encourage, and provide preventive health services in accordance with such subsection only to the extent that the amount of the grant is sufficient to pay the costs of offering, encouraging, and providing the services.

"(d) CRITERIA FOR OFFERING AND ENCOURAGING.—Subject to section 2601(c)(3), a grantee to whom subsection (a) applies is, for purposes of such subsection, offering and encouraging preventive health services with respect to the individuals involved if the grantee—

"(1) offers such services to the individuals, and encourages the individuals to receive the services, as a regular practice in the course of providing the health care involved; and

"(2) provides the preventive health services only with the consent of the individuals.

"SEC. 2606. GRANTS FOR HOSPITALS REGARDING OFFERING, ENCOURAGING, AND PROVIDING PREVENTIVE HEALTH SERVICES.

"(a) IN GENERAL.—In addition to grants under section 2601, the Secretary may make grants to public and nonprofit private hospitals for the purpose of offering, encouraging, and providing preventive health services to inpatients of the hospital.

"(b) MINIMUM QUALIFICATIONS OF GRANTEES.—The Secretary may not make a grant under subsection (a) unless the hospital involved has, for the most recent fiscal year for which the data is available, admitted as inpatients of the hospital—

"(1) not fewer than 250 individuals with acquired immune deficiency syndrome; or

"(2) a number of such individuals constituting 20 percent of the number of inpatients of the hospital admitted during such period.

"(c) REQUIREMENT OF OFFERING, ENCOURAGING, AND PROVIDING PREVENTIVE HEALTH SERVICES.—

"(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) unless, subject to paragraph (3), the hospital involved agrees—

"(A) to offer and encourage preventive health services with respect to—

"(i) any inpatient of the hospital who is between 15 and 50 years of age (inclusive); and

"(ii) any inpatient for whom the hospital determines that such services are medically appropriate; and

"(B) to make available such services to any such inpatient who, pursuant to subparagraph (A), requests the services.

"(2) SUFFICIENCY OF AMOUNT OF GRANT.—With respect to compliance with an agreement under paragraph (1), the Secretary may require a grantee under subsection (a) to offer, encourage, and provide preventive health services only to the extent that the amount of the grant is sufficient to pay the costs of offering, encouraging, and providing the services.

"(d) RESTRICTIONS REGARDING PROVISION OF SERVICES.—The Secretary may not make a grant under subsection (a) unless the hospital involved agrees that—

"(1) the grant will not be expended to provide preventive health services to any individual who is not an inpatient of the hospital; and

"(2) in the case of any inpatient who is infected with the etiologic agent for acquired immune deficiency syndrome, the grant will not be expended to provide preventive health services to the inpatient if the hospital learns of the infection through any means other than offering, encouraging, and providing the services pursuant to subsection (c)(1).

"(e) REQUIRED REFERRALS.—The Secretary may not make a grant under subsection (a) unless the hospital involved agrees that, in the case of any individual to whom the hospital has provided preventive health services pursuant to subsection (c)(1), the hospital will, upon discharging the individual from the hospital, provide appropriate referrals for the individual regarding the receipt of such services on an outpatient basis from a grantee under section 2601, or another appropriate entity, that provides such services in the geographic area involved.

"(f) REPORTS TO SECRETARY.—The Secretary may not make a grant under subsection (a) unless the hospital involved agrees that, with respect to cases of infection with the etiologic agent for acquired immune deficiency syndrome, the hospital will confidentially report to the Secretary, for each fiscal year for which the grant is made, information sufficient—

"(1) to perform statistical and epidemiological analyses of the incidence of such cases among inpatients of the hospital; and

"(2) to perform statistical and epidemiological analyses of the demographic characteristics of the population of such inpatients who have such infections.

"(g) APPLICABILITY OF PROVISIONS REGARDING INFORMED CONSENT, COUNSELING, AND OTHER MATTERS.—The Secretary may not make a grant under subsection (a) unless the hospital involved agrees that sections 2601(c)(3), 2602, 2603, 2604, and 2611 will apply to the provision of preventive health services pursuant to the grant in the same manner and to the same extent as such sections apply to the provision of such services by grantees under section 2601.

"(h) REQUIREMENT OF APPLICATION.—The Secretary may not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(i) REPORT TO CONGRESS.—Not later than 1 year after the date on which amounts are first appropriated pursuant to subsection (k), and annually thereafter, the Secretary shall submit to the Congress a report on activities carried out by grantees under this section, including any information regarding acquired immune deficiency syndrome that is developed pursuant to such activities.

"(j) CRITERIA FOR OFFERING AND ENCOURAGING.—For purposes of this section, a hospital receiving a grant under subsection (a) is offering and encouraging preventive health services with respect to the inpatients involved if the hospital—

"(1) offers such services to the inpatients, and encourages the inpatients to receive the services, as a regular practice in the course of providing health care to inpatients of the hospital; and

"(2) provides the preventive health services only with the consent of the inpatients.

"(k) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1991 through 1995.

"SEC. 2607. REQUIREMENT FOR STATE GRANTEES OF NOTIFICATION OF CERTAIN INDIVIDUALS RECEIVING BLOOD TRANSFUSIONS.

"(a) IN GENERAL.—The Secretary may not make a grant under section 2601 to a State unless the State provides assurances satisfactory to the Secretary that, with respect to individuals in the State receiving, between January 1, 1978, and April 1, 1985 (inclusive), a transfusion of whole blood or a blood-clotting factor, the State will—

"(1) encourage the population of such individuals to receive preventive health services; and

"(2) inform such population of any public health facilities in the geographic area involved that provide such services.

"(b) RULE OF CONSTRUCTION.—An agreement made under subsection (a) may not be construed to require that, in carrying out the activities described in such subsection, a State receiving a grant under section 2601 provide individual notifications to the individuals described in such subsection.

"SEC. 2608. REQUIREMENT FOR STATE GRANTEES OF REPORTING AND PARTNER NOTIFICATION IN CASES OF INFECTION.

"(a) REPORTING.—The Secretary may not make a grant under section 2601 to a State unless, with respect to testing for infection with the etiologic agent for acquired immune deficiency syndrome, the State provides assurances satisfactory to the Secretary that the State will require that any entity carrying out such testing confidentially report to the State public health officer information sufficient—

"(1) to perform statistical and epidemiological analyses of the incidence in the State of cases of such infection;

"(2) to perform statistical and epidemiological analyses of the demographic characteristics of the population of individuals in the State who have such infections; and

"(3) to assess the adequacy of preventive health services in the State.

"(b) PARTNER NOTIFICATION.—The Secretary may not make a grant under section 2601 to a State unless the State provides assurances satisfactory to the Secretary that the State will require that the State public health officer, to the extent appropriate in the determination of the officer, carry out a program of partner notification regarding cases of infection with the etiologic agent for acquired immune deficiency syndrome.

(c) RULE OF CONSTRUCTION.—With respect to individuals who have been tested regarding acquired immune deficiency syndrome, an agreement made under this section may not be construed to require or prohibit a State from providing that identifying information concerning such individuals is required to be submitted to the State.

"SEC. 2609. REQUIREMENT FOR STATE GRANTEES OF ESTABLISHMENT OF CIVIL AND CRIMINAL ACTIONS REGARDING KNOWING TRANSMISSION.

"(a) IN GENERAL.—The Secretary may not make a grant under section 2601 to a State unless—

"(1) subject to the condition described in subsection (b), the State prohibits any individual who is infected with the etiologic agent for acquired immune deficiency syndrome from making a donation of blood, semen, or breast milk, if the individual knows of the infection and knows that the individual will through such donation

expose another to such etiologic agent in the event that the donation is utilized;

"(2) subject to the condition described in subsection (b), the State prohibits any individual infected with such etiologic agent from engaging in sexual activity if the individual knows of the infection and knows that the individual will through such sexual activity expose another to such etiologic agent;

"(3) subject to the condition described in subsection (b), the State prohibits any individual infected with such etiologic agent from injecting himself or herself with a hypodermic needle and subsequently providing the needle to another for purposes of hypodermic injection, if the individual knows of the infection and knows that the individual will through the provision of the needle expose another to such etiologic agent in the event that the needle is utilized;

"(4) subject to the condition described in subsection (b), the State prohibits any individual from engaging in any behavior with the intent to expose another to such etiologic agent, which behavior would, if carried out as intended, result in exposing the other individual to such etiologic agent; and

"(5) subject to the condition described in subsection (b), the State authorizes a civil cause of action for damages for any violation of a prohibition described in any of paragraphs (1) through (4), and authorizes a criminal penalty for any such violation.

"(b) CONSENT TO RISK OF TRANSMISSION.—The condition referred to in each of paragraphs (1) through (5) of subsection (a) is that the prohibition described in each such paragraph shall not apply if the individual who is subjected to the behavior involved provides prior consent for being exposed to the etiologic agent for acquired immune deficiency syndrome.

"(c) TIME LIMITATIONS WITH RESPECT TO REQUIRED LAWS.—With respect to complying with subsection (a) as a condition of receiving a grant under section 2601, the Secretary may make a grant to a State under such section if—

"(1) for each of the fiscal years 1991 and 1992, the State provides assurances satisfactory to the Secretary that by not later than October 1, 1992, the State will establish the prohibitions and civil and criminal actions described in subsection (a); and

"(2) for fiscal year 1993 and subsequent fiscal years, the State has established such prohibitions and such criminal and civil actions.

"(d) STATE CERTIFICATION WITH RESPECT TO REQUIRED LAWS.—With respect to complying with subsection (a) as a condition of receiving a grant under section 2601, the Secretary may not require a State to enact any statute, or to issue any regulation, if the chief executive officer of the State certifies to the Secretary that the law of the State is in substantial compliance with this section.

"SEC. 2610. GRANTS FOR STATES REGARDING MANDATORY TESTING AND OTHER PREVENTIVE HEALTH SERVICES FOR INDIVIDUALS SENTENCED TO CERTAIN STATE PRISONS.

"(a) IN GENERAL.—In addition to grants under section 2601, the Secretary may make grants to States for the purpose of assisting the States in providing preventive health services to individuals sentenced by the State to a term of imprisonment. The Secretary may make such a grant only if the State involved requires, subject to subsection (d), that—

"(1) the services be provided to such individuals; and

"(2) each such individual be informed of the requirements of subsection (c) regarding testing and be informed of the results of such testing of the individual.

"(b) REQUIREMENT OF MATCHING FUNDS.—

"(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) unless the State involved agrees that, with respect to the costs to be incurred by the State in carrying out the purpose described in such subsection, the State will make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount equal to—

"(A) for the first fiscal year of payments under the grant, not less than $1 for each $3 of Federal funds provided in the grant;

"(B) for any second fiscal year of such payments, not less than $1 for each $2 of Federal funds provided in the grant;

"(C) for any subsequent fiscal year of such payments, not less than $1 for each $1 of Federal funds provided in the grant.

"(2) DETERMINATION OF AMOUNT OF NONFEDERAL CONTRIBUTION.—

"(A) Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(B) In making a determination of the amount of non-Federal contributions for purposes of subparagraph (A), the Secretary may include only non-Federal contributions in excess of the average amount of non-Federal contributions made by the State involved toward the purpose described in subsection (a) for the 2-year period preceding the first fiscal year for which the State is applying to receive a grant under such section.

"(c) MANDATORY TESTING.—The Secretary may not make a grant under subsection (a) unless—

"(1) the State involved requires that, subject to subsection (d), any individual sentenced by the State to a term of imprisonment be tested for infection with the etiologic agent for acquired immune deficiency syndrome—

"(A) upon entering the State penal system; and

"(B) during the 30-day period preceding the date on which the individual is released from such system;

"(2) with respect to informing employees of the penal system of the results of such testing of the individual, the State—

"(A) upon the request of any such employee, provides the results to the employee in any case in which the employee has a reasonable basis for believing that the employee may have been exposed by the individual to the etiologic agent; and

"(B) informs the employees of the availability to the employees of such results under the conditions described in subparagraph (A);

"(3) with respect to informing the spouse of the individual of the results of such testing of the individual, the State—

"(A) upon the request of the spouse, provides such results to the spouse prior to each conjugal visit and provides such results to the spouse during the period described in paragraph (1)(B); and

"(B) informs the spouse of the availability to the spouse of such results under the conditions described in subparagraph (A); and

"(4) the State, except as provided in paragraphs (2) and (3), maintains the confidentiality of the results of testing conducted pursuant to this subsection and makes disclosures of such results only as medically necessary.

"(d) DETERMINATION OF PRISONS SUBJECT TO REQUIREMENT.—

"(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) unless the State involved agrees that the requirement established in such subsection regarding the provision of preventive health services to inmates will apply only to inmates who are incarcerated in prisons with respect to which the State public health officer, after consultation with the chief State correctional officer, has, on the basis of the criteria described in paragraph (2), determined that the provision of such services is appropriate with respect to the public health and safety.

"(2) DESCRIPTION OF CRITERIA.—The criteria to be considered for purposes of paragraph (1) are—

"(A) with respect to the geographic areas in which inmates of the prison involved resided before incarceration in the prison—

"(i) the number of cases of infection with the etiologic agent for acquired immune deficiency syndrome in the geographic areas during the period in which the inmates resided in the areas;

"(ii) the per capita incidence of such cases in the areas during such period; and

"(iii) the extent to which a significant percentage of the population of the areas is known by the State public health officer to have engaged, during such period, in behavior that places individuals at risk with respect to such cases; and

"(B) the extent to which medical examinations conducted by the State for inmates of the prison involved indicate that the inmates have engaged in such behavior.

"(3) AVAILABILITY OF RELEVANT DATA.—The Secretary may not make a grant under subsection (a) unless, with respect to the criteria described in paragraph (2), the State agrees that if sufficient and accurate data regarding the number of cases of infection with the etiologic agent for acquired immune deficiency syndrome is not available, data regarding the number of cases of such syndrome will be utilized.

"(e) APPLICABILITY OF PROVISIONS REGARDING INFORMED CONSENT, COUNSELING, AND OTHER MATTERS.—The Secretary may not make a grant under subsection (a) unless the State involved agrees that sections 2601(c)(3), 2603, and 2611(c) will apply to the provision of preventive health services pursuant to the grant in the same manner and to the same extent as such sections apply to the provision of such services by grantees under section 2601.

"(f) REQUIREMENT OF APPLICATION.—The Secretary may not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(g) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1991 through 1995.

"SEC. 2611. ADDITIONAL REQUIRED AGREEMENTS.

"(a) REPORTS TO SECRETARY.—The Secretary may not make a grant under section 2601 unless—

"(1) the applicant submits to the Secretary—

"(A) a specification of the expenditures made by the applicant for preventive health services for the fiscal year preceding the fiscal year for which the applicant is applying to receive the grant; and

"(B) an estimate of the number of individuals to whom the applicant has provided such services for such fiscal year; and

"(2) the applicant agrees to submit to the Secretary a report providing—

"(A) the number of individuals to whom the applicant provides preventive health services pursuant to the grant;

"(B) epidemiological and demographic data on the population of such individuals;

"(C) the extent to which the costs of health care for such individuals are paid by third-party payors;

"(D) the average costs of providing each category of preventive health service; and

"(E) the aggregate amounts expended for each such category.

"(b) PROVISION OF OPPORTUNITIES FOR ANONYMOUS COUNSELING AND TESTING.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that, to the extent permitted under State law, the applicant will offer substantial opportunities for an individual—

"(1) to undergo counseling and testing pursuant to such section without being required to provide any information relating to the identity of the individual; and

"(2) to undergo such counseling and testing through the use of a pseudonym.

"(c) PROHIBITION AGAINST REQUIRING TESTING AS CONDITION OF RECEIVING OTHER HEALTH SERVICES.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that, with respect to an individual seeking health services from the applicant, the applicant will not require the individual to undergo testing described in such section as a condition of receiving any health services unless such testing is medically indicated in the provision of the health services sought by the individual.

"(d) INCREASED AVAILABILITY OF PREVENTIVE HEALTH SERVICES.—

"(1) IN GENERAL.—If during the period specified in paragraph (2) an applicant for a grant under section 2601 has with non-Federal funds carried out a program of providing services for the prevention or treatment of cases of infection with the etiologic agent for acquired immune deficiency syndrome, or social services regarding such cases, the Secretary may not make such a grant to the applicant for any fiscal year unless the applicant agrees to expend the grant only for the purpose of significantly increasing the availability of such services provided by the applicant above the average level of availability provided under the program during such period.

"(2) RELEVANT PERIOD OF TIME.—The period referred to in paragraph (1) is the fiscal year preceding the fiscal year for which the entity involved is first applying to receive a grant under section 2601.

"(e) REQUIREMENTS REGARDING IMPOSITION OF FEES FOR SERVICES.—

"(1) IN GENERAL.—The Secretary may not make a grant under section 2601 unless, subject to paragraph (3), the applicant for the grant agrees that—

"(A) in the case of individuals with an income less than or equal to 100 percent of the official poverty line, the applicant will not impose a charge on any such individual for the provision of preventive health services under the grant;

"(B) in the case of individuals with an income greater than 100 percent of the official poverty line, the applicant—

"(i) will impose a charge on each such individual for the provision of such services; and

"(ii) will impose the charge according to a schedule of charges that is made available to the public;

"(C) in the case of individuals with an income greater than 100 percent of the official poverty line and not exceeding 200 percent of such poverty line, the applicant will not, for any calendar year, impose the charge in an amount exceeding 5 percent of the annual gross income of the individual involved; and

"(D) in the case of individuals with an income greater than 200 percent of the official poverty line, the applicant will not, for any calendar year, impose the charge in an amount exceeding 10 percent of the annual gross income of the individual involved.

"(2) APPLICABILITY OF LIMITATION ON AMOUNT OF CHARGE.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that the limitations established in subparagraphs (C) and (D) of paragraph (1) regarding the imposition of charges for services applies to the single annual aggregate of charges imposed for such services, without regard to whether such charges are characterized as enrollment fees, premiums, deductions, cost sharing, copayments, or similar items.

(3) WAIVER REGARDING CERTAIN SECONDARY AGREEMENTS.—The requirement established in paragraph (1)(B)(i) shall be waived by the Secretary in the case of any entity for whom the Secretary has granted a waiver under section 2601(d)(2).

"(f) RELATIONSHIP TO ITEMS AND SERVICES UNDER OTHER PROGRAMS.—

"(1) IN GENERAL.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that, subject to paragraph (2), the grant will not be expended to make payment for any preventive health service to the extent that payment has been made, or can reasonably be expected to be made, with respect to such service—

"(A) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program; or

"(B) by an entity that provides health services on a prepaid basis.

"(2) APPLICABILITY TO CERTAIN SECONDARY AGREEMENTS FOR PROVISION OF SERVICES.—An agreement made under paragraph (1) shall not apply in the case of an entity through which a grantee under section 2601 provides preventive health services pursuant to subsection (c)(3) of such section, if the Secretary has provided a waiver under subsection (d)(2) of such section regarding the entity.

"(g) ADMINISTRATION OF GRANT.—The Secretary may not make a grant under section 2601 unless the applicant for the grant agrees that—

"(1) the applicant will not expend amounts received pursuant to such section for any purpose other than the purposes described in such section;

"(2) the applicant will establish such procedures for fiscal control and fund accounting as may be necessary to ensure proper disbursement and accounting with respect to the grant; and

"(3) the applicant will not expend more than 10 percent of the grant for administrative expenses with respect to the grant.

"SEC. 2612. REQUIREMENT OF SUBMISSION OF APPLICATION CONTAINING CERTAIN AGREEMENTS AND ASSURANCES.

"The Secretary may not make a grant under section 2601 unless—

"(1) an application for the grant is submitted to the Secretary containing agreements and assurances in accordance with this part and containing the information specified in section 2611(a)(1);

"(2) with respect to such agreements, the application provides assurances of compliance satisfactory to the Secretary; and

"(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this part.

"SEC. 2613. DETERMINATION OF AMOUNT OF ALLOTMENTS FOR STATES.

"(a) MINIMUM ALLOTMENT.—Subject to the extent of amounts made available in appropriations Acts, the amount of an allotment under section 2601(a) for a State for a fiscal year shall be the greater of—

"(1) $100,000 for each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico, and $50,000 for each of the territories of the United States other than the Commonwealth of Puerto Rico; and

"(2) an amount determined under subsection (b).

"(b) DETERMINATION UNDER FORMULA.—The amount referred to in subsection (a)(2) is the product of—

"(1) an amount equal to the amount made available pursuant to section 2616(b)(1) for the fiscal year involved; and

"(2) a percentage equal to the quotient of—

"(A) an amount equal to the number of cases of acquired immune deficiency syndrome reported to and confirmed by the Director of the Centers for Disease Control for the State involved for the most recent fiscal year for which such data is available; divided by

"(B) an amount equal to the number of cases of acquired immune deficiency syndrome reported to and confirmed by the Director of the Centers for Disease Control for the United States for the most recent fiscal year for which such data is available.

"(c) DISPOSITION OF CERTAIN FUNDS APPROPRIATED FOR ALLOTMENTS.—

"(1) IN GENERAL.—Any amounts available pursuant to paragraph (2) shall, in accordance with paragraph (3), be allotted by the Secretary each fiscal year to States receiving payments under section 2601(a) for the fiscal year (other than any State referred to in paragraph (2)(C)). The Secretary shall make payments, as grants, to each such State from any such allotment for the State for the fiscal year involved.

"(2) SPECIFICATION OF AMOUNTS.—The amounts referred to in paragraph (1) are any amounts that are not paid to States under section 2601(a) as a result of—

"(A) the failure of any State to submit an application under section 2612;

"(B) the failure, in the determination of the Secretary, of any State to prepare the application in compliance with such section or to submit the application within a reasonable period of time; or

"(C) any State informing the Secretary that the State does not intend to expend the full amount of the allotment made to the State.

"(3) AMOUNT OF ALLOTMENT.—The amount of an allotment under paragraph (1) for a State for a fiscal year shall be an amount equal to the product of—

"(A) an amount equal to the amount described in paragraph (2) for the fiscal year involved; and

"(B) the percentage determined under subsection (b)(2) for the State.

"SEC. 2614. PROVISION BY SECRETARY OF SUPPLIES AND SERVICES IN LIEU OF GRANT FUNDS.

"(a) IN GENERAL.—Upon the request of a grantee under section 2601, the Secretary may, subject to subsection (b), provide supplies, equipment, and services for the purpose of aiding the grantee in providing preventive health services and, for such purpose, may detail to the State any officer or employee of the Department of Health and Human Services.

"(b) LIMITATION.—With respect to a request described in subsection (a), the Secretary shall reduce the amount of payments under section 2601 to the grantee involved by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

"SEC. 2615. EVALUATIONS AND REPORTS.

"(a) EVALUATIONS.—The Secretary shall, directly or through grants and contracts, evaluate programs carried out with grants made under section 2601.

"(b) REPORT TO CONGRESS.—The Secretary shall, not later than 1 year after the date on which amounts are first appropriated pursuant to section 2616(a), and annually thereafter, submit to the Congress a report—

"(1) summarizing the reports submitted to the Secretary pursuant to section 2611(a)(2);

"(2) describing model programs for the provision of preventive health services;

"(3) recommending criteria to be used in determining the geographic areas with the most substantial need for preventive health services;

"(4) summarizing evaluations carried out pursuant to subsection (a) during the preceding fiscal year; and

"(5) making such recommendations for administrative and legislative initiatives with respect to this title as the Secretary determines to be appropriate.

"(c) STUDY REGARDING PARTNER NOTIFICATION.—

"(1) IN GENERAL.—The Secretary shall conduct a study of programs of partner notification for the purpose of determining—

"(A) in the case of individuals who have been notified under such programs regarding acquired immune deficiency syndrome, the percentage of such individuals who undergo counseling and testing regarding such syndrome;

"(B) in the case of such individuals who have undergone testing regarding such syndrome, the number of such individuals determined through the tests to be infected with the etiologic agent for such syndrome; and

"(C) the extent to which such programs have, in the case of such individuals, resulted in behavioral changes that are effective regarding the prevention of exposure to, and the transmission of, such etiologic agent.

"(2) REPORT.—Not later than 1 year after appropriations are first made under section 2616(a), the Secretary shall complete the study required in paragraph (1) and submit to the Congress a report describing the findings made as a result of the study.

"SEC. 2616. FUNDING.

"(a) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants under subsections (a) and (b) of section 2601, there is authorized to be appropriated $400,000,000 for each of the fiscal years 1991 through 1995.

"(b) ALLOCATION OF FUNDS BY SECRETARY.—

"(1) ALLOTMENTS.—For the purpose of making allotments under section 2601(a), the Secretary shall make available 50 percent of the amounts appropriated pursuant to subsection (a), subject to paragraph (3).

"(2) CATEGORICAL GRANTS.—For the purpose of making grants under section 2601(b), the Secretary shall make available 50 percent of the amounts appropriated under subsection (a), subject to paragraph (3).

"(3) EVALUATIONS.—For the purpose of conducting evaluations under section 2615(a), the Secretary shall make available 1 percent of the amounts appropriated under subsection (a) for a fiscal year. Amounts appropriated under such subsection shall not be subject to being made available by the Secretary under section 2711.".

"(c) USE OF FUNDS.—Counseling programs carried out under this part—

"(1) shall not be designed to promote or encourage, directly, intravenous drug abuse or sexual activity, homosexual or heterosexual;

"(2) shall be designed to reduce exposure to and transmission of the etiologic agent for acquired immune deficiency syndrome by providing accurate information; and

"(3) shall provide information on the health risks of promiscuous sexual activity and intravenous drug abuse.".

TITLE II—EMERGENCY RELIEF FOR AREAS WITH SUBSTANTIAL NEED FOR SERVICES

SEC. 201. ESTABLISHMENT OF PROGRAM OF GRANTS.

Title XXVI of the Public Health Service Act, as added by section 101(3) of this Act, is amended by adding at the end the following new part:

"PART B—EMERGENCY RELIEF FOR AREAS WITH SUBSTANTIAL NEED FOR SERVICES

"SEC. 2621. ESTABLISHMENT OF PROGRAM OF GRANTS.

"(a) ESTABLISHMENT.—

"(1) ELIGIBLE GEOGRAPHIC AREAS.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall, subject to paragraph (2), make grants in accordance with section 2623 for the purpose of assisting in the provision of the services specified in subsection (c) in any metropolitan statistical area for which, as of June 30, 1990, in the case of grants for fiscal year 1991, and as of March 31 of the most recent fiscal year for which such data is available in the case of a grant for any subsequent fiscal year—

"(A) there has been reported to the Director of the Centers for Disease Control a cumulative total of more than 2,000 cases of acquired immune deficiency syndrome; or

"(B) the per capita incidence of cumulative cases of such syndrome (computed on the basis of the most recently available data on the population of the geographic area) is not less than 0.0025.

"(2) REQUIREMENT REGARDING CONFIRMATION OF CASES.—The Secretary may not make a grant under paragraph (1) for a metropolitan statistical area unless, before making any payments under the grant, the cases of acquired immune deficiency syndrome reported for purposes of such paragraph have been confirmed by the Secretary, acting through the Director of the Centers for Disease Control.

"(b) DESIGNATION OF POLITICAL SUBDIVISION TO RECEIVE GRANT.—The Secretary may make grants under subsection (a) only to the chief elected official of the city, urban county, or other political subdivision that administers the public health agency serving the greatest proportion of cases of acquired immune deficiency syndrome in the eligible geographic area involved, as indicated by the number of such cases reported to the Director of the Centers for Disease Control.

"(c) SPECIFICATION OF HEALTH AND OTHER COMMUNITY-BASED SERVICES.—The services referred to in subsection (a) are community-based services—

"(1) to enhance the quality of outpatient and ambulatory care services provided to low-income individuals and families with HIV disease;

"(2) to deliver outpatient and ambulatory care services including case management to such individuals and families, including comprehensive treatment and support services;

"(3) to prevent unnecessary inpatient hospitalization; and

"(4) to expedite the provision of services to individuals in the most medically appropriate level of service.

"(d) PROVISIONS REGARDING SERVICE PROVIDERS.—

"(1) CERTAIN MINIMUM QUALIFICATIONS.—The Secretary may not make a grant under subsection (a) unless the political subdivision involved agrees that, in expending the grant, the services specified in subsection (c) will be provided only through public or nonprofit private clinics, sub-acute care facilities, community health centers, community mental health centers, hospices, ambulatory care facilities, or other public or nonprofit private entities, that—

"(A) provide health care to a disproportionate share of low-income individuals and families with HIV disease; and

"(B) incur uncompensated costs in providing health care to such individuals and families.

"(2) REQUIREMENT OF STATUS AS MEDICAID PROVIDER.—

"(A) Subject to subparagraph (B), the Secretary may not make a grant under subsection (a) for the provision of health services under subsection (c) in a State unless, in the case of any such service that is available pursuant to the State plan approved under title XIX of the Social Security Act for the State—

"(i) the political subdivision involved will provide the health service directly, and the political subdivision has entered into a participation agreement under the State plan and is qualified to receive payments under such plan; or

"(ii) the political subdivision has entered into an agreement with a public or nonprofit private entity under which the entity will provide the health service, and the entity has entered into such a participation agreement and is qualified to receive such payments.

"(B)(i) In the case of an entity making an agreement pursuant to subparagraph (A)(ii) regarding the provision of health services, the requirement established in such subparagraph shall be waived by the Secretary if the entity does not, in providing health care services, impose a charge or accept reimbursement available from any third-party payor, including reimbursement under any insurance policy or under any Federal or State health benefits program.

"(ii) A determination by the Secretary of whether an entity referred to in clause (i) meets the criteria for a waiver under such clause shall be made without regard to whether the entity accepts voluntary dona-

tions regarding the provision of services to the public.

"(3) PRIORITIES.—The Secretary may not make a grant under subsection (a) unless the political subdivision involved agrees that, with respect to health care providers described in paragraph (1), the political subdivision will give priority to providing the services specified in subsection (c) through such providers that—

"(A) have established, and agree to implement, a plan to evaluate the utilization of services provided in the care of individuals and families with HIV disease;

"(B) have established a system designed to ensure that such individuals and families are referred to the most medically appropriate level of care as soon as such referral is medically indicated; and

"(C) have provided such services to a significant number of individuals with acquired immune deficiency syndrome.

"(e) DEFINITIONS.—For purposes of this part:

"(1) The term 'eligible geographic area' means a metropolitan statistical area described in subsection (a)(1).

"(2) The term 'metropolitan statisical area' means such areas as specified by the Secretary.

"(f) REQUIREMENTS REGARDING IMPOSITION OF FEES FOR SERVICES.—

"(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) unless, subject to paragraph (3), the applicant for the grant agrees that—

"(A) in the case of individuals with an income equal to or less than 100 percent of the official poverty line, the applicant will not impose a charge on any such individual for the provision of preventive health services under the grant;

"(B) in the case of individuals with an income greater than 100 percent of the official poverty line, the applicant—

"(i) will impose a charge on each such individual for the provision of such services; and

"(ii) will impose the charge according to a schedule of charges that is made available to the public;

"(C) in the case of individuals with an income greater than 100 percent of the official poverty line and not exceeding 200 percent of such poverty line, the applicant will not, for any calendar year, impose the charge in an amount exceeding 5 percent of the annual gross income of the individual involved; and

"(D) in the case of individuals with an income greater than 200 percent of the official poverty line, the applicant will not, for any calendar year, impose the charge in an amount exceeding 10 percent of the annual gross income of the individual involved.

"(2) APPLICABILITY OF LIMITATION ON AMOUNT OF CHARGE.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that the limitations established in subparagraphs (C) and (D) of paragraph (1) regarding the imposition of charges for services applies to the single annual aggregate of charges imposed for such services, without regard to whether such charges are characterized as enrollment fees, premiums, deductions, cost sharing, copayments, or similar items.

"(3) WAIVER REGARDING CERTAIN SECONDARY AGREEMENTS.—The requirement established in paragraph (1)(B)(i) shall be waived by the Secretary in the case of any entity for whom the Secretary has granted a waiver under subsection (f)(2)(B).

"SEC. 2622. ADMINISTRATION OF GRANTS.

"(a) IN GENERAL.—To receive a grant under section 2621(a), the administering local political subdivision shall, subject to subparagraph (B)—

"(1) establish, through intergovernmental agreement with the chief elected officials of all local political subdivisions that have in excess of 10 percent of all individuals with acquired immune deficiency syndrome, as reported to the Centers for Disease Control, in such subdivision within the eligible geographic area, an administrative mechanism to allocate funds and services based on the proportion of cases of such syndrome and severity of need of such subdivisions; and

"(2) establish a council in accordance with subsection (c).

"(b) PRIORITIES IN ALLOCATION OF FUNDS.—Allocation of funds and services under subsection (a) for an eligible geographic area shall be made in accordance with the priorities established, pursuant to subsection (c)(2), by the council that serves the eligible geographic area pursuant to such subsection.

"(c) HIV HEALTH SERVICES PLANNING COUNCIL.—

"(1) IN GENERAL.—To be eligible for assistance under this part, the chief elected official described in subsection (a)(1) shall agree to provide for an HIV health services planning council not later than 30 days after the date on which such assistance is first received by the official. Such a council shall include representatives of—

"(A) health care service providers;

"(B) community-based service organizations;

"(C) social service providers;

"(D) mental health providers;

"(E) local public health agencies;

"(F) hospital planning agencies or health care planning agencies;

"(G) affected communities;

"(H) community leaders;

"(I) State government;

"(J) grantees under section 2601; and

"(K) individuals who are infected with the human immunodeficiency virus.

"(2) DUTIES.—The planning council provided for under paragraph (1) shall—

"(A) develop a comprehensive plan for the organization and delivery of health services described in section 2621(c) that is compatible with any existing State or local plan regarding the provision of health services to individuals with HIV disease;

"(B) establish priorities for the allocation of funds within the eligible geographic area; and

"(C) assess the efficiency of the administrative mechanism in rapidly allocating funds to the areas of greatest need within the eligible geographic area.

"(3) METHOD OF PROVIDING FOR COUNCIL.—

"(A) IN GENERAL.—In providing for a council for purposes of paragraph (1), a chief elected official receiving a grant under section 2621(a) may establish the council directly or designate an existing entity to serve as the council.

"(B) CONSIDERATION REGARDING DESIGNATION OF COUNCIL.—In making a determination of whether to establish or designate a council under subparagraph (A), a chief elected official receiving a grant under section 2621(a) shall consider whether the purpose of the council can most effectively be carried out by designating as the council an existing entity that has demonstrated experience in assessing and planning, within the eligible geographic area, health care service needs regarding acquired immune deficiency syndrome.

"(C) PRIORITY IN DESIGNATIONS.—If a chief elected official receiving a grant under section 2621(a) makes a determination that, in providing for a council under paragraph (1), an existing entity should be designated to serve as the council, the chief elected official shall give priority to designating an entity described in subparagraph (B).

"(d) ADMINISTRATION AND PLANNING.—Not to exceed 5 percent of amounts received under a grant awarded under section 2621(a) may be utilized for the administration of the grant.

"SEC. 2623. TYPE AND DISTRIBUTION OF GRANTS.

"(a) GRANTS BASED ON RELATIVE NEED OF AREA.—

"(1) IN GENERAL.—In carrying out section 2621(a), the Secretary shall make a grant for each eligible geographic area for which an application under section 2624(a) has been approved. Each such grant shall be made in an amount determined in accordance with paragraph (3).

"(2) EXPENDITURES OF APPROPRIATIONS.—Of the amounts appropriated under section 2625 for a fiscal year, the Secretary shall reserve 50 percent for making grants under paragraph (1). Not later than 90 days after the date on which appropriations under such section are made for a fiscal year, the Secretary shall obligate all of the amounts so reserved.

"(3) AMOUNT OF GRANT.—

"(A) IN GENERAL.—Subject to the extent of amounts made available in appropriations Acts, a grant under paragraph (1) for an eligible geographic area shall be made in an amount equal to the sum of—

"(i) an amount determined in accordance with subparagraph (B); and

"(ii) an amount determined in accordance with subparagraph (C).

"(B) AMOUNT RELATING TO CUMULATIVE NUMBER OF CASES.—The amount referred to in clause (i) of subparagraph (A) is an amount equal to the product of—

"(i) an amount equal to 75 percent of the amounts reserved under paragraph (2) for the fiscal year involved; and

"(ii) a percentage equal to the quotient of—

"(I) the cumulative number of cases of acquired immune deficiency syndrome in the eligible geographic area involved, as indicated by the number of such cases reported to the Director of the Centers for Disease Control; divided by

"(II) the sum of the cumulative number of such cases in all eligible geographic areas for which an application for a grant under paragraph (1) has been approved.

"(C) AMOUNT RELATING TO PER CAPITA INCIDENCE OF CASES.—The amount referred to in clause (ii) of subparagraph (A) is an amount equal to the product of—

"(i) an amount equal to 25 percent of the amounts reserved under paragraph (2) for the fiscal year involved; and

"(ii) a percentage developed by the Secretary through consideration of the ratio of—

"(I) the per capita incidence of cumulative cases of acquired immune deficiency syndrome in the eligible geographic area involved (computed on the basis of the most recently available data on the population of the geographic area); to

"(II) the per capita incidence of such cumulative cases in all eligible geographic areas for which an application for a grant under paragraph (1) has been approved (computed on the basis of the most recently available data on the population of such geographic areas).

"(b) SUPPLEMENTAL GRANTS.—

"(1) IN GENERAL.—Not later than 150 days after the date on which appropriations are made under section 2625 for a fiscal year, the Secretary shall obligate 50 percent of the amounts appropriated under such section for the fiscal year for the purpose of making grants under section 2621(a) to eligible geographic areas whose application under section 2624(c)—

"(A) contains a report concerning the dissemination of emergency relief funds under subsection (a) and the plan for utilization of such funds;

"(B) demonstrates the severe need in such area for supplemental financial assistance to combat the HIV epidemic;

"(C) demonstrates the commitment of the local resources of the area, both financial and in-kind, to combating the HIV epidemic;

"(D) demonstrates the ability of the area to utilize such supplemental financial resources in a way that is immediately responsive and cost effective; and

"(E) demonstrates that resources will be allocated in accordance with the local demographic incidence of AIDS including funds for services for infants, children, women, and families with HIV disease.

"(2) AMOUNT OF GRANT.—The amount of each grant made by the Secretary under paragraph (1) shall be determined by the Secretary based on the application submitted by the eligible geographic area.

"SEC. 2624. APPLICATION.

"(a) IN GENERAL.—To be eligible to receive a grant under section 2621, an eligible geographic area shall prepare and submit to the Secretary an application in such form, and containing such information as the Secretary shall require, including assurances adequate to ensure—

"(1) that, if the applicant for the grant has, during the fiscal year preceding the fiscal year for which the applicant is first applying to receive such a grant, carried out with non-Federal funds a program of providing services for the prevention or treatment of cases of infection with the etiologic agent for acquired immune deficiency syndrome, or social services regarding such cases, then the applicant will, for each fiscal year for which such a grant is made to the applicant, expend the grant only for the purpose of significantly increasing the availability of such services provided by the applicant above the average level of availability provided under the program during such period; and

"(2) that agencies and institutions within the eligible geographic area that will receive funds under a grant provided under this part shall be participants in an established HIV community-based continuum of care.

"(b) DATE CERTAIN FOR SUBMISSION.—To be eligible to receive a grant under section 2621(a) for a fiscal year, an application under subsection (a) shall be submitted not later than 45 days after the date on which appropriations are made under section 2625 for the fiscal year.

"(c) ADDITIONAL APPLICATION.—An eligible geographic area that desires to receive a grant under section 2623(b) shall prepare and submit, to the Secretary, an additional application at such time, in such form, and containing such information as the Secretary shall require, including the information required under such subsection.

"SEC. 2625. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of making grants under section 2621(a), there are authorized to be appropriated $275,000,000 for each of the fiscal years 1991 and 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1995.".

TITLE III—EMERGENCY RESPONSE EMPLOYEES

SEC. 301. ESTABLISHMENT OF PROGRAM.

Title XXVI of the Public Health Service Act, as amended by section 201 of this Act, is amended by adding at the end the following new part:

"PART C—EMERGENCY RESPONSE EMPLOYEES

"Subpart I—Guidelines and Model Curriculum

"SEC. 2631. GRANTS FOR IMPLEMENTATION.

"(a) IN GENERAL.—With respect to the recommendations contained in the guidelines and the model curriculum developed under section 253 of Public Law 100-607, the Secretary shall make grants to States and political subdivisions of States for the purpose of assisting grantees regarding the initial implementation of such portions of the recommendations as are applicable to emergency response employees.

"(b) REQUIREMENT OF APPLICATION.—The Secretary may not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there is authorized to be appropriated $5,000,000 for each of the fiscal years 1991 through 1995.

"Subpart II—Notifications of Possible Exposure Regarding Acquired Immune Deficiency Syndrome and Other Infectious Diseases

"SEC. 2641. ESTABLISHMENT OF REQUIREMENT OF NOTIFICATIONS WITH RESPECT TO VICTIMS ASSISTED.

"(a) ROUTINE NOTIFICATION OF DESIGNATED OFFICER.—

"(1) DETERMINATION BY TREATING FACILITY.—If a victim of an emergency is transported by emergency response employees to a medical facility and the medical facility makes a determination that the victim has an infectious disease, the medical facility shall, with respect to the determination, notify the designated officer of the emergency response employees who transported the victim to the medical facility.

"(2) DETERMINATION BY FACILITY ASCERTAINING CAUSE OF DEATH.—If a victim of an emergency is transported by emergency response employees to a medical facility and the victim dies at or before reaching the medical facility, the medical facility ascertaining the cause of the death of the victim shall, with respect to the designated officer of the emergency response employees who transported the victim to the initial medical facility, notify the designated officer of any determination by the medical facility that the victim had an infectious disease.

"(3) REQUIREMENT OF PROMPT NOTIFICATIONS.—With respect to a determination described in paragraph (1) or (2), the notification required in each of such paragraphs shall be made as soon as is practicable, but not later than 48 hours, after the determination is made.

"(b) NOTIFICATION UPON REQUEST OF DESIGNATED OFFICER.—

"(1) DETERMINATION BY TREATING FACILITY.—If a victim of an emergency is transported by emergency response employees to a medical facility, the medical facility shall, upon the request of the designated officer of any emergency response employees who attended, treated, assisted, or transported the victim, notify the designated officer of any determination by the medical facility that the victim has an infectious disease.

"(2) DETERMINATION BY FACILITY ASCERTAINING CAUSE OF DEATH.—If a victim of an emergency is transported by emergency response employees to a medical facility and the victim dies at or before reaching the medical facility, the medical facility ascertaining the cause of the death of the victim shall, upon the request of the designated officer of any emergency response employees who attended, treated, assisted, or transported the victim, notify the designated officer of any determination by the medical facility that the victim had an infectious disease.

"(3) REQUIREMENT OF PROMPT NOTIFICATION.—

"(A) A medical facility shall make a notification required in paragraph (1) or (2) as soon as is practicable, but not later than 48 hours, after receipt of a request pursuant to the paragraph involved if, prior to the request, a determination described in such paragraph has been made by the medical facility.

"(B) A medical facility shall make a notification required in paragraph (1) or (2) as soon as is practicable, but not later than 48 hours, after making a determination described in the paragraph involved if, after receipt of a request pursuant to such paragraph, the determination is made.

"(c) PROCEDURES FOR NOTIFICATION OF DESIGNATED OFFICER.—

"(1) CONTENTS OF NOTIFICATION TO OFFICER.—In making a notification required under subsection (a) or (b), a medical facility shall provide the date and, to the extent practicable, the time on which the victim of the emergency involved was transported by emergency response employees to a medical facility.

"(2) MANNER OF NOTIFICATION.—If a notification under subsection (a) or (b) is mailed or otherwise indirectly made—

"(A) the medical facility sending the notification shall, upon sending the notification, inform the designated officer to whom the notification is sent of the fact that the notification has been sent; and

"(B) such designated officer shall, not later than 10 days after being informed by the medical facility that the notification has been sent, inform such medical facility whether the designated officer has received the notification.

"(d) DESIGNATION OF INDIVIDUALS TO REQUEST AND RECEIVE NOTIFICATIONS FROM MEDICAL FACILITIES.—

"(1) IN GENERAL.—The public health officer of each State shall, for the purpose of requesting and receiving notifications under subsections (a) and (b), and for the purpose of carrying out subsection (e), designate 1 official or officer of each employer of emergency response employees in the State.

"(2) PREFERENCE IN MAKING DESIGNATIONS.—In making the designations required in paragraph (1), a public health officer shall give preference to individuals who are trained in the provision of health care or in the control of infectious diseases.

"(e) NOTIFICATION OF EMPLOYEE.—

"(1) ROUTINE NOTIFICATION OF EMPLOYEE.—After receiving a notification under subsection (a) or (b), a designated officer of emergency response employees shall, to the extent practicable, immediately notify each of such employees who—

"(A) responded to the emergency involved; and

"(B) as indicated by guidelines developed by the Secretary, may have been exposed to an infectious disease.

"(2) NOTIFICATION UPON REQUEST OF EMPLOYEE.—A designated officer of emergency response employees shall, upon request of such an employee—

"(A) determine whether, if a victim of an emergency to which the employee responded had an infectious disease, the employee might have been exposed to the disease, as indicated by guidelines developed by the Secretary; and

"(B) make a request described in subsection (b) if, as indicated by a determination made pursuant to subparagraph (A), the employee might have been exposed to the disease.

"(3) CONTENTS OF NOTIFICATION TO EMPLOYEE.—A notification under this subsection to an emergency response employee shall inform the employee of—

"(A) the fact that the employee may have been exposed to an infectious disease and the name of the disease involved;

"(B) any action by the employee that, as indicated by guidelines developed by the Secretary, is medically appropriate; and

"(C) if medically appropriate under such criteria, the date and time of such emergency.

"(f) LIMITATION.—Subsections (a)(1) and (b)(1) shall not apply to any determination described in such subsections made with respect to a victim of an emergency after the expiration of the 60-day period beginning on the date that the victim is transported by emergency response employees to a medical facility.

"SEC. 2642. RULES OF CONSTRUCTION.

"(a) TESTING.—Section 2641 may not, with respect to victims of emergencies, be construed to authorize or require a medical facility to test any such victim for any infectious disease.

"(b) CONFIDENTIALITY.—Section 2641 may not be construed to authorize or require any medical facility, any designated officer of emergency response employees, or any such employee, to disclose identifying information with respect to a victim of an emergency or with respect to an emergency response employee.

"(c) FAILURE TO PROVIDE EMERGENCY SERVICES.—Section 2641 may not be construed to authorize any emergency response employee to fail to respond, or to deny services, to any victim of an emergency.

"SEC. 2643. INJUNCTIONS REGARDING VIOLATION OF PROHIBITION.

"(a) IN GENERAL.—The Secretary may, in any court of competent jurisdiction, commence a civil action for the purpose of obtaining temporary or permanent injunctive relief with respect to preventing a violation of section 2641.

"(b) FACILITATION OF INFORMATION ON VIOLATIONS.—The Secretary shall establish an administrative process for encouraging emergency response employees to provide information to the Secretary regarding violations of section 2641. As appropriate, the Secretary shall investigate alleged such violations and seek appropriate injunctive relief.".

TITLE IV—CERTAIN HEALTH CARE SERVICES

SEC. 401. GRANTS FOR PROVISION OF CERTAIN SERVICES.

Title XXVI of the Public Health Service Act, as amended by section 301 of this Act, is amended by adding at the end the following new part:

"PART D—CERTAIN HEALTH CARE SERVICES

"SEC. 2651. GRANTS FOR DEMONSTRATION PROJECTS FOR COMPREHENSIVE TREATMENT SERVICES.

"(a) IN GENERAL.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, may make grants to public and nonprofit entities for the purpose of providing for demonstration projects to provide comprehensive treatment services for adults and children infected with the etiologic agent for acquired immune deficiency syndrome.

(b) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out subsection (a), there are authorized to be appropriated $50,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 through 1995.

"SEC. 2652. GRANTS TO STATES FOR PROVISION OF DRUGS FOR TREATMENT.

"(a) IN GENERAL.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, may make grants to States for the purpose of assisting States—

"(1) in purchasing drugs approved by the Commissioner of Food and Drugs for use in the treatment of cases of infection with the etiologic agent for acquired immune deficiency syndrome (including treating and preventing conditions arising from such infection); and

"(2) in distributing such drugs as medically appropriate to indigent individuals in need of the drugs who have no other means by which to acquire the drugs.

"(b) REQUIREMENT OF MATCHING FUNDS.—

"(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) unless the State involved agrees that, with respect to the costs to be incurred by the State in carrying out the purpose referred to in such subsection, the State will make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount equal to—

"(A) for the first fiscal year of payments under the grant, not less than $1 each $5 of Federal funds provided in the grant;

"(B) for any second fiscal year of such payments, not less than $1 for each $4 of Federal funds provided in the grant;

"(C) for any third fiscal year of such payments, not less than $1 for each $3 of Federal funds provided in the grant;

"(D) for any fourth fiscal year of such payments, not less than $1 for each $2 of Federal funds provided in the grant; and

"(E) for any subsequent fiscal year of such payments, not less than $1 for each $1 of Federal funds provided in the grant.

"(2) DETERMINATION OF AMOUNT OF NON-FEDERAL CONTRIBUTION.—Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out subsection (a), there are authorized to be appropriated $30,000,000 for each of the fiscal years 1991 through 1995.

"SEC. 2653. DEMONSTRATION GRANTS FOR RESEARCH AND SERVICES FOR PEDIATRIC PATIENTS REGARDING ACQUIRED IMMUNE DEFICIENCY SYNDROME.

"(a) IN GENERAL.—The Secretary, acting through the Administrator of the Health Resources and Services Administration and the Director of the National Institutes of Health, shall make demonstration grants to community health centers, and other appropriate public or nonprofit private entities that provide primary health care to the public, for the purpose of—

"(1) conducting, at the health facilities of such entities, clinical research on therapies for pediatric patients infected with the etiologic agent for acquired immune deficiency syndrome; and

"(2) with respect to the pediatric patients who participate in such research, providing health care on an outpatient basis to such patients and the families of such patients.

"(b) MINIMUM QUALIFICATIONS OF GRANTEES.—The Secretary may not make a grant under subsection (a) unless the health facility operated by the applicant for the grant serves a significant number of pediatric patients and pregnant women infected with the etiologic agent for acquired immune deficiency syndrome.

"(c) COOPERATION WITH BIOMEDICAL INSTITUTIONS.—

"(1) DESIGN OF RESEARCH PROTOCOL.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant—

"(A) has entered into a cooperative agreement or contract with an appropriately qualified entity with expertise in biomedical research under which the entity will assist the applicant in designing and conducting a protocol for the research to be conducted pursuant to the grant; and

"(B) agrees to provide the clinical data developed in the research to the Director of the National Institutes of Health.

"(2) ANALYSIS AND EVALUATION.—The Secretary, acting through the Director of the National Institutes of Health—

"(A) may assist grantees under subsection (a) in designing and conducting protocols described in subparagraph (A) of paragraph (1); and

"(B) shall analyze and evaluate the data submitted to the Director pursuant to subparagraph (B) of such paragraph.

"(d) CASE MANAGEMENT.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees to provide for the case management of the pediatric patient involved and the family of the patient.

"(e) REFERRALS FOR ADDITIONAL SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees to provide for the pediatric patient involved and the family of the patient—

"(1) referrals for inpatient hospital services, treatment for substance abuse, and mental health services; and

"(2) referrals for other social and support services, as appropriate.

"(f) INCIDENTAL SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees to provide the family of the pediatric patient involved with such transportation, child care, and other incidental services as may be necessary to enable the pediatric patient and the family of the patient to participate in the program established by the applicant pursuant to such subsection.

"(g) APPLICATION.—The Secretary may not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and informa-

tion as the Secretary determines to be necessary to carry out this section.

"(h) EVALUATIONS.—The Secretary shall, directly or through contracts with public and private entities, provide for evaluations of programs carried out pursuant to subsection (a).

"(i) DEFINITION.—For purposes of this section, the term 'community health center' has the meaning given such term in section 330(a).

"(j) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $20,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 through 1995.

TITLE V—CERTAIN DEFINITIONS

SEC. 501. DEFINITIONS FOR TITLE XXVI OF PUBLIC HEALTH SERVICE ACT.

Title XXVI of the Public Health Service Act, as amended by section 401 of this Act, is amended by adding at the end the following new part:

"PART E—GENERAL PROVISIONS

"SEC. 2661. DEFINITIONS.

"For purposes of this title:

"(1) The term 'counseling with respect to acquired immune deficiency syndrome' means such counseling provided by an individual trained to provide such counseling.

"(2) The term 'designated officer of emergency response employees' means an individual designated under section 2641(d) by the public health officer of the State involved.

"(3) The term 'emergency' means an emergency involving injury or illness.

"(4) The term 'emergency response employees' means firefighters, law enforcement officers, paramedics, emergency medical technicians, and other individuals (including employees of legally organized and recognized volunteer organizations, without regard to whether such employees receive nominal compensation) who, in the course of professional duties, respond to emergencies in the geographic area involved.

"(5) The term 'employer of emergency response employees' means an organization that, in the course of professional duties, responds to emergencies in the geographic area involved.

"(6) The term 'exposed', with respect to acquired immune deficiency syndrome or any other infectious disease, means to be in circumstances in which there is a significant risk of becoming infected with the etiologic agent for the disease involved.

"(7) The term 'infection with the etiologic agent for acquired immune deficiency syndrome' includes any condition arising from such etiologic agent.

"(8) The term 'infectious disease' means hepatitis B, hepatitis non-A/non-B, pulmonary tuberculosis, meningicoccal meningitis, rubella, infection with the etiologic agent for acquired immune deficiency syndrome, and any other disease designated, in accordance with guidelines issued by the Secretary, as an infectious disease for purposes of part C.

"(9) The term "official poverty line" means the poverty line established by the Director of the Office of Management and Budget and revised by the Secretary in accordance with section 673(a) of the Omnibus Budget Reconciliation Act of 1981.

"(10) The term 'person' includes one or more individuals, governments (including the Federal Government and the governments of the States), governmental agencies, political subdivisions, labor unions, partnerships, associations, corporations, legal representatives, mutual companies, joint-stock companies, trusts, unincorporated organizations, receivers, trustees, and trustees in cases under title 11, United States Code.

"(11) The term 'preventive health services' means the services specified in section 2601(c)(2).

"(12) The term 'State' means each of the several States, the District of Columbia, and the territories of the United States.

"(13) The term 'territories of the United States' means each of the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

"(14) The term 'testing for infection with the etiologic agent for acquired immune deficiency syndrome' includes any diagnosis of such infection made by a health care provider licensed to make such a diagnosis under the law of the State in which the diagnosis is made.".

TITLE VI—GENERAL PROVISIONS

SEC. 601. STUDY REGARDING ACQUIRED IMMUNE DEFICIENCY SYNDROME IN RURAL AREAS.

(a) IN GENERAL.—The Secretary of Health and Human Services, after consultation with the Director of the Office of Rural Health Policy, shall—

(1) conduct a study for the purpose of estimating the incidence and prevalence in rural areas of cases of acquired immune deficiency syndrome and cases of infection with the etiologic agent for such syndrome; and

(2) in carrying out the study, determine the adequacy in rural areas of services for diagnosing such cases and providing treatment for such cases that are in the early stages of infection.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Health and Human Services shall complete the study required in subsection (a) and submit to the Congress a report describing the findings made as a result of the study.

SEC. 602. TECHNICAL AND CONFORMING AMENDMENTS.

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended—

(1) in section 406(a)(2), by striking "2101" and inserting "2701";

(2) in section 465(f), by striking "2601" and inserting "2701";

(3) in section 480(a)(2), by striking "2101" and inserting "2701";

(4) in section 485(a)(2), by striking "2101" and inserting "2701";

(5) in section 497, by striking "2601" and inserting "2701"; and

(6) in section 505(a)(2), by striking "2101" and inserting "2701"; and

(7) in section 926(b) (as added by section 6103(c)(1) of Public Law 101-239), by striking "2611" each place such term appears and inserting "2711".

SEC. 603. EFFECTIVE DATES.

Part C of title XXVI of the Public Health Service Act (as added by section 301 of this Act) shall take effect on the expiration of the 60-day period beginning on the date of the enactment of this Act. Such title shall otherwise take effect October 1, 1990, or upon the date of the enactment of this Act, whichever occurs later.

Amend the title so as to read: "An Act to amend the Public Health Service Act to establish a program of grants to provide preventive health services with respect to acquired immune deficiency syndrome, and for other purposes.".

The SPEAKER pro tempore. The Chair recognizes the gentleman from California [Mr. WAXMAN] for 1 hour.

Mr. WAXMAN. Mr. Speaker, I rise for the purpose of acknowledging the fact that the House has passed a historical piece of legislation dealing with this AIDS epidemic. In doing so, I think there are a number of people who deserve special acknowledgment. I want to thank the legislative counsel, Peter Goodloe, and the minority staff of our Committee on Energy and Commerce, Mary McGrane, Howard Cohen, and Mike Franc, as well as Kathy Hennemuth from the staff of the gentleman from Georgia [Mr. ROWLAND], and Donald Shriber and Lesley Russell of the full Energy and Commerce Committee staff.

I especially want to acknowledge and praise and thank the counsel for our own subcommittee who from the first days of rumors of a new epidemic when we did not even know what to call it has devoted himself to the commitment to try to deal with this issue in a way that is rational, compassionate, and would lead to the minimization of suffering in this Nation, and I am speaking of Tim Westmoreland.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. WAXMAN].

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to amend the Public Health Service Act to establish a program of grants to provide preventive health services with respect to acquired immune deficiency syndrome, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 4785), was laid on the table.

APPOINTMENT OF CONFEREES

Mr. WAXMAN. Mr. Speaker, pursuant to House Resolution 408, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. WAXMAN moves to insist on the House amendment to the Senate bill, S. 2240, and to request a conference thereon with the Senate.

The SPEAKER pro tempore. Without objection, the motion is agreed to.

There was no objection.

The SPEAKER pro tempore. The Chair will appoint conferees at a later time.

REPORT ON H.R. 5021, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, FISCAL YEAR 1991

Mr. SMITH of Iowa, from the Committee on Appropriations, submitted a privileged report (Rept. No. 101-537) on the bill (H.R. 5021) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1991, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

Mr. ROGERS reserved all points of order on the bill.

RECLAMATION PROJECTS AUTHORIZATION AND ADJUSTMENT ACT OF 1989

The SPEAKER pro tempore. Pursuant to House Resolution 409 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2567.

□ 1616

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2567) to authorize additional appropriations for the construction of the Buffalo Bill Dam and Reservoir, Shoshone Project, Pick-Sloan Missouri Basin Program, Wyoming, with Mr. MCNULTY in the Chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from California [Mr. MILLER] will be recognized for 30 minutes, and the gentleman from Wyoming [Mr. THOMAS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 2567, as reported, incorporates the text of several bills introduced and referred to the Committee on Interior and Insular Affairs. The purposes of the bill, as amended by the committee, are to address a number of water resource issues under the jurisdiction of the Secretary of the Interior. Most of the 12 titles in H.R. 2567, as reported, involve Bureau of Reclamation projects in the 17 Western States.

Two and a half years ago, the Bureau of Reclamation announced with some fanfare a self-proclaimed new direction for the agency. We were told that the Bureau would not be looking for new dam sites or new irrigation projects to build. Instead, the Bureau's energies would be directed toward management of existing projects and faciltities, and branching out into new areas, such as environmental protection.

Unfortunately, almost all the Bureau's attention to the new direction was directed due west—toward Denver, where most employees of the Washington headquarters were forced to move. We have seen precious little in the way of what could be called reforms to the ways in which this very traditional water bureaucracy has done its business since 1902.

H.R. 2567 is important because it picks up where the Bureau and the Administration dropped the ball on creating a new Bureau of Reclamation. This bill embodies many of the concepts of a new direction for the Bureau, and will allow several important new initiatives to get under way. H.R. 2567 will be the first real test of the administration's commitment to a new direction for the Bureau.

H.R. 2567 is in 12 titles, each of which addresses a unique water resource problem. The bill has been assembled with the concurrence and assistance of the minority, and I have sincerely appreciated their cooperation. The Interior Committee has also received extensive cooperation from the Merchant Marine and Fisheries Committee, which shares jurisdiction over three titles in the bill. Their assistance is also appreciated.

We have crafted a bill we believe will solve a number of significant water resource problems without excessive costs to the taxpayer. The bill also solves several critical environmental problems. The specific provisions of the committee amendment to H.R. 2567 are as follows:

Title I of the bill increases the authorization ceiling for the Buffalo Bill Dam and Reservoir, WY. This authorization will allow the completion of the project, including the construction of new recreational facilities. The State of Wyoming has already contributed $34.4 million toward completion of this project, and the State's cost share will total $52 million by the time the project is finished. This represents a significant departure from the Bureau's business-as-usual method of asking for little or no real up-front cost-sharing from project beneficiaries.

Title II of the bill authorizes the Secretary to construct a plant to treat mine drainage water from the Leadville Mine Drainage Tunnel, CO. The Bureau of Reclamation bought this mine drainage tunnel from the Bureau of Mines years ago with the hope they could use the water for irrigation in eastern Colorado. When those plans fell through, the Bureau was stuck with the drainage tunnel, which turned out to be loaded with toxic chemical and mineral discharges from abandoned hard rock mines.

H.R. 2567 authorizes the Bureau to build the treatment plant needed to clean up this mess, years after the agency was first ordered to do so by the Environmental Protection Agency. This title also authorizes the Interior Secretary to restore the fishery in the Arkansas River which has been all but destroyed by the discharge from the Leadville tunnel.

Title III of the bill would allow the Secretary to construct the Lake Meredith Salinity Control project, New Mexico and Texas. This project will significantly improve the quality of drinking water for over 400,000 people in the Texas Panhandle. Cost-sharing is also significant for this project, as the bill limits the Federal obligation to 33 percent of the total project costs.

Title IV of the bill authorizes the Secretary to reformulate the Cedar Bluff project in Kansas, and to enter into contracts with the State of Kansas to reformulate operation of the project. This provision will salvage a Bureau of Reclamation project which is now of little or no use, at little cost to the Federal Government.

With regard to the Central Valley project, California, title V of the bill authorizes an extension of the Tehama-Colusa Canal service area, and authorizes the Secretary to enter into a long-term contract for water service from New Melones Reservoir with the Tuolumne Regional Water District. No new water storage or distribution facilities are authorized by this title.

Title VI of the bill authorizes the Secretary to conduct a research project for the development of an enhanced evaporation system for saline water treatment in the vicinity of the Salton Sea, CA. This research could lead to solutions to saline water problems throughout the West. This research is to be cost-shared on a 50-50 basis between the local sponsors and the Federal Government.

Title VII of the bill provides the consent of Congress to a procedural amendment to the Sabine River Compact between the States of Louisiana and Texas.

Title VIII of the bill designates the Salt-Gila Acqueduct of the Central Arizona project as the Fannin-McFarland Aqueduct.

Title IX of the bill amends the Act of February 21, 1911 [Warren Act] regarding the use of excess storage and carrying capacity in reclamation projects. This title will extend the applicability of the Warren Act to mu-

nicipal and industrial and fish and wildlife purposes, and will provide additional operating flexibility to many Bureau of Reclamation projects.

Title X of the bill authorizes the Bureau of Reclamation to participate with the city of San Diego, CA, in the conduct of the San Diego Waste Water Reclamation Study. Again, cost-sharing is required by this title, with half the costs of the study to be paid by local sponsors.

Finally, the bill authorizes a fish hatchery project in McDowell County, WV.

Mr. Chairman, H.R. 2567 contains a number of significant provisions which will help improve the management of water resources in the West. I urge my colleagues to support this important bill.

□ 1620

Mr. THOMAS of Wyoming. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong support of H.R. 2567, the Reclamation Projects Authorization and Adjustment Act of 1989. This bill was passed unanimously out of the Interior Committee and is generally noncontroversial.

Let me say that I have appreciated working with the distinguished gentlemen from California, the chairman of the Water and Power Subcommittee. We feel we have been able to craft an excellent piece of legislation and I urge adoption of this bill. I recognize we will deal with some new amendments that are allowed under the rule. However, I would like to confine my remarks to the bill as reported out of the Interior Committee.

This legislation incorporates several bills which have been introduced in Congress. There are 12 titles in the legislation and various Members of Congress are expected to comment briefly about projects that concern their particular districts.

The Buffalo Bill Dam and Reservoir located in the State of Wyoming is the subject of title I of this legislation.

The Buffalo Bill Dam is located on the Shoshone River near Cody in northwestern Wyoming. The dam was completed in 1910 and the project can provide irrigation water to nearly 90,000 acres of land. The project also generates hydroelectric power and provides recreational benefits.

Several years ago—1982—Congress authorized extensive modifications to the Buffalo Bill Dam. The plan was to raise the height of the dam by 25 feet. The act authorized appropriations of $115.7 million and the modifications are now about 63 percent complete.

The Buffalo Bill Dam modification project represents a first for reclamation in that funding for construction includes substantial non-Federal upfront cost-sharing. The State has already contributed $47.7 million as part of this cost sharing formula. The Bureau of Reclamation has advised the State of Wyoming and the Interior Committee that the current authorized ceiling is not sufficient to complete the project. Furthermore, the Bureau of Reclamation has advised the Congress that the total cost of the project has increased by $17 million.

This $17 million increase translates to a $5 million contribution by the State of Wyoming and a $12 million increase in the Federal share. Within the past year, the Wyoming Legislature authorized the expenditure of the additional $5 million for the project increasing the State's financial participation to $52 million.

Title I of H.R. 2567 is identical to S. 1121 which passed by the Senate in November 1989. Further delay in passage of this bill adversely impacts completion of a project under construction. The current project ceiling of $115.9 million has nearly been reached.

The Bureau of Reclamation cannot award any new contracts for continuation of the project since that action would result in the project exceeding the indexed cost ceiling. Eight major contracts totaling $9.1 million scheduled for award between May 1990 and October 1991 depend upon an increase in the project's authorization ceiling. Of the eight contracts, three contracts valued at approximately $1.9 million are scheduled for award this fiscal year.

Delay also jeopardizes use of the State of Wyoming's additional $5 million in cost-sharing funds which will not be made available until the Federal Government obtains a new project ceiling.

Mr. Chairman, this legislation is critical to the completion of this valuable reclamation project.

My district is not the only district affected by this bill. Briefly, this bill authorizes the Secretary of Interior to construct and maintain a water treatment plant to treat drainage water from the Leadville Mine Drainage Tunnel in Colorado.

The bill allows for the construction of a Lake Meredith salinity control project in New Mexico and Texas.

The bill authorizes the Secretary of Interior to reformulate the Cedar Bluff unit of the Pick Sloan Missouri Basin Program in Kansas and to enter into contracts with the State of Kansas.

The bill authorizes an extension of the Tahama-Calusa Canal Service area as part of the Central Valley project in California.

The bill authorizes the Department of the Interior to conduct a research project for the development of an enhanced evaporation system for saline water treatment in the vicinity of the Salton Sea, CA.

The bill provides the consent of Congress to an amendment to the Sabean River compact.

The bill designates the Salt-Hila Aqueduct of the central Arizona project as the Fannin-McFarland Aqueduct.

The bill amends the Warren Act of 1911, regarding the use of excess water storage and carrying capacity in reclamation projects.

The bill would allow the Bureau of Reclamation to amend contracts to increase repayment amounts if justified based on changes in irrigable lands.

The bill authorizes the Bureau of Reclamation to participate with the city of San Diego, CA, regarding a San Diego waste water reclamation study.

And finally, the bill authorizes a fish hatchery project using mine effluent water in McDowell County, WV.

Mr. Chairman, I urge my colleagues to support this bill. This concludes my statement and I reserve the balance of my time.

Mr. MILLER of California. Mr. Chairman, at this time, while I have thousands of people who love my bill, I have very few speakers, so I will reserve the balance of my time.

Mr. THOMAS of Wyoming. Mr. Chairman, I yield such time as he may consume to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES. Mr. Chaiman, I rise in support of H.R. 2567; in support of the amendment to be proposed by the gentleman from Connecticut [Mr. GEJDENSON]; and against the amendment to be proposed by the gentleman from California [Mr. MILLER], and ask unanimous consent to revise and extend my remarks.

Mr. Chairman, I would like to include at this point in the RECORD a recent exchange of letters between me and Mr. Ed Osann of the National Wildlife Federation, regarding the nonapplication of the Gejdenson amendment provisions to irrigation district contracts which may be required to be amended as a result of participation in an Indian water claims settlement.

HOUSE OF REPRESENTATIVES,
Washington, DC, June 12, 1990.

Mr. EDWARD R. OSANN,
National Wildlife Federation,
Washington, DC.

DEAR MR. OSANN. This is to solicit your understandings regarding the impact of the most recent draft of the amendment proposed to be offered by Congressman Sam Gejdenson to H.R. 2567, the Reclamation Projects Authorization and Adjustment Act of 1989.

Specifically, is it your expectation and intent that irrigation districts which would not otherwise be subject to the provisions of the Gejdenson Amendment, should not be subject to the application of the Gejdenson Amendment as a result of being party of any Indian water settlement that as a condition of such a settlement requires the irrigation district to have its contract(s) amended?

Is it also your position that in the context of any such Indian water settlement, specific language should be included in the legislation affirming that settlement, stating the exemption from the application of the

Gejdenson Amendment for the irrigation district(s), such as the Roosevelt Water Conservation District (RWCD) in Arizona, involved in the Indian water settlement?

We would appreciate your response prior to House floor consideration of the Gejdenson Amendment, expected Wednesday or Thursday of this week.

Thank you for your consideration.

Sincerely,

MORRIS K. UDALL,
Member of Congress.
JOHN J. RHODES III,
Member of Congress.

NATIONAL WILDLIFE FEDERATION,
Washington, DC, June 13, 1990.

Hon. MORRIS UDALL,
Chairman, Committee on Interior and Insular Affairs,
Hon. JOHN J. RHODES, III,
House of Representatives,
Washington, DC.

DEAR MR. CHAIRMAN and REPRESENTATIVE RHODES: I am very pleased to respond to your inquiry regarding the understanding of the National Wildlife Federation on certain aspects of the Gejdenson Amendment to H.R. 2567, the Reclamation Projects Authorization and Adjustment Act.

I understand that the participation of various irrigation districts may be desirable or even essential in future Indian water rights settlements, and that such participation may involve amendments to existing contracts with the Secretary of the Interior. It is my expectation that contract amendments solely to facilitate Indian water rights settlements—not conferring new or additional benefits to such districts—would be appropriate to exempt from the requirements of the Gejdenson Amendment when the failure to do so would preclude a negotiated settlement.

Recognizing that the action of the 101st Congress cannot bind the actions of future Congresses, it is my further expectation that any legislation necessary to affirm an Indian water rights settlement that requires the participation of an irrigation district holding an existing contract with the Secretary would carry specific language exempting such district from the application of the Gejdenson Amendment, whenever the failure to provide such an exemption would frustrate the underlying Congressional objective of effectuating a negotiated settlement of Indian water rights.

Sincerely,

EDWARD R. OSANN,
Director, Water Resources Program.

Mr. Chairman, I would like to insert in the RECORD at this point, written testimony that was to have been presented at a public hearing regarding the October 1989 General Accounting Office [GAO] report on the Reclamation Reform Act [RRA]. The hearing was scheduled—then abruptly canceled—by the Interior Subcommittee on Water, Power and Offshore Energy Resources.

The following is testimony that was prepared to be presented at that hearing by Mr. Paul Orme on behalf of the Agri-Business Council of Arizona, Inc. The prepared testimony by Mr. Orme details the shortcomings of the GAO report and negative—and I hope unintended—impacts of the Miller amendment.

PREPARED TESTIMONY OF PAUL R. ORME

Mr. Chairman and members of the committee: My name is Paul Orme and I am an attorney with the Phoenix, Arizona law firm of Ellis, Baker & Porter, P.C. I represent the Agri-Business Council of Arizona, Inc., and a number of Central Arizona Project ("CAP") irrigation districts. I am here today to express the concern of my clients over the October 1989 General Accounting Office Report entitled "Water Subsidies, Basic Changes Needed to Avoid Abuse of the 960 Acre Limit" ("Report"). If the GAO recommendations are enacted into law, the Reclamation Reform Act of 1982 ("RRA") would be amended to prohibit the receipt of Federal project water at the contract rate on farm units in excess of 960 acres even when those farm units are being operated under Bureau of Reclamation approved farm management agreements or trust agreements. The GAO Report recommends the adoption of policies which were directly repudiated in the passage of the RRA in 1982 and the 1987 Amendment to the RRA. Despite the contentions set forth in the GAO Report, the legislative intent of the RRA was to allow for certain trusts and farm management arrangements to receive Federal project water at the contract rate on farm units in excess of 960 acres. As a result, the irrigation districts which I represent and those which are members of the Agri-Business Council have devoted considerable time and resources to assisting its landowners and water users to be in compliance with reclamation laws. This has been a painfully difficult and expensive process for the districts and their landowners and water users but, after considerable effort, significant progress has been made. To reopen this process, as would be required under the GAO legislative recommendations, would be incomprehensible to those in the CAP area who in 1989 became subject to all the requirements of the RRA.

It is interesting to note that the Report attacks certain farming arrangements in California and Washington, for allegedly abusing Congressional expectations but admittedly not running afoul of the law. The Report cites situations where water users are receiving $2.00 to $17.00 per acre foot water as contract rates compared to full cost deliveries at $42.00 to $73.00 per acre foot. However, the Report ignores the Central Arizona Project where contract water rates run from $50.00 to $60.00 per acre foot and full cost rates average $250.00 per acre foot. Perhaps GAO felt that the utilization of a Federal water project as expensive to the water users as CAP significantly diminished the effectiveness of its argument. Repeatedly, GAO contends that the United States is losing full cost revenues as a result of the current implementation of the RRA. However, due to the cost, collection of full cost rates will never occur in the CAP and perhaps in other projects as well.

The Report makes an obvious incorrect statement where it contends that it was the expectation of Congress that no farm operation or landholding would receive Federal project water at the contract rate on more than 960 acres. Specifically, there are at least seven examples of situations where such deliveries could exceed the 960 acre limitation in the RRA. These include: Equivalency; excess land held under recordable contract; involuntary acquisitions; approved trusts; isolated tracts; temporary water supply; and farm management arrangements.

Nor did Congress ever choose to adopt a single farm as the acreage limitation standard. After considerable debate, legislative history shows that the acreage entitlement was to be a combination of owned and leased land referred to as a "landholding" under the law.

Therefore, the GAO Report misinterprets Congressional expectations and inaccurately depicts Congressional intent in the adoption of the RRA and the 1987 Amendments.

The Report recommends amending the RRA to provide for a definition of "farm or farm operation" which is clearly designed to prohibit delivery of Federal project water at the contract rate to multiple landholdings which exceed 960 acres and which are farmed under an approved farm management agreement. Rather than making a narrow and precise effort at defining unacceptable farm management arrangements, the report recommends that Congress adopt legal a presumption of a single "farm" or "farm operation" where there is:

"* * * any landholding or group of landholdings farmed or operated as a unit by an individual, group, entity, trust, or any other combination or arrangement. The existence of a farm or farm operation will be presumed, subject to contrary evidence when ownership, management, financing or other factors, individually or together, indicate that one or more landholdings, including partial landholdings are farmed or operated as a unit."

This standard is extremely broad and vague and will certainly provide no meaningful direction for determining legitimate farm management arrangements, if any are even to remain intact under the GAO proposal.

With respect to farm management arrangements, current law is set forth at 43 C.F.R. § 426.7. This provision allows for certain farm operations in excess of 960 acres or other applicable acreage limitations to receive Federal project water at the contract rate on all the acreage as long as the actual farm operator does not bear any risk or receive any of the benefits of the crops produced on lands which receive the Federal project water in excess of his own entitlement. The GAO proposal would totally change this situation and require the termination of such arrangements even though the farm operator involved does not share in the profits or losses (the risks or benefits) of the crops produced on those lands for which he does not have an ownership or leasehold interest. The GAO proposal would lead to considerable restrictions on the ability of a farmer to hire certain custom services from other farmers who receive reclamation water on their own land since the proposal would then combine their respective individual landholdings to determine if they exceed a single 960 acre entitlement. The obvious result would be that the necessary equipment would no longer be able to do so and could no longer justify their investment in that equipment. Obviously, those farmers who are the necessary recipients of such services would also be harmed.

The GAO suggests the adoption of eleven "key indicators" to be used as criteria to determine whether commonly operated landholdings are actually one farm rather than relying on the existing "risk in the crops" criteria. These eleven indicators are the following:

1. The individual landholdings or other farm assets are combined as collateral for loans.

This indicator has nothing to do with risk in crops and is often a necessary requirement for obtaining crop financing for farming in the Central Arizona Project. This indicator would be particularly hurtful to smaller family farmers wherein parents

must collateralize or guaranty the crop financing for their adult children on their children's separate farm;

2. The principal owners or lessees of the individual landholdings agree to cover loan defaults of other principals.

Again, this would make every general partnership situation a violation and would also work a hardship on the smaller family farmer for the same reasons as indicated in 1 above.

3. The farm manager or operator bears an economic risk associated with the production and sale of the crops.

This is the only true indicator that makes any sense and it is currently recognized under existing law. If the farm manager has a significant economic risk in the production or sale of the crops which receive the Federal project water, under existing law he is imputed to be a lessee and all of the land attributed to him.

4. The same individuals make management decisions for multiple landholdings.

Farm managers are hired to make decisions for the landholdings which they manage. However, under current law the ultimate use and control of the land must be retained by the owner or lessee to whom the acreage is attributed. However, these owners and lessees should not be denied the management expertise of the farm manager particularly when many of those owners are absentee owners. Again, the only key concern should be whether or not the farm manager has an economic risk in the crops which receive the Federal project water.

5. The owners of the farm management company that operates the small landholdings are the same individuals who owned or leased the land before the reorganization occurred.

Unless the farm management company has an unacceptable risk in the crops irrigated with the Federal project water, this should not be an indicator of an unacceptable farm management arrangement. It tends to discriminate against those who are most familiar with the particular farm involved and it unfairly denies the owners or lessees of the subject land the skill and expertise of those who have previously farmed the land.

6. The small landholdings are leased from the large farm that existed before the reorganization.

This situation is hard to envision and I do not believe it has occurred in the Central Arizona Project. If the large ownership exceeds 960 acres, Federal project water at the contract rate is limited to the 960 acre entitlement of the landholder and the actual lessees are subject to a similar limitation.

7. The same individuals own or lease small landholdings.

Irrespective of whether the same individuals own or lease multiple small landholdings, these ownership and leasing arrangements are limited to 960 acres, both on the entity and individual level. Congress never intended to limit the number of entities in which individuals could participate provided the acreage attributable to such individuals did not exceed their allowable entitlement for receipt of Federal project water at the contract rate.

8. A single farm management company operates multiple landholdings.

This indicator would seem to prohibit landowners from using a single common custom service or even multiple custom services which are permitted under current law provided the custom operator does not assume an unacceptable risk in the crops receiving the Federal project water at the current rate. This type of indicator would discriminate against these custom operators and would be destructive to small farmers who rely heavily on such operators.

9. Crop subsidy records indicate that the landholdings are interrelated.

Bureau of Reclamation and Agricultural Stabilization and Conservation Service ("ASCS") reporting requirements are designed to achieve different objectives. However, if the ASCS records indicate a particular individual has an ownership or leasehold interest in excess of his contract rate water entitlement, or that a farm management entity has an unacceptable risk in the crops on acreage in excess of its entitlement, then the ASCS records might be utilized for such purposes. However, there should be a certain amount of understanding between Bureau of Reclamation and ASCS staff personnel with respect to the program of the other agency so that farmers can be assisted in correctly completing the documentation required by both agencies without raising a presumption of an invalid farming operation from either program's prospective when there is a good faith effort to completely comply with the respective laws.

10. The small landholdings share equipment or labor, sometimes without charge.

This is one of the most troubling of the indicators given that it significantly discriminates against the small family farmer. In particular, it hurts those farmers who cannot afford their own equipment and have arrangements where they exchange equipment or labor as part of a good neighbor or family arrangements. It is absurd to expect a small farmer to have the ability to own all his own equipment and never enter into arrangements with neighbors or custom farming operations for certain services.

11. The farm manager or operator acknowledges that the small landholdings are being operated collectively as one farm.

Again, this should not be a problem if it is clear that the farm manager operator does not have an unacceptable risk in the crops receiving Federal project water at the contract rate. The Bureau of Reclamation is in the process of considering standard review guidelines to provide direction in determining whether an unacceptable risk is involved and the adoption of such guidelines should provide sufficient direction for both the farmer and the enforcement agency. Legislation like that proposed in the GAO report would create a presumption of an excess farm operation in many situations where the actual risk in the crops was appropriately attributed to the landowners and lessees who are within their entitlements. This would cause considerable confusion in administering and complying with the reclamation laws just at a time when the Central Arizona Project landowners and lessees have come to grips with existing law.

The GAO Report also recommends legislation restricting a trust ownership to a single 960 acre contract rate limitation even where current law already restricts the entitlements of the beneficiaries under such trusts to 960 acres which receive Federal project water at the contract rate. Under the 1987 amendment, Congress strengthened the criteria for revocable trusts and this seems to have sufficiently provided that the attribution of the trust acreage be charged to the individual beneficiaries, thereby making it irrelevant the amount of acreage held by a trustee which receives Federal water at the contract rate. To require every trust to hold no more than 960 acres which receives contract rate Federal project water will render trust ownership an inadequate estate planning tool for many farm families. Many farm family trusts which were previously approved by the Bureau of Reclamation, at considerable expense to the landowners involved, will have to be restructured or terminated despite considerable adverse tax consequences. On two different occasions Congress had the opportunity to restrict trust ownerships to 960 acres (with the passage of the 1982 law and the 1987 amendment) and on both occasions this change was rejected as set forth in § 214 of the RRA.

Many Indian farmers who are currently utilizing CAP water, or who wish to use such water in the future for irrigation purposes, are concerned with the legislative recommendations contained in the GAO Report. These Indian farmers rely heavily on custom services provided by non-Indian farmers who could not afford to have their own acreage entitlement combined with the Indian-owned acreage for entitlement determination purposes. The result is likely to force Indian farmers to refuse CAP water, thereby bringing into question certain existing Indian water settlements, as well as significantly reducing the possibility of utilizing CAP water in future Indian settlements. Full cost rates are no more an option to the Indian farmer than to the non-Indian farmer. Previously, Indian farmers in the CAP have provided this Subcommittee's staff with their statements on this matter.

As indicated earlier, the GAO Report never considers potential abuses of the RRA in Arizona, nor does it discuss the impact of the proposed legislation on Arizona. Due to the significant disparity in water costs between Central Arizona Project full cost water and full cost water in other Federal reclamation projects and the substitute nature of the water, the legislation proposed in the GAO Report would not offer a true alternative to Central Arizona Project water users. Previously approved farm management arrangements and trust arrangements would have to be abandoned or these water users would stop purchasing CAP water and return to relying on groundwater supplies. This would be ironic after Central Arizona Project irrigation districts had incurred repayment obligations of $290 million to the Federal Government for the construction of their CAP distribution systems and $75 million to their bond holders for their twenty percent up-front cost sharing contributions. As mentioned earlier, it would also contravene existing Federal and State water policies of preserving existing groundwater supplies.

Under the 1987 amendment to the RRA, Congress mandated that the Department of Interior audit RRA compliance by December of 1990. It is our understanding that the Bureau of Reclamation had not been allowed to review several of the examples cited in the GAO Report so these examples will ultimatley have to pass the Bureau audit process. It seems counterproductive to attempt to change the existing law until the review period adopted by Congress is complete and the results of that review have been carefully compiled and analyzed.

In conclusion, the proposal set forth in the GAO Report would impact all reclamation water farmers, Indian and non-Indian alike, by prohibiting cooperation between farmers, including family members, and by restricting use of custom services and sharing of equipment under arrangements which, in many cases, have previously been

approved by the Bureau of Reclamation under current law. Additionally, the GAO proposal signficantly limits the availability of trusts as estate planning tools for reclamation water farmers and it will burden and possibly jeopardize short term and long term financing for such farmers. Since payment of full cost rates is not an option for the Central Arizona Project agricultural water user, the likely result of the GAO proposal will be for such farmers to return to extensive groundwater pumping, thereby significantly reducing the current customer base for CAP water service. This result would directly contravene Federal water policy as set forth in the CAP Enabling Act and State water law policy as set forth in the federally mandated Arizona Groundwater Managemet Act of 1980. It would also reduce the usefulness of the expensive agricultural CAP water distribution systems which have just recently been constructed. This would not serve the best interests of the United States taxpayer because lost water service revenues would undoubtedly lead to the financial disintegration of CAP irrigation districts which would lead to those districts being unable to repay the $290 million owed to the United States for the construction of these distribution systems. It could also lead to default on payment of $75 million to the bondholders of the districts if these districts are unable to sell sufficient Cental Arizona Project water to support these repayment obligations.

Thank you Mr. Chairman and Members of the Committee for this opportunity to discuss these critically important issues with you.

Finally, Mr. Chairman, I want to include at this point in the RECORD, a January 13, 1990, paper written by the Congressional Research Service [CRS] to the gentleman from California [Mr. LEHMAN] also pointing out the shortcomings of the GAO report and GAO's invention of the term congressional "expectations."

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC, January 13, 1990.

To: Hon. RICHARD H. LEHMAN; Attention: Brad Shinn.

From: American Law Division.

Subject: Assessing Congruence Between The Department Of The Interior's Interpretation Of The Reclamation Reform Act Of 1982 And Certain Statements Drawn From Relevant Legislative History With Respect To The 960-Acre Ceiling On The Size Of Entities Eligible To Receive Federally Subsidized Water.

This memorandum responds to your request for an assessment of the accuracy of an assertion made in a GAO report[1] to the effect that the interpretation of the Reclamation Reform Act's 960-acre limit on the size of entities eligible to receive federally subsidized water which is reflected in regulations issued by the Department of the Interior's Bureau of Reclamation does not coincide with relevant congressional "expectations" or "intent." This memorandum also responds to your inquiry whether there is any legally significant difference between references to congressional "expectations" and references to congressional "intent."

"INTENT" VS. "EXPECTATIONS"

Expressions such as "legislative intent" and "congressional intent" are judicially developed terms. They are not codified terms of art for which precise statutory definitions exist. They are used to describe what a court is searching for when it turns to the legislative history of some statute it feels obligated to interpret in the course of resolving the judicial dispute before it. Courts looking to legislative history generally do not describe their efforts as aimed at identifying relevant congressional "expectations." However, no particular significance should be inferred from the GAO's use of such a variant in conventional legal terminology. A court only turns to the legislative history of a statute for guidance if it has already decided that the meaning of the statutory language it must interpret is not plainly evident or cannot otherwise be conclusively discerned.

For present purposes, the real issue is not how some court hypothetically might interpret the 960-acre limit in light of relevant legislative history. Obviously, the GAO is not a court of law. Instead, the real issue is whether relevant legislative history includes evidence of a congressional interpretation of the 960-acre limit which is different from the interpretation of that limit made by the Department of the Interior's Bureau of Reclamation in light of the statutory language actually enacted by Congress.

THE SUBSTANTIVE QUESTION

The relevant portion of the GAO report is captioned "Dichotomy Exists Between Congressional Expectations and the Act's Language." The intended import of the caption is difficult to discern. The statutory language of the Reclamation Reform Act of 1982 was, of course, enacted by Congress. It follows that such language must perforce reflect relevant congressional "expectations" at the time it was enacted.

The first paragraph of the relevant portion of the GAO report asserts that:

"Our review of the 1982 Reclamation Reform Act's legislative history shows that the Congress expected to stop the flow of federally subsidized water to owned and/or leased land over 960 acres being operated as one farm. However, the 1982 act does not preclude multiple landholdings to individually qualify for federally subsidized water while being operated collectively as one large farm."

The intended meaning of this assertion is also difficult to discern. There is no particular incongruity between the description of what Congress allegedly expected that appears in the first sentence of this paragraph and the description in the second sentence of what the act allegedly does not preclude. Presumably, the point sought to be made is that statements appearing in committee reports or made on the floor of the House or Senate prior to enactment of the Reclamation Reform Act of 1982 imply one interpretation of how the new acreage limit should be applied while the language ultimately enacted by Congress implies a different interpretation.

Only two explicit citations to legislative history appear in the remainder of the relevant potion of the GAO report. One cites the conference report's reference to "larger farming operations." The other cites a statement by the Chairman of the House Committee on Interior and Insular Affairs to the effect that what is to be enacted is "a 960 acre basic limitation of farms." Evidently, GAO's purpose in making these two citations was to demonstrate that the new limit was described at the pertinent stages of enactment as applicable to a total amount of acreage under common management (i.e., a single "farming operation" or a single "farm").

The GAO report then notes that the statutory language ultimately enacted by Congress uses neither the expression "farm" nor the expression "farming operation" but rather makes the new limit applicable to a "landholding." This difference in the characterization of the object of the limit would appear to have limited significance.

In attempting to demonstrate some difference between the references drawn from relevant legislative history and the statutory language ultimately enacted by Congress, the GAO report went on to quote the statutory definition for the expression "landholding." The quoted language explicitly refers to "acreage of one or more tracts of land . . . which *is* served with irrigation water pursuant to a contract with the Secretary" (emphasis added). The definition's use of the singular number for the verb is emphasized here in order to point out that the definition, on its face, clearly seems to contemplate as a single "landholding" any composite of acreage made up of multiple, separately owned or leased "tracts of land."

The final sentence of the relevant portion of the GAO report concludes that:

"The act is silent on whether multiple landholdings can operate together as one large farm while qualifying individually for federally subsidized water on up to 960 acres."

As noted immediately above, the statutory language which the GAO itself quoted is not "silent" with respect to whether the new limit could apply to "multiple landholdings . . . operate[d] together as one farm." As pointed out, the quoted statutory language seems clearly to contemplate that multiple landholdings so operated could indeed be considered a single composite "landholding" within the meaning of the statutory definition, so long as any other constraints included in the statutory definition for the term "landholding" were satisfied.

One such other constraint specified in the statutory definition is that the "one or more tracts of land" in question must be either "owned" or "operated under a lease" by the holder thereof (i.e., the party actually using the land). Hence, if one or more tracts of land aggregating more than 960 acres in total area are held, but neither "owned" nor "operated under a lease," by a single entity, then the property in question is not within the literal scope of the statutory definition for the term "landholding."

Neither of the citations to legislative history made in the GAO report explicitly focuses on the use of land by a party which has neither title to, nor a leasehold interest in, that land. Indeed, the GAO's commentary cites nothing in the legislative history of the Act to suggest that Congress ever considered this precise question specifically. By contrast, the comment letter from the Department of the Interior that is appended at the end of the GAO report explicitly takes note of the fact that the previous Congress had dropped a provision relating to farm management agreements from a reclamation bill (S. 14, 96th Cong.). Thus, there is evidence that had Congress wished to take such management agreements into account it knew how to do so explicitly and chose rather to omit them from coverage in the statute it ultimately enacted.

CONCLUSION

The assertion of the GAO that an interpretation of the scope of the 960-acre limit

[1] Water Subsidies: Basic Changes Needed to Avoid Abuse of the 960-Acre Limit, published in October of 1989.

according to which parcels of land not owned or leased by an entity which conducts operations on them must be aggregated with other parcels of land on which the same entity conducts operations is apparent in the legislative history of the Reclamation Reform Act of 1982 would appear not to be supported by the evidence the GAO itself cites.

ROBERT B. BURDETTE,
Legislative Attorney.

Mr. MILLER of California. Mr. Chairman, I yield myself 1 minute, just to inform the membership, because there are Members who do have amendments to this legislation, it is my understanding that what we will do is proceed with general debate. Then we will start the consideration of the amendments, with the intent of trying to do noncontroversial amendments this evening. Should we get into a situation where a vote is called for, the Committee would then rise. So we can sort of assure Members that there will be no votes tonight. We must also inform Members that have amendments to this legislation that they should be here to offer those amendments.

Mr. Chairman, I would say that it is my intent not to offer my amendment tonight, and my understanding is therefore that the gentleman from California [Mr. LEHMAN] would not be offering his amendment until tomorrow. The gentleman from Idaho [Mr. CRAIG] has indicated that he wants a vote on both of those amendments, and I suspect other Members do also. That will be done tomorrow.

So the order in which we take amendments is we will try to take those amendments that have been cleared and discussed with the minority. It sort of depends on how the authors of the amendments show up here in the next few minutes. We will take and do the best we can. At that point the Committee will rise, and we will get into the more controversial amendments tomorrow, if that is fine with the minority.

Mr. THOMAS of Wyoming. Mr. Chairman, I have no objection. I understand we will deal then with the noncontroversial amendments and not call for a vote today. Those will be laid over until tomorrow.

Mr. MILLER of California. That is my expectation and that is my understanding.

Mr. PASHAYAN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from California.

Mr. PASHAYAN. Mr. Chairman, has the gentleman from California [Mr. MILLER] made his unanimous request now, or is he just announcing his intention?

Mr. MILLER of California. Mr. Chairman, I am just announcing my intention. I can make it now, if Members want to be here.

Mr. PASHAYAN. I should prefer the gentleman do it later.

Let me ask the gentleman a question. How many amendments would he bring up tonight?

Mr. MILLER of California. I think three. It sort of depends on whether the authors of those amendments show up here or not.

Mr. PASHAYAN. At maximum, how many?

Mr. MILLER of California. Mr. Chairman, I think three, maybe four amendments.

Mr. PASHAYAN. Are they all printed in the RECORD as of now?

Mr. MILLER of California. They are all printed in the RECORD according to the rule that the gentleman has so cleverly drafted.

Mr. PASHAYAN. The gentleman put in 11 amendments of his own. Is it the intention of the gentleman to bring them all up tomorrow?

Mr. MILLER of California. Mr. Chairman, no. It would be my intention to bring up the technical amendment No. 1 and the appropriate penalties one, which has been cleared with the minority, which I assume is noncontroversial, and one dealing with the stream flows of the Buffalo Bill Dam.

□ 1630

Mr. PASHAYAN. Those are the gentleman's amendments?

Mr. MILLER of California. Correct, and my understanding is maybe the gentleman from Oklahoma [Mr. WATKINS], will want to offer his amendment tonight, and possibly the gentleman from Colorado [Mr. HEFLEY], has an amendment that he would like to offer.

Mr. PASHAYAN. I appreciate the gentleman's information. But my question referred to his amendments.

Mr. MILLER of California. My first three amendments would be the ones brought up, the first three that I named, the technical amendments, the appropriate penalties amendments, and the stream flows in the Buffalo Bill Dam.

Mr. PASHAYAN. The gentleman then has eight amendments remaining of those he has put into the RECORD. Of those eight, how many does he intend to bring up tomorrow?

Mr. MILLER of California. At this time I do not know the answer to that.

Mr. PASHAYAN. Does the gentleman know at least how many he intends to bring up tomorrow?

Mr. MILLER of California. I have to say that I am sorry, I do not know at this point.

Mr. PASHAYAN. It sounds as though there are anywhere from zero to eight, so when the gentleman makes his formal request later we can conclude this item.

Mr. MILLER of California. That is fine with me, Mr. Chairman.

Mr. Chairman, I reserve the balance of my time.

Mr. THOMAS of Wyoming. Mr. Chairman, I yield 9 minutes to the gentleman from California [Mr. PASHAYAN].

Mr. PASHAYAN. Mr. Chairman, I wish to make one or two general comments on the controversial aspects of this bill, and again to repeat how much I regret the manner in which my friend and colleague, the gentleman from California [Mr. MILLER] has chosen to proceed here. I think it is fair to say that in terms of its essence there is nothing really new that the gentleman will be offering. These are the same kinds of ideas and the same kinds of arguments that have been around, hovering around the reclamation law really since its inception in 1902. Certainly they were thoroughly ventilated, debated, discussed, and compromised on in 1982. Mr. Chairman, we all left something on the table in 1982. None of us got all of what we wanted; some of us who come from areas that are naturally arid, where the economic unit for a family to enjoy a success in farming is by the forces of nature required to be larger than it is in some of the more naturally verdant areas, some of us wanted more than 960 acres.

Mr. Chairman, in the history of the Reclamation Act, going back to 1902, there has always been a limitation on the ownership: That is to say, how many acres of land can a landowner receive subsidized water on and continue to use it. Originally that was 160 acres. In 1982, we raised that to 960 acres.

Mr. Chairman, it is essential to understand that the subsidy, this word we will be hearing so much of in the next day or two, is not in the form of cash. It is in the form of how much money the farmers have got to pay for the water. That is to say, they pay something less than the actual full cost of the water, the full cost to the Federal Government of delivering water to them. That is done under a formula governed by a law and regulation.

However, there has never been any prohibition on a landowner leasing his lands to somebody else to operate, to farm for him. I remember back in the late 1970's and the early 1980's when we had Secretary Andrus up before the Interior and Insular Affairs Committee. Those were the days that I was on the Interior and Insular Affairs Committee. Secretary Andrus was perhaps the sharpest critic of the reclamation program ever to serve as Secretary of the Interior, at least in my memory, short as that may be. Under questioning in the Interior and Insular Affairs Committee, perhaps it was the subcommittee, Secretary Andrus admitted that the farms in the West-

lands Water District by name were not violating the law, because in fact, once again, the law never prohibited a landowner from leasing his lands to somebody else to farm for him or her. That same debate carried over into 1982.

The GAO report on which Mr. MILLER builds his case itself says that there is no prohibition on leasing land. Members may ask, Does that violate the spirit of the reclamation program, does that violate the spirit of the reclamation law? The answer is that as long as the lease is an arms-length lease, that is to say as long as the lessee is paying a fair market value for the cost of that lease, the answer is that it is within the letter and the spirit of the reclamation law, because land on which subsidized water is available for use for farming is going to be worth more in terms of somebody selling it, or in terms of somebody leasing it out, than land on which no such water is available. Therefore, the lessor, the farm operator that Mr. MILLER calls outrageously large, has got to pay more to the landowner for leasing that land on which subsidized water is deliverable and usable. That additional cost of leasing the land, additional compared to the land without the Federal water, represents the value of the subsidy, and therefore the subsidy is going through the lease to the landowner who is exactly the person that the reclamation law starting in 1902, replicated in 1982, is intended to serve.

I stress that leasing was never prohibited under the 1902 law, and leasing was not prohibited under the 1982 law. We all agreed to that in 1982.

Let me mention one more point, and that is this business of farm management. Once again, if the farm manager is not receiving any of the subsidy directly or indirectly on the water, if he is just being paid a fee for managing the land, that means that the subsidy is going to the landowner, and the amendments that we shall apparently be considering, not tonight but tomorrow, change that. And I must stress that that is not a technical change, that is not a subtle change, that is not a small change. That is a fundamental, a revolutionary change of the most basic sort.

That is why I am most regretful that my colleague, the gentleman from California [Mr. MILLER], did not bring this subject to a hearing in his subcommittee and in the committee. He is really one of the most knowledgeable Members on reclamation law, although he has his own perspective on it and chooses to rely on an interpretation that was never part of the legal history or the legislative intent of Congress. And I say that simply to amplify my deepest regret that this matter has not been heard in the committee for the purpose of this legislation. Nobody has heard from the farmers who would be affected. Nobody has heard from the reclamation officials in any kind of an examination or crossexamination. That is the essence of a committee hearing, and this is a complicated subject. Quite honestly, it is a lot to ask of our colleagues to try to understand something that is sweeping and at the same time that runs as deep as the kinds of amendments that we are going to be forced to consider tomorrow.

I regret this. I think it is a taint on the process.

Let me just leave off where I began. There is really nothing new, except perhaps some details, that we are going to be considering in the next few days. It was something that we all compromised on in 1982. We all left something on the table. Mr. MILLER was successful in driving up the cost of the water under the law. The cost of the water is more than that which I should have preferred back in 1982.

□ 1640

He was successful in taking existing contracts then and imposing new legal requirements before those contracts expired, and he is proud to say that the courts upheld that because it was controversial then.

So Mr. MILLER, in 1982, can take a lot of credit for having made strides and he worked very hard then, really, very hard indeed through the subcommittee, through the committee, and in conference,

All I am trying to say is that the kinds of amendments that he is bringing are of the same magnitude that deserve really the same kind of treatment, and some of us are simply going to have to fight them as hard as we can.

Mr. THOMAS of Wyoming. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MCCANDLESS].

Mr. MCCANDLESS. Mr. Chairman, I rise in strong support for H.R. 2567, the Reclamation Authorization and Adjustments Act. This bill will authorize the Bureau of Reclamation to conduct much needed research and construction of several crucial water and power projects. Of particular interest to dryer areas of the country are those projects aimed at controlling the salinity of various bodies of water. Rising salinity on farmlands and in waterways is a chronic problem throughout the West. Toward a solution to this problem, H.R. 2567 provides for a research project in the Salton Sea area of southern California regarding an enhanced evaporation system for saline water. This project would test technology to reduce and concentrate large quantities of highly saline water, using the residual brines for electrical energy production. The research, involving a maximum Federal expenditure of $10 million with 50 percent State and local cost sharing, would pump approximately 250,000 metric tons of highly saline water per year from the Salton Sea, evaporate it using a new process developed by Ormat technical services, and generate electrical energy from residual brines. The environmental benefits of this research are many. This project will increase water evaporation rates over a relatively much smaller area than previously used methods. In addition, potential benefits exist for improved disposal methods of saline and other toxic wastes, possible U.S. military use as well as improved management of highly saline water in more arid wilderness areas. This technology is especially important in light of rising salinity levels and the threat this poses to fishery resources and recreational enjoyment of the Salton Sea, I am pleased to add my support of this important authorization for Bureau of Reclamation activity.

Mr. THOMAS of Wyoming. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. COMBEST].

Mr. COMBEST. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise today in support of H.R. 2567, and specifically, the Lake Meridith salinity control project. I introduced this title of the bill as H.R. 1143 at the beginning of the 101st Congress.

This legislation stems from a 1985 Bureau of Reclamation study that not only confirmed the high concentration of salt in the drinking water, but identified the source of the salt pollution, and presented a potential solution to the problem. With legislation introduced in both the 100th and 101st Congresses, one-half of a million people have been hopeful that clean drinking water is coming, and now it finally will.

Anyone who has been to west Texas knows that the scarce and valuable water supply is the basic lifeline for the area. However, the quality of the drinking water has been continually deteriorating to a point that it sometimes is below health and environmental standards. With this legislation, we can help people help themselves. Under the proposal, the Federal Government would pay no more than 33 percent of the cost of the project, with the remaining cost coming from the beneficiaries. This is a small Federal investment compared to the strong commitment from the area water authority.

As the sponsor of the Lake Meridith salinity bill, I pass on the gratitude of the thousands of people who will have safe and clean drinking water because of this legislation.

Mr. THOMAS of Wyoming. Mr. Chairman, I yield 2 minutes to the

gentleman from California [Mr. LEHMAN].

Mr. LEHMAN of California. Mr. Chairman, I had hoped to rise in support of this legislation. After all, it does include a small project in my district. Unfortunately, I am in the position of having to oppose the legislation if the Miller amendment is included within it.

Tomorrow, in light of the situation with the Miller amendment, I intend to offer an amendment to Miller which addresses the specific issue of family farms. My amendment is very simple. It would allow three-generation family farms to continue to be operated as one entity and receive Federal reclamation water.

The amendment would permit nonminor children and grandchildren to be part of a family trust and still qualify for Federal water. It would not allow minor children or nonfamily investors to participate in the blessings of the reclamation water.

The amendment would not affect any other nonfamily trusts, partnerships, or farming arrangements explicitly prohibited under the Miller amendment.

The amendment would, however, force changes in certain existing family trusts and family operations with minor children, a mother, or other noneligible family member involved.

This is a put-up-or-shut-up amendment. Either we mean what we say about protecting family operations or we do not.

In 1987, speaking before the Senate Committee on Energy and Natural Resources, Mr. MILLER said and I quote, "Let me make it clear that Congressman Coelho's bill and my bill would allow for farm management arrangements so that families that have alienated their land to the children, bring that back together, could farm it out as one operation, recognizing that the economic entities are in fact separable and that they are irrevocable."

Tomorrow I intend to offer an amendment to make sure that that promise is fulfilled.

Mr. MILLER of California. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. SARPALIUS].

Mr. SARPALIUS. I thank the gentleman for yielding.

Mr. Chairman, I hold here with me a clean glass of drinking water, something that so many of us enjoy and cherish throughout this country. But in my district, in the heart of my district, there is a lake known as Lake Meredith that provides the drinking water supply for 13 cities, including the cities of Amarillo and Lubbock, TX. Today, in Lake Meredith, traveling from salt, going along the Canadian River, which originates in New Mexico, there is 80 tons of salt poured into this lake every day. The water tastes a lot different than the clean, fresh drinking water that so many of you cherish and enjoy.

In this piece of legislation before us is a proposal for a joint venture where the Federal Government will pay a third of the cost of eliminating the salt in Lake Meredith, the State will pay a third and the local governments will pay a third, which is a fair compromise.

I encourage my colleagues to support this legislation to give my constituents the opportunity to enjoy a good, clean glass of fresh, clean water.

Mr. THOMAS of Wyoming. Mr. Chairman, I yield myself 1 minute.

I simply want to reiterate the fact that we brought together in the committee a number of projects, noncontroversial projects, projects that have considerable merit, and I certainly want to urge my colleagues to support the bill.

Mr. RAHALL. Mr. Chairman, as reported by the Committee on Interior and Insular Affairs, H.R. 2567 contains a provision I sponsored to authorize and direct the U.S. Fish and Wildlife Service, in consultation with the Office of Surface Mining and State of West Virginia, to undertake a demonstration project consisting of the necessary studies and the construction of a fish hatchery utilizing mine effluents in McDowell County, WV. The bill would authorize $1 million for this project.

Under the technical amendments being offered by the committee, we are modifying this provision so that it authorizes the Fish and Wildlife Service, in consultation with the State of West Virginia, to conduct a feasibility study on establishing a trout hatchery in McDowell County, WV. Based on the study results, the bill authorizes $2.5 million for the construction of the hatchery.

I would like to extend my deepest appreciation to the chairman of the Subcommittee on Water, Power, and Offshore Energy Resources, GEORGE MILLER, for his support of my amendment during the interior Committee's consideration of this measure. I would also thank the distinguished chairman of the Committee on Merchant Marine and Fisheries, WALTER JONES, and the chairman of that committee's Subcommittee on Fisheries and Wildlife Conservation and the Environment, GERRY STUDDS, for their willingness to work with me on the version of this provision that is incorporated in the committee technical amendments. This gentleman from West Virginia will certainly remember the support these distinguished chairmen have given to an issue of paramount importance to southern West Virginia.

There is a pressing need for a new fish hatchery to provide stocked trout for southern West Virginia's lakes and streams. At present, we are faced with a dual fold problem: There is inadequate hatchery capacity to meet demand, and, existing hatcheries are too distant from many southern West Virginia lakes and streams to make trout distribution feasible.

In an effort to address this situation, two potential hatchery sites in McDowell County have been identified by the West Virginia Division of Natural Resources. The project is feasible due to the existence of mine discharges that have been tested as being an excellent source of nonacidic cold water. In fact, it is estimated that this site could support an annual production capacity of 25,000 pounds of trout.

As West Virginia Division of Natural Resources Director Ed Hamrick explained in a recent letter to me:

Since springs with sufficient flow to support a trout hatchery do not occur in southern West Virginia, the only source of large volumes of cold water are mine discharges. Mine discharges in that area of West Virginia are generally not acidic and could be suitable as a hatchery water supply.

Mr. Chairman, it should also be noted that under the amendment, the fish hatchery would be known as the Carl R. Sullivan National Fish Hatchery. Mr. Sullivan, or "Sully" as he is known to his friends, is often referred to as "the fisherman's fisherman" and serves as a Natural Resources Commissioner of the West Virginia Division of Natural Resources. While his activities and accomplishments on behalf of fishing are extensive, perhaps the most noteworthy was the crucial role he played in the passage of the 1984 amendments to the Federal Sport Fish Restoration Act.

As West Virginia DNR Director Hamrick wrote in a recent issue of Wonderful West Virginia:

Because of his tireless efforts, we owe Carl our gratitude for this landmark amendment which expanded the Sport Fish Restoration Act and which made so much more possible for fishermen everywhere. Mountain State anglers can take pride in the knowledge that with every purchase of fishing equipment, an investment in sport fishing for West Virginia and the entire country is made. We can also be proud of the Mountaineer who played such a pivotal role in establishing this valuable legislation.

Mr. Chairman, I urge the adoption of H.R. 2567.

Mr. THOMAS of Wyoming. Mr. Chairman, I have no further requests for time and I yield back the balance of my time.

Mr. MILLER of California. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

□ 1650

The CHAIRMAN pro tempore (Mr. MCNULTY). Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered by titles as an original bill for the purpose of amendment, and each title is considered as read. No amendment to said substitute, except pro forma amendments for the purpose of debate, shall be in order except those amendments printed in the "Amendment" portion of the CONGRESSIONAL RECORD.

The Clerk will designate section 1.

Mr. MILLER of California. Mr. Chairman, I make the unanimous-consent request that we discussed earlier,

that the bill be printed in the RECORD and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

Mr. PASHAYAN. Mr. Chairman, reserving the right to object, and I may object in a few moments, I yield to the gentleman from California [Mr. MILLER] to more fully explain please what he has requested.

Mr. MILLER of California. The request would be so that we could start the amendment process today. It is my understanding that under the rule, individuals would still have until tonight to file amendments in the RECORD.

By doing it this way, we protect those individuals, should a Member, and I am not aware of any Member that seeks to do this, they would be protected, whereas if we started to consider amendments title by title, and we closed the title, and some Member has an amendment that we are not aware of in the proceedings here, they would lose their right, except by unanimous consent.

It is the request of the leadership that we do this so that we could deal with a number of noncontroversial amendments, getting them out of the way this evening, and then continue with the bill, I believe is the first order. I do not want to speak for the leadership but my understanding is it would be the first order of business at the conclusion of 1-minutes tomorrow. It is my expectation that that would allow me to take up my technical amendment, dealing with essentially just technical corrections within the bill, the appropriate penalties which would allow the Bureau of Reclamation greater flexibility. Right now they just have one or two harsh penalties, and even a minor infraction, and they can threaten to cut off your water, try to have them develop a greater flexibility there. There is a potential amendment on the stream flows at the Buffalo Bill Dam that I have had under discussion with Mr. THOMAS. The gentleman from Oklahoma [Mr. WATKINS] has my amendment, and my understanding is that the gentleman from Colorado [Mr. HEFLEY] has an amendment which I have a technical amendment, which has been cleared with the minority.

So it is my speculation that none of those would, in fact, require a record vote, and we would be able to finish those. The other amendments that are on the list that the gentleman has could conceivably require a record vote. I think the membership's expectations are that we would not do that this evening.

Mr. PASHAYAN. Mr. Chairman, further reserving the right to object, is it the gentleman's intention himself to put into the RECORD tonight any others?

Mr. MILLER of California. No, I have no intent or expectations of doing that.

Mr. PASHAYAN. Mr. Chairman, I observe that the gentleman from Oklahoma [Mr. WATKINS] is here.

Continuing to reserve the right to object, I yield to the gentleman so that he can explain this.

Mr. WATKINS. Mr. Chairman, the question of the gentleman is, would he like to know what my particular amendment does? Let me say that it is a win-win amendment. Basically, as the gentleman knows, one of the policies is to try to allow the refinancing of Government projects like the Bureau of Reclamation, where the private financing which would relieve the Federal Government of that burden of debt, as well as being able to assist the local entities in being able to finance from private financing.

What this would do would be to pay off—believe it or not, but this is something that will happen—is that it would pay off the Federal Government for this particular project. It would be a win-win for the Federal Government as well as for this particular entity in Oklahoma, the authority there that is providing water for primarily Oklahoma City in that area, but some of the other entities along the way. That is the primary purpose of the amendment.

The policies, basically under President Reagan, he pushed for policies that would allow these particular type projects to be able to be paid off and be good for the Federal Government, because it would take this burden of debt off the rolls, and would allow the States to go after the private funding in a short period of time and allow them to save, at least the water users to save a lot of money at no cost to the Federal Government.

Mr. PASHAYAN. Mr. Chairman, I certainly applaud the philosophy behind the gentleman's amendment.

If the gentleman will amend his request to strike from it the first amendment which he describes as his "technical amendment," I shall not object to the remaining four, but will object to his first amendment that he describes as his own technical amendment.

Let me explain my thinking on that: That is an enormously difficult and complicted area, and what may appear to be, or what the gentleman even intends to be merely a technical amendment might have far more than merely technical application or ramifications. I should feel more comfortable in having the evening to appeciate the fine points of the amendment. I shall object to the first amendment.

Mr. MILLER of California. Mr. Chairman, if I can address the Chair and restate my unanimous-consent request as I understand it, it would be my unanimous-consent request that the bill be considered as read, and open for amendment at any point, given the reservations of the gentleman from California [Mr. PASHAYAN], it would be my intent not to, this evening, to offer the technical amendment No. 1, and I would say, however, if there is a problem with that, we ought to try to see if there is a change that can be put in the RECORD this evening. But it would be my intent not to offer the technical amendment, and to proceed with the other amendments outlined in the colloquy under the reservation.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

Mr. PASHAYAN. Mr. Chairman, reserving my right to object, I should like to get just a little bit more explanation on the gentleman's amendment that he has styled "the penalties" amendment.

Mr. MILLER of California. Mr. Chairman, it is my understanding that under current law, the Bureau of Reclamation, for minor infractions of the rules and the regulations, is left very often with either the actual cutoff of people's water or certainly the threat to do that, or they may charge the full cost for any water that they have delivered under the time of the infraction.

It has been brought to our attention that the people feel this is too heavy-handed because many of these things are good faith mistakes in the filing of documents or applications or permit processes, and we would authorize the Secretary to establish a set of penalties to be imposed upon the basis of the infraction, and see what the Secretary comes up with.

Mr. PASHAYAN. Mr. Chairman, reserving my right to object, will the gentleman permit me an analogy in the criminal law, although this is, of course, not criminal law. But the analogy is that there are some crimes whose punishments have mandatory minimums, 20-year minimums, 15-year minimums, and it is the experience of some prosecutors at least that often the accused will be found not guilty by the jury at the argument of the defense counsel who says the commission here is of such a small magnitude, if he is found guilty the penalty will have to be far greater than what the commission really requires, and therefore the jury sympathizes and find the defendant not guilty. Is the gentleman sort of saying in a very loose analogy, perhaps more colorful than it ought to be, but is the gentleman saying that if we give the Secretary more flexibility in the kinds of ways he can choose to enforce the law that that will, in fact, improve and increase his opportunity equitably to enforce the provisions by taking away just a club and giving him, as it were, a scalpel? Is that more

or less the idea behind his amendment?

Mr. MILLER of California. That is my intent. To continue your analogy, sort of the only penalty the Secretary has at the moment is hanging, and this was brought to our attention by the Arizona Water Users. They apparently have run up against this problem numerous times. If they think they can work out something with the Secretary that is more appropriate, I do not have any problem with it.

Mr. PASHAYAN. In other words, the gentleman would say that perhaps the Secretary chooses not to enforce because he knows that the only remedy is something that is a club, when the infraction does not deserve as its remedy a club? That is something less than that, and this gives him a whole range of remedies that he has not now, and therefore will improve his ability to make a wider spectrum of enforcement?

Mr. MILLER of California. The gentleman is correct.

Mr. PASHAYAN. Mr. Chairman, I object only to the first amendment.

Mr. MILLER of California. Mr. Chairman, I have ruled that one out.

Mr. PASHAYAN. Then I have no objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 2567

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Reclamation Projects Authorization and Adjustment Act of 1989".

SEC. 2. DEFINITION OF SECRETARY.

For purposes of this Act, the term "Secretary" means the Secretary of the Interior.

TITLE I—BUFFALO BILL DAM AND RESERVOIR, WYOMING

SEC. 101. ADDITIONAL AUTHORIZATION OF APPROPRIATIONS.

Title I of Public Law 97-293 (96 Stat. 1261) is amended as follows:

(1) In the second sentence of section 101, by striking "replacing the existing Shoshone Powerplant," and inserting "constructing power generating facilities with a total installed capacity of 25.5 megawatts,".

(2) In section 102—

(A) by amending the heading to read as follows: "RECREATIONAL FACILITIES, CONSERVATION, AND FISH AND WILDLIFE"; and

(B) by adding at the end the following: "The construction of recreational facilities in excess of the amount required to replace or relocate existing facilities is authorized, and the costs of such construction shall be borne equally by the United States and the State of Wyoming pursuant to the Federal Water Project Recreation Act.".

(3) In section 106(a)—

(A) by striking "for construction of the Buffalo Bill Dam and Reservoir modifications the sum of $106,700,000 (October 1982 price levels)" and inserting "for the Federal share of the construction of the Buffalo Bill Dam and Reservoir modifications and recreational facilities the sum of $80,000,000 (October 1988 price levels)"; and

(B) by striking "modifications" and all that follows and inserting "modifications.".

TITLE II—TREATMENT OF DRAINAGE FROM THE LEADVILLE MINE DRAINAGE TUNNEL, COLORADO

SEC. 201. AUTHORIZATION OF CONSTRUCTION, OPERATION, AND MAINTENANCE.

In order that water flowing from the Leadville Mine Drainage Tunnel, Colorado shall meet water quality standards, the Secretary is authorized, subject to the provisions of section 204 of this title, to—

(a) design, construct, operate and maintain a water treatment plant, including the disposal of sludge produced by such a treatment plant, as appropriate, and

(b) install concrete lining on the rehabilitated portion of the Leadville Mine Drainage Tunnel.

SEC. 202. DESIGN.

The treatment plant authorized by section 201 shall be designed and constructed to treat the quantity and quality of effluent historically discharged from the Leadville Mine Drainage Tunnel, and to meet requirements of the Clean Water Act.

SEC. 203. TREATMENT OF COSTS.

Design, construction, and operation and maintenance costs of the works authorized by section 201 shall be nonreimbursable.

SEC. 204. DESIGN AND OPERATION NOTIFICATION.

Prior to the initiation of construction and during construction of the works authorized by section 201, the Secretary shall submit the plans for design and operation of the works to the Administrator of the Environmental Protection Agency, and the State of Colorado to obtain their views on the design and operation plans. After such review and consultation, the Secretary shall notify the Speaker of the House of Representatives and the President Pro Tempore of the Senate that the discharge from the works to be constructed will meet the requirements set forth in Federal Facilities Compliance Agreement No. FFCA-89-1, entered into by the Bureau of Reclamation and the Environmental Protection Agency on February 7, 1989, and in National Pollutant Discharge Elimination System permit No. CO-0021717 issued to the Bureau of Reclamation in 1975 and reissued in 1979 and 1981.

SEC. 205. OPERATION AND MAINTENANCE.

The Secretary shall be responsible for operation, maintenance, and replacement of the water treatment plant, including sludge disposal authorized by this title. The Secretary may carry out the responsibilities of this section by contract.

SEC. 206. RESTORATION OF FISH AND WILDLIFE RESOURCES.

(a) AUTHORIZATION.—The Secretary is authorized, in consultation with the State of Colorado, to formulate and implement, subject to the provisions of subsection (b) of this section, a program for the restoration of fish and wildlife resources of those portions of the Arkansas River basin impacted by the effluent discharged from the Leadville Mine Drainage Tunnel. The formulation of the program shall be undertaken with appropriate public consultation.

(b) NOTIFICATION TO THE CONGRESS.—Prior to implementing the program, the Secretary shall submit a copy of the proposed restoration program to the Speaker of the House of Representatives and the President Pro Tempore of the Senate for a period of not to exceed sixty days.

SEC. 207. AUTHORIZATION OF APPROPRIATIONS

There is hereby authorized to be appropriated beginning October 1, 1989 to carry out the activities specified in section 201 through 206 of this title, the sum of $15,000,000, and in addition, such sums as may be necessary for operation and maintenance of the works authorized by section 201 of this title.

TITLE III—LAKE MEREDITH SALINITY CONTROL PROJECT

SEC. 301. AUTHORIZATION TO CONSTRUCT AND TEST.

The Secretary is authorized to construct and test the Lake Meredith Salinity Control Project, New Mexico and Texas, in accordance with the Federal Reclamation laws (Act of June 17, 1902, 32 Stat. 788, and Acts amendatory thereof or supplementary thereto) and the provisions of this title and the plan set out in the June 1985 Technical Report of the Bureau of Reclamation on this project with such modification of, omissions from, or additions to the works, as the Secretary may find proper and necessary for the purpose of improving the quality of water delivered to the Canadian River downstream of Ute Reservoir, New Mexico, and entering Lake Meredith, Texas. The principal features of the project shall consist of production wells, observation wells, pipelines, pumping plants, brine disposal facilities, and other appurtenant facilities.

SEC. 302. CONSTRUCTION CONTRACT WITH THE CANADIAN RIVER MUNICIPAL WATER AUTHORITY.

(a) AUTHORITY TO CONTRACT.—The Secretary is authorized to enter into a contract with the Canadian River Municipal Water Authority of Texas (hereafter in this title the "Authority") for the design and construction management of project facilities by the Bureau of Reclamation and for the payment of construction costs by the Authority. Operation and maintenance of project facilities upon completion of construction and testing shall be the responsibility of the Authority.

(b) CONSTRUCTION CONTINGENT ON CONTRACT.—Construction of the project shall not be commenced until a contract has been executed by the Secretary with the Authority, and the State of New Mexico has granted the necessary permits for the project facilities.

SEC. 303. PROJECT COSTS.

(a) CANADIAN RIVER MUNICIPAL WATER AUTHORITY SHARE.—All costs of construction of project facilities shall be advanced by the Authority as the non-Federal contribution toward implementation of this title. Pursuant to the terms of the contract authorized by section 302 of this title, these funds shall be advanced on a schedule mutually acceptable to the Authority and the Secretary, as necessary to meet the expense of carrying out construction and land acquisition activities.

(b) FEDERAL SHARE.—All project costs for design preparation, and construction management shall be nonreimbursable as the Federal contribution for environmental enhancement by water quality improvement, except that the Federal contribution shall not exceed 33 per centum of the total project costs.

SEC. 304. CONSTRUCTION AND CONTROL.

(a) PRECONSTRUCTION.—The Secretary shall, upon entering into the contract specified in section 302 with the Authority, proceed with preconstruction planning, preparation of designs and specifications, acquir-

ing permits, acquisition of land and rights, and award of construction contracts pending availability of appropriated funds.

(b) TERMINATION OF CONSTRUCTION.—At any time following the first advance of funds, the Authority may request that the Secretary terminate activities then in progress, and such request shall be binding upon the Secretary, except that, upon termination of construction pursuant to this section, the Authority shall reimburse to the Secretary a sum equal to 67 per centum of all costs incurred by the Secretary in project verification, design and construction management, reduced by any sums previously paid by the Authority to the Secretary for such purposes. Upon such termination, the United States is under no obligation to complete the project as a nonreimbursable development.

(c) TRANSFER OF CONTROL.—Upon completion of construction and testing of the project, or upon termination of activities at the request of the Authority, the Secretary shall transfer the care, operation, and maintenance of the project works to the Authority or to a bona fide entity mutually agreeable to the States of New Mexico and Texas. As part of such transfer, the Secretary shall return unexpended balances of the funds advanced, assign to the Authority or the bona fide entity the rights to any contract in force, convey to the Authority or the bona fide entity any real estate, easements or personal property acquired by the advanced funds, and provide any data, drawings, or other items of value procured with advanced funds.

SEC. 305. TRANSFER OF TITLE.

Title to any facilities constructed under the authority of this title shall remain with the United States.

SEC. 306. AUTHORIZATION.

There are hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this title, except that the total Federal contribution to the cost of the activities undertaken under the authority of this title shall not exceed 33 per centum.

TITLE IV—CEDAR BLUFF UNIT, KANSAS

SEC. 401. AUTHORIZATION OF REFORMULATION.

The Secretary, consistent with the provisions of the Memorandum of Understanding between the Bureau of Reclamation and the Fish and Wildlife Service of the Department of the Interior, the State of Kansas, and the Cedar Bluff Irrigation District No. 6, dated December 17, 1987, is authorized to reformulate the Cedar Bluff Unit of the Pick-Sloan Missouri Basin Program, Kansas, including reallocation of the conservation capacity of the Cedar Bluff Reservoir, to create—

(1) a designated operating pool, as defined in such Memorandum of Understanding, for fish, wildlife, and recreation purposes, for ground water recharge for environmental, domestic, municipal and industrial uses, and for other purposes; and

(2) a joint-use pool, as defined in such Memorandum of Understanding, for flood control, for water sales, for fish, wildlife, and recreation purposes, and for other purposes.

SEC. 402. CONTRACT WITH THE STATE OF KANSAS FOR OPERATING POOL.

The Secretary may enter into a contract with the State of Kansas for the sale, use and control of the designated operating pool, with the exception of water reserved for the city of Russell, Kansas, and to allow the State of Kansas to acquire use and control of water in the joint-use pool, except that, the State of Kansas shall not permit utilization of water from Cedar Bluff Reservoir to irrigate lands in the Smoky Hill River Basin from Cedar Bluff Reservoir to its confluence with Big Creek.

SEC. 403. CONTRACT WITH THE STATE OF KANSAS FOR CEDAR BLUFF DAM AND RESERVOIR.

(a) AUTHORIZATION.—The Secretary may enter into a contract with the State of Kansas, accepting a payment of $350,000, and the State's commitment to pay a proportionate share of the annual operation, maintenance, and replacement charges for the Cedar Bluff Dam and Reservoir. After the reformulation of the Cedar Bluff Unit authorized by this title, all net revenues received by the United States from the sale of water at the Cedar Bluff Unit shall be credited to the Reclamation Fund.

(b) CONTRACT TERMINATION.—Upon receipt of the payment specified in subsection (a), the Cedar Bluff Irrigation District's obligations under contract number 0-07-70-W0064 shall be terminated.

(c) TRANSFER OF FISH HATCHERY.—The Secretary may transfer ownership of the buildings, fixtures, and equipment of the United States Fish and Wildlife Service fish hatchery facility at Cedar Bluff Dam, and the related water rights, to the State of Kansas for its use and operation for fish, wildlife, and related purposes. If any of the property transferred by this subsection to the State of Kansas is subsequently transferred from State ownership or used for any purpose other than those provided for in this subsection, title to such property shall revert to the United States.

SEC. 404. TRANSFER OF DISTRICT HEADQUARTERS.

The Secretary may transfer title to all interests in real property, buildings, fixtures, equipment, and tools associated with the Cedar Bluff Irrigation District headquarters located near Hays, Kansas, contingent upon the District's agreement to close down the irrigation system to the satisfaction of the Secretary at no additional cost to the United States, after which all easement rights shall revert to the owners of the lands to which the easements are attached. The transferee of any interests conveyed pursuant to this section shall assume all liability with respect to such interests and shall indemnify the United States against all such liability.

SEC. 405. ADDITIONAL ACTIONS.

The Secretary may take all other actions consistent with the provisions of the Memorandum of Understanding referred to in section 401 that the Secretary deems necessary to accomplish the reformulation of the Cedar Bluff Unit.

TITLE V—MISCELLANEOUS PROVISIONS, CENTRAL VALLEY PROJECT, CALIFORNIA

SEC. 501. EXTENSION OF THE TEHAMA-COLUSA CANAL SERVICE AREA.

The first paragraph of section 2 of the Act of September 26, 1950 (64 Stat. 1036), as amended by the Act of August 19, 1967 (81 Stat. 167), and the Act of December 22, 1980 (94 Stat. 3339), authorizing the Sacramento Valley Irrigation Canals, Central Valley Project, California, is further amended by striking: "Tehama, Glenn, and Colusa Counties, and those portions of Yolo County within the boundaries of the Colusa County, Dunnigan, and Yolo-Zamora water districts or" and inserting in lieu thereof: "Tehama, Glenn, and Colusa Counties, those portions of Yolo County within the boundaries of the Colusa County Water District, Dunnigan Water District, Yolo-Zamora Water District, and Yolo County Flood Control and Water Conservation District, and Solano County, or".

SEC. 502. AUTHORIZATION FOR LONG-TERM CONTRACT.

(a) GENERAL AUTHORITY.—Notwithstanding the Energy and Water Development Appropriations Act, 1990, the Secretary is authorized, pursuant to section 203 of the Flood Control Act of 1962 (76 Stat. 1191), to enter into a long-term contract in accordance with Federal Reclamation laws with the Toulumne Regional Water District, California, for the delivery of water from the New Melones Unit, Central Valley Project, California, for the delivery of water from the New Melones project to the county's water distribution system.

(b) RECLAMATION LAWS.—For purposes of subsection (a), the term "Federal Reclamation laws" means the Act of June 17, 1902 (32 Stat. 388), and Acts supplementary thereto and amendatory thereof.

TITLE VI—SALTON SEA RESEARCH PROJECT

SEC. 601. RESEARCH ON ENHANCED EVAPORATION SYSTEM FOR SALINE WATER.

The Secretary is authorized to conduct a research project for the development of an enhanced evaporation system for saline water treatment. The project shall be located in the area of the Salton Sea of Southern California.

SEC. 602. COST-SHARING.

The non-Federal share of the cost of the research project referred to in section 601 shall be 50 per centum of the total cost of the project.

SEC. 603. REPORT.

Not later than September 30, 1994, the Secretary shall submit a report to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate regarding the results of the research project referred to in section 601.

SEC. 604. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated $10,000,000 to carry out the provisions of this title.

TITLE VII—AMENDMENT TO SABINE RIVER COMPACT

SEC. 701. CONSENT TO AMENDMENT TO SABINE RIVER COMPACT.

The consent of Congress is given to the amendment, described in section 703, to the interstate compact, described in section 702, relating to the waters of the Sabine River and its tributaries.

SEC. 702. COMPACT DESCRIBED.

The compact referred to in the previous section is the compact between the States of Texas and Louisiana, and consented to by Congress in the Act of August 10, 1954 (Chapter 668; 68 Stat. 690; Public Law 85-78).

SEC. 703. AMENDMENT.

The amendment referred to in section 701 strikes "One of the Louisiana members shall be ex officio the Director of the Louisiana Department of Public Works; the other Louisiana member shall be a resident of the Sabine Watershed and shall be appointed by the Governor of Louisiana for a term of four years: Provided, That the first member so appointed shall serve until June 30, 1958." in article VII(c) and inserts "The Louisiana members shall be residents of the Sabine Watershed and shall be appointed by the Governor for a term of four years, which shall run concurrent with the term of the Governor.".

TITLE VIII—NAME CHANGE

SEC. 801. DESIGNATION.

The Salt-Gila Aqueduct of the Central Arizona Project, constructed, operated, and maintained under section 301(a)(7) of the Colorado River Basin Project Act (43 U.S.C. 1521(a)(7)), hereafter shall be known and designated as the "Fannin-McFarland Aqueduct".

SEC. 802. REFERENCES.

Any reference in any law, regulation, document, record, map, or other paper of the United States to the aqueduct referred to in Sec. 801 hereby is deemed to be a reference to the "Fannin-McFarland Aqueduct".

TITLE IX—WARREN ACT AMENDMENTS

SEC. 901. EXCESS STORAGE AND CARRYING CAPACITY.

The first sentence of the first section of the Act of February 21, 1911 (43 U.S.C. 523; commonly known as the "Warren Act"), is amended—

(a) by striking out "lands to be irrigated under any project" and inserting in lieu thereof "water users then entitled to the delivery of water from a Federal reclamation project";

(b) by striking out "lands and entrymen under the project" and inserting in lieu thereof "users of the Federal reclamation project, including fish and wildlife purposes,"; and

(c) by inserting before the final period ", municipal, industrial, domestic, or miscellaneous purposes, including fish and wildlife purposes".

SEC. 902. LIMITATION.

The second proviso in section 2 of such Act (43 U.S.C. 524) is amended—

(a) by inserting "for irrigation uses" after "furnished"; and

(b) by striking out "one hundred and sixty acres" and inserting in lieu thereof "that landowner's ownership entitlement under Federal reclamation law".

TITLE X—AMENDMENT TO THE RECLAMATION PROJECT ACT OF 1939

SEC. 1001. CONTRACT AMENDMENTS.

Subsection (h) of section 8 of the Reclamation Project Act of 1939 (43 U.S.C. 485g(h)) is amended to read as follows:

"(h) If any classification or reclassification of irrigable lands undertaken pursuant to this section results in an increase in the outstanding construction charges or rate of repayment on any project, as established by an existing contract with an organization, the Secretary shall amend the contract to increase the construction obligation or the rate of repayment. No other modification in outstanding construction charges or repayment rates may be made by reason of a classification or reclassification undertaken pursuant to this section without the approval of Congress."

TITLE XI—WATER RECLAMATION AND REUSE

SEC. 1101. PARTICIPATION IN STUDY.

The Secretary is authorized to participate with the City of San Diego, California in the conduct of a study of conceptual plans for water reclamation and reuse. The Federal share of the cost of the study referred to in this section shall not exceed 50 per centum of the total cost of the study.

SEC. 1102. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated the sum of $250,000 to carry out the Federal share of the study specified in section 1101 of this title.

TITLE XII—MINE EFFLUENT FISHERY

SEC. 1201. ESTABLISHMENT OF FISHERY RESOURCES.

The Secretary is authorized and directed to carry out a project demonstrating the efficacy of establishing fishery resources utilizing mine effluents in McDowell County, West Virginia. The project shall be undertaken by the United States Fish and Wildlife Service in consultation with the Office of Surface Mining Reclamation and Enforcement and the State of West Virginia and shall consist of necessary studies and the construction of a hatchery operation. There is hereby authorized to be appropriated the sum of $1,000,000 to carry out the provisions of this title.

□ 1700

AMENDMENT OFFERED BY MR. MILLER OF CALIFORNIA

Mr. MILLER of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of California: 1. On page 19, line 1, amend the title so as to read:

"TITLE X—AMENDMENTS TO RECLAMATION STATUTES".

2. On page 19, line 17, insert the following new section:

SEC. 1002. AUTHORITY FOR APPROPRIATE PENALITIES.

Section 224 of the Reclamation Reform Act of 1982 (43 U.S.C. 390ww), as amended, is further amended by adding at the end of subsection (c) the following: "Notwithstanding any other provision of law, the Secretary shall establish appropriate and effective penalties for failure to comply with any provision of this Act or any regulation established pursuant to this Act.".

Mr. MILLER of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER of California. Mr. Chairman, let me say to the Members of the House that this is the amendment we were just discussing under the reservation of objection by the gentleman from California [Mr. PASHAYAN].

Mr. Chairman, current reclamation law provides a very limited set of penalties for those who are guilty of infractions.

At the present time, there are only two penalties the Secretary can impose. First, the Secretary can cut off water to an irrigator who is found to have violated a rule or law. Or second, the Secretary can charge full cost for any water delivered.

To be candid, these penalties are so severe that they are rarely used. Both the Department and reclamation farmers recognize that some other set of penalties are needed.

The amendment I am offering would authorize the Secretary to establish a set of penalties to be imposed based on the severity of infraction.

Mr. Chairman, I urge adoption of the amendment.

Mr. THOMAS of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Wyoming.

Mr. THOMAS of Wyoming. Mr. Chairman, we have reviewed the amendment, and I know of no objection to it on our side of the aisle.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. MILLER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WATKINS

Mr. WATKINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WATKINS: At the end of the bill, insert the following new title:

TITLE —McGEE CREEK CONTRACT ADJUSTMENT

SEC. . CONTRACT ADJUSTMENT.

(a) AUTHORIZATION.—The Secretary is authorized and directed to enter into a contract with the McGee Creek Water Authority, Oklahoma City, Oklahoma, accepting a payment of $88,629,000.

(b) CONTRACT TERMINATION.—Upon receipt of the payment specified in subsection (a), the McGee Creek Water Authority's obligation under contract between the Authority and the Secretary numbered 0-07-50-X0822, dated October 11, 1979 shall be terminated.

SEC. . TITLE TO PROJECT FACILITIES.

Notwithstanding any payments made by the McGee Creek Water Authority pursuant to section (a) of this title or pursuant to any contract with the Secretary, title to project facilities of the McGee Creek Project, Oklahoma shall remain with the United States.

Mr. WATKINS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. WATKINS. Mr. Chairman, in explanation of this amendment, I would like to first state that I have talked to the chairman and spoken to the minority side about this particular amendment. And basically there is no controversy about it. It is something, as was mentioned earlier, that is really a win-win situation.

This allows the Federal Government to be paid off for this particular Federal project in a shorter period of time, which is a rather unusual, unheard of situation. It is unusual for the Government to be paid back not in a 50-year period of time but in 10 years.

It also allows the entities and the water users in Oklahoma to pay less for their water because this will allow it to be financed over a shorter period of time. It will mean tremendous savings.

So, Mr. Chairman, let me say that I would like to ask for support for the amendment. That would be appreciated not only by me but by hundreds of thousands of people in Oklahoma.

Mr. Chairman, I want to first thank the committee chairman and the ranking minority member for their support and cooperation with this amendment.

Mr. Chairman, my amendment to H.R. 2567, the Reclamation Project Authorization Act, is a win-win agreement between the Federal Government and an Oklahoma authority.

This amendment is very simple. It allows for the refinancing and early repayment of approximately $88 million for the McGee Creek Lake project in Oklahoma. If financed over 50 years it would cost $130 million. By adopting my amendment it will save the Oklahoma City water users $42 million.

The project, the McGee Creek Lake, was financed by the Federal Government over 10 years ago to accommodate the need for additional water to Oklahoma City residents during the Oklahoma oil boom of the 1980's.

The agreement entered into by the McGee Creek Authority and the Federal Government in 1979, called for a 50-year payment plan for the authority, in which payments would begin after construction of the lake.

Construction is now almost complete on the lake, and according to the contract, payments to the Government would begin soon. Recently, the McGee Creek Authority has been able to acquire a local bond which will cover the costs of the lake.

It has been this latest development that I offer this amendment.

With the authority's ability to repay the Federal Government its debt today, my amendment would allow the authority to refinance the project, compensating the Government for the costs accrued to this date.

Mr. Speaker, this is a win-win opportunity for all parties involved. Everyone wins.

The Federal Government gets the full amount of the costs of the project up front and in full. And, the McGee Authority is able to relieve themselves of its Federal debt.

The amendment requires that upon full payment of the debt to the Federal Government, the McGee Creek Authority would be released from the contact.

In a time of failed loans and harder times, this is a unique amendment. It guarantees the Federal Government full payment now. Not over a period of 50 years, but today. It is a chance for the Government to have the money on hand for other purposes or investments.

It makes good money sense for all the parties involved,and I urge my colleagues to support this amendment.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. WATKINS. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I first want to commend the gentleman for the efforts he has made on behalf of this project and this amendment. This will have the positive effect of both getting money to the Federal Government sooner than they would otherwise be entitled to it and saving additional payments that the local individuals would have to make if we financed this over a 50-year period. It would also recapture interest that was foregone during the dispute at the time of the project.

Mr. Chairman, I think this is beneficial to all parties, and we have no objection to the amendment on this side of the aisle.

Mr. THOMAS of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. WATKINS. I yield to the gentleman from Wyoming.

Mr. THOMAS of Wyoming. Mr. Chairman, I rise to congratulate the gentleman from Oklahoma [Mr. WATKINS] on his amendment and state that we have no objection to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. WATKINS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HEFLEY

Mr. HEFLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HEFLEY: On page 7, delete lines 12 through 18 and insert in lieu thereof the following:

SEC. 207. UPPER ARKANSAS RIVER BASIN WATER QUALITY RESTORATION INITIATIVE.

(a) AUTHORIZATION.—The Secretary of the Interior is authorized, in consultation with the State of Colorado, the Environmental Protection Agency, and other Federal entities, to conduct investigations of water pollution sources and impacts attributed to mining related and other development in the Upper Arkansas River Basin, to develop corrective action plans, and to implement corrective action demonstration projects.

(b) UPPER ARKANSAS RIVER BASIN.—For the purposes of subsection (a), the Upper Arkansas River Basin means the hydrologic basin in the Arkansas River in Colorado extending from Pueblo Dam (a United States Bureau of Reclamation facility) upstream to its headwaters.

(c) PUBLIC INVOLVEMENT.—The development of all corrective action plans and subsequent corrective action demonstration projects shall be undertaken with appropriate public involvement pursuant to a public participation plan, consistent with regulations promulgated under the Federal Water Pollution Control Act, developed by the Secretary in consultation with the State of Colorado and the Environmental Protection Agency.

(d) UTILIZATION OF NON-FEDERAL FUNDS AND SERVICES.—The Secretary shall arrange for cost sharing with the State of Colorado and for the utilization of non-Federal funds and in-kind services where possible. The Federal share of costs for the activities authorized subsection (a) of this section shall be limited to 50 percent.

(e) SUBMISSION OF PLANS TO CONGRESS.—Prior to implementing any corrective action demonstration project, the Secretary shall submit a copy of the proposed project plans to the Speaker of the House of Representatives and the President Pro Tempore of the Senate.

(f) CERCLA.—Nothing in this act shall be construed to affect or modify in any way the obligations of liabilities of any person under the development of corrective action plans and implementation of corrective action demonstration projects shall be exclusive of all enforcement actions taken pursuant to the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

SEC. 208. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out the activities specified in sections 201 through 207 of this title, the sum of $20 million (based upon January 1989 prices). There are also authorized to be appropriated such additional sums as may be required for operation and maintenance of the works authorized by sections 201 and 207(a) of this title.

Mr. HEFLEY. Mr. Chairman, I rise to offer an amendment to title II of H.R. 2567, the amendment to authorize an investigation of water pollution sources in the upper basin of the Arkansas River near Leadville, CO.

Leadville is a community that has suffered for its history. One-hundred and fifty years ago, Leadville was home to a thriving lead mining industry and, later, to gold mining. But the mines closed, Leadville entered into a long decline and was left to deal with the environmental aftermath of its past.

Last year, I introduced a bill to authorize $15 million for water treatment activities at the Leadville mine drainage tunnel in order to treat drainage from a number of abandoned mines acquired by the Federal Government as part of the war effort in the 1940's. That bill is the basis for title II of H.R. 2567.

Today, I propose to amend title II in order to authorize a comprehensive study of the upper Arkansas River basin. This amendment, which we've worked out with the Bureau of Reclamation and the Interior Subcommittee staff, basically adds $5 million to the existing title II authorization to start this project, mandates cost sharing with the State of Colorado and the utilization of non-Federal funds and in-kind services where possible, and limits the Federal share to 50 percent of the costs of the pilot project.

Cleanup of the upper Arkansas River basin has been identified as a top priority by the State of Colorado. This amendment mirrors the intent of a May 14 memorandum of understanding between the U.S. Bureau of Reclamation, the Environmental Protection Agency, the Colorado Department of Health and the Colorado Department of Natural Resources.

This investigation and the subsequent demonstration project would serve a number of purposes. First, drainage from abandoned mines has had an obviously adverse effect on the river. The river's brown trout population has been seriously depleted. And small accumulations of heavy metals have been recorded in the Pueblo Reservoir downstream, an important source of water and recreation for the cities of Pueblo and Canon City.

The Bureau of Reclamation hopes this project will stabilize the situation in the upper Arkansas River basin and reestablish the brown trout. In addition, the BOR hopes to use the upper Arkansas River basin as a showcase demonstration project of new technologies for monitoring and treating effluent flow from abandoned mines, a common problem throughout the West and elsewhere.

Among the technologies the Bureau hopes to explore are passive treatment of mine effluent through the construction of artificial wetlands, as well as structural, chemical, and biological treatment of waste water. The Bureau is well placed to spearhead such a study since its engineering center is located in Denver, laboratories are in proximity and the Bureau may draw upon the expertise of the Bureau of Mines.

This project has a number of appealing features. First, it would entail a cooperative effort between the Federal and State governments and leaves open the possibility of involving the private sector in the future. Second, it draws upon and consolidates past studies conducted of the Leadville area in years past and combines them into a comprehensive whole. And lastly, it will help in restoring normality to Leadville, a town which prospered, then suffered, from its past and now looks to tourism for its future.

It is my hope that the cleanup work outlined in this amendment and in the underlying title II will help get Leadville back on its feet. And I'd like to compliment the gentleman from California [Mr. MILLER], his subcommittee staff, and my colleagues in the Colorado delegation for the cooperation that has been shown in this effort.

Mr. CAMPBELL of Colorado. Mr. Chairman, will the gentleman yield?

Mr. HEFLEY. I yield to the gentleman from Colorado.

Mr. CAMPBELL of Colorado. Mr. Chairman, I thank the gentleman for yielding, and I rise in support of the Hefley amendment.

Mr. Chairman, this legislation is particularly important because it authorizes construction of a water treatment facility to help clean up the Arkansas River.

The Arkansas River supplies water for nearly 500,000 people in southern Colorado. The entire Arkansas Valley from Leadville, CO, to Kansas has been plagued by water quality problems as a result of past mining activities at the headwaters of the Arkansas. An estimated 210 tons of cadmium, copper, iron, lead, manganese, and zinc flow in the Arkansas River each year. In fact, the river is all but dead for miles below California Gulch.

The Leadville mine drainage tunnel was constructed by the Bureau of Mines during World War II to facilitate the mining of strategic minerals for the war effort. The Bureau of Reclamation bought the tunnel in 1959, to supplement the water supply to the Frying Pan Arkansas water project.

With the purchase came responsibility for controlling acid mine drainage associated with the tunnel. The EPA has been studying the extent of the water pollution for nearly 4 years. While this bill will not solve the water quality problems presented by the Yak Tunnel, which EPA experts say is responsible for 70 percent of the pollution, it is a step in the right direction.

I am especially encouraged because in November 1988, the Sierra Club and the Colorado Environmental Coalition sued the Department of the Interior because of its lack of efforts with respect to the Leadville Tunnel. That $50 million lawsuit will hopefully be settled as a result of Mr. HEFLEY's bill and the Government's commitment to spend the necessary funds to construct a water treatment facility.

Officials at the Bureau of Reclamation have told me they are ready to begin construction immediately and hope to complete it within 2 years. I will work with the Appropriations Committee to ensure that necessary funding is forthcoming.

I am also happy because this bill represents part of the Bureau's new mission. I support the Bureau's work, and I believe that combined with my efforts to authorize the expansion of the Government's abandoned mines cleanup, we finally will be able to address many of the problems associated with abandoned mines.

Federal officials and the public have focused considerable attention on old mine sites. States and local governments should utilize the Bureau's construction expertise and look at the Bureau as a resource for cooperative, effective cleanup efforts, rather than expensive litigation.

This project is the first of its kind in the region, and I appreciate the attention that the Bureau, Chairman MILLER, and my friend Mr. HEFLEY have given to this problem.

Mr. SCHAEFER. Mr. Chairman, will the gentleman yield?

Mr. HEFLEY. I yield to the gentleman from Colorado.

Mr. SCHAEFER. Mr. Chairman, I rise today in support of Mr. HEFLEY's amendment. The dangerous effects of contaminated mine drainage waters on the Upper Arkansas River are well documented. The State of Colorado has made the cleanup of these wastes a major priority.

The Leadville Tunnel is currently discharging tons of heavy metal effluent into this popular multiuse river. Were these emissions coming from a private company, our EPA would have shut down their operations years ago. Our problem here is that the Federal Government happens to own the tunnel.

Mr. Chairman, I have pushed hard to have Federal facilities operated to the same environmental standards as private industry. The Leadville situation is a perfect example of the problems we currently face. Since the mid-1970's, we have known about the dangerous levels of heavy metals being released. Since the 1970's, we have done nothing to address this environmental travesty.

This authorization will allow us to move ahead with work to clean up discharges from the Leadville Tunnel, and will give our constituents some hope that Congress and our Government intend to live up to the standards we expect from others.

I urge my colleagues to support this effort as well.

□ 1710

Mr. RAHALL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise, as the chairman of the Subcommittee on Mining and Natural Resources, to take note of the concern being expressed by the author of this amendment, the gentleman from Colorado [Mr. HEFLEY], over the health, safety, and environmental hazards being faced by the people of Leadville, CO, stemming from abandoned mines in the region.

It is no secret that throughout the Western States effluents from abandoned noncoal mine lands that were mined years ago for what we call hardrock minerals such as lead, gold and silver are a major cause of water pollution and other environmental threats.

In fact, the General Accounting Office in an April 1988 report conservatively estimated that approximately 281,581 acres of abandoned noncoal "hardrock" mines on Federal lands in the Western States exist, with an estimated reclamation cost of $284 million. Moreover, in a 1982 report the Bureau of Mines estimated that only 8 percent of the 508,000 acres mined for metallic minerals have been reclaimed.

The Subcommittee on Mining and Natural Resources has been extremely diligent in addressing this problem. On October 23, 1989, the House passed H.R. 2095, legislation fashioned by the subcommittee entitled "the Abandoned Mine Reclamation Act of 1989." This bill seeks to extend the existing Abandoned Mine Reclamation Program that focuses on mitigating the adverse health, safety, and environmental hazards from abandoned coal mines.

However, in a major new initiative, the legislation would also establish an abandoned minerals and mineral materials mine reclamation fund in an effort to provide the necessary authorization from which the Federal Government and the States can build toward a more viable abandoned non-

coal mine land reclamation effort in the future.

In effect, we recognize that abandoned noncoal mines can pose the same types of health, safety, and environmental hazards as do abondoned coal mines. Leadville, CO, is a case in point. During an April 18, 1989, oversight hearing by the subcommittee, the director of the Colorado Mined Land Reclamation Division, Fred Banta, noted that Colorado has identified more than 7,000 noncoal sites that are classified as hazardous. He added that there were many more such sites in the State that pose substantial environmental problems caused by acid mine drainage and waste from mining and milling.

Although the House passed H.R. 2095 by a vote of 281 to 63, certain Members from the Western States opposed it. Today, however, we are asked to authorize a special project for Leadville, CO, and I will not oppose the gentleman's amendment. I would only suggest that a comprehensive approach to the problem the gentleman is seeking to address is needed. In this regard, I look forward to receiving a greater degree of support from my friends in the West as we continue with our efforts on abandoned mine reclamation legislation.

AMENDMENT OFFERED BY MR. MILLER OF CALIFORNIA TO THE AMENDMENT OFFERED BY MR. HEFLEY

Mr. MILLER of California. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of California to the amendment offered by Mr. HEFLEY: Add at the end of paragraph (a) of section 207 the following sentence:

"The Secretary of the Interior shall have no authority under this section at facilities or units which are subject to or covered by the Resource Conservation and Recovery Act of the Comprehensive Environmental Response Compensation and Liability Act of 1980."

Replace section 207(f) with the following:

"Nothing in this title affects or modifies, in any way, the obligations or liabilities of any person under other Federal or State law, including common law, with respect to the discharge or release of hazardous substances, pollutants or contaminants, as defined under section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601)."

Mr. MILLER of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER of California. Mr. Chairman, this is an amendment that is offered at the request of the Committee on Energy and Commerce and corrects technical language in the amendment of the gentleman from Colorado [Mr. HEFLEY] dealing with the Superfund and the Resource Recovery and Conservation Act.

Mr. ECKART. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Ohio.

Mr. ECKART. Mr. Chairman, this amendment is a friendly amendment, designed to clarify a point of statutory application.

Mr. HEFLEY's amendment could be read to transfer authority over corrective actions and other cleanup actions at mining related and other development sites from the Environmental Protection Agency, where such authority properly lies, to the Department of the Interior. Such a result would conflict with the mandates of the Superfund—or CERCLA—and RCRA statutes.

In addition, the gentleman's amendment could be read to alter the obligations or liabilities of persons under Superfund and RCRA at such mining related and other development sites.

Mr. Chairman, I understand that the author of the amendment, Mr. HEFLEY, does not intend his amendment to have any such effect, and has no objection to my clarifying amendment. I also understand that my amendment to Mr. HEFLEY's amendment has been cleared with the manager of the legislation, Mr. MILLER of California.

Mr. Chairman, I urge the adoption of the amendment.

Mr. HEFLEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have no objection to the amendment. I think it does clarify the situation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. MILLER] to the amendment offered by the gentleman from Colorado [Mr. HEFLEY].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. HEFLEY], as amended.

The amendment, as amended, was agreed to.

Mr. MILLER of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do not know if the gentleman from Washington [Mr. MORRISON] is coming over, whether he is not.

I think that about concludes the amendment process for this evening. It was originally my intent to offer amendment No. 7 to encourage the State of Wyoming, in cooperation with the U.S. Fish and Wildlife Service, to establish water releases sufficient for the protection of fisheries and other resources in the Shoshone River below the Buffalo Bill Dam. Currently this matter is undergoing negotiations. We have been in touch with the gentleman from Wyoming [Mr. THOMAS] throughout the afternoon and with the Governor of Wyoming, and so I will not offer that amendment tonight. It is our full expectation that an agreement is being worked out and will be satisfactory to all parties so that the amendment will not be offered this evening, and unless there is another amendment that would be allowed under the agreement, that is all for tonight.

Mr. THOMAS of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Wyoming.

Mr. THOMAS of Wyoming. Mr. Chairman, we have no further amendments.

I certainly want to express my appreciation to the gentleman from California [Mr. MILLER] for working with us on this Buffalo Bill in-stream flow thing. We have a way to do it and to provide the same effect in Wyoming, and we are happy to work that out and hope that we can do that.

Mr. MILLER of California. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. ECKART] having assumed the chair, Mr. MCNULTY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2567) providing for the consideration of the bill (H.R. 2567) to authorize additional appropriations for the construction of the Buffalo Bill Dam and Reservoir, Shoshone Project, Pick-Sloan Missouri Basin Program, Wyoming, had come to no resolution thereon.

THE NOLAN RYAN SOLUTION

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BARTON of Texas. Mr. Speaker, too often Members come before this body in 1 minute to talk about problems facing our Nation; seldom do we talk about solutions. Well, today I have a solution to our budget deficit problem. I call it the "Nolan Ryan solution."

As we all know, Nolan Ryan, the great pitcher of the Texas Rangers, threw his sixth career no-hitter against the world champion Oakland A's on Monday evening. He struck out 14, walked 2, and brought his season record to 5 and 3.

Here is my Nolan Ryan solution to the budget. We bring Nolan Ryan to Washington, DC. Any Member who wants to talk about a new spending

program must at least foul off a Nolan Ryan fastball. If he actually hits it, the Congress will let him spend some money on the program. If he hits a home run, we will fully fund the program.

Hats off to Nolan Ryan on his sixth career no-hitter.

[From the Fort Worth Star-Telegram]

RECORD SIXTH LEAVES FANS, PLAYERS IN AWE

(By Tony DeMarco)

OAKLAND, CALIF.—Until last night, Nolan Ryan was the only pitcher in baseball history to throw five no-hitters. Now he's the only one to throw six.

In a performance as dominating as any in his amazing career, the 43-year-old Ryan made the Oakland Athletics his sixth victim, 5-0, at the Oakland Coliseum.

And when the final out was recorded—Willie Randolph's foul fly to rightfielder Ruben Sierra—it was hard to tell who enjoyed it more: Ryan, his family or a group of amazed and joyous Ranger teammates and coaches.

Catcher John Russell, who only a month ago was out of baseball and living in Oklahoma City, said, "It was the most exciting moment of my life. I'm emotionally drained.

"I've never seen a more determined look in a pitcher's eyes in my life. It was his game; he knew what he wanted to do with it. After about the fifth inning, he just reared back and threw the fastball."

A mob of Rangers met Ryan before he could reach the first-base foul line. A few of them put him on their shoulders for a joy ride, and nobody wanted to leave the dugout as Ryan talked to television and radio interviewers.

"He was gassing tonight," Cecil Espy screamed.

"Incredible," said Julio Franco, shaking his head. "Incredible."

In the midst of the on-field celebration was Ryan's 14-year-old son, Reese, who watched the game from the dugout. When asked how often Ryan's son has been in the dugout for a game, Manager Bobby Valentine said: "Not very often. But we may have to start doing it more often. Nolan was throwing absolute gas tonight."

Ryan's wife, Ruth, and 13-year-old daughter, Wendy, watched the game from the stands. Between interviews, they snuck in hugs for Ryan, who became the oldest pitcher to throw a no-hitter. Cy Young (41 years, 3 months) previously held the record.

"I was trying not to be nervous, but I couldn't help it," Ruth said.

Not only was she nervous for her husband, but also for Russell, who was catching Ryan for the first time. When she and Russell crossed paths in the dugout, Ruth said: "I was worried about you."

Ryan's other son, Reid, 17, didn't make the trip because he is playing on a summer team.

Shortstop Jeff Huson's voice shook when asked about the night's toughest defensive chance. With one out in the ninth, Huson charged Rickey Henderson's slow roller and flipped underhanded to first to get the speedy Henderson by a step.

"When he hit it, I said to myself, 'Go get it and get rid of it as quick as you can because Rickey's going to get [to first base] quick'," Huson said, "I charged it hard. If there was going to be a [scoring] decision, I wanted it to be that I'd get an error."

The Athletics were equally impressed.

"It's amazing how he still throws so well at that age," manager Tony LaRussa said.

"He was awesome," Carney Lansford said.

Ryan had lost five previous no-hit bids in the ninth inning, including two last season. But not this time.

No even Ken Phelps could stop Ryan. Earlier this season, Phelps spoiled Brian Holman's no-hit bid with a pinch-hit homer in the bottom of the ninth in Oakland. Ryan struck him out on a changeup to lead off the ninth, when Phelps was pinch-hitting for Mike Gallego.

The Athletics were without Jose Canseco (disc) and Lansford (bicep), who are sidelined with injuries. In addition, manager LaRussa did not start Mark McGwire, who has had little success against Ryan. That left a weakened lineup with Doug Jennings hitting third, Ron Hassey fourth, rookie Felix Jose fifth and Jamie Quirk catching and hitting seventh.

Lansford got his chance in the eighth, when he pinch-hit for Quirk. He lasted only three pitches, striking out on a breaking ball.

RANGERS NUMBERS

[Rangers 5, Athletic 0]

Texas:	ab	r	h	bi	Oakland:	ab	r	h	bi
Pettis cf	5	1	2	0	RHenderson lf	4	0	0	0
Palmeiro 1b	4	1	0	0	Randolph 2b	4	0	0	0
Franco 2b	4	2	2	4	Jennings 1b	3	0	0	0
Sierra rf	3	0	1	0	Hassey dh	3	0	0	0
Baines dh	4	0	1	0	Jose rf	3	0	0	0
Incaviglia lf	4	0	1	0	DHenderson cf	3	0	0	0
JoRussell c	3	1	1	1	Quirk c	2	0	0	0
Buechele 3b	4	0	0	0	Lansford ph	1	0	0	0
Huson ss	3	0	1	0	Steinbach c	0	0	0	0
					Weiss ss	2	0	0	0
					Gallego 3b	1	0	0	0
					Phelps ph	1	0	0	0
Totals	34	5	9	5	Totals	27	0	0	0

Texas	210 020 000—5
Oakland	000 000 000—0

LOB—Texas 6, Oakland 2. HR—Franco 2 (6), JoRussell (2), SR—Pettis (20), Sierra (5), Weiss (5)

Player	IP	H	R	ER	BB	SO
Texas:						
Ryan W, 5-3	9	0	0	0	2	14
Oakland:						
Sanderson L, 7-3	6	8	5	5	2	3
Norris	2	1	0	0	2	3
Nelson	1	0	0	0	0	0

WP—Norris.

Umpires—Home, Denkinger; First, Merrill; Second, Shulock; Third, McClelland.

T—2:49. A—33,436.

HOW THEY SCORED

Rangers first: Pettis singled to left. Pettis stole second. Palmeiro flied out to right. Franco homered to right, Pettis and Franco scored. Sierra walked. Seirra stole second. Baines struck out. Incaviglia grounded out to shortstop. Rangers 2, Athletics 0.

Rangers second: Jo Russell homered to left. Buechele grounded out to shortstop. Huson flied out to left. Pettis singled to left. Pettis caught stealing, catcher to shortstop. Rangers 3, Athletics 0.

Rangers fifth: Huson singled to left. Pettis struck out. Huson caught stealing, catcher to shortstop. Palmeiro walked. Franco homered to left, Palmeiro and Franco scored. Sierra singled to center. Baines struck out. Rangers 5, Athletics 0.

Caught stealing: Rangers. Pettis, Huson.

Strikouts: Rangers—Baines 2, Pettis 2, Sierra, Buechele; Athletics—Randolph, Jennings 2, Hassey 2, R. Henderson, Jose 2, D. Henderson 2, Quirk, Weiss, Lansford, Phelps.

NOLAN RYAN ON THE MOUND

Vital Statistics (Through Monday's game): In his 24th season. Won 294, lost 266 (.525). Pitched in 720 games and 4,844⅔ innings with a 3.17 ERA. Gave up 3,526 hits and 1,943 runs (1,704 earned runs); walked 2,566, struck out 5,152.

No-hitters: Major league record of six no-hitters. Only player to pitch a no-hitter in three decades ('70s, '80s, '90s) and for three teams (California, Houston, Texas).

Low hitters: 12 one-hitters, 19 three-hitters, 59 shutouts. Has carried a no-hitter into the eighth inning five times before giving up a hit.

Records: Holds 45 major league records.

Strikeouts: Has struck out 10 or more in 201 games. Holds major league record for strikeouts. Has struck out 44 MVP winners, 19 Hall-of-Famers, and six father-son combinations.

Last year: Led the major leagues with 301 strikeouts. Was oldest pitcher to fan 300 batters in a season and struck out 100 or more in a season for the 21st time.

Longevity: At 43, oldest pitcher, to throw a no-hitter. Second oldest, Cy Young, was 41 when he pitched a no-hitter against the Yankees in 1908.

□ 1720

BUDGET GAMES MUST NOT JEOPARDIZE PROSECUTIONS IN THE THRIFT INDUSTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, I recently joined some of my colleagues in a letter to President Bush expressing outrage at the Justice Department's handling of the fraud and embezzlement cases arising out of the S&L disaster. This administration appears to be more concerned with budget games than with putting crooks in jail.

The Financial Institutions Reform, Recovery and Enforcement Act of 1989 [FIRREA] authorized an appropriation of $75 million a year for 3 years. Although Justice Department experts testified before Congress that the full amount of funding could well be used on fraud and embezzlement cases, the official budget request of the Justice Department for enforcement activity was cut to $50 million a year for budget purposes.

The Justice Department's budget request does not include one extra position for the U.S. Attorneys' Office or the Criminal Division. This makes no sense since the U.S. Attorneys' Offices have less than 100 attorneys who are now trying to manage a caseload of over 8,000 fraud and embezzlement cases.

The FBI requested an additional 425 agents to handle the fraud and embezzlement cases that lead to the S&L failures but only 202 agents have actually been allocated to this task and they won't be fully in place until August.

As of this spring, over 2,300 investigations were inactive and the FBI was investigating 7,000 cases of fraud and embezzlement. Another 21,000 referrals and complaints are waiting to be addressed.

The S&L disaster was a crime against the public, a crime that will cost the public hun-

dreds of billions of dollars. At a minimum, our constituents deserve to know that the Government will promptly and vigorously investigate and prosecute each instance of wrongdoing. The public is rightfully angry because they see that the enforcement activities are moving at a snail's pace.

There is more at stake here than mere retribution. Mr. Speaker, if we can't spend money to enforce the laws and provide swift punishment for the crooks and swindlers who got us into this mess in the first place, they'll be back to sting us again.

CAMPAIGN REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MICHEL] is recognized for 5 minutes.

Mr. MICHEL. Mr. Speaker, I would like to enter into the RECORD today the 10 bills that make up the House Republican campaign reform package, along with a section-by-section analysis of each bill.

These 10 bills offer a true alternative that will significantly reform the way election compaigns are run in this country. They deserve the close scrutiny and support of all my reform-minded colleagues. The bills are as follows:

SECTION-BY SECTION ANALYSES OF HOUSE REPUBLICAN CAMPAIGN REFORM BILL ON POLITICAL ACTION COMMITTEES

Section 1. Reduce PAC Contributions from $5,000 to $1,000.

No non-party multicandidate political committee (PAC) many make contributions that exceed $1,000 per election.

Section 2. Prohibition on bundling.

No separate segregated fund (corporate, union or trade association PACs), may act as an intermediary or conduit with respect to a contribution to a candidate for Federal office.

Section 3. Prohibition of transfers among noncandidate, nonparty political committees.

PACs may not transfer funds to any other PAC.

Section 4. Prohibition of leadership committees; restrictions on contributions between principal campaign committees.

A candidate for Federal office may not establish, maintain, or control a political committee, other than the principal campaign committee of the candidate.

Transfers among principal campaign committees is prohibited (other than the principal campaign committee of the same individual as a candidate for another Federal office).

H.R. 5030

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REDUCTION IN THE LIMITATION APPLICABLE TO NONPARTY MULTICANDIDATE POLITICAL COMMITTEE CONTRIBUTIONS TO CONDIDATES.

(a) IN GENERAL.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

"(i) Notwithstanding subsection (a)(2)(A), no nonparty multicandidate political committee may make contributions referred to in that subparagraph which, in the aggregate, exceed $1,000.".

(b) TECHNICAL AMENDMENT.—Section 315(a)(2)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)(A)) is amended by inserting after "(A)" the following: "except as provided in subsection (i).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections for Federal office taking place after November 6, 1990.

SEC. 2. PROHIBITION OF SEPARATE SEGREGATED FUND BUNDLING OF CONTRIBUTIONS TO CANDIDATES.

Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end the following new subsection:

"(c) No separate segregated fund (as described in subsection (b)(2)(C)) may act as an intermediary or conduit with respect to a contribution to a candidate for Federal office.".

SEC. 3. PROHIBITION OF TRANSFERS AMONG NONCANDIDATE, NONPARTY POLITICAL COMMITTEES.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 1, is further amended by adding at the end the following new subsection:

"(j) A noncandidate, nonparty political committee may not make contributions, or otherwise transfer funds, to any other noncandidate, nonparty political committee. As used in this subsection, the term 'noncandidate, nonparty political committee' means a political committee that is not an authorized committee of a candidate for Federal office and is not a political committee of a political party.".

SEC. 4. PROHIBITION OF LEADERSHIP COMMITTEES; RESTRICTION ON CONTRIBUTIONS BETWEEN PRINCIPAL CAMPAIGN COMMITTEES.

(a) LEADERSHIP COMMITTEE PROHIBITION.—Section 302 of the Federal Election Campaign Act of 1971 (2 U.S.C. 432) is amended by adding at the end the following new subsection:

"(j) A candidate for Federal office may not establish, maintain, finance, or control a political committee, other than the principal campaign committee of the candidate.".

(b) PRINCIPAL CAMPAIGN COMMITTEE RESTRICTION.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by sections 1 and 3, is further amended by adding at the end the following new subsection:

"(k) A principal campaign committee of a candidate for Federal office may not make any contribution to any other principal campaign committee (other than the principal campaign committee of the same individual as a candidate for another Federal office).".

SECTION-BY-SECTION ANALYSIS OF HOUSE REPUBLICAN CAMPAIGN REFORM BILL ON PARTY BUILDING

Section 1. Income tax credit for qualified political contributions.

A maximum tax credit of $250 ($500 joint return) is allowed for contributions to a candidate for the Senate or the House of Representatives from the contributions' home State.

Section 2. Annual limitation on total individual contributions not to be applicable to certain contributions to political parties.

Contributions by an individual to national, State, and local committees of political parties, that, in the aggregate, do not exceed $25,000 in a calender year shall not count against the $25,000 annual limit.

Section 3. Removal of certain limitations on political party contributions in general elections for federal office.

Limitations on political parties' contributions to candidates are removed. All such contributions remain fully accountable to the Federal Election Commission.

Section 4. Additional party committee coordinated expenditures to offset independent expenditures in Congressional elections.

Political parties may match independent expenditures made by special interests against their nominees.

Section 5. Eliminate use of soft money to directly support the campaigns of federal candidates.

In those cases where federal and non-federal candidates are jointly involved in a campaign, the full share of the federal candidates activities must be paid for with money raised under the FECA.

Section 6. Independent local committees of political parties with authority to make unlimited contributions and expenditures with respect to Congressional elections.

A local committee of a political party may make contributions without limitation to any candidate who is affiliated with that party and is a candidate for Senator or Representative.

H.R. 5031

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCOME TAX CREDIT FOR QUALIFIED POLITICAL CONTRIBUTIONS.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 23 the following new section:

"SEC. 24. QUALIFIED POLITICAL CONTRIBUTIONS.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed, subject to the limitations of subsection (b), as a credit against the tax imposed by this chapter for the taxable year, an amount equal to the amount of qualified political contributions, payment of which is made by the taxpayer within the taxable year.

"(b) LIMITATIONS.—

"(1) MAXIMUM CREDIT.—The credit allowed by subsection (a) for a taxable year shall not exceed $250 ($500 in the case of a joint return under section 6013).

"(2) VERIFICATION.—The credit allowed by subsection (a) shall be allowed, with respect to any qualified political contribution, only if such contribution is verified in such manner as the Secretary shall prescribe by regulations.

"(c) DEFINITIONS.—For purposes of this section:

"(1) QUALIFIED POLITICAL CONTRIBUTION.—The term 'qualified political contribution' means a contribution—

"(A) by a taxpayer who is a resident of the State involved, to a candidate for the office of Senator or Representative in, or Delegate to, the Congress;

"(B) to the national committee of a national political party, the House of Representatives campaign committee of a national political party, or the Senate campaign committee of a national political party;

"(C) by a taxpayer who is a resident of the State involved, to the State committee of a national political party as designated by the national committee of such party; or

"(D) by a taxpayer who is a resident of the State involved, to a local committee of a

national political party as designated by the State committee of such party designated under paragraph (C).

"(2) CANDIDATE.—The term 'candidate' has the meaning given that term in section 301 of the Federal Election Campaign Act of 1971.

"(3) NATIONAL POLITICAL PARTY.—The term 'national political party' means—

"(A) in the case of contributions made during a taxable year of the taxpayer in which the electors of President and Vice President are chosen, a political party presenting candidates or electors for such offices on the official election ballot of 10 or more States, or

"(B) in the case of contributions made during any other taxable year of the taxpayer, a political party which met the qualifications described in subparagraph (A) in the last preceding election of a President and Vice President.

"(4) STATE AND LOCAL.—The term 'State' means the various States and the District of Columbia; and the term 'local' means a political subdivision or part thereof, or 2 or more political subdivisions or parts thereof, of a State.

"(d) CROSS REFERENCES.—

"(1) For disallowance of credits to estates and trusts, see section 642(a)(2).

"(2) For treatment of Indian tribal governments as States (and the political subdivisions of Indian tribal governments as political subdivisions of States), see section 7871."

(b) TECHNICAL AMENDMENTS.—

(1) Subsection (a) of section 642 of such Code is amended to read as follows:

"(a) CREDITS AGAINST TAX.—

"(1) FOREIGN TAX CREDIT ALLOWED.—An estate or trust shall be allowed the credit against tax for taxes imposed by foreign countries and possessions of the United States, to the extent allowed by section 901, only in respect of so much of the taxes described in such section as is not properly allaocable under such section to the beneficiaries.

"(2) QUALIFIED POLITICAL CONTRIBUTION CREDIT NOT ALLOWED.—An estate or trust shall not be allowed the credit against tax for qualified political contributions provided by section 24."

(2) Paragraph (6) of section 7871(a) of such Code is amended by redesignating subparagraphs (A) through (D) as subparagraphs (B) through (E), respectively, and by inserting before subparagraph (B) (as so redesignated) the following new subparagraph:

"(A) section 24(c)(4) (defining State for purposes of credit for qualified political contributions),".

(3) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 23 the following new item:

"Sec. 24. Qualified political contributions.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1989.

SEC. 2. ANNUAL LIMITATION ON TOTAL INDIVIDUAL CONTRIBUTIONS NOT TO BE APPLICABLE TO CERTAIN CONTRIBUTIONS TO POLITICAL PARTIES.

Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by inserting after the first sentence the following new sentence: "In the computation of contributions for purposes of the limitation in the proceding sentence, contributions by an individual to national, State, and local committees of political parties that, in the aggregate, do not exceed $25,000 in a calendar year shall not be taken into account.".

SEC. 3. REMOVAL OF CERTAIN LIMITATIONS ON POLITICAL PARTY CONTRIBUTIONS IN GENERAL ELECTIONS FOR FEDERAL OFFICE.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

"(i) Notwithstanding subsection (a) and subsection (d)(3), no limitation shall apply to contributions in a general election by a political committee of a political party referred to in subsection (d)(3) or by a House of Representatives of Senate campaign committee of a political party.".

SEC. 4. ADDITIONAL PARTY COMMITTEE COORDINATED EXPENDITURES TO OFFSET INDEPENDENT EXPENDITURES IN CONGRESSIONAL ELECTIONS.

Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following new paragraph:

"(4) In addition to the expenditures under paragraph (3), the committees referred to in that paragraph may make expenditures in connection with the general election campaign of a candidate of that party for the office of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress in a total amount of not more than the total amount of independent expenditures expressly advocating the defeat of such candidate and independent expenditures expressly advocating the election of any other candidate.".

SEC. 5. LIMITATIONS AND REPORTING REQUIREMENTS FOR SOFT MONEY.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"LIMITATIONS AND REPORTING REQUIREMENTS FOR THE FEDERAL ELECTION PORTION OF AMOUNTS PAID FOR MIXED ACTIVITIES

"SEC. 324. (a) Any payment by the national committee of a political party or a State committee of a political party for the Federal election portion of a mixed political activity—

"(1) shall be subject to limitation and reporting under this Act as if such payment were an expenditure; and

"(2) may be paid only from an account that is subject to the requirements of this Act.

Subject to subsection (b), the amount of a payment for the Federal election portion of a mixed political activity shall be calculated by determining the percentage of the mixed political activity that is reasonably attributable to the purpose of influencing an election for Federal office.

"(b)(1) In the case of the national committee of a political party, the amount of a payment for the Federal election portion of a mixed political activity—

"(A) in a Presidential election year, shall be not less than 67 percent of the total payment for the mixed political activity; and

"(B) in any other even-numbered year, shall be not less than 33 percent of the total payment for the mixed political activity.

"(2) In the case of a State committee of a political party the amount of a payment for the Federal election portion of a mixed political activity—

"(A) in a Presidential election year, shall be not less than 33 percent of the total payment for the mixed political activity; and

"(B) in any other even-numbered year, shall be not less than 20 percent of the total payment for the mixed political activity.

"(c) As used in this section, the term 'mixed political activity' means, with respect to a payment by the national committee of a political party or a State committee of a political party, an activity, such as a voter registration program, a get-out-the-vote drive, or general political advertising, that is both (1) for the purpose of influencing an election for Federal office, and (2) for any purpose unrelated to influencing an election for Federal office.".

(b) BUILDING FUND EXCEPTION REPEAL.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) by striking out clause (viii); and

(2) by redesignating clauses (ix) through (xiv) as clauses (viii) through (xiii), respectively.

SEC. 6. INDEPENDENT LOCAL COMMITTEES OF POLITICAL PARTIES WITH AUTHORITY TO MAKE UNLIMITED CONTRIBUTIONS AND EXPENDITURES WITH RESPECT TO CONGRESSIONAL ELECTIONS.

(a) DEFINITION.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following new paragraph:

"(20) The term 'local committee' means the organization which, by virtue of the rules of a political party, is responsible (independently of the State committee) for the day-to-day operation of such political party at the city, county, or other political subdivision level, or at the district, neighborhood, ward, or similar area level, as determined by the Commission.".

(b) CONTRIBUTION PROVISION.—Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

"(9) Notwithstanding paragraph (1)(A) and paragraph (2)(A), a local committee of a political party may make contributions without limitation to any candidate who—

"(A) is affiliated with that party; and

"(B) is a candidate for the office of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress in the State involved.".

(c) COORDINATED EXPENDITURE PROVISION.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)), as amended by section 4, is further amended by adding at the end the following new paragraph:

"(5) A local committee of a political party may make expenditures without limitation in connection with the general election campaign of any candidate who—

"(A) is affiliated with that party; and

"(B) is a candidate for the office of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress in the State involved.".

SECTION-BY-SECTION ANALYSIS OF HOUSE REPUBLICAN CAMPAIGN REFORM BILL ON LOCAL SOURCES

Section 1. House of Representatives election limitation on contributions from person other than individual residents.

A majority of a House candidate's funds must be raised from local individual residents. The term "local individual resident" means an individual who resides in a county, any part of which is in the Congressional district involved.

H.R. 5032

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. HOUSE OF REPRESENTATIVES ELECTION LIMITATION ON CONTRIBUTIONS FROM PERSONS OTHER THAN LOCAL INDIVIDUAL RESIDENTS.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

"(i)(1) A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may not, with respect to a reporting period for an election, accept contributions from persons other than local individual residents totaling in excess of the total of contributions accepted from local individual residents.

"(2) As used in this subsection, the term 'local individual resident' means an individual who resides in a county, any part of which is in the congressional district involved.".

SECTION-BY-SECTION ANALYSIS OF HOUSE REPUBLICAN CAMPAIGN REFORM BILL ON SOFT MONEY

Section 1. Prohibition and disclosure of certain expenditures by corporations and labor organizations.

Corporations and labor organizations may not use treasury funds for purposes of influencing a Federal election, including get out the vote activity. All other communications must be fully disclosed and reported as if it were a contribution or expenditure.

Section 2. Ban on soft money.

The amount of a payment by a national committee or a state committee for a mixed political activity shall be the entire cost of the mixed political activity.

H.R. 5033

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADDITIONAL PROHIBITIONS ON ELECTION-RELATED ACTIVITY BY CORPORATIONS AND LABOR ORGANIZATIONS; DISCLOSURE OF PERMITTED ELECTION-RELATED ACTIVITY.

(a) PROHIBITED ACTIVITIES.—Paragraph (2) of section 316(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended—

(1) in subparagraph (A), by striking out "subject;" and inserting in lieu thereof "subject (other than a communication for the purpose of influencing any election for Federal office); and";

(2) by striking out "(B)" and all that follows through "families; and"; and

(3) by redesignating subparagraph (C) as subparagraph (B).

(b) DISCLOSURE REQUIREMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following new subsection:

"(d) Any corporation or labor organization that makes a payment for a communication or other activity that—

"(1) relates to any election for Federal office; and

"(2) by reason of subparagraph (A) or (B) of paragraph (2) of section 316(b), is not a contribution or expenditure;

shall report such payment to the Commission in the same manner as a contribution or expenditure, as the case may be, is reported by a principal campaign committee of a candidate for the House of Representatives or the Senate under this section.".

SEC. 2. BAN ON SOFT MONEY.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"LIMITATIONS AND REPORTING REQUIREMENTS FOR AMOUNTS PAID FOR MIXED POLITICAL ACTIVITIES

"SEC. 324. (a) Any payment by the national committee of a political party or a State committee of a political party for a mixed political activity—

"(1) shall be subject to limitation and reporting under this Act as if such payment were an expenditure; and

"(2) may be paid only from an account that is subject to the requirements of this Act.

"(b) As used in this section, the term 'mixed political activity' means, with respect to a payment by the national committee of a political party or a State committee of a political party, an activity, such as a voter registration program, a get-out-the-vote drive, or general political advertising, that is both (1) for the purpose of influencing an election for Federal office, and (2) for any purpose unrelated to influencing an election for Federal office.".

SECTION-BY-SECTION ANALYSIS OF HOUSE REPUBLICAN CAMPAIGN REFORM BILL ON INDEPENDENT AND PERSONAL EXPENDITURES

Section 1. Amendment to the Federal Election Campaign Act of 1971 to establish clarity standards for identification of sponsors of certain unauthorized political advertising.

Any independent expenditure on media must contain a clear statement disclosing the name of the person paying for the communication and the unauthorized nature of the communication. The term "clear statement" means a statement that appears at the beginning and the end of the communication; is easily readable or audible; is in a format that unambiguously identifies the person paying for the communication; and specifies that the communication is not authorized by any candidate.

Section 2. Removal of certain limitations applicable to a House of Representatives candidate if an opponent makes large expenditures of personal funds.

If a candidate does not certify that he/she will not spend more than $100,000 of personal funds, or makes an expenditure in excess of $100,000, then no limitation on contributions shall apply to other candidates in the election.

H.R. 5034

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT TO THE FEDERAL ELECTION CAMPAIGN ACT OF 1971 TO ESTABLISH CLARITY STANDARDS FOR IDENTIFICATION OF SPONSORS OF CERTAIN UNAUTHORIZED POLITICAL ADVERTISING.

Section 318(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d(a)) is amended—

(1) by striking out "SEC. 318.(a)" and inserting in lieu thereof "SEC. 318.(a)(1)";

(2) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively;

(3) in subparagraph (A) of paragraph (1), as so redesignated by paragraph (2) of this section, by striking out ", or" at the end and inserting in lieu thereof a semicolon;

(4) in subparagraph (B) of paragraph (1), as so redesignated, by inserting "or" after the semicolon at the end;

(5) in subparagraph (C) of paragraph (1), as so redesignated, by striking out "clearly state" and all that follows through "committee.'" and inserting in lieu thereof the following:

"contain a clear statement disclosing the name of the person paying for the communication and the unauthorized nature of the communication.

"(2) As used in paragraph (1)(C), the term 'clear statement' means a statement that—

"(A) appears at the beginning and the end of the communication;

"(B) is easily readable or audible, as the case may be;

"(C) is in a format that unambiguously identifies the person paying for the communication; and

"(D) specifies that the communication is not authorized by any candidate.".

SEC. 2. REMOVAL OF CERTAIN LIMITATIONS APPLICABLE TO A HOUSE OF REPRESENTATIVES CANDIDATE IF AN OPPONENT MAKES LARGE EXPENDITURES OF PERSONAL FUNDS.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

"(i)(1) The Commission shall prescribe by regulation procedures under which a candidate in an election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may certify to the Commission the intention of the candidate to limit to $100,000 the total of expenditures from the personal funds of the candidate and the personal funds of the immediate family of the candidate.

"(2) A certification under paragraph (1) may not be revoked and, upon submission of the certification, a limitation of $100,000 on the expenditures described in paragraph (1) shall apply to the candidate for purposes of this Act.

"(3) If any candidate in such election—

"(A) does not submit a certification under paragraph (1); or

"(B) makes an expenditure in violation of paragraph (2);

no limitation on contributions under subsection (a)(1)(A) or subsection (a)(2)(A) shall apply to any other candidate in the election.".

SECTION-BY-SECTION ANALYSIS OF HOUSE REPUBLICAN CAMPAIGN REFORM BILL ON FRANKED MAIL

Section 1. Amendment to the rules of the House of Representatives relating to meeting notices.

Any meeting notice must be in form of a postcard, sent to addresses within a normal travel distance from the event which the Member is to attend, and an advisory opinion must be given by the Franking Commission. If these requirements are not met, meeting notices will count against mass mailing limitations.

Section 2. Official mail allowance.

Establishes individual Member accounts for franked mail (House Administration will establish criteria and allocation for accounts). Excess money in this account may not be transferred to any other account, but if the official mail account is exhausted, funds from official expense allowance may be used to buy postage in lieu of the frank.

No amount may be transferred from the Official Mail Allowance to any other allowance of a Member of the House.

Prohibits use of official mail allowances to pay for "express mail" (the premium paid for delivery of postal patrons and meeting notices). This provision will forbid Members to send mass mailings by express mail.

Section 3. Limited use of official expenses for postage.

Members are allowed to use funds from Official Expense Allowance to purchase postage (in lieu of the frank) once the mail account has been exhausted.

Section 4. Session limitation on use of public document envelopes by Members of the House.

Franked public document envelopes that are currently made available to Members may be used by the Member only in that session of Congress in which allocated.

Section 5. Limitation on use of gummed and adhesive franked labels.

Gummed and adhesive franked labels may be used only as permitted by regulations prescribed by the Committee on House Administration.

Section 6. Printing of the frank to be performed only through the Government Printing Office.

Section 7. Definitions.

Section 8. Amendment to Rule XLVI of the rules of the House of Representatives.

After December 31, 1990 the respective amount of meeting notices and postal patron mailings permitted to be mailed in a year will be cut to two. This provision is a strict limit on each, therefore, Members could not mail 3 postal patrons and 1 meeting notice.

A Member, before making any mass mailing, must submit a sample or description of the mail matter involved to the House Commission on Congressional Mailing Standards for an advisory opinion as to whether the proposed mailing is in compliance with applicable provisions of law, rule, or regulation. Advisory opinions for direct response mailings of more than 500 pieces will now be required.

The Clerk of the House will be required, semi-annually, to prepare and make available for public inspection the total number of mass mailings made by each Member during the said year and the total number of pieces of mail in each such mailing.

Postal patrons and meeting notices shall contain the following notice: "Prepared, published and mailed at taxpayer expense".

H.R. 5035

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT TO THE RULES OF THE HOUSE OF REPRESENTATIVES RELATING TO CONDITIONS FOR EXCLUDING CERTAIN MAILINGS FROM LIMITATIONS ON THE USE OF THE FRANK.

Clause 2 of rule XLVI of the Rules of the House of Representatives is amended by striking out the last sentence and inserting in lieu thereof the following: "Any mail matter which relates solely to a notice of appearance or a scheduled itinerary of a Member in the area from which such Member was elected shall not count against the limitation set forth in the preceding sentence if—

"(1) it is in the form of a postcard;

"(2) it is sent to an address within a normal travel distance from the event which the Member is to attend (or, if 2 or more events are scheduled, from the event closest to that address);

"(3) the Member attends the event involved (or, if 2 or more events are scheduled, the Member attends any such event within a normal travel distance of the address involved); and

"(4) an advisory opinion is given, in accordance with clause 3, with respect to the mailing of which such matter is a part.

As used in this clause, the term 'normal travel distance' means 25 miles from the event or 25 percent of the longest distance between any two points in the congressional district, whichever is greater.".

SEC. 2. OFFICIAL MAIL ALLOWANCE IN THE HOUSE OF REPRESENTATIVES.

(a) IN GENERAL.—There is established an Official Mail Allowance for mailing under the frank by Members of the House of Representatives. The allowance shall be available to Members—

(1) in such amounts as may be provided in appropriation Acts; and

(2) in accordance with such regulations as may be prescribed by the Committee on House Administration of the House of Representatives, taking into consideration the population of each congressional district, the number of addresses and households in each congressional district, and any other pertinent factor.

(b) LIMITATIONS.—

(1) No amount may be transferred from the Official Mail Allowance to any other allowance of a Member of the House of Representatives.

(2) The Official Mail Allowance shall not be available for payment of any express mail drop shipment fee or postage with respect to a mass mailing.

SEC. 3. LIMITED USE OF OFFICIAL EXPENSES ALLOWANCE FOR POSTAGE IN THE HOUSE OF REPRESENTATIVES.

The Official Expenses Allowance shall be available to a Member of the House of Representatives for the purchase of postage for official business if—

(1) by reason of law or other authority, the frank may not be used for the postage; or

(2) the balance available to the Member under the Official Mail Allowance is insufficient to cover the postage.

SEC. 4. SESSION LIMITATION ON USE OF PUBLIC DOCUMENT ENVELOPES BY MEMBERS OF THE HOUSE OF REPRESENTATIVES.

Franked public document envelopes that, by law or other authority, are made available to a Member of the House of Representatives on a monthly basis may be used by the Member only in the session of Congress in which the month involved occurs.

SEC. 5. LIMITATION ON USE OF GUMMED AND ADHESIVE FRANK LABELS IN THE HOUSE OF REPRESENTATIVES.

Gummed and adhesive frank labels may be used for mailing by Members, officers, and employees of the House of Representatives only as permitted by regulations prescribed by the Committee on House Administration of the House of Representatives.

SEC. 6. PRINTING OF THE FRANK TO BE PERFORMED FOR THE HOUSE OF REPRESENTATIVES ONLY THROUGH THE GOVERNMENT PRINTING OFFICE.

Printing of the frank of any Member, officer, or employee of the House of Representatives, on envelopes or otherwise, may be performed only through the Government Printing Office.

SEC. 7. DEFINITIONS.

As used in sections 2 through 6—

(1) the term "mass mailing" has the meaning given that term in section 3210(a)(6)(E) of title 39, United States Code; and

(2) the term "Member of the House of Representatives" means a Representative in, or a Delegate or Resident Commissioner to, the Congress.

SEC. 8. AMENDMENTS TO RULE XLVI OF THE RULES OF THE HOUSE OF REPRESENTATIVES.

(a) POSTAL PATRON MAILINGS.—Clause 2 of rule XLVI of the Rules of the House of Representatives is amended—

(1) by striking "After December 31, 1977," and inserting "(a) After December 31, 1990,";

(2) by striking "six multiplied by" and inserting "two multiplied by";

(3) by striking the second sentence; and

(4) by adding at the end the following new paragraph:

"(b) Any mail matter which relates solely to a notice of appearance or a scheduled itinerary of a Member in the area from which such Member was elected shall not count against the limitation set forth in paragraph (a). However, the total number of pieces of mail (relating solely to any such notice or scheduled itinerary) which may be mailed by a Member during any calendar year as franked mail under section 3210(d) of title 39, United States Code, may not exceed the total number allowable under paragraph (a) (with respect to mail matter subject to such paragraph) during such calendar year.".

(b) MASS MAILINGS.—

(1) Clause 3 of rule XLVI of the Rules of the House of Representatives is amended—

(A) by striking "Any" and inserting "(a) Any"; and

(B) by adding at the end the following new paragraph:

"(b) A Member shall, before making any mass mailing (including mailings in direct response to communications from persons to whom the matter is mailed, but excluding mailings subject to paragraph (a)), submit a sample or description of the mail matter involved to the House Commission on Congressional Mailing Standards for an advisory opinion as to whether such proposed mailing is in compliance with applicable provisions of law, rule, or regulation.".

(2) Rule XLVI of the Rules of the House of Representatives is amended—

(A) by redesignating clause 7 as clause 9; and

(B) by inserting after clause 6 the following new clauses:

"7. The Clerk of the House of Representatives shall prepare and make available for public inspection, or a semiannual basis, and based solely on data which shall be provided for that purpose by the Committee on House Administration, a report on the number of mass mailings made by each Member during the period covered by each report, and the number of pieces of mail in each of those mailings.

"8. A mass mailing by a Member shall contain the following notice in a prominent place on the cover page of the document: 'PREPARED, PUBLISHED, AND MAILED AT TAXPAYER EXPENSE'.".

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective as of the beginning of the 102d Congress.

SECTION-BY-SECTION ANALYSIS OF HOUSE REPUBLICAN CAMPAIGN REFORM BILL ON FEDERAL ELECTION COMMISSION

Section 1. Remove the Secretary of the Senate and the Clerk of the House of Representatives as ex-officios to the Federal Election Commission.

All designations, statements, and reports required to be filed under the Federal Election Campaign Act shall be filed with the Commission.

H.R. 5036

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELIMINATION OF THE FUNCTIONS OF THE SECRETARY OF THE SENATE AND THE CLERK OF THE HOUSE OF REPRESENTATIVES WITH RESPECT TO THE FEDERAL ELECTION COMMISSION.

(a) ELIMINATION OF EX OFFICIO MEMBERSHIP.—

(1) The second sentence of section 306(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437 (a)(1)) is amended by striking out "the Secretary" and all that follows through "vote, and".

(2) Paragraph (3), paragraph (4), and paragraph (5) of subsection (a) of section 306 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(a) (3), (4), and (5)) are each amended by striking out "(other than the Secretary of the Senate and the Clerk of the House of Representatives)".

(b) ALL REPORTS TO BE FILED WITH THE COMMISSION.—Section 302(g) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(g)) is amended to read as follows:

"(g) All designations, statements, and reports required to be filed under this Act shall be filed with the Commission.".

SECTION-BY-SECTION ANALYSIS OF HOUSE REPUBLICAN CAMPAIGN REFORM BILL ON REDISTRICTING STANDARDS

Section 1. Standards for establishment of Congressional districts; limitations on gerrymandering.

Districts shall be comprised of contiguous territory; may not be established with the intent and affect of diluting the voting strength of any person or group, including any political party; shall be comprised of the Voting Rights Act of 1965; shall be compact in form and nearby population may not be bypassed in favor of more distant population; boundaries shall be drawn so as to avoid unnecessary divisions of units of general purpose of local government; boundaries shall be subject to public scrutiny and comment before final approval.

H.R. 5037

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. STANDARDS FOR ESTABLISHMENT OF CONGRESSIONAL DISTRICTS; LIMITATIONS ON GERRYMANDERING.

(a) ESTABLISHMENT OF CONGRESSIONAL DISTRICTS.—Each State that, pursuant to an apportionment under section 22(a) of the Act entitled "An Act to provide for apportionment of Representatives", approved June 28, 1929 (2 U.S.C. 2a(a)), is entitled to more than one Representative shall establish a number of districts equal to the number of Representatives to which such State is so entitled. Representatives shall be elected only by eligible voters from such districts, with each district to elect one Representative. Districts shall be established—

(1) as soon as practicable after each decennial census date under section 141(a) of title 13, United States Code; and

(2) in sufficient time for their use in the elections for the office of Representative in the One Hundred Third Congress and each fifth Congress thereafter.

(b) STANDARDS.—The following standards shall apply in the establishment of congressional districts:

(1) The number of persons in each district in a State shall be as nearly equal to the number of persons in each other district in the State as is practicable.

(2) The enumeration pursuant to section 2 of article I of the Constitution, shall be the sole basis for determining population.

(3) Districts shall be comprised of continguous territory, including adjoining insular territory.

(4) Districts may not be established with the intent or effect of diluting the voting strength of any person, or group, including any political party.

(5) Districts shall be established in conformance with the requirements of the Voting Rights Act of 1965.

(6) Districts shall be compact in form and, in the drawing of new district boundaries, nearby population may not be bypassed in favor of more distant population.

(7) District boundaries shall be drawn so as to avoid unnecessary division of units of general purpose local government, and whenever possible shall be drawn so that—

(A) not more than one district crosses the common boundary between two units of general purpose local government;

(B) a district does not contain more than two fragments of like units of general purpose local government; and

(C) a unit of general purpose local government does not contain more than two district fragments.

(8) District boundaries shall be subject to a minimum 2-week period of public scrutiny and comment before final approval. Detailed maps showing the exact boundaries of the districts along with complete population summaries for each district shall be made readily available to the public at the beginning of the period of public scrutiny and comment.

(c) STATE INTERPRETATION.—In carrying out this section, the several States may interpret and supplement the standards set forth in subsection (b), so long as such interpretation and supplementation are consistent with this section.

(d) AVAILABILITY OF CENSUS DATA.—When apportionment-related data from the decennial census (including tabulations, reports, maps, and other information) are received by a State from the Bureau of the Census, the State shall make such information available, at not more than the cost of duplication, to any person who has the qualifications to vote in an election for the office of Representative in the State.

SECTION-BY-SECTION ANALYSIS OF HOUSE REPUBLICAN CAMPAIGN REFORM BILL ON UNION ACTIVITY

Section 1. Restriction on political use of labor organization dues and agency fees.

No labor organization may use dues or agency fees for political purposes, unless the employee paying the dues or fees approves the use in writing. The employee may revoke such approval at any time.

H.R. 5038

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RESTRICTION ON POLITICAL USE OF LABOR ORGANIZATION DUES AND AGENCY FEES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"RESTRICTION ON POLITICAL USE OF LABOR ORGANIZATION DUES AND AGENCY FEES

"SEC. 324. (a) No labor organization may use dues or agency fees for political purposes, unless the employee paying the dues or fees approves the use in writing. The employee may revoke such approval at any time.

"(b) At least once in each year, any labor organization that uses dues or agency fees for political purposes shall provide written notice of the provisions of subsection (a) to each employee paying dues or agency fees to the labor organization.

"(c) As used in this section, the term 'labor organization' has the meaning given that term in section 316(b)(1).".

SECTION-BY-SECTION ANALYSIS OF HOUSE REPUBLICAN CAMPAIGN REFORM BILL ON DISCLOSURE

Section 1. Additional statement from individuals who make independent expenditures.

Any individual requires to file a statement of independent expenditure shall include in the statement that expenditures covered in the statement are from the personal funds of the individual and the name of the financial institution on which the instrument is drawn if paid by check.

Section 2. Prohibition on contributions and expenditures by states in elections for federal office.

A State may not make any contribution, expenditures, or act as an intermediary or conduit with respect to an election to a Federal office.

Section 3. Accounting for use of the frank by Members of the House of Representatives.

Members must account for all franked mail not mailed in response to a contact initiated by another party.

Section 4. Disclosure of debt settlement and loan security agreements.

The terms of any settlement entered into with respect to a loan or other debt, the terms of any security or collateral agreement entered into with respect to a loan must be disclosed.

Section 5. Contributions for draft and encouragement purposes with respect to elections for federal office.

Payments made to draft or exploratory committees shall be included as contributions to the candidate.

H.R. 5039

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADDITIONAL STATEMENT FROM INDIVIDUALS WHO MAKE INDEPENDENT EXPENDITURES.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following new subsection:

"(d) Any individual who is required to file a statement of independent expenditures

under subsection (c) shall include in such statement—

"(1) a certification that expenditures covered in the statement are from the personal funds of the individual; and

"(2) if a check or similar instrument is used to make any such expenditure, the name and address of the financial institution on which the instrument is drawn.".

SEC. 2. PROHIBITION ON CONTRIBUTIONS AND EXPENDITURES BY STATES IN ELECTIONS FOR FEDERAL OFFICE.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

"(i) Notwithstanding any other provision of law, a State may not—

"(1) make any contribution or expenditure with respect to an election for Federal office; or

"(2) act as an intermediary or conduit with respect to any such contribution.".

SEC. 3. ACCOUNTING FOR USE OF THE FRANK BY MEMBERS OF THE HOUSE OF REPRESENTATIVES.

Section 3210 of title 39, United States Code, is amended by adding at the end the following new subsection:

"(h) A Member of, or Member-elect to, the House of Representatives shall account for all franked mail mailed under this chapter as such a Member or Member-elect (as the case may be), exclusive of any mailings made under subsection (d). Such accounting shall be—

"(1) made in the form and manner prescribed by the Commission on Congressional Mailing Standards; and

"(2) submitted to the Clerk of the House of Representatives for publication in the Congressional Record.".

SEC. 4. DISCLOSURE OF DEBT SETTLEMENT AND LOAN SECURITY AGREEMENTS.

Section 304(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)) is amended—

(1) in paragraph (7), by striking out "and" after the semicolon at the end;

(2) in paragraph (8), by striking out the period at the end, and inserting in lieu thereof a semicolon; and

(3) by adding at the end the following new paragraphs:

"(9) for the reporting period, the terms of any settlement agreement entered into with respect to a loan or other debt, as evidenced by a copy of such agreement filed as part of the report; and

"(10) for the reporting period, the terms of any security or collateral agreement entered into with respect to a loan, as evidenced by a copy of such agreement filed as part of the report.".

SEC. 5. CONTRIBUTIONS FOR DRAFT AND ENCOURAGEMENT PURPOSES WITH RESPECT TO ELECTIONS FOR FEDERAL OFFICE.

(a) DEFINITION.—Section 301(8)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)) is amended—

(1) in clause (i), by striking out "or" after the semicolon at the end;

(2) in clause (ii), by striking out the period at the end and inserting in-lieu thereof "; and"; and

(3) by adding at the end the following new clause:

"(iii) any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of drafting a clearly identified individual as a candidate for Federal office or encouraging a clearly identified individual to become a candidate for Federal office.".

(b) DRAFT AND ENCOURAGEMENT CONTRIBUTIONS TO BE TREATED AS CANDIDATE CONTRIBUTIONS.—Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

"(9) For purposes of paragraph (1)(A) and paragraph (2)(A), any contribution described in section 301(8)(A)(iii) shall be treated, with respect to the individual involved, as a contribution to a candidate, whether or not the individual becomes a candidate.".

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. LIGHTFOOT (at the request of Mr. MICHEL), for today, on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. THOMAS of Wyoming) to revise and extend his remarks and include extraneous material:)

Mr. MICHEL, for 5 minutes, today.

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. STARK, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. WASHINGTON, for 5 minutes, on June 14.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SHAW, in the Committee of the Whole, on H.R. 4785, today.

(The following Members (at the request of Mr. THOMAS of Wyoming) and to include extraneous matter:)

Mr. OXLEY.
Mr. SOLOMON.
Mr. PORTER in two instances.
Mr. WEBER.
Mr. MACHTLEY.
Mr. BROOMFIELD.
Mr. RHODES.
Mr. DORNAN of California.
Mr. BEREUTER.
Mr. SCHUETTE.
Ms. BENTLEY.
Mr. SCHIFF.
Mr. ROBERTS.

(The following Members (at the request of Mr. MCNULTY) and to include extraneous matter:)

Mr. SKELTON.
Mr. STARK.
Mr. SAWYER.
Mr. PENNY.
Mr. FRANK.
Mr. HAMILTON.
Mr. DERRICK.
Mr. MONTGOMERY.
Mr. KOSTMAYER.
Mr. MATSUI in two instances.
Mr. NELSON of Florida.
Mr. WILLIAMS.
Mr. HOYER.
Mr. HOCHBRUECKNER.
Mr. SOLARZ.
Mr. MAZZOLI.
Mr. MOODY.
Mr. PALLONE.
Mr. CAMPBELL of Colorado.
Mr. RICHARDSON.

ENROLLED BILL SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 20. An act to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and a joint resolution of the Senate of the following titles:

S. 2700. An act to authorize the Secretary of Veterans Affairs to proceed with a proposed administrative reorganization of the regional field offices of the Veterans Health Services and Research Administration of the Department of Veterans Affairs, notwithstanding the notice-and-wait provisions in section 210(b) of title 38, United States Code.

S.J. Res. 251. Joint resolution designating "Baltic Freedom Day."

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 20. An act to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes;

H.R. 4612. An act to amend title 11 of the United States Code regarding swap agreements and forward contracts; and

H.J. Res. 516. Joint resolution to designate the week beginning June 10, 1990, as "National Scleroderma Awareness Week."

ADJOURNMENT

Mr. MCNULTY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 23 minutes

p.m.) the House adjourned until tomorrow, Thursday, June 14, 1990, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3378. A letter from the Acting General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to provide for the participation of the United States in the European Bank for Reconstruction and Development; to the Committee on Banking, Finance and Urban Affairs.

3379. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed amendment to a manufacturing license agreement for the production of military equipment in Japan (Transmittal No. MC-8-90), pursuant to 22 U.S.C. 2776(d); to the Committee on Foreign Affairs.

3380. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed approval for the export of defense articles and defense services sold commercially to Israel (Transmittal No. MC-5-90), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

3381. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed authorization for the export of defense articles and defense services sold commercially to the United Kingdom (Transmittal No. MC-15-90), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

3382. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of Presidential Determination No. 90-19, authorizing the furnishing of assistance from the emergency refugee and migration assistance fund to meet unexpected urgent needs of Palestinian refugees, pursuant to 22 U.S.C. 2601(c)(1); to the Committee on Foreign Affairs.

3383. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3384. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3385. A letter from the Commissioner, Immigration and Naturalization Service, transmitting a copy of the decision ordering a grant of defector status in the case of a certain alien, pursuant to 8 U.S.C. 1182(a)(28)(I)(ii); to the Committee on the Judiciary.

3386. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the National Sea Grant College Program Act, as amended, to authorize appropriations to carry out the act for fiscal years 1991 and 1992; to the Committee on Merchant Marine and Fisheries.

3387. A letter from the Deputy Under Secretary for Acquisition, Department of Defense, transmitting the report on Department of Defense procurement from small and other business firms for the period October 1989 through March 1990 (fiscal year 1990), pursuant to 15 U.S.C. 639(d); to the Committee on Small Business.

3388. A letter from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to alter the amount of certain types of special pay authorized to be paid to physicians and dentists employed by the Veterans Health Services and Research Administration; to the Committee on Veterans' Affairs.

3389. A letter from the Comptroller General of the United States, transmitting an assessment of three recent reports to Congress by the Secretary of Commerce concerning foreign policy-based export controls (GAO/NSIAD-90-169); jointly to the Committees on Government Operations and Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BEVILL: Committee on Appropriations. H.R. 5019. A bill making appropriations for energy and water development for the fiscal year ending September 30, 1991, and for other purposes (Rept. 101-536). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CONTE (for himself, Mr. ARMEY, Mr. FRANK, Mr. SCHUMER, and Mr. FRENZEL):

H.R. 5018. A bill to amend the Food Security Act of 1985 to impose further limitations on agricultural payments to producers; to the Committee on Agriculture.

By Mr. BEVILL:

H.R. 5019. A bill making appropriations for energy and water development for the fiscal year ending September 30, 1991, and for other purposes.

By Mr. DOWNEY (for himself, Mr. MILLER of California, Mr. FORD of Tennessee, Mr. MATSUI, and Mr. ANDREWS):

H.R. 5020. A bill to promote family preservation and the prevention of foster care with emphasis on families where abuse of alcohol or drugs (including crack cocaine) is present, and to improve the quality and delivery of child welfare services and foster care; to the Committee on Ways and Means.

By Mr. SMITH of Iowa:

H.R. 5021. A bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1991, and for other purposes.

By Mr. BILIRAKIS (for hmself and Mr. MANTON):

H.R. 5022. A bill to amend section 312 of the Immigration and Nationality Act to provide for the exemption of the Government knowledge requirement for naturalization of persons over 50 years of age who have been lawful permanent residents in the United States for at least 20 years; to the Committee on the Judiciary.

By Mr. BUSTAMANTE (for himself and Mr. HORTON):

H.R. 5023. A bill to require that certain agreements entered into by executive agencies for procurement outside of the United States be for a fixed term and for other purposes; jointly, to the Committees on Government Operations and Ways and Means.

By Mr. COUGHLIN:

H.R. 5024. A bill to make miscellaneous reforms in the firearms laws; to the Committee on the Judiciary.

By Mr. COUGHLIN (for himself and Mr. SHAW):

H.R. 5025. A bill to amend the Public Health Service Act to provide for the establishment, with respect to individuals seeking treatment for the abuse of drugs, of central referral systems in States receiving block grants under part B of title XIX of such act, and to require the Secretary of Education to develop a model curriculum regarding such treatment for use in schools of medicine; to the Committee on Energy and Commerce.

By Mr. LENT:

H.R. 5026. A bill amending the Rail Passenger Service Act to establish collective bargaining arbitration procedures for issues relating to the employment of railroad police by the National Railroad Passenger Corporation; to the Committee on Energy and Commerce.

By Mr. McEWEN:

H.R. 5027. A bill to require any department, agency, or instrumentality that is responsible for a release of hazardous substances at a Superfund site to promptly pay for the costs and damages associated with such release, and to provide that other potentially responsible parties may not be required to pay such costs until the department, agency, or instrumentality has made its payment; to the Committee on Energy and Commerce.

By Mr. PACKARD:

H.R. 5028. A bill to direct the Secretary of the Interior, acting pursuant to the Reclamation Act of 1902 (Act of June 17, 1902, 32 Stat. 388) and acts amendatory thereof and supplementary thereto, to undertake certain studies to investigate opportunities for wastewater reclamation and reuse, to conduct studies of groundwater, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SLATTERY:

H.R. 5029. A bill to amend the Federal Home Loan Bank Act to provide that all future funding for the Resolution Trust Corporation be provided through the Secretary of the Treasury; jointly, to the Committees on Banking, Finance and Urban Affairs and Ways and Means.

By Mr. MICHEL (for himself, Mr. GINGRICH, Mr. EDWARDS of Oklahoma, Mr. HUNTER, Mr. VANDER JAGT, Mr. McCOLLUM, Mrs. VUCANOVICH, Mr. CRAIG, Mr. GALLO, Mr. GUNDERSON, Mr. HYDE, Mr. GREEN, Mr. MORRISON of Washington, Mr. IRELAND, Mr. FISH, Mr. PURSELL, Mr. MILLER of Washington, Mr. SCHULZE, Mr. MOORHEAD, Mr. DeWINE, Mr. DANNEMEYER, Mr. PETRI, Mr. GILLMOR, Mr. CLINGER, Mr. WALSH, Mr. KOLBE, Mr. COLEMAN of Missouri, Mr. MADIGAN, Mr. OXLEY, Mr. RHODES, Mr. REGULA, Mr. NIELSON of Utah, Mr. SHAW, Mr.

SCHIFF, Mr. WOLF, Mr. BEREUTER, Mr. COUGHLIN, Mr. MILLER of Ohio, Mr. BATEMAN, Mr. ROWLAND of Connecticut, Mr. JAMES, Mr. MARTIN of New York, Mr. BUECHNER, Mr. KYL, Mr. ROTH, Mr. HOLLOWAY, Mr. SENSENBRENNER, Mr. HANSEN, Mr. ROBERTS, Mr. BALLENGER, Mr. MCMILLAN of North Carolina, Mr. HANCOCK, Mr. RAVENEL, Mr. MCGRATH, Mr. LAGOMARSINO, Mr. SHAYS, Mr. SAXTON, Mr. INHOFE, Mr. ARCHER, Mrs. SMITH of Nebraska, Mr. HASTERT, Mr. GALLEGLY, Mr. BROWN of Colorado, Mr. UPTON, Mr. PACKARD, Mr. DORNAN of California, Ms. SNOWE, Mr. LEWIS of Florida, Mr. DONALD E. LUKENS, Mr. HOUGHTON, Mrs. JOHNSON of Connecticut, Mr. THOMAS of California, and Mr. FIELDS:

H.R. 5030. A bill to amend the Federal Election Campaign Act of 1971 to make Federal elections more competitive, open, and honest by reducing the influence of nonparty multicandidate political committees, and for other purposes; to the Committee on House Administration.

By Mr. MICHEL (for himself, Mr. GINGRICH, Mr. EDWARDS of Oklahoma, Mr. HUNTER, Mr. VANDER JAGT, Mr. MCCOLLUM, Mrs. VUCANOVICH, Mr. CRAIG, Mr. GALLO, Mr. GUNDERSON, Mr. HYDE, Mr. GREEN, Mr. IRELAND, Mr. FISH, Mr. PURSELL, Mr. MILLER of Washington, Mr. SCHULZE, Mr. MOORHEAD, Mr. KOLBE, Ms. SNOWE, Mr. GILLMOR, Mr. DANNEMEYER, Mr. BUECHNER, Mr. WALSH, Mr. CLINGER, Mr. MADIGAN, Mr. OXLEY, Mr. RHODES, Mr. REGULA, Mr. NIELSON of Utah, Mr. SHAW, Mr. WOLF, Mr. BEREUTER, Mr. COUGHLIN, Mr. MILLER of Ohio, Mr. BATEMAN, Mr. ROWLAND of Connecticut, Mr. JAMES, Mr. MARTIN of Ohio, Mr. KYL, Mr. ROTH, Mr. HOLLOWAY, Mr. SENSENBRENNER, Mr. HANSEN, Mr. ROBERTS, Mr. BALLENGER, Mr. MCMILLAN of North Carolina, Mr. HANCOCK, Mr. RAVENEL, Mr. SCHAEFER, Mr. SAXTON, Mr. INHOFE, Mrs. SMITH of Nebraska, Mr. HASTERT, Mr. BROWN of Colorado, Mr. UPTON, Mr. PACKARD, Mr. DORNAN of California, Mr. DONALD E. LUKENS, Mr. HOUGHTON, Mrs. JOHNSON of Connecticut, and Mr. THOMAS of California):

H.R. 5031. A bill to amend the Internal Revenue Code of 1986 and the Federal Election Campaign Act of 1971 to make Federal elections more competitive, open, and honest by strengthening political parties, and for other purposes; jointly, to the Committees on Ways and Means and House Administration.

By Mr. MICHEL (for himself, Mr. GINGRICH, Mr. EDWARDS of Oklahoma, Mr. HUNTER, Mr. VANDER JAGT, Mr. MCCOLLUM, Mr. WEBER, Mrs. VUCANOVICH, Mr. CRAIG, Mr. GALLO, Mr. GUNDERSON, Mr. HYDE, Mr. GREEN, Mr. DEWINE, Mr. IRELAND, Mr. FISH, Mr. PURSELL, Mr. MILLER of Washington, Mr. SCHULZE, Mr. MOORHEAD, Mr. KOLBE, Mr. GILLMOR, Mr. CLINGER, Mr. BUECHNER, Mr. WALSH, Mr. DANNEYMEYER, Mr. PETRI, Mr. MADIGAN, Mr. OXLEY, Mr. RHODES, Mr. REGULA, Mr. NIELSON of Utah, Mr. SHAW, Mr. SCHIFF, Mr. WOLF, Mr. BEREUTER, Mr. COUGHLIN, Mr. MILLER of Ohio, Mr. BATEMAN, Mr. ROWLAND of Connecticut, Mr. JAMES, Mr. MARTIN of New York, Mr. KYL, Mr. ROTH, Mr. HOLLOWAY, Mr. HANSEN, Mr. BALLENGER, Mr. MCMILLAN of North Carolina, Mr. HANCOCK, Mr. RAVENEL, Mr. LAGOMARSINO, Mr. SHAYS, Mr. SAXTON, Mr. INHOFE, Mr. ARCHER, Mrs. SMITH of Nebraska, Mrs. MARTIN of Illinois, Mr. HASTERT, Mr. GALLEGLY, Mr. BROWN of Colorado, Mr. UPTON, Mr. PACKARD, Ms. SNOWE, Mr. DONALD E. LUKENS, Mr. HOUGHTON, Mrs. JOHNSON of Connecticut, and Mr. THOMAS of California):

H.R. 5032. A bill to amend the Federal Election Campaign Act of 1971 to make Federal elections more competitive, open, and honest by providing for a House of Representatives election limitation on contributions from persons other than local individual residents; to the Committee on House Administration.

By Mr. MICHEL (for himself, Mr. GINGRICH, Mr. EDWARDS of Oklahoma, Mr. HUNTER, Mr. VANDER JAGT, Mr. MCCOLLUM, Mrs. VUCANOVICH, Mr. CRAIG, Mr. GALLO, Mr. GUNDERSON, Mr. HYDE, Mr. GREEN, Mr. MORRISON of Washington, Mr. IRELAND, Mr. FISH, Mr. PURSELL, Mr. MILLER of Washington, Mr. SCHULZE, Mr. MOORHEAD, Mr. DANNEMEYER, Mr. GILLMOR, Mr. PETRI, Mr. CLINGER, Mr. WALSH, Mr. COLEMAN of Missouri, Mr. MADIGAN, Mr. OXLEY, Mr. RHODES, Mr. REGULA, Mr. NIELSON of Utah, Mr. SHAW, Mr. SCHIFF, Mr. WOLF, Mr. BEREUTER, Mr. COUGHLIN, Mr. MILLER of Ohio, Mr. BATEMAN, Mr. ROWLAND of Connecticut, Mr. JAMES, Mr. MARTIN of New York, Mr. KYL, Mr. ROTH, Mr. HOLLOWAY, Mr. SENSENBRENNER, Mr. HANSEN, Mr. ROBERTS, Mr. BALLENGER, Mr. MCMILLAN of North Carolina, Mr. HANCOCK, Mr. RAVENEL, Mr. LAGOMARSINO, Mr. SAXTON, Mr. INHOFE, Mr. ARCHER, Mrs. SMITH of Nebraska, Mrs. MARTIN of Illinois, Mr. HASTERT, Mr. GALLEGLY, Mr. BROWN of Colorado, Mr. UPTON, Mr. PACKARD, Mr. DORNAN of California, Mr. BUECHNER, Mr. KOLBE, Ms. SNOWE, Mr. DONALD E. LUKENS, Mr. HOUGHTON, Mrs. JOHNSON of Connecticut, and Mr. THOMAS of California):

H.R. 5033. A bill to amend the Federal Election Campaign Act of 1971 to make Federal elections more competitive, open, and honest by providing for additional prohibitions on election-related activity by corporations and labor organizations, and for other purposes; to the Committee on House Administration.

By Mr. MICHEL (for himself, Mr. GINGRICH, Mr. EDWARDS of Oklahoma, Mr. HUNTER, Mr. VANDER JAGT, Mr. MCCOLLUM, Mr. WEBER, Mrs. VUCANOVICH, Mr. CRAIG, Mr. GALLO, Mr. GUNDERSON, Mr. HYDE, Mr. GREEN, Mr. MORRISON of Washington, Mr. IRELAND, Mr. FISH, Mr. PURSELL, Mr. SCHULZE, Mr. BATEMAN, Mr. MOORHEAD, Mr. ROWLAND of Connecticut, Mr. DEWINE, Mr. JAMES, Mr. DANNEMEYER, Mr. MILLER of Ohio, Mr. MARTIN of New York, Mr. GILLMOR, Mr. CLINGER, Mr. COLEMAN of Missouri, Mr. PETRI, Mr. WALSH, Mr. BUECHNER, Mr. MADIGAN, Mr. OXLEY, Mr. RHODES, Mr. REGULA, Mr. NIELSON of Utah, Mr. SHAW, Mr. SCHIFF, Mr. WOLF, Mr. BEREUTER, Mr. COUGHLIN, Mr. KYL, Mr. ROTH, Mr. HOLLOWAY, Mr. SENSENBRENNER, Mr. HANSEN, Mr. ROBERTS, Mr. BALLENGER, Mr. MCMILLAN of North Carolina, Mr. HANCOCK, Mr. RAVENEL, Mr. SCHAEFER, Mr. MCGRATH, Mr. LAGOMARSINO, Mr. SAXTON, Mr. INHOFE, Mr. ARCHER, Mrs. SMITH of Nebraska, Mrs. MARTIN of Illinois, Mr. HASTERT, Mr. BROWN of Colorado, Mr. UPTON, Mr. PACKARD, Mr. DORNAN of California, Mr. KOLBE, Ms. SNOWE, Mr. DONALD E. LUKENS, Mr. HOUGHTON, Mrs. JOHNSON of Connecticut, Mr. THOMAS of California, and Mr. FIELDS):

H.R. 5034. A bill to amend the Federal Election Campaign Act of 1971 to make Federal elections more competitive, open, and honest by establishing clarity standards for identification of sponsors of certain unauthorized political advertising, and for other purposes; to the Committee on House Administration.

By Mr. MICHEL (for himself, Mr. GINGRICH, Mr. EDWARDS of Oklahoma, Mr. HUNTER, Mr. VANDER JAGT, Mr. MCCOLLUM, Mr. WEBER, Mrs. VUCANOVICH, Mr. CRAIG, Mr. GALLO, Mr. GUNDERSON, Mr. HYDE, Mr. GREEN, Mr. MORRISON of Washington, Mr. IRELAND, Mr. FISH, Mr. PURSELL, Mr. MILLER of Washington, Mr. SCHULZE, Mr. MOORHEAD, Mr. DEWINE, Mr. DANNEMEYER, Mr. BUECHNER, Mr. CLINGER, Ms. SNOWE, Mr. WALSH, Mr. KOLBE, Mr. PETRI, Mr. MADIGAN, Mr. OXLEY, Mr. RHODES, Mr. REGULA, Mr. NIELSON of Utah, Mr. SHAW, Mr. SCHIFF, Mr. WOLF, Mr. MARTIN of New York, Mr. COUGHLIN, Mr. MILLER of Ohio, Mr. BATEMAN, Mr. ROWLAND of Connecticut, Mr. JAMES, Mr. KYL, Mr. ROTH, Mr. HOLLOWAY, Mr. HANSEN, Mr. ROBERTS, Mr. BALLENGER, Mr. MCMILLAN of North Carolina, Mr. HANCOCK, Mr. RAVENEL, Mr. LAGOMARSINO, Mr. SHAYS, Mr. SAXTON, Mr. INHOFE, Mr. ARCHER, Mrs. SMITH of Nebraska, Mrs. MARTIN of Illinois, Mr. HASTERT, Mr. BROWN of Colorado, Mr. CRANE, Mr. PACKARD, Mr. DORNAN of California, Mr. DONALD E. LUKENS, Mr. HOUGHTON, Mrs. JOHNSON of Connecticut, Mr. THOMAS of California, and Mr. FIELDS):

H.R. 5035. A bill to make Federal elections more competitive, open, and honest by regulating the use of franked mail by Members of the House of Representatives, and for other purposes; jointly, to the Committees on Rules and House Administration.

By Mr. MICHEL (for himself, Mr. GINGRICH, Mr. EDWARDS of Oklahoma, Mr. HUNTER, Mr. VANDER JAGT, Mr. MCCOLLUM, Mrs. VUCANOVICH, Mr. CRAIG, Mr. GALLO, Mr. GUNDERSON, Mr. HYDE, Mr. GREEN, Mr. MORRISON of Washington, Mr. IRELAND, Mr. FISH, Mr. PURSELL, Mr. MILLER of Washington, Mr. SCHULZE, Mr. MOORHEAD, Mr. DEWINE, Mr. DANNEMEYER, Mr. GILLMOR, Mr. CLINGER, Mr. BUECHNER, Mr. COLEMAN of Missouri, Mr. PETRI, Mr. MADIGAN, Mr. OXLEY, Mr. RHODES, Mr. REGULA, Mr. NIELSON of Utah, Mr. SHAW, Mr. KOLBE, Mr. WOLF, Mr. BEREUTER, Mr. COUGHLIN, Mr. MILLER of Ohio, Mr. BATEMAN, Mr. ROWLAND of Connecticut, Mr. JAMES, Mr. MARTIN of New York, Mr. KYL, Mr. ROTH, Mr. HOLLOWAY, Mr. SENSENBRENNER, Mr. HANSEN, Mr. BALLENGER, Mr. MCMIL-

LAN of North Carolina, Mr. HANCOCK, Mr. RAVENEL, Mr. SHAYS, Mr. SAXTON, Mr. INHOFE, Mr. ARCHER, Mrs. SMITH of Nebraska, Mrs. MARTIN of Illinois, Mr. HASTERT, Mr. GALLEGLY, Mr. BROWN of Colorado, Mr. UPTON, Mr. PACKARD, Mr. DORNAN of California, Ms. SNOWE, Mr. DONALD E. LUKENS, Mr. HOUGHTON, Mrs. JOHNSON of Connecticut, Mr. THOMAS of California, and Mr. FIELDS):

H.R. 5036. A bill to amend the Federal Election Campaign Act of 1971 to make Federal elections more competitive, open, and honest by eliminating the functions of the Secretary of the Senate and the Clerk of the House of Representatives with respect to the Federal Election Commission; to the Committee on House Administration.

By Mr. MICHEL (for himself, Mr. GINGRICH, Mr. EDWARDS of Oklahoma, Mr. HUNTER, Mr. VANDER JAGT, Mr. MCCOLLUM, Mr. WEBER, Mrs. VUCANOVICH, Mr. CRAIG, Mr. GALLO, Mr. GUNDERSON, Mr. HYDE, Mr. GREEN, Ms. SNOWE, Mr. IRELAND, Mr. FISH, Mr. PURSELL, Mr. MILLER of Washington, Mr. SCHULZE, Mr. MOORHEAD, Mr. DEWINE, Mr. DANNEMEYER, Mr. GILLMOR, Mr. CLINGER, Mr. BUECHNER, Mr. COLEMAN of Missouri, Mr. KOLBE, Mr. PETRI, Mr. MADIGAN, Mr. OXLEY, Mr. RHODES, Mr. REGULA, Mr. NIELSON of Utah, Mr. SHAW, Mr. SCHIFF, Mr. WOLF, Mr. BEREUTER, Mr. COUGHLIN, Mr. MILLER of Ohio, Mr. BATEMAN, Mr. ROWLAND of Connecticut, Mr. JAMES, Mr. MARTIN of New York, Mr. KYL, Mr. ROTH, Mr. HOLLOWAY, Mr. SENSENBRENNER, Mr. HANSEN, Mr. BALLENGER, Mr. MCMILLAN of North Carolina, Mr. HANCOCK, Mr. RAVENEL, Mr. SCHAEFER, Mr. LAGOMARSINO, Mr. SHAYS, Mr. SAXTON, Mr. INHOFE, Mr. ARCHER, Mrs. SMITH of Nebraska, Mrs. MARTIN of Illinois, Mr. HASTERT, Mr. GALLEGLY, Mr. BROWN of Colorado, Mr. UPTON, Mr. CRANE, Mr. PACKARD, Mr. DORNAN of California, Mr. DONALD E. LUKENS, Mr. HOUGHTON, Mrs. JOHNSON of Connecticut, and Mr. THOMAS of California):

H.R. 5037. A bill to make Federal elections more competitive, open, and honest by providing for standards for establishment of congressional districts and by limiting gerrymandering; to the Committee on the Judiciary.

By Mr. MICHEL (for himself, Mr. GINGRICH, Mr. EDWARDS of Oklahoma, Mr. HUNTER, Mr. VANDER JAGT, Mr. MCCOLLUM, Mr. WEBER, Mrs. VUCANOVICH, Mr. CRAIG, Mr. GALLO, Mr. GUNDERSON, Mr. HYDE, Mr. GREEN of New York, Mr. DANNEMEYER, Mr. IRELAND, Mr. FISH, Mr. PURSELL, Mr. MILLER of Washington, Mr. SCHULZE, Mr. MOORHEAD, Mr. DEWINE, Mr. GILLMOR, Mr. CLINGER, Mr. BUECHNER, Mr. MARTIN of New York, Mr. COLEMAN of Missouri, Mr. PETRI, Mr. MADIGAN, Mr. OXLEY, Mr. RHODES, Mr. REGULA, Mr. NIELSON of Utah, Mr. SHAW, Mr. KOLBE, Mr. WOLF, Mr. BEREUTER, Mr. COUGHLIN, Mr. MILLER of Ohio, Mr. BATEMAN, Mr. ROWLAND of Connecticut, Mr. JAMES, Mr. KYL, Mr. ROTH, Mr. HOLLOWAY, Mr. SENSENBRENNER, Mr. HANSEN, Mr. ROBERTS, Mr. BALLENGER, Mr. MCMILLAN of North Carolina, Mr. HANCOCK, Mr. RAVENEL, Mr. SCHAEFER, Mr. LAGOMARSINO, Mr. SAXTON, Mr. INHOFE, Mr. ARCHER, Mr. SMITH of Texas, Mrs. SMITH of Nebraska, Mrs. MARTIN of Illinois, Mr. HASTERT, Mr. GALLEGLY, Mr. BROWN of Colorado, Mr. UPTON, Mr. PACKARD, Mr. DORNAN of California, Ms. SNOWE, Mr. DONALD E. LUKENS, Mr. HOUGHTON, Mrs. JOHNSON of Connecticut, Mr. THOMAS of California, and Mr. FIELDS):

H.R. 5038. A bill to amend the Federal Election Campaign Act of 1971 to make Federal elections more competitive, open, and honest by restricting political use of labor organization dues and agency fees; to the Committee on House Administration.

By Mr. MICHEL (for himself, Mr. GINGRICH, Mr. EDWARDS of Oklahoma, Mr. HUNTER, Mr. VANDER JAGT, Mr. MCCOLLUM, Mrs. VUCANOVICH, Mr. CRAIG, Mr. GALLO, Mr. GUNDERSON, Mr. HYDE, Mr. GREEN, Mr. MORRISON of Washington, Mr. IRELAND, Mr. FISH, Mr. PURSELL, Mr. MILLER of Washington, Mr. SCHULZE, Mr. MOORHEAD, Mr. DEWINE, Mr. DANNEMEYER, Mr. GILLMOR, Mr. CLINGER, Mr. BUECHNER, Mr. PETRI, Mr. SHAW, Mr. MADIGAN, Mr. OXLEY, Mr. RHODES, Mr. REGULA, Mr. NIELSON of Utah, Mr. KYL, Mr. SCHIFF, Mr. WOLF, Mr. BEREUTER, Mr. COUGHLIN, Mr. MILLER of Ohio, Mr. BATEMAN, Mr. ROWLAND of Connecticut, Mr. JAMES, Mr. MARTIN of New York, Mr. ROTH, Mr. HOLLOWAY, Mr. SENSENBRENNER, Mr. HANSEN, Mr. ROBERTS, Mr. BALLENGER, Mr. MCMILLAN of North Carolina, Mr. HANCOCK, Mr. RAVENEL, Mr. SCHAEFER, Mr. LAGOMARSINO, Mr. SAXTON, Mr. INHOFE, Mr. ARCHER, Mrs. SMITH of Nebraska, Mrs. MARTIN of Illinois, Mr. HASTERT, Mr. GALLEGLY, Mr. BROWN of Colorado, Mr. UPTON, Mr. PACKARD, Mr. DORNAN of California, Mr. KOLBE, Ms. SNOWE, Mr. DONALD E. LUKENS, Mr. HOUGHTON, Mrs. JOHNSON of Connecticut, and Mr. THOMAS of California):

H.R. 5039. A bill to amend the Federal Election Campaign Act of 1971 to make Federal elections more competitive, open, and honest by requiring additional statements to the Federal Election Commission from individuals who make independent expenditures, and for other purposes; jointly, to the Committees on House Administration and Post Office and Civil Service.

By Mr. WILLIAMS (for himself and Mr. COLEMAN of Missouri):

H.R. 5040. A bill to extend the authorization of appropriations for the Tribally Controlled Community Assistance Act of 1978 and the Navajo Community College Act; to the Committee on Education and Labor.

By Mr. FAUNTROY (for himself, Mrs. MORELLA, Mr. MCMILLEN of Maryland, Mr. HOYER, Mr. WOLF, and Mr. PARRIS):

H.J. Res. 601. Joint resolution designating July 4, 1990 as "July 4th Family Celebration Day"; to the Committee on Post Office and Civil Service.

By Ms. SLAUGHTER of New York (for herself, Mr. MILLER of California, Mr. SANGMEISTER, Mr. SCHEUER, Mr. TOWNS, Mr. FRENZEL, Mr. MCNULTY, Mr. HILER, Ms. KAPTUR, Mr. BILBRAY, Mrs. KENNELLY, Mr. APPLEGATE, Mr. CALLAHAN, Mr. ESPY, Mr. FALEOMAVAEGA, Mr. LAGOMARSINO, Mr. HAYES of Illinois, Mr. KOLTER, Mr. MCCLOSKEY, Mr. NAGLE, Mr. OWENS of Utah, Mr. JACOBS, Mr. DENNY SMITH, Mr. TAUKE, Mr. HERTEL, Mr. ACKERMAN, Mr. CROCKETT, Mr. RAHALL, Mr. LEHMAN of Florida, Mr. WOLF, Mr. BERMAN, Mr. RICHARDSON, Ms. PELOSI, Mr. RAY, Mr. VANDER JAGT, Mr. VENTO, Mrs. BENTLEY, Mr. DONNELLY, Mr. FORD of Tennessee, Mr. CONTE, Mr. HALL of Ohio, Mr. HAYES of Louisiana, Mr. LANCASTER, Mr. LIPINSKI, Mr. MCHUGH, Mr. OWENS of New York, Mr. MOAKLEY, Mr. SABO, Mr. TRAXLER, Mr. LEWIS of Georgia, Mr. COSTELLO, Mrs. UNSOELD, Mr. MCDADE, Mr. AUCOIN, Mrs. ROUKEMA, Mr. MAZZOLI, Mr. PICKETT, Mr. HUGHES, Mrs. MORELLA, Mrs. VUCANOVICH, Mr. GEJDENSON, Mr. BOSCO, Mr. DWYER of New Jersey, Mr. DELLUMS, Mr. FOGLIETTA, Mr. HARRIS, Mr. FRANK, Mr. LEWIS of California, Mr. MATSUI, Mr. OBERSTAR, Mr. PURSELL, Mr. SAVAGE, Mr. MCDERMOTT, Mr. WALGREN, Mr. YATES, Mr. KLECZKA, Mr. SAWYER, Mr. ENGEL, Mr. WEISS, Mr. ROBERTS, Mr. NATCHER, Ms. LONG, Mrs. JOHNSON of Connecticut, Mr. HORTON, Mr. RANGEL, Mr. COURTER, Mrs. COLLINS, Mr. FAZIO, Mr. FUSTER, Mr. BENNETT, Mr. KASICH, Mr. MCGRATH, Mr. LEVIN of Michigan, Mr. PALLONE, Mr. QUILLEN, Mr. HUTTO, Mr. TALLON, Mr. WISE, Mr. YATRON, Mr. ROE, and Mr. MOODY):

H.J. Res. 602. Joint resolution designating October 1990 as "National Domestic Violence Awareness Month"; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

434. By the SPEAKER: Memorial of the House of Representatives of the State of Hawaii, relative to requesting a study to determine the feasibility of purchasing lands in Waipio Valley currently owned by Bishop Museum; to the Committee on Interior and Insular Affairs.

435. Also, memorial of the House of Representatives of the State of Hawaii, relative to the Coastal Zone Management Act and to enact a strict oil spill liability law; to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 911: Mr. GEREN and Mr. NEAL of Massachusetts.

H.R. 995: Mr. GORDON.

H.R. 1317: Mr. ALEXANDER, Mr. JOHNSTON of Florida, Mr. HAYES of Louisiana, Mr. OXLEY, Mr. HASTERT, Mr. HAMMERSCHMIDT, Mr. HERGER, Mr. PASHAYAN, and Mr. LIVINGSTON.

H.R. 1400: Mr. EDWARDS of Oklahoma, Mr. PAYNE of New Jersey, Mr. STOKES, Mr. TAYLOR, Mr. JACOBS, Mr. SABO, Mr. TRAXLER, and Mrs. UNSOELD.

H.R. 1664: Mr. THOMAS of Wyoming.

H.R. 2121: Mr. HOUGHTON, Mr. SERRANO, Mr. OWENS of Utah, Mr. DERRICK, Mr. HUGHES, and Mr. SMITH of Florida.

H.R. 2268: Mr. NEAL of North Carolina and Mr. LIGHTFOOT.
H.R. 2336: Mr. VOLKMER.
H.R. 2386: Mr. VALENTINE and Mr. MOODY.
H.R. 2575: Mr. HALL of Ohio, Mr. WYDEN, and Mr. BEVILL.
H.R. 2832: Mr. HARRIS.
H.R. 3004: Mr. GUARINI.
H.R. 3017: Mr. NEAL of North Carolina, Mr. PANETTA, Mr. HASTERT, and Mr. LEVIN of Michigan.
H.R. 3243: Mr. DEFAZIO.
H.R. 3412: Mr. ROE.
H.R. 3735: Mr. SUNDQUIST.
H.R. 3821: Mr. NEAL of North Carolina.
H.R. 3859: Mr. TALLON, Mr. WOLPE, Mr. BORSKI, Mrs. MARTIN of Illinois, and Mr. STAGGERS.
H.R. 3880: Mr. HEFNER.
H.R. 3907: Mr. CLINGER.
H.R. 3979: Mrs. BOXER.
H.R. 4042: Mr. COOPER.
H.R. 4087: Mr. MONTGOMERY, Mr. STUMP, Mr. EDWARDS of California, Mr. HAMMERSCHMIDT, Mr. APPLEGATE, Mr. WYLIE, Mr. EVANS, Mr. MCEWEN, Mr. STAGGERS, Mr. BURTON of Indiana, Mr. ROWLAND of Georgia, Mr. BILIRAKIS, Mr. STENHOLM, Mr. RIDGE, Mr. HARRIS, Mr. ROWLAND of Connecticut, Mr. KENNEDY, Mr. SMITH of New Hampshire, Mrs. PATTERSON, Mr. JAMES, Mr. JONTZ, Mr. STEARNS, Mr. PAYNE of Virginia, Mr. PAXON, Mr. MORRISON of Connecticut, Mr. SANGMEISTER, Mr. PARKER, Mr. JONES of Georgia, Ms. LONG, Mr. GEREN of Texas, Mr. HOCHBRUECKNER, Mr. LEATH of Texas, Mr. HEFNER, Mr. JENKINS, and Mr. RICHARDSON.
H.R. 4089: Mr. MONTGOMERY, Mr. STUMP, Mr. EDWARDS of California, Mr. HAMMERSCHMIDT, Mr. APPLEGATE, Mr. WYLIE, Mr. EVANS, Mr. MCEWEN, Mr. STAGGERS, Mr. BURTON of Indiana, Mr. ROWLAND of Georgia, Mr. BILIRAKIS, Mr. STENHOLM, Mr. RIDGE, Mr. HARRIS, Mr. ROWLAND of Connecticut, Mr. KENNEDY, Mr. SMITH of New Hampshire, Mrs. PATTERSON, Mr. JAMES, Mr. JONTZ, Mr. STEARNS, Mr. PAYNE of Virginia, Mr. PAXON, Mr. MORRISON of Connecticut, Mr. SANGMEISTER, Mr. PARKER, Mr. JONES of Georgia, Ms. LONG, Mr. GEREN, Mr. HOCHBRUECKNER, Mr. LEATH of Texas, Mr. HEFNER, Mr. JENKINS, and Mr. RICHARDSON.
H.R. 4112: Mr. MILLER of California and Mr. ENGEL.
H.R. 4144: Mr. RHODES and Mr. CLINGER.
H.R. 4155: Mr. JOHNSON of South Dakota.
H.R. 4224: Mr. BUSTAMANTE, Mr. RAVENEL, Ms. ROS-LEHTINEN, and Mr. SMITH of New Jersey.
H.R. 4292: Mr. OWENS of Utah, Mr. COBLE, Mrs. ROUKEMA, Mr. GLICKMAN, Mr. GINGRICH, and Mr. DANNEMEYER.
H.R. 4362: Ms. SCHNEIDER.
H.R. 4383: Mr. FAZIO, Mr. FROST, and Mrs. UNSOELD.
H.R. 4487: Mr. HOUGHTON, Mr. LEWIS of Georgia, Mr. ATKINS, Mr. LEATH of Texas, Mr. MINETA, Mr. TRAXLER, and Mr. ENGEL.
H.R. 4490: Mr. ECKART, Mr. LANCASTER, and Mr. CARPER.
H.R. 4492: Mr. NEAL of Massachusetts.
H.R. 4494: Mr. FRANK, Mr. MCMILLEN of Maryland, Mr. PARRIS, Mr. PAYNE of Virginia, Mr. JOHNSTON of Florida, Mr. SERRANO, Mr. MAZZOLI, Mr. BEREUTER, Mr. CLINGER, Mrs. VUCANOVICH, Mr. HOLLOWAY, Mr. DANNEMEYER, Mr. MARTINEZ, Mr. RAVENEL, Mr. HUGHES, Mr. BRYANT, Mr. ERDREICH, Mr. HAYES of Louisiana, Mr. LENT, Mr. MILLER of Washington, Mr. MADIGAN, Mr. ROBERT F. SMITH, Mr. HASTERT, Mr. CRAIG, and Mr. SUNDQUIST.
H.R. 4496: Mr. BATES, Mr. ECKART, Mr. CONYERS, Mr. HALL of Ohio, and Mr. WOLPE.
H.R. 4560: Mr. GINGRICH, Mr. WILSON, Mr. DORNAN of California, Mr. DOUGLAS, Mr. MARLENEE, Mr. CRAIG, Mr. LAGOMARSINO, and Mr. BLILEY.
H.R. 4594: Mr. HYDE and Mr. LEWIS of Florida.
H.R. 4608: Mrs. MEYERS of Kansas and Mr. RAY.
H.R. 4621: Mr. MINETA, Mr. OBERSTAR, Mr. CROCKETT, and Mr. WILSON.
H.R. 4649: Ms. KAPTUR, Mr. MARTINEZ, Mr. DEFAZIO, Mr. WILSON, Mr. JONTZ, Mr. SCHEUER, Mr. LEWIS of Georgia, Mrs. BENTLEY, Mr. KOLTER, Mr. COSTELLO, Mr. FAUNTROY, Mr. GAYDOS, Mrs. BOXER, Mr. GEJDENSON, Mr. VOLKMER, and Mr. WELDON.
H.R. 4650: Mr. LEWIS of Georgia, Ms. OAKAR, Mr. TORRICELLI, and Mrs. UNSOELD.
H.R. 4659: Mr. EVANS and Mr. BRUCE.
H.R. 4684: Mr. PAYNE of New Jersey.
H.R. 4712: Mr. COX, Mr. DORNAN of California, Mr. LEWIS of California, Mr. MCCANDLESS, Mr. PACKARD, and Mr. BROWN of California.
H.R. 4715: Mr. BUSTAMANTE, Mr. MADIGAN, Mr. NEAL of North Carolina, and Mr. MCDADE.
H.R. 4814: Mr. OXLEY, Mr. SHUMWAY, Mr. LEWIS of Florida, Mr. MCEWEN, Mr. DANNEMEYER, and Mr. LIVINGSTON.
H.R. 4816: Mr. BOEHLERT, Mr. WILSON, Mr. FUSTER, Mr. JONTZ, and Mr. BLAZ.
H.R. 4849: Mr. PICKETT, Mr. TANNER, and Ms. SCHNEIDER.
H.R. 4868: Mr. BAKER, Mrs. JOHNSON of Connecticut, Mr. SERRANO, Mr. HORTON, Mr. LIPINSKI, and Mr. FOGLIETTA.
H.R. 4875: Mr. BILIRAKIS, Mr. FASCELL, Mr. IRELAND, Mr. JAMES, Mr. LEHMAN of Florida, Mr. NELSON of Florida, Mr. STEARNS, and Mr. HUTTO.
H.R. 4930: Mr. LANCASTER, Mr. MARLENEE, Mrs. VUCANOVICH, Mr. KANJORSKI, Mr. MORRISON of Washington, and Mr. RAY.
H.R. 4959: Mr. HARRIS and Mr. WELDON.
H.R. 4981: Mrs. JOHNSON of Connecticut and Mr. HARRIS.
H.R. 4990: Mr. BUSTAMANTE, Mr. BENNETT, Mr. BORSKI, Mr. BEREUTER, Mr. WHITTAKER, Mr. COSTELLO, Mr. GALLEGLY, Mr. KASTENMEIER, Mr. MACHTLEY, Mr. JONTZ, Ms. SLAUGHTER of New York, and Mr. PAYNE of Virginia.
H.R. 4995: Mr. DORNAN of California, Mr. WOLPE, Mr. BERMAN, Mr. KOLBE, Mr. COUGHLIN, Mr. MILLER of Washington, Mrs. BOXER, Mr. JOHNSTON of Florida, Mr. DICKS, and Mr. BEILENSON.
H.R. 5000: Mr. CARPER.
H.J. Res. 121: Mr. TALLON and Mr. MINETA.
H.J. Res. 180: Mr. MINETA.
H.J. Res. 350: Mr. TAYLOR, Mr. ANNUNZIO, Mr. NELSON of Florida, Mr. MCCRERY, Mr. YOUNG of Alaska, Mr. DICKINSON, Mr. RAVENEL, Mr. PARRIS, Mr. INHOFE, and Mr. MCMILLAN of North Carolina.
H.J. Res. 464: Mr. OLIN.
H.J. Res. 493: Mr. FRENZEL, Mr. BEILENSON, Mr. PALLONE, Mr. MAZZOLI, and Mr. NIELSON of Utah.
H.J. Res. 518: Mr. ROWLAND of Georgia, Mr. TALLON, Mr. YOUNG of Alaska, Mr. HUGHES, Mr. DENNY SMITH, Mr. ACKERMAN, Mr. BORSKI, and Mr. BUSTAMANTE.
H.J. Res. 519: Mr. BENNETT and Mr. FAWELL.
H.J. Res. 528: Mr. MRAZEK, Mr. DOWNEY, Mrs. LOWEY of New York, Mr. FISH, Mr. GEJDENSON, Mr. SAXTON, Mr. SMITH of New Jersey, Mr. BARTLETT, Mr. MINETA, Mr. MACHTLEY, Mr. KASTENMEIER, Mr. COUGHLIN, Mr. TRAXLER, Mr. SCHUETTE, Mr. MCMILLEN of Maryland, Mr. HUGHES, Mr. MAVROULES, Mr. YOUNG of Alaska, Mr. FROST, Mr. BLILEY, Mr. SLATTERY, Mr. SPRATT, Mr. WOLF, Mr. PASHAYAN, Mr. KOSTMAYER, Mrs. ROUKEMA, Mr. OBERSTAR, Mr. HARRIS, Mr. WYLIE, Mr. PAYNE of New Jersey, Mr. MARTIN of New York, Mr. SPENCE, Mr. FRENZEL, Mr. DE LA GARZA, Mr. MOAKLEY, Mr. MCDERMOTT, Mr. FAZIO, Mr. RITTER, Mr. BUNNING, Mr. NIELSON of Utah, and Mr. GILMAN.
H.J. Res. 554: Mr. FAUNTROY, Mr. GORDON, Mr. GONZALEZ, Mr. LEVIN of Michigan, Mr. LEWIS of Florida, Mr. LIPINSKI, Mr. QUILLEN, Mr. MATSUI, Mr. JENKINS, Mr. MCEWEN, Mr. MCCOLLUM, Mr. MURPHY, and Mr. LEATH of Texas.
H.J. Res. 574: Mr. ANDERSON, Mr. BARNARD, Mr. BATEMAN, Mr. BENNETT, Mrs. BENTLEY, Mr. BEVILL, Mr. BILIRAKIS, Mr. BLAZ, Mr. BLILEY, Mr. BORSKI, Mr. BOSCO, Mr. BOUCHER, Mr. BRENNAN, Mr. BROOKS, Mr. BROOMFIELD, Mr. BUECHNER, Mr. BURTON of Indiana, Mr. BUSTAMANTE, Mr. CALLAHAN, Mr. CARDIN, Mr. CHANDLER, Mr. CLARKE, Mr. CLEMENT, Mr. CONTE, Mr. CONYERS, Mr. COURTER, Mr. DAVIS, Mr. DICKINSON, Mr. DICKS, Mr. DWYER of New Jersey, Mr. EMERSON, Mr. EVANS, Mr. FALEOMAVAEGA, Mr. FAWELL, Mr. FEIGHAN, Mr. FISH, Mr. FLIPPO, Mr. FOGLIETTA, Mr. GALLEGLY, Mr. GEREN, Mr. GILMAN, Mr. GINGRICH, Mr. GONZALEZ, Mr. GUARINI, Mr. HAMMERSCHMIDT, Mr. HAYES of Louisiana, Mr. HEFNER, Mr. HENRY, Mr. HILER, Mr. HOCHBRUECKNER, Mr. HORTON, Mr. HUTTO, Mr. HUGHES, Mr. HYDE, Mr. INHOFE, Mr. IRELAND, Mr. JACOBS, Mrs. JOHNSON of Connecticut, Mr. JONES of Georgia, Mr. KAPTUR, Mr. KASICH, Mr. KASTENMEIER, Mr. KOLTER, Mr. LAGOMARSINO, Mr. LEHMAN of Florida, Mr. LENT, Mr. LEVIN of Michigan, Mr. MCDERMOTT, Mr. MACHTLEY, Mr. MADIGAN, Mr. MARTIN of New York, Mrs. MARTIN of Illinois, Mr. MICHEL, Mr. MILLER of Ohio, Mr. MILLER of Washington, Mr. MOAKLEY, Mr. MONTGOMERY, Mr. MOORHEAD, Mr. NATCHER, Mr. NEAL of Massachusetts, Mr. NEAL of North Carolina, Ms. OAKAR, Mr. OLIN, Mr. OWENS of Utah, Mr. PAXON, Ms. PELOSI, Mr. POSHARD, Mr. PRICE, Mr. PURSELL, Mr. QUILLEN, Mr. RAVENEL, Mr. RAY, Mr. REGULA, Mr. RINALDO, Mr. RITTER, Mr. ROBINSON, Mr. ROE, Mr. ROGERS, Mr. SABO, Mr. SAVAGE, Mr. SAWYER, Mr. SAXTON, Mr. SCHEUER, Mr. SCHUETTE, Mr. SERRANO, Mr. SKEEN, Ms. SLAUGHTER of New York, Mr. SPENCE, Mr. STAGGERS, Mr. STOKES, Mr. STUMP, Mr. TAUKE, Mr. TRAXLER, Mr. VALENTINE, Mr. WALGREN, Mr. WALSH, Mr. WILSON, Mr. WOLF, Mr. WYLIE, and Mr. YOUNG of Alaska.
H.J. Res. 575: Mr. ACKERMAN, Mr. BORSKI, Mr. BUSTAMANTE, Mr. CAMPBELL of Colorado, Mr. COSTELLO, Mr. DONNELLY, Mr. ERDREICH, Mr. FISH, Mr. FROST, Mr. GONZALEZ, Mr. GRANT, Mr. HAMILTON, Mr. HENRY, Mr. INHOFE, Ms. KAPTUR, Mr. LEVIN of Michigan, Mrs. MARTIN of Illinois, Mr. MAVROULES, Mrs. MEYERS of Kansas, Mr. MILLER of California, Ms. MOLINARI, Mr. OWENS of New York, Mr. PARRIS, Mr. PURSELL, Mr. QUILLEN, Mr. RANGEL, Mr. REGULA, Mr. RINALDO, Mr. SAXTON, Mr. SCHUETTE, Mr. SERRANO, Mr. SKEEN, Mr. TORRICELLI, Mr. WILSON, Mr. SOLOMON, Mr. FAZIO, Mr. OXLEY, Mr. ASPIN, Mr. MANTON, Mr. DURBIN, Mr. ROWLAND of Georgia, Mr. HAMMERSCHMIDT, Mr. LENT, Mr. CLARKE, Mr. ROBERTS, Mr. TALLON, Mr. MILLER of Ohio, Mr. WELDON, Mr. BLILEY, Mr. HORTON, Mr. TRAXLER, Mr. KOLTER, Mr. ROE, Mr. FUSTER, Mr. MCCLOSKEY, Mr. MARTIN of New York, Mr. DORNAN of California, Mr. NEAL of North Carolina, Mr. GALLEGLY, Mr. APPLEGATE, Mr. BLAZ, Mr. MCNULTY, Mr. DWYER of New Jersey, Mr. AUCOIN, Mrs. COLLINS, Mr. LIPINSKI, Mr.

MOAKLEY, Mr. DENNY SMITH, Mr. PALLONE, Mr. BATEMAN, Mr. MINETA, Mrs. BENTLEY, Mr. GUARINI, Mr. FAUNTROY, Mr. SAVAGE, Mr. HYDE, Mr. MILLER of Washington, Mr. FAWELL, Mr. FRENZEL, Mr. BILBRAY, Mr. BERMAN, Mr. POSHARD, Mr. ANDERSON, Mr. MICHEL, Mr. YATRON, Mr. TOWNS, Mr. MCGRATH, Mr. HOCHBRUECKNER, Mr. OLIN, Mr. ROBINSON, Ms. OAKAR, Mr. HASTERT, Mr. MADIGAN, Mr. MACHTLEY, Mr. SPENCE, Mr. RAHALL, Mr. HAWKINS, Mr. LAGOMARSINO, Mr. PORTER, Mr. WALSH, Mr. GAYDOS, Mr. SAWYER, Mr. DONALD E. LUKENS, Mr. DEWINE, Mr. HALL of Ohio, Mr. DYSON, Mr. MURPHY, Mr. RITTER, Mr. KOSTMAYER, and Mr. ANNUNZIO.

H.J. Res. 576: Mr. FAUNTROY and Mr. MCNULTY.

H.J. Res. 598: Mr. WHITTAKER.

H. Con. Res. 223: Mr. SMITH of New Jersey.

H. Con. Res. 276: Mr. GEKAS, Mr. KASTENMEIER, Mr. DINGELL, Mr. SAVAGE, Mr. SISISKY, Mr. QUILLEN, Mr. MCMILLEN of Maryland, Mr. ENGEL, Mr. SKAGGS, Mr. FAZIO, Mr. MADIGAN, Mr. RITTER, Mr. HASTERT, Mr. MOODY, Mr. WISE, Mr. RAHALL, and Mr. TORRES.

H. Con. Res. 280: Mr. UDALL, Mr. DIXON, Mr. SMITH of Vermont, Mr. BRYANT, Mr. CAMPBELL of California, Mr. DAVIS, Mr. STUDDS, Mr. NEAL of North Carolina, Mr. STOKES, Mr. FROST, Mr. VOLKMER, Mr. HANCOCK, Mr. SOLOMON, Mr. POSHARD, Mr. PAYNE of New Jersey, Mr. TORRICELLI, Mr. MICHEL, Mr. RHODES, Mr. WELDON, Mr. DURBIN, Mr. LEVIN of Michigan, Mr. SARPALIUS, Mr. MCNULTY, Mr. SMITH of New Jersey, Mr. HOYER, Mr. BRUCE, Mr. DINGELL, Mr. RIDGE, Mr. OWENS of Utah, and Mr. MCMILLEN of Maryland.

H. Con. Res. 316: Mr. YATES, Mr. BROWN of California, Mr. BEVILL, Mrs. LOWEY of New York, Mr. MCNULTY, Mr. JONES of Georgia, Mr. SISISKY, Mr. DINGELL, Mr. LEWIS of Georgia, Mrs. KENNELLY, Mr. ROBAL, Mr. TORRES, and Mr. KOSTMAYER.

H. Con. Res. 321: Mr. TRAFICANT, Mr. ROHRABACHER, Mr. SCHUETTE, Mr. HERGER, Mr. APPLEGATE, Mr. DORNAN of California, and Mr. HORTON.

H. Con. Res. 326: Mr. ECKART, Mr. MCMILLAN of North Carolina, Mr. NEAL of North Carolina, and Mrs. JOHNSON of Connecticut.

H. Con. Res. 329: Mr. LEWIS of Florida, Mr. DERRICK, Mr. CLINGER, Mr. THOMAS A. LUKEN, Mr. LAGOMARSINO, Mr. JAMES, and Mr. GORDON.

H. Res. 134: Mr. JONES of North Carolina.

H. Res. 312: Mr. LEWIS of Florida and Mr. GILMAN.

H. Res. 348: Mr. HYDE, Mrs. MORELLA, Mr. SCHEUER, Mrs. VUCANOVICH, and Mr. FISH.

H. Res. 402: Mr. STARK, Mr. HYDE, Mr. ANNUNZIO, Mr. BEVILL, Mr. GILMAN, Mr. MONTGOMERY, Mr. ROE, Mr. WHITTEN, Mr. STOKES, Mr. APPLEGATE, Mr. DE LUGO, Mr. MARTINEZ, Mr. KOSTMAYER, Mr. RUSSO, Mr. KOLTER, Mr. BENNETT, Mr. VALENTINE, Mr. COYNE, Mr. GREEN, Mr. MCMILLEN of Maryland, Mr. HARRIS, Mr. PARRIS, Mr. MCGRATH, Mr. NEAL of North Carolina, Mrs. JOHNSON of Connecticut, Mr. OWENS of Utah, Mr. LEWIS of Florida, Mr. GORDON, Mr. GRAY, Mr. TORRES, Mr. PANETTA, Mr. PORTER, and Mr. LOWERY of California.

PETITIONS, ETC.

Under clause 1 of rule XXII,

187. The Speaker presented a petition of the city of Upland, CA, relative to urging the Congress to revise the Cable Communications Policy Act of 1984; which was referred to the Committee on Energy and Commerce.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2567

By Mr. DORGAN of North Dakota:

—1. On page 2, line 16, delete "and."

—2. On page 2, line 24, strike the closing period and quotation marks and insert "; and".

—3. On page 2, after line 24, insert the following: "(C) any contract which carries out the provisions of the Garrison Diversion Unit Reformulation Act of 1986 (P.L. 99-294, 100 Stat. 418)."

By Mr. ECKART:

—Add at the end of paragraph (a) of Section 207 the following sentence:

"The Secretary of the Interior shall have no authority under this section at facilities or units which are subject to or covered by the Resource Conservation and Recovery Act or the Comprehensive Environmental Response Compensation and Liability Act of 1980."

—Replace Section 207(f) with the following:

"Nothing in this title affects or modifies, in any way, the obligations or liabilities of any person under other Federal or State law, including common law, with respect to the discharge or release of hazardous substances, pollutants or contaminants, as defined under Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601)."

By Mr. PASHAYAN:

—Sec. 203(b) of the Reclamation Reform Act of 1982 (43 U.S.C. 390cc) is amended by inserting after the words "one hundred and sixty acres", the following: "and within a district that does not enter into an amendment of its contract with the Secretary prior to January 1, 1991, water made available from the operation of reclamation project facilities may be delivered for industrial use only if full cost, as defined in Section 202(3)(A) of this title, is paid for such water as is assignable to those industrial uses:".

EXTENSIONS OF REMARKS

WHAT FLAG DAY IS ALL ABOUT

HON. HELEN DELICH BENTLEY
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mrs. BENTLEY. Mr. Speaker, last Saturday I had the pleasure of being present at the Flag Day celebration in the Bel Air Town Hall, in Bel Air, MD, where the speaker, Col. Louis Jackson, Commander USATHAMA, eloquently expressed what the flag and Flag Day are all about. Colonel Jackson's verbatim speech is included herein so that others can appreciate how much these symbols mean to those who served our country to preserve freedom and democarcy for all of us.

FLAG DAY 1990

(Flag Day presentation by Colonel Jackson, Commander, USATHAMA, Bel Air Town Hall, June 9, 1990)

Our national holidays are an important and traditional part of our American heritage. Each year we set aside time to remember our war dead, to recognize the labor that built America, and to give thanks for all we have. Such holidays are a cause for ceremony and celebration across the land.

Today, however, is not one of those legal holidays. There is no time off from work, no closing of schools. But the importance of this date should not be overlooked. And the cause for celebration is just as great. On this day our nation commemorates two events which are so much a part of our tradition and so much a secret of our success. They are events which precede, and give meaning to, many of our other holidays.

And how appropriate it is that these two birthdays are celebrated on the same day. For throughout our long and proud history, the Army and the flag have constantly been together. Soldiers have long protected the flag from danger and destruction. The flag has long inspired soldiers to accomplish feats that might have seemed impossible. History gives ample testimony to that relationship.

When we began our fight for freedom, at Lexington, Massachusetts on April 19, 1775, America was simply a group of disorganized colonies. There was no Army. There was no national flag. There was no recognized leader.

What we did have was just a group of farmers, merchants, craftsmen, and others banded loosely together in local militias. Hardly a force that would instill fear in the British Army. Hardly a threat to the King's rule. After all, the British had the greatest Army in the world at that time.

But yet, this group of unorganized colonials would kindle a fire. At first just a little smoke, then a few flames. Soon a blaze of epic proportions would sweep the colonies and it would not be exinguished until freedom was achieved in America.

However, the fire would never have grown if an Army had not been created. Unity was needed the unity of an organized fighting force led by a strong leader. Thus, on the 14th day of June 1775, the Second Continental Congress adopted the militia of New England as its "Continental Army" and appointed a committee to draft "Rules and Regulations for the Government of the Army."

On that same day, the Congress resolved to add citizens of other colonies to the Army. The resolution read in part:

"Resolved that six companies of expert riflemen be immediately raised in Pennsylvania, two in Maryland, and two in Virginia; * * * That each company, as soon as completed, shall march and join the Army near Boston, to be there employed as light infantry under the command of the Chief officer in the Army * * *"

The very next day, the chief of the Army was named. Congress appointed a Virginian by the name of George Washington. The newly created force had the leader it so desperately needed. The rest, as they say, is history.

It's the history of famous battles from Yorktown and Gettysburg, to Guadalcanal and Normandy. It's the history of strong and exceptional Army leaders such as Andrew Jackson, Ulysses S. Grant, John J. Pershing and Douglas MacArthur. It's the history of sacrifice and struggle by millions of American's who've worn the Army uniform in every decade of our existence.

And as those millions of Americans trained to be soldiers, as they endlessly drilled and marched on parade fields, they could always look up for inspiration when things got tough. They could look up to the nearest flagpole and see waving in the wind a vivid reminder of their country-the Stars and Stripes.

The Army was already two years old, and had been through a number of battles, when the American flag was born. The Continental Congress authorized the Stars and Stripes as our national flag on June 4, 1777. Thereafter, it quickly became a proud and visible symbol of our struggle for freedom.

When George Washington first saw the flag being flown above his Army he was struck by its beauty and symbolism. He is reported to have said: "We take the stars from heaven, the red from our mother country, separating it by white stripes, thus showing that we have separated from her, and the white stripes should go down to posterity representing liberty."

From then on, much as siblings do, the Army and flag grew up together. As the nation expanded its borders westward, the Army was at the forefront. So, too, was the flag. When a threat against America arose, the Army marched to the battlefield. So, too, did the flag. And when our country assumed a role as world power and defender of democracy, the Army was there. Again, so was the flag.

On this long march through history, the Army has been successful and the flag highly recognized. The Army's success has not been achieved simply because of its organization or its arsenal. People are the secret. Our citizen-soldiers have made the difference in peace and in war. Their spirit of freedom and their willingness to serve the nation are legendary.

Similarly, the recognition of the Stars and Stripes has not been due just to its design or its colors. As much as we might like the red, white, and blue, the flag is far more than a simple color combination. I recall the words of a minister who, during World War II, once described the flag in these terms:

"The flag is more than a brilliant banner; it is a prayer, a poem, and a prophecy. It is a prayer for the perpetuation of the principles of freedom; the poem of a people's history; a prophecy of greater and grander achievements."

Certainly, the prayer, the poem and the prophecy are alive and vibrant today. Those of us living in this age have been fortunate to see the prayer answered in our own time. The principles of freedom have recently spread where once there was no hope. In the process, an Iron Curtain is being torn asunder and an infamous wall has been opened in Berlin. Democracy is growing stronger across the world.

Our Army has played a great role in that prayer of freedom. It has deterrred aggression and defended democracy for many, many years now. It continues to do so. The American soldiers who were sent to Panama during Operation Just Cause are proof of that.

Michael Christopher Sullivan of Bel Air was one of the soldiers to serve in Operation Just Cause. As part of the 3rd Ranger Battalion, he was in the first wave of American soldiers to land on Panama's soil.

"It was part of my job. I never expected to have to go into combat, but I was glad to serve my country, considering how much it has given me," Michael Sullivan said when he returned home. Michael did serve his country, and thankfully, lives to continue service.

A second soldier who served in Operation Just Cause was Private First Class James Markwell. Just like Michael Sullivan, he was an Army Ranger, just 20 years old, with the fullness of life still in front of him. The night before he left for Panama he wrote to his mother * * * just in case. Part of that letter contained these words:

"I have never been afraid of death, but now he is waiting at the corner * * * I am frightened to what lays beyond the fog, yet * * * Do not mourn for me * * *. Revel in the life that I have died to give you * * *. But most of all, don't forget that the Army was my choice. Remember that I joined the Army to serve my country and insure that you are free to do what you want and live your lives freely."

James Markwell never got the chance to write his mother again. He died in Panama—one of the 23 servicemen who lost their lives. For that we feel sad. But for his love of country and love of freedom we can, and should, feel proud. And although he is dead, his words speak of life, life and freedom for future generations.

Private Markwell and those like him will never truly leave us. They are now a part of the poem that is the story of America and its people. That is why we are here today. In celebrating the birthday of the Army and the flag, we are commemorating the people of America.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

But commemoration is not enough. The prayer and the poem are not enough. There is still the prophecy to consider. As much as a birthday is a look back, it's also a time to consider the future.

Will America continue to prosper? Will there be greater and grander achievements for this nation? Will we continue the legacy of freedom and democracy for our children and grandchildren?

The answers we want to give those questions may seem self evident. A resounding "yes" to all three is what we hope for. But hope is not enough by itself. Dedication, perseverance, hard work, and determination must be part of any formula for America's continued success. The recent Soviet-American Summit is a very positive step toward preserving our freedom and achieving world peace, but we must do more, we must be alert and vigilant.

The need for vigilance in today's changing world may seem unnecessary to some. The need to continue with a strong and decisive Army in the face of retreating communism may seem undesirable to others. But let's not rush to spend the so-called "peace divident" too quickly. Danger in the world may have been reduced, but it has not been eliminated. If history at all repeats itself, let us not forget the lessons of Pearl Harbor.

President Bush, on a recent trip to an Army training site, emphasized the importance of not letting down our guard. In discussing the changing world situation, he said:

"It is important to let these encouraging things, political or military, lull us into a sense of complacency. Nor can we let down our guard against a worldwide threat. The Soviet Union still does maintain a formidable force. Military challenges to democracy persist in every hemisphere and America must always be prepared to fight for freedom and security."

To meet those continuing military challenges, and to safeguard our freedom, we must still maintain a strong and ready Army. That's the way it was 215 years ago. That's the way it is today. That's almost certainly the way it will be tomorrow.

We don't maintain that strength just for the sake of our own needs and desires. We also do it for the sake of world peace. Peace is what we all want, yet peace doesn't come easy. It takes work, effort, and above all, strength.

So, as we celebrate these birthdays, today, let us remember our past. It's filled with a heritage of acheivement and honor that we all can be proud of. Our Army and our flag are certainly an undeniable part of that heritage.

And as we think of the past, let us hope that the future holds the same promise for us. The dreams that America are still to be fulfilled. Those dreams include a future of prosperity and freedom in a world safe at peace.

If those dreams come true, then we will do well as a nation and as a people. Our children and grandchildren will inherit the spirit of America and they will continue to see Old Glory fly high and true over "the home of the free and the land of the brave."

VISUAL ARTISTS RIGHTS ACT

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. WILLIAMS. Mr. Speaker, I wish to clarify remarks I made on June 5, 1990, concerning the Visual Artists Rights Act, H.R. 2690. I understand this act, unfortunately, but perhaps understandably applies only to a distortion or mutilation of an original work of art, and not to reproductions of the work, even where the reproduction harms the artist's reputation.

The legislation provides visual artists with the right of attribution—but right to claim authorship of a work of art and to object to the false attribution of authorship. In addition, the act provides for a legal cause of action to allow an artist to prevent the destruction, distortion, mutilation, or modification of a work of visual art.

The Visual Artists Rights Act affords two main benefits. First, it would help prevent the destruction or mutilation of important works of art—art that is an invaluable part of American culture. Second, the legislation would give an artist legal recourse to prevent an individual from attributing his or her work to another and to prevent an individual from claiming that an artist was the creator of a work he or she did not create.

This bill is important to artists across the country, and I am pleased to support its passage. I had hoped that the bill would prevent the reproducing of works of art out of context. That practice is currently being used by some of those who are apposing the reauthorization of the National Endowment of the Arts.

A TRIBUTE TO DR. RAYMOND F. BOYER

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. SCHUETTE. Mr. Speaker, I have the privilege today of congratulating an outstanding citizen of the State of Michigan, Dr. Raymond F. Boyer, on the occasion of his 80th birthday. A banquet will be held in his honor on June 22, 1990, at the Great Hall in Midland, MI.

Dr. Boyer obtained a B.S. degree in 1933 and a M.S. degree in physics in 1935, both from Case Western University. He was employed by the Dow Chemical Co. from 1935–75, working primarily in the field of polymer research, development, and management. Dr. Boyer was director of plastics research and development from 1952 to 1969, becoming assistant director of corporate research in 1969. He was active for many years as an adviser to the Polymer Division, National Bureau of Standards, and to various committees of the National Research Council in the area of materials. Dr. Boyer is the author of nearly 200 publications. He had 21 patents granted in his fields of expertise.

Dr. Boyer's 13 years in the laboratory were marked by a series of research accomplishments in the fundamentals of plastics that were later recognized inside and outside of Dow. The Case Institute of Technology conferred the degree of doctor of science upon Dr. Boyer in 1955. In 1968 he was selected to receive the Gold Medal and International Award by the Society of Plastics Engineers. Two years later, he was the recipient of the Borden Silver Medal of the Chemical Society. In 1972 he was elected Dow's first research fellow. He was elected to the National Academy of Engineering in 1978. Dr. Boyer has also received awards from the Plastics Institute of Great Britain and the American Chemical Society for his pioneering research work in the field of polymers.

Dr. Boyer has lectured extensively in the U.S.S.R., and is recognized globally for his research and expertise in the field of polymers. His professional listings include: Who's Who in the World, Who's Who in America, American Men and Women of Science.

With his wife and friend of 23 years, Peggy, Dr. Boyer shared a love of ornithology. He provided her with his characteristic encouragement and support as she wrote and researched her book on the birds of Bonaire, their favorite winter vacation spot. They also shared the joys of eight children: James Boyer, Charles Boyer, Rima Carlson, Margi Yerrow, Erica Greenbaum, Carla Overberger, Charles Overberger, and Ellen McKelvey.

Dr. Boyer is also a warm, thoughtful, and attentive friend with a charming sense of humor. He is loved and respected by his colleagues, students, friends, and family. A willing mentor and advocate, Dr. Boyer has the ability to detect special qualities in people that others may not always see, and then encourage the development of those qualities. Though a world renowned scientist, Dr. Boyer is able to relate to people from every spectrum of society. Those whom he touches feel enriched for having known him.

Mr. Speaker, and my colleagues in the House, please join me in honoring Dr. Raymond F. Boyer with congratulations and best wishes on his 80th birthday. I applaud Dr. Boyer for his outstanding lifetime achievements in his profession and for serving as a role model, as scientist and friend, for his community and family.

HONG KONG REMEMBERS

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. PORTER. Mr. Speaker, nowhere in the world was the message of the Beijing massacre heard louder than in Hong Kong. The British crown colony is scheduled to revert to Chinese sovereignty on July 1, 1997. Last year while prodemocracy heroes marched in Tiananmen Square, over 1 million of Hong Kong's 5.7 million residents rallied behind them by conducting the largest demonstration in the colony's history.

When the butchers of Beijing turned tanks and guns against their own citizens, the people of Hong Kong watched in wretched horror and contemplated their own future.

While the colony's confidence level was already low, the events of June 4, 1989 cemented the fear and loathing that is now associated with 1997. The great people of Hong Kong, who have demonstrated to the world the reality and promise of free enterprise, are now leaving in droves—45,000 in 1989, 50,000 this year, and perhaps even more next year. As the people of the world enjoy a wave of democracy, human rights, and economic freedom, the people of Hong Kong are left wondering whether their future rulers will be of the same mind as those who stifled the democracy movement on the mainland.

The world must stand with Hong Kong and ensure that her residents are provided the freedoms and protections that all human beings on this planet are entitled. Mr. Martin Lee, the leader of the colony's democracy movement, is a man who is tirelessly working for this noble cause. He has formed the United Democrats, the colony's first major political party, and continues to speak out against Chinese and British unwillingness to provide Hong Kong the assurances necessary to survive.

To commemorate the 1-year anniversary of the Beijing massacre, over 130,000 colonial residents marched through the streets of Hong Kong. Martin Lee addressed the crowd and delivered a message of hope for Hong Kong freedom and democracy. I include his remarks in the RECORD and strongly commend them to my colleagues' attention:

REMARKS BY MARTIN LEE

Today, 4 June, marks the one-year anniversary of the violent suppression of China's democracy movement. We come here together to light candles and in the flickering light to mourn those Chinese students and citizens who sacrificed their lives in the pursuit of democracy. The light emanating from these candles bears witness to the fact that the people of Hong Kong and of the world have not forgotten June Fourth and that we are still determined to achieve the ideals of the students. It is our abiding hope that democracy one day will come to China.

When the people of the world remember June Fourth, what is it that they will remember? Will it be an image of Tiananmen Square covered with tanks? No, it will not. It will be the picture of the lone man who through his courage and the power of his belief stopped a row of tanks. To the people of the world, the symbol of June Fourth will never be a PLA soldier clutching a machine gun in his arms; the symbol will always be the Goddess of Democracy holding in both hands the flame of liberty.

Some people said that we ought to move forward rather then dwelling on the events of the past. While we indeed must continue to move forward, at the same time, we must never forget what has happened. For, if we fail to reflect on the lessons of the past, how can we ever establish our direction into the future?

The leaders of China all hope that the people will forget the past. They try to whitewash history and paint over the truth. Yet, we must tell them with certainly that the people will not forget. It is only through the memory and the knowledge of the May Fourth Movement, the Cultural Revolution, and the June Fourth tragedy that we avoid repeating the grave mistakes of the past. As the poster for today's event says: "We do not want to remember, but how can we ever forget?" These world bespeak the feeling of the people of Hong Kong.

Some peole have also said that democracy is not suitable for China, that China is some kind of exception, that democracy could never be put into practice in China. In truth, however, the Chinese people are no different from all the other peoples of the world. Last year's remarkable student movement demonstrated the thirst of the Chinese people for democracy. There now cannot be any question that the people of China have the ability and the right to establish a democratic system.

As we today remember the past, I would like to take a moment and look into the future. In my vision of the future, I see a springtime in Beijing in which 100 flowers are truly blooming. At every newstand in Beijing, I see dozens of newspapers and magazines bursting forth with ideas from all across the political spectrum. As the people of Beijing cycle home from work, they stop at one of these newstands and purchase the newspaper of their choice.

When I look into the future, I see a day that is a national election day throughout all of China. On that day, the hundreds of million Chinese who are old enough to vote cast hundreds of million ballots.

Throughout the country, people from dawn to dusk gather in public places to discuss those issues most important to China. The old and the young fervently debate how they will use their prized right to vote. Where lines to tanks once stood on Chang An Avenue in Beijing, I now see a row of voting stations stretching as far as the eye can see.

And that night, I look out on a Tiananmen Square, where a great assembly of students has gathered to hold a public forum on democracy. At that gathering on Tiananmen Square, the students lay wreaths at the base of the Monument to the People's Heroes, and they light candles, much as we are doing tonight, to remember their compatriots who gave their lives in pursuit of democracy. As those candles burn brightly in the night, inside the Great Hall of the People, the public officials are working tirelessly to tabulate the results of the hundreds of millions of ballots.

And the day of my vision—the national election day for all of China—is June 4.

It is my conviction that, if we all firmly adhere to our belief in democracy, that future day will no longer be a vision, but a reality.

TRIBUTE TO JAMES "JIM" DeFRANTZ

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to an outstanding individual from my congressional district on the occasion of his retirement from the Albert Einstein Middle School. On the evening of June 8, 1990, the friends and family of James "Jim" DeFrantz will be gathered together to host a retirement celebration dubbed "Memories," for him. It is indeed an honor to share with you and my colleagues the inspiring career of this devoted public servant.

Mr. DeFrantz has spent the entire span of his career serving the citizens of California. After graduating from the University of the Pacific in 1955, he went to work for the Stockton Unified School District as a teacher at the Montezuma Elementary School. During this time he also served as president of the PTA and established the first student study group. In 1960 he went to work for the Sacramento City Unified School District as a teacher at Stanford Junior High School. He transferred to Albert Einstein Middle School in 1964 where he has remained for the past 26 years. He was chairperson of the English department for 12 years, coordinator of the Einstein Pepsters and yearbook, taught gifted and talented students [GATE] and was a committee person for the Einstein International Heritage Program. He is a teacher extraordinaire in that he loves his work, his students, and his coworkers. His goal has always been to prepare his students to cope with the negatives through personal growth, positive attitudes and actions, and excellence in performance.

Coupled with Jim's devotion to public education in his dedication to his lovely wife, Roberta and church. He is a member of the Centennial United Methodist Church, the church's board of trustees, superintendent of Sunday School, a member of the Council of Ministries and Administrative Board, and chair of the Pastor-Parish Committee.

Mr. Speaker, I salute Jim's accomplishments and contributions to the public education and I ask that my fellow colleagues please join me in congratulating James DeFrantz for a job well done and extend our best wishes to him in all his future endeavors.

SUPPORT OF HOUSE RESOLUTION 384, CONCERNING THE FAMINE SITUATION IN ETHIOPIA

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. BURTON of Indiana. Mr. Speaker, I rise in strong support of House Resolution 384, concerning the famine situation in Ethiopia. I commend my colleague, the gentleman from Michigan [Mr. WOLPE], for his hard work and diligence in bringing this resolution to the floor.

Mr. Speaker, this is an emergency situation, pure and simple. If we do not act, people in Ethiopia will die. Our responsibility is that heavy.

Two weeks ago, Mikhail Gorbachev came to town, and received a hero's welcome. He can only dream of such adulation back in the Soviet Union. Everybody wants to believe that Gorby is the apostle of peace, of the new Soviet attitude. But as we speak, Soviet bombers are killing and maiming innocent children in Eritrea. One billion dollars in military assistance continues unabated, this year alone, to Mengistu, the butcher of Addis.

I recently had a chance to view, along with several of my colleagues, a graphic videotape of the bombing of the Eritrean port of Massawa. Mr. Speaker, I cannot adequately convey the horrible images I saw on that film. But I can assure you that neither I, nor

anyone who has seen it will ever forget it. To see the effects of napalm and cluster bombs on completely innocent children—there are just no words that can describe the pain and heartbreak.

The blame clearly lies with the Soviet Union which supplies the weapons, and with the Communist dictatorship in Ethiopia which uses them. Let no one cloud the issue here by trying to assert that the rebels share equal blame. There is no moral equivalence here. The Eritrean People's Liberation Organization has become a legitimate, well-organized, moderate force. They have achieved a great deal for their people. Through the Eritrean Relief Association, they have kept the people of Eritrea fed and clothed, and have showed themselves to be a humane, compassionate group in their treatment of, not only their own people, but the Ethiopian POW's as well. They are certainly a force to be reckoned with, and their legitimate grievances must be addressed.

Mr. Speaker, Mengistu's war on the people of Eritrea, and indeed all of Ethiopia, has gone on far too long. The suffering has been enormous. We must make it clear to the Ethiopian regime, and to their sponsors in Moscow that we will not stand for it any longer. I urge the quick passage of this important legislation.

PLYMOUTH—AAA TROUBLESHOOTING CONTEST

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. MACHTLEY. Mr. Speaker, I rise today to congratulate William Hickey and Brian Martin who are being recognized for their outstanding achievements in the Rhode Island Plymouth—AAA Troubleshooting Contest.

William Hickey and Brian Martin are both graduating from Cranston High School East. As a result of their placing first in the Rhode Island competition, both have received full scholarships to the New England Institute of Technology. Both will also participate in the national competition in Washington, DC.

It is with great pleasure that I salute both William Hickey and Brian Martin for their outstanding achievements. I wish them both continued success in the future.

WHY HEALTH CARE COSTS ARE CRAZY

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. STARK. Mr. Speaker, I'd like to include in the RECORD an excellent article from the Wall Street Journal for June 5, 1990, entitled, "Competitive Anomaly: Consumers Pay More in Two-Hospital Towns."

The article helps explain why health care costs in our society are running two to three times the rate of general inflation. The article's description of waste and inefficiency in the health care system makes clear both why we must, and why we can, make tough choices in health care.

I have one quarrel with the writer of the article. He says about half way through that "reimbursements from Medicaid and Medicare don't keep pace with costs. * * *" Well, I agree Medicaid may need to reimburse better, but I think that the readers of the article will agree that it is insane for taxpayers to give this kind of economic black hole an open ticket to the Treasury.

Medicare payments should not keep pace with the kind of expenditure stupidity described in the article. When Members of Congress are lobbied by the health sector for more money, we should first remember that the situation in Kalamazoo is being repeated in hundreds of cities and towns across this Nation.

The article follows:

RIVAL OPERATIONS—COMPETITIVE ANOMALY: CONSUMERS PAY MORE IN TWO-HOSPITAL TOWNS

(By Ron Winslow)

KALAMAZOO, MI.—When the two archrival hospitals here found out that both planned to launch helicopter ambulance services, they flew into action. Borgess Medical Center quickly found a copter, called photographers and was first to get pictures in the local paper.

But Bronson Methodist Hospital struck back, getting its chopper into the air first and proudly proclaiming a nurse aboard every flight.

Borgess retaliated three months later, boasting a doctor on every trip. Within a year, each hospital had upgraded to twin-engine choppers—making the announcement the same week. There are only 90 helicopter ambulances in the whole country," an exasperated executive of Upjohn Co., the city's largest employer, said at the time, "and two of them are here."

Not to mention two heart programs, two maternity wards, two state-of-the-art emergency rooms, and two radiology services. There were even two billboard campaigns. Robert Fabi, a respected neurologist who has practiced here for more than 20 years, describes the situation in verse: "Given the history of Kalamazoo, if there is one, there will be two."

NATIONAL MICROCOSM

In most businesses, competition cuts prices. But hospital bills in Kalamazoo, a metropolitan area of 200,000 between Detroit and Chicago, are the second highest in Michigan and among the highest in the nation. In general, hospital costs in two-hospital towns like Kalamazoo are 30% higher than in one-hospital communities, according to a survey by Booz-Allen & Hamilton, Chicago consultants. "Kalamazoo is a microcosm of the national environment." says Gary Alquist, a Booz-Allen vice president and health-care specialist.

Charges per admission is 1988 averaged $6,112, 55% higher than in nearby Grand Rapids and 34% above the national average for metropolitan areas. Health costs at James River Corp.'s Kalamazoo paper packaging operations rank in the top three of the company's 15 similar units nationwide. When it comes to further expansion, health costs put the area "at a competitive disadvantage versus some of the other communities we do business in," says Norman Ryan, a James River executive.

The costs are a threat to both corporate profits and the region's economic growth. Total medical costs here rose nearly 15% last year at Upjohn, a pharmaceutical concern, and 20% at both Stryker Corp., a medical equipment company, and Fabrikal, a plastic products maker. First of America Corp., bank holding company, budgeted a 45% increase in costs this year from 1989. "We have good medical care," says Theodore Cooper, chairman, president and chief executive of Upjohn. "We need it to be priced right."

As a result, Upjohn and other major businesses here have tried to get the hospitals to cooperate. But nearly all the efforts have failed. Last fall, the most ambitious—a two-year effort to merge the hospitals, one Catholic and one Methodist—collasped over the issue of abortion.

Bronson and Borgess haven't gotten along since the turn of the century, when a group of doctors left Borgess, which had been founded by the Sisters of St. Joseph, to start their own hospital. Each hospital, of course, has its own version of that.

Borgess says the doctors were kicked out in a philosophical tiff with a nun about, among other things, religious influence over medical care. Bronson says the physicians left after the nuns refused to shorten their habits, which the doctors believed swept up germ-laden dust as they swished along the floor.

Over the next several decades, the hospitals divided up patients along religious and ethnic lines. "If your name was Kelly, you went to Borgess," says Dan Ryan, retired editor of the Kalamazoo Gazette, himself a Borgess baby.

In the 1950s, Bronson was the first to add a wing and lease space to physicians, drawing first blood in the war for supremacy. "You began having guys who were Bronson doctors and Borgess doctors," says Mr. Ryan.

In the 1960s and 1970s, Borgess was particularly successful at recruiting physicians highly trained in such emerging areas as heart surgery and neurology. With the help of an infusion of Medicare and other federal health funds, both institutions established centers for a variety of medical specialties.

Bronson has a burn unit, a neonatal intensive care ward and strong pediatric and women's services. Borgess stresses cardiology and neurosurgery and does kidney transplants.

Bronson is a sprawling 442-bed facility crammed into a downtown city block. Borgess is a 458-bed hospital on 40 acres just two miles away. Both reported revenues of about $140 million in 1988; both offer comprehensive services for the treatment of critically ill patients.

Between 1970 and 1980, the number of physicians in Kalamazoo doubled, intensifying the use of medical resources—and competition. Doctors, with power to refer and admit patients, are catalysts in hospital battles. When Bronson refused to purchase expensive surgical tables for some orthopedic surgeons a few years ago, "they picked up their scalpels and went accross town," says Russell Kneen, former chief executive at Bronson.

Regulation plays a crucial role as well. In the early 1980s, the U.S. instituted a program to control Medicare and Medicaid costs by reducing hospital admissions and shortening stays. Meantime, Michigan was one of many states that enacted so-called certificate-of-need laws that require hospitals to prove the need for expensive new technology and services.

The result: Between 1984 and 1988, the Kalamazoo in-patient market shrank by 10%. But certificate-of-need rules meant that being second with new technology necessary to compete for the dwindling supply of patients could mean not getting the technology at all. Competition, already fierce, turned nasty.

BATTLE OVER A MACHINE

One early battle was over a $2 million magnetic resonance imaging machine, the state of the art in diagnostic technology. At first, the hospitals planned to acquire one jointly. But when a group of doctors allied with Borgess (and unaffected by certificate-of-need requirements) bought their own MRI, Borgess acquired a half interest in the doctors's machine instead.

Despite agreements to assure Bronson doctors access to the MRI, "it's turned out that we've been at a disadvantage," says Patric E. Ludwig, Bronson's chief executive officer. Now Bronson intends to acquire its own MRI, a mobile version that can be hauled from hospital to hospital. But the Borgess physicians recently won approval for a mobile unit of their own.

Bronson added open-heart surgery to its fledgling cardiology service in 1987. That nettled Borgess, which has done 7,000 open-heart operations.

LAST-MINUTE TRANSFER

State health officials ordered Bronson to shut down the service, on the ground that it lacked a permit, Bronson says Borgess provoked the action, something Borgess denies. In any event, Bronson says the order forced one patient, on the eve of his scheduled surgery, to be transferred—to Borgess—for the operation.

Then the state decided it lacked authority to stop Bronson from doing open-heart surgery and permitted the procedures to resume. But Borgess challenged that decision with a pending lawsuit.

"You have a hard time convincing me that you need two heart programs in this town," says R. Timothy Stack, president of Borgess.

"They wanted to maintain a monopoly on that service," replies Mr. Ludwig.

BUSINESSES GET INVOLVED

Finally, local businesses just couldn't take it anymore—and not only because of increased costs resulting from duplicated services. Because reimbursements from Medicaid and Medicare don't keep pace with costs, both Borgess and Bronson (as well as hospitals around the country) shift a portion of those costs to their paying customers, effectively charging them extra.

Upjohn and other leading companies, many of which have executives on the boards of both hospitals, began demanding some sort of cooperation. In mid-1987, the chief executives of the two hospitals began merger talks. That led to the formation of First Health Development Corp., a company comprising board members and doctors from both institutions.

"The joke in town is that they took the guns off the helicopters during merger negotiations," says Kevin Fickenscher, an assistant dean at Michigan State.

First Health's plan wasn't to eliminate competition but to redefine it so the combined hospital would compete with other hospitals in the region. In October 1988, after over a year of courtship, Bronson and Borgess announced intentions to consolidate.

Almost immediately, the romance turned rocky. In December, Bronson won its fight to resume open-heart surgery and refused to delay the service until negotiations were completed. In January, First Health decided to name a chief executive. The candidates: Borgess's Mr. Stack and Bronson's Mr. Ludwig. The result: a 4-4 vote, deadlocked along loyalty lines. First Health decided to leave the decision up to the board of the combined hospital.

CANON LAW

Then came the religious issues. Bronson's Methodist affiliation is little more than a formality, but at Borgess, each day begins with a prayer over the hospital intercom. While neither side retained counsel who specialized in mergers and acquisitions for the talks, Borgess hired a canon lawyer to protect its religious interests.

Borgess insisted Bronson agree to bar abortion. Bronson said abortions had to be available, even though the hospital had performed just four in 1988. Finally, Bronson agreed to do no abortions except in cases of anencephaly, in which the brain fails to develop, or other rare instances when the prognosis for the fetus is hopeless.

That wasn't good enough. Last October, talks collapsed. And this spring, a new front in the war opened: laser surgery.

Borgess announced in March it intended to triple its annual volume of 500 laser procedures. In April, Bronson, which says it already does 1,500 a year, trumped the plans by performing the region's first laser gallbladder surgery—and trumpeting the feat in newspaper ads.

"They're trying a pre-emptive thing to minimize the impact of our program," charges J. Patrick Dyson, a Borgess senior vice president. "One of the surgeons flew in from out of town," he adds. "It's what we call itinerant surgery." Bronson concedes the out-of-town surgeon trained the Bronson doctors in the procedure, but he merely watched "to make sure everything went fine," says James B. Falahee Jr., Bronson's general counsel.

In this environment, businesses are looking at other ways to keep costs down. Upjohn and other companies are considering negotiating discount rates in return for a guaranteed flow of patients. "We've never tried to bid one against the other," says Upjohn's Dr. Cooper. "But we do have other responsibilities," including assuring "a fair return to shareholders."

SOME COOPERATION

The pressure is having some effect. Since 1985, Bronson has trimmed staff by 9%. It didn't raise rates last year, and last month announced a 5% across-the-board price cut. It pledges to cut the difference between Bronson and Grand Rapids hospitals by half this year. Borgess has reduced its work force as well and plans package rates for cardiology and other specialties.

One important cooperative effort is making headway. In February, the hospitals announced plans to build a joint $10 million outpatient cancer treatment center downtown. Among other things, it would mean the purchase of just one million-dollar linear accelerator (used in radiation treatment) instead of two.

A group of local executives called the CEO Council is prodding the hospitals to consolidate other services. One prime candidate: the helicopters. The hospitals say each chopper makes more than 600 flights a year, enough to justify two. They often back each other up, and it isn't unusual to see the Bronson helicopter deliver a patient to Borgess and vice versa.

Operating both units costs a total of $5 million a year, says Dave Kovacs, medical director of Borgess Inflight Medical Services, and combining their operations would save at least $1 million, even while keeping both choppers running.

But the helicopters are objects of intense pride. "We feel ours has been successful because we are the major trauma center," Bronson's Mr. Ludwig says. It plays an important role in Bronson's emergency service, which generates 30% of patient admissions, he adds.

Borgess, on the other hand, even distributes postcards and calendars with pictures of its chopper in flight. And Borgess proudly says that its was the first to rack up 3,000 trips. Told that Bronson considers its own service the leader, will. Mr. Stack shrugs and says: "It's a popular misconception on their part."

TRIBALLY CONTROLLED COMMUNITY ASSISTANCE ACT

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. WILLIAMS. Mr. Speaker, today, Representative COLEMAN, ranking minority member on the Education and Labor Committee's Subcommittee on Postsecondary Education joins me in introducing reauthorizing legislation for the Tribally Controlled Community Assistance Act of 1978 and the Navajo Community College Act.

This bill, extends at current levels of authorization for appropriations, these two acts for 1990, 1991, and 1992. This legislation will serve as a vehicle for some potential minor changes this year, with a more thorough reauthorization planned for 1993 in conjunction with the higher education reauthorization. The Subcommittee on Postsecondary Education will work closely with the Senate Select Committee on Indian Affairs to develop a consensus bill.

Tribal colleges are, we believe, responsible for tribes turning the corner toward a better life for Indian people. The first college started in 1968; now there are 24 tribal colleges with several more tribes exploring starting their own colleges. In 1981, there were 1,689 students attending tribal colleges. Before the advent of tribal colleges, there was a 90-percent dropout rate by Indians by the end of their freshman year. The schools' current enrollment is about 4,200; with approximately 7,000 students graduating in the past 5 years and more than 25 percent transferring to 4-year institutions.

We welcome cosponsors for this reauthorization.

HAIL THE WORLD CHAMPIONS!

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. SCHUETTE. Mr. Speaker, it is my privilege today to congratulate the Traverse City

High School of Traverse City, MI for its world championship performance in the "Odyssey of the Mind" competition.

Coached by Sharon Dionne, the team of 6 junior girls emerged from 8,000 teams that started competing at the regional level and 49 that made it to the world finals last weekend in Ames, IA. They received their award before a cheering crowd of 11,000 people.

Like debate squads, bands, orchestras, and other groups involved in school extracurricular activities, the Odyssey of the Mind teams receive little public attention. This does not make their achievement any less significant. The world trophy this team earned represents countless hours of hard work by people with outstanding intellectual, dramatic, and creative talents. All the girls on the team—Amy Wegner, Amy Wheaton, Ame Windover, Leslie Mesch, Sarah Jaquish, and Anna Fidler—are top-notch competitors.

Mr. Speaker, and my colleagues in the House, join me today in congratulating the Traverse City High School Odyssey of the Mind team on their world championship. I hope their achievement, along with the achievements of all extracurricular groups sponsored by schools throughout the Grand Traverse area, will inspire younger students to explore and develop their emerging talents.

HONG KONG'S BASIC LAW: BASICALLY FLAWED

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. PORTER. Mr. Speaker, the Sino-British Joint Declaration on the Future of Hong Kong, signed on December 19, 1984, sets forth at great length the terms under which China will resume sovereignty over Hong Kong. Article 3, clause 12 of the Declaration states that the provisions of the agreement "will be stipulated" in the Basic Law, which will serve as Hong Kong's post-1997 constitution. Hence, all provisions of the Basic Law must fully accord with the Joint Declaration.

China's National People's "Congress" passed the final version of the Basic Law on April 4. It should be noted that on that same day the Hong Kong Legislative Council overwhelmingly passed a motion which urged China to amend the Basic Law along the lines of a report written by the Office of Members of the Executive and Legislative Councils [OMELCO]. This is significant because the OMELCO report included extensive and far-reaching amendments. Tiananmen Square and the repression that followed has done irreparable harm to confidence in Hong Kong. A good Basic Law could have gone a long way toward restoring that confidence. Unfortunately, several aspects of the final Basic Law are in contravention of the Joint Declaration and the document as a whole provides the people of Hong Kong little hope that there future rulers will be benevolent ones.

Mr. Martin Lee, a legislative council member in Hong Kong has prepared a summary of the Basic Law's basic flaws. I commend them to my colleagues' attention.

THE HONG KONG BASIC LAW AND ITS BREACHES OF THE 1984 SINO-BRITISH JOINT DECLARATION ON THE FUTURE OF HONG KONG

(Summary by Mr. Martin Lee)

1. CONSTITUTION OF LEGISLATURE

Despite the Joint Declaration's promise that the Hong Kong legislature "shall be constituted by elections," only one third of the 1997 legislature is to be democratically elected. The rest is to be "elected" through "functional constituencies" and an "Election Committee." In 2007—seventeen years from now—only one half of the legislature will be democratically elected, and there is no promise that there will ever be a majority of the legislature that is democratically elected.

2. EXECUTIVE ACCOUNTABILITY TO THE LEGISLATURE

The Joint Declaration provides that the executive authorities "shall be accountable to the legislature." Under the Basic Law, however:

(a) The Chief Executive can unilaterally dissolve the legislature if it fails to pass an "important" bill. (Article 50)

(b) The Legislature has no power to pass a vote of no confidence in the Chief Executive.

(c) The Chief Executive must give his/her consent in writing if any member of the legislature wishes to introduce any bill "relating to government policies"—a potentially all-encompassing prohibition. (Article 74)

(d) Any Government-proposed bill need be approved by a simple majority of the Legislature. If a member of the legislature introduces any bill or any amendment to a Government bill, however, the bill/amendment must be approved by separate majorities of democratically elected legislators and indirectly elected legislators. (Annex II)

(e) The Chief Executive will not be democratically elected; rather he/she will be selected by an "Election Committee" and appointed by Beijing. Similarly, though the Legislative Council may a pass a motion of impeachment against the Chief Executive, only Beijing—and not the Legislative Council—has the power to remove him/her. (Article 73.9)

3. POWER OF INTERPRETATION

Joint Declaration Annex I, Clause III promises that Hong Kong courts will have the "power of final adjudication" and that the "judicial system previously practised in Hong Kong shall be maintained". Currently, Hong Kong courts have the power to interpret any aspect of the law, including the Letters Patent and the Royal Instruction—the constitutional documents that set out the powers of the Hong Kong Government. Under Article 158, however, the final power of interpretation of the Basic Law rests not in Hong Kong's courts but in the Standing Committee of the National People's Congress.

4. POWER OF AMENDMENT

The Joint Declaration is silent on the question of who has the power to amend the Basic Law. Article 159 of the Basic Law gives the National People's Congress the power to amend unilaterally any aspect of the Basic Law without reference to Hong Kong.

5. SUBVERSION

The Joint Declaration Annex I, Clause II promises that "the laws previously in force in Hong Kong (i.e., the common law, rules of equity, ordinances, subordinate legislation and customary law) shall be maintained. . . ." Yet, Article 23 of the Basic Law prohibits any act of "subversion against the Central People's Government". Subversion is a concept unknown to the common law, which is supposed to remain in force in Hong Kong; subversion, rather, is a political offense. The insertion of this prohibition-especially in light of the harsh post-Beijing Massacre crackdown against pro-democracy advocates in China—is both contrary to the Joint Declaration and frightening to the people of Hong Kong.

6. STATE OF EMERGENCY

The Joint Declaration does not discuss who should have the power to declare a state of emergency in Hong Kong. Currently, it is the Hong Kong Governor who has this power. Article 18 of the Basic Law, however, gives Beijing the power to "apply the relevant national laws" (i.e., martial law) in Hong Kong if Beijing declares that the territory is in a state of "turmoil".

7. VIOLATION OF THE LETTER OF THE JOINT DECLARATION

In addition, there are four aspects of the Basic Law that clearly violate the letter of the Joint Declaration. Three of these concern questions of nationality.

(a) The Joint Declaration carefully considered many aspects of the question of nationality for future Hong Kong residents and public servants. Joint Declaration, Annex I, Clause IV says that only Chinese nationals shall be able to serve as "heads of major government departments" in the future HKSAR. This is the only nationality restriction on public officials in the Joint Declaration.

The Basic Law, however, states that at least 80% of the future HKSAR legislators must be "Chinese citizens with no right of abode in any foreign country." (Article 67) Such restrictions on legislators, in addition to being unworkable in practice, violate the Joint Declaration, which placed no nationality restrictions on legislators.

(b) The Basic Law also states that the Chief Executive (Article 44), members of the Executive Council (Article 55), principal officials of the HKSAR (Article 61), the President of the Legislative Council (Article 71), and the Chief Justice of the Final Court of Appeal (Article 90), shall be "Chinese citizens with no right of abode in any foreign country." Yet, according to Chinese nationality law, any ethnic Chinese born in Hong Kong (being a part of China) is a Chinese national; hence, the addition of "no right of abode in any foreign country" (which Beijing has not announced how it will interpret) for senior officials adds a restriction above and beyond those in the Joint Declaration.

(c) Article 24 of the Basic Law details who will be permanent residents of the future HKSAR. Subclause (4) includes "Persons not of Chinese nationality who have entered Hong Kong with valid travel documents, [who have] have ordinarily resided in Hong Kong for a continuous period of not less than seven years. . . ." [emphasis added].

The clause derives from the Joint Declaration's Annex I, Clause XIV, which explicitly set forth who the permanent residents of the future HKSAR would be. For the most part, Article 24 of the Basic Law copies the Joint Declaration word for word. Article 24, however, breaches the Joint Declaration by adding the phrase "who have entered Hong Kong with valid travel documents." This formulation could strip permanent residency status from certain non-Chinese nation-

als who were born in Hong Kong and thus "did not enter Hong Kong with valid travel documents".

(d) Article 107 of the Basic Law states, among other things, that the future Hong Kong Government shall "avoid deficits and keep the budget commensurate with the growth rate of its domestic product." There is nothing in the Joint Declaration that justifies the insertion of this Article into the Basic Law. The policy directives contained in the Article, moreover, have no place in a constitutional document.

RESPONSE OF BRITISH GOVERNMENT

The British Government, as a party to the Joint Declaration, has an obligation to seek that the Basic Law fully accords with the 1984 agreement. Though officials admit privately to the breaches of the letter of the Joint Declaration set out above, the British Government has refused to publicly criticise any aspect of the Basic Law. In fact, the official British position, as set forward in the Annual White Paper Report on Hong Kong, is that the Basic Law is a "remarkable document." The White Paper makes no reference to the fact that on 4 April 1990—the same day that the Basic Law was promulgated in Beijing—the Hong Kong Legislative Council overwhelmingly passed a motion calling for extensive amendments to the Basic Law.

HOLY SPIRIT PARISH SACRAMENTO, CA

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. MATSUI. Mr. Speaker, I rise today to invite my colleagues to join me in celebrating the 50th anniversary of the Holy Spirit Parish of Sacramento, CA.

Holy Spirit Parish was built to meet the spiritual needs of a large number of Catholic families who had moved to the city's southside. Upon its ground breaking on July 26, 1940, it became the fifth Catholic parish in Sacramento. In 1948, the church was able to raise the funds necessary to build a school for young Catholic children. Administered by the church, the school implemented a novel tuition policy in which parishioners who used the Sunday contribution envelopes regularly, and contributed according to their means, were not required to pay tuition. This policy was designed to prevent impoverished Catholic children from receiving a Catholic education. Unfortunately, due to the increasing costs of education, the no tuition policy is no longer in effect.

As Sacramento experienced rapid post-World War II growth, the small church was unable to accommodate all the parishioners within its official parish boundaries. By the midfifties the population within the church's boundaries nearly tripled to over 12,000 parishioners. The conditions were such that parishioners at midmorning masses were forced to crowd into the vestibule and, on occasions, out onto the front steps. By Christmas 1957, a new wing was added to the church.

While Holy Spirit Parish's development has paralleled that of the surrounding community, its commitment to tradition and strong sense of the past are ever present. Since its founding in 1940, Holy Spirit Parish has been a source of support and guidance for the residents of Sacramento, and has played a significant role in the city's development. I wish the parish a long and successful future.

GEJDENSON AMENDMENT TO H.R. 2567, THE RECLAMATION PROJECTS AUTHORIZATION AND ADJUSTMENTS ACT OF 1989

HON. JOHN J. RHODES III

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. RHODES. Mr. Speaker, I would like to include at this point in the RECORD copies of a recent exchange of letters between me and Mr. Ed Osann of the National Wildlife Federation, regarding the nonapplication of the Gejdenson amendment provisions to irrigation district contracts which may be required to be amended as a result of participation in an Indian water claims settlement.

The following is the text of those two letters:

WASHINGTON, DC, *June 12, 1990.*

Mr. EDWARD R. OSANN,
National Wildlife Federation,
Washington, DC.

DEAR MR. OSANN: This is to solicit your understanding regarding the impact of the most recent draft of the amendment proposed to be offered by Congressman Sam Gejdenson to H.R. 2567, the Reclamation Projects Authorization and Adjustment Act of 1989.

Specifically, is it your expectation and intent that irrigation districts which would not otherwise be subject to the provisions of the Gejdenson Amendment, should not be subject to the application of the Gejdenson Amendment as a result of being part of any Indian water settlement that as a condition of such a settlement requires the irrigation district to have its contract(s) amended?

Is it also your position that in the context of any such Indian water settlement, specific language should be included in the legislation affirming that settlement, stating the exemption from the application of the Gejdenson Amendment for the irrigation district(s), such as the Roosevelt Water Conservation District (RWCD) in Arizona, involved in the Indian water settlement?

We would appreciate your response prior to House floor consideration of the Gejdenson Amendment, expected Wednesday or Thursday of this week.

Thank you for your consideration.

Sincerely,

JOHN J. RHODES III,
Member of Congress.
MORRIS K. UDALL,
Member of Congress.

NATIONAL WILDLIFE FEDERATION,
Washington, DC, June 13, 1990.

Hon. MORRIS UDALL,
Chairman, Committee on Interior and Insular Affairs, House of Representatives, Washington, DC.

Hon. JOHN J. RHODES III,
House of Representatives,
Washington, DC.

DEAR MR. CHAIRMAN AND REPRESENTATIVE RHODES: I am pleased to respond to your inquiry regarding the understanding of the National Wildlife Federation on certain aspects of the Gejdenson Amendment to H.R. 2567, the Reclamation Projects Authorization and Adjustment Act.

I understand that the participation of various irrigation districts may be desirable or even essential in future Indian water rights settlements, and that such participation may involve amendments to existing contracts with the Secretary of the Interior. It is my expectation that contract amendments solely to facilitate Indian water rights settlements—not conferring new or additional benefits to such districts—would be appropriate to exempt from the requirements of the Gejdenson Amendment when the failure to do so would preclude a negotiated settlement.

Recognizing that the action of the 101st Congress cannot bind the actions of future Congresses, it is my further expectation that any legislation necessary to affirm an Indian water rights settlement that requires the participation of an irrigation district holding an existing contract with the Secretary would carry specific language exempting such district from the application of the Gejdenson Amendment, whenever the failure to provide such an exemption would frustrate the underlying Congressional objective of effectuating a negotiated settlement of Indian water rights.

Sincerely,

EDWARD R. OSANN,
Director, Water Resources Program, National Wildlife Federation.

OPEN LETTER FROM ELENA BONNER ON LITHUANIA

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. Frank. Mr. Speaker, 4 years ago I had the great privilege, along with our former colleague from California Mr. Lungren, to accompany Elena Bonner on her return to Moscow. Ms. Bonner had been in the United States for medical treatment while her husband, the late Andrei Sakharov remained in internal exile. Shortly after she returned to Moscow, the internal exile decree was lifted and she and her husband were allowed to return to Moscow, where he was subsequently elected to the Russian Parliament.

While we have been deprived of Andrei Sakharov's brilliant advocacy for human rights by his death, Elena Bonner continues the important work which was their joint effort. She was recently in this country and I was pleased to be able to meet her again at a meeting held by Armenian-Americans in Massachusetts at which she was recognized for her staunch defense of the rights of the people of Armenia. At that time, I had the chance to discuss with her the situation in Lithuania, an opportunity I sought because I have an enormous amount of respect for her expertise about Soviet politics as well as her commitment to human rights. She mentioned to me at that time an open letter she sent to President Bush sometime earlier in which she strongly urged strong American support for Lithuanian independence.

Her letter is a powerful statement of behalf of American support for the brave people of

Lithuania and their right to the independence which was brutally and illegally taken from them by the Hitler-Stalin pact. Because of Elena Bonner's impeccable credentials as a supporter of democratic reform in the Soviet Union, I ask that her letter to President Bush be printed here as an example of the powerful case that exists for strong American support for the people of Lithuania.

AN OPEN LETTER TO PRESIDENT BUSH

MARCH 26, 1990.

Mr. PRESIDENT. The lawful Lithuanian government, acting on the will of the great majority of its population, has proclaimed the independence of the Lithuania.

The statements by your government express hopes for the peaceful resolution of the situation. But in Lithuania the tension is growing, fed by the increasing Soviet military presence. the psychological atmosphere is such that at any moment the incidents of violence can be provoked. That can endanger President Gorbachev's position and drastically slow-down or completely stop the process of democratization in the Soviet Union.

For half a century the government of your country considered unlawful and refused to recognize the incorporation of the Baltic states into the Soviet Union. That was in line with the U.S. democratic traditions. It was a moral statement of the Molotov-Ribbentrop pact, or, to be exact, on the bargain struck between Stalin and Hitler. Was such U.S. position just empty words, that deceived American people and the whole world? Only actions can answer this question—by immediate recognition of the Republic of Lithuania and the establishment of the diplomatic ties with it. The U.S., because of its unique role in the world, and you, Mr. President, have a grave historic responsibility.

I am addressing you because I know that Andrei Sakharov would have done it. Back in 1988 he wrote that one should not fight the separatist tendencies but try to treat the problems that are causing them. The government of the USSR had failed to act timely. But it's mistakes must not be paid for with the blood of the Lithuanian people, who, at the hands of Stalin, have lost almost a third in the concentration camps and in the Siberian deportation.

I call on you to immediately recognize the Republic of Lithuania.

Sincerely,

ELENA BONNER.

PAINTBRUSH DIPLOMATS VISIT WASHINGTON

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. DERRICK. Mr. Speaker, our Nation's capital this week is playing host to approximately 20 paintbrush diplomats from Anderson County, SC. Their artworks have been chosen to travel nationwide as part of "Paintbrush Diplomacy," a global artistic exchange program. The outstanding talents of these young men and women from the Third Congressional District merit the attention of my House colleagues, so I would like to insert for the RECORD the following article, which appeared in the June 11 edition of the Anderson Independent-Mail:

[From the Anderson Independent-Mail, June 11, 1990]

PAINTBRUSH DIPLOMATS' CHOSEN

(By Joanne Thrift)

Anderson County is sending diplomats to Washington. Through the Anderson County Arts Council and the Paintbrush Diplomacy program, approximately 20 young people will accompany their art work to the nation's capital.

"Paintbrush Diplomacy" is a program which involves the exchange of children's artwork with other countries. In an effort to recognize the art and talent of local students, the Arts Center has implemented a variation on the theme of "Paintbrush Diplomacy."

The first year, 15 pieces of artwork are chosen to travel statewide and to be recognized on the State Senate and House floors. The second year, 15 additional pieces are chosen to travel nationwide. In the third year, another 15 pieces will be added, making a total of 45 framed, permanent pieces. These pieces then will travel overseas. As a finale to the celebration of youth and their artwork, the gallery will feature a national exhibit from the Smithsonian Institute. Traveling Exhibition Services that is a collection of children's artwork worldwide.

Since it is the second year of the program, these young artists will visit Washington, D.C., June 13 through 16. While there, the artists will be recognized by U.S. Rep. Butler Derrick. The students also will visit many Washington attractions including the Kennedy Center and several major art museums. The art work will be displayed in the Mott Mansion throughout the month of June.

This program is funded in-part by the S.C. Arts Commission, the National Endowment for the Arts, and the City and County Accommodations Tax Fund.

The first year paintbrush diplomats are:

Marc Harper, McDuffie High School; Meredith Brissey, Matt Watson, T.L. Hanna High; Nicholas Walker, Westside High; Elizabeth Garrison, Janice Kendrick, Pendleton High; Kevin Merlo, Chris Bowen, Riverside Middle School; Tien Le, McCants Middle; Chris Ching, Calhoun Elementary; Michelle Aldrich, New Prospect Elementary, Jeff Burdette, West Franklin Elementary; and Melissa Gurley, Pendleton Elementary.

Second year students:

Dawn Rector, McDuffie High; Alyssa Cheek, T.L. Hanna High; Chris Nelder, Westside High; Kelly Hall, Palmetto High; David Hall, Chris Usher, Wren High; Kelley Vickery, Lakeside Middle; Allison Finch, Sam McGinnis, Southwood Middle; Donald Strickland, Honea Path Middle; Rachel Burdette, Homeland Park Elementary; Joel Anderson, New Prospect Elementary; Jeremie Garacci, Townville Elementary; Marcus Scotland, Varennes Elementary; and Kirsten Epstein, Montessori.

A TRIBUTE TO MARGUERITE STITT CHURCH

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. PORTER. Mr. Speaker, our hearts are at half-staff today in tribute to a great, gracious and most noble lady, Marguerite Stitt Church.

We join with her wonderful and large family, who have come here from all across the United States, to celebrate the spirit of her long and extraordinarily productive life, and to share with them in the grief that all of us feel at the loss of our mother, or grandmother or great-grandmother, even, and perhaps, particularly, in a family so much in the public eye and expected always to put on a public face.

Oh, what a lady she was and, oh, what a life she had!

Marguerite Stitt was born in New York City in 1892 and grew up there. She graduated from Wellesley College Phi Beta Kappa in 1914 with a degree in political economy. She was president of her sorority, an intercollegiate debater, president of the Debating Society and a member of the Intersociety Council, all portents of her life to come. She earned a Master's degree in Political Science at Columbia in 1917, and in 1918 came to Chicago to visit a college friend. She went out on a blind date with Ralph Church, a Chicago lawyer and State legislator 9 years her senior, and they were married that December.

He served 14 more years in Springfield and 14 in the U.S. House of Representatives. She was his political and legislative partner in every sense of the word. She was the wind beneath his wings. She greeted visitors from home and took them on tours of the Capitol and White House, worked with him on legislation, and served as president of the Congressional Club, an organization of the wives of Members of Congress.

In 1950 Ralph Church died unexpectedly in the middle of a congressional hearing, and in the fall, Republican leaders persuaded Mrs. Church to run for his seat. It was, as Fred Schwengel, a House colleague, said on her retirement, "a logical, a justifiable, a natural, almost an inevitable sequence."

She won that election handily and five more in a row. She loved her constituents of the 13th district, stretching from the 43rd ward in Chicago to the Wisconsin line, and they loved her. She received support not only from Republicans, but from many Democrats and Independents, and twice won elections with the largest number of votes of any congressional district in the United States.

There was no more effective campaigner. Her integrity, her brilliance, her sense of justice and fairness all showed through. Her intensity, too. Once, she moved through Lake County campaigning at such a furious pace that suddenly she found herself making a speech in Lawrence Smith's district in southern Wisconsin.

She served in six Congresses, from 1950 through 1962, and under three Presidents: Truman, Eisenhower, and Kennedy. She was among the first 50 women ever elected to the Congress, the fifth from Illinois, and the first from our State to serve more than 10 years.

When she was elected to the House in 1950, Tim Sheehan of Chicago was, too, and Everett McKinley Dirksen was elected that year also, replacing Scott Lucas in the Senate. Sam Rayburn was Speaker of the House during her first term, but in her second, the Republicans won control of the House for only the second time since 1932, and Joe Martin of Massachusetts became Speaker.

That 2-year period from 1953 to 1955 was the last time her party controlled the House to this day, and Rayburn and later John McCormack served as Speaker during her last four terms in Washington, while Martin and later Charlie Halleck of Indiana led the minority Republicans. She served in the Illinois delegation with DAN ROSTENKOWSKI and BOB MICHEL when they had no seniority, and by the time she retired, Ed Derwinski, Harold Collier, Roman Pucinski, and John Anderson had joined the Illinois delegation.

Her time in Washington was the time of the Korean war and the Cold War, of the Marshall Plan and the dawning of the nuclear age. Early on, it was the McCarthy era, too. The Internal Revenue Code was completely rewritten in 1954. The Interstate Highway System was begun, the St. Lawrence Seaway created, Hawaii admitted to the Union, and the first Civil Rights Act passed into law. It was the time of the Suez crisis, U.S. Marines landing in Lebanon, Quemoy, and Matsu, the Berlin crisis and the building of the Wall, and, at the end, of Cuba and the Bay of Pigs.

And the people of the 13th District of Illinois could not have been better served in Washington. She said that Congress was her entire life for those 12 years, and she lived Congress 24 hours a day. Mrs. Church officed in her last 8 years in Congress, beginning in 1955, in room 1530 in the Longworth House Office Building, an office I had the honor to occupy exactly 30 years later. She liked to tell visitors that her high-backed leather desk chair was "good for the congressional spine," a comment, perhaps, not so much about its physical effects, but about the kind of courage—political courage—needed in Washington, the kind she exhibited in abundance. We could use a good deal more of those chairs and people of Mrs. Church's courage and leadership in Washington today.

When Ralph Church was in Congress, they would rent a Washington house, put the entire family on the train at the beginning of the year, arrive and settle the children in school in Washington and stay until the end of June when Congress adjourned for the year. This was BAC—before air-conditioning—now, with air-conditioning, government can go year round. It has been truly said that the advent of air-conditioning was the advent of big government in Washington.

Later the Churches lived in an apartment in the Shoreham up on Connecticut Avenue overlooking Rock Creek. Jimmy Byrne, then a Senator from South Carolina, and later Secretary of State and a Justice of the Supreme Court, lived next door.

Mrs. Church was appointed to the Government Operations and Foreign Affairs Committees in the Congress. On Foreign Affairs, she was a member of the Foreign Economic Policy and the Far East and Pacific Affairs subcommittees and visited almost half the countries in the world. Her long legislative experience and investigative skills led her to question scores of foreign economic and political leaders about the effectiveness of U.S. foreign aid. "I like to think that my district and my country are safer because I went," she said. A colleague said on her retirement "she gave the image of the United States—on her travels—the impressive and enlightened aspects of a portrait that wins us respect, admiration, even love in the far corners of the earth." When I was elected she advised me very strongly to seek a seat on Foreign Affairs and to visit foreign countries. "You simply cannot make rational judgments without understanding other people and their cultures and how their political and economic systems work, and you can't gain that understanding without seeing them firsthand," she said. I took her advice, and have never regretted it.

On Government Operations, she sponsored legislation implementing the Second Hoover Commission on Governmental Organization. A strong fiscal conservative, she fought against extravagant and reckless government spending. But she was also deeply concerned with child and social welfare and served as a delegate to the 1960 White House Conference on Children and Youth and later as a delegate to the United Nations General Assembly.

At a time when it was not popular to support such causes, she was a strong advocate of civil and women's rights. She was very aware of the double standard toward women, and in accepting the Republican nomination in 1950 said: "If a man had been nominated and made a mistake, you would have said he was stupid. If I make a mistake, you will say she is a woman. I shall try never to give you a reason to say that. I make no apologies for being a woman, nor would I ever seek office on the basis of being a woman."

Nevertheless, she urged women to get into politics. "You have to stop thinking like a woman when you enter public life, although you realize you have feminine superiority," she said in addressing college women.

On the floor of the House of Representatives and at home in speeches to her constituents she was eloquent and inspiring. She could make a better speech with no preparation than many could with weeks of it. One contemporary said, "I rate her in the top flight of effective public speakers that I have known in a period of half a century." She seemed to have total recall of events, her face lighting up and her eyes beaming at the recollection and recounting of a past moment.

If a constituent wrote to her, they would very likely receive a handwritten response from their Congresswoman, who made it a point of pride to read every letter that came into her office, just as she made it a point of pride to cast her vote on every rollcall, missing only 4 in her 12 years in Congress.

In 1954 she was on the floor in the House when gunfire erupted. Puerto Rican nationalists fired into the crowded Chamber from the gallery. There she stood, she recalled, in the midst of it all, not recognizing the sound of gunfire and bewildered by the sight of strong men suddenly diving to the floor and crawling under desks and chairs. Congressmen standing behind Mrs. Church who knew the sound jumped on her and forced her down to the floor, and she wasn't hit, although a number of Members were. Bullet holes can still be seen in the desk on the Republican side of the Chamber.

Mrs. Church served in the House of Representatives with John Kennedy. Though she was a strong Republican, she might have been inclined to attend his inauguration in 1960 as President, but Washington was struck with a terrible snowstorm and everything came to a halt. Into her Connecticut Avenue apartment came Leonard Bernstein and Betty Davis, Leonard in need of a razor so he could shave, Betty in need of stockings since hers had a run in them. Mrs. Church provided the razor and the stockings. Bernstein sent her a dozen roses, but she never heard from Miss Davis.

Throughout her career and long after, people sought her advice. There was a regular pilgrimage to 300 Church Street, a street, incidentally, that many people thought was named for the illustrious family that lived at its foot by Lake Michigan. A visit to her study, with all the pictures and memorabilia of Washington, was itself an experience to be savored and remembered. Don Rumsfeld and Joyce, PHIL CRANE and Arlene, Sam Young and Bonnie, and Kathryn and I and dozens of others from all levels of government would seek her out, ask her what we should do, and listen to her counsel and to her wonderful memories and stories. We were her disciples, and she never failed to help us or inspire us. I visited during my first campaign in 1978, concerned about a letter to the editor misrepresenting a position I had taken. "Ralph Church," she said—she often spoke of her late husband as "Ralph Church"—"would tell you, 'Don't answer it.' Chances are nine out of ten people didn't read the letter in the first place, and half of those who did, didn't believe it." "If you answer," she would say, "you have to repeat the false allegation, and it will be made known to many who would never have heard about it in the first place." In her own campaigns, she followed this philosophy precisely. She never referred to her opponents by name or otherwise and never answered their criticisms. "Why advertise the opposition?" she would say.

Though the seniority system in the House was not challenged during her time in the Congress, if asked, she would have "thought kindly" about mandatory retirement at age 70. "We would lose some who have much still to give," she said, "but the danger as regards many who stay in beyond that age is that they stay too long. Finally, they reach the stage when it is difficult, if not impossible, for them to face life anywhere else."

She retired voluntarily from Congress at the end of 1962, precisely at age 70. In the redistricting which followed, the old 13th district was carved into three new districts and many of her friends said, "It took three men to fill the place that Marguerite left."

In retirement she, in her own words, "avidly seized and filled new responsibilities." She served on the board of directors of the Girl Scouts of America and of the Northwestern Memorial Hospital. She worked on the Presidential campaigns of her friends Barry Goldwater and Richard Nixon and others at the State and local level and often spoke to Republican groups in the area. She frequently traveled to Washington to attend meetings of former Members of Congress, the annual First Lady's luncheon of the Congressional Club, and to work on the U.S. Capitol Historical Society, the active custodian of the Congress, which she helped to found.

But mostly, she was able to enjoy the love and warmth of her family, of Ralph and Marjory, and of 9 grandchildren and 10 great grandchildren, all of whom she adored. And, of course, to be helped about the Church house by Jimmie Carr, who has been with her since she retired in 1962.

The pace remained, even in retirement, vibrant. When Don Rumsfeld was nominated to succeed her in 1962, Mrs. Church offered to drive Joyce to Washington to look for a place for the Rumsfelds to live. They drove straight through, 750 miles without stopping, because Mrs. Church "always did it that way." It wore out Joyce, but not Mrs. Church, even though she was in her seventies at the time.

The same drive and spirit dominated everything she did. In 1975, Marjory moved into a new home and, though not fully settled, invited family and friends over for a Christmas open house. Mrs. Church, arriving, saw boxes of books that the Barnums had not yet had time to unpack sitting on the floor. "We can't have these books looking this way," Mrs. Church said, and proceeded to unpack and put all the books in the bookcases. She was then 83.

The next year, when she was 84, she was vacationing in Puerto Vallarta with the family and wanted to go to a particular restaurant known for its good food. When they got there, they found there were 78 steps up the side of the mountain to reach the restaurant. Up she went.

It was this indomitable spirit, her brilliance and eloquence and grace that moved people and inspired them. She possessed not a grain of guile, not a touch of arrogance, not a shred of cynicism. She was above all a consummate lady who uplifted our souls, and who directly and subtly, through leadership and example, moved a man's world of politics toward a higher, more noble plane.

When I think of Marguerite Stitt Church, the "Ode to Joy" from Beethoven's Ninth Symphony and passages from Handel's Royal Fireworks Music fill my mind.

Her energy, dignity, and personal charm captured the imagination of everyone who knew or met her. Her sense of justice, of what is right, her integrity, courage, and commitment to values—to God and family and country—give all of us an example to live by. At a time when our institutions are under siege, her life—lived to the very fullest—sends a message that renews our faith in service to others—public service—and in the human spirit.

A BOOST FOR OUR CHILD WELFARE SYSTEM

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. MATSUI. Mr. Speaker, our Nation's child welfare and foster care systems are in need of a boost. Today I am joining with Representative TOM DOWNEY in introducing the Family Preservation Act of 1990—a bill that would provide the shot in the arm the child welfare system needs.

American families are presented with more challenges now than ever before. Over the past 20 years, the face of the American family has changed dramatically. No longer are two-parent families with the father in the work force and the mother at home caring for the children the norm. Increasingly families are headed by a single parent and many of these families are living in poverty. Living in poverty brings with it many other problems, such as poor health and nutrition, child abuse or neglect, inadequate housing, and exposure to illegal drugs.

All of these factors come together to mean a greater burden on the Nation's child welfare programs. Over the last decade there has been an explosion of vulnerable youth needing child welfare and foster care services. In 1976, there were 669,000 child abuse and neglect cases reported. By 1986 the number had more then doubled to over 2 million cases.

The plight of boarder babies—infants born to substance addicted women who remain in hospitals because they have no where else to go—is in the news every day. These children start life off at a tremendous disadvantage. Drug-exposed infants have more physical and developmental difficulties that infants born to women who receive proper prenatal care do not experience. These children have special needs, and the current child welfare system is ill-equipped to meet. The legislation being introduced today begins to provide the child welfare system with increased funding and added services and protection for these children.

America's future rests in the success of our children. It is our responsibility to provide them with the necessary services and attention they need in order to grow up healthy and strong. The needs of children in the child welfare system cannot be ignored. This legislation listens, before it is too late, to the voices of these children.

CY AND CHARLOTTE KAPLAN

HON. TOM SAWYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. SAWYER. Mr. Speaker, I rise today to recognize two of my constituents, Cy and Charlotte Kaplan, for their enormous contributions to the Akron Community.

Mr. and Mrs. Kaplan have devoted their lives to educating and helping others. On June 18, 1990, the Akron Jewish Community Federation will honor Cy and Charlotte Kaplan for their outstanding community service. That service is well documented in this article in the Akron Jewish News that I would like to share with my colleagues.

[From the Akron Jewish News, June 1, 1990]

CY AND CHARLOTTE KAPLAN

(By Marcia Hughes)

Mentor. A word not used often in our fast-paced, instant modern society because of its very meaning. A mentor is a "wise and trusted counselor", and no one earns that title unless he/she puts in the time to become wise and trusted by others.

Time—that is what is in short supply today. Our world is filled with computer miliseconds, microwave minutes, fast-paced and fast-tracked jobs, computer chip video games, fast and even faster cars, and hour relationships. Who takes the time to become wise and trusted? Who serves as role models for others; who takes the time to listen, observe, and teach the next generation? Who cares about weaving a thread between yesterday, today and tomorrow? Mentors care, and Cy and Charlotte Kaplan understood that concept a long time ago. In the Jewish community of Akron, Ohio, they accepted this role and understood its importance.

In the summer of 1943 Cy Kaplan was brought to Akron from New York by the University to work on creating synthetic rubber. The world was at war. New ways to make rubber products were desperately needed, a new industry was being born and chemists were working around the clock looking for answers, and Cy was one of them. After working a 48 hour shift on August 10, he went on a blind date with Charlotte Havre, and after several drinks, fell fast to sleep on the table. Not a very auspicious beginning to a new relationship.

She went off to college in New York and he pursued and persisted until she finally gave in and married him on June 18, 1944. True love does eventually win out.

Together they purchased a rubber company in Ravenna and began a Mom and Pop rubber business making nursing nipples. They did everything at the factory: cleaned the toilet, washed the floor, took care of the accounting and shipping, and sold the orders. After their two children were born, it became a family business with everyone doing something.

After five years of living in Ravenna the Kaplans moved back to Akron. They were part of the new young marrieds of the post war 1950 years. In the Jewish community things were beginning to happen. Nate Pinsky, who was Director of Jewish Family Service and the Jewish Welfare Fund, began a training course for young men under Norm Nobil, and recruited Cy.

If there are turning points in people's lives, then this relationship with Nate Pinsky was one for Cy Kaplan. Pinsky introduced these young men to Jewish responsibility and commitment. Pinsky became a mentor for this generation. He taught them about Israel and the need for the Joint Distribution Committee (JDC), the United Jewish Appeal (UJA), and their social responsibility to the local Jewish community.

In 1958 Cy and Charlotte joined ten other young people under the leadership of Pinsky in the first ever Akron Young Leadership Mission to Israel. As Cy says, "We saw Israel with a gun, camera and Johnny Walker."

They truly never slept for two weeks. They toured a new, raw and exciting country. They met people living in tin huts, toured Israel's first submarine, met the Governor of Jerusalem and were generally treated like royalty. They learned and absorbed everything they could and returned to Akron totally fired up about Israel and the need to keep her safe.

Back in Akron Charlotte joined forces with Belle Miller, who would serve as her mentor. Belle established a "Young Matron's Division" as part of JWF Women's Division. All women under 35 were invited to be part of this training group. Here Charlotte learned all about group dynamics and how to raise funds.

These young women concentrated on getting the message out to areas surrounding Akron; such as, Wooster, Steubenville, and Elyria. Jewish women in these areas had not been organized and did not have any concept of women giving money separately from their husbands.

According to Charlotte, "I would get the name of the wife of one of the big givers, call her up and explain who I was and what I wanted, and she would slam the phone down." Persistence won out and this group of dynamic young women was successful in raising the consciousness of these Jewish women and showed them how important their pledges were.

During this time, the 1960's, Cy spoke to any group within the Jewish and larger Akron community who wanted to know about Israel. He was on the Akron church "rubber chicken" circuit for years educating people about the Middle East. He served on any board that raised money for Jewish causes and spent the majority of his evenings at meetings.

A partial list of his leadership roles include: President of the Jewish Vocational Service, President of the Akron Area Adult Council, Chairman of the Jewish Welfare Fund, President of the Jewish Welfare Board, President of the Akron Jewish Community Federation, President of E.J. Thomas Performing Arts, on the National Joint Distribution Committee and United Jewish Appeal Boards and President of the Five Community Board which established Kent State Hillel in 1969.

Charlotte was also very busy during these years. She was raising two children, performing as an actress in local theatre, directing plays at the Center's camp, and educating women on all giving levels to understand their community responsibilities. She served as President of Women's Division in the mid 1960's and raised over $72,000 when everyone told her it was impossible. She served with Belle Miller on the National UJA Women's Board (the only two women from Akron to do this) and was State Chairman of the Ohio Region for UJA.

In June, 1967 the biggest challenge of all hit the worldwide Jewish community: War in Israel. On June 7, 1967, Israel was at war with her neighbors and the American Jewish community held its breath. What would happen to this tiny nation?

In Akron the leaders went to work immediately to raise money. Charlotte helped to organize the big rally held at the Akron Civic Theatre and Cy organized the men. More money was given that night than had ever been pledged at any one time. The Akron Jewish community reacted as a whole, without hesitation. All the work which had been done to educate the community had paid off; Israel would be supported.

In recounting what Cy and Charlotte have done in their lives for the local and international Jewish communities, their dedication becomes crystal clear. As Charlotte said, "We argued about everything in our marriage, and I do mean everything, except the time we each spent working for the Jewish Welfare Fund. There were evenings one of us walked into the house from a meeting and the other was walking out going to another meeting. Times there was no food in the house because I was too busy to shop. Times we hardly slept because of troubles in Israel. But, none of it mattered. We had to help; it was our responsibility, our mission. It became the glue of our lives."

And this dedication they passed on. They took the time and effort to become mentors to the next Jewish generation. They groomed people like Clifford and Judy Isroff, Mel Sacks, and Jimmy Nobil, all future presidents of Federation. They raised their Jewish consciousness and showed them how to be effective.

Cy and Charlotte Kaplan fulfilled their role as mentors. They took the time to be "wise and trusted counselors", and we all thank them for it.

DALLAS TIMES HERALD SAYS "SCRAP THE RUST BUCKETS"

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. BROOMFIELD. Mr. Speaker, Dallas, TX may be a landlocked city, but it has a newspaper that knows an old rust bucket when it sees one.

The Dallas Times Herald wants to know why the U.S. Navy and the Maritime Administration are charging the U.S. taxpayer $6.7 million a year to maintain a World War II-vintage fleet of ships.

Congressman RON WYDEN and I held a hearing into the issue, and we plan to request a GAO audit and introduce legislation that would turn this aging fleet into scrap.

Americans don't drive 50-year old cars anymore, and I can't imagine we are going to win any battles in 50-year old ships.

I urge my colleagues to read the Dallas Times Herald editorial, "Scrap the Rust Buckets."

SCRAP THE RUST BUCKETS

Thomas Heggen wrote a very good book that became even more famous as a movie once screenwriter Joshua Logan got hold of it. It was called "Mister Roberts" and concerned the title player's long-running struggle during World War II to be transferred from a ship he not so fondly referred to as an old rust bucket. Mr. Heggen's book and Mr. Roberts' ship both came to mind during recent congressional debate in Washington, DC, about the future of the aging U.S. cargo fleet.

Frankly, Mr. Roberts' ship looked like the QE2 compared with some of the 331 National Defense Reserve Fleet ships. Grass is growing through the wooden decks of some of the vessels, paint is peeling off hulls, and rusted broken railings are common.

Yet, many Navy and maritime officials think the NDRF fleet, most of which is in mothballs, is a strategic asset and could be used to carry heavy equipment in a national emergency. After all, they point out, the ships' works are protected, as are their hulls.

Perhaps.

But we tend to side with those who believe the ships ought to be sold for scrap to U.S. salvage companies.

For one thing, 72 of the ships are of World War II vintage and none of them has been in service since the Vietnam War—which ended 15 years ago.

In addition, when someone like Navy Cmdr. John Polley says of the ships, "I wouldn't want to serve on one," we think Congress ought to listen. Cmdr. Polley examined the fleet last year for the inspector general's office of the Defense Department.

Rep. Ron Wyden, D-Ore., the chairman of the House Small Business Committee's subcommittee on regulation, business opportunities and energy, and ranking Republican William Broomfield of Michigan are the two most vocal opponents of maintaining the fleet.

Mr. Wyden is especially critical of the Maritime Administration, the division of the Transportation Department that oversees the reserve fleet, because it has turned over outdated ships to foreign salvage yards. Mr. Broomfield cannot understand the rationalization for maintaining the fleet in the face of a huge budget deficit and the apparent end of the Cold War.

This fiscal year, the Maritime Administration is spending $6.7 million to maintain the oldest part of the fleet and $89 million to keep 96 ships in the fleet in Ready Reserve, a higher state of readiness.

Fleet administrators want $225 million for Ready Reserve maintenance next year. They also want to increase the Ready Reserve fleet by 46 ships within four years.

Rep. Wyden told the fleet administrators they were living in "never-never land."

Which reminds us of another service screenplay we once read. It was called "Operation Mad Ball."

NATIONAL READ ALOUD DAY

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. SKELTON. Mr. Speaker, in an effort to promote reading and literacy, the Read America Program designated June 8 as National Read Aloud Day. I joined community leaders and children across America in celebrating this event. The excerpt I read aloud will hopefully inspire others to read for enjoyment, information, and enlightenment. I chose the following passage from Bob Priddy's book "Across our Wide Missouri":

It wasn't until 1812 that this area acquired the formal name "Missouri." Or is it "Missoura?" And just what does the word of varying pronounciations really mean?

The situation didn't get unwieldy until the state of Louisiana was admitted to the Union. That caused confusion because Louisiana had been known as the Territory of Orleans, and the term "Louisiana" had been applied to an area to the north—what is now Missouri.

When Louisiana became a state in April 1812, Congress created the Territory of Missouri and made it a second class territory. It included all of the Louisiana Purchase except the state of Louisiana. Seven years later the Territory of Arkansas was laid out and Missouri assumed, generally, its well-known boundaries of today. In 1836 the Platte Purchase completed the northwest corner of Missouri, the area that is now Atchison, Nodaway, Holt, Andrew, Platte, and Buchanan counties.

How to pronounce the name of our state always has been a problem. The famous writer, Eugene Field, a Missourian, once wrote, "He lives in Mizzoura, where the people are so set in ante-bellum notions that they vote for Jackson yet." In the early 1930s Dr. Allen W. Read published a scholarly study of how to pronounce Missouri. He found that the majority of residents of the state pronounce it "Mizzourah." Those same people, however, were generally care-

less in other pronunciations, saying such things as "I have went," and "I seen your friend." Another source notes that the two s's in Missouri are not pronounced as they are in Mississippi, and that the last two letters, "ri," must certainly be pronounced "re." One wonders why the state name isn't pronounced "Missoury" instead of "Mizzourah." One person suggested it become Missouro, so that using the abbreviation "Mo" can be justified. An 1897 study of 200 prominent residents of the state found 80 percent of them liked "Missoury," a compromise of sorts.

What does Missouri mean?

Floyd Shoemaker says it often has been thought to mean "muddy water." Back in 1673, he notes, Marquette and Joliet reached the mouth of the Missouri River. They called it the "Pe-kit-a-noui," an Indian name meaning "River of the Muddy Water." At the river mouth was an Indian village whose inhabitants used large log canoes. Marquette called the village, "Ou-Missouri," meaning "town of the large canoes," although some translate it as "people of the wooden canoes."

Explorers later referred to the river as being the river of the "Missouris," referring to the Indians who lived near it. The Missouris at one time were a tribe of Sioux Indians.

Robert Ramsey, who made a career of studying the way Missouri places were named, says the Indian tribe was called the Missouris by their bitterest enemies, the Algonquins, who eventually annihilated them. In the Fox Indian language (the Foxes were part of the Algonquins) it probably means "People with Big Canoes." The Missouris called themselves the Njutachi, meaning "People Who Dwell at the Mouth of the River." They called the river the "Nishodse," which in the Sioux language means "Muddy Water." Ramsey notes, therefore, the familiar nickname for the river, "The Big Muddy," might not be too far from wrong.

The entire problem might never have reached these proportions if Louisiana had been admitted to the Union as the State of Orleans and we were left with the name "Louisiana." Little did Congress realize what long-lasting arguments it started when it organized the Territory of Missoury (or is it Mizzourah) on June 4, 1812.

Read Aloud Day is just one of many local and national projects across the country addressing literacy issues. These programs share a common goal: To make the United States a nation of readers. Literacy and reading are essential components of our Nation's success. I encourage everyone to become involved in some aspect of these worthwhile literacy projects.

THE FAMILY PRESERVATION ACT

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. DOWNEY. Mr. Speaker, today I am introducing legislation designed to deal with America's crack cocaine epidemic. Two months ago, I visited the crack baby wards at two local hospitals. It was both a sad and sobering experience. What I witnessed were babies without a future cared for by real American heroes—the dedicated doctors, nurses, and social workers—who are on the job every day of the week working against seemingly insurmountable odds. I was left with a mixture of despair and renewed determination to those children whose only light of hope is being snuffed out by substance abuse.

That's why I am introducing this legislation. The fact is that America's families are under attack from an enemy within; crack cocaine, drugs, and alcohol. Two Federal agencies estimate that over 100,000 babies were born exposed to cocaine in 1988, some of them suffering the permanent effects of premature birth and poor prenatal care. They are in the care of a child welfare system so overloaded by crack cocaine that is about to short circuit. In parts of this country, drug use is a significant factor in 70 percent of child welfare cases. Across the country, the number of kids placed in foster care is steadily increasing and deaths from child abuse surpassed 1,100 for the fourth year in a row last year.

Unfortunately, many families are not getting the help they need. There is a shortage of drug treatment facilities for pregnant women and women with children, and too few programs that provide intense crisis intervention services to families affected by drug use. There also aren't enough foster families who are willing to care for drug exposed, emotionally disturbed, and physically damaged children.

All of these trends are documented in a report I am releasing today entitled "The Enemy Within: Crack-Cocaine and America's Families." The report summarizes what we know about the use and abuse of cocaine and its derivative, crack cocaine. It also describes how our social service and public health systems interact with cocaine using parents and their drug exposed children. I conclude from this report that, armed with the fact, we can do more to help families who fall prey to drug and alcohol abuse. To do that we must attack the problem on two fronts: Invest in prevention and offer treatment and support to these families, starting with the children.

The Family Preservation Act is the first step in our battle to remove drugs and abuse from the lives of America's children. The bill invests in prevention, earmarks funds for services to substance abusing families, helps the courts do a better job, and makes foster care—the choice of last resort—a safer, saner alternative for children. It also requires all States to provide emergency assistance through AFDC, a step that will help prevent homelessness, and expands funding for the title XX social services block grant.

We cannot afford to lose a single one of today's children if we expect them to compete in tomorrow's world. Allowing thousands of American kids to grow up in dysfunctional families where physical and emotional abuse are common and addiction is the norm cannot be tolerated. Nor can we leave children for years in the limbo of foster care without offering them a permanent place to rest their heads. The Family Preservation Act is one important step in the right direction. Attached is an outline of the Family Preservation Act, and a brief summary of the crack cocaine report.

THE FAMILY PRESERVATION ACT OF 1990

(Introduced by Representatives Downey, Miller, Ford of Tennessee, Matsui, and Andrews)

I. IMPROVEMENTS IN CHILD WELFARE SERVICES

Converts the title IV-B child welfare services program from an authorization to a capped entitlement.

Mandates the following statewide services to children and families: preplacement preventive, family preservation, reunification and aftercare services.

Reserves 30 percent of the title IV-B funds for incentive grants to serve families in crisis due to substance abuse and sets aside a portion of title IV-B funds for grants to State courts to improve child welfare procedures.

II. IMPROVEMENTS IN FOSTER CARE AND ADOPTION ASSISTANCE

Requires States to reevaluate their foster care benefit levels every three years.

Requires that the dispositional hearing to determine the final status of the child occur within 12 months of placement, rather than the current 18 months.

Sorts out foster care administrative costs, identifying those expenses related to child placement services and limiting increases in true administrative costs to inflation.

Authorizes respite care for foster parents, extends title IV-E foster care eligibility to abandoned children and children who experience disrupted adoptions, and limits out-of-state foster care placements.

III. OTHER SERVICE IMPROVEMENTS AND DEMONSTRATIONS

Mandates the AFDC emergency assistance program in all States, requiring services to prevent homelessness.

Increases funding for the title XX social services block grant to $3.1 billion by fiscal year 1993.

Encourages State demonstration projects that reduce foster care placements by providing preventive services, develop innovative staff recruitment and training activities, reduce the number of boarder babies, and expedite permanent placement decisions for children. Also evaluates the effect of family preservation services and foster parent retention and training efforts.

THE ENEMY WITHIN: CRACK-COCAINE AND AMERICA'S FAMILIES

SUMMARY OF MAJOR POINTS

Crack-cocaine is a highly addictive drug. A crack user can become addicted in as little as 6 to 10 weeks and 50 percent of crack users are likely to become addicts. (Chapter I) Crack use is blamed for most of the 90 percent increase in admissions to drug treatment programs between 1985 and 1988. (Chapter VIII)

An increasing number of infants are born drug-exposed. In 1988, more than 50 percent of woman admitted to Washington D.C.'s General Hospital for prenatal care tested positive for drug use. At Highland Hospital in Oakland, California, the proportion of newborns exposed to crack jumped from 5 to 20 percent between 1984 and 1988. (Chapter IV)

About 375,000 children are born suffering from prenatal drug exposure every year. Over 100,000 cocaine-exposed babies were born in 1988, and by the year 2000 that number could rise to between 500,000 and 4 million. (Chapter IV)

Prenatal drug exposure can have serious effects on an infant's health. It can cause

strokes or brain damage in the womb, fetal death, prematurity, low birthweight or withdrawal symptoms at birth. Learning disabilities and other damage caused by prenatal cocaine-exposure may not appear until the child is between the ages of 2 and 5. (Chapter V)

Active intervention can lessen the effects of prenatal drug exposure. A structured environment and intensive parental nurturing may reduce the severity of developmental problems. However, many of these children will require special attention from the educational and social service system as they grow. (Chapter V)

Drug abuse has become the dominant characteristic of child protection caseloads in 22 States, affecting over 70 percent of child welfare cases in some areas. About 700,000 children are abused or neglected each year by a caretaker who abuses alcohol or drugs. (Chapter VII)

The number of children placed in foster care is also on the rise. About 360,000 children were placed in care in 1989, a 29 percent increase from 1986. The largest increases are found in cities that are hardest hit by crack. (Chapter VII)

Access to drug treatment is limited for pregnant women and women with children. Only 16 percent of New York City's drug treatment programs serve pregnant women addicted to crack. Few programs provide child care or allow children to remain with their mothers during treatment. (Chapter VIII)

The best drug treatment programs for pregnant women and women with children involve the entire family. There are only a handful of programs that provide comprehensive treatment, (including outreach and prevention, treatment and rehabilitation), that coordinate services among agencies or offer intensive crisis intervention services for at-risk families. Even fewer provide supports to foster parents who accept the challenge of caring for drug-exposed children (Part Three)

TAX EQUITY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, June 13, 1990, into the CONGRESSIONAL RECORD:

TAX EQUITY

Recent polls indicate an increased dissatisfaction with the current tax system. Many of my Ninth District constituents tell me that they believe the system is more unfair and more burdensome than ever before.

Their concerns are well founded. There is mounting evidence that our tax system is growing more inequitable. Over the last decade, the rich grew richer and their tax rate declined. Meanwhile, the poor grew poorer and their tax rate rose. The overall tax burden—federal, state, and local—has become more regressive, shifting to those taxpayers least able to pay. Today, rich and poor now give about the same percentage of their income to tax collectors.

FEDERAL TAX POLICY

Federal tax legislation has in part contributed to this trend. Changes in the federal tax code during the 1980s provided most Americans with a reduction in their income tax liability, but some taxpayers benefited far more than others. The 1981 tax cuts are mostly responsible; the 1986 tax reform made the tax burden more fair, but did not fully offset the 1981 changes. The poorest fifth of households will pay $85 less in federal incomne tax in 1990 than they would have had to pay at 1980 tax rates. The savings are more dramatic for wealthier taxpayers. The richest fifth of households will enjoy a tax break of $1,578; the top 1% will have to pay $13,175 less.

Some argue that lower rates boosted growth, which explains why wealthier Americans now pay a greater share of all federal taxes than they did ten years ago. However, this is not a very good measure of progressivity in the tax system. The affluent paid a somewhat bigger share of the taxes over the 1980s because they received a much bigger share of the income. The richest fifth of families saw their incomes rise by 31.7%, while the poorest fifth's income dropped by 3.2%. The average income for households in the top 1% grew from $313,000 to almost $550,000 during the decade—an astounding 75% increase. This disparity in income shares is the largest since these statistics were first compiled in 1947. Affluent people's share of the taxes went up a lot less than their share of the income, and thus their tax burden went down.

PAYROLL TAXES

Low-income taxpayers received a small income tax cut over the 1980s, but their payroll taxes—primarily for Social Security—increased by more. Today, federal payroll taxes generate almost three quarters as much revenue as produced by the income tax, and that share is projected to rise over the next five years.

Payroll taxes cause concern for three basic reasons. First, they are regressive. Social Security payroll taxes are levied at a flat percentage rate, and apply only up to certain income levels (currently, $51,300). Second, payroll taxes are levied only on income from employment, and not on other forms of income such as interest, dividends, and capital gains that are likely to be far more important to wealthier taxpayers. And third, they have continued to increased in recent years, from 12.26% (split between employee and employer) in 1980 to the present level of 15.3%. Counting the employer share, nearly three quarters of Americans pay more Social Security taxes than they do income taxes.

STATE AND LOCAL TAXES

A third influence on tax equity has been the growth in state and local taxes. Over the last decade, states and localities have had to raise their own taxes and fees in order to offset declining contributions and transfers of responsibility from the federal government. State and local general revenues from non-federal sources increased from 11.4% of Gross National Product in 1980 to 13.5% in 1988. That increase converts roughly into $95 billion in added tax payments in 1988, or $1,000 for every American household.

These revenues are needed to help pay for basic services, including road and sewer repair, public education, and anti-crime efforts. The concern is not just how these revenues are spent, but how they are raised. State and local taxes tend to be more regressive than federal taxes, due to a heavy reliance on flat-rate sales taxes and other fee charges. There is also concern that local property taxes are often passed on to renters and customers.

TAX PROGRESSIVITY

These trends have not been lost on U.S. taxpayers. One possible indication of taxpayer disgust with the current system is a growing rate of noncompliance. Another indication is that many taxpayers support grassroots efforts to lower local property tax rates.

My view is that more of the tax burden should be lifted from low- and middle-income Americans and shifted to wealthier Americans. This could be achieved in many different ways. A new tax bracket for higher-income Americans could be created. Corporate tax rates, which dropped off sharply in the 1980s, could be raised. Social Security payroll taxes could be reduced. Or, they could be made more equitable by applying them to higher income levels or increasing an offsetting tax credit for low-income Americans. State and local officials could also consider drawing more revenues from income taxes, rather than sales and property taxes.

At the same time, we should try to avoid tax changes that would worsen the progressivity of the tax system. For example, President Bush's proposal to reduce the capital gains tax would be a windfall for wealthy Americans. By one estimate, 83% of the tax-cut dollars would go to taxpayers with annual incomes of at least $100,000; two-thirds would accrue to those with $200,000 or more in annual income. Those families would receive an average annual tax reduction of $15,900 each. By contrast, families with annual incomes of $10,000 to $20,000 would get an average cut of $10.

OUTLOOK

A variety of Tax proposals will be considered this year. It is important that more prominence be given to the issue of tax equity. Over the last decade, government has shifted the cost of governing to the less well-off. At a time when income inequality continues to rise, a main objective of tax policy should be to increase progressivity, not the opposite.

PROTECTING OUR FLAG

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. BEREUTER. Mr. Speaker, this Member believes the majority leadership of the House could have expected that the 1989 flag desecration law would be held unconstitutional by the Supreme Court. This Member specifically predicted that decision on the House floor on September 12, 1989, when he said that he would vote for that flag desecration law as a temporary, if constitutionally flawed, effort to deter the burning or desecration of the flag until a constitutional amendment to protect the flag is adopted.

I call to my colleagues' attention the thoughtful and commendable editorial on this subject which appeared in today's edition of the Omaha World Herald.

[From the Omaha World-Herald, June 13, 1990]

FLAG-BURNING ISN'T AN 'IDEA'—INVALIDATION OF 1989 LAW AN UNFORTUNATE DECISION

How regrettable it is that one more U.S. Supreme Court justice couldn't be found to uphold the 1989 flag desecration law. One more vote would have saved the law and denied constitutional protection for the contemptible act of flag-burning.

Now, instead, the door is open for more headline-seeking geeks to claim that they are making a political statement when they deface a symbol that most Americans hold sacred.

Now Congress is about to be forced into a potentially bitter battle over a constitutional amendment to protect the flag at the very time its members should be devoting themselves to restoring fiscal responsibility in Washington.

And now more weight has been given the questionable proposition that a wordless gesture has much the same constitutional standing as political speech.

The deterioration of political discourse into street theater continues.

There was a time when the purpose of political speech was to persuade. A person with an idea to sell was judged on the logic of his reasoning and the clarity of his presentation. The First Amendment provided a foundation for robust political discourse by prohibiting government from abridging unpopular ideas. Ideas rose or fell on their merits.

Dramatics have now replaced ideas in some of what passes for political discourse. Certainly flag-burning is not an idea. It is an act, the principal purpose of which is to shock and offend. It rips at the shared values of loyalty and mutual understanding that hold the country together. It showers contempt upon the sacrifice of veterans, the pride of immigrants and the hard work of millions of other law-abiding citizens. It ridicules the very system of government that permits it to happen.

To clothe that act in the protective garments of constitutionally protected speech exceeds any reasonable requirement of free and unfettered political debate.

The four protesters whose case the Supreme Court decided had contended that the flag desecration law unconstitutionally restricted their freedom to dissent. They had been charged in connection with a demonstration against the law in Seattle last October. They called it a "festival of defiance"—they hauled down an American flag belonging to the U.S. Postal Service and set it afire.

Now, as Flag Day approaches, they and their supporters celebrate by saying that the freedom to dissent has been preserved in time for them to observe "flag desecration day."

Their freedom to dissent was never called into question. The only freedom abridged by the flag law was the "freedom" to burn the flag without being arrested. As Justice John Paul Stevens, writing for the four-member minority, said, prohibiting flag-burning "does not entail any interference with the speaker's freedom to express his or her ideas by other means."

The flag is so important to so many people as a symbol of shared national values, Justice Stevens wrote, that government should protect it. It is unfortunate that he and his colleagues could not assemble a majority that would do so.

KLINGHOFFER STATEMENT

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. WEBER. Mr. Speaker, the recent assault on the shores of Israel by the PLO-affiliated Palestine Liberation Front reminds us of why we must not pursue negotiations with a movement committed to terrorism. The PLO's refusal to specifically condemn the actions of PLF leader Abu Abbas comes as no surprise to those whose lives have been struck personally by that organization's brutality.

Ilsa and Lisa Klinghoffer's father was murdered in cold blood by members of the same faction that planned the abortive attack off the coast of Tel Aviv. I think they are entitled to express their sentiments on the wisdom of dealing with the PLO, and so I submit this statement on their behalf:

KLINGHOFFER STATEMENT

When an Administration official told Congress on May 24 that the numerous PLO cross-border infiltration attempts into Israel were not violations of the PLO's renunciation of terrorism, he cited the lack of substantive evidence implicating the senior leadership of the PLO—the Executive Committee—and skepticism regarding the intended targets of the raids. Last week's aborted massacre of civilians on the shores of Tel Aviv by Abu Abbas and his PLO faction, the Palestine Liberation Front, clearly indicate the continuing policy of terrorism by PLO leadership.

Abu Abbas is no stranger to our family. He masterminded the cold-blooded murder of our wheelchair-bound father Leon Klinghoffer, aboard the cruise ship the *Achille Lauro* in October 1985. Making a mockery of our father's death at the November 1988 Algiers Palestine National Council meeting, Abu Abbas said "Maybe he was trying to swim for it." Whereas the Italian government tried, convicted and sentenced Abbas to life imprisonment in absentia, the PLO rewarded our father's murder by electing him to the PLO's Executive Committee.

But that was then. Things, we have been told, are different now. In the name of the PLO, Yasir Arafat renounced terrorism "absolutely" at a Geneva press conference in December 1988. He pledged an end to the bloodshed. An end to the carnage.

Yet, last week, twelve terrorists from the PLO's Palestine Liberation Front tried to commit a brutal massacre in Tel Aviv. Immediately following the attempted attack, Abu Abbas' faction zealously claimed responsibility. A full member of the PLO, the Palestine Liberation Front is financially supported by the PLO and shares office space with PLO central headquarters in Tunis. Abu Abbas is a member of the PLO Executive Committee.

The aim of the operations, according to one of the captured terrorists, ". . was to murder civilians . . . They asked me to enter the Sheraton Hotel, to kill everyone inside . . . We were asked not to have mercy on anyone and to kill any patron we encountered."

One need not search far for evidence implicating Abbas himself in the planning of the attack. While undergoing training for the operation under the command of Abbas' deputy, according to the captured terrorist, they were regularly visited by Abbas himself. He came to see them the night before they went out to sea. He blessed them and cautioned them to be careful. Even senior PLO leaders admit to Abbas' culpability.

When U.S.-PLO contacts were first forged, the U.S. said it expected the PLO to condemn ensuring acts of terrorism and to discipline those responsible should they be members of the PLO. Nothing of the sort has occurred. The PLO continues to refuse to unequivocally condemn the attack and expel Abbas from its Executive Committee. Recognizing the gross violation of the PLO's pledge to renounce terrorism, Members of Congress have introduced legislation calling for a suspension of the U.S.-PLO dialogue.

Yet, for some reason, the American administration continues to equivocate on whether the aborted massacre technically constitutes a violation of Arafat's Geneva pledge. Last week, innocent families were fortunately spared the pain which we continually carry with us. Others might not be so lucky.

SENATOR ROSENTHAL'S LEADERSHIP ON ALTERNATIVE FUELS

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. LEVINE of California. Mr. Speaker, I rise today to share with my colleagues an enlightening speech made by California State Senator Herschel Rosenthal at the Alternative fuels Workshop of the NCSL State-Federal Assembly last month. Senator Rosenthal describes not only the State's innovative programs to develop alternative fuels, but also its efforts to build a sustainable market for the use of clean fuels. As we all know, an enduring shift toward less polluting fuels can only be achieved when consumer demand for these products makes their distribution on a national basis economically feasible.

The State of California, largely through the legislature's forward-looking initiatives, has taken the lead in the Nation's development of alternative energy sources and low-emission vehicles. Its program should serve as models for other States as they seek to alleviate the growing air pollution problem. I urge my colleagues to read Senator Rosenthal's comments.

REMARKS OF SENATOR HERSCHEL ROSENTHAL

Good afternoon. I am pleased to be here to share with my colleagues information on the status of alternative fuel development in California. I want to commend the NCSL Energy, Environment, Transportation and Agriculture Committees for joining together to explore this important issue.

For many years, the California legislature has promoted the use of alternative fuels as a means to (1) reduce our dependence on petroleum-based fuels and (2) insulate our state from fuel price shocks and supply disruptions.

We in California are mindful of our vulnerability. California is the third largest consumer of gasoline in the world, following the U.S. as a whole and the U.S.S.R. My state uses an average of more than one billion gallons per month, and its transporta-

tion system is 99% dependent on petroleum-based fuels.

The 1989 Exxon Valdez oil spill caused only a brief disruption of Alaska crude oil to California—yet California prices at the gas pump skyrocketed across the state. (By the way, the California legislature passed a resolution I authored asking our attorney general and energy commission to investigate allegations of oil industry price gouging following the spill).

In the last few years, California has discovered that alternative fuels also provide a remarkable opportunity to overcome what seem to be insurmountable air quality problems. Even with the nation's most aggressive program to combat air pollution, California's major urban areas, including the south coast air basin which I represent, do not meet Federal air quality standards.

I believe that alternative fuel diversity is the insurance policy we need to combat both hazardous air pollution and dangerous petroleum dependence. In California we have active clean fuel deomonstrations programs in three major areas: (1) methanol, (2) compressed natural gas and (3) electricity.

Before I continue with my remarks, I would like to show you seven slides which display methanol, natural gas and electric vehicles which I will be mentioning in my comments.

Slide number one is a flexible fuel GM Corsica, which can run on methanol, ethanol, gasoline or a blend of these fuels.

Slide number two is a flexible fuel Ford Crown Victoria, which can also run on alcohol fuels or gasoline, or a blend.

Slide number three is a Nissan flexible fuel car.

Slide number four is a methanol-fueled truck.

Slide number five is a methanol transit bus.

Slide number six is a "G-Van" electric vehicle.

And slide number seven is a compressed natural gas van.

For near-term, widespread market acceptance, the California Energy Commission believes that methanol fuel offers the simplest, most cost-effective option to petroleum fuel because (1) it is a clean burning, cost-competitive liquid alternative that can substitute for both gasoline and diesel; (2) it is the least disruptive alternative for consumers, automotive companies and the fuel distribution industry, and (3) it provides equal or superior overall vehicle performance.

The California Methanol Fuels Program started in about 1978 with field tests of relatively small volumes of alcohol fuels by blended with gasoline. Both ethanol and methanol fuel technologies were demonstrated. Methanol became our preferred alternative.

Most ethanol production facilities are concentrated in the midwest grain-producing states. Due to the current Federal subsidy, equivalent to about 60 cents per gallon, ethanol has been and will likely continue to be economically competitive as a gasoline blending agent. But without the subsidy, ethanol faces a serious cost problem. In addition, California air quality agencies have expressed concern regarding the higher emissions that come from ethanol-based gasohol. Since the clean fuel vehicles in California can run on ethanol, we are continuing to evaluate ethanol fuels, but this option may turn out to be best in other parts of the country.

By 1983, more than 500 factory-produced Ford Escorts were placed in methanol fleets throughout California. These fleets have accumulated over 23 million miles, with most vehicles still in service. We discovered, not surprisingly, that the limited number of methanol fueling facilities reduced driver acceptance.

So in the last two years, the California Energy Commission has begun demonstating flexible fuel vehicles manufactured by Ford and General Motors that are capable of operating on methanol, ethanol, gasoline, or any blend of these fuels. They are totally automatic in operation—no switches, no adjustments whatsoever from the drivers perspective. With flexible fuel cars, the fear of running out of fuel or having a restricted driving range is no longer a factor.

For example, these vehicles could be required in a polluted non-attainment area like Los Angeles, where methanol could be widely distributed. Drivers could leave the area with the comfort of knowing they could still fuel up with gasoline. Flexible fuel vehicles offer us a true 50-state car—one which operates on gasoline where cleaner fuels are not available, and yet one which operates as well on clean alcohol fuels, such as methanol and ethanol.

California is implementing a flexible fuel demonstration program with the goal of operating at least 5,000 vehicles in the state by 1993. Agreements have been signed with Ford and General Motors to deliver a portion of these vehicles, and we are seeking additional participation by Toyota and Nissan.

With the aid of federal funds, California is also demonstrating the use of heavy-duty methanol fueled transit buses at the golden gate transit district in San Francisco and the Southern California rapid transit district. We also have underway a $60 million dollar clean fuels school bus program that will retire obsolete, unsafe school buses with clean fuel buses. This year we expect the delivery of 50 methanol school buses. Emissions testing on these buses have indicated that methanol fueled heavy-duty vehicles have significantly lower emissions than their diesel counterparts.

Vehicle demonstrations alone will not create a self-sustaining market for clean burning alternative fuels. We also need to build a supply and distribution system. A few years ago, I introduced legislation that would have required oil companies to install methanol compatible storage tanks in gas stations at the time old, leading storage tanks were removed to comply with toxic pollution requirements. At the urging of the oil industry the governor vetoed the bill. Thereafter, however, ARCO and Chevron volunteered to place methanol fueling facilities across the state, and Shell and Exxon have recently joined the program. Up to 50 methanol fueling facilities will soon be operational.

I want to move away from methanol and return to my earlier theme of diversity. In 1987, the legislature established the blue ribbon California advisory board on air quality and fuels, composed of 17 members representing the automotive and oil industries, state agencies, local air quality districts, the business community, environmental groups and the public at large. The advisory board was directed to make recommendations on the need for and benefit of using mandates and incentives to facilitate the introduction of a variety of clean fuels.

The board completed its efforts in 1989 and concluded that the use of methanol, ethanol, propane, compressed natural gas, hydrogen, electricity and reformulated gasoline would all result in improvements in air quality and improve energy security.

The board recommended that the state's air resources board adopt emission based performance standards to prompt the development and sale of clean fuels. I can report that our air resources board has held public workshops on clean fuels and produced a proposed program which permits all fuels to compete—no particular fuel is mandated. The emission based standards would allow methanol, ethanol, compressed natural gas, electricity and reformulated gasoline to be sold in the California marketplace so long as they meet the State's stringent emission standards.

I'd like to comment on the advent of reformulated gasoline, which I believe was first introduced by ARCO in southern California. I don't think that the oil industry would have come up with this cleaner gasoline had not california in its clean fuels initiatives, and the president and congress in their debate over the clean air act amendments, threatened to replace gasoline with alternative fuels. Reformulated gasoline, in my judgment, is not the best clean fuel. But I welcome the oil industry competing in this area so long as it does not convince the Bush administration and congress to discriminate against other clean fuels such as methanol, natural gas and electricity.

In contrast to petroleum based gasoline, natural gas is comparatively inexpensive and plentiful in north america. Because of its clean burning characteristics and attractive cost, natural gas is increasingly being viewed in California as the fuel of choice for stationary power generation. We are now beginning to look at natural gas as a clean transportation fuel.

Because of the increased efforts to seek air quality improvements, the gas utilities in California have begun an aggressive effort to initiate compressed natural gas vehicle demonstrations, which I strongly support. Due to the expense of purchasing gas compressor fueling systems and vehicle range limitations, compressed natural gas vehicles in California will likely initially be used in metropolitan areas for commercial van fleets with central fueling facilities.

Electric vehicles hold the promise of virtually eliminating mobile source emissions. Battery-powered electric vehicles are currently being demonstrated in commercial fleet applications in California. General Motors, Chrysler and Ford are supporting the production of electric vans. Also this year five California electric utilities in cooperation with the California energy commission will begin an on-road demonstration of 38 electric vehicles.

A preliminary assessment of California's electricity supply system suggests that the State could comfortably accommodate the off-peak charging requirements for a considerable number of electric vehicles. However, limited driving range and battery life appear to be the key impediments to wider use of electric vehicles. It is my hope that the recent announcement by General Motors of the introduction of the "impact"—a passenger-size commuter electric vehicle—may represent a technological breakthrough in this area.

I have provided NCSL with a handout describing a number of California emergy commission alternative fuel programs. I would like to also briefly mention three bills that I have authored in recent years which direct other California government agencies

to participate in clean fuels programs. These bills are included in your handout.

In 1988, I authored a bill directing the south coast air quality management district—which is responsible for cleaning up the air in Los Angeles—to establish a clean fuels program paid for by a $1 motor vehicle registration surcharge on south coast district motorists. There are about 9 million drivers in the air district—so that gives you some idea of how much money you can raise. The south coast air quality district now has one of the most ambitious clean fuels programs in the Nation.

Last year I authored a bill requiring the State's department of general services to ensure that at least 25% of the vehicles purchased by the State are low-emission vehicles—in other words new State cars, vans, and trucks that run on clean burning fuels. Thus, the State of California is helping to build a market for these alternative fuel vehicles. The bill also required our public utilities commission to provide incentive, off-peak rates for electric and natural gas vehicles.

This year I have a bill pending that would direct our public utilities commission to allow electric and gas utilities to develop for sale electric and natural gas vehicles and equipment such as batteries for electric vehicles and compressor stations for natural gas vehicles. I believe California energy utilities have the resources and expertise of give the automotive and oil industries a run for their money when it comes to clean fuels.

California has over 20 State agencies and commissions that share responsibility for energy and environmental functions. In the area of clean burning fuels, programs are being undertaken by our State's energy commission, public utilities commission, air resources board, Department of Transportation, Department of Food and Agriculture, and Department of General Services.

One of the goals of our joint committee on energy regulation and the environment, which I chair, is to provide the next governor, who will take office in 1991, with options for reorganizing energy regulatory activities to promote environmentally sound energy programs, including a comprehensive clean fuels program.

In conclusion, I want to emphasize California's commitment to a national energy strategy which includes an effective and diverse clean fuels component. I believe that California has led the Nation in demonstrating the viability of alternative fuels, particularly methanol. We hope our efforts to commercialize clean fuel technologies will provide helpful guidance to other States and the Federal Government as we all move forward in this critically important area.

Thank you for inviting me to speak.

TEMPORARY RESTRAINING ORDER DENIED

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. DYMALLY. Mr. Speaker, last month the Rainbow Lobby, Nancy Ross, director, and Probe magazine filed a $2 million lawsuit against me, in the Federal Court and sought a temporary order to restrain me from "copying or distributing" certain documents in my possession.

Judge Harold H. Greene denied the temporary restraining order. I submit for Members' review Judge Greene's decision:

The COURT. Well, it's quite obvious that the plaintiffs feel very strongly about this, judging from the argument we've heard and judging from the papers that I have read. But, of course, strong feelings and emotions don't exempt parties from making their points in accordance with law and showing some likelihood of success in accordance with law; and we don't proceed in a courtroom as if it were a political issue or political meeting.

Let me say a few things about what has been said here in the court in terms of likelihood of success. First let's look at the complaint. Rule 8 of the Federal rules of civil procedure, as certainly Ms. Kraut knows, requires a "short and plain statement of the claim showing that the pleader is entitled to relief."

Instead of a short and plain statement of the claim showing that the pleader is entitled to relief, we have 34 pages of relatively rambling charges. Just to give a little bit of the flavor of what's in the complaint, statements such as "Mobuto has lots of money from corruption and is guilty of human rights violations; some Congressmen support Mobuto, others oppose him; some private organization has demanded an ethics probe of Mr. Dymally."

Is it "Dymally" or "Dymally"?

Mr. Ross. Dymally.

The COURT. Something or other is "perceived by many knowledegable observers as a victory for the anti-Mobuto lobby and especially for the rainbow lobby." I don't know what kind of a statement or assertion that is in a legal pleading. In short, the complaint does not comply with rule 8, and essentially is nothing more than a press release.

As to the specific claims for relief, counts three and four claim unfair competition and disclosure of trade secrets. These kinds of lawsuits may be brought in the business competition area. They have no application whatsoever to political or ideological disputes, which are covered by the first amendment. The plaintiffs' attempt to silence the congressman is somewhat ironic since the plaintiffs themselves rely on the first amendment for some of their other claims.

Some of the other claims in the complaint talk about invasion of privacy interests and the tort of conversion from the receipt by the defendant of allegedly confidential documents. There is no case that has been cited showing that the passive receipt of information is an invasion of privacy or conversion. NAACP against Alabama—

Ms. FRAZIER. Your honor, I would like to object at this point.

The COURT. You are not interrupting.

Ms. FRAZIER. There is no motion to dismiss before the court.

The COURT. You are not interrupting me; otherwise, I'll have to have the marshal remove you.

Ms. FRAZIER. I have an objection for the record, your honor. I would state an objection for the record.

The COURT. Will you please sit down.

Ms. FRAZIER. Well, there is no motion to dismiss before the court.

The COURT. After this hearing is over, Ms. Kraut, I will rescind my order admitting this particular person pro hac vice to practice in this court.

NAACP against Alabama, a case which I am very well familar with. In there, the supreme court held that the State requiring the NAACP provide membership lists was illegal. There is, of course, nothing remotely comparable to that.

Even less substance is that the plantiffs claim that they are the third-party beneficiaries of an implied contract between the Congressman and the House of Representatives. Apparently, this contract is supposed to arise because he took the oath of office and because he is subject to a code of ethics. Enforcement of the code of ethics, of course, is for the House of Representatives and the Congress—and not for the court—to make.

So far as relative injury and injury to the public interest is concerned, plantiffs fail in several respects. It is not the public interest for the plaintiffs to be able to attack the Congressman and have the court silence him.

CERTIFICATE OF REPORTER

This record is certified by the undersigned reporter to be the official transcript of the above-entitled matter.

LAURA M. BEASLEY,
Official Court Reporter.

Listed below is an excerpt from an article written by Phyllis Goldberg in their National Alliance newspaper of May 24, 1990:

Green—who could have simply denied the IPLI motion on strictly legal grounds—took the occasion of this afternoon's hearing to launch a bullying attack against the plaintiffs and their representatives. In a decision that bore the odor of political collusion the federal judge ignored the substance of the IPLI arguments, echoing the Dymally lawyers' charge that they amounted to nothing more than "political rhetoric" and snidely informing IPLI executive director Alvaader Frazier that if she wanted to hold a political rally she should do it elsewhere.

Green's abdication of judicial independence—his refusal to tell a US Congressman that he couldn't slander and threaten and endanger his political opponents with impunity—was only to be expected (few people past the eighth grade believe in the mythical "separation of powers" that we are all taught is the cornerstone of American democracy).

CHEMICAL WEAPONS BAN A TRIBUTE TO CLEM ZABLOCKI

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. OBEY. Mr. Speaker, the agreement between the United States and the Soviet Union to ban the production of new chemical weapons and to start getting rid of those now in the stockpiles of both countries could not have happened without the leadership of the late Wisconsin Congressman Clem Zablocki, chairman of the House Foreign Affairs Committee.

Along with former Congressman Jim Symington of Missouri, I was privileged to work with Clem in trying to eliminate these terrible weapons. Clem realized that the Reagan administration's plans to produce a new generation of chemical weapons would be folly. And in following up his work, Congressman DANTE FASCELL of Florida, Clem's successor as chairman of the Foreign Affairs Committee, countered the Reagan administration's argu-

ment that new chemical weapons would somehow add to U.S. interests by declaring: "The only thing this multibillion dollar program adds to is the Federal deficit!"

I thought my colleagues might enjoy a recent column on Zablocki's role by Ivo Spalatin, staff director of House Arms Control Subcommittee for the last 12 years under the chairmanships of both the Clem Zablocki and DANTE FASCELL.

[From the Milwaukee Journal, June 4, 1990]

ZABLOCKI ROLE IN CHEMICAL PACT LAUDED

(By Ivo Spalatin)

As far back as 1977, Rep. Clement J. Zablocki (D-Wis.) was calling for the elimination of chemical weapons. It finally happened at the super-power summit over the weekend.

President Bush and President Mikhail Gorbachev signed an arms control agreement to cease the production of new chemical weapons and to begin the destruction of all old chemical weapons. Milwaukeeans again saw the extraordinary influence of Clem Zablocki.

The fulfillment of Zablocki's steadfast commitment to this goal can be added to other memorials recognizing Zablocki's prowess, such as the Zablocki VA Hospital and Zablocki Ambulatory Children's Care Center in Krakow, Poland.

In a major speech on the House Floor in 1982, in his capacity as chairman of the House Foreign Affairs Committee and its Subcommittee on Arms Control, Zablocki announced his opposition to Reagan administration plans to produce a new generation of chemical weapons. He said: "The United States should be pursuing a policy that preserves the distinctive humanitarian and moral character of the American people . . . by eliminating the threat of chemical weapons rather than adding new ones."

Clem knew that such a weapons system would make arms control and world peace less, not more, likely. He therefore organized and successfully led a bipartisan coalition in the Congress against the production of new chemical weapons.

Upon Clem's death in 1983, Rep. Dante B. Fascell of Florida, Zablocki's successor as chairman of the Foreign Affairs Committee, assumed Zablocki's anti-chemical weapons leadership position.

As a result of Zablocki's and then Fascell's steadfast position, we have an unprecedented and unique arms control agreement—unprecedented in US-Soviet cooperation to destory chemical stocks and unique in eliminating chemical weapons for all time.

At Clem's funeral, he was described as "a small person with big influence" and the little giant in international affairs.

As the world praises Bush and Gorbachev for their agreement last weekend to eliminate all chemical weapons, we should remember that it was Milwaukee's son, Clem Zablocki, who made it possible.

POLISH CENTER FOR RECONCILIATION TO SPONSOR MORAL RE-ARMAMENT ACTIVITIES

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. BENNETT. Mr. Speaker, some people and some organizations just seem to be always working for goals that are constructive and positive for the betterment of mankind. I recently read in the magazine, "For a Change," an article about the positive life that former Jimmy Carter is living with his great spouse, our former First Lady, Roslyn Carter. The article stresses the work that is being done to provide housing for needy people, which the former President is fulfilling with his own hammer. The title to the lead story in that magazine is about this and it is: "If I Had a Hammer."

The work that President Carter has been carrying on like this reminded me of what I recently heard from some of my friends in Moral Re-Armament in connection with the establishment of a center for reconciliation in an ancient convent in Poland. That antique building faces many challenges, but volunteers are apparently available in Poland to bring about this center, and I expect it to have a very progressive thrust for improvement in human attitudes, not only for that area but for mankind in general.

Bishop Ignacy Tokarczuk of the Polish diocese of Przemysl has made available a former Benedictine convent in the nearby town of Jaroslaw as a center for the work of Moral Re-Armament. Jaroslaw lies in the southeastern part of Poland, bordering the Ukraine.

Przemysl, only 20 miles from Jaroslaw, has a seminary for priests with over 400 students. More than 300 churches have been built in the diocese over the past two decades, despite the Communist authorities' ban. After hearing from a delegation he had sent to the Moral Re-Armament Conference in Caux, Switzerland, in 1989, the bishop decided to reclaim the former Benedictine convent of Jaroslaw, which had been in the hands of the state for 200 years, in order to put it at MRA's disposal. He feels the need for an international center of reconciliation in this part of the world which has suffered so much in the last 50 years. He challenged Mr. Wieslaw Kecik, one of the initiators of Rural Solidarity, to assemble a group capable of taking on such a task.

The convent needs much work. It lacks basic facilities. Electrical, heating, drainage and gas systems have to be either installed or replaced. But there is a growing number of people who have committed themselves to live in the center and take on the task of running it.

There has been a good response to these developments in Poland by the Scandinavian countries. It was in Sweden that Mr. Kecik met Moral Re-Armament in 1985. And friends in Stockholm have encouraged and supported the Poles in many ways. In Norway, a 2-week seminar for young Polish leaders was held in April in the MRA center in Oslo. Among the group were four members of the Parliament (SEJM) and three who worked full time with Solidarity. Mr. and Mrs. Kecik also visited Copenhagen and the daily Kristeligt Dagblad carried a major story on the Jaroslaw center with a picture of the Keciks on the front page.

The West can do much to encourage democracy and the free market in the countries of Central and Eastern Europe. But we must beware of foisting on them a purely consumer oriented society with extravagances and deprivations. Moral and spiritual values must go hand in hand with freedom and economic development. Moreover, people like the Poles, whose faith has endured through repression and suffering, may have something to teach the West and East alike. I think so.

HEROIC RESCUE

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. HOCHBRUECKNER. Mr. Speaker, today I am honored to address my colleagues in recognition of the heroic efforts of 6 of my constituents whose courageous rescue of 10 passengers of a sinking boat helped to successfully resolve a life-threatening situation.

These individuals, who are employed by the U.S. Department of Agriculture's [USDA] Animal Disease Research Center on Plum Island, NY, are in Washington, DC, today to be honored by the USDA. Capt. Michael J. Norkelun will accept a heroic action award from Secretary of Agriculture Clayton Yeutter. Alfred Parks, able seaman; Edward Hassildine, USRO general foreman; Carol House, microbiologist; and James House, veterinary medical officer, will also receive awards for their rescue efforts.

Mr. Speaker, together with the USDA and the entire Long Island community, I commend these individuals for their courageous actions. For the RECORD, I hereby submit the U.S. Department of Agriculture's report which depicts their heroic efforts.

On Friday, September 1, 1989, USDA's boat, the "J.J. Callis," was making a routine run between Plum Island (ARS research facility) and Orient Point, New York, when they observed the charter boat "Tuna" sinking in choppy seas. Captain Michael J. Norkelun acted quickly and decisively in turning the boat around, making the necessary radio communications, and preparing for the rescue. The sinking vessel was a short, one-half mile in distance, yet when the "J.J. Callis" arrived on the scene, the "Tuna" had completely disappeared and all ten people aboard were in the water.

In adverse sea conditions, Captain Norkelun demonstrated a high degree of competence in maneuvering and maintaining the "J.J. Callis" in proper position to affect the rescue. Choppy seas, windy conditions, and periodically losing sight of the people in the water made it an extremely difficult rescue.

Crew member Alfred Parks exhibited great courage when, without regard for personal safety, he climbed down the side of the "J.J. Callis" to rescue a young, five-month-pregnant woman.

Passengers Edward Hassildine and Drs. James and Carol House were also instrumental in fishing out the victims one at a time and providing care, comfort, and reassurance that all passengers were being rescued. Without the help of these passengers the outcome of this rescue effort could certainly have been different.

Also, assisting in the rescue was the private skiff "Froggy" which arrived after the "J.J. Callis" had already taken on six people. The "Froggy" maneuvered in and rescued the remaining four people. Plum Is-

land's other vessel, the "M.S. Shanan," and its crew, were also pressed into service but were not needed in completing the rescue. The crew's effort are, however, applauded in their quick response in putting a boat out to sea in such a short time frame.

The victims were transported to Eastern Long Island Hospital via the Orient Fire Department Rescue and subsequently released in good health.

ALLAN WILLIAMS, GRANVILLE, NY'S MOST DEDICATED PUBLIC SERVANT

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. SOLOMON. Mr. Speaker, I'd like to bring to your attention a man whose record of public service we could all envy.

But before placing a local editorial in today's RECORD, let me tell you something from the heart about Allan Williams of Granville, NY.

This month, Mr. Williams will step down after working in the Granville Town Hall for 52 years, the last 33 as town clerk. That is an incredible record of longevity. And as you might all imagine, you don't last that long in public life unless you're doing something right.

But that hardly describes Allan Williams. He's a soft-spoken man, not given to boasting about his solid record.

Mr. Speaker, I, like many of you, got my start in local politics, and I know the pressures the public can put on a town clerk. But it never occurred to Mr. Williams in 52 years to take a vacation.

But let me stop here and read the Granville Sentinel editorial.

A GUY NAMED AL

Well, what do you think of an elected official who has worked for 52 years and so dedicated to his job he's had no interest in taking vacations. During his years of service he's always received an "A" rating from auditors as well as the public he serves. And there is no greater challenge to a civil servant than meeting taxpayers who, more time than one, have a tale of woe, a sad experience, an axe to grind or maybe a favor to ask. The average man facing these issues would have fallen by the wayside early in his career. Not so with Granville's town clerk Allan Williams who, come June, turns in his saddle and spurs to join the Valhalla of town clerks where tranquility predominates and nobody asks stupid questions.

Certainly the supervisor and members of the town board are planning an appropriate acknowledgment of Mr. Williams' service to the town. It should be a glorious occasion and evidence we here in Granville appreciate people in public life who accept responsibility and perform their duties admirably.

The supervisor anticipates Mr. Williams' successor, currently in a status of on-the-job-training, may need some guidance on occasion. Surely she will. Jumping into a town clerk's job has its hazards and opportunities. Thankfully, Mr. Williams will make himself available. It will ease pain that things like Aspirin and Advil can't control.

As for this newspaper's view of the situation we're sending Mr. Williams' name to the nationally recognized Guiness Book of Records—who else in the world would work for 52 years, not take a vacation, satisfy his customers and come out smelling like a rose. Only the retired town clerk of the town of Granville!

And that pretty much sums it up, Mr. Speaker. No wonder the town of Granville is calling Mr. Williams' retirement "the end of an era."

But that era shouldn't end without appropriate recognition. And so, Mr. Speaker, I ask everyone to join me in saluting Allan Williams of Granville, NY, one of the finest, most dedicated public servants I've ever known.

PENNSYLVANIA NEWSPAPER WINS PULITZER

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. KOSTMAYER. Mr. Speaker, I call to the attention of my colleagues the fourth of 10 editorials written by Tom Hylton of the Pottstown Mercury in Pottstown, PA.

These editorials on the subject of farmland preservation won this year's Pulitzer Prize for editorial writing, and I commend them to my colleagues.

SPRAWLING GROWTH WILL ERODE CHESTER COUNTY'S QUALITY OF LIFE

[By Tom Hylton]

From the days of William Penn to those of Dwight D. Eisenhower, Chester County remained much the same. The rolling landscape dotted by stone farmhouses, the small villages, and the forested hills looked just as they did 300 years before.

In the late 1950s, America's love affair with the automobile introduced the first conspicuous development. The next two decades brought moderate but significant growth.

Now development is absolutely exploding. Construction projects yielding 35,000 housing units have been proposed in just the last three years. At this rate, megalopolis will sprawl unchecked from border to border by the year 2000.

When Hough/Loew Associates built the first industrial park in Exton nine years ago, ". . . people were saying, 'Where's Exton?'" said developer Jack Loew. Today there are nine industrial parks in Exton, 40 in Chester County.

Three corridors of development are thrusting across Chester County from east to west: In the north is the Schuylkill River corridor from King of Prussia to Pottstown. In the center is the Route 202 corridor from King of Prussia to Coatesville via Exton. In the south is the Route 1 corridor from the Delaware state line to Lancaster County.

Exton promises to supplant King of Prussia as the center of commercial development in suburban Philadelphia. If all the office, retail, and light industrial buildings proposed are actually constructed, Exton will have as much commercial space as the rest of the county combined.

Immediately to the east of Exton, developer Willard Rouse III has proposed a 1,500-acre mixed-use community called Churchill. It will contain 2,000 residential units and 7 million square feet of office space—as much as currently exists in the entire King of Prussia area.

Churchill will introduce 5,000 more residents, 30,000 more workers, and 100,000 more daily car trips to a region that is already one of the most congested in southeastern Pennsylvania.

For more than a decade, Chester County officials have lobbied the state and federal governments to build the Exton bypass, a 5.6-mile limited access highway to connect Route 202 east of Exton with four-lane Route 30 west of Exton.

Major developers, including Rouse, are seeking a new interchange from the Pennsylvania Turnpike to Route 29 and the widening of Route 202.

But such new arteries inevitably generate more traffic.

"Most communities are trying to overcome the traffic crisis in ways that actually perpetuate it," said Douglas Porter of the Urban Land Institute in a recent transportation journal article. "Most projects being planned in fast-growing areas build in automobile dependency, which leads to congested highway arteries, which results in cries to reduce densities of development, which in turn creates greater dependency on automobiles."

Welcome to Chester County, where two-thirds of the households own at least two cars, and less than 4 percent of the people use public transportation.

Unless land-use policies are changed, the future of Chester County is as grim as the smog that covers Los Angeles, the city that pioneered sprawling development.

"In the Los Angeles area, we cannot, in our wildest dreams, solve the traffic problem," a California transportation planner recently told the New York Times. "No matter how many freeways we build, it's only going to get worse."

Things have deteriorated to the point where a Los Angeles Times poll this summer showed that half the residents have considered moving out within the past year.

Chester County's proliferating development presages major changes in its residents' way of life:

Because the area will be far more crowded, people will spend more of their lives sitting in traffic on the way to work, school, or shopping.

Air quality will diminish. Last year, Chester County failed to meet federal ozone standards for 17 days. It was the highest number on record and only four days fewer than Philadelphia.

To curb air pollution in southern California, draconian measures such as limiting the number of cars per household and banning gasoline-powered lawn mowers are being implemented. Similar restrictions may eventually be needed in Chester County.

The county is headed for severe water problems, warns Bill Sellers of the Brandywine Conservancy. More than 60 percent of the county's population depends on groundwater, and soon more water will be taken from the ground than nature can replenish.

That's happening in New Jersey. In a 1986 study, the New Jersey Department of Environmental Protection concluded that because of overdevelopment, wells in southern New Jersey were being overpumped. The Department ordered a 35-percent reduction in pumping and recommended that a reservoir, fed by the Delaware River, be built to increase the area's water supply.

In southeastern Pennsylvania, though supplies have not grown, water consumption has spurted from 5 billion to 7 billion gallons of water a day during the last decade.

This rise in consumption is caused more by changing lifestyles than population growth. Suburbanites use far more water

than city dwellers because of their large lawns, pools, shrubs, and gardens. Meanwhile, Chester County has had five drought watches in the last eight years.

Septic systems—used by 60 percent of the county's residents—are failing in many areas. For example, the Chester County Health Department has pressured all three Coventry townships to provide public sewers because hundreds of on-site systems are failing. But township officials are resisting, both because of the high costs and because of the accelerated growth they know sewers will bring.

Ironically, the major benefit growth is supposed to bring to Chester County—economic prosperity—may be a chimera. Long Island, one of the most overdeveloped regions of the Northeast, is experiencing a severe downturn in its economy after a decade of explosive growth.

The Island's two suburban counties have lost 5,000 jobs in the first six months of this year, consumer spending has dropped, the inventory of unsold homes has swollen and new residential construction has plummeted.

High housing prices, labor shortages, and congested highways—all the problems facing Chester County—have been blamed for the bust.

"We should replace our frantic effort to expand with a careful effort to improve," said John O'Brien, chairman of Grumman Corp., the Island's largest private employer. "We don't have to make (the economy) bigger anymore. We just have to make it better."

Quality of life has become a major consideration of any business looking to expand. It would be tragic if Chester County destroyed its environment to gain prosperity and ended up losing both.

One way to control growth in Chester County is to tie up development rights on key lands. That's what the proposed $50 million bond issue to preserve farmland and open space would enable the county to do. It's essential the bond issue be approved. Vote *yes* on Election Day.

A SALUTE TO THE SPANISH RADIO NETWORK

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Ms. ROS-LEHTINEN. Mr. Speaker, I wish to congratulate Tichenor Media System and Radio Wado Inc., for recently acquiring two Spanish language radio stations in Miami: WQBA-AM and Super Q FM Tichenor Media system owns and operates nine other Spanish radio stations across the country and in joining forces with Radio Wado Inc. forms Spanish Radio Network as the largest group of Spanish radio stations in the Nation which provide valuable up to the minute information on world affairs as well as domestic and local news plus exciting entertainment programming.

Warren Tichenor, Julio Mendez, and the entire staff of dedicated professionals are working hard to ensure that radio listeners will continue to enjoy the same high quality of programming, with on air quality led by AM News/Program Director Tomas Garcia Fuste and FM Program Director Agustin Acosta, all highlighted last year by the stations being named "Spanish Radio Station of the Year" by the National Association of Broadcasters. WQBA-AM enjoys an illustrious history beginning in 1948 under the call letters of WMIE. When the Cuban freedom flights started, Jack Noble the general manager and Alex Fari as the first Cuban exile with a radio show, provided essential information in Spanish, under the name "Radio Continental." It became known as radio Cuba and in 1968 the call letters became WQBA.

Throughout the 1970's, with Julio Enrique Mendez as the Chief of productions and Herb Levin as the general manager, WQBA had many well-known radio personalities, including Eduardo Gonzalez Rubio, Maucha Gutierrez, Aleida Leal, Mario Martin, and Mario Ruiz. The station has an excellent team of reporters including Jose Alfonso Almora and Joel Gutierrez.

Advertisers quickly discovered that WQBA was an excellent way by which to reach the Hispanic audience and due to increased demand, in March 9, 1979 Super Q was born. This FM station reaches thousands of young Hispanic listeners who wish to maintain their Cuban roots while at the same time still enjoy modern music.

WQBA was the first Spanish language station to broadcast with 50,000 watt and it still a powerful force in south Florida. The radio personalities are legends on the air waves, Tomas Garcia Fuste's leadership and strong following ensures that the listeners will be up to date on all international news. With him on the WQBA team are political commentators Agustin Tamargo and Jaime de Aldeaseca. On air personalities and entertainment talent includes Dr. Manuel Rico Perez, Nestor Cabell, Fausto Miranda, Mario Martin, Antonio Gonzalez, Jose Lopez Lacau, Ricardo Valladares, Israel Capiro, Arnaldo Roza, and Raul Tapanes. Julio Mendez is still with WQBA as the station manager and Rita Perez has been a part of the team for many years.

With its 11 years on the air, Super Q also enjoys a long history of accomplishments. It was the first station to play compact discs in both languages. The station has a 10,000 foot antenna which reaches Monroe, Dade, Broward, and Palm Beach Counties, and it was a pioneer in the contemporary Spanish musical format.

The Spanish Radio Network should be justifiably proud of these fine additions. The network already has 12 stations in 8 markets, which in addition to WQBA and Super Q include Radio WADO, New York; KCOR, KGBT, KIWW, KLAT, KBNA, KUNO, all in Texas: WOJO and WIND, Chicago.

I would like to congratulate all of the professionals in WQBA and Super Q who are involved in bringing quality radio broadcasting to this area.

ALAN TISHMAN: A MODEL OF SERVICE TO THE COMMUNITY

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mrs. LOWEY of New York. Mr. Speaker, I rise today to pay tribute to one of New York's most important civic leaders and philanthropists—Alan Tishman.

Alan and his wife, Peggy, were recently honored by the National Jewish Center for Learning and Leadership [CLAL] with the receipt of the CLAL Yisrael Award, which recognizes Jewish leaders who have a strong record of advancing Jewish unity.

The award was bestowed on the occasion of a program which was appropriately titled "In Concert for One People." This celebration paid tribute to those who have contributed most to the continued harmony of the Jewish people despite their individual differences.

"In Concert for One People" is an appropriate title for an event honoring Alan Tishman. He has worked in concert with his wife to bring hope and light to the less fortunate among us. And he has worked in concert with the entire community to improve the quality of life for all. The result has been to bring people together throughout the New York region.

In his many philanthropic endeavors, Alan Tishman has demonstrated an unfailing commitment to the ideals of charity and service to the community. In doing so, he has demonstrated for us all how the principles of Judaism can be successfully integrated into our daily lives. But his compassion and concern not only provide a model for Jewish Americans—they provide a model for all Americans. He has embodied universal values that all Americans honor and appreciate—values like hard work, the ability to solve difficult problems, and the ability to make a difference in the lives of others.

For all of these reasons, Alan Tishman deserves the gratitude and praise of the entire New York community. He has done what few citizens can ever hope to do—he has helped transform the community and make it a better place to live for all local residents.

Alan is president of Tishman Management and Leasing Corp., one of the country's largest real estate companies. throughout this career, he has never hesitated to involve himself in civic affairs.

He has served as a trustee of New York's Mount Sinai Hospital for many years, and his support and guidance have contributed immeasurably to that hospital's fine reputation. As a former vice chairman of the board of the Jewish Child Care Association, he involved himself extensively in the urgent task of providing quality care for the next generation.

While serving on the executive committee of the association for a better New York, he was intimately involved in efforts to significantly improve the quality of life in the metropolitan New York area. He has also served in the essential role of vice president of UJA-Federation.

But a mere listing of his offices and accomplishments does not do full justice to the con-

tributions of Alan Tishman. He is a unique individual of enormous energy and enthusiasm for doing what is right and making progress on issues of importance. He is one who seizes every opportunity to advance the ideals we cherish as Jews and as Americans. He is one whose skill and wisdom are respected throughout the community.

In short, Alan Tishman, is an irreplaceable figure in New York. And on this occasion, I would like to pay tribute to his many accomplishments and to his indomitable spirit by calling them to the attention of the entire U.S. Congress.

Along with his wife, Peggy, Alan Tishman is fully deserving of the CLAL Yisrael Award, because their joint efforts have truly contributed to the unity of Jews and the unity of all peoples. But they are deserving of much more. They are deserving of the unending gratitude and the loving appreciation of all those who have been privileged to see them in action or to benefit from their many contributions to the community. In other words, Alan Tishman deserves the thanks and appreciation of the entire New York community.

Mr. Speaker, it is rare that we have an opportunity to pay tribute to private citizens who have made such an enormous contribution to the public good. On this occasion, I feel a sense of pride in honoring the accomplishments of these outstanding local citizens.

SOCIAL SECURITY NOTCH

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. SCHUETTE. Mr. Speaker, as a cosponsor of legislation to reform the flawed Notch Formula, I rise to express my views on this issue. Hundreds of my constituents are gravely concerned about their Social Security benefits. As you know, the "notch" identifies those born between the years 1917 and 1921 who are receiving transitional replacement rates for their Social Security benefits. This transition period was put in place by the 1977 Social Security amendments, in response to an error in the benefit formula begun in 1972. If the old benefit computation rules had been left unchanged, benefit levels for many individuals retiring in the future would have been higher than their earnings before retirement, causing a severe threat to the Social Security trust fund.

To correct this error and preserve Social Security, the 95th Congress enacted changes to reduce the replacement rate to that which had been originally intended. To protect the benefits of people already receiving or about to receive Social Security, Congress provided a special transitional computation for those persons reaching retirement age in the first several years after the new rules went into effect. This explains why those born between 1917 and 1921 may be receiving slightly higher benefits than those born after 1921. While those persons born in the notch years receive less in benefits than those born before 1917, notch babies generally received more than those born after 1921.

During the 100th Congress I cosponsored two measures (H.R. 1721 and H.R. 1921) which would have lengthened the benefit transition period. However, neither of these was acted upon before adjournment. This legislation was reintroduced in the 101st Congress and no action has as yet been taken.

The Social Security notch is one of my constituents' biggest concerns. If there ever was an issue the senior citizens in Michigan were unhappy about, this is it. I receive more mail on this matter than any other single issue. Americans are frustrated with notch inequity and they are angry too. As their representatives, we have an obligation to address an issue that is of the untmost importance to them. Is that not what we are serving in Congress for? I have always been a strong supporter of Social Security benefits and services and I will continue to work hard for the elderly.

NATIONAL BICENTENNIAL COMPETITION ON THE CONSTITUTION AND THE BILL OF RIGHTS

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. OXLEY. Mr. Speaker, I rise today to pay tribute to students from Findlay High School, my alma mater, for their outstanding performance in the National Bicentennial Competition on the Constitution and the Bill of Rights. The team members from Findlay High School are: Jeff Brann, Steve Copeland, Robert de los Reyes, Erik Fenberg, Devon Harmon, Jason Kaple, Chris Kinsler, David Mertz, Michael Schroeder, Rachel Scidel, Cynthia Snyder, David Torborg, Eric Withrow, and Kirk Ziegler.

All are to be congratulated on their accomplishments. With help from their teacher, Alvin Bell, they won Ohio's competition in Columbus and placed second in the national competition. These exemplary students have been fortunate to have a school curriculum which provided instruction on the basic principles of constitutional democracy and history of the U.S. Constitution. There is no better way to pay tribute to the bicentennial of the Constitution and the Bill of Rights than to pass its principles along to your young people. In addition to learning an important part of American history and appreciating the genius of our most important document, the students exercised and developed their logic and reasoning skills.

The team's performance shows that they are becoming knowledgeable citizens, and I am proud to represent them in the U.S. Congress.

H.R. 2567, THE RECLAMATION PROJECT REAUTHORIZATION AND ADJUSTMENTS ACT

HON. PAT ROBERTS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. ROBERTS. Mr. Speaker, today, I rise in strong support for H.R. 2567, the Reclamation Projects Authorization and Adjustment Act of 1989. Included in H.R. 2567 is much needed legislation regarding the future of the Cedar Bluff Reservoir in Trego County, KS.

This reservoir, built in west-central Kansas in 1951, was only able to provide irrigation water from 1963 to 1978. Since 1978 the reservoir has suffered from a depleted water table and has been unable to provide water for irrigation. It is doubtful that this unit would ever provide irrigation water again.

Simply, Cedar Bluffs is an exhausted and ailing irrigation project that the Federal Government continues to hold and maintain—a costly Federal liability of which the Government should be relieved.

However, included in H.R. 2567 is an agreement whereby the State of Kansas would purchase the Cedar Bluff Unit from the Federal Government at a cost of $350,000. This agreement, if adopted, would allow the State of Kansas to reform and redevelop this project to enhance the wildlife, environmental, and recreational qualities of the remaining lake.

As well, this agreement will transfer property, structures and a share of operation and maintenance costs to the State of Kansas. This action will ease the Federal Government's financial burden for maintaining this project and also releases the United States of liability associated with this property.

I am pleased to say that this agreement has received praise not only within the Federal Government, but also from environmental and recreational enthusiasts from across the United States.

This forward-minded proposal has already been approved by the Senate, and I would hope that my colleagues would have it in mind when voting on H.R. 2567.

TRIBUTE TO LEONARD ZUBA

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. MOODY. Mr. Speaker, I am priviledged to honor Leonard Zuba on the occasion of his retirement and the closing of his restaurant, Gordon's Coffee Shop, for his dedication, hard work and selfless service to the working men and women of Milwaukee. Mr. Zuba's story, and the story of family businesses like Gordon's Coffee Shop, epitomizes the character that has helped to make our county great.

Mr. Zuba began working at Gordon's Coffee Shop in 1942 at the age of 14. Lenny learned the restaurant trade from his uncle, Alex Krymkowski, who founded the business in

1929. In the tradition of Gordon's, Mr. Zuba has continued to work an average of 16 hours a day, 5 days a week since them. This extraordinary example of high work ethic which Mr. Zuba has unflinchingly displayed merits our recognition.

Gordon's Coffee Shop has provided good quality traditional lunch counter food to its patrons for 61 years at extremely reasonable prices. Even today, in 1990, a bowl of soup costs 40 cents—a price which bears tribute to the frugality and skill with which Mr. Zuba has managed his business. The long line of working men and women who have come to its counter over the years for a solid, quick, and affordable meal are a solid testament to the value of the product that gordon's provides.

Like any good business, Gordon's Coffee Shop's value extends beyond its doors and into its surrounding community. Lenny, and his uncle before him, have provided innumerable neighborhood kids with the opportunity to learn the ethics of hard work in a tough yet caring atmosphere. As Mr. Zuba's retirement approaches, they return, bringing their children, to bear witness to the man who taught them much about work and life.

Gordon's has been an integral part of the Riverwest neighborhood in Milwaukee, WI for over 61 years. During that time, Lenny and his family have been witnesses to many of the changes endemic to central cities all over our county. The closing of Gordon's Coffee Shop marks the continued struggle of a once proud business street, Center Street, to survive. I am sorry, Mr. Speaker, to see Gordon's Coffee Shop go.

Mr. Speaker, I rise to salute Mr. Leonard Zuba and his family, and all of the employees and patrons who have passed through the door of Gordon's Coffee Shop. The closing of Gordon's Coffee Shop and Mr. Zuba's retirment mark the successful end of one family's dedication to providing a good product at a good price. It is my sincere hope that the example of Gordon's Coffee Shop will provide inspiration to all those courageous and willing men and women who shall follow Mr. Zuba's example and enter into business on their own despite the long hours. I believe Mr. Speaker, that the greatness of our county is due in no small part to the individual greatness of men like Mr. Leonard Zuba.

OUR FLAG IS AN IMPORTANT NATIONAL ASSET

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. PALLONE. Mr. Speaker, I supported passage of the flag protection law the Supreme Court overturned on Monday, but my first preference has always been a constitutional amendment. As the document that embodies and protects our most basic values, the Constitution is the logical place to look for protection of our national symbol, the American flag.

Freedom of expression is certainly uppermost among the basic values of which I am speaking. But this freedom, and the many others we enjoy as Americans, can and should coexist with a sense of reverence for the American flag, which is itself the preeminent symbol of everything our Nation stands for.

I have been a cosponsor of the flag protection amendment since September 1989 because I believe the supreme law of the land should reflect the flag's value as "an important national asset," in the words of Justice John Paul Stevens.

I hope that we will have the opportunity to vote on this legislation as soon as possible so that we can put in place what I believe should already be in the Constitution: a specific prohibition on the wanton destruction of the American flag.

REMEMBERING MEMORIAL DAY 1990

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. MAZZOLI. Mr. Speaker, I rise today to pay tribute to an important occasion—Memorial Day 1990—when Americans on the last Monday in May reflect and remember the brave men and women who have sacrificed so much for our country.

In my hometown of Louisville, KY, stirring ceremonies are always held at the Zachary Taylor National Cemetery—the resting place of our 12th President. And in the Nation's Capital, thousands come to visit Arlington National Cemetery and the Vietnam Veterans Memorial.

Mr. Speaker, we must never forget those who have made it possible for us in America to enjoy freedom and peace. As a veteran and public official, I salute the many men and women who have fought for and defended our democratic principles. They justly deserve our praise and thanks on Memorial Day and every day.

"JUST SAY NO TO DRUGS" WEEK

HON. GEORGE E. SANGMEISTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. SANGMEISTER. Mr. Speaker, I rise today to give tribute to the "Just Say No" clubs of Aurora, IL, who recently celebrated "Just Say No to Drugs" week with a day of events on May 12, 1990. The theme for this year's rally was "We Were Meant To Be Drug Free." I want to commend the young people in Aurora for their continued effort to take a stand against drug use.

The "Just Say No to Drugs" clubs in Aurora boast well over 800 members. Nationwide, there are over 12,000 clubs. The club's philosophy is to prevent children from ever trying drugs by promoting self-confidence and self-determination at an early age. Educational activities, recreational activities, service projects, and a "Saying No to Peer Pressure" program all foster a sense of belonging and well-being for the grade school children.

The activities that took place in Aurora for the "Just Say No" week included a banner designing contest, a parade, a rally and a fireworks display. The event was a huge success, in part because of the superior planning and ingenuity of almost 20 adults from the city on the "Just Say No" committee. But most importantly, the day was a success because of participation of the young people committed to taking a stand against the use of drugs.

I commend the committee and members of the "Just Say No" clubs in my district and all over the country and hope that their efforts will continue to inspire young people until the opportunity to use durgs will no longer be a deliberation for children, but a clear-cut decision to "just say no."

ENOUGH IS ENOUGH—LET'S GET TOUGH ON CAPITAL CRIME

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. DORNAN of California. Mr. Speaker, on April 24, I introduced H.R. 4589 which would make the death penalty applicable in the Federal District of Columbia. In 1987 there were 223 murders in the district, or an average of more than 18 per month. In 1989 that number almost doubled reaching a total of 438 murders—roughly 60 per 100,000 population. 1990 is keeping pace. I believe it is time for the District of Columbia to reinstate the death penalty and I believe this view is held by the majority of our constituents.

My legislation was carefully drafted and is consistent with constitutional requirements as outlined by the Supreme Court. As the Court stated: "Capital punishment is an expression of society's moral outrage at particularly offensive conduct. * * * it is essential in an ordered society that asks its citizens to rely on legal processes rather than self-help to vindicate their wrongs."

I would like to share with my colleagues an analysis of H.R. 4589 which was prepared for me by the Republican Study Committee. I urge my colleagues to read this excellent brief and join with me as cosponsors to this timely legislation.

JUSTICE IN THE DRUG WAR: BRINGING THE DEATH PENALTY TO LIFE: H.R. 4589

(In part, capital punishment is an expression of society's moral outrage at particularly offensive conduct. This function may be unappealing to many, but it is essential in an ordered society that asks its citizens to rely on legal processes rather than self-help to vindicate their wrongs. Supreme Court, *Gregg* v. *Georgia*, 42 U.S. 153 (1976).)

SCOPE

This fact sheet briefly outlines the provisions of H.R. 4589, a bill to establish constitutional procedures for making the death penalty a sentencing option for certain serious crimes in the District of Columbia. It includes a brief discussion of why we need a viable death penalty on the books.

STATUS

H.R. 4589 was introduced by Rep. Dornan on 4/24/90 and it is referred to the Committee on the District of Columbia, subcommittee on the Judiciary and Education. The bill currently has 12 cosponsors.

INTRODUCTION

Over the past few years the District of Columbia has earned itself a reputation as the "murder capital" of the United States. Although some may dispute this monicker, few may dispute the facts: In 1987, there were 225 murders in the District, or an average of over 18 every month. Two years later, the number had almost doubled, reaching a total of 438 for the year, or over 36 a month. The rate has jumped also: from 36.2 per 100,000 inhabitants in 1987, to 72.5 per 100,000 inhabitants in 1989. And 1990 appears to be no better, with homicides averaging better than one a day.

While it may be difficult for those not personally affected by these homicides to comprehend the brutality behind these statistics, they are reason enough for the Congress, which has jurisdiction over the District through Article I, Sec. 8, Cl. 17 of the Constitution, to do what it can to protect the law abiding citizens of the District.

Making the death penalty available as one of several sentencing options for certain particularly heinous circumstances serves an important purpose for the citizens of the District of Columbia. While it may not bring the victim back, it is a legitimate expression of the moral outrage felt by a society whose moral fiber is based in law. Further, the legislature has a special duty to support the imposition of the death penalty in certain cases, for in so doing, it affirms a basic belief that society's primary duty is to protect its members so they might live in safety.

WHAT THE BILL DOES

This bill adds the death penalty as a sentencing option for certain serious crimes: murder in the first degree, murder of a law enforcement officer, or certain drug-related killings.

In the landmark case of *Furman* v. *Georgia*, 408 U.S. 238 (1972), the Supreme Court decried the unlimited discretion given to the judge and jury. The Court said that it was this unlimited discretion that resulted in decisions made in so arbitrary and capricious a manner as to be cruel and unreasonable punishment, thus violating the Eighth Amendment. It did not declare the death penalty itself unconstitutional.

In a series of 1976 decisions, the Supreme Court indicated support for procedures guarding against unlimited discretion, and for a system to assure flexibility to consider aggravating and mitigating circumstances in each case. Mandatory death penalty statutes were struck down.

In the wake of these decisions, a majority of the states have enacted new death penalty laws to meet death penalty requirements. The provisions of this legislation are similar to those of other states which have re-enacted their death penalty laws, with several criteria aimed to meet these standards:

The jury is never required to impose a death sentence and the bill requires that the jury be so instructed.

The penalty of death is discretionary rather than mandatory.

The jury must be unanimous in its decision to impose the death penalty.

In addition to the underlying crime of murder, the jury must also find aggravating factors, such as previous convictions of homicide, commission of the crime for money, torture of the victim.

A separate hearing must be held to determine the sentence once a guilty verdict is reached for a capital crime.

The purpose here is to assure that while there are guidelines sufficient to guard against complete and undettered discretion in imposing a death sentence, there is also built-in assurance that each case will be considered individually.

SECTION-BY-SECTION SUMMARY

Sec. 1: In general, persons found guilty of the following crimes in the District of Columbia are subject to the death penalty:

(a) First degree murder as described in the DC Code, Sec. 22-2401. (b) Murder of a law enforcement officer (as defined in 42 USC 3796(b) while the officer was engaged in official duties, because of the nature of the officer's duties, or because he was a law enforcement officer.

(c) Knowingly causing the death of another while engaging in certain drug-related offenses under the Controlled Substances Act.

Sec. 2: This section sets out the procedures for hearings in cases in which the death penalty is sought. These procedures are designed to assure that the capital punishment decisions meet constitutional standards.

(a) Separate hearing must be held to determine sentence in instance where death penalty is sought.

(b) Notice by government is required whenever government intends to seek the death penalty. Notice must be given a "reasonable time" before trial or before acceptance of a guilty plea. Notice must include listing of aggravating factor(s) the government intends to prove as basis for death penalty.

(c) Sentencing hearing is to be conducted by judge, and shall be before a jury, or before the court alone if defendant and prosecution agree.

(d) Proof of aggravating and mitigating factors: information may be presented as to "any matter relevant to the sentence," and is to include matters relating to any of the aggravating or mitigating factors set forth in the legislation, or to any other mitigating factor.

The prosecution has the burden of proving the existence of any aggravating factor beyond a reasonable doubt; the defendant has the burden of establishing the existence of any mitigating factor by a "preponderance of the information."

(e) In describing return of findings, the legislation specifies instances where the death penalty shall not be imposed, depending on the combination of specified aggravating factors found.

The jury is also to decide whether aggravating factors sufficiently outweigh any mitigating factors, and in the absence of any mitigating factors, whether the aggravating factors themselves are sufficient to justify the punishment of death. The jury of the sentencing hearing must be unanimous in deciding for the death penalty.

(f) Death sentence shall not be carried out on a person who was under 18 years at the time of the crime, nor shall such sentence be carried out upon one who is mentally retarded. In addition, such sentence shall not be carried out on one who has a mental disability which results in his inability to understand the proceedings and other factors.

(g) Some of the mitigating factors set out by the legislation include:

Defendant was under unusual and substantial duress, although not such duress as to be a defense against the charge.

Defendant is punishable as a principal, although the offense was committed by another, but his participation was relatively minor, although not so minor as to be a defense against the charge.

The defendant was youthful, although not under the age of 18.

Another defendant, equally culpable, will not be punishable by death.

The victim consented to the criminal conduct that resulted in the victim's death.

(h) Aggravating factors include:

Defendant intentionally killed the victim, or intentionally inflicted serious bodily harm which resulted in victim's death.

Defendant committed the offense in an especially vicious, cruel or depraved manner in that it involved torture or serious physical abuse to the victim.

Defendent has been convicted of another state, District, or federal offense resulting in the death of a person, for which the sentence of life imprisonment was authorized by statute.

Defendant committed the offense after substantial planning and premeditation.

(i) No discrimination as to race, color, creed, sex, national origin is allowed to enter into the sentencing decision. The court so instructs the jury, and each member of the jury is to sign a certificate to that effect.

(j) If the penalty of death is not imposed, a sentence of life imprisonment without parole may be imposed.

(k) Appeal from death sentence is available to defendant; may be consolidated with appeal of conviction; and has priority over all other cases. The appeals court must consider trial evidence, information submitted during sentencing hearing, and procedures employed during sentencing hearing.

(l) In general, subject to certain provisions, no employee of the District of Columbia Department of Corrections or Federal Bureau of Prisons and no employee providing services under contract to such department of bureau shall be required to be in attendance or to participate in any execution under this bill.

BRIEF DISCUSSION OF THE DEATH PENALTY

What crimes are so wanton, so horrible as to justify the consideration of the death penalty? Both the late Senator John L. McClellan in debate in 1974, and Senator Strom Thurmond in a statement almost ten years later, listed some:

"What other punishment is 'just' for a man, found to be sane, who would stab, strangle and mutilate eight student nurses?"

"What other punishment is 'just' for men who would invade the home of members of a rival religious sect and shoot to death men, women and children, after forcing a mother to watch as her three young children were drowned before her eyes?"

"What other punishment is 'just' for a band of social misfits who would invade the homes of people they had never met and stab and hack to death a woman eight and a half months pregnant and her guests?"

"What other punishment is 'just' for people who would force a 24 year old woman to douse herself with gasoline so that they could turn her into a human torch and watch as she burned to death?"

"What other punishment is 'just' for a man with incredible history of violence, rape and murder, who caps his vicious

career by getting a young woman with her three children to stop in response to his pretext of a disabled car and who rapes and kills her and then drowns her three children in a creek?" (The perpetrator, by the way, committed his first (of over 10) rapes at 13 years of age, forcing his way into his victim's house, stabbing her over 40 times (breaking his knife), smashing her over her head several times with a hatchet. Miraculously, she survived.)

"What other punishment is 'just' for a man who would systematically carve up his tied nude wife and obliterate her features with sulphuric, hydrochloric and nitric acids until she was beyond recognition or saving?" (Her ears and eyelids were burned off, sight lost, private parts mutilated. She lived for a month thereafter in intense suffering, begging for the mercy of death.)

"What other punishment is 'just' for men who would tape record the rape, torture and sodomizing of a sixteen year old girl as they twisted her breasts with pliers and smashed her elbows and other joints 'to get her to scream' before they killed her?"

There is debate regarding the deterrent effect of capital punishment. However, the major focus of many supporters of the death penalty does not rest chiefly on deterrence, but rather on the belief that such a penalty is justified in some cases because it is just. Some crimes are "so grievous an affront to humanity that the only adequate response may be the penalty of death." (Counsel to Protect the Innocent, testimony before Senate Judiciary Committee, 4/10/81) As the Supreme Court stated in *Gregg* v. *Georgia*, 42 U.S. 153 (1976):

In part, capital punishment is an expression of society's moral outrage at particularly offensive conduct. This function may be unappealing to many, but it is essential in an ordered society that asks its citizens to rely on legal processes rather than self-help to vindicate their wrongs. . . . When people begin to believe that organized society is unwilling or unable to impose upon criminal offenders the punishment they "deserve," then there are sown the seeds of anarchy-of self-help, vigilante justice, and lynch law.

George Will, in a 1/7/85 Newsweek article noted that without anger there is no justice. "A society incapable of sustained, focused anger in the form of controlled vengance is decadent." Dr. Walter Berns, author of For Capital Punishment—Crime and the Morality of the Death Penalty, points out that without anger, we would be a society entirely of people like Kitty Genovese's neighbors. Anger aroused by a terrible crime committed against others is a sign of caring for others. Anger in such instances demonstrates a sense of and desire for justice. (5/1/81 before the Senate Judiciary Committee)

CONCLUSION

There are plenty of polls to show that the American public supports the option of a death penalty. For example, A CBS poll conducted April 1990 found that 72% favored the death penalty for persons convicted of murder. Over three quarters of those polled in California a month earlier on the same question agreed. A Time poll conducted in June of 1989 found that 75% of respondents favored the death penalty for serious crimes such as murder. A Gallup poll released in 12/88 found that 79% of the respondents favored execution of persons convicted for murder. In a 1989 NY Times poll, 75% felt there were circumstances under which the death penalty was justified.

This support is certainly reflected in the states, for currently 37 of the states provide for the death penalty as a sentencing option, chiefly for murder or felony murder. They are: Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Kentucky, Louisana, Maryland, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, S. Carolina, S. Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, and Wyoming.

In a 1981 article "The Only Possible Punishment," George Will makes this point: "A society practices self-indulgent humanitarianism when it spares the likes of (criminals such as those in examples in this paper) in order to spare itself the unpleasantness of contemplating and administering capital punishment. The visceral reaction most humane people have against capital punishment actually is relevant to the case for that punishment."

If human life is indeed precious, then the law which forbids the taking of human life must be a most awesome expression of society's revulsion for any violation of this tenet. This is a legitimate function of the death penalty, and it has been so supported by the Supreme Court.

Constitutionally sound legislation making the death penalty available as a sentencing option in certain circumstances makes the clearest statement that vicious, evil behavior will not be tolerated, and those who violate this precept will be dealt with surely, severely and justly.

At a time when the District is making a renewed effort at fueling the statehood debate, and when some see it as the murder capitol of the U.S., it would seem that making in order a death penalty option would indicate its readiness to join with the capital cities of a majority of the states in making a strong statement for morality and justice for all its citizens.

DAPHNE MARSELAS,
Senior Research Associate.

ALBUQUERQUE UNITED 76 FOOTBALL CLUB WINS STATE SOCCER CHAMPIONSHIP

HON. STEVEN SCHIFF

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. SCHIFF. Mr. Speaker, I would like to recognize an outstanding youth soccer team from my home town of Albuquerque which has won the title of State champions in the under-14 age group at the New Mexico State Cup Soccer Tournament. The Albuquerque United 76 Football Club defeated eight opponents by a combined score of 47 to 3 to win this title. This team, coached by Dr. Larry Azevedo, now advances to the Western Regional Soccer Tournament in Bakersfield, CA, June 15 to 19, 1990. I want to wish them the very best in this prestigious tournament and to congratulate them for their fine victory last week.

The members of the team are: Keith Thompson, Jeff Byers, Matt Udell, Todd Trevino, Chester Goodson, Pancho Macias, Timothy Atler, Zack Cheney, Scott Coday, Heath Driver, Matt Ellis, Jesse Harvey, Steven Kraemer, Matt McKinney and Jerry Winton.

The team's 1989-90 record was 30 wins, 10 losses and 2 ties, and included participation in tournaments in Houston, Phoenix, and Los Angeles.

CHICAGO WEEK—BURGENLAND, AUSTRIA

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. LIPINSKI. Mr. Speaker, commencing July 19, 1990, a Chicago Week—"Chicago Woche"—will be held in the town of Pinkafeld, Burgenland, Austria. This Chicago Week will commemorate the 100th anniversary of the emigration of Burgenlanders to Chicago; Burgenland is the easternmost Federal Province of Austria.

The year 1980 marked the 90th anniversary of the first Austrian, John Wenzel, to leave then Austro-Hungarian Empire and travel to Chicago. During this 1980 Chicago Week celebration, a bronze plaque was mounted on the house of Wenzel's birth in Grodnau, Burgenland. This Chicago-Burgenland plaque was designed by metal artist, Kurt Mager, of Des Plaines, IL; it was unveiled by John Wenzel's grand daughter, Emma G. Wenzel. Also in attendance was Austrian consul general of Chicago, Eduard Adler.

John Wenzel, 1859-1917, became an agent for the North German Lloyd Steamship Co., and organized groups from various towns and led them to their new home in Chicago. The first group, numbering 45, left Burgenland in 1890, and sailed on the steamship *Kaiser Wilhelm*. This ship is referred to as the *Mayflower* of the immigrant Burgenlanders. John and Elizabeth Wenzel had four children, three of whom, Theresia, Joseph, and John settled in Chicago. Anna remained in Burgenland and raised her family at the Wenzel house in Grodnau.

Wenzel's son, John, 1888-1981, married Ida Jahrman, 1894-1982, from the town of Pinkafeld; they settled in Chicago and raised three children: Ida, Emma, and John. The Wenzel family lived in the area of Chicago known as West Kenwood which was also commonly referred to as Fuller Park. This area historically is recognized as the Little Burgenland since many of the first immigrants lived in this area.

It is estimated that there are approximately 30,000 persons of Burgenland ancestry living in the Chicago metropolitan area. Burgenlanders have served in many of Chicago industries, such as the railroad industry, meat packing and construction. They also established many small enterprises to serve the people of Chicago with guest houses, butcher shops, restaurants, and bakeries. For example, Joseph Urbauer, 1907-88, was well known for his authentic Austrian bakery in Chicago, and two others have published their autobiographies: "Fannerl" by Frances Panny, 1900-87, and "Twenty-five Years of My Life in My Homeland" by Robert Unger, 1898-1985. Musically, Anna Beilfuss and her husband pro-

vided Austrian-German entertainment for many years at the Brown Bear Restaurant in Chicago.

The 1990 Chicago Week celebration is under the direction of "Burgenlandische Gemeinschaft," and its president, Dr. Walter Dujmovits, is well known for his book" Die Amerika-Wanderung der Burgenlander" which chronicles immigration of Burgenlanders to Chicago and other cities of the United States of America. His book is in the library of the Chicago Historical Society and the American Museum of Immigration, Statue of Liberty, New York.

There is also a Burgenlandische Gemeinschaft organization located in Chicago. The group is composed of members who trace their ancestry back to Burgenland, and their purpose is to prepetuate Austrian customs and traditions. Once a year, a young lady is selected as Miss Burgenland and is presented with a trip to Burgenland as Chicago's representative to visit relatives and friend and discover her root. The current Miss Burgenland is Doris Spornberger. The officers of the "B-G" in Chicago are: President, John J. Radostits; vice presidents, John Woppel and Karl Billisits; secretary, Irene Varga; treasurer, Hubert Wirtitsch; and membership, Mary Woppel. Frank Volkovits, 1924-82, was one of the founding members of this group.

Member Emma G. Wenzel will travel to Burgenland to participate in the 1990 Chicago Week celebration. She will present to the town of Pinkafeld, her mother's birthplace, a St. Stephen Hungarian flag. This flag has been in the possession of her family since her parents' immigration from Austria and was flown during the reign of Franz Joseph, Emperor of the Austro-Hungarian Empire. The flag will be placed in a museum in Austria.

Attending the Chicago Week ceremonies will be many prominent Austrians, governmental officials, and clergymen. This event will recognize the contributions and achievements of the natives who left their homeland to enter into the mainstream of a new life in the United States of America, Chicago, IL.

The town of Pinkafeld extends its welcome to visitors of Chicago.

IT'S TIME FOR CONGRESS TO REASSERT ITS AUTHORITY IN THE MOU PROCESS

HON. ALBERT G. BUSTAMANTE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. BUSTAMANTE. Mr. Speaker, I rise before you today with my dear friend and colleague the Honorable FRANK HORTON from New York to bring to your attention the inadequacies of the Defense Departments' memoranda of understanding [MOU's] process, and to propose legislation to address these problems. Currently, there are 19 deficient MOU's regarding defense procurement with foreign governments.

Under these agreements, the Secretary of Defense waives Buy American Act requirements in exchange for a pledge of reciprocal access to a foreign partner's defense procurement market and for furthering the goal of standardizing defense hardware. These bilateral procurements are conducted outside the U.S. Government Procurement Code.

Trade in defense procurements is big business. Eighty percent of all competitive procurements in the United States are defense related. However, the defense procurement requirement of our foreign partners make up only 20 to 25 percent of their total government purchases. Obviously, an 80-20 defense trade relationship is hardly fair.

Additional problems include: First, defense MOU's do not provide a guarantee that our foreign partners will implement competitive and transparent procedures for covered procurements; second, present audit standards and practices for defense procurements are lacking; third, the reluctance of the DOD to use the leverage provided by these bilateral agreements to increase access to foreign government procurement markets for nondefense U.S. products; and fourth, even Congress has suffered from a deficient MOU process in that the Secretary of Defense can enter into these agreements and modify existing ones without the consent of Congress.

To remedy these deficiencies, Mr. HORTON of New York and I have introduced legislation that will allow for more congressional oversight over defense procurement MOU's. Specifically, any U.S. Government agency seeking to renegotiate, enter into, modify, renew, or extend a procurement agreement with a foreign government must receive congressional authorization to do so.

Furthermore, the legislation requires executive agencies to: First, establish audit standards and practices; second, put into place transparent, competitive and open procedures for procurements covered by bilateral agreements; third, increase access to foreign government procurement markets for U.S. product sectors; and fourth, a requirement that future bilateral agreements with foreign governments be established for a fixed term.

Basically this bill is designed for Congress to reassert it's proper authority in setting Government procurement policies with foreign contractors. Hopefully, Mr. Speaker, my colleagues recognize the inadequacies of the defense MOU process, and I encourage them to join Mr. HORTON and I in supporting this measure.

MITCHELL "MICKEY" DORSEY

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. HOYER. Mr. Speaker, on June 29, 1990, Mitchell "Mickey" Dorsey will retire from the Prince Georges County government after 19 years of service.

Mr. Dorsey began his career in the Prince Georges County Department of Human Resources and Community Development. Over his career he also worked with the Human Relations Commission and the Model Cities Program. But it is for his work with the police department's community relations division that he is most well known.

Mickey Dorsey has delighted thousands of chidlren in our county in his role as "McGruff" the crime dog. Through this educational project, he taught children about crime prevention techniques.

It is not just through "McGruff" that Mickey Dorsey has contributed to our county's criminal prevention measures. He has helped to establish neighborhood programs across the county. In addition, he produced a handbook on crime prevention techniques for the handicapped. For his efforts, Mickey Dorsey was named Prince Georges County Crime Practitioner of the Year in both 1987 and 1988.

Mr. Speaker, we all know that the most effective way to fight crime is to have an involved citizenry. Mickey Doresey has contributed mightily over many years to educating the children and adults of Prince Georges County on steps they can take to avoid being victims of crime and to fight crime. He has empowered and enhanced the protection of our citizens.

Mickey Dorsey deserves our thanks and best wishes on his retirement from public service.

YOUNG NEW MEXICANS WITH VISION

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. RICHARDSON. Mr. Speaker, we have all read that American students are poorly educated in geography and science, compared to their peers in other countries. So I am particularly pleased to advise my colleagues that Brian Davis, a 16-year-old high school student from Grants, NM, has won a national geography essay contest sponsored by American Express, and Cameron Haight, 17, from Santa Fe High School won top honors at the recent International Science Fair in Tulsa, OK.

Brian's paper, entitled "How the Decline of the Uranium Industry Has Caused Economic Depression in the Grants-Milan, New Mexico Area" was among thousands submitted by students from 48 States. He chose the subject because he, like so many others in his northwestern New Mexico hometown, did not understand how such an economically prosperous area could decline so dramatically in such a short time.

The contest, in its first year, aims to encourage students to find answers to their own questions about how the world works and to learn how to apply geographic concepts to real-world issues. I would like to commend American Express for taking such a strong interest in the education of our young people.

Brian will receive a $5,000 travel award from American Express.

Cameron Haight was singled out for his study of turbulence in water. Using a computer at Los Alamos National Laboratory, he designed a program for studying the basis of turbulence which has implications in many fields from medicine to airline safety.

Cameron will receive an expenses-paid trip to the Besie F. Lawrence International

Summer Science Institute at the Weizman Institute of Science in Israel. But he has said that his true reward is knowing that he has made a real contribution to science, noting that the more we can understand about the nature of turbulence, the more control we can have over things it affects.

Mr. Speaker, I'm sure my colleagues will join me in congratulating these two fine young men for their initiative and scholarship.

SMALL BUSINESS ADMINISTRATION'S MISMANAGEMENT

HON. BEN NIGHTHORSE CAMPBELL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. CAMPBELL of Colorado. Mr. Speaker, not many people have heard of the Conquistador Ski Resort in Westcliffe, CO, and at the rate the U.S. Small Business Administration is going, not many people are likely to.

Over the past 8 years, the SBA has systematically run this struggling little ski resort into the ground, taking along with it the hopes and dreams of the people of Westcliffe, CO, whose livelihood is directly linked to the health of the ski resort.

It is hard to determine what the SBA is trying to prove by attempting to manage a ski resort in southern Colorado. It certainly can't be trying to prove that it can save the Government money. The resort, once valued at $16 million, is now on the auction block for less than $5 million. If it sells for this amount, these 8 years of SBA mismanagement will cost the taxpayers of this country $15.3 million, including $4.8 million in unverifiable expenditures made by the SBA.

While it is true that taxpayers are getting burned, the real victims of this scandal are the people of Westcliffe. The closure of Conquistador deprived Westcliffe of 130 jobs with an $850,000 annual payroll, and cost Custer County $52,000 in property tax receipts, nearly one-quarter of the county's tax base.

As far as I am concerned, the only thing the SBA has managed to prove with this little experiment is that the Government's inability to manage assets is by no means limited to the thrift bailout.

While I was initially heartened when the responsibility for sale of Conquistador was taken out of the hands of the people in Washington who ran the resort into the ground in the first place, I remain concerned that not enough is being done in Denver to actively market the resort. Rumors have circulated for months about potential purchasers for the resort, yet no deals have been signed.

There is little doubt in my mind that the SBA erred seriously in choosing to manage Conquistador, rather than sell it in a timely manner. By so doing, the SBA has imperiled the economy of the surrounding countryside, and I think SBA owes it to the people of Westcliffe to actively seek a purchaser for this resort.

STATE-SUPPORTED HOMES FOR VETERANS WEEK

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. MONTGOMERY. Mr. Speaker, President Bush has issued a proclamation which designates this week, June 10–16, as "State-Supported Homes for Veterans Week," in recognition of the service they provide to the Nation's veterans. The House and Senate had earlier approved a joint resolution which called for this action and noted the need for greater public awareness of the vital and significant contributions of State veterans' homes.

The first State home for veterans was established in Connecticut in 1864. The Federal Government began sharing the cost of care provided in State veterans' homes in 1888. Since then, State homes have grown from 11 homes in 11 States to the current 60 homes in 37 States, which provide domiciliary, nursing home, and hospital care to ineligible veterans.

The Department of Veterans Affairs [VA] has maintained a partnership with States operating veterans' homes since 1930. Recognized homes that meet VA standards are eligible to receive per diem payments from VA for each eligible veteran to help offset the cost of care. The Congress periodically increases these per diem rates to offset the effects of inflation.

VA also makes grants to States, paying up to 65 percent of the cost of construction, acquisition, and remodeling. VA has awarded more than $341 million to States for matching construction grants since authorization by Congress in 1964.

Mr. Speaker, by the turn of the century, two-thirds of all males 65 and older in the United States will be veterans. Obviously, this will precipitate a greater demand for long-term health care in our veteran community. These Federal/State sharing projects are a practical, yet quality method of meeting this challenge.

State homes are also cost effective. Besides the benefits of sharing construction and care costs with the Federal Government, States with veterans' homes save hundreds of thousands of dollars annually in Medicaid. Further, construction and staffing of these facilities create hundreds of State jobs.

In September 1988, we dedicated a 150-bed State veterans' nursing home in Jackson, MS. It was a great day for the veterans of my home State. I hope the remaining States which currently don't have State-operated veterans' homes will look into establishing at least one. It begins with veterans and other concerned groups working with their State legislatures for an appropriation to match the Federal grant for construction.

We are proud of the splendid services rendered by our State veterans' homes; they play a strategic role in augmenting VA health care services.

As with all programs, people are the key to success, and in the case of our State veterans' homes, the staffs do remarkable work. I know my colleagues will want to join me during this special week in saluting these dedicated individuals for the quality care they provide to our veterans and their families.

THE RETIREMENT OF ALICIA RAMIREZ

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 13, 1990

Mr. MILLER of California. Mr. Speaker, in June of this year, Alicia Ramirez will be retiring after 23 years of public service with the Brentwood Union School District in California. On June 16, 1990, Alicia's family, friends, and colleagues will honor her with a dinner program to thank her for her dedication, love, and support, and for her 40 years of unrelentless community service. I would like to take a few moments to pay tribute to Mrs. Ramirez by highlighting her contributions to east Contra Costa County.

Alicia Ramirez has been a strong advocate of equal opportunities to education and health care services for children in the Spanish-speaking communities and farm labor camps of the east county. As Alicia is bilingual, she has been able to help those who are unable to speak English enjoy the benefits of the American system by assisting them through difficulties with schools, courts, businesses, and various government agencies.

To ensure that all Spanish-speaking children were enrolled in educational programs and were receiving adequate health care, Alicia would make countless trips to farm labor camps to provide transportation and interpretation services to newly arrived families.

In 1967, Mrs. Ramirez became the first bilingual teaching aide and community aide to be hired by the Brentwood Unified School District. Alicia was a driving force behind the establishment of the first east county Headstart project. She was active in the petition drives to set up the first east county health clinic in Brentwood, and served on the Delta Memorial Hospital Board of Directors. Alicia worked as community representative for the United Council of Spanish-Speaking Organizations in Oakley, and is a member of the Comite de Benificencia de Brentwood. She was named "A Women of Distinction of the 90's" by the International Soroptomist Organization of East Contra Costa County.

In addition to these activities, Alicia is a loving and devoted mother, raising 10 children as a widow for the majority of the growing years. She has made sure that all her children graduated from high school and have had the opportunity to attend college.

Mr. Speaker, I ask that my colleagues in the House of Representatives join me in recognizing the accomplishments of this remarkable women. Mrs. Alicia Ramirez has unselfishly given her time and her skills to Spanish-speaking people in my district and to the Brentwood Union School District. I would like to thank her for her dedication and hard work, and wish her the very best in her retirement.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February

4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, June 14, 1990, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 15

9:30 a.m.
Veterans' Affairs
To hold hearings on the nominations of Donald L. Ivers, of New Mexico, and Jonathan R. Steinberg, of Maryland, each to be an Associate Judge of the U.S. Court of Veterans Appeals.
SR-418

10:00 a.m.
Foreign Relations
To hold hearings to examine U.S. policy toward Iraq, focusing on human rights, weapons proliferation, and international law.
SD-419

Judiciary
To hold hearings on pending nominations for the U.S. Sentencing Commission.
SD-226

JUNE 18

10:00 a.m.
Finance
Social Security and Family Policy Subcommittee
To hold hearings to examine demonstration programs, focusing on the Wisconsin Learnfare program designed to instill in parents that they have a responsibility to not only financially support their children, but also to assure that they attend school.
SD-215

2:30 p.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1991 for the Department of the Interior.
S-128, Capitol

JUNE 19

9:30 a.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 1765, to authorize funds for the planning and construction of the Mid-Dakota Rural Water System, and S. 2710, to authorize the Secretary of the Interior to construct, operate, and maintain the Lake Andes-Wagner Unit and the Marty II Unit, South Dakota Pumping Division in South Dakota.
SD-366

Veterans' Affairs
To hold hearings on the nominations of James W. Holsinger, Jr., of Virginia, to be Chief Medical Director, and Stephen A. Trodden, of Virginia, to be Inspector General, both of the Department of Veterans Affairs.
SR-418

10:00 a.m.
Foreign Relations
To hold hearings to review the results of the General Accounting Office study of Protocol 3 to Montreal Aviation Protocols (Ex. B, 95th Congress, 1st Session).
SD-419

Judiciary
Constitution Subcommittee
To hold hearings on S.J. Res. 295, to prohibit the Supreme Court or any inferior court of the United States from ordering the laying or increasing of taxes, and S. 34, to revise the Federal judicial code to deny to inferior Federal courts jurisdiction to issue any remedy, order, writ, or other judicial decree requiring the Federal government or any State or local government to impose any new tax or to increase any existing tax.
SD-226

10:30 a.m.
Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on S. 2244, to prevent and control infestations of the coastal and inland waters of the United States by the zebra mussel and other nonindigenous aquatic nuisance species.
SD-406

2:30 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1991 for foreign assistance, focusing on U.S. military assistance.
SD-138

JUNE 20

9:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

9:30 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 1974, to require new televisions to have built in decoder circuitry designed to display closed-captioned television transmissions.
SR-253

Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings to examine health care costs, focusing on revenue recovery firms.
SD-342

10:00 a.m.
Environment and Public Works
Toxic Substances, Environmental Oversight, Research and Development Subcommittee
To hold hearings on environmental issues relating to Avtex Fibers, Inc., in Front Royal, Virginia.
SD-406

Finance
To hold hearings to review the President's decision to renew most-favored-nation trade status to China.
SD-215

Judiciary
To hold hearings on proposed legislation designed to implement existing laws relative to violent crimes, from sexual to domestic offenses, against women.
SD-226

2:00 p.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for the Federal Maritime Commission, and the Maritime Administration, Department of Transportation.
SR-253

Select on Intelligence
To resume hearings to review certain proposals to improve the counterintelligence posture of the United States by strengthening U.S. ability to deter, detect, and prosecute persons who turn to espionage.
SD-366

JUNE 21

9:30 a.m.
Environment and Public Works
Superfund, Ocean and Water Protection Subcommittee
To hold oversight hearings on the superfund remedy selection process.
SD-406

Rules and Administration
To hold hearings on S. Con. Res. 122, to establish an Albert Einstein Congressional Fellowship Program, and S. Res. 206, to establish a point of order against material that earmarks research moneys for designated institutions without competition.
SR-301

Small Business
To resume hearings to review the Small Business Administration's small business investment companies program.
SR-428A

10:00 a.m.
Foreign Relations
Business meeting, to mark up Montreal Aviation Protocols (Ex. B, 95th Congress, 1st Session).
SD-419

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 2680, to provide for the relief of certain persons in Stone County, Arkansas deprived of property as a result of a 1973 dependent resurvey by the Bureau of Land Management.
SD-366

Judiciary
To hold hearings on proposed legislation to amend the U.S. Constitution to protect the American flag.
SD-226

Select on Indian Affairs
To hold oversight hearings on S. 2451, to establish in the Department of the Interior a Trust Counsel for Indian Assets.
SR-485

JUNE 22

10:00 a.m.
Judiciary
Immigration and Refugee Affairs Subcommittee
To hold hearings on S. 1629, to impose civil liability on anyone who, under the authority of a foreign nation, subjects any alien or United States citizen to torture or extrajudicial killing.
SD-226

JUNE 26

9:00 a.m.
Appropriations
Foreign Operations Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1991 for foreign assistance programs.
Room to be announced

2:00 p.m.
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on S. 1772, to prohibit State lotteries from misappropriating professional sports service marks.
SD-430

2:30 p.m.
Appropriations
Foreign Operations Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1991 for foreign assistance programs.
Room to be announced

JUNE 27

9:30 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings to examine the Federal Trade Commission's (FTC) international antitrust jurisdiction over foreign companies.
SR-253

Governmental Affairs
To resume hearings on S. 1978, to establish the Department of Industry and Technology as an executive department, to establish the Interagency Export Enhancement Committee within the Office of the President, and to transfer the National Oceanic and Atmospheric Administration to the Environmental Protection Agency.
SD-342

2:00 p.m.
Finance
Energy and Agricultural Taxation Subcommittee
Taxation and Debt Management Subcommittee
To hold joint hearings on proposed legislation to prevent abuses in determining estate and gift tax values.
SD-215

JUNE 28

9:30 a.m.
Veterans' Affairs
Business meeting, to consider pending legislation relating to veterans compensation and health-care benefits.
SR-418

2:00 p.m.
Foreign Relations
Terrorism, Narcotics and International Operations Subcommittee
Western Hemisphere and Peace Corps Affairs Subcommittee
To hold joint hearings on proposed U.S. military training for Peru.
SD-419

JULY 11

10:00 a.m.
Judiciary
Constitution Subcommittee
To hold joint hearings with the House Committee on the Judiciary's Subcommittee on Courts, Intellectual Property, and the Administration of Justice on S. 2370, to revise Federal copyright law to apply the fair use doctrine to all copyrighted work, whether published or unpublished.
SD-226

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings to review the status of the human genome project of the Department of Energy and the National Institute of Health
SD-366

JULY 12

9:30 a.m.
Select on Indian Affairs
To hold hearings to examine protective services for Indian children, focusing on alcohol and substance abuse programs.
SR-485

2:00 p.m.
Agriculture, Nutrition, and Forestry
Agricultural Research and General Legislation Subcommittee
To hold hearings on the U.S.-Canada open boarder trade agreement, focusing on meat and poultry.
SR-328A

CANCELLATIONS

JUNE 19

2:00 p.m.
Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

POSTPONEMENTS

JUNE 21

9:30 a.m.
Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings to review the effectiveness of the Program Fraud Civil Remedies Act.
SD-342

JUNE 22

2:00 p.m.
Agriculture, Nutrition, and Forestry
Agricultural Research and General Legislation Subcommittee
To hold hearings to review the U.S.-Canada open boarder agreement, focusing on meat and poultry.
SR-332

HOUSE OF REPRESENTATIVES—*Thursday, June 14, 1990*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

As we pray for the needs of Your creation, O God, we pray also for this institution and for those who seek to honor You and serve each other through public service. May the words and deeds of this place reflect an earnest desire for justice and may people in government build on the tradition of equity and truth that represents the noblest heritage of our people. May Your blessing, O God, be with us this day and every day. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. On the occasion of Flag Day, the Chair will ask two Members of the House, one from each side of the aisle, to come forward and jointly lead the House in the Pledge of Allegiance, the gentlewoman from Washington [Mrs. UNSOELD] and the gentleman from Connecticut [Mr. ROWLAND].

Mrs. UNSOELD and Mr. ROWLAND of Connecticut led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1622. An act to amend title 17, United States Code, to change the fee schedule of the Copyright Office, and to make certain technical amendments; and

H.R. 3046. An act to reduce the number of Commissioners on the Copyright Royalty Tribunal, to change the salary classification rates for members of the Copyright Tribunal and the United States Parole Commission, for the Register and Associate Registers of Copyrights, and for the Deputy and Assistant Commissioners of Patents and Trademarks, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1875. An act to redesignate the Calamus Dam and Reservoir authorized under the Reclamation Project Authorization Act of 1972 as the Virginia Smith Dam and Calamus Lake Recreation Area.

RESIGNATION AS MEMBER OF COMMITTEE ON EDUCATION AND LABOR

The SPEAKER laid before the House the following resignation as a member of the Committee on Education and Labor:

HOUSE OF REPRESENTATIVES,
Washington, DC, June 13, 1990.

Hon. THOMAS S. FOLEY,
House of Representatives, Longworth House Office Building, Washington, DC.

DEAR MR. SPEAKER: I herewith resign my temporary seat on the House Education and Labor Committee effective immediately.

The opportunity to serve on this important and distinguished committee was indeed an honor.

With warm regard, I am

Sincerely,

NICK J. RAHALL II,
Member of Congress.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

ELECTION OF MEMBERS TO COMMITTEE ON THE BUDGET AND COMMITTEE ON EDUCATION AND LABOR

Mr. HOYER. Mr. Speaker, I offer a privileged resolution (H. Res. 412) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 412

Resolved, That the following Members be, and are hereby, elected to the following standing committees of the House of Representatives:

Committee on the Budget, John M. Spratt, Jr., South Carolina.

Committee on Education and Labor, Kweisi Mfume, Maryland.

The resolution was agreed to.

A motion to reconsider was laid on the table.

FLAG AMENDMENT

(Mr. EVANS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EVANS. Mr. Speaker, several proponents of a flag amendment have said that the issue is whether you should protect the flag or support flag burners.

Well, when I enlisted in the U.S. Marine Corps at 17 at the height of the Vietnam war, I was not standing up for flag burners. In fact, the first thing we did was stand up and swear to uphold the Constitution of the United States.

That is of course the first thing we do when we were sworn in as Members of Congress. I know that is an obligation none of us take lightly. On this Flag Day, all of us in this Chamber stood up to pledge allegiance to our flag. We believe in the flag and what it stands for. It represents the freedoms embodied in the Bill of Rights. But chip away at the Bill of Rights and we chip away at those freedoms.

I detest those who would burn the flag and claim constitutional protection. But we should not protect the flag by burning the Constitution.

Thousands of Americans have died to protect our freedoms. We can protect what they have fought for by rejecting a flag amendment.

HER SON'S FLAG

(Mr. WELDON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WELDON. Mr. Speaker, today we celebrate Flag Day, originated by a constituent from my district, Mr. William T. Kerr, in 1949.

Mr. Speaker, I would like to read a poem written by the mother of a deceased veteran, entitled "Her Son's Flag."

HER SON'S FLAG

(By Dee Scerni)

She clutched the folded flag to her breast,
somehow she felt closer to him;
She closed her eyes as tears fell, her memories would not grow dim.
They took her back to a hot Fourth of July,
when he was only three,
As he stood and waved his flag, for everyone to see.
Her arms caressed the folded flag, lovingly, once more;
The same arms that held this child, that she once bore.
Tears fell upon the folded cloth, she gently wiped them away;
But with it in her arms, she felt closer to him that day.
She remembers when he was twelve, it was a boy scout jamboree:
He led the parade carrying our flag, he was as proud as he could be.
She placed the flag upon her lap, the very spot he'd lay his head,
When he was but a child, and she'd carry him to bed.

How proud he was of our country, the freedom that we know;
And when the day came to defend it, off to war he'd go.
She placed the flag near his picture, it was all she had left you see;
But for a heart full of sorrow and a proud memory.
She remembers yet another day, he carried his flag home;
It was draped upon his casket, she stood there all alone.
Through tears she was glad he knew not, of the burnings they want allowed;
Of the flag of his country, while living, he held so proud.

PROTECT THE CONSTITUTION

(Mr. McDERMOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McDERMOTT. Mr. Speaker, this week's Supreme Court decision on flag-burning is being celebrated in two different ways by two groups of people.

Some people are burning flags, and that is despicable. But they are not discrediting our flag or our country—only themselves, abusing the freedom Americans have given their lives to protect.

Other people are celebrating in another way—by opening a new season of flag-waving political rhetoric. They say we have to change the Bill of Rights, which has served us well for 2 centuries. They will wrap the flag around themselves in this fall's campaigns, while they try to send the first amendment up in smoke. That is just as despicable as flag burning, and a lot more dangerous.

We need not fear flag burners. Our democracy is strong enough to stand up to them. Offensive as it is, flag-burning is no threat to our security or our freedom. But weakening the first amendment, especially for cheap political gain, is irresponsible and dangerous. Let us honor our flag today by saying "no" to those tactics, and "yes" to the first amendment.

INTRODUCTION OF FINANCIAL CRIMES PROSECUTION AND RECOVERY ACT OF 1990

(Mr. WYLIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYLIE. Mr. Speaker, today I am introducing the Financial Crimes Prosecution and Recovery Act of 1990. The purpose of this legislation is to enhance the ability of the Federal Government to successfully prosecute financial crimes and gain increased recoveries at failed financial institutions.

The latest figures released by Treasury indicate that the crooks who invaded the S&L industry are going to cost the taxpayers another $30 to $80 billion. Yet, very few of these criminals have been forced to pay for their crimes. Our system of justice is just simply not working and we must do something about it.

My bill will establish a nine-member National Commission on financial crimes which is charged with the responsibility to speed up the process of prosecuting S&L criminals. This bill would make it a crime to knowingly conceal any assets of a failed S&L and it provides procedures for going after those assets in the U.S. and overseas.

This legislation in which Chairman GONZALEZ, Chairman ANNUNZIO, Congressmen BARNARD, HILER, and MICHEL have joined with me in introducing will have an immediate impact on prosecuting, convicting and obtaining restitution of those guilty of criminal wrongdoing at plundered S&L's.

THE FIRST AMENDMENT IS THE CORNERSTONE OF OUR LIBERTIES

(Mr. LAFALCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAFALCE. Mr. Speaker, I cherish the American flag, the symbol of American values. I cherish even more the values it symbolizes. Flag burning is an abhorrent act, but in defending the flag let us not violate the very freedom for which it stands.

Next year marks the 200th anniversary of our Bill of Rights. Our forefathers chose to make provision for freedom of speech the very first amendment to the Constitution. Freedom of expression was for our forefathers, and should be for us, the very first, the cornerstone of our liberties.

How ironic it would be if Congress and the American people chose next year, the 200th anniversary of the Bill of Rights, to either propose or ratify the first constitutional amendment abridging the freedom of speech guaranteed by the first amendment.

Mr. Speaker, all around the world, in central Europe and elsewhere, people are struggling to secure for themselves the blessings of freedom. A great tide of freedom and democracy is sweeping the world. How ironic it is that here and at this time in the world's largest and oldest democracy we are now considering a curb on the very freedom of expression which others are seeking to gain. Let us defend the flag, but let us do so by defending the principles for which it stands.

□ 1010

IS TODAY FLAG DAY?

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker, I guess we can ask the question today: Is today Flag Day or flag desecration day?

It seems that we cannot be for patriotism and free speech both in this House. If we are for one, automatically it says we will somehow lead an attack on free speech. I would like to suggest we ask three questions: First, is the flag worth defending? Ask any person who has given their life trying to defend it whether or not it is worth defending; Second, does the constitutional amendment allowing the Congress and the State legislators to protect the flag somehow destroy our ability to free speech? I would suggest anyone who answers that question in an affirmative, simply does not believe we have the ability here in Congress, and in the 50 State legislatures, to address a proper balance of protecting the flag and protecting the free speech within the proper limits of a free society.

The question is, Are we up to the real tough question of the implementing language? All we are talking about today is providing a constitutional amendment, and submitting it to States where two-thirds must ratify. If they do, and I suspect they will, then the challenge is for each and everyone to come back here and properly define what is a flag and how do we go on to defend it.

We must ask the question today, and we will ask it again next year, is this Flag Day or flag desecration day?

TODAY IS FLAG DAY

(Mr. SKAGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKAGGS. Mr. Speaker, today is Flag Day. I am glad that the President of the United States chose to start this day at the Vietnam Memorial. For those Members who served in Vietnam, that Memorial is an especially poignant place. There is a silence there, a silence of respect. There was not much silence during the war. There was an almost constant fury of dissent at home. Over there, we just loved to see that flag flying over our base at Khe Sahn or An Hoa or Pleiku. We served under that flag, for our country, and true to our oath to protect the Constitution of the United States. We cherish our flag as the most profound symbol of our freedoms. But we do no honor to that flag if we do not honor the freedoms for which it stands.

As one Vietnam veteran told me Monday night, "I fought for the Constitution, and changing it is like what I did was for nothing." We should not confirm that veterans' fear. We should

stand in this land of the free, as brave defenders of the Constitution.

BULGARIA ELECTIONS

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, over this past weekend, I led a delegation of 60 election observers from 23 countries to Bulgaria to monitor the first open, multiparty elections there in over 44 years. While I was disappointed that the opposition union of democratic forces did not fare as well as hoped, I was encouraged by the positive step forward toward real democracy and freedom that this election represents.

Unfortunately, intimidation—both overt and suspected—was a factor and did affect the results of voting favoring the ruling Bulgarian Socialist Party. This serious issue must be addressed. However, the sizable showing of the opposition and the mass demonstrations in support of the opposition in the streets, despite 44 years of Communist terror and a limited democratic tradition, is a clear signal to the ruling reformed Communists that greater political and economic reforms must be made at a faster pace.

A special commendation goes to the National Republican Institute for International Affairs, and its Democratic Party counterpart, for taking a leading and obviously successful role in supporting the democratic movement in Bulgaria. Their programs and activities significantly helped the reform movement and have an important future role to continue to play.

PROTECT THE BILL OF RIGHTS

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEASE. Mr. Speaker, like all of us here, I consider myself a patriotic American as well as a public servant. I am a U.S. Army veteran. Like most Americans, I consider the American flag a revered symbol of our Nation. But so is the Bill of Rights, and, especially, the first amendment, which has endured without change throughout our entire history. I firmly believe that we ought to avoid tampering with our Bill of Rights.

Flag burning is wrong and it is foolish. It does not contribute to rational discussion of any faults which flag burners may find with our Nation. Without a Federal law or constitutional amendment, we American citizens are still free to disagree and be disgusted with flag burners. But best of all, we can ignore them and deny them the one thing—publicity—which motivates their deplorable actions.

A RENEWAL OF OUR COMMITMENT TO THE FLAG

(Mr. BUNNING asked and was given permission to address the House for 1 minute.)

Mr. BUNNING. Mr. Speaker, I rise to wish my colleagues and my countrymen, a happy Flag Day and I urge all of you to join me in taking this opportunity to renew our commitment to our Nation's banner and all it represents.

And I urge my colleagues to join me in making a commitment to do what is necessary to protect that flag from mindless desecration.

Too much blood, toil, sweat, and love; and too many tears and cheers and prayers have been woven into that fabric over our 200-year history to allow delinquents and rabble rousers to subject our national banner to foul desecration.

We have tried everything else. A constitutional amendment protecting our flag is the only answer.

It is not a matter of politics. It is a matter of national honor. We need a constitutional amendment to protect our flag.

LET FREEDOM RING

(Mr. JONES of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES of Georgia. Mr. Speaker, on this Flag Day, when we consider the values and freedoms that Old Glory represents, I find myself reflecting on the experience of James H. Warner of Washington.

Jim Warner was a U.S. marine, a prisoner of war of the North Vietnamese for 5½ years. He was tortured, put in solitary for over a year, and suffered from dysentery, intestinal parasites, and beriberi.

But he stood tall. One time his captors, trying to break his will, showed him a picture of American protestors burning our flag. The officer said:

> There, the people in your country protest against your cause. That proves that you are wrong.

Jim Warner said:

> No, that proves that I am right. In my country we are not afraid of freedom, even if it means that people disagree with us.

Today Jim Warner says:

> We don't need to amend the Constitution in order to punish those who burn our flag * * * don't be afraid of freedom: It is the best weapon we have.

Mr. Speaker, Jim Warner makes me proud to be an American. And so on this Flag Day—let freedom ring, long may Old Glory wave, and God bless the Bill of Rights.

FLAG BURNERS ARE A THREAT

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, it is kind of hard to stand up here and not be emotional over this issue, but I am going to try not to be emotional. However, it was said by you, Mr. Acting Speaker, that the flag burners are not threats to the United States of America. Well, let me tell the gentleman something. They are a threat to the United States of America. Not only that, they are a disgusting disgrace, and they ought to be thrown in jail.

Yesterday, I had an opportunity to debate William Kunstler, and we talked about the first amendment. Even he had to admit, when he was nailed down to it, that even he had defended people who were the victims of libel and slander, two areas of free speech that are not allowed under the first amendment.

Mr. Speaker, shouting obscenities in a public place which is offensive to other people is not allowed under the Constitution. Pornography is not allowed under the Constitution. Libel and slander, as I said before, is not allowed under the Constitution. Standing on a street corner in a neighborhood residential area disturbing the peace at 3 a.m. is not allowed.

□ 1020

This constitutional amendment is not an infringement on the first amendment. Why in the world can we not all get together on both sides of the aisle? Let us let the American people decide this. Let us pass it by a two-thirds vote in both Houses and then give it to the States, and if three-quarters of those States see fit to ratify it, then the American people have spoken.

Mr. Speaker, I say to the Members, "Come on, let's put partisan politics aside and get together on this issue."

FLAG WAVING ON THE S&L ISSUE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute.)

Mr. TRAFICANT. Mr. Speaker, today I want to wave a different flag, a flag in the courtroom on these S&L creeps who are the new organized crime crew on the streets.

Do they wear pinstripes? No, not really, just 3-piece suits. They carry briefcases. They do not tote machineguns.

I am talking about "Pretty Boy" Charles Keating, who stole 1 billion clammers, folks; "Little Pauly" David Paul, with $13 million in his safe back home; and the "Don," Donald Dixon. I think he ended up with about 5 air-

planes and a $2 million yacht—just a few little toys.

But everybody is calling for a special prosecutor. I am saying on the floor today, Flag Day, that we give billions of dollars to the Justice Department. The taxpayers have given enough money. If they can find $40 million to bust the Mayor of Washington, DC, they can find money to bust these new hoods.

Mr. Speaker, let us wave the flag today in the courtroom in front of these S&L organized crime mobsters. Maybe then Congress will have done something.

RECALLING THE DREAM OF THE FOUNDER OF FLAG DAY

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, on the Fourth of July, 1882, at age 13, William T. Kerr gave a patriotic speech at a political convention in Chicago. From that time on he vowed to make June 14 a national holiday to honor the American flag.

For nearly 70 years, Kerr petitioned countless Governors, Senators, and Representatives as he campaigned for his idea. In a few years, President Woodrow Wilson, a Democrat, in 1916 proclaimed Flag Day an annual national celebration. It was not until 1949 that a Democrat, Harry S. Truman, signed a bill requesting the U.S. President to call for its observance each year by proclamation.

William Kerr's son, Joseph J. Kerr, lives in my district. Kerr, not surprisingly, is in favor of a constitutional amendment to forbid abuse of the American flag. He differs with the liberals who have spoken here today.

He says, and I quote:

> There is something radically wrong with desecrating the flag. Of course it should be against the law. Why would anyone want to burn the flag, I don't know. The flag embodies all the things we hold as good and true.

REFLECTING ON THE MEANING OF OUR NATIONAL SYMBOL

(Mrs. UNSOELD asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. UNSOELD. Mr. Speaker, today is Flag Day. We have just pledged our allegiance to the flag and as I led my colleagues in saying these familiar words, it was a time for us to reflect on the meaning of our national symbol.

The Supreme Court, in a narrow decision Monday, has stated that our Constitution, the backbone of our democracy, protects acts of speech as ugly as burning the flag:

> Punishing desecration of the flag dilutes the very freedom that makes this emblem so revered.

I have reflected deeply on the meaning of the flag and of its desecration. I have read no sharper words of what the pledge means than the story of James H. Warner, a Marine Corps aviator held for 5½ years as a POW in North Vietnam.

He was tortured, but not broken.

He was shown a photograph of antiwar protestors burning an American flag in the streets back home.

His interrogator said:

> These people in your country protest against your cause. That proves you are wrong.

The marine said:

> No, that proves I am right. In my country we are not afraid of freedom.

Yes, the marine is right. In the United States we are not afraid of freedom.

GOVERNMENT WASTE

(Mr. DELAY asked and was given permission to address the House for 1 minute.)

Mr. DELAY. Mr. Speaker, Let us cut Government waste, not raise taxes. Congress is addicted to creating programs. The Congress rarely designs just one program to solve a problem; rather, it tends to spread-out a program over many agencies so that as many constituencies as possible become reliant on the program. If the program proves to be a failure, Congress never reforms or abolishes it. Rather, a new program is created to solve the problem or a new layer of bureaucracy is added onto the old one.

For example, there are roughly 60 antipoverty programs administered by the Federal Government. Nearly every Federal agency has its own antipoverty program. The Stewart B. McKinney Homeless Assistance Act of 1987, intended to help the homeless, created 17 different programs administered through 7 Federal agencies. Yet, there were already over 60 separate Federal programs providing assistance to the homeless. Now, what does that say to you? Either the existing programs were almost completely ineffective and should have been abolished, or, there was never a need for the additional 17 programs in the Stewart B. McKinney Homeless Assistance Act. Furthermore, the Federal money for the poor reaches recipients only after it has trickled through a half million poverty-industry bureaucrats. How can this be either effective or efficient. Once again, simply, it can not be.

Mr. Speaker, may I suggest that every Federal program be critically examined for its effectiveness, and, every outdated and duplicate program be either reformed or abolished.

RAYMOND M. SULLIVAN: A TRIBUTE

(Mr. NEAL of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and include extraneous material.)

Mr. NEAL of Massachusetts. Mr. Speaker, I rise today to pay tribute to one of the great public servants in my district. For nearly 40 years, Raymond M. Sullivan of Springfield, MA, has served on that city's fire department. He rose through the ranks and for the last 6 years has served as fire chief.

Anyone who has served as mayor of a city knows how important a fire chief is to the community. I was mayor of Springfield when Ray Sullivan became fire chief. It was one of the best things that happened during my 5 years as mayor. His reputation was well-known when he became chief in 1984, but he then proceeded to amaze all with his attention to detail, his ability to lead the 500-member department and his dedication to public safety.

One major crisis stands out in my mind from Ray Sullivan's years as chief; in 1988, Springfield suffered through a major chemical fire in an industrial complex on Allen Street. It took four long hot summer days to control the blaze. Throughout this disaster, Ray Sullivan stayed on the scene, leading the effort to stop the fire and coordinating the evacuation of hundreds of nearby residents. As mayor, I was there with him during those difficult days. Not for 1 minute did Ray Sullivan rest in his efforts to end this dangerous situation. It was a magnificent professional effort.

Mr. Speaker, I take this time to say "Thank you" to Raymond Sullivan for his years of service to Springfield. It was my honor to serve with him in city government. I wish Ray and his wife Mary the best of everything in the years to come. I here include additional information on the career of Raymond M. Sullivan:

RAYMOND M. SULLIVAN—CAREER HIGHLIGHTS

Born—1925, oldest of seven children of Patrick and Catherine Sullivan (now age 89), formerly of County Kerry in Ireland.

Educated in Springfield schools—graduate of Technical High School.

Served in U.S. Navy as sonarman and gunner during World War II on the Richard M. Rowell, a destroyer escort. The Rowell sank two Japanese submarines.

Married Mary Louise McCarthy in 1949. Ray and Mary have raised four children: Mary Louise, Garrett, Brian and Gerald. (Garrett works on Capitol Hill for the Committee on House Administration). Four grandchildren.

Joined Springfield Fire Department in 1951.

Became Fire Chief in 1984.

Expert on modern fire fighting equipment. Worked to modernize the SFD—strong supporter of Air Packs.

Supervised the building of two new fire stations in Springfield during his tenure as chief.

Family active in Sacred Heart Church in Springfield.

Longstanding member of the Elk's Club.

Springfield Grand Marshall at the 1988 Holyoke Saint Patrick's Day Parade.

Appointed by Governor to Massachusetts Sprinkler Law Advisory board.

Avid Boston Red Sox and New York Giants fan.

RECLAMATION WASTEWATER AND GROUND WATER STUDY ACT

(Mr. PACKARD asked and was given permission to address the House for 1 minute.)

Mr. PACKARD. Mr. Speaker, I have introduced legislation, the Reclamation Wastewater and Ground Water Study Act, to address the crucial issue of channeling a vital resource—clean water—to communities in great need.

The Bureau of Reclamation stands ready to continue its commitment to serve millions of Americans with dams, irrigation, and water supply projects. We all know that the benefits reaped by these projects provide us with water, power, recreation, and food.

There is a critical need to take a closer look at the Bureau's traditional role in water resource development and expand this role. Many areas of our Nation are facing years of continued drought, with no immediate relief in sight. It is certainly not too soon to utilize our existing water supplies to their fullest extent. The most dependable, abundant, and underutilized supply of water is waste water.

The Reclamation Wastewater and Ground Water Study Act will direct the Secretary of the Interior to study opportuntnities to reclaim and reuse agricultural, municipal, industrial, and other wastewater stemming from water supplied by Bureau of Reclamation facilities. Wastewater reclamation and reuse is a sensible means to make the best use of our already developed water supplies.

This bill also directs the Secretary to study the Reclamation Program's impact on ground water resources. It is vital that we understand the linkage between surface water development and ground water supplies in order to make the most efficient and environmentally sound use of water resources.

Mr. Speaker, the goal of this legislation is to move toward the development of a master plan to maximize the future use of reclaimed water. A coordinated effort is needed for the reclamation of waste water. We must work to stretch available supplies—and thus reduce the need for new water supplies—while disposing of used water in an economical and environmentally acceptable way.

FINANCIAL CRIMES PROSECUTION AND RECOVERY ACT

(Mr. ANNUNZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANNUNZIO. Mr. Speaker, the savings and loan crooks have looted billions of dollars from the American public. The time is long passed for the United States to fight back. Regrettably, the administration has offered more in words than in deeds against the S&L crooks.

Congress must show the way in fighting the S&L crooks. That is why I am proud to join as an original cosponsor in introducing the Financial Crimes Prosecution and Recovery Act. This legislation will give the Justice Department and the bank regulatory agencies not only more tools to hunt down the crooks, but the direction they need to get the job done.

This bill will make it easier for the United States to recover fines and restitution from the crooks. The United States would be able to void fraudulent transfers and to override State laws that let the crooks keep the mansions purchased with the profits of their crimes.

It will also make it a crime for the savings and loans crooks to hide the money they took from the institution. This should make it hard for them to enjoy their ill-gotten loot. Once they start to spend it, they will have to turn it over to the United States or risk going to jail for hiding it.

Mr. Speaker, this bill is good legislation because it helps put the savings and loan crooks in jail.

□ 1030

MAJOR PROVISIONS OF THE VIOLENT CRIME AND DRUG CONTROL ACT OF 1990

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, this morning Republicans gathered with our drug czar, Bill Bennett, to introduce the Violent Crime and Drug Control Act of 1990. At a turtle's pace this body edges toward crafting a law that will go directly at drug traffickers and those who are infesting the communities of this country with their evil.

Mr. Speaker, this legislation deals with treatment and requires States to develop statewide treatment programs for those who have already been victimized. It deals with drug testing. If we cannot test, we cannot control the problem. It deals with user accountability, and international programs and, yes, a death penalty for violent crimes and trafficking offenses, major trafficking offenses of drug kingpins. It deals with the criminal justice system and interdiction programs, crime control, and it devises a mechanism for funding the Act.

Slowly, but surely, this Government may begin to engage the enemy in our war on drugs. This is a bipartisan issue which this Congress must become involved in. It kills thousands of this Nation's men and women and our children annually.

SUNSHINE SOLDIERS AND SUMMERTIME PATRIOTS

Mr. WEISS. Mr. Speaker, Sunshine soldiers and summertime patriots. That is what Tom Paine called those Americans who had grown weary of the war during that terrible winter of Valley Forge and who wanted to call it quits. Now we are hearing from another bunch of sunshine soldiers and summertime patriots. They would have the American people forget that those Americans who fought and won the Revolution insisted on the Bill of Rights as a condition of adopting the Constitution.

Mr. Speaker, for 200 years the first amendment has been sacred. Now for cheap political gain, for 30-second TV spots, as some leading Republicans have stated the issue, there is a move to amend the Constitution and the Bill of Rights. These are fearful practitioners of democracy who obviously think that the American people are a bunch of dummies who can be manipulated by sheer demagoguery.

Mr. Speaker, they are in for a big surprise if they think they are mining election day gold with this shabby exercise. I say, "Come on, Mr. President Bush. Stop being a summertime soldier and a sunshine patriot. Stand up for the Constitution."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. McDERMOTT). The Chair would remind Members that in their 1-minute speeches they should address the Chair.

GOVERNMENT WASTE

(Mr. HANCOCK asked and was given permission to address the House for 1 minute.)

Mr. HANCOCK. Mr. Speaker, let us cut Government waste, not raise taxes. The Government continues to be plagued by serious breakdowns in its internal control and accounting systems. Management deficiencies, program abuses, and illegal activities cost the taxpayers billions of dollars and undermine their confidence in the Government. Government mismanagement must be stopped.

The Internal Revenue Service has been plagued by the lack of accurate receivables information inhibiting its

efforts to collect these debts. Consquently, the IRS has failed to collect $89 billion in delinquent taxes; $89 billion. Is it really necessary for all Americans to pay more so some people do not have to pay back taxes, penalties, and interest they already owe? Absolutely not, this is ludicrous.

Furthermore, this is only the tip of the iceberg. The Government Accounting Office reported material weaknesses in 17 major Federal agencies, in their financial management and internal controls, resulting in a whopping $22 billion to the taxpayers.

Government waste is now a national scandal. As a matter of basis fairness to American taxpayers, the elimination of waste and mismanagement must be moved to the top of the agenda during all negotiations on reducing the deficit. It is time to act.

OUR LEADERSHIP FAILS TO REPRESENT SUBSTANCE AND DEALS WITH SYMBOLS

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI. Mr. Speaker, it is the unltimate diversion. While George Bush sought the Presidency of our Nation pledging allegiance to the flag, Federal regulators allowed the S&L industry to collapse, leaving, a half-trillion-dollar debt for our citizens, $2,000 for every man and woman. Now, while 8,000 S&L executives remain free on their ill-gotten gains, living on the stolen savings of our families, the White House elevates the protection of the flag to the ultimate and paramount national issue.

Mr. Speaker, the debate about flag protection represents many things, but mostly, as a nation with a fragile economy, mounting debts, facing a changing world, this is a debate that America cannot afford. It represents time that we cannnot lose. Our flag is imperiled by no more than a lunatic fringe. It is our Nation that is in danger, and the enemy is among us. It is our own leadership that fails to represent substance and deals with symbols.

GOVERNMENT WASTE

(Mr. BUECHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUECHNER. Mr. Speaker, let's cut Government waste. Probably the most persuasive argument against the so-called need for increased taxes is the proliferation of Government waste. One major cause of this is Congress' refusal to discontinue programs which have completed their purpose. Successful programs budget constituencies that need help from the program, and entrepreneurial bureaucrats who want programs to self-perpetuate.

Evidence to this point is the Davis-Bacon Act, which, since 1935 has required that Federal construction contract workers be paid prevailing wages—generally union-scale wages. It was enacted to protect union workers from lower-cost nonunion labor. For almost 60 years the bill has caused discrimination against small businesses, while raising Federal construction costs by $1.5 billion per year.

Now many, including big labor, say we need to raise taxes if there was a time which required the Davis-Bacon Act, it has long passed, yet the program has been maintained by the special interests it serves. This is only one of many agencies and programs which have outlived their usefulness—programs which may cost the taxpayers as much as $20 billion per year. We must take the courage to stop this enormous needless waste.

PROPOSED AMENDMENT TO THE CONSTITUTION BANNING FLAG BURNING

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, I am here today on the 213th anniversary of the adoption of the Stars and Stripes as our Nation's flag to respond to the very disturbing message that the Supreme Court is sending to the American people.

Mr. Speaker, our Supreme Court has said that the very symbol of our freedoms, Old Glory, is nothing more than a rag to be defiled and destroyed by those citizens who choose to do so. I say the Supreme Court is wrong.

Mr. Speaker, my fellow Missourians and I are appalled that any American, including five members of the Supreme Court, would think it anything less than a crime to destroy our flag. The proposed constitutional amendment to make illegal to burn the flag does not take away or add one word to the first amendment which reads:

> Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press, or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.

Mr. Speaker, not one word is changed by the proposed constitutional amendment to ban burning of the flag, and my legislation, which I have introduced, is simple. it would add to the Constitution the following words:

> The Congress and the States shall have the power to prohibit the act of desecration of the flag of the United States and to set criminal penalties for that act.

Not one word of first amendment is changed. The first amendment is not changed one word.

□ 1040

TERRORISM IN THE MIDDLE EAST

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, I am deeply concerned by recent events in the Middle East which not only threaten constructive attempts to initiate an Israeli-Palestinian peace process but which have also exacerbated an already tense Israeli-Arab situation.

In these circumstances, acts of violence and terrorism perpetrated by any perceived representative of one side against the other serve only the interests of radical forces opposed to finding a peaceful resolution to these complex conflicts. In this regard, I applaud the swift and thorough condemnation issued by Prime Minister Shamir and by the Bush administration following the tragic and brutal murders of seven Palestinian workers by a mentally deranged Israeli. While I deplore the attempts of radical elements to seize upon this outrageous act to further intensify the violence of the intifada, I am deeply concerned that the Israeli military apparently was unable to respond without spilling more Palestinian blood. In a spiraling wave of violence, Palestinian terrorists responded by detonating bombs in a crowded Jerusalem market, inflicting death and wounds upon Israelis.

Then, in the incident most disturbing to those of us who, while very wary, have been cautiously optimistic that United States contact with the PLO could help in bringing about Israeli-Palestinian dialog, the PLF launched its now infamous terrorist raid on the beaches of Tel Aviv, reportedly with the goal of killing every sunbather in sight. PLO Chairman Yasir Arafat has yet to clearly condemn this act of terrorism committed by a PLO faction, in spite of the fact that the U.S.-PLO dialog is clearly conditioned on such condemnation.

The President must now carefully review the benefits of this dialog, bearing in mind not only the impression that the rest of the world will be given by our failure not to follow our own pronounced foreign policy guidelines, but also bearing in mind United States interests in the region and the most appropriate and realistic methods for bringing about a peaceful resolution of the Israeli-Palestinian and Israeli-Arab conflict.

REMEMBER FLAG DAY

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, cotton, nylon, whatever. It is the flag which Webster's defines as "a rectangular piece of fabric of distinctive design that is used as a symbol."

But is that all it is?

This week, after the Supreme Court's decision to allow flag burning, several servicemen called in to express their feelings. One was a survivor of the Bataan Death March, after which he spent nearly 4 years in a POW camp.

This gentleman related how his captors mutilated and defaced the flag in front of the POW's—and how the American soldiers had to stand helpless and watch.

This serviceman was incensed by the Court's decision. And his question to my office was, "Am I as equally helpless now?"

This man, who sacrificed so much for his country, has turned to us for help. We must pass the constitutional amendment to save the flag.

Servicemen know what it means to them when they look up and see the flag, because it is not just a symbol of their Nation but also a symbol of their sacrifices.

We need to pass a constitutional amendment.

The flag deserves no less—because when it is burned, a little bit of all of us is burned—and we are lesser for that.

LET THE FLAG BURNERS ALONE

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, like many of us this morning, I rise on this Flag Day to pay homage not only to the flag, but to the document that it represents, that priceless document that we all love and cherish, the Constitution of the United States and the freedom of speech and the other freedoms that undergird that wonderful testament to the Founding Fathers.

Mr. Speaker, there have been a few instances of flag burning over the last year or so. The flag is still flying over this Capitol. There was a flag burning in front of the Capitol. There was a flag burning in front of the Supreme Court. I have not noticed the rafters creaking or the foundations shaking.

Our Constitution is strong and stalwart. Our democracy is strong and stalwart. If a few of our young people, an infinitesimal few of our young people, choose to make jackasses out of themselves by these offensive, degrading, disgusting tactics, so be it. Let them do it. Let us have the greatness of spirit to turn our backs upon them, because that is what they fear most. They want the controversy. They want the sturm and drang. They want this confrontation. They love the publicity. What they fear most is for us, the American people, to turn our backs on them and revere the Constitution and the first amendment to the wide degree of liberties, of freedoms of speech that it protects, including those that are silly, offensive, disgusting, and degrading.

Let us turn our backs on the flag burners and not trivialize the Constitution of the United States.

FLAG DAY

Mr. THOMAS of Wyoming asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS of Wyoming. Mr. Speaker, today is Flag Day, a day to celebrate and honor the flag—the symbol of our great Nation. While Americans across this great country pay tribute to the flag and family members who have bravely defended it, we find ourselves entrenched in a debate over the legality of burning the most essential symbol of our country.

Some say burning the flag in protest is merely burning an insignificant scrap of cloth. I vehemently disagree. Is spray painting the Washington Monument merely painting a rock?

Is throwing paint on the steps of the Capitol simply a matter of free speech? I think not. It is a slap in the face to all people who have given so much, including their lives, in defense of our Nation. As Americans who love our country, we cannot allow such degrading and defamatory actions to continue.

We must remember what this day—Flag Day—means, and take heart and dedicate ourselves to a constitutional amendment to protect it. It is time to stand behind our flag and take pride in the greatest country in the world by ensuring the integrity of our symbol of freedom and democracy is preserved.

NEW CBO ESTIMATES ON THE S&L BAILOUT

(Mr. KENNEDY asked and was given permission to address the House for 1 minute and revise and extend his remarks.)

Mr. KENNEDY. Mr. Speaker, the S&L bailout is beginning to remind me of a serpent from the depths of the ocean. Not only is it big and ugly, but now it seems that if you cut off one head, it grows back two more. For every troubled thrift we identify and close, two more pop up that the taxpayer will have to bail out.

Yesterday, the Congressional Budget Office told us that over 1,700 thrifts are likely to fail by 1995—70 percent more than the administration's latest estimate of 1,000. That's over half of the industry. The estimated costs of the bailout have tripled since last year—and are still rising.

The administration says it is committed to doing the job "at the least cost to the taxpayer." But why should the taxpayer have to pay for a party they were never invited to? It was the wealthy as a class who benefited from the high-interest rates caused by the S&L feeding frenzy in the 1980's. And it is the wealthy who now can most afford to pay for this catastrophe.

In the last decade, the wealthiest in America have seen their taxes drop by 23 percent, while their income has skyrocketed by 94 percent. At the same time, the poorest fifth of Americans have seen their incomes drop by 5 percent, while their taxes have actually gone up by about 3 percent. It is time we stop transferring wealth in this country from the poor to the rich, it is time to make the people who had the party pay for it.

Let us end the system of socialism for the rich and free enterprise for the poor.

□ 1050

IN SUPPORT OF A CONSTITUTIONAL AMENDMENT TO PROTECT OUR FLAG

(Mr. MILLER of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of Ohio. Mr. Speaker, just as we have taken the appropriate and necessary steps in the past to protect our national symbol, the bald eagle, I come here today to urge this Congress to move expeditiously to take the first step to pass a constitutional amendment to protect our flag which is ever so more than a symbol to our country. Today, June 14, 1990, we are celebrating and observing the 213th birthday of our flag. It is a part of each and every one of us; it is a part of our heritage; it is a part of our every day; it is a part of our future. It has been there for us from the very beginning; it has flown high during good times and bad times. It was carried by young lads at the front of the battle during the Revolutionary War, it waved at the Alamo, it was with us during World War I, World War II, the Korean war, the Vietnam war, it carried us through the cold war, and it has been waving ever so proudly during these times of peace. Although it does not speak, its presence whispers in the wind to our children the most memorable of stories of our Nation's history. To quote President Wilson:

> It speaks to us—speaks to us of the past, of the men and women who went before us, and of the records they wrote upon it.

As many before me have pointed out, it is those three little words which begin our Constitution, "We the people" which make this country so

great, so let us give "We the people" the opportunity to decide if Old Glory is to be protected.

Mr. Speaker, I continue to believe a constitutional amendment is the only way to protect Old Glory; and I urge this Congress to move expeditiously to take the first step in passing a constitutional amendment to protect our flag.

CORRECTION OF THE RECORD

Mr. CRAIG. Mr. Speaker, yesterday in a 1 minute I referred to a majority, and then the RECORD shows both "majority and minority leader." What I meant to say at that point, Mr. Speaker, was that there was a House leader who was involved in savings and loan activities.

Mr. Speaker, I request unanimous consent that the RECORD show that.

Mr. ANTHONY. Mr. Speaker, will the gentleman yield?

Mr. CRAIG. I am happy to yield to the gentleman from Arkansas.

Mr. ANTHONY. Mr. Speaker, the gentleman also stated in his 1 minute to encourage the Members of the body to go read the record. I did read the record. I have the record in front of me. I wonder if the gentleman would also be willing to insert in his 1 minute the complete section in the ethics investigation on that point in terms of the Speaker's contact with the Federal Home Loan Bank Board where the committee unanimously did not concur with the special counsel and said that there was no undue influence exercised?

Mr. CRAIG. Mr. Speaker, no, I would not wish to correct that, because in the full investigation that I was involved in, I do believe that the transcript shows that there were inappropriate actions, and there are sections within that report that I personally, as a member of the committee, voted not to discontinue but to continue.

Mr. ANTHONY. Mr. Speaker, will the gentleman yield further?

Mr. CRAIG. I am happy to yield to the gentleman from Arkansas.

Mr. ANTHONY. Mr. Speaker, on my own time, I will do what the gentleman asks and state that I have read the record, and I will ask that the record be inserted in this RECORD.

Mr. CRAIG. Fine, that is the privilege of the gentleman.

The SPEAKER pro tempore (Mr. HUBBARD). Is there objection to the request of the gentleman from Idaho?

There was no objection.

THE SAVINGS AND LOAN BAILOUT PLAN

(Mr. HAYES of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks)

Mr. HAYES of Illinois. Mr. Speaker, I rise today to speak about the savings and loan mess and how it has affected many of my constituents. I have been receiving letters and calls from my constituents who are upset about paying to bailout the savings and loan industry. They are upset because it is estimated that they will have to pay over $2,000 per person and possibly much more. Who knows exactly how much we all will end up paying after the total bill is tallied. Some have said it will cost the taxpayer $90 billion and others go as high as estimating the bill at $150 billion. This is just ridiculous.

I represent one of the poorest districts in the country and it is a travesty that my constituents, many of who are poor, will have to pay for a party that they were never invited to. I said it last year and I will say it again, we should make those individuals that are responsible for this disaster pay or be prosecuted. They caused the disaster and now it is time that they pay the piper.

Mr. Speaker, the public at large is angry that they are being forced to bailout an industry that squandered publicly insured deposits on commodities speculation and junk bonds while people are dying every day because of a lack of adequate health care. There are thousands, perhaps millions of people who cannot find affordable housing. In other words, there are many issues that should certainly be higher priorities for this country but instead of bailing out the poor, the uninsured, the uneducated, or the homeless, our country bails out the rich, fat cats that have abused the system.

I realize that everyone benefits from stability in the financial system. Deposit insurance has gone a long way to promote such stability, and the Federal Government, rightfully, must stand behind the insurance funds. At the same time, it is the responsibility of this body to take a bold step in addressing the problem of adequate health care, affordable housing, and a decent educational system. There are thousands of Americans crying out for our assistance.

My constituents are confused with the logic of our Government: On the one hand we debate about not having the funds to pay for adequate health care and affordable housing in the same breath we ask them to pay billions to bailout a system that has acted very irresponsibly. My question is: Where are our priorities?

Mr. Speaker, I voted against the final passage of the bailout plan last year and would do it again today if given the opportunity.

FLAG DAY

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute.)

Mr. BROOMFIELD. Mr. Speaker, it has been almost 100 years since June 14 was proclaimed Flay Day.

Since then, millions of Americans have rallied around the Stars and Stripes and followed it into the heat of battle.

Yet not once in all those battles has Old Glory been subjected to such abuse as it is today.

We have been told that Monday's decision favoring the flag burners rests on a bedrock principle. If that is true, why did four justices vote the other way.

The only principle that supported this decision is the notion that anything goes. It is the attitude that says nothing is sacred, that there should not be any limits to indecent behavior.

It is time to rally round the flag. If the courts are not willing to uphold the most minimal standards of decency, this is the time to show that the American people are.

WE SHOULD DO EVERYTHING WE CAN TO PROTECT OUR FLAG

(Mr. SARPALIUS asked and was given permission to address the House for 1 minute.)

Mr. SARPALIUS. Mr. Speaker, I think it is only fitting, as we discuss the flag on this day, when many people feel like we should not come in and tamper with the original Bill of Rights, I find it fitting to look at the words that Thomas Jefferson spoke about our Constitution that are engraved on the memorial for him where he said:

> I am not an advocate for frequent changes in laws and constitutions. But laws and institutions must go hand in hand with the progress of the human mind. As that becomes more developed, more enlightened, as new discoverries are made, new truths discovered and manners and opinions change, with the change of circumstances, institutions must advance also to keep pace with the times. We might as well require a man to wear still the coat which fitted him when a boy.* * *

I do not think there is any question that Thomas Jefferson felt strongly that as this country progresses, as opinions change, that we as a body must do everything we can to represent that people of this country, and I think they feel strongly we should do everything we can to protect our flag.

INTRODUCTION OF HOUSE REPUBLICAN CAMPAIGN REFORM PACKAGE

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, yesterday I introduced a series of bills that represent the House Republican campaign reform package.

Mr. Speaker, I called for campaign reform back in the earliest days of this Congress, and I am hopeful that a package can still be enacted this year, but time is running out, although this morning in my breakfast meeting with the Speaker, we discussed the issue and hopefully right after the July 4 recess we can take up campaign reform.

The basic tenets of our package are simple: Return power to individuals instead of special interests; return power to constituents, not contributors within the beltway or New York or Hollywood; return competition to House elections; and these 10 bills that I have introduced yesterday will:

First, reduce the influence of PAC's; second, rebuild the political parties; third, require that 50 percent of contributions come from local sources; fourth, ban soft money; fifth, even the playing field for independent expenditures; sixth, franking reform; seventh, provide standards for redistricting after the Census is concluded; eighth, address union activities in politics; ninth, the Federal Election Commission clarification of some amendments; and tenth, disclosure requirements.

Mr. Speaker, I would hope that Members will begin thinking seriously about their position and these specific issues and how to address them when we come to a full-dress debate on the floor of this House campaign reform for 1990.

□ 1100

CLARIFICATION OF RECORD

(Mr. ANTHONY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANTHONY. Mr. Speaker, yesterday in the CONGRESSIONAL RECORD, June 13, 1990, on page H 3511, there was a speech by the gentleman from Idaho [Mr. CRAIG]. In that speech the gentleman challenged Members of Congress to go back and read the record of the executive committee.

I have done that now. The front page of that statement says that the statement was unanimously approved by the committee on April 13, 1989. The gentleman from Idaho [Mr. CRAIG] was a member of that body, so therefore he voted for this particular document.

On page 84 of that document, when it comes to the section where the special counsel alleged undue influence in contacting the Federal Home Loan Bank Board supervising the savings and loans, the following language will appear: "The committee did not concur."

The following language also is contained in that section on that page. It says:

Accordingly, while it may well be that Representative Wright was intemperate in his dealings with representatives of the Federal Home Loan Bank Board, the committee is not persuaded that there is reason to believe that he exercised undue influence in dealing with that agency. In sum, such a finding cannot rest on pure inference or circumstance or, for that matter, on the technique and personality of the legislator, but, instead, must be based on probative evidence that a reprisal or threat to agency officials was made.

So I say to my good friend the gentleman from Idaho [Mr. CRAIG], that the committee unanimously dismissed that particular section. I seek now just to correct that portion of his statement.

Mr. CRAIG. Mr. Speaker, will the gentleman yield?

Mr. ANTHONY. I yield to the gentleman from Idaho.

Mr. CRAIG. Mr. Speaker, it is important that the vote the gentleman from Arkansas [Mr. ANTHONY] mentioned is a vote for the whole of the report, and not parts of the report. I did vote for the whole of the report. But I think if the gentleman would continue to look at the committee proceedings, he will find that I did not vote for a part of the report that related to the investigative areas around the savings and loan issue.

Mr. ANTHONY. Mr. Speaker, but the gentleman from Idaho [Mr. CRAIG] does not disagree that the committee by unanimous vote put this language in the report.

Mr. CRAIG. If the gentleman will yield further, I was not a part of that unanimity for that point.

Mr. ANTHONY. Mr. Speaker, I include for the RECORD the language from the report:

COMMITTEE ACTION TAKEN IN CONNECTION WITH ITEM NO. 6 OF THE RESOLUTION OF PRELIMINARY INQUIRY

The final item addressed in the Preliminary Inquiry concerns Representative Wright's: possible exercise of undue influence in dealing with officials of the Federal Home Loan Bank Board.

Based upon his examination of a number of instances in which Representative Wright interacted directly, or through staff, with officials of the Federal Home Loan Bank Board, Special Outside Counsel concluded that there was reason to believe Representative Wright exercised undue influence in dealing with that agency. The Committee did not concur.

It is clear that under our constitutional form of government there is a constant tension between the legislative and executive branches regarding the desires of legislators on the one hand and the actions of agencies on the other in carrying out their respective responsibilities. The assertion that the exercise of undue influence can arise based upon a legislator's expressions of interest jeopardizes the ability of Members effectively to represent persons and organizations having concern with the activities of executive agencies.

Accordingly, while it may well be that Representative Wright was intemperate in his dealings with representatives of the Federal Home Loan Bank Board, the Committee is not persuaded that there is reason to believe that he exercised undue influence in dealing with that agency. In sum, such a finding cannot rest on pure inference or circumstance or, for that matter, on the technique and personality of the legislator, but, instead, must be based on probative evidence that a reprisal or threat to agency officials was made.

CONSTITUTION DRAFTERS WOULD SUPPORT CONSTITUTIONAL AMENDMENT FOR FLAG

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, I cannot believe that today of all days, Flag Day, we have people on that side of the aisle defending under the first amendment free speech the right for people to desecrate the American flag that so many Americans have fought and died for.

There are certain limitations on free speech. You cannot go out here and desecrate the Capitol. You cannot go into a crowded movie theater and holler "Fire." You cannot libel another human being. You cannot burn down someone else's house. There are certain things that one cannot do that some people would interpret as free speech.

One of the things that we ought to do today in this body is pass a constitutional amendment saying that desecrating the American flag is something that we as Americans will not tolerate. I believe our forefathers, Thomas Jefferson, George Washington, Benjamin Franklin, and others, if they were here today, would be speaking very strongly from this floor in favor of this constitutional amendment. They certainly would not tolerate it.

WHAT YOU SEE IS NOT WHAT YOU GET

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute.)

Mr. APPLEGATE. Mr. Speaker, what you see is not what you get. If you want to know what the Constitution of the United States says, do not read it, read what the Supreme Court says it is. The Supreme Court is what the Constitution is supposed to be. Any sitting majority of nine Justices can make decisions as to what it says, whether or not the people want it.

Why not let the people decide what the first amendment mean to them? After all, we are a government of the people. We are not a government of, by, and for the government.

Today is Flag Day. Join with me, and let us celebrate by jumping aboard the constitutional amendment to help to defend and protect the flag of the United States. Let us give the people the right to speak on whether or not they want the flag to be protected. I do not think any of us, I do not think anyone anywhere, wants to deny the people their right to the first amendment.

INTRODUCTION OF THE ORGANIC FOODS NATIONAL STANDARDS ACT

(Mr. CONDIT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONDIT. Mr. Speaker, I am introducing legislation today which would establish a national standard for organically produced foods.

When consumers pay a premium price for foods that are labeled organic, they do so with the expectation that no chemical pesticides were used to produce the food. Consumers would be surprised to learn that, in fact, foods which have been labeled as organically grown often have traces of chemical residue.

Because there are no national standards which organic food producers must follow, food labeled or advertised as organic oftentimes contains traces of chemical pesticides. This can occur when the food is produced on land which has previously been used to produce nonorganic foods or when chemicals from neighboring farms drift to the organic farm.

My legislation, the Organic Foods National Standards Act, defines "organically produced" to mean food produced without chemicals and which does not contain traces of chemical pesticides. It also estabishes a USDA certification process for organic foods.

Consumers have a right to receive reliable information regarding the food they buy. In particular, consumers have the right to expect that products labeled as organically produced are not produced with or handled with chemicals. For this reason, I urge this Congress to act on this important consumer legislation this session.

EXTEND FIRST AMENDMENT RIGHTS TO A FOOL BURNING THE FLAG

(Mr. STOKES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STOKES. Mr. Speaker, in 1943, as an 18-year-old youth, I was drafted in the U.S. Army in World War II. I served 3 years in the service of this country in wartime.

At that time in this country we had the same flag we have today. However, we did not treat all Americans the same under that flag. As a black American, I had to serve in a segregated Army, where, under the U.S. flag, black and white soldiers were required to serve in separate units.

As black Americans we were subjected to many indignities in the service of this country. Some of them died fighting under a flag where they were segregated because of their color.

But throughout this unenlightened period of America's history, we did not burn the flag, and we did not clamor for an amendment to the Constitution.

We have taken adverse decisions by the Supreme Court without trying to tinker with the Constitution. If we have taken the indignities we have taken under the flag, without changing the Constitution, all other Americans ought to be able to extend first amendment rights to a fool burning a flag without tinkering with the Constitution.

GIVE STATE LEGISLATURES OPPORTUNITY TO VOTE ON FLAG RESOLUTION

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute.)

Mr. MONTGOMERY. Mr. Speaker, I am pleased that the Judiciary Subcommittee has moved the Michel-Montgomery constitutional amendment resolution, and I hope the full committee will take action next week.

This resolution has only 20 words:

The Congress and the States shall have power to prohibit the physical desecration of the flag of the United States.

This resolution does not harm the first amendment. We are not going to interfere with the right of any American to freely express themselves. What the amendment will do, however, is prevent people from burning or otherwise physically harming the American flag.

If this resolution is passed in Congress, then it is really left up to the people of this country through their State legislatures to adopt the amendment. Let us give the State legislatures this opportunity and vote for this simple resolution.

Mr. MICHEL. Mr. Speaker, will the distinguished gentleman yield?

Mr. MONTGOMERY. I would be glad to yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, I just want to compliment the distinguished gentleman from Mississippi [Mr. MONTGOMERY] and reemphasize again the bipartisan effort that we have afoot here. I might add I am proud to have been joined in the original cosponsorship of this amendment by the distinguished gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Speaker, reclaiming my time, I appreciate what the gentleman from Illinois [Mr. MICHEL] said. This is not a partisan issue. Each individual Member is going to have to make up their own minds how they want to vote on this. I am for this amendment, and I am going to stand up and be counted.

Mr. MICHEL. Mr. Speaker, the gentleman's point is well-taken.

□ 1110

WHY CAN'T WE DO IT CONSTITUTIONALLY?

(Mr. THOMAS of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS of California. Mr. Speaker and my colleagues, as we begin to engage on this question of the constitutional amendment, over the flag, the thing that struck me was the fact that there seems to be an awful lot of rancor about the fact that we in the House and the Senate are going to begin to discuss the constitutional process of amending the Constitution.

There are two ways to amend the Constitution in the document itself. We are to pursue one of them. But interestingly enough, there has not been any discussion about the fact that the Supreme Court has taken what the Bill of Rights says, speech, and has extrapolated it to behavior, as a matter of fact, words that are not even in the Bill of Rights; and that in fact the Supreme Court over the years has amended, in essence, the Constitution. And yet here we, beginning the process of using the constitutional method of changing our basic document, are somehow being criticized.

It just seems to me that we ought to back away from the process and say if the Supreme Court can do it extraconstitutionally, why can't we do it constitutionally? The question should be, ought we?

KEEP YOUR EYE ON THE FLAG WHILE OTHERS UNDERMINE THE GOVERNMENT

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker and Members of the House, throughout the history of this country at various times people have sought to desecrate the flag of the United States. They did it during the Vietnam war, they did it during the Republican Convention, they did it in 1967 and 1968, they did it in 1984. Each and every morning the flag has been raised over the Capitol of the United States, whether people burned it or spat on it, whether it fell in battle or not, the flag was not in danger.

What is in danger in this building is politicians. People who wish you to keep your eye on the flag while they let the savings and loans steal our money; people who wish you to keep your eye on the flag while they run up a $3 trillion debt; people who wish you to keep your eye on the flag while they undermine our Government in the Watergate scandals; people who wish you to keep your eye on the flag when they undermine our Govenrment in the Iran-Contra scandals and when admirals and generals and colonels uphold the flag but undermine our Government because they do not have enough faith in the democratic process.

Many years ago, when a person desecrated our flag in front of me, I punched him in the nose and to my knowledge he has never done it again.

I do not think we have to appeal to the Bill of Rights and the amendment of the Constitution. We have got to understand that our flag is in fact safe and it is safe every day. It has received insults, but the unique symbol is not the flag of the United States, Mr. President, it is the Bill of Rights of the United States.

Those who fear liberty now seek to amend the Bill of Rights. Those who fear freedom and too much freedom, but that is uniquely what the United States stands for, because you really cannot have too much freedom.

When others are aspiring to broaden their expansive notions of freedom, we should not be limited. Our flag can stand up to the challenge. The question is whether or not the politicians can stand up to the challenge.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. HUBBARD). The Chair would admonish our visitors in the gallery not to express approval or disapproval of the speeches given on the House floor.

THEY DON'T BURN FLAGS, THEY BURN BILLIONS OF FEDERAL TAXPAYER DOLLARS

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, I am struck by the alacrity with which this amendment must be debated. Those who defrauded us in the S&L scandal I guess burn no flags, they just burn millions of depositors and billions of Federal tax dollars. Thousands of veterans in my district who cannot get into the VA hospitals because of cutbacks, they burn no flags, but nobody is rushing to take care of them. The millions of Americans who have no health care, which I consider an incredible travesty, they burn no flags. But who rushes an amendment for adequate health care?

The thousands of children who are not getting WIC today because of cutbacks, nobody is proposing an amendment for infants. So I guess I am concerned.

Those who do not burn flags, nobody is rushing to take care of them. Two geeks who do burn a flag through some misguided act, everybody is rushing to handle them. It just does not seem right, Mr. Speaker.

RESIGNATION AS MEMBER OF COMMITTEE ON GOVERNMENT OPERATIONS

The SPEAKER pro tempore laid before the House the following resignation as a member of the Committee on Government Operations:

HOUSE OF REPRESENTATIVES,
Washington, DC, June 13, 1990.

Hon. THOMAS S. FOLEY,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I hereby resign the seat I hold on the House Committee on Government Operations.

Respectfully,

JOHN M. SPRATT, Jr.,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

RECLAMATION PROJECTS AUTHORIZATION AND ADJUSTMENT ACT OF 1989

The SPEAKER pro tempore. Pursuant to House Resolution 409 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2567.

□ 1115

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2567) to authorize additional appropriations for the construction of the Buffalo Bill Dam and Reservoir, Shoshone Project, Pick-Sloan Missouri Basin Program, Wyoming with Mr. MCNULTY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, June 13, 1990, several amendments had been disposed of and the bill was open for amendment at any point.

No amendment to said substitute, except pro forma amendments for the purpose of debate, shall be in order except those amendments printed in the "Amendment" portion of the CONGRESSIONAL RECORD.

Are there further amendments to the bill?

AMENDMENT OFFERED BY MR. MILLER OF CALIFORNIA

Mr. MILLER of California. Mr. Chairman, I offer amendment No. 1.

The Clerk read as follows.

Amendment offered by Mr. MILLER of California:

1. On page 3, line 10, delete "1989" and insert in lieu thereof: "1990".

2. On page 16, line 6, delete "1994" and insert in lieu thereof: "1995".

3. On page 18, delete lines 17 through 24.

4. On page 20, delete lines 7 through 16 and insert in lieu thereof the following:

"(a) AUTHORIZATION.—The Secretary is authorized and directed to conduct a feasibility study on establishing a Federal fish hatchery in McDowell County, West Virginia. Conditioned upon the completion of the feasibility study and the location of a suitable site and water supply, the Secretary is authorized to construct a Federal fish hatchery as provided for in the feasibility study. The study shall be undertaken by the United States Fish and Wildlife Service in consultation with the State of West Virginia.

"(b) If a fish hatchery is constructed in McDowell County, West Virginia pursuant to section 1201(a), the fish hatchery shall be known as the Carl R. Sullivan National Fish Hatchery.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated the sum of $2,500,000 to carry out the provisions of this title.".

5. At the end of the bill, insert the following new title:

"TITLE XIII—WATER AND POWER NEEDS OF INSULAR AREAS.

"SEC. 1301. FINDINGS

"The Congress hereby finds and declares that assuring adequate supplies of water, sewerage, and power for the residents of American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, and the Virgin Islands has become a problem of such magnitude that the welfare and prosperity of these jurisdictions require the Federal Government to assist in finding permanent, long-term solutions to their water, sewerage, and power problems.

"SEC. 1302. STUDY.

"(a) AUTHORIZATION.—The Secretary, acting through the Bureau of Reclamation, is authorized and directed to undertake a comprehensive study of how the long-term water, sewerage, and power needs of America Samoa, Guam, the Northern Mariana Islands, Puerto Rico, and the Virgin Islands can be resolved. Such study shall be conducted in consultation with the governments of those islands. Such study for each jurisdiction shall include, but not be limited to—

"(1) an assessment of the magnitude and extent of current and expected needs.

"(2) an assessment of how the needs can be resolved;

"(3) the costs and benefits of alternative solutions;

"(4) the need for additional legal authority for the President to take actions to meet the needs; and

"(5) specific recommendations for the role of the Federal Government and each local government in solving the long-term needs.

"(b) SUBMISSION OF THE REPORT.—Not later than 2 years after the date of enact-

ment of this title, the Secretary shall transmit the studies required by this section, together with supporting documentation and recommendations of the Secretary and the views of the governments of the islands referred to in subsection (a), to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

"SEC. 1303. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to the Secretary, acting through the Bureau of Reclamation, through the end of fiscal year 1994, such sums as may be necessary, which are authorized to remain available until expended.".

6. Amend the title so as to read: "A bill entitled: Reclamation Projects Authorization and Adjustment Act of 1990.".

Mr. MILLER of California. Mr. Chairman, this is a committee technical amendment intended to correct several problems with the bill as reported by the Committee on Interior and Insular Affairs.

The first two provisions change reference to dates in the bill to reflect the fact that consideration of this bill has been delayed for 7 months.

The third provision deletes the limitations on Warren Act contracts in section 902. The committee believes this matter should more appropriately be considered at a later date in freestanding legislation.

The fourth provision makes language in title XII consistent with similar legislation already considered by the committee on Merchant Marine and Fisheries.

The fifth provision adds a new title to authorize a study of the water and power needs of the insular areas.

The final provision amends the title of the bill to change the date.

Mr. Chairman, my understanding is that the gentleman from Wyoming [Mr. THOMAS] and the minority have cleared this.

Mr. THOMAS of Wyoming. Mr. Chairman, I move to strike the last word. We have reviewed the gentleman's amendment and find no problem with it and accept the amendment.

Mr. PASHAYAN. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of Wyoming. I yield to the gentleman from California [Mr. PASHAYAN].

Mr. PASHAYAN. I thank the gentleman from yielding.

Mr. Chairman, I would ask the gentleman from California [Mr. MILLER] whether there is anything in this amendment whatsoever that has general application to reclamation law?

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of Wyoming. I yield to the gentleman from California.

Mr. MILLER of California. I thank the gentleman for yielding.

Mr. Chairman, there is nothing here, no.

Mr. PASHAYAN. Then there are just these very specific provisions that the gentleman mentioned and it is neither intended nor has it any kind of general application in the nature of changing the fundamental law or reforming it?

Mr. MILLER of California. The gentleman is correct.

Mr. DE LUGO. Mr. Chairman, I rise today in support of the amendment Chairman MILLER is offering on behalf of Congressman ENI FALEOMAVAEGA, who represents American Samoa in the Congress.

The amendment is substantively the same as an amendment I sponsored to H.R. 3596, which was approved by the Subcommittee on Insular and International Affairs, which I chair. The original bill itself was introduced by Congressman FALEOMAVAEGA.

The gentleman from American Samoa is to be highly commended for developing this proposal. Its implementation will be of significant benefit to some 3.7 million Americans who live in the U.S. insular areas of American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, and my own Virgin Islands.

The amendment directs the Secretary of the Interior to conduct a study on the long-term water, sewer, and power supply needs of the U.S. insular areas.

It would address serious deficiencies in the systems that serve these Americans who do not live on the mainland; deficiencies that pose health hazards, impede economic growth and seriously detract from the quality of life that most Americans take for granted.

The need for a comprehensive examination of these systems is long overdue.

Again, I applaud Congressman FALEOMAVAEGA in initiating this effort, I thank Congressman LAGOMARSINO, the ranking Republican on my subcommittee for his support of this legislation, and I also want to express my gratitude to Chairman MILLER for taking this action today.

Passage of this amendment will hopefully bring an end to the piecemeal approach with which insular areas over the years have had to cope. In providing for consultation with the insular governments in developing the recommendations, it ensures that those who are most knowledgeable about the needs of the islands will be major participants in the project.

I urge my colleagues to support this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. MILLER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MILLER OF CALIFORNIA

Mr. MILLER of California. Mr. Chairman, I offer amendment No. 4.

The clerk read as follows:

Amendment offered by Mr. MILLER of California: At the end of the bill, insert the following new title.

TITLE .—RECLAMATION REFORM ACT AMENDMENTS

SEC. . SHORT TITLE DEFINITION.

(a) SHORT TITLE.—This title may be cited as the "Reclamation Reform Act Amendments of 1990".

(b) DEFINITION.—As used in this title, the term "the Act" means the Reclamation Reform Act of 1982 (Public Law 97-293, 96 Stat. 1263, 43 U.S.C. 390aa, *et seq.*).

SEC. . NEW DEFINITION.

Section 202 of the Act is amended by adding the following new definition, and renumbering the subsequent sections accordingly:

"(3) The term 'farm' or 'farm operation' means any landholding or group of landholdings, including partial landholdings, directly or indirectly farmed or operated by an individual, group, entity, trust, or any other combination or arrangement. The existence of a farm or farm operation will be presumed when ownership, operation, management, financing or other factories, individually or together indicate that one or more landholdings, including partial landholdings, are directly or indirectly farmed or operated by the same individual, group, entity, trust or other combination or arrangement thereof: *Provided,* That the mere sharing of labor, equipment or services by members of a family, where such sharing is not part of any larger direct or indirect joint operation or management, shall not by itself initiate said presumption.".

SEC. . ADDITION OF FARM OR FARM OPERATION TO THE ACT.

(a) The second sentence of sectin 203(b) of the Act is amended by inserting after "landholding" wherever it appears, the following: ", farm, or farm operation", and inserting after "leased" wherever it appears the following: ", farmed or operated".

(b) Section 205 of the Act is amended by inserting afer "landholding" wherever it appears, the following: ", farm, or farm operation", and by inserting after "landholdings" the following: ", farms or farm operations".

SEC. . TRUSTS

Section 214(a) of the Act is amended by striking the period and inserting at the end of the section the following: ", except that such limitations shall apply to any trust, trust beneficiary, and farm or farm operation operated by or for such trustee for one or more beneficiaries. The provisions of this section, as amended, shall be applicable to any trust approved by the Secretary prior to June 14, 1990, to which the Secretary has not already applied such ownership or pricing limitations, one hundred and eighty days after the date of enactment of this Act. In the case of all other trusts, such limitations are immediately applicable.".

SEC. . INTENT AND PURPOSES.

Section 224(c) of the Act is amended to read as follows:

"(c) The Secretary is directed to prescribe regulations and shall collect all data necessary to carry out the intent, purposes, and provisions of this title and of other provisions of Federal reclamation law.".

SEC. . REPORTING REQUIREMENTS.

(a) Section 228 of the Act is amended by inserting after "contracting entity" wherever it appears, the following: ", farm, or farm operation".

(b) Section 206 of the Act is amended by inserting after the final sentence the following: "This section shall also apply to all landholdings, farms, or farm operations, to all lands operated under any kind of operating agreement, and to all operators thereof. The Secretary, may also require the submission of any agreement of other document relating to the certification.".

SEC. . RELIGIOUS OR CHARITABLE ORGANIZATIONS.

Section 219 of the Act is amended by—

(a) inserting at the beginning "(a)"; and

(b) inserting the following new subsections:

"(b) The terms "farm" or "farm operation" shall not apply to any landholding or religious or charitable entity or organization which qualifies as an individual under this section. If an individual religious or charitable entity or organization holds land as a lessor within a district, it shall qualify as an individual with respect to such lands: *Provided*, That the entity or organization directly uses the proceeds of the lease only for charitable purposes: *Provided further*, That the lessee is eligible to receive reclamation water upon the leased lands.

"(c) If an individual religious or charitable organization holds lands within a district, but fails to qualify as an individual under this section, its lands within a district with regard to which it does not qualify as an individual shall be lands held in excess of the ownership limitations of section 209 of this Act, and shall receive reclamation water only as excess lands in compliance with the provisions of section 209 of this Act. The failure of an individual religious or charitable entity or organization to qualify as an individual under this section shall not affect the qualification as an individual under this section of another individual religious or charitable entity organization which is affiliated with the same central organization or is subject to a hierarchical authority of the same faith.".

□ 1120

Mr. MILLER of California. Mr. Chairman, this is an amendment which is core to the issue which we are discussing today, and it is about the rights of various individuals to receive Federal subsidies, and whether or not those subsidies will be delivered in accordance with the intent of this Congress as we have changed reclamation law over the past several years.

It is a long and tortuous path by which we arrive in the well today to discuss this issue in the full House. We started in 1902, when Members of this body decided that they wanted to bring economic benefits to the Western United States, and they decided they would spend billions of dollars in the West to build dams and canals to change the course of rivers, to make the deserts bloom. In the course of that effort, we have spent tens of billions of dollars to build water projects that, in fact, have been successful, have enabled citizens to have a diverse economy, and enabled citizens to have a great deal of productivity in the West with respect to production of food for this Nation.

However, we have also seen that sometimes the intent of that act, the purpose of that act has not been carried out. In 1982, we made a major revision of the law to make sure that, in fact, the subsidies flowed to family farmers, not to corporate agribusiness, not to large, large land holdings, but in fact was successful in putting people on the land. We amended the law in 1982, and again tried in 1987. We now have a law that 98 percent of farmers in the Western Reclamation District of the United States are in compliance with. They are family farmers. They are farming the land. They receive Federal subsidized waters for much of the lands which they farm. We also have a situation where a few, after all the efforts by the Congress, after all the deliberations, have chosen to find loopholes in the law and to circumvent the law. They have done that by walking the corridors of the Congress, they have done that by pacing the corridors of the Interior Department, they have done that by going to the White House and exerting political pressure. In fact, some of these farmers have probably spent more time in the Halls of Congress than they have in their own fields.

What have they reaped for their own benefit? They have reaped something that no other farmer in the United States receives: They have reaped the ability to receive Federal subsidies without regard to their wealth, without regard to their assets, because they have been able to create paper farms, farms that exist only on paper, because they do not exist on the lands in that fashion. However, by creating false corporations, by creating partnerships, by creating trusts, they have been able to, once again, assemble large land holdings, or to hold them together, contrary to the law, and able to receive Federal subsidies.

In 1982, we made a bargain. As the chairman, the gentleman from Arizona [Mr. UDALL] said, we decided we could have two-tier pricing for this program. We said, ladies and gentlemen, we will give Federal subsidized water up to 960 acres of land. If a person wishes to farm more than that, they can still have the water, but they must pay full price. They can farm 10,000, 100,000 acres, whatever full price. They can farm 10,000, 100,000 acres, whatever they would like, but they cannot have the Federal Government as their partner. Now, remember there was still subsidies that exist, because we built the projects to bring the water to the people's land.

Mr. PETRI. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Wisconsin.

Mr. PETRI. Mr. Chairman, I was in the House in 1982, and I strongly supported the gentleman and his effort. I want to commend the gentleman from California [Mr. MILLER] for holding the House to the bargain that was made in 1982.

These are grounds that we thought we had accomplished and covered back at that time. I strongly support the gentleman's amendment, and am in full support of the amendment.

Mr. Chairman, a fraud is being committed against the American taxpayer. So to stop that fraud, I rise in support of this amendment.

This amendment would reinforce congressional intent as mandated in the Reclamation Reform Act of 1982 to enforce the 960-acre limit for farms receiving subsidized irrigation water from the Bureau of Reclamation. Adoption of this amendment is necessary to eliminate abuses of the acreage limitation.

As studied and reported by GAO, many farmers have reorganized large farms into multiple, smaller landholdings, making them eligible to receive subsidized irrigation water. GAO concluded that these smaller landholdings, which are usually within the 960-acre limit, are nothing but a front for larger farming operations. They are a charade making use of an unjustifiable loophole.

GAO also reports that one consequence of these farm reorganizations has been a reduction in revenues which the Federal Government would have received if these multiple landholdings had been considered as the law intends: collectively, as large farms subject to the 960-acre limit.

In the sample of 8 cases reviewed by GAO it is estimated that owners and lessees paid a total of about $1.3 million less in 1987 for Federal water delivered by the Bureau than they would have paid if their multiple landholdings had been considered as large farms that were not eligible for this subsidy. That's $1.3 million lost due to the charade perpetrated by a mere eight megafarms. This loss of revenue and unconscionable abuse of the law will continue if this amendment is not adopted.

Congressional intent to limit this subsidy to small family farms continues to be circumvented and the problems will not be corrected until a change is made.

I urge my colleagues to support this amendment.

Mr. MILLER of California. Mr. Chairman, I thank the gentleman from Wisconsin [Mr. PETRI] for his help and all of his efforts on behalf of these reform actions.

The result was, that we said to large farmers, "get off the Government's back. Get out of our Treasury. Get out of the taxpayer's pocket." But those farmers who have upgraded the size of the farm in the West—because some of this is tough land to farm, from 160 as it was in 1902, to 960 acres, we will stick with those farmers. We will deliver those farmers subsidized water.

Some chose to have it both ways. They chose to hold onto all of their lands. It was only a handful of the people, but they are very powerful people. They are very big in the political contribution business, they are very big at fundraisers, very big in party politics. A handful of the people have chosen to do it otherwise.

(By unanimous consent, Mr. MILLER of California was allowed to proceed for 5 additional minutes.)

Mr. MILLER of California. They chose to do it otherwise. What we see over here is how they have done it. They chose to create a number of

partnerships and corporations. Each of these squares on this chart is 960 acres. Each of these squares is managed by a farm manager. Each of the profits got to the partnerships. Each of the subleases go the other way, and the water goes this way. The taxpayer dollars go this way. The crop subsidies go this way. However, they want Members to believe that these are all separate farms. They are not separate farms. These are a scheme. These are a scheme to continue the flow of Federal taxpayer dollars to the land. These are a scheme to start farming the Treasury as opposed to farming the land.

The question for Members today will be whether or not we are going to put a stop to this? Are we going to honor the farmers who made a decision to comply with the law, the 98 percent of the farmers in the reclamation districts of the Western United States, 98 percent? Are we going to honor the commitments by large corporations that sold off 60,000 acres, have put under the contract to sell off 10 or 15,000 acres? Farmers who sold off 1,000 acres here, and 500 acres there, and 2,000 acres there to comply with the law? Are we going to honor the commitment because when the law changed, they said OK, that is the law. I will sell part of the farm to my farm worker or my son or daughter or daughter-in-law, however, they want. I will keep 960 acres. I will farm that. That is the decision we have to make today, is whether or not we are going to allow a few people to cheat the taxpayers of this country, to cheat the other farmers of this country, who do not have the benefit of guaranteed water, guaranteed subsidized water, and too, in fact, cheat the other farmers within the reclamation project who have already gone forward and sold their land in compliance with the law.

So the question is whether or not we will stand up for the many, against the few. Stand up for the many which have complied with the law that did not go through these schemes. They did not go through the schemes of 18 partnerships and 24 corporations and 11 trusts and 24 individuals, as the GAO points out. They did not go through the scheme of 7 partnerships in another case, and 25 corporations and 4 trusts and 7 individuals, so that they could continue to farm, so they could continue to farm 8,000 acres instead of 960 acres. They did not go through the scheme of 3 partnerships and 2 corporations and 1 trust and 1 estate and 10 individuals, so that they could continue to farm 3,000 acres. So we are here about that basic equity. We are here about whether or not all Americans should comply with the law, and whether or not the law ought to reflect the intent of Congress.

The GAO looked at this at our request because the Congress said it was not true. It turned out to be true. When Secretary Lujan saw this loophole, his response was, "This loophole should be plugged." That is the opportunity Members have today. Let Members remember what we have done. The Congressional Budget Office has calculated that the subsidy in the reclamation program is somewhere between $33 and $70 billion. Now, we need as much of that to make this land bloom, to make that land productive, but when is it that the taxpayer gets to rest? When is it that enough is enough? When is it that we say, "You are rich, you are wealthy, you are on your way, get a life? Get a life, go out and farm your land. Do it on your own. You are a big boy now, you are a big girl now, you do not need taxpayer subsidies."

That is what the argument is about. It is not an argument about the nobleness of farmers, because we stipulate to that. It is not about the family farm. We stipulate to that. This act of history is about trying to create family farms, to get the land out of big agribusiness, and yet we find out that after spending $70 or $33 billion, the Interior Department says that it is only $24 billion, no matter how you measure it, it is a great deal of money. Right now, that water subsidy in the Central Valley and much of this land on a yearly basis is worth $304,000 for 960 acres.

□ 1130

How would you like to know that on January 1, before you open up your doors, you have $304,000 in subsidizing coming to your operation? The farmers in Iowa do not know that, the farmers in Nebraska and Arkansas do not know that, and the farmers in Tennessee and Mississippi do not know that.

The CHAIRMAN. The time of the gentleman from California [Mr. MILLER] has expired.

(By unanimous consent, Mr. MILLER of California was allowed to proceed for 5 additional minutes.)

Mr. MILLER of California. Mr. Chairman, other farmers do not know that that would be the case. So it is not the program I am calling into question. It is the violation of the program, it is the violation of our confidence, it is the violation of our relationship with our constituents and with the taxpayers, and I would hope that this House would vote today to put an end to this.

We have been embarked on this since 1982, almost a decade. We have won overwhelmingly each time the House has had a chance to speak. But tragically, a few people with some very, very good lawyers—and I respect them for their ability—have been able to continue to evade the system while so many other honorable families and corporations and partnerships have divested themselves of their excess land so they can continue to farm their 960 with the subsidy, or they have chosen not to divest their land and they have given up the subsidy and said they would rather hold on to their land.

It is not that we are telling the people they have to get rid of their land; it is not that we are telling the people they cannot have the water. We are just saying, "There is some point in your career or in your operation where you have got to get your hand out of the taxpayer's pocket."

If we are going to be partners, if the taxpayers are going to be partners, then we ought to at least get to share in the profits of these operations, but it does not go to that extent.

Mr. THOMAS of California. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I am delighted to yield to the gentleman from California.

Mr. THOMAS of California. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I appreciate the gentleman's chart, which helps to explain some of the corporate structuring that may or may not reflect the concerns that the gentleman has. But at least the gentleman has a chart up there that proports to demonstrate the things that have occurred from a corporate position.

In the gentleman's first 5-minute segment, he also mentioned that these people are big in contributions, and I do not know whether that was a throwaway line in the gentleman's speech or whether he has a chart by which he can also illustrate what I consider to be a charge which I think needs additional presentation.

Mr. MILLER of California. Mr. Chairman, I would be happy to provide that for the RECORD.

Mr. THOMAS of California. Mr. Chairman, I just do not want that to be thrown off as a one-liner to create the impression that the gentleman does not have any evidence or does not have a chart to indicate that there is a clear relationship, because I assume the gentleman was attempting to create an impression.

Mr. MILLER of California. No, it is not a one-liner to be thrown away. I hope it is a one-liner to be paid attention to, because it comes from 16 years of experience on this issue, which involves at least eight election cycles and comes from reviewing the records and comes from experience on exactly how these people have continued to survive when the Congress has spoken in such a definitive fashion. It explains why, when the Department of the Interior issued regulations to bring these people under the law, they fired the person who wrote the regulations,

and then they abolished the office for the enforcement of the law. It explains little actions like that. It explains why the President's speechwriter became a chief lobbyist for these individuals.

So it is not a throwaway line. I hope that people will pay very close attention to that, because it shows how, if you are big enough and powerful enough, you can operate outside the system. You can get privileges that other people cannot get on the floor of this Congress, but you can do it, if you can go behind closed doors at the Bureau of Reclamation or the Interior Department or the White House.

So, no, it is not a throwaway line, and if anybody has not paid attention to it yet, I would be delighted to repeat it later on in the debate.

Let me just finish by saying this: The notion is that somehow this is going to be oppressive on farmers. I stated earlier that many people have in fact complied with this law. Let me say that the Southern Pacific Land Co., one of the largest landholders in the West, sold 60,000 acres under the provisions of this law rather than engage in these kinds of schemes. Tenneco, the energy company, sold 4,600 acres: J.G. Stone sold 3,500 acres; South Lake Farms sold 8,200 acres; Airway sold 2,500 acres; and Tejon Farms sold 3,500 acres. So it goes on and on and on.

The point is that people are complying with the law. They have lived within the law, and that is all we are asking here. That is all we are asking here, and I think if we do that, we will get a fair break for the taxpayers and we will have a better utilization of water in the West.

This amendment is supported by every major environmental group, it is supported by the National Taxpayers Union, and I think it makes a great deal of good sense with respect to public policy on subsidies.

At a time when we have budget summits and we cannot find $150 million to feed newborn infants to keep them from becoming mentally retarded but somehow we can still lavish subsidies on large corporations and agribusiness entities, something is terribly wrong in America. Something is terribly wrong, and I think we ought to stop this subsidy in the name of good public policy. And mind you, nobody is going to go out of business in the farmlands. Nobody is going to be put out of business. Businesses will change. They will change in the fact that they are not making Uncle Sam their partner in their enterprise.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from California [Mr. MILLER] has expired.

Mr. MILLER of California. Mr. Chairman, I ask unanimous consent that I be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. THOMAS of Wyoming. Mr. Chairman, reserving the right to object, may I inquire how many more extensions the gentleman will ask for?

Mr. MILLER of California. Mr. Chairman, if the gentleman will yield, let me say that I do not know. If Members want me to yield to them, I will ask for more time.

Mr. THOMAS of Wyoming. Mr. Chairman, we have some Members who have a different view and who would like to be heard.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER of California. Mr. Chairman, I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, I would first like to commend the gentleman on his amendment.

The amazing thing here is that in most of what we do today we keep focusing on a needs test. If we have a poor hungry child or a welfare mother or a student going to college, we look for a needs test. Here we are looking for a greeds test.

Apparently 960 acres was not enough. The kind of money that was being funneled into these corporations was not sufficient at almost 1,000 acres.

I would just like to say to the gentleman that when I was chairman of the Oversight Committee of the Committee on Interior and Insular Affairs, we started looking into this on the cost of the water program. The first estimate we got back from those folks was that since about 1902, it was about $19.8 billion program. Then the person who actually did the research in the Interior Department was moved out of the water program because he wanted to tell the truth. We went down to Interior to look at some of the documents, and we found one that basically said: "Don't show this information to GEJDENSON and his staff. Certainly the letter you are writing isn't disarming enough. Basically if we tell Congress the truth, it is going to invite more people to look at this issue."

I would like to place this letter in the RECORD. The text of the letter is as follows:

Note to: Charles Jarvis.
From: Benjamin Simon.
Subject: Bureau of Reclamation Response to Rep. Gejdenson's Letter on Irrigation Subsidy.

We have reviewed the Bureau's response to Rep. Gejdenson. The response further explains the analysis performed by the Bureau to calculate the total irrigation subsidy in the Reclamation program, presenting arguments and data that are consistent with the Bureau's earlier response to Rep. Miller on this same subject.

We continue to have reservations about the Bureau's analysis and about the way they addressed Rep. Gejdenson's request. In addition, the response does not accurately portray the analysis we performed. It states that the outstanding construction cost balance accumulates infinitely, and that our method of analysis is inappropriate for analyzing repayment situations that do not include interest. Neither is correct. Our analysis was based on a standard method of valuing financial assets and transactions—calculating the difference between the present value of repayments less the present value of costs. This method is appropriate for valuing all types of transactions, whether or not they include interest payments. In addition, this method does not permit the outstanding balance to grow infinitely.

However, given the sensitivities surrounding this issue, there may be little to gain from further engaging the Bureau. The Bureau's response also does not affect its current policies or water rates. I recommend that you allow the response to go forward, surnaming it with reservations.

Note from Charles Jarvis: The tone of the letter is not sufficiently "disarming," which alone could invite more forceful Congressional reaction. It is additionally likely that this letter will serve to encourage a number of other members to reinforce Rep. Gejdenson by letter to the Secretary.

Mr. Chairman, this is a pretty basic issue. When you have somebody on welfare, you check their income. You try to find out if they have too much money coming in from elsewhere, and if they do, you cut back on food stamps or you cut back on housing allowances. You cut them off. Those are people with incomes on their best day that do not reach tens of thousands of dollars. We are now dealing with corporations that make millions of dollars, and the question for this Congress is that we are providing subsidies to companies that make millions of dollars of profit a year.

In one instance we found the company made $7 million after the water subsidy. If Congress had been so bold as to cut the water subsidy, they would have only made $4 million. There is no other place in the Government where we have such a generous needs test as the difference between 4 and 7 million dollars worth of profit.

Mr. Chairman, I commend the gentleman for his amendment.

Mr. MILLER of California. Mr. Chairman, I thank the gentleman.

Mr. Chairman, I should not have to offer this amendment today to end abuses in the reclamation program.

Twice already this decade, the Congress has undertaken major reforms of the reclamation laws with a single goal in mind: Stop allowing hundreds of millions of taxpayer dollars to subsidize a small number of giant farming operations.

In 1982, after years of exposés, hearings and verdicts, the Congress enacted the Reclamation Reform Act. That legislation represented an historic compromise.

The original 1902 law was designed to provide public water subsidies to family farmers who owned not more than 160 acres of land. The goal was to promote the settlement of the West.

As the years went by and the West was settled, the law was badly abused. By the time the courts, the administration and the Congress began to focus on the abuses in the late 1970s, millions of dollars in public subsidies were flowing not to family farmers, but to huge agribusiness operations—some of them as large as 10,000 acres, even 20,000 acres. Farms of this size were never intended to benefit from the reclamation program.

Most reclamation farmers, over 98 percent, then as now, were in compliance with the law. They were hardly affected by the 1982 amendments, and they will not be affected by the amendment before us today.

But a small number of growers, mainly in my own State of California, have used political muscle, money and legal manipulation to exploit every possible loophole in order to keep subsidies flowing into their pockets.

And that is cheating.

Cheating the taxpayers, who pay out hundreds of millions of dollars for a few farmers who have the money and skills to manipulate the system.

Cheating the farmers throughout the Midwest and South who are not showered with irrigation subsidies every day of the year.

And lastly, cheating the reclamation program itself, and the thousands of reclamation farmers who are fully in compliance with the law. This small number of agribusiness giants places the entire future of this program in severe jeopardy—for those who comply with, as well as for those subvert, the system.

If we cannot stop the cheaters, those who do comply with the law will lose the program just as surely as those who violate it.

We reached an agreement in 1982.

We said that we would expand the amount of land a grower could own and irrigate to 960 acres instead of the old 160-acre limit. We didn't say you couldn't own more land; we didn't say you couldn't irrigate more land.

But we did say that you could not use Federal water subsidies on more than 960 acres of land, because that was a small farm.

And as a trade-off for the larger acreage, we introduced a two-tiered pricing system for the first time: Subsidized water for small operations, and non-subsidized, full-price water for operations larger than 960 acres.

That was the agreement. And everyone knew exactly what the agreement was.

No sooner was that landmark law adopted than the same small group of growers who necessitated the reforms launched efforts to sabotage the Reclamation Reform Act.

Lawsuits were filed. An intense lobbying campaign was launched to weaken proposed regulations. Pressure was placed on high-ranking administration officials to remove key personnel charged with enforcement of the law.

To get the reforms moving forward, we enacted a second phase of the Reclamation Reform Act in 1987 to close loopholes exploited by this small group of growers.

So, why are we here today?

Since the 1987 law was passed, this small group of corporate growers has continued to exploit loopholes in the law. Regulations designed to enforce the law were changed. The key regulator was removed to another branch of the Department of the Interior.

In fact, the entire office charged with enforcing the acreage limitations was abolished, and the chief regulator transferred.

The sad story of non-enforcement and regulatory subterfuge was reported in a stinging exposé on "60 Minutes" last fall.

We called upon the General Accounting Office [GAO] to take an impartial look at compliance with the reclamation reform law.

Were the allegations of abuse true?

Were loopholes being exploited?

Was the law's flexibility being used to permit operations of thousands and thousands of acres to reap the subsidies intended for the family farmer?

Last fall, the GAO filed its report.

And as one who has spent his entire career in Congress working to straighten out this program, I must tell you it was a very disturbing report.

GAO's findings do not just expose the abuses of the reclamation program.

Those findings are also an embarrassment and a humiliation to the Congress which wrote the law as fairly and as reasonably as possible. And for our troubles, we are being ridiculed by this same small fraction of all reclamation farmers who spend more time in court and the Capitol's corridors than they do in their fields.

So we are here today to decide if we meant what we wrote in 1982; if we meant what we wrote in 1987; and if we have the courage to resist the hysteria and misrepresentation that this tiny group of weathy irrigators and their high-priced lobbyists have generated to confuse Congress and obscure the real issues.

GAO spent 2 years preparing its report, "Basic Changes Needed To Avoid Abuse of the 960-Acre Law." Here is what they concluded:

The Reclamation Reform Act's legislative history shows that the Congress expected the Bureau [of Reclamation] to provide federally subsidized water to a maximum of 960 acres.

But the regulations, rewritten to accommodate the growers, "do not reflect congressional expectations in the act's legislative history."

In painful detail, the GAO explains how "Interior agreed that some farmers have reorganized their farms into smaller holdings to maintain large farming operations."

For example, one 12,345-acre cotton farm—roughly 20 square miles—was reorganized into 15 separate landholdings, utilizing 18 partnerships, 24 corporations, and 11 trusts.

All 15 landholdings are then managed by the same original partners, who continue to serve as the officers in the landholdings—all of which are operated under a single loan, secured in common by their shared crop and other farm assets; 12,345 acres.

Every one of them receiving subsidized water that the Congress voted should be limited to farms of 960 acres or smaller.

Even the Bureau of Reclamation doesn't suggest that this abuse complies with the intent of the 1982 or the 1987 laws.

No, the Bureau just declares that it will not enforce the intent of the law.

Maybe that small clique of growers in California doesn't understand what the law means. But I'll tell you who does understand, and that is the Secretary of the Interior, Manuel Lujan, who participated in the drafting of the 1982 and the 1987 laws.

You know what Secretary Lujan said when he heard about the GAO's report and the "60 Minutes" story? Here's what he said' "the loophole ought to be plugged."

And the Secretary is right.

For once and for all, let't do it. Let's close the loopholes, and restore integrity to this program.

Let's pass this amendment, which does nothing more than restate our intent and then follow the GAO's recommendations for conforming statutory language to congressional intent.

Now, I know there are those who are lobbying against this amendment. They're trotting out all the old dire predictions that if we pass this amendment, western agriculture will go bankrupt.

That's what they said in 1982, and in 1987. Somehow, 98 percent of all reclamation farmers are participating and complying with the intent of the law, and western agriculture is proceeding just fine.

These same narrow interests that forced the rewriting of the regulations have filed lawsuit after lawsuit to delay enforcement of the law. But every time their arguments are heard in court, they lose. Just this year, the 9th Circuit Courts of Appeals rejected two challenges, as the district courts had earlier.

This history is clear.

They know what the law is supposed to do. They know what the law says.

But they use their money, their lobbyists and their lawyers to preserve their Federal water subsidies that have made them multimillionaires. And they will keep pocketing those ill-gotten and undeserved subsidies until we, in this Congress, slam shut the door once and for all.

The true Reclamation farmer isn't creating phony trusts and partnerships to siphon off subsidies. He isn't cheating the taxpayer. He isn't bankrolling lawsuits and lobbyists. He's doing what the Reclamation law intended: He is farming.

Don't let this small group of irrigators subvert this entire program that has done so much good.

Don't let them humiliate the Congress by flaunting the intent of the laws we write, while they become multimillionaires at the taxpayers's expense.

This amendment isn't just important for GEORGE MILLER.

It's important for the Congress.

It's important for our integrity.

I would hope that we are prepared, at long last, to stand by the law we wrote and demand that it be enforced fairly, not just for the small family farmer, but for the wealthy, corporate irrigator, too.

Let me take a few moments to amplify my intent with respect to several sections in this amendment.

First, this amendment is based on recommendations contained in the General Accounting Office report on farm size and subsidy limits entitled: "Water Subsidies: Basic Changes Needed to Avoid Abuse of the 960-Acre Limit" (GAO-RCED-90-6, page 23).

The amendment would define "farm" or "farm operation" in the Reclamation Reform Act of 1982. Specifically, it would define these terms as meaning any landholding or group of landholdings, including partial landholdings, directly or indirectly farmed or operated by an individual, group, entity, trust, or any other combination or arrangement.

To insure that the Bureau of Reclamation examines each farming operation to make sure it isn't larger than 960 acres, the amendment presumes there is a farm or farm operation when ownership, operation, management, financing or other factors, individually or together, indicate that one or more landholdings is farmed or operated by the same individual, group, entity, trust, or other combination.

Thus, if it appears that several separate landholdings are being operated together, the presumption is that their are one operation unless the participants can demonstrate otherwise. This will mean the Bureau of Reclamation will have no excuse if it fails to charge full cost for all water delivered to farms or farming operations in excess of 960 acres.

The amendment adds the words "farm or farm operation" after "landholding" wherever it appears in sections 203 and 205 of the Reclamation Reform Act of 1982.

The amendment also makes a significant clarification in the section dealing with trusts. In the 1982 Act, we specifically exempted trustees from application of the acreage limitation and full cost pricing provisions. This was done so that trustees, acting in a fiduciary capacity, could carry out their responsibilities for more than one trust.

Instead of helping the program, the provision has been used to create a huge loophole. Using this exemption, gigantic trusts have been given unlimited subsidies. Also, several trusts have been bundled together through farm management arrangements and operated as one farm. Several examples of these practices were detailed in the GAO report.

The worst examples of this abuse approved by the Department of the Interior is the Westhaven Trust. The J.G. Boswell Co., which owned the 23.238 acre Boston Ranch, transferred the land to the Westhaven Trust. The trust was composed of 326 salaried individuals who worked for the Boswell Co. Their beneficial interest in the trust ranged from 21 acres to 547 acres, depending on their salary.

The Interior Department approved the trust because, according to the Solicitor, it met the 1982 Act's requirement that no individual beneficiary's interest exceed 960 acres.

The result was ludicrous. The Federal Government was supplying subsidized irrigation water, at a cost of over $2 million per year, to a 23,000 acre operation—a farm that is over 35 square miles in size.

The amendment clarifies section 214 of the 1982 Act to make it clear that the acreage limits and full cost pricing provisions would apply to any trust, trust beneficiary, and farm or farm operation operated by or for such trustee for one or more beneficiaries. Thus, the Secretary would not be able to deliver subsidized water to the Westhaven Trust should this amendment pass.

My amendment would rewrite section 224(c) to make it clear that the Secretary is required to write regulations to carry out the "intent, purposes and provisions" of Reclamation law. When the Interior Department issued the 1987 regulations, Commissioner Duvall and Solicitor Tarr told us they couldn't carry out the "intent" or "purposes" of the 1982 act because section 224(c) only mentioned "provisions" not "intent and purposes." Such a deliberate decision to avoid the intent of this body is an outrage. This amendment will stop that abuse.

My amendment would also revise section 219 of the 1982 act.

Some religious and charitable organizations receive irrigation water to produce food for their charitable programs. However, it is difficult to determine the amount of land necessary to provide for the poor and needy in any given year.

In order to maintain the capacity to care for the poor and needy in any given year, it is necesary for some religious and charitable organizations to keep some farmland in a reserve status so that this land can be brought into production as necessary. This reserve land may be leased to others until it is necessary to use the land to raise produce to distribute to the poor. All income from leases is used for charitable purposes.

Religious and charitable organizations consider reserve land as an integral and necessary part of the organization's charitable operation and therefore consider the land operated by the organization as provided in section 219.

A restrictive interpretation of "farm" or "farm operation" in section 219 might limit the ability of religious and charitable organizations to provide for the poor and needy.

This amendment will make it clear that land which is leased by a religious or charitable organization to another is "operated" by the religious or charitable organization so long as, first, the religious or charitable organization is exempt from taxation under section 501 of the Internal Revenue Code of 1954, as amended, and second, all income from the lease is used for charitable purposes. This policy will apply to all religious and charitable organizations regardless of the organizations' affiliation with a central organization or subjugation to a hierarchical authority of the same faith.

Section 219 provides that individual religious or charitable organizations or congregations are to be treated as separate individuals under the Act so long as the individual organization or congregation complies with the regulations of section 219.

The Bureau of Reclamation has taken the position that if an individual religious congregation fails to qualify as an individual under section 219, such failures will jeopardize the right of all other individual congregations of the same faith to receive Reclamation water even though the other congregations are in full compliance with the law.

My amendment clarifies this issue by providing that individual charitable or religious organizations or congregations are to be treated individually under the Reclamation Reform Act.

Mr. Chairman, my amendment will restore fairness and equity to the Reclamation program. Although it does not attempt to address every concern raised about the RRA's implementation, it will end those major abuses vividely documented by the GAO. I urge my colleagues to vote for this important amendment.

Mr. PASHAYAN. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, this amendment, while it has some interesting features to it and may even have some substantive benefit to it, is that kind of an amendment which we should not be debating here on the floor, owing to its difficulty and complexity. It is that kind of a subject that should have first been brought through the subcommittee of the gentleman from California and then through his committee where some of the details and difficulties might have been worked out.

It is asking a lot of our colleagues to understand in this short period of time, and even in this august forum, the difficulties and complexities of this particular piece of legislation. The gentleman from California [Mr. MILLER] builds his case on a report that he himself ordered from the General Accounting Office, and I wish to go directly against the innuendo that he is creating before this body.

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In the report itself, Mr. Chairman, it says that, and I quote, "* * * these reorganized farms do not violate the act's language," end quote. That is at page 15. It also appears on page 3 in the same words. Let me repeat that. "These reorganized farms," of which my colleagues saw a diagram just a few moments ago held up by the gentleman from California [Mr. MILLER], according to the very report the gentleman makes his case on, says that, "These farms," that he calls paper farms, "do not violate the language of the 1982 Reclamation Act," and I should like to put into the RECORD that, those two pages, indicating that.

CURRENT LAW AND REGULATIONS ALLOW FARMS TO REORGANIZE TO INCREASE FEDERAL WATER SUBSIDIES

The Reclamation Reform Act of 1982, as amended, has not stopped federally subsidized water from being delivered to owned and/or leased land over 960 acres being operated as one farm. The act's language and the Bureau of Reclamation's implementing regulations do not preclude multiple landholdings, each of which is within the act's 960-acre limit, to continue to be operated as one large farm while individually qualifying for federally subsidized water. Some farmers have taken advantage of this loophole

by reorganizing their farms into multiple smaller landholdings to receive additional federally subsidized water from the Bureau. One consequence has been a reduction in revenues to which the federal government would have been entitled.

Since these reorganized farms do not violate the act's language, Bureau audits of the individuals or legal entities who own or lease individual landholdings probably will find them to be in compliance with the act's 960-acre limit. And, although existing regulations do provide the Bureau with the latitude to charge farm operators who have an economic risk in farming multiple landholdings the full-cost rate for federal water delivered to over 960 acres, it has not done so for two cases included in our review that come under these regulations.

DICHOTOMY EXISTS BETWEEN CONGRESSIONAL EXPECTATIONS AND THE ACT'S LANGUAGE

Our review of the 1982 Reclamation Reform Act's legislative history shows that the Congress expected to stop the flow of federally subsidized water to owned and/or leased land over 960 acres being operated as one farm. However, the 1982 act does not preclude multiple landholdings to individually qualify for federally subsidized water while being operated collectively as one large farm.

The act does not limit the size of a farm, but rather the amount of land the government will help a farmer irrigate. Since the Bureau's implementation of earlier reclamation law had evolved into a policy of delivering subsidized water to farms comprised of thousands of leased acres, the Congress wanted the new law to limit the number of acres—either owned or leased—to which the Bureau would deliver subsidized water to any one farm.

The act's legislative history shows that two successive Congresses debated over the requisite size of an economically viable farm while agreeing that the turn of the century limit of 160 acres was too small. The Senate bill called for the acreage limit to be set at 1,280; the House bill called for 960. Ultimately, the conferees agreed that a farm should receive subsidized water on no more than 960 acres.

RESULTS IN BRIEF

Congressional expectations have not been met. The Reclamation Reform Act, as amended, and the Bureau's implementing regulations do not preclude multiple landholdings, each of which is within the act's 960-acre limit, to continue to be operated collectively as one large farm while individually qualifying for federally subsidized water. Some farmers have taken advantage of this loophole by reorganizing their farms into multiple, smaller landholdings to be eligible to receive additional federally subsidized water from the Bureau using various partnerships, corporations, and/or trust arrangements. For all practical purposes, these smaller landholdings continue to be operated collectively as single large farms, much as they were before being reorganized.

One consequence of these reorganizations has been a reduction in revenues to which the federal government would have been entitled if the multiple landholdings had been considered collectively as large farms subject to the act's 960-acre limit. This reduction in revenues likely will continue to occur annually under the existing act.

Since these reorganized farms do not violate the act's language, Bureau audits of the individuals or legal entities who own or lease individual landholdings have found and will likely continue to find them to be in compliance with the act's 960-acre limit. Although existing regulations do provide the Bureau with the latitude to charge farm operators who have an economic risk in farming multiple landholdings the full-cost rate for federal water delivered to over 960 acres, it has not done so for the two cases included in GAO's review that come under these regulations.

PRINCIPAL FINDINGS—DICHOTOMY EXISTS BETWEEN CONGRESSIONAL EXPECTATIONS AND IMPLEMENTATION

The Reclamation Reform Act's legislative history shows that the Congress expected the Bureau to provide federally subsidized water to a maximum of 960 acres of owned and/or leased land being operated collectively as one farm. The act, however, defines and uses the term "landholding" rather than defining and using the term "farm" or "farming operation" in establishing the acreage limit and is silent on whether multiple landholdings can be operated together as one farm while qualifying individually for federally subsidized water on up to 960 acres. The Bureau's implementing regulations are based on the 1982 law as written and do not reflect congressional expectations in the act's legislative history.

Mr. Chairman, let me tell my colleagues about the kind of problem that can happen if we pass the amendment of the gentleman from California [Mr. MILLER].

There was a very large farming operation in central California, quite frankly one of the largest in the world. It was farming a farm whose size was about 22,000 acres. Mr. Chairman, that is a lot of acres. Of those 22,000 acres, it was receiving subsidized water on none but 960 of those 22,000 acres. Under the 1982 reclamation law, it was required to sell, to divest, all but those 960 acres, and it was further required to sell and to divest almost 21,000 acres, not at a fair market value, but at a cost below fair market value.

Mr. Chairman, this company considered several alternatives as to whom it should sell the land. They thought, "Well, we have got some rich friends out there. We can sell them each 960 acres," and that would have complied with the law, and the gentleman from California [Mr. MILLER] agreed that would have complied with the law. They can afford to buy the land. "We shall get our money out"; but they did not choose that course. Rather, Mr. Chairman, they chose to sell to their employees that had been working for the company for years, not to 26 private people who could have bought each 960 acres, but rather to 326 employees who, without the kind of a sale arrangement put together, never in their lives could have afforded to purchase the land. What is the average size of land owned by these 326 employees? Seventy acres, not 960 acres.

Mr. Chairman, I have a letter from one such employee. Let me read the letter, not the whole letter, but I am going to put the whole letter in and only read one paragraph. The letter is addressed to the Secretary of the Interior when this arrangement was being considered by the Department of the Interior, the arrangement, once again, that the GAO itself says is legal.

(By unanimous consent, Mr. PASHAYAN was allowed to proceed for 5 additional minutes.)

Mr. PASHAYAN. Mr. Chairman, this letter, as I say, was addressed to the Secretary of the Interior, however it could have been addressed to my friend and colleague, the gentleman from California [Mr. MILLER]. I will read the last two paragraphs of this letter. It is from Jane A. Moore, an employee of the company in question, and this is what she has to say:

It is apparent that many politicians dislike the Boswell Company, but I am appealing to those gentlemen to consider, in the future, the other side of the situation and what something like this trust could have meant to someone like me, the proverbial "little fish." I believe in "equal rights," "justice for all," "equal opportunity," "the American Way," et cetera, but I'm not sure the politicians involved in this do, and that's a little disillusioning.

Mr. Chairman, she closes by saying:

I just hate to think that I've lost this opportunity so someone could make a point.

The letter in its entirety:

June 29, 1989.

Hon. MANUEL C. LUJAN, Jr.,
Secretary of the Interior,
Washington, DC.

DEAR MR. SECRETARY: I am an employee of the J. G. Boswell Company and I am writing in regards to the Westhaven Trust, whose approval you recently revoked because some feel it doesn't comply with the Reclamation Reform Act of 1982.

As an employee of the Boswell Company, I would have been one of the beneficiaries of the Westhaven Trust. I am not a politician or a farmer, but neither am I ignorant to the farm and water laws governing the SJV and the intended purpose for these laws. From my understanding, the laws were created to protect all farmers' rights to land and water, and to avoid a corporate takeover of the whole areas. Whether or not the laws have done what they were indended to do I don't know. I do feel, however, that in this case, the laws have served as a vehicle by which political grudges and vendettas could surface disguised as concern for 'keeping with the spirit of the Reclamation".

My concern is that those people who actually sit down and review the validity of the proposal have lost sight of the real issue and that is, the sale of the land. My company could just as easily have put a notice on the bulletin board of the lunchroom offering the land for sale. Obviously, many of us don't have the resources to buy this valuable land.

My company was offering to do something for its employees by creating for us an interest in the land sold to the Westhaven Trust. To many outsiders, who know nothing more about the Boswell Co. than its huge success, this may seem like some underhanded scheme. But this isn't the first time Boswell has offered its employees more than just medical benefits. I have worked for many large companies whose greatest attempt at showing employee appreciation was throw-

ing a Christmas party. The Boswell Co., on the other hand, with its attempt to set up the Westhaven Trust, was trying to help me to build a better future for myself and my family.

It is apparent that many politicians dislike the Boswell Company but I am appealing to those gentlemen to consider, in the future, the other side of the situation and what something like this trust could have meant to someone like me, the proverbial "little fish". I believe in "equal rights", "justice for all", "equal opportunity", "the American Way", etc. but I'm not sure the politicians involved in this do. And that's a little disillusioning.

I just hate to think that I've lost this opportunity so someone could make a point.

Respectfully,

JANE A. MOORE

Mr. Chairman, the gentleman from California [Mr. MILLER], my friend, is making a point, however in making his point and in offering his amendment to this House, he is going to end up taking away a piece of the rock, a piece of the farm, from these employees who have purchased the farm from their boss because, if the amendment of the gentleman from California should pass, it will result either in raising the cost of water or in cutting the water off. That then would allow the mortgagee to walk in and foreclose against these 326 employees who now own this land. That would allow the lender to foreclose and to sell the land in chunks of 960 acres to rich people who could afford it.

The gentleman from California [Mr. LEHMAN], my colleague, yesterday said that, when the law requires a large landowner to divest, to sell out, to small folks, that is called land reform. Never were more appropriate words spoken on this subject matter in this body.

This land reform has been successful. The reclamation program is supposed to benefit small people, and it is benefitting 326 such people on an average of 70 acres each.

Mr. Chairman, I offer this as an example. I offer this as an example of why this well-intended amendment, if made law, can go wrong. I am offering this as but one example of why this well-intended amendment, if passed, can hurt the, quote, "little fish," as Jane Moore described herself in her letter, the very little fish that I think the most liberal of us should concede the reclamation law was intended to benefit.

What does all this mean? It is quite simple. What this means is this body should defeat this amendment because in my opinion there is going to be other aberrational applications of it. The exceptions are going to bite the principle. This amendment should be defeated because it should not be coming to the floor in this manner. This subject matter should be brought first to the subcommittee of the gentleman from California [Mr. MILLER] and then through his committee. It should be refined.

Mr. Chairman, do we want to shatter the American dream of these 326 people who now own what was a large farm? I say the answer to that is no, and the only way to assure that is to defeat this amendment.

Mr. UDALL. Mr. Chairman, I would like to make a few brief comments for the RECORD on the Miller and Gejdenson amendments to H.R. 2567.

First, I would like to identify myself with the intent of the amendment offered by the gentleman from California [Mr. MILLER].

GAO has provided evidence to Congress that a limited number of western agricultural enterprises are violating the spirit, if not the letter, of the Reclamation Reform Act of 1982 and the 1987 amendments to that act.

It appears that Federal dollars are benefiting owners of a few large farms in ways unintended by Congress and at the expense of the many small farmers for whom the reclamation program was established.

The Miller amendment is intended to stop these violations and the unfair and unintended use of Federal funds.

As I have listened to the debate of this amendment, I have not heard anyone dispute that violations are taking place or anyone defend the violators. Rather, Members have focused on aspects of two basic questions:

First, whether the amendment should have been more thoroughly considered in committee before appearing on the floor; and

Second, whether the amendment will have unfair and unintended adverse impacts on the small farmers who are in full compliance with the law and for whom the reclamation program was established.

While most of us might prefer that amendments—particularly on controversial or complex subjects—be fully considered in the committee of jurisdiction before coming to the floor, House rules do not require such consideration. Ultimately, each Member must decide whether the legislative history of a given amendment is sufficient or not to support a judgment for or against it.

Regarding proposals to reform reclamation law, the Interior Committee and previous Congresses have dealt with them at length and in depth. The committee has not, however, formally considered the particular language of the Miller amendment.

While I fully support the amendment's aim of ending abuses of existing reclamation law, I am concerned that it could be applied to reclamation farmers—especially smaller ones who are complying with the law—in ways that would adversely impact their ability to stay in business.

This concern extends beyond my own constituents' interests to reclamation farmers throughout the West. Arizona's particular concerns are detailed in testimony placed in the RECORD by my Arizona colleague, Mr. RHODES, on this amendment. In short, I support the intent of the proposal, but I'm not sure what the impacts would be, and I fear they would do more harm to Arizona and the central Arizona project than good for the United States.

I understand that legislation has been introduced in the other body which addresses the same subjects as does the Miller amendment, only differently. I understand hearings will be held on the different proposals, and that later this year we are likely to find ouselves in conference.

When that time comes, I hope the Congress and the administration, as well as my constituents, are closer to a consensus than they are now as to the extent and nature of the actions needed to eliminate the abuse of reclamation law and the taxpayers' good faith.

Mr. SHUMWAY. Mr. Chairman, I rise in opposition to the Miller amendment.

The Miller amendment is based solely on the GAO's interpretation of "congressional expectations." There have been no congressional hearings on this issue, just a GAO report. I am deeply concerned with the GAO report's conclusions about the so-called congressional expectations of the 1982 Reclamation Reform Act. I am even more concerned about this amendment to overturn existing regulations and impose undue restrictions on existing farm operations in California.

First, the GAO is, in my mind, both factually incorrect and professionally out of line in its aforementioned conclusion. The GAO is factually incorrect because the legislative history is replete with evidence that the 1982 act was a compromise worked out which clearly allowed for the kinds of trust arrangements and cooperative operating agreements which Mr. MILLER now finds objectionable. The GAO is out of line because it should not be creating congressional expectation where it does not exist and it should not be advocating legislative remedies to political issues.

Second, I am hard pressed to understand the argument that the 1982 act has somehow not fulfilled its purpose. The acreage limitation on subsidized reclamation water was increased to 960 acres; however, the tradeoff was that there would be a restriction on ownership. That restriction is in place. The so-called Boswell trusteeship which Mr. MILLER points to as the most glaring need for this amendment is a perfect example. That acreage was sold off as a result of the 1982 act. The employees each own a interest in that trusteeship.

Under the Miller amendment, farmers receiving any farm management assistance or financing from the same packinghouse, ginning company, or commodity marketing group would have all their acreage combined for eligibility and pricing purposes. Under the Miller amendment, a farmer could not hire out his services or equipment to any other farmer even though there is no sharing of risk or profit and loss. And under the Miller amendment, banks, trust companies, and individual trustees could only act for one 960 acre farm

Mr. Chairman, this amendment is based on distorted facts about how western farms operate, and it is based on a distorted interpretation of the 1982 Reclamation Reform Act and its legislative history. Hearings have not been held on this controversial amendment and the widespread impact on family farms across the West would be dire if this amendment were to pass.

I urge a no vote.

Mr. LEVINE of California. Mr. Chairman, I support the Miller amendment and will vote for it. But I am concerned about its retroactive application, particularly with regard to trusts for the benefit of employees who are involved in the operation of the farm, which does raise some due process concerns worthy of further review.

Mr. MATSUI. Mr. Chairman, I would like to express my opposition to the amendment offered by my good friend, Mr. MILLER, and my support for the amendment offered by Mr. LEHMAN.

I do not question whether or not there are a small number of farm operations which abuse the spirit if not the letter of reclamation law allowing for irrigation water subsidies for small farms. Although no abuses have been adequately documented before the House or any of its committees, I have no doubt that they exist. I would argue, however, that any alleged abuses should not create a prerogative for this House to turn its back on the operators of small farms who live within that law and for whom a water subsidy is essential and justified.

Promoters of the Miller amendment have made a number of claims in support of the measure before us. They claim that the amendment would end abuses of the Federal Reclamation program by agribusiness farm operations, eliminate loopholes, and force reclamation farmers to comply with the letter and the spirit of the law.

I have enough confidence in my friend from California, Mr. MILLER, to believe that his amendment would do all of those things. I am fearful, however, that his amendment would do a great many other things which would have disastrous consequences on farmers who should not be held to blame for the very small handful of agribusiness farm operations which are not complying with the law.

This is simply a case of overkill. By the sponsor's own admission, this amendment is directed at about 2 percent of the recipients of reclamation subsidies. I am extremely concerned, however, that the effects of this measure would go well beyond that 2 percent.

If this issue had been given its due consideration by way of a bill on which hearings could be held and a subcommittee and a full committee could have debated and marked up, I believe that we could be debating and I could support substantial reform of the reclamation laws. But that is not what happened and that is not what we are debating here today.

The very people who would be affected by the provisions of the measure have had almost no opportunity to be heard on the subject. The proposed solution to the alleged abuses comes not in the form of legislation which documents these abuses, separates the abusers from the rightful recipients of subsidies, and eliminates the abuses, but rather as a shotgun amendment which blasts a wide spectrum of recipients of irrigation subsidies, guilty or innocent.

The Lehman amendment is a valiant attempt to temper the adverse effects of the Miller amendment. It seeks to preserve water subsidies to those for whom the subsidies were created and who truly deserve them—family farmers. Attaching the Lehman language is the least we can do to protect the unintended victims of the Miller amendment.

Mr. Speaker, I wish we could be afforded the opportunity to support meaningful and constructive reform on this issue today rather than a half-baked, sweeping attempt of a remedy. I urge my colleagues to oppose the Miller amendment and, at the very least, support the Lehman amendment.

AMENDMENT OFFERED BY MR. LEHMAN OF CALIFORNIA TO THE AMENDMENT OFFERED BY MR. MILLER OF CALIFORNIA

Mr. LEHMAN of California. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. LEHMAN of California to the amendment offered by Mr. MILLER of California: In Section , page 2, line 4, of the amendment offered by Mr. MILLER, strike "presumption."." and insert the following: "presumption: *Provided further,* That management, advice and financing provided during a growing season by agricultural commodity processing, marketing or brokering entities or agricultural cooperatives which do not bear any financial interest in such farm or farming operations shall not by itself initiate said presumption.".

At the end of the amendment offered by Mr. MILLER, add the following:

SEC. . FAMILY EXCEPTION.

(a) LIMITATION ON OWNERSHIP.—Section 204 of the Act is amended—

(1) by inserting "(a) after "204";

(2) in subsection (a), as designated by paragraph (1), by inserting "subsection (b) and" after "provided in"; and

(3) by adding after subsection (a), as designated by paragraph (1), the following:

"(b)(1) Subsection (a) shall not apply to irrigation water delivered to a limited or qualified recipient that meets the following requirements:

"(A) The limited or qualified recipient is comprised solely of family members.

"(B) Each of the family members comprising the limited or qualified recipient is receiving irrigation water for use in the irrigation of not more than 960 acres of class I lands or the equivalent thereof owned by the family, whether situated in one or more districts:

"(C) Nothing in this Act shall prevent beneficiaries that are under 18 years of age from being eligible for delivery of water at full cost.

"(2) For the purposes of paragraph (1)—

"the term 'family' means persons of not more than 3 generations related by blood, all of whom are 18 years of age or older, and the spouse of any such person."

(b) PRICING.—Section 205(a) of the Act (as amended by section 1303(b)) is amended—

(1) by striking "and" at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting "; and" ' and

(3) by inserting after paragraph (3) the following:

"(4) the landholding, farm, or farm operation of a family (as defined in section 204(b)) in excess of 960 acres of class I land or the equivalent thereof times the number of members in the family who comprise the limited or qualified recipient (as modified by section 204(b))."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to irrigation water delivered on or after the date which is 9 months after the date of enactment of this Act.

Mr. LEHMAN of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

□ 1150

Mr. LEHMAN of California. Mr. Chairman, yesterday I suggest that the approach of the gentleman from California [Mr. MILLER] to catching crooks was to spray the crowd with bullets. With this amendment, I hope to help him to choose his targets with a little more discretion and protect at least some of the innocent bystanders.

This amendment and the Miller amendment will cost the Federal Government exactly the same amount of money.

They both will require exactly the same amount of Federal water, not one drop either way.

They both will result in the same amount of acreage being farmed under the reclamation reform act, and I hope the gentleman from California [Mr. MILLER] will listen to me, because we have not had this dialog in committee, and they both result in exactly the same number of beneficiaries receiving the water, no difference in cost, no difference in acreage, no difference in the number of beneficiaries receiving the water.

The difference is that the Miller amendment tells the family that they cannot farm their land together. They can still keep the land under Miller. They can still receive a subsidy under Miller, but they must farm each little portion separately—and so they will. It will be more costly. It will be less efficient. It will be inconvenient. It will, at times, be nonsensical keeping normally common things separate in an unnatural way, and it will serve no useful social or economic purpose. In short, it will be a centrally planned government farming program.

My amendment does not create a loophole. Let me quote from the gentleman from California [Mr. MILLER] on this very subject in 1987. Speaking before the Senate Committee on Energy and Natural Resources, the gentleman from California [Mr. MILLER] said:

> Let me make it clear that Congressman Coelho's bill and my bill would allow for farm management arrangements so that families that have alienated their land to their children bring that back together, could farm it as one operation, recognizing that the economic entities are in fact separable and that they are irrevocable.

Now, if legislative expectations have been violated here, whatever that means, whose expectations are they?

Certainly not those of the gentleman from California [Mr. MILLER]. He perfectly intended for families to be able to do this in the 1987 act and he so stated at that time.

A myth being perpetuated here is that the Miller amendment will save taxpayers money. I could not believe what I just heard. It will not. Land that is eligible for Federal subsidy will come into the hands of those who are qualified to use the subsidy. It is more valuable to those people than it is to other people who cannot qualify, and it is more valuable than other land. So a family of adults who cannot now farm it jointly will farm it separately. Ridiculous as that artificial barrier to family planning may be, there will be no savings, a pound of flesh, perhaps.

My concern is not with what the Miller amendment does to investment trust and corporations. In this amendment we concede those changes. I could debate them, but I decided in this amendment to restrict myself to this issue, which is so perfectly clear.

I wish we had a committee hearing regarding those issues, since no one knows for sure what the effect will be, but we are beyond that now in this discussion.

My amendment allows families to continue to farm together, as they have for decades before the Reclamation Act was born, as they do in every part of this country. No single individual in this instance, I say to the gentleman from California [Mr. MILLER] may benefit beyond his or her 960 acres.

This amendment will also permit the family to continue operating the farm as a family trust. I regret that the term trust has been given a knee-jerk negative connotation in this debate.

Trusts were not invented by reclamation law. They have existed since the inception of business and agriculture. They are a way for a family to manage its assets and pass them on to the next generation. Many farmers in my district, not in reclamation areas, have family trusts. I am sure it is the same throughout the country. In fact, many farmers in my district within reclamation areas have family trusts with total acreage of less than 960 acres.

They did not create them to circumvent the law. They set up a trust for less than 960 because it was best for their families.

They tell me that the Miller amendment will break up those arrangements as well. I cannot assure them either way. We have never had a public hearing on the Miller amendment, and I am not going to stick my neck out on speculating what the effects of this legislation will be.

My position is this, and this should be the position of this House.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. LEHMAN of California was allowed to proceed for 5 additional minutes.)

Mr. LEHMAN of California. So long as no one receives benefits beyond 960 acres and the participants are members of a family, why should this long-established American farming practice be banned in this instance?

My amendment does not change the prohibition of the gentleman from California [Mr. MILLER] on trusts or joint family operations outside a family. It does not permit minor children to receive Federal subsidies in a trust or joint farming operation. I think the gentleman from California [Mr. MILLER] is correct to ban this practice. There are technical problems. We could have straightened them out through the hearing process; hopefully at some place along the line if this happens to move, it will.

This amendment does not solve all the problems with the Miller amendment, either. Yesterday I was notified by a constituent that my definition of a generation would not permit a great uncle to continue farming jointly with his grand nieces. He might be right. I never thought of that, and we cannot sort out everything here.

This amendment at least saves us from throwing out the baby with the bath water. It is vastly superior to the existing language.

Please do not force people into stupid, costly, federally mandated business practices when there is no public benefit and no Federal cost savings.

Finally, let me say something to my colleagues about this exercise. The direction of events is clear. Reclamation law that brought the desert and prairies into bloom and made it possible to farm otherwise unirrigatable land no longer enjoys the same measure of broad public support that it once had. Some of this is due to misconceptions and demagoguery, but some of it is also due to abuse and overreaching.

What is most distressing about this exercise is that the public and the Congress have not been afforded the opportunity to sort one from the other in a rational fashion through the committee process.

The legal flim-flammery that is sometimes employed by a few recipients to maximize their benefits now has its perfect reflection in the unrealistic and unjustifiably harmful solution of the gentleman from California [Mr. MILLER].

Mr. Chairman, I urge my colleagues to separate some of the wheat from the chaff by passing this amendment.

Mr. MORRISON of Washington. Mr. Chairman, will the gentleman yield?

Mr. LEHMAN of California. I yield to my colleague, the gentleman from Washington.

Mr. MORRISON of Washington. Mr. Chairman, I thank the gentleman for yielding to me, and I praise him because he has helped focus this issue. I wish it was coming to the full House with the thoughtfulness that the gentleman has provided through this amendment. I think this really will help a number of our colleagues make a decision, so I thank the gentleman for what he has achieved with this language and urge my colleagues to support it.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. LEHMAN of California. I yield to my colleague, the gentleman from California.

Mr. FAZIO. Mr. Chairman, I rise in support of the gentleman's amendment. I associate myself with his remarks. I fear that we do not have a finite enough proposal here to really take on those abusers and at the same time protect those people who in their normal farming practices would be limited under the original amendment offered by the gentleman from California [Mr. MILLER].

Mr. Chairman, my opposition to the Miller amendment stems from two concerns: the process by which this amendment was brought to the floor and the uncertain effect the amendment would have on irrigators in the Sacramento Valley.

Irrespective of whether changes in reclamation law are necessary, this body of law is no less technical, in its own way, than Social Security or environmental protection or the Tax Code. Nevertheless, we are being asked here today to cast an informed vote, on a highly controversial and complex issue, without the benefit of the examination of these very significant changes by the committee with particular expertise in the field. In short, the matter demands that it be the subject of hearings and careful review by the committee.

The necessity of a hearing is made even the more compelling when we examine the apparent effects of this proposal on the everyday operations of the very family farmers whom Mr. MILLER suggests that he wishes to protect. For example, the amendment would seem to require two or more farmers who simply cooperate in any way in daily farm operations to combine their acreage for water eligibility and water pricing purposes. That is, their otherwise totally separate operation, which presently comply with reclamation law, would be defined as a single "farm" and subject to water prices which would suddenly increase four-fold or more.

In the Dunnigan Water District, a water agency in my home district, where by the way we have absolutely no trusts which own land, I have been informed of the circumstances of numerous landholders who own their own 960-acre farms, but either co-own or rent or otherwise share equipment to hold down their respective costs. This is particularly the case among growers of highly specialized crops,

such as vine seeds, which require very expensive equipment. Without the ability to spread these costs among a number of growers, many would be forced out of farming. Under Mr. MILLER'S proposal, even though none of these farmers share in each other's profit or loss, their operations would seem to be combined and their eligibility for and cost or reclamation water would be affected.

The Miller amendment also raises questions about how other farm management practices would be affected. For example, farmers, receiving farm management assistance or financing from the same packing house, ginning company, or commodity marketing group would seem to have all of their acreage combined for eligibility and pricing purposes.

The bottom line is that it is impossible to predict the full impact of the amendment or just how it will affect small family farms throughout the Sacramento Valley and the West. Therefore, I intend to oppose the amendment and I respectfully urge my colleagues to oppose it as well.

Mr. MARLENEE. Mr. Chairman, I rise to speak in favor of the amendment of the gentleman from California [Mr. LEHMAN].

Mr. Chairman, I will not take 5 minutes, but I am going to only outline the impracticality of the amendment of the gentleman from California [Mr. MILLER] and its impact on agriculture in America, but mostly in California.

This is one of the most ill-conceived approaches that I have ever observed to come before this Congress. I say that because as a manager and as an operator and one who came from the private sector, I understand the practical applications of the laws that we pass here in the Congress and what devastation they can write upon a producer out in the field.

□ 1200

The amendment offered by the gentleman from California [Mr. LEHMAN] points that out and emphasizes that, but that is only one of the many problems created by the effort of the other gentleman from California.

I would ask the question of all of the Members here: Is there any practical and certain way that a producer can be assured that their 80 acres or their 100 acres will be considered as a separate farm, acres that had once been, as my colleague, the gentleman from California [Mr. PASHAYAN] said, acres that had once been part of a large unit and had been divested to an employee, and that employee had purchased it?

There is no practical and certain way that that can be considered a separate farm, and I say that because I have seen so many cases where a producer has a nephew, a son, a brother whom he wants to assist in starting in the farming operation, and that might be an employee; that would also go for an employee. He says: "I will cosign the note for you. I will cosign the note for you, and you can get started. I would like to see you have a future on the ground and in agriculture and be a benefit to this Nation and this State. What happens when he cosigns that note? Under the rules of the Department of Agriculture, it becomes part of the large entity.

Maybe he will not sign a note. Maybe he will just borrow one of the pieces of equipment to harvest the grain, or he may even lease one of those pieces of equipment to harvest the grain, and so the entity says, "All right, we will let you borrow the truck today to haul your beets or your produce to Los Angeles or Fresno or wherever it might be," and once he does that, that employee's operation becomes part of the bigger entity.

What I am saying here is that the Lehman amendment assists in separating, but there are many, many other examples of impracticality in the Miller approach, and the Miller amendment should be defeated.

Mrs. BOXER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would ask the gentleman from California [Mr. MILLER] to answer a few questions as I try to sort out this issue.

Mr. Chairman, I have friends on both sides, and it is very difficult. But what I wanted to do was what is right for the taxpayers. I want to do what is right for the little people, and it is in that context that I would ask the few questions that I have.

I understand there has been a GAO report on this very subject. I wonder whether the gentleman's amendment follows the recommendations of that report, or whether that of the gentleman from California [Mr. LEHMAN] does.

Mr. MILLER of California. Mr. Chairman, will the gentlewoman yield?

Mrs. BOXER. I am happy to yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, my amendment, in fact, does follow the recommendations of the report of the GAO. It embodies the recommendations that the GAO made to this Congress for the purposes of changing the current situation which, they found in violation of our congressional expectations and that of the conference committee and which the gentleman from California [Mr. PASHAYAN] was part of, Mr. Coelho was part of, the gentleman from Arizona [Mr. UDALL] and others were part of. We clearly, as they point out, made a decision between 960-acre farms that would get the subsidies, and those that are over 960 acres.

Mrs. BOXER. Mr. Chairman, the gentleman from California [Mr. LEHMAN] has said that the gentleman's amendment would make it impossible for families to cooperate as they farm. Would the gentleman comment on that?

Mr. MILLER of California. If the gentlewoman will yield further, my amendment specifically allows many of the people who have spoken here today and others who have come and talked to me about families who wish to share equipment, they brought us in crocodile tears about three brothers who wanted to share a tractor and buy seed at the seed store to get a better price, and what we have obviously in my amendment is that that casual arrangement will be allowed. In fact, they can share equipment. They can sell their tomatoes to the same people or their potatoes or whatever it is they are growing. They can take advice from one another. They can operate like a family.

What the amendment offered by the gentleman from California [Mr. LEHMAN] would do, more than correct, and in his vision, my amendment, it will take us back prior to 1982, where we rejected as a Congress overwhelmingly the ability of families to assemble holdings to farm them with subsidized water in one large holding.

As the gentleman from Arizona [Mr. UDALL], our chairman, said in the conference report, what we are saying is we are going to have a 960-acre basic limitation for farms. Anybody above that pays full cost. What that means today is that those people who farm, a family that farms 960 acres, and if their son farms another 960 acres, and their daughter farms another 960 acres, each one of those families is getting $304,000 in subsidies in the central valley of California. What I think the gentleman from Arizona [Mr. UDALL] was saying is that enough is enough.

This amendment is not about family farms, as the gentleman from California [Mr. LEHMAN] would have us believe. This amendment is about the ability to aggregate large landholdings, once again even beyond what was allowed prior to the Reclamation Act of 1982. This is the old 160-acre limitation, but now we get to assemble them in 960-acre parcels. That is the distinction.

I think our colleagues raise a very good question that our colleagues ought to understand that this rolls back time in reclamation reform beyond 1982.

Mrs. BOXER. The gentleman from California [Mr. PASHAYAN] mentioned the Boswell trust and talked about it as being made up of 326 different people, and it being very small, and that this was going to hurt the little people in the Boswell trust.

Could the gentleman explain to me how the Boswell trust works or would work?

Mr. MILLER of California. If the gentlewoman will yield further, it would take a better attorney than I am.

But as the GAO pointed out to us, and while the gentleman from California [Mr. PASHAYAN] is hiding behind the little fish, as he calls it, and I think it is Mrs. Moore, we have to understand the so-called beneficiaries, the 326 people are not in control of those farms, because Mr. Boswell never intended them to be in control of those farms. This is a little bit like when the S&L's came to us, and they told us that they wanted to raise interest rates to help the little depositors. "We just want to help the little depositors, the moms and pops, so raise the interest rates."

What do we now find out? We find out that the trust, that the beneficiaries, that this is run by the trustees, Security Pacific Bank. We find out that Mr. Boswell and another member of the J.G. Boswell Co. are on the board of Security Pacific Bank. We find out that the trustees that tell these people what crops to plant, when to plant them, when to turn off the water, when to leave the crop alone, when to till the soil, that that trustee has a farm management arrangement with the Boston Ranch, and then we find out that the Boston Ranch is solely owned by the J.G. Boswell Co. that farms another 150,000 acres in other parts of California and Arizona beyond this 23 that they gave to the little fishes.

The CHAIRMAN. The time of the gentlewoman from California [Mrs. BOXER] has expired.

(By unanimous consent, Mrs. BOXER was allowed to proceed for 5 additional minutes.)

Mrs. BOXER. Mr. Chairman, I yield further to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I would just warn my colleagues, the discussion is trying to be shifted to the sanctity of the family farm. Tell people in Iowa, tell people in Nebraska that they cannot survive on 960 acres of guaranteed subsidized water. Tell people in Arkansas and Mississippi that is not big enough for a family farm, because the fact is we looked at this. We used to give 160 acres for a husband and for a wife and for a child and everybody in the family. The Congress looked at that and saw that that was abused. In 1987, when the gentleman from California [Mr. LEHMAN] says that I wanted to provide an even greater arrangement, I was thwarted in that attempt by the opponents of this amendment, by the supporters of the gentleman from California [Mr. LEHMAN], saying that I had my facts all wrong. So Mr. Coelho and I asked for the facts from the GAO, and the GAO has made its report to Congress.

We have people who are abusing this system. My amendment does not overreach. My amendment does not overstretch. It does not allow the Boswells, it does not allow the corporations that got started; it allows family farmers to farm 960 acres, and if they want to share a tractor, or if they want to share a seeding machine, or if they want to share irrigation pipe, it allows those kinds of activities. We recognize that right. We recognize that. We do not recognize the abuses.

I would ask my colleagues to be very, very careful about the amendment, because they are trying to take your eye of the ball here by hiding behind the little fishes. There is a great big shark behind the little fish.

Mr. LEHMAN of California. Mr. Chairman, will the gentlewoman yield?

Mrs. BOXER. I am happy to yield to the gentleman from California.

Mr. LEHMAN of California. Mr. Chairman, speaking of taking your eye off the ball, I wanted to know where my amendment had anything to do with the Boswell trust, in fact.

Mr. MILLER of California. Mr. Chairman, will the gentlewoman yield?

Mrs. BOXER. I am happy to yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, the amendment offered by the gentleman does, and I was responding to a question about the characterization by the gentleman from California [Mr. PASHAYAN] of the Boswell trust. I was asked that question.

Mr. LEHMAN of California. I think it ought to be clear for the record, with your eye on the ball, that this amendment does not even address the issue of the Boswell trust. It has nothing to do with it. I would just like to ask the author, because I am curious, what is wrong with two brothers in the same family or a father and son who have, or who are, both eligible to have their 960 and will both have their 960 and farm it the gentleman's way, and if they have got to farm the Miller way, they will farm the Miller way, even if they do not think it is very logical.

□ 1210

What is wrong with saying to the two of them, we will let you farm that together. Neither one of you can benefit more than your portion of that 960. It is more efficient. That is why they like to do it that way. There is a history of farming that way in families. There is no benefit beyond 960. There is no added Federal subsidy in that arrangement. We are not pouring more water on. The land will take the same, whether they farm it together or separately. There is no added subsidy.

What is wrong with that?

Mr. MILLER of California. Will the gentlewoman from California yield.

Mrs. BOXER. I yield to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Again, what you are allowing is the aggregation of the land and the size of the operation.

Mr. LEHMAN of California. What is wrong with that?

Mr. MILLER of California. Obviously, those efficiencies also provide for greater profit as the use of that Federal subsidy. So at what point do we decide we do not have the obligation to deliver that?

We debated this hot and heavy in 1982. We went through this debate. What we decided was we could not deal with persons, we had to deal with farms. We decided we would deliver water to the farm. And this was a deal. The gentleman will remember we struck a deal from 160 to 960.

Mr. LEHMAN of California. Mr. Chairman, with all due respect, the gentleman from California [Mr. MILLER] is talking about deals with people who are not here to talk about the deals. Those who are here have a somewhat different recollection. What I have is the statement of the gentleman on the RECORD in 1987.

Mr. MILLER of California. Exactly. That effort was thwarted by the Congress. I was instructed by the Committee on Commerce and Energy to go back and get the facts. This is the result. What we see are people making a conscientious effort to evade the intent of Congress.

Mr. LEHMAN of California. Well, nothing in this amendment affects anything on either of the charts the gentleman from California [Mr. MILLER] showed us. Nothing in this amendment affects anything in the Boswell operation. We could argue those, and I guess we will.

This is very narrowly drafted to say the people who have farmed for 100 years in this fashion, that as long as you do not benefit more than 960 from this program, you can continue that.

Mr. MILLER of California. Mr. Chairman, it says also we are going to reward the people who have already sold their land, who have already set up their farming arrangements, who have already made decisions to farm or not to farm, the 98 percent of the people. We are now going to take the people who have circumvented the intent of Congress and reward them.

Mr. LEHMAN of California. No, they did that, knowing that they could do this.

Mrs. BOXER. Mr. Chairman, I would like to reclaim my time.

The CHAIRMAN. The time of the gentlewoman from California has expired.

Mr. PASHAYAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am certainly not hiding behind any kind of a small fish. The first point, that it seems my friend the gentleman from California [Mr. MILLER] does not want to ac-

knowledge, quite frankly because it flies in the face of his ideology on this point, is the fact that the J.G. Boswell Co. has entirely sold the land. It has no reversionary interest, which is the lawyer's word for it. It has no equitable interest. There is no way it can get this land back or any interest in the land.

Mr. Chairman, I will put into the RECORD at this point the deed of trust showing that the land has been transferred away from the Boswell Co. now and forever.

The text of the deed is as follows:

CORPORATION GRANT DEED

(Westhaven Trust, c/o Security Pacific Bank, Attn: S.A. Downey III, 300 South Grand Avenue, #2500, Los Angeles, CA 90071)

The undersigned declares that the documentary transfer tax is $—— and is:

computed on the full value of the interest or property conveyed, or is

computed on the full value less the value of liens or encumbrances remaining thereon at the time of sale. The land, tenements or realty is located in

unincorporated area

city of —— and

For a valuable consideration, receipt of which is hereby acknowledged, Boston Ranch Company, a California Corporation, a corporation organized under the laws of the State of California hereby grant(s) to Security Pacific National Bank, as Trustee of the Westhaven Trust dated May 25, 1989 the following described real property in the County of Fresno, State of California;

See Exhibit "A", attached hereto and incorporated herein by this reference.

Subject to covenent set forth at Exhibit "B" attached hereto and incorporated herein by this reference.

Dated: May 25, 1989.

Boston Ranch Company, a California corporation.

BILL OF SALE

For valuable consideration, receipt of which is hereby acknowledged, Boston Ranch Company, a corporation organized under the laws of the State of California, hereinafter designated as Seller, does hereby grant, bargain, sell and convey to Security Pacific National Bank, as trustee of the Westhaven Trust, dated May 25, 1989, hereinafter designated as Buyer, the personal property described in Exhibit A attached hereto and incorporated herein by this reference.

Seller does for itself, its successors and assigns covenant and agree to and with Buyer, its successors and assigns, that it will warrant and defend the title to the personal property hereby conveyed against the just and lawful claims and demands of all persons whomsoever.

Dated: May 25, 1989.

Boston Ranch Company.

EXHIBIT A—LIFT PUMPS

Location	Motor manufacturer	Size and serial No.	Pump manufacturer	Serial No.	Condition
B-1	General Electric.	20 HP—DAJ48439	Peerless	F175433	Good
B-2	U.S. Motors	15 HP—2844145	(1)	(1)	Do.
B-3	Do	15 HP—2898296	(1)	(1)	Do.
B-4	Do	15 HP—2912639	(1)	(1)	Do.
B-5	Do	15 HP—P4183737	Peerless	F17837	Do.
B-5	General Electric.	20 HP—USJ703293	do	F15934	Do.
B-8	U.S. Motors	30 HP—P4185453	do	F17640	Do.
B-9	General Electric.	30 HP—33069	(1)	(1)	Do.
B-10	Do	40 HP—LTJ1118104	Peerless	22918	Do.
B-11					Do.
B-12	U.S. Motors	20 HP—HR1010860	Pearless	F17836	Do.
B-13	General Electric.	40 HP—UC670041	(1)	(1)	Do.
B-14					Do.
B-15	Fairbanks Morse.	75 HP—95-30116	(1)	(1)	Do.
B-16	General Electric.	75 HP—5381738	(1)	(1)	Do.
B-18	Do	30 HP—HLJ827140	Peerless	22917	Do.
B-19	Do	20 HP—LTJ1125297	do	22919	Do.
B-20	U.S. Motors	20 HP—HR1030037	(1)	(1)	Do.

[1] Not available.

Whatever punitive effect the Miller amendment will have, will not affect the Boswell Co., and the large shark behind the small fish that the gentleman referred to in his amendment. Point No. 1.

Point No. 2. I should like to get into the RECORD a letter dated June 5, 1990, from the GAO to the gentleman from California [Mr. MILLER] emphasizing that the arrangement is legal under present law, and this whole business that somehow it is some kind of an insidious or inventive or evil circumvention of the law is not the fact. And the gentleman from California [Mr. MILLER] I think knows it.

The text of the letter is as follows:

U.S. GENERAL ACCOUNTING OFFICE,
Washington, DC, June 5, 1990.

Hon. GEORGE MILLER,
Chairman, Subcommittee on Water, Power and Offshore Energy Resources, Committee on Interior and Insular Affairs.

DEAR MR. CHAIRMAN: Subsequent to our October 1989 report [1] to you on the implementation of the Reclamation Reform Act of 1982's 960-acre limit for subsidized water,[2] you requested that we determine whether the sale of the J.G. Boswell Company's Boston Ranch to the Westhaven Trust was an example of a large farming operation continuing to receive federally subsidized water on its entire acreage. The Boston Ranch Company—a wholly owned subsidiary of the J.G. Boswell Company and a large farm operator located in the Central Valley Project of the Department of the Interior's Bureau of Reclamation—sold 23,238 acres to the Westhaven Trust in May 1989. The trust was formed for the benefit of 326 salaried employees of the J.G. Boswell Company.

As stated in our 1989 report, we believe, on the basis of the act's legislative history, that the Congress expected to stop the flow of federally subsidized water to owned and/or leased land above the 960-acre limit that was operated as one farm. Six of the cases we examined showed that the owners or lessees had reorganized large farms into multiple, smaller landholdings to be eligible to receive additional federally subsidized irrigation water from the Bureau. However, the farms continued to be operated as large farming operations. Therefore, we concluded that (1) the Act's acreage limit was not being implemented in a manner consistent with congressional expectations and (2) large farms had been reorganized since the act's passage to receive subsidized water on acreage that would have otherwise exceeded the legislatively mandated limit. We recommended that if federally subsidized water is to be limited to no more than 960 acres of land being operated as one farm or farming operation, the act must be amended to apply the act's acreage limit to farms and farming operations.

[1] *Water Subsidies: Basic Changes Needed to Avoid Abuse of the 960-Acre Limit* (GAO/RCED-90-6, Oct. 12, 1989).

[2] Water at rates that exclude any interest on the federal government's investment in the irrigation component of its waters resource projects is referred to as "subsidized water" because the lost interest is viewed as a subsidy to farmers.

RESULTS IN BRIEF

The J.G. Boswell Company's Boston Ranch is another example of a large farm, reorganized by its sale to the Westhaven Trust, to whose beneficiaries are attributed multiple, individual landholdings. Each landholding is within the act's 960-acre limit, and each individually qualifies for federally subsidized water under current reclamation law. However, for all practical purposes, the landholdings continue to be operated collectively as one large farming operation, much as they were before their sale to the Westhaven Trust.

A consequence of this trust arrangement is that the federal government is not collecting the revenues to which it would be entitled if the multiple landholdings were considered collectively as one large farm or farming operation subject to the act's 960-acre limit. Had the Westhaven Trust been subject to the acreage limitation, the trust would have been required to pay about $2 million more per year for its federal water. Reduced revenues are likely to continue to occur annually under the existing act unless the Congress amends the act, as we recommended in our October 1989 report.

BACKGROUND

The 1982 act represents a fundamental change in federal reclamation law, by limiting to 960 the maximum owned or leased acreage that an individual or legal entity, such as a partnership or corporation, can irrigate with subsidized water. Generally, owned land above the limit cannot be irrigated with federal water, and farmers must pay the full cost for water delivered to leased land over this limit. However, the act does not prohibit multiple landholdings from being operated collectively as one farm while individually qualifying for federally subsidized water.[3] Some farmers, therefore have reorganized their farms into multiple, smaller landholdings to be eligible to receive federally subsidized water from the Bureau using various partnerships, corporations, and/or trust arrangements. As a result, the Bureau has continued to provide federally subsidized water to large farms, some consisting of thousands of acres of land.

LAW ALLOWS SUBSIDIZED WATER FOR WESTHAVEN TRUST'S ENTIRE ACREAGE

The J.G. Boswell company has taken advantage of section 214 of the act, which exempts from its 960-acre limit land held for beneficiaries by a trustee in a fiduciary capacity, as long as no single beneficiary's interest exceeds the law's ownership limits. The act does not preclude multiple landholdings from being operated collectively under a trust as one farm while qualifying individually for federally subsidized water. Accordingly, the J.G. Boswell Company was able to reorganize the Boston Ranch land by selling the 23,238 acres to the Westhaven Trust, with the landholdings attributed to each beneficiary being eligible to receive federally subsidized water.

Before the land was sold to the trust, the J.G. Boswell Company operated the acreage as one large farm and paid full costs for the federal irrigation water delivered to the acres for the 18-month period ending in May 1989. When the trust bought the land, the entire acreage became eligible to receive federally subsidized water.

According to the Department of the Interior's Office of the Solicitor, because the landholdings attributed to the 326 trust beneficiaries range from 21 acres to 547 acres per beneficiary, the trust meets the act's requirement that no individual beneficiary's interest exceeds 960 acres. Although the act does not preclude large farming operations organized as multiple landholdings under the trust from receiving Federally subsidized water on the entire acreage, this situation is not consistent with what we believe the Congress was trying to accomplish in establishing the 960-acre limit.

GAO INDICATORS SUGGEST THAT WESTHAVEN TRUST'S ACREAGE IS ONE FARMING OPERATION

In our October 1989 report, we developed 11 indicators, any one or more of which would suggest that individual small landholdings are, in fact, parts of larger farms. Most indicators focus on arrangements between and among owners, lessees, and/or farm operators rather than on the individual landholdings. These indicators are not absolute determinants in themselves. Rather, when applied to the entire farming operation, they suggest that for all practical purposes these landholdings continue to be operated collectively as single large farms. Examples of these indicators include cases in which the same individuals make management decisions for multiple landholdings; a single farm management company operates multiple landholdings; or the farm manager or operator acknowledges that the small landholdings are being operated collectively as one farm. (See app. I.)

We identified the following five indicators that demonstrate to us that, after the Boston Ranch was sold to the Westhaven Trust, the acreage has continued to be operated as one large farming operation.

One of the stated purposes of the trust is to operate the entire acreage as one farm under a farm management agreement. Officials from the J.G. Boswell Company and the Westhaven Trust land is generally operated as one farm.

The 23,238 acres were purchased with one loan.

The trustee makes management decisions for the entire acreage.

The annual farming operation is financed with one operating loan.

The beneficiaries have an undivided interest in the land.[4]

CONCLUSION

The Westhaven Trust is another example that clearly demonstrates the need to change the Reclamation Reform Act if subsidized water is to be limited to no more than 960 acres of leased and/or owned land being operated as one farm or farming operation. The specific language to amend the act, which is included in our October 1989 report, would define a "farm" or "farming operation" to include a landholding or multiple landholdings farmed or operated as a unit by a trust or other arrangement. If amended, the act would prevent arrangements such as the Westhaven Trust from receiving subsidized water on land in excess of the 960-acre limit.

SCOPE AND METHODOLOGY

We reviewed the associated Westhaven Trust documents and records of the Bureau's Mid-Pacific Region in Sacramento, California. We met with officials from the Bureau's Mid-Pacific Region, the Department of the Interior's Office of the Solicitor, the J.G. Boswell Company, and the Westhaven Trust. We also visited the Westhaven Trust land, accompanied by representatives of the J.G. Boswell Company and the Westhaven Trust.

Our work was conducted from February through May 1990 in accordance with generally accepted government auditing standards.

AGENCY COMMENTS

We discussed the information in this report with Bureau officials at the Mid-Pacific Region and representatives of the Westhaven Trust, who generally concurred with our information. They emphasized, however, that the trust's large farming operation is allowed under existing reclamation law. As requested, however, we did not obtain official agency comments on a draft of this report.

As arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from the date of this letter. At that time, we will send copies of this report to the Secretary of the Interior, the Commissioner of the Bureau of Reclamation, and other interested parties.

If you have any additional questions or if we can be of further assistance, please contact me at (202) 275-7756. Major contributors to this report are listed in appendix II.

Sincerely yours,

JAMES DUFFUS III, *Director,*
Natural Resources
Management Issues.

[Appendix I]

LIST OF INDICATORS THAT COULD BE USED TO IDENTIFY MULTIPLE LANDHOLDINGS THAT ARE PARTS OF A LARGER FARM

The individual landholdings or other farm assets are combined as collateral for loans.

The principal owners or lessees of the individual landholdings agree to cover loan defaults of other principals.

The farm manager or operator bears an economic risk associated with the production and sale of the crops.

The same individuals make management decisions for multiple landholdings.

The owners of the farm management company that operates the small landholdings are the same individuals who owned or leased the land before the reorganization occurred.

The small landholdings are leased from the large farm that existed before the reorganization.

The same individuals own or lease the small landholdings.

A single farm management company operates multiple landholdings.

Crop subsidy records indicate that the landholdings are interrelated.

The small landholdings share equipment or labor, sometimes without charge.

The farm manager or operator acknowledges that the small landholdings are being operated collectively as one farm.

[Appendix II]

MAJOR CONTRIBUTORS TO THIS REPORT

Resource, Community, and Economic Development Division, Washington, DC, Leo E. Ganster, Assistant Director; Caroline C. Vernet, Staff Evaluator.

[3] The act defines and uses the term "landholding"—which is the total irrigable acreage held directly or indirectly by the recipient of federal water—rather than the term "farm" of "farming operation" in establishing the acreage limit.

[4] No individual beneficiary owns a specific parcel of land. Rather, each beneficiary is allocated a percentage of the total acreage of the trust. This percentage is based on each beneficiary's salary from the J.G. Boswell Company relative to the total salaries of all 326 beneficiaries.

San Francisco Regional Office, William B. Agnew, Assistant Regional Manager, George R. Senn, Evaluator-in-Charge, Lisa Lensing, Staff Evaluator.

Office of General Counsel, Washington, DC, Stanley G. Feinstein, Senator Attorney.

Mr. Chairman, let me just take a moment to reemphasize that even if the gentleman from California [Mr. MILLER] had some legitimate situations where the law was being violated, which is not the case of the Boswell trust or in the other cases talked about by the GAO, his amendment is so broad, it is such a club, that it is injuring the very people whom I should think the gentleman himself should want to protect; namely, small people.

Now, if the gentleman criticizes the purchase arrangement that is extant in this situation of the Boswell Co. with that same kind of a cynical and skeptical approach, you could approach any person who says he owns a house in this country that has a mortgage with the bank that has to be paid off over the years, you could ask where is the real title of that house, and you could say that the homeowner does not really own the house.

If that is the cynical approach that the gentleman from California [Mr. MILLER] wants to take, then yes, you could apply that and say it here.

The trust is a purchase trust. It expires after 10 years. That is when the loan is to be paid off. And when the loan is paid off, the trust vanishes. And therefore, the title technically goes from the trustee to the landowner, just as when someone pays the mortgage off on his or her house, the title goes from the bank to the person we say that owns the house.

If you want to say that homeowners across this country who have mortgages on their houses or their condominiums or their apartments do not own them, then you will agree with my friend, the gentleman from California [Mr. MILLER]. But I think in the common sense, they do own it.

I can tell you one thing: the J.G. Boswell Co. is not paying the taxes on the real estate. The trustee perhaps is signing the check, but the 326 employees, it is out of their pockets that the real estate taxes are coming, just as it is into their pockets that the profits of the land are going.

Mr. LEHMAN of California. Mr. Chairman, will the gentleman yield?

Mr. PASHAYAN. I yield to the gentleman from California [Mr. LEHMAN].

Mr. LEHMAN of California. Mr. Chairman, I will only take 20 seconds. I just cannot pass up an opportunity to mention something I forgot on the GAO study that the gentleman from California [Mr. MILLER] cites.

I asked the Congressional Research Service to examine that report, and this was their conclusion:

The assertion of the GAO that an interpretation of the scope of the 960-acre limit according to which parcels of land not owned or leased by an entity which conducts operations on them must be aggregated with other parcels of land on which the same entity conducts operations is apparent in the legislative history of the Reclamation Reform Act of 1982 would not appear to be supported by the evidence the GAO itself cites.

Mr. Chairman, I would include the letter from the Congressional Research Service for the RECORD.

The text of the letter is as follows:

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC, January 13, 1990.

To: Hon. Richard H. Lehman (Attention: Brad Shinn).

From: American Law Division.

Subject: Assessing Congruence Between The Department of The Interior's Interpretation Of The Reclamation Reform Act Of 1982 And Certain Statements Drawn From Relevant Legislative History With Respect To The 960-Acre Ceiling On The Size Of Entities Eligible To Receive Federally Subsidized Water.

This memorandum responds to your request for an assessment of the accuracy of an assertion made in a GAO report[1] to the effect that the interpretation of the Reclamation Reform Act's 960-acre limit on the size of entities eligible to receive federally subsidized water which is reflected in regulations issued by the Department of the Interior's Bureau of Reclamation does not coincide with relevant congressional "expectations" or "intent." This memorandum also responds to your inquiry whether there is any legally significant difference between references to congressional "expectations" and references to congressional "intent."

"INTENT" VS. "EXPECTATIONS"

Expressions such as "legislative intent" and "congressional intent" are judicially developed terms. They are not codified terms of art for which precise statutory definitions exist. They are used to describe what a court is searching for when it turns to the legislative history of some statute it feels obligated to interpret in the course of resolving the judicial dispute before it. Courts looking to legislative history generally do not describe their efforts as aimed at identifying relevant congressional "expectations." However, no particular significance should be inferred from the GAO's use of such a variant in conventional legal terminology. A court only turns to the legislative history of a statute for guidance if it has already decided that the meaning of the statutory language it must interpret is not plainly evident or cannot otherwise be conclusively discerned.

For present purposes, the real issue is not how some court hypothetically might interpret the 960-acre limit in light of relevant legislative history. Obviously, the GAO is not a court of law. Instead, the real issue is whether relevant legislative history includes evidence of a congressional interpretation of the 960-acre limit which is different from the interpretation of that limit made by the Department of the Interior's Bureau of Reclamation in light of the statutory language actually enacted by Congress.

THE SUBSTANTIVE QUESTION

The relevant portion of the GAO report is captioned "Dichotomy Exists Between Congressional Expectations and the Act's Language." The intended import of the caption is difficult to discern. The statutory language of the Reclamation Reform Act of 1982 was, of course, enacted by Congress. It follows that such language must perforce reflect relevant congressional "expectations" at the time it was enacted.

The first paragraph of the relevant portion of the GAO report asserts that: "Our review of the 1982 Reclamation Reform Act's legislative history shows that the Congress expected to stop the flow of federally subsidized water to owned and/or leased land over 960 acres being operated as one farm. However, the 1982 act does not preclude multiple landholdings to individually qualify for federally subsidized water while being operated collectively as one large farm."

The intended meaning of this assertion is also difficult to discern. There is no particular incongruity between the description of what Congress allegedly expected that appears in the first sentence of this paragraph and the description in the second sentence of what the act allegedly does not preclude. Presumably, the point sought to be made is that statements appearing in committee reports or made on the floor of the House or Senate prior to enactment of the Reclamation Reform Act of 1982 imply one interpretation of how the new acreage limit should be applied while the language ultimately enacted by Congress implies a different interpretation.

Only two explicit citations to legislative history appear in the remainder of the relevant portion of the GAO report. One cites the conference report's reference to "larger farming operations." The other cites a statement by the Chairman of the House Committee on Interior and Insular Affairs to the effect that what is to be enacted is "a 960 acre basic limitation of farms." Evidently, GAO's purpose in making these two citations was to demonstrate that the new limit was described at the pertinent stages of enactment as applicable to a total amount of acreage under common management (i.e., a single "farming operation" or a single "farm").

The GAO report then notes that the statutory language ultimately enacted by Congress uses neither the expression "farm" nor the expression "farming operation" but rather makes the new limit applicable to a "landholding." This difference in the characterization of the object of the limit would appear to have limited significance.

In attempting to demonstrate some difference between the references drawn from relevant legislative history and the statutory language ultimately enacted by Congress, the GAO report went on to quote the statutory definition for the expression "landholding." The quoted language explicitly refers to "acreage of one or more tracts of land . . . which *is* served with irrigation water pursuant to a contract with the Secretary" (emphasis added). The definition's use of the singular number for the verb is emphasized here in order to point out that the definition, on its face, clearly seems to contemplate as a single "landholding" any composite of acreage made up of multiple, separately owned or leased "tracts of land."

The final sentence of the relevant portion of the GAO report concludes that: "The act is silent on whether multiple landholdings can operate together as one large farm while qualifying individually for federally subsidized water on up to 960 acres."

[1] *Water Subsidies: Basic Changes Needed to Avoid Abuse of the 960-Acre Limit*, published in October of 1989.

As noted immediately above, the statutory language which the GAO itself quoted is not "silent" with respect to whether the new limit could apply to "multiple landholdings . . . operate[d] together as one farm." As pointed out, the quoted statutory language seems clearly to contemplate that multiple landholdings so operated could indeed be considered a single composite "landholding" within the meaning of the statutory definition, so long as any other constraints included in the statutory definition for the term "landholding" were satisfied.

One such other constraint specified in the statutory definition is that the "one or more tracts of land" in question must be either "owned" or "operated under a lease" by the holder thereof (i.e., the party actually using the land). Hence, if one or more tracts of land aggregating more than 960 acres in total area are *held*, but neither "owned" nor "operated under a lease," by a single entity, then the property in question is not within the literal scope of the statutory definition for the term "landholding."

Neither of the citations to legislative history made in the GAO report explicitly focuses on the use of land by a party which has neither title to, nor a leasehold interest in, that land. Indeed, the GAO's commentary cites nothing in the legislative history of the Act to suggest that Congress ever considered this precise question specifically. By contrast, the comment letter from the Department of the Interior that is appended at the end of the GAO report explicitly takes note of the fact that the previous Congress had dropped a provision relating to farm management agreements from a reclamation bill (S. 14, 96th Cong.). Thus, there is evidence that had Congress wished to take such management agreements into account it knew how to do so explicitly and chose rather to omit them from coverage in the statute it ultimately enacted.

CONCLUSION

The assertion of the GAO that an interpretation of the scope of the 960-acre limit according to which parcels of land not owned or leased by an entity which conducts operations on them must be aggregated with other parcels of land on which the same entity conducts operations is apparent in the legislative history of the Reclamation Reform Act of 1982 would appear not to be supported by the evidence the GAO itself cites.

ROBERT B. BURDETTE,
Legislative Attorney.

Mr. GEJDENSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the original amendment of the gentleman from California [Mr. MILLER]. The question before us is a pretty basic question: Is $300,000 in subsidy enough, or is it not enough?

Now, there is nothing to stop the Boswell Co. or any family with 1,000 section areas, 1,000 sections of 960 acres, from farming together in any kind of economic relationship they want. The only limitation is that the check from the Government is reduced if you want to do more than 960 acres in one operation.

Now, if we had a welfare mother here and somebody wanted to give that welfare mother with four kids more than $10,000 a year, this place would be full of Members talking about the deficit, talking about the crisis we are facing in this country, talking about the bills we have got today. But when it comes to $300,000 to a family, God, that is not enough.

The needs test here is beyond greed. The question is, do farmers in the rest of America have to fight farmers in the West who are getting checks for millions of dollars from the Federal Government?

□ 1220

We are saying that enough is enough, that farmers get hurt by this process, that the taxpayer is hurt by this process.

Do not cry to me for a farmer that is farming 960 acres and getting $300,000 in subsidy. I will give you a farmer in Connecticut who never saw $300,000 and who has been farming all his life and working just as hard. We may not have thousands of acres to farm in Connecticut. My farmers get up just as early, they work just as late. Their families work together on the farm. Nobody sends them a check for $300,000.

We can set up systems to check every one of these operations, to see if they follow the perfect intent of the law or not, but the real question here is is $300,000 per family too little money, is the $300,000 check to the family too little from the rest of the taxpayers of this country?

Lastly, when they pay full cost, it is not full cost. What everybody here refers to as full cost is less than the actual cost to the taxpayers. We have miracle formulas that bury the cost of the program.

So let us support the Miller amendment as it was presented.

Mr. PASHAYAN. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I am happy to yield to the gentleman from California.

Mr. PASHAYAN. Mr. Chairman, the gentleman has been referencing a check that goes to the farmers. At best that is a figure of speech, would the gentleman not agree? There is no check.

Mr. GEJDENSON. If I were sitting in my home and delivered to my home was a commodity of value, and that value is $300,000 a year, and it costs the taxpayer $300,000 a year to deliver that commodity, whether it is the water, or the crop that grows from it, it is a check.

Mr. PASHAYAN. Is there a check?

Mr. GEJDENSON. The gentleman can call it anything he wants, but it is a check and it costs the taxpayer money. Every April 15, the taxpayers have to write that check to pay for this program.

Mr. PASHAYAN. Would the gentleman agree that it is not literally a check? The gentleman is speaking figuratively. I want the Members to understand that these landowners are not getting a check in the mail from the U.S. Treasury literally. Would the gentleman at least acknowledge that?

Mr. GEJDENSON. They are getting over $300,000 a year in value of a product.

Mr. PASHAYAN. But it is not cash.

Mr. GEJDENSON. Right.

Mr. PASHAYAN. I thank the gentleman.

Mr. GEJDENSON. If you delivered to my house the fuel oil that heats it and I did not have to buy that fuel oil, it would not be a check, but it would be just like writing a check.

Mr. PASHAYAN. I understand. And the gentleman agrees that is not a check; it is not cash?

Mr. GEJDENSON. It is the same value as a check.

Mr. MARLENEE. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I am happy to yield to the gentleman from Montana.

Mr. MARLENEE. Mr. Chairman, does the gentleman from Connecticut, and this is a somewhat personal question, does he or has he dealt with home financing?

Mr. GEJDENSON. Will the gentleman continue?

Mr. MARLENEE. Home financing that is guaranteed by the Federal Government?

Mr. GEJDENSON. I would ask the gentleman to explain his question.

Mr. MARLENEE. When I go to the bank and I borrow some money, and I get a guaranteed loan that is guaranteed by Fannie Mae, I get a lower interest rate. Do I get a check? Am I subsidized by the Federal Government? Are the homeowners of America subsidized by the Federal Government? Are you subsidized?

Mr. GEJDENSON. There is a benefit, there is no question about it. When we think about rent subsidies in this country, if you get to write off the interest rate, and you have a $1 million home, and you save $33,000 in costs, that is just like getting a check.

Mr. MARLENEE. That is a check?

Mr. GEJDENSON. It is the exact same thing. So the question is, Is $300,000 enough? I say it is. It is too much.

Mr. CRAIG. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I wish this issue were as clear as some of our colleagues would like it to be. We have just heard this morning that this is going to save money, or the last speaker just implied that there would be a good deal of savings as a result of adopting the Miller amendment to H.R. 2567.

There will be not one dime of taxpayers' money saved by any one of the

two amendments that are now before us. This is water that goes to land in the Central Valley of California, that is delivered by a reclamation project, and that land will be farmed and water will go to it under either amendment. The question is who will be farming it and how it will be farmed.

So let me repeat for the record there will be not one dime of taxpayers' money saved. The reclamation project will continue to operate, and that land will continue to be farmed.

I was asked by several of those irrigation companies to come last year to California to look at their projects. Many of those irrigators were in the process of complying with the reclamation changes of the 1902 law that were changed in 1982 and 1987, and I saw firsthand those projects. They are not unlike projects in Idaho. They are not unlike the farmers of Idaho. They do not fly Lear jets. They drive Chevrolets. Many of them are small entities of less than 960 acres, some of them in family relationships and cooperatives are larger.

What is at issue here? What is at issue here is a point of view, a point of view that is embodied in my colleague from California [Mr. MILLER], who in 1982 when he tried to convince this Congress of his point of view lost, when in 1987 once again he tried to convince this Congress collectively of his point of view, he lost.

Now he has circumvented the processes of the committee to try to cause his viewpoint to prevail.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield? He is using my name.

Mr. CRAIG. Yes, I did use the gentleman's name, and I am happy to yield to the gentleman from California.

Mr. MILLER of California. No, I won.

Mr. CRAIG. The gentleman did not win this issue.

Mr. MILLER of California. No, I won.

Mr. CRAIG. Why are you back today with it on the floor as an amendment?

Mr. MILLER of California. Because people have chosen to ignore the law.

Mr. CRAIG. That is not what the gentleman's own GAO audit says.

Mr. MILLER of California. Yes, it does.

Mr. CRAIG. No, it does not. Please read the RECORD. It says it violates the expectation.

I wish to tell Members that the expectation is not mine, it was not the committee's, it was not the intent of Congress. It was the expectation of my colleague from California. That is what is at issue, not the law, not the implementation of the law.

For some reason we are led to believe that this is a substantial subsidy, unique only to those who are involved in reclamation projects. Let me suggest to my colleague from California that if you farm under a Federal program at some point in time you might receive subsidies. If you live in this country today, at some point in time, as my colleague from Montana has just said, you might find some arm or some entity of the Federal Government providing you with a benefit.

In 1987 and 1988 the USDA paid $5.7 billion in drought relief. To whom? To the Midwest farmers that my colleague holds up are not the beneficiaries of the reclamation money. No, he is right. It is also interesting that in that drought year those who were under reclamation projects did not receive drought benefits because their crops were irrigated by those projects.

So on which hand should we judge this issue? Should we judge it from a Midwestern point of view that says that our colleagues here in the House when their farmers are in trouble because of drought come and get relief from the taxpayers of this country for them, in 1987 and 1988 relief to the tune of $5.7 billion; or should we say that in 1902 as we were beginning to develop the arid West we developed Federal programs, federally subsidized programs that would allow that land to be developed and to allow it to become productive, and that now is something very evil?

We agreed there was something wrong in 1982 and we made some changes, and in 1987 we did the same.

The CHAIRMAN. The time of the gentleman from Idaho [Mr. CRAIG] has expired.

(By unanimous consent, Mr. CRAIG was allowed to proceed for 5 additional minutes.)

Mr. CRAIG. In 1987 we made further changes, and those changes are now being implemented.

Also, today our colleague from California suggested that the Secretary of Interior agreed with him in his proposition, and I believe made the assumption in total that there was a loophole. I do not know if there is a loophole. GAO suggests there is not a loophole. But here is what the Commissioner of the Bureau of Reclamation in a June 18 letter said.

"Under a broad definition of farm operation a wide range," and he is speaking to the Miller amendment, "a wide range of traditional farming practices could cause a landholder to face restrictions embodied in the Miller proposal. Custom farming, enterprises such as harvesting, fertilizer applications could trigger the acreage limitation."

□ 1230

I mentioned at the beginning of my comments confusion. You have heard a variety of interpretations today come forth. The reason you are hearing the confusion—and there is confusion—is because my colleague from California chose not to use the processes of this House to eliminate that confusion. He circumvented the committee process, and he came here to the floor to debate what my other colleague from California [Mr. PASHAYAN] says is a highly complicated issue.

Yes, there are farmers in Idaho, affected by this amendment. It is not unique to the San Joaquin or central valleys of California who are very concerned about the Miller amendment because they believe they are in compliance.

When I went to California last year to look at those projects, it was because of my experience in working with Idaho farmers that I was asked to come, not that I have an expertise but because I had worked to help draft the 1982 law and the 1987 law.

There is now confusion and frustration. I have a letter from the American Farm Bureau of June 13 in which they say:

> The amendment by Representative MILLER would require farmers who cooperate through partnerships and farm management arrangements to total their acres for the purpose of water pricing. Currently farmers must pay full costs for water used to irrigate acreages exceeding 960. The Miller amendment would require full-cost pricing for combined acreages in excess. We do not know what it would do.

That is why they oppose it.

If there is any reason that this amendment should be defeated, and there are many, I think the strongest reason is that it ought to go back to the committee. There ought to be hearings.

We ought to find out whether the Lehman amendment to the Miller amendment will do what Mr. LEHMAN suggests that it should do. And I would agree with it if it is proper.

But I cannot agree with my colleague from California [Mr. MILLER], because I do not know what he attempts to do. I only know what he has attempted in the past to do.

Mr. MARLENEE. Mr. Chairman, will the gentleman yield?

Mr. CRAIG. I yield to the gentleman from Montana.

Mr. MARLENEE. I thank the gentleman for yielding.

Mr. Chairman, I know that the gentleman is involved in practical agriculture and is a producer himself. I do not think he has any irrigation. But let me ask this question because I know that he understands agriculture.

If this Miller amendment does what it is purported to do, and that is divest people of land, forcing them to put that land on the market, there are a couple of questions I would like answered from somebody who knows the practical implications of that.

What happens to the real estate market?

Mr. CRAIG. There is no question if there were an abundance of land moving into the market in a reasonably small area, that the price of the land would tend to drop.

Mr. MARLENEE. And if we force that land on the market and the price of that land drops, what does that do to everyone's land values and standing at the credit institutions?

Mr. CRAIG. Well, it could throw it in jeopardy because obviously a banker would have to reevaluate the farmers' portfolios as it relates to the values that he placed on the land to loan the money or to extend the line of credit.

Mr. MARLENEE. So it could potentially jeopardize the Farm Credit System, it could hurt the people that have small portfolios or small agricultural holdings by driving down the real estate values or the long-term values on their holdings. And if, in fact, the smaller people are hurt or there is land that is put on the market at a reduced price, is it likely that a smaller operator or a large operator will purchase that real estate?

Mr. CRAIG. Well, it would depend on that operator's configuration under the reclamation law, if they are in the reclamation area, which they probably would be.

I think the bottom line then is, as we heard from our colleagues from Connecticut, and it was assumed by my colleague from California, that there would be a cost savings, the land would be farmed, is the point you are making, but there would be no cost savings. The bottom line would be how disruptive is it?

Mr. HERGER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Miller amendment.

Mr. Chairman, I strongly urge my colleagues to reject this amendment. Proponents would have us believe that this amendment is aimed at big corporate farmers who are somehow not in compliance with reclamation law, when in fact there has not been any violation alleged, and yet, this fundamental change would seriously impact a large number of family farmers in my district.

Our Nation's farmers have, in recent years, pulled themselves out of the worst economic times in agriculture since the Great Depression. This amendment seriously threatens the progress that has been made over the past few years. It would put at risk family farmers who are farming together as partners or even cooperating in the sharing services or other operating needs. Most importantly, it would jeopardize farmers' present and future financing arrangements. By destabilizing the credit arrangements of small farmers, our rural communities are directly threatened.

One would think that, in considering such fundamental changes, we as responsible legislators would provide those who would be most affected the opportunity for input through the legislative process. Not so. One hearing was scheduled, and a constituent of mine flew into Washington to testify, only to discover that the hearing had been canceled. His testimony has not been heard by this House.

In fact, constituents of mine who will be directly affected by this change in reclamation law have made numerous efforts to discuss specific statutory language with the author and members of his staff. Yet, until this amendment was published yesterday, he has not seen fit to share or discuss his language with any of them in order to eliminate the most grievous harm it threatens. I ask the author of the amendment now, why not?

My constituents have not been given the opportunity to be heard by this Congress. To adopt these changes based on the sensationalism and distortion of reality that the proponents of this amendment have resorted to is unconscionable. I strongly urge my colleagues to reject this amendment.

Mr. CONDIT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this amendment is a major reversal of the basic principles Congress agreed to in the Reclamation Reform Act of 1982 when it exhaustively revisited and reviewed the law and reconciled the competing positions concerning its provisions. The amendment drastically changes the basic foundation of that law—the 960-acre entitlement for each qualified individual or family. In the guise of reform, Mr. MILLER's amendment would repeal the two basic tools which hundreds of families use and rely on to keep the family farm together in a brutal farm economy—trusts and farm management arrangements.

Before I share with you the potential impacts of this bill, please let me say that I am deeply concerned and appalled that Mr. MILLER asks this House to make major amendments to this very complex law without hearings and markup according to the normal procedures of this body. We should not allow this type of "railroading" to take place.

Consider the real world impact of this amendment on this family: There are in my district two brothers, each farms a combination of owned and leased land of approximately 960 acres. These are two separate and independent farms—no sharing of profit or loss. But in today's farm economy, even a farm of 960 acres has to be concerned about costs of operation and these brothers are no exception. What they have done, then, in order to control their costs, is to form a partnership which owns the large pieces of farming equipment—tractors, harvesters, and such. This partnership leases equipment on an as needed basis to the individual farms. That way, the brothers do not have to purchase two tractors and two harvesters every time they need to replace a piece of equipment. Under Mr. MILLER's amendment, this simple, commonsense approach to farming economics would result in these two farms being combined under reclamation law and, instead of each brother having his own 960-acre entitlement, the two families would have one entitlement between them. This is not an isolated example. The use of similar types of management or custom farming or custom harvesting arrangements is widespread throughout the reclamation States.

If you will look carefully at the definition proposed by Mr. MILLER for "farm" or "farm operation," you will see that what he proposes is really not a definition of a "farm" at all. It would lump together as one farm any number of separate farms which have common financing, whether through a lending institution or a co-op. It would lump together as one farm all of those who utilize the services of the same packing house or marketing company. It quite simply turns on its head the basic notion that a qualified individual or family is entitled to its own 960-acre entitlement of owned or leased land, and instead it creates a whole new concept of acreage limitation which goes far beyond what the drafters of the 1982 act envisioned.

Mr. MILLER's amendment has an equally destructive impact on trusts. The drafters of the 1982 act specifically provided that the limitation would apply to the beneficiary of a trust rather than to the trust as an entity and with good reason. This allows a family to use the trust as an estate planning tool and to distribute the land among the qualified family members, so that each qualified person can get the benefit of the 960-acre entitlement. At the same time, it allows sensible and economic farming by operating the separate landholdings as an integrated unit. No one benefits from more than 960 acres without paying the full-cost rate, exactly as the law requires and the drafters intended.

If there are abuses in the reclamation program, the Bureau should be given the money and the people to deal with them. The law is adequate, the regulations are adequate, and the Miller amendment is completely unnecessary. Worse, it destroys the basic framework of acreage limitation that was put into place in 1982. I urge your "no" vote on the amendment.

□ 1240

Mr. McCANDLESS. Mr. Chairman, I rise in support of this amendment. As I've stated earlier, Mr. Chairman, I am

a strong supporter of the bill that is now before the House, H.R. 2567. Along with the gentleman from California. [Mr. HUNTER], I am an original sponsor of the Salton Sea salinity project which is included in this bill. It was my understanding that this legislation, which the House of Representatives was prepared to bring to the flock back in November, is relatively noncontroversial. The bill may even have been considered under suspension of the rules were it not for the ulterior motives hiding behind consideration of H.R. 2567. This concerns me greatly. It worries me because it has become apparent that certain interests on the Interior Committee are maneuvering H.R. 2567 without listening to a single public or official comment. As a result of such backhanded tactics as delaying the release of the amendment language and refusing to follow the normal committee process, the House of Representatives will now be forced to vote on reclamation reform, whether we are ready or not.

The methods by which this amendment has reached the floor of the House are truly deplorable. I would have welcomed a chance to address the Interior Committee on this issue of reclamation reform had it been made available. Originally, I had planned to testify before the Subcommittee on Water, Power, and Offshore Energy Resources at a hearing scheduled for May 16, 1990. Unfortuately, that hearing was canceled and never rescheduled. Now we find ourselves faced by this amendment, which carries such immense legal implications, without any benefit of public or official testimony on the issue. What's more, we must respond to the amendment having had approximately 24 hours to digest this substitute document printed in the CONGRESSIONAL RECORD just yesterday.

I'm sure that I do not need to explain to my fellow colleagues that reclamation reform is an enormously complex issue. Any action on an issue of such magnitude as reclamation reform deserves adequate attention. Obviously, as evidenced by the great number of Members who are rising in opposition, all of the facts have not been uncovered.

The content of this amendment is not acceptable. The language printed uses vague and ambiguous terms to amend reclamation law. As a result, hundreds of small farmers in my district and Americans throughout the country will be adversely affected. If the authors of this amendment truly believe that exemptions have been made for families who farm independently yet share equipment or services or that the farmers who process their product through a cooperative are safe under his amendment, let me tell you they are wrong. The financial agreements that would be required by the law should this amendment pass will put small farmers out of business. Had the Interior Committee taken the time to hold hearings, perhaps such weak language could have been amended.

One final issue that I feel is important to take note of concerns the economics of this amendment. We have heard of the thousands of dollars to be saved by these reclamation reforms. Let me mention the millions of dollars that will be lost should this amendment succeed. The farms across this country, which receive reclamated water, have achieved enormous gains for this country. Had water not been diverted to the dryer areas of the Western United States, the farm operations and ranches that we discuss today would not exist. As anyone who knows what a valuable market the agriculture produced on these farms produces, can tell you, the tax base from these farms is immense. It is the very financial benefit derived from these farms which supports improvements and additions to much of the reclamation system. If rigid and unfair amendments to the reclamation law result from broad language in this amendment, the United States will feel the economic result. And this feeling will be one of pain resulting from the loss of our precious agriculture industry.

I am extremely concerned that these amendments have not been adequately discussed with the people and the agencies that they will most seriously affect. I would like to think that ours is a democratic process which cannot be manipulated by ulterior motives. I would ask my fellow Members of the House not to let exaggerated publicity dictate to the U.S. Congress and become a substitute for a valid exchange of information. Please help me in defeating this amendment.

Mr. PASHAYAN. Mr. Chairman, will the gentleman yield?

Mr. McCANDLESS. I yield to the gentleman from Illinois.

Mr. PASHAYAN. Mr. Chairman, is the gentleman suggesting that this amendment could erode the tax base and thereby reduce the revenues going in both to the Federal and the State governments?

Mr. McCANDLESS. Mr. Chairman, I thank the gentleman for asking the question having been born in the Imperial Valley, which had its origin in this type of agricultural water. When we talked about a tax base, we were talking about the county in which this land finds itself. We are talking about the cities in which that county benefits from land of this nature, and that tax base, let alone the resources that come in terms of State and Federal income tax from a development of this type. If there is any question in the gentleman's mind about the difference between developed and undeveloped land, then I suggest if the gentleman has a chance, to drive from Indio on Interstate 10 which is essentially the same kind of property and the same terrain that we enjoyed many years ago before reclamation in the Imperial and Coachella Valleys and the valley relative to that other property.

Mr. MILLER of California. If the gentleman will yield, I would hope and ask if the gentleman is aware of a GAO report that says one of the consequences of these farmer reorganizations in other arrangements, that the Federal Government is not collecting revenues, which it has been entitled to. And just the ones the GAO looked at, it listed $1,300,000 just in the estimate of those arrangements alone.

I would also suggest that the gentleman is making the wrong point when he suggests that somehow this will cost more money. When the gentleman makes a point that somehow this should be rejected because it has not had a hearing, I remind him the administration is opposed to title V.

Mr. McCANDLESS. Reclaiming my time, the point I am making is there is a tremendous difference in a tax base between developed and undeveloped property. That is my point. So the developed property brings a tax base to our economy that would never take place on the other occasion.

Mr. RUSSO. Mr. Chairman, I move to strike the requisite number of words.

Mr. RUSSO. Mr. Chairman, let us strip away the rhetoric about procedure and process, and look at the issue for what it really is. The question is, Are we here in the House of Representatives going to protect the money of the taxpayers of this country and make sure that the wealthy land barons and wealthy land farmers in the Western States pay their fair share for the water that they get from our Federal Government? That is the question. It is not whether there was a hearing or whether or not somebody has an opportunity to testify. The question here is who will pay? Are the taxpayers of this country going to pay for water for the millionaire farmers?

Let Members look at what the subsidy costs: $304,000 for 960 acres. For just 960 acres, a person gets a subsidy from the Federal Government, from the taxpayers of this country, from everybody in this room, of $304,000. The average income in the United States of America is $28,000. That is what the average taxpayer makes in this country. We are going to give the wealthiest farmowner 10 times that amount in terms of a subsidy, and we are crying about the poor, wealthy farmer.

Now the Government will give the subsidy for 960 acres. We just do not want to give it to more than 960 acres. For those Members who came from the Midwest and came from the Northeast and came from the South, we have to pray to God and hope that

the rain comes and to give farmers this water they need. Sometimes we have drought, sometimes we have more rain than we need. In most cases, we do not have enough water. But do the wealthy land barons of the West have this problem? No, the water is there. It is waiting for them. They are going to get it.

But that is not good enough for them. Not only do they want it but they want the Government and the taxpayer to pay for it. Now, that ought to be upsetting to all Members in this room. We will give them the water. We are going to say, here it is, just pay your fair share, please, help the taxpayers out here.

To my friends who always get the Bulldog of the Treasury Award for watching out for the purse of all the taxpayers, and they walk in, get their picture taken with the bulldog and say they are protecting the taxpayer, all of those who get the great bulldog award, now is the time to show your strength, grit your teeth, and protect the purse of the taxpayer and say, listen, $304,000, folks, is enough of a subsidy. That is enough. The average person in my district does not make $29,000, and we want to give these rich farmers $304,000 subsidy per year. This country ought to come unglued if we continue this process.

□ 1250

Now, we tried to correct it in 1982 by using the words, "land holdings," but the sharp lawyers have figured out a way to get around those words. We intended only to give this subsidy to 960 acres. We should just remember that.

The average farm in the Midwest is about 200 acres. So we are not talking about a small farm; we are not talking about a small piece of real estate. What we are talking about is 960 acres.

Then we have people who have 23,000 acres who want the Federal Government and the taxpayers of this country to pay for it for all those thousands of acres.

I understand that a couple of my colleagues say, "Well, you know, the reclamation program is going to cost anyway. It is going to cost x amount of dollars anyway."

The question is, How much is the Government going to recoup of that cost? That is what we want to know. Do we recoup $3 billion of it, do we recoup $9 billion of it, or do we recoup $15 billion of it? I think we ought to recoup as much as we possibly can, and by being fair we say, "We are going to give you a subsidy for 960 acres." That is fair, I say to my friends.

Mr. HUCKABY. Mr. Chairman, will the gentleman yield?

Mr. RUSSO. I am more than happy to yield to my friend, the gentleman from Louisiana.

Mr. HUCKABY. Mr. Chairman, I thank the gentleman for yielding, and I appreciate where he is coming from.

Do these rich baron farmers receive a check every year of $304,000 from the Government?

Mr. RUSSO. I have listened to this debate a little earlier about getting the check. Do we know who gets the check? The taxpayers get the bill. I am tired and the gentleman ought to be tired of giving the taxpayers the bill for the rich land barons. So what I am saying is, if it costs the Federal Government $30 billion for the program and we only recoup $3 billion because of the subsidy, I say, let us recoup $15 billion or let us recoup $20 billion, because those individuals who are getting the benefit of this subsidy would have to pay the difference. Somehow, somewhere they would have to pay the difference. Otherwise I do not know why we are spending 2 days on this if they are not getting a big deal. If they are not getting the money, then we ought to just throw in the towel and forget about this argument, because there is nothing we are talking about here.

Mr. HUCKABY. Mr. Chairman, will the gentleman yield?

Mr. RUSSO. Otherwise we are just wasting taxpayers' money and just talking about nothing.

Mr. HUCKABY. Mr. Chairman, will the gentleman yield?

Mr. RUSSO. I continue to yield to my good friend, the gentleman from Louisiana.

Mr. HUCKABY. Mr. Chairman, there are two separate issues here. One is the subsidized water and paying fair market value for the water; the other is the size of the farm.

The size of the farm is what the Miller amendment addresses. One of the things that we must be aware of is that agriculture is an international market, not just a national market, and we have to compete internationally and not just nationally. So one of the things that we on the Agriculture Committee have been concerned about for years is, how do we balance it out, or how do we make this stroke to take into consideration the gentleman's legitimate concerns about very large entities receiving either direct payments from the government or indirect payments from the government? The first consideration is, how is the economy scaled to be able to operate efficiently?

The CHAIRMAN. The time of the gentleman from Illinois [Mr. RUSSO] has expired.

(On request of Mr. HUCKABY, and by unanimous consent, Mr. RUSSO was allowed to proceed for 3 additional minutes.)

Mr. HUCKABY. Mr. Chairman, will the gentleman yield?

Mr. RUSSO. I continue to yield to the gentleman from Louisiana.

Mr. HUCKABY. Mr. Chairman, the question is, can we compete economically? We do not want to force our farms to be so small that we no longer have economic viability. That is part of the question of what the Miller amendment addresses.

In the 1987 Reconciliation Act, we passed the Huckaby eligibility provision that totally redefined "eligibility" for a farmer. It provided the fact that he had to be actively engaged in a $50,000 operation, that he could only participate in a total of three entities, and at the maximum, under any circumstances, the maximum an individual or entity could receive in deficiency payments was $100,000. This forced us down. We had to use three entities instead of one. Otherwise, our farms, our cotton farms and our rice farms were going to be so small that we could no longer compete.

So I just wanted to raise the concern here that what the Miller amendment is doing is coming in and somehow distorting what we on the Agriculture Committee have done by defining the size of an economically viable farm.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. RUSSO. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, let me just say that the Miller amendment on the reclamation program says nothing about the size of the farms. It says, if you want federally subsidized water, we will only give you 960 acres' worth of that federally subsidized water.

There are many people in California who farm far in excess of 960 acres. There are 12,000-acre cotton farms, there are 150,000-acre farms that are farmed under one holding, and there are 80,000-acre farms. You can farm all the land you want. But we are saying that we are going to limit the subsidy to those buildings of 960 acres.

The tradition of the reclamation program has always been the question of how much subsidy they got. After that they are on their own. These people are entitled to it. They could get Federal water, but they just had to pay for the cost of it.

Mr. HUCKABY. Mr. Chairman, will the gentleman yield?

Mr. RUSSO. I continue to yield to the gentleman from Louisiana.

Mr. HUCKABY. Mr. Chairman, if the Gejdenson amendment passes where over 4 years it is phased in and one must pay fair market value so he is not receiving the subsidy, then would this do away with the provision of the 960-acre limit?

Mr. MILLER of California. No. Mr. Chairman, if the gentleman will yield further, I think the intent of the Gejdenson amendment is to sort of say you should pick your subsidy, that there has to be a limit to how many

subsidies we can pile on one farming operation, depending upon the crops and the surplus nature of those crops.

Mr. LEHMAN of California. Mr. Chairman, will the gentleman yield?

Mr. RUSSO. I yield to the gentleman from California.

Mr. LEHMAN of California. Mr. Chairman, I just want to make the point that under either plan, under the amendment offered by the gentleman from California [Mr. MILLER] or under my amendment to his, no one may benefit from the Federal Government on anything beyond 960 acres. Under my amendment a family is allowed to farm it in a larger unit, but no member of that family may benefit beyond 960 acres, and no minor may benefit at all.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. RUSSO] has again expired.

(On request of Mr. THOMAS of California, and by unanimous consent, Mr. RUSSO was allowed to proceed for 2 additional minutes.)

Mr. THOMAS of California. Mr. Chairman, will the gentleman yield?

Mr. RUSSO. I yield to the gentleman from California.

Mr. THOMAS of California. Mr. Chairman, there has been some discussion about the taxpayers' subsidy of $304,000 to farmers. I think that some of us need to have it brought home in different examples so we can better understand it.

I know the gentleman from Illinois has some affection for the game of golf, and I assume he has played on public links in the past and will do so in the future. A number of those links probably benefit from taxpayers' subsidies. Obviously public links do, whether it be for the creation, the condemnation of land, the development of it, or the continued use of it.

I believe it would be fundamentally unfair for someone to tell the gentleman from Illinois that he is receiving a subsidy by the fact that he is playing on the course.

Now, someone will tell me that the farmers receive the bulk of the water supplies and the municipals and industrials receive a smaller portion. I guess there are some people who get green belts on the basis of having a golf course near them. But the gentleman's participation in that public entity, I do not think, should devolve into a—the word that came to mind was "harangue," but I will not use that word—in terms of the kind of benefits these people are receiving.

Sometimes maybe some of us long for the cold war so we can go back to that kind of a discussion, because what we are doing is getting away from the key points that are in front of us. I think when we talk about Government expense for needed public purposes, there are relative values. This may have a greater or lesser relative value for some people in other areas, but there is no question that there can be a myriad of examples of public expenditures which benefit one group versus another, and my example to the gentleman would be the marvelous public courses the gentleman has played on in the past, courses which have helped to subsidize.

Mr. RUSSO. But I do not know many people who make $304,000 that play on those public courses.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield further?

Mr. RUSSO. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I would just say that when we get done with all this debate, I would just like my colleagues to remember that for 98 percent of the farmers who participate in the reclamation program in Colorado and Idaho and Utah and Nevada and Arizona and California and Washington, this amendment does not affect them because they are in compliance. We are talking about 2 percent of the people who have chosen to extend the benefits of the law beyond the intent of Congress.

Mr. RHODES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman from California [Mr. MILLER] has just identified a major portion of the problem with his amendment. He has just said that this amendment affects 2 percent of the farmers in the reclamation program. I do not know who the other 1.5 percent is, but the only target he has really identified is the Boswell operation. So we have a target that is that small, and let us assume for a moment that the gentleman from California [Mr. MILLER] is correct, and that 2 percent of the farmers in the reclamation States are abusing the law. So if we have a target that is that small, Shouldn't we use a rifle to engage the target?

□ 1300

Mr. Chairman, the amendment of the gentleman from California [Mr. MILLER] would nuke them, and, as with the detonation of any nuclear device, there is fallout, and where does that fallout go?

I say to the gentleman from California [Mr. MILLER], "Well, we don't know; do we? You've identifed what you think are some problems in Arizona. Well, if there are, then the fallout from your amendment is going to fall on Arizona."

So, let us talk about full cost water in Arizona. In the Central valley project the so-called subsidized cost of water is something between $2 and $17 an acre-foot. In Arizona, in the Central Arizona Project, the subsidized cost of water is $40 to 450 an acre-foot.

Mr. Chairman, in the Central Valley project, if the amendment of the gentleman from California [Mr. MILLER] were to pass, or under existing law in fact, a Central valley project farmer farming in excess of 960 acres he owns would pay something like $40 an acre-foot of full cost water, $10 to $20 below the subsidized cost of the central Arizona project water. A CAP farmer farming in excess of 960 acres paying full cost would pay $250 an acre-foot. Obviously not economical. I presume the gentleman's observation would be, if it is not economical, they will go out of business, and that is the way the market works.

However, Mr. Chairman, they will not go out of business because, I say to the gentleman from California [Mr. MILLER], they have an alternative source of water.

Mr. Chairman, the gentleman from California [Mr. MILLER] is a great admirer of Arizona's ground-water management laws, because he sees them as we do, as preservation of the ground water resource. But the farmers in Pinal County, AZ, faced with the prospect of paying $250 an acre-foot of project water, and going out of business, or turning their pumps back on, or will turn the pumps back on, and there goes the Arizona ground water management act. I am sure that is an unitended consequence of the fallout from this act. they have an alternative source of water.

Mr. Chairman, the gentleman from California [Mr. MILLER] is a great admirer of Arizona's ground water management laws, because he sees them as we do, as preservation of the ground water resource. But the farmers in Pinal County, AZ, faced with the prospect of paying $250 an acre-foot of project water, and going out of business, or turning their pumps back on, or will turn the pumps back on, and there goes the Arizona ground water management act. I am sure that is an unintended consequence of the fallout from this act.

Let me briefly say that some of our colleagues who are not affected by this have passed us by several items and have said that we are wasting their time, and they are not really interested, and I have observed to them that I felt the same amount of thrill over the Amtrak debate.

I say to the gentleman from California [Mr. MILLER], "GEORGE, you say in 1987 you won. LARRY CRAIG says in 1987 you lost. You say the GAO report says this. CHIP PASHAYAN says the GAO report says that."

Mr. Chairman, this is the kind of thing that we usually resolve in hearings, not on the floor of the House, and I would just suggest to the gentleman from California [Mr. MILLER] that there are too many unknown and unintended consequences of the Miller

amendment. It is not a rifle shot; it is a nuclear attack.

Mr. Chairman, we need to know just exactly what this would do before we go ahead and do it, and I would strongly urge my colleagues not to support this amendment.

Mr. STUMP. Mr. Chairman, will the gentleman yield?

Mr. RHODES. Mr. Chairman, I yield to the gentleman from Arizona.

Mr. STUMP. Mr. Chairman, I would like to associate myself with the excellent remarks of the gentleman from Arizona, and I rise in strong opposition to the amendment of the gentleman from California [Mr. MILLER].

Mr. Chairman, the proposed amendment of the gentleman from California [Mr. MILLER] the chairman of the subcommittee, to H.R. 2567 causes considerable concern to landowners and irrigation water users in the central Arizona project [CAP]. The principal reason for the concern is the ramifications of full cost water rates in the CAP for irrigation water users. The Miller amendment seeks to limit farm operating sizes in such a way that substantial acreage would only be entitled to full cost water from Federal reclamation projects, thereby presumably increasing revenues for the United States. The fallacy of this view, particularly with respect to the CAP, is that full cost rates are entirely unaffordable for irrigation purposes and, as a result, CAP farmers will have to resort to reliance on ground-water supplies. Such reliance of ground-water supplies is in direct contradiction of the policies behind Arizona's 1980 Groundwater Management Act and the original CAP enabling legislation adopted by Congress in 1968. With respect to the CAP, the Miller amendment will result in fewer water sales revenues, since more CAP farmers will return to ground-water use rather than pay the entirely unaffordable full costs rates, which average approximately $250 per acre foot in the CAP. This could jeopardize the ability of CAP irrigation districts to repay private bondholders and the United States.

It is interesting to note that the GAO report, on which the Miller amendment is based, cites example of subsidized water rates in other Federal projects between $2 and $17 per acre foot, and full cost rates between $42 and $72 per acre foot. In the CAP, the contract rates are in excess of $50 an acre foot, and full cost rates average $250 per acre foot, rates which will increase as more of the CAP comes on line. Full cost Federal project water is not an option in the CAP, and perhaps in other Federal projects as well.

CAP landowners are already burdened with considerable debt service obligations as a result of the construction of the CAP. Pursuant to congressional directive, CAP irrigation districts have contributed more than 20 percent of the cost of constructing their systems—in excess of $75 million—primarily through the issuance of their general obligation bonds. The repayment obligation, coupled with the Federal repayment obligation for the construction of the CAP, constitutes a considerable economic burden to the landowners within the irrigation districts. Increasing water costs would be destructive to many CAP farming operations, and could jeopardize the ability of the irrigation districts to repay their $75 million bonded indebtedness as well as their $290 million Federal repayment obligation.

Apart from the hardships which the Miller amendment would impose on Arizona farmers and landowners, it is bad legislation nationally because it encompasses policies and provisions which have previously been rejected by Congress in 1982 and 1987. The provisions will hurt the small family farmer as much or more than the large farming operations, which are the apparent targets of Mr. MILLER. The legislation would tie the acreage limitation of Federal reclamation law to farm size, rather than to individual ownership and lease holdings under current law, by providing a broad and vague definition of a farm or farm operation. This would preclude, in many cases, existing legal farm management arrangements where the operator has no risk in the crops receiving Federal project water but still is allowed to provide his management expertise, equipment, and other services to multiple landowners and lessees who are within their respective acreage entitlements. The factors leading to the presumption of a single farm operation in the Miller amendment will bring into question the ability of parents to guarantee financing of adult children; the ability of neighbors to share farm equipment and labor; and the ability of small and absentee landowners to hire experienced farmers to oversee the management of their farm operations. In many cases, these arrangements are absolutely essential for the landholder to obtain crop financing. If landowners cannot utilize these cooperative arrangements and receive contract rate water, the alternative in the CAP is not paying full cost for CAP water but, rather, to return to pumping Arizona's precious ground water supplies until it becomes economically unfeasible to continue.

The Miller amendment would also limit every trust which receives Federal project water service to the existing acreage limitations under reclamation law. This significantly alters section 214 of the Reclamation Reform Act of 1982, something Congress refused to do in 1987 when it amended the section to deal with revocable trusts. The amendment would work a considerable hardship on family farm operations which utilize trust ownership for estate planning purposes, and who have already gone to considerable expenses to revise the trusts to bring them into compliance with the 1987 amendment.

A number of Indian farmers in the CAP have also contacted me, expressing concern about the impact of the Millier amendment on their farm operations. The Indian farmers rely heavily on non-Indian custom-farming services, which may not be available to them in the future if the Miller amendment becomes law because it will combine the acreage entitlement of the Indian farmers with those providing the custom services. Again, this is in direct contradiction of Federal and State policies and laws which encourage the use of central Arizona project water for Indian water settlements and as a substitute for overdrafting ground-water supplies.

In conclusion, it should be pointed out that Mr. MILLER's amendment is a shotgun approach for dealing with perceived abuses to the original intent of the Reclamation Reform Act of 1982. The amendment does not fully consider the consequences westwide of its impact. Additionally, a hearing has never been held on the amendment, despite repeated requests from my constituents and other westwide farmers for such a hearing. This is not the way we should go about adopting laws which will have a significant adverse economic impact on many people. I urge you to vote "no" on the Miller amendment.

Mr. PASHAYAN. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from California.

Mr. PASHAYAN. Mr. Chairman, I should like to associate myself with the remarks of the gentleman from Arizona [Mr. RHODES], but let me just emphasize, and I appreciate the gentleman quoting me, but let me just emphasize that I am not interpreting the GAO report to which the gentleman made reference. I am reading it and, just once again, in the context of the gentleman's remarks it says, "These reorganized farms do not violate the act's language in reference to the 1982 act."

Mr. Chairman, that is not my interpretation. I am just simply reading what is there.

Mr. RHODES. Mr. Chairman, the gentleman from California [Mr. PASHAYAN] is quite correct. Those are the words of the report.

Mr. BROWN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Colorado.

Mr. BROWN of Colorado. Mr. Chairman, I wonder if the gentleman could shed some light on the operation of this statute in terms of aggregating farms to exceed the 960-acre limit.

(By unanimous consent, Mr. RHODES was allowed to proceed for 2 additional minutes.)

Mr. BROWN of Colorado. In Colorado, and I understand around the Nation, it is common practice for people to have common financing; that is, one bank offer financing in a general area. It is normal in the operation of beets to have a portion of the services of farming performed by one contractor who may farm, who may do a portion of that farming on a wide number of farms in a particular area. It is normal for people who provide spraying services, either herbicides or insecticides, to not only spray one farm, but spray many farms.

What does this bill mean? Does this mean, if one has one common contractor to provide beat labor, they have one common contractor to provide herbicides or pesticides spraying, or they have one common contractor to help provide financing? Does this mean that farms well under the 960-acre limit would be considered one farm for the purposes of this act?

Mr. RHODES. Mr. Chairman, I think that a reasonable person reading

the Reclamation Reform Act itself and the amendment of the gentleman from California [Mr. MILLER] to it could come to that conclusion and that those farms aggregated, if they exceed 960 acres, would not be entitled to project water, and I think there is another important clarification that needs to be made.

Mr. Chairman, if an individual owns in excess of 960 acres, he does not get subsidized water for 960 and full cost for the rest. He gets no project water at all. He pays full cost for the entire parcel, so that is no base 960 benefit.

This means, if one owns a farm more than 960 acres, he gets no project benefit. He pays full cost for the entire operation.

Mr. GUNDERSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. GUNDERSON. Mr. Chairman, I have to tell my colleagues, coming from Wisconsin, the bastion of small family farms, that I am not a big fan of water reclamation anywhere, and I have never been a big fan of large farms getting government assistance, whether it be water subsidies, or it be loan programs or suport programs of any type.

In addition, Mr. Chairman, I have got to tell my colleagues that I walked over to the floor today thinking I might vote for the amendment of the gentleman from California [Mr. MILLER] because politically it sounded like a good thing to do from the Midwest.

However, Mr. Chairman, I have to share with all my colleagues that, as I listen to the details with the concern I have, that throughout the 1990's those on the House Committee on Agriculture have tried to dea with this issue of payment caps, and size of farms and all of that, and I will tell my colleagues that we cannot legislate as fast as they can hire lawyers to get around our legislation.

Now, if my colleagues think this kind of an amendment is in any way, shape or form going to stop big western farmers from getting Government reclamation water, it is not going to happen. It is simply not going to happen.

Mr. Chairman, the problem that happens with an amendment like this is the family, and, if I read the language correctly, what they are going to do is allow them to have common labor, et cetera. The family is going to get their lawyer to simply divide up the operation. Missis is going to own x amount, mister is going to own y amount, and perhaps the son and perhaps the daughter are each going to have part ownership, and that is the way this is going about solving this whole issue, and we are not going to have gained a thing.

Mr. Chairman, if we want to deal with agricultural policies, we can deal with them in the farm bill, and we will tell our colleagues the experiences of dealing with payment caps and agriculture. If we want to deal with the issue of water reclamation, we must deal with it broad based.

However, Mr. Chairman, I say to my colleagues, "Whereas all your hearts may be in the right place, this kind of an amendment is nothing but full employment for family attorneys. It will not change one iota what the absolute Government response is. They'll find a way to comply with our regulation."

Mr. Chairman, I would suggest we reject the amendment.

Mr. BROWN of Colorado. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to address an inquiry to the gentleman from California [Mr. MILLER], if he would be willing.

Mr. Chairman, one of the areas that is not clear in the amendment is what entities are single entities.

I think the gentleman from California [Mr. MILLER] heard me address an inquiry to the gentleman from Arizona [Mr. RHODES]. The summary that I am looking at of the language strikes me as not clear.

Let me ask the gentleman to comment on it, if he is willing.

It is a common practice in agriculture for people to have contract labor come and work farms whether it is sugar beets or others, so one could well have common labor sources at least for a portion of the crop. It is common practice to have common harvesting mechanisms whether it is wheat or other crops where you have someone who owns the specialized equipment come in and work.

□ 1310

Would the gentleman advise us as to when these common services end up making a group of farms considered a single entity?

Mr. MILLER of California. Mr. Chairman, if the gentleman will yield, I do not know under what circumstances they would, because I cannot conceived that that is the case. We have reclamation farms now in various parts of the West that contract to have their crops picked by labor contractors who come through the area or have their crops sprayed by a spraying service, just as we have people who contract to cut wheat or contract to pick cotton. That is all done today under current law.

Again, most of the time that is what farmers do and they do it in compliance with the reclamation law.

To suggest that that is the test, because the GAO never goes to that issue, that is not what was concerning us. What was concerning us was something much more insidious than that in terms of the operations of these things, but contracting for custom crops, harvesting, or however you want to name it, that is not a problem with this amendment. It is not a problem with the amendment of the gentleman from California [Mr. LEHMAN].

Mr. BROWN of Colorado. As I understand it now the Department of Agriculture has a set of single entity rules that provide for an aggregation of farming activities for considering if you exceed the limitation of subsidies. This measure, would come up with a different test for aggregation.

My inquiry to the gentleman is could the fact that there are common services performed for a variety of farms cause them to be considered to be aggregated for the 960 limit?

Mr. MILLER of California. It is inconceivable to me that would be the case.

Mr. BROWN of Colorado. What is the number then, or what particular activity would cause that consolidation?

Mr. MILLER of California. I think what we saw in a number of the corporations and the partnerships that were created, we went through a series of what turned out to be fictional corporations and partnerships to give the appearance of separate ownership, but when the GAO traced the ownership, traced the agreements, we found in fact that we had one single ownership that was farming in excess of 960, but trying to make it appear these were separate units.

These again are a handful of devices, a lot of acreage, but a handful of devices that were set up to circumvent that law. I think essentially even what we heard from the gentleman from California [Mr. LEHMAN] and from others, nobody has any truck with that, and that is where we are going; but if you look on page 13 of the GAO report, they really talk about very intricate financial arrangements and operations where they have agreed to cover defaults for one another. They have gone on the same loan instruments for one another. What you really see is that these are not separate arrangements. They are undivided interests in many cases when you get to the documents. On the front they appear to be divided into 20 different farms. When you get into the documents, these are undivided interests to control here.

Mr. BROWN of Colorado. The purpose of the gentleman is really to look at them and if in reality what we have is a sham, then that sham should be uncovered.

Mr. MILLER of California. That is what we are talking about.

Mr. BROWN of Colorado. The gentleman is not trying to catch people on the fact they use common labor.

Mr. MILLER of California. No, because again as I pointed out, 98 percent of the farmers in the reclamation

area in the gentleman's neck of the woods or elsewhere are engaging in the practices the gentleman is talking about today. People come through and they harvest tomatoes or they harvest grapes or they spray the crops or they send them to the same packing shed. We know that many of these farmers sell into a market. The price is determined before the crops are ever picked, because they either sell to Heinz or to Libby or whoever is in the area. You sell to Simquat potatoes because nobody else is buying those potatoes in that area. None of that violates the concerns here. Those are issues that are being raised so other people can do other things that the gentleman and I probably would not agree with.

Mr. BROWN of Colorado. One other inquiry, Mr. Chairman, we have a set of rules now, I find them unbelievably complicated, but maybe the subject is simply complicated, but a set of rules that go toward determining whether a group of farms is really a single entity.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

(By unanimous consent, Mr. BROWN of Colorado was allowed to proceed for 2 additional minutes.)

Mr. BROWN of Colorado. We have a set of rules now that the Department of Agriculture operates under in determining whether a group of farms is really a single entity.

Is the test that would be used here different from that, or if it is, is there a reason why you need a different test?

Mr. MILLER of California. Mr. Chairman, if the gentleman will continue to yield, it is because we are talking about the physical delivery of water and the manner in which we meter it.

The struggle that is going on in the Agriculture Committee, and I see the gentleman from Texas just walked on the floor, the struggle that is going on in the Department of Agriculture is how do we focus those subsidies on people who genuinely need them and are struggling with an income of $100,000 limitation?

Here we decided to deal with the size of the farm. In 1982 we said, "Look, 160 acres, you just can't make it today. We will upgrade that to 960." That is the test for whether or not you get the water. It is completely and entirely independent of any other determination about crop deficiency, drought assistance or crop subsidies. That is a different operation. That is in the Agriculture Committee, as I say.

Mr. BROWN of Colorado. Mr. Chairman, I thank the gentleman for his responses.

My concern has been these simple practices that are joint might lead to a question of consolidation. If I understand the gentleman's response, he is really looking at sham transactions where in effect you have an entity that exceeds the 960 rule and through a shame transaction they are trying to avoid that limitation. The gentleman is trying to get at those sham transactions.

Mr. MILLER of California. The gentleman is correct.

Mr. BROWN of Colorado. Mr. Chairman, I thank the gentleman.

Mr. THOMAS of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think we need to clarify a few things as we go along here, because I do not think the gentleman from California [Mr. MILLER] intends to indicate that anyone here is willing to support those few entities that have attempted to clearly circumvent the law.

I also do not think the gentleman from California [Mr. MILLER] intended in his comments, and perhaps I should ask the gentleman, I would ask the gentleman from California [Mr. MILLER] if in his comments earlier in his initial statements on his amendment about the fact that these individuals who clearly are outside the law and have attempted to circumvent the law, in which all of us are in support of his attempt to make sure that those who circumvent the law do not do so, were involved in big fundraisers or were big contributors to particular candidates. I do not think the gentleman intended to imply that people who are opposed to his amendment were involved financially in that way and those who are in support of his amendment are wholly on the other side. That clearly was not the intent, was it, of the gentleman from California?

Mr. MILLER of California. Mr. Chairman, if the gentleman will yield, I would say it was my intent, because people ask me, "How is it we are here in 1980, when I thought we settled this issue in 1982?"

The fact is there have been two parallel forms of government going on, one the statements by the Congress and the other the back channels of the Interior Department and other Departments.

Mr. THOMAS of California. Well, we are here on the floor discussing the gentleman's amendment. My point is, I do not think the gentleman from California meant by his words to indicate that those people who may be in opposition to his amendment fall under the characterization that he indicated in his earlier statements.

Mr. MILLER of California. Well, I think people are capable of understanding. I speak in plain English. I think people are capable of interpreting my amendment exactly as it was read into the RECORD.

Mr. THOMAS of California. Not the amendment, but the statement the gentleman made about the finances. So the gentleman could in fact imply that my colleague, the gentleman from California [Mr. FAZIO] or myself or others because we are in opposition to the content are somehow going to be painted with the brush that our decision to come to the opposition of the gentleman's amendment is influenced by financial contributions, is that what the gentleman intended to say?

Mr. MILLER of California. Would the gentleman like me to repeat it for him again?

Mr. THOMAS of California. I yield to the gentleman for his reply.

Mr. MILLER of California. The purpose of my statement was to explain how it is that these few individuals were able to circumvent the law, how it is they were able to continue the aggregation of land and receive Federal subsidies beyond the 960-acre limitation. It is well documented to the parties involved in this lobbying effort of their political involvement with the previous administration at the White House, with their legal entanglements with various solicitors of the Department, with their participation in political fundraising, that is well documented. That is why when Secretary Lujan looked at this loophole, his reaction was that it should be plugged because it cannot be justified, given the intent of Congress.

Mr. THOMAS of California. Reclaiming my time, Mr. Chairman, I think everyone here on the floor, whether they are in favor of or in opposition to the gentleman's particular amendment are in favor of supporting the requirement that people follow the law.

My concern is that the gentleman initially characterized this as somehow a populist struggle. There was a positive side and a negative side; there are the heroes and there are the scofflaws.

□ 1320

What I want to do for just a minute or two is to point out why I think it is not only proper and appropriate to oppose the gentleman's amendment but, indeed, it is almost necessary to oppose the amendment, not in terms of what he is trying to get at, and that is the message I want to deliver to my colleague, that none of us here support the idea that someone purposefully through a legal or a corporate transaction or structure should be able to circumvent the purpose of the law. The concern I have is that as he gets a bit zealous in painting, as he said, the long and tortuous path to arrive in the well today, that that long and tortuous path did not go through the subcommittee or the committee process, and that just as the questions of the gentleman from Colorado about what does this amendment mean, I have some of the same questions.

I have looked at the latest version of the Miller amendment which says that, "the term 'farm' or 'farm operation,'" ends with "or any other combination or arrangement."

Some of us think that is rather broad in scope, and that what we would like to have had was subcommittee or committee testimony to clarify what that phrase "or any other combination or arrangement" might mean.

The gentleman on the floor has attempted to assuage our concerns by saying that someone can sell their tomatoes to the same concern; he has indicated to the gentleman from California whose amendment we are currently discussing, which is a very modest improvement over the amendment, and frankly I do not think there is a way at this stage to offer an amendment which clarifies all of the ambiguities in the amendment of the gentleman from California.

The CHAIRMAN. The time of the gentleman from California [Mr. THOMAS] has expired.

(By unanimous consent, Mr. THOMAS of California was allowed to proceed for 5 additional minutes.)

Mr. THOMAS of California. Mr. Chairman, we need to take some of the floor's time in the Committee on the Whole to do what ordinarily would have been done in the committee, and that is ask questions, because we have a concern.

The gentleman from California has added an additional provision which was not in the original draft which indicates that, "the mere sharing of labor, equipment or services by members of a family, where such sharing is not part of any larger direct or indirect joint operation or management, shall not by itself initiate said presumption." But it is only to a family. What about a neighbor who wants to share equipment? What about a neighbor who wants to join in banking, or what about a neighbor, where there are two adjoining pieces of land, and this is where my concerns get very real about the scope and breadth of this particular amendment, what about somebody who is engaged in the land treatment watershed program of the ASCS service, where there is a cooperative effort to forestall erosion in a watershed area?

I do not think the answers of the gentleman from California have been fully responsive as to whether or not those people are then denied subsidized water. The problem is the scope of the phrase "or any other combination or arrangement" is so all-encompassing, that for him to say previous behavior under current reclamation law is presumed to continue is not for him to fully appreciate the scope of his amendment. The scope of his amendment fundamentally alters relationships under reclamation law.

It says, "If you have any arrangement or combination with someone else, you are to be denied the subsidy." How far does that go? Does it go to banking? Does it go to cooperative marketing efforts? Does it go to sharing equipment?

Clearly, by his most recent change, it does not apply to families, but clearly, but the way in which that addition is worded saying "families only," it does apply to nonfamilies, and so although some folks here on the floor today would like to make this a clash of good versus evil or populism versus folks raiding the Treasury, and I am sure we can see, as we already have on some "Dear Colleagues" these wonderful cartoons which do not really represent reality, would like to have us come to the floor and vote on pure emotion; "Yes, let us blast the corporate land barons; yes, let us go after them in terms of these Government subsidies," but that is not the issue.

The issue, I would beg to differ with some of my colleagues, is the process by which we are here today. We do not know what this amendment really means, and all of the assurances of the gentleman from California, frankly, as far as I am concerned, will not clear up my concerns about such broad, far-reaching language until we have those sometimes tedious committee and subcommittee hearings to fully clarify what "any combination or arrangement" really means.

Mr. LEHMAN of California. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of California. I am happy to yield to the gentleman from California.

Mr. LEHMAN of California. Mr. Chairman, I just want to underline what I think the gentleman just said, and that is that the Miller language which the author purports provides an exemption for the sharing of labor and equipment only applies to members of a family; in other words, a nieghbor could not share tractors with their neighbor unless they were brothers under the Miller amendment.

Mr. THOMAS of California. My assumption is that because this was an addition added relatively late in the amendment, it was an attempt to help clarify on the family question, but apparently the gentleman from California [Mr. MILLER] misses the point, because it is so broad in scope that any kind of humanitarian or good samaritan efforts to help your neighbor with a broken tractor, to deal with a shared erosion problem clearly could put subsidized water at jeopardy.

Mr. LEHMAN of California. If the gentleman will yield further, then do we have to have a Federal regulation promulgated with regard to neighbors sharing a tractor?

Mr. THOMAS of California. It seems to me if in fact there is more that is going to happen than intended by this amendment, we are going to have a series of changes in regulations, if not in law, to allow someone to help build a shed, to allow someone to help share a silo, to allow what ordinary and ongoing operations occur every day in rural areas, and that is friends help friends.

One of the comments the gentleman from California [Mr. MILLER] made about this fact in response to the gentleman from California [Mr. LEHMAN] was that if these people utilize these kinds of arrangements, they might make more profit. I was not aware that what we were trying to do was to stifle profits. Here we are in a number of areas of the world attempting to free people so that they can be motivated by profit. What we want to make sure is that people do not get more than their fair share, and I do not think anybody in the room is opposed to that. I think they get the subsidized 960 acres, and that was the arrangement.

But where and when did we enter into any kind of legislative agreement that somebody out of their own labors and creativity are not supposed to get a little more profit if they are more creative than the other person?

The CHAIRMAN. The time of the gentleman from California [Mr. THOMAS] has again expired.

(By unanimous consent, Mr. THOMAS of California was allowed to proceed for 2 additional minutes.)

Mr. THOMAS of California. Mr. Chairman, I just think it is very, very subtle. Sometimes our motives surface in ways that are not fully apparent, and the comment about the fact that if somebody was creative and shared not in terms of damaging the Federal subsidy share but that somebody might make more money than somebody else, I think that underscores the motives of this amendment far more and far more eloquently than any other comment that could be made.

What we are about is requiring people to farm the Miller way, and if they do not farm the Miller way, that is not the proper way.

Mr. HUCKABY. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of California. I am happy to yield to the gentleman from Louisiana.

Mr. HUCKABY. Mr. Chairman, it is my understanding that under the Miller amendment, if one is farming more than this 960 acres, they still will be able to receive water; it is just now that they will have to pay full price for that water.

Is that the understanding of the gentleman?

Mr. THOMAS of California. That is current law, that if they farm more than that, they must pay full cost of the water for those acres beyond the amount that you have.

Mr. HUCKABY. If the gentleman will yield further, is it beyond the 960, or is it all acres? It is my understanding that it is all acres.

Mr. THOMAS of California. The concern that we have about the Miller amendment is that if one has any arrangement or combination with any other farmer, whatever that means, their 960-acres subsidy is under question. They would then to have to pay full price of the water for all the water.

Mr. HUCKABY. If the gentleman will yield further, that is the point I wanted to work to. There is existing in agricultural law today the requirement for other Federal programs to receive benefits that a person must be actively engaged in farming, and to be actively engaged in farming they must meet the test that they must provide the land, the capital, the equipment and also the management and labor.

Mr. THOMAS of California. The gentleman is correct.

Mr. HUCKABY. I regret the amendment offered by the gentleman from California did not incorporate this existing law so that we would solve the problem of where a father and son are sharing equipment or two brothers are sharing equipment.

Mr. THOMAS of California. Mr. Chairman, reclaiming my time, this would have been an obvious comment in the committee or subcommittee in terms of the precise language that we put in to try to make sure those kinds of requirements, energy effort, management brought to it was what deserved the subsidy. Instead, we have this relatively vague language attempting to be patched up for family member purposes which still leaves a tremendous doubt about the ongoing, everyday help efforts out in our farm areas which now not only be not proper under the law but would penalize someone by losing the subsidy.

The gentleman from California can stand up and say, "We did not intend to mean that; we did not intend to mean that," and he can say that all day and all night, but it still does not change the language.

Ironically, 3 years from now, if this passes and becomes law, he is going to be back here pounding us over the head with the letter of the law which says "any arrangement."

□ 1330

Mr. VENTO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the amendment to the Miller amendment, and in favor of the Miller amendment. I have listened a little to my colleagues and appreciate the intensity and importance of this issue to them in terms of the reclamation States that are affected. But I would point out, it reminds me of the story when someone says if you have lawyers in court, if you have the law on your side, you argue the law. He said if you have the facts, you can argue that facts. If you don't have either one, Mr. Chairman, you can argue process.

That seems to be the plight of the House Members' criticism today. I appreciate the comments of my colleagues about trying to resolve this matter. I think myself and members of the Committee on Interior and Insular Affairs sit through a lot of hearings on many, many issues. I know that the gentleman from California [Mr. MILLER] has been very busy in terms of hearings on subjects related to his jurisdiction, and related to this issue in past sessions of Congress and the current Congress.

Mr. DENNY SMITH. Mr. Chairman, will the gentleman yield?

Mr. VENTO. I yield to the gentleman from Oregon.

Mr. DENNY SMITH. Mr. Chairman, I am on that subcommittee, and I do not believe that we have had any hearings on this particular amendment. If that is the case, maybe the gentleman from California [Mr. MILLER] could enlighten us. We do sit through many hearings, but in fact I do not think we have had one on this bill. Is that correct?

Mr. VENTO. Mr. Chairman, I appreciate the views of the gentleman from Oregon [Mr. DENNY SMITH].

Mr. DENNY SMITH. That is not hardly a procedure. We just have not had any.

Mr. VENTO. Mr. Chairman, reclaiming my time, I do not know precisely on this amendment whether you had a hearing, or whether any hearings would have been adequate to satisfy some of the criticism that I have heard this afternoon. I know that Members are approaching it seriously and they are concerned about it. But I think that the fact is, as I recall the writing of this legislation in 1982, and I see now demonstrated again in 1990, that most of the major amendments on this are going to be considered on the floor. It is just the logistics and the makeup of the committee that is going to cause that particular problem—this phenomena. I think all Members regret that, but it has been a very tough battle, to try and address this particular issue on the floor again as we had to do in 1982.

Mr. Chairman, the Miller amendment would, of course, revise the 1982 Reclamation Reform Act to ensure, as we intended when we passed the law, that no farm larger than 960 acres may receive subsidized irrigation water.

We are not talking about a small sum here. We are talking about a subsidy, as has been pointed out, in current dollars of $304,000 per 960 acres.

Now, I know the gentleman from California [Mr. LEHMAN] has pointed out that he would like that extended, the 960-acre ownership, extended to every member of the family, the wife and kids. This might be something to keep the family unit together, I suppose, Mr. Chairman, I might say lightheartedly. But the fact is that this is certainly not the basis to determine generous water subsidies.

I think we are talking about trying to portion out what is the appropriate amount of assistance that we should provide in terms of the resources and the broad needs of our Nation.

I know initially when Congress acted on this law, we were talking about a 160-acre limitation. Well, that was administrated into oblivion, so it had no meaning any more.

We had court cases. We were trying to clear up a logjam and the clouds and the misunderstandings. So the 960 acres was not what initially as I recall passed this House. The 960 acres was a major compromise that the House agreed to in 1982.

Here we are now in 1990, I think it just points out the duplicity of some of the regulations that have affected this, that in fact we find that the 960 acres is not enough, that the water users are not willing to accept those particular limitations. The administration had during the 1980's, again given in to the arguments made by those from the West to perpetuate farms that are in reality millions of acres, Mr. Chairman, and are much larger than many of the other subsidies that anyone under any rational system would agree should exist.

The fact is that the Bureau of Reclamation subsidy program has become a leaking faucet of Federal dollars, long in need of immediate repair. Every year millions of dollars drip out of the public Treasury into the bulging coffers of what I characterize as some wealthy corporate farmers.

We should pass the acreage limitation by the gentleman from California [Mr. MILLER], the double subsidy amendment by the gentleman from Connecticut [Mr. GEJDENSON], and the foreign-owned corporation amendment by the gentleman from Oregon [Mr. DEFAZIO], to staunch the flow of waste and abuse in our water subsidy programs.

The 1982 act, as I said, attempted to clarify that reclamation program, and was targeted for small farmers. Yet as last year's General Accounting Office pointed out, a number of farmers are evading that limit and using the limit in corporations, trust arrangements, and partnerships to own multiple holdings, each under the 960 acres. The limit will save the taxpayer in dollars and guarantee the congressional intent as is followed.

Mr. Chairman, I ask Members to deal with this issue and to save the taxpayers dollars.

I am also supporting an amendment which would phase out Federal subsidies for irrigation water used to grow surplus crops. As a cosponsor of H.R. 1443, the Irrigation Subsidies Reform Act, I am genuinely pleased that we will have an opportunity to vote on the insidious practice of double subsidies. This practice benefits a select group of farmers at a high cost to the U.S. taxpayer. The Bureau of Reclamation has been providing western farmers with subsidized water to grow surplus crops while receiving Department of Agriculture money not to grow the same crops on other stretches of their land. By requiring cost-sharing on water provided by Bureau of Reclamation projects, we will save money and level the playing field for farmers in other parts of the country such as Minnesota who do not have access to vast quantities of subsidized water.

The last amendment to reform our subsidy program will stop giving water subsidies to foreign-owned corporations. The DeFazio amendment will close an unfair loophole which allows foreign-owned companies to receive subsidized water as long as they are incorporated in the United States. This absurd practice cheats American farmers and needs to be eliminated.

Mr. Chairman, our constituents are demanding us to control Government spending and balance the Federal budget. We frequently come to the floor and proclaim our sincere desire to cut spending and eliminate ineffective or wasteful Federal programs. Today we have an opportunity to stop a flagrant abuse of taxpayer dollars. I urge my colleagues to support the strengthening amendments and strike a blow for fiscal sanity.

Mr. DENNY SMITH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think it is extremely important that we do put on the record that this subcommittee has never had any hearing, has had ho hearing record on the Miller amendment. In fact, I think as we examine legislation that we have put through this body and then complain about later because we cannot possibly adjudicate on a bureau by bureau or from the Cabinet level, this piece of legislation and this particular Miller amendment is a good example.

Let me read just a little bit of a letter from the Department of the Interior, from the Bureau of Reclamation, written to the minority counsel.

Based upon the amendment language we received late last year, the precise impacts of Congressman Miller's proposal on both trusts and farm management arrangements are difficult to predict. This difficulty is caused primarily by the rather broad language contained in the proposed amendment. For example, the amendment seeks to place restrictions on the combination of landholdings into larger units by limiting the amount of water which may be delivered to a "farm" or "farm operation." Absent a clearer definition of these terms, the actual impact of such a restriction will likely depend upon subsequent regulatory interpretation.

The letter goes on,

Similarly, depending upon interpretation, it is unclear what effect this proposed amendment would have on farm management operations. Companies which operate farms owned by retired farmers, absentee owners, et cetera, virtually always "farm" more than 960 acres. Likewise, the range of services provided by such farm managers can vary widely. If such arrangements trigger acreage limitations, the impact could be both widespread and substantial.

No one wants to have a situation where we are giving a subsidy to somebody who is improperly receiving it. I think we have all seen the welfare queens and heard the stories of the food stamps.

But when you look at some of the things that are going to happen or potentially happen from the standpoint of the bureaucracy, here is another argument.

It says, "Section 1302, which amends section 202 of the RRA, does not provide an enforcible or workable definition of the 'farm operations' which would be subject to limitation, particularly because of the language which refers to lands which 'are directly or indirectly farmed by the same individual, group', et cetera. For instance, if two farmers share farming equipment and one farmer does plowing on both farms while the other farmer does cultivating or fertilizing, aren't they directly or indirectly farming each other's land? What about a company which owns a crop spraying plane and performs a spraying service for several farms, isn't this independent contractor directly or indirectly farming more acres than he is entitled to? These scenarios do not begin to address the possibilities such as a widow whose farm is operated by her son. Must this woman be forced to sell her farm because she cannot perform all the farming services herself? The vagueness of this provision would give the executive branch almost unlimited latitude in drafting regulations and would be a fertile source of future lawsuits. The Federal courts, not the Congress, would ultimately define these terms.

Mr. Chairman, I think this is where we run into the fact we have not had a hearing on the Miller amendment, and it would be very wise if we were to do that. I intend to vote against the amendment. I think that by so doing, we will maybe get the chance to have a hearing on it, because I think enough Members will rise to vote against it.

□ 1340

I would hope that my colleagues have had enough poorly drawn laws that are put before them to where they cannot do a very good job of representing their constituents because of the language was vague or inadequate.

Mr. LEHMAN of California. Mr. Chairman, will the gentleman yield?

Mr. DENNY SMITH. I yield to the gentleman from California.

Mr. LEHMAN of California. Mr. Chairman, I just want to reiterate, and I think the gentleman from California [Mr. THOMAS] demonstrated the total unreasonableness and impracticality of the Miller amendment approach.

It is OK for brothers under his arrangement to share, whatever that means, a tractor, and we will find out what that means when the Federal regulations are promulgated, but it is not okay for a neighbor to do it.

It does not work that way in the real world. When your tractor breaks down and your crop has to be harvested, you get a tractor wherever you can, and you are not going to worry about the Federal law or its application or Mr. MILLER or anyone here. That is how it works in the real world, and the amendment is totally impractical in that regard.

I also want to reiterate finally that nothing in this amendment will cost the taxpayers anything more than what is in the Miller amendment. In fact, the beneficiaries in this amendment and the beneficiaries in the Miller amendment will be exactly the same people. The same people will get the water, the same people will farm the land, only under this amendment they are allowed to do it together in a family as they have done it for generations. Under the Miller amendment they will not be able to.

I thank the gentleman for yielding.

Mr. ARMEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise on behalf of the Miller amendment. I rise in strong and enthusiastic support of the Miller amendment.

I must say that I and my staff have taken a good deal of interest in the efficient allocation of agricultural resources, water certainly not being the least of these, a very precious resource to our Nation's economy indeed. We have found the Miller amendment to be one that is very judicious, one that we feel will give us a more efficient use of this precious resource, more productive use of this precious resource and a more equitable use of this precious resource.

So, in the interest of efficiency, productivity and equity, I strongly endorse the work of the gentleman from California [Mr. MILLER]. He has done an excellent job I think of researching his subject matter and framing the amendment, and I certainly do want to support that work.

Mr. DOWNEY. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I yield to my good friend, the gentleman from New York.

Mr. DOWNEY. Mr. Chairman, I thank my friend from Texas for yielding. I would like to associate myself with his remarks.

Years ago this country was very rich and we did not have massive deficits and we could afford to be sloppy, and we were. There were subsidies for everyone, and the gentleman has been a conservative economist who has pointed them out over the years that are inimical to the operation of a free society, but some of us were able to turn a blind eye to subsidies because we had the money to do that, and we could help everyone.

My colleagues, we cannot help everyone today. The budget deficit is a clear indication that we have spent for too long money we did not have. What the Miller amendment is simply doing, and there has been more obfuscation about the Miller amendment than any amendment I have heard recently talked about, some arguing about whether or not I can loan my brother a tractor or loan my neighbor a tractor and this will become very, very difficult if we enact the Miller amendment to do anything, but the Miller amendment does not have anything to do with that. It says something very simple. It lifts the rock up and now we see the bugs scurrying around. The light is on the big farmers who have used corporate lawyers to provide subsidies for them and all the Miller amendment is saying is 960 acres is enough.

I think we can all admit that 960 acres is a pretty big farm, and 95 percent of the farmers are already complying with this. But there is a group, a rich, affluent, well-heeled, connected group of people who have been able to get their way here in the House and in the Senate, and now we are saying your time is up, we cannot afford to be sloppy anymore, we do not have the money. That is all it says.

Please, support the Miller amendment. I see two bulldogs of the Treasury ready to bite, and I am delighted to join with them right now, and I hope that my other Democratic friends will join our Republican friends in ending what has clearly been an unjustified subsidy.

Again I thank the gentleman very much for yielding.

Mr. ARMEY. I thank the gentleman from New York for his remarks.

Let me finish my time by saying again, not only in the interests of fiscal prudence in the way we use the taxpayers' money, and fairness in the way we use the taxpayers' money, but in the interest of efficient, conservative use of one of the most precious gifts of nature, good water where it is scarce and sorely needed, I would suggest a vote for the Miller amendment is a vote for a saner agricultural policy.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Lehman amendment. I will only take 30 seconds.

Mr. Chairman, there are no politics like the politics of water. Those of us who have grown up in the West appreciate that, and that is why this debate has had such a high pitch to it.

But let us remember what the fundamentals are. I am honored that my colleagues opposing my amendment have decided to call it the Miller amendment. But I want to tell Members where this amendment came from. This amendment came from the General Accounting Office, the investigative arm of the Congress of the United States. They spent 2 years at the request of this Congress to look into this matter, and when they came back they said these are our recommendations, and that is the Miller amendment, not drafted by me on some binge, not drafted in the last minute, drafted by the GAO after they spent 2 years and a lot of taxpayers' money trying to rectify this situation.

A lot has been made here that somehow I am against family farmers, and I will not let families share equipment and farm together. Not so. Let me say for some of the people from the East and maybe the Midwest that cannot appreciate what we are talking about, the GAO said, for example, on one cotton farm of 12,345 acres, and it is hard to envision 12,000 acres, ladies and gentlemen, but it is 20 square miles, they could not be subsidized under the law. So what did these wonderful people do? They created 15 separate holdings through 18 partnerships, 24 corporations, 11 trusts, and after GAO found out, the indications are that the 15 landholdings continue to be operated as one large farm, including four original partners who continue to manage all of the landholdings. At least one of the four partners is either the president or vice president of the corporations that participate in the agricultural division and decisions of the nine other landholdings, totaling 8,000 acres.

Mr. Chairman, this is about whether or not we rid the Federal taxpayers of a subterfuge that has cost us millions of dollars, precious resources. We owe better to our taxpayers.

I would ask for a no vote on the Lehman amendment and an aye vote on the Miller amendment.

Mr. PASHAYAN. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Without objection, the gentleman from California [Mr. PASHAYAN] is recognized for 5 minutes.

There was no objection.

Mr. PASHAYAN. Mr. Chairman, I want to make my remarks very short. No one is challenging the good intentions of the gentleman from California. We are simply trying to say this is a very complicated subject. He has chosen not to bring it through his subcommittee, not to bring it through the Committee on Interior and Insular Affairs.

His language may well have unintended consequences. Last night we accepted an amendment from the gentleman that improved the ability of the Secretary of the Interior to enforce and to punish those people who are in violation. Many of the kinds of violations or infractions he has reference to are already remediable under an existing law, and it is a question of enforcement.

The gentleman's amendment is simply too much too soon, and it deserves the attention of the subcommittee and the full committee. He is going to end up injuring a lot of small people.

Mr. LEHMAN of California. Mr. Chairman, will the gentleman yield?

Mr. PASHAYAN. I yield to the gentleman from California.

Mr. LEHMAN of California. Mr. Chairman, I thank the gentleman for yielding. I would just point out to the House before we vote that the example the gentleman from California [Mr. MILLER] just cited has nothing to do with the Lehman amendment. Prohibitions against that type of activity in his amendment is untouched by the Lehman amendment.

□ 1350

All this amendment does is allow families to continue farming together. They cannot under the Lehman amendment receive benefits beyond 960, just as they cannot under Mr. MILLER's amendment. The same people receive the same benefits; they are just allowed to farm together in an economical, efficient, and traditional American method of farming.

I ask for an aye vote.

Mr. PASHAYAN. I agree with the gentleman, I agree with the point the gentleman is making.

Mr. Chairman, it may not be the intention of the gentleman from California [Mr. MILLER], but what he is doing is seriously damaging traditional family farming and family farming practices.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. LEHMAN] to the amendment offered by the gentleman from California [Mr. MILLER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. LEHMAN of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 118, noes 297, not voting 17, as follows:

[Roll No. 169]

AYES—118

Alexander	Hancock	Packard
Anderson	Hansen	Panetta
Barton	Hatcher	Parker
Bateman	Hefley	Parris
Bereuter	Herger	Pashayan
Bevill	Holloway	Patterson
Bilbray	Hopkins	Payne (VA)
Bliley	Hubbard	Perkins
Boucher	Hunter	Quillen
Brown (CA)	Hutto	Rhodes
Bunning	Inhofe	Roberts
Bustamante	Ireland	Rogers
Byron	Kleczka	Sarpalius
Campbell (CO)	Kolbe	Schaefer
Chandler	Kyl	Schiff
Clinger	Lagomarsino	Shumway
Coleman (MO)	Laughlin	Shuster
Combest	Leath (TX)	Skeen
Condit	Lehman (CA)	Slaughter (VA)
Craig	Lewis (CA)	Smith (IA)
Dannemeyer	Lewis (FL)	Smith (NE)
de la Garza	Lightfoot	Smith (TX)
Derrick	Lowery (CA)	Smith, Denny (OR)
Dickinson	Lukens, Donald	Smith, Robert (OR)
Dornan (CA)	Madigan	Stallings
Durbin	Marlenee	Stangeland
Edwards (OK)	Martinez	Stenholm
Emerson	Matsui	Stump
English	McCandless	Swift
Espy	McCollum	Taylor
Fazio	McEwen	Thomas (CA)
Fields	McMillan (NC)	Thomas (WY)
Gallegly	Miller (OH)	Udall
Geren	Montgomery	Vucanovich
Gillmor	Moorhead	Whittaker
Gingrich	Morrison (WA)	Williams
Grandy	Myers	Young (AK)
Grant	Nagle	Young (FL)
Gunderson	Olin	
Hammerschmidt	Ortiz	

NOES—297

Ackerman	Courter	Gordon
Andrews	Cox	Goss
Annunzio	Coyne	Gray
Anthony	Crane	Green
Applegate	Darden	Guarini
Archer	Davis	Hall (OH)
Armey	DeFazio	Hamilton
Aspin	DeLay	Harris
Atkins	Dellums	Hastert
AuCoin	DeWine	Hawkins
Baker	Dicks	Hayes (IL)
Ballenger	Dingell	Hayes (LA)
Barnard	Dixon	Hefner
Bartlett	Donnelly	Henry
Bates	Dorgan (ND)	Hertel
Beilenson	Douglas	Hiler
Bennett	Downey	Hoagland
Bentley	Dreier	Hochbrueckner
Bilirakis	Duncan	Horton
Boehlert	Dwyer	Houghton
Boggs	Dymally	Hoyer
Bonior	Dyson	Huckaby
Borski	Early	Hughes
Bosco	Eckart	Jacobs
Boxer	Edwards (CA)	James
Brennan	Engel	Jenkins
Brooks	Erdreich	Johnson (CT)
Broomfield	Evans	Johnson (SD)
Browder	Fascell	Johnston
Brown (CO)	Fawell	Jones (GA)
Bruce	Feighan	Jones (NC)
Bryant	Fish	Jontz
Buechner	Flake	Kanjorski
Burton	Flippo	Kaptur
Callahan	Foglietta	Kasich
Campbell (CA)	Ford (MI)	Kastenmeier
Cardin	Ford (TN)	Kennedy
Carper	Frank	Kennelly
Carr	Frenzel	Kildee
Chapman	Frost	Kolter
Clarke	Gallo	Kostmayer
Clay	Gaydos	LaFalce
Clement	Gejdenson	Lancaster
Coble	Gekas	Lantos
Collins	Gephardt	Leach (IA)
Conte	Gibbons	Lehman (FL)
Conyers	Gilman	Lent
Cooper	Glickman	Levin (MI)
Costello	Gonzalez	Levine (CA)
Coughlin	Goodling	Lewis (GA)
Lipinski	Petri	Smith, Robert (NH)
Livingston	Pickett	Snowe
Lloyd	Pickle	Solarz
Long	Porter	Solomon
Lowey (NY)	Poshard	Spence
Luken, Thomas	Price	Spratt
Machtley	Pursell	Staggers
Manton	Rahall	Stark
Markey	Ravenel	Stearns
Martin (IL)	Ray	Stokes
Martin (NY)	Regula	Studds
Mazzoli	Richardson	Sundquist
McCloskey	Ridge	Synar
McCrery	Rinaldo	Tallon
McCurdy	Ritter	Tanner
McDade	Roe	Tauke
McDermott	Rohrabacher	Tauzin
McGrath	Ros-Lehtinen	Thomas (GA)
McHugh	Rose	Torres
McMillen (MD)	Roth	Torricelli
McNulty	Roukema	Towns
Meyers	Rowland (CT)	Traficant
Mfume	Rowland (GA)	Traxler
Miller (CA)	Roybal	Unsoeld
Miller (WA)	Russo	Upton
Mineta	Sabo	Valentine
Moakley	Saiki	Vander Jagt
Molinari	Sangmeister	Vento
Mollohan	Savage	Visclosky
Moody	Sawyer	Volkmer
Morrison (CT)	Saxton	Walgren
Mrazek	Scheuer	Walker
Murphy	Schneider	Walsh
Murtha	Schroeder	Washington
Natcher	Schulze	Waxman
Neal (MA)	Schumer	Weiss
Neal (NC)	Sensenbrenner	Weldon
Nowak	Serrano	Wheat
Oakar	Sharp	Whitten
Oberstar	Shaw	Wilson
Obey	Shays	Wise
Owens (NY)	Sikorski	Wolf
Owens (UT)	Sisisky	Wolpe
Oxley	Skaggs	Wyden
Pallone	Skelton	Wylie
Paxon	Slattery	Yates
Payne (NJ)	Slaughter (NY)	Yatron
Pease	Smith (FL)	
Pelosi	Smith (NJ)	
Penny	Smith (VT)	

NOT VOTING—17

Berman	Mavroules	Robinson
Coleman (TX)	Michel	Rostenkowski
Crockett	Morella	Schuette
Gradison	Nelson	Watkins
Hall (TX)	Nielson	Weber
Hyde	Rangel	

□ 1412

Messrs. OWENS of Utah, WASHINGTON, SKELTON, MOODY, and COBLE changed their vote from "aye" to "no."

Messrs. OLIN, PACKARD, QUILLEN, DONALD E. "BUZ" LUKENS, DE LA GARZA, and SCHAEFER changed their vote from "no" to "aye."

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DE FAZIO TO THE AMENDMENT OFFERED BY MR. MILLER OF CALIFORNIA

Mr. DEFAZIO. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. DEFAZIO to the amendment offered by Mr. MILLER of California: At the end of the amendment, insert the following new section:

SEC. 1308. RESTRICTION OF BENEFITS TO CITIZENS AND RESIDENT ALIENS.

(a) Section 202(7) of the Act is amended by striking the period and inserting in lieu thereof the following: ": *Provided*, That all such persons are citizens of the United States or resident aliens thereof.".

(b) Section 202(9) of the Act is amended by striking the period and inserting in lieu thereof the following: ": *Provided*, That all such persons are citizens of the United States or resident aliens thereof.".

Mr. DEFAZIO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. DEFAZIO. Mr. Chairman, I am offering an amendment that will prevent an abuse of the reclamation program that has gone unabated since the passage of the 1982 Reclamation Reform Act. In 1982, Congress moved to halt foreign interests from receiving federally subsidized water. But the Bureau of Reclamation, in their infinite wisdom, drafted regulations with a huge loophole that still allows foreign interests to receive federally subsidized water.

In short, the Bureau's regulations prohibit nonresident alien individuals from receiving federally subsidized water; but corporations owned by such individuals are still eligible. All that a foreign investor needs to do is spend $50 to incorporate in the United States. For this small investment, an investor can receive thousands of dollars' worth of subsidies in low-priced water, paid for by the American taxpayer. Subsequently, this foreign investor can compete in the marketplace with the American family farmer, who is trying to make enough money just to keep the farm going.

Why should the American taxpayer subsidize foreign investments? The answer is that they shouldn't. Will this amendment provide the panacea to all of the ills that plague the family farm? Of course not. The point is simply that federally subsidized water should go to those it was meant for—American citizens or resident aliens.

In an era of increasingly scarce Federal dollars, we should not be giving tax dollars away hand over fist to foreign corporations. The reclamation program was targeted for legitimate uses by the family farmer, not as a tax shelter to wealthy barons or foreign corporations.

It's time to close this loophole and move toward more responsible uses of our scarce water resources. It's time to say, "Enough is enough!" It's time to quit helping foreign corporations compete with domestic farms. It's time to pass this amendment and bring some fiscal responsibility to the reclamation program.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. DEFAZIO. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I would like to commend the gentleman from Oregon [Mr. DEFAZIO] for offering this amendment. He has spent a great deal of time on it, and he is pointing out for the Members of this body that again we have a loophole that allows the benefits of the Treasury to flow to foreign corporations and individuals. This amendment will plug that loophole. We have looked at the amendment, and we would be happy to accept it. I think it is in keeping with the intentions of the committee and of this body.

Mr. DEFAZIO. Mr. Chairman, I thank the gentleman from California [Mr. MILLER].

Mr. THOMAS of Wyoming. Mr. Chairman, if the gentleman will yield, the minority has reviewed the gentleman's amendment and finds it acceptable.

Mr. LEHMAN of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just want to engage in a quick colloquy with the gentleman from California [Mr. MILLER]. What is the effect of the gentleman's amendment with respect to trusts when the aggregate acreage farmed in that trust is less than 960 acres?

Mr. MILLER of California. Mr. Chairman, if the gentleman will yield, let me ask this: Is the gentleman talking about a family trust?

Mr. LEHMAN of California. Either one.

Mr. MILLER of California. Mr. Chairman, I would say to the gentleman that it is the intent of this amendment that we limit the flow of subsidies to a farm of 960 acres, and it is not my intent to limit the flow of that subsidy to where the aggregate holdings are less than 960 acres.

Mr. LEHMAN. Whether it is a family or not?

Mr. MILLER of California. The gentleman is correct.

□ 1420

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. DEFAZIO] to the amendment offered by the gentleman from California [Mr. MILLER].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment, offered by the gentleman from California [Mr. MILLER], as amended.

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. MILLER of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 316, noes 97, not voting 19, as follows:

[Roll No. 170]

AYES—316

Ackerman	Ford (MI)	McMillen (MD)
Anderson	Ford (TN)	McNulty
Andrews	Frenzel	Meyers
Annunzio	Gallo	Mfume
Anthony	Gaydos	Miller (CA)
Applegate	Gejdenson	Miller (OH)
Archer	Gekas	Miller (WA)
Armey	Gephardt	Mineta
Aspin	Gibbons	Moakley
Atkins	Gillmor	Molinari
AuCoin	Gilman	Mollohan
Ballenger	Gingrich	Moody
Barnard	Glickman	Morrison (CT)
Bartlett	Gonzalez	Mrazek
Bates	Goodling	Murphy
Beilenson	Gordon	Murtha
Bennett	Goss	Natcher
Bentley	Gradison	Neal (MA)
Bereuter	Gray	Neal (NC)
Bevill	Green	Nowak
Bilbray	Guarini	Oakar
Bilirakis	Hall (OH)	Oberstar
Boehlert	Hamilton	Obey
Boggs	Harris	Owens (NY)
Bonior	Hastert	Owens (UT)
Borski	Hawkins	Oxley
Bosco	Hayes (IL)	Pallone
Boucher	Hayes (LA)	Patterson
Boxer	Hefley	Paxon
Brennan	Hefner	Payne (NJ)
Brooks	Henry	Pease
Broomfield	Hertel	Pelosi
Browder	Hiler	Penny
Brown (CA)	Hoagland	Petri
Brown (CO)	Hochbrueckner	Pickett
Bruce	Hopkins	Pickle
Bryant	Horton	Porter
Buechner	Houghton	Poshard
Burton	Hoyer	Price
Callahan	Hughes	Pursell
Campbell (CA)	Hutto	Rahall
Cardin	Hyde	Ravenel
Carper	Jacobs	Ray
Carr	James	Regula
Chapman	Jenkins	Richardson
Clarke	Johnson (CT)	Ridge
Clay	Johnson (SD)	Rinaldo
Clement	Johnston	Ritter
Coble	Jones (GA)	Roe
Conte	Jones (NC)	Rogers
Conyers	Jontz	Rohrabacher
Cooper	Kanjorski	Ros-Lehtinen
Costello	Kaptur	Rose
Coughlin	Kasich	Roth
Courter	Kastenmeier	Roukema
Coyne	Kennedy	Rowland (CT)
Crane	Kennelly	Rowland (GA)
Darden	Kildee	Roybal
Davis	Kleczka	Russo
DeFazio	Kolter	Sabo
DeLay	Kostmayer	Saiki
Dellums	LaFalce	Sangmeister
DeWine	Lancaster	Savage
Dickinson	Lantos	Sawyer
Dicks	Laughlin	Saxton
Dingell	Leach (IA)	Scheuer
Dixon	Lehman (FL)	Schneider
Donnelly	Lent	Schroeder
Dorgan (ND)	Levin (MI)	Schulze
Dornan (CA)	Levine (CA)	Schumer
Douglas	Lewis (FL)	Sensenbrenner
Downey	Lewis (GA)	Serrano
Duncan	Lipinski	Sharp
Durbin	Lloyd	Shaw
Dwyer	Long	Shays
Dymally	Lowey (NY)	Shuster
Dyson	Luken, Thomas	Sikorski
Early	Machtley	Sisisky
Eckart	Manton	Skaggs
Edwards (CA)	Markey	Skelton
Edwards (OK)	Martin (IL)	Slattery
Engel	Martin (NY)	Slaughter (NY)
English	Mazzoli	Smith (FL)
Erdreich	McCloskey	Smith (NJ)
Evans	McCollum	Smith (TX)
Fascell	McCrery	Smith (VT)
Fawell	McCurdy	Smith, Robert (NH)
Feighan	McDade	
Fields	McDermott	Snowe
Fish	McEwen	Solarz
Flake	McGrath	Solomon
Flippo	McHugh	Spence
Foglietta	McMillan (NC)	Spratt
Staggers	Traficant	Weldon
Stark	Udall	Wheat
Stearns	Unsoeld	Whitten
Stokes	Upton	Wilson
Studds	Vento	Wise
Synar	Visclosky	Wolf
Tanner	Volkmer	Wolpe
Tauke	Walgren	Wyden
Taylor	Walker	Wylie
Thomas (GA)	Walsh	Yates
Torres	Washington	Yatron
Torricelli	Waxman	Young (FL)
Towns	Weiss	

NOES—97

Alexander	Holloway	Payne (VA)
Baker	Hubbard	Perkins
Barton	Huckaby	Quillen
Bateman	Hunter	Rhodes
Bliley	Inhofe	Roberts
Bunning	Ireland	Sarpalius
Bustamante	Kolbe	Schaefer
Byron	Kyl	Schiff
Campbell (CO)	Lagomarsino	Shumway
Chandler	Lehman (CA)	Skeen
Clinger	Lewis (CA)	Slaughter (VA)
Coleman (MO)	Lightfoot	Smith (IA)
Combest	Livingston	Smith (NE)
Condit	Lowery (CA)	Smith, Denny (OR)
Cox	Lukens, Donald	
Craig	Madigan	Smith, Robert (OR)
Dannemeyer	Marlenee	
de la Garza	Martinez	Stallings
Derrick	Matsui	Stangeland
Dreier	McCandless	Stenholm
Emerson	Michel	Stump
Espy	Montgomery	Sundquist
Fazio	Moorhead	Swift
Gallegly	Morrison (WA)	Tallon
Geren	Myers	Tauzin
Grandy	Nagle	Thomas (CA)
Grant	Olin	Thomas (WY)
Gunderson	Ortiz	Valentine
Hammerschmidt	Packard	Vander Jagt
Hancock	Panetta	Vucanovich
Hansen	Parker	Whittaker
Hatcher	Parris	Williams
Herger	Pashayan	Young (AK)

NOT VOTING—19

Berman	Leath (TX)	Rostenkowski
Coleman (TX)	Mavroules	Schuette
Collins	Morella	Traxler
Crockett	Nelson	Watkins
Frank	Nielson	Weber
Frost	Rangel	
Hall (TX)	Robinson	

The Clerk announced the following pair:

On this vote:

Mr. Berman, for, with Mr. Nielson of Utah against.

Mr. DERRICK changed his vote from "aye" to "no."

Mr. LAUGHLIN and Mr. UDALL changed their vote from "no" to "aye."

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

Mr. MILLER of California. Mr. Chairman, I move to strike the last word.

Mr. MORRISON of Washington. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I am happy to yield to the gentleman from Washington.

Mr. MORRISON of Washington. Mr. Chairman, I would like to engage in a colloquy on some of the implications of the amendment just passed.

Mr. Chairman, I ask the gentleman from California [Mr. MILLER], is it his

understanding and intent that his amendment would not prevent members of a farmer cooperative, whether processing or marketing, from receiving directly or indirectly management, financing, advice, or services from the farmers' cooperative?

Mr. MILLER of California. Mr. Chairman, the gentleman is correct.

Mr. MORRISON of Washington. Is it the understanding and intent of the gentleman from California [Mr. MILLER] that his amendment would not prevent users of an agricultural packinghouse from receiving management, financing, advice, or services from the agricultural packinghouse if the users operate under management or operating contracts?

Mr. MILLER of California. The gentleman is again correct.

Mr. MORRISON of Washington. Is it the understanding and intent of the gentleman from California [Mr. MILLER] that his amendment would not apply collectively to the joint operation, financing, or management arrangement between members of the same family who individually own and farm less than 960 acres as long as the total operation does not exceed 960 acres?

Mr. MILLER of California. The gentleman is again correct.

Mr. MORRISON of Washington. Mr. Chairman, I thank the gentleman for engaging in this colloquy.

AMENDMENT OFFERED BY MR. GEJDENSON

Mr. GEJDENSON. Mr. Chairman, I offer an amendment, amendment No. 5.

The Clerk read as follows:

Amendment offered by Mr. GEJDENSON: Page 20, after line 16, add the following:

TITLE XIII—COST OF IRRIGATION WATER

SEC. 1301. COST FOR DELIVERY OF WATER USED TO PRODUCE THE CROPS OF CERTAIN AGRICULTURAL COMMODITIES.

Section 9 of the Reclamation Projects Act of 1939 (43 U.S.C. 485h) is amended by inserting at the end thereof the following new subsection:

"(g)(1) All contracts entered into, renewed, or amended under authority of this section or any other provision of Federal reclamation law after—

"(A) 2 years after the date of enactment of this subsection shall require that the organization agree by contract with the Secretary to pay at least 50 percent of full cost for the delivery of water used in the production of any crop of an agricultural commodity for which an acreage reduction program is in effect under the provisions of the Agricultural Act of 1949; and

"(B) 4 years after the date of enactment of this subsection shall require that the organization agree by contract with the Secretary to pay at least full cost for the delivery of water used in the production of any crop of an agricultural commodity for which an acreage reduction program is in effect under the provisions of the Agricultural Act of 1949.

"(2) The Secretary shall announce the amount of the full cost payment for the succeeding year on or before July 1 of each year.

"(3) As used in this subsection, the term 'full cost' shall have the meaning given such term in paragraph (3) of section 202 of the Reclamation Reform Act of 1982.

"(4) This subsection shall not apply to—

"(A) any contract which provides for irrigation on individual Indian or tribal lands on which repayment is deferred pursuant to the Act of July 1, 1932 (chap. 369; 47 Stat. 564; 25 U.S.C. 386(a); commonly referred to as the "Levitt Act"); and

"(B) an amendment of any contract with any organization which, on the date of enactment of this subsection, is required pursuant to the delivery of water to make cash contributions of at least 20 percent of the cost of construction of irrigation facilities concurrently with the construction of such facilities by the Secretary.".

Mr. GEJDENSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. GEJDENSON. Mr. Chairman, we have basically the same issue at hand here.

This is a test of how much support products that are already in surplus receive from the Federal Government. This is a question of whether we will end the contradiction that presently exists between the reclamation program and the USDA income and price-support programs.

We have the ironic situation of the taxpayer paying to set land aside, buying or supporting crop prices when they are not adequate for the farmer's income, and then taking farmers who have land that would not be able to grow that crop and subsidize additional quantities of that crop being grown through our reclamation water programs.

A 1984 study said that as a result of the Reclamation Reform Act of 1982, it determined that 45 percent of the 12 million acres irrigated by the Bureau of Reclamation was growing surplus crops. Almost half of all the farmers that get this massively subsidized water grow crops that are already in surplus, and that study concluded the production of certain commodities on certain reclamation projects appears to be a conflict with other Federal policies.

What does that conflict mean? That conflict means that the taxpayers are subsidizing programs that are operating at cross-purposes. It also means that farmers in one State are disadvantaged by a program that assists farmers in another State. This goes along with what the chairman, the gentleman from California [Mr. MILLER], began.

It levels the playing field, and we do it as gradually as possible. The program would be phased in over a 4-year period, 50 percent real cost after 2 years, 100 percent for those contracts negotiated after 4 years. It gives farmers a chance to adjust and look at other crops. It does try to give the taxpayer somewhat of a fair deal.

Mr. Chairman, we have a $200 billion deficit. We are not going to solve it all here in this part, but as somebody who grew up on a farm and knows how hard farmers work, it is clear to me that if we want to defend farm programs, they have to be rational. They have to provide goals that society generally agrees on, and that do not work at cross-purposes.

This program is worse than the most expensive and failed 5-year plan of the Soviets. It takes American taxpayer dollars and increases surpluses, which reduces the value of the crops that farmers grow. It places additional burdens on the taxpayers by increasing price supports.

We have had trouble ferreting this information out. When we first asked the agency what it cost, they came back to us with an estimate of about $9.8 billion since 1902. The people inside the agency that came up with the real numbers were moved out of water into pollution control or something, because the truth was so damaging to this program.

Our economists at the Congressional Budget Office figure this cost us between $33 billion and $70 billion since the program began.

The present program adds to surpluses, gluts an already glutted market, further depresses market prices, and damages farmers in other regions of the country.

Let us vote for this amendment. It reduces surpluses. It will increase income for farmers, reduces the cost of USDA storage and reduces Federal expenditures.

We have tough decisions ahead of us. This is not one of them. It is clearly correct to end this double subsidy. Crops that are in surplus ought not get subsidized water to grow even more surplus.

Mr. Chairman, I thank the gentleman from Arizona [Mr. UDALL] and the gentleman from Arizona [Mr. RHODES] for the work they put into this amendment. We tried to give farmers an opportunity to get this in an evolutionary manner. It would make sense to end this program tomorrow, but we are giving them 4 years to adjust to it.

Mr. Chairman, over the years, on this floor, we have discussed some Government programs that were established in another era to address a set of problems and to encourage economic development in another decade but whose usefulness and effectiveness are no longer valid or necessary. The amendment that I am offering today addresses one of the most glaring examples of a program that is no longer serving the purpose for which it was

established. To forestall action will continue inequities and contradictions in our Nation's agriculture and reclamation policies.

Mr. Chairman, my amendment would end an inherent contradiction between the Interior Department's reclamation policy and the U.S. Department of Agriculture's [USDA] Crop and Income Support Program. On the one hand, a select group of Western farmers are provided with below-cost, federally subsidized irrigation water from the Bureau of Reclamation to grow crops that are already in surplus. At the same time, the U.S. Department of Agriculture pays many of the same farmers not to grow these crops on other tracts of their land.

IN 1984, the U.S. Department of Agriculture issued a report entitled "Production of surplus crops on irrigated lands served by the Bureau of Reclamation" to determine how widespread a problem existed. This study determined that as much as 45 percent of the 12 million acres served by the Bureau of Reclamation are producing surplus or program crops. The study also concluded that the "production of certain commodities on certain reclamation projects appears to be in conflict with other Fedeal policies."

Does that make sense?

No. My amendment would end this contradiction. My amendment would phase-in a requirement that farmers, which under current law are able to receive federally subsidized water to grow crops that are already in surplus, pay full price for the irrigation water provided by the Bureau of Reclamation used to grow these crops.

Most irrigators in the reclamation program, however, will have many years to plan and prepare for the new charges, because the pricing provisions of existing water supply contracts will continued to be honored.

Provisions of my amendment would not go into effect for 2 years after enactment of the legislation. At the that time, water contracts that are entered in or amended must require the payment of 50 percent of full cost for the water used to grow the program or surplus crops. It is not until 4 years after enactment that all water service contracts entered into, renewed or amended must require the payment of full cost for the water used to grow surplus crops.

Mr. Chairman, in this country, we are faced with a Federal budget deficit of as much as $200 billion. Right now, the President and Members of this body are involved in a "summit" to find a way to bring this deficit under control. What we should do before we consider new taxes or cut program benefits to the most needy people in this country is reform outdated progarms like this one waste taxpayers' money.

According to economists within the Bureau of Reclamation [BUREC], the taxpayers of this country provide an estimated $830 million in subsidized water each year to farmers to grow surplus crops.

To make matters worse, according to the Economic Research Service of U.S. Department of Agriculture, taxpayers of this country spent an estimated $379 million in 1986 on commodity and income and price support payments to farmers using federally subsidized irrigation water to grow surplus crops.

During the 100th Congress, while serving as chairman of the Interior and Insular Affairs Subcommittee on Oversight and Investigations, I asked the Interior Department, which oversees the Bureau of Reclamation, for an accurate calculation of the costs to the taxpayers in providing these irrigation subsidies. Publicly, the Department of the Interior blatantly and repeatedly underestimated the cost of these irrigation subsidies to the taxpayers. Privately, the Department's own economists responsible for calculating irrigation project costs, charged in an internal memoranda that the Department's official price tag of $9.8 billion for the total cost of the federally funded water projects through the Bureau of Reclamation were too low. The Interior Department's Office of Policy Analysis calculated the cost of the Bureau's subsidized water program at between $22 and $28 billion since inception.

In addition, the Congressional Budget Office estimated the water subsidy at between $33.7 and $70 billion since the program began in 1902.

Mr. Chairman, we are spending hundreds of millions of dollars per year and tens of billions of dollars since the inception of the reclamation program to provide cheap water for farmers to grow surplus crops. Not only does this not make sense and waste taxpayer dollars, but this system of encouraging the production of unneeded crops adds to the glut of surplus commodities. This not only adds to the already existing surpluses but more importantly, it further depresses market prices for these commodities. As my colleagues know, the main problem facing farmers today is low-commodity prices caused by overproduction. Simply reducing the volume of surplus crops will: increase commodity prices paid to farmers; reduce storage costs for surplus crops to the Government, and improve farmers' income. This select group of farmers using BUREC water to grow surplus crops inundates the markets with unneeded commodities and drive up Federal expenditures for the USDA commodity programs.

The current system which allows farmers to use subsidized water to grow unneeded agriculture commodities places farmers in other parts of the Nation, which produce the same commodities but do not have the benefit of an almost unlimited supply of cheap irrigation water, at a disadvantage in the marketplace. Farmers in other parts of the Nation have higher costs of production, higher risks, and significantly lower annual yields. According to the Federal Crop Insurance Corporation, which provides Federal crop insurance to farmers across the Nation, the average yield for an irrigated wheat crop in Fresno County, CA, is 80 bushels per acre. Whereas in De Kalb County, IL, the average yield is only 50 bushels per acre and in Alabama, the average yield is only 30 bushels per acre.

In addition, when you take a look at the risk rates that the crop insurance corporation uses to set insurance rates for commodities in different areas, you will see some very significant variations based on region. In Fresno County, CA, for example, the risk rate for irrigated cotton is only 4.4 percent. Whereas in Arkansas, the risk rate for irrigated cotton is 7.5 percent and is as high as 12.3 percent for non-irrigated cotton.

Mr. Chairman, I was raised on a small dairy farm in eastern Connecticut and have a great deal of respect for farmers in this country. They are very hard-working, self-sufficient people who provide a crucial and often unrecognized and under-appreciated service to the citizens of this Nation and the world. American farmers are among the most productive agricultural producers in the world. I believe strongly that we need to continue to provide support for farmers to ensure that they can continue to earn an honest living. And it is because of this respect and admiration that I offer this amendment. With this amendment, we have the opportunity to return greater credibility to our Nation's farm programs and to our Nation's reclamation policy.

In the future, Mr. Chairman, I would like to support the construction and funding of water projects if they are necessary to enhance economic development opportunities for a region. But because of the inherent contradiction and the waste of taxpayers dollars, I cannot. How can we support providing billions of dollars to these programs, especially considering our budget situation, when they do not make sense?

Mr. Chairman, this is not a new issue, we have been debating this issue for a number of years. In 1986, our former colleague, Mr. Bedell of Iowa, offered a similar amendment to the one I am offering today. In 1987, the Interior Subcommittee on Water and Power conducted a full hearing on this legislation on May 12, 1987. In addition, the Agriculture Subcommittee on Wheat, Soybeans, and Feed Grains conducted a hearing on the agriculture impact of similar legislation on March 19, 1990.

Last November, when H.R. 2567 was reported out by the Interior Committee, I expressed my desire to offer this amendment but the bill was delayed in coming to the floor until today. Since then, I have had the opportunity to meet with western water users, Indian tribes, environmentalists and numerous other interested parties and listened to their concerns and made every attempt to address those concerns. I asked the people who came to see me, to find an alternative to my bill that ends this contradiction. I am pleased to say that this amendment addressed those concerns.

First, the provisions in my amendment will be phased in, allowing farmers and districts a reasonable period of time to anticipate and plan for the effects of the new price charges.

Second, the provisions of my amendment will not apply to water provided to Indians and Indian tribes. As many of my colleagues know, it has long been the policy of the Federal Government to provide an additional measure of subsidy to Indian and Indian tribes because of the trustee relationship of the Federal Government and because of the dire necessity for Indian economic development.

And finally, Mr. Chairman, a small number of water districts have up-front cost-sharing provisions in their existing contracts to pay for a portion of the cost of construction of the water distribution facility. As a result of this regulation, which was mandated by Congress

in 1982, several water districts have issued bonds to be repaid with a revenue stream which is dependent on the current cost of water provided. By providing an exemption from the full-cost pricing provisions of this amendment for these districts, this language will make the amendment compatible with this unique cost-sharing provision.

I would like to thank, among others, Mr. UDALL, the chairman of the Committee on Interior and Mr. RHODES, also of the committee, for working so closely with me to develop this language to find a resolution to this long-standing problem, and to enjoy their support for this important reform.

Mr. Chairman, this amendment is not a partisan issue and it is not a regional issue. This amendment is good for farmers, it is good for the taxpayers, and it is good for the environment, since it promotes the efficient use of water, a precious resource, especially in the west.

But more importantly, Mr. Chairman, this amendment represents good government. It puts an end to an inherent contradiction between two Federal Programs and brings back much needed credibility to our Nation's water reclamation policy and our agriculture policies. I urge my colleagues, from all regions of the Nation to support this amendment.

Mr. MORRISON of Washington. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope that we can now change focus from the rather exhausting exchange we have had over the Miller amendment, because this is dramatically different. I think it is important that we change our focus from the large farms that were discussed in that exchange to the small farms that are represented really in many of our irrigated areas in the United States.

□ 1450

Very frankly, the impact of the amendment of the gentleman from Connecticut [Mr. GEJDENSON] could be almost shrugged off by larger farmers, but it has a devastating impact on that small, struggling family farm which characterizes my constituents at least.

Let me give you the average ownership of the land of people in these projects, particularly in the central Washington State area represented by the gentleman from Washington [Mr. FOLEY] and myself.

The average farmer there owns land in the volume of 174 acres. Some of them lease some land as well. The average owned and leased is 234 acres.

About half of these farmers are involved in some way in growing one program crop or another.

I would like to make the point that irrigation under a Federal project is really not a gift. It has been described as this great ripoff here today. If one looks at the numbers, one will find that it takes three generations of farmers under these irrigation projects, three changes of ownership, before any economic stability is reached.

In other words, it is a continual struggle, even with the support of water through an irrigation project.

The Columbia Basin project, more famously known under the Grand Coulee, for instance including the drawing at the end of World War II when it was created for veterans returning from the war to have a chance to start there and farm. They were to be pioneers in this new area.

Well, even with the advantages they had, very, very few are left. So to irrigate, to operate under a Federal reclamation project, is not a gift. It is a challenge, it is a special opportunity.

When you look at agriculture across the Nation you will find most is watered by Mother Nature. And yes, there is some inconsistency in that.

This Congress passes the drought relief packages at great expense almost every year because of that inconsistency. But I want you to know that water under an irrigation project is not free either. It is paid back over time through a formula that is worked out by the Bureau of Reclamation. That Bureau measures the ability to repay in a certain area, under the distance to the marketplace and so forth.

So the application of water to land costs money, too. Capital costs of up to $1,000 per acre just to distribute the water evenly and do it in an environmentally benign way, annual costs for maintenance and operation of the canal project. As I said, you repay the Federal investment. There is labor and equipment, electricity. All of this adds up to a significant investment that the irrigation farmer has that the farmer that counts just on Mother Nature's moisture does not have to pay.

As a result, in these reclamation areas you have really no reliance then on the drought relief programs. I might remind Members in 1987-88, $5.7 billion in drought relief. We have seen these and we can argue over the figures as to what actually has been invested in reclamation projects, but you will find it does not take very many years of drought relief to more than offset the total investment, even if the farmers were not paying any of it off.

The Committee on Agriculture was in session until 2 o'clock this morning trying to write a farm bill that we will bring to you shortly. That farm bill, and our chairman has just entered the Chamber, was slanted really toward preservation of the American family farm. Unfortunately, the target of the gentleman from Connecticut [Mr. GEJDENSON], and he does not intend this, but it is primarily larger growers.

The gentleman wants to say you cannot have both. But as I indicated at the opening of my remarks, they can shrug their shoulders in many cases. They have flexibility not to come under the penalty proposed by the gentleman from Connecticut [Mr. GEJDENSON].

The small farmer is wiped out under this circumstance. They are driven from the opportunity, including that veteran that I mentioned.

The question here today is we have two different agricultural programs. One, reclamation, to bring water to the arid West, and I insist it has worked very well.

We also have farm programs, and I insist that they have worked rather well. America is the best fed at the lowest cost anywhere in the world.

How then do these programs fit together? And that is where the conflict comes that is raised by the gentleman from Connecticut [Mr. GEJDENSON].

Well, while about half of the irrigated farmers participate in some way in the farm program, only about 8 percent of the total crops grown from irrigated lands are in fact in the farm program.

The CHAIRMAN. The time of the gentleman from Washington [Mr. MORRISON] has expired.

(By unanimous consent, Mr. MORRISON of Washington was allowed to proceed for 1 additional minute.)

Mr. MORRISON of Washington. The gentleman from Connecticut [Mr. GEJDENSON] says to farmers that now own 11 million acres of irrigated land, many of them small operators, "If you plant any crop that has an acreage reduction program, then you will pay the full cost for the water for that crop."

I think we create an absolute management nightmare, and unfortunately we impact most of all that family farmer that needs to have a rotation of one of those crops, such as wheat or corn, and a rotation with potatoes and other agricultural pursuits.

Mr. Chairman, I would urge Members to reject this amendment, and we will look forward to working with the Committee on Interior and Insular Affairs on finding better answers than are proposed by the gentleman from Connecticut [Mr. GEJDENSON].

Mr. WOLPE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in very strong support of the amendment that has been offered by the gentleman from Connecticut [Mr. GEJDENSON]. I was pleased to join the gentleman as an original sponsor of the legislation when it was first introduced in this Congress. I hope that we will today enact it.

Mr. Chairman, since I first entered Congress in 1979, I have learned of some pretty outrageous fleecing of the American taxpayer. But I cannot recall any scams—aside from the notorious multibillion dollar Synthetic Fuels Corporation—that do more harm in more ways than Federal sub-

sidies of irrigation water going to the production of crops that are already in surplus.

If you are a taxpayer, family farmer, or if you are simply someone that is concerned with sound water and conservation policies, you should know you are being taken by current policy. Just as important, you should know what you can do about it.

The amendment of the gentleman from Connecticut [Mr. GEJDENSON] would end an inherent contradiction between the Interior Department's reclamation policy and the U.S. Department of Agriculture's crop and income support program, a contradiction which allows a select group of western agricultural interests to receive the low cost federally subsidized irrigation water to grow crops that are already in surplus.

As cochair of the Northeast-Midwest Congressional Coalition, I am particularly troubled by the regional unfairness of these subsidies.

Let me tell you, farmers in my State of Michigan and throughout the Northeast and Midwest find great difficulty in understanding why they should be at a competitive disadvantage under current law and under current practice.

In addition to receiving water at prices less than 10 cents per 1,000 gallons—far below economic value—farmers that are served by the Bureau of Reclamation enjoy tremendous advantages over their dry land competitors in our Nation's Farm Belt.

Irrigation increases per acre yields. Irrigated yields for wheat, for instance, are twice the dry land yields. Irrigation yields of cotton are 90 percent higher. Not surprisingly, irrigated areas constitute 13.7 percent of all harvested cropland, but 27.8 percent of the value of harvested production.

I recall what happened during the drought of 1988 which crippled the Midwest. It devastated grain and livestock producers throughout our region, where just 2 percent of agricultural land is irrigated. The drought, however, was a boon to Western farmers who—with the Federal Government's generous assistance—irrigate a majority of their commercial cropland. Stored water supplies enabled them to maintain normal production and benefit from higher prices occasioned by drought induced shortages. In fact, cash receipts in California rose by 9.1 percent in 1988.

In the best of economic times there is simply no excuse for the Government throwing billions of taxpayer dollars down an irrigation ditch. But with the Federal deficit estimated as large as ours currently is—some estimates as high as $200 billion—this kind of policy is doubly scandalous.

The Gejdenson amendment would not prevent any farmer currently receiving reclamation water from receiving reclamation water in the future, nor would this amendment eliminate subsidies to native Americans who depend on the water subsidies for economic development.

Finally, this amendment will be phased in, allowing those farmers who have become dependent upon that subsidy a reasonable period of time to anticipate and plan for the effects of the new water policies.

It is high time that we stop encouraging the production of agricultural surpluses through the outdated subsidies of the reclamation program. In the interest of the American taxpayer, it is time that this Congress enact the Gejdenson amendment.

□ 1500

Ms. SCHNEIDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of my colleague, Representative GEJDENSON's amendment to bring some fiscal sanity to our Nation's water and agriculture policies. At a time when our country faces unprecedented debt and budget deficits, it is incumbent upon us to get our house in order.

As the National Taxpayers Union has repeatedly noted, it is "a national disgrace" to have the Bureau of Reclamation provide over $800 million per year of irrigation water subsidies so that farmers can grow surplus crops, which the U.S. Department of Agriculture then provides over $300 million in commodity subsidies for many of these same farmers not to grow these surplus crops on other parts of their land.

The Congressional Budget Office estimates that since the beginning of the subsidized water program, the taxpayers have doled out upward of $70 billion.

This contradictory policy squanders two precious resources: the taxpayers' hard-earned dollars and limited quantities of water. This is bad fiscal policy and bad environmental practice.

The amendment before us provides a much-needed dose of common sense. It simply requires that if farmers choose to grow surplus crops then they must pay full cost for irrigation water from the Bureau of Reclamation. Not, as the Bureau of Reclamation defines full cost, which can be as low as 3 percent of its total costs, but the true, real, full financial costs.

This amendment is more than reasonable, given the many years it provides for phasing in the full price to farmers. They will have more than ample time to prepare and plan their farms around the new water pricing policy.

Mr. UDALL. Mr. Chairman, I would like to compliment the gentleman from Connecticut [Mr. GEJDENSON] for his diligence in seeking to eliminate apparent contradictions in Federal reclamation and agricultural policy law.

In this Congress, as in a prior Congress in his capacity as chairman of the Interior Subcommittee on General Oversight and Investigations, the gentleman has devoted considerable time and effort to issues involving Federal program subsidies.

The text of the Gejdenson amendment before the House is considerably revised from earlier versions. I support it, although with concern that its application may also produce unintended adverse and unfair impacts on small reclamation farmers.

New provisions, which phasein the amendment's application over 4 years, recognize the unique status of Indian lands, and acknowledge the cost-sharing contributions of reclamation contractors, having significantly improved it.

With respect to the exemption provided by subsection 4(b) of the amendment, I would like to state for the record my understanding of the phrase "to make cash contributions of at least 20 percent." Since 1984, Congress has required irrigation districts to contribute not less than 20 percent of the total cost of the construction of those systems.

Established practice of the Bureau of Reclamation in administering this contribution requirement is clear that contributions may be either through payment of cash or the contribution of other services or a combination of both which equal 20 percent of the total cost of the distribution system. The term "cash contributions" as used in subsection 4(b) is intended to be interpreted in the same manner.

It would follow, for example, the 4(b) exemption would apply to all irrigation districts in the central Arizona project which have entered into contracts with reclamation pursuant to section 9(d) of the Reclamation Projects Act of 1939.

Mr. Chairman, notwithstanding any amendments which may be adopted, the various titles contained in H.R. 2567 address significant issues in a number of States. The case for these titles have been set forth well in the committee report and Members' floor comments, so I will limit my comments to the one which would rename the Salt-Gila Aqueduct of the central Arizona project the "Fannin-McFarland Aqueduct."

Senators Paul Fannin and Ernest McFarland devoted literally decades of their lives to the authorization and construction of the central Arizona project. I have known both men, and can attest that they have been exceptional public servants.

Naming a portion of the aqueduct after them is a fitting tribute to their dedication and effort on behalf of the CAP. Such tribute is richly deserved, and I am very pleased to support it.

Mr. CONDIT. Mr. Chairman, I rise in opposition to Mr. GEJDENSON's amendments to H.R. 2567.

As a member from a rural area of the West, I would like to speak for many of my colleagues in the 17 Western States who represent farmers and communities which have been built by and kept alive by the reclamation and USDA programs.

As with all Federal programs where Congress has provided financial assistance, these programs can't be viewed solely in terms of

specific Federal outlays, but rather in terms of what benefits they bring to the Nation as a whole. As others will testify here today, the social and economic return on investment associated with the construction of water projects is significant.

In terms of Federal programs, our investment in the reclamation program has been modest. Since 1902, the Bureau has spent only about $12 billion to build the projects, an amount that can be compared to the cost of the Washington, DC Metro rail system which has cost about the same amount. Of that $12 billion, only $5.4 billion is allocated to irrigation features. The balance provides facilities for municipal and industrial water, power, flood control, and other project purposes. The irrigation projects generate almost $8 billion annually in increased economic activity, supporting tens of thousands of farmers, their employees, those who provide materials and services for agriculture, and the rural economies created by a healthy farm industry.

This amendment singles out the reclamation program and ignores a multitude of other Federal subsidy and assistance programs available to farmers and others across the Nation. This measure would not have the stated effect of reducing program crop production, as reclamation areas produce only about 8 percent of the crops in the USDA Program. In fact, this bill might have the effect of actually increasing program crop production for some commodities as farmers opt out of the programs and plant fence row to fence row.

This amendment would hit the smallest farmers hardest and would most greatly damage farms in areas where there is relatively little ability to switch out of program crops altogether. The USDA programs are critical to smaller farmers who are not able to effect the economies of larger operations and indeed, frequently are required to come under the programs in order to secure bank financing.

This House will also recall that drought relief payments—which in 1987-88 totaled almost $5.7 billion—went almost entirely to nonreclamation areas but did not contribute to long-term drought prevention. Areas served by the Bureau of Reclamation fared much better because of the vision and investment by earlier Congresses in drought prevention.

This amendment is intended to punish western farmers based upon the misconception that our water and farm programs are in conflict. This is simply not so, as the long-term goals of both programs are identical: A strong, durable farm sector and healthy rural economies.

The USDA programs which western farmers would be effectively prohibited from using under the bill are an effort by Congress to protect farmers from the wide fluctuations in national and international markets. These are events over which farmers have no control, relating as they do to international trade policies, worldwide economic development, weather, and all the other factors impacting agricultural prices. In some years, farm programs are costly, in others modest. In either event, they are intended to keep farmers alive economically and give some protection to their annual earnings. By contrast, the reclamation program is a long-term program to permit the development of a more diverse agricultural base, growing higher value crops.

Forcing farmers to choose between paying full cost for water and USDA programs would have the impact of putting farmers out of business or encouraging farmers to increase the production of program crops or to shift their cropping patterns in order to cover costs. I have seen no analysis by the Departments of Agriculture or the Interior which even begin to inform us of the impacts of this measure. We have a duty to understand the impacts of our decisions on this matter, as many people have grown to live and work by these programs.

The bottom line is that this amendment would do little to reduce Government subsidies, would put farmers in serious financial jeopardy, would upset the agricultural marketplace, and would undermine the public benefits of two important programs. I urge the Members of this body to oppose this amendment.

Mr. CAMPBELL of California. Mr. Chairman, only on rare occasions do we have a chance both to protect the environment and reduce the Federal budget deficit. The Gejdenson amendment is such an opportunity.

The Federal water system contains a serious, costly contradiction. The American taxpayer is now paying around $830 million a year to send water to lands that are grownig crops we don't need. Then, the taxpayer pays around $379 million to subsidize these same crops. And then, the Government requires farmers not to grow these same crops on other parts of their land.

This makes absolutely no sense. At times, it might be appropriate for the Federal Government to pay for the cost of delivering water to agricultural lands. It is conceivable that a crop might be deemed vital for human health or national security, and that crop would not be grown without outside help. But today we are talking about providing water for crops that we don't need. Is it unfair to ask that the taxpayer not pay for this?

The Gejdenson amendment could save several hundred million dollars a year. Given the budgetary crisis, this fact alone would make it worthy of consideration. But the Gejdenson amendment would also protect the environment. In California, water use has had a serious ecological impact. Decreased inflows into San Francisco Bay have seriously damaged wildlife habitat. Many of the Central Valley's wetlands have disappeared. Irrigation in semiarid agricultural areas has led to the leaching of heavy metals into the ground water.

To address these environmental problems, water conservation is desperately needed in California. Agriculture takes 85 percent of all water use on our State. Of this, it is estimated that 45 percent of acreage irrigated by Federal water is used to grow surplus crops. By ending the use of subsidized water to grow surplus crops, we wil free up water to be used for its natural, ecological purpose.

Mr. Chairman, this is an amendment that helps fulfill our dual obligation to balance the budget and to restore the environmental balance. I urge my fellow colleagues to vote yes on the Gejdenson amendment.

Mr. MATSUI. Mr. Chairman, I would like to express my opposition to the Gejdenson amendment on the delivery of Federal irrigation water for so-called surplus crops.

I fail to understnd why this bill has become a vehicle for undocumented and unpredictable amendments such as this. Like the Miller amendment which this body debated earlier, this amendment has not seen the light of day in committee before coming to the House. My understanding is that the one hearing that dealt with this issue was actually in consideration of a different version of this legislation. This is not the way the House should pass legislation which will have far-reaching effects on the very livelihood of so many citizens.

Is there a problem in making subsidized water available to farmers who grow crops under the Federal farm program? Would the Gejdenson amendment solve even an alleged problem? Would it have an impact on surpluses or frm program spending? I do not think there is anyone who can answer these question.

As my colleagues are undoubtedly aware, the House and Senate Agriculture Committees are in the midst of marking up an omnibus farm bill. This will be the definitive legislation on farm policy for the 1990's. Passage of this measure, which would fundamentally alter U.S. agriculture policy concerning some of our country's most basic commodities, would interfere with the policy debate being undertaken in the Agriculture Committees.

Mr. Chairman, the Gejdenson amendment is the wrong meaure at the wrong time and I urge my colleagues to oppose its passage.

AMENDMENT OFFERED BY MR. DORGAN OF NORTH DAKOTA TO THE AMENDMENT OFFERED BY MR. GEJDENSON

Mr. DORGAN of North Dakota. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. DORGAN of North Dakota to the amendment offered by Mr. GEJDENSON: 1. On page 2, line 16, delete "and."

2. On page 2, line 24, strike the closing period and quotation marks and insert "; and".

3. On page 2, after line 24, insert the following: "(C) any contract which carries out the provisions of the Garrison Diversion Unit Reformulation Act of 1986 (P.L. 99-294, 100 Stat. 418)."

Mr. DORGAN of North Dakota (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. DORGAN of North Dakota. Mr. Chairman, this amendment recognizes that in 1985, on the Garrison Diversion project, a negotiated settlement on that project which brought all of the opponents and supporters together, included for the first time I believe in the history of this floor a requirement in a project that a surcharge actually be imposed on that project, and

it was the only project that contained a required surcharge.

We accepted that at that point. I understand it. We accepted it. But because of that we do not feel it appropriate to be included in the Gejdenson amendment, and my amendment simply takes it out.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I am happy to yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, we have no objection to the amendment. The gentleman is correct. The surcharge in the 1986 Act more than adequately covers the Garrison project.

Mr. THOMAS of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I yield to the gentleman from Wyoming.

Mr. THOMAS of Wyoming. Mr. Chairman, we have looked at the amendment on this side and we find the amendment acceptable.

Mr. PASHAYAN. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I yield to the gentleman from California.

Mr. PASHAYAN. Mr. Chairman, I know in the past I have worked on the Garrison project from the perspective of another committee, and the gentleman from North Dakota has explained his situation, and it certainly appears to be acceptable.

Mr. DORGAN of North Dakota. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Dakota [Mr. DORGAN] to the amendment offered by the gentleman from Connecticut [Mr. GEJDENSON].

The amendment to the amendment was agreed to.

Mr. HERGER. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I stand in strong opposition to this amendment. This proposal would establish a Federal policy that is the antithesis of everything we have stood for in western agriculture since the turn of the century.

Small, family farmers in my district would experience large economic losses if this measure were enacted. Thousands of jobs would be lost in our rural communities as large farmers likely would be forced out of business. The California Institute for Rural Studies, in a 1989 letter to the author of this amendment, pointed out that this change in the law would quote "seriously harm those farmers who can least afford it * * * since small-scale farms receive a smaller than proportionate share of (USDA) benefits, yet are the most dependent on those they do get, it is unjust to further reduce their support". Should it be the policy of the Federal Government to disrupt the lives of farm families who have worked hard and long for many years, in many cases generations, in good faith reliance on Federal policies? I do not believe so.

Another important factor to consider is the negative impact on our trade deficit which would result. Farmers served by the Bureau of Reclamation contribute greatly to our agricultural exports. USDA has estimated that passage of this measure could result in the loss of $640 million from our balance of trade. In the Agriculture Committee, we are working on a farm bill which will provide American farmers with opportunities to become more competitive in international markets. This amendment would directly contradict our efforts.

I believe that we in Congress should be encouraging productivity among our Nation's farmers. This amendment would discourage productivity, reduce agricultural exports, and greatly disrupt our rural communities. Most importantly, the small, family farmer would undoubtedly be hurt the most. I strongly urge my colleagues to reject this amendment.

Mr. GLICKMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of Mr. GEJDENSON's amendment to H.R. 2567, the Reclamation Authorization and Adjustments Act which would end the contradiction of two Federal policies. As a member of the Agriculture Committee, and as chairman of the Subcommittee on Grain this is not an easy issue. Just early this May, we finished the 1985 farm bill—a good one. The heart of this farm bill is balancing supply and demand and providing farm support for adequate income for our farmers. On the one hand, the U.S. Department of Agriculture manages the production of certain crops, such as wheat, cotton, corn, and rice by requiring producers to take a certain amount of their land out of production every year, in return for price and income support protection for these crops. However, on the other hand, the Bureau of Reclamation facilitates and encourages the production of these program crops by providing water to farmers at less than full cost for irrigation. The net result is that not only do we have this contradiction of policy, but a selective group of farmers in these water districts are receiving two forms of Government subsidies to grow these crops. This is commonly known as double dipping into the Federal Treasury.

Over the past year, Mr. GEJDENSON approached to solve this contradiction from two directions. His first approach was to adopt the amendment we are considering right now, which requires farmers to pay full cost for reclamation water if they grow program crops. His second approach was to amend the Agricultural Act of 1949, which disqualifies farmers from farm programs if they used subsidized water to grow program crops. This latter idea he introduced as a bill, H.R. 2386 on which my Subcommittee on Wheat, Soybeans, and Feed Grains held a hearing on March 19, 1990.

Testifying at my hearing on H.R. 2386 were the U.S. Departments of Agriculture and the Interior and while they, in concept, supported the idea of correcting the inconsistency of policies, they had reservations with H.R. 2386's approach to solving it. Namely, disqualifying farmers from receiving program benefits if they used subsidized water to grow program crops only threatens their financial viability, especially in the short term.

However, one of the concerns expressed by the subcommittee is that if you disqualify these farmers from farm programs then it becomes even more difficult and expensive to manage grain supplies because of the additional production generated by those disqualified farmers.

Because of these reasons and more, I genuinely believe that this contradiction of policy would be better resolved by the gentleman from Connecticut's amendment before us now—by allowing farmers to continue to participate in farm programs, but requiring them to pay full cost for the water they use to irrigate program crops.

My basic question to Members today is, do we want to continue a policy that is working at cross purposes? While the Agriculture Committee and the administration attempt to balance supply and demand of certain crops with 5 year farm bills, at the same time the Department of Interior is providing water at less than full cost to farmers who otherwise would not be able to grow these crops the Agriculture Committee is trying to manage.

I have several reasons why Congress should not continue this conflicting policy. One, those producers who purchase water at less than full cost to produce Government supported crops receive two subsidies—the Government is contributing money to help pay for the water as well as the crops. Two, the U.S. taxpayer, which is paying twice for this production, can obtain the same production from other more fertile parts of the country at less or not cost to the treasury. There, producers who rely on subsidized water can better use their resources at a lesser or zero cost to the Government and to the environment if they grow crops more suitable to their land. Finally, the excessive production requires bigger set-asides, lower market prices.

Let me expand on this last point. Is it sound policy to be expending a pre-

cious resource such as water to produce crops which can be grown in a more resource conserving manner in most other regions in the United States? Many areas in California have been under severe water-use restrictions for a long period of time—how can we justify the expenditure of millions of acre-feet of water to grow 50 million bushels of wheat in California at a large Government cost, when my farmers in Kansas or farmers in most other regions in the United States can grow it by relying purely on rainfall?

Mr. Speaker, the producer who can produce crops at the lowest expense to himself and the taxpayers are truly competitive. I must say we have a lot of those farmers out there right now who can take care of this country's needs with regard to basic crops, such as wheat, corn, soybeans, cotton, and rice without expending huge Government and natural resources. In short, if a farmer, who is now growing these program crops by using subsidized water, can make a decent living by growing those crops by paying full cost for the water, then I would welcome his production.

I commend the author of this amendment, Mr. GEJDENSON, for his unflagging devotion to correcting this problem. He has held steadfast to this issue ever since it was passed to him by our friend and former colleague, Berkley Bedell. The amendment as it is offered today represents a good, not perfect, compromise, which I believe actually improves upon its intent. This amendment calls for a phasing in of charging farmers full cost for water to grow program crops, exempts Indians and Indian tribal lands, and exempts those farmers in water districts who are paying for at least 20 percent of the cost of constructing their water facility.

I urge my colleagues to consider the facts as they are presented to you today before voting and I do urge everyone to vote in favor of this amendment to correct this situation.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman from California.

Mr. FAZIO. Mr. Chairman, in terms of perfectly drafted amendments, we would not be on this bill this afternoon as long as we have been if we were worried about voting for perfectly drafted amendments. We are voting for the kind of emotional education that people get out of a television documentary. We are getting that kind of emotion into this debate as well.

I would point out that the amendment of the gentleman from Connecticut [Mr. GEJDENSON], requiring full cost applies whether or not the farmer is in the program. If we really wanted to go after a double subsidy, would we not eliminate that portion of the amendment and simply urge people who are in the program to pay the full cost? Why would be have people who have chosen not to be in the program pay the full cost as well?

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. GLICKMAN. I am glad to yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman I think the basic issue here is if I were building Buick Regals, and if there were too many Buick Regals going out the door, the gentleman would not think that it made sense for the Government to help me build more of them. What we are trying to get at here is a situation that hurts lots of farmers to begin with. It hurts farmers that are in the program.

Mr. FAZIO. First of all, I would think that the marketplace would determine whether the gentleman was making too many Buick Regals or not.

Mr. GEJDENSON. We have here a controlled situation where the Government basically buys one farmer off not to grow, and then pays price supports on what he does grow, and takes a third farmer and gives him cheap water to grow even more of what we have already got.

□ 1510

It defies logic.

Mr. FAZIO. Would the gentleman answer my basic question: Why do you cover farmers who are not in the program as well as those who are?

Mr. GEJDENSON. Because basically you have to get at the surplus problem. There are two problems here. The general problem has been the double subsidy. That covered about 45 percent of it. But there is a fundamental inconsistency with the idea of bringing water in at low prices to add additional surplus, which means the government—I think Mr. GLICKMAN would know the costs of these better than I—but I have heard figures that could mean that billions more are actually spent because the increased volume of product lowers the price of the commodity.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. GLICKMAN] has expired.

(By unanimous consent, Mr. GLICKMAN was allowed to proceed for 3 additional minutes.)

Mr. FAZIO. Mr. Chairman, will the gentleman continue to yield?

Mr. GLICKMAN. I yield to the gentleman from California.

Mr. FAZIO. I thank the gentleman for yielding further.

Perhaps the gentleman could answer my question in the completion of his statement.

Mr. GLICKMAN. I do not know why the gentleman chose to have program versus nonprogram crops, but let me indicate my particular concern about the situation.

The 1985 and 1990 farm bills are geared largely as an inventory management, supply management, keeping supply and demand in reason so that our farmers would be able to have a high enough price to be able to survive.

What we are finding in this program is that we are encouraging, artificially, in my judgment, an excessive amount of production which causes the supply to go higher than it needs to do, which then under the formulas of the farm bill require a set-aside automatically because the surpluses are over a certain level, which then requires basically higher payments. Higher set-asides and lower prices mean higher payments to American producers.

Now that concerns me because in various parts of this country where we produce the exact same crops, the very same crops, corn, wheat, cotton, rice, you name it, that are not provided by subsidized water, those people do not have the advantages of that.

Mr. FAZIO. If the gentleman would yield further, is that not really the point. The people who are supporting this amendment from Indiana and Kansas are saying essentially, "Since we don't get subsidized water, we are not part of the reclamation program, we have a competitive disadvantage with those who do and therefore we are going to take this opportunity to improve our market conditions by trying to tighten up on supplies and reduce the acreage production in those States that do have water."

Mr. PETRI nods, he probably would honestly answer that.

Mr. GLICKMAN. Let me just answer the question the best that I can say it.

Wheat, corn, cotton, rice, these are fungible commodities. The price of wheat, corn, cotton in Louisiana, Indiana, Iowa, Kansas, Texas, or California is the same. But if your input costs are dramatically different based on getting a break on one of those input costs, whether it be water or land or fertilizer or something else, it is going to give you an advantage, a significant advantage, an artificial advantage in the marketplace.

Now, to some extent, I cannot totally argue with the gentleman.

Mr. FAZIO. I knew you were too intellectually honest.

Mr. GLICKMAN. Because it is true that there are producers in this country who produce the same wheat in Kansas they produce in California or produce the same cotton in Louisiana or Texas that is produced in California. But the problem is the macropicture, I would say to the gentleman from California [Mr. FAZIO].

The issue of how much grain or how much cotton you set aside is based on total production, not just what we produce in Kansas. And that total pro-

duction is based on what is grown in areas where there is subsidized water. And then the Department of Agriculture makes the judgment: How much land should we set aside in California, Kansas, Texas, Indiana, across the board, in order to bring supplies down? That means my farmers have to grow 20 percent less in order just to make that situation.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. GLICKMAN] has again expired.

(On request of Mr. CRAIG and by unanimous consent Mr. GLICKMAN was allowed to proceed for 2 additional minutes.)

The CHAIRMAN. The gentleman will suspend. I am further advised that both the gentleman from California [Mr. FAZIO] and the gentleman from Idaho [Mr. CRAIG] should stand when addressing the House.

Mr. FAZIO. Mr. Chairman, will the gentleman yield further?

Mr. GLICKMAN. Mr. Chairman, I yield to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. I thank the gentleman for yielding further.

I simply would ask, finally, of my friend from Kansas if he would tell me how we rewrite reclamation law history. The districts in California that have been predicated upon the production of these crops are going to suffer tremendous losses this year simply as a result of the drought. But if these crops were no longer allowed to be economically feasible in their area, how would we pay off the Federal Government for the loans that have been incurred? How would we rewrite reclamation law history suddenly entering in 1990 and changing a long history and crop pattern in these regions?

Mr. Chairman, I rise in strong opposition to the Gejdenson amendment.

The amendment is based upon the misconception that our water and farm programs are in conflict. This is simply not so—the long-term goals of both programs are identical: A strong, durable farm sector and healthy rural economies.

Forcing farmers to choose between paying the full cost of water and USDA programs would put many farmers out of business or would have the unintended impact of encouraging farmers to increase the production of program crops in order to cover the higher costs of water. Therefore, there is a great chance that the amendment would not reduce Government subsidies at all.

In addition, the amendment hits the smallest farmers the hardest and would do the most damage in areas where there is relatively little ability to switch out of program crops altogether.

Mr. Chairman, we have seen no analysis by either the Departments of Agriculture or Interior which even begin to inform us of the economic impacts of this amendment.

The total Federal investment in the reclamation system since 1982 has been $12 billion. Of that amount, only $5.4 billion has been invested in irrigation projects, which generate an estimated $8 billion annually in increased economic activity, supporting tens of thousands of farmers, their employees, those who provide materials and services for agriculture, and the rural economies created by a healthy agricultural industry.

The bottom line is the amendment would do little to reduce Government subsidies, would put farmers in serious financial jeopardy, would upset the agricultural marketplace and would undermine the public benefits of these two important Government programs.

Mr. GLICKMAN. The gentleman has a good point, and I would say the answer is phasing in the changes, do not do it overnight. I think the gentleman's amendment does that.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. I thank the gentleman for yielding.

Mr. Chairman, this gentleman's amendment does phase it in. But I would ask, through the gentleman from Kansas [Mr. GLICKMAN] of my friend, the gentleman from California [Mr. FAZIO], that while the gentleman indicates there are some regional considerations here, the gentleman from California, I think, in being honest, would also say it would be highly unlikely that the initiative would be taken by the beneficiaries of this program even if it had some inconsistent aspects as concerns the expenditure of taxpayer dollars.

We in the Congress and the people of this country would not expect the gentleman necessarily to bring forth a proposal that would reduce some of the profits to his farmers even if it was a significant waste of taxpayer dollars.

So, you are right, we are better positioned because there is not the negative impact in our districts to deal with this issue.

Putting all our districts aside, it makes no sense for the Government to increase surpluses, drive down the cost to farmers and drive up the cost to taxpayers.

Mr. FAZIO. If the gentleman would yield for one further comment, since the gentleman addresed me, most of these surpluses historically have been exported into foreign markets. One of the major beneficiaries has been our trade imbalance. We have helped fight that battle every year, although with a strong dollar we did not make the advances in agricultural exports that we historically did in recent years.

But certainly cheap-food policy in ths country is overlooked and ignored by people in Connecticut as well as people in Kansas and California itself. The American consumer has benefited by this production. I contend that we will be suffering if farmers across this land are required to take more land out of producton.

Mr. RHODES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, before I explain my position on this amendment, I would like to address a brief question to the gentleman from Connecticut. Is it your understanding and intent that section (g)(4)(A) of your amendment provides individual Indians and Indian tribes with a complete exemption from the application of your amendment for use of project irrigation water on trust lands owned by individual Indians and Indian tribes?

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, that is correct.

Mr. RHODES. Mr. Chairman, I have been sitting on the floor for almost 4½ hours today, listening to the debate on two amendments. I would have to say, Mr. Chairman, that it has been very disheartening to me to realize the complete, the very severe lack of understanding of reclamation agriculture that is shown by a majority of the Members of this House. If you do not like reclamation agriculture but you understand what it is, that is one thing.

Mr. MILLER of California understands reclamation agriculture, and he does not like it. And that is fine.

Mr. GEJDENSON of Connecticut understands reclamation agriculture, and he does not like it. And that is fine.

But we have had speaker after speaker come to the well of the House today to rail against reclamation and to rail against the benefits of reclamation against reclamation and to rail against the benefits of reclamation as given to this country, to state over and over again that reclamation exists for the purpose of enriching land barons, and it is very discouraging to realize how little is understood about the significant contributor to the economy and the well-being of this country and indeed of the world.

□ 1520

The gentleman from Connecticut [Mr. GEJDENSON] has recognized that not only is reclamation agriculture an important element of our economy, but he has also recognized that not every reclamation project is the same. He recognized that in terms of the Garrison projects in the amendment of the gentleman from North Dakota [Mr. DORGAN] which we just passed, and he also recognized it in terms of Indian beneficiaries of reclamation projects, and has exempted them from his bill. He also recognized a significant difference between the central Arizona projects and other western ag-

ricultural projects, and let me explain what those differences are.

Most reclamation projects exist to bring in water supplies to augment existing water supplies. The central Arizona projects exist solely to replace an existing water supply. For every acre foot of Arizona water brought into central Arizona by the CAP, an acre of water is not pumped. That is in the law. It is in the Federal law and in Arizona law. A recipient of CAP water gives up his right to pump ground water. In the arid West, ground water is not a renewable source. We take it out of the ground, and it is gone. In other parts of the country, we take it out one day and it rains the next day, and it is back there again. It is a renewable source. We do not have that luxury.

In order to preserve our assets, ground water, we have agreed that we will accept imported water, pay more for it, and not mine our ground water. The contract central Arizona project water is $50 to $60 per acre foot as opposed to contract water in other districts in the West, which is $2 to $17 a foot. Full cost water in other reclamation districts in the West would range from $42 to $73 an acre foot. Full cost water in the central Arizona project today would be $250, and that is before the project is completed. Additionally, agricultural recipients of water in the central Arizona projects have agreed with the Federal Government to prepay 20 percent of their repayment obligation to the extent of some $75 million. Their obligation to the United States to pay for their distribution systems. This debt has been incurred. They are indebted to the tune of $75 million right now from funds that they have prepaid for the distribution systems, and they still owe some $275 million for full repayment of the distribution systems to the United States.

The gentleman from Connecticut [Mr. GEJDENSON] has recognized all that. He has recognized that if full costs were paid or were required to be paid in the central Arizona projects, that they would simply not take the water. They would go back to pumping, and the central Arizona project's viability, financially, would be destroyed, and the ability of these districts to repay their obligations to the United States would be seriously impaired.

I want to commend the gentleman from Connecticut [Mr. GEJDENSON] and thank him for cooperating with me and with the other members of the Arizona delegation. I have told him, and it will come as no surprise to him that I think what he is aiming at in this bill is wrong, and I think that the result he expects to achieve, he will not achieve. However, at any rate, he has recognized the significant difference from project to project and has made allowances for that. For those reasons, I intend to vote for the amendment of the gentleman from Connecticut [Mr. GEJDENSON].

AMENDMENT OFFERED BY MR. DE LA GARZA TO THE AMENDMENT OFFERED BY MR. GEJDENSON, AS AMENDED

Mr. DE LA GARZA. Mr. Chairman, I offer an amendment to the amendment, as amended.

The Clerk read as follows:

Amendment offered by Mr. DE LA GARZA to the amendment, offered by Mr. GEJDENSON, as amended: On page 1, line 16, after "1949" insert ", if the stocks of such commodity in Commodity Credit Corporation storage exceed an amount that the Secretary of Agriculture determines is necessary to provide for a reserve of such commodity that can reasonably be expected to meet a shortage of such commodity caused by drought, natural disaster, or other disruption in the supply of such commodity, as determined by the Secretary of Agriculture"; and

On page 2, line 4, after "1949" insert ", if the stocks of such commodity in Commodity Credit Corporation storage exceed an amount that the Secretary of Agriculture determines is necessary to provide for a reserve of such commodity that can reasonably be expected to meet a shortage of such commodity caused by drought, natural disaster, or other disruption in the supply of such commodity, as determined by the Secretary of Agriculture".

Mr. DE LA GARZA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DE LA GARZA. Mr. Chairman, I find myself in a very awkward situation and somewhat saddened by some of the events of today. One is that my two dear friends, who I admire and respect exceedingly, the gentleman from California [Mr. MILLER] and the gentleman from Connecticut [Mr. GEJDENSON], are well-intentioned and good and able and dedicated Members of this Congress. I respect their philosophy, their ideology, and the rest of what they try and do here today.

Unfortunately, the drafting of the amendments gives me some degree of concern, and I would hope, and I apologize for not having had the time to really work with them to arrive at the thrust of their concerns, which I share. My problem was that we were involved with the drafting of the farm bill. We finished at 2:30 this morning, and all week and the preceding week we have been involved. The problem that arises here is that we have a misconception with subsidy and double subsidy. One of the amendments that I will offer later has, yes, the Bureau of Reclamation in the western areas of our country have received water that is paid by taxpayer dollars. But, so have all the other areas of our country. So has the Northeast, so has the Midwest, all the dams on the river, all the transportation on the rivers, that is basically the channeling of the rivers for transportation, that is basically taxpayer's money. The Amtrak, Metro, everything in the major cities that comes from taxpayers from my area.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Chairman, I have the greatest respect and admiration for my friend, the chairman of the Committee on Agriculture, and we all do benefit from Federal programs. That is why we are a nation.

However, if we were building subway lines or rail lines or highways that had no passengers, I would hope the chairman as well as the Members from the Northeast would be there saying, "Do not build the highway, there are no cars for it. Do not build the waterway, there is no need for it."

What we are trying to get at is that crops that there is not a market for, that there is already a surplus. We find ourselves in a situation where the government will be paying people to drive on the highways it was building, and that is what we are trying to get at. I say to the gentleman, and I am happy we are engaging in this, and we appreciate his perfecting amendments, and if I am correct, this one which talks about an adequate storage of surplus commodities, so we do not have a crisis; is that correct?

Mr. DE LA GARZA. The gentleman is correct, because I do not know how to say it, but sometimes we act from a headline or a TV program, and we saw, as an example, we saw the mounds of cheese and the powdered milk, and we acted because people, well-intentioned and good science, said that this is not permissible. We should not be doing this with the taxpayers' money. So we did, we acted. Very efficiently. Now we do not have the cheese. Now we do not have the powdered milk.

Now, in California and Los Angeles, my good and dear friend, Mr. MILLER, they are talking about increasing the price of the school lunch for the poor kids the gentleman works with, talking about reducing the participants in the WIC program we work so efficiently. Why? Because this House forced Members to reduce the surplus. Now we have no surplus. Now we have a problem with no commodity, and now we all add to the cost of the school lunch program, and this is what I am afraid that this can do. What are we doing here?

Mr. GEJDENSON. Mr. Chairman, if the gentleman will continue to yield, I have some of those concerns as well. I also have concerns that when we first went to the agency to get the cost of

the program they told Members it was $8 or $9 billion from the inception. They basically took the individual to prove that, moved him out of the water program, took his job away from him, stuck him off in a corner. I am ready to accept the chairman's amendment, but I hope that we get an honest response on what is necessary here, and that we do not use potential and possible disasters as an excuse to thwart what is the clear will of the Congress.

□ 1530

We do not want to hurt farmers, but we do not want to devastate taxpayers by growing crops that are not necessary. So for my part, I am willing to accept this amendment offered by the chairman of the Agriculture Committee. I hope we can talk about the other one. We have some problems with the other one. The danger is that this has been abused so badly that there is not a lot of trust left on this issue.

Mr. DE LA GARZA. Mr. Chairman, I thank my distinguished colleague, and I appreciate his generosity in accepting this amendment. It is a minimal effort to try to bring some equity to the situation. I hope that we can discuss the other amendment.

The CHAIRMAN. The time of the gentleman from Texas [Mr. DE LA GARZA] has expired.

(By unanimous consent, Mr. DE LA GARZA was allowed to proceed for 2 additional minutes.)

Mr. DE LA GARZA. Mr. Chairman, I take this extra time not to discuss the amendment but to discuss the overall situation, because that is part of the program that we have for agriculture, so that we have a balance and we do not have a surplus in 1 year and a scarcity the next year.

I am not here defending the big guys or anything like that, but the subsidy for the vegetable grower in California, I admit, is there, and the water for the vegetable grower in California is there, but that is transferred all the way to Connecticut to the consumer. It follows the vegetable all the way to the consumer.

Mr. Chairman, if I might just continue, let me show something here that I think should be of importance to the overall situation, because we will be having a farm bill on the floor and we will get the same argument, that it costs, and it costs. We have heard it said earlier that the American people are the best fed people in the world for the least amount of disposal income per family. The American people are the best fed of all the major industrialized countries of the world. Part of the reason for that is because there has been Federal involvement, there has been a Federal program.

What is the cost? Well, if I might show the Members this, the red which they see in this chart is the total Federal budget: $1.23 billion. If we can see the little line at the bottom there, this is what the commodities support program costs, six-tenths of 1 percent. So we are in the best fed people.

With the bounty of America, if there is any subsidy, it is that the American consumer is being subsidized on the back of the American farmer. Every day people should rise and thank the good Lord because we have farmers who are willing to work to provide God's children with food.

Mr. Chairman, I appreciate the gentleman's accepting this amendment, and hopefully we can work on the other amendment.

The CHAIRMAN. The time of the gentleman from Texas [Mr. DE LA GARZA] has again expired.

(By unanimous consent, Mr. DE LA GARZA was allowed to proceed for 1 additional minute.)

Mr. DE LA GARZA. Mr. Chairman, let me tell my distinguished friend, the gentleman from Connecticut, that I cannot speak for the Bureau of Reclamation, but I can speak for myself and I can speak as chairman of the committee. At no time would I intentionally in any way disturb the commitment that I am making to my friends here at this point.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. The Chairman, let me just say, to make sure that there is no confusion, that there never was a moment that I would think the chairman of the Committee on Agriculture would do such a thing. Any commitment the gentleman has ever made to me has been good, and I have no doubt about it.

I would also say at this point, Mr. Chairman, that I am ready to accept the gentleman's other amendment, although it still leaves us with a big problem. I think we do this incrementally. If the gentleman offers his amendment on the single subsidy at this point, or whenever it is convenient for him, I will not object.

Mr. DE LA GARZA. Mr. Chairman, I thank the gentleman from Connecticut.

AMENDMENT OFFERED BY MR. DE LA GARZA TO THE AMENDMENT OFFERED BY MR. GEJDENSON AS AMENDED.

Mr. DE LA GARZA. Mr. Chairman, I offer my amendment No. 6, and I ask unanimous consent that my two amendments be considered en bloc.

The CHAIRMAN. The Clerk will report the second amendment.

The Clerk read as follows:

Amendment offered by Mr. de la GARZA to the amendment offered by Mr. GEJDENSON; as amended: In subsection (g)(4) of section 9 of the Reclamation Projects Act of 1939, as added by the amendment:

Strike "and" at the end of subparagraph (A).

Strike "." in subparagraph (B) and insert "; and".

Insert a new subparagraph (C) to read as follows:

"(C) water delivered to any agricultural producer who is not a participant in any acreage reduction program in effect under the Agricultural Act of 1949.".".

The CHAIRMAN. Is there objection to the request of the gentleman from Texas that the two amendments be considered en bloc?

There was no objection.

Mr. DE LA GARZA. Mr. Chairman, I thank my distinguished colleague, the gentleman from Connecticut [Mr. GEJDENSON], for his offer to accept the amendments.

Mr. THOMAS of Wyoming. Mr. Chairman, I move to strike the requisite number of words in order that I may ask the chairman of the Agriculture Committee a question.

Mr. Chairman, I wonder if the chairman of the committee would take just a moment of our time and discuss his amendment No. 6 further and tell us what effect it would have. Would the gentleman mind going over that one more time?

Mr. DE LA GARZA. Mr. Chairman, if the gentleman will yield, that is the exclusion amendment. The gentleman is referring to the smaller amendment, amendment No. 6?

Mr. THOMAS of Wyoming. Yes.

Mr. DE LA GARZA. Yes. This amendment is offered to meet the objections or the concerns of the distinguished chairman of the Subcommittee on Grains and also some of my concerns, that even though you are receiving the water, if you are involved in the production of nonprogrammed commodities, the vegetables, for example, that are not in an acreage reduction program, then this will not apply to those products.

Mr. THOMAS of Wyoming. Mr. Chairman, I thank the gentleman from Texas.

Mr. THOMAS of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I seek this time to engage in a colloquy with my colleague, the gentleman from Connecticut [Mr. GEJDENSON].

As part of the real concern of those of us who represent agricultural areas in which the vast majority of the commodities that are grown are not subsidized commodities, the concern we have is that, for example, the amendment offered by the gentleman from Connecticut seeks to focus on that situation in which a farmer receives a subsidy for the crop that is grown and then also receives a subsidy for the water by which that subsidized crop is grown. The concern that many of us have is that perhaps the instruments the gentleman is trying to effect in his desired change are far blunter than he understands. I am just curious to know

if the gentleman has ever spent any time in California.

Mr. GEJDENSON. Mr. Chairman, if the gentleman will yield, I have spent some time in California.

Mr. THOMAS of California. Has the gentleman ever spent any time in Kern County?

Mr. GEJDENSON. I am not sure which counties I have been in. I have seen some parts of agricultural areas.

Mr. THOMAS of California. Has that been during the night or during the day?

Mr. GEJDENSON. I have been in California during the day, and I have seen some of the agricultural activities there.

I would say to the gentleman that one does not have to be in the midst of a burning house to understand that it is hot and painful to be in there. I would say to the gentleman that we have looked at this issue.

Mr. THOMAS of California. Mr. Chairman, I would say to the gentleman that the reason we have firemen and the reason they are trained professionals and they have the equipment that they use to go into these burning houses is to find out exactly what caused the fire and how to put it out.

I would say to the gentleman that the amendment in its rough sense simply does not address the point, and my point is that we need firemen who understand the fire, firemen who can go in with specific tools and equipment to do just the job that needs to be done, not with dynamite to blow up the building, because if you can save the building, it is more important to save it than it is to use analogies which simply do not address the problem.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of California. I will yield to the gentleman in a minute.

I will tell the gentleman that the concern I have very simply is that one of the four crops he mentioned happens to be cotton. Out in California we do not grow a lot of corn. We grow some wheat, we grow some rice, but we happen to grow a lot of cotton. Most people think that the old Southern States where cotton was king are still preeminent in cotton growing.

It might surprise the gentleman from Connecticut to know that my county, which is not quite as large as his entire State, has been listed as the No. 1 cotton growing county in past years. In other words, we grow a lot of cotton. Because the cotton program is a program which receives subsidy does not necessarily mean that all the producers who grow cotton participate in the subsidies.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of California. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, it might surprise the gentleman to know that I knew those facts, and I also say that if I had a farm in California getting that much subsidy, you are darned right I would not grow cotton where it used to be grown. That is part of the problem, that we have shifted such massive advantages to other locations.

Mr. THOMAS of California. Mr. Chairman, reclaiming my time, we do not grow the cotton for the subsidies. We grow the cotton because it is quality cotton, it is in great demand, it is always sold, all of the crop is sold, and we grow products for the world market.

□ 1540

Mr. Chairman, the point I want to make to the gentleman is that he has tied subsidized water to programs in the Farm Belt. He has not tied his amendment to those who abuse the programs in the Farm Belt and the subsidized water.

I would much prefer an amendment, because, having served on the Committee on Agriculture, having fought off those who want to have higher target prices for corn, wheat, feed grains, that sort of thing, I share in part his concern, but, once again, in terms of his analogy of a burning house, I would very much like to make sure that we hit those who are the ones who are abusing the program and that we do not just lash out at the program because we think the program is wrong.

Mr. Chairman, the gentleman from Connecticut [Mr. GEJDENSON] has already accepted amendments from the chairman of the Committee on Agriculture, the gentleman from Texas [Mr. DE LA GARZA], which puts the discretionary decision in the hands of the Secretary of Agriculture as to whether or not a surplus is appropriate and needs to be made.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of California. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, the other amendment also says basically, "You choose your subsidy. You can't have both."

Mr. Chairman, this is no blunt instrument. This phases it in, in over as much time as 10 or 20 years. Four years before the cast would be 100 percent. Even the 100 percent is not full cost. This is a very fine-tuned product.

Mr. THOMAS of California. I understand that. I understand that the gentleman from Connecticut [Mr. GEJDENSON] believes this is fine tuning, just as he believes burning houses all ought to be allowed to be burned and not have people go in who have the ability to go in and take care of the problem.

The CHAIRMAN. The time of the gentleman from California [Mr. THOMAS] has expired.

(By unanimous consent, Mr. THOMAS of California was allowed to proceed for 2 additional minutes.)

Mr. PASHAYAN. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of California. I yield to the gentleman from California.

Mr. PASHAYAN. Mr. Chairman, I should like to ask the gentleman from Connecticut [Mr. GEJDENSON] the question that I believe my colleague, the gentleman from California [Mr. THOMAS], was asking, but I should like to ask it in different words.

In California we have no surplus cotton. We sell it all. How does the amendment of the gentleman accommodate that fact?

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of California. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. At the present, with the adoption of the amendment of the gentleman from Texas [Mr. DE LA GARZA], if they are not receiving money from a price support program, subsidy program, then they are going to get the subsidized water. Now, frankly I think that is too much, but we want to do it a little at a time, try to give a little dose of realism in the free market to California farmers and give the rest of the country a chance.

I say to the gentleman, "You've got to pick your dip. You're not getting two of them."

Mr. PASHAYAN. Mr. Chairman, I want to make sure the gentleman from Connecticut [Mr. GEJDENSON] was answering the question that I was asking. I believe this is the point that my colleague, the gentleman from California [Mr. THOMAS] was making.

Once again, there is no surplus cotton grown in California. We sell it all. No surplus.

My question is: How does the amendment of the gentleman from Connecticut [Mr. GEJDENSON] merge with that fact?

Mr. GEJDENSON. Mr. Chairman, as a result of the amendment of the gentleman from Texas [Mr. DE LA GARZA], which we accept, if they do not take a price support payment, then they can get their water at the present giveaway prices.

Is the gentleman from California [Mr. PASHAYAN] happy now?

Mr. PASHAYAN. Mr. Chairman, the point I was making is that they are giveaway prices.

Mr. THOMAS of California. Mr. Chairman, reclaiming my time, I do believe the amendment was a blunt instrument and that, had we had subcommittee and committee hearings, the contribution of the chairman of the Committee on Agriculture, the gentleman from Texas [Mr. DE LA

GARZA] and others who really are trying to help solve the problem would have been in the amendment itself instead of having to take amendments on the floor. These are two that are exemplary. There are a half a dozen others that need to be made and will probably not be made, and I do not have complete assurance that we are going to be able to clean this up over on the Senate side so that what we have is an instrument which will go after those people that we are all willing to agree that need to be gone after rather than a wholesale attack on a region of the United States which, frankly, in terms of balance of payments has been one of the shining spots for balance of payments, agricultural trade of the United States.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Texas [Mr. DE LA GARZA] to the amendment, offered by the gentleman from Connecticut [Mr. GEJDENSON], as amended.

The amendments to the amendment, as amended, were agreed to.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to engage in a colloquy with the gentleman from Connecticut [Mr. GEJDENSON].

The CHAIRMAN. The gentleman from California [Mr. MILLER] is recognized for 5 minutes.

Mr. MILLER of California. Mr. Chairman, on page 1, line 7, it says that the amendment will apply to all contracts entered into, renewed, or amended under the authority of the Reclamation Projects Act of 1939 or any other provision of Federal reclamation law.

Is it the intent of the gentleman from Connecticut [Mr. GEJDENSON] that this amendment would apply to all warrant act contracts signed by the secretary?

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, the gentleman from California [Mr. MILLER], the chairman of the subcommittee, is correct. It would apply to all warrant act contracts.

Mr. MILLER of California. Even if those warrant act contracts were of short duration, less than a year?

Mr. GEJDENSON. The gentleman from California [Mr. MILLER] is correct. The amendments would apply to such contracts as well.

Mr. MILLER of California. Is it the intent of the gentleman from Connecticut [Mr. GEJDENSON] that this amendment apply to temporary water service contracts for short duration?

Mr. GEJDENSON. Mr. Chairman, I would say to the gentleman from California [Mr. MILLER] that this amendment is intended to apply to any or all contracts signed by the secretary. It does not matter whether those are new contracts, renewals, amendments or modifications, and it does not matter under what authority the reclamation law those contracts are entered into. It applies to all contracts.

Mr. MILLER of California. Mr. Chairman, I appreciate the clarification of the gentleman from Connecticut [Mr. GEJDENSON]. As he knows, in the past the Congress has attempted to apply generic language to water contracting statutes, only to have the Bureau of Reclamation fail to comply with those statutes by the use of temporary contracts and other contracts.

Mr. Chairman, I would like to rise in support of the amendment of the gentleman from Connecticut [Mr. GEJDENSON]. I think it is an important amendment. It is a very logical amendment. It is an amendment that makes a great deal of sense with respect to our obligations to the taxpayers of this country.

The amendment is now amended by the gentleman from Texas [Mr. DE LA GARZA], the chairman of the Committee on Agriculture, and it simply says, "Pick your subsidy." We have had many campaigns launched in this body against double-dippers, against people that we feel have come to the Federal Treasury too often. This simply says, "You can have price supports, or you can have water supports, but you can't have both, and especially in the case of surplus crops because, in the case of the surplus crops, as the gentleman from Kansas [Mr. GLICKMAN] pointed out, this leads to a national problem. It leads to an oversupply that changes prices and supply with respect to other producers throughout the country while at the same time that the reclamation project is driving that supply of that commodity into surplus and then paying the farmer a support price because it is a surplus."

Mr. Chairman, this amendment has been a long time coming. I think it is important. It probably signals the end, this amendment, my amendment and others probably signals the end, when we believe that those of us in the West can run the Federal Bureau of Reclamation as a private little program only for the benefit and the interests of the Western States.

Mr. Chairman, we must now understand in the times of budget deficits and responsibilities to taxpayers that all Members of Congress have a right to scrutinize these programs, to look at them and to determine whether or not they believe they are, in fact, in the national interest. This is not a situation that can only be dealt with by those of us from the West.

That is how it has been dealt with in the past. That is how we spent $35 to $70 billion on these projects. We have benefited from them. The Nation has benefited from them. But we now have an obligation to come back and make sure that they are, in fact, carrying out the public interest and the intent of Congress.

Mr. Chairman, I want to commend the gentleman form Connecticut [Mr. GEJDENSON], my colleague, for his act of interest in this program. I think that he has done the taxpayers of this country, and I think he has done other farmers who do not have the benefit of reclamation water, a great deal of service in trying to equalize the playing field so that they, too, can have profitable farms and support their families.

Mr. PETRI. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of this amendment. This amendment represents the direction that Federal policy should be taking—namely, toward economic sanity.

Currently, there is a clear contradiction between our agricultural policies and our irrigation policies. We are paying some farmers enormous sums not to grow surplus crops, while paying other farmers to grow more of those same crops by providing them with highly subsidized irrigation water from the Bureau of Reclamation. Then we turn around and give Bureau of Reclamation farmers crop supports too.

The purpose of our massive acreage set-aside programs is to arrest the annual drain on the Treasury from commodity price-supports and to bring supply and demand back into a more even balance so that farmers can get reasonable prices for their crops through the marketplace. Unfortunately, the Reclamation Program has completely failed to coordinate with the Nation's farm policy. Instead, it continues to subsidize and promote production of even more surplus crops.

Varying with the year, between 33 and 45 percent of the land receiving Reclamation's subsidized water is used for growing surplus crops. The annual irrigation subsidy alone for these crops is more than a quarter billion dollars. The program also gives unfair advantage to Reclamation farmers in the West as opposed to farmers elsewhere in the Nation, who must pay their own costs of production.

Actually, the Gejdenson amendment is but a small first step toward rational policy. It does not do away with irrigation subsidies altogether. It merely requires farmers to choose one subsidy or the other. And the amendment has been modified to allow farmers a reasonable phase in period to plan for this change. This amendment still allows farmers to grow surplus crops, if that is their choice. It says, however, that they must pay the Government's full cost of providing the water in

those years when the crops are in surplus. The subsidized rate will remain for all nonsurplus crops.

In other words, these farmers can have a crop subsidy, or a water subsidy, but not both.

One might well argue against any water subsidy at all, but we must crawl before we can walk. The goal of this amendment is much more modest. It is simply to eliminate a double subsidy. Surely we ought to be willing to eliminate that level of absurdity. This amendment makes sense from an agricultural policy standpoint and from a taxpayer's standpoint. If farmers choose to plant other crops or retire certain acreage as many non-Reclamation farmers have done, surpluses will be reduced and agricultural markets will become stronger. For farmers who continue to grow surplus crops, the taxpayer's return for irrigated water will be increased. Incentives will also be stronger for investment in water conservation, in turn making more water available for other uses.

Mr. Chairman, the time has come to address this glaring inconsistency. Farmers across the Nation are very much aware that firm steps must be taken to restore stability to the American agricultural markets. This amendment is an important step in that direction. I urge my colleagues to support it.

□ 1550

Mr. PASHAYAN. Mr. Chairman, will the gentleman yield?

Mr. PETRI. I yield to the gentleman from California.

Mr. PASHAYAN. Mr. Chairman, may I ask the gentleman, what is the gentleman's understanding of how the crop that the gentleman says is in surplus is to be ascertained, and then how that is to be matched against the payments for water?

Mr. PETRI. I assume it would be ascertained, although I would yield to the author of the report, from the entity purchasing the commodity.

Mr. PASHAYAN. The gentleman is supporting the amendment, I assume he can answer these questions.

Mr. PETRI. Mr. Chairman, if I could reclaim my time, I would answer the gentleman by referring to the farm bill of the United States and the definitions of crops and surplus provided by the Congress and administered by the Agriculture Department.

Mr. PASHAYAN. Well, yes, but if the gentleman would indulge me further with a question. Will the gentleman indulge me further for a question?

Mr. SHARP. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Gejdenson amendment.

I believe the case has been made, and I am pleased that we have once again brought this issue to the floor of the House of Representatives, it is one that the gentleman from Connecticut [Mr. GEJDENSON] and myself, the gentleman from Wisconsin [Mr. PETRI] and others have been advocating for several years and which I believe now has strong public support, as well as strong support in the House of Representatives.

It is time we ended the double subsidization that we have seen which has been very costly to us as taxpayers and has been harmful to many of our farmers who clearly cannot participate in that.

It simply makes no logical sense for us to be subsidizing water to grow crops that get into surplus, which then we have to turn around and try to restrict production and subsidize the farmers who have been damaged by virtue of those surpluses.

We know water subsidies are important. We know water resources have to be wisely used, especially in the western parts of the country, and frankly, the double subsidization works against the wisest use of these resources.

The gentleman from Connecticut [Mr. GEJDENSON] has allowed an adequate time for people to adjust to this. It is always hard to change. It is always hard to make adjustments, but frankly, we have to do it for budgetary reasons. We should do it for agricultural reasons and for environmental reasons.

Mr. Chairman, I strongly urge an aye vote for the amendment of the gentleman from Connecticut [Mr. GEJDENSON].

Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Connecticut.

Three critical issues are before us: Wise management of the taxpayers' money; fairness in the administration of the Nation's agricultural policy, and sound environmental stewardship of a most precious natural resource—water.

If we do not support the reform advanced through Mr. GEJDENSON'S amendment, the issue remaining before us will be waste—three kinds of it, and none of which this House should want to sustain.

Each year, hundreds of millions of tax dollars are being distributed to agricultural producers in the form of commodity price supports. Many of these same farmers get federally subsidized water from Bureau of Reclamation projects. The problem is that these two programs work at cross purposes, and the result is the worst possible outcome.

The current system is a double hit on the taxpayers: Add to the millions for subsidies nearly another billion pumped yearly through the Bureau of Reclamation in below cost water to a special group of farmers—farmers who are often growing surplus crops.

The current irrigation subsidy at the Bureau of Reclamation ranges from 80 to 99 cents on the dollar. The surplus crops typically grown—wheat, cotton, and rice—are in plentiful supply in this country. Opponents argue that having surpluses is a good insurance policy against possible future shortages. But that argument neglects how our set-aside program, which has taken over 25 million productive acres out of use, can respond and has responded when extra production is needed. Statistics from the late-1980's Midwest drought show that this is precisely how set-aside acres responded in a time of need.

The amendment corrects a fundamental unfairness in American farm policy.

Why should farmers in my State of Indiana, in Mr. GEJDENSON's State of Connecticut, or in Illinois, Georgia, Ohio, and elsewhere have to compete disadvantaged against Western farmers who get a big Federal subsidy on a basic crop-growing ingredient—water?

Farmers in Indiana, and I suspect in the majority of other States, must depend on nature and their talents to get a profitable harvest to market. Uncontrolled irrigation subsidies give large water users concentrated in the West an unfair advantage, and in a free market competitive system that should not be tolerated.

It is the most fundamental principle of farm economics that continued production of surplus crops depresses markets. The cycle of using subsidized water to produce surpluses shored up with more price supports results in a vicious cycle, and farm and water policies that are in public discredit.

Most importantly, current water use policies and the waste engendered are causing extensive environmental damage.

Irrigation water returned to the ecosystem often contains the residues of pesticides, fertilizers, and salts. These contaminants inflict even greater havoc, and add more millions on the backs of taxpayers in the form of expensive desalinization plants and water treatment facilities.

Mr. GEJDENSON's amendment does not treat a recognized inequity by creating another. It's simple goal is to restore fairness and credibility to farm and water policies, and to provide discipline in the use of that life-sustaining resource—fresh water.

The amendment has a generous phase-in period. It ends the contradiction between two Federal programs. It helps reduce surpluses and curtail unnecessary water use. It helps the environment. And it saves the taxpayers money. Any one of those reasons is reason enough to support this amendment. Taken together, they are a mandate for swift and immediate action.

Mr. PASHAYAN. Mr. Chairman, will the gentleman yield?

Mr. SHARP. I yield to the gentleman from California.

Mr. PASHAYAN. Mr. Chairman, once again, I should just like to know what the understanding of the gentleman is as to how this thing would be put into effect; that is to say, since it is obviously quite difficult at the beginning of a growing season to determine what crops will be surplused and how much will be surplused, could the gentleman explain his understanding of how you actually apply the theory of this program.

Mr. SHARP. In fact, the Agriculture Department has to do that every year,

because it comes out and tells my wheat farmers what their expectations are in terms of the marketplace and they tell my wheat farmers you have to not plant 10 percent of your acres or 20 percent of your acres, or you are not going to be engaged in the project, so they do that every year. They have been doing it for 20, 40, or 50 years in this country, so there is no new marvelous bureaucracy or new invention that has to come about here.

Our farmers live with this every year. I think farmers everywhere in the country will have to live with it and any determination that is made. Nobody knows with accuracy, but by golly, production controls, they are not what we call direct controls any longer, but set-asides come in place every year that restrict what a farmer in my area can produce because a surplus exists under what we call program crops. Program crops are what this addresses now as a result of the amendment of the gentleman from Texas [Mr. DE LA GARZA].

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. SHARP. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, I just would say that the only alternative to the present stabilization program and the process by which the Secretary determines these things is the free market. We might want to try that some day, but I do not think so. I think farmers do need a program that stabilizes prices, that gives them some certainty to deal with weather differences and other things.

The only thing the supporters of this amendment are doing is trying to bring some rationality to what we do so that we do not end up creating surpluses on one side and then paying people not to grow basically on the other side.

Mr. PASHAYAN. Mr. Chairman, will the gentleman yield further?

Mr. SHARP. I yield to the gentleman from California.

Mr. PASHAYAN. At what point under the gentleman's concept must the farmer make his election?

Mr. GEJDENSON. Mr. Chairman, if the gentleman will yield, under the present process the farmer has between 3 to 6 months to sign up, often at the beginning of the year, for these programs. We anticipate the same process will be used at the present.

Mr. SHARP. The sign up process is one which is established and used every year. The ASCS office is where you go every year to determine whether you are going to fit into the program. You know the conditions that have been set by the Department of Agriculture.

Admittedly it is not something that people would like to do in an ideal world, but if you want to engage in subsidized agriculture and one that restricts production in order to deal with surpluses, that is a part of the ball game. It is clearly a part of the ball game. We will be debating that issue when we get to the agriculture bill later this summer.

Mr. ROBERT F. (BOB) SMITH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Connecticut.

Mr. Chairman, the gentleman's amendment is a thinly veiled attack on the reclamation program in the West.

The gentleman argues that there is something uniquely wrong about receiving reclamation water and farm program benefits.

In short, he says it is just pork paying for more pork. He is just flat wrong, and I will tell you why.

But first a little history and some of the basics.

The Agricultural Act of 1902 established the reclamation program to promote permanent Western settlement by financing irrigation projects.

It accomplished that objective, and today the Western United States is home to some of the most fertile and productive farmland in the world.

Reclamation projects generate almost $20 billion in economic activity and over 800,000 jobs each year.

Likewise, the Federal farm programs are designed to provide stability in the farm economy and dependability in the grocery stores by guaranteeing farmers who produce program crops a certain price.

Like the reclamation program, the Federal farm programs are working well, and any American can see that by visiting a local grocery store, where the selection, quality, and price of foodstuffs is the best in the world.

The amendment's proponents would have you believe that this amendment will reduce wasteful benefit to enormous corporate agribusinesses.

But the truth is that this amendment would most hurt small family farmers. The gentleman fails to note that many large and efficient farms do not enroll in the farm program anyway.

Large, corporate entities have the flexibility to forego farm program benefits.

It is the small, independent, family farmer that critics of agricultural policy pretend to represent who would be most hurt by the gentleman's amendment.

The gentleman would also have you believe that there is something inherently wrong with receiving more than one Federal benefit.

Indeed, the bill's proponents have concocted this catchy phrase—"double dipping"—to conjure up the image of the Western States taking more than their fair share.

If there is something inherently wrong about receiving more than one Federal benefit, it is the first time the bill's proponents have taken such a view, and I daresay they would not believe it at all if it applied to their own States and districts.

And I would suggest, that if it is the gentleman from Connecticut's intention to highlight Federal spending—and wasteful Federal spending at that—he might look in his own backyard.

Now, keep in mind that reclamation projects in Oregon accounted for $118 million last year.

In comparison, General Electric's Electric Boat Division in Groton, CT—in the gentleman's congressional district—has a $7.5 billion backlog of contracts with the Federal Government.

That is $7.5 billion of Federal money for *Trident* submarines, *Los Angeles* class submarines, and *Seawolf* class submarines. That is 4,000 jobs largely financed by the Federal Government in the Member's district.

Then there is the Sikorsky Helicopter in Stratford—also in the gentleman from Connecticut's district.

Sikorsky Helicopter is the beneficiary of $1.2 billion in Federal largesse to the tune of 12,000 jobs in the gentleman from Connecticut's district.

Connecticut ranks fifth in per capita expenditures from the Department of Defense. Orgeon ranks 45th. So I would suggest that when it comes to sopping up Federal dollars, Connecticut is no slouch.

If the gentleman truly wants to slow wasteful spending, he might propose to cut those weapons systems like helicopters and submarines produced at Groton and Stratford, and save taxpayers billions, rather than the $10 million his amendment would save.

Is not what is good for the goose good for the gander?

Apparently not. The gentleman's amendment is concerned only with programs that are no skin off his nose, and which amount to a drop in the bucket compared to the Federal dollars that pour into the State of Connecticut.

So let us not kid ourselves with this holier-than-thou attitude about reclamation projects. What the gentleman does not like about reclamation is that the gentleman's State and district do not get any.

As for surplus commodities, the gentleman's amendment will do nothing—I repeat, absolutely nothing—to reduce agricultural subsidies.

That logic rests on the assumption that those subsidies exist only in the 17 Western States that receive reclamation water.

Farmers who overproduce certain commodities in Louisiana, Texas, or, say, Connecticut, have no more incentive not to overproduce.

Of course, if the gentleman from Connecticut wants to spread it out, then we should probably say that farmers who grow program crops

should be ineligible to double dip in—say—Social Security or Medicare.

But that would be bad policy. And it would affect Connecticut. The gentleman's amendment today is bad policy, but it does not affect Connecticut.

The gentleman's amendment would save $10 million. Our Federal deficit is expected to be at least $150 billion or more. If measures like this are considered serious attempts to reduce the deficit, then our task will be difficult indeed.

I urge my colleagues to oppose the amendment offered by the gentleman from Connecticut.

□ 1600

Ms. LONG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as many of my colleagues know, the Agriculture Committee reported the 1990 farm bill out of committee last night, or rather, early this morning. A significant amount of debate regarding the farm bill has focused not on agricultural policies, but on the budget. I am pleased to report that the Agriculture Committee has been responsible by staying within the Congressional Budget Office [CBO] baseline.

All of that discussion in the Agriculture Committee only encouraged me to rise in support of the Gejdenson amendment. At a time when all of us, the Agriculture Committee and the Congress at large, are faced with severe budget constraints, it makes no sense for the Federal Government to be engaging in an inconsistent double subsidy to farmers.

By subsidizing irrigation water to farmers to grow a crop and at the same time paying many of these same farmers not to produce the same crops on another part of their land, the Federal Government has established inconsistent, illogical, and irresponsible policy.

The Gejdenson amendment is a step to correct this situation. It is also a step that will save taxpayers some $830 million.

Finally, eliminating the double subsidy would put farmers not served by the Bureau of Reclamation on more competitive footing with those who are, thereby fostering free market competition in our agriculture industry.

The Gejdenson amendment is a responsible approach to agriculture and water policy. I strongly urge adoption of the amendment.

Mr. BROWN of Colorado. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to address an inquiry to the gentleman from Connecticut. Let me ask, and the gentleman may want other references here, but to apply for the RECORD later, but I am interested in the calculation of determining what the cost of the water is for this particular question of the subsidy, and specifically, as the gentleman is aware, these projects are put together with a number of factors. A portion of the cost is attributed to flood control, a portion of the cost is attributed to recreation, a portion of the cost is attributed to the water directly.

If I understand the gentleman's concept, it is that we should not be growing surplus crops with subsidized water. In determining if the water is, indeed, subsidized and how much it is subsidized, does the gentleman take into account the other uses to which the water is put? In other words, is this a clean calculation of the cost of the water, or does it involve other factors?

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Colorado. I am happy to yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, I would say that the difference between the present calculation, the present price and the real price would still not actually repay the taxpayers for the cost of building the system, so that even our proposal does not repay 100 percent of the cost of the program. But it more realistically takes into account the interest charges in the program, and that would be the fundamental difference between the costs.

Mr. BROWN of Colorado. Mr. Chairman, I appreciate the gentleman's answer. My understanding of this is that, for example, it seems to me the appropriate way of looking at the question that the gentleman suggested is that we ought to make sure that in calculating the costs of water for agricultural purposes that we do not include within that calculation the costs of other distinct purposes which may have validity such as recreation, such as flood control, such as the other things.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Colorado. I am happy to yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I would say that when these projects are put together and the determining factor in determining the water for delivery to the irrigation district, if you will, factors in a number of different uses. But we also allocated various costs of that project to others. Fish and wildlife protection is allocated generally to the Federal Government or sometimes shared with the local government. Recreational uses sometimes are shared, again, between the Federal and State, and that is not attributed to the cost of the water to the farmer.

The amendment offered by the gentleman from Connecticut [Mr. GEJDENSON] would be the difference, again, between the subsidized price of the cost of delivery of water to the farmer and the full cost of delivery which would go into figuring the costs and the repayment of those facilities that are directly attributable to that portion of the water and costs that have been allocated to the irrigation aspects and benefits of that project. So it would really have no impact on the other allocated costs throughout that project, but we have a two-tier price system in these projects. We have what we call full costs. Of course, only in the Federal Government full cost is not really full cost. We have the less-than-full cost price, subsidized price, to the farmers that are in compliance with the program.

The Gejdenson amendment would allow the farmer to continue to receive water. They would receive it at full price. It would not include the other allocated costs that are distributed to a wider group of beneficiaries.

Mr. BROWN of Colorado. Mr. Chairman, I thank the gentleman. That was very helpful.

Mr. CARPER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, just about 2½ hours ago not far from where we sit today the budget summit was reconvened.

Our summiteers, Democrats and Republicans, executive and legislative branches, face a big challenge. Their challenge, and our challenge, is to figure our some way or ways to reduce our budget deficit for the next fiscal year by anywhere from $50 billion to $100 billion.

The options facing them, and ultimately the options facing, us, are not pleasant ones. We have the opportunity to cut spending. We will have the opportunity to raise taxes. We will probably have the opportunity to do both. We will have to decide whether or not we want to make defense cuts and throw literally hundreds of thousands of people who are in the military, who are working in defense-related industries out of a job. We will have the opportunity to decide whether or not the hospitals that are already reeling under health care costs, running deficits in many cases, whether or not we are going to further cut their Medicare or Medicaid support. We will have the opportunity to decide whether or not the one-half of all the eligible recipients for WIC programs, for nutrition programs in this country, whether or not we are going to hurt them more or less. We are going to have the opportunity to decide whether or not those kids, four out of five kids who are eligible for Head Start programs that are not being funded, whether or not we are going to help them a little bit or not at all. We are going to have the opportunity to decide whether or not all of those kids who do not par-

ticipate in chapter 1 programs are going to get a chance to participate in them or not. We will have the opportunity to decide whether the hundreds of thousands of families who have no home in which to live are going to have a decent place to live or not. We will have a chance to decide whether or not those tens of thousands of people who are drug-dependent, drug abusers, are going to get into a drug-counseling program or not.

□ 1610

We will have the opportunity to decide whether hundreds of thousands of young people who would like to be eligible for a Pell grant or a Government-guaranteed loan are going to have a chance to get an education or not.

Those are tough choices. Those are tough choices. The amendment before us today, compared to those choices, is an easy choice.

Let me just say this is not a parochial concern for my State. This is not a parochial concern for the farmers of Delaware. This is a concern for the people of my State, and I suspect for the people of many States, who are concerned about the way we are spending their tax dollars.

One of my colleagues rose earlier to raise the question about defense spending that takes place in the State of Connecticut. I think the analogy that was drawn was flawed.

We are not saying the question here is whether or not we are going to build Trident submarines in Connecticut or Sikorsky helicopters in Connecticut. The question is are we going to build them in Connecticut while at the same time we are paying workers in Oregon not to build the same helicopters or not to build the same submarines there. That is really the analogy. That is really the question here.

Mr. Chairman, we will never get all the waste, fraud, and abuse in the Federal Government, as much as we might wish to do so. We can take a small, reasoned, modest step here today. My hope is we will do so by adopting the Gejdenson amendment.

Mr. THOMAS of Wyoming. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. I just want to make note of the fact that nearly every Member that has risen has been from somewhere other than the arid West. It is fairly easy not to be parochial when you are from Delaware when you are talking about reclamation programs. I understand that.

But we have very few choices. When you have 50 or 80 percent of the State belongs to the Federal Government, you have to have multiple use. You have to use these projects for many things, and we do.

I rise in opposition and urge Members to vote "no".

Mr. PASHAYAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I should like to add a few comments, of course, against this amendment. It is as much the policy behind the amendment as the details of it that give me occasion to oppose it.

It is an amendment, and I agree with the gentleman from Oregon [Mr. ROBERT F. (BOB) SMITH], it is an amendment whose result and effect will be to discourage production of that very thing at which Americans are the very best at in the world, namely food and fiber.

Somebody out there might make better automobiles. I do not know. I do not believe that, but there are those who will say so. Somebody out there might make better hand computers or TV sets. I am not sure about that, but there are those who will say so. But nobody in the world makes better food or fiber than the American farmer.

The policy behind this amendment, or the result of this amendment, whether or not intended, is going to be not to encourage, but to discourage the production of that very stuff at which we make not only the best, but the most efficiently in the world.

When you look at our balance of trade, it is American agriculture that is the most favorable to the United States. I take a look at the deteriorating situation not only in the Soviet Union, but in Eastern Europe. Here now is a whole band of central Europe, these peoples who would very shortly do business with the United States.

What better can we do than to supply them with their much needed food and fiber? Our farmers are on the brink of having all sorts of new foreign markets open to them, and I think it sends the wrong signal to pass this kind of an amendment whose result and whose effect will be not to encourage, but to discourge production.

Lastly, I should like to say that notwithstanding the programmatic defintions and descriptions of these Members who support this amendment, I think the actual application of the farmer having to make an election between what they call one kind of a subsidy and the other, is not going to be very good. It is going to put farmers in difficult situations, and it is going to have a far more disastrous effect than the author of this amendment can possibly imagine on the very small farmers, some of whom receive water from the very Federal project we were speaking of today.

The gentleman from California, his criticism is directed to large farmers who receive Federal water, right or wrong. The amendment of the gentleman from Connecticut [Mr. GEJDENSON] is brought in the context of that argument of the gentleman from California. However, the gentleman from Connecticut [Mr. GEJDENSON] forgets there are a lot of small farmers, for example 60 and 70 acres in size, who also receive water from these Federal projects, and whom this amendment will put under a great hardship.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut [Mr. GEJDENSON], as amended.

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. TRAFICANT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 338, noes 55, not voting 39, as follows:

[Roll No. 171]

AYES—338

Ackerman	Dannemeyer	Harris
Anderson	Darden	Hastert
Andrews	Davis	Hawkins
Annunzio	DeFazio	Hayes (IL)
Anthony	DeLay	Hayes (LA)
Applegate	Dellums	Hefley
Archer	Derrick	Hefner
Armey	DeWine	Henry
Aspin	Dickinson	Hertel
Atkins	Dicks	Hiler
Ballenger	Dingell	Hoagland
Barnard	Dixon	Hochbrueckner
Bartlett	Donnelly	Hopkins
Barton	Douglas	Horton
Bateman	Downey	Houghton
Bates	Duncan	Hoyer
Beilenson	Durbin	Hubbard
Bennett	Dwyer	Huckaby
Bentley	Dymally	Hughes
Bilbray	Dyson	Hutto
Bilirakis	Early	Hyde
Billey	Eckart	Ireland
Boehlert	Edwards (CA)	Jacobs
Boggs	Engel	James
Bonior	English	Jenkins
Borski	Erdreich	Johnson (CT)
Bosco	Evans	Johnston
Boucher	Fascell	Jones (GA)
Boxer	Fawell	Jones (NC)
Brennan	Feighan	Jontz
Brooks	Fields	Kanjorski
Broomfield	Fish	Kasich
Browder	Flake	Kastenmeier
Brown (CA)	Flippo	Kennedy
Brown (CO)	Foglietta	Kennelly
Bruce	Ford (MI)	Kildee
Bryant	Ford (TN)	Kolbe
Buechner	Frenzel	Kolter
Bunning	Gallegly	Kostmayer
Burton	Gallo	Kyl
Bustamante	Gaydos	LaFalce
Byron	Gejdenson	Lagomarsino
Callahan	Gekas	Lancaster
Campbell (CA)	Gibbons	Lantos
Cardin	Gillmor	Laughlin
Carper	Gilman	Leach (IA)
Carr	Gingrich	Leath (TX)
Chapman	Glickman	Lehman (FL)
Clarke	Gonzalez	Lent
Clement	Gordon	Levin (MI)
Clinger	Goss	Levine (CA)
Coble	Gradison	Lewis (FL)
Coleman (MO)	Grandy	Lewis (GA)
Collins	Grant	Lipinski
Conte	Gray	Livingston
Conyers	Green	Lloyd
Cooper	Guarini	Long
Costello	Gunderson	Lowey (NY)
Coughlin	Hall (OH)	Luken, Thomas
Cox	Hamilton	Machtley
Coyne	Hammerschmidt	Manton
Crane	Hancock	Markey

Martin (IL)	Petri	Smith (TX)
Martin (NY)	Pickett	Smith (VT)
Martinez	Pickle	Smith, Robert (NH)
Mazzoli	Porter	Snowe
McCloskey	Poshard	Solarz
McCollum	Price	Solomon
McCrery	Pursell	Spence
McDade	Rahall	Spratt
McDermott	Ravenel	Staggers
McEwen	Ray	Stark
McGrath	Regula	Stearns
McHugh	Rhodes	Stenholm
McMillan (NC)	Richardson	Stokes
McMillen (MD)	Ridge	Studds
McNulty	Rinaldo	Tallon
Meyers	Roe	Tanner
Mfume	Rogers	Tauke
Michel	Rohrabacher	Tauzin
Miller (CA)	Ros-Lehtinen	Taylor
Miller (OH)	Rose	Thomas (GA)
Miller (WA)	Roth	Torres
Mineta	Roukema	Torricelli
Moakley	Rowland (GA)	Towns
Molinari	Roybal	Traficant
Mollohan	Russo	Udall
Montgomery	Sabo	Unsoeld
Moody	Saiki	Upton
Morella	Sangmeister	Valentine
Mrazek	Sarpalius	Vander Jagt
Murphy	Savage	Vento
Murtha	Sawyer	Visclosky
Myers	Saxton	Volkmer
Nagle	Scheuer	Walgren
Natcher	Schiff	Walker
Neal (MA)	Schneider	Walsh
Neal (NC)	Schroeder	Washington
Nowak	Schulze	Waxman
Oakar	Schumer	Weiss
Oberstar	Sensenbrenner	Weldon
Obey	Serrano	Wheat
Olin	Sharp	Whitten
Owens (UT)	Shays	Wilson
Oxley	Sikorski	Wise
Pallone	Sisisky	Wolf
Parris	Skaggs	Wolpe
Patterson	Skelton	Wyden
Payne (NJ)	Slattery	Wylie
Payne (VA)	Slaughter (NY)	Yates
Pease	Slaughter (VA)	Yatron
Pelosi	Smith (FL)	Young (FL)
Penny	Smith (NJ)	

NOES—55

AuCoin	Hunter	Roberts
Baker	Inhofe	Schaefer
Bereuter	Johnson (SD)	Shumway
Campbell (CO)	Lehman (CA)	Skeen
Chandler	Lewis (CA)	Smith (NE)
Combest	Lightfoot	Smith, Denny (OR)
Condit	Lukens, Donald	Smith, Robert (OR)
Craig	Madigan	Stallings
Dornan (CA)	Marlenee	Stangeland
Dreier	Matsui	Stump
Edwards (OK)	McCandless	Swift
Emerson	McCurdy	Thomas (CA)
Espy	Moorhead	Thomas (WY)
Fazio	Morrison (WA)	Vucanovich
Gephardt	Ortiz	Whittaker
Geren	Packard	Williams
Hansen	Panetta	Young (AK)
Herger	Pashayan	
Holloway	Perkins	

NOT VOTING—39

Alexander	Hatcher	Ritter
Berman	Kaptur	Robinson
Bevill	Kleczka	Rostenkowski
Clay	Lowery (CA)	Rowland (CT)
Coleman (TX)	Mavroules	Schuette
Courter	Morrison (CT)	Shaw
Crockett	Nelson	Shuster
de la Garza	Nielson	Smith (IA)
Dorgan (ND)	Owens (NY)	Sundquist
Frank	Parker	Synar
Frost	Paxon	Traxler
Goodling	Quillen	Watkins
Hall (TX)	Rangel	Weber

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The Clerk announced the following pairs:

On this vote:

Mr. Kleczka for, with Mr. Lowery of California against.

Mr. Parker for, with Mr. Quillen against.

Mrs. BOXER, Mr. COX, and Mr. NAGLE changed their vote from "no" to "aye."

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

AMENDMENTS OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. TRAFICANT: Page 20, after line 16, insert the following new subsection:

( ) RESTRICTIONS ON CONTRACT AWARDS.—No person or enterprise domiciled or operating under the laws of a foreign government may enter into a contract or subcontract made pursuant to this Act if that government unfairly maintains, in government procurement, a significant and persistent pattern or practice of discrimination against United States products or services which results in identifiable harm to United States businesses, as identified by the President pursuant to section 305(g)(1)(A) of the Trade Agreements Act of 1979.

Page 20, after line 16, insert the following new section:

SEC. . PROHIBITION AGAINST FRAUDULENT USE OF "MADE IN AMERICA" LABELS.

If the Secretary of Interior determines that any person intentionally affixes a label bearing a "Made in America" inscription to any product sold in or shipped to the United States that is not made in America, the Secretary shall declare that person ineligible to receive a Federal Contract or Grant in conjunction with the issuance of any contract made under this Act for a period of not less than 3 years and not more than 5 years. The Secretary may bring action against such person to enforce this subsection in any United States district court.

Page 20, after line 10, add the following new title:

TITLE XIII—BUY-AMERICAN

SEC. 1301. BUY-AMERICAN REQUIREMENT.

(a) DETERMINATION BY THE SECRETARY OF THE INTERIOR.—If in carrying out title I of Public Law 97-293 (96 Stat. 1261), any provision of this Act, or any amendment made by this Act, the Secretary of the Interior, with the concurrence of the United States Trade Representative and the Secretary of Commerce, determines that the public interest so requires, the Secretary of the Interior is authorized to award to a domestic firm a contract that, under the use of competitive procedures, would be awarded to a foreign firm if—

(1) the final product of the domestic firm will be completely assembled in the United States;

(2) when completely assembled, not less than 51 percent of the final product of the domestic firm will be domestically produced; and

(3) the difference between the bids submitted by the foreign and domestic firms is not more than 6 percent.

In determining under this subsection whether the public interest so requires, the Secretary shall take into account United States international obligations and trade relations.

(b) LIMITED APPLICATION.—This section shall not apply to the extent to which—

(1) such applicability would not be in the public interest;

(2) compelling national security considerations require otherwise; or

(3) the United States Trade Representative determines that such an award would be in violation of the General Agreement on Tariffs and Trade or an international agreement to which the United States is a party.

(c) LIMITATION.—This section shall apply only to contracts for which—

(1) amounts are authorized by title I of Public Law 97-293, this Act, or any amendment made by this Act to be made available; and

(2) solicitations for bids are issued after the date of the enactment of this title.

(d) REPORT TO CONGRESS.—The Secretary shall report to the Congress on contracts covered under this section and shall report to the Congress on the number of contracts that meet the requirements of subsection (a) but which are determined by the United States Trade Representative to be in violation of the General Agreement on Tariffs and Trade or an international agreement to which the United States is a party. The Secretary shall also report to the Congress on the number of contracts covered under this title and awarded based upon the parameters of this section.

(e) DEFINITIONS.—For purposes of this section:

(1) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(2) DOMESTIC FIRM.—The term "domestic firm" means a business entity that is incorporated in the United States and that conducts business operations in the United States.

(3) FOREIGN FIRM.—The term "foreign firm" means a business entity not described in paragraph (2).

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendments offered en bloc be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, I yield to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I would like to inform Members about the schedule for the rest of the evening. It is currently our expectation, after consulting with the minority members of the committee, that we have three or four additional amendments left, none of which at the moment we expect to have a vote on. My understanding is there probably will not be a vote on final passage, but if we can maintain order, we would expect to wrap this up in a half an hour, but our expectation at this moment, I believe, is not to have additional rollcall votes.

Mr. TRAFICANT. Mr. Chairman, I yield to the gentleman from Wyoming [Mr. THOMAS].

Mr. THOMAS of Wyoming. Mr. Chairman, that is our understanding. It is an agreeable arrangement for Members.

Mr. TRAFICANT. Mr. Chairman, in the last debate, the amendment of the gentleman from Connecticut [Mr. GEJDENSON], an analogy was drawn relative to putting out fires, and also of Congress being able to understand the conditions which produce those fires, so that perhaps we could prevent future fires.

Now, my amendment basically does the following: that if there is a hypothetical fire, and if the American firefighters go out to the scene in a firetruck, that the firetruck be made in America or the opportunity for the truck to be purchased in America would be made available; second of all, if the American firefighter and the firetruck that is supposed to be made in America, and it is so labeled as being American, that in fact that is truthful. It really is, and no one is lying.

Finally, if President Bush says that a country is violating our trade laws and that their trade practices are injuring our American economy, that those manufacturers of firetrucks in their countries will be ineligible to bid on making firetrucks subject to this act.

It is Buy American Act. It contains specific language as such.

Mr. Chairman, I yield to the chairman of the committee, the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I appreciate the gentleman yielding to me. We have had a chance to review these amendments. They are acceptable to the majority. I appreciate the time that the gentleman has continued to work on these issues affecting trade balances in the United States.

Mr. TRAFICANT. Mr. Chairman, I yield to the distinguished vice chairman.

Mr. THOMAS of Wyoming. Mr. Chairman, the minority has reviewed the gentleman's amendments. We find them acceptable.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendments were agreed to.

AMENDMENT OFFERED BY MR. MORRISON OF WASHINGTON

Mr. MORRISON of Washington. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MORRISON of Washington: Page 20, after line 16, add the following:

TITLE XIII—SUNNYSIDE VALLEY IRRIGATION DISTRICT

SEC. 1301. CONVEYANCE.

The Secretary of the Interior shall convey to Sunnyside Valley Irrigation District of Sunnyside, Washington, by quitclaim deed or other appropriate instrument and without consideration, all right, title, and interest of the United States, excluding oil, gas, and other mineral deposits, in and to a parcel of public land described as Lots 1 and 2 of Block 34 of the Town of Sunnyside in Section 25, Township 10 North, Range 22 East. Willamette Meridian, Washington.

Mr. MORRISON OF Washington (during the reading). Mr. Chairman I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

Mr. CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MORRISON of Washington. Mr. Chairman, this will be quick. This is a simple land transfer for an irrigation district that has paid all of its costs back to the Federal Government, and built themselves a new office building, and would like to dispose of the old facility. It has a very, very low cost. It simply is a statutory land transfer.

Mr. Chairman, I yield to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, again, we had an opportunity to review the amendment, and I think it is fair to the local district. We accept the amount.

Mr. MORRISON of Washington. Mr. Chairman, I yield to the gentleman from Wyoming [Mr. THOMAS].

Mr. THOMAS of Wyoming. Mr. Chairman, we think it is a good deal and we would like to support this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. MORRISON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SHUMWAY

Mr. SHUMWAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHUMWAY: At the end of the bill, insert the following new title:

TITLE —SLY PARK UNIT SALE

SEC. . SALE OF SLY PARK UNIT.

(a) IN GENERAL.—The Secretary shall, as soon as practicable after date of enactment of this Act, sell the Sly Park Unit to the El Dorado Irrigation District.

(b) SALE PRICE.—The Secretary shall negotiate with the District a sale price which is acceptable to both the District and the United States. The factors to consider when negotiating the sale price shall primarily include, but are not limited to—

(1) the construction costs as included in the accounts of the Secretary, plus

(2) interest on the construction costs allocated to domestic use at the authorized rate included in enactment of the Act of October 14, 1949 (63 Stat. 852) up to an agreed upon date, plus

(3) the presently assigned Federal operation and maintenance costs, less

(4) all revenues to date as collected under the terms of the contract (Symbol 175v-1809) between the United States and the El Dorado Irrigation District.

(c) TERMS OF PAYMENT.—The Secretary may negotiate for a payment of the purchase price on a lump-sum basis or on a semiannual basis for a term of not to exceed twenty years. If payment is not to be lump-sum, then the interest rate to be paid by the District shall be the rate referred to in subsection (B)(2).

(d) CONVEYANCE.—Upon completion of payment by the District, the Secretary shall convey to the El Dorado Irrigation District all right, title, and interest and future liability of the United States in and to the Sly Park Unit. All costs associated with the transfer shall be borne by the District.

SEC. . DEFINITIONS.

For the purpose of this Title, the term—

(1) "El Dorado Irrigation District" or "District" means a political subdivision of the State of California duly organized, existing, and acting pursuant to the laws thereof with its principal place of business in the city of Placerville, El Dorado County, California.

(2) "Secretary" means Secretary of the Interior.

(3) "Sly Park Unit" means the Sly Park Dam and Reservoir, Camp Creek Diversification Dam and Tunnel and conduits and canals as authorized under the American River Act of October 14, 1949 (63 Stat. 853).

Mr. SHUMWAY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SHUMWAY. Mr. Chairman, at the outset, let me just say that this amendment is nonenvironmental, nonregional, really is not controversial, and is not related to the prior amendments we have debated so long all today—the Miller amendments, the Gejdenson amendment. This should be passed handily. It is one, I think, Members can understand very easily.

For several years, a small irrigation district in my congressional district has been operating a small unit of the Central Valley project called the Sly Park unit. Ever since that unit was built back in 1955, it has been managed and operated entirely by the El Dorado Irrigation District. They would like to buy the unit from the Federal Government.

In my amendment, I have indicated that it can be sold, and I have indicated that the parties should confer, the Secretary of the Interior in this case with the irrigation district, to arrive at a mutually agreeable sales price. This is a way that we can unload part of the Federal Government privatizing, and we can realize some return that will make a modest step toward our

budget deficit. It is a way that we can put into the hands of local government for much more efficient management, a unit of the Central Valley project that has long been managed that way anyway.

Therefore, it has no consequences on the environment. It has no consequences on the regional issues we have discussed today, but is something that makes good sense. In fact, under later law, this kind of thing would be encouraged by the reclamation acts that we have considered here in Congress. This project was built pursuant to the law of 1949, which made no provision for a local buyout. But the law has since been changed. In 1956, we provided that the contracts like this one, for example, under stated terms and conditions, mutually agreeable to the parties, could be bought, locally, so that the remaining amount of construction cost which is properly assignable for ultimate return can be repaid for the United States. That is all that I am asking for in this amendment.

Mr. MARLENEE. Mr. Chairman, will the gentleman yield?

Mr. SHUMWAY. I yield to the gentleman from Montana.

Mr. MARLENEE. Mr. Chairman, did the gentleman state that this was nonregional in nature?

Mr. SHUMWAY. Well, much of the debate today has taken on a regional tone, and I am saying this really has no ramifications for differences regionally.

Mr. MARLENEE. Your amendment is nonregional, and the gentleman has stated it is nonenvironmental?

Mr. SHUMWAY. That is correct.

Mr. MARLENEE. Heaven forbid. I do not know if it belongs in this legislation. Someone should raise a point of order.

Mr. SHUMWAY. Mr. Chairman, I thank the gentleman for his contribution, but I have introduced this proposal as legislation during the last two Congresses.

The chairman of the subcommittee, the gentleman from California [Mr. MILLER] has been kind enough to afford a couple of hearings in his subcommittee, so it is not a new idea. It has not been launched today for the first time. It is one we have discussed at some length, and one I think really needs to be adopted, today, as we consider this reclamation bill.

Mr. MILLER of California. Mr. Chairman, if the gentleman will yield, let me just say it would be my intent to, while I at the moment disagree with this amendment and I do not do so with respect to the gentleman offering it, I have a great deal of concern with respect to how the Secretary would value this project and the fact that this ia a part of the integrated central California Central Valley project in California, and we want to make very sure that others in that project do not get stuck with the bills, as others exit that project.

As the gentleman knows, we had hearings on this proposal, and the subcommittee has spent a considerable amount of time trying to work out what a policy would be in the integrated policies such as central Arizona, central Utah, and others for this kind of request. We have had these requests from others.

□ 1650

So I will be willing to accept this amendment, but I want to serve notice on the gentleman that it is really out of respect for his tenacity on this project that I accept it. He has been banging on the door, and properly so, trying to represent the views of his consitutents. But I would also like to say that I expect to get a commitment from the gentleman that between now and the time this bill is accepted by the Senate we have an opportunity to work on this, and that he would be amenable to changes that would help us develop an overall policy with respect to the privatization or a return to the local agenices of some of these components of the projects.

It is not that we are in opposition to the concept. I just want to make sure that we do not do something for the gentleman and somebody else says, "I want to be treated just like the gentleman from California," and we have not laid down a policy. I know the gentleman has been very cooperative in our efforts to do that, and with that proviso, I would be willing to accept this amendment on behalf of the majority of the committee.

Mr. SHUMWAY. Mr. Chairman, I thank the gentleman from California, and I would be very happy to respond by saying that I would be happy to work with him in developing that kind of a policy, and even developing a refinement to this proposal as it is considered in the Senate, providing the chairman of the subcommittee does not stop the idea that I have presented here today. I think it is an idea that has to move forward. I recognize the chairman's concerns, but I would not want to enlist any kind of helpful efforts that would sidetrack this bill or sidetrack this Sly Park sale.

Mr. MILLER of California. Mr. Chairman, that is not my intent.

The CHAIRMAN. The time of the gentleman from California [Mr. SHUMWAY] has expired.

(By unanimous consent, Mr. SHUMWAY was allowed to proceed for 2 additional minutes.)

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. SHUMWAY. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I appreciate my colleague's yielding.

I just want to observe to the gentleman from California that the tenacity displayed very likely in no small part comes from observing the other gentleman from California, and we do appreciate his courtesies.

Mr. SHUMWAY. Mr. Chairman, I thank the gentleman from California.

Mr. THOMAS of Wyoming. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we believe that the gentleman from California [Mr. SHUMWAY] has offered a very sound and responsible amendment, and we support it.

Mr. FAZIO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, if I could engage the chairman of the subcommittee in a colloquy on this matter, let me say that I understand the position he has taken regarding the request of the gentleman from California [Mr. SHUMWAY]. This project, of course, is the Sly Park portion of the Central Valley project. The gentleman is aware that I have legislation pending in the committee for the purchase of the Monticello project. That is the second part of the reclamation program, another part of the Central Valley project.

Will the gentleman indicate how he perceives that legislation in light of his acceptance of the Shumway amendment?

Mr. MILLER of California. Mr. Chairman, if the gentleman will yield, this is exactly my problem, but it has gotten a fair amount of our attention. Our greatest concern is with respect to the integrated projects, because as we know and as we are starting to see already, all the costs that will be attributable to these projects have not yet been determined, and I am concerned that when some portion of those projects now seek to exit, they are going to leave those people who are left behind with higher bills than they might have anticipated when they engaged in this.

The Monticello project, as the gentleman points out is a free standing project, as is the Salano project, and we believe those do present different issues. We have been spending a great deal of time on the gentleman's request.

Mr. FAZIO. Mr. Chairman, if I may reclaim my time, I would ask the gentleman a further question.

Is the issue here really not ultimately going to be how the project or a portion of the project is valued so the local purchasers can find it to be economic and the Federal taxpayers are properly compensated for their investment?

Mr. MILLER of California. That is clearly the major component of this issue and this dilemma that we have been struggling with. I think the gen-

tleman and I are relatively close in some of our negotiations, and here I am a little concerned that we just turn this over to the Secretary and they make that determination and all of a sudden the Congress may be embarrassed by what they did. I would rather that we hammer that out here. But with those provisos, I have agreed to accept this amendment.

Mr. FAZIO. Mr. Chairman, if I might just complete my comments, I share the gentleman's concern. On the other hand, I may benefit if the gentleman from California [Mr. SHUMWAY] is able to work out an appropriate agreement with the Secretary of the Interior or the Commissioner of Reclamation as to the value of this, and that would be a precedent upon which all these other asset sales to local entities would be based.

Mr. MILLER of California. Mr. Chairman, I will ask, does the gentleman from California [Mr. SHUMWAY] now understand my concerns?

Mr. SHUMWAY. Yes. Mr. Chairman, if the gentleman will yield, I do understand his concerns.

Mr. MILLER of California. We have one of the great boots-strappers of America here, and that is my concern. But we will accept the amendment.

Mr. SHUMWAY. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I am happy to yield to my friend, the gentleman from California.

Mr. SHUMWAY. Mr. Chairman, I would just like to add, just in reference to the gentleman's concern, the fact that the Sly Park unit has been endorsed by the Central Valley project Water Users Association, and, of course, this group is the group that eventually buys CVP water, and if this transfer were to have the effect of raising the prices of water they buy from the CVP, obviously they would not be endorsing it as they are.

Mr. FAZIO. That is right.

Mr. SHUMWAY. So the effect on the overall system is very negligible. There may be more substantive projects that would have a more measurable effect, and we need to work carefully on those. I understand the gentleman's concerns, but they do not really apply here.

Mr. FAZIO. Mr. Chairman, I believe the gentleman is correct. They need to be looked at on a case-by-case basis. I realize the homework the gentleman has done to prepare his amendment today. I do think, however, that the question of valuing these assets remains out there, and it will have to be worked out not only by the gentleman from California [Mr. MILLER] but with the Department of the Interior to satisfy all the Members here on the floor in this matter.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. SHUMWAY].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MILLER OF CALIFORNIA

Mr. MILLER of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of California: On page 4, line 20, add the following new subsection:

(C) At the end of section 106(a), add the following:

": *Provided further*, That the sums authorized for appropriation in this paragraph shall not be authorized after one year from the date of enactment of this Act, unless the Secretary finds that the State of Wyoming, in cooperation with the U.S. Fish and Wildlife Service, has completed a study and established an appropriate schedule of downstream release requirements from the Buffalo Bill Dam for protection of fisheries, riparian habitat, and recreational uses in the Shoshone River.".

Mr. MILLER of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER of California. Mr. Chairman, the purpose of this amendment is to encourage the State of Wyoming, in cooperation with the U.S. Fish and Wildlife Service, to establish a schedule of minimum water releases to the Shoshone River below Buffalo Bill Dam for the protection of fisheries and other resources.

The Shoshone River below Buffalo Bill Dam supports a blue ribbon trout fishery and excellent streamside habitat. Unfortunately, however, these resources have suffered periodic damage from insufficient water releases from the dam.

The 1982 operation agreement among the U.S. Fish and Wildlife Service and the Bureau of Reclamation provides for a minimum release of 100 cubic feet per second, but these critical flows can at any time be reduced or discontinued at the option of the Bureau of Reclamation.

Promises to deliver sufficient instream flows to protect fishery resources in the Shoshone River have not been enough. The quality of these resources demand better protection.

This amendment simply provides an incentive to the State of Wyoming to establish a flow release schedule from Buffalo Bill Dam. The amendment provides that the cost ceiling increase authority for the expansion of Buffalo Bill Dam as set forth in title I of H.R. 2567 will expire if an appropriate flow release schedule is not established by the State of Wyoming within 1 year from the date of enactment of H.R. 2567.

I want to emphasize to my colleagues that this amendment does not impose a Federal minimum flow requirement or any other flow requirement on the State of Wyoming. Adoption of this amendment would in no way interfere with the administration of Wyoming State water rights.

I urge my colleagues to support this amendment.

Mr. THOMAS of Wyoming. Mr. Chairman, I rise in opposition of the amendment.

Mr. Chairman, I would like to discuss with the chairman of the subcommittee our efforts in Wyoming. I do not oppose the amendment because of opposition to in-stream flow. As a matter of fact, we support in-stream flow.

I grew up on this river and traveled each day home past this stretch of the river, and I would like very much to see it in in-stream flow. I know of the concerns of the chairman of the subcommittee, and I have visited with the water officials in the State of Wyoming, including the Governor, and we have dealt with this question. I would like to offer this letter from the Governor and would be willing to put it in the RECORD. Let me read just one paragraph from the letter:

The State Fish and Game Department of the State of Wyoming has already commenced biological studies to determine adequate and required stream flows below Buffalo Bill in preparation for an application under Wyoming law. As a result, the State has worked with the Bureau of Reclamation as to its operating plan which, when adopted, provides for 100 CFS flow.

In addition, he has thoroughly reviewed this with the Bureau and the Fish and Wildlife Service, and steps will be taken, according to the Governor's letter, to implement the recommendations.

Mr. Chairman, at this point I will put the letter in the RECORD.

(Letter follows:)

STATE OF WYOMING,
OFFICE OF THE GOVERNOR,
Cheyenne, June 14, 1990.

HON. GEORGE MILLER,
Chairman, Subcommittee on Water, Power and Offshore Energy Resources Committee on Interior and Insular Affairs
U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This letter is to confirm my previous conversation with your office regarding Wyoming's commitment to protecting the fishery on the Shoshone River below Buffalo Bill Dam. As you are aware, I oppose any amendment to the Buffalo Bill legislation which imposes federal minimum requirements to stream flow in areas where Wyoming law provides a legislatively authorized process. The State Game & Fish Dept. has already commenced biological studies to determine adequate and required stream flows below Buffalo Bill in preparation for an application under Wyoming Law. As well, the State has worked with the Bureau of Reclamation as to its operating plan which, as adopted, provides a 100 cfs. flow.

This is to advise and assure you that I will see that these processes continue and that steps are taken under our laws to assure the

study results are thoroughly reviewed with the Bureau, the U.S. Fish & Wildlife Service and steps taken to implement the recommendations.

The Buffalo Bill Dam funding represents a superb federal-state cooperation effort. I appreciate your assistance in seeing that the funding proceeds to assure that the project is not suspended for a lack of funding which can only serve to increase costs and delay completion.

With best regards, I am very truly yours,

MILKE SULLIVAN,
Governor.

□ 1700

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of Wyoming. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, let me say to the gentleman from Wyoming [Mr. THOMAS] that obviously I want to begin by commending him for the manner in which he has handled this bill on the floor and also for the manner in which he has handled the issue of the Buffalo Bill Dam. He has worked long and hard within the subcommittee and the full committee to present this issue to the Congress and to, hopefully, get it signed into law before we leave town this year. Mr. Chairman, I want to thank him for his efforts.

However, Mr. Chairman, I do not want to mislead the gentleman from Wyoming [Mr. THOMAS] or any of the supporters of this dam. It will be very, very difficult to get this provision signed into law if there is not established between now and the time we get to the final consideration of this provision those in-stream protections.

I know this is emotional. I know these are difficult issues. But I just have to tell my colleagues that, after 16 years of being involved in water projects in this Congress, if those guarantees are not forthcoming and those arrangements are not made, I think that the potential for this project succeeding and the cost ceilings being raised are greatly diminished.

Mr. Chairman, I know the gentleman from Wyoming [Mr. THOMAS] appreciates that, and the Governor has spoken to us and indicated that this is his intent.

I am going to take the gentleman from Wyoming [Mr. THOMAS] at his word. I am going to take the Governor at his word, that these negotiations will be ongoing, and there will be an arrangement made for the protection of this fishery and this habitat.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. THOMAS of Wyoming. Mr. Chairman, reserving the right to object, I certainly do not object. On the contrary, I thank the gentleman from California [Mr. MILLER], and I certainly assure him that I will, with the Governor and others in the State, work toward accomplishing what we have described.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The amendment of the gentleman from California [Mr. MILLER] is withdrawn.

Mr. PASHAYAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as my colleagues know, late last night I put in an amendment into the RECORD. I shall not offer the amendment, but I shall engage in a brief discussion of it.

For a long time now the people of the San Joaquin Valley have felt the wrath of some critics of agricultural water policy. The essence of their wrath has been that there is this enormous subsidy, this giveaway, this rip off, going to farmers.

The purpose of my doing this, Mr. Chairman, is to create a relevant means by which I can get some information into the RECORD that there are some places in the reclamation States where the water is used, not for farming, but for industrial purposes, and some of those industries are paying very little for the water. These are not farmers. These are in some cases some of the biggest industries in the world. Some of them are most likely foreign-owned corporations. I know full well that the language of this particular amendment has application beyond even those kinds of industries, but that is characteristic of the amendments that we have passed thus far on this bill. The language in it is so broad, it is so all sweeping, that I am sure that there are consequences out there that are probably unintended and likely unforeseeable, just as "arrangement" and "combinations" in the amended bill could create hardship in the cases of senior farmers, handicapped farmers, disabled farmers, or other farmers, incapable of working their own farms.

So, Mr. Chairman, I shall not be offering the amendment, but I would put into the RECORD some information in evidence that a lot of the water being used is not by farmers, large or small, but by industry in the traditional sense of that word, and that industry is paying precious little for that water.

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, DC, December 10, 1985.

In reply refer to: 440.

Hon. FRANK MURKOWSKI,
Chairman, Subcommittee on Water and Power, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR SENATOR MURKOWSKI: This is in response to your letter dated November 14, 1985, requesting information regarding the contract between the United States and the Contra Costa Water District for water supplies from the Central Valley Project. Our responses to the questions you raised are as follows:

Question 1: "What is the current status of the repayment contract between the Secretary of the Interior and the Contra Costa Water District?"

Response: The contract with the Contra Costa Water District (CCWD) is a water service contract. Like many old Central Valley Project (CVP) contracts, it has rates which are inadequate to recover the current cost of service. Costs allocated to CCWD and the repayment status through fiscal year 1983 are noted below:

	Total capital for repayment	Unpaid balance		
		Capital [1]	Deficit	Total
Municipal and industrial (M&I):				
Contra Costa Canal	$7,028,205	$1,880,402		$1,880,402
Contra Loma	4,890,789	4,890,789	$333,737	5,224,526
New facilities	5,026,425	4,777,776		4,777,776
General project	19,023,333	19,023,333	[2] 11,796,198	30,819,531
Total M&I	35,968,752	30,572,300	12,129,935	42,702,235
Irrigation	1,939,333	1,939,333	756,603	2,695,936
Total	37,908,085	32,511,633	12,886,538	45,398,717

[1] M&I capital is repayable at various interest rates from 2.5 to 3.342 percent.

[2] Interest on deficit at Sept. 30, 1983, accruing at 4.45 percent—interest on annual deficits for FY 1984 forward accruing at 8 percent.

The original contract with CCWD was amended in 1970 to increase the amount of water to be made available to the district and to provide for repayment of certain allocated costs of constructing the Contra Costa Canal and other related facilities. That contract effectively resulted in the financial isolation of the CCWD facilities from the remainder of the CVP. That contract is unique in this respect. The remaining major features of the CVP are all operationally and financially integrated.

Question 2: "Is the District current on repayment obligations?"

Response: CCWD is currently meeting its contractual obligations but, like many old CVP contracts, the rates in the contract are inadequate to repay current costs. CCWD currently has an unpaid deficit approaching $13 million (see previous response).

Question 3: "What are the municipal and industrial water rates paid by the District and how do these rates compare with other municipal and industrial water rates in the service area of the Central Valley Project?"

Response: A comparison of current rates paid by CCWD with rates which would be

required if the CCWD contract were renegotiated today are shown below:

	CCWD contract rate	Current CVP rate for CCWD
Municipal and industrial:		
"Schedule A" (86,000 acre-feet)	[1] $4.80	$14.62
"Schedule B" (39,000 acre-feet)	[1] 24.50	15.32
"Schedule C" (70,000 acre-feet)	[2] 9.00	9.00
Irrigation	[3] 3.50	21.06

[1] Schedule A and B water for the city of Tracy is $24.20 per acre-foot (about 5,000 acre-feet annually), and the current CVP rate is $20.46.
[2] Schedule C water is the same for all M&I contractors in the CVP.
[3] Since the district is currently operating and maintaining the canal, it is currently paying the United States only $0.50 per acre-foot.

Question 4: "When does the current contract between the Secretary and the District expire?"

Response: The contract expires in the year 2010. However, certain components of the rate are adjustable as provided in the contract. The Schedule A municipal and industrial rate will increase by $9.00 effective in 1992, and this $9.00 component is adjustable periodically thereafter.

However, if the maximum permissible adjustments are made, the following table shows the status of repayment in 2010, based on the above information and assuming 4 percent inflation on operation and maintenance costs, and unpaid capital and deficit interest at the rates stated under the response to Question 1.

FISCAL YEAR 2010 (CURRENT CONTRACT EXPIRATION)

	Unpaid balance		
	Capital	Deficit	Total
Municipal and industrial:			
Contra Costa Canal	0		0
Contra Loma	$695,973		$695,973
New facilities	0		0
General project	19,023,333	$7,077,343	26,100,676
Total M&I	19,719,306	7,077,343	26,796,649
Irrigation	1,405,979		1,405,979
Total	21,125,285	7,077,343	28,202,628

The water rates for CCWD are calculated below on the basis of maintaining the current contract through 2010 and implementation of rates in 2011 to payout by 2030. Annual adjustments would also be necessary to cover increasing operation and maintenance expenses from 2011–2030.

Composite repayment rate [1]	Projected deliveries (acre-feet)	Payment rate per acre-foot [2]
Fiscal year:		
1983	160,000	8.25
2010	195,000	14.91
2011	195,000	15.35

[1] Rate—Component rate setting method at 4 percent inflation and increasing allocation of water service function to M&I.
[2] Interest on capital and deficits at rates stated above.

Question 5: "What is the status of studies of the relocation of the Contra Costa Canal intake and what are the estimated costs of such a relocation?"

Response: We are currently in the last year of the Kellogg Unit plan formulation investigation. Indications are that we will recommend a 2-stage plan. The first will be the relocation of the intake to the vicinity of the Clifton Court intake of the State Water Project. The second will be construction of the off-stream storage at either the Kellogg or the Los Vaqueros sites. We estimate the relocation costs to be approximately $50 million, excluding storage costs. It is the Bureau's position that relocation of the intake will require renegotiation of the existing contract. Such renegotiation will conform the contract to all current legal and policy requirements.

Sincerely yours,

CLIFFORD BARRETT,
Acting Commissioner.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 14, 1980.

Mr. R. KEITH HIGGINSON,
Commissioner, Water and Power Resources Service, Department of the Interior, Washington, DC.

DEAR KEITH: I greatly appreciated your January 7 response to my letter of November 19, 1979, concerning Central Valley Project benefits accrued to Contra Costa County in the Sacramento-San Joaquin Delta, and would like to pursue some of my questions further with you.

In response to my request for a list of Delat M&I and agricultural beneficiaries of the CVP, you noted that the Service does not have any contracts with water users in the Delta, and therefore no current information such as I requested concerning landownership and project water delivery records. I understand, however, that you do contract with the Contra Costa County Water District (CCCWD), which in turn provides M&I and agricultural water to Delta water users. Would it not be possible to obtain information on landownership and project water delivery records to water users through your contractors) in this case, the CCCWD? I would also be interested in a breakdown of the total volume of water delivered by the Service to the CCCWD each year in terms of agricultural water and M&I water.

I understand that periodically, water is released into the Delta specifically for the purposes of water quality control (which results in incidental benefits for M&I and agricultural water users). Are those releases specifically authorized by Congress, and are they reimbursable? If they are, have the costs of those releases actually been reimbursed, and by whom?

You mentioned that "other water users besides the CCC users would benefit from improved Delta water quality." Am I correct in assuming that by "CCC users" you are referring to Contra Costa County M&I and agricultural water users who have contracted for the water they receive? And does "other water users" refer to not only those San Joaquin Valley interests who have contracted for agricultural and M&I water, but those Delta interests who are contributing nothing toward the costs of providing incidental and direct improved water quality benefits?

If so, is the Service planning action to assure that the costs of providing those improved water quality benefits be more fairly distributed, so that those Delta interests who are receiving these benefits free of charge will contribute toward repaying the costs involved? If not, why not?

Finally, assuming that none of the existing CVP water works have been built, how much would it cost to construct them all today in order to duplicate current water quality standards in the Delta? In studies on existing CVP projects that are currently providing water for the Delta, is there any consideration or mention of benefits, in terms of dollar value or otherwise, to the Delta and Contra Costa County?

I appreciate your time and consideration of my concerns. Awaiting a prompt reply, I am,

Sincerely,

TONY COELHO,
Member of Congress.

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, DC, January 7, 1980.

Hon. TONY COELHO,
House of Representatives, Washington, DC.

DEAR MR. COELHO: This is in response to your letter of November 19 concerning the benefits accrued to Contra Costa County from the operation of the Central Valley Project (CVP).

None of the revenues received from the sale of water to the Contra Costa County Water District (CCCWD) for the period 1941–1969 were applied toward the construction and operation and maintenance costs of the CVP dams and reservoirs. All revenues were applied towards repayment of costs of the Contra Costa Canal (CCC).

Under the current contract the total quantity of water allocated to CCCWD (195,000 acre-feet) is separated into schedules A, B. and C. Schedule A water is the first 86,000 acre-feet delivered to the CCCWD. The next 39,000 acre-feet delivered is under schedule B and the remaining 70,000 acre feet is delivered under schedule C. CCCWD's annual use has been between 80,000 and 125,000 acre-feet for the past few years. The quantity of water delivered depends on the water quality conditions in the Sacramento-San Joaquin Delta (Delta).

The CCCWD is required to pay for schedule A water each year whether it is used or not. The rates for schedule A municipal and industrial (M&I) water and irrigation water are $10 and $3.50 per acre-foot respectively. The contract provides that in the event the CCWD takes over the operation and maintenance of the CCC (which it has done), the CCCWD will be credited with $5.20 per acre-foot for M&I water and $3 per acre-foot for agricultural water towards the cost of operation and maintenance of that facility. Thus, the effective rates are $4.80 for M&I water and $0.50 for agricultural water. Of the $4.80 effective M&I water rate, $4.30 is credited toward repayment of CCC capital costs and $0.50 is for CVP power, which only is sufficient to recover operation and maintenance costs for power. The $0.50 per acre-foot for agricultural water is a charge for CVP power and only is sufficient to recover the current operation and maintenance costs associated with providing such power. Therefore, for the schedule A block of 86,000 acre-feet of water, the CCCWD is making no payments towards the operation and maintenance and capital costs of CVP storage facilities nor towards the capital costs of CVP power facilities. Beginning in 1992 the CCCWD will pay a Delta service component of $9 per acre-foot for the schedule A M&I water which is to be credited towards the operation and maintenance and capital costs of CVP storage facilities. The $9 charge may be adjusted on January 1, 1996, and each 5 years thereafter in accordance with the terms of the contract. The rates for schedules B and C water do contain components for full repayment of CVP storage facilities.

With respect to the total subsidy of CCCWD, the General Accounting Office (CAO) estimated that the exclusion of a charge for capital cost repayment of the CVP storage facilities in the initial contract

and for schedule A water in the present contract plan interest will amount to a subsidy of about $41 million over the period 1941-1999. At the current rates it is paying CCCWD will not repay its proportionate share of the construction costs of the CVP within the term of the existing contract (through the year 2010).

You requested that we provide you with a list of Delta M&I and agricultural beneficiaries of the Federal water projects, complete with landownership and project water delivery records. We have no contracts with water users in the Delta; thus, we do not have any current information with respect to landownership or project water delivery.

The estimated quality of water in Rock Slough at the CCC intake and in the San Joaquin River near Antioch, in the absence of the CVP and California State Water Project (SWP), is displayed in the enclosed table 1. The data is presented in the percent of time in which water quality is equal to or better than the three specific criteria you designated. The analysis is based on present upstream inpairment but without CVP and SWP facilities. The data indicates that the quality criteria at Antioch would be met less than 50 percent of the time in below normal, dry, and critical years.

The quality of water at the CCC intake with the CVP and SWP meeting the State Water Resources Control Board Decision 1485 (D-1485) water quality standards is presented in the enclosed table 2. The State Water Resources Control Board assumed in D-1485 that the CCC would serve as the source of M&I water for eastern Contra Costa County. Therefore, the standard could be met either at the CCC intake or at Antioch. The D-1485 standards establish that the CCC intake represents what the State Water Resources Control Board estimated the diverters in the western Delta would have had available at Antioch without the Federal and State projects. The board's estimate of the percentage of time that the 150 and 250 milligrams per liter (mg/1) chloride standards would have been met at Antioch is higher than our estimate.

The enclosed table 3 lists the estimated additional Delta outflow required to maintain the various Rock Slough criteria for a critical and average year. The analysis assumes existing level of water development but without the CVP and SWP. The 100 parts per million (p/m) chloride level during the winter months (December through March) is not evaluated because it cannot be maintained by Delta outflow alone. It is a function of local drainage returns and pumping into the CCC, the Delta Mendota Canal, and the State Aqueduct.

Other water users besides the CCC users also would benefit from improved Delta water quality.

Local drainage returns increase the salinity in Rock Slough over that which exists in the connecting Old River Channel. This is especially significant from December through March when leaching of salt from the soil of the Delta usually takes place. In order to improve the water quality in Rock Slough, the high salinity water must be diluted or removed through Delta exports. While low salinity levels also must be maintained in Old River at the Rock Slough junction through repulsing ocean salinity intrusion, this in itself will not provide Rock Slough with its desired salinity objectives.

Before San Luis Reservoir and the California Aqueduct were in operation in 1968, the wintertime Delta exports were small. The salinity level in Rock Slough then usually ranged from 500 to 600 p/m (100 to 250 p/m chloride) regardless of the salinities in Old River. As indicated in table 3, the wintertime Delta outflows are usually large, but they still were not effective in flushing Rock Slough. Since 1968, increased wintertime exports by the CVP and SWP have helped flush the drainage return flows from Rock Slough. Those higher saline waters are then exported to the San Joaquin Valley and southern California. Also, increased wintertime exports by the CCC itself help dilute the salinity of the water diverted by the canal.

Under present conditions, given the limitations on CP and SWP export capabilities and the extreme fluctuation of the local drain returns which are affected by rainfall and leaching practices, it would not be possible to provide the 100 p/m chloride objective desired by the CCC users during the winter months of most years, even if the appropriate water quality could be provided in Old River.

Under D-1485 salinity standards, Rock Slough is the controlling station for critical years from June 1 through March 31 and for most other years from August 16 through September 30.

For a summertime condition with a Delta export of about 5,000 cubic feet per second (ft3/s), the various Rock Slough objectives require the following Delta outflow rates:

Rock Slough objective chloride P/M	Estimated Delta outflow rate—ft3/s
250	4200
150	5000
100 (not a D-1485 standard)	5900

The capital cost of moving the CCC intake to Clifton Court Forebay as estimated by the State Department of Water Resources (DWR) ranges between $13 and $29 million. The low figure correspondents to a relocated canal intake constructed from the Delta Pumping Plant intake channel to the existing CCC intake channel in the vicinity of Rock Slough generally between the 5- and 20-foot contours. The higher figure represents the costs of a canal from the State Aqueduct downstream of the Delta Pumping Plant to the Contra Loma Reservoir generally between the 200- and 243-foot contours. The costs of both alternatives are based on a 350 ft3/s canal intake capacity.

The amount of project yield which could be saved by moving the CCC intake to Clifton Court Forebay has not been determined for the conditions you requested. However, a preliminary estimate of the yield savings under D-1485 objectives is about 160,000 acre-feet. The value of the water saved by relocating the intake is equivalent to the cost of developing a new water supply.

There is no practical way to guarantee that the 100 mg/l chlorides criteria will be met in all years if the diversion to the CCC is from a water channel which is subject to saltwater intrusion (either DWR alternative). In a critical dry year the outflow could be reduced to such a degree that saltwater intrusion and a degradation in excess of 100 mg/l would occur. The degree of protection does, however, increase as the point of diversion is moved farther upstream.

The Peripheral Canal and the Kellogg Reservoir were studied by the Water and Power Resources Service in the late 1960's. They both were found to be economically justified and would accomplish multiple objectives including improving water service for the CCC. Even though the economic analysis of those two projects was conducted over 10 years ago, there is no reason to suspect that they are not still less costly than the alternative of maintaining sufficient outflow to maintain the objective quality at the canal intake.

We are not studying the feasibility of moving the intake of the CCC at this time. We do not now have authority to spend funds for such a study. However, the Secretary of the Interior has stated that he would seek legislation to authorize the relocation of the CCC intake from its present location to Clifton Court Forebay.

The benefits foregone in other project service areas if existing project yield is used to maintain improved salinity objectives for CCC were estimated at $155 per acre-foot by the San Luis Task Force. That value represents the average agricultural benefits generated by an acre-foot of irrigation water used within the Westlands Water District.

The value of reducing the chloride concentrations in the CCC deliveries from 150 to 100 mg/1 cannot be measured precisely. The primary beneficiaries of such an improvement in water quality are the paper product industries within the canal service area. The costs to those industries can be equated to the cost incurred due to increased water treatment required by the degradation in quality above 100 mg/1.

Sincerely yours,

(Sgd.) CLIFFORD I. BARRETT.

(For R. Keith Higginson, Commissioner)

Enclosures.

TABLE 1.—PERCENT OF YEAR WATER QUALITY EQUAL TO OR BETTER THAN CRITERIA WITHOUT CVP AND SWP [1]

Year type	Antioch chloride p/m			Rock Slough at CCC intake chlorides p/m		
	100	150	250	100 [1]	150	250
Wet	59	61	67	86	98	98
Above normal	47	50	54	63	75	89
Below normal	41	44	48	49	61	71
Dry	34	40	44	36	47	56
Critical	24	34	37	21	32	37

[1] Data developed assuming present level of upstream demands without CVP and SWP.

TABLE 2.—PERCENT OF YEAR WATER QUALITY WOULD BE MET WITH CVP AND SWP UNDER D-1485 STANDARDS

Year type	Rock Slough at CCC intake chlorides p/m		
	100 [1 2]	150	250
Wet		66	100
Above normal		52	100
Below normal		48	100
Dry		45	100
Critical [3]		42	100

[1] Rock Slough salinity at this level during winter and spring months is determined primarily by local irrigation drainage returns rather than by amount of Delta inflow.

[2] Analysis not completed.

[3] In very critical years such as 1977, Water and Power would not necessarily meet the D-1485 standards.

TABLE 3.

Month	Critical year—1931				Average year—1936			
	Delta [1] outflow without CVP and SWP 1,000 ft³/s	Required additional outflow—1,000 A/F for Rock Slough chlorides p/m			Delta [1] outflow without CVP and SWP 1,000 ft³/s	Required additional outflow—1,000 A/F for Rock Slough chlorides p/m		
		250	150	100		250	150	100
January	18.5	0	0		57.2	0	0	
February	18.7	0	0		111.6	0	0	
March	16.4	0	0		49.1	0	0	
April	3.8	0	0	48	43.7	0	0	0
May	5.5	0	0	12	27.2	0	0	0
June	1.0	155	214	280	13.1	0	0	0
July	−2.0	369	418	474	−.3	172	234	314
August	−.5	277	326	381	.5	215	264	320
September	3.1	54	101	155	6.2	0	0	0
October	6.0	0	0	0	8.7	0	0	0
November	9.4	0	0	0	6.8	0	0	0
December	28.3	0	0		11.7	0	0	
Total		855	1,059	1,350		387	498	634

[1] DWR operation study adjusted for revised Water and Power Resources Service estimates (Sept. 78) of Delta Channel depletions.

HOUSE OF REPRESENTATIVES,
Washington, DC, November 19, 1979.

Mr. R. KEITH HIGGINSON,
Commissioner, Bureau of Reclamation, Department of the Interior, Washington, DC.

DEAR COMMISSIONER HIGGINSON: I am writing to express my concern and questions over what appear to be some inequities and discrepancies in the distribution of the subsidy involved in California's federal Central Valley Project. Specifically, my concerns center on the benefits accrued to Contra Costa County in the Sacramento-San Joaquin Delta region, and relate to current and proposed Delta water quality levels.

In a recent letter to me that was written in response to a previous request of mine about federal water project benefits to the Delta region and Contra Costa County in particular, the General Accounting Office stated that, ". . . all M&I and irrigation revenues received during 1941-1969 were applied toward repaying the costs of the (Contra Costa) canal only."

Does this mean that the Contra Costa County Water District (CCCWD) paid nothing toward the construction and operation and maintenance costs of the dams and reservoirs that were built during that period and which are beneficial to the entire Delta region? What is the current situation?

The GAO recently informed me that Contra Costa M&I water users are charged a rate of 50 cents an acre-foot. However, I understand from Bureau of Reclamation officials that the M&I rate is actually $10 an acre-foot. What is the actual rate charged to CCCWD, for both M&I and agricultural water users? What is the total amount of the subsidy involved to the CCCWD?

Could your office provide me with a list of Delta M&I and agricultural beneficiaries of federal water projects, complete with land ownership and project water delivery records?

At the current rates it is paying, how soon will the CCCWD be able to pay for the construction costs of the federal water projects that it benefits from?

In the past, Contra Costa County interests have claimed a right to water quality standards of no more than 100 parts per million (p/m) chloride. I am interested in knowing what the water quality would be in the Delta without the benefits of the Central Valley Project and State Water Project—specifically, what is the percent of time (by year types) that water quality of 100, 150, and 250 p/m chloride would be available at Antioch and at Rock Slough in the absence of the Central Valley Project and State Water Project? What is the current situation?

I understand that, due to local drainage returns and tidal flows, water quality at the Contra Costa Canal Intake at Rock Slough is variable and not entirely satisfactory to the CCCWD. What would the water quality be at Rock Slough without the CVP and SWP and what is the current situation in terms of frequency and duration of varying salinity levels? Assuming as a base condition at Rock Slough the salinity that would be there in the absence of the CVP and SWP, how much additional Delta outflow would be required to maintain salinity levels of 100, 150, and 250 p/m?

In order to meet the objectives of the CCCWD, would the CVP and SWP have to mitigate the impact of the local drainage returns? If so, what would be the cost in project yield of the CVP and SWP? How would the costs be allocated?

It has been proposed to move the Contra Costa Canal Intake from Rock Slough to Clifton Court Forebay. What would be the savings in water supply needed to meet the objectives of the CCCWD, as discussed in the previous paragraph?

What would be the cost of moving the Contra Costa Canal Intake to Clifton Court Forebay, and the value of the water saved? Could a 100 p/m chloride water quality be met in all years (or all years but critical years such as 1977)? Would any additional Delta outflow still be needed, and would other facilities in addition to moving the canal intake be required to guarantee the objective quality?

If additional Delta outflow would still be needed, how much outflow and project yield would be required to maintain water quality levels of 100, 150, and 250 p/m chloride?

Considering the cost of new water supply development, could the guarantee at Clifton Court Forebay for the salinity objectives previously discussed be met at less cost through offstream storage (such as a Peripheral Canal or a Kellogg Reservoir) than through increased Delta outflow?

Is the Bureau currently studying the plan to move the Contra Costa Canal Intake to Clifton Court Forebay, or any other means to supply better quality water to the Contra Costa County Water District?

Finally, I am interested in knowing what is the cost to the Nation in terms of benefits foregone to other project service areas if existing project yields are used to maintain improved salinity objectives for Contra Costa instead of developing new supplies.

I appreciate your time and attention to my concerns. Awaiting a prompt reply, I am,

Sincerely,

TONY COELHO,
Member of Congress.

CONTRA COSTA WATER DISTRICT—TABULATION OF ANNUAL WATER DELIVERIES FROM CONTRA COSTA CANAL 1978–86

[In acre-feet]

	January	February	March	April	May	June	July	August	September	October	November	December	Total
1978													
Within statutory delta:													
Oakley County Water District	112	162	215	167	177	243	198	195	242	183	214	162	2,270
Antioch	0	0	0	0	0	110	455	731	339	0	0	122	1,756
Pittsburg	196	195	224	222	363	657	561	572	562	417	381	276	4,625
Total major municipal	308	357	439	389	540	1,010	1,213	1,498	1,144	599	595	560	8,651
Major industrial	1,121	555	503	520	606	777	1,531	1,593	1,628	843	1,058	921	11,655
Other M&I	0	0	0	0	45	42	36	37	40	24	12	4	240
Agricultural	0	0	0	1	18	700	512	883	187	76	18	0	2,395
Total within delta	1,430	912	941	910	1,208	2,528	3,292	4,011	2,998	1,543	1,684	1,485	22,941
Outside statutory delta:													
Southern California Water Co	63	76	87	74	105	149	116	149	158	109	108	84	1,279

CONTRA COSTA WATER DISTRICT—TABULATION OF ANNUAL WATER DELIVERIES FROM CONTRA COSTA CANAL 1978–86—Continued

[In acre-feet]

	January	February	March	April	May	June	July	August	September	October	November	December	Total
CCCWD treated water division	254	25	37	59	255	2,529	3,352	2,368	2,467	2,001	2,607	1,496	17,449
Martinez	160	169	223	185	291	478	391	398	437	317	298	213	3,560
Total major municipal	477	270	348	317	651	3,156	3,860	2,915	3,063	2,427	3,013	1,793	22,289
Major industrial	1,264	1,402	1,736	1,264	1,336	1,771	1,421	1,547	1,802	1,269	1,565	1,370	17,748
Other M&I	3	5	14	28	245	593	655	570	426	200	86	31	2,855
Total outside delta	1,744	1,676	2,098	1,609	2,232	5,520	5,935	5,031	5,291	3,896	4,664	3,195	42,891
Total deliveries	3,174	2,588	3,039	2,519	3,439	8,049	9,228	9,042	8,289	5,439	6,347	4,679	65,832
1979													
Within statutory delta:													
Oakley County Water District	143	159	214	201	212	294	231	299	227	193	216	149	2,537
Antioch	223	0	62	338	277	469	748	919	482	490	480	252	4,740
Pittsburg	307	315	382	350	429	753	596	762	597	409	357	298	5,553
Total major municipal	673	474	658	888	918	1,516	1,574	1,980	1,305	1,092	1,053	699	12,829
Major industrial	894	791	610	645	720	1,239	1,890	2,386	1,996	2,079	1,752	808	15,812
Other M&I	1	0	0	26	18	51	11	61	32	15	2	0	217
Agricultural	0	0	0	5	46	566	771	501	206	30	18	0	2,143
Total within delta	1,568	1,265	1,269	1,564	1,702	3,373	4,246	4,928	3,539	3,216	2,824	1,508	31,001
Outside statutory delta:													
Southern California Water Co	83	90	106	88	111	183	147	182	133	104	105	84	1,415
CCCWD treated water division	645	210	604	532	3,305	4,713	4,013	4,440	2,164	1,841	2,024	1,377	25,867
Martinez	199	205	259	235	298	549	442	528	402	314	274	225	3,928
Total major municipal	927	504	969	855	3,714	5,445	4,601	5,150	2,698	2,259	2,403	1,686	31,210
Major industrial	1,259	1,217	1,771	1,404	1,427	1,867	1,344	1,811	1,546	1,533	1,729	1,339	18,246
Other M&I	12	16	28	86	174	610	593	599	397	196	34	22	2,764
Total outside delta	2,197	1,737	2,767	2,345	5,315	7,922	6,537	7,560	4,641	3,987	4,166	3,047	52,221
Total deliveries	3,765	3,002	4,035	3,909	7,017	11,294	10,783	12,488	8,180	7,203	6,990	4,554	83,222
1980													
Within statutory data:													
Oakley County Water District	178	212	177	174	238	193	197	269	198	247	163	130	2,375
Antioch	0	0	0	73	372	178	304	699	659	457	358	364	3,463
Pittsburg	327	400	317	400	640	614	609	871	613	673	426	377	6,269
Total major municipal	505	612	494	647	1,250	985	1,110	1,838	1,470	1,377	947	871	12,106
Major industrial	725	783	706	746	712	743	608	1,492	1,850	1,789	1,302	1,145	12,601
Other M&I	0	3	0	7	31	33	30	40	25	17	9	1	197
Agricultural	5	0	0	23	178	379	489	597	163	64	27	10	1,935
Total within delta	1,235	1,398	1,200	1,423	21,171	2,140	2,237	3,968	3,507	3,247	2,285	2,027	26,839
Outside statutory data:													
Southern California Water Co	77	98	79	93	149	144	147	196	137	162	99	102	1,481
CCWD treated water division	525	0	0	188	2,219	3,611	3,565	4,666	2,799	3,455	1,665	969	23,661
Martinez	212	263	222	273	335	507	437	596	387	415	262	251	4,160
Total major municipal	814	361	301	553	2,702	4,262	4,149	5,458	3,322	4,032	2,025	1,322	29,302
Major industrial	1,304	1,583	1,262	1,275	1,619	1,446	1,504	2,005	1,377	1,785	1,305	1,382	17,846
Other M&I	12	19	20	104	305	508	623	583	369	247	94	18	2,901
Total outside delta	2,130	1,963	1,583	1,932	4,626	6,216	6,276	8,046	5,068	6,064	3,425	2,772	50,050
Total deliveries	3,365	3,361	2,783	3,355	6,797	8,356	8,513	12,014	8,575	9,310	5,710	4,749	76,889
1981													
Within statutory delta:													
Oakley County Water District	224	156	152	175	228	231	303	200	187	197	150	101	2,304
Antioch	483	9	0	112	1,052	887	1,189	761	695	599	304	0	6,092
Pittsburg	399	290	289	401	764	777	992	716	689	636	421	293	6,666
Total major municipal	1,107	455	440	687	2,044	1,895	2,484	1,677	1,571	1,432	875	394	15,061
Major industrial	1,283	872	618	646	1,987	1,759	1,819	1,910	1,464	1,973	1,765	565	16,659
Other M&I	3	1	0	14	32	38	47	36	28	18	12	0	228
Agricultural	3	4	7	23	411	388	699	388	131	54	0	0	2,108
Total within delta	2,395	1,331	1,065	1,371	4,473	4,081	5,049	4,011	3,193	3,477	2,652	959	34,056
Outside statutory delta:													
Southern California Water Co	122	97	93	105	149	189	219	197	141	148	95	95	1,649
CCWD treated water division	1,942	1,643	1,627	956	4,137	4,457	5,814	3,777	3,032	2,819	811	0	31,014
Martinez	255	228	222	337	504	531	646	486	442	400	269	193	4,509
Total major municipal	2,318	1,967	1,942	1,398	4,790	5,177	6,678	4,460	3,614	3,366	1,175	287	37,172
Major industrial	1,425	1,046	1,296	1,408	1,630	1,318	1,790	1,490	1,467	1,802	1,349	975	16,996
Other M&I	22	14	15	111	362	561	785	505	364	198	39	12	2,988
Total outside delta	3,765	3,027	3,253	2,917	6,783	7,056	9,253	6,455	5,444	5,366	2,562	1,275	57,156
Total deliveries	6,159	4,358	4,318	4,288	11,256	11,137	14,301	10,466	8,638	8,843	5,214	2,234	91,212
1982													
Within statutory delta:													
Oakley Country Water District	155	113	115	144	162	165	202	162	155	167	119	122	1,781
Antioch	0	0	0	74	378	330	917	793	304	0	0	0	2,796
Pittsburg	388	311	302	435	601	620	855	718	605	553	376	412	6,174
Total major municipal	542	424	417	653	1,141	1,115	1,974	1,673	1,065	719	494	534	10,750
Major industrial	615	675	760	705	777	710	762	627	855	628	583	640	8,338
Other M&I	0	0	0	7	23	31	39	26	22	18	0	0	166
Agricultural	0	0	0	0	81	278	599	354	100	3	0	0	1,415
Total within delta	1,157	1,099	1,177	1,365	2,022	2,133	3,374	2,681	2,042	1,368	1,077	1,174	20,669

CONTRA COSTA WATER DISTRICT—TABULATION OF ANNUAL WATER DELIVERIES FROM CONTRA COSTA CANAL 1978–86—Continued

[In acre-feet]

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Outside statutory delta:													
Southern California Water Co	126	98	95	134	155	263	350	208	183	161	115	137	2,025
CCWD treated water division	0	0	0	11	1,760	2,935	3,796	4,204	2,937	1,477	1,412	1,061	19,592
Martinez	311	231	233	311	419	518	514	475	413	418	269	294	4,404
Total major municipal	437	329	328	456	2,334	3,715	4,660	4,887	3,533	2,055	1,796	1,492	26,021
Major industrial	1,338	1,255	1,192	1,519	1,253	1,260	1,648	1,271	1,170	1,510	1,388	1,481	16,284
Other M&I	6	5	6	74	269	460	635	485	336	193	29	21	2,518
Total outside delta	1,781	1,589	1,525	2,048	3,856	5,434	6,943	6,643	5,039	3,759	3,213	2,994	44,823
Total deliveries	2,938	2,688	2,703	3,413	5,878	7,567	10,317	9,323	7,081	5,127	4,291	4,167	65,492
1983													
Within statutory delta:													
Oakley County Water District	61	99	106	145	137	172	215	194	196	157	135	142	1,757
Antioch	0	0	0	0	153	453	456	393	279	0	0	0	1,734
Pittsburg	255	314	243	381	538	692	949	749	860	498	387	361	6,225
Total major municipal	316	412	349	525	828	1,317	1,619	1,336	1,335	655	522	503	9,716
Major industrial	628	660	640	609	878	680	720	580	650	638	741	498	7,922
Other M&I	0	0	0	2	21	31	36	28	29	18	0	0	165
Agricultural	0	0	0	9	31	150	559	280	85	0	4	0	1,118
Total within delta	944	1,072	989	1,145	1,758	2,177	2,933	2,223	2,099	1,311	1,268	1,001	18,920
Outside statutory delta:													
Southern California Water Co	103	130	102	133	165	223	267	239	242	155	136	129	2,022
CCWD treated water division	0	0	8	0	971	2,459	3,389	3,772	3,650	572	827	0	15,646
Martinez	219	226	234	320	352	608	550	530	605	343	297	290	4,573
Total major municipal	322	356	344	453	1,487	3,290	4,205	4,540	4,496	1,069	1,260	419	22,241
Major industrial	1,132	1,274	1,471	1,754	1,126	1,429	2,048	1,340	2,110	1,455	1,697	1,751	18,586
Other M&I	11	8	8	48	194	473	689	439	376	185	40	10	2,480
Total outside delta	1,465	1,639	1,823	2,254	2,807	5,191	6,942	6,320	6,982	2,708	2,996	2,180	43,307
Total deliveries	2,409	2,711	2,812	3,399	4,565	7,369	9,876	8,543	9,081	4,019	4,264	3,181	62,226
1984													
Within statutory delta:													
Oakley County Water District	123	127	182	175	208	265	244	287	216	171	163	125	2,285
Antioch	0	0	18	150	555	949	869	731	317	52	317	0	3,959
Pittsburg	325	325	483	488	680	1,005	890	1,048	751	482	453	326	7,255
Total major municipal	447	452	683	813	1,443	2,219	2,003	2,066	1,284	706	933	451	13,499
Major industrial	698	589	653	714	912	1,112	2,019	1,964	1,525	1,032	1,238	846	13,301
Other M&I	59	45	4	6	18	52	53	41	16	10	0	0	303
Agricultural	0	0	16	38	199	285	248	313	112	28	0	0	1,239
Total within delta	1,204	1,086	1,355	1,571	2,571	3,668	4,322	4,384	2,937	1,776	2,172	1,297	28,341
Outside statutory delta:													
Southern California Water Co	128	131	172	149	199	277	223	324	192	149	144	100	2,186
CCWD treated water division	0	483	92	1,456	3,885	5,133	4,913	6,227	3,523	3,594	1,930	258	31,594
Martinez	250	241	343	345	466	694	607	694	552	374	336	257	5,160
Total major municipal	378	854	607	1,949	4,650	6,104	5,743	7,245	4,267	4,118	2,410	615	38,940
Major industrial	1,505	1,384	1,649	1,421	1,578	1,989	1,664	2,068	1,644	1,641	1,828	1,377	19,747
Other M&I	12	11	64	123	293	622	607	576	375	214	43	4	2,943
Total outside delta	1,894	2,249	2,320	3,492	6,522	8,716	8,104	9,889	6,286	5,973	4,280	1,996	61,631
Total deliveries	3,098	3,335	3,675	5,063	9,093	12,384	12,336	14,273	9,223	7,748	6,451	3,293	89,972
1985													
Within statutory delta:													
Oakley County Water District	103	135	161	180	212	219	269	250	202	208	198	158	2,295
Antioch	0	0	0	432	1,210	1,106	1,200	1,320	752	449	597	403	7,469
Pittsburg	330	359	508	524	863	837	885	992	691	602	480	387	7,458
Total major municipal	434	494	670	1,136	2,286	2,162	2,353	2,561	1,645	1,259	1,274	948	17,221
Major industrial	846	987	1,367	1,150	2,312	2,013	2,387	2,496	2,197	2,078	2,653	2,250	22,733
Other M&I	0	2	4	13	35	49	33	35	21	16	2	0	210
Agriculture	0	0	0	17	119	212	223	201	59	20	0	14	865
Total within delta	1,280	1,482	2,040	2,316	4,751	4,436	4,996	5,293	3,922	3,372	3,930	3,211	41,029
Outside statutory delta:													
Southern California Water Co	115	118	156	168	236	257	275	292	180	163	128	122	2,210
CCWD treated water division	1,407	1,858	2,879	2,336	5,097	4,547	4,687	5,881	2,453	3,475	2,210	1,895	38,725
Martinez	247	255	343	348	608	566	605	688	453	404	344	265	5,126
Total major municipal	1,769	2,231	3,378	2,851	5,941	5,370	5,568	6,861	3,086	4,042	2,683	2,282	46,060
Major industrial	1,360	1,483	1,664	1,609	1,971	1,691	1,483	1,807	1,651	1,643	1,884	1,640	19,883
Other M&I	11	14	53	114	333	522	655	554	348	215	71	14	2,904
Total outside delta	3,140	3,728	5,095	4,574	8,245	7,583	7,705	9,222	5,085	5,899	4,638	3,935	68,848
Total deliveries	4,419	5,211	7,135	6,890	12,996	12,019	12,701	14,515	9,007	9,271	8,568	7,174	109,877
1986													
Within statutory delta:													
Oakley County Water District	182	145	160	196	313	205	277	343	239	277	135	213	2,685
Antioch	467	0	0	34	660	612	967	1,297	812	850	453	681	6,636
Pittsburg	437	340	388	523	900	867	893	1,088	739	771	443	608	7,996
Total major municipal	1,085	485	548	753	1,873	1,685	2,137	2,728	1,791	1,698	1,031	1,502	17,316
Major industrial	2,469	957	890	625	699	719	1,568	1,825	1,720	1,049	1,098	1,904	15,519
Other M&I	0	0	1	12	29	45	43	70	35	27	14	1	277
Agricultural	0	0	0	0	114	126	122	149	58	9	26	10	614

CONTRA COSTA WATER DISTRICT—TABULATION OF ANNUAL WATER DELIVERIES FROM CONTRA COSTA CANAL 1978–86—Continued

[In acre-feet]

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total within delta	3,554	1,442	1,439	1,390	2,715	2,575	3,869	4,772	3,603	2,783	2,169	3,417	33,726
Outside statutory delta:													
Southern California Water Co	127	113	115	161	196	178	226	288	177	220	119	192	2,110
CCWD treated water division	3,026	1,219	0	540	3,129	4,845	4,747	5,886	4,052	2,869	1,783	4,025	36,122
Martinez	322	244	261	334	580	546	614	693	469	489	277	383	5,212
Total major municipal	3,474	1,576	376	1,035	3,905	5,569	5,586	6,867	4,697	3,578	2,180	4,600	43,443
Major industrial	1,917	1,374	1,560	1,540	1,810	1,586	1,692	2,030	1,589	2,020	1,074	1,738	19,930
Other M&I	9	5	18	91	300	509	610	565	330	215	84	47	2,782
Total outside delta	5,400	2,955	1,954	2,666	6,014	7,663	7,889	9,462	6,616	5,814	3,338	6,385	66,155
Total deliveries	8,954	4,396	3,393	4,056	8,728	10,238	11,758	14,234	10,219	8,596	5,507	9,802	99,881

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Sacramento, CA., September 3, 1975.

Mr. FREDERICK BOLD, Jr.,
Attorney at Law, Walnut Creek, CA.

DEAR MR. BOLD: The following response is to your July 25, 1975 letter regarding the quality of water diverted into the Contra Costa Canal. We have restated your questions for the sake of brevity, with an appropriate answer.

Question 1. What will be the quality of water in the Contra Costa Canal by the year 2000?

Answer. The quality of water in the canal by 2000 will depend on several factors, the most important of which is the Delta water quality criteria to be maintained by the State and Federal project facilities. As we have indicated in our policy statement regarding our obligation to meet water quality criteria within the Delta, either contracts with project beneficiaries or legislation is, in my opinion, required for the Bureau to meet any salinity standards in the Delta other than those specified in existing contracts.

The Bureau and the Department of Water Resources are presently negotiating contracts with Delta water agencies for maintenance of suitable quality in the Delta channels for agricultural use. The final criteria to which these agencies agree will determine to some degree the quality in the Rock Slough. We expect that other agencies who obtain water from the Delta for agricultural and M&I purposes will also eventually contract with the State and Federal Governments for a guaranteed quality of water. The guarantee of quality in Rock Slough will depend on specific conditions of these negotiated contracts.

The Four Agencies; i.e., Bureau of Reclamation, Fish and Wildlife Service, and the California Departments of Water Resources, and Fish and Game, are negotiating a Delta Fish and Wildlife Water Management Agreement. The present draft agreement also includes provisions for maintenance of specific salinity levels throughout the Delta. If this agreement is executed, it would also impact the quality of water in Rock Slough. The beneficiaries receiving improved quality of water above that which would be available without the Central Valley Project have an obligation to pay for the benefits received. This is also the opinion of the State Water Resources Control Board as stated in its Water Rights Decision D-1379.

The quality in the Contra Costa Canal will also be affected by any future change in the point of diversion. It is quite probable that the District may, if required to pay for the cost of maintaining the quality of water in Rock Slough at the desired level, petition to move the point of diversion to the Clifton Court area. We understand that the District has, in the past, requested the Department of Water Resources to examine the possibility of taking water from the Clifton Court Forebay for use in the Contra Costa Canal. The costs associated with movement of the point of diversion from Rock Slough, in our opinion, must be partially borne by the District. The guarantee of specific water quality to the Contra Costa Water District was never incorporated into the price of the water.

Question 2. Does the Bureau regard the standards for the Rock Slough intake as commitments?

Answer. The quality specified in the original contract was considered an objective which the CVP would attempt to meet. More recently, the contract was amended to indicate that the Bureau would meet the highest level reasonably obtainable and consistent with M&I uses. Our present policy statement presented in Working Document No. 4 of the Total Water Management Study referred to in your letter applies to this question.

The present method of protecting the water diverted from Rock Slough during the winter months is by diluting the salts from local runoff. Prior to the adoption of Federal standards which include criteria for Rock Slough, your District evaluated the possibility of controlling this runoff by placing temporary barriers in channels which intersect Rock Slough. It seems that both our agencies at that time considered local degradation as a problem which must be dealt with by methods other than dilution.

Question 3. If the Rock Slough criteria is not a commitment to the Bureau, what will the Bureau do after meeting its commitments to other contractors for water and power, to protect the water quality in the Canal intake?

Answer. In the Bureau's policy statement, we have indicated that we would attempt to maintain Federally-adopted standards to the extent possible without adversely affecting our present contractual commitments. If we continue to operate without a contractual commitment to maintain the Rock Slough criteria, then during periods of time when we cannot maintain the Federally-adopted standards, the quality in Rock Slough will depend upon other criteria established throughout the Delta that are covered by contracts or action taken unilaterally by DWR. Assuming there is no Peripheral Canal, no additional Delta Contracts, or action by DWR to maintain Delta standards, there will be sufficient Delta outflow to maintain water quality at the Tracy Pumping Plant as specified in our exchange contract. Under these conditions and during normal years, the quality of Rock Slough can be expected to be as high as 900 mg/1 TDS and 220 mg/1 chloride, and during critically dry years about 900 mg/1 TDS and 329 mg/1 chloride.

The Bureau does have an obligation under provisions of our contract with Contra Costa County Water District to provide adequate power to deliver CVP water into the Contra Costa Canal. This obligation also exists for our other project contracts.

Question 4. How will intermittent surface supplies be used?

Answer. Intermittent surface supplies could be used in a number of ways. As is stated in our Working Document No. 6, these supplies could be used as an alternative or additional means of supplying water to irrigation customers, to enhance downstream fisheries, and to enhance water quality conditions in the Delta. However, since the supply is intermittent, releases for downstream fishery and water quality enhancement would vary from year to year, whereas releases for agricultural purposes could be stored in surface reservoirs or underground for future use. The possibility also exists for utilizing additional offstream reservoirs for long-term carry-over storage. In this manner, intermittent supplies could be stored for release when needed to enhance downstream conditions.

Question 5. How long will there be any?

Answer. The length of time that intermittent surface water supplies will be available depends on the build-up of firm water demands. As time goes on there will be fewer and fewer years that these supplies will be available; and the amount of water available during these years will also be reduced, particularly in normal years. This is illustrated on Plate 1 in Working Document No. 6.

Question 6. Will the existence or nonexistence of a Peripheral Canal affect the quality of water the Bureau will make available at the Contra Costa Canal intake and, if so, to what extent?

Answer. As mentioned above, this will depend upon future contractual agreements that will be entered into by the Federal Government. However, if there are no further agreements or contracts, the Peripheral Canal will eliminate the need for providing a large amount of Delta outflow to maintain the quality at the Tracy pumping plant. Therefore, the Contra Costa Canal intake quality will no longer receive the benefits related to the present method of delivering project waters to the Tracy Pumping Plant. The answer to this question also is affected by the policy of the Department of Water Resources to maintain all the State-adopted and Federally-approved water quality standards. Obviously, the Water District would continue to benefit if these present policies of the Department are implemented.

Question 7. What will be the levels of chlorides and electrical conductivity at the canal intake during dry and critical years after 2000 with and without the Peripheral Canal?

Answer. The answer to this question will depend upon contracts and agreements within the Delta presently being negotiated and the policies of the Department of Water Resources of meeting State-adopted water quality standards.

To bring into perspective the impact of meeting presently adopted water quality standards in Rock Slough, we estimate that it would take between 100,000 and 200,000 acre-feet per year to maintain this quality, in addition to the other criteria presently established in the Delta. You can see by this range of outflow values that the impact of the criteria in Rock Slough is significant in relationship to the total CVP yield and competition for CVP water service among other areas of the Central Valley.

We consider the replacement cost of this water to be between $50 and $100 per acre-foot. We believe that we have the responsibility to safeguard the investment of the United States by insuring that a reasonable reimbursement is received for all benefits derived from CVP operations.

We encourage informal discussions with our staff on this general subject. Our principal staff representative is Mr. Don Swain, Chief of our Delta and Bay Area Branch in the Division of Planning. His telephone number is 916-484-4414.

Sincerely yours,

E.B. MARTIN,
Regional Director.

JAMES M. MONTGOMERY,
CONSULTING ENGINEERS, INC.,
Pasadena, CA, March 9, 1984.

Mr. JOHN GREGG,
Manager of Operations, Contra Costa Water District, Concord, CA.

DEAR JOHN: We are pleased to submit our final technical memorandum on the Impact of Water Quality on CCWD Industrial User Costs. The study provides information with which the CCWD can evaluate the effect of changing water quality upon its industrial consumers. As requested, while data were obtained from individual CCWD industries, results are presented in terms of general processes and process trains. Specific processes evaluated include reverse osmosis demineralization, ion exchange demineralization, sodium zeolite softening, recirculating evaporative cooling, package treatment units, lime softening and boiler operation.

We hope this information will be of use to CCWD in future planning efforts.

Yours truly,

KATHERINE P. FOX.

Enclosure.

ANALYSIS OF THE IMPACT OF WATER QUALITY ON INDUSTRIAL USER COSTS

(Technical memorandum prepared by James M. Montgomery, Consulting Engineers, Inc.)

INTRODUCTION

This study provides information with which the Contra Costa Water District can evaluate the impact of changing water quality upon its industrial users. Specific data on the variable costs of water quality relating to particular industrial water treatment processes and the applications of water use are developed. These data may be used to evaluate the cost impact on industries of water supply source alternatives.

APPROACH

The objective of the technical approach was to identify and quantify the costs of specific industrial processes as they depend on water quality provided by the District. The data are presented in a format which may be updated as the nature of industrial operations taking place within the District changes, and/or as particular items or processes change with economic or technological advances.

Previous studies which analyzed the nature of general industrial water quality costs were reviewed. Information on the effects of water quality in a few industrial operations is available in the literature, and was used in some cost calculations and in defining a framework of analysis for costs of some processes. In general, however, it was clear that specific information elicited from the industries within the District service area is more relevant and valuable for cost estimation than general relationships from outside surveys.

Information on major industries developed in previous studies by the District was also reviewed[1,2]. These studies were very useful, in defining the scope of analysis and providing details on some operations. Some data were not directly applicable because of changes in water use patterns, in industrial development, and in unit costs. In contrast to these earlier studies, this study places more emphasis on the breakdown of total costs into process-specific cost elements.

In order to obtain cost information in sufficient detail from industries in the District service area, a questionnaire was formulated (see Appendix) and distributed to approximately 40 industrial firms. Firms were also invited to an informational meeting with CCWD and JMM staff. For eight large water-using industries in the District, questionnaires were reviewed during site visits by JMM staff with the appropriate engineering personnel at the industries. This provided opportunities to gather in-depth information on many aspects of industrial operations affected by water quality. Telephone contacts with other firms provided additional information.

A limited number of major industries declined to participate in the study, citing a need for confidentiality and protection of proprietary data. To the extent that processes and operations of these firms are unique, the study cannot identify associated costs. In other cases, especially with smaller users, industries indicated that their operations were completely insensitive to water quality and that no costs were incurred for changes in quality. Clearly, in these cases, extreme deterioration of water quality would have a costs impact. However, costs of quality over the range of foreseeable long-term possible qualities are likely to be insignificant for these users.

The data from questionnaires, site interviews, and other contacts were assembled and analyzed by individual process where possible. For processes such as demineralization and recirculating cooling water operation, an existing body of process theory could be used as a basis for cost relationship and to analyze data. For other processes, such as lime softening, costs are not well accounted for within the industries and some engineering judgement has been used to estimate relationships. A final group of process related costs, such as those for corrosive deterioration of equipment, are poorly understood to the point of being unmeasurable; it must be cautioned that over the long run some of these "imponderable" costs may be significant.

BACKGROUND

The Contra Costa Water District serves the central and eastern areas of Contra Costa County. The service area includes a concentration of heavy industrial development; capital investment in plant and equipment is worth billions of dollars. Recently, total industrial water use within the service area has been roughtly 50 percent of the total water use. This includes use of Contra Costa Canal water as well as offshore diversions by certain large industries located near the Sacramento or San Joaquin Rivers, by CCWD's Treated Water Division and by the City of Antioch (Figure 1).

[Chart not reproducible in the RECORD.]

Perhaps 90 percent of industrial water use within the CCWD service area is composed of the requirements of 10 large industrial plants, which draw their supplies from the Contra Costa Canal and/or offstream diversions. The remainder of the industrial demand includes dozens of small firms which purchase water from the CCWD Treated Water Division or from the District's member cities or pump groundwater from their own wells. The activities of the major water-using industries are petroleum refining and processing, steel manufacturing, paper and paperboard manufacturing, chemical production, and power generation. The products of minor industries include semiconductor units, electronic instruments, chemicals, medical devices, wallboard, boats, metal strapping materials and equipment, roofing materials, adhesives, and food products.

In general, the major industries have certain processes which are sensitive in water quality and which incur variable costs associated with changing quality in their supplies. The costs identified in the study by in-depth interviews with these industries probably make up the largest share of total industrial costs due to water quality. However, smaller industries are also subject to water quality-associated costs, and where possible, these have been described. Most small industries reported that the costs of water quality to them were insignificant because their operations are insensitive to water quality over the range experienced. The most quality-sensitive industries tended to be those which used the most process water, for which overall operating costs associated with water quality are substantial.

A range of possible qualities was considered as a basis for this report. The highest quality was taken to be that of Mokelumne River supply, based on a 43 year average of 41 mg/l TDS, 23 mg/l hardness, and 3 mg/l chloride. Mid-range quality was established as the 17 year average Contra Costa Canal water quality with 306 mg/l TDS, 129 mg/l hardness, and 78 mg/l chloride. The current water year quality in the Canal during the survey was somewhat better than this average because of a relatively wet hydrologic pattern resulting in salinity repulsion from the Delta. The poorest water quality considered was that which occurred in the Canal during the drought of 1976-77. This lower limit was qualified, however, as being a short-term condition. A hypothetical limit on long-term high mineralization was taken

[1] School of Engineering, Stanford University. An Economic Analysis of Industrial Water Costs on the Contra Costa Canal (May 1962).

[2] James M. Montgomery, Consulting Engineers, Inc., User Cost Study: Contra Costa County Water District (October 1974).

to correspond to a TDS of 600 mg/l, hardness of 145 mg/l, and chloride of 225 mg/l. Such a quality would represent an extreme degradation of Delta water by salinity intrusion, although short-term quality during emergency situations could exceed these concentrations.

The cost analysis did not include an exploration of capital expenditures for new process streams, because industries are capable of dealing with this quality with existing process streams, albeit at great expense. At least one industry indicated that the level of 225 mg/l Cl^- represented an extreme upper limit to their operating capacity for demineralization, beyond which more capacity would have to be installed.

RESULTS

Figure 2 shows the process trains in use among the industries surveyed. Also shown are the amounts of water from different sources (canal, river, treated CCWD, or treated municipal) associated with each train.

Within the context of specific industrial operations, the costs of reverse osmosis, demineralization, sodium zeolite softening, cooling tower chemical treatment, and package treatment units vary significantly with water quality. On the other hand, for all of the industries except one, boiler operations are preceded by sufficient numbers and types of treatment processes such that water quality fluctuations do not affect operating costs. In addition, none of the industries vary operations for the processes of alum or lime clarification, or for dual media filter operation, as a function of water quality.

EXCERPT FROM WATER SUPPLY CONTRACT NO. I 75r-3401 AMENDED, DATED NOVEMBER 9, 1970, BETWEEN THE UNITED STATES AND CONTRA COSTA WATER DISTRICT

This amended contract, made this 9th day of November, 1970, in pursuance generally of the Act of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto, all collectively hereinafter referred to as the Federal reclamation laws, between the United States of America, hereinafter referred to as the United States, and Contra Costa Country Water District, hereinafter referred to as the District, a public agency of the State of California, duly organized, existing, and acting pursuant to the laws thereof, with its principal place of business in Contra Costa County, California,

Witnesseth, That:

EXPLANATORY RECITALS

Whereas, the United States is constructing and operating the Central Valley Project, for the purpose, among others, of furnishing water for irrigation, municipal, industrial, domestic, and other beneficial uses; and

Whereas, the District and the United States have entered into and subsequently amended a contract, designated by symbol and number 175r-3401, dated September 18, 1951, providing for water service and for construction of a distribution system, which contract, as amended, is hereinafter referred to as the 1951 contract; and

Whereas, the 1951 contract provides for the furnishing of a water supply through existing facilities of the Contra Costa Canal; and

Whereas, the water requirements of the District are substantially different in nature and greater in quantity than initially anticipated and the existing facilities are inadequate for the furnishing of such water service to the District; and

Whereas, the District desires and the United States is willing to increase the quantity of water provided by said 1951 contract and to provide such additional Project works as may be required and agreed upon between the District and the United States for the furnishing of additional water service to the District; and

Whereas, investigations of the streamflow of the Sacramento, the Trinity, the American, and the San Joaquin Rivers and their tributaries indicate that there will be available for furnishing to the District the quantities of water herein provided for; and

Whereas, it is the desire of the parties to identify the cost of the United States of the existing facilities of the Contra Costa Canal System, Contra Loma Dam and Reservoir, and the New Facilities to be constructed and the portion of the cost to be allocated to the municipal and industrial function, and to provide for repayment to the United States of said allocated cost;

Now, therefore, in consideration of the mutual covenants herein contained, it is agreed by the parties that the 1951 contract is hereby amended to read as follows:

DEFINITIONS

1. When used herein, unless otherwise distinctly expressed or manifestly incompatible with the intent hereof, the terms:

(a) "Secretary" or "Contracting Officer" shall mean the Secretary of the Interior or his duly authorized representative;

(b) "Project" shall mean the Central Valley Project, California, of the Bureau of Reclamation;

(c) "year" shall mean calendar year;

(d) "Canal System" shall mean the existing Contra Costa Canal, including the intake channel from Rock Slough, Clayton and Ygnacio Relift Canals and pumping plants, the Martinez Reservoir and Pumping Plants 1, 2, 3, and 4;

(e) "Contra Loma Dam and Reservoir" shall mean the dam, pumping plant, and reservoir so designated by the United States and operated as an addition to the Canal System;

(f) "New Facilities" shall mean the Short Cut Pipeline, four additional pump units and other related facilities described in Article 13 hereof;

(g) "Project Works" shall mean all those facilities defined in subsections (d), (e), and (f) of this article;

(h) "water for agricultural use" or "agricultural water" shall mean water used primarily for the commercial production of agricultural crops or livestock, including domestic use incidental thereto, on tracts of land operated in units of more than two (2) acres;

(i) "municipal, industrial, and domestic use" (herein abbreviated M&I) shall mean use of water for other than agricultural purposes;

(j) "operation and maintenance" (herein abbreviated O&M) shall mean normal and reasonable care, control, operation, and maintenance;

(k) "Operating Agency" shall mean the party that is operating and maintaining the Project Works;

(l) "Transferred Works" shall mean the lateral distribution system referred to in Article 15 and Project Works after they have been transferred to the District for O&M; and

(m) "Delta service facilities" shall mean present and future Project storage facilities in the Sacramento River Basin as far south as the City of Sacramento, present and future Project storage facilities in the American River Basin and present and future inter-basin Project storage and transfer facilities, all of which do or will contribute substantial quantities of Project water to the Sacramento-San Joaquin Delta water supply, and present and future Project facilities which convey Project water across or around the Sacramento-San Joaquin Delta but excluding intake works or extensions to such intake works which deliver water to other Project conveyance facilities or other Project water users.

TERM OF CONTRACT—RIGHT TO USE OF WATER AND PROJECT WORKS—AGREEMENTS SUPERSEDED

2. (a) This contract shall be effective on the date first hereinabove written and shall remain in effect through December 31, 2010: *Provided*, That under terms and conditions agreeable to the parties, renewals of this contract may be made for successive periods not to exceed forty (40) years each. The terms and conditions of each renewal shall be agreed upon not later than one (1) year prior to the expiration of the then existing contract: *Provided further*, That upon written request of the District to the Secretary not later than one (1) year prior to the expiration of this contract, whenever, account being taken of the amount then credited to the costs of construction of agricultural water supply works which is properly assignable for ultimate return by the District as established by the Secretary of the Interior pursuant to (3) of Section 1 of Public Law 643 (70 Stat. 483), probably can be repaid to the United States within the term of a contract under subsection (d), Section 9 of the 1939 Reclamation Project Act (53 Stat. 1187), the portions of this contract pertaining to the furnishing of agricultural water may be converted to a contract under subsection (d) upon terms and conditions agreeable to the United States and the District.

(b) The right to the beneficial use of water furnished to the District pursuant to this contract and any renewal hereof shall not be disturbed so long as the District fulfills all of its obligations under this contract and such renewal.

(c) The use of Project Works for the delivery of project water to the District shall have first priority over the use of the Works for any other purpose. Except as provided in this contract or as provided by Section 14 of the Reclamation Project Act of 1939, or as otherwise provided by law, the Contracting Officer shall not furnish water through Project Works to other contractors or water users or for use within the District without the prior written approval of the District. Prior to the use of Project Works to furnish water pursuant to the above exceptions, the District shall have the first right to furnish such water on terms and conditions agreed to by the District and the Contracting Officer.

(d) Letters of agreement between the parties hereto executed October 15, 1969, relating to installation of one additional unit at Pumping Plants 1, 2, 3, and 4 of the Canal System, and February 28, 1969, relating to the purchase of rights-of-way for the Short Cut Pipeline, or as they may have been modified, are hereby superseded.

WATER AND POWER TO BE FURNISHED TO THE DISTRICT—METHOD OF PAYMENT—TRANSFERS TO THIRD PARTIES

3. (a) Each year during the term of this contract the United States shall deliver to the District and the District shall accept

and pay, or pay, in the manner herein set forth for the quantities of water specified in the schedule submitted by the District prior to November 1 preceding said year. All such schedules shall be subject to the provisions of this article and shall be satisfactory to the Contracting Officer. The inability, failure, or refusal of the District to submit such a schedule shall not relieve it of its payment obligation. The United States shall attempt to delivery water in accordance with said schedules or any revisions thereof satisfactory to the Contracting Officer submitted within a reasonable time before the desired time for delivery.

(b) Before January 1 beginning with the year following execution of this contract the District shall pay the amount payable for water to be delivered according to the approved schedule for water to be delivered during the months of January and February immediately following. Before the end of the month of January and before the end of each month thereafter the District shall pay for the water to be delivered in accordance with the latest approval schedule during the second month immediately following. Adjustments between the payment for the scheduled amounts of water and the payment for quantities actually delivered each month shall be made during the following month.

(c) The maximum quantity of water to be delivered by the United States to the District in any year, together with the quantities referred to in (c) (1) and (2) of Article 4, shall be one hundred ninety-five thousand (195,000) acre-feet of which the first eighty-six thousand (86,000) acre-feet delivered to the District are referred to herein as "Schedule A", the next thirty-nine thousand (39,000) acre-feet delivered to the District as "Schedule B" and the balance delivered to the District as "Schedule C." The annual and cumulative minimum quantities of water to be made available to and paid for by the District each year shall be as set forth in the following table:

[Quantities are in thousands of acre-feet]

Year	Schedule A	Schedule B		Schedule C	
	Annual minimum	Annual minimum	Cumulative minimum	Annual minimum	Cumulative minimum
1971	86		2		
1972	86		6		
1973	86		18		
1974	86		33		
1975	86		52		
1976	86		76		
1977	86		105		
1978	86		139		
1979	86		178		
1980	86		217		10
1981	86	39			30
1982	86	39			60
1983	86	39			95
1984	86	39			136
1985	86	39			183
1986	86	39			246
1987	86	39			309
1988	86	39			372
1989	86	39			435
1990	86	39			498
1991 through 2010	86	39		70	

(d) Water furnished to the District and used for agricultural purposes within the District boundaries as they exist on January 1, 1971, shall be furnished under Schedule A. Water for agricultural use in other areas will be furnished under Schedule C.

(e) Water paid for and delivered in any year under Schedules B and C in excess of the cumulative minimum quantity in the table in subdivision (c) of this article for such year may be used as a credit in any succeeding year to meet the cumulative minimum quantity of water not actually used during such year. Water paid for within the cumulative minimum quantity for any year but not used during such year may be applied as a credit in any succeeding year to offset quantities used in excess of the cumulative minimum quantity for such year. Water paid for under Schedule B and not used in the year it is paid for may be used to meet the cumulative minimum quantity under Schedule C. Schedule B water used to meet Schedule C requirements shall be paid for at the rate herein provided for Schedule B water.

(f) If any time or times during the term of this contract the District determines that its water needs for the remainder of said term are for amounts substantially different from those set forth in subdivision (c) of this article, the parties may by agreement amend this contract so as to decrease or, to the extent that water is available, as determined by the Contracting Officer, increase the quantities of water to be delivered by the United States under Schedule C.

(g) If the District in any year requires a quantity of water in addition to the maximum quantity which the United States is obligated to furnish to the District, such additional water, if available as determined by the Contracting Officer, may be furnished upon receipt from the District of a written request for such additional water together with a schedule indicating the desired times and quantities and payment for such water at the rate specified in subdivision (f) of Article 5. The amount of any overpayment by the District by reason of such additional quantity of water furnished to the District pursuant to this article having been less than the quantity requested and paid for by the District shall be applied as provided in Article 9 hereof. The inability, failure, or refusal of the District to accept delivery of such additional quantities of water when it is available shall not entitle the District to any adjustment of payment for such water. The furnishing by the United States and acceptance by the District of such additional water shall neither entitle nor obligate the District to receive such quantities in subsequent years.

(h) Upon written approval by the Contracting Officer of such arrangements, the District may enter into contracts, transfers, or exchanges with other water users which would have the effect of providing additional water to the District from the Project, or which would have the effect of transferring water furnished or delivered hereunder to third parties having contracts with the United States for water from the Project.

(i) The United States will furnish to the District, without any charge over and above the rates and adjustments set forth in Article 5 hereof, Project power required for the operation of Pumping Plants 1, 2, 3, and 4 and the pumps at the Contra Loma Dam and Reservoir and at the head of the Clayton and Ygnacio relift canals to pump the water furnished under this contract.

(j) The United States will furnish to the District additional power required by the District to operate raw-water pumps for all purposes consistent with Project authorizations, functions, and objectives. When future modification, expansion, and improvement of works are made to serve Project purposes as they exist or may be modified, power required for Project purposes will be furnished to said facilities upon the prior approval of the Contracting Officer: *Provided*, That nothing herein shall obligate the United States to construct any additional facilities for the delivery or distribution of such power. The District shall pay the United States for such power a water rate component to be fixed from time to time by the Contracting Officer. The amount to be paid for such power shall be equal to the cost thereof to the United States computed and adjusted in the manner as set forth in subdivision (i) of Article 5 hereof.

POINTS OF DELIVERY—RESPONSIBILITY—MEASUREMENT

4. (a) All water furnished to the District pursuant to this contract shall be delivered through Pumping Plant 1 of the Canal System or in the Sacramento-San Joaquin Delta. Deliveries in the Delta shall be made at such point or points as the District shall designate at the intake to the Tracy Pumping Plant of the Project at Old River, the Delta Pumping Plant of the State of California, or any place between Old River and Rock Slough at the intake of Pumping Plant 1. Said point or points of delivery shall be subject to change by agreement of the parties hereto. The United States shall not be obligated to construct additional facilities for the delivery of water in the Delta.

(b) The United States shall not be responsible for the control, carriage, handling, use, disposal, or distribution of water beyond the facilities then being operated and maintained by the United States and the District shall hold the United States harmless on account of damage or claim of damage of any nature whatsoever for which there is legal responsibility, including property damage, personal injury or death arising out of or connected with the control, carriage, handling, use, disposal, or distribution of water beyond such facilities.

(c) Water pumped through Pumping Plant 1 shall be measured by the Operating Agency at said Plant with metering facilities installed by the United States and operated and maintained by the Operating Agency. For the purpose of determining the quantities of water delivered to the District through Pumping Plant 1 there shall be deducted from the gross amount so measured the following:

(1) The quantity measured for operation spill: *Provided*, That this deduction shall not be made when O&M of the Project Works is assumed by the District pursuant to Article 15 hereof; and

(2) Seven percent (7%) of such gross amount until December 31, 1991, which amount shall be deemed to represent evaporation, seepage, and other losses: *Provided*, That this deduction shall not be made in any year that the District is furnished one hundred ninety-five thousand (195,000) acre-feet of water under this contract.

(4) Water delivered in the Sacramento-San Joaquin Delta shall be measured by the District at the delivery points through metering facilities installed, operated, and maintained by the District at no cost to the United States or by an alternate method agreed upon by the parties.

(e) Agricultural water shall be measured by the District at the points of delivery thereof to the District's customers or shall be determined by an alternate method agreed upon by the parties.

(f) Upon request of either party the accuracy of any metering facility or measurement computation in connection with this

contract shall be investigated and any errors appearing therein corrected.

WATER RATES AND ALLOCATION OF PAYMENTS

5. (a) The rate for Schedule A water for agricultural use delivered through Pumping Plant 1 and used within the District as referred to in subdivision (d) of Article 3 shall be Three Dollars and Fifty Cents ($3.50) per acre-foot, and the rate for Schedule C water for agricultural use delivered to the District in the Sacramento-San Joaquin Delta shall be Two Dollars ($2) per acre-foot. During any period prior to December 31, 1991, that the District operates and maintains the Project Works there shall be deducted from the payments to be made by the District for Schedule A water for agricultural use delivered through Pumping Plant 1 the sum of Three Dollars ($3) per acre-foot thereof.

(b) In the event the United States provides facilities in addition to Project Works, the rate for agricultural water delivered through such facilities shall be as determined by the Contracting Officer. The rate shall include components for O&M of the facilities, Project power-system costs, and conveyance and storage and will be approximately seventy-five percent (75%) of the estimated agricultural payment capacity of the area to be served, as determined by the Contracting Officer, with due regard for any costs incurred by the District in transporting the water.

(c) All rates for water for agricultural use to be charged to the District shall be reviewed and may be adjusted in 1992 and 2002 by the Contracting Officer in accordance with current agricultural water rate policies of the Project: *Provided*, That no later than one (1) year prior to the effective date of a change in the rates for water for agricultural use, the Contracting Officer shall notify the District of the amount of such proposed change and shall make available to the District for its review and comment the data and calculations upon which the proposed change is based.

(d) The rate for M&I water delivered pursuant to Schedule A shall be the total of the following components:

(1) An O&M component for the Project Works of Five Dollars and Twenty Cents ($5.20) per acre-foot payable when the Project Waters are operated and maintained by the United States. Promptly after the end of each fiscal year (the first of which shall be deemed to have commenced on the effective date of this contract) that the O&M component is payable hereunder, the Contracting Officer will compute the total O&M cost for the Project Works incurred by the United States during such fiscal year and shall deduct from such total Three Dollars ($3) for each acre-foot of Schedule A water for agricultural purposes delivered during such fiscal year. If the remainder of such costs exceeds the total amount paid by the District as the O&M component during such fiscal year, the District will pay the difference to the United States within sixty (60) days after receipt of a bill therefor, but if the remainder of costs is less than the total amount paid, the difference will be credited to the repayment of the portion of the capital cost, including interest, of the Canal System allocated to M&I use. The O&M component will not be payable when Project Works are operated and maintained by the District.

(2) A component of Four Dollars and Thirty Cents ($4.30) per acre-foot for repayment to the United States of the construction cost of the Canal System, and such other costs relating to the Canal System as have been capitalized and allocated to M&I use, together with interest on the unpaid balance thereof at the rate of two and one-half percent (2½%) per annum. The total capital cost of the Canal System as of June 30, 1969, was Seven Million Six Hundred Eighty-Eight Thousand Forty-Nine Dollars and Fifty-Four Cents ($7,688,049.54). Of said amount the allocation to M&I use at said date was Six Million Six Hundred Eighty-Four Thousand Seven Hundred Fifty-Nine Dollars and Eight Cents ($6,694,759.08) of which Nine Hundred Forty-Three Thousand One Hundred Twenty-Six Dollars and Thirty-Eight Cents ($943,126.38) had been paid by the District to the United States and Five Million Seven Hundred Forty-One Thousand Six Hundred Thirty-Two Dollars and Seventy Cents ($5,741,632.70) remained unpaid as of June 30, 1969. Additional capital cost expenditures for the Canal System after June 30, 1969, and prior to the date of execution of this contract, and additional capital cost expenditures approved by the District for construction after this contract has been executed which are not covered by Article 13, and the cost of equipment and other items involved in the transfer pursuant to Article 15(f) and (g), shall be added to the total capital cost of the Canal System. Beginning with the fiscal year ending June 30, 1970, and each fiscal year thereafter, said total capital cost, increased as hereinabove provided, shall be reallocated in the proportion that Schedule A water for M&I use during said fiscal year bears to eighty-six thousand (86,000) acre-feet and the remainder of said total capital cost shall be reallocated to the irrigation function. When the allocation to M&I use, together with interest at the rate provided in this subsection, has been paid, this component shall no longer be * * *.

(3) A Project power-system cost component of Fifty Cents (50¢) per acre-foot for water delivered through Pumping Plant 1 through December 31, 1991, after which date this component shall be One Dollar ($1) per acre-foot, to be adjusted pursuant to subdivision (i) of this article.

(4) From January 1, 1992, through December 31, 1993, a Delta service component of Nine Dollars ($9) per acre-foot, thereafter said component to be adjusted to set forth in subdivision (g) of this article.

(e) The rate for water delivered pursuant to Schedule B shall consist of the total of the following components:

(1) A Delta service component of Nine Dollars ($9) per acre-foot, to be adjusted as set forth in subdivision (g) of this article.

(2) A Project power-system cost component of One Dollar ($1) per acre-foot for water delivered through Pumping Plant 1, to be adjusted as set forth in subdivision (i) hereof.

(3) A component for repayment of the capital cost of Contra Loma Dam and Reservoir of Seven Dollars and Ten Cents ($7.10) per acre-foot, which is estimated to return to the United States by December 21, 2010, Four Million Seven Hundred Forty-Four Thousand and Seven Dollars ($4,744,007), together with interest during construction and interest on the unpaid balance at the rate of three and one hundred thirty-seven one thousandths percent (3.137%) per annum. If an allocation is made to recreation benefits or other nonreimbursable items, or if the final cost of construction is different from the amount stated above, as determined by the Contracting Officer, the District's obligation for this component will be forthwith adjusted accordingly so as to return capital and interest costs to the United States by December 31, 2010. This component will not be payable after said amount or as it has been adjusted is paid in full.

* * * * *

(g) On January 1, 1996, and at any time or times thereafter but not more than once in any 5-year period, the Delta service component may be adjusted so that it will be calculated to provide revenues which, when added to the revenues from this component paid and anticipated to be paid during the Project repayment period, hereafter described in this article, by the District and by all other purchasers of Project water for M&I use who are subject to the Delta service component, will:

(1) Reimburse the United States for the portion of O&M cost properly allocable to M&I service of the Delta service facilities;

(2) Reimburse the United States for interest on the unpaid balance of the capital costs properly allocable to M&I service of the Delta service facilities which are existing or under construction;

(3) Reimburse the United States for the portion of the capital costs properly allocable to M&I service of the Delta service facilities which are existing or under construction; and

(4) Provide additional revenues not to exceed twenty percent (20%) of the total amount of the revenues received and estimated to be received pursuant to subsections (1), (2), and (3) hereof, which additional revenues shall be credited against the costs of the Project properly allocable to agricultural use: *Provided, however*, That revenues shall not be so credited until after the interest referred to in subsection (2) and the capital costs referred to in subsection (3) hereof shall have been paid in full.

All funds received as the Delta service component shall be credited in the order and manner set forth above. Computations of adjustments of the component shall be on the basis that the Project repayment period began in 1941 and will continue for fifty (50) years after completion of the last addition to the Project, and the interest rates shall be as determined by the Secretary at the time of each such addition, all pursuant to Project authorizing legislation. No adjustment shall increase or decrease the amount of the Delta service component by more than twenty percent (20%). Before announcing an adjustment of the component, the Contracting Officer will make available to the District the data and computations upon which a proposed adjustment is based and will afford the District not less than three (3) months to study and to comment thereon. Final determination of an adjustment will be announced by the Contracting Officer after consideration of the District's comments but not less than six (6) months prior to the effective date thereof.

(h) The Contracting Officer will furnish the District with a copy of each annual financial analysis of the Project, which shall include a separate statement of the financial status of the Project element involved in supplying and delivering Project water under this contract, promptly after the same is prepared. The first of such analyses shall be furnished not later than July 1, 1971. Such analyses will be in accordance with sound accounting principles consistently applied and will include a summary of cost allocations and schedules of past and projected repayments. No analysis will preclude the United States from thereafter

changing Project cost allocations or accounting methods: *Provided, however,* That no cost analysis shall in any manner modify the allocations of cost set forth in section (d)(2) of this article nor be inconsistent with any provision of this contract relating to allocation of costs or payments.

(i) All revenues received by the United States from the District for the Project power-system components shall be credited by the United States solely to O&M costs, replacement costs, and capital costs and interest on capital costs for Project power facilities properly allocable to Project M&I water service. Subject to the provisions of subsection (d)(3) of this article as it relates to Schedule A water delivered through December 31, 1991, the Contracting Officer may, from time to time, adjust the Project power-system components so that the revenues received from the District and other M&I users who are furnished Project power are sufficient to return to the United States over the Project repayment period referred to in subdivision (g) of this article, the portion of the O&M costs, replacement costs, capital costs and interest on capital costs of Project power facilities properly allocable to M&I water service. The unit power rate used in computing the Project power-system components for the District shall at no time be larger than the arithmetical average of the firm power rate charged by the United States to its Project preference power customers. The Project power-system components for the District shall not be adjusted more than once in any 5-year period except that an adjustment may be made at any time there is a substantial increase in power requirements by reason of the addition of new facilities to the Project works, or the furnishing to the District of additional power pursuant to subdivision (j) of Article 3, or the furnishing of water pursuant to Article 7.

RENEGOTIATION

6. If hereafter the United States enters into, renews, or amends any contract for M&I water from the Project which, because of a change in general Reclamation law or generally applicable policy, contains terms and conditions substantially more favorable with respect to (a) the Delta service component or (b) other matters similar to those contained in this contract, the United States, upon the District's request, will renegotiate this contract for the purpose of providing comparable terms in accordance with the new law or policy.

DELIVERY THROUGH TRACY OR DELTA PUMPING PLANTS

7. If the District at any time desires all or any portion of the water to which it is entitled hereunder to be delivered to it through the Tracy Pumping Plant of the Project or the Delta Pumping Plant of the State Water Project and so notifies the Contracting Officer, the Contracting Officer shall promptly determine whether capacity is available therefor in the Tracy Pumping Plant or whether a contract can be negotiated between the United States and the State of California for such delivery through the Delta Pumping Plant. If the Contracting Officer determines that it is feasible to deliver water through either or both of said pumping plants, the parties will negotiate and agree upon the terms, conditions, and charges for such deliveries, including power necessary therefor which power shall be furnished by the United States.

APPORTIONMENT DURING WATER SHORTAGE—TEMPORARY INTERRUPTIONS OF DELIVERY

8. (a) There may occur at times a shortage during any year in the quantity of water available for furnishing to the District by the United States pursuant to this contract on account of drought, errors in operation, or other causes but in no event shall any liability accrue against the United States or any of its officers, agents, or employees for any damage, direct or indirect, arising therefrom. In any year in which there may occur such a shortage, the United States reserves the right to apportion, in a manner to be prescribed by the Contracting Officer, the available water supply among the District and others entitled under the then existing contracts to receive water from the same Project water supply.

(b) The United States may temporarily discontinue or reduce the quantity of water to be furnished to the District for the purposes of investigation, inspection, maintenance, repair, or replacement of any of the Project facilities used in the furnishing of water to the District, but so far as feasible the United States will give the District due notice in advance of such temporary discontinuance or reduction. Upon resumption of service and if requested by the District the United States will deliver as nearly as feasible the quantity of water which would have otherwise been furnished to the District.

ADJUSTMENTS

9. If there is furnished to the District by reason of a shortage, apportionment, discontinuance, or reduction of service less than the quantity of water which the District otherwise would be entitled to receive, the amount of any overpayment by the District shall be applied first to any debts arising out of this contract then due and owing to the United States by the District, and any amount then remaining shall at the option of the District be refunded or credited upon amounts to become due to the United States from the District under the provisions hereof in the ensuing year. Such adjustment shall constitute the sole remedy of the District or anyone having, or claiming to have by or through the District, the right to the use of any of the water supply provided for herein.

EXISTING WATER RIGHTS

10. The provisions of this contract shall not be applicable to or affect water or water rights now owned or hereafter acquired by the District or any landowner therein other than from the United States, nor shall this contract be construed as limiting or curtailing any rights which the District or any landowner therein acquires or has available under the Federal reclamation laws.

QUALITY OF WATER

11. The operation and maintenance of Project facilities and the design and construction of new Project facilities for the furnishing of Project water under this contract shall be performed in such manner as is practicable to maintain the quality of raw water to be delivered hereunder at the highest level reasonably attainable and consistent with M&I use. The United States is under no obligation to construct or furnish water treatment facilities to maintain or to better the quality of water except to the extent such facilities are expressly referred to elsewhere in this contract as a part of the Project facilities to be constructed by the United States pursuant to Reclamation law or as otherwise required by law. The United States does not warrant the quality of water to be furnished pursuant to this contract.

Mr. DE LA GARZA. Mr. Chairman, the committee has developed a good and reasonable farm bill for farmers and consumers. Just as important, it is a farm bill that recognizes the need to be fiscally responsible.

The committee-approved farm bill continues to provide a reasonable safety net for farm income while recognizing the budget constraints our Nation faces. The bill keeps our farm products priced competitively and will prevent the buildup of costly government surpluses. It also contains measures to make our agricultural programs work more effectively, it gives farmers more flexibility to plant according to market signals, it provides authority for expanded flood safety research, and it allows for modest increases in our domestic food assistance programs.

I am particularly proud of the committee's conservation package. We have developed a conservation title that balances our agricultural production needs with our environmental quality goals. While the interests of agriculture and the environmental community are often portrayed as being antihetical, this conservation title shows that they are not. The major provisions of the conservation package have the support of leading agricultural groups and environmental organizations.

This farm bill proposal is vital to maintaining the economic health of U.S. agriculture. It's also essential to keep safe, reliable, and affordable foods available to the American people. This is a farm bill that I will be proud to defend on the House floor and it is one that deserves the support of my House colleagues.

Mr. THOMAS of Wyoming. Mr. Chairman, during the course of debate on the amendment No. 7 offered by Mr. MILLER of California, concerns were expressed regarding the State of Wyoming's willingness to set instream flow standards for the Buffalo Bill Dam. During discussion the Honorable Mike Sullivan, Governor of Wyoming, wrote the following letter assuring Mr. MILLER that the State is capable of addressing this issue under State water law upon completion of the Buffalo Bill Dam. With this assurance, Mr. MILLER did agree to withdraw his amendment. I would like to once again thank Mr. MILLER for his consideration of the matter and would like to place Governor Sullivan's letter into the RECORD at this point:

STATE OF WYOMING
OFFICE OF THE GOVERNOR
Cheyenne, June 14, 1990.

Hon. GEORGE MILLER,
Chairman, Subcommittee on Water, Power and Offshore Energy Resources, Committee on Interior and Insular Affairs, United States House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This letter is to confirm my previous conversation with your office regarding Wyoming's commitment to protecting the fishery on the Shoshone River below Buffalo Bill Dam. As you are aware, I oppose any amendment to the Buffalo Bill legislation which imposes federal minimum requirements to stream flow in areas where Wyoming law provides a legislatively authorized process. The State Game & Fish Dept. has already commenced biological studies to determine adequate and required stream flows below Buffalo Bill in

preparation for an application under Wyoming Law. As well, the State has worked with the Bureau of Reclamation as to its operating plan which, as adopted, provides a 100 cfs. flow.

This is to advise and assure you that I will see that these processes continue and that steps are taken under our laws to assure the study results are thoroughly reviewed with the Bureau, the U.S. Fish & Wildlife Services and steps taken to implement the recommendations.

The Buffalo Bill Dam funding represents a superb federal-state cooperation effort. I appreciate your assistance in seeing that the funding proceeds to assure that the project is not suspended for a lack of funding which can only serve to increase costs and delay completion.

With best regards, I am

Very truly yours,

MIKE SULLIVAN,
Governor.

Mr. JONTZ. Mr. Chairman, I rise to speak in favor of the amendment offered by Mr. GEJDENSON.

Just a few hours ago the House Agriculture Committee of which I am a member completed markup on a new 5-year farm bill, which will set in place farm programs for our Nation's farmers.

There are many good things in this farm bill, but one of the disappointments is the provisions which directly impact net farm income, the commodity price support programs. And of course the reason that the net farm income provisions are inadequate is because of budget pressures, as the committee went to great pains to stay within its budget baseline.

For this reason, it only makes sense that we adopt the Gejdenson amendment. Why dictate cuts in farm programs, while on the other hand allowing a handful of producers to receive additional water subsidies to grow surplus crops? It is not equitable, it is not environmentally sound, and it is not financially prudent.

To allow a few large producers who receive subsidized water to produce surplus crops which compete with the vast majority of producers who do not receive such subsidies is the very definition of unfairness. Every bushel of corn or wheat, every bale of cotton, and every pound of rice that is produced on these acres which receive double subsidies competes directly with our Nation's family farmers by increasing supplies, driving down prices, and increasing the amount of land producers must idle to help control overproduction.

Let's look at the millions of acres of land our Nation's farmers are currently idling to participate in the farm program this year.

Commodity	Percent	Total acres idled (ARP plus 50–92 and 0–92)	Total program cost
Cotton	12.5	2 million	+$242 million.
Corn	10	10 million	3.8 billion.
Wheat	5	6.6 million	522 million.
Rice	20	1 million	616 million.

Our farm programs require producers to idle a total of 19 million acres. Our farm programs prevent farmers who participate in Federal commodity programs from adding to the surplus by not allowing additional acreage to be brought into production that is classified as highly erodible, and/or is classified as a wetland. And Mr. Chairman, I think it's time we ask those producers who receive a double subsidy to grow surplus program crops to choose—if they want to be in the farm program, they shouldn't get the subsidized water. Let's be fair to the vast majority of America's farmers and taxpayers by supporting the Gejdenson amendment.

The CHAIRMAN. If there are no other amendments, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. MURTHA) having assumed the chair, Mr. MCNULTY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2567) to authorize additional appropriations for the construction of the Buffalo Bill Dam and Reservoir, Shoshone project, Pick-Sloan Missouri Basin Program, WY, pursuant to House Resolution 409, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

It is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole. If not, the question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended so as to read: "A bill entitled: Reclamation Projects Authorization and Adjustment Act of 1989".

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2567, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PERSONAL EXPLANATION

Mr. NELSON of Florida. Mr. Speaker, had I been present, I would have voted "nay" on rollcall No. 169 and "aye" on rollcall No. 170 and No. 171.

PERSONAL EXPLANATION

Mr. GOODLING. Mr. Speaker, I regret that I was at the child care bill conference meeting and missed a vote. Had I been present, I would have voted in favor of the amendment offered by Mr. GEJDENSON to H.R. 2567, the Reclamation Authorization and Adjustments Act, which would have prevented surplus crops from being grown with subsidized water. I am also a cosponsor of similar legislation introduced by Mr. GEJDENSON.

PERSONAL EXPLANATION

Mrs. MORELLA. Mr. Speaker, I was unavoidably delayed in coming to the floor for the first two votes on amendments to H.R. 2567, the reclamation project authorization. Had I been there, I would have voted in favor of Representative MILLER's amendment, rollcall 169, which would change the provisions of the 1982 Reclamation Reform Act to ensure that farms larger than 960 acres do not receive federally subsidized irrigation water.

In addition, I would have voted against the amendment to Representative MILLER's amendment as described above, introduced by Representative LEHMAN, rollcall 170, which would provide for "family trusts."

I appreciate, Mr. Speaker, the opportunity to let my vote be known on the first two votes on H.R. 2567.

PERSONAL EXPLANATION

Mr. MORRISON of Connecticut. Mr. Speaker, I was forced to return to Connecticut and, as a result, was absent for rollcall 171, which occurred on the Gejdenson amendment to H.R. 2567. This amendment would have phased out the use of federally subsidized irrigation water to grow surplus crops. Had I been present, I would have voted aye.

ANNOUNCEMENT OF THE MAJOR PROVISIONS OF THE 1990 FARM BILL

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute.)

Mr. GLICKMAN. Mr. Speaker, during the lull of this time period, waiting for the next bill to come up, I thought I would tell my colleagues that this morning at 2:20 a.m. the House Committee on Agriculture completed work on one of the most important pieces of legislation that the House will face this year, and that is the 1990 farm bill.

Mr. Speaker, through the diligent efforts of the gentleman from Texas [Mr. DE LA GARZA], the chairman of the Committee on Agriculture, the ranking member, the gentleman from Illinois [Mr. MADIGAN], and others, we were able to put together a bipartisan piece of legislation which provides reasonable protection for our farmers and ranchers around this country, freezes target price with basically government payments over a 5-year period, raises loan rates about 20 to 25 percent, provides a program for soybeans and oil seeds like sunflower, gives farmers a greater flexibility than they have ever had before in terms of shifting crops around in order to do what is correct for them in connection with planting flexibility and provides an outstanding

conservation program which is supported by commodity groups, but, most importantly, by most of the environmental organizations in this country.

Mr. Speaker, hearings were held all over this great country of ours, from the Northwest to the Southeast, and we would like to have done better in terms of Federal generosity, but we were dealing with budget numbers which required us to stay within the numbers put down by the Committee on the Budget and by this House in its budget resolution, and we did comply with those numbers.

□ 1710

The Agriculture Committee will bring a bill to this floor which in fact is budget sensitive and complies with those numbers and at the same time comtinues the efforts to make us competitive in world markets.

So I wanted to alert my colleagues to the fact that the bill is out. It will probably be on the floor sometime in the next 3 or 4 weeks. I certainly hope that all my colleagues of both political parties will support the 1990 farm bill.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER DURING CONSIDERATION OF H.R. 5019, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1991

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 101-540) on the resolution (H. Res. 413) waiving certain points of order during consideration of the bill (H.R. 5019) making appropriations for energy and water development for the fiscal year ending September 30, 1991, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PROVIDING FOR CONSIDERATION OF S. 280, NIOBRARA RIVER SCENIC RIVER DESIGNATION ACT OF 1989

Ms. SLAUGHTER of New York. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 410 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 410

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 280) to amend the Wild and Scenic Rivers Act by designating a segment of the Niobrara River in Nebraska as a component of the National Wild and Scenic Rivers System, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be considered for amendment under the five-minute rule. In lieu of the amendments now printed in the bill, it shall be in order to consider an amendment in the nature of a substitute consisting of the text printed in the report of the Committee on Rules accompanying this resolution as an original bill for the purpose of amendment under the five-minute rule, and each section shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text by this resolution. The previous question shall be considered as ordered on the bill and amendments thereto final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentlewoman from New York [Ms. SLAUGHTER] is recognized for 1 hour.

Ms. SLAUGHTER of New York. Mr. Speaker, I yield the customary 30 minutes, for purposes of debate only, to the gentleman from California [Mr. PASHAYAN], and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 410 is the rule providing for the consideration of S. 280, to amend the Wild and Scenic Rivers Act by designating a segment of the Niobrara River in Nebraska as a component of the National Wild and Scenic Rivers System.

This is an open rule providing for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs.

In lieu of the amendment now printed in the bill, the rule makes in order the amendment in the nature of a substitute consisting of the text printed in the report of the Committee on Rules accompanying this resolution as an original text for the purpose of amendment under the 5-minute rule. The substitute shall be considered by section, and each section shall be considered as read.

Finally, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, S. 280, the bill for which the committee has recommended this rule, would designate 76 miles of the Niobrara River in Nebraska as a scenic river and an additional 25 miles as a recreational river under the Wild and Scenic Rivers Act.

In its Nationwide Rivers Inventory, the National Park Service cited the Niobrara River for its "outstandingly remarkable values" in each of the severn categories surveyed: Scenic, recreational, geological, fish, wildlife, historical, and cultural. In describing the Niobrara as the "biological crossroads of North America," Arbor Day magazine noted the valley's 160 species of plants including stands of Black Hills Ponderosa Pines, eastern deciduous forests of sloppery elm, black walnut and prickly ash, and three distinct prairie plant communities: Sandhill, mixed, and bluestem. The Niobrara Valley is also home to diverse wildlife including bald eagles and the endangered whooping crane.

S. 280 would designate portions of this unique area as components of the Wild and Scenic River Act in order to, in the words of the committee report, "maintain the current uses of the river while providing a means to assure the preservation and careful utilization of the river in the future."

Mr. Speaker this is an open rule which will allow full and fair debate on this important measure. I ask my colleagues to support the rule so that we may proceed with consideration of the merits of this legislation.

Mr. PASHAYAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today we are faced with a situation where there is a serious dispute over the provisions of the bill made in order under this rule.

The problem is that the bill makes an addition to Wild and Scenic Rivers that is strongly opposed by the Member who represents the area most directly affected. According to the testimony in the Rules Committee by the gentlewoman from Nebraska [Mrs. SMITH] most of the area affected by this bill is within her congressional district. She further noted that she did not know of any elected governing bodies in her congressional district that favor this bill.

Mr. Speaker, it always causes me great concern when this House proposes to take action that is strongly opposed by the citizens who live in the affected area. They are the ones most directly impacted by the actions that we take. Outsiders should not come and impose their will on the people who live in the area affected unless there shall be some very strong reasons for so doing.

In this case, what the gentlewoman from Nebraska is proposing is an amendment to provide for a study of the change before we go ahead and make it. This certainly seems to me to be a reasonable approach. In other similar situations we have taken time for a study of the consequences before we take action.

I should also note that the administration opposes this bill. The statement policy notes that a study is especially important in this case because the lands along the banks of the river segment affected by the bill are largely in private ownership. The policy statement concludes that unless this bill shall be amended to provide for a study as specified by the amendment of the gentlewoman from Nebraska

[Mrs. SMITH], the Secretary of the Interior will recommend that the President should veto the bill.

Mr. Speaker, the Rules Committee has provided an open rule on this bill that will permit the gentlewoman from Nebraska [Mrs. SMITH] to offer her amendment providing for a study. In the Rules Committee the gentlewoman from Nebraska indicated that this open rule was acceptable to her. Therefore, I will support this open rule so that the House can make necessary improvements in the bill.

Ms. SLAUGHTER of New York. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I rise in support of the rule.

Throughout this process of the consideration of the bill we have been open. We have responded to the requests of the members of the committee and to the sponsors of the measures that were before the committee.

We had basically four different bills before the committee. We had the bill of Senator JIM EXON, Representative PETER HOAGLAND'S bill, a measure similar to the Senator's, the measure introduced by our colleague, the gentleman from Nebraska [Mr. BEREUTER], and the measure introduced by the gentlewoman from Nebraska [Mrs. SMITH], so it has been a process that I think was open. We obviously tried to accord witnesses that both favored and did not favor the designation of some of the portions of the bills that were introduced.

□ 1720

I want to commend the committee members for their attendance at those hearings. We heard basically from all views regarding this.

We had the pleasure to visit Ainsworth, NE, near the Niobrara River, and to have hearings in Washington, too. It is, I think, a straightforward issue.

This rule accords for full participation and protects the rights of all Members in terms of being able to offer their amendments. I know there are some amendments pending. Clearly the debate of those amendments will occur, and the debate on this bill will occur under the normal rules of the House.

I just wanted to raise this point that we had this issue, Mr. Speaker, I might say, which has been before the Congress for the past 25 years. It is not one that just came on the radar screen in 1989 or 1990.

The people of Nebraska, the people of the Nation have been waiting for a long time for a resolution of the issue as to the designation, the protections of this resource, this tremendous resource, the Niobrara River.

We settled on this after careful deliberation based on a thorough review of professional studies done both by the Park Service and by other entities. So I hope the Members will be afforded the opportunity that they should know the process is a thorough one. It was heard in the Senate, passed the Senate last year, and so the issue is not one that is unfamiliar or a surprise to anyone.

It obviously has evoked significant emotions, and I hope during the consideration we can give good judgment to the decisions we make.

Mr. PASHAYAN. Mr. Speaker, I yield 5 minutes to the gentlewoman from Nebraska [Mrs. SMITH.]

Mrs. SMITH of Nebraska. Mr. Speaker, I rise in support of the rule. I appreciate very much the way the Committee on Rules made this rule so that it could be amended and so that it is an open rule.

Also, I very much want to thank the gentleman from Minnesota [Mr. VENTO] for so graciously agreeing that there will be no general debate tonight. I think this is an important measure. It is a very controversial measure. There are many people who wish to speak on it. I think it is important that we have the debate next week when all of us can be here. I would have called for a vote on this rule if we could not have gotten agreement not to have general debate, and I so appreciate the gentleman from Minnesota [Mr. VENTO] agreeing.

Under this circumstance, I support the rule, and I will not call for a vote on it.

Ms. SLAUGHTER of New York. Mr. Speaker, I yield 4 minutes to the gentleman from Nebraska [Mr. HOAGLAND].

Mr. HOAGLAND. Mr. Speaker, I just would like to address for a moment a question that has been asked by lots of people around Nebraska, and as I visit with my colleagues on both sides of the aisle here in Congress, Members of this body, and that question is: Where did this proposal come from?

Mr. Speaker, I think it is very important for people to understand that Federal protection of the Niobrara River was first proposed by local landowners, people who live along the river who, back in the 1970's and early 1980's, recognized the ecological unique features of the river valley and its recreational popularity. We have many hundreds of canoes that travel down the river every year. We have water falls on some of the tributaries. It is really a very beautiful, lovely river that meanders through our sandhills.

The absence of county zoning in the area made it impossible for those supporters, those men and women living along the river valley, to develop a local control mechanism to protect the Niobrara.

As we learned at a field hearing conducted under Chairman VENTO's leadership in Ainsworth, NE, on March 16, 1990, the proposal was first developed by Franklin Egelhoff and two of his friends, including the late Loring Kuhre, in the winter and spring of 1980.

Minutes of a meeting of an organization called "Save the Niobrara River Association," formed in 1975, indicate that at a meeting conducted on May 7, 1980, reports were taken on efforts by several landowners in the valley to promote scenic river designation. The subject was later discussed on June 6, 1980, when the proponents decided to write their members of Congress. Through the early 1980's, the proposal developed and matured. In numerous meetings, landowners up and down the valley were consulted and participated. This input, I might add, is more than evident in the original proposal offered by Senator EXON in the Senate and offered by me here in the House early last session.

The minutes also report that during the Easter recess in 1984, members of the association presented the proposal to Senator J. JAMES EXON in Lincoln. This presentation was a culmination of years of thought and negotiation among landowners.

Subsequently, on September 30, 1985, Senator EXON introduced the scenic river bill in the U.S. Senate. In 1985 the National Park Service conducted informational meetings in Ainsworth, Bassett, and Valentine—towns near the designated stretch.

After introducing the bill, Senator EXON agreed to withdraw it pending a study by the Nebraska Natural Resources Commission. That study was published in August 1986.

In the course of the study, the commission held numerous meetings with the landowners to explain the proposal and ascertain local attitudes. The report stated: "In order to better assess these local attitudes, a landowner opinion survey was conducted and a series of local meetings were held to discuss the designation proposal . . ."

Mr. Speaker, I might add that the survey showed that the owners of a majority of the land along the river favored the designation proposal.

Senator EXON thereupon agreed again to hold his bill to give State and local governing boards an opportunity to develop alternate ways to protect the river. Four counties were involved. In the next few years, the only actions taken were those by two of the four affected counties and then only to establish a committee to study the issue of whether zoning regulations should be adopted. None were. A bill introduced in the Nebraska Legislature failed to be reported from committee.

So once again in early 1989, at the beginning of this Congress, Senator EXON and Senator KERRY introduced a bill in the Senate. I introduced my bill here in the House, and a few months later the gentleman from Nebraska [Mr. BEREUTER] and the gentlewoman from Nebraska [Mrs. SMITH] introduced their versions of the bill.

As of this date, the Niobrara Scenic River proposal is at least 10 years old. We have had innumerable meetings, conferences, studies, and the like, and yet until the eve of the House subcommittee hearing after this bill had passed the Senate, there was not even a semblance of effective local or State action.

Mr. Speaker, I believe we can clearly see from the record that this proposal originated among landowners along the river, and that after 10 years from that origination, why the time is ripe now for us to act.

Mr. PASHAYAN. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I do support the rule. I think it is obviously a fair rule, because it is an open rule, and we are allowed, therefore, under those procedures to have full debate on this issue.

I also rise, of course, in strong support of the legislation, S. 280, but since we are limiting ourselves primarily to a general discussion of the rule, I will reserve my arguments related to the issues under the legislation itself when we take up that legislation.

Permit me just to say a couple of things, however, that should really be said at this point. First of all, I would begin by thanking the chairman, the gentleman from Minnesota [Mr. VENTO], for his outstanding courtesy and assistance to the Nebraska delegation in working with all of us who have had different versions of legislation related to the Niobrara River, accommodation of the staff, with my personal staff, which has been outstanding, and I very much appreciate that fact.

The Committee on Rules has given us a good rule. I appreciate the courtesy extended to all of us in that respect, and it will give us the kind of thorough debate that we will want to have on important legislation.

My colleague, the gentleman from Nebraska [Mr. HOAGLAND], has outlined some of the steps that have taken place with respect to the Niobrara River over the years.

□ 1730

Actually I could start back a little earlier. I would just mention that when the generic Wild and Scenic River Act legislation was first considered, one of the first 10 or 12 rivers considered for initial designation under that bill was the Niobrara River. Indeed, approximately 283 miles of this magnificent river, starting in Wyoming and going almost entirely across our State of Nebraska, have been suggested as "potentially suitable for designation under some category of the Wild and Scenic River Act."

This would be, if the Congress approves and it is enacted into law, the first wild and scenic river designated in the entire Great Plains. A great many people think it is the outstanding wild and scenic river in the Great Plains area. It is a magnificent river. The topography and the vegetation vary, but the 76-mile stretch which is most controversial, which would be named a scenic river under the proposed legislation, has a unique ecosystem in that the coniferous forests of the West and the deciduous forests of the East and the birch forests of the North and the related fauna all intermix in this one small area. That is why so much attention has been focused on this area by naturalist groups, by conservation groups, and by a great many wildlife groups. More about that will certainly be told when we debate the full legislation.

Mr. Speaker, I would conclude my remarks by thanking my colleagues for their work, and I hope we have a good debate. I am confident we can do this and disagree as necessary, but in an agreeable fashion.

Mr. PASHAYAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. SLAUGHTER of New York. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PETROGLYPH NATIONAL MONUMENT ESTABLISHMENT ACT OF 1989

Mr. VENTO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 286) to establish the Petroglyph National Monument in the State of New Mexico, and for other purposes, with Senate amendments to the House amendments thereto, and concur in the Senate amendments to the House amendments.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendments to the House amendments as follows:

Senate amendments to House amendments: (1) Page 1, of the House engrossed amendment, strike out all including line 1 over to and including line 2 on page 16, and insert:

TITLE I—PETROGLYPH NATIONAL MONUMENT

SEC. 101. SHORT TITLE AND CONGRESSIONAL FINDINGS.

(a) This title may be cited as the 'Petroglyph National Monument Establishment Act of 1990'.

(b) The Congress finds that—

(1) the nationally significant Las Imagines National Archeological District on Albuquerque's West Mesa Escarpment contains more than 15,000 documented and prehistoric and historic petroglyphs;

(2) the district also contains approximately 65 other archeological sites;

(3) the West Mesa Escarpment and the petroglyphs are threatened by urbanization and vandalism, and hundreds of petroglyphs have already been destroyed;

(4) the State of New Mexico has shown great leadership by recognizing the importance of the archeological resources of the West Mesa Escarpment through the establishment of the Las Imagines National Archeological District;

(5) the city of Albuquerque has played a significant role in the preservation of the natural, cultural, and recreational resources of the West Mesa Escarpment;

(6) the Middle Rio Grande Pueblo Tribes have shown a strong and sincere interest in the preservation of their heritage through protection of the West Mesa Escarpment;

(7) the Atrisco Land Grant, now held by Westland Development Company, Incorporated, a corporation whose stock is owned primarily by heirs of the Atrisco Land Grant, has played a significant role in the settlement of the West Mesa area since 1692, and the corporation's shareholders have shown a strong interest in the preservation of their traditional lands;

(8) the National Park System has no unit established for the specific purpose of protecting, preserving, and interpreting prehistoric and historic rock art; and

(9) in light of the national significance of the West Mesa Escarpment and the petroglyphs and the urgent need to protect the cultural and natural resources of the area from urbanization and vandalism, it is appropriate that a national monument be established in the West Mesa Escarpment area, near Albuquerque, New Mexico.

SEC. 102. ESTABLISHMENT OF PETROGLYPH NATIONAL MONUMENT.

(a) In order to preserve, for the benefit and enjoyment of present and future generations, that area in New Mexico containing the nationally significant West Mesa Escarpment, the Las Imagines National Archeological District, a portion of the Atrisco Land Grant, and other significant natural and cultural resources, and to facilitate research activities associated with the resources, there is hereby established the Petroglyph National Monument (hereinafter in this title referred to as the 'monument') as a unit of the National Park System. The monument shall consist of approximately 5,280 acres generally known as the Atrisco Unit, as depicted on the map entitled 'Boundary Map, Petroglyph National Monument,' numbered NM-PETR-80,010C and dated June 1990, which shall be on file and available for public inspection in the officies of the National Park Service, Department of the Interior, in the officers of the Department of Energy, Minerals, and Natural Resources of the State of New Mexico, and in the office of the mayor of the city of Albuquerque, New Mexico.

(b) The monument shall be administered by the Secretary of the Interior (hereinafter in this title referred to as the 'Secretary') or, if the monument is expanded pursuant to section 104(a), by the Secretary in cooperation with the State of New Mexico (hereinafter in this title referred to as the 'State') or the city of Albuquerque, New Mexico (hereinafter in this title referred to as the 'city'), in accordance with section 105.

(c) Within 6 months after the date of enactment of this title, the secretary shall file a legal description of the monument with the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs

of the United States House of Representatives. Such legal description shall have the same force and legal description as if included in this title, except that the Secretary may correct clerical and typographical errors in such legal description. The legal description shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, in the offices of the Department of Energy, Minerals, and Natural Resources of the State of New Mexico, and in the office of the mayor of the city of Albuquerque, New Mexico: *Provided*, That the Secretary may from time to time, after completion of the general management plan referred to in section 108(a), may make minor adjustments to the monument boundary by publication of a revised map or other boundary description in the Federal Register.

SEC. 103. LAND ACQUISITION AUTHORITY.

(a) The Secretary is authorized to acquire lands and interests therein within the monument boundary by donation, purchase with donated or appropriated funds, exchange, or transfer from any other Federal agency, except that lands or interests therein owned by the State or a political subdivision thereof may be acquired only by donation or exchange.

(b) Where the surface and subsurface estates of private land to be acquired are separately owned, the Secretary shall acquire the subsurface estate to such land prior to or at the same time the surface estate is acquired: *Provided*, That this subsection shall not be applicable if the Secretary determines that the prior acquisition of the surface estate is necessary—

(1) to prevent damage to the resources of the monument; or

(2) to properly manage and interpret the monument in accordance with sections 102 and 105.

(c)(1) The Secretary is authorized to exchange Federal lands within the area described on the map referred to in section 102(a) as the Piedras Marcadas Unit for lands owned by the city within the area described as the Atrisco Unit on such map.

(2) The Secretary is authorized to exchange Federal lands within the area described on the map referred to in section 102(a) as the Boca Negra Unit for lands owned by the State within the area described as the Atrisco Unit on such map.

(3) Exchanges shall be on the basis of equal value, and either party to the exchange may pay or accept cash in order to equalize the value of the properties exchanged.

(d) Prior to acquiring fee simple ownership of private lands or interests therein within the monument boundary, the Secretary is authorized to acquire an appropriate interest in such land by donation or for a nominal fee from the owner or owners of such lands for the purpose of providing immediate protection against trespass or vandalism or initiating any resource inventories necessary to carry out the purposes of this title.

SEC. 104. EXPANSION OF THE MONUMENT.

(a) Upon the execution of a binding agreement between the Secretary, the State, and the city that the lands identified in this subsection shall be perpetually managed in accordance with section 105, the Secretary shall include such lands, totaling approximately 1,994 acres, within the monument boundary. The lands referred to in this subsection are:

(1) the approximately 1,779 acres generally known as the Piedras Marcadas Unit, as depicted on the map referred to in section 102(a); and

(2) the approximately 215 acres generally known as the Boca Negra Unit, as depicted on the map referred to in section 102(a).

(b)(1) The Secretary is authorized to acquire, as provided in section 103(a), some or all of the approximately 95 acres of land, or interests therein, within the area identified as "Potential Addition" on the map referred to in section 102(a), if, after consultation with the Petroglyph National Monument Advisory Commission established under section 110, the Secretary determines that such acquisition would further the purposes of this title.

(2) The authority of the Secretary to make acquisitions pursuant to paragraph (1) shall expire on the date 3 years after the date of enactment of this Act.

(3) Any lands acquired pursuant to paragraph (1) shall be incorporated into the monument and managed accordingly.

SEC. 105. ADMINISTRATION AND MANAGEMENT OF THE MONUMENT.

(a) The Secretary shall administer, manage, and protect the monument in accordance with the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1 et seq.), the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461 et seq.), and this title, and in such a manner as to preserve, for the benefit and enjoyment of present and future generations, its cultural and natural resources, and to provide for the interpretation of and research on such resources.

(b) Units of the monument which may be added pursuant to section 104(a) shall be managed and developed in accordance with management and operational plans prepared concurrently with the National Park Service, consistent with section 108. Visitor use and interpretive programs within such units shall be undertaken consistent with plans developed with the assistance of the National Park Service.

(c) The Secretary is authorized to enter into cooperative agreements with either the State or the city under which the Secretary may manage and interpret any lands owned by the State or the city, respectively, within the boundaries of the monument.

(d) In order to encourage a unified and cost effective interpretive program of the natural and cultural resources of the West Mesa Escarpment and its environs, the Secretary is authorized to enter into cooperative agreements with other Federal, State, and local public departments and agencies, Indian tribes, and nonprofit entities providing for the interpretation of these resources. Such agreements shall include, but need not be limited to, a provision for the Secretary to develop and operate interpretive facilities and programs on lands and interests in lands outside the monument boundary, with the agreement of the owner or the administrator thereof. Such cooperative agreements may also provide for financial and technical assistance for the planning and implementation of interpretive programs and minimal development related to these programs.

(e) Federal laws generally applicable to units of the National Park System, including but not limited to, the National Environmental Policy Act of 1969 and the Archeological Resources Protection Act of 1979, shall apply to the monument. The Secretary is authorized to pursue concurrent jurisdiction of the monument for the purposes of law enforcement and implementation of Federal regulations.

SEC. 106. LAND USE AND TRANSPORTATION PLANNING.

The Secretary may participate in land use and transportation management planning conducted by appropriate local authorities for lands adjacent to the monument and may provide technical assistance to such authorities and affected landowners for such planning.

SEC. 107. EXISTING TRANSMISSION OR DISTRIBUTION FACILITIES.

Nothing in this title shall be construed as authorizing or requiring revocation of any interest or easement for existing transmission or distribution facilities or prohibiting the operation and maintenance of such facilities within or adjacent to the monument boundary.

SEC. 108. GENERAL MANAGEMENT PLAN.

(a) Within 3 years from the date funding is made available for the purposes of this section, the Secretary, in cooperation with the city and the State, shall develop and transmit to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives, a general management plan for the monument consistent with the purposes of this title, including, but not limited to—

(1) a statement of the number of visitors and types of public use within the monument which can be accommodated in accordance with the protection of its resources;

(2) a resource protection program;

(3) a general interpretive program;

(4) a plan to implement the joint resolution entitled "American Indian Religious Freedom", approved August 11, 1978 (42 U.S.C. 1996);

(5) a general development plan for the monument, including proposals for a visitor's center, and the estimated cost thereof; and

(6) a plan for the Rock Art Research Center established in section 109.

(b) The general management plan shall be prepared in consultation with the Petroglyph National Monument Advisory Commission established pursuant to section 110, appropriate Indian tribes and their civil officials, the heirs of the Atrisco Land Grant, the New Mexico State Historical Preservation Office, and other interested parties.

(c) The Secretary shall undertake, in consultation and cooperation with appropriate New Mexico Indian tribes and their civil officials, research on other Rio Grande style rock art sites on Federal lands in New Mexico, and through cooperative agreements with State and willing private landowners, on non-Federal lands. The Secretary shall provide the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives within 3 years of the date funding is made available for the purposes of this section, a report that—

(1) lists various locations of Rio Grande style rock art;

(2) identifies the ownership of the rock art;

(3) identifies the condition of the resources; and

(4) identifies the appropriate type of technical assistance needed for the protection and care of these resources.

The report shall be updated and transmitted to such committees every 2 years thereafter.

SEC. 109. ROCK ART RESEARCH CENTER.

(a) In order to provide for research relating to Rio Grande style rock art, undertake comprehensive evaluations of petroglyphs within the monument, prepare interpretive programs that are sensitive to the concerns of the Indian and Hispanic peoples, and relate monument resources to other styles and forms of rock art, the Secretary, acting through the National Park Service and in cooperation with the University of New Mexico, other educational institutions, foundations, Indian tribes, and private entities, shall establish a Rock Art Research Center (hereinafter in this title referred to as the "Center").

(b) The Center shall function as a focal point for the systematic and scholarly collection, analysis, and dissemination of information relating to Rio Grande style rock art, and other forms of rock art within the region.

(c) The Center shall produce research data and educational materials that will enhance public understanding of prehistoric and historic rock art.

(d) The Center shall provide for a broad program of research including ethnographic studies, resource management techniques, and comparative studies of rock art forms and styles.

(e) Research shall be primarily directed toward rock art managed by the National Park Service. The Secretary may enter into cooperative agreements with other agencies and entities as may be appropriate to carry out the requirements of the Center.

(f) The Secretary, acting through the National Park Service, is authorized to undertake research and assist in the management and protection of Rio Grande style rock art sites on public and, with the agreement of the landowner, private lands within the Galisteo Basin. The Secretary is authorized to enter into cooperative agreements with landowners of such rock art sites and expend appropriated funds for research, site protection, and interpretive programs. Research shall include the identification and mapping of rock art sites and the development of protection options.

SEC. 110. PETROGLYPH NATIONAL MONUMENT ADVISORY COMMISSION.

(a) There is hereby established the Petroglyph National Monument Advisory Commission (hereinafter in this title referred to as the 'Commission'). The Commission shall be composed of 11 members appointed by the Secretary for terms of 5 years as follows:

(1) one member, who shall have professional expertise in history or archeology, appointed from recommendations submitted by the Governor of the State of New Mexico;

(2) one member, who shall have professional expertise in history or archeology, appointed from recommendations submitted by the mayor of the city of Albuquerque, New Mexico;

(3) one member, who shall have professional expertise in Indian history or ceremonial activities, appointed from recommendations submitted by the All Indian Pueblo Council;

(4) one member, who shall be a shareholder of the Westland Development Company, Incorporated;

(5) one member, who shall be an heir of the Atrisco Land Grant;

(6) one member, who shall be an affected landowner;

(7) one member, who shall have professional expertise in Indian rock art;

(8) one member, who shall have professional expertise in cultural anthropology;

(9) one member, who shall have professional expertise in geology;

(10) one member from the general public; and

(11) the Director of the National Park Service, or his or her designee, ex officio.

(b) Any member of the Commission may serve after the expiration of his or her term until a successor is appointed. A vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(c) Members of the Commission shall serve without pay. While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5, United States Code.

(d) The Chair and other officers of the Commission shall be elected by a majority of the members of the Commission to serve for terms established by the Commission.

(e) The Commission shall meet at the call of the Chair or a majority of its members, but not less than twice annually. Six members of the Commission shall constitute a quorum. Consistent with the public meeting requirements of section 10 of the Federal Advisory Committee Act (5 U.S.C. App.), the Commission shall, from time to time, meet with persons concerned with Indian history and historic preservation, and with other interested persons.

(f) The Commission may make such bylaws, rules, and regulations as it considers necessary to carry out its functions under this title. Section 14(b) of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission.

(g) The Commission shall advise the Secretary on the management and development of the monument, and on the preparation of the general management plan referred to in section 108(a). The Secretary, or his or her designee, shall from time to time, but at least semiannually, meet and consult with the Commission on matters relating to the management and development of the monument.

(h) The Commission shall cease to exist 10 years after the date of its first meeting.

SEC. 111. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary for the purposes of this title. The Secretary shall prepare and submit to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives, concurrently with the submission to Congress of the President's proposed budget for the second fiscal year beginning after the date of enactment of this title, and every 5 years thereafter, a report on the status of the agreement referred to in section 104(a), its associated costs, and any proposed alterations to the agreement.".

(2) Page 16, line 26, of the House engrossed amendment, strike out "Boundary Map—".

Mr. VENTO (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments to the House amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Minnesota?

Mrs. SMITH of Nebraska. Mr. Speaker, reserving the right to object, I do so only to allow the gentleman from Minnesota [Mr. VENTO] to explain his request.

Mr. VENTO. Mr. Speaker, will the gentlewoman yield?

Mrs. SMITH of Nebraska. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, Petroglyph National Monument and Pecos National Historical Park will preserve and interpret important and fascinating parts of our past. Petroglyph National Monument, located just west of Albuquerque, NM, is the site of some 17,000 examples of rock art, or petroglyphs. These petroglyphs, carvings incised onto the rocks, provide insights into much earlier people's ways of looking at the world. Pecos National Historical Park located near Santa Fe, NM, preserves and interprets the gateway between the Great Plains and the Rio Grande Valley. As such, Pecos saw centuries of various groups of people passing through, living and leaving their marks there.

The Senate has amended S. 286 as it passed the House, making various changes to the bill. In addition to various technical changes, the Senate bill, as amended, has a somewhat different mechanism for the establishment of Petroglyph National Monument. Under the Senate's amendment, the Federal portion of the monument is immediately established. The State and city portions of the monument will also be established upon the signing of a binding agreement with the National Park Service. This approach will ensure that Federal laws will be applicable to the entire monument, Federal, State, and local units. I endorse this approach as consistent with the intent of the House-passed bill.

The Senate amendment is acceptable. Because some of the funding for the monument from the State of New Mexico expires the 30th of this month, I urge that the House accept these changes and move for speedy passage of S. 286 as amended.

Mr. RICHARDSON. Mr. Speaker, will the gentlewoman from Nebraska yield?

Mrs. SMITH of Nebraska. I yield to the gentleman from New Mexico.

Mr. RICHARDSON. Mr. Speaker, I want to thank the gentleman from Minnesota [Mr. VENTO] and the majority leader in this matter, because they have had a role in getting this resolved. This is an important bill for New Mexico. I think everything has been taken care of. We will move it on

to the President. The reason being that we would lose $300,000 in New Mexico by not proceeding with this bill at this time.

Mr. Speaker, I thank the chairman. It is an important bill for us. I appreciate the role of the majority leader.

Mr. Speaker, I thank the gentleman for bringing S. 286, legislation to establish the Petroglyph National Monument and the Pecos National Historical Park in New Mexico, to the House floor expediently.

The House first passed this legislation as amended on May 22 by voice vote. As originally passed by the House, the Petroglyph National Monument would consist of three units; the Atrisco, Piedras Marcadas, and Boca Negra. The monument, however, would not be established until the Secretary of the Interior, the State of New Mexico, and the city of Albuquerque enter into a binding agreement to manage the monument in accordance with provisions in the bill. The intent of the House was to ensure that should the State and city manage any units, that they be managed in accordance with Federal standards.

The Senate agrees with the intent of the House version but is concerned about the eventual status of the monument and the Secretary's authority to acquire the lands within the monument. As a result, the Senate amended the bill and sent it back to the House.

The Senate amendment is a substitute to title I of the House amendment that simply clarifies the monument's permanent status and the Secretary's land acquisition authority. The amendment provides that upon enactment of the bill, the monument will be established consisting of the 5,280 acre Atrisco unit. Once an agreement is reached between the Secretary, the State and the city with respect to the management of the Piedras Marcadas and Boca Negra units, those units will be added to the monument. The Senate amendment simply assures that the monument will be established immediately upon enactment and clearly defines the Secretary's authority to acquire land.

The second Senate amendment refers to title II which establishes the Pecos National Historical Park. The Senate amendment makes a technical correction concerning the park boundary map.

Mr. Speaker, I believe both sides of the aisle support the Senate amendments and I urge approval of S. 286 as amended.

Mrs. SMITH of Nebraska. Mr. Speaker, the minority has reviewed the Senate amendments and find them to be appropriate and noncontroversial.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Minnesota?

There was no objection.

A motion to reconsider was laid upon the table.

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on the Senate amendments to the House amendments to S. 286, the matter just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I ask unanimous consent to proceed for 1 moment that I might inquire of the distinguished majority leader the program for the balance of this week and next week.

Mr. GEPHARDT. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Missouri.

Mr. GEPHARDT. Mr. Speaker, obviously we are about to finish our business today. There will not be a session tomorrow.

On Monday, June 18, we will meet at noon to consider nine bills on suspension. Recorded votes on suspensions will be postponed until Tuesday, June 19. The nine bills to be considered are:

H.R. 4039, Disabilities Prevention Act 1990;

H.R. 4238, Vaccine and Immunization Amendments of 1990;

H.R. 4273, Tuberculosis Prevention Amendments of 1990;

H.R. 4790, Breast and Cervical Cancer Mortality Prevention Act of 1990;

H.R. 4609, to amend the Coast Guard Authorization Act;

H.R. 4736, Defense Reports Reduction Act of 1990;

S.J. Res. 246, regarding the repeal of U.N. General Assembly Resolution 3379;

H.R. 1013, reauthorization of the Discretionary Programs Under The Education of The Handicapped Act; and

H.R. 3859, Washington Center for Internships and Academic Seminars.

On Tuesday, June 19, the House will meet at noon. Private calendar. H.R. 5019, Energy and Water Development Appropriations for 1991, subject to a rule.

Wednesday, June 20, and the balance of the week, we will meet at 10 a.m. and take up H.R. 5021, Commerce, Justice, and State, the Judiciary and Related Agencies Appropriations for 1991; and H.R. 4329, American Technology Preeminence Act, subject to a rule.

Conference reports may be brought up at any time. Any further program will be announced later. Members should be advised of possible action on the flag amendment this week or the week following.

Mr. MICHEL. Mr. Speaker, I thank the gentleman. Let me inquire when it might be in order then for the Niobrara River legislation having to do with the State of Nebraska? Having adopted the rule, when will that be debated then for general debate and amendments next week?

Mr. GEPHARDT. If the gentleman will yield further, I am just not sure at this point when we can get back to it. We have these appropriations bills. We will try to get it in between some of them, if we can find a place for it.

Mr. MICHEL. The gentleman from Missouri [Mr. GEPHARDT] did say that Members ought to be alerted that we might possibly have the flag amendment. Would that be on the floor next week? It has not yet been considered by the full committee. Is it the intention of the leadership to bring it up immediately thereafter, or would there by any kind of period between the time of the full committee's consideration and floor action? Has that been decided?

Mr. GEPHARDT. Mr. Speaker, it has not been decided. As I understand it, it is in the committee on Tuesday, and obviously it could be taken up next week or the week following. That final decision has not been made.

Mr. MICHEL. Do we know whether next week we would have a Friday session?

Mr. GEPHARDT. Probably not, but we are not yet sure about that. I would hesitate at this point to tell Members we will not, because it may be that we have to have a Friday session.

Mr. MICHEL. Mr. Speaker, would the gentleman from Missouri [Mr. GEPHARDT] be good enough to look into his magic glass with respect to a little bit beyond, to the housing bill and the farm bill? Is there a possibility of our considering those two measures before we break for the Fourth of July recess?

Mr. GEPHARDT. Both bills are in committee and reports have to be written. I would surmise that sometime during the month of July we will get to those bills.

Mr. MICHEL. Mr. Speaker, I thank the distinguished gentleman. I think he has answered all my questions.

□ 1740

AUTHORIZING THE SPEAKER TO DECLARE RECESSES AT ANY TIME ON TUESDAY, JUNE 26, 1990

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Tuesday, June 26, 1990, for the Speaker to declare recesses subject to the call of the Chair, for the purpose of receiving in joint meeting Hon. Nelson Mandela, Deputy

President of the African National Congress.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ADJOURNMENT TO MONDAY, JUNE 18, 1990

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

APPOINTMENT OF CONFEREES ON S. 2240, AIDS PREVENTION ACT OF 1990

The SPEAKER. The Chair will appoint conferees on S. 2240 to amend the Public Health Service Act to provide grants to improve the quality and availability of care for individuals and families with HIV disease, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER. The Chair appoints the following conferees and, without objection, reserves the right to appoint additional conferees: Messrs. DINGELL, WAXMAN, ROWLAND of Georgia, LENT, and MADIGAN.

There was no objection.

THE FLAG BURNING ISSUE

(Mr. STAGGERS asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous material.)

Mr. STAGGERS. Mr. Speaker, I am submitting for the RECORD a recent Gallup poll concerning the will of the American people about flag burning:

HIGHLIGHTS OF THE GALLUP POLL ON THE FLAG BURNING ISSUE

72% of the American people "disagree that burning the flag should be protected under the free speech guarantee of the First Amendment," while only 25% agree;

71% favor "a narrow constitutional amendment that would allow federal and state governments to make flag burning illegal," while only 26% oppose such an amendment;

73% do not "believe that a constitutional amendment outlawing flag burning would place your freedom of speech in jeopardy," while only 25% think it would;

84% reported that they had completely made up their minds or very nearly decided their position when asked, "How strong is your position on the flag burning issue?" while 15% had not yet fully decided;

57% said they would be "likely to vote for or against an elected official because of their position on the issue." 40% said they would not.

65% said they would write to their elected representative about this issue; 44% said they would do volunteer work for a group that supported their position; and an overwhelming 86% said they would sign a petition that supported their position.

Statistics just released to The American Legion by the Gallup Organization, Inc. show that a significant majority of Americans support a constitutional amendment to protect the United States Flag. The poll, which was conducted from April 11 through May 2, and has a "maximum standard-error rate of 2.7% at the 95% level of confidence," reported that 71% favor a narrowly drawn constitutional amendment; 73% do not believe such an amendment would jeopardize their freedom of speech; and 57% would vote for or against an elected official because of his position on this issue.

The questions asked and the responses, by percentage, follow.

1. Do you agree that burning the American flag should be protected under the free speech guarantee of the First Amendment, or do you disagree that burning the flag should be protected under the free speech guarantee of the First Amendment?

Agree: 25%.
Disagree: 72%.
No opinion: 2%.

2. On May 14th the Supreme Court is going to hear final arguments on the Flag Protection Act of 1989, the law which was written to make flag burning a crime. If the Supreme Court finds the Act to be unconstitutional would you favor or oppose a narrow constitutional amendment that would allow federal and state governments to make flag burning illegal?

Favor: 71%.
Oppose: 26%.
No opinion: 3%.

3. Do you believe that a constitutional amendment outlawing flag burning would place your freedom speech in jeopardy?

Yes: 25%.
No: 73%.
Don't know: 2%.

4. How strong is your opinion on the flag burning issue? On a 1 to 5 scale where 5 means you completely made up your mind on your position on the issue and 1 means you're unsure of your position on the issue, where would you rate yourself regarding the flag burning issue?

1. Unsure of position: 3%
2. 3%.
3. 9%.
4. 16%.
5. Completely made up mind: 68%.

5. Please tell me yes or no if you would be likely to participate in the following activities as a result of your position on the flag burning issue. Would you be likely to:

A. Donate to a group that supported your position?

Yes: 53%.
No: 44%.
Don't know: 3%.

B. Sign a petition that supported your position?

Yes: 86%.
No: 13%.

C. Vote for or against an elected official because of his position on the issue?

Yes: 57%.
No: 40%.
Don't know: 3%.

D. Do volunteer work for a group that supported your position?

Yes: 44%.
No: 54%.
Don't know: 2%.

E. Write a letter to an elected official stating your position on the issue?

Yes: 65%.
No: 34%.

Mr. Speaker, I recently met with Miles Epling, the national commander of the American Legion. He is a very hard working individual. He is very dedicated. Whatever your views are on the flag burning issue, I can tell you that the American Legion members in your districts are very sincere about this issue; but there is another issue that, as I said, the Gallup poll will be made part of the RECORD and it does show that the American people do want a constitutional amendment.

There is another important issue here which I cannot let pass by. If we are to protect the integrity of the American flag, then we must ban foreign-made American flags. Until we ban the importation of foreign-made American flags, we will not fully protect the integrity of the American flag.

For my colleagues who have pointed to the liberals that this is a conservative issue or whatever, I do not find you on my bill. I do have a bill to ban the importation of foreign-made American flags. You must have not been aware of my bill. Now you are aware of my bill. I expect you to be on my bill.

WHAT THE BILL OF RIGHTS NEEDS NOW IS A CONGRESS WITH COURAGE

The SPEAKER pro tempore (Mr. MURTHA). Under a previous order of the House, the gentleman from Texas [Mr. WASHINGTON] is recognized for 5 minutes.

Mr. WASHINGTON. Mr. Speaker, "It was a storm in a tea cup, but in politics we sail in paper boats," the late British Prime Minister Harold McMillan once perceptively observed.

It seems to most that too many of this country's National and State legislators, fearful that public opinion's prevailing winds could capsize their frail vessels, have come to view courage as a dispensable luxury, and expediency an indispensable necessity for political survival.

Nowhere is this more apparent today, Flag Day, than in the broad, bipartisan support for a constitutional amendment to reverse the U.S. Supreme Court's ruling that the first

amendment protects flag burning as a form of political expression.

Many Members of Congress, on both sides of the aisle, are seeking political advantage from public denunciation of the Court's decision and the resulting popular frenzy of flag waving that masquerades as patriotism.

Instead of promoting a deliberate, intelligent, and rational debate on the proposed amendment, they are fueling the flames of popular passion.

Other Members of Congress, whose private meditations have advanced beyond the merely visceral, hold grave doubts about the wisdom of such an amendment. Many of them, however, are reluctant to express their reservations publicly, for they know just how frail their paper boats are and how tempestuous public opinion is.

Who in Congress today is the worthy heir of John Quincy Adams, Daniel Webster, Thomas Hart Benton, Sam Houston, Edmund G. Ross, Lucius Q.C. Lamar, George Norris, or Robert A. Taft? These were the eight U.S. Senators—ambitious politicians, all—whose unflinching defiance of wrong-headed popular passions then-Senator John F. Kennedy chronicled in Profiles in Courage.

Each of these politicians confronted an issue that was both emotionally charged and fundamentally important to the very essence of what defined the United States as a great nation. Each Senator fully appreciated the risk involved in taking an unpopular stand that could destroy his political career. Each man willingly took that risk, acquitting himself honorably before the bar of history.

Who, today, is the Representative or Senator embodying the timeless spirit of Edmund Burke's, "Address to the electors of Bristol," which eloquently defines every elected legislator's primary responsibility?

It ought to be the happiness and glory of a representative to live in the strictest union, the closest correspondence, and the most unreserved communication with his constituents," Burke wrote. "Their wishes ought to have great weight with him; their opinion, high respect; their business, unremitted attention. But his unbiased opinion, his mature judgment, his enlightened conscience, he ought not to sacrifice to you, to any man, or to any set of men living * * * your representative owes you not his industry only, but his judgment, and he betrays, instead of serving you, if he sacrifices it to your opinion.

Amending the Constitution is always an extraordinarily serious endeavor. This precious document is our national charter of government and the guarantor of our civil liberties and rights. It cannot be changed easily and it must not be amended without careful consideration of the consequences. This demands nothing less than cool reason and mature judgment from every national and State legislator involved in the process.

Unfortunately, emotional public clamor seldom willingly grants the time required for due deliberation, insisting instead on immediate, unexamined votes. It takes considerable courage to resist these demands for immediate action.

We must not, as some today are doing, encourage the public outcry for quick action. While popular and thus expedient, fanning the flames is the heighth of irresponsibility and the precursor of bad constitutional law.

Walter Lippmann once wrote that politics' "decisive consideration is not whether the proposition is good but whether it is popular—not whether it will work well and prove itself, but whether the active-talking constituents like it immediately."

Today's menacing flag-waving frenzy, which endangers our Constitution and the civil liberties it protects, seems to be proving Lippmann's cynical observation all too true. Who is the Member of Congress with sufficient courage to sail his or her paper boat into the tempest and prove otherwise?

How will we be judged in this matter by history?

For the first and only time in 199 years, our Constitution needs us now.

Our Constitution has protected us from all enemies, foreign and domestic, for over 200 years. It has seen us safely through war and peace, slavery and freedom, inquisition, assassinations, depressions, and almost every conceivable kind of crisis. We were strong throughout because we had that precious Constitution as our lighthouse on the seas of turmoil.

The one time our Constitution needs us, some are willing to rush to judgment and amend and thereby blemish its precious words to meet the threat, real or imagined, of a few misguided souls. Have we no faith? Where did our hope go?

Amending the Bill of Rights is the breaking of a promise made more than 200 years ago.

After our Constitution was drafted, many who were fearful of a strong central government insisted on a bill of rights to limit the powers of the Government, to draw a line, beyond which the Government could never go.

For 200 years the Constitution has protected the American people from too much government.

Just this once, the American people must protect the Constitution from too much politics.

Write Congress. Tell them to leave your Constitution alone.

□ 1750

DENIAL OF HEALTH INSURANCE FOR PREVIOUS MENTAL HEALTH CONSULTATIONS: ANOTHER ARGUMENT FOR NATIONAL HEALTH INSURANCE LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, Ann C. of New Jersey makes about $30,000 per year. She has no health insurance. This is not because she is unwilling or unable to buy it, but because she was hospitalized over 2 years ago for 4 days with a mental diagnosis. Today she is active and healthy and participating in postgraduate studies. However, she was informed by her insurance agent, who represents a large well-known company, that they do not offer policies to any person who has received mental health services within the past 20 years. The insurance company was also unwilling to write an exclusionary clause into a policy omitting mental health services but allowing her benefits for physical disease and accidents. She was told by the agent that "emotional problems affect the immune system making a person more at risk for physical diseases."

Ann's situation is not unique but represents one of the many growing classifications of persons unable to purchase health insurance. It is estimated that there are over 31.5 million Americans not covered by any health insurance or Government programs which assist with medical care. We often think of these persons as being only those who cannot afford the cost. However, recently it has been noted that insurance companies are categorically denying coverage to certain groups of persons. These persons are working and can afford to purchase health insurance, but they find it impossible to do so. Sometimes these groups consist of members of certain occupations such as those suspected of having disproportionate numbers of gay men. Sometimes they are health workers, who because of their increased knowledge and ability to access the care they need are thought by insurance companies to overutilize. Now we are seeing another large group denied—any person who has previously received mental health services.

The consequences of increasing the number of persons denied insurance will compound the already serious problem of our hospitals, which nationwide lose $8.5 billion annually for indigent care. Suppose Ann C. now finds herself with a diagnosis of cancer or some other serious disease. Or suppose she only has an attack of acute appendicitis requiring surgery. Even if her health allows her to continue working after hospitalization and she is able to pay her bills off gradually, the hospital will still experience a significant cash flow shortage from lack of short-term payoff by an insurance company. If she is unable to return to work she will become medically indigent, and the hospital can never expect to recover its loss. The taxpayer will bear the

burden of Ann not being able to buy insurance now to protect herself in the future.

Susan E. of Minnesota saw a psychologist in the mideighties for some general counseling. In 1986 she applied for and received disability insurance coverage for which she has been paying regular premiums. This year, 1990, she attempted to use the insurance to cover a severe depression which began in 1989. Not only was she denied benefits of her policy, but the policy was canceled on the grounds of a preexisting condition. This was in spite of affidavits from her former psychologist stating that the previous counseling had no bearing on her current condition.

Both Ann and Susan emphasize that this type of action by health insurance companies prevents people from seeking mental health care, especially for early symptoms when they might be most amenable to treatment. It also causes persons to be dishonest when giving their medical histories to other health practitioners for fear that something incriminating will appear on the record. This may result in inaccurate diagnosis and treatment.

Perhaps the most tragic thing to be said of this discriminatory practice is the continued burden placed on persons who need and may benefit from appropriate medical care. At a time when many of the most serious problems facing our health care system are drug and alcohol abuse, trauma of violent acts, stress syndromes produced at work, depression caused by family dissolution, and many others, we can ill afford to have these diagnoses go untreated or their presence be grounds for denial of health insurance.

Robert W. of Maryland is a clinical psychologist. As part of his training and in order to be a better clinician he underwent 3 years of psychoanalysis. Three years later when he applied for a nongroup health policy he was denied because he had received mental health counseling. When contacted, the director of the plan to which he had applied said "everybody knows that people who have used mental health services are very high users of regular health services."

However, when asked for a medical reference on this he was unable to respond with any documented evidence.

Mental health diagnoses need actuarial fair premiums just as do heart attack, stroke, and cancer. Grouping all mental health problems together under one diagnosis is as archaic and as ignorant as saying that all physical health problems are the same. We distinguish between an ingrown toenail and a heart attack. Why do we not distinguish between a situational depression caused by the loss of a loved one and a full blown psychosis? Between an adolescent child-parent crisis and a manic-depressive state? Surely they do not forecast the same risk for future use of the medical care system.

It seems that a reasonable way to assure everybody access to health insurance is to place us all in one risk pool and calculate an actuarial fair price for the same set of services. Yes, some kind of a national health insurance plan. Otherwise we shall see the continued exclusion of persons, group by group. It is time to stop thinking of "we" and "they" and assure affordable basic health services for us all.

THE MEDICARE HOME DIALYSIS PATIENT PROTECTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. COYNE] is recognized for 5 minutes.

Mr. COYNE. Mr. Speaker, today I am introducing the Medicare Home Dialysis Patient Protection Act of 1990. This bill would provide Medicare payment for staff assistants who help beneficiaries dialyze at home.

Last November, in response to a Government Accounting Office [GAO] report and a request made by the Bush administration, Congress approved a change in the way Medicare pays for end stage renal dialysis [ESRD] services. Basically, Medicare reimburses dialysis suppliers for services rendered to ESRD patients at home. However, as of last February 1, the new law restructured payments so that suppliers are reimbursed the same amount as facilities. Abuses in the previous system prompted this reimbursement change. Unfortunately, there are glitches in the current law and patients are suffering emotionally, physically, and financially.

This spring, Allegheny County in Pennsylvania, reported that four ESRD patients residing in the county died. The county department of aging is reviewing the medical records of the deceased to determine whether or not the new law had been a contributing factor. Additionally, four more individuals have been hospitalized and others had serious problems because of the reimbursement change. Further, a number of patients have incurred added financial burdens due to leaving the home to dialyze.

My bill would provide reimbursement for a staff assistant for home dialysis patients if the following three conditions are present. First, if the patient's health would be placed in jeopardy as a result of or during transportation to and from a provider; second, if no one is available to provide assistance; and third, if the attending physician certifies that such services must be provided at home.

The bill also addresses the qualifications of the home dialysis aide by requiring such aide to complete successfully a course of training approved by the Secretary.

I believe that this approach will restore needed reimbursement and benefits to needy patients. I look forward to working with my colleagues on this important issue.

THOSE WHO OPPOSE AND THOSE WHO FAVOR A CONSTITUTIONAL AMENDMENT ARE EQUALLY SINCERE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire [Mr. DOUGLAS] is recognized for 5 minutes.

Mr. DOUGLAS. Mr. Speaker, I appreciate the comments by my brother from Texas, who serves with me, with distinction, on the Committee on the Judiciary, and I understand the sincerity of his statements. Some of us who support the constitutional amendment to protect the flag are equally sincere. I say that because what we need to remember is that this was a 5-to-4 vote by the U.S. Supreme Court.

If the four who said they can see a difference between the physical act of burning the flag had picked up a fifth vote, then the Constitution would have been read to say that we have a full and robust first amendment, with one exception, judiciary created, that we recognize the authority of Congress to protect the flag from physical acts of desecration such as burning.

That did not happen. The five votes went the other way. But I think those Justices, all five and all four, are equally sincere and equally patriotic and at no time is the question one of rolling forward in some kind of a hysteria because certainly the four Justices who dissented were not involved in any hysteria, nor were they in any way being political.

What I would like to do is share a thought that I think we can have both the Constitution and the Bill of Rights as well as the authority to protect that special symbol, our Nation's flag.

All we are talking about is a single sentence, amendment 27, which would read that Congress and the States shall have the power to prohibit the physical desecration of the flag of the United States.

That would then, if enacted by two-thirds in this body and two-thirds down the hall in the Senate, would go to the States where it would require a three-quarters' vote.

I have no trouble with that. I think it should be tough to amend the Constitution. And the Founders felt that way.

But I also think we are unfair in arrogating to ourselves on an issue that so many folks feel so strongly about, the fact that it would not permit the States to debate and to deal with this issue.

There are 7,000 State legislators, and I think they are entitled, in each State, to deal with this question. Frankly, had it been done last year when it should have been done, we would have this whole issue behind us and we would not be in an election year.

I want to share some figures, though, because one of the concerns that is raised is are we in some kind of hysteria that has only occurred since Monday, when the Supreme Court ruled? I submit to you that is not so.

The Gallup organization, which, as everyone knows, is a major polling organization in this country, conducted a poll between April 11 and May 2 of 2,100 Americans on the flag issue. Now, they did that at a time when the Supreme Court had not yet heard oral arguments, when they had not yet ruled and struck down our statute, when it was not a matter of any political or common debate. Editorials were

not being written. It was a quiet time this spring.

They asked three questions: Do you agree that burning the American flag should be protected under the free speech guarantee of the first amendment, or do you disagree that burning the flag should be so protected?

Twenty-five percent said they would protect it under the first amendment; 72 percent said, "No, we don't read the first amendment that way."

They then asked if on May 14 the Supreme Court heard the case and were to strike it down, "Would you favor a narrow constitutional amendment that would allow Federal and State governments to make flag-burning illegal? Seventy-one percent said, "Yes, we would favor that approach;" 26 percent said, "No."

Finally, I think one of the key questions, because this is the Constitution, not an icon, it is a Constitution that governs our form of government in this country, it is something that we adopted, we the people, and I think we need to be responsive to those people.

So when they were asked at this quiet time this spring, "Do you believe that a constitutional amendment outlawing flag-burning would place your freedom of speech in jeopardy?" Very good question. Do you think if we did this, it would place your freedom of speech in jeopardy? Seventy-three percent said, "No."

So I think the consensus is clear, and it is even higher today, and that is why I did not use any of the recent poll figures. I wanted to use figures back at a time when we did not know the answer.

It is clear, over 70 percent feel that they can have their Constitution, they can have their free speech and their Bill of Rights, but they can also do what I think we all think is a fair and proper thing, and that is to protect the integrity of that special symbol that is behind you, Mr. Speaker.

DIALOG ON AMENDING THE CONSTITUTION OF THE UNITED STATES

(Mr. DOUGLAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WASHINGTON. Mr. Speaker, will the gentleman yield?

Mr. DOUGLAS. I yield to my colleague, the gentleman from Texas [Mr. WASHINGTON].

Mr. WASHINGTON. I thank the gentleman for yielding.

Mr. Speaker, I am happy that my distinguished colleague has yielded because I respect him very much as an intelligent, enlightened, studied, reasoned individual. I would like to engage in a little dialog.

Mr. DOUGLAS. That is fine.

Mr. WASHINGTON. I may be wrong, but I think the gentleman is sincere as I am about this Constitution and this flag. It seems to me since happenstance happened to put us together here today, my fear is, not just the amendment, not the slippery slope approach, because I do not believe in jargon, but the gentleman as a lawyer and I as a lawyer know that when you start amending something you at least set a precedent. There is no precedent for an amendment to any of the Bill of Rights, would the gentleman agree with that?

Mr. DOUGLAS. Well, I guess it depends on how we read the fifth amendment, which says that, in effect, life, liberty and property are protected. Obviously there was a question as to whether that would apply to the States. We did amend by adding the 14th amendment and we have the power under the 14th amendment to make some statutory changes that would protect rights.

□ 1800

However, I would agree that I cannot think off the top of my head of something that would probably as clearly as this issue implicate the first 10 amendments to the Constitution.

Mr. WASHINGTON. Mr. Speaker, if the gentleman will continue to yield, there are some scholars who would argue on the fifth amendment, and I believe the Court has narrowly defined specifically the due process clause of the fifth amendment, and the due process clause of the fourth amendment of acting in tandem of each other, but not being diplicitous of each other, but for the sake of discussion and with the one exception that the Congress and the country found it necessary in enacting the post so-called reconstruction amendments—the 13th, 14th, and 15th, they may have implicated the fifth amendment, but that was not in response to a specific decision of the U.S. Supreme Court.

Now, as I read the first amendment, and although I usually carry a copy of the Constitution in my pocket, but I do not have it now.

Mr. DOUGLAS. Mr. Speaker, it is obvious we did not rehearse this.

Mr. WASHINGTON. No, we did not. We are doing this strictly off the cuff.

The amendment that is proposed to the Constitution which would allow for the Congress and the several States to regulate what was determined by the Supreme Court to be an expression "that is, the burning of the flag" by limiting that, is embodied in the language of the amendment that the Congress and the States may pass laws to protect the integrity of the flag, or words to that effect.

Mr. DOUGLAS. Yes, OK.

Mr. WASHINGTON. Continuing to yield, and I am not saying that it would be so, of course, but the first amendment also protects the people of the Union against the Government with respect to freedom of assembly, freedom of religion, and the establishment of a religion, is that right?

Mr. DOUGLAS. Yes, I agree with the gentleman.

Mr. WASHINGTON. So, if the people of the United States—and the reason I am coming back to that is because principally, I think the gentleman would agree, his remarks were grounded on the fact that based upon the Gallup Poll and other notions, the people of this country desire the Constitution of the United States and the first amendment to be amended, to allow for a law to be passed, which would protect the physical integrity of the flag?

Mr. DOUGLAS. Well, if I may, what I think that I feel more strongly is, I do not like to say here that I really know what the people want. I reflected on a poll from the spring because I think that is a better time to judge what the people want, than in the heat of this week.

Mr. WASHINGTON. If the gentleman will continue to yield, I agree, because it takes it at a time when the fervor of either side was not whipped up by the editorials in the papers, which were against it, of course, and I am attacking them, but putting aside that, before any of this came up before, the heightened observation and everyone's attention on it.

Mr. DOUGLAS. Would the gentleman from Texas let me add, if the Court on Monday had ruled 5 to 4 the other way, would the gentleman feel that his right or the right of any of the folks that we represent, to burn flag, had therefore been infringed?

Mr. WASHINGTON. No, because I am opposed to burning the flag. I am unalterabley opposed to burning the flag, but I am even more opposed to besmirching the Constitution. I would even give personally—I probably would be motivated toward violence, if I personally witnessed an individual burning an American flag. I would try to restrain myself because I am a public figure and extra things are expected of all Members, but it evokes in people a very strong emotional response.

I did not have the pleasure of serving my country, but my father did. My father served in the U.S. Marine Corps with distinction in the Pacific Theater during World War II. I was an ROTC cadet, gung-ho, chest full of medals in ROTC. Fortunately, or unfortunately, as the case may be, I was in law school during the height of the Vietnam conflict.

Mr. DOUGLAS. So, if the Member would let me add, if the Court ruled that flag burning is not protected under the first amendment, would the

gentleman not feel strongly enough that it is that he would want to amend the Constitution to give him the right to burn the flag?

Mr. WASHINGTON. I cannot think anything that I would feel strongly enough about. There are things that have happened in my lifetime and in our history that I feel stronger about than this, including segregation of the races. I felt strongly about that, but not strongly enough to amend the Constitution. I feel strong enough about affirmative action now. I think something needs to make up for something that has happened. I would never suggest amending the Constitution to make affirmative action programs legal. If they were legal under the Constitution, then so be it, but if they are not, I would never advocate it. I should not say "never," because a person should never do that. I cannot think of a reason that would be strong enough in my mind that would make me be supportive of an amendment to the Bill of Rights.

Now, amending the 11th, 12th, and 15th amendment, I put in a different category than I do what I consider to be precious, because as the gentleman well knows, being the legal scholar that he is, I do not believe our Constitution would have withstood 200 years, had we not had a Bill of Rights. The gentleman knows from the studies we both have conducted that early after the adoption of the Constitution in 1787, there was a clamor, a public outcry from the people. They were reticent about adopting that Constitution without some guarantees to protect the people from the Government.

Now, if we go in and do it on one occasion, what is to stop another amendment from saying that Congress may regulate religion, or Congress may regulate when, how, and where people may peacefuly assemble?

Mr. DOUGLAS. Mr. Speaker, I believe we are about out of time, but if I may answer that, I think the concern is a valid one, but I guess I can frame it this way: I think it is wrong on a subject like this for Members not to allow the marketplace of ideas, under the first amendment, to play itself out at the State level. It is going to be very hard to get three-quarters of the States to approve the constitutional amendment, but I think we owe it to the folks to vote on it later. I frankly felt this way last year. I voted against the statute. I was the only Republican on the Committee on the Judiciary to vote against it, because I said at the time in was unconstitutional. I found, frankly, it could be more offensive than coming right out, being honest, being candid, and saying that they cannot overturn a Supreme Court first amendment decision by a statute. Let Members do it the right way. We have a reasonable disagreement on that.

Mr. Speaker, I thank you for your willingness to give these Members this additional time for colloquy which, frankly, I wish we had more time available.

Mr. WASHINGTON. If the Speaker would permit me just a moment, in closing, I believe this is the bedrock. My concern is, does the gentleman think, as a Representative under our Constitution, as we both are, of the people, that there could ever be an occasion in which our constituents could be of one mind and we could have reason on such difficult an issue, such if 89 percent of my district were polled and they wanted *X*, and I knew for the betterment and good of the country I should vote *Y*, should I follow the whim? Let me not say the word "whim," should I follow the opinion of the people regardless of my personal feel of the violence it does, or should I do what I believe is right?

Mr. DOUGLAS. I agree with the gentleman. I do not believe any Member should govern and judge our decisions here based on policies. I was merely citing the poll to show that even at a time when it was quiet, there is very strong support, but when I had made my decision last year, it was not based on any poll. It was based, frankly, that I agree with the four dissenters. I believe, along with Earl Warren, one of the greatest civil libertarians we have had as Chief Justice, and Earl Warren himself in a dissent made it very clear, "I believe that the States and the Federal Government have the power to protect the flag from acts of desecration and disgrace." He, too, as with me, feels we can have our first amendment rights, and draw this line one on physical expressive conduct. That is why I have come to the conclusion I have, you in good conscience can come to the same conclusion that you have, and I would never impugn the gentleman's motives. I have impugned no one's motives, nor would I because reasonable people just as 5 to 4 on the Court can disagree, all Members here can disagree.

KOREA PADLOCKED SHUT TO FOREIGN BANKS

The SPEAKER pro tempore (Mr. TAUZIN). Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, as South Korea journeyed down the road of development, South Koreans said that politics and banking were the only areas still stuck in the stone age. Now that the nation is actively seeking political reform, many wonder if the financial system will remain alone in such a prehistoric state of protection.

The Korean economy is booming and capital remains plentiful, but the country remains relatively closed to foreign financial institutions. In Korea, interest rates are controlled, credit is rationed, and even top commercial bank officials are often appointed and evaluated by the Government. Some of the commerical banks are even largely owned by the Government.

The U.S. Treasury Department, in its most recent national treatment report, maintains that Korea does not abide by the policy of national treatment. So, Mr. Speaker, why should we allow Korean banks access into the United States, if very few foreign banks can get into Korea?

I support the United States' unconditional national treatment policy. However, because the financial markets are becoming globalized, it would benefit Korea as well as foreign nations for them to open and liberalize their markets. Nations such as Korea must be prepared to allow effective market access if they want the benefit of doing business in the United States.

Although the Korean Government has pledged to slowly liberalize and institute a true market economy, I am frustrated with the slow pace of the financial reform. Tinkering with such a closed system has been doomed to failure from the beginning. Korean policymakers make the excuse that exposing local banks to competition would seriously disrupt the Korean financial system. Mr. Speaker, as Poland has shown, quick, sweeping reform is the most effective policy. In the case of Korea, it is also overdue.

Interest rate controls, for example, could be eliminated in one sweeping motion by simply setting a date far enough in advance to warn the financial markets and institutions. As long as the Government has a direct say in appointing top bank management, Korea will not get very far with reforms because these appointees have a vested interest in maintaining the current system. The Government should allow banks to fail. In my book, complete protection by the Government means complete control.

A few years ago, when the Korean economy was not doing so well, the Government actively begged foreign bankers to open shop in Korea. Today, when the economy is doing much better, the Korean Government has made no bones about the fact that they now think there are too many foreign banks in Korea. Korea cannot have it both ways. If Korea wants help when its economy is in trouble, it should allow this help to reap the rewards when the economy is booming.

The percentage of bank assets in Korea held by foreign banks declined in 1987 from 6.7 to 6.4 percent. United States banks like the $30 million Mayfair Bank in Chicago, a Korean American financial institution, often have a great desire to open an operation in Korea. This bank, however, has been refused entry into the Korean market supposedly because it is too small. The United States does not use size to exclude foreign banks from this market. Mr. Speaker, if a bank has the desire and the capital to enter a new market, it should be allowed to do so no matter how large or small it is.

Korea is not the only market like this on the face of the Earth. Among others, Taiwan is generally regarded as similarly closed with a padlock. I urge Korea to expedite the liberal-

ization process with meaningful and sweeping reforms. More bureaucratic tinkering is doomed to failure, just like it always has been in the Korean financial system.

To become a full fledged member of the global society, Korea needs to open its doors to foreign banks. The United States can and must demand effective market access from its trading partners. Trade is a two-way street.

THE BUDGET SUMMIT: SHOOTING FOR THE STARS?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. FRENZEL] is recognized for 60 minutes.

Mr. FRENZEL. Mr. Speaker, before any real negotiations can get under way, the first order of business at this year's budget summit is to decide how much deficit reduction the summiteers should shoot for. Recent ruminations from the summit indicate that negotiators are coalescing around deficit reduction targets of $50 to $60 billion in the first year and $500 to $600 billion over 5 years.

OMB Director Darman began the proceedings 3 weeks ago by announcing that the fiscal year 1991 deficit could be $60 to $120 above the Gramm-Rudman target. OMB's previous estimate of the deficit gap had been $36 billion.

Darman's assertion was warmly received by Democratic negotiators. Senator WYCHE FOWLER called it, "a healthy dose of realism."

It is a good thing for all negotiators to be realistic about the deficit. But before they get into a bidding war over how tough to be on the deficit, they would do well to review Congress' record on deficit reduction over the last decade. The record is not reassuring.

Even if the summit negotiators decide to cut only $50 billion from next year's deficit, they will have set themselves a task unheard of in the annals of Federal budgeting. Congress' best effort to date has been $25 billion in permanent deficit reduction, achieved by the 1987 budget summit agreement. Over the last 5 years the average amount of deficit reduction has been less than $16 billion per year.

The record on achieving multiyear deficit reduction is not much better. Congress has often claimed big out-year savings from its budget cutting efforts. For the most part, promised reductions have disappeared in a cloud of supplemental appropriations, changed economic conditions, obscure technical reestimates and new fiscal crises. In the coming weeks, when summit negotiators debate the relative merits of 5 year cuts of $500 billion versus cuts of $600 billion, the rest of us are permitted a discreet smile.

The history of congressional deficit reduction is short and undistinguished.

Before 1985, income tax brackets were not indexed to inflation. During the high inflation years of the late 1970's, so-called bracket creep—more and more people being pushed into higher and higher tax brackets—caused Federal revenues to flow in at constantly increasing rates. With all of these extra funds rolling in every year, Congress had little need to control spending. Nor was there a need to raise taxes explicitly; the tax system did it automatically.

This annual Federal windfall came to an abrupt halt during the 1982 recession. No inflation meant no bracket creep. Without the benefit of these extra funds, the deficit scared from $80 billion in 1980 to $210 billion in 1983. In 1985, the year Gramm-Rudman passed, indexation of tax brackets permanently ended the annual unlegislated tax increase; 1985 might be called the beginning of the modern era in Federal budgeting.

Fiscal year 1986 was the first year of Gramm-Rudman. It was a relative success. Congress cut $10 billion from Federal programs through the regular appropriations process, and then allowed a sequester to cut $11 billion more. The deficit was still $212 billion in fiscal year 1986, but by Congress' feeble standards cutting $21 billion was quite an accomplishment.

Fiscal year 1987 is sometimes called the Year of the Yard Sale. Though Congress claimed fiscal year 1987 deficit reduction of $45 billion, only about $14 billion of this was real, long term deficit savings. The rest, $31 billion, was either temporary revenue gains resulting from the Tax Reform Act, or wholesale unloading of Federal paper and other assets.

Fiscal year 1988 was the first year of budget summitry. It could be called the beginning of the postmodern era.

Because of past budgetary sins, Congress faced a gap of over $70 billion between the projected fiscal year 1988 deficit and the GRH target. Recognizing its own historic limitations, Congress decided right away to make its job easier. It simply raised the original Gramm-Rudman deficit limit of $108 billion to $144 billion. That stroke of the congressional pen narrowed the deficit gap to a much more manageable $23 billion.

As Congress was struggling to meet the new, easier target, the stock market crashed. Fiscal year 1988 began on October 1, 1987. The stock market crashed on October 19. The crash put enormous pressure on Congress and the administration to produce real savings that would show that the fiscal situation was under control.

Excruciating negotiations lasting 2 months produced a 2-year deal that promised to cut $30 billion in fiscal year 1988 and another $45 billion in fiscal year 1989. Note: beware of deficit reduction plans which defer most of the cuts until later years.

When the dust settled, the 1987 summit achieved the greatest amount of real deficit reduction in recent memory—$25 billion in fiscal 1988. Unfortunately, the even larger reductions slated for fiscal year 1989 did not materialize because of new economic conditions and the burgeorning costs of the S&L bailout.

The budget for fiscal year 1990 inaugurated another change—the spring summit. Moving the summit forward is supposed to ease the problem of brinksmanship that occurred in 1987 when the summit took place after the beginning of the new fiscal year. It is also supposed to make passage of appropriations bills easier.

After some fairly painless negotiations in April 1989, the President and congressional leaders produced a plan to cut $28 billion from the fiscal year 1990 deficit. Though this was more deficit reduction that Congress has ever achieved, all sides admitted that it was a timid effort.

If the agreement was timid, then what Congress actually produced was downright cowardly. According a recent CBO analysis, actual deficit reduction in fiscal year 1990 will amount to only $7 billion one-fourth of the agreed upon sum. Of this amount only $2 billion will reduce the deficit for more than 1 year. When the fiscal year 1990 supplemental appropriations bill passes, at a cost of $1.5 billion, nearly all trace of fiscal year 1990 deficit reduction will have disappeared.

Congress' failure to implement last year's summit agreement reveals the flaws in the spring summit format. One major problem is timing. It took Congress 7 months from the time the 1989 summit agreement was reached to pass a deficit reduction bill. Given that much time, Congress can find ways to wriggle out of almost any agreement.

One of the challenges of this year's summit is to include process changes to provide better assurance that claimed savings will be realized. No process can guarantee good conduct, but better procedures will increase the likelihood that savings in later years will be achieved.

So, if history is our guide, the fiscal year 1991 summit gives little cause for optimism.

Negotiators will have to stretch to agree on a package of real fiscal year 1991 reductions of the magnitude—$50 to $80 billion—now being discussed. To close the gap, they may be tempted to change the GRH targets. To make up for having wriggled out of the fiscal year 1991 target, the summiteers may claim inflated long-term savings.

On the other hand, this year's budget negotiations are not necessarily doomed to failure; 1990 may be the year that the seas part, the planets align, and Congress gets serious about the deficit. Given the dismal performance of the past, it is, in fact, probable that this year's summit will recommend the largest deficit reduction in history.

The point is that if expectations are too high, even a world record by congressional standards could be viewed as a failure. In the beginning, the summiteers should, and probably will, shoot for the stars. In the end, they should be judged by earthly standards.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DOUGLAS) to revise and extend their remarks and include extraneous material:)

Mr. MACHTLEY, for 60 minutes, on June 19.

Mr. FRENZEL, for 60 minutes, today.

Mr. DORNAN of California, for 5 minutes, today.

Mr. DOUGLAS, for 5 minutes, today.

(The following Members (at the request of Mr. HOAGLAND) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.
Mr. STARK, for 5 minutes, today.
Mr. COYNE, for 5 minutes, today.
Mr. FRANK, for 60 minutes, on June 19.
Mr. GAYDOS, for 5 minutes each day, on June 19 and 20.
Mr. WASHINGTON, for 60 minutes, on June 20.
Mr. MCCURDY, for 60 minutes each day, on June 19, 20, and 21.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DOUGLAS) and to include extraneous matter:)
Mr. LENT.
Mr. SHUMWAY.
Mr. MCGRATH.
Mr. PORTER in three instances.
Mr. MACHTLEY in six instances.
Mr. LIGHTFOOT.
Mr. FIELDS in two instances.
Mr. MADIGAN.
Mr. GOSS.
Mr. LAGOMARSINO in two instances.
Mr. SHAW.
Mr. ROWLAND of Connecticut.
Mr. ROGERS.
Mr. BOEHLERT.
Mr. IRELAND.
Mr. GALLO.
Mr. ROS-LEHTINEN in two instances.
Mr. DICKINSON.
Mr. MCEWEN.
Mr. SKEEN.
Mr. GOODLING.

(The following Members (at the request of Mr. HOAGLAND) and to include extraneous matter:)
Mr. BROWN of California.
Mr. SIKORSKI.
Mr. TORRES.
Mr. MAZZOLI.
Mrs. LOWEY of New York.
Mr. COLEMAN of Texas.
Mr. KOSTMAYER.
Mr. DYMALLY.
Mr. STOKES.
Mr. NELSON of Florida.
Mr. TORRICELLI In two instances.
Mr. DOWNEY.
Mr. STARK.
Mr. BEILENSON.
Mrs. KENNELLY.
Mr. STUDDS.
Mr. SKELTON.
Mr. RAHALL.
Mr. PENNY.
Mr. ROSE.
Mr. MILLER of California.
Mr. DE LUGO.
Mr. RANGEL.
Mr. MCMILLEN of Maryland.
Mr. HUBBARD.
Mr. MARKEY.
Mr. ACKERMAN.
Mr. DONNELLY.
Mr. HARRIS.
Mr. EVANS.
Mr. DYSON.
Mr. SOLARZ.
Mr. BROWN of California.
Mr. ANNUNZIO.
Mr. CAMPBELL in two instances.
Mr. KOLTER.
Mr. HOCHBRUECKNER in two instances.
Mr. HERTEL.
Mr. BRUCE.
Mr. ROYBAL.
Mr. RICHARDSON.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1875. An act to redesignate the Calamus Dam and Reservoir authorized under the Reclamation Project Authorization Act of 1972 as the Virginia Smith Dam and Calamus Lake Recreation Area; to the Committee on Public Works and Transportation.

ADJOURNMENT

Mr. WASHINGTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 10 minutes p.m.) under its previous order, the House adjourned until Monday, June 18, 1990, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3390. A letter from the Secretary of Health and Human Services, transmitting the annual report for fiscal year 1989 of the Administration on Aging, pursuant to 42 U.S.C. 3018; to the Committee on Education and Labor.

3391. A letter from the Inspector General, Department of the Interior, transmitting a final audit report entitled "Accounting for Reimbursable Expenditures of Environmental Protection Agency Superfund Money, Water Resources Division, U.S. Geological Survey," Report No. 90-51, dated February 1990, pursuant to 31 U.S.C. 7501 nt.; to the Committee on Energy and Commerce.

3392. A letter from the Administrator for Energy Information Administration, Department of Energy, transmitting a report entitled "A Short-Term Analysis of Heating Fuel Market Behavior"; to the Committee on Energy and Commerce.

3393. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions for Kenneth Noel Peltier, of Texas, to be Ambassador to the Federated and Islamic Republic of the Comoros; George Fleming Jones of Texas, to be Ambassador to the Cooperative Republic of Guyana, and members of their families, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3394. A letter from the Administrator, Agency for International Development, transmitting a report entitled "Conserving Tropical Forests and Biological Diversity," covering the solid progress made in fiscal years 1988 and 1989; to the Committee on Foreign Affairs.

3395. A letter from the Director, U.S. Information Agency, transmitting a report describing all programming material acquired by the U.S. Information Agency in fiscal years 1988 and 1989 from public television and radio entities, pursuant to Public Law 101-246, section 213 (104 Stat. 55); to the Committee on Foreign Affairs.

3396. A letter from the Secretary of Commerce, transmitting the semiannual report on the activities of the Department's Office of Inspector General for the period October 1, 1989 through March 31, 1990, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

3397. A letter from the Acting Administrator, General Services Administration, transmitting a draft of proposed legislation to amend the Federal Property and Administrative Services Act of 1949 to establish new contracting procedures for the continued occupancy of leased space; to the Committee on Government Operations.

3398. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3399. A letter from the Secretary of Human Services, transmitting the 23d in a series of reports on refugee resettlement in the United States covering the period October 1, 1988 through September 30, 1989, pursuant to 8 U.S.C. 1523(a); to the Committee on Judiciary.

3400. A letter from the Chairman, U.S. International Trade Commission, transmitting the Commission's 61st quarterly report on trade between the United States and the nonmarket economy countries, pursuant to 19 U.S.C. 2440; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Omitted from the Congressional Record of June 13, 1990]

Mr. SMITH of Iowa: Committee on Appropriations. H.R. 5021. A bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1991, and for other purposes (Rept. 101-537). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 3562. A bill to amend the Federal Food, Drug, and Cosmetic Act to prescribe nutrition labeling for foods, and for other purposes; with an amendment (Rept. 101-538). Referred to the Committee of the Whole House on the State of the Union.

[Submitted June 14, 1990]

Mr. BROOKS: Committee on the Judiciary. H.R. 4329. A bill to enhance the position of United States industry through application of the results of Federal research and development, and for other purposes;

with an amendment (Rept. 101-481, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAWKINS: Committee on Education and Labor. H.R. 3859. A bill to authorize assistance to the Washington Center for Internships and Academic Seminars (Rept. 101-539). Referred to the Committee of the Whole House on the State of the Union.

Mr. DERRICK: Committee on Rules. House Resolution 413. Resolution waiving certain points of order during consideration of H.R. 5019, a bill making appropriations for energy and water development for the fiscal year ending September 30, 1991, and for other purposes (Rept. 101-540). Referred to the House Calendar.

Mr. BROOKS: Committee on the Judiciary. H.R. 3446. A bill to amend title 18, United States Code, to provide for a shock incarceration program; with an amendment (Rept. 101-541). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WAXMAN (for himself, Mr. SYNAR, Mr. WHITTAKER, Mr. THOMAS A. LUKEN, Mr. SIKORSKI, Mr. BATES, Mr. SCHEUER Mr. WYDEN, Mrs. COLLINS, Mr. NIELSON of Utah, Mr. MARKEY, Mr. ATKINS, Mr. DURBIN, Mr. STARK, Mr. VISCLOSKY, Mr. MCDERMOTT, Mr. EVANS, Ms. SCHNEIDER, Mrs. BOXER, Mr. ANDREWS, Mr. CHANDLER, Mr. CROCKETT, Mr. LEVINE of California, and Mr. CONYERS):

H.R. 5041. A bill to prescribe labels for packages and advertising for tobacco products, to restrict the advertising of tobacco products, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BRUCE (for himself, Mr. WAXMAN, Mr. WYDEN Mr. ROYBAL, and Mr. RINALDO):

H.R. 5042. A bill to amend the Public Health Service Act to extend certain programs for health care services in the home; to the Committee on Energy and Commerce.

By Mr. CAMPBELL of California:

H.R. 5043. A bill to amend the Internal Revenue Code of 1986 to further encourage research activities by permitting taxpayers to elect an alternative method of calculating the research credit and by permanently extending the credit; to the Committee on Ways and Means.

H.R. 5044. A bill to establish a Financial Services Crime Division in the Department of Justice; to the Committee on the Judiciary.

By Mr. CONDIT (for himself, Mr. BATES, Mr. OWENS of Utah, Ms. PELOSI, Mr. DIXON, Mr. TORRES, and Mrs. MEYERS of Kansas):

H.R. 5045. A bill to establish national standards for, and provide for the labeling of, organically produced products, and for other purposes; to the Committee on Agriculture.

By Mr. CONTE (for himself, Mr. MINETA, and Mr. WHITTEN):

H.R. 5046. A bill to authorize the Board of Regents of the Smithsonian Institution to plan and design an extension of the National Air and Space Museum at Washington Dulles International Airport, and for other purposes; to the Committee on House Administration.

By Mr. COYNE:

H.R. 5047. A bill to amend title XVIII of the Social Security Act to provide for payment under the Medicare Program for the services of home dialysis aides who assist end stage renal disease patients during hemodialysis treatment; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. DOWNEY (for himself, Mrs. JOHNSON of Connecticut, Mr. MATSUI, Mr. FLIPPO, Mr. JENKINS, Mr. ANDREWS, Mr. SUNDQUIST, Mr. GUARINI, Mr. BROWN of Colorado, Mr. THOMAS of California, Mr. CHANDLER, Mr. DORGAN of North Dakota, Mr. FRENZEL, Mr. CRANE, Mrs. KENNELLY, Mr. MOODY, Mr. ANTHONY, Mr. PICKLE, Mr. FORD of Tennessee, and Mr. RANGEL):

H.R. 5048. A bill to amend the Internal Revenue Code of 1986 to clarify the application of section 174, relating to research and experimental expenditures, to publishers of instructional materials; to the Committee on Ways and Means

By Mr. FLIPPO:

H.R. 5049. A bill to provide for the use of excess assets in black lung benefits trusts for health care benefits for retired miners, and for other purposes; to the Committee on Ways and Means.

By Mr. WYLIE (for himself, Mr. GONZALES, Mr. ANNUNZIO, Mr. BARNARD, Mr. HILER, and Mr. MICHEL):

H.R. 5050. A bill to enhance the ability of the Federal Government to successfully prosecute financial crimes and gain increased recoveries at failed financial institutions; joinly, to the Committees on Banking, Finance and Urban Affairs; the Judiciary; and Ways and Means.

By Mr. HOCHBRUECKNER (for himself, Mr. DOWNEY, and Mr. MRAZEK):

H.R. 5051. A bill to prohibit land known as the Calverton Pine Barrens, located on Department of Defense land in Long Island, NY., from being disposed of in any way that allows it to be commercially developed; jointly to the Committee on Government Operations and Armed Services.

By Mr. JONES of North Carolina:

H.R. 5052. A bill to amend Public Law 97-360; to the Committee on Merchant Marine and Fisheries.

By Mr. PARRIS (for himself, Mr. RANGEL, Mr. MONTGOMERY, and Mr. HAMMERSCHMIDT):

H.R. 5053. A bill to require the Secretary of the Treasury to mint a silver dollar coin in commemoration of the 38th anniversary of the ending of the Korean war and in honor of those who served; to the Committee on Banking, Finance and Urban Affairs.

By Mrs. KENNELLY (for herself, Mr. GIBBONS, Mrs. LOWEY of New York, Mrs. ROUKEMA, Ms. ROS-LEHTINEN, Ms. PELOSI, Mr. ANDREWS, Mrs. LLOYD, Mrs. JOHNSON of Connecticut, Mrs. SAIKI, Mr. FLIPPO, Mr. DORGAN of North Dakota, Ms. SLAUGHTER of New York, Mrs. UNSOELD, Mr. MCGRATH, Ms. LONG, Mrs. SCHROEDER, Mr. COYNE, Mr. JENKINS, Ms. KAPTUR, Mr. CHANDLER, Mr. SCHULZE, Mrs. BENTLEY, Mr. CRANE, Mr. BROWN of Colorado, Mr. FORD of Tennessee, Ms. SCHNEIDER, Mr. RANGEL, Mr. JACOBS, Mr. RUSSO, Mr. MATSUI, Mrs. MORELLA, Mrs. COLLINS, Mrs. BOGGS, Mr. DONNELLY, Mr. CARDIN, Mr. DOWNEY, Mr. THOMAS of California, Mrs. BYRON, Mrs. BOXER, Mr. LEVIN of Michigan, Mr. GUARINI, Mr. FRANK, Ms. SNOWE, Mrs. MARTIN of Illinois, and Mrs. PATTERSON):

H.R. 5054. A bill to amend title XVIII of the Social Security Act to provide for coverage of screening mammography under part B of the Medicare Program; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. MICHEL (for himself, Mr. COUGHLIN, Mr. GINGRICH, Mr. LEWIS of California, Mr. EDWARDS of Oklahoma, Mr. HUNTER, Mr. VANDER JAGT, Mr. MCCOLLUM, Mr. SHAW, Mr. FISH, Mr. HYDE, Mr. GILMAN, Mr. BROOMFIELD, Mr. WYLIE, Mr. LENT, Mr. EMERSON, Mr. PARRIS, Mr. BLILEY, Mr. STUMP, Mr. GUNDERSON, Mr. ROGERS, Mr. HANCOCK, Mr. BUNNING, Mr. BUECHNER, Mr. HEFLEY, Ms. MOLINARI, Mr. REGULA, Mr. BALLENGER, Mr. GALLEGLY, Mr. CRAIG, Mr. WALSH, Mr. INHOFE, Mrs. VUCANOVICH, Mr. RAVENEL, Mrs. SMITH of Nebraska, Mr. IRELAND, Mr. KYL, Mr. LAGOMARSINO, Mr. THOMAS of Wyoming, Mr. HILER, Mr. PACKARD, Mr. DOUGLAS, Mr. MCMILLAN of North Carolina, Mr. RITTER, Mr. MCEWEN, Mr. DENNY SMITH, Mr. DANNEMEYER, Mr. BAKER, Mr. LEWIS of Florida, Mr. PETRI, Mr. STEARNS, Mr. SUNDQUIST, Mr. GRANT, Mr. RHODES, Mr. HOLLOWAY, Mr. PAXON, Mrs. MEYERS of Kansas, Mr. SAXTON, Mrs. JOHNSON of Connecticut, Mr. NIELSON of Utah, Mr. WHITTAKER, Mrs. MARTIN of Illinois, Mr. SHUMWAY, Mr. PASHAYAN, Mr. JAMES, Mr. DUNCAN, Mr. SCHUETTE, Mr. OXLEY, Mrs. SAIKI, Mr. DORNAN of California, Mr. RINALDO, Mr. MILLER of Ohio, Mr. MORRISON of Washington, Mr. SCHIFF, Mr. WELDON, Mr. SCHAEFER, Mr. SHAYS, Mr. SENSENBRENNER, Mr. KOLBE, Mr. GEKAS, Mr. GILLMOR, Mr. GOSS, Mr. THOMAS of California, Mr. SCHULZE, Mr. BILIRAKIS, Mr. FIELDS, Mr. MOORHEAD, Ms. ROS-LEHTINEN, Mr. MCGRATH, Mr. DREIER of California, Mr. BURTON of Indiana, Mr. CLINGER, Mr. GRANDY, Mr. SHUSTER, Mr. LIVINGSTON, Mr. HASTERT, Mr. HORTON, Mr. ROTH, Mr. LIGHTFOOT, Mr. MACHTLEY, Mr. ARMEY, and Mr. ROBERT F. SMITH):

H.R. 5055. A bill to enhance the personal security and safety of American citizens and their families by combating violent crime and strengthening antidrug efforts; jointly, to the Committees on Energy and Commerce; Public Works and Transportation; Merchant Marine and Fisheries; Ways and Means; Foreign Affairs; Banking, Finance and Urban Affairs; and the Judiciary.

By Mr. LIPINSKI (for himself and Mr. DEFAZIO):

H.R. 5056. A bill to amend the Federal Aviation Act of 1958 to authorize the assessment of passenger facility charges on enplaning passengers to finance airport development and airport planning projects, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. PACKARD:

H.R. 5057. A bill to direct the Secretary of the Interior, acting pursuant to the Reclamation Act of 1902 (Act of June 17, 1902, 32 Stat. 388) and acts amendatory thereof and supplementary thereto, to undertake certain studies to investigate opportunities for wastewater reclamation and reuse, to con-

duct studies of ground water, and for other purposes: to the Committee on Interior and Insular Affairs.

By Mr. PEASE:

H.R. 5058. A bill to direct the Secretary of Defense to give priority to the Federal Bureau of Prisons in transferring real property or facilities at military installations being closed or realigned; jointly, to the Committees on Armed Services, Government Operations, and the Judiciary.

By Mr. RANGEL:

H.R. 5059. A bill to direct the Administrator of General Services to lease office space in the Harlem International Trade Center located on 125th Street in the county of New York, NY; to the Committee on Public Works and Transportation.

By Mr. ROWLAND of Connecticut (for himself and Mrs. JOHNSON of Connecticut):

H.R. 5060. A bill to require the establishment of an Office of Inspector General at the Federal Energy Regulatory Commission; to the Committee on Government Operations.

By Mr. TAUKE:

H.R. 5061. A bill to amend the Federal Election Campaign Act of 1971 to reform the amount and manner of contributions to political campaigns, to ban soft money in Federal elections, to increase financial accountability with regard to such elections, and for other purposes; jointly, to the Committees on House Administration, Ways and Means, and Post Office and Civil Service.

By Mr. THOMAS of California (for himself, Mr. PANETTA, Mr. CONDIT, Mr. HERGER, Mr. MATSUI, Mr. PASHAYAN, and Mr. LEHMAN of California):

H.R. 5062. A bill to amend the Agricultural Adjustment Act to prohibit the importation of pistachios that do not comply with any grade, size, quality, and maturity provisions of a marketing order applicable under such act to pistachios produced in the United States or with comparable restrictions promulgated under such act; jointly, to the Committees on Agriculture and Ways and Means.

By Mr. UDALL (for himself and Mr. RHODES):

H.R. 5063. A bill to provide for the settlement of the water rights claims of the Fort McDowell Indian Community in Arizona and for other purposes; to the Committee on Interior and Insular Affairs.

By Mrs. UNSOELD (for herself, Mr. HAWKINS, Mr. GOODLING, Mr. FORD of Michigan, Mr. GAYDOS, Mr. CLAY, Mrs. ROUKEMA, Mr. MILLER of California, Mr. MURPHY, Mr. KILDEE, Mr. WILLIAMS, Mr. MARTINEZ, Mr. OWENS of New York, Mr. HAYES of Illinois, Mr. PERKINS, Mr. SAWYER, Mr. PAYNE of New Jersey, Mrs. LOWEY of New York, Mr. POSHARD, Mr. JONTZ, Mr. WASHINGTON, Mr. SERRANO, Mr. TAUKE, Mr. LEVIN of California, and Mrs. BOXER):

H.R. 5064. A bill to amend the Drug-Free Schools and Communities Act of 1986 to provide for a program of grants to local educational agencies for drug abuse resistance education programs; to the Committee on Education and Labor.

By Mr. VANDER JAGT:

H.R. 5065. A bill to authorize the acquisition of non-Federal, public lands for Sleeping Bear Dunes National Lakeshore; to the Committee on Interior and Insular Affairs.

By Mr. CLEMENT (for himself, Mr. COOPER, Mr. DUNCAN, Mr. FORD of Tennessee, Mr. GORDON, Mrs. LLOYD, Mr. QUILLEN, Mr. SUNDQUIST, Mr. TANNER, Mr. ALEXANDER, Mr. APPLEGATE, Mr. ASPIN, Mr. BEVILL, Mr. BORSKI, Mr. BUSTAMANTE, Mr. CARPER, Mr. CONYERS, Mr. DYMALLY, Mr. EMERSON, Mr. ENGEL, Mr. ESPY, Mr. EVANS, Mr. FLIPPO, Mr. FROST Mr. GEREN, Mr. HARRIS, Mr. HASTERT, Mr. HAYES of Illinois, Mr. HAYES of Louisiana, Mr. HEFNER, Mr. HYDE, Mr. INHOFE, Mr. JONES of North Carolina, Mr. LAUGHLIN, Mr. LEVIN of Michigan, Mr. THOMAS A. LUKEN, Mr. MCCOLLUM, Mr. MCEWEN, Mr. MCMILLEN of Maryland, Mr. MANTON, Mr. MILLER of Washington, Mr. MONTGOMERY, Mr. NATCHER, Mr. PALLONE, Mr. PANETTA, Mr. PARKER, Mrs. PATTERSON, Mr. PAYNE of New Jersey, Mr. PAYNE of Virginia, Mr. PICKETT, Mr. POSHARD, Mr. ROYBAL, Mrs. SAIKI, Mr. SANGMEISTER, Mr. SARPALIUS, Mr. SAVAGE, Mr. SKELTON, Mr. SMITH of Florida, Mr. TALLON, and Mrs. UNSOELD):

H.J. Res. 603. Joint resolution to designate the month of October 1990 as "Country Music Month"; to the Committee on Post Office and Civil Service.

By Mr. KLECZKA (for himself, Mr. BORSKI, Mr. DINGELL, Ms. KAPTUR, Mr. LIPINSKI, Mr. NOWAK, Ms. OAKAR, Mrs. BENTLEY, Mr. BROOMFIELD, and Mr. DONNELLY):

H.J. Res. 604. Joint resolution designating October 1990 as "Polish American Heritage Month"; to the Committee on Post Office and Civil Service.

By Mr. WEISS:

H.J. Res. 605. Joint resolution recognizing the Mozart Bicentennial at the Lincoln Center in New York City, NY, as a national observance of the 200th anniversary of the death of Wolfgang Amadeus Mozart; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS of California:

H. Con. Res. 339. Concurrent resolution condemning flag burning and reaffirming the Bill of Rights; to the Committee on the Judiciary.

By Mr. HOYER:

H. Res. 412. Resolution designating membership on certain standing committees of the House; considered and agreed to.

By Mr. KANJORSKI (for himself and Mr. NEAL of North Carolina):

H. Res. 414. Resolution to create a Select Committee to Investigate Financial Institution Fraud, Mismanagement, Oversight and Supervision; to the Committee on Rules.

By Mr. SMITH of New Hampshire:

H. Res. 415. Resolution directing the Secretary of Defense to furnish certain information to the Permanent Select Committee on Intelligence and the Committee on Armed Services of the House of Representatives relating to Americans in captivity in Southeast Asia; jointly, to the Committees on Armed Services and Intelligence (Permanent Select).

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

436. By the SPEAKER: Memorial of the Legislature of the State of California, relative to the People's Republic of China; to the Committee on Foreign Affairs.

437. Also, memorial of the Legislature of the State of California, relative to the national historic trial; to the Committee on Interior and Insular Affairs.

438. Also, memorial of the House of Representatives of the State of Hawaii, relative to urging the Congress to propose legislation to provide for the reversion of condemned property when it is taken out of public use for which it was condemned; to the Committee on Interior and Insular Affairs.

439. Also, memorial of the Senate of the State of Michigan, relative to the health of those who served in Vietnam and urging the enactment of legislation helping veterans in response to the problems of exposure to toxic chemical agents; to the Committee on Veterans' Affairs.

440. Also, memorial of the House of Representatives of the State of Ohio, relative to urging Congress to review the provisions of the Social Security Act known as the Social Security offset and windfall; to the Committee on Ways and Means.

441. Also, memorial of the House of Representatives of the State of Hawaii, relative to the highway trust fund; jointly, to the Committees on Government Operations and Public Works and Transportation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. STUDDS introduced a bill (H.R. 5066) to authorize coastwise documentation for the vessel *American Eagle*; to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 70: Mr. GREEN, Mr. CLINGER, and Mr. ENGEL.

H.R. 92: Mr. SLAUGHTER of Virginia.

H.R. 101: Mr. MINETA.

H.R. 118: Mr. DERRICK.

H.R. 467: Mr. YOUNG of Florida and Mr. SKAGGS.

H.R. 581: Mrs. UNSOELD.

H.R. 655: Ms. SCHNEIDER.

H.R. 747: Mr. OXLEY.

H.R. 930: Mr. SERRANO and Ms. MOLINARI.

H.R. 956: Mr. YOUNG of Alaska.

H.R. 1249: Mr. LEWIS of Georgia.

H.R. 1500: Mr. HAWKINS, Mr. NEAL of North Carolina, and Mr. NEAL of Massachusetts.

H.R. 1505: Mr. CLINGER.

H.R. 1675: Mr. SAXTON.

H.R. 1918: Mr. ENGEL, Mr. CONYERS, Mr. NAGLE, Mr. SAVAGE, Mr. SERRANO, Mr. MILLER of California, Mr. FORD of Michigan, Mr. DONALD E. LUKENS, Mr. TRAFICANT, Mr. CARPER, Mr. WHITTEN, Mr. RAVENEL, Mr. HOYER, Mr. SOLOMON, and Mr. LEWIS of California.

H.R. 2025: Mr. BEILENSON, Mr. NAGLE, Mr. GEREN, and Mr. BOSCO.

H.R. 2121: Mr. MARKEY, Mr. MCNULTY, and Mr. KYL.

H.R. 2168: Mr. TRAXLER and Mr. RAY.

H.R. 2205: Mr. HERTEL, Mr. CONYERS, and Mr. HOCHBRUECKNER.

H.R. 2265: Mr. CHANDLER.

H.R. 2270: Mr. MACHTLEY and Mr. SABO.

H.R. 2380: Mr. COSTELLO.

H.R. 2418: Mr. KOLBE.

H.R. 2578: Mr. NEAL of North Carolina and Mr. GUARINI.

H.R. 2613: Mr. BILBRAY, Mr. EVANS, Mr. HORTON, Mr. KYL, Mr. THOMAS A. LUKEN, Mr. MCNULTY, Mr. NEAL of Massachusetts,

Mr. SERRANO, Mr. SCHAEFER, and Mr. STOKES.

H.R. 2707: Mr. HOAGLAND.

H.R. 2816: Mr. MARKEY.

H.R. 2902: Mr. LEWIS of California.

H.R. 2973: Mr. DE LA GARZA, Mr. MARTIN of New York, and Mrs. UNSOELD.

H.R. 3080: Mr. MINETA.

H.R. 3346: Mr. HANSEN, Mr. STUMP, Mr. HASTERT, and Mr. DUNCAN.

H.R. 3370: Mr. SAXTON.

H.R. 3484: Mr. MOODY, Mr. EMERSON, Mr. ENGEL, Mr. HYDE, and Mr. CLAY.

H.R. 3595: Mr. NIELSON of Utah.

H.R. 3651: Mr. DONALD E. LUKENS, Mr. HUTTO, Mr. BATEMAN, Mr. PARRIS, Mr. DYSON, and Mr. LEATH of Texas.

H.R. 3697: Mr. LANCASTER, Mr. EDWARDS of Oklahoma, and Mr. HALL of Texas.

H.R. 3705: Mrs. BOXER.

H.R. 3732: Mr. CONTE, Mr. RITTER, Mr. CARPER, Mr. COOPER, Mr. YATES, Mr. MARTIN of New York, Mr. NATCHER, Mr. SLAUGHTER of Virginia, Mr. DORNAM of California, and Mr. HUNTER.

H.R. 3798: Mr. RHODES.

H.R. 3836: Mrs. VUCANOVICH and Mr. CLEMENT.

H.R. 3859: Ms. SLAUGHTER of New York, Mr. VENTO, Mr. WISE, Mr. VANDER JAGT, Mr. RIDGE, Mr. LANTOS, and Mr. GEREN of Texas.

H.R. 3934: Mr. MACHTLEY.

H.R. 3936: Mr. RINALDO, Mr. ROYBAL, Mr. ECKART, Mr. KOLTER, Ms. SLAUGHTER of New York, Mr. GAYDOS, Mr. FRANK, Mr. JOHNSON of South Dakota, Mr. FLAKE, Mr. MFUME, Mr. EDWARDS of California, Mr. VOLKMER, Mr. BRUCE, Mr. NEAL of Massachusetts, Mr. FORD of Tennessee, Mr. DE LUGO, Mr. MORRISON of Connecticut, and Mr. HUGHES.

H.R. 3970: Mr. HOCHBRUECKNER, Mr. SISISKY, and Mr. POSHARD.

H.R. 3973: Mr. ROWLAND of Connecticut, Mr. SHAYS, and Mrs. SCHROEDER.

H.R. 3979: Mr. DOWNEY.

H.R. 3982: Mrs. MARTIN of Illinois, Mr. FLAKE, Mr. CARPER, Mr. ECKART, Ms. PELOSI, Mr. PARRIS, Mr. FAUNTROY, Mrs. COLLINS, Mr. STEARNS, Mr. SMITH of New Hampshire, Mrs. MEYERS of Kansas, Mr. JAMES, and Ms. KAPTUR.

H.R. 3999: Mr. GEJDENSON and Mr. BRENNAN.

H.R. 4065: Mrs. MARTIN of Illinois.

H.R. 4130: Mr. TORRES.

H.R. 4156: Mr. MCDERMOTT, Ms. SCHNEIDER, Mr. EVANS, Mr. ATKINS, Mr. HUCKABY, Mr. LEVIN of Michigan, Mr. SAVAGE, Mr. HUGHES, Mr. SWIFT, Mr. UPTON, and Mrs. UNSOELD.

H.R. 4184: Mr. HERTEL and Mr. HOCHBRUECKNER.

H.R. 4195: Mr. NIELSON of Utah and Mr. EDWARDS of Oklahoma.

H.R. 4230: Mr. SOLARZ.

H.R. 4250: Ms. LONG.

H.R. 4254: Mrs. BYRON.

H.R. 4262: Mr. HUNTER and Mr. TRAXLER.

H.R. 4263: Mr. GEJDENSON.

H.R. 4274: Mr. PASHAYAN.

H.R. 4300: Mrs. SCHROEDER, Mr. GEJDENSON, Mr. ANNUNZIO, and Mr. COURTER.

H.R. 4367: Mr. DICKS, Mr. RAY, Mr. ANTHONY, Mrs. SAIKI, Mr. ROGERS, and Mr. WHITTAKER.

H.R. 4415: Mr. BOEHLERT, Mr. BROOMFIELD, Mr. CONTE, Mr. FLIPPO, Mr. HARRIS, Mr. JACOBS, Mr. JAMES, Mr. JOHNSON of South Dakota, Mr. MACHTLEY, Mr. MOORHEAD, Mr. OLIN, Mr. RAHALL, Mr. SCHUETTE, Mr. SHAYS, Mr. STARK, Mr. TRAXLER, Mr. WALGREN, Mr. WELDON, and Mr. WYDEN.

H.R. 4431: Mr. HAWKINS and Mr. LEHMAN of Florida.

H.R. 4475: Mr. ROBINSON, Mr. HANSEN, Mr. KLECZKA, Mr. BRUCE, Mr. MCGRATH, Mr. ROSE, Mr. WOLPE, Mr. ROBERTS, Mr. SMITH of Florida, Mr. HYDE, Mr. QUILLEN, Mr. ACKERMAN, Mr. CAMPBELL of California, and Mr. TORRICELLI.

H.R. 4486: Mr. TRAXLER.

H.R. 4512: Mr. BOEHLERT and Mr. SUNDQUIST.

H.R. 4516: Mr. JONES of Georgia and Mr. WALGREN.

H.R. 4518: Mr. RAVENEL.

H.R. 4523: Mr. SHAYS, Mr. TOWNS, Mr. LEWIS of California, Mrs. LOWEY of New York, Mr. DIXON, Mr. POSHARD, Mr. CONDIT, and Mr. BROWN of Colorado.

H.R. 4563: Mr. LAGOMARSINO, Mr. TOWNS, Mr. MACHTLEY, and Mr. LEWIS of Georgia.

H.R. 4571: Mr. BUSTAMANTE.

H.R. 4603: Mr. FALEOMAVAEGA, Mr. ATKINS, Mr. THOMAS A. LUKEN, Mr. JONTZ, Mr. LEWIS of Georgia, and Mr. VENTO.

H.R. 4641: Mr. WATKINS.

H.R. 4669: Mr. ATKINS, Mr. BEILENSON, Mr. BUSTAMANTE, Mr. DORGAN of North Dakota, Mr. GORDON, Mr. HORTON, and Mr. HUGHES.

H.R. 4697: Mr. JONTZ, Mr. TOWNS, Ms. KAPTUR, and Mr. POSHARD.

H.R. 4698: Mr. JONTZ, Mr. TOWNS, Ms. KAPTUR, and Mr. POSHARD.

H.R. 4721: Mr. KOLTER.

H.R. 4755: Mr. LAGOMARSINO, Mr. EVANS, Mr. ACKERMAN, Mr. HUGHES, and Mr. MORRISON of Connecticut.

H.R. 4765: Mr. MARKEY, Mr. OWENS of Utah, Mr. SOLARZ, Mr. COLEMAN of Missouri, Mr. DORNAN of California and Mr. KYL.

H.R. 4790: Mr. JOHNSON of South Dakota and Ms. MOLINARI.

H.R. 4816: Mr. LEVINE of California.

H.R. 4830: Mr. STARK and Mr. HOCHBRUECKNER.

H.R. 4840: Mr. FAZIO.

H.R. 4845: Mr. DELAY, Mr. MCHUGH, Mr. SMITH of New Hampshire, and Mr. PACKARD.

H.R. 4854: Mr. RITTER.

H.R. 4857: Mr. LANCASTER and Mr. TOWNS.

H.R. 4892: Mr. SYNAR, Mr. SARPALIUS, Mr. MCCLOSKEY, and Mr. BRYANT.

H.R. 4916: Mr. BAKER, Mr. NIELSON of Utah, and Mr. MCMILLEN of Maryland.

H.R. 4952: Mrs. COLLINS.

H.R. 4953: Mrs. MORELLA.

H.R. 4959: Mr. HYDE and Mr. JACOBS.

H.R. 4965: Mrs. MEYERS of Kansas and Mr. NELSON of Florida.

H.R. 4977: Mr. COSTELLO, Mr. WALSH, Ms. PELOSI, Mr. DELLUMS, and Mr. BUSTAMANTE.

H.R. 4980: Mr. MINETA.

H.R. 4981: Mr. HYDE, Mr. RINALDO, and Mr. LANCASTER.

H.R. 4984: Mr. SCHIFF.

H.R. 4990: Mr. HYDE, Mr. DERRICK, Mr. MILLER of Ohio, Mr. CAMPBELL of Colorado, Mr. SLATTERY, Mr. SCHUETTE, Mr. KOLTER, Mr. RIDGE, Mr. BURTON of Indiana, and Mr. NOWAK.

H.R. 5011: Mrs. PATTERSON, Mr. SERRANO, Mr. TOWNS, and Mr. RANGEL.

H.J. Res. 350: Mr. DOUGLAS and Mr. FIELDS.

H.J. Res. 411: Mrs. BOXER, Mr. DE LA GARZA, Mr. DE LUGO, Mr. CLEMENT, Mr. BLILEY, Mr. DELLUMS, and Mr. DICKS.

H.J. Res. 439: Mr. RAVENEL, Mr. OXLEY, Mr. BILIRAKIS, Mr. HARRIS, Mr. LEWIS of Florida, Mr. WASHINGTON, Mr. SAWYER, Mr. SPENCE, and Mr. JONES of North Carolina.

H.J. Res. 459: Mr. SMITH of Florida, Mr. SCHIFF, and Mr. NEAL of Massachusetts.

H.J. Res. 469: Mr. ASPIN, Mr. CARDIN, Mr. DEWINE, Mr. FORD of Michigan, Mr. HYDE, Mr. RANGEL, Mr. ROHRABACHER, Mr. SAXTON, Mr. STARK, and Mr. STUMP.

H.J. Res. 481: Mr. PORTER, Mr. LEWIS of Georgia, Mr. MARTIN of New York, Mr. MORRISON of Washington, Mr. PICKETT, Mr. SKEEN, Mr. HANSEN, Mr. BAKER, Mr. KASICH, Mrs. BENTLEY, Mr. MCMILLEN of Maryland, Mr. ASPIN, and Mr. CONTE.

H.J. Res. 486: Mr. CONTE and Mr. SCHAEFER.

H.J. Res. 507: Mr. NIELSON of Utah, Mr. STUDDS, and Mr. LEWIS of Georgia.

H.J. Res. 509: Mr. ROYBAL, Mr. NIELSON of Utah, Mr. KOLTER, and Mr. PRICE.

H.J. Res. 543: Mrs. JOHNSON of Connecticut, Mrs. MEYERS of Kansas, Mrs. MARTIN of Illinois, Mr. MORRISON of Washington, Mr. RAY, Mr. DONNELLY, Mr. GRANT, Mr. CROCKETT, Mr. FISH, and Mr. FAWELL.

H.J. Res. 554: Mr. SCHIFF, Mr. SANGMEISTER, Mr. MCNULTY, Mr. NIELSON of Utah, Mr. WAXMAN, Mr. NOWAK, Mr. OWENS of New York, Mr. PALLONE, Mrs. PATTERSON, Mr. RAVENEL, Mr. MARTIN of New York, Mr. MILLER of California, Mr. OBERSTAR, Mr. PARKER, Mr. CARPER, and Mr. HATCHER.

H.J. Res. 557: Mr. DAVIS, Mr. HAYES of Louisiana, Mr. STAGGERS, Mr. JONES of North Carolina, Mr. LANCASTER, Mr. BLILEY, Mr. GALLEGLY, Mr. BAKER, Mr. TRAXLER, Mr. HORTON, Ms. OAKAR, Mr. HAYES of Illinois, Mr. HILER, Mr. MADIGAN, Mr. LIPINSKI, Mr. SMITH of Florida, Mr. CARPER, Ms. KAPTUR, Mr. SPRATT, Mr. BROWN of California, Mr. WALSH, Mr. FAZIO, Mr. BATES, Mr. GORDON, and Mr. MANTON.

H.J. Res. 567: Mr. ANNUNZIO, Mr. HYDE, Mr. KASICH, Ms. OAKAR, Mr. HORTON, Mr. DANNEMEYER, Mr. APPLEGATE, Mr. DORNAN of California, Mr. MCHUGH, Mr. WOLF, Ms. SLAUGHTER of New York, Mrs. MORELLA, Mr. PALLONE, Mr. LEVIN of Michigan, Mr. FAUNTROY, Mr. RANGEL, Mr. MCNULTY, Mr. GALLEGLY, Mr. NOWAK, Mr. GREEN of New York, Mr. RINALDO, Mr. BONIOR, Mr. WALSH, Mr. MCDERMOTT, Mr. LAGOMARSINO, Mr. SOLOMON, Mr. MARTINEZ, Mrs. LOWEY of New York, Mr. ECKART, Mr. DWYER of New Jersey, Mr. KLECZKA, and Mr. HASTERT.

H.J. Res. 581: Mr. BILBRAY, Mr. CONYERS, Mr. EVANS, Mr. JONES of Georgia, Mr. LEVINE of California, Mr. MCNULTY, Mr. PALLONE, Mr. SCHIFF, and Mr. WOLF.

H.J. Res. 598: Mr. VALENTINE, Mr. HEFLEY, Mr. RANGEL, Mr. SUNDQUIST, and Mr. STUMP.

H. Con. Res. 265: Mr. BRUCE.

H. Con. Res. 267: Mr. SHUSTER and Mr. HASTERT.

H. Res. 134: Mr. CLARKE, Mr. PERKINS, and Mr. TALLON.

H. Res. 387: Mr. MORRISON of Washington.

PETITIONS, ETC.

Under clause 1 of rule XXII,

188. The SPEAKER presented a petition of the Board of County Commissioners, Indian River County, FL, relative to the proposed restriction of local tax deductions; which was referred to the Committee on Ways and Means.

SENATE—*Thursday, June 14, 1990*

(Legislative day of Monday, June 11, 1990)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable HERBERT KOHL, a Senator from the State of Wisconsin.

The PRESIDING OFFICER. The invocation will be offered by Father Salvator Ciullo, pastor of the Church of the Nativity, in Burke, VA.

PRAYER

The Reverend Salvator L. Ciullo, pastor, Church of the Nativity, Burke, VA, offered the following prayer:

Let us pray:

Almighty God, we ask for Your blessing on our work today, for wisdom to guide the deliberations of this body assembled, for the gifts of love and mercy, which temper law.

We ask You to keep us mindful of the ideals of our Nation, which we see so beautifully symbolized in our flag:

Stars, united individuals banded together under the eternal blue of the heavens.

The bars of red, which remind us of past sacrifices made to secure our liberties and the passion with which we must meet the challenges of those liberties.

White, to keep us mindful of the valor, strength, and purity we need as a nation to serve as a shining beacon of hope to humanity.

As our flag is a union of parts, make of this Nation a union dedicated to justice for all people under God, always aware that we should strive to serve as instruments of Your mercy and peace. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 14, 1990.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HERBERT KOHL, a Senator from the State of Wisconsin, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. KOHL thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there now will be a period for the transaction of morning business, not to exceed 3 hours to be equally divided and controlled by the two leaders.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the time under the quorum call be equally charged against both sides on time for morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Ms. MIKULSKI. Mr. President, I ask unanimous consent that I may proceed as if in morning business and that my time not be charged to either the majority leader or the minority leaders' time established to discuss the flag burning issue.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Ms. MIKULSKI. I thank the Chair.

RACE TO END BREAST CANCER

Ms. MIKULSKI. Mr. President, I rise today for two reasons, and the first is to express my support for the Saturday race for cure. This race has been organized by the Vice President's wife, Marilyn Quayle, to mobilize private and community effort in the fight to end breast cancer in this country. I commend Mrs. Quayle for her leadership in this area and the way she has organized and mobilized the resources of this community. This bipartisan event is a very important way of raising the consciousness and awareness of people about this dread disease and also raising the community energy to deal with it. I applaud all of my colleagues who have been involved in this event.

But, Mr. President, I also rise to call attention to legislation that was recently introduced by myself with the help of other colleagues to deal with the issue of breast cancer. A race for cure, organizing the efforts of the community, is an important step, but private charity cannot be a substitute for public policy. We need a strong public policy to deal with the issue of breast cancer, a policy that calls upon research to find the causes for that most dread disease, and also then to help fund the programs that we know lead to early prevention, early detection, and thus lifesaving techniques.

The legislation that I have recently introduced helps States to provide breast and cervical cancer screening. The second will provide Medicare screening for mammograms for older women.

Running in the race for cure is an important demonstration for the cause. Working to pass legislation to ensure that all women have access to cancer screening is a true way to make a difference.

By way of background, I want to bring to the attention of my colleagues that breast cancer is the most common form of cancer to women in the United States and it is the second most deadly cancer for women. The other is cervical. One out of every nine women will develop breast cancer during her lifetime. Every 13 minutes another woman dies of this disease in the United States.

I know Members of this body and other Members of Congress who have lost loved ones to this disease. I went to a small Catholic girls' schools and now when I go to reunions I find that at least two of my classmates have died of breast cancer.

Mr. President, these are diseases that can be cured and certainly contained if we do the early detection. We must fight the battle on all fronts. We

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

must have events like the race for cure which draws attention to the disease, but we must also have these early detection measures. No woman should have to experience the devastating effects of cancer just because she could not afford a mammogram. No family should have to go through the wrenching, wrenching difficulty of coping with the disease because of the failure to be able to afford a mammogram.

In 1989, approximately 23,000 women over the age of 65 died of breast cancer. Women, elderly women, postmenopausal women are the most likely and the most vulnerable to the disease. The older you get, the more vulnerable you are. That is why it is important that we focus on elderly women, particularly under the Medicare provision, to have early screening of mammograms.

Mr. President, a mammogram can cost you as much as $200 for a visit. That is cheap if you think that is going to save your life, but if you are a senior citizen on $200 on month, it would take 1 month of your Social Security check to get a mammogram to stay alive.

Mr. President, that just does not work. It does not work in terms of economics, and it does not work in terms of the ability of the family to function.

The main reason we need this legislation is that it will provide early detection. What does early detection do? First of all, it means you find it early. When you find it early, you can treat it with chemotherapy; you can treat it with other medications that our wizards at the National Institutes of Health are developing. The longer the disease progresses, the more radical the treatment, leading even to an issue like mastectomies which are a horrible thing, a mutilating experience for a woman to go through. But women are willing to undergo and endure that mutilation if they think it means their life. But with a modest expenditure by the Federal Government, we can help deal with that.

Mr. President, we passed that legislation. This has been a good Congress on those issues. But it was part of the catastrophic health insurance initiatives. When we repealed the catastrophic coverage, we also repealed the mammogram coverage.

That is why I have introduced this legislation to cover mammograms.

Also, my legislation covers Pap smears which also is an early detection technique for cervical cancer. Again, it will provide that early detection.

I am so pleased that my colleague, Senator NANCY KASSEBAUM of Kansas, has joined with me in cosponsoring this legislation. The bill is expected to pass unanimously next week in the House of Representatives. We are going to bring it to the attention of the Senate to move it quickly through here. Every single woman in the House of Representatives signed a letter to the chairman of the Appropriations Committee asking that a program like this be fully funded. I know my colleagues will show the same degree of support when this legislation comes before us.

In conclusion, I once more want to cite my very warm support for the race for cure, for the efforts of Mrs. Quayle, and all others who have worked with her on a bipartisan basis. But once that race is complete, we need to put our money where our feet are. We need to put our money where our hearts are. We must work to get these bills signed into legislation.

Mr. President, I think this would be a public investment that would save the lives of American women and heartbreaks in many families.

I yield the floor, and thank the Senate for its courtesy of listening.

Mr. President, I suggest the absence of a quorum and ask that the time be charged equally to both sides.

The PRESIDING OFFICER (Mr. DIXON). Without objection, that will be the order.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE BREAST AND CERVICAL CANCER MORTALITY PREVENTION ACT OF 1990

Mr. KENNEDY. Mr. President, I strongly support S. 2283, the Breast and Cervical Cancer Act of 1990, and I commend Senator MIKULSKI and Senator KASSEBAUM for their leadership in introducing this important measure.

This legislation will establish a new public health grant program to provide preventive health screening and referral services for low-income women, in order to achieve early detection of breast and cervical cancer. For breast cancer, services would include both a physical examination and a mammogram; for cervical cancer, a Pap smear. Grants for these services would go directly to the States.

Research results indicate that such screenings are effective in reducing mortality rates for these two types of cancers. Breast cancer is the second leading cause of cancer death among women, surpassed only recently by lung cancer deaths. According to the American Cancer Institute, over 43,000 American women die of breast cancer each year, and over 140,000 new cases are diagnosed; about 1 in 10 women will develop such cancer at some time during her life.

Approximately 6,000 deaths from cervical cancer occur each year, and 47,000 new cases are diagnosed.

This legislation is particularly important for low-income women. Too often this population lacks any form of health care insurance. Even when they do have some coverage, screening services are often excluded from the benefits. Sometimes, a lack of understanding about the importance of screening keeps women away from these services.

Congress has waited too long to address these health care problems. With wider use of the knowledge and technology we now have, we can achieve a significant reduction in mortality rates of these diseases.

I also want to commend Marilyn Quayle for her leadership in this effort. As the honorary chair of the Susan G. Komen Foundation in Dallas, she has been instrumental in generating impressive nationwide support for more effective action at all levels, Federal, State, and local, against breast cancer. This Saturday in Washington, Vice President and Mrs. Quayle are the cochairs of "Race for the Cure," a series of events to benefit breast cancer research, mammography screening, and education.

Through efforts such as this, America is making long-awaited progress against these diseases. The legislation we are introducing today can contribute to this progress and I urge all Members of the Senate to support it.

Mr. GORE addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

ORDER OF PROCEDURE

Mr. GORE. Mr. President, I ask unanimous consent that I be allowed to speak in morning business on a subject other than the one which will shortly be addressed by the Republican leader and our colleagues.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE GLOBAL ENVIRONMENT

Mr. GORE. Mr. President, I have spoken on several occasions here in this Chamber on issues related to the global environment. On a few of those occasions I have spoken especially about the problem of the stratospheric ozone layer and the threat now posed to it by chlorofluorocarbons, and a number of similar chemicals in wide use around the world.

Within the last 2 weeks I have made two speeches on a problem which has arisen as the world attempts to negotiate a solution for this particular problem.

An international agreement called the Montreal Protocol was reached several years ago. Under this international treaty, nations around the world agreed to begin phasing out the use of chlorofluorocarbons and several

other chemicals that have the potential for destroying the stratospheric ozone layer. The ozone layer, of course, is extremely important because it filters out ultraviolet radiation, and protects all life on Earth from what would otherwise be a deadly dose of that radiation.

The chemicals that destroy the ozone layer have been in widespread use since the end of World War II. It was discovered over a decade ago that they were rising to the stratosphere, where they destroy the ozone layer. The international treaty that I referred to was an extremely promising development because it raised hopes, and made it possible for the world to anticipate the time when these chemicals would no longer be in widespread use and when they would no longer be causing the damage they are now causing.

The Montreal protocol now is up for review. It must be strengthened because as the treaty now stands, it will allow the concentration of harmful chemicals to triple over the next century, and the problem, of course, will get much worse. And those who negotiated the treaty have long understood that it had to be strengthened, toughened, and made more effective.

So the preliminary negotiations to create those changes have been under way.

Here is where the problem comes in. The poor nations of the world, attempting to raise their standard of living by introducing things like refrigerators, do not want to have to make an expensive shift to brandnew technologies, at a time when they are just barely able to make the investments necessary to use the technology already in widespread use throughout the advanced industrial world.

So when the original treaty was entered into with the industrial nations, the wealthier nations of the world agreed to create a fund that would assist the poorer underdeveloped nations to use the new technologies which make these harmful chemicals unnecessary.

We were right up to the point where the treaty was about to be renewed, approved, and strengthened. All of the natons of the world were ready to go. But the United States of America, because of President Bush and John Sununu, said at the last minute we no longer believe in the principles that we agreed to in the Montreal protocol; at least we no longer agree that the United States should join the other industrial nations of the world in helping to establish this fund that can be used by the poorer nations to develop these substitutes for chlorofluorocarbons.

Mr. President, it has now come to a critical juncture. India, China, Brazil, and other large populous nations with very low standards of living are serving notice that, if the wealthiest nation on Earth turns its back on this treaty, they are pulling out of the worldwide efforts to help solve this problem.

Every other nation has agreed. All of our allies have agreed. The Environmental Protection Agency here in the United States advised President Bush that it would be catastrophic for him to follow the policy he is now pursuing. The State Department advised President Bush it would be a serious mistake of the first order of magnitude to fail to go along with this agreement, which we signed several years ago and which is now being discussed again.

So the environmental advisers in the administration, the State Department, and others, advised the President of the proper course of action. John Sununu said, wait a minute, Mr. President, do we not have an ideological commitment to just cutting way back on the role of Government in any way, shape or form? I am guessing what his reasons were. Really I cannot imagine what his reasons were.

But here is where it stands, Mr. President. Unless President Bush admits error and changes this policy, all of the progress that led up to the Montreal protocol is in jeopardy. Unless the administration changes its policy and agrees with all of our allies and every other nation in the world to go forward with the strengthening of the Montreal protocol, then the efforts underway to protect the global environment threaten to come to a screeching halt. The treaty is inadequate as it presently stands. We must do a great deal more. But even these efforts are in jeopardy, unless the President of the United States will change his policy. The critical meeting is next week.

I urge the President to review this mistaken decision of a few weeks ago and to accept the advice of Secretary Baker, accept the advice of Bill Reilly, the head of the Environmental Protection Agency, accept the advice of those who understand the problem and have been working on it within his administration, and reject the advice of John Sununu and others in the White House, who want to take an irresponsible course of action.

The stakes are very high just now, Mr. President. It is building toward a crisis point. The critical meetings will take place very shortly. I call upon the President to change his mind.

I yield the floor.

THE 250TH ANNIVERSARY OF CONGREGATION MIKVEH ISRAEL

Mr. SPECTER. Mr. President, today I call to the attention of my colleagues the 250th anniversary of the Congregation Mikveh Israel in Philadelphia.

Founded in 1740, Congregation Mikveh Israel long has served the Philadelphia community both as a site for worship and study and as the home to the National Museum of American Jewish History.

As the second oldest Jewish congregation in the United States, Mikveh Israel was intimately involved in the creation and growth of our Nation. The owner of the ship which carried the Liberty Bell to these shores was a member of the congregation as was an important financier of the American Revolution. Congregation Mikveh Israel has enjoyed a uniquely distinguished history.

The celebration of the congregation's anniversary is also very personal to me because of my own family's involvement with Mikveh Israel over the years. We observed with the congregation the Bar Mitzvah of each of our sons Steve and Shanin.

I salute all those, past and present, who have devoted their time, energy, and spirit to the life of the congregation. I extend my best wishes to Mikveh Israel on this wonderful occasion and am hopeful that its enduring tradition will continue for at least another 250 years.

GIVE US A CHANCE

Mr. LOTT. Mr. President, talk about free speech, how about a little free speech on crime in this country? We have a crime bill. We had a crime bill. It disappeared. Maybe somebody stole it. I do not know where it is. It is languishing out there somewhere. I read articles this past weekend that said, oh, there are people in the U.S. Senate who are trying to filibuster the crime bill. That is absolutely baloney. We have not had a chance to filibuster it. We barely had a chance to talk about it. We had a couple of amendments that were controlled by members of the committee, the chairman and the ranking member. They had an amendment on habeas corpus, two on gun control. They tried to turn the crime bill into a gun control bill. Then when it came time for the rest of us to talk and offer amendments, it disappeared. The leadership tried to invoke cloture not once, but twice. It failed! We would like a chance to be heard.

Now it has been stated in the press that it is being filibustered because of gun language in there. That is not true either. I do think there are some very important issues on which we should discuss, debate, and vote. One of them is an amendment I have.

I feel criminals in prisons should have to work, be productive, learn to do something, contribute to victims, contribute to society. We have court systems all over America that are worrying about criminals convenience and how comfortable they are. Let us give

them air-conditioned cells. How about color TV? Do they need a two-bedroom suite? How about a little work to help pay for their crimes?

Also, there are amendments that would stiffen the penalty for using children in the commission of a crime of selling and pushing drugs.

Give us a chance, I say to the leadership. Sure, there were too many amendments pending, but a lot of Senators have already been willing to drop some of those amendments. Let us get down to a few of the really good, important amendments that will help stop crime in America. Give our law enforcement people the tools they need to do their job; help repay victims for the crimes they have had to endure; and how about a little protection for society?

Let us get some free speech around here. Let us get an agreement. Bring up the crime bill because it is No. 1 in the minds of the American people of things that we need to deal with in this Congress: crime and drug-related crime.

I say to our leadership, you do not have to be looking around trying to find something for us to bring up Thursday, next Tuesday or Wednesday. Let us just get the crime bill up. Boy, it would be a good week's work next week if we could pass a constitutional amendment to ban the desecration of the flag and pass crime language to protect the American people against the heinous acts we see in this city and all across this country.

I yield the remainder of my time, Mr. President.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader, Mr. DOLE, is recognized.

THE FLAG AMENDMENT

Mr. DOLE. Mr. President, it remains my sincere hope that the Senate will have the opportunity to consider the flag amendment today, June 14, National Flag Day. I cannot think of a more appropriate day on which to consider this amendment and to honor the flag. I cannot think of a more appropriate way to honor Old Glory and the cherished values she has come to represent for so many Americans.

If we cannot move to the flag amendment today, I hope we can certainly do it before the July 4 recess. Let us have a vote and find out. Maybe it will not pass. Maybe it will. I think it is important enough, and I think enough Members on either side of the issue are prepared to go on record, and we should go on record. I hope that we will have a vote before the July 4 recess.

Mr. President, it is shameful that today is Flag Day for most Americans, but as one of the flagburners said, it is going to be "flag desecration day" for her. This is the day they are going to have a lot of fun; they are going to burn a lot of flags around the country, and they will have a lot of defenders. The liberals will be defending the flagburners, so they feel fairly secure.

I do not believe it ought to be "flag desecration day." I do believe we ought to treat the flag as a symbol that stands for freedom, hope, and the great sacrifice of those men and women who have given their young lives to defend this beloved country. I think it is shameful that we are not doing anything about it. The Senate has not acted. We were talking about having hearings last week, and we already had hearings. We have been down that route. We ought to bring the bill to the floor. We have 48 cosponsors, 13 Democrats and 35 Republicans, all on the same amendment. This is an amendment we are going to vote on ultimately. Why not have the vote? Why drag it out and get beyond the 4th of July so we can say, well, the patriotic period is over now; we can let it rest?

So if we can make Flag Day meaningful, we would act today. It would be the 27th amendment to the Constitution. It is already introduced and on the calendar. We have had hearings. It has been endorsed by the Justice Department and numerous academic and constitutional scholars, by most of the veterans organizations, countless concerned Americans, and by the President of the United States himself.

This is not a fast food approach to the Constitution, as one Senator wryly suggested early this week. This is the responsible approach. We have dotted every "i" and crossed of every "t" and studied all the options. Even some decided that the unconstitutional options, including one called the Flag Protection Act of 1989 that was paraded out here, will solve the problem, and that we do not need an amendment. There was a lot of breastbeating, speeches were made, and it was all over; it was unconstitutional, as many of us predicted.

Now it is time to get off the quick-fix bandwagon and adopt the only approach that will guarantee the Old Glory gets the protection she deserves, which is constitutional protection.

As I said, we have 48 Senators. We will have more before the day is out. We have over two-thirds of the Republicans, and if we get two-thirds of the Democrats—we are a bit short now, but we think we will have more than two-thirds of the Democrats—we will meet the constitutional requirement of two-thirds vote in the Senate.

I want to address for a few moments the so-called first amendment question. All the liberal reporters are just in a frenzy, because we might do something right. They are writing all these things, and they feel so strongly about the first amendment rights. There are a number of articles in the paper today, not by veterans, not by anybody, but by editors who see this in a different light. They would make you believe that we are somehow wielding an ax to the first amendment. I reject this suggestion, because the act of flag burning is conduct; it is not speech, but conduct; malicious, stupid, irresponsible conduct, not speech. I reject it, because even if we treat the act of flag burning as speech, then we ought to view it in the same way as we view obscenity or "fighting words" or yelling "fire" in a crowded theater.

I reject it because it is absurd that we can pass laws making it illegal to destroy U.S. currency, illegal to deface your own mailbox, even making it illegal to rip off the warning labels of your own bedroom mattress; but we cannot pass a law prohibiting our Nation's cherished symbol from being burned, mutilated, or defaced. I wish they would focus on that the next time they write a story about the first amendment. Look at the exceptions and look what we do today with the law.

I reject it because this amendment will not permit people like Gregory Johnson and other flagburners from continuing to speak out. They can speak out in countless ways against their country, against their Government and against their flag. They can demonstrate in many ways and speak out on a thousand things.

Apparently, the four sitting Justices on the Supreme Court share my view, and five are on the other side. This is a closely divided question. We have one Justice, a majority of one, who is making this decision for all Americans. How do we override the constitutional question? With a constitutional amendment.

Four Justices share the view of most of us. So does former Justice Hugo Black, one of the Nation's most jealous defenders of the first amendment, who wrote:

> It passes my belief that anything in the Federal Constitution bars a State from making a deliberate burning of the flag an offense.

That is Justice Black.

Listen to former Chief Justice Earl Warren, no Reagan Court appontee, who wrote:

> The States and the Federal Government do have the power to protect the flag from acts of desecration and disgrace.

To say that the act of flag burning is somehow enshrined in the first amendment is preposterous, dead wrong, and ignores history completely. I find it ironic that many Senators who now are wrapping themselves around the Bill of Rights voted for the so-called Flag Protection Act in October.

They want to have it both ways. They say, "We are opposed it; we do

not think there ought to be an amendment. We believe there ought to be a statute." We were not worried about the first amendment rights then.

In a desperate something called content-neutrality, whatever that is, the flag statute became broader in scope than the amendment. So if you vote for the statute, you can certainly support the amendment because the amendment is much narrower.

Unlike the amendment, the statute covered contemptuous and uncontemptuous conduct, intentional and unintentional conduct, public and private conduct. In other words, by trying to be all things to all people, the statute prohibited more conduct, more speech, than the constitutional amendment.

So how can those who now rail against the amendment in favor of the statute not say, "Oh, well, the statute is right; the court was wrong"? They cannot have it both ways. Where was the first amendment in October? Did the first amendment go on vacation back then? We did not hear that much about it.

In 1915, President Woodrow Wilson, a good Democrat, was so inspired by the resiliency of these United States and terrified by the war then raging across Europe that he established June 14 as National Flag Day. During the proclamation ceremony, President Wilson made these poignant remarks:

Many circumstances have recently conspired to turn our thoughts to a critical examination of the conditions of our national life, of the influences which have seemed to threaten to divide us in interest and sympathy, of forces within—and forces without—that seemed likely to draw us away from the happy traditions of united purpose and action of which we have been so proud.

It has therefore seemed fitting to me that I should call your attention to the approach of the anniversary of the day upon which the flag of the United States was adopted by Congress as the emblem of the union, and to suggest to you that it should—this year and years to come—be given special significance as a day of renewal and reminder, a day upon which we should direct our minds with a special desire to the • • • ideals and principles of which we have sought to make our great Government the embodiment.

President Wilson's words still ring true today because the ideals and principles of the great American experiment still ring true, not only on this continent but across Eastern Europe, in Central America, in Tiananmen Square, and throughout the world.

These ideals and principles deserve jealous protection. Our flag, as the very embodiment of our American experiment, deserves the permanent and lasting protection of a constitutional amendment.

Mr. President, I received a letter from Miles Epling, national commander of the American Legion, and Wally Hogan, commander in chief of the VFW, both of whom urged speedy passage of Senate Joint Resolution 332.

I ask unanimous consent that both letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE AMERICAN LEGION,
Washington, DC, June 13, 1990.

DEAR SENATOR: The Supreme Court's flag decision on June 11 came as no surprise to The American Legion. We were convinced—as early as July 1989—that nothing less than a constitutional amendment would truly protect the U.S. flag from desecration.

During the past eleven months we have urged you and your colleagues to adopt a proposed amendment. We asked Congress last fall to resist the urge to pass a federal statute because we believed it would not pass constitutional muster. We renewed that appeal earlier this year as two federal courts struck down the Flag Protection Act of 1989. And six weeks ago we shared with you the results of a Gallup poll showing the virtually three-fourths of the American public supports a flag-protecting amendment.

Now, as we approach the day set aside to honor our nation's flag, the Supreme Court has declared once again that burning it is a constitutionally-protected form of free expression. Millions of Americans will be celebrating Flag Day tomorrow, but they will also be looking to their elected leadership to deal with this situation, to guarantee that our flag gets the respect that it deserves.

The American Legion is simply asking you and your colleagues to put the process in motion by adopting a proposed amendment so that it can be sent to the states for consideration. Specifically, we urge you to cosponsor Senate Joint Resolution 332 and to actively support its adoption.

Your consideration of our views on this very critical issue is deeply appreciated.

Sincerely,

MILES S. EPLING,
National Commander.

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
June 12, 1990.

Hon. BOB DOLE,
U.S. Senate,
Washington, DC.

Dear SENATOR DOLE: On behalf of the more than 2.7 million members of the Veterans of Foreign Wars of the United States and its Ladies Auxiliary, I wish to thank and commend you for introducing S.J. Res. 332 which provides for protecting the United States flag through a constutitional amendment.

Veterans of this nation's wars and, indeed, all patriotic Americans appreciate your efforts on this issue. Constitutional protection of the flag is a VFW priority goal and we stand ready as individuals and as an organization to support the enactment of S.J. Res. 332. Please do not hestitate to contact our VFW Washington office if there is anything we can do to assist you in advancing this legislation.

With best wishes and kind regards,

Sincerely,

WALTER G. HOGAN,
National Commander-in-Chief.

Mr. DOLE. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, I wonder if the Republican leader will yield for a couple of questions.

Mr. DOLE. I am happy to. I need to get to the Ag Committee. The committee is going to pass a farm bill.

Mr. KERREY. I have been over there. It is done.

Mr. DOLE. It has not done much the last couple of weeks.

Mr. KERREY. I am sure the Senator and I agree on the issue. As to the statute and constitutional amendment, some take a position in opposition to both.

Prior to coming to the floor, inflammatory remarks have been made. Recently, I did not feel a great deal of division, necessarily, on the issue.

I see the Senator from Kansas and I disagree on the conclusion; we have similar premises that enable us to reach a conclusion. I would like to ask the distinguished Republican leader how he sees the flag being protected by this amendment. How is the flag itself going to be more protected by this amendment?

Mr. DOLE. We are going to punish people who desecrate the flag. We are going to pass a constitutional amendment. The States have laws that have been in effect for years, and I assume most States are not doing anything about it. Keep the laws we have.

We are going to have people understand they cannot go out and do as some will do today. On the Capitol steps, there will be a flag burning that will be news, that will go on the national news. We are going to punish people. If we have a constitutional amendment, there is no guarantee there will not be acts, after a constitutional amendment, of physical desecration of the flag.

Mr. KERREY. Does the Republican leader agree that there are current laws on the books that permit us, in instances where it is public property and in instances where it is owned by someone else, against vandalism, for example? Even the Johnson case, it seems to me, could have been prosecuted as an act of vandalism.

The judge, seeing the vandalism on the American flag, could mete out harsh justice. I assume a judge revering the flag would. The Republican leader acknowledges we have laws on the books to permit us to prosecute. In the Johnson case, it would have to be disturbing the peace, or something else.

Under the flag burning, it was not unconstitutional. It struck down the Texas statute. I think what we need now is to make certain we agree on how we protect the flag.

Mr. DOLE. The Senator from Nebraska was not for a statute and was not for an amendment. I am not certain what he is for. I think a constitu-

tional amendment is the best approach.

Many who voted for the amendment say if this does not work, then we will try the amendment. And that makes sense to me. Let us try a statute, and let us not just amend a statute at the drop of a hat.

But I remind my friend from Nebraska, it is a long, tortuous process. We have to have 67 votes, two-thirds in the House, and 38 States to ratify the amendment. In my view, this is what the Framers of the Constitution had in mind. I do not believe this is a trivial matter, and I do not suggest the Senator from Nebraska does either. But stated by some, this is a trivial matter: We should not worry about the flag; it is just a piece of cloth.

I do not happen to share that view. In this instance, I agree with the senior Senator from Nebraska, rather than the junior Senator from Nebraska.

Mr. KERREY. I say to the Republican leader, it is clear I do not support either the statute or constitutional amendment. The basis for taking that position is I do not think either one is necessary. I do not think either one is needed.

I would like to follow with one additional question. The Senator referenced this was not a free-speech issue or question about free speech. The President on Tuesday said the law books are full of restrictions on free speech, and we ought to have this be one of them.

Does the Senator know if the President sees this as an effort to restrict speech or not?

Mr. DOLE. I just cited exceptions. If this is free speech, then there are exceptions. As I said, you cannot yell fire in a crowded theater. You cannot shout obscenities. Why cannot you yell fire in a crowded theater, if protected by the first amendment? Why is there not a restriction? Why can you not maim someone if protected by the first amendment? There are exceptions.

My view is—and I think it is the view of the President; I did not read the total statement—it is not speech; it is malicious conduct. We ought to be able to contain it. I do not know what the Senator from Nebraska has in mind. Maybe no penalty; let them burn the flag. If that is his view, that is a view he is entitled to hold. I do not share that view.

I know the Senator from Nebraska has a distinguished war record and all that, but I happen to believe that the great majority of the people in this country, the average person out there seeing the flag go by, feels it is very important to them. The Senator from Nebraska knows; he has seen it and he has been through it.

Someone told me at Arlington Cemetery on Memorial Day—I go out there almost every year, when I am in town—we ought to bring the flag burners out here, where they made the supreme sacrifice. Every Memorial Day, we go out and put a flag by each grave. Why? Because it is important.

I would not be surprised to see some of these kooks out in Arlington Cemetery burning flags. There is no limit to which some will go to get attention.

Mr. KERREY. I point out, if burning a flag in Arlington Cemetery could be prosecuted under the laws of vandalism on the American flag, it ought to be. There are laws in place today which enable us to prosecute someone burning a flag in Arlington Cemetery.

I point out to the Republican leader, we do not have a statute in the State of Wyoming or in the State of Alaska, and you have never seen it in Frontier Days. Anybody who would go out and burn a flag in Frontier Days would disappear. We have a lot of sanctions in place right now against people who burn the flag.

Mr. DOLE. They have their own flag. They go out and have a flag burning. If they own the flag, that is fine; go out and burn the flag, as long as it is yours, your property. My view is that ought to be dealt with.

We hope that we have 67 Senators who share that view. We now have 35 Republicans on the amendment and 13 Democrats, and I think many who will not maybe endorse the amendment will vote for it. The important point is, let us get a vote and let us clear the air. Maybe the Senator's side will prevail; maybe they will have more than one-third.

Mr. KERREY. I suspect we will. I do not object to proceeding immediately. I would vote now. The Republican leader should know that I am not trying to delay this at all.

He referenced crying fire in a theater, or the obscenity condition as well.

There I think you have a clear example of the doctrine of relative rights. Our rights are relative, and they do bump up against the rights of other people. And where we endanger other people, our rights are restricted. That is why, it seems to me, it is more fair to characterize this as not a flag protection amendment, but it protects people who are offended by those who burn the flag. The protection goes to people who are offended—and I happen to be one of them—by someone who burns the flag.

Let me ask one additional question. I know there is an Agriculture Committee hearing, and I appreciate the Republican leader's indulgence.

The Senator has said on a couple of occasions that he believes real people will support his position. The decision by the Supreme Court was closely decided. There are probably 30 percent or so of the American people, a significant minority, who have reached the conclusion that a constitutional amendment is not sound. But by the Senator saying that he thinks that real people will support this, is he implying that he believes that people who do not support it are somehow deficient in some way?

Mr. DOLE. I am sure the Senator does not believe that. Just go up and down Main Street in Lincoln, NE, or Russell, KS, or anywhere in New York, go to some veterans' organization, not at some editorial board meeting, or maybe the executive members of the American Bar Association, but just ask the average American out there, the taxpayer, the voter, the homemaker, the worker. Maybe they will not all agree, but a great majority will agree, and that was the statement of the Senator from Kansas. I thank the Senator.

I do have an Agriculture Committee meeting to attend.

The PRESIDING OFFICER. The Senator from Nebraska has the floor.

WILL IT BE MORE DIVISIVE?

Mr. KERREY. I will make one further comment because it does seem to me that, in fact, it has become far more divisive than it needs to be.

There are a lot of us who grew up and matured in the sixties and seventies when there was a gap between the generations. It was referred to, in fact, as the generation gap. People had to decide, are you for the Vietnam war or against the Vietnam war? And, if you were for it, you were somehow cut off. It was an abyss, a separation, a gap between you and those people who were opposed to it.

I not only am saddened, but I am angry, by an attempt to do the same thing with this flag issue. Trying to suggest that somehow Senator EXON, a man who is not only my Democratic colleague but a man who is a close personal friend and a man to whom in many ways I look almost as a father figure, to suggest that somehow there is a gap between Senator EXON and me, that somehow he is a real American and I am not by saying, "I believe real Americans will support this," by suggesting that the issue is, are you going to choose to stand with people that burn the flag, or are you going to stand with the men and women who are in uniform in this country?

I regret it very much. I believe the President himself is confused on the issue. As I indicated, he has said and made a statement—in fact, he made a statement at the press conference where he was accepting a replica of the Iwo Jima Memorial. He said he thinks, "The law on the law books are full of restrictions on free speech. And we ought to have this be one of them."

I genuinely see this amendment not as an effort to protect the flag; I do not believe that the American flag will

be more protected as a consequence of this amendment. I believe, in fact, what we are doing is protecting Americans, Americans, individuals like myself, who are offended when they see someone burn the flag. That is who we are protecting. The American flag will not be a grander symbol because of this constitutional amendment. It will become less a symbol if we continue to regard it as less than sacred by using it as a political issue.

Mr. President, I ask unanimous consent that an article that appeared in the Washington Post Wednesday of this week be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 13, 1990]

BUSH AGAIN CALLS FOR FLAG AMENDMENT

(By Dan Balz and Tom Kenworthy)

Saying that flag burning "endangers the fabric of our country," President Bush yesterday renewed his call for a constitutional amendment to protect the flag as Republicans stepped up their political pressure on the Democrats to settle the issue by the Fourth of July.

After a morning meeting at which top congressional Republicans told the president the party should seize on the flag issue now that the Supreme Court has struck down legislation outlawing flag desecration, Bush turned a Rose Garden ceremony where he received a replica of the Iwo Jima Memorial into a forum for a sales pitch on the amendment.

"What the flag encapsules is too sacred to be abused," Bush said.

"I am for free speech," the president said in response to questions of whether it is necessary to tamper with the Bill of Rights. "But I am for protecting the flag against desecration. And the law books are full of restrictions on free speech. And we ought to have this be one of them."

House Speaker Thomas S. Foley (D-Wash.) disagreed with Bush on the need to change the Constitution. "I do not support amending the First Amendment," Foley said. "Flag burning isn't worth tampering with the most important repository of personal liberty that any country has ever established in its history."

While Foley said he would be "fairly active" in lobbying his colleagues, he added that the Democratic leadership would not take a party position on the amendment.

The Republicans signaled their political intentions on the issue yesterday morning when Senate Minority Leader Robert J. Dole (R-Kan.) emerged from the White House waving a small flag and blistering critics of the amendment.

"We're going to protect the American flag," he said. "And I think most Americans, the real people out there, are on our side."

Asked about a dissenting opinion by Justice John Paul Stevens, who criticized politicians for manipulating the issue, Dole shot back: "As far as I know he's never run for political office. . . . If he wants to get out there and run, why go right ahead. He has a right to criticize those of us in politics and we have a right to criticize the court—and they're wrong."

On Capitol Hill, Democrats scrambled for enough votes to block the amendment, which requires a two-thirds majority of each chamber for passage. House Democrats reported late yesterday they have about 130 votes against the amendment, still short of the roughly 140 needed to stop the measure.

One undecided member, Rep. Richard J. Durbin (D-Ill.), acknowledged the political dangers of voting against the amendment. "I saw what happened to Michael Dukakis [in the 1988 presidential campaign], so I understand the flag issues have real visceral appeal," he said.

The House could vote on an amendment as early as next week. In the Senate, Judiciary Committee Chairman Joseph R. Biden Jr. (D-Del.) said his committee will hold hearings on June 21, with a floor vote possible by July 4.

Democrats are clearly worried about the political fallout in this election year over the upcoming vote. "You can't pull a Dukakis and file a legal brief to say why you voted against it," a Democratic Party official said, recalling the Democratic presidential candidate's inept rebuttal to Bush's attacks on Dukakis' veto of Pledge of Allegiance legislation in Massachusetts. "You've got to be strong."

Republicans continue to differ on how potent the issue will be politically. "If virtually everyone is for it, it's not very useful," said pollster Robert M. Teeter, a political adviser to Bush and the Republican National Committee.

Yesterday's Rose Garden ceremony was a contrast to the extravaganza Bush and other Republicans staged last June 30 at the Iwo Jima Memorial in launching their campaign for an amendment. There were no bands, and a single American flag stood on a small pole next to Bush's lecturn.

One White House official said Bush feels strongly about the issue, but another said the president "is not going to demagogue on this. That's what he's got Dole for."

Mr. KERREY. I call my colleagues' attention to the content of this article. The article clearly spells out, I believe, the President's, I think, as well as the Republican Party's, attempt to develop a strategy that will divide the Nation. The President is not going to be a demagog on this, the White House said; there are going to be other people. He is going to select Members of this body to demagog for him.

And the suggestion in here is, in fact, that those who support the amendment are real Americans; those who do not support the amendment are not real Americans. It is an attempt to divide America, to divide fathers against sons, to divide families again in 1990; not to heal wounds the Vietnam war caused, but to open them up again. That is what the President is doing. That is what he has chosen to do, not to protect the American flag.

I urge my colleagues and other Americans to look at this picture, to look at this picture of the President with the Republican leader waving an American flag and both of them pointing at it and laughing, with the whole room laughing. I consider this to be an act of desecration. I was offended by this, offended and angered that the President of the United States would think this is a laughing matter, to take the American flag and use it not just perhaps to win a majority in the Senate, not just perhaps to win a few elections in November. That is the least of what they will accomplish. The greatest victory, if you can call it a victory, is the Republican President, the leader of the United States of America, at a time when we have a great opportunity to use this moment in history when peace is breaking out all over, is that he will divide the Nation again. That is what he is doing, not rallying Americans to respect the flag, not rallying Americans to respect freedom. But by using it as a political issue to divide Americans, he gains a marginal political advantage and loses a great deal as well.

It is a great loss for America that the President of the United States is doing this, pointing and laughing, laughing, using this moment, taking political advantage. It desecrates the flag. It does not raise the flag up, as the man who presented to him the Iwo Jima memorial suggests that flag should be memorialized.

The President should have used that opportunity in the Rose Garden, that opportunity when the sculptor who created that marvelous monument was there, used the opportunity to point to the men in that monument and say, "Look what they are doing. Look what they are doing. Consider what these men are doing under the American flag," straining to place the American flag at Mt. Suribachi, at the peak of Mt. Suribachi.

Three of those men died the next day. Were they concerned about polls? Were they concerned about whether or not someone would like them? Were they trying to accomplish something for themselves? Did they say, "What is in it for me before I go up Mt. Suribachi, before I go into combat, before I go in harm's way?" No.

Did they ask, "Who is going to give me a round of applause? Will I have my picture in a newspaper or a sculpture or statue placed in Arlington Cemetery on my behalf?" No. They simply went in harm's way on behalf of us, the unknown future, the advantages that will follow, in the hopes, I believe, that we will use this freedom of ours not just to lay back, but to confront the dangers that are out there in front of us, to be fearless, as they were, and unified, as they were, six men straining together to put that flag on the top of Mt. Suribachi.

That is what the President should have said to us. He should have called this Nation to move forward together, together as one. Instead, the President chose to use that press opportunity to divide the Nation again. I am ashamed of what he did. I am ashamed, as well, that the Democrats, who love this country, who revere and respect the flag, have not been invited, as I believe they should, by the Republican leader and the minority whip in the House to go out and speak to veterans' groups

and tell them why we have come to the opposite conclusion, why we still love this country, and why we believe in America now, more than ever before, needs to be united, to place our flags on Suribachi; to look danger in the eye and say we care more about tomorrow than we care about ourselves, and we are willing to risk it all, risk it all for someone else.

But, instead we are reduced to our lowest common denominator and I grieve for us today, for this lost opportunity. I weep for America today and this great opportunity we missed.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

THE FLAG

Mr. BUMPERS. Mr. President, I commend the Senator from Nebraska for his very eloquent expression of his feelings about an extremely important issue. The Senator from Nebraska speaks with the greatest credentials of any Senator. Nobody should and nobody will question his patriotism or his love of the flag. And while my credentials are not in the same league as his, I resent this rush to judgment, to doctor not just the greatest document on Earth, but the greatest single provision in that document.

Why all this sudden furor to get this done in a hurry? For some reason we cannot get a bill up around here. But then the Supreme Court renders a decision declaring the Flag Desecration Act unconstitutional, and we have people rushing to act because they see the opportunity for more 30 second spots like Willie Horton and the pledge of allegiance.

The distinguished Republican leader has been quoted as saying that Justice Stevens has never been elected to anything. Do you know why he has not? Because that same document that a lot of people here want to whimsically and capriciously and with rather reckless abandon change, that document says that there will be times in the history of this Nation when we need people who have not been elected to office but appointed for life to slow the process.

Not only are Federal judges appointed for life, but they are appointed for life with the advice and consent of this body to decide what that document really says. They have been wrong, and they have infuriated me, and they have infuriated other people in this country from time to time. But the system has worked. It does work. And one of the reasons it works is that those Supreme Court Justices do not have to worry about sudden floods of emotional appeal.

When the Civil War had been underway for a short time, roughly 95 percent of the people in the South said, yes, we think slavery is wonderful, we are willing to fight to the death for it. But after 2 years passed and the casualty lists began to be posted on the courthouse walls all across the South, people had second thoughts about secession and slavery.

Alfred North Whitehead, the British philosopher, said that there are only two things that he could think of that man had undertaken in the history of the world and done about as well as it could be done. One was the reign of Caesar Augustus and the other was the drafting of the American Constitution.

Arthur Schlesinger, Sr., said that in Philadelphia, in 1787, there gathered the greatest assemblage of minds ever under one roof.

The day before yesterday, a very influential member of the Soviet legislature said that the bill that the Soviets passed to provide that anybody could start a newspaper or a publication is not enough. The reason it is not enough is that the state still controls the paper supply, the state still controls the ink supply. You can start a newspaper but if you do not have ink and paper you are not going to go very far with your newspaper. Then he went ahead to say that they need something identical to the first amendment of the Constitution of the United States.

The first amendment is 200 years old. We have never doctored it. The Members of this body have to ask themselves, just because some exhibitionists and opportunists in Dallas, TX, 6 years ago, chose to burn a flag, is that a legitimate reason for this body to treat this issue in an entirely political way?

Like the Senator from Nebraska, I have been chagrined and dismayed and downright angry that everybody seems to understand we have to get this done before the elections in November. You do not have to be a rocket scientist to determine what is driving this thing. I have not even seen the amendment. Who crafted it? What does it mean?

I might vote for it, though I have strong reservations. When it comes to these constitutional amendments, I belong to the "wait just a minute" club. You give the American people enough time and the right information and almost invariably they will reach the right conclusion. And, in this debate, they ought to be given that opportunity.

When you ask people, do you think the flag should be protected from desecration, 85 to 87 percent respond yes.

But if you ask whether they think it is a serious enough problem to tinker with the Constitution only 57 percent respond "yes." They are already wondering, whether an exception to the first amendment is warranted.

The other day I drove by a used car lot. The dealer must have had at least 150 used cars on his lot. And what do you think he had sticking on every car on the lot? An American flag. Is that his way of showing his love of that great symbol of this Nation such as the one that was put on Mount Suribachi? Everybody in this body knows precisely what that is. That is rank commercialization of that symbol. Is that a defilement or a defacement of the flag? Do we jail him for defiling the flag under this amendment?

You walk into a bar and you order a drink and the swizzle stick has an America flag on top of it. Is that a desecration or defilement of the American flag? Both of them are to me. But, under the amendment, is the bartender or the owner of the bar going to be charged? What is defilement? What is desecration? It is like beauty, is it not, in the eye of the beholder?

So far, you have only heard about burning flags. You have not heard of the hundreds of other instances that almost everybody in America would find offensive, where that flag is used for gross, blatant, commercial exploitation. And I think that all of us who say wait just a minute, let us look at it, is this what we really want to do, I think we have two thoughts. One is, everybody here knows what is going on. The distinguished Republican leader has talked once or twice about 30-second spots.

Everybody in this body knows that there is an element of risk. Some know that the risk is almost certainly going to be fatal if they vote against this constitutional amendment.

Debates and arguments in the rarified atmosphere of the Senate are one thing. But you go out to a Fourth of July picnic and try to explain the sacredness of that precious first amendment, as opposed to some lunatic burning a flag, and you have your work cut out for you.

The second thing I guess that bothers me more than anything else is the suggestion that if you are not going to vote for this amendment you are either hopelessly ignorant, too naive to know that your political life is in danger and perhaps, at best, unpatriotic.

I have said on the floor of the Senate once before, and I will say it again, that the most exhilarating moment of my life was in the graduation parade at the Marine Corps depot in San Diego when I had survived boot camp. There I was marching down the parade grounds at the Marine Corps depot in San Diego. My hair about a half inch long, but I did not care. I had made it through boot camp, and I was so proud. There were eight or nine platoons graduating, and the Marine Band—we were passing in review—playing the "Marine Corps Hymn." I

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was in the lead platoon, and we were carrying the flag. I was 18 years old; tears rolling down my cheeks; and never so exhilarated in my life. I never felt so important or proud of an accomplishment.

So if I vote against the flag amendment, does that mean that those who voted for it love the flag more than I do? I promise you, it does not. I do not believe a single person who may vote against this amendment loves the flag less than those who vote for it. Everybody here knows the politics of this issue.

Mr. President, I yield the floor.

Mr. SANFORD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

THE FLAG: A SYMBOL OF A GREAT NATION

Mr. SANFORD. Mr. President, I come here today to pay honor to the flag of the United States on this day of the flag. I also come to remind myself and to remind my constituents in North Carolina and all who listen just what the flag means to the people of the world and the people of this country. What it means, of course, is that we are a great free Nation. Our flag is a symbol of freedom that is envied all around the world. It is a symbol of those documents for which we fought when founding this Nation and have fought for again at every time in subsequent years when the principles symbolized by the flag were endangered.

The flag of the United States represents the concept of freedom, and that concept is embodied nowhere so well as in the first amendment of the Constitution. In a direct sense, the flag represents more than anything else the Bill of Rights.

As a North Carolinian, I have a special affinity to the Bill of Rights because North Carolina was the one State that would not ratify the Constitution as originally written. It, indeed, was a glorious document, but lacked some important guarantees of individual rights. As my distinguished colleague from Arkansas pointed out, the right to print a newspaper is no good if you do not have the right to ink and paper. What the people of North Carolina really wanted back in 1778 was a Bill of Rights.

Our Constitution did not initially contain the Bill of Rights. When the delegates to the Constitutional Convention met in Hillsboro, NC, to decide whether North Carolina would join the Union, to ratify the Constitution, they said, no, we are not going to do it. We fought the King of England; we threw the tea into the Boston harbor because we wanted a new kind of freedom. We did not want just a structured Government. We wanted certain individual freedoms and we were not going to ratify the Constitution or join this new Union until we got this kind of freedom.

So it was that James Madison and Thomas Jefferson brought together the documents that became the Bill of Rights and put in writing a guarantee that people in the United States would have certain fundamental freedoms and rights, including the right to protest against the Government; the right of free speech; the right to say that they did not like what was going on.

Indeed, you cannot really protest if you do not do it in an objectionable or noticeable way. You are not really protesting if you come up and say, "Pardon me, sir, but I do not like being in jail, hung up in handcuffs because I didn't pay my taxes." You protest in a vile, objectionable way. And our Constitution protects that. That is what our flag means when we see it wave—that we protect freedom, that we protect the right to protest. That right is fundamental.

When the young people gathered in the Square of Tiananmen to protest against the Chinese Government, they did not have the protection of our Bill of Rights, and they were shot down. But they were seeking the very kind of protection that is embodied in our first amendment from the Bill of Rights. That is what they wanted. That is what people all over the world want. They want the right to protest, the right to freedom, and the heart of freedom is the right to say no, or I do not like what the government is doing. There is no more basic freedom. If you do not have the right to protest, you do not really have freedom.

The young man who was run over by a Soviet tank standing in protest asking for freedom did not have the right to protest. Consequently, the government ran him down. People all over the world who are seeking freedom are seeking America's first amendment. They are seeking the right to be free, the right to protest. I say we must be very careful if we love the flag and all it stands for, as I do, before we start weakening the first amendment.

Mr. President, I wonder if Thomas Jefferson and James Madison, 200 years ago, could have possibly imagined that in 1990 the United States would have a frightened President who would be trying to weaken the Bill of Rights. But there you have it, we do. We have a President who is so frightened about the outcome of the next election that he believes he must do something to damage the Bill of Rights by wrapping himself in the flag. That just will not do, Mr. President.

We simply cannot say to the rest of the world that we really are not strong enough; we are not proud enough; we are not brave enough to put up with some nut burning a flag in Dallas. We cannot say to the world "go ahead and shoot down the students that gather to protest," for we have decided that governments cannot tolerate protest and we ourselves are going to weaken our right to protest.

If we damage this document, it will, indeed, be a whimper that is heard round the world because we will be whimpering wimps if we are so afraid of protest that we damage the basic document of freedom.

I do not believe we are going to do it. I do not believe that, when we stop to think about it, we can bring ourselves to damage the Bill of Rights.

My distinguished colleague from Delaware, the chairman of the Judiciary Committee, has said that he is going to try to fashion the kind of amendment that does the least possible damage to the Bill of Rights. That is like saying I am going to take a little tiny sliver out of your heart, just a little tiny sliver; I do not want to do you any damage; just a little tiny sliver. But if you take a sliver out of the Bill of Rights, it is going to be a sign to people all over the world that we do not really believe our Bill of Rights; we really are not strong enough to absorb portest; that we have to go the route of the dictator and put down protest. That is going to be the signal we send to the rest of the world that now looks to us as an embodiment of freedom if we cut open and change our Bill of Rights.

I suppose we could carry this thing a little bit further. The seal of the United States, what about desecrating that? What about tearing up a picture of the President or burning it? What about tearing up a picture of the Senate and burning that, showing, disrespect for this great body? Surely, some would say, we cannot put up with that desecration either.

But of course, we can, Mr. President. We can put up with all kinds of protests that do not do physical damage to other people. We not only can put up with it, but we must put up with it if we believe in the flag and what it stands for, because it stands for this basic document and principles of freedoms.

We say we are just pulling one feather out of the eagle's tail; we will craft it so it does not hurt very much. But you pull one feather out of the proud symbol of this Nation, the eagle, and you are going to leave an eagle bedraggled and deformed. That is what we are about to do to the first amendment to the U.S. Constitution.

I believe in the flag. I am proud of the flag. I jumped into combat with a flag sewn to my left shoulder. I can remember now waiting in a French caserne where we were billeted while we were planning to jump across the Rhine for General Patton. I remember the nights when they played the "Star

Spangled Banner" and then "Retreat," and we brought the flag down and put it away for the night. A tingle went up and down my spine, and I still feel it today when I think of it. All of those young men standing there at the base in France knew why they were there. They did not have to be there. They chose to be there because they were fighting a dictatorship that did not put up with those who criticized its actions. They were fighting for the Bill of Rights and the kind of freedom that has marked America for 200 years.

Do you want to ask me now to damage that document in the name of political expediency so someone will not run a 30-second spot against me? Nothing doing. I am not going to have history, when it looks back at this shameful moment, record me as a person who lost faith in America. I will not be on that list.

I do not want my grandchildren, great grandchildren, and their grandchildren to see that their forbearer in the U.S. Senate voted to weaken and to begin ultimately the destruction of a document that has meant so much for 200 years and continues to mean so much in the hopes of people seeking freedom and loving freedom around the world. We must not weaken the Bill of Rights, and there is no better time to say it than on Flag Day. Today, our flag proudly waves saying this is the place, this is the Nation, this is where freedom stands out, this is where freedom is protected.

Mr. President, I tell you now that I mean to stand here as this debate goes on. I intend to protect our flag and the freedom that it symbolizes, and most importantly the document which guarantees that freedom—the Bill of Rights—in every way I can.

I yield the floor, Mr. President.

The PRESIDING OFFICER (Mr. ROBB). The Chair recognizes the Senator from California [Mr. CRANSTON].

THE CONSTITUTION AND THE FLAG

Mr. CRANSTON. Mr. President, many words have been spoken on the floor of the House and Senate about the American flag—the symbol of this great Republic and this great Nation.

Throughout world history, national flags have always taken on great symbolic significance. I, no less than any Member of this body, respect the American flag for what it represents. No one in our country can respect it more than I do. Millions of Americans are justifiably outraged, and so am I, by physical abuse of the American flag. Millions have fought valiantly and many have died to protect this symbol of our Nation.

But as the debate begins on the constitutional amendment relating to protecting the physical integrity of the millions of American flags that exist in this country, we need to focus on what our flag represents—our Nation's unique commitment to individual rights and liberty. The flag itself is a symbol, but not the real essence of our democracy.

The real essence of our democracy lies in that brilliant charter of freedom which our forefathers drafted for themselves and their posterity. The American Constitution and the Bill of Rights has endured for two centuries, as the bulwark against Government intrusion into the lives of American citizens. It has withstood the test of time and helped make our Nation the greatest in the world, a beacon of hope and inspiration to oppressed people around the globe.

Every word of the Bill of Rights and every word of the Constitution represents a delicate balance between the liberty of individuals and the power of the State. For 200 years, the Bill of Rights has remained unchanged, a restraint on the powers of Government over the rights and liberties of American citizens.

And, Mr. President, the right to freedom of speech and expression protected by the first amendment is at the very heart and soul of our Nation. It is the mechanism through which all other rights are safeguarded. The right of Americans to speak out, to complain, to dissent from the policies and practices of those who are temporarily entrusted with the responsibilities of public office serve as the most powerful restraint on Government abuse of power.

The amendment proposed by the Republican leader, Senate Joint Resolution 332, would tip this delicate balance away from individual liberty and toward enhancing the power and authority of Government officials to define what Americans can say and what Americans can do. It would bestow upon Government entities at all levels unprecedented and unchecked powers over individual's activities relating to the flag. Under this proposed amendment to the Constitution, individual States would have the authority to determine what constituted "physical desecration" of the flag of the United States. The proposed amendment contains no limits or checks on the exercise of that power. It could be used to authorize some overzealous Government bureaucrats to create "flag police patrols" to monitor what citizens do with flags or how they display them. During the hearings on this proposed amendment last year, witnesses from the administration testified that the term "desecration" included putting an object to "an unworthy use." Legislative bodies would have unlimited power under this proposed amendment to determine what was an "unworthy use."

Under this amendment, citizens crossing the State lines might well face dramatically different rules as to what is and is not appropriate display of the Stars and Stripes. In one State, flag material worn as a garment might be regarded as patriotic, in another it could be a violation of criminal law.

I do not believe that any constitutional amendment can be crafted in this delicate area which would not lead to abuse of Government authority or an undermining of the freedom of speech and expression which we Americans hold so dear.

I supported the attempt to craft a statute relating to this issue because I believed that the narrowly drawn legislation we passed last year carefully defined and limited Government authority and the potential for abuse. The Supreme Court, nevertheless, has determined that such an effort cannot succeed in light of the important protections accorded freedom of expression under the first amendment.

Frankly, I admire and respect the Supreme Court for rendering that decision.

The lesson which I think we must accept from the Court's decision is that the price of a free society protected by the Bill of Rights may well be that we must accept some repugnant acts such as flag burning rather than sacrifice the most important values represented by the first amendment.

Mr. President, it would be utterly unconstitutional to weaken the true essence of our democracy, our Bill of Rights, in order to protect the mere symbol. This distinction between what is symbolic and what is real is set forth in the Pledge of Allegiance itself which begins with the phrase "I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands." It is the Republic, its Bill of Rights, its freedoms, and its democracy which the flag represents. That is what is really important about the flag.

Mr. President, we do not honor the flag of the United States by weakening and undermining the Constitution and the Bill of Rights. I did not come to this U.S. Senate to water down the Bill of Rights, and I will not engage in any actions that lead to that.

We do not honor the values and principles which the flag represents by making a vote for or against this amendment a litmus test of patriotism or the basis of a 30-second negative campaign TV commercial.

The truest and deepest form of patriotism is expressed by a dedication to preserving our Constitution and protecting the unique freedom that Americans enjoy. I believe that is best done by not tampering with the Constitution or the first amendment. For 200 years we have not altered the Bill of

Rights. We should not do so now, Mr. President.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that I be permitted to yield the floor to the Senator from Massachusetts, with the understanding that immediately thereafter, the Senator from Ohio will be recognized.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered. The Senator from Massachusetts is recognized.

THE AMERICAN FLAG

Mr. KENNEDY. Mr. President, I yield myself 12 minutes.

Mr. President, I rise on this special day to honor the American flag, and to defend the Constitution and proud heritage for which it stands.

We celebrate our flag—today and every day—not for its design or its colors or its fabric; we revere the flag because of what it stands for—the ideals of liberty and tolerance and justice that are written in the Constitution and enshrined in the hearts of every American.

Those who gathered in Philadelphia in 1787 to draft the Constitution were some of the finest minds the world has ever known. Men of true genius, they devised a structure of separation of powers and a system of checks and balances that have served as a model for nations. But they left Philadelphia that summer knowing that the Constitution they had prepared was incomplete; it lacked specific protections for the fundamental freedoms for which the American Revolution had been fought.

And so, as a condition for acceptance of the Constitution, a Bill of Rights would also be submitted to the States and ratified as part of the Constitution. For two centuries, the Constitution and Bill of Rights have served as the enduring charter of our liberties, a proud example for freedom-loving peoples throughout the world.

And for two centuries, nothing—not a bitterly divisive civil war, not a shattering depression, none of the other dramatic changes that have transformed America from a cluster of quarreling colonies to the world leader it is today—has caused this Nation to amend the Bill of Rights.

Yet, now we are being asked to do so—partly because of concern over the obnoxious acts of a few wrong-minded protesters—but largely because a partisan campaign to use the flag—and abuse the Constitution—for political advantage.

There can be no doubt that flag burning is a despicable act. It is despicable because it expresses unthinking hatred for America, and because it casts contempt on the proud symbol under which so many Americans have fought and died in service to their country. Flag burning sends a deeply offensive message—that the protester loathes the great Nation that we all hold so dear.

But the first amendment protects not only speech we admire, but also speech we abhor. For that reason, the Supreme Court ruled first in the Johnson case last year, and again this week in the Eichman decision, that flag burning as an act of protest is protected by the first amendment's guarantee of freedom of speech. "Punishing desecration of the flag," Justice Brennan wrote for the Court this week, "dilutes the very freedom that makes this emblem so revered, and worth revering." As Justice Kennedy stated in his concurring opinion in the Johnson case, "It is poignant but fundamental that the flag protects those who hold it in contempt."

The flag burners' actions were deplorable, and the Court's decision last year generated an initial firestorm of public outrage, which ignited this unwise effort to amend the Constitution. But the Court's rulings show a deep understanding of the true meaning of the Constitution; and with the passage of time, millions of Americans have indicated that they are unwilling to tamper with the Constitution in order to outlaw a particular form of dissent.

But the partisan pressure for a constitutional amendment persists. Stirred by fears of sound bites and 30-second spots, Senators who should know better are expressing willingness to sacrifice the Bill of Rights for marginal advantage in the polls.

As a Presidential candidate, George Bush waged a partisan political campaign around the flag during the election of 1988. But it is a very different thing for President Bush, as President of all the people, to use his high office to wage a similarly partisan and similarly political campaign around the flag in 1990.

The proposed amendment will do more violence to the Constitution than any low-minded flag burner could ever hope to accomplish. For the first time in 200 years, an amendment would be enacted that creates an exception to the guarantee of freedom of speech protected by the Constitution.

It is wrong to desecrate the Constitution to prevent desecration of the flag. We do not respect the flag—indeed, we disrespect the flag—when we diminish the freedoms for which it stands.

No constitutional freedom is more central to our democratic tradition than freedom of speech. The concept of free and open debate is the cornerstone of our democracy. If the government can censor its critics, then the ideal of free debate becomes an empty promise.

The words of the first amendment are simple and majestic: "Congress shall make no law * * * abridging freedom of speech." The proposed constitutional amendment would undermine that fundamental liberty. For the first time in our 200-year history, it would create an exception to the freedom of speech our Constitution protects.

It is true that the Supreme Court has recognized that the first amendment does not protect obscenity, libel, or inciting panic by shouting "fire" in a crowded theater. But not one of those judicially recognized exceptions concerns political protest, which is at the very core of the freedom of speech protected by the first amendment.

Any amendment to remove the constitutional protection for flag desecration—no matter how well intended or carefully drawn—would irreparably damage our remaining liberties. Throughout our history, freedom of speech has rested on the idea that the Constitution requires us to tolerate opposing viewpoints—not just those we approve, but those we despise as well. That tolerance is a fundamental part of our American creed. We proudly teach it to our children; it is perhaps the most distinctly American virtue.

A constitutional amendment would end that broad tolerance. Freedom of speech would protect all of us, except those who burn the flag in protest. If we adopt such an amendment, and make an exception to the first amendment because of our concern over a single act of flag burning, what will we say the next time the majority is offended by some other form of protest?

Most other offensive views be tolerated, once we have adopted an exception to the first amendment to protect others' sensibilities on the flag? If we yield to the temptation to stifle unpopular, offensive views today, there is no fair way to draw the line against other offensive views tomorrow.

A constitutional amendment would also irreparably damage the separation of powers that has protected our constitutional freedoms throughout our history. The brilliance of the framers is no more evident than in the concept of an independent Federal judiciary, sworn to uphold the Constitution's bulwarks against the swollen tides of public outrage.

For more than 200 years, we have trusted the courts to determine when expression is protected by the Constitution, because judges insulated from public pressure can best evaluate the claims of unpopular minorities. But adopting a constitutional amendment would forever upset this separation of powers; elected officials would decide when minority views are worthy of protection. Once we adopt this precedent, no unpopular minority can safely assume its rights will be preserved.

Next year, we will celebrate the bicentennial of the Bill of Rights. It would be the height of hypocrisy for Congress to commemorate that historic anniversary by proposing to amend the first amendment for the first time in our history.

One of the most heartening developments in this century has been democracy's recent rush through Eastern Europe. Those fledgling democracies have looked to America as their model for a consitutional democracy. Mr. President, it would be worse than ironic, it would truly be tragic, if at a time when our Constitution is the exemplar for the world, a loophole is carved in the first amendment to secure a partisan political advantage.

The proposed constitutional amendment will not bring flag burning to an end. Love of country cannot be legislated; it springs from affection for the democratic principles, the free traditions, and the generous and noble character that are uniquely American.

As Justice Brennan wrote:

[t]he way to preserve the flag's special role is not to punish those who feel differently about these matters. It is to persuade them that they are wrong.

We respect the flag most—and protect it best—when we honor the freedoms for which it stands. I urge my colleagues to reject the proposed constitutional amendment.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

FLAG DAY

Mr. METZENBAUM. Mr. President, today is Flag Day. For 74 years, we have set aside this day to honor the symbol of our glorious history. The flag of the United States of America is intertwined in our lives in so many ways. For every American, it means something different, something special.

To me, more than anything else, the American flag signifies our country's commitment to individual liberty and and human freedom.

To some, apparently, it represents a crude opportunity to score some cheap political points. I scorn that approach. I resent that approach. I deem it insulting to the glory of the flag.

Flag Day is one day of a long year. But on every other day, millions of Americans fly the flag with little fanfare and no self-righteousness. They fly it freely and voluntarily.

There is no law in this country which compels respect for the flag. There is no ordinance which demands that Americans wave Old Glory. The millions of Americans who wave the flag do so because they choose to do so. That is what makes the overwhelming public respect and private affection for the flag so meaningful.

Americans are absolutely free to ignore the flag and, yes, even desecrate it. We resent it when they do. We abhor it when they do. We despise those individuals who do so. Yet so very few of our 147 million citizens would even consider doing so. That alone should speak volumes about the kind of country in which we live.

The power of the flag is not found in the fabric. The flag's power rests in the values and freedoms which it symbolizes. If we diminish those freedoms, then we diminish our founding principles and we diminish our stature throughout the world.

Unfortunately, one of the values symbolized by the flag is under siege. That value is freedom of expression, freedom of speech, freedom to state your point of view.

As Justice Kennedy wrote last year—and has been already quoted by Senator KENNEDY—"It is poignant but fundamental that the flag protects those who hold it in contempt."

That simple truth is under attack. The Supreme Court's decision on Monday has ignited another misguided attempt to protect the flag by cutting back the liberties for which it stands.

The Court's decision was correct and it was courageous. It reaffirmed the fundamental principle of the first amendment: Expression cannot be restricted simply because the Government deems it offensive or outrageous. The first amendment is meaningful if it only protects expression approved by the majority.

Look around the world, Mr. President. Nations in Eastern Europe are opening up and allowing dissent, and we are applauding them. Inspired by our Bill of Rights these nations are no longer restricting expression. Instead, they are promoting it, even expression which threatens the legitimacy of those who are in power.

What an absurdity it is that we here in America are talking about a constitutional amendment to curb freedom of expression while the Soviet Union, I think, within the last day or two has just changed their laws to make possible freedom of the press. Could anyone believe this? Is that real? Did I make it up? No. It is true. The Soviet Union is moving toward freedom of the press, and the United States, according to some, particularly some politicals, would like to curb freedom of expression here in this country.

Curtailing free expression runs counter to the outbreak of democracy around the world. How can we demand more openness and political freedom in Eastern Europe and in China, in Korea, and other parts of the world while we move to suppress political expression here at home.

Yet here we stand, supposedly the example for the world, ready to shrink the Bill of Rights because of a handful of flag burners.

We here in America, within the last week or two, applauded those who in China stood on Tiananmen Square and voiced their expression, their dissent, and, yes, some who burned their flags, and we thought it was a magnificent expression of their desire to have freedom, to have democracy, to have the right to speak out in China. We applaud it. We thought it was great, and we condemned the Chinese, and indeed we do, and when the anniversary of Tiananmen Square occurred just a week or two ago, again our politicals stood up and said what a great thing had happened a year ago.

Now today, we find ourselves with a barrage of speeches demanding that we immediately amend the Constitution. It has even been suggested that we act today, Flag Day.

That is incredible, Mr. President. For 200 years the Bill of Rights has stood as the most eloquent and durable political charter the world has ever witnessed. And now it is proposed that we amend the cornerstone of that charter—the first amendment—in 3 days, simply because a couple of media-hungry protesters burned the flag.

The question before us is not: How much do we love the flag? No one doubts that every Member of this body cherishes and respects the flag.

The question before us is whether we are going to ignore the first amendment and suppress a form of expression which we do not like. The answer to that question must be a resounding "No."

Some supporters of an amendment want to have it both ways. They say that passing a constitutional amendment to outlaw flag desecration involves no real loss of first amendment liberties, since protesters can express their dissent in countless other ways. This is a dangerous argument, which has no root in our tradition.

When the Government dictates which forms of protest are acceptable—and which are not—the right to dissent is all but meaningless. True, there are nations that allow their people to dissent, as long as they do so in an officially sanctioned manner. Up to now, our Nation has never been such a nation. Let us not say what

kind of expression may be made. Let us not limit the right to dissent.

There is no painless way around this issue. If we pass an amendment which outlaws flag burning, we will be jailing people for expressing themselves in a manner protected by the first amendment. For the first time in our history, we will have amended the Constitution in order to shrink, rather than expand, the Bill of Rights.

I am angry that once again we are going to turn the Bill of Rights into a political football. In 200 years, the Bill of Rights has never, never, been curtailed. This country has gone through a Civil War, two World Wars, and a Great Depression—monumental events which tested our strength and unity. But in those moments, we resisted the temptation to cut back individual freedom.

Once you start fiddling with the Bill of Rights to outlaw offensive expression, where do you stop? Are we going to start jailing people for burning a copy of the Constitution, trampling on State flags, or drawing disrespectful caricatures of the President?

I must say to you, Mr. President, that I resent it when I go by some automobile dealer's place and he has a large spread and a tremendous flag, maybe one of the biggest I have ever seen, flying as an attention-getter. I think that is disrespectful of the American flag. But I would not pass a constitutional amendment to outlaw his or her right to do so.

Are we going to outlaw commercial exploitation of the flag in advertisements? Are we going to say that you cannot have a picture of the flag on your pants or on your jacket or on your hat?

Supporters say the polls show the people want a flag amendment. Are we going to start passing constitutional amendments which shrink the first amendment every time the polls show that 60 percent of the people do not like a particular form of expression?

Perhaps the most disturbing aspect of this issue is that some Senators might support a flag amendment even though they know it is wrong to do so. But they may support it, because they fear giving their opponent an issue in the next election.

One of my colleagues who supports a flag amendment was quoted in Tuesday's paper as saying that a vote against the amendment "would make a good 30-second spot" for a Senator's opponent.

What a shameful comment, Mr. President. What an inappropriate comment for one of the leaders of the Republican Party to be talking about this being the issue of the nineties. The Bill of Rights is being held hostage by fears of 30-second TV spots which distort issues and smear reputations. Our Founding Fathers would be appalled to see this.

Let us not make freedom of expression a partisan issue. Four of the five Justices who voted with the majority Monday were appointed by Republican Presidents.

Let us not play politics with the Bill of Rights. Let us not have a crass competition to see who loves the flag more. Let us not dishonor Flag Day by wrapping ourselves in Old Glory in order to score a few points in the polls.

This Nation has more important things to do than amend the Constitution in order to jail a few flag burners. Let us summon a little political courage and say to the voters: Yes, flag burning is offensive. But the reason this country is a shining example for the rest of the world is that we protect all political expression, even when it is wrong-headed, offensive, and outrageous. That is not such a complicated idea.

We do not protect the flag by diminishing the liberties for which it stands. We do not breed respect for the flag by legislating devotion to Old Glory. And we will not strengthen this Nation by weakening the Bill of Rights.

I yield the floor.

The PRESIDING OFFICER. The Chair would remind the Senate at this time that the unanimous-consent order required that the 3 hours be equally divided. The Chair has made the assumption that those who are arguing against the amendment would be controlled by the majority leader, and those that were arguing for the amendment would be controlled by the Republican leader. With this understanding, all time that had been controlled by the majority leader would have expired at this time.

Who yields time?

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Texas. He has 66 minutes that are controlled by the Republican leader under the original unanimous-consent order.

Mr. GRAMM. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Texas is recognized for 5 minutes.

Mr. GRAMM. Mr. President, I do not think I will take the 5 minutes.

I listened to our dear colleague from Ohio. I guess my response is basically this: I believe in free speech. I think if a case had been made that individuals would be unable to express their opinion on a particular subject unless they had the right to destroy the symbol of the freedom that protects their right to express their opinion, that I would come to the same conclusion as our dear colleague from Ohio. But I am not convinced of that, Mr. President. In fact, I do not see how protecting the symbol of freedom, including the freedom of speech, in any way limits the exercise of free speech.

If somebody wants to jump up and down and express their opinion, if they want to set their britches on fire to call attention to themselves, they have every right to do that, as long as they do not set anybody else's britches on fire. But I do not believe that desecrating the very symbol of freedom is part of any legitimate freedom of speech.

What the proposed constitutional amendment says is that the Congress and the States have the right to prohibit the desecration of the American flag.

Mr. President, we tried to do this by statute. If we could have done it that way, I would have preferred it. The President studied the whole matter in great detail. The Justice Department looked at it. And he concluded, based on the previous Court ruling, that it could not be done by statute. I think the ruling of the Supreme Court obviously proved the President to be correct.

Now, perhaps if we did not have our unique Constitution, when the Supreme Court ruled that the desecration of the flag was protected by free speech, that would have been the end of the debate.

But, because we have that Constitution and because it is a living Constitution, we now have under the constitutional process the clear right and procedure to come back and say that we want to give Congress and the States the right to protect the symbol of our country.

Mr. President, I say if people want to protest, if they want to tell the world how they hate America, they can jump up and down, they can do it, they can scream, they can holler, they can set their britches on fire. But we simply ask that they not defile the symbol of the very Nation on Earth that allows them all this freedom to dislike it so much and so publicly.

Finally, let me say this, I guess because I do not find patriotric displays by small businesses to be offensive. I love it because it helps pay for this great Capitol that we work in, it paves our streets, it feeds the hungry, it pays for the schools. I rejoice when I drive by an auto dealer and I see a huge American flag. I would like to see more flags. I in no way find that offensive. Perhaps some may. I do not. In Texas, on the expressway, after you go past another symbol, that of Texas Stadium where the Cowboys play, just beyond that on the right is a huge American flag by an auto dealership. As you drive by there you see the sun shining through it. It is a spectacular sight to behold and if it helps him sell an automobile as a result of somebody like me who loves to see the flag in the sunshine, God bless him. He is going to pay 28 percent taxes on it and it is going to lower the deficit which may

be more than we in Congress do this year.

So I rejoice in it.

Mr. President, I yield the remainder of my time.

Mr. SHELBY. Will the Senator from Texas yield 6 minutes?

Mr. GRAMM. I will be happy to yield 6 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 6 minutes, time chargeable to the Republican leader.

Mr. DURENBERGER. Mr. President, may I address the Chair before the Senator from Alabama begins?

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DURENBERGER. I do not know what the Chair has in mind with respect to dividing up the time, I think it would be helpful to those four or five Senators in the Chamber to know exactly what the Chair has in mind.

This Senator, a Republican, intends to speak against the amendment. I do not know what the Senator from Alabama intends. But it does not necessarily, I think, follow from party line, whether or not the Senator is going to be for or against this amendment.

I know when I came into the Chamber, Senator SIMON was standing, trying to speak. Senator KASSEBAUM was already in the Chamber.

I might suggest if it is possible the Chair might setup some sort of informal arrangement for speaking?

The PRESIDING OFFICER. The Chair advises the Senator any Senator who wishes to speak would simply request unanimous consent that the time allocated be taken from the time that is currently reserved by the Republican leader, for whichever purpose the Senator desires to speak.

At this point the Senator from Alabama is recognized for up to 6 minutes.

CONSTITUTIONAL AMENDMENT IS NEEDED TO SUPPORT AND UPHOLD THE INTEGRITY OF THE FLAG

Mr. SHELBY. Mr. President, I rise today to honor the flag of my country. In 1777, the Second Continental Congress resolved:

> That the flag of the United States be 13 stripes, alternate red and white; that the union be 13 stars, white in a blue field representing a new constellation.

We honor our flag and all it symbolizes both in our Pledge of Allegiance to that flag and in our National Anthem, "the Star Spangled Banner."

The tattered banner which once flew in battle over Fort McHenry today hangs in honor in the Smithsonian Museum.

Recalling that fateful night of September 13, 1814, years later Francis Scott Key told his hometown audience:

> I saw the flag of my country waving over a city * * * a city devoted to plunder and desolation by its assailants. I witnessed the preparation for its assaults. I saw the array of its enemies as they advanced to the attack. I heard the sound of battle; the noise of the conflict fell upon my listening ear, and told me that "the brave and the free" had met the invaders.

Mr. President, just as our flag was under assault in 1814, it is equally under assault again today. Not from without, however; rather from within.

Our flag is a symbol of our sovereignty. Yet there are Americans today who rejoice in its burning.

As Henry Ward Beecher said, "our flag also symbolizes the Government, the principles, the truths, the history that belongs to the Nation." Yet, sadly, there are Americans who would trample it asunder.

Today we celebrate the birth of our flag, and as President Wilson said in 1917, "this flag, which we honor and under which we serve, is the emblem of our unity, our power, our thought and purpose as a nation." And yet, sadly, there are Americans who would rip, tear, spit upon, and cast aside this glorious symbol of our past, present, and future.

Too many have died; too many have bled; too many have made good with their lives and fortunes for us to allow our flag to be trashed.

Mr. President, last October the Senate passed legislation that made it a crime to knowingly mutilate, deface, burn, maintain on the floor or ground, or trample upon any flag of the United States. The passage of the legislation was in response to several incidents in which the American flag was burned.

Last October I stated that I did not believe that the mutilation of the national flag fell within the purview of first amendment protection. I further stated that the Supreme Court would probably hold that the mutilation of the flag was protected conduct. On June 11, 1990, the Supreme Court fulfilled my prediction.

During consideration of the now-found unconstitutional legislation, I discussed the need for a constitutional amendment. To that end I cosponsored Senate Joint Resolution 180 that called for a constitutional amendment.

Today, Flag Day, I rise in support of Senate Joint Resolution 332 which is identical to Senate Joint Resolution 180.

The resolution simply states that: "The Congress and the States shall have power to prohibit the physical desecration of the flag of the United States." This, in my opinion, is the suitable response.

It stretches the imagination to include the desecration of the United States flag within the zone of protection offered by the first amendment. The flag of the United States embodies the true spirit of democracy.

Mr. Justice Stevens, in the Texas versus Johnson decision elaborated eloquently on this point. It is so important and central to this argument that it cannot be paraphrased but must be quoted in its entirety:

> A country's flag is a symbol of more than nationhood and national unity. It also signifies the ideas that characterize the society that has chosen that emblem as well as the special history that has animated the growth and power of those ideas.
>
> So it is with the American flag. It is more than a proud symbol of the courage, the determination and the gifts that transformed 13 fledging colonies into a world power. It is a symbol of freedom, of equal opportunity, of religious tolerance and of goodwill for other peoples who share our aspirations. The symbol carries its message to dissidents both at home and abroad who may have no interest at all in our national unity or survival.

In the consolidated flag-burning cases, Mr. Justice Stevens stated the point that many in Congress and around the country have known; namely that "the Government may—indeed, it should—protect the symbolic value of the flag without regard to the specific content of the flag-burners' speech."

Because the flag desecration statute was struck down, those of us who support the protection of the flag have no room for compromise. There must be an amendment to the Constitution.

Mr. President, I can reach no other conclusion than that the desecration of the flag of the United States must be prohibited.

I believe in democracy. Therefore, I have joined with my colleagues, on both sides of the aisle, in supporting legislation that provides for a constitutional amendment which will absolutely protect the integrity of the flag of the United States.

While I understand that a constitutional amendment should not be taken lightly in this instance, I believe that a constitutional amendment is both warranted and necessary. I urge all of my colleagues to support Senate Joint Resolution 332. Only then, to paraphrase President Wilson, shall we make good the great faith to which we were born, and a new glory shall shine in the face of our people.

I yield the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. DANFORTH. I yield 5 minutes to the Senator from Illinois.

The PRESIDING OFFICER. the Senator from Illinois is recognized for 5 minutes.

GREAT RESPECT FOR THE FLAG

Mr. SIMON. Mr. President, I have great respect for the flag. I think the last time I spoke on this the Senator from Virginia was in the Chair, again, at that point.

I live in a little rural area in deep southern Illinois. We have a flagpole and flag flying at our home 24 hours a day. I am proud of that flag.

When I was in the Army, one of the things that gave me a thrill—and maybe I am a little old fashioned—was to be at a football game, or something, they played the "Star-Spangled Banner," you stood there and saluted and it did something to you as that flag was raised.

I disagreed with the Supreme Court decision. Very interesting, Justice Hugo Black, the all time champion of freedom of speech who believed even that libel laws were unconstitutional, a quarter of a century ago in a decision wrote:

> It passes my belief that anything in the Federal Constitution bars a State from making the deliberate burning of the America flag an offense.

I agree with him, not the current Supreme Court. But because I disagree with an unpopular decision by the Court does not mean that we ought to then all of a sudden rush in and, for the first time in 200 years, amend the Bill of Rights.

I am offended by someone burning the flag. I am offended by someone burning a Bible. I am offended by someone walking the streets in Nazi uniforms. But every time one of these things happens that offends us, we cannot just amend the Constitution.

We are not dealing with a major problem in our country today. I am 61 years old. I have never in my life seen anyone burn a flag. Let me tell my colleagues, in little rural Macon, IL, if anyone wants to burn a flag, it is not going to be a constitutional amendment that is going to stop them. The people of that community will not let whoever wants to do that get very far, and I think that is true of virtually all America.

There has been, over our history, a tendency to want to rush in with a constitutional amendment when there is an unpopular court decision. At one time, we almost had an amendment to the Constitution outlawing polygamy. Fortunately, we solved that problem without a constitutional amendment. We should not just clutter the Constitution with a variety of things.

There are serious things we ought to address. I happen to think the whole question of the deficit is one we have to address with a constitutional amendment. It is a major problem confronting the Nation. But it ought to be major problems that cause us to face up to these things.

Each of us—my colleagues from Wyoming and Missouri, Washington, Alabama, and Virginia—each of us stood in this Chamber and took an oath to defend and protect the Constitution from all enemies, foreign and domestic.

I say to my friends, I think we ought to abide by that oath, and I am not suggesting anyone who votes for this constitutional amendment is not abiding by that oath. But I think one of the things we ought to do to protect the Constitution is to slow down this process and not rush in when there is an unpopular Court decision. I disagree with the Court decision, but I do not want to amend the Constitution.

Very interesting. Right now in Central and Eastern Europe, freedom is expanding, and we are thrilled by it. Let us not in this day of greater expansion of freedom amend the Bill of Rights of the U.S. Constitution. Let us not move in the opposite direction. I hope we show some courage and do not adopt a constitutional amendment.

I yield back the remainder of my time.

Mr. SIMPSON. Mr. President, I ask the manager of the time if he might yield 3 minutes for the purposes of my remarks?

The PRESIDING OFFICER (Mr. SHELBY). The Senator from Wyoming has 39 minutes and 28 seconds left.

LET THE AMERICAN PEOPLE DECIDE

Mr. SIMPSON. I will not need hardly any of it.

Mr. President, I enjoyed hearing the remarks of my friend from Illinois, and I thank the Senator from Missouri for his accommodation. It is a strange place, and that is what makes it so unique, because I can almost say every word he has said and yet I come to a different result.

I come from a small community where the respect and admiration of the flag is total. If someone did burn the flag, if somewhere in the environs of Cody, WY, they would be dealt with in dazzling fashion, regardless of what happened to whatever rights they were trying to portray or whatever statement, I believe the phrase was used, they were trying to make.

In fact, I saw some jurisdiction the other day said the crime for beating up somebody who burned the flag was not battery under the fine of $500; it was only 5 bucks. If they catch the guy burning the flag and whomp on him, then the fine is $5. That is an interesting approach to the issue.

Let me just say it is, ironically enough, Flag Day today. We knew what would happen. I think we knew the Supreme Court might strike down this measure, and they did. I think the American people feel very strongly about protecting the flag and how far as a nation are we ready to go to ensure the flag remains clearly in our national conscience.

I do not want to tamper with the Constitution. But I am saying that if this measure is approved here, it is not effective until the people show their approval through the ratification process. Only if three-fourths of the States ratify this amendment will it have its desired effect.

So I do support the approach. I supported the statutory approach. I think we need this protection in place in order to help avoid a repeat of the idiotic and puerile and ignorant acts which give rise to the issue.

Let me just say, I have a faith in the people, the good people in the State of Wyoming and America. I know they are not going to vote on a proposal without having given the matter a great deal of thought and soul searching. I have similar faith in citizens of all the States. The Constitution belongs to the people. It is only fitting that they make the decision on whether it should be amended.

Why are we so reluctant to let the people speak directly to the issue? Let them do it. Some argue we are tampering with the first amendment, on the one hand, while 3 weeks ago many were stomping all over the second amendment, the right to keep and bear arms. It is a selective kind of an operation here. I see some inconsistency in the reference for the Bill of Rights, after watching that debate.

So I do support the adoption of the measure. I encourage my colleagues in the Senate to send a proposal to the States because on an issue of this importance, the people have to be the final decisionmakers, and that is just exactly how it should be, letting the American people decide for themselves the only correct decision we, the Senate, can make on this matter.

What in the world are we afraid of?

I will admit my prejudice. As I say, I woke up every morning for 2 years and saluted the flag in the United States Army, the infantry, serving in Germany at the end of the Army occupation. I watched our leader, BOB DOLE, give part of his anatomy to the freedom of this country. No wonder he speaks with such powerful depth on the issue. We should heed that.

So I say let the American people decide. This is what democracy is all about. If they do not want to do it, they will not; if they do, they will. But it should be in their hands.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DANFORTH. Mr. President, I yield myself such time as I might require. I do not think it will be long.

NO CONSTITUTIONAL AMENDMENT

Mr. DANFORTH. Mr. President, I have been sitting on the floor for the last 40 minutes or so listening to the debate. I must say that I am impressed by the seriousness of the debate on both sides of this issue. It indicates

that in the minds of those Senators who have spoken on both sides that what we are facing is not a throwaway vote. This is not going to be just a situation where people amble on to the floor of the Senate and vote off the top of their heads. This is receiving a great deal of attention and it should receive a great deal of attention and debate within the Senate and by the American people.

I am opposed to the constitutional amendment.

I am opposed to the constitutional amendment for at least a couple of reasons, and I would like to outline them today.

The first is that this proposed amendment would have the effect of amending the Bill of Rights. It would have the effect of altering the first amendment to our Constitution. In the 200-year history of our country, the Bill of Rights has never been amended, never been changed. Not a word, not a comma in the Bill of Rights has been changed.

There are many people, probably all people who serve in Congress and the vast majority of people, who believe that the American flag is very, very important and that the American flag should be honored and the American flag should be protected. That is not the issue that will be before our country. What will be before our country is whether we should amend the Constitution of the United States in such a way as to pare back the Bill of Rights, whether the time has come to whittle away just a little bit, and in one particular fashion, on the first amendment to our Constitution.

Some say that there are clearly other ways to express yourself than by burning a flag, and undoubtedly that is true. But the Bill of Rights of our Constitution does not say that it is all right to speak if you speak in the accepted way. The Bill of Rights does not say that you can say whatever you want to about our Government and about our country provided you do not say certain things about our Government and about our country.

There are those who make the argument that the first amendment should be narrowly construed. My good friend, George Will, with whom I agree more often than I disagree, wrote a column in the Washington Post this morning stating his view of how the first amendment should be construed, in my view, an exceedingly narrow and nuanced reading of the first amendment.

The first amendment does not say only that we are free to speak, as though only words are what are involved. The first amendment applies to freedom of speech, freedom of the press, freedom of assembly, all encompassed in the same amendment of the Constitution. The meaning being, of course, that what is to be respected and permitted under the first amendment of the Constitution is expression, and especially political expression—not one kind of political expression, not the approved kind only of political expression; we would not need a Constitution to protect that; but political expression, speech, the press, assembly, all lumped together in the same constitutional amendment, all protected.

Flag burning, flag desecration, clearly abhorrent to all of us, is mere political expression. That is, it is political expression and it is only political expression. It is not done for any other purpose, and it has no other affect.

Flag burning is not vandalism in the formal sense of the word, destroying somebody's else's property. If it were, it could be punished as vandalism. It is not rioting. It is not burning down a building or staging a sit-in or bringing Government to its knees. It is solely a political expression. The issue before us is whether mere political expression now is to be curtailed or whether the Constitution continues to protect political expression so long as it does not involve extraneous matters such as vandalism, for example, or burning down buildings and the like.

I believe that it is an extraordinarily serious matter to amend the Bill of Rights. It is unique in the annals of American history, and we should not begin that now.

The second point I wish to make is in response to a comment recently made by President Bush. I think that last year I led the delegation from the State of Missouri in percentage of votes cast in support of the President, so clearly I am a supporter of President Bush. But that does not mean that I always agree with the President. He made one statement about flag burning which I think deserves examination and with which I disagree. He said that flag burning "endangers the fabric of our country."

I ask the Members of the Senate and the people of the United States to reflect on that statement and to ask yourselves is that really correct; is it really true in your mind that flag burning endangers the fabric of our country?

I submit that while it is reprehensible and repulsive and obnoxious and disgusting, in no way does it endanger the fabric of our country. Why is it that we do not have revolutions in the United States? Why is it that revolutions are not even on the horizon? Nobody even really thinks about revolution. In the 1960's, during the Vietnam war, there were some people who called for revolution—a tiny minority, not a serious threat of real revolution.

Why is that? What protects the fabric of our country is its elasticity. What prevents the fabric from tearing is elasticity. We, thank God, do not live in a brittle, fragile country, because in our country anybody is free to express himself and the answer to any self-styled revolutionary is, "Say your piece. Say what you want to say. Express yourself. Make your point. Run for office if you want to."

Then let the people vote. That is the answer to revolutionaries. It is precisely the answer that Senator SIMPSON just gave. Let the people speak. Present your views, and then we have a forum, and the forum is not on the battlements or the barricades. The forum in this country is at the ballot box. Express yourself. Then let the people decide in the election process. That is why our country works.

I can remember back 20 years ago or so the saying that was frequently used by those who were very concerned about protestors. It was, "America, love it or leave it."

Mr. President, one very interesting thing about our country is that statement really does not have any weight. Anybody is free to leave the country if they want to, or renounce citizenship if they want to. But no matter what your political views are, you cannot be kicked out of this country. No matter what your political views are, as a matter of law, your citizenship cannot be revoked.

What is more, if you are out of the country and you are traveling on a passport, you have an absolute right to get back in—no matter what your political views. If you show up at the border, and you have a right because you are an American citizen—because you were born here. You have a right to get back in.

What is the importance of this? That the whole theme of our country is to embrace within it diversity—not to allow some people in, but to allow everybody in; not to allow some people to speak, but to allow everybody to speak; and then let the people vote on it.

The theme in our country has been inclusiveness. Our history has been a history of inclusiveness: the 13th amendment, former slaves; the 15th amendment, enfranchising blacks; the 19th amendment, enfranchising women. We have expanded this country to include more and more people. It is the glory of America.

Now—there are those who say we have gone too far. There is some type of political expression that, as the President says, endangers the fabric of America. Ask yourself whether it does. Those of us who seek political office, those of us who are professional politicians, ask yourselves if flag burning and flag desecration truly endangers the fabric of America. And just run through the following little hypothetical, if you will.

Let us suppose that you are 1 week away from election day and you are running for office. The polls show

that your opponent is head to head with you in this campaign. Fifty-fifty in the polls, you are fighting for your political life. Your campaign manager comes into your office and says,. "Guess what? Your opponent has just gone to the courthouse steps and burned the American flag."

How would you react? Would your reaction be one of fear? Would you be frightened that somehow there was a movement afoot and the flag burners were ready to capture the country, or as a politician would say, "I have won. I have won the election. I am running against a crackpot." That is what you would say.

The fact of the matter is that the more outrageous people are in expressing political views, the less dangerous they are. That is why we should never be afraid of outrageous statements of political positions, or outrageous expressions. They do not endanger anybody. They dig the people who do that kind of thing deeper and deeper into a hole.

Mr. President, some have said this is some hot political issue. "Oh, the 30-second commercials are going to decide the next election." I want to say to the Senate I do not believe it. I just do not believe it. I believe that the American people, when they finally weigh in on this issue are going to say, "We are not really threatened by these crackpots. We are not afraid of them. This is not the land of the cowardly or the fearful. We are not afraid of a bunch of cranks and nuts. And we want our Constitution, not just a piece of it. We want all of it. And we want our Bill of Rights. We want our first amendment."

I believe that is what the Amerian people are going to say. They are going to say "no" when they weigh in on this constitutional amendment.

When you think about what happened after we passed the statute, what happened? Immediately after the statute was passed, what happened? The flag burners went out and burned the flags. The passing of the statute triggered the flag burning. Could it be, Mr. President, that the people who really want us to change the Constitution, the people who really want the Constitution changed, are the people who really do not like us much anyhow?

Could it be that the people we are pleasing most are the people who have burned the flags in the past?

I do not think there is going to be a great political deal for those who support it but, Mr. President, even if it were a great political plus to support this constitutional amendment, it is just not worth it. It is just not worth it. No election, no pocket of votes here or there, no few percentage points in the poll, if that is the way it turns out, justifies even the slightest nick in the Bill of Rights.

People could say, oh this is just a little nick. But, it is a nick in the Bill of Rights, and I do not think the American people, when they are finally heard from, are going to stand for it.

Mr. ADAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

ORDER OF PROCEDURE

Mr. ADAMS. Mr. President, I ask unanimous consent that the time in morning business for discussion of the flag amendment be extended for an additional 6 minutes in order that I may make remarks in morning business on another subject.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ADAMS. Mr. President, I will address the flag burning issue at another time. I agree with Senator DANFORTH. Great thought must be given. I agree with many of the statements that he made.

But I will reserve those remarks for another day, for a longer period of time, because today I have a very important job to do on another subject, which is to introduce a bill to authorize additional funding for pollution and prevention and cleanup in Puget Sound in the State of Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. ADAMS. I thank the Chair.

(The remarks of Mr. ADAMS pertaining to the introduction of S. 2734 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mrs. KASSEBAUM. I thank the Chair.

(The remarks of Mrs. KASSEBAUM pertaining to the introduction of S. 2735 are located in today's RECORD under "Statements on Introduced Bills and Rights Resolutions.")

ORDER OF PROCEDURE

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, if I may resume briefly the discussion of the constitutional amendment.

The PRESIDING OFFICER. The Senator from New York is recognized for that purpose.

Mr. MOYNIHAN. I thank the Chair.

THE FLAG AMENDMENT

Mr. MOYNIHAN. Mr. President, for the first time in two centuries the Senate is to consider an amendment to the Constitution which would touch directly and alter the first amendment to the Constitution. One of the first things we did as a legislature, two centuries ago having at once established a quorum in New York City where we met, was to adopt a first amendment to the Constitution.

In fact, it was not specifically the first legislative act, but it was the great achievement of the First Congress: To wit, the Bill of Rights and of that bill, the sparkling first amendment—the most important statement about individual liberty in a free society ever made, and upheld repeatedly in constitutional invocations here on the floor, in the courts, and in the school houses of our United States. It is this which most distinguishes us, Mr. President, from other peoples. It is that which has most protected us at other times and at this time.

The first amendment has been under assault before, but never from the institution that created it, never by the heirs in a specific continuous place, never in this body. Look around you, and you will find the desk of Webster, and the desks of other men who knew the men who wrote those words. We as Senators, are assigned these desks in a stately progression of the first class of Senators, the second class of Senators, the third class of Senators, each of us having specific forebears from those first days in New York where by lot 6-year, 4-year, and 2-year terms were assigned.

It is one of the great features of the American political mind and the constitutional genius, that there is yet something illogical about the Bill of Rights. It did not conform to the pure theory of representative constitutional government that had been adopted at Philadelphia.

The Constitution adopted in Philadelphia was a limited grant of powers from the States or, alternatively, from the people of the States—that was never made clear—to a national government. The clear and implacable logic of that grant was that any power not given to the Federal Government, the Federal Government could in turn, not exercise.

The logic was clear and, indeed, was repeated in the "the powers not delegated to the United States by the Constitution, not prohibited by it to the States, are reserved to the States respectively, or to the People."

And with perfect logic it was said, there is no need for a Bill of Rights. Indeed there might even be some danger in listing things the Federal Government cannot do, because you might leave something out and somehow imply that if it is not listed, therefore it is not forbidden.

Yet, those extraordinary men of Philadelphia, James Madison in particular, who came to the House of Representatives, sponsored the Bill of Rights. There were 12 amendments

first. They were acting in what was technically an illogical manner, yet one wholly consistent with their theory of government, what they called, the "new science of politics."

They asked why would anyone suppose that this arrangement they had put together would fare any better in real life than the fugitive experiences of the republics of classical Greece and Rome? They said there is a reason. The reason is that we are skilled. We are knowledgeable in "the new science of politics."

The heart of that science, Mr. President, is that you do not rely on the virtue of the citizenry and the virtue of leaders to maintain the virtue of government.

To the contrary, as Madison said in one of the Federalist papers, it is by opposing one set of interests to another, by checks and balances as we have come to know them, by dividing the Government into three branches and different layers that the conflict of interests offsetting one another makes up for what Madison calls in a lovely phrase, the "defect of better motives."

So, within a perfect manner, they said, it may not be logical to have a Bill of Rights, but given the "defect of better motives" or even the lack of reasoning powers such as those on display in Philadelphia, maybe we better do it anyway, just in case. And, how wise they were.

How the world has looked to us, how we have looked to it. We have seen our neighbors to the north in Canada deliberately adopt a Charter of Freedoms in their Constitution modeled on that of the United States Congress. We have visitors from Westminster say to us, that in Britain they are beginning to think: ought there be a list of things the Crown cannot do, and the Parliament may not enact, just as there are self-restricting enactments here.

We had thought this settled, Mr. President. Then we found it not to be. We find to our dismay a President of the United States proposing to infringe the liberties of the people by impairing the first amendment. Just a little bit, granted, just a little bit. But there is no such thing as "almost" free speech. There is free speech or there is not.

Thus we put up with the indignities of the people who do outrageous things for the purpose of outraging us. Grownups are supposed to know how to deal with that. Dare I say that if you have raised a family you know a little bit about that kind of behavior. Dare I say that if you have ever dealt with a mob you know a little bit about that kind of behavior. Dare I say that the function of discipline in a free society is not to be provoked into behavior that is less than free or diminishes freedoms.

The whole style of the demagog is to provoke actions which prove his case. Nothing has been more pathetic, if bloody, than the behavior of people like the Red Brigades in Italy, who brutally murdered jurors, legislators, Aldo Moro, the Prime Minister; convinced that a brutal bourgeois society would retaliate by destroying all that superstructure of bourgeois toleration and liberty which led to a false consciousness to the proletarian and all that nonsense.

And the courage with which they faced this—I think of the Italians in this regard, Mr. President. They saw a Prime Minister kidnaped, tortured, murdered; all done for the specific purpose of provoking retaliation inkind from the authorities. But the authorities had the understanding, the wisdom, the clarity to see this and to thwart the purposes of the terrorists.

A general in charge of the investigation of the murder, assassination and murder, of Aldo Moro put it this way. I will use his words. They will not be precise, but they catch the flavor of his point of view. He said, "Italy can survive the murder of Aldo Moro. Italy cannot survive the introduction of torture."

Now that is a man. That is a Republican, a Democrat, a free man who understands the processes of freedom.

Mr. President, I voted, as I believe we all voted, did we not, for Senate Joint Resolution 151, which expressed the Senate's commitment to preserving the integrity of the flag. I have not thought a great deal about this matter. The flag was always just there in my life as in the life of most of us. A symbol, a wonderful symbol.

I joined the Navy in time of war at age 17 and did so under that flag. I never thought of it as anything more than what it was, a symbol of our country, our unity, our States, 13 original, there were 48 States at that time, 50 now. Our history is embodied in that wonderful symbol, but that is that. It is to be treated with respect, veneration, if you like not veneration beyond that which is forbidden to graven images, but you know we love that flag. How did George M. Cohan say it? "Every heart beats true under red, white, and blue; where there's never a boast or brag; Should old acquaintance be forgot, Keep your eye on the grand old flag."

And that is right. And nothing honors it more than to preserve the liberty it represents.

I was one of the nine Members of the body who on October 5 of last year voted against the Flag Protection Act. I had no animus against the act. I respected anybody who voted for it. And no one suggested that there was anything the matter with those nine of us who voted against it. But the Supreme Court had said it would not work. The Supreme Court said you cannot do it. And we cannot.

I have said on this floor in other contexts for 14 years, in one issue or another, that under our system of Government, we are under no obligation to agree with the Supreme Court. Our only obligation is to abide by its decisions. There are ways to try to persuade it to think other than it does, to litigate, to legislate, to try to raise issues at different levels in different forums to see if you change minds. You do not have to agree with the Court, but you do have to abide by its rulings. That is called the rule of law. The rule of law is not specifically at issue here. We are openly trying to amend the Constitution. So we are not trying to defy the Court. And yet we defy the good judgment of the Court. wonder how many Members of this body really want to see the Constitution amended, the Bill of Rights impaired, because of a 5-to-4 decision? Sir, a 5-to-4 decision. Let one Justice change his or her mind and we have a 4-to-5 decision; one new Justice of a different view, 4 to 5.

This five-Justice majority was made up of in part the longest-sitting Justice, who wrote the decision and the newest sitting Justice who agreed with him. So we go from Dwight Eisenhower to Ronald Reagan, and President Johnson in between. Moreover, we have here an opinion that did not conform to any sort of fixed pattern on the Court.

Five Justices thought one thing, four thought another. The day could come when that could be turned around. It would not take much. It is not a decision that says to the Senate: You have no choice. If you wish to see this matter changed, you must change the Constitution. If you wish a different outcome, you must amend the first amendment.

Now, Mr. President, we have a sufficient supply of flags in our Nation. I can attest to that. It seemed that every time I turned on the televison in 1988 I saw the now President of the United States visiting yet another flag factory. The supply is very considerable.

I also think we have a sufficient supply of good humor, patience, capacity to control ourselves to get by the little incidents that will inevitably occur in the months and weeks ahead. You do not get to be a Republic in its 202d year without having a certain reserve of patience and dignity and wisdom. I hope we will show this, Mr. President.

I see my distinguished friend from Mississippi is on the floor. I know he would like to speak and he would have every reason to think it might be time I yielded the floor and I will, but not without saying one last time, Mr.

President, that I will return to this vastly important issue.

The PRESIDING OFFICER. The Senator from Mississippi may proceed as in morning business.

THE FLAG

Mr. LOTT. Mr. President, I seek recognition this morning to speak on the constitutional issue, the constitutional amendment to prohibit the desecration of the flag.

I also take note of the fact the Senator from New York did speak in moderation, and I appreciate the Senator yielding the floor so I would have an opportunity to engage in debate while there is time remaining.

I know there will be a lot more discussion and debate on this issue as we go forward and that is as it should be and I, too, am very impressed with the seriousness and caliber and quality of the debate that we have already heard here this morning. But I do think it is an issue we should go forward with. I hope the Senate Judiciary Committee and the full Senate will take this issue up in quick order. Hopefully, before the Fourth of July, but certainly within a reasonable length of time. Let us take it up. Let us debate it. Let us vote on it. And, hopefully, let us give the American people a chance to vote on this issue through the ratification process.

As I listened to the debate this morning and as I thought about this issue, as I have gone back to my own State of Mississippi and listened to the feelings and reactions of the people, I keep having this one question pop into my mind: Is there nothing sacred any more in America? Is there nothing that we are willing to protect against being defiled and desecrated? Where does it stop?

The dictionary describes sacred as "set aside from others." I think the American people set the flag aside from other monuments or other symbols.

In America, I fear we are drifting off into a moral decay and a lack of appreciation for important symbols: the family and other symbols and other things that have helped make this country great—sort of an attitude of do whatever feels good. Do what you want to. We will just ignore you or even if you get in our way or trample on our rights, you have your rights.

I reject that attitude. I think there are some things that are sacred and worth protecting and the flag and all it stands for is one of those things. Burning or otherwise desecrating the flag is not acceptable behavior. It is the most important symbol of our country, more than the Capitol: yet is is a felony if you put paint on the Capitol; more than the Washington Monument, if you go over and try to chip off a piece of the Washington Monument for a keepsake or in protest you will pay a price. The symbol the country reveres the most, the people revere the most, is the flag; more than any other monument, more than any other symbol.

It always interests me, first when I was over in the House of Representatives and now in this august body, the constitutional scholars that all of a sudden blossom within the institution and start saying, oh, we cannot do this, we cannot do that because of constitutional limitations. We all go back and forth. It depends on our point of view. Sometimes we say no, we should not amend the Constitution. Other times we say oh, yes, it is absolutely essential.

I have been doing a strange thing. I have been reading the Constitution, and the first amendment that we have been referring to. What does it say:

> Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech. * * *

The constitutional scholars, we come up with all kinds of definitions of what speech means. But to the American people, the laymen out there, speech is very clear. The dictionary makes it clear: "The faculty of expressing thought and emotion by spoken words; the power of speaking."

Not expression, not demonstration, not burning the flag. Say what you want to. OK, we will live with that. But this is something more than freedom of speech. It is an expression, a dastardly expression that the American people reject. We are worried about amending the Constitution. Oh, we cannot do that. But we have done it many times in the past. We have done it dealing with intoxicating liquors; rights of people to vote; prohibiting a President from serving more than two terms; poll tax, we have a constitutional amendment prohibiting poll tax. For years we did not have a clear process for the moving of the Vice President into the Presidency when the President leaves office. We made it possible for 18-year-olds to vote. We have amended the Constitution when it was a serious, important issue.

After all, the first amendment is an amendment. So why should we not, if it is a really important issue, take advantage of the opportunity to amend the Constitution? We are not talking about some big, expansive amendment. It is 21 words. It just says the Congress and the States shall have the right to pass language prohibiting the desecration of the flag. It seems simple enough to me.

Many here today have said, "I'm offended by the burning of the flag; I do not like it; I'd like to be able to do something about it." What do they propose to do? We had a law we passed last year, and I stood right here and said I do not think it will work, but I was willing to give it a try; let us try to write a law that will prohibit the desecration of the flag, and we did that. Quickly somebody wanted to go out and burn the flag. It came up in the Supreme Court again; same 5-to-4 decision. You cannot write a law to do that. We are going to have to have a constitutional amendment.

I introduced a constitutional amendment, the one introduced by the distinguished Republican leader, Senator DOLE, from Kansas. I joined with him on that. Maybe it is not perfect. Maybe we can come up with a better version of a constitutional amendment. I would be willing to work with the chairman of the Judiciary Committee, Senator BIDEN, and others, to try to come up with that.

But a law will not work. It is going to take a constitutional amendment. If we do not pass a constitutional amendment, we will see the flag trampled, burned, and desecrated in any untold numbers of ways.

This past weekend I gave a number of speeches in my State of Mississippi, but the one that got to me the most was the one I tried to deliver and I wound up listening to the response of the members of the Mississippi Division of the Disabled American Veterans in Meridian, MS. These are folks who did not make the supreme sacrifice, but they made a sacrifice. They are disabled veterans from fighting, defending, and protecting Americans and the freedom of speech. They followed that flag into battle time and time again.

You should see and hear their emotional, tearful reactions and feelings about the flag. It is not just a piece of cloth for them. It stands for everything that they fought for and they believe in. I do not think we can go to them and say, "Gee whiz, sorry fellows, we cannot write a law; we cannot amend the Constitution; we just cannot do this." I think that is unacceptable.

We call the Constitution a living, changing document. We should not amend it frivolously. We should do it carefully, after a lot of thought and a lot of debate. But this is one instance where we have no other alternative. There is no other way. We should amend the Constitution to stop the desecration of the American flag.

I urge my colleagues and our leadership to move this issue in the most expeditious manner.

Mr. HEINZ. Mr. President, I ask unanimous consent that I might proceed for no more than 5 minutes as if in morning business.

The PESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY TRUST FUND AMENDMENT

Mr. HEINZ. Mr. President, as our colleagues are well aware, there is the intention to take up, perhaps as early as today, a budget resolution. Unless, there is an alternative vehicle that will accommodate other Senators, it is this Senator's intention to offer at least one amendment to that budget resolution to deal with an issue that I believe the Senate has postponed too long.

That issue, Mr. President, is how we manage the public's affairs in accounting and safeguarding the annual surpluses that should be going into the Social Security trust fund.

A number of our colleagues have echoed my concern that the Gramm-Rudman-Hollings bill, better known as the Budget Deficit Act, permits the misapplication—some people call it thievery; I say embezzlement—of those annual surpluses to make the Federal deficit look smaller than it is.

In effect, the surplus of trust fund revenues over expenditures are counted as if they are general revenues, and for all intents and purposes, they are spent as such. That is a deceptive practice which we all know should be stopped. Now is the time to take a stand, to go on record, and change our process and procedures to end this practice forever.

As we all know, the budget summit currently underway is expected to be very slow going. Many of us anticipate that no conclusion will be reached on how we deal with the budget until after the elections. I fear the popular conjecture is right, we are going to have a lame duck session.

It is important that the ground rules for the budget summit be established now, before the parties get down to serious bargaining, and one of the absolutely essential ground rules is that we will stop now and for all time counting the Social Security trust fund's annual surpluses as if they were a special piggy bank to be applied to reducing the budget deficit, when no one denies that that is a false application. No one denies that by law the money going into the Social Security trust can only go to pay Social Security benefits.

I do not think there is a Member in this Chamber who would ever dream of saying, "I am going to take $50 billion out of the Social Security trust fund spend it on housing or health care or defense."

Yet, that is exactly what we are doing, but we are doing it surreptitiously. We need to make clear to our budget summiteers that when all is said and done in the budget process and in the negotiations, this practice will come to an end now.

If we fail in this then, we will have failed to meet the test of honesty and trust that the American people expect of us. We will have failed to meet a minimal standard for the performance of our fiscal duties, which is not just to pass a budget, which is not just to have a budget that meets our national needs and closes the gap in the overall budget between income and expenditures, but a budget that honestly and accurately portrays our financial condition.

Mr. President, I am sorry to say that there is a $65 billion lie in our budget this year. Whatever we say the budget deficit is or is going to be, it is going to be $65 billion higher for fiscal 1990.

This $65 billion represents the surplus that should be left in the old-age and survivors and disability insurance [OASDI] fund for future beneficiaries, but instead is pilfered to mask our inability to control spending in the red.

What may come as a shock to people is that, of course, we have been playing this game for a very long time. If you look back at just the last 4 fiscal years, 1986, 1987, 1988, and 1989, you will find we told the American people we had accumulated for those 4 years the staggering and embarrassing sum of some $673 billion in deficits. In other words, we have been clocking deficits at around $160, $170 billion a year on average for those 4 years—$673 billion.

You would expect, Mr. President, that if we had cumulative deficits of $673 billion for those 4 years, the sum increase in national debt would be approximately the same amount—$673 billion. The fact is, according to both CBO and OMB numbers, the national debt did not increase by $673 billion in those 4 years. It increased by $1 trillion 49 billion.

It is embarrassing enough that we have deficits that only add up—and I say "only" with a sense of irony—to $673 billion. That is a pretty tough amount to swallow in terms of passing on the bills to our children and grandchildren. But when you actually look at how much we owe, it is actually $1 trillion 49 billion—50 percent more than we reported to the American public.

We have persistently lied to the American people about what we are doing around here, Mr. President, and we have charge-it slips to the tune of about $375 billion to prove it.

Mr. President, the savings and loan disaster—and the accompanying bailout tab—is a topic at great concern to myself and my colleagues. Taking interest costs into account and you look forward for the next 40 years, that could amount to, according to GAO, as much as $325 billion.

That is a stiff and very unwelcome bill to pay. It will be paid in Nebraska, Pennsylvania, Texas, California, it will be paid in Maine, it will be paid in Washington State, and throughout the United States by honest taxpayers who never benefited, never profited, and never anticipated that a tab had been run up at their expense. I will have more to say on another occasion about what we ought to do about that.

My point today is that in the last 4 fiscal years our own bank, the Treasury, has been robbed and cheated to the tune of $375 billion. The only people who stole the cash, those who misappropriated it, the only people who misapplied it are a very serious group of people called the Congress. We have met the villians and they are us.

For literally years now, this Senator has been on this floor warning of this problem—and I know there are many on both sides of the aisle who feel this way. I wanted to get the trust fund reserves out of the Federal budget process back in 1983. The debate was postponed. And again, when I tried to raise the issue on an appropriate vehicle last November 7, I was told, "Now is not the time."

The Senator from Pennsylvania insisted that we must deal with this issue during that night's debate on the debt ceiling, before we got into another budget cycle.

Mr. President, I ask unanimous consent that I might proceed for not to exceed 5 more minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HEINZ. Mr. President, after a protracted and somewhat acrimonious debate, threats were made that, if we dealt with that question then the U.S. Government would come to a halt the next day. If we stopped misappropriating the money, if we stopped stealing it, somehow the world would be worse off. That was the premise of that evening.

There was agreement. It was hammered out on the floor in a colloquy between the majority leader and the chairman of the Budget Committee that we would address this issue once and for all not later than April of this year. I looked at my calendar today, Mr. President. I noted it was not April. It was not May. We are, in fact, well into June. And some Members of this Chamber now want to kick the next budget cycle off by ducking this issue.

I take the floor today to indicate that not only have we ducked it to the detriment of the American people far too long, but the Senator from Pennsylvania cannot be a party to any unanimous-consent agreement that would in any way preclude the right of this or other Senators to offer appropriate amendments to the budget resolution.

If we do not address this subject on the budget resolution, when are we going to address it? Next year, 1995, the year 2000? If we procrastinate just one more fiscal year, we will add another $75 billion to what we have already sequestered from the American

people. Instead of having misapplied $375 billion we will be up around $450 billion and counting.

Mr. President, at least one Senator strongly believes that the time for the Senate to address this issue is long since passed. I will have to object to any unanimous-consent request that would in any way limit our ability as a body to address this issue once and for all.

Mr. President, I thank the Chair. I yield the floor.

FLAG DAY

Mr. D'AMATO. Mr. President, today is Flag Day. There have been many of my colleagues, including myself, who have made speeches on the importance of the flag, its symbolism and the sanctity that many hold for the flag. The recent court decision has brought forth much in the way of debate and concern about what should or should not be protected under the first amendment.

Mr. President, I have to say that I do not think there is any question that if the Congress of the United States in its legislative capacity has been able to enact legislation that protects draft cards and would hold those who burn their draft cards in protest of whatever the Government policy is that they wish to protest, and the courts have found that they can be sent to prison for this, it would seem to me that when we pass legislation protecting the flag that the flag is a heck of a lot more important for us to be able to say it shall not be desecrated than the burning of a draft card.

The argument that currency belongs to the Government or that draft cards are a means of identification seem strained to me. I would object, but obviously the court has found differently. When one reaches into his or her pocketbook and pulls out legal currency, a dollar bill, it is protected under 18 U.S.C. 333, and I would like to read it. It says:

§ 333. Mutilation of national bank obligations

Whoever mutilates, cuts, defaces, disfigures, or perforates, or unites or cements together, or does any other thing to any bank bill, draft, note, or other evidence of debt issued by any national banking association, or Federal Reserve bank, or the Federal Reserve System, with intent to render such bank bill, draft, note, or other evidence of debt unfit to be reissued, shall be fined not more than $100 or imprisoned not more than six months, or both.

If I tear up this dollar bill, burn it, deface it, perforate it. I go to prison. Yet the Supreme Court says that, oh, no, those who desecrate the flag, they have a right to do it, the Constitution protects them.

Why does not the Constitution protect somebody who says: "I am a tax protester. You guys in Congress are burning up our money. Why would I send it to you? I will burn it right here."

I have to tell you I think it is illogical and I think the Court was wrong; but, notwithstanding, it is the highest court of the land. We maybe need a law to have to interpret whether or not it is constitutional. I see fit to say it is not. I say that the flag of the United States certainly deserves the same protection of a draft card or the legal tender of this country. It is that simple.

People have penalties for defacing currency. You mean to tell me that we are not going to give the flag the same protection that we give to our currency? Incredible. Incredible.

For the super liberals who say we have more important things to do, I am not suggesting that we put everything aside. But I am suggesting that we certainly have a right, those of us who believe that the flag should be protected and should receive every bit as much protection as a dollar bill, or any other currency of this country, to say that we certainly have the time to undertake the necessary passage of the legislation and to submit it to the State legislatures for their ratification. I think they can, shall and they will, and I am going to be supportive of the amendment that has been proposed by Senator DOLE and 49 cosponsors, and I am one of those, and I think we will have the support of the vast majority of our people.

I want to know how that would impinge upon someone's right to criticize this country simply because we say the flag shall not be disgraced or defiled and shall not be the subject of the kind of going on we see taking place.

I thank you, Mr. President, and I yield the floor.

PROHIBITING DESECRATION OF THE AMERICAN FLAG

Mr. McCONNELL. Mr. President, I rise today to express my strong support for a constitutional amendment restoring to the States and Congress the power to prohibit any desecration of the American flag.

Like most Americans, I am truly outraged by the Supreme Court's decision in the case of United States versus Eichman. Essentially, the Court held that a person can do anything to the flag: Burn it, soil it, walk on it, or spit on it—and the vast majority of Americans who love the flag and everything it stands for have to stand aside and let it happen.

Last year, I voted for Senate Joint Resolution 180, a constitutional amendment to prohibit desecration of the flag of the United States. This legislation would have effectively reversed the Supreme Court's decision in Texas versus Johnson, which declared a similar State flag protection law unconstitutional, Senate Joint Resolution 180 would have authorized the Congress and the States to prohibit physical desecration of the flag. Unfortunately, the 51 to 48 vote on this measure fell short of the two-thirds needed to pass the resolution. However, the Senate did pass H.R. 2978, the Flag Protection Act, by a vote of 91 to 9. As we know, the Eichman decision declared this Federal statute unconstitutional.

Because of that decision, I believe that we now have no choice but to pass a constitutional amendment. Mr. President, I support, and I am a cosponsor of Senate Joint Resolution 332, a constitutional amendment to permit the Congress and the States to enact laws protecting the American flag from burning and mutilation.

Mr. President, after both of these Supreme Court decisions, and the resulting public outcry over them, some people still argue that the Nation's flag was "just a piece of cloth"—no need to get so upset about burning it.

But, most of us know better—we know that the American flag is a lot more than a piece of cloth. It is the symbol and the standard of this great Nation. It is a beacon of freedom to those who live under the yoke of oppression throughout the world.

The American flag has fired the courage of our fighting men in war; and it is a strong reminder of the values of liberty and justice that set this country apart from every other nation on Earth.

That is why I did not hesitate last year to advocate and cosponsor Senate Joint Resolution 180, an amendment to the Constitution, assuring the dignity and sanctity of the American flag. On the morning following the Supreme Court's decision, I joined with the senior Senator from South Carolina [Mr. THURMOND] in introducing the constitutional amendment prohibiting flag burning and other acts of flag desecration.

Mr. President, as I stated earlier, last year the Senate also considered and passed H.R. 2978 which prohibited flag burning—without any constitutional amendment.

While, I shared the sentiment behind that measure, I was also concerned that it would do virtually nothing to address the constitutional issue posed by the Supreme Court's decision in Johnson.

I said in October when we were considering this bill:

If we only pass this statutory measure, we may be back here within a few months—after the Supreme Court strikes it down—and we will be giving the same speeches: and then, maybe at last, we will owe up to the task of passing a real constitutional amendment.

It does not seem to me that a mere congressional statute will do anything to deter a lawless flag-burner like the defendant in the *Texas* v. *Johnson* case. If anything, the

bill recently passed by the Senate will be seen as throwing down a challenge to desecrate the flag and see whether this statute is constitutional after all. In essence, we will be saying, "Go ahead—burn our flag." I don't think that is what we want to do in defense of our Nation's greatest symbol.

Well, Mr. President, here we are again discussing a constitutional remedy to this terrible problem. Some have strongly stated that this is a question of free speech, or more precisely—symbolic free speech—and, therefore no restrictions should be placed on the right to burn or mutilate the flag. I strenuously disagree. Our country is replete with statutory and judicial restrictions on a person's right to say and do anything. I support and cherish our rights under the first amendment as much as anyone in this body. However, I do not believe it is a valid argument against an amendment to protect the U.S. flag. The first amendment is already limited: Laws regulating libel, slander, obscenity, and inflammatory statements posing a threat to public safety being notable examples. Furthermore, there are numerous sanctions against destroying or defacing property regardless of motive.

Burning the flag is not merely burning a piece of cloth; it is an affront to every value and principle that we Americans hold dear. For those hundreds of thousands of families who have lost fathers and sons and daughters in war, burning the flag is indistinguishable from scorching the grass on these heroes' graves or defacing their grave markers.

So in conclusion, Mr. President, while constitutional scholars may argue that flag burning is "symbolic free speech," I believe it can—and must—be regulated just as other repugnant actions and expressions, such as libel and slander. Flag mutilation reflects hostility for the traditions and values of this country. However, as we all know there are countless ways to express free speech rather than burn the flag. I suggest that such people look at how free speech is dealt with in other countries, like Tiananmen Square in China. Maybe they will know the difference between free speech and scandalous and inflammatory action.

Those brave men and woman who risked their lives for their country in all of the wars and conflicts to preserve democracy knew what our flag stands for. Certainly, we know what the flag stands for. Now is the time to enact an amendment to the Constitution, to tell the Supreme Court what the American flag stands for.

We cannot stand idly by while the symbol of our Nation for over 200 years is dragged through the mud, spat upon, walked on, and torched by those who do not know what an honor and a gift it is to be an American.

I urge my colleagues to join the President, the Republicans leader, the distinguished senior Senator from Alabama, and the ranking member of the Judiciary Committee, in passing this historic constitutional amendment to protect the glorious flag of the United States of America.

Thank you. I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. Mr. President, parliamentary inquiry: Are we in morning business at this time?

The PRESIDING OFFICER. We are not.

ODRER OF PROCEDURE

Mr. DECONCINI. Mr. President, I ask unanimous consent that I may proceed as in morning business to make a statement on the PLO and the Middle East for not to exceed 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DECONCINI. I thank the Chair.

U.S./PLO DIALOG

Mr. DECONCINI. Mr. President, the search for peace in the Middle East is an arduous and difficult task. For all its difficulties, it is a task worth undertaking. A number of great men have made contributions to the peace process in the past. Anwar Sadat's courageous trip to Israel set the stage for a treaty of peace that he and Israel equally would participate in. Prime Minister Menachem Begin later signed that and demonstrated courage also. It was difficult to do. Israeli Prime Minister Yitzhak Shamir's bold negotiations for the Palestinians in the disrupted territories gave us a glimmer of hope that an eventual settlement may have been reached along the same lines.

Similarly, Egypt's President Mubarek has persevered and continued in his effort to keep the peace process alive while acting as a moderating force between the Arabs and Israel.

We have learned, however, that the search for peace is full of pitfalls. Yes, we have to take risks for peace. But these risks have to be calculated, and we must be sure that we are guided by our principles.

The United States dialog with the PLO that was initiated some months ago is an example of the risk not worth taking. It was a big step for the United States to open a dialog with the PLO. The PLO is a potent enemy, no question about it, of Israel, sworn by its charter to the destruction of the State of Israel. It is also the author of the infamous "Zionism is racism" resolution in the United Nations.

The PLO is also a terrorist organization. It shocked the world with its massacre of Israeli athletes at the Olympics in Munich.

The PLO has also turned its murderous attention on Americans on a number of occasions. There are those of us that remember the cold-blooded murder of Ambassador Cleo Noel, his deputy chief of mission, George Moore, and the Belgian chargé d'affaires in the Sudan by the Black September in 1973.

We remember the bombing of the Swissair flight 930 which killed 38 people, including 6 Americans, in 1970. This bombing was carried out by the PFLP-GC, a splinter group that has since broken with the PLO but which was clearly a member in good standing at that time. We remember Harold Rosenthal, the Senate staffer who was assassinated in the Istanbul Airport in August 1976 and Army Maj. Robert Perry, who was killed in Aman, Jordan.

The list of atrocities carried out against American citizens by this organization is just too long to recount on the Senate floor this afternoon.

Suffice it to say that the PLO and its component splinter groups have been at the heart of international terrorism for some time.

So it was a big step for us to open the dialog with the PLO. Of course, the PLO said that it had accepted Israel's right to exist. It promised to end terrorist operations. I have always been skeptical of these promises and of the dialog itself. But the Reagan and then Bush administration's were willing to take the PLO at its word. Only recently, the State Department released a report saying that Yasser Arafat had kept his promises.

The ink on this report, however, had hardly dried when we found out exactly the worth of Yasser Arafat's word.

The night of May 29 a Libyan mother ship released six speedboats about 120 miles from the coast of Israel. Each ship contained trained terrorists armed with rockets and antiaircraft missiles and automatic assault weapons.

Fortunately, the Israeli military intercepted these boats before they could carry out their murderous operations on the beaches near Tel Aviv. Israeli forces killed 4 of the terrorists and captured another 12.

According to the New York Times Israeli Chief of Staff General Shomron said that "the aim of this operation was to kill civilians in the most populated areas of Israel, the central beaches in the Tel Aviv area."

In Iraq, a spokesman for the Palestine Liberation Front, a guerrilla faction headed by Abul Abbas, took responsibility for the action. The Palestine Liberation Front is a fanatical terrorist group which has taken responsi-

bility for scores of attacks on innocent people. It is one of the six factions that make up the PLO. Abul Abbas is one of the 15 members on the PLO Executive Committee.

We know something about Abul Abbas. He was the mastermind of the attack on the *Achille Lauro* cruise liner where armed gunmen killed a wheelchair bound American citizen, Leon Klinghoffer, and dumped his body overboard.

Even by terrorist standards, Abbas is a particularly cynical and coldblooded murderer. He openly jokes about his victims in public meetings.

You may also remember that Abul Abbas was one of the Palestinian terrorists captured on October 10, 1985, when American F-14 fighters intercepted an Egyptian jet which was carrying the *Achille Lauro* hijackers and forced it to land at a NATO base in Italy. Unfortunately, the Italian Government, under pressure from the Arab States, allowed Abul Abbas to go free. One can only wonder how many deaths would have been avoided if the Italian Government had tried Abbas along with the other apprehended terrorists.

The Abul Abbas case is just one more example of what we have learned over and over again in dealing with terrorists.

You cannot appease them in hopes that they will leave you alone. You cannot curry their favor. You cannot negotiate with them.

Yasser Arafat has had every opportunity to disassociate himself and the PLO from Abul Abbas' actions. Arafat, however, has refused to condemn the raid on the Tel Aviv beaches and limited himself to bland criticism of any attack on civilians. He has also refused U.S. demands for dismissal of Abbas from the PLO board.

There is speculation that Arafat lacks the authority and support within the PLO to dismiss Abbas, a theory certainly given credence by statements that Abbas' dismissal could only come from the Palestinian National Council. If this is the case, who speaks for the PLO and what does the organization stand for?

Does it support the smooth promises of Arafat and his spokesmen or the bloody terror of Abul Abbas? I have had doubts for some time that Arafat truly spoke for all of the PLO and all of the Palestinian people, their protestations notwithstanding.

The events of the past few weeks have confirmed my suspicions. Saying you speak for the PLO does not mean that you, in fact, control the PLO.

Now we know for certain that when Arafat spoke the magic words and acknowledged Israel's right to exist, he spoke only for himself, not for the PLO and all its factions.

Mr. President, these are questions that we must have answered before we continue any dialog with the PLO. The credibility of our antiterrorism policy, already in tatters from the Iran-Contra scandal, cannot stand another futile round of dialog with terrorists. And if we do not hold the PLO to its pledge to abandon terrorism, how can Israel believe the PLO's promises to respect its right to live in peace?

This is one Senator that believes it is time to suspend our dialog with the PLO.

I am also disheartened by Secretary of State Baker's statements at the House Foreign Affairs Committee hearing yesterday. Israel, besieged for years on almost every side by hostile neighbors, has been the target of a planned attack on innocent vacationers from the sea.

It has also been without a functioning government for nearly 3 months.

Finally, after months of uncertainty and turmoil, a government has been formed. Prime Minister Shamir has established a coalition and his new ministers assumed their duties only a few days ago. Yet, Secretary Baker, speaking for the Bush administration, chose this critical time when the peace process can perhaps be renewed to, in effect, challenge the fragile, new government. He was quoted in the Post as saying, "When you're serious about peace, call us."

Perhaps President Bush wanted a different government in Israel. He apparently did not send congratulations to Prime Minister Shamir on his forming a new government. Perhaps Baker does not like working with the Likud Party. He has barely allowed the new Israeli Foreign Minister, David Levy, a chance to move into his new office before he charges that Israel has become the obstacle to the peace process.

Regardless of whether or not the Bush administration wants to work with the Shamir government, the Shamir government is the Government of Israel and Israel remains our only democratic ally in the Middle East.

It seems that the Bush administration finds it easier to prop up Mikhail Gorbachev than to find new avenues toward peace with our long-time friend, Israel.

Mr. METZENBAUM. Will the Senator yield for a question?

Mr. DECONCINI. Yes.

Mr. METZENBAUM. As to the comments the Senator has just been making relative to the Secretary of State, the Senator from Arizona has been here, I think, something in the area of 14, 15 years. In all of that period of time, and to the best of his knowledge, even before he came, does he have any recollection of any Secretary of State ever using the kind of impertinence that was used by our Secretary of State in saying, if Israel wants to contact us under the circumstances, here is the telephone number, (202) whatever the number is at the White House?

I have never heard of that kind of comment, particularly to a friendly government. There was kind of a flippancy to it, a denigration of the people and of the leader of a friendly nation. I just wondered if the Senator has ever known of a similar kind of impertinence, even with unfriendly nations, not alone with friendly nations, since he has been in Washington.

Mr. DECONCINI. To respond to my friend, the answer is no. Perhaps there were some times even under the Carter administration, as the Senator will recall, a few difficulties, and certainly under the Reagan administration, problems with Israel. But it seems to me that the distinguished Secretary of State feels that he can just throw off this kind of a statement and blow it off any way he wants.

He is in a popular administration and he does not have to even provide diplomatic respect to a strong ally. He does not have to agree with them. I understand that as does the Senator from Ohio, and I thank him for raising that question.

Yes, there have been bumps in the road during our relationship with Israel. Friends can have differences, but friends must be willing to talk about their differences. We have differences regarding the settlements in the West Bank and other occupied territories. We believe that, as a democracy, Israel must address its human rights problem in the territories under its own sovereignty, and it will.

But these differences can only be resolved through a dialog between allies. We must preserve and maintain the United States-Israeli dialog before we even consider continuing any dialog with the PLO.

Challenging a 2-day old government and charging it with the perceived faults of previous governments is not the way to move forward with the search for peace in the Middle East. Secretary Baker has done the Bush administration and the peace process a disservice. I hope that he will now reassess his statements and that he will work for peace as I know he can if he determines it is worth his while, and I hope it is worth his while. I strongly believe it is.

I thank the Chair and thank my friend from Ohio. I do not want to infringe on what time I believe he wants on the floor.

The PRESIDING OFFICER (Mr. KERREY). The Senator from Ohio.

EXTENSION OF MORNING BUSINESS

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the time

for morning business be extended to 2:05 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

FAMILY AND MEDICAL LEAVE ACT

Mr. METZENBAUM. Mr. President, I rise to address myself to a matter that could be on the floor yet this afternoon, to support the move to proceed to the Family and Medical Leave Act. I am proud to be an original cosponsor of this Senate bill. It is important legislation, very important legislation.

It is critical so that America's working families can have a chance to grow and prosper. The House already has enacted a compromise version of the bill. Frankly, that bill is much more favorable to employers than the Senate position. In particular, it expands the already generous small business exemption and it reduces the amount of leave available to workers. Now is the time for the Senate to consider the House compromise package. Senators DODD and KENNEDY should be applauded for their leadership on this issue. They have worked hard on it. We have worked with them. They have provided the leadership.

Unfortunately, it is no secret that President Bush has threatened to veto even this compromise approach. He continues to side with the corporate lobbyists who are opposed to any kind of legislation, and he opposes the interest of America's working families. Frankly, that is a shame, truly a shame.

The business lobbyists have gone back to their same tired arguments. You could put it to music. How many more times are we going to hear about the evils of so-called mandated benefits? We will hear ad nauseum the shrill predictions that this bill will cause the ruination of our economy and mark the end of capitalism as we know it.

That is unadulterated hogwash. These arguments were nonsense 50 years ago when they were used against Social Security, minimum wage, and child labor protections. They were ridiculous 25 years ago when they were used against Medicare and civil rights legislation. And they were ludicrous last Congress when they were used against the plant closing notification bill that I sponsored here in the Senate.

All I can say is thank goodness American business does not have to rely on its lobbyists for creativity. These so-called representatives of the business community have not developed a new approach in over half a century. They sit in their offices and they figure out how they can get the business community worked up, how they can charge additional fees, how they can do special services. And they come out here and they lobby against every piece of legislation regardless of its merits.

I remain hopeful once the President is presented with a bill that he will recognize how important the Family and Medical Leave Act is for America's workers, particularly America's working women.

Working families need the job protection afforded by this legislation. We must face facts. The once-typical family where the father is the sole earner while the mother stays at home to care for the family is rapidly vanishing. Less than 10 percent of America's families fit that model. Instead, today's typical family depends on two incomes to survive. Nearly 60 percent of American women are now in the work force. Two out of every three working women are either the sole support for their families or have husbands earning less than $15,000 per year.

Workplace practices have not kept pace with this revolutionary change in the makeup of the work force. Workers are being forced to choose between a job and a family. This bill allows workers to have both—job security along with the time needed to care for a family member. No worker should lose a job because he or she needs to take a few days or a few weeks off to care for a newborn infant, a sick child, or a dying parent or spouse.

Some of my colleagues on the other side of the aisle who find fault with this bill are also the same ones who are always critical of those who are not at work, those who cannot find jobs, those who need to go on welfare, those who need Medicare, those who need some Federal assistance. The fact is if you want to change that then you have to be for this bill so that those who want to work will have an opportunity to work and still be able to care for their families.

This bill is fair to employers. All leave authorized under the bill is unpaid. I want to emphasize that. All leave authorized under this bill is unpaid. It does not cost the employer. He does not have to keep the individual on the payroll. There is a generous small business exemption. Under the House compromise only 39 percent of the work force will be covered. I think it ought to be broader, but that is the House compromise. Some 95 percent of the firms in the country are exempted from coverage. It ought to be broader, but that is the House compromise, and I do not quarrel with that.

Even for those firms that are covered, the only cost results from the continuation of health insurance coverage for employees on unpaid leave. The General Accounting Office estimates the cost of the House compromise at $5.30 per covered employee per year.

I am particularly pleased that the compromise version retains a provision on elder and spousal care—unpaid leave to care for a seriously ill parent or spouse. The combination of an increasing number of working women and the tremendous growth in the elderly population has created a critical need for job protection for such care.

Nearly 7 million caregivers, three-fourths of them women, are assisting elderly family members. Over half of those caregivers have jobs outside the home which in many cases must be compromised or even sacrificed because of caregiving responsibilities.

The workplace must adjust to the work force. The Family and Medical Leave Act will help all working families, both young and old, function better at home and on the job. I urge all my colleagues to support this pro-family legislation. I urge the Senate to move forward now to consider the compromise version.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KERREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BRYAN). Without objection, it is so ordered.

EXTENSION OF TIME FOR MORNING BUSINESS

The PRESIDING OFFICER. The Chair will inform the Senator that the time for morning business, the hour of 2:05 having arrived, has expired.

Mr. KERREY. Mr. President, I ask unanimous consent that the time for morning business be extended until 2:30.

The PRESIDING OFFICER. Without objection, it is so ordered.

CAMBODIA

Mr. KERREY. Mr. President, a few days ago the majority leader made a statement in regards to Cambodia and our policy toward that nation. It was a statement which I am in total agreement. Our policy toward Cambodia is complicated. I said at the time that it is a long way away physically, it is also a long way away from us culturally, and it is, as a consequence of the Vietnam war, I believe, a long way emotionally.

It is not easy for us to sort out all of the players and problems, those of us who, I believe, as well as the administration, would like to put in place a policy that enables us to achieve peace in that region in a lasting way.

I would like, for the purpose of perhaps assisting some of my colleagues

in trying to understand what that policy ought to be, to simply provide my response to what I believe is a rather important incident that occurred in Phnom Penh a few days ago.

Mr. President, I ask unanimous consent that a United Press International report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

SIX GOVERNMENT OFFICIALS ARRESTED IN CAMBODIA

PHNOM PENH, CAMBODIA, June 8, 1990.—Cambodia's Vietnamese-backed government has detained six senior officials, including a Cabinet minister, for secretly setting up a political party to compete with the ruling Communist Party, government sources said Friday.

The six officials are being held in a government guest house for questioning about possible connections between their party, called the Social Democrat Liberal Party, and the three-party resistance coalition fighting the government in Phnom Penh, said a government source who asked not to be identified.

"There are two possibilities: if this organization has no connection with the rebels, they will be released," the source said. "But if there is a connection they must go to trial because it is an attempt to destabilize the government."

The party was said to have tried to recruit members from among mid-level government officials.

Earlier Khieu Kanharith, editor in chief of the state-owned Kampuchea weekly newspaper, confirmed the detentions in a telephone interview, but denied reports that there had been an attempted coup detat.

"This is not a big matter because only a few people are involved," he said.

He also said it was not strictly illegal to form a political organization, but was against government policy.

"First they should have sought government agreement," he said. "It has been government policy that all political organizations should wait until there is an end to the fighting."

The editor, who often acts as an unofficial government spokesman, confirmed that one of those arrested was Ung Phan, the minister of communications, transport and posts, but declined to name the others.

Dissident sources in Bangkok said those arrested included Nou Sakoun, head of planning for the Communications ministry, Khay Matouvy, head of construction for the Ministry of National Defense, and Mom Savay, director of the Institute of Sociology.

The others were identified as another defense ministry official and an assistant departmental head in the ministry of foreign affairs.

Official sources described Ung Phan, 42, who has been a minister since 1979 and in charge of communications since 1985, as a confidant of Prime Minister Hun Sen.

"He is close friends with Hun Sen and (National Assembly President) Chea Sim," said one official. "They were together in the anti-American movement from 1970 to 1975."

A colleague said Ung Phan was known for being open-minded and courageous.

"Last year when the Khmer Rouge (guerrillas) blew up a bridge near Battambang (Cambodia's second-largest city) and the militia couldn't handle the situation, he went there himself and stayed for more than a month, sleeping in the fields until they had rebuilt the bridge," the colleague said.

The arrests occurred shortly before the lastest round of peace talks on Cambodia, which last week resulted in a vague agreement on a ceasefire that has not slowed fighting.

The continued fighting and increasing corruption among government officials have left the government of Hun Sen politically vulnerable.

Some government officials have called for a multi-party system for Cambodia, but Hun Sen has said there would be no point in having such a system until there was a peace agreement with the three-party resistance.

Mr. KERREY. Mr. President, the UPI report indicates that six government officials of the Government in Cambodia were arrested. The arrests occurred while the current Prime Minister of Cambodia, Mr. Hun Sen, was in Tokyo in some attempts to negotiate with the other factions—the other factions being the two non-Communist forces that are operating out the refugee camps on the Thailand-Cambodian border and the Khmer Rouge forces, the Communist-supported forces that killed 25 percent of the Cambodian population while they were in power from 1975 to 1978. While Mr. Hun Sen was in Tokyo, apparently—and I say apparently because we are not quite certain what exactly went on—six of his own cabinet, six Government officials were arrested and placed in jail.

The question occurred to me: What does all this mean? Well, I think it means a great deal, Mr. President. I believe there is an awful lot of information in this particular story that will help not just my colleagues but I believe the administration as well to determine what our policy ought to be.

I believe there are some clues in this story that can help us discover what policy adjustments we should make, the United States should make, so as to be able to achieve what I think is possible today in Cambodia; that is, a major foreign policy to succeed at the site of our worst foreign policy error.

The first observation that I make is that it is obvious that this particular government that has been propped up by the Vietnamese for now in excess of 10 years, this government is obviously unstable.

Now there will be some who will say that instability is good news because we have opposed the Hun Sen government. There will be some who will say, that is exactly what we want, we want instability. And, in truth our attempt to undermine the Government by supporting a coalition on the border that is fighting the current government is an attempt to create that very instability.

But I would argue that that instability is not good news. In observing that, Mr. President, I think that we can see where our policy is very, very fragile and, in fact, I think is on very shaky ground. Because if the Hun Sen government is unstable, if the very instability that we are trying to create with our insurgency on the border, if that instability were to lead to a fracturing of the Government, the principal victor under such a circumstance, in my judgment and I think in the judgment of almost every observer who has observed it from a distance or who like myself have traveled the region, the principal victor in that would be the Khmer Rouge.

The Khmer Rouge are the most disciplined, the best organized; they are the most effective troops in the field, I believe, even at least as effective as the Government itself. And if they are successful, Mr. President, there is no reason to believe, none whatsoever, if they are successful in retaking control of the Government of Cambodia, that they will not continue to carry out the policies and put back in place the policies that led to the killing of at least 1 million people from 1975 to 1978.

We should not be lulled into thinking that, because they oppose the Hun Sen government, they somehow are going to mend their ways of the past. Pol Pot is still alive. Pol Pot was a Buddhist monk. Pol Pot and his principal aide Ta Mok, both Buddhist monks, both have melded the rather odd combination of Communist ideology and religious fervor to cause them to believe that they can make great advancements by bringing the people not only to their knees but to their graves.

There is no reason to believe whatsoever that the Khmer Rouge, if they come back into power, will not put into place the same policies that led to the killing of in excess of a million people.

I urge my colleagues, as they look at this and say, well, if the Government of Cambodia is unstable, that is precisely what we are trying to accomplish with the support of the non-Communist resistance force on the border, that that very instability could lead to a disastrous end result.

I think it is very risky strategy for the United States of America to be applauding the instability of this government.

The second important observation is in truth we do not know what is going on. In truth, I read the wire service. When I try to check the validity of the wire service report, either with our own intelligence people or with our officials in the Government with the Department of State, they simply do not know.

They do not know what is going on. They do not know if this is true. They do not know what it means. They think, well, maybe it means there is a battle going on inside the Communist Party itself, inside the Government, and it does not mean a great deal; it is

just different factions fighting with one another. But they do not know what it means.

I urge my colleagues to consider the reason we do not know what it means is because we do not have anybody in Cambodia. I spent 3 days there over the Easter recess and all of a sudden I am an expert—3 days. All my colleagues know what 3 days gives you in terms of information. it does not give you a great deal. It gives you taste of what is going on. It does not give you accurate information. Most particularly, under the current circumstances, it makes it most difficult for the United States to influence policy in that country and in that region in a very effective way because in effect what the United States has done with Cambodia is said we are going to put economic restrictions on Cambodia as a consequence of identifying them as an enemy. So trading-with-the-enemy restrictions are in place in Cambodia. No one can trade with Cambodia. No American business person can go and do business with Cambodia.

No diplomatic relations exist at all either, so we do not know what is going on. We are getting our information in a rather ironic fashion; at times our best information now is coming from the Soviet Union who does have an embassy there, or we are getting our information from East Bloc countries that still have diplomatic relations.

I am increasingly of the opinion, Mr. President, to have the Trading With the Enemy Act restrictions with Cambodia is counterproductive because, first of all, it does not enable us to get the information we need to develop good policy. And, second and most important, it makes it impossible for the United States to do what only the United States can do—or at least what I, perhaps a bit selfishly, think the United States can do the best of all—and that is to influence the course of events in the country, not with a heavyhanded approach but simply by saying "This is what we value, these are the lessons we have learned."

We now see the President's chief of staff going to the Soviet Union, assisting President Gorbachev to set up his office. He will not just tell the President of the Soviet Union how to run paper around and how to work Congress and all that sort of thing. He is going to be talking about American values. He is going to be talking about freedom of speech. He will be talking about due process. The President's chief of staff understands how the American system works. So that influence is absent; a very important influence, I believe, Mr. President, is missing as a consequence of our current policy.

The changes that have occurred in Eastern Europe that we have applauded, the changes in fact that have occurred as a consequence of the people's struggle themselves, but also as a consequence of the President of the Soviet Union taking a quarter turn to the left with his own policy and saying we are not going to intervene, those very changes, I think, should be met with changes of our own; because there is, I emphasize to my colleagues, a great and historic opportunity for us, I believe, at the very location of one of our world's foreign policy errors.

The third thing I learned from this article, Mr. President—and it is a very important thing, at least for me—is that our objectives in the region need to be a bit more than just to simply say we want an election. We are talking about a comprehensive peace settlement. That is the United States position now. We want a comprehensive peace agreement.

We have been debating now since last August, since the French hosted a meeting in Paris, what the makeup of this supreme national council is going to be. Is it going to be six people from the current government and from the opposition forces? There has been a big debate about how this is all going to happen and under what circumstances are we going to supervise the election and all that sort of thing. This illustrates for us we need to be talking about a lot more than just an election.

We should be saying, not just the Hun Sen government, we should be saying to Sihanouk, we should be saying to Son Sann, that our objective in Cambodia is to assist you to create a system that gives your people political freedom. It is very difficult to do it as long as we have the Trading With the Enemy Act restrictions in place; but we should be in a position today to stand and say, "Mr. Hun Sen" or whoever it is that took this decision—it appears it may not have been Hun Sen—"this is in conflict with what the United States believes you ought to be doing."

We have a value that says you do not throw somebody in jail without the right to a trial. We have a thing called habeas corpus. We have all sorts of other due process systems in place that we believe are legitimate. We believe a human being has a right as a citizen in Cambodia or the United States to stand and dissent with his or her government, to take a position that is in opposition to that government, to freely associate and form—whether it is an independent party or simply some association—but form an association that will take a position in conflict with its own government.

This is a very significant point, Mr. President, because that means we will have to say not only to Vietnam but also to the People's Republic of China that we are going to insist as a part of our negotiation that there will be rights in Cambodia that will exceed what is currently in place in either Vietnam or China.

It is very important for us to do that and to be in a position to say to the Cambodian Government today, if you expect any kind of cooperation from the United States of America you cannot throw your people in jail without a trial, you cannot just haul them up and arrest them because somehow the social order has been disrupted.

It was disturbing, on a number of occasions while I was in Cambodia, to hear this old Communist line: "The social order has been disrupted, and therefore, we have a right to intervene and take away people's freedoms."

We as a nation I think should be calling, therefore, for more than just elections. We should be calling for a structure that guarantees political freedom, that gives individuals the safety that all of us have here in this country, of being able to dissent, being able to freely say we are going to associate and oppose—whether it is my election or the election of anyone else. They ought to be able to take that position.

Mr. President, I believe this particular account that was on one of the wire services yesterday is very important to us. It will enable us, I hope—not just in Congress but also the administration—to reorient our policy. Because we need to change our policy.

I think very often we make things much more difficult, and I believe in Cambodia we are making them much more difficult, than they need to be. We do need to change. China needs to change a lot more than we do. Vietnam needs to change a lot more than we do. And I think as the article makes clear, the people who are in power in Cambodia need to change a lot more than we do as well.

I hope the administration and the Congress will cooperate in a joint effort to achieve this great victory in Cambodia. There are 8 million people in this little nation. Over half of them are under the age of 15. They are children who need our help. Their health care system is terrible. Their educational system is terrible. They are good people who have been involved with the United States for years. They have sometimes suffered as a consequence of our own policy. They are of almost no strategic interest at all to the United States. The only interest I believe the United States has in Cambodia is a humanitarian interest, and it is a powerful interest. I hope we declare our friendship with the people of Cambodia and help them, help them as I believe only the United States can, achieve the kind of freedom they so richly deserve.

Mr. President, I yield the floor.

B-2 BOMBER COSTS

Mr. LEAHY. Mr. President, on April 26, Secretary Cheney ignored the advice he gave to Congess a year ago and announced the Air Force would ask for 75 B-2 bombers instead of 132. It was only last July that the Secretary warned Congress not to nickel and dime the B-2 program. He warned that proceeding piecemeal would only hike the cost of the program.

The Secretary claims the proposed cutback will reduce the total program costs from the administration estimate of $75.4 billion to $61.1. I was skeptical of these savings since the Secretary proposed to stretch out the 75 planes by purchasing only 2 planes in fiscal year 1991 and no more than 12 planes in any 1 year—curtailing the original delivery schedule in half.

The Congressional Research Service [CBO] recently completed an analysis of the Secretary's revised B-2 program at my request. CBO estimates that 75 planes will cost $65 billion—$4 billion more than the Secretary predicts.

Mr. President, the B-2 program cost increased $4 billion in less than 7 weeks. The unit cost of the B-2 keeps going nowhere but up. Under the CBO revised cost estimates, the B-2 will be $860 million per plane.

Despite these astronomical figures, Air Force has been suggesting that it is too costly to shut down the B-2 program. This could not be further from the truth.

The Air Force recently announced that it will cost $35.4 billion to halt production now, finish work on 15 B-2's and complete the flight testing program. This figure was calculated by adding the following numbers: $26.7 billion has been spent on the program through fiscal year 1990; an additional $3.6 billion will be needed to complete production on the 15 planes at Northrop; $5.1 billion will be needed for flight testing.

Using the CBO cost estimate, however, American taxpayers can still save over $30 billion if we stop production now. The charge that the B-2 is too expensive to stop is groundless.

Continuing with the B-2 is folly. Supporters of the B-2 are still frozen in the nuclear ice age—refusing to let go of anachronistic defense policy and spending plans. The plane has no mission and we do not need it.

I ask unanimous consent that a copy of the letter from CBO Director Robert D. Reischauer be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 8, 1990.

Hon. PATRICK J. LEAHY,
U.S. Senate,
Washington, DC.

DEAR SENATOR: This letter is in response to your request of April 26, 1990 for a CBO estimate on the cost of the B-2 bomber program. Specifically, you asked for CBO's estimate of the cost to procure 75 B-2 bombers in accordance with Secretary Cheney's major aircraft review.

CBO estimates that the Administration's program for the B-2 bomber would cost about $64.9 billion, based on CBO's economic assumptions and the best information we have on the B-2 program (see Table 1). The administration's estimate for a comparable program is $61.1 billion. Our estimate would be about $1.1 billion lower or $63.8 billion if we used the administration's inflation assumptions. In other words even with common inflation assumptions, the CBO estimates that the revised B-2 program would cost $2.7 billion more than the administration.

Our estimate is based on information provided to CBO with last year's budget. Although, we have asked for details of the administration's estimates that have been announced since April 1989, none has been provided. Therefore, any changes taht have occurred in the past year would not be accounted for in our estimate.

The CBO staff contact for questions about this estimate is Bill Myers, who may be reached at 226-2840.

Sincerely,

Robert D. Reischauer.

TABLE 1.—CHANGES IN TOTAL PROGRAM COST FOR THE B-2 ADVANCED TECHNOLOGY BOMBER

[In billions of dollars of budget authority]

Category	Congressional Budget Office estimate	Administration estimate [1]
Buy 132 aircraft	[2] 76.7	75.4
Program changes from major aircraft review:		
Cut 57 aircraft (procurement)	−11.2	NA
Drop 2 main operating bases (military construction)	−0.6	NA
Research and development	0.0	NA
Subtotal	−11.8	−14.3
Buy 75 aircraft (different inflation assumptions)	64.9	61.1
Use of administration inflation assumptions	−1.1	—
Buy 75 aircraft (administration inflation assumptions)	63.8	61.1

[1] The administration has not provided the Congress with any details on these estimates.

[2] More details about this estimate are contained in a CBO paper entitled Alternative Procurement Programs for the B-2 Bomber: Effects on Capability and Costs, April 1990.

Note.—NA = Not Available.

Source: Congressional Budget Office computations based on budget data and statement of the Secretary of Defense before the House Armed Services Committee in connection with the Defense Major Aircraft Review, April 26, 1990.

CZECHOSLOVAKIA'S ELECTIONS: A TRIUMPH OF THE VELVET REVOLUTION

Mr. PELL. Mr. President, this past weekend, for the first time in more than 40 years, the Czech and the Slovak people went to the polls with the knowledge that their choices were genuine and that their votes counted. In parliamentary elections, voters gave a ringing endorsement to President Vaclev Havel's civic forum and its Slovak counterpart, public against violence. As one who witnessed the last free election in Czechoslovakia in 1946 and the tragic Communist takeover of that courageous country 2 years later, I am personally gratified by this weekend's events.

I can recall that in 1946, despite a strong Communist showing at the polls, those of us who worked in our Embassy in Prague were fairly optimistic about the prospects for peace, prosperity, and the rebuilding of wartorn Europe. But our hopes for Czechoslovakia and for the rest of Eastern Europe were short-lived.

By the time of my next Foreign Service assignment—to establish our Consulate General in Bratislava—I had developed a belief that Czechoslovakia's democratic government would be taken over from within by the Communists. As the spring 1948 elections approached, it became clear that the Communists were not going to do well, and that they would claim by force what they could not rightfully achieve at the polls. As we all are painfully aware, those fears were well-grounded.

Finally, after a 42-year delay, free elections did take place this weekend, and voters rejected Communist leadership. Expectations are again high about the future of Czechoslovakia and indeed, for all of Eastern Europe. The new Czechoslovakian parliament will meet shortly, and almost certainly will give a resounding vote of confidence to acting President Havel, on whom we pin so much of our hope.

The road to reform does not end with free elections, however. Euphoria will give way to reality, and as in Poland, there probably will be economic and political struggles in store for Czechoslovakia. Ethnic, cultural, and religious differences also are likely to become more apparent in post-election and post-Communist Czechoslovakia. But these challenges need not, and, I believe, will not, derail the democratic process. The Czechs and Slovaks have confidently thrown off the shackles of Communist rule, and despite the difficulties that lie ahead, Czechoslovakia has clearly established its choice for freedom.

U.S. COMMITTEE FOR REFUGEES ISSUES WORLD REFUGEE SURVEY FOR 1989

Mr. PELL. Mr. President, once again the respected U.S. Committee for Refugees has produced its World Refugee Survey, the annual volume that provides an authoritative account of the world refugee situation.

The survey this year reports on the desperate situation of the world's 15 million refugees. Refugee situations that we thought might be on the way

to solution, such as Afghans in Pakistan and the Vietnamese boat people, continue to be of serious concern. I have myself been in touch with the authorities in Hong Kong about their threat to send additional Vietnamese refugees back to Vietnam against their will.

Some of the gravest refugee problems are in Africa, where hundreds of thousands suffer from illness and malnutrition. Such respected organizations as the U.N. High Commissioner for Refugees and the International Committee of the Red Cross are so short of funds that even minimum care and feeding programs are in jeopardy.

In his introduction to the Survey, Mr. Rogers P. Winter, director of the U.S. Committee for Refugees, writes:

We cannot but be thrilled at the victories achieved for human rights—for people—in 1989, but I believe we break faith with the victims in Timisoara and in Beijing if our vision is myopic. The aspirations that produced revolution in Eastern Europe are endemic to the human species. They are real in Cambodia, in Somalia, in Burma, in El Salvador, in Sudan, in Haiti, too. With traditional geopolitics increasingly neutralized, we cannot afford to see this new decade as anything less than a time to make major strides worldwide in improving human rights, responding to the victims of inequity and abuse, and elevating the quality of our approach to those caught in humanitarian disasters.

I ask that Mr. Winters' introductory statement "The Year in Review" and his comments on "More Refugees, Fewer Dollars: The International Crisis in Refugee Assistance" in the World Refugee Survey be printed in the CONGRESSIONAL RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From World Refugee Survey—1989 in Review]

THE YEAR IN REVIEW

(By Roger P. Winter)

After 1989, the refugee world will never be the same. While the thaw in the cold war has not yet brought about all the significant repatriations we had hoped for, three major developments have come to pass, all having dramatic impact on the world's refugees—impact we still have not had the time to comprehend.

The first of these must be the breathtaking changes in Eastern Europe and the Soviet Union. Despite the humanitarian underpinnings of the international refugee protection system, the East-versus-West mentality within which many nations have fashioned their response to refugees has been turned upside down. Relaxation of restrictions against emigration from the Warsaw Pact nations has occurred to a degree unimaginable a year ago. Governments, such as those of Poland, Hungary, Czechoslovakia, and the German Democratic Republic, have been converted from one-party to multiparty states. Hungary broke new ground by acceding to the international refugee instruments in March; can other reformed East-bloc nations be far behind? How will all this change the international system for dealing with refugees? Will the very concept of refugee change? Will donors continue to honor their burdensharing commitment to nations offering first asylum? How will changes taking place in the Federal Republic of Germany disrupt the planned coordination of immigration controls in Europe after 1992? Will Western nations give a lower priority to refugees and humanitarian issues in the Third World now that geopolitical competition is waning and Eastern Europe is garnering such sympathetic concern? As yet, we cannot predict the impact of the major shifts in Eastern Europe on these issues, but for refugees there are serious threats as well as opportunities in these changes.

Second, after a rocky decade of seeking to preserve asylum for Vietnamese refugees in Southeast Asia, the approach seems to be fundamentally unraveling. The promises of the Comprehensive Plan of Action (CPA) produced this June during the International Conference on Indochinese Refugees proved hollow. By year's end, cornerstone commitments forged in the CPA had been abandoned or unfulfilled: Britain has forcibly repatriated Vietnamese; Malaysia has pushed back thousands of boat people; rescue-at-sea efforts are floundering; and screening programs are either flawed or moribund. The humanitarian concern of governments for Vietnamese asylum seekers plays a minimal role in the new context. Because refugee resettlement from Southeast Asia—and Vietnam in particular—has been a major element in U.S. refugee policy and programs, this unraveling holds many implications for U.S. refugee policy and refugee constituencies.

Finally, 1989 may come to be known as the year in which donor governments defaulted on assistance to the world's uprooted people. The UN High Commissioner for Refugees (UNHCR), the primary agency on which most of the world's refugees rely, is broke; the new High Commissioner undertakes his massive new responsibility without the resources needed to revive that critical institution. His attention must necessarily be focussed on saving the lives and health of his charges, planning his responses not by the intensity of their need, but by the inadequate resources he has been provided. It is an intolerable condition that must be redressed. The High Commissioner, however, is not alone in this dilemma. The International Committee of the Red Cross, the UN Relief and Works Agency for Palestine Refugees, the World Food Program—all have faced significant funding shortfalls in 1989. Next year looks no better. The traditional donor governments are clearly backing away from their responsibilities. In 1989, one looked for but could not find vigorous humanitarian leadership backed by adequate money from the United States, Western Europe, and others to rescue UNHCR. This is no false alarm. Its urgency requires that nongovernmental organizations, religious bodies, and humanitarian institutions worldwide give the highest priority to generating additional resources for these stricken international agencies. Refugees and displaced people will die preventable deaths, their futures will be permanently maimed, if we do not succeed.

One would think that the cold war, having cost uncountable billions to wage, would in its waning yield a substantial "peace dividend" in the West. Although major infusions will clearly be needed to help establish the newly opened societies on a sound footing, the needs of disenfranchised people at home and worldwide also can, should, must be addressed adequately and generously. Refugees and internally displaced people, while among the most vulnerable human beings, can be assisted in great ways with relatively minor allocations of freed-up resources. It is basically a matter of where our values lie. How can our leaders say with integrity that no such peace dividend exists to improve the position of the world's victims and the institutions that serve them?

One of the inherent dangers in UNHCR's current weakened state is that the developed West will use this opportunity to limit further the ability of UNHCR to fulfill its protection mandate in the First World. In fact, limiting that mandate is a significant danger. In several ways, the very countries that in a cold-war context created the world's refugee protection system are now its greatest threat. As large percentages of refugees have traditionally fled countries associated with the Soviet bloc, many in the West viewed that flight as a validation of our system and an indictment of theirs. As that dynamic weakens, so too may Western concern. Combined with the fact that numerous developed nations are seeking to curtail virtually all migration from the Third World to the First, many governments in the developed world seem to wish that UNHCR would simply leave them alone.

The theory goes that UNHCR has no critical role to play in protecting refugees in the liberal industrialized democracies, being governed as they are by adequate systems of law, applied in a humane manner. Thus, to save scarce funds, UNHCR offices could be closed and resources redirected to more important work.

Refugee practitioners, of course, know otherwise. They have been repeatedly forced to protest harsh U.S. treatment of Haitian and Central American asylum seekers and efforts to close the doors of Western Europe to asylum seekers from the Middle East, Africa, and South Asia. UNHCR's task is to administer a universal protection system. Regional approaches have their merit, but they can be dangerous unless adequately placed in a universal framework. What the United States, Western Europe, and others do has a real impact on how less-developed nations treat the refugees they receive. It is therefore critical that the High Commissioner not become the UN High Commissioner for Refugees in the Third World only.

The world's new approach to refugees is being developed right now—too often behind closed doors; too often in an immigration enforcement rather than a human rights context; too often with humanitarian concern far down the list of interests that are shaping the system.

This past year has not been kind to most of the world's refugees and displaced people. Because of UNHCR's funding crisis, the condition of refugees has generally deteriorated, with nutritional and medical services curtailed and education and self-sufficiency programs essentially eliminated.

Those problems are most obvious in Africa. The Horn remains perhaps the most complex region in the world for refugees and displaced people. Internal wars in Somalia and Sudan remain unresolved, continuing to produce casualties and uproot millions. Major fighting in Tigray and Eritrea—upon which a major drought is now superimposed—threatens to produce an Ethiopian famine in which as many as five

million people are at risk. The response of donors to cross-border efforts to get food to those in jeopardy in the areas where they live (thus forestalling mass migration in search of food) has been inadequate. By the time this article is in print, a bull-blown catastrophe may be taking place. Meanwhile, nearby Djibouti is denying more than 30,000 Somalis the refugee status they are clearly due. Kenya subjects all ethnic Somalis, nationals and non-nationals alike, to official harassment solely because of their ethnicity. And, major new flows of refugees occurred between Mauritania and Senegal.

Farther south, the conflicts in Angola and Mozambique continue to churn out death and destruction. The hope is that the incipient peace processes will bloom in each case. But for now, cash-flow problems in UNHCR have disrupted relief supplies and curtailed basic services for the conflicts' victims.

Africa is not without its brighter spots, however. The repatriation of refugees to Namibia and the peace process in that country are a real success. And Rwanda and Uganda have reached an agreement that, if successfully implemented, could result in the resolution of a situation that has placed Banyarwanda refugees in Uganda for more than a quarter of a century.

In Southeast Asia, UNHCR does not have adequate resources to carry out its complex responsibilities under the Comprehensive Plan of Action. Pirate attacks against Vietnamese boat people have escalated in viciousness. Border Cambodians have been forced back, by the Khmer Rouge particularly, into the Cambodia conflict. Britain has proceeded unconscionably to forcibly return to Vietnam some Vietnamese in Hong Kong despite a university decried screening system and without adequate safeguards to assure their safety upon return. And from May to the end of 1989, authorities in Malaysia pushed more than 3,200 boat people back out to sea, where at least five are known to have died. Thailand and Indonesia, which have also pushed off or deterred many Vietnamese asylum seekers in recent years, watch to see if they should implement harsh new policies of their own.

While tumultuous changes were taking place in other corners of the globe, the situation for many refugees in South Asia and the Middle East in 1989 was one of stasis. A year after the Soviet withdrawal from Afghanistan, more than five million refugees in Iran and Pakistan—the world's largest refugee population—continued to wait for a clear signal that it was safe to return. Similarly, a 1987 peace accord intended to resolve the civil conflict in Sri Lanka failed to meet its expectations, and the repatriation of Tamil refugees from India was suspended. Kurdish refugees from the inhuman Iraqi chemical attacks of late 1988 languished in camps in Turkey and Iran in 1989. And more than a million Iranian refugees scattered in Turkey and throughout the world waited in vain for an indication that it was safe to return home. But, in some ways, the most intractable of refugee situations in the region were also the most violent. Both the civil war in Lebanon and the intifada of Israel's occupied territories took on the character of grim and numbing predictability in 1989. The violence has become so entrenched that it has virtually become ingrained as a "normal" way of life. The frustrations that led to violence in the first place have given way to a fatalism that sees fundamental change as futile and violence almost as an end in itself.

In El Salvador, vicious fighting erupted in the major cities, demonstrating why the fears of civilians in flight from that pitiful nation have been well founded. Stepped up interdiction of Central American refugees attempting to flee through Mexico, as well as a policy of quick asylum adjudication, detention, and deportation on the U.S. side, limited the options of those seeking sanctuary.

Chinese students in the United States, as well as other parts of the world, looked in dismay as the brutality of a ruling clique in its death throes dashed high hopes that the power of ordinary people in China would transform the world's most populous nation. A young man—alone—held off an advancing line of tanks and failed. Or did we somehow fail him?

A major issue for 1990 will be to ensure that we do not fail others like him who strive for freedom or for the chance to live their lives without fear and violence. And our concern in this regard must be international, without boundary. We cannot but be thrilled at the victories achieved for human rights—for people—in 1989, but I believe we break faith with the victims in Timisoara and in Beijing if our vision is myopic. The aspiration that produced revolution in Eastern Europe are endemic to the human species. They are real in Cambodia, in Somalia, in Burma, in El Salvador, in Sudan, in Haiti, too. With traditional geopolitics increasingly neutralized, we can't afford to see this new decade as anything less than a time to make major strides worldwide in improving human rights, responding to the victims of inequity and abuse, and elevating the quality of our approach to those caught in humanitarian disasters.

Ultimately, those whose fundamental interest is the welfare of other people, particularly victims, must respond to the urgent need for a broad program of global advocacy for refugees and for those uprooted within their own countries. As we commemorate the tenth anniversary of the U.S. Refugee Act of 1980, we must assure that the international approach to refugees and humanitarian issues that emerges in the 1990s is not solely the computer construct of technocrats, budgeteers, and politicians, but rather reflects the human hope of ordinary people everywhere for peace, compassion, freedom, and opportunity.

[From the World Refugee Survey—1989 in Review]

MORE REFUGEES, FEWER DOLLARS: THE INTERNATIONAL CRISIS IN REFUGEE ASSISTANCE

(By Roger P. Winter)

Consider these statistics, in the last five years, an average of 2,700 people per day have been forced to leave their homelands and become refugees. There are more than 15 million refugees in the world today; 28 developing countries in Africa, Asia, and Latin America have refugee populations of more than 50,000. Nine of the ten countries with the highest ratio of refugees to general population have a per capita annual income of under $1,000, usually well under. In Malawi, the fourth poorest nation in the world, one person in eleven is a refugee from Mozambique.

Now consider this; in the last five years, while the worldwide refugee population increased by 50 percent, the budget for the UN High Commissioner for Refugees, the agency responsible for their care and protection, rose by only 25 percent. U.S. contributions to UNHCR did not go up at all. In 1985, the United States gave $20 per refugee for overseas assistance. This year, our government has given about half that amount.

It doesn't take a math wizard to see that fewer dollars divided by more desperate people equals disaster. The fact is the UNHCR is crippled with the worst funding crisis in its 40-year history. As a result, critical food and medical services have been cut back in refugee camps throughout the world, malnutrition and mortality are on the rise, and the countries that have played reluctant host to large refugee populations are growing increasingly restless and resentful.

An internal UNHCR report circulated in November documents the severe impact of the budget cuts. Up to 225,000 children, ages one to five, who are in UNHCR's care, are suffering from acute malnutrition. "All are in danger of death," the report said. "The underlying cause of the problem is simple but dramatic: a lack of food resources to cover the minimal components of the basic ration, namely, cereals, beans and oil."

Increases of malnutrition have been reported in Malawi from 5 to 15 percent in a year, primarily due to "the ability of UNHCR to pay for grinding maize for many months. . . [or] to establish buffer stocks."

A full food ration in the Sudan "has rarely been achieved," the report said. It said UNHCR plans to reduce food rations in Somalia, Ethiopia, and Honduras are "an example of planning assistance based on resources and not on actual needs and is an extremely dangerous trend."

Unless these trends are reversed, 1990 will be hell for too many refugees around the world. Contributions to UNHCR and other international humanitarian organizations simply have not kept pace with the growth in refugee numbers. The United States, while still the world's largest contributor to aid programs for refugees and displaced persons, has allowed its share of support for these agencies to drop steadily for much of the 80s.

It is arguable that the United States has not made a fair share contribution to refugee assistance since 1985. Given the magnitude of the crisis, and factoring for inflation, a figure of $25 per refugee would be more in keeping with our traditional leading role in humanitarian aid. But that is a long climb from where we are. The 1990 State Department budget for refugee assistance is $169 million, down from $204 million five years ago.

In order to restore U.S. contributions to refugee assistance to credible levels, a new coalition must be forged, bringing together public and private agencies, domestic and overseas perspectives, national and international structures. We need to work together for a U.S. response to refugees that does not force unnecessary choices between admissions and assistance. Historically, our country has always supported both, and must continue to do so.

U.S. admissions commitments, and budgets, have increased significantly in the last several years. There is good reason for this. The exodus from Vietnam persist unabated. And as glasnost in the Soviet Union prompts increasingly spirited debate on a host of social and political issues, old strains of antisemitism have come into the open, and Jews, by the tens of thousands, are clamoring to get out of the country.

But as we strive to meet the political, moral, and financial obligation of refugee resettlement, we must take better care to give equal weight to the needs of the mil-

lions of refugees worldwide who lack such an option.

Lack of adequate funding for overseas assistance takes on new poignancy in light of diminishing cold war tensions. As regional conflicts abate, more and more refugees—Namibians, Cambodians, Mozambicans, Nicaraguans, and Afghans—may find they can go home again, but UNHCR and the International Committee of the Red Cross will have no funds to get them back safely or to help them rebuild their lives.

Ultimately, though, whether we help refugees get home, or make a more tolerable home where they are, there can be no better investment in conflict resolution than to provide for those who have suffered the worst of the world's hatred and mistrust.

THE THAI PRIME MINISTER'S ROLE IN A CAMBODIAN PEACE SETTLEMENT

Mr. CRANSTON. Mr. President, today Thai Prime Minister Chatichai Choonhaven is visiting Washington on his first state visit since being elected to office in July 1988.

His visit is an auspicious one, coming on the heels of the recent Thai diplomatic triumph with Japan in Tokyo at which the non-Communist resistance in Cambodia and the Hun Sen government in Phnom Penh agreed to form a Supreme National Council.

This is no small achievement. For the first time there are hopeful signs that a peace settlement can be achieved in Cambodia that excludes the Khmer Rouge and unites the non-Communists with the State of Cambodia in a new Cambodian Government.

The Thais under the creative leadership of Prime Minister Chatichai have labored long and hard to create peace in Cambodia. Much of what they have done has occurred out of the limelight. Many times the Thais have taken positions antithetical to those of other countries in the region, including the Chinese who continue to support the Khmer Rouge and who have in the past been active supporters of the Thai Communist Party.

Indeed, in contrast to American policy, the Thais have been consistently willing to oppose Chinese interests despite strong Chinese pressure. They should be commended for their dedication and courage.

But they should not be expected to go it alone. We need to build upon the achievement in Tokyo of creating a two faction coalition that excludes the Khmer Rouge. The Tokyo agreement calls for an organizational meeting later in July hopefully followed by joint meeting with the permanent five members of the National Security Council in August at a reconvened Paris Conference.

We should put all our diplomatic muscle behind this process, ensuring that the two parties do meet in July and begin the work necessary for a transitional coalition government to take power in Phnom Penh in order to prepare for free and fair elections.

As one step in this process the next meeting of the permanent five, now scheduled for July 10, should agree on an arms moratorium by all outside parties now supplying the Cambodian factions, including the Chinese who support the Khmer Rouge and the Soviets who have been supplying the Hun Sen government. A concrete step such as this is a critical measure needed for the cease-fire, agreed to in principle in Tokyo, is to be achieved.

At the same time, rather than disparaging Prime Minister Chatichai's call for a neutral Cambodian refugee camp under United Nations control, we should be encouraging this effort. According to a UPI article out of Bangkok on May 14, 1990, "the United States opposes a cease-fire in Cambodia and creation of neutral, U.N.-controlled camps for Cambodia refugees unless the moves are part of a comprehensive political settlement," quoting Assistant Secretary of State Richard Solomon.

This all or nothing approach is a prescription for not only a failed policy but continued tragedy in Cambodia.

When a breakthrough is achieved, we should work to achieve more rather than insist that it is not enough.

We should work on the agreement to form a Supreme National Council to ensure the exclusion of the Khmer Rouge.

We should work in the perm-five to obtain agreement on an arms moratorium to advance a cease-fire.

We should endorse the Thai proposal for a neutral, United Nations-controlled Cambodian refugee camp and work with the United Nations to ensure its establishment as soon as possible.

Thai Prime Minister Chatichai deserves not only our congratulations for his effort but also our help. His position has not always been popular at home, especially with the Thai military. But he has shown foresight, courage, and initiative at working toward regional peace. Those are qualities we now need in the formation of our own policy.

BALTIC FREEDOM DAY, THE TRADITION CONTINUES WITH NEW HOPE

Mr. PELL. Mr. President, today we mark "Baltic Freedom Day," and for the first time since we began the tradition of commemorating this day, Baltic freedom is nearly a reality. Ever since I served as the State Department desk officer responsible for Baltic issues in the early 1950's, I have wondered whether I would have the opportunity to speak about the genuine prospects of freedom for these nations.

Throughout the years, I have developed a deep admiration for the proud and independent spirit of the Lithuanian, Latvian, and Estonian people, and I have followed events in the Baltic States very closely. A few months ago, when I became a cosponsor of this year's Baltic freedom resolution, the three Baltic republics were taking bold steps toward democratic change, but I am sure that few of us could have predicted the rapid progress that these countries have made toward true freedom. On March 11, Lithuania declared its independence from the Soviet Union; on March 30, the Estonian parliament declared Soviet law invalid in Estonia and called for a period of transition from Soviet control to independence; and on May 4, the Supreme Council of Latvia issued its Declaration on the Reestablishment of the Independence of the Republic of Latvia.

Mr. President, the Baltic people have suffered great hardships throughout the years, and their recent steps toward independence have not been without cost. Despite the difficulties that the people of the Baltic States continue to face, I believe there is reason for renewed optimism. I welcome the Soviet Government's announcement that it will partially lift the blockade of Lithuania. However, I do not believe that we—or the people of Lithuania—can be fully satisfied until the Soviet Union entirely suspends its economic warfare against that gallant country.

I am also encouraged by President Gorbachev's meeting earlier this week with the leaders of the Baltic States. It appears that all parties have taken important first steps toward resolving the situation, and that they have found a formula to begin negotiations. I firmly believe that independence for the brave people of Lithuania, Latvia, and Estonia must and will be the final outcome of this process.

ANTI-DRUG ABUSE ACT

Mr. MOYNIHAN. Mr. President, it is now just 1 year and 8 months since the Anti-Drug Abuse Act of 1988 became law. I have more than once stated on the floor that this was not simply another drug bill. To the contrary, it marked a sharp departure from previous enactments.

The 1988 act defined drug abuse as a problem of public health, as well as of law enforcement. Specifically, we were dealing with an epidemic of free-base cocaine abuse, as, for example, described in the Lancet of Saturday, March 1, 1986. (See, "Epidemic Free-Base Cocaine Abuse," the Lancet, March 1, 1986.)

Title I of the act, coordination of national drug policy, established within the Executive Office of the President,

the Office of National Drug Control Policy, with a Director of Drug Control Policy, a position now held by Dr. William J. Bennett. There was also created a Deputy Director of Demand Reduction and a Deputy Director for Supply Reduction.

Title II of the act, in accordance with the innovation in public policy that was intended, was given over to treatment and prevention programs. Section 2012, the first substantive provisions in the act states that:

The purposes of this subtitle with respect to substance abuse are—

* * * * *

(5) to increase, to the greatest extent possible, the availability and quality of treatment services so that treatment on request may be provided to all individuals desiring to rid themselves of their substance abuse problem. . . .

I have more than once stated on the floor that I wrote those words. I wish that instead of "treatment on request," I had written "treatment on application." I deliberately rejected "treatment on demand," feeling that the term denoted a degree of entitlement, as in demand deposits, that was inappropriate. No matter. The meaning of the statute was clear.

Mr. President, for more than a year now the Director of National Drug Control Policy has been disputing this meaning. Specifically, I have sought to have Medicaid reimburse hospitals for such treatment. The Director has not agreed to this. I introduced a bill to this affect (S. 1673). It was incorporated into S. 1711 and passed the Senate last October 3. But it has never received the support of the Director. For all this, the matter was never entirely clear until yesterday. In response to a statement made by me on the floor Tuesday, a spokesman for the Director specifically rejected our position.

Here is the relevant passage in the Associated Press report by Kim Mills:

Moynihan charged that Bennett has been ignoring his legal mandate to stem the demand for drugs and to focus on drug-treatment initiatives.

The senator cited an article published in January in which Herbert D. Kleber, Bennett's deputy director for demand reduction, said the president's drug control strategy does not support treatment on demand.

"Yet it is Congress that makes the laws and Congress wrote 'treatment on request' into the statute," Moynihan said. "It is not for Dr. Kleber or Dr. Bennett to 'endorse' this standard, it is for them to carry it out."

But Hamilton argued that the law does not require treatment on demand.

"The law does call for improving availability and quality of treatment," which, Hamilton said, the federal government has done.

Moynihan also criticized as ambiguous the administration's position on whether Medicaid will reimburse states for drug abuse treatment programs. He quoted Bennett as saying in December he had not made up his mind while Gail Wilensky, administrator of the Health Care Financing Administration, said recently that such reimbursement is allowed.

Bennett continues to oppose Medicaid reimbursement, according to Hamilton.

It seems to me that we are now at a decision point.

So far as I am concerned, the Office of National Drug Control Policy is defying the statute by which it was created. I have been suggesting as much for a year; today I so state. But I can do no more. If this is all right with the hospitals of the Nation, with the cities, with the States—then so be it. If it is all right with the House of Representatives—then so be it.

I happen to think a great opportunity, a great insight will have been lost. But apart from a rare editorial and a solitary column, I have little indication that anyone was listening or anyone cared outside the Senate itself. Here in the Senate, I would recall that the issue was well understood. Support for my Medicaid amendment was bipartisan. Specifically, Senator DOLE endorsed the measure on the floor. Adoption was unanimous.

But elsewhere, silence.

Silence is the prescription for inaction. If that is what the hospitals, the cities, the States wish, that surely is what they are getting.

I ask unanimous consent, however, that the RECORD reprint editorials from the Rochester Democrat and Chronicle and Newsday, and a column by A.M. Rosenthal in the New York Times.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Editorial from the Rochester Democrat & Chronicle, Dec. 30, 1989]

"HEY KID, SHAPE UP IN THERE"; CRUEL ADVICE FOR UNBORN BABIES OF CRACK ADDICTS DENIED DRUG TREATMENT

The letter was only one sentence long, but it packed a wallop.

"What are we to say of a 'war on drugs' in which crack-addicted pregnant welfare mothers are denied treatment because Medicaid does not pay for it?"

The writer was Sen. Daniel Patrick Moynihan, D-N.Y., and when we called him for details he did not mince words.

He reminded us that in 1988 Congress passed legislation requiring "to the greatest extent possible . . . treatment on request" for drug abusers.

"I wrote those words," Moynihan declared. "They are not a goal. They are a requirement. This is a law."

Yet it is not being enforced. Worse yet, he said, the administration now will not even agree to treat pregnant welfare mothers addicted to crack cocaine.

Moynihan introduced a bill to provide such treatment last fall, after discovering that Medicaid pays to treat pregnant women addicted to heroin but not to crack.

This is madness, he said, given that crack is a public health epidemic and that most users are female.

The Senate agreed, passing the bill "by a nice vote of 100 to 0."

Yet prospects in the House are uncertain because "the administration is opposed." Or at least, so he's told.

But Moynihan wants to smoke out drug czar William Bennett and make him say so—on the record.

He's requested that Bennett be invited to come before the Senate Judiciary Committee and say where the administration stands.

If the answer is no, then "surely the only course is for him to resign as head of the Office of National Drug Control Policy."

The Senator is right. It makes far more sense to treat a pregnant woman than to punish her.

The trouble with Bennett, he told us, is that "it's more important to him to know that people are behaving well than that they're sick."

That's bad enough, he says, but what about the unborn child? "Do we say, 'Hey kid, shape up in there'?"

Which, you could say, is what's wrong with the nation's so-called drug war.

To the czar and his colleagues, treating the sick is wimpy.

But sending a naval carrier group to blockade the coast of Colombia—why, that's manly and bold.

Never mind that pregnant, crack-addicted women are begging for help and being turned away.

Never mind that their babies are being born damaged, or that the rest of us must pay for a lifetime of repairs.

And never mind that drug interdiction is costly and ineffective.

No, it doesn't make sense, it's just their policy. Bless you, Sen. Moynihan for demanding that they admit it.

[From New York Newsday, Dec. 14, 1989]

CLOSED DOOR: OPEN IT AND SAVE THE CHILDREN

Addiction to crack is so body-and-soul possessing that it has been called perhaps "the most effective destroyer of the maternal instinct ever found." Yet what if, even from these depths, a pregnant addict seeks help for herself and her child? Just this: Her Herculean effort is likely to be met with the door to both their recoveries being slammed in her face. That's because drug treatment programs almost uniformly refuse pregnant women.

Some programs worry about liability or the effect of drugs used in detox on the fetus; others cite the lack of support services, such as child care, that are needed to keep women coming back. And almost all worry about cost, since drug treatment, except for methadone maintenance, is not covered under Medicaid.

The simple solution—a bill by Sen. Daniel Patrick Moynihan (D-N.Y.) to allow Medicaid to pay for all drug and alcohol treatment—sailed through the Senate this fall and is expected to be taken up by the House next year. But as Moynihan complained during Senate hearings this week, President George Bush has so far opposed it.

Skeptical that Washington will rush to the rescue, the Women's Rights Project of the American Civil Liberties Union has just sued three local hospitals and a drug treatment center for refusing to provide drug and alcohol treatment to pregnant women. Granted, it is complicated to treat these addicts: Drug experts do not know a lot about high-risk pregnancies, and most obstetricians and midwives do not know a lot about addiction. This suit could be a useful tool to propel both sides to come together.

The state and the city both claim more slots are coming for pregnant addicts, but in

the meantime, those women who desire to save two lives at once are being cruelly denied that chance.

[From the New York Times, Jan. 2, 1990]

THE PRIDE DECADE

(By A.M. Rosenthal)

The 90's now, before they are over we will know whether the United States will recover its pride in itself.

As the 80's ended, it was hard to say this was a nation and a people who had a right to be proud of themselves.

Can we say we are proud of a nation where gangs of criminals terrorize our cities and shoot citizens walking by—merely to stake out their turf against other murdering gangs?

That happened in New York on Christmas Day, 1989. One of the victims was a teenager. The other, shot in the abdomen, gave birth in the hospital and then dies.

Across the country hundreds of Americans die much the same way, shot dead in their streets—out for a litlle walk, and shot dead.

Proud? Of a society that permits the killer gangs to buy guns specifically designed to kill other human beings—kill as many as possible as rapidly as possible?

Are we proud of a society in which babies are born brain-damaged because their own mothers pass a preventable illness to them? That happens every day—hundreds of thousands of times a year.

How proud can we be of a system that will not even pay to make sure that these women receive hospital care when they need it?

How much pride can we take in a country unwilling to put up the money and energy to fight a social and health epidemic that brings illness and death to millions who suffer from it and violence and fear to all around them—an epidemic that is destroying the health, hope and future of millions of young Americans, most of them poor and black or Hispanic?

No, there was not much reason for pride in the 80's in the American failure to deal with the national crisis of drugs.

But at least the country enters the 90's with the knowledge that it cannot delude itself any longer. We all know the truth of the scope of the danger.

There are some who would try to meet the problem by legalization of drugs. Conceivably that may mean fewer prisons—just more addicts, more crack violence, more callousness, more danger, more crack babies.

The legalizers are few now. But their numbers will grow if the rest of us, who see legalization as a cruel surrender of the rights of others to a decent life and of our own right to civil peace, do not supply the arms for the war against drugs.

The weapons are money, intelligence, attention, compassion, time, planning and determination.

Money. Yes, billions will be spent on law enforcement and prisons. There is no way out without the legalization that carries the plain danger of American social disintegration.

But those billions will be wasted unless enough money is spent on treating those who need help and are still in a condition to ask for it.

Therapeutic communities, which provide the intensive year or two of care that is the best treatment, do not have enough money.

Neither does medical research in the drug field. That is the fault of the government funders—but also of the scientific community, which treats drug research and researchers with strange casualness.

And here's a note from Daniel Moynihan, who graces and prods New York and the United States Senate. He writes that women who are poor, crack addicted and pregnant, cannot get Medicaid help for hospital care. Pregnant heroin addicts, yes, but not the women who will give birth to the crack babies.

I don't know the reason and don't much care. The Senator says the President could end the policy about pregnant crack addicts by an order to the Health and Human Services Department.

Quite possibly the President does not know—there are so many regulations lying around. If so, could somebody, maybe Bill Bennett, that firstrate man who is his antidrug director, go to the White House, tell him, say to hell with bureaucratic rationalization, do it, please just do it?

The rest of us—private citizens and political organizations, particularly Republican—should tell Mr. Bush that if he believes we are in a war against drugs, then his responsibility is to win it. If that means taxes, then do it, for heaven's sake do it.

And for the life of me I cannot understand how some of the defense money we are supposed to save because of the collapse of Communism cannot be put into the drug war.

Do it, Mr. Bush, just do it. Remember your Inauguration Day pledge—the drug scourge will end. Make the 90's the pride decade for America, and for yourself. Do it, just do it.

ANGUS DEMING

Mr. MOYNIHAN. Mr. President, ominously close to half a century ago, I joined the U.S. Navy, and on my first day in uniform, met Angus Deming of New York City, NY. Although we probably all looked pretty much alike to our instructors—we were in officers' training—we ourselves knew the ways in which each of us was different, one from the other. Mostly this came down to which of us was louder, noisier, or more improbably boastful.

An extraordinary exception was "Gus" Deming. He was without question the softest spoken, quietest, the most self-effacing sailor ever to grace a college dormitory.

This all began to make sense when, upon graduation, Gus chose to enter the Marine Corps which meant yet more and tougher training. We had become accustomed to the man. He had only one defect: he never complained. Whatever had to be done, he just went ahead and did it.

You can imagine that we were in awe of him and that, well, we could tell a natural leader when one appeared among us.

He was called back into the Marine Corps in the Korean war, went off without complaining, returned without complaint, having done much and said little. Just what he did, you never could find out until, that is, the current Newsweek appeared in which Gus Deming, senior writer on the distinguished journal, writes of "Korea's Heartbreaking Hills."

Mr. President, I ask unanimous consent that the text of Mr. Deming's article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Newsweek, June 18, 1990]

KOREA'S HEARTBREAKING HILLS; AN AMERICAN VETERAN RELIVES A BLOODY WAR

(By Angus Deming)

While Roh Tae Woo was in the United States last week discussing Korea's future, I was in Korea—searching for the past. In 1951, I served in the Korean War as a lieutenant in the U.S. Marine Corps. I had not been back since. Now I was hoping to find answers to questions that had haunted me for years: Would I be able to find the hills where my comrades and I fought? What would my emotions be if I did? Would being in Korea again, even for a brief visit, change my feelings about the war?

Seoul did not seem to provide many answers at first. South Korea's capital is a bustling, spawling, neon-lit metropolis striving to get ahead in the world. It does not display its battle scars. People there do not spend time dwelling on a war that took place before many of them were born. It took a visit to Seoul's War Museum to recall the violence of the conflict and the lives lost at such aptly named places as Heartbreak Ridge, Bloody Ridge and Massacre Valley. Poster-size photographs depict horror and suffering: the frozen corpses of U.S. Marines killed at the Choson Reservoir, lines the panicstricken refugees, half-starved war orphans.

The museum's meticulously compiled books of remembrance list the names of every one of the 33,870 American servicemen killed in the Korean War. On consecutive pages, I found two men I had known well, and whose deaths had always saddened me. One was a classmate from Officer Training School. Although he was an only son and was enrolled in graduate school, he had been called up and sent to Korea anyway. There were no easy deferments in those days. He had been afraid of going into combat. But he has accepted it, and he won the Silver Star twice before dying on a Korean hilltop in May 1951. The other name was that of a 19-year-old corporal in my own platoon. He, too, died in an assault on a hill. He was about 15 feet away from me when an enemy grenade landed nearby. At first I had not realized how badly wounded he was. But when I passed him a while later he looked at me with unforgettable anguish and said: "I'm dying, Lieutenant." There was no way to save him. Later I wrote his parents. He, too, was an only son. I told them he died instantly and felt no pain.

I wanted to find some South Koreans who had fought in the war. Kim Chong Un, a former ROK (Republic of Korea) Army officer who now teaches English and American literature at Seoul National University, was the sort of person I was looking for. Kim had been a KATUSA—a Korean attached to a U.S. Army unit. His outfit had been the Second Infantry Division, which saw much heavy combat. "It was the most traumatic experience of my entire life," Kim told me. "I still have nightmares, 40 years later." I did not press him for details. I didn't need to. I knew what he meant.

Other South Koreans told me curious things. Na Chong Il, dean of the Graduate School at Seoul's Kyung Hee University,

spoke of a conference he had organized in May to promote "reconciliation and understanding" among veterans of the war. The participants included a retired U.S. Air Force general, a former Soviet colonel who claimed to have shot down 14 American planes over North Korea and a former North Korean POW who now manages a golf course in Seoul and has a son studying biology in the United States. "We achieved good reconciliation—we got on well together," says Na Chong Il. "But we were less successful with understanding. After [talking] for three days, the participants couldn't understand why they had fought each other so hard 40 years ago."

That was fine, but what I really wanted to find was hills—if possible, the ones where we actually fought. I started out by car from Seoul and headed toward Inje, a town on the eastern side of the peninsula. Hills of the sort I remembered began just outside Seoul. They looked greener and more heavily wooded than I recalled, but otherwise just as I remembered them: steep, massive and very forbidding. Did we actually struggle up those hills with packs on our backs and heavy weapons on our shoulders and live in holes in the ground, like animals? And then fight and die up there? Good Lord.

Heavy price: Finally we came to a remote village called Yanggu, surrounded by ridge lines and mountains that seemed even steeper and more desolate. In early June 1951, various rifle companies of the Fifth Marine Regiment, my own included, had clawed and fought their way along these same ridgelines in pursuit of Chinese and North Korean troops that were falling back slowly—but exacting a heavy price all the way. The car wound its way up over a twisting dirt road. We stopped in a pass at the top of the ridge. Thirty nine years earlier, almost to the day, my company assaulted the enemy-held hill looming above the road. It was an all-day struggle. Casualties were heavy.

So here I was at last. Had it been worth it? I had gone quite willingly to Korea, back then. It was only a few years after the end of World War II, and patriotism was a value that few questioned. We felt we were doing our duty. More than that, we were Marines. Wasn't that explanation enough?

I believed then that we were right to hold the line against communist aggression in Korea, and I still do. Revisionism is not for me. The tactics, at least those followed by the Marines, were sound. Controlling the high ground is one of the basic laws of warfare, and that's why we had to climb all those hills. But it was awful. Thank God I will never have to do it again.

Mr. MOYNIHAN. Finally, Mr. President, I note Gus Deming remains his old self: incapable of boasting; even reluctant to give a full account of his own doings. For climbing those heartbreaking hills as rifle platoon commander of Company E, 2d Battalion, 5th Marines, he was awarded the Silver Star by President Truman.

I ask unanimous consent his citation appear in the RECORD at this point as a mark of the Senate's respect and gratitude.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE NAVY,
Washington.

The President of the United States takes pleasure in presenting the Silver Star Medal to First Lieutenant Angus Deming, United States Marine Corps Reserve, for service as set forth in the following citation:

"For conspicuous gallantry and intrepidity as a Rifle Platoon Commander of Company E, Second Battalion, Fifth Marines, First Marine Division (Reinforced), in action against enemy aggressor forces in Korea on 2 June 1951. Participating in the attack on a strongly defended enemy hill position, First Lieutenant Deming fearlessly led his men up the steep slope through withering enemy small-arms, automatic-weapons and hand-grenade fire. Observing a wounded man lying in an exposed position, he rushed to the side of the stricken Marine and removed him to a covered area. Expertly maneuvering his men forward through the heavy fire, he shouted words of encouragement to them and effectively directed their fire, succeeding in rapidly routing the entrenched enemy. By his inspiring leadership, aggressive fighting spirit and unwavering devotion to duty, First Lieutenant Deming contributed materially to the success achieved by the company and upheld the highest traditions of the United States Naval Service."

For the President,
C.S. THOMAS,
Secretary of the Navy.

TERRY ANDERSON, THOMAS SUTHERLAND

Mr. MOYNIHAN. Mr. President, It rise to inform my colleagues that today is the 1,916th day that Terry Anderson has been held in captivity in Beirut.

Earlier this week, we marked the fifth anniversary of Thomas Sutherland's captivity in Lebanon. I would like to note that that sad anniversary did not pass unnoticed. State-run Radio Beirut yesterday carried messages of support from Colorado friends and relatives of Mr. Sutherland. One of those messages poignantly expressed to Mr. Sutherland the sentiments of many of us here in Congress and around the country: "Don't think you've been forgotten. * * *"

Mr. President, I ask unanimous consent that a story from today's AP wire which details the messages sent from Mr. Sutherland's friends in Colorado be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BEIRUT RADIO STATION BROADCASTS AUDIO MESSAGES TO SUTHERLAND

BEIRUT, LEBANON.—State-run Radio Beirut on Wednesday broadcast messages of solidarity from Colorado friends and relatives of U.S. hostage Thomas Sutherland as he entered his sixth year in captivity.

The radio station, based in Moslem west Beirut, said it received the tape, which included 19 messages from the United States, on Tuesday. The "audio postcard" was recorded by KOA Radio, Denver, in connection with the fifth anniversary of Sutherland's captivity.

"Don't think you've been forgotten. A lot of people in Colorado still hold you in their heart and want you to come home soon," said a woman only identified by her first name of Bonny.

The Scottish-born Sutherland, 59, of Fort Collins, Colorado, was dean of agriculture and food sciences at the American University of Beirut before he was kidnapped by Shiite Moslem extremists in west Beirut June 9, 1985.

The pro-Iranian Shiite Islamic Jihad, or holy war, claims it holds Sutherland, the second-longest held of the 16 Westerners kidnapped in Lebanon, as well as American Terry Anderson.

Anderson, 42, is the longest-held captive. He was chief Middle East Correspondent for The Associated Press before he was seized by gunmen near his home in west Beirut March 16, 1985.

"Mr. Sutherland, we think of you daily and we're still wearing our hostage bracelets," said another message. "We noticed your daughers who look well are still wearing theirs. We're all hoping to remove it soon."

One of Sutherland's three daughters, Joan, said from Fort Collins Wednesday that the broadcasting of the message was "absolutely wonderful."

"We have no idea how he will feel if he hears that tape * * * how uplifted he will be because I know how uplifted we were," she said. "I don't think it will bring about a release, but the best thing it can do is raise his hopes to know that people out there still love and care for him and have never forgotten him."

Joan, 25, and Kit, 29, live in Fort Collins, where Sutherland lived while working for Colorado State University. He was on leave for CSU when he was kidnapped. Sutherland's other daughter, Ann, lives in California with her husband and daughter. His wife, Jean, 56, lives in Beirut and teaches English at American University.

BALTIC FREEDOM DAY 1990

Mr. MOYNIHAN. Mr. President, I rise today to honor "Baltic Freedom Day 1990." We are all quite familiar with the cause of freedom in the Baltic States. In recent months, Latvia, Lithuania, and Estonia have all asserted their independence, despite the opposition, threats, and reaction of the central Soviet government.

The desire of the Baltic States for independence could not be more legitimate. Indeed, one cannot imagine a more illegitimate—and illegal—incorporation of soverign territory into a larger nation than occurred in the case of these states. Consider, in 1940, following the signing of the Molotov-Ribbentrop Pact of 1939, the Soviet Union stripped each Baltic nation of its sovereignty by force of arms. All three states had previously, since 1918, been independent nations. Russia itself recognized each one as such in 1920. More, all three states were members of the League of Nations. They established parliamentary forms of democracy, engaged in commerce, and signed treaties including treaties with the Soviet Union. Their independence could not have been more manifest.

That is, until Adolf Hitler and Josef Stalin agreed in August 1939 to the illicit and now infamous Molotov-Ribbentrop Pact, which secretly divided Europe into spheres of influence. Stalin took the Baltic States. More precisely, in the original agreement, he took Latvia and Estonia and Hitler picked up Lithuania. But in two later secret protocols, the first signed in September 1939 and the next in January 1941, Hitler ceded most of Lithuania to Stalin and then sold the remainder, known as the Memel triangle, to him for 7.5 million gold dollars. Lithuania was in effect bartered about like chattel goods. The deal was complete. The Baltic States belonged in the Soviet sphere. The sovereignty they had established mattered not. Indeed, by 1939, Stalin had already begun to install military bases in all three states. Shortly thereafter, in June 1940, he moved to occupy them, and in August, he forcibly incorporated them into the union of republics. There they have remained, their people having to endure Sovietization, mass deportation, and government-sponsored efforts to uproot cultures and vitiate ethnic associations.

Yet despite all this, the Baltic peoples have maintained their spirit. The Soviet attempt to separate them from the past has failed. Utterly. The distinctiveness of their identities remains very much intact. Their cultures are thriving. And they have clung valiantly to the legitimate notion of self-determination. The imperative thus remains: The Baltic States must regain their independence.

Fortunately, after months of stalemate, events seem to be leading in this direction—and peacefully, I might add. Just the other day, President Gorbachev agreed to meet with the leaders of Lithuania, Latvia, and Estonia. In that meeting, he told them they do not have to rescind their declarations of independence before negotiations regarding secession can begin. They have only to suspend them. Moreover, Prime Minister Nikolai Ryzkhov yesterday agreed to ease the blockage against Lithuania, allowing for increased shipments of gas and raw materials into the Republic.

Lithuania has paid dearly for asserting its right to independence. The blockade which the Soviets have now agreed to soften has deprived it of many of the necessities of life. Gas, oil, raw materials. Numerous plants have been shut down and thousands of workers laid off. More critically, the hospitals in Lithuania are running out of medical supplies. Soviet factories outside Lithuania will not fulfill orders, shipments are sidetracked, and Soviet authorities are denying the Lithuanian Republic the funds needed to purchase supplies. There is a severe shortage of insulin, anesthesia, penicillin, disinfectants, and other vital supplies, including filters for life-sustaining dialysis machines.

Ultimately, Lithuania must be granted its independence. But the delivery of crucial medical supplies cannot wait until that occurs. I and 17 of my Senate colleagues wrote to President Bush prior to the recent summit urging him to discuss the severe shortages of medical supplies in Lithuania with President Gorbachev. The verbal agreement just reached between the Soviet Government and Baltic leaders may be evidence that President Gorbachev has indeed heard the voices of those concerned for the very lives of Lithuanians. But we must remain vigilant. The Baltic States must—and will—go free. Until they do, however, we must press forward in our efforts to help them achieve their ends.

SOCIAL SECURITY

Mr. DOLE. Mr. President, I share the concern of my colleagues about protecting the Social Security trust fund and the retirement security of the baby boom generation. I served on a bipartisan commission in 1983 which painfully overhauled the Social Security system to achieve solvency well into the next century.

However, like so many congressional budget reforms, I believe that taking the trust fund off budget will not protect these funds as the well-meaning sponsors intend. In fact, the reality is likely to be just the reverse.

Budgetary impact is a discipline which prevents Congress from depleting the current surplus, either by increasing benefits for current beneficiaries at the expense of their children and grandchildren, or by using this money for other worthy and important, but totally unrelated programs, such as the war on drugs.

Today, increasing Social Security benefits would increase the deficit, making the annual Gramm-Rudman-Hollings targets that much harder to reach. If Social Security is placed off budget, these increases would be free, and Congress would not have to find offsetting revenues. Would we really resist giving elderly voters a preelection bonus then?

Just this week, we discussed entitlement reform in the budget summit. Many reforms, like the President's Medicare reforms, would produce substantial deficit reduction under current law. Again and again the response was "why bother, we'll just take the trust funds off budget." Clearly, this is not the path to meaningful deficit reduction.

Mr. President, I will support proposals to extend Gramm-Rudman-Hollings to bring the operating budget into balance without counting the Social Security trust fund. But this can and should be done while the funds remain visibly on budget. I do not believe that the voters of America want to trust Congress with their retirement savings unaccounted for.

Mr. President, I ask that this article from the Wall Street Journal be printed in its entirety following my remarks, and I commend it to my colleagues.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE OUTLOOK: IF SOCIAL SECURITY STEPS OUT OF BOUNDS

(By David Wessel)

WASHINGTON.—The words "Social Security" never seem to provoke clear-headed thinking in Congress, and this year is no exception. With suprisingly little debate and less deliberation, Congress and the administration have all but agreed to take Social Security out of the official calculation of the budget deficit. "We're going to take Social Security off budget," says Sen. Pete Domenici, a New Mexico Republican. "There's no doubt."

Many Democrats and some Republicans talk about balancing the budget over the next several years without counting the annual Social Security surplus. But considering their inability to make progress toward a balanced budget even with the $63 billion Social Security surplus, it's a pipe dream. "Macho talk," says House Budget Chairman Leon Panetta, a California Democrat.

Nevertheless, in the Washington political hothouse, rhetoric has a way of driving policy, and the rhetoric surrounding Social Security is thick. Sen. Daniel Moynihan, a New York Democrat, started all this when he accused his colleagues and the president of "thievery" by relying on the regressive Social Security payroll tax to fund other operations. The competition to talk tough on Social Security has escalated since.

This isn't simply a matter of accounting. Some experts to whom Democrats usually turn say that taking Social Security off budget could prove to be the biggest blunder Democrats make this year. While politicians love to proclaim that they have "protected" Social Security, these experts look beyond oratory and don't like what they see. "Democrats are shooting themselves in the foot by supporting this," asserts Isabel Sawhill of the Urban Institute.

For one thing, segregating Social Security would make cutting the deficit much tougher. The program is at the root of the surge in spending of the past two decades—from 15% of the budget in 1970 to 21% today. Budget experts long have assumed that any deficit fix would include restraint in the growth of benefits for older folk.

By removing Social Security from deficit totals, however, the budget summiteers would eliminate any incentive to trim the program. "If it's not part of the problem, it's not part of the solution," says Robert Reischauer, director of the Congressional Budget Office. So much for promises about sharing the sacrifice of deficit reduction.

Social Security beneficiaries won't object, of course. But with such a big piece of the budget exempt, the rest of it would get squeezed all the harder to reduce the deficit. Higher taxes and lower defense spending wouldn't suffice; popular spending programs such as the war on drugs and federal aid to education would surely suffer. Congressional advocates of taking Social Securi-

ty out of the budget "don't realize what a terrific crimp it'll put on domestic spending," Ms. Sawhill says.

Moreover, removing Social Security from the budget might weaken rather than strengthen the hallowed trust fund. Currently, Congress can't tap Social Security funds without increasing the deficit and risking the Gramm-Rudman law's across-the-board spending cuts; this has kept Congress from raising benefits for certain age groups or using Social Security taxes to pay for long-term health care.

If Social Security is removed from the budget, however, the limited discipline of the Gramm-Rudman law would disappear. Mr. Reischauer says the Social Security trust fund could become a "honey pot" that legislators would dip into to provide more benefits to seniors, weakening the trust fund's ability to cope with baby-boomer retirees in the next century.

To take Social Security off budget could be a recipe for the failure of the budget summit. The spending cuts and tax increases required to balance the budget without Social Security anytime soon could prove politically impossible. For this reason, White House Budget Director Richard Darman keeps urging the summit to agree on a deficit-reduction package and then to write new accounting rules to accommodate it.

Given the pitfalls, why is Congress so determined to take this step?

Many members want to boast that they've protected Social Security without having to vote for the costly payroll tax cut proposed by Sen. Moynihan. And some Republicans suspect that Democrats are trying to make the deficit look huge so President Bush will have to raise taxes. Another theory has Democrats using the Social Security move as a wedge to weaken or eliminate the Gramm-Rudman law and thus avoid the pain of deficit-reduction altogether.

Conventional wisdom to the contrary, politicians often do what they promise. But if they take Social Security off budget, they may come to regret it.

THE DEFICIT, WITH OR WITHOUT SOCIAL SECURITY

[In billions of dollars]

	With Social Security surplus	Without Social Security surplus
Fiscal year:		
1990	155.0	218.3
1991	137.9	214.7
1992	128.7	215.8
1993	90.7	194.2
1994	60.5	180.0
1995	31.6	164.2

Note.—Deficit projections exclude spending on thrift industry bailout.
Source: Office of Management and Budget, May 1990.

IRAQ AND MIDDLE EAST PEACE

Mr. SIMPSON. Mr. President, nowhere in the world today are there greater opportunities for peace or greater potential for disaster than in the Middle East.

I rise today as one who would caution that we in Congress need to weigh our words and measure our actions carefully as we legislate—or as we tend to resolve in this arena.

There are many complex factors and personalities interacting—or perhaps even more importantly, acting but not interacting—in this troubled region. A casual word or action may be perceived as fraught with peril.

The U.S. Senate debated a chemical weapons bill, and in considering that bill we had before us a pair of amendments which would have imposed strong economic sanctions against one of the key players in the Middle East—Iraq.

As one of the four Senators who accompanied our fine Republican leader, Senator BOB DOLE, on a trip to the Middle East in April, let me just state for the record why such sanctions would have been so utterly inappropriate.

Leaving aside the clear fact that the proposed sanctions would have hurt the American farmer and businessman far more than they would have hurt Iraq—they were certainly the wrong signal at the wrong time.

There have recently been some admittedly small overtures between Iraq and the United States toward improving our relationship. Saddam Husyan, whatever your personal opinion of him may be, is quite important to the peace process in the Middle East.

No one doubts that Saddam Husyan has a chemical weapons capability. He admitted as much to our delegation when we visited him in Iraq. He also stressed that he stands ready to use that capacity—but only in the event that his country is the subject of nuclear attack.

Our visit was intended to further the cause of peace in the Middle East. I firmly believe that the only way you make any progress toward peace is by keeping the doors open to negotiation. You must talk.

You don't get anywhere in relations between nations or between individuals by giving each other "the old ice treatment," and that is just what sanctions would do. It would attempt to freeze out Iraq, with the consequences that we would be effectively slapping our own farmers and businesses with sanctions while slamming the door on better relations with Iraq—and that means slamming the door on any opportunity for us to be an influence for peace, balance, and sanity in the Middle East, at least as regards Iraq.

That doesn't mean that we condone in any manner the actions that Iraq has taken in the past or that we condone its use or development of chemical or biological weapons. We don't, and I want to be unequivocally clear on that. We also made that point abundantly clear to Saddam Husyan when we met with him.

It does mean that there seems to be an opportunity to open the door to peace in this most troubled region of the world. Indications are that there may be a willingness on the part of the Iraqi leader and the Israeli leadership to enter into a dialog. That is too valuable an opportunity to throw out of the window because we are more concerned about showing our distaste and disgust for Saddam Husyan's intemperate and bombastic rhetoric regarding chemical weapons.

Let us give Iraq an opportunity to prove up on its alleged good faith even though we remain very troubled by the anti-American comments of the recent Arab Summit. Let us encourage dialog among and between the Arab leaders and the Israeli leadership. It's worth some risk. Peace in the Middle East hangs in the balance.

URGING A NEW POLICY TOWARD ANGOLA

Mr. KENNEDY. Mr. President, as nations mark the end of the cold war and the peaceful resolution of long-festering conflicts from Namibia to Nicaragua, one front in the cold war rages on because it is fueled by continued United States aid—the conflict in Angola.

The guerrilla forces of the Southwest Africa's People's Organzation [SWAPO] have long since left Angola to lead the freely elected government of an independent Namibia. South African troops, too, have withdrawn. The Soviet threat in all of southern Africa has receded.

South Africa has agreed to end its support for the National Union for the Total Independence of Angola [UNITA], and so should the United States. Stripped of its cold war rationale, our policy, always dubious at best, has become impossible to defend.

Angolan policy remains locked in the past, captive to a small group of UNITA promoters and hidden behind the closed doors of the intelligence community. The administration and the Congress share the blame for this policy but the time has come for all of us to take a fresh look at the crisis in that war-torn country.

As in Nicaragua, the United States is funding a rebel force seeking an unachievable military victory over a government reluctant to hold free and fair elections.

Peace has finally come to Nicaragua—largely because the United States ended its military support for the rebels and, together with the Soviet Union, exerted high-level pressure to achieve a negotiated settlement to the war. A similar formula could well end the bloodshed in Angola.

Moscow and Washington concur that there is a military stalemate in Angola with an escalating cost in human lives and damage to the infrastructure. Both are convinced that the peace can only come at the conferernce table but it appears that each finds it easier to send arms than peace emissaries to Angola.

Moscow has now shown new flexibility in ending the war and Washington should not let this opportunity pass.

Since we first provided military support in 1975, our policy has been to support the armed struggle by UNITA against the Marxist government of Angola, which in turn was supported by the Soviet Union and 50,000 Cuban troops. When our military aid was suspended from 1976 to 86, the South African Government kept UNITA well-financed and well-supplied.

The United States is not alone in prolonging the military conflict in Angola; the Soviet Union has provided billions of dollars of military assistance to the Luanda government. Yet in 15 years of fighting, at a loss of half a million lives, neither side has proved capable of achieving a military victory.

Now, two-thirds of Cuba's troops have left Angola, and the rest are scheduled to be gone by July of next year. The threat of Soviet expansion in the region is no longer credible, if it ever was. Yet, an estimated $50 million a year in covert U.S. military assistance continues to flow unabated to UNITA. And there are reports that the administration is seeking an increase in aid for the current year. It is time the administration was asked to defend this indefensible policy.

Time and time again, the administration has shifted its rationale for the policy. Our initial justification for funding UNITA—getting the Cubans out of Angola—is no longer relevant. Our current goal is to bring about free and fair elections. Yet, the continued military conflict leads us farther from, not closer to that goal.

Many nations in the world lack democratic forms of government, yet only in Angola are we financing a civil war to force changes by an existing regime. Much of Africa is not yet democratic, but many nations there are moving toward democracy—not because of armed subversion of their governments and economies but through international and grassroots pressure for basic political and economic reforms.

What is needed is to address the root causes of the region's problems—poverty and poor health care, ignorance, and injustice, unemployment, and stagnation. Yet, we pour more tax dollars into the civil war in Angola than into develoment aid for any nation in sub-Saharan Africa.

The human cost of the war is appalling—the United Nations estimates that over 500,000 Angolans have died in the war, including 330,000 children. In a nation of 9 million people, 1.5 million—nearly one-fifth of the population—have been displaced and 500,000 have become refugees; 40,000 have lost limbs from hidden land mines.

Young children bear the heaviest burden. UNICEF estimates that a child under 5 dies every 3.5 minutes—over 400 each day.

The war has also caused widespread hardship in rural areas. An estimated 1.5 million people no longer have access to decent water and more than 2 million have lost access to primary health care and basic schooling.

Respected human rights groups report egregious rights abuses by both the Government forces and UNITA. The UNITA leader, Jonas Savimbi, has been linked to horrific acts including torture and witch burnings. Such outrages should never be tolerated by the international community and certainly the United States has no business funding those who commit such crimes.

In one of the great absurdities of modern history, American business interests have continued to function in Angola. The country is now our third largest African trading partner, and Angolan Government troops have defended United States oil interests from UNITA raids.

It is time for Congress and the Bush administration to change course in Angola. The way to begin is by ending U.S. military aid for UNITA. We should couple that step with high level U.S. diplomacy to bring about a cease-fire and a negotiated end to the civil war.

It is time our secret funding of the war in Angola was openly debated and judged by Congress and the American people. Keeping this issue locked behind the doors of the intelligence community shields it from needed public scrutiny. Forcing our policy into the open will help shift it from a war policy to a peace policy.

Instead of promoting a negotiated solution, U.S. military support hardens the hardliners in the Government's ranks. Past efforts to achieve a negotiated settlement have floundered primarily because of distrust and misunderstanding among the participants and the uncertain role of the United States and the Soviet Union. The current talks about talks hosted by the Portuguese Government show tenuous signs of hope. A strong push from the United States—and the Soviet Union—might well enhance the process.

Presidents Bush and Gorbachev touched only briefly on Angola during their recent summit. Both superpowers must turn more attention to bringing an end to the tragic conflict we both fuel.

With so much progress taking place in other nations in southern Africa, prolonging this conflict is senseless and cruel. The cold war has ended elsewhere—why not in Angola?

ROBERT N. NOYCE

Mr. DOMENICI. Mr. President, on Sunday June 3, the computer age lost one of its forefathers. Robert N. Noyce, 62 years old, died after suffering a heart attack at his home.

For 30 years he contributed his genius and determination to the cause of creating the United States computer industry and keeping America in competition with Japan.

He collaborated with Jack Kilby to invent the semiconductor chip. They developed a system of interconnecting transistors on a single silicon microchip. Most would agree that this was one of the most important inventions of the century. It was the beginning of the information age and the launching pad for many mega trends of the past 20 years.

This innovation has greatly maximized the efficiency of electronic products including the personal computer, the pocket calculator, programmable coffeemakers, and microwave ovens. His work has been the catalyst for the miniaturization of electronic products in the past three decades. He was truly a dynamic leader, a brilliant engineer, and a remarkable human being. The electronics industry would not be what it is today without Bob Noyce. Electronics accounts for 2.5 million American jobs—more than automobile, steel, and aerospace manufacturing combined. Semiconductors underlie the development of automated, flexible-manufacturing "factories of the future" that will improve productivity, efficiency, and product quality.

Robert Noyce earned a bachelor's degree at Grinnell College. While he was there, he was a student of Grant O. Gale, who in 1948 was given one of the first transistors by one of its inventors, John Bardeen. Professor Gale led one of the first courses in solid state physics using the principles of the transistor. From Grinnell, Robert Noyce went on to receive a doctorate in physics from the Massachusetts Institute of Technology. He was a researcher at the Philco Corp. in 1953, then later moved to the Shockley Semiconductor Laboratory. He cofounded Fairchild Semiconductor Corp. in 1957. In 1968, Dr. Noyce and his longtime associate Gordon E. Moore, founded Intel Corp. Bob, while being a close friend of mine also befriended the State of New Mexico by choosing Albuquerque as the site for one of Intel's large plants.

Robert was one of the original pioneers of Silicon Valley, the area of northern California that is home to a great many high-technology companies. His influence there was magnanimous. Robert Noyce was an extraordinary model American and I am honored to have known him and shared his friendship. During our regular meetings he was always an incredible source of good counsel and wisdom.

His advice on U.S. competitiveness in industry and education was often sin-

glehandedly more influential than any committee proposals. He and his wife, Ann Bowers, had been active in seeking ways to address the problems of secondary education. The significant dropout rate and the low priority science and math programs in the high schools were problems he felt would have a damaging effect upon the competitiveness of U.S. industry. He was a dedicated and fastidious worker and when presented with the chief executive position of Sematech, after initial reluctance, he accepted because he knew as well as his coworkers that he was the only person qualified for the job.

Sematech, a research consortium of 14 U.S. chip makers is based in Austin, TX and receives an annual budget of $200 million provided by the Government and manufacturers. The goal of Sematech is to develop world-competitive manufacturing capabilities. Indeed, since the humble beginnings of a one-manned electronics venture, Sematech has become a forerunner of the industry. Noyce had even begun lobbying in Washington on behalf of the consortium.

Among his many accomplishments, Robert was awarded the National Medal of Techology by President Reagan in 1987 and the National Medal of Science from President Carter in 1980. He was inducted into the National Inventors Hall of Fame in 1983 and elected to the U.S. Business Hall of Fame in 1989. The accolades bestowed on Robert Noyce can never measure up to the extraordinary impact he made on the people who knew him. I had the personal privilege to travel with Dr. Noyce to Japan for a semiconductor agreement. Bob Noyce was an influential entrepreneur and inventor while also being a successful ambassador for U.S. trade relations abroad.

I ask unanimous consent that the articles from the Washington Times, Los Angeles Times, New York Times, and Financial Times be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, June 4, 1990]

ROBERT NOYCE, COMPUTER AGE PIONEER, DIES

(By Jesus Sanchez)

Robert N. Noyce, a modern-day Thomas Edison who helped usher in the Computer Age by co-inventing the semiconductor and later led an effort to restore America's leadership in computer chips, died Sunday morning of a heart attack. He was 62.

The Silicon Valley pioneer suffered a heart attack at his home in Austin, Tex., and was rushed to Seton Medical Center where he was pronounced dead minutes after his arrival, according to a hospital spokesman.

Noyce remained a prominent member of the electronics industry for more than 30 years since he and Jack Kilby, working independently, created the integrated circuit. That led to a dramatic increase in computer power by placing multiple transistors on a single silicon chip.

At the time of his death, Noyce was the chairman of Sematech, a consortium of electronic firms and the federal government that was created to invigorate the domestic semiconductor industry. U.S. chip makers—including Intel Corp., which Noyce cofounded—have lost worldwide industry dominance to aggressive Japanese competitors.

Noyce's death comes at a time when U.S. electronics industry officials worry that the Bush Administration may reduce federal funding for Sematech. While Noyce's absence is not expected to lead to a management crisis at the consortium, his unquestioned stature and respect gave the venture added credibility and significance.

A three-member office of the chief executive that Noyce created will run Sematech until a new president is selected, a Sematech spokesman said. In April, Noyce had asked the consortium's board of directors to begin searching for his eventual replacement.

"Bob Noyce made important contributions to the science of integrated circuits and his leadership of Sematech has pointed the way to a revitalized U.S. semiconductor industry," said Michael J. Attardo, president of the general technology division of International Business Machines and that company's representative on the Sematech board.

Noyce was born Dec. 12, 1927, in Burlington, Iowa. He graduated from Grinnell College in Grinnell, Iowa, with bachelor's degrees in physics and mathematics and membership in Phi Beta Kappa. Noyce earned his Ph.D. in physics from the Massachusetts Institute of Technology in 1953.

He became a researcher at Philco Corp., then later moved to the Shockley Semiconductor Laboratory. He co-founded Fairchild Semiconductor Corp. in 1957, when he and Kilby, of Texas Instruments, separately invented the integrated circuit. In 1968, Noyce and longtime associate Moore founded Intel.

In 1988, Noyce was selected to head Sematech after initially puting himself out of the running for the position. "It finally dawned on me it was far too important for someone else to do," he said after deciding to accept the post. "I had to do it myself."

Noyce said it was essential to U.S. economic and military security for the industry to regain its worldwide leadership in semiconductors. He even urged that highly independent U.S. industry members adopt the cooperative methods of the Japanese.

The Austin-based consortium—which includes Intel, Texas Instuments and 12 other U.S. chip makers—has an annual budget of $200 million provided by the government and manufacturers. Noyce had established a three-member management team consisting of himself, chief operating officer Turner E. Hasty and chief administrative officer Peter H. Mills.

In addition to his Sematech duties, Noyce had remained as Intel's vice chairman and was an active member of its board.

Noyce was awarded the National Medal of Technology by President Ronald Reagan in 1987 and the National Medal of Science from President Jimmy Carter in 1980.

In February, Noyce and Kilby were presented the first Charles Stark Draper Award by President Bush. "Integrated circuits have enabled us to do the unimaginable," Bush said at the awards ceremony. "Now, it is unimaginable to believe we could ever live without them. The microchip . . . helped America change the world."

Noyce held 16 patents for semiconductor devices, methods and structures. He was a founding member and first president of the Semiconductor Industry Assn.

Noyce is survived by his wife, Ann Bowers, four children and 12 grandchildren. Funeral arrangements are pending.

[From the Washington Times, June 4, 1990]

ROBERT NOYCE, CO-INVENTOR OF SEMICONDUCTOR CHIP

AUSTIN.—Robert Noyce, 62, who revolutionized electronics by co-inventing the semiconductor and later sought to revive American chip-making as head of the government-industry consortium Sematech, died June 3 at Seton Medical Center. The cause of death was not reported.

Working separately in the late 1950s, Mr. Noyce and Jack Kilby invented the semiconductor chip that sparked the information age.

The Silicon Valley pioneer also was one of the founders of Intel Corp., the nation's third-largest semiconductor producer, and fought for the creation of a consortium to promote the American industry.

In 1988, Mr. Noyce was appointed chief executive officer and president of Sematech, a government-industry effort designed to recover world leadership in semiconductor manufacturing.

The Austin-based consortium, which includes 14 U.S. chip makers, Sematech has an annual budget of $200 million provided by the government and manufacturers.

Mr. Noyce was born in Burlington, Iowa. He was graduated from Grinnell College in Grinnell, Iowa, with bachelor's degrees in physics and mathematics and membership in Phi Beta Kappa. He received his doctoral degree in physics from the Massachusetts Institute of Technology in 1953.

He became a researcher at Philco Corp., then later moved to the Shockley Semiconductor Laboratory. He co-founded Fairchild Semiconductor Corp. in 1957, where he and Mr. Kilby of Texas Instruments separately invented the integrated circuit. In 1968, he and longtime associate Gordon E. Moore founded Intel Corp.

The inventor was awarded the National Medal of Technology by President Reagan in 1987 and the National Medal of Science from President Carter in 1980. He was inducted into the National Inventors Hall of Fame in 1983 and elected to the U.S. Business Hall of Fame last year.

[From the New York Times June 4, 1990]

AN INVENTOR OF THE MICROCHIP, ROBERT N. NOYCE, DIES AT 62

(By Constance L. Hays)

Robert N. Noyce, an inventor of a tiny computer chip that revolutionized the electronics industry and gave rise to the era of high technology, died yesterday at Seton Medical Center in Austin, Tex., after suffering a heart attack at his home. He was 62 years old.

While Dr. Noyce's name never became widely known, his work helped make possible all sorts of products, including the personal computer, the pocket calculator, programmable coffeemakers and microwave ovens and computerized flight plans for commercial and military aircraft.

In many ways, Dr. Noyce was an embodiment of Silicon Valley, the area of Northern California that is home to a great many

high-technology companies, many of them started by young entrepreneurs. While his research opened doors for many technical advances, Dr. Noyce also played a leading role in the commercialization of electronics and as an industry spokesman who frequently lobbied in Washington.

Dr. Noyce, who once described his career as the result of a succession of dissatisfactions, developed a system of interconnecting transistors on a single silicon microchip, known as integrated circuitry. He was awarded a patent in 1959, and the technology, which could manage many times more information than was possible with existing transistors, quickly became the basis of the modern computer and permitted a miniaturization of electronics used in many products.

Jack Kilby, a staff scientist at Texas Instruments Inc. who is now retired, is also recognized as an inventor of the integrated circuit, and holds patents as well. The two men worked independently.

"Bob Noyce was an instrumental figure in creating the semiconductor industry, which today is a $50 billion industry driving a $500 billion electronics industry," said Stan Victor, a spokesman for Texas Instruments. "He will be missed."

MAYOR OF SILICON VALLEY

Dr. Noyce founded the Intel Corporation, which developed the microprocessor that is the heart of most personal computers, and helped start a number of other computer companies in Silicon Valley.

"He was considered the mayor of Silicon Valley," said Jim Jarrett, a spokesman for Intel. A founder of the Semiconductor Industry Association in 1975, Dr. Noyce was frequently in Washington to lobby on behalf of semiconductor manufacturers.

At the time of his death, Dr. Noyce was the president and chief executive of Sematech Inc., a research consortium in Austin that was organized by 14 corporations in an attempt to help the American computer industry catch up with the Japanese in semiconductor manufacturing technology.

Industry executives said finding a successor for him at Sematech would be difficult. "He was clearly a person of stature who understood both the technical aspects of the business as well as the business itself," said Federico Faggin, who designed the microprocessor at Intel and is now president of Synaptics, a computer company in San Jose, Calif. "It's a very big loss for Sematech and for the country, really. I don't think there is another one like him."

A LEGENDARY FIGURE

The chairman of Intel, Gordon E. Moore, said in a statement: "The electronics industry lost a legendary figure today with Bob Noyce's sudden death. Bob's achievements put him in a class by himself: inventor of the integrated circuit, founder of two major American companies, and the first chief executive of Sematech."

Dr. Noyce remained a vice chairman of Intel even after he was named to a search committee looking for a leader for Sematech, which has a $200 million annual budget, half from the Department of Defense and half from industry. After the search process became embarrassingly long and failed to turn up anyone willing to take the post, Dr. Noyce agreed in 1988 to head the consortium, after initially saying he was too old.

A spokesman for Sematech, Joe Stroop, said yesterday, "Dr. Noyce was a strong advocate of restoring competitiveness to the U.S. industrial and education systems." In April, Dr. Noyce asked Sematech's board to begin searching for someone who would eventually replace him, Mr. Stroop said.

An Iowa native who was the son of a Congregation minister, Dr. Noyce became fascinated by computers while at Grinnell College in Grinnell, Iowa, where he earned a bachelor's degree. He was a student of Grant O. Gale, who in 1948 was given one of the first transistors by one of its inventors, John Bardeen. Transistor in hand, Professor Gale taught one of the earliest courses in solid state physics to a class of 18 physics majors, one of whom was Mr. Noyce.

In 1953, he received a doctorate in physics from the Massachusetts Institute of Technology.

Later that year he took his first job as a research engineer at the Philco Corporation in Philadelphia. He left in 1956 for the Shockley Semiconductor Laboratory in Mountain View, Calif.

A year later he had helped found the Fairchild Camera and Instruments Corporation's semiconductor division, leaving Shockley with a group of colleagues in what was to become a common pattern in Silicon Valley. While at Fairchild, Dr. Noyce invented a process for making integrated circuits that is still used.

In 1968 he and Mr. Moore, another Fairchild scientist, founded Intel, which grew to become one of the nation's leading semiconductor companies and a pioneer in the development of memory chips and microprocessors.

While the earliest silicon chips contained two transistors, current technology can etch 10 million transistors on a single chip. The capacity is expected to continue to grow and experts believe a microchip, generally the size of a fingernail, could contain a billion transistors by the turn of the century. Such advances help drive the cost of computing power downward.

Dr. Noyce was awarded the National Medal of Science in 1979 by President Jimmy Carter and received the National Medal of Technology in 1987 from President Ronald Reagan. He held more than a dozen patents, in addition to the one for interconnecting circuitry. In 1983 he was inducted into the National Inventors Hall of Fame.

Dr. Noyce is survived by his wife, Ann Bowers, of Austin; his mother, Harriet, of Berkley, Calif.; three brothers, Donald of Berkley, Gaylord of New Haven and Ralph of San Jose, Calif.; four children, William B. of Hollis, N.H., Pendred of Weston, Mass., Priscilla of Kenya, and Margaret of Kyle, Tex., and 12 grandchildren.

Memorial arrangements are not yet final. Mr. Stroop of Sematech said.

[From the Financial Times, June 12, 1990]

NATURAL LEADER WITH A NATIONAL PURPOSE

Seated at a battered picnic table, squinting into the bright California sunshine, Robert Noyce discussed the travails of the US semiconductor industry. Dozens of engineers and salesmen attending an industry trade show were milling around, but few of them seemed to recognize the man whose accomplishments had made all of their enterprises possible.

As the inventor of the "microchip" and cofounder of two of the most influential semiconductor companies in the US—Fairchild Semiconductor and Intel—Noyce was a legendary figure, but he avoided the public limelight and spent little time reflecting on past glories.

His untimely death last week at the age of 62 cut short his efforts to ensure that US companies would continue to play a leading role in chip manufacturing. As president and chief executive of Sematech for the past two years Noyce headed a consortium of US semiconductor manufacturers taking a radically new collaborative approach to re-establishing US pre-eminence in semiconductor manufacturing technology.

On that sunny morning, three weeks ago, Noyce talked about the progress Sematech has made in fostering more co-operative relationships among US semiconductor manufacturers and with their suppliers of production equipment. He believed that collaboration is essential if the US semiconductor industry is not to be overwhelmed by foreign, principally Japanese, competition.

Noyce expressed his concerns about foreign acquisitions of US semiconductor production equipment and materials manufacturers. He feared that the trend signalled the "hollowing" of the infrastructure of supplies upon which the US semiconductor industry depends.

Although Noyce never sought public recognition and decried the "media practice of creating industry personalities," he was acclaimed by his peers as the founding father of the semiconductor industry and of Silicon Valley. He was a natural leader who drew out the best in those who worked with him.

As an inventor, as an entrepreneur, as a manager and more recently as the US semiconductor industry's chief advocate in Washington, Noyce played a pivotal role in the US semiconductor industry throughout his career.

It was as a young man in his thirties, working at Fairchild Semiconductor, that Noyce first conceived of the idea of building multiple transistors on a single chip of silicon and created the prototype "integrated circuit."

(At about the same time, Jack Kilby of Texas Instruments came up with a similar, though less refined model of an integrated circuit. Following a 10-year patent rights battle between Fairchild and Texas Instruments, both companies' rights were upheld. Noyce and Kilby became known as the "co-inventors" of the semiconductor chip.)

Little did Noyce realise then the enormous impact that his invention would have upon society. The ubiquitous semiconductor chip has become the building block of the information age, the critical component of computers and a myriad of other electronic products. Robert Noyce may never have been a household name, yet few households, offices or factories in the developed world have not directly benefitted from his creative genius.

The microchip was not, however, Noyce's only invention. He was an inveterate tinkerer. He built, and flew, model airplanes and was in his element at his workbench. His latest craze had been to construct plastic camera cases for underwater photography. "He could have made a business out of it," Ann Bowers, his widow, maintains.

Many who knew Noyce were struck by his breadth of interests. Noyce was, by all accounts, a daredevil on the ski slopes. He was also a keen scuba diver, an accomplished musician and the director of a madrigal singing group. He piloted his own private plane. "It was disgusting the number of things Bob did well," Bowers jokes.

The third of four sons of a Congregational minister, Noyce grew up in Grinnell, Iowa, a small mid-western town, during the depression. "I grew up in a special place and time, and I believe the lessons my generation

learned have a special significance for today's America," he recently told a group of Iowa businessmen.

The values instilled in his youth proved to be "the foundation for almost everything I've done since," Noyce said. "They were: work hard, save your money, get an education, try to get ahead."

He worried that Americans no longer value these "first principles" as they once did. "When I was a youngster, I made my money by throwing [delivering] the Des Moines Register, mowing lawns in the summer and shoveling sidewalks during the winter." The sparks of entrepreneurial spirit also were kindled in Grinnell. "I used to offer our neighbors annual contracts for snow shoveling," Noyce explained. "Of course, I prayed very hard that it wouldn't snow, and I can remember one particular mild winter when I made out like a bandit. But if it did snow, I had that obligation I could not duck . . . I learned that the rewards of taking a risk can often be greater than the cost."

Thus when Noyce was invited, in 1956, to join an elite team of young scientists and engineers working under William Shockley, one of the inventors of the transistor, he did not hesitate to resign his job at Philco in Philadelphia and travel to California.

Shockley was the "guru after whom the disciples (also including Gordon Moore, now chairman of Intel) followed," Noyce said. Shockley was also, however, an eccentric (he later became famous for his controversial racial theories) who was difficult to work with.

A year was enough. Noyce and seven other young engineers known in Silicon Valley lore as the "Traitorous Eight", left Shockley to form Fairchild Semiconductor, the "mother company" whose early employees went on to found the semiconductor giants of Silicon Valley—Intel, Advanced Micro Devices and National Semiconductor.

With Gordon Moore, Noyce cofounded Intel in 1968, creating the first "spin-off" company and establishing the process that has since populated the region with hundreds of high-technology firms.

Reflecting on his accomplishments, two years ago, Noyce said that one of his greatest satisfactions was in "having developed a meritocracy" at Intel, "based on knowledge, not position. Position power is not as important as knowledge power." Noyce set an egalitarian tone at Intel that became the hallmark of Silicon Valley.

Intel also made Noyce a multi-millionaire. Yet, he regarded money as merely "a way to keep score" and said that having achieved wealth allowed him to support causes that he cared about. Chief among these was education. For several years Noyce sat on the Board of Regents of the University of California. He was also an adviser to the Massachusetts Institute of Technology (where he obtained his PhD) and a patron of his Alma Mater, Grinnell College.

Recently he and his wife had been active in seeking ways to address the problems of secondary education. He was especially troubled by the high drop-out rate among high school students and the low priority given to science and maths in the schools which he felt would have a damaging effect upon the competitiveness of U.S. industry.

Noyce similarly viewed Sematech as a vehicle to strengthen U.S. industrial competitiveness. "We are fostering co-operation to try to raise the capability of American industry," he said in explaining Sematech's purpose. "And we are doing so by adopting some of the elements of the Japanese model, a model that seems to be working better than own."

"Bob believed that Sematech represented an important new model for rebuilding the international competitiveness of US industry." Bowers said last week. "He had come to the conclusion that the old methods just were not working any more . . . that the US had to try something new if our industries were not to decline."

Noyce's role at Sematech placed him, however, in the centre of a political debate over the proper role of the Federal Government in supporting US industry. Sematech receives half of its $200m annual budget from the US defence department while the remainder is paid by the 14 member companies of the consortium.

Persuading the Bush Administration to continue its support of Sematech became a challenge for Noyce. He made frequent trips to Washington to lobby on behalf of the consortium.

He refuted those who claimed that funding of Sematech represented a form of industrial policy. "Sematech is unique; but the idea of getting Government, industry and academia together for a national purpose is not at all new," Noyce argued. "Years ago, the US named agriculture as a critical industry and began a national effort to make sure our nation's farmers had what they needed to survive and compete. When Sputnick was launched in 1957, America decided aerospace was a critical national industry, and put its will and resources into making sure it succeeded too," he said.

Semiconductor manufacturing is also an industry that is critical to the economic well-being of the US, and deserving of Government support, Noyce maintained. He made a powerful impression upon Congressional committees with his forthright testimony on the semiconductor industry. He was frustrated, however, by the lack of attention given to industrial competitiveness by the Bush Administration.

Bob Noyce would no doubt see the irony in an incident that occurred hours after his death. When an industry representative called the White House to relay the news of his passing to the President, aides reluctantly took the message.

The next day President Bush called Ann Bowers to offer his condolences. "I was floored." Bowers admits.

When the President asked what he could do to help, she nonetheless had the presence of mind to respond by seeking his continued support of Sematech. "I would like Sematech to be a living memorial to Bob Noyce," said Bowers.

WASHINGTON NATIONAL RACE FOR THE CURE

Mr. MITCHELL. Mr. President, I rise today to bring to the attention of my colleagues and the Nation an event occurring this Saturday, June 16, the Washington National Race for the Cure. The Race for the Cure is a 5-kilometer race sponsored by the Komen Foundation to raise national awareness about breast cancer. Senator DOLE and I have sent letters of information to Senators' offices regarding this worthwhile event and I would urge them, their families, and staff to support the race.

The statistics surrounding this disease are alarming. Breast cancer kills over 40,000 American women a year, and is the leading cause of death for women between 30 and 50 years of age. In my home State of Maine alone, it is estimated that over 630 women are diagnosed with breast cancer each year. Of these women, evidence shows that one in three will eventually die from the disease.

Breast cancer is a disease which is of concern to all women. The American Cancer Society tells us that the major contributing factors to the disease are age and gender. In fact, research shows that three-fourths of the women diagnosed with breast cancer had no significant risk factors other than age.

Because breast cancer will afflict 1 out of 10 women in their lifetime and the number of younger women being diagnosed is increasing, it becomes clear that education and early detection are imperative in the fight against this killer.

The American Cancer Society suggests a three-pronged approach for women. They suggest that women between the age of 31 and 39 have a base mammogram from which future mammograms can be compared. Clinical exams should be conducted every 3 years for women between 35 and 39, every 1 to 2 years for women aged between 40 and 49 and every year for women 50 and over. All women should conduct monthly self-breast exams and have mammograms performed as advised by their doctor.

Mr. President, it is time that society stop ignoring this disease and recognize the number of women and families it afflicts. I commend the Komen Foundation for its dedication in helping women fight a battle against an enemy that takes thousands of lives each year.

HEROICS BY THE U.S. COAST GUARD

Mr. KERRY. Mr. President, I would like to highlight a heroic rescue effort by the U.S. Coast Guard earlier this week off of the coast of Massachusetts in which the Coast Guard rescued former Congressman Ed Bethune and his wife Lana.

After 36 hours of rough seas, the couple issued a distress signal some 210 miles south of Cape Cod. The U.S. Coast Guard was called into action, and they executed a heroic rescue mission which undoubtedly saved the Bethune's lives.

On June 12, at 1:30 p.m., the Coast Guard received a distress call from the Bethune's 30-foot sloop *Salute.* Two Falcon jets and an H-3 Foxtrot helicopter were immediately dispatched from the Coast Guard air station at Otis Air Force Base to aid the sail

boat. Battling a full-blown gale of 40 knots and waves up to 20 feet high, the Coast Guard lowered a rescue swimmer to assist the Bethunes into a basket, successfully pulled them from the seas, and carried them to safety.

The guardsmen displayed extraordinary skill and precision during this dramatic rescue mission. Lives were at stake, and the U.S. team was faced with limited fuel, adverse weather conditions, and a vessel that was soon to be taken hostage by the sea itself. Under intense pressure, Mr. President, the guardsmen conducted themselves in an admirable and courageous manner which I believe should be applauded.

With the opening of the boating season, the Coast Guard's effort is one we are proud of. I highlight it today to show recreational boaters, as well as commercial boaters and fishermen in our region, that they have a great team behind them. Knowing this should offer them serious comfort when they are out enjoying or working the seas.

APPRECIATION FOR THE WORK OF THE GRADUATING SENATE PAGES

Mr. HARKIN. Mr. President, I thought I might take the floor to pay tribute to and to recognize some very fine young people who have served this body very well over the last several months. I am referring to the pages who have worked very diligently and very hard here since last September, last January. They are a great group of young people.

I will take the time to read their names into the RECORD because I think they have done an outstanding job: Matt Antkoviak, Natasha Maehara, Kristen Clark, Rebecca Young, Ginger Remmick, Sam Spencer, Martha Stuart, Amanda Meredith, Cory Fischer, Stacy Temple, Dawn Hastreiter, Rashidah Salhandeen, Karen Beyer, Michelle Ferenchick, and Todd Parment.

These young people have served the Senate, most since last September, I think half of them since about last September, the rest since January.

Being a page is a very tough job. I had the opportunity to converse with them on different occasions and I am really impressed by how bright, how aggressive, how hardworking and, above all, how well-mannered they are.

I doubt many people know these young people have to get up early in the morning, go to class at 6:15 in the morning, Monday through Friday, sometimes on Saturday, then come to the Senate and work all day until the Senate quits, sometimes very, very late at night. It is a tough job and they have done it very well.

I note they are graduating tomorrow at 10 a.m., in S-207. I wanted to take this time to compliment them all on the hard work they have done here in the Senate. As I said, we will not find a brighter, more aggressive, hardworking, and dedicated group of young people anywhere in America. I personally thank them for all they have done, wish them the best in their studies and in their future careers. I know in not too short a time, at least one or more of them will be standing here on the Senate floor.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I want to associate myself with the very fine comments of the Senator from Iowa. I share his opinion of the excellent work that has been done by these very fine people.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The majority leader is recognized.

SCHEDULE

Mr. MITCHELL. Mr. President, for the information of Senators, I have just completed a meeting with the distinguished Republican leader, following consultation by both of us with several committee chairmen and Senators interested in pending legislation, in an attempt to reach agreement on a proposed unanimous-consent request which would embrace several pending measures and permit us to deal with them in what I hope will be an expeditious fashion. The subjects include the pending measure and the budget resolution, as well as several other items of legislation, and it would permit us to set forth the schedule for the remainder of this legislative period prior to the Fourth of July.

If we can reach agreement, this will save the Senate a great deal of time, not just a few hours, but weeks of lengthy debate and discussion. I am hopeful that we will be able to do that, because if we do, it will save time on these pending matters.

To give our colleagues on the other side the opportunity to discuss it among themselves further and to engage in follow-up discussions, I am going to shortly put the Senate in recess until 4 p.m., at which time I hope that we will be in a position to propound this request, get it cleared by all Senators, and then enable us to move forward today on important and pending measures.

RECESS UNTIL 4 P.M.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 4 p.m.

There being no objection, the Senate, at 2:58 p.m., recessed until 4 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. PRYOR].

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. BIDEN. Mr. President, I ask unanimous consent that I be permitted to speak out of order.

The PRESIDING OFFICER. Without objection, it is so ordered.

CRACKING DOWN ON THEFT IN THE SAVINGS AND LOAN INDUSTRY

Mr. BIDEN. Mr. President, we are all painfully aware that the savings and loan debacle is the single biggest financial scandal in this Nation's history. But this mess is also the single biggest criminal scandal in our Nation's history.

Just last month, in hearings that I chaired in the Judiciary Committee, the Attorney General of the United States testified that criminal fraud and embezzlement by top level S&L executives and employees was responsible for fully 30 percent of the savings and loan failures. This may be only the tip of the iceberg, Mr. President.

Already, more than 20,000 cases of fraud involving the financial services industry have been referred to the FBI; almost 1,000 of these cases involve losses exceeding $1 million; the FBI is actively investigating 7,000 bank fraud and embezzlement cases, and 8,000 new civil and criminal cases are being referred to the FBI every month, 8,000 a month, by bank and savings and loan regulators.

Mr. President, nothing short of a massive Federal crackdown will suffice to punish these white-collar criminals, seize and recover every possible dollar of stolen and embezzled funds, and restore public confidence in the banking and financial services industry.

Short of a significant role, our Federal law enforcement agencies have neither the tools nor resources they need to mount such an aggressive crackdown.

Thus far, the administration's response to this unprecedented crisis has been inadequate. Indeed, the administration's fiscal 1991 request for agents and prosecutors to investigate savings and loan fraud cases was actually $25 million less, $25 million less than the amount authorized by Congress last year to investigate these savings and loan fraud allegations.

The Justice Department's current resources are clearly inadequate, Mr. President. The FBI requested 425 new FBI agents in 1991 to track down the hundreds of billions of dollars in S&L fraud, but the administration cut that request. To make sure I am clear, the FBI asked for, and they said they

needed, a minimum of 425 new FBI agents to track down and crack down on the fraud that they believe has occurred and already referred to them in cases in the savings and loan industry. The administration cut that request to under 225 new agents, giving only 201 new agents. Some cities that have been rocked by the savings and loan failures, such as San Diego, received no new agents, and 1,500 of the 3,500 criminal cases against savings and loan officials are dormant for lack of prosecutors.

I realize I am giving a lot of numbers here, and they can be confusing, but I want to just focus on a couple: 3,500 criminal cases have been filed; on 1,500 of them nothing is happening, because there are no prosecutors.

The Justice Department needs more than just additional agents and prosecutors, which our committee is attempting to give them. The FBI needs broader investigative authority to pierce the elaborate scheme that many S&L executives have designed to hide their criminal wrongdoings.

The prosecutors need our most powerful racketeering and money-laundering laws expanded to include every category of savings and loan fraud, so that the most egregious violators are punished just as severely as the leaders of organized criminal syndicates.

Many sound legislative proposals to address parts of this problem have been introduced. Senators GRAHAM and WIRTH have introduced legislation to create a financial services crime division in the Department of Justice; Senator HOLLINGS has proposed significant increases in the FBI agents and prosecutors to pursue savings and loan fraud cases; that is particularly important for him to do that, because he is the chairman of the Appropriations subcommittee that has jurisdiction over this area. Senators DOLE and HEINZ have offered proposals to prevent S&L violators from hiding behind the Federal bankruptcy laws to avoid paying criminal and civil judgments that are levied against them; and Senator LIEBERMAN has proposed to expand the Secret Service's authority to investigate savings and loan fraud cases.

Each of these are serious, thoughtful proposals that can strengthen our crackdown on bank and savings and loan fraud and embezzlement cases. I understand that the administration may offer its own savings and loan fraud enforcement proposal in the near future.

Mr. President, the debate is no longer about whether we should do more to crack down on savings and loan fraud and embezzlement cases; now the debate is about how many additional FBI agents and prosecutors are needed, and what additional tools and penalties do they need to do the job?

In fact, in an article in today's Wall Street Journal, T. Timothy Ryan, the head of the Office of Thrift Supervision, stated that more agents and prosecutors are needed for savings and loan fraud.

I want to hear from the Justice Department, the Treasury Department, the Office of Thrift Supervision, and others, to determine exactly what we need to do to mount a massive attack on fraud and embezzlement in the banking and savings and loan industry. That is why today I am announcing that I will chair a Judiciary Committee hearing on savings and loan fraud immediately after we return from the Independence Day recess, on July 10, at 10 a.m. At this hearing, I intend to review each of the various proposals that have been submitted relating to the savings and loan fraud and abuse questions that have been raised.

Based on this hearing, I intend to craft a comprehensive package of legislation to significantly beef up our current savings and loan fraud crackdown. The package will include worthwhile proposals offered by my colleagues and the administration, along with a series of initiatives that I have developed to punish in the savings and loan fraud and embezzlement cases. I plan on working closely with Senator RIEGLE, the chairman of the Banking Committee, to craft a bill that gives Federal investigators and prosecutors the tools and manpower they need to crack down and prosecute every possible savings and loan violator.

Most important, I intend to move quickly. Tens of millions of dollars are lost every day as S&L fraud cases lay dormant because of inadequate resources. The comprehensive S&L fraud package that I intend to introduce will receive prompt action by the Judiciary Committee, and—I am confident—by the full Senate.

In closing, I suggest that our colleagues in the House have in fact today proposed just such a proposal led by a number of our colleagues over there, including the Congressman from Delaware, TOM CARPER, who is one of the principal sponsors.

Mr. President, I think it is time we stop listening to the administration when they tell me before my committee that they need no more help, that they need no significant infusion of prosecutors and FBI agents, so that this time when we question the administration and others who come before us they will know full well that they not only have a willing and anxious ear in the ear of the chairman and members of the committee, but that whether or not they want this additional help, they are going to get this additional help because we cannot tolerate the notion that over half the cases already brought are dormant and that tens of billions of dollars are going to go unretrieved if we do not give them more manpower and capability.

Mr. President, I look forward to discussing with you, the Presiding Officer, and the Senator from Arkansas, this legislation and many others in the hope that before we adjourn this body will be able to have passed a significant package relating to the savings and loan fraud cases.

I thank the Chair and my colleagues, and I yield the floor.

The PRESIDING OFFICER. Does the Senator desire to request the absence of a quorum?

Mr. BIDEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PRYOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER (Mr. EXON). The Senator from Arkansas.

S&L CRISIS

Mr. PRYOR. Mr. President, I thank the Chair for recognizing me.

Mr. President, a few moments ago I had the honor of presiding in the Chair as the distinguished Senator from Delaware, the chairman of the Judiciary Committee of the U.S. Senate, announced on the floor hearings related to the S&L crisis which will be held in early July in his committee. These hearings will examine why the administration is cutting back the requests for the numbers of FBI agents and the number of prosecutors needed at this time to prosecute literally the thousands and thousands of cases involving S&L thievery.

Mr. President, about 1½ years ago, in the State of Arkansas, one of our major S&L's First South Savings & Loan, was closed. I became a little bit curious about how the Goverment would dispose of the furniture, fixtures, and equipment of that thrift.

I asked the GAO to do a quick summary of what happened in this particular S&L's closing, how the oriental carpets, how the fancy desks, how the oil paintings, and the works of art were disposed of.

I was shocked and dismayed, Mr. President, when I ultimately found out that essentially an insider sale took place. Once again, the American consumer and the American taxpayer took it on the chin, since the proceeds of this sale were diminished by the insider abuses.

I decided a few months ago that I would expand my inquiry. I said to the General Accounting Office: All right, we know what happened there in the

State of Arkansas. Let us go a little farther. Let us go west. Let us go to Texas. Let us see what might have happened in some of those S&L's in Texas, what might have happened to those oriental rugs, those fancy desks, those fancy chairs, and those oil paintings; once again, what has happened in the area of furniture, fixtures, and equipment.

Well, Mr. President, about 10 days ago, I received the report from the General Accounting Office. Here is what happened: The FSLIC, in 1989, decided they needed four things done in that particular area.

One, an appraisal of all the assets. Two, an inventory of all those assets; three, a place to store the assets; and four, someone to actually liquidate them.

Well, Mr. President, something strange happened on the way to the auction house. The FSLIC decided to hire four separate companies to handle all the functions related to liquidating the assets from these Texas thrifts.

But, Mr. President, there was a problem. All four of those companies hired by the FSLIC were owned by the same man. So he got to make the inventory and do the appraisal. He got to do the liquidation, and also he owned the warehouse that stored some 3 million dollars' worth of furniture, fixtures, and equipment.

Mr. President, I want to know what the distinguished Senator who is presiding, a very fine businessman before he came to the U.S. Senate from the State of Nebraska—very successful in his business—I want to know what the Senator who is now presiding thinks the American taxpayer got for the $3 million in assets after it was stored in a warehouse for a year.

Mr. President, I will tell you. According to the General Accounting Office, the American taxpayer got back net $57,000—$57,000. Mr. President, what kind of return is that?

I heard one of the greatest speeches on the floor about 4 weeks ago delivered by the Senator from Illinois, Senator ALAN DIXON, our colleague. I call it the small potatoes speech. He talked about his days of growing up in Illinois. He was talking about the teapot dome scandal, and what a horrendous, monumental scandal this was. He compared the S&L scandal, Mr. President, to the teapot dome scandal—and no one can do it like our friend from Illinois. He called it small potatoes.

Well, I know $57,000 in net proceeds on the sale of 3 million dollars' worth of furniture, fixtures, and equipment might be small potatoes, Mr. President, but it is the principle. Mr. President, later this summer there is going to be a huge RTC auction of real estate belonging to failed thrifts.

I would like to know what the American taxpayer is going to reap from that liquidation. I want to know who will be on the inside of that deal. Because I can tell you, the American taxpayers in this deal are sitting on the outside. They are not on the inside. The taxpayers are on the outside looking in, wondering what we are doing about the greatest scandal in our country's history.

In a week or so, Mr. President, I am going to make further comments about this General Accounting Office study. I will submit it in its entirety for the RECORD. But until then, I am going to start monitoring some of the sales of these assets because there is someone in there who is on the inside, and they are making millions of dollars in profit at the expense of the American taxpayer.

Some may say, well, this is small potatoes. But as a matter of principle, Mr. President, this is very important because it relates to a principle and it relates to a commitment that I am afraid this administration does not have in trying to solve the S&L crisis that has been created in the last decade.

Mr. President, I yield the floor.

(Mr. SANFORD assumed the chair.)

SOCIAL SECURITY TRUST FUNDS

Mr. MOYNIHAN. Mr. President, I congratulate my friend from Arkansas for his very graphic, very precise assessment of what is in fact the largest financial scandal in the history of the American Nation. That it is being concealed from the American people by exclusion from our budget calculations, compounds the scandal. It renders dishonest the things that we do here in a way which truly is to be regretted.

I understand the Stanford Law Review estimates the ultimate cost of this scandal of the 1980's at $1.4 trillion. How can we leave that out of our budget and say that we have not been party to essentially the same practices? It is astounding and depressing.

Not more so than our use of Social Security trust funds to pay for the bailout of the savings and loan associations, some 60 percent of which we are told by the Justice Department involve fraud or other criminal activities.

Each year, Mr. President, for some years now and in growing amounts in the years ahead, the Social Security trust funds have been used to pay general Government expenses. But Social Security revenues are not taxes collected for the purposes of general revenue; they are not described as a tax—if you look on your paycheck, you will see the deduction is for FICA [Federal Insurance Contributions Act].

They are posted, as the accounting term is, to individual accounts, with your number, for your retirement benefits, your disability benefits, survivors insurance, whatever you may need. Yet these moneys are being used as if they were general revenue and we are concealing that fact from the American people.

Early this afternoon, Mr. President, my friend and neighbor, the distinguished Senator from Pennsylvania, a member of the Finance Committee, came to the floor and spoke with respect to the leadership amendment and the budget resolution that we will be dealing with shortly. He made a point very close to the point pressed with ever greater clarity by the distinguished Presiding Officer, which is that the deficit is not the number that appears on a piece of paper passed around at Senate conferences and signed in the White House. The deficit is the amount of money the Treasury borrows every year.

That money that is borrowed every year, which includes the moneys for the savings and loan bailout, does not include one thing; it does not include the moneys collected as trust funds for Social Security.

The Senator from Pennsylvania this afternoon—who I see is on the floor, and I welcome the opportunity for him to listen, if he can for a moment—asked, will we, "stop now and for all time counting the Social Security trust fund's annual surpluses as if they were a special piggy bank to be applied to reducing the budget deficit." He stated, and I think correctly, "I do not think there is a Member in this Chamber who would ever dream of saying 'I am going to take $50 billion out of the Social Security trust fund and spend it on housing or health care or defense.' "—or any other program that might come along.

There could be emergencies in which you would do that, yes, true emergencies in which a President would summons the Nation, before television cameras, and say let me tell you the extreme conditions, in public, and the extreme measures required. Let me do it openly. Let me show everybody what is happening.

Mr. President, we hear about fraud in savings and loan associations, million of dollars. On three separate occasions in the 1980's, Social Security trust fund bonds were cashed in, the moneys to be used as general revenues for housing or defense or whatever, and the Congress was not even told. The public was not told. The trustees of the Social Security Board of Trustees were not told—public trustees were not told.

In a Houston bank that would mean prison, surely. In any law firm that would bring disgrace. It happened.

The Senator put it this way. He said, about what really is going to happen in the next 5 years that we are budgeting for:

You would expect, Mr. President, that if we had cumulative deficits of $673 billion for those 4 years, the sum increase in national debt would be approximately the same amount—$673 billion. The fact is, according to both CBO and OMB numbers, the national debt did not increase by $673 billion in those 4 years. It increased $1 trillion 49 billion.

That is the point the Presiding Officer is making. It is almost a secret from the public what the Treasury borrows, while these numbers are tossed around to conceal the secret. This is embarrassing.

This, in a Nation which is beginning to comprehend the extent of the mismanagement and fraud in the accounting and presentation of savings banks, which are trusts. They are banks, but there is an element of trust when you deposit money in a bank. You assume the probity of the bank manager.

Here we are dealing in the same deceptive manner. The world is going to look up and wonder, what happened to the integrity of the American Government? I cannot think of another industrial democracy which would do what we are doing and not be ashamed—or at least avow what it is doing.

So the Senator from Pennsylvania has made a compelling proposal. He offered a compelling proposal. He would like to take the amount of the Social Security surplus out of the calculation of the Federal deficit for purposes of complying with our present rules, under what is called the Gramm-Rudman-Hollings arrangement.

As we know, Mr. President, we are told in this increasingly depressing pattern of concealment and evasion, that in January President Bush's budget projected a 1991 deficit of $101 billion. That would require so much to be reduced under Gramm-Rudman-Hollings. But subsequently the Office of Management and Budget revised its deficit estimate to $138 billion. That is the same Office of Management and Budget, Mr. President.

I know they do not mean wrong in that certain sense. But, sir, I came to Washington almost 30 years ago in the Kennedy administration. It will be just 30 years soon now. And at that time the Bureau of the Budget was an institution above politics in this city. Not above policy. And it continuously provided advice to the President of the United States and solved problems for him to the degree they could be solved. It told him what his options were, helped figure these things out. But a rare corps of budget examiners, as they were called then, and I expect are now, the Bureau of the Budget—it was a great mistake when the name was changed to the Office of Management and Budget with emphasis on the management, and management on the spin of the numbers.

I think of the notion that Kermit Gordon, then budget director, could be told, well, why do you not shave a few billion off that estimate—the day he was told that would be the day he would walk out the door. And he was never told that, because it would have been thought absolutely outrageous to ever suggest a rosy scenario to the Director of the Budget. He was there as an umpire with respect to the numbers, and an adviser to the President with respect to the range of public options, given our finances.

Now it has come to be a given that that January rosy scenario will have lost its bloom by June. And here we are in June, and sure enough it has.

I do not know how you sustain trust in those circumstances, and trust is the coin of the realm. That is why the Senator from Pennsylvania, my good friend, a man whose friendship I would value only equal to that of the Republican leader, has proposed to put an end to fraud and to what he once nicely described as embezzlement in the forthcoming budget resolution.

Mr. President, I do not know whether that can be managed on the resolution coming up. The Republican leader and the majority leader are meeting on these matters even now, I think. I understand that to be the case.

The Senator from Pennsylvania has raised a question. He puts a proposition which is fundamental and on which, while I entirely agree in principle, I have to tell him, he knows, I have lost much faith in practice. That is, we ought to get to a truly balanced budget and use the surplus to reduce the privately held public debt and, in that measure, increase savings. It is an exact reciprocal, as they teach you in algebra in grade school. Whatever you reduce the privately held public debt, to that extent you help the public savings.

I hoped this would be done. We never clearly discussed the issue when, in 1977, we set in place the present Social Security rates and set in prospect surpluses. We did not discuss them. I was a member of the committee of conference, Mr. President. I so attest. I believe I am the only Member on our side of the aisle still in the Senate.

In 1983, we did not change those rates, but we advanced a few dates on which they went into effect to bring the surplus about sooner. Here it is, and, on January 1, the individual contribution rate of 6.20 reached the level that was set for 1990 in 1977. The system in that respect is a stable one. We have the benefit structure that was put in place in 1972, 18 years ago. We have the rate schedule put in place in 1977. The system is stable, in surplus, and solid. We also have a very tranquil quarter-century prospect: The ratio of retired persons to persons in the work force does not change in a quarter-century.

If we return, as I proposed that we do, to a 5.10-percent individual rate, combined rate of 10.2, we would not get back to the current rate for a quarter-century. That is a pretty good run. Thereafter, we would have to increase rates because the dependency ratio, as it is called, the number of workers supporting the number of retired persons, will change. If anybody in 1940, when the first benefit check was paid—we are just a half century into it—if anybody told you then we would have only five persons in the work force for one person retired, they would have said we cannot do it. But we are doing it.

We are doing it, Mr. President, at a cost to the persons presently paying and their employers at a much higher rate than is warranted because we are not saving the money. If we were saving the money, a case could be made. But a case cannot be made for using trust funds as if they were general revenues; not, Mr. President, in the present state of American income for individuals.

Mr. President, I report something to the Senate. I know the Presiding Officer is aware of it, but I do not know how many generally are aware that average weekly earnings in the United States in 1989 were lower than they were 30 years ago, in real terms. Lower than the great growth in incomes that began during World War II and continued for two decades. In the sense of what is happening, young people need to hear this because they need to know about an America different than the one they are living in. In the 1950's, the decade we associate with President Eisenhower, average weekly earnings in the United States grew by more than one-quarter. I put it in terms of my own family. My wife and I began that decade with subway fare, and we ended it with a station wagon. Not great wealth, a station wagon. It was not entirely paid for, but a very good station wagon, a Ford station wagon I remember. It was our first car. In a real sense, there was a changed condition in life, and, indeed, this had been one. But three decades later, workers are in the same place. Indeed, because we have increased Social Security contributions, average weekly earnings are lower.

If we leave apart the FICA levy, Federal Insurance Contribution Act, between 1959 and 1989—the 1989 number, Mr. President, is not published yet, but it is available at the Bureau of Labor Statistics. During that period, there was an increase of average weekly earnings of $2.74. That is wiped out, in effect, by the increase in Social Security levies.

What is that? In the past 30 years, wives have gone to work, so family

income has not been flat for 30 years. It has only been flat for 15 years, Mr. President. Things like that never happened. These are numbers without equal in our national experience.

Is it not time that we return some of their own money to the working people of this country? All 132 million of them. Take that husband and wife working a little above the median level to keep things together and send maybe one child to college; we could give them back a thousand dollars a year.

I just had a discussion with my colleague and friend, the Senator from Washington, Senator ADAMS. He had a wonderful idea. He said—he was just throwing it out—what do you say we make this Social Security refund and we give it in the form of a Government bond with a nice interest, a zero coupon bond so you get the full value? The face value says what you will get when it matures. So that a young couple could get that $1,000 at the end of the year. It might be in the form of a $2,500 bond. Well, they could cash it. It is a negotiable Treasury bond. They could cash it in if they needed it, or they could leave it with the local bank, or put it in a safe deposit box and say, all right, that is a good start on the money we are saving for our oldest child's college education.

Suddenly, to that extent, personal savings would be going up, people would have something tangible. I cannot speak for others, but I can certainly speak for my own household. We had a certain level of check below which you would spend it, and above which you would think about saving it. I think about $500 was about where it used to be in our family. Anything over $500 was something you should hold on to. It would be more than anything you could think to spend on.

A bond is not the worst idea. It is worth discussing, in a country that is desperate for savings, urgently needs savings.

However, the most important thing is not savings. It is not income. It is not procedure. It is trust. We are misrepresenting our finances to the American people—not just the American people but lenders abroad, and we are engaged in an unprecedented behavior.

The Senator from Pennsylvania and I happened to be on NBC television, the "Today Show," one morning last January, as I recall. I had used, in describing what was going on, a phrase from an editorial in the Rochester Democrat and Chronicle, a very old, distinguished upstate New York paper. After some hearings we had held in the Finance Committee on this subject, the Democrat and Chronicle ran an editorial that said, Well, what on Earth is going on here? You cannot do this with trust funds. There is a word for this. It is called thievery.

Mr. President, the NBC Today Show anchor in New York said to my friend, Senator HEINZ, "Would you agree with the characterization of what is going on as thievery?" Then with that certain, almost pugnacious candor which has more than once impressed this body, Senator HEINZ said, "Certainly not. What is going on is not thievery. It is embezzlement."

I think I would have to agree. I would have to agree. Embezzlement. Embezzling trust funds, our Government?

Mr. President, I hope that with this Congress we would put an end to this practice, certainly in the context of the savings and loan scandal. Have we no sense of shame? What came of the dignity of the American Government?

So the Senator says take it out of Gramm-Rudman. Get the whole of the deficit amount and fix that up. What you borrow over here behind everybody's backs in the dark, that is deficit, too. Let us get it all.

What do we borrow and what do we embezzle from the Social Security trust fund? That is the total number. It is very simple. There are two numbers. One is the amount of Federal borrowing and the other is the amount of trust funds used as if general revenue.

I should not characterize it as what we embezzle, because at a point, a practice, however irregular, becomes familiar. But that is the deficit, and any suggestion that this summit around the corner can come back with another slideby of $36.9 billion, when in fact we are up at the $300 billion level, a trillion every 3 years, no, no, no.

I wish the summit well. I am not part of it and I made no commitment to it. I do have to say, from time to time, walking by, the door is open. I am alarmed to have to tell the Senate—and any Senator will see for themselves—there are a lot of empty chairs in that summit as if it had been going on to the point where attendance is not obligatory, or compelling, or even a matter of self-interest.

Surely, we ought now to get addressing the whole problem. We could not be forgiven for going through this exercise and not doing it. And that includes Social Security.

The Senator from Pennsylvania has two amendments in this regard, of course. The first would commit us continuing to keep the system secure and take it out of Gramm-Rudman. The second provides a point of order that says notwithstanding any other provision of law, it shall not be in order for the Senate or House to consider any bill proposing an increase in public debt if at the time the increase is considered Congress has not acted to remove the OSDI revenues and expenditures from the calculation of the deficit under the Balanced Budget Emergency Deficit Control Act of 1985.

It is, of course, a critical moment in our affairs when we have to raise the debt ceiling. There will not be a bill in the House. It will come here. It will come next month. It will come very shortly now. I would like to tell my friend from Pennsylvania that it is my intention to offer an amendment to the debt ceiling bill that will roll back Social Security contributions and return the system to a pay-as-you-go basis.

I hope to do that in cooperation with the leadership. We know we have to have a vote on this. We cannot not vote on it. The Senate has to vote on this. It has to vote in a situation where the vote is meaningful. I will be back. That may not be the only vote.

But again I want to cooperate with Senator MITCHELL and Senator DOLE and certainly Senator HEINZ in this regard. He might want to join me. We can make it a bipartisan matter. It ought to be a nonpartisan matter; truthfulness, straightforwardness ought not to be an issue that divides parties in our time. It certainly has divided individuals, but we will leave that aside.

Mr. President, I do not want to detain the Senate further. I see the Senator from Arizona has risen, and the Senator from Pennsylvania is on the floor. But I once again would certainly like to thank the Senator from Pennsylvania for keeping this matter in mind, and say to him, let us resolve it before this Congress is out. We shall deal with it in open and an appropriate manner.

Thank you, Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. Mr. President, I had a chance to listen to the last part of the remarks of my distinguished colleague from New York. If the Senator does not mind answering a question, did the Senator from New York say he intends to offer his amendment on Social Security when the budget is on the floor, or did he not say it?

Mr. MOYNIHAN. I said when the increase in the debt ceiling is on the floor, which will come in July at some point.

Mr. DECONCINI. I thank the Senator. I wanted a clarification.

Mr. President, parliamentary inquiry. Are we in morning business? Or does it make any difference?

The PRESIDING OFFICER. Morning business has expired. The Senator may make a request.

Mr. WARNER. Mr. President, would it be possible to ask unanimous consent that morning business might be continued for a minute?

Mr. DECONCINI. If the Senator will yield, I have a statement.

The PRESIDING OFFICER. The parliamentary situation is that the morning business expired some time ago but the Senator is perfectly free to request to speak as if in morning business.

ORDER OF PROCEDURE

Mr. DECONCINI. Mr. President, I ask unanimous consent that I may proceed for 3 minutes as in morning business and then whatever time my distinguished colleague from Virginia wants, we can add onto that.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. POLICY TOWARD THE BALTIC STATES

Mr. DECONCINI. On June 1, I made my first trip to Estonia. Although I have long been interested in the cause of Baltic freedom, my previous attempts to visit the region have been denied by the Soviet Union.

Last March, the Helsinki Commission, which I cochair with Congressman HOYER, were invited to monitor the elections in Estonia and the Soviet Union refused the visas to be granted. Quite frankly, though we do not recognize officially Estonia as part of the Soviet Union, nevertheless you cannot get in without a visa from the Soviet Union.

This time I was invited by the Estonian Chamber of Commerce to take part in the inauguration of the Estonian-American Chamber of Commerce, a private initiative dedicated to the development of closer trade relations between our two countries.

I also met with government officials, businessmen, artists, and political activists on both sides of the independent issue.

While in Estonia, I also had the opportunity to meet with the Latvian Minister of Foreign Affairs and the head of the Foreign Relations Commission of the Lithuania Supreme Council.

My brief visit has left me more convinced than ever of the importance of the maintenance of a principal United States policy toward the Baltic States. It is for this reason that the most disturbing moment of my visit came when I learned that President Bush had offered a surprise gift to Mikhail Gorbachev in the form of a new trade agreement only days before we had in the Senate made very clear our grave concern about the continued economic blockade through which Moscow was punishing the Lithuanian people for doing nothing more than exercising their right to restore their independence. But our message was outweighed by the exaggerated value President Bush has placed on the shoring up of the Soviet leader.

Mr. President, allow me once again to point out the historical facts: The Soviet Union forcibly incorporated the three Baltic States in 1940 pursuant to a secret agreement between Stalin and Hitler signed in 1939. Estonia, Latvia, and Lithuania—former member states of the League of Nations—are the only three European states that did not recover their sovereignty after World War II occupation.

As their incorporation into the Soviet Union was an illegal act under international law, the United States and other Western nations have never formally recognized Estonia, Latvia, and Lithuania as parts of the Soviet Union.

For 50 years the United States has taken a strong moral stance on this issue. I would like to quote now from a letter written to a Latvian-American concerned about the future of his nation:

> The United States has always condemned the violation of national sovereignty, and in the years ahead we will never condone, nor accept the forced occupation of Latvia by the Soviet Union. To do so would be to turn our backs on our own values and heritage. As a nation born out of a struggle against tyranny, America should never apologize for helping others with their freedom—and I never will.

This letter, dated October 20, 1988, was signed by then-Presidential candidate George Bush. Today we must question the resolve behind these words.

Mr. President, I do not dispute Mr. Gorbachev's instrumental role in the historical transformation of Europe, but I have been concerned for some time about the propensity of the administration to predicate our Soviet policy on the political career of a single individual. With respect to the current Baltic crisis, President Bush appears persuaded that restoring independent statehood to the Baltics would mean the downfall of President Gorbachev.

It is a risky business to place all one's cards on one person. We have been led to believe that Gorbachev's political well-being is the sole guarantor of genuine reform and that his replacement could lead to a reversal of the extraordinary change he has promoted. But by gambling on the horse rather than investing in the spirit of the race, we lock ourselves into an agenda set by Gorbachev rather than an agenda dictated by policies dedicated to genuine reform. The two may not always go together.

Mikhail Gorbachev's job is not an easy one. Economic turmoil and widespread ethnic unrest have undermined perestroika's prospects and the Soviet President has had to answer to those who criticize him for going too far as well as to those who are questioning why he has not gone farther. If his commitment to genuine reform is truly sincere, would Gorbachev not want to garner greater support for continued progressive policies from the liberals and neutralize the hardline conservatives? And would we not, then, be aiding him by insisting that democratization be carried out and Baltic independence be restored? We must continue to urge President Bush to pressure Gorbachev to negotiate in good faith. If Gorbachev is the man many think he is, he would then be able to turn to his critics with proof that a continued policy of repression will cost the Soviet Union dearly.

A key part of Gorbachev's progressive policy of glasnost has been the exposition and acceptance of historical truth. Late last year, the Soviet Congress passed a resolution on the secret protocols to the agreement between Stalin and Hitler in 1939. I would like to read from that resolution which President Gorbachev himself signed in December 1989:

> The protocol delineated the spheres of influence of the contracting parties from the Baltic to the Black Sea, from Finland to Bessarabia * * * the Congress notes that at that time the Soviet Union's relations with Latvia, Lithuania and Estonia were regulated by a system of treaties. In keeping with the peace treaties signed in 1920 and the nonaggression treaties signed in the period from 1926 to 1933, their parties committed themselves to respect each other's sovereignty, territorial integrity and inviolability, regardless of circumstances * * * the Congress of the people's deputies of the Soviet Union condemns the signing of the "Secret Additional Protocol" of August 23, 1939, and the other secret agreements with Germany. The Congress recognizes the secret protocols as illegal and invalid from the moment of their signing. The protocols did not create a new legal base for the Soviet Union's relations with third countries. Nevertheless, Stalin and his associates used them to set forth ultimatums and put pressure on other states, in violation of their legal obligations before them.

The language of this resolution is a good indication that Gorbachev accepts what might be called Baltic exceptionalism—a central point in the argument that recognizing Baltic independence does not amount to encouraging the disintegration of the Soviet Union. To clarify, let me point out that the three Baltic States are the only Soviet-ruled republics to: First, have achieved internationally recognized independence between 1918 to 1940, second, to have their independence recognized through treaties with the U.S.S.R. in 1920 and third, to have signed treaties still in force with the United States Government. By acknowledging Baltic exceptionalism, Gorbachev can draw a critical distinction between Baltic claims to independence and those of other Soviet-ruled republics, minimizing the impact of Baltic independence on the rest of the Soviet Union.

Mr. President, despite the gravity of their situation, the Baltic peoples

remain calm in their quest for restored independence.

In nearly every conversation I had in Estonia, this resolve was clear. When I asked what they thought the West should be doing, almost everyone answered that the West should reaffirm longstanding policies of nonrecognition and condemn the ongoing illegal occupation of the Baltic States. In so doing, we would not only be upholding a principled and consistent foreign policy, I believe we would be encouraging Mr. Gorbachev in his efforts at democratization and dissolving the hypocrisy of the current U.S. stance on the Baltic States.

I am tentatively encouraged by this week's meeting between Gorbachev and the Baltic leaders. It appears that Gorbachev is easing some of the blockade's restrictions. It is not yet clear, however, what additional concrete results these meetings will bring about. But the vital first step to resolving any differences is always the establishment of open communication. The Baltic leaders have repeatedly called for negotiations on the independence question, and they have shown a willingness to compromise on the process of implementation. Instead of asking them to further temper their actions we must now expect Gorbachev to make a gesture of conciliation.

Mr. President, exactly 8 years ago today, President Reagan proclaimed June 14 to be Baltic freedom day. He then called upon the people of the United States to:

> Reaffirm their belief and hope that the citizens of Latvia, Lithuania, and Estonia and of all nations will one day achieve through peaceful means the goals of democratic freedom and self-determination.

Today, as the Baltic peoples peacefully pursue the very goals of which President Reagan spoke, there is only one U.S. response consistent with our rhetoric of the past 50 years. As we await the long-overdue opening of Soviet-Baltic negotiations, we must continue to urge President Bush to stand firm on the side of Baltic freedom. And we must believe that in so doing, we will only be encouraging the continuation of the democratization that Gorbachev professes to promote.

Mr. WARNER. Mr. President, I ask unanimous consent that I may proceed as if in morning business for a period not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

MRS. BUSH AND MRS. GORBACHEV SPEECHES AT WELLESLEY COLLEGE

Mr. WARNER. Mr. President, the appearance of Mrs. Bush and Mrs. Gorbachev at graduation ceremonies at Wellesley College was a very important event which will be long remembered. Since the CONGRESSIONAL RECORD is available across America, I request that my brief introductory remarks and the speeches of both Mrs. Bush and Mrs. Gorbachev be printed in the permanent record of the U.S. Congress so that they can be a reference for others.

When the controversy first broke out on the Wellesley campus and spilled into the national focus I was inclined to dismiss the clamor as just another colorful incident so often associated with graduations.

I very much enjoy speaking to graduates and have witnessed and experienced a wide range of the unexpected. For example, just a few weeks ago I was in full regalia, marching into a capacity filled auditorium to the moving tunes of "Pomp and Circumstance," a large portfolio with my speech under arm, when a graduate, in a very friendly but sincere way, pressed a note into my hand. It read: "Blessed are the brief, for they shall be reinvited."

But this chapter of history at Wellesley was not such a simple incident. It began with a heartfelt expression of concern by a few, was instantly picked up by many, pro and con, and there followed an important national dialog which spread rapidly from Massachusetts to the 50 States and hence across the oceans.

As we say in the Senate this was a "vital and valued colloquy" among women and men who held strong and wide ranging viewpoints. Across America they seized the challenge to speak out.

The whole sequence of events was carefully followed, at their own initiative, by my Senate staff. We had our own ongoing debate, watched carefully the delivery of the speeches, and analyzed the prolog. All agreed it was a very powerful learning experience. I now share some of our thoughts.

We believe Mrs. Bush gave the women at Wellesley—and the world that listened—some excellent advice. She hoped young women would do away with the constraints of past stereotypes and strive for their personal goals. In doing so, Mrs. Bush stressed that women should get involved with something larger than themselves, endeavors in which they believe.

She hoped the graduates would use the many opportunities open to them to excel professionally and personally to better the future of their world, their community, and their children. She urged them to find the joy in life and to realize the importance of friendship and family relationships.

Mrs. Gorbachev spoke of the goals of perestroika and reminded them that our world is changing dramatically before our eyes. The citizens of the Soviet Union, she explained, share the values of peace, patriotism, and family unity and are now experiencing the freedom to make free decisions to reach those goals. She made it clear that the choices facing the women of Wellesley are not exclusive to them, to our Nation, or to the Soviet Union, but relevant to women and men throughout the world. She conveyed the universal optimism known in the hearts of all young men and women as they embark upon life's adventures.

We believe their words can guide all young people, men and women, as they grapple with the difficult decisions and challenges they face. In the 1990's it is our hope that there will be no "right" or "wrong" choice for young men and women, only a diversity of personal development coupled with an internally driven desire to provide community service. We would hope these next generations are balanced in their perspective, striving for excellence, rooted in their goals, professional and personal. After all, our world is nothing but a reflection of our values.

I ask unanimous consent that the texts of Mrs. Bush's and Mrs. Gorbachev's speeches be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TEXT OF MRS. BUSH'S REMARKS AT WELLESLEY COLLEGE COMMENCEMENT, JUNE 1, 1990

Thank you very much. Thank you President Keohane, Mrs. Gorbachev, trustees, faculty, parents, Julie Porter, Christine Bicknell, and, of course, the Class of 1990. I am thrilled to be with you today, and very excited, as I know you must all be, that Mrs. Gorbachev could join us. This is an exciting time in Washington, D.C. But I am so glad to be here. I knew coming to Wellesley would be fun, but I never dreamed it would be this much fun.

More than ten years ago when I was invited here to talk about our experiences in the People's Republic of China, I was struck by both the natural beauty of your campus * * * and the spirit of this place.

Wellesley, you see, is not just a place * * * but an idea * * * an experiment in excellence in which diversity is not just tolerated, but is embraced.

The essence of this spirit was captured in a moving speech about tolerance given last year by the student body president of one of your sister colleges. She related the story by Robert Fulghum about a young pastor who, finding himself in charge of some very energetic children, hits upon a game called "Giants, Wizards and Dwarfs." You have to decide now," the pastor instructed the children, "which you are * * * a giant, a wizard or dwarf?" At that, a small girl tugging at his pants leg, asked, "But where do the mermaids stand?"

The pastor told her there are no mermaids, and she says, "Oh yes there are" she said. "I am a mermaid."

Now this little girl knew what she was and she was not about to give up on either her identity or the game. She intended to take her place wherever mermaids fit into the scheme of things. Where do the mermaids stand * * * All those who are different, those who do not fit the boxes and the pigeonholes? "Answer that question," wrote

Fulghum, "and you can build a school, a nation, or a whole world."

As that very wise young woman said * * * Diversity * * * like anything worth having * * * requires effort." Effort to learn about and respect difference, to be compassionate with one another, to cherish our own identity * * * and to accept unconditionally the same in others.

You should all be very proud that this is the Wellesley spirit. Now I know your first choice today was Alice Walker, known for The Color Purple. And guess how I know?

Instead you got me—known for * * * the color of my hair! Alice Walker's book has a special resonance here. At Wellesley, each class is known by a special color * * * for four years the Class of '90 has worn the color purple. Today you meet on Severance Green to say goodbye to all of that * * * to begin a new and very personal journey * * * to search for your own true colors.

In the world that awaits you beyond the shores of Lake Waban, no one can say what your true colors will be. But this I do know: You have a first class education from a first class school. And so you need not, probably cannot, live a "paint-by-numbers" life. Decisions are not irrevocable. Choices do come back. As you set off from Wellesley, I hope that many of you will consider making three very special choices.

The first is to believe in something larger than yourself * * * To get involved in some of the big ideas of your time. I chose literacy because I honestly believe that if more people could read, write and comprehend, we would be that much closer to solving so many of the problems plaguing our society.

Early on I made another choice which I hope you will make as well. Whether you are talking about education, career or service, you are talking about life * * * and life must have joy. It's supposed to be fun!

One of the reasons I made the most important decision of my life * * * to marry George Bush * * * is because he made me laugh. It's true, sometimes we've laughed through our tears * * * but that shared laughter has been one of our strongest bonds. Find the joy in life, because as Ferris Bueller said on his day off * * * "Life moves pretty fast. Ya don't stop and look around once in a while, ya gonna miss it!"

I won't tell George that you applauded Ferris more than you applauded him!

The third choice that must not be missed is to cherish your human connections: your relationships with friends and family. For several years, you've had impressed upon you the importance to your career of dedication and hard work. This is true, but as important as your obligations as a doctor, lawyer or business leader will be, you are a human being first and those human connections—with spouses, with children, with friends—are the most important investments you will ever make.

At the end of your life, you will never regret not having passed one more test, not winning one more verdict or not closing one more deal. You will regret time not spent with a husband, a friend, a child or a parent.

We are in a transitional period right now * * * fascinating and exhilarating times * * * learning to adjust to the changes and the choices we * * * men and women * * * are facing.

As an example, I remember what a friend said, on hearing her husband complain to his buddies that he had to babysit. Quickly setting him straight * * * my friend told her husband that when it's your own kids * * * it's not called babysitting!

Maybe we should adjust faster, maybe slower. But whatever the era * * * whatever the times, one thing will never change: Fathers and mothers, if you have children * * * they must come first. You must read to your children, you must hug your children, you must love your children.

Your success as a family * * * our success as a society * * * depends not on what happens at the White House, but on what happens inside your house.

For over 50 years, it was said that the winner of Wellesley's annual hoop race would be the first to get married. Now they say the winner will be the first to become a C.E.O. Both of those stereotypes show too little tolerance for those who want to know where the mermaids stand. So I want to offer you today a new legend: The winner of the hoop race will be the first to realize her dream * * * not society's dream * * * her own personal dream. Who knows? Somewhere out in this audience may even be someone who will one day follow in my footsteps, and preside over the White House as the president's spouse. I wish him well!

The controversy ends here. But our conversation is only beginning. And a worthwhile conversation it has been. So as you leave Wellesley today, take with you deep thanks for the courtesy and the honor you have shared with Mrs. Gorbachev and me. Thank you. God bless you. Any may your future be worthy of your dreams.

A TRANSCRIPTION OF MRS. RAISA GORBACHEV'S REMARKS AT WELLESLEY COLLEGE COMMENCEMENT, JUNE 1, 1990

Dear Friends, I am pleased to be with you at this momentous and exciting day when you are leaving your college and entering a new life. I congratulate you on this important occasion. I am grateful to Mrs. Barbara Bush and to the college administration for this chance of coming to Wellesley during our stay in America. I thank college officials, professors, and all of you for your kind words and warm feelings.

I distinctly remember a similar summer day in Moscow. The years of my studies at Moscow University were over. We were then full of plans and hopes just like you are today. Being young is a marvelous time, a time of actions and expectations, of being confident of one's abilities, and sure of everything that everything is still ahead. I wish that all your dreams of the future come true. The President of the Soviet Union asked me to convey to you his warm regards. He also wishes you happy roads in your life.

We know that people in America show great interest in what is happening in the Soviet Union, the land of Perestroika. This word, nowadays, sounds the same in all languages of the world. We associate with Perestroika the future of our country whose millions of people speak over 120 languages. Perestroika was conceived and is being implemented for the sake of the people, their dignity and equality. This goal is to make humane ideals and values a reality. This vast and difficult task is a tough challenge, but we are confident that Perestroika will succeed. The guarantee of that is the patriotism and talent of our people, their tenacity, their strength, and their desire to overcome obstacles on the way on the road they chose.

In renewing our country, we want to make it open to the world. The Soviet people know the value of peaceful lives. We wish to have good relations with the Americans and other peoples. Of course all of us, [as] daughters and sons of our own countries and peoples, are different. The Soviet Union and the United States have different histories, traditions, and cultures. That, however, is not [a] reason for mutual estrangement and suspicion. People on both sides of the great ocean realize more and more clearly that our values bring us closer. Such values are love for one's own native country, love for one's relatives, children, the belief in what is good, and belief in solidarity to combat wars, violence, hunger, catastrophes and other threats to manking. These values are now more important than anything else. Hamlet's question, "To be or not to be" today confronts not only individuals or nations but the entire humanity.

So, what will our society be like? Not only the leaders of states, but the world community as a whole share his responsibility. We women have our special mission. Always, even in the most cruel and most troubled times, women have had the mission of peacemaking, humanism, mercy, and kindness. And if people in the world today are more confident of a peaceful future, we have to give a great deal of credit for that to women who are active in advocating friendship, cooperation, and mutual understanding among nations.

You are entering a complex and multifaceted world. Your generation will soon assume the responsibility for everything that takes place on our planet. May good luck and happiness be with you. I wish you many good accomplishments. Thank you.

Mr. WARNER. As a concluding paragraph, I wish to express my appreciation to the following members of my staff who participated in our office analysis of this important event: Christa Nass, Marion Latham, Nancy Scharfen, Susan Schroeder, Susan Magill, Kathleen Dorn, Elizabeth Tobey, Claudia McMurray, Peyton Hatcher, Chris Vaughan, Janet Bowers, Gerri Engelhart, Robin Caldwell, and Awilda Euill.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I ask unanimous consent that I be allowed to speak as in morning business for such time as I may need, not to exceed 20 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

HUNGER IN AMERICA

Mr. LEAHY. Mr. President, for those who were involved with the scheduling of events here, I want them to know I do not intend to use all of that time. Mr. President, we are having some discussions, as the Chair knows, and as others here also know,

on the budget and on what to do with the budget resolution.

I support the chairman of the Budget Committee, the distinguished Senator from Tennessee [Mr. SASSER] in his attempts to get this resolution through, so that we can go on to other matters, including the appropriations bills, to fill out the budget.

As I stressed in the Democratic Caucus yesterday, I feel very, very strongly about the nutrition matters, and I would be willing to trade some increases in nutrition with just about any other part of that budget. I am not going to offer amendments now, but I will be fighting for increases in nutrition.

I do this, Mr. President, because of the problem of hunger in this country. Hunger is not a political issue. It is a moral issue. It gnaws at the inner fiber of our Nation's health.

In a nation as wealthy and powerful as ours, hunger transcends any question of politics. It jeopardizes the future of our entire Nation. When children go to school hungry, they do not learn. If our Nation's children are not learning, our Nation's future is seriously at risk. We cannot and must not surrender our future. A hungry child is an empty promise.

America is the richest and most self-sufficient Nation on Earth, but every night millions go to bed hungry. Hunger is not limited to the homeless living on the street corners and in our subway stations. Hunger is far more extensive. Any Member of the U.S. Senate can go into any town or city in this country, into an area totally unfamiliar, and in just a matter of minutes he or she would find hunger. So it is time to shatter the stereotype of the hungry.

Millions of Americans work day in and day out, but do not earn enough to make ends meet. They work hard, but often they cannot adequately feed and clothe their children. In some parts of the country, certainly in my own area of the country, during the wintertime, you often have a choice: You can heat or you can eat, but you cannot do both. When temperatures drop to 10 and 20 degrees below zero, then you do not have a choice; you have to go hungry.

Eight million Americans who work still live in poverty. The working poor is one of the fastest-growing segments in our society. The working poor are my neighbors, and they are your neighbors; they are all our neighbors—fellow Americans.

Let us look at the hard facts. Housing costs are skyrocketing. Forty-five percent of poor renters spend 70 percent of their family income on housing. Many of these families often choose between paying their rent or feeding their children. Farmers, storekeepers, factory and steelworkers across this country are sending their sons and daughters to school hungry every single day.

In 1988 the Carnegie Foundation studied my home State of Vermont and found that 81 percent of Vermont teachers reported that undernourished children were a problem in their schools. In the world's wealthiest nation this is a disgrace and a shame. It is a shame on all of us.

It is time to get our priorities straight. It is time for the administration to stop making efforts to balance the budget on the backs of the poor, to stop seeking a half billion dollars in cuts from our Nation's nutrition programs.

They are cuts that I cannot tolerate, and I will fight them. I will oppose the administration's proposed cuts to school lunch programs, the administration's proposed cuts to day care feeding programs, and the administration's proposed cuts for the nutrition programs in Puerto Rico. The administration is headed in the wrong direction. Puerto Ricans have died defending America's freedoms. Fairness requires that American citizens everywhere be treated equally. We should not force hungry people to vote with their bellies.

Statistics show that across our Nation, the rich get richer and the poor grow hungrier. The gap between rich and poor in our Nation is wider than it has been since the end of World War II. The poorest fifth of U.S. families earn less than 5 percent of America's income, while the richest fifth earns well over 40 percent.

Legislation that Senator SASSER, Senator BOSCHWITZ, and I introduced, the Mickey Leland Hunger Relief Act, will begin to reverse this trend. I did so in the honor of a great humanitarian and champion of the poor and hungry all over the world, our great colleague, Mickey Leland, a Congressman from Texas, who died in his efforts to relieve hunger in a remote part of our world.

In WIC, the Women, Infants, and Children Program, underfunding currently means that 3.1 to 3.85 million, or 40 to 50 percent, of the 7.7 million eligible women, infants, and children do not even receive WIC benefits. Lack of competition between the WIC infant formula providers and unexpected increases in food costs this year, promise to make this serious problem even worse. In fact, many who legitimately received benefits last year will be thrown off the State rolls—women who are pregnant and cannot afford adequate nutrition for themselves and their children. These women and unborn children will not get adequate nutrition when the child is born, in those extremely important formative months. Again, not because we do not have a Federal program in place, not because they are not eligible for it, not because the need has not been demonstrated, not because the worth of the program has not been proven over and over, but rather because the money is just not there.

The amount of the increases necessary to provide adequate nutrition for these women and children are a very small part of the overall budget. The requested funding increase for both the Mickey Leland bill and WIC, is so small relative to the rest of the budget, that it totals only a fraction of 1 percent. The actual amount is $620 million for fiscal year 1991.

To put that in perspective, the amount of increase we need to make these programs work, to provide adequate nutrition, is what the Department of Defense spends in 18 hours. In 18 hours. From midnight until about now, the Department of Defense has spent what we need to provide adequate nutrition for an entire year.

The cost is less than that of one B-2 bomber. Just think, if we could find the money to run the Department of Defense for today, could we not find at least that same amount of money to provide adequate nutrition for the whole year?

It is time for the administration and Congress to keep their priorities straight, to fully fund WIC and the Mickey Leland bill. Our children deserve no less.

Mr. President, I ask how much time remains. I do not see anyone else seeking recognition. I am interested in how much time remains.

The PRESIDING OFFICER (Mr. DODD). The Senator has approximately 5 minutes remaining.

Mr. LEAHY. Mr. President, because I am not taking the floor from anyone else, let me just continue, if I might.

I cannot believe that there is anyone who, when he sees a picture of a starving child, does not say, "I want to help that child." If anyone of us, as a Member of this body, saw a poor, hungry, malnourished child in a tenement house or in a rural poverty area, and was told, "Look, could you just give a few dollars out of your pocket, a few cents out of your pocket? You might help this child." Of course, we would do it.

What I am saying, is that in the wealthiest, most powerful Nation on Earth, all of us could give that fraction of 1 cent, or that cent, or that 2 cents, so that hungry children like this all over the country might be helped.

And yet, you know, Mr. President, you and I can walk out of the front steps of this Capitol and walk just a matter of minutes, and we will see infants who are not being fed properly, and pregnant women who are not getting adequate nutrition so that their children might have a fighting chance in life. We can see children who go to school hungry. If they get fed at all during the whole day, it will be at that

school, if that school has a school lunch program.

My God, sometimes we stand up here and talk like budget calculators, or we want to debate symbols. Let us debate reality. What is a society worth if a society has more goods, more food, more wealth than any Nation in history, and still has hungry people? That is really what we are debating.

So I will not raise the issue on this budget resolution coming through but, Mr. President, I hope that Democrats and Republicans together will join in funding these nutrition programs. It really is one of the most critical things in our country, and it speaks to what we feel as a Nation, to what we feel as a society, and to what our priorities are regarding the eradication of hunger within this great Nation. Can we really have a greater priority? The elimination of hunger should be of the utmost priority in this country.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CRIME CONTROL, NOT GUN CONTROL—SENATOR BYRD RESPONDS TO ACCUSATIONS BY THE NATIONAL RIFLE ASSOCIATION

Mr. BYRD. Mr. President, last August, during a routine traffic stop in Gloucester, NJ, a 25-year-old New Jersey State trooper was shot four times in the chest and abdomen by three suspected drug dealers. At the time of that shooting, the officer was wearing a bullet-proof vest. Nevertheless, he had to undergo emergency surgery on his liver, his colon, and his chest.

What weapon did the drug dealers use in this instance to wreak such damage on a young State trooper?

A MAC-11, a weapon so powerful that its bullets pierced the officer's protective vest and penetrated his body.

Again, in December 1988, while making an undercover narcotics purchase, a Dallas police officer was murdered. That time, the killers used a TEC-9.

Then, on March 23, 1989, drug junkies rampaged through a Denver, CO, suburb. They committed several burglaries. In their possession were at least three different assault weapons—a MAC-10, a MAC-11, and a Colt AR-15.

To top off their outrages, those Denver drug junkies kidnaped a woman. After terrorizing both their kidnap victim and her mother, they opened fire on them, killing both the woman and her mother. Later, they raped another woman. During a shootout, they wounded several other people, including a deputy sheriff.

On December 31, 1988, a Navajo County, AZ, deputy sheriff made a routine traffic stop in a rural area. Before that deputy sheriff was able to get out of his car, the passenger of the vehicle that he had stopped jumped out of the car and sprayed the deputy's windshield with 24 rounds.

What weapon did that Arizona killer use? An Uzi type-weapon, most likely a MAC-11. Three of those twenty-four .9 millimeter bullets struck the deputy. He died three days later. Subsequently, the killer was later found, armed with an Uzi, a MAC-11, and an AK-47 assault weapon.

On July 24, 1988, in Manassas, VA, a police sergeant responded to shots that were being fired in a residential neighborhood. There, the sergeant confronted a gunman. Following prescribed procedure, the officer identified himself as a police officer and twice ordered the gunman to put down his weapon. Instead of following the policeman's commands, the gunman opened fire on the sergeant. The gunman's bullets hit the officer in the head, chest, arm, and leg.

That police sergeant became the first officer killed in the line of duty in the Manassas, VA, department's 113-year history. The weapon used? A Colt AR-15.

Mr. President, I could go on and on and give example after example—from Los Angeles, CA, to Miami, FL, to Huntington, WV—of instances where assault weapons have been used to terrorize innocent victims and to kill law-abiding citizens. Likewise, I could give example after example of police officers who were not just injured in the line of duty, but who were killed—police officers whose bodies were ravaged by round after round of machine-gun-like fire.

The fact is, Mr. President, assault guns account for only 1 million—just 0.5 percent—of the 200 million privately owned firearms in the United States. In spite of that infinitesmal figure, assault guns—AR-15's, MAC-10's and MAC-11's, TEC-9's, AK-47's, Uzi's, and such—are used in 1 in every 10 crimes that result in a firearms trace. An assault gun is 20 times more likely to be used in a crime than a conventional firearm. One of every five assault guns traced to a crime is a weapon known as the TEC-9. A TEC-9 is eighty times more likely to be used in a crime than a conventional weapon. A few days ago the Senate tried twice to invoke cloture on a comprehensive crime bill that contained language that would have prohibited the possession, manufacture, and transfer, of nine of the most commonly seized assault weapons. Those seized assault weapons include the TEC-9, the MAC-10, the MAC-11, the Colt AR-15, the AK-47, and the Uzi carbine and Uzi pistol.

All nine of the weapons listed in that comprehensive crime bill have previously been banned from importation by an Executive order issued by the President almost a year ago. Unfortunately, banning those weapons from importation has not stopped their availability. Almost two-thirds of the assault weapons traced to crime are no longer imported, but are now produced domestically in this country.

Prior to these cloture votes, the Senate had an opportunity to strike the assault-weapon language from the bill. By a very close vote, the amendment to strike that provision was rejected. Because I believe so strongly that there is no reason for law-abiding individuals to own assault weapons, I voted to keep the assault-weapon language in the bill. The nine semi-automatic weapons that would be banned by the bill are not hunting or sporting rifles. They are not weapons commonly used by law-abiding citizens to protect lives or property.

I do not have one beside my bed to protect my house and my wife and family. But, I do have a .38 Smith and Wesson in the drawer. I do not need anything more, unless it is a shotgun, which I also have in my den. I do not need an assault weapon to protect my life and my family and my property.

The assault weapons to which I have referred are not commonly used by law-abiding citizens, as I say, to protect their lives or property. On the contrary, as can be seen from the examples that I gave earlier, these nine semi-automatic assault weapons are weapons used by drug dealers, cop killers, murderers, and other violent criminals. These are weapons used by sociopathic murderers and desperate drug dealers to murder, maim, and terrorize.

These weapons are weapons used by criminals like Patrick Purdy, who killed five innocent children in Stockton, CA, more than a year ago—innocent little boys and girls who were laughing, jumping, and playing on a public school playground. These weapons are used to inflict pain and suffering and death on innocent people. Prohibiting the shipping, receiving, possession, or transfer of these nine most commonly used assault weapons—weapons that boast names like "Command," "Street Sweeper," or "Bushmaster," of all things—prohibiting the shipping, receiving, possession, or transfer of these assault weapons would make it more difficult for criminals to obtain these weapons. Making it more difficult for criminals to obtain these weapons will make it

harder for criminals to disrupt the lives of innocent, law-abiding citizens.

However, Mr. President, many have interpreted this language as an attempt to prevent law-abiding citizens from owning guns. I have received hundreds of phone calls and letters from constituents who are outraged by my vote on this issue, and I am puzzled by this reaction. I think my constituents have been grossly misinformed.

I want to make something clear. I did not vote to take away the guns of law-abiding West Virginians, nor would I ever vote to take away the guns of law-abiding West Virginians.

I consider myself a law-abiding West Virginian, and I would never vote to take away my own gun nor the gun of any other law-abiding West Virginian. I voted to take "Street Sweepers" and "Commandoes" away from drug traffickers, cop killers, kid killers—the mass murderers of schoolchildren.

I am not antigun. I am anticrime. It is time to stand up for law enforcement and to face down those criminals who think they can run roughshod over the rest of us. Nobody needs a "Street Sweeper." I do not need one. My sons-in-law do not need one. My grandsons do not need one. My neighbor does not need one.

Only criminals, only mass murderers, cop killers, kid killers, and drug dealers need "Street Sweepers" and MAC-10's and the like.

I am dismayed by the misinformation surrounding this vote. I have had constituents call my office to ask whether an antique rifle passed down through several generations will be confiscated by the local sheriff. Obviously, Mr. President, an antique rifle is not one of the nine assault weapons listed in the bill.

I have received letters from individuals who rely on their ability to shoot wild game so that they can feed their families. These people are afraid that they will no longer be able to use their guns to go deer hunting or to hunt other wild game. Again, Mr. President, the nine types of weapons listed in the bill are not weapons commonly used for hunting purposes. These are weapons used by drug dealers, cop killers, and mass murderers of schoolchildren. These are not weapons used to hunt deer or squirrels or rabbits or wild turkeys.

I have also received letters from individuals confused about whether rifles or handguns that they already own are subject to registration or confiscation. They imagine policemen breaking into their homes and taking away their rifles and other weapons. Nothing could be further from the truth. This legislation does not authorize a lawenforcement officer to break into the home of a law-abiding citizen and demand that his or her rifle be registered or confiscated. Nothing of the kind.

I think that the misinterpretation and the misinformation surrounding the assault-weapon language contained in the crime bill have been prompted by mailings to a number of my constituents from the National Rifle Association, the NRA. The National Rifle Association has some 50,000 members in West Virginia.

Through the years, I have been generally supportive of causes and issues promoted by the NRA. The National Rifle Association provides needed services to many communities across the Nation. The NRA provides public safety messages on the care and use of firearms. It teaches classes on the proper handling of weapons and provides other important safety and instructional information on firearms use and precise marksmanship.

But I am concerned that such a generally fine organization is apparently resorting to mailings that have distorted the issue, misinformed the people, and created confusion. I have a copy of a mailing that was sent to a number of my constituents, and, I suspect, to many other NRA members all across the country. I would like to share a few paragraphs with my colleagues in the Senate.

First, the mailing begins by stating that "The DeConcini gun ban bill survived by one vote. * * * JAY ROCKEFELLER and ROBERT BYRD betrayed every honest gun owner in West Virginia by voting for it." That statement is utterly and patently false; absolutely false.

Neither I nor my colleague, Senator ROCKEFELLER, has betrayed any honest gun owner by voting to ban these abhorrent assault weapons used mainly by drug traffickers, cop killers, mass killers, kid killers, and other vicious criminals. Honest law-abiding gun owners do not need these weapons and probably do not want them.

Additionally, Mr. President, no one Senator is responsible for the passage or failure of any piece of legislation. Fifty Senators, not one single Senator, 50 Senators voted to keep the assault weapons language in the crime bill. Senator ROCKEFELLER and I are not singularly responsible for the failure to strike the assault weapon language in the bill, but we voted not to strike it. I have no apologies for my vote and I am confident—I do not presume to speak for my colleague—but I am confident that he feels as I do, he has no apologies. He did what he believed was right, and I did what I believed was right.

I suspect that this exact NRA language is being circulated in a number of other States saying that the Senators from each of those States were the deciding vote that prevented this language from being struck from the bill.

The National Rifle Association mailing continues; "It is only a question of time before every gun you own is taken away because some politician wants to pretend he is fighting crime."

Mr. President, I am not pretending to fight crime. I am fighting crime, and I am not one of those who sheds crocodile tears about capital punishment. I am for capital punishment. I have witnessed an execution. It is not something pleasant to see, but I prefer to think in terms of the victims of those who go to the electric chair. I am for capital punishment. I make no bones about it. I would vote for it anytime, anywhere. I support it 100 percent. So I am not one who goes around spouting maudlin sentiments about criminals.

I am fighting crime by making it illegal for criminals to possess MAC-10's and MAC-11's and Colt AR-15's. My vote against striking the assault weapon language is not a secret vote against guns. It is a straightforward vote against criminals who use assault weapons. I have never tried to deceive my constituents, and I never will. This vote was not a gun control vote; it was a crime control vote. I am not against guns, but I am against criminals.

This NRA mailing continues to excite gun owners by stating that "ROCKEFELLER and BYRD have now joined TED KENNEDY and the gun-ban lobby in saying that no American has the right to own a gun except for sporting purposes." Mr. President, that is 100 percent fallacious. I have never believed that, that "no American has a right to own a gun except for sporting purposes." I do not believe that, and my votes do not indicate that. I believe that law-abiding citizens have a right to have firearms to protect their property, their families, and themselves. I am for that right; I will always support it. I am not for taking those kinds of guns away from law-abiding citizens.

So I remain firm in my pledge to oppose any legislation that would lead to the confiscation of weapons used for hunting or sporting purposes or weapons used to protect lives or property of law-abiding citizens. I do not know how much more plainly one can say it than that.

The nine weapons listed in the crime bill are not hunting weapons; they are not sporting weapons; and they are not commonly used to protect one's property or life. Again, to reiterate this point so that it is perfectly clear, the nine weapons banned in the crime bill are semiautomatic assault weapons that are used mainly by criminals, cop killers, mass killers of children on the school grounds of America, and drug dealers.

I do not want my constituents to be afraid to use their rifles to go deer hunting. I do not want my constitu-

ents to fear that the local sheriff is going to knock on their door and take away an antique weapon that has been handed down generation after generation or to confiscate a .22, or a .32, or a .38, or a .44, or a .45 pistol, or a 12-gauge shotgun, or a hunting rifle.

I hope that the National Rifle Association will join those of us here in the Senate who are serious about fighting crime. The NRA is a powerful lobby and a good organization that provides many needed public services. We could use the NRA on our side helping to fight crime—not on the criminal side. We can use the NRA's vote in providing accurate and fair information to its members regarding this vote, not generating misinformation and using scare tactics. Such misinformation simply makes it easier for violent criminals, mass killers, cop killers, and drug dealers to continue to obtain assault weapons and to kill our police officers and other innocent and law-abiding citizens tragically.

An organization that starts down the road of promulgating false and misleading information to its membership is an organization that will soon be in trouble with its own membership. Repeated circulation of hyped and misleading information will lead inevitably to a loss of credibility, once the membership realizes the truth. Therefore, I hope that the NRA will join me and others here in the Senate and inform its members of what that vote really meant.

The 50,000 NRA members in West Virginia need to know that narcotics enforcement officers in West Virginia have confiscated assault weapons in West Virginia cities. They need to know that where there are drugs, there are these weapons. They need to know that an assault weapon is 20 times more likely to be used than a conventional firearm in the commission of a crime. They need to know that our criminals are better armed than our law enforcement officers. It is time for the leaders of the NRA to join the fight against crime and link arms with the law enforcement officers across this country who want to fight criminals. It is folly to pit the interests of the NRA against the objectives of law enforcement authorities. We have turned the right to own and keep firearms, a right which I steadfastly and earnestly support, on its head when we insist on the rights of criminals to have assault weapons. Surely, there is a commonsense difference.

Surely, the NRA does not have to protect criminals in order to protect decent, law-abiding citizens who want to protect themselves and their families. It is time for the leadership of the NRA to discern the difference. It is time for the leadership of the NRA to return to be the force for constructive and good policies that it has been. It is time we make it more difficult to obtain assault weapons and thereby make it harder for the criminals to commit crimes using those assault weapons. It is time to actually fight crime on our Nation's street corners, not just talk about it.

The time for talking has expired. The time for action has arrived. Keeping these weapons out of the hands of drug traffickers, cop killers, *and* mass killers of children on school grounds is a step we must take. We have mayhem in the streets of many cities across this Nation, and the leadership of the NRA could be a constructive force for supporting policies that address the senseless, brutal violence committed daily on innocent, law-abiding citizens by mass killers.

We have 50,000 upstanding NRA members in West Virginia. Those NRA members in West Virginia are law-abiding citizens. They want to keep their sporting guns. They want to keep their hunting guns. They want to keep their guns in their homes to protect their families and their properties. I will always stand by them in protecting that right. Once they understand what we are talking about and the kinds of weapons we are talking about, I am sure they will understand that the propaganda which the NRA has spread about JAY ROCKEFELLER's vote, and my vote is just that: propaganda. It is false. It is misleading.

I hope the leadership of the National Rifle Association will direct its energies and financial resources toward the goal of fighting criminals, of supporting policies that address the senseless, brutal violence committed daily on law-abiding citizens in this country instead of toward scaring its membership by putting out scurrilous, false, misleading mailings of the type that have gone out on the DeConcini amendment.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HARKIN). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DESECRATION OF THE FLAG

Mr. MURKOWSKI. Mr. President, a good deal of debate has occurred on the floor today about the meaning of our flag and the ultimate disposition of contemplated action by this body. I think it is fair to reflect on a few concerns of the Senator from Alaska.

The first is symbolism. Our flag stands for many things. For much of the history of our Nation, in the wars that we have had, men and women have died, died for our Nation and died under the symbol and fought for the symbolism associated with our flag.

Statements have been made by some of my learned colleagues concerning the realization that we have never amended the Bill of Rights, and I think that is an interesting point and a good point. However, we have had amendments to the Constitution, and those amendments I think were responsible amendments, and made the Constitution stronger.

So I just do not buy the argument that by amending the Bill of Rights somehow we are making the Constitution less meaningful, that we are setting an exception in the Constitution. I think in the case of the flag the symbolism is so extraordinary that we have to recognize what the flag actually stands for. It stands for our freedom. It stands for what America is all about.

The Senator from Alaska feels that we have to stand for something. While I understand the feeling of my colleagues with regard to the right of expression guaranteed under the Bill of Rights—right of a free press—I think there is a reasonable argument to be made that this is the time for an exception and an amendment to the Constitution is appropriate. I begin knowing that this is not just setting a precedent but that the flag is something that is so much a part of the fiber of America that it deserves this extraordinary action by this body. The flag is simply different.

So, Mr. President, on this day of all days, our discussion of the meaning of the American flag in the lives of Americans is most warranted. Flag Day is when we Americans demonstrate support for our flag. It is a day we hang it our on the porch, show it off at the workplace, and wear it on our lapel. It is a day that, more than most other days, we realize what the American flag is, that it is more than just a piece of cloth, more even than a symbol of our Nation and our values.

We recognize that our flag actually embodies our Nation, that it is a tangible, physical extension of all of us. We remember this day, Mr. President.

I am not suggesting that the Supreme Court seems to have forgotten this in their decision last Monday. I think under their interpretation, their decision had a foundation upon the law. But this body has the alternative flexibility of changing that law.

I do not accept the notion that the desecration of the American flag is protected speech or that in order to tolerate dissenting points of view, we must necessarily accept assault on our flag. We all treasure the freedom of every American, no matter what views they hold. I am bound by my oath here in this body, as are all of us in

this Chamber, to defend our Constitution, which ensures the freedom of this Nation.

But I am not bound to defend the actions of a few radicals taking cynical satisfaction in burning the flag, exploiting the horror that Americans feel when they see such a thing being done and knowing in their hearts that their views would not merit the attention of the television cameras if we were not so deeply offended by their actions. I think it is true that any of us who saw the flag being burned would have a very difficult time standing idly by and observing the process.

One might say, just as those individuals who have burned the flag, were exercising their freedom the freedom of their fist ends where my nose begins.

So, Mr. President, does their freedom to light a match end where my flag begins? When they burn the flag, they assault all of us, our history, the citizens of my State, the citizens of the State of the distignuished President pro tempore, virtually every American who has fought in defense of that flag.

Mr. President, last year the Congress responded to assaults on our flag with legislation. The Spureme Court has struck down that legislation. Now it is appropriate that this body move. If we are going to allow this country to defend itself from those who assault our Nation by assaulting our flag, we are now forced to take up an amendment to our Constitution. I urge colleagues to do just that.

Mr. BYRD. Mr. President, I subscribe to the viewpoint that has been stated by the distinguished Senator from Alaska [Mr. MURKOWSKI] with respect to our flag and the reverance for which it should be held.

AMERICAN MILITARY FACILITIES IN THE PHILIPPINES

Mr. MURKOWSKI. Mr. President, I commend the actions of our special negotiator, Mr. Richard Armitage, on talks which he recently had with the Government of the Philippines concerning the future of American military facilities at Clark Air Force Base in Subic Bay.

I had the pleasure and the opportunity to have discussions with Mr. Armitage prior to the start of negotiations, and I must extend my praise for his approach and his position in these very important and difficult talks with out neighbors in the Philippines.

I believe his remarks were on the mark on this base negotiation issue, that they are worthy of repeating. I would also like to take the opportunity to quote very briefly from Mr. Armitage's opening statement at the start of the talks.

I would not presume to affirm or deny the validity of anit-bases feelings here in the Philippines, particularly when they relfect Philippine nationalism. It is up to the people of the Philippines, acting through their democratically elected representatives, to decide these matters. If you ask us to leave, leave we shall, as expeditiously as possible, and with our pride intact.

If, however, you wish us to stay, let it be the deliberate act of a self-confident democracy choosing, through the freely expressed will of its people, to enhance a strategic partnership with the United States, in which we can explore together opportunities and responsibilities presented by the Asia of the 21st century. Regardless of the choices the Filipino people make, I can assure you of one immutable and central fact: the United States will remain, for the balance of its national existence, a Pacific power. Nothing we say oe do here will affect this proposition.

Mr. President, I ask unanimous consent that the full test of Special Negotiator Armitage's opening and closing statement from the first round of talks held in Manila in may be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SPECIAL NEGOTIATOR RICHARD L. ARMITAGE, OPENING STATEMENT, MAY 14, 1990

Mr. Foreign Secretary, distinguished members of the Philippine delegation, colleagues, and friends:

It is a great personal and professional privilege for me to appear with you as the represntative of the United States of America in the discussions about to unfold. I must confess at the outset that on two occasions I asked that this very challenging and daunting mission not be assigned to me. I was, however, given three opportunities to say no. The final opportunity was presented by our very persuasive and persistent Secretary of State, Jim Baker. The fact that I find myself here, on this day, in such distinguished company is a tribute to Secretary Baker's ability to banish doubts, inspire confidence, and overcome obstacles. I do not know to what extent I may possess similar attributes, but I suspect we will all find out before long.

My reluctance to assume this mission should in no way be interpreted as a lack of regard on my part for its importance. In fact, nothing could be further from the truth. During my last eight-plus years in the Pentagon and previously in my professional and private career, I acquired an abiding respect and affection for the Republic of the Philippines: its people, its leaders, and—because of the nature of my work—its armed forces. I believe the people in this room know quite well where I stood with respect to the events leading to the restoration of democracy in 1986.

Far from denigrating the importance of our work together, I was reluctant to accept this assignment for quite another reason: that the prospect of undertaking difficult and complex discussions with friends was one which I regarded with little enthusiam. In the end, however, I accepted, because although our discussions here will center on difficult issues having to do with American facilities on Philippine military bases, the real subject of these talks will be the evolving political-military relationship between our two republics and the nature of our relationship on the eve of our second century together.

During the time we spend together we will inevitably affect the course this evolving relationship takes. Speaking for myself, I can offer no predictions as to where we will find ourselves at the end of our labors. I can, however, indicate to you the basic attitude we on the U.S. side bring to this table with respect to the evolving Philippine-U.S. political-military relationship.

We start with the proposition that growth and change are to be neither feared nor resisted. The Philippines, the United States, and indeed the world are not, in 1990, as they were in 1947. As each of us deals with the changes, both domestic and international, wrought by four tumultuous decades, our bilateral relationship must inevitably change as well. The fact that the resurgence of democracy in the Philippines makes interactions between our governments more lively, complicated and, at times, more contentious is a development we are pleased to accommodate. President Bush, Secretary Baker and Secretary Cheney have not, I can assure you, sent me here to roll back the clock. They are all powerfully persuasive men, but even they cannot resurrect that which is forever gone; nor would they wish to do so, even if they could. Rather than looking to the past as our guide, the challenge before us now is to build a solid foundation for a new relationship and a new partnership accommodating the unique needs and desires of our two countries as they exist now and as we think they will exist at the dawn of a new century. It is a challenge that the U.S. side welcomes.

During the first quarter century of relations between the Republic of the Philippines and the United States, it was standard fare during state visits and other ceremonial occasions for Filipino and American speakers alike to congratulate themselves and each other on how well the principles and practices of American-style democracy had developed in these Asian islands. Indeed, these sentiments predated formal independence. As one distinguished Filipino statesman put it, "Had I not survived the Japanese war, I would have passed away with an uncomplicated image of America in my heart. It would have been the America my American Jesuit teachers had unveiled to me—of fair play, of liberty with some license, but with even more of what Thomas Aquinas had called 'spontaneous obedience to law.' It would have also been the America . . . of Douglas MacArthur promising to return and put our country back on the road to democracy."

Fortunately the man who penned these words not only survived the Japanese war, but succeeded in devoting decades of his life to democracy in the Philippines. Yet circumstances caused his view of America to change over time. In his own words, written during the martial law period, "But I did survive those wars and I am now in America in exile, thanks to the hospitality and kindness of friends and friendly institutions. As I write this, democracy in my country is gone, but the U.S. bases are still there. And I ask myself, what are these bases defending the Philippines against now? What on earth is there left to defend in the Philippines with American lives?"

I do not know how I would have answered the Foreign Secretary's questions in 1976. Yet I do know this: the restoration of Philippine democracy in 1986, springing as it did from the moral force of millions of Filipinos determined to reclaim their heritage, has turned out to be much more than the liberation of this island republic. The whole world was watching when the Filipino people took power into their own hands and reestab-

lished the rule of law. Starting in February 1986, democracy in the Philippines could no longer be regarded merely as the outgrowth of the Jones Act, the Tydings-McDuffie Act or American school teachers. Rather, it was something purchased with the efforts of Filipinos acting together peacefully and on their own; something taken, not given. Likewise I would suggest that millions of people living in Eastern Europe successfully applied the same moral force in pursuit of their own liberation from authoritarian rule.

This dramatic Filipino achievement has sparked new self-confidence, pride and introspection, all of which are bound to have some effect on external relations. Still, it troubles me when I hear some Filipinos assert that American use of Philippine military bases can only be a vestige of the colonial relationship; that the Philippines can never be truly free, truly independent and truly democratic until the Americans are gone, once and for all.

It troubles me because it suggests that some Filipinos underestimate the monumental significance of democracy's redemption in 1986. It troubles me because it understates, for reasons I cannot fathom, the contribution the Philippines has made and still makes to peace and stability in Asia. It troubles me because it suggests a belief that our mutual sacrifices have been essentially meaningless, both to ourselves and to the ASEAN family of nations. In this connection I would urge those who condemn the Philippine-American security relationship to ask our ASEAN friends for their own appraisals of how effective Manila and Washington have been in terms of fostering regional peace, prosperity and stability.

Nevertheless, I would not presume to affirm or deny the validity of anti-bases feelings here in the Philippines, particularly when they reflect Philippine nationalism. It is up to the people of the Philippines, acting through their democratically elected representatives, to decide these matters. If you ask us to leave, leave we shall, as expeditiously as possible and with our pride fully intact.

If, however, you wish us to stay, let it be the deliberate act of a self-confident democracy choosing, through the freely expressed will of its people, to enhance a strategic partnership with the United States, in which we can explore together opportunities and responsibilities presented by the Asia of the twenty-first century. Regardless of the choices the Filipino people make, I can assure you of one immutable and central fact: the United States will remain, for the balance of its national existence, a Pacific power. Nothing we say or do here will in any way affect this proposition.

As we proceed our discussions may well become very detailed and very technical. This will, at the proper time, be quite appropriate, for we will, if both sides see fit, work together to solve some very complicated issues. I would only ask that Filipino and American delegates keep in mind the big picture. These negotiations could degenerate into acrimony unless both sides see and feel a mutuality of understanding, confidence and, above all, interests. If we do not truly believe that there exist compelling mutual interests between the Philippines and the United States, then we have precious little to discuss other than the terms of an amicable separation. Indeed, if separation is your desire, let us move to that end with speed, confidence and good will. If our mutual interests cannot sustain us as partners, let us part as friends.

I am convinced, however, that our mutual interests are sufficiently strong to justify a renewed strategic partnership between the Republic of the Philippines and the United States. Yes, there are echoes of Manila Bay, Corregidor and Bataan in this relationship. Yet if we base everything on the notion of shared history, we should be obliged, in fairness, to acknowledge the heart-felt sentiments reflected in the words I cited earlier from the sadly eloquent pen of an exile. I would suggest, instead, that our mutual interests are based first and foremost on democracy in the Philippines, restored through the martyrdom of Ninoy Aquino and the leadership of his widow, the President; and second on the opportunities offered our two peoples by the prospect of a peaceful and prosperous Asia in the twenty-first century.

I firmly believe that an effective American military presence on Philippine bases can help American citizens and their representatives in Congress stay focused on these mutual interests, notwithstanding my personal view that Philippine-American friendship and cooperation can exist independent of the bases themselves. Indeed, there are some who believe that a new world order is now emerging, one which, in the not too distant future, will render overseas military bases and forward deployed forces obsolete. Although we respectfully disagree with this thesis, at the end of the day it is our responsibility to insure that Philippine-American friendship survives and flourishes even if the military bases become part of our shared history instead of our common future.

If you will bear with me, I will subject you to one more quotation, and one closing thought. Ambassador Manny Pelaez offered the following observation several years ago: "Only the deliberate cultivation of interests common to both people can keep Philippine-American friendship alive and strong. The condition for the cultivation of such common interests is the determination of both peoples to observe the rule of mutual respect . . . in their relations with each other. It is easy to establish mutual respect between nations equal in power and influence; between a great nation and a small one a feeling of consideration is needed to redress the balance and to create the condition necessary for mutual respect."

I pledge to you, on behalf of myself, my colleagues and my government, that we will do our best to heed Ambassador Pelaez's words. It is our duty, as representatives of the United States to do nothing less. Although we cannot create de facto equality, in terms of economic weight and military power, between the United States on the one hand and the Philippines on the other, we must act with full respect for the proud and independent character of the Philippines in the 1990s. Indeed, given the history we have together shared—good and bad; proud and painful; defeat and return; colonial and free—we owe you this consideration. Given the democracy you have built with your own hands, we are, along with self-ruling people everywhere, in your debt.

In the final analysis, the military bases about which we will speak belong to you. Although we have very definite opinions about how an American presence on these bases might best be managed to our mutual benefit, we are keenly aware of whose bases they are, and whose country this is. I am confident that any result we reach—even a complete American withdrawal, if that is your desire—will fully reflect the vibrancy, relevance and strength of democracy in the Philippines. We expect nothing less, and we desire nothing more.

This concludes my statement.

TEXT OF SPECIAL NEGOTIATOR RICHARD ARMITAGE'S STATEMENT TO THE CLOSING CEREMONY TO THE EXPLORATORY TALKS ON PHILIPPINE BASE ISSUE, MAY 18, 1990

Mr. Foreign Secretary, Secretary Bengzon, distinguished members of the Philippine delegation, colleagues and friends:

When I first addressed you during our opening ceremonies last Monday, I stated that although we on the American panel have very definite opinions about how a future American presence on Philippine military bases might best be managed, we are nevertheless keenly aware of whose bases they are and whose country this is.

The distinguished Foreign Secretary proved my point by presenting me and my Government with a termination notice right at the opening bell. Although we have a legal difference of opinion concerning termination of the 1947 military bases agreement, there can be no question that in this country the Constitution of the Philippine Republic reigns supreme.

There were several points of a similar nature that I made in my opening statement, all of which can be boiled down to one central proposition: With respect to U.S. facilities on Philippine military bases, the Government of the Philippines will make the final decision. President Bush has made it very clear that the United States will exercise good faith in the discussions of our future security relationship, but that we will leave if we are not wanted.

To all those Filipinos who contacted us during the week, whether at the hotel, the Embassy or elsewhere, with acknowledgement of the different tone in my opening statement, thank you for your sentiments and thank you for your interest. Although a negotiator must prepare for the worst and assume opposition at every turn, I am mindful of the fact that there are those who do support a continued U.S. presence on Philippine military bases. Notwithstanding this support, for which we are grateful, I must tell the Filipino friends of the United States that, in the words of our folksinger Bob Dylan, "the times they are a 'changing' ". I cannot predict the shape or even the likelihood of a future bases agreement between our two countries. I am certain, however, that whatever emerges will fully reflect the strength, vitality and relevance of democracy in the Philippines.

Whenever discussions of this nature take place, very high priority is assigned, in the end, to selecting the best words to describe the atmospherics. We all know, for instance, that words such as "frank," "direct," and even "comradely" usually mask difficult discussion. Although our respective press spokesmen are expected and indeed required to produce descriptive adjectives about atmospherics, I propose instead to be a bit more specific.

The Philippine panel expressed to the U.S. side its deep disappointment with certain funding decisions made by the U.S. Government in the wake of the 1988 Memorandum of Agreement. It did so with dignity and in great detail. Although the Filipino criticism of our perceived performance was direct and pointed, it was not emotional or ad hominem. It represented, in short, the way friends communicate a sense of disappointment.

For our part, we received the criticism of our Filipino friends in the spirit it was given and reacted, I believe appropriately. We pointed out that we are doing exactly as President Reagan committed the executive branch of the U.S. Government to do in his October 17, 1988 letter to President Aquino: We are exerting our best efforts to bring to fruition certain assistance levels for the Philippines. The U.S. side reaffirms that it will, between now and September 30, 1991, continue to exert its best efforts in the context of the Reagan-Aquino letter.

I must admit, however, to a sense of disappointment that the issue of compensation so dominated our time during these talks.

It is, in fact, the very idea of a direct relationship between U.S. facilities on Philippine bases and U.S. aid levels that has produced this unfortunate "shortfall" controversy. The plain fact is that U.S. assistance to the Philippines not linked to military facilities has increased dramatically since the EDSA revolution. The magnitude of this increase far outstrips any of the numbers used to describe the so-called "shortfall."

Yet my sense of disappointment with the pervasiveness and persistence of this compensation controversy has only marginally to do with the specific issues discussed this week in Manila. The U.S. taxpayer, the U.S. Congress and the administrations of Presidents Reagan and Bush have, in my view, nothing to be ashamed of when it comes to financial sacrifice for the sake of democracy and economic development in the Philippines. I deny the assertion that the United States has somehow fallen short in this respect. My sense of disappointment and frustration stems instead from the inappropriateness of constructing a renewed strategic relationship between our two peoples if it is simply in the basis of money.

I do not wish to be misunderstood on this point in particular. I am not suggesting that U.S. assistance to the Philippines be deemphasized. What happened in this country in 1986, just as what happened in Eastern Europe and Nicaragua in 1989 is most worthy of American support as a matter of fundamental national interest. In World War I President Wilson told the American people they were fighting to "make the world safe for democracy." In 1990 we Americans have come to understand that the spread of democracy makes the world a safer place for us and for all. When people in countries as far apart as the Philippines and Poland liberate themselves from autocracy and oppression, Americans have an obligation to help; an obligation rooted in enlightened self-interest. Our relationship with the Philippines transcends the issue of base rights and goes to the central tenet of our policy: Unqualified support for the leadership of President Corazon Aquino and the permanence of democracy in the Philippines.

My mission today, however, has little to do with the spread of democracy. My charter from President Bush is limited very specifically to the matter of the future status of U.S. military facilities on Philippine bases. I will tell you that the future of these facilities hinges on how Filipinos choose to answer the following question: Of what value are these facilities to the Philippines? If the answer is expressed only in monetary terms, the American military presence cannot be sustained. It will be gone not because of a shortfall in U.S. support for democracy and economic development in the Philippines. Rather, it will be gone because, in a strategic sense, money alone cannot cement friendships or confirm alliances. When it comes to Filipino honor and sovereignty, my bedrock belief is that, in the final analysis, money is not the measure. Whatever cynical reactions this assertion they produce in certain quarters, this is the position I take.

I would like to conclude my remarks by conveying some sense of where I think we are in this process. Although I am filled with uncertainties, I start with the proposition that there exist certain basic, immutable facts. There is God, who, by giving us the ability to think and act freely, has created us in his image. There is the Philippines and there is the United States. There is an Asian-Pacific world in which these two countries are fated to coexist. There is a deeply rooted friendship that exists between the peoples of these two countries. Of all the foregoing, I am absolutely certain.

I am less certain however about that which awaits us in the coming years. What is to become of Philippine-U.S. friendship as we approach the 21st century? I do not have the answer. I do not think that any of us present, today, in this place, has the answer either. Together, let us find and, if need be, create an answer fully in harmony with our respective and common needs. I suggest we begin today.

Thank you, Mr. Secretary, and your distinguished colleagues, for all of the courtesies that you have extended to me and my colleagues. Thank you, sir, for your friendship that you have all conveyed. We find ourselves satisfied with the outcome and look forward to our future endeavors.

Mr. MURKOWSKI. I thank the Chair. I yield the floor.

THE SOVIET TRADE AGREEMENT AND BALTIC SELF-DETERMINATION

Mr. BYRD. Mr. President, on February 26 of this year the Senate passed Senate Joint Resolution 251, designating June 14 as Baltic Freedom Day. I do not think any of us could have predicted at that time how fast and how far events would come, or how significant our proclamation supporting Baltic freedom would become. So today it is not only flag day for us Americans. It is also Baltic Freedom Day.

On February 25, about the same time we were passing a resolution calling for the freedom of the Baltic nations, the people of Lithuania were holding the first multiparty elections in the Soviet Union in the last 72 years. On March 11, the newly elected legislature declared Lithuania's independence from the Soviet Union. In the weeks following that declaration, the Republics of Latvia and Estonia followed the lead of their Baltic neighbor in holding free elections and reasserting the independence stolen—stolen—from them 50 years ago.

We all know the sad history of how the three independent and democratic countries of Lithuania, Latvia, and Estonia were illegally annexed by the Soviet Union. This summer marks the 50th anniversary of the forcible annexation of the Baltic nations by the Soviet Union. It was 50 years ago that Stalin carried out the secret Molotov-Ribbentrop Pact and stole the freedom of the Baltic people. The invasion, deportations, forced labor, and concentration camps claimed the lives of one-third of the population of the Baltic nations. Now the brave people of those nations have started down the road to independence and we must do what we can to help and encourage them.

It was also 50 years ago that President Roosevelt inaugurated the United States policy of not recognizing the illegal Soviet occupation. During the five decades since the tragic events of 1940, the United States has steadfastly refused to recognize Soviet sovereignty over these three countries and we have loudly proclaimed our commitment to Baltic self-determination. Every U.S. President has reaffirmed this policy, and we have traditionally set aside this day to renew our call for Baltic independence.

This year, the events in the Baltic nations and the rest of the Soviet Union give added significance to our observance. We all have watched, with a great deal of apprehension, as the Soviet leadership has attempted to halt the fledgling Baltic independence movements by steadily escalating economic sanctions and political intimidation. During the last few months, the Senate has tried to show support for the people of the Baltic nations. Senators have made speeches, some have written letters to President Bush, and we have passed various symbolic resolutions. I have joined in these efforts because I think it is important that we make our position clear to the Soviet leadership, and that we provide whatever moral support we can to the Baltic people.

Now we finally have some encouraging news. President Gorbachev has met with the leaders of the three republics, and yesterday Soviet Prime Minister Ryzhkov met with Lithuanian Prime Minister Prunskiene. Both of these meetings yielded encouraging results. President Gorbachev modified his longstanding demand that Lithuania rescind its declaration of independence before negotiations could begin. He indicated that a "freeze" of the declaration during the period of negotiation might be enough to allow talks to begin. After the meeting yesterday, Prime Minister Prunskiene announced that the Kremlin had agreed to ease some of the economic sanctions against her country.

These are very positive steps and I hope they continue, but the Baltic nations still have a long way to go before they can realize the dream of restoring their independence. We should continue to make our position clear and encourage the Soviet leadership to work toward an acceptable compro-

mise. On May 1, the Senate adopted an amendment, sponsored by Senator D'AMATO, to the supplemental appropriations bill. That amendment urged President Bush not to submit to the Senate the recently negotiated trade agreement with the Soviet Union, until the economic blockade is lifted and the Soviet Union has entered into negotiations with the duly elected Government of Lithuania.

The Senate adopted the amendment by a vote of 73 to 24 with overwhelming bipartisan support, including the leaders from both sides of the aisle.

Mr. President, the trade agreement signed during the recent summit is important to the Soviet Union. The obstacles to its consideration and approval may eventually be overcome, but I think it is important that we not send the wrong signal to the Soviets or to the Baltic nations at this critical moment. Approving the agreement and granting most favored nation status to the Soviet Union while economic sanctions and intimidation continue in Lithuania could bolster the Soviet attempt to deny Baltic self-determination and would tell the Baltic nations that we are abandoning our 50-year commitment to their freedom.

I think it is appropriate that Baltic Freedom Day is June 14, which we also celebrate as our National Flag Day. We have heard a lot about the flag and flag burning recently, and the one theme that permeates the debate is that our flag stands for freedom. As we celebrate the freedom we enjoy and the flag that represents that freedom, we must pause to remember those people in the Baltic nations who do not yet enjoy the same freedom, and we must not forget them. As we celebrate the freedom symbolized by our flag, let us reinforce our call for freedom in the Baltic nations of Latvia, Lithuania, and Estonia.

Mr. President, I yield the floor.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

THE COMMODITY FUTURES TRADING COMMISSION

Mr. HEINZ. Mr. President, last October the distinguished chairman and ranking member of the Agriculture Committee reported on the scandals that rocked our Nation's futures markets throughout 1989 in the wake of extensive Justice Department sting operations in Chicago. Senator LEAHY concluded that "regulation of the futures markets has suffered a nervous breakdown." Senator LUGAR informed us that "the credibility of the Commodity Futures Trading Commission and its effectiveness to deal strongly with—the futures—industry has been called into question by the General Accounting Office and others knowledgeable about futures issues."

After extensive hearings that examined trading abuses, market manipulation, conflicts of interest, inadequate surveillance and regulatory oversight of the futures markets, the Agriculture Committee reported out unanimously the Futures Trading Practices Act (S. 1729). This legislation contains many important measures to address critical weaknesses in the futures markets, including:

The development of audits trails that accurately and honestly record trading activity.

Authority to force the futures exchanges to improve their oversight and disciplinary systems;

Restrictions on so-called dual trading in the absence of adequate systems to detect trading abuses;

Prohibitions on conflicts of interest and insider control of futures exchanges; and stronger civil penalties for violations of the Commodity Exchange Act.

This legislation also seeks to strengthen the CFTC by increasing funding, lifting restrictions on pay to enable the agency to attract competent staff, and extending the agencies reauthorization for 5 years.

In short, this legislation seeks to enhance the integrity of the Nation's futures markets and improve the regulatory oversight of these markets by the CFTC. Senator LEAHY summed up the purpose of this legislation best when he stated:

> The events [in the futures markets] add up to one inescapable conclusion—the system is not working. * * * These markets are simply too essential a part of our economy for us to stand by and allow this to happen. Without the public's trust, the markets can no longer function. They can no longer serve the needs of our country. Today, that trust is damaged. * * * [This legislation] is a bipartisan, comprehensive package of reforms designed to restore faith in futures markets.

I support these efforts because I support strong, efficient, and fair futures markets as well as strong Federal regulation of these markets.

However, Mr. President, this legislation can be improved by accomplishing the same goal of restoring public confidence and improving regulation of the real market—the Nation's capital market. That capital market—the lifeblood of thousands of American corporations and the repository of savings of millions of Americans—is made up of several segments which trade stocks, stock options, and stock index futures.

Why do I say that the capital market consists of three separate segments? The unanimous conclusion of each and every study of the Nation's stock market crash on October 19, 1987, was that the markets for stocks, stock index futures, and stock options are in fact one market. What the stock market crash exposed was that different products, with different names, traded on different exchanges, were all linked together in fact and form a single market. In reality, what appear to be distinct markets are actually all driven by the same economic forces and have the same major participants who use the same program trading strategies.

What happens if the different segments of this single market disconnect? We found out in October 1987. When the stock and stock index futures markets disengaged, both markets went into a virtual freefall. In other words, the markets crashed.

What was also evident after the crash was that the Nation had one economic market—but two regulators. The stock and stock option markets are regulated by the Securities and Exchange Commission. The stock index futures markets are regulated by the Commodity Futures Trading Commission. We have the equivalent of one body with two heads—each looking in different directions.

Mr. President, last week President Bush submitted legislation designed to unify the regulation of our capital markets by enabling one agency to coordinate the activities of these critical markets. The administration's bill—the Capital Markets Competition, Stability and Fairness Act—seeks to:

Strengthen the integrity of the Nation's financial system by providing Federal oversight of margins on stock index futures;

Promote innovation of financial products by modifying the so-called exclusivity clause of the Commodity and Exchange Act; and

Protect the stability of our capital markets by giving one agency responsibility for coordinating the regulation of stock, stock options, and stock index futures markets.

The President, the Secretary of the Treasury, the Chairman of the Federal Reserve Board, and the Chairman of the Securities and Exchange Commission all support these proposals. So do I.

The measures contained in the administration's legislation have roots that are grounded in the stock market crash of October 1987. On a day now known as "Black Monday," the Nation's stock markets plunged into their steepest single decline in American history. The Dow Jones Industrial Average dropped a record 508 points, a loss of 23 percent of its value. In just 4 trading days between October 14 and October 19, 1987, the stocks traded in this Nation's markets lost almost a third of their value—almost a trillion dollars vanished from our markets virtually overnight.

The Nation escaped total economic devastation on Black Monday. But the aftershocks are still being felt today. I need not remind my colleagues that just last October, the Dow Jones In-

dustrial Average dropped 190 points—and the specter of another major crisis was before the Nation.

Mr. President, the American people accuse Congress of acting only after a crisis. Of course, the savings and loan crisis is the most notable—or should I say notorious—example. As the distinguished minority leader reminded us in this Chamber just yesterday, "Congress was a big part of the S&L problem in the first place." If I may quote Senator DOLE:

It was Congress which spent all of 1986 studying the President's $15 billion FSLIC recapitalization plan, only then to reject the plan in favor of a watered-down $5 billion Band-aid version. Needless to say, if Congress had adopted the President's recapitalization plan in 1986, the size of the savings and loan bailout would be much smaller today.

It was also Congress—which throughout the 1980's—rejected bill after bill that would have given the federal banking regulators greater enforcement powers. And it was Congress which yelled a loud "no" when the Bank Board asked Congress for the authority to limit the types of investments that thrifts could legally make.

Obviously, Congress shares much of the blame for the collapse of the thrift industry.

Mr. President, I agree with Senator DOLE. Congress ignored the warnings of the regulators and delayed action on important legislation proposed by the President designed to address the problem. This is quite an indictment. But what is worse are the accusations that Congress failed to act because it listened too closely to a savings and loan industry that contributed millions of dollars to campaign war chests. The savings and loan industry lobbyists fought hard to kill legislation that would have averted a savings and loan crisis. The lobbyists won—but the American taxpayers lost—and lost big. The loss is so big that every man, woman, and child will be sent a bill for thousands of dollars.

It took the single largest financial fiasco in American history before Congress acted to address the savings and loan crisis. Then an only then, did Congress turn a deaf ear to the savings and loan lobbyists. Confronted with a crisis, Congress did not hesitate to restructure the regulatory system for savings and loans. The Federal Home Loan Bank Board, which was perceived as a captive of the industry, was abolished. The new Federal thrift agency was stripped of responsibility for administration of the deposit insurance system and placed under the supervision of the Treasury Department. The Federal Home Loan Bank Board's regulatory authority over the Federal Home Loan Bank System was put under a brandnew agency. In short, Congress put in place a regulatory scheme that made sense. But it took a crisis to accomplish this goal.

Mr. President, this body is going to debate and vote on the administration's comprehensive legislation to address significant problems involving the integrity, efficiency and safety of this Nation's capital markets. The administration believes that having one regulator for one market is just plain common sense. The Secretary of the Treasury, the Chairman of the Federal Reserve Board, and the Chairman of the Securities and Exchange Commission all say it is the right thing to do. The Commodity Futures Trading Commission and the futures industry disagree.

Each Member of this body will have to examine the legislation. Each Member will have to decide what is best, not for any special interest, but for this country and this country's capital markets upon which both savers and those seeking capital depend.

I urge my colleagues to speak with those who rely on our markets for raising capital and for a safe place to invest. If our colleagues do that, I think will discover that there is a crisis of confidence in these markets. The administration has provided us with the opportunity to deal with this crisis.

I, for one, believe that we should deal with it and deal with it now and that in our failure to deal with it, we are saying no once again, as we did with the S&L's to the best advice of our President and our regulators. This not only invites a repetition of crisis, the kind of crisis we had in 1987, but also the kind of costly crises that we have had with the savings and loans, the disappearance of capital, either ours or somebody else's, and each of our colleagues should carefully consider the consequences of rejecting some very thoughtful, very wise advice.

We did it once before. It has cost the taxpayers by estimates anywhere from $200 to $500 billion. I trust we will learn from the lessons of history so that we will not repeat them.

So, Mr. President, I hope that our colleagues will give very careful attention and consideration to the administration's proposals. They will be before us in the form of an amendment or amendments to the CFTC reauthorization. It is entirely possible that those proposals can be improved upon, but if those proposals are simply rejected out of hand, and if we have the kind of crisis that we have twice since 1987, we will once again have nobody but ourselves to blame.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

RACE FOR THE CURE

Mr. DANFORTH. Mr. President, this coming Saturday morning members of my family and I and members of my staff and countless other individuals will be participating in the Race for the Cure for Breast Cancer here in Washington. It is a 6 kilometer run, or walk, take your choice, and I am told that there is even a shorter version of walk for those who want the least possible amount of exertion on a Saturday morning. I plan to run, if it can be called that, although I am confident that some of the walkers will be passing me on my jog for the cure of breast cancer.

This event is going to take place against a background in which every 13 minutes in this country a woman dies from breast cancer. I am surprised to know that one out of every 10 American women will eventually be diagnosed as having breast cancer. The tragedy is that the large number of deaths can easily be avoided by early detection of the disease.

The National Cancer Institute says that 85 to 95 percent of women whose breast cancer is detected early will be free from the disease 5 years later. However, less than 20 percent of American women over the age of 50 are currently getting regular mammograms. The purpose of the Race for the Cure for Breast Cancer, which will start, I believe, at 13th and Pennsylvania this Saturday morning, and go around the Capitol Building and back to where it started, is to raise money for two different needs.

One is for research into the cure of breast cancer—two different foundations that are conducting research will be benefited by the funds raised in this race—and the second is to provide money to the Greater Southeast Hospital in Washington, DC, for free mammograms for low-income people.

I bring this to the attention of the Senate and members of the Senate staff in the event that there are those who would like to join in supporting this good cause on Saturday morning.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. Mr. President, I understand we are in morning business. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

YEAR OF DECISION OR YEAR OF DRIFT?

Mr. SIMON. Mr. President, as my colleagues in the Senate know, I rarely read a speech on the floor. I believe addresses read to the Senate are less effective, and too often they are staff-

produced mutterings that a Senator has never read before speaking on the floor.

I am making an exception to that general rule because of the importance of what we will soon face in budget decisions. And I have typed my remarks myself on an old Royal manual typewriter.

We face the confluence of several things:

First, a dramatically changed world. The military menace of world communism had been gradually lessening, but within the last calendar year, it has changed dramatically for the better. New confirmation comes each day that the cold war is all but over.

Second, we have two increasing domestic needs—needs which, if unmet, will dramatically reduce the potential growth of this Nation: the need for improved quality and access in education, and the need to face and conquer the deficit threat.

A DIALOG WITH SENATOR NUNN

Third, in a remarkable set of three speeches on the floor of the Senate, our respected colleague, Senator SAM NUNN has called for "an overdue debate and dialog on strategy." I took his extensive remarks with me on a plane trip, and I take him up on his challenge that we begin that dialog. Unfortunately, up to this point, we have not had a dialog but a monolog. Senator NUNN has spoken; his remarks have sparked brief, limited attention in some corners of the media; but we go blithely on our way as if one of the more thoughtful Members of this body had never provided us with a substantial challenge to rethink where we are and what we are doing.

I rise at this time because I fear we are heading into another year of drift, in which we apply a few band-aids to the deficit and the budget process, but we do not deal vigorously or fundamentally with the great urgencies and opportunities that confront us.

President Gorbachev has decided that the overwhelming spending the U.S.S.R. has been making on arms has been harming the economy of the Soviet Union, and they are making dramatic shifts.

Can we afford similar dramatic shifts? Can we afford not to have similar dramatic shifts?

There has been no formal end to the cold war. When World War II ended, with its huge expenditures, we knew that things were over when papers were signed, and we could celebrate. Now we have just as certain a victory but with no formal declaration of victory.

A LESSON FROM WORLD WAR II

It is valuable to go back to the end of World War II to see what we did to handle the huge expenditures of that day which suddenly became less needed.

Within 3 years of the end of the war, defense spending was reduced 90 percent. Let me repeat that: Within 3 years of the end of the war, defense expenditures were reduced 90 percent. And what some saw as a Great Depression coming on the heels of that drop in spending, turned into a huge growth in our economy.

Last year, I was able to get an amendment adopted to the Arms Control and Disarmament Agency's reauthorization, calling on them to investigate the whole question of conversion from defense spending to civilian-oriented spending. While their formal report has not been released, I understand that their conclusion is that the conversion process is not that difficult for our economy, that it may cause temporary dislocation in some communities, but the economy as a whole should experience substantial growth as a result of the shift.

What is the lesson for us from the World War II experience and from the early reports of what ACDA will say?

First, we need not fear significantly greater changes away from defense spending than are now contemplated. Michael Renner of Worldwatch Institute recently wrote:

> Continued belief in the myth of military-led prosperity has obscured the fact that civilian spending creates significantly more jobs. In the United States, for example, spending $1 billion—in 1981 dollars—on guided missile production creates about 9,000 jobs; when producing military aircraft, it creates 14,000 jobs. But spending the same amount on local mass transit would yield 21,500 jobs; on educational service, 63,000 jobs; and on air, water, and solid waste pollution control, 16,500 jobs.

Second, strictly from the point of view of our defense, the shift after World War II was too rapid. We still had a world influenced by Stalin and Communist military ambition. It is possible that the Korean war could have been avoided if the United States had moved with a little greater caution.

But the difference between a 90-percent cutback and the defense cutbacks we are now talking about—less than 2 percent in outlays—is a chasm of Grand Canyon depth and width. Can we find a sensible middle ground? Under the most recent proposal by the administration, they are suggesting a $25 billion cutback over 5 years. It is not clear to me from the accounts I have read whether that is a cutback from current levels—which seems doubtful—or whether it means a cutback from the inflation-adjusted numbers. Even if it is the former, a $25 billion cutback against a $300 billion expenditure is a cutback of approximately 8 percent over 5 years, compared to 90 percent in 3 years after World War II. It is so modest a reduction that it makes you wonder if those who propose it understand what has happened during the past year.

What should we be doing in defense? And assuming that we make more substantial cuts in defense, what should we be doing with the savings?

Former Secretary of Defense Frank Carlucci, appointed by President Reagan, recently called us to "at a minimum redefine our key interests around the world, and to develop a new blueprint for the forces needed to defend these interests."

That obvious and fundamental step has not been taken by the administration or Congress. Former Assistant Secretary of Defense Richard Perle, known as the hawk's hawk, has testified:

> The Soviet ability to continue to grind out strategic weapons mindlessly as it faces economic collapse is not a threat to be regarded with the seriousness with which we had to take it ten years ago. * * * With every passing month the pressure on the Soviet leadership to reduce these weapons unilaterally even increases.

Despite the fundamental military and political shifts in the world, the Defense Department is resisting any real reappraisal.

Three former Secretaries of Defense say that the Soviet threat is dramatically reduced; the present Director of the Central Intelligence Agency has said the same.

Even my friend Pat Buchanan has called for removing U.S. troops from Europe and added:

> [In] 1989 our sacrifices bore bountiful fruit, and Central Europe stood up for freedom. Suddenly, as Mr. Lincoln said, our world was new. Yet, rather than think and act anew, rather than view the moment as an opportunity to unload burdens and reduce risks to our own country, we seem almost nostalgic for Cold war arrangements.

We are doing little to recognize the new reality.

In speaking to the Naval War College, President Dwight D. Eisenhower spoke of the threat to the economy from too much defense expenditure. He told them:

> If we put one more dollar in a weapons system than we should, we are weakening the defense of the United States.

THREATS TO THE NATION

What are the two greatest threats to our Nation today?

I suggest that the answer is:

First, our huge deficit and what it is doing to cause serious stunting of our economic growth.

Second, our failure to develop our human resources through an improved educational product.

I don't know of many thoughtful people who disagree with that analysis. I will speak about both of these later. But there is no reflection of this reality in our budget. We are mired in the mud of past spending habits, unwilling to extricate ourselves.

Part of reducing the deficit and increased educational spending must come from the Defense budget.

In one of his speeches on defense, our colleague, Senator SAM NUNN, said:

I am constantly being asked for a bottom-line defense number. I don't know of any logical way to arrive at such a figure without analyzing the threat; without determining what changes in our strategy should be made in light of the changes in the threat; and then determining what force structure and weapons programs we need to carry out this revised strategy. To decide on the size of the Defense budget without first going through this process would be little better than pulling a number out of the air.

While there is much logic to that statement, the difficulty in not pulling at least a little better number out of the air is that we end up erring on the side of defense extravagance. Buttressing our cautious tendencies are defense industries and their lobbyists who assure us, probably sincerely, that the Nation needs their particular weapon or weapons system. So we drift with the two major problems almost unaddressed. And while we should not pick numbers out of the air, there are some conclusions that Senator NUNN has made that we can also make on defense spending:

1. REDUCE U.S. FORCES IN EUROPE

The United States is roughly 20 percent of the world's economy. We have the same overseas commitments today that we had when we were 40 percent of the world's economy. We are spending three times as much per capita for the defense of Western Europe as our Western European friends are spending. That made sense in 1950, perhaps in 1960, but certainly not in 1990. Depending upon whose estimates are used, we are spending 45 to 53 percent of our defense dollar for the defense of Western Europe, and the threat has all but disappeared. I know of not a single major military leader in our Nation who believes there is even a remote chance today that the Soviets will launch a land war against Western Europe. Yet our budget does not reflect this dramatic change. Winston Churchill told Franklin D. Roosevelt that American troops would have to stay in Europe "a maximum of 2 years." Forty-five years later, we are there in greater numbers than we were in the heyday of Stalin. In 1949, we had 100,000 troops in Western Europe, and today we have 315,000.

Senator NUNN accurately noted:

Even if one deems it necessary to hedge against the possibility, however remote, of a reestablishment of a Soviet invasion threat against Western Europe, it does not necessarily follow that the appropriate precaution is to maintain huge standing armies on guard in Europe.

Supporting that conclusion is a massive amount of evidence that I will not go into here, since Senator NUNN and I agree.

But there is one added factor that applies to U.S. personnel stationed anywhere overseas. The reality that foreign troops stationed in another country for any length of time present public relations problems. Senator NUNN mentioned a letter he received from a strong defense-minded member of the German Bundestag who asked that if, when United States troops left Germany, they could leave his district first. A front-page story in the Washington Post is headed: "GIs Find Welcome Wears Thin As German Unification Looms." When I served in the Army, I was stationed in Germany. I had a great experience. But I saw some American service personnel, lonely and far from home, drink too much and sometimes cause social problems. If we were to reduce U.S. personnel stationed overseas substantially, be somewhat more selective in who goes abroad, and give those who do go special language training, we would have a better defense tool and far finer public relations than is now the reality.

One irony of this entire situation is that we are closing bases in the United States when we should be closing them overseas, increasing the trade deficit in addition to wasting money.

We ought to make dramatic moves to reduce the U.S. troop presence overseas, particularly in Europe, and we should not tip-toe toward that reality. Let's move the troops and their families and move them quickly.

2. GREATER USE OF THE RESERVES AND NATIONAL GUARD

I have added the National Guard to Senator NUNN's recommendation, but by implication I believe he meant to include them. These forces give us talented people at substantially less cost.

3. FLEXIBLE READINESS

The threats to the Nation are likely to be in remote countries, at least remote to most Americans today.

The improved relationship with the Soviet Union should diminish the need for such forces; but threats to Americans, threats to vital American installations, or threats to world peace will, from time to time, demand the use of force. I wish that were not the case, but it is a reality that we must acknowledge.

The Marines have traditionally been that force, though all the Armed Forces must regear their activity to this reality, and to the threat of occasional terrorism.

4. MAINTAIN NUCLEAR DETERRENCE AT LOWER LEVELS

We have verification abilities, so the logic of Senator NUNN's suggestion is so obvious that I do not need to expand on it. Here I would add one point which he does not include and with which he perhaps does not agree:

5. STOP ALL NUCLEAR WARHEAD TESTING

Again, the question is not of verification ability; it is a question of backbone, of leadership. The Soviets have offered this under our previous administration. Whatever causes may have been present to make us reject their offer then, they no longer exist. It would be budget-saving and a dramatic gesture the world would understand and appreciate.

Senator NUNN has a number of other suggestions dealing with details of administration and procurement of weapons. While I have no pretense of being a defense expert, as a reader and observer in this field, what he has to say makes eminent good sense.

STRONG WINDUP, SLOW PITCH

What is then wrong with the Nunn proposals?

It is simply that the sweeping nature of his proposals calls for a more sweeping budgetary response. The distinguished chairman of the Armed Services Committee makes some marvelous moves on the diving board, but he doesn't want to jump into the water. After making all these great diving gestures, he then sticks his toe in the water.

No Member of the Senate is more highly regarded than our colleague, the senior Senator from Georgia. But I suggest that we follow through on his suggestions with conclusions that inevitably grow out of those sound ideas. Both his ideas and the lessons of history after World War II suggest that we ought to be doing substantially more than either the House or Senate budget resolutions suggest. The majority leader, Senator GEORGE MITCHELL, has suggested that we are getting timid leadership out of the White House. He is correct.

But timid leadership there should not evoke a timid response on our part. We should be more than a mirror of the White House. Jack Nelson of the Los Angeles Times writes with accuracy: "While Congress must share a substantial measure of responsiblity [for the failure to confront our problems], the primary burden of leadership and initiative in the Federal Government rests with the President." Mr. Nelson is correct. But Congress also has a responsibility. If the President will not lead, then let us lead.

Assuming that the improbable would happen, and we would summon up enough courage to say "no" to the Pentagon wish list and the defense industry, what should we do with the money?

Many matters should be considered, including stimulating greater investment and research so that this Nation might compete more effectively with other industrial nations; doing more in health research; providing for the basic health needs of the Nation more effectively and compassionately; building more low- and middle-income housing; leading the world to protecting our environment; helping the poor in this Nation and other nations. The list can go on and on. But the two overriding needs are dealing with the

deficit and facing our educational needs.

The deficit should be an overwhelming concern. Between fiscal year 1980 and fiscal year 1990, while the inflation rate has grown 68 percent, we have experienced these increases in Federal expenditures:

	Percent
Transportation	+37
Education	+47
Social Security	+112
Defense	+121
Gross interest	+251

Recently, Michael Camdesus, head of the International Monetary Fund, wrote: "The next war is the war of competing economies."

While we pile up an unparalleled military arsenal, we are losing the war of competing economies, and the wounds we suffer have been mostly self-inflicted, not from some economic competitor. We have become indifferent to our economic ruts, unable to summon the courage or creativity to lift ourselves.

Lifting ourselves means doing things as basic as encouraging bright young people to invent things, something we rarely do anymore, and putting money into research and plants and equipment. In 1989, Japan invested twice as much per capita in plants and equipment as did the United States. Who will be ahead economically 10 years from now? Our present choices forge our future.

Recently, economist Lester Thurow commented:

> America now faces history's toughest long-run challenge: changing before failure arrives. Historians of the future will base their judgment of today's leaders on how well they met this challenge, but our leaders base their performance on today's popularity polls.

The key immediate challenge is the deficit that is jeopardizing our future. We are using a variety of devices to mask the size of the deficit, the major one being the use of the Social Security trust funds' temporary surpluses. If we continue the present pattern of political sloth and weakness, shortly after the turn of the century—if a crisis of major proportions does not reach us sooner—we will be faced with three choices: One, significant cuts in retirement benefits, a politically unpopular course Congress is not likely to take; two, dramatic increases in taxes, a politically unpopular course Congress is not likely to take; or three, print more money—which is, unfortunately, the most dangerous course—but politically the most attractive.

MASKING THE DEFICIT

One way we mask the size of our problems is to talk about net interest instead of gross interest. Net interest means taking the interest earned by the Social Security trust funds and the other trust funds and deducting that from the gross interest figure, so that the interest expenditure of the Federal Government does not appear so large. The interest figures that are used by the administration are, therefore, massively understated. The real interest expenditure—gross interest—was $74 billion in fiscal year 1980, $234 billion last year, and will be approximately $263 billion this year. Whether you are a Democrat or a Republican, liberal or conservative, to spend an increasing percentage of our tax dollars on interest rather than goods and services does not make sense. Next year, for the first time in the Nation's history, interest may be the No. 1 expenditure of our Government. We are borrowing from our children and grandchildren to pay for our fiscal drunk. But the hangover has already begun. Two weeks ago, two officers of the Chrysler Corp. were in my office, telling me that they had to pay 12⅜ percent interest for a $1 billion loan to finance a research facility, while one of their Japanese competitors, Nissan, has borrowed a similar amount for a similar facility and paid 4½ percent. "How do you expect us to compete?" they asked. How indeed.

And our needlessly high interest rates, at an unprecedented level above the inflation rate, cost middle-income Americans who buy cars and want to build homes. Industrialists who want to invest in plant and equipment cannot afford to do it, and our industrial base shrinks.

Will the President of the United States lead, or will he continue to falter? And if the President will not lead, will Congress do something more than point our collective finger at a weak Presidency?

While I do not agree with all of his proposals, Congressman DAN ROSTENKOWSKI has shown more leadership and intestinal fortitude on our fiscal problems than any other major leader on the Washington scene. We, obviously, have a need for cuts in spending, and defense should be the area of greatest reduction, and we need more revenue. Reductions in interest rates will both reduce spending and increase revenue. But interest rates will not drop without some strong signals of seriousness on the deficit by the administration and Congress. That should include increased revenue and the passage of a constitutional amendment requiring a balanced budget unless there is a 60-percent vote of Congress to the contrary.

Honesty to ourselves and the American people is needed. That requires courage. The President and Congress are so enamored of the need to stay in office and receive public applause that we ignore the major problems of the Nation.

THE EDUCATION NEED

The second overwhelming need is in the field of education. Here Congress' record is significantly better than the present and immediate past administrations', but we have a long road to travel before all Americans have the chance for a quality education. The President has outlined some fine educational goals but ignores them in his budget request. Anyone who believes we can reach them with our present efforts also believes in the tooth fairy. The President meets with the Governors, in a grand public relations move, asking them to lead on education, but he does not meet with Democratic and Republican education leaders of Congress, where he could really accomplish something.

Recently, the chairman of the Senate Intelligence Committee, Senator DAVID BOREN, testified before the Labor and Human Resources Committee. Our colleague, who has to keep informed on terrorism and international threats, nuclear warheads and chemical weapons, told our committee that what stands as the greatest threat to the future of our Nation: Our failure to properly educate our people.

We have a massive trade deficit, and, like any debt, it will eventually have to be paid. There are only two ways to pay for it: Decrease the standard of living and the quality of life of our people, or increase our productivity. Obviously, the latter is the course we should take, but it is a course we are not taking. Improved education is a major key to improved productivity.

MARTIAN VIEWPOINT

If a man from Mars were to come to our country and guess what the greatest need our Nation has right now, looking at our budget, he or she would find that we spend approximately $300 billion on arms and $22 billion on education—excluding school lunches—and conclude that we must face an overwhelming military threat, but our schools are in great shape. Unfortunately, the reality is different, as our colleague Senator BOREN has noted.

Let me outline only a few things we should be doing for education.

THE EDUCATION IMPERATIVE

1. PAY ATTENTION TO URBAN AMERICA

We are stockpiling the poor in urban America, and a host of needs are present, but the greatest need is to show concern, evidence a willingness to reach out and provide opportunities, including in the field of education. There are those who are doing it, like Eugene Lang in New York City, and Joseph Kellman in Chicago, but the Nation has been wooed away from concern. For too many years, we have had leadership that appeals to the greed in each of us rather than the noble. And when that is compounded by the fact that our society is today more economically segregated than at any time in U.S. history, ignoring the needs of other people becomes easy. There is little today to disturb our

comfortable indifference. When Japan has a dropout rate of 2 percent, and we have one of 28 percent; when the dropout rate among minorities exceeds 50 percent in many urban areas, and when 18 percent of the work force today is composed of minorities, and 10 years from now it will be 29 percent; when the basic skills are lacking in far too may adults, particularly in urban America, this Nation must either sound the alarm and act, or recognize that tomorrow will be brighter for Japanese and Germans and those in many countries but not for those of us in the United States.

2. SIGNIFICANTLY EXPAND PRESCHOOL EDUCATION PROGRAMS

We know that when you have intensified preschool education programs, the long-run impact is a reduction in the dropout rate, a reduction in the teenage pregnancy rate, and a reduction in the crime rate. We know all this, but we do little about it. The Head Start Program is part of the answer—only part of it—but even that reaches just 20 percent of the young people who need it. Almost everywhere there is a waiting list. The Head Start Program I recently visited in Rock Island, IL, has a waiting list but only gives students help one morning a week. Monday morning one group of students comes in. Tuesday morning a second group, Wednesday morning a third, et cetera. The woman in charge said, "if we could reach these children five mornings a week, it would make a world of difference to them." But we are not doing it, to our shame. We are not developing our most valuable resource, our children.

3. RECOGNIZE THAT PAST PATTERNS OF EDUCATION WERE CREATED FOR 1890, NOT 1990

In Japan, students attend school 265 days a year. In the United States, it is 180. That is so students can be free during the summer to help with the crops. Whom are we kidding? If we want to fool ourselves that we can learn as much in 180 days as the Japanese do in 265 days, we can fool ourselves, but that is all we are doing, other than going downhill economically.

4. WE MUST PAY TEACHERS MORE AND DEMAND HIGHER STANDARDS FOR THEM

The brightest of our young people, with too few exceptions, are not choosing a career of teaching. Teachers in some developed countries are paid approximately the same as lawyers and physicians. I do not need to tell you our pay levels. When I speak to groups of teachers, I often ask, "How many of you want your sons and daughters to become teachers?" Only a handful out of hundreds will raise their hands. Take the top 5 percent of any high school graduating class, and ask how many want to become teachers. Few, if any, will choose this important field. In our country, the average teacher stays in the field 6½ years. I applaud the fine and dedicated people who are in teaching today. But we are demanding a sacrifice of them that we have no right to ask, and the Nation suffers as a result.

5. WE MUST BE TOUGHER IN OUR CURRICULUM DEMANDS

I do not need to expand greatly on this, other than to say that everything from foreign languages to math and science and basic skills must be taught and taught well. When and where students have problems, we must provide tutors, small classes, and whatever is necessary to keep them from joining the ranks of the nonproductive.

6. COLLEGE STUDENT AID MUST BE EXPANDED

In the last 10 years, when the inflation factor is removed, college costs have risen 46 percent, and student aid has risen 3 percent. In addition, we have shifted from grants to loans, compounding a host of problems, including increasing costs to the Federal Government. The only area where the United States leads other nations educationally is in the field of higher education, but our advantage is declining, both because of our own lack of support and the gains other nations are making.

7. ADULT ILLITERACY MUST BE CONQUERED

I am pleased the Senate has passed my literacy bill that, for the first time, would call for a comprehensive approach to this overwhelming problem. The 23 million functionally illiterate Americans add to our Nation's economic woes, rather than to our economic growth. We must change that.

Recently, Jack Nelson had a lengthy, reflective article in the Los Angeles Times on where the Nation is. His first paragraph summarizes the story:

From the Bush White House to the predominantly Democratic Halls of Congress, the Federal Government is engaged in a retreat from leadership, sidestepping an array of politically difficult long-term problems that shadow the Nation's future.

I wrote, congratulating him on the excellent story, and in one paragraph of his letter of response, he wrote:

The interesting thing to me about all this is that Republican business types seem to agree wholeheartedly that no leadership is being provided. This week we had 25 members of the Valley Industry and Commerce Association from Los Angeles in our bureau for a breakfast session and they agreed unanimously—just as the Los Angeles Chamber officers did—that Washington leadership is in retreat.

That tells the story.

RHETORIC OR RESOLVE

Will we do anything about it?

Our speeches will not be the index. Our actions will. What will we do with the budget? Will we change our priorities?

I am not optimistic, yet I have hope. If enough of us in both political parties speak up, we have a chance. And if the great body of the American public can rise to greater concern, there is no question that we will. Recently, John Chancellor wrote:

What the country needs is a peacetime Pearl Harbor to shake it up, to make Americans aware of the trouble they're in.

My friends, let's hope he's wrong.

The PRESIDING OFFICER (Mr. LIEBERMAN). The Chair recognizes the majority leader.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, as I earlier advised the Members of the Senate, the distinghished Republican leader and I and several of the committee chairmen and other interested Senators have spent virtually the entire day discussing a unanimous-consent agreement that would permit us to complete action promptly on two important pending matters and set forth a schedule of disposition of other important matters, as will be evident when I propound the agreement. I had hoped to be able to do that earlier today but, as will be clear when I read the proposal, it covers a number of issues, and appropriately and of necessity a large number of Senators have been consulted in the process.

However, we are now prepared to proceed, and I will say prior to proposing the agreement that if we reach this agreement we will be able to accomplish expeditiously completion of legislation that I had anticipated would take approximately 2 weeks. Therefore, if we get this agreement, then the Senate will not be in session tomorrow and there will be no rollcall votes on Monday. If we do not get the agreement, why then obviously we will have to be in session. There will, of course, be a rollcall vote as is already scheduled for tomorrow morning. That would be vitiated if we can get this agreement.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that there now be 1 hour equally divided between Senators KENNEDY and HATCH or their designees for debate with respect to H.R. 770, the family leave bill, and that following the conclusion or yielding back of time the Senate proceed to adopt the motion to proceed to H.R. 770.

I further ask unanimous consent that immediately following the adoption of the motion, the Senate proceed without any intervening action to the immediate consideration of H.R. 770, and that the bill be read for a third time and passed without any intervening action, motion, or debate.

I further ask unanimous consent that following the passage of H.R. 770,

the Senate proceed to the consideration of Senate Concurrent Resolution 110, the budget resolution, and that time on the resolution and on one manager's amendment be limited to 2 hours equally divided, and that no other amendments or motions be in order to the resolution.

I further ask unanimous consent that the Senate proceed to the consideration of Calendar No. 587, S. 566, the National Affordable Housing Act, on Monday, June 18, at 3 p.m.

I further ask unanimous consent that the majority leader, after consultation with the Republican leader, may proceed at any time, notwithstanding the provisions of rule XXII, to the consideration of Senate Joint Resolution 332, a joint resolution proposing a constitutional amendment with respect to flag desecration, but not earlier than Monday, June 18, nor later than the beginning of the July 4 recess, and that the resolution be considered under the provisions of the following time limitation: That debate on the resolution and all amendments thereto commence at 10 a.m. on the date chosen by the majority leader for debating the resolution; that there be 10 hours total equally divided and controlled by the two leaders or their designees on the resolution and all amendments thereto; that all amendments be relevant to the resolution; that there be 1 hour equally divided on each amendment; and that at the conclusion or yielding back of time, there be a vote on the pending amendments.

After the amendment has been disposed of, if any Senator who has not yet spoken on this issue seeks recognition, he or she be permitted to speak for not to exceed 15 minutes; and that following these speeches, if any, the Senate, without any intervening action or debate, vote on passage of the resolution.

I further ask unanimous consent that the majority leader, after consultation with the Republican leader, may return at any time, notwithstanding the provisions of rule XXII, to the consideration of Calendar No. 422, S. 1970, the crime bill; and that it be considered under the following limitation on further consideration:

That there be not more than 15 first-degree amendments offered from each side of the aisle from a listing to be determined by the two leaders or their designees, with a final determination on second-degree amendments, and on the subject matter of the first-degree amendments to be decided at a later date; that time on each amendment offered by limited to 1 hour equally divided and controlled in the usual form; that the provisions in titles III and VI of the bill—that is, the Department of Justice reorganization and the exclusionary rule—be stricken from the bill; that it not be in order to offer any amendments on the following topics other than an amendment to a House bill that did not exceed the scope of S. 1970 or of the underlying House bill, relating to any of these topics, or to a message from the House on S. 1970: The subject of the death penalty, habeas corpus reform, title III of this bill, title VI of this bill, and the availability of firearms for purchase during the remainder of this session of Congress.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, reserving the right to object, with reference to page 2, second paragraph, I think probably it is not something that will happen, but in the event the agreement says there be a vote on the pending amendment, I am wondering: If there were other amendments that had not been considered, would they be offered and voted upon?

Mr. MITCHELL. That is my intention. I assume that is the intention of the Republican leader as well.

Mr. DOLE. Yes. Then with reference to the crime package, as I understand it, this is an agreement that needs another agreement. It is an agreement to agree. We have not had that final agreement.

But if the Senate fails to pass a crime bill, or we fail to get a further agreement on the amendments to be offered, the agreement regarding the death penalty and all the others referred to would be null and void.

In other words, I do not mean by that that we are going to be restrained from offering any of these amendments until we try to reach an agreement, but if we cannot reach an agreement or if we cannot pass the bill, then all bets are off.

Mr. MITCHELL. That is correct. My intention and understanding of our discussion is that with respect to the crime bill, we are agreeing to agree, and we are stating certain provisions that will be in any such subsequent agreement, if it is reached, but it does require further negotiation and determination.

And if we are unable to reach that further agreement, then none of the provisions set forth there will be in force or applicable; that is, there simply will not be an agreement.

So I believe we have a clear understanding and a meeting of the minds on that point. I believe both sides have been discussing the matter in good faith, and acting in a manner that will produce an agreement. I believe that there will be one, but it is possible that we will not be able to reach an agreement.

If we do not, then the limitation on the amendment contained in the last paragraph, to which the distinguished Republican leader referred, would of course not be applicable. They would not apply unless a further agreement was reached.

Mr. DOLE. Mr. President, just one other thing; it is also my hope that if we reach agreement there would be—I know of no request for a rollcall vote on either the parental leave or the budget resolution.

I hope if anybody feels constrained to have a vote, they will on this side advise me, because I think we have a significant agreement here. It will expedite the work of the Senate, as indicated by the majority leader in his opening remarks.

Mr. MITCHELL. Mr. President, I just have been handed a note advising that I am unable to state at this time that there will not be a request for a rollcall vote on the budget resolution. I just have been advised that one Senator may have such a request. I know of no request on the family leave bill. I believe we can proceed with that by voice vote. But I cannot so state at this time. I am unable to so state because I have been advised that at least one or possibly more Senators may wish a vote on that.

I will respond as soon as I am able to clear that with these other Senators.

Mr. SIMON. Mr. President, on that point, there are at least two of us that I know of who believe we ought to have a vote on the budget resolution.

Mr. MITCHELL. I was unaware of the request of the Senator from Illinois. That makes three, as far as I know. But I would like to get back to the Senator on that, and discuss it with the Senator from Illinois and the other Senators who are of such a view at this time.

Mr. HEINZ. Mr. President, reserving the right——

The PRESIDING OFFICER. The majority leader retains the floor.

Is there objection?

Mr. HEINZ. Reserving the right to object; first, a point of clarification on the majority leader's unanimous-consent request. Did it include the request that there not be a vote on the budget resolution?

Mr. MITCHELL. I beg the Senator's pardon.

Mr. HEINZ. I was inquiring as to whether the majority leader's unanimous-consent request included a proviso that there would not be a vote on the budget resolution.

Mr. MITCHELL. No. It does not include that.

Mr. HEINZ. Mr. President, I am sure the majority leader knows why I am here, because he and I over the last several months have discussed the desirability of bringing to the Senate floor, or providing an alternative opportunity to discuss an issue that a number of Senators, including myself, Senator MOYNIHAN, Senator HOLLINGS, and many other Senators have expressed a great interest in; that is,

having the Senate come to grips with and express its will on how we should handle the accounting of the Social Security trust fund for the purposes of deficit reduction calculations.

It as some 7 months ago, just a little over, that we stood on the floor, Senator MITCHELL and I, as he attempted to obtain, and ultimately did obtain, a unanimous-consent agreement, the purpose of which was to facilitate the passage of a permanent increase in the debt ceiling.

As I know he recalls, we came to that point because he was seeking unanimous consent to pass the debt ceiling. The Senate consideration of the debt ceiling had been postponed until the very last possible moment.

It was believed that at either midnight that night or the first thing the next day the country would be out of authority to finance its bills; yet, for quite some time, the Government has been financing its bills by borrowing and spending the surplus annually in the Social Security trust fund. As the Senator from Maine will recall, we had a series of discussions. There was an agreement reached that he would do everything he could to bring to the floor, by April, a means of dealing with this issue. The chairman of the Budget Committee, Senator SASSER, indicated that he had intended to move early in this year to take that matter up. Senator HOLLINGS had indicated that he had a majority of the votes in his committee, the Budget Committee, to bring a bill before the Senate. And whatever else is true that we may have seen this year, none of those things has come to pass.

I say that with no opprobrium attached to any Senator. I do not stand here suggesting that any Senator intentionally, or otherwise, has the goal of not living up to promises or commitments. I guess we all make promises or commitments that in one way or another we cannot live up to.

But we have here before us a unanimous-consent request that would not permit any amendments to the budget resolution. That means we will not—were that request to be granted—be able to amend the one measure to which an amendment of the Budget Act may be offered and not be subject to a point of order.

Mr. President, I was reluctant back in November 1989 to disagree with the procedures that the majority leader was trying to work out, and I commend him for having structured, during the course of this day, what has to be one of the more complicated and comprehensive unanimous-consent agreements it has been my privilege to hear propounded. It is a remarkable piece of work, and I commend him and the Republican leader on it. It seems to me that it contains one very, very serious flaw; it does not permit even one amendment, other than the manager's amendment, which is in fact the guts of the budget resolution we would pass, as I understand it, and does not permit us to address this issue that we had all hoped to address and all said we would address much earlier this year; and second, that in forgoing this opportunity, which I hope we do not forgo, we create a parliamentary situation where, on any other measure that this Senator can think of, a person seeking to amend the Budget Act will be faced with a budget point of order, which, as the Senator from Maine knows and our colleagues know, is a 60-vote issue here in the Senate.

Therefore still reserving the right to object, I ask the majority leader what opportunities there will be to address this matter that he and I agreed needed to be addressed, and how we can avoid prejudicing the issue by putting it in a situation where it will be subject to a budget point of order, which would not be the case on a budget resolution.

Mr. MITCHELL. Mr. President, I thank my colleague for his comments and his inquiry. As the Senator from Pennsylvania knows, I am a cosponsor of legislation by Senators MOYNIHAN and HOLLINGS, both of which were introduced very early in the first session of this Congress, which are, I believe, similar in intent to the proposal of the Senator from Pennsylvania, and I have joined all of them and others in publicly expressing my support for adoption of such a provision.

When the matter arose last year, I indicated my support for the proposal and expressed the hope that the Budget Committee would report out legislation dealing with budget reform. There are, as the Senator from Pennsylvania knows, a number of Senators who have expressed an interest in making changes in the budget process, including and in addition to the change that he and Senators MOYNIHAN and HOLLINGS previously suggested. It remains my hope that the Budget Committee, which, as the Senator from Pennsylvania knows, has been necessarily occupied in dealing with the budget resolution which we are attempting to gain passage of this evening, the committee will, upon completion of action on the resolution, turn its attention promptly to the subject of budget reform and will report out legislation that includes the measure to which the Senator from Pennsylvania has referred and such other matters as the committee chooses to give, not only the Senator from Pennsylvania and Senator MOYNIHAN and Senator HOLLINGS, but all other Senators the opportunity to vote on this very important matter and other budget reform measures that they wish.

It is my intention, my desire, to bring that to the floor of the Senate as soon as possible, after it is reported by the Budget Committee. I hope that is done in the very near future. I wish it had occurred prior to now. The problem we have is that if we cannot get the resolution done, and that has occupied, understandably, the committee's full time and attention, they are not going to be able to turn their attention to the question of budget process reform, including the important provision of the Senator from Pennsylvania.

Mr. HEINZ. Mr. President, reserving the rights to object, I am a bit puzzled by the majority leader's comment. I understand most of it, but what puzzles me is that since the beginning of this year, the Budget Committee has had 5½ months to report a bill to remove the OASDI trust funds from the deficit reduction calculations—an issue which a majority of the members of the Budget Committee support. I do not even know if there was any attempt to have a markup. What I am aware of is that it has been nearly a year since some of us attempted to address this issue here in the Senate.

We attempted to address it first on the temporary debt ceiling bill which we brought up in July, late July of last year.

Then, of course, we attempted to address it on the permanent debt ceiling increase in 1989 and we were told that was not the right time to do it.

Now the budget resolution is before the Senate. I think from what I have heard that once again this is not the right vehicle to do it, either. Maybe there is another vehicle, but if the Senator from Maine says we will, unless I made a misstatement of fact here, just be patient, maybe budget reform will be along sometime this year.

I suppose we all have been patient, and the Senator from Maine is a very patient individual. But what he has not said to me is why this is not a perfectly acceptable and good time to address it; and, second assuming that he is unable or the Senate is unable to produce something else, I am not quite sure what the something else is. We are passing a budget resolution. I guess at some point we might pass a second budget resolution. Is my understanding correct on that? Is that the idea? That second budget resolution will come out of some budget summit that is, I suppose, in the offing?

I know people have been gathering and talking, but I understand there has not been much negotiation going on. Most people indicate that if there is going to be a success out of the budget summit, it is going to take place after elections. That is apparently where the smart money is betting.

What that means is that we will have started another fiscal year without the Senate even having had an op-

portunity to address in a serious and appropriate way, how we are going to handle one of the major elements of this Nation's finances.

So the majority leader is clear, I do not understand how we can start a new fiscal year without having addressed this.

Second, if we would like to address it before the end of this fiscal year, and there is no budget summit agreement until after the fiscal year starts in October, I do not understand how between now and then we will be able to address this issue without being subject to a point of order.

Third, Mr. President, and maybe the majority leader can help me on this, I am not sure I understand what the reluctance of the Senate is to face this issue. It is a major question, and we have been through very recently a failure of the Congress to face another serious issue. It is called the savings and loan crisis. I spoke on that matter here on the floor just a couple hours ago.

Senator DOLE, yesterday, reminded us that when the administration of President Reagan sent down a bill to recapitalize the FSLIC at $15 billion, and which had some teeth in it, the Congress stalled, did nothing. In the final analysis Congress passed a $5 billion recapitalization with no requirements or teeth in it because, for reasons that have been discussed on other occasions—I will not go into them here—we did not want to do our duty.

That is not in the tradition of this body. We need to do our duty. I am not saying to the majority leader that it has to be done tonight or tomorrow on the budget resolution. That is not what I am saying. That might be this Senator's preference but I cannot impose my will on the Senate. I do not intend to try. I do not want to.

As the Senator from Maine, the distinguished majority leader points out, there are a number of other Senators who want to be heard on this issue and they have a right to be heard. But what I cannot grasp is how we can let this particular issue get away from us.

I appreciate the patience of the majority leader. I just want to share one fact with our colleagues, Mr. President. In the 4-year period between 1986 and 1989, the fiscal years, we reported to the American people—if you look at the numbers for our deficits for those 4 years—that we had run up the really embarrassing total of aggregate annual deficits of $673 billion, two or three times what the savings and loan crisis will cost the taxpayer over the next 30 years.

Everyone has a right to expect that if the deficit over those 4 years went up by $673 billion, probably the national debt would go up by about the same amount. But, Mr. President, the national debt did not go up by $673 billion; it went up by $1.49 trillion. It went up by some $376 billion more than what we said the deficits for those 4 years were. Three hundred seventy-six billion dollars is missing and unaccounted for and passed on to the next generation to pay.

How did we manage to do that? How did we manage to make a little accounting error of $376 billion? Mr. President, largely because we have been taking money from the trust funds of Social Security and other trust funds, but Social Security, by far the biggest, and pretending that those surpluses that should accumulate in those trust funds are ours to do whatever we want to do with today, that we can use them to pretend that they reduce the deficit.

But we cannot hide, however fast we may run in one or another direction, because what we see is an unerasable total called the total national debt. While we were playing those games, the national debt went up $160 billion a year faster than our deficit and the totals are there for all to see.

If we delay 1 more year, we are going to add another very large increment to that total. If we delay 1 more year, we will add another $80 billion to that total. And I fear, Mr. President, that that is what we are going to do, because this Senator just does not see anything in sight.

Finally, Mr. President, the other thing that I do not understand is how, when we are asking the House and the Senate, our leadership on the Budget Committee, the Appropriations Committee, the Finance Committee, and the administration, to sit down and negotiate a budget, we can avoid doing our duty to tell them what kind of accounting discipline we want them to use. I have heard some people say, well, how we handle the Social Security trust fund ought to be left up to the budget summit.

Maybe if you are a budget summiteer you would like an extra $70 or $80 billion to play around with, because as they say in the title of that book, that is somebody else's money.

That is the point. It very much is somebody else's money. It is money that belongs to the retirees, past, present, and future. It needs to be safeguarded. The Social Security trust funds should not be used as a fiscal plaything by the Congress or the administration. It surpasses my understanding, it truly does, how we could in all seriousness ask our chairman of the Budget Committee and our ranking member, and the rest, to go and do their duty, to do their work and not give them very clear direction as to what it is we expect them to do when it comes to the simple proposition of whether we want honest numbers, which do not attempt to portray the surplus in the Social Security trust fund as something it is not, or whether we want them to cook the books.

Can we really continue this process where we just never face up to saying, well, give us an honest count or just give us any old count you want?

That, Mr. President, is not what I believe serving in this body is all about. We are supposed to put the public interest ahead of any embarrassment we might feel for things we have to do. We all must make tough decisions.

So I have propounded the four things that I do not understand to the majority leader. If he could help me answer those questions and how we might resolve this issue, I am prepared to try and help him.

Mr. MITCHELL. I thank the Senator for his cooperation. I will respond briefly, and then yield to the distinguished chairman of the Budget Committee and the ranking member. I regret the misunderstanding of the Senator from Pennsylvania to which he referred in his questions.

The answer to his questions is that the reason that this does not, in my humble opinion, represent the appropriate vehicle for the Senator from Pennsylvania is it is my understanding that he wants to change the law. He wants to take Social Security off budget, which requires a change in law. Is that correct?

Mr. HEINZ. The Senator is entirely correct.

Mr. MITCHELL. What is before us is the Senate concurrent resolution that does not become law, does not require the President's signature, and then his offering his amendment to this resolution would have no legal effect. Of course, there would be a lot of discussion about it. But I know that the Senator's objective is to change the law, and offering it as an amendment to this, even if accepted, would not result in a change of law because a concurrent resolution does not become law.

Since I so strongly favor the proposition which the Senator advances, it is my view that he and others who share our view ought to offer it to legislation which will become law and which will accomplish what I understood to be, and what the Senator has just now confirmed to be, his intention.

I am pleased to yield to the chairman of the Budget Committee, and the ranking member, for such comments they may have.

Mr. HEINZ. Mr. President, if I might respond to the majority leader, I thank him.

I am well aware that this is a resolution. But it is also the vehicle by which one can avoid having to cope with the budget point of order or the point of order on the Budget Act that all other measures are subject to. I am not trying to insist that he answer all those concerns I have, but I hope he understands there is a parliamentary

situation that, if not addressed in some way, very much disadvantages those of us who might want to propound amendments under the jurisdiction of the Budget Committee.

From time to time the Budget Committee has had very mixed views on what it wants to do. I will be the first to admit that it makes their job tougher—and I understand and sympathize with them—and that is the reason we have not dealt with it up to this point, because it does make life tougher.

On the other hand, if there is any chance on that question on the budget point of order, are there other vehicles where we can avoid it?

Mr. MITCHELL. I am not aware of that at this time. But I assure the Senator of my full support in an effort to get this change made, the change that he, and I, and Senators MOYNIHAN and HOLLINGS, who have been in the forefront of this, want made. I assure him of my full support in that effort.

I believe there will be many more than 50 votes when we get this up, and it will be passed, and we will all be pleased to do it. I simply say that this is not the appropriate vehicle, for the reasons I have just suggested. It does not accomplish what the Senator wants to accomplish. And to the extent that it prevents the Budget Committee from turning to the subject of budget reform, it has the unfortunate effect of actually retarding the objective which the Senator from Pennsylvania and I share. So I hope that he will permit us to go forward with this agreement.

Mr. HEINZ. Mr. President, is the chairman of the Budget Committee going to speak?

The PRESIDING OFFICER. The request of the majority leader is pending. Is there objection?

Mr. HEINZ. Reserving the right to object, and I am not trying to be objectionable, but I suspect at some point the majority leader will think that I am.

I hope the majority leader understands that I am looking for a solution. We spent a number of hours here back on November 7. We all thought we had a solution. It did not pan out. Back in November, the majority leader said—and I know he does—he supports doing something about this. That is not the issue. I know he supports it. But, the question is, when? When?

It seems to me that it is not a reasonable proposition for us to leave this issue knowing, that there is a debt ceiling bill coming up, probably before the August recess, and that the Budget Committee will not be able to report a budget resolution back to us until the beginning of the next fiscal year. One way out of this dilemma is if we could agree that there will be a vehicle taken up between now and either the debt ceiling or before the beginning of the fiscal year so that the Senate can work its will, and if the Budget Committee has not reported such a vehicle that the majority leader will bring a vehicle to the floor—there are plenty of them—with sufficient amount of time for us to work our will on it. That is the only thing that I am seeking reassurance on. If I cannot get that, Mr. President, I do not see how I can agree to something I would otherwise like to agree to.

The PRESIDING OFFICER. Is there objection?

Mr. HEINZ. Mr. President, reserving the right to object. I am trying to ask the majority leader for his help on this.

Mr. MITCHELL. Mr. President, all I can say to the Senator is that it is my understanding that the Budget Committee's actions involve the budget resolution and what I hope will be a budget reform bill, which I previously requested—both at the same time the Senator refers to and subsequently—be acted upon. I do not know of any other matters that would be before the Budget Committee and to be reported out. I will make every effort to have such a measure.

I have urged the chairman of the Budget Committee and the ranking member to proceed on such legislation. It involves Senators other than the Senator from Pennsylvania, as I stated earlier. Senator MOYNIHAN from New York and Senator HOLLINGS from South Carolina both introduced legislation, I believe, before the Senator from Pennsylvania, and have pressed the matter with great vigor, privately with me and with the chairman of the Budget Committee. We hope that they will act in reporting out a measure that we can take up and we can get this enacted into law, as I know the Senator from Pennsylvania wishes.

I am pleased to yield to the distinguished ranking member.

Mr. DOMENICI. Mr. President, let me say to my very good friend from Pennsylvania, I do not stand to talk with the Senator about this issue because I have any way of assuring him of what he desires, but I would like to talk to him a minute about it.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from New Mexico has suggested the absence of a quorum. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BINGAMAN). Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I have now had the opportunity to discuss the matter further and privately with the distinguished Senator from Pennsylvania and he has asked for assurances from me to provide assistance with respect to the measure propounded by Senators MOYNIHAN, HOLLINGS, and the Senator from Pennsylvania with respect to Social Security off-budget, specifically, with respect to the debt limit extension.

I have indicated to him, and so state now, that I do not know when the debt limit extension legislation will be required.

As all Senators know, we will at some time prior thereto be notified by the Secretary of the Treasury in behalf of the President when the Treasury Department estimates that to be required. We have not yet received that advice.

Further, I do not know and, of course, cannot now know the circumstances under which that legislation will be considered. Will the budget summit agreement have been concluded by then? If so, will it include a provision of this type or some other provision relating to this matter? Will there be other factors that neither the Senator from Pennsylvania nor myself can now foresee? All of these are unknowable at this time.

Taking all of those factors into account, and with those as cautionary words, I have indicated to the Senator from Pennsylvania and, of course, have said so many times to the Senators from New York, Mr. MOYNIHAN, and from South Carolina, Mr. HOLLINGS, that, barring circumstances which would require me to adopt a different course of action, I do support this legislation and will do all I can to help see it enacted into law at that time, if it has not been previously enacted as part of a budget reform legislative package which I still hope will be considered in the near future.

Mr. HEINZ. Mr. President, as I understand the majority leader, and he can correct me if I have in any way misunderstood him, he has said that although there are contingencies that he cannot forecast, and he spelled them out, nonetheless if the Senate fails to act on a budget reform package between now and the time the debt ceiling bill comes before us, that he will do everthing he can to make sure that there is ample opportunity to offer amendments, to debate amendments, relative to the Social Security budget issue; that he will do his very best, again cautioning against contingencies that could upset the plan, that we will not get into the same kind of problem we got into back in November when we had a fiscal gun to everybody's head and, if I do interpret him correctly, and I do not wish to put words in his mouth, that tells me that we will be addressing this issue, absent the Budget Committee coming to the floor with either a comprehensive budget summit solution or a budget reform package; and that we

will be addressing this issue probably—I say probably—before the August recess because it is this Senator's understanding that we will have to face up to the debt ceiling before the August recess.

I am not asking the Senator from Maine to agree to that proposition, but I am just making a prediction. I ask the Senator from Maine if I have interpreted him correctly?

Mr. MITCHELL. As I stated and will be pleased to repeat, I support this measure. I hope that it will become law. I intend to do all I can to see that it does become law. I believe the appropriate mechanism and the mechanism that is best suited to achieve the result which the Senator from Pennsylvania and I share is a budget reform measure, which I hope very much the Budget Committee will report and it is my intention to bring that to the floor for action. But if that does not occur and we get to the debt limit, barring circumstances which I cannot now foresee or barring circumstances which would require me to take a different course of action, it is my hope and my intention that I would do all I can to help to see that this measure is brought before the Senate with ample time for debate and consideration.

I know this is what I have been asked many times by Senators MOYNIHAN and HOLLINGS. I want to do that. I merely have to state the caveats publicly which I state privately. I do not know when the debt extension bill will be before us. I do not know what the circumstances surrounding it will then be. I do not want any misunderstanding as to any commitment or undertaking, which I now make. Barring something that requires me to take a different course of action, I surely will do all I can to be of assistance and to help this become law.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request propounded by the majority leader?

Mr. DOMENICI. Mr. President, do I understand the distinguished Senator is not going to object?

Mr. HEINZ. The Senator from Pennsylvania has listened very carefully to the distinguished majority leader. He has repeated what he said. He has said he has made a very careful representation. I have listened to it intently. I believe the majority leader is a man of his word. We all understand that in his position there are contingencies that he cannot predict, but nonetheless, it is my understanding that barring those contingencies, those cautionaries that he has twice enunciated, that should we not be able to deal with budget reform comprehensively here on the Senate floor, by virtue of legislation brought before us in the Budget Committee, that there will be the opportunity to do so on the debt ceiling; again with all the other provisos that the majority leader has indicated.

In other circumstances, Mr. President, I might ask more of the majority leader. I do not think he can go any further at this point. He makes the point, and it is a well taken point, that although it may not be possible to avoid a point of order at this point, the budget resolution is not a vehicle that becomes law. Hence, I am prepared to accept his stance on this matter as very forthcoming. So I do not intend to object.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? Hearing none, the request is agreed to.

The text of the agreement is as follows:

Ordered, That there now be 1 hour equally divided between Senators Kennedy and Hatch, or their designees, for debate with respect to H.R. 770, the Family Leave Bill, and that following the conclusion or yielding back of time, the Senate proceed to adopt the motion to proceed to H.R. 770.

Ordered further, That immediately following the adoption of the motion, the Senate proceed without any intervening action to immediate consideration of H.R. 770, and that the bill be read for a third time and passed without any intervening action, motion or debate.

Ordered further, That following the passage of H.R. 770, the Senate proceed to the consideration of S. Con. Res. 110, the Budget Resolution, and that time on the resolution and on one manager's amendment be limited to 2 hours equally divided, and that no other amendments or motions be in order to the resolution.

Ordered further, That the Senate proceed to the consideration of S. 566, the National Affordable Housing Act, on Monday, June 18, 1990, at 3:00 p.m.

Ordered further, That the Majority Leader, after consultation with the Republican Leader, may proceed at any time, notwithstanding the provisions of Rule XXII, to the consideration of S.J. Res. 332, a Resolution Proposing a Constitutional Amendment with respect to Flag Desecration, but not earlier than Monday, June 18, 1990, nor later than the beginning of the July 4th Recess, and that the Resolution be considered under the provisions of the following time agreement.

Ordered further, That during the consideration of S.J. Res. 332, debate on the resolution, and all amendments thereto, commence at 10:00 a.m. on the date chosen by the Majority Leader for debating the resolution; that there be 10 hours total, equally divided and controlled by the two Leaders, or their designees, on the resolution and all amendments thereto; that all amendments be relevant to the Resolution; that there be one hour equally divided on each amendment; that, at the conclusion or yielding back of time, there be a vote on the pending amendment: *Provided,* That after the amendment has been disposed of, if any Senator who has not yet spoken on this issue seeks recognition, he be permitted to speak only for not to exceed 15 minutes, and following these speeches, if any, the Senate, without any intervening action or debate, vote on passage of the resolution.

Ordered further, That the Majority Leader, after consultation with the Republican Leader, may return at any time, notwithstanding the provisions of Rule XXII, to the consideration of S. 1970, the Crime Bill, and that it be considered under the following limitation on further consideration.

Ordered further, That during the further consideration of S. 1970, there be no more than 15 first degree amendments offered from each side of the aisle from a listing to be determined by the two Leaders or their designees, with a final determination on second degree amendments, and on the subject matter of the first degree amendments, to be decided at a later date.

Ordered further, That time on each amendment offered be limited to 1 hour, equally divided and controlled in the usual form.

Ordered further, That the provisions in Title III and VI of the Bill (Department of Justice Reorganization and the Exclusionary Rule) be stricken from the bill.

Ordered further, That it not be in order to offer any amendments on the following topics, other than an amendment that did not exceed the scope of S. 1970 or the underlying House bill, to a House bill relating to any of these topics or to a message from the House on S. 1970: the subject of the death penalty; habeas corpus reform; title III of the bill; title VI of the bill; and the availability of firearms for purchase during the remainder of this session of the Congress.

Mr. MITCHELL. Mr. President, I thank all my colleagues. I especially thank the distinguished Republican leader for his patience and cooperation in this matter.

Mr. DOMENICI. Reserving the right to object, I wonder if I might say to the distinguished majority leader, as I understand it, we will be on the budget process that we have developed for this evening soon. The unanimous-consent agreement provides 2 hours, an hour to each side; is that correct?

Mr. MITCHELL. Yes.

Mr. DOMENICI. I might suggest to the majority leader, I very much tried to be accommodating and helpful. If it is the desire that the Senate is going to have to be here, I hope everyone knows there is a lot to talk about on this. It might very well take a couple of hours. I very much would not like to do that but to take a lot less time. But if we are going to have to keep the Senate to vote, then I think we have to thoroughly explain this because it is a very complicated matter, although in my opinion not a terribly important event in history in the fiscal policy of this Nation.

It is 2 hours, in the event we have to proceed and use the time.

Mr. MITCHELL. That is correct.

Mr. DOMENICI. I thank the distinguished majority leader.

Mr. SASSER. Mr. President, I inquire of the majority leader, in the event that we have a rollcall on the budget resolution, will we be first to be taken up here? Is there other business that would precede us?

Mr. MITCHELL. The answer is no. Under the agreement, the family leave matter will be taken up next, and that

has an hour allocated to it. I hope that there will not be a rollcall required on either measure. We will address the matter of the budget resolution shortly.

Mr. SASSER. I thank the majority leader.

Mr. THURMOND. Mr. President, I wish to express my deep appreciation in that we have been able to reach an agreement so we can consider the crime bill at this session. I want to thank the distinguished majority leader, the distinguished Republican leader, and others who worked on this. I am very pleased that we have been able to work out something.

I negotiated with Senator BIDEN for several days on this subject, and I feel that if we can get this crime bill up and pass an effective crime bill, it will answer the prayers of many citizens of this Nation. There is entirely too much crime. We have to pass a crime bill, and I am very pleased with this agreement and hope it gets results.

Mr. President, I yield the floor.

FAMILY AND MEDICAL LEAVE ACT

MOTION TO PROCEED

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the motion to proceed to H.R. 770. We have 1 hour equally divided, with time controlled by the Senator from Massachusetts and the Senator from Utah.

The Senator from Massachusetts.

Mr. KENNEDY. I yield such time as the Senator from Connecticut desires.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I thank my colleague from Massachusetts for yielding.

I suggest, Mr. President, that the hour of time will not be necessary, so for those who are considering the next proposition, my hope is that we could conclude this debate rather quickly.

It is somewhat deflating to conclude this quickly with what one might consider sort of a whimper. I introduced the family leave bill 4 years ago. I did so in each of the succeeding Congresses. We conducted eight field hearings around the country, dozens and dozens of witnesses testified, both here in Washington and in major metropolitan areas across the country. We compiled some three or four volumes of committee hearings over the years.

So tonight we find ourselves in a situation—I might say, a happy one—where I had come fully prepared. I had suited up, the armor was on; I had mounted my charger, my lance and broadsword in hand. I entered the field to slay the dragon, and there are no dragons.

We have a consensus on a bill that I thought was going to be debated for a number of days, and I was fully prepared to answer every accusation and to respond to every charge and misstatement of fact about this legislation that has been flying about for the last 3 or 4 years this legislation has been considered.

But thanks to the leaders, both the majority leader and the minority leader, and others, a decision was made not to contest this matter and to agree to pass the bill. So I am grateful for that. I have learned a long time ago that you do not argue about a victory when you are handed one.

I am also confident that had this come to a vote, we would have prevailed. A majority of our colleagues here indicated support for this legislation. A majority, in fact a good majority, had indicated they would have supported it, or opposed efforts to procedurally delay consideration of amendments on this legislation.

So in some small way I am a little disappointed because I was sort of looking forward to the battle, like the lawyer, I guess, who brings his witnesses, has all his facts, comes to court, and the other side concedes, in a sense. So I am grateful for that and pleased that we are going to be able to deal with this issue quickly and send the matter to the White House for the President's signature, I hope.

I am led to believe that the President may not want to sign this legislation, but I am going to make an appeal to him, Mr. President, this evening, that he look at the bill. This is a House-passed bill. This is not the original Senate version of this legislation. It is a bill that substantially moderates the position taken 4 years ago on family leave.

We raised the number of employees to 50, so that 95 percent of all employers would be exempt under this legislation, would not be covered by it. Small business is not included.

We have reduced the number of weeks that an employee could take of unpaid leave down to 12 weeks from potentially 23 weeks in earlier legislation, if the maximum amount had been taken, although I never felt that was a realistic figure, that someone would take up to 23 weeks of unpaid leave, since obviously there would be no income coming in to families who are most adversely affected by this.

We asked the General Accounting Office to give us a cost assessment of this legislation, and despite the charges that this was going to be a $16 billion bill, we now know it is a piece of legislation that will cost about $4.35 or less per employee per year, 2 cents a day.

So I hope the President will take a little time out to look at this legislation and analyze it. It is a very important bill to working families in this country.

Demographics have changed, Mr. President. It is not the kind of Nation that George Bush grew up in, in the sense that dad was off at work and Mom was home raising children. That kind of a situation exists today only in 1 out of 10 American families. I say that regrettably; I wish it were not so. But the facts of life are such that the American family in 1990 is a different situation than 10, 15, 20 years ago.

Two out of every three women in the work force are either the sole providers for their families, or they have husbands who make less than $12,000 a year. These are not yuppie families. These are families struggling to take care of the economic needs of their young ones, as well as be responsible to their employer.

So this legislation was designed to provide for a fact situation where a worker could take care of the family in an hour of need, and also fulfill responsibilities to the employer by not having to leave the job for an extended period of time or try to come up with some excuse or end up losing their job entirely.

I must tell my colleagues here this was considered a radical idea in the minds of some. We are only one of two nations in the world that does not have a family leave policy. South Africa and the United States are the only two countries that do not provide family leave.

So we find ourselves in the situation where the rest of the world, our chief competitors, are moving on this front, have already adopted leave policies, and we are lagging behind.

So I urge the President to take a good, close look at the bill. I feel, if he does, and analyzes what it really does and not what its opponents claim it does, then he will sign this legislation. George Bush will be living up to the commitments he made as a candidate and as a President over the last couple of years, as a person deeply committed to not only rhetorically supporting the American family but in fact doing something about the needs of the American family.

So I urge the President to take that step and support this legislation.

Mr. President, I want to just briefly again thank my chairman, Senator KENNEDY, who has been tremendously helpful on this legislation over these 4 years; Senator PACKWOOD, who has also been a real stalwart in this particular effort; and, as I mentioned earlier, a majority of our colleagues here who had indicated their support for this legislation.

Also there were some very key staff people, Rich Tarblet, of my office; staff director of the subcommittee, Jackie Ruff, who is here with me on the floor this evening; Nick Littlefield, of Senator KENNEDY's office; Sarah von der Lippe and Sarah Fox; Penny Schiller, of Senator PACKWOOD's staff; Molly Grupe, of our office, as well,

and Grace Reef, of the majority leader's office, who all contributed significantly to this effort over these last several years.

I am going to ask unanimous consent that the group of editorials that have appeared over the past several months supporting this legislation be printed in the RECORD. I make that request at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Anniston (AL) Star, May 31, 1990]

EVEN IF THE PRESIDENT DOESN'T KNOW, IT'S A NEW WORLD OF WORK, MOM

Here it is, Mother's Day. If Mom is vigorous and committed enough, she could join the Reserves or National Guard and get time off from her job to spend on some military training or even take a longer time on temporary duty just like any other soldier.

Dad is already trained to fill in with the shopping, keep the kids when it's his turn and share the household duties while keeping up his own work and maybe even going to school on the side.

She can just go to her employer and explain the requirements of military service. The boss will accommodate her out of patriotism if nothing else, keeping benefits in place.

But just let her ask for the same consideration to have a baby or to tend to a sick child and it could be another matter.

Or let her husband ask for some time to go settle an aged parent into a "home" and he may not have a job when he gets back.

For a long time we've been shrugging and turning away from the problems of the family in the workplace. No more. We have too many families depending for their economic survival on two paychecks coming in. And the economy has come to rely on the family worker in turn.

That means something has to give—not for sappy charity—but for modern business sense and maybe for reasons of law.

If a boss harried a Guard soldier off the job, folks would think it was unpatriotic and snub him at the whites-only country club or equally outdated mostly male luncheon club.

But making our way in the world of the middle class family is at least an economic conbat zone. Men and women who need family leave deserve it because they keep business going the rest of the time.

That's why Congress will be passing a Family and Medical Leave Act. The House already has and the Senate will follow. But President Bush will veto it, he said.

The man in the big white mansion just doesn't understand: Society is reorganizing itself.

Ronald Reagan vetoed this same legislation when he was president. His objection was to government interference in the workplace. But there were also overtones in Reagan's administration of the need to keep family standards intact.

Home as we knew it nostalgically was passing away and we wondered where family values were going, if anyplace.

The pessimism was misplaced. Family values have resurfaced as part of the new work ethic.

We don't like drugs on the job because we've seen what they do. So we're negotiating in society over how to do workplace testing.

The value of education is now clear. And the trend is even toward re-education to make good employees even better, often at the employer's expense or—get this—by leave on company time.

The workforce that became more or less colorblind is now more or less gender inclusive—remarkably so in the armed forces.

Children go to work with their parents at some firms and stay in company day care until quitting time. Family insurance benefits mean as much as a pay raise. And enlightened companies make counselling available for employees with family crises.

This isn't the old paternalism but the simple collegiality of workplace where some smoothness of feelings help to get the product out in good order.

It is good business sense to change with the times. And nothing has changed like the time that families spend involved with the employer in some way or another.

That's what President Bush doesn't see. And legislation is just something required to bring the minority of employers into line with the needs of the people. It is also the people turning to the White House and asking the current resident to recognize out loud how we live our lives.

Families want acceptance for their lifestyles, which turn out after all to be value-rich. It's a mistaken patriarch in the presidency who withholds that blessing of approval.

Alabama has no law governing employer relations in family matters. Although we are family-oriented, we also have this sticky attitude about government in the workplace.

Yet we have more to gain and less to lose with a federal Family Leave Act. Only 6 percent of the firms in our state would be affected by the House bill.

Alabama taxpayers now pick up $68 million in direct costs because of unemployment insurance and welfare when workers go absent without leave. The Parental and Medical Leave Act would not be cost-free either: The expense of health benefits maintained during a 13-week medical leave would show up in the cost of the company product.

But that's the same place that job replacement and training costs now go in the old-style system of lost jobs.

Mostly, the Family and Medical Leave Act would simply reflect the change American society has wrought upon itself.

It is value-rich change, this modern working-family life. The old patriarchal days are passing away just like the lost luster of private clublife that now gives the mouth that taste of flat gin and tonic or a rubbery cold chicken lunch.

This is the world of the diaper bag going to work with the briefcase, of the carpool arranged around business meetings. It's a world of taking work home to finish, perhaps, on a laptop computer. This editorial is being composed on one, for example.

A company actually can get more than the old 40 hours of work during a week broken up in the fragments of the modern work life where a family need may call us away at any moment. And we've got to go if we're going to hold to our new values that truly do combine work and family life.

Every day is Mother's Day and Father's Day, too, in the new world of work.—CW.

[From the Arizona Daily Star, May 10, 1990]

FAMILY LEAVE: THE PRESIDENT'S OPPOSITION IS INEXPLICABLE

George Bush the candidate loved to surround himself with kin for those cozy family pictures. George Bush the president opposes the most pro-family bill in Congress.

Bush vows to veto a bill guaranteeing workers unpaid leave for childbirth, adoption or family medical problems. His spokesman Marlin Fitzwater explains that the president thinks the bill would drive up unemployment.

It's hard to imagine how a bill designed to preserve the jobs of people who take family or medical leave would result in unemployment. Failing to protect the jobs of those workers causes unemployment.

If the president is worried that the bill will cost employers too much, he ought to look at the facts. Oregon passed a family leave bill in 1987. Eighty-eight percent of covered companies told the Ford Foundation that complying with the law was not difficult, 24 percent said it was extremely easy. The Oregon law is more stringent than what Congress proposes.

The bill Bush opposes only applies to large employers, those with 50 or more workers. It only requires that the boss provide job and benefit protection. Unlike family protection acts in other—arguably more civilized—industrialized countries that provide paid time off, this law mandates unpaid leave.

The proposal was designed for real-life Americans, not some idealized vision in which Mom is always home baking cookies. Few families can get by these days without dual salaries. When a child is born, a parent falls ill or the worker has a health problem, common sense says the family will fare better if it is guaranteed that the old job is waiting.

The bill Bush opposes is the least you could expect from a society that claims to value family life.

It's also common economic sense. Those who lose their jobs because of taking time off pay less in taxes and can cost society in welfare and other public services.

The need for mandated protection is clear. A 1988 survey by the Bureau of Labor Statistics found that only 36 percent of employees in medium and large companies were covered by maternity or paternity leave.

Bush's opposition to the Family and Medical Leave Act makes him the hypocrite in the family picture.

[From the Milwaukee Journal, May 15, 1990]

BUSH'S CHANCE TO BE PRO-FAMILY

Come on, George Bush. Show us your kinder, gentler side. Get behind that family-leave bill.

So far, despite such pleas, the president threatens to veto a humane measure that would require businesses to give workers up to three months of unpaid leave for family emergencies, including birth, adoption and illness. With strong bipartisan support, the legislation has passed the House, but without Bush's backing it probably will be blocked by a Senate filibuster.

If that happens, the United States will retain its status as one of the few advanced nations lacking a government-backed family leave policy. It's a dubious honor. Most industrialized countries even require compa-

nies to pay all or part of an absent worker's salary.

Unpaid leave is better than none at all. It spares employees the agonizing choice between preserving their jobs and tending to family needs; it allows infants to get the best start in life, in the care of at least one loving parent; and it recognizes the growing presence of women in the work force: More than 70 percent of all married women with school-age children now work outside the home.

The president and other critics don't really dispute those arguments. But their principal objections to the bill are easily refuted.

Mandated leave isn't necessary; in a tight labor market, companies are already generous with benefits. There's some truth to that claim but it's not the whole truth. Companies are freer these days with maternity leave. But the legislation extends childbirth leaves to fathers, and that's as it should be in any society that professes commitment to family values and equal opportunity. Moreover, a family's economic stability should not be left to the whims of the marketplace. What happens when jobs are scarce?

Leaves will cost too much and make American business less competitive. Nonsense. A study by the General Accounting Office pegged the average cost of continuing benefits during leaves at $5.35 per worker. Another study found no adverse effects to companies affected by a leave policy in Oregon, one of 25 states (including Wisconsin) with such requirements in effect.

Also, the House bill applies only to companies with 50 or more workers; thus 90 percent of all firms won't be affected. If business is truly worried about losing ground to foreign competitors, it ought to concentrate on retaining skilled, production workers who could otherwise lose their jobs.

It's a giveaway to yuppies; poorer workers can't afford the luxury of unpaid leave. That's more an argument for paid leave than it is a defense for no leave at all. If this country isn't ready to go the way of Europe and provide paid leave, it should at least make sure that low-wage workers who do take time off won't have to suffer unemployment—and possibly welfare dependency.

There's one other reason for Bush to drop his opposition to this important legislation. By helping his party live up to its pro-family rhetoric, the president could boost the political fortunes of Republican congressional hopefuls. In this case, what's good for the GOP is good for the country.

[From the New Republic, May 1990]

DEAD LEAVES

("We need to assure that women don't have to worry about getting their jobs back after having a child or caring for a child during a serious illness. That is what I mean when I talk about a gentler nation."—George Bush, September 9, 1988, before the Illinois Federation of Republican Women)

In spite of this apparent pledge, President Bush's White House staff has recommended that he veto a modest House compromise measure requiring large companies to grant twelve weeks' unpaid leave to employees who are ill, have a new child, or need to take care of a seriously ill child or parent.

It isn't that Gentle George is anti-family or anti-woman, staff members hastened to explain. He fervently hopes that more employers will voluntarily grant leaves to workers with newborns or adoptive children or whose children or parents are stricken with a dread disease. But, an Office of Management and Budget document declared, "this objective can be best achieved voluntarily through the normal collective bargaining process . . . not by the federal government mandating employee benefits."

Well, that would be true if the labor movement were healthy and strong. But it is not, so someone else has got to guarantee minimally humane working conditions for people. That someone has got to be the government. That's the way it is in most of the civilized world and even in a few places that aren't always so civilized. In Chile, for example, employees are guaranteed eighteen weeks of parental leave with 100 percent of pay. Poland guarantees up to twenty-six weeks, also at full pay. France offers sixteen weeks at 90 percent pay. In West Germany, it's fourteen weeks at 100 percent pay; and in Japan, twelve weeks at 60 percent pay.

According to OMB, the House-passed bill would "impose the costs of leave on employers regardless of their ability to absorb such costs, thus reducing their productivity and U.S. competitiveness," and the "the impact on smaller businesses would be particularly substantial." But businesses with fifty employees or fewer are exempt under the bill. The costs are minimal—amounting only to health insurance premiums for workers on leave, which is far less than other "mandated benefits" such as Social Security and Occupational Safety and Health.

The productive/competitiveness argument doesn't make sense either, oft-repeated through it was by lobbyists for the U.S. Chamber of Commerce and opponents of the bill on the House floor. Since when do Japan and Germany do things that are anti-competitive? More likely, they calculate that employees work more efficiently when they aren't terrified by the idea that they will be unemployed if they take care of a dying parent.

The Republican Party has done its best to seize the "family" issue from Democrats. Its pompous 1988 platform declared that "the family's most important function is to raise the next generation of Americans, handing on to them the Judeo-Christian values of Western civilization and our ideals of liberty. More than anything else, the ability of American's families to accomplish those goals will determine the course our country takes in the century ahead." But sometimes the values of "family" clash with the Republicans' dedication to the free market—or, to put it less charitably, with the special interests of corporate America. With Bush, when the campaign is over and a policy choice has got to be made, the family finishes second.

[From the Madison (WI) Capital Times, May 9, 1990]

BUSH SNUBS FAMILY NEEDS

George Bush is good at singing the praises of the American family. When he has a chance to do something to make life a little easier for many American families, though, his response is to threaten to ink up his veto stamp.

Congress is debating this week a family leave bill. This would require larger employers to give workers time off—the amount varies depending on the version of the bill—so they could tend to a new baby or a seriously sick child, spouse or parent.

The concept is familiar to Wisconsin residents. This state already has such a law in place, and it has not stopped Gov. Tommy Thompson from touting Wisconsin as a great place to do business. What it has done is give employees some job protection when family needs take precedence over work.

Most developed nations now mandate some sort of family leave. Bush apparently would rather keep this country in the Dark Ages. Congress should push him hard on this one.

[From the Madison (WI), State Journal, May 20, 1990]

FAMILY LEAVE BILL RECOGNIZES NEEDS OF PARENTS

President Bush's threat to veto the proposed family leave bill contradicts his promise to protect "family values."

The bill passed by the House and awaiting debate in the Senate would protect the jobs of working parents who want time off to care for their children. It would give both men and women up to 12 unpaid weeks a year to care for a newborn or newly adopted child or seriously ill child, parent or spouse.

Critics have declared the bill a "yuppie bonanza" that would benefit only wealthy workers who can afford to take time off from their jobs. That's a mean and untrue characterization. Most professionals already enjoy substantial job protection. It is overwhelmingly the lower-paid workers who lose jobs during family emergencies—like the Mr. Donut cook in Pennsylvania who was fired for taking two days off to care for his son after the child's open heart surgery.

The bill deserves Bush's signature as a long-overdue first step toward helping working parents balance job and family responsibilities—and reducing some of the social ills traced to childhood neglect or mistreatment.

Some conservatives support the federal bill, estimated to cost U.S. industry about $200 million a year, because they believe it will encourage motherhood. Other backers say it will help working women avoid the "mommy track" that forces them to sacrifice job security and promotion in order to have a family.

About 60 percent of mothers work outside the home, and a growing proportion of new entries in the U.S. work force are women. Bush and the business lobby need to acknowledge the needs of this changing work force while recognizing fathers also should have a role in child care. Smart companies already do so voluntarily; it's a sad commentary that too many other businesses require a government mandate to institute reasonable and humane benefits.

Eleven states, including Wisconsin, have parental leave laws. Wisconsin's law, one of the more conservative packages, guarantees only half as much newborn leave and just two weeks off to care for a sick relative—but it's better than nothing.

Coupled with programs to help low-income families meet the crushing costs of child-care, the parental-leave proposal will help strengthen families and improve child care at all economic levels.

Most developed nations now recognize family leaves as part of their minimum labor standards. Parental leave is an example of policy that addresses the root of family problems, rather than the consequences of problems. Bush should acknowledge parental leave's benefits and sign the bill.

[From the Bellevue (WA) Journal-American, May 14, 1990]

PARENTAL LEAVE MEETS MANY NEEDS

President Bush should back away from his apparent staunch opposition to mandatory parental leave.

Though we think the just-passed House version is unnecessarily broad for a first step, it rightly acknowledges the changing nature of the American workplace. And it fits with what this state already has done.

In a 237-187 vote last Thursday, the House passed a bill requiring business and government employers to provide workers with up to 12 weeks of unpaid medical leave for the care of a new or ill child, parent or spouse. It exempts businesses with fewer than 50 workers.

Bush has said he will veto the bill, preferring instead a voluntary approach between employers and their workers. To an extent, that has happened.

Over the past 25 years, the proportion of women who worked before the birth of their first child has risen by 25 percent. Employers have responded: the percentage of pregnant women receiving maternity leave tripled over the same period.

But all American workers need to be assured that they have a job to return to when a family need arises. That benefits both the worker and the employer. It also eliminates the painful choice women might have to make between a job and a child when they become pregnant. A pregnant woman needing the job might find the solution in an abortion.

We suspect Bush knows this.

He told a Republican women's group in September 1988: "We need to assure that women don't have to worry about getting their jobs back after having a child or caring for a child during a serious illness. That is what I mean when I talk about a gentler nation."

Bush is, however, wise to be wary of such an expanded benefit. As everyone saw with catastrophic-health insurance, estimating the costs of new programs is difficult.

A congressional study has put the cost of the expanded benefits at under $200 million for American business, not a formidible total in any case. In fact, 90 percent of employers would not be affected.

But even that cost can easily be lowered if the Senate concentrates on provisions for parental leave only.

At a time when more two-income families are part of the American workplace, and when that workplace increasingly needs them, saving a person's job in time of need is a reasonable requirement.

It works in Washington State. It can work nationally.——

[From the Auburn (WA) Valley Daily News, May 15, 1990]

BUSH SHOULD RETHINK OPPOSITION TO MANDATORY PARENT LEAVE BILL

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But even that cost can easily be lowered if the Senate concentrates on provisions for parental leave only.

The United States would not be breaking new ground here. It is alone among the major industrialized nations in not providing leave for parents with new children: indeed most countries, in requiring paid leave, go much further than that.

At a time when more two-income families are part of the American workplace, and when that workplace increasingly needs them, saving a person's job in time of need is a reasonable requirement.

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[From the Seattle Times, May 9, 1990]

BUSH'S VETO OF BILL THREATENS FAMILY VALUES

This week, the House votes on a bipartisan compromise bill to let workers take unpaid parental and medical leave. The concept is hardly revolutionary. Yet President Bush has indicated he will veto the Family and Medical Leave Act, despite surveys showing that Americans support the right to take unpaid leave for family emergencies without being fired.

Bush's stance is patently anti-family and anti-children.

The U.S. is the only industrailized nation, except South Africa, that does not have a national family-leave policy. In West Germany, new parents are guaranteed up to 19 weeks of paid leave. In Japan, women workers are granted 12 weeks of parental leave at 60 percent pay.

In contrast, the modest House bill allows workers to take up to 12 weeks of unpaid leave per year to care for newborn babies and sick family members. The law would apply only to companies with more than 50 employees, thus exempting 95 percent of all employers in the nation.

Family leave is absolutely necessary as more primary care givers—i.e., mothers—enter the labor force. Half of all mothers of children under one year of age work outside the home. Parental leave is not a "women's" issue—its primary beneficiaries are 20 million children in single-parent families.

There's little chance the policy will be abused; many households cannot afford to lose three months' pay even if the leave policy were in place.

Opponents of the bill, such as the U.S. Chamber of Commerce, are ashamed to attack it directly. Instead, business groups say they support the objective, but want the matter left to employer discretion, collective bargaining or state law.

Unfortunately, employers have not stepped up to that responsibility. Some 60 percent of businesses do not offer unpaid leave for new mothers. And, only a dozen states have enacted family-leave laws. (Washington enacted a leave law last year that applies to companies with more than 100 employees.)

The fact is, family leave is not a fringe benefit. It's a minimum labor standard—similar to child labor laws, minimum wage and maximum-hour laws, and workplace safety standards—that is best served by federal regulation.

Historically, federal labor policy has assumed that a healthy workforce is a national priority. Family-leave protection is part of that tradition. Americans should not have to choose between caring for a sick child and keeping a job.

[From the Vancouver (WA) Columbian, May 11, 1990]

PARENTAL-LEAVE STAND JUST MORE OF THE SAME

The quote, rescued from obscurity by a Republican congressman, seemed to leave little doubt as to where President Bush stood on the need for family-leave legislation.

"We need to assure that women don't have to worry about getting their jobs back after having a child or caring for a child during a serious illness." Bush told a women's group during the 1988 campaign. "That is what I mean when I talk about a gentler nation."

Clear enough? Yet President Bush has promised to veto a bill now before Congress that would do precisely what he talked about back in 1988. His spokesman says that while the president hopes that businesses would allow parental leave, he will veto any attempt to convert his own rhetoric into law.

No one should be surprised. This is a president who is "for" everything from better education and a cleaner environment to democracy in China. But if turning his good intentions into reality requires passing a law, or raising a tax, or spending a buck, or taking a hard and fast stand against his pals in Beijing, well . . . isn't it enough that he's for all the right things?

No, it is not. It is always easy to recognize the right thing to do. The test of character and leadership comes in actually doing it.

The president's good intentions won't help the young mother who is forced to choose between keeping her job and staying home to take care of her seriously ill child. To that woman, it doesn't matter a whit that the president "wishes" her employer would hold her job open until she can return. It's just not good enough, just as it wasn't good enough that the president publicly condemned the mass murder in Tiananmen Square just two weeks before secret-

ly sending off top officials to meet with those who ordered the killings.

It is fair to ask: On what issue will the president make a stand? Which of his convictions are so strong as to turn him from a man of rhetoric into a man of action?

We know of one: broccoli. He hates it. Despises it Won't eat it.

Not going to do it.

He's the president. Doesn't have to.

Unfortunately, being president requires more than the ability to set the White House menu. It would seem to demand a certain commitment lacking in the current officeholder.

[From the Roanoke (VA) Times & World News, May 20, 1990]

VETO THREAT: PARENTAL LEAVE ISN'T A MONSTER

Five years after the idea was introduced in Congress, a parental-leave bill has finally made it through the House of Representatives. Its fate in the Senate isn't certain, and the president threatens a veto. But he should reconsider. The measure is not the monster it's been made out to be.

In fact, the bill in its final form is fairly modest. It requires employers with 50 or more workers to allow workers time off without pay when they become parents, or when they must take care of a sick child, spouse or parent.

Business is disrupted when a regular employee is off for a lengthy period, but the bill seeks to minimize the inconvenience. While employees could be off up to 12 weeks a year, they would have to take the leave all at once. That should make it easier for employers to plan for replacement help.

Opponents of the measure say it's not necessary, because good employers already give their workers time off to take care of family responsibilities. In fact, many firms give workers at least partial pay for such leave.

But if businesses are treating their workers so well, why are they opposing the bill? For one thing, they fear there will be attempts to increase worker benefits in the future, and they're probably right. Right now, however, Congress and the president ought to deal with what's in front of them.

There has been wide disagreement over the bill's cost to business. U.S. Chamber of Commerce estimates, based on earlier measures with more generous provisions, have ranged as high as $23.8 billion a year. The General Accounting Office has said that estimate was based on unrealistic assumptions about such things as how many people would take leave, and how many replacements would be hired.

Supporters say the measure passed by the House would cost employers less than $5.30 a year per employee. That estimate probably is low, but the current measure should not be a great hardship for businesses. Very small enterprises, for one thing, are exempt.

The primary value of this parental-leave act is psychological. It says to employers that workers have family responsibilities which must be taken into consideration. Women don't quit work to have children these days; there's no one at home to take care of a seriously ill child. Employees already under the strain of meeting family responsibilities shouldn't have to risk losing their jobs.

Americans apparently agree. According to a CBS News poll last year, 74 percent of the respondents supported parental-leave legislation. It already is the law in 125 other nations.

The bottom line in business is a worker's productivity. Compassionate practices such as parental leave are good for business in the long run because they lead to a stable, more productive work force. Compassionate treatment of this measure might, for Bush, be good for votes.

[From the Arlington (VA) Journal, May 14, 1990]

ACTS AND REACTIONS

Two major bills working their way through Congress have one thing in common: politics. Both the Family and Leave Act and the revision of the Hatch Act will generate plenty of political possibilities, no matter what happens to them in the long run.

The Senate passed the Hatch Act amendment last week, while the House passed the leave bill; President Bush has threatened to veto them both. We think he's wrong on both counts.

The leave act is the easier call: It would require large employers (those with 50 or more workers in one location) to allow their workers to take time off—without pay, mind you—to care for a newborn or a sick family member. The bill's opponents say it's an unnecessary imposition of government on business, but they and their philosophical forebears have said the same thing about the minimum wage, the 40-hour work week, occupational safety laws and child labor laws. They have been wrong in each case.

Both of Northern Virginia's members of the House, Frank Wolf and Stan Parris, voted against the family leave act, and we suspect both will suffer as a result if their Democratic opponents have any political instincts. The family leave act is as right politically as it is morally and economically.

The Hatch Act is not as powerful an issue, but it is important in an area with so many federal workers. The House passed a bill last year that pretty much would have scrapped the restrictions on political activities for federal workers. It was a troublesome, even dangerous measure.

The Senate version is more careful, allowing much more freedom but still maintaining (we think) enough restrictions and safeguards for clean government. Federal-worker unions want this bill passionately, and if they don't get it they will be looking for politicians to blame.

[From the Big Spring (TX) Herald, May 10, 1990]

FINDING TIME FOR PARENTING

Since the days of Ozzie and Harriet, the proportion of U.S. mothers in the work force has tripled to 65 percent; more than half of all women with children under age 1 now work. Yet despite this huge sociological shift, national social policy has not yet changed to help two-earner or single-parent households balance work with their family responsibilities. The Family and the Medical Leave Act, before the House of Representatives, would begin to change that.

H.R. 770, a bipartisan bill authored by Reps. William Clay, Patricia Schroeder and Marge Roukema, would require large employers to allow workers to take one job-protected leave of up to 12 weeks a year to care for a new baby, a sick child or an ailing parent. An employee also would be eligible for the leave to recuperate from a serious illness. Family and medical leaves would be unpaid, but companies would be required to maintain health benefits for the absent worker.

Business groups strongly oppose the family leave legislation, arguing that it will be burdensome to companies, especially small ones. But the same thing can be said about any labor standard, including the 40-hour week and health and safety rules.

What counts in such matters is how the benefits of the policy weigh against the costs in the case of family leaves. The burden is small and the social benefit important. The legislation exempts companies with fewer than 50 employees, thereby eliminating any burden from 90 percent of employers. The General Accounting Office has estimated that only one employee in 275 will be on leave at any one time and that the total cost to business will be $236 million a year, most of it for health insurance for workers on leave.

The need for labor policies that acknowledge workers' dual role as providers and parents is recognized around the world: The United States is alone among the major industrialized nations in not providing leave for parents with new children; indeed, most countries, in requiring paid leave, go much further than that. As a result, in U.S. households where both parents must work, or where a single parent is the sole source of economic support, a pregnancy or a seriously ill child or elderly parent can become an agonizing dilemma in which parents must weigh their family obligations against their economic need to retain their job.

That's cruel and counterproductive to society's desire for healthy families. In a civilized nation, normal events of family life should not be a source of anguish and economic peril. The House should pass the Family and Medical Leave Act.

[From the Fort Worth (TX) Star-Telegram, May 19, 1990]

FAMILY LEAVE ACT—SENATE, BUSH SHOULD FOLLOW HOUSE LEAD

The Family and Medical Leave Act, which has won House approval, is a sensible and compassionate measure that faces up to the realities of the modern workplace. The Senate should follow the House example and pass the bill, and President Bush should change his mind about vetoing it.

He should, in fact, pay close attention to the view expressed by a fellow Republican, Rep. Marge Roukema, R-N.J., who had this to say about the bill:

"Each day, hard-working, tax-paying Americans lose their jobs because a family medical emergency requires that they take time off to give temporary care to a seriously ill member of the family. In a day . . . when the majority of American families need two paychecks to get by, it is inconceivable that we do not have a minimum guarantee of job security when a medical emergency strikes."

That is precisely what the Family and Medical Leave Act is: a minimum guarantee of job security. It would grant up to three months' unpaid maternity and family-emergency leave, guaranteeing workers that their job benefits are not canceled and that their jobs will be waiting for them when they return.

Various business groups oppose the act, claiming that the government has no right mandating programs to business, a position that conveniently overlooks the fact that government already mandates a host of wage-and-hour, safety and anti-discrimination policies.

In 1988, campaigning for the office he now holds, Bush said, "We need to assure

that women don't have to worry about getting their jobs back after having a child or caring for a child during serious illness."

That was true then, and it is true now. President Bush needs to read Candidate Bush's lips and lend his support to this, a genuine pro-family measure.

[From the Austin (TX) American-Statesman, May 15, 1990]

UNPAID-LEAVE PROPOSAL DESERVES ADMINISTRATION SUPPORT

The House approved legislation Thursday that would require large employers to grant unpaid leave to workers to handle family emergencies, such as the birth of a child or an illness of a spouse or parent. This landmark legislation is an important step toward making the workplace more sensitive to the needs of workers and deserves to become law.

Despite the strong vote of support for the legislation—it was passed by a 237-to-187 vote—President Bush has indicated he might veto the bill. Bush's dislike for the measure seems to revolve around the fact that it forces businesses to provide certain conditions for workers, something Bush seems to think should come voluntarily, on an individual basis and without government intervention.

However, this is not landmark legislation in the sense that this is the first time the government has urged business to improve working conditions for employees. Occupational safety and fair labor standards are among just a few of the legislative initiatives that have led to improved worker conditions.

The legislation is important because it reflects the realization that the American family is changing. Employment for most American families is a necessity and not a choice. And, the demands and emergencies created by children, aging parents or the unexpected illness of a spouse cannot be ignored.

Employees who must take time off to care for others should not be unduly penalized by losing their jobs for circumstances beyond their control. And, although some business lobbies oppose the bill, it is in the best interest of most employers to retain experienced and trained employees.

And, even though businesses have complained about the potential cost, it could realize a savings.

A planned and approved three-month leave would likely create less of a burden on the employer than unexpected lost time due to sporadic days off as an employee attempts to balance home and workplace needs. Also there may be an insurance savings, if employees can provide care to an ill child, spouse or parent, rather than use the services of a health care provider.

The bill would affect employers with 50 or more employees. Those firms employ only 44 percent of American workers. But once it becomes law, other employers may voluntarily offer such a plan.

The bill is an important piece of pro-family and pro-employee legislation, and Bush should resist the temptation to veto the bill. However, if Bush cannot accept the legislation in its present form, he should be willing to work with Congress to fashion a piece of legislation with a similar goal.

[From the Nashville Tennessean, May 13, 1990]

KINDER, GENTLER PRESIDENT GIVES FAMILIES SHORT SHRIFT

Talking about preserving the American family comes cheap—as President Bush demonstrated time and time again while running for the position he now holds.

But once in office, once a chance occurs to do something substantive in favor of the family—which side does the President come down on? According to his staff, Mr. Bush plans to come down on the side of Big Business.

Mr. Bush has sent word that he plans to veto any bill requiring employers to give time off to workers with newborn babies or family illness. Such a bill, co-sponsored and drafted by Rep. Bart Gordon, D-Tenn., passed the House overwhelmingly last week.

Mr. Gordon is to be congratulated on his role in its passage. The bill now goes to the Senate, which ought to pass it, but its future is uncertain, especially with the threat of a presidential veto hanging over it.

The bill has bipartisan support. Republicans as well as Democrats recognize the injustice that exists when employees are not allowed time off work—unpaid time, mind you—to care for newborn babies, seriously ill children, or to take care of other personal health needs.

Mr. Gordon's measure would address that. It would require businesses with 50 or more employees to offer up to 12 weeks of unpaid medical leave, or leave for the care of a new child, or an ill child, parent or spouse.

But Big Business and the U.S. Chamber of Commerce oppose the bill. Why? Because they are interested first in the employers' goals. The family, if it is considered at all, is way down the list of priorities. And that is unfortunate, especially considering recent statistics that show the fertility for U.S. women is higher today than it's been in two decades.

From the lowest-ever fertility rate of 1.74 children per women, the rate now is up to two children per woman. Said Michigan State University professor Jeanne Brown, in explaining the phenomenon, "It's a readjustment of values. They (women) are balancing career and family."

Mr. Bush's stance against the family leave bill will make it more difficult to balance career and family. It sends a clear message to both men and women. Your family life isn't valued. What is your contribution as a cog in the machine of Big Business.

Rep. Patricia Schroeder, D-Colo., said it well: "I can't believe the kinder, gentler President is going to veto it."

Believe it, Ms. Schroeder. Believe it.

[From the Houston (TX) Post, May 13, 1990]

A MOTHER'S DAY BEEF—WOMEN DESERVE FAIR RETIREMENT-BENEFITS TREATMENT

What do women want? Men seem puzzled by this question, but part of the answer is simple—equality. Women want it for Mother's Day, whether they are mothers or not, and they want it in the future. And women are not getting equal treatment when it comes to money and retirement.

Social Security and pension programs will virtually eradicate poverty among older men in the next 40 years, but will do little to save women who live alone from rampant poverty, according to a report issued by the Older Women's League.

Women's work patterns are not the same as men's and that will remain as long as women continue to assume the lion's share of caring for children and frail loved ones. OWL executive director Joan Kuriansky said.

The organization is asking members of Congress to eliminate "zero years" for homemakers and caregivers under Social Security, make pensions mandatory and portable, support the Family & Medical Leave Act, support pay equity, take Social Security off budget and remedy inequities that penalize divorced spouses and disabled and working widows.

These are not unreasonable demands. They should be addressed with all deliberate speed in an atmosphere that fosters equality.

Consider the following facts: Virtually every woman is at risk of living alone in old age. According to OWL's report, seven in 10 baby-boom women will outlive their husbands and can expect to be widows for at least 15 years. Also, because women remain the main caregivers, they average 11.5 years away from the labor force while men average only 1.3 years.

For workers born after 1929, Social Security is calculated for 35 years of paid work. For those with fewer years of employment, zeroes are averaged in for the years missed, lowering retirement benefits.

Retired women workers average only 76 cents from Social Security for every dollar paid to retired male workers. And, according to OWL, since 1950 the disparity between the benfits paid to men and those paid to women has grown even wider.

These things must be addressed if our cultural patterns are to continue, and without these patterns we run the risk of becoming a nation without caregivers. We must treat those who care for us fairly.

On the average, women's wages drop $3,000 the year a child is born and $5,000–$6,000 each of the next two years. This translates into Social Security penalties in retirement years.

Consider the fact that in 1974, women's average private pension income was 73 percent of men's; by 1987, that ratio dropped to 58 percent. This also must be addressed.

Disabled widows were even worse off. In 1989, their benefits averaged $4,428 per year; benefits for black disabled widows averaged $3,624 per year. The able-bodied couldn't live on that today; imagine a disabled woman being forced to do so.

Where is the dignity that women deserve? It is a question to ponder this Mother's Day.

[From the Aberdeen (SD) American News, May 10, 1990]

FAMILY LEAVE CONCEPT IS AN IDEA WHOSE TIME SEEMS TO HAVE COME

The concept of family leave for new parents or in cases of injury or illness of an immediate family member is an idea whose time seems to have come.

For the working mother, this is indeed a social need, a recognition that came decades ago in many western European countries. Although almost half the states have already passed "family leave" legislation, the application is uneven.

Some states allow family leave as well as extended medical leave for employees. Some states allow leave for state employees only, and some for maternity-related disabilities only.

Workers receive no salary during the family leave period, but they frequently retain their health insurance and other benefits and will be reinstated in their former job or in a similar position.

The growing body of legislation recognizes that a mother no longer should have to choose between her family and her job. As more and more mothers find their way into the workplace, the importance of this social issue grows.

Not only does the working mother need the income to help support her family, industries need her skills and abilities to meet the demands for more workers. The male labor pool is shrinking as a result of a decade of low birthrates. What's more, mothers and all women have the right to personal fulfillment in a rewarding career.

For all mothers, there is no better time to contemplate the changes in family relationships and the workplace, than Mother's Day. Mother's Day is dedicated to all mothers, to those who work at home, and to those who work in the office.

Women have always worked outside the home—at harvest time, for example. Now, at long last, the contributions of women and mothers in particular, are getting deserved consideration and recognition.

Some things that a man can do a woman can do better. And some of the things mother can do, dad cant't do at all!

Remember your mother on Mother's Day, May 13.

[From the Jackson (TN) Sun, May 13, 1990]

HELP WORKING MOMS

For many women, motherhood gets more intimidating with each passing Mother's Day.

U.S. families are more diverse than ever, yet public policy still is geared almost exclusively toward the traditional nuclear family in which Dad makes the money and Mom makes the beds.

The best gift for Mom this year would be a commitment by policy makers, business executives and husbands to strengthen the family through progressive legislation, company policies and household behavior.

The current debate in Washington over the Family and Medical Leave Act—which would guarantee unpaid, job-guaranteed leave for the birth or adoption of a child or family medical emergencies—reflects the country's ambivalence toward the growth of two-income families.

Yet this is a reality that we must deal with if we are truly interested in the well-being of our children.

More than 60 percent of mothers work, most full time. By the year 2000, experts predict women will make up more than half of the U.S. work force.

Yet:

Outdated pension policies mean unmarried and widowed women are more likely to live in poverty when they retire 30 years from now, according to a report just out from the Older Women's League.

Women make 65 cents for every $1 men make for comparable work.

Just half of large employers offer unpaid, job-protected parental leave for women after childbirth.

Only about 10 percent of large companies and less than 1 percent of all employers are doing anything to support child care.

Government programs shouldn't replace the family, of course, nor should "traditional" households be cast aside as oddities.

However, it is important that the government develop programs to make it easier for parents to combine work with child rearing. This includes minimum labor standards such as the family-leave bill approved by the House Thursday and expanded child-care subsidies for poor and low-income families.

Companies should build on mandated standards in child care and job protection, provide health insurance to all employees and pay a fair wage to workers of both sexes.

More fathers, meanwhile, must increase their efforts at home to share the second shift worked by so many women.

Working moms need help. On this Mother's Day, it's not just the thought that counts.

[From the Pittsburgh Post-Gazette, May 24, 1990]

EQUAL OPPORTUNITY TO LEAVE

Only a woman can bear a child, but either parent can want—or need—to take time off from work to care for one. That elementary fact is ignored by employers who afford such child-rearing leave to female employees but not to their male counterparts. Now a federal appeals court has ruled, appropriately, that such a double standard runs afoul of federal law.

Title VII of the Civil Rights act bans discrimination on the basis of gender by institutions receiving federal funds. In denying a leave to Gerald Schafer, a special-education teacher, while extending it to female teachers, the Pittsburgh School District violated that law, the 3rd U.S. Circuit Court of Appeals has ruled.

When his son was born in 1981. Mr. Schafer decided to take a one-year unpaid leave from teaching while his wife continued to work as a nurse. That mutual decision may not have been typical, but that is irrelevant. The fact that female employees in general may be more inclined to take advantage of family-leave policies doesn't allow employers to ignore those male employees who want to exercise the same right.

Fortunately, even without the prod of a court decision, many of those employers that provide family leave do so on a non-discriminatory basis. And by the time the Court of Appeals ruled in Mr. Schafer's case, the sort of equitable treatment he sought had been institutionalized in the current contract between the Pittsburgh School District and the Pittsburgh Federation of Teachers.

Under federal law, however, employers are still free to deny leave to all of their employees. That would change under legislation passed earlier this month by the U.S. House of Representatives. The compromise measure would require companies employing 50 or more people to grant their employees up to 12 weeks of unpaid leave in connection with the birth or adoption of a child—as well as for serious family illnesses.

Notwithstanding comments made during his "kinder, gentler" 1988 campaign, President Bush has threatened to veto this reasonable legislation. But he made similar noises about a pending civil-rights bill that now seems likely to win his approval.

Family leave is another issue worthy of presidential second thoughts.

[From the State College (PA) Centre Daily Times, May 18, 1990]

PARENTAL LEAVE IS PROFAMILY

In his 1988 campaign, President Bush asserted that women shouldn't have to "worry about getting their jobs back after having a child or caring for a child during serious illness."

But those pro-family sentiments have since fallen by the wayside: Administration officials say Bush will veto the modest Family and Medical Leave Act passed by the House last week on the grounds it would hurt business. The legislation would require large companies to offer employees up to 12 weeks of unpaid leave for recuperation from an illness or to care for an infant or seriously ill family member.

The bill is a needed response to the realities of today's families, in which most mothers work outside the home. It would strengthen families by easing some of the pressures from conflicting economic and personal demands.

Some conservatives apparently fear the bill would encourage women to take jobs rather than stay home to care for their children. But having one parent stay home simply isn't a viable economic option for many families today. And, while many Republican men opposed the bill in the House, it's interesting to note that a large majority of Republican women supported it as a pro-family measure.

Others have criticized is as a yuppie bill, but young professionals, unlike less-wealthy families, may already have access to such benefits.

Some Republicans say they favor family leave policies but don't think government has any business mandating them. However, as a conservative supporter of the measure pointed out, the government mandates paid leave for jury duty and service in the National Guard. Family leave surely ought to be on a par with those.

In not providing family leave, the United States lags behind 75 industrialized nations, most of which provide leave with pay. Canada provides 15 weeks of leave at 60 percent pay; West Germany, 14 to 19 weeks at full pay; Japan, 12 weeks at 60 percent pay.

The U.S. proposal is modest by comparison (it was watered down at business' behest). It simply would require employers to continue a worker's health coverage during the leave. Further, it covers only firms with 50 or more employees—5 percent of all companies—and requires reasonable notice and medical certification of serious illness.

Bush's concerns about hurting businesses are misplaced. He had it right in '88: No parent should have to worry about losing his or her job while caring for an infant or dealing with a serious illness.

[From the Philadelphia Inquirer, May 9, 1990]

PARENTAL LEAVE—THERE'S NO CALL TO MELT BEFORE VETO THREAT

President Bush's rhetoric about families doesn't amount to much when it comes to a pending bill that would guarantee short, unpaid leaves so that workers could meet family responsibilities. Even though the plan has been pared down at the urging of small businesses, the President's line is that any plan for guaranteed leave, no matter how minimal, will be vetoed.

Thus as the House of Representatives takes up a guaranteed-leave bill this week, lawmakers know that the effort may be for naught. But only by passing this compromise plan can Congress find out whether Mr. Bush is really so insensitive to the needs of working parents.

Fervent opposition to the House plan seems odd in light of how little it would cost. It would simply require employers to continue a worker's health coverage—at an average cost of $50 a week—during the unpaid leave. And unlike an earlier plan

that applied to smaller businesses, this compromise would apply only to employers with at least 50 employees.

The pending measure also reflects a compromise on how long an employee could be on unpaid leave. Whereas earlier plans counted two categories separately—medical leaves for one's own recuperation and family leaves to care for a baby or an ailing family member—the new compromise limits a worker to 12 weeks of such unpaid leave per year. It's a reasonable way to get this overdue initiative moving.

While most of the muscle against this bill has been from businesses decrying government-mandated employee benefits, there's also opposition from some conservatives on the theory that it would encourage women to take jobs rather than stay home to care for their children. But Congress shouldn't fail to ensure minimal job-security for working parents who need time off in the hope that the lack of guaranteed leave would keep women from taking jobs in the first place. Contrary to these critics, most parents of young children work because they need the money.

It's hard to understand why this legislation has attracted such rabid opposition inside the beltway. Half of the states, including New Jersey, have enacted guaranteed-leave laws. (Even the Pennsylvania legislature, hardly a hotbed of progressive initiatives, may pass such legislation this year.) But since every American worker deserves this basic protection, it's time for the nation's timid leaders to follow suit.

[From the Pittsburgh Post-Gazette, May 9, 1990]

COMPASSIONATE LEAVE

In the face of a threatened veto by President Bush, the U.S. House of Representatives is expected to vote today on a bill requiring private employers to grant unpaid leave to employees faced with family illnesses or the birth of a child.

The opposition to the legislation from a supposedly "kinder, gentler" president is disappointing, but it shouldn't deter Congress from pressing its case. And the business groups that are opposing federal regulation in this area should ask themselves if they would prefer to see family-leave laws enacted on a state-by-state basis.

The compromise bill likely to be voted on in the House would require businesses with 50 or more employees at a single work site to provide employees with up to 12 weeks of unpaid leave a year. Employees could take leave time if they themselves were seriously ill or if they wanted to care for a new child or a seriously ill spouse or parent. During a workers absence, the company would have to hold his or her job and continue all health benefits.

This initiative undoubtedly represents an increase in government regulation of business, and as such will have its costs. The temporary absence of one or more employees inevitably causes disruptions and requires realignments of responsibilities. The requirement that health benefits be maintained during a leave will increase an employer's health costs.

But it is not unheard of for businesses to pay a price for social policies pursued by government. From the National Labor-Relations Act to the minimum-wage law to the Civil Rights Act to laws protecting worker health and safety, government has constrained the free market in the cause of humane standards.

Even a decade ago, a generous family-leave policy might have seemed a frill undeserving of a government mandate. But society and the workplace have changed considerably in recent years, with the entry of more and more women into the workplace and medical advances that have prolonged the lives of the elderly.

As we have observed before, a national provision for family leave would adapt the notion of humane working conditions to the new configuration of the workplace and help to ease the sometimes unbearable conflicts between family needs and work requirements. The burden on business would be significant, but not onerous.

It is notable that family-leave initiatives are being pressed not only in Congress but also at the state level. Last year, 33 states, including Pennsylvania, considered family-leave proposals that in some respects were more expensive than the current federal proposal.

For example, a Pennsylvania proposal backed by Gov. Casey would mandate 18 weeks of unpaid leave in a two-year period for companies with 30 or more employees. As in the federal bill, health benefits would be continued during a leave.

The Pennsylvania legislation stalled in the state House of Representatives earlier this year on a tie vote on a day when several legislators were absent. Nothing would be likelier to prompt a new push for this and other state proposals than the stymieing of family-leave legislation in Washington.

[From the Landsdale (PA) Reporter, May 15, 1990]

WE SHOULD PROTECT OUR FAMILIES BY LAW

People who really want more government fingers dipping into their pocketbooks and lives are undoubtedly in the minority in this country.

And in most instances, we agree with the majority. More legislation is not necessarily the key to a stronger, freer society.

But in the case of proposed bills now pending in the state and federal governments that would require employers to assure job security to workers after family-related leaves, the dipping is warranted.

We were happy to see Thursday that the U.S. House of Representatives agreed.

We hope the factions fighting what could be an historic national move, or a statewide change in Pennsylvania's case, will fully consider the demands placed on families today and the need for their protection by law.

With so many families now depending on single parents or both parents working, a law granting them their same place and salary after a family crisis is a vital net to ensure no one falls through the cracks at the hands of an insensitive employer.

But it is legislation that for better or worse is a sign of the times more than a reflection on employer-employee relations in this country.

The rising cost of everything has pushed more and more families to the financial brink. The result: Both parents are out in the workplace, leaving few options in the event of a family emergency.

The problem is even more acute for the single parent who doesn't have a mate to fall back on when when one of these crises arises.

This proposal will not in itself preserve the American family but it will provide some breathing space for families confronted with an emergency—a chance to work things out.

Like any other mandated benefit, there is the potential for abuse. A few workers are likely to use it to take time off for less than emergency reasons. It will be equally important to assure that these people don't slip through the net and get away with it.

There are ways to protect against exploitation and keep the benefits of the law. Doctors' notes have long been used as proof against playing hooky. Legislators could implement such requirements if that's such a shared concern in the business community.

The bottom line is we need the law. Our families are our lifeblood. We can't risk relying on the present honor system under which some businesses promise to be kind to returning employees. In the broad, nationwide picture, a promise simply isn't enough.

For those employers who are already granting 12-week and 18-week unpaid leaves, kudos to them. The legislation will merely codify what they are already providing.

To date, the United States is one of only two industrialized countries in the world yet to adopt this protective legislation. We share that status with South Africa, and would possibly stand alone if South Africa was not currently focusing on bringing its civil rights standards into the 20th century.

We obviously missed our chance to lead the parade in establishing protective working-family policies.

Now we should at least start marching forward with the crowd.

[From the Easton, (PA) Express, May 16, 1990]

FAMILY-LEAVE BILL WORTHWHILE

In a rare moment of inspired leadership, the House recently backed landmark legislation that would require large employers to grant workers unpaid leave to care for newborns and seriously ill family members.

The measure would require companies with 50 or more workers and state and local governments to allow employees to take up to 12 weeks unpaid leave a year for medical or family reasons. Health benefits would continue during the absence, and the employer must guarantee the worker's right to return to his or her job once the leave is over.

Though support for the bill seems to be divided largely along party lines—Democrats for it, Republican representatives endorsed the bill, giving it a surprisingly strong 237-187 boost.

But the bill must still pass muster in the Senate, and word from President Bush is that he will shoot it down.

If this legislation does fail, as appears likely, it will be at the continued expense of a huge number of workers who are finding that the decisions to have a career and a family are becoming more and more incompatible.

Today, we live in a world where two-thirds of all mothers work. Where more and more families are headed by parents who both have jobs. Where decent child care is expensive and often difficult to find.

These are the hard realities that are creating an intolerable tension between the home and the workplace.

But it doesn't have to be this way.

It isn't elsewhere, in fact, the only "advanced' nations without family-leave policies are South Africa and the United States. More enlightened countries—over 75 of them, including Japan, Canada and West Germany—have liberal leave policies which actually pay employees a percentage of their salaries during their absence.

Opponents of the U.S. bill say it is just another example of government barging in where it doesn't belong. They say it could jeopardize existing benefits for employees as businesses struggle with yet another government-imposed burden.

Perhaps the best criticism of the bill is that it would only provide relief to those who could afford to take extended leaves without pay.

What opponents aren't saying, however, is that the bill would affect only about 5 percent of all companies—those with the most employees and more capable of absorbing the costs of the temporary loss of a few employees.

Nor do they point out that the bill allows employers to deny rehiring rights to as many as 10 percent of their employees whose extended absence could cripple the firm—top managers, for example.

They also aren't saying exactly why unpaid leave would damage the best and biggest of this nation's firms. Last time we checked West German and Japanese companies with mandated leave policies were still financially sound, even compared to American firms without such "onerous" obligations to their employees.

Nor are opponents quick to point out how well family leave policies have worked in states and nations with similar or better plans.

And though it's true the bill would be more helpful to those who can afford to leave without pay, that's the reason to scrap it. Just about everyone will face a family illiness or the birth of a child, and almost no one can afford to lose a job. The bill recognizes the inevitability of the former, and greatly reduces the chances of the latter. Whether an employee takes advantage of the bill becomes a matter of personal choice, something that doesn't exist right now.

Despite its problems, the bill would certainly provide for happier, healthier employees and be a good start toward strengthening the American family, which in turn is given sound footing to begin raising a whole new crop of happy and healthy employees.

Of course, this bill doesn't come close to facing the changing needs of the nation's work force—needs such as adequate day care, proper attention for the burgeoning ranks of the elderly and relief from the rising price of good health.

But it does give it a promising nod, one that we wholeheartedly endorse.

[From the Cleveland Plain Dealer, May 13, 1990]

A MODEST PARENTAL-LEAVE BILL

The parental-leave bill approved last week by the House of Representatives is a modest step toward a more humane social policy. It hardly deserves to become the center of an allout election-year fight between the president and Congress. If the Senate keeps its version of the bill within the narrow bounds set by the House, such a measure would deserve President Bush's signature.

The bill would require large-scale employers to offer extended, unpaid leaves of absence to workers with newborn or newly adopted children or ailing relatives. Although that would impose an estimated $188 million in additional labor costs on business each year, the House bill would apply only to firms with 50 or more employees—thus exempting about 90% of all companies and about 50% of all workers.

Conscientious employers already should have generous parental-leave policies Moreover, 25 states already have some variation of a sick-leave or parental-leave law. A federal statute would thus affect only firms that now ignore their employees' resasonable family needs.

The measure was watered down considerably during the five years it took to reach the House floor, diluting its sponsors' hope to require all employers to provide fully paid leaves. This year's proposal, granting only unpaid leaves, remains vulnerable to the charge that it is just a middle-class benefit, aiding only those who can afford to take time off from work.

Humane as this parental-leave measure is, it would be wrong for Congress to interpret its approval as a license to enact more middle class entitlement programs—especially the type of mandates that impose their full cost on the private sector. Even if social-policy activists have the best of intentions, the accumulation of federal requirements can at some point hinder the private sector's competitiveness.

This measure certainly does not merit the premature veto threat issued by the White House last week. As the House's less-than-over-whelming 237-187 margin showed, the president could certainly muster the necessary one-third support in one chamber of Congress to sustain his veto. But, in an election year, would such a presidential victory be worth the political cost?

Partisan gamesmanship is obviously involved in this bill's timing. The Democrats can hardly wait for the White House to command its Republican loyalists to sustain a veto of a popular social initiative: that would help Democrats portray the GOP as the party of hard-hearted, dollars-and-sense calculation. Democrats are surely ready to remind Bush of his statement during the 1988 presidential race: "We need to assure that women don't have to worry about getting their jobs back after having a child or caring for a child during a serious illness."

If President Bush wants to sustain his image as a "kinder, gentler" leader, he should resist the temptation to overuse his veto power. It does the president and his Republican allies no credit to be seen as naysayers on such social initiatives as the clean-air overhaul, the day-care bill and the parental-leave measure. The economy can surely absorb the costs of such reasonable social-policy measures.

[From the Salem (OR) Statesman-Journal, May 12, 1990]

BUSH SHOULD SIGN BILL INTO LAW

In the interests of supporting family values and an efficient work force, President Bush should withdraw his threat to veto a family leave bill.

Oregon already recognizes the public responsibility for the welfare of employees with a law requiring that businesses grant unpaid leave for the care of a new child or an ill child, parent or spouse.

The federal bill, approved Thursday by the U.S. House, likewise supports several important economic and ethical issues. One is the now obvious fact that our economy cannot function without the skills of women workers and that many families cannot function without a wife's paycheck.

Anything that helps women work helps the economy. These economic facts are beyond argument.

At the same time, as President Bush and others have said many times, we must encourage strong family relationships and help couples who want a family but who might, in some circumstances, choose abortion if having a child meant that the mother could not work.

Most of all, workers should be allowed to spend time at home to care for a new baby or a sick relative. It is not only the humane thing to do; it is the practical thing.

Family leave is hardly likely to be exploited. Even with medical benefits paid by a company, few employees could afford to remain away from work longer than is absolutely necessary.

True, the law puts another burden on business. But businesses with fewer than 50 employees are exempt.

As for the larger firms, their competitive position in the world market is hardly in danger. Many of our competitor-nations already have family-leave policies.

A measure that encourages strong family values, that keeps workers happy and productive and that costs business as little out-of-pocket as the family leave bill does deserves to be approved by our Congress and signed by our president.

[From the Rochester (NY) Democrat and Chronicle, May 10, 1990]

A BASIC RIGHT OF FAMILIES

The proposed Family and Medical Leave Act would guarantee workers a new benefit, but not a perk.

The bill, now before the House of Representatives, would require employers of at least 50 workers to allow an employee up to 12 weeks of unpaid leave to care for an infant, sick child or parent.

While on leave, the worker would be entitled to continued company benefits, including health insurance.

The intent is straightforward and just—made necessary by changes in the work force and an aging population.

Very few families can survive on one income. New mothers are very likely employed outside the home and very probably need time off for the birth of a child. They should be able to take that time without jeopardizing a job they'll need more than ever.

And since the fastest growing segment of the population is the over-85 group, more and more workers will have elderly parents who become ill and in need of care.

Workers should be able to care for a sick or infirm parent without risking their jobs.

Indeed, by providing care in the home, children may keep their aging parents out of nursing homes and off Medicaid. Which is to say, taking leave to care for a sick parent may be a public service as well as a family obligation.

Despite all that, the Family and Medical Leave Act faces fierce opposition from industry, which says it would be too expensive, and from President Bush, who says he'll veto it because he objects to forcing companies to offer unpaid leave.

Make no mistake, a mandatory leave policy could be a burden. Temporary replacement workers can be expensive, especially for skilled jobs. And in offices where no replacement is available, one worker's leave could force already busy co-workers to pick up the slack.

Still, unpaid leave would be far less burdensone than the paid leave programs long established in other countries. Canada, for example, provides up to 37 weeks for maternity leave, with 60 percent pay for the first four months. West Germany provides full pay for up to 18 weeks.

Moreover, industry's fear of costs may be exaggerated. A new study by the New York-

based Families and Work Institute found that a similar leave policy in Oregon had almost no impact on business health insurance or training costs.

That is not to deny that a family leave policy could be expensive or problematic to some businesses. It might well be.

But the need is great.

Clearly, with U.S. industry facing stiff competition from abroad and with the government reeling from $200 billion budget deficits, a paid family leave program is out of the question now.

But unpaid time off for a family emergency is no extravagance—just a recognition of the reality of working life in the last decade of the 20th century.

[From the Mount Airy (NC) News, May 10, 1990]

FAMILY LEAVE IS GOOD

We think a bill scheduled to have been voted on today in the U.S. House of Representatives which would guarantee unpaid leave for workers in family emergencies sounds like good legislation.

Basically, the bill would require businesses with 50 or more employees to offer unpaid time off for the care of newborn, newly adopted or seriously ill children, as well as to deal with personal health problems or ill spouses or parents.

President Bush is threatening to veto the measure if it passes, as opponents charge that it would be costly and burdensome for small businesses. What about this being a "kinder, gentler nation?" Bush certainly made a big deal about such matters during his campaign. Then we have a lot of other people talking about "restoring family values" and it seems that family leave would be a good way to help accomplish this.

Many people talk a good game about "family values," as long as it's not affecting them.

Of course, the welfare of small businesses is important and we recognize that special arrangements would have to be made for some workers so as not to hamper the operations of the business.

However, on the other hand, it's about time the average American got the type of break that workers in many other countries are already receiving.

[From the Norwich (NY) Evening Sun, May 16, 1990]

FAMILY EMERGENCY BILL WILL FACE VETO

The joy of parenthood approaches. Friends and family throw baby showers.

But from a parent's co-workers, would it be a shower or a farewell party?

If the Congress has its way, it will be a shower.

If the president has his way, it could be sayonara.

A bill with strong bi-partisan support calling for unpaid leave in the event of family medical emergencies—including pregnancy—has received the nod of the House of Representatives and seems sure to fly through the Senate. Unfortunately, President "a kinder and gentler nation" Bush has said he will veto the measure.

Family emergencies arise, and when they do, the last thing a person needs to worry about is whether a job will be waiting when the problem is solved. In businesses which offer health plans, there is often a provision concerning such leaves. In some cases employees receive full pay; in others, the employee at least knows the job will not disappear.

Employers who do not offer health plans often allow a person such a leave, even if it is without pay.

However, there are those who would release an employee rather than provide a reasonable amount of time for the person to work out the problem, or in the case of a medical emergency, simply recover.

Yes, it seems downright socialist for a government to force a business to retain an employee. Is that necessarily bad?

Several municipalities protect renters, have zoning laws and enact clean air statutes. All edicts of this nature force people to alter the way they might handle their own affairs.

The common strain between those laws and the proposal calling for businesses to grant leaves for family medical emergencies is that they protect people who do not have the means to protect themselves.

The same small businesses that claim they would feel a financial burden by being forced to hold spots for employees with family emergencies are probably the same ones that favor anti-monopoly laws.

Look at the intent. What's the difference?

[From the Middletown (NY) Times Herald-Record, May 15, 1990]

EMPLOYERS NEED PROMPTING

The House of Representatives has approved the Family and Medical Leave Act and passed it on to the Senate, where it faces a less-receptive audience. If approved, the bill faces an even less receptive audience in the White House. President Bush says he'll veto it.

His reasoning is interesting. Mr. Bush says the intent of the act—to provide employees with up to three months of unpaid leave to care for a new child or for medical emergencies within the immediate family—is a good one. He says all U.S. businesses should do so, voluntarily. That is, it's the decent thing to do but no one should be forced to do it.

Businesses did not provide medical leave for pregnancy until not so long ago because, while it was the decent thing to do, they didn't have to do it. Until the government told them they had to, that is.

The bill would exempt companies with fewer than 50 employees and the cost of the program is estimated at $200 million a year, modest by current standards. It is true that entitlements have a way of growing beyond original estimates and Congress should do all it can to restrict the bill without making it worthless. But the intent is good and the bill does make sense.

An employee would be guaranteed his or her job, or a comparable one, upon returning to work and the company would continue the medical insurance during the unpaid leave. The company would gain more appreciative—and healthier—employees and more children in this country would spend those critical early weeks of their lives bonding with a parent rather than a stranger. Many other industrial nations already provide such a benefit.

In this era of virtually mandatory two-worker households, this modest attempt to help some of those working families in times of emergency is both decent and worth requiring.

[From the Las Vegas Sun, May 15, 1990]

SENATE, BUSH SHOULD PASS FAMILY-LEAVE BILL

The family-leave bill passed by the House of Representatives last week has been attacked by those who say it would only benefit middle- and upper-income workers—those who can afford to forgo paychecks. The argument has been made that the legislation would do little for low-income families because they cannot afford to take three months off without pay.

This is utter nonsense. It is an illogical argument supported by big business lobbyists who simply want to retain the right to fire workers who need to take time off to have a baby or care for an ill family worker. It is an argument that ignores the basic reasons for the legislation.

The bill, approved 237-187 in the House, would require companies with more than 50 employees to grant workers up to three months of unpaid—repeat, unpaid—leave for the birth of a child, the adoption of a child or to tend to an ill family member.

First of all, the legislation certainly would not benefit only middle- and upper-income workers. That is a specious contention. It is true that many low-income families cannot afford to take off for three months without pay. But the bill does not require that a worker take off three months. That is the maximum. A low-income woman who gives birth might be able to take off a week or two or three without pay to care for her newborn. And if this bill passes, she could do that without fear of losing her much-needed job.

Second, the critics argue that if the legislation is enacted, it would cost American businesses "tens of billions of dollars." This figure seems wildly exaggerated. After all, the permitted leave would be unpaid.

In addition, it does not take into consideration that American businesses have been getting away without these costs for decades, unlike most of their competitors abroad. In many European countries, workers who give birth or have a family emergency are granted leave. It has been this way for years. Furthermore, in many of those countries, workers are paid while on leave.

In modern America, most families require two incomes. The mother and father both must work while the children are left with others. Surveys indicate that three-quarters of married women with school-age children work outside the home. This is a less-than-ideal situation. It can affect the children. It can affect relationships. It has contributed to the disintegration of the nuclear family.

The Senate, including Nevada Sens. Harry Reid and Richard Bryan, should strongly endorse the family-leave bill as a way to give workers added job security and to improve family life in general. President Bush should stand by his campaign promise to support family values and sign this bill into law.

[From the Hobbs (NM) Daily News Sun, May 15, 1990]

THE FAMILY UNIT MUST BE HEALTHY

Since the days of Ozzie and Harriet, the proportion of U.S. mothers in the work force has tripled, to 65 percent; more than half of all women with children under age 1 now work.

Yet despite this huge sociological shift, national social policy has not yet changed to help two-earner or single-parent households balance work with their family responsibilities. The Family and the Medical Leave Act, before the House of Representatives, would begin to change that.

H.R. 770, a bipartisan bill authorized by Reps. William Clay, Patricia Schroeder and Marge Roukema, would require large em-

ployers to allow workers to take one job-protected leave of up to 12 weeks a year to care for a new baby, a sick child or an ailing parent. An employee also would be eligible for the leave to recuperate from a serious illness. Family and medical leaves would be unpaid, but companies would be required to maintain health benefits for the absent worker.

Business groups strongly oppose the family leave legislation, arguing that it will be burdensome to companies, especially small ones. But the same thing can be said about any labor standard, including the 40-hour week and health and safety rules.

What counts in such matters is how the benefits of the policy weigh against the costs in the case of family leaves. The burden is small and the social benefit important.

The legislation exempts companies with fewer than 50 employees, thereby eliminating any burden for 90 percent of employers. The General Accounting Office estimates that only one employee in 275 will be on leave at any one time and that the total cost to business will be $236 million a year, most of it for health insurance.

The need for labor policies that acknowledge workers' dual role as providers and parents is recognized around the world: The United States is alone among the major industrialized nations in not providing leave for parents with new children; indeed, most countries, in requiring paid leave, go much further than that.

As a result, in U.S. households where both parents must work or where a single parent is the sole source of economic support, a pregnancy or a seriously ill child or elderly parent can become an agonizing dilemma in which parents must weigh their family obligations against their economic need to retain their job.

That's cruel and counter-productive to society's desire for healthy families. In a civilized nation, normal events of family life should not be a source of anguish and economic peril.

[From the St. Paul (MN) Pioneer Press, May 10, 1990]

BIG NUMBERS NEEDED ON VOTE FOR FAMILIES

The White House is playing its nasty veto-threat game again. President Bush, who is 10 for 10 in this contest with Congress, has targeted the Family and Medical Leave Bill for executive annihilation. The House, which brings this bill to the floor today after a five-year struggle, should pass the parental leave bill with a majority big enough to push Mr. Bush into a corner.

The bill is simple and reasonable. It requires employers with 50 or more workers to allow unpaid time off with job and benefit continuation for the care of newborn, newly adopted or seriously ill spouses or parents. Employers would have to offer up to 10 weeks of unpaid family leave over a two-year period, and up to 15 weeks in one year for a sick worker. A similar measure, approved last year by the Senate committee, is awaiting a full Senate vote.

This bill is not some gigantic mandate designed by enemies of American business to bankrupt the capitalist system, as business lobbyists have been contending through the long fight over parental leave in the United States. The parental leave bill is a modest bipartisan attempt to ease the hardship of American working families. Minnesota and Wisconsin, which are among a handful of states with any progressive family and medical leave laws, have not fallen to the bottom of an economic pit.

The White House defended the veto by a president who campaigned on family values. Mandated benefits could lead to worse unemployment. White House press secretary Marlin Fitzwater said on Tuesday. Yes, probably for some Republican politicians who have to go home and seek re-election this fall.

The only good end to this veto game is for both houses of Congress to pass overwhelmingly this bill for American families. A lopsided vote in favor would push Mr. Bush into that corner, where he could stand facing the walls until his attitude improves.

[From the St. Louis Post-Dispatch, May 15, 1990]

A CHOICE NO PARENT SHOULD FACE

If it were up to the U.S. House of Representatives, many American parents wouldn't have to choose between their jobs or their families. Last week, the House passed the Family and Medical Leave Act, which would give parents up to 12 weeks of unpaid leave for family emergencies. Two local members of Congress, Rep. William Clay and House Majority Leader Dick Gephardt, led the fight to pass this legislation; Rep. Jack Buechner, however, voted no.

Unfortunately, President Bush has already announced his intention to veto the bill, and the House lacks sufficient votes to override a veto. That gives the Senate little incentive to tackle the issue now.

The Republican attack on the parental leave bill was nothing less than shameful, a series of scurrilous distortions. Republican opponents postured as friends of labor by arguing falsely that this bill would make it harder for workers to receive more generous leaves through collective bargaining. Never mind that it was business groups, not labor unions, lobbying vigorously against parental leave.

If that weren't bad enough, Republican opponents threw in a dash of "class warfare"—a tactic they professed to hate when Democrats pointed out, accurately, that a cut in the capital gains tax would benefit primarily, the rich. Parental leave, these friends of the poor argued, would only benefit the—gasp—middle class. Not a single one of these Republicans urged the logical remedy; paid leave, so parents wouldn't lose their income.

Of course, no Republican assault would be complete without their favorite bugaboo—the threat to global competitiveness. As Rep. Clay, the sponsor of the House compromise, suggested, one has to wonder who Republicans think the major competitors to the United States are. Surely, they can't mean West Germany or Japan, where families have the right to paid leave of at least 12 weeks.

Surprisely, Candidate Bush explained in 1988 why family leave is essential: "We need to assure that women don't have to worry about getting their jobs back after having a child or caring for a child during a serious illness." That need—for women and men—is as strong now as it was then.

The House bill moves in that direction. The leave is unpaid, so the cost is negligible, according to the General Accounting Office. (Companies would continue paying employees' medical health.) Companies with fewer than 50 employees would be exempt, so small businesses wouldn't be affected.

The family leave bill is the second important profamily legislation the president has threatened to veto; the first was a day-care bill, now in a congressional conference committee. The president's profamily rhetoric has a hollow ring. Why read his lips when his actions speak louder than words?

[From the Traverse City (MI) Record-Eagle, May 16, 1990]

FAMILY BILL SHOULD BE OK'D

The family leave bill approved by the U.S. House last week intrudes on business and unfairly ensures benefits only for people employed by large companies.

But it's better than nothing.

The goals of the bill—encouraging parents to bond with their newborn children and allowing workers to care for seriously ill relatives—are unquestionably good. President Bush undoubtedly echoes the sentiments of most Americans in encouraging all employers to voluntarily give workers time off for these purposes.

As approved last Thursday, the Family and Medical Leave Act would require any company with more than 50 employees to allow its workers up to 12 weeks of unpaid time off to begin raising a newborn child or to care for a seriously ill family member. Employers would be required to continue health insurance benefits during that time and restore the employee to his or her previous job when the leave is over.

Providing these benefits clearly promotes healthy family values—at little cost to the employer or the economy. It forces big companies to provide worker benefits that many good employers already offer.

Unfortunately, however, the bill also represents another government intrusion into the private sector. Worse yet, it would have no effect on more than half the nation's workers—those employed by firms with fewer than 50 employees.

Extending the bill's provisions to all firms, regardless of the number of workers, would help. Although that could impose hardship on some employers who rely on just a few workers with special skills, it would, at least, make the legislation universally fair.

Most Western nations already require private firms to offer similar programs. Some even require full or partial pay during time off. Rep. Constance Morella, R-Md., says the United States and South Africa are the only industrialized nations that do not offer minimum protection for their workers.

The bill would help safeguard workers, particularly women, who suffer most when forced to choose between their jobs and taking time to care for a new baby or a sick relative. Twenty million mothers are in the work force—8.7 million of them single mothers. The tough decisions they have to make in these situations should not be made worse by the threat of permanent job loss.

Some people who oppose the bill argue that the measure would be too costly. Some contend it would hurt productivity because other workers would have to pick up the slack for employees home on family leave. We doubt it would have much negative effect, however. Only people who clearly qualify for the benefit could demand the leave of absence—and many who do qualify probably would not take it because they can't afford it.

The president who campaigned for a "kinder, gentler nation" soon will have an excellent opportunity to demonstrate that commitment by signing this legislation into law. He should. The bill is far from perfect, but it's a step in the right direction.

[From the Duluth (MN) News-Tribune, May 13, 1990]

WORK LEAVE BILL MAKES SENSE

If America in the 21st century is going to be a nation of two-income families (as it largely is right now), then some adjustments will have to be made to the way employers deal with their workers.

Just who is supposed to stay home to nurse a sick child when both mom and dad work? What about those first weeks after a child is born—should mothers have to quit jobs in order to deliver and nurture for the first few weeks? What about fathers who want to care for a new baby full time? Should he risk losing his job?

The U.S. House passed a bill Thursday that addresses those problems and others—such as emergency care of family members—by requiring some employers to grant workers up to three months of unpaid leave—with health, seniority and other benefits retained—to care for newborns or to deal with emergencies.

It is a major step in addressing the realities of today's workplace and home environment. And it is relatively inexpensive. The House bill would only apply to 5 percent of employers (those with more than 50 workers) who employ 44 percent of the work force. It is estimated it would cost employers about $5.30 a year per worker.

President Bush has threatened to veto it if it passes. He shouldn't. This program is needed. Business lobbies are opposing the legislation as an unwarranted intrusion by government into firms' relations with their employees. That is a weak argument. If more companies had such policies, the legislation wouldn't be needed.

[From the Boston Globe, May 13, 1990]

THE PARENTAL-LEAVE STANDOFF

Congress has given its support to a bill that would guarantee some workers up to 12 weeks in unpaid leave to cope with family emergencies—care of a new child or a sick parent, spouse or child—though President Bush says he will veto the bill. There is a forlorn irony in this standoff, coming as it does as Americans set aside a day to honor mothers, the family member most identified with such tasks.

Confusion surrounds the issue of parental leave—confusion that is largely a hangover of attitudes from the past when only one member of the family, the father, worked. Today, with three-quarters of married women who have school-age children working, along with half of all mothers with preschool children, it is time for the United States to begin to require parental leave—as do all other industrial nations, most of them on a paid basis.

The bill in dispute is a minimal step that falls short of guaranteeing all workers job security when crises at home keep them off the job. Its mandate for unpaid leave, continued health insurance and return to the same job applies to only 44 percent of the work force employed in large companies. The bill exempts the 90 percent of companies with fewer than 50 workers.

Opponents from corporations and small businesses have convinced Bush that the bill is too costly, that it could place them at a competitive disadvantage, and that no job benefits should be mandatory. These are hollow arguments.

The General Accounting Office says that unpaid leave costs employers $5.30 a year per employee, or 10 cents a week. As matters stand, workers and taxpayers lose far more.

American workers lose $12.2 billion a year in earnings when they have to give up jobs rather than take a leave to care for a new baby, stay with an ailing family member, or recover from an illness or injury of their own. Taxpayers expend $4.3 billion to tide those workers over with unemployment compensation, Medicaid and food stamps.

American business, however, has good reason to be wary that unpaid leave represents only a beginning on this issue. Other nations do far more.

Italy grants 28 weeks of leave, during which the government pays workers 80 percent of their salary; France grants 10 weeks, with the government paying 85 percent of salary; and Sweden grants both parents nine months of maternity leave at 90 percent of salary, plus 60 days a year to care for sick children. America's major competitors, Japan and West Germany, provide 12 weeks of family leave, with employers paying workers their full salary.

Since many Republicans see parental leave as a basic family issue, President Bush will be hard put to justify a veto on this bill.

[From the Springfield (MA) Union-News, May 15, 1990]

CHEAP SECURITY FOR U.S. WORKERS

The Family and Medical Leave Act that passed the House last week offers President Bush a choice:

He can veto the measure, as White House Chief of Staff John Sununu has promised opponents that he would, and keep the United States in company with South Africa as the only two advanced nations without a system of emergency family leaves for workers.

Or Bush can sign the bill, putting the U.S. government in step with 75 other nations and half the states in assuring Americans facing family crises, including the need to care for a newborn child, that their jobs are secure.

The choice shouldn't be difficult. The bill provides for only unpaid leave, while most nations require that workers in emergency absences collect at least partial pay. West Germany mandates full pay for up to 19 weeks.

Then there was Bush's 1988 campaign statement calling for more job security for workers forced to deal with family emergencies.

Yet, Sununu and White House spokesman Marlin Fitzwater insist the act would burden businesses unfairly with one more intrusive federal regulation.

It is hard to see how. It requires firms to do nothing but save a worker's job in family emergencies so serious that leave is essential. It exempts companies with fewer than 50 employees. And it provides for exemptions for top executives whose absence would be detrimental to the business. Potential costs would include the need, in some cases, to fill a worker's job by temporary reassignment or overtime, and are relatively minor.

The measure is aimed at serious situations, and requires a worker to show need before a leave is granted. It can spare the worker and his or her family from the financial disaster that can follow loss of a job—and lead to the welfare rolls or homelessness.

This act, unlike many other federal mandates, is both low in cost and highly beneficial to the people whose taxes pay the nation's bills. It deserves Bush's support.

[From the Augusta (ME), Kennebec Journal, May 30, 1990]

BUSH DROPS BALL ON FAMILY LEAVE

Congress is moving steadily toward approval of a family leave bill which would allow workers to take time off to care for a sick parent or child without losing their jobs. Yet President Bush, who said earlier he supports the "concept," is now dangling veto threats.

What is so objectionable about the bill which passed the House? Is it too expensive? Too burdensome for business? A "Yuppie bill" of no use to most workers?

The reasonable answer: "none of the above."

Family leave was not much of an issue in the 1950s. In most families, husbands worked and wives stayed at home. Family emergencies were handled by the wife.

But the 1950s family barely exists any longer; fewer than 10 percent of married couples feature a stay-at-home wife to care for children and sick relatives. Most women work, including even those with young children. It would be a hard-hearted society indeed which insists upon its citizens choosing between their jobs and family responsibilities. Yet it happens all the time.

The Women's Legal Defense Fund offers examples:

Harrison Kornbau, a Pennsylvania teacher, asked for time off to be with his 3-year-old daughter, who was dying of leukemia. His leave was denied, and he continued working. Kornbau later had a heart attack.

Brendy Iles, a file clerk for a Louisiana department store, adopted a child. After her leave request was denied, she resigned. Her family eventually lost their home.

Susan Noggy of West Virginia, a cashier, was fired for taking off time to care for her terminally-ill father.

The stories go on.

Virtually all other developed democracies have family leave systems up to six months, usually with pay.

Measured against those standards the House bill is modest. It provides up to 12 weeks of unpaid leave. The only expense for employers is continuing health benefits. Businesses with fewer than 50 employees are exempt.

Yet Bush now says the "mandated benefit" of unpaid leave is an undue burden on business, and should be covered by collective bargaining.

This won't wash. First, fewer than one-in-five workers is represented by a union. Second, it is fallacious to argue that family leave should be part of a "smorgasbord" of benefit options. Most leaves result from emergencies: sudden illness or injury to a family member. Even those that might reasonably be predicted, such as a pregnancy, do not correspond to three-year contracts.

Business lobbyists object that granting leave would leave us at a competitive disadvantage. Again, it's hard to see why. Germany and Japan, our primary competitors, both guarantee three months of paid leave.

The objections to the bill also beg the main question. Leave requests are not part of a self-interested decision by an employee, such as having a longer vacation.

They involve personal sacrifice—the leave is, after all, unpaid. And they are for purposes—childraising, comforting a dying parent or child—which are humane and of benefit to the community as well.

The current proposal has been decided as a "Yuppie bill" under the theory that only those for whom a paycheck is in some sense

optional need or will take leave. As the above examples show, the theory is groundless. Faced with the need to care for a sick relative, most people will indeed make personal sacrifices.

But they shouldn't be penalized for doing so.

There is more to life than work, as we sometimes seem in danger of forgetting. A compassionate nation would make 12 weeks of unpaid leave a minimum labor standard—just like the minimum wage, child labor restrictions, and right to unionize.

If Bush carries through on his veto threat, the reaction may be the biggest surprise of his presidency.

[From the Wakefield (MA) Daily Item, May 15, 1990]

TIME TO BE A PARENT

Since the days of Ozzie and Harriet, the proportion of U.S. mothers in the work force has tripled to 65 percent; more than half of all women with children under age one now work. Yet despite this huge sociological shift, national social policy has not yet changed to help two-earner or single-parent households balance work with their family responsibilities. The Family and the Medical Leave Act, before the House of Representatives, would begin to change that.

H.R. 770, a bipartisan bill authored by Reps. WILLIAM CLAY, PATRICIA SCHROEDER and MARGE ROUKEMA, would require large employers to allow workers to take one job-protected leave of up to 12 weeks a year to care for a new baby, a sick child or an ailing parent. An employee also would be eligible for the leave to recuperate from a serious illness. Family and medical leaves would be unpaid, but companies would be required to maintain health benefits for the absent worker.

Business groups srongly oppose the family leave legislation, arguing that it will be burdensome to companies, especially small ones. But the same thing can be said about any labor standard, including the 40-hour week and health and safety rules.

What counts in such matters is how the benefits of the policy weigh against the costs in the case of family leaves. The burden is small and the social benefit important. The legislation exempts companies with fewer than 50 employees, thereby eliminating any burden from 90 percent of employers. The General Accounting Office has estimated that only one employee in 275 will be on leave at any one time and that the total cost to business will be $236 million a year, most of it for health insurance for workers on leave.

The need for labor policies that acknowledge workers' dual role as providers and parents is recognized around the world: The United States is alone among the major industrialized nations is not providing leave for parents with new children; indeed, most countries, in requiring paid leave, go much further than that. As a result, in U.S. households where both parents must work, or where a single parent is the sole source of economic support, a pregnancy or a seriously ill child or elderly parent can become an agonizing dilemma in which parents must weigh their family obligations against their economic need to retain their job.

That's cruel and counterproductive to society's desire for healthy families. In a civilized nation, normal events of family life should not be a source of anguish and economic peril. The House should pass the Family and Medical Leave Act.

[From the Shreveport (LA) Journal, June 12, 1990]

TIME-OUT FOR TODDLERS

The demographics of the American workforce are changing. Over the past 25 years, more women have gone to work outside the home, and one in four children are currently being raised by single parents. As the balance between work and family grows increasingly precarious, the need for new federal legislation regarding family and medical leave becomes increasingly necessary.

As of March, 1988, more than 10.5 million children under age six had mothers in the labor force, and another 18 million between the ages of six and 12 had working mothers.

The new American family comes in many different combinations and styles and is decidedly different from the classic "Leave It To Beaver" family portrait in which a single male breadwinner provided for all members of the household.

More than two-thirds of respondents to a recent NBC News/Wall Sreet Journal survey said that they favor a law "that would require companies to give employees up to three months of unpaid leave for the birth or adoption of a child, or to care for a mentally-ill family member, while guaranteeing their job even if it means additional costs to business.

[From the Lexington, (KY) Courier-Journal, May 10, 1990]

AN ALL-AMERICAN BILL

Like lemings rushing into the sea, the Republicans in the White House could not resist opposing legislation in support of the American family—even at the risk of belying their claims of being "pro-family," motherhood and apple pie.

At stake is a bill that ought to delight President Bush and others who champion those traditional values: It would require larger employers to provide minimal, unpaid leaves of absence following the birth or adoption of a child or to cope with major illness.

When the House of Representatives takes up the bill—which could occur today—it should ignore the veto theat delivered earlier this week by White House Chief of Staff John H. Sununu and enact the Family and Medical Leave Act.

The White House, meanwhile, might rethink its opposition to this modest step toward adapting the workplace to dramatic social changes that have occurred over the last two decades. If the Bush administration truly wants to be "pro-family," it should examine the workplace more carefully, for that's where more and more of America's moms and dads are.

The basic, non-ideological point behind the Family and Medical Leave Act is that supportive public policy must be enacted to help growing numbers of working families cope with the competing demands of work and home. With single-parent and two-worker families forming a larger majority in America each year, such policies are no longer "fringe" benefits but essential aids to the well-being of families—and of children.

More simply, people should not have to risk losing their jobs to cope with the birth or adoption of a child or a serious illness. Yet thousands of Americans do that each year—and often end up collecting unemployment as a result.

Virtually every industrialized nation already recognizes that, including many that boast more productive workforces than America's. Most provide more generous benefits than any contemplated in Congress.

The bill under consideration substantially reduces the scope of the original Family Leave proposal introduction four years ago. It would require employers to provide up to 12 weeks a year of unpaid leave for workers to care for newborn or newly adopted children or to deal with serious medical problems in the immediate family.

Both male and female workers would be eligible, an important principle of equity. But the bill's scope is decidedly limited: Companies employing fewer than 50 workers—about 95 percent of all businesses—would be exempt.

The most compelling criticism of the bill is that, because the leaves would be unpaid, they would benefit only workers who can afford to forego their wages temporarily. It would begin, however, to provide basic job security for people who have no choice, including women who must take time off from work to recuperate from pregnancy.

The Family and Medical Leave Act is far from the definitive word on this complex issue. It will not eliminate the stress on American families—or on businesses that value mothers and fathers as workers. But it represents a step toward reducing the sometimes overwhelming conflict that exists between those two roles.

[From the Rockford, IL Register Star, May 1990]

FAMILY LEAVE BILL NEEDED FOR CHILD CARE

The posturing and debate over mandatory family leave comes down to this: Will we pay lip service to family values, or will we decide no price can be put on our children, our parents, ourselves?

President George Bush would have us believe the cost is too great. He promises to veto a bill that requires business to offer unpaid time off for the care of seriously ill family members or new infants. His opposition, administration officials say, is based on his belief such issues should be decided by employers and their workers, rather than by the federal government.

But what is the cost in human lives when employees are asked to make a choice between their families and their jobs? Business lobbyists claim the majority of companies already offer good benefits for family leave. If that's true, legislation will merely put the force of law behind their policies.

The choice, lawkmakers must realize, comes down to this: If government won't see to it that people can protect their families and protect their jobs, who will? Who will care for the children?

[From the Des Moines Register, May 12, 1990]

BENEFITS OF FAMILY LEAVE

You suddenly have to care for an elderly parent crippled by a stroke. Or you are worried about returning to work too soon after the birth of your baby. Or you become seriously ill. Could you take up to 12 weeks off a year to deal with such situations, with continued health-insurance coverage and your job guaranteed? Many people can't.

But if Congress passes legislation requiring businesses and government to grant workers up to three months' unpaid leave to care for newborns, sick relatives or their own illnesses, millions of Americans would be guaranteed the kind of flexibility that will serve them and their employers well. The House on Thursday approved the Family and Medical Leave Act, despite a veto threat. It now goes to the Senate.

Though the measure applies equally to both sexes, in large part it spells relief for women. They too frequently bear the greatest responsibility for care-giving in families. Yet in increasing numbers, and often because of economic necessity, they are working outside the home.

Like the minimum wage or a 40-hour work week, the Family and Medical Leave Act represents common decency. Government involvement is merited by too many employers refusing to do what's right. It offers a compromise between their needs and those of their employees, with such provisions as making the leave unpaid.

There are two major flaws in the House legislation.

First, it would exempt businesses with 50 or fewer employees, unfairly penalizing their workers. The exception appeases business interests, who claim the act would hurt small businesses in cost and managerial difficulties. But a study by the Families and Work Institute shows that drawing the line at 50-employee businesses is capricious. Its recent survey of employers in four states that require employers to provide either parental, medical or family leave with job guarantees—Minnesota, Wisconsin, Rhode Island and Oregon—found employers with 25 workers experienced no more disruption than those with 100.

The second major blemish in the House version is that it won't be of much use to lower-income employees who can't afford a leave of absence without pay.

The cost of the act would be minimal. Oregon's law, passed in 1988, requires that employers of 25 or more workers provide up to 12 weeks job-protected family leave for the birth or adoption of a child.

Some 367 employers completed a survey in that state and, of those who had employees take leave under the statute, 84 percent found no change in the cost of unemployment compensation insurance; 72 percent reported no increase in their costs for health benefits; and 77 percent found no change in the cost of employee training.

Iowans especially should welcome the act. State law does little for workers who need family leave, though it does provide that a woman who is pregnant or who has given birth may take up to eight weeks leave without pay and without continuation of benefits, under certain circumstances, without fear of being fired.

Some governments and businesses are far ahead of others in the benefits they provide. Waiting for indifferent bosses to catch up with the reasonable ones will take too long. Because of increased productivity and retention of workers less distracted by personal problems, employers and employees would benefit from this bill.

[From the Honolulu Star-Bulletin, May 14, 1990]

FAMILY LEAVE

George Bush clouded his image as the nation's No. 1 Grandfather last week when he threatened to veto the family medical leave bill. Bush, who swept into the White House on a pro-family platform, stayed inside the White House and let his chief of staff, John Sununu, deliver this not-so-kind-and-gentle news to the nation.

Virtually no one—least of all the president—can argue with the principles of the Family and Medical Leave Act. It would allow employees to take up to three months of unpaid leave to care for a newborn, an adopted infant or a sick family member. Employers would continue to pay the employee's health benefits and guarantee his or her job.

Bush and nearly every other opponent of the bill seem to agree that companies should offer such benefits, but they don't think the federal government should mandate them.

Critics of the bill say fringe benefits are an aspect of the competitive market, and trends show business does respond to the changing needs of employees.

They say the number of companies offering maternity leave tripled in the past 25 years as more women entered the job market. They point out that the added cost to business could contribute to unemployment and resultant low wages, and that it would tie the hands of employers whose workers might appreciate other benefits more.

Other employers complain that such legislation would complicate their relationships with employee labor unions, whose representatives negotiate fringe benefits with the employers.

All these arguments have merit, yet some sort of guaranteed family leave seems warranted. Not all workers enjoy the protection of union membership, and people shouldn't lose their jobs because of the birth of a child or a serious family illness.

The House passed the family leave bill by a vote of 237-187 last Thursday, a sizeable margin but not enough to override a presidential veto. The fear of a filibuster may make the Senate too skittish to even bring up its version of the bill for a vote. That's what the critics are hoping. And that's probably what George Bush is praying for at night.

[From the Chicago Daily Southtown Economist, May 13, 1990]

FAMILY LEAVE NEEDED

The House Thursday approved the controversial bipartisan family leave bill in spite of a promised veto by President Bush.

The bill would require companies with 50 or more employees to provide workers up to 10 weeks of unpaid leave to care for newborn children or newly adopted children. It would also provide up to 12 weeks of unpaid leave for workers to care for spouses, children or parents who were seriously ill. The companies would also have to preserve the worker's position and to maintain all health benefits during the employee's absence.

Workers would have to be employed for one year and work at least 1,000 hours per year to be eligible. Only one parent could take the child-care leave if a couple worked at the same company, although new mothers could take sick leave.

A similar bill was approved by a Senate committee and is awaiting action by the full Senate.

White House chief of staff John Sununu said Bush would veto the bill if Congress approved it. He said Bush shared concerns of business groups that the bill would open the door to government dictating fringe benefits.

Business lobbyists said the bill was unnecessary because many firms already offered medical and maternity plans better than the ones under consideration.

Proponents said the bill would bring the United States into line with other industrialized nations that require employers to provide family leave, and that it would enhance the value of family life in the United States.

We believe Bush should reconsider his veto pledge. He campaigned in 1988 as a candidate concerned about family values, and the Republican Party has tried to present itself as a party of family values. What better way for the president to demonstrate his commitment to families than to ensure their opportunity to care for newborns or sick parents without sacrificing a job? That's especially important in these days when so many American families need two incomes to survive.

The family leave bill does not mandate that workers will take time off when a baby joins the family or when a loved one is ill. It would, however, enable them to do so and that's a choice every family should have.

[From the Atlanta (GA) Constitution, May 9, 1990]

PRO-FAMILY BUSH SNUBS REAL FAMILY LAW

Family values are indeed important. In fact, basic. Families are the fundamental building block of civilization, though just what constitutes a family and what constitutes family values vary from time to time, place to place: African societies, whose extended families honor an architecture of mutual responsibilities out to the most distant cousins, see the traditional American nuclear family—Mom, Pop and kids—as a breakdown of family values.

Alas, family values have little real standing in so-called pro-family politics. They are given sentimental lip service, but the politics are in the cause of a larger, reactionary agenda. The pro-family label is used as an intimidating means to ends that include denying women safe, lawful abortions, censoring art and entertainment, forcing religion into public schools and so on. There is little practical concern about systemic strains on families and ways to ease them.

So if there is bitter irony, there can be little surprise in President Bush's announcement through his White House chief of staff and conservative counselor, John Sununu, that he will veto a bill that would require companies with more than 50 employees to give unpaid time off for the care of newborns, newly adopted or seriously ill children, spouses and parents.

The proposed law has strong bipartisan support from liberals and moderates but probably not enough to overcome Mr. Bush's veto.

The legislation would make infant care easier and soften the current, de facto penalties for childbearing. It would reinforce mutual support within families during illness. It would protect workers against the lower pay many receive when they find themselves in lesser jobs after childbearing or serious illness—if they are allowed back at all.

An increasing number of companies are offering benefits like those proposed by the legislation. Managers realize it is good business, making employees more loyal and letting companies keep people who have built up valuable experience. But business organizations, led by the U.S. Chamber of Commerce, oppose mandatory policies, and Mr. Bush answers when business calls.

The president, however, presumably remains available for his customary, pandering speeches to the pro-family organizations, loaded with crowd-pleasing nostalgia hogwash and with ideas for punitive laws to bludgeon folks into the pro-family line.

[From the Marietta (GA) Daily Journal, May 17, 1990]

FAMILY LEAVE ONLY PRACTICAL CHOICE

In the interests of supporting family values and an efficient work force, President Bush should withdraw his threat to veto a family leave bill.

The federal bill approved by the House supports several important economic and ethical issues. One is the now obvious fact that our economy cannot function without the skills of women workers and that many families cannot function without a wife's paycheck.

Anything that helps women work helps the economy. These economic facts are beyond argument.

At the same time, as President Bush and others have said many times, we must encourage strong family relationships and help couples who want a family but who might, in some circumstances, choose abortion if having a child meant that the mother could not work.

Most of all, workers should be allowed to spend time at home to care for a new baby or a sick relative. It is not only the humane thing to do; it is the practical thing.

Family leave is hardly likely to be exploited. Even with medical benefits paid by a company, few employees could afford to remain away from work longer than is absolutely necessary.

[From the Orlando (FL) Sentinel, May 15, 1990]

CARING SHOULDN'T END CAREERS

A case in which President Bush should abandon his veto threat concerns a proposed law to protect people who take unpaid leave to care for their children or ill parents.

Mr. Bush declares that such employee benefits should be decided by individual companies, not legislated.

Well, not this benefit. It has gotten to the point where government does need to step in. While most progressive companies already allow unpaid leaves, too many still tell employees, in effect, "If you need extended time off, don't come back."

That's unfair to a worker who has a genuine crisis—one who needs several weeks to care for a newborn or to look after a seriously ill family member.

It's also not good business, considering the increasing number of women in the work force. It's now in a company's best interest to find ways to merge family demands with careers, be it for a man or a woman.

The unpaid leave proposal still has a way to go before it's a sure bet to reach the president's desk. The House passed its version recently, but senators opposed to their chamber's version may stage a filibuster.

That's a pity. The legislation has restrictions that should reassure businesses. Small firms would be exempted, and workers would have to be employed for a year before they would be eligible.

This unpaid emergency leave concept is sound. Ideally, companies would have done this on their own. But because so many haven't, the Senate and Mr. Bush would do well to put humanitarian needs ahead of unreasonable business resistance.

[From the St. Petersburg (FL) Times, May 10, 1990]

FOR FAMILY VALUES

Workers shouldn't be worried about losing their jobs when they have babies, or when they have to take time off to care for their own parents, or when they have extended illnesses themselves.

That's the simple concept on which the Family and Medical Leave Act is based, and why the House and the president should support the measure. It has to do with supporting family values and acknowledging that to do so, business has to be willing to change its attitude toward the family demands of its employees. Sometimes that means workers need time off from their jobs to take care of these demands, and need to be able to return to their jobs and their paychecks afterward.

President Bush is all for family values, but he's dead-set against the family leave act, which is expected to be voted on by the House today. He thinks leaves should be provided voluntarily but that government should not dictate what fringe benefits business gives its workers and through his chief of staff has promised the business lobby he will veto the bill.

There are serious flaws in Bush's position, not the least of which is its contradictory approach to strengthening the family. To embrace fully the notion that family and work should be made compatible, the president and employers who oppose the legislation need to adjust their perspective. A leave of absence to take care of important family matters should not be considered a "fringe" benefit but rather a sensible way to do business. Counting on employers to make the change voluntarily, as roughly half of all larger companies have refused to do so far, is unrealistic.

The family leave act actually is only a small nudge in the right direction. In its compromise form, the bipartisan bill requires businesses with 50 or more employees to provide unpaid leave up to 12 weeks for employees who need to care for newborn, newly adopted or seriously ill children, to care for their ill spouses or parents or to deal with their own health problems. Workers are to be allowed to return to their original or comparable jobs.

The business lobby fighting the family leave act contends that the legislation is merely a foot in the door toward requiring paid leaves. That's stretching things; Congress is capable of discerning the difference. The lobbyists also complain that even the unpaid leaves would cripple businesses with inconvenience and expense.

Concessions made by the bill's sponsors make the inconvenience argument weak. By excluding companies with fewer than 50 employees, the act covers only 5 percent of employers. It also exempts key employees from whom substitutes could not be found easily and excuses specialized divisions with 50 or fewer employees in larger companies.

A study by the General Accounting Office (GAO) refutes the cost argument. The GAO estimates the cost of implementing the leave policy would be less than $200-million nationwide, which is strictly the cost of continuing health insurance coverage to the employee on leave. If President Bush thinks that's unfair to business, wouldn't tax credits for the employers be an appropriate compromise? It certainly would be consistent with his proposal for expanded child-care tax credits.

The Family and Medical Leave Act is not perfect; its benefits would be available only to the 50 percent of the total work force fortunate to be employed by companies covered under the bill, and then only to the few workers who could afford to take unpaid leaves. It also raises anew the question of why Americans must turn to employers for health care when health care is regarded as a right of citizenship in most other advanced nations.

But it is a start, which is desperately needed in a country that shares the distinction with South Africa as one of only two industrialized nations that don't guarantee women can return to their jobs after giving birth.

The House shouldn't pass up this chance to affirm family values. If President Bush cares about those values as much as he says he does, he will put his veto pen away.

[From the Gainesville (FL) Sun, May 11, 1990]

KINDER, GENTLER, BUNK

Here's what candidate George Bush had to say about the issue of maternity and sick leave for working women back when he was still running for president in 1988.

"We need to assure that women don't have to worry about getting their jobs back after having a child or caring for a child during a serious illness. That is what I mean when I talk about a gentler nation."

Here's what the presidential mouthpiece, Marlin Fitzwater, has to say about the issue of maternity and sick leave insofar as the Bush administration is concerned.

"They should look for other jobs if they can't negotiate an appropriate relationship with their company."

Actually, Fitzwater may have been a little too unkind, a bit too ungentle, when he shot off that retort when pressed about the president's reluctance to approve the Family and Medical Leave Act.

Fitzwater's revised statement, without the barbs, came out this way:

"I did not intend to suggest that individuals seek other employment if they don't have adequate parent leave. Compromise means give and take and we urge all employers to find sensitive and flexible leave policies, but the government should not dictate."

Translation: If a company wants to sack a woman for the "crime" of giving birth or nursing a sick child back to health, that's no business of the U.S. government.

It seems that every time George Bush turns around he is tripping over his campaign promises. The environmental president is afraid to take the bold steps needed to make America a leader in the fight to arrest global warming. The education president wants to reform America's schools on the cheap. The "read my lips" president is content to watch America drown in a sea of red ink.

And the kinder, gentler president thinks it would be just peachy if all employers were understanding when their workers are forced to take time off to have a baby, attend to a sick child, spouse, or parent, or recover from a personal illness.

On the other hand, President Bush also thinks that requiring America's larger employers to allow unpaid sick and maternity leave is out of the question.

It would be, the White House suggests, tantamount to ordering the private sector to provide a fringe benefit to their workers.

Nonsense. To even describe a guarantee against loss of employment due to pregnancy or an illness in the family as a "fringe benefit" is to make a mockery of that term.

The Family and Medical Leave Act is no landmark piece of social welfare legislation. Indeed, given the changing demographics of the workplace—the fact that the two-working-parent household is becoming the norm

rather than the exception—the act seems a minimal concession to working Americans.

Essentially, it would require employers with more than 50 workers to provide unpaid leaves of up to 12 weeks a year for employees who have health problems, who have just given birth, or who must care for a sick spouse, parent or child.

It is, in short, the bare essence of candidate Bush's promise to "assure that women don't have to worry about getting their jobs back after having a child or caring for a child during a serious illiness."

Indeed, if anything, the act falls far short of providing the sort of protections that working Americans ought to have against losing their jobs due to their own or a family member's illness. For one thing, only about half the American workforce would be covered under the act by virtue of working for a company with more than 50 employees.

And even for large companies, there are exemptions built into the legislation. For instance, it exempts specially trained employees for whom substitute workers cannot easily be found. It even allows large employers to exempt "specialized divisions" of 50 or fewer workers.

For that matter, given the state of the economy in this post-Reagan era, even many American workers who are covered by the act will not be able to afford to take an extended period of sick leave. It is unpaid leave, after all, and many American families these days are forced to live from paycheck to paycheck. Their breadwinners literally cannot afford to get sick.

And despite the predictions of the big-business lobby, there is no indication that the act would be overly expensive to comply with.

A General Accounting Office report puts the cost of compliance at about $200 million nationwide, that primarily being the cost of continuing health insurance during an employee's leave.

Indeed, the act is modeled after Oregon's family leave policy. After a recent study found the effects of that legislation on businesses in Oregon to be minimal. According to the Families and Work Institute, a research organization, 72 percent of Oregon companies found no increase in the cost of health benefits, 77 percent reported no increase in the cost of employee training, and 84 percent experienced no increase in the cost of unemployment insurance.

If President Bush follows through with his promise to veto that legislation after it is passed by Congress it would be the clearest indication yet that all of candidate Bush's kinder, gentler rhetoric was just that . . . a lot of talk.

Kinder, gentler, bunk.

[From the Bradenton (FL) Herald, May 18, 1990]

FORKED TONGUE STRIKES AGAIN

George Bush's loudly proclaimed stance on safeguarding family life is getting harder to hear over his threats to veto any legislation that would implement his campaign promises.

With child-care bills wafting in the veto wind, he has now squared off against the Family and Medical Leave Act which would guarantee employees 12 weeks of unpaid leave plus benefits to tend to newborns or newly adopted children or family members who are critically ill.

Remember back in 1988, when Candidate Bush vowed, "We need to assure that women don't have to worry about getting their jobs back after having a child or caring for a child during serious illness."

Now the president, after lending his ear to powerful business lobby groups, doesn't think the federal government has any right to tinker around with personnel policies.

Once again, Bush found himself hemmed in by his own campaign promises and powerful lobby groups he is unwilling to offend.

SWAYED BY LOBBYISTS

Instead of standing up for the hard-working families he vowed to support during his 1988 campaign, he has knuckled under to myopic movers and shakers obsessed with the bottom line.

Federally mandated leave will cost us too much money, the U.S. Chamber of Commerce and other lobby groups complained. It will further erode America's ability to compete.

Furthermore, they predicted, in order to cover the costs of guaranteeing job security, employers will be forced to cut back on other critical benefits like health care and pension plans. Employees will be hurt by the Family and Medical Leave Act far more than they will helped.

Bush listened and was swayed.

He never questioned their math. A curious move, since every other industrialized nation in the world—except South Africa—has seen fit to mandate family leave.

As columnist David Broder reported in his column Wednesday, "Canada provides 15 weeks of leave at 60 percent pay; West Germany, 14 to 19 weeks at full pay; Japan, 12 weeks at 60 percent pay. How 12 weeks of leave without pay could disadvantage American firms is a mystery."

So much for the agreement that guaranteed job security would erode our ability to compete. Obviously such thoughfulness and compassion have not hurt the profitability or competiveness of Japanese businesses.

Why then, does unpaid leave pose such a threat to U.S. businesses?

It's government restraints we don't like, the movers and shakes say.

By mandating family and medical leave, Washington would be poking its federal nose into matters where it doesn't belong.

That apparently gave our slippery president an idea of how to wiggle out of this mess.

He could stand proudly on the keep-government-out-of-business soapbox while he emotionally pleads for support of the American family.

His goal: To prod the movers and shakers to voluntary enforce family leave policies on their own.

In other words, more Bushspeak instead of concrete action.

Perhaps if the speech were loud and moving enough no one would notice that he backed down from his previous stance because it required political sacrifice.

Never mind that all of this brouhaha would barely change the status quo.

Less than half of the companies that would be affected by the law have already enacted family leave policies on their own.

Would the president have us believe that his words alone would spur the reluctant ones to action?

If so, he is either dangerously out of touch with the American work-place or naive.

BUSINESS' TRACK RECORD LOUSY

Remember how business fought and hollered about the minimum wage?

Or even further back, the imposition of child labor laws?

For a clear reading on the conscience of American business, consider how many fast-food chains are now under investigation for overworking school-age children. Supervision is poor, working conditions unsafe.

We find it hard to believe that the business community at large will react any differently when it comes to adapting fair family leave policies.

What is so hard to understand is why businesses are so opposed to a policy that could in the long run raise employee loyalty and improve production through increased moral and team spirit.

The workplace has changed. Seventy-two percent of the workforce is now women. Because of a sharp drop in the number of entry-level workers, employers are forced to turn to non-traditional groups to find the employees they need. Employment opportunities for women, the disabled and minority groups have mushroomed. Most families, out of economic necessity, are two-income families, while the vast majority of single parent households are supported by working mothers.

Who is left to nurture family members in time of crisis or birth?

Family and medical leave is not a fringe benefit, but a necessity. Business leaders must recognize their obligations to their employees to help them balance work and family demands. And it is the federal government's responsibility to make sure they follow through.

Now is the time for George Bush to close his ears to special interests and concentrate on the strong family values that have served as a guidepost for his life.

[From the West Palm Beach (FL) Post, May 14, 1990]

JOIN THE REAL WORLD IN FAMILY LEAVE POLICY

While life has changed dramatically for American families in the last generation, many struggle to fit their 1990s form into the 1950s mode of the business world.

The family leave legislation passed by the U.S. House last week would help bring law into synch with society. The bill also would benefit employers by easing stress and increasing productivity and morale. Rep. Harry Johnston, D-West Palm Beach, voted for the bill. Rep. Tom Lewis, R-North Palm Beach, voted against it. The Senate will consider similar legislation next month.

The House bill requires companies with 50 or more employees at one workplace—a description covering 5 percent of the nation's companies and 40 percent of the workers—to offer men and women 12 weeks of unpaid leave to care for new children and seriously ill family members. Employees would return to work at the same job and must have worked for the company a year to qualify. Estimated cost per employee is $4.50 a year. But George Bush, who claims to be a pro-family president, pledges a veto because he opposes dictating business benefits. In doing so, Mr. Bush again shuns leadership. If he looked at modern life realistically, he would see that few problems are more agonizing for working people than providing care for ailing loved ones. And from a financial point of view, if families don't care for their own, government will have to step in.

It's no surprise that business interests, including the Florida Chamber of Commerce, oppose any benefits requirement. Curiously, however, just last month a report sponsored by the Florida Chamber and the Florida Children's Coalition stated the need for better work/family policies clearly: "More and more workers must choose between

their desire to be successful, productive employees and their commitment to being good, involved parents. While society has changed in the past 35 years, most personnel policies were set in stone at a time women provided the unpaid support services that made it possible for men to spend 40 or more hours a week in the labor force away from home."

The United States lags in the area of family leave compared with other industrialized nations. Workers in West Germany may take up to 19 weeks of leave with full pay. The policy in France is 16 weeks at 90 percent of salary. In Japan, it's 12 weeks at 60 percent of salary.

U.S. leaders must catch on and catch up. Americans torn between the demands of work and home need help.

[From the Boca Raton (FL) News, May 18, 1990]

WORKING AMERICANS DESERVE LEAVE TIME

Come on, Mr. Bush, time to cage White House pit bull John Sununu and stop asking America to read four lips—two on each side of your face. The issue is family leave. It won't go away. Mr. President, and no amount of trying to paint it as a bureaucratic parasite threatening to sap the vitality of the free market will make it go away. This is an idea whose time is long overdue.

In recent days White House staffers have done substantial damage to the president's otherwise positive image. And the family leave proposals edging their way to the Oval Office are at the center of those political bomb craters. Consider: The other day at a press conference. White House Press Secretary Marlin Fitzwater was asked what American workers should do if their employers do not offer medical leave to care for a sick family member. Fitzwater's response: "They should look for other jobs." Kinder? Gentler?

And the annoyingly combative Sununu has assured business interests that the president will squash the legislation like a big bug because of the economic menace it poses to big business.

Mr. Bush, himself, says he favors the theory of medical leave for working families, but he doesn't like the actual means of providing it. Theory, Mr. President, doesn't feed the bulldog. And it also does not help the working mother with a sick child, or a newborn, at home. A mother who all too often must choose between going to work and leaving that child alone or with a caregiver, or staying at home and losing a day's pay—or more.

The Family and Medical Leave Act has passed the House, essentially along party lines—with one notable bloc exception. A number of Republican members of the House oppose the president on this issue, and do so strongly. They are women. They call provisions of the bill that would guarantee rehire rights to employees who take leave to care for a child or sick member of the family simply a recognition of the reality of the workplace. Mr. Bush is having trouble recognizing that reality.

Of course the United States is not alone among industrialized nations in not having such a policy. South Africa, too, fails to recognize that reality. Is that the kind of company this county should be keeping?

Or should the United States follow in the footsteps of West Germany, Canada, Japan and virtually every other Western or industralized nation in providing such protection to working Americans?

The answer is obvious.

[From Roll Call, Washington, DC, May 14, 1990]

SENATE'S THREE PIECES OF UNFINISHED BUSINESS

While certain Senators are flaunting their moral superiority over the House in matters involving franking, their record on other urgent intramural questions this year has been dismal. Specifically:

1. No Action on Honoraria Ban and Pay Raise. Sens. Chris Dodd (D-Conn) and Tim Wirth (D-Colo) both introduced bills at the start of the session calling for an end to the smarmy practice of supplementing Senate incomes by taking speaking fees from private sources. The House voted an end to the scam last year, with implementation in January 1991.

But what's happened to the Dodd and Wirth bills? Nothing. Eight months from now, House Members and Senators will be making roughly the same income, but for House Members all compensation will come from the Treasury, while Senators will get about a fifth of theirs from private sources. It's an absurd situation. Senators should muster the courage to end honoraria and other outside income and to raise their pay.

2. Avoiding Employee Rights. In this case, too, the House moved first, a year and a half ago, bringing its employees under the protections of the 1964 Civil Rights Act and setting up an Office of Fair Employment Practices as a sort of grievance committee. In June 1989, Sen. John Glenn (D-Ohio) introduced a bill to extend similar protections to the Senate side. Glenn's Governmental Affairs Committee held one hearing on the bill, in September. Markup has been scheduled twice, but, in both cases, postponed. The problem is simple: Only five of the panel's 14 members are likely to back it, despite the Chairman's authorship. We're especially disappointed with Sens. David Pryor (D-Ark), Joe Lieberman (D-Conn), John Heinz (R-Pa), Jeff Bingaman (D-NM), William Roth (R-Del), and Sam Nunn (D-Ga). None of them—after all this time—has taken a position on the bill!

3. Ducking Family Leave. The House last week passed a bill requiring that employers provide unpaid leave privileges so that fathers and mothers can take care of sick or newborn children. The House specifically included itself as such an employer. The Senate version of the bill, however, excludes the Senate—in a replay of the Minimum Wage Act passed last year. The Senate, it seems, doesn't want Congress telling it how to treat its employees. Quite a few private-sector employers feel the same way.

Over the past two years, partly in reaction to revelations about conditions in the Folding Room and sexual harassment of staffers by Members, the House has moved quickly and responsibly to put into place decent protections for its workers. It has also voted to plug the two worst ethical loopholes on the Hill: the grandfather clause and honoraria. Meanwhile, the Senators have been pounding their colleagues in the other body over the head with the club of "franking abuse." On franking, the Senate is, of course, correct, and the House should adopt its procedures of accountability and disclosure. But the Senate's unfinished intramural business is becoming a disgrace. It's true that majority Leader George Mitchell (D-Maine) has had his hands full lately, but we urge him to clean up the three little items on this page quickly.

[From the Miami Herald, May 16, 1990]

FAMILY LEAVE IS FAIR

"This is the most pro-family legislation in this Congress." So said Rep. Nita Lowey, Democrat from New York of the family-leave bill that the House approved 237-187 the other day.

The bill takes a comprehensive approach to the needs of family members of all ages. To their credit, Miami's Rep. Ileana Ros-Lehtinen and 38 other Republicans voted for the bill, which President Bush may veto. They thus let him know that family issues really are nonpartisan concerns. He opposes the bill because he thinks that a business's family-leave policy should be voluntary, not Government-mandated.

The House established a minimum standard of up to 12 weeks of unpaid leave for workers to care for newborns, newly adopted children or a seriously ill child, parent or spouse. The standard would apply to businesses with 50 or more employees, a compromise from the original 35-employee minimum proposed. It also entitles Federal employees to up to 18 weeks in two years for family leave and up to 26 weeks in one year for medical leave.

The General Accounting Office estimates that the bill would affect 5 percent of all employers, costing each about $5.30 per covered employee. It would have an impact on 44 percent of America's workers.

The Senate hasn't yet taken up a similar version. When it does, the opposition's main argument will be the same as President Bush's: Family and medical leave is a good thing, but business shouldn't be told by Government what benefits it must provide.

Nonsense. It was once generally agreed that taking 10-year-old children out of coal mines and sweat shops was a good thing, too. But if the U.S. Government hadn't established minimum-age restrictions and basic job-safety requirements, a number of minor children would still be working in dreadful conditions.

The Government has an abiding interest in the health and welfare of Americans. These begin with the family. Workers able to take time off to care for a newborn or a sick parent without fear of losing earned health benefits or job security is good for the American family and the economy. It reduces the need for public assistance and promotes competency and continuity in the work place. Fair-minded family-leave standards are indeed pro-family—and pro-business as well.

[From the New London (CT) Day, May 16, 1990]

FAMILY LEAVE IS COMMON SENSE

If men could get pregnant, America would have passed a family leave bill 30 years ago.

In a mixture of sexism and survival of the fittest, our government has never protected the jobs of women who take time off to have children. Only 30 percent of working women in the U.S. get any maternity benefits at all. There is no guarantee even of unpaid leave and certainly no assurance that a woman will have a job to which to return after having a baby.

All the praise of the American family becomes lip service when it comes time for government to protect people who have and raise children. And it doesn't stop with maternity leave.

Imagine your child is in the hospital, frightened and ill, but you can't stay by his side because your boss warned you that you would be fired if you took another day off

from work. Imagine you have cancer and are forced to wonder whether you will lose your job as well as your health.

Both scenarios occur every day in the United States.

But that doesn't have to be.

For the first time in five years, a family leave bill has passed the House of Representatives. To its credit, the Connecticut delegation unanimously voted for this proposal.

It would guarantee most workers the right to take unpaid leave of 12 weeks in the event of the birth or adoption of a child or a family medical emergency. The bill does not affect businesses under 50 employees. The proposal thus would exempt 85 percent of all businesses in the United States, but cover about 60 percent of American workers.

The fight now goes to the Senate, where advocates rely on Sen. Christopher J. Dodd, the original sponsor of the measure, to help pass the bill. Without Sen. Dodd's leadership, proponents say, the chances of passage are slim.

Conservatives shriek that this proposal is the first step towards socialism, an absurdity matched only by the hysteria with which business once fought child labor laws.

The fact is that America is the only western, industrialized nation aside from South Africa which does not guarantee some form of family leave.

Most nations, in fact, guarantee paid leave, a suggestion that gives the political Right fits.

It is time to end relying upon a patchwork system of state regulations or the benevolence of employers to give workers a guarantee of unpaid leave.

The White House has threatened a presidential veto if the bill passes the Senate.

That would be a tragic mistake.

But if the kinder, gentler president vetoes the measure, George Bush would be showing the nation at least what he really is: A Republican pragmatist who puts the needs of corporations ahead of common decency and the needs of families.

[From the Middletown (CT) Press, May 9, 1990]

THE FAMILY LEAVE BILL

Should there be a federal law that guarantees employees time off for illness and family leave? President Bush is now threatening to veto such a bill, and it is therefore not at all clear that it will become law if passed.

The proposed federal law would require businesses with more than 50 employees to provide unpaid time off for the care of the newborn, newly adopted or seriously ill children. It also would require employers to allow time off to deal with personal health problems or ill spouses or parents.

Under the House bill, employers would have to offer up to 10 weeks of unpaid family leave over a two-year period, and up to 15 weeks in one year for a sick worker. Health insurance benefits would have to be continued for those on leave.

The House legislation is in one sense less generous to employees than Connecticut state law, and in another respect more inclusive. In Connecticut, starting July 1, employers with 250 or more employees must offer 12 weeks of unpaid leave. By 1994, companies with 75 workers must offer 16 weeks' leave.

No doubt most Americans would agree that there are circumstances when unpaid leave is appropriate. A Woman should be allowed to have a baby and return to work. There are occasions when personal or family illness compels absence from the job. It is generally the amount of time allowed off that is the basis for dispute. For a new mother, three months does not seem too long to be absent from the job; for an ill parent, the amount of time that can be realistically devoted to their care may be more problematic. It is usually the case that the problem is to allow enough time to deal with the situation.

While a maximum of 12 weeks leave for all causes would appear to be a possible compromise, the period of time selected is obviously going to be viewed differently by many individuals. The president should work to find a reasonable point of agreement in considering the issue. Just saying no is not good enough.

[From the Torrington (CT) Register Citizen, May 16, 1990]

BUSH AND "FAMILY VALUES": JUST TALK?

Remember all the Republican campaign talk about warm and cuddly American family values: Mom at home with the new baby, Dad taking care of an aging and frail Grandpa? At long last, a "family-leave" bill with bipartisan support is working its way through Congress. It would require businesses with 50 or more employees to offer unpaid time off to care for newborn, newly adopted or seriously ill children, to deal with personal health problems or to tend ill spouses or parents. An employee on leave would be able to continue health insurance benefits and could return from leave to her/his previous job or an equivalent position.

Connecticut already has similar legislation on its books. And on a national level, the House of Representatives understands the need. Last week it passed an unpaid leave bill that has been a major goal for working parents and has become increasingly important to their financial security as more and more Americans must find ways to care for aging family members. Connecticut's six House members, including this district's Republican Representative Nancy Johnson, voted for the measure.

Forget it. This is George Bush's America, where the opposition of the U.S. Chamber of Commerce is more important. The kinder, gentler president said last week that he will veto any bill that would require employers to allow workers time off for new babies or family illnesses. Oddly enough, his opposition was relayed to the world just after he met at the White House with business lobbyists who oppose the bill.

Adding insult to injury, the announcement was made by White House chief of staff John Sununu, who, while governor of New Hampshire, took leave from his professorial duties at Tufts University. Did Mr. Sununu get to keep his job benefits from the University? You bet.

But what about the woman whose earnings and career suffer when she takes maternity leave only to find at leave's end that the job she was promised upon her return is somehow no longer available? Or the man who must take time from his work to arrange care for an ill or incompetent parent? Or the new father who wants to participate in his child's early life?

They're out of luck.

George Bush talks a good game about improving the lot of working people and families, but when push comes to shove he's ready to let business do the pushing and have the voters get shoved.

[From the Danbury (CT) News-Times, May 13, 1990]

FOR FAMILY'S SAKE

Despite the threat of a presidential veto, the House has taken a bold step to keep families working and together.

The so-called family leave bill would allow a person with an ill spouse, child or parent, or a newborn, to take up to three months off without pay in any one year.

The company would be obliged to continue the worker's medical benefits. At the end of the leave the person would return to the same or comparable job. Only companies employing more than 50 people would come under the law.

In many households today, both spouses are obliged to work just to meet mortgage payments. Worry about an illness compounds the sometimes fragile family life. To know that one can take off to get through a tough period will make that person a more productive employee on his or her return.

Not all families will be able to afford the luxury of time off. The single-parent family is one. A family at the poverty level is another. Some will find friends or relatives to help pay for the necessities of life while they give loving care to a parent or child.

The bill has been fought by business interests and lobbyists who claim either the matter of leave should be left to the employer and employee to work out or that the cost would be exorbitant.

Only 5 percent of the nation's businesses would be affected by the law, but they do employ 44 percent of the workers. The General Accounting Office has figured that the cost to businesses would be $5.30 per covered employee a year.

Many employers would not fill a three-month vacancy, especially in depressed business times such as these, but would spread the work out among others. Greater productivity would result. Or, if someone should leave during the leave period of another, that vacancy could end up not being filled.

The loss to business would not be great, and President Bush should consider the true economic impact before deciding whether to exercise his veto. The economy of the 1990s demands an enlightened approach in dealing with the work force.

[From the Sacramento Bee, May 8, 1990]

TIME TO BE A PARENT

Since the days of Ozzie and Harriet, the proportion of U.S. mothers in the work force has tripled, to 65 percent; more than half of all women with children under 1 now work. Yet despite this huge sociological shift, national social policy has not yet changed to help two-earner or single-parent households balance work with their family responsibilities. The family and Medical Leave Act, before the House of Representatives this week, would begin to change that.

H.R. 770, a bipartisan bill authored by Reps. William Clay, Patricia Schroeder and Marge Roukema, would require large employers to allow workers to take one job-protected leave of up to 12 weeks a year to care for a new baby, a sick child or an ailing parent. An employee would also be eligible for the leave to recuperate from a serious illness. Family and medical leaves would be unpaid, but companies would be required to maintain health benefits for the absent worker.

Business groups strongly oppose the family leave legislation, arguing that it will be burdensome to companies, especially small ones. But the same thing can be said

about any labor standard, including the 40-hour week and health and safety rules. What counts in such matters is how the benefits of the policy weigh against the costs. In the case of family leaves, the burden is small and the social benefit important. The legislation exempts companies with fewer than 50 employees, thereby eliminating any burden from 90 percent of employers. The General Accounting Office has estimated that only one employee in 275 will be on leave at any given time and that the total cost to business will be $236 million a year, most of it for health insurance for workers on leave.

The need for labor policies that acknowledge workers' dual rule as providers and parents is recognized around the world: The United States is alone among the major industrialized nations in not providing leave for parents with new children; indeed most countries, in requiring paid leave, go much further than that. As a result, in U.S. households where both parents must work, or where a single parent is the sole source of economic support, a pregnancy or a seriously ill child or elderly parent can become an agonizing dilemma in which parents must weigh their family obligations against their economic need to retain their job.

That's cruel and counterproductive to society's desire for healthy families. In a civilized nation, normal events of family life should not be a source of anguish and economic peril. The House should pass the Family and Medical Leave Act.

[From the Denver Post, May 14, 1990]

FAMILY LEAVE BILL MAKES SENSE

Americans harbor an idealized myth about the family—built from the images of paintings by Norman Rockwell and reruns of Leave It To Beaver—and that fantasy may cripple this country as an economic power.

The family where Dad goes to work and Mom stays home to care for the kids now describes less than 10 percent of all American households.

Economic pressures and increased global competition are forcing more parents into the workplace; the notion that mothers in large numbers will ever again stay home with the kids is an unrealistic pipe dream.

Yet American businesses and U.S. law have ignored this radical transformation of the American family.

There are five countries on Earth that don't require employers to grant workers a leave of absence for family emergencies: the Third World lands of Sudan, Guyana, and Burkina Faso, and the industrialized nations of South Africa and the United States.

West Germany, Japan, Singapore and other thriving economic powers have dedicated, efficient workforces partly because they recognize that employees are human beings who cannot separate their home lives from their workplace performance.

But as technology continues to shrink the globe, corporations will locate their operations wherever they please—and they won't chose countries with high drug abuse, crime or illiteracy rates. The United States has trouble with all three social ills, and each of them can be traced to weak family ties.

It just makes economic sense to let American workers take good care of their families.

That's why it is so appalling that President George Bush and a few other high-ranking Republicans oppose a reasonable measure that would require U.S. employers to give their workers unpaid leave of absences for family emergencies.

Co-sponsored by U.S. Rep. Pat Schroeder of Colorado, the proposal would cover 60 percent of the American workforce. It passed the House by a large margin last week, and soon will come up for a vote in the Senate.

Bush's threatened veto of the measure simply is anti-family and anti-economic growth.

No doubt the business groups pressuring Bush to oppose the measure also would have objected to the eight-hour workday and prohibitions against child labor.

But both of Colorado's U.S. senators should support the family leave proposal.

Sen. Tim Wirth regularly has supported progressive measures on issues such as child care, and this measure complements those other efforts.

Sen. Bill Armstrong long has advocated moves to strengthen the family—and there is no more important support the government could offer than a measure to let family members take the time to care for a loved one. That's all this measure really asks employers to do.

Bush and his advisers—one of whom flippantly told women who don't like their employer's maternity leave policies to find other jobs—simply are out of touch with the daily troubles that confront American families.

The president should ponder, for a moment, what it would be like to be a single parent and sole breadwinner, who has an ill child but no money to hire a full-time babysitter. The economic toll would be exceeded only by the emotion agony.

It is time to ready the American workplace for the 21st Century. The alternative is to let the United States languish while it watches the rest of the industrialized world continue to soar toward economic victory.

[From the Los Angeles Times, May 10, 1990]

UNPAID LEAVE: IT'S ABOUT TIME

President and Mrs. Bush know the grief of losing a child. Their daughter, Robin, died of leukemia in 1953. Back then, most women were homemakers, so caring for a terminally ill child did not jeopardize a job. Now, most women work and few mothers or fathers can take time off to tend to a dying child or elderly parent without losing their livelihood.

The Family and Medical Leave Act would allow employees to take limited unpaid leave of up to 12 weeks for a serious medical emergency, and return to the job. The House is expected to approve the bill today.

The measure enjoys strong bipartisan support, but President Bush has threatened a veto because business leaders fear paying billions to hire replacement workers and continue benefits for employees who take the leave. The greatest expense would come from continuing health insurance coverage, according to the U.S. General Accounting Office, at $188 million annually.

The costs are much higher in lost earnings for workers who take time off for childbirth, the serious illness of a child or elderly parent, or their own medical emergency. Those losses, according to a study by the University of Michigan cost workers and taxpayers $108 billion annually.

The House bill exempts 95% of the nation's employers—it covers firms with 50 or more workers—and protects 60% of the employees. Significantly, it would provide the only leave for many poor workers who enjoy few benefits.

President Bush favors voluntary family leave. Surely, his compassion is broader. No mother or father should have to choose between taking home a paycheck or taking care of a dying parent, or a dying child.

[From the Long-Beach (CA) Press-Telegram, May 14, 1990]

NATION NEEDS PARENTAL LEAVE

At a manageable cost and with strong precedent, it is time for the federal government to acknowledge what many employers already know: Family needs are a powerful component of employee needs. According to published reports, almost three out of every four women with school-aged children work. So do more than one of every two women with pre-school-age children. In that light, a proposal to require large firms to allow workers to take extensive parental and family leave makes humane good sense.

As approved by the House of Representatives last week, the plan would require firms with 50 or more employees to give workers up to three months of unpaid leave annually to care for new babies, newly adopted children and seriously ill family members. President George Bush has promised to veto the bill, which has strong opposition from Republican forces. Opponents claim the bill will cost employers too much, reduce the wages and benefits of other workers and set an improper precedent for federal intervention in job conditions. Others say that the plan sounds like nothing more than a middle-class entitlement—that only Yuppies will be able to afford so much time off without pay.

None of which is wholly persuasive. One federal study suggested that the plan would cost businesses only about $200 million a year, a pittance. Moreover, the time has long passed when conservatives could argue against intervention into working conditions by the federal government. The federal government has a right—yes, even a responsibility—to intervene on behalf of workers who would otherwise find themselves penalized for the crime of having a family to look after. The needs and responsibilities of a family is one reason why so many women enter the workforce after motherhood to begin with. As for that entitlement jazz: Two-income Yuppie families might well be least inclined to take the time off, and besides, affluence shouldn't be viewed as something that diminishes the demands of family.

If the Senate cuts away some less-needed aspects of the plan, a pro-family White House can hardly object to its basic structure. Indeed, Bush himself said, during his campaign for the presidency, that a gentler nation would be one in which women were not punished in their career simply because they have responsibilities at home.

The parental bill does not raise powerful issues of free-market noninterventionism, nor high market costs, or even low-end wage reductions. It is, at its core, merely a way to make the needs of family and career more responsive to each other. At such a low price and with such a high benefit, only the most shortsighted will view it otherwise.

Mr. DODD. Mr. President, I also ask unanimous consent that the list of groups and organizations that have also supported this legislation be printed in the RECORD as well.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FMLA ENDORSING ORGANIZATIONS—LIST (PARTIAL), MARCH 1989 (CONFIRMED AS OF MARCH 13, 1989)

9 to 5, National Association of Working Women.
ACTWU.
ACORN.
AFL-CIO.
AFL-CIO Dept. of Occupational Safety, Health and Social Security.
AFL-CIO Public Employee Department.
AFSCME.
Alabama Coal Mining Women's Support Team.
Amalgamated Transit Union.
Ambulatory Pediatric Association.
American Academy of Child and Adolescent Psychiatry.
American Academy of Pediatrics.
American Association of University Professors.
American Association of University Women.
American Association for Counseling and Development.
American Bar Association.
American Civil Liberties Union.
American Federation of Government Employees.
American Federation of Teachers.
American Home Economics Association.
American Jewish Committee.
American Jewish Congress.
American Medical Women's Association.
American Nurses Association.
American Occupational Therapy Association.
American Postal Workers Union.
American Psychological Association.
American Psychiatric Association.
Americans for Democratic Action.
Archdiocese of St. Louis, Commission on Human Rights.
Association for Children and Adults with Learning Disabilities.
Association for Gerontology in Higher Education.
Association for Retarded Citizens.
Association of Flight Attendants.
Association of Junior Leagues.
The Candlelighters Childhood Cancer Foundation.
Catholic Golden Age.
Center for Law and Social Policy.
Child Welfare League of America.
Children's Defense Fund.
Church of the Brethren.
Church Women United.
Citizen Action.
Coal Employment Project.
Coalition of Labor Union Women.
Colorado Psychiatric Association.
Commission on Human Rights.
Committee for Children.
Committee of Interns and Residents.
Communications Workers of America.
County of Santa Clara Commission on the Status of Women.
Disability Rights Education and Defense Fund, Inc.
Eastern Kentucky Coal Mining Women's Support Team.
Economic Policy Council, United Nations Association.
Epilepsy Foundation of America.
Families for Private Adoption.
Fathering Support Services.
Federally Employed Women.
Feminists for Life of America.
Food and Allied Service Trades Dept. AFL-CIO.
Gray Panthers.
Highlander Research and Education Center.
ILGWU.
Illinois Coal Mining Women's Support Team.
Indiana Coal Mining Women's Support Team.
Institute for Child Mental Health.
Institute for Peace and Justice.
International Brotherhood of Teamsters.
International Association of Fire Fighters.
International Union of Electronic, Electrical, Salaried Machine and Furniture Workers.
Jewish Labor Committee.
Lady Miners of Utah.
Leadership Conference on Civil Rights.
Longshoremen's and Warehousemen's Union, International March of Dimes.
Men's Rights, Inc.
Mennonite Central Committee, U.S. Peace Section, Wash. Office.
Mental Health Law Project.
Mexican American Business and Women's Professional Club of San Antonio.
Mothers Matter.
NA'AMAT USA.
Nurses Association of the American College of Obstetricians and Gynecologists.
National Adoption Center.
National Alliance for the Mentally Ill.
National Association of Area Agencies on Aging.
National Association of Developmental Disabilities Councils.
National Association of Letter Carriers.
National Association of Foster Grandparents Program Directors.
National Association of Older American Volunteer Programs.
National Association of RSVP Directors, Inc.
National Association of Senior Companion Project Directors.
National Association of Protection and Advocacy Systems.
National Association of Social Workers.
National Committee to Preserve Social Security and Medicare.
National Conference of State Legislators.
National Conference of Women's Bar Association.
National Consumers Union.
National Council for Children's Rights.
National Council for Research on Women.
National Council of Catholic Women.
National Council of Jewish Women.
National Council of the Churches of Christ in the USA.
National Council on Family Relations.
National Down's Syndrome Congress.
National Education Association.
National Federation of Business and Professional Women's Clubs.
National Federation of Federal Employees.
National Federation of Temple Sisterhoods.
National Jewish Community Relations Advisory Council.
National Multiple Sclerosis Society.
National Parents and Teachers Association.
National Perinatal Association.
National Tay Sachs and Allied Diseases Association, Inc.
National Treasury Employees Union.
National Union of Hospital and Health Care Employees.
National Women's Party.
National Women's Law Center.
National Women's Political Caucus.
NETWORK: A Catholic Social Justice Lobby.
New Ways to Work.
Newspaper Guild.
North American Council on Adoptable Children.
Northeastern Gerontological Society.
Northern West Virginia Coal Mining Women's Support Team.
Office and Professional Employees International Union.
Older Women's League.
OURS, INC.
Pennsylvania Coal Mining Women's Support Team.
Pension Rights Center.
Planned Parenthood Federation of America.
Service Employees International Union.
Southern West Virginia Coal Mining Women's Support Team.
Southwestern Virginia Coal Mining Women's Support Team.
U.S. Catholic Conference.
United Auto Workers.
United Food and Chemical Workers.
Union of American Hebrew Congregations.
United Cerebral Palsy Association, Inc.
United Church Board for Homeland Ministries.
United Methodist Church, General Board of Church and Society.
United Mine Workers of America.
United Steelworkers.
Washington Council of Lawyers.
Western Kentucky Coal Mining Women's Support Team.
Wider Opportunities for Women, Inc.
Women on the Job.
Women's Equity Action League (WEAL).
WEAL, Ohio.
Women's Bar Association of D.C.
Women's Lawyers Association of Michigan.
Women's Legal Defense Fund.
YWCA of the USA, National Board.

Mr. DODD. Mr. President, I hardly expected that today we would be concluding consideration of the bill this evening, but I am pleased with that result.

I thank the minority leader. He came up with a suggestion. I know there were some who would have wished we might have had a fight out here. I think the rule of politics is when you get a victory, you take it and go with it.

My hope is before the next couple of weeks are up we will have, for the first time in this country, family leave legislation that will provide meaningful assistance to working families across this Nation.

Mr. President, I reserve the remainder of my time.

Mr. KENNEDY. Mr. President, I yield such time as the majority leader would like.

The PRESIDING OFFICER. The majority leader is recognized.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I have a statement to make on this legislation. I will defer to my colleagues, the distinguished Senators from South Carolina and from Massachusetts. I merely wanted to make an announcement for the information and convenience of Senators.

So far as the distinguished Republican leader and I are now aware, there

are no requests for rollcall votes on either the pending family medical and leave package or the budget resolution. Unless we receive a request, there will not be any further rollcall votes this evening.

Gaining this agreement will permit us to complete action this evening on two very important matters that previously had been scheduled for approximately 1 week each. We had anticipated 1 week on the Family Medical Leave Act, and 1 week on the budget resolution.

We all know in the past the budget resolutions often have been of lengthy and contentious consideration in the Senate. That may yet occur when we come back with another resolution. But as of now, we are able to complete action on these in a relatively concise period of time. I am very grateful to all of the Senators who have participated in making that possible.

That being the case, barring a further request, which I do not anticipate and which I hope will not occur, there will be no further rollcall votes this evening.

The Senate will not be in session tomorrow. We will be in session on Monday to take up the housing bill, although there will be no votes on Monday. Then I anticipate that we will begin voting on matters relating to the housing bill on Tuesday.

So I thank all of my colleagues for their cooperation.

Mr. DOLE. If the majority leader will yield for 30 seconds, to underscore the point that there has been no rollcall vote request on this side, I would certainly discourage anybody who had an idea like that at this point.

But this is a major concept agreement. It covers a lot of territory. I hope that our colleagues appreciate the fact that we have been able to do it. If we can do it without any rollcall, we will not disrupt many who are off at different functions this evening.

I thank the majority leader.

Mr. HATCH. Mr. President, I want to make sure that all of my colleagues are clear on the administration's position on H.R. 770, the Family and Medical Leave Act.

Here is Secretary of Labor Elizabeth Dole's statement:

> There is no question I strongly recommend that President Bush veto the so-called Family and Medical Leave Act. It is a mandate * * * telling businesses what benefits they must offer. There is no flexibility, no freedom of choice—just do it. One of my highest priorities is making work and family complementary—not conflicting goals. But, we cannot achieve that end when, in the wisdom of Washington, we tell business how and what benefits to offer workers. Freedom of choice is what this debate is all about.

That is precisely what this debate is all about. it is about whether a one-size-fits-all Federal mandate should be forced upon employees and employers. It is another case of the Congress exhibiting the arrogance to say that we know what is best—despite the objections of many, and despite clear evidence that most employees would prefer flexible benefits plans to be available to them rather than inflexible take-it or leave-it plans.

That is the issue. The proponents have tried their best to disguise the nature of this issue—they have wrapped this proposition in pretty paper and tied brightly colored ribbons around it in an attempt to divert our attention from the product we are really being asked to purchase.

So, let me spend some time removing each of these pretty ribbons so that we can expose an inflexible, Federal mandate. That is not an attractive deal, whether we call it profamily or big government.

How about this for a myth designed to bring out our worst perceptions about the greed and ignorance in our country. The proponents of this legislation keep asserting that the United States is the only industrialized country outside of South Africa without a family leave policy.

Obviously, we are supposed to feel like we are backward. But, the real question is whether we want to trade our social and economic lifestyle for any other industrialized country's. I don't think so. Let's look at the effect central government mandated benefit policies have had upon the social and economic systems.

For instance, for years we have heard how the social policies in Sweden are the envy of the world. But, a close look at the impact those policies have had on the family structure in Sweden reveals some disturbing trends.

If we were to use Sweden as a model, we would find out that Swedish parents are entitled to 12-months maternity leave, which they can share between them. Parents also get 60 days of sick leave a year for each child under 12 years old. With leave benefits such as these, we would expect the Swedish family to be secure, stable, and flourishing.

That is what the proponents of H.R. 770 suggest. But, the facts reveal a different story. In fact, there are four divorces in Sweden for every seven marriages leaving the country with one of the highest divorce rates in the Western World. At an average of 1.8 children per family, the Swedish birth rate is below the level necessary to sustain the nation's current population. In 1984, almost 25 percent of all pregnancies ended in abortion. And, 46 percent of all births in Sweden were out of wedlock. More than 50 percent of the population living with partners in the 20 to 30 year-age bracket did so without the benefit of marriage.

In all, if we want to assess the results of policies such as the one in Sweden, we would have to arrive at the same conclusion made by the author of the article in the Wall Street Journal from which these statistics came—instead of promoting family policies, the result of liberal, Federal mandates in Sweden has been family dissolution. The final assessment of the value of these social provisions, I quote—"for the performance of nearly every function, the act of procreation excepted, the parental state offers a substitute for the family unit."

Is this really a model for the formulation of social policy in this country?

Well, if not socially, how about economically. The European economy over the past decade has been the envy of none. In contrast, the American economy has achieved the status of being the model for the world. Fact is, in Europe, our economy is referred to as "the great American job machine." And, for good reason which I would like to explore.

Mr. President, I have brought with me today a series of charts which I think graphically display the contrasts between the results produced in the European and U.S. economies. I call your attention to the first chart, which contrasts the job growth in the United States with the job growth in the European countries since the year 1980.

It is a remarkable contrast. Just consider this—the United States alone produced more than four times the number of jobs over the past decade as France, Germany, Italy, the Netherlands, Sweden, and the United Kingdom combined.

At the beginning of this decade, the same six nations I just mentioned had a level of total employment which actually surpassed the level of total employment in the United States. In fact, in 1980, 3 million more individuals were employed in these nations than in the United States.

What has happened since is a remarkable success story. By 1989, total employment in the United States has climbed to over 119 million persons and we now surpass total European employment levels by an amazing 11 million individuals. That is why we—not any of the countries I just mentioned are the envy of the world.

Let me proceed to the next chart.

Certainly, one would think that such liberal social policies as those which a host of government mandated benefits would produce would certainly cure any problem a nation might experience with unemployment. Wrong again.

As this second chart indicates, while unemployment rates vary widely among the European countries, they have one thing in common. With the exception of Sweden, unemployment

rates in Europe are all above United States unemployment rates.

And if I could ask that the third chart be displayed, in combination, if the data for all the European countries are combined, the unemployment rate for Europe would be 8.4 percent, more than 3 percentage points higher than the U.S. unemployment rate of 5.2 percent in 1989.

I would suggest that in the United States, an unemployment rate of 8.4 percent would be considered a recessionary level and both politically and economically unacceptable.

If I just turn to one last chart, I think we have reason to be proud in the United States. In all, this Nation has been successful in providing employment for 63 percent, or almost two-thirds of the working age population. Contrast the 52 percent of the working age population which is employed in France, Germany, Italy, The Netherlands, Sweden, and the United Kingdom combined.

Now, why have I spent so much time contrasting the social and economic atmosphere in Europe versus the United States? The answer is that only when the facts—the real facts—are brought to our attention can we fully understand why assertions such as "the United States is the only civilized, industrialized country outside of South Africa without a family leave policy" are not only misleading, but dead wrong. In truth, we are not trailing behind these nations—they are trailing far, far behind us.

The final analysis, Mr. President, rests in the answer to this question. Which nations are the emerging democracies of the world trying to emulate? Is it France, is it Sweden, is it Italy? No. The United States is the model of personal liberty and economic freedom for the world. Let us not be led down a guilt trip by those who would model our system of government on failure.

A second myth I think we should explore is the assertion that the Nation's working families need this benefit—that there have been too many instances of companies firing employees because they were ill or had to take time off to care for sick family members.

Lets put the validity of these statements to test by seeing how they withstand the facts.

An obvious indicator of the need for mandated parental leave is what employees themselves think about the issue. Obviously, when questioned as to whether parental leave is a good idea, there is almost unanimous agreement in the affirmative. Of course, as I have said time and again, any employer who would dismiss or demote diligent, skilled employees only because they have children or because they are legitimately caring for a seriously ill child or parent may indeed have a screw loose somewhere.

Even Ebenezer Scrooge learned that you can't beat it out of workers. Enlightened human resources policy in the 1990's—when more and more workers are struggling with work family conflicts—dictates that employers provide as much leeway as possible.

It hardly needs to be said that those employers who help workers resolve these problems will have an exceedingly loyal work force. And moreover, those employers who meet the challenge of providing workplace flexibility will be better able to compete for the shortage in skilled workers which we are already experiencing.

So, of course, if one asks whether any type of benefit is important, workers will answer "yes"—absolutely. But, the real test is whether one particular type of benefit is the universal cure-all for balancing work and family conflicts. When employees are questioned about which type of benefits they really want, overwhelmingly, they chose flexible, cafeteria-style benefit programs over an inflexible unaccommodating, no-choice benefit plan.

Lets back that up with the facts.

According to a employee attitude survey on flexible compensation produced by the Swinehart Consulting firm:

Ninety-one percent of the women and 80 percent of the men using flexible compensation plans prefer such plans over other benefit systems with fewer choices.

Ninety-seven percent of the women and 64 percent of the men surveyed indicated that, if their employers were to revert back to their old, inflexible plan, that they would be very, very displeased with such choice.

In fact, 87 percent of the women surveyed and 61 percent of the men, said that such a decision to revert back to an inflexible plan would strongly or somewhat influence their decision to seek or take another job with another employer who offers a flexible compensation plan.

And, all other things being equal, well over half of the women surveyed stated that in a job search, they would be influenced by an employer offering flexibility over other employers with limited, inflexible benefit options.

Mr. President, the bottom line is that a clear majority of American workers will express a clear interest in having available options for benefits. And, let's face it, that is the question here—options versus mandates. So, let's not be deceived by the myth that the Government knows what is best for American workers. We in the Congress are a poor judge of what are the benefit priorities of the Nation's work force simply because benefit packages do not come in a one-size-fits-all format.

Let me just offer some evidence of what I mean by flexibility versus inflexible mandates.

In recent years, there has been a growing trend among our Nation's employers to provide a wide array of employee benefits. A partial list includes the following: Health insurance, life insurance, dental and vision care, long- and short-term disability, generous paid vacations, sick leave, maternity leave, pensions, paid holidays, bereavement leave, education assistance, legal aid, adoption assistance, profit sharing, employee assistance, and employee discounts.

The point is this, Mr. President, in answer to the demands of the American work force, the number of major employers that give employees a choice of benefits through flexible compensation packages is soaring. According to a study by Hewitt Associates, in an annual survey of employers, in 1980, only 12 flexible cafeteria employee choice-type benefits programs were in place in industry. Now, a decade later, 1,200 such programs are in place.

Once again, let me demonstrate with a series of charts the point I seek to make.

Today, employee benefits represent more than one-fourth of the total compensation costs paid by employers. While wages and salaries account for 72.7 percent of the total employee compensation costs of American employers, in 1989, benefits represented 27.3 percent of these total costs.

What is astounding about this financial analysis is how benefit programs have grown during the past decade.

As the chart displayed behind me reveals, Mr. President, real wages and salaries rose only 3 percent between 1980 and 1989. In contrast, the growth of benefits exceeded this rate by almost six times—representing a total growth of 17.2 percent in benefits versus the 3-percent growth in salaries.

Now let me explore for a moment the distribution of these benefit costs which are borne by private industry.

As the second chart displays, the benefits pie is comprised of a variety of costs in a variety of areas. As we see here, insurance costs represent 22 percent of the benefits pie, retirement and savings represent a little over 10 percent of these costs, supplemental pay represents almost 9 percent, and paid leave represents, currently, more than a quarter of the total benefit costs borne by employers.

Remarkably, over the last decade, legally required benefit costs—have increased from just over one-fourth of the total benefit costs paid by employers to almost one-third of these costs. Today, as the chart displays, 32.6 percent of total benefit costs are legally required.

What is the point, Mr. President? The point is that when we combine current benefit levels with the current level of wages and salaries, we have a benefits pie which is complete.

Let me now display another chart which I think depicts graphically my point.

Fact is, the benefits pie cannot be expanded, only its pieces adjusted. To accommodate a new piece, another piece must be removed.

Just consider this for a moment. The real world results of the Congress' well-intended mandates are more often than not spillover costs. If we mandate an increase in the minimum wage—employers absorb this cost by either increasing the prices of their goods and services or cutting back on employment.

Again, pieces of the pie can be rearranged, but an expansion in one form of compensation will obviously result in the crowding out of the growth in other areas. For example, the rapid growth in health care costs and legally mandated benefits in the 1980's have contributed to less growth in wages and salaries during the same period.

Again, what do employees think about this? A survey by the census of certificate employee benefit specialists found that a majority—62 percent—of respondents are concerned that an expansion in mandated parental leave policies may actually reduce the overall flexibility of employers to meet the needs of a changing workforce.

Work and family are interrelated spheres of influence, and the factors and special circumstances that affect the employer response to workers and families are complex. Needs assessment, flexibility, and community resource coordination are key factors in developing services and policies.

Employers should not be discouraged from providing a range of flexible policies and a variety of both direct and indirect services, Mr. President. But, this bill will prevent employers and employees from working together to creatively address various work and family conflicts. Mandating benefits that some employees prefer and others do not will discourage employers from providing benefits which may be of greater value to the employee, but do not meet the specific mandates of this proposal.

Do employees need this legislation or do employees need flexibility to chose the benefits which best meet their needs?

Does this Nation want benefit policies which restrict changing family options or do we want policies which promote this flexibility?

Before leaving this, let me just offer some insight into specific actions which employers cite as examples of how they would be forced to rob Peter to pay Paul as a result of mandated parental leave policies.

First, in a letter from the First Federal of Arkansas Co., this statement appears:

> This mandated requirement would require us to employ more temporary employees and increase our medical costs. Our medical premium cost increased 180 percent this year. If this legislation passes, we will be forced to evaluate and reduce our health benefits and pass more of the cost to our employees. Our annual cost of health insurance is $1 million. Mandated leave will reduce our employees take home pay and reduce full-time employment.

The Senator from Connecticut asserted yesterday that no evidence of specific consequences has been offered. This is a very telling example. But, let me offer a few more.

The E.P. Electrical Parts Co. of Alburquerque, NM, writes:

> This type of legislation is going to drive more small businesses out of business. There is no way that most small businesses can retain extra help, pay extra salaries, pay extra benefits just to save places for other employees who take extended leave for any of the reasons stated in the Family and Medical Leave Act. We simply cannot come up with extra money to support benefit plans that someone dreams up and do not think thru the results of such plans in future years.

Another example, the Aerofin Corp. of Lynchburg, VA, makes the following statement:

> If we are required to provide this type of leave, we will be forced to absorb the cost of this program through some means such as reduction of other benefits, or a possible reduction in jobs, or an increase in product prices. Nothing in the way of benefits comes without a price tag.

Mr. President, I could go on for hours covering the real world consequences of this legislation being enacted. In fact, this note book is filled with testimonial after testimonial of this nature.

So, if there is any doubt on the part of the Senator from Connecticut about documenting what is going to happen I now offer to provide this massive notebook which the Senator can review and educate himself about what happens in the real world when the Government mandates benefits such as parental and medical leave.

But, just let me suggest that even more sweeping consequences are possible than upsetting the benefits pie. Let me just cite one brief example which appeared in an April 1988 story generated by the United Press International service.

The head line is "Parental-Leave Policy Scares Company Away." The story is from Harrisburg, PA, and reads as follows:

> The Rite Aid Corporation has scrapped plans to build its $28.5 million corporate headquarters in Harrisburg, saying that the City Council's passage of a parental-leave bill set a disturbing precedent in municipal regulation.

The business said:

> We're concerned that this is the tip of the iceburg, that the City Council would become involved in other areas and tell us how to manage our business.

The proponents of the city regulation argued that the United States and South Africa were the only industrialized countries that do not provide job protected leave.

A third myth I believe we should explore is that American businesses currently offer little or no parental leave benefits.

Again, I think an analysis of the facts educate otherwise.

In fact, surveys reveal that the great majority of employers—who are in a better position to know the needs and situations of their employees—already provide some type of medical and parental leave:

A survey by the Food Marketing Institute of wholesale and retail food distributors that operate more than 10,000 stores and employ over 1 million people shows that 88 percent of employers offering maternity benefits provide paid leave for full-time workers. The average paid leave of those surveyed was 14 weeks.

A survey of 357 companies representing all sectors of the private economy by the American Society of Personnel Administration shows that 80 percent of women who are absent from work because of pregnancy-related disabilities receive partial or full pay. Additionally, 90 percent of the companies allow parents to take time off to care for sick children.

A survey by the Concerned Alliance of Responsible Employers of over 1,300 retailers, wholesaler-distibutors, small manufacturers and restaurant owners—86 percent of whom employ less than 51 employees—revealed the following leave policies:

Eighty-three percent provide sick leave;

Seventy-one percent provide leave without pay;

Ninety-one percent provide vacations; and

Sixty percent provide maternity leave.

A National Federation of Independent Business field survey of 20,000 firms indicate that 72 percent of small firms allow time off for the birth, adoption, or serious illness of a child. Of the 16 percent who do not allow time off, more than half were from firms with fewer than five employees.

A survey by the consulting firm of A.S. Hansen revealed that the number of companies offering flexible compensation programs had increased by over 71 percent from the year before.

The truth is, in 1986, American employers paid $2.5 trillion in employee compensation of which $412 billion was spent on employee benefits.

And that brings me to a fourth myth, Mr. President—that the costs of this legislation are minimal.

Let's explore this area for a moment:

The General Accounting Office conducted a study in order to determine the costs of this bill, arriving at the paltry sum of $3.50 per covered employee. Robert Nathan Associates conducted a study which found that the bill would cost in the neighborhood of $2 to $3 million per year. The proponents of this legislation continue to assert that the costs are negligible at best and the costs of not enacting such a bill are far higher to our society as a whole.

Allow me to summarize briefly how the information for the survey was gathered:

The GAO survey estimated the number of workers likely to take unpaid leave under the new child provision from data in the March 1987 supplement to the current population survey conducted by the Bureau of the Census.

They also estimated the number likely to take leave under the sick child and temporary medical leave provisions from data in the 1985 National Health Interview Survey conducted by the National Center for Health Statistics.

The GAO surveyed 80 firms in two metropolitan labor markets: Detroit, MI, and Charleston, SC.

Naturally, there are some grave problems with such a hypothetical type of survey:

The GAO cost analysis was based on assumed costs on data that does not exist.

First, the Family and Medical Act is not law and it is difficult, if not impossible, to estimate how many employees will actually take the leave if it were to become law.

Second, GAO simply interviewed employers in only two labor markets—Detroit and Charleston—to arrive at what it considers a precise figure on what employers would lose in every town, city, and rural area in the entire United States.

Third, GAO did not even take a look at prospective productivity losses if this bill were to be enacted; it simply estimated what employers would have to pay in terms of continued medical insurance premiums at arriving at its cost figure.

The operational effects of this bill on training and day-to-day operations are difficult to quantify but are nonetheless significant. In fact, these costs may be by far the greatest costs associated with this legislation. Training and lost productivity costs incurred to hire a substitute employee to replace an employee on leave generally include: orientation, including the employee's and trainer's time; formal job training; on-the-job training; substandard performance and higher error rate by the new employee; extra work and overtime for others to offset substandard performance; and creation of substandard work.

Another cost item to keep in mind is the cost associated with hiring a new employee. According to experts, the average cost of hiring an executive in 1986 was $6,175. The cost of hiring lower-level employees in 1986 was approximately $700.

The impact of this legislation will no doubt be felt throughout the economy. The use of substitute employees could lead to compromising the quality of service-intensive professions from registered nurses to emergency rescuers. In terms of the health profession, a substitute employee would be less likely to be well-oriented to a particular hospital's philosophy, would have difficulty in establishing and maintaining patient-provider relationships, and would be subject to resentment from permanent "More dedicated employees." All of these could lead to a decline in a hospital's reputation, the costs of which would be impossible to quantify.

Imagine the difficulty in recruiting a substitute employee in jobs requiring special expertise or certification such as highly scientific or technical work, such as a researcher whose past experience with a specific project is essential to further scientific developments. Or, think of those whose work requires security clearances which often require in excess of 12 months to process. Those with expertise or continuity on a particular project that requires a corporate memory, such as those involved in the development of sophisticated software packages, are impossible to replace for a short period of time. Even regional sales managers, whose expertise and experience makes the difference between black and red in a company's bottom line, are impossible to replace for 10 or 13 weeks.

Another area where the costs of this legislation are unquantifiable is in the education of 40 million children in public schools. The bill provides teachers with the right to begin leave 2 weeks before the end of the school year. In addition to the disruption of the educational process, a school district may be unable to find a competent substitute to teach the subject matter, test and grade the students, and do other year-end paperwork. The task of replacing a physics teacher or special educator would be impossible for many of the nation's 16,000 local school districts, particularly in remote, less-populated areas.

Neither the General Accounting Office nor Robert Nathan Associates evaluated the potential costs of this legislation in terms of specialized professions, national security, the health of our citizens, or the education of children.

The fact is, while these costs are impossible to quantify, they exist nonetheless and must be taken into consideration when one looks seriously at federally mandated parental and medical leave legislation.

One other thing is certain—we are talking about costs which will exceed the lowball figure of 2 cents per day cited by the proponents of this bill which, by the way, is a figure extracted from the GAO study we just spoke about.

Still another myth I would like to explore is that this legislation would entail no major change in the administration and enforcement of the Nation's labor standards.

In truth, Mr. President, I believe this legislation is built around a structural framework which would render the administration and enforcement of this legislation totally unworkable. Let me address just a few of those flaws:

REQUIREMENT FOR ADMINISTRATIVE COMPLAINTS

Under H.R. 770, if the Secretary finds through investigation a "reasonable basis" for the charge, an administrative complaint must be issued. An ALJ must hold a hearing on the record within 60 days of the complaint—unless the ALJ determines that the purposes of the Act are served by additional time—and issue a decision on the merits within 60 days of the hearing—unless the ALJ informs the parties of the reason for the delay. The ALJ's decision becomes final and reviewable by the U.S. Court of Appeals unless appealed within 30 days and modified or vacated by the Secretary. The fact that a non-prevailing party is permitted, at his or her discretion, to seek review of the agency decision in the Federal courts without first appealing to the Secretary will have the consequence that the Department may have to defend, in some cases, ALJ decisions which are mutually inconsistent or which are at variance with articulated departmental policy. We therefore believe that any nonprevailing party should be required to appeal the ALJ's decision to the Secretary before seeking review of the agency decision in the Federal courts.

Section 108(c)(3) of H.R. 770 requires the Secretary to issue a complaint whenever he or she determines that a "reasonable basis" exists. This essentially deprives the Secretary of prosecutorial discretion, and could result in the expenditure of both Government and private resources on ill-advised enforcement activity. In such cases employees could be advised of their right to pursue action independently, as under the FLSA. This lack of discretion concerning the issuance of a complaint is especially undesirable in the light of section 111(c) (discussed below) which provides that attorneys'

fees may be awarded to any prevailing party (except the United States).

ATTORNEYS' FEES

Section 111(c) provides for the award of attorneys' fees to a prevailing party (other than the United States). We believe that there are many cases in which adjudication is an appropriate vehicle for resolution of a controversy. The possibility of taxing of the prevailing party's attorneys fees in every case except those where the Government prevails will tend to discourage vigorous pursuit of some of these cases. We suggest that a standard such as the substantially justified standard of the Equal Access to Justice Act be considered as an alternative, especially for the Government.

CONFIDENTIALITY

H.R. 770 contains no specific provisions for confidentiality in the treatment of information provided by employees to employers as a basis for requesting parental or medical leave. Since employees may be required to provide confidential information in order to exercise their rights under the bill, such a provision seems appropriate.

DEFINITIONS

From a technical viewpoint, the bill's procedures are very rigid and its exceptionally short timeframes would dictate agency enforcement priorities, thereby severely limiting the ability of the agency to manage its resources and many enforcement responsibilities. The bill would also add to the Department's workload with no accompanying provision for additional resources.

The term "employer" is defined in section 101(5) as a person who "* * * employs 50 or more employees for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year; * * *" (the threshold drops to 35 employees after 3 years). However, section 102 excludes from coverage "employees of any facility of an employer at which fewer than 50 employees are employed, and when the combined number of employees employed by the employer within 75 miles of the facility is fewer than 50; * * *" (which drops to 35 employees after 3 years). Use of these imprecise and conflicting terms will make coverage determinations and enforcement of the bill very difficult.

The bill utilizes the calendar workweek concept; that is, Sunday through Saturday, in applying coverage tests. Many employers have established pay periods beginning and ending on different days and maintain payroll and accounting records accordingly. Revision of such acounting and payroll systems to comply with the calendar workweek requirement may impose a substantial financial burden on such employers. In addition, it would be difficult for the Department to make coverage determinations where employment records are not maintained on a calendar workweek basis, since examination of daily records for all employees would be required in order to determine coverage. The FLSA uses the term "workweek," which would appear to be more flexible and practical.

A number of other statutory terms, such as "equivalent employment benefits," "foreseeable" parental leave, and "disrupt unduly" the employer's operations, in the context of this statute are unclear and will be difficult to administer.

The temporary medical leave requirement (section 104) will require determinations to be made as to the seriousness of a health condition and the ability of individuals to perform the functions of a job. In some cases a second and third opinion may be required of health care providers for such determinations. Certification by a health care provider may be required for leave in order to care for a sick son or daughter. FLSA enforcement staff will require substantial additional training in order to administer these complex provisions of the bill.

POSTING REQUIREMENTS

Section 112 provides that each employer shall post a notice which sets forth the provisions of the bill. An employer who willfully violates this section shall be fined up to $100 for each separate offense. While several other statutes administered by the Department contain similar provisions, such a provision has not been found necessary under the FLSA.

PROMULGATION OF REGULATIONS

Section 404 provides that the Secretary shall prescribe implementing regulations within 60 days after the date of enactment of H.R. 770. The complexities of the bill together with the mandated procedures and processes for issuing Federal regulations (including proposed rule and public comment periods) make the 60-day time frame inadequate.

Mr. President, I could go on longer but just let me wrap up by summarizing why this legislation contains serious flaws which should concern us:

First, this legislation imposes rigid enforcement procedures and time frames;

Second, it lacks prosecutorial discretion for the Department of Labor;

Third, it adds significant potential workloads on the Department of Labor that, without additional resources, would affect other enforcement programs;

Fourth, it requires very short time frames for issuing regulations;

Fifth, it contains imprecise definition of terms;

Sixth, it contains new concepts that would require new and extensive training of Department of Labor agency staff; and

Seventh, finally, this legislation lacks provisions for confidential treatment of medical information that employees furnish to employers.

Let me end by stating that once the pretty ribbons and bright wrap is removed, this issue is exposed for what it is all about—freedom of choice.

Mr. THURMOND. Mr. President, if there is no more discussion, the distinguished Senator from Mississippi, I believe, has some remarks on this. When he finishes, if there is no one else on our side who desires to talk, I ask unanimous consent that the time be yielded back.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there additional debate on the motion to proceed? Who yields time? The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I will just take a very few minutes. How much time remains?

The PRESIDING OFFICER. The Senator from Massachusetts controls 18 minutes.

Mr. KENNEDY. I yield such time as the majority leader desires.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, the Family and Medical Leave Act is of critical importance to all American families.

I want to commend my colleagues Senator DODD, Senator KENNEDY, and Senator PACKWOOD for their tireless efforts in working on this issue.

The concept behind family leave has been under consideration by Congress for 5 years. The legislation has gone through several revisions, the most recent representing a solid bipartisan compromise.

As we have all heard on a large number of occasions, President Bush has advocated for a kinder and gentler America.

It's time to see if we want to achieve such a nation through rhetoric alone or action. It is time to see if President Bush advocates the same policies as President as he did on the campaign trail when he sought the Presidency in 1988.

Before an Illinois Republican women's group in the fall of 1988, then Vice President Bush, as a candidate for President, made his position clear. He said, and I quote:

> We also need to assure that women don't have to worry about getting their jobs back after having a child or caring for a child during a serious illness. This is what I mean when I talk about a gentler nation. That isn't fair the other way, and it's not right, and we've got to do something about that.

Those ar e the words of then Vice President Bush. I agre e with what he said then, and I hope he still does.

I agree. We ought not force women to choose between their jobs and their families. Too many women have been forced to make a painful choice be-

tween the economic imperative of working to supplement their families' income and the anxiety of caring for a seriously ill child.

Too many women have had no job to return to after recuperating from bearing a child.

This legislation would provide unpaid leave. Unpaid leave for birth, adoption, or care of a sick child. It would also provide unpaid leave for an employee's own serious medical illness or to care for an employee's seriously ill parent.

The United States is the only major industrialized country, with the exception of South Africa, without a family or medical leave policy. In fact, most of these countries provide some type of paid leave. But we are not talking about paid leave here, we are simply talking about unpaid leave, with the guarantee of a job to which to return.

This is an important bill for American women. But it will also offer women an equal economic opportunity.

The number of women working today is greater than ever before.

Many of these women are working out of necessity. They need to work to raise their family's income to a level that will provide them with decent and safe housing, utilities, food, and other basic necessities. An increasing number of women are single parents who have no other option to provide for their families. But, the fact remains that fully 65 percent of married women are also in the work force.

When a family crisis occurs, such as when a child is diagnosed with a life-threatening illness like cancer and needs treatment immediately, in the absence of a national leave law, that family compounds the family crisis by adding to it a job loss.

Protecting jobs for those who must take leave to care for their families in times of crisis is not unreasonable. It is humane.

It is no secret that women earn less than men. It is no secret that women comprise a disproportionate share of the poor and working poor.

While all families would benefit from the Family and Medical Leave Act, it is primarily American women who would reap the most benefit from enactment of a family leave policy.

I reject the argument that the Family and Medical Leave Act is an unprecedented mandate.

Congress has mandated a minimum wage. Congress has mandated employer contributions to ensure a minimum standard of living for the elderly and the disabled. Congress has mandated minimum standards to ensure a safe and healthy workplace for all Americans.

Congress enacted these laws so that there would be uniformity in the provision of basic protections for American workers. A law with regard to job protection for family and medical leave is no different.

Enactment of a family leave law will not alleviate the stress a family feels when faced with a serious illness of a child or loss in earnings when a family member takes leave. But it will alleviate the stress a family feels in the absence of a job to return to.

Enactment of the Family and Medical Leave Act will ensure the most basic of protections for American families. It will offer women an equal economic opportunity. It will assure that Americans aren't forced to choose between job and family.

The House passed this legislation with bipartisan support by a vote of 237 to 187.

As President Bush said, it is not fair and it is not right, that women are not assured of a job upon returning to work. I am hopeful that he has not changed his position. There has been enough rhetoric on this issue. It is time for action.

Mr. President, I thank my colleague from Massachusetts for his courtesy.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I, first of all, want to express my very sincere appreciation to the majority leader for his efforts to ensure that this institution consider the family and medical leave legislation. Tonight we are witnessing the successful conclusion of a long, complex, difficult process. The prime sponsor of this legislation, Senator DODD, has been tireless in his efforts, over several years, to ensure that the Senate give its support to this measure for basic decency and workplace justice. Tonight his diligent work has paid off, and the beneficiaries will be America's working families.

I also want to express my appreciation to the minority for their willingness to move forward on this important legislation tonight.

I just want to reiterate what Senator DODD has stated, and that is that we did have the sufficient votes for cloture on the motion to proceed to the consideration of this bill. No doubt, it would have been a difficult battle. We were faced with the possibilities of delay, and we knew there was going to be a great deal of debate on this issue.

So we are especially grateful for the efforts of the majority leader in bringing us to the point where we will see the successful passage of a fundamental principle, Mr. President. This legislation represents a significant and fundamental principle which, I believe once established, will be expanded over the years ahead. This fundamental principle will ensure a basic justice for millions of working families struggling to balance the important responsibilities of work and family.

I am hopeful, Mr. President, that the President will sign the legislation. I believe that if President Bush reads Barbara Bush's commencement address at Wellesley College, he may very well.

I, too, want to express my appreciation to the many staff and indivduals who have spent an enormous amount of time; to my own staff, Sara von der Lippe, Sarah Fox, Gary Heimberg, and Nick Littlefield; Senator DODD's staff, Richard Tarplin and Jackie Ruff; and to the other members of the committee's staff as well, who have done so much to assist the Senate in passing this legislation.

Passage of this legislation by the Senate would be a major breakthrough in our effort to achieve decent working conditions for America's working families.

We all know the hardship that parents face, struggling to balance the responsibilities of work and family.

The opponents of this legislation are Rip Van Winkles yearning for a simpler era that was also a sexist era in America. We cannot and should not turn back the clock to earlier times. Women and mothers are working in record numbers—some by choice, and some by economic necessity—and our Nation's laws must recognize this changing reality of the workplace.

Today, the Senate will add its voice to those demanding simple justice for working families. America is behind the times compared to other nations that already have such laws. We cannot compete effectively in the markets of the world, if the workers of America have second class status compared to those in other lands. The Family Leave Act is essential legislation. It ought to be enacted now—and it will be if President Bush signs this bill.

It is understandable that our Republican opponents want to avoid any serious debate in the Senate against this legislation. They do not have the merits of the argument on their side. In fact, their opposing arguments are an insult to millions of working parents desperately trying to juggle the demands of their families and their jobs.

This is one bill that deserves to be enacted into law. So I would just urge President Bush to do one thing—Mr. President, read the eloquent commencement address of Barbara Bush at Wellesley College. If you do, you will sign this bill.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. I yield such time as the distinguished Senator from Mississippi may require.

Mr. COCHRAN. Mr. President, it is obvious tonight—and we have heard the comment of the distinguished Senators from Connecticut and Massachusetts—that there simply are not the votes available to us to frustrate the

passage of this bill under the circumstances.

We will see that the Senate will pass this bill. I know that no one would benefit from the reenactment of the 10 days or so that we spent debating the issues involved as the 100th Congress was drawing to a close. I know those days well, and I know the other Senators do, too.

We made a lot of points during that debate. I think there are one or two that we ought to just keep in mind, though, as we move down this path, a path of substituting the judgment of Washington Senators and Congressmen for the decision that could be made in the employment relationship between employers and employees about the nature of their benefits and those which should have the highest priority.

The fact is that many employees are not going to benefit from this mandated statutory benefit. Some are going to have their benefits taken to pay for those being mandated by the Senate tonight. As we go down this path, I hope we will have opportunities later to talk about these other aspects of the issues that are involved in the Congress picking and choosing among a variety of benefits that are available in the workplace, ordering some to be given to all employees, whether they want them or not, and then letting the ones who do not benefit suffer because of a decision made in Washington.

This is a tough, controversial issue. We all would like to see every person who would like to have leave to take care of a newborn child be given that leave. I would like that. I would hope that every employer in the country would make that benefit available. I think that most will, as they work out employment contracts and relationships that serve everyone's interests. There may be a few who do not, and for those we may need to figure out a way to deal with those special problems. But I congratulate the chairman of the subcommittee for his victory tonight, his valiant fight, and concede that tonight we have lost.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. DOLE. Mr. President, I want to put my statement in the RECORD indicating my opposition to the bill. I think when you mandate anything, it is bad public policy. I think we did reach an accommodation. I am sorry we disappointed the Senator from Connecticut, who was prepared for a couple of weeks. I hope he did not lose his stride, but something else will be coming up, I am afraid, that we can do battle on.

In any event, there are problems with this legislation. I agree with the Senator from Mississippi, that the goal is admirable, to have family leave and parental leave. I think sometimes it may be a case of having a job or having some of these benefits that are mandated by the Federal Government.

But while I have no quarrel with the goals of H.R. 770, I cannot support this legislation. The reasons for this are many and they all lead to one conclusion: To mandate benefits such as medical and parental leave is misguided and bad public policy.

LEAVE PROGRAMS ARE GOOD

On both sides of the aisle, I believe that there is a strong consensus that leave programs such as those set forth in H.R. 770 are good programs.

The goals of leave programs are laudable, and I am strongly in sympathy with them. Leave programs recognize the dramatic changes that have occurred in the structure of the American family and the consequent needs of those families.

In this sense, Mr. President—and for the same kinds of reasons—I also support pensions and retirement plans, disability plans, health insurance, life insurance, vacation, sick leave, maternity leave programs, continuing education and professional development programs and all the other infinite types of programs and benefits that the employers of this Nation voluntarily provide to their work force.

But the critical issue here—the real issue here—is not whether I or the Senate or the House or the President supports one or two or all of these types of programs. The point is whether we should be telling each and every employer and employee that one type of program is better for them than another type of program.

FLEXIBILITY OR MANDATE

Indeed, for as many employers as there are, there are as many types and varieties of available benefit packages. And this, Mr. President, is precisely the point.

Business can allocate only a certain dollar amount per employee for benefits. Bills such as H.R. 770 do not raise money or improve revenues for employers so that there is more to pass on to workers in the form of raises or improved benefits.

All that bills such as H.R. 770 do is force employers to reallocate company funds spent for one type of benefit to pay for another type of benefit—in this case—a mandated leave program.

And it is this type of mandate that is not in the best interests of either employers or employees.

Every worker's needs and priorities are different. For older workers, it may be pensions and extended health care benefits. For younger workers, it may be child care, life insurance, and severance benefits.

And yet what this bill does is tell all workers that a priority for them is family and medical leave to the exclusive detriment of benefits that such workers would otherwise choose for themselves as they are able to do so today.

In short, what this bill amounts to is a preemption of an employee's right to choose for himself or herself and to a preemption of the ability of an employer and employee to freely and willingly negotiate the benefits that best suit their needs—negotiation and bargaining, I might add, Mr. President—that has lead in recent years to an explosion in the number and types of available benefits and benefit packages without Federal intervention.

Indeed, there has been a strong trend during the last decade toward increased flexibility by serving up benefits cafeteria style and letting employees select which benefits they want from a whole plate of options.

Such plans are extremely popular with employees for they allow each worker to pick what best suits his or her individual needs with the ability to alter those selections as those needs change over time.

By mandating benefits, we would be ignoring the right and ability of employees to choose for themselves, we would be ignoring the popularity of flexible benefit programs such as cafeteria plans, and we would be ignoring the irrelevance of benefits that are meaningful only to a portion of the work force.

VETO THREAT

I have received a letter from the Secretary of Labor, dated June 14, 1990, setting forth in no uncertain terms that the Secretary will recommend that the President veto H.R. 770.

The letter states that:

Flexibility and choice is what working families want from their workplace. One of my highest priorities is making work and family complementary—not conflicting goals. But we cannot achieve that end, when in the wisdom of Washington, we tell businesses how and what benefits to offer their employees.

The President has made clear his veto threat that mandated benefits are not good policy.

It is a shame that there are some in this Senate who believe that they know better than the American worker about what the American worker wants and what is good for the American worker.

Mr. President, I ask unanimous consent that the letter from the Department of Labor which I previously referred to be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF LABOR,
SECRETARY OF LABOR,
Washington, DC, June 14, 1990.

Hon. ROBERT DOLE,
U.S. Senate,
Washington, DC.

DEAR BOB: With the House of Representatives having completed consideration of H.R. 770, the Family and Medical Leave Act

on May 10, the Senate may soon consider this legislation, S. 345 or another modified version of it. Some are referring to the House passed legislation as a "compromise". Rather than go to the heart of the Administration's objections to H.R. 770, these amendments were totally unresponsive to the concerns we have raised to date.

There is no question I will strongly recommend that President Bush veto the so-called compromise version, as passed by the House. It is mandated "parental leave" redux—just like its predecessor—telling businesses what benefits they must offer. There's no flexibility. In my book, compromise means give and take. But the authors of this "compromise" only fulfilled one half of the equation—they took, but gave nothing.

Despite this, several Senators have asked for the Administration's position on the House passed bill which would:

require that employers grant 12 weeks per year of leave for the birth, adoption, or sickness of a child, parent or spouse;

make technical amendments to limit the definitions of "parent" for purposes of elder care leave provisions and "health care provider" for purposes of determining seriousness of illnesses;

eliminate the automatic drop after three years in the small business threshold to companies with 35 employees or more (from the threshold of 50 or more employees that was previously a part of H.R. 770); and,

prohibit two parents from taking leave simultaneously, even if they work for separate employers.

The workplace of the near future will comprise an even greater number of families who need and demand supportive structures in the workplace to enhance their participation in it. Yet, "family friendly" workplaces will never be the product of Federal policies that over simplify, mandate, stipulate and regulate.

Flexibility and choice is what working families want from their workplace. One of my highest priorities is making work and family complimentary—not conflicting goals. But we cannot achieve that end, when in the wisdom of Washington, we tell businesses how and what benefits to offer their employees.

By imposing Federal mandates on certain leave policies such as those contained in H.R. 770, as passed by the House or S. 345, we may upset the delicate, individual balance that lies at the heart of work and family flexibility and the entire system of voluntarily provided employee benefits.

I hope this clarifies the Administration's position on this important legislation.

With my warmest regards,

Sincerely,

ELIZABETH DOLE.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I just say that I do not favor this bill. We are depriving the employees of dealing with employers in this respect. Some employees may desire certain benefits; other employees may desire other benefits, and with computers, which we have today and did not have years ago, the particular benefits employees desire can be given them.

Under this bill, the benefits are mandated, whether employees want them or not. Then certain employees would be denied getting other benefits which they could have received if this bill does not pass. That is the reason I oppose the passage of this bill. Although we do not have a rollcall vote, I would like to be on record as voting no.

The PRESIDING OFFICER. The record will so show.

Mr. THURMOND. I will yield back my time, if the other side will.

The PRESIDING OFFICER. Is all time yielded back on the motion to proceed?

Mr. KENNEDY. I yield Senator KERRY 3 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts [Mr. KERRY] is recognized.

Mr. KERRY. Mr. President, I want to just take a moment, if I may, to voice my very strong support for this legislation and to express my gratitude and my congratulations to my senior colleague from Massachusetts, and to the distinguished Senator from Connecticut [Mr. DODD] who has labored long and hard on this and has been an extraordinary leader on this most important piece of legislation.

In the last 25 years in this country there has literally been a revolution in the American workplace. When you consider the fact that 50 percent of the mothers in this country with a child over the age of 1 are in the workplace, two-thirds of those with a child under the age of 3 are in the workplace, the vast majority of all families in America have two members of the family or more in the workplace, this bill becomes even that much more important.

For a country that has exhausted the rhetoric with respect to the importance of family and the importance of providing people an opportunity to not make a choice between their job and their health, and their job and their family, and their ability to care for a newborn child or care for themselves or for a very sick member of the family, this bill really establishes minimum basic standards in the tradition of labor standards that we have established about child labor or generally about labor in this country. It is not expensive. The studies have shown that it will not create additional significant costs. The studies in Oregon and elsewhere back that up, the GAO study.

Clearly, it is a landmark piece of legislation that represents one of the most real things Congress has moved to do with respect to family during the time that I have been here. I congratulate not only Senators DODD and KENNEDY, but Senator HATCH and Senator COATS for their support and efforts on behalf of this legislation.

The PRESIDING OFFICER. Is all time yielded back?

Mr. KENNEDY. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the motion to proceed to the consideration of H.R. 770.

The motion was agreed to.

FAMILY AND MEDICAL LEAVE ACT

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 770) to entitle employees to family leave in certain cases involving a birth, an adoption, or a serious health condition and to temporary medical leave in certain cases involving a serious health condition, with adequate protection of the employees' employment and benefit rights, and to establish a commission to study ways of providing salary replacement for employees who take any such leave.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Ms. MIKULSKI. Mr. President, every day American families face a double fear, fear for the health of their family, fear for their job.

Often families are forced to choose between spending time caring for a sick child or parents, and keeping their job.

No one in the country would deny the importance of American families and the need for family policy.

But what we explicitly state as our values, strengthening the family, caring for the sick, and giving children the best start in life, we implicitly deny in public policy and practice.

The United States is the only industrialized nation that does not provide workers some protected family or medical leave.

The absence of family leave policy costs Marylanders $22 million yearly in lost wages and tax revenue, in increased use of public assistance and unemployment insurance.

America needs parental leave legislation for humanitarian reasons, economic reasons, and productivity reasons.

The traditional American work force is no longer the same. Today women make up almost half of the labor force.

The majority of women are working mothers who work out of economic necessity.

Sixty-six percent of mothers in Maryland with school-age or younger children work outside the home.

Nationwide, more than half of mothers with children under age 1 work outside the home.

The traditional family where the husband is the sole breadwinner and the wife stays home, constitutes only 10 percent of all families.

This legislation only covers employers with 50 or more employees.

Family leave is beneficial to business.

Those businesses who have a family policy report lower turnover and increased employee loyalty.

Also, Mr. President, it is a useful recruitment tool.

The time has come to put our values into practice, and pass this legislation.

Mr. McCONNELL. Mr. President, our society has undergone a dramatic transformation in the last two decades. This revolution has been led by the millions of American women who have entered the workforce. Fifty-two million women work outside the home, an increase of 178 percent since 1950. It is estimated that by 1990, 75 percent of all mothers will be working outside the home.

This extraordinary development has had far reaching effects on our society. It has presented women and men with choices that were hardly contemplated a generation ago. For eons the typical family has been comprised of one breadwinner, usually the husband, and a wife who stayed home with their children.

That is no longer the case. More than half of the 45.6 million children in two-parent families have both parents in the work force, while over 15 million children live with one parent. Ninety percent of single-parent households are headed by women. And 67 percent of all mothers with children under the age of 3 work full-time.

While there has been a tremendous influx of women delaying motherhood until their careers are established, for most women, work is not an option. It is necessary to attain the standard of living for their families that they experienced as children.

While the bill before us applies to both parents, the burden of caring for children still falls primarily on women. Working mothers face a daunting task—juggling full-time jobs at the office with full-time jobs at home. This bill, the Family and Medical Leave Act, is a modest effort to accommodate parents as they struggle to simultaneously work and raise children. It will provide parents the opportunity to be with their children in times of need. And it will allow them the peace of mind that should they ever be faced with the prolonged illness of a child, they will not have to choose between their job and being by their children's side.

Parental leave is not just a favor we are doing parents. It is an investment in our children and the future of this Nation. It is in our interests to promote the well-being of American families. It is for all of our sakes that we allow parents to care for children when there is an emergency.

This bill also provides for the serious illness of a parent. As our society ages, more Americans are finding themselves in the position of not only raising children, but also caring for their elderly parents. Millions of Americans are struggling to deal with this situation. Again, women are most often responsible for caring for elderly relatives. Women in and out of the work force are equally likely to be faced with this challenge.

I have given considerable thought to this legislation. I am generally averse to mandating employee benefits, and am familiar with the arguments against doing so. However, this legislation addresses the needs of small business by exempting those with fewer than 50 employees from its provisions. While they will not be covered under this bill, I would implore these employers to respond to the changing dynamics of the work force and the special needs of working mothers, by following this lead.

We find ourselves in a situation unlike any we have faced before. The need of modern families, and particularly working mothers, are compelling. As we approach a new century we must arise to meet the challenges of a new era.

I urge my colleagues to join me in voting for this bill.

Mr. President, I yield the floor.

Mr. BRADLEY. Mr. Pesident, I am pleased that the Family and Medical Leave Act of 1989 is again before us. I am a cosponsor of the Senate bill. This measure compromise provides up to 12 weeks per year of unpaid job-protected leave for employees for medical reasons, and for parents upon the birth or adoption of a child, or to care for a seriously ill parent or child up to the age of 18. Businesses with less than 50 employees would be exempt from the bill.

The increasing numbers of mothers of childbearing age who have entered the work force as well as the growing number of older Americans in need of care—has made parental leave an issue of growing concern. Since 1947, the number of women in the Nation's workforce has increased by 173 percent. Nationally, nearly 50 percent of mothers of children under the age of 1 are in the labor force.

Mr. President, as more and more families become two worker families, I am increasingly concerned that we find ways to reconcile the need to help families care for their children—as well as their aging parents—with the need for working parents to remain productive members of the work force. I believe that the Family and Medical Leave Act addresses the concerns of working parents and provides appropriate job security for these families. Working parents should not be forced to choose between their jobs and caring for their families. I urge adoption of this legislation and I urge the President not to veto it. America's families need this legislation.

Mr. CHAFEE. Mr. President, I am pleased to support of the family and medical leave bill as set forth in H.R. 770. On occasion, workers must take time off to care for their loved ones. Whether it be a mother nursing her sick son, a husband spending time with a new daughter, or children caring for an elderly parent—the workforce needs to be sensitive to family concerns.

The past quarter century has seen dramatic changes in the makeup of the Nation's work force. Women have entered the workplace in record numbers. More and more children are being raised by single parents. Most parents—single parents and two-parent households—need two incomes just to make ends meet.

Today, workers have on the job responsibilities, and families at home that need attention and care. Workers should not have to choose between earning a decent wage and caring for a sick family member.

The family and medical leave bill tries to balance these demands. It provides comfort so that workers will know that the joy of adopting a child, or the responsibility of caring for a sick son or daughter does not come at the expense of losing one's job. This legislation would allow workers temporary, unpaid leave, and guarantee that their jobs will be there when they are able to return.

This legislation is profamily. It is a good bill that demonstrates the Federal Government's ability to respond to the changing demographics of the Nation's work force.

In the 100th Congress, I joined my distinguished colleague from Connecticut, Senator DODD, as a cosponsor of a similar family leave bill. One of the reasons we were unsuccessful in enacting a bill at that time was because of concerns that this legislation would impose burdensome requirements on small businesses. Legislation of this nature needs to reflect our awareness of its impact on the small business community.

I would prefer to see a more gradual approach, something along the lines of Rhode Island's parental leave law. In my State, one parent is allowed 13 weeks of unpaid leave every 2 years upon the birth, adoption, or dangerous illness of a child or self.

I am concerned that this legislation may be too sweeping. In the Senate Finance Committee, for example, we have been struggling with the issue of long-term health care for the elderly. How can we best address the need of the 27 million noninstitutionalized elderly population in this country? Is the 12 weeks of parental leave that this bill proposes truly the answer?

Despite my reservations, I support this compromise. The new, higher, small business exemption threshold is a great improvement over the Senate bill as it emerged from committee. Merging the family leave and temporary employee sick leave provisions into one 12-week family leave is also a welcome improvement.

In short, this is a good bill. Everybody in this Chamber likes to be known as pro-family. Well, this is our chance to prove it. I encourage my colleagues to vote in favor of this legislation. I look forward to its approval.

The PRESIDING OFFICER. Under the previous order the bill is considered read the third time and passed.

So the bill (H.R. 770) was passed.

Mr. KENNEDY. Mr. President, I move to reconsider the vote.

Mr. DODD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BURNS. Mr. President, I rise to express my opposition to the Family and Parental Leave Act of 1990 and to be shown as voting against it. I do so because I believe, as do many of my constituents, that the Federal Government should not decide which benefits employers will offer to their employees.

Secretary of Labor, Elizabeth Dole, hit the nail on the head when she said, "family friendly workplaces will never be the product of Federal policies that over simplify, mandate, stipulate and regulate." I would like to add that strong families will never be the product of Federal Government mandates.

This bill is being pushed by its proponents as profamily legislation, which it is in a certain sense. However, the idea that by requiring businesses to give their employees up to 12 weeks of unpaid leave at the birth, adoption, or serious illness of a child, we are somehow building strong, healthy families is ridiculous. Anyone who is a parent will attest to that. Good parenting is a 24-hour-a-day, 7-day-a-week job. No Federal, State, or local government can mandate that.

The real issue here is whether or not we are going to let the Federal Government tell private business owners how to run their businesses.

I say "no!" I believe that the free-enterprise system on which this country was founded has worked well for over 200 years. Small business owners regard mandated benefit proposals as direct violations of their right of private ownership and action, and I agree. Proponents of this legislation say, "look at France, England, Italy, et cetera." They say every other industrialized country has a mandated leave policy and that it is time for America to catch up. Well, I may be mistaken, Mr. President, but I thought that was what we were trying to get away from. Our Founding Fathers broke away to form a free enterprise system where the market and the people respond, not the Government.

It is also important to note that the comparison of mandated leave policies between the United States and Europe only addresses half of the equation. We can not isolate that one cost to business and have a fair comparison. Most of these European countries do not impose onerous taxes on business like we do here. The capital gains tax is a good example—most European countries do not tax capital gains. These factors must be taken into consideration. We must consider the total of all costs that the Federal Government mandates on businesses.

Not only are mandated benefits wrong, they are not needed. The market is responding to the needs of the workforce. No one disputes the fact that more women are working now than ever before, and businesses across the country are adapting to that fact. Many of them now offer generous parental leave policies, daycare referral or services, flexible hours, part-time jobs and job sharing.

In fact, parental leave is the most commonly offered of all of these benefits. According to the 1989 Employee Benefits Survey, unpaid maternity leave, averaging 20 weeks, was available to 37 percent of all employees. This is up 4 percent from 1988. A recent USA Today article titled, "Business bends to aid families," resulted from their survey of 10 large companies and their own. They found that these companies are hard at work trying to meet the demands of the changing workforce. I will just cite a couple of examples: Allstate—unpaid leave up to 6 months with job guarantees; Apple—paid disability leave up to 6 weeks, unpaid up to 4 months with job guarantees and benefits; and IBM—paid disability leave up to 8 weeks, unpaid leave up to 3 years with benefits.

Another business leader in this area is NCNB Corp. in Charlotte NC. They offer 6 months of unpaid parental leave for the birth or adoption of a child to mothers and fathers. NCNB Corp. vice president and director of career development, Karen Geiger, says, "The reason why we try to be so flexible is simple: The work force demands it."

I think that says it perfectly.

I also want to point out that while organized labor is in support of H.R. 770, they, too, are working on behalf of their members in labor negotiations to ensure that leave benefits are offered. According to the National Council of Jewish Women, 81 percent of employees covered by collective bargaining agreements receive job protected medical leave of 8 weeks or more; 55 percent receive some family leave in addition to medical leave. This is the approach which I believe unions should continue to use. Benefits for union members should be negotiated with management through collective bargaining agreements.

I know what the proponents say in response to this evidence that the market is responding. They say "if businesses are doing it anyway, then they should not object to the mandate." Well, again, I disagree. They should mind and they do mind because flexibility is the key. Businesses can afford to offer a variety of benefits knowing that different employees are more likely to utilize different benefits. More and more businesses, and especially smaller businesses, are offering cafeteria plans where employees can choose from a variety of benefits to fashion a plan that best meets their needs. By mandating this particular benefit, the Federal Government removes flexibility from benefits packages and stifles business owners' options as they try to respond to the new demands of today's workers.

A close look at history proves that employee benefits do not need to be federally mandated. In fact, most employee benefits are not federally mandated. Employers are required to provide Social Security, workers' compensation and unemployment compensation. Benefits like health insurance, life insurance, pension plans and paid vacations have evolved as a result of competitive hiring practices.

It is also important to point out that the people who are hurt most by mandated benefits are the employees. They will ultimately bear the cost. Private sector employers currently devote 37 percent of their payroll to employee benefits, the large majority of which are legally mandated. However, to date, most of the benefits which are federally mandated are financed through the tax system. Passage of this legislation would mean implementation of one of the first mandated benefits not financed through the tax system. It is a serious precedent to set. We overtax the American people already so now we are trying to find a way to hide it. We will require employers to pay, so that they can find a way to pass the cost on to working men and women.

I don't want to go into the arguments about how much mandated leave will cost employers, although I will say that I think the GAO estimate of $5.30 per employee is way too low. I do know, however, that mandated health benefits will cost a lot. Health care costs have skyrocketed in recent years. Spending on health care now constitutes 11 percent of our GNP. Mandated leave is, in my opinion, a foot in the door that will allow the floodgates to open. If mandated health benefits are next, the cost will stifle many businesses.

This floodgate principle also applies to small businesses—the sector of the business community which is most important to me and my State. This legislation exempts businesses which employ fewer than 50 employees. In Montana, this means that 97 percent of all businesses will be exempted. Yet, when one looks at the legislation closely, one finds an interesting, but little mentioned provision. This legislation establishes a commission on leave to study coverage of businesses with fewer than 50 employees. This sends up red flags for me, Mr. President. We all know that the original Senate legislation only exempted businesses with fewer than 20 employees. Now we are going to study the issue. What next? Again, this legislation represents a foot in the door opening it for potential expansion of mandated leave to all small businesses.

It is clear that this type of mandate would be detrimental to small businesses. Small businesses are the backbone of our economy. They supply the majority of new jobs in the labor force. But small businesses need flexibility to survive. They are the ones who most need to be able to offer cafeteria plans. They are the ones who will suffer the most if an employee is gone for long periods of time. They are the ones who will be crushed if litigation is pursued. Yet they are the ones that can provide the most personal, flexible response to employer needs absent of Federal Government intervention. In fact, it is only absent of Federal mandates that small businesses will be able to afford to offer a variety of benefits.

It is for all of these reasons, but mainly for the sake of small business owners across the country and in Montana, that I must vote against the Family and Parental Leave Act of 1990. I would also ask that an editorial which appeared in the Missoula Missoulian entitled, "Let family leave die," be included in the RECORD at this point. They conclude that this bill is an unnecessary government intrusion, and I second that.

Thank you, Mr. President.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LET FAMILY LEAVE DIE

Like a lot of things Congress talks about doing for you, the so-called family leave bill passed by the House of Representatives last week sounds a lot better than it is.

The bill would require employers to give their workers unpaid time off to attend to newborn children or family medical problems. The idea behind the legislation is to make sure no one need choose between raising a family and having a job.

Family leave policies are a good idea. In fact, many businesses already have them. As two-income and single parent families become more common, flexible work and leave policies have been added to the list of benefits that better companies offer to attract and keep good employees.

At first glance, requiring companies to provide such policies as a matter of federal law may sound like progress. But in reality, the bill passed by the House last week would accomplish little good.

To begin with, the leave requirement would apply only to companies with 50 or more employees. That's because almost everyone agrees that leaves of absence have a potential to cause too much disruption on small staffs to make them mandatory. Some small businesses do allow family leave. But for others, the temporary but periodic loss of key employees can jeopardize a company's survival—as well as the jobs of all its employees.

The 50-employee provision would exclude 95 percent of all the companies in America. And because many larger employers already offer the benefit, the net effect would be small, indeed.

Even among those who would be covered by the law, the opportunity to take as much as 12 weeks a year off work without pay may be of little use. Most working men and women simply don't have the luxury of going without a paycheck. Some critics of the family leave bill call it the "yuppie bill," since families with two good incomes—and the good fortune to be able to live without one—would be the most likely to benefit from the law.

Some opponents of the bill also complain that mandatory leave would cost too much. To hear some business lobbyists rant, you'd think the proposed law would force companies throughout America to board up their windows. In fact, the General Accounting Office pegs the cost at less than $6 a year per employee. But low cost doesn't necessarily make a federal law appropriate. Businessmen have a good point when they say leave policies, like most fringe benefits, should be based on employee needs and employer capabilities, rather than being dictated by Congress. The federal government doesn't—and shouldn't—mandate sick leave or vacation policies, for instance. Yet paid sick leave and vacation time are more useful to average Americans than any amount of unpaid time off. The government doesn't mandate such benefits for good reason. The federal government has its hands full as it is without acting as middleman between every worker and employer in the country.

Obviously, the feds have a role to play in the workplace—setting minimum wages and safety standards, for instance. But with mandatory leave, the government would be entering uncharted territory. It would be one thing if the family leave bill would do enough good to justify the government's extraordinary intrusion in the workplace. But the legislation passed by the House last week doesn't pass muster. The Senate should let this bill die. If not, the president should veto it.

OMNIBUS CONGRESSIONAL BUDGET RESOLUTION

The PRESIDING OFFICER. Under the previous order the Senate will proceed to the consideration of Senate Concurrent Resolution 110, which the clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 110) setting forth the congressional budget for United States Government for fiscal years 1991, 1992, and 1993.

The Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. Under the previous order the debate on the resolution is limited to 2 hours equally divided in the usual form.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SASSER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Mr. President, I ask unanimous consent that the time under the previous order be charged against both sides evenly.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2022

(Purpose: To provide for the orderly operation of the congressional budget and appropriations process)

Mr. SASSER. Mr. President, pursuant to the order on behalf of myself, the ranking member of the Budget Committee, Senator DOMENICI, the majority leader, and the Republican leader, Senator DOLE, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Tennessee [Mr. SASSER], for himself, Mr. DOMENICI, Mr. MITCHELL, and Mr. DOLE, proposes an amendment numbered 2022.

Mr. SASSER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under Amendments Submitted.")

Mr. SASSER. Mr. President, today we are in the somewhat unusual position of beginning consideration of a 1991 budget resolution while the executive and legislative branch are engaging in budget negotiations, budget negotiations that all of us hope will produce an ambitious multiyear deficit-reduction package.

Perhaps a number of Members on both sides of the aisle will ask the question quite legitimately, why would we seek to pass a budget resolution of any kind while the budget summit is going on. Let me try to answer that question here at the outset, so that there is no misunderstanding and so that we do not enter into an unnecessary debate about what the bill does and what it does not achieve in the way of deficit reduction.

As we proceed to explain the objective here, it should become abundantly clear to all that we simply propose to

let the appropriations process move along, that we do not intend this resolution to displace the budget negotiations or to alter its progress.

We are pursuing here a purely neutral resolution that will protect us against a logjam with the 13 appropriations bills that will come behind it and the ultimate possibility if we did not act on a continuing resolution. We are not attempting here this evening to establish the Senate's position with respect to deficit reduction for fiscal year 1991.

In recent weeks, I think it is well known to all of my colleagues that the Director of the Office of Management and Budget has revised the administration's assessment of the 1991 deficit dramatically upward to at least $138 billion, and using this $138 billion that means excluding the cost of the savings and loan bailout and with the Social Security surplus kept in as part of the calculation.

Let me put that number in perspective: It means that even with the S&L and Social Security issues when they are resolved, the difference between the 1991 projected deficit and the 1991 Gramm-Rudman-Hollings targets is about $74 billion—twice the size of the deficit-reduction package proposed by the President in his budget submitted just this past January, that is even if we give the administration credit for all of the savings that they claim, which I might say are highly questionable.

None of the budget proposals currently under consideration, whether it is the President's, the House of Representatives' budget, or the budget that came out of our Senate Budget Committee, even remotely approaches what is required under OMB's rather sudden reevaluation of the deficit. I do not mean to imply that OMB's reappraisal came as such a great surprise.

I think many of us knew in January, when the President said that his budget proposal would put the deficit behind us, that the problem was once again being minimized and we were going through once again the ritual manipulation of economic assumptions necessary to reduce the burden of painful choices that the President would have to make in his budget submission.

I think we understood at that time that the deficits were substantially larger than the President had projected in his budget submission. Frankly, I do not think anyone really was sure how much the problem was being understated or how quickly the administration will have to call for a budget summit to deal with it.

We, in the Senate Budget Committee, attempted in the past to put together a far more ambitious assault on the deficit problem than the President's budget contemplated. We were able to craft a package of $54 billion in savings, $43 billion of which is composed of reconciled, hard savings and self-enforcing reductions to be achieved through the appropriations process.

But even this very ambitious $43 billion package—which nearly doubles the scorable savings in the President's budget—even that package is now $30 billion short of the necessary reduction level under the estimates that OMB is now giving us that govern the Gramm-Rudman-Hollings law.

Mr. President, that sobering fact tells the story. Quite frankly, the numbers have caught up with us. The long years of pay shifts and 1-year nonrecurring savings have finally given us a hole so large, and not even the ingenuity of some of the folks at the OMB can paper this hole over.

So the conclusion is inescapable—this year is not going to be a slide-by year. This year is not going to be business as usual, as we have seen for the past 2 or 3 years. The deficit will be dealt with either in an ambitious summit agreement or through sequester of unprecedented proportions. Those became the only realistic possibilities the minute the administration doubled its estimate of what we have to achieve this year by way of deficit reduction.

For all of those reasons, the resolution we take up here today is not the one that is going to set our fiscal house in order. No one is claiming that it will. Once again, we will either do that by our own volition in summit, or the sequester axe is going to do it for us in October.

But this body, and the Congress as a whole, still has fiscal obligations outside of the summit negotiations and outside of Gramm-Rudman.

Our reasons for moving our congressional budget process along at this stage are largely, I submit to my colleagues, institutional, but they go directly to the heart of our responsibilities as legislators.

For some time now, I have been hearing from both parties, to be frank and candid about it, the view that we have to let the Appropriations Committee move forward with its work. As a member of the Appropriations Committee myself—and I take pride in that fact—I am very sympathetic to the concerns expressed by the distinguished chairman of that committee, the President pro tempore of the Senate, ROBERT BYRD of West Virginia, and by the distinguished ranking member, Senator HATFIELD of Oregon.

Like them, I do not want to see the appropriators' work delayed until we are forced to another continuing resolution or, perhaps worse, a lameduck session after the November elections.

I remember very well when President Reagan told the American people in a nationally televised address that he would never again sign a massive continuing resolution. He argued that it was the wrong way to govern, and I do not think anyone can honestly deny that contention.

Of course he neglected to say, I agree with my colleagues on the Appropriations Committee that either a continuing resolution or a lameduck session could easily be cast as a failure of the Congress to do its work and as a failure of the U.S. Senate to meet its most fundamental responsibilities.

I think we all understand that, with respect to the appropriations process we operate in this body under somewhat different rules than the House. The House can move its appropriations bills freely after May 15 under procedures agreed to in their Rules Committee.

We on the other hand do not get the protections provided by the Budget Act until the budget resolution is passed and conferenced. If the separate appropriations bills are brought to the floor without the supermajority points of order provided under the Budget Act those bills will be subject to nondeficit neutral amendments that will almost certainly produce totally unacceptable results in the final analysis.

We need those protections before we can move our 13 appropriations bills. I think that is a proposition that anyone interested in deficit reduction will readily accept.

For all those reasons, we're pursuing the simplest and fastest method of letting the appropriators do their work. We're pulling Senate Concurrent Resolution 110 off the calendar, but we're pulling that resolution down strictly as a vehicle. We'll immediately amend that resolution with a complete substitute that provides a neutral allocation of spending among the various appropriated accounts.

By that I mean simply that we agree to allow the Appropriations Committees to go forward with crafting bills that will approximately reach last years total appropriations pot. Let me emphasize that again total spending in this pro-forma resolution would remain roughly at last year's levels. The appropriators would then have the choice as they have each year to portion that overall pot as they see fit among the domestic and defense accounts.

That kind of overall allocation is designed to be "neutral" in the sense that it will not prejudice the ongoing summit toward any particular spending or policy decisions in either the domestic or defense accounts. The appropriators in all committees will stand on notice that their work must ultimately be adjusted to accomodate the savings agreed to in the summit.

Now again it should be understood that we have no intention in moving this neutral overall appropriation allo-

cation either of slowing or hindering the ongoing budget summit in any way. It is quite the reverse. We want to clear the field of procedural questions so that the summit can become the central focus so that we can keep the Congress doing its work, and so that we can provide the necessary mechanisms for implementing the ultimate summit agreement.

Toward that end, we will be keeping the Senate budget committee-reported resolution Senate Concurrent Resolution 310 on the calendar as a vehicle for the summit agreement once it is reached. The reconciliation amounts agreed to in the summit will be offered at the appropriate time as a germane amendment to replace the existing instructions in that resolution. We will include language in the resolution now under consideration to indicate that the resolution remaining on the calendar will serve as the summit vehicle. When we get to it later in the year that vehicle will be entitled to all the normal protections provided for budget resolutions under the Budget Act.

In sum, the appropriations process is allowed to move forward, and the major decisions on entitlements, revenues and the savings in appropriated accounts are reserved to the summit. That is the dual objective here.

Now, Mr. President, I have explored, with the members of the democratic caucus and with the leaders on the other side, every approach I can think of that will enable us to keep the trains running without biasing the results of the summit in any way.

I have bent over backwards, if I do say so, to accommodate the concerns of my colleagues on the other side of the aisle with respect to the argument that any action on a budget resolution undermines the summit. In order to dispel any such view, we've crafted this approach in a way that is as technically pure, and as free of policy choices as it can possibly be.

Nonetheless, there may still be those who want to contend that taking this action will somehow diminish the summit.

Let me simply say in response to any vague doubts any Senator might feel: I stand absolutely committed to negotiating a summit agreement that will take at least $55 billion out of the deficit of fiscal 1991, and will achieve upward of $550 billion in savings over 5 years.

The other summiteers on the democratic side—all of whom are committed to that same ambitious goal—the other democratic summiteers support this measure as a purely technical means to insure that the U.S. Senate fulfills its fiscal responsibility this year.

The bottom line is very simple, and I have stated it repeatedly throughout my remarks. If the summit fails to cut the deficit, the sequester takes over automatically. With that grim-reaper of Gramm-Rudman standing inevitably over all we do, we can feel absolutely free to take the steps necessary to keep the congressional process moving. I would urge all of my colleagues to support this pure, technical expedient—one that will enable us to do our jobs.

Mr. President, I yield now to the distinguished ranking member, Senator DOMENICI.

The PRESIDING OFFICER (Mr. FORD). The Chair recognizes the senior Senator from New Mexico.

Mr. DOMENICI. Mr. President, so that I will be accommodating those who might be here, let me yield myself 10 minutes at this point so I will know when I have used 10 minutes.

Mr. President, let me make a couple of points for Senators that are interested in what we are doing tonight. This is, as I see it, truly a procedural instrument to keep the work of the Congress moving, maybe. And I will tell you why it is a "maybe."

First of all, we are in an economic summit. We may or may not get a major budget fix. In the event we do, obviously, we will be back in both bodies with a firm budget resolution for the fiscal year. We are talking about next year, that is the subject matter of this resolution. If we do not get a budget resolution that is, a major multiyear budget fix—then I want to echo the remarks of my good friend, the chairman.

With the best estimate under current processes, procedures, and law, we are going to have a sequester of about $80 billion. Whatever we do here tonight, I regret to tell the Senate, has little or no bearing whatsoever on whether we are going to get an $80 billion sequester or not. And if we do, so everyone will remember, $40 billion of that will come out of defense and $40 billion will come out of the domestic programs, that are not immunized from the Gramm-Rudman sequester.

So I hope that those here in the Senate and in the other body, the U.S. House of Representatives, understand the imperative of trying to put together, with the President, a major multiyear budget fix. Because there is nothing on the horizon to meet the Gramm-Rudman targets, other than a massive sequester.

Second, we generally speak of these two bodies, the U.S. Senate and the U.S. House, as kind of coequals in this legislative process. Well, as my good friend, the chairman, would agree, we have one huge difference when it comes to the budget process and appropriating, in that the House of Representatives does not have to have a completed budget resolution conferred upon by both Houses in a congressionally enacted budget in order to start the appropriations process. So they have passed a budget and they have allocated their money to their appropriators and they are starting the process of appropriation.

It seemed to this Senator that we ought to try to help the chairman produce a budget that we could take to conference with the House to see if we could get a total allocation for the Appropriations Committee and nothing else.

We need a total amount that the appropriators can appropriate this year for defense and nondefense discretionary appropriations. That is why I said this may help us. If we can agree in conference with the House on something we may begin to let our appropriators begin their work.

I am hopeful we can do that, but I hope everyone knows that we are not producing a full budget tonight. There is no reconciliation in this budget. We in no way attempt to set anything in this budget resolution tonight other than one thing, the total amount of budget authority in outlays that the appropriators have to allocate for their bills.

I ask unanimous consent to print a table in the RECORD of the numbers we are using here, current services, the Senate budget resolution, House budget resolution and the President's request.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOMENICI. Mr. President, I want to tell the Senators that I agreed with the distinguished chairman to try to help with this, if we could produce what we could tell everyone was a neutral policy document—as neutral as we could draw one.

Somebody might stand up and say "what is neutral?" Well, I think we did produce one that is neutral for the purposes just described. It is the current level of appropriated expenditures. And that is where the $482.5 billion budget authority comes from. That means we are taking current levels and are saying that is the total amount the appropriators have to spend.

On the outlay side those current levels of budget authority need $503.4 billion in outlays.

Anyone who wants to examine the document we are going to pass tonight, in my humble opinion, can disregard everything excepting those two numbers: $482.5 billion in budget authority; $503.4 billion in outlays.

Somebody might stand up and say, "Well Chairman SASSER, how much is for education?"

If we look through it, we will find this year's level. And I think the chairman would say, "But the appropriators have always had the authority to distribute among the appropriating committees, as they see fit. All we are

doing when we set these targets is give some recommendations and give some justification as to where the total numbers come from."

I might tell the Senate, it might come as a shock after voting on all these budget resolutions—and I see my friend from Georgia here—only 2 times in 11 years did the Appropriations Committees of both Houses use the actual functional allocations that we spent so much time on down here. Chairman MARK HATFIELD one time took what we voted on here and gave those numbers to the appropriators for their allocation. You might say, what is the rule that governs them? Absent something new and different—which may well come out of the summit—the only thing that governs is the total.

When they are through with their allocating they have to add up and say we did not spend more than $482.5 billion in budget authority and $503.4 billion in outlays.

Mr. President, I do want to say we are cooperating with the other side of this budget resolution. It seems important to us that, while the economic summit conference is going on—and this Senator has great hopes we will come to our senses and not have a sequester before we fix the budget of the United States. There are some who say let the sequester fall and maybe in December we will fix the budget deficit of the United States. I really do not believe we ought to do that.

I think we ought to make a multiyear budget proposal, package it up in the budget summit, take it to the American people and to the Congress and pass it.

But the point is we ought to let the appropriators who have the authority to allocate this money anyway—we ought to let them get started. They are not going to have any binding appropriations bills in any event because one of two things is going to happen: a sequester is going to take over or we are going to make a budget summit multiyear negotiated budget which will readdress the issues of defense and the issues of the other appropriated accounts. So we thought in the interests of moving things ahead we would take a budget neutral package and go to conference.

I want to suggest again why I am not sure we will have completed our job. If the U.S. House wants to negotiate out a full budget including reconciliation instructions on entitlements and on taxes, then obviously we are not going to have anything completed because they already know we are not going to agree to that. We want to go and try to get an agreement on the appropriated accounts so our appropriators can work and, obviously, it would be an agreement somewhere between our numbers and theirs. Then we could move the appropriations bills, subject to what is going to happen 2 or 3 months from now either with a sequester or through an overall multiyear negotiated settlement.

I have been here many times on bills like this that were tremendously important to the fiscal policy of this country; on bills that were extremely meaningful. But I must suggest tonight we are not here on one of these occasions. We are here to try to find as close to a policy neutral approach for the budget resolution so that we can give our appropriators that first opportunity to move their bills—while we wait around to see if we are going to come to our senses and fix the budget deficit or suffer a sequester.

Mr. President, we cannot reduce the deficit and avoid a huge sequester unless we develop a budget agreement between the administration and Congress. As I believe everyone is aware, that economic summit called by the President and congressional leadership is ongoing daily off the Senate floor. It is a time-consuming summit, but I believe a very necessary set of meetings. And I remain hopeful that it will eventually produce an outcome that will reduce the deficit significantly over a multiyear period and allow us to avoid the disaster of a mega sequester this fall.

Certainly that summit agreement once reached will need to be implemented quickly and that will entail among other things the enactment of appropriation bills. The process of writing, passing, and conferencing 13 separate appropriation bills takes time, time that is running out. At some point, we have to allow the Appropriations Committee to begin processing their bills. Without a budget resolution, Appropriations has no guidance and we have no limits or enforcement procedures to control spending in appropriation bills. Until the adoption of the budget resolution, the Appropriations Committee only needs a simple majority vote to waive all budget points of order and take their bills to the floor.

We are caught in a dilemma where we do not have an agreement on the budget, the economic summit is ongoing, and we need to allow the Appropriations Committees to begin their work, even if that work is likely to be modified later in the year.

And that brings us to this leadership amendment, truely a procedural instrument to keep the work of the Congress moving. In order not to prejudice the deliberations of the budget summit and allow the Appropriations Committee to proceed with its work, we propose a policy neutral budget. As compared to current law, this budget contains no new revenues, no assumptions for entitlement cuts, and no reconciliation instructions.

This policy neutral budget does not assume any additions or cuts. It would simply hold spending for the Appropriations Committee next year at this year's level—current level—providing a total of $482.5 billion to this committee.

This level is below the President's budget by $14 billion and the House-passed budget resolution by $9.6 billion.

Mr. President, I urge my colleagues to support this interim budget. It provides the budget summit participants some more time to develop a budget agreement. With a budget summit agreement, we will be able to write a budget resolution and implement a long-term budget that reduces the deficit and avoids a sequester. Without an interim budget, we will either bog down the appropriations process or engage in a divisive debate on the budget resolution that will make a constructive budget agreement unlikely and invite a massive sequester this fall.

EXHIBIT 1

1991 DISCRETIONARY APPROPRIATIONS

[In billions of dollars]

	Budget authority	Outlays
1990 current level [1]	482.5	503.4
1991 current services	508.9	520.0
Senate budget resolution	481.2	503.4
House budget resolution [2]	492.2	513.6
President's request	496.6	515.8

[1] Includes adjustment for 1991 outlays prior.
[2] As adopted by the House Appropriations Committee, June 13, 1990.
Notes:
(1) All totals adjusted to include impact of 1990 supplemental.
(2) 1991 current services based on CBO alternative baseline (March) estimates.
(3) Totals represent discretionary spending under jurisdiction of the Appropriations Committee, except for Defense, which includes all spending in Function 050.

Mr. DOMENICI. I do have some additional remarks I want to make about the economy, but I note several Senators are on the floor who might have questions about what we have before us. I will speak to the Federal Reserve Board's role in all this in a few moments, but I yield the floor at this time.

The PRESIDING OFFICER. The Senator reserves his time.

Mr. SASSER. Mr. President, I yield to the Senator from Illinois as much time as he requires, not to exceed 10 minutes.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I originally joined Senator BINGAMAN and Senator ROBB in requesting a rollcall on this. Had we had a rollcall, I would have voted against this because I think it is fundamentally a giving up on the budget process. I do not mean this disrespectfully to the distinguished chairman, my colleague from Tennessee, or the distinguished rank-

ing member, the Senator from New Mexico.

The good part of this is it does have some restraint for the Appropriations Committees. There is no question about that. But what we failed to do is what the budget process is really all about, and that is, as originally envisioned, that we were going to take a look at what our priorities are and shift our priorities. And what has happened is we are in a rut. And we are not shifting our priorities, even when circumstances change that really ought to alter these priorities.

The three things that we ought to deal with much more vigorously in my opinion are, first, the deficit, just an overwhelming problem in our society, and we are just drifting along, not really dealing with this. The President is providing no leadership and we point to the President and his faltering leadership and point out the weakness there, but we are not doing anything here either.

The second area, and I discussed this earlier this evening, and after reading the speeches of our distinguished colleague from Georgia, Senator SAM NUNN, who made some very thoughtful, substantial speeches here, 85 or 90 percent of which I agree with, that really should have caused some major discussion in this body and in the Nation and I am afraid, meaning no disrespect to my colleague from Georgia who is here right now, there was a one-time shot in the newspapers and that was about it. We really ought to be taking a look at this.

After World War II, in 3 years we had a 90-percent drop in defense expenditures. I am not suggesting that was wise. As a matter of fact, perhaps the Korean war would have been prevented had that drop not been so precipitous. But now another war has been won, the cold war. There are no surrender papers.

But, in fact, another war has been won and we are talking about 1 percent, 2 percent. In my remarks earlier this evening, I said I agree with most of what the Senator from Georgia has suggested, except for his conclusion; and that is that we ought to be cutting substantially more from the defense budget and reducing that deficit and, this is the third point, shifting it into the field of education.

If someone from Mars came down here and looked at our budget and saw we were spending $300 billion on defense and $22 billion on education, excluding school lunches, that person from Mars would conclude that the United States faced a great immediate military threat, but our schools were in great shape. We know the truth, but the budget does not reflect that reality.

Finally, while it is said these are not final decisions we are making here, the reality is a budget summit is taking place and when everybody gets out of that budget summit, if there is an agreement, then anyone here who wants to modify that will be told, "We really would like to help you or agree with you, but we have this agreement."

The Senate really is pulling itself out of the budget process. I think that is a mistake. I recall last year I had an amendment to take 1 percent from the defense budget and put it into education. It would have meant a 15-percent increase in education. A lot of my colleagues said, "I agree with you, but I cannot go along because we have entered into this budget summit agreement." We are going to go through the same thing.

Mr. President, I think we are making a mistake. I applaud the restraint that is here, but just giving up on the whole purpose of what the budget process is about is a mistake.

While my colleague from New Mexico is correct when he says we have not followed this exactly in terms of what the Appropriations Committee does, but guidelines have been there and have generally been followed, now we are just giving up on the guidelines. This is going to pass by voice vote tonight. We all know that. But I think what has happened here suggests the budget process really does have to be reviewed.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, I yield to the distinguished Senator from New Mexico [Mr. BINGAMAN] 5 minutes.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that when the vote occurs on this budget resolution, the RECORD reflect that I voted "no."

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. SIMON. If my colleague will yield, I ask unanimous consent to be recorded the same way.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, I would like to explain the reasons why I am voting against the budget resolution that has been proposed tonight. I think it is elementary that the objectives we have through this budget process are two: First, to bring the deficit under control or down and, second, to allocate funds to those areas where they are most needed; specifically, in my view at this time, to allocate additional funds to some of the domestic needs of our country, such as the needs for funding for a better educational system, for a rational and fair health care system.

When the President presented the budget that was sent to the Congress early this year, in my view, it totally failed to achieve either of these major objectives. It did not present a serious deficit reduction plan. I also believe strongly that it did not propose the significant reallocation of funds which the American people would favor at this point, and do favor.

I criticized the President's budget at that time for being a slide-by budget, much like the budget we had seen in 1989. Now with the budget resolution, which is on the floor, and as conceded by the chairman and ranking member of the Budget Committee, in my view, we are being asked tonight in this budget resolution to essentially sign on to that same slide-by approach.

I have heard the chairman of the Budget Committee indicate that he does not believe this is going to be another slide-by year; that the circumstances are such that a major deficit reduction effort will be required. I know we have negotiations going on. I know we have a budget summit going on which has been going on now for a month or so.

In my view, the fact that these protracted negotiations are required is proof positive that we lack leadership in the executive branch; that our President has been caught in his own campaign promises. The political maneuvering that is going on certainly may be good politics; it is not good government, in my view.

The budget summit may result in a serious reduction of the deficit, but I have grave doubts about what the end result will be. The budget summit may result in a shifting of funds to meet our domestic needs, such as education and help for disadvantaged children and for many health services. But, again, I have very grave doubts about that.

Mr. President, my colleague from Illinois [Mr. SIMON] spoke earlier, and very eloquently addressed the question of whether in 1990 we would see a year of decision or another year of drift. I fear that with the passage of this budget resolution, we are taking one more step toward that year of drift.

For that reason, I wish to be recorded as voting against the budget resolution.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, I see the distinguished Senator from Georgia, who I understand has some questions he may wish to propound at this time.

Mr. NUNN. I thank the Senator from Tennessee. I hope he will yield to me—I do not think it will take more than 5 minutes—for the purpose of posing a question to the Senator from Tennessee.

Mr. SASSER. I yield the Senator from Georgia 5 minutes, or such time as he may require.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. DOMENICI. I wonder if my friend from Georgia will yield 1 minute to the Senator from New Mexico.

Mr. NUNN. I yield 1 minute to the Senator.

Mr. DOMENICI. I wanted to ask my colleague from New Mexico if he was going to be on the floor for a while.

Mr. BINGAMAN. I will.

Mr. DOMENICI. I do want to comment on his remarks and did not want to do that if he were not here.

I yield the floor at this time.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, let me just start by asking a question. If I understand, what we are really doing here is providing a makeshift kind of scaled-down mechanism to allow the Appropriations Committees to begin to do their work while the budget summit conference is proceeding; am I correct in that?

Mr. SASSER. The Senator from Georgia is correct. What we are providing here is essentially a neutral budget resolution for purposes of allowing the Appropriations Committee to move forward with their discretionary spending appropriations.

Mr. NUNN. Am I to also understand, I believe I heard the Senator from New Mexico say this, that the appropriations bills that we begin to get up, whether it is in July or the first part of August or in September, are going to be displaced inevitably, by either of two things; either by a sequester which, as I understand it, is going to be a very large sequester based on the numbers I have heard, or by some type of substitute resolution that avoids a sequester?

Mr. SASSER. The Senator from Georgia is correct. As the Senator knows, the Office of Management and Budget has recalculated the deficit, and we are now looking at a deficit number to meet the Gramm-Rudman-Hollings targets of somewhere in the neighborhood of $74 to $80 billion, and we are simply unable to meet that target with any of the budget resolutions that are currently before us. So the only solution will come through the budget summit negotiations or through sequester. I hope it is not the latter source.

Mr. NUNN. Would it be fair to say also that whether one is for this resolution or against it, whether one thinks it is smoke and mirrors or whether one thinks it is real progress, that whatever one thinks, it is temporary in nature and, if it is smoke and mirrors it is not going to be permanent smoke and mirrors: It is going to be displayed by something of a more tangible nature either in a substitute fashion or in a sequester, which would have very severe consequences?

Mr. SASSER. In the final analysis, this is simply an instrument by which we allow the Appropriations Committees to move forward under rules and procedures and begin to do their work. It is, I think, clearly understood by all here that in the final analysis the appropriations Committees are either going to have to adjust their levels upward or downward pursuant to the negotiated budget settlement, or they may be adjusted downward by action of sequester.

Mr. NUNN. I thank my colleague from Tennessee. I would like to pose three or four questions that are a little bit more detailed in nature. First, what are the assumptions about the allocation of the discretionary spending total contained in this budget resolution? For instance, does every function get exactly what it had in fiscal year 1990 under this resolution, or will there be some reallocation spending among the functions?

Mr. SASSER. The total discretionary allocation is $482.5 billion in budget authority and $503.4 billion in outlays. Now, these amounts very closely approximate the current levels of 1990, and these amounts were distributed across the budget functions at current levels. Reallocation among the functions will be done in the appropriations process once the total pot of appropriations is agreed to in the conference on the budget resolution between the House and the Senate.

Mr. NUNN. I thank my friend from Tennessee. Does the Senator from Tennessee envision that, if there is an in-between position in the conference, with the House being higher on outlays and the Senate being lower—and I believe the delta or the differential is about $10 billion—but, hypothetically, if there was a split in the middle kind of position and $5 billion was added to the Senate and deducted from the House, does the Senator from Tennessee anticipate that that money would become part of a lump sum brought back also, or would the Senator anticipate in conference that extra $5 billion would begin to be allocated?

Mr. SASSER. It is my understanding it would be part of the lump sum to be brought back.

Mr. NUNN. And the Appropriations Committee would do the allocation?

Mr. SASSER. The Appropriations Committee would do the allocation pursuant to the 302(b) allocations.

Mr. NUNN. How much of the $503 billion in fiscal year 1991 outlays in this resolution is assumed to be the national defense function or intended for national defense?

Mr. SASSER. For funtion 051, which is defense, excluding, as I understand it, the energy portion, the total is $289.6 billion in budget authority and $286.9 billion in outlays. For the total function 050, the current level is $299.6 billion in budget authority and $295.7 billion in outlays.

Mr. NUNN. I thank the Senator. Under this resolution, the Senate will go to conference without functional spending totals in the resolution, and as I understand what the Senator has just said, when the conference agreement is brought back, assuming it is in the form the Senator anticipates, the Appropriations Committee will then decide how much goes to defense and how much goes to other functions?

Mr. SASSER. I say to my friend from Georgia there are functional totals in the resolution before us this evening, but these totals are simply given at 1990 levels, and I would anticipate that we would come from conference with functional totals. But in addition to those functional totals, there would be additional moneys that probably would result from the conference that would come back in a lump sum and would be appropriated and distributed among the various functions.

Mr. NUNN. Let me take it one step further. Assuming the Appropriations Committee has its allocations and then starts coming back with appropriations bills, and assuming that they decide that instead of following the functional totals that were assumed here, they are going to, let us say, take $25 billion out of defense and allocate it to other functions, how will the Senate itself be able to work its will if the Senate decides, for instance, that the individual appropriations bills have too much money and defense has too little under the allocation? Will there be an opportunity for the Senate to work its will to increase defense and decrease other appropriations bills, since they are coming separately?

Mr. SASSER. The appropriations bills would be subject to amendment, but they would be subject to amendment pursuant to the provisions of the Budget Act.

Mr. NUNN. And that means, if there was a deletion or an addition, it has to come out neutral on that bill or in the overall allocation?

Mr. SASSER. They would have to come out budget neutral on each particular bill or face a point of order. But the Senator from Georgia will recall there was an instance here just a short time ago when we altered appropriations bills to secure additional funding for drugs, as I recall. We did that by an across-the-board measure that impinged or impacted on all the appropriations bills.

Mr. DOMENICI. Will the distinguished Senator yield for a response on my time?

Mr. NUNN. I will be glad to yield.

Mr. DOMENICI. Let me say to the distinguished chairman of the Armed Services Committee, the way I see it, first, I have tried my best to explain that I do not think these numbers as disbursed across the functions are the subject matter of this resolution tonight. The total is the subject matter, how much budget authority and outlays we have arrived at, that is available to the appropriators. I say that because it happens to be the way the law is currently written on budget resolutions.

We have changed that one or two times in the past by informal agreements. Two summits have agreed. I think the distinguished chairman knew of those events, where we actually, instead of one comprehensive total, broke it into three parts. So when we came out of a summit with the numbers, the Senator came to the floor and asked, is this money for defense? The answer was, that is correct. But absent that, no matter what budget resolution we are approving here tonight, no matter what numbers were in defense, the appropriators have no obligation to allocate that much to defense.

Having said that, there are a couple of events that give this institution some clues, which give us a chance to try to work our will. If, in fact, there is not enough budget authority and outlays for defense, which I think is the Senator's question. The appropriators, choose to take the maximum amount out of defense, waiting until the end, two things happen. The Appropriations Committee has to take a vote on allocating the money. The distinguished chairman is not on that committee. I think he would be justifiably a bit skeptical about how that vote might occur.

Mr. NUNN. I think under the reasonable arrangement we have, I might be entitled to sit in and watch it happen, but I will not have a voice.

Mr. DOMENICI. Second, while we do not get to vote on the allocations as an institution, they must be filed, knowing how much the Senator from Georgia watches such things. There may be a day when we come back from conference, if we do, when the appropriators will file allocations of these 302(b)'s. This is how they distribute this total lump sum. That is a very important day because then we will see how much of the total they said goes to defense.

We do not get to vote at that point. But what you know then is the handwriting is on the wall. As each appropriations bill comes, and it will be historic if defense is anything but last—it is always last—we will know when the first one comes, and if it is using up the entire allocation in that filing that we saw, we might assume that all the rest are going to use theirs too.

If, in fact, defense was extremely low, because it is being spent somewhere else, it is pretty obvious to the Senator from New Mexico that the war starts then as to whether or not defense has been treated fairly or unfairly in the allocation. They do not have a lot of rights, but for somebody like my friend from Georgia, you could then begin to make a point—well, we did not do it fairly, or we are not going to be able to meet our defense needs, or something is going to happen because defense is too low.

Mr. NUNN. Will the Senator let me pose a question at that point? Let us suppose they bring out a Department of the Interior appropriations bill or any other bill for that matter. The 302 allocations have not in any way followed the assumptions in this particular resolution before us. Let us assume there is $2 billion more in Interior than was assumed under this current budget. Let us assume the Senator from Georgia was able to persuade 52 people to take that $2 billion out. There is no other bill before us at that stage. What are we going to do with $2 billion procedurally, in order to save that for some other function, whether it is defense or whether it is education?

There will be people who will have similar type questions. How do you take $2 billion out of that bill and hold it? Does it stay at the desk, or am I procedurally able to shift it to a bill that is not on the floor?

Mr. DOMENICI. Let me first say on the 302(b) allocation process, maybe I am mistaken, but I think this is probably as detailed a discussion this U.S. Senate has ever had on the subject. Is it not interesting that it happens to be just about the entire ball game when it comes to where the money is going to go?

So, the first point I would like to make is, I hope my good friend from Georgia knows there is no difference in times in the past. This is the way it has always been.

Mr. NUNN. I understand that point; except there has been a very strong impetus behind the budget resolution and the way those funds have been allocated, and if the appropriators begin tinkering, they can tinker, but it is at the margins.

Under this arrangement there has been no Senate decision, and I would say the tinkering can be more than the margins. It can go to the very fundamentals. I think that is what the difference is, the psychology rather than the law.

Mr. DOMENICI. I would answer for my friend on the $2 billion question. Frankly, if you take it out of the bill—we would never, to my knowledge, do anything like this—but if the U.S. Senate wanted to instruct the Appropriations Committee to reallocate and put it in defense, I assume you would get that vote. Please do not hold me to that.

Mr. NUNN. One further question. If we take the $2 billion out, and there is a rule and procedure which require budget neutrality, does that mean we have to spend it on that bill or can you just deduct $2 billion out?

Mr. DOMENICI. No.

Mr. NUNN. You just cannot increase the ceiling. It can go below it?

Mr. DOMENICI. You cannot overspend it.

Mr. NUNN. You can underspend it, can you not?

Mr. DOMENICI. I do not think there is any doubt about that. It would be rather historic but we could do that.

Mr. NUNN. Assuming you could get 51 votes. But it is theoretically possible. Would the Senator from Tennessee agree with that, simply cut the appropriations bill without reallocating?

Mr. SASSER. I agree. We could just cut an appropriations bill without reallocating it to a particular purpose on the floor. We might do the historic thing and reallocate a deficit reduction around here. That might be something we ought to consider.

Mr. NUNN. There could be all sorts of history set.

The final question. I know the plight my colleagues in the Budget Committee are faced with. I have been on the Budget Committee myself, not under these circumstances. I was on the Budget Committee back when we thought $10 or $15 billion was a big deficit.

Mr. SASSER. Maybe what we need to do is get the Senator from Georgia back on the Budget Committee.

Mr. NUNN. I do not think my absence has made it worse. I think you all are caught with a set of circumstances beyond your control. I know that is what you are responding here to.

We are planning, in the Armed Services Committee, to begin our markup on the authorization bill, and that markup will probably begin shortly after the Fourth of July recess, based on the current schedule. Does the Senator from Tennessee or the Senator from New Mexico have any guidance as to the number we should mark to, based on this budget resolution?

Mr. SASSER. I say to my friend from Georgia, that we expect a speedy conclusion of the budget conference. We are very, very hopeful of a speedy conclusion, and a quick allocation of the money coming back from that conference under the appropriations 302(b) allocation.

The distinguished chairman of the Armed Services Committee may wish to delay locking in on numbers, or at least lock in on the numbers contemporaneous with those 302(b) allocations that would be distributed among

the various subcommittees of appropriations, including the Defense Subcommittee.

The only formal guidance that has been offered to the Senate thus far was that offered by the Senate Budget Committee, and that was to reduce outlays by $13 billion below current services and $30 billion in budget authority.

I know the distinguished chairman of the Armed Services Committee is not favorably disposed to that guidance that came out of the Senate Budget Committee. But of course the numbers are going to be determined at the summit with regard to 050 and all of the other functions.

Mr. NUNN. I may surprise the Senator from Tennessee but it would be my recommendation to the committee that we work to the $13 billion as at least one of our marks. We may have more than one mark. We may end up having two mark levels because of the uncertainty. That is very difficult.

I think the people need to have an honest look at what the consequences of the various marks are. It may very well be that we will decide to proceed with two marks, and in some sort of procedural fashion. Of course we will be in the position of bringing our bill out sometime in July, which may be before there is a summit agreement. Hopefully not. But that would be an extremely optimistic case to say we would have an agreement in July.

If that is the case, we will still be guessing. So I assume that what we could do now is to take the number in this resolution, take the $13 billion that came out of the Senate Budget Committee, work somewhat in those parameters, and have a reasonable guess at this stage.

Would the Senator guess as to when the 302 allocations would be probable? Would they be this month?

Mr. SASSER. That will, of course, be dependent on how speedily we can conference this resolution. I am hopeful that we can conference it in a very speedy fashion indeed.

Mr. NUNN. We need to get somebody that can divide by two. Is that right?

Mr. SASSER. Yes. At least that. But the chairman of the Appropriations Committee has indicated that he intends to move very rapidly on the allocation. If we can conference the bill fast, I would say there is an excellent chance that the 302(b) allocations could be gotten before the July 4th recess.

Mr. NUNN. I thank my colleagues from Tennessee and New Mexico.

Mr. SASSER. I thank the distinguished Senator from Georgia. I am sympathetic with the distinguished chairman's problems in trying to mark up his defense bill under these very peculiar and trying circumstances.

I would be the first to concede that this is not the proper way to run the fiscal business of the U.S. Government. But we are simply caught in this problem on this occasion as a result of a lot of factors, but I think principally because of the gross underestimation of the deficit that occurred in the administration's original budget presentation. But I thank the Senator.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I wonder, before the distinguished Senator from Georgia leaves, I know Senator ROBB wants to talk, if I might just take 2 minutes.

He asked if there was any advice as to what he ought to mark up to. I want to say to my friend from Georgia I have a completely different idea of what number he ought to mark to. I thought maybe I would share it with him.

I think he ought to mark to the number he thinks his committee thinks they need.

If it is $12.5 billion reduction, fine; if it is 9, fine. First of all, I need not tell the Senator his bill is an authorizing bill, not an appropriation bill. Second, and I say this having given it some thought, I have seen so many new experts on what the defense of the Nation needs in these changing times that I think, just to be honest, the Senator's committee may be more expert than all of them put together. I think the Senator ought to do what he thinks he ought to do.

Some people say we ought to cut $50 billion out of defense. Out in the country some politicians say we do not need any defense any more; maybe we ought to be down to 3 percent of GNP, or 2.5 for the next 4 years.

I, frankly, believe that we do have some system around here that occasionally works. And I believe there is a rare opportunity for the defense authorization committee to move quickly and to show the U.S. Senate—since the first responsibility is here and to the people of this country—what the numbers that everybody is throwing around mean. That is why maybe the Senator is thinking in more than one format, because some people say cut 10 the first year, and some say cut 25, some say cut 15.

Frankly, so the Senator knows again, there is nothing binding about any of these numbers, until those appropriators sign them, and that is really no different than it has been in the past; although I will say the Senator's notion of marginality may have merit. I am aware of 3 years in the past 11 when it was not a margin adjustment on defense, but rather very, very substantial amounts came out of Defense, after being voted in my budget resolution, and went elsewhere. I think in the end I may have voted for the appropriations. I am not critical of it. But I know 3 years where there was about $40 billion moved around from defense to other accounts, cumulative, and I think even in these times that billions are thrown around, and that is probably not within the Senator's definition of marginal movement.

Mr. NUNN. I thank the Senator from New Mexico, and I thank my colleagues for their patience and time.

Mr. ROBB addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. ROBB. Mr. President, I rise reluctantly, given the amount of time and effort that my colleagues, the chairman and the ranking member of the Budget Committee, have already put into this particular challenge. I have enormous respect for them individually and for the difficulty of the task which they assume in trying to bring a budget resolution to this body for consideration, so that we can get on with the appropriate job of appropriating money and taking care of the priorities that face it.

I reluctantly ask unanimous consent that my name be added to those who would like to be recorded as dissenting when the vote for this particular resolution is recorded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Reserving the right to object, and I will not. Let me just suggest that I did not object when two other Senators asked that they be recorded as "no." But, frankly, when we announced we were not going to have a rollcall vote here tonight—and I think it was done twice by both leaders—I think that really meant we were not.

I just want to make sure that the Senator knows that the only reason I am reluctant—and I will not object—is that I think it is quite unfair when you tell everybody there is not going to be a vote, and then we have the equivalent of one without them being here.

Nonetheless, I have no objection, and I understand this. If the Senator is against it, he can put a statement in saying "I vote 'no,'" and it does not put me in a position in which a lot of people on this side might have wanted to vote "no" and be recorded as such.

Mr. ROBB. Mr. President, I certainly understand the position of the senior Senator from New Mexico, and I only did so because of the precedent established by my two preceding colleagues. I did not plan to be formally recorded. I just wanted to urge a word of caution for my colleagues to consider and, hopefully, those who are participating in the summit on behalf of all of the Members of the Senate, as well as the rest of us, who will have to consider the recommendation when

and if it comes back to the floor, in terms of a substitute for the resolution that we are considering tonight.

I say, very briefly, that the budget the President submitted at the beginning of the year provided for what was reported to be $37 billion in deficit reduction. There were a number of us who were disappointed in various aspects of the budget, and there was some question about how much of that $37 billion of deficit reduction was real. Nonetheless, that was the number we started with. I believe the number the House reported out was something in that same range.

A number of us on the Senate side held out for a higher number, recognizing that the budget itself consists of a number of artificialities—I think that would be the most gracious way that I could describe them—along with the fact that we masked the true size of the deficit by ignoring most of the effect of the savings and loan bailout, and the fact that we do count the surpluses in the various trust accounts when we are figuring what we refer to as the deficit each year.

The truth of the matter is that the annual increase in the national debt has been well above $200 billion, getting closer to $300 billion each year, as all of us know who have taken a look at this question and dealt with it. We started with the figure of $37 billion, based on some fairly optimistic projections. It became apparent early on that even those projections, using all of the mechanics of the current budget process and the Gramm-Rudman-Hollings targets, were going to be inadequate even to meet those very modest targets.

We finally reported out a budget resolution, which I say was inspired in large part by the distinguished occupant of the Chair, with a number of $54.1 billion in deficit reduction. In effect, the Senate Budget Committee pledged itself through combinations of reductions in expenditures and revenue increases to reduce the budget under the current process by some $54.1 billion.

Now we have a situation, given the difficulties of resolving this situation with any particular figure, where we are being asked, understandably, and as a matter of expedience, to approve a resolution which has the net effect of approving deficit reduction, not of the $54.1 billion that we tentatively agreed upon in the Senate Budget Committee, not even the $37 billion of deficit reduction that the President had proposed or that the House proposed, but a number that is somewhere between $14 and $16 billion. If we round that off to approximately $15 billion, and I recognize that these are simply targets for the appropriation, and the distinguished senior Senator from New Mexico talked about the neutrality of the provision, but we are now looking at a target which is well below anything that we would have otherwise considered.

I must say, I was somewhat distressed—if I could have the attention of the Senator from New Mexico for one moment—because I have enormous respect for the senior Senator from New Mexico, but when he talked about the fact that the conference would probably come up with a number between the number that is in the House resolution and the number that is in the Senate resolution, well, if we are appropriating toward a target that is somewhere between $37 billion in deficit reduction and 14, 15, 16, depending on how you figure the current resolution in deduction, we are aiming at an even lower target in terms of deficit reduction, given all the artificialities that are built into the process.

The current budget resolution would account for something like one-fifth of what are generally acknowledged to be the amounts of deficit reduction, that is, $75 billion, that the Budget Committees, the President and his key advisers, and the leadership on both sides of the Capitol are going to have to come up with, if we are going to meet the Gramm-Rudman targets as they exist today.

So I would simply say that the target is not only too low in terms of any other comparison, it is way too low compared to where we know we have to go. It seems to me not to make sense given all deference to the leadership and their need to get a budget resolution out to set a target so unbelievably low. Then to go ahead and begin appropriating money based on that target is simply going to lead to either additional disillusion when the true magnitude of the budget is accepted and dealt with or it is going to force the whole process not to deal with it. We are simply going to accept whatever appropriations are being made and say maybe we will do it better next year.

I simply submit to my colleagues that is not moving us in the right direction, and I respectfully dissent knowing full well it is a very difficult challenge knowing the intent of those who offer this particular resolution is that these numbers not be the final numbers but the numbers that come from the summit conference, and I, indeed, hope they will come out with meaningful deficit reduction. But we have a target that is, as far as I am concerned, so low that it seems to me we are taking a step back instead of at least a modest step forward.

I hope very much the process will result in something meaningful. I clearly hope that we soon take up the challenge of bringing about substantial reform of the budget process so that we can present to the American people a true picture of the state of the economy and the state of our fiscal solvency at this time.

We are currently very close to $3.1 trillion in debt and going up at what to me is an alarming rate.

One last comment so we do not lose sight of what I believe is a critical fact we should focus on here. Between 1952, I believe it was, and 1980, the interest on the national debt averaged about 7 percent of the budget. Between 1980 and 1988, it averaged about 13 percent of the budget. The current budget has interest at about 15 percent of the budget. I think it is $255 billion. It is not only the highest real number, it is the highest percentage in our Nation's history, and the month of March the report indicated that there was a $3 billion something deficit for a single month. That was not only $13 billion higher than what had been projected, it was far higher than any single month in our Nation's history.

In April when we all end up paying taxes, those who still owe taxes—and everybody pays their first quarter taxes and what have you—the surplus which is always recorded for April was lower, so that we finally have some sense of where we are headed, and it does not give many of us a sense of confidence to look at those particular numbers.

Mr. President, with due deference to the leadership and commendation for the efforts that they have put in trying to find critical mass someplace and recognizing that I have been a part of the difficulty in arriving at that critical mass, I must, nonetheless, respectfully dissent in terms of the resolution we have before us but hope very much we will indeed make the progress all of us hope to achieve in the near term.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, I see the distinguished Senator from Nebraska on his feet. Before he proceeds may I ask how much time is remaining to our side?

The PRESIDING OFFICER. The Senator from Tennessee has 13 minutes; the Senator from New Mexico has 35 minutes and 30 seconds.

Mr. SASSER. May I ask the Senator how much time he will require?

Mr. EXON. One minute and probably less.

Mr. SASSER. I yield the Senator 1 minute.

The PRESIDING OFFICER. The Senator is recognized.

Mr. EXON. I thank my friend, the chairman of the committee. I rise only for an impassioned plea. This is an enlightened suggestion; this is a reasonable suggestion.

I ask unanimous consent that all of the time be yielded back and that we proceed to a vote on this issue.

39-059 O-91-23 (Pt. 10)

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Reserving the right to object, was the Senator referring to both sides, I ask my friend from Nebraska?

Mr. EXON. Yes, I was referring to both sides attempting to come to a vote.

Mr. DOMENICI. I object.

The PRESIDING OFFICER. Objection is heard.

Who yields time?

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I am not going to take much time.

I do want to say to my good friend from Virginia, Senator ROBB, that—and I think I just want to correct the record from my vantage point—he is correct when he talks about the deficit effect of this piecemeal budget resolution when he speaks of the savings that are in it.

Let me assure you, however, that is just the discretionary accounts of this Government. We have never made that big savings in just the discretionary accounts of this Government. There are no entitlement savings in it and no revenues. Even the President's $13.9 billion revenues are not contemplated in this resolution because, as we said before, what we want to do is provide a procedure to go with the appropriations while we try to fix the deficit. If we could not, the issue is going to be moot anyway.

Having said that, I want to take a couple minutes and talk about an issue that I think is almost as important as this economic summit, and that is what is going to happen to the money supply and what the Federal Reserve Board, in my humble opinion, is doing to this country.

First of all, we have now learned—it took some of us a long time—that while we think in the U.S. Congress that we are in control of fiscal policy and tax policy and as a consequence whatever we do is going to determine what happens to the American economy, I think we have all learned that the American economy, now being internationally affected, is affected by many things. I am willing to admit that one thing we must fix because it is becoming more and more evident is the deficit and get out of the capital markets as much as we can as soon as we can so as to reduce the cost of interest. That is why the Senator from New Mexico is still hopeful about an economic summit.

But the other thing that is out there in the United States—each country has different ones—is the Federal Reserve Board which controls the money supply and ultimately interest rates. Which essentially means how much money is available.

Frankly, Mr. President, I cannot believe that in the midst of the second worse banking crisis in America's history—some say it is the greatest; I am going to assume that the depression had a worse banking crisis than the one we have with the S&L crisis, that is out there, causing enormous ripple effects in terms of the credit market—we are in the economic summit trying to work out a fiscal policy, and almost every indicator that we normally use indicates two things: that the American economy is not growing very fast and that the dynamism within it, if not totally stopped, is dramatically slowing.

I will put those in the RECORD as to what they are—retail sales, wholesale sales, whatever you like, and inflation has ameliorated. It took a little bit of a climb a few months ago. We find now that was attributable to very distinct things, the problem of the farm sector that came from both freezes and other disasters and we had a temporary surge in energy prices, but if you look at the indexes, inflation is coming back down.

Mr. President, I ask unanimous consent that this material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INFLATION, ECONOMIC GROWTH, AND FED POLICY

Continued expansion of the economy with inflation under control must be one of our primary goals for advancing the Nation's welfare.

Recent evidence suggests that we need to place more emphasis on real growth than on inflation.

INFLATION

While we always want to keep inflation under control, the signs are that it is not accelerating.

The PPI—excluding the volatile food and energy components—has increased only 3.1% over the last 12 months, the lowest for any 12 month period since October 1988.

While the CPI rose a lot from January through March, that was primarily due to temporary effects.

The December freeze of agricultural produce,

And the temporary rise in energy prices from weather related increases in heating demands over the winter, a rise that is now being reversed. (Spot crude oil prices are now down to $15 a barrel from around $20 in January.)

The April increase in the CPI was a modest 0.2 percent, that's an annual rate of 2.4 percent if it were to continue.

Predictors of future inflation are also down; goal prices, commodity prices, and long-term bond rates have all fallen recently.

REAL GROWTH

While the economy is growing, it is not growing solidly or securely enough.

After stripping out the temporary hiring to conduct the census, job growth has been quite weak the last three months, retail sales have declined for the last 3 months, and interest sensitive sectors—housing and autos—have been hit the hardest.

Banks have become more skittish, as the real estate market has softened and they have tightened their terms of credit and raised standards for riskier types of loans.

Real GNP growth in the first quarter was revised down last month to 1.3 percent, that's following a 1.1 percent increase in the fourth quarter of 1989. These are the lowest two quarters since 1986.

Complicating the picture of domestic economic activity, are higher interest rates abroad, the result of increased foreign credit demands and central bank restraint, particularly in Europe.

To the extent that higher U.S. rates are being driven up by these foreign demands the higher U.S. rates are not needed or desired.

Looking at these numbers, it is clear that adequate real growth, not inflation should be our major concern. And in this light, the Federal Reserve should be erring on the side of policy ease in order to adjust for current conditions.

But the Federal funds rate, the rate by which the Federal Reserve affects the economy, remains at 8¼ percent, unchanged over the last six months.

A credible multi-year deficit cutting agreement is needed in order to provide the fiscal leadership that must accompany sound monetary policy.

Less Federal demand for credit would lower interest rates directly and make the Federal Reserve's task easier.

COMMENTS ON THE ECONOMY BY SENATOR PETE V. DOMENICI, SENATE COMMITTEE ON THE BUDGET

(May 11, 1990)

WHAT SHOULD WE BE DOING ABOUT THE "CREDIT CRUNCH"?

What are the chances for a credit-crunch recession and what should the government be doing to reduce the danger? Newspapers report anecdotal evidence of credit market tightness. Recently they have raised the specter of a "credit crunch", where credit is unavailable at almost any price, precipitating a recession. A lack of credit helped to bring on the economic downturn in 1974. Today, with economic activity below the economy's capacity and inflation under control, a credit-crunch recession need not occur because the Federal Reserve has sufficient latitude to ease monetary policy without fueling inflation. The Federal Reserve's job, though, has been complicated by restrictive lending practices in the banking industry and higher interest rates abroad. Confused signals above Federal deficit reduction also make the Federal Reserve's task more difficult.

Banks have become more skittish. Their awareness of credit risks has increased as real estate loans have turned sour and economic growth has slowed. Another factor has been the glut of junk bonds produced by merger mania. In response, banks have tightened their terms of credit and raised standards for riskier types of loans. The real estate sector and firms below recognized investment grades have been hardest hit by these changes. Even though a switch to other credit sources by larger corporations and a decline in merger borrowing account for much of the recent decline in lending by banks and S&L's, the downturn still remains disturbing.

How should the Federal Reserve respond? Compared with the 1970's, we live in a different financial world. Deregulation and competition from new sources of credit—money-market funds, secondary markets, and foreign financial entities—now ensures

that funds remain available. Changes in regulatory practices and expansion of non-traditional financial institutions, however, have complicated the Federal Reserve's task of influencing credit availability. The question currently is whether the Federal Reserve can determine and then set a monetary stance that provides adequate liquidity as more stringent loan requirements by the banking sector reduce the amount of total credit available. In light of current circumstances, the Federal Reserve's strategy should be to lower its target for interest rates as a way to offset current non-interest rate related credit restrictions.

Higher foreign interest rates must be factored into Federal Reserve policy. Under certain circumstances higher interest rates are a useful prescription for economic ills. For instance, when too rapid economic growth strains the economy's capacity, adding to inflation, higher interests rates temper economic growth. But recently, higher foreign interest rates, reflecting increased foreign credit demands and central bank restraint, particularly in Europe, have put upward pressure on U.S. interest rates. To the extent the recent rise in U.S. long-term rates reflects foreign activity rather than capacity constraints and inflationary pressures in the U.S., the higher rates are not needed or desired. In response, the appropriate role for the Federal Reserve should be to lower domestic rates by easing monetary policy.

The Federal Reserve also must evaluate recent economic data that have been influenced by special factors. Temporary factors increased inflation and real growth in the first quarter of 1990. The end of the strike at Boeing and the unseasonably mild weather, following a record setting cold spell, accounted for most of the rebound in real GNP growth. Real GNP rose a modest 2.1. percent in the first quarter, up from 1.1 percent in the previous quarter. Inflation was driven up by a jolt to food and energy prices as December's cold weather reduced farm output and increased heating demands. Once these temporary factors and special circumstances are stripped away, adequate real growth, not accelerating inflation, is our main concern. The Federal Reserve should be erring on the side of policy ease in order to adjust for current underlying conditions.

A credible multi-year deficit cutting agreement is needed in order to provide the fiscal leadership that must accompany sound monetary policy. Reduced Federal borrowing in credit markets would make the Federal Reserve's job easier by freeing up needed credit for the private sector. Less credit, therefore, would be required from abroad and our international debt and trade deficit positions would likely improve. A credible multi-year agreement would have the added benefit of reducing the inflation component of interest rates, contributing directly to our ultimate goal of continued economic growth with low inflation.

(June 12, 1990)

INFLATION: WHERE WILL IT GO FROM HERE?

As we begin a new decade, how seriously should inflation fears influence decisions? Are we now seeing signs of an incipient inflationary rise with a recession as the only cure? No. With a credible budget agreement, one that plans for the future and puts our fiscal house in order, we need not repeat the poor economic performance that rising inflation helped trigger in the 70's and early 80's.

Inflation then

The experiences of the 70's and early 80's remain in our memories—inflation increasing to annual rates as high as 18 percent, driving up interest rates to over 20 percent. Household spending and saving decisions were distorted as consumers took on a "buy now" mentality to beat out the next round of price increases. High inflation, coupled with tax laws, discouraged productivity-enhancing investments in areas such as equipment and R&D. Many households—the aged, low-income families, and those on fixed incomes—watched helplessly as inflation ate into their earnings and savings.

We shouldn't ask why inflation is low now but why it was so high then. Between 1973 and 1981, inflation was nearly three times as high as between 1948 and 1973. Rising inflation was the result of several factors: jolts to the economy from two major energy price jumps, low productivity gains, slow economic growth, and a policy of monetary accommodation that fostered ever higher inflationary expectations.

Inflation now

The circumstances that brought on the 70's inflation spiral are not evident in 1990.

The 90's do not look like the 70's. The current 5.3 percent unemployment rate doesn't have the inflationary potential it had in the 70's. The aging of the baby-boom generation has created more experienced and more productive workers who are more employable. In recent years, increases in wage rates have not been inflationary because they have accompanied improving productivity. Over the 80's, nonfarm business productivity has increased at a 1.3 percent annual rate, twice as fast as between 1973 and 1980.

We live in a more competitive world. The growth of global markets has increased our sensitivity to foreign competition and has forced us to be more efficient and more productive. Continued competition from abroad will make us ever more conscious of efficiencies, raising quality and value, and insuring that consumers continue to get the best products at the best prices.

The Federal Reserve's credibility as an inflation fighter has improved. The 1982 recession, partly the result of a major re-focus of Federal Reserve policy toward controlling money growth, brought inflation down. The Federal Reserve's re-focus and the inflation experience of the past seven years have successfully lowered inflationary expectations.

Prescription for the future

My hope is that we have learned enough that we do not need a replay of the 1982 recession to keep inflation under control. Inflation fears and budget uncertainty have led to recent monetary policy that is helping to produce minimum economic growth. As we continue the budget summit, we must develop a budget plan that gives the Federal Reserve the opportunity to feel confident in supporting a maximum growth path for the future.

A credible deficit reduction agreement that lays out a multi-year budget plan would demonstrate the pro-growth fiscal leadership we need for the 90's. The clearest way to raise long-term growth and productivity is to reduce the federal deficit; this will raise national saving and investment. Cutting the deficit is the best first step, but a budget plan must do more. It should entail policies that keep the U.S. competitive internationally, raise productivity growth, increase credit to the private economy, and keep down the cost of capital and the cost of doing business.

Long-run increases in our national well-being depend on our continuing ability to match wage increases with productivity gains. This requires greater emphasis on policies that stimulate growth in productivity and our output potential. While wage increases are of course desirable, recent increases in expenses for employee health care have been excessive, creating cost pressures that add to inflation.

To the extent we are able to keep trade open and fair, international competition will act as a check on rising prices. While a more competitive and efficient energy market in the 80's has helped to attenuate energy price escalation, we must recognize that increased reliance on foreign oil may once again put us in jeopardy in the 90's.

A forward-looking budget agreement that deals with these issues and motivates a continued emphasis on increased efficiencies in production will bring the long-run payoff we need for the next century.

Mr. DOMENICI. I say to the Federal Reserve Board, what are you trying to fix? Are you trying to fix inflation? I just do not believe it needs any fixing right now. I do not think there is any evidence that it does.

But I tell you with credit crunches that are out there we do not need a credit crunch that is moved by tight money policies. We are going to work the economic summit, everyone is. The reason we do not have a plan is that it is tough to come up with one. Those who come to the floor have great liberty in the U.S. Senate. They can criticize any plan anybody comes up with. But the plan to fix America's fiscal policy over a number of years with certainty are not easy. They are difficult. And they are all difficult choices now.

So it seems to me we are busy trying to do that and perhaps someone is waiting around on the money supply side to see what happens there. Frankly, the economy is not growing as fast as it should, which has an effect on how much we can cut in the first year. Does anybody really think, with the current economic mix in this country, we could take $80 billion or $90 billion out of this economy next year in whatever source, defense cuts, entitlement changes? Even if we could, it seems to most it would be imprudent.

So I have submitted for the RECORD the various consumer price indexes, the wholesale price indexes, which indicate to this Senator that we ought not have what we have today in terms of monetary supply, money supply.

Let me make one other point. It seems to the Senator from New Mexico that the American economy has changed not only in its international quality but it has changed dramatically internally. It is predominantly more service oriented. That does not mean hamburgers—they are included—it means health care, education, and all those other things. They are driving inflation rather significantly, and particularly health care. I really wonder if anybody believes that tight money policy is going to cure the

inflationary aspects of the health care system of this country.

I hope, if there are some people around that think it will have some kind of model indicating it might, I wish they would share it with us. I am not at all sure anybody knows how to measure growth, productivity increases in the health care system or in the education system. But we sure can measure inflation, and it is rampant. And I really do not believe anybody is anxiously waiting for money supply curtailment to contain that kind of inflation. I submit you are going to wait around a long time. You are going to make unemployment of the past pale; it is going to take more quarters than we ever had to have in a recessionary economy to do that. Policies have to do that.

I want to thank the staff for working on this budget resolution and say to my good friend, the chairman, I hope we can get a conference and get a budget resolution that will offer some guidance to appropriators, but equally important I think this document we are voting on presupposes and suggests rather strongly that we need an economic summit result and we could never produce a budget resolution that could do the job. That is why I cooperated to get this done.

Mr. CONRAD. Mr. President, I rise to reluctantly support the budget resolution before us. I would much prefer to be considering the resolution passed by the Senate Budget Committee. That package provided the framework for the bold action this Nation needs to significantly reduce the Federal budget deficit. However, because prospects of enacting a bold plan depend on the success of the budget summit negotiations, it is imperative that we allow those negotiations to move forward and develop the components of that plan. I believe that the resolution before us can help to accomplish that objective.

The Federal deficit is the major economic problem confronting us. It is crucial that we act decisively and complete action on a package that achieves substantial reductions in the deficit in each of the next 5 years. In my view, the budget summit negotiations are our best hope for that meaningful action. I believe this resolution will allow us to keep the budget process on track while the negotiations are completed. The only way we will get this problem behind us is if both parties, both Houses of Congress and the White House come together to take decisive action.

It is also my hope that as the congressional budget process continues, Members will take a long-term view of the solution.

For example, providing adequate funding for the Internal Revenue Service is one of the most significant investments we could make. The Fair Share Program that I proposed and the Senate Budget Committee endorsed is a multiyear effort to upgrade IRS enforcement activity and assistance to taxpayers. Increased funding would enable the IRS to collect an additional $33 billion over 5 years by collecting money that taxpayers legally owe, but do not voluntarily pay. I would urge Congress to make the necessary resources available to the IRS to accomplish this goal.

In addition, I would encourage the Congress to take the long-term view of defense spending. Over the last 10 years, we have funded the Department of Defense as though we were in the throes of active combat. In reality, however, we've experienced unprecedented peace, and political changes sweep through Europe, the tensions of the cold war continue to subside. It is time to shape our defense budget structure closer to that reality. I would urge Congress to encourage burden-sharing instead of continuing to maintain a $150 billion defense umbrella for a recovered and thriving Europe and Japan. The defense level in this resolution makes it possible for such a reordering of priorities to begin.

In summary, while this resolution is not the one I would prefer, it does accomplish the very necessary goal of allowing the appropriations process to move forward without prejudicing the outcome of the budget summit negotiations. If choice is between a viable summit agreement and an enormous sequester, there should be no doubt which course to vigorously pursue.

Mr. KERRY. Mr. President, I appreciate the need to take the procedural step of passing this resolution before us tonight in order to begin to take action on critical appropriations bills. I also appreciate and commend the joint leadership of the Senate and the Budget and Appropriations Committees for the agreement that they have reached that will permit the Senate to move ahead with its work.

However, Mr. President, I feel compelled to again state in the strongest possible terms, my continuing conviction that progress on the substance of deficit reduction is critical to our economy, critical to interest rate reduction, critical to job creation in my State and critical to maintaining the standard of living of our families. It is not sufficient that we find one more way of deferring the hard choices that we are elected to make. This resolution again relieves some of the pressure to act. And, while I understand that it was the practical thing to do, I find it impossible to support one more resolution on the budget that does nothing to reduce the budget deficit and nothing to shift our priorities.

Therefore, despite my deep respect for our leaders, I must express my opposition to the resolution that we will enact tonight.

Having said that, I hope the next months will result in an agreement that will effectively and equitably restore us to a responsible Government budget. Our economy is suffering, Massachusetts is in recession, and the Federal budget deficit must be brought under control if we are to get growing again. We must confront the hard choices sooner—not later.

Mr. President, I ask unanimous consent to be recorded as voting no on final passage of this budget resolution.

SCORING OF LEASE-PURCHASES

Mr. DECONCINI. Mr. President, I see my friend the chairman of the Budget Committee on the floor and I wonder if he might be able to answer several questions I have concerning the budgetary treatment of leases and lease-purchases.

Mr. SASSER. I will certainly try to answer any questions that the distinguished Senator from Arizona might have.

Mr. DECONCINI. I thank the Senator. My staff informs me that the Senate Budget Committee, the House Budget Committee, the Congressional Budget Office and the Office of Management and Budget have been involved in discussions concerning the scorekeeping treatment of leases and lease-purchases.

Mr. SASSER. The Senator is correct. After our experience with the fiscal year 1990 appropriations bills, the Budget Committee informed the other committees that it would be reviewing the budgetary treatment of leases and lease purchases in future fiscal years. That review has led to the following current Senate Budget Committee position.

First, in the case of leases, budget authority will be scored in the year in which it is first made available in the amount of the Government's total estimated obligations. The outlays will be scored equal to the estimated annual lease payments. Since neither the President's budget nor the budget resolution reported out by the Budget Committee provided the budget authority necessary to implement this new treatment of leases, it is my intention that this scorekeeping practice will not go into effect until fiscal year 1992. Furthermore, this scorekeeping practice affects only new leases or renewals entered into after the change. It does not affect existing leases. Finally, on the subject of leases, if the fiscal year 1992 President's budget request, for some reason, does not reflect this scorekeeping change, the Budget Committee will review its position on the scoring of leases.

The scoring of lease-purchase agreements, which will begin in fiscal year 1991, is as follows:

Standard-lease purchases will be scored like leases. Budget authority will be scored in the year in which it is first made available in the amount of the Government's total estimated obligations—both the principal and the interest. Outlays will be scored for any year in the amount of payments estimated to be made in that year to liquidate the obligations. In the case of a standard lease purchase, outlays will be scored equal to the estimated annual payment.

Scoring both the principle and all of the interest in the first year means that there will be a large amount of budget authority associated with lease-purchases, which relects the fact that lease-purchases are more expensive than direct Federal construction. For example, at a interest rate of 10 percent, the budget authority needed for a 30-year lease-purchase will be four times larger than that needed for direct Federal construction.

Recently a second type of lease-purchase has been developed. In this type of lease-purchase, the third-party financing is guaranteed by the full faith and credit of the Government. Such arrangements will be treated like purchases and not like leases, and would be scored accordingly. Budget authority will be scored in the year in which the budget authority is first made available in the amount of the Government's total estimated obligations—both the principal and the interest. Principal outlays will be scored over the construction period at the rate of construction.

In cases where the legislation is vague as to the type of lease purchase contract, the Budget Committee will use its best judgment. Initially, the presumption will be that it is a standard lease-purchase—no Government guarantee—and the outlays will be scored over the lease period. However, if actual practice indicates that the presumption is erroneous—either with regard to particular cases or generally—the presumption may change.

I am hesitant at this point to offer a definitive definition of a standard lease purchase, because of the complexity of the issue. However, the following is an illustrative set of the characteristics of a standard lease purchase. First, there should be no explicit Government guarantee of the third-party financing. Second, it is preferable that the Government not own the land on which the facility is to be constructed. Third, the project should be a general purpose asset. It is not necessary for the contract to meet all of these criteria to qualify as a standard lease purchase for scoring purposes. However, the first criterion is necessary.

Mr. MOYNIHAN. Mr. President, I would also like to ask the views of the distinguished chairman of the Budget Committee on a most important issue, the administration's Federal building policy.

I held a hearing on March 20 before the Subcommittee on Water Resources, Transportation and Infrastructure of the Committee on Environment and Public Works, on the administration's building policy. At the hearing I was informed by the Office of Management and Budget's Deputy Director, William Diefenderfer III, that OMB had decided to change its policy on lease-purchase projects. Their decision, in fact, was that there will be no lease-purchase financing for the 13 lease-purchase projects already authorized by different public laws between 1987 and 1989.

OMB's decision to change their policy on lease-purchase financing comes after an OMB/General Services Administration joint task force recommendation, in September 1989, that GSA employ lease-purchase financing for the construction of 21 additional new buildings. Their report concluded that sufficient funds were not available for the direct construction of these projects and that continued leasing would be an inefficient and expensive way to provide the space. However, OMB has now said that the 21 projects ought to be built by direct Federal construction, rather through lease-purchase financing. Despite what I continue to perceive as a lack of available funds. But, so be it.

My immediate concern today, however, is that OMB also wants to eliminate, retroactively, lease-purchase financing for the 13 building projects already authorized by law. These projects are:

The International Cultural and Trade Center in Washington, DC, Public Law 100-113;

Foley Square in New York City, NY, Public Law 100-202;

The Federal Office Building in Chicago, IL, Public Law 100-202;

The Federal Office Building in Oakland, CA, Public Law 100-202;

The Federal Office Building in San Francisco, CA, Public Law 100-202;

The Centers for Disease Control in Atlanta, GA, Public Law 100-202;

The Centers for Disease Control in Chamblee, GA, Public Law 100-202;

The Internal Revenue Service in Memphis, TN, Public Law 100-440;

The Archives II Building in College Park, MD, Public Law 100-440;

The Judiciary Office Building in Washington, DC, Public Law 100-480;

The Internal Revenue Service in Chamblee, GA, Public Law 101-136;

The Environmental Protection Agency in Washington, DC, Public Law 101-136; and

The Health Care Financing Administration in Baltimore, MD, Public Law 101-136.

I have discussed this matter with Mr. Diefenderfer and expressed my concern over how this treatment will affect these 13 previously authorized projects. Mr. Diefenderfer wrote to Senator DECONCINI and myself on April 30, 1990, to state that there will be absolutely no impact on the previously approved lease-purchase projects. Mr. Diefenderfer wrote and I quote, "Congress need not take any additional action to fund these projects and we plan to proceed with this needed construction." I ask unanimous consent that this letter be placed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, April 30, 1990.

Hon. DANIEL P. MOYNIHAN,
Chairman, Subcommittee on Water Resources, Transportation and Infrastructure, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Administration is very concerned about the acquisition of buildings necessary to meet the Government's needs, and the financing of these buildings in the most economical way for the Government. After a thorough evaluation of the Federal Government's needs for additional buildings and the various methods to finance these needed buildings, the Administration took two important actions that reflect our concern.

First, we proposed in amendments to the FY 1991 Budget the direct construction of 21 projects that had been identified in a joint GSA/OMB study that was completed last summer. Second, the FY 1991 Budget scored certain existing private financing arrangements that were based on the Federal Government's unconditional lease/purchase of the buildings in the same manner that we score any other Government purchase. The budget accounting of these lease/purchase arrangements, which are in essence just another way for the Government to acquire buildings, removed any scoring advantage that this more costly financing mechanism may have had relative to direct Federal construction.

I understand that our staffs have discussed the scoring of long-term building lease and lease/purchase arrangments, particularly as it relates to a number of projects on which Congress had previously acted. This letter is to confirm the scoring outlined in those discussions.

OMB will score budget authority up front for the full construction and financing costs for any long-term, capital building lease or lease-purchase, in the year that Congress acts.

In addition, as was done for the Archives and Judiciary projects in the FY 1991 Budget, OMB will score outlays up front for any project financed through an arrangement that removes all financial risks from the project's developers and/or investors. These outlays will be scored to reflect the buildings construction expenses. If the legislation providing authority to acquire a building by lease clearly requires private risk, outlays would be scored over the life of the agreement. Although these financing arrangements are often very complex, the explicit or implicit obligation of the Federal Government to make lease payments is the most important financial characteristic that OMB will review to determine the level of risk involved.

OMB will also consider other characteristics in evaluating the level of private sector risk in a project. These include whether the project is constructed exclusively for the Government; whether it is built on Government-owned land; whether the project is of net benefit to the Government; and whether it is built to specific Government requirements.

Although OMB will apply this scoring in the Mid-Session Review to the ICTC project and eight other previously-approved lease/purchase projects, Congress need not take any additional action to fund these projects and we plan to proceed with this needed construction.

With your support, the resources for the 21 needed projects can be found. In addition, I am confident that we can work together to use direct construction—the least costly mechanism available—to provide for the future acquisition of buildings for the Government.

In testimony before the Senate Committee on Environment and Public Works, Subcommittee on Water Resources, Transportation and Infrastructure, I promised an OMB review of existing financing arrangements for the Government's purchase of buildings. That review is ongoing. I promised to share the results of that review with you and still plan to do so if you so desire.

Cordially,

WILLIAM M. DIEFENDERFER III,
Deputy Director.

Mr. MOYNIHAN. Mr. Diefenderfer also told me on May 1 that the existing 13 projects will be financed through the Federal Financing Bank and not through private financing. The exceptions being the Judiciary Building and the Federal Office Building in Chicago for which private financing has already been arranged. Mr. Diefenderfer assured me, on behalf of the administration, that this financing will be forthcoming and that the only thing that could stop the projects now would be "a positive act of Congress."

I would like to ask the distinguished chairman if this is their understanding with regard to the 13 previously authorized buildings?

Mr. SASSER. The buildings to which you refer will be scored under the new rules. Since the construction of these buildings is authorized by law, it is my understanding that they will be constructed. They are not in jeopardy because of the new scorekeeping rule. Since the necessary outlays have not been provided in the baseline, the funding for these buildings will not be displayed until the January 1992 baseline. The budget authority will be displayed in the year in which it was made available—for example, fiscal year 1990—and the outlays will be displayed as outlays prior. This change in scoring will not require further appropriations or congressional action.

Mr. MOYNIHAN. I thank the distinguished chairman of the Budget Committee for his time and help on this matter.

Mr. DECONCINI. I also want to thank the distinguished chairman.

Mr. SASSER. It has been a pleasure working with you and Senator MOYNIHAN on this issue. I look forward to working with you in the future as the situation requires.

Mr. KOHL. Mr. President, there is a good practical reason for us to be considering this so-called budget resolution today: The argument is that we have to adopt it in order to remove the procedural obstacles to working on the appropriation bills. I do not quarrel with the leadership's decision to move to the resolution today. But I do quarrel with, and, had it come to a vote, I couldn't have voted for, this resolution.

Let me take a few moments to explain why.

We started the Budget process this year in presummit times. When Senator SASSER, as chair of the Budget Committee, began to craft a resolution, there was no interest on the part of the administration, or most Republicans, in developing a bipartisan approach to the deficit. In fact, there were rumors that the administration had developed a new approach to the budget process.

We all know that the President's budget was based on certain assumptions which almost all objective experts rejected as too optimistic. After defending those assumptions for a few months, the President officially repudiated them. In the budget summit and in testimony before the Congress, the administration has admitted that their economic assumptions, their predictions about the cost of the S&L bailout, their projections of the total size of the deficit, are no longer operative.

Now some people see that admission as the ultimate form of hypocrisy. They believe that the administration has a new strategy: Use bad assumptions so you can create a budget that doesn't really make any difficult decisions; then, after a while, repudiate the assumptions and tell the Congress that, given these new realities, they will have to make all the tough choices—and take all the heat while the administration sits on the sidelines.

The budget summit, requested by the congressional leadership and agreed to by the administration, was an effort to get everyone to stop playing games and start dealing with our problems in a realistic way. I have some hope—not a great deal, but some—that the summit will give us a viable, bipartisan deficit reduction program.

I recognize that the resolution before us today is not inconsistent with the summit process. I recognize that its intention is simply to allow the Congress to get on with the routine legislative task of appropriating funds for programs without getting hung up in a lot of procedural problems.

But I also recognize that this resolution is more than that: It purports to be a congressional statement about the budget—about the economic and policy priorities of the country.

It is a brief statement. And its brevity makes it all too clear that our primary interest is business as usual. This resolution makes it all too clear that our primary interest is to pass some bills that spend money before we figure out how little money we actually have to spend.

Mr. President, this resolution says nothing about the deficit disaster we face. It says nothing about the economic challenges we have to confront. It says nothing about our need to stimulate economic growth and increase personal savings; nothing about our need to rebuild our infrastructure and restore spending on programs that give our kids the education they need; nothing about the environment, nothing about meeting our health care crisis, nothing about helping our veterans. In fact, it says nothing about a whole lot of things.

Mr. President, this just isn't good enough. I can not endorse it. No matter what the practical constraints we face, we simply ought not settle for so little when we need so much.

Mr. DOMENICI. Mr. President, I yield back the remainder of my time.

Mr. SASSER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Tennessee has yielded back the remainder of his time.

All time has now been yielded back.

The question is on agreeing to the amendment.

The amendment (No. 2022) was agreed to.

Mr. SASSER. Mr. President, I move the Senate proceed to House Concurrent Resolution 310, Calendar No. 533.

The PRESIDING OFFICER. The question is on the motion.

Without objection, the motion is agreed to.

The clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 310) setting forth the congressional budget for the United States Government for the fiscal years 1991, 1992, 1993, 1994, and 1995.

Mr. SASSER. Mr. President, I ask unanimous consent that House Concurrent Resolution 310 be amended by striking all after the resolving clause and inserting in lieu thereof the language of Senate Concurrent Resolution 110, as amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Mr. President, I am prepared to yield back all of my time.

Mr. DOMENICI. I yield back the balance of my time.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution, as amended.

The concurrent resolution was agreed to.

The preamble was agreed to.

Mr. SASSER. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SASSER. Mr. President, I send to the desk an amendment to the title of the concurrent resolution.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

Amend the title so as to read as follows: "Setting forth the congressional budget for the United States Government for the fiscal years 1991, 1992, and 1993."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the title.

The amendment was agreed to.

Mr. SASSER. Mr. President, this title amendment has been adopted by the body.

The PRESIDING OFFICER. The amendment has been agreed to.

Mr. SASSER. Mr. President, I move to reconsider the vote by which the title amendment was agreed to.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SASSER. Mr. President, I ask unanimous consent that the Senate insist upon its amendment and request a conference with the House on the disagreeing votes of the two Houses and that the Chair be authorized to appoint the conferees on the part of the Senate.

There being no objection, the Presiding Officer appointed Mr. SASSER, Mr. FOWLER, and Mr. DOMENICI conferees on the part of the Senate.

Mr. DOMENICI. Mr. President, might I say to the distinguished chairman, with reference to the appointment of the conferees, I did not have an opportunity to discuss this with either the Republican leader or other members of the committee. So would the chairman agree with me that I concur with these appointees tonight with the understanding that I would like to confirm as soon as we return on Monday to make sure that there is no insistence on my side that others than the three be on it, in which event we can negotiate and discuss the matter?

Mr. SASSER. I would be pleased to make that agreement with the distinguished ranking member. In the event there are some changes requested on his side, then we may wish to make changes on our side. We can negotiate that out. I am hopeful that since we are looking in the direction of a speedy conference that we could have a streamlined group of conferees.

Mr. President, I want to express my appreciation this evening for the efforts of our distinguished ranking member in attempting to move this, what I might call a bobtail resolution, just as fast as we can in order that we can unlock the appropriators and let them begin doing their work. Without his understanding of the situation, without his devotion and dedication to the institution of the Senate, and without his recognition of the necessity that we move forward with this resolution, I might say that our efforts here this evening would have been much more difficult, perhaps even impossible. It is a pleasure to work with the ranking member. I thank him very much for his cooperation, for his efforts and for his suggestions.

I want to express my appreciation for the work of the very dedicated, competent, and efficient majority staff of the U.S. Senate, ably led by Dr. John Hilley for their work on this resolution here this evening and for their unstinting devotion and dedication throughout this whole year's very trying budget process, which is not over by a long shot.

As my distinguished ranking member knows, the budget process is the first shot fired at the beginning of every year and ours is the last popgun to be put away at the end of every year. So we work from beginning to end, night and day. I guess our motto at the Budget Committee, I say to the ranking member, ought to be, "We may doze but we never close at the United States Senate Budget Committee."

Mr. DOMENICI. Mr. President, well, I cannot top that other than say I was looking for a name for this resolution and the chairman called it bobtail. I cannot do any better. Clearly, it is less than a budget resolution and it is less than what the fiscal policy of this Nation demands, but it is what the institution ought to do. It is not going to prejudice anything very significantly from what I can tell. Perhaps I could dream up a scenario, or we may, but I really do not think so.

I think we ought to go ahead and do it. I thank everyone, in particular the chairman and staff on both sides. I note the chief of staff was referred to by his educational pedigree, as doctor. I have not referred to Bill Hoagland with his degree, but I am wondering about it. If I find out he has a doctor's degree, in the future I will refer to him that way, also.

I do not want to do it yet, because really I am very easy about pay raises, and I have not been paying him doctor's wages. So I think I will leave it as Bill Hoagland, staff director, and his helpers.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. BOSCHWITZ. Mr. President, I join in congratulating both the chairman of the Budget Committee and the ranking minority Member in getting the budget passed. It is indeed a bobtail budget. Otherwise, I would be up, speaking about it. It facilitates the institutional needs of moving forward with appropriations, and I think that is all we really sought to accomplish here. So those who would take exception to this budget are making an academic statement only.

MORNING BUSINESS

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that I may proceed in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THANKING THE REPUBLICAN SENATE PAGES

Mr. BOSCHWITZ. Mr. President, I rise this evening at this late hour is to say a very fond adieu to the 1990 spring Republican Senate pages, who have served the Senate so well, many of them for many months throughout the spring of 1990.

We have at this time a series of pages, two from Minnesota; Maria Rogahn, from Rochester, MN; and Jason Semerad, who is also from Rochester, MN.

We have quite a collection of pages this year from Utah. There is Dave Poelman, and I believe he is a grandnephew of someone I served in the armed services with in 1955 in Hawaii. Walter Poelman was in the same signal company that I was in.

Tom Wright, from Utah is here; and Brigham Daniels from Utah; and Stacee Yardly from Utah, as well.

Then from Florida, we have Eric McFadin; and from Oregon, Bart Yates; and from Mississippi, John Bateman; and from Rhode Island, Chad Kavanagh.

Then, from Pennsylvania, we have Joe Della Vedova; and finally, from South Carolina, we have three pages: Denise Wiggins, Elliott Nicholson, and Lynn Stuart.

Service as a page, Mr. President, really is an opportunity for these young people. They are all in the 11th grade, now going into their final year in high school. They have come to the Senate and gotten an insight into the legislative process, and have watched this Government move forward.

I suppose at some point in their service, they wondered how deliberative this body is but, yet, in the offices and on the floor of the Senate and in the committee rooms, much deliberation occurs and these young people have had the opportunity of being part of a process that few ever observe at such close range.

They have served the Senate well. I am proud of how the Secretary of the minority and the others on our staff in the Cloakroom lead the pages. I think they lead them with considerable authority, and often with sternness, and they, giving firm direction to these young people, who are far from home, often for the first time and often for an extended period.

So I congratulate them for their good service to the U.S. Senate; for their service to the greatest deliberative body on the face of the Earth. For being here and for serving us well and for taking advantage of the opportunities that have been presented to them, all of us here in the Senate wish you well in your life to come and hope that your service here will enrich not only this period of your life, but through high school, college, and throughout the entirety of life ahead.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska.

THE SENATE PAGES

Mr. MITCHELL. Mr. President, tomorrow the young men and women who have served all of us so ably and so willingly this year will graduate from Page School. They will leave the Senate and return to their local high schools to complete their education.

I hope that as many of my colleagues as possible will be able to attend the graduation ceremony tomorrow morning.

But on behalf of those who will be unable to do so, I wanted to take this opportunity to extend the thanks of all Senators to our pages for their hard work and cheerful help.

All our pages have been asked to work late hours and when the Senate is in late session. The difference is that for us, a late night often means we can count on a weekend off.

But for the pages, a late night and a missed school day means makeup classes on Saturdays.

Yet our pages are unfailingly cheerful and helpful. They serve us at our convenience. They are always there.

They have worked hard and we thank all of them for their efforts. We wish them the very best for the future and look forward to seeing them when they visit the Senate again in future years.

SUPPORT FOR SENATE RESOLUTION 298

Mr. SANFORD. Mr. President, I rise today to express my strong support for Senate Resolution 298. I am very proud to be a cosponsor of this measure which calls on the President to request full funding for the investigation and prosecution of the crooks and perpetrators of the savings and loan crisis.

More and more Americans across the country grow angrier each day at the spiraling cost of the savings and loan bailout and the impotence of the Federal Government to minimize the cost to taxpayers. They are also expressing their outrage at the inability of our Government to punish the hordes of thrift operators whose illegal acts paved the way for this outrageous fiasco.

Unquestionably, the criminal activities of thrift administrators contributed significantly to the savings and loan debacle which will now cost taxpayers billions of dollars. Investigations have shown that 60 percent of the institutions seized thus far by the Resolution Trust Corporation were weakened by serious criminal actions, and 25 to 30 percent of the failures can be directly attributed to fraudulent activities.

The Financial Institutions Reform, Recovery and Enforcement Act which Congress passed last year allocated $75 million to investigate and prosecute those guilty of fraud and increased the civil and criminal penalties of fraud. Yet the administration choose only to request $50 million and still appears reluctant to go after the thieves who have ravaged the thrift industry. The administration's decision has shortchanged the financial resources allocated to the FBI and U.S. Attorney's office to fight financial crimes, and as a result these two organizations have had their requests to hire for more than 400 positions denied.

How can the Justice Department possibly expect to find and convict guilty thrift operators when it faces this unacceptable dearth of manpower? The answer is quite simply that they cannot. The FBI has been unable to begin investigations on over 20,000 referrals involving fraud in the financial services industry, including more than 1,000 involving losses greater than $1,000,000, and these numbers continue to grow.

To address this giant backlog, the administration must step up its attack against these swindlers and allocate more funds for the Justice Department to fight financial crimes. Thus, I urge my colleagues to join me in supporting this resolution and pressing the President to authorize, at a minimum, full funding for the pursuit of financial institution criminals and to request additional resources as they become necessary.

Congress must now send a clear message to the crooks who have ransacked our financial institutions. We must let them know that their Government will no longer tolerate their corrupt wheelings and dealings at the taxpayers' expense.

And more importantly, we must send a strong message to the taxpayers. American taxpayers were dragged unknowingly and unwillingly into this financial morass. When Congress passed FIRREA, we promised that those who commit financial crimes will pay the price for the cleanup. Now is the time to stand up and let the American taxpayers know that Congress intends to keep its word.

EMPLOYEE OWNERSHIP AND PARTICIPATION ACT

Mr. SANFORD. Mr. President, it is with great pleasure that I rise today to join my colleagues in supporting S. 2720, the Employee Ownership and Participation Act of 1990.

In the past decade, our Nation's productivity growth rate has slowed dramatically. This bill, which encourages employee ownership of, and participation in U.S. companies, confronts this fundamental economic challenge to increase productivity.

With higher skilled work force and a continuing strong work ethic, we have the potential to increase productivity in our country. To convert this potential into productive results, however, will require us to make changes in our work places. With continuing technological developments, companies can no longer rely on normative top-down management. An increasing pool of knowledge has stemmed from our developments into the workplace; as a result, it is now the employees that know the specifics—not a few select managers. We must now direct our efforts on these employees, recognizing their knowledge, and work to create an environment to enhance company efficiency.

This bill seeks to enact various measures to increase productivity. The establishment of an Office of Employee Ownership and Participation would help companies learn how to channel worker knowledge. Various programs would be administered to inform companies about the benefits of employee ownership and participation. Other programs included would assist employees in their efforts to become business owners and participants in corporate management and decisionmaking.

The GAO recently conducted a study that found that employee-owned companies that include employee participation in decisionmaking, have, on average, a 52 percent higher productivity growth than companies without this participation. In my judgment, an adoption of such measures would inevitably lead to a dramatic increase in productivity on a national scale.

There are various other benefits that would arise from adopting ESOP's in America. Presently, the distribution of American wealth is disproportionate. From employee ownership and participation, the American worker is offered a piece of that wealth and we are given an opportunity to return loyalty and pride to the

American workplace. Moreover, ESOP's create partnerships between workers, management, and owners. These partnerships facilitate increased capital availability and open up lines for communication between management and labor—two essential factors in promoting productivity.

Several States have already established programs to encourage employee ownership and participation efforts. They understand the power of the ESOP's and are continually working to promote them. North Carolina is a State that I know woud benefit from such efforts.

We must not let this opportunity pass us by. Working toward a democratic capitalism will inevitably lead to an increase in productivity and to a more satisfied work force. I urge my colleagues to join me in supporting this effort.

THE FLAG AND FLAG DAY

Mr. GRASSLEY. Mr. President, I rise on Flag Day, 1990, to voice my support for a constitutional amendment to protect the physical integrity of the flag.

The constitutional amendment that I support will merely restore the power to Congress and the States to prohibit flag desecration which we believe they always had.

The amendment I support will not "tinker" or "tamper" with the Constitution or the Bill of Rights.

The amendment I support will not "trump" other portions of the Constitution—such as the "cruel and unusual" clause of the eighth amendment or the prohibition against "unreasonable searches and seizures" in the fourth amendment.

The only power of the amendment I support is to prohibit the hate crime of physical desecration of the flag. It would overturn two Supreme Court decisions that incorrectly interpreted the first amendment.

By an overwhelming margin, both my mail and national polls indicate that Iowans and the American people want the flag of the United States to be protected.

The American people are very tolerant, despite what some in the media and other commentators may say.

They will not lightly curtail the rights of a minority who may not agree with them.

Americans believe in majority rule, but they also are fierce in their protection of individual rights.

I wholeheartedly agree that the right of free speech does not depend on what the majority agrees with or on what is sanctioned by the majority.

The American people have common sense.

We have a long and proud tradition of tolerating speech with which we do not agree.

Proof of this tradition is the acceptance and adoption of the first amendment by the original 13 States.

The United States is the beacon of eastern and central Europe today because of the tradition of allowing dissent against the Government's policies.

The United States and its people are tolerant of speech and protest. I give credit to the American people for understanding that their toleration of freedom of speech is the price for all who enjoy the liberties guaranteed by the Constitution.

However, the right of freedom of speech and the right to protest are not, nor have they ever been, absolute.

Protest, including speech, is and can be regulated to accomplish reasonable public health and safety goals that in no way infringe upon the content of the speech of a protestor.

Regulation of public health and safety includes reasonable time and place restrictions upon the protest in question.

The constitutional amendment I support will allow us to withdraw the flag from threat of physical desecration without in any way limiting freedom of speech.

For many years, a Federal statute and the laws of 48 States did protect the flag from physical desecration.

For all these many years, were we less free to express ourselves? Of course not.

I prefer to protect the flag through a constitutional amendment that will merely restore the power to Congress and the States to prohibit flag desecration which we believe they always had before the June 1989 Supreme Court decision in Texas versus Johnson.

Let's all remember that the passage of an amendment by Congress is only the beginning of the process; the States must have their opportunity to speak to the issue through the ratification process thoughtfully provided by the authors of the Constitution in article V.

As I did on Monday, I urge the leadership to allow for the consideration of an amendment to the Constitution to protect the physical integrity of the flag at the earliest possible point in the Senate's schedule.

There are two ways to protect the flag.

We tried one way.

Now let's use our common sense and do it the right way.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 10:58 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following joint resolution, with amendments, in which it requests the concurrence of the Senate:

S.J. Res. 75. Joint resolution relating to NASA and the International Space Year.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2174. An act to provide for the establishment of the Mississippi River Corridor Study Commission, and for other purposes.

At 6:25 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the amendments of the House to the bill (S. 286) to establish the Petroglyph National Monument in the State of New Mexico, and for other purposes.

The message also announced that the House has passed the bill (S. 2240) to amend the Public Health Service Act to provide grants to improve the quality and availability of care for individuals and families with HIV disease, and for other purposes, with amendments; it insists upon its amendments, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. DINGELL, Mr. WAXMAN, Mr. ROWLAND of Georgia, Mr. LENT, and Mr. MADIGAN as managers of the conference on the part of the House.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 2174. An act to provide for the establishment of the Mississippi River Corridor Study Commission, and for other purposes; to the Committee on Energy and Natural Resources.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and

documents, which were referred as indicated:

EC-3135. A communication from the President of the United States, transmitting, pursuant to law, a statement of policy for the recommended 1990 RPA Program regarding Federal management and use of our Nation's natural resources; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3136. A communication from the Acting General Counsel of the Department of Treasury, transmitting a draft of proposed legislation to provide comprehensive regulatory supervision over stocks and stock derivative instruments, to protect investors and assure the stability of the United States capital markets, to enhance innovation and competition in financial products, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3137. A communication from the Comptroller of the Department of Defense, transmitting, pursuant to law, a report on three violations involving the overobligation of expenditure of funds in excess of an approved appropriation; to the Committee on Appropriations.

EC-3138. A communication from the Secretary of Energy, transmitting a draft of proposed legislation to authorize appropriations for exploration, prospecting, conservation, development, use, and operation of the Naval Petroleum Reserves for fiscal year 1991; to the Committee on Armed Services.

EC-3139. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, a report on retail fees and services of depository institutions; to the Committee on Banking, Housing, and Urban Affairs.

EC-3140. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, a report on implementation of the Inspector General Act recommendations for the Section 8 Loan Management Set-Aside Program; to the Committee on Banking, Housing, and Urban Affairs.

EC-3141. A communication from the Secretary of Energy, transmitting, pursuant to law, a report on the Department of Energy's activities on technology transfer; to the Committee on Energy and Natural Resources.

EC-3142. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Nuclear Waste: Changes Needed in DOE User-Fee Assessments to Avoid Funding Shortfall"; to the Committee on Energy and Natural Resources.

EC-3143. A communication from the Secretary of Energy, transmitting, pursuant to law, a report entitled "Strategic Petroleum Reserve Sulphur Mines Decommissioning and Big Hill Expansion"; to the Committee on Energy and Natural Resources.

EC-3144. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on efforts to encourage and support continuing research programs that will increase scientific knowledge of the effects of changes in the ozone in the stratosphere upon human health; to the Committee on Environment and Public Works.

EC-3145. A communication from the Assistant Comptroller General (Resources, Community, and Economic Development Division), transmitting, pursuant to law, a report entitled "Hazardous Waste: Funding of Postclosure Liabilities Remains Uncertain"; to the Committee on Environment and Public Works.

EC-3146. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report on ocean disposal monitoring programs; to the Committee on Environment and Public Works.

EC-3147. A communication from the Chairman of the Council on Environmental Quality, Executive Office of the President, transmitting a draft of proposed legislation to establish a Presidential awards program, administered by the Council on Environmental Quality, to recognize and stimulate excellence in environmental education in Grades Kindergarten through 12; to the Committee on Environment and Public Works.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-508. A joint resolution adopted by the Legislature of the Commonwealth of Virginia; to the Committee on Banking, Housing, and Urban Affairs.

"HOUSE JOINT RESOLUTION No. 202

"Whereas, the well-being of thousands of low- and moderate-income Virginia households and the economic development of numerous communities depends on the availability of an adequate supply of affordable housing units; and

"Whereas, more than 17,000 federally assisted housing units in Virginia are "at risk of loss" because of the existence of contracts between owners and the U.S. Department of Housing and Urban Development that permit the owners to prepay their loans and return these units to the private market; and

"Whereas, the two-year moratorium on the prepayment of subsidized mortgages imposed by the U.S. Congress in passing the 1987 Emergency Low Income Housing Preservation Act expires on February 5, 1990; and

"Whereas, arriving at a permanent and equitable solution to this crisis depends in laarg part on actions by the federal government; and

"Whereas, uniform thermal energy standards, including the use of R-19 insulation in walls, apply to all homes eligible for Farmers Home Administration (FmHA) financing, but those manufactured homes employing fossil fuel heating systems or heat pumps, and which are built in accordance with the requirements contained in the current Federal Manufactured Home Construction and Safety Standards established by the U.S. Department of Housing and Urban Development (HUD Code), may meet a lower standard requiring only R-11 wall insulation; and

"Whereas, these differing requirements limit the availability of FmHA financing for certain manufactured homes and tend to increase costs for purchasers of manufactured homes by permitting the use of less thermally efficient homes, both of which limit the avilability and efefctiveness of this affordable housing option; and

"Whereas, the Congress of the United States can remedy these problems through timely action; now, therefore, be it

"Resolved" by the House of Delegates, the Seante concurring, That the General Assembly of Virginia hereby memorialize the Congress of the United States to provide a permanent solutioin to the problem resulting from expiring and prepaid contracts for low-income housing, and that it also act further to assure that all manufactured homes built in accordance with the Federal Manufactured Home Construction and Safety Standards are compatible with the thermal energy requirements applicable to all homes, both conventionally constructed and manufactured, that are eligible for financing through the Farmers Home Administration; and, be it

"Resolved further, That the Clerk of the House of Delegates prepare copies of this resolution for tranmittal to each member of the Virginia Congressional delegation, the Speaker of the House of Representatives, the President of the United States Senate, and the President of the United States, that they might be apprised of the sense of the General Assembly in this matter."

POM-509. A concurrent resolution adopted by the Legislature of the State of Hawaii; to the Committee on Commerce, Science, and Transportation.

"HOUSE CONCURRENT RESOLUTION 10

"Whereas, Presidential Proclamation 5928 extending the U.S. territorial sea from three to twelve miles raises fundamental questions of law and policy which Congress must address; and

"Whereas, while extending the sovereignty and jurisdiction of the United States is consistent with international law and practice, the effect of the proclamation on domestic law and on the interests of the states is far from clear; and

"Whereas, the United States has established a 200-mile exclusive economic zone under which the federal government claims many of the exclusive rights to ocean resources that other countries claim as part of their territorial limits, while coastal states lose important benefits from marine resource development by being restricted to operations within a limit of only three miles; and

"Whereas, many maritime activities beyond the existing three-mile limit but within the control of the federal government directly affect the interests and concerns of coastal states, such as Hawaii; now, therefore,

"Be it resolved by the House of Representatives of the Fifteenth Legislature of the State of Hawaii, Regular Session of 1990, the Senate concurring, that Congress is respectfully urged to clarify the legal status under domestic law of the newly expanded territorial sea and extend territorial limits of the United States and coastal states from three to twelve miles offshore; and

"Be it further resolved that certified copies of this Concurrent Resolution be transmitted to the President and Vice President of the United States, to the Speaker of the United States House of Representatives, and to Hawaii's congressional delegation."

POM-510. A concurrent resolution adopted by the Legislature of the State of Hawaii; to the Committee on Commerce, Science, and Transportation.

"HOUSE CONCURRENT RESOLUTION 9

"Whereas, the Pacific states, which include Alaska, Washington, Hawaii, Idaho, Oregon, California, and the Canadian Province of British Columbia share a common resource, the Pacific Ocean; and

"Whereas, a large part of the economy of these states depends on the renewable resources of the Pacific Ocean; and

"Whereas, it is the goal of these Pacific states and the Province of British Columbia to conserve the long-term values, benefits, and natural resources of the Pacific Ocean and to set an example by giving priority to the proper management and protection of renewable ocean resources over nonrenewable ones; and

"Whereas, the Pacific Ocean's renewable resources are continually threatened with degradation and destruction from improper offshore oil and gas development, potential seabed mineral mining impacts, and the potential oil spills resulting from transshipment of oil; and

"Whereas, many proposed developments originate with the federal government, but impact Pacific states directly; and

"Whereas, ocean developers and shippers would prefer to work cooperatively with one regional body which oversees ocean resources to avoid potential negative impact; and

"Whereas, the federal government has encouraged states to work together on ocean issues through the Coastal Zone Management Act; and

"Whereas, Section 309 of the Coastal Zone Management Act is advanced Congressional consent for a compact of Pacific states; and

"Whereas, a compact between the Pacific states and the Province of British Columbia would provide a method to address common needs and concerns in the Pacific Ocean; and

"Whereas, regional cooperation, planning, and action are required to achieve the ocean conservation goal of Pacific states; now, therefore,

"Be it resolved by the House of Representatives of the Fifteenth Legislature of the State of Hawaii, Regular Session of 1990, the Senate concurring, that the United States Congress, the Pacific state legislatures, and the legislature of the Province of British Columbia are respectfully urged to support the establishment of a compact of Pacific states and the Canadian Province of British Columbia to provide for future planning and protection of ocean resources which are of regional concern, develop a coastwide oil spill response plan, and to oversee the management and utilization of ocean resources so as to insure their continued contribution to the economies of Pacific states and the Province of British Columbia; and

"Be it further resolved that the Ocean Resources Committee of the Western Legislative Conference of the Council of State Governments is urged to develop specific compact language for transmittal to the legislatures of the affected states and province; and

"Be it further resolved that should Idaho's inclusion as a signatory of the compact interfere with Section 309 of the Coastal Zone Management Act, then Idaho be precluded from being a signatory; and

"Be it further resolved that certified copies of this Concurrent Resolution be transmitted to the Speaker of the United States House of Representatives, the President of the United States Senate, the Members of the Hawaii's Congressional delegation, the Ocean Resources Committee of the Western Legislative Conference of the Council of State Governments, and to each of the presiding officers of the legislative bodies of each Pacific state mentioned, and the Canadian Province of British Columbia."

POM-511. A joint resolution adopted by the Legislature of the Commonwealth of Virginia; to the Committee on Environment and Public Works:

"HOUSE JOINT RESOLUTION No. 152

"Whereas, in 1987 the Congress of the United States, under the Public Works Act, established certain federal trust funds composed of revenues generated through taxes imposed on interstate traffic such as airplane, bus and train transportation; and

"Whereas, these revenues are intended to be used to aid the several states in the development of their highways, waterways and airports; and

"Whereas, such funds have not, however, entirely been used for these purposes, but have instead been held in reserve by the federal government in order to appear to reduce the federal budget deficit; now, therefore, be it

"Resolved by the House of Delegates, the Senate concurring, That the Congress is hereby memorialized to release to Virginia and her sister states those federal trust funds which are intended to support construction and improvements related to the states' transportation infrastructure, but which have been withheld by the federal government; and, be it

"Resolved further, That the Clerk of the House of Delegates transmit copies of this resolution to the Speaker of the United States House of Representatives, the President of the Senate of the United States, and the members of the Virginia delegation to the United States Congress that they may be apprised of the sense of the General Assembly in this matter."

POM-512. A joint resolution adopted by the Legislature of the Commonwealth of Virginia; to the Committee on Environment and Public Works:

"HOUSE JOINT RESOLUTION No. 135

"Whereas, the United States Congress and the United States Nuclear Regulatory Commission (NRC) have approved the concept of deregulating heretofore radioactive waste to the status of nonradioactive waste (waste "Below Regulatory Concern," BRC); and

"Whereas, such deregulated radioactive waste will go to landfills, sewers, incinerators and any other facility for solid, liquid or hazardous waste, which are neither designed nor intended to take radioactive waste; and

"Whereas, deregulated radioactive materials could be recycled and contaminate raw materials and consumer products; and

"Whereas, it has been estimated that more than 30 percent of the volume of what is currently considered "low-level" radioactive waste could be deregulated by the U.S. NRC; and

"Whereas, evidence is growing that exposure to low-levels of ionizing radiation have greater negative health effects than previously assumed by national and international agencies; and

"Whereas, radiation and chemicals have synergistic effects on the environment and human health and such exposures to both may result from deregulation of nuclear waste; now, therefore, be it

"Resolved by the House of Delegates, the Senate concurring, That the General Assembly of Virginia hereby memorialize the Congress of the United States to rescind Section 10 of the 1985 Low Level Radioactive Waste Policy Amendments Act which requires the Nuclear Regulatory Commission to set BRC standards; and, be it

"Resolved further, That the Virginia General Assembly request the Nuclear Regulatory Commission to halt activities that will result in deregulating radioactive waste and materials; and, be it

"Resolved finally, That the Clerk of the House of Delegates transmit copies of this resolution to the Speaker of the United States House of Representatives, the President of the Senate of the United States, the members of the Virginia delegation to the United States Congress, and the Chairman of the Nuclear Regulatory Commission that they may be apprised of the sense of the General Assembly in this matter."

POM-513. A joint resolution adopted by the Legislature of the Commonwealth of Virginia; to the Committee on Environment and Public Works:

"HOUSE JOINT RESOLUTION No. 112

"Whereas, the House of Representatives and the Senate passed bills amending the Clean Air Act during the first session of the 101st Congress; and

"Whereas, the House bill (H.R. 3030) and the Senate bill (S. 1630) contain changes that will lead to improvements in air quality and reductions in harmful mobile source emissions; and

"Whereas, both bills mandate the introduction of expensive alternative fuel technologies rather than less expensive and instrusive clean diesel technology into public transit buses, even though both methods achieve the required particuate reductions; and

"Whereas, alternative-fuel public buses are required beginning in 1991 for Metropolitan Statistical Areas with populations exceeding 1,000,000 as of the 1980 census, which includes the Northern Virginia area and Tidewater-Peninsula area of Virginia; and

"Whereas, these requirements are being made even though diesel engines for public buses constitute only three percent of the heavy duty diesel engine market; and

"Whereas, the cost of an alternative fuel bus is estimated at up to $250,000 per unit; and

"Whereas, the cost of an alternative fueling facility is estimated at from two to four and one-half million dollars; and

"Whereas, alternative fuels burn much less efficiently than diesel fuel, requiring more frequent trips to fueling facilities and, therefore, increasing transit operating costs; and

"Whereas, the alternative fuel technologies necessary to meet these proposed mandates are not currently available on a commercial basis with proven durability and reliability; and

"Whereas, no additional federal funds are currently authorized to help pay for these new requirements; now, therefore, be it

Resolved by the House of Delegates, the Senate concurring, That the United States Congress is urged to amend the Clean Air Act by mandating the standards for diesel fuel emissions instead of mandating the methods used to meet the standards; and, be it

Resolved further, That the General Assembly urge Congress to provide federal funding over and above that provided to transit operators from current federal sources to support the capital, operating, and training costs in order to ensure safe

and economic implementation of the new diesel fuel emission standards; and, be it

Resolved finally, That the Clerk of the House of Delegates transmit copies of this resolution to the Speaker of the United States House of Representatives, the President of the Senate of the United States, and the members of the Virginia Delegation to the United States Congress that they might be apprised of the sense of the General Assembly in this matter."

POM-514. A joint resolution adopted by the Legislature of the Commonwealth of Virginia; to the Committee on Environment and Public Works:

"HOUSE JOINT RESOLUTION No. 99

"Whereas, the Congress has enacted legislation prohibiting the states from setting maximum speed limits higher than fifty-five miles per hour on most highways; and

"Whereas, the single exception to this fifty-five mile per hour limit permitted by Congress is limited to rural interstate highways, where speed limits of sixty-five miles per hour are permitted; and

"Whereas, in an effort to keep pace with needs for improved highway transportation, Virginia and many other states have resorted to the construction of an increasing number of toll roads; and

"Whereas, very few if any of these toll facilities are constructed with the financial participation of the federal government; and

"Whereas, persons who use toll roads pay a voluntary tax, beyond that used to support the general highway transportation system, to use these toll facilities; and

"Whereas, it is desirable that the users of these facilities be permitted to use them efficiently, conveniently, and effectively; and

"Whereas, it is equally desirable that these facilities operate in a manner that ensures that they handle traffic as expeditiously as possible while having due regard for the safety of those using them; and

"Whereas, it is absurd that the Congress, which has no financial stake in the operation of toll facilities constructed without federal aid, arrogates to itself the power of determining the speed limits applicable to these toll facilities; now, therefore, be it

"*Resolved,* by the House of Delegates, the Senate concurring, That the Congress is hereby memorialized to permit the states to set the speed limits applicable to toll roads constructed without federal financial participation; and, be it

"*Resolved further,* That the Clerk of the House of Delegates transmit copies of this resolution to the Speaker of the United States House of Representatives, the President of the Senate of the United States, and the members of the Virginia delegation to the United States Congress that they may be apprised of the sense of the Virginia General Assembly in this matter."

POM-515. A joint resolution adopted by the Legislature of the Commonwealth of Virginia; to the Committee on Foreign Relations:

"HOUSE JOINT RESOLUTION No. 143

"Whereas, the Commonwealth of Virginia has always seen the value of encouraging its citizens to seek educational opportunities in order to improve their skills and knowledge; and

"Whereas, federal law and regulations govern the manner in which scholarships and loans and grants for educational purposes are used when determining eligibility for public assistance programs including Aid to Dependent Children, Medicaid, and food stamps; and

"Whereas, the Commonwealth disregards state and private funds in determining eligibility for fuel assistance and general relief; and

"Whereas, the federal government's funds which are used for these benefits follow the federal law which requires that for the purpose of determining eligibility, income from any moneys from scholarships and loans and grants for educational purposes must be counted if used for living expenses; and

"Whereas, in many instances, these funds may be paid to a third party on behalf of an individual and not be counted as income in determining eligibility for benefits; and

"Whereas, if the federal government continues to require that educational moneys be counted as income, needy citizens will be hindered in their pursuit of education and training, including participation in the Commonwealth's JOBS programs; now, therefore, be it

"*Resolved* by the House of Delegates, the Senate concurring, That the Congress of the United States is hereby memorialized to change federal law to disregard scholarships and loans or grants for educational purposes in determining eligibility for Aid to Dependent Children, Medicaid, and food stamps; and, be it

"*Resolved further,* That the Clerk of the House of Delegates shall transmit copies of this resolution to the Speaker of the United States House of Representatives, the President of the Senate of the United States, and the members of the Virginia delegation to the United States Congress that they may be apprised of the sense of the General Assembly of Virginia in this manner."

POM-516. A petition from a citizen of Houston, Texas praying for a redress of grievances; to the Committee on Foreign Relations.

POM-517. A concurrent resolution adopted by the Legislature of the State of Hawaii; to the Committee on Foreign Relations.

"HOUSE CONCURRENT RESOLUTION 172

"Whereas, it is of great importance to the people of the State of Hawaii that its residents receive the benefits of court-ordered maintenance, such as alimony and child support; and

"Whereas, residents of the State of Hawaii are often unable to effectively enforce their rights to maintenance when the maintenance-debtor is located within the jurisdiction of another country; and

"Whereas, the provisions of chapter 576 of the Hawaii Revised Statutes do not always provide an effective remedy to the residents of the State of Hawaii when the maintenance-debtor is located within the jurisdiction of another country; and

"Whereas, the government of the United States has failed to date to respond to this growing crisis; and

"Whereas, the enforcement of maintenance obligations is a matter of immense and pressing importance to the residents of the State of Hawaii; and

"Whereas, the 1956 United Nations ECOSOC Convention on the Recovery Abroad of Maintenance is patterned after the Uniform Reciprocal Enforcement of Support Act which has been adopted by many of the States of the United States, including the State of Hawaii; and

"Whereas, the following countries are parties to the 1956 United Nations ECOSOC Convention on the Recovery Abroad of Maintenance: Algeria, Argentina, Australia, Austria, Barbados, Belgium, Bolivia, Brazil, Burkina Faso, Cape Verde, Central African Republic, Chile, China, Colombia, Cuba, Cyprus, Czechoslovakia, Democratic Kampuchea, Denmark, Dominican Republic, Ecuador, El Salvador, Finland, France, Federal Republic of Germany, Greece, Guatemala, Haiti, the Holy See, Hungary, Israel, Italy, Luxembourg, Mexico, Monaco, Morocco, the Netherlands, New Zealand, Niger, Norway, Pakistan, Philippines, Poland, Portugal, Spain, Sri Lanka, Suriname, Sweden, Switzerland, Tunisia, Turkey, United Kingdom of Great Britain and Northern Ireland, and Yugoslavia; and

"Whereas, the State of Hawaii desires to obtain the benefits of the 1956 United Nations ECOSOC Convention on the Recovery Abroad of Maintenance for its residents; and

"Whereas, the following countries are parties to Hague Convention XXIII—Recognition and Enforcement of Decisions Relating to Maintenance Obligations: Czechoslovakia, Denmark, Finland, France, Federal Republic of Germany, Italy, Luxembourg, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, and the United Kingdom of Great Britain and Northern Ireland; and

"Whereas, the State of Hawaii desires to obtain the benefits of Hague Convention XXIII—Recognition and Enforcement of Decisions Relating to Maintenance Obligations for its residents; and

"Whereas, the United States of America can become a party to Hague Convention XXIII—Recognition and Enforcement of Decisions Relating to Maintenance Obligations, but make it applicable only to the State of Hawaii pursuant to Article 33; now, therefore,

"*Be it resolved* by the House of Representatives of the Fifteenth Legislature of the State of Hawaii, Regular Session of 1990, the Senate concurring, that:

"(1) The State of Hawaii urgently requests the United States government to sign and ratify the 1956 United Nations ECOSOC Convention on the Recovery Abroad of Maintenance concluded on June 20, 1956;

"(2) The State of Hawaii urgently requests the United States government to sign and ratify Hague Convention XXIII—Recognition and Enforcement of Decisions Relating to Maintenance Obligations concluded on October 2, 1973; and

"(3) If the United States government does not wish the Hague Convention to apply to the entire country, then the State of Hawaii further requests that the United States government issue a Declaration to the Ministry of Foreign Affairs of the Netherlands, pursuant to Article 33 of the Hague Convention, that the Hague Convention shall apply only to the State of Hawaii; and

"*Be it further resolved* that certified copies of this Concurrent Resolution be transmitted to the following: the President of the United States, the Vice President of the United States, the United States Secretary of State, and the members of Hawaii's congressional delegation."

POM-518. A concurrent resolution adopted by the Legislature of the State of Hawaii; to the Committee on the Judiciary:

"HOUSE CONCURRENT RESOLUTION 62

"Whereas, the drug problem poses a grave threat both to the United States and the State of Hawaii; and

"Whereas, prison crowding is a major problem and Hawaii follows a national trend of steadily climbing inmate populations, causing prison overcrowding due to increased drug enforcement and imposition of mandatory sentences; and

"Whereas, in December, 1989, there were 2,300 inmates throughout the prison system, up 6.7 percent from 2,155 in December, 1988, bursting prison spaces designed to house 1,700; and

"Whereas, the State of Hawaii is in need of funds to conduct its battle against drugs; and

"Whereas, the State of Hawaii needs space to construct facilities to house and provide programs for drug offenders; and

"Whereas, President Bush urged in his proposed anti-drug plan that Congress and State legislatures need to act on a national, state, and local levels to institute a drug strategy and crime package to: toughen sentences; strengthen law enforcement; build new prison space; and create more drug treatment and prevention programs; and

"Whereas, President Bush is seeking an additional $2.2 billion in fiscal 1990 for anti-drug programs and enhanced education, law enforcement, and drug treatment efforts; and

"Whereas, the State of Hawaii may benefit from obtaining federal land and funds for the construction of minimum security prisons for drug and other offenders; now, therefore,

"Be it resolved by the House of Representatives of the Fifteenth Legislature of the State of Hawaii, Regular Session of 1990, the Senate concurring, that the Hawaii State Legislature, and the Governor of the State of Hawaii, actively seek funds and land from the federal government to allow the State of Hawaii to improve its drug enforcement and treatment programs and its correctional facilities, including the construction of minimum security prisons for drug and other offenders, in view of the concerns expressed in this Concurrent Resolution; and

"Be it further resolved, that certified copies of this Concurrent Resolution be transmitted to the Governor of the State of Hawaii, the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and Hawaii's congressional delegation."

POM. 519. A joint resolution adopted by the Legislature of the Commonwealth of Virginia; to the Committee on the Judiciary:

"HOUSE JOINT RESOLUTION NO. 53

"Whereas, the Supreme Court of the United States in *South Carolina v. Baker,* decided April 21, 1988, ruled that a nondiscriminatory federal tax on interest earned on state and local government bonds does not violate the Constitution or doctrine of intergovernmental tax immunity; and

"Whereas, long-term debt obligations constitute a major source of state and local funding for public purposes, and recent federal tax and budget policy continues to shift to the state and local governments added responsibilities to meet and pay for government programs so that each source of state and local revenue must be preserved; and

"Whereas, the evidence before the Supreme Court in *South Carolina v. Baker* proved that there is increasing state and local reliance on borrowing to fund needed education, transportation and other public programs and that the costs of public borrowing would increase substantially if state and local bond interest were taxed by the federal government; and

"Whereas, the principles of federalism dictate that there should be power between the federal government and the states, and there is now no constitutionally based assurance to the states that the Congress will not impose taxes on state and local government bonds and erode this essential source of state and local funding and

"Whereas, an amendment to the Constitution of the United States, such as that proposed in Senate Joint Resolution 377 of the 100th Congress, offers the only means to guarantee that the Congress will not sooner or later tax the income derived from state and local obligations; now, therefore, be it

Resolved by the House of Delegates, the Senate concurring, That the General Assembly of Virginia request the Congress of the United States to propose an amendment to the Constitution of the United States which will prohibit the federal government from taxing income derived from state and local government obligations issued for public purposes; and, be it

Resolved further, That the General Assembly requests the legislatures of the several states to apply to Congress for the proposal of this amendment to the Constitution; and, be it

Resolved finally, That copies of this resolution be sent forthwith by the Clerk of the House of Delegates to the Speaker of the House of Representatives and the President of the Senate of the United States, to each of the Representatives and Senators from Virginia, and to the legislatures of each of the several states, attesting to the adoption of this resolution."

POM-520. A concurrent resolution adopted by the Legislature of the State of Hawaii; to the Committee on the Judiciary:

"HOUSE CONCURRENT RESOLUTION 301

"Whereas, the State of Hawaii was admitted to the United States on the condition that it administer the Hawaiian Homes Commission Act, 1920, as amended (HHCA), as a compact with the United States and its trustee for the native Hawaiian people, pursuant to Section 4 of The Hawaii Admission Act; and

"Whereas, Article XII, Section 1, 2, and 3 of the Hawaii State Constitution adopted the HHCA as state law and as a compact with the United States, accepting the trust responsibility to manage and dispose of Hawaiian home lands and to faithfully carry out the spirit of the HHCA; and

"Whereas, the United States Congrss nevertheless retained federal oversight responsibility to ensure that the State properly administered the HHCA as Congress intended pursuant to Section 5(f) of the Admission Act; and

"Whereas, in Section 5(f) of the Admission Act, Congress specifically reserved the right of the United States to sue the State for a breach of trust for any failure to properly manage and dispose of Hawaiian home lands in administering the HHCA on behalf of native Hawaiians; and

"Whereas, the Federal-State Task Force on the Hawaiian Homes Commission Act has documented in its August, 1983 report many instances of wrongful use of Hawaiian home lands by federal, state, and county agencies for little or no compensation to the trust and questionable if not improper use of trust lands by private individuals and entities; and

"Whereas, the Task Force recommended that both the State and the federal government enact appropriate legislation to grant native Hawaiians a right of action in state and federal court to sue for breaches of the HHCA; and

"Whereas, the use by federal agencies of these trust lands set aside under the HHCA for native Hawaiians may constitute a breach of the trust created by the HHCA; and

"Whereas, since the HHCA was enacted in 1921, the federal government has never exercised its discretion to file a lawsuit to remedy breaches of trust, including the improper depletion and wrongful use of Hawaiian home lands by various public agencies for little or no compensation to the trust; and

"Whereas, despite the passage of nearly seven years since the Task Force Report, the Department of Hawaiian Home Lands has not been able to rectify improper or questionable uses of trust lands by federal agencies; and

"Whereas, there are at least 19,661 native Hawaiians who have applied for but have not been able to receive leases to occupy Hawaiian home lands for farming, ranching, acquacultural, and residential purposes; and

"Whereas, some of these people have been waiting for over forty years since first applying for the lands to which they are entitled to occupy and use productively; and

"Whereas, the legislature believes that the number and complexity of the problems plaguing the Hawaiian Home Lands program cannot be addressed in the manner and at the pace with which government has proceeded in previous years, without greater creativity, resources, and energy; and

"Whereas, major reforms have been accomplished through the past use of civil lawsuits to resolve significant issues related to the administration of the HHCA; and

"Whereas, the State of Hawaii has enacted Chapter 673, Hawaii Revised Statutes, granting native Hawaiians a limited right of action in state courts; and

"Whereas, state courts have limited or no jurisdiction over matters involving federal agency use of trust lands; and

"Whereas, the availability of an action under 42 U.S.C. 1983 is limited to authorizing actions against state officials who might deprive Hawaiians of rights under the HHCA and does not provide the authority to proceed against federal agencies or officials; and

"Whereas, the enactment of a federal statute allowing native Hawaiians access to federal courts would be the only way to ensure that the many problems involving administration of the HHCA and actions or inaction by federal officials and agencies are resolved; and

"Whereas, the prosecution of private actions involving the enforcement of the HHCA would be facilitated by the allowance of costs and attorneys' fees; now, therefore,

"Be it resolved by the House of Representatives of the Fifteenth Legislature of the State of Hawaii, Regular Session of 1990, Senate concurring, that the U.S. Congress and the President of the United States are hereby urged to enact an appropriate federal statute to authorize the filing of actions in federal court to resolve issues relating to enforcement of the HHCA land the provision of attorneys' fees and coss of suit where the claimant is successful; and

"Be it further resolved that copies of this Concurrent Resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Rep-

resentatives, the Chairperson of the Senate Select Committee on Indian Affairs, the Secretary of the Department of the Interior, each member of Hawaii's congressional delegation, the Chairperson of the Department of Hawaiian Home Lands, the Office of Hawaiian Affairs, The Aged Hawaiians, the Native Hawaiian Legal Corporation, and the State Council of Hawaiian Homestead Associations."

POM-521. A joint resolution adopted by the Legislature of the Commonwealth of Virginia; to the Committee on the Judiciary:

"HOUSE JOINT RESOLUTION No. 140

"Whereas, all 33 amendments proposed to the United States Constitution since 1788 have been initiated by Congress; and

"Whereas, more than 400 petitions from the several states requesting a constitutional convention to propose amendments have been filed with Congress but have never resulted in the calling of a convention or adoption of an amendment; and

"Whereas, there should be a proper balance of national and state power in a federal system; the present mechanism for the states to initiate a constitutional convention has proved to be unworkable; and the envisioned and desirable equipoise between national and state powers requires a means for the several states to be able to propose amendments to the Constitution; and

"Whereas, an Intergovernmental Partnership Task Force has proposed in its 1989 report to the Intergovernmental Affairs Committee of The Council of State Governments, an amendment to Article V of the United States Constitution to establish a thoughtful balancing of national and state interests in the constitutional amendment process; and

"Whereas, the gist of the Task Force proposal is to enable the legislatures of three-fourths of the states to propose amendments to the Constitution subject to the veto of the Congress by a two-thirds vote of both Houses within two years of the states' submission of the amendments; and

"Whereas, this proposal embodies a prudent method for constitutional amendments to be initiated by a substantial majority of the several states and yet subject to veto by the Congress; now, therefore, be it

"Resolved by the House of Delegates, the Senate of Virginia concurring, That the General Assembly of Virginia request the Congress of the United States to propose an amendment to Article V of the Constitution of the United States which in essence provides that:

"Whenever three-fourths of the Legislatures of the several states deem it necessary, they shall propose amendments to this Constitution. After two years from the date of receipt by the Clerk of the House of Representatives of a certified copy of the proposed amendments from the state which represents three-fourths or more of the several states, the proposed amendments shall be valid to all intents and purposes as part of this Constitution, unless disapproved by two-thirds of both Houses of Congress within that two-year period. Each state shall have the power to rescind its action to propose the amendments only until the beginning of that two-year period." and, be it

Resolved further, That the General Assembly request the legislatures of the several states to apply to Congress for the proposal of this amendment to the Constitution of the United States; and, be it

"Resolved finally, That copies of this resolution be sent by the Clerk of the House of Delegates to the President of the Senate and the Speaker of the House of Representatives of the United States, to each of the senators and representatives from Virginia, and to the legislatures of each of the several states, attesting to the adoption of this resolution."

POM-522. A joint resolution adopted by the Legislature of the Commonwealth of Virginia; to the Committee on Labor and Human Resources:

"HOUSE JOINT RESOLUTION No. 118

"Whereas, the United States Senate in August 1989, passed the Americans with Disabilities Act (S. 933), a comprehensive prohibition of discrimination on the basis of disability; and

"Whereas, the Virginia General Assembly in 1985 passed the Virginians with Disabilities Act, a comprehensive prohibition of discrimination on the basis of disability; and

"Whereas, the United States House of Representatives Committees on Judiciary, Education and Labor, Energy and Commerce, and Public Works and Transportation are currently considering the House version of the Americans with Disabilities Act of 1989; and

"Whereas, Senate 933, as currently drawn, requires that each public transit property provide a disabled lift device on each new regular route bus and a specialized paratransit system to provide services to disabled persons who cannot use the regular route lift service; and

"Whereas, a disabled lift currently costs between $10,000 and $20,000 per unit to purchase and $1,500 to $4,000 annually to maintain; and

"Whereas, the cost of a separate specialized service is unknown but will be extremely high, since it requires each public transit operator to purchase and operate two separate systems; and

"Whereas, the effect of Senate 933 on the intercity bus industry could be a loss of bus transportation for up to one-third of the rural communities currently being served; and

"Whereas, the Virginia Association of Public Transit Officials testified before the United States Senate in May 1989, concerning the severe service and financial impacts Senate 933 would have on public transit in Virginia; and

"Whereas, the Virginia Association of Public Transit Officials has offered amendments to the House bill that would improve transportation for disabled persons without the severe financial impacts contained in Senate 933; now, therefore, be it

"Resolved by the House of Delegates, the Senate concurring, That the Congress is hereby memorialized to concentrate on service standards rather than methods of service and delivery to improve public transportation services for disabled persons; and, be it

Resolved further, That the Congress is also memorialized to authorize and appropriate federal funding over and above that provided to transit operators in order to comply with the Americans with Disabilities Act; and, be it

"Resolved finally, That the Clerk of the House of Delegates transmit copies of this resolution to the Speaker of the United States House of Representatives, the President of the Senate of the United States, and the members of the Virginia delegation to the United States Congress that they may be apprised of the sense of the General Assembly in this matter."

POM-523. A joint resolution adopted by the Legislature of the State of Vermont; to the Committee on Labor and Human Resources:

"JOINT RESOLUTION 73

"Whereas, the State of Vermont recognizes the strong need to protect artistic freedom as provided by the United States Constitution, and

"Whereas, we deplore any attempts to allow interference with freedom of expression as protected by the United States Constitution or the advancement of the censorship of art, and

"Whereas, the Yates amendment to the National Endowment for the Arts annual budget may allow for such interference with freedom of expression and advance censorship, now therefore be it

"Resolved by the Senate and House of Representatives, That such legislative action discourages artistic freedom of expression and undermines the meaning of freedom of expression, an ideal central to our democracy and the United States Constitution, and be it further

"Resolved. That while the United States encourages freedom of expression in China, throughout Eastern Europe and the world, it is entirely inconsistent and socially undesirable to, at the same time, permit that freedom to be limited in the United States, and be it further

"Resolved, That the Secretary of State be requested to send a copy of this resolution to the Clerk of the United States House of Representatives and the Secretary of the United States Senate."

POM-524. A joint resolution adopted by the Legislature of the Commonwealth of Virginia; to the Committee on Labor and Human Resources:

"HOUSE JOINT RESOLUTION No. 19

"Whereas, there is a need to assist black lung sufferers and their families; and

"Whereas, there presently is no black lung claims processing office in Southwest Virginia; and

"Whereas, Southwest Virginia's coal miners' claims are currently handled by the Department of Labor district office in Johnstown, Pennsylvania; and

"Whereas, the Division of Coal Mine Workers' Compensation, United States Department of Labor, has verified that forty-two percent of the claims handled by the Johnstown office are from Virginia; and

"Whereas, a large number of Virginia miners and their families must travel a great distance to receive services; and

"Whereas, the Southwest Virginia Black Lung Taskforce believes that Virginia miners should have access to a claims office that is located in Virginia; and

"Whereas, a black lung claims processing office in Southwest Virginia would provide a critically needed service that is accessible to the area miners; and

"Whereas, a local office would give miners the opportunity for face-to-face contact and the chance to be directly involved with their claims; and

"Whereas, a local office would contribute to the economic development efforts underway in Southwest Virginia; now, therefore, be it

"Resolved by the House of Delegates, the Senate concurring, That the Congress of the United States is memorialized to request the United States Department of Labor to locate a coal mine workers' compensation

processing office in Virginia's coal fields; and, be it

"*Resolved further,* That the Clerk of the House of Delegates transmit copies of this resolution to the President of the United States, the Speaker of the United States House of Representatives, the President of the United States Senate and the members of the Virginia delegation to the United States Congress in order that they may be apprised of the sense of the General Assembly of Virginia."

POM-525. A joint resolution adopted by the Legislature of the Commonwealth of Virginia; to the Committee on Labor and Human Resources:

"Whereas, the United States has the most technologically advanced health care system in the world; and

"Whereas, soaring health care costs, increasing health insurance premiums and shifting power structures in the managerial and provider sectors of the health care industry have profoundly affected the overall health care environment; and

"Whereas, health care expenditures in health care spending have paralleled steady increases in the proportion of uninsured individuals; and

"Whereas, millions of Americans cannot afford basic health care, including an estimated 880,000 Virginians who have no health coverage whatsoever; and

"Whereas, at least an additional 20 percent of Virginians are "underinsured," whereby a major illness would cause financial ruin; and

"Whereas, health benefits for many insured workers have been eroded, while many other employers no longer offer any health care benefits; and

"Whereas, cost containment measures developed on the state and federal level to combat spiralling health care costs have resulted in 23 percent of the United States health care dollars covering administrative costs, compared to 13 percent in Canada and 8 percent in Great Britain; and

"Whereas, because further piecemeal reforms may not effectively address these critical concerns, major system-wide reforms may be required at the federal level; and

"Whereas, the increase in costs and the decline in access to care are not separate issues, but rather interconnected facets of the same problem; and

"Whereas, many public opinion polls have found that Americans overwhelmingly favor a national health care plan providing universal, comprehensive care, regardless of ability to pay, although the implementation of such a plan might necessitate tax increases; and

"Whereas, a Harris poll in February 1989 found that 55 percent of Canadians were satisfied with their current health care system, compared with 6 percent of Americans; and

"Whereas, another large study of physicians found that 56 percent support a national health plan; now, therefore, be it

"*Resolved* by the House of Delegates, the Senate concurring, That Congress and the President of the United States be urged to proceed in earnest to draft and adopt a national health plan that will address the inequities described herein; and, be it

Resolved further, That the Clerk of the House of Delegates prepare a copy of this resolution for presentation to the President of the United States, the Speaker of the United States House of Representatives, the President of the United States Senate and the Virginia Congressional delegation to apprise them of the sense of the General Assembly of Virginia."

POM-526. A joint resolution adopted by the Legislature of the Commonwealth of Virginia; to the Committee on Rules and Administration:

"HOUSE JOINT RESOLUTION NO. 160

"Whereas, the United States Congress for many years has spent taxpayers' funds in excess of federal government receipts, and this overspending has been admitted by the Congress in its passage of the Gramm-Rudman-Hollings Act requiring Congress to reduce its appropriations in order to avoid automatic sequestration of certain expenditures; and

"Whereas, more than ninety-five percent of the members of the House of Representatives who sought reelection in 1986 and 1988 were reelected regardless of opposition by challengers, thus making these House members ipso facto virtually permanent representatives to the point where the entire election process, conducted at very large expense, has been seriously compromised and its effectiveness brought into question, so that United States citizens are losing truly representative government in Washington; and

"Whereas, one of the most important factors in obtaining virtually automatic reelection to Congress is name recognition, and all of the publicity which members of Congress now receive at no direct cost to themselves from their ordinary activities in their districts already serves to build name recognition for them and this aids their reelection; and

"Whereas, contrary to what is permitted to state legislators in Virginia, members of Congress now are allowed to conduct mass mailings to all of their constituents at taxpayers' expense, such mailings being for the most part campaign promotions of the Congress person's name to further build the desired name recognition and favorable publicity; and

"Whereas, in the 1988 electoral cycle, incumbent members of Congress spent more on the frank than all the challengers spent on everything; now, therefore, be it

"*Resolved* by the House of Delegates, the Senate occurring, That the United States Congress is hereby memorialized to pass legislation placing strict limits on mass mailings from members of Congress to their constituents at the expense of taxpayers; and, be it

"*Resolved further,* That the Clerk of the House of Delegates transmit copies of this resolution to the Speaker of the United States House of Representatives, the President of the Senate of the United States, and the members of the Virginia delegation to the United States Congress that they may be apprised of the sense of the General Assembly in this matter."

POM-527. A concurrent resolution adopted by the Legislature of the State of Hawaii; to the Committee on Veterans' Affairs:

"HOUSE CONCURRENT RESOLUTION 28

"Whereas, according to the United States Secretary of Veterans Affairs, the need for hospital facilities in Hawaii for veterans will soon be apparent in that the State will soon be coping with an aging population of veterans, and an intense, expensive problem in dealing with patients afflicted with AIDS; and

"Whereas, in January 1990, the United States Department of Veterans Affairs unveiled its plan to consider the following seven sites on the island of Oahu as possible candidates for the construction of a hospital and nursing care facility for veterans in Hawaii:

"(1) 12 acres adjoining Tripler Army Medical Center;

"(2) 16⅓ acres near Lakeside Development in Salt Lake;

"(3) 50 acres under state jurisdiction in Waimano;

"(4) 15 private acres in Pearl Highlands;

"(5) 15 acres of forest reserve land along Likelike Highway;

"(6) 12⅓ private acres off Booth Road in Pauoa Valley; and

"(7) 9 state acres at Leahi Hospital near Diamond Head;"

Whereas, construction and operation of the proposed veterans hospital will inevitably have a tremendous impact on the residents, businesses, and communities of the State of Hawaii; and

"Whereas, in particular, residents, businesses, and communities in close proximity to the proposed sites have expressed many legitimate concerns and fears about the negative impact which the hospital will have if built in their geographical area, including, but not limited to:

"(1) Whether the hospital and its activities will change the character of proximate areas, especially areas currently zoned for single-family residential use;

"(2) Whether the proximate areas have the necessary infrastructure to support the level of activity that will undoubtedly occur as a result of the building and operation of the hospital;

"(3) Whether the level of activity associated with the hospital's operation, including the operation of emergency vehicles, will contribute to air and noise pollution, and will result in increased traffic congestion;

"(4) Whether operation of the hospital will pose hazards to the community; and

"(5) What the federal government intends to do to mitigate negative impact; and

"Whereas, the legitimacy of these and other concerns, as well as the considerable number of Hawaii residents who have voiced them, indicate the need for a public forum in the State of Hawaii wherein all concerns and fears can be addressed and the support and confidence of the residents of Hawaii in the building of the proposed hospital can be preserved; now, therefore,

"Be it resolved by the House of Representatives of the Fifteenth Legislature of the State of Hawaii, Regular Session of 1990, the Senate concurring, That the U.S. Secretary of Veterans Affairs provide a forum wherein public concerns and input will be addressed and received for consideration in the site selection process for the proposed veterans hospital in Hawaii; and

"Be it further resolved, That in selecting the site of the proposed veterans hospital, the U.S. Department of Veterans Affairs and the Secretary of Veterans Affairs consider hospital access, site and area infrastructure, and impact on surrounding communities, including but not limited to disruption of the character of residential communities, potential hazards, noise and air pollution, parking problems, and traffic congestion; and

"Be it further resolved, That certified copies of this Concurrent Resolution be transmitted to the President of the United States, the U.S. Secretary of Veterans Affairs, the President of the United States Senate, the Speaker of the United States House of Representatives, U.S. Senator

Daniel Inouye, U.S. Senator Spark Matsunaga, U.S. Representative Patricia Saiki, U.S. Representative Daniel Akaka, the congressional lobbyist for the State of Hawaii, Ms. Janice Lipsen, and the Office of Veterans Affairs."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BURDICK, from the Committee on Environment and Public Works, without amendment:

S. 2740. An original bill to provide for the conservation and development of water and related resources, to authorize the U.S. Army Corps of Engineers civil works program to construct various projects for improvements to the Nation's infrastructure, and for other purposes (Rept. No. 101-333).

By Mr. BIDEN, from the Committee on the Judiciary, without amendment and with a preamble:

H.J. Res. 555. Joint resolution to commemorate the bicentennial of the enactment of the law which provided civil government for the territory from which the State of Tennessee was formed.

By Mr. BIDEN, from the Committee on the Judiciary, without amendment:

S. 670. A bill to recognize the organization known as the Retired Enlisted Association, Inc.

By Mr. BIDEN, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 248. Joint resolution to designate the month of September 1990 as "International Visitor's Month."

S.J. Res. 256. Joint resolution to designate the week of October 7, 1990, through October 13, 1990, as "Mental Illness Awareness Week."

S.J. Res. 271. Joint resolution to designate July 10, 1990 as "Wyoming Centennial Day."

S.J. Res. 273. Joint resolution to designate the week of October 7-13, 1990 as "National Health Care Food Service Week."

S.J. Res. 276. Joint resolution designating the week beginning July 22, 1990 as "Lyme Disease Awareness Week."

S.J. Res. 278. Joint resolution designating July 19, 1990 as "Flight Attendant Safety Professionals' Day."

S.J. Res. 281. Joint resolution to designate September 13, 1990, as "National D.A.R.E. Day."

S.J. Res. 285. Joint resolution to designate the period commencing September 9, 1990, and ending on September 15, 1990, as "National Historically Black Colleges Week."

S.J. Res. 289. Joint resolution to designate October 1990 as "Polish American Heritage Month."

S.J. Res. 290. Joint resolution to designate the week of July 22, 1990, through July 28, 1990, as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War."

S.J. Res. 296. Joint resolution designating August 7, 1990, as "National Neighborhood Crime Watch Day."

S.J. Res. 299. Joint resolution to designate the period October 1, 1990, through October 1, 1991, as the "Year of the Wetlands."

S.J. Res. 300. Joint resolution to designate September 1990 as "Jewish Community Center Month."

S.J. Res. 301. Joint resolution designating October 1990 as "National Breast Cancer Awareness Month."

S.J. Res. 304. Joint resolution to designate October 17, 1990, as "National Drug-Free Schools and Communities Education and Awareness Day."

S.J. Res. 308. Joint resolution to designate the month of June 1990, as "National Huntington's Disease Awareness Month."

S.J. Res. 312. Joint resolution designating the week of November 12, 1990, through November 18, 1990, as "National Critical Care Awareness Week."

S.J. Res. 316. Joint resolution to designate the second Sunday in October of 1990 as "National Children's Day."

S.J. Res. 317. Joint resolution to designate the week of October 14, 1990, through October 20, 1990, as "National Radon Action Week."

S.J. Res. 320. Joint resolution designating July 2, 1990, as "National Literacy Day."

S.J. Res. 321. Joint resolution to designate the week of August 19 through 25, 1990, as "National Agricultural Research Week."

S.J. Res. 330. Joint resolution to commemorate the bicentennial of the enactment of the law which provided civil government for the territory from which the State of Tennessee was formed.

S.J. Res. 331. Joint resolution to designate the week of September 23 through 29, 1990, as "Religious Freedom Week."

S.J. Res. 333. Joint resolution to designate the week of September 30, 1990, through October 6, 1990, as "National Job Skills Week."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary:

Richard J. Hankinson, of Virginia, to be Inspector General, Department of Justice.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. BIDEN, from the Committee on the Judiciary:

Robert H. Cleland, of Michigan, to be United States District Judge for the Eastern District of Michigan;

Jimmy C. Carter, of Georgia, to be United States Marshal for the Southern District of Georgia for the term of four years; and

Gary E. Shovlin, of Texas, to be United States Marshal for the Middle District of Pennsylvania for the term of four years.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ADAMS:

S. 2734. A bill to direct the Administrator of the Environmental Protection Agency to make grants to the State of Washington Puget Sound Water Quality Authority to implement the Puget Sound Water Quality Management Plan; to the Committee on Environment and Public works.

By Mrs. KASSEBAUM (for herself, Mr. BRYAN, and Mr. BAUCUS):

S. 2735. A bill to enhance the ability of the Federal Government to successfully prosecute financial crimes and gain increased recoveries at failed financial institutions; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SIMON (for himself, Mr. KENNEDY, Mrs. KASSEBAUM, Mr. PELL, Mr. AKAKA, Mr. GORE, Mr. GRASSLEY, Mr. WILSON, Mr. WIRTH, and Mr. RIEGLE):

S. 2736. A bill to amend the Follow Through Act, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. ARMSTRONG:

S. 2737. A bill to require the Secretary of the Treasury to mint a silver dollar coin in commemoration of the 38th anniversary of the ending of the Korean war and in honor of those who served; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. HELMS (for himself and Mr. ARMSTRONG):

S. 2738. A bill to amend the Internal Revenue Code of 1986 with respect to the method of rounding used in adjusting tax rates and certain other amounts for inflation; to the Committee on Finance.

By Mr. DANFORTH:

S. 2739. A bill to amend the Internal Revenue Code of 1986 to promote savings for qualified higher education expenses; to the Committee on Finance.

By Mr. BURDICK from the Committee on Environment and Public Works:

S. 2740. An original bill to provide for the conservation and development of water and related resources, to authorize the United States Army Corps of Engineers civil works program to construct various projects for improvements to the Nation's infrastructure, and for other purposes; placed on the calendar.

By Mr. ARMSTRONG (for himself, Mr. COATS, Mr. HELMS, Mr. MACK, and Mr. HUMPHREY):

S. 2741. A bill to amend the Foreign Assistance Act of 1961 to authorize the provision of medical supplies and other humanitarian assistance to the Lithuanian people to alleviate suffering during the current emergency; to the Committee on Foreign Relations.

By Mr. BAUCUS (for himself, Mr. HEINZ, Mr. ROCKEFELLER, Mr. RIEGLE, Mr. BINGAMAN, Mr. LEVIN, and Mr. GLENN):

S. 2742. A bill to amend the Trade Act of 1974 to provide for review by the Trade Representative of compliance by foreign countries with trade agreements; to the Committee on Finance.

By Mr. HATFIELD:

S. 2743. A bill to designate the library building of the Environmental Protection Agency located in Newport, Oregon, as the "Marilyn Potts Guin Library"; to the Committee on Environment and Public Works.

By Mr. KASTEN (for himself, Mr. MACK, Mr. SHELBY, Mr. LOTT, Mr. SYMMS, Mr. WALLOP, Mr. HATCH, Mr. COATS, Mr. BURNS, Mr. ARMSTRONG, Mr. NICKLES, Mr. GRAMM, Mr. MCCLURE, Mr. GARN, Mr. HELMS, Mr. THURMOND, Mr. HUMPHREY, Mr. BOSCHWITZ, Mr. D'AMATO, and Mr. BOND):

S. 2744. A bill to amend the Internal Revenue Code of 1986 to provide for a maximum long-term capital gains rate of 15 percent and indexing of certain capital assets, and for other purposes; to the Committee on Finance.

By Mr. EXON (for himself, Mr. ROBB, Mr. LAUTENBERG, and Mr. SIMON):

S. 2745. A bill to amend the Rail Passenger Service Act to authorize Appropriations for the National Railroad Passenger Corporation, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. SANFORD:

S. 2746. A bill to require the Attorney General of the United States to promptly increase activity with respect to the criminal referrals involving savings associations which are pending before the Department of Justice, to require quarterly appearances by the Attorney General before committees of the Congress to report on progress being made in investigating and prosecuting cases involving fraud and embezzlement in savings associations, and for other purposes; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. EXON (for Mr. MITCHELL (for himself and Mr. DOLE)):

S. Res. 300. A bill to authorize absence of Senator John D. Rockefeller; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ADAMS:

S. 2734. A bill to direct the Administrator of the Environmental Protection Agency to make grants to the State of Washington Puget Sound Water Quality Authority to implement the Puget Sound Water Quality Management Plan; to the Committee on Environment and Public Works.

GRANTS TO PUGET SOUND WATER QUALITY AUTHORITY

Mr. ADAMS. Mr. President, today I am pleased to introduce a bill to authorize additional funding for pollution prevention and cleanup in the Puget Sound of Washington State.

Puget Sound is one of the most magnificent waterways in the United States. It has also been of tremendous significance to the State and the Nation throughout its history. The pioneer Denny Party, which founded Seattle, sailed its shores looking for safe anchorage and eventually found it in Elliott Bay. They had great hopes and dreams for this new land. Naming it New York Alki, which in the local Chinook dialect meant New York by-and-by. They cleared the vast forests that carpeted the hills, established sawmills and farms and went on to build a city that today serves as the Nation's gateway to the Pacific Rim.

Every time I fly over its sparkling waters or gaze out the window of my State office I marvel at its beauty and importance to my home State and the Nation. The sound serves as our marine highway, supports important commercial and native American fisheries, provides recreational opportunities for thousands, is the home to the magnificent orca or killer whale, as well as other marine mammals, and houses 12 military bases that support our national defense.

Unfortunately, the health of the sound has declined since the day that the hardy settlers sailed into its harbors. Over the past 100 years, the sound has become a dumping place for industrial contaminants, municipal sewage discharge, and nonpoint source pollution. Industrial operations, shipyards, sewage treatment plants, farms, and the 3-million residents of the region all contribute to the pollution of Puget Sound.

Contaminants, including PCB's and heavy metals, foul the bottom and contribute to diseases and abnormalties in fish and other organisms. In addition, bacterial pollution threatens to destroy the remaining commercial and recreational shellfish beds. Compounding all of this is shoreline development which has eliminated more than half the natural wetlands along the sound.

Today, we are much more aware of these problems and are working to end untreated discharges into our waters. The State of Washington has established the Puget Sound Water Quality Authority which has done an outstanding job. This agency has developed a comprehensive strategy to address the problems in the sound and I am pleased to say that its plan is expected to serve as a model for other estuaries in the Nation.

Unfortunately, the agency's job is far from over and increased funding is required to address some of our severe problems. Each year since 1984, the sound has received approximately $1.5 million annually for cleanup efforts through the Environmental Protection Agency. In 1988, after the establishment of the National Estuary Program under the Clean Water Quality Act of 1987, Puget Sound was designated as an estuary of national significance in the Clean Water Act amendments and shares in the annual national allocation for designated national estuaries. The State has also been committed to this effort and has dedicated cigarette tax revenues for this purpose. Each year, the State has contributed $20 to $30 million from these revenues to the cleanup effort. Local governments and tribal governments continue to share in this commitment by providing millions of dollars for protection of the sound.

Mr. President, unfortunately these funds are not enough. More money is needed if we are to save Puget Sound. It is anticipated that State funding will cover only 50 percent of the costs of protecting the sound over the next decade. The funding picture for local governments is even dimmer. Funds available to them are barely 30 percent of actual needs.

The bill I am offering today would provide a separate line item in the budget for Puget Sound and establish a $100 million Puget Sound program. Mr. President, my bill is consistent with Congress' past action. Congress has set up separate authorization authority for the Chesapeake Bay, for the Great Lakes and for Narragansett Bay. Puget Sound is the second largest estuary in the National Estuary Program. It needs a funding commitment equal to its importance.

Mr. President, our need is urgent. Funds are required for prevention as well as cleanup. The western part of my home State is undergoing tremendous population growth. The statistics are overwhelming. Currently, one new family is moving into the Puget Sound area every 20 minutes. By the year 2000 another 600,000 people are expected to move to Washington State. This population growth will have a significant impact upon the quality and integrity of the sound. It is imperative that we implement strong preventive measures to ward off some of the potentially damaging problems that an increasing population brings. A timely investment in these preventive measures will save the taxpayers' money as well as the environmental health of this unique area. I want to leave you with words from the great Duwamish Chief Sealth or as he is known to most people, Chief Seattle. He wrote these prophetic words to President Franklin Pierce in 1855, shortly after the settlers arrived in Puget Sound. This excerpt is from a letter responding to the President's request to purchase land from the Indians:

> If we sell you our land, remember that it is sacred. Each ghostly reflection in the clear water of the lakes tells of events and memories in the life of my people. The water's murmur is the voice of my father's father. The rivers—they are our brothers. They quench our thirst. They carry our canoes, they feed our children. So you must give to the rivers the kindness you would give to any brother.

Mr. President, we have failed to preserve the legacy entrusted to us by this great man. My hope is that this bill will help to restore Puget Sound so that someday the canoes will cut across water as clean and as pure as that described by Chief Sealth many years ago.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2734

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF GRANTS.

The Administrator of the Environmental Protection Agency (hereinafter in this Act

referred to as the "Administrator") shall make grants to the State of Washington Puget Sound Water Quality Authority or its successor (hereinafter in this Act referred to as the "Authority") for use by the Authority or its successor in—

(1) implementing and updating the Puget Sound Water Quality Management Plan;

(2) implementing a program for ambient monitoring of the water quality of Puget Sound, including sampling and analysis of the sediment, water quality, and plant and animal populations and habitats of Puget Sound and its freshwater tributaries;

(3) supporting research that will increase understanding of Puget Sound, its ecological systems, and the significance of human impacts on Puget Sound; and

(4) conducting other activities related to improving the water quality of Puget Sound.

SEC. 2. FEDERAL SHARE.

The Federal share of activities carried out with grants under this Act shall not exceed 75 percent of the total cost of such activities.

SEC. 3. REPORTS.

The Authority or its successors shall submit an annual report to the Administrator not later than January 31 of each year describing activities carried out with grants under this Act during the previous year.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Administrator not more than $100,000,000 to make grants under this Act for fiscal years beginning after September 30, 1990, to remain until expended.

By Mrs. KASSEBAUM:

S. 2735. A bill to enhance the ability of the Federal Government to successfully prosecute financial crimes and gain increased recoveries at failed financial institutions; to the Committee on Banking, Housing, and Urban Affairs.

FINANCIAL CRIMES PROSECUTION AND RECOVERY ACT

Mrs. KASSEBAUM. Mr. President, it is time to take off the gloves and unleash our best and brightest prosecutors on the savings and loan mess.

When I went back home recently for a series of town meetings, Kansans were dismayed by the Attorney General's announcement that many of the savings and loan crimes referred to the Department of Justice would not be prosecuted. The implication is that savings and loan fraud is not important enough to warrant wasting the Department of Justice's time.

Today, Senator BRYAN and I are introducing legislation to change that. This legislation is entitled the Financial Crimes Prosecution and Recovery Act of 1990. It was introduced today in the House through the bipartisan efforts of Representatives WYLIE, GONZALEZ, HILER, BARNARD, and ANNUNZIO. I am pleased the House is acting on a bipartisan basis, and I hope the Senate will as well.

I certainly do not claim the entire savings and loan debacle can be blamed on fraud, crooks, and criminals. I think it is wrong to mislead the American public into thinking that the billions needed to resolve the problem can be found in Swiss bank accounts. Much of the problem stems from the nosedive of real estate in the Southwest, which was caused by the collapse of domestic oil prices.

Nevertheless, Mr. President, the people of Kansas rightly believe that where the line between bad business judgment and outright fraud has been crossed, individuals must be held accountable for their actions. I strongly agree.

I will concede that establishing the line between imprudence and criminal fraud is not easy. White-collar criminals do not leave smoking guns. They have high-priced lawyers, complicated books, and lots of ways to hide ill-gotten gains. The decks are stacked in their favor.

Now is the time to sic our best and brightest on the crooks. It may be they will not recover much. But we owe it to the taxpayers to make every effort to do so. Prosecuting such crime is extremely technical, laborious, and thankless.

This legislation helps change that. I have attached a more comprehensive summary of this legislation. Briefly, it elevates the status of prosecutors going after financial fraud, establishes strike forces under the local U.S. attorney, eliminates threshold prosecution levels, provides enhanced FDIC and RTC subpoena power, allows more FDIC and RTC access to IRS records, and provides an incentive for the regulators to recover funds.

Mr. President, the American taxpayers clearly understand the impact of the savings and loan debacle. They are outraged and should be. They are paying for a problem they did not cause. In return, they want the people who did cause the problem to be prosecuted. They do not want to hear excuses about bureaucratic priorities and limited resources. They do not want to hear partisan bickering or political posturing. They want our prosecutors to strike and strike hard. So does the thrift industry.

Honest savings and loan managers have no use for criminal activity. They, too, are paying for a problem they did not create. They also want to see those who caused their industry so much grief put under indictment.

The story of the savings and loan scandal has few heroes and many villains. We must turn this around, and we must give prosecutors and regulators the tools to do so. That is the goal of this legislation, and I hope we can have bipartisan support to make it law.

By Mr. SIMON (for himself, Mr. KENNEDY, Mrs. KASSEBAUM, Mr. PELL, Mr. AKAKA, Mr. GORE, Mr. GRASSLEY, Mr. WILSON, Mr. WIRTH, and Mr. RIEGLE):

S. 2736. A bill to amend the Follow Through Act, and for other purposes; to the Committee on Labor and Human Resources.

FOLLOW THROUGH ACT REAUTHORIZATION

● Mr. SIMON. Mr. President, I rise today to introduce a bill to reauthorize the Follow Through Act, and expand the program over a 5-year period.

The Follow Through Program was created by President Johnson in 1967 to improve the life chances of low-income children by providing comprehensive services in the early elementary grades. The program was designed to build upon the gains these children had made in Head Start. As stated by the House Education and Labor Committee in 1969, "In Follow Through, the resources of the school, the community, and the families are brought together in a total way in meeting a child's instructional, physical, and other developmental needs in the early elementary years." Researchers have found that the "ambitious and unprecedented Follow Through effort has emerged as a fountainhead for knowledge and experience on how school systems can be improved."

This knowledge is being put to use today in Chicago's historic school reform effort. For example, a Follow Through project at Fuller Elementary School, sponsored by the Chicago Teachers' Center at Northeastern Illinois University, is a model for other schools' efforts to increase parental involvement, a key part of the Chicago reforms. The Fuller Program was the subject of an article in the Chicago Sun-Times on January 29, 1989. Mr. President, I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SCHOOL FOLLOWS THROUGH ON GAINS OF HEAD START

(By Linda Lenz)

One day a couple of weeks ago, Wallace Marshall, 8, came home from school and snipped off the longest stem on his mother's prized spider plant.

"Don't worry," he said. "It will grow again."

Wallace then proceeded to give his mother, Shrley Marshall, a demonstration in plant propagation.

"During the summer I couldn't get him to water the plants," Marshall said. "Now he's into watering them and is naming them. All week long he's been talking about plants."

Wallace's new fascination was generated by a science project in his third-grade classroom at Fuller School in the Oakland community. But his initiative has roots that stretch back to Head Start, a program for economically disadvantaged 3- and 4-year-olds.

After getting a head start on formal schooling. Wallace entered a kindergarten that, as part of the federal Follow Through program, was primed to maintain his gains.

His mother attended workshops on child development. His teacher attended work-

shops on teaching and learning. A master teacher and a faculty member from Notheastern Illinois University, sponsor of the Follow Through program at Fuller, conducted the sessions.

Wallace's teacher also had the help of an almost full-time teacher aide and money to buy equipment and supplies. And a member of the community was employed to serve as a liaison between home and school—for example, checking on children who were absent or tardy.

Special attention was paid to bolstering pupils' self-esteem. The language and culture they brought to school were not viewed as problems needing correction, but rather as a foundation on which to build.

"If a child says, 'I ain't got no pencil,' I don't put him down," said Judith Riggins, Wallace's teacher. "I'll say: 'Oh, you dont't have a pencil.' At one time, I would have corrected him."

Follow Through was launched by the federal government 20 years ago to test different instructional approaches and support the "graduates" of Head Start through third grade. This year the program at Fuller, the only one in Chicago, will serve 125 youngsters and cost almost $70,000.

There is a marked difference between the regular third grade, where children tend to sit at their desks and listen and answer written questions and the Follow Through third grade, where an aquarium, writing table, geography center and other learning tools beckon children to explore.

Surveying the activity, Riggins said: "A regular class wouldn't be able to to this."

Reading test scores confirm that learning is taking place. Last school year, all but seven of Riggins' 26 pupils scored above the national average in reading, with 14 pupils performing more like fourth- and fifth-graders. Across the hall, none of the 20 pupils in the regular third grade came up to the national average and most were more than a year behind.

Said Fuller Principal Cozette Buckney. "If every school had a program like this, you'd see a dramatic difference."

Mr. SIMON. Mr. President, a few weeks ago I received statements from a number of the parents involved in the Fuller Program. I would like to read the one from Bernice Starks:

I do thank you God for people who care, and when they thought about a program such as the Follow Through Program it was indeed a blessing from the Lord. The program has not only helped our children that are below grade level, it also helped our parents to understand how to help their children in the academic area. The program is not only a learning experience, it's also fun. With workshops for our parents about the learning process. I've also been a parent peer tutor since Sept. 1989, and in that time I've learned how to teach a child, and to run a classroom in any order. I enjoy the Follow Through Program, and hope for the better that it never ends.

I would like to be a Follow Through member until I'm a grandma. Mrs. Bettye Turner, and Naomi Millender are the greatest.

I think you would agree, Mr. President, that Ms. Starks's testimony for the program is more convincing than all of the data that is available regarding the success of the various Follow Through models.

You will notice that Bernice Starks thanks two people at the end of her statement, Bettye Turner and Naomi Millender. They are part of the unique structure of this program. Ms. Turner is a teacher at Fuller Elementary. Ms. Millender is a researcher at Northeastern Illinois University, the "sponsor" of the Follow Through model approach chosen by Fuller Elementary. As the developers of the Follow Through models, the sponsors are best qualified to assist schools in implementing the programs. Furthermore, this process forces the educational researchers, in the words of one analyst, to mesh "an idealized program into the real world of schools and communities." This allows sponsors to test variations of their programs that may lead to improvements in the model. There are other benefits to the sponsors' participation, according to the analyst:

The establishment of long-term working relationships among social scientists who served as model sponsors, school personnel, and parents distinguishes Follow Through from previous federally funded initiatives to improve education. The sponsors were able to develop the productive relationships with members of local communities that were necessary to implement their educational models, primarily due to two reasons. First, the [Department of Education] policy of providing joint funding for sponsors and local school systems encouraged cooperative approaches to problem solving. Second, the facilitating orientation of the sponsors enabled them to work with their partners in local communities in ways that avoided many of the divisive strivings and confrontations that probably would have resulted from more arbitrary patterns of interaction.

Mr. President, my proposal would increase the size of the Follow Through Program by $10 million each year, up to $50 million in fiscal year 1994, so that more schools across the country can adopt and adapt successful Follow Through models, with the help of project sponsors. The bill that I am introducing is identical to the Follow Through reauthorization legislation adopted by the House of Representatives on May 16, 1990, as part of the Human Services Reauthorization Act. In addition to expanding the program, the bill makes a number of important changes in the Act:

Parent participation. The local parent committee must approve the application for funding, and the program must provide for the direct participation of parents.

Chapter 1 coordination. Schools with a high concentration of disadvantaged and former Head Start students would have a priority in receiving Follow Through funding. In those schools, all children could be served by the Follow Through Program—not just former Head Start participants.

New programs. Funds would be available for the development of new model approaches for continuing the gains of Head Start.

Accountability. Applicants must describe the expected, or, if possible, the actual impact of the Follow Through services on the school program.

National clearinghouse. As the program grows, a clearinghouse will be established which will disseminate information and provide assistance to potential Follow Through applicants.

Mr. President, few now doubt the developmental benefits that the Head Start Program has had for millions of children. It is crucial, however, that we ensure that the gains that are made at ages 3 and 4, are not lost at ages 5, 6, 7 and 8. Indeed, researchers have identified a "fourth-grade slump" that is related to the future educational difficulties of many disadvantaged students. For a number of years, the Federal Follow Through Program has sponsored innovative efforts to assist former Head Start participants in the early elementary grades. This program should be continued, and should be expanded so that more children can benefit.

I would like to thank Senators KENNEDY, KASSEBAUM, PELL, AKAKA, GORE, GRASSLEY, WILSON, and WIRTH for joining me in sponsoring this bill. The Senator from Massachusetts [Mr. KENNEDY], the chairman of the committee that will consider this bill, and the Senator from Kansas [Mrs. KASSEBAUM], the ranking member on the Education Subcommittee, deserve special thanks for the helpful suggestions they have made for changes in the Follow Through Act. I look forward to working with them to see that their ideas are incorporated as this bill moves through the process.●

● Mrs. KASSEBAUM. Mr. President, the great value of the Head Start Program is well known. Less familiar are the merits of Follow Through, which builds on the gains of Head Start and similar preschool programs for children in kindergarten through third grade. The goal is worthy. Studies tell us that it is difficult for Head Start children and their families to maintain their early accomplishments in our public school system.

Like Head Start, Follow Through stresses strong parental involvement, comprehensive services, and a preventive approach to children who may be at risk of failure because of poverty. Other educational programs for disadvantaged children tend to focus on specific learning problems, and may remove children from the classroom periodically for special work. Follow Through places children in a classroom enriched by intensive teaching, thoughtful curricula, and attention to family difficulties that might otherwise interfere with a child's learning. Follow Through treats children and their parents not as problems but as potential successes.

Also like Head Start, Follow Through is known for a diversity of approaches that are responsive to local needs and resources. The programs have been successfully reviewed by the Department of Educaton's national diffusion network.

There are, however, significant differences between Follow Through and Head Start. Fiscal restraints mean that Follow Through may not always offer children and their families the range of social, medical and other services that make Head Start a truly comprehensive program. Follow Through has never had the scope of Head Start. Currently, it serves about 12,500 children, compared with approximately 488,470 children in Head Start.

This dramatic difference in scale points to the continuing dilemma of Follow Through. Is it a demonstration program or a service program? For schools strapped for funds to meet the complex needs of youngsters at risk of failure, Follow Through is clearly more than a demonstration. Like other Follow Through projects, the "Effective Schools Approach," developed at the University of Kansas and used at schools in Trenton, NJ, Waukegan, IL, and Indianapolis, IN, assumes low adult-to-child ratios and substantial training and technical assistance by the university, which acts as a program sponsor. Schools may readily see the value of this approach but may not be able to afford to continue it without Federal assistance.

The question before us now is what to do with the well-regarded but little-known body of knowledge developed in Follow Through. The President's budget proposes to let the program expire, as scheduled, at the end of this fiscal year. The reasoning is that Follow Through has carried out its mandate successfully—to create and demonstrate the value of comprehensive approaches to educating disadvantaged children.

I think it would be better to preserve the important work of Follow Through, by continuing the program in a manner that would foster its evolution beyond the demonstration stage. Accordingly, I am pleased to join with Senator SIMON and others as a sponsor of this reauthorization of Follow Through. However, I want to make it very clear that I would not expect Follow Through to evolve into a major service program in itself. There are other, substantial sources of funds for the same children, notably chapter 1 of the Elementary and Secondary Education Act. For that reason, I have some reservation with the buildup of funding levels in this bill, as I would not want to raise inaccurate expectations.

Nevertheless, I have decided to support the reauthorization because I would not want to lose the value of Federal investments in Follow Through over the years. It makes more sense to connect Follow Through, as this bill does, with a major source of funding for educational services to these children. Under this bill, schools that have a high enough concentration of poverty to qualify for a schoolwide chapter 1 program and that also have a high concentration of children from Head Start or comparable preschool programs would be given priority in Follow Through funding. Such linkage of disparate programs for the same, or similar, children is rare and much-needed.

The bill also limits to 5 years the funding period for an individual school district. The expectation is that schools would continue successful Follow Through programs with their chapter 1 dollars.

Other revisions proposed by the bill address other concerns about Follow Through. Some might benefit from further refinement in the legislative process. I am hopeful that we may strengthen provisions to foster coordination between schools and Head Start. And while I understand the need better to inform schools about the Follow Through approach, I am not certain that we need a new national clearinghouse, as proposed in this legislation. I would like to explore making better use of the existing national diffusion network.

I would conclude by noting that the Departments of Education and Health and Human Services will initiate, tomorrow, an unusual effort to work jointly on improving coordination between Follow Through and Head Start, which are administered separately by the two departments. A serious effort to overcome the bureaucratic barriers that limit the effectiveness of such programs as Follow Through and Head Start is indeed welcome.●

● Mr. AKAKA. Mr. President, I proudly join my colleague from Illinois [Mr. SIMON] in introducing legislation to reauthorize and expand the Follow Through Program.

Established in 1967, Follow Through has turned around the lives of millions of low-income children and families. Today, over 31 million Americans live in poverty, and the numbers continue to rise. Through the years, Follow Through has provided poor children a chance to start the game of life on a fair playing field.

However, differences between the administration and Congress, regarding the ojective of Follow Through, have severely hampered the growth of this remarkable program. Congress has always recognized the need for Head Start students to receive additional support. As such, Follow Through was seen as a method of providing direct services to former students entering kindergarten through third grade.

The administration, however, has a different perception. They view Follow Through as an experimental program, one that focuses on developing and testing different approaches.

The legislation introduced today would reemphasize the intent of Congress to provide and improve the opportunities of poor children. The bill provides nonparticipating schools a chance to establish proven model approaches. Authorization for Follow Through would increase from $10 million in fiscal year 1990 to $50 million in fiscal year 1994. Schools located in areas with a large contingency of disadvantaged children will receive a priority in funding. New programs would be established and parent participation and accountabilty would be required in this reauthorization.

Follow Through has proven to be an effective means of combating the detriments of poverty. Studies have shown that early investment in children at risk has decreased later associated costs, such as welfare and other public assistance.

In 1987, over 12 million children lived in poverty. Sadly, this number has increased tremendously. Providing disadvantaged children an opportunity to receive a quality education is a goal we must work toward in shaping the future of our great Nation. Follow Through is a program that allows our unfortunate children and families to retain their dignity and honor, while providing the means to end the vicious cycle of poverty.

To meet the future challenges of the coming decade, we have to achieve a society where illiteracy does not exist. To help sustain this worthwhile goal, programs like Follow Through need our support.

I urge my fellow colleagues to join in sponsoring this noteworthy legislation.●

By Mr. ARMSTRONG:

S. 2737. A bill to require the Secretary of the Treasury to mint a silver dollar coin in commemoration of the 38th anniversary of the ending of the Korean war and in honor of those who served; to the Committee on Banking, Housing, and Urban Affairs.

KOREAN WAR VETERANS MEMORIAL 38TH ANNIVERSARY COMMEMORATIVE COIN ACT

● Mr. ARMSTRONG. Mr. President, I rise today to introduce a piece of legislation to finance a memorial to those Americans who served during the Korean war. Forty years ago this month, the North Korean army boldly moved across the 38th parallel. President Truman called upon America's Armed Forces to defend the freedom of South Korea. The following 37 months of violence and destruction would ultimately involve more than

5.7 million American servicemen and women. More than 54,000 thousand of these Americans would make the ultimate sacrifice, dying in defense of freedom.

Over the years there have been repeated calls for an enduring testament to the courageous Americans whose sacrifices secured the freedom of a nation and its people. In 1986, Congress responded by authorizing the establishment of the Korean War Memorial in the Nation's Capital. The legislation created an advisory board, appointed by the President, to recommend the site, select the design, and raise the necessary funds from private donations. A related law, enacted concurrently, stipulates that the funds must be amassed within 5 years of the date of the memorial authorization.

Right now the Korean War Memorial Fund has roughly half of the $10 million necessary to begin construction of the memorial. Thus, it is with great pride that I introduce the "Korean War Veterans Memorial 38th Anniversary Commemorative Coin Act" In order to help the Korean War Memorial Advisory Board go over the top in their fund raising efforts.

The coin will be a silver dollar commemorative and proceeds from their sale will be deposited in the exisiting Memorial Fund of the U.S. Treasury, earmarked for the Korean Memorial. This fund will be controlled by the American Battle Monuments Commission; it must be filled with enough money to complete the Korean Memorial before the groundbreaking can occur. This coin legislation should successfully complete the Korean Memorial fundraising and provide more than enough funds to allow construction of the memorial to begin on schedule.

Any excess funds not needed for construction of the memorial and a fund for its perpetual maintenance by the National Park Service would be set aside for interpretive centers and to distribute information at the site.

Any remaining funds would be turned over the National Park Service for the perpetual maintenance of other memorials under its jurisdiction that were authorized by Congress during the 20th century to commemorate U.S. military conflicts.

I commend this legislation to the attention of my colleagues and urge their favorable consideration of it.●

By Mr. HELMS (for himself, and Mr. ARMSTRONG):

S. 2738. A bill to amend the Internal Revenue Code of 1986 with respect to the method of rounding used in adjusting tax rates and certain other amounts for inflation; to the Committee on Finance.

TAXFLATION PROTECTION ACT

Mr. HELMS. Mr. President, one of the positive aspects of the 1986 Tax Reform Act was that it indexed the personal exemption amounts so they would keep up with inflation. Unfortunately, due to the accounting methods used to calculate the indexed rate, the American taxpayers are not getting the full protection they were promised. The bill I am introducing today with my distinguished friend and colleague from Colorado [Mr. ARMSTRONG] will restore to the American taxpayer the full protection they thought they were getting against inflation.

Mr. President, the personal exemption for 1989 was $2,000. As adjusted for inflation by the IRS, the new exemption should be $2,094.90. The problem comes because the IRS is allowed to round down to the nearest $50. Consequently, $2,094.90 is reduced to $2,050.

The bill I am introducing today requires the IRS to round to the nearest $10. Under my bill, the $2,094.90 exemption for 1990 will be rounded to $2,090. That extra $40 may not seem like a lot, but it makes a big difference over the long run. Without this legislation, the next adjustment for inflation will be based on the previous figure of $2,050. Each year, the under-adjustment will be compounded by the under-adjustment from the previous year. This legislation will help protect American families from the effects of this annual under-adjustment, which we call "taxflation."

Mr. President, this problem was identified by Congressman DENNIS HASTERT from Illinois. He has introduced identical legislation, H.R. 4488, in the House. I commend him for his initiative, and I'm honored to be able to offer the Senate version. I hope both bills will be considered and acted upon expeditiously.

By Mr. DANFORTH:

S. 2739. A bill to amend the Internal Revenue Code of 1986 to promote savings for qualified higher education expenses; to the Committee on Finance.

HIGHER EDUCATION SAVINGS PLAN ACT

● Mr. DANFORTH. Mr. President, we pride ourselves as a country on our fine university and vocational education system that is available to all without regard to gender, race, color, and creed. We encourage our citizens to develop an appreciation for education, not just for the well-documented fact that educated individuals as a group earn more than the uneducated, but also for the personal growth and fulfillment that an education brings. We generally fail, however, when it comes to making higher education affordable.

For the past several years, the cost of attending a college or university has risen faster than the rate of inflation. The rich, perhaps, may be able to pay without hardship the escalating cost of tuition and fees. Students with minimal financial resources perhaps might qualify for scholarships and grants. But it is our middle class that is being brought to its knees by the ever-escalating cost of educating their children. For instance, the cost of a 4-year public university education now averages $18,000, and the cost is rising each year. By the year 2007, the Department of Education estimates the total cost to attend a private university will increase to $200,000 and to $60,000 for a public university. We should no longer delude ourselves in believing that middle class families with two or more children will be able, without assistance, to pay for the education their children deserve.

The legislation I am introducing today, is an attempt to give families a helping hand in saving for the education of their children. The act encourages families to save for qualified higher education expenses by providing special tax treatment for predesignated annuities, which would be used for tuition, fees, books, supplies, and equipment at universities and vocational schools. Withdrawals from the predesignated annuities for education costs would not be subject to the 10-percent penalty for premature distributions from annuity contracts that is now imposed by section 72(q) of the Internal Revenue Code. Also, annuity premium payments would not count against the gift tax annual exclusion of section 2503 of the Code.

The Higher Education Savings Plan Act of 1990 would not have a material effect on current Federal revenue, because it would apply only to predesignated annuities issued after date of enactment.

I urge all my colleagues to recognize the importance of encouraging savings for higher education, and to work for the passage of this legislation. I ask unanimous consent that the full text of my bill be included in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2739

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Higher Education Savings Plan Act of 1990".

SEC. 2. HIGHER EDUCATION SAVINGS PLAN PROVISIONS.

(a) EXEMPTION FROM PREMATURE DISPOSITION PENALTY.—Paragraph (2) of section 72(q) of the Internal Revenue Code of 1986 (relating to exceptions from penalty for early distributions) is amended by striking "or" at the end of subparagraph (I), by striking the period at the end of subparagraph (J) and inserting ", or", and by adding at the end thereof the following new subparagraph:

"(K) which is a qualified education distribution from a higher education expenses annuity described in paragraph (4)."

(b) EXCLUSION FROM TREATMENT AS GIFT.—Paragraph (2) of section 2503(e) of such Code is amended by striking "or" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", or", and by adding at the end thereof the following new subparagraph:

"(C) as a premium to purchase a higher education expenses annuity (as defined in section 72(q)(4)(B) with respect to which such individual is a beneficiary."

(c) DEFINITIONS.—Section 72(q) of such Code is amended by adding at the end thereof the following new paragraph:

"(4) QUALIFIED DISTRIBUTIONS FROM HIGHER EDUCATION EXPENSES ANNUITY.—For purposes of paragraph (2)(K)—

"(A) QUALIFIED EDUCATION DISTRIBUTION.—The term 'qualified education distribution' means any distribution to an individual from a higher education expenses annuity to the extent the aggregate amount of such distributions received by such individual during the taxable year do not exceed amounts which are paid during the taxable year to an eligible educational institution (as defined in section 135(c)(3)) for tuition, fees, books, supplies, and equipment required for the enrollment or attendance of such individual at such institution.

"(B) HIGHER EDUCATION EXPENSES ANNUITY.—The term 'higher education expenses annuity' means an annuity contract which, at the time of purchase, is designated by the purchaser as a contract to be used for qualified education expenses of the purchaser, the purchaser's spouse, the purchaser's child (as defined in section 151(c)(3)), or the purchaser's grandchild.".

SEC. 3 EFFECTIVE DATE.

The amendments made by this Act shall apply to taxable years beginning after December 31, 1990, with respect to higher education expenses annuity contracts purchased after that date.

By Mr. ARMSTRONG (for himself, Mr. COATS, Mr. HELMS, Mr. MACK, and Mr. HUMPHREY):

S. 2741. A bill to amend the Foreign Assistance Act of 1961 to authorize the provision of medical supplies and other humanitarian assistance to the Lithuanian people to alleviate suffering during the current emergency; to the Committee on Foreign Relations.

LITHUANIAN EMERGENCY ASSISTANCE

● Mr. ARMSTRONG. Mr. President, the Soviet Union is wreaking havoc in Lithuania. We do not hear much about it on the nightly news anymore, but the courageous citizens of Lithuania are still fighting a tough fight to gain their tiny nation's independence—and they are fighting a vicious and unprincipled adversary. The Soviet Union has pulled just about every dirty trick in the book to force the proud Lithuanians to knuckle under.

This is the siege of Lithuania. Since April its borders have been sealed, preventing the inflow of necessary fuel, food, and medical supplies and stopping the outflow of many goods important to other Soviet Republics. At first it must have seemed just another challenge. Now, the harsh realities of possible starvation, massive sanitation problems, and lack of medical supplies have set in. Yesterday, the Soviet Union agreed to lift a portion of the blockade and begin to send natural gas to a fertilizer factory in Lithuania. Although this may slightly mitigate some effects of the blockade for a few, these small steps forward do nothing to alleviate the impending suffering for the inhabitants of this tiny Baltic nation.

For example, Lithuania's farmers—just like ours—rely upon tractors and other farm machinery to cultivate and to harvest their crop. During the early planting season, there was enough fuel to plant the normal acreage. Weather conditions have been good, and although normal cultivation is much more difficult, it has not been impossible. But now, Lithuania's fields are beginning to yield their usual surplus crop and there is no fuel to begin the harvest. Fields full of wheat, hay, and other staples essential to feed Lithuanians and their livestock will go unharvested—and eventually will rot in the fields. Soon, whether or not the blockade is lifted, dairy cattle will not have hay to eat this winter and Lithuanians will not have bread—or milk.

Pollution in the many rivers that traverse the country has been steadily building over the years and fish, a Lithuanian staple, continue to die at alarming rates. Without electricity, most food cannot be refrigerated. In the minds of every Lithuanian, starvation is a growing possibility. Some of the most poignant victims in this war—and I do mean war—will be the children. Without milk. Without bread. Without fish. Without anything to eat. Even if the blockade is lifted quickly, this winter will be a grim one indeed for those least able to endure the privations of a siege economy.

During the Soviet's 40-year occupation of Lithuania, they have failed to build even one water filtration plant in the entire country. Raw sewage from one city is dumped directly into one of the rivers crisscrossing the Lithuanian countryside, and then drinking water is pulled out downstream at the next city. I am told at least two of Lithuania's largest cities must treat their water with chlorine to prevent fatal levels of bacteria. However, the Soviet blockade has stopped all chlorine shipments into this embattled republic. The Lithuanian Minister of Health, Mr. Olekas, reports his country was able to smuggle a small amount of this important chemical across the border, enough to maintain sanitary water in the most severely affected cities for a couple of weeks. That's all. Then, he estimates bacteria counts in the largest city of Kaunas and the port city of Klaipeda will skyrocket and disease will ravage both cities.

Medical supplies are dwindling. Fuel to operate generators that run medical equipment is almost nonexisting. All surgical, radiological and laboratory-testing procedures are suspended except in all but the most life-threatening situations. Why? There is a shortage of all but the most elementary supplies. Oxygen, surgical thread, scalpels, gauze and cotton balls, sterilizing chemicals, and surgical gloves are all in critically short supply. Less than 0.04 percent of necessary insulin has found its way into Lithuania since the start of the blockade. The most critical operations must be conducted without painkillers. Heart disease patients must suffer without treatment. Those suffering from infection cannot be treated with antibiotics. Disinfectants—even plain old soap—is not available.

Without electricity to preserve food and without chemicals to purify the polluted water supply adequately, sickness is certain to run rampant through tiny Lithuania. Without medical supplies to treat those who are suffering from the Soviet's economic stranglehold, Lithuania appears to have all the makings of a disaster of epidemic proportions.

Not since the darkest days of the cold war has one of the world's mightiest military nations sought to starve another slowly into submission. Never has the world stood by so silently as the threat of massive outbreaks of disease loom ever clearer on the horizon. The Soviets have imposed the blockade, and continue their attempt to choke the tough Lithuanian spirit until it submits.

The United States, along with the other nations of the West, shares some of the responsibility for this nightmarish turn of events in Lithuania. Doing good in this instance and supporting the freedom-loving people of the Baltic States has been well within our grasp. But we've done nothing. The Senate has consistently stood firm against further trade agreements with the Soviet Union until the fate of Lithuania had been decided peacefully. But Congress' resolve had little effect on the administration, which has now signed several trade and travel agreements to assist the Soviets, indirectly condoning their blockade of Lithuania.

Today, Senator COATS, Senator HELMS, Senator MACK, and I are introducing the Lithuanian Medical Emergency Relief Act of 1990, a bill that sends a strong signal to the administration, to the Soviets, to the Lithuanians and to the world: America will no longer share in the shame of inactivity. Let me briefly describe its key components.

First, the bill goes beyond just allocating the necessary funds to the President. It urges immediate negotiations between the administration and the Soviet Union to lift the blockade and permit the transport of emergen-

cy medical supplies to the Lithuanians. It directs the Administrator of the U.S. Agency for International Development [USAID] to furnish medical supplies and other forms of humanitarian assistance immediately. Because many private groups desire to donate medical supplies and other types of assistance, the Lithuanian Medical Emergency Relief Act also requires that the Administrator solicit donations from the private sector as well.

To provide necessary transportation for the humanitarian assistance, this bill authorizes the commander in chief of U.S. Transportation Command, Gen. H.T. Johnson, to provide all necessary air and sealift support as soon as the United State-Soviet negotiations are concluded. In the interim, the Lithuanian Medical Emergency Relief Act directs the Administrator of USAID to provide humanitarian assistance and medical supplies through the International Red Cross, CARITAS, and other relief agencies to ensure the Lithuanian people begin to receive critical assistance immediately.

Lithuania is predominantly a Catholic nation, and as such has come out strongly against abortion, especially against the causual Soviet acceptance of abortion as an ordinary and prevalent method of birth control. Still, this bill incorporates the standard "boilerplate" abortion restriction language of section 104(f) of the Foreign Assistance Act of 1961.

Additionally, the Lithuanian Medical Emergency Relief Act urges the President to begin direct negotiations with the union Republics and with Latvia and Estonia to enlist their assistance in lifting or at least ameliorating the blockade. Recent news reports indicate some of the republics have already entered into negotiaions to begin to provide supplies to Lithuania. Unless the other Soviet republics come to the Baltic republics' assistance, the Soviet Government is certain to continue its intransigence toward Baltic independence.

The problems in Lithuania brought about by the Soviet blockade are severe, and they are intensifying. I urge my colleagues to join Senators MACK, COATS, HELMS, and me today in prompt consideration of the Lithuanian Emergency Medical Relief Act to begin to end the suffering of the brave people of Lithuania.

Mr. President, I ask unanimous consent that a table detailing the effects of the economic blockade on Lithuania be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EFFECTS OF SOVIET-IMPOSED ECONOMIC BLOCKADE ON LITHUANIA AS OF JUNE 8, 1990

MEDICAL

Supplies.—1. Syringes—need (per year) 100 million; received (this year) 142,000 disposables, 73,000 reusables, 0.5% of needed amount.

2. Scalpels.—6,000 received, ½ of the amount allocated to the Republic.

3. X-ray film.—10% of allocated amount received.

4. Sutures.—10% of allocated amount received.

5. Insulin.—needed 287,000 vials short-acting and 300,000 intermediate-acting; received 200 vials short-acting and 0 vials intermediate-acting.

Antibiotics and all forms of intravenous solutions are also in critically short supply.

Effects.—Preventive medical, examinations, injections, elective hospitalizations, laboratory work-ups, x-rays and other testing procedures have been limited to the most critical cases.

Elective surgical procedures have also been suspended due to the lack of sutures, surgical gloves, sterilizing solutions and other surgical necessities.

Dialysis treatments are compromised, neonatal care imperiled and emergency ambulatory service severely curtailed.

Reduced supplies of gasoline have resulted in reduction of ambulance service, travel restrictions on medical personnel providing service to outlying areas and home visits by medical doctors. New ambulances and spare parts are not being provided. Transportation difficulties are also contributing to inadequate supplies of instruments and medicines.

Heating in hospitals was discontinued as early as April. Electricity has been limited, although hospital operating rooms still have enough power.

The blockade has also affected drinking water and the food processing industry which cannot apply sanitation technology due to energy shortages and lack of purifying agents. A considerable rise in the incidence of intestinal diseases is expected. These conditions may also have a negative effect on the enactment of health measures normally used in the provision of epidemics.

A letter received by Lithuanian Catholic Religious Aid from a mother in Lithuania states, My son is 11 years old and has suffered from diabetes for a year. Already, we are not receiving the prescription medication he needs, and will not receive it in the future. This is a question of his life or death."

ENERGY AND FUEL

Supplies.—1. Natural gas—needed 18 million cubic meters per day on average. Since April 19, 3.5 million meters per day have been provided, 16% of total supply needed to function fully.

2. Crude oil.—need 20,000 tons per day on average; none is being delivered.

3. Gasoline and diesel fuel.—None is being delivered, reserves on hand expected to last until June 15-20.

4. Electricity.—temporary stoppage at the Ignalina nuclear power plant and exhaustion of oil supplies has resulted in a 25% cutback in production of electricity.

Effects.—Eight industrial enterprises have ceased operations; the Mazeikiai oil refinery, 4 sugar factories, and the Kaunas synthetic fiber factory. According to conflicting reports, the last two enterprises may be either two sock factories, one in Klaip-da the other in Kaunas (executive report, June 4), or the Alytus refrigeratory factor and a factory in Utena producing electric laboratory burners (parliament report, June 1).

Gasoline sales to private automobile owners were stopped as of May 20, supplies being reserved only for ambulances, militia, fire fighters, and delivery of agricultural products and foodstuffs.

Fuel supplies for public transportation will be cut back, resulting in unemployment for approximately 23,000 drivers.

Hot water to residents was cut off as of May 24. It is being provided only to hospitals, preschools and public food enterprises.

Power to most industries has been interrupted due to electrical shortage, except for essential enterprises (eg. food, medical).

UNEMPLOYMENT AND ECONOMIC LOSSES

Since the beginning of the blockade, losses incurred by industry, agriculture, construction and transport due to lack of fuel and resources amount to approximately 73.5 million rubles.

Approximately 236.7 million rubles worth of goods have gone unmanufactured.

A financial blockade has also been imposed by the U.S.S.R. State Bank, delaying payment to Lithuania's accounts to suppliers of goods.

Figures on industrial production for May show a decrease of 11.4% in comparison with May 1989 (equivalent to 109 million rubles) and a drop of 1% (113 million rubles) from April 1990.

Unemployment figures: (of 1,103,790 registered employed individuals) 47,200 unemployed workers—22,500 (47.7%)—industry; 9,600 (20.3%)—agriculture; 7,900 (16.7%)—construction; 7,200 (15.3%)—transportation.

Percentage of workers laid-off within specific branches of the economy: industry—4.42%, construction—6.41%, transportation—8.58%, agriculture—2.48%.

In addition, 358 enterprises with over 360,000 workers have reportedly been intermittently idled.

The government is allowing enterprises to pay unemployed workers no less than two-thirds of their pay for three months, after which they are entitled to three months' unpaid leave.

Expenditures for capital improvements in nursing homes have been cut by 50%.

General government spending has been reduced 30%.

FOOD

Delivery of the following foodstuffs has been reduced or cut off: vegetable oils, sugar, cocoa, fish and fish byproducts, margarine, salt, coffee, tea, citric acid, nuts, dried foods.

Supplies of products and packaging materials needed for food processing have also been cut off.

Effects:—Sugar has been rationed to 0.5 kg per person per month. Also being rationed are flour, macaroni and grains.

OTHER GOODS

Other embargoed items include; steel and steel sheeting, tin, all types of piping, phosphate concentrates, wood products, (incl. materials for furniture, flooring, etc.), paper, synthetic fibers and textiles, automotive spare parts, bulldozers, diesel generators, power cables, polyethylene, calcified soda, truck and automobile tires, plastics, rubber products, prefabricated construction materials, aluminum construction materials, metal construction materials, asbestos, trucks and automobiles, tractors, diesels, electrodes, transformers, polystyrene, caustic soda.

PROGNOSIS

Most power plants fired by crude oil will last until June 18-20 with a few expected to hold out until September 30. The Republic's second-largest city, Kaunas, is in the worst situation with regard to fuel reserves, while

the northern city of Siauliai is in the best position.

The shortage of raw materials will halt the sizable construction materials industry, the Alytus refrigerator plant and two furniture factories.

If there is an interruption in thermal energy, over 40,000 workers in 17 enterprises will be immediately idled.

The number of "workers in enterprises no longer operating at full capacity (potential layoffs) is 464,765. Within sectors of the economy: industry—34.29%, construction—58.58.38%, transportation—69.32%, agriculture—41.30%.

COUNTERMEASURES

A number of trade agreements have been completed with some areas of the Russian Republic, Lvov, Tiumen, Latvia, Estonia and Byelorussia. However, these agreements have been impossible to implement thus far because rail access to Lithuania is controlled by Soviet authorities and only goods distributed by central Soviet trade ministries are shipped into the Republic.

The government is encouraging Lithuanian cooperatives not to sell products outside Lithuania which could be sold for hard currency.

The Ministry of Energy is preparing the port of Klaipeda for oil imports by sea.

A Lithuanian blockade fund has been formed to assist those hardshipped.

Attempts will be made to carry out the previously planned delivery of gasoline by road caravan in a barter arrangement. The first attempt however, made on the Polish Lithuanian border on May 28, was prevented by Soviet customs officials.

Some crude oil has reportedly come from the USSR in exchange for cement.

The government has assigned the Ministry of Agriculture 1,000 tons of butter to barter for glass packaging materials.

The Ministry of Material Resources has received 1,200 tons of meat and 300 tons of butter and dairy products for barter purposes.

Liquified natural gas deliveries have commenced from Perm, Novopolotsk and Kirishi.

The government is making plans to utilize solid fuels for power plants and home heating. This will require an additional 300,000-350,000 tons of coal or 600,000-700,000 cubic meters of wood for home heating and 10,000 tons of coal for power plants in order to satisfy minimal needs.

Attempts are being made by the Republic's trade unions to deal directly with the USSR railworkers' trade unions to insure deliveries or ordered goods.

The Lithuanian Minister of Agriculture is cooperating with local authorities to try to solve the problem of displaced urban workers and expects to find employment for between 7,000 and 14,000 persons between May and September. A key obstacle, however, is a housing shortage preventing relocation of a portion of the labor force to the country.

(Source material for this report was received from: The Lithuanian Supreme Council Information Bureau, Vilnius. The Lithuanian Ministery of Health, Vilnius, The Lithuanian Legation, Washington.)●

● Mr. HELMS. Mr. President, I commend Senator ARMSTRONG for introducing a bill that will help the Lithuanian people survive a sustained blockade of vital energy sources and life-sustaining medical supplies by the Soviet Union. I am pleased to be an original cosponsor.

It is appropriate to introduce this bill on Baltic Freedom Day, a day when the United States remembers the tragedy of the Stalinist deportations which began in 1940 and reiterates its commitment to Baltic independence. Tomorrow will mark the 50th anniversary of the Soviet military occupation of Lithuania; the beginning of the illegal military occupation of 3 sovereign nations on the Baltic Sea by the Soviet Union.

Mr. President, this bill can help shield the Lithuanian people from the most unnecessary tragedy of an economic blockade. It is the least the United States should do considering its 50-year commitment to Baltic freedom. If we fail to support this bill, we send a signal to the Soviet Union that we have turned a blind eye to the gross human rights violations of the Soviet Union against the citizens of the Republics of Lithuania, Latvia, and Estonia.

I find it disturbing that the Soviet Union appears to have been recently rewarded for such abuses. President Gorbachev may have been given exactly what he asked for at the summit but he will see a battle in Congress against most-favored-nation trading status for the Soviet Union. In order to enjoy the euphoria of the moment, the Congress will not forget the people of the Baltic States.

Shortly after the Lithuanian redeclaration of independence, the Soviet Union began to cut down shipments of needed petrol, natural gas, and medical supplies. Lithuania now only receives 16 percent of the natural gas it once received from the Soviet Union. Supplies of petroleum have been completely cut off and, it is projected, will run out completely this weekend. Vital Lithauanian factories are at a complete standstill and tens of thousands have been left without work.

Despite recent promises to the contrary, the Soviet Union has not lifted up on the energy blockade. The Soviet Union has only promised to resupply gas to one factory, hardly enough to end the suffering caused by the blockade. What the Lithuanian people really need is urgent humanitarian assistance in the form of medical supplies and equipment.

Mr. President, I ask unanimous consent that a list of urgently needed supplies be printed in the RECORD at the conclusion of my remarks.

Despite the difficulties, the Lithuanian Government and people have responded with clear determination and unity, buoyed by the righteousness of their cause. The Lithuanians have cut down on the use of energy in the only ways they can; bicycles have reappeared on the streets of Vilnius, and most homes now use only cold water. Yet, the effects of the energy blockade have already begun to take their human toll.

A couple of weeks ago, I had the pleasure of meeting with an adviser to Lithuanian President Vytautas Landsbergis. He told me that Lithuanian mothers are now unable to find baby formula for their children and that doctors have had to postpone needed surgeries since deliveries of medical supplies have been cut.

From day one, the governments of Baltic people have sought dialog, peace, and cooperation with the Soviet Union. Yet their pleas for negotiation have been answered with further repression of their human rights and vague promises which remain to be fulfilled.

Mr. President, what does fate hold for the brave people of Lithuania if this blockade continues? We in Congress are in a position to help counter the devastating effects by granting humanitarian assistance, out of funds already authorized to be appropriated under the Foreign Assistance Act. I urge my colleagues to support human rights for the people of the Baltic States on the occasion of Baltic Freedom Day.●

By Mr. BAUCUS (for himself, Mr. HEINZ, Mr. ROCKEFELLER, Mr. RIEGLE, Mr. BINGAMAN, Mr. LEVIN, and Mr. GLENN):

S. 2742. A bill to amend the Trade Act of 1974 to provide for review by the Trade Representative of compliance by foreign countries with trade agreements; to the Committee on Finance.

TRADE AGREEMENT COMPLIANCE ACT

● Mr. BAUCUS. Mr. President, I rise today to introduce legislation to enforce U.S. rights under trade agreements.

I introduced similar legislation on March 26, 1990. The legislation I am today introducing is essentially the same bill, but several changes have been made to reflect constructive comments received on the original legislation.

There are many foreign trade barriers in the world. The National Trade Estimate devotes 208 pages to listing those barriers—over 1,000 are cited.

But not all foreign trade barriers are equally troubling.

In drafting the 1988 Trade Act, the Congress recognized that there was one type of trade barrier that was completely unjustifiable and deserved special attention: violations of trade agreements.

Certainly, many foreign governments have argued that some of the barriers listed are not barriers at all.

But no reasonable argument can be advanced to defend an outright breach of a trade agreement.

The major trade agreements to which the United States is a party—

the General Agreement on Tariffs and Trade and the United States-Canada Free-Trade Agreement—have built-in dispute settlement mechanisms.

In addition to these agreements, however, the United States has entered into dozens of trade agreements to address various bilateral trade problems.

For example, the United States has concluded trade agreements with Japan addressing issues ranging from construction to pharmaceuticals, with the EC on compensation, with Korea on investment, and with numerous other nations on protection of intellectual property—to name only a few.

Unfortunately, our trading partners have not always lived up to their commitments under these agreements.

The United States had a dispute with the EC over the EC's compliance with a trade compensation agreement reached to compensate the United States for the assension of Spain and Portugal into the EC.

Recently, there has been concern over Japanese compliance with the 1988 Beef and Citrus Agreement. Some have questioned Korean compliance with a variety of bilateral agreements reached by the United States and Korea in 1989. Finally, there is a longstanding dispute over Japanese compliance with the 1986 semiconductor trade agreement between the United States and Japan.

In most cases, these agreements do not contain an adequate dispute settlement mechanism to address these problems.

As noted, in the 1988 Trade Act we paid special attention to trade agreement violations. These violations were classified as "unjustifiable" trade barriers subject to mandatory trade retaliation under section 301 of U.S. trade law.

Unfortunately, there were oversights in the 1988 Trade Act. No comprehensive procedure was established for reviewing compliance with the many agreements reached between the United States and its trading partners.

The Trade Agreements Compliance Act which I am today introducing with Senators HEINZ, ROCKEFELLER, RIEGLE, BINGAMAN, GLENN, and Mr. LEVIN seeks to address this shortcoming in the 1988 Trade Act.

The Trade Agreements Compliance Act establishes a regular procedure under which an interested U.S. party can review our trading partners' compliance with these trade agreements as often as annually. Of course, the U.S. Trade Representative may at any time review any agreement.

If violations are found and the trading partner involved refuses to come into compliance, the U.S. Trade Representative is required to retaliate against exports from that nation to the United States.

This legislation does nothing more than ensure that other nations do not take advantage of the United States. It is not an attempt to define questionable foreign trade practices as unfair. No reasonable party could argue that violations of trade agreements are not unfair.

Yet, the United States has too often been unwilling to forcefully assert its rights under trade agreements.

This has encouraged our trading partners to play fast and loose with their commitments to the United States.

We must put our foot down. We must tell the world we will not stand for trade agreement violations. And we must leave no doubt in the minds of our trading partners that we will respond to trade agreement violations.

I believe this legislation is a critical element of U.S. trade policy.

Mr. President, I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2742

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Trade Agreement Compliance Act of 1990".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) the United States has entered into numerous trade agreements with foreign country trading partners;

(2) foreign country performance with respect to certain agreements has been less than contemplated, and in some cases rises to the level of noncompliance; and

(3) there is a need to provide a mechanism whereby interested parties can obtain a periodic review of the performance of a foreign country under a trade agreement.

(b) PURPOSES.—The purposes of this Act are—

(1) to ensure that foreign countries which have made commitments through agreements with the United States fully abide by those commitments;

(2) to obtain foreign country compliance with agreements with the United States through negotiation or, in the alternative, through unilateral action in cases in which GATT dispute settlement procedures cannot be employed;

(3) to achieve a more open world trading system which provides mutually advantageous market opportunities for trade between the United States and foreign countries;

(4) to facilitate the opening of foreign country markets to exports of the United States and third countries by eliminating trade barriers and increasing the access of industry of the United States and third countries to such markets; and

(5) to reduce diversion of third country exports to the United States because of restricted market access in foreign countries.

SEC. 3. REVIEW OF TRADE AGREEMENTS.

(a) IN GENERAL.—The Trade Act of 1974 (19 U.S.C. 2101 et seq.) is amended by inserting after section 306, the following new section:

"SEC. 306A. REQUEST FOR REVIEW OF TRADE AGREEMENTS.

"(a) ANNUAL REVIEW OF TRADE AGREEMENTS.—

"(1)(A) At the written request of an interested person, the Trade Representative shall commence a review to determine whether a foreign country is in compliance with any trade agreement such country has with the United States.

"(B) An interested person may file a written request for review under paragraph (1) at any time after the date which is within 30 days after the anniversary of the effective date of such agreement, but not later than 90 days before the date of the expiration of such agreement.

"(C) A written request filed under this subsection shall—

"(i) identify the person filing the request and the interest of that person which is affected by the noncompliance of a foreign country with a trade agreement with the United States;

"(ii) describe the rights of the United States being denied under such trade agreement; and

"(iii) include information reasonably available to the person regarding the failure of the foreign country to comply with such trade agreement.

"(D) For purposes of this subsection, an 'interested person' is any person with a significant economic interest that is affected by the failure of a foreign country to comply with a trade agreement.

"(E) For the purposes of this subsection, the term 'trade agreement' means an agreement with the United States and is not intended to include broad multilateral trade agreements such as the General Agreement on Tariffs and Trade.

"(2) Not later than 90 days after receipt of a request for review under paragraph (1), the Trade Representative shall determine whether any act, policy, or practice of the foreign country that is the subject of the review—

"(A) is in material noncompliance with the terms of such agreement, or

"(B) otherwise denies, within the context of the terms of such agreement, to United States firms mutually advantageous market opportunities in the foreign country.

"(3) In conducting a review under this subsection, the Trade Representative may, as the Trade Representative determines appropriate, consult with the Secretary of Commerce or the Secretary of Agriculture.

"(b) FACTORS TO BE TAKEN INTO ACCOUNT.—In making a determination under subsection (a)(2), the Trade Representative shall take into account, among other relevant factors—

"(1) achievement of the objectives of the agreement,

"(2) adherence to commitments given, and

"(3) any evidence of actual patterns of trade that do not reflect patterns of trade which would reasonably be anticipated to flow from the concessions or commitments of such country based on the international competitive position and export potential of a United States industry or industries.

The Trade Representative may seek the advice of the United States International Trade Commission when considering these factors.

"(c) FURTHER ACTION.—

"(1) If, on the basis of the review carried out under subsection (a), the Trade Representative determines that a foreign country is in material noncompliance with an agreement within the meaning of subsection

(a)(2)(A), the Trade Representative shall determine what further action to take under section 301(a).

"(2) If, on the basis of the review carried out under subsection (a), the Trade Representative considers that a foreign country is denying mutually advantageous market opportunities to United States firms within the meaning of subsection (a)(2)(B), the Trade Representative shall determine what further action to take under section 301(b).

"(3) For purposes of section 301, any determination made under subsection (a) shall be treated as a determination made under section 304.

"(4) In determining what further action to take under paragraph (1) or (2), the Trade Representative shall take into account the criteria described in subsection (d) with respect to possible sanctions.

"(d) SANCTIONS.—In developing a list of possible sanctions to be imposed in the event a determination is made under subsection (a)(2)(A) or (B), the Trade Representative shall seek to minimize any adverse impact on existing business relations or economic interests United States persons, including consideration of taking action with respect to future products for which a significant volume of current trade does not exist.".

(b) CONFORMING AMENDMENT.—The table of contents for the Trade Act of 1974 is amended by inserting after the item relating to section 306 the following new item:

"Sec. 306A. Request for review of trade agreements.".

SEC. 4. INTERNATIONAL OBLIGATIONS.

The amendments made by this Act shall not be construed to require actions inconsistent with the international obligations of the United States, including General Agreement on Tariffs and Trade.●

By Mr. HATFIELD:

S. 2743. A bill to designate the library building of the Environmental Protection Agency located in Newport, OR, as the "Marilyn Potts Guin Library"; to the Committee on Environment and Public Works.

MARILYN POTTS GUIN LIBRARY

● Mr. HATFIELD. Mr. President, in December of last year, Oregon State University suffered the loss of a great faculty member and the State of Oregon lost a great citizen. Marilyn Potts Guin was the librarian at the Hatfield Marine Science Center in Newport, OR from 1976 until her death in 1989. During that time, she made outstanding contributions to the university and the people she served. She is largely responsible for the design of the new Environmental Protection Agency library located at the Marine Science Center. Because of her dedicated service, Oregon State University has requested that the new EPA library, to be staffed and operated by the university, be named in her honor. It is my pleasure to comply by introducing this legislation which designates the new EPA library at the Hatfield Marine Science Center as the "Marilyn Potts Guin Library."

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2743

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the library building of the Environmental Protection Agency located in Newport, Oregon, after the date of the enactment of this Act shall be known and designated as the "Marilyn Potts Guin Library". Any reference to such library in any law, regulation, map, document, record, or other paper of the United States shall be deemed to be a reference to the Marilyn Potts Guin Library.●

By Mr. KASTEN (for himself, Mr. MACK, Mr. SHELBY, Mr. LOTT, Mr. SYMMS, Mr. WALLOP, Mr. HATCH, Mr. COATS, Mr. BURNS, Mr. ARMSTRONG, Mr. NICKLES, Mr. GRAMM, Mr. MCCLURE, Mr. GARN, Mr. HELMS, Mr. THURMOND, Mr. HUMPHREY, Mr. BOSCHWITZ, Mr. D'AMATO, and Mr. BOND):

S. 2744. A bill to amend the Internal Revenue Code of 1986 to provide for a maximum long-term capital gains rate of 15 percent and indexing of certain capital assets, and for other purposes; to the Committee on Finance.

ECONOMIC GROWTH AND VENTURE CAPITAL ACT

● Mr. KASTEN. Mr. President, promoting economic growth ought to be the chief goal of national economic policy—and cutting the capital gains tax is item No. 1 on the progrowth agenda.

We have been around the block on capital gains a number of times. I have personally sponsored a number of capital gains tax cut initiatives in the past, always getting closer and closer to enactment but—so far—not being able to push this measure to final passage.

I think we should use the current budget negotiations as a brand new opportunity to put forward a pure, progrowth capital gains initiative—one that would increase revenues to the Federal Treasury as well as spark productivity gains.

Today, I am very pleased to be joined by Senator CONNIE MACK, Senator RICHARD SHELBY and 17 of my colleagues in introducing a bipartisan capital gains tax measure that would help the continue and strengthen this Nation's longest economic expansion.

Our bill, the Economic Growth and Venture Capital Act of 1990, is a simple, fair, and broad-based capital gains tax cut designed to maximize economic growth.

This measure would reduce the cost of capital in general—and on venture capital in particular—by establishing a maximum 15 percent tax rate on all capital gains realized from the sale of all capital assets by all taxpayers, both individuals and corporations. The bill would cut the capital gains tax for low- and middle-income taxpayers to 7.5 percent. This measure would also index all capital gains for inflation.

The arguments for this legislation are well know. They were convincing to the Congress in 1978, when both Houses strongly endorsed the broad-based proposals developed by our former colleagues, the late Bill Steiger and former Finance Committee Chairman Russell Long. And these same arguments convinced a strong bipartisan majority of both Houses last year as well, when passage of a capital gains tax cut failed only for procedural reasons.

Mr. President, if cutting the capital gains tax is worth doing, and it certainly is, then it is worth doing right. After introducing and cosponsoring several different versions of a capital; gains tax cut, I have come to the conclusion that from the standpoint of simplicity, economic analysis, basic fairness, and sound tax policy, all taxpayers and assets should be included in the tax cut.

The basic rate of 15 percent is precisely what President Bush asked for in the 1988 campaign. According to several scholarly studies by mainstream economists, a 15-percent capital gains rate is the rate that will maximize revenues for the Federal Treasury.

This last point is, of course, disputed by the staff of the Joint Committee on Taxation, a group that over the years has been consistenly wrong in estimating the revenues impact of changes in the capital gains tax rate. Time and time again, the JCT has underestimated the behavioral response of investors to a lower capital gains tax rates in realizing gains on appreciated assets. In recent years, the Treasury Department revenue estimators have made great progress in capturing this behavioral response.

But those of us who support this legislation do not intend to engage in an argument about which of the two revenue-estimating groups is correct. Instead, we want to emphasize a very important point: Neither the JCT nor the Treasury has made any allowance for the substantial tax revenue feedback from the economic growth resulting from a capital gains tax cut.

From the standpoint of enacting sensible tax legislation, this failure is totally indefensible. With such dynamic estimates that take into account the impact of taxes on the real economy, we are legislating in the dark.

Consider the bill we are introducing today. Overall, lower capital gains taxes will reduce the U.S. Tax Code's bias against income that is saved and invested, which is subject to several layers of Federal taxation, relative to income that is consumed, which is largley free from Federal taxation.

For the individual, a capital gains tax cut would raise the after-tax rate

of return on an investment. Greater after-tax rates of return would increase the attractiveness of investment, particularly in new and growing firms whose benefits would be in the form of capital appreciation.

For the firm, the current high capital gains tax raises the cost of capital for U.S. businesses because it raises the hurdle rate which new investment is required to meet in order for it to be profitable. If the capital gains tax is reduced, then for every given aftertax rate of return required by investors, the pretax return can be smaller. This in turn means a lower hurdle rate and a lower cost of capital for new investment.

For new investment in venture capital projects, the capital gains tax is the most important aspect in the cost of capital. Lower capital gains taxes will result in more investment, more growth, and more revenue for the Federal Government.

We all know about the effect a lower capital gains rate has on investment and economic growth. But recently some more compelling arguments have been added to the list of reasons to cut this tax.

First, it would ease the budget impact of the S&L bailout. Cutting capital gains will increase the market value of all capital assets—including those held by banks and thrifts. The S&L's would be able to market higher valued bonds, mortgages, and commercial real estate, so fewer of them would need to be bailed out at taxpayer expense. Even the ones who do need to be bailed out would fetch a higher price at auction due to the increased value of their capital assets—thus increasing the flow of funds to the Treasury and making further tax increases for the S&L bailout unnecessary.

Cutting the capital gains rate will both help save some S&L's and help pay for the bailout of others. Either way, the edifice of our national banking system is strengthened.

Second, a capital gains cut would create more economic opportunity and upward mobility for minority Americans.

Black Americans account for 13 percent of this country's population, but for only 0.5 percent of the wealth. The high capital gains tax is locking capital into conservative investments like blue-chip stocks and tax-free bonds. Lower taxes would free up this capital, meaning that the benefit from the tax-cut bill will adhere with special vigor to the new issues of stock by high-risk minority startups.

Mr. President, another important issue in the capital gains debate is the issue of fairness. When are capital gains really gains? Most capital gains are due to purely inflationary increases. When adjusted for inflation, these so-called gains do not turn out to be gains at all—and in some cases they turn out to be real losses.

Since 1971, the price level has tripled. An asset purchased in 1971 for $1,000 and sold today for $3,000 would leave its owner no worse off in real terms. Yet, under current law, the investor would owe the Federal Government as much as $660 in taxes despite the fact that there has been no real economic gain.

Mr. President, taxing gains due to inflation is fundamentally unfair. It is particularly unfair to America's family farmers who have seen their property values driven up by inflation. And it is unfair to America's elderly who purchase stock for their retirement only to see a significant portion of their investment taxed for illusory gains.

That is why our capital gains proposal includes inflation indexing. In effect, our bill provides only for the taxation of real capital gains. The bill also provides for inflation indexing of the capital loss cap which was set at $3,000 in 1978—and has never been changed. Inflation indexing of the capital loss cap will reduce the tax bias against entrepreneurial activity.

Our bill would require only a 1-year holding period to qualify for capital gains treatment. The 3-year holding period proposed in the administration's capital gains plan would intensify the lockin effect of capital assets—and interfere with efficient investment decisionmaking. In fact, countries like Japan, West Germany, South Korea, and Taiwan which are often praised for their focus on long-term investment and growth have little or no holding periods for capital gains treatment.

Some very good economists have recently estimated the dynamic effect that a capital gains tax cut would have on economic growth and thus tax revenues. Martin Feldstein recently told the Joint Economic Committee that an increase in the annual rate of growth of real GNP of only 0.05 percent would be more than enough to pay for the President's capital gains proposal, a view echoed by Council of Economic Advisers Chairman Michael Boskin before the Finance Committee.

Former Treasury Department economist Gary Robbins, now with the Dallas-based National Center for Policy Analysis, has just completed a preliminary revenue estimate of our bill showing that it will generate $70 billion in new Federal revenue over the next 10 years, increased GNP by an average of $30 billion a year in each of the next 10 years, and create 850,000 new jobs by 1995.

Preliminary research by Dr. Allen Sinai of the Boston Company Economic Advisors, Inc., shows that when the macroeconomic feedback effects of a 15-percent capital gains tax are simulated, total Federal tax receipts would rise in both the short and long term.

Mr. President, we all know that a substantial bipartisan majority of the Senate supports a cut in the capital gains tax rates. That support is here for several reasons, but surely the most important is that Members of this body recognize that such a cut will stimulate growth in the U.S. economy.

I therefore say to those Members, do not shrink from supporting a good capital gains cut—hopefully this bill—because the staff revenue estimators of the Joint Tax Committee, or the Congressional Budget Office, brand the action a revenue loser in both the short- and long-term run. Such estimates are based on the completely wrong assumption that a cut in capital gains tax rates will not stimulate growth—an assumption that most Senators reject.

With a strong majority of the Members of Congress supporting a capital gains tax cut, the problem is not one of ultimately getting such a cut, but to make certain that the reduction is the best possible under the circumstances.

The basic rate of 15 percent is precisely what President George Bush asked for in the 1988 campaign. A progrowth capital gains bill should be the No. 1 agenda item of the budget summit. To this end any such capital gains tax cut should be simple, fair, and broad-based in its coverage; and it should be fiscally responsible.

Mr. President, the Economic Growth and Venture Capital Act of 1990 meets all of these criteria.

It is simple in that it avoids the complicated holding periods, carveouts, and limited coverage of other measures that have been introduced.

It is fair because it would reduce the tax penalty on saving and it would eliminate the grossly inequitable taxation of phantom gains caused by inflation.

By providing broad-based coverage for the assets and taxpayers qualifying for capital gains treatment, it would maximize the mobility and efficiency of capital.

Finally, it is fiscally responsible because the dynamic revenue feedback from higher growth would more than pay for the static loss of the cut in the years ahead.

The case is becoming more and more compelling, because the 1980's proved to Americans of all political persuasions that growth is good. We are almost ready—as a nation—to eliminate the excessive handicap this capital gains tax is imposing on workers and businesses. Our competitors—including Japan, West Germany, Taiwan, and South Korea—have a head start in the global marketplace because they tax capital gains very lightly, and in some cases they don't tax those gains at all.

That is why it is important that we enact a significant reduction in the capital gains tax in order to maximize entrepreneurship, international competitiveness, and long-term economic growth in America.

I urge the Members of this distinguished body to support the Kasten-Mack-Shelby Economic Growth and Venture Capital Act of 1990.

I ask that the text of the bill and the accompanying background material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2744

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Economic Growth and Venture Capital Act of 1990".

SEC. 2. REDUCTION IN INDIVIDUAL CAPITAL GAINS RATE.

(a) GENERAL RULE.—Subsection (j) of section 1 of the Internal Revenue Code of 1986 (relating to maximum capital gains rate) is amended to read as follows:

"(j) MAXIMUM CAPITAL GAINS RATE.—

"(1) IN GENERAL.—If a taxpayer has a net capital gain for any taxable year, then the tax imposed by this section shall not exceed the sum of—

"(A) a tax computed at the rates and in the same manner as if this subsection had not been enacted on the taxable income reduced by the net capital gain, plus

"(B) a tax equal to the sum of—

"(i) 7.5 percent of so much of the net capital gain as does not exceed—

"(I) the maximum amount of taxable income to which the 15-percent rate applies under the table applicable to the taxpayer, reduced by

"(II) the taxable income to which subparagraph (A) applies, plus

"(ii) 15 percent of the net capital gain in excess of the net capital gain to which clause (i) applies.

"(2) TRANSITIONAL RULE.—In the case of a taxable year which includes June 15, 1990, the amount of the net capital gain for purposes of paragraph (1) and subsection (g)(1)(A) shall not exceed the net capital gain determined by only taking into account gains and losses properly taken into account for the portion of the taxable year after such date."

(b) PHASE-OUT OF 15-PERCENT RATE AND PERSONAL EXEMPTIONS NOT TO APPLY TO NET CAPITAL GAIN.—Subparagraph (A) of section 1(g)(1) of such Code (relating to phase-out of 15-percent rate and personal exemptions) is amended by inserting ", reduced by the net capital gain" after "taxable income".

(c) TECHNICAL AMENDMENTS.—

(1) Paragraph (1) of section 170(e) of such Code is amended by striking "the amount of gain" in the material following subparagraph (B)(ii) and inserting "13/28 (19/34 in the case of a corporation) of the amount of gain".

(2)(A) The second sentence of section 7518(g)(6)(A) of such Code is amended by striking "28 percent (34 percent in the case of a corporation)" and inserting "15 percent".

(B) The second sentence of section 607(h)(6)(A) of the Merchant Marine Act, 1936, is amended by striking "28 percent (34 percent in the case of a corporation)" and inserting "15 percent".

SEC. 3. REDUCTION IN CORPORATE CAPITAL GAINS RATE.

(a) GENERAL RULE.—Section 1201 of the Internal Revenue Code of 1986 (relating to alternative tax for corporations) is amended by redesignating subsection (b) as subsection (c), and by striking subsection (a) and inserting the following:

"(a) GENERAL RULE.—If for any taxable year a corporation has a net capital gain, then, in lieu of the tax imposed by section 11, 511, or 831(a) (whichever applies), there is hereby imposed a tax (if such tax is less than the tax imposed by such section) which shall consist of the sum of—

"(1) a tax computed on the taxable income reduced by the net capital gain, at the same rates and in the same manner as if this subsection had not been enacted, plus

"(2) a tax of 15 percent of the net capital gain.

"(b) TRANSITIONAL RULE.—In the case of a taxable year which includes May 15, 1990, the amount of the net capital gain for purposes of subsection (a) shall not exceed the net capital gain determined by only taking into account gains and losses properly taken into account for the portion of the taxable year after such date."

(b) TECHNICAL AMENDMENTS.—

(1) Clause (iii) of section 852(b)(3)(D) of such Code is amended by striking "66 percent" and inserting "85 percent".

(2) Paragraphs (1) and (2) of section 1445(e) of such Code are each amended by striking "34 percent" and inserting "15 percent".

SEC. 4. REDUCTION OF MINIMUM TAX RATE ON CAPITAL GAINS.

Subparagraph (A) of section 55(b)(1) of the Internal Revenue Code of 1986 (relating to tentative minimum tax) is amended to read as follows:

"(A) the sum of—

"(i) 15 percent of the lesser of—

"(I) the net capital gain (determined with the adjustments provided in this part and (to the extent applicable) the limitations of sections 1(j)(2) and 1201(b)), or

"(II) so much of the alternative minimum taxable income for the taxable year as exceeds the exemption amount, plus

"(ii) 20 percent (21 percent in the case of a taxpayer other than a corporation) of the amount (if any) by which the excess referred to in clause (i)(II) exceeds the net capital gain (as so determined), reduced by".

SEC. 5. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN OR LOSS.

(a) IN GENERAL.—Part II of subchapter O of chapter 1 of the Internal Revenue Code of 1986 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

"SEC. 1022. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN OR LOSS.

"(a) GENERAL RULE.—

"(1) INDEXED BASIS SUBSTITUTED FOR ADJUSTED BASIS.—Except as provided in paragraph (2), if an indexed asset which has been held for more than 1 year is sold or otherwise disposed of, for purposes of this title the indexed basis of the asset shall be substituted for its adjusted basis.

"(2) EXCEPTION FOR DEPRECIATION, ETC.—The deduction for depreciation, depletion, and amortization shall be determined without regard to the application of paragraph (1) to the taxpayer or any other person.

"(b) INDEXED ASSET.—

"(1) IN GENERAL.—For purposes of this section, the term 'indexed asset' means—

"(A) stock in a corporation, and

"(B) tangible property (or any interest therein), which is a capital asset of property used in the trade or business (as defined in section 1231(b)).

"(2) CERTAIN PROPERTY EXCLUDED.—For purposes of this section, the term 'indexed asset' does not include—

"(A) CREDITOR'S INTEREST.—Any interest in property which is in the nature of a creditor's interest.

"(B) OPTIONS.—Any option or other right to acquire an interest in property.

"(C) NET LEASE PROPERTY.—In the case of a lessor, net lease property (within the meaning of subsection (h)(1)).

"(D) CERTAIN PREFERRED STOCK.—Stock which is fixed and preferred as to dividends and does not participate in corporate growth to any significant extent.

"(E) STOCK IN CERTAIN CORPORATIONS.—Stock in—

"(i) an S corporation (within the meaning of section 1361),

"(ii) a personal holding company (as defined in section 542), and

"(iii) a foreign corporation.

"(3) EXCEPTION FOR STOCK IN FOREIGN CORPORATION WHICH IS REGULARLY TRADED ON NATIONAL OR REGIONAL EXCHANGE.—Clause (iii) of paragraph (2)(E) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis other than—

"(A) stock of a foreign investment company (within the meaning of section 1246(b)), and

"(B) stock in a foreign corporation held by a United States person who meets the requirements of section 1248(a)(2).

"(c) INDEXED BASIS.—For purposes of this section—

"(1) INDEXED BASIS.—The indexed basis for any asset is—

"(A) the adjusted basis of the asset, multiplied by

"(B) the applicable inflation ratio.

"(2) APPLICABLE INFLATION RATIO.—The applicable inflation ratio for any asset is the percentage arrived at by dividing—

"(A) the gross national product deflator for the calendar quarter in which the disposition takes place, by

"(B) the gross national product deflator for the calendar quarter in which the asset was acquired by the taxpayer (or, if later, the calendar quarter ending December 31, 1988).

The applicable inflation ratio shall not be taken into account unless it is greater than 1. The applicable inflation ratio for any asset shall be rounded to the nearest one-tenth of 1 percent.

"(3) GROSS NATIONAL PRODUCT DEFLATOR.—The gross national product deflator for any calendar quarter is the implicit price deflator for the gross national product for such quarter (as shown in the first revision thereof).

"(4) SECRETARY TO PUBLISH TABLES.—The Secretary shall publish tables specifying the applicable inflation ratios for each calendar quarter.

"(d) SPECIAL RULES.—For purposes of this section—

"(1) TREATMENT AS SEPARATE ASSET.—In the case of any asset, the following shall be treated as a separate asset:

"(A) a substantial improvement to property,

"(B) in the case of stock of a corporation, a substantial contribution to capital, and

"(C) any other portion of an asset to the extent that separate treatment of such portion is appropriate to carry out the purposes of this section.

"(2) ASSETS WHICH ARE NOT INDEXED ASSETS THROUGHOUT HOLDING PERIOD.—

"(A) IN GENERAL.—The applicable inflation ratio shall be appropriately reduced for calendar months at any time during which the asset was not an indexed asset.

"(B) CERTAIN SHORT SALES.—For purposes of applying subparagraph (A), an asset shall be treated as not an indexed asset for any short sale period during which the taxpayer or the taxpayer's spouse sells short property substantially identical to the asset. For purposes of the preceding sentence, the short sale period begins on the day after the substantially identical property is sold and ends on the closing date for the sale.

"(3) TREATMENT OF CERTAIN DISTRIBUTIONS.—A distribution with respect to stock in a corporation which is not a dividend shall be treated as a disposition.

"(4) SECTION CANNOT INCREASE ORDINARY LOSS.—To the extent that (but for this paragraph) this section would create or increase a net ordinary loss to which section 1231(a)(2) applies or an ordinary loss to which any other provision of this title applies, such provision shall not apply. The taxpayer shall be treated as having a long-term capital loss in an amount equal to the amount of the ordinary loss to which the preceding sentence applies.

"(5) ACQUISITION DATE WHERE THERE HAS BEEN PRIOR APPLICATION OF SUBSECTION (a)(1) WITH RESPECT TO THE TAXPAYER.—If there has been a prior application of subsection (a)(1) to an asset while such asset was held by the taxpayer, the date of acquisition of such asset by the taxpayer shall be treated as not earlier than the date of the most recent such prior application.

"(6) COLLAPSIBLE CORPORATIONS.—The application of section 341(a) (relating to collapsible corporations) shall be determined without regard to this section.

"(e) CERTAIN CONDUIT ENTITIES.—

"(1) REGULATED INVESTMENT COMPANIES; REAL ESTATE INVESTMENT TRUSTS; COMMON TRUST FUNDS.—

"(A) IN GENERAL.—Stock in a qualified investment entity shall be an indexed asset for any calendar month in the same ratio as the fair market value of the assets held by such entity at the close of such month which are indexed assets bears to the fair market value of all assets of such entity at the close of such month.

"(B) RATIO OF 90 PERCENT OR MORE.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 90 percent or more, such ratio for such month shall be 100 percent.

"(C) RATIO OF 10 PERCENT OR LESS.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 10 percent or less, such ratio for such month shall be zero.

"(D) VALUATION OF ASSETS IN CASE OF REAL ESTATE INVESTMENT TRUSTS.—Nothing in this paragraph shall require a real estate investment trust to value its assets more frequently than once each 36 months (except where such trust ceases to exist). The ratio under subparagraph (A) for any calendar month for which there is no valuation shall be the trustee's good faith judgment as to such valuation.

"(E) QUALIFIED INVESTMENT ENTITY.—For purposes of this paragraph, the term 'qualified investment entity' means—

"(i) a regulated investment company (within the meaning of section 851),

"(ii) a real estate investment trust (within the meaning of section 856), and

"(iii) a common trust fund (within the meaning of section 584).

"(2) PARTNERSHIPS.—In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partners.

"(3) SUBCHAPTER S CORPORATIONS.—In the case of an electing small business corporation, the adjustment under subsection (a) at the corporate level shall be passed through to the shareholders.

"(f) DISPOSITIONS BETWEEN RELATED PERSONS.—

"(1) IN GENERAL.—This section shall not apply to any sale or other disposition of property between related persons except to the extent that the basis of such property in the hands of the transferee is a substituted basis.

"(2) RELATED PERSONS DEFINED.—For purposes of this section, the term 'related persons' means—

"(A) persons bearing a relationship set forth in section 267(b), and

"(B) persons treated as single employer under subsection (b) or (c) of section 414.

"(g) TRANSFERS TO INCREASE INDEXING ADJUSTMENT OR DEPRECIATION ALLOWANCE.—If any person transfers cash, debt, or any other property to another person and the principal purpose of such transfer is—

"(1) to secure or increase an adjustment under subsection (a), or

"(2) to increase (by reason of an adjustment under subsection (a)) a deduction for depreciation, depletion, or amortization,

the Secretary may disallow part or all of such adjustment or increase.

"(h) DEFINITIONS.—For purposes of this section—

"(1) NET LEASE PROPERTY DEFINED.—The term 'net lease property' means leased real property where—

"(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

"(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property.

"(2) STOCK INCLUDES INTEREST IN COMMON TRUST FUND.—The term 'stock in a corporation' includes any interest in a common trust fund (as defined in section 584(a)).

"(i) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section."

(b) CLERICAL AMENDMENT.—The table of sections for part II of subchapter O of such chapter 1 of such Code is amended by inserting after the item relating to section 1021 the following new item:

"Sec. 1022. Indexing of certain assets for purposes of determining gain or loss."

(c) ADJUSTMENT TO APPLY FOR PURPOSES OF DETERMINING EARNINGS AND PROFITS.—Subsection (f) of section 312 of such Code (relating to effect on earnings and profits of gain or loss and of receipt of tax-free distributions) is amended by adding at the end thereof the following new paragraph:

"(3) EFFECT ON EARNINGS AND PROFITS OF INDEXED BASIS.—

For substitution of indexed basis for adjusted basis in the case of the disposition of certain assets after December 31, 1988, see section 1022(a)(1)."

SEC. 6. INDEXING OF LIMITATION ON CAPITAL LOSSES OF INDIVIDUALS.

Section 1211 of the Internal Revenue Code of 1986 (relating to limitation on capital losses) is amended by adding at the end thereof the following new subsection:

"(c) INDEXATION OF LIMITATION ON NONCORPORATE TAXPAYERS.—

"(1) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 1989, the $3,000 and $1,500 amounts under subsection (b)(1) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the applicable inflation adjustment for the calendar year in which the taxable year begins."

"(2) APPLICABLE INFLATION ADJUSTMENT.—For purposes of paragraph (1), the applicable inflation adjustment for any calendar year is the percentage (if any) by which—

"(A) the gross national product deflator for the last calendar quarter of the preceding calendar year, exceeds

"(B) the gross national product deflator for the last calendar quarter of 1989.

For purposes of this paragraph, the term 'gross national product deflator' has the meaning given such term by section 1022(c)(3)."

SEC. 7. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this Act shall apply to sales or exchanges occurring after June 15, 1990, in taxable years ending after such date.

(b) INDEXING OF LOSS LIMITATION.—The amendments made by section 6 of this Act shall apply to taxable years beginning after December 31, 1989.

SIDE-BY-SIDE COMPARISON—ADMINISTRATION VS. KASTEN-MACK CAPITAL GAINS BILLS

	Administration	Kasten-Mack
Holding periods	Maximum capgains tax cut for assets held over 3 years.	1 year.
Capgains rates	Sliding scale tax schedule based on holding period: 30 percent exclusion—3 yrs., 20 percent exclusion—2 yrs., 10 percent exclusion—1 yr. (or). Maximum tax rates: 19.6 percent—3 yrs., 22.4 percent tax—2 yrs., 25.2 percent tax—1 yr.. Lower tax bracket rates: 10.5 percent—3 yrs., 12.5 percent tax—2 yrs., 13.5 percent tax—1 yr.	Maximum 15 percent tax. 7.5 percent tax for lower bracket.
Qualified assets	All capital assets except collectibles..	All assets.
Corporations	No	Yes. 15 percent corporate capgains rate.
Indexing	No	Yes.
Capital losses	No provision	Indexing $2,000 caploss cap.
Minimum tax	Yes	No.
Depreciation recapture for real property.	Yes	No.
Effective dates	Phase-in rules. For the balance of 1990, the full 30 percent exclusion would apply to assets held for 1 yr. For dispositions of assets in 1991, assets would be required to have been held for 2 years or more to be eligible for the 30 percent exclusion, and at least 1 yr. but less than 2 yrs. to be eligible for 20 percent exclusion.	June 15, 1990.

[From the Wall Street Journal, June 12, 1990]

UNMENTIONABLE PRESCRIPTION

The economy is sluggish, real-estate values are slumping nationwide, the savings-and-loan bailout grows more expensive and the Northeastern states are threatening to sink into the Atlantic. It's too bad Washington can't come up with an economic policy to get us moving again.

What we need is a policy that would increase the values of real estate, and for that matter other assets held by sick savings and loans. Some S&Ls now headed for the tank might make it after all, and in any event all the assets the government is taking over would be worth more, reducing the cost to taxpayers. It would be all the better if the policy could boost tax revenues for Mario Cuomo, Michael Dukakis and Jim Florio, so they wouldn't have to tax their economies under water. And, of course, doing these things would add a new spark to the nationwide economy. They would put new pep into the economic expansion, which set peacetime records on the basis of tax cuts but now seems a bit peaked.

Let's see; anything in the macroeconomic pharimacopeia that would cure these current ills? Do we dare? Can we talk of forbidden drugs? Is it time to cast aside childhood taboos? Let's whisper the unmentionable prescription: Cut out the capital gains tax.

Real-estate values would improve overnight, for example, since the unmentionable prescription would lower a tax on potential gains. The tax was in fact lower when the properties now being liquidated were initially purchased; their current low values in part reflect a higher tax. The same is true, of course, for junk bonds, another S&L asset. But, of course, thanks to expansive deposit insurance, taxpayers are getting stuck with these assets at their current eroded values. The higher tax rate doesn't help government revenues if there are no gains to tax; and if there are losses in the S&L portfolios, government expenditures have to increase (though, for what it's worth, probably outside the Gramm-Rudman calculations).

The current round of budget problems in New York and Massachusetts, remember, started with faulty estimates of tax receipts for capital gains. Old and developed states hold a lot of capital assets. A lower tax on these assets would give their economies a nice shot in the arm. And whether or not you think they deserve it, their prosperity is interlinked with the nation's as a whole.

Alas, the prescription remains unmentionable, especially in the company of Governors Cuomo, Dukakis and Florio. They have a strong ally in Senate Majority Leader Mitchell, who personally was the only thing keeping the Congress from writing the unmentionable prescription last year.

This year the prescription has vanished into the maw of the budget summit. There are those who say the economy can't have the prescription unless it also takes a lot of poison in higher taxes. With one side pushing for higher taxes and the other for better budget procedures, it may be some time before the summiteers find their prescription pad, and if they do it's not sure that anyone will be able to decipher their handwriting.

The doctors at the Treasury, for that matter, haven't helped matters much. They keep insisting on diluting the active ingredients in an attempt to cure some other disease. In order to comply with Congress's computer models to predict deficits, their proposal had a bottom rate of only 19.6%, and that was only for assets locked up for at least three years. The Bush administration seems to forget why it first came up with the prescription.

GOP Senators Bob Kasten of Wisconsin and Connie Mack of Florida and Democrat Richard Shelby of Alabama will soon get the prescription back on the table, though, with a bill to cut the capital gains tax back to 15%, the rate George Bush proposed in his presidential campaign as opposed to the 33% typical today. By Friday, they hope to have more than 20 co-sponsors, including several Democrats.

Kasten-Mack gets the debate back to the main issue of economic growth. Congress's computer models predict only short-term increases in tax revenue from a lower capital gains tax. In the real world, though, a lower capital gains rate would instantly mean that assets of all kinds would suddenly be worth more. Every time an asset is sold at a gain, the government gets its take, so tax revenues would probably rise even with the lower rate, just as they did after the tax rate was cut in 1978. And if it cuts the cost of the S&L bailout, the real deficit—government demands on the credit markets—would be lower.

The U.S. economy may weather its current mild stagflation; the stock market has set new records in the face of the problems. But if anyone in Washington wants to help with the problem areas and take out some insurance on the broader picture, the prescription is clear enough. Except that it's unmentionable.●

● Mr. MACK. Mr. President, today I rise in support of a cut in the capital gains tax rate. The bill that I and my colleagues from Wisconsin and Alabama are introducing is significant for many reasons. It's lower rates, indexation for inflation, coverage of all assets, and extension to corporations are substantial steps forward in our efforts to reduce the Tax Code's distortion of economic behavior.

But the timing of this bill is also significant. Members of Congress and the administration are currently discussing future U.S. budget policy in the context of an ongoing summit meeting. I believe it is critical that the summit participants come away with a major cut in the capital tax rate. This bill we are introducing today ought to provide the framework for the tax cut upon which the budget negotiators need to agree.

The focus of the budget debate seems to be heading in the direction of how can we raise taxes to balance the budget. I believe we should be asking how can we stimulate the economy, put more people to work and increase revenues to the Federal Government without increasing taxes. The best way to stimulate the economy would be to cut the tax rates on capital gains.

It is important to realize that a tax on capital gains is a voluntary tax. Under a tax system that does not tax capital gains until they are realized by the taxpayer, a substantial tax on capital gains tends to lock taxpayers into their existing investments. This produces a misallocation of our Nation's capital stock and entrepreneurial talent because people are less likely to move assets where they can be most productive. Economic resources will be stuck in less productive uses rather than transferred to other more efficient enterprises.

The Federal Government should be encouraging increases in the creation of wealth. A tax on the transfer of assets from less productive activities to more efficient ones depresses the economy and discourages the creation of wealth. A cut in the capital gains rate will help to lift this burden from the shoulders of the economy.

The lock in effect also reduces Government tax recipts to the extent that taxpayers defer the sales of existing investments or hold on to investments until death. Taxes that might otherwise have been paid are deferred or avoided altogether.

The lock in effect is clearly demonstrated by the fact that realized capital gains were 16 percent lower under the high tax rates in 1987 than under the lower rates in 1985, even though stock prices had risen by approximately 50 percent over this period.

A cut in the capital gains rate would actually increase Federal revenues. A respected Wall Street economist, Dr. Allen Sinai, is preparing GNP growth and revenue estimates of a 15-percent rate. Final results are not yet available, but his preliminary estimates show a 5-year increase in Federal revenue in the range of $100 billion. The revenue gain would come both from faster economic growth and the short term unlocking effects of a lower rate. If the final results turn out to be anything close to the preliminary estimates, and I believe they will, their message will be clear: A capital gains tax cut is a big winner for the Federal treasury.

Estimates that show a capital gains tax cut losing revenue are based on the same faulty assumptions used in 1978 when Treasury Secretary Blumenthal predicted that a cut in the gains rate would cost the treasury $2 billion per year. What actually happened was that revenues from capital gains climbed by over $2.5 billion.

The current level of capital gains taxation discriminates against capital income, discourages venture capital formation and impedes job creation. Cutting the capital gains rates will not only promote investment in the things that one normally thinks of as capital assets—such as the tools and machines necessary to create technological innovations—but it will promote the development of human capital. Capital also embodies the spirit, innovation, inventiveness, and brilliance of the human mind. Cutting the capital gains tax rate will promote investment in the people and their ideas which is so criti-

cal to America's technological development.

A capital gains tax cut is the kickstart needed to continue our record economic growth. It will increase revenue to the Federal Government and provide the necessary capital for new businesses to create more jobs. The bottom line is that a capital gains tax cut will mean more investment, more jobs, and more revenue for the Government. It will mean a lower Federal deficit, and it will mean more income for the average American.

I strongly urge my colleagues to support the Kasten-Mack-Shelby plan which would cut the capital gains tax to 15 percent for individuals and corporations on assets held for more than 1 year.●

By Mr. EXON (for himself, Mr. ROBB, Mr. LAUTENBERG, and Mr. SIMON):

S. 2745. A bill to amend the Rail Passenger Service Act to authorize appropriations for the National Railroad Passenger Corporation, and for other purposes; to the Committee on Commerce, Science, and Transportation.

AMTRAK REAUTHORIZATION AND IMPROVEMENT ACT

Mr. EXON. Mr. President, I wish to introduce legislation to reauthorize funding for Amtrak through fiscal year 1992. The bill I am introducing today does not contain the ICC jurisdiction provision identified by the President as the basis for his veto of H.R. 2364.

I must admit that I am introducing this measure with a certain reluctance given its exclusion of the ICC provision, In the opinion of this Senator, such a provision is clearly warranted. It would merely serve to close a loophole in current law which denies the ICC authority to review acquisitions of Class I rail carriers by noncarriers, even though the Commission has similar authority to review all acquisitions by carriers and even acquisitions of a portion of a rail line by a noncarrier. For this Senator—and the majority of my colleagues—it makes perfect sense to ensure that the public interest is taken into account when one of the Nation's largest railroads is sold to a noncarrier. Unfortunately, the President took a different view of this matter, as did a minority of my colleagues here in the Senate. We were prevented from overriding the veto by two votes, an action successfully taken earlier by the House of Representatives. For that reason, I am proposing that we put aside the ICC jurisdiction provision, for the time being, and deal with the immediate issue—the reauthorization of Amtrak.

In the absence of an authorization bill, Amtrak will not be able to obtain tax-related savings totaling $16 million; it will not have the flexibility to order new equipment as the need arises and funding becomes available; and, Amtrak will not have the stability it needs to plan for the future. All of these are of vital importance. My legislation addresses all of these matters and more.

This bill would also require Amtrak to provide two reports to Congress: one on its plan to eliminate its need for Federal operating support by the year 2000; and a second on the economic feasibility of providing new service to areas currently not served by Amtrak which have the potential of covering their operating cost.

Most importantly, however, the measure I am introducing would provide the assurances that are necessary for nationwide passenger rail service to continue in the years ahead. I emphasize nationwide service, as I have in the past, since I continue to believe that Amtrak has an important place in our national transportation network.

There are those who argue that Amtrak should be relegated to service only in the highly populated Northeast corridor. I reject that notion, as do my constituents in Nebraska. The bill I am introducing would guarantee that nationwide service remains a reality. I will do all I can to further its passage, just as I did for H.R. 2364 and the original measure I introduced on this important subject.

I ask unanimous consent to print the bill in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2745

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Amtrak Reauthorization and Improvement Act of 1990".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

Section 601(b)(2) of the Rail Passenger Service Act (45 U.S.C. 601(b)(2)) is amended—

(1) by striking "and" at the end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following:

"(F) not to exceed $630,000,000 for the fiscal year ending September 30, 1989;

"(G) not to exceed $656,000,000 for the fiscal year ending September 30, 1990;

"(H) not to exceed $684,000,000 for the fiscal year ending September 30, 1991; and

"(I) not to exceed $712,000,000 for the fiscal year ending September 30, 1992.".

SEC. 3. INCENTIVES FOR PASSENGER SERVICE AGREEMENTS.

Title VIII of the Rail Passenger Service Act (45 U.S.C. 642 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 810. INCENTIVES FOR PASSENGER SERVICE AGREEMENTS.

"(a) Notwithstanding any other provision of law, in instances where a publicly funded commuter transportation authority established under Virginia law contracts to indemnify the Corporation for liability for operations conducted by or on behalf of the publicly funded commuter transportation authority or to indemnify a railroad over whose tracks such operations are conducted, liability for all claims, whether for compensatory or punitive damages, arising from any accident or incident occurring in the District of Columbia against the Corporation or the publicly funded commuter transportation authority in connection with operations conducted by or on behalf of such publicly funded commuter transportation authority, or against a railroad over whose tracks such operations were conducted at the time of the accident or incident, shall not be in an amount greater than the limits of the liability coverage maintained by the publicly funded commuter transportation authority to indemnify the Corporation or the railroad. In no event shall the publicly funded commuter transportation authority maintain an aggregate limit of liability coverage less than $200,000,000.

"(b) Subsection (a) shall not be effective unless the Corporation or a railroad seeking coverage hereunder has entered into an operating agreement with a publicly funded commuter transportation authority established under Virginia law to provide access for revenue service to its property in connection with the operations of the publicly funded commuter transportation authority.".

SEC. 4. AUTHORIZATION TO USE FUNDS FOR SIMILAR PURPOSES.

Proceeds from the sale of all or part of the railroad line for which funds were provided, for acquisition and rehabilitation, under section 511 of the Rail Safety and Service Improvement Act of 1982 may be used for similar purposes with respect to any railroad line connecting with such line, for the purpose of continued rail service on such lines.

SEC. 5. COOPERATION WITH STUDY.

The National Railroad Passenger Corporation shall cooperate with the efforts of the Washington State Department of Transporation in designing and carrying out a study of the feasibility of reestablishing rail service between Seattle, Washington, and Vancouver, British Columbia.

SEC. 6. ROUTING FEASIBILITY STUDY.

The National Railroad Passenger Corporation shall conduct a study to evaluate the short-term and long-term revenue and cost implications of separating the existing California Zephyr-Desert Wind-Pioneer train into two service routes serving separate western destinations via a southern route and a central route through Iowa. The Corporation shall include in this evaluation the projected cost for required additional passenger equipment, any projected loss, and any revenue and ridership gains, associated with offering a second service route. A detailed report on the findings of the study shall be submitted by the Corporation to the Congress within 6 months after the date of enactment of this Act.

SEC. 7. RESIDENCE OF EMPLOYEES.

(a) Section 11504(a) of title 49, United States Code, is amended to read as follows:

"(a) No part of the compensation paid by a rail carrier providing transportation subject to the jurisdiction of the Commission under subchapter I of chapter 105 of this title to an employee who performs regularly assigned duties as such an employee on a railroad in more than one State shall be subject to the income tax laws of any State

or subdividion of that State, other than the State or subdivision thereof of the employee's residence.".

(b) Section 11504(b) of title 49, United States Code, is amended to read as follows:

"(b)(1) No part of the compensation paid by a motor carrier providing transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title or by a motor private carrier to an employee who performs regularly assigned duties in 2 or more States as such an employee with respect to a motor vehicle shall be subject to the income tax laws of any State or subdivision of that State, other than the State or subdivision thereof of the employee's residence.

"(2) In this subsection 'employee' has the meaning given such term in section 204 of the Motor Carrier Safety Act of 1984 (49 App. U.S.C. 2503).".

(c) Section 11504(d) of title 49, United States Code, is amended—

(1) by striking "express, sleeping car,"; and

(2) by striking "with—" and all that follows and inserting in lieu thereof the following: "with the State and subdivision of residence of the employee.".

SEC. 8. RAILROAD UNEMPLOYMENT INSURANCE ACT AMENDMENT.

(a) Section 8(a)(1)(B)(vi) of the Railroad Unemployment Insurance Act (45 U.S.C. 358(a)(1)(B)(vi)) is amended by inserting "the National Railroad Passenger Corporation and" immediately after "The contribution of" in the first sentence.

(b) The amendment made by subsection (a) shall be effective as of January 1, 1989.

SEC. 9. STUDY OF LOAN GUARANTEE NEEDS.

The Secretary of Transportation, in consultation with the Administrator of the Federal Railroad Administration, shall study and survey the present and potential need and demand among class II and class III railroads for Federal guarantees of obligations as provided for by section 511 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 831). Such study and survey shall examine the present and potential need and demand for such guarantees to fund rehabilitation and improvement facilities or equipment, acquisition of new railroad facilities, and refinancing of existing debt. The Secretary of Transportation shall report to Congress no later than 90 days following the date of the enactment of this Act the results of such study and survey. Such report shall include an analysis of the present and potential need and demand for Federal guarantees of class II and class III railroad debt, the amount of guarantee authority required to meet that need, and a projection of demand for such Federal guarantees through fiscal year 1995.

SEC. 10. The National Railroad Passenger Corporation shall report to Congress by June 1, 1991, on its plan to eliminate its need for Federal operating support by the year 2000. The report shall include a discussion of the actions that could be taken to enhance revenues, to control costs, and to improve productivity and efficiency of operations, as well as an estimate of the capital investment needed to take such actions.

SEC. 11. The National Railroad Passenger Corporation shall study the economic feasibility of providing new service, if such service will have the potential of covering the operating costs associated with such service, to areas not served by the Corporation as of the date of enactment of this Act. Within two years after such date of enactment, the Corporation shall report to Congress on the results of that study.

Mr. ROBB. Mr. President, today I join with my distinguished colleagues in introducing a new Amtrak reauthorization bill. I can't say that I am pleased about having to start this process again, but I am confident that a reauthorization bill will be enacted this session.

In the wake of the President's veto of H.R. 2364, an alternate means of accomplishing that bill's various goals must be found. The bill provides us with a possible legislative vehicle for Amtrak funding and for addressing the liability problems of the Virginia Railway Express.

This is a good bill, not quite as good as the one the President vetoed since the ICC provision is missing, but the President has promised to sign it if it gets to his desk. We will continue to work with our colleagues in the House to get an Amtrak bill to the President, and I look forward to riding the Virginia Railway Express across the long bridge and into Union Station next fall.

By Mr. SANFORD:

S. 2746. A bill to require the Attorney General of the United States to promptly increase activity with respect to the criminal referrals involving savings associations which are pending before the Department of Justice, to require quarterly appearances by the Attorney General before committees of the Congress to report on progress being made in investigating and prosecuting cases involving fraud and embezzlement in savings associations, and for other purposes; to the Committee on the Judiciary.

SAVINGS ASSOCIATION LAW ENFORCEMENT IMPROVEMENT ACT

Mr. SANFORD. Mr. President, I rise today to introduce a bill that is the companion bill to one introduced in the House last week by my distinguished colleague from North Carolina, Mr. NEAL. The bill is entitled the "Savings Association Law Enforcement Improvement Act of 1990."

The bill addresses the outrage that the American public and members of the Congress feel regarding the crooks and con men who have looted billions of dollars from our savings and loan industry and appear to be getting away with it. The bill is designed to speed up the Justice Department's investigation and prosecution of criminal and civil cases involving savings and loan associations.

The bill does two simple things: first, it calls on the Attorney General to take all appropriate action to investigate or prosecute at least half of the currently pending referrals and complaints by the end of this year, and to take such action on the remainder of such pending actions by the end of 1991; second, the bill calls on the Attorney General to appear before the House and Senate Banking Committees on a regular basis to report on the progress of this actions with respect to savings association prosecutions.

Unquestionably, the criminal activities of thrift operators contributed significantly to the savings and loan debacle which will now cost taxpayers billions of dollars. Investigations have shown that some 60 percent of the institutions seized thus far by the Resolution Trust Corporation were weakened by serious criminal actions, and 25 to 30 percent of the failures can be directly attributed to fraudulent activities.

Despite the rampant nature of the fraud, at last report the Federal Bureau of Investigation had taken no action on more than 21,000 referrals and complaints alleging financial institution criminal misconduct, even though at least 234 of these cases are said to involve losses of $1 million or more.

Furthermore, the FBI has taken only minimal action on about 2,500 open investigations that it has placed in inactive status because of inadequate staff resources.

When the Congress passed the Financial Institutions Reform, Recovery and Enforcement Act of 1989, much was said about the desire to minimize the cost to the taxpayers and to ensure that those responsible for fraudulent activities would be brought to justice. Indeed, the FIRREA bill ordered that the crooks be pursued and prosecuted and that money that was stolen from thrifts be recovered whenever possible. However, Congress has no authority to enforce that law or to bring the crooks to justice. We have to depend on the Justice Department and the Attorney General to carry out the will of Congress regarding such prosecutions.

Mr. President, it is clear that the job is not being done. Only $50 million of the $75 million that the Congress authorized for these prosecutions has been requested. The Attorney General has approved less than half of the additional agents the FBI said it needed for financial institution fraud cases. Similarly, no where near the needed number of additional assistant U.S. attorneys have been appointed.

I believe that the Justice Department must make a full commitment to the prosecution of these S&L crooks and that every effort must be make to track down and recover all the money squandered by these crooks. It is only through the recovery of these funds that we can attempt to meet our goal of minimizing the costs to the taxpayers, and it is only through vigorous prosecution of the crooks can we make it clear that this type of scandal will never again be permitted to take place.

If the Justice Department is reluctant to act, then the Congress must do all it can to push the Department to take these S&L cases and the task before it more seriously and the Congress can and should hold the Justice Department accountable. My bill will do just that. I urge my colleagues to support it.

ADDITIONAL COSPONSORS

S. 110

At the request of Mr. KENNEDY, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 110, a bill to revise and extend the programs of assistance under title X of the Public Health Service Act.

S. 160

At the request of Mr. THURMOND, the names of the Senator from Washington [Mr. GORTON], the Senator from Indiana [Mr. LUGAR], and the Senator from Colorado [Mr. ARMSTRONG] were added as cosponsors of S. 160, a bill to require the construction of a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces who served in World War II and to commemorate United States participation in that conflict.

S. 342

At the request of Mr. DANFORTH, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 342, a bill to amend the Internal Revenue Code of 1986 to provide that certain credits will not be subject to the passive activity rules, and for other purposes.

S. 454

At the request of Mr. ROCKEFELLER, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 454, a bill to provide additional funding for the Appalachian development highway system.

S. 455

At the request of Mr. ROCKEFELLER, the names of the Senator from Maryland [Ms. MIKULSKI] and the Senator from Ohio [Mr. GLENN] were added as cosponsors of S. 455, a bill to extend the Appalachian Regional Development Act of 1965 and to provide authorizations for the Appalachian Highway and Appalachian Area Development Programs.

S. 494

At the request of Mr. DURENBERGER, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 494, a bill to amend the Internal Revenue Code of 1986 to extend for 5 years, and increase the amount of, the deduction for health insurance for self-employed individuals.

S. 513

At the request of Mr. BIDEN, his name was added as a cosponsor of S. 513, a bill to amend chapters 83 and 84 of title 5, United States Code, to extend certain retirement provisions of such chapters which are applicable to law enforcement officers to inspectors of the Immigration and Naturalization Service, inspectors and canine enforcement officers of the United States Customs Service, and revenue officers of the Internal Revenue Service.

S. 720

At the request of Mr. BOREN, the names of the Senator from Illinois [Mr. SIMON] and the Senator from Wyoming [Mr. SIMPSON] were added as cosponsors of S. 720, a bill to amend the Internal Revenue Code of 1986 to extend and modify the targeted jobs credit, and for other purposes.

S. 1076

At the request of Mr. BURDICK, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 1076, a bill to increase public understanding of the natural environment and to advance and develop environmental education and training.

S. 1273

At the request of Mr. BOREN, the names of the Senator from California [Mr. WILSON], the Senator from Hawaii [Mr. AKAKA], and the Senator from Louisiana [Mr. BREAUX] were added as cosponsors of S. 1273, a bill to amend the Internal Revenue Code of 1986 with respect to treatment by cooperatives of gains or losses from sale of certain assets.

S. 1332

At the request of Mr. MURKOWSKI, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 1332, a bill to provide for realignment and major mission changes of medical facilities of the Department of Veterans Affairs.

S. 1349

At the request of Mr. PRYOR, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 1349, a bill to amend the Internal Revenue Code of 1986 to exclude small transactions and to make certain clarifications relating to broker reporting requirements.

S. 1425

At the request of Mr. METZENBAUM, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1425, a bill entitled the "Nutrition Labeling and Education Act of 1989."

S. 1860

At the request of Mr. BOREN, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 1860, a bill to amend title 38, United States Code, to require the Secretary of Veterans Affairs to furnish outpatient medical services for any disability of a former prisoner of war.

S. 1911

At the request of Mr. DODD, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1911, a bill to provide assistance in the development of new or improved programs to help younger individuals through grants to the States for community planning, services, and training; to establish within the Department of Health and Human Services an operating agency to be designated as the Administration on Children, Youth, and Families; to provide for a White House Conference on Young Americans; and for other purposes.

S. 2025

At the request of Mr. HEINZ, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 2025, a bill to amend the Internal Revenue Code of 1986 to make permanent certain expiring tax provisions.

S. 2041

At the request of Mr. SYMMS, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 2041, a bill to amend title XVIII of the Social Security Act to provide uniform national conversion factors for services of certified registered nurse anesthetists.

S. 2125

At the request of Mr. DODD, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 2125, a bill to condition the availability of United States assistance for El Salvador.

S. 2189

At the request of Mr. PRYOR, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 2189, a bill to establish a grant program to provide health insurance information, counseling, and assistance to individuals eligible to receive benefits under title XVIII of the Social Security Act, and for other purposes.

S. 2229

At the request of Mr. DODD, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 2229, a bill to reauthorize the Head Start Act for fiscal years 1991 through 1994, and for other purposes.

S. 2319

At the request of Mr. GARN, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 2319, a bill to amend the Federal Deposit Insurance Act and the Federal Credit Union Act to protect the deposit insurance funds, to limit the depository institutions, credit unions, and other mortgage lenders acquiring real property through foreclo-

sure or similar means, or in a fiduciary capacity, and for other purposes.

S. 2384

At the request of Mr. BOREN, the names of the Senator from Missouri [Mr. DANFORTH] and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of S. 2384, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain real estate activities under the limitations on losses from passive activities.

S. 2413

At the request of Mr. KERRY, the names of the Senator from Alaska [Mr. MURKOWSKI], the Senator from Illinois [Mr. SIMON], and the Senator from North Dakota [Mr. BURDICK] were added as cosponsors of S. 2413, a bill to make eligibility standards for the award of the Purple Heart currently in effect applicable to members of the Armed Forces of the United States who were taken prisoner or taken captive by a hostile foreign government or its agents or a hostile force before April 15, 1962, and for other purposes.

S. 2438

At the request of Mr. BAUCUS, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 2438, a bill to amend title XVIII of the Social Security Act to make certain modifications in the Medicare Program with respect to payments made under such program to hospitals located within rural areas with fifty (50) beds or fewer, to improve the delivery of health services to individuals residing in rural areas, and for other purposes.

S. 2529

At the request of Mr. KERRY, the names of the Senator from Maryland [Ms. MIKULSKI] and the Senator from Minnesota [Mr. BOSCHWITZ] were added as cosponsors of S. 2529, a bill to amend the Immigration and Nationality Act to exclude aliens who unlawfully withhold custody of children outside the United States.

S. 2584

At the request of Mr. BOREN, the names of the Senator from Montana [Mr. BAUCUS] and the Senator from California [Mr. WILSON] were added as cosponsors of S. 2584, a bill to amend the Internal Revenue Code of 1986 to provide that the deduction for State and local income and franchise taxes shall not be allocated to foreign source income.

S. 2591

At the request of Mr. BAUCUS, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 2591, a bill to amend title XVIII of the Social Security Act to provide relief from certain regulations relating to physicians' services.

S. 2600

At the request of Mr. KENNEDY, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 2600, a bill to combat homelessness through the establishment of housing-based family support centers, through the provisions of housing-based services to elderly individuals with chronic and debilitating illnesses and conditions, through the provision of residence-based outpatient mental health services, and through the use of grants for the improvement of community development corporations, and for other purposes.

S. 2639

At the request of Mr. DECONCINI, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 2639, a bill to enhance the ability of law enforcement officers to combat violent crime in America by providing criminal and civil enforcement of standards established by the National Institute of Justice for body armor.

S. 2653

At the request of Mr. BURNS, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 2653, a bill to permit States to waive application of the Commercial Motor Vehicle Safety Act of 1986 with respect to vehicles used to transport farm supplies from retail dealers to or from a farm, and to vehicles used for custom harvesting, whether or not such vehicles are controlled and operated by a farmer.

S. 2663

At the request of Mr. MCCAIN, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 2663, a bill to provide increased and special benefits to individuals involuntarily separated from the Armed Forces, and for other purposes.

S. 2677

At the request of Mr. LAUTENBERG, the names of the Senator from North Dakota [Mr. CONRAD] and the Senator from New York [Mr. D'AMATO] were added as cosponsors of S. 2677, a bill to extend for 2 years the operation of sections 599D and 599E of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990.

S. 2703

At the request of Mr. BOREN, the names of the Senator from Kentucky [Mr. FORD], the Senator from Utah [Mr. HATCH], and the Senator from South Dakota [Mr. DASCHLE] were added as cosponsors of S. 2703, a bill to amend the Export-Import Bank Act of 1945 to reform U.S. bilateral economic assistance programs, to promote the purchase of U.S. goods and services, and for other purposes.

S. 2720

At the request of Mr. SASSER, the names of the Senator from Ohio [Mr. GLENN], and the Senator from North Carolina [Mr. SANFORD] were added as cosponsors of S. 2720, a bill to encourage employee ownership of, and participation in, companies in the United States.

S. 2723

At the request of Mr. BURNS, the names of the Senator from Delaware [Mr. ROTH] and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of S. 2723, a bill to amend the Rail Passenger Service Act to authorize appropriations for the National Railroad Passenger Corporation and for other purposes.

S. 2724

At the request of Mr. PELL, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 2724, a bill to extend and improve arts and humanities programs, museum services, and arts and artifacts indemnification, and for other purposes.

SENATE JOINT RESOLUTION 256

At the request of Mr. SIMON, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of Senate Joint Resolution 256, a joint resolution to designate the week of October 7, 1990, through October 13, 1990, as "Mental Illness Awareness Week."

SENATE JOINT RESOLUTION 277

At the request of Mr. LUGAR, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of Senate Joint Resolution 277, a joint resolution designating October 6, 1990, as "German-American Day."

SENATE JOINT RESOLUTION 282

At the request of Mr. WILSON, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of Senate Joint Resolution 282, a joint resolution to designate the decade beginning January 1, 1990, as the "Decade of the Child."

SENATE JOINT RESOLUTION 287

At the request of Mr. PELL, the names of the Senator from Vermont [Mr. LEAHY], the Senator from Washington [Mr. ADAMS], and the Senator from South Dakota [Mr. DASCHLE] were added as cosponsors of Senate Joint Resolution 287, a joint resolution requesting the President of the United States to negotiate agreements to achieve early prohibition of nuclear explosions.

SENATE JOINT RESOLUTION 301

At the request of Mr. PELL, the names of the Senator from Virginia [Mr. ROBB], the Senator from North Carolina [Mr. SANFORD], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of Senate Joint Resolution 301, a joint resolution designating October 1990 as "National Breast Cancer Awareness Month."

SENATE JOINT RESOLUTION 314

At the request of Mr. SPECTER, his name was added as a cosponsor of Senate Joint Resolution 314, a joint resolution to commemorate the 50th anniversary of the National Federation of the Blind.

SENATE JOINT RESOLUTION 317

At the request of Mr. LAUTENBERG, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of Senate Joint Resolution 317, a joint resolution to designate the week of October 14, 1990, through October 20, 1990, as "National Radon Action Week."

SENATE JOINT RESOLUTION 327

At the request of Mr. MURKOWSKI, the names of the Senator from Louisiana [Mr. JOHNSTON], the Senator from Colorado [Mr. WIRTH], the Senator from Tennessee [Mr. SASSER], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of Senate Joint Resolution 327, a joint resolution designating September 21, 1990, as "National POW/MIA Recognition Day", and recognizing the National League of Families POW/MIA flag.

SENATE JOINT RESOLUTION 332

At the request of Mr. DOLE, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of Senate Joint Resolution 332, a joint resolution proposing an amendment to the Constitution of the United States authorizing the Congress and the States to prohibit the physical desecration of the flag of the United States.

At the request of Mr. DOLE, the name of the Senator from Oregon [Mr. HATFIELD] was withdrawn as a cosponsor of Senate Joint Resolution 332, supra.

SENATE CONCURRENT RESOLUTION 91

At the request of Mr. HATFIELD, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of Senate Concurrent Resolution 91, a concurrent resolution expressing the sense of the Congress with respect to achieving common security in the world by reducing reliance on the military and redirecting resources toward overcoming hunger and poverty and meeting basic human needs.

SENATE CONCURRENT RESOLUTION 137

At the request of Mr. BOSCHWITZ, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of Senate Concurrent Resolution 137, a concurrent resolution to express the sense of Congress that the 1990 Nuclear Non-Proliferation Treaty (NPT) Review Conference should reaffirm the support of the parties for the objectives of the NPT, in particular preventing the spread of nuclear weapons to additional countries.

SENATE RESOLUTION 231

At the request of Mr. BRADLEY, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of Senate Resolution 231, a resolution urging the submission of the Convention on the Rights of the Child to the Senate for its advice and consent to ratification.

SENATE RESOLUTION 300—AUTHORIZING AN ABSENCE BY SENATOR JOHN D. ROCKEFELLER IV

Mr. EXON (for Mr. MITCHELL, for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 300

Whereas, in the case of *John D. Rockefeller IV* v. *CNA Insurance Companies and Continental Casualty Company,* Civil Action No. 2:87-0575, pending in the United States District Court for the Southern District of West Virginia, the attendance of Senator Rockefeller at deposition and trial may be necessary;

Whereas, by Rule VI of the Standing Rules of the Senate, no Senator shall absent himself from the service of the Senate without leave: Now, therefore, be it

Resolved, That Senator John D. Rockefeller IV is authorized to attend a deposition and trial in the case of *John D. Rockefeller IV* v. *CNA Insurance Companies and Continental Casualty Company,* Civil Action No. 2:87-0575, except when his attendance at the Senate is necessary for the performance of his legislative duties.

AMENDMENTS SUBMITTED

CONGRESSIONAL BUDGET RESOLUTION

SASSER (AND OTHERS) AMENDMENT NO. 2022

Mr. SASSER (for himself, Mr. DOMENICI, Mr. MITCHELL, and Mr. DOLE) proposed an amendment to the concurrent resolution (S. Con. Res. 110) setting forth the congressional budget for the U.S. Government for the fiscal years 1991, 1992, 1993, 1994, and 1995, as follows:

Strike all after the first word and insert the following:

the Congress determines and declares that the concurrent resolution on the budget for fiscal year 1991 is established and the appropriate budgetary levels for fiscal years 1992 and 1993 are set forth.

MAXIMUM DEFICIT AMOUNTS

SEC. 2. The following levels and amounts in this section are set forth for purposes of determining, in accordance with section 301(i) of the Congressional Budget and Impoundment Control Act of 1974 (as amended by the Balanced Budget and Emergency Deficit Control Act of 1985 and the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987), whether the maximum deficit amount for a fiscal year has been exceeded, and as set forth in this concurrent resolution, shall be considered to be mathematically consistent with the other amounts and levels set forth in this concurrent resolution:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1991: $1,137,000,000,000.
Fiscal year 1992: $1,203,800,000,000.
Fiscal year 1993: $1,276,600,000,000.

(2) The appropriate levels of total budget authority are as follows:

Fiscal year 1991: $1,430,400,000,000.
Fiscal year 1992: $1,465,000,000,000.
Fiscal year 1993: $1,544,200,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1991: $1,201,000,000,000.
Fiscal year 1992: $1,231,800,000,000.
Fiscal year 1993: $1,276,600,000,000.

(4) The amounts of the deficits or surpluses are as follows:

Fiscal year 1991: −$64,000,000,000 (deficit).
Fiscal year 1992: −$28,000,000,000 (deficit).
Fiscal year 1993: $0.

DEBT INCREASE AS ONE MEASURE OF DEFICIT

SEC. 3. The amounts of the increase in the public debt subject to limitation are as follows:

Fiscal year 1991: $200,500,000,000.
Fiscal year 1992: $170,700,000,000.
Fiscal year 1993: $157,900,000,000.

DEFICIT LEVELS EXCLUDING TRUST FUND SURPLUSES

SEC. 4. (a)(1) The amounts of the surpluses of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Trust Fund are as follows:

Fiscal year 1991: $74,400,000,000.
Fiscal year 1992: $85,500,000,000.
Fiscal year 1993: $97,800,000,000.

(2) The amounts of the deficits excluding the receipts and disbursements of the Federal Old-Age Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1991: −$138,400,000,000.
Fiscal year 1992: −$113,500,000,000.
Fiscal year 1993: −$97,800,000,000.

(b) The amounts of the deficits excluding the receipts and disbursements of all Federal trust funds are as follows:

Fiscal year 1991: −$201,200,000,000.
Fiscal year 1992: $172,700,000,000.
Fiscal year 1993: $155,900,000,000.

BUDGET ACCOUNTABILITY

SEC. 5. The following amounts in this section are set forth to show the fiscal levels that would be required by S. 101:

Fiscal year 1991:
(1) Retirement fund budget:
Fiscal year surplus: $129,100,000,000.
Trust balances at end of fiscal year: $783,000,000,000.
(2) Operating budget:
Surplus for fiscal year: $82,200,000,000.
(3) Debt and interest budget:
Debt at beginning of fiscal year: $3,112,100,000,000.
Debt at end of fiscal year: $3,312,600,000,000.
Gross interest: $275,300,000,000.
Debt increase (Deficit): $200,500,000,000.
Fiscal year 1992:
(1) Retirement funds budget:
Fiscal year surplus: $139,100,000,000.
Trust balances at end of fiscal year: $922,100,000,000.
(2) Operating budget:
Surplus for fiscal year: $121,200,000,000.
(3) Debt and interest budget:

Debt at beginning of fiscal year: $3,312,600,000,000.
Debt at end of fiscal year: $3,483,300,000,000.
Gross interest: $288,300,000,000.
Debt increase (Deficit): $170,700,000,000.
Fiscal year 1993:
(1) Retirement funds budget:
Fiscal year surplus: $151,600,000,000.
Trust balances at end of fiscal year: $1,073,800,000,000.
(2) Operating budget:
Surplus for fiscal year: $148,900,000,000.
(3) Debt and interest budget:
Debt at beginning of fiscal year: $3,483,300,000,000.
Debt at end of fiscal year: $3,641,200,000,000.
Gross interest: $300,500,000,000.
Debt increase (Deficit): $157,900,000,000.

RECOMMENDED LEVELS AND AMOUNTS

SEC. 6. (a) The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1990, October 1, 1991, and October 1, 1992:
(1) The recommended levels of Federal revenues are as follows:
Fiscal year 1991: $828,100,000,000.
Fiscal year 1992: $874,100,000,000.
Fiscal year 1993: $924,400,000,000.
and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:
Fiscal year 1991: $0.
Fiscal year 1992: $0.
Fiscal year 1993: $0.
and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:
Fiscal year 1991: $74,600,000,000.
Fiscal year 1992: $79,600,000,000.
Fiscal year 1993: $85,100,000,000.
(2) The appropriate levels of total new budget authority areas follows:
Fiscal year 1991: $1,121,500,000,000.
Fiscal year 1992: $1,135,400,000,000.
Fiscal year 1993: $1,192,000,000,000.
(3) The appropriate levels of total budget outlays are as follows:
Fiscal year 1991: $966,500,000,000.
Fiscal year 1992: $987,600,000,000.
Fiscal year 1993: $1,022,200,000,000.
(4) The amounts of the deficits are as follows:
Fiscal year 1991: $138,400,000,000.
Fiscal year 1992: $113,500,000,000.
Fiscal year 1993: $97,800,000,000.
(5) The appropriate levels of the public debt are as follows:
Fiscal year 1991: $3,312,600,000,000.
Fiscal year 1992: $3,483,300,000,000.
Fiscal year 1993: $3,641,200,000,000.
(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1990, October 1, 1991, and October 1, 1992, are as follows:
Fiscal year 1991:
(A) New direct loan obligations, $21,100,000,000.
(B) New primary loan guarantee commitments, $106,600,000,000.
(C) New secondary loan guarantee commitments, $85,700,000,000.
Fiscal year 1992:
(A) New direct loan obligations, $18,000,000,000.
(B) New primary loan guarantee commitments, $110,000,000,000.
(C) New secondary loan guarantee commitments, $85,400,000,000.
Fiscal year 1993:
(A) New direct loan obligations, $18,300,000,000.
(B) New primary loan guarantee commitments, $112,700,000,000.
(C) New secondary loan guarantee commitments, $88,600,000,000.
(b) The Congress hereby determines and declares that the appropriate levels of new budget authority and budget outlays, and the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1991 through 1993 for each major functional category are:
(1) National Defense:
Fiscal year 1991:
(A) New budget authority, $289,600,000,000.
(B) Outlays, $286,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $289,500,000,000.
(B) Outlays, $286,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1993:
(A) New budget authority, $289,500,000,000.
(B) Outlays, $285,300,000,000.,
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(2) International Affairs (150):
Fiscal year 1991:
(A) New budget authority, $19,300,000,000.
(B) Outlays, $17,400,000,000.
(C) New direct loan obligations, $2,000,000,000.
(D) New primary loan guarantee commitments, $7,200,000,000.
(E) New secondary loan guarantee commitments, $400,000,000.
Fiscal year 1992:
Fiscal year 1993:
(A) New budget authority, $20,100,000,000.
(B) Outlays, $18,300,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $7,200,000,000.
(E) New secondary loan guarantee commitments, $400,000,000.
Fiscal year 1993:
(A) New budget authority, $20,900,000,000.
(B) Outlays, $18,700,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $7,500,000,000.
(E) New secondary loan guarantee commitments, $400,000,000.
(3) General Science, Space, and Technology (250):
Fiscal year 1991:
(A) New budget authority, $14,600,000,000.
(B) Outlays, $14,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $15,300,000,000.
(B) Outlays, $15,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1993:
(A) New budget authority, $15,900,000,000.
(B) Outlays, $15,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1991:
(A) New budget authority, $6,100,000,000.
(B) Outlays, $4,300,000,000.
(C) New direct loan obligations, $1,900,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $5,400,000,000.
(B) Outlays, $4,200,000,000.
(C) New direct loan obligations, $1,600,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1993:
(A) New budget authority, $6,200,000,000.
(B) Outlays, $4,800,000,000.
(C) New direct loan obligations, $1,900,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1991:
(A) New budget authority, $18,000,000,000.
(B) Outlays, $18,500,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $19,200,000,000.
(B) Outlays, $19,100,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1993:
(A) New budget authority, $19,900,000,000.
(B) Outlays, $19,600,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1991:
(A) New budget authority, $20,100,000,000.
(B) Outlays, $16,300,000,000.
(C) New direct loan obligations, $9,100,000,000.
(D) New primary loan guarantee commitments, $7,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $22,900,000,000.
(B) Outlays, $17,500,000,000.
(C) New direct loan obligations, $8,900,000,000.

(D) New primary loan guarantee commitments, $7,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1993:
(A) New budget authority, $20,500,000,000.
(B) Outlays, $16,200,000,000.
(C) New direct loan obligations, $8,700,000,000.
(D) New primary loan guarantee commitments, $6,700,000,000.
(E) New secondary loan guarantee commitments, $0.
(7) Commerce and Housing Credit (370):
Fiscal year 1991:
(A) New budget authority, $44,700,000,000.
(B) Outlays, $45,400,000,000.
(C) New direct loan obligations, $6,200,000,000.
(D) New primary loan guarantee commitments, $63,300,000,000.
(E) New secondary loan guarantee commitments, $85,300,000,000.
Fiscal year 1992:
(A) New budget authority, $14,700,000,000.
(B) Outlays, $4,800,000,000.
(C) New direct loan obligations, $3,500,000,000.
(D) New primary loan guarantee commitments, $65,500,000,000.
(E) New secondary loan guarantee commitments, $85,000,000,000.
Fiscal year 1993:
(A) New budget authority, $26,800,000,000.
(B) Outlays, $15,000,000,000.
(C) New direct loan obligations, $3,600,000,000.
(D) New primary loan guarantee commitments, $67,800,000,000.
(E) New secondary loan guarantee commitments, $88,200,000,000.
(8) Transportation (400):
Fiscal year 1991:
(A) New budget authority, $31,700,000,000.
(B) Outlays, $30,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $33,000,000,000.
(B) Outlays, $31,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1993:
(A) New budget authority, $34,300,000,000.
(B) Outlays, $32,100,000,000.
(C) New Direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1991:
(A) New budget authority, $7,700,000,000.
(B) Outlays, $7,900,000,000.
(C) New direct loan obligations, $1,100,000,000.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $7,400,000,000.
(B) Outlays, $7,500,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1993:
(A) New budget authority, $7,500,000,000.
(B) Outlays, $7,200,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1991:
(A) New budget authority, $41,900,000,000.
(B) Outlays, $41,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $12,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fisal year 1992:
(A) New budget authority, $42,600,000,000.
(B) Outlays, $42,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $13,500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1993:
(A) New budget authority, $43,400,000,000.
(B) Outlays, $42,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $13,800,000,000.
(E) New secondary loan guarantee commitments, $0.
(11) Health (550):
Fiscal year 1991:
(A) New budget authority, $65,100,000,000.
(B) Outlays, $64,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $72,600,000,000.
(B) Outlays, $72,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1993:
(A) New budget authority, $80,000,000,000.
(B) Outlays, $79,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1991:
(A) New budget authority, $124,700,000,000.
(B) Outlays, $104,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $136,800,000,000.
(B) Outlays, $119,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1993:
(A) New budget authority, $151,000,000,000.
(B) Outlays, $134,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1991:
(A) New budget authority, $198,300,000,000.
(B) Outlays, $156,800,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $205,800,000,000.
(B) Outlays, $164,400,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1993:
(A) New budget authority, $213,200,000,000.
(B) Outlays, $173,300,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1991:
(A) New budget authority, $3,800,000,000.
(B) Outlays, $3,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $4,400,000,000.
(B) Outlays, $4,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1993:
(A) New budget authority, $4,900,000,000.
(B) Outlays, $4,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1991:
(A) New budget authority, $31,100,000,000.
(B) Outlays, $30,900,000,000.
(C) New direct loan obligations, $600,000,000.
(D) New primary loan guarantee commitments, $15,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $32,400,000,000.
(B) Outlays, $31,900,000,000.
(C) New direct loan obligations, $500,000,000.
(D) New primary loan guarantee commitments, $15,900,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1993:
(A) New budget authority, $33,400,000,000.
(B) Outlays, $33,100,000,000.

(C) New direct loan obligations, $500,000,000.
(D) New primary loan guarantee commitments, $16,200,000,000.
(E) New secondary loan guarantee commitments, $0.
(16) Administration of Justice (750):
Fiscal year 1991:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $12,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $13,800,000,000.
(B) Outlays, $13,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1993:
(A) New budget authority, $14,400,000,000.
(B) Outlays, $14,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1991:
(A) New budget authority, $10,600,000,000.
(B) Outlays, $10,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $11,200,000,000.
(B) Outlays, $11,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1993:
(A) New budget authority, $11,600,000,000.
(B) Outlays, $11,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(18) Net Interest (900):
Fiscal year 1991:
(A) New budget authority, $204,100,000,000.
(B) Outlays, $204,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $212,700,000,000.
(B) Outlays, $212,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1993:
(A) New budget authority, $223,800,000,000.
(B) Outlays, $223,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(19) The corresponding levels of gross interest on the public debt are as follows:
Fiscal year 1991: $275,300,000,000.
Fiscal year 1992: $288,300,000,000.
Fiscal year 1993: $300,500,000,000.
(20) Allowances (920):
Fiscal year 1991:
(A) New budget authority, $0.
(B) Outlays, $0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $0.
(B) Outlays, $0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1993:
(A) New budget authority, $0.
(B) Outlays, $0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(21) Undistributed Offsetting Receipts (950):
Fiscal year 1991:
(A) New budget authority, −$23,100,000,000.
(B) Outlays, −$104,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, −$24,400,000,000.
(B) Outlays, −$89,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1993:
(A) New budget authority, −$25,200,000,000.
(B) Outlays, −$109,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

SALE OF GOVERNMENT ASSETS

SEC. 7. (a) It is the sense of the Congress that—
(1) from time to time the United States Government should sell assets to nongovernment buyers; and
(2) the amounts realized from such asset sales will not recur on an annual basis and do not reduce the demand for credit.
(b) For purposes of allocations and points of order under section 302 of the Congressional Budget and Impoundment Control Act of 1974, the amounts realized from asset sales or prepayments of loans shall not be allocated to a committee and shall not be scored with respect to the level of budget authority or outlays under a committee's allocation under section 302 of that Act.
(c) For purposes of reconciliation under section 310 of the Congressional Budget and Impoundment Control Act of 1974, the amounts realized from asset sales or prepayments of loans shall not be scored with respect to the level of budget authority, outlays, contributions, or revenues reconciled under a concurrent resolution on the budget.
(d) For purposes of this section—
(1) the terms "asset sale" and "prepayment of a loan" shall have the same meaning as under section 257(12) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987); and
(2) the terms "asset sale" and "prepayment of a loan" do not include asset sales mandated by law before September 18, 1987, and routine, ongoing asset sales and loan prepayments at levels consistent with agency operations in fiscal year 1986.

BIPARTISAN BUDGET AGREEMENT

SEC. 8. It is the sense of the Congress that—
(1) the President and bipartisan congressional leadership should agree on a substantial, multi-year deficit reduction package;
(2) the Congress should revise this resolution to carry out that agreement;
(3) in the Senate, upon conclusion of the bipartisan budget agreement, the Majority Leader shall move to proceed to a concurrent resolution on the budget on the calendar (either S. Con. Res. 110, Calendar Order 499; S. Con. Res. 119, Calendar Order 505; or S. Cons. Res. 129, Calendar Order 540), and the leadership shall then offer an amendment to that resolution to carry out the bipartisan budget agreement.

NOTICES OF HEARINGS

SUBCOMMITTEE ON WATER AND POWER

Mr. BRADLEY. Mr. President, I would like to announce for the public that the hearing scheduled for June 19, 1990, at 9:30 a.m. in room SD-366, to receive testimony on S. 1765, the Mid-Dakota Rural Water System Act of 1989, and S. 2710, a bill to authorize the Secretary of the Interior to construct the Lake Andes-Wagner and Marty II Units in South Dakota, has been rescheduled to begin at 10 a.m.

For further information, please contact Tom Jensen, counsel for the subcommittee at (202) 224-2366.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources.

The hearing will take place on June 26, 1990, beginning at 2 p.m., in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on the following measures pending in the subcommittee. The measures are:

S. 2464, a bill to establish the Red Rock Canyon National Conservation Area;

S. 2475, a bill to provide for the acquisition of the William Johnston House and its addition to the Natchez National Historical Park, and for other purposes;

S. 2555, a bill to amend the Wild and Scenic Rivers Act by designating a segment of the Lower Merced River in California as a component of the National Wild and Scenic Rivers System;

S. 2612, a bill to establish a commission to determine the feasibility of designating the Mississippi River as a national heritage corridor; and

S. 2669, a bill to provide for increases in appropriation ceilings for land acquisition and development in certain units of the National Park System, and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit written testimony to be included in the hearing record is welcome to do so. Those wishing to submit written testimony should send two copies to the Subcommittee on Public Lands, National Parks and Forests, SD-364, Washington, DC, 20510.

For further information regarding the hearing, please contact David Brooks of the subcommittee staff at (202) 224-9863.

Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources.

The hearing will take place on June 28, 1990, beginning at 2 p.m., in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on S. 2273, a bill entitled the Greens Creek Exchange Act.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit written testimony to be included in the hearing record is welcome to do so. Those wishing to submit written testimony should send two copies to the Subcommittee on Public Lands, National Parks and Forests, SD-364, Washington, DC 20510.

For further information regarding the hearing, please contact Beth Norcross of the subcommittee staff at (202) 224-7933.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. KERREY. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, June 14, at 2 p.m. to hold a hearing on six pending tax treaties.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC FORCES AND NUCLEAR DETERRANCE

Mr. KERREY. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Forces and Nuclear Deterrence of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, June 14, 1990 at 2 p.m. to receive testimony on the interim report by the independent review group on the B-2 bomber.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. KERREY. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate on Thursday, June 14, 1990, at 10 a.m. to conduct an oversight hearing on the competitive position of American industry in the world economy and ways to improve it.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. KERREY. Mr. President, I ask unanimous consent that Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on June 14, 1990, at 1 p.m. on seeking an international consensus on global climate change.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERREY. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on June 14, 1990, at 2 p.m. on the nomination of Ms. Ming Hsu to the Federal Maritime Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERREY. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation and the national ocean policy study, be authorized to meet during the session of the Senate on June 14, 1990, at 9:30 a.m. on the National Oceanic and Atmospheric Administration's ocean and coastal programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERAN'S AFFAIRS

Mr. KERREY. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a hearing on physician pay and other health issues—including title II and section 402 of S. 2100; S. 2701, the proposed "VA Physicians' and Dentists' Compensation Act of 1990"; S. 1860; a bill to be introduced by Senator CRANSTON to provide for expanded uses of VA facilities; S. 2455; S. 2456; S. 2532; S. 2542; and S. 2557—on Thursday, June 14, 1990, at 8:30 a.m. in SR-418.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. KERREY. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet on June 14, 1990, beginning at 2 p.m., in 485 Russell Senate Office Building, for an oversight hearing on Indian Health Service Nurse Shortage.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. KERREY. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, June 14, 1990 at 9:30 a.m. to consider the nominations of Adm. Frank B. Kelso II, USN, to be Chief of Naval Operations and Gen. Michael J. Dugan, USAF, to be Chief of Staff of the U.S. Air Force.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERREY. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, June 14, 1990 at 9 a.m. to consider the nomination of Adm. Frank B. Kelso II, USN, to be Chief of Naval Operations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. KERREY. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Thursday, June 14, 1990 at 9:30 a.m. for a hearing on the legislation: S. 1951, Interagency Council on Science and Math Education.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. KERREY. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on June 14, 1990 at 9:30 a.m. to hold a business meeting on the 1990 farm bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

DR. FREDRICK CHIEN

● Mr. LUGAR. Mr. President, I rise to note with satisfaction that Fredrick Chien has recently been named Minister of Foreign Affairs of the Republic of China on Taiwan. I had the privilege to work with Fred Chien during his tenure as head of the Coordination Council for North American Affairs from 1983 to 1988. Fred brought to that position great understanding, great flexibility, and above all, a deep desire to maintain the friendship between the Chinese and the American people.

Dr. Chien has been a longstanding friend of the United States. He received his Ph.D. from Yale University in 1962. He served in the North American Affairs Department in the Ministry of Foreign Affairs, becoming deputy director in 1967, and director in 1969. Between 1969 and 1983 Dr. Chien traveled frequently to the United States. He was always welcomed as a thoughtful and eloquent spokesman not only for Taiwan, but for his observations about world events generally.

Mr. President, the past decade has seen substantial economic progress on Taiwan. As Taiwan's importance as a trading nation has grown, so also has its political and diplomatic importance. Recently a 28th nation established diplomatic relations with Taiwan.

Despite these developments, Taiwan will face a complex set of challenges in the coming decade. Recent development on the mainland, the future of Hong Kong, and internal democratic developments within Taiwan will all be part of these challenges. It is for this reason that I think Taiwan will be well served by the appointment of Fred Chien as Minister of Foreign Affairs. I know that many of my colleagues from the Foreign Relations Committee, as well as from the entire Senate, would join me in wishing Fred Chien well as he tackles his new assignment.●

ROCKY MOUNTAIN ACADEMY

● Mr. SYMMS. Mr. President, the Rocky Mountain Academy, founded in 1982 by Mel and Brigette Wasserman, is located in Bonners Ferry, ID. The academy was created especially for adolescents with educational, motivational, and behavioral problems. Many of the students who attend the Rocky Mountain Academy not only need to learn from books in a classroom, but also about a life they could lead and goals they could achieve if they develop to their full potential.

The Rocky Mountain Academy does an excellent job of helping its students achieve their full potential; it is a highly structured school which uses an experiential approach to education. Academic, emotional, social, and physical learning experiences are provided in the daily program at the academy. The objective is to provide a supportive atmosphere that challenges the students' self-imposed limitations as well as their mental and physical abilities.

Presently, the academy enrolls 138 students. There are 30 full-time teachers who lecture to an average of 18 students per class. If a student needs a special class, such as one that a particular college requires, the academy will bring in a tutor to fulfill that student's needs. An average student will remain at the school for 28 months. During this time, their progression parallels the normal developmental stages of early childhood and adolescence. Students experience stages of emotional growth that may have been interrupted by distruptive behaviors or environments. Because 90 to 95 percent of the students may have never exerted themselves in their other classrooms, the feeling of accomplishment when a student completes the academy is a powerful feeling of fulfillment that the students will hold forever.

Essentially, the academy provides the environment for students to achieve a positive self-image so they will be better able to pursue an academic education. After a daily group discussion of the entire student body, the students are divided into three groups. The newest students are responsible for the wood which heats the entire campus. While in the forest, students learn about hard work and the environment in addition to their academic lessons, which are integrated into the outdoor activities. The second group is in charge of the maintenance and landscaping of the school grounds. Their scholastics are also a part of the physical labor. The last group consists of those students who have been at the academy from 6 to 12 months. These individuals are fully responsible for the operation of the school's farm which produces a variety of agricultural products as well as livestock.

The academy also offers a variety of athletics, such as soccer, cross country, and basketball. Clearly, the academy graduates receive a well-rounded education—academically and socially. This year, the academy placed above the national average on both the Scholastic Apititude Test and the American College Testing System. Approximately 85 percent of the graduating students go on to college. The academy is a prime example of a school that takes in a student with educational, motivational, and behavioral problems, and turns out a student who is educated and has a positive self-image.

Mr. President, I would like to congratulate the Wassermans, the faculty, and the students of the Rocky Mountain Academy. I am very proud to have them in Idaho.●

ADDITIONAL COSPONSOR, S. 513

● Mr. BIDEN. Mr. President, today I am joining as a cosponsor of S. 513. Simply put, this bill extends basic retirement benefits to U.S. Customs Service inspectors and canine enforcement officers, Internal Revenue Service officers, and Immigration and Naturlization Service inspectors. These officers put their lives on the line to fight drug trafficking, contraband smuggling and other violations of U.S. law. For example, according to the FBI's 1988 Uniform Crime Report, IRS officers are the victims of five times more assaults than officers Federal law enforcement officers. Clearly, these officers deserve the same retirement benefits as other frontline law enforcement officers.

Existing law provides a package of retirement benefits for Federal law enforcement officers and defines "law enforcement officers" to include Drug Enforcement Administration and FBI agents, employees of the Bureau of Prisons and Federal Prison Industries, and security personnel for Army and Navy disciplinary barracks, among others. However, it fails to include the officers covered under S. 513. I believe that these officers of the Customs Service, the IRS, and the Immigration and Naturalization Service face the same dangers as the law enforcement officers covered under current law.

S. 513 also permits officers to retire once they reach the age of 50, as long as they have had 20 years of service. The Commissioners of the U.S. Customs Service and the IRS both have stated that employment retention is a major problem for their agencies. Extending retirement benefits to the officers covered in S. 513 should improve the ability of these Federal agenices to attract highly skilled personnel to perform these important law enforcement duties. Futhermore, extending these benefits should help the agencies to retain seasoned and experienced officers who may be considering retirement or moving into another line of work.

I would like to commend Senator MIKULSKI for her work on this bill. The officers covered by S. 513 play a crucial role in this Nation's fight against crime and drug trafficking. They deserve the same salaries and compensation as other frontline law enforcement officers. I urge my colleagues to support this legislation.●

BALTIC FREEDOM DAY

● Ms. MIKULSKI. Mr. President, as you know today is Baltic Freedom Day. I rise today to add to the chorus of voices around the world crying out for freedom for the Baltic States of Lithuania, Latvia, and Estonia. It is a chorus of voices so strong and loud, the Soviet Union has been unable to ignore its result.

This desire and sacrifice for freedom is not new to the Baltic republics. Latvia, Estonia, and Lithuania did not enter the Union of Soviet Socialist Republics by their own consent. Rather, following two decades of independence after World War I, a notorious agreement between Hitler and Stalin condemned them to that intolerable status. The 1939 Molotov-Ribbentrop Pact allowed the Soviet Union to unjustly occupy these previously free

states, and Stalin took advantage of the opportunity.

For 40 years the Baltic States have been engaged in a struggle against a systematic denial of the freedom and economic independence they enjoyed after World War I and have relentlessly yearned to enjoy again. The struggle has not been easy, but as recent events have shown, progress is being made. The leaders of the Baltic republics have started negotiations with the Soviet President. President Gorbachev has given up his demand that the republics cancel their declarations of independence in order to begin negotiations on Baltic independence.

On the occasion of 1990 Baltic Freedom Day, we honor the recent triumphs toward democracy and self-determination in the Baltic States, and also remember the tremendous challenges that lie ahead. Since Lithuania established its complete national independence from the Soviet Union, tanks rolled into Vilnius and foreign journalists were expelled. Soviet troops occupied Communist party buildings, violently arrested Lithuanian patriots who deserted the army, and forcibly closed a printing press, beating Lithuanians who resisted. The economic blockade, still in effect, has cut off natural gas and oil supplies, and train and road blockades prevent humanitarian aid from reaching the people of Lithuania. In the face of enormous threats, the people of this Baltic republic have remained true to their vision and commitment to democracy and self-determination.

On this, Baltic Freedom Day, we honor and remember that the struggle of the people of Lithuania, Latvia, and Estonia, is the struggle of all democratic people. It is a struggle that reminds us all of the sacrifices that are freely made for democracy. It is a struggle that represents the highest ideals of this country: Self-determination for free people in a free society. We take this opportunity to rededicate ourselves to the people whose final goal—true Baltic freedom—is still unmet. Mr. President, only when this goal is reached can the chorus of cries for freedom stop and the music of liberty finally begin.●

LEVIN HONORS STUDENTS RESISTING DRUGS

● Mr. LEVIN. Mr. President, I rise today to make special mention of students in Michigan who are learning to resist drug abuse and insist on drug-free schools and communities.

Led by concerned and committed police officers and other adults, the number of young people who have been armed with the facts about drugs is growing every day. As graduates of the Drug Abuse Resistance Education [DARE] and other similar programs, each of these boys and girls moves on with the tools to be the leaders of their schools and examples to the children who look up to them.

Across our State and across the United States, the word is out; drug free is the way to be. Families deserve the lion's share of the credit for the new awareness and the new attitude. There never will be a substitute for the active involvement of the parents. But families have an important ally in these school-based programs.

Mr. President, I would like to note the efforts of local and county police officers, sheriffs, and State troopers in this vital education effort. Their work with students is the front line of the Nation's War on Drugs. Their dedication is building a relationship between police and community that will last a lifetime. I congratulate them, the students and the families who are successfully laying the groundwork that is giving an entire generation the chance for long, productive and drug-free lives.●

BALTIC FREEDOM DAY

● Mr. LAUTENBERG. Mr. President, as a cosponsor of the Senate resolution recognizing today as Baltic Freedom Day, I rise to express my support for the courageous people of Lithuania, Latvia, and Estonia during this difficult period of struggle for their independence.

The year 1990 marks the 50th anniversary of the Soviet occupation of these once independent countries. In 1940, Joseph Stalin's Red army invaded the borders of the three autonomous nations of Lithuania, Latvia, and Estonia. Each one had its own culture, national identity, and traditions. By invading these clearly independent states, the Soviet Union violated the Helsinki Final Act, an agreement it had voluntarily signed.

Throughout the illegal incorporation into the Soviet Union, the people of Lithuania, Latvia, and Estonia have endured great hardship. Over 600,000 Baltic people were deported to gulags in Siberia and elsewhere. The Soviets stripped the Baltic people of a great part of their cultural, religious, and national traditions through their deliberate policy of russification. The Soviet Union attempted to cut over 5 million people off from their cultural heritage.

Yet, despite the terrible trials, the Baltic peoples have triumphed over oppression and resisted depair. They have never lost their vision of themselves as free people who would someday control their own destiny. They have never lost hope. During the long, dark night of Stalinism, they nursed the light of freedom with courage and fortitude. Despite war and oppression, they maintained their languages, religions, and ideals. In the face of the violence done to them, the Baltic people responded with peace. They have earned their freedom. I fervently hope that they will soon enjoy its fruit.

The Lithuanians, Latvians, and Estonians recently have taken bold and courageous steps to reestablish their independence from the Soviet Union. Defying world opinion and admonitions to put their dreams aside for a better time, they seized the opportunity to press forward toward the realization of their dream of independence. At this critical moment in their 50-year-old struggle for freedom, the United States must support their aspirations. Now more than ever, it is important to recognize and reaffirm the dream of Baltic freedom. Now, more than ever, we must support the goal of self-determination and independence, a goal which finally appears to be within reach.

We must also do all we can to prevent the use of military force and economic coercion against these brave people, and to encourage a peaceful, negotiated solution to the conflict. President Gorbachev's recent meeting with Baltic leaders, and his decision to give up his longstanding demand that the republics cancel their declarations of independence in order to begin negotiations on Baltic independence, are promising signs that a settlement may be near.

The United States is known the world over as a protector of liberty. We cherish the right of every person to participate in the activities and traditions of his or her own culture and religion. For this reason, we must show our continued support for those brave individuals who, despite their oppression, still dare to long for freedom.

Mr. President, I urge my colleagues to proclaim June 14, 1990, and every June 14 that follows as Baltic Freedom Day so long as Lithuania, Latvia, and Estonia are not free. We must do so to clearly express our vehement opposition to the capture and occupation of these countries. And, as representatives of a nation that believes in the right of all people to be free, we must communicate our continued recognition of their oppression, and our continued solidarity with their cause.●

THE AEROSPACE CORP. OBSERVES 30TH ANNIVERSARY

● Mr. WILSON. Mr. President, I would like to take this opportunity to commend the Aerospace Corp. for 30 years of dedicated service to this country, and more specifically, the U.S. Air Force. Aerospace has participated in the development and deployment of nearly every military satellite and launch vehicle system developed by the Air Force. In recent years, Aerospace was a principal player in the recovery programs for the space shuttle

and the Titan following the launch disasters which left the U.S. space program crippled. Today, it supports not only the space launch vehicle programs, but communications, navigation and weather satellite programs, network control systems, defense surveillance programs, architectural planning and technology development, and general engineering support for Air Force space systems.

In the late 1950's, Congress concluded that it was improper for a profit-oriented company to fulfill a ballistic missile system engineering advisory role and suggested the formation of a new nonprofit corporation. In June 1960, the Aerospace Corp. was born and 3 years later it was designated a Federal contract research center by the Department of Defense. Today, its 4,300 employees provide virtually all of its technical expertise under a contract to the Space Systems Division of the Air Force Systems Command.

The Aerospace Corp. functions similar to an architect-engineer. Like the architect who analyzes the designs but does not build the house, Aerospace assists Systems Command in creating the space systems components of our national defense. Aerospace studies the requirements of a proposed new space system, such as a communications satellite, and suggests options to the Air Force. Schedules and standards are prepared, and specifications and work statements are defined. The company also monitors contractor performance and helps both the Air Force and the contractor resolve technical problems. It continues to assist during final testing and actual operation of the space system. Aerospace does not manufacture a product, contract for systems, subsystems, or hardware, participate in the Government's selection of contractors, nor direct any other contractor. It therefore has only an objective viewpoint to defend when providing its analyses and serves as a rudder of stability and impartiality in the resolution of subsystem imbalances.

Its 4,300 employees are the key to 30 years of success at Aerospace. They are highly qualified, enterprising, dedicated people always working for an improved return on the American people's research and development tax dollars. Some 2,600 are members of the technical staff, principally engineers and scientists, who average 21 years of technical experience. Most of them hold advanced degrees or a doctorate. The technical professionals are assisted by skilled support personnel providing administrative, secretarial, and maintenance services. The most telling fact regarding the Aerospace staff, however, is that in the coming weeks, nearly 100 Aerospace employees will be recognized for 30 years of dedication to the company. Nearly one in four of the employees have been with the company for 20 or more years. Total quality management [TQM] is in many organizations a mere catch phrase without definition, but not at Aerospace. Corporate management has participated in training sessions educating the staff on the principles of TQM, but it doesn't stop with learning about TQM. Managers are taught to apply it and to teach it to those working for them. From the President to all organizational levels this is a company committed to quality, and with good reason. One small mistake in verifying the readiness for launch, and a billion dollars or more could literally go up in smoke.

Verifying readiness for launch is the single greatest responsibility of the company. Though space flight can never be risk free, Aerospace endeavors to provide the highest possible level of knowledge, judgment, objectivity, and attention to critical detail in every step of the process from program initiation through termination of space operations. The success list is long:

Defense Satellite Communications Systems II and III;

Fleet Satellite Communications System;

NATO III;

Defense Meteorological Satellite Program;

NAVSTAR Global Positioning System;

Air Force Satellite Control Network;

Consolidated Space Test Center;

Consolidated Space Operations Center;

Automated Remote Tracking Stations;

Space Based Wide Area Surveillance System;

Boost Surveillance and Tracking System;

Space Surveillance and Tracking System;

Space Based Interceptor;

Strategic Defense Initiative;

Titan 34D and Titan IV; and

Space Shuttle.

I know the company is pleased with its success of the global positioning system satellites which are currently being put into orbit. These NAVSTAR satellites will, when all are in orbit in 1992, enable a commander to pinpoint his location to within 25 meters.

The Aerospace record of 30 years of achievement is one of which we can all be duly proud. As the defense budget enters an age of steep decline, it will be teams such as the Aerospace Corp. that will provide the direction necessary to maintain America's national security and leadership in the space industry.

I, therefore, congratulate the Aerospace Corp. with enthusiasm for its 30 years of technical accomplishment. I am honored to have the privilege of representing so fine an organization, and I look forward to another 30 years of excellence from this vital national resource.●

IN NIGERIA, VOICELESS VICTIMS OF DEBT

● Mr. SIMON. Mr. President, recently, the New York Times carried an oped piece by Ebere Onwudiwe, associate professor of political science at Central State University of Ohio.

What he has to say about the debt situation is a very human, individual perspective, but it should be listened to.

We have to work out a better answer than we now have. We cannot say to nations, you can ignore your debt, without saying that you would not be impoverished but for the imprudence of earlier leaders.

On top of that, our high interest rates caused by our fiscal imprudence have added to the problems of the indebted nations. To get interest lowered for Nigeria, as well as other debtor nations, would ease their burden appreciably.

I ask to insert the article written by Professor Onwudiwe into the RECORD at this point.

The article follows:

IN NIGERIA, VOICELESS VICTIMS OF DEBT

(By Ebere Onwudiwe)

XENIA, OH.—Four old people have died since June of last year in the Nigerian village where I was born. Not many people in my village lingered in grief, for these elders had reached the average ripe age of 48.

I was unable to attend the burial ceremonies. They understood at home. I live too far away, although that is usually no excuse.

The truth is that my family and I have become very pragmatic. Why should I spend close to $2,000 to come home each time an old man dies when that same amount can insure the survival of the village young for many, many years?

When I was in high school, Jude and Amajouyi—two of the dead four—were traders in Aba, the commercial city in eastern Nigeria where I attended boarding school. They were so proud of my education. I was from their village, their home boy.

Each Sunday they managed to find a few naira to spend and bought ovaltine, sugar, milk and biscuits. Then I would get a call from the school prefect to come meet my visitors. They made me proud and happy. They invested in me. I was their hope.

Today, I teach political science at a small university in Ohio. I had always planned that one day I would repay their investment in me by doing something directly for them.

Then Jude got a cut in his foot, and died of tetanus. He had a home doctor, I was told. He could not afford a hospital. Amajouyi just got sick and died. He had no medical attention either. It was too expensive.

To appease a faraway institution called the International Monetary Fund, Nigeria has slashed public spending for health. The I.M.F. is there at the insistance of foreign banks who lent billions of dollars to my country in the 1970's. The Nigerian Government spent all of the money, some of it unwisely, and now the foreign banks want to be repaid.

Banks have conditioned future lending on Nigeria accepting an I.M.F. austerity plan that cuts Government spending to save money to repay the banks. This plan has not been kind to the voiceless poor in villages like mine.

But that's not the source of my anger. None of these men would have died if I had sent them 800 naira to pay for the hospital. That's $80, less than my average monthly phone bill.

Each month I send home about half of my salary, earmarked for what I thought was a more pressing need. Many young relatives are in school and they must continue.

Only the children of the rich can afford education today. To appease the I.M.F., the Nigerian Government has also slashed subsidies for education. I cannot let bright children of my relatives rot away in my village.

I assumed that people like Jude and Amajouyi could wait, that they would grow old before they died. They were low in priority because I thought there was time. Soon I would be back home for good, and do for them whatever they desired.

That's how Americanized I had become. I took it as given that most people live to be more than 50, and that tetanus shots are affordable. I had lost touch with the realities of my village.

Should I get angry and resign my job? Pack my bags and go home? Perhaps the answer is yes. Am I going to do it? The answer is no.

The frustration is that many skilled Africans must leave home for their extended families to live, even though they should stay home for their countries to move forward. In most cases, they are the only social security, unemployment benefits, college financial aid and medical insurance their relatives have. So who comes first: your family or your country?

In 1990, about $3 billion will leave Nigeria to service our country's debt. This is $3 billion that will not build schools or hospitals or create job opportunities. Skilled Africans will be "coming to America."

Surely there is a better way.●

BALTIC FREEDOM DAY

● Mr. RIEGLE. Mr. President, I rise to honor the memory of tens of thousands of innocent Baltic men, women, and children who fell victim to a mass deportation at the hands of their Soviet occupiers on the night of June 14, 1941—and to pledge ourselves never to rest until we put a stop to the continuation of the monstrous crime of Soviet occupation of the Baltic States.

During the first half of 1990, the world has witnessed historic change in the Baltic Republics of Lithuania, Latvia, and Estonia. The Government of each Republic, democractically elected in free and fair elections, has issued declarations restoring their nations' independence. In Lithuania, where the transition to independence has progressed the furthest, the Soviets have cracked down with the most force, imposing a crushing economic blockage and using tactics of military intimidation.

The outrage of the half-century of Soviet occupation in Lithuania, Latvia, and Estonia must finally be brought to an end. The Soviets must be made to understand that they have stolen 50 years from the Baltic States—and they have no right to stay even another day.

Over the past few months, while the Soviets tightened their coercive grip on Lithuania, I and my colleagues have repeatedly urged the administration to take a more active role in encouraging the Soviet Union to begin negotiations with the Baltic Republics. I have no doubt about the strength of the Lithuanians in standing up to the Soviets. At this critical time, our Government must stand fast with the Baltic people, supporting their quest for independence.

And here, our Congress has had a role to play. The U.S. Congress has overwhelmingly adopted resolutions declaring June 14 as "Baltic Freedom Day" for the past 9 years. Two days ago, this resolution once again passed the House and now awaits the President's signature. Passage of this year's resolution, which I introduced with the cosponsorship of 60 Senators and which was cosponsored by 223 Members of the House, is particularly important as an expression of the Congress' believe in the right of the Baltic people to be free, and as a reaffirmation of our commitment to the nonrecognition policy at this critically important time.

Since their March 11 independence declaration, Lithuania's leaders have moved toward their goal in a constructive and peaceful manner. The Latvian and Estonian Parliaments, responding to our own Government's call for mutual restraint and a negotiated settlement, have specifically drafted their declarations to facilitate a gradual, negotiated transfer of power from Moscow to the Republics.

For many months, however, Gorbachev remained intransigent, and conciliatory Baltic gestures were met with escalating aggression from Moscow. In the last 2 days, however, it seems that a serious dialogue may—at long last—have begun between Moscow and the Baltic Republics. On Tuesday, the Soviet President met with the leaders of Lithuania, Latvia, and Estonia. And only yesterday, Soviet Prime Minister Nikolia Ryzhkov met with Lithuanian Prime Minister Kazimiera Prunshkiene in what Ryzhkow described as "the beginning of concrete dialog * * *." Prunskiene also spoke optimistically of the meeting stating, "We now have the chance to act and open contacts with the Soviet Government." Moreover, at this meeting, Moscow offered to begin lifting the economic blockage by increasing supplies of fuel. This is a hopeful sign.

At the recent Washington summit, the administration may have finally increased its pressure on the Soviets regarding Soviet policy toward the Baltics. While President Bush signed an agreement on affording the Soviet Union most favored nation trading status, he also informed the Soviet President that he would not submit that agreement to the Senate until the economic coercion in Lithuania is brought to a halt. President Bush also reiterated his commitment to the policy of not recognizing Soviet sovereignty over the Baltic Republics. These actions may have helped encourage the Soviets to move toward dialog.

Mr. President, I commend President Bush on facilitating the talks between the Baltic States and the Soviet Union. But our efforts must not end there. I urge the administration to press hard to convince the Soviet Government to expand the recent good-faith talks into full, bilateral negotiations between each Baltic Republic and Moscow. Furthermore, I would urge the administration not to submit the recently signed MFN agreement while the blockade against Lithuania remains. Rather than quietly allowing our nonrecognition principle to be undermined—and perhaps cause Moscow to miscalculate and believe it could use force against so-called ethnic unrest—we must let the Soviets know that there is a clear limit to America's patience and goodwill on this matter.

In order to send such a signal, I introduced a resolution (S. Res. 276) on April 26, stating that until the Soviet Government replaces its coercive policies against Lithuania with one of good-faith negotiations, the U.S. Government should not proceed with the granting of MFN trading advantages and GATT observer status to the Soviet Union.

Let us work to ensure that this is the last year that the people of Latvia, Lithuania, and Estonia mark Baltic freedom day under Soviet control. And may the real freedom, which is their birthright, finally be restored.●

TRIBUTE TO DR. STEVEN MULLER

● Mr. SARBANES. Mr. President, this month will mark the end of an era at the Johns Hopkins University in Baltimore. President Steven Muller will end his 18-year service in that position, leaving behind a university transformed by his broad vision and energetic spirit. He leaves his successor with great opportunities to explore and large shoes to fill. I join with the students, faculty, alumni, and administration of Johns Hopkins, as well as the Baltimore community and the people of Maryland, in expressing our gratitude for his energy and devotion, and in wishing him equal success in his future endeavors.

Born in Germany, Dr. Muller came to the United States after his family was forced to flee from Nazi persecu-

tion. He adapted quickly to his new environment, however, becoming a Hollywood actor while still a teenager before moving on to higher education. After graduating from UCLA, he studied at Oxford as a Rhodes scholar and then received his Ph.D. from Cornell. He served as director of Cornell's Center for International Studies and was vice president of Public Affairs before coming to Hopkins. There he served as provost for a year, becoming president in 1972.

At that time, Hopkins faced an uncertain financial future. After 4 years on the job, Dr. Muller had raised $100 million for the school, and his most recent fundraising campaign raised $644 million. Throughout his presidency he has pursued an unprecedented program of expansion for the university. Locally, Hopkins has created a school of continuing studies with sites in Baltimore and Columbia, giving adults of all ages the opportunity to further their educations. Also, the fiscally ailing Peabody Conservatory came under Hopkins' wing in 1977; 10 years later, the Peabody Symphony orchestra became the first U.S. student ensemble to perform in the U.S.S.R. in more than 20 years. Dr. Muller also served as president of the Johns Hopkins Hospital for 10 years, one of only two university presidents to do so. The Hopkins Hospital has always played a vital role in providing medical services to Baltimore residents and patients from throughout this country and the world. Dr. Muller expanded and strengthened this essential part of our community.

On the national level, Dr. Muller brought Johns Hopkins to the forefront in the fields of technology and medicine. In 1981, Hopkins' Homewood campus was chosen as the site for NASA's Space Telescope Science Institute, the Earth station for the Hubble space telescope. To complement this revolutionary program, Hopkins then created its own Center for Astrophysical Sciences. Hopkins' latest project in the sciences is the Mind-Brain Institute. In the realm of medicine, Hopkins Hospital leads the Nation through its AIDS research institute, started in 1987, and its new Asthma and Allergy Center, which opened in 1989.

Thanks to Dr. Muller, Hopkins is also at work on the international level. The Hopkins-Nanjing Center for Chinese and American Studies, which opened in Nanjing, China, in 1986, bridged the divide between the students from these two countries. Additionally, Hopkins established the American Institute for Contemporary German Studies in Washington and continues its mission in Italy at the Singleton Center for Italian Studies. Dr. Muller leaves a worldwide legacy for faculty and students to enjoy long after he has departed.

This incomplete listing of Dr. Muller's accomplishments does not do justice to his service as president. It may provide some insight, however, as to why this man will be long remembered by all who were touched by him. Chosen as "Marylander of the Year" by the Baltimore Sun in 1987, Dr. Muller is one Marylander who has helped not only his local community but the world as well. I wish the best to Dr. William Richardson who succeeds Dr. Muller as president, and I extend my best wishes to Steve Muller and his wife, Margie, for the future. In closing, I wish to thank Dr. Muller as a fellow citizen, as a coworker in many common causes, and above all as a friend.

Mr. President, I also ask that the following article by former chairman of the university board of trustees, Robert Harvey, be printed in the RECORD:

The article follows:

ROBERT HARVEY SUMS UP THE MULLER YEARS

In February 1972, when Steven Muller was inaugurated as the 10th president of the university, it was clear that Johns Hopkins University had come to a turning point. The academic and the fiscal years 1970 to 1971 were very difficult, and though the winter of 1971 was one of hope, it was hope burdened with doubt and uncertainty. In March 1971 Lincoln Gordon resigned as president after three and a half years of office, a resignation due in part to the enormous stresses that developed during the 1960s throughout higher education. Dr. Milton Eisenhower returned as president, with the understanding that his tenure would last only for the time it took to search for a new president.

The knotty problem facing the trustees who sought a new president included, then, not only a serious fiscal deficit, but also the refinancing and remotivation of the university's entire community—students, faculty, staff, alumni, and those thousands of people whom we call friends. Like other institutions of higher education. Johns Hopkins had lost many "friends" in the preceding tumultuous years. So the agenda that lay before newly-elected president Steven Muller in 1972 included, in my judgment, four important needs.

First, we had acute need for government support, which had been sharply curtailed. Second was the rebuilding of university esteem. Third was the evolution of equal opportunity throughout Hopkins for minority students and women: this process had been started but needed to be accelerated. Fourth was establishing priorities for various aspects of intellectual endeavor within the university.

If that was the mandate, what in retrospect have been some of the contributions and highlights of Steven Muller's tenure in office?

Foremost, and about this there can be no question, was the development and institutionalization of an effective and highly successful fund-raising organization, serving Johns Hopkins now and for the future. For example, Milton Eisenhower when he came back raised $2 million in 1971. Steve Muller expanded this success to $100 million in 1976, and to $644 million in the campaign that ended on February 22, 1990. This money is vital to Hopkins, and Steve Muller did this job.

Second, I don't think most people remember that he was president of both the hospital and the university during ten important years, when the hospital was going through a period of significant rebuilding. By 1984, every patient in the hospital could have a room that was either built or refurbished within the previous 20 years; that was vital, because some of those buildings are nearly a hundred years old. At the same time, he also brought to Johns Hopkins Hospital a period of institutional cooperation with the university, which gave us strength in fields like biomedical engineering. This happened when Steve was joint president. He is only the second person in Hopkins history to have had this joint presidency, and the other was Daniel Coit Gilman.

The third thing Steve Muller did was to alter and to administer effectively a network of complex and—the key point is this—changing Johns Hopkins institutions. In these 18 years, we have added a new School of Engineering, and a new School of Nursing, and the Peabody. SAIS has grown in Washington. We have a center in Bologna, Italy, and to that we added one in China and one in Florence. And now we have the new Space Telescope Science Institute, and the many interdisciplinary centers, and we do more federal research than any other university in the country. Between 1972 and 1990 the budget for the academic institutions increased from $89 million to $652 million. Naturally, the administration had to change. You don't administer a $96 million institution in the same way you administer the complex that we have now. I remember Milton Eisenhower's time very well, and I can tell you that although the force of personality and centralized reporting may have been all that was needed from a president in 1972, this was and is not so in the 1980s. New concepts of management had to be introduced, and Steve understood this at the outset.

Fourth, it seems to me that Steve anticipated a critical educational need of the nation in recommending to the board the re-establishment of engineering as a separate academic division. Today, scientists and engineers are called a key to the U.S.A.'s success in the 21st century, but the supply is short. In 1977 Steve Muller not only urged, but organized and prepared for a separate school, and now its faculty is 92 and the G.W.C. Whiting School is well embarked on high quality programs in major engineering disciplines.

Fifth: One of the most exciting pieces of news in this decade, for me, came on January 16, 1981, when it was announced that Homewood had been selected as the site for the Space Telescope Science Institute, with the result that Hopkins and Baltimore have become the world's capital for astronomy. We now have new facilities, and we have a world-class department in astrophysical science. In the future, astronomers are going to come to Hopkins from Moscow, from Rome, from Paris—from everywhere in the world.

Number six: Without doubt, the men and the women who are the essence of JHU are the members of its faculty. Certainly to the extent that the faculty is competent, to that same extent the university is successful. To me there is no question but that starting with Dr. Milton Eisenhower and continuing with one Steven Muller, members of the Hopkins faculty have increasingly come to form one of the great centers of intellectual

activity anywhere in the world. That's a tough thing to prove, but that is my visceral judgment.

Seven: Very early in his administration, Steven Muller recognized that a growing fraction of the adult population of our country would want to become students in the future, and that this trend had already begun. Steve didn't just understand that, or just write about it or talk about it—he acted on it. The School of Continuing Education is now one of the bright points in the university's academic outreach. It has a new name and structure. It has a competent and improving faculty. It has a new campus in downtown Baltimore, it reaches into the counties, and in response to growing demand it will certainly expand even more in the future.

My eighth and last point goes back to Steve's origins. Coming out of Germany, coming from outside the U.S. as he did, I believe Steve Muller saw more quickly than others that the advancement of knowledge has become an enterprise that transcends national frontiers and any constraint that foreign tongues may bring. The recent developments in Eastern Europe have made this more clear than ever before. But again, Steve Muller did not sit—he acted. The Singleton Center for Italian Studies, the American Institute for Contemporary German Studies, our new research center for improved ways to reach foreign languages, and above all the opening of a center for Chinese and American students in Nanjing—these are all new fronts of educational opportunity for Hopkins. Their growth came from Steve's recognition, early on, that knowledge transcends national frontiers.

Over its 114 years, under the leadership of ten different presidents, the Johns Hopkins University has evolved into a very special community. I have no doubt that each of those presidents, if later given the opportunity, would resteer parts of the course he originally charted. But each president in his time has also contributed.

Charles Darwin once said. "The mere lapse of time by itself does nothing. Lapse of time is only so far important that it gives a better chance of beneficial variations arising out of their being selected, accumulated, and fixed."

As Hopkins has come down to us, adapting to changing conditions. It has developed "beneficial variations"' which have improved its ability to serve a challenging world. Steven Muller will be seen to have contributed more than his own fair share. But, as Darwin noted, the evolutionary process is "never finished, never absolutely perfect."●

NATIONAL PASTORAL CARE WEEK

● Mr. SIMON. Mr. President, countless members of the clergy and lay people across the country give unselfishly of their time providing spiritual counseling and healing to millions of Americans. These people deserve much more thanks and recognition than they receive. That is the goal of National Pastoral Care Week. The week-long celebration started in 1984 and will be held this year during the week of October 22-28. The theme, "Pastoral Care: Partners in Healing," salutes anyone who holds the hand of those suffering in our hospitals, nursing homes, prisons, and congregations and emphasizes the partnership between the clergy and the laity. I want to take this opportunity to offer my personal thanks to these marvelous people and ask that a statement by the College of Chaplains in Schaumburg, IL, on National Pastoral Care Week be printed in the RECORD.

The statement follows:

NATIONAL PASTORAL CARE WEEK, OCTOBER 22-28, 1990, "PASTORAL CARE: PARTNERS IN HEALING"

Across our great nation thousands of dedicated, gifted, well-trained pastoral givers of all faiths labor around the clock in congregations and highly specialized settings such as hospitals, correctional facilities, mental health system, the military and counseling centers, they bring spiritual healing resources to bear in the care millions of Americans.

These competent and unheralded clergy and lay-persons will be honored in the celebration of Pastoral Care Week, October 22-28, 1990. The theme, "Pastoral Care: Partners in Healing," lifts up the aspects of healing within every faith tradition for which all persons hunger: the discovery of deeper meaning in the face of finitude; reconciliation with bodily limitations; and, on occasion, full and scientifically unexplainable cure!

The Congress on Ministry in Specialized Settings (COMISS), a national organization comprised of pastoral care providers, pastoral care professionals and faith group endorsers, has brought its full support to the National Pastoral Care Week idea begun in 1984 by one of its members, the National Association of Catholic Chaplains (NACC), and its established the following objectives for the observance.

(1) To celebrate the growing professional development of pastoral care and to affirm its mission and purpose within specialized settings.

(2) To interpret and promote pastoral care within specialized setting and in wider society.

(3) To recognize professional chaplains, volunteer care givers, and persons in local congregations who provide pastoral care.

(4) To express appreciation to appropriate institutions and their staff for their support of pastoral care ministries.

(5) To publicize the work and certification procedures of pastoral care organizations affiliated with COMISS.

(6) To provide continuing education for clergy, laity and institutional employees.

A primary focus of Pastoral Care Week, in light of the theme for 1990, is the partnership that exists between Pastoral Care and others in the Healing process. Pastoral Care Week highlights that the person may be healed in both body and soul and that holistic integration of all care giving processes in the care of the individual. For some, especially those who have been certified by a pastoral care organization and endorsed by a religious body, highlighting healing may mean telling the story about how they perform their day-to-day ministries. For others, Pastoral Care Week may also serve as a vehicle for informing their communities about how pastoral care givers regularly symbolize the healing aspects of the institution's mission in simultaneously providing hands and feet for the healing mission of all faith groups.

The pastoral care giver crosses institutional, economic, cultural and ecclesiastical boundaries to present a God who demonstrates a desire for healing and wholeness in human life. Because they have access to the entire community, pastoral care givers are in a unique position to embody that healing harmonious environment for those serving and those being served. Among other things, healing and pastoral care demonstrates a dedication to human dignity, appreciation for individual differences, a balance of acceptance and; accountability, a dedication to justice and mercy, and an incarnation of love and hope.

Nothing distinguishes institutions as much as the quality of their healing. Now is the time for pastoral care to celebrate its gifts and affirm the difference "Pastoral Care: Partners in Healing" can make.●

VICE ADM. WILLIAM F. RABORN, JR.

● Mr. WARNER. Mr. President, today I am privileged to pay tribute to Vice Adm. William F. Raborn, Jr., U.S. Navy, a superb naval officer and distinguished American.

William Francis Raborn, Jr., a native of Texas, graduated from the U.S. Navy Academy and was commissioned an ensign in the U.S. Navy on June 7, 1928, beginning an extraordinary professional career in service to his country.

He had consecutive duty in battleships and destroyers, then, in 1934, after completing flight training, he was designated a Naval Aviator.

A hero of World War II, Admiral Raborn compiled a distinguished combat record. He was awarded the Silver Star Medal for conspicuous gallantry and the Bronze Star Medal with Combat "V," for meritorious achievement as executive officer of U.S.S. *Hancock* in action against Japanese forces.

Admiral Raborn's intrepid performance continued undiminished after World War II. While in command of the aircraft carrier, U.S.S. *Bennington*, his ship experienced a series of violent explosions while conducting air operations. Despite fires, dense smoke and intense heat, Admiral Raborn skillfully and effectively directed the efforts of his men, preventing further spread of the damage.

In early December 1955, Admiral Raborn returned to Washington to establish a most challenging and revolutionary new project, absolutely essential to the security of the United States and stability within the post World War II world: the development of the Polaris missile weapon system. Because of the special nature and urgency of this work, a new organization, the Special Projects Office, was established to direct this extraordinary program. Admiral Raborn was selected to head the Special Projects Office due to his dynamic energy, resourcefulness, enthusiasm, concise attention to detail, and exceptional personal leadership. He never faltered in

his conviction that the job could and would be done, nor did he allow the dedication of his associates to be clouded by doubts or weakened by discouragement.

Admiral Raborn is most worthy of the recognition and national gratitude for being the "Father of the Polaris Program." He was awarded the Distinguished Service Medal for exceptionally meritorious service while leading the Special Projects Office. He directed the development of the Polaris submarine missile system from its inception until the U.S.S. *George Washington* (SSBN-598) proved the operational readiness of the fleet ballistic missile system, launching two Polaris missiles from the ocean depths. This deterrent is a substantial contribution to the military preparedness of the United States and exemplified Admiral Raborn's extraordinary accomplishments.

Admiral Raborn's achievements with the Polaris Program continue to bear fruit. His exceptional high standards and his superb leadership have carried on in each succceeding submarine launched strategic missile development program, including the Trident II Program that put to sea for the first time this past March.

Admiral Raborn's retirement from the naval service in 1963 was the beginning of a prestigious civilian career. He became vice president in charge of management for Aerojet General in California. Then, in 1965, President Lyndon Johnson named Admiral Raborn to head the Central Intelligence Agency. The President confided to associates that the admiral's standing on Capitol Hill could only facilitate the agency's mission. After leaving the CIA in June 1966, Admiral Raborn returned to Aerojet General, then served as president of his own consulting firm in Washington until retiring again in 1986.

Admiral Raborn passed away on March 6, 1990, at the age of 84, leaving a legacy of professionalism, patriotism, and selfless dedication to his country. His contribution to lasting world peace cannot be overstated. We in this Chamber, and all of our countrymen, owe a special debt to this outstanding American.●

PINE RIDGE RESERVATION

● Mr. SIMON. Mr. President, recently, I held hearings at the Pine Ridge Reservation in South Dakota on a Guaranteed Job Opportunity Program that I have introduced.

There is a great myth around this country that unemployment has virtually disappeared. I wish everyone who believes that myth would have gone with us to the Pine Ridge Reservation where the unemployment rate is approximately 73 percent. When you remember that we regarded the figure of 25 percent unemployment as a statistic from the Great Depression, you get some feel for the immensity of the problem.

The Pine Ridge Reservation and many other Indian reservations are Third World countries within our own wealthy country. The 1980 census shows 65 percent of the people on the Pine Ridge Reservation do not have telephones in their homes. The fact that they are widely scattered is precisely why those phones are needed more there than they are in most of America. Twenty-six percent of the homes have no indoor toilet. Eight percent of the homes have no electricity. The average family income for the Pine Ridge Reservation is $7,940 a year, compared to $38,608 for the Nation as a whole.

The measure I have introduced, that I hope to have the chance to promote more next year, would permit people to be paid for being productive, rather than nonproductive, and would say that anyone who is out of work 5 weeks or more would be eligible for a job at minimum wage for 32 hours a week or 4 days a week. The fifth day, that person would be required to try to find another job. That is not much money, but it is $534 a month or approximately $6,408 a year. That compares with the figures I have—now 2 years old—of the average family on AFDC in South Dakota receiving $255 a month.

Part of my proposal, cosponsored in the House by Congressman GUS HAWKINS of California, is that we would screen people as they come into the program, and if they do not have the ability to read and write, we would get them into a program. If they need improvements on those skills, we would do the same, and if they have no marketable skills, we would try and give them that.

We would invest in our people. That is what Japan has done so successfully and what other countries have done. We have not been doing that for some time.

On the Pine Ridge Reservation, 45 percent of the people 25 years old and over are not high school graduates. It is the second largest reservation in the Nation, in terms of population of American Indians, with a population of 11,868.

On the encouraging side is a fine college there, Oglala Lakota College, which, thanks to the help of the Tribally Controlled College Act, is able to provide a great deal of educational enrichment that should gradually improve the lives of a lot of the native Americans on that reservation.

The witnesses at our hearing were: Paul Valandra, Sandra Frazier, Frank LaMere, and President Dean Salway.

I would like to insert into the RECORD three statements:

First, a statement by Paul Valandra, representing the Rosebud Sioux Tribe. The Department of Labor reports a 6-percent unemployment rate, and the Bureau of Indian Affairs reports a 90-percent unemployment rate there. I could give similarly massive differences for other tribes. I have long felt the Department of Labor figures on unemployment are not accurate for a variety of reasons, and I hope one of these days, we can get that corrected.

Second is a statement by Sandra Frazier, who testified on behalf of the Cheyenne River Sioux Tribe. Their urgent plea for help ought to be read by every Member of Senate and House.

Third is a statement by Frank LaMere of the Winnebago Tribe of Nebraska, who spoke on behalf of the Nebraska Indian Inter-Tribal Development Corp. An interesting preface to his remarks is to note that he has four brothers. Four of the five brothers ended up serving in Vietnam, one of them being killed there. Two of the five brothers who served in Vietnam are now unemployed. This Nation ought to be doing better than that. The statement by Mr. LaMere talks about the tragedy of unemployment that afflicts tens of thousands of native Americans. It is a tragedy, and I hope we heed his advice to do something.

Finally, Mr. President, I would like to ask that a statement by the Indian and Native American Employment and Training Coalition given to the subcommittee be placed in the RECORD also.

I ask to place these in the RECORD at this point.

The material follows:

STATEMENT BY PAUL VALANDRA

Hello members of the Committee and Staff. My name is Paul Valandra and I am here to testify on behalf of the Rosebud Sioux Tribe. I am the Director of the Tribe's JTPA and JOBS Project. First the Rosebud Sioux Tribe welcomes members of the Committee and Staff to South Dakota. You see first hand this beautiful land of infinate variety and how amidst the beauty of its isolation we encounter, to the extreme, the problems so familiar to most rural communities in terms of the lack of jobs and poor economic growth. Second, the Rosebud Sioux Tribe extends thanks to its fond neighbor, the Oglala Sioux Tribe, for playing host to this event.

The Rosebud Sioux Tribe commends Senator Simon and his staff for the leadership, insight and compassion shown for rural America in the development of S. 1290, the Guarranteed Job Opportunity Act. The Act would help to restore Public Service Employment, and important component to Indian Country that was left out of the Job Training and Partnership Act. Indian people talk with fond memory of the WPA days and the CC projects back in the thirties. The days when whomever wanted to work could find a job on those projects. With teams of horses large dams were constructed that serve many useful purposes

still today. Not only water reservoirs, these damns have been further developed over time to create a viable recreational fishing industry on the Rosebud Indian Reservation. Indian people today again long for some simple, useful and practical labor intensive work projects. Some way to show their kids the divedend hard work and productivity will pay themselves and their Reservation.

The Committee has received the written testimony of Norm Deweaver and the Indian and Native American Employment and Training Coalition Statement on Unemployment in Indian Country. The Statement speaks of the insensitivity of the Bureau of Labor Statistics in the correct computation of Unemployment statistics in Indian Country. On the Rosebud we see extremes of six (6) percent Unemployment reported by BLS to ninety (90) percent Unemployment reported by the Bureau of Indian Affairs. Perhaps the truest set of facts available is the house to house special labor force census conducted on the Standing Rock Indian Reservation in October 1988. That census reflected an Indian joblessness rate of about forty three (43) percent. Job surveys on the Rosebud conducted by my staff which surveyed house to house every employer indicate an Unemployment rate of thirty five (35) to forty (40) percent. The largest private sector employer on the Rosebud is the largest grocery store consisting of 29 full and part time employees.

I guess the point I am trying to make is that we need to admit that up to this point Indian Country in the Dakotas has been bypassed for development by the private sector. The economic ecosystem just does not naturally progress in rural America and on South Dakota's Indian Reservations. It needs a little help. What I would propose to the Committee is that since Congress, at this point, is not going to give you the five billion dollars needed to fund S. 1290, the Guaranteed Job Opportunity Act, that a pilot project of S. 1290 be started as soon as possible on South Dakota's Indian Reservations. Because of the sparceness of our areas and the intensive service sector already computerized and in place on the Reservations that very concise and accurate data could be complied on the cost effectiveness of S. 1290. Not only could it be proved that S. 1290 is cost feasible for taxpayers in the long run, but S. 1290 is also cheaper and more cost effetive in the short run.

Please accept this report done by a Harvard University Project last year that evaluated the impact of Federal Welfare on the Rosebud Indian Reservation to supplement my testimony. The Report among many other things goes on to say that without economic development few Indian people will find permanent employment to achieve economic self sufficiency. If Guaranteed Jobs were available now on the Rosebud I am sure that the private sector could be encouraged to link up with Tribal Enterprises and a better overall economic base could be built up on the Rosebud. 2080 manhours of productivity could be contributed to the Reservation by persons now caught up in the Welfare ecosystem and a lot of times contributing negatively to the overall effort.

As the Job Training Director on the Rosebud I know that people are beating the bushes out there looking for jobs. I have over a thousand applications on file at my office. I would look forward to working with Senator Dashle and the Senate Select Committee on Indian Affairs in putting together a comprehensive outline and plan to pilot a Guaranteed Jobs Project in the Dakota's. I feel that in three or four year's time the project could start to be weaned from Federal dependency. Thank you for allowing us the opportunity to testify here today. I would be happy to try and answer any questions.

TESTIMONY ON S. 1290, THE GUARANTEED JOBS OPPORTUNITY ACT

Senator Simon and members of the Committee on Labor and Human Resources, thank you for the opportunity to share our views on Senate Bill 1290, the Guaranteed Jobs Opportunity Act. My name is Sandra Frazier, and I chair the Employment Services Department of the Cheyenne River Sioux Tribe. I also direct one of the programs in the Department, the Tribal Employment Rights Office.

The Employment Services Department is made up of six programs. Five of these programs deal with employment and training issues, and the sixth program is associated with the regulatory aspects of tribal Government. The overall goal of this Department is to address the 65% unemployment rate on our reservation.

Before going on, I would like to put this unemployment figure in perspective. When unemployment across America reached 10.2% in the early 1980's, the newspapers screamed "Recession." The highest unemployment rate in United States history was 24.8%, and that period was called the Great Depression. Unemployment in terms of human suffering are seen in hopelessness, despair, and depression. It is manifested in suicide, alcoholism, child abuse, major health problems, etc. Tribes across America have unemployment rates that range from 25% to 85% . . . what is this called? Nothing . . . because "mainstream" America chooses to ignore the problem.

Felix Cohen, the noted expert on Indian law, told the following story: "A certain rich man was enjoying a banquet. As he sat at the groaning table he could see outside the window at the door of his home an old woman, half starved, weeping. His heart was touched with pity. He called a servant to him and said: 'That old woman out there is breaking my heart. Go out and chase her away.' Something of the same attitude has characterized our attitude toward the Indians on our national doorstep, we have often disposed of them spiritually by denying their existence as a people, or by taking refuge in the Myth of the Vanishing Indian, or by blaming our grandfathers for the wrongs that we commit. In this way we have often assured that our national sins were of purely antiquarian significance." (Felix Cohen, the Legal Conscience.)

I bring these points to your attention for a purpose. Many things in Indian country are like nothing else in America. For example, we as Tribal people hold dual citizenship. The United States unilterally declared that we were citizens of the United States in 1924, and we have always been citizens of our Tribe. Our Tribal governments have a Government-to-Government relationship with the Federal Government. We have inherent sovereignty and jurisdiction within our respective boundaries.

All of these things should be strengths for us, yet Tribal Governments are ignored in Federal legislation that channels Federal dollars to areas that have high Indian populations. For example, we traveled over Reservation highways to get here. Those roads were desperately in need of repair, but Federal Highway money goes to the States, not to the Tribes, and currently the Tribe is not part of the decision making process to determine how the dollars are spent. We are more like third-world countries than like any other governmment entity in the United States, yet the Federal Government actually has better economic relationships with third-world countries, through foreign aid and favored economic status, than with Tribal Governments.

Federal funding channeled to "state and local government" allows the states to play "cowboys and Indians" in their attempts to limit Tribal sovereignty and jurisdiction when Tribal Governments seek to qualify for funds. Tribal Governments have to deal with this surreal attitude while attempting to deal with the highest unemployment, the highest suicide rates, the highest baby deaths, the poorest housing in the United States.

Current employment on Cheyenne River Reservation is through the Federal Government (Bureau of Indian Affairs and Indian Health Service), with lesser employment through the Tribe, State, County, and School District. The private sector is basically ranching and farming, with family-owned and operated businesses in small towns and villages. Employment with the State, County, and the School Districts is traditionally set aside for non-Indian hire, to the point where Indian people seldom bother applying for jobs in those areas. The same is true for private-sector employment.

The state of South Dakota claims that the two counties that are on our reservation inclusively, Dewey and Ziebach Counties, have 6.9% and 5.1% unemployment respectively. The formula used by the State Job Service does not count unemployed persons except those eligible for unemployment insurance.

The Tribal Employment Rights Office figures as of March 9, 1990 show that we have an unemployment figure of 65%, taking into account all unemployed persons who could work if there was employment. Figures from our Jobs Skills Bank show that 40% of the applicants are skilled workers; and 66% have at least a high school education. We currently have less than 40 people working on job sites negotiated through the TERO Office. This figure will increase as we enter the construction season.

There are three federally-funded programs in the Employment Services Department that work on the problems associated with unemployment. The Tribal Work Experience Program (TWEP), a Bureau of Indian Affairs-funded program, provides "work experience"; the Job Training Partnership Act (JTPA) funded by the Department of Labor, provides training opportunities and support services; and Job Opportunities and Basic Skills Program (JOBS), the smallest program, provides GED and other job-related support services to AFDC recipients. The BIGGER problem is that there are no jobs available after the people are trained.

I see the same problem with S. 1290 as it is currently drafted. While this work program will address the immediate unemployment situation, in 18 months the participation will still need real employment. We want to develop that employment on the reservation so that our people don't have to leave home to get a job.

The Tribal Employment Rights Office is our attempt to address the situation. We enacted legislation to apply Indian preference to contracting, sub-contracting, employment, and training. The program is funded

by a 1% fee levied against employers, using our tribal governmental taxation powers. Under this legislation we currently negotiate for employment in the areas of construction and mining contracts, and in our own leased grocery store. The highest number of seasonal work we have been able to capture is 150 jobs in one month, but TERO is only able to impact the unemployment on the reservation during the summer months by 5%.

Tribal Governments must be recognized as governments not only by the Federal government, but by the State and local governments. All Federal legislation must respect tribal sovereignty, and Tribes must be included in the legislative language as routinely as are other governments. In addition, there must be congressional support for the economic development legislation that will allow tribes to attract business and employment opportunities to the reservation. We want to encourage companies that now leave the United States to consider re-locating in Indian country. We want to use our Government-to-Govenment status to attract business. We need to develop our infrastructure and tax base to support this development.

It's frustrating to work in Tribal Government and address the same issues with the Federal and State governments year after year. There is legislation in Congress now that needs to be passed, including S. 321, the Buy Indian Amendments; HB 1203, the Indian Economic Development Bill; and S. 143, the Indian Development Finance Act. This legislation will assist Tribes to build infrastructure and develop new employment opportunities. This is one solution to the 65% unemployment on our reservation.

Another solution that has worked well in Indian country is the Indian set-aside, including the Department of Defense initiative. We recommend that if S. 1290 is passed in its present form, that there be direct funding set aside to Tribal Government for Indian programs. It creates an economic hardship on the Tribe to continually fight with the State over dollars channeled through them. Tribes are valid governmental entities, and it is time that we are recognized as such.

The Cheyenne River Sioux Tribe wants to thank you for conducting this field hearing in Indian Country. We are serious about addressing the 65% unemployment in our Nation, and we appreciate your commitment on the Federal level to assist in this process.

PREPARED STATEMENT BY FRANK LAMERE

Senator Simon, my name is Frank LaMere. I am the Executive Director of the Nebraska Indian Inter-Tribal Development Corporation and a member of the Winnebago Tribe of Nebraska. I come here today to speak in support of the intent of S. 1290 A Guaranteed Job Opportunity Program and I thank the Subcommittee on Employment and Productivity for this opportunity. I also wish to thank the Oglala Lakota people for hosting this important forum and you Senator for reaching out and for listening.

The non-profit organization that I direct currently administers a Job Training Partnership Act grant for the Omaha and Winnebago Tribes of Nebraska, the Sac and Fox Tribe of Iowa and the Flandreau Santee Sioux Tribe of South Dakota.

The current unemployment rate in our service area according to the Bureau of Indian Affairs Report of Labor Force ranges from 32.6% in Flandreau to 66.2% on the Omaha Indian Reservation. Collectively, fully 50% of the adult Indian workforce in the service area that we cover as a Native American Grantee is unemployed and I share with Tribal leaders here today a great concern for the devastation caused in "Indian country" by the effects of high unemployment.

It is a tragedy that tens of thousands of our Indian people seeking an opportunity to become productive have no where to turn and it is even a bigger tragedy that few leaders other than yourself can see this.

Red flags go up when the plant gate closes, when industry relocates, and when supply is greater than demand, but when the Indian unemployment rate rises to 50% in our service area and more than 90% in others little notice is given by those who have the power to change things.

Red flags go up when our Veterans are not receiving their due for the sacrifices they have made for this democracy but Indian Vietnam Veterans continue to stand idly on the streets of our reservation communities. Their lack of opportunity and jobs totally ignored by the leaders they defended.

Red flags go up when the youth of middle class America and the cities succumb to the scourge of drugs and alcohol brought on by lack of jobs but that scourge has plagued our reservation communities for years seemingly unnoticed by the policy makers who can legislate a guarantee of employment opportunities for youth. Things need to change.

In preparing to come here for this exchange I took the time last week to talk to several of the young participants of our JTPA program who have taken advantage of the opportunity afforded them by DOL and who are successful enrollees of our Community Service Employment programs.

One young man in his early twenties who had completed a self-help program prior to his enrollment in JTPA made a particularly poignant statement that showed wisdom beyond his years.

The young man stated "If something drastic doesn't happen pretty soon, then the lives of my friends who are doing nothing right now are pretty much over".

It is apparent Senator that you understand what this young man was trying to relate and I applaud your efforts as proposed in the Guaranteed Job Opportunity Program.

I would however offer that the bill include several provisions that:

1. Sets aside funding for Indian programs that is comparable to DOL job creation programs under CETA.

2. Makes funding available directly from DOL to tribal governments and Native American organizations serving off-reservation communities.

3. Defines eligible areas for program funding purposes.

4. Takes into account special characteristics and circumstances of Indian organizations and Indian Tribal governments.

Knowing of political realities and of the fact that many of your colleagues in the House and in the Senate cannot see the benefit of investing in our nation's human capital, I ask on behalf of the disadvantaged and unemployed people that I serve, that you press on in proposing job creation programs that give all Americans an opportunity and a real chance to succeed. We support your efforts fully.

Lastly, Senator, I would be remiss if I did not acknowledge that I recently read an article in the Washington Times wherein a challenger to your Senate seat in Illinois accused you of being "out of touch". It seems that you signed a petition asking the University of Illinois to replace their racist and denigrating symbol of a headdressed Indian Chief who dances during football games and other athletic events.

The challenger said that most Illinois graduates view the Indian Chief as a symbol of "nobility and strength" and that you were "old fashioned".

Senator, this woman who speaks of things noble and strong and who remains "in touch" with people is not here today and I do not expect that she ever will be.

You see, it is easier to talk of things noble and strong in the halls of Congress than it is in Pine Ridge, Winnebago, Appalachi, or the inner cities. That is the trouble with our leaders.

Perhaps, more of them should remain "out of touch", not with people, but with their egos and their own self-importance.

I for one want to say thank you for your stand on that issue, for your initiative on S. 1290 and for your continued leadership and support of our Indian Community Colleges across this country.

INDIAN AND NATIVE AMERICAN EMPLOYMENT AND TRAINING COALITION ON ISSUES INVOLVING UNEMPLOYMENT AND S. 1290

Unemployment is the scourge of Indian Country. Its severity and its persistence touch nearly every Indian family. It deprives many—possibly half or more—Indian workers of meaningful, productive participation in the American economy.

The witnesses at the hearings of the Committee on the Pine Ridge reservation testified eloquently to the dimensions of Indian joblessness and its consequences for Indian people, Indian families and Indian communities.

Despite the obviousness of the problem within reservation boundaries, Indian unemployment is frequently misunderstood and almost always ignored in the circles in which federal policy is made.

Federal myopia starts with the basic question of the extent of Indian unemployment. The unemployment statistics for the general population are prime time-front page news every single month. In contrast, the only periodic report on Indian unemployment is issued but once every two years, covers only reservation areas and is totally ignored.

This report on Indian unemployment appears in a publication entitled "Indian Service Population and Labor Force Estimates." It includes estimates developed by Bureau of Indian Affairs field staff on the total size of the Indian population on or near BIA service areas (reservations, former reservation areas in Oklahoma and service areas in Alaska). It also includes estimates of the number of Indian people in each service area 16 years old or older who are able to work, along with the number that actually have jobs.

Accordingly to the most recent report in this series, issued by BIA in January of 1989, fully 48% of the available Indian labor force is jobless.

On individual reservations, the picture is even bleaker. The average unemployment on reservations in BIA's Aberdeen Area, covering the Dakotas and parts of Montana and Nebraska, is 75%, according to the Bureau's calculations.

Additional evidence of the seriousness of the problem comes from a house-to-house

special labor force census conducted on the reservation of the Standing Rock Sioux Tribe, jointly sponsored by the Tribe and the Job Services of North and South Dakota.

The results of this enumeration show:

Joblessness affects over half of the potential Indian labor force on the Standing Rock reservation.

Unemployment is ten times as severe among Indian workers as it is among non-Indians living in the same communities.

Unemployment among Indian youth, measured by the narrow definition used by the Bureau of Labor Statistics, measures nearly 50%.

Over one-third of Indian children under the age of 16 live in a household where there is no employed worker.

Although the severity of Indian unemployment is uncontestable, some federal agencies choose to pretend otherwise.

The Employment and Training Administration in the Department of Labor uses unemployment rate data as a factor in setting job placement rate standards for Indian JTPA programs. According to the data ETA is using for Program Year 1990, there is no unemployment problem on many reservations! For instance, DOL considers unemployment on the Rosebud Sioux reservation to be just over 5%. BIA reports that joblessness among Indian workers is close to 93%.

A table showing the rates used by ETA in setting job placement rate standards for Indian JTPA programs and the rates published in the BIA Labor Force Estimates report is attached to this statement.

The real issue in Indian Country is not just having the federal government recognize the seriousness of the problem. It's a matter of what the federal government can do to help tribal governments and other Indian and Native American organizations combat the scourge of joblessness.

From a policy point of view, three approaches are necessary:

1. Upgrading the education and skills of the Indian work force to enable Indian workers to compete effectively for available jobs.

2. Stimulating long term economic development in Indian Communities to increase the quantity and quality of the jobs that are available.

3. Addressing the immediate needs of the unemployed through a short term job creation program that will help build skills and contribute to long term development.

With respect to the first issue—upgrading the skills of the Indian work force—Indian JTPA programs are part of the solution. The Indian funding set-aside in Title IV of JTPA currently serves nearly 31,000 Indian and Native American workers nationwide, in both reservation and off-reservation areas, through a network of over 180 tribal governments and other Indian grantees. Remedial education and skill training constitute the largest single component of this program.

At the same time, Indian JTPA programs have been hampered both by a lack of funds and a lack of sensitivity to Indian conditions on the part of the many DOL officers which currently control policy over the Indian program.

The funding level for all Indian programs in JTPA has been cut over 42% in "real" inflation-adjusted dollar terms from what it was at the end of CETA.

The insensitivity of various DOL offices compounds the scarcity of funds by restricting what grantees feel they can safely do with the money they do get. The example cited earlier where Labor is using 5% to 10% unemployment rate figures to set performance standards for tribes who face joblessness estimated by BIA to be ten times that severe is just one illustration of this problem.

The changes to the Indian provisions of JTPA which have been approved by the Senate Labor Committee in S. 543 at the urging of Senator Simon would help to deal with these problems.

With respect to long term economic development, the Senate's Select Committee on Indian Affairs has developed a number of important proposals. Swift and positive action on this legislation in both houses of the Congress is important to all those concerned about Indian unemployment.

In acting on these economic development proposals, it is vital that the Congress incorporate provisions for entrepreneurial, managerial and worker training programs. Business development is not simply a matter of financing techniques or the creation of marketing opportunities. The human factor is equally crucial in stimulating permanent business development.

Neither of these two approaches alone—skill upgrading or long term economic development—is the answer to the immediate problem of massive unemployment in many Indian communities. A third approach is also necessary.

This must involve a commitment to job creation *now*, the kind of commitment contained in S. 1290 sponsored by Senator Simon. By creating a Guaranteed Job Opportunity Program, this bill clearly recognizes that America cannot remain competitive if it continues to throw away the talents of so many of its work force—the unemployed.

There was once a job creation program operating in Indian Country which directly addressed the needs of the unemployed. This was the Indian component of the CETA Public Service Employment programs. At the beginning of Fiscal Year 1981, Indian tribes and Native Alaskan organizations received over $63.4 million for direct job creation through the special Indian set-asides in the two CETA PSE programs. This support disappeared virtually overnight. It has never been replaced.

In order for S. 1290 to reach the large numbers of unemployed in Indian Country where joblessnes is more severe than in any other communities, the bill must include several provisions:

1. A direct funding set-aside for Indian programs which is at least equivalent to those in the CETA job creation programs.

2. A provision making these Indian funds directly available from DOL to tribal governments serving reservation areas and Indian and Native American organizations serving communities outside reservation boundaries.

3. A definition of eligible areas for the program which specifically includes reservations, Native Alaskan villages and other concentrations of unemployed Indian people.

4. Special provisions to enable these Indian programs to operate effectively, taking into account the special circumstances in Indian communities and the special characteristics of Indian governments.

The Indian and Native American Employment and Training Coalition welcomes the leadership which Senator Simon has provided in proposing S. 1290 as a way of combating the scourge of unemployment, as well as the Senator's leadership on JTPA and education issues vital to Indian people.

In the absence of Congressional action in the near future on S. 1290, we ask that the Committee initiate special legislation which directly addresses the problem of massive joblessness in Indian Country.

The Coalition hopes that these mutually shared concerns will bring new approaches to the pressing needs of the Indian unemployed.

COMPARISON OF BIA UNEMPLOYMENT RATES WITH UNEMPLOYMENT RATES USED IN THE DOL/SRI PERFORMANCE STANDARDS "MODEL" FOR SELECTED TRIBAL JTPA GRANTEES

[In percent]

State	Grantee	BIA unemployment rate	Unemployment rate in DOL/SRI PY 90 "Model"
SD	Rosebud	92.7	5.1
ND, SD	Standing Rock	87.0	14.1
ND	Three Affiliated	78.8	6.2
MT	Crow	77.6	9.8
AK	Kawerak	77.5	11.4
AK	Maniilaq	77.5	12.2
ID	Nez Perce	76.2	5.0
SD	Sisseton-Wahpeton	75.3	4.9
NM	Laguna	74.6	8.8
NM	Taos	73.8	19.9
SD	Oglala	73.2	10.0
MN	White Earth	73.2	8.5
OK	Citizens Band Potawatomi	73.0	5.5
WI	Lac Courte Oreilles	72.9	6.9
MT	Chippewa Cree	72.5	5.4
NM	Santa Clara	72.0	5.1
MI	Grand Traverse	71.8	9.0
MN	Leech Lake	70.2	6.8
WA	Puyallup	66.3	6.0
MN	Bois Forte	63.9	6.4
ID	Shoshone-Bannock	63.8	6.2
MT	Fort Peck	63.1	6.7
AK	Tlingit Haida	62.9	9.7
AZ	San Carlos	61.9	9.3
OK	Cheyenne Arapaho	61.2	5.1
SD	Cheyenne River	61.0	6.4

Sources:
BIA Unemployment Rates from Indian Service Population and Labor Force Estimates, Bureau of Indian Affairs January, 1989.
DOL/SRI Local Area Unemployment Rates used in PY 90 Performance Standards "Model" from Attachment 3-E of DINAP Bulletin 89-27.●

THE CALENDAR

Mr. EXON. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration en bloc of Calendar Nos. 578, 579, 580, 581, 582, 583, 584, 589, and 590, and that the committee amendments where appropriate be agreed to, that the bills as amended, where amended, be deemed read for a third time and passed, and that the motion to reconsider the passage of these bills be laid upon the table, and that the title amendment where appropriate be agreed to.

Mr. President, I further ask unanimous consent that any statements relating to these calendar items appear at the appropriate place in the RECORD, and that the consideration of these items appear individually in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

MAINE ACADIAN CULTURE PRESERVATION ACT

The Senate proceeded to consider S. 1756, a bill to provide for the preservation and interpretation of sites associ-

ated with Acadian culture in the State of Maine, which had been reported from the Committee on Energy and Natural Resources, with amendments:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 1756

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Maine Acadian Culture Preservation Act".

SEC. 2. PURPOSES.

The purposes of this Act are to—

(1) recognize an important contribution made to American culture and history by the Acadian immigrants from France who settled in Nova Scotia and, following expulsion by the British in 1755, resettled in various North American colonies, including the territory that eventually became the State of Maine;

(2) assist local and State governments and other public and private entities in the State of Maine in interpreting the story of the State's Acadian settlers and their descendants as well as preserving and perpetuating Acadian music, arts, crafts, and folklore; and

(3) assist in identifying, gathering, and preserving sites, historical data, artifacts, and objects associated with the Acadians in Maine for the benefit and education of the public.

SEC. 3. MAINE ACADIAN CULTURE PRESERVATION COMMISSION.

(a) ESTABLISHMENT.—There is hereby established the Maine Acadian Culture Preservation Commission (referred to as the "Commission"), which shall consist of 8 members appointed by the Secretary of the Interior (referred to as the "Secretary") not later than 6 months after the date of enactment of this Act, as follows:

(1) one member, who shall serve as Chair, appointed from among recommendations submitted by the Governor of the State of Maine;

(2) one member appointed from among recommendations submitted by the Speaker of the House of Representatives of the State of Maine;

(3) one member appointed from among recommendations submitted by the President of the Senate of the State of Maine;

(4) one member appointed from among recommendations submitted by the Chancellor of the University of Maine System;

(5) three members appointed from among recommendations submitted by State and local [historic], cultural or historic preservation organizations; and

(6) one additional member appointed by the [Secretary]. Secretary who shall have expertise in historic or cultural preservation.

[(b) TERMS.—(1) Members of the Commission shall be appointed for terms not to exceed 3 years.

[(2) The Secretary may stagger the terms of initial appointments to the Commission in order to assure continuity in operation.]

(b) TERMS.—(1) Members of the Commission shall be appointed for a term of 3 years, except for initial appointments as provided in paragrarph (2).

(2) Members of the Commission initially appointed pursuant to paragraphs (1), (2), or (3) shall serve a term of 1 year. Members of the Commission initially appointed pursuant to paragraphs (4) or (6) shall serve a term of 2 years.

(3) Any member of the Commission may serve after the expiration of his or her term until a successor is appointed. A vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(c) VOTING.—The Commission shall act and advise by affirmative vote of a majority of its members.

(d) COMPENSATION.—Members of the Commission shall receive no pay on account of their service on the Commission, but while away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5, United States Code.

(e) EXEMPTION FROM CHARTER RENEWAL REQUIREMENTS.—Section 14(b) of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission.

(f) TERMINATION.—The Commission shall terminate [20] *10* years from the date of enactment of this Act.

(g) SUPPORT.—The Director of the National Park Service shall provide such staff support and technical services as [may be] *the Director deems is* necessary to carry out the functions of the Commission.

SEC. 4. DUTIES OF THE COMMISSION.

The Commission shall advise the Secretary with respect to—

(1) the selection of sites for interpretation, preservation, and development by means of cooperative agreements pursuant to section 5; and

(2) the development and implementation of a comprehensive interpretive program of the Acadian culture in the State of Maine pursuant to section 6(d).

SEC. 5. COOPERATIVE AGREEMENTS.

(a) IN GENERAL.—In furtherance of the purposes of this Act, the Secretary is authorized, after consultation with the Commission, to enter into cooperative agreements with the owners of properties of natural, historical, or cultural significance associated with the Acadian people in the State of Maine, pursuant to which agreements the Secretary [may provide management services and program implementation] *may mark, interpret, restore, and/or provide technical assistance for the preservation of such properties and pursuant to which the Secretary may provide assistance including management services and program implementation.*

(b) RIGHT OF ACCESS.—Each cooperative agreement shall provide that the Secretary, through the National Park Service, shall have the right of access at all reasonable times to all public portions of the property covered by the agreement for the purpose of conducting visitors through such properties and interpreting them to the public.

(c) ALTERATION OF PROPERTIES.—Each cooperative agreement shall provide that no changes or alterations shall be made in the property covered by the agreement except by mutual agreement between the Secretary and the other party to the agreement.

SEC. 6. ACADIAN CULTURAL CENTER.

(a) IN GENERAL.—The Secretary is authorized, after consultation with the Commission, to [establish] *provide* a center for the preservation, perpetuation, and interpretation of Acadian culture within the State of Maine.

(b) ACQUISITION OF LAND.—The Secretary is authorized to acquire lands and interests therein, not to exceed 20 acres in total, by purchase, donation, or exchange, and to develop, operate, and maintain interpretive and preservation facilities and programs at the center in furtherance of the purposes of this Act.

(c) OPERATION.—The Secretary may contract with public and private entities for the operation of the center in accordance with program standards approved by the Secretary.

(d) INTERPRETIVE PROGRAM.—In connection with center operations the Secretary shall develop and implement a comprehensive interpretive program of the Acadian culture in the State of Maine, including preparation of interpretive and informational materials, exhibits, films, lectures, and other educational materials.

(e) STATUTORY AUTHORITY.—The Secretary shall administer [properties acquired] *the property acquired pursuant to this section* and cooperative agreements entered into pursuant to this Act in accordance with the Act [entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (16 U.S.C. 1 et seq.) and other statutory authority for the conservation and management of natural, historical, and cultural resources] *of August 25, 1916 (39 Stat. 535), as amended (16 U.S.C. 1 et seq.), the Act of August 21, 1935 (49 Stat. 666), as amended (16 U.S.C. 461 et seq.), this Act and other statutory authority providing for the conservation and management of natural, historical and cultural resources.*

[SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

[(a) AUTHORIZATION OF APPROPRIATIONS TO THE COMMISSION.—There are authorized to be appropriated to the Commission such sums as may be necessary for the performance of its duties under this Act.

[(b) LIMIT ON EXPENDITURES BY THE SECRETARY.—The Secretary is authorized to expend annually, in the performance of the Secretary's functions under sections 5 and 6, amounts equal to 50 percent of the aggregate cost of performing those functions, the remainder of such cost to be paid with non-Federal funds.]

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

(a) For the purposes of carrying out the functions of the Commission, there are hereby authorized to be appropriated such sums as may be necessary, not to exceed $250,000.

(b)(1) To carry out the other purposes of this Act, there are hereby authorized to be appropriated such sums as may be necessary, subject to the limitations of paragraph (2).

(2) With respect to cooperative agreements entered into pursuant to section 5, and the provisions dealing with the Acadian Cultural Center in subsections 6 (a) through (c), the Secretary is authorized to expend not more than 50 percent of the aggregate cost of performing those functions, the remainder of such costs to be provided by non-Federal funds.

Mr. MITCHELL. Mr. President, I urge my colleagues to support S. 1756, the Maine Acadian Culture Preservation Act.

This legislation, which I introduced with my distinguished colleague BILL COHEN on October 16, 1989, is intended

to put in place a program under the National Park Service to celebrate, honor, and preserve Maine's Acadian cultural heritage.

I am sorry to say that most Americans know very little about the Acadian people who lived in Canada and the State of Maine for more than 200 years. But the culture and tradition of this proud people who settled in my State is worthy of recognition and preservation.

In broad terms, the French Colony of Acadia was comprised of the Canadian maritime provinces of Nova Scotia, New Brunswick, and Prince Edward Island and the northern coast of Maine. The British Crown Colony of Nova Scotia, established in 1621, included what the French knew as Acadia.

Almost from the start, there was conflict between England and France over Acadia. Through the end of the 16th and into the 17th century, British and French forces battled over the area, with control changing hands a number of times.

When they controlled Acadia, the British tried to get the Acadians to swear an unconditional oath of loyalty to the crown. The Acadians refused to do so absent recognition of their freedom of religion, their neutrality in case of war and their right to emigrate.

Generally, however, the policy of both the English and the French was to leave the Acadians in place. That changed with the succession of Maj. Charles Lawrence as Governor of Nova Scotia in 1754.

On July 3, 1755, he gathered a group of elected Acadian officials in Halifax and asked them to authorize an oath of unqualified allegiance to the British Crown. When they refused to do so, Lawrence had them thrown in a Halifax prison. When new delegates also refused to swear an oath, Lawrence set in motion the deportation of the Acadians from their homelands to be replaced by British settlers.

In all, some 6,000 Acadians were taken from their homes and villages in 1755 and shipped to other American colonies or back to Europe. According to the Canadian Park Service, more than 10,000 Acadians, or 75 percent of the population were deported between 1755 and 1763.

Some of those 50 Acadians found their way back to their beloved Acadia and to the mouth of the St. John River. Eventually, they moved up the river until they settled in the upper St. John River Valley in what is now Maine.

Today that area, the St. John River Valley, is home to many whose ancestory is linked to the courageous men and women of the 1750's who refused to accept deportation as the loss of their identity as a people. Since the late 17th century, the Acadians of Maine have built prosperous communities and they have done their best to maintain their cultural heritage.

It is terribly important that the culture and history of this people be celebrated and preserved before it is lost to future generations. I sincerely hope that will be accomplished through enactment of S. 1756.

S. 1756 has three main thrusts. First, it would establish an eight-person Commission to advise the Secretary of the Interior on conducting activities to interpret the story of Maine's Acadian population.

Second, it would authorize the Secretary to enter into cooperative agreements with owners of properties of natural, historical, or cultural significance to Maine's Acadian population so they can be visited and enjoyed by the public.

Third, it would establish a "Maine Acadian Cultural Center" whose activities and programs would celebrate, perserve, and perpetuate Acadian music, arts, crafts, and folklore.

A hearing on S. 1756 was held before the Energy Subcommittee on Public Lands, National Parks and Forests on March 28, 1990.

I was pleased to testify at that hearing with Senator COHEN and John Martin, the speaker of Maine's House of Representatives. Because he is as knowledgeable about the history of Maine's Acadian people as any public official, the Speaker's testimony was particularly valuable.

Following the hearing, I have worked with Senator BUMPERS and Senator JOHNSTON to a series of technical and clarifying amendments to my original bill. The full Committee on Energy and Natural Resources reported S. 1756 as amended on May 23, 1990.

Mr. President, in the 200 years after the first Acadians arrived in my State, their descendents have greatly contributed to the culture, history, and economic growth of Maine.

But, they are at a crossroad. Their enemy now is not deportation but the possible loss of customs, oral history, folksongs—to a modern age that all too often sacrifices the tradition of the past to the immediate.

I want to thank Senator BUMPERS for his thoughtful consideration of this legislation, in scheduling a hearing and in working with me on the series of amendments to S. 1756 that have improved and strengthened the legislation.

I also wish to thank the chairman of the Energy Committee, Senator JOHNSTON, who is privileged to represent a State famous for the best known group of the displaced Acadians, those who resettled in Louisiana and became known as Cajuns. Early on, Senator JOHNSTON indicated his willingness to assist me in crafting this legislation and has always demonstrated his support.

I hope the Senate will positively consider S. 1756 today so that the culture of these people will endure.

Mr. COHEN. Mr. President, I am very pleased that the Senate is now considering S. 1756, the Maine Acadian Culture Preservation Act. This legislation, which I joined Senator MITCHELL in proposing, represents a small but significant effort to recognize and preserve a portion of our culture that has colored Maine's history as well as that of the United States. I hope that the House of Representatives will take up this bill in the near future so that the preservation of Acadian culture in Maine can continue with expanded resources.

Acadians have made a significant contribution to Maine's culture and heritage throughout the past three centuries. It is important that those traditions and contributions be preserved so that all Maine residents now and in the future have the opportunity to understand and appreciate this unique culture.

During the 17th century, Acadians came to the New World from France and, eventually, most settled in the valley along the banks of the St. John River, which now separates Maine from Canada. The focus of the community was the church, and the strength of the Acadians' culture lay in the importance of the church and the family. Through the years, the Acadians have perpetuated their strong beliefs and have been successful at preserving a way of life that is unique in Maine, despite the pull of time and change. Still, older members of the community fear that their children and grandchildren will eventually lose touch with their heritage as buildings decay and community members move or pass away. So there is real concern about the future of the Acadian culture among the Acadian community in Maine.

The history of the Acadians is closely intertwined with the history of Maine's settlement and development. We need to preserve these pockets of ethnic culture so that our history can continue to be experienced by many. Once a facet of our history is lost, it cannot be retrieved, and we are diminished as a consequence. It is important that traditions and beliefs of the Acadians be shared with others to foster a better understanding of our history and people.

There are efforts underway in several towns throughout Maine, especially in the St. John Valley, to preserve the churches that served as the center of the community. For instance, the restoration of Notre Dame du Mont-Carmel in Lille has received the support of the Maine Historic Preservation Commission, with matching funds

coming from an anonymous supporter in Canada. If the restoration effort is successful, the church will be used as a museum and cultural center. More importantly, it will stand as a symbol of pride for residents of Acadian descent and others interested in historic and cultural preservation.

The legislation now before the Senate establishes a Maine Acadian Culture Preservation Commission that will advise the National Park Service on the establishment of cultural preservation centers in Maine. The bill also provides funds for the operation of these centers so that the cultural material identified can be interpreted to the benefit of the general public. With support from the Federal Government, restoration work like that underway in Lille should help assist in making the Acadian way of life accessible to all Maine residents as well as to vistors to our State.

After the introduction of this bill last fall, I received many letters of appreciation. All those who wrote were deeply moved by the idea that the efforts made so far to preserve the traditions they hold dear would receive assistance from the Federal Government.

Mr. President, I am pleased that the Senate is supporting this legislation. I want to thank Senator BUMPERS and Senator JOHNSTON for their assistance in bringing this bill to the floor, and I look forward to seeing this bill enacted into law in the near future.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1756

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Maine Acadian Culture Preservation Act".

SEC. 2. PURPOSES.

The purposes of this Act are to—

(1) recognize an important contribution made to American culture and history by the Acadian immigrants from France who settled in Nova Scotia and, following expulsion by the British in 1755, resettled in various North American colonies, including the territory that eventually became the State of Maine;

(2) assist local and State governments and other public and private entities in the State of Maine in interpreting the story of the State's Acadian settlers and their descendants as well as preserving and perpetuating Acadian music, arts, crafts, and folklore; and

(3) assist in identifying, gathering, and preserving sites, historical data, artifacts, and objects associated with the Acadians in Maine for the benefit and education of the public.

SEC. 3. MAINE ACADIAN CULTURE PRESERVATION COMMISSION.

(a) ESTABLISHMENT.—There is hereby established the Maine Acadian Culture Preservation Commission (referred to as the "Commission"), which shall consist of 8 members appointed by the Secretary of the Interior (referred to as the "Secretary") not later than 6 months after the date of enactment of this Act, as follows:

(1) one member, who shall serve as Chair, appointed from among recommendations submitted by the Governor of the State of Maine;

(2) one member appointed from among recommendations submitted by the Speaker of the House of Representatives of the State of Maine;

(3) one member appointed from among recommendations submitted by the President of the Senate of the State of Maine;

(4) one member appointed from among recommendations submitted by the Chancellor of the University of Maine System;

(5) three members appointed from among recommendations submitted by State and local cultural or historic preservation organizations; and

(6) one additional member appointed by the Secretary who shall have expertise in historic or cultural preservation.

(b) TERMS.—(1) Members of the Commission shall be appointed for a term of 3 years, except for initial appointments as provided in paragraph (2).

(2) Members of the Commission initially appointed pursuant to paragraph (1), (2), or (3) shall serve a term of 1 year. Members of the Commission initially appointed pursuant to paragraph (4) or (6) shall serve a term of 2 years.

(3) Any member of the Commission may serve after the expiration of his or her term until a successor is appointed. A vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(c) VOTING.—The Commission shall act and advise by affirmative vote of a majority of its members.

(d) COMPENSATION.—Members of the Commission shall receive no pay on account of their service on the Commission, but while away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5, United States Code.

(e) EXEMPTION FROM CHARTER RENEWAL REQUIREMENTS.—Section 14(b) of the federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission.

(f) TERMINATION.—The Commission shall terminate 10 years from the date of enactment of this Act.

(g) SUPPORT.—The Director of the National Park Service shall provide such staff support and technical services the Director deems is necessary to carry out the functions of the Commission.

SEC. 4. DUTIES OF THE COMMISSION.

The Commission shall advise the Secretary with respect to—

(1) the selection of sites for interpretation, preservation, and development by means of cooperative agreements pursuant to section 5; and

(2) the development and implementation of a comprehensive interpretive program of the Acadian culture in the State of Maine pursuant to section 6(d).

SEC. 5. COOPERATIVE AGREEMENTS.

(a) IN GENERAL.—In furtherance of the purposes of this Act, the Secretary is authorized, after consultation with the Commission, to enter into cooperative agreements with the owners of properties of natural, historical, or cultural significance associated with the Acadian people in the State of Maine, pursuant to which agreements the Secretary may mark, interpret, restore, and/or provide technical assistance for the preservation of such properties and pursuant to which the Secretary may provide assistance including management services and program implementation.

(b) RIGHT OF ACCESS.—Each cooperative agreement shall provide that the Secretary, through the National Park Service, shall have the right of access at all reasonable times to all public portions of the property covered by the agreement for the purpose of conducting visitors through such properties and interpreting them to the public.

(c) ALTERATION OF PROPERTIES.—Each cooperative agreement shall provide that no changes or alterations shall be made in the property covered by the agreement except by mutual agreement between the Secretary and the other party to the agreement.

SEC. 6. ACADIAN CULTURAL CENTER.

(a) IN GENERAL.—The Secretary is authorized, after consultation with the Commission, to provide a center for the preservation, perpetuation, and interpretation of Acadian culture within the State of Maine.

(b) ACQUISITION OF LAND.—The Secretary is authorized to acquire lands and interests therein, not to exceed 20 acres in total, by purchase, donation, or exchange, and to develop, operate, and maintain interpretive and preservation facilities and programs at the center in furtherance of the purposes of this Act.

(c) OPERATION.—The Secretary may contract with public and private entities for the operation of the center in accordance with program standards approved by the Secretary.

(d) INTERPRETIVE PROGRAM.—In connection with center operations the Secretary shall develop and implement a comprehensive interpretive program of the Acadian culture in the State of Maine, including preparation of interpretive and informational materials, exhibits, films, lectures, and other educational materials.

(e) STATUTORY AUTHORITY.—The Secretary shall administer the property acquired pursuant to this section and cooperative agreements entered into pursuant to this Act in accordance with the Act of August 25, 1916 (39 Stat. 535), as amended (16 U.S.C. 1 et seq.), the Act of August 21, 1935 (49 Stat. 666), as amended (16 U.S.C. 461 et seq.), this Act and other statutory authority providing for the conservation and management of natural, historical and cultural resources.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

(a) For the purposes of carrying out the functions of the Commission, there are hereby authorized to be appropriated such sums as may be necessary, not to exceed $250,000.

(b)(1) To carry out the other purposes of this Act, there are hereby authorized to be appropriated such sums as may be necessary, subject to the limitations of paragraph (2).

(2) With respect to cooperative agreements entered into pursuant to section 5, and the provisions dealing with the Acadian Cultural Center in subsections 6 (a) through (c), the Secretary is authorized to expend not more than 50 percent of the aggregate cost of performing those functions, the remainder of such costs to be provided by nonfederal funds.

ACQUISITION OF CERTAIN LANDS IN LOUISIANA

The Senate proceeded to consider the bill (S. 2437) to authorize the acquisition of certain lands in the State of Louisiana for inclusion in the Vicksburg National Military Park, which has been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. ADDITION OF LANDS TO VICKSBURG NATIONAL MILITARY PARK.

(a) GRANT'S CANAL, LOUISIANA.—The Secretary of the Interior (hereinafter in this Act referred to as the "Secretary") is authorized to acquire by donation, exchange, or purchase with donated or appropriated funds, approximately two and five-tenths acres of land in Madison Parish, Louisiana, known generally as the Grant's Canal property.

(b) WARREN COUNTY, MISSISSIPPI.—(1) The Secretary is authorized to acquire by donation approximately two and eighty-two one hundredths acres of land adjacent to the entrance of Vicksburg National Military Park owned by Warren County, Mississippi.

(2) The Secretary may contribute, in cash or services, to the relocation and construction of a maintenance facility to replace the facility located on the land to be donated, all in accordance with an agreement between the Secretary and the Board of Supervisors.

(3) The Secretary is authorized to restore and landscape the property acquired pursuant to this subsection.

(c) BOUNDARY REVISION.—Upon acquisition of the properties referred to in subsections (a) and (b), the Secretary shall, after the publication of notice in the Federal Register, revise the boundary of Vicksburg National Military Park (hereinafter in this Act referred to as the "park") to reflect the inclusion of such properties within the park.

SEC. 2. EXCLUSION OF LANDS FROM PARK.

(a) EXCLUSION OF CERTAIN LANDS.—The park boundary is hereby revised to exclude those lands depicted as "Proposed Deletions" on the map entitled "Vicksburg National Military Park" numbered 306-80,007 and dated May 1990, which map shall be on file and available for public inspection in the Office of the National Park Service, Department of the Interior. Exclusive jurisdiction over the lands excluded from the park is hereby retroceded to the State of Mississippi.

(b) TRANSFER TO ADJACENT OWNERS.—(1) For a period ending four years after the date of enactment of this Act and subject to the provisions of paragraph (2), the Secretary is authorized to convey title to all or part of the lands referred to in subsection (a) to an owner of property adjacent to such lands, upon the application of such owner.

(2) No property shall be conveyed unless the application referred to in paragraph (1) is accompanied by a payment in an amount equal to—

(A) the fair market value of the land to be conveyed; and

(B) the administrative costs of such transfer incurred by the Secretary, including the costs of surveys, appraisals, and filing and recording fees.

(c) EXCESS PROPERTY.—Any lands not conveyed pursuant to subsection (b) shall be reported to the Administrator of General Services as excess to the needs of the Department of the Interior and shall be subject to transfer or disposition in accordance with the Federal Property and Administrative Services Act of 1949, as amended.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time and passed.

The title was amended so as to read: "A bill to authorize the acquisition of certain lands in the State of Louisiana and Mississippi for inclusion in the Vicksburg National Military Park, and for other purposes."

SUNSET CRATER VOLCANO NATIONAL MONUMENT

The bill (S. 2566) to redesignate the Sunset Crater National Monument as the Sunset Crater Volcano National Monument, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 2566

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REDESIGNATION.

The Sunset Crater National Monument, Arizona, shall, on and after the date of enactment of this Act, be known and designated as the "Sunset Crater Volcano National Monument". Any reference to the Sunset Crater National Monument in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the Sunset Crater Volcano National Monument.

POTENTIAL INCLUSION OF CERTAIN RIVERS IN THE WILD AND SCENIC RIVERS SYSTEM

The Senate proceeded to consider the bill (H.R. 76) to amend the Wild and Scenic Rivers Act to study the eligibility of St. Marys River in the States of Florida and Georgia for potential addition to the Wild and Scenic Rivers System, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. ST. MARYS RIVER STUDY.

(a) STUDY.—Section 5(a) of the Wild and Scenic Rivers Act, as amended (16 U.S.C. 1276(a)), is further amended by adding the following new paragraph at the end thereof:

"(106) ST. MARYS RIVER, FLORIDA AND GEORGIA.—The segment from its headwaters to its confluence with the Bells River.".

(b) COMPLETION DATE.—Section 5(b) of the Wild and Scenic Rivers Act, as amended (16 U.S.C. 1276(b)), is further amended by adding the following new paragraph at the end thereof:

"(8) The study of the river named in paragraph (106) of subsection (a) shall be completed not later than three years after the date of enactment of this paragraph. In carrying out the study, the Secretary of the Interior shall consult with the Governors of the States of Florida and Georgia or their representatives, representatives of affected local governments, and owners of land adjacent to the river. Such consultation shall include participation in the assessment of resource values and the development of alternatives for the protection of those resource values, and shall be carried out through public meetings and media notification. The study shall also include a recommendation on the part of the Secretary as to the role the States, local governments and landowners should play in the management of the river if it were designated as a component of the National Wild and Scenic Rivers System.".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHANGES IN THE CHESAPEAKE AND OHIO CANAL NATIONAL HISTORICAL PARK COMMISSION

The bill (H.R. 3545) to amend the Chesapeake and Ohio Canal Development Act to make certain changes relating to the Chesapeake and Ohio Canal National Historical Park Commission, was considered, ordered to a third reading, read the third time, and passed.

SELMA TO MONTGOMERY NATIONAL TRAIL STUDY ACT

The bill (H.R. 3834) to amend the National Trails System Act to designate the route from Selma to Montgomery for study for potential addition to the national trails system, was considered, ordered to a third reading, read the third time, and passed.

WEATHER BALLOON LAUNCH SITE ACT

The bill (S. 2181) to authorize the National Aeronautics and Space Administration to purchase approximately 8 acres of land at the Fort Sumner Municipal Airport, De Baca County, NM, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 2181

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "weather Balloon Launch Site Act of 1990".

SEC. 2. PURCHASE OF LAND FOR BALLOON LAUNCHING FACILITY.

The Administrator of the National Aeronautics and Space Administration may purchase, with funds appropriated to the Administrator for fiscal year 1990 under the heading "Construction of facilities", approximately 8 acres within Section 16, Township 3 North, Range 26 East, N.M.P.M., De Baca County, New Mexico, to use as a balloon launching facility.

CHAMA RIVER GATEWAY TO THE PAST INTERPRETATION AND VISITOR EDUCATION ACT

The Senate proceeded to consider the bill (S. 2014) to direct the Secretary of Agriculture and the Secretary of the Interior to provide interpretation and visitor education regarding the rich cultural heritage of the Chama River Gateway Region of northern New Mexico, which had been reported from the Committee on Energy and Natural Resources, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 2014

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Chama River Gateway to the Past Interpretation and Visitor Education Act of 1990".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the Chama River Gateway Region, *(hereinafter referred to as the "Region"),* including the Chama River and its tributaries stretching from El Vado Lake on the north, to the Rio Grande on the south, to the Rio Gallina on the west and to the Rio Vallecitos and Rio Ojo Caliente on the east, is known for its striking landscapes and scenic beauty;

(2) the Rio Chama River, a segment of which has been designated as a wild river in section 3(a)(108) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)(108)), is located within the [Chama River Gateway] Region;

(3) few visitors are aware that people have lived in the [Chama River Gateway] Region for the past 12,000 years;

(4) hundreds of prehistoric and historic properties exist on public lands managed by the Bureau of Land Management, the United States Army Corps of Engineers and the Forest Service that reflect the [Chama River Gateway] Region's Indian, Hispanic, and Anglo heritages;

(5) many prehistoric cultural properties in the [Chama River Gateway] Region are potentially nationally significant, especially the 2,000-room prehistoric villages that are among the largest in the Southwest;

(6) the [Chama River Gateway] Region includes many historic cultural properties that reflect northern New Mexico's Hispanic heritage, including the earliest Spanish settlement in the State and the remains of later homesteads and villages;

(7) only one of these prehistoric and historic properties is currently interpreted for the public;

(8) the Act entitled "An Act to establish a program for the preservation of additional historic properties throughout the Nation, and for other purposes", approved October 15, 1966, commonly known as the "National Historic Preservation Act" (16 U.S.C. 470 et seq.), directs that federally owned prehistoric and historic properties be administered in a spirit of stewardship for the inspiration and benefit of present and future generations;

(9) the Forest Service's "National Recreation Strategy" and the Bureau of Land Management's "Recreation 2000" initiatives both foster increased opportunities for public recreation and interpretation of cultural resources;

(10) development of interpretation and visitor education programs in the [Chama River Gateway] Region will enhance tourism and economic growth in rural northern New Mexico; and

(11) interpretation of the prehistoric and historic properties of the [Chama River Gateway] Region will enhance public understanding, appreciation, and protection of our Nation's cultural heritage and will open a "Gateway to the Past" for visitors and residents alike.

SEC. 3. INTERPRETATION AND VISITOR EDUCATION.

(a) PROGRAM.—The Secretary of Agriculture, acting through the Chief of the Forest Service, and the Secretary of the Interior, acting through the Director of the Bureau of Land Management (referred to as the "Secretaries"), shall cooperatively develop and implement a program of interpretation and visitor education regarding the prehistoric and historic resources [within the area generally referred to as the] *on lands they administer within the Region* Chama River Gateway Region (referred to as the "Region"), north of Santa Fe, New Mexico.

(b) PLANNING.—(1) The Secretaries shall locate and identify the historic and cultural resources of the Region that are available and suitable for interpretation and education for the Region's visitors.

(2) Not later than 12 months after the date of enactment of this Act, the Secretaries shall develop, *in consultation with interested parties,* an Interpretation and Visitor Education Plan (referred to as the "Plan") for the Region describing and prioritizing opportunities for interpretation and visitor education regarding the prehistoric and historic resources identified pursuant to paragraph (1).

(3) The Plan shall consider a diverse range of opportunities for such interpretation and education, including—

(A) guided and self-guided tours for automobiles, hikers, and rafters;

(B) interpretive centers and displays;

(C) audio-visual presentations;

(D) demonstrations; and

(E) signs, exhibits, and brochures.

(4) The Plan shall be updated periodically.

(5) The Secretaries shall develop, for the cultural resource properties managed by the Bureau of Land Management and the Forest Service in the Region, uniform policies and consistent procedures for—

(A) compliance with the National Historic Preservation Act;

(B) issuance of permits pursuant to the Archaeological Resources Protection Act of 1979 (16 U.S.C. 470aa et seq.);

(C) consultation with Indian, Hispanic, and other local residents and communities;

(D) visitor center development;

(E) on-site interpretation;

(F) publications; and

(G) patrol and monitoring.

(c) IMPLEMENTATION.—(1) The Secretaries shall—

(A) develop and periodically update a long range strategy for implementation of the Plan;

[(B) not later than 2 years after the date of enactment of this Act, establish, designate, and sign tour routes (identified in the Plan) consisting of interconnected interpretive loops, which may be modified from time to time as determined in the periodic updates of the Plan;]

(B) not later than three years after the date of enactment of this Act, establish, designate, and sign interpretive routes specified in the Plan. Such interpretive routes may be modified from time to time through periodic updates of the Plan;

(C) direct interpretive and visitor education efforts initially toward properties, especially those accessible by public road or trail, managed by the Bureau of Land Management or the Forest Service;

(D) publish and periodically update a brochure describing the interpretive and educational opportunities in the Region that are available to the public;

(E) consult with and enter into cooperative agreements with other Federal agencies, State and local agencies, Indian tribes, Hispanic groups, individuals, organizations, and other interested parties *as necessary* to carry out [this Act; and] *the purposes of this Act; and*

(F) develop a long range strategy for completion of needed inventory, evaluation, nomination, protection, and interpretation of significant cultural resource properties on Bureau of Land Management and National Forest System lands in the Region.

(2) The Secretary of Agriculture shall develop, maintain, and operate, in cooperation with other Federal agencies and other public and private entities, a portion of the Ghost Ranch Living Museum as a "Gateway to the Past" visitor center to provide information, orientation, interpretation, and education regarding the prehistoric and historic resources of the Region.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time and passed as follows:

S. 2014

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Chama River Gateway to the Past Interpretation and Visitor Education Act of 1990".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the Chama River Gateway Region, (hereinafter referred to as the "Region"), including the Chama River and its tributaries stretching from El Vado Lake on the north, to the Rio Grande on the south, to the Rio Gallina on the west and to the Rio Vallecitos and Rio Ojo Caliente on the east, is known for its striking landscapes and scenic beauty;

(2) the Rio Chama River, a segment of which has been designated as a wild river in section 3(a)(108) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)(108)), is located within the Region;

(3) few visitors are aware that people have lived in the Region for the past 12,000 years;

(4) hundreds of prehistoric and historic properties exist on public lands managed by the Bureau of Land Management, the United States Army Corps of Engineers and the Forest Service that reflect the Region's Indian, Hispanic, and Anglo heritages;

(5) many prehistoric cultural properties in the Region are potentially nationally significant, especially the 2,000-room prehistoric villages that are among the largest in the Southwest;

(6) the Region includes many historic cultural properties that reflect northern New

Mexico's Hispanic heritage, including the earliest Spanish settlement in the State and the remains of later homesteads and villages;

(7) only one of these prehistoric and historic properties is currently interpreted for the public;

(8) the Act entitled "An Act to establish a program for the preservation of additional historic properties throughout the Nation, and for other purposes", approved October 15, 1966, commonly known as the "National Historic Preservation Act" (16 U.S.C. 470 et seq.), directs that federally owned prehistoric and historic properties be administered in a spirit of stewardship for the inspiration and benefit of present and future generations;

(9) the Forest Service's "National Recreation Strategy" and the Bureau of Land Management's "Recreation 2000" initiatives both foster increased opportunities for public recreation and interpretation of cultural resources;

(10) development of interpretation and visitor education programs in the Region will enhance tourism and economic growth in rural northern New Mexico; and

(11) interpretation of the prehistoric and historic properties of the Region will enhance public understanding, appreciation, and protecion of our Nation's cultural heritage and will open a "Gateway to the Past" for visitors and residents alike.

SEC. 3. INTERPRETATION AND VISITOR EDUCATION.

(a) PROGRAM.—The Secretary of Agriculture, acting through the Chief of the Forest Service, and the Secretary of the Interior, acting through the Director of the Bureau of Land Management (referred to as the "Secretaries"), shall cooperatively develop and implement a program of interpretation and visitor education regarding the prehistoric and historic resources on lands they administer within the Region Chama River Gateway Region (referred to as the "Region"), north of Santa Fe, New Mexico.

(b) PLANNING.—(1) The Secretaries shall locate and identify the historic and cultural resources of the Region that are available and suitable for interpretation and education for the Region's visitors.

(2) Not later than 12 months after the date of enactment of this Act, the Secretaries shall develop, in consultation with interested parties, an Interpretation and Visitor Education Plan (referred to as the "Plan") for the Region describing and prioritizing opportunities for interpretation and visitor education regarding the prehistoric and historic resources identified pursuant to paragraph (1).

(3) The Plan shall consider a diverse range of opportunities for such interpretation and education, including—

(A) guided and self-guided tours for automobiles, hikers, and rafters;

(B) interpretive centers and displays;

(C) audio-visual presentations;

(D) demonstrations; and

(E) signs, exhibits, and brochures.

(4) The Plan shall be updated periodically.

(5) The Secretaries shall develop, for the cultural resource properties managed by the Bureau of Land Management and the Forest Service in the Region, uniform policies and consistent procedures for—

(A) compliance with the National Historic Preservation Act;

(B) issuance of permits pursuant to the Archaeological Resources Protection Act of 1979 (16 U.S.C. 470aa et seq.);

(C) consultation with Indian, Hispanic, and other local residents and communities;

(D) visitor center development;

(E) on-site interpretation;

(F) publications; and

(G) patrol and monitoring.

(c) IMPLEMENTATION.—(1) The Secretaries shall—

(A) develop and periodically update a long range strategy for implementation of the Plan;

(B) not later than three years after the date of enactment of this Act, establish, designate, and sign interpretive routes specified in the Plan. Such interpretative routes may be modified from time to time through periodic updateds of the Plan;

(C) direct interpretive and visitor education efforts initially toward properties, especially those accessible by public road or trail, managed by the Bureau of Land Management or the Forest Service;

(D) publish and periodically update a brouchure describing the interpretive and educational opportunites in the Region that are available to the public;

(E) consult with and enter into cooperative agreements with other Federal agencies, State and local agencies, Indian tribes, Hispanic groups, individuals, organizations, and other interested parties as necessary to carry out the purposes of this Act; and

(F) develop a long range strategy for completion of needed inventory, evaluation, nomination, protection, and interpretation of significant cultural resource properties on Bureau of Land Management and National Forest System lands in the Region.

(2) The Secretary of Agriculture shall develop, maintain, and operate, in cooperation with other Federal agencies and other public and private entities, a portion of the Ghost Ranch Living Museum as a "Gateway to the Past" visitor center to provide information, orientation, interpretation, and education regarding the prehistoric and historic resources of the Region.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

WEIR FARM NATIONAL HISTORIC SITE

The Senate proceeded to consider the bill (S. 2059) to establish the Weir Farm National Historic Site in the State of Connecticut, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Weir Farm National Historic Site Establishment Act of 1990".

SEC. 2. DEFINITIONS.

As used in this Act the term—

(1) "Secretary" means the Secretary of the Interior; and

(2) "historic site" means Weir Farm National Historic Site established in section 4.

SEC. 3. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) The National Park System preserves for the American people natural and historic places reflective of the Nation's heritage;

(2) the National Park System contains no sites commemorating famous American painters or the artistic traditions to which they contributed;

(3) the Weir Farm in Connecticut is listed on the National Register of Historic Places and is deserving of inclusion in the National Park System as an outstanding historic site associated with major American artists and several artistic developments;

(4) the Weir Farm, acquired in 1882 by J. Alden Weir, a founder and principal exponent of American Impressionism, has been continuously occupied by working artists and their families who have maintained its significance and integrity as a historic site;

(5) the pastoral setting and tranquility of the Weir Farm served as the inspiration and subject for the works of Weir, John Singer Sargent, John H. Twachtman, Childe Hassam, Albert Pinkham Ryder, Theodore Robinson, Mahonri Mackintosh Young, and other noted artists who lived and visited there;

(6) the Weir Farm is the best preserved site with a home, workplace, and landscape associated with the American Impressionism movement and larger developments in American art in the late 19th century, including shifts in subject matter from heroic wilderness vistas to familiar, domesticated landscapes and in working methods from studio to open air painting; and

(7) the Weir Farm, including the house, barns, studios, pond, field, and woods thereon, and the approximately 113 acres of adjacent natural areas owned by the Nature Conservancy and the Town of Ridgefield, Connecticut, provide superlative opportunities for illustrating and interpreting important cultural themes of our Nation's heritage and for public recreation and enjoyment in a State which suffers a dearth of open space accessible to the public and which is unrepresented in the National Park System.

(b) PURPOSES.—The purposes of this Act are—

(1) to preserve a site of profound significance for the tradition of American Impressionism and an outstanding example of the country retreats and landscapes associated with that movement and the evolving artistic methods of the late 19th century;

(2) to maintain the integrity of a setting that inspires artistic expression and encourages public enjoyment; and

(3) to offer opportunities for the recreation and education of the American people.

SEC. 4. ESTABLISHMENT OF WEIR FARM NATIONAL HISTORIC SITE.

(a) IN GENERAL.—There is established, as a unit of the National Park System, the Weir Farm National Historic Site in the State of Connecticut.

(b) DESCRIPTION.—The historic site shall consist of—

(1) the approximately 2-acre core parcel containing the Weir house, studio, and barn; and

(2) the approximately 60 acres and improvements thereon owned by the State of Connecticut;

both as generally depicted on a map entitled "Land Ownership Map, Weir Farm Historic Site", Figure 5, dated October 1989, as contained in the National Park Service Weir Farm Suitabililty/Feasibility Study, February, 1990. Such map shall be on file and available for public inspection in the appropriate offices of the National Park Service.

SEC. 5. ACQUISITION OF REAL AND PERSONAL PROPERTY AND SERVICES.

(a) REAL AND PERSONAL PROPERTY.—The Secretary is authorized to acquire by donation, exchange, or purchase with donated or appropriated funds, the core parcel and improvements thereon, and may acquire by do-

nation or exchange all other lands and improvements within the boundaries of the historic site. The Secretary may also acquire by the same methods personal property associated with, and appropriate for, the interpretation of the historic site: *Provided,* That the Secretary may acquire works of art associated with the Weir family, J. Alden Weir, and other artists who lived at or visited the site only by donation or purchase with donated funds.

(b) OTHER PROPERTY, FUNDS, AND SERVICES.—The Secretary is authorized to accept and use donated funds, property, and services to carry out this Act.

SEC. 6. ADMINISTRATION OF HISTORIC SITE.

(a) IN GENERAL.—The Secretary shall administer the historic site in accordance with this Act and the laws generally applicable to units of the National Park System, including the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (16 U.S.C. 1 *et seq.*), and the Act entitled "An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national historic signficance, and for other purposes", approved August 21, 1935 (16 U.S.C. 461 *et seq.*)

(b) COOPERATIVE AGREEMENTS.—(1) The Secretary may consult and enter into cooperative agreements with the State of Connecticut concerning the maintenance, restoration, and management of the lands and improvements within the boundaries of the historic site.

(2) The Secretary may consult and enter into cooperative agreements with the Weir Farm Heritage Trust, the State of Connecticut, the American Academy of the Arts and Letters, and other organizations and groups in the development, presentation and funding of art exhibits, resident artist programs, and other appropriate activities.

(3) The Secretary may consult and enter into cooperative agreements with the Nature Conservancy and the towns of Ridge field and Wilton for the purpose of coordinating activities on the historic site with activities on the Nature Conservancy's Weir Preserve and lands adjoining the historic site owned by the towns.

(c) CONSULTATION.—The Secretary shall consult with the Weir Farm Heritage Trust in matters relating to the preservation, development, and use of the historic site.

(d) EXHIBITS.—The Secretary may display, and accept for the purpose of display, works of art associated with J. Alden Weir, the Weir Farm, and the American Impressionist movement.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, except that not more than $1,500,000 may be appropriated for the acquisition of real and personal property.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time and passed.

AUTHORIZING THE ABSENCE OF JOHN D. ROCKEFELLER IV

Mr. EXON. Mr. President, on behalf of Senators MITCHELL and DOLE, I send a resolution to the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 300) to authorize absence of Senator John D. Rockefeller IV.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. MITCHELL. Mr. President, Senator ROCKEFELLER is the plaintiff in the case of JOHN D. ROCKEFELLER IV versus CNA Insurance Companies and Continental Casualty Co., a civil action which is pending in the U.S. District Court for the Southern District of West Virginia. The issues in the case arise out of matters that occurred during the Senator's service as Governor of West Virginia.

Under rule VI of the Standing Rules of the Senate no Senator shall absent himself from the service of the Senate without leave. This resolution would authorize Senator ROCKEFELLER to attend a deposition and the trial in this case, except when his attendance at the Senate is necessary for the performance of his legislative duties.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 300) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 300

Whereas, in the case of John D. Rockefeller IV v. CNA Insurance Companies and Continental Casualty Company, Civil Action No. 2:87-0575, pending in the United States District Court for the Southern District of West Virginia, the attendance of Senator Rockefeller at deposition and trial may be necessary;

Whereas, by Rule VI of the Standing Rules of the Senate, no Senator shall absent himself from the service of the Senate without leave: Now, therefore, be it

Resolved, That Senator John D. Rockefeller IV is authorized to attend a deposition and trial in the case of John D. Rockefeller IV v. CNA Insurance Companies and Continental Casualty Company, Civil Action No. 2:87-0575, except when his attendance at the Senate is necessary for the performance of his legislative duties.

Mr. EXON. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MOTION TO RECONSIDER WITHDRAWN

Mr. EXON. Mr. President, I ask unanimous consent that the entered motion to reconsider the vote by which the President's veto of the Amtrak authorization bill, H.R. 2364, was sustained be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR MONDAY, JUNE 18, 1990

RECESS UNTIL 2 P.M.; MORNING BUSINESS

Mr. EXON. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 2 p.m. on Monday, June 18; and that following the time for the two leaders, there be a period for morning business not to extend beyond 3 p.m., with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 2 P.M. MONDAY, JUNE 18, 1990

Mr. EXON. If the acting Republican leader has no further business, I ask unanimous consent that the Senate stand in recess, under the previous order, until Monday, June 18, at 2 p.m.

There being no objection, at 10:28 p.m., the Senate recessed until Monday, June 18, 1990, at 2 p.m.

NOMINATIONS

Executive nominations received by the Senate June 14, 1990:

DEPARTMENT OF STATE

RICHARD C. BROWN, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE ORIENTAL REPUBLIC OF URUGUAY.

TOWNSEND B. FRIEDMAN, JR., OF ILLINOIS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE PEOPLE'S REPUBLIC OF MOZAMBIQUE.

ACTION AGENCY

RICHARD V. BERTAIN, OF CALIFORNIA, TO BE ASSOCIATE DIRECTOR OF THE ACTION AGENCY, VICE DANIEL F. BONNER, RESIGNED.

EXTENSIONS OF REMARKS

A UNITED EUROPE CAN NO LONGER IGNORE INJUSTICE IN NORTHERN IRELAND

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. DONNELLY. Mr. Speaker, following is an excerpt from Time magazine that outlines in explicit detail the seemingly endless war being fought in Northern Ireland. Not one person or family is exempt from the violence and terror that continues in that troubled region.

In the mid-1980's, the Governments of the Republic of Ireland and Great Britain resolved to work collectively to bring peace and justice to Northern Ireland. This article from Time, however, paints a different picture; that war is a way of life, and that despite vows of reconciliation and peace, little has changed.

From my perspective, one of the few remaining hopes for true peace will be in 1992 when Europe unites and members of the united European Community will be in a position to force both communities to end this violence and begin the process of reconciliation.

I, along with other Americans, will demand the European Community to take direct and forceful action to end this nightmare. A civilized European Community cannot allow this to continue within its borders.

Northern Ireland is a virtual police state. It is inconceivable that the ongoing bloodshed and injustice can be tolerated by Europeans who have continually fought to eliminate police states throughout Eastern Europe. No longer will they be able to ignore the abuse of human rights in Northern Ireland.

When Great Britain and the Republic of Ireland join with the the rest of Europe as the "United States" of Europe, the rest of the world will be watching closely as the new European Community collectively responds to this deplorable situation.

The highest priority for "Europe '92" must be a quick and equitable resolution to end the violence and its root causes.

Mr. Speaker, I ask that the article from Time magazine from June 18 be inserted in the RECORD at this time.

[From the Time magazine, June 18, 1990]

NORTHERN IRELAND: DEATH AFTER SCHOOL

Every war has rules of engagement. Even that random bursts of street violence in Belfast follow a certain code. Chuckie, 11, explains how it works. When instructed to blockade a street, it is O.K. to steal public vans and buses but not private cars, because those, he says, "could belong to one of your own." The summer he turned ten, Chuckie came upon three teenagers in ski masks hijacking a plumber's van. He impulsively flung himself into the back of the truck; after the hijackers crashed the van and set it on fire, Chuckie helped pour gasoline on the wreck to make it burn faster. He was operating in strict accordance with I.R.A. guidelines, but his smile betrays his outrageous good fortune. "They let ya burn it."

Blessed with a sweetly impudent face, Chuckie looks like the kind of kid a homeroom teacher would put in charge of the class when she had to leave the room. But the I.R.A. is never far from his mind and suffuses nearly everything he does. Chuckie delivers the pro-I.R.A. *Republican News* on his paper route and twirls a baton at the head of an Irish Republican marching band. I.R.A. men in the neighborhood all know him. Chuckie comes from a long line of I.R.A. fighters, from his grandfather, who fought the British in the 1930s, to four of his five uncles. He is entrusted with small errands—delivering a message, watching police and British army patrols in the neighborhood, watching the neighbors.

Lowering his voice, he admits he wants to join the I.R.A. Would he be willing to commit murder? "Kill Orangemen and Brits, aye," he says with relish. He pauses, then once again lowers his voice. "But I wouldn't kill one of my own." One of his I.R.A. uncles was killed by one of his own, shot through the head for acting as an informant. Chuckie is always mindful of that.

The I.R.A. claims it no longer uses children in the war against Britain, and in a sense that is true. The war in Northern Ireland has changed since the early 1970s, the days and nights of street fighting that any child could join. The bomb attacks and assassinations that the I.R.A. carries out require only a few specialists and a degree of secrecy that kids could only jeopardize.

When "the Troubles" flared anew in 1969, children who were under 16 and too young for the I.R.A. rushed to join the NaFianna Eirann, a group created in the early 1900s as an Irish patriot's answer to Baden-Powell's John Bullish boy Scouts. Members did a lot more than sing folk songs and hike; they fought, and the authorities made no distinction between Fianna and I.R.A. suspects. Fianna members had their own uniform, and the black shirts, berets and sunglasses gave even small children a scary paramilitary look. The youngsters became a macabre part of the pageantry in every I.R.A. funeral cortege.

The I.R.A. broke up the formal structure of the Fianna after the Royal Ulster Constabulary (RUC) and British intelligence forces had too often managed to squeeze information out of its members. The numbers of Fianna children who were killed, not just in riots or military operations, but in accidents as well, were also bad for public relations.

The I.R.A. still has a youth wing to instruct the sons and daughters of Republican families in Irish history, teach them the shadowy rules of urban guerrilla warfare and screen them for paramilitary service. John, 16, joined the youth wing when he was 13, and his early years mainly consisted of reading books, learning Gaelic and, to his frustration, painting posters and marching. "We've been protesting for 20 years against the Brits, and they've never taken any heed," he says. "They take heed of war."

John plays drums in a Republican band, the only legal way for kids in Belfast to flaunt their defiance. Like almost all Catholic ghetto kids, he's been in and out of trouble with the law since he was a child, but he has been extra careful since his last arrest two years ago. He wears his brown hair short, but no punk short, and he has no tattoos or earrings. He wears a blue Windbreaker and jeans. He is earnest, painstakingly sincere and a walking encyclopedia of the I.R.A. party line—he has carefully shed any trace of the sly, irreverent wit common to his neighbors. John has been trained in firearms, explosives and withstanding police interrogation, and admits that he has assisted a few "operations." He won't say a word about what or when or how.

Even in his pro-I.R.A. neighborhood, John is an exception. Most kids linger on the periphery of war, bystanders steeped in inherited hate, armed mainly with taunts and rocks, whipped into street violence when the I.R.A. feels the need. In Republican families, loyalty to the cause is instilled by grandparents, fathers, aunts; family scrapbooks are filled with snapshots of funerals and marches, and fading newspaper clippings of killings and arrests, not weddings and school recitals. But kids take to the streets primarily because it's "good crack"—Irish slang for fun. To the kids, throwing stones and bottles is a game, an illegal act sanctioned by adults, and the best release from boredom. Six-year-olds will scoop up a stone and hurl it at a passing police van as smoothly as a beachcomber skips stones across the waves.

In the Belfast neighborhoods of Ardoyne, a brick wall separates the Protestant and Catholic working-class neighborhoods, concealing the fact that the terraces of narrow houses are the same on each side. There is a small door in the wall, but the children never pass through it. Ciaran, 12, who was all swaggering belligerence around the British troops, mimicking an English upperclass accent to shout "Bloody buggers" as they passed, goes within 5 yds. of the door, then stops. He won't say why; he just knows that behind it lies danger.

In fact, there is nothing but stillness behind the wall. The streets are empty save for two Protestant boys, Robert, 13, and Frankie, 15, sitting on a stoop, doing nothing. Neither one has ever gone within 10 yds. of the wall. Even at 20 yds., the slightest sound from the other side prompts them to run like startled deer.

They are bored. Protestant neighborhoods are not patrolled by the British army or the RUC; there is little street life and to the residents, the enemy is an invisible force behind a wall. Robert, younger but more spirited, wants out of Belfast. He hopes to immigrate to Australia someday. Frankie is less of a schemer, more of a follower. His father is a member of the U.D.F., the Ulster Defense Force, one of the Protestant paramilitary groups. He doesn't know what he will do when he grows up, except perhaps end up like his father. "I dunno," he says listlessly, "maybe I'll join something."

There are Protestant paramilitary groups, and they have their own youth wings, but

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

there is no occupying force to oppose. Kids in Protestant neighborhoods do not riot or throw stones. Attacks on Catholics have decreased over the years, and the assassinations are carried out by the men. "We've never been able to mobilize the young the way the Catholics have," explains U.D.F. leader Tommy Lyttle. "There never has been that same depth of feeling. Fighting against something is more attractive than defending it."

There are plenty of kids in Belfast who reject either option. Some of them opt for "joyriding," a relatively new plague, a widespread, nonpartisan and deadly display of juvenile delinquency that equally confounds parents, the paramilitaries and the police.

Joyriding in Belfast is a very different sport from American Graffiti—style cruising. Kids steal a car, then speed through the streets, too often crashing through police barricades or into oncoming cars. Because the cops tend to start shooting at the first glimpse of a careening stolen vehicle, joyriders will place a four- or five-year-old up against the back window to discourage the fire. Afterward they often strip the car and sell the parts. The joyriders grab cars from Catholic more than from Protestant neighborhoods, so the I.R.A. has taken to kneecapping those whom they capture. For every child who wants no part in civil war and wants to go to America, for every child who dreams of joining the I.R.A., there is a ghetto kid who has no dreams and who lives for the present, finding the instant, brief thrill of joyriding worth the risk. It's senseless, except that these kids have become inured to risk, and joyriding is the one violent activity in Belfast where the kid is in control, steering his own danger.

Joyriding has become an addiction among the hoods, as the hundreds of repeat offenders who have been arrested by cops or shot through the knees by I.R.A. gunmen attest. It's also a curious form of rebellion; to most hoods, both the "peelers" (the cops) and the "Provos" (Provisional I.R.A.) are hostile authority figures, equally loathed and feared.

Yet the hoods are always conscious of the rules. Simon, 15, a Roman Catholic and a car thief, passionately insists he hates the Provos, hates the cops, but he still knows what side of the civil war he is on. He was in the neighborhood of New Lodge the night of the biggest riot in Belfast last August, throwing rocks alongside the pro-I.R.A. teenagers he normally shuns. He makes a distinction between the thrill of joyriding and that of rioting. "Joyriding is for fun," he says earnestly. "Rioting is because you hate."

Barricading streets, burning cars and tossing petrol bombs are mostly summer events, when there are anniversaries to commemorate, school is out and nights are warm. It's a time when the air of Belfast is thin with the promise of excitement, and mothers pray for rain. "The lads don't go out and fight as much when it's raining," says Betty, 33. Four of her five brothers have done time, and her three sons are all adept at making petrol bombs. Even the six-year-old, whose forehead is blackened by a burn mark he got while making a petrol bomb, won't stay inside when a barricade goes up.

A hurricane could not have prevented the riot in New Lodge that took place that summer night. Aug. 8 was the 18th anniversary of internment—the day the British carried out a mass roundup of suspects—and it was marked with blazing bonfires in every Catholic neighborhood. For weeks, the kids had been preparing for it, collecting wood, tires, old furniture, anything not nailed down. That afternoon the children had also been gathering milk and beer bottles to make petrol bombs for "after." The police came by at 5 p.m. and smashed the bottles with their rifle butts, but the kids still had nearly 1,000 hidden away. "Enough to last the night," as one 17-year-old, a ski mask tucked in his back pocket, cheerfully put it.

At midnight neighbors stand around, talking, drinking beer, watching as the bonfire bursts into a wall of heat and forces the crowd against the houses. Older people step back with the aplomb of suburbanites watching Fourth of July fireworks, while children gallop through the sparks. The crowd screams with pleasure when flames shoot upward and set ablaze the Union Jack atop the heap.

As the fire subsides, so does the crowd. A few boys start throwing petrol bombs, forcing the police vans to rumble forward. Then the etiquette of the riot begins, as predictable as it is dreary. Teenagers turn back and hurl more petrol bombs, the police reply with rubber bullets, and the rioters hide in alleys and doorways. One or two smaller boys reappear, picking their way through the narrow cracks in the violence. Brendan, 12, delivers a report. "Peelers coming up Sheridan Street." When the bomb tossing and running resume, he vanishes. The younger boys keep the danger in mind. "Rioting is good crack," Brendan later says sarcastically, "as long as you don't get hurt."

Seamus Duffy, a 15-year-old boy from the nearby neighborhood of Oldpark, went to New Lodge that night looking for excitement. He never came back. Sometime around 1 a.m., he and a friend were walking down a street in New Lodge, headed for the epicenter of the riot. He was hit in the chest by a plastic bullet, crumpled to the ground, blood oozing from his mouth, and died before he reached the hospital.

Overnight a shrine rose at the place where he was killed, a lace-covered altar laden with plastic flowers in vases, Madonna and Christ icons, and a photograph of the boy. Above it a cardboard plaque read, S. Duffy Murdered by RUC August 9th, 1989. Along a wall near Duffy's house, someone wrote in giant white letters, 20 years on and still murdering children. His funeral, a nightmarishly slow procession, overflowed with grief.

To the cops, Seamus Duffy was a rioter who got what he was asking for. To his parents, he was an innocent bystander, gunned down by the heartless enemy. To the English public, he was all but invisible. The Sunday Times of London issued a happy postmortem on the anniversary, calling it "one of the most peaceful fortnights in the present troubles . . . only one British soldier was killed, as a result of an accidental discharge of his gun."

The afternoon after Duffy's funeral, three teenagers hijacked two postal vans, drove them to the spot where Duffy had died and set them afire. Liam, 13, one of the car thieves, watched the flames with quiet satisfaction. He was not in very good standing with "the lads," having been thrown out of his Republican band the previous year for joyriding. But this hijacking was approved, and this time Liam was working within the rules. "It's 'cause the wee one was killed," he said. Liam was back with his friends, and he was happy.

REGARDING THE NEED FOR CLARIFYING LEGISLATION UNDER THE PUBLIC UTILITIES HOLDING COMPANY ACT

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. ROGERS. Mr. Speaker, over the past few months, the House Energy and Commerce Committee has attempted on several occasions to bring H.R. 1396, the International Securities Enforcement Cooperation Act to the floor under suspension of the rules. It is my understanding that jurisdictional concerns of other committees has precluded consideration of this legislation and that it may not be possible to resolve these differences in a manner which would allow speedy consideration of this bill.

The Senate-passed version of H.R. 1396 contains an amendment which would clarify a provision of the Public Utility Holding Company Act of 1935 as it pertains to the Kentucky Utilities Co. This amendment was supported by both Senators from Kentucky and similar legislation, H.R. 3640, has been introduced in the House by the members of the Kentucky delegation.

This legislation has the strong support of the entire Kentucky delegation because it would enable Kentucky Utilities to engage in needed economic development activities throughout Kentucky.

My question to the gentleman from Massachusetts is, when can we expect to see the Kentucky Utilities legislation on the House floor as a free-standing bill?

THE PUHCA AMENDMENT

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. MARKEY. Mr. Speaker, I am aware of the concerns of the gentleman from Kentucky, Mr. ROGERS, regarding the House consideration of a Senate amendment to the Public Utility Holding Company Act of 1935, which was attached to H.R. 1396, the International Securities Enforcement Cooperation Act. That amendment would have provided particular PUHCA relief to the Kentucky Utilities Co.

Since there has been no formal House process concerning the Senate-passed amendment, we believe that there should be more time for both the Subcommittees on Telecommunications and Finance and Energy and Power to carefully analyze the impacts of this provision. At present, I do not see the need to have open public hearings concerning this issue, and I believe that a less formal paper hearing with a solicitation of views from all interested parties is all that will be required.

As the gentleman knows, I do not control the schedule for the floor and cannot give the gentleman from Kentucky a precise estimate of when we will have this issue on the House floor. However, I will commit full cooperation

with the chairman of the Subcommittee on Energy and Power, Mr. SHARP, and the chairman of the full committee, Mr. DINGELL, to give this legislation the most serious and expedited consideration possible to move forward in this area outside of the specific timetable for the consideration of H.R. 1396.

BACKGROUND CHECKS ARE POSSIBLE

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. PORTER. Mr. Speaker, in 1988, we passed legislation requiring the Attorney General to develop and implement a means of keeping prohibited individuals—felons, the mentally insane, illegal aliens, and others—from buying handguns from licensed dealers.

The Attorney General responded with two reports. The first, which dealt with keeping felons from buying firearms, concluded that there was no economically feasible way to create a perfect felon detection system.

The second report, which will be released soon, concludes that there is no feasible way to keep other prohibited individuals from buying guns from dealers.

These reports are simply unacceptable. Many States, counties and cities presently run background checks on potential gun buyers and have great success in screening out prohibited buyers. New Jersey, which has required background checks for years, has caught over 10,000 felons trying to buy handguns. Memphis, TN screens out about 50 felons a month, and California snared over 1,500 prohibited buyers in 1986 alone.

Still, the Attorney General says an effective system can't be developed. I urge the Attorney General to reconsider his indefensible position and, in the meantime, I urge members to cosponsor the Brady bill.

REGINALD LAFAYETTE TO BE HONORED

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mrs. LOWEY of New York. Mr. Speaker, this evening the Mount Vernon, NY, Lions Club will honor Reginald Lafayette at the annual dinner dance. I rise to pay tribute to Reginald's many contributions on behalf of the entire Westchester community. The Lions Club has been providing for community needs and promoting international understanding for nearly 75 years. Reginald Lafayette's dedicated service to the city of Mount Vernon is well worthy of recognition by this important civic institution.

Educated in Charleston, SC, public schools, Reginald arrived in Mount Vernon in 1972. Since then he has assumed numerous positions of leadership as both a professional and a volunteer. Active in municipal government for almost a decade, Reginald is the former second deputy comptroller of Mount Vernon, and now serves as the city clerk and commissioner of licenses.

Reginald's commitment to this community has always gone beyond the call of his formal duties. He held the posts of executive vice president of the Mount Vernon NAACP chapter and was also the treasurer of the Independent Citizen's League. Reginald's unceasing efforts to improve the quality of life for all Mount Vernon citizens have also involved service on the boards of directors of the Mount Vernon Day Care Center, the Black Democrats of Westchester, and the Westchester Opportunity Program. In all of those capacities he has shown a spirit of tireless devotion to public service.

The recipient of the Westchester County Board of Legislator's Proclamation of Community Service, Reginald has also been awarded a citation from the New York State Assembly, designated as one of the Outstanding Young Men of America, and been honored by the Collin Allen Child Development Center.

He has served as president of the Mount Vernon Lions Club and in that capacity has been a leader on behalf of the many fine causes to which that organization is dedicated. He is richly deserving of the recognition he is receiving and I am honored to bring his record of service to the attention of the Congress.

TRIBUTE TO ROBERT L. CRANDALL

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. MACHTLEY. Mr. Speaker, I rise today to pay tribute to Robert L. Crandall who is being named an honorary commodore in the Rhode Island Commodores. The Rhode Island Commodores represents Rhode Island's top business and civic leaders who have committed themselves to promoting Rhode Island and the development of its economy.

Robert Crandall, a native of Westerly, RI, is currently the chairman, president, and chief executive officer of AMR Corp. and American Airlines, Inc. Mr. Crandall became chairman and chief executive officer on March 1, 1985, and has been president since 1980. He has been named as the best chief executive officer of a major U.S. airline for 6 consecutive years by the Wall Street Transcript. In 1988, Mr. Crandall was named one of the six best U.S. managers by Business Week, was selected an Aerospace Laureate by Aviation Week & Space Technology, and was named as one of the ten best executives among U.S. firms by the Gallagher Report.

As American Airlines' top marketing executive and subsequently as the airline's president and chairman, Mr. Crandall has participated in developing many innovations in the airline industry that have benefited thousands of passengers and travelers over the years. Among these innovations are the super saver fare, American's SABRE automation system, the Advantage Program for frequent flyers, and the development of active employee relations policies.

It is with great pleasure that I congratulate Robert Crandall upon his induction into the Rhode Island Commodores. I wish him all the best and continued success in the future.

LEGISLATION TO ESTABLISH A FINANCIAL SERVICES CRIME DIVISION

HON. BEN NIGHTHORSE CAMPBELL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. CAMPBELL of Colorado. Mr. Speaker, we can talk until we're blue in the face about how angry we are that the administration is not pursuing the individuals responsible for the thrift crisis, but until we force the Department of Justice to start prosecuting these pinstriped miscreants, we will be wasting our breath.

That is why today I am introducing legislation to establish a Financial Services Crime Division within the Department of Justice. This legislation is the companion measure to S. 2712, legislation introduced in the other body by the gentleman from Florida, Mr. GRAHAM.

I want action, not words, I applaud the gentleman from Florida for introducing this timely legislation, and I am proud to lead the effort in the House to get this legislation enacted into law.

The administration's lack of interest in prosecuting the embezzlers and crooks responsible for this catastrophe makes me fighting mad. Congress has provided the Department of Justice with $75 million to spend on this effort, but only a handful of offenders have been prosecuted.

What, I ask, is going on over at the Justice Department? Just a few weeks ago it let all the crooks responsible for billions of dollars worth of defense procurement fraud off the hook. Now it is dragging its feet on the savings and loans crisis. Does anyone over there care about government fraud? To me this is a disturbing trend.

My bill will give the Justice Department a task force specifically devoted to investigating cases of savings and loans fraud. More importantly, this bill won't allow the Justice Department any more excuses for not going after these criminals.

In closing, I urge my colleagues to join me in this important effort to bring a measure of justice to the taxpayers of this country. We have all been burned by the savings and loans crisis; now it's time to fight back.

OBSERVATIONS OF THE ELECTIONS IN BULGARIA

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. LAGOMARSINO. Mr. Speaker, over this past weekend, I led 60 election observers from 23 different countries in monitoring and analyzing the Bulgarian national elections. De-

spite some of the difficulties, which I will comment on, I am encouraged by the positive step forward toward real democracy and freedom that this election represents. Just 6 months ago Bulgaria was a typical East European Communist dictatorship. The 35-year regime of Todor Zhivkov was a classic example of Communist terror, harsh supression of the slightest calls for economic and political reform, Communist corruption, and totalitarian one-party rule. Frankly, 6 months ago I would have not even imagined the rapid, positive changes we witness in Bulgaria today. In fact, the Communist Party has been compelled by popular opinion to change its ways and even its name to the Bulgarian Socialist Party.

While I am disappointed that the popular opposition, the Union of Democratic Forces, had not fared as well as hoped, the strong voting results the UDF did receive, coupled with the mass rallies by the opposition in the streets—rallies that at time numbered over one-half million in a country of only 9 million—clearly signals to the ruling "reformed Communits" that greater political and economic reforms must be made at a faster pace.

I believe that the 44 years of brutal Communist rule, which was still in effect on election day, along with the very limited democratic tradition in Bulgaria did affect the results of the voting favoring the ruling Bulgarian Socialist Party—the "reformed Communists" who ousted Zhivkov. Unfortunately, 44 years of totalitarian experience cannot be eliminated in just 6 months. I am concerned that intimidation, both overt and suspected, by the Communists scared some voters into casting Socialist Party ballots. This serious issue of fear must be addressed and corrected by the Government. However, it is also significant to note that the ruling Socialists did not win a majority. At this point it is not clear who will actually control the Grand National Assembly or what coalitions, either to rule or to act as opposition, will be formed.

The preliminary report of our bipartisan and multinational election observer team is attached. As runoff elections for single member constituencies are to be held this Sunday, June 17, the problems raised with the Central Election Commission have yet to be finally resolved, and the detailed input from all of our observers and the Bulgarian political parties has yet to be fully analyzed, a more complete final observation report including recommendations will be forthcoming.

Special commendation is well deserved by the National Republican Institute for International Affairs [NRIIA] for the leading positive role it played, along with its democratic counterpart [NDI], in promoting the democratic process in Bulgaria. NRIIA teams provided desperately needed information to the opposition parties and the Bulgarian Association for Free Elections—the watchdog of the elections. Along with the NDI, NRIIA sponsored the impressive international observer delegation that spread throughout Bulgaria for the elections. In addition to analyzing the elections, this team, I believe, also helped promote fairness and provided confidence to many Bulgarian voters. Despite some of the problems we noted, the NRIIA and NDI were successful in supporting the popular democratic reform movement. They have an important future role in Bulgaria.

As chairman of the NRIIA, I can attest that this is only another in the long series of democratic successes for the institute. While we were in Bulgaria, another NRIIA team was observing the Chechoslovak elections and helping build a solid democratic system there. NRIIA has played similar significant roles in Poland and Hungary. While much attention here in the United States has been focused on Eastern Europe, the NRIIA has not ignored other regions of the world, espcially Latin America—our strategic backyard. NRIIA programs have been a part of building democracy and freedom in Bolivia, Nicaragua, Panama, and Honduras as well as in the South Pacific and other parts of the globe, just to name a few.

It is clear beyond a doubt that the Bulgarian people, like their Eastern European neighbors, want greater political and economic reforms at an accelerated pace. I am optimistic that will happen. For additional insight, I recommend my colleagues review the following preliminary statement made by our delegation:

STATEMENT OF THE INTERNATIONAL DELEGATION—JUNE 11, 1990

We are pleased to offer this preliminary satement on behalf of the international delegation organized jointly by the National Democratic Institute for International Affairs and the National Republican Institute for International Affairs. This delegation consists of 60 members from 23 countries, many of whom have participated in observer missions before and several of whom have been part of pre-election surveys here.

We have divided into 12 teams over the weekend, eleven of which traveled in towns in the countryside for two-and-a-half days following intensive briefings in Sofia. These teams generally concentrated their observations in the smaller towns and villages, and stayed in touch with the delegation leadership which remained in Sofia. Altogether, we visited some 350 voting sections. We coordinated our schedule with the Bulgarian Association for Fair Elections, which mobilized more than 10,000 volunteers to establish a presence at most voting sections in the country. We have also cooperated with other international delegations in Bulgaria this week, to maximize our effectiveness and coverage.

It is important to note that our assessment of the election process in Bulgaria began with pre-election survey missions more than two months ago, and is not yet completed. Some of our delegaton and staff will remain in the country through next week's run-off elections and we will later produce a comprehensive report on the entire process that has led to these elections. Yet it seems worthwhle to offer some preliminary judgments at this point, on the morning after the history-making elections of June 10.

Many in this delegation arrived in Bulgaria skeptical that a meaningful election could take place. There was so little time to prepare, and Bulgaria's democratic tradition is so limited. Numerous hurdles had to be overcome in order to establish the administrative framework and the political climate in which a secret ballot could be cast after a political campaign had occurred.

Pre-election missions identified some of these hurdles, relating to inequities in resources available to the various parties, inadequate administrative procedures, and questions in intimidation and political pressure. The authorities were responsive to some of these concerns, and always accessible and cordial to our delegations. Yet the legacy of 45 years of totalitarian rule cannot be forgotten in a few months, and in Bulgaria it has not been.

One of the most difficult issues which an observer delegation must consider is whether the voters were intimidated into voting a different way than their conscience would otherwise dictate. Overt intimidation—written or verbal threats, a heavy and threatening military or police presence or actual physical abuse—can be detected. But intimidation can also be psychological and sociological, a subtle but insidious deterrent to free votng that is not visible to the naked eye. A long history of dictatorship can affect the behavior of a voting population. When this is the case only the most aggressive reassurances by a government can overcome the fear people feel.

There were incidents on election day that could be interpreted as overt intimidation. We heard about vote buying, a mayor who drove voters to the polls, letters sent from officials to voters and threats that voters would lose their pensions or jobs if the opposition won, military officers present at places where conscripts voted, and voting booths arranged in such a way to convey the impression to voters that officials would know how people voted. In a democracy with some history, some of these examples might be considered benign. This is not the case in Bulgaria, a society that was until recently oppressed by its own government. Overall, we did not see intimidation of such a nature as to invalidate the national election, although we believe that investigations are necessary to determine whether irregularities affected the results of specific constituencies.

Given its modern history, it is difficult to detect intimidation in Bulgaria, and it is even more difficult to measure its effect in votes. We can only say it was a factor. That is why we urged the government to reassure voters that they should have no fears because the ballot was secret. Though this was attempted by electoral authorities the day before the election, we must conclude that this was insufficient to overcome 45 years of harsh communist rule and the lack of a political culture disposed to free choice in the rural areas. In Sofia, by contrast, we witnessed a major attitudenal reversal over the three month campaign and a freedom of expression which resembles any democratic capital.

A great deal has taken place in this country. Substantial negotiations in the roundtable framewwork produced agreement on a wide variety of issues, large and small, including the procedures for these elections. Parties and other independent groups have formed and become active in many fields. The press has become freer and more diverse and, during the campaign, the major political parties were provided significant access to television.

Despite the challenges of preparing for an election in a short period of time, the Central Election Commission has been responsive to concerns raised by opposition parties and international observers in the past few weeks—and as recently as the morning of election day. For instance, it was agreed that a parallel vote tabulation could be conducted by independent observers to enhance confidence in the officially reported results: it was decided that citizens could effectively register to vote on election day so as to min-

imize the exclusion of voters due to the poor quality of some voter registries: media time and other resources were provided to opposition parties and coalitions. In sum, despite the problems that existed throughout the campaign, all major parties were able to communicate their messages to the public.

An election has clearly taken place. This is a substantial accomplishment, and it indicates that Bulgaria is a very different place from what it was before the 10th of November 1989. A vital appreciation for the rule of law is growing and will further define the democratic character of the society when mature.

The unfortunate reality that fear is still a factor in the country is not cause to invalidate this election. But is does mean that the government has a serious challenge they must work together to erase this fear so that there will be no doubt that future elections will be decided by fully informed voters who are free to vote their conscience.

We know that complaints have been filed with the Central Election Commission about significant irregularities. We have been assured by Commission, the proper body for this, that these complaints will be investigated fully. This is important because a fair election process requires the vigorous investigation by a properly constituted body with the power and the inclination to prosecute violations. Even where it does not affect the outcome of a particular election, such investigations and prosecutions, are necessary to ensure that the rule of law is upheld. We want to underscore that it is government in power that has the responsibility to assure that this occurs. Moreover, the government needs to address itself visibly to the widespread fear that reprisals will be taken against opposition activists or voters. We see it as part of our role to continue our review during this post-election phase.

In conclusion, we would like to express our hope and our expectation that Bulgaria, a nation that has long been isolated from the world community and not always well treated by its neighbors, will find its democratic future strengthened by growing contacts with other nations. Many vital and difficult tasks remain to be addressed. These include political and social reforms, significant economic restructuring, and a greater respect for the rights of minorities, specifically the Turkish community which has suffered a great deal and whose exile community was effectively disenfranchised. The local elections that are envisioned for later in the year provide a further opportunity for Bulgaria to demonstrate that political pluralism can be meaningful reality for a society in transition.

Nations that observe and respect well established international human rights standards find themselves more warmly welcomed by the expanding democratic world community. As a first step in that process, we hope that all the contesting parties will make clear as soon as possible their intention to cooperate in the further development of democratic institutions in this country.

THE HOME HEALTH DEMONSTRATION PROJECTS EXTENSION ACT OF 1990

HON. TERRY L. BRUCE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. BRUCE. Mr. Speaker, I rise today to introduce the Home Health Demonstration Projects Extension Act of 1990, in an effort to lead the way toward health care improvements for senior citizens.

The home health care and Alzheimer's demonstration projects authorized in this legislation were first authorized in 1987 as part of the Older Americans Act. The home health care grants were made available to States to provide skilled medical services to low-income individuals, who are uninsured, and do not qualify for Medicaid or Medicare.

Today, millions of Americans suffer from serious illnesses and conditions which can be expensive to treat. According to the National Association for Homecare: "Most chronically ill and disabled people have few resources to cover there costs. Currently, 80 percent of the cost of all catastrophic illnesses relate to long-term care and there is very little in the way of help from the public or private sector."

This bill reauthorizes and expands the existing Home Health Grants Program. The grants would continue to provide skilled nursing care to low-income individuals, and requires that at least 25 percent of all recipients be over age 65. The bill alleviates State concerns by expanding the services available to include home health aide or personal care services, and expands the number of grants available to 10. It also increases the authorization level to $7.5 million.

States currently receiving funding for these projects have noticed dramatic improvements in some of the patients they treat. For example, one elderly woman was on the verge of entering a hospital because of her diabetes. After 1 year in the program, she now plans to go back to work. These programs are important to continue and build upon.

The 1987 Older Americans Act also authorized grants to States for the care and treatment of Alzheimer's patients. Today, there are an estimated 4 million people in the United States afflicted with this terrible disease. By the year 2040, more than 14 million people will have Alzheimer's. Scientists have yet to determine the cause of the disease and no cure appears to be in sight.

Resources have been lacking to treat these victims. Most of the care have been provided through voluntary efforts from families and friends, or through some State agencies. This care, however, has been fragmented and no coordination of services is available. When an Alzheimer's patient is first diagnosed, families often have no place to turn.

In most cases, Alzheimer's claims two victims: The patient and the family caregiver. The National Association of Mental Health recently reported that the physical and mental health of the caregiver suffers dramatically throughout the course of the illness.

The Alzheimer's projects grants authorized by this legislation should spur a creative effort to combine special resources of State and Federal entities, through moneys, care, and information.

The outline of the program authorized in my bill would remain the same as the 1987 grants. The grants would be available for States to apply to coordinate the development and operation of various programs for individuals with Alzheimer's disease—or related disorders—and to the families and care providers of these victims.

The program would also continue to provide basic care to Alzheimer's patients in health facilities and establish an informational network on available services and the legal rights of Alzheimer's patients.

I am reauthorizing this program as part of the Home Health Demonstration Projects Extension Act of 1990 because the program was never funded in 1987. I am also increasing the number of available grants to 10 and the authorization level to $7.5 million. The lack of services available is clear and we must provide a better system of care for these victims and their families.

FEDERAL-STATE PARTNERSHIP FOR STATE ALZHEIMER'S PROGRAMS

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. ROYBAL. Mr. Speaker, today I am very pleased to join with my colleague, Representative BRUCE, in his introduction of the Home Health Care Extension Act. Within this bill, one of the two key components is the extension of the current demonstration authority for State Alzheimer's programs. This grant program was first authorized at my request as part of the Older Americans Act Amendments of 1987 and was enacted in those amendments with the valuable assistance of Representative HENRY WAXMAN, chairman of the Energy and Commerce Committee's Subcommittee on Health and the Environment.

The original concept for State Alzheimer's programs goes back to my Comprehensive Alzheimer's Assistance Research and Education Act, the Alzheimer's CARE bill, first introduced in 1985. A revised version of the Alzheimer's CARE bill (H.R. 4770) was just reintroduced by a bipartisan, House-Senate CARE coalition. Joining with me as original House sponsors were Representatives SNOW, WAXMAN, STARK, DOWNEY, RINALDO, REGULA, and BRUCE. In the Senate, the original cosponsors of the companion bill (S. 2602) were Senators METZENBAUM, PRESSLER, HATFIELD, GRASSLEY, and GRAHAM. This Alzheimer's CARE coalition represents a consolidation of forces of all the the major congressional supporters of Alzheimer's-related legislation and the Alzheimer's Association, the national association representing Alzheimer's victims and their families.

Along with a quadrupling of the Federal research investment, this bipartisan, congressional CARE coalition is pressing for a large Federal, State, and private sector initiative—the federally sponsored State Alzheimer's pro-

grams—providing badly needed assistance to Alzheimer's victims and their families in every State in the Nation. The CARE bill's proposed Federal infusion of $125 million and a dollar-for-dollar State match means that $250 million in assistance could annually reach the millions of Alzheimer's victims and their families.

Today's introduction of the Home Health Care Extension Act, by Representative BRUCE, takes a critical first step toward forming that joint Federal, State, and private sector partnership targeted at reducing the devastation created by Alzheimer's disease and related disorders. By extending the original authorization and expanding the authority up to 10 grants and $7.5 million in fiscal year 1991—and such sums as are necessary for subsequent years—this program can begin to reach out to Alzheimer's victims and their families.

These State Alzheimer's programs will, first, coordinate the development and operation, with public and private organizations, of diagnostic, treatment, care management, respite care, legal counseling, and education services; second, provide respite care services; and third, provide information to health care providers, the Alzheimer's victims and their families and the general public. At least 50 percent of the funds are to go for respite care. By the third year, States are required to provide at least $45 in State funds to match every $55 in Federal funds.

Alzheimer's disease is a terrible disease causing great harm to millions of American families. Congress and the administration need to step forward and face up to their responsibility for reducing the frightening financial and emotional devastation caused by Alzheimer's disease and related disorders. If we care enough, we can do no less.

TRULY HONORING THE FLAG

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. SIKORSKI. Mr. Speaker, as Congress once again grapples with the difficult issue of properly respecting the flag, I commend to my colleagues' attention the following two thoughtful pieces which appeared in Minneapolis Star Tribune and the St. Paul Pioneer Press.

[From the St. Paul Pioneer Press, June 14, 1990]

FLAG-BURNING AMENDMENT: DEVALUING CONSTITUTION

The bombs are bursting in air again about so-called protection of the Stars and Stripes. This Flag Day promises a tacky display of political manipulation as Congress starts considering a constitutional amendment to outlaw desecrating the U.S. flag.

This grass campaign comes from conservatives in search of a powerful mid-term election cause. The renewed exercise in political posturing arises from the Supreme Court decision Monday that overturned last year's anti-flag burning law for the same reason the court ruled in a 1989 Texas flag case. Even though flag-burning is disgusting, it is protected by the First Amendment's free speech guaranteed.

Elected officials who would exploit the court's difficult but correct defense of free expression deserve as much contempt as private citizens who burn flags in protest. Both actions manipulated a cherished symbol of national identity.

Amid all the hype and hysteria surrounding the flag-desecration issue, it is paramount to remember that neither the court nor congressional opponents of a constitutional amendment to supersede the First Amendment say they are comfortable with flag-burning.

All but the most angry people of the edges of the national community think the flag holds a cherished place in American life. The flag is meant to snap smartly in the April breeze over the glistening stone domes of capitols. It is meant to cling to the pole behind center field on August afternoons when the stillness suspends the smell of hotdogs over the bleachers. The flag is meant to cover with honor the veteran's casket, be folded at graveside into a patriot's tricorner then clutched to the widow's heart.

But the flag is not the fabric of American life. It is the symbol of that life, created of cloth, thread and individual belief.

The nation for which it stands should not reward the shallow arguments of politicians who say they want to make saving this cloth and thread more important than individual belief. What they want to save is more seats in Congress for those willing to devalue the Constitution for personal gain.

[From the Minneapolis Star Tribune, June 14, 1990]

CONGRESS SHOULD NOT DIMINISH OLD GLORY

To this year's July 4 fireworks, add the certainty of gaudy political pyrotechnics on the issue of flag burning. President Bush and like-thinking colleagues in House and Senate have begun beating the drum for a constitutional amendment to prohibit desecration of Old Glory—an amendment that would make the flag less glorious by diminishing the freedom for which it stands.

The U.S. Supreme Court set the stage for battle this week when it rejected a 1989 law to prohibit flag desecration. When the court held last year that destroying the flag was a form of free expression protected by the First Amendment, Bush wanted a constitutional amendment—the first in 200 years to tinker with the Bill of Rights. Instead, members of Congress passed a law. That allowed them to avoid tearing at the Bill of Rights while also mollifying constituents who revere the flag.

But the law was doomed from the outset—precisely because it sought to prohibit forms of expression that the court had ruled were constitutionally protected. So now attention has returned to a constitutional amendment.

The attention is misdirected. You do not protect liberty by restricting it. A constitutional amendment to protect Old Glory from abuse in political protest would diminish freedom and thus diminish the flag itself. The flag needs no protectors because its essence is not in the pieces of blue, red and white cloth from which it is made. Its essence is in what people see and feel and believe when they look upon the flag. And that essence is enhanced by unfettered political dialogue.

With statutory protection rejected by the courts, Congress will have no choice but to vote for or against Bush's proposed constitutional amendment. Those who vote no will leave themselves open to potentially devastating attacks on their patriotism. Accepting that risk will truly honor the courage of the men and women in Congress.

Those with the fortitude to resist a constitutional amendment will display the true patriotism, which is dedication to this nation's most sacred principles of freedom. Those who climb on Bush's bandwagon know only shallow allegiance to a piece of cloth. The nation, the Constitution and Old Glory deserve a Congress of courage which will do its patriotic duty by rejecting Bush's misguided effort to improve on the Bill of Rights.

KAREN GRECO RECEIVES YOUNG PLAYWRIGHTS AWARD

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. MACHTLEY. Mr. Speaker, I rise today to recognize Karen Greco, of Cranston, RI, who has been selected to receive one of two national Very Special Arts Young Playwrights Awards.

Her play, "Ritty and Jesus Came to Dinner and Enjoyed a Plate of Borscht," has been chosen as a national winner in the Very Special Arts Young Playwrights competition. There will be a performance of the play at the Kennedy Center in Washington, DC, on June 4. Very Special Arts was founded in 1974 by Jean Kennedy Smith as an educational affiliate to the John F. Kennedy Center for the Performing Arts. Very Special Arts provides opportunities in the arts to individuals with disabilities. Very Special Arts Rhode Island has been working toward this goal since 1986.

Each year young playwrights submit scripts nationwide to the Young Playwrights Program. These scripts must deal with some aspect of disability. For Karen, the play has a special meaning that transcends winning the competition. Karen's play is based on her own experience as the daughter of a mentally ill mother. "Ritty" is a two-character play in which a daughter and her schizophrenic mother speak to the audience. Karen's play is truly a powerful piece, not only for its content but also for its personal nature with Karen.

It is with great pleasure that I congratulate Karen for her outstanding achievement. I wish her the best and success in her future endeavors.

THE POTENTIAL OF THE NATION'S HANDICAPPED IS RECOGNIZED BY THE AMERICANS WITH DISABILITIES ACT

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. ANDERSON. Mr. Speaker, as you know, on May 22, 1990, this body passed the Americans With Disabilities Act, the most important legislation in the history of this country for the Nation's handicapped community. As one who

played a significant role in shaping this legislation prior to House consideration, I had the opportunity to speak with numerous handicapped individuals who will be greatly assisted by enactment of the ADA bill.

Throughout my meetings and discussions with the handicapped community, I recognized that all handicapped individuals have one common desire: to be given the opportunity and the access to have their potential recognized and to be a contributing member of society. Fortunately, Congress also has the same desire for the Nation's handicapped, evident by our passing the ADA bill.

As is so often the case here in Congress, we pass legislation without knowing the final effects it will have on the individual. In an effort to bridge this gap with respect to the Americans With Disabilities Act, I would like to share with my colleagues the following article:

HANDICAPPED TEEN HAPPY IN HIGH SCHOOL—STUDENT WANTS TO LEARN, BE LIKE OTHERS

(Story by Tracy L. McQueen, Photos by Bob Bruck)

He waited two years for a chance to attend Owensboro High School, and Adam Morehead isn't about to ruin that opportunity.

"I don't give up," the 19-year-old said, using a computerized communicator. "Why live if you're going to give up?"

When school officials told him that he would be better served through a special program at Seven Hills Elementary School, Morehead disagreed.

"We met a lot," said Morehead, who has cerebral palsy and uses an electric wheelchair.

He kept asking for a chance to attend high school like other teenagers.

In January, he was allowed to take two classes at the high school in the afternoon. He attends Seven Hills in the mornings.

J. Frank Yeager, superintendent of Owensboro schools, said Morehead is at OHS on a trial basis. Morehead said he plans to stay there and earn his diploma.

"This is the '90s. The handicapped teenagers should be given the chance," he said, using a pointer to type his words into the communicator. "I have to work more, and that is what I want."

Morehead is a resident of the Wendell Foster Center. His attendance at OHS is unusual because of the nature of his condition.

In addition to his need of a wheelchair, he has limited verbal skills and little control of his hands.

He wears headgear with a pointer he uses to type his words into a machine resembling a small personal computer.

He uses the communicator's voice to talk to others, often making jokes. He uses its printer for homework assignments.

"He's a unique young man," Yeager said. "The best I can tell, he's doing real well."

His teachers think so, too.

"He has a really neat way about him," said Dorothy Howell, his science teacher at OHS. "He relates well to the other students, and that makes him easy to work with."

Margaret Knott, his English teacher at OHS, said Morehead is a hard worker.

"If he has problems with some of his work, he's always willing to take it home. He really wants to learn," Mrs. Knott said. "He wants to be just like everybody else."

In addition to his determination, teachers cite his sense of humor as one of Morehead's most admirable traits.

He keeps a slip of paper bearing the words "Don't worry, be happy," taped to his communicator.

"Everybody needs to do that," he said.

He often makes jokes, sometimes poking fun at his teachers. Although he has difficulty speaking, he has no trouble laughing.

"He has the most wonderful sense of humor," said Ginger Gilbert, speech pathologist at Seven Hills School.

Margaret Stuart, an aide at Seven Hills who accompanies Morehead while he's at the high school, said attending OHS has made Morehead even more jovial.

"He's ecstatic about being here," Mrs. Stuart said.

Mrs. Knott said his presence at the high school has benefited other students as well.

"I think he's been a real asset," she said. "He's brought a lot of joy to the kids over here."

Students often ask about his communicator or his wheelchair, she said. Sometimes they ask about cerebral palsy, the nervous system disorder that prevents Morehead from walking and talking.

"He handles answering questions from students very well," Mrs. Knott said.

Morehead hopes to attend OHS full time next year, but that decision has not been made.

When school officials decide where to place him, they will consider several factors. His desire to attend the high school is only one issue.

Morehead may have to return to Seven Hills full time, but his goal is to graduate from OHS.

"He is very determined to do what he wants to do," Ms. Gilbert said. "If he had not been so persistent himself, he would not have gone to the high school."

CHARLES VIOLA: ALL AMERICAN COMMANDER

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. TORRICELLI. Mr. Speaker, it is with great respect and admiration that I address my colleagues in the House today, for I rise to extend my heartiest congratulations and warmest best wishes to Mr. Charles Viola, who has been selected "All American Commander" by the National VFW.

Charles was born and raised in Fort Lee, NJ. He served honorably in the U.S. Army in Korea. He worked for Universal Pictures for 18 years and later was employed as a restaurant manager.

Charles was elected post commander of the Cairola-Barber Post 2342 VFW in 1964, and was elected post commander 13 out of the past 15 years. After joining the post in 1958, he became club manager in charge of all post affairs. He was selected "All State Commander" in 1966 and again this year. He is the only post commander in the State of New Jersey to receive this honor.

This year the post achieved 200 percent of last years membership. The National VFW chose Charles for their "All American Commander Team." He has received many awards from State and National VFW's and he has made Post 2342 a model for all others throughout the Nation. Charles has dedicated his life to serving the VFW and the community of Fort Lee. He served as the chairman of the Memorial Day Parade in Fort Lee last year, and was invited to do so again this year. Charles is one of those special few who truly made a difference in our society.

Mr. Speaker, I am proud to join in paying tribute to this exceptional man and extend my best wishes to him.

HONORING THE 20TH ANNIVERSARY OF KITTAY HOUSE

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. ENGEL. Mr. Speaker, this month in my district one of the largest, oldest, and most highly respected geriatric centers in the country, Kittay House, is celebrating its 20th anniversary. For two decades Kittay House has provided senior citizens a place to live in the Bronx that reflects the commitment to comfort, companionship, and complete security shared by its sponsor, the Jewish Home and Hospital for the Aged.

For its more than 300 tenants, Kittay House is more than a living place, it is a place for living a full and independent life. By providing dining and medical services, diverse recreation and communal facilities, Kittay House allows older persons to enjoy life in safety and comfort with people of their own age and interests.

Since opening in May 1970 as the largest facility of its kind in New York State, Kittay House has pioneered the concept of independent living and it continues to develop programs and services to meet the increasing needs of its tenants.

I salute the administration and staff of Kittay House for all the efforts they have made in maintaining the high standards at Kittay House. I also salute the residents of Kittay House, whose spirit and love of life continue to be an inspiration to us all. I wish everyone at Kittay House continued happiness and good health.

PEPPER—THE PLAY

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Ms. ROS-LEHTINEN. Mr. Speaker, today I rise to bring to the attention of my colleagues a living memorial dedicated to the perpetuation of the life of one of America's most outstanding public officials. On June 21, the British-American Theatre Centre will present the opening of "Pepper," a one-man play based upon the life and times of Claude Denson Pepper.

"Pepper" was written by Miami playwright Shepard Nevel. Mr. Nevel acquired material for the play by researching Senator Pepper's personal correspondence as well as conducting interviews with friends and colleagues of the late Senator. It was a 5-year undertaking

for Mr. Nevel, who will be making his playwriting debut with "Pepper."

The play will cover all aspects of the life of this distinguished man, from his private life to his professional accomplishments. It includes his intense campaign struggles to gain a seat in the Senate, his close relationship with Franklin D. Roosevelt, and his encounters with Winston Churchill and Adolf Hitler.

"Pepper" was staged under the direction of Phillip M. Church, who is marking his second one-man play at the Colony Theatre. Local Miami actor David Tow will be portraying Claude Pepper. The play will premier at the Colony Theatre in Miami Beach, FL, through July 1.

Senator Pepper's dedication to serving the public and improving America will now be relived for all. Through his career, we can learn the true meaning of commitment and loyalty to a cause and to a people. I congratulate Shepard Nevel, Phillip M. Church, and David Tow on this great and meaningful mission.

VILLAGE OF RYE BROOK: EIGHT YEARS OF SPIRIT AND PROGRESS

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mrs. LOWEY of New York. Mr. Speaker, on July 9, the Village of Rye Brook, NY, will celebrate its ninth anniversary as an incorporated village. In 1982, the village of Rye Brook was incorporated within the town of Rye. It serves as home not only to a very active residential community, but also as corporate home of facilities of well-known corporations including General Foods, IBM, MCI, Hitachi, and NYNEX.

The community represents the essence of the voluntarism which is so important to the success of American life. Citizens give generously of their time and their talents on a variety of boards and commissions. Those entities have worked together to make the village of Rye Brook a thriving community and integral part of the life of Westchester County. It is a proud example of what can be done to create a sense of community within a very short time.

The past 8 years have been filled with progress. No doubt, the village of Rye Brook will continue to thrive in the many years to come.

TRIBUTE TO RHODE ISLAND CHAPTER OF THE CONSTRUCTION SPECIFICATIONS INSTITUTE

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. MACHTLEY. Mr. Speaker, I rise today to recognize the Rhode Island Chapter of the Construction Specifications Institute. The Rhode Island Chapter is celebrating its year in the construction industry.

The Rhode Island Chapter has made enormous strides in the advancement of construction technologies and has gained national recognition as one of the leading CSI chapters in the country.

The Rhode Island Chapter sponsors a trade show, the largest of its kind on the east coast, which generated revenues for the construction industry across the region.

It is with great pleasure that I salute the Rhode Island Chapter of the Construction Specifications Institute for the outstanding leadership and services which they provide. I wish them continued success in the future.

ST. MARY'S HOSPITAL FOR CHILDREN HONORS JOSEPH J. FATER, WILLIAM D. FUGAZY, AND JOSEPH M. RIZZUTO

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. ACKERMAN. Mr. Speaker, I would like to take this opportunity to recognize the important and special work conducted by St. Mary's Hospital for Children, located in Bayside, NY. While providing crucial medical care and rehabilitation services to more than 500 chronically ill, disabled, and terminally ill children, St. Mary's follows a philosophy that views the patient as both the child and the family.

St. Mary's has created several unique programs to enhance the treatment seriously ill children receive. St. Mary's has the only comprehensive long-term home-health care program in the United States specifically designed for children. In the near future, this program will be expanded to include children and their families with AIDS. St. Mary's also operates our country's only palliative-care program for terminally ill children. The palliative-care program's dedicated staff exert all possible effort to satisfy a child's special needs and requests. At the same time, the highly trained staff provides emotional and psychological counseling to patients and their families.

At this time, it is appropriate for St. Mary's an institution that provides necessary aid and services to our country's children, to recognize Joseph J. Fater, William D. Fugazy, and Joseph M. Rizzuto, who have devoted great amounts of time and unstinting effort to help mitigate the problems seriously ill children face. On June 4, 1990, Joseph J. Fater, William D. Fugazy, and Joseph M. Rizzuto were honored by St. Mary's at its first New York Industry Award Benefit.

After a distinguished military career in World War II and the Korean war, Joseph J. Fater became a construction-industry labor expert. He currently serves as the managing director and chief labor negotiator for the Building Contractors Association, which represents the major construction firms in New York City and Long Island. Fater also serves as a director of the Brooklyn Federal Savings & Loan Association and actively supports the work of Father Coleman Costello and the Queens Outreach projects. He devotes additional time and effort to many other worthy organizations, including the Boy Scouts of America, the National Heart Association, and the National Federation of the Blind.

Over the years, William D. Fugazy, president of Fugazy International, has devoted a large amount of time and effort to numerous charitable causes. Fugazy founded the John V. Mara Memorial Fund for cancer research at St. Vincent's Hospital, and the Catholic Youth Organization Summer Camps Program. In recognition of his humanitarian efforts, Bill Fugazy has received many honors, including the 1989 Italian American Student Association's "Most Outstanding Role Model" award, the 1986 "Man of the Year" award given by John Cardinal O'Connor, and the "Man of the Year" award from St. Jude's Children's Research Hospital. In addition, Fugazy was appointed chairman of the New York Statue of Liberty Centennial Commission by Governor Mario M. Cuomo, and appointed to the National Services Board of the city of New York by then Mayor Edward I. Koch.

Joseph M. Rizzuto, a trained operating engineer, serves as chief executive officer, business manager, and financial secretary of Local 14-14B International Union of Operating Engineers. This year he chaired the largest fundraiser to date for the Greater New York Councils, Boy Scouts of America. In 1989, the Regional Aid for Interim Needs honored Joseph M. Rizzuto for his humanitarian work with the elderly.

Mr. Speaker, I call upon all my colleagues in the U.S. House of Representatives to join me in paying tribute to Joseph J. Fater, William D. Fugazy, Joseph M. Rizzuto, and St. Mary's Hospital for Children.

A SALUTE TO SAN JACINTO COLLEGE NORTH'S BASEBALL COACH WAYNE GRAHAM

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. FIELDS. Mr. Speaker, in a way, 1990 has been a remarkable year for the San Jacinto College North Gators baseball team and its coach, Wayne Graham. In another way, 1990 was pretty much "just another year" for the team and its coach.

This year, not only did the Gators repeat as baseball champions of the National Junior College Athletic Association, but Coach Wayne Graham won his 500th career victory during the course of the season. But then again, that's a pretty normal year at San Jac. Coach Graham has won nine conference championships and four NJCAA titles during his 10 years at San Jac—including a record six straight appearances in the national championship game.

Coach Graham is the first junior college baseball coach to record 500 victories before 100 losses—truly an amazing accomplishment.

Ten years ago, when he first arrived at San Jacinto College North, Coach Graham promised the college's president, Dr. Ed Lehr, that he would win 85 percent of his games that year or resign. Well, since making that prom-

ise, Coach Graham has enjoyed a long, successful, and distinguished career at San Jac. He has earned the admiration of his players for his tenacity and his understanding.

With typical modesty, Coach Graham remarked recently: "I've always felt I knew the demands to make on people, and I wasn't afraid to make them. You work hard. You have to do all the things, recruit and spend time on the field. But basically, I think I [have] the background to understand how much demands to put on people. I don't think I ever asked them to do more than they can do."

That point is borne out by the fact that 24 of Coach Graham's former players are now in the pros, and that since 1987, 19 of his players have advanced to the major college ranks. The skill he has demonstrated as a coach seems to have rubbed off on his students. Coach Graham has consistently challenged his players to excel in their chosen sport—and to excel off the playing field as well.

It is rare that a man of Coach Graham's talent and dedication comes along. I'm extraordinarily glad that he has chosen to demonstrate that talent and dedication at San Jacinto College North.

And Mr. Speaker, I fully expect to discuss Coach Graham's continued achievements, and the continued successes of his players, sometime around the year 2000—when Coach Graham achieves, or approaches, his 1,000th career victory.

MOTORCYCLE HELMET LAW

HON. ROD CHANDLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. CHANDLER. Mr. Speaker, two members of the State of Washington Legislature, Senator James E. West of Spokane, and Representative Roy E. Ferguson of Bellevue, have worked tirelessly on behalf of highway safety.

They have recently been honored as among the first recipients of a new National Safety Leader Award given by the Advocates for Highway and Auto Safety.

Washington State recently passed a mandatory motorcycle helmet law. Much of the credit is owed to Senator West and Representative Ferguson. They were the sponsors of the State legislation.

In my opinion, Washington State made a foolish mistake in repealing its motorcycle helmet law in 1977. When I was in Olympia, I voted against repeal.

I strongly support the wise efforts of these two legislators to correct this mistake 13 years later. Adoption of a helmet law at the Federal level should be considered.

WCET-TV 48—DOING ITS SHARE FOR EDUCATION

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. McEWEN. Mr. Speaker, several weeks ago, I had the pleasure of calling to my colleagues' attention a very effective educational resource which has yielded considerable benefits in school districts throughout Ohio—a cable company's "Cable in the Classroom" project. That was not merely an isolated example of the positive educational impact of broadcasting in Ohio.

Today, I rise with equal pride and satisfaction to note the extraordinary contributions of another organization—one similarly dedicated to educational excellence in Ohio: WCET-TV channel 48, the Greater Cincinnati Television Educational Foundation. For more than 30 years, WCET has been involved with the school systems in Adams, Brown, Clermont, Clinton, Highland, and Warren Counties, as well as Hamilton County in which the station is headquartered. I am pleased to report that involvement continues to expand.

In 30 years, as television has evolved as a communications medium, WCET has employed increasingly sophisticated facilities to send educational and instructional programming into homes and classrooms throughout the Greater Cincinnati area. Today, through the Ohio network's two-way interactive microwave system, all of Ohio's public stations are connected for the purpose of sharing quality programming.

The station is proceeding with other ambitious plans to upgrade transmission facilities, and to harness its considerable managerial and programming creativity.

WCET president and general manager W. Wayne Godwin is well respected by the Ohio broadcast and educational communities alike for the extraordinary team he has assembled, and for the work that team does on behalf of Ohio schools. Several recent projects provide a glimpse of the breadth of WCET's commitment to our young people. The station has provided access to national, State, and local teleconferences on topics such as "Restructuring of Education", "The Ohio Department of Education Recommendations on Teaching Math", and "The Hubble Telescope".

Public television is a remarkable educational tool with a nearly boundless capacity for good. WCET is exploring the outer reaches of those boundaries, and Ohio, and the Nation, are better for it. Mr. Speaker, let WCET's towering achievements serve as examples of the successful marriage of technology and public spiritedness. Please join me in applauding the Greater Cincinnati Television Educational Foundation for doing its share for education.

JUNETEENTH DAY IN KANSAS CITY, MO

HON. ALAN WHEAT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. WHEAT. Mr. Speaker, 10 years ago, the Black Archives of Mid-America launched an annual festival in Kansas City, MO to commemorate the end of slavery in the United States. This year on June 16, our community will once again celebrate this historic event with its 10th annual "Juneteenth" activities.

The Juneteenth tradition had its roots in Texas more than a century ago, following President Abraham Lincoln's act in 1863 to break the bonds of American slaves with the Emancipation Proclamation.

It wasn't until June 19, 1865—when a Union officer rode into Galveston to enforce the Executive Order—that Texas finally relinquished its cruel grip and freed its slaves. On that day, joyous black Texans held the first Juneteenth celebration. The tradition spread to black communities in Missouri and across the Nation.

On the 10th anniversary of Kansas City's modern-day Juneteenth festival, our community will have an additional cause for celebration as we mark another historic march toward freedom, this time in South Africa.

Freed after nearly 30 years in prison for his political activities, African National Congress leader Nelson Mandela is heading the struggle to overturn the system of racial separation that keeps 28 million black South Africans slaves to apartheid.

Within days of Kansas City's Juneteenth celebration, Nelson Mandela will arrive for a week-long visit to the United States that will culminate in an address to a Joint Session of Congress.

To honor this champion of the anti-apartheid struggle, Congress has designated the week of his visit as "Nelson Mandela Week." As President of the Congressional Caucus Foundation, it will be a great pleasure to host a Capitol Hill reception in his honor.

Events like Juneteenth Day celebrate the contributions black Americans have made to our society and underline our continuing commitment to a democratic system of government where freedom reigns and every citizen is equal under the law.

In the Kansas City area, the festival continues to grow in size and popularity, with as many as 50,000 people expected to take part the weekend of June 16. The growing interest in this event is reflected in the theme for the 1990 festival, "Ten Years of Success."

This year's Juneteenth activities in our community will feature a comprehensive workshop on the history of jazz, the most American of art forms. The workshop will be run by noted trumpeter Donald Byrd and Kansas Citian Nathan Davis, the respected Dean of Jazz Studies at the University of Pittsburgh.

Other events will include a parade with marching bands from our local schools, performances by vocal and dance groups, and an awards ceremony honoring individuals for outstanding community service. Recipients of this year's Citizen Achievement Awards will be Maxine Byrd, Terry Eberra, Arnette French, Elvis Gibson, Chris King and Zakki Reed.

In recent years, Juneteenth celebrations have helped add to the explosion of information about black Americans in all walks of life whose accomplishments went unheralded in earlier years. This was true of the remarkable achievements of the players of the Negro baseball leagues, which got their start in Kansas City in the early 1900s. Sadly, these athletic accomplishments were largely ignored by the media and are still missing from the annals of sport history.

When Jackie Robinson joined the Brooklyn Dodgers in 1947 and became the first black major league player, it was front page news.

What we rarely heard about were the successes of other baseball greats such as Josh Gibson, Satchel Paige, Hilton Smith, Bill Drake, and other legendary players of the Negro baseball leagues.

I am proud to note that some of black baseball's living legends still reside in the Kansas City area—Buck O'Neil and Connie Johnson, Allen Bryant, James LaMarque and Alfred Surratt. St. Louis is home to former League players James "Cool Papa" Bell and Lee Moody. Another Missouri legend, Ulysses Holliman, lives in Plattsburgh.

To help give these great athletes their rightful place in American history, I was honored to cosponsor a resolution designating the third week in June as "Negro Baseball Leagues Recognition Week."

By setting aside special times to commemorate Juneteenth and the black heroes of baseball, we help draw attention to events in our Nation's history that are important not only to the black community but to all Americans.

OUR FLAG

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. BOEHLERT. Mr. Speaker, in central New York, in the beautiful area which I am privileged to represent, Flag Day is celebrated much like it is throughout this great Nation. It is a time when Americans recognize the important symbolism that "Old Glory" has represented in the evolution of our country; a time for neighbors to display the flag proudly on front laws, parades with banners waving and bands playing, and yes, a time for politicians to give speeches.

Symbols are important to any society. Remember the Alamo, Uncle Sam, the Liberty Bell, Plymouth Rock, all symbols, important to out Nation not in what they are, but what they represent.

Rising high above all our Nation's symbols, because of the impact it has on so many, is the "Stars and Stripes," our flag. It is impossible to describe how each American feels toward the flag. To some it provokes feelings of patriotism, other may be reminded of the freedom they felt when viewing it for the first time as a U.S. citizen. For many, historic images may arise of our Founding Fathers and the ideals they put forth.

There is one symbol here in Washington that best describes my feelings for the flag every time I see it, the Iwo Jima Memorial. There, sitting at the foot of Arlington Cemetery, is a statue depicting four Marines, battle-weary, yet all struggling to plant the flag in the ground. Each Marine may have had his own reason for wanting to display the flag, but it's obvious each one knew of the inspirational value that the flag represented. In the background are the graves of the men and women who died for the freedom that the flag represents. It's a powerful statement, impossible to do justice by words, yet like the flag, only accurately represented by a symbol.

The symbol of the flag is important for all Americans, particularly for our children, who need to understand the values that formed this great Nation. Difficult concepts to explain, like freedom, liberty, and justice for all, can often be better represented through a reverence for the flag.

I am concerned of the impact on our children of the values displayed by groups who choose to desecrate the flag. Unfortunately, a vocal minority, who are far from representative of most Americans in their actions, have managed to capture the spotlight by irrational behavior. These individuals, who do not fully understand what the flag has symbolized to so many, send confusing messages to our young people.

Flag Day is an opportunity to teach our children about the heritage and idealism which made our great country. It is a chance to inspire younger generations to believe in the Nation that we have built. The American flag: a symbol to cherish and reflect upon, and inspire others.

A TRIBUTE TO TONY BUTALA, AN EXTREMELY TALENTED AND VERSATILE MUSICIAN

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. KOLTER. Mr. Speaker, I rise today before the full U.S. House of Representatives to honor and pay very special tribute to Tony Butala, founder of the classic vocal group the Lettermen.

Tony became a favorite among audiences following the organization of the Lettermen in 1961, but his career in the entertainment business began long before that.

By the age of 4, Tony was singing for audiences in his hometown of Sharon, PA. When he was 8 years old Tony's strong singing voice was heard regularly on KDKA Radio in Pittsburgh.

Tony had his first big break when he was accepted into the Mitchell Boys Choir, also at the age of 8. The choir appeared in more than 25 hit movies including "On Moonlight Bay," "War of the Worlds," and "White Christmas." Tony also took advantage of solo opportunities in Hollywood. In fact, he provided the singing voice for Tommy Rettig in the feature film, "Five Thousand Fingers of Doctor T" and on the famous television series, "Lassie."

Following his involvement with the Mitchell Boys Choir, Tony joined Connie Stevens, Jimmie Blaine, and Dan Witt to form the Fourmost, Tony's first vocal group. The group eventually became a male trio when Connie Stevens left for a very successful career in films.

For the next several years Tony had the opportunity to work with many excellent artists in the entertainment business. While he enjoyed this exposure to the great stars of the time, his original group experienced several changes. In 1959, Tony, along with Bob Engemann and Jim Pike, recorded their first album as the Lettermen. The group's success truly began when they joined with Capitol Records in 1961, and Tony Butala soon became one of the great singing sensations of the 1960's and 1970's. The Lettermen began to make the record charts with famous hits such as "Put Your Head on My Shoulder," "Goin' Out of My Head/Can't Take My Eyes Off You," "Shangri-La," "When I Fall in Love," and many, many others.

Tony Butala has been the one reliable constant in the longchanging history of the Lettermen. His incredible dedication has kept their great love songs alive for over 27 years, and they are still going strong.

The Lettermen, which is now made up of Tony Butala, Donovan Scott Tea, and Ernie Pontiere continue to give a yearly performance in Sharon, PA. The trio has also presented many dynamic concerts nationwide in the past several years. Tony's enthusiasm and tremendous talent continues to keep the famous sound of the Lettermen a timeless treasure.

Tony's latest venture is his recent purchase of the Columbia Theatre in Sharon, PA. This 64-year-old theater, where Tony performed at the age of 10, was closed in 1981, following a destructive fire. Tony is now directing his attention toward renovating and restoring this historical landmark with plans of bringing live and film entertainment to the people of the Shenango Valley.

With all the great accomplishments and success that Tony Butala has achieved in mind, I stand before the U.S. House of Representatives today to honor this extremely talented and versatile musician.

COUNTRY MUSIC MONTH

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. CLEMENT. Mr. Speaker, "from out the wide Pacific, to the broad Atlantic shore," Americans love country music. Country music legend Roy Acuff immortalized those words in a song written by A.P. Carter and copyrighted in 1933 by Peer International Corp.

I use those words to reflect the broad appeal country music has in our Nation. Today, country music has also gained international appeal, spreading across our planet.

Today, I have introduced a resolution to declare the month of October 1990 as "Country Music Month," and I ask my colleagues to join me in honoring an industry that has annual sales of $550 million.

According to a recent Harris survey, country music is the best liked music in America, with over 60 percent of adult Americans stating that country music is their favorite music.

Over 2,200 radio stations in America are fulltime country music stations, up 92 percent over a decade ago.

From the Soviet Union to Australia, people love country music. People always know about my home city, Nashville, TN, because it is the home of country music. Since being elected to the House of Representatives, I have had the opportunity to visit many parts of the world.

Every time I travel in the United States or abroad and mention Nashville, people always ask me about country music.

This illustrates the unique "Americanism" of country music. It is a musical style that was born in the hills of Tennessee, Virginia, and the Carolinas. Country music draws its roots from religious hymns, traditional ballads, folk songs, and even the soulfulness of rhythm and blues, and most importantly, embodies the spirit of America.

If fact, there is nothing more American than apple pie, our flag, and country music.

I am proud to represent "Music City U.S.A.," the home of country music. I am also proud to introduce this resolution to officially declare October as "Country Music Month."

I urge my colleagues to join me and the millions of country music fans across this Nation and throughout the world in recognizing this great American style of music on the 26th anniversary of "Country Music Month."

SCRAP LIPA AND SAVE MILLIONS

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. LENT. Mr. Speaker, like many Long Islanders, I continue to be frustrated over the senseless and costly closure of the Shoreham nuclear energy plant. Unfortunately, the region's taxpayers may once again fall victim to the wiles of political opportunists.

The latest escapade is the upcoming election of the board of the Long Island Power Authority [LIPA]. Created as the vehicle for a public takeover of the Long Island Lighting Co., to force Shoreham's closing, LIPA is a political anachronism that has outlived its usefulness. Furthermore, LIPA lacks the necessary technical expertise to dismantle the nuclear plant, and must turn that job over to the New York State Power Authority.

LIPA should be abolished. Instead, Long Island taxpayers will be asked to finance the election of LIPA's board—which is now appointed—a political exercise which will cost over $1.5 million.

In a recent New York Times op-ed piece entitled "Scrap Lipa And Save Millions," June 10, 1990, Robert McMillan voices the frustration felt by many Long Islanders over the Shoreham/LIPA situation. I respectfully ask that the article be submitted into the CONGRESSIONAL RECORD as part of today's proceedings. It should be mandatory reading for everyone concerned about Long Island, its future, and energy security.

[From the New York Times, June 10, 1990]

SCRAP LIPA AND SAVE MILLIONS

(By Robert R. McMillan)

In December of 1991 the people of Long Island will go to the polls and select 21 new officials. Those officials will then constitute the board of Long Island Power Authority—a board which is now appointed.

Elected from separate districts of equal population across Nassau, Suffolk, and a small portion of Queens, Long Islanders will have another layer of "government" to deal with. That is just what we need—new elected officials on Long Island.

The election itself will cost taxpayers close to $1 million. And the situation is even worse, because there is really no need for a Long Island Power Authority. Originally created to provide leverage against Lilco in the battle to keep the Shoreham nuclear energy plant from opening, it is now participating in a sham—the dismantling of the Shoreham facility.

With five staff executives and two secretaries, it has to rely totally on the New York State Power Authority and consultants for the expertise needed to satisfy the Federal Nuclear Regulatory Commission with regard to closing Shoreham.

No staff, no real current function—yet the taxpayers are asked to continue to foot the bill for this political anachronism. Lipa has spent millions for consultants with nothing to show for the dollars. It has become a "sand box" of convenience for political figures who use Lipa as a platform for their own political objectives.

Beating up the "big guy" and fighting for the "underdog" is as old and as demagogic as the origins of political contests. Now the taxpayer is called upon to pay for the elections of a board that basically will have nothing to do—except to put out press releases.

Idle hands are certain to get into trouble. With a Public Service Commission, consumer protection agencies at the state and county levels, an aggressive Attorney General, and a Long Island public very sensitive to rate increases, why do we need a Lipa to intervene in rate cases? There is no need, and Lipa should be abolished?

Lipa has completed its original mission. Shoreham will not operate as a nuclear facility and Lipa's threat as the vehicle for a public takeover of Lilco is no longer needed. And, the takeover talk has been pretty much abandoned, because the approach was not economically sound.

Representatives of Lipa say that the elections for the board will be nonpartisan. They will be just like school board contests. What nonsense. They will be no more nonpartisan than minor league teams are not farm teams for the big leagues. Republicans, Democrats, Liberals and Conservatives will all be posturing in this electoral process. Some will try to make the election a referendum on public versus private electrical power. That would be a disservice to all Long Islanders.

Lilco has been a far from perfect company. But it makes no sense to substitute a politically elected board for Lilco management. The last thing we need on Long Island is to have the Lipa board—elected or appointed—deciding how the energy needs of the entire Island are to be met.

The latest talk has Lipa "converting" Shoreham to a gas facility. There are two realities that make such an approach questionable. First, natural gas would have to be piped along a new right of way from Northport to Shoreham. This right of way would have to go through environmentally sensitive areas on the North Shore and would be extremely expensive even if achievable.

The second challenge relates to Shoreham itself. The turbines at the site account for a small portion of the several billion dollars consumed in building the nuclear reactor and related equipment. The "conversion" to gas appears to be a Lipa charade—an effort to provide an excuse for its perpetuation—at our expense.

In the final analysis, Lipa should be abolished before the scheduled 1991 elections. Clearly the taxpayers of Long Island would save money. We would also be saved from the burden of circus rhetoric and demagogic debates over energy requirements.

Let's give Lilco a chance to get on with its responsibility of providing power for Long Island. Put Lipa on the scrap heap. It shouldn't even be recycled.

CANDIDATE OUT TO CRASH THE PARTY

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. DYMALLY. Mr. Speaker, I bring to Members' attention an article which appeared in the November 7, 1988, edition of Insight, written by Glenn Simpson.

CANDIDATE OUT TO CRASH THE PARTY

(By Glenn Simpson)

Summary: Lenora Fulani, running for president on the leftist New Alliance Party ticket, is on the ballot in 50 states. If the race between George Bush and Michael Dukakis is close, she hopes to garner enough black votes to give Bush the edge and punish Democrats who she says have abandoned blacks.

It is an ironic, if improbable, possibility that Republican presidential nominee George Bush, should he win Nov. 8 by a narrow margin, might owe his victory over Democrat Michael S. Dukakis to a radical black woman. She is Lenora B. Fulani, an acerbic developmental psychologist from New York who is running on the New Alliance Party ticket.

The only third-party candidate on the ballot in 50 states. Fulani could poll as many as 120,000 votes from blacks alone, according to political scientist Linda Williams of the Joint Center for Political Studies, a Washington-based foundation that examines black involvement in politics. In a close race, that could be a decisive number of voters. In 1960, she notes, Democrat John F. Kennedy beat Republican Richard M. Nixon by fewer than 120,000 votes, "so if the votes were to break in a certain way, it's possible" that Fulani could throw the election to Bush in a close contest.

Chicago-based New Alliance, the political scientist notes, has targeted states such as Illinois and Texas, which are important to the strategies of the Bush and Dukakis campaigns and have numerically large black populations. If its candidate pulls in even a small percentage of the 10 million-strong black vote, it could cost Dukakis victories in those states and thus, ultimately, the election.

Lenora Fulani, 38, who harbors no illusions about winning, contends her candidacy is necessary because neither major party represents blacks. Democrats "will not and have not over the last eight years differentiated themselves from the Republican Party in terms of legislation passed and in terms of their political practice. . . . The people that are responsible for the victory of the Republican Party are the Democrats" because they have turned their backs on blacks and so-called progressives.

"If we defeat Michael Dukakis, what would happen is that on Nov. 9 the Democratic Party will come chasing after the black vote, the vote of other constituencies within the Rainbow movement—the gay and lesbian votes—votes they actually take for granted, then deliver absolutely nothing to the people that give them. . . . So I'd be

honored, I'd be pleased and thrilled. I would be just tickled pink, to be the person to be credited with the defeat of Michael Dukakis, I can't wait."

Williams, who follows the Fulani campaign for the center, says she expects New Alliance (which says it has more than 45,000 donors) to get votes from "mostly young, fairly well-educated blacks who are upset about the treatment of Jesse Jackson at the Democratic convention."

Fulani's agenda is two-pronged. She advances traditional far-left policies, such as disarmament and nonintervention, while assaulting the two-party system. The latter includes calls for passage of a bill sponsored by Michigan Democrat John Conyers Jr. to make it easier for third-party candidates to gain access to state ballots and lawsuits to force the two mainstream parties to let Fulani participate in national debates. She appears to have lost on both counts this year but has won favorable coverage on these issues.

A controversial aspect of her candidacy has been her alliance with and refusal to repudiate Nation of Islam leader Louis Farrakhan, often labeled an anti-Semite. "No, I don't accept that characterization of him." she says, "no more than I accept the characterization of Tawana Brawley as having not been raped." (Brawley, a former resident of Wappingers falls, N.Y., alleged that she was abducted and raped in the upstate community by six white who wrote racial epithets and smeared feces on her body before releasing her. A grand jury concluded the allegations were a hoax. The Rev. Al Sharpton, one of her principal advisers, is a Fulani supporter.)

New Alliance makes no bones about its anti-Zionist position and suggests it has been labeled anti-Semitic because it is anti-Zionist. "Minister Farrakhan and some members of the Nation of Islam will on occasion offer quite proper criticism of the Jewish business managers of black entertainers or of Jewish business and real estate interests in the black community," the candidate said in a September speech. "It is a fact that quite a few of the real estate people who profiteer off the backs of my people are Jewish," according to a June 1987 report by the Anti-Defamation League of B'nai B'rith. Fred Newman, Fulani's campaign manager and a Jew, has referred to Jews as "The storm troopers of decadent capitalism."

Less well-known have been the New Alliance's fund-raising and movement-building tactics. Because of them the party is a pariah among the traditional hard left. It has been accused of misleading donors by soliciting for groups organized by the New Alliance called the Rainbow Lobby and the Rainbow Alliance, which are easily mistaken for the Rev. Jesse Jackson's National Rainbow Coalition. "There's definitely some problems on people being confused" about the difference between the Rainbow groups, says Frank Watkins, a Jackson aide. "It is quite clear they have deliberately attempted to piggyback off of Jesse Jackson and the National Rainbow Coalition, I would say in a deceptive way."

But the aspects of the New Alliance Party that have done the most to provoke bitter attacks from the left revolve around the group's origins, its leadership structure and its "social therapy centers." One major critic has been Chip Berlet, a researcher for Political Research associates, a Cambridge, Mass.-based group that "collects and disseminates information on rightwing political groups and trends." In a December 1987 study. Berlet described the history of the New Alliance, including its association with political extremist Lyndon H. LaRouche Jr. in 1974, and its alleged totalitarian practices. He also recounted accusations by former members of cultlike behavior by the group.

Another vehement detractor has been the Jackson Advocate, a small black-owned paper in Jackson, Miss., where the New Alliance Party has a presence. Yet another critic is Dennis L. Serrette, a black trade unionist and the party's 1984 presidential candidate. Serrette left the party after the election, in which he received 60,000 votes. He charges in an essay that the group is run by Newman, not "women of color" as the group claims, and has LaRouche-like tendencies.

Party spokesmen admit a brief association with LaRouche in the Seventies, purportedly while he was a Marxist who went by the name Lyn Marcus. But they categorically deny any current association with him. None of the accusations has been proved, and New Alliance contends its left-wing attackers are motivated by a case of sour grapes.

The party was formally founded in 1979, Newman, is primary theoretician, is a Marxist-oriented activist who emerged in New York City in the late Sixties. In the early Seventies, he founded a group called the Centers for Change, a radical collective that offered counseling and therapy. According to Beriet and others, Newman and members of the Centers for Change formed an official alliance with the LaRouche-led National Caucus of Labor Committees in June 1974. In August of that year, Newman and his followers split to form the International Workers Party, though they still regarded LaRouche and his followers as comrades.

Beriet quotes a former group member as saying that what Newman really wanted during the brief formal relationship with LaRouche "was to act as an understudy to LaRouche—to learn his methods and techniques for controlling persons."

Says Fulani press secretary Annie Roboff: "It would be hard to find anyone on the left who at one point or another didn't work with" LaRouche. She says Newman allied with him because Newman wanted to build a progressive movement, and in the early Seventies "the only person on the left that had the ability to call a meeting where welfare recipients would show up was Lyn Marcus"—Lyndon LaRouche.

But Beriet writes, "during most of 1974, the NCLC under LaRouche was primarily attracting middle-class and upper-class white intellectual students from prestigious Eastern and Midwestern college campuses—hardly a core of trade unionists and welfare recipients as characterized by Newman's supporters. . . . None of this indicates a casual, naive or short-lived relationship. . . . To this day the New Alliance Party leadership has refused to renounce or to deal candidly or accurately with the fact that the Newmanites at one time joined an organization which was at best a collection of paranoid sexist homophobic thugs and at worst a nascent fascist political movement."

Who are the so-called Newmanites today? Some have called them "the LaRouchies of the left"—assuming that LaRouche is on the right, an uncertain proposition—but they make no claims that rival La Rouche's for paranoia and extremism. Their public agenda and rhetoric are basically watered-down Marxism.

Serrette, Beriet and Ken Lawrence, who has written for the Jackson Advocate, claim the group recruits and controls its core membership through its social therapy centers in New York in Harlem, Brooklyn, the Bronx, the West and East sides of Manhattan and Long Island, and in Boston, Chicago, Washington, Los Angeles and Jackson.

Roboff denies the assertion. "Is there a direct correlation between the New Alliance Party and the therapy centers? The answer is no. "Yet where the group is politically active, there is usually a therapy center nearby. In Boston, for example, the address for the New Alliance Party offices and the Boston Institute for Social Therapy and Research is the same—695 Parker St. though the phone numbers are different.

Fulani, educated at City University of New York and Columbia University, describes herself as "the director of the community clinics of the Institutes for Social Therapy and Research." Serrette contends that "social therapy, Newman's creation, is considered the "backbone of the tendency." Every member is required to attend at least one social therapy session weekly, led by Newman's handpicked, hand-trained therapists. -.-.-. Almost every one of Newman's top lieutenants was recruited by Newman when they were suffering very severe emotional problems and had come as 'patients' to Dr. Newman," who has a doctorate in philosophy.

"Basically everything [Serrette] has to say is garbage and he's a sore loser," counters Roboff. She suggests he may have left the group because he did not like following a black woman. The party, she says, "is led by women of color. There are many people that follow women of color in the New Alliance Party. Fred Newman is one of them."

HONORING THE HIGHLANDS STAR'S 35TH ANNIVERSARY

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. FIELDS. Mr. Speaker, the men and women of Highlands, TX, have been blessed for the past 35 years with the good fortune of having a local newspaper which provides them with the local news that binds their community together.

The first issue of the Highlands Star was published on June 9, 1955. Since then, the newspaper has reported local news events, births and deaths, church and school news, outcomes of sporting events involving home town teams, and other happenings in and around Highlands—the kind of news on which local residents have come to depend.

While the men and women of Highlands, Crosby, and other areas of east Harris County may turn to Houston's two major metropolitan dailies for national and international news, they turn to the Highlands Star to learn more about what is happening in their own community—to read the news that affects them most directly.

The Highlands Star was founded in 1955 by Alton Neatherlin and Jim Brazzil. Jim currently operates B&B Printing Co. in Highlands, while Alton still serves as the paper's editor. Alton

is assisted at the Highlands Star by his wife, Charlene.

Over the years, the Highlands Star has served to inform the men and women of east Harris County. But it has done much more than that.

It has served as a training ground for able young men and women who want to enter the field of journalism. Since its founding, the Highlands Star has employed more than 200 men and women—many of them just beginning their journalistic careers. In providing young men and women with an opportunity to learn the newspaper business, the Highlands Star has performed a valuable public service.

Also, since its founding, the Highlands Star has served to record much of the history of east Harris County for future generations. The pages of the Highlands Star have recorded the many changes that have occurred in east Harris County in the 1950's, 1960's, 1970's, 1980's, and now the 1990's. The Highlands Star has served as an extraordinarily useful historical record, and it will continue to do so.

I want to take this opportunity to commend Jim and Alton for the fine newspaper they founded 35 years ago, and to commend Alton and Charlene for the work which they have so professionally and so successfully carried on since then. The men and women of Highlands, and of all east Harris County, owe them a tremendous debt of gratitude for the service they have provided to their community through the Highlands Star. As a member of the Texas Press Association and the South Texas Press Association, Alton has distinguished himself in a highly competitive business, and he and Charlene have won the friendship and respect of their community.

Mr. Speaker, I know that you join with me in expressing our best wishes for continued success to Alton and Charlene Neatherlin, to the entire staff of the Highlands Star, and to the good men and women who read the paper each and every week.

HONORING THE AMERICAN FLAG ON FLAG DAY

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. LAGOMARSINO. Mr. Speaker, I rise this morning, on the occasion of Flag Day, in honor of the American flag. On this day in 1777, the Second Continental Congress first adopted a new national flag displaying the stars and stripes. While I am proud to celebrate the anniversary of the adoption of our symbol of national unity, I am, at the same time, outraged that the Supreme Court has again decided to allow the desecration of that symbol.

Though Flag Day has been an official celebration in parts of the country for well over 100 years, it was in 1916 that President Woodrow Wilson issued an official proclamation calling for a nationwide observance of the flag on June 14. Finally in 1949, President Harry Truman signed a resolution passed by the Congress making June 14 of every year a day to honor the flag.

Mr. Speaker, earlier in the 101st Congress, following the first Supreme Court decision that struck down a State law prohibiting the desecration of the American flag, I stood before you and explained that the American flag is more—much more—than a piece of cloth, and that its desecration should not be considered as an exercise in constitutional freedoms. Woodrow Wilson was expressing these same sentiments on the anniversary of his first proclamation when he explained:

This flag, which we honor and under which we serve, is the emblem of our unity, our power, our thought and purpose as a nation. It has no other character than that which we give it from generation to generation. The choices are ours. It floats in majestic silence above the hosts that execute those choices, whether in peace or in war. And yet, though silent, it speaks to us—speaks to us of the past, of the men and women who went before us, and the record they wrote upon it * * *

Beyond the flag's symbolic representation of the Thirteen Original Colonies and the 50 States, our flag represents the history of our country, its struggles, its values, and our national unity. Many great Americans have fought and many have died to preserve and protect the values that the American flag symbolizes. Our freedom and liberty as a nation are only as strong as the willingness that we have to respect and defend them. The American flag represents that willingness, as it has been proven in the past and as we stand ready in the present.

The American flag does not belong to any individual American. Instead, it belongs equally to each and every American in the country. The flag belongs to those who have fought under it in wartime, and to those who have been born under it in times of peace. The flag belongs to those who hold great respect and honor for it and all that it represents, and it belongs to those who hold it and their Government in disdain. In any event, the flag of the United States protects and belongs to all those who live under it. It is public property, paid for not by American taxes but by American lives, and its desecration by individuals without public consent should not be permitted.

The first amendment of the U.S. Constitution guarantees the freedom of speech and the freedom to petition the Government for a redress of grievances. Burning or desecrating the symbol of our Nation's fought-for freedoms and liberties is not an exercise of either of these rights. I urge all of my colleagues to join me in honoring the flag of the United States of America on Flag Day 1990 by supporting a constitutional amendment to prohibit its desecration.

A FRIEND AND MINNESOTAN, AMOS OWEN

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. SIKORSKI. Mr. Speaker, it is with sorrow that I today pay tribute to a friend, a Minnesotan and an American eagle—Amos Owen.

Amos Owen spent a lifetime fostering peace and understanding between Indians and non-indians in Minnesota, celebrating and sharing his Dakota heritage. The following heartwarming article written by Nick Coleman in the St. Paul Pioneer Press pays fitting tribute to Amos and I ask that it be printed here.

[From the Saint Paul Pioneer Press, June 10, 1990]

ABOVE THE BLUFF AN EAGLE SOARED, AND AMOS WAS BURIED

(By Nick Coleman)

I shouldn't have been surprised by the eagle.

I had just turned off Highway 61, taking the road that leads to the Prairie Island Indian Reservation near Red Wing. It was soaring above a field near the bluffs that loom over the backwaters of the Mississippi River, hovering in a steady wind blowing from the west, dipping the feathers on its wingtips to stay impossibly stationary. It didn't seem to move forward at all but just held its own in the gale, hanging in one spot as if it had repealed the law of gravity. I stopped to watch.

"Amos," I thought. "The eagle is there for Amos."

Every time I saw Amos, there always seemed to be an eagle overhead. So I don't know why it should have been any different Friday, even though Friday was the day Amos Owen was buried.

The first time I saw Amos, he was kneeling in a foot of snow, struggling against another strong wind to light the sacred Dakota Indian ceremonial pipe he held cradled in his arms. In a large circle around him, 50 people stood quietly, trying to keep warm. I remember wondering how this man with the long gray ponytail, who was not wearing a jacket and whose hands were unprotected, could stand the bitter cold.

Then, from high above, came a shrill call. Eyes turned upward, toward the crystal blue sky, where a majestic eagle was circling above our little gathering on the banks of the Minnesota River. An eagle, some of us said, trying not to shout. But other people, veterans of previous pipe ceremonies, seemed unfazed. Of course there's an eagle, they said. There's always an eagle.

It was the day after Christmas, 1985. I had driven to that windswept park called Land of Memories in Mankato to take part in Amos' pipe ceremony. On another day after Christmas, near the spot where we stood, 38 Dakota men were hanged by the state of Minnesota in an act of official vengeance that followed the 1862 war between the people of the Dakota (Sioux) nation and the white settlers who were flooding across their land.

That act of legalized lynching was seared into the consciousness of the state's Indians. And Amos Owen, the Dakota spiritual leader who died last week at 73, did more than anyone I know to help heal the scars that were left by the largest mass execution in American history and by the imprisonment and exile of the Dakota people that followed the hanging.

Each Dec. 26, Amos led a pipe ceremony in Mankato, burning sweet sage, praying to the four directions, reciting the names of the 38 who died and passing the pipe around the circle. As Amos bent over the redstone pipe that cold, blustery day and at last got its contents to catch fire, it was clear that he

held something more precious than a pipe in his hands, he held the desire to bring peace and reconciliation between peoples.

Amos devoted the last years of his life to the pipe and its ways, the traditional religious practices of the Dakota. He wasn't a preacher—Amos didn't have to raise his voice to be listened to—but he possessed an aura of spiritual sincerity a lot of bishops would envy. He was a teacher who showed his students patience and generosity. Many times, Amos started the day with a pipe ceremony on one of Minnesota's Indian reservations and ended it with a ceremony on another reservation, criss-crossing the state in between.

"He was the type of person who never said no to people," says his friend, Vernell Wabasha, who often hosted Amos when he visited the Lower Sioux Reservation near Redwood Falls. "When people came and asked for help, he always did what he could."

Over the years, hundreds came to visit Amos on the Prairie Island reservation and to participate in the sweatlodge ceremonies he held each week. Only a mile from the sweatlodge where Amos sought prayer and purification, the Prairie Island Nuclear Power Plant stands like a visitor from another planet.

One day in 1979, Amos was on the hillside behind his house, cutting sumac branches to make pipe stems, when he noticed dozens of cars speeding away from the power plant. Later, Amos and the other reservation residents learned that there had been a leak at the plant and that the workers had evacuated without telling the residents of the reservation.

Amos wasn't surprised that there had been an accident at the power plant. He believed that when disrespect is shown to creation, bad luck follows. For that reason, Amos did not fish during the last 12 years of his life. He loved fishing but he had made a pledge not to kill anything.

"Even when I have to cut willows," he said last month, "for every tree I cut, I talk to each one and give them an offering—tobacco or something. I give an offering to everything in Mother Nature that I use. A lot of people forget to do that and then they wonder why something goes wrong. There's a world out there that nobody knows about. That's why they call it the Great Mystery."

On Friday, a horse-drawn hearse carried Amos to the Prairie Island cemetery. He was buried under a cottonwood tree in a coffin made by one of his sons, his body wrapped in a star quilt and with bracelets of sage around his ankles and his wrists. There were Christian prayers and Dakota prayers and a strong wind and an eagle soaring above the bluff.

It was a beautiful day.

IN HONOR OF GEORGE WILLIS

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. TORRICELLI. Mr. Speaker, it is with great respect and admiration that I address my colleagues in the House today, for I rise to extend my heartiest congratulations and warmest best wishes to Mr. George Willis on the occasion of a testimonial dinner in his honor.

George Willis has been the executive director of the Bergen County Medical Society since January, 1970. Twenty years of his career have been dedicated to providing a better quality of health care in Bergen County, NJ.

George is a native resident of New Jersey where he was born in 1915. He served his country proudly in the U.S. Air Corps during World War II. He served as the special events and school coordinator at the Record before he began his career with the Bergen County Medical Society.

George is a board member of the Bergen County Chapter of the American Cancer Society, works with the Committee for Girl Scouts Council, and has written a long series of articles in the American Association of Medical Society Executives [AAMSE] magazine regarding the various aspects of being a medical society executive. He is also a member of Toastmaster's International and belongs to various bicycle clubs and story-telling associations.

His dedication to the community is exemplified by the many services which he has worked to provide. During the bicentennial celebration in 1976, George worked with all the community ambulance corps to set up emergency care while thousands of people gathered along the Hudson to watch the tall ships sail in. This is just one of the many programs he has dedicated his life to providing. George is one of those special few who truly make a difference in our society.

Mr. Speaker, I am proud to join in paying tribute to this exceptional man and extend my best wishes to him.

A CONGRESSIONAL SALUTE TO PELL CITY, AL, ON THE OCCASION OF THEIR CENTENNIAL CELEBRATION

HON. CLAUDE HARRIS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. HARRIS. Mr. Speaker, a centennial is always a historic occasion, whether for an individual, an institution, or a community. Today I want to salute the community of Pell City, the county seat of St. Clair County, AL, which this year celebrates the 100th anniversary of its founding.

The development of this community over the past century parallels the changes of the century itself. Begun as an industrial community established by George H. Pell, its location was chosen to take advantage of the area's natural resources and its proximity to the junction of three railroad lines. Despite such advantages, the community suffered greatly in the cycle of economic boom and bust, and the fights over railroad regulation which dominated the close of the last century. In fact, the Pell City Iron & Land Co. went bankrupt, as did its successor. However, the citizens of this community did not lose their faith or optimism. And, indeed, for Pell City the third time was the charm. New investment expanded the city's industrial activity beyond the original mineral-based economy to include the South's first soilpipe plant and textile production. Sumter Cogswell, a banker, industrialist, and civic promoter, led the resurrection of the community at that time.

Government has also played a role in the development of Pell City. When we in this House consider the need to rebuild and expand our Nation's system of roads, highways, and bridges, we need to remember what a tremendous impact earlier transportation programs had on the lives of our citizens. Pell City was the beneficiary of an early highway project sponsored by Speaker Bankhead. This highway, now known as U.S. Highway 78, linked Pell City with Birmingham and Atlanta, providing an alternative to reliance on the railroads. The link to those two larger communities was further strengthened with the building of the Interstate Highway System and the location of Interstate 20 in close proximity to Pell City. The construction of a hydroelectric dam on the Coosa River, creating Lake Logan Martin, not only assured a reliable source of low-cost electric power, but also opened up a recreational area which has proven extremely popular, not only to the citizens of Pell City, but to those of the adjacent Birmingham metropolitan area. In fact, the combination of easy highway access and recreational opportunities have made the Pell City area one of the fastest-growing in Alabama.

The economic transformation of Pell City has reflected the changes in our Nation's economy. The old dependence on iron and pipe mills has given way to the production of telecommunications equipment by companies such as Contel. The local school system has a commitment to preparing its students to take their rightful place in this rapidly changing world. And the citizens of this community, as they look back over the trials and accomplishments of the past century, are both proud and hopeful. I salute them, Mr. Speaker, for their perseverance, their imagination, and the cooperation which has allowed them to work together for their common betterment. These are qualities which have served them well in the past and which will, no doubt, ensure their success in the future.

PASS A BUDGET RESOLUTION

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. PORTER. Mr. Speaker, the United States faces many pressing problems—crime, drugs, global warming, a massive savings and loan cleanup. Nevertheless, time after time, public interest polls show that the issue of greatest concern to the public is the budget deficit.

You certainly wouldn't know that by the way we operate. We treat the budget resolution like it was a piece of minor commemorative legislation. If we have time to pass a budget, we do. Otherwise, we simply let the ship of state list toward another annual budget wreck.

The budget resolution is a necessary part of the budget process and must be taken seriously. To our credit, the House did pass a budget this year only 2 weeks after the statutory deadline.

But the other body is stalled—waiting for the budget summit to provide direction.

I call on the Senate to take up the budget resolution and allow us to determine our firm budget targets now, rather than forcing an after-the-fact, quick-fix budget later in the year, leading, most certainly, to an omnibus continuing resolution, the Washington Monument of fiscal failure.

LOUISVILLE ORCHESTRA PERFORMANCE AT KENNEDY CENTER

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. MAZZOLI. Mr. Speaker, I rise to welcome the Louisville Orchestra to Washington for its performance this evening at the Kennedy Center for the Performing Arts.

The Louisville Orchestra has been invited to perform as part of the 45th National Conference of the American Symphony Orchestra League. The invitation marks the first time that an orchestra other than the host city's ensemble has given a public concert at the annual conference.

The concert will feature works that figure prominently in the history of the Louisville Orchestra. "Inner Voices" by Chinary Ung will open the program. Louisville pianist and Artist in Residence, Lee Luvisi, will be at keyboard for the "Concerto for Piano and Orchestra," by Paul Hindemith.

Since giving its first concert in 1937, the Louisville Orchestra has progressed and matured into one of the Nation's leading orchestras in the performance of new works by American composers. A $500,000 grant from the Rockefeller Foundation in the 1950's saw the orchestra through difficult financial times and, so did the leadership of Robert Whitney, the orchestra's conductor for 30 years.

The Louisville Orchestra has been under the direction of Lawrence Leighton Smith for the past 7 years. As a strong proponent of contemporary music, he has continued the orchestra's tradition of commissioning and recording modern music.

Mr. Speaker, I commend the Louisville Orchestra's music director, Lawrence Leighton Smith; executive director, Wayne S. Brown; and the entire organization who make the Louisville Orchestra one of the Nation's prominent ensembles.

ROSE MARIE HUGHES: DECADES OF DEDICATION

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mrs. LOWEY of New York. Mr. Speaker, I rise today to pay tribute to Mrs. Rose Marie Hughes, the president and one of the founders of the IAHD-St. Jude Rehabilitation Institute.

The institute is a multiservice center which provides the severely handicapped with year-round training, education, and vocational guidance. Mrs. Hughes was one of a group of mothers in Westchester County, NY who joined with the current director of the institute, Jack M. Gootzeit, to found St. Judes in 1967. As a parent of two handicapped children, Mrs. Hughes sought to bring attention to the need for more services as well as an increased recognition of the rights of the handicapped. She and the other mothers were determined to provide the services for their own as well as many other handicapped children; the IAHD-St. Jude Rehabilitation Institute was thus founded and has provided hope and opportunity to hundreds since that time.

Mrs. Hughes has seen the growth and development of the institute and continues to be an advocate of further advances in the services for and the rights of the handicapped. She has worked successfully with the Federal Government in building a group home in Pleasantville; furthermore, she has waged many other struggles in finding space, obtaining zoning clearances, and receiving approval for the location and construction of schools, recreation, and conference centers, and other projects.

Through her endeavors, Mrs. Hughes has been honored on many occasions for her dedication, service, and perserverance. In 1981, she was elected "citizen of the Year" by the New York State Teachers Association; in 1983, she was chosen "Mother of the Year." She has been appointed to the State Assembly Task Force on Mental Retardation and Developmental Disabilities and the Federal Congressional Council on Developmental Disabilities. Recently, she was elected the chairman of the Advisory Council of the Mental Retardation Institute at the Westchester County Medical Center.

Mrs. Rose Marie Hughes serves as an outstanding model of service and citizenship. Her commitment to the severely handicapped has spanned four decades and has resulted in many outstanding achievements. Through her efforts, hundreds of handicapped children have been given a chance through the innovations provided by the IAHD-St. Jude Rehabilitation Institute. Mrs. Hughes should be highly commended for her work and accomplishments.

FORESTDALE FOSTER AND ADOPTIVE PARENTS ASSOCIATION HONORS JOY BAILEY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. ACKERMAN. Mr. Speaker, over the last 3 years in the United States, the number of children in foster care has increased by over 30 percent to approximately 300,000. Many of these children suffer from serious physical, emotional, and medical problems. Fortunately, there are organizations like the Forestdale Foster and Adoptive Parents Association, established in 1983, that provides support and encouragement to adoptive and foster parents who have unselfishly opened their home and family to children in need.

On June 15, 1990, the association will hold its third annual foster parents recognition dinner dance to pay tribute to Joy Bailey, executive director of Forestdale, Inc., for her contributions to child welfare. After receiving a masters in social work from Fordham University, Joy Bailey has devoted over 35 years to the field of social work and child welfare. After working for several child welfare agencies in the New York City area and the Child Welfare Training Center at Columbia University School of Social Work, Bailey joined Forestdale, Inc., in 1982, and was appointed executive director in 1985.

At Forestdale, Inc., a private foster care agency in Forest Hills, NY, Bailey accomplishes the extremely difficult task of placing neglected and troubled children with foster parents who will provide the children with needed guidance, love, and emotional support. In addition, Bailey works with children's natural parents to solve their problems and gain control of their future. Her work makes this world a better and more humane place.

Mr. Speaker, I call upon all my colleagues in the U.S. House of Representatives to join me in paying tribute to Joy Bailey and the Forestdale Foster and Adoptive Parents Association.

A CONGRESSIONAL SALUTE TO DR. H. FRANK COLLINS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. ANDERSON. Mr. Speaker, today I rise to pay tribute to a man who has made a singular contribution to his community. Dr. Frank Collins has served as pastor of the Calvary Baptist Church of Bellflower, CA, for 27 years. Today I would like to extend to him a congressional salute upon his retirement for his record of accomplishment.

Born on a farm in Alabama, Frank grew up the youngest of 12 children. The first member of his family to answer the call of holy service, he became an ordained minister in 1951 after a successful professional singing career which lasted almost a decade. Luckily for southern Californians, he came to Bellflower with his wife, Berniece, to pastor the Calvary Baptist Church in 1963.

Frank is the father of two children, Sandra and David. Under his tutelage, the Calvary Baptist Church congregation has grown from 400 to 3,000. The church is a leader in the global missionary effort, lending active support to 52 missionaries worldwide. In addition, the church built its own school in the Philippines, and supports two others. Two of these three educational institutions have "Collins Hall" dormitories named in Frank's honor. Frank does not leave it to his disciples alone to spread the Bible's teaching outside Calvary's walls, however. He has personally led 12 tours of the holy land and travels constantly to speaking engagements for the National and International Bible Conference. Frank has also conducted his own television and radio program: "Meeting Time at Calvary" seen on KHJ-TV, channel 9, in Los Angeles for the past 15 years.

We will all miss Frank and his familiar and uplifting message. My wife, Lee, joins me in congratulating him for an outstanding career of service to the citizens of the South Bay.

NORTH PROVIDENCE RECEIVES COMMUNITY ACHIEVEMENT AWARD

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. MACHTLEY. Mr. Speaker, I rise today to congratulate the town of North Providence for receiving the 1990 Community Achievement Award given by the Administration on Aging with the Department of Health and Human Services.

The North Providence Senior Center, the Roger Williams General Hospital, and the Brown University Medical School collaborated to develop a health clinic on the site of the senior center to improve the coordination and continuity of care for its elderly clients.

The addition of the clinic ensures that North Providence Senior Center clients are examined regularly by a primary care physician, decreasing the frequency by which senior citizens use emergency rooms as a source of primary care. The senior center provides the site, office staff, a social worker, and patients' transportation.

Brown University's Medical School uses the clinic for geriatric training and provides a geriatric medicine internist. Roger Williams General Hospital provides the clinic with services, supplies, and equipment. The program's success can be measured by the increased volume of elderly patients who receive this coordinated system of care. The clinic is also expanding its facilities and service hours.

It is with great pleasure that I salute the town of North Providence for its outstanding achievements with regards to elderly care. I wish them continued success in the future.

WORLDWIDE DAY OF PRAYER FOR FREEDOM AND DEMOCRACY IN CUBA

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to focus the attention of this legislative assembly to the efforts of a group of Cuban-Americans from my congressional district of Miami, FL, who are organizing a Worldwide Day of Prayer for Freedom and Democracy in Cuba to be observed on July 15, 1990.

This group of Cuban-Americans are a collection of lay people of different faiths who are united by two main ideas. First, the desire for absolute freedom and democracy for the island of Cuba; and, second, the fervent belief in the power of prayer to produce such change.

The objective of the group is to contact 50,000 congregations of different denominations around the world requesting their prayers to implore the Almighty for divine intervention for the bloodless liberation of Cuba. They hope to achieve increased international pressure against Cuba's Communist regime, as well as to deliver a message of good will to the people of Cuba from freedom-loving people of around the world which have the capability to deliver such a message.

For 31 long years, the people of Cuba have been forced to live in fear and oppression. They have been subjected to the most obscene violations of human rights. They have been denied many freedoms which we in the United States consider basic to our society. They have been denied the freedom of speech, the freedom of religion, freedom from unwarranted arrest or unreasonable searches and seizures, freedom to travel throughout their country, among others.

Fidel Castro has made his intransigent attitude toward democratic change very clear. He has said that he would rather allow Cuba to sink into the ocean like Atlantis than deviate from communism and that whoever intends to seek changes will only find bloodshed.

Mr. Speaker, this group of Cuban-American lay people simply desire their native homeland of Cuba to be free. They desire peace without bloodshed for their fellow compatriots.

I would like to congratulate Esteban M. Beruvides, Jose Torriente, Esther M. Ponce, Ramon Grau Alsina, Andres Garcia, Rafael Moraleo, Manuel Ugalde, Rolando Perez, Fernando Hernandez, Dr. Celestino Vazquez, and Maria Cristina Suarez for their dedication and conviction in this just cause.

This past decade, we have witnessed totalitarian governments fall from across the globe, allowing their oppressed people to taste the sweetness of peace, freedom, and justice. Victories in Poland, East Germany, Hungary, Czechoslovakia, Romania, and Nicaragua are affirmations that democracy is alive and well and that communism is dying. Many of these transitions to democracy have taken place without bloodshed. Following the tradition of nonviolence and prayer to achieve change, I am sure that my fellow colleagues will join me in appealing for public moral support to this just cause and pray that the chains of oppression will soon fall from Cuba.

URGE TO ENACT ANTICRIME PACKAGE

HON. BEN NIGHTHORSE CAMPBELL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. CAMPBELL of Colorado. Mr. Speaker, 1 year ago last week I introduced legislation to mandate tougher criminal sentences for those individuals who wrongfully use or traffic in firearms. I felt then, as I do now, that one of our most effective tactics against urban street crime is getting tough on the criminals who commit these crimes.

Currently, this is not being done. Statistics from the Department of Justice show that in 1985, only 28 percent of all murders resulted in prison sentences of longer than 1 year.

Despite this startling figure, an inordinate number of people are blaming our burgeoning crime problem on the private ownership of firearms and are calling for a ban on many such weapons. While I can understand the emotional appeal of banning firearms, I feel that such an approach is neither practical nor desirable.

What is worse, this approach obscures the true nature of the problem of violent crime. I think it is clear to most that something is wrong when 72 percent of the murderers in this country are allowed to walk free after 1 year or less of prison.

With such a large percentage of the murderers in this country out roaming the streets, it is no wonder that our Nation is being victimized by violent crime. We will have the opportunity in the 101st Congress to reverse this trend by enacting a tough anticrime package that sends a strong message to criminals that crime doesn't pay.

It is my hope that the House will include H.R. 2529 in its upcoming anticrime package. The biggest crime in this country is that violent felons have regularly been able to reduce their sentences and continue their violent pastimes, and I urge Members to join me in this effort to end this travesty.

COLOMBIA'S PRESIDENT BARCO: MORE THAN A DRUG WARRIOR, A MAN WITH A VISION OF FREEDOM AND DEMOCRACY FOR THE WORLD

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. RANGEL. Mr. Speaker, we have all been impressed with the tremendous courage and dedication of President Virgilio Barco of Colombia. His tough stance against drug trafficking cartels in the face of their brutality has been exemplary.

President Barco's tough antidrug policy derives from a strong belief in freedom and democracy. These values are being directly threatened by the continuous heinous attacks on the people and the Government of Colombia. While the President knows that the struggle will be difficult and the sacrifices great, he knows that the integrity of democracy in Colombia, one of the oldest democracies in South America, is being directly threatened.

Mr. Speaker, President Barco recently delivered the commencement address to the graduating class at his alma mater, Massachusetts Institute of Technology. In that speech, he shares his thoughts on the rapidly changing world around us and the importance of assisting all emerging and struggling democracies to develop and thrive.

This speech gives many helpful insights into a great man who has risked so much for the ideals he holds so dear. I would like to share it with my colleagues in the House. The text follows:

SPEECH OF PRESIDENT VIRGILIO BARCO AT THE COMMENCEMENT EXERCISES OF THE MASSACHUSETTS INSTITUTE OF TECHNOLOGY

President Gray, Members of the Board, Distinguished Guests, Class of 1990:

In a few short days, each of you will be entering a new stage in life, new careers, new opportunities, new challenges. In a few short months, I will be leaving the office of President of Colombia. I have been on a long and fascinating journey since that day in 1943 when, like all of you today, I received my degree from MIT.

I remember that day well. So many things raced through my mind. So much was happening in the world. So much was happening so fast. Social, political and economic orders were turned upside down by events around the world. Overnight, it seemed, borders were changing in Europe. No one was sure what tomorrow would bring.

A TIME FOR REFLECTION

All of this must sound strangely familiar to each of you with the rapid rate of change in Europe and around the world. All of it may be a bit overwhelming as well. I can understand the feeling. In my senior year, sitting in my room at the Graduate House, I remember feeling a bit overwhelmed myself by what the future might bring.

Little did I know that a few years later, I would be deeply involved in politics, elected to the House of Representatives, only to have Congress shut down as violence against my party broke out. A year later, I returned to Boston with my new wife to obtain a graduate degree at MIT. Soon after, my first child, Carolina, was born here at Massachusetts General Hospital, at the same time my friend and young professor Paul Samuelson and his wife had triplets.

I knew I had to return to Colombia at a time of crisis, but little did I know what extraordinary events would shape my life in public service. I have learned that our lives and careers are shaped by outside forces, often beyond our control. Throughout our lives, we are faced with important choices. In the end. I realized how important it is to establish a set of values and beliefs to guide these choices.

I also realized that a strong foundation in the humanities, economics and technology was the key, for it is through these basic disciplines that we manage change. They are truly at the core of social progress. Now these enormously powerful tools of change rest in your hands and the fate of future generations depends on your ability to put to good use all that you have learned. Your families, your professors and I are all confident that each of you can meet the challenge.

This pace of change, and the rigors of academic life have at times, I'm sure, left you gasping for breath, wondering if the whirl of learning around you will ever slow down.

Today, you can stop and take a breath. Look back on the years you have spent at MIT; look beyond the long hours and hard work. What you have achieved today is a true compliment to all of you and you should stop and savor the moment. Commit to memory the time you have spent here and what you have done. In the future you will look back on these years as a time of great excitement, of great challenges and of great ideas. It was a time when many of life's mundane details could be set aside so you could focus on ideas, on learning, on experiencing the thrill of academic life. You will look back at these years as a time when life was lived to its fullest, when bonds of friendship were built, bonds that will last your entire lives. Never forget what you have learned here; it will serve you well for years to come. Indeed, it has served me well.

In many ways, this is also a proud day in my life. Today, I also find myself poised on the edge of a new time in my life. This speech to the class of 1990 at my Alma Mater will be one of the last major speeches of my Presidency. Soon I will depart elected office and seek new challenges in my life. Some have asked how I managed the job of President at such difficult times. I tell them that it is nothing compared to taking the oral Ph D examinations at MIT.

In many ways, my situation is much like yours: together we enter a new time in our lives, a time with new opportunities and new responsibilities. We must enter this new time bravely, holding dearly to the values that we have been taught to cherish at home, at school and here at MIT.

DEFENSE OF DEMOCRACY

No doubt, all of you expect me to talk about an issue that has stirred the hearts and minds—and emotions—of millions around the world. It is an issue I have come to represent, one which has even led to some controversy on this campus. I am sure you expected me to use this time with you to discuss the scourge of illegal narcotics.

But that is not what I have come here to speak about today. I hope that my views on this issue are well known by now. Every day, you read about our struggle against narcoterrorism and drug trafficking in Colombia. This struggle will continue when I leave office, for good men and women everywhere will not tolerate the misery and violence bred by those who push and those who consume illegal drugs.

No, today I want to explore with you a wider vision and the events that will shape a new global order in the 21st century. For of all days—a day which has such personal importance to me and to each of you—this is a day to look forward, not back.

Like most of you here, in Colombia we watched on television the wall come down in Berlin with rapt attention. From "People Power" in the Philippines to Vaclev Havel's "Velvet Revolution" to the "NO" vote in Chile, democracy is on the rise around the globe as totalitarian governments are tossed off by people restless to experience a world of freedom. For all those devoted to the cause of freedom, we share in their celebration of democracy.

Democracy is not a distant notion at all in Colombia. Indeed, our position in Latin America is somewhat unique. Our Constitution is nearly as old as yours and our democratic institutions have long been a model for our neighbors. This is the true significance of our current struggle, for the greatest threat to our democracy is narcoterrorism and the insatiable worldwide demand for drugs which fuels it. In the past, we usually saw extremist ideologies as the most serious threat to democracy, but now drugs and organized crime are even more dangerous, not only to our democracy, but to yours as well.

THE CHANGING WORLD

This is an auspicious moment to reflect on our changing world and a new global order. Look at what has happened since I graduated from MIT. In 1943, a terrible war was raging in Europe and in Asia, taking lives and devastating the countryside at every turn. No one can ever forget the tragedy of this war: the 45 million killed, the Nazi death camps, the destruction of towns, cities, of lives and hopes of generations to come, the use of atomic weapons at Hiroshima and Nagasaki.

Seven years later, when I returned to MIT for post-graduate studies, Europe was still rebuilding the ravages of this war and the Cold War appeared to be a reality that would never leave. Soviets and Americans stood poised, ready to strike each other at a moment's notice, threatening the existence of the human race.

Around the world, democracy was in retreat and totalitarian regimes flourished on nearly every continent. The result of totalitarianism in Latin America was the same as everywhere: the crushing of the will of the people, the violation of fundamental human rights, the demise of democracy.

During this Cold War, the developed world chose to look the other way as millions in Latin America suffered under oppression. U.S. foreign policy remained fixated on East-West competition. A North-South view rarely came into focus.

And yet, in the last decade, democratic change has swept our continent. Ten years ago most countries of Latin America suffered under the weight of dictatorship. Just look at the change. Peru returned to democracy in 1980, Bolivia in 1982, Argentina in 1983, Brazil in 1985, Chile, Nicaragua and Panama in the last year alone. Almost a whole continent has moved from military rule to legitimately elected leaders. Still, as evidence of North America's bias to the cold war ideology, this dramatic change so close to your own borders receives relatively little attention.

ECONOMIC POWER VS. MILITARY MIGHT

Now it is time to open our eyes to a new world. After years of superpower conflict, each one vying for gains in a high-stakes game for global military advantage, we are now able to see beyond the East-West confrontation. Today's global order no longer rests on the foundation of security concerns; military might is no longer what determines a country's place in the international system.

We are now able to look beyond the myopia of the Cold War, beyond our previously clouded horizon, to where a new world is waiting. A world where economic growth and technological innovation will be of critical importance, not sheer military strength. A world where entrepreneurs and innovators will lead the way, not the generals of yesterday.

Witness Japan—a country that spends little on its military but that has suddenly leaped to the front ranks of world powers. It is a country that gives more economic aid to the Third World than any other nation—including the historically generous United States. The small military establishment of Japan presents no serious threat to the vast armies of the U.S. or Soviet Union, but through its economic might it wields true global influence today. Which country, I ask, do others most want to emulate today—Japan or the Soviet Union?

The economic growth throughout Asia and in Europe has been extraordinary. Now we must work to expand the economic success of these dynamic regions to other areas. This is particularly true for the fragile new democracies of the world. For these countries to solidify their political gains, they will need economic success. From Poland, to Argentina, to the Philippines, newly-free people expect economic growth and improved living standards and, in order to maintain stability, those expectations must be met. It is your responsibility, and those in other wealthy countries, to ensure the fostering of global economic growth. In this way you can help these fledgling democracies as they struggle to spread their wings. This is especially true in Latin America, a

region which historically has received far too little attention. The best way to foster North-South cooperation will not be through military means, but rather by guaranteeing access of Latin America's democracies to economic prosperity and change.

It is also the responsibility of the developing world to take advantage of the opportunities presented by this new environment. Truly globalized trade and finance have given rise to opportunities for us all. Sometimes it is not macro-economic theory, but rather concrete, specific projects which have global impact. The engineers among you know what I mean. In Colombia, we have been designing such a project. Like you, we are blessed with coasts on both oceans, and our economy must reach out to both the industrialized West and the Pacific Basin. One method of doing this is what we call the Interoceanic Land Bridge a ground transportation network of railroads, pipelines and highways only 250 kilometers long between deepwater ports in both the Atlantic and Pacific oceans. These are the opportunities we must take advantage of if we are serious about competing in today's worldwide economy.

ROLE OF GOVERNMENT IN THE FREE MARKET

Just as history will recall the 1980's as an era when democratic forces swept the globe, it will also be remembered as a decade of resurgence in free market economics. This is a revolution of enormous significance, a recognition of our global economy and a confirmation that open economies with access to markets can lead to social progress. It seems that the long-running match between Karl Marx and Adam Smith is finally coming to an end.

I applaud this development, but at the risk of sounding passe, let me issue a warning. In our rush to embrace free market forces, let us not lose sight of the fundamental role of government, as it embodies the free and collective will of its people. There is a role for both market forces and the state in solving social problems. Free market policies should not be used as an excuse for the lack of political will, whether it is assuring justice and fighting drug trafficking or providing basic education and health care. Free market economics is not a magic wand which somehow will relieve us of the obligation to care for our fellow human beings.

ECO-DEBT AND GLOBAL ENVIRONMENT

Nowhere is the role of the State as clear as with another global issue which has been pushed aside for too long: the preservation of our environment. This is a struggle that must be one of our highest priorities in the decade of the 1990's. I firmly believe that the industrialized countries have an ecological debt to humanity. In less than two centuries, industrial development not only has destroyed most of the native forests of Europe and North America, but also has brought pollution, acid rain and destruction to the ozone layer. This is an ecological debt to future generations who will have to live with the consequences of the thoughtless ways in which the developed countries have achieved their standards of living.

The burden of sustaining a viable planetary environment now rests clearly on the shoulders of the Third World, for we are the last frontier of unspoiled lands. The only way our countries can meet this challenge is by defeating rural poverty and economic stagnation. The best way for the United States and other industrialized countries to pay their ecological debt to humanity is to be partners in this cause.

My Administration has already set aside more than 40 million acres of rain forest as Indian reserves in the Amazon region, an area larger than England. Let us pledge to seek sane development policies which recognize the value of our most precious resources. Let us pledge to retire this debt now for future generations.

OUR SHARED VISION

You are indeed as fortunate as I was to be embarking on new careers during a watershed period. The record of human history is marked by these moments of fundamental change. You now inherit a new global order with new challenges and extraordinary opportunities.

As you watched the joy of your young German colleagues dancing in the streets, or the sorrow on the faces of those brave young students of Tianamin Square, or the courage of young Colombian soldiers fighting for democracy against narco-terrorism, it may have been difficult for you here on this beautiful campus in Boston to truly appreciate such democratic fervor. Here in America, where so much is so often taken for granted, the struggle for democracy may indeed seem distant.

However, you are all now graduates of one of the world's most prestigious academic institutions. That honor brings with it a special responsibility. The new democracies around the world are fragile and need your help to survive. As you look to your future I ask one thing: do not let today's flowering democracies wither on the vine. Extend your arms to those who have for too long lived in oppression, in fear and in poverty. Like all newborns, these infant democracies around the world may at times falter and stumble, hesitantly trying their first steps. Yet, they must prevail. This is our first duty. All of us, especially you here in the United States, now have an opportunity to build in peace what is often unavailable by force. It is our collective responsibility to ensure that this opportunity does not pass us by.

You have been well-trained. I have no doubt that you have the intellectual power to save any challenge. I harbor the hope that you will also have the heart to meet these challenges with fairness and compassion. I know you will, for this, after all, is our shared heritage.

And you, my friends, are now the guardians of our shared vision.

THE HIGH COURT IS RIGHT

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. STARK. Mr. Speaker, on June 13, the major newspaper in my congressional district, the Hayward Daily Review, published an editorial entitled "The High Court Is Right: Old Glory Doesn't Need Constitutional Protection."

The editorial says it all, and I hope my colleagues will join in reading it.

[From the Hayward Daily Review, June 13, 1990]

THE HIGH COURT IS RIGHT: OLD GLORY DOESN'T NEED CONSTITUTIONAL PROTECTION

A U.S. Supreme Court majority fortunately recognized what many have not when they voted 5-4 to reject a federal flag protection law. "The government's interest cannot justify its infringement on First Amendment rights," wrote Justice William J. Brennan in the court's opinion.

Or, as House Speaker Tom Foley, D-Wash., put it, "Flag burning isn't worth tampering with the most important repository of freedom any country has ever established in its history."

We wholeheartedly agree.

Unfortunately, there will now be a move in Congress, supported by President Bush, to amend the Constitution and provide special protection for the flag.

That move should die under its own weight after thorough scrutiny.

Don't forget that this is an election year and not all efforts to jump on the flag-burning amendment bandwagon will be sincere. It will be used and exploited as an emotional political weapon—a way to get elected regardless of whether the flag receives constitutional protection.

If you don't think so, just listen to Senate Minority Leader Bob Dole, R-Kan.

"We don't need more hearings (on a constitutional amendment)," he said, "We're ready to vote on Flag Day (Thursday)."

Well, it's time to get past the rhetoric, as a majority of the high court has done, and warn of the inherent dangers in tinkering with the nation's precious First Amendment protection of free speech.

We, as all patriotic citizens, cherish the American flag as a symbol of the individual liberties guaranteed under the Constitution. Unfortunately, people who desecrate the flag, as despicable as that act may be, are engaging in a form of political expression, which is protected under the First Amendment.

One should not begin making exceptions by amending the Constitution, simply because a misguided few have chosen a foolish way to draw attention to themselves.

The Bill of Rights, composed of the first 10 amendments to the Constitution, has never been amended in more than 200 years for a very good reason: It represents the strongest guarantees of freedom anywhere in the world and no one has yet to come up with a compelling enough reason to change even one line.

"Punishing desecration of the flag dilutes the very freedom that makes this emblem so revered and worth revering," wrote Justice Brennan in the court's majority opinion.

We hope Congress takes those words to heart and rejects all attempts to amend a precious document that in no way deserves a rewrite.

BALTIC STATES FREEDOM DAY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. ANNUNZIO. Mr. Speaker, today marks the 50th anniversary of the illegal occupation of Latvia, Estonia, and Lithuania by the Soviet Union. Like many of my colleagues in the House of Representatives, I have been discouraged by our country's failure to recognize the actions taken in recent months by the brave people of the Baltic States in their quest for freedom, as well as our country's failure to take immediate steps to pressure the Soviets to recognize the independence of the freely

elected Governments of Latvia, Estonia, and Lithuania.

However, the occasion of the 50th anniversary of this forced incorporation provides an appropriate opportunity again to urge President Bush to reconsider his position. He should return to the longstanding United States policy of never recognizing the illegal incorporation of Latvia, Estonia, and Lithuania, and take the steps necessary to help the brave people of these nations in their efforts to rejoin the community of free nations and to escape from the yoke of Soviet tyranny and oppression.

I was glad to add my name as a cosponsor to House Joint Resolution 493, a bill to designate June 14, 1990, as "Baltic Freedom Day," and similar legislation was approved with my support by the full House of Representatives by voice vote on June 12, and was sent to the President for his signature into public law. The text of Joint Resolution 493 follows:

H.J. RES. 493

Whereas the people of the Baltic States of Estonia, Latvia, and Lithuania have cherished the principles of religious and political freedom and have recently held mass demonstrations calling for freedom and independence;

Whereas from 1918 to 1940, the Baltic States existed as independent, sovereign nations and as fully recognized members of the League of Nations;

Whereas 1990 marks the fiftieth anniversary of the invasion, seizure, and illegal incorporation of the Baltic States into the Soviet Union against the national will and the desire for independence and freedom of the Baltic people;

Whereas 1990 also marks the fiftieth anniversary of the continued policy of the United States of not recognizing the illegal forcible occupation of the Baltic States by the Soviet Union;

Whereas, due to Soviet and Nazi collusion, the Baltic States suffered a loss of one-third of their population by the end of World War II;

Whereas, under Soviet occupation, the native Baltic peoples have been deported from their homelands to forced labor and concentration camps in Siberia and elsewhere;

Whereas the people of the Baltic States have unique indigenous cultures, national traditions, and languages, which have been threatened by decades of Russification;

Whereas the Soviet Union has introduced into the Baltic States ecologically unsound industries without proper safeguards, and the presence of those industries has critically endangered the enviornment and well-being of the Baltic people;

Whereas, as part of Soviet President Mikhail Gorbachev's campaign of openness, restructuring, and democratization, Soviet leaders have officially acknowledged the illegality of the secret protocols to the 1939 Molotov-Ribbentrop Pact, which led to the Soviet military invasion of the Baltic States in 1940;

Whereas, in the spirit of openness and democratization, the Baltic peoples are affirming their right, upheld both by international law and by the Soviet Constitution, to restore full independence through parliamentary and peaceful means; and

Whereas the United States, as a member of the United Nations, has repeatedly upheld the right of nations to self-determination: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) the Congress recognizes the continuing desire and right of the people of the Baltic States for freedom and independence;

(2) the Congress, in keeping with the policy of the United States to deny recognition of the Soviet occupancy of the Baltic States, urges the Soviet Union to recognize the sovereignty of the Baltic States and to yield to the rightful demands of the Baltic peoples for independence from foreign domination and oppression, as guaranteed by principle eight of the Helsinki accords, to which the Soviet Union is a signatory;

(3) June 14, 1990, the anniversary of the first mass deportation of the Baltic peoples from their homelands in 1941, is designated as Baltic Freedom Day", as a symbol of the solidarity of the people of the United States with the aspirations of the captive Baltic people; and

(4) the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe Baltic Freedom Day with appropriate ceremonies and activities, and to submit to the Congress within sixty days a statement articulating specific actions the United States Government is taking, in fulfillment of the intent of the nonrecognition principle, to—

(A) support the peaceful restoration of the independence of the Baltic States; and

(B) encourage Soviet support for a peaceful transition to independence and democracy in the Baltic States.

Today, freely elected governments exist in the Baltic States, and the people of Latvia, Estonia, and Lithuania are striving to achieve the same success as the countries of Eastern Europe. The Baltic States have embarked upon a steadfast course of reestablishing true independence in their beloved homelands.

Mr. Speaker, as a Member of Congress, I am committed to take whatever steps are necessary to compel the Soviet Union to recognize the independence of Latvia, Estonia, and Lithuania, and to allow these countries to determine their own destinies without fear of economic reprisal or military response.

On the 50th anniversary of the illegal occupation of the Baltic States, I am privileged to join with Americans of Latvian, Estonian, and Lithuanian descent in the 11th Congressional District of Illinois, which I am honored to represent, and throughout this Nation, in their hopes and prayers that this year we shall see complete independence, free from Soviet control, achieved for the Baltic States.

PENNSYLVANIA NEWSPAPER WINS PULITZER

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. KOSTMAYER. Mr. Speaker, I want to call to the attention of my colleagues the fifth of 10 editorials written by Tom Hylton of the Pottstown Mercury in Pottstown, PA.

These editorials on the subject of farmland preservation won this year's Pulitzer Prize for editorial writing, and I commend them to my colleagues.

SUBURBIA PAYS A HEAVY PRICE FOR NEGLECTING PHILADELPHIA

Three Sundays ago, the Rev. Leon Sullivan, a prominent Philadelphia civil rights leader, told a congregation of fashionable Chestnut Hill churchgoers that suburbs must do more to help the inner city.

"If we do not * * * deal soon with the problems of the homeless, the drug-addicted, the unemployed, the poorly educated—and the helplessness and hopelessness that festers every day—within three years at least 30 American cities will explode." he said.

While the particulars of Sullivan's warning may be disputed, the grim reality of Philadelphia's poverty and hopelessness cannot be. And while Sullivan's sermon implied the suburbs don't care very much about Philadelphia's problems, the truth is worse than that.

We in suburbia tend to regard the people of Philadelphia as foreign foes rather than fellow citizens. Suburban legislators speak on terms of battling Philadelphia interests, getting what's rightfully ours, making sure Philadelphia doesn't get a dime more than it deserves.

Last year, state Rep. Sam Morris, D-Chester County, was vehemently attacked by his Republican opponent for being too concerned about Philadelphia.

But why shouldn't Morris be concerned about Philadelphia? The true citizen of a democracy is, as Isocrates said one "who considers poverty among his fellow citizens as his own disgrace and measures his well-being not by trying to outdo each other, but by the absence of want among the whole people."

Moreover, by thumbing our noses at Philadelphia, we're undermining our own way of life.

The drugs and crime that breed in the city have spread to every suburban county. And while block after block of Philadelphia housing lies abandoned and crumbling, we're paving over the woods and farms to build sprawling new communities that are destined to collapse by their own inefficiency.

Consider the evolution of southwestern Pennsylvania.

In the days of Ben Franklin, Philadelphia was the pride of America and the second-largest English-speaking city in the world. The people of Philadelphia were as prosperous as any on earth.

During the next two centuries, Philadelphia's population multiplied 20 times over. A wonderful and efficient system for housing and employing 2 million people was developed. All the elements of daily life—houses, parks, schools, hospitals, places of work—were concentrated in a user-friendly community. A huge system of public transportation wisked people all over the city. People could walk to many of the places they wanted to go.

Those who worked in Philadelphia but lived in the nearby suburbs were also served by the system. They lived in little communities clustered around stations on the rail line that connected them to the city.

After World War II, the proliferation of cars and new fashions for living changed all that. As the middle class left for the suburbs, the standard of living declined for those left behind, which encouraged yet more people to leave. About 400,000 have abandoned the city since 1950, leaving a magnificent-but-declining infrastructure in

the hands of people who seem unable to maintain it.

The sprawling suburbs that supplanted Philadelphia as the home of the middle class are not nearly as well planned as the original community. Sweeping new developments not only take away irreplaceable farmland, they require hugely expensive and wasteful expenditures of public resources.

Each new mile of electric and telephone line, water and sewer pipe, and highway serves fewer people than ever before. Police and ambulance services must cover vast areas. People find themselves unable to buy even a loaf of bread without driving a two-ton car to do it.

Meanwhile, the regions public transportation system, considered one of the best in the world, is falling apart. Louis Gambaccini, general manager of SEPTA, said the system needs $3.5 billion in maintenance over the next 10 years just to keep functioning.

SEPTA's system needs to change, as well. Since the suburbs have replaced the city as the region's major employer, most workers now commute from suburb to suburb rather than from suburb to city. And Philadelphia has thousands of residents who desperately need suburban jobs but have no way to get to them.

At bottom, the Philadelphia problem and the suburban problem is a land-use problem. We cannot continue to ignore the city, and we cannot continue to fuel new economic growth by stretching suburban sprawl over an ever-widening area.

It will take years to reverse the trends of two generations, but there is one step Chester County residents can take immediately to protect rural areas. The Chester County commissioners have placed a non-binding referendum on the Nov. 7 ballot asking if $50 million in bonds should be issued to preserve farmland and open space.

The funds will be used to purchase parks and to buy development rights from farmers, ensuring their land can only be used for agriculture.

Vote yes on the bond issue.

THE EDWARD J. MORTOLA FAMILY: FAMILY OF THE YEAR

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mrs. LOWEY of New York. Mr. Speaker, there are families of individuals who are so exceptionally gifted, that their achievements speak for themselves and their actions make a community a noticeably finer place to live. One such family is the one led by Edward J. Mortola. This group of outstanding Americans is being honored by the Family Service of Westchester as the 1990 Family of the Year. This is an honor which is richly deserved.

This family is headed by Edward J. Mortola, who is currently serving as the chancellor and chairman of the executive committee of Pace University. Mr. Mortola's accomplishments are impressive indeed. He holds three academic degrees from Fordham University in the Bronx, as well as nine honorary degrees from colleges and universities across the State of New York. He has held many prominent positions throughout the academic profession including dean, provost, vice president, and president of Pace. He also has served on the faculty at St. Peter's College, Fordham University, and Harris High School.

In addition, he has served a leading role in the Commission on Independent Colleges and Universities of the State of New York, the Association of Colleges and Universities for the State of New York, the Commissioner's Advisory Council on Higher Education, and the Board of Directors for the New York City Council on Economic Education.

He has also found the time to devote his immense talent to such worthwhile community organizations as the New York School for the Deaf, the Lincoln Center Institute for the Arts in Education, Westchester Medical Center, the Advisory Board for Instructional Television, the Economic Development Council, the Brooklyn Bridge Centennial Commission, and the Moroccan-American Foundation.

Any family which has one member as committed and dedicated to community service as this one would indeed be exceptional, however, Dr. Doris Slater Mortola adds to the achievements of this family in a remarkable way.

Dr. Mortola is a psychologist at the United Hospital Mental Health Center. She also lectures at Fordham University, Marymount College, St. Francis College, and the American University in Cairo. She is a member of both the American and New York Psychological Societies. Like her husband, she serves actively in important community organizations. She is on the Board of Directors of the Westchester Red Cross, the Westchester Community Service Council, St. Cabrini Nursing Home, and Good Sheperd Services, a national organization providing residential care for neglected girls.

Mr. Speaker, this distinguished couple and their entire family deserve this honor and our respect. They are a shining example of a family that works together to enrich our community and to help those with whom they come into contact.

THE 100TH ANNIVERSARY OF SAINT ANTHONY SOCIETY

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. MACHTLEY. Mr. Speaker, I rise today to recognize the 100th anniversary of Saint Anthony's Society in Providence, RI.

Saint Anthony's Society is the only society known to be in existence for 100 continuous years. Since its founding, the society has continued to foster a people oriented style neighborhood. The society also offers help and makes donations to charitable organizations. This is the type organization we need in all of our communities across the Nation.

It is with great pleasure that I salute Saint Anthony's Society for their past 100 years of service to the Providence community. I wish them continued success in the future.

A TRIBUTE TO JILL MARIE REINACH

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Ms. ROS-LEHTINEN. Mr. Speaker, it is my distinct honor to share with my colleagues a special message of farewell and best wishes to one of my constituents who is leaving this month for Israel. Ms. Jill Marie Reinach, from Miami, is embarking on an exciting new direction in her life at the end of this month.

Ms. Reinach, who is making Aliyah, is going to live in Israel to share and participate in the enrichment of Israeli life. As a Jew, she will be immigrating to the homeland, as Jews from all over the world have been performing for thousands of years.

Here in Washington, Ms. Reinach has been working as a research analyst in the foreign policy issues department for the American Israel Public Affairs Committee [AIPAC]. For the past 2 years, she has put tremendous effort to conduct public action to maintain and stengthen the friendship between the United States and Israel. Ms. Reinach has had several articles published in the Near East Report and the National Jewish Press. In Israel, she hopes to find related work in the Israeli Government.

As a graduate from the University of Pennsylvania, Ms. Reinach complete her degree in European history with a concentration in Middle East Studies.

Mr. Speaker, it is a great privilege for me to express my admiration and respect for the courage of Ms. Jill Reinach, and for her mother, Judy Reinach, who is an activist in Jewish affairs in Miami. Judy will miss her daughter, but she is proud of her as well. I commend Jill for her achievements and wish her the best of all her future endeavors. It is fitting that the House of Representatives pay tribute to Ms. Jill Marie Reinach.

IN HONOR OF EDWIN MILLER SCHWENK

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. HOCHBRUECKNER. Mr. Speaker, it is my distinct pleasure to honor a member of my community who is being recognized for his exemplary community service on Long Island.

Edwin (Buzz) Miller Schwenk, of Southampton, NY, is this year's recipient of the Service to Youth Award given by the Suffolk County Council of the Boy Scouts of America. Mr. Schwenk's activities in his community have greatly enhanced the quality of life on Long Island.

Mr. Schwenk is a well-respected businessman on Long Island. He is the executive director of the Long Island Builders Institute and president of Omnibuzz Associates, a public relations and business development firm. Mr.

Schwenk was also the director of Tinker Bank and the former president of Katrinka Dairy Stores.

In addition to his business contributions, Mr. Schwenk is involved in many service organizations on Long Island. He is active in the Benevolent and Protective Order of Elks Club No. 1574, the Masonic Order, the Veterans of Foreign Wars, the American Legion, and served with the Southampton Fire Department for more than 20 years.

During his lifetime, Mr. Schwenk has held many distinguished elected and appointed positions. He was a trustee of the New York State Power Authority and the New York Sports Authority, to which he was appointed chairman in 1974. He served on the New York State Commission on Sports and Winter Olympics until 1981, and was elected to the boards of trustees of Malloy College for Women and Dowling College in 1972.

Mr. Speaker, Buzz Schwenk is to be congratulated for receiving the Service to Youth Award in acknowledgment of his outstanding community efforts on Long Island. We, in the First Congressional District of New York, are proud of his service to our community.

PLO TERRORISM HAS A COST

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. PORTER. Mr. Speaker, PLO Chairman Yasser Arafat's statement on his organization's attempted attack on Israeli civilians is a farce.

Last year Mr. Arafat supposedly denounced terrorism in order to open a dialog with the United States. That dialog was based on the condition that the PLO condemn acts of terrorism and throw out of its organization any member or factions found to be involved in terrorism.

Now, following the May 30 attack on an Israeli beach near Tel Aviv, the PLO's true colors are showing again. The radical PLO faction, known as the Palestine Liberation Front [PLF], and its leader, the terrorist Abul Abbas, have claimed responsibility for this wretched act. We must remember that Abul Abbas, the murderer of Leon Klinghoffer, is a member of the PLO's inner circle.

Until Yasser Arafat gets rid of the murderers who belong to the PLO, our country's policy must remain unchanged: We will not negotiate with terrorists.

HONORING RONNIE AND MICHAEL BECHER

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. ENGEL. Mr. Speaker, this past week in my home State of New York, two outstanding members of the community, Ronnie and Michael Becher, were honored as Shorim, guardians of Jewish unity. I would like to join the group that bestowed this honor, CLAL Yisrael [the National Jewish Center for Learning and Leadership], in recognizing the accomplishments of the Bechers.

Michael Becher's experiences as a Holocaust survivor have driven him to dedicate his efforts to political action. He is a member of Salanter/Akiva/Riverdale Academy Board of Trustees, and he serves on the National Executive Committee on the American Israel Political Action Committee and on its New York Board. He and his wife are both members of AIPAC's national Senate Club.

Among her many activities, Ronnie volunteers her time as executive vice president of the Hebrew Institute of Riverdale and is coordinator of the Woman's Tefilah of Riverdale.

The honor of being named Shorim reflects a devotion and commitment to Jewish causes and organizations. Through their work with Jewish groups and many other community services, Michael and Ronnie Becher have shown true leadership and civic responsibility. I congratulate the Bechers and wish them many more years of good health and happiness.

CONGRATULATING JONATHAN PARTEE AND STEVEN SLOAN FOR THEIR PERCECT ATTENDANCE RECORDS

HON. W.G. (BILL) HEFNER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. HEFNER. Mr. Speaker, in a day when it seems that we are continually confronted with questions about how we can better communicate to our children the importance of an education and motivate them to stay in school, I have the distinct honor of coming before this chamber to congratulate two young men from my district, Joathan Partee of Salisbury and Steven Sloan of China Grove, for graduating from high school with perfect attendence records.

That is a remarkable achievement. Johnthan Partee graduated this, month from Salisbury High School having not missed a single day of school since he began Head Start 14 years ago. Steven Sloan received his diploma from South Rowan High School after 13 years of perfect attendance that began in kindergarten.

Neither of these young men did this by luck or by accident. Both have had friends and faimly to inspire them, and both hae had a real commitmet to learning. To them, missing a day of school truly meant missing something.

Mr. Speaker, there is nothing that makes me happier than to see young people with the kind of drive and determination that Jonathan and Steven possess, and I wanted to take this opportunity to share their stories with my colleagues.

I know I speak for all of us when I congratulate these fine young men for their achievement and wish them every success as they continue their education.

[From the Salisbury Post, May 16, 1990]

PERFECT!TWO GRADS DIDN'T MISS A DAY

(By Rose Post)

Beware chicken pox and measles. Run from runy noses and stomach your upset stomachs.

Just don't say both Jonathan Partee and Steven Sloan, get any childhood diseases or give in easily to aches and pains—even a broken nose—if you want to set a school attendance record. A real record.

Jonathan, who'll graduate from Salisbury High School in June, hasn't missed a day of school for 14 years—since he bean Head Start at the age of 4.

Steven, who'll get his diploma at South Rowan, has 13 unbroken yearrs behind him—since he entered Kindergarten at China Grove Elementary School.

But don't take them too literally when they start talking about being lucky and never getting any childhood diseases. That's not what got them to school every day.

Neither of them wanted to miss anything. And if you aren't there, how do you know what you'll miss?

For Jonathan, the pleasure came Tuesday when he experirnced a couple of hours that will last a lifetime at the Community Awards Assembly at Sallsbury High.

He presided because he's president of the senior class. And he received a $1,000 scholarship from the Salisbury Optimist Club, the Rotary Service Award (the oldest award given at Sallsbury High), the Lions Club Outstanding Student Award—and a special surprise from Vera Moore Jones, who was keeping a primise she made four years ago.

"I didn't teach him," she confesses, "but he was president of my home room in the eight grade." And when the year was about over, she realized he hadn't missed a day. That triggered her curiousty, so she checked his record for the seventh grade. And the sixth. And it didn't take long to discover he hadn't missed a day.

That deserved a trophy, she decded. The late Coach Bobby Sims gave her a donaton to help pay for it, and several other teachers contributed. And with the trophy he got a promise.

"I told him if he would go through high school without missing a day," she says, "I would personally present hime with a plaque." And after she retired in 1987, she kept checking up on him.

"I've been asking him mama Jean Partee, every other day, "Has Jonathan missed a day?' and she'd say, 'No, he hasn't missed yet.' And if I didn't see her, I'd ask his grandmother, Sadie Partee, 'Has Jonathan missed a day?' and she'd say, 'No, he hasn't missed yet.':"

So a few weeks ago, confident he'd make it, she ordered just about the biggest trophy she could get. She not only had it engraved with Jonathan Partee's name but also added that it was in memory of Coach Sims.

On it, she told students at the assembly Tuesday, is the symbol of the eagle because it can soar higher than any bird. And the eagle's wings are reaching toward the sky.

"I want you to always reach for the stars," she told Jonathan as she presented the trophy.

TWO-WAY APPLAUSE

The students applauded as though they'd never stop. Afterwards, savoring the moment with his mother and his grandmother, Jonathan applauded his teacher.

He's never thought perfect attendance was anything special, he said, "Until Mrs.

Moore told me. It really was an inspiration." And when she presented him with the plaque, he added, "it was some kind of feeling!"

Mrs. Moore smiled. It was a good lesson. She always valued attendance.

If kids weren't at school, they missed something. "And if they miss something one day, it's hard to catch up the second time around."

Jonathan went back to Knox last year to echo her words to middle school students. "I told them the more you come to school, the more you learn," he said.

Even a broken nose didn't keep him away. He broke his nose last year diving for a ball in the outfield during a baseball game against Thomasville. The team was losing when he went after that ball. But as he left to get his face sewed up, Coach Tom Sexton promised they'd win for him—and they did.

About a week later, when he had to have surgery on his nose, he went to school in the morning, checked out in the afternoon to have the surgery as an outpatient, and went back to school.

And the team made the second round of the state playoffs.

Jonathan plans to take his never-say-stop attitude with him in the fall when he enters Catawba on a football and baseball scholarship. He wants to major in business with a concentration in finance.

PARENTS SET EXAMPLE

A teacher didn't inspire Steven Sloan, who'll be recognized for his achievement at the school awards night May 23, but his parents did. Shirley and Hugh Sloan of China Grove always stressed two things: religious morals and education.

"You put God first," his mother says, "and you get you a good education and you feel like you can do something. When you come up poor, education is the key."

They tried to set an example, she says. His father has a perfect record at Hoechst-Celaese, where he's worked for 20 years, and when the mill where she worked shut down, she went to Rowan-Carbarrus Technical College to acquire a new skill. Now she works two jobs—at Henderson School during the day and as a private-duty nursing assistant in the evenings.

"If you're going to do something," she and her husband have always told their children, "do it and do it right."

Steven has done it right.

He's checked out of school once—to go to College Day.

"But I came right back after it was over," he says.

By fall he expects to be at Guilford Technical Community College, where he'll study automobile engineering and technical design and to on East Carolina for a bachelor's degree.

That will let him use his first loves—drawing and working on his old truck—though he's also been active in the band and various clubs and played football at South. Somehow, he wants to put the two together.

He doesn't doubt he will. The payoff, after 13 years of perfect attendance at school, is knowing you're ready to do what it takes.

MATHIAS GREISCH

HON. CHARLES ROSE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. ROSE. Mr. Speaker, at the spring session of the North Atlantic Assembly, delegates held a major debate on the future of the alliance. During the debate, the leader of the delegation from Luxembourg, Mathias Greisch, made an address which is important for us because it reflects the view of many leaders from smaller countries in Europe concerning future security arrangements in Europe.

I commend the address by Mr. Greisch to my colleagues. The text follows:

Mr. Chairman, Ladies, Gentlemen, honored colleagues, first of all, in the name of the Luxembourg delegation, let me express my sincere thanks to our French friends and colleagues for the warm reception we have received to the City of Paris.

After the revolutions we have just seen taking place in Eastern Europe, our security, which has been guaranteed for more than 40 years by NATO, and beyond that, the security of all of Europe will only be guaranteed by a new equilibrium, no longer based on military confrontation, but rather on economic and environmental integration and collaboration and on the guaranteeing of fundamental freedoms.

The European Community defined its orientation at Dublin. We are convinced that beyond the Community itself, the CSCE is an institution which has proved itself. It is a structure adequate to accompany and guide the progress of the Europeans in erecting the new structure of the Continent.

We are in favor of a CSCE summit meeting this year yet, it being understood that the CFE treaty will be carried out before the summit.

The CSCE will never be able to assure our future security by itself. Any collective security system on just a European scale runs the risk of being inoperable and causing a rebirth of the specter of renationalization of our defense apparatus and policies.

Although the risk of a surprise attack has largely diminished, we cannot ignore the still considerable military strength of the Soviet Union. We will have to assure the continuity of Atlantic solidarity via a renewed Alliance in which, in the eyes of the Luxembourg delegation, the American military presence is indispensable.

On the other hand, we will have to show some understanding of the legitimate security interests of the Soviet Union, and we might be able to accept a provisional government for the Soviet troops stationed on the territory of what is now the German Democratic Republic.

The first 4+2 meeting was carried through a successful conclusion and has given us the hope that a compromise solution acceptable to all can be found. Although the Soviet Minister of Foreign Affairs was of the opinion that a unified Germany could not become a full-fledged member of NATO, the events we have witnessed in recent months have given us the hope that we can negotiate a solution, e.g., after elections in a unified Germany.

The disarmament and restructuring of the armed forces deployed in Europe is a critical problem of the highest interest to us all. We welcome the President Bush's suggestion of advancing American negotiations concerning SRMs and withdrawing short-range missiles from Germany if the Soviet Union is disposed to do the same.

As for the future orientation of the Alliance, we are convinced that erecting an real pillar of European security would be the logical consequence of the political and economic unification of Europe.

As members of parliament, we are disposed to work for continuous contact with other freely elected parliaments in Central and Eastern Europe, thus contributing to the building of a parliamentary democracy in an expanded Europe.

Mr. Chairman, Ladies and Gentlemen, thank you for your attention.

DEVASTATING RAID

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. MAZZOLI. Mr. Speaker, I recommend to my colleagues an article by Anthony Lewis which appeared in the Louisville Courier-Journal on June 7, 1990.

The aborted raid on the coast of Israel by a PLO faction is a grievous and inexcusable act of terrorism which threatens the future of the Middle East peace efforts.

As the Lewis article points out, the burden is on Yasser Arafat. His response and reactions to the raid will determine how much or how little the uneasy peace efforts are affected.

A DEVASTATING RAID

(By Anthony Lewis)

BOSTON.—Are Yasser Arafat and the PLO committed to seeking a political destiny for the Palestinians by political means? Or do they condone terrorist act by Palestinians?

That is the issue posed by last week's attempted guerrilla attack on the Israeli coast. It is a fateful issue for Chairman Arafat and the Palestinian cause.

The guerrillas, in two speedboats, were stopped by Israeli forces. Responsibility for the raid was taken by the Palestine Liberation Front, a faction headed by Abul Abbas, who is a member of the PLO executive committee.

Arafat said the PLO was "not responsible" for the raid and had "no connection with it." But he declined to condemn it, and he rejected the idea that he remove Abul Abbas from the executive committee, saying that could be done only by the PLO's exile parliament, the Palestine National Council.

In the days since the raid, much attention has focused on whether it will lead the United States to stop talking with the PLO. Inside the PLO there has been resentful comment about American calls on Arafat to condemn the raid. A leader cannot act to please the United States, it was said.

But what is at stake is not the pleasure of the United States. It is the hope of the Palestinian people for an end to Israeli occupation of the West Bank and Gaza, the hope for a chance to govern themselves.

The speedboat raid was a devastating blow to those Palestinian hopes. That is so for a reason that most leading Palestinians well understand: Palestinians can make political progress only by convincing Israel of their desire for negotiation and peace.

That message had just been sounded by leading West Bank figures under poignant circumstances. Faisal Husseini and others went on a hunger strike in Jerusalem after a deranged Israeli killed seven Palestinians on May 20. Day after day Husseini lectured Palestinians on the need to convince Israelis of their commitment to peace and Israel's security. Then came the raid. The leaders ended their hunger strike.

The raid was devastating, too, for Israeli peace groups. Its effect was to give powerful support to Prime Minister Shamir and the extreme right, who depict Palestinians as terrorists not fit to meet in negotiations.

Professor Yaron Ezrahi of the Hebrew University, a leader of Israel's Peace Now movement, said: "I doubt that there will be much capacity for Israeli moderates to push for negotiations with the PLO after this. It is as if the PLO factions have decided to play the role assigned to them in a drama written by Yitzhak Shamir."

All that is surely clear enough to Arafat. He knows that terrorism cannot force concessions from Israel, that to the contrary every terrorist act strengthens those in Israel who want to keep the occupied territories forever. Yet he hesitates to speak clearly.

There is a reason in history for Arafat's reluctance to choose. He has built up Palestinian national consciousness precisely by avoiding ideological disputes—by making the PLO an umbrella that covers all in the Palestinian cause.

But the time for fudging has run out. Abul Abbas is a terrorist, and he does not belong on the executive committee of an organization committed to negotiation and peace with Israel. PLO organizational technicalities are unimportant. Yasser Arafat can speak. That is what leaders are for.

Those who deal with the endless conflict in the Middle East have to keep in mind the human beings who are its victims: the ordinary Israelis who live with the fear of terrorism, the ordinary Palestinians who live under the grinding conditions of occupation.

The Palestinians in the West Bank and Gaza feel powerless and abandoned now. Since the May 20 shooting the Israeli army has put down protests with tactics deplored by Israeli human rights groups. At least 16 have been killed; hundreds of thousands of Gazans have been confined to their homes for days.

The United States sharply increased the feeling of hopelessness when it vetoed a Security Council resolution to send a U.N. investigating mission to the occupied territories. Secretary of State Baker had indicated that he would agree to the mission. At the least he owed a gesture to West Bank leaders, the moderates who have been in the eye of U.S. policy.

But that does not affect Arafat's responsibility. It is his choice: to condemn terrorism or to let the faint hopes of peace flicker out.

UNITED STATES-SOVIET TRADE

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. RICHARDSON. Mr. Speaker, Mr. Kempton Jenkins, a former high ranking State Department official with extensive experience in United States-Soviet relations, has unique insight into the evolving dynamic of United States-Soviet trade. I would like to draw your attention to Mr. Jenkins' importance as a truly valuable resource on this matter.

In a statement before the Ways and means Committee earlier this year, Mr. Jenkins used his strong grasp of the political issues to provide a general framework through which to analyze the particulars of U.S. business interests.

In light of the recent summit, Mr. Jenkins' views are all the more relevant. For this reason I insert the statement into the RECORD and commend it to my colleagues' attention.

STATEMENT BY KEMPTON B. JENKINS

Mr. Chairman, I am Kempton Jenkins, Corporate Vice President for Government and International Affairs at Armco and Chairman of the East-West Trade Committee of the U.S. Council for International Business. The U.S. Council for International Business represents American business positions in the major international economic institutions and before the Executive and legislative branches of the U.S. Government. Its primary objective is to promote an open system of world trade, finance, and investment. The U.S. Council is the U.S. business group that officially consults with key international bodies influencing international business, such as the International Chamber of the Commerce (ICC), the Business and Industry Advisory Council to the OECD (BIAC), and the International Labor Organization (ILO). The U.S. Council will be submitting written testimony on E.C. 1992 and Foreign Direct Investment to complement my remarks today.

I am honored to have this opportunity today to address economic issues very much in the news at present: the future of Soviet-American trade. We applaud the Committee for devoting its attention to the critical policy decisions in this area.

Clearly, reevaluation of our long-established trade policies towards the Soviet Union and Eastern Europe is overdue. Events in the Soviet Union and Eastern Europe have captured the attention of the world in recent months as moribund and morally bankrupt political regimes have given way to new and still evolving structures. However, in a sense, these sudden dramatic political changes appear easy in comparison to the necessary economic restructuring that must now follow.

Economic reform will take much time and be difficult to accomplish, and require new and creative approaches to policymaking. Furthermore, the various nations in the region differentiate themselves more and more every day, highlighting the need for individual solutions to individual problems. Certainly countries like Poland and Hungary have leapt ahead of "Perestroika" in the Soviet Union, and Czechoslovak and East German economic reform will take different approaches than those adopted in Poland or Hungary. The prospects for enhanced trade opportunities with the countries of Eastern Europe are considerably brighter than those involving the Soviet Union. This results not only from the fact that they have, to one degree or another, faced up to the basic economic reforms which are essential, but also their much longer Western industrial experience and tradition.

No U.S. corporation can long afford an investment or joint venture in a marketplace where returns are not comparable to what they would be in other markets. There is no way in the world that the Soviet Union, given the basic price structure, convertibility, labor relations and generally antiquated relationship between the consumer and the producer, can compete, e.g., with Mexico or the Philippines (which while in some chaos, nonetheless have a long tradition of doing business with the Western world). There are also many other countries who are far, far ahead of the Soviet Union in their market conditions and offer much more promising prospects for U.S. investors.

PROBLEMS WITH THE SOVIET MARKET

Subsequently, I will describe some concrete and positive steps which the United States can take to improve Soviet-American trade. However, before I get to that, I want to emphasize the very serious Soviet structural problems which will continue to impede growth in U.S.-Soviet trade, which must be addressed by the Soviets. These constitute historic development problems and basic political challenges and they dwarf in significance the steps which the U.S. can take.

First, the Soviet population of 280 million potential consumers constitutes a market without the wherewithal to buy. The majority of people and enterprises have no hard currency with which to purchase U.S. (or any other Western exports) and are not likely to acquire such hard currency for the foreseeable future. Without basic economic reform which in turn could lead to a convertible ruble, a large increase in imports, regardless of the needs or desires of the population, will remain out of reach.

Second, prospects for moving to a convertible ruble seem little brighter today than they did five years ago. The necessary economic reforms promised by "Perestroika" have proved elusive and politically untenable to date. Gorbachev has backed off the most important element in a viable reform package: abandoning state control of resource allocation or decontrol of the centrally planned price system. As recently as November, 1989, the political leadership considered and rejected a meaningful launch of price reform, in the face of fierce political opposition, settling instead for half-hearted measures, a new 5-year plan, which is more of the same and promises of changes to come. Without price reform and implementation of basic supply and demand relationships, the Soviet economic crisis is unlikely to abate. As a result, too many rubles will continue to chase too few goods, the ruble "overhang" (defined as unspent and unproductive ruble hoarding among the population) is likely to continue, and convertibility of the ruble will remain a fantasy.

Third, the Soviet leadership faces a major constraint to revitalizing their economy in the lack of labor mobility and of a skilled labor force for the consumer sector. With rigid central planning, workers have had little choice as to where best to market their skills and as a result, labor resources have been inefficiently allocated in the economy, driving up production costs unnecessarily. Most of the most skilled workers and managers have been concentrated in the military sector and without large-scale downsizing of the Soviet military force, productive and competitive use of that labor pool is unlikely.

Furthermore, it is important to recognize that the Soviet Union remains a nation composed of different ethnic groups with little in common in terms of culture, religion, and language. Recent events in Azerbaijan have demonstrated the bitter rivalries that exist among the non-Russian

ethnic groups. Translated into labor terms, this means that shifting significant numbers of Uzbek laborers to the Ukraine is not likely to work smoothly or productively. In addition, significant portions of the overall population are drawn from rural areas with little desire or readiness to transfer pastoral skills into a factory environment. Thus, there is both a shortage of mobile labor at present as well as a shortage of "factory-ready", qualified, laborers who can produce goods competitively.

Fourth, as far as encouraging a healthy import-export trading component to the national economy is concerned, the Soviets continue to suffer from a lack of not only goods available for exports but more importantly, goods competitive on the world market. Currently, the Soviet exports are comprised largely of raw materials (much like a Third World country). The quality of finished goods which the Soviets produce is not up to world standards, especially in a global economy dominated by low-cost, high-quality manufacturers. Without a long, painful (and successful) Perestroika, the Soviets will continue to fall behind.

All of these fundamental flaws will discourage U.S. investors.

U.S. TRADE POLICIES NEED REFORM

Now, having painted a somewhat gloomy portrait of Soviet near-term economic prospects, I would still emphasize that U.S. trade policies towards the Soviet Union need reform. I would characterize the necessary changes in our trade policies as simply "normalizing" U.S.-Soviet trade. While they pale in significance compared to the many structural changes in the Soviet economy, they can be significant in encouraging those within the Soviet Union who are pressing for political and economic reform.

Certainly, the Bush Administration's support for granting the Soviet Union "Observer" status in the GATT following completion of the Uruguay Round marks an important step in normalizing overall trade relations. The U.S. Council supports this Administration move, although we hope that our policymakers will continue to insist on significant economic reforms in that country as the price of admission to the world trading system. The U.S. Council has recommended that the Administration, in consultation with our Western allies and OECD trading partners, devise economic reform "benchmarks" to monitor Soviet progress towards a market-driven economy. Such a system would provide support to those working for economic reform within the Soviet Union while also protecting the GATT from the negative effects of integrating a huge, centrally-planned economy into the world trading system.

The United States and the Soviet Union reportedly have agreed to negotiate this spring a new trade agreement which will provide appropriate opportunities and safeguards for the development of American trade and business relations with the Soviet Union. In addition to meeting the tests established in the Trade Act of 1974, these unique problems need to be addressed:

MFN—The clearest example of needed reform lies in the area of Most Favored Nation tariff status or MFN. As you well know, the Soviets were denied MFN beginning in 1973 on the basis of their restrictive emigration policies, under the Jackson-Vanik Amendment. The U.S. Council strongly supports repeal or at least a waiver of the Jackson-Vanik Amendment at this time. However, our support for MFN does not derive from economic considerations. In 1988, the volume of trade between the two countries did not even total $3 billion and the prospects for large-scale expansion of Soviet-American trade are not good. Lack of a convertible ruble and the resulting shortage of hard currency, inefficient allocation of labor resources, and uncompetitive goods for an export sector all diminish the attractiveness of the Soviet market for Western investors and traders. Until the Soviets abandon the Stalinist command economy and allow the market to dictate the allocation of capital and labor resources, the economic effect of MFN on trade between the two countries will remain minimal.

However, the Soviets have largely met the conditions of Jackson-Vanik, codifying new and liberal emigration policies. Thus, little justification remains for denying the Soviets MFN on this basis. Granting MFN at least will help normalize Soviet-American economic relations and demonstrate support for those working for reform within the Soviet Union.

The Stevenson Amendment—The Stevenson Amendment, along with Jackson-Vanik, restricts the Export-Import Bank to a total of $300 million exposure in the Soviet Union. In addition, individual projects are subject to review by Congress. The Amendment, which dates back to 1975, has had a chilling effect on business projects in that country and has effectively stymied any expansion of U.S. commercial credit for Soviet projects. We support repeal of the Amendment at this time.

The Export-Import Bank—The entire question of the Ex-Im Bank as an instrument of U.S. foreign policy needs reevaluation. First established in the 1930's specifically to provide economic assurance to American companies doing business in the Soviet Union, in recent years the bank's fortunes have languished. When viewed in comparison with Export-Import banks in West Germany and Japan, our endowment of Export-Import financing pales. In addition to encouraging Ex-Im Bank activity in the Soviet Union, the Bank surely merits rejuvenation of its overall efforts. It is the logical instument to encourage American business activity in the Soviet Union (as well as Eastern Europe), and has a vital role to play in strengthening our competitive capabilities in other parts of the world.

The Byrd Amendment—The Byrd Amendment in the Trade Act of 1974 specifically prohibits any official U.S. financial exposure for fossil fuel projects in the Soviet Union. The Amendment is a particularly critical barrier to developing trade with the Soviet Union since energy resources are one of the few hard-currency producing exports which the Soviet Union has to offer. If the Soviets are to accelerate their economic integration into the industrial world, freeing all possible resources to develop their energy output from Siberia holds a high priority. Given a belief that Soviet integration into the world economy is a desirable goal, the U.S. Council supports repeal of this amendment.

OPIC.—The Overseas Private Investment Corporation has been prohibited both by its own legislation and by Jackson-Vanik from providing political insurance to American companies interested in investing in Eastern Europe and the Soviet Union. Political risk guarantees offer American business the assurance that their government stands behind their efforts in these new markets, which is particulary important in countries like the Soviet Union where U.S. business does not currently operate under an investment protection treaty. Therefore, there are no provisions for international arbitration or against nationalization or expropriation of foreign investments. While the risk of such events occurring in the Soviet Union may seem unlikely at present, without government backing, American investors have little incentive to run risks exploring whatever trade possibilities exist. Significantly, other countries such as West Germany and Belgium have concluded investment protection treaties with the Soviet Union in the past year. While the U.S. Council supports the Administration's efforts to negotiate such a treaty in time for the summit, we believe that OPIC also has a meaningful role to play in complementing the initiative. Just as OPIC has received authorization recently to underwrite projects in Poland and Hungary, it should also be authorized to support projects in the Soviet Union.

The Export Administration Act—A great deal of attention is currently being focused on the overall issue of export controls and their efficacy in accomplishing their intended purpose. Clearly, a reexamination of their implementation is overdue and, indeed there has been movement in recent weeks by the Administration to extend special consideration to exports destined for Eastern European countries under the proviso that the technology exported remain in those countries and not be retransmitted to third countries, such as the Soviet Union.

However, the issue is more complex than implied by such initiatives. For too long, our export control policy was unduly influenced by those who sought to stifle virtually all exports, both "high" and "low"-tech products, to the Soviet Union on the grounds of national security. Clearly, the issue does involve national security and the business community is dedicated to supporting enforcement of export controls of sensitive items. However, while we are firm proponents of a maximum degree of efficiency in our COCOM efforts to prevent the escape of militarily significant technology to our principal adversaries, we also believe a targeted refined system is more urgent today than ever before. Our policy should rely on reducing the list of controlled items to those that are really important, while increasing enforcement and punitive penalties for those few who deliberately circumvent Western controls and sell military technology to our adversaries.

There are a few important points to keep in mind in this debate. First, the days when the United States could unilaterally control exports of high technology in the world are over. We face serious and unrelenting competition from some of our closest allies in producing high tech products and our ability to stop particular countries from obtaining certain products is minimal. In fact, close study of the worldwide availability of currently controlled items reveals a lack of effectiveness of our current export control policies. When other non-COCOM countries readily step in to provide products on the controlled list, the only result is that American businesses lose sales and the American economy loses jobs.

Second, the incredible pace of change in Eastern Europe and the Soviet Union in recent months has brought welcome news politically, while at the same time causing considerable uncertainty about the future direction and purpose of the Western alliance. In the 1990's we must work together with our COCOM allies to fashion an export control policy that both satisfies our partners as to the rationale behind control

of particular items as well as allows each COCOM member, and particularly the United States, to feel confident that national security concerns are being addressed satisfactorily. Consultation and agreement will work to our advantage, while weakening alliance unity sends a signal to Moscow of weakness, not strength.

A NEW TAX TREATY

Finally, the United States should enter into negotiations with the Soviet Union for a new tax treaty. Richard M. Hammer of Price Waterhouse, who is Chairman of our tax committee, will speak to you tomorrow on the importance of modernizing the current U.S./U.S.S.R. treaty. He will also recommend that the United States expand its tax treaty network to include those countries in Eastern Europe with whom we do not now have treaties.

CONCLUSION

Our world has seen more changes in the past few months than at virtually any other time in recent history. Precepts of containment and immutable opposition Blocs have given way to hope for a different and better way of co-existence and a reduction in the threat of nuclear war. A 45-year national objective is coming within reach, thanks to the dedication and wisdom of our Presidents, from Truman to Bush, and the sacrifices of the American people. These new conditions require new thinking.

As I have outlined, the Soviets face serious and long-standing problems in trying to jump-start their economy. The failure of Marxist-Leninist economics has been made abundantly clear in the last few years as even Perestroika and "reformist socialism" appear to be running out of gas. Until the Soviets face up to the need for thoroughgoing reform, starting with basic price reform, they're likely to continue to harvest the results of an untenable economic program.

While the steps that the U.S. can take to facilitate Soviet-American trade may not result in a large expansion of the trading relationship, we strongly believe that normal trade relations are worth pursuing. The stakes are high, not necessarily in terms of immediate economic pay-offs, but rather in a framework of global economic and political stability.

U.S. policymakers should be seeking ways by which to accelerate the integration of the Soviet Union into the world economy. A Soviet Union, engaged in the world economy and whose stake in that economy is as large as other major states, is much more likely to be dominated by rational managers who would have strong incentives to behave in a stable, responsible manner in both the political and economic realms than a disengaged, isolated, and economically threatened Soviet Union run by ideologues.

Finally, my remarks today have focused on the Soviet Union, but there is a similar urgency to modify our economic relations with the other countries in Eastern Europe, which in many ways are in significantly different situations than the Soviet Union. It is important to continue to eliminate restraints that prevent U.S. business from participating on the same footing as foreign businesses in the economic revitalization of these countries. This will require modifications tailored to meet varied individual circumstances of these countries, as was done with Poland and Hungary in the Support of Eastern European Democracy Act.

The Administration and Congress have a unique opportunity to help accomplish that result through a shift in U.S. trade policies. I am confident that U.S. business stands ready to work with you in whatever way desirable.

NUCLEAR MATERIALS PRODUCTION

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. EVANS. Mr. Speaker, I would like to bring to my colleagues' attention two letters on the extremely timely issue of nuclear materials production. These letters are signed by many of our Nation's most distinguished diplomats, scientists, arms control experts, and representatives from the peace and environmental community. They are written in support of a $100 million cut in construction funding for the New Production Reactor Program and a halt in the superpowers' production of nuclear weapons materials. I think that these arguments should be given special attention as we deliberate over funding for the Nation's nuclear weapons production complex.

MAY 23, 1990.

President GEORGE H. BUSH,
The White House, Washington, DC.
President MIKHAIL S. GORBACHEV,
The Kremlin, Moscow, U.S.S.R.

DEAR PRESIDENTS BUSH AND GORBACHEV: We wish to call to your attention a unique opportunity that is made possible by your historic efforts to halt and reverse the nuclear arms race. Unless it is grasped promptly, however, it is likely to recede rapidly.

With large reductions in strategic and tactical nuclear weapons under active consideration, the United States and the Soviet Union, either by agreement or by reciprocal unilateral action, have the opportunity to avoid the further operation of old, potentially unsafe nuclear reactors for production of weapons materials and to avoid the spending of billions on replacement reactors.

We write in the hope that, in connection with the forthcoming summit, you will consider steps to realize such a remarkable achievement.

The window of opportunity is fast closing, however, as the United States prepares to restart its weapons production reactors, all of which have been shut down for safety reasons since June 1988, and to construct new production reactors. A principal impetus for these plans is the continuing production of weapons materials in Soviet military reactors during this period. While the Soviet side has announced a timetable for shutdown of its production reactors by the year 2000, this timetable is not reassuring to the U.S. side, which sees itself at a disadvantage because of the involuntary shutdown of its reactors while Soviet production continues.

Surely this unrelenting race to produce yet more ingredients for nuclear weapons—plutonium and tritium—deserves serious reexamination in light of the progress being made to end the nuclear arms race.

Unless one side or the other actually contemplates increases in its stockpile of weapons, a credible case cannot be made for further production of plutonium. With a shelf life of thousands of years, plutonium is salvageable from retired weapons for possible reuse in replacement warheads. For the same reason, each side already has acted unilaterally to halt further production of highly enriched uranium, the other long-lived fissionable material, for use in weapons.

The issue of tritium production is somewhat more complicated because, unlike plutonium and highly enriched uranium, tritium decays relatively rapidly—over dozens of years. Its production must be continued to maintain the size of a nuclear arsenal. No fresh tritium need be produced, however, if warheads utilizing tritium are retired at a rate that keeps pace with or exceeds tritium's decay. Under those circumstances, tritium recovered from retired warheads would be sufficient to replenish tritium in the remaining warheads for many years.

A key consideration, therefore, is whether there are likely to be agreed or unilateral reductions in nuclear weapons in the immediate future that will make additional tritium production by either side unnecessary.

Major arms reduction initiatives are now moving forward, beyond the progress already made by the INF agreement and by unilateral actions. A START treaty, in combination with budgetary limitations on new deployments, will likely reduce the U.S. and Soviet strategic stockpiles by as much as several thousand warheads on each side. Even more substantial reductions in strategic weapons are being explored in post-START discussions already underway.

In addition, deep reductions in tactical nuclear weapons, negotiated or unilateral, now appear imminent as the result of political changes in Europe. The retirement of some 3,000 U.S. tactical nuclear weapons and of larger numbers of comparable Soviet weapons seems possible as pressure builds for removal of at least the land-based nuclear missile and artillery warheads from German territory. And growing sentiment for elimination of naval tactical nuclear weapons eventually could lead to the retirement of several thousand additional warheads.

These reductions would create a sizable tritium reserve on both sides to sustain remaining warheads and would make additional production a costly redundancy. Even now, the amount of tritium in the U.S. weapons inventory is sufficient to meet tritium requirements of 3,000 warheads for 35 years and 1,000 warheads for more than 50 years. We assume that a similar sufficiency to maintain an effective deterrent exists on the Soviet side.

We urge you both, therefore, to consider the desirability and the feasibility of a complete nuclear materials production halt at this time. The halt need not await a complicated formal agreement. It can be achieved by reciprocal unilateral steps.

The Soviet Union need only accelerate its timetable for a shutdown of all production reactors, effective immediately or in the near future.

The United States need only defer plans for start-up of its production reactors and for construction of new production reactors.

Each side could maintain a number of production reactors on "cold stand-by" status as a contingency against a breakdown in the ongoing arms reduction process.

Such reciprocal, unilateral action could be verified immediately by satellite surveillance of shut-down reactors. Talks could begin on other verification and on-site inspection arrangements necessary to make possible a long-term production halt.

An immediate production halt would provide substantial domestic and international benefits without adverse military impact.

Beyond avoiding the continued operation of aging, potentially unsafe production reactors and the building of costly replacements, the superpowers clearly would be signaling their intent to forego expansion of their nuclear arsenals and, indeed, to proceed with serious reductions over the next several decades. Yet, even if the arms-reduction process breaks down, or does not produce deep cuts that keep pace with tritium's steady decay, each side will still be in a position to restart the production reactors held on cold stand-by and to construct new reactors, if necessary.

Conversely, missing the present opportunity to achieve a production halt imposes a number of risks and costs, including those associated with continued production activities that could only feed the nuclear arms race and inspire other nations to follow suit. We hope, therefore, that you will explore this additional pathway to peace while the present opportunity lasts.

Sincerely,

Hans A. Bethe, George Bunn, Thomas D. Davies, Freeman J. Dyson, Herman Feshbach, Richard L. Garwin, Sheldon Lee Glashow, Eldon V.C. Greenberg, William A. Higinbotham.

Nicolaas Bloembergen, David Cohen, Jonathan Dean, Ralph Earle, Val F. Fitch, Victor Gilinsky, Marvin L. Goldberger, Denis A. Hayes, Milton Hoenig.

Peter Bradford, William E. Colby, Paul Doty, Philip J. Farley, Randall Forsberg, Roswell L. Gilpatric, Kurt Gottfried, Dudley Herschbach, Robert C. Johnasen.

Vera Kistiakowsky, Leon M. Lederman, John H. Manly, Robert S. McNamara, Russell W. Peterson, Stanley Resor, Gerard C. Smith, Kosta Tsipis, Victor F. Weisskopf.

Julian Koenig, Paul Leventhal, J. Carson Mark, Marvin Miller, Edward M. Purcell, John B. Rhinelander, John D. Steinbruner, Stansfield Turner, Jerome Wiesner.

Betty G. Lall, Franklin Long, Jessica T. Mathews, Philip Morrison, George W. Rathjens, Roger Richter, Theodore B. Taylor, Cyrus Vance, Robert R. Wilson.

JUNE 5, 1990.

Hon. JOHN M. SPRATT, JR.,
Chairman, Department of Energy Defense Nuclear Facilities Panel, Committee on Armed Services, Washington, DC.

DEAR MR. CHAIRMAN: We are writing to urge your support for a reduction of $100 million in construction funding for new production reactors [NPRs]—an amount that still permits research and development and limited Title I design work to go forward in anticipation of a "fly-off" next year between the two reactor technologies, as discussed by Secretary Watkins before the Senate Armed Services Committee on May 17, 1989.

The Executive Branch has proposed funding of $363 million for two NPRs, a heavy water reactor and a modular high-temperature gas reactor, to be used primarily to produce tritium. Of this request, $221.3 million is for construction, a two-fold increase over last year. We urge that NPR funding in FY 1991 not exceed $263 million, and there should be a proviso that no funds shall be expended for site preparation.

A $100 million cut in construction funds will help to ensure that Congress will not be wasting funds on work that might have to be redone or be cancelled in response to substantially reduced production requirements resulting from negotiated reductions and unilateral retirements of warheads. This level of funding also will allow continuation of the safety and environmental reviews needed to ensure that any future NPR employs the safest technology.

The reduction we propose is consistent with the position taken in a recent letter (see attached) sent to Presidents Bush and Gorbachev by a distinguished group of 54 American diplomats, scientists and other experts. It calls upon the two leaders to take steps to end the "unrelenting race to produce yet more ingredients for nuclear weapons." Citing agreed and unilateral reductions in nuclear arms that already have taken place, as well as those anticipated in START and post-START agreements and in withdrawals of tactical weapons from Europe, the writers assert that enough materials could be recovered from retired weapons to "make additional production a costly redundancy."

As noted in our previous letter of March 26, we are concerned that construction of two new production reactors (NPRs) and the restart of the Savannah River reactors are proceeding on an accelerated basis despite the Administration's failure to provide Congress with revised weapons material production requirements reflecting anticipated reductions in warheads. Indeed, the whole process is moving so quickly that the Department of Energy still has not supplied Congress with a detailed construction budget for each reactor. Congress should be wary of a hasty commitment to two large production reactors when deep cuts in nuclear arms could render this large-scale NPR construction plan an imprudent and costly mistake.

We also see no basis for resumption of tritium production in the Savannah River reactors in the coming fiscal year, since tritium requirements can be met from warhead retirements including tactical weapons made obsolete by changing political conditions in Europe. As a contingency against unforeseen events, repair work and safety upgrades could be completed to bring the shut-down Savannah River reactors to cold-standby status, ready to resume tritium production if needed. Therefore, funding for the Savannah River Site should exclude expenses for actual operation of the production reactors in the coming fiscal year.

As the writers of the letter to the two Presidents stated, there is now "a unique opportunity [to halt weapons material production] made possible by [their] historic efforts to halt and reverse the nuclear arms race." To grasp this opportunity, it is imperative that Congress place new national and international security realities above any special localized interests in major military reactor construction projects.

The $100 million in NPR construction funds that could be saved in FY 1991 should be transferred to environmental clean-up of waste produced by weapons production over the past decades, an awesome task that eventually could cost more than $100 billion to complete.

We urge you to support our recommended reduction in funding for construction of the new production reactors. Thank you for your attention.

Sincerely,

Paul Leventhal, Nuclear Control Institute; John Isaacs, Council For a Livable World; Kevin Knobloch, Union of Concerned Scientists; Mark Harrison, SANE/FREEZE: Campaign for Global Security; Ken Bossong, Public Citizen; Edith Villastrigo, Women Strike for Peace.

Dan W. Reicher, Natural Resources Defense Council; David Cohen, Professionals Coalition for Nuclear Arms Control; James E. Beard, Friends of the Earth; David Lewis, Physicians for Social Responsibility; Eric Fersht, Greenpeace; James Wetekam, Office of Church in Society United Church of Christ.

TRIBUTE TO CHESTER H. KIRK

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. MACHTLEY. Mr. Speaker, I rise today to pay tribute to a member of my community for his outstanding efforts in helping others who suffer from alcoholism.

Chester H. Kirk has been selected to receive the National Council on Alcoholism Bronze Key Award. Chet is being honored for his effective efforts in the field of alcoholism, his exemplary leadership within Rhode Island, and his genuine concern for his fellow citizens. Chet's great concern about alcoholism and the victims of this disease is shown through his commitment to Edgehill Newport, Inc., the center for alcoholism treatment in Rhode Island. Developed and founded by Chet Kirk, Edgehill Newport has grown into one of the finest treatment centers in this country.

Chet is also well respected as a business, civic, and philanthropic leader in Rhode Island and across the country. He founded Amtrol, Inc., an international manufacturing firm based in Rhode Island and established the first employee stock ownership plan in Rhode Island. In addition to being the chairman of the board for Edgehill Newport, Chet has held many directorships, among these being a member of board of directors for the Providence Chamber of Commerce and the National Council of Alcoholism, and a corporator for Bradley Hospital, Kent Country Memorial Hospital, and Rhode Island Hospital.

Chet has also made a strong commitment to education in Rhode Island and has personally contributed to one of the largest scholarship funds to be donated to the University of Rhode Island. In 1985, the University of Rhode Island honored Chet by naming their new applied engineering lab the Chester H. Kirk Building.

It is with great pleasure that I recognize Chet Kirk for all of his extraordinary efforts on behalf of the people of Rhode Island and this Nation. His commitment and generosity to his fellow citizens are truly remarkable and serve as models for us all. I wish him all the best and continued success in the future.

SAN BERNARDINO COUNTY HOMELESS TASK FORCE RECOGNIZED

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. BROWN of California. Mr. Speaker, the problems confronted by the homeless are complex and require creative solutions at the local level.

The San Bernardino County Homeless Task Force was established in my district to address the complexities of homelessness; in particular, to develop a cold weather strategy. I would like to share with my colleagues an editorial commentary by Mr. Rodolfo H. Castro, executive director of the community services department of San Bernardino County and chairman of the San Bernardino County Homeless Task Force, that was printed in the San Bernardino Sun on May 30, 1990. The commentary discusses the task force's successful program to help the homeless during the especially difficult winter months.

[From the San Bernardino Sun, May 30, 1990]

WARMING UP TO MEET NEEDS OF HOMELESS

(By Rodolfo H. Castro)

The winter of 1988-89 brought arctic conditions to Southern California, particularly San Bernardino County. The harsh weather placed the county's homeless population at risk.

Their plight was further exacerbated by a fragmented service delivery system and inadequate shelter facilities. The size and diversity of the county added logistical constraints.

However, the fundamental weakness in serving the homeless was a lack of coordination and communication among public and private service providers. A better way was needed.

In the spring of 1989, a task force was formed of country agencies that directly or indirectly serve the homeless.

They included the Children's Network, community services department, sheriff's department, veterans affairs, department of public social services, office on aging, county mental health, economic and community development, environmental health services and the county administrative office.

The task force planned to:

Identify homeless programs administered by county departments.

Identify homeless programs operated by non-county providers.

Review literature/studies on homeless issues.

Review federal and state legislation on the homeless.

Develop ties to community-based organizations serving the homeless, local task forces, study groups and committees focused on the homeless problem.

Develop a cold weather strategy for the winter of 1989-90.

In preparing for the winter of 1989-90, the key was providing emergency shelter for the homeless.

The cold weather strategy, would function between Oct. 1, 1989, and March 31, 1990. Emergency shelter would be provided on cold weather nights—40 degrees or below, or 50 degrees with a 50 percent probability of rain.

The San Bernardino County Economic and Community Development Department and the Community Services Department devoted $127,225 to the effort.

The winter strategy programmed 16,000 shelter nights for the homeless—an increase of 15,000 shelter nights over 1988-89. A shelter night is defined as one bed space per person per night.

Strategically located homeless shelters were selected to provide "direct services"—San Bernardino Salvation Army (170-bed capacity), Desert Manna Ministries, Barstow, (40-bed capacity), and St. Marks Shelter, Upland (35-bed capacity). The shelters provided warm beds, hot meals, counseling and information and referral services.

The shelters were supplemented by $50,000 in motel vouchers that were distributed throughout the county by five Salvation Army centers as a "gapfill" strategy.

The results were encouraging

Last winter, we:

Provided 16,866 shelter nights for the homeless.

Maximized cost-effectiveness as clients were served at an average expense of $7.52 per shelter night as compared with $17 the previous year.

Utilized community organizations with a demonstrated track record.

Eliminated the need to establish a new bureacracy as was done in other jurisdictions.

The task force is not a panacea for the problems of homelessness. There were unmet needs and mistakes were made. For example, there is a need for a full-service homeless shelter in the West End and adequate funding for transitional programs.

However, the approach was a significant improvement over the previous year.

The next item on the agenda: The winter of 1990-91.

NEXT STEP: A CONSTITUTIONAL AMENDMENT

HON. JOE SKEEN

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. SKEEN. Mr. Speaker, today, Americans celebrate Flag Day. It was 213 years ago today that the Continental Congress adopted the Stars and Stripes as the emblem of our newborn Nation.

Today we honor the American flag, but more importantly we honor the ideals it embodies; ideals that generation after generation of Americans have given so much to pursue and defend.

It is indeed ironic that as Americans celebrate this Flag Day, we find ourselves embroiled in a major debate over protection of the flag—our national symbol—from desecration.

Mr. Speaker, for a more detailed analysis and explanation of this important issue, I ask unanimous consent that I be allowed to insert into the RECORD a copy of a recent column I've submitted to the newspapers throughout my congressional district in New Mexico titled "Next Step: A Constitutional Amendment."

[For release June 11, 1990]

NEXT STEP: A CONSTITUTIONAL AMENDMENT

(By Congressman Joe Skeen)

From the time we are in grade school, we are taught to respect the flag. We are instructed that the flag should never be worn, draped over a car, or emblazoned on things like paper napkins. And we are taught to never, never let the flag touch the ground or the floor. Now, in less than one year, the United States Supreme Court has twice said to school children that it's okay to burn the flag because it is a form of constitutionally protected free speech. This week the high court reaffirmed its 1989 ruling striking down a Texas law that banned flag burning. In a 5 to 4 decision, the court said that the Flag Protection Act passed last year by Congress is a violation of the First Amendment because it squelches expression. I disagree. I had hoped that the court would uphold the government's position that flag burning, by its very nature, is a "physical, violent assault on the most deeply shared experiences of the American people."

It's a pitiful irony that the Supreme Court's ruling upholding flag burning came just three days before our nation celebrates "Flag Day." The question now before Congress is whether we let the Supreme Court's misguided and objectionable ruling stand, or fashion a constitutional amendment and let the people of the United States decide if they want to allow flag burning, or not.

I have supported every constitutional amendment—there are ten in all—that has been introduced in the House of Representatives. But we need to carefully draft an amendment that preserves the basic right to free speech, but also protects this symbol which so many of our young men and women throughout history have fought and died to protect. I believe an amendment can be crafted that can protect the flag as a symbol of freedom and democracy without threatening other forms of free speech.

Our country was founded on the principles of checks and balances. In the past 200 years, only four Supreme Court decisions have ever been overturned by a constitutional amendment. This method is the only check and balance the people have over a court when an overwhelming majority believe it is out of the mainstream of American political thought and opinion. To deny those who wish to protect the flag from desecration their rightful attempt to overturn the Supreme Court decision via a constitutional amendment is to deny the people their appropriate check and balance over the courts.

Supporters of a constitutional amendment do not seek to undermine our constitutional safeguards, they only seek to protect the symbol of our democratic republic from desecration. The process of ratifying a constitutional amendment will take the decision to allow flag burning out of the courts, and place it with the American people where it belongs.

TRIBUTE TO BROADCASTER ORION SAMUELSON

HON. EDWARD B. MADIGAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. MADIGAN. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to broadcaster Orion Samuelson.

The vast changes in East-West relationships have been brought on for a variety of reasons, not the least of which is the communist block's inability to establish efficient and sufficient agricultural production. On account of this momentous change, we in America are shifting our attention from the arms race to international econmic competition. American agriculture's ability to satisfy consumer needs at home and to compete abroad is the envy of the world. The American farmer and American agricultural community is noted for its constant innovation and for always striving to improve quality and productivity. On June 27, Secretary of Agriculture Clayton Yeutter will be honoring America's premier farm broadcaster, Orion Samuelson, host of Tribune Entertainment's "U.S. Farm Report," a contributing factor in America's agricultural success.

"The U.S. Farm Report" is a unique television offering of agricultural news, weather forecasts, commodity prices futures and business reports on the current quality, supply and demand of farm crops. Since July 1975, this Illinois-based program has presented reports from all over the United States, as well as Europe and Asia, covering agriculture methods, markets, meetings, research and special interest features.

Orion regularly interviews the chairman of the House and Senate Agricultural Committees, the Secretary of Agriculture and his key aides, spokesmen for the European Economic Community and representatives of other foreign agricultural customers.

The show travels 65,000 miles annually within the United States. It has taken its cameras abroad to Thailand, Brazil, France, Sweden, Korea, The People's Republic of China, and the Soviet Union, offering viewers an international perspective. Orion Samuelson was the only broadcaster invited by then Secretary of Agriculture John Block to accompany the Government groups in August 1983, traveling to the Soviet Union for the signing of the historic U.S.-U.S.S.R. Grain Agreement.

Samuelson's dedication to the American farmer is not limited to just reporting the news. He and his crew also visit hundreds of community agriculture festivals each year and remain in close contact with farmers throughout the country. He also serves as a public member of the 21-member board of directors of the Chicago Board of Trade.

In addition to hosting "U.S. Farm Report," he also hosts two radio shows, WGN Radio's "Noon Show" and the syndicated "National Farm Report," which is heard on 300 stations. Both originate from Chicago.

Samuelson was born and raised on a 200-acre dairy farm in western Wisconsin and entered broadcasting at the age of 21.

His lifelong devotion has been recognized by all segments of agriculture. In 1986, he was made an honorary member of Alpha Gamma Rho, the agricultural fraternity. In 1984, the National Corn Growers Association presented him with the Communications Award. In addition, he was one of eight recipients of the National 4-H Alumni Award during the 1983 National 4-H Congress in Chicago.

He is the only broadcaster in the Nation to receive two oscars in agriculture, one for radio in 1967 and the other for television in 1979.

Orion has been honored by the National Future Farmers of America, FFA Alumni Association, American Soybean Association, National Association of Soil and Water Conservation Districts, American Communicators in Education and the Dairy Nutrition Council. He has also been named Chicagoan of the Year in Agriculture and the National Farm Broadcaster of the Year. In October 1985, Orion was inducted into the Scandinavian-American Hall of Fame.

Mr. Speaker, this unique broadcaster, serving America's thriving agricultural community, deserves our recognition and congratulations.

RESEARCH AND DEVELOPMENT CREDITS FOR PUBLISHERS

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. DOWNEY. Mr. Speaker, today I am introducing legislation that will strengthen our educational system and international competitiveness by encouraging investment in innovative and creative classroom materials for schoolchildren.

The research and experimental provisions of section 174 were enacted to encourage investment in research and development, allowing taxpayers to currently expense the costs incurred in developing and testing new products. The publishers of classroom instructional materials engage in research and experimental activities in the development and testing of such materials. These research and experimental expenditures should be deductible under the research and experimental expenditure provisions of the Internal Revenue Code. However, based on a footnote in the conference report to the Tax Reform Act of 1986, as interpreted by the Treasury Department, the publishers of classroom instructional materials must capitalize their research and development costs under section 263A. These publishers must therefore wait several years before deducting their R&D expenses as part of the cost of selling new classroom materials. This rule does not reflect congressional intent.

More importantly, this discrimination tax policy will lead to a reduction in the resources committed to the creation of challenging, high-quality, instructional materials needed in the Nation's classrooms. In fact, many publishers have already been forced to cut back in this area. The legislation I am introducing will correct this misinterpretation. Publishers of instructional materials such as textbooks, teachers' manuals, and similar materials will be allowed to list as an expense the costs of developing and testing materials that are designed for instructional use in elementary and secondary school classrooms.

The legislation would confirm that section 174 treatment extends to research and experimentation costs incurred by a taxpayer in the course of his business of publishing qualified instructional materials. The legislation confines eligibility for deductibility under section 174 only to costs that meet the general standard for research and experimental costs under section 174 and are incurred in connection with "qualified instructional materials."

Qualified instructional materials are materials designed for use in teaching a particular subject in systematic classroom instruction at the elementary and secondary levels, including secondary-level vocational education, and whose principal purpose is such use. Examples include textbooks, teachers' manuals, workbooks, tests and scoring materials, software, and other ancillary materials and instructional aids. Qualified instructional materials would, under the legislation, not be excluded from section 174 eligibility as "literary, historical, or similar projects."

Expenditures for qualified instructional materials considered research and experimentation expenditures include costs incurred for; first, conducting research and experimentation on learning and teaching; second, applying research, experimentation, and knowledge to the development of such materials; third, preparing specifications for the materials; fourth, preparing preliminary versions of such materials; fifth, reviewing and testing of the preliminary versions; and sixth, making modifications, to assure that the materials meet basic design specifications, including design specifications established by educational authorities.

Materials are published for the principal purpose of use in systematic instructional activities only if sales of the materials are predominantly—more than 80 percent—for such use. The fact that a significant part, but less than four-fifths, of the sales of a publication are for use in systematic instructional activities in elementary or secondary classrooms is insufficient to qualify the publication. So-called trade books, that is, those sold predominantly through general bookstores, are not included in this category, even if their sales are predominantly for use in systematic instructional activities, unless they are designed principally for use in a systematic course of elementary or secondary instruction, as evidenced, for example, by the inclusion of textbooks apparatus such as summaries and test questions.

Not included in the definition of "qualified instructional materials" are materials designed for use at college or postgraduate levels, professional reference materials, or general reference works unless they are specifically de-

signed for, and principally used in, elementary or secondary school classroom instruction. Similarly, works of physical or social science, literature, popular fiction, and compilations or collections thereof, as well as how to publications on fields such as automobile mechanics, crafts, cooking, fitness, hobbies, do-it-yourself activities, sports, and home repair, are not considerd "qualified instructional materials." Therefore, development costs for such works will not qualify under the legislation except in the unusual instance in which they qualify under the specific standards for materials designed for and principally used in, systematic instructional activities at the elementary or secondary level.

Under the bill, section 174 will apply only to costs, such as those listed above, with respect to qualified instructional materials, which meet the general standard for research and experimental expenditures for section 174 purposes. Costs, whether or not charged to editorial costs in a publisher's accounting, for activities such as copy editing, proofreading, and plate preparation, in preparing materials for publication that do not qualify as research and experimental costs will be required to be capitalized. Royalty advances to authors are not research and experimental costs.

Taxpayers may, without the consent of the Secretary, adopt the expense method provided by section 174 with respect to their research and experimental expenditures for qualified instructional materials that are paid or incurred in their first taxable year ending after enactment of the legislation; an election taking effect in subsequent years would require the consent of the Secretary. Taxpayers making the election would adjust their opening inventory in the year of change to take account of any costs for research and experimental expenditures with respect to qualified instructional materials that were previously capitalized as part of the taxpayer's inventory, that is, research and experimental costs incurred with respect to inventory and work in progress in prior years and capitalized under section 263A rules. Such changes in inventory value would be treated in all cases as made at the initiative of the taxpayer and with the consent of the Secretary. The period for taking account of the adjustments under section 481 would be 4 years.

OCEANOGRAPHY TEACHER OF THE YEAR

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. STUDDS. Mr. Speaker, I rise today to pay tribute to Mr. Jack Crowley of Hingham, MA, who has been named the "Outstanding Oceanography Teacher of the Year" by the National Marine Educators Association.

For more than 25 years, Mr. Crowley has been a dedicated teacher of marine and environmental science at Hingham High School and has been involved in ongoing public environmental education programs. He served as the first president of the Massachusetts Marine Educators and is a charter member of the New England Aquarium. Currently, he is director of Save the Harbor, Save the Bay in Boston, and he coordinates the University of Massachusetts Boston campus harbor exploration project for local high school students.

Aboard the project's research vessel *Envirolab I*, more than 6,000 students have cruised Boston Harbor collecting samples of sea life and observing first hand the damaging effects of pollution. In the classroom and in the field, he is making and invaluable contribution to helping protect our marine environment and educating young and old in our community.

It is thus with great pride and pleasure that I rise today to congratulate Mr. Crowley for the honor he has been awarded by his colleagues.

HONORING JOHN R. DIAZ, SUPERVISING AUDITOR, LOS ANGELES UNIFIED SCHOOL DISTRICT

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. TORRES. Mr. Speaker, I rise today to recognize an outstanding individual, Mr. John R. Diaz, supervising auditor for the Los Angeles Unified School District. On June 22, 1990, Mr. Diaz will be honored as he retires from his position in the school district.

Mr. Diaz has served the district as senior auditor, accounting analyst, acting provisional principal auditor, and as supervising auditor since March 1, 1963. Prior to that, he was sales tax auditor and income/corporation tax auditor for the State of California—Franchise Tax Board. Since graduation from college, from 1955 until the present, Mr. Diaz has had his business, John R. Diaz and Associates.

John R. Diaz was born on June 6, 1930 and is a resident of Pico Rivera, CA. For 40 years, Mr. Diaz was married to the late Betty Torres Diaz; he is currently married to the former Olivia Ramirez Botts. John has three children, Vera Diaz-Powers, John Diaz, Jr., and Lydia Arcinlaga. In addition, he has seven grandchildren and one great grandchild.

John graduated from Roosevelt High School in 1950. He went on to further his education at the East Los Angeles Junior College where he obtained an associate of arts degree in 1953. He pursued a bachelor of arts degree from the Los Angeles State College—California State University, Los Angeles—and graduated in 1955.

John has held various leadership roles in such organizations as the California Society of Enrolled Agents, the Association of Business and Tax Consultants, and the Annexeer Toastmasters Club. In addition, he has maintained membership in the National Association of Enrolled Agents, the National Society of Public Accountants, the National Notary Association, the National Association of Tax Consultants, and the National Federation of Independent Business.

John's efforts and commitment to professionalism have made a positive impact on the Los Angeles Unified School District. His achievements in his field and his work merit appreciation and recognition from both his peers and the community.

Mr. Speaker, at this time, I ask that my colleagues join me in saluting John R. Diaz for his outstanding contributions to the Los Angeles Unified School District and to his profession.

FREE TRADE WITH MEXICO A WORTHWHILE CONCEPT, BUT MAJOR CONCERNS MUST BE ADDRESSED FIRST

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. COLEMAN of Texas. Mr. Speaker, while much of the world's attention is riveted on Eastern Europe, another revolution of far more immediate consequence is taking place right across our own southern border. In Mexico—our neighbor, ally, and third-largest trading partner with whom we share a 2,000-mile border as well as a common destiny—we are witnessing change of historical proportion.

In breathtaking fashion, President Carlos Salinas de Gortari is revitalizing the Mexican economy by embracing free-market principles. As quickly as possible, he is reducing and eventually removing state control of one industry after another. President Salinas has wrought fundamental change in the political arenas as well, allowing healthy competition and fostering the emergence of a genuine multiparty system.

It is against this backdrop of rapid, revolutionary change that the announcement was made on Monday that informal talks will soon begin to pave the way to formal negotiations on a free trade agreement with Mexico. A joint communique was issued following a series of meetings here in Washington between President Salinas and U.S. officials, including President Bush and Secretary of State Baker.

Prior to that announcement, I met privately with President Salinas and members of the bipartisan congressional border caucus, whose members have districts on or near the United States-Mexico border, or are interested in United States-Mexico relations. The issue of free trade dominated the discussions, although other issues were brought up as well, notably the environment, human rights of migrant farmworkers, and the need to cooperate on auto thefts, which have become rampant along the border.

At this point, however, I believe that we should take this opportunity to point out the long, complex path that lies in front of achieving any kind of free trade agreement with Mexico. While the 1988 free trade agreement with Canada was placed on a fast track, I believe the Bush and Salinas administrations are correct, at least for the time being, in starting out at a deliberate pace. Canada is a highly developed nation with an economy on a par with that of the United States, and major potential problems—such as the wage disparity between the United States and Mexico—were not present. Even so, the Canadian agreement was years in the making.

It is also commendable that Presidents Bush and Salinas have taken the trouble to go public with even these preliminary discussions, that is, those preceding the introduction of enabling legislation. By adopting this approach, all constituencies in both nations can present their concerns out in the open. As a result, we will be able to debate those issues in public, and those with a major stake in the outcome of the talks, such as organized labor and the textile industry, among others in this country, will have the opportunity to make their voices heard. President Salinas has said that he may seek concessions for specific industries.

It is particularly important here in the United States that organized labor be consulted throughout the process of drafting and perhaps ratifying the agreement. They do have some serious reservations about a free trade agreement with Mexico, and given the current wage disparity, understandably so. As one Member who represents a district on the United States-Mexico border and who believes that the concept of fair trade ought to be pursued, I fully recognize their concerns. I have urged the Bush administration to bring organized labor and others into the process at the earliest possible stage.

Mr. Speaker, as we enter the final decade of the 20th century, we have more reason to hope for the future than ever before. Democracy seems to be sweeping the world, with shifts to market-based economies following in its wake. Let us seize these historic opportunities when they arise—but let us also ensure that all affected domestic parties are brought into the process at the earliest possible stage. In this way, we can achieve our long-term goals and ensure that the very legitimate concerns of potentially affected groups are addressed responsibly and fully.

TRIBUTE TO KEYTON NIXON

HON. GEORGE E. SANGMEISTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. SANGMEISTER. Mr. Speaker, it is with great pride that I rise today to salute the fine work of Keyton Nixon, a constituent and friend.

Keyton Nixon has served with great distinction as the president and chief executive officer of Silver Cross Hospital since 1970. During Keyton's tenure, Silver Cross has grown to become one of the premier medical institutions in south suburban Chicago.

Keyton Nixon already enjoyed a distinguished career as a hospital administrator in Massachusetts and Missouri when he arrived at Silver Cross. He brought with him stellar academic credentials as well. He holds a bachelor's degree from Drury College in Springfield, MO, and a master's degree from Northwestern University.

Keyton has stood above the legions of competent executives because of his desire to improve the community in which he lives and works. Besides the many innovative hospital programs Keyton has helped provide for the Joliet area, he has personally been involved in his community. He has served as a member of the American Cancer Society board of directors, the Joliet/Will County Center for Economic Development board of directors, past president of the Boy Scouts of America Rainbow Council and many other organizations throughout his 20 years with Silver Cross.

Silver Cross Hospital is saying goodbye to Keyton Nixon, who will retire from his post July 1. I, like my fellow citizens, hope Keyton stays as active and fruitful in the community during his well-earned retirement as he did during his years with the hospital.

Mr. Speaker, the people of my community and the staff of Silver Cross Hospital have been most fortunate to have Keyton Nixon as a leader. I thank him for his past service, look forward to continuing to work with him in the future, and wish him well in his retirement.

BALTIC FREEDOM DAY

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. HERTEL. Mr. Speaker, I am very pleased and honored to rise this afternoon, June 14, which has been designated by Congress as Baltic Freedom Day. Today, we commemorate the tragic forced annexation of the Baltic States into the Soviet Union. On June 17, 1940, Soviet tanks rolled into the independent nations of Latvia, Estonia, and Lithuania under a pact signed by Adolf Hitler and Joseph Stalin. The year following is called "The Year of Terror" by the Baltic peoples. On June 14, 1941, the Soviet Union began its forced deportation of thousands of Baltic citizens under the direction of Joseph Stalin. During that night, more than 40,000 Baltic citizens were arrested. Many died, and the rest were deported to concentration camps in Siberia. Over the next 8 years, over 600,000 Baltic citizens were lost through arrest and deportation. Today's date symbolizes the hardships endured by the Baltic peoples during 50 years of Soviet occupation.

This year, Baltic Freedom Day takes on added significance, because this year, the 50-year-old dream of freedom for the people of those nations is becoming a reality. The Baltic States have each declared their unshakeable determination to renew their independence: Lithuania on March 11, Estonia on March 30, and Latvia on May 4, 1990. The blockades and other hardships these nations have faced in the weeks since are only a continuation of the hardships they have faced since 1940, and only serve to strengthen their commitment to independence. In the past few days, the first steps have been taken by Soviet President Gorbachev to negotiate a solution to the problems of the Baltic States. After 50 years, Estonia, Latvia, and Lithuania are on their way to rejoining the world community as free and independent nations.

The United States, as a matter of established policy, has never recognized the forced incorporation of Latvia, Lithuania, or Estonia into the Soviet Union during World War II. Today, as the Baltic peoples are standing up to economic hardship and political and military pressure in their struggle for freedom, we show our support for and commitment to their struggle. We add our voices to theirs in their cry for freedom.

CONGRESSIONAL CALL TO CONSCIENCE VIGIL FOR SOVIET JEWS—THE PLIGHT OF LIA AND LEV MILMAN

HON. JIM LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. LIGHTFOOT. Mr. Speaker, as part of the congressional call to conscience vigil for 1990, I would like to use this opportunity to call attention to the particularly difficult plight of Lia and Lev Milman who for years have been denied the right to emigrate from the Soviet Union. Although many Jews have been permitted to leave the Soviet Union, there are still many cases unresolved.

As some of my colleagues are aware, Lev Milman and his wife first applied to emigrate from the Soviet Union in 1988. they have been denied each time they applied for reasons of state secrecy. Their daughter, Maria, emigrated to the United States in 1988, and lives in Massachusetts. She is hoping to see her parents once again and help care for them as they are both in ill health.

Lev suffers from heart disorders and Lia has been diagnosed as having lymphoma of the spleen. Lev retired from his work with the research institute in 1975, and has requested, without success, to have his security clearance canceled. There is no logical reason for the Milman's continued refusal.

Hopefully, Soviet authorities will see the wisdom in permitting Lev and Lia to emigrate. I hope my colleagues will join me in renewing the call for the Milman's release.

CONGRATULATING VENICE LIBRARY

HON. PORTER J. GOSS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. GOSS. Mr. Speaker, next month the White House will host a conference on library and information service, in recognition of the important role played by our country's libraries in developing and expanding our national literacy.

In southwest Florida, we are extremely proud of the service provided by our libraries and the dedicated, competent individuals who make them work.

Today I am delighted to rise in recognition of the Venice Area Public Library and the entire Sarasota County Public Library system in Florida.

Recently, the Venice Area Public Library received the honor of winning first place in the weekly newspaper category of the American Library Association Librarians in the Media Contest—an important part of the national

campaign to improve the image of our libraries and librarians.

I would like to commend Miss Lawrence Webster, Venice Library's public services librarian, who received the award in recognition of her work generating community enthusiasm for the Venice Area Library. Using proactive, positive, and creative public relations efforts to increase public awareness of the library and the programs it offers the community, Miss Webster attracted the interest and support of the local biweekly newspaper, the Venice Gondolier.

A library is a wonderland, a place for storytelling, dreams, and learning the lessons of history. It is also a place brought alive for so many of us by the commitment and caring of librarians.

There are few things as important to the future of this great Nation as making sure our children learn to read. But mastering the ABC's is only the first step. We must also inspire future generations with the curiosity and the desire for knowledge. Librarians, with their quiet mastery of an enormous range of written materials, perform an invaluable service in that regard. For young children just learning to read on their own, or high school students exploring a new topic for a school project, or senior citizens seeking to reread an old favorite—in so many of these cases, librarians and public libraries hold the key to the magic garden of reading.

Mr. Speaker, I am very proud of the accomplishments of the Venice Area Public Library and its staff. In addition, I offer my congratulations to all of southwest Florida's libraries and library personnel for the important job they do.

HEALTH BENEFITS FOR RETIRED COAL MINERS

HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. FLIPPO. Mr. Speaker, I am today introducing legislation that would allow the excess assets in private black lung trust funds to be used to pay for the health benefits or retired coal miners. In other words, the bill would allow surplus funds which are otherwise idle to be used to meet the rising health care costs of miners.

Under current law, miners with black lung disease may receive benefits under the black lung disability trust fund which is funded through excise taxes on mined coal. Since 1973, black lung benefits have also been paid directly by individual coal mine operators either through insurance, cash payments, or through private trusts, established under section 501(c)(21) trust based on actuarially sound standards to cover contingent future liabilities. Although the code allows operators to self-insure by making contributions to a section 501(c)(21) trust, this method of funding is not required. Operators may choose in the alternative to purchase insurance to cover the liabilities or to pay their black lung liabilities out of general assets. An operator who establishes a section 501(c)(21) trust, however, provides a more secure fund from which black lung liabilities are to be paid.

Under current law, private black lung trusts, which are exempt from Federal income tax, can only be used to provide compensation for disability due to pneumoconiosis under the Black Lung Acts, to provide insurance to cover such disabilities or to pay administrative and other incidental costs associated with the trust. These trust funds may also be invested in Government securities, deposited in federally insured depository institutions, paid into the Federal black lung disability or paid into the general fund of the U.S Treasury. The trust must be irrevocable with no right or possibility or reversion to the coal mine operator.

The bill I am introducing today would amend section 501(c)(21) to allow the trustees of private black lung trust funds to make payments for sickness, accident, hospitalization, and other medical expenses and administrative costs of retired miners, their spouses and dependents, or the payment of premiums for insurance covering such expenses when assets in the trust exceed liabilities. The trust funds could only be used for this purpose to the extent that the fair market value of such funds exceeds an amount equal to the present value of the liability. Whether a trust fund contains surplus assets will be determined by actuarial studies based upon the experience of the fund, and similar funds. The use of surplus funds would in no way alter the coal mine operator's continuing legal obligation to fund the trust and black lung benefits. The trust could never be depleted below the present value of the coal mine operator's liability. This bill would allow funds which are otherwise idle to provide a much needed benefit to retired miners.

Unless a coal operator is allowed to use the trust surplus to meet health care costs of retired miners, an operator is penalized for providing this secure fund. If the operator had instead chosen to pay black lung liabilities out of its general assets—which would have resulted in a less secure fund since the operator might be insolvent when future liabilities arise—the surplus would have been available for paying health care costs of retired miners. If an operator is insolvent and unable to satisfy its black lung liabilities, the liabilities are paid by the Federal black lung disability trust fund. Creating a penalty by not allowing the operators to use the surplus trust funds to pay health care costs for retired miners in effect discourages operators from creating a secure funding arrangement to satisfy future black lung liabilities. To avoid this result, operators should be permitted to use the surplus funds to meet health care costs of the retired miners.

Mr. Speaker, this bill will also provide a tax revenue benefit to theU.S. Treasury since health care expenditures are deductions from taxable income. If the surplus assets from black lung trusts are used for health care payments for retired miners, each company's taxable income will increase by the amount of such health care benefits.

I urge my colleagues to support this bill.

JUNE IS TURKEY LOVERS' MONTH

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. DE LA GARZA. Mr. Speaker, on June 7 I had the pleasure to help the National Turkey Federation kick off its first-ever "June is Turkey Lovers' Month" promotion. The center of attraction at this event was what was reportedly the "world's largest turkey hoagie," a 42-foot sandwich stuffed with an array of turkey deli meats. It was delicious.

The National Turkey Federation, which represents U.S. turkey producers and processors, is sponsoring this month-long promotion to celebrate turkey's increasing popularity and versatility among the consuming public.

Today's consumers want low-fat, high-protein, nutritious food sources, and turkey fits the bill. To meet this growing market, the U.S. turkey industry has made great strides in processing and packaging turkey products for convenience and ease of preparation for the consumer.

The result is American consumers are talking "turkey" not just at Thanksgiving any more, but year around. In fact, only 17 percent of the turkey consumed was during the last 2 months of 1989.

Mr. Speaker, the purpose of the edible event was to get the word out about a great food. Our Nation's turkey producers and processors have a versatile food product—great for an elegant dinner or a simple sandwich. I salute the U.S. turkey industry for its progress in providing the American consumer with convenient, nutritious, and easy-to-prepare foods.

DE LUGO THANKS NAVY, COAST GUARD FOR CONTINUING HURRICANE RECOVERY HELP

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. de LUGO. Mr. Speaker, on Monday June 11, 1990, a navy ship—the U.S.S. *Samuel Eliot Moris*—pulled into the Virgin Islands port of Frederiksted, St. Croix.

On board were 75 navy and coastguardsmen, under the command of Comdr. Richard Parrish, who had volunteered their free time to help the island of St. Croix rebuild churches and government buildings still damaged from Hurricane Hugo 9 months ago. The men had also come to secure these buildings from potential new storm devastation in the wake of the current hurricane season, which started 2 weeks ago.

The ship—based in Charleston, SC—had been at sea for more than a month before docking on St. Croix.

The men had 2 days in port. Mr. Speaker, in those 2 days these managed, among other projects, to pant and rebuild the island's children's home, rehabilitate the island's workshop buildings for the disabled, reconstruct

the roofs of homes, help repair one of the police stations as well as repair the walls and fencing around the island's stadium.

All this labor was supplied free of charge, with the Virgin Islands goernment only required to supply the repair materials. The very fasct that the U.S.S. *Samual Morris* had steamed into Frederiksted port signaled to the rest of the world that the facility was uable for commerical and military craft; dispelling previous reports that the major deep-water port on the island was unavailable to ships.

"Just about the whole ship volunteered," said one Navy petty officer. "It was no problem getting people."

"If they weren't doing this, they could be out on liberty," said a U.S. Coast Gaurd lieutenant.

Instead, these men chose to come out and do this work to help out an island still in the throes of rebuilding from last year's storm devastation and often overwhelmed at the prospect of a new hurricane season in which more frequent and more violent storms have been predicted.

Mr. Speaker, I want to express my appreication and that of the entire island of St. Croix to Commander Parrish and his 75-man crew of military volunteers.

As the St. Croix daily newspaper so aptly put it in an editorial:

The United States Navy will always be a balm for fore eyes on St. Croix * * * The Welcome mat will always be there for them and we wish they could stay longer to help the less fortunate in the community.

Mr. Speaker, I fully share these sentiments and words of appreciation.

H.R. 3936, PROHIBITING EMPLOYERS FROM HIRING PERMANENT REPLACEMENTS FOR LEGALLY STRIKING WORKERS

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. RAHALL. Mr. Speaker, if anyone feels a sense of deja vu, it's because the trend that President Reagan started nearly two decades ago, and which continued with the Continental Airline, Eastern Airline, the Chicago Tribune, the International Paper Co., is upon us again in the more recent episode where Greyhound bus drivers had to stand helplessly by while management hired permanent replacement workers in their jobs, even though the drivers were on legal strike.

Workers in America have long believed that it was an American tradition, if not a right, to join a union, and to have a collective bargaining system. American workers have believed in that right for nearly 50 years, even after the Supreme Court made it legal to do what Greyhound and other management have done—to hire permanent replacement workers for employees on strike under collective bargaining agreements.

The labor movement must fight back against this vicious assault against organized labor, and Congress must assist them by enacting H.R. 3936 in order to see to it that antiscab, to use a West Virginia term, legislation is put in place to assure the right to strike, and to prohibit employers from hiring permanent replacements during a labor dispute. By enacting H.R. 3936, we will also prohibit employers from discriminating against striking workers who return to their jobs once a dispute is over, as is happening to members of the United Mine Workers Unions.

Mr. Speaker, in 1984, the A.T. Massey Coal Co., in West Virginia was struck by the coal miners under a legal collective bargaining agreement, which resulted in A.T. Massey's hiring of permanent replacement workers. Since the dispute was ended, the A.T. Massey Co. has practiced discrimination against former worker/strikers by refusing to rehire them during this current period of increased hiring.

We have no time to waste—we dare not wait to pass this legislation if we are going to keep America moving ahead, and to save jobs.

We must not allow this practice to systematically dismantle the American system of recognizing certain, hard-won, rights of organized labor—most importantly among them the right to withhold labor in the furtherance of negotiations for better pay and fringe benefits. The right to collective bargaining and the free exercise of a legal right strike is an American tradition of historic proportions, and it must be protected and preserved for future workers who are now, and who should be enabled to remain the backbone of this country.

H.R. 3936 is enabling legislation, and I urge my colleagues to cosponsor the bill, and to help us push for its immediate enactment.

BROOKLYN'S P.S. 94 AND ITS READING RAINBOW INCENTIVE PROGRAM

HON. STEPHEN JOE SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. SOLARZ. Mr. Speaker, I rise today to salute a group of individuals who are making a difference in their community. I rise to recognize the achievement and commitment of Brooklyn's P.S. 94 and its Reading Rainbow Incentive Program.

As we look at America's educational system today, there is great cause for concern. One out of every four children does not complete high school. The Unitred States lags behind virtually every other industrialized nation in students' math and science test scores. Further, one out of every six children in this country lives in poverty. All of these statistics are alarming. And yet, we have shining beacons of excellence in our own communities that should be recognized and rewarded.

The Reading Rainbow Incentive Program at P.S. 94 is a creative approach to motivating students to read. In this unique "lottery" system, every time a pupil completes a book, he receives a coupon which he can then enter into a monthly drawing for prizes generously donated by the Brooklyn business community. The greater the number of books the students read, the greater their chances of winning prizes. The program has been an overwhelming success. In fact, the school's pupils have surpassed all previous records of books read above and beyond the required curriculum. This is even more impressive given that 8 out of 10 of the school's students speak English as a second language and that many of the pupils come from families that live below the poverty level. The program's success proves that it is not so much the student's background as the commitment and caring of the community that makes a difference in boosting achievement in literacy.

The Reading Rainbow Incentive Program that has enriched the lives of so many students would not have become a reality without the talented and tireless individuals willing to meet this challenge. This program and its phenomenal success is a tribute to the creativity and commitment of Dr. Dan Miller, vice principal and the head of the program, and the school's principal, Alejandro Lugo, as well as all the teachers of P.S. 94. Far from being the uncaring public school administrators that many people believe exist, they have taught their students to make the school's motto their own—"Learning Today for a Better Tomorrow." Their belief in their students and their dedication to their work should serve as a source of inspiration for those looking to breathe life into our Nation's education system.

Mr. Speaker, at a time when Washington is desperately seeking solutions to our country's education problems, I suggest that we look close to home. In our own neighborhoods, individuals like Dan Miller, Alejandro Lugo, their students, and the community are not waiting for Washington to act. Their Reading Rainbow Incentive Program is a shining example of their courage, commitment, and conviction to fight illiteracy. It is also a resplendent rainbow of new worlds and opportunities to young people actively seeking to broaden their horizons.

A TRIBUTE TO THE SAFETY AND HEALTH HALL OF FAME INTERNATIONAL

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. SKELTON. Mr. Speaker, I rise before you today to pay tribute to an organization, the Veterans of Safety under the direction of Robert L. Marshall, and to the accomplishment of their main goal. I have received word that the Safety and Health Hall of Fame International will soon be built in Warrenburg, MO, on the campus of Central Missouri State University.

In 1984, the Veterans of Safety established as their long-term goal the building of the Safety and Health Hall of Fame International [SHHOFI]. Out of 12 campuses in the United States considered, the campus of Central Missouri State University was chosen because of its central location in the Nation, its international reputation for quality safety and law enforcement programs, and the interest and support expressed by the university president and board of regents.

Starting with just 11 charter organizations from this country as well as others from around the world, the Veterans of Safety now boast of having 47 different safety and health organizations from 11 countries in its ranks.

Whereas most halls of fame are established to honor individuals, the SHHOFI purpose is starkly different. The SHHOFI will link the world to a centralized library of safety information, research, and expertise for the protection of not only people but also the environment and property. After disasters around the world, such as earthquakes in Mexico and Romania, nuclear power accidents such as the one in Chernobyl, or chemical spills like the one in Bhopal, cleanup crews will not have instant access to information by fax or even satellite. The SHHOFI will also house the latest technology in safety and health, like the model kitchen boasting of the latest advancements in fire protection, as well as preserving historic displays.

With the SHHOFI expected to draw 50,000 visitors a year, consider the great influence it will have on encouraging many young people to enter the safety and health-related professions. The SHHOFI will also enhance greatly the level of education at Central Missouri State University in their safety and health majors by allowing the students to attend the many seminars, meetings, and conventions that will take place during the years of their education. The SHHOFI will also allow the student, as well as the professional, a centralized area to do research.

One can see that the SHHOFI is unique in its purpose, yet it will also recognize the individuals and organizations who have contributed significantly to the fields of safety and health.

In closing, it is not hard to see why the SHHOFI warrants commendation. When one thinks of halls of fame one thinks of a building that is dedicated to the memories of the past. While the SHHOFI does do this, it goes beyond this simple idea. The SHHOFI's main concern is with the future safety of people, property, and the environment.

VIOLENT CRIME AND DRUG CONTROL ACT OF 1990

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. SHAW. Mr. Speaker, I rise today to express my strong support for the Violent Crime and Drug Control Act of 1990, introduced this morning by the Director of the Office of National Drug Control Policy, William Bennett, and many of my distinguished Republican colleagues. I am pleased to have played a role in the drafting of this bill, and urge my colleagues on both sides of the aisle to pay close attention to its overall message: That the American people demand action from their Representatives, not mere words, in the prosecution of the Federal war on drugs.

We need to fight the battle against the scourge of drug use like we mean it. This means severely prosecuting drug criminals. The Violent Crime and Drug Control Act therefore reforms current law on several fronts: By requiring drug testing within both the Federal and State criminal justice systems; by increasing penalties for crimes committed with guns; and by applying the death penalty to a greater number of violent crimes, especially to those of drug kingpins, who command drug empires that are sapping the physical and moral strength of our country.

As we all know, bringing drug criminals to justice is only part of the solution to this national crisis. We must also assist the court system in its task of efficiently rendering verdicts against those who deal in drugs. The Violent Crime and Drug Control Act offers specific reforms that will improve police officers' ability to make drug arrests, and prosecutors' ability to get convictions.

We propose to restrict the blanket application of the exclusionary rule, which today prevents the admission of evidence for the most technical of reasons. We would also limit the manipulation of the habeas corpus process by those already convicted of capital crimes. We must free the courts of these burdens, which create frustration and even hostility among our citizens, many of whom see the justice system as part of the problem, not the solution. Our individual liberties must be protected, but inconsistent and unfair justice masquerading as protection of civil liberties is often merely an excuse for doing violence to the rights of the innocent, society at large, and our democratic principles. These also need vigilant protection and procedural safeguards.

Mr. Speaker, in particular I'd also like to commend my colleagues' attention to a separate bill, H.R. 5025, the Drug Abuse Treatment Improvement Act of 1990, which Mr. Coughlin and I introduced yesterday. This act requires the States to set up centralized referral systems to match addicts with the best and most appropriate treatment programs. In addition, H.R. 5025 would require the Secretary of Education to develop a model curriculum regarding addiction treatment, to be taught to students in our Nation's schools of medicine. This act recognizes that successfully treating addicts should be a State priority, which contributes to our national war on drugs.

I commend the Bush administration and my fellow Representatives for their efforts in creating the Violent Crime and Drug Control Act of 1990, and urge all my colleagues to join our effort against violent crime and drugs.

TRIBUTE TO PROFESSOR CHARLES GABRIELE

HON. CRAIG T. JAMES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. JAMES. Mr. Speaker, I rise today before the full House of Representatives to honor and pay special tribute to Prof. Charles Gabriele.

As a noted published and recorded composer Professor Gabriele, a resident of Palm Coast, FL, recently had his musical composition "Christopher Columbus Suite" approved by the Christopher Columbus Quincentenary Jubilee Commission as an official quincentenary project.

Commemorating the 500th anniversary of Christopher Columbus' journey to the New World this composition contains three movements which can be performed separately or together, as a suite. The movements include: "Queen Isabella Pasodoble", a salute to the historic Queen; "New World Natives", vignettes depicting the natives who Columbus found upon his arrival in the New World; and "Christopher Columbus March", a parade march with words.

Professor Gabriele composed the segment "Christopher Columbus March" in 1976 to enable representation of Columbus in classrooms. He composed the additional movements to create a piece suitable for concerts and Columbus Quincentenary Jubilee events.

Internationally renowned for his "Concertino for Clarinet", "Ave Maria for Band and Chorus", and "Lilia Craig Overture," his patriotic compositions include "Vietnam Veterans March", "Flagler March", and "John Paul Jones March".

Professor Gabriele's musical tribute to Christopher Columbus and the discovery of the New World provides beautiful music for jubilee events, but this suite will endure long after the festivities of the worldwide celebration pass.

I salute Professor Gabriele for his numerous contributions to our society which have, and will continue to serve as an inspiration to all Americans. I ask that my colleagues join me in saluting Professor Gabriele and extend our best wishes to him in his future endeavors.

TRIBUTE TO THE REVEREND RONALD E. SWISHER

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. MILLER of California. Mr. Speaker, I rise today to ask my colleagues to join me in congratulating the Reverend Ronald E. Swisher of Raymond, CA, on his appointment as superintendent for the delta district of the United Methodist Church. This appointment is indeed a fitting recognition of Reverend Swisher's many years of dedication to the members of his parish and the residents of Contra Costa County.

Throughout his pastorate at Easter Hill United Methodist Church in Richmond, Reverend Swisher has maintained his involvement in community activities. His service on the human relations commissions for both the city of Richmond and Contra Costa County has proven invaluable in addressing the cultural and racial issues facing our communities' diverse populations. His membership on the Bay Vision 2020 Commission will lend an important voice to the process of planning for our region's future.

The people of Contra Costa County have been indeed fortunate to have an individual of Reverend Swisher's caliber serving their community, and it is with mixed emotions that we bid him farewell.

FLAG DAY

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. SHUMWAY. Mr. Speaker, few pronouncements have drawn such an angry response from Congress and the Nation as last year's Supreme Court ruling concerning flag burning. Ironically, on the eve of Flag Day, the High Court has once again incensed Americans, by striking down a law enacted to protect the flag from desecration. While I hold the Court in the highest regard, I found both decisions reprehensible.

After the initial court ruling, I sponsored many of the 38 bills which were introduced proposing that the Constitution be amended to prohibit desecration of our flag. I also endorsed additional bills suggesting a simple statute. Much as I would prefer the constitutional amendment approach as a final solution, I recognized that many Members are resistent to changing the Constitution. After 4 days of hearings during which numerous constitutional scholars and other experts debated the merits of a constitutional amendment, the Judiciary Committee delivered only a so-called content neutral statute. Since it was the only opportunity we were offered to express our commitment to protecting the flag, I supported the measure, saying "Only time will tell if this measure is sufficient."

Well, time has told: The statute did not stand the constitutional test. The only effective way to ban desecration of the Stars and Stripes is with a constitutional amendment.

I have reaffirmed my support for such an amendment, as have more than 200 of my colleagues. We have called upon the congressional leadership to bring the matter up for a vote promptly, and have also called upon the Nation's Governors to call special sessions of their respective legislatures, if necessary, to ensure prompt ratification. Critics of this effort warn that we are moving too fast; they are wrong. Over a year has passed since the flag burning issue first came to light. The more cautious statute approach has been tried, and it has failed.

Freedom of expression is a responsibility as well as a liberty. It does not include the right to cause panic by falsely yelling "fire" in a public place, nor does it sanction slander or obscenity. In my view, desecration of the American flag, for which so many courageous Americans have made sacrifices, is not freedom of expression. It is a travesty, and it must be stopped.

A TRIBUTE TO GORDON NEGUS

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. BEILENSON. Mr. Speaker, Mr. Gordon Negus, Executive Director of the Defense Intelligence Agency, retired on April 30, 1990 after 32 years of distinguished Government service. As chairman of the House Permanent Select Committee on Intelligence, I can personally attest to his integrity, candid and forthright manner, and dedication to the vital interests of our Nation.

Gordon Negus has had a distinguished career in the intelligence community, one in which he can take great personal and professional pride. His unswerving loyalty and dedication to preserving the security of the Nation have been clearly evident in his contributions to the arms reduction process. Mr. Negus played a vital role in formulating our country's negotiating position on the Strategic Arms Reduction Talks [START] with the Soviet Union. Through his efforts the threat of nuclear holocaust has been reduced, making the world a safer place for all of us.

Mr. Speaker, Gordon Negus exemplifies the true definition of a public servant. His selfless commitment to the Federal service is a model for all of us to emulate. Mr. Negus has clearly earned his retirement. I can assure you that he will be sorely missed. I congratulate him for a job well done and wish him, his wife Barbara and their six children well deserved happiness and success in the years to come.

IN SUPPORT OF THE CONGRESSIONAL CALL TO CONSCIENCE VIGIL FOR SOVIET JEWS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. STOKES. Mr. Speaker, I want to thank my colleagues, the gentleman from Pennsylvania [Mr. KOSTMAYER], and the gentleman from Washington [Mr. MILLER], cochairman of the Congressional Call to Conscience Vigil for Soviet Jews, for their part in organizing the 1990 vigil. I consider it a privilege to have an opportunity to share with our colleagues the plight and our concern for individuals seeking freedom and emigration from the Soviet Union. I want to use this time to discuss the conditions faced by three refusniks for whom we are particularly concerned—Anatoly and Galina Genis, and Irina Voronkevich.

Mr. Speaker, Anatoly and Galina Genis are impoverished and suffer from harsh economic and psychological strains. Both Anatoly and Galina are accomplished mathematicians. Unfortunately, they are unable to secure meaningful employment in Moscow. Anatoly worked as an engineer at the Electro-Mechanics Institute from 1970 to 1973. His application to emigrate was denied due to his alleged access to state secrets he may have learned while on the job. Since his refusal in 1978, Anatoly has been able to secure only menial jobs such as metro sweeper and a street cleaner. He is currently unemployed.

Galina Genis suffers from diancephal syndrome, which causes severe depression, pain in the heart region, and insomnia. This condition prevents her from holding a job, or being able to care for her family.

Almost 12 years have passed since the Genises were denied their first exit visas. During those years, Anatoly has participated in several demonstrations, and has been harassed and beaten by the police. The Genises live under dreadful circumstances and appeal to the West desperately for help.

Mr. Speaker, I also want to share with my colleagues the plight of Irina Voronkevich who is 77 years old. Irina has experienced much misfortune in those years. Her father was killed in 1938 during the Stalinist purges. Five years later she lost her husband during a battle in World War II. She was left to raise her only son, Igor Uspensky, alone. Irina joined her son and his wife, Inna, in applying for an exit visa in July 1979. They were refused on the pretext that Inna's brother had worked with classified materials. Later they were denied due to Irina's alleged access to classified materials before her retirement in 1976 from the Institute of Plants of the Ministry of Agriculture. Last December, Igor and Inna Uspensky were allowed to emigrate. Irina continues to hope that she will one day receive permission to emigrate and be reunited with her family.

Mr. Speaker, as cochairman of the Congressional Coalition for Soviet Jews, I share my colleagues' concern that we must continue our efforts on behalf of Anatoly and Galina Genis, Irina Voronkevich, and the many others whose rights continue to be denied in the Soviet Union and throughout the world. I am pleased to participate in the 1990 vigil and I look forward to working with my colleagues in this effort.

A VULNERABLE PENSION FUND

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. GALLO. Mr. Speaker, increasingly I am reading more and more about the problems plaguing the Nation's private pension system and these reports all come to the same conclusion: the country's $1.7 trillion private pension system is at risk. The Federal agency that insures pensions for one-third of America's workers is struggling under the weight of a multibillion-dollar deficit that could lead to an enormous financial crisis.

Congress doesn't seem to get very excited about warnings concerning the future, but it's time to wake up and address this issue before today's pension guarantee system becomes the savings and loan crisis of tomorrow.

I have been contacted by constituents who have paid into their pension plans for years and are now told, when they retire, that they must face uncertainty as to when they will receive their pensions, as promised. There are a variety of causes for the delay, including bankruptcies, transfers of ownership, and changing economic conditions, but these are not sufficient reasons when you are the retiree on the receiving end of this raw deal.

I applaud the efforts of the Ways and Means Committee in bringing this issue to light. At recent hearings discussing this problem, Executive Director James Lockhart of the Pension Benefit Guaranty Corporation told tales of an agency billions of dollars in debt and unable to meet its obligations.

The inspector general of the Labor Department has repeatedly warned that the Nation's

guarantee pension plan is under regulated and under manned, calling the similarities with the S&L situation significant and troubling. Nearly all of the studies found that inadequate staffing levels, untrained personnel, and insufficient reporting requirements hurt the Labor Department's ability to effectively enforce ERISA. The IG's report states that Labor's oversight of the pension funds has been ineffective and that the inadequacy of the Labor's monitoring and enforcement may place employee benefit plan funds at risk to fraudulent schemers.

Mr. Speaker, I hope my colleagues will heed this warning so that we can take concrete steps to prevent a crisis. The burden of meeting failed benefit plans will fall upon all taxpayers, not just plan beneficiaries. Let's act now to protect the planned retirement of America's hard working taxpayers and save this country billions of dollars.

THEODORE E. BROOKS, SR.

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. IRELAND. Mr. Speaker, I was saddened to learn that a true small business hero passed away recently—Theodore E. Brooks, Sr. lost a battle with cancer and died at his home in Arbutus, MD, at the age of 61. Although I regrettably had not seen Ted lately, our friendship dated back more than a decade and the legislative and administrative changes he helped bring about will surely outlast us all.

Ted had owned his own freight-hauling business since 1964. He was a founder and board chairman—and formerly president—of the Independent Truckers and Drivers Association. Originally a Maryland group, it has since expanded to include members in other States.

A strong advocate of safety, Mr. Brooks was a member of the American Trucking Association's Committee on Operating Practices and the Motor Carrier Advisory Committee of the Governor's Task Force on Motor Carrier Safety and Uniformity. He had testified before numerous committees of Congress and the legislatures of Maryland and Virginia as well as the Interstate Commerce Commission and other government agencies.

A native of Beaver Falls, PA, and a graduate of the Pennsylvania State University, he went to Baltimore while serving in the Army during the Korean war. Before starting his trucking business, he was a salesman for a pharmaceutical company. Ted was a member of Jessup Baptist Church, the Howard County Pilots Association, and held a commercial pilot's license flying his own plane for the past 5 years.

Ted was one of a great group of small business men and women in the Baltimore area, who over the years have educated the citizenry to the intricacies of the independent trucking industry. They have been at the forefront of many positive changes in the industry over the years. Their number includes Bob and Rita Bontz and Bill and Lucy Campbell. Unfortunately just 1 week prior to Ted Brooks untimely passing, Lucy Campbell suffered a severe stroke and died.

Mr. Speaker, my condolences go out to both the Brooks and Campbell families in their time of sorrow. I do want both families to know however, that both their loved ones lives and accomplishments are much appreciated and will long be remembered.

INTRODUCTION OF THE OLDER WOMEN'S BREAST CANCER PREVENTION ACT OF 1990

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mrs. KENNELLY. Mr. Speaker, I rise today to introduce the Older Women's Breast Cancer Prevention Act of 1990.

Many of you joined me last year in cosponsoring H.R. 1471, which would have lifted the $50 cap on Medicare reimbursement for screening mammography.

This legislation, however, has been rendered moot by the repeal of the Medicare Catastrophic Health Care Act.

The Older Women's Breast Cancer Prevention Act of 1990 would provide for Medicare reimbursement of one annual screening mammogram. Reimbursement rates would be determined by a fee schedule, similar to the one currently in effect for diagnostic mammography. The Medicare Catastrophic Health Care Act would have provided for Medicare reimbursement of up to $50 on an assigned basis. There has been a tremendous amount of debate regarding the adequacy of that figure and various pieces of legislation have been introduced that would raise that cap.

The basic problem, however, is that we don't know exactly what the correct number should be because no one amount works in all areas of the Nation and for all or a majority of providers. Therefore, I believe it makes sense to reimburse for this test on a fee schedule basis. A fee schedule reimbursement basis would be consistent with reimbursement for other Medicare services and would take provider and geographic differences into account.

More than 1 in 10 American women will develop breast cancer sometime in their lives. This devastating disease is the leading cause of cancer death among women, taking over 45,000 lives in 1987 alone. Older women are even more susceptible to this cancer.

Early detection and treatment of this condition can reduce fatality rates significantly; thus it is recommended by the American Cancer Society that older women undergo complete breast examinations annually. In the 1950's cervical cancer was killing American women at a rate similar to the current one for breast cancer. It was not until this test became widely available in the offices of primary care physicians, however, that the death rate from cervical cancer was reduced by more than 70 percent. Similarly, screening tests for breast cancer need to be made readily available by the primary care physician so women will undergo these tests on a regular basis.

I would urge my colleagues' support.

END U.S. DIALOG WITH THE PALESTINE LIBERATION ORGANIZATION

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. McGRATH. Mr. Speaker, I want to take this opportunity to urge the administration to unconditionally end its dialog with the Palestine Liberation Organization [PLO]. The latest blatant act of terrorism carried out by a PLO faction only confirms what many in this country and in Israel have recognized for many years—that the PLO and its subscribers are still the world's most formidable merchants of death.

For a year and a half, we have listened to PLO Chairman Arafat kowtow to the United States in return for a role in shaping the Middle East. Time and time again, we have heard Arafat state that the PLO does not sponsor terrorism and does not support killing for headlines. However, when we see a PLO splinter group launch an attack on Israeli civilians without even a denouncement by Arafat, we must wonder what exactly his definition of terrorism really is.

Salah Khalaf, Arafat's top lieutenant, recently stated that he could care less if the United States discontinues the 17-month dialog with the PLO. If that is the case, how serious is the PLO when it will not denounce a planned raid on civilians or eagerly seek peace in the Middle East? Arafat talks a good game but his substance is limited to sporadic rhetoric. How effective is Arafat when hardliners like Abul Abbas call the shots and openly veer from PLO doctrines?

The dialog must end, it is that simple. The PLO has shown nothing but a return to terrorism as a way of negotiating. Peace does not evolve from terrorism. Peace is a long process of negotiation and trust, neither of which the PLO is willing to participate. A statement from the administration discontinuing the dialog will send a message to the PLO that we are through with terrorists; we will no longer sit idly by and talk peace to organizations that represent the killing of innocent civilians.

THE PROPOSED IROQUOIS PIPELINE PROJECT

HON. JOHN G. ROWLAND

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. ROWLAND of Connecticut. Mr. Speaker, many of my colleagues are aware of the proposed Iroquois pipeline project, which seeks to lay 370 miles of pipeline to bring natural gas from Canada to the Northeast. Many are also aware that I have long been opposed to the pipeline for many reasons—both economic and environmental. I have called on FERC many times to hold full evidentiary hearings, so that the many unresolved issues

could be dealt with in the appropriate public forum.

In any situation such as this, perhaps the most critical aspect is that FERC ensure that all proceedings are open, public, and fair. All interested parties must be allowed to take part in what must be an open process. This is why long ago I submitted a motion to intervene in the proceedings of this docket, in order to be able to closely follow the proceedings in this case.

Recently I learned of private ex parte meetings which allegedly took place in March at FERC between senior representatives of the pipeline applicants and top officials at FERC. To say the least, I am very concerned about these highly improper actions. If such meetings actually took place, those FERC officials should be removed from their involvement in the pipeline proceedings immediately.

But frankly, that is not my greatest concern. The alleged secret meetings, if they took place, are most certainly an egregious occurrence which must be dealt with accordingly. This much all will agree to. I am pleased that FERC Chairman Allday has indicated that FERC's investigation of these alleged improprieties will be complete and thorough. However, I must question how complete and thorough this investigation can possibly be, given the fact that FERC will be investigating itself.

Mr. Speaker, the fact is that most Federal agencies do not police themselves. They generally have an in-house inspector general [IG] to act as a source of independent oversight for wrongdoing within the agency. We need only recall the excessive problems and litigation which plagued the U.S. Nuclear Regulatory Commission [NRC] several years ago because the NRC was responsible for policing itself. Congress responded to this problem by installing an IG at the NRC.

I believe that precisely the same problems are now developing at FERC. I liken it to a fox guarding the chickens. It is a simple issue of accountability. Therefore, I rise today to introduce a bill which will require the installation of an inspector general at FERC. This legislation will close a serious loophole of accountability within the agency, and will help restore public confidence in the integrity of the process. At the very least, it will ensure that problems which do occur within the agency will be dealt with in a judiciously prudent manner. I am pleased to introduce this legislation, and urge my colleagues to join me in closing this serious loophole in Federal accountability. The people of our Nation deserve nothing less.

PROTECT OUR FLAG

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. HUBBARD. Mr. Speaker, today, June 14, Americans celebrate Flag Day. This year, the celebration is marred by the fact that earlier this week the U.S. Supreme Court held, in a 5-to-4 decision, that malicious desecration of our flag is protected under the individual's first amendment right to free speech.

While I am not surprised by the Supreme Court's decision, I must say that I very much disagree with the idea that those who live in this country but hate America should have the right to desecrete a symbol that is so much a part of our heritage. Today, it is time for us to act to protect our flag.

When I see our flag flying so beautifully I think of all of those who loved this country and fought so valiantly to preserve our freedom. I also think of those for whom I am working to preserve our wonderful heritage.

Perhaps we do make too much of an issue out of flag burning. After all, if there were no news cameras around, there would be no flag burners. They choose a public place for their desecration, wait for a crowd to gather and strike a match to Old Glory. Then they wrap themselves in the protection which our flag so richly symbolizes and yell, "freedom of expression."

I, on the other hand say, "shame."

Mr. Speaker, when we start to see the Capitol as just a building and the flag as just pieces of red, white, and blue material sewn together, we lose a part of that which makes us each an American.

"RUSTY TUBS": THE NAVY'S GHOST FLEET

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. DICKINSON. Mr. Speaker, on behalf of my colleague and good friend from Michigan, Mr. BROOMFIELD, I want to include in the RECORD an article which appeared in the June 11, 1990 issue of Newsweek magazine. As the ranking minority member of the Committee on Armed Services, I am very concerned with America's military preparedness and any allegations of defense-related waste. I want my colleagues to know that this committee has a great interest in any suggestions for better, more cost-effective management of national defense assets. In the months ahead we will be working together to see this problem corrected.

"RUSTY TUBS": THE NAVY'S GHOST FLEET

The Southwestern Victory once carried beans and bullets to troops in Europe, Korea and Vietnam. Now the only items on the old merchant ship are rust, dead pigeons and shards of haze-gray paint. Its pitted hull and 45-year-old steam-turbine engines haven't been tested in years. Yet the Navy is counting on the Southwestern Victory and other ships like it in a pinch. It's part of the National Defense Reserve Fleet (NDRF), intended to provide extra military supplies in a national emergency. The U.S. Maritime Administration (MARAD), which maintains the 331-ship fleet for the Navy, says some of it could go to sea on as little as five days' notice. Congressional critics say the Navy is counting on ghost ships. As many as a third may be useless, requiring months and millions of dollars in repairs to regain seaworthiness: "A rusty-tub program," says Democratic Rep. Ronald Wyden.

The Navy says it needs the ships because it doesn't have enough equipment of its own to sustain large-scale operations in Europe or the Middle East. While old "break bulk" ships like the Southwestern Victory are no longer commercially useful, the Navy wants them for military cargo because they are easier to unload in small or battle-damaged ports than the more modern vessels. But skeptics say the Navy is preparing for a protracted war of the past. Future U.S. military conflicts are likely to be decided quickly, before much of the NDRF could mobilize. Even if the fleet were seaworthy, experts say spare parts and crews to run antiquated propulsion systems would be hard to find. Critics say investing more money in the fleet (the president has proposed a healthy increase for 1991) makes no sense. "At a time when we're trying to find areas to cut, this is such an obvious thing," says Republican Rep. William Broomfield.

Most ships at an NDRF anchorage near Norfolk, Va., get no testing of their systems and only the barest-bones maintenance. While MARAD and the Navy run periodic drills, more than half of these mock "activations" have come with advance notice of up to six months, hardly a test of readiness. Last year two ships tendered to the Navy in drills were returned with engine problems; one had been filled with the wrong fuel. "We had a very bad year last year," acknowledges Michael Delperico, MARAD's director of ship operations. For America's ghost fleet, the best years are in the past.—Bill Turque in Norfolk.

JUNE IS TURKEY LOVERS' MONTH

HON. TIMOTHY J. PENNY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. PENNY. Mr. Speaker, the turkey industry in Minnesota is very important to the State's economy and to the turkey industry nationwide. To recognize this industry, I would like to join Minnesota Governor Rudy Perpich in proclaiming June 1990 as "Turkey Month" in Minnesota. This effort is in conjunction with the National Turkey Federation's campaign to celebrate June as Turkey Lovers' Month.

According to 1989 USDA figures, over 43 million turkeys were raised that year in Minnesota, the second largest turkey producing State in the country. Minnesota's production represents 16 percent of the total U.S. turkey production. In addition, Minnesota's turkey industry generates an on-farm value of production of over $324 million for approximately 500 farms and 275 growers. The State's turkey industry employs over 57,000 people in the State.

Not only is Minnesota a national leader in producing turkeys, but Minnesotans are industry leaders as well. More Minnesota turkey producers have served as presidents of the National Turkey Federation than any other State. Those presidents include: John Wickliffe (1989); Vance Larson (1986); John Holden (1985); Glen Harder (1977); Lloyd Peterson (1970); Glen Thurnbeck (1960); and Graydon McCulley (1949).

The per capita consumption of turkey is rising rapidly in the State and in the Nation as health-conscious consumers become aware of turkey's natural benefits. In fact, in 1989 over 41 percent of American households reported serving turkey on a regular basis, up from 26

percent just 4 years ago. Hats off to Minnesota's, and the Nation's, turkey farmers.

IN SUPPORT OF H.R. 3936

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1990

Mr. COSTELLO. Mr. Speaker, I rise today in support of H.R. 3936, legislation introduced to protect the rights of striking workers. This bill will amend the National Labor Relations Act to ban the permanent replacement of striking workers.

A key protection of the NLRA is the prohibition against firing workers for exercising their right to join or help organize a union. During a strike, however, this protection loses its force. A strike is one instance when it is legal to replace an employee for supporting union activity.

It is my belief that Congress will act on this legislation soon, and it is badly needed. We have seen communities torn apart as replacement workers move in to take the jobs of the existing work force. This bill is vital to ensuring confidence in the collective-bargaining process.

Mr. Speaker, we must work to reverse the trend against American workers that gained speed in the Reagan administration, when in 1981 the President fired striking air traffic controllers and hired permanent replacements.

When workers strike today for improved working conditions or better pay, there is a good chance they will lose their jobs, because under present law they can be replaced during the dispute by these permanent replacements. This loophole must be closed.

H.R. 3936 would prevent employers from hiring permanent replacements during a labor dispute, and also prohibit employers from discriminating against striking workers coming back to work after the dispute has ended.

I will be working closely with Congressman BILL CLAY to move this legislation through the House so that we can merge it with the Senate bill and send it to the President. This is legislation that will restore fairness to millions of working men and women and I urge my colleagues to join me in working for its passage.

HOUSE OF REPRESENTATIVES—*Monday, June 18, 1990*

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. MAZZOLI].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
June 14, 1990.

I hereby designate the Honorable ROMANO L. MAZZOLI to act as Speaker pro tempore on Monday, June 18, 1990.

THOMAS S. FOLEY,
Speaker, House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

You have told us, O God, that we should care for those among us who are in any special need of our support or our prayerful intercession. We remember their names in our hearts and pray that Your abiding peace will give hope to any who know despair or loneliness and give assurance to every person who calls on You. Bless all Your people, O gracious God, and may Your abundant grace and Your ever present spirit be with us today and every day. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The gentleman from New Hampshire [Mr. DOUGLAS] will lead the Members in the Pledge of Allegiance.

Mr. DOUGLAS led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 3545. An act to amend the Chesapeake and Ohio Canal Development Act to make certain changes relating to the Chesapeake and Ohio Canal National Historical Park Commission; and

H.R. 3834. An act to amend the National Trails System Act to designate the route from Selma to Montgomery for study for potential addition to the national trails system.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1271. An act to amend title 17, United States Code, to change the fee schedule of the Copyright Office, and to make certain technical amendments; and

S. 1272. An act to amend chapter 8 of title 17, United States Code, to reduce the number of Commissioners on the Copyright Royalty Tribunal, to provide for lapsed terms of such Commissioners, and for other purposes.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives,
WASHINGTON, DC.
June 15, 1990.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House at 10:25 a.m. on Friday June 15, 1990 and said to contain H.R. 20, "Hatch Act Reform Amendments of 1990" and a veto message thereon.

With great respect, I am
Sincerely yours,
DONNALD K. ANDERSON,
Clerk, House of Representatives.

FEDERAL EMPLOYEES POLITICAL ACTIVITIES ACT OF 1989—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 101-203)

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith without my approval H.R. 20, the "Hatch Act Reform Amendments of 1990." This bill would alter unacceptably the provisions of Federal law, commonly known as the Hatch Act, that bar Federal employees from active participation in partisan politics.

As one who has devoted much of his life to public service, I take great pride in the integrity of our Federal work force. Thus, to protect Federal employees from political pressure and preserve the impartial, evenhanded conduct of Government business, I am obligated to disapprove H.R. 20.

Originally enacted in 1939 as a bulwark against political coercion, the Hatch Act has successfully insulated the Federal service from the undue political influence that would destroy its essential political neutrality. It has been manifestly successful over the years in shielding civil servants, and the programs they administer, from political exploitation and abuse. The Hatch Act has upheld the integrity of the civil service by assuring that Federal employees are hired and promoted based upon their qualifications and not their political loyalties. It also has assured that Federal programs are administered in a nonpartisan manner, which is critical to maintaining the public's confidence and trust in the operations of Government.

H.R. 20 would effectively repeal the Hatch Act's essential prohibitions on partisan political activity by Federal civil servants. It also would convert the present rule that partisan politicking by Federal civil servants is prohibited, into a presumption that such partisan campaigning should be encouraged.

Under this legislation, Federal employees would be able to participate actively in partisan political campaigns and hold official positions in political parties; actively endorse partisan political candidates in the public media; and solicit political contributions in most situations from other employees who are members of the same "employee labor organization" for that organization's political action committee. The obvious result of the enactment of H.R. 20 would be unstated but enormous pressure to participate in partisan political activity.

History shows that such a reversal in the role of partisan politics in the ethic of public service would inevitably lead to repoliticizing the Federal work force. The sanctions provided in the bill would add little if anything to the effectiveness of existing criminal prohibitions. Moreover, experience with enforcement of criminal anti-patronage laws shows that the Federal criminal justice process is ill-suited to the task of protecting Federal employees from subtle political coercion. Public servants who are subjected to direct or indirect partisan political pressures understandably would often be reluc-

tant to file criminal complaints against their superiors or peers, possibly putting their livelihoods in jeopardy. They deserve better protection than that.

Overt coercion is difficult enough by itself to guard against and detect. The more subtle forms of coercion are almost impossible to regulate, especially when they arise in a climate in which the unspoken assumption is that political conformity is the route to achievement and security. Such a climate leads inexorably to subtle, self-imposed pressures on employees to conform, or appear to conform, to whatever political tendency will assure greater job security.

After all the debate, no real need to repeal the existing Hatch Act has been demonstrated. Under present law, the Hatch Act allows Federal employees to engage in a variety of forms of political expression. Only forms of active participation on behalf of partisan political causes and candidates are barred. The Supreme Court has twice determined that these limits on active partisan political activity are constitutional. These rules provide reasonable balance between participation in the political process by Federal civil servants and the need to protect them from harassment and coercion that would jeopardize the fair and impartial operation of the Government. H.R. 20 poses a grave threat to that delicate balance.

Indeed, the lack of any grass-roots clamor for repeal of the Hatch Act either now, or at any time during its 50-year existence, testifies to the support this statute has received within the ranks of the Federal civil service and among the general public.

I am firmly convinced that any appreciable lessening of the current protections afforded to Federal civil servants by the Hatch Act will lead to the repoliticization of the civil service and of the programs its administers. We cannot afford, in the final decade of this century, to embark on a retreat into the very worst aspects of public administration from the last century.

GEORGE BUSH.

THE WHITE HOUSE, *June 15, 1990.*

The SPEAKER pro tempore. The objections of the President will be spread at large upon the Journal, and without objection, the veto message and the bill will be printed as a House document.

There was no objection.

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that further consideration of the veto message of the President on the bill (H.R. 20) to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solications, and for other purposes, be postponed until Wednesday, June 20, 1990.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

REPORT ON NATIONAL INSTITUTES OF HEALTH

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, today the Government Accounting Office came in with their report on the National Institutes of Health. The report is absolutely devastating, I think.

It says that the National Institutes of Health in 1985 looked at the research they were doing on women's health, and realized they were not doing any research on women's health. So they implemented a new program to say they were going to take into account how these things affected women before they continued allocating grants.

□ 1210

Well, guess what? They have not paid any attention to their very own policy that their very own scientists said they should follow. It turns out to be a total "paper tiger." Therefore, we have none of the women in the heart disease studies, and heart disease is the No. 1 killer of women. We have had really a total ignoring of women's issues, vis-a-vis breast cancer. In fact, the breast cancer studies were done on men. In fact, there were all sorts of travesties that I think people would find very shocking.

When NIH gets $7.6 billion a year and less than 13 percent of it is allocated to anything dealing with women's health, I would say they are playing fast and loose and leaving women at risk.

Mr. Speaker, I think, since women contribute a very high and significant portion of the taxes that fund these studies, they are going to be very shocked by this report today, and we must do something to remedy it and make NIH follow its own scientific guidelines that they feel are important.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MAZZOLI). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote for the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Rollcall votes, if postponed, will be taken on Tuesday, June 19, 1990.

DEFENSE REPORTS REDUCTION ACT OF 1990

Mr. ASPIN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4736) to reduce the number of reports that the Department of Defense is required by law to submit to Congress, and for other purposes.

The Clerk read as follows:

H.R. 4736

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Defense Reports Reduction Act of 1990".

TITLE I—ELIMINATION AND MODIFICATION OF REPORTS REQUIRED BY LAW

PART A—REPEAL OF EXISTING REPORT REQUIREMENTS

SEC. 101. REPORTS REQUIRED BY TITLE 10, UNITED STATES CODE.

Title 10, United States Code, is amended as follows:

(1) Sections 117 and 118 are repealed.

(2) Section 125 is amended by striking out the second sentence of subsection (c).

(3) Section 836(b) is amended by striking out "and shall be reported to Congress".

(4) Section 946(c)(1) is amended by striking out "a report—" and all that follows through "(B) to the" and inserting in lieu thereof "a report to the".

(5) Section 1051 is amended—

(A) by striking out subsections (e) and (f); and

(B) by redesignating subsection (g) as subsection (e).

(6) Section 2208 is amended by striking out subsection (k).

(7) Section 2313 is amended by striking out the last sentence of subsection (c).

(8) Section 2330 is amended—

(A) by striking out subsection (c); and

(B) by redesignating subsection (d) as subsection (c).

(9) Sections 2349 and 2357 are repealed.

(10) Section 2367 is amended by striking out subsection (c).

(11) Section 2394(b) is amended—

(A) by striking out "only—" and all that follows through "after the approval" and inserting in lieu thereof "only after the approval";

(B) by striking out "; and" and inserting in lieu thereof a period; and

(C) by striking out paragraph (2).

(12) Section 2463 is amended—

(A) by striking out subsection (b); and

(B) by redesignating subsection (c) as subsection (b).

(13) Section 2779(b) is amended by striking out paragraph (4).

(14) Section 2805(b) is amended by striking out paragraph (3).

(15) Section 2834 is amended—

(A) by striking out subsection (b); and

(B) by redesignating subsection (c) as subsection (b).

(16) Section 2891 is repealed.

SEC. 102. REPORTS REQUIRED BY ANNUAL DEFENSE AUTHORIZATION ACTS.

(a) PUBLIC LAW 101-189.—The National Defense Authorization Act for Fiscal Years

1990 and 1991 (Public Law 101-189; 103 Stat. 1352 et seq.) is amended as follows:

(1) Section 852 (103 Stat. 1517) is amended by striking out subsection (b).

(2) Section 1604 (103 Stat. 1598) is repealed.

(b) PUBLIC LAW 100-180.—The National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1019 et seq.) is amended as follows:

(1) Section 273 (15 U.S.C. 4603) is amended by striking out paragraph (3) of subsection (b).

(2) Section 1201 (as amended by section 1202 of Public Law 100-456) is amended by striking out subsection (e).

(c) PUBLIC LAW 99-661.—The National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661) is amended as follows:

(1) Section 1207(g)(4) (10 U.S.C. 2301 note) is amended—

(A) by striking out subparagraph (B); and

(B) by redesignating subparagraph (C) as subparagraph (B).

(2) Section 1362 (100 Stat. 4001) is repealed.

(d) PUBLIC LAW 99-145.—Section 106(a)(2) of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 596) is amended by striking out "may be obligated—" and all that follows through "(B) for" and inserting in lieu thereof "may be obligated for".

(e) PUBLIC LAW 98-115.—Section 803(b) of the Military Construction Authorization Act, 1984 (10 U.S.C. 2821 note), is amended—

(1) by striking out "in any year" and all that follows through "the Secretary determines" and inserting in lieu thereof "in any year if the Secretary determines";

(2) by striking out "; and" and inserting in lieu thereof a period; and

(3) by striking out paragraph (2).

SEC. 103. REPORTS REQUIRED BY OTHER ACTS.

(a) DEFENSE INDUSTRIAL RESERVE ACT.—Section 5 of the Defense Industrial Reserve Act (50 U.S.C. 454) is repealed.

(b) MILITARY SELECTIVE SERVICE ACT.—Section 18 of the Military Selective Service Act (50 U.S.C. App. 468) is amended in subsection (h)—

(1) by striking out "(1)" at the beginning of the text of such subsection; and

(2) by striking out paragraph (2).

PART B—MODIFICATIONS TO EXISTING REPORT REQUIREMENTS

SEC. 121. REPORTS REQUIRED BY TITLE 10, UNITED STATES CODE.

Title 10, United States Code, is amended as follows:

(1) Section 128(d) is amended by striking out "on a quarterly basis" and inserting in lieu thereof "on an annual basis".

(2) Section 2215 is amended—

(A) in subsection (a), by striking out "reports (at the times specified under subsection (d))" and inserting in lieu thereof "an annual report (at the time specified in subsection (d))"; and

(B) by amending subsection (d) to read as follows:

"(d) TIMING OF REPORT.—A report shall be submitted to Congress under this section concurrent with the President's budget each year.".

(3) Section 2361(c) is amended—

(A) by striking out "a semiannual report" in paragraph (1) and inserting in lieu thereof "an annual report"; and

(B) by striking out "the six-month periods" in paragraph (2) and all that follows in that paragraph and inserting in lieu thereof "the preceding calendar year and shall be submitted not later than February 1 of the year after the year covered by the report.".

(4) Section 2457(d) is amended by striking out "Before February 1 of each year," and inserting in lieu thereof "Before February 1, 1989, and biennially thereafter,".

(5) Section 2662(b) is amended by striking out "$5,000" and inserting in lieu thereof "$25,000".

(6) Section 2822(b)(4) is amended—

(A) by striking out "if—" and all that follows through "the Secretary concerned provides" and inserting in lieu thereof "if the Secretary concerned provides";

(B) by striking out "; and" and inserting in lieu thereof a period; and

(C) by striking out subparagraph (B).

(7) Section 7434 is amended to read as follows:

"§ 7434. Semiannual reports to Armed Services Committees

"The Secretary shall submit to the Committee on Armed Services of the Senate and House of Representatives a semiannual report on the production from the naval petroleum reserves during the preceding six months. Each such report shall be submitted within 30 days after the end of a fiscal year and the end of the second quarter of a fiscal year.".

SEC. 122. REPORTS REQUIRED BY ANNUAL AUTHORIZATION ACTS.

(a) PUBLIC LAW 101-189.—Section 121(d) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1379) is amended—

(1) by striking out "BIMONTHLY" in the subsection heading and inserting in lieu thereof "QUARTERLY";

(2) by striking out "a report every two months" in paragraph (1) and inserting in lieu thereof "at the end of each fiscal-year quarter a report"; and

(3) by striking out the first sentence of paragraph (3).

(b) PUBLIC LAW 100-456.—Section 317(c) of the National Defense Authorization Act for Fiscal Year 1989 (Public Law 100-456; 102 Stat. 1952) is amended by striking out "semiannual" each place it appears and inserting in lieu thereof "annual".

(c) PUBLIC LAW 99-661.—Section 1207(g) of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 10 U.S.C. 2301 note) is amended by transferring subparagraph (C) of paragraph (3) to the end of paragraph (4) (as amended by section 102(c)(1)).

(d) PUBLIC LAW 98-525.—Section 1002(d) of the Department of Defense Authorization Act, 1985 (Public Law 98-525), is amended—

(1) in paragraph (1), by striking out "April 1, 1985, and each year thereafter," and inserting in lieu thereof "April 1, 1990, and biennially thereafter,";

and

(2) by adding at the end of paragraph (2)(A) the following new clause:

"(xi) Other selected indicators of NATO capability.".

TITLE II—REPORT PROVISIONS PREVIOUSLY TERMINATED UNDER GOLDWATER-NICHOLS ACT

SEC. 201. PURPOSE.

(a) PURPOSE OF TITLE.—This title, with respect to Goldwater-Nichols terminations described in subsection (b)—

(1) in section 202, repeals certain provisions of law containing terminated report requirements; and

(2) in section 203, restores the effectiveness of selected other provisions of law containing such requirements.

(b) DESCRIPTION OF GOLDWATER-NICHOLS TERMINATIONS.—For purposes of subsection (a), Goldwater-Nichols terminations are those provisions of law that—

(1) set forth requirements for reports to Congress; and

(2) by reason of section 602(c) of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433; 10 U.S.C. 111 note), are no longer effective.

SEC. 202. REPEAL OF STATUTORY PROVISIONS TERMINATED BY GOLDWATER-NICHOLS ACT.

(a) TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended as follows:

(1) Section 113 is amended—

(A) by striking out subsection (i); and

(B) by redesignating subsections (j), (k), and (l) as subsections (i), (j), and (k), respectively.

(2) Section 115(b) is amended by striking out the last sentence of paragraph (4).

(3) Section 2113(j) is amended—

(A) by striking out "subject to paragraph (2)," in subparagraphs (B), (C), and (E) of paragraph (1);

(B) by striking out paragraph (2); and

(C) by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively.

(4) Section 2307 is amended by striking out subsection (d).

(5) Section 2359 is repealed.

(6) Section 2388 is amended by striking out subsection (d).

(7) Section 2394a is amended—

(A) by striking out subsection (b); and

(B) by redesignating subsection (c) as subsection (b).

(8) Section 2404 is amended—

(A) by striking out subsection (d); and

(B) by redesignating subsection (e) as subsection (d).

(9) Section 2455 is repealed.

(10) Section 2547 is amended—

(A) by striking out subsection (d); and

(B) by redesignating subsection (e) as subsection (d).

(11) Section 2675 is amended—

(A) by striking out "(a)" at the beginning of the text of such section; and

(B) by striking out subsection (b).

(12) Section 2690(b) is amended—

(A) by striking out "the Secretary—" and all that follows through "determines" and inserting in lieu thereof "the Secretary determines";

(B) by redesignating clauses (A) and (B) as clauses (1) and (2), respectively;

(C) by striking out "; and" and inserting in lieu thereof a period; and

(D) by striking out paragraph (2).

(13) Section 2721 is amended—

(A) by striking out "(a)"; and

(B) by striking out subsection (b).

(14) Section 4314 is amended by striking out the last sentence.

(15) Section 6956 is amended—

(A) by striking out subsection (a); and

(B) by redesignating subsections (b), (c), and (d) as subsections (a), (b), and (c), respectively.

(16) Section 7217 is repealed.

(b) TITLE 32, UNITED STATES CODE.—Section 314 of title 32, United States Code, is amended by striking out the last sentence of subsection (d).

(c) TITLE 37, UNITED STATES CODE.—Title 37, United States Code, is amended as follows:

(1) Sections 301a and 301c are amended by striking out subsection (e).

(2) Section 303a(c) is amended by striking out the last sentence.

(3) Section 306 is amended by striking out subsection (f).

(4) Section 308b is amended—

(A) by striking out subsection (e); and

(B) by redesignating subsections (f) and (g) as subsections (e) and (f), respectively.

(5) Section 308c is amended—

(A) by striking out subsection (e); and

(B) by redesignating subsection (f) as subsection (e).

(6) Section 310 is amended by striking out subsection (d).

(7) Section 312b is amended—

(A) by striking out subsection (c); and

(B) by redesignating subsection (d) as subsection (c).

(8) Section 312c is amended—

(A) by striking out subsection (d); and

(B) by redesignating subsection (e) as subsection (d).

(d) PUBLIC LAW 99-145.—The Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 583 et seq.), is amended as follows:

(1) Section 913 (10 U.S.C. 2301 note) is amended—

(A) by striking out subsection (b); and

(B) by redesignating subsection (c) as subsection (b).

(2) Section 915 (10 U.S.C. 2431 note) is repealed.

(e) PUBLIC LAW 98-94.—Section 1260 of the Department of Defense Authorization Act, 1984 (Public Law 98-94; 97 Stat. 703), is amended by striking out the second sentence of subsection (b).

(f) PUBLIC LAW 96-418.—Section 802 of the Military Construction Authorization Act, 1981 (Public Law 96-418; 10 U.S.C. 2431 note), is amended by striking out subsection (e).

(g) PUBLIC LAW 94-106.—Section 808 of the Department of Defense Appropriation Authorization Act, 1976 (Public Law 94-106; 10 U.S.C. 7291 note), is repealed.

SEC. 203. RESTORATION OF CERTAIN REPORTING REQUIREMENTS OF TITLE 10, UNITED STATES CODE, TERMINATED BY GOLDWATER-NICHOLS ACT.

(a) RESTORAL.—The effectiveness of the report and notification provisions named in subsection (b), previously terminated by section 602(c) of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433; 10 U.S.C. 111 note), is hereby restored.

(b) COVERED PROVISIONS.—Subsection (a) applies to the following report and notification provisions set forth in title 10, United States Code:

(1) The quarterly report required by section 127(c) of that title, relating to emergency and extraordinary expenses.

(2) The quadrennial report required by section 2006(e)(3) of that title, relating to the Department of Defense Education Benefits Fund.

(3) The reports required by paragraphs (1)(B) and (3) of section 2438(a) of that title, relating to acquisitions strategies for major defense acquisition programs.

(4) The notifications required by section 2672a(b) of that title, relating to urgent acquisitions of interests in land.

(5) The notifications required by section 7308(c) of that title, relating to the transfer or gift of obsolete, condemned, or captured vessels.

(6) The notifications required by section 7309(b) of that title, relating to construction or repair of vessels in foreign shipyards.

SEC. 204. REPEAL OF GOLDWATER-NICHOLS REPORTS TERMINATION SECTION.

Section 602(c) of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433; 10 U.S.C. 111 note), is repealed.

TITLE III—TECHNICAL AND CLERICAL AMENDMENTS

SEC. 301. CLERICAL AMENDMENTS.

Title 10, United States Code, is amended as follows:

(1) The table of sections at the beginning of chapter 2 is amended by striking out the items relating to sections 117 and 118.

(2) The table of sections at the beginning of chapter 138 is amended by striking out the item relating to section 2349.

(3) The table of sections at the beginning of chapter 139 is amended by striking out the items relating to section 2357 and 2359.

(4) The table of sections at the beginning of chapter 145 is amended by striking out the item relating to section 2455.

(5) The table of sections at the beginning of chapter 171 is amended by striking out the item relating to section 2891.

(6) The table of sections at the beginning of chapter 631 is amended by striking out the item relating to section 7217.

(7) The item relating to section 7434 in the table of sections at the beginning of chapter 641 is amended to read as follows:

"7434. Semiannual reports to Armed Services Committees.".

SEC. 302. EXTENSION OF DEADLINE.

Section 166(b)(2) of Public Law 101-189 (103 Stat. 1391) is amended by striking out "July 1, 1990" and inserting in lieu thereof "January 1, 1993".

SEC. 303. CLARIFICATION OF PROCEDURES FOR REVIEW OF CERTAIN VESSEL TRANSFERS.

Section 7308(c) of title 10, United States Code, is amended—

(1) by inserting "and" at the end of paragraph (1);

(2) by striking out "; and" at the end of paragraph (2) and inserting in lieu thereof a period; and

(3) by striking out paragraph (3).

The SPEAKER pro tempore. Under the rule, a second is not required on this motion.

The gentleman from Wisconsin [Mr. ASPIN] will be recognized for 20 minutes and the gentleman from Utah [Mr. HANSEN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Speaker, I yield myself such time as I may consume. Mr. Speaker, it is not too often that I come down on the floor to admit that the Pentagon or the Secretary of Defense are correct on something, but today is one of those exceptions.

Defense Secretary Dick Cheney—and before him Secretary Weinberger—have long complained that Congress makes the Pentagon write too many reports. Earlier this year, I asked the Armed Services Committee staff to look into these complaints. As a result we found that, to a large degree, Secretary Cheney has a legitimate gripe. We are requiring too many reports of the Pentagon—reports which cost time and money to produce and are sometimes not even used or read by Congress.

Based on this finding, I approached our committee's ranking Republican, BILL DICKINSON, and we decided it was time to apply some spring cleaning to the laws that require congressional reports from the Department of Defense.

We went through the United States Code, Defense authorization bills and other relevant laws and identified 210 recurring reporting requirements that fall under the exclusive jurisdiction of our committee. We then reviewed every single one of these 210 reports to determine whether they still served a useful purpose or could be eliminated. If a member needed a report, we wanted to keep that report. but we suspected that many reports were orphans. We were right.

The outcome of this exercise is contained in the bill before the House, H.R. 4736. Out of the base of 210 recurring reports, we determined that 59, or roughly one-fourth, could be eliminated. We also determined that 11 additional reports could be modified to reduce their frequency thereby further reducing the administrative burden on the Department of Defense.

In the course of this exercise we also came across the embarrassing fact that the House Armed Services Committee is by far the worst offender in Congress in terms of generating congressional reports. For instance, during fiscal year 1990 the Pentagon is required to submit a grand total of 861 reports, when you include both recurring and one-time reports. Our committee was directly responsible for 133 of these and shares responsibility for another 308 that came out of the defense authorization conference. This means that, of the four committees that levy reporting requirements on the Pentagon, we had a hand in generating over 51 percent of the 861 reports required of the Pentagon.

The point is this: We need to get a better handle on our own process to make sure that we only require those reports absolutely necessary to fulfill our oversight and legislative responsibilities. As a strong step in this direction, I have decided to institute a report tracking system internal to the Armed Services Committee to identify, quantify and screen all of the reports which are generated as part of the authorization process. BILL DICKINSON and I intend to use this system as a tool to impose more discipline on the system in order to be more selective in determining which reports should make it into law.

I want to commend my colleague BILL DICKINSON for his support and assistance in pursuing this project. I also want to recognize the role of NICK MAVROULES, chairman of the Investigations Subcommittee, and LARRY HOP-

KINS, ranking Republican on Investigations, for their help and support in crafting this legislation.

Mr. Speaker, H.R. 4736 deals with only a small aspect of the broad defense management issue. But I believe it does show that Congress remains sensitive to the many challenges facing the Department of Defense and is committed to working with the administration in finding constructive solutions to problem areas that have been jointly identified as needing attention.

Mr. Speaker, I reserve the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume and I rise in support of H.R. 4736, the Defense Reports Reduction Act of 1990.

Mr. Speaker, the bipartisan leadership of the Armed Services Committee brings this legislation to the floor for consideration by our colleagues today as a sincere effort to reduce the burden imposed by Congress on the efficient operation of the Department of Defense.

Earlier this year, Secretary Cheney sent over a legislative proposal asking for a number of report requirements to be either terminated or modified to reduce the Pentagon's administrative burden. Although the Armed Services Committee did not agree with the entire package sent over by DOD, I am pleased to note that the bill before the House today does incorporate a good majority of those report items Secretary Cheney identified for elimination. In fact, this bill goes farther by eliminating a whole batch of reports that the Department did not even ask us to look at.

But, as this legislation only deals with one type of defense report—recurring reports—it has to be considered as only a first step in addressing the problem of proliferating defense reports. The real problem in terms of numbers still lies with the hundreds and hundreds of one-time reports that the Congress requires every year—over 700 last year alone—that this legislation does not address.

So while H.R. 4736's elimination of 59 out of the base of 210 recurring reports is indeed a positive step, we still have a long way to go in relieving DOD of the spiraling number of one-time reports that Congress requires.

In this regard, I am greatly encouraged by the announced policy that the gentleman from Wisconsin described earlier. By having the chairman and the ranking minority member of the Armed Services Committee maintain a list of all of the reports created during the defense authorization process, it is hoped that better control can be brought to this area in order to trim back those items which are found to be superfluous and unnecessary.

Mr. Speaker, I believe that the Department of Defense under Secretary Cheney is making an honest attempt to streamline and reform its ways to better address the revolutionary changes sweeping the world. While the Pentagon may still have a ways to go in certain areas, I also believe that Congress has an equal obligation to take a hard look at its role and contribution to the management or mismanagement of our defense establishment.

Mr. Speaker, I support this legislation as a definite, although modest, step in that direction and urge my colleagues to vote in favor of the measure.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ASPIN. Mr Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. ASPIN] that the House suspend the rules and pass the bill, H.R. 4736.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

□ 1220

GENERAL LEAVE

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include therein extraneous material on H.R. 4736.

The SPEAKER pro tempore (Mr. MAZZOLI). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

REREFERRAL OF EXECUTIVE COMMUNICATION 2785 TO COMMITTEE ON INTERIOR AND INSULAR AFFAIRS AND COMMITTEE ON ENERGY AND COMMERCE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that Executive Communication 2785 be rereferred jointly to the Committee on Interior and Insular Affairs and the Committee on Energy and Commerce.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

TUBERCULOSIS PREVENTION AMENDMENTS OF 1990

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4273) to amend the Public Health Service Act to extend the program of grants for preventive health services with respect to tuberculosis, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4273

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tuberculosis Prevention Amendments of 1990".

SEC. 2. EXTENSION OF PROGRAM OF GRANTS FOR PREVENTIVE HEALTH SERVICES WITH RESPECT TO TUBERCULOSIS.

(a) PROGRAM FOR ELIMINATING TUBERCULOSIS.—Section 317 of the Public Health Service Act (42 U.S.C. 247b) is amended—

(1) in subsection (j)(2), in the first sentence, by striking "preventive health service programs for tuberculosis" and inserting the following: "preventive health service programs for the prevention, control, and elimination of tuberculosis"; and

(2) in subsection (k)(2), in each of subparagraphs (A) through (D), by striking "prevention and control" each place such terms appears and inserting "prevention, control, and elimination".

(b) ADVISORY COUNCIL ON ELIMINATING TUBERCULOSIS.—Section 317 of the Public Health Service Act (42 U.S.C. 247b) is amended by adding at the end the following new subsection:

"(1)(1) The Secretary shall establish an advisory council to be known as the Advisory Council for the Elimination of Tuberculosis (hereafter in this subsection referred to as the 'Council'). The Council shall provide advice and recommendations regarding the elimination of tuberculosis to the Secretary, the Assistant Secretary for Health, and the Director of the Centers for Disease Control.

"(2) With respect to the elimination of tuberculosis, the Council shall—

"(A) in making recommendations under paragraph (1), make recommendations regarding policies, strategies, objectives, and priorities;

"(B) address the development and application of new technologies; and

"(C) review the extent to which progress has been made toward eliminating tuberculosis.

"(3) The Secretary shall determine the size and composition of the Council, and the frequency and scope of official meetings of the Council.

"(4) The Secretary shall provide to the Council such staff, information, and other assistance as may be necessary to carry out the duties of the Council.".

"(c) AUTHORIZATION OF APPROPRIATIONS.—Section 317(j)(2) of the Public Health Service Act (42 U.S.C. 274b(j)(2)) is amended in the first sentence by striking "and" after "1989,", and by inserting before the period the following: "$36,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 through 1995".

The SPEAKER pro tempore. Is there a second demanded?

Mr. MADIGAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes and the gentleman from Illi-

nois [Mr. MADIGAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4273 would reauthorize the Tuberculosis Prevention and Control Program of the Centers for Disease Control. This program provides grants to public agencies for the prevention and control of TB.

The authority for the program expires at the end of fiscal year 1990. The current authorization level is for $36 million. As introduced by myself and our colleague, Mr. NIELSON, H.R. 4273 would extend this authorization and would keep the amount of funding at the $36 million mark for fiscal year 1991. For fiscal years 1992 through 1995, the program would be authorized at an amount of "such sums as may be necessary."

TB is a disease that should have been eradicated in this country, but it continues to infect and kill Americans. With the aid of this legislation, there is a hope of eliminating this 19th-century plague from our Nation.

I urge all Members to support H.R. 4273.

Mr. Speaker, I reserve the balance of my time.

Mr. MADIGAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, tuberculosis is often thought of as a disease of the past. While substantial progress has been made in controlling the disease, TB continues to persist as a public health problem in the United States. Unfortunately, there are about 20,000 new cases of tuberculosis and 2,000 deaths caused by the disease each year in the United States. And it is a disease that disproportionately affects the disenfranchised members of our society—poor minorities, the homeless, the elderly, and HIV-infected individuals.

I fully support the effort by the centers for disease control to eliminate tuberculosis by the year 2010. Tuberculosis is a highly infectious, potentially fatal disease, but most importantly, it is a preventable and curable disease. The fact that tuberculosis is retreating into geographically and demographically defined pockets should enable greater prevention and control.

For these reasons, I am willing to support H.R. 4273 and I urge my colleagues to join me.

Mr. Speaker, I yield back the balance of my time.

Mr. WAXMAN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 4273, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

BREAST AND CERVICAL CANCER MORTALITY PREVENTION ACT OF 1990

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4790) to amend the Public Health Service Act to establish a program of grants for the prevention and control of breast and cervical cancer, as amended.

The Clerk read as follows:

H.R. 4790

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Breast and Cervical Cancer Mortality Prevention Act of 1990".

SEC. 2. ESTABLISHMENT OF PROGRAM OF GRANTS TO STATES FOR DETECTION AND CONTROL OF BREAST AND CERVICAL CANCER.

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended by inserting after title XIV the following new title:

"TITLE XV—PREVENTIVE HEALTH MEASURES WITH RESPECT TO BREAST AND CERVICAL CANCERS

"SEC. 1501. ESTABLISHMENT OF PROGRAM OF GRANTS TO STATES.

"(a) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control, may make grants to States for the purpose of carrying out programs—

"(1) to screen women for breast and cervical cancer as a preventive health measure;

"(2) to provide appropriate referrals for medical treatment of women screened pursuant to paragraph (1) and to ensure, to the extent practicable, the provision of appropriate follow-up services;

"(3) to develop and disseminate public information and education programs for the detection and control of breast and cervical cancer;

"(4) to improve the education, training, and skills of health professionals (including allied health professionals) in the detection and control of breast and cervical cancer;

"(5) to establish mechanisms through which the States can monitor the quality of screening procedures for breast and cervical cancer, including the interpretation of such procedures; and

"(6) to evaluate activities conducted under paragraphs (1) through (5) through appropriate surveillance or program-monitoring activities.

"(b) PREFERENCES IN MAKING GRANTS.—In making grants under subsection (a), the Secretary shall give preference to any State in which—

"(1) there is a substantial rate of mortality associated with breast or cervical cancer (relative to the national rate of such mortality); and

"(2) there is an inadequate availability of services or activities described in such subsection.

"(c) GEOGRAPHIC DISTRIBUTION OF GRANTS.—In making grants under subsection (a), the Secretary shall ensure that the grants are equitably distributed among the principal geographic regions of the United States.

"(d) GRANT AND CONTRACT AUTHORITY OF STATES.—A State receiving a grant under subsection (a) may expend the grant to carry out the purpose described in such subsection through grants to, and contracts with, public or nonprofit private entities.

"SEC. 1502. REQUIREMENT OF MATCHING FUNDS.

"(a) IN GENERAL.—The Secretary may not make a grant under section 1501 unless the State involved agrees, with respect to the costs to be incurred by the State in carrying out the purpose described in such section, to make available non-Federal contributions (in cash or in kind under subsection (b)) toward such costs in an amount equal to not less than $1 for each $3 of Federal funds provided in the grant. Such contributions may be made directly or through donations from public or private entities.

"(b) DETERMINATION OF AMOUNT OF NON-FEDERAL CONTRIBUTION.—

"(1) IN GENERAL.—Non-Federal contributions required in subsection (a) may be in cash or in kind, fairly evaluated, including equipment or services (and excluding indirect or overhead costs). Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(2) MAINTENANCE OF EFFORT.—In making a determination of the amount of non-Federal contributions for purposes of subsection (a), the Secretary may include only non-Federal contributions in excess of the average amount of non-Federal contributions made by the State involved toward the purpose described in section 1501 for the 2-year period preceding the first fiscal year for which the State is applying to receive a grant under such section.

"(3) INCLUSION OF RELEVANT NON-FEDERAL CONTRIBUTIONS FOR MEDICAID.—In making a determination of the amount of non-Federal contributions for purposes of subsection (a), the Secretary shall, subject to paragraphs (1) and (2) of this subsection, include any non-Federal amounts expended pursuant to title XIX of the Social Security Act by the State involved toward the purpose described in paragraphs (1) and (2) of section 1501(a).

"SEC. 1503. REQUIREMENTS WITH RESPECT TO TYPE AND QUALITY OF SERVICES.

"(a) REQUIREMENT OF PROVISION OF ALL SERVICES BY DATE CERTAIN.—The Secretary may not make a grant under section 1501 unless the State involved agrees—

"(1) to ensure that, initially and throughout the period during which amounts are received pursuant to the grant, not less than 60 percent of the grant is expended to provide each of the services or activities described in paragraphs (1) and (2) of section 1501(a), including making available screening procedures for both breast and cervical cancers;

"(2) subject to subsection (b), to ensure that—

"(A) in the case of breast cancer, both a physical examination of the breasts and the screening procedure known as a mammography are conducted; and

"(B) in the case of cervical cancer, both a pelvic examination and the screening procedure known as a pap smear are conducted;

"(3) to ensure that, by the end of any second fiscal year of payments pursuant to the grant, each of the services or activities described in section 1501(a) is provided; and

"(4) to ensure that not more than 40 percent of the grant is expended to provide the services or activities described in paragraphs (3) through (6) of such section.

"(b) USE OF IMPROVED SCREENING PROCEDURES.—The Secretary may not make a grant under section 1501 unless the State involved agrees that, if any screening procedure superior to a procedure described in subsection (a)(2) becomes commonly available and is recommended for use, any entity providing screening procedures pursuant to the grant will utilize the superior procedure rather than the procedure described in such subsection.

"(c) QUALITY ASSURANCE REGARDING SCREENING FOR BREAST CANCER.—The Secretary may not make a grant under section 1501 unless the State involved agrees that the State will assure the quality of any screening procedure for breast cancer conducted pursuant to such section and, in the case of mammography, will provide that—

"(1) the equipment used to perform the mammography will be specifically designed for mammography and will meet appropriate radiologic standards for mammography;

"(2) the mammography will be performed by an individual who—

"(A) is licensed by a State to perform radiological procedures; or

"(B) is certified as qualified to perform radiological procedures by an appropriate organization;

"(3) the results of the mammography will be interpreted by a physician who—

"(A) is certified as qualified to interpret radiological procedures by an appropriate board; or

"(B) is certified as qualified to interpret screening mammography procedures by an appropriate program for assuring the qualifications of the individual with respect to such interpretations; and

"(4) with respect to the first screening mammography performed on a woman for which payment is made pursuant to section 1501(a), there are satisfactory assurances that the results of the mammography will be placed in permanent medical records maintained with respect to the woman.

"(d) QUALITY ASSURANCE REGARDING SCREENING FOR CERVICAL CANCER.—The Secretary may not make a grant under section 1501 unless the State involved agrees that the State will assure the quality of any screening procedure for cervical cancer conducted pursuant to such section and, in the case of the pap smear (or other cytological screening procedure replacing the pap smear pursuant to subsection (b)), will provide—

"(1) the maximum number of cytology slides that any individual may screen in a 24-hour period;

"(2) requirements that a clinical laboratory maintain a record of—

"(A) the number of cytology slides screened during each 24-hour period by each individual who examines cytology slides for the laboratory; and

"(B) the number of hours devoted during each 24-hour period to screening cytology slides by such individual;

"(3) criteria for requiring rescreening of cytological preparations, such as—

"(A) random rescreening of cytology specimens determined to be in the benign category;

"(B) focused rescreening of such preparations in high risk groups; and

"(C) for each abnormal cytological result, rescreening of all prior cytological specimens for the patient, if available;

"(4) periodic confirmation and evaluation of the proficiency of individuals involved in screening or interpreting cytological preparations, including announced and unannounced on-site proficiency testing of such individuals, with such testing to take place, to the extent practicable, under normal working conditions;

"(5) procedures for detecting inadequately prepared slides, for assuring that no cytological diagnosis is rendered on such slides, and for notifying referring physicians of such slides;

"(6) requirements that all cytological screening be done on the premises of an appropriately qualified laboratory;

"(7) requirements for the retention of cytology slides by laboratories for appropriate periods of time; and

"(8) requirements of periodic inspection of cytology services by persons capable of evaluating the quality of cytology services.

"(e) ISSUANCE BY SECRETARY OF GUIDELINES WITH RESPECT TO QUALITY OF MAMMOGRAPHY AND CYTOLOGICAL SERVICES.—

"(1) IN GENERAL.—The Secretary shall establish guidelines for assuring the quality of any mammography and cytological screening procedure conducted pursuant to section 1501(a). Such guidelines with respect to mammography shall include the provisions of paragraphs (1) through (4) of subsection (c), and such guidelines with respect to cytological screening procedures shall include the provisions of paragraphs (1) through (8) of subsection (d).

"(2) APPLICABILITY WITH RESPECT TO GRANTS.—The Secretary may not make a grant under section 1501 unless the State involved agrees that the State will, with respect to any mammography or cytological screening procedure conducted pursuant to such section, ensure that the procedure is conducted in accordance with the guidelines issued by the Secretary under paragraph (1).

"(3) RESPONSIBILITY OF STATES IN ABSENCE OF GUIDELINES.—With respect to circumstances in which a State receives a grant under section 1501 before the issuance of guidelines under paragraph (1), this subsection may not be construed to affect in such circumstances the obligation of the State pursuant to subsection (a)(1) to provide for screening procedures and referrals or the obligations under subsections (c) and (d) with respect to providing for quality in the screening procedures.

"SEC. 1504. ADDITIONAL REQUIRED AGREEMENTS.

"(a) PRIORITY FOR LOW-INCOME WOMEN.—The Secretary may not make a grant under section 1501 unless the State involved agrees that low-income women will be given priority in the provision of services and activities pursuant to paragraphs (1) and (2) of section 1501(a).

"(b) LIMITATION ON IMPOSITION OF FEES FOR SERVICES.—The Secretary may not make a grant under section 1501 unless the State involved agrees that, if a charge is imposed for the provision of services or activities under the grant, such charge—

"(1) will be made according to a schedule of charges that is made available to the public;

"(2) will be adjusted to reflect the income of the woman involved; and

"(3) will not be imposed on any woman with an income of less than 100 percent of the official poverty line, as established by the Director of the Office of Management and Budget and revised by the Secretary in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981.

"(c) STATEWIDE PROVISION OF SERVICES.—

"(1) IN GENERAL.—The Secretary may not make a grant under section 1501 unless the State involved agrees that services and activities under the grant will be made available throughout the State, including availability to members of any Indian tribe or tribal organization (as such terms are defined in section 4 of the Indian Self-Determination and Education Assistance Act).

"(2) WAIVER.—The Secretary may waive the requirement established in paragraph (1) for a State if the Secretary determines that compliance by the State with the requirement would result in an inefficient allocation of resources with respect to carrying out the purpose described in section 1501(a).

"(d) RELATIONSHIP TO ITEMS AND SERVICES UNDER OTHER PROGRAMS.—The Secretary may not make a grant under section 1501 unless the State involved agrees that the grant will not be expended to make payment for any item or service to the extent that payment has been made, or can reasonably be expected to be made, with respect to such item or service—

"(1) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program; or

"(2) by an entity that provides health services on a prepaid basis.

"(e) LIMITATION ON ADMINISTRATIVE EXPENSES.—The Secretary may not make a grant under section 1501 unless the State involved agrees that not more than 10 percent of the grant will be expended for administrative expenses with respect to the grant.

"(f) RESTRICTIONS ON USE OF GRANT.—The Secretary may not make a grant under section 1501 unless the State involved agrees that the grant will not be expended to provide inpatient hospital services for any individual.

"(g) RECORDS AND AUDITS.—The Secretary may not make a grant under section 1501 unless the State involved agrees that—

"(1) the State will establish such fiscal control and fund accounting procedures as may be necessary to ensure the proper disbursal of, and accounting for, amounts received by the State under such section; and

"(2) upon request, the State will provide records maintained pursuant to paragraph (1) to the Secretary or the Comptroller of the United States for purposes of auditing the expenditures by the State of the grant.

"(h) REPORTS TO SECRETARY.—The Secretary may not make a grant under section 1501 unless the State involved agrees to submit to the Secretary such reports as the Secretary may require with respect to the grant.

"SEC. 1505. DESCRIPTION OF INTENDED USES OF GRANT.

"The Secretary may not make a grant under section 1501 unless—

"(1) the State involved submits to the Secretary a description of the purposes for which the State intends to expend the grant;

"(2) the description identifies the populations, areas, and localities in the State with a need for the services or activities described in section 1501(a); and

"(3) the description provides information relating to the services and activities to be provided, including a description of the manner in which the services and activities will be coordinated with any similar services or activities of public or nonprivate entities.

"SEC. 1506. REQUIREMENT OF SUBMISSION OF APPLICATION.

"The Secretary may not make a grant under section 1501 unless an application for the grant is submitted to the Secretary, the application contains the description of intended uses required in section 1505, and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this title.

"SEC. 1507. TECHNICAL ASSISTANCE AND PROVISION OF SUPPLIES AND SERVICES IN LIEU OF GRANT FUNDS.

"(a) TECHNICAL ASSISTANCE.—The Secretary may provide training and technical assistance with respect to the planning, development, and operation of any program or service carried out pursuant to section 1501. The Secretary may provide such technical assistance directly or through grants to, or contracts with, public and private entities.

"(b) PROVISION OF SUPPLIES AND SERVICES IN LIEU OF GRANT FUNDS.—

"(1) IN GENERAL.—Upon the request of a State receiving a grant under section 1501, the Secretary may, subject to paragraph (2), provide supplies, equipment, and services for the purpose of aiding the State in carrying out such section and, for such purpose, may detail to the State any officer or employee of the Department of Health and Human Services.

"(2) CORRESPONDING REDUCTION IN PAYMENTS.—With respect to a request described in paragraph (1), the Secretary shall reduce the amount of payments under the grant under section 1501 to the State involved by an amount equal to the costs of detailing personnel (including pay, allowances, and travel expenses) and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

"SEC. 1508. EVALUATIONS AND REPORTS.

"(a) EVALUATIONS.—The Secretary shall, directly or through contracts with public or private entities, provide for annual evaluations of programs carried out pursuant to section 1501.

"(b) REPORT TO CONGRESS.—The Secretary shall, not later than 1 year after the date on which amounts are first appropriated pursuant to section 1509(a), and annually thereafter, submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report summarizing evaluations carried out pursuant to subsection (a) during the preceding fiscal year and making such recommendations for administrative and legislative initiatives with respect to this title as the Secretary determines to be appropriate.

"SEC. 1509. FUNDING.

"(a) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this title, there are authorized to be appropriated $50,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 and 1993.

"(b) SET-ASIDE FOR TECHNICAL ASSISTANCE AND PROVISION OF SUPPLIES AND SERVICES.—Of the amounts appropriated under subsection (a) for a fiscal year, the Secretary shall reserve not less than 20 percent for carrying out section 1507.

"(c) LIMITATION ON NUMBER OF INITIAL GRANTS.—For fiscal year 1991, the Secretary may not make more than 7 grants under section 1501.".

The SPEAKER pro tempore. Is a second demanded?

Mr. MADIGAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes and the gentleman from Illinois [Mr. MADIGAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on Saturday, thousands of people gathered for a marathon race that was to call attention symbolically to the race for the cure to breast cancer. Today, it is necessary for the Congress to take an important step to make the prevention and treatment of such cancer a reality.

H.R. 4790 would establish a new State grants program within the Public Health Service Act to provide preventive mammography and Pap smear screening services for low-income women for the early detection of breast and cervical cancer. In addition, this program would support public information activities relating to the detection and control of breast and cervical cancer; in-service education for health care providers; and quality control standards for mammography and pap smear screening procedures.

H.R. 4790 reflects the work and the commitment of Members from both sides of the aisle. It was introduced by myself, Mr. MADIGAN, Chairman DINGELL, and Congressman LENT, as well as 21 other members of the committee. Since it was first proposed earlier this year, the legislation has been endorsed by consumers, physicians, States, and public health officials alike.

At our hearings on this legislation last month, Marilyn Tucker Quayle, the wife of the Vice President, came before the subcommittee "to declare all-out war against the tragedy of breast cancer." I think all of us share Mrs. Quayle's concern that we have waited far too long in addressing this major public health problem. I believe H.R. 4790 will help us finally to mobilize our public health forces and to win our war against both breast and cervical cancer.

There is a technical amendment added to the bill as reported to clarify that the program is for the detection of breast cancer, because, unfortunately, the means of prevention of such cancer are not known to us now. This amendment has been shared with the minority and is agreed upon.

I urge all Members to support H.R. 4790.

Mr. Speaker, I reserve the balance of our time.

Mr. MADIGAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am very pleased to be a cosponsor of H.R. 4790 because I believe that providing Federal funds for early detection of breast and cervical cancer for low-income women is an appropriate role for the Federal Government. As Marilyn Quayle testified to so eloquently at our subcommittee hearing, many women die needlessly each year whose lives could have been saved if they only had access to early medical screening and detection.

Last year an estimated 43,000 women died from breast cancer and 6,000 died from cervical cancer. Many of these women died because they did not have access to early screening, and their cancers were not discovered until too late. H.R. 4790 attempts to prevent this situation and reduce the mortality from breast and cervical cancer.

While much is not known about these diseases, two facts concerning them are clear:

First, when treated in their earliest stages, both types of cancers have a 90- to 100-percent 5-year survival rate; and

Second, low-income women tend to have the lowest survival rates because of their inaccessibility to early medical screening and detection.

I urge my colleagues to join me in supporting H.R. 4790.

Mrs. VUCANOVICH. Mr. Speaker, I rise in support of H.R. 4790, a bill which is very important to me. In fact, I have made the fight against death from breast cancer one of my legislative priorities. My primary goal has been to work at the Federal level to make screening mammography available and affordable to women around the country.

My interest in helping to drive down the tragic number of deaths from breast cancer stems from my own personal experience. In February 1983, I followed the recommendation of the Office of the Capitol Physician, and went for my first screening mammogram. Although I always had been very conscientious about regular physical checkups, and although I was 61 years old, no one had ever mentioned anything about mammograms to me before. Unfortunately, that first mammogram detected a tumor, and prompt surgery saved my life. Early detection of my breast cancer allowed me to continue living an active and satisfying life, and caused me to dedicate myself to reducing breast cancer mortality.

Until there is a cure, early detection is the only means to turn breast cancer from a death sentence into a disease that can be survived in 90 percent of cases.

Mr. Speaker, last September I introduced H.R. 3285, to mandate State coverage for screening mammography within Medicaid. H.R. 4790, of which I am an original cosponsor, takes the first step by authorizing the benefits of providing breast and cervical screening on a limited basis. I am confident that the results of this study will lead to wide-

spread coverage of breast and cervical screening within State Medicaid programs.

In 1989, more than 43,000 American women died from breast cancer, and it is expected that more than 44,000 women will die this year, from a disease that is usually survivable if detected early enough. Recent statistics on this chronic, epidemic disease show that one woman in nine must now face the prospect of breast cancer in her lifetime; almost 3 times the number of incidences only 20 years ago.

We must declare war on breast cancer, and this time it is not a fight to the death, but a fight until there are no more deaths. Already, we have lost too many fine and courageous women, women like Rose Kushner and Nina Hyde, who have used their years of battling breast cancer as a crusade to save other women's lives. We cannot afford to lose more loved ones, and more women of this calber.

Mr. Speaker, we cannot allow the number of breast cancer deaths to steadily increase. Until there is a cure, we can reduce the number of deaths at least by half, starting this year, if every woman who needed a mammogram would routinely get one.

H.R. 4790 is a firm step in the right direction. I am hopeful that, before the 101st Congress adjourns, we can reinstate the screening mammography benefit in Medicare. If this is done, we can be truly proud that this Congress is committed not just to words, but to action.

Mr. BLILEY. Mr. Speaker, last year an estimated 43,000 women died from breast cancer and 6,000 died from cervical cancer. While much is not known about these cancers, two facts concerning them are clear: First, when treated in their earliest stages, both have a 90 to 100 percent 5-year survival rate; and second, low-income women tend to have the lowest survival rates because of their inaccessibility to early medical screening and detection.

The bill attempts to remedy this situation by providing Federal moneys for early detection in low-income women. I urge my colleagues to join me in supporting this bill which will help save the lives of many women by detecting early two very serious but treatable diseases—breast and cervical cancer.

Mrs. COLLINS. Mr. Speaker, everyone is vulnerable to the deadly scourge of cancer. However, the key to minimizing its effects is early detection. Early detection requires regular medical care, and that requires money. Since low-income people have less of it than more affluent individuals, they suffer greater consequences from cancer. H.R. 4790 addresses that inequity by committing dollars to health services for those who are most in need of medical assistance: low-income women.

Breast cancer has become the second leading cause of death from that disease for American women. It is estimated that there will be 150,000 new cases of cancer diagnosed in 1990, 44,000 of which are expected to result in death. Breast cancer incidence rates have increased about 1 percent per year since the early 1970's, including a 20-percent jump in the first half of the 1980's. It is estimated that 1 in every 10 American women will be diagnosed with cancer of the breast.

While the incidence of breast cancer remains at a staggering level with no decrease in sight, the rate of breast cancer mortality is entirely subject to change.

Early detection through self-examinations, clinical examinations, and screening mammography, can significantly minimize its consequences and result in a 5-year survival rate of nearly 100 percent. Studies have documented the decrease in breast cancer deaths attributable to early detection, by mammography which can detect cancers too small to be felt by even experienced examiners. Similarly, mammograms can reveal additional lesions too small to be felt once an initial lump has been detected.

Yet, vast numbers of American women still do not regularly avail themselves of the advantages of early detection procedures. In the case of low-income women, it is primarily due to the cost of examinations and mammograms, as well as a lack of access to facilities for mammography screening.

Cervical and uterine cancers also poses great dangers. An estimated 46,500 new cases of these 2 forms of cancer are anticipated for 1990. It is estimated that there will be 6,000 deaths from cervical cancer, and 4,000 from uterine cancer this year. Statistically, low-income women have been the most frequent victims of cervical cancer.

The Pap test, however, has had a profound effect in decreasing the consequences of cervical cancer. The death rate for these cancers has decreased more than 70 percent over the past 40 years, due largely to these tests and regular checkups. As in the case of screening mammographies, the main reasons why low-income women do not take advantage of Pap tests are the costs and the limited access.

I have been involved in expanding coverage for screening mammographies and Pap tests through Federal programs for many years. In 1988, my effort to offer mammography benefits to Medicare patients was successful, as coverage was extended through the Catastrophic Care Act. But, with the act's repeal last year, no mammography benefits remained. Consequently, I introduced H.R. 3701 to restore those benefits. My effort to institute coverage for Pap tests was successful last year, as coverage was included through the Omnibus Budget Reconciliation Act of 1989.

Today, however, we have the opportunity to further address these needs in an area where there remains a gaping hole: assistance targeted toward low-income women for these two procedures. H.R. 4790 presents a laudable grant program that will enable States to provide mammography and Pap test services to a much greater number of women than are presently receiving them. Of course, a program such as this would reach even more women through even greater funding; but this is at least a good start that will result in greatly improved cancer treatment for many women. There will even be substantial long-term savings since treatment after early detection is much less expensive than treatment of cancer in a critical stage.

Mr. Speaker, I compliment my good friend and colleague, Chairman WAXMAN, on his expeditious treatment of H.R. 4790 and his reponsiveness toward these needs which must be addressed. I encourage all of our colleagues to support this bill.

Mrs. SAIKI. Mr. Speaker, the native Hawaiian women of the State of Hawaii have a very keen interest in the bill we are voting on today, H.R. 4790, the Breast and Cervical Cancer Mortality Prevention Act of 1990.

According to the Hawaii Cancer Society, Hawaiian women have the highest incidence of breast cancer of any other ethnic group in the United States. This year alone, 125 native Hawaiian women will die of breast cancer. It is believed that racial differences in cancer survival are primarily a function of socioeconomic factors.

I suspect that all of my colleagues have similar groups of women in their districts. Women, who cannot afford private health insurance, who do not have access to information on the importance of early detection methods of cancer screening.

Financial hardship is a terrible and unnecessary reason to forgo medical treatment, especially when the cost is eventually paid for by the loss of a life.

Medical science has the tools to prevent and reduce deaths due to breast and cervical cancer. Through the use of mammography, breast cancer can be found at an early stage when it is most responsive to treatment. If treatment begins at this point the survival rate exceeds 90 percent.

The news on cervical cancer is even better, if detected in its early stages through the administration of pap smears, it is 100 percent curable.

Unfortunately, these screening methods are of no use to women who fail to take advantage of them.

H.R. 4790, by eliminating the problem of cost, will encourage more women to have these medical screenings done. This bill will provide grants to States for education, prevention, and treatment of breast and cervical cancer.

The end result will be that women, like the native Hawaiian women of my district, will live healthier and longer lives.

Ms. PELOSI. Mr. Speaker, I rise today in support of H.R. 4790, the Breast and Cervical Cancer Mortality Prevention Act of 1990. This important legislation would establish a new program of grants to States for funding preventative health screening and referral services for low-income women for breast and cervical cancer, and for related activities. I commend my colleague, Congressman HENRY WAXMAN for his leadership on this important bill and the difference it will make in many women's lives.

Mr. Speaker, the American Cancer Society estimates that 1 in every 10 women will develop breast cancer at some time and also estimates that there will be, as a result of breast cancer, 43,300 deaths in 1990. In 1989, 6,000 women died of cervical cancer. Until these diseases can be prevented the best way a woman can protect herself is through early detection. A mammogram can detect breast cancer that is too small to be felt. And a pap test is highly effective in detecting early

cancer of the cervix. The survival rate of cervical cancer is 88 percent if diagnosed early and if the disease is in situ, the rate is virtually 100 percent.

It is imperative that Congress take action and provide low-income women with preventative health screening and referral health services assistance. This legislation will not solve all the problems of breast and cervical cancer, but it is a step forward in helping people in need and helping people live dignified lives while perhaps going through a very degrading and deadly disease. It is also a way in which to educate women on the seriousness of breast and cervical cancer and that help is available to women.

I urge my colleagues to support this important legislation.

Mr. MADIGAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WAXMAN. Mr. Speaker, we have no further requests for time, and I yield back the balance of our time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 4790, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to amend the Public Health Service Act to establish a program of grants for the detection and control of breast and cervical cancer."

A motion to reconsider was laid on the table.

□ 1230

EXPLANATION OF H.R. 4609, COAST GUARD SUPPLEMENTAL AUTHORIZATION

(Mr. TAUZIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAUZIN. Mr. Speaker, in just a few minutes we are going to take up the Coast Guard Reauthorization Act for this year. I wanted to point out in advance of that effort that we will be taking up the ordinary and regular authorizations for the Coast Guard in this bill, but there is something occurring in America that will require and I hope will have the attention of the budget process here in the Congress and also the attention of OMB and the President, and that is that more and more we are seeing in the news events like the spill in Alaska and the spill in the Gulf of Mexico that will require some additional attention that the Coast Guard needs in this very special area.

It is not like we are now collecting the funds necessary to take care of those needs. The funds are being collected. The 5-cents-per-barrel tax was implemented in January. It has now something like $50 million to $60 million on account. Unfortunately, all that money is scheduled to be used against the deficit through 1991.

I call the attention of the House now that as we take up the ordinary authorization act, we will at some point have to think about allocating some of those funds in that trust fund for the special needs of oilspill prevention.

COAST GUARD SUPPLEMENTAL AUTHORIZATION

Mr. TAUZIN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4609) to amend the Coast Guard Authorization Act of 1989 (Public Law 101-225) as amended.

The Clerk read as follows:

H.R. 4609

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 102 of Public Law 101-225, the Coast Guard Authorization Act of 1989, is amended—

(1) in subsection (1), by striking "$2,381,500,000" and inserting "$2,391,000,000"; and

(2) by adding a new subsection to read as follows:

"(6) ENVIRONMENTAL COMPLIANCE AND RESTORATION.—For environmental compliance and restoration at Coast Guard facilities, $30,000,000.".

The SPEAKER pro tempore. Is a second demanded?

Mr. MADIGAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Louisiana [Mr. TAUZIN] will be recognized for 20 minutes, and the gentleman from Illinois [Mr. MADIGAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4609, is a noncontroversial bill to amend Public Law 101-225, the Coast Guard Authorization Act of 1989.

The bill will assure that sufficient funds are authorized to fund current Coast Guard operations, and to begin the cleanup of pollution at current and some former Coast Guard facilities. Without this bill, the Appropriations Committee may be constrained from appropriating the higher amount the President requested.

Public Law 101-225 authorized funds for the 1990 and 1991 fiscal years. When Congress passed Public Law 101-225 we relied on the 2-year budget the Coast Guard presented early in the last session. In fact, Congress authorized almost $40 million more for Coast Guard operations than the projected needs at that time.

When the President submitted his budget request for fiscal year 1991, he requested $10 million more for Coast Guard operating expenses than Congress authorized in Public Law 101-225. The bill before the House amends current law to bring the authorized level in line with the President's request.

The bill also authorizes $30 million for the Coast Guard's Environmental Compliance and Restoration Program. This program directs the Coast Guard to clean up hazardous waste at current and some former Coast Guard facilities. The environmental compliance and restoration account was established during the closing days of the last session, but funds to support this program were not authorized. The administration requested $22 million for environmental compliance and restoration. This includes $15 million for operating expenses, and $7 million for the environmental compliance and restoration account.

H.R. 4609, as amended, authorizes $8 million more than the President requested for environmental compliance and restoration. These additional funds will ensure the Coast Guard is equipped to continue the cleanup of PCB's and ground water contaminants at a number of sites. An examination of contaminated facilities leads to the conclusion that this $8 million is just a drop in the bucket. Two of the most polluted Coast Guard facilities are located at Elizabeth City, NC, and Traverse City, MI. The estimated cost of cleanup at those sites is in the area of $50 million. Similarly, at a former Coast Guard site in Kodiak, AK, it is estimated that the cost of cleaning up PCB contamination may reach $100 million. This legislation will assure the Coast Guard has authorized funds to continue to address these serious environmental problems.

In closing, I wish to thank the President for his commitment to the Coast Guard. President Bush has not only budgeted significantly more for Coast Guard operations than the prior administration projected, but he has also requested funds so the Coast Guard can clean up its own environmental mess.

I strongly urge my colleagues to support this important legislation, that will assure the Coast Guard has the necessary operational and environmental cleanup funds.

□ 1240

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BUNNING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the legislation before us today, H.R. 4609, to amend the Coast Guard Authorization Act of 1989, is an essential component of the

process to assure full funding for the Coast Guard for fiscal year 1991. When the act was originally enacted last December, it was the inception of a 2-year authorization cycle and, as such, it was based upon Coast Guard estimates. More recent calculations have shown that there were minor errors in underestimating two accounts in the Coast Guard budget.

The President's request for fiscal year 1991 specifies an additional $10 million for the Coast Guard's operating expenses account. This is to accommodate new equipment which has since come on line, and to meet new mission requirements. This is the primary account for the Coast Guard and because this agency bases all operations on a multimission concept, any shortage in funding can affect the status of several mission areas.

The second account affected by this increase to the authorization is the newly created environmental response and compliance account. This is the first time for this account, which is the result of hard work by two of our minority members, Mr. DAVIS and Mr. YOUNG. Mr. YOUNG first introduced H.R. 1327, the Coast Guard Environmental Compliance Act, to establish an environmental compliance program for the Coast Guard that is similar to the Department of Defense's Environmental Restoration Program. This program requires the Coast Guard to clean up hazardous wastes and restore any of its sites to meet all local, State, and Federal environmental compliance laws. Mr. DAVIS of Michigan introduced H.R. 1341, the Coast Guard environmental response compliance account authorization, to establish a new budgetary account through which to fund all environmental compliance activities.

The President's total request for the Coast Guard's environmental compliance activities was $22 million. This request mistakenly left $15 million in costs for cleanup, personnel, and administration of those efforts in the operating expenses account. Our authorization, at $30 million, will place all of these funds within the correct account and include sufficient money to cover additional corrective actions recently planned by the Coast Guard of Kodiak, AK. It is critical that the Coast Guard have the funds to begin this cleanup process.

I urge my colleagues to join with me in supporting H.R. 4609, to amend the Coast Guard Authorization Act of 1989. Your support confirms the confidence that the American people place in the U.S. Coast Guard.

The SPEAKER pro tempore (Mr. MAZZOLI). Without objection, the gentleman from Kentucky [Mr. BUNNING] will be recognized for 20 minutes on this bill in place of the gentleman from Illinois [Mr. MADIGAN].

There was no objection.

Mr. TAUZIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to point out again what we are talking about is authorizing the Coast Guard sufficient funds to clean up hazardous waste sites on its own facilities. I point out again that this bill, while it authorizes an important aspect of the Coast Guard activities, does not begin to authorize the Coast Guard in its needs to cover hazardous spills such as are occurring around our coastlines.

Just this last week, 37 Coast Guard personnel, the entire east and gulf coast strike team, one team, was spread thin between four different major events, including the *Mega Borg* in the Gulf of Mexico, four major events, one of which could have been 3½ times as catastrophic as the *Exxon Valdez*, serviced with 37 Coast Guards men and women, serving the one strike team available for the entire east coast and the Gulf of Mexico.

Does the Coast Guard need some help here? I think the answer is self-explanatory. Is the money available? Yes. Where is it? It is in a trust fund. Can we shake it loose? We need to shake loose that money from OMB and from the budget process. Should we do it? Absolutely.

Those trust funds are collected and are meant for those Coast Guard strike teams, and they ought to be appropriated for that purpose.

As we take up this authorization bill, I call that serious problem to this House's attention, and I hope that one day soon we can address it.

Mr. JONES of North Carolina. Mr. Speaker, I rise in support of H.R. 4609, legislation to amend the Coast Guard Authorization Act of 1989. That act authorized funds for fiscal years 1990 and 1991 for all Coast Guard operations. The figures were based on the President's budget request last year.

H.R. 4609 would increase the amount authorized for the Coast Guard in fiscal year 1991 by $10 million, thereby bringing the total authorized to $2,391,500,000. This change mirrors the increase the President requested in his fiscal year 1991 budget request for operating expenses. Without this change, the Appropriations Committee may be constrained from appropriating the higher amount the President requested.

The bill also authorizes $30 million for the Coast Guard's Environmental Compliance and Restoration Program; this is $8 million more than the President requested. This program directs the Coast Guard to clean up hazardous wastes at current and some former Coast Guard facilities.

The committee recommends these additional funds to assure that the Coast Guard is equipped to begin the cleanup of PCB's and other contaminants at a number of sites. The need for these additional funds is graphically demonstrated by the following statistics. It is estimated that cleanup costs at current Coast Guard facilities in Elizabeth City, NC, and Traverse City, MI, will exceed $50 million. Similarly, at the former Coast Guard site in Kodiak, AK, it is estimated that the cleanup of PCB contamination will cost over $100 million. The additional $8 million we recommend will demonstrate our commitment to cleaning up these polluted facilities.

In summary, passage of this legislation will accomplish two important goals. First, it will fully fund Coast Guard operational programs; and, second, it will make a start toward cleaning up major environmental damage at a number of Coast Guard facilities. I strongly urge my colleagues to support this important legislation.

Mr. DAVIS. Mr. Speaker, I rise with the chairman of the Subcommittee on Coast Guard and Navigation, Mr. TAUZIN, in support of H.R. 4609, to amend the Coast Guard Authorization Act of 1989.

The U.S. Coast Guard. We say it, we visualize it, and it fits right up there with mom and apple pie. As a group, there are no finer or more dedicated men and women than those found in the ranks of the Coast Guard. They do not ask for great rewards, but only for the opportunity to do their work and recognition for a job well done. We owe it to these dedicated members of the Coast Guard to make certain that they have the funding to accomplish the multitude of missions which we have assigned to them. My intention today is to impress upon you the need to support this increased authorization to fully fund the Coast Guard in fiscal year 1991. By matching the President's request in this authorization, we avoid jeopardizing final appropriations for lack of sufficient authorization.

The second provision in H.R. 4609 increases the authorization for the environmental compliance account to the level intended by the President. This particular account was originally introduced last year in my H.R. 1341, the Coast Guard environmental response and compliance account authorization, and enacted in the Coast Guard Authorization Act of 1989. This required the Coast Guard to create an account specifically to fund the cleanup of hazardous wastes and restore all present and former Coast Guard owned sites to comply with all environmental laws. Because this is a new account, the accounting procedures necessary to accurately predict expenditures for fiscal year 1990 were not yet in place.

As is the case with many other Federal agencies, the Coast Guard has discovered that it owns several sites suffering from severe hazardous waste contamination. The full scope of the problem is just now being understood, and in one instance, Kodiak, AK, the total reclamation effort may cost $100 million. Under these circumstances it is apparent that the funding must be provided and maintained in a separate, and shielded, account dedicated to the cleanup and restoration effort.

I ask all of you to join with me in supporting H.R 4609, to amend the Coast Guard Authorization Act of 1989. We should not risk the trust the men and women of the Coast Guard have placed in us to provide them with the resources necessary to do their job, and this legislation provides the basis for enacting a full appropriation.

Mr. YOUNG of Alaska. Mr. Speaker, this authorization of appropriations for the new Coast

Guard environmental compliance account represents years of work on my part. Last year, legislation establishing an environmental compliance program for the Coast Guard was enacted as part of the Coast Guard Authorization Act of 1989, Public Law 101-225. This legislation was based on my bill, H.R. 1327, which created a Coast Guard Environmental Compliance Program similar to the successful Department of Defense Environmental Restoration Program.

Under the Coast Guard Environmental Compliance Program, the Coast Guard is required to clean up environmental facilities. In this regard, the Coast Guard has agreed with the Kodiak Electric Association in Kodiak, AK, to cleanup PCB contamination involving electrical devices, including transformers and switching equipment, transferred by the Coast Guard to the Kodiak Electric Association in 1984. The PCB cleanup there will involve installing electrical devices and disposing of contaminated electrical devices and PCB's in the Kodiak Electric Association electrical distribution system.

Included in the $30 million authorized for the Coast Guard Environmental Compliance Program in this bill is $4 million to implement the Coast Guard agreement to clean up the PCB contamination in the Kodiak Electric Association equipment.

I urge my colleagues to support this worthwhile program and vote in favor of this bill.

Mr. TAUZIN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Louisiana [Mr. TAUZIN] that the House suspend the rules and pass the bill, H.R. 4609, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4609, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

REPEAL OF U.N. GENERAL ASSEMBLY RESOLUTION 3379

Mr. LEVINE of California. Mr. Speaker, I move to suspend the rules and pass the Senate joint resolution (S.J. Res. 246) calling upon the United Nations to repeal General Assembly Resolution 3379.

The Clerk read as follows:

S.J. RES. 246

Whereas the United Nations will celebrate the forty-fifth anniversary of its charter on June 26, 1990;

Whereas Article I of the United Nations Charter establishes the United Nations as "a center for harmonizing the actions of nations";

Whereas on November 10, 1990, fifteen years will have passed since the adoption of United Nations General Assembly Resolution 3379 which formally declared Zionism to be "a form of racism and racial discrimination";

Whereas Zionism is a national movement of the Jewish people for self-determination, a legitimate and moral aspiration characteristic of many national groups in the modern world;

Whereas United Nations General Assembly Resolution 3379 has had as its overt purpose the delegation of the State of Israel;

Whereas United Nations General Assembly Resolution 3379 has impeded the struggle against real forms of racial bigotry and has had the incendiary effect of stimulating and encouraging anti-semitism;

Whereas United Nations General Assembly Resolution 3379 has been used to justify terrorist attacks against innocent people;

Whereas United Nations General Assembly Resolution 3379 is violative of the principles of the United Nations Charter and makes it impossible for the General Assembly to play a credible role in the peaceful resolution of the Arab-Isreli conflict; and

Whereas Public Laws 99-90 (S.J. Res. 98, 1985) and 100-169 (S.J. Res. 205, 1987) and earlier expressions of congressional concern bearing on this subject demonstrate that the United States condemns, denounces, and repudiates United Nations General Assembly Resolution 3379: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) the United States calls upon all member states of the United National General Assembly to take immediate action to repeal United Nations General Assembly Resolution 3379;

(2) the President shall periodically report to the Congress on progress made toward the repeal of United Nations General Assembly Resolution 3379; and

(3) the Congress commends the President for his commitment to achieving this goal.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California [Mr. LEVINE] will be recongized for 20 minute, and the gentleman from New York [Mr. GILMAN] will be recongized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. Mr. Speaker, I yield myself such time as I may consume.

(Mr. LEVINE of California asked and was given permission to revise and extend his remarks.)

GENERAL LEAVE

Mr. LEVINE of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on Senate Joint Resolution 246, the Senate joint resolution now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEVINE of California. Mr. Speaker, one of the most ignominious acts in the history of the United Nations is the General Assembly's adoption of Resolution 3379 declaring Zionism to be racism.

Mr. Speaker, tragically this notorious resolution has now stood as a black stain upon the charter of the United Nations for nearly 15 years. During this time, General Assembly Resolution 3379 has been used in outrageous efforts to delegitimize and attack the State of Israel. It has been used to support and justify the Arab states' unwillingness to recognize Israel's right to exist as well as their perpetuation of hostility and conflict with the State of Israel. It has been used in a tragic and unfortunate way that hardly advances any positive cause and that frequently retards the cause of peace in the region.

Mr. Speaker, Senate Joint Resolution 246 expresses our overwhelming condemnation of the U.N. resolution and calls for its repeal.

Mr. Speaker, Resolution 3379 is hardly the only hateful anti-Israel resolution passed by the General Assembly of the United Nations. It is, however, unique in that it singles out the nationalistic dream that gave birth to the State of Israel for condemnation. It makes the outrageous claim that the 4,000-year history of Jewish nationalism alone among all nationalistic aspirations of people throughout the world is somehow not to be viewed as legitimate.

Mr. Speaker, the twin evils of hatred and ignorance which are manifested in this U.N. General Assembly resolution will not be eliminated simply by this Congress' condemnation of this resolution nor by our call for its repeal. But our repeated and forceful condemnation, repudiation, and denunciation are the necessary tools to fight the persistent plague of anti-Semitism and anti-Zionism that infect the United Nations.

With newfound support from the former nations of the East bloc and strong and sustained pressure from the United States, we may at long last make headway in undoing the injustice, hate, and lies which form the basis of U.N. General Assembly Resolution 3379.

I applaud Vice President QUAYLE's announcement last December that the United States would lead a push in the United Nations to declare the 1975 resolution null and void.

Our call today for the repeal of 3379 will storngly support those efforts, and that is precisely what this resolution before us will enunciate.

Mr. Speaker, I would like to commend the gentleman from Pennsylvania [Mr. YATRON], the chairman of the subcommittee, for his leadership in

this important issue; the gentleman from Flordia [Mr. FASCELL], the chairman of the full committee; the gentleman from Michigan [Mr. BROOMFIELD], the ranking member; and the author of the House resolution, the gentleman from New York [Mr. GREEN], for their very strong support and their leadership in bringing this resolution on a bipartisan basis before the floor today.

I am very pleased that the gentleman from New York [Mr. GILMAN] is here on the floor to speak in support of this resolution, because he has been a leader in this fight for many, many years and one of the stalwart supporters of this and so many other important human rights efforts before the United States Congress.

Mr. Speaker, I strongly urge my colleagues to give their complete endorsement to this important measure.

Mr. Speaker, I reserve the balance of my time.

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to express my strong support for Senate Joint Resolution 246, calling upon the United Nations to repeal General Assembly Resolution 3379, which equated Zionism with racism which is violative of the U.N. Charter.

I wish to commend Chairman FASCELL, Congressman YATRON, and Mr. BEREUTER, for their work on this resolution and the leadership of the distinguished gentleman from New York [Mr. GREEN] for his sponsorship of House Joint Resolution 457, which is similar to Senate Joint Resolution 246.

Article I of the U.N. Charter establishes the United Nations as a "center for harmonizing the actions of nations". On June 26, 1990, that charter celebrates its 45th anniversary. Fifteen years have passed since the adoption of U.N. Resolution 3379. It is an anti-Semitic, bigoted and despicable resolution which has served to malign the legitimate and moral aspiration of the Jewish people for a homeland. It is a resolution which has as its purpose the overt intent of delegitimizing the State of Israel and has been used to justify terrorist actions against innocent people.

Webster defines Zionism as "a theory, plan or movement to set up a Jewish homeland." That is completely incongruous with any racist theory which suggests that race is the primary determinant of human traits and capacities, and that racial characteristics produce an inherent superiority of a particular race. The State of Israel was born of the most heinous form of racism ever perpetrated upon human kind by itself. The Nazi holocaust, which annihilated 12 million people, 6 million of whom were Jews brought about the necessity for establishing a Jewish homeland.

U.N. General Assembly Resolution 3379 has impeded the struggle against racial and ethnic bigotry which was epitomized by the Nazi holocaust. Resolution 3379 is a clear violation of the principles of the U.N. Charter and for that reason, it prohibits the United Nations from playing a credible role in the peaceful resolution of the Arab-Israeli conflict.

Mr. Speaker, this measure asserts that Zionism is "a National movement of the Jewish people for self-determination, a legitimate and norm aspiration characteristic of many national groups in the modern world."

Senate Joint Resolution 246 calls upon all United Nations member states to take immediate action to repeal General Assembly Resolution 3379. The administration strongly supports this measure, and I commend President Bush for his efforts in support of this initiation, and in the words of Vice President QUAYLE, the repeal would: "send a positive signal to the Middle East peace process." The Vice President went on to add that "you can't move forward when you have these types of resolutions."

This resolution was reported by the Committee on Foreign Affairs by voice vote on May 17, 1990, and I urge its unanimous adoption.

Mr. BROOMFIELD. Mr. Speaker, for nearly 15 years, United Nations General Assembly Resolution 3379—a resolution which formally declares Zionism to be a "form of racism and racial discrimination"—has brought disgrace to the United Nations.

Resolution 3379 is more than just an irritant. It seeks to undermine the legitimacy of the State of Israel, and invites bigots everywhere to express overt anti-Semitism by sanctioning it with the General Assembly's action.

We clearly have been witness to acts of anti-Semitism and terrorism directed against Israel and the Jewish people. The administration is to be commended for the strong stand that it took in expressing America's deep opposition to such acts and to the leaders of the PLO and those in that organization who advocate such atrocities.

For 15 years, U.N. Resolution 3379 has served as an obstacle to progress in the Mideast peace process. It flies in the face of the spirit and the intent of the United Nations. Senate Joint Resolution 246 calls for the repeal of this odious U.N. resolution, and commends the President for his efforts to achieve this goal. If the peace process in the Middle East is to succeed, it will take cooperation on all sides, and obstacles such as this U.N. resolution must be abandoned.

I wish to commend Chairman FASCELL and Congressmen YATRON and BEREUTER for their work in bringing this resolution before us today. I also wish to commend our colleague, Congressman BILL GREEN, for his leadership in the House in moving this issue.

For the past several years, Congress has joined the administration in expressing its opposition to this U.N. resolution, and has called for its repeal. We should do so again.

I urge our colleagues to join the Senate in approving Senate Joint Resolution 246.

Mr. GREEN. Mr. Speaker, I am very pleased to speak in support of Senate Joint Resolution 246, which is the Senate version of my legislation, House Joint Resolution 457. As you know, earlier this year I intoduced House Joint Resolution 457, calling on the United Nations to repeal once and for all the unconscionable General Assembly Resolution 3379.

The year 1990 marks 15 years during which it has been official U.N. policy to include Zionism as "a form of racism and racial discrimination." Since 1975, Congress has passed several resolutions denouncing and condemning General Assembly Resolution 3379, and I am extremely pleased that the 101st Congress has moved quickly to adopt this resolution, encouraging the administration's efforts to achieve outright repeal.

Article I of the United Nations Charter establishes the United Nations as "a center for harmonizing the actions of nations." As we approach the 45th anniversary of the U.N. Charter later this month, citizens of every member nation should be able to look to the United Nations with a sense of pride and admiration. Until General Assembly Resolution 3379 is repealed, however, the reputation of the United Nations will continue to be marred by the terrible misjudgment that resolution carries.

When the General Assembly adopted Resolution 3379, a terrible mistake was made. In the subsequent decade and a half, it has been used as an excuse to commit horrible acts of terrorism and has been ironically counterproductive in eradicating bigotry and racism.

Repealing General Assembly Resolution 3379 would restore important credibility to the United Nations and allow it to be a source of true leadership in working to achieve a peaceful resolution of the Arab-Israeli conflict.

I am encouraged that leaders such as Vaclav Havel of Czechoslovakia have spoken out in support of repealing the odious 1975 resolution. The Berlin Wall has fallen, and I believe we shall begin to hear new voices in the United Nations speaking out in support of repealing Resolution 3379.

It is with disappointment, however, that I note that the Soviets still oppose repeal of Resolution 3379. It has taken courage for Mikhail Gorbachev to move forward in his policies of glasnost. The Soviet should apply the same spirit of reform to the United Nations and their relations with Israel as they have within their own borders and in Eastern Europe. I believe President Gorbachev is missing an important opportunity to send a message of peace to members of the Jewish community, who, for decades, have suffered a legacy of anti-Semitism and discrimination within Soviet borders.

I recommend President Bush and the administration for their commitment to achieving repeal of Resolution 3379. U.S. Ambassador Morris Abram, addressing the 46th session of the U.N. Commission on Human Rights, stated on March 6:

The United Nations was founded in the wake of the defeat of Hitler's crimes, which resulted, in part, because of his pernicious brand of racism. It would be an awful twist of history if the United Nations became the

executor of Hitler's prophecy, and incidentally, branded as a criminal Hitler's longest and most persistent opponent—Winston Churchill—who proudly proclaimed repeatedly that he was a Zionist. This resolution 3379 was, and is, a disgrace.

Thank you, again, Mr. Speaker, for bringing this very important issue to the attention of the House.

Mr. YATRON. Mr. Speaker, on April 19, the Subcommittee on Human Rights and International Organizations, approved, by voice vote, House Joint Resolution 457, calling upon the United Nations to repeal General Assembly Resolution 3379.

House Joint Resolution 457 was introduced by our good friend and colleague Congressman BILL GREEN of New York. The resolution calls on the member states of the United Nations to repeal General Assembly Resolution 3379. Senate Joint Resolution 246, introduced by Senator BOSCHWITZ, is the companion bill to Mr. GREEN's resolution and was recently passed by the other body. In order to expeditiously consider this legislation, the Foreign Affairs Committee took up the Senate resolution which is the legislative vehicle the House is considering today.

On November 10, 1975, the U.N. General Assembly by a vote of 72 to 35 with 32 abstentions passed a repugnant and hateful resolution which declared Zionism as a form of racism.

This resolution was but one of a series of anti-Israeli and anti-Zionist initiatives which dominated the U.N. agenda throughout much of the 1970's and 1980's. While such ill-conceived resolutions have declined in recent years, last year's failed effort at the U.N. General Assembly to expel Israel underscores the reality that anti-democratic and anti-Israeli forces remain committed to either eliminating or isolating the State of Israel. That reality is further evidenced by Iraqi President Saddam Hussein's threat to burn half of Israel.

Mr. Speaker, U.N. Resolution 3379 was adopted within the context of the United Nations efforts to promote the decade against racism. This resolution promoted racism.

At the time of the General Assembly's action on this initiative, the U.S. Ambassador who spoke out eloquently in behalf, of our country against its passage was Senator PATRICK MOYNIHAN of New York. Throughout his tenure in the Senate, he has energized Congress to repeatedly call for the repeal of this deplorable resolution. As a cosponsor of the House version of Senate Joint Resolution 246, I commend both Senators MOYNIHAN, BOSCHWITZ, and Congressman GREEN for their tireless efforts in this regard. I also want to commend the ranking minority member of the subcommittee, Congressman BEREUTER, who played an important role in expediting this legislation.

Finally, I want to commend the chairman of the Foreign Affairs Committee, Congressman FASCELL, the ranking minority member of the committee, Congressman BROOMFIELD, and the ranking minority member of the Europe and the Middle East Subcommittee, Congressman GILMAN, for their leadership in bringing this legislation to the floor and for ongoing efforts over the years to get the U.N. resolution repealed.

Mr. Speaker, I urge my colleagues to unanimously support this resolution.

Mr. FASCELL. Mr. Speaker, I rise in support of Senate Joint Resolution 246 which calls upon the United Nations to repeal a General Assembly resolution which has long been an anathema to U.S. policymakers. This is the resolution which formally declared zionism to be "a form of racism and racial discrimination".

I think we can all agree that this resolution went a long way in tainting the American view of the United Nations and its purposes. It is hard to think of the United Nations as an institution which seeks peace among nations when its membership approves resolutions of this caliber. Such language can only seek to legitimize anti-Semitism and terrorism. The U.N. should take this opportunity to repeal this inflammatory language, and set the stage for a credible U.N. role in the search for peace in the Middle East.

Mr. Speaker, this resolution commends the President for his continued efforts to seek the repeal of this U.N. resolution. It also asks the President to report to the Congress periodically on progress made in this regard.

This is not the first time the Congress has expressed its concern on this issue. I hope it may be the last time we are compelled to act.

Mrs. MEYERS of Kansas. Mr. Speaker, I rise in support of the joint resolution. Passage of General Assembly Resolution 3379 was one of the United Nations lowest moments, and was indicative of the common violations of American values during the 1970's that led to the low esteem in which many Americans hold the United Nations. When the United Nations passed resolution 3379, an editorial cartoon by Jeff MacNelly summed up the situation best. It showed Idi Amin at the United Nations saying, "Now that Zionism has been considered a form of racism, I propose that ignorance be considered a form of intelligence."

Indeed, this Zionism-equals-racism resolution is acceptable only in a world of Orwellian newspeak where ignorance is strength and freedom is slavery. Repeal of this resolution is necessary for the United Nations to play a useful role in bringing peace to the Middle East. The United Nations cannot be taken seriously as a force for peace when it has passed a resolution that denies the legitimacy of one of the major parties to the dispute.

I commend President Bush and Vice President QUAYLE for their leadership in urging the repeal of this noxious resolution. I urge the House to pass Senate Joint Resolution 246 unanimously so that America can speak with one voice on this issue.

Mrs. LOWEY of New York. Mr. Speaker, as a cosponsor of the House version of this legislation, I rise today in strong support of Senate Joint Resolution 246. This important resolution calls upon all member states of the U.N. General Assembly to take immediate action to repeal U.N. General Assembly Resolution 3379, which equates Zionism with racism.

Mr. Speaker, the U.N. resolution that equates Zionism with racism is a shameful lie that has provoked and perpetuated fear, hatred, and violence. Zionism is emphatically not racism. Zionism embodies the legitimate aspiration of the Jewish people for self-determination and freedom from discrimination. Racism is the systematic subjugation of one race by another based on the theory of racial superiority. These two concepts could not be any more different. The former liberates the Jewish people from the oppression that has been inflicted upon them throughout history. The latter enslaves a people based on hatred.

Not only is this resolution factually wrong, but it contradicts the very principles under which the United Nations was founded. The U.N. Charter calls for "harmonizing the actions of nations." This resolution does quite the opposite. It has served to divide nations by denying the legitimate right of Israel to exist, encouraging despicable terrorist acts against the State of Israel and the Jewish people, and promoting anti-Semitism around the world.

The struggle against racism is of utmost importance. It is a crucial battle for the well-being of oppressed people everywhere. The U.N. resolution impedes this struggle and diverts attention away from real examples of racism and racial intolerance. This resolution is an affront to every human being committed to wiping racism from the face of the Earth.

Mr. Speaker, we have a moral imperative to act against this resolution. I urge my colleagues to vote against injustice by approving Senate Joint Resolution 246 and sending a strong message that the United States will not tolerate this slander which continues to place a stain on the work of the United Nations as a whole.

Mr. PORTER. Mr. Speaker, success will come in the Middle East peace process when trust is restored among all negotiating parties. Chances for the establishment of that trust were destroyed when, on November 10, 1975, the United Nations equated racism with Zionism, the national movement of the Jewish people for self-determination. The people of Israel rightly doubt the motives of those who voted for this resolution and now seek to negotiate "peace."

Senate Joint Resolution 246 asserts that Zionism is a legitimate and moral aspiration characteristic of many national groups in the modern world. The resolution finds that U.N. Resolution 3379 overtly aims to delegitimize the State of Israel, has stimulated and encouraged anti-Semitism, impeding the fight against real racial bigotry, has been used to justify terrorist actions and is violative of the U.N. Charter.

The resolution resolves that the United States calls upon all members of the U.N. General Assembly to immediately repeal 3379. This is the only acceptable and reasonable step, and the only way to provide a solid foundation of trust necessary to establish for Israel a secure peace. I urge all Members to support .

Mr. SMITH of Florida. Mr. Speaker, for many years, the United States delegation to the United Nations had a clear understanding of how this country conducted its foreign policy with regard to Israel. The United States has unequivocably maintained that Israel was and has been our ally, our friend, and the only democratic country in the Middle East. There was no misunderstanding that message. Un-

fortunately, I am afraid that we are sending our emissaries in New York and Geneva a confused message: Israel is our ally, but we'll talk to a terrorist organization actively working to destroy her. Israel is our ally, but we will question the historical and political foundations of a united Jerusalem, capital of the country. Israel is our ally, but we will use the media and public forums to communicate with her leadership, rather than traditional diplomatic/direct channels. Israel is our ally, and supports our position in the United Nations more consistently than any other nation, yet our administration seems to constantly question United States-Israel common interests.

It is no secret that the collective sentiment toward Israel in the world has changed dramatically since the United Nations legitimized and the United States immediately recognized the creation of the State of Israel in 1948. U.N. Resolution 3379, equating Zionism to racism, best exemplifies the changes that have taken place within this international body.

Because the United States is such a powerful member of this international organization, it is vital that we send to the United Nations a clear, direct and strong message: Zionism is not racism. It is a century-old intellectual movement of the Jewish people for self-determination—a legitimate and moral aspiration characteristic of many national groups in the modern world. United Nations Resolution 3379 alienates the State of Israel, breeds hatred and anti-Semitism, and undermines the legitimacy of the State of Israel. I ask my colleagues to join me in supporting Senate Joint Resolution 246, urging the repeal of U.N. Resolution 3379.

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Mr. GILMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LEVINE of California. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from California [Mr. LEVINE] that the House suspend the rules and pass the Senate joint resolution (S.J. Res. 246).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate joint resolution was passed.

A motion to reconsider was laid on the table.

EDUCATION OF THE HANDICAPPED ACT AMENDMENTS OF 1990

Mr. OWENS of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1013) to amend the Education of the Handicapped Act to extend certain authorities contained in such act through the fiscal year 1992; as amended.

The Clerk read as follows:

H.R. 1013

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Education of the Handicapped Act Amendments of 1990".

TITLE I—GENERAL PROVISIONS

SEC. 101. DEFINITIONS.

(a) HANDICAPPED CHILDREN.—Section 602(a)(1) of the Education of the Handicapped Act (20 U.S.C. 1402(a)(1)) is amended to read as follows:

"(1) The term 'children with disabilities' means children—

"(A) with mental retardation, hearing impairments including deafness, speech or language impairments, visual impairments including blindness, serious emotional disturbance, orthopedic impairments, autism, traumatic brain injury, other health impairments including attention deficit disorder, or specific learning disabilities; and

"(B) who, by reason thereof, need special education and related services.".

(b) SPECIAL EDUCATION.—Section 602(a)(16) of the Education of the Handicapped Act (20 U.S.C. 1402(a)(16)) is amended by striking "including classroom instruction" and all that follows and inserting the following: "including—

"(A) instruction conducted in the classroom, in the home, in hospitals and institutions, and in other settings; and

"(B) instruction in physical education.".

(c) RELATED SERVICES.—Section 602(a)(17) of the Education of the Handicapped Act (20 U.S.C. 1402(a)(17)) is amended—

(1) by striking "recreation," and inserting "recreation including therapeutic recreation, social work services,"; and

(2) by inserting "including rehabilitation counseling," after "counseling services,".

(d) TRANSITION SERVICES.—Section 602(a) of the Education of the Handicapped Act (20 U.S.C. 1401(a)) is amended by redesignating paragraphs (19) through (23) as paragraphs (20) through (24), respectively, and by inserting after paragraph (18) the following new paragraph:

"(19) The term 'transition services' means a coordinated set of activities for a student, designed within an outcome-oriented process, which promotes movement from school to integrated employment (including supported employment), post-secondary education, vocational training, continuing and adult education, adult services, independent living, or community participation. The coordinated set of activities shall be based upon the individual student's needs, taking into account the student's preferences and interests, and shall include, but not be limited to, instruction, community experiences, the development of employment and other post-school adult living objectives, and when appropriate acquisition of daily living skills and functional vocational evaluation.".

(e) INDIVIDUALIZED EDUCATION PROGRAM.—Section 602(a)(20) of the Education of the Handicapped Act, as redesignated by subsection (d) of this section, is amended by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively, and by inserting after subparagraph (C) the following new subparagraph:

"(D) a statement of the needed transition services for students beginning no later than age 16 and annually thereafter (and when determined appropriate for the individual, beginning at age 14 or younger), including when appropriate, a statement of the interagency responsibilities or linkages (or both) before the student leaves the school setting,".

(f) PUBLIC OR PRIVATE NONPROFIT AGENCY OR ORGANIZATION.—Section 602(a)(24)(A) of the Education of the Handicapped Act, as redesignated by subsection (d) of this section, is amended by inserting before the period the following: "and the Bureau of Indian Affairs of the Department of the Interior (when acting on behalf of schools operated by the Bureau for children and students on Indian reservations) and tribally controlled schools funded by the Department of the Interior".

(g) ASSISTIVE TECHNOLOGY DEVICE.—Section 602(a) of the Education of the Handicapped Act, as amended by subsection (d) of this section, is amended by adding at the end the following new paragraph:

"(25) The term 'assistive technology device' means any item, piece of equipment, or product system, whether acquired commercially off the shelf, modified, or customized, that is used to increase, maintain, or improve functional capabilities of individuals with disabilities.".

(h) ASSISTIVE TECHNOLOGY SERVICE.—Section 602(a) of the Education of the Handicapped Act, as amended by subsection (g) of this section, is amended by adding at the end the following new paragraph:

"(26) The term 'assistive technology service' means any service that directly assists an individual with a disability in the selection, acquisition, or use of an assistive technology device. Such term includes—

"(A) the evaluation of the needs of an individual with a disability, including a functional evaluation of the individual in the individual's customary environment;

"(B) purchasing, leasing, or otherwise providing for the acquisition of assistive technology devices by individuals with disabilities;

"(C) selecting, designing, fitting, customizing, adapting, applying, maintaining, repairing, or replacing of assistive technology devices;

"(D) coordinating and using other therapies, interventions, or services with assistive technology devices, such as those associated with existing education and rehabilitation plans and programs;

"(E) training or technical assistance for an individual with disabilities, or, where appropriate, the family of an individual with disabilities; and

"(F) training or technical assistance for professionals (including individuals providing education and rehabilitation services), employers, or other individuals who provide services to, employ, or are otherwise substantially involved in the major life functions of individuals with disabilities.".

SEC. 102. ABROGATION OF STATE SOVEREIGN IMMUNITY.

Part A of the Education of the Handicapped Act (20 U.S.C. 1400 et seq.) is amended by inserting after section 603 the following new section:

"ABROGATION OF STATE SOVEREIGN IMMUNITY

"SEC. 604. (a) A State shall not be immune under the eleventh amendment to the Constitution of the United States from suit in Federal court for a violation of this Act.

"(b) In a suit against a State for a violation of this Act, remedies (including remedies both at law and in equity) are available for such a violation to the same extent as such remedies are available for such a violation in the suit against any public entity other than a State.

"(c) The provisions of subsections (a) and (b) shall take effect with respect to violations that occur in whole or part after the date of the enactment of the Education of the Handicapped Act Amendments of 1990.".

SEC. 103. REPORTS, EVALUATIONS, FINDINGS, AND OTHER PROVISIONS GENERALLY APPLICABLE TO PARTS C THROUGH G.

Part A of the Education of the Handicapped Act (20 U.S.C. 1400 et seq.) is amended by adding at the end the following new section:

"ADMINISTRATIVE PROVISIONS APPLICABLE TO PARTS C THROUGH G AND SECTION 618

"SEC. 610. (a) The Secretary shall maintain a program planning process for the implementation of each of the programs authorized under section 618 and parts C through G. The process shall include the establishment of goals, objectives, strategies, and priorities. In conducting the process, the Secretary shall involve individuals with disabilities, parents, professionals, and representatives of State and local educational agencies, private schools, institutions of higher education, and national organizations who have interest and expertise in the program.

"(b) The Secretary shall conduct directly, or by contract or cooperative agreement with appropriate entities, independent evaluations of the programs authorized under section 618 and under parts C through G, and may for such purpose use funds appropriated to carry out such provisions. The findings of the evaluators shall be utilized in the planning process under subsection (a) for the purpose of improving the programs. The evaluations shall determine the degree to which the program is being conducted consistent with the program plan and meeting its goals and objectives. The Secretary shall submit to the appropriate committees of the Congress the results of the evaluations required by this subsection.

"(c) The Secretary shall report the program plans required in subsection (a) and findings from the evaluations under subsection (b) in the annual report to the Congress required under section 618.

"(d) The Secretary shall develop effective procedures for acquiring and disseminating information derived from programs and projects funded under parts C through G, as well as information generated from studies conducted and data collected under section 618.

"(e) The Secretary shall, where appropriate, require recipients of grants, contracts, or cooperative agreements under section 618 and parts C through G to prepare reports describing their procedures, findings, and other relevant information in a form that will maximize their dissemination and use and shall require their delivery, as appropriate, to the Regional and Federal Resource Centers, the Clearinghouses, and the Technical Assistance to Parents Programs (TAPP) assisted under parts C and D of this Act, as well as the National Diffusion Network, the ERIC Clearinghouse on the Handicapped and Gifted, and the Child and Adolescent Service Systems Program (CASSP) under the National Institute of Mental Health, and such other networks as the Secretary may determine to be appropriate.

"(f)(1) The Secretary shall convene, in accordance with paragraph (2), panels of experts who are competent, by virtue of their training or experience, to evaluate proposals under section 618 and parts C through G.

"(2) Panels under paragraph (1) shall be composed of individuals with disabilities, parents of such individuals, individuals from the fields of special education, related services, and other relevant disciplines.

"(3) The Secretary shall convene panels under paragraph (1) for any application that includes a total funding request exceeding $60,000 and may convene or otherwise appoint panels for applications that include funding requests that are less than such amount.

"(4) Panels under paragraph (1) shall include a majority of non-Federal members. Such non-Federal members shall be provided travel and per diem not to exceed the rate provided to other educational consultants used by the Department of Education and shall be provided consultant fees at such a rate.

"(5) The Secretary may use funds available under section 618 and parts C through G to pay expenses and fees of non-Federal members of the panels.

"(g) GOALS FOR MINORITIES AND UNDERSERVED PERSONS.—(1) With respect to the discretionary programs authorized by parts C through G, the Congress finds as follows:

"(A)(i) The Federal Government must be responsive to the growing needs of an increasingly more diverse society. A more equitable allocation of resources is essential for the Federal Government to meet its responsibility to provide an equal educational opportunity for all individuals.

"(ii) America's racial profile is rapidly changing. While the rate of increase for white Americans is 3.2 percent, the rate of increase for racial and ethnic minorities is much higher: 38.6 percent for Hispanics, 14.6 percent for African-Americans, and 40.1 percent for Asians and other ethnic groups.

"(iii) By the year 2000, this Nation will have 260,000,000 people, one of every three of whom will be either African-American, Hispanic, or Asian-American.

"(iv) Taken together as a group, it is a more frequent phenomenon for minorities to comprise the majority of public school students. Large city school populations are overwhelmingly minority, e.g., Miami, 71 percent; Philadelphia, 73 percent; Baltimore, 80 percent.

"(v) Recruitment efforts within special education at the level of preservice, continuing education, and practice must focus on bringing larger numbers of minorities into the profession in order to provide appropriate practitioner knowledge, role models, and sufficient manpower to address the clearly changing demography of special education.

"(vi) The limited English proficient population is the fastest growing in our Nation, and the growth is occurring in many parts of our Nation. In the Nation's 2 largest school districts limited-English students make up almost half of all students initially entering school at the kindergarten level. Studies have documented apparent discrepancies in the levels of referral and placement of limited-English proficient children in special education. The Department of Education has found that services provided to limited-English proficient students often do not respond primarily to the pupil's academic needs. These trends pose special challenges for special education in the referral, assessment, and services for our Nation's students from non-English language backgrounds.

"(B)(i) Greater efforts are needed to prevent the intensification of problems connected with mislabeling and high dropout rates among minority children with disabilities.

"(ii) More minority children continue to be served in special education that would be expected from the percentage of minority students in the general school population.

"(iii) Poor African-American children are 3.5 times more likely to be identified by their teacher as mentally retarded than their white counterpart.

"(iv) Although African-Americans represent 12 percent of elementary and secondary enrollments, they constitute 28 percent of total enrollments in special education.

"(v) The drop out rate is 68 percent higher for minorities than for whites.

"(vi) More than 50 percent of minority students in large cities drop out of school.

"(C)(i) The opportunity for full participation in awards for grants and contracts; boards of organizations receiving funds under this Act; and peer review panels; and training of professionals in the area of special education by minority individuals, organizations, and historically Black colleges and universities is essential if we are to obtain greater success in the education of minority children with disabilities.

"(ii) In 1989, of the 661,000 college and university professors, 4.6 percent were African-American and 3.1 percent were Hispanic. Of the 3,600,000 teachers, prekindergarten through high school, 9.4 percent were African-American and 3.9 percent were Hispanic.

"(iii) Students from minority groups comprise more than 50 percent of K-12 public school enrollment in seven States yet minority enrollment in teacher training programs is less than 15 percent in all but six States.

"(iv) As the number of African-American and Hispanic students in special education increases, the number of minority teachers and related service personnel produced in our colleges and universities continues to decrease.

"(v) Ten years ago, 12.5 percent of the United States teaching force in public elementary and secondary schools were members of a minority group. Minorities comprised 21.3 percent of the national population at that time and were clearly underrepresented then among employed teachers. Today, the elementary and secondary teaching force is 3 to 5 percent minority, while one-third of the students in public schools are minority children.

"(vi) As recently as 1984-85, Historically Black Colleges and Universities (HBCUs) supplied nearly half of the African-American teachers in the Nation. However, in 1988, HBCUs received only 2 percent of the discretionary funds for special education and related services personnel training.

"(vii) While African-American students constitute 28 percent of total enrollment in special education, only 11.2 percent of preservice special education teachers are African-American.

"(viii) In 1986-87, of the degrees conferred in education at the B.A., M.A., and Ph.D levels, only 6, 8, and 8 percent, respectively, were awarded to African-American or Hispanic students.

"(D)(1) Minorities and underserved persons are socially disadvantaged because of the lack of opportunities in training and educational programs, undergirded by the discriminatory practices in the private sector that impede their full participation in the mainstream of society.

"(2) That these conditions can be greatly improved by providing opportunities for the full participation of minorities through the implementation of the following recommendations:

"(A) Implementation of a policy to mobilize the Nation's resources to prepare minorities for careers in special education and related services.

"(B) This policy should focus on—

"(i) the recruitment of minorities into teaching; and

"(ii) financially assisting HBCUs and other institutions of higher education (whose minority student enrollment is at least 25 percent) to prepare students for special education and related service careers.

"(C)(i) With respect to entities described in clause (ii), establishing the highest priority in each of the fiscal years 1991 through 1994 for awarding to such entities grants, contracts, and cooperative agreements that are authorized in any of parts C through G for purposes of research, training, technical assistance, dissemination of information, development, demonstration, or other activities.

"(ii) The entities referred to in clause (i) are applicants for grants, contracts, and cooperative agreements under any of parts C through G that—

"(I) have appropriate qualifications for conducting the activity for which the financial assistance is to be provided; and

"(II) have expertise in, and a record of, successfully recruiting, retaining, graduating, and promoting minority individuals and individuals with disabilities.

"(D)(i) The Secretary shall develop a plan for providing outreach services to the entities described in clause (ii) in order to increase the participation of such entities in competitions for grants, contracts, and cooperative agreements under any of parts C through G.

"(ii) The entities referred to in clause (i) are—

"(I) Historically Black Colleges and Universities and other institutions of higher education whose minority student enrollment is at least 25 percent;

"(II) minority institutions (as defined in the Higher Education Act of 1965);

"(III) nonprofit and for-profit agencies at least 51 percent owned or controlled by one or more minority individuals; and

"(IV) underrepresented populations.

"(iii) For the purpose of implementing the plan required in clause (i), the Secretary shall, for each of the fiscal years 1991 through 1994, expend 1 percent of the funds appropriated for the fiscal year involved for carrying out parts C through G.

"(3) The Secretary shall exercise his/her utmost authority, resourcefulness, and diligence to meet the requirements of this subsection.

"(4) Not later than January 31 of each year, starting with fiscal year 1991, the Secretary shall submit to Congress a final report on the progress toward meeting the agreements of this subsection during the preceding fiscal year. The report shall include—

"(i) a full explanation of any progress toward meeting the requirements of this subsection;

"(ii) a plan to meet the requirements, if necessary; and

"(iii) a description of the percentage of contracts, grants, and cooperative agreements, the total dollar amount, and the number of different entities relative to the requirement of this subsection.

"(5) For purposes of this Act:

"(i) The term 'minority' means—

"(I) persons who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities, such as African-Americans, Hispanic Americans, Native Americans, and Asian Americans, and

"(II) individuals with disabilities.

"(ii) The term 'underserved' means populations such as minorities, the poor, and the limited-English proficient.".

TITLE II—ASSISTANCE FOR EDUCATION OF ALL HANDICAPPED INDIVIDUALS

SEC. 201. SETTLEMENTS AND ALLOCATIONS.

Section 611(f) of the Education of the Handicapped Act (20 U.S.C. 1411(f)) is amended—

(1) in paragraph (1), in the first sentence, by inserting "(A)" after "reservations" and by inserting before the period the following: ", and (B) for whom services were provided through contract with an Indian tribe or organization prior to fiscal year 1989"; and

(2) by adding at the end the following new paragraph:

"(3) Before March 1, 1991, the Secretary of the Interior shall submit to the appropriate Committees of the Congress a plan for the provision of services under this Act to all handicapped children residing on reservations, whether or not such reservation is served by a B.I.A. funded school. Such plan shall provide for the coordination of services benefiting these children from whatever source, including but not limited to, Tribe(s), the State in which the child resides and entities of such State, the Indian Health Service, other B.I.A. divisions and other Federal agencies. In developing such a plan, the Secretary shall consult with all interested and involved parties. Such a plan may not be based upon a blanket assumption or interpretation which denies Federal or Interior responsibility for any group(s) or class(es) of children or settings, but shall be based upon the needs of the children and the system best suited for meeting those needs, and may involve the establishment of service agreements between the B.I.A. and other entities.".

SEC. 202. STATE PLANS.

Section 613(a)(3) of the Education of the Handicapped Act (20 U.S.C. 1413(a)(3)) is amended to read as follows:

"(3)(A) set forth, consistent with the purposes of this part, a comprehensive system of personnel development that shall include a description of the plan the State will carry out to ensure an adequate supply of qualified personnel to administer, support, and provide special education and related services to children and youth with disabilities. At a minimum, the State shall develop a plan and update it annually as part of its requirements under this section. As appropriate, the State shall describe how it intends to respond to the requirements of this paragraph for the upcoming year and report what activities it completed and information it compiled in response to the requirements of this paragraph for the year just ending. Specifically—

"(i) the State shall determine and document in the plan the number and type of personnel by area of specialization, including leadership personnel: who are employed; who are employed on an emergency, provisional, or other basis, or other form of exemption from State certification or licensure; and who are needed currently and over a 5-year time frame to adequately respond to current and projected needs of children with disabilities, taking into account projected rates of personnel attrition and other factors;

"(ii) the State shall determine and document the number of personnel being trained and the number graduating with certification or licensure in special education or related services, including leadership personnel, from institutions of higher education within the State, and the extent to which this meets or will meet State personnel needs;

"(iii) the State shall describe how it intends to recruit and retain qualified personnel in order to overcome current and projected personnel shortages, including shortages caused by use of personnel without certification or licensure, and the extent to which it was successful in overcoming personnel shortages;

"(iv) the State shall describe how it intends to identify and meet the continuing education needs of special education and related services personnel, including leadership personnel, and the extent to which it has been successful in meeting those needs;

"(v) the State shall describe how it intends to disseminate information about both research and effective practice to special education and related services personnel, including leadership personnel, and the extent to which it has done so; and

"(vi) the State shall include provisions to increase the supply of special education and related services personnel from racial and ethnic minority groups and individuals with disabilities.

"(B) States shall take steps toward compliance with this paragraph in fiscal year 1991; full compliance with this paragraph shall be required in State Plans or amendments to State Plans required for such plans submitted beginning for fiscal year 1992;".

SEC. 203. ADMINISTRATION.

Section 617 of the Education of the Handicapped Act (20 U.S.C. 1417) is amended by adding at the end the following new subsection:

"(e)(1) The Secretary shall, based on the findings and recommendations of the evaluation study conducted under paragraph (2), submit the results of the study and a detailed plan for the development and implementation of a common computerized information management system within the Office of Special Education and Rehabilitative Services (OSERS) that would allow all administrative components of OSERS to categorize, index, and abstract program information for the purpose of making this information accessible to Congress, the Department of Education, and other interested parties consistent with the requirements of paragraph (2). The Secretary may enter into any contract or cooperative agreement to implement and maintain this system.

"(2)(A) The Secretary shall conduct an evaluation study to determine the effectiveness of current planning and the feasibility for developing and implementing the system described above. In carrying out this study, the Secretary shall, before the end of the 9-month period beginning on the date of the enactment of these amendments, enter into a contract or cooperative agreement necessary to conduct the study with a nonprofit or profit organization having expertise in and knowledge of information management systems. The study shall report on the following:

"(i) timelines for implementation,

"(ii) staff training and personnel needs,

"(iii) costs for dimensions of the system,

"(iv) design of the system,

"(v) ability to analyze program information to permit trend identification, projec-

tions, and inferences both in qualitative and quantitative terms,

"(vi) method of utilization of information of the data base,

"(vii) methodologies utilized by other Federal agencies,

"(viii) capability to assist OSERS to improve the exchange of information on programs and projects within and outside OSERS, the communication between projects, the defining of priorities, and grant management within OSERS, and

"(ix) recapture program and fiscal information from projects funded since fiscal year 1985 to current year.

"(B) Any contract or cooperative agreement entered into under subparagraph (A) shall require the study to be completed and a report concerning such study to be submitted to the Secretary and the appropriate committees of Congress before the end of the 12-month period beginning on the date of the contract or cooperative agreement.

"(3)(A) Beginning within 6 months after the submission of the report required under paragraph (2), and being completed no later than 18 months after such date, the Secretary shall establish within OSERS a detailed plan for the implementation of the computerized information management system required under this subsection. The system shall include all design capabilities stipulated in paragraph (2)(A).

"(B) For the 2 fiscal years that begin after the date of enactment of these amendments, the Secretary is authorized to use funds appropriated for the National Institute on Disability and Rehabilitation Research (NIDRR) to fund the above study.

"(4) The Secretary is directed to utilize, to the maximum extent allowable by law, the resources of the Rehabilitative Services Administration, the Office of Special Education Programs, and the National Institute on Disability and Rehabilitation Research including, but not limited to, staff, expertise, materials, and equipment, either developed, or to be developed, for the system under this subsection and all other resources available.".

SEC. 204. EVALUATION.

(a) AMENDMENTS TO SECTION HEADING.—Section 618 of the Education of the Handicapped Act (20 U.S.C. 1418) is amended in the heading for such section by inserting "AND PROGRAM INFORMATION" after " EVALUATION".

(b) AMENDMENTS TO SUBSECTION (a).—Section 618(a) of the Education of the Handicapped Act (20 U.S.C. 1418(a)) is amended—

(1) in the matter preceding paragraph (1), by inserting "analyses," after "investigations,"; and

(2) in paragraph (3)(B), by inserting "delivery" before "effectiveness".

(c) AMENDMENTS TO SUBSECTION (b).—Section 618(b) of the Education of the Handicapped Act (20 U.S.C. 1418(b)) is amended—

(1) in the matter preceding paragraph (1)—

(A) by inserting after "local educational agencies," the following: "lead agencies designated or established under part H,"; and

(B) by inserting before "including—" the following: "(except that, during fiscal year 1991, such entities may not under this subsection be required to provide data regarding traumatic brain injury or autism),";

(2) in paragraph (3)—

(A) by striking "otherwise—" and all that follows and inserting the following: "otherwise for each age 14 and above by disability category, and a sampling of data on the age group 3-13 from State agencies, including State and local educational agencies, and"; and

(B) by inserting "(A)" after the paragraph designation and by adding at the end the following new subparagraph:

"(B) the number of children with disabilities exiting preschool programs under part B who enter regular education programs at the first grade level,"; and

(C) in paragraph (5), by amending such paragraph to read as follows:

"(5)(A) information on the implementation, in each State, of the comprehensive systems of personnel development required by sections 613(a)(3) and 676(b)(8); and

"(B) by fiscal year 1992, the Secretary may require that data authorized by this paragraph be reported in the section of the State's Plan pertaining to its comprehensive system of personnel development, authorized under section 613(a)(3), and".

(d) AMENDMENTS TO SUBSECTION (c).—Section 618(c) of the Education of the Handicapped Act (20 U.S.C. 1418(c)) is amended to read as follows:

"(c) IMPLEMENTATION INQUIRIES.—(1) The Secretary shall make grants to, or enter into contracts or cooperative agreements with, State and local educational agencies, institutions of higher education, other public agencies, and private organizations for the purpose of conducting studies (including case studies), secondary data analyses, syntheses, and investigations (including program implementation inquiries), to improve the administration, management, delivery, and effectiveness of special education and related services, and early intervention services.

"(2) In providing such support, the Secretary shall give first consideration to efforts that seek to improve—

"(A) criteria and procedures used to identify, locate, and evaluate infants, toddlers, children, and youth with disabilities for the purposes of eligibility, program planning, and placement (including working with parents), especially for those from minority backgrounds;

"(B) the relationships between the placement procedures used and the outcomes of placement decisions, by disability category and severity of disability, as in the case of infants, toddlers, children, and youth with the most severe disabilities;

"(C) planning and delivery of services to infants, toddlers, children, and youth with disabilities at points of transition, especially for youth with disabilities; and

"(D) planning and developing effective early intervention services, special education, and related services to meet the complex and changing needs of infants, toddlers, children, and youth with disabilities.

"(3) In providing funds under this subsection, the Secretary shall require recipients to prepare their procedures, findings, and other relevant information in a form that will maximize their dissemination and use, especially through dissemination networks and mechanisms authorized by this Act, and in a form for inclusion in the annual report to Congress authorized under subsection (f).

"(4) The Secretary, in order to increase the benefits to infants, toddlers, children, and youth with disabilities, may support efforts to improve comprehensive systems of personnel development, to improve ways in which resources are allocated and used, to improve interagency coordination and collaboration, to improve continuity in services, and to improve parent-school communication and collaboration.

"(5) In order to facilitate understanding of and support for program improvement information, as addressed in this subsection, the Secretary shall, every 3 years beginning in fiscal year 1991, publish funding priorities in the Federal Register for review and comment. Such review and comment shall be taken into account when setting priorities for any 3-year period.".

(e) AMENDMENTS TO SUBSECTION (d).—Section 618(d)(1) of the Education of the Handicapped Act (20 U.S.C. 1418(d)(1)) is amended by inserting ", policies, and procedures" after "programs"

(f) AMENDMENTS TO SUBSECTION (e).—Section 618(e) of the Education of the Handicapped Act (20 U.S.C. 1418(e)) is amended to read as follows:

"(e) SPECIAL STUDIES.—(1) The Secretary shall by grant, contract, or cooperative agreement, provide for special studies to assess progress in the implementation of this Act, and to assess the impact and effectiveness of State and local efforts and efforts by the Secretary of the Interior to provide free appropriate public education to children and youth with disabilities, and early intervention services to infants and toddlers with disabilities. Reports from such studies shall include recommendations for improving programs and services to such individuals. The Secretary shall, not later than July 1 of each year, beginning in fiscal year 1991, submit to the appropriate committees of each House of the Congress and publish in the Federal Register proposed priorities for review and comment.

"(2) In selecting priorities for fiscal years 1991 through 1994, the Secretary may give first consideration to:

"(A) The longitudinal study of students with disabilities shall be completed.

"(B) A study that examines the factors that have contributed to the decline in the number of children classified as mentally retarded since the implementation of this Act, and examines the current disparity among States in the percentage of children so classified.

"(C) A study that examines the degree to which and the reasons why children and youth with disabilities, especially those with mental retardation, are educated in separate educational facilities.

"(D) A study that examines the status, progress, and variation in the implementation of policies, procedures, and programs affecting early intervention, special education, and related services for young children with disabilities—birth through age five.

"(E) A study of the types, number, and intensity of related services provided to children and youth with disabilities by disability category.

"(F) A study that examines the extent to which out-of-community residential programs are used for children and youth who are seriously emotionally disturbed, the factors that influence the selection of such placements, the degree to which such individuals transition back to education programs in their communities, and the factors that facilitate or impede such transition.

"(G) A study that examines (i) the factors that influence the referral and placement decisions and types of placements, by disability category and English language proficiency, of minority children relative to other children, (ii) the extent to which these children are placed in regular education environments, (iii) the extent to which the parents of these children are involved in placement decisions and the implementation of the individualized education program and the results of such participation, and (iv) the type of support provided to par-

ents of these children that enable these parents to understand and participate in the educational process.".

(g) AMENDMENTS TO SUBSECTION (f).—Section 618(f) of the Education of the Handicapped Act (20 U.S.C. 1418(f)) is amended—

(1) by striking "(f)(1)" and inserting "(f) ANNUAL REPORT.—(1)";

(2) in paragraph (1) (as amended by paragraph (1) of this subsection), by amending such paragraph to read as follows: "(1) The Secretary, directly or through grants, contracts, or cooperative agreements, shall prepare an annual report on the progress being made toward the provision of a free appropriate public education to children and youth with disabilities and early intervention services to infants and toddlers with disabilities. Not later than 120 days after the end of each fiscal year, the Secretary shall transmit this report to the appropriate committees of each House of Congress. Copies of such report shall be produced in sufficient quantities in order to permit dissemination to the education and disability communities and other interested parties."; and

(3) in paragraph (2)—

(A) in subparagraph (A), by inserting "and under part H" before the comma; and

(B) in subparagraph (B), by amending such subparagraph to read as follows:

"(B) an index and summary of each activity, including results of evaluations and studies, related to program information authorized under subsections (c) and (e),".

(h) NEW SUBSECTION.—Section 618 of the Education of the Handicapped Act (20 U.S.C. 1418) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) The Secretary shall make grants to, or enter into contracts or cooperative agreements with, State and local education agencies, institutions of higher education, other public agencies, and nonprofit organizations to support activities that organize, synthesize, interpret, and integrate information obtained under this section with information developed through other sources. Such activities shall include the selection and design of content, formats, and means for communicating such information effectively to specific or general audiences, in order to promote the use of such information in improving program administration and management, and service delivery and effectiveness.".

(i) FUNDING.—Section 618(h) of the Education of the Handicapped Act, as redesignated by subsection (h) of this section, is amended to read as follows:

"(h) For each of the fiscal years 1991 through 1994, of the amounts appropriated for grants under section 611(a), 1 percent shall be reserved to carry out the purposes of this section and, of the 1 percent reserved each year, not more than 25 percent may be used to carry out the purposes of subsection (e) of this section.".

TITLE III—CENTERS AND SERVICES TO MEET SPECIAL NEEDS OF HANDICAPPED INDIVIDUALS

SEC. 301. REGIONAL RESOURCE AND FEDERAL CENTERS.

(a) AMENDMENTS TO SUBSECTION (a).—Section 621(a) of the Education of the Handicapped Act (20 U.S.C. 1421(a)) is amended—

(1) in the first sentence, by striking "regional resource centers." and inserting the following: "regional resource centers that focus on special education and related services and early intervention services.";

(2) in the second sentence—

(A) by striking "training to State" and inserting "training, as requested, to State"; and

(B) by inserting after "agencies providing" the following: "special education and related services and";

(3) in the third sentence, by striking "center" the second place such term appears and all that follows and inserting "center."; and

(4) in paragraph (3), by striking "relevant projects conducted by" and inserting "relevant programs and projects conducted under parts C through G and by".

(b) AMENDMENTS TO SUBSECTION (b).—Section 621(b) of the Education of the Handicapped Act (20 U.S.C. 1421(b)) is amended by striking "shall consider" and inserting "shall utilize criteria for setting criteria that are consistent with the needs identified by States within the region served by such center, consistent with requirements established by the Secretary under subsection (f), and, to the extent appropriate, consistent with requirements under section 610, and shall consider".

(c) AMENDMENTS TO SUBSECTION (d).—Section 621(d) of the Education of the Handicapped Act (20 U.S.C. 1421(d)) is amended by striking "the Secretary" the second place such term appears and all that follows and inserting the following: "the Secretary. The Secretary may assist the regional resource centers in the delivery of technical assistance consistent with the priority needs identifed by the States.".

(d) NEW SUBSECTION.—Section 621 of the Education of the Handicapped Act (20 U.S.C. 1421) is amended by adding at the end the following new subsection:

"(f)(1) The Secretary shall develop guidelines and criteria for the operation of Regional and Federal Resource Centers. In developing such criteria and guidelines, the Secretary shall establish a panel representing the Office of Special Education Programs staff, State special education directors, representatives of disability advocates, and, when appropriate, consult with the regional resource center directors.

"(2) Such guidelines and criteria shall include—

"(A) a description of how the Federal and Regional Resource Centers Program will be administered by the Secretary;

"(B) a description of the geographic region each Center is expected to serve;

"(C) a description of the role of a Center in terms of expected leadership and dissemination efforts;

"(D) a description of expected relationships with State agencies, research and demonstration centers, and with other entities deemed necessary;

"(E) a description of how a Center will be evaluated; and

"(F) other guidelines and criteria deemed necessary.

"(3) The Secretary shall publish in the Federal Register by July 1, 1991, for review and comment, proposed and (then following such review and comment) final guidelines developed by the panel.".

SEC. 302. SERVICES FOR DEAF-BLIND CHILDREN AND YOUTH.

(a) AMENDMENTS TO SUBSECTION (a).—Section 622(a) of the Education of the Handicapped Act (20 U.S.C. 1422(a)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by inserting "and local" after "State"; and

(B) in subparagraph (B), by amending such subparagraph to read as follows:

"(B) make available to deaf-blind youth (who are in the process of transitioning into adult services) programs, services, and supports to facilitate such transition, including assistance related to independent living and competitive employment.";

(2) by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively, and by inserting after paragraph (1) the following new paragraph:

"(2) For purposes of this section, the term 'deaf-blind', with respect to children and youth, means having auditory and visual impairments, the combination of which creates such severe communication and other developmental and learning needs that they cannot be appropriately educated in special education programs solely for children and youth with hearing impairments, visual impairments, or severe disabilities, without supplementary assistance to address their educational needs due to these dual, concurrent disabilities.";

(3) in paragraph (3) (as redesignated by paragraph (2) of this subsection)—

(A) in the first sentence—

(i) in subparagraph (C), by striking "and" after the semicolon;

(ii) in subparagraph (D), by striking the period and inserting "; or"; and

(iii) by adding at the end the following new subparagraph: "(E) pilot projects designed to expand local school district capabilities by providing services to deaf-blind children that are supplementary to services already provided to children through State and local resources; such projects must be designed to ensure eventual assumption of funding responsibility by State and local authorities."; and

(B) in the second sentence, in clause (i), by striking "at risk of being certified" and inserting "likely to be diagnosed as";

(4) in paragraph (4) (as so redesignated)—

(A) in subparagraph (A), by striking "organizations serving, or proposing to serve," and inserting the following: "organizations that are preparing deaf-blind adolescents for adult placements, or that are preparing to receive deaf-blind young adults into adult living and work environments, and that serve, or propose to serve,"; and

(B) in subparagraph (C), by inserting "supervised," after "rehabilitative,";

(5) in paragraph (5) (as so redesignated), by amending such paragraph to read as follows:

"(5) In carrying out this subsection, the Secretary is authorized to enter into a number of grants or cooperative agreements to establish and support single and multi-State centers for the provision of technical assistance and pilot supplementary services, for the purposes of program development and expansion, for children and youth with deaf-blindness and their families.".

(b) AMENDMENTS TO SUBSECTION (c).—Section 622(c)(1) of the Education of the Handicapped Act (20 U.S.C. 1422(c)(1)) is amended—

(1) in subparagraph (A), by inserting "sex," after "severity,";

(2) in subparagraph (C), by inserting before the period the following: "and the setting in which the services are provided"; and

(3)(A) by striking "and" at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting "; and"; and

(C) by adding at the end the following new subparagraph: "(D) student outcomes, where appropriate.".

(c) AMENDMENTS TO SUBSECTION (d).—Section 622(d) of the Education of the Handicapped Act (20 U.S.C. 1422(d)) is amended to read as follows:

"(d) The Secretary shall make a grant, or enter into a contract or cooperative agreement, for a national clearinghouse for children and youth with deaf-blindness—

"(1) to identify, coordinate, and disseminate information on deaf-blindness;

"(2) to interact with educators, professional groups, and parents to identify areas for programming, materials development, training, and expansion of specific services;

"(3) to maintain a computerized data base on local, regional, and national resources; and

"(4) to respond to information requests from professionals, parents, and members of the community.".

(d) AMENDMENTS TO SUBSECTION (e).—Section 622(e) of the Education of the Handicapped Act (20 U.S.C. 1422(e)) is amended by striking "severely handicapped" and all that follows and inserting the following: "children and youth with deaf-blindness.".

(e) AMENDMENTS TO SUBSECTION (f).—Section 622(f) of the Education of the Handicapped Act (20 U.S.C. 1422(f)) is amended by striking "with," and all that follows and inserting the following: "with organizations or public or nonprofit private agencies, as determined by the Secretary to be appropriate, to address the needs of children and youth with deaf-blindness, for—

"(1) research to identify and meet the full range of special needs of such children and youth; and

"(2) the development and demonstration of new, or improvements in existing methods, approaches, or techniques that would contribute to the adjustment and education of children and youth with deaf-blindness.".

SEC. 303. EARLY EDUCATION FOR HANDICAPPED CHILDREN.

(a) AMENDMENTS TO SUBSECTION (a).—Section 623(a)(1) of the Education of the Handicapped Act (20 U.S.C. 1423(a)(1)) is amended—

(1) in the matter preceding subparagraph (A), in the first sentence, by striking "problems of such children." and inserting "needs of these children.";

(2) in subparagraph (A), by striking "speech," and inserting "communication,"; and

(3) in subparagraph (B), by inserting before "encourage" the following: "provide family education and include a parent or their representative of such child, as well as";

(4) in subparagraph (C), by striking "problems" and insert "special needs";

(5) in subparagraph (D)—

(A) by inserting after "practices" the following: ", including interdisciplinary models and practices,"; and

(B) by inserting before the comma the following: "and to the parents of such children"; and

(6) in subparagraph (E), by inserting before the period the following: ", including the involvement of adult role models with disabilities at all levels of the program".

(b) AMENDMENTS TO SUBSECTION (b).—Section 623(b) of the Education of the Handicapped Act (20 U.S.C. 1423(b)) is amended by adding at the end the following: "This technical assistance development system shall provide assistance to parents of and advocates for infants, toddlers, and children with disabilities, as well as direct service and administrative personnel involved with such children. Information from the system should be aggressively disseminated through established information networks and other mechanisms to ensure both an impact and benefits at the community level. The Secretary shall ensure that the technical assistance provided under this subsection includes assistance to part H State agencies on procedures for use by primary referral sources in referring a child to the appropriate agency within the system for evaluation, assessment, or service.".

(c) AMENDMENTS TO SUBSECTION (c).—Section 623(c) of the Education of the Handicapped Act (20 U.S.C. 1423(c)) is amended by adding at the end the following: "Such institutes shall disseminate this information by utilizing existing networks, such as the Regional and Federal Resource Centers, the Clearinghouses, and the Technical Assistance to Parents Programs (TAPP) assisted under parts C and D, as well as the National Diffusion Network, the ERIC Clearinghouse on the Handicapped and Gifted, and the Child and Adolescent Service Systems Program (CASSP) under the National Institute of Mental Health, and other appropriate networks.".

(d) AMENDMENTS TO SUBSECTION (d).—Section 623(d) of the Education of the Handicapped Act (20 U.S.C. 1423(d)) is amended by inserting before the period the following: ", including programs to integrate children with disabilities into regular preschool programs".

(e) AMENDMENTS TO SUBSECTION (f).—Section 623(f) of the Education of the Handicapped Act (20 U.S.C. 1423(f)) is amended by inserting before the period the following: "including infants and toddlers with disabilities".

SEC. 304. PROGRAMS FOR SEVERELY HANDICAPPED CHILDREN.

(a) AMENDMENTS TO SUBSECTION (a).—Section 624(a) of the Education of the Handicapped Act (20 U.S.C. 1424(a)) is amended—

(1) in the matter preceding paragraph (1), by amending such matter to read as follows: "The Secretary may make grants to, or enter into contracts or cooperative agreements with, appropriate public agencies and nonprofit organizations to address the special education, related services, and integration needs of infants, toddlers, children, and youth with severe disabilitites through—";

(2) in paragraph (1), by inserting before the comma the following: ", including transportation to and from school";

(3) in paragraph (3), by striking "youth, and" and inserting the following: "youth, including training of regular teachers, instructors, and administrators in strategies (the goal of which is to serve infants, toddlers, children, and youth with disabilities) that include integrated settings for educating such children along side their nondisabled peers,";

(4) in paragraph (4), by striking "children and youth." and inserting the following: "children and youth by utilizing existing networks, such as the Regional and Federal Resource Centers, the Clearinghouses, and the Technical Assistance to Parent Programs (TAPP) assisted under parts C and D, as well as the National Diffusion Network, the ERIC Clearinghouse on the Handicapped and Gifted, and the Child and Adolescent Service Systems Program (CASSP) under the National Institute of Mental Health, and other appropriate networks, and"; and

(5) by adding at the end the following new paragraph:

"(5) statewide projects, in conjunction with the State's plan under part B, to improve the quality of special education and related services for children and youth with severe disabilities, and to change the delivery of those services from segregated to integrated environments.".

(b) NEW SUBSECTION.—Section 624 of the Education of the Handicapped Act (20 U.S.C. 1424) is amended by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and by inserting after subsection (a) the following new subsection:

"(b) The Secretary is authorized to make grants to, or enter into contracts or cooperative agreements with, public or private nonprofit private agencies, institutions, or organizations for the development and operation of extended school year demonstration programs for infants, toddlers, children, and youth with severe disabilities. The Secretary may fund grants that include participation of nondisabled infants, toddlers, children and youth, but in such cases matching funds from a non-Federal source from the grantee would be required.".

(c) FURTHER NEW SUBSECTION.—Section 624 of the Education of the Handicapped Act, as amended by subsection (b) of this section, is amended by adding at the end the following new subsection:

"(e) In awarding such grants and contracts under this section, the Secretary shall include a priority on programs that increase the likelihood that these children and youth will be educated with their nondisabled peers.".

SEC. 305. POSTSECONDARY EDUCATION.

(a) AMENDMENTS TO SUBSECTION (a).—Section 625(a) of the Education of the Handicapped Act (20 U.S.C. 1424a(a)) is amended—

(1) in paragraph (1), by adding at the end the following new sentence: "Such model programs may include joint projects that coordinate with special education and transition services.";

(2) in paragraph (2)—

(A) in subparagraph (A), by striking "and" after the semicolon;

(B) in subparagraph (B), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(C) for outreach activities that include the provision of technical assistance to strengthen efforts in the development, operation, and design of model programs that are adapted to the special needs of individuals with disabilities."; and

(3) in paragraph (6), by striking "$2,000,000" and inserting "$4,000,000".

(b) AMENDMENTS TO SUBSECTION (b).—Section 625(b) of the Education of the Handicapped Act (20 U.S.C. 1424a(b)) is amended to read as follows:

"(b) For purposes of subsection (a), the term 'children with disabilities' means children—

"(1) with mental retardation, hearing impairments including deafness, speech or language impairments, visual impairments including blindness, serious emotional disturbance, orthopedic impairments, autism, traumatic brain injury, other health impairments including attention deficit disorder, or specific learning disabilities; and

"(2) who, by reason thereof, need special education and related services.".

SEC. 306. SECONDARY EDUCATION AND TRANSITIONAL SERVICES FOR HANDICAPPED YOUTH.

(a) AMENDMENTS TO SUBSECTION (a).—Section 626(a)(1) of the Education of the Handicapped Act (20 U.S.C. 1425(a)(1)) is amended by inserting "independent and community living," after "continuing education,".

(b) AMENDMENTS TO SUBSECTION (b).—Section 626(b) of the Education of the Handicapped Act (20 U.S.C. 1425(b)) is amended—

(1) in paragraph (8), by striking "handicapped youth" and all that follows and inserting the following: "some youth with disabilities remain to complete school programs while others drop out,";

(2) in paragraph (9), by striking "developing" and all that follows through "techniques" and inserting "developing curriculum and instructional techniques in special education and related services"; and

(3) in paragraph (10)—

(A) by inserting "or adapted" after "specially designed"; and

(B) by striking "to increase" and all that follows and inserting the following: "to facilitate the full participation of youths with disabilities in community programs.".

(c) AMENDMENTS TO SUBSECTION (d).—Section 626(d)(3) of the Education of the Handicapped Act (20 U.S.C. 1425(d)(3)) is amended by striking "to the extent appropriate".

(d) NEW SUBSECTION (e).—Section 626 of the Education of the Handicapped Act (20 U.S.C. 1425) is amended by redesignating subsections (e) and (f) as subsections (f) and (g), respectively, and by inserting after subsection (d) the following new subsection:

"(e)(1) The Secretary shall make one-time, 5-year grants, on a competitive basis, to States in which the State vocational rehabilitation agency and State education agency submit a joint application to develop, implement, and improve systems to provide transition services for youth with disabilities from age 14 through the age they exit school.

"(2) In the case of a State whose vocational rehabilitation agency does not participate regarding a joint application described in paragraph (1), the Secretary may make a grant under such paragraph to the State if a joint application for the grant is submitted by the State education agency and one other State agency that provides transition services to individuals who are leaving programs under this Act.

"(3) States that receive grants shall use grant funds to:

"(A) Increase the availability, access, and quality of transition assistance through the development and improvement of policies, procedures, systems, and other mechanisms for youth with disabilities and their families as such youth prepare for and enter adult life.

"(B) Improve the ability of professionals, parents, and advocates to work with such youth in ways that promote the understanding of and the capability to successfully make the transition from 'student' to 'adult'.

"(C) Improve working relationships among education personnel, both within LEAs and in postsecondary training programs, relevant State agencies, the private sector, especially employers, rehabilitation personnel, local and State employment agencies, local Private Industry Councils (PICS) authorized by the Job Training Partnership Act (JTPA), and families of students with disabilities and their advocates to identify and achieve consensus on the general nature and specific application of transition services to meet the needs of youth with disabilities.

"(D) Create an incentive for accessing and using the expertise and resources of programs, projects, and activities related to transition funded through this section and with other sources.

"(4)(A) In order to receive funding under this subsection, a State vocational rehabilitation agency and State education agency shall describe in their application how they will use the first year, if necessary, to plan how to implement transition services, the second through fourth years to develop and implement transition services, and the fifth year to evaluate transition services. The application shall describe how the grant funds will be used during the planning period and phased-out during the evaluation period to ensure the continuation of transition services. Such applications shall also include—

"(i) a description of the current availability, access, and quality of transition services for eligible youth and a description of how, over 5 years, the State will improve and expand the availability, access, and quality of transition services for youth with disabilities and their families as such youth prepare for and enter adult life;

"(ii) a description of how the State will improve and increase the ability of professionals, parents, and advocates to work with such youth in ways that promote the understanding of and the capability to successfully make the transition from 'student' to 'adult';

"(iii) a description of how the State will improve and increase working relationships among education personnel, both within LEAs and in postsecondary training programs, relevant State agencies, the private sector, especially employers, rehabilitation personnel, local and State employment agencies, local Private Industry Councils (PICS) authorized by the JTPA, and families of students with disabilities and their advocates to identify and achieve consensus on the general nature and specific application of transition services to meet the needs of youth with disabilities; and

"(iv) a description of how the State will use grant funds as an incentive for accessing and using the expertise and resources of programs, projects, and activities related to transition funded through this section and with other sources.

"(B) The Secretary shall give preference to those applications that, in addition to clearly addressing the requirements under subparagraph (A), describe how the State will—

"(i) target resources to school settings, such as providing access to rehabilitation counselors for students with disabilities who are in school settings;

"(ii) target a substantial amount of grant funds, received under this subsection, to case management, program evaluation and documentation of, and dissemination of information about, transition services;

"(iii) provide incentives for interagency and private sector resource pooling and otherwise investing in transition services, especially in the form of cooperative agreements, particularly with PICS authorized by the JTPA and local branches of State employment agencies;

"(iv) provide for early, ongoing information and training for those involved with or who could be involved with transition services—professionals, parents, youth with disabilities, including self-advocacy training for such youth, and advocates for such youth as well as PICS authorized by the JTPA and local branches of State employment agencies;

"(v) provide for the early and direct involvement of all relevant parties, including PICS authorized by the JTPA and local branches of State employment agencies, in operating and planning improvements in transition services, and the early and direct involvement of all relevant parties in planning and implementing transition services for individual youth;

"(vi) provide access to training for eligible youth that matches labor market needs in their communities;

"(vii) integrate transition services with relevant opportunities in communities, including those sponsored by PICS authorized by the JTPA and local employment agencies;

"(viii) use a transition services evaluation plan that is outcome oriented and that focuses on individual youth-focused benefits; and

"(ix) ensure, that when appropriate and no later than age 22, eligible youth who participate in transition services under this program would be served as appropriate in the State section 110 and/or title VI, part C program authorized under the Rehabilitation Act of 1973.".

(e) AMENDMENTS TO FORMER SUBSECTION (e).—Section 626(f) of the Education of the Handicapped Act, as redesignated by subsection (d) of this section, is amended—

(1)(A) by inserting "(1)" after the subsection designation; and

(B) by adding at the end of paragraph (1) (as so designated) the following new sentence: "Such organizations and institutions shall disseminate such materials and information by utilizing existing networks, such as the Regional and Federal Resource Centers, the Clearinghouses, and the Technical Assistance to Parent Programs (TAPP) assisted under parts C and D, as well as the National Diffusion Network, the ERIC Clearinghouses on the Handicapped and Gifted and Languages and Linguistics, and the Child and Adolescent Service Systems Program (CASSP) under the National Institute of Mental Health, and other appropriate networks.";

(2) by adding after paragraph (1) (as so designated) the following new paragraph:

"(2) The Secretary shall fund one or more demonstration models designed to establish appropriate methods of providing, or continuing to provide, assistive technology devices and services to secondary school students as they make the transition to vocational rehabilitation, employment, postsecondary education, or adult services. Such demonstration models shall include, as appropriate—

"(A) cooperative agreements with the Rehabilitation Services Administration and/or State vocational rehabilitation agencies that ensure continuity of funding for assistive technology devices and services to such students; and

"(B) methods for dissemination of exemplary practices that can be adapted or adopted by transitional programs for secondary school students with disabilities."; and

(3) by adding at the end the following new paragraph:

"(3)(A) The Secretary shall award one, five-year cooperative agreement through a separate competition to an institution of higher education, or nonprofit public or private organization. The purpose of this agreement will be to evaluate and document

the approaches and outcomes of the project funded under subsection (e). The results of this agreement shall be disseminated through the appropriate clearinghouses, networks, and through direct communication with Federal, State, and local agencies.

"(B) The evaluation carried out pursuant to subparagraph (A) of transition services under subsection (e) shall include an evaluation of—

"(i) the outcomes of the transition services provided under such subsection, including the effect of the services regarding postsecondary education, job training, employment, and other appropriate matters;

"(ii) the impact of including in the individualized education program a statement of needed transition services (as required under section 602(a)(20)(D));

"(iii) the extent to which, in the provision of the transition services, agencies are cooperating effectively, including evaluation of the extent of coordination of the staff of the agencies, of procedures regarding confidentiality, assessment of needs, and referrals, and coordination regarding data bases and training;

"(iv) the extent to which obstacles exist regarding cooperation and coordination among agencies in the provision of the transition services, and the extent to which Federal law creates disincentives to such cooperation and coordination; and

"(v) the extent to which the transition services have been provided in a cost-effective manner.

"(C) The evaluation carried out pursuant to subparagraph (A) shall include recommendations on the manner in which the program under subsection (e) can be improved.

"(D) In the annual report required under section 618(f), the Secretary shall include an annual report of the activities and results associated with the agreement under subparagraph (A).".

(f) AMENDMENTS TO FORMER SUBSECTION (f).—Section 626(g) of the Education of the Handicapped Act, as redesignated by subsection (d) of this section, is amended by inserting before the period the following: ", the Job Training Partnership Act (JTPA), and the Carl D. Perkins Vocational Education Act".

SEC. 307. PROGRAM EVALUATIONS.

Section 627 of the Education of the Handicapped Act (20 U.S.C. 1426) is amended to read as follows:

"PROGRAMS FOR CHILDREN AND YOUTH WITH SERIOUS EMOTIONAL DISTURBANCE

"SEC. 627. (a) The Secretary is authorized to make grants to, or enter into contracts or cooperative agreements with, institutions of higher education, State and local educational agencies, and other appropriate public and private nonprofit institutions or agencies to establish projects for the purpose of improving special education and related services to children and youth with serious emotional disturbance. Such projects shall include—

"(1) studies regarding the present state of special education and related services to such children and their families, including information and data to enable assessments of the status of such services over time;

"(2) developing methodologies and curricula designed to improve special education and related services for these children and youth;

"(3) developing and demonstrating strategies and approaches to reduce the use of out-of-community residential programs and the increased use of school district-based programs (which may include, but are not limited to, day treatment programs, after-school programs, and summer programs); or

"(4) developing and demonstrating innovative approaches to assist children with emotional and behavioral problems from developing serious emotional disturbances that require the provision of special education and related services.

"(b)(1) The Secretary is authorized to make grants, on a competitive basis, to local educational agencies in collaboration with mental health entities to provide services for children and youth with serious emotional disturbance. Such demonstration projects shall—

"(A) increase the availability, access, and quality of community services for such children and youth and their families;

"(B) improve working relationships among education, school, and community mental health and other relevant personnel, families of such children and youth, and their advocates;

"(C) target resources to school settings, such as providing access to school and/or community mental health professionals and other community resources for students with serious emotional disturbance who are in community school settings; and

"(D) take into account the needs of minority children and youth in all phases of project activity.

"(2) Funds received under this subsection may also be used to facilitate interagency and private sector resource pooling to improve services for such children and youth and to provide information and training for those involved with, or who could be involved with, such children and youth.

"(c) Each project assisted under this section shall—

"(1) apply existing research outcomes from multi-disciplinary fields;

"(2) use a grant evaluation plan that is outcome-oriented and that focuses on the benefits to individual children and youth;

"(3) report on the effectiveness of such project; and

"(4) disseminate the findings of such project, where appropriate, to the Regional and Federal Resource Centers, the Clearinghouses, and the Technical Assistance Parents Program (TAPP) assisted under this part and part D, as well as the National Diffusion Network, the ERIC Clearinghouse on the Handicapped and Gifted, and the Child and Adolescent Service System Program (CASSP) under the National Institute of Mental Health and other appropriate networks.".

SEC. 308. AUTHORIZATION OF APPROPRIATIONS.

Section 628 of the Education of the Handicapped Act (20 U.S.C. 1427) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 628. (a) There are authorized to be appropriated to carry out section 621 $8,140,000 for fiscal year 1990, $8,950,000 for fiscal year 1991, $9,850,000 for fiscal year 1992, $10,830,000 for fiscal year 1993, and $11,900,000 for fiscal year 1994.

"(b) There are authorized to be appropriated to carry out section 622 $19,900,000 for fiscal year 1990, $21,900,000 for fiscal year 1991, $24,100,000 for fiscal year 1992, $26,500,000 for fiscal year 1993, and $29,200,000 for fiscal year 1994.

"(c) There are authorized to be appropriated to carry out section 623 $30,140,000 for fiscal year 1990, $33,200,000 for fiscal year 1991, $36,500,000 for fiscal year 1992, $40,120,000 for fiscal year 1993, and $44,120,000 for fiscal year 1994.

"(d) There are authorized to be appropriated to carry out section 624 $8,700,000 for fiscal year 1990, $9,500,000 for fiscal year 1991, $10,500,000 for fiscal year 1992, $11,600,000 for fiscal year 1993, and $12,700,000 for fiscal year 1994.

"(e) There are authorized to be appropriated to carry out section 625 $7,300,000 for fiscal year 1990, $8,000,000 for fiscal year 1991, $8,780,000 for fiscal year 1992, $9,660,000 for fiscal year 1993, and $10,630,000 for fiscal year 1994.

"(f) There are authorized to be appropriated to carry out section 626 $8,900,000 for fiscal year 1990, $9,800,000 for fiscal year 1991, $10,800,000 for fiscal year 1992, $11,900,000 for fiscal year 1993, and $13,050,000 for fiscal year 1994.

"(g) There are authorized to be appropriated to carry out section 626(e) $25,000,000 for fiscal year 1990, $27,500,000 for fiscal year 1991, $30,250,000 for fiscal year 1992, $33,275,000 for fiscal year 1993, and $36,602,000 for fiscal year 1994.

"(h) There are authorized to be appropriated to carry out section 627 $5,000,000 for fiscal year 1990, $8,000,000 for fiscal year 1991, $10,000,000 for fiscal year 1992, $12,000,000 for fiscal year 1993, and $15,000,000 for fiscal year 1994.".

TITLE IV—TRAINING PERSONNEL FOR THE EDUCATION OF HANDICAPPED INDIVIDUALS

SEC. 401. GRANTS FOR PERSONNEL TRAINING.

(a) AMENDMENTS TO SUBSECTION (a)(1).—Section 631(a)(1) of the Education of the Handicapped Act (20 U.S.C. 1431(a)(1)) is amended—

(1) in the matter preceding subparagraph (A), by inserting after "to assist them in" the following: "inservice and preservice training of personnel in special education, related services, and early intervention, including";

(2) in subparagraph (A), by striking "adaptive physical education" and insert "adapted physical education and instructional and assistive technology services";

(3) in subparagraphs (B) through (D), by amending such subparagraphs to read as follows:

"(B) related services to infants, toddlers, children and youth with disabilities in educational settings, and other settings,

"(C) special education and other careers in preschool and early intervention services for infants and toddlers with disabilities,

"(D) special education leadership, including supervision and administration (at the advanced graduate, doctoral and post doctoral levels), special education research, and special education personnel preparation (at the doctoral and post doctoral levels), and".

(b) FURTHER AMENDMENTS TO SUBSECTION (a).—Section 631(a) of the Education of the Handicapped Act (20 U.S.C. 1431(a)) is amended—

(1) in paragraph (2)(A), after "shortages" insert "including the need for personnel in the provision of special education to children of limited-English proficiency";

(2) in paragraph (2)(B), by inserting before the period the following: ", and that include in their applications a detailed description of strategies that will be utilized to recruit and train members of minority groups and persons with disabilities";

(3) in paragraph (3), by adding at the end the following new sentence: "Minority students will have priority for receipt of any fellowships or traineeships made available by the institution under grants under paragraph (1).."; and

(4) in paragraph (4), by amending such paragraph to read as follows:

"(4) Any person receiving a fellowship under this subsection shall agree either to repay such assistance or to work for a period equivalent to the period of time during which such person received assistance, and such work shall be in an activity related to programs and activities such as those authorized under this Act. The Secretary may waive this requirement in extraordinary circumstances.".

(c) NEW PARAGRAPHS IN SUBSECTION (a).—Section 631(a) of the Education of the Handicapped Act (20 U.S.C. 1431(a)) is amended by adding at the end the following new paragraphs:

"(5) In making grants under subsection (a)(1), the Secretary may determine that a portion of training supported through such grants be conducted on an interdisciplinary basis, and shall be designed to assist special educators in properly coordinating service provision with related services personnel. Training programs funded under subsection (a)(1)(B) and (a)(1)(E) shall require practice to demonstrate the delivery of related services in an array of regular and special education and community settings.

"(6) The Secretary in carrying out paragraph (1) shall make grants to Historically Black Colleges and Universities, and other institutions of higher education whose minority student enrollment is at least 25 percent.".

(d) AMENDMENTS TO SUBSECTION (b).—Section 631(b) of the Education of the Handicapped Act (20 U.S.C. 1431(b)) is amended by striking "nonprofit agencies" and all that follows and inserting the following: "nonprofit agencies and organizations to develop and demonstrate effective ways for preservice training programs to prepare regular educators to work with children and youth with disabilities and their families; for training teachers to work in community and school settings with secondary school students with disabilities and their families; for inservice and preservice training of personnel to work with infants, toddlers, children, and youth with disabilities and their families; for inservice and preservice training of personnel to work with minority infants, toddlers, children, and youth with disabilities and their families; for preservice and inservice training of special education and related services personnel in the use of assistive and instructional technology to benefit infants, toddlers, children, and youth with disabilities; and for the recruitment and retention of special education, related services, and early intervention personnel. Both preservice and inservice training shall include a component that addresses the coordination among all service providers, including regular educators.".

(e) AMENDMENTS TO SUBSECTION (c)(2).—Section 631(c)(2) of the Education of the Handicapped Act (20 U.S.C. 1431(c)(2)) is amended—

(1) in subparagraph (A), by amending such subparagraph to read as follows:

"(A) be governed by a board of directors of which a majority of the members are parents of infants, toddlers, children, and youth with disabilities, particularly minority parents, and that includes members who are professionals, especially minority professionals, in the field of special education, early intervention, and related services, and individuals with disabilities, or, if the nonprofit private organization does not have such a board, such organization shall have a membership that represents the interests of individuals with disabilities, and shall establish a special governing committee of which a majority of the members are parents of infants, toddlers, children, and youth with disabilities, particularly minority parents, and which includes members who are professionals, especially minority professionals, in the field of special education, early intervention, and related services, to operate the training and information program under paragraph (1), and parent and professional membership of these boards or special governing committees shall be representative of the proportion of minority individuals in the area;";

(2) in subparagraph (B)—

(A) by striking "children" and inserting "infants, toddlers, children, and youth"; and

(B) by striking "handicapping" and inserting "disabling"; and

(3) in subparagraph (C), by inserting before the period the following: ", and, for purposes of paragraph (1), network with clearinghouses, including those established under section 633 and other organizations and agencies, and network with other established national, State, and local parent groups representing the full range of parents of infants, toddlers, children, and youth with disabilities, especially minority parent groups".

(f) AMENDMENTS TO SUBSECTION (c)(4).—Section 631(c)(4) of the Education of the Handicapped Act (20 U.S.C. 1431(c)(4)) is amended—

(1) in subparagraph (A), by striking "States" and all that follows and inserting the following: "States and give priority to the establishment of 5 new experimental parent training and information centers to serve large numbers of parents of children with disabilities located in high density areas that do not have such centers.";

(2) in subparagraph (B), by striking the period at the end and inserting a comma; and

(3) by adding at the the end the following new subparagraphs:

"(C) serve parents of minority children with disabilities representative to the proportion of the minority population in the areas being served, and

"(D) be funded at a level adequate to serve the parents in the area.".

(g) NEW PARAGRAPH IN SUBSECTION (c).—Section 631(c) of the Education of the Handicapped Act (20 U.S.C. 1431(c)) is amended by adding at the end the following new paragraph:

"(9) Effective for fiscal year 1991 and every year thereafter, the Secretary shall obtain data concerning programs and centers assisted under this subsection on—

"(A) the number of parents provided information and training by disability category of their children,

"(B) the types and modes of information or training provided,

"(C) strategies used to reach and serve minority parents of infants, toddlers, children, and youth with disabilities,

"(D) the number of parents served as a result of activities described under clause (iii),

"(E) activities to network with other information clearinghouses and parent groups as required in subsection (c)(2)(C), and

"(F) the number of agencies and organizations consulted with at the national, State, regional, and local levels.

The Secretary shall include a summary of this information in the annual report to Congress as required in section 618(g).".

(h) FURTHER AMENDMENTS TO SUBSECTION (c).—Section 631(c) of the Education of the Handicapped Act (20 U.S.C. 1431(c)) is amended—

(1) in paragraph (1), in the first and second sentences, by striking "parents of handicapped children" each place such term appears and inserting "parents of infants, toddlers, children, and youth with disabilities";

(2) in paragraph (5)—

(A) in subparagraph (E), by amending such subparagraph to read as follows:

"(E) obtain appropriate information about the range of options, programs, services, and resources available at the national, State, and local levels to assist infants, toddlers, children, and youth with disabilities and their families, and"; and

(B) in subparagraph (F), by striking "handicapped" and all that follows and inserting the following: "infants, toddlers, children, and youth with disabilities under this Act."; and

(3) in paragraph (7)—

(A) by striking "with appropriate agencies which" and insert the following: "and network with appropriate national, State, regional, and local agencies and organizations, such as protection and advocacy agencies, that"; and

(B) by striking "handicapped children and youth" and inserting "infants, toddlers, children, and youth with disabilities and their families".

SEC. 402. GRANTS TO STATE EDUCATIONAL AGENCIES AND INSTITUTIONS FOR TRAINEESHIPS.

Section 632(c) of the Education of the Handicapped Act (20 U.S.C. 1432(c)) is amended by inserting before the period the following: ", and for the purpose of assisting the State to develop and maintain its comprehensive system of personnel development and conduct recruitment and retention activities".

SEC. 403. CLEARINGHOUSES.

Section 633 of the Education of the Handicapped Act (20 U.S.C. 1433) is amended to read as follows:

"CLEARINGHOUSES

"SEC. 633. (a) The Secretary is authorized to make grants to, or enter into contracts or cooperative agreements with, public agencies or private nonprofit organizations or institutions for the establishment of three national clearinghouses: on children and youth with disabilities; on postsecondary education for individuals with disabilities; and on careers in special education, to—

"(1) collect, develop, and disseminate information,

"(2) provide technical assistance,

"(3) conduct coordinated outreach activities,

"(4) provide for the coordination and networking with other relevant national, State, and local organizations and information and referral resources,

"(5) respond to individuals and organizations seeking information, and

"(6) provide for the synthesis of information for its effective utilization by parents, professionals, individuals with disabilities, and other interested parties.

"(b) The national clearinghouse for children and youth with disabilities shall:

"(1) Collect and disseminate information (including the development of materials) on characteristics of infants, toddlers, children, and youth with disabilities and on programs, legislation, and services relating to

their education under this Act and other Federal laws.

"(2) Participate in programs and services related to disability issues for providing outreach, technical assistance, collection, and dissemination of information; and promoting networking of individuals with appropriate national, State, and local agencies and organizations.

"(3) Establish a coordinated network and conduct outreach activities with relevant Federal, State, and local organizations and other sources for promoting public awareness of disability issues and the availability of information, programs, and services.

"(4) Collect, disseminate, and develop information on current and future national, Federal, regional, and State needs for providing information to parents, professionals, individuals with disabilities, and other interested parties relating to the education and related services of individuals with disabilities.

"(5) Provide technical assistance to national, Federal, regional, State and local agencies and organizations seeking to establish information and referral services for individuals with disabilities and their families.

"(6) In carrying out the activities in this subsection, the clearinghouse will include strategies to disseminate information to underrepresented groups such as limited English proficiency.

"(c) The national clearinghouse on postsecondary education for individuals with disabilities shall:

"(1) Collect and disseminate information nationally on characteristics of individuals entering and participating in education and training programs after high school; legislation affecting such individuals and such programs; policies, procedures, and support services, as well as adaptations, and other resources available or recommended to facilitate the education of individuals with disabilities; available programs and services that include, or can be adapted to include, individuals with disabilities; and sources of financial aid for the education and training of individuals with disabilities.

"(2) Identify areas of need for additional information.

"(3) Develop new materials (in both print and nonprint form), especially by synthesizing information from a variety of fields affecting disability issues and the education, rehabilitation, and retraining of individuals with disabilities.

"(4) Develop a coordinated network of professionals, related organizations and associations, mass media, other clearinghouses, and governmental agencies at the Federal, regional, State, and local level for the purposes of disseminating information and promoting awareness of issues relevant to the education of individuals with disabilities after high school and referring individuals who request information to local resources.

"(5) Respond to requests from individuals with disabilities, their parents, and professionals who work with them, for information that will enable them to make appropriate decisions about postsecondary education and training.

"(d) The national clearinghouse designed to encourage students to seek careers and professional personnel to seek employment in the various fields relating to the education of children and youth with disabilities shall:

"(1) Collect and disseminate information on current and future national, regional, and State needs for special education and related services personnel.

"(2) Disseminate information to high school counselors and others concerning current career opportunities in special education, location of programs, and various forms of financial assistance (such as scholarships, stipends, and allowances).

"(3) Identify training programs available around the country.

"(4) Establish a network among local and State educational agencies and institutions of higher education concerning the supply of graduates and available openings.

"(5) Provide technical assistance to institutions seeking to meet State and professionally recognized standards.

"(e)(1) In awarding grants, contracts, and cooperative agreements under this section, the Secretary shall give priority attention to any applicant with demonstrated experience (at the national level) in performing the functions established in this section; and with the ability to conduct such projects, communicate with intended consumers of information, and maintain the necessary communication with national, regional, State and local agencies and organizations.

"(2) In awarding grants, contracts, and cooperative agreements under this section, the Secretary shall give priority attention to any applicant with demonstrated experience (at the national level) in providing informational services to minorities and minority organizations.

"(3) The Secretary is authorized to make contracts through the clearinghouse with profit-making organizations only when necessary for materials or media access.

"(f)(1) Beginning in fiscal year 1991, and for each year thereafter, the Secretary shall obtain information on each project assisted under this section, including—

"(A) as appropriate, by disability category, the number of individuals served, including parents, professionals, students, and individuals with disabilities;

"(B) a description of responses utilized;

"(C) a listing of new products developed and disseminated; and

"(D) a description of strategies and activities utilized for outreach to urban and rural areas with populations of minorities and underrepresented and underserved groups.

"(2) A summary of the data required by this subsection shall be included in the annual report to Congress required under section 618 of this Act.".

SEC. 404. REPORTS TO SECRETARY.

Section 634(a) of the Education of the Handicapped Act (20 U.S.C. 1434(a)) is amended—

(1) in paragraph (1), by striking "and" at the end;

(2) in paragraph (2), by striking the period and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(3) information required under section 631(c)(9) and section 633(f)(1).".

SEC. 405. AUTHORIZATION OF APPROPRIATIONS.

Section 635(a) of the Education of the Handicapped Act (20 U.S.C. 1435(a)) is amended to read as follows:

"(a)(1) There are authorized to be appropriated to carry out this part (other than sections 631(a)(6), 631(c), and 633) $86,900,000 for fiscal year 1990, $95,600,000 for fiscal year 1991, $105,150,000 for fiscal year 1992, $115,660,000 for fiscal year 1993, and $127,200,000 for fiscal year 1994.

"(2) There are authorized to be appropriated to carry out section 631(a)(6) $17,500,000 for fiscal year 1990, $19,250,000 for fiscal year 1991, $21,175,000 for fiscal year 1992, $23,292,500 for fiscal year 1993, and $25,621,750 for fiscal year 1994.

"(3) There are authorized to be appropriated to carry out section 631(c) $10,000,000 for fiscal year 1990, $11,000,000 for fiscal year 1991, $12,100,000 for fiscal year 1992, $13,300,000 for fiscal year 1993, and $14,600,000 for fiscal year 1994.

"(4) There are authorized to be appropriated to carry out section 633 $2,200,000 for fiscal year 1990, $2,420,000 for fiscal year 1991, $2,700,000 for fiscal year 1992, $2,900,000 for fiscal year 1993, and $3,200,000 for fiscal year 1994.".

TITLE V—RESEARCH IN EDUCATION OF HANDICAPPED INDIVIDUALS

SEC. 501. RESEARCH AND DEMONSTRATION PROJECTS IN EDUCATION OF HANDICAPPED CHILDREN.

Section 641 of the Education of the Handicapped Act (20 U.S.C. 1441) is amended to read as follows:

"IMPROVEMENT OF INSTRUCTION AND LEARNING OF CHILDREN WITH DISABILITIES

"SEC. 641. (a) The Secretary may make grants to, or enter into contracts or cooperative agreements with, State and local educational agencies, institutions of higher education, other public agencies and nonprofit private organizations for the purpose of advancing and improving the knowledge base and improve the practice of professionals, parents, and others providing early intervention, special education, and related services, including professionals who work with children and youth with disabilities in regular education environments, to provide such children effective instruction and enable them to successfully learn. The activities supported under this section shall support innovation, development, exchange, and use of such advancements in knowledge and practice designed to contribute to the improvement of instruction and learning of infants, toddlers, children, and youth with disabilities. In carrying out this section, the Secretary may support a wide range of research and related activities designed to—

"(1) advance knowledge about the provision of instruction and other interventions to infants, toddlers, children, and youth with disabilities including, but not limited to—

"(A) the organization, synthesis, and interpretation of current knowledge and the identification of knowledge gaps;

"(B) the identification of knowledge and skills competency needed by personnel providing special education, related services, and early intervention services;

"(C) the improvement of knowledge regarding the developmental and learning characteristics of infants, toddlers, children, and youth with disabilities in order to improve the design and effectiveness of interventions and instruction;

"(D) the evaluation of approaches and interventions;

"(E) the development of instructional strategies, techniques, and activities;

"(F) the improvement of curricula and instructional tools such as textbooks, media, materials, and instructional technology;

"(G) the development of assessment techniques, instruments (including tests, inventories, and scales), and strategies for measurement of progress and the identification, location, and evaluation of infants, toddlers, children, and youth with disabilities for the purpose of determining eligibility, program planning and placement for special education, related services and early intervention services. Particular attention should be

given to the development of alternative assessment procedures and processes for minority individuals and those with limited English proficiency;

"(H) the testing of research findings in practice settings to determine their application, usability, effectiveness, and generalizability;

"(I) the identification of environmental, organizational, resource, and other conditions necessary for effective professional practice; and

"(J) the improvement of knowledge regarding families, minorities, limited-English proficiency, and handicapping conditions; and

"(2) advance the utilization of knowledge by professionals and others providing special education, related services, and early intervention including, but not limited to—

"(A) the improvement of knowledge regarding how professionals and others providing special education, related services, and early intervention learn new knowledge and skills and strategies for effectively facilitating such learning in both preservice and in-service education;

"(B) the organization, integration, and presentation of knowledge so that it can be incorporated and imparted in personnel preparation and continuing education programs and other relevant training and communication vehicles; and

"(C) the expansion and improvement of networks that exchange knowledge and practice information, such as the Regional and Federal Resource Centers, the Clearinghouses, and the Technical Assistance to Parents Programs (TAPP) assisted under parts C and D of this Act, as well as the National Diffusion Network, the ERIC Clearinghouse on the Handicapped and Gifted, and the Child and Adolescent Service Systems Program (CASSP) under the National Institute of Mental Health, and other appropriate networks.

"(b) In carrying out subsection (a), the Secretary shall consider the special education, related services, or early intervention and research experience of applicants.

"(c) The Secretary shall publish proposed priorities under this part in the Federal Register every 2 years, not later than July 1, and shall allow a period of 60 days for public comments and suggestions. After analyzing and considering the public comments, the Secretary shall publish final priorities in the Federal Register not later than 60 days after the close of the comment period.

"(d) The Secretary shall provide an index (including the title of each project and the name and address of the funded organization) of all projects conducted under this part in the prior fiscal year in the annual report described under section 618. The Secretary shall make reports of projects available to the education community at large and to other interested parties.

"(e)(1) The Secretary shall make grants, or enter into contracts or cooperative agreements, for the establishment of model demonstration programs, of which some will be school-based models, that provide the services of an ombudsman to assist in resolving problems that are barriers to appropriate educational, related services, or other services for children and youth with disabilities.

"(2) Programs under paragraph (1) shall provide or identify personnel to assist children and youth with disabilities, their parents or guardians, special and regular education teachers, State and local education administrators, and related services personnel to resolve problems in a timely manner through dispute mediation and other methods, notwithstanding due process procedures, in order to further the delivery of appropriate education and related services. Participation in this program does not preclude or delay due process under this Act.

"(3) Ombudsman services for programs under paragraph (1) shall be provided by social workers, parent advocates, psychologists, and persons with similar qualifications designated by the Secretary.".

SEC. 502. RESEARCH AND DEMONSTRATION PROJECTS IN PHYSICAL EDUCATION AND RECREATION FOR HANDICAPPED CHILDREN.

Section 642 of the Education of the Handicapped Act (20 U.S.C. 1442) is amended by striking "recreation for handicapped children" each place such term appears and inserting "recreation for children with disabilities, including therapeutic recreation".

SEC. 503. PANELS OF EXPERTS.

Part E of the Education of the Handicapped Act (20 U.S.C. 1441 et seq.) is amended by striking section 643 and by redesignating section 644 as section 643.

SEC. 504. AUTHORIZATION OF APPROPRIATIONS.

Section 643 of the Education of the Handicapped Act, as redesignated by section 503 of this Act, is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 643. For purposes of carrying out this part, there are authorized to be appropriated $22,100,000 for fiscal year 1990, $24,300,000 for fiscal year 1991, $26,800,000 for fiscal year 1992, $29,400,000 for fiscal year 1993, and $32,400,000 for fiscal year 1994.".

TITLE VI—INSTRUCTIONAL MEDIA FOR HANDICAPPED INDIVIDUALS

SEC. 601. PURPOSES.

Section 651 of the Education of the Handicapped Act (20 U.S.C. 1451) is amended—

(1) by striking the subsection designation;

(2) in paragraph (1)—

(A) in subparagraph (A), by inserting "and television programs" after "those films";

(B) in subparagraph (B), by inserting " and television programs" after "these films";

(C) by striking "and" after the semicolon at the end of subparagraph (B); and

(D) by adding at the end the following new subparagraph:

"(D) utilizing educational media to help eliminate illiteracy among individuals with disabilities;";

(3) by striking the period at the end of paragraph (2) and inserting "; and"; and

(4) by adding at the end the following new paragraph:

"(3) the general welfare of visually impaired individuals by—

"(A) bringing to such individuals an understanding and appreciation of textbooks, films, television programs, video material, and other educational publications and materials that play such an important part in the general and cultural advancement of visually unimpaired individuals; and

"(B) ensuring access to television programming and other video materials.".

SEC. 602. CAPTIONED FILMS AND EDUCATIONAL MEDIA FOR HANDICAPPED INDIVIDUALS.

Section 652 of the Education of the Handicapped Act (20 U.S.C. 1452) is amended—

(1) in the heading for such section, by inserting ", TELEVISION, DESCRIPTIVE VIDEO," after "FILMS";

(2) in subsection (a), by inserting ", descriptive video" after "captioned films";

(3) in subsection (b)—

(A) in paragraph (3), by striking "captioning of films" and inserting "captioning for the hearing impaired, and video description for the visually impaired, of films, television programs, and video materials"; and

(B) in paragraph (4)—

(i) by striking "captioned films" and inserting "captioned and video-described films, video materials,"; and

(ii) inserting "or entities" after "agencies";

(4) in subsection (c)(3), by inserting ", educational, and social" after "cultural"; and

(5) by adding at the end the following new subsection:

"(d)(1) The Secretary is authorized to make a grant to, or enter into a contract with, Recording for the Blind, Inc., for the purpose of providing current, free textbooks and other educational publications and materials to blind and other print-handicapped students in elementary, secondary, postsecondary, and graduate schools and other institutions of higher education through the medium of transcribed tapes and cassettes.

"(2) For the purpose of this subsection, the term 'print-handicapped' refers to any individual who is blind or severely visually impaired, or who, by reason of a physical or perceptual disability, is unable to read printed material unassisted.".

SEC. 603. AUTHORIZATION OF APPROPRIATIONS.

Section 653 of the Education of the Handicapped Act (20 U.S.C. 1454) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 653. (a) For the purpose of carrying out section 652 (other than subsection (d)), there are authorized to be appropriated $18,200,000 for fiscal year 1990, $20,010,000 for fiscal year 1991, $22,010,000 for fiscal year 1992, $24,200,000 for fiscal year 1993, and $26,600,000 for fiscal year 1994.

"(b) For the purpose of carrying out section 652(d), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1990 through 1994.".

TITLE VII—TECHNOLOGY, EDUCATIONAL MEDIA, AND MATERIALS FOR HANDICAPPED INDIVIDUALS

SEC. 701. FINANCIAL ASSISTANCE.

Section 661 of the Education of the Handicapped Act (20 U.S.C. 1461) is amended—

(1) in the matter preceding paragraph (1), in the first sentence, by striking "provision of early intervention" and inserting "provision of related services and early intervention services";

(2) in paragraph (1)—

(A) by inserting "assistive technology," after "technology,"; and

(B) by striking "more effectively" and inserting "most effectively, efficiently, and appropriately";

(3) in paragraphs (2) through (4), by striking "new technology," each place such term appears and inserting "technology, assistive technology,";

(4) in paragraph (4), by inserting before the period at the end the following: ", where appropriate, to the Regional and Federal Resource Centers, the Clearinghouses, and the Technical Assistance to Parents Programs (TAPP) assisted under parts C and D, as well as the National Diffusion Network,

the ERIC Clearinghouse on the Handicapped and Gifted, and the Child and Adolescent Service Systems Program (CASSP) under the National Institute of Mental Health, and other appropriate networks";

(5)(A) by striking "and" at the end of paragraph (3);

(B) by striking the period at the end of paragraph (4) and inserting ", and"; and

(C) by adding at the end the following new paragraph:

"(5) examining how these purposes can address the problem of illiteracy among individuals with disabilities."; and

(6) by inserting "(a)" after the section designation and by adding at the end the following new subsection:

"(b)(1) With respect to new technology, media, and materials utilized with funds under this part to improve the education of students with disabilities, the Secretary shall make efforts to ensure that such instructional materials are closed-captioned.

"(2) The Secretary may not award a grant, contract, or cooperative agreement under paragraphs (1) through (4) of subsection (a) unless the applicant for such assistance agrees that activities carried out with the assistance will be coordinated, as appropriate, with the State entity receiving funds under title I of Public Law 100-407.".

SEC. 702. AUTHORIZATION OF APPROPRIATIONS.

Section 662 of the Education of the Handicapped Act (20 U.S.C. 1462) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 662. For the purpose of carrying out this part, there are authorized to be appropriated $12,130,000 for fiscal year 1990, $13,300,000 for fiscal year 1991, $14,700,000 for fiscal year 1992, $16,140,000 for fiscal year 1993, and $17,800,000 for fiscal year 1994.".

TITLE VIII—HANDICAPPED INFANTS AND TODDLERS

SEC. 801. DEFINITIONS.

Section 672(2)(E) of the Education of the Handicapped Act (20 U.S.C. 1472(2)(E)) is amended—

(1) by striking "and" after the comma at the end of clause (ix) and inserting "and" after the comma at the end of clause (x); and

(2) by adding at the end the following new clause:

"(xi) social work services,".

SEC. 802. REQUIREMENTS FOR STATEWIDE SYSTEM.

Section 676(b) of the Education of the Handicapped Act (20 U.S.C. 1476(b)) is amended—

(1) in paragraph (6), by inserting before the comma the following: ", including the preparation and dissemination by the lead agency to all primary referral sources of information materials for families on the availability of early intervention services";

(2) in paragraph (8), by inserting before the comma the following: ", including training of primary referral sources respecting the basic components of early intervention services available in the State"; and

(3)(A) by striking "and' at the end of paragraph (13), and by striking the period at the end of paragraph (14) and inserting ", and"; and

(B) by adding at the end the following new paragraph:

"(15) procedures for determining the extent to which primary referral sources, especially hospitals and physicians, disseminate information on the availability of early intervention services as required under paragraph (6) to parents of infants with disabilities.".

TITLE IX—TECHNICAL AMENDMENTS

SEC. 901. REVISION IN TERMINOLOGY.

(a) REVISION IN SHORT TITLE.—Section 601(a) of the Education of the Handicapped Act (20 U.S.C. 1400(a)) is amended by striking "This title" and all that follows and inserting the following: "This title may be cited as the 'Individuals With Disabilities Education Act'.".

(b) CONFORMING AMENDMENTS.—The Individuals With Disabilities Education Act (as so redesignated by subsection (a)) is amended—

(1) by striking "handicapped children and youth" each place such terms appear and inserting "children and youth with disabilities";

(2) by striking "handicapped child or youth" each place such terms appear and inserting "child or youth with disabilities";

(3) by striking "handicapped children", "Handicapped children", "HANDICAPPED CHILDREN", and "HANDICAPPED CHILDREN" each place such terms appear and inserting "children with disabilities", "Children with disabilities", "CHILDREN WITH DISABILITIES", and "CHILDREN WITH DISABILITIES", respectively;

(4) by striking "handicapped child" and "Handicapped child" each place such terms appear and inserting "child with disabilities" and "Child with disabilities", respectively ;

(5) by striking "handicapped youth", "Handicapped youth", "HANDICAPPED YOUTH", and "HANDICAPPED YOUTH" each place such terms appear and inserting "youth with disabilities", "Youth with disabilities", "YOUTH WITH DISABILITIES" and "YOUTH WITH DISABILITIES", respectively;

(6) by striking "handicapped infants and toddlers", "Handicapped infants and toddlers", "HANDICAPPED INFANTS AND TODDLERS", and "HANDICAPPED INFANTS AND TODDLERS" each place such terms appear and inserting "infants and toddlers with disabilities", "Infants and toddlers with disabilities", "INFANTS AND TODDLERS WITH DISABILITIES", and "INFANTS AND TODDLERS WITH DISABILITIES", respectively ;

(7) by striking "handicapped infant or toddler" and "Handicapped infant or toddler" each place such terms appear and inserting "infant or toddler with disabilities" and "Infant or toddler with disabilities", respectively ;

(8) by striking "handicapped student", "Handicapped student", "handicapped students", "handicapped students", and "Handicapped students" each place such terms appear and inserting "student with disabilities", "Student with disabilities", "students with disabilities", "students' with disabilities", and "Students with disabilities", respectively;

(9) by striking "handicapped individuals", "Handicapped individuals", "HANDICAPPED INDIVIDUALS", and "HANDICAPPED INDIVIDUALS" each place such terms appear and inserting "individuals with disabilities", "Individuals with disabilities", "INDIVIDUALS WITH DISABILITIES", and "INDIVIDUALS WITH DISABILITIES", respectively ;

(10) by striking "handicapped individual" and "Handicapped individual" each place such terms appear and inserting "individual with one or more disabilities" and "Individual with one or more disabilities", respectively ;

(11) by striking "handicapped", "Handicapped" (other than where such term appears in a reference to another Act), "HANDICAPPED", and "HANDICAPPED" each place such terms appear and inserting "disabled", "Disabled", "DISABLED", and "DISABLED", respectively;

(12) by striking "handicaps" and "Handicaps" each place such terms appear and inserting "disabilities" and "Disabilities", respectively;

(13) by striking "handicap" and "Handicap" each place such terms appear and inserting "disability" and "Disability", respectively; and

(14) by striking "handicapping" and "Handicapping" each place such terms appear and inserting "disabling" and "Disabling", respectively.

TITLE X—GENERAL PROVISIONS

SEC. 1001. EFFECTIVE DATE.

The amendments made by this Act shall take effect October 1, 1990, or upon the date of the enactment of this Act, whichever occurs later.

The SPEAKER pro tempore. Is a second demanded?

Mr. BARTLETT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York [Mr. OWENS] will be recognized for 20 minutes, and the gentleman from Texas [Mr. BARTLETT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. OWENS].

Mr. OWENS of New York. Mr. Speaker, I yield myself such time as I may consume.

Many children with disabilities have benefited from the passage of Public Law 94-142 and its subsequent amendments. Today, we prepare to reauthorize the discretionary programs—parts CG of this monumental legislation—which have played a significant role in the determination of how education should be provided to these children. Each child with a disability needs a different set of approaches and services in order to guarantee a free appropriate public education. The design of the discretionary programs provides the framework needed when exploring ways in which we can meet the unique needs of each individual child.

Over the years, the activities and projects funded under the discretionary programs have been the catalyst for change. They have been instrumental in fostering new teaching methods and curriculum; promoting the dissemination of information; facilitating the availability of trained personnel; generating new perspectives in the resolution of persistent problems; and providing parents with vital information and training.

H.R. 1013 continues our responsibility to move this law into the 21st century in order to ensure this Nation's commitment to equal education and opportunity to all its citizens. More and more we see this great promise

under threat—whether due to acts of ommission or commission; failure to realize the significance of demographic changes among our school population, or by passively accepting the status quo.

It is close to scandalous that despite the fact that minority children make up a large portion of our public school population, we continue to ignore the need for minority participation in all areas of special education. To counter the shortages or minority professionals, teachers, and researchers, and the inequitable distribution of program funds, provisions have been made for recruitment, training, and retention of minorities to fill educational leadership roles in our schools.

The following changes have also been made:

In order to address the lack of options for our youth with disabilities to participate in postsecondary education, employment, and community living opportunities we have authorized a new initiative that will involve the State education agency and the State vocational rehabilitation agency in statewide systems change projects. Additionally, we are requiring that individualized education programs contain a statement regarding transition services and the agencies responsible.

The committee is requiring that recipients of funds for research projects describe their results in a format that will maximize the dissemination and usage of the research results by a variety of people using the clearinghouses and other resources as conducts for information.

H.R. 1013 also makes it very clear that a State is not immune from suit under the 11th amendment.

As part of the model demonstrations projects, we have established an ombudsman program to facilitate the settlement of problems that are barriers to the delivery of special education services, and to curtail the emotional, fiscal, and temporal costs to both parents and children anxious to achieve equitable services. It is a model that has its roots in the New York City advocay program so successful during the early 1980's.

The terminology of the act takes note of the fact that "handicapped" is no longer the preferred term for people with disabilities. Therefore, references to "handicaps" and "handicapped children" have been changed throughout the bill, as well as in the title of this act.

H.R. 1013 represents the need for change and reform. It contains a wide range of ideas and recommendations from the various disability organizations. I would like to thank these organizations for their input and cooperation throughout this long legislative process. Also, I would like to thank the ranking minority member, Mr. BARTLETT, for his work on the bill. It is my hope that the House will acknowledge the efforts of all involved and vote in support of this bill.

Mr. BARTLETT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I commend Chairman OWENS for bringing to us today a bipartisan bill that reflects the issues brought out by the our hearings on the discretionary programs under the Education of the Handicapped Act [EHA]. H.R. 1013 reauthorizes 13 discretionary grant programs currently funded under the Education of the Handicapped Act. Through these programs, the Federal Government directly funds a wide range of activities and programs related to personnel training, research, and model projects. Some of these activities and programs focus on specific disabilities, others on age groups or settings, or a combination of such. H.R. 1013 represents changes that strengthen and improve these programs so that they will continue to be a catalyst for providing access to and increasing the quality of education offered to children with disabilities.

We have come a long way in a year and half since we first began discussing this legislation and what improvements needed to be made. Our accomplishments have been met through true bipartisan negotiation and hard work. I think we can be proud of this legislation because it builds upon four basic principles:

First, a willingness to improve the status quo. While EHA is an excellent foundation, improvements can always be made to ensure a quality education for children with disabilities.

Second, we have made reality-based improvements in this legislation at both ends of the age cycle. By emphasizing transistion services for children with disabilities ready to leave the classroom, we have recognized the positive effects that Public Law 94-142 has had in the education of these children. This education must be carried into productive employment as the child enters adult life or we have lost all of the time, efforts, and dollars it took to educate that child.

By strengthening what hospitals and physicians must do in notifying parents about early intervention services, we have significantly increased the chances of that disabled baby going into the regular classroom when he begins school.

Third, we have prioritized spending. Recognizing that we have a crisis in transition, personnel preparation, and minority participation, this substitute directs significant funds to those three critical areas.

Fourth, this reauthorization has mobilized the Republicans and Democrats to seek significant increases for the basic State grant, the foundation of EHA. While I would have preferred that improvements in the State grant program be made in this bill, I think we have been successful in our goal. The House Budget Committee adopted the Republican recommendation of a $500 million increase over fiscal year 1990 postsequester appropriations for fiscal year 1991 and several members from this subcommittee testified before the Appropriations Committee demonstrating our unified bipartisan strong support for a significant increase.

Today, we are embarking on a 5-year reauthorization of these discretionary programs which meets the above principles with the hope that the changes we make will lead to children with disabilities graduating with the skills necessary to live independent and productive lives once they leave the classroom.

To that end, I am pleased that the chairman and I reached a reasonable compromise on the four major issues that form the cornerstone of this bill: Authorization levels, transition services, personnel preparation, and greater minority participation. In addition, the administration supports reauthorization of these programs and does not object to passage of H.R. 1013.

AUTHORIZATION LEVELS

Authorization levels are always compromises in that some Members want significantly higher levels and some of us want much lower levels. However, a 10-percent across-the-board increase for all programs except the new Seriously Emotionally Disturbed Program is a reasonable increase and achievable in the appropriations process. I am particularly excited that the new transition initiative will be funded at $25 million and receive increases of 10 percent per year throughout the reauthorization period.

TRANSITION SERVICES

While we have made enormous progress in educating and mainstreaming children with disabilities during their school years, we have not been so successful at providing the skills necessary for them to succeed after graduation. There is a crisis today in transitioning graduating disabled students to employment, postsecondary education, and community participation.

According to the 12th Annual EHA Report to Congress, 238,579 disabled children left school in 1987-88, and only 42 percent of these children graduated and received a high school diploma. During that same school year, 27.4 percent of students with disabilities dropped out. Less than half of the students that graduate have full- or part-time employment a year after they graduate. While 70 percent of these students have done some type of productive work after they graduate such as volunteer work, sheltered employment, or homemaking, 30 percent of

these kids are sitting at home doing absolutely nothing.

A stronger commitment to transition services is long overdue. It makes both economic and practical sense to end this crisis. In an effort to reverse that trend, we have made three major changes to the act which improve a student's transition from school to adult life.

First, and most important, this substitute requires that transition services be part of the child's IEP beginning at age 16 and when appropriate, at age 14 or younger. This will ensure that those children who need transition services will receive them through the IEP process.

Second, we define the term "transition services" so that schools, parents, providers, and other agencies understand exactly what we mean. During the hearings, witnesses testified that transition can mean several different things depending on the individual child. This subsitute provides a definition that coordinates a set of activities for the student that is outcome oriented and promotes movement from school to integrated employment, postsecondary education, vocational training, continuing and adult education, adult services, independent living, or community participation. This set of activities must be based on a student's needs, preferences, and interests.

Finally, this substitute creates a new competitive State grant program to assist States in developing and improving transition services for youth with disabilities from age 14 through the age when they exit school. This new initiative offers an opportunity for State education agencies and State vocational rehabilitation agencies to plan together to better serve our youth with disabilities. This initiative will encourage cooperation and coordination at all levels of the service delivery system, including the participation of private industry councils and local employment offices. Entities like these could and should be more involved in providing transition service to targeted youth.

We anticipate that this new transition program will prepare students with disabilities to enter adulthood and lead successful, productive, and independent lives.

PERSONNEL PREPARATION

We are also facing a crisis in personnel preparation for special education teachers. This substitute makes several improvements to meet that crisis. In 1987-88, there was a shortage of 26,500 special education teachers. In addition, 15,500 more related services personnel were needed in 1987-88. Trained personnel are a critical factor if we expect the mandates in EHA to be met.

This substitute does several things that will allow us to meet our personnel needs:

First, requires inservice and preservice training to special education personnel, related services personnel, and early intervention personnel.

Second, requires preservice training for regular educators in an effort to train them to work with students with disabilities in the regular classroom.

Third, requires students receiving fellowships to either work in special education for the period of time that the student received the fellowship or repay the fellowship.

Fourth, requires the State to describe how they will ensure that there will be an adequate supply of qualified special education personnel to meet the educational needs of children with disabilities.

Without qualified special education teachers we can never expect our disabled children to reach their full potential and be prepared to enter adulthood.

MINORITY PARTICIPATION

Another major emphasis of this substitute is reaching out to minorities to improve and provide better services to minority children with disabilities and to recruit minority teachers into the special education classroom. I support these goals and believe that efforts need to be made to increase minority participation in the discretionary programs. This bill accomplishes that goal in several ways.

First, it provides a $17.5 million line item to historically black colleges and universities and other universities serving 25 percent or more minorities to recruit and train students in special education.

Second, it provides outreach services to historically black colleges and universities, universities with 25 percent or more minorities, nonprofit and forprofit agencies at least 51 percent owned by minorities and underrepresented populations to enable these institutions to increase their participation for grants funded by these discretionary programs.

Third, it stipulates that grants for these programs will be awarded to those applicants who are qualified to conduct the activity funded by the grant and have expertise in, and a record of, successfully recruiting, retaining, graduating, and promoting minority individuals and individuals with disabilities. This will allow all grantees to focus services on minority individuals with disabilities.

And, fourth, it gives minority students first priority when awarding fellowships in special education training.

I believe these changes will meet our goals to increase minority participation in these discretionary programs and provide better services to minority children with disabilities.

We have spent a long time developing this bipartisan proposal and I believe this bill demonstrates this subcommittee's commitment to build upon a strong foundation and add programmatic initiatives in the area of demonstrated needs. I again commend the chairman on his hard work in developing programs that will work in the 1990's.

Mr. GUNDERSON. I am very pleased to be able to add my support to the bipartistan reauthorization of the discretionary programs of the Education of the Handicapped Act, H.R. 1013. It is very appropriate that we are voting on H.R. 1013. It is very appropriate that we are voting on H.R. 1013 after recently passing landmark civil rights legislation for individuals with disabilities, the Americans with Disabilities Act. Both acts are empowering pieces of legislation that bring individuals with disabilities into mainstream America.

Since 1975 when the Education of the Handicapped Act was first enacted, the number of individuals with disabilities receiving help has grown dramatically. Based upon last December's special education enrollment, over 4.4 million children with disabilities are being served. These children will have a much better opportunity to become the productive members of our work force that our economy and country needs.

This act also recognizes the needs of several new categories of individuals with disabilities. Students with traumatic brain injury, autism, and attention deficit disorder have been specifically added to the definition of handicapped children. These students will now be eligible for services under this act.

The discretionary programs of the Education of the Handicapped Act provide the leadership and direction for future special education services. For example, the transition process outlined in this reauthorization will provide the support that students with disabilities need to make the move from the public schools into employment, postsecondary vocation education, or other appropriate adult services.

I am pleased to see that the transition initiative lays a firm foundation for coordinating future services with the Carl Perkins Vocational Education Act, the Job Training Partnership Act, and the Vocational Rehabilitation Act. It is my feeling that all of these pieces of legislation must provide a unified effort at the Federal, State, and local level to accomplish the goal of helping all Americans with disabilities become productive.

As a member of the board of Gallaudet College and a strong advocate for deaf education, I am pleased to see several items that relate to deaf and hearing impaired individuals. Specifically, the requirement that instructional materials developed with technology, educational media, and materials grant funds are closed captioned is a very positive requirement. Also, the doubling of authorization for the four regional postsecondary education programs for deaf students to $4 million is very encouraging.

Again, Mr. Speaker, I would like to emphasize my belief that the bipartisan passage of the Americans With Disabilities Act will not be as meaningful without programs like the Edu-

cation of the Handicapped Act, the Carl Perkins Act, the Job Training Partnership Act, and the Vocational Rehabilitation Act. These programs working together empower individuals with disabilities to lead useful and satisfying lives.

Mr. GOODLING. Mr. Speaker, I rise in strong support of the Education of the Handicapped Act Amendments of 1990, H.R. 1013. The reason is simple. The Education of the Handicapped Act has been, and through these amendments, will continue to be an investment in and commitment to our children with disabilities.

This bill reauthorizes the discretionary programs under the act, programs that fund teacher training, research and evaluation efforts, and model demonstrations for youngsters of all ages with various disabilities. These discretionary programs are authorized through fiscal year 1994, at funding levels each year that most likely would exceed inflation.

For the record I would like to provide an overview of the Education of the Handicapped Act and to outline key amendments included in our reauthorization bill.

The Education of the Handicapped Act [EHA] authorizes funding for two types of programs. The first type is a State grant program, known as Public Law 94-142, part B, that provides moneys to State education agencies to help support educational programs for children with disabilities, provided primarily through local education agencies, as well as intermediate education units. This State grant program, unlike the discretionary programs we are considering today, is permanently authorized. It was enacted in its present form in 1975. Since that time it was substantially amended once in 1986, creating additional incentives and mandating services for 3- and 5-year-old children with disabilities by fiscal year 1990 or 1991, depending on the level of appropriations.

The second type is 14 discretionary grant programs, parts C through H of EHA. As I have indicated, through these programs the Department of Education directly funds a wide range of activities and programs related to personnel training, research, and model projects. Some of these activities and programs focus on specific disabilities, others on age groups or settings, or combinations of such. They may involve direct service to children, or they may involve providing information and services that indirectly benefit children with disabilities.

Thirteen of these discretionary programs would have expired on September 30, 1989, except that they were automatically extended for an additional year, in the absence of a reauthorization, through the General Education Provisions Act. One discretionary program that is not affected by the September 30, 1989 expiration date, is part H of EHA, originally authorized in 1986. Through a State grant program, part H provides a heavy emphasis on interagency collaboration and coordination, authorizing early intervention services for infants through age 2 with disabilities. It expires in fiscal year 1991.

Now I will briefly describe the purposes of the 13 programs we are reauthorizing in H.R. 1013.

Resource centers: Section 621 authorizes regional resource centers and one Federal resource center. The principal purpose of these centers is to provide technical assistance to Sates related to Public Law 94-142—what it means, how to implement it, how to judge one's efforts in such implementation, and how to solve problems related to implementation. In H.R. 1013 we have amended this section to clarify the role of the regional resource centers, and to do this through a participatory process involving those who would direct, operate, or benefit from center activities.

Programs for the severely disabled: EHA authorizes two discretionary programs related to types or severity of disability—one for deaf-blind children and youth—section 622, and one for children with severe disabilities—section 624. Under both programs a broad range of activities are permitted.

In the deaf-blind programs support is given for diagnosis and evaluation of children who are deaf-blind; for programs that provide adjustment and transition training for such children, as well as youth and young adults who are deaf-blind; for consultation to and training of personnel who work with such children, as well as other technical assistance activities. In the severely handicapped program, funding is also allowed for similar activities as long as they focus on children with severe disabilities.

In H.R. 1013 we have amended the deaf-blind program by clarifying that funds authorized under this program can only be used in initiatives pertaining to such children, and by authorizing the creation of a national clearinghouse on deaf-blindness given the unique and specific needs of these children, their families, and those that work with them.

In the program for the severely disabled we have added the authority to fund system change projects, to encourage greater interagency collaboration in providing services to these children and their families, especially within their communities.

Age-related programs: Three of the 13 discretionary programs under EHA are age related; one for early education for handicapped children—section 623, one for students with disabilities about ready to exit the school system—section 626; and one to support postsecondary programs for students with disabilities—section 625. As with the other discretionary programs, a variety of programs and activities may be funded. However, the early education program emphasizes model demonstrations and a significant amount of the postsecondary program funds are spent on programs for deaf youth and young adults.

We amended the early education of children with disabilities program, clarifying that technical assistance projects funded under this program should assist agencies funded under the early intervention program, part H of EHA. For the postsecondary program, we increased from $2 to $4 million the amount authorized for the four regional postsecondary programs for the deaf, in keeping with one of the recommendations of the Commission on Deaf Education.

One of our most significant amendments was the creation, under section 626, of a new, competitive State grant program, authorized initially at $25 million, to assist States to develop more effective services for helping disabled youth to make the transition from school to adult life. To facilitate this end, the amendments require State education agencies and State vocational rehabilitation agencies to submit joint applications. My colleague from Texas, the ranking Republican on the Subcommittee on Select Education, is the author of this new program, and is to be commended for his efforts and vision.

In another major initiative, we created a new section 627, authorizing funding for research, evaluation, training, and model demonstration efforts targeted at children with severe emotional disturbance, their families, and those that work with them. Some emphasis is given to community-based initiatives that should result in more of these children living at home and attending local schools.

Personnel preparation and parent training: The largest discretionary program being reauthorized deals with personnel preparation—part D. As the program name implies, this program supports the full range of inservice and preservice training programs for special education and related service personnel, both direct service personnel like teachers, as well as indirect service personnel such as administrators. This program also funds parent information and training centers, in all but nine States, that help parent work effectively with schools. Moreover, the program gives training grants to States and supports clearinghouses on a variety of information, for example, higher education for students with disabilities and careers in special education.

H.R. 1013 amends part D in several respects: It requires recipients of fellowships to work with disabled students or repay fellowships; it clarifies and expands the role of clearinghouses; and authorizes the establishment of five parent training and information centers in high density areas that do not currently have centers.

Basic and applied research and demonstration programs: EHA contains three discretionary programs that support basic and applied research and demonstration initiatives—parts of part C and part E; support instructional media and captioning activities—part F; and support technology-related activities—part G.

H.R. 1013 amends the research program to redirect funding to efforts that will more likely and immediately affect the practice of teaching, through funding research that examines how teachers learn and apply new knowledge and skills, how to most effectively ensure that new information gets incorporated into teacher-preparation curricula, and how to improve access and use of new information through networks and other means.

Other amendments to EHA:

New comprehensive planning process: H.R. 1013 directs the Secretary to establish a comprehensive planning process through which the goals, objectives, strategies, and priorities for the 13 discretionary programs and the evaluation and program information section—section 618—under Public Law 94-142 would be developed. The Secretary would be required to involve outside groups in this process. In addition, the Secretary is directed to conduct independent evaluations of them.

Expansion and clarification of information about personnel submitted by State education

agencies: The primary purpose of these amendments is to obtain more accurate and specific information about personnel shortages and about personnel with temporary or provisional certification. These amendments also require States to specify how they would address identified shortages; provide current best practice information to personnel; and increase the number of personnel from minority groups.

Revision and expansion in evaluation of and program information about State efforts to comply with Public Law 94-142: H.R. 1013 amends section 618, the evaluation program under EHA, specifically authorizing the Department of Education to fund a wide range of activities to assist States document, assess, explore, implement, and disseminate policies, procedures, and practices that affect children with disabilities. H.R. 1013 also authorizes seven national studies to look at such issues as, where children with certain disabilities are placed for their education—for example, in segregated versus integrated settings; what types of related services—for example, occupational therapy, physical therapy—children with disabilities tend to receive; and how children with disabilities from minority groups are served.

As this information about EHA and amendments to it suggest, the 13 discretationary programs play a central role in strengthening and complementing Public Law 94-142 which mandates the availability of a free appropriate public education to each of the 4.3 million children with disabilities in this Nation. These programs provide the glue, the infrastructure, and the focus that will result in qualitative improvements in how we serve our special children tomorrow and in the next century.

The differences, the amendments in H.R. 1013 will bring in the lives of disabled children, will not be judged in terms of dollars, but in terms of new opportunities, better teachers, more meaningful choices, opened minds, manageable challenges, and increased cooperation. I urge our colleagues to join me in supporting H.R. 1013.

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Mr. BARTLETT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. OWENS of New York. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from New York [Mr. OWENS] that the House suspend the rules and pass the bill, H.R. 1013, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to amend the Education of the Handicapped Act to revise and extend the programs established in parts C through G of such act, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on H.R. 1013, the bill just passed.

The SPEAKER pro tempore (Mr. MAZZOLI). Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor be discharged from further consideration of the Senate bill (S. 1824) to reauthorize the Education of the Handicapped Act, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill as follows:

S. 1824

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Education of Individuals with Disabilities Act of 1989".

SEC. 2. DEFINITIONS.

Section 602(a) of the Education of the Handicapped Act (hereinafter referred to as "the Act") is amended—

(1) by amending paragraph (1) to read as follows:

"(1) The term 'children with disabilities' means children—

"(A) with—

"(i) mental retardation;

"(ii) hearing impairments, including deafness;

"(iii) speech or language impairments;

"(iv) visual impairments, including blindness;

"(v) serious emotional disturbances;

"(vi) orthopedic impairments;

"(vii) autism;

"(viii) head injuries;

"(ix) other health impairments; or

"(x) specific learning disabilities; and

"(B) who, by reason thereof, need special education and related services.";

(2) in paragraph (17) by inserting "social work services," after "psychological services,"; and

(3) by inserting at the end thereof the following new paragraphs:

"(24) The term 'assistive technology device' means any item, piece of equipment, or product system, whether acquired commercially off the shelf, modified, or customized, that is used to increase, maintain, or improve functional capabilities of individuals with disabilities.

"(25) The term 'assistive technology service' means any service that directly assists an individual with a disability in the selection, acquisition, or use of an assistive technology device. Such term includes—

"(A) the evaluation of the needs of an individual with a disability, including a functional evaluation of the individual in the individual's customary environment;

"(B) purchasing, leasing, or otherwise providing for the acquisition of assistive technology devices by individuals with disabilities;

"(C) selecting, designing, fitting, customizing, adapting, applying, maintaining, repairing, or replacing of assistive technology devices;

"(D) coordinating and using other therapies, interventions, or services with assistive technology devices, such as those associated with existing education and rehabilitation plans and programs;

"(E) training or technical assistance for an individual with disabilities, or, where appropriate, the family of an individual with disabilities; and

"(F) training or technical assistance for professionals (including individuals providing education and rehabilitation services), employers, or other individuals who provide services to, employ, or are otherwise substantially involved in the major life functions of individuals with disabilities.".

SEC. 3. WAIVER OF STATE IMMUNITY.

Part A of the Act is amended by inserting the following new section 604 after section 603:

"WAIVER OF STATE IMMUNITY

"(a) A State shall not be immune under the eleventh amendment of the Constitution of the United States from suit in Federal court for a violation of this Act.

"(b) In a suit against a State for a violation of this Act, remedies (including remedies both at law and in equity) are available for such a violation to the same extent as such remedies are available for such a violation in the suit against any public entity other than a State.

"(c) The provisions of subsections (a) and (b) shall take effect with respect to violations that occur in whole or in part after the date of enactment of the Education of Individuals with Disabilities Act of 1989.".

SEC. 4. ADMINISTRATIVE PROVISIONS.

Part A of the Act is amended by inserting the following new section 610 after section 609:

"ADMINISTRATIVE PROVISIONS

"SEC. 610. (a) PRIORITY.—In awarding grants, contracts, and cooperative agreements under parts C through G of this Act, the Secretary, where appropriate, shall require applicants to demonstrate how they will address, in whole or in part, the needs of infants, toddlers, children, and youth with disabilities from the diversity of racial, ethnic, and linguistic backgrounds.

"(b) DISSEMINATION.—The Secretary shall require recipients of all grants, contracts and cooperative agreements under parts C through G of this Act to prepare procedures, findings, and other relevant information in a form that will maximize the dissemination and use of such procedures, findings, and information. The Secretary may require the delivery of such procedures, findings, and information to appropriate networks that exchange knowledge and practice information, including, but not limited to, the National Diffusion Network authorized under section 1562 of the Elementary and Secondary Education Act of 1965, regional resource centers authorized under section 621 of this Act, appropriate clearinghouses authorized under section 633 of this Act, appropriate parent and professional organizations, and organizations representing individuals with disabilities.

"(c) SITE VISIT.—The Secretary shall conduct at least 1 site visit for each grant, contract, and cooperative agreement receiving $300,000 or more annually under parts C through G of this Act.".

SEC. 5. STATE PLANS.

Section 613(a)(3) of the Act is amended to read as follows:

"(3) describe, consistent with the purposes of this Act, a comprehensive system of personnel development that shall include—

"(A) a description of the procedures and activities the State will undertake to ensure an adequate supply of qualified special education and related services personnel, including—

"(i) the development and maintenance of a system for determining, on an annual basis—

"(I) the number and type of personnel, including leadership personnel, that are employed in the provision of special education and related services, by area of specialization, including the number of such personnel who are employed on an emergency, provisional, or other basis, who do not hold appropriate State certification or licensure; and

"(II) the number and type of personnel, including leadership personnel, needed, and a projection of the numbers of such personnel that will be needed in five years, based on projections of individuals to be served, retirement and other leaving of personnel from the field, and other relevant factors;

"(ii) the development and maintenance of a system for determining, on an annual basis, the institutions of higher education within the State that are preparing special education and related services personnel, including leadership personnel, by area of specialization, including—

"(I) the numbers of students enrolled in such programs, and

"(II) the number who graduated with certification or licensure, or with credentials to qualify for certification or licensure, during the past year; and

"(iii) the development, updating, and implementation of a plan that—

"(I) will address current and projected special education and related services personnel needs, including the need for leadership personnel; and

"(II) coordinates and facilitates efforts among State and local educational agencies, institutions of higher education, and professional associations to recruit, prepare, and retain qualified personnel, including personnel from diverse racial, ethnic, and linguistic backgrounds, and personnel with disabilities; and

"(B) a description of the procedures and activities the State will undertake to ensure that all personnel necessary to carry out this part are appropriately and adequately prepared, including—

"(i) a system for the continuing education of regular and special education and related services personnel;

"(ii) procedures for acquiring and disseminating to teachers, administrators, and related services personnel significant knowledge derived from education research and other sources; and

"(iii) procedures for adopting, where appropriate, promising practices, materials, and technology.".

SEC. 6. EVALUATION.

Section 618 of the Act is amended to read as follows:

"EVALUATION

"SEC. 618. (a) The Secretary shall, directly or by grant, contract, or cooperative agreement, collect data—

"(1) to assess progress in the implementation of this Act;

"(2) to assess the impact and effectiveness of State and local efforts, and efforts by the Secretary of the Interior, to provide—

"(A) free appropriate public education to children and youth with disabilities; and

"(B) early intervention services to infants and toddlers with disabilities; and

"(3) to provide—

"(A) Congress with information relevant to policymaking; and

"(B) State, local, and Federal agencies, including the Department of the Interior, with information relevant to program management, administration, and effectiveness with respect to such education and early intervention services.

"(b)(1) In carrying out subsection (a), the Secretary, on at least an annual basis (except as provided in subparagraph (E)), shall obtain data concerning programs and projects assisted under this Act and under other Federal laws relating to infants, toddlers, children, and youth with disabilities, and such additional information, from State and local educational agencies, the Secretary of the Interior, and other appropriate sources, including designated lead agencies under part H of this Act, including—

"(A) the number of infants, toddlers, children, and youth with disabilities in each State receiving a free appropriate public education or early intervention services—

"(i) in age groups 0-2 and 3-5, and

"(ii) in age groups 6-11, 12-17, and 18-21, by disability category;

"(B) the number of children and youth with disabilities in each State, by disability category, who—

"(i) are participating in regular educational programs (consistent with the requirements of section 612(5)(B) and 614(a)(1)(C)(iv));

"(ii) are in separate classes, separate schools or facilities, or public or private residential facilities; or

"(iii) have been otherwise removed from the regular education environment;

"(C) the number of children and youth with disabilities exiting the educational system each year through program completion or otherwise, by disability category, for each year of age from age 14 through 21;

"(D) the number and type of personnel that are employed in the provision of—

"(i) special education and related services to children and youth with disabilities, by disability category served; and

"(ii) early intervention services to infants and toddlers with disabilities; and

"(E) at least every three years, using the data collection method the Secretary finds most appropriate, a description of the services expected to be needed, by disability category, for youth with disabilities in age groups 12-17 and 18-21 who have left the educational system.

"(2) Beginning with fiscal year 1992, the Secretary shall obtain and report data from the States under section 613(a)(3)(A), including data addressing current and projected special education and related services needs, and data on the number of personnel who are employed on an emergency, provisional, or other basis, who do not hold appropriate State certification or licensure, and other data for the purpose of meeting the requirements of this subsection pertaining to special education and related services personnel.

"(3) The Secretary shall provide, directly or by grant, contract, or cooperative agreement, technical assistance to State agencies providing the data described in paragraphs (1) and (2) to achieve accurate and comparable information.

"(c)(1)(A) The Secretary is authorized to conduct activities, directly or by grant, contract, or cooperative agreement, to prepare an annual report on the progress being made toward the provision of—

"(i) a free appropriate public education to all children and youth with disabilities; and

"(ii) early intervention services for infants and toddlers with disabilities.

"(B) Not later than 120 days after the close of each fiscal year, the Secretary shall transmit a copy of the report authorized under subparagraph (A) to the appropriate committees of each House of Congress. The annual report shall be published and disseminated in sufficient quantities to the education community at large and to other interested parties.

"(2) The Secretary shall include in each annual report under paragraph (1)—

"(A) a compilation and analysis of data gathered under subsection (b); and

"(B) a description of findings and determinations resulting from monitoring reviews of State implementation of this part.

"(3) In the annual report under paragraph (1) for fiscal year 1991 (which is published in 1992) and for every third year thereafter, the Secretary shall include in the annual report—

"(A) an index of all current projects funded under parts C through G of this Act; and

"(B) data reported under sections 622 and 634.

"(4) The Secretary shall include in each annual report under paragraph (1) the results of research and related activities conducted under part E of this Act that the Secretary determines are relevant to the effective implementation of this Act.

"(5) The Secretary shall, in consultation with the National Council on Disability and the Bureau of Indian Affairs Advisory Committee for Exceptional Children, include a description of the status of early intervention services for infants and toddlers with disabilities from birth through age 2, and special education and related services to children with disabilities from 3 through 5 years of age (including those receiving services through Head Start, developmental disabilities programs, crippled children's services, mental health/mental retardation agencies, and State child-development centers and private agencies under contract with local schools).

"(d) There are authorized to be appropriated $3,594,000 for each of the fiscal years 1990, 1991, 1992, 1993, and 1994 to carry out this section.".

SEC. 7. REGIONAL RESOURCE AND FEDERAL CENTERS.

(a) IN GENERAL.—Section 621(a) of the Act is amended in the first sentence by inserting "that focus on special education, related services, and early intervention" before the period.

(b) COORDINATING TECHNICAL ASSISTANCE CENTER.—Section 621(d) of the Act is amended by inserting at the end thereof the following new sentence: "Such coordinating technical assistance center is authorized to—

"(1) provide information to, and training for, agencies, institutions, and organizations, regarding techniques and approaches for submitting applications for grants, contracts, and cooperative agreements under this part and parts D through G, and shall make such information available to the regional resource centers on request;

"(2) give priority to providing technical assistance concerning the education of children with disabilities from diverse racial, ethnic, and linguistic backgrounds;

"(3) exchange information with, and, where appropriate, cooperate with, other centers addressing the needs of children with disabilities from diverse racial, ethnic, and linguistic backgrounds; and

"(4) provide assistance to State educational agencies, through the regional resource centers, for the training of hearing officers.".

SEC. 8. SERVICES FOR DEAF-BLIND CHILDREN AND YOUTH.

Section 622 of the Act is amended—

(1) in subsection (a)(1) by inserting "; local educational agencies and designated lead agencies under part H of this Act" after "State educational agencies";

(2) in subsection (a)(1)(A) by—

(A) inserting "infants, toddlers," before "children and youth"; and

(B) striking "special education and related services" and inserting in lieu thereof "special education, early intervention, and related services";

(3) in subsection (a)(1)(B) by striking "youth, upon attaining the age of twenty-two," and inserting "individuals"; and

(4) by amending subsection (a)(2) to read as follows:

"(2)(A) A grant, cooperative agreement, or contract may be made under paragraph (1)(A) only for programs providing—

"(i) technical assistance to agencies, institutions, or organizations providing educational or early intervention services to deaf-blind infants, toddlers, children, or youth;

"(ii) preservice or inservice training to paraprofessionals, professionals, or related services personnel preparing to serve, or serving, deaf-blind infants, toddlers, children, or youth;

"(iii) replication of successful innovative approaches to providing educational, early intervention, or related services to deaf-blind infants, toddlers, children, and youth;

"(iv) pilot projects that are designed to—

"(I) expand local educational agency capabilities by providing services to deaf-blind children and youth that supplement services already provided to children and youth through State and local resources; and

"(II) encourage eventual assumption of funding responsibility by State and local authorities;

"(v) research to identify and meet the full range of special needs of such deaf-blind infants, toddlers, children, and youth;

"(vi) the development, improvement, or demonstration of new or existing methods, approaches, or techniques that contribute to the adjustment and education of deaf-blind infants, toddlers, children, and youth; or

"(vii) facilitation of parental involvement in the education of their deaf-blind infants, toddlers, children, and youth.

"(B) The programs described in subparagraph (A) may include—

"(i) the diagnosis and educational evaluation of infants, toddlers, children, and youth who are likely to be diagnosed deaf-blind;

"(ii) programs of adjustment, education, and orientation for deaf-blind infants, toddlers, children, and youth; and

"(iii) consultative, counseling, and training services for the families of deaf-blind infants, toddlers, children, and youth.";

(5) in subsection (a)(3)—

(A) in subparagraph (A), by striking "who have attained age twenty-two years"; and

(B) in subparagraph (C), by striking "rehabilitative, semisupervised," and inserting "rehabilitative, supervised, semisupervised,";

(6) by amending subsection (a)(4) to read as follows:

"(4) In carrying out this subsection, the Secretary shall take into consideration the availability and quality of existing services for deaf-blind infants, toddlers, children, and youth in the country, and, to the extent practicable, ensure that all parts of the country have an opportunity to receive assistance under this subsection.";

(7) by amending subsection (b) to read as follows:

"(b) In order to accomplish the objectives of subsection (a), the Secretary is also authorized to make grants, or enter into contracts or cooperative agreements, to establish and support single and multi-State centers to provide technical assistance for program development and expansion for the education of deaf-blind infants, toddlers, children, and youth, and their families, and pilot projects as described under subsection (a)(2)(A)(iv).";

(8) by amending subsection (d) to read as follows:

"(d) The Secretary shall enter into a cooperative agreement with an institution of higher education, public agency, or private nonprofit organization or institution for a national center on deaf-blindness. Such center shall disseminate materials and information concerning effective practices in working with deaf-blind infants, toddlers, children, and youth."; and

(9) by striking subsections (e) and (f).

SEC. 9. EARLY EDUCATION FOR CHILDREN WITH DISABILITIES.

(a) The heading of section 623 of the Act is amended to read as follows:

"EARLY EDUCATION FOR CHILDREN WITH DISABILITIES"

(b) Section 623 of the Act is amended—

(1) in subsection (a)(1) by—

(A) inserting "or other communication mode, and" after "speech" in subparagraph (A);

(B) striking "and" at the end of subparagraph (D);

(C) striking the period at the end of subparagraph (E) and inserting in lieu thereof a comma; and

(D) inserting the following new subparagraphs at the end thereof:

"(F) facilitate and improve the early identification of infants and toddlers with disabilities or those infants and toddlers at risk of having developmental disabilities,

"(G) facilitate the transition of infants with disabilities or infants at risk of having developmental delays, from medical care to early intervention services, and the transition from early intervention services to preschool special education or regular education services (especially where the lead agency for early intervention programs under part H of this Act is not the State educational agency),

"(H) promote the use of assistive technology devices and assistive technology services, where appropriate, to enhance the development of infants and toddlers with disabilities, and

"(I) increase the understanding of, and address, the early intervention and preschool needs of children exposed prenatally to maternal substance abuse.";

(2) by inserting the following new subsection (g) at the end thereof:

"(g) The Secretary may make grants to, or enter into contracts or cooperative agreements with, institutions of higher education and nonprofit private organizations to synthesize the knowledge developed under this section and organize, integrate, and present such knowledge so it can be incorporated and imparted to parents, professionals, and others providing or preparing to provide preschool or early intervention services and to persons designing preschool or early intervention programs.".

SEC. 10. PROGRAMS FOR CHILDREN WITH SEVERE DISABILITIES.

(a) The heading of section 624 of the Act is amended to read as follows:

"PROGRAMS FOR CHILDREN WITH SEVERE DISABILITIES"

(b) Section 624 of the Act is amended—

(1) in subsection (a) by inserting "special education, related services, and early intervention" after "address the";

(2) in subsection (a)(1) by inserting "education, related services, and early intervention" after "special";

(3) in subsection (a)(3) by—

(A) inserting "special and regular education, related services, and early intervention" before "personnel"; and

(B) inserting "infants, toddlers," after "such"; and

(4) by inserting at the end thereof the following new subsection (d):

"(d) The Secretary is authorized to make grants to, or enter into contracts or cooperative agreements with, public or private nonprofit agencies, institutions, or organizations for the development and operation of extended school year demonstration programs for children and youth with severe disabilities.".

SEC. 11. POSTSECONDARY EDUCATION.

Section 625 of the Act is amended—

(1) in subsection (a)(6) by striking "$2,000,000" and inserting "$4,000,000"; and

(2) by amending subsection (b) to read as follows:

"(b) For the purposes of subsection (a), the term 'individuals with disabilities' means individuals—

"(1) with—

"(A) mental retardation;

"(B) hearing impairments, including deafness;

"(C) speech or language impairments;

"(D) visual impairments, including blindness;

"(E) serious emotional disturbances;

"(F) orthopedic impairments;

"(G) autism;

"(H) head injuries;

"(I) other health impairments; or

"(J) specific learning disabilities; and

"(2) who, by reason thereof, need special education and related services.".

SEC. 12. SECONDARY EDUCATION AND TRANSITIONAL SERVICES FOR CHILDREN AND YOUTH WITH DISABILITIES.

(a) HEADING.—The heading of section 626 of the Act is amended to read as follows:

"SECONDARY EDUCATION AND TRANSITIONAL SERVICES FOR CHILDREN AND YOUTH WITH DISABILITIES".

(b) AMENDMENTS.—Section 626 of the Act is amended—

(1) in subsection (b)(2) by inserting "independent living," after "training,";

(2) in subsection (b)(9) by—

(A) inserting ", and related services," after "techniques"; and

(B) striking "and" after "services,";

(3) in subsection (b)(10) by striking the period at the end thereof and inserting in lieu thereof a comma and "and";

(4) in subsection (b) by inserting the following new paragraph at the end thereof:

"(11) developing and disseminating exemplary programs and practices that meet the unique needs of students who utilize assistive technology devices and assistive technology services as such students make the transition to postsecondary education, vocational training, competitive employment (including supported employment), and continuing education or adult services."; and

(5) by inserting the following new subsections (g) and (h) at the end thereof:

"(g) The Secretary shall award at least five grants on a competitive basis to projects in which the State educational agency and the State vocational rehabilitation agency submit a joint application to implement and improve transition services for youth with disabilities aged 14 through 21. The Secretary shall give priority to such joint applications that—

"(1) target resources to school settings, such as providing access to rehabilitation counselors for students with disabilities who are in school settings;

"(2) provide for cooperative arrangements for interagency funding of transition services and that encourage public and private sector investment in transition services;

"(3) provide for early, ongoing information and training for individuals involved with or who could be involved with transition services, such as professionals, parents, and youth with disabilities, including selfadvocacy training for such youth; and

"(4) ensure, that when appropriate and no later than age 22, youth who participate in transition services will be served in accordance with the provisions of section 110 of the Rehabilitation Act of 1973 or under part C of title VI of the Rehabilitation Act of 1973.

"(h)(1) The Secretary may make grants to, or enter into contracts or cooperative agreements with, institutions of higher education, State educational agencies, local educational agencies, other appropriate public and private nonprofit institutions or agencies, or other organizations or institutions as are determined by the Secretary to be appropriate, to address the various transitions that a child with a disability may face throughout such child's years in school, including but not limited to—

"(A) the transition from medical care to special education for those children with disabilities, including chronic health impairments, who may require individualized health-related services to enable such children to participate in, or benefit from, special education;

"(B) the transition between residential placement and community-based special education services; and

"(C) the transition between a separate educational placement and the regular classroom setting.

"(2) Authorized activities for projects assisted under paragraph (1) include, but are not limited to—

"(A) research, demonstrations, and outreach;

"(B) a census to determine the number of children and youth with disabilities who need individualized health-related services to enable such children and youth to participate in, or benefit from, special education, and to determine the types of health-related services needed by such children;

"(C) training of school nurses, educators, and related-services providers, aides, and others to provide health-related services;

"(D) training of case managers;

"(E) demonstration models to enhance and facilitate continuing interaction between medical and school personnel regarding the on-going needs of students with disabilities, including chronic health impairments; and

"(F) demonstration models to explore multiple sources of funding for health-related services.

"(3) In making grants and entering into contracts and cooperative agreements under this subsection, the Secretary shall ensure that the approved activities will be coordinated with similar activities funded under other sections of this Act.

"(4) To the extent feasible, programs authorized by this subsection shall be geographically dispersed throughout the Nation in urban and rural areas.".

SEC. 13. PROGRAMS FOR CHILDREN AND YOUTH WITH SERIOUS EMOTIONAL DISTURBANCES.

Part C of the Act is further amended—

(1) by redesignating sections 627 and 628 as sections 628 and 629, respectively; and

(2) inserting the following new section 627 after section 626:

"PROGRAMS FOR CHILDREN AND YOUTH WITH SERIOUS EMOTIONAL DISTURBANCES

"SEC. 627. (a) The Secretary is authorized to make grants to institutions of higher education, State educational agencies, local educational agencies, or other appropriate public and private nonprofit institutions or agencies for research, demonstrations, and training to improve special education and related services to children and youth with serious emotional disturbances. Such grants may be used for—

"(1) studies regarding the state of special education and related services to such children and youth and their families, including the establishment and maintenance of data bases for assessing the status of such services over time;

"(2) projects to develop methodologies and curricula designed to improve special education and related services programming;

"(3) projects to develop and demonstrate strategies and approaches to reduce the use of out-of-community residential programs and the increased use of school district-based programs including, but not limited to, day treatment programs, after-school, and summer programs;

"(4) projects to develop the knowledge, skills, and strategies for effective collaboration among special education, regular education, related services, and other professionals and agencies, including demonstration projects;

"(5) projects to demonstrate innovative approaches to prevent children and youth with emotional and behavioral problems from developing serious emotional disturbances that require the provision of special education and related services; or

"(6) synthesis and dissemination of knowledge.

"(b) At least one study conducted under paragraph (a)(1) shall examine the extent to which out-of-community residential programs are used for children and youth with serious emotional disturbances, the factors that influence such placement decisions, the extent to which such children and youth return to educational programs in their communities, and the factors which facilitate or impede such return.".

SEC. 14. PART C AUTHORIZATION OF APPROPRIATIONS.

Section 629 of the Act (as redesignated by section 13(1)) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 629. (a) There are authorized to be appropriated to carry out section 621 $7,500,000 for fiscal year 1990, $8,100,000 for fiscal year 1991, $8,750,000 for fiscal year 1992, $9,450,000 for fiscal year 1993, and $10,204,000 for fiscal year 1994.

"(b) There are authorized to be appropriated to carry out section 622 $17,800,000 for fiscal year 1990, $19,220,000 for fiscal year 1991, $20,760,000 for fiscal year 1992, $22,420,000 for fiscal year 1993, and $24,220,000 for fiscal year 1994.

"(c) There are authorized to be appropriated to carry out section 623 $27,410,000 for fiscal year 1990, $29,600,000 for fiscal year 1991, $31,970,000 for fiscal year 1992, $34,530,000 for fiscal year 1993, and $37,290,000 for fiscal year 1994.

"(d) There are authorized to be appropriated to carry out section 624 $6,500,000 for fiscal year 1990, $7,020,000 for fiscal year 1991, $7,580,000 for fiscal year 1992, $8,190,000 for fiscal year 1993, and $8,840,000 for fiscal year 1994.

"(e) There are authorized to be appropriated to carry out section 625 $8,770,000 for fiscal year 1990, $9,470,000 for fiscal year 1991, $10,230,000 for fiscal year 1992, $11,050,000 for fiscal year 1993, and $11,930,000 for fiscal year 1994.

"(f) There are authorized to be appropriated to carry out section 626 $9,000,000 for fiscal year 1990, $12,000,000 for fiscal year 1991, $15,000,000 for fiscal year 1992, $18,000,000 for fiscal year 1993, and $21,000,000 for fiscal year 1994.

"(g) There are authorized to be appropriated to carry out section 627 $2,000,000 for fiscal year 1990, $5,000,000 for fiscal year 1991, $6,000,000 for fiscal year 1992, $7,000,000 for fiscal year 1993, and $8,000,000 for fiscal year 1994.".

SEC. 15. GRANTS FOR PERSONNEL TRAINING.

Section 631 of the Act is amended—

(1) in subsection (a)(1) by striking "special education and early intervention" and inserting "special education, related services, and early intervention";

(2) by amending subsection (a)(1)(C) to read as follows:

"(C) special education leadership, including supervision and administration, and personnel preparation of special educators and other personnel providing related services and pre-school and early intervention services for children with disabilities, and";

(3) in subsection (a)(1)(D) by striking the comma and "and" and inserting a period;

(4) by repealing subparagraph (E) of paragraph (1) of subsection (a);

(5) in subsection (a)(2)(A), by striking "for the personnel" and inserting "for special education, related services, early intervention, and other personnel";

(6) inserting at the end of subsection (a) the following new paragraphs:

"(5) Nothing in this subsection shall be construed to prevent regular education or special education personnel from benefiting from or participating in training activities conducted under this subsection on a preservice or inservice basis.

"(6) The Secretary shall establish priorities for—

"(A) the recruitment and preparation of individuals from the diversity of racial, ethnic, and linguistic backgrounds, and individuals with disabilities, for careers in special education, related services, and early intervention, including special education leadership; and

"(B) the preservice preparation of special education, related services, and early intervention personnel to serve individuals from the diversity of racial, ethnic, and linguistic backgrounds."; and

(7) in subsection (b) by—

(A) striking "secondary school students, and" and inserting "students,"; and

(B) striking the period at the end thereof and inserting a comma and "and for the recruitment and retention of special education, related services, and early intervention personnel.".

SEC. 16. GRANTS TO STATE EDUCATIONAL AGENCIES AND INSTITUTIONS FOR TRAINEESHIPS.

Section 632 of the Act is amended—

(1) in subsection (c) by—

(A) inserting "special and regular education, related services and early intervention" after "prepare"; and

(B) by striking the period at the end thereof and inserting a comma and "and to assist the State in developing and maintaining such systems and conducting personnel recruitment and retention activities."; and

(2) by inserting at the end thereof the following new subsection:

"(d) The Secretary is authorized to provide directly or by grant, contract, or cooperative agreement, technical assistance to State educational agencies on matters pertaining to the effective implementation of section 613(a)(3).".

SEC. 17. CLEARINGHOUSES.

Section 633 of the Act is amended by—

(1) amending subsection (a) to read as follows:

"(a) The Secretary shall make a grant to, or enter into a contract or cooperative agreement with, a public agency or a nonprofit private organization or institution to establish and operate a national clearinghouse on the education of individuals with disabilities. Such clearinghouse shall—

"(1) collect, synthesize, develop, and disseminate information on a national basis to parents, professionals, and other interested parties concerning programs and services relating to the education of individuals with disabilities under this Act and under other Federal laws;

"(2) participate in programs related to disability issues in order to provide outreach, technical assistance, information collection and dissemination, and referral of individuals to appropriate national, State, and local agencies and organizations;

"(3) coordinate outreach activities with relevant Federal, State, and local organizations and other sources of information, programs, and services, including organizations representing individuals with disabilities, to promote public awareness of disability issues and the availability of information, programs, and services for infants, toddlers, children, and youth with disabilities;

"(4) provide technical assistance to national, Federal, regional, State and local agencies and organizations seeking to establish information and referral services for individuals with disabilities and their families;

"(5) participate in the dissemination of the results of research, demonstration projects, and models funded under parts C through G of this Act, as deemed appropriate by the Secretary; and

"(6) collect and provide the Secretary with data on the information needs of parents, professionals, individuals with disabilities, and others regarding the provision of special education, related services, and early intervention.";

(2) amending subsection (b) to read as follows:

"(b) In addition to the clearinghouse established under subsection (a), the Secretary shall make a grant or enter into a contract or cooperative agreement to establish and operate a national clearinghouse on postsecondary education for individuals with disabilities. Such clearinghouse shall—

"(1) collect, develop, synthesize, and disseminate information on a national basis to individuals with disabilities, parents, professionals, and other interested parties, regarding—

"(A) available services and programs in postsecondary education for individuals with disabilities;

"(B) characteristics of individuals entering into, and participating in, the programs set forth in subparagraph (A);

"(C) laws affecting individuals with disabilities and the programs set forth in subparagraph (A);

"(D) sources of financial aid for the education and training of individuals with disabilities; and

"(E) policies, procedures, support services, adaptations, and other resources available or recommended to facilitate the education, rehabilitation, and retraining of adults with disabilities;

"(2) identify areas of need for additional information regarding postsecondary education for individuals with disabilities; and

"(3) coordinate with professionals, relevant Federal, State, and local agencies, and appropriate organizations to disseminate information on, and promote awareness of, issues relevant to the postsecondary education of individuals with disabilities.";

(3) in subsection (c) by—

(A) inserting "or cooperative agreement" after "contract"; and

(B) inserting at the end thereof the following new paragraph (6):

"(6) Assistance to institutions of higher education, States, and others to recruit persons for professional careers in special education, related services, and early intervention, including strategies for recruiting individuals from the diversity of racial, ethnic, and linguistic backgrounds and individuals with disabilities."; and

(4) in subsection (d)—

(A) in paragraph (1) by striking "the grants and contracts" and inserting "grants, contracts, and cooperative agreements"; and

(B) by inserting at the end thereof the following new paragraph (3):

"(3) In awarding grants, contracts, or cooperative agreements under this section, the Secretary shall give particular attention to demonstrated experience at the national level in providing information services to racially, ethnically, and linguistically diverse consumers, rural and urban consumers, and organizations that serve infants, toddlers, children and youth with disabilities, their families, and professionals.".

SEC. 18. PART D AUTHORIZATION OF APPROPRIATIONS.

Section 635 of the Act is amended to read as follows:

"SEC. 635. (a)(1) There are authorized to be appropriated to carry out this part (other than sections 631(c) and 633) $86,900,000 for fiscal year 1990, $93,850,000 for fiscal year 1991, $101,360,000 for fiscal year 1992, $111,500,000 for fiscal year 1993, and $120,420,000 for fiscal year 1994.

"(2) There are authorized to be appropriated to carry out section 631(c) $9,000,000 for fiscal year 1990, $10,000,000 for fiscal year 1991, $11,000,000 for fiscal year 1992, $12,000,000 for fiscal year 1993, and $13,000,000 for fiscal year 1994.

"(3) There are authorized to be appropriated to carry out section 633 $2,000,000 for fiscal year 1990, $2,160,000 for fiscal year 1991, $2,230,000 for fiscal year 1992, $2,520,000 for fiscal year 1993, and $2,720,000 for fiscal year 1994.

"(b) Of the funds appropriated pursuant to subsection (a)(1) for any fiscal year, the Secretary shall reserve not less than 65 percent for activities described in section 631(a)(1).

"(c) Of the funds appropriated under subsection (a)(1) for any fiscal year, the Secretary shall reserve not less than 10 percent for activities under section 632.".

SEC. 19. ADVANCING KNOWLEDGE AND PRACTICE.

The heading of part E of the Act is amended to read as follows:

"PART E—ADVANCING KNOWLEDGE AND PRACTICE"

SEC. 20. RESEARCH AND RELATED ACTIVITIES.

(a) HEADING.—The heading of section 641 of the Act is amended to read as follows:

"RESEARCH AND RELATED ACTIVITIES"

(b) AMENDMENT.—Section 641 of the Act is amended to read as follows:

"SEC. 641. The Secretary is authorized to make grants to, or enter into contracts or cooperative agreements with, State or local educational agencies, institutions of higher education, and other public agencies and nonprofit private organizations to assess and improve the practice of personnel, and the roles of other appropriate persons, including parents, in the provision of special education, related services, and early intervention, through the development and exchange of knowledge. In carrying out this section, the Secretary may support a wide range of research, demonstrations, and related activities designed to—

"(1) advance knowledge regarding the provision of instruction and other interventions to infants, toddlers, children, and youth with disabilities including, but not limited to—

"(A) the organization, synthesis, and interpretation of current knowledge and the identification of knowledge gaps;

"(B) the identification of knowledge and skill competencies needed by personnel providing special education, related services, and early intervention services;

"(C) the improvement of knowledge regarding the developmental and learning characteristics of infants, toddlers, children, and youth with disabilities in order to improve the design and effectiveness of interventions and instruction;

"(D) the evaluation of approaches and interventions;

"(E) the development of instructional strategies, techniques, and activities;

"(F) the improvement of curricula and instructional tools such as textbooks, media, materials, and technology;

"(G) the development of assessment techniques, instruments, and strategies for the identification and evaluation of individuals eligible for special education, related services, or early intervention services;

"(H) the testing of research findings in practice settings to determine the application, usability, effectiveness, and generalizability of such research findings; and

"(I) the improvement of knowledge regarding families, racial and ethnic diversity, and disabling conditions; and

"(2) advance the use of knowledge by personnel providing special education, related services, and early intervention services, including, but not limited to—

"(A) the improvement of knowledge regarding how such individuals learn new knowledge and skills, and strategies for effectively facilitating such learning in preservice, inservice, and continuing education;

"(B) the organization, integration, and presentation of knowledge so that such knowledge can be incorporated in personnel preparation, continuing education programs, and other relevant training and communication vehicles; and

"(C) the expansion and improvement of networks that exchange knowledge and practice information.".

SEC. 21. PROGRAM MANAGEMENT AND EFFECTIVENESS.

(a) REDESIGNATION.—Part E of the Act is further amended by redesignating sections 642, 643, and 644 as sections 643, 644, and 646, respectively.

(b) PROGRAM MANAGEMENT AND EFFECTIVENESS.—Part E of the Act is further amended by inserting the following new section 642 after section 641:

"PROGRAM MANAGEMENT AND EFFECTIVENESS

"SEC. 642. (a)(1) The Secretary shall make grants to, or enter into contracts or cooperative agreements with, State or local educational agencies, institutions of higher education, public agencies, and private nonprofit organizations, and, when necessary because of the unique nature of the study, private-for-profit organizations, for the purpose of conducting studies and investigations for improving program management, administration, delivery, and effectiveness necessary to provide full educational opportunities and early interventions for all children with disabilities from birth through age 21. Such studies and investigations shall gather information necessary for program and system improvements including, but not limited to—

"(A) developing effective racially, ethnically, and linguistically appropriate criteria and procedures to identify, evaluate, and serve infants, toddlers, children, and youth with disabilities for purposes of program eligibility, program planning, delivery of services, program placement, and parental involvement;

"(B) planning and developing effective early intervention services, special education, and related services to meet the complex and changing needs of infants, toddlers, children, and youth with disabilities;

"(C) developing and implementing a comprehensive system of personnel development needed to provide qualified personnel in sufficient number to deliver special education, related services, and early intervention services;

"(D) developing the capacity to implement practices having the potential to integrate children with disabilities, to the maximum extent appropriate, with children who are not disabled;

"(E) effectively allocating and using human and fiscal resources for providing early intervention, special education and related services;

"(F) strengthening programs and services to improve the progress of children and youth with disabilities while in special education, and to effect a successful transition when such children and youth leave special education;

"(G) achieving interagency coordination to maximize resource utilization and continuity in services provided to infants, toddlers, children, and youth with disabilities;

"(H) strengthening parent-school communication and coordination to improve the effectiveness of planning and delivery of interventions and instruction, thereby enhancing development and educational progress; and

"(I) the identification of environmental, organizational, resource, and other conditions necessary for effective professional practice.

"(2)(A) The studies and investigations authorized under this subsection may be conducted through surveys, interviews, case studies, program implementation studies, secondary data analyses and syntheses, and other appropriate methodologies.

"(B) The studies and investigations conducted under this subsection shall address the information needs of State and local educational agencies for improving program management, administration, delivery, and effectiveness.

"(3) The Secretary shall develop and implement a process for the on-going identification of national program information needs necessary for improving the management, administration, delivery, and effectiveness of programs and services provided under this Act. The process shall identify implementation issues, desired improvements, and information needed by State and local agencies to achieve such improvements, and shall be conducted in cooperation with State educational agencies that can ensure broad-based statewide input from each cooperating State. The Secretary shall publish for public comment in the Federal Register every 3 years a program information plan describing such information needs. Such program information plan shall be used to determine the priorities for, and activities carried out under, this subsection to produce, organize, and increase utilization of program information. Such program information plan shall be included in the annual report submitted under section 618 every 3 years.

"(b)(1) The Secretary shall, by grant, contract, or cooperative agreement, provide for special studies to assess progress in the implementation of this Act, and to assess the impact and effectiveness of State and local efforts and efforts by the Secretary of the Interior to provide free appropriate public education to children and youth with disabilities, and early intervention services to infants and toddlers with disabilities. Each such study shall include recommendations for the improvement of the programs and services provided to infants, toddlers, children, and youth under this Act.

"(2) The Secretary shall complete a longitudinal study of a sample of students with disabilities, examining—

"(A) the full range of disabling conditions;

"(B) the educational progress of students with disabilities while in special education; and

"(C) the occupational, educational, and independent living status of students with disabilities after graduating from secondary school or otherwise leaving special education.

"(3) One study conducted pursuant to this subsection shall be a nationally representative study focusing on the types, number, and intensity of related services provided to children with disabilities by disability category.

"(4) One study conducted pursuant to this subsection shall be a study that examines the degree of disparity among States with regard to the placement in various educational settings of children and youth with similar disabilities, especially those with mental retardation, and to the extent that such disparity exists, the factors that lead such children and youth to be educated in significantly different educational settings.

"(5) One study conducted pursuant to this subsection shall examine the factors which have contributed to a significant decline in the number of children classified as having a specific disability since the implementation of part B of this Act.

"(c) The Secretary shall make grants to, or enter into contracts or cooperative agreements with, State or local educational agencies, institutions of higher education, other public agencies, and private nonprofit organizations to support activities that organize, synthesize, interpret, and integrate information obtained under subsections (a) and (b) with relevant knowledge obtained from other sources.

"(d)(1) The Secretary shall enter into cooperative agreements with State educational agencies and other State agencies to carry out studies to assess the impact and effectiveness of this Act.

"(2) The agreements referred to in paragraph (1) shall—

"(A) provide for the payment of not more than 60 percent of the total cost of studies conducted by a participating State agency to assess the impact and effectiveness of this Act; and

"(B) be developed in consultation with the State Advisory Panel established under section 613(a)(12) of this Act, local educational agencies, and others involved in, or concerned with, the education of children and youth with disabilities and the provision of early intervention services to infants and toddlers with disabilities.

"(3) The Secretary shall provide technical assistance to participating State agencies in the implementation of the study design, analysis, and reporting procedures.".

SEC. 22. GENERAL RESEARCH PROVISIONS.

Part E of the Act is further amended by inserting the following new section 645 after section 644 (as redesignated in section 21(a)):

"GENERAL RESEARCH PROVISIONS

"SEC. 645. (a) IN GENERAL.—In carrying out this part, the Secretary shall consider the special education, related services, or early intervention experience, and research experience of applicants under this part.

"(b) PUBLICATION.—The Secretary shall publish proposed priorities under this part in the Federal Register not later than 12 months preceding the fiscal year for which they are being announced, and shall allow a period of 60 days for public comments and suggestions. The Secretary shall, after analyzing and considering the public comments, publish final priorities in the Federal Register not later than 90 days after the close of the comment period.

"(c) INDEX.—The Secretary shall provide an index (including the title of each project and the name and address of the funded organization) of all projects conducted under this part in the preceding fiscal year in the annual report described under section 618.

"(d) COORDINATION.—The Secretary shall—

"(1) coordinate the priorities established under subsection (b) with research priorities established by the National Institute for Disability and Rehabilitation Research and other appropriate agencies conducting research pertaining to the education of individuals with disabilities; and

"(2) provide information concerning priorities established under subsection (b) to the National Council on Disability and to the Bureau of Indian Affairs Advisory Committee for Exceptional Children.".

SEC. 23. PART E AUTHORIZATION OF APPROPRIATIONS.

Section 646 of the Act (as redesignated by section 21(a)) is amended to read as follows:

"SEC. 646. (a) There are authorized to be appropriated to carry out this part $20,100,000 for fiscal year 1990, $25,000,000 for fiscal year 1991, $28,000,000 for fiscal year 1992, $31,000,000 for fiscal year 1993, and $34,000,000 for fiscal year 1994.

"(b) The Secretary shall reserve 30 percent of the funds appropriated pursuant to the authority of subsection (a) for activities conducted pursuant to section 642.".

SEC. 24. STATEMENT OF PURPOSE.

Section 651 of the Act is amended—

(1) in subsection (a)(1) by inserting "and hard of hearing" after "deaf" each place it appears;

(2) in subsection (a)(1)(A) by inserting "and television programs" after "films"; and

(3) in subsection (a)(1)(B) by inserting "and television programs" after "films".

SEC. 25. CAPTIONED FILMS, TELEVISION, DESCRIPTIVE VIDEO AND EDUCATIONAL MEDIA FOR INDIVIDUALS WITH DISABILITIES.

(a) HEADING.—The heading of section 652 of the Act is amended to read as follows:

"CAPTIONED FILMS, TELEVISION, DESCRIPTIVE VIDEO AND EDUCATIONAL MEDIA FOR INDIVIDUALS WITH DISABILITIES".

(b) AMENDMENT.—Section 652 of the Act is further amended—

(1) in subsection (b)—

(A) by amending paragraph (3) to read as follows:

"(3) provide, by grant or contract, for the captioning of films and video materials for deaf and hard of hearing individuals or audio description of video materials for blind and visually impaired individuals;";

(B) by amending paragraph (4) to read as follows:

"(4) provide, by grant or contract, for the distribution of captioned films or video materials, audio described video materials, and other educational media and equipment through State schools for individuals with disabilities, public libraries, and such other agencies or entities as the Secretary finds appropriate to serve as local or regional centers for such distribution;"; and

(C) in paragraph (8) by inserting "and hard of hearing" after "deaf";

(2) in subsection (c) by—

(A) inserting "and other appropriate nonprofit organizations" after "Inc."; and

(B) striking "theatrical" and inserting "cultural";

(3) in subsection (c)(1) by inserting "and hard of hearing" after "deaf";

(4) in subsection (c)(2) by inserting "and hard of hearing" after "deaf"; and

(5) in subsection (c)(3) by inserting "and hard of hearing" after "deaf".

SEC. 26. PART F AUTHORIZATION OF APPROPRIATIONS.

Section 653 of the Act is amended to read as follows:

"SEC. 653. There are authorized to be appropriated to carry out this part $16,540,000 for fiscal year 1990, $17,863,000 for fiscal year 1991, $19,292,000 for fiscal year 1992, $20,835,000 for fiscal year 1993, and $22,502,000 for fiscal year 1994.".

SEC. 27. TECHNOLOGY, EDUCATIONAL MEDIA, AND MATERIALS FOR INDIVIDUALS WITH DISABILITIES.

(a) AMENDMENT TO THE HEADING.—The heading of section 661 of the Act is amended to read as follows:

"PART G—TECHNOLOGY, EDUCATIONAL MEDIA, AND MATERIALS FOR INDIVIDUALS WITH DISABILITIES".

(b) AMENDMENT TO THE TEXT.—Section 661 of the Act is amended by—

(1) striking "new" each place it appears;

(2) striking "and" at the end of paragraph (3);

(3) striking the period at the end of paragraph (4) and inserting in lieu thereof a comma; and

(4) inserting at the end thereof the following new paragraph (5):

"(5) increasing access to and use of assistive technology devices and assistive technology services in the education of infants, toddlers, children, and youth with disabilities, and other activities authorized under the Technology-Related Assistance for Individuals With Disabilities Act of 1988, as such Act relates to the education of students with disabilities.".

SEC. 28. PART G AUTHORIZATION OF APPROPRIATIONS.

Section 662 of the Act is amended to read as follows:

"SEC. 662. There are authorized to be appropriated to carry out this part $11,030,000 for fiscal year 1990, $11,900,000 for fiscal year 1991, $12,860,000 for fiscal year 1992, $13,890,000 for fiscal year 1993, and $15,000,000 for fiscal year 1994.".

SEC. 29. STATE INTERAGENCY COORDINATING COUNCIL.

Section 682 of the Act is amended—

(1) in subsection (a)(1) by striking "composed of 15 members"; and

(2) by amending subsection (b) to read as follows:

"(b) COMPOSITION.—(1) Except as provided in paragraph (2) and subsection (g), the Council shall be composed as follows:

"(A) At least 20 percent of the members shall be parents of infants or toddlers with disabilities, or other parents of children with disabilities no more than 12 years of age, who have knowledge of, or experience with, programs for infants and toddlers with disabilities.

"(B) At least 20 percent of the members shall be public or private providers of early intervention services.

"(C) At least one member shall be from the State legislature.

"(D) At least one member shall be involved in personnel preparation.

"(E) The Council shall include members representing each of the agencies involved in the provision of, or payment for, early intervention services to infants and toddlers with disabilities and their families.

"(F) The Council may include other members selected by the Governor.

"(2) Any Council that met the requirements of paragraphs (1) through (4) and paragraph (6) of section 682(b) of this Act, as in effect immediately before the effective date of the Education of Individuals with Disabilities Act of 1989 and continues to meet such prior requirements, shall be deemed to meet the requirements of this subsection."; and

(3) in subsection (g) by striking "this section" the second time it appears and inserting "subsection (b)(1)".

SEC. 30. TERMINOLOGY AND TECHNICAL AMENDMENTS.

(a) TERMINOLOGY AMENDMENTS.—The Act is amended in—

(1) section 601(b)(1) by striking "handicapped children" and inserting "children with disabilities";

(2) section 601(b)(3) by striking "handicapped children" and inserting "children with disabilities";

(3) section 601(b)(4) by striking "handicapped children" and inserting "children with disabilities";

(4) section 601(b)(5) by striking "handicapped children" and inserting "children with disabilities";

(5) section 601(b)(5) by striking "handicaps" each place such term appears and inserting "disabilities";

(6) section 601(b)(7) by striking "handicapped children" and inserting "children with disabilities";

(7) section 601(b)(8) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(8) section 601(b)(9) by striking "handicapped children" and inserting "children with disabilities";

(9) section 601(c) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(10) section 602(a)(1) by striking "handicapped children" and inserting "children with disabilities";

(11) section 602(a)(13) by striking "handicapped children" and inserting "children with disabilities";

(12) section 602(a)(15) by striking "handicaps" each place such term appears and inserting "disabilities";

(13) section 602(a)(16) by striking "handicapped child" and inserting "child with a disability";

(14) section 602(a)(17) by striking "handicapped child" and inserting "child with a disability";

(15) section 602(a)(17) by striking "handicapping" and inserting "disabling";

(16) section 602(a)(19) by striking "handicapped child" and inserting "child with a disability";

(17) section 602(a)(19) by striking "handicapped children" and inserting "children with disabilities";

(18) section 602(a)(22) by striking "handicapped children" and inserting "children with disabilities";

(19) section 602(b) by striking "handicapped youth" and inserting "youth with a disability";

(20) section 602(b) by striking "handicapped child" and inserting "child with a disability";

(21) section 603(a) by striking "the handicapped" and inserting "individuals with disabilities";

(22) the section heading to section 606 by striking "HANDICAPPED INDIVIDUALS" and inserting "INDIVIDUALS WITH DISABILITIES";

(23) section 606 by striking "handicapped individuals" and inserting "individuals with disabilities";

(24) section 608(b) by striking "handicapped children" and inserting "children with disabilities";

(25) section 611(a)(1)(A) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(26) section 611(a)(3) by striking "handicapped children" and inserting "children with disabilities";

(27) section 611(a)(5)(A)(i) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(28) section 611(a)(5)(A)(ii) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(29) section 611(a)(5)(A)(iii) by striking "handicapped children" and inserting "children with disabilities";

(30) section 611(c)(4)(B) by striking "handicapped children" and inserting "children with disabilities";

(31) section 611(d) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(32) section 611(f) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(33) section 612(1) by striking "handicapped children" and inserting "children with disabilities";

(34) section 612(2)(A) by striking "handicapped children" and inserting "children with disabilities";

(35) section 612(2)(B) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(36) section 612(2)(C) by striking "handicapped," and inserting "disabled,";

(37) section 612(2)(C) by striking "handicap," and inserting "disability,";

(38) section 612(3) by striking "handicapped children," each place such term appears and inserting "children with disabilities,";

(39) section 612(3) by striking "handicaps" and inserting "disabilities";

(40) section 612(4) by striking "handicapped child," and inserting "child with a disability,";

(41) section 612(5) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(42) section 612(5) by striking "handicapped," and inserting "disabled,";

(43) section 612(5) by striking "handicap" and inserting "disability";

(44) section 612(6) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(45) section 612(7) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(46) section 612(7) by striking "handicapped individuals" and inserting "individuals with disabilities";

(47) section 613(a)(2) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(48) section 613(a)(4)(A) by striking "handicapped children" and inserting "children with disabilities";

(49) section 613(a)(4)(B)(i) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(50) section 613(a)(9)(B) by striking "handicapped children" and inserting "children with disabilities";

(51) section 613(a)(11) by striking "handicapped children" and inserting "children with disabilities";

(52) section 613(a)(12) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(53) section 613(a)(12) by striking "handicapped individuals" and inserting "individuals with disabilities";

(54) section 613(a)(13)(A) by striking "handicapped children and youth" and inserting "children and youth with disabilities";

(55) section 613(b) by striking "handicapped children" and inserting "children with disabilities";

(56) section 613(d)(1) by striking "handicapped children" and inserting "children with disabilities";

(57) section 613(d)(2)(A) by striking "handicapped children" and inserting "children with disabilities";

(58) section 613(e) by striking "handicapped children" and inserting "children with disabilities";

(59) section 614(a)(1)(A) by striking "handicapped" and inserting "disabled";

(60) section 614(a)(1)(A) by striking "handicap" and inserting "disability".

(61) section 614(a)(1)(C) by striking "handicapped children" and inserting "children with disabilities";

(62) section 614(a)(1)(C)(ii) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(63) section 614(a)(1)(C)(ii) by striking "handicaps" and inserting "disabilities";

(64) section 614(a)(2)(B) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(65) section 614(a)(3) by striking "handicapped children" and inserting "children with disabilities";

(66) section 614(a)(5) by striking "handicapped child" and inserting "child with a disability";

(67) section 614(c)(1) by striking "handicapped children" and inserting "children with disabilities";

(68) section 614(d) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(69) section 614(e) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(70) section 614(f) by striking "handicapped children" and inserting "children with disabilities";

(71) section 615(a) by striking "handicapped children" and inserting "children with disabilities";

(72) section 615(b)(1)(A) by striking "handicapped child" and inserting "child with a disability";

(73) section 615(d)(1) by striking "handicapped children" and inserting "children with disabilities";

(74) section 615(e)(4)(B) by striking "handicapped child or youth" and inserting "child or youth with a disability";

(75) section 615(f) by striking "handicapped children and youth" and inserting "children and youth with disabilities";

(76) section 616(a)(2)(B) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(77) section 617(a)(1)(A) by striking "handicapped children" and inserting "children with disabilities";

(78) section 617(a)(1)(D) by striking "handicapped children" and inserting "children with disabilities";

(79) section 619(a)(1)(C) by striking "handicapped children" and inserting "children with disabilities";

(80) section 619(a)(2)(A)(i) by striking "handicapped child" and inserting "child with a disability";

(81) section 619(a)(2)(A)(ii) by striking "handicapped children" and inserting "children with disabilities";

(82) section 619(a)(2)(A)(ii)(I) by striking "handicapped child" and inserting "child with a disability";

(83) section 619(a)(2)(A)(ii)(II) by striking "handicapped children" and inserting "children with disabilities";

(84) section 619(a)(2)(D) by striking "handicapped child" and inserting "child with a disability";

(85) section 619(a)(2)(F)(i) by striking "handicapped child" each place such term appears and inserting "child with a disability";

(86) section 619(b)(1)(B) by striking "handicapped children" and inserting "children with disabilities";

(87) section 619(b)(3) by striking "handicapped child" and inserting "child with a disability";

(88) section 619(c)(1)(A) by striking "handicapped children" and inserting "children with disabilities";

(89) section 619(c)(1)(B) by striking "handicapped children" and inserting "children with disabilities";

(90) section 619(c)(2)(A) by striking "handicapped children" and inserting "children with disabilities";

(91) section 619(c)(2)(B) by striking "handicapped children" and inserting "children with disabilities";

(92) section 619(c)(3)(A) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(93) section 619(c)(3)(B) by striking "handicapped children" and inserting "children with disabilities";

(94) the heading to part C by striking "HANDICAPPED INDIVIDUALS" and inserting "INDIVIDUALS WITH DISABILITIES";

(95) section 621(a)(1) by striking "handicapped children and youth" and inserting "children and youth with disabilities";

(96) section 621(a)(1) by striking "handicapped infants and toddlers" and inserting "infants and toddlers with disabilities";

(97) section 621(a)(2) by striking "handicapped children and youth" and inserting "children and youth with disabilities";

(98) section 621(a)(2) by striking "handicapped infants and toddlers" and inserting "infants and toddlers with disabilities";

(99) section 621(a)(4) by striking "handicapped infants, toddlers, children, and youth" and inserting "infants, toddlers, children, and youth with disabilities";

(100) the heading to section 623 by striking "HANDICAPPED CHILDREN" and inserting "CHILDREN WITH DISABILITIES";

(101) section 623(a)(1) by striking "handicapped children" and inserting "children with disabilities";

(102) section 623(a)(1)(D) by striking "handicapped children" and inserting "children with disabilities";

(103) section 623(b) by striking "handicapped children" and inserting "children with disabilities";

(104) section 623(c) by striking "handicapped children" and inserting "children with disabilities";

(105) section 623(d) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(106) section 623(f) by striking "handicapped children" and inserting "children with disabilities";

(107) the heading to section 624 by striking "SEVERELY HANDICAPPED CHILDREN" and inserting "CHILDREN WITH SEVERE DISABILITIES";

(108) section 624(a) by striking "severely handicapped children and youth" and inserting "children and youth with severe disabilities";

(109) section 624(a)(1) by striking "handicapped children and youth" and inserting "children and youth with disabilities";

(110) section 624(a)(2) by striking "handicapped children and youth" and inserting "children and youth with disabilities";

(111) section 625(a)(1) by striking "handicapped individuals" and inserting "individuals with disabilities";

(112) section 625(a)(2) by striking "handicapping" and inserting "disabling";

(113) section 625(a)(2)(A) by striking "handicapped individuals" and inserting "individuals with disabilities";

(114) section 625(a)(2)(B) by striking "handicapped individuals" and inserting "individuals with disabilities";

(115) section 625(a)(2)(B) by striking "nonhandicapped" and inserting "nondisabled";

(116) section 625(a)(3) by striking "handicapped persons" and inserting "persons with disabilities";

(117) section 625(b) by striking "handicapped individuals" and inserting "individuals with disabilities";

(118) section 625(b) by striking "visually handicapped" and inserting "visually disabled";

(119) the heading to section 626 by striking "HANDICAPPED CHILDREN AND YOUTH" and inserting "CHILDREN AND YOUTH WITH DISABILITIES";

(120) section 626(a)(1) by striking "handicapped youth" and inserting "youth with disabilities";

(121) section 626(a)(3) by striking "handicapped students" and inserting "students with disabilities";

(122) section 626(b) by striking "handicapped youth" each place such term appears and inserting "youth with disabilities";

(123) section 626(b) by striking "handicapping" each place such term appears and inserting "disabling";

(124) section 626(b)(9) by striking "handicapped students' acquisition of the skills" and inserting "the acquisition of skills by students with disabilities";

(125) section 626(d)(2) by striking "handicapped youth" and inserting "youth with disabilities";

(126) section 626(d)(3) by striking "handicapped students" each place such term appears and inserting "students with disabilities";

(127) section 626(e) by striking "handicapped children and youth" and inserting "children and youth with disabilities";

(128) the heading to part D by striking "HANDICAPPED INDIVIDUALS" and inserting "INDIVIDUALS WITH DISABILITIES";

(129) section 631(a)(1)(B) by striking "handicapped children and youth" and inserting "children and youth with disabilities";

(130) section 631(b) by striking "handicapped children" and inserting "children with disabilities";

(131) section 631(c)(1) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(132) section 631(c)(2)(A) by striking "handicapped children" and inserting "children with disabilities";

(133) section 631(c)(2)(A) by striking "handicapped children and youth" and inserting "children and youth with disabilities";

(134) section 631(c)(2)(A) by striking "handicapping" and inserting "disabling";

(135) section 631(c)(2)(B) by striking "handicapping" and inserting "disabling";

(136) section 631(c)(4)(B) by striking "handicapped children" and inserting "children with disabilities";

(137) section 631(c)(5)(A) by striking "handicapping" and inserting "disabling";

(138) section 631(c)(5)(B) by striking "handicapped children's educational programs" and inserting "educational programs of children with disabilities";

(139) section 631(c)(5)(D) by striking "handicapped child's individualized educational program" and inserting "the individualized educational program of a child with a disability";

(140) section 631(c)(5)(E) by striking "handicapped children" and inserting "children with disabilities";

(141) section 631(c)(5)(F) by striking "handicapped children" and inserting "children with disabilities";

(142) section 631(c)(7) by striking "handicapped children and youth" and inserting "children and youth with disabilities";

(143) section 632(c) by striking "handicapped infants, toddlers, children, and youth" and inserting "infants, toddlers, children, and youth with disabilities";

(144) section 635(c) by striking "handicapped children and youth" and inserting "children and youth with disabilities";

(145) the heading to section 643 by striking "HANDICAPPED CHILDREN" and inserting "CHILDREN WITH DISABILITIES";

(146) section 643 by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(147) section 644(a)(1) by striking "handicapped individuals" and inserting "individuals with disabilities";

(148) section 644(a)(2) by striking "handicapped individuals" each place such term appears and inserting "individuals with disabilities";

(149) the heading to part F by striking "HANDICAPPED INDIVIDUALS" and inserting "INDIVIDUALS WITH DISABILITIES";

(150) section 651(a)(2) by striking "handicapped individuals" each place such term appears and inserting "individuals with disabilities";

(151) section 652(a) by striking "handicapped individuals" each place such term appears and inserting "individuals with disabilities";

(152) section 652(b)(5) by striking "handicapped individuals" each place such term appears and inserting "individuals with disabilities";

(153) the heading to part G by striking "HANDICAPPED INDIVIDUALS" and inserting "INDIVIDUALS WITH DISABILITIES";

(154) section 661 by striking "handicapped students" each place such term appears and inserting "students with disabilities";

(155) section 661 by striking "handicapped infants and toddlers" and inserting "infants and toddlers with disabilities";

(156) section 661 by striking "handicapped individuals" each place such term appears and inserting "individuals with disabilities";

(157) the heading to part H by striking "HANDICAPPED INFANTS AND TODDLERS" and inserting "INFANTS AND TODDLERS WITH DISABILITIES";

(158) section 671(a) by striking "handicapped infants and toddlers" each place such term appears and inserting "infants and toddlers with disabilities";

(159) section 671(a)(3) by striking "handicapped individuals" and inserting "individuals with disabilities";

(160) section 671(b)(1) by striking "handicapped infants and toddlers" and inserting "infants and toddlers with disabilities";

(161) section 671(b)(3) by striking "handicapped infants and toddlers" and inserting "infants and toddlers with disabilities";

(162) section 672(1) by striking "handicapped infants and toddlers" and inserting "infants and toddlers with disabilities";

(163) section 672(2) by striking "a handicapped infant's or toddler's developmental needs" and inserting "the developmental needs of an infant or toddler with a disability";

(164) section 673 by striking "handicapped infants and toddlers" and inserting "infants and toddlers with disabilities";

(165) section 675(d) by striking "handicapped children" and inserting "children with disabilities";

(166) section 676(a) by striking "handicapped infants and toddlers" and inserting "infants and toddlers with disabilities";

(167) section 676(b)(2) by striking "handicapped infants and toddlers" and inserting "infants and toddlers with disabilities";

(168) section 676(b)(3) by striking "handicapped infant and toddler" and inserting "infant and toddler with a disability";

(169) section 676(b)(3) by striking "handicapped infant or toddler" and inserting "infant or toddler with a disability";

(170) section 676(b)(4) by striking "handicapped infants and toddlers" and inserting "infants and toddlers with disabilities";

(171) section 676(b)(6) by striking "handicapped infants and toddlers" and inserting "infants and toddlers with disabilities";

(172) section 676(b)(9)(D) by striking "handicapped infants and toddlers" and inserting "infants and toddlers with disabilities";

(173) section 676(b)(14) by striking "handicapped infants and toddlers" and inserting "infants and toddlers with disabilities";

(174) section 677(a) by striking "handicapped infant or toddler" and inserting "infant or toddler with a disability";

(175) section 677(d)(2) by striking "handicapped infant or toddler" and inserting "infant or toddler with a disability";

(176) section 677(d)(7) by striking "handicapped toddler" and inserting "toddler with a disability";

(177) section 678(b)(5) by striking "handicapped infants and toddlers" and inserting "infants and toddlers with disabilities";

(178) section 679 by striking "handicapped infants and toddlers" each place such term

appears and inserting "infants and toddlers with disabilities";

(179) section 680(4) by striking "handicapped infant or toddler" and inserting "infant or toddler with a disability";

(180) section 680(5) by striking "handicapped infant or toddler" each place such term appears and inserting "infant or toddler with a disability";

(181) section 681(b) by striking "handicapped infants and toddlers" and inserting "infants or toddlers with disabilities";

(182) section 682(e)(3) by striking "handicapped infants and toddlers" and inserting "infants or toddlers with disabilities";

(183) section 683(2) by striking "handicapped children" each place such term appears and inserting "children with disabilities";

(184) section 683(2) by striking "handicapped infants and toddlers" and inserting "infants and toddlers with disabilities"; and

(185) section 684(b)(1) by striking "handicapped infants and toddlers" and inserting "infants and toddlers with disabilities".

(b) TECHNICAL AMENDMENTS.—The Act is further amended in section 612(3) by—

(1) striking "and" the first place such term appears, and inserting "an"; and

(2) inserting "category" after "disability".

(c) HEAD START ACT.—Section 640(d) of the Head Start Act is amended by—

(1) striking "handicapped children" and inserting "children with disabilities"; and

(2) striking "handicapping" and inserting "disabling".

(d) HIGHER EDUCATION ACT OF 1965.—Section 465(a)(2) of the Higher Education Act of 1965 is amended by striking "handicapped children" each place such term appears and inserting "children with disabilities".

(e) IMPACT AID.—Public Law 81-874 is amended in—

(1) section 3(d)(2)(C) by striking "handicapped children" each place such term appears and inserting "children with disabilities"; and

(2) section 403(10) by striking "handicapped" and inserting "disabled".

(f) TEMPORARY CHILD CARE FOR HANDICAPPED CHILDREN AND CRISIS NURSERIES ACT OF 1986.—Section 205(d)(2) of the Temporary Child Care for Handicapped Children and Crisis Nurseries Act of 1986 is amended by striking "handicapped children" and inserting "children with disabilities".

SEC. 31. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of enactment of this Act, except that any amendment that the Secretary of Education determines would cause substantial disruptions to programs or substantial lapses in services if effective on the date of enactment of this Act, shall take effect on October 1, 1990.

MOTION OFFERED BY MR. OWENS OF NEW YORK

Mr. OWENS of New York. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OWENS of New York moves to strike all after the enacting clause of S. 1824 and insert in lieu thereof the text of H.R. 1013 as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to amend the Education of the Handicapped Act to revise and extend the programs established in parts C through G of such Act, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 1013) was laid on the table.

WASHINGTON CENTER FOR INTERNSHIPS AND ACADEMIC SEMINARS

Mr. WILLIAMS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3859) to authorize assistance to the Washington Center for Internships and Academic Seminars.

The Clerk read as follows:

H.R. 3859

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. GENERAL AUTHORITY.

The Secretary of Education is authorized to provide financial assistance, in accordance with the provisions of this Act, to the Washington Center for Internships and Academic Seminars to pay the Federal share of the cost of construction and related costs for a student residence and classroom building in Washington, District of Columbia.

SEC. 2. APPLICATION REQUIRED.

No financial assistance may be provided under this Act unless an application is submitted to the Secretary of Education at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

SEC. 3. FEDERAL SHARE.

The financial assistance provided by the Secretary in any fiscal year may not exceed the total amount of private contributions in cash or in kind received in that fiscal year by the Washington Center for Internships and Academic Seminars and designated for the cost of construction and related costs of the student residence and classroom building.

SEC. 4. AUTHORIZATIONS OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this Act for the fiscal year ending September 30, 1991, and for each of the two succeeding fiscal years, except that the aggregate amount so appropriated shall not exceed $12,000,000. Funds appropriated pursuant to this section shall remain available until expended.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Montana [Mr. WILLIAMS] will be recognized for 20 minutes and the gentleman from Illinois [Mr. FAWELL] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 3859. This legislation authorizes $12 million for a student housing and education facility at the Washington Center for Internships and Academic Seminars in Washington, DC.

The Washington Center is the largest independent program offering internships and seminars in Washington, DC. Since its beginning 15 years ago, more than 15,000 college students from more than 700 colleges have participated in the center's programs. The center provides internships in House and Senate offices, Federal agencies, law firms, and organizations such as the Center for Strategic and International Studies and the Children's Defense Fund. The center also provides an academic program for the interns, and the interns receive academic credit at their home institution for the intern experience.

H.R. 3859 would enable the Washington Center to build a facility with sufficient space to house 730 students and to have 13 class/conference rooms and a 600-seat auditorium. The facility would be built a few blocks west of Union Station near Georgetown University Law Center. Currently the Center houses its interns in apartments on 16th Street Northwest, resulting in long commutes to their internship asssignments for many students.

The Secretary of Education would establish application procedures for assistance under this legislation, and the center would be required to match each Federal dollar with either a cash or in-kind contribution.

Following a subcommittee hearing earlier this year, H.R. 3859 was favorably reported by the Committee on Education and Labor on May 22, 1990. I ask my colleagues to join me in supporting this legislation.

Mr. FAWELL. Mr. Speaker, I yield myself such time as I may consume.

I rise in opposition to H.R. 3859, the Washington Center legislation. This bill authorizes as has been indicated, $12 million to build a new building for a private college that hosts interns in Washington, DC. I am not opposed to the Washington Center. It is a laudable entity. I am opposed to spending 12 million tax dollars, for this purpose, especially at a time when our Government is struggling with a deficit debt crisis, $3.2 trillion of debt in fiscal year 1990. We now find that CBO is telling citizens that the deficit will be $180 billion to $207 billion. That does not even count the amount of money, Mr. Speaker, we are borrowing from the trust funds which will accumulate some $136 billion additional deficit.

So we find ourselves with new debt potential for this year in which we are now involved of $316 to $342 billion. We have an economic summit which is trying to determine whether or not we shall tax the American people more and/or have a massive sequester of the vital programs this Government is now funding.

The administration thus has understandably indicated that the President

will veto this bill if it should ever come to his desk. There are a number of reasons to oppose the bill other than what I have already referred to.

Intern housing, Mr. Speaker, is not a crisis situation. The Federal deficit and the debt is absolutely a crisis. The authorization is on a noncompetitive basis. Other universities with similar programs had no chance to compete. Other universities that might have been interested in a program like this had no chance to compete.

The Federal Government should not, I believe, fund bricks and mortar in the private sector and proponents of the bill claim that the building will help underprivileged students, but the majority report wisely states that the committee is concerned that the center does not have available statistical evaluation of the student population served by the center. If we can afford to spend money to help education, we can ask the question, why not focus on programs which are already trying to help the needy, and which are in need of funds? For instance, chapter 1, the Pell grants, Head Start, aid to our inner city schools, and the list goes on and on and on. Other intern programs in Washington, including programs such as the Washington semester at American University is a good example of an entity that would be interested in something like this, money flowing from Uncle Sam. This is open to all students from around the Nation, just as is the Washington Center Program. Why would we help one and not the other?

Congressional pages, Mr. Speaker, are currently housed in House Annex 1, which is a rather dreary and overcrowded setting. The pages have been awaiting a new building for almost 20 years, but we have said no because of budgetary constraints. I question our priorities which give $12 million to fund housing to a private housing for college students when our own pages who have direct responsibility are given substandard housing. This bill is, in my opinion, and I do not mean to be at all emotional about the subject, is symbolic of our oblivious Congress in regard to what is our profligate overspending amidst ever-increasing oceans of debt. It is creating a brand-new program here, and we all know we have to borrow the money from our children and our grandchildren to ever have it paid off.

I urge therefore, my colleagues, to oppose this legislation. It is a vote for sensible fiscal responsibility and reprioritization.

Mr. Speaker, I reserve the balance of my time.

Mr. WILLIAMS. Mr. Speaker, I yield myself 3 minutes.

I recognize, as every Member of this Congress does, as almost every citizen of the United States, that America has a deficit problem, and we might disagree particularly between some Members and our friends on the right as to how we got into the deficit problem.

However, I do want to draw the attention of my colleagues that when we bring up efforts to assist in the education of young people in this country, the argument against doing so by the other side is always, this is more profligate spending, and America has a deficit, and we cannot afford it. Interestingly enough, we do not hear that about the Stealth bomber. We do not hear that argument about the MX missile. We do not hear that argument about the Minuteman missile. We do not hear that argument about bringing troops home from Europe, from NATO. We only hear it when we try to do such things as create child care, early childhood education for America's children.

□ 1320

We only hear about profligate spending when we try to develop a coordinated effort to bring college and university interns to this city to watch their Government close up. Many folks back in Montana—and I suppose all of us have constituents who say the same thing to us—have told me that we ought to run Government like a business. Well, to some degree I support that concept.

There is no greater investment from the standpoint of a cost benefit analysis that would demonstrate this to be true than the money we invest in the education of America's young people.

Do we have a deficit? Yes. Do we have to be careful with Federal spending? Yes. And that includes Federal spending for roads and highways, for hardware, for defense, and more and more for the Pentagon. And, yes, we have to be careful on how we spend money on education, too, but recognizing that it is an investment and that the dollars that we spend today on education, on such things as this good center for young private interns who come to this city, will be returned many-fold to the United States, including money that comes directly into the U.S. Treasury through the increased taxes that these young people will pay because they will earn additional salaries throughout their lifetimes precisely because of the expenditures such as those we are making here today.

Mr. Speaker, I reserve the balance of my time.

Mr. FAWELL. Mr. Speaker, I yield 6 minutes to the gentleman from Wisconsin [Mr. PETRI].

Mr. PETRI. Mr. Speaker, I thank my colleague, the gentleman from Illinois, for yielding me this time.

Mr. Speaker, I think it would be wonderfully generous of the taxpayers to build a $12 million dormitory in Washington for a private institution. I mean, why not? Surely, we can get the money somewhere.

Maybe we can take it from the Head Start Program.

Or, maybe we can transfer it from Social Security.

Or, how about the Defense budget? We can always find something to cut in the Defense budget.

Of course, we could just take the money out of the family budgets of ordinary working people who are struggling to make ends meet.

Or we could simply print the cash.

Oh, how much fun it is to spend money—in this case by earmarking funds for a private institution; bumping that institution to the head of the list; relieving that institution of any need to compete with other institutions for funds.

I am sure the other intern programs which operate in Washington will not begrudge the Washington Center its $12 million gift from Congress. I am sure the University of Kansas, the American University, and the Washington classroom, just to name a few, will think this is just fine.

But, hey. Why do we not build dormitories for all of them—$12 million here, $12 million there: It is only money, after all. Forget Gramm-Rudman. A great and generous Congress should not seek to be so parsimonious.

A full 84 percent of the students at the Washington Center pay full tuition. They are from the middle and upper classes. But, so what? I am sure the working people around the country will be happy to chip in to make things easier for those who are already fortunate.

Now, Mr. Speaker, the President of the United States has threatened to veto this bill. He says that financing for the construction of the Washington Center's private facilities is not an appropriate role for the Federal Government.

Furthermore, says the President, it is inequitable to earmark funds for the Washington Center on a noncompetitive basis.

The President must think Congress ought to be responsible or something.

You know, it is an interesting thought that Congress ought to concern itself about where we are to find the funds to pay for gifts like this.

On reflection, maybe we should concern ourselves about our lack of funds.

Maybe we should ask ourselves what the taxpayers want.

Maybe we should think about establishing priorities where the most important programs come first, and the optional or inappropriate stuff is put aside.

Maybe we should.

Nah.

Mr. Speaker, perhaps I am being too subtle for my overburdened col-

leagues. I intend to vote against this outrageous use of taxpayer funds. I would urge the House as a whole to do likewise.

Mr. FAWELL. Mr. Speaker, I yield 6 minutes to the gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Mr. Speaker, I support the concept of interns as a whole and the Washington Center on Interns specifically. The internship is a wholesome activity. It is good for society, it is good for the educational process, and it is good for the institutions that receive the interns.

There are indeed dozens of internships, perhaps hundreds of internship programs throughout the country founded by nonprofit organizations, by for profit organizations, and by educational institutions, and sometimes just simply by students and/or their parents on their own.

The fact is that this bill is wrong. This bill would set out to single out one particular internship program performing one particular task or function, with one particular group of students interning at the Congress of the United States, and single that internship out for special treatment as if the Committee on Education and Labor or the Congress had held hearings and had considered the array of internships and the array of competitive internships and considered the array of all the questions involved.

So I rise in strong opposition to this legislation, although, as did the two speakers before me, in support of internships as a general principle. Let me relate some of the reasons why the House should turn down this bill rather resoundingly.

First of all, this is not the only internship program in the country, as I earlier said. This bill would single out one particular internship program, a good one so far as any of us know. Some Members of Congress use this internship program. It appears to be a worthwhile program, it is a nonprofit program, and it appears to provide a good educational service to its students. But nowhere in this legislation have we assessed the need. Nowhere in this legislation have we assessed the overall need for intern housing for all internship programs. Nowhere in this legislation do we establish a competitive grant or a Federal priority for establishing housing for internships as a general rule. No, this legislation merely, because someone has asked for it no doubt, establishes specific appropriations for this specific nonprofit corporation to conduct or to provide a specific need that they have defined for us, that is, the need for housing.

The second reason for opposition to this is as follows: Let me remind the Members in attendance that this is not education. Not one nickel of these dollars of this $12 million will be spent for education, not 1 credit hour and not 1 curriculum hour will go for education. Not $1 out of this bill will go for educating a single student. In fact, it is the reverse. This legislation is for housing of students in a temporary facility, for building that housing, for providing housing, and there is no evidence of a particular need or for a housing shortage.

The total of graduate assistance programs for special needs in education, I am told, for the entire country is, interestingly enough, $12 million. This is the exact amount that we are asked to spend for housing, and we are spending that on a nationwide basis. This is the same amount per year for graduate students, to recruit students with special needs in the fields of chemistry, physics, and engineering. If indeed we have an additional $12 million that we choose to spend for university students to improve their education, we could double the amount of graduate assistance for special needs that the Federal Government currently provides.

Third, this program is for construction of housing. If indeed someone had made the case that internships as a whole needed housing money and if one had made the case that this particular internship needed housing money more than all the other internship programs in the country as a whole, the last way that we should provide that housing is to build it ourselves. Yet that is exactly what this proposal provides.

I also have the opportunity to serve on the Housing Subcommittee of the Banking Committee, and let me tell the Members that scandal after scandal in housing circles in this country has occurred when the Federal Government decided to get into the construction of housing as opposed to those programs which pay some of the operating costs for housing.

□ 1330

Mr. Speaker, let us also compare this to other programs, Neighborhood Housing Services, which provides services in neighborhood reinvestment and stabilization of residential neighborhoods for the country. As a whole, it spends, interestingly, a total of $12 million a year. We could double that program for the entire country with this $12 million. Urban homesteading, which provides at a cost of $18,000 average per unit, per family, to low income families to purchase their own home, spends a total of $15 million per year. We just passed the education of the handicapped reauthorization of discretionary programs, and I want to note that the total that we authorized for that program to spend per year for all deaf, blind children in the country is only $19.9 million. We spend less than that in all of the programs for severely handicapped children, at $8.7 million. We spend less than half of the amount that is proposed here in the entire country, we would propose, for children with serious emotional disturbances, and the entirety of parent training in the education and handicapped is $10 million.

Mr. Speaker, indeed, whether it affects the deficit or not, it affects it in only the tiniest of ways, but this is, in fact, maybe the tiniest piece of pork. Maybe it is benevolent or tasty pork, but this $12 million could provide better housing or better education or better services directly to the taxpayer.

Mr. FAWELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I really cannot add a great deal, but I do want to say this: that, when the gentleman from Montana [Mr. WILLIAMS], my good friend, refers to the fact that this is for the education of young people, he overlooks, of course, the fact that we are talking about a private institution, of which at least I have very little knowledge. I would not have the slightest idea, for instance, as to how they make their profits, what they do with their profits, what happens if a corporation is dissolved, and things of this sort. The gentleman, I know, is the champion for the concept and the idea that basically the Federal Government, insofar as educational opportunities are concerned, certainly ought to see to it that those funds are going in the public domain and not just given to private colleges because, of course, we all have private colleges in our districts in regard to which we have a great deal of respect.

Mr. Speaker, if we are going to commence saying that the capital improvement programs are all the various private colleges, that Uncle Sam is going to rescue them, then of course we are not only going to have to start looking around the Nation, but we can look, insofar as internship programs are conerned, at American University, at Georgetown and others. American University has a program, as I have said, which is the same thing, just about the same size, except they have a campus. This particular endeavor does not, as I understand, even have a campus.

This is a good job by someone of doing some awfully good lobbying, but it is a dumb piece of legislation. It is not something that Uncle Sam should be involved in, and though it is very, very small pork, it is that, and it is symbolic, I feel, of how too many of us in Congress just simply say, "Well, it's a small amount of money, and some nice people are behind it, and so forth and so on, and so let's just blow it away," and that is what the people back home just cannot understand about what we are doing in Congress.

So, Mr. Speaker, once again I express my opposition to the bill. I hope

my colleagues will join me in doing it, join the President in his indication that he will veto it, if it gets to that. So, let us make short work of it and be done with it.

Mr. Speaker, I yield back the balance of my time.

Mr. WILLIAMS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me be sure that my colleagues understand that with this legislation neither my committee nor the full Committee on Education and Labor is suddenly and without forethought or experience singling out one center for special treatment. The Washington Center has operated successfully in this city for a decade and a half. Seven hundred American colleges and universities have chosen the Washington Center as the place where they wanted their students to receive valuable internship preparation, training, education here in the Nation's Capital, and they have, through the years, sent more than 15,000 students, high income students, moderate income students, low income students, here to Capitol Hill and around this city through the mechanism known as the Washington Center.

Mr. Speaker, through all those years of trial and error, experience and success, the Washington Center has never received any Federal money. In the meantime, the Congress has looked around. Individual Members of Congress have considered whether or not we should provide some kind of national assistance to some proven center, some proven program, that had a good, sound track record of bringing internships to this city and allowing them to develop their talents for a short time here in the Nation's Capital, and our experiences with the Washington Center indicate to us that that is the institution that we should now choose for this amount of Federal money, to give them a little help to build their dormitory space, this conference center, classroom space and this little auditorium that is envisioned to go in the facility. We have chosen the center because they have a good track record and because we have decided that we want to use that center to provide an even improved opportunity for other tens of thousands of American students who come to this center.

My colleagues, we have heard it before, and we hear it again today, and we almost always hear it from the other side of the aisle, from our friends on the right, and that is that we support internship programs. We just will not vote for them. Or we support internships coming into this city, but we do not want to give them any financial assistance to do so. We support education. Of course we support education. Every American supports education. Do not ask us now to vote any more money for it. We are busy putting our money other places, they tell us, and, besides, America cannot afford it because we have a deficit. So, yes, we support education. Absolutely, they tell us. But we do not vote to house the students in dormitories which would enhance and improve their education. We support the students coming to this city, they tell us, in order to get a better education, but we are not going to support any amount of money that would build these students some conference classrooms. Yes, we support these students being able to go to a place and listen to lectures, but do not ask us to vote to assist in that. Do not ask us to vote for money for an auditorium, they tell us. We do not want to do that. We support education, but only with our voice, they tell us, not with our votes, and certainly not in this time of horrendous deficit, which came in the 1980's. Certainly not with any Federal money.

Is this a private institution, this Washington Center? Yes, it is; of course it is. Just like many of America's great educational institutions, the Washington Center, too, is private. We hear a lot about choice in education, and that is: Why do we not allow some of the private institutions in America to compete with the public institutions? Well, here is our opportunity. This is our chance. We do it with Pell grants. My colleagues want to do it with other kinds of choice, tuition, voucher credits and the rest. Well, here is an opportunity to do it for this private center.

Yes, Mr. Speaker, they will tell us they support private centers, but not if we have to provide them with any public money.

Mr. FAWELL. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. Mr. Speaker, I yield to the gentleman from Illinois.

Mr. FAWELL. Mr. Speaker, the reference of the gentleman from Montana [Mr. WILLIAMS] to choice; I agree that a lot of us are very interested in that, but how would the gentleman then answer that an institution like the American University, which also has a program equally as large as the Washington Center, never knew anything about this, had no ability to even compete, nor indeed many other fine private institutions of higher learning in this area? They never had the opportunity to have a $12 million gift in capital construction.

□ 1340

Does that not strike the gentleman as being counter to the point he has expressed?

Mr. WILLIAMS. Reclaiming my time, Mr. Speaker, I would remind the gentleman again that no college, no university in America has had the 15 years of internship effort success that the Washington Center has had.

Did we select out the University of Montana in my own State? Yes.

Frankly, would the money be as well spent as it will on the Washington Center? No.

Did we select out the University of Illinois? Yes.

Will the Federal tax money be as well spent as it would be on this center which has such a fine track record? I think the answer is no.

In closing Mr. Speaker, let me note that, yes, this is $12 million.

Yes, we have a Federal budget deficit.

Yes, this is a private center, and so this is one of those times when the Members of this House, and eventually the President, is going to have an opportunity once again to decide whether or not it is in the national interest to have internships being provided to America's colleges and university students, internships by the thousands, and whether it is in the best interests of this Nation to have some of those interns come to this city and to go through a coordinated program that has a proven record of expertise, and if we believe it is, then we have to ask ourselves whether or not those students deserve some national help, and inasmuch as their interest is in the national interest.

For my part, I believe those students do deserve this help. I believe their families deserve this help. I believe the colleges and universities that send them here support this help, and I urge my colleagues to support this legislation by voting aye.

Mr. BUECHNER. Mr. Speaker, we live in a time when the workings of Government, and especially of Congress, are a remote, obscure thing to the majority of Americans. This ignorance often leads to apathy, as is reflected by decreasing voter turnout, among other things. It is imcumbent upon us to try to bring the American Government back to the people. It is in this spirit that I rise today in support of H.R. 3859, a bill to authorize $12 million for a student housing and educational facility on Capitol Hill.

Washington Center is a not-for-profit organization whose primary purpose is bringing the youth of our country up to Washington so that they might gain a better understanding of the workings of the Federal Government. For 15 years these people have shown young men and women a close and unbiased portrait of a Government which most Americans only read about. However, such a service is not inexpensive, and without some degree of aid, the program would be limited to students from privileged backgrounds, or schools with unlimited means. Today the Washington Center is asking us to help them in their mission; they seek Federal assistance in building a student housing and education facility so that they might better serve the interests of students from all backgrounds and all colleges—particularly disadvanataged and minority students.

This legislation authorizes $12 million to defray construction cost for this building—a relatively small amount that can and will do a great amount of good over the long term. Regardless of party affiliation, none of us can dispute the fact that our children's understanding of the Government of today is our best hope for building a better Government tomorrow. I applaud the Washington Center for their efforts to achieve this, and I urge my colleagues to support H.R. 3859.

Mr. FORD of Michigan. Mr. Speaker, I rise in support of H.R. 3859, which authorizes Federal support for the Washington Center. I am extremely proud to be the sponsor of this needed legislation.

The 15-year-old Washington Center is the largest independent educational organization offering internships and seminars in Washington, DC. More than 15,000 college students from more than 700 colleges and universities representing every State in the Nation have participated in the center's programs. The center provides internships in House and Senate offices, Federal agencies, law firms, and nonprofit organizations, providing students with an academic program and housing in Washington. The students receive academic credit at their home college or university.

Thus, the center has enabled colleges and universities to extend their campuses to the Nation's Capital and has made an important contribution to civil education. It has also awakened in many students an interest in public service careers.

The center has a special commitment to making its programs available to all college students regardless of economic, geographic, or ethnic background. The Center seeks to maintain at least 20 percent minority representation in its programs and has established a minority leaders fellowship program to enable outstanding minority students to participate in its programs.

The center's current residential and academic facilities are inadequate. There is a concern for student safety at its apartments on 16th Street in Northwest Washington, and the students must frequently commute 30 to 50 minutes to their internship assignments. To remedy this situation, the center is planning to build a new housing and classroom facility, located off of Massachusetts Avenue, a few blocks west of Union Station, near Georgetown University Law Center. This facility will house 730 students in apartments and include 13 class/conference rooms and a 600-seat auditorium. The total cost of the facility will be approximately $24 million.

Because of the center's outstanding record of service to students and colleges and universities nationwide and its contribution to civic education, I believe that it is appropriate for the Federal Government to contribute to the construction of the center's new facility.

H.R. 3859, authorizes $12 million to assist the Washington Center in constructing safe housing and classroom space for its interns. This funding will pay not more than 50 percent of the construction and related costs of the Washington Center's new student residence and classroom building.

I would like to especially thank my friend and colleague, PAT WILLIAMS, chairman of the Postsecondary Education Subcommittee for his thoughtful consideration of this bill and his skillful guidance of this legislation through the Education and Labor Committee. I call upon my colleagues to support this legislation.

Mr. GOODLING. Mr. Speaker, I rise in opposition to H.R. 3859, a bill to authorize the expenditure of $12 million for a new building for the Washington Center.

Currently we are embroiled in intense deliberations concerning the Federal budget. There is a good chance many valuable education programs such as Head Start and chapter 1 will see their funding cut below effective levels should we experience sequestration. Yet, we are considering a bill which would spend $12 million for the construction of a student residence and classroom building for the Washington Center.

I support intern programs. In fact, I have at least eight interns in my office each summer and a number of additional interns who work for me throughout the year in order to receive college credit. Interns provide valuable assistance to the offices where they serve their iternships—and the internships, in turn, provide them with an important educational experience. However, interns have survived quite well for years without this new, expensive facility and will continue to do so for years to come.

Additionally, I question why we are attempting to fund this one intern program to the exclusion of the other intern programs which operate in Washington? If we pass H.R. 3859, we may be setting a very expensive precedent—one which we can ill afford.

Mr. Speaker, this is not the time to look for additional ways to spend shrinking Federal funds. The Washington Center for Internships and Academic Seminars is a good program. But there are many more important Federal education programs which need our support. I urge my colleagues to exercise fiscal restraint and oppose H.R. 3859.

Mr. FAWELL. Mr. Speaker, I yield back the balance of my time.

Mr. WILLIAMS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Montana [Mr. WILLIAMS] that the House suspend the rules and pass the bill, H.R. 3859.

The question was taken; and on a division (demanded by Mr. FAWELL) there were—yeas 2, nays 4.

Mr. WILLIAMS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on H.R. 3859, the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

ON THE KASHMIR AND PUNJAB STRUGGLE FOR MORE AUTONOMY

(Mr. FALEOMAVAEGA asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. FALEOMAVAEGA. Mr. Speaker, I come to the floor today, with a deep sense of urgency, to focus our attention on the continuing aggression being inflicted by India's army upon the people of the provinces of Kashmir and Punjab. The military troops of the Indian Government continue, to violate and abuse the human rights of the Kashmir and Punjab people. In fact, reports from India indicate that hundreds, if not thousands of Punjab people have been killed during clashes with the Indian troops. Prime Minister V.P. Singh's failure to open a timely constructive dialog with the Kashmiri and Punjab people, and his willingness to tolerate the senseless loss of life inflicted by the Indian Government troops, clearly indicate his indifference to their struggle for independence.

Mr. Speaker, war over Kashmir is feared to be imminent. While the Indian Government refuses to allow secession and independence for the Kashmiri and Punjab people, the Pakistani Government supports their independence. Political tensions between these two countries are high and their relationship is volatile. Conventional war between these two countries could escalate into nuclear war. In fact, Bush administration officials fear that war could break out between India and Pakistan by this fall unless steps are taken to diffuse their confrontations over Kashmir.

Mr. Speaker, it has been reported that Representative SOLARZ, my dear colleague and chairman of the House Foreign Affairs Subcommittee on Asian and Pacific Affairs recently visited this region of the world. Also, President Bush's Deputy National Security Adviser Robert M. Gates recently returned from the region. I applaud their efforts in trying to advance peace and bring about meaningful resolution to this problem. I do, however, call upon our President to step up his role in negotiating peaceful talks between India and Pakistan and to support the Kashmir and Punjab efforts for greater autonomy from Indian rule.

Mr. Speaker, I want to submit for the RECORD several relevant newspaper accounts and reports of the problems in Kashmir and Punjab.

[From the New York Times, June 17, 1990]

WAR OVER KASHMIR IS FEARED BY UNITED STATES: INDIA-PAKISTAN TENSIONS HAVE EASED BUT BUSH AIDES SAY MORE MUST BE DONE

(By Michael R. Gordon)

WASHINGTON, June 16.—Despite a recent easing in tensions Bush Administration officials say they are still worried that war could break out between Pakistan and India by early fall unless the two countries take further steps to defuse their confrontation over Kashmir.

Pakistan and India have programs to develop nuclear weapons, raising the specter of a nuclear war in South Asia.

Administration officials said in interviews this week that tensions had declined since earlier this spring, when American intelligence agencies warned of a "50-50" chance of war between India and Pakistan. The officials said both sides reduce belligerent invective and made proposals for reducing tensions after President Bush's deputy national security adviser, Robert M. Gates, visited the region and met with officials of the Islamabad and New Delhi Governments.

HEAT AND MONSOONS EASE TENSIONS

Political analysts say that the immediate prospectives for conflict have receded because of the summer heat and monsoons in the region, which make ground operations more difficult.

But Bush Administration officials say that if the efforts by the two sides to ease tensions do not bear fruit, war could break out by September or October when the weather becomes more suitable for fighting.

"There does seem to be a modest reduction in tensions on both sides," a senior Administration official said. "But everybody regards it as touch and go."

Representative Stephen J. Solarz, the Brooklyn Democrat who heads the House Foreign Affairs subcommittee on Asian and Pacific Affairs, also visited the region recently. "The continuing tensions between India and Pakistan's as a result of the crisis in Kashmir is the most serious threat of a major military conflict anywhere in the world at the present time," he said.

Mr. Solarz estimated that the odds of conflict are now "45 for war, 55 for peace."

3 WARS SINCE INDEPENDENCE

India and Pakistan have fought three wars since the two nations achieved independence in 1947. Pakistan has said that the Kashmiris, who are predominantly Muslim, should be allowed to choose their future while India has insisted that the region must remain a part of India and has carried out a harsh crackdown there.

Since the last war, in 1971, India has exploded a nuclear device and Pakistan has mounted a program to develop its own nuclear weapons. While the Bush Administration has said that Pakistan does not yet possess a nuclear weapons, American experts say that there are not technological barriers to Pakistan assembling a nuclear device.

"Clearly one of the reasons we put the time and effort behind the Gates mission was the concern that a conflict could escalate to nuclear weapons," a State Department official said.

Administration officials said that their worries crested during the spring as they monitored the political rhetoric and military moves in the region.

MATCHING MOVES

"The concern was that they were inadvertently lurching toward a conflict neither one of them wanted," a senior Administration official said. "Each side was worst-casing the other's reactions or intentions. Each modest military move was looked upon by the other as requiring a response by the other side. And there was a gradual ratcheting up of military developments on both sides that was very worrisome."

Fueling the tensions were Indian charges that Pakistan was aiding Kashmiris who want to secede from India and Pakistani countercharges that Indian troops were guilty of human rights abuses in Kashmir.

The aim of Mr. Gates' mission was not to resolve the long and bitter dispute over Kashmir but the immediate task of heading off a war.

A senior Administration official said that the United States proposed a variety of "confidence-building measures" to reduce the risk of war, such as notification of militay exercises.

INDIA TAKES SOME STEPS

India later presented to Pakistan its own list of such measures, which appeared to draw somewhat from the American list. While the Indian move was welcome as constructive by Administration officials and Mr. Solarz, a Pakistani diplomat dismissed it as "very small-fry things that deal with the least sensitive aspects of the problem."

India also announced the withdrawal of armored units from a desert training area near Pakistan, but a Pentagon official said the United States has not yet confirmed that any of the equipment has been withdrawn.

Pakistan, for its part, has responded to the Indian call for "confidence building measures" by proposing a meeting of the foreign secretaries—the highest civil service officials in the Foreign Ministries of India and Pakistan.

"We want the Pakistanis to halt any support to the militants in Kashmir coming from Pakistani territory," said a Pentagon official. The official said that Pakistani officials have informed that United States that some steps have been taken including the closing of camps in Pakistan used to train the militants.

The Pentagon official said the Indians Government needs to end human rights abuses by its troops in Kashmir and stop using allegation of Pakistani interference in Kashmir as an excuse from "avoiding dealing with that too-hard problems."

[From the Washington Post, June 1, 1990]

OVER 100,000 DEMONSTRATE IN KASHMIR; SLAIN LEADER MOURNED AT PEACEFUL SERVICE; SOLARZ IN NEW DELHI

(By Steve Coll)

NEW DELHI, May 31.—Hooded separatist guerrillas delivered speeches and fired shots over the graves of slain Moslem demonstrators in Kashmir's summer capital of Srinagar today as more than 100,000 people gathered to mourn an assassinated religious leader.

The observances quickly turned into open protests against Indian rule in the region, but the day passed peacefully as the newly appointed governor of India's troubled northern state of Jammu and Kashmir lifted the curfew in some areas and withdrew security forces from the site of the funeral services.

Here in New Delhi, a visiting congressman with oversight responsibility for U.S. policy in South Asia, Rep. Stephen Solarz (D-N.Y.), said he believed the chances are about 50-50 that the separatist uprising in Kashmir will lead India and Pakistan into war within six months.

Solarz met with Prime Minister Vishwanath Pratap Singh on Wednesday after having discussed the Kashmir issue with Pakistani officials in Islamabad. He said that while the leaders of the two countries wished to avoid military conflict, it could escalate quickly because of high tension along the border.

India and Pakistan have fought three wars along Kashmir's border, the last in 1971. India claims sovereignty over the region while Islamic Pakistan contends that Kashmiris, most of whom are Moslems, should be allowed to decide their sovereignty in a plebiscite.

Threats of war by the two countries in recent months have raised particular alarm in the West because both countries are thought capable of deploying nuclear weapons.

The United States and the Soviets have been unable to agree on a joint approach for defusing the crisis—mainly because India, a longtime Soviet ally, objects to any third-party mediation as an infringement on its sovereignty.

Meanwhile, tens of thousands of mourners in Srinagar massed early today at the grave of Maulvi Mohammed Farooq, Kashmir's hereditary Moslem religious leader, who was assassinated by unidentified gunmen at his home in Kashmir 10 days ago.

Demonstrators waved the banned flags of Kashmir's two largest armed separatist groups, the Jammu and Kashmir Liberation Front and the Hizbul Mujaheddin, according to witnesses.

Gun-toting militants delivered anti-Indian speeches and led chants for independence at the grave sites of Farooq and some of the 47 Kashmiris who were killed by Indian security forces on May 21. That day, soldiers opened fire on thousands of mourners who were marching with Farooq's body toward the cemetery.

The shootings, in which hundreds of people were injured, led to an outcry in India and abroad over the the five-month campaign by the state's previous governor, Jagmohan, to quell the popular uprising.

Jagmohan resigned under pressure four days later and was replaced by Girish Saxena, a former chief of India's main intelligence agency. Saxena has vowed to continue India's crackdown on the armed Kashmiri militants, but both the new governor and his superiors in Singh's New Delhi administration are anxious to avoid any petition of the May 21 shootings.

ATTACK ON PACKED KARACHI BUS LIFTS ETHNIC DEATH TOLL TO 300

[From the Washington Post, June 1, 1990]

KARACHI, PAKISTAN, May 31.—Unidentified gunmen poured automatic-weapons fire into a crowded bus here today, killing at least 30 people and wounding 30 others as the latest outbreak of bloodshed in this ethnically turbulent city continued into a third week.

At least eight other people were slain by gunfire around Karachi today, bringing the death toll in ethnic clashes in the teeming port and surrounding Sind province since May 15 to more than 300. No one claimed responsibility for the bus attack.

The violence stems from deep hatred between native Sindis and the Mohajirs, descendants of Moslems who immigrated to Pakistan from Hindu India during the 1947 partition of the subcontinent. Sindis accuse

the better-educated Mohajirs of taking the best jobs and most valuable land.

Police blame the latest clashes on a militant faction of the Mohajir Qaumi Movement, a small political party representing the Moslem Indian immigrants. The party is demanding recognition as Pakistan's fifth nationality, along with Pathans, Punjabis, Baluchis and Sindis.

The bloodshed has forced Prime Minister Benazir Bhutto to postpone a four-day trip to Qatar, Iraq, Kuwait and Bahrain, during which she was to seek support in Pakistan's dispute with India over the future of Indian-ruled Kashmir.

Moslem nationalists in Kashmir are trying to break away from Indian control, and the New Delhi government has accused Pakistan of fomenting civil disorder there. Pakistan denies the charge.

Bhutto has rejected demands that she counter the violence by dismissing Sind's provincial government—headed by her Pakistan People's Party—and bringing Sind under control of central authorities in Islamabad. Instead, she has called out the army to help restore order.

Today, soldiers patrolled the largely deserted streets of Karachi, which is the capital of Sind and the country's financial and industrial hub.

[From the Washington Post, June 1, 1990]

REMOVAL OF INDIAN TROOPS MAY EASE TENSION WITH PAKISTAN, DIPLOMATS SAY

(By Al Kamen)

Heightened tension between India and Pakistan, caused by turmoil in the Indian province of Kashmir, may be easing somewhat after India withdrew an armored division from a key area along the border between the two nations, diplomatic sources here said yesterday.

Indian Embassy spokesman R.R. Dayakara said India this week withdrew the division from an area south of the Punjab—a likely staging area for any military move against Pakistan.

He called the move "a very substantial gesture, and a unilateral one initiated by India to lessen tensions."

A Pakistani official here, speaking on the condition he not be identified, said there is "unofficial confirmation on our side that there is [military] movement" in that area. "Once it is absolutely confirmed, then it would be certainly reciprocated. It is very welcome news, if confirmed," he said.

"Our unofficial assessment is that this is aimed to coincide with the summit and show the two leaders that India does not have warlike intentions," the Pakistani official said, "If they pull back, we have no intention to keep our forces there."

U.S. officials reacted positively to the Indian move, although they cautioned that the movement could be part of a normal rotation of forces or the result of a need to move armored units back from the desert area, where temperatures are well over 100 degrees. The area is used by the Indian army for training during the winter and spring, U.S. officials said. Pakistan had been increasingly concerned, however, that the division was not pulled back when it normally would have been.

"It is good news if it happened," especially if it was a deliberate gesture, "and was not something that was going to happen anyway," a senior U.S. official said. "Any step that is taken with the intent to lower tensions is welcome," he said, adding that the administration was treating it seriously and hoping for a response from Pakistan.

We called on both sides to lower the rhetoric and to take actions that would deescalate the tensions caused by rhetoric and troop movements. To the extent that this is such an action, this is a significant movement in the right direction."

U.S. officials have expressed increased concern in recent months over the latest wave of violence in Kashmir, India's only state with a majority Moslem population. India, which is mainly Hindu, has controlled Kashmir since the India and Pakistan gained independence in 1947, but religious differences have led to three wars between them since then.

Violence by Moslem militants demanding separation from India, along with recent belligerent statements by leading politicians on both sides threaten to trigger renewed fighting between the two nations.

President Bush two weeks ago sent his deputy national security adviser, Robert M. Gates, to India and Pakistan to urge the leaders of the two countries to seek a peaceful solution to the situation.

U.S. officials believe this crisis is substantially different, and more dangerous, than prior conflicts because it is sparked not only by political differences between the two countries but by the volatile situation in Kashmir. Kashmiri separatists in December launched mass demonstrations and kidnappings. More than 350 civilians have been killed in the turmoil this year and thousands have been detained and arrested.

Both countries are believed to be capable of exploding a nuclear device, raising concerns that a war would spur nuclear weapons development on the subcontinent.

[From the New York Times, June 17, 1990]

INDIA'S LEADER STRUGGLES WITH RISING VIOLENCE AND PARTY RIVALS

(By Barbara Crossette)

New Delhi, June 16.—For Prime Minister V.P. Singh, leading an alliance of diverse opposition parties to victory in national elections nearly seven months ago was the easy part. Consolidating his new Government's power over this fractious nation of 840 million people is proving to be much more difficult.

Undermined by rivals in his Janata Dal organization and under pressure from powerful parties on the left and right whose support he needs to sustain his minority Government, Mr. Singh is also badgered and taunted daily by an out-of-office Congress Party apparently trying to obstruct the working of government at every level.

Wavering alliances and opposition vitriol are constant features in Indian politics. But the dangers they pose to Mr. Singh are enlarged in the face of a growing Muslim insurgency in Kashmir, and a militant Sikh separatist campaign in Punjab.

Mr. Singh came to power promising both areas speedy political resolutions of their conflicts. But responding to rising violence, he has instead resorted to increased use of force, further alienating the largely non-Hindu populations denied the right to elect their state governments and in many towns compelled to live under undeclared martial law.

ESTABLISHING AN ALTERNATIVE

The Janata Dal Government faces another crucial challenge. It has to establish itself as real alternative to the Congress Party, which ruled India for most of the last four decades and from which many Janata Dal leaders come. The new party, rent with squabbles, has not concentrated on organization.

Personally, the 58-year-old Prime Minister is in every way different from his rival, Rajiv Gandhi. While Mr. Gandhi, grandson of Jawaharlal Nehru and son of Indira Gandhi, moves with an entourage that is part political and part crony, Mr. Singh is a quiet loner who seems to enjoy befuddling audiences with Delphic answers or unexpected suggestions.

In the last week, he has thrown off balance plotters who were talking of forming a national government without him by replying, "Why not?" Reams of newsprint have been sacrificed in the effort to plumb what he meant.

One colleague says that although the Prime Minister consults often with colleagues, in the end he makes up his own decisions, sometimes wasting precious time along the way.

Many politicians and commentators believe that despite his preoccupation with the violence in the northwest and the attendant tensions with Pakistan, which rise and fall from day to day, Mr. Singh will soon have to begin delivering on the election promises that raised the expectations of voters in November, especially pledges to expose official corruption, restore states' rights and strengthen local government, and free broadcasting from the rigid controls that have made it little more than a medium of propaganda.

There has been little or no progress in any of these areas.

"Six months have passed since the new Government has taken over, and right from the word 'go,' skepticism has been very much there," said L.K. Advani, leader of the right-wing Bharatiya Janata Party, which supports Mr. Singh from outside his National Front coalition. "Will this Government last?"

"It's a live question," Mr. Advani told foreign correspondents. "My own assessment is that the persistence of this question certainly impairs the credibility of the Government. But what is more important is, Will this Government be able to deliver the goods?"

Mr. Singh's preference for slow, methodical investigations through established institutions and procedures has annoyed some supporters who were convinced there would be speedy moves to prosecute some aides of Mr. Gandhi on allegations of corruption in the purchase of civil aircraft and military equipment.

STUDY GROUPS SET UP

Social planners have been slow to offer bold ideas. Commissions and study groups are set up instead. Recently the Planning Commission suggested a complete reorganization of the country's education system. The Prime Minister has also called for a new look at population control, and at large irrigation and power projects that threaten to dislocate hundreds of thousands of Indians. Framing these new policies will take time, putting them into practice even longer.

The national economy is heading toward a tough decade, Indian and foreign economists say. This week, the World Bank recommended a halt in the growth of government and the bureaucracy, which now consumes more than 30 percent of the country's gross national product, according to S.P. Ahuja, director of New Delhi's Center for Research, Planning and Action, an independent research center. Inflation and foreign debt are rising. Public sector companies continue to perform poorly, while many re-

strictions and widespread corruption still hedge in private enterprise.

"India is running out of time," Vikram Satyanath, a young advertising executive in Bangalore, said. "If this Government doesn't do something, we will find another one that will."

For many impatient young people that choice will not be Congress, a party that voters rejected as discredited in national and state elections, but Mr. Advani's disciplined free-enterprise Bharatiya Janata Party, which is better known for its appeal to conservative or militant Hindus. But it also seems to be attracting the rising, secular middle class.

RIVAL PARTY GROWS STEADILY

The Bharatiya Janata Party, in contrast to Mr. Singh's Janata Dal, has been growing steadily over the last year, consolidating strength at state and local levels for what many Indians believe will be a bid for power nationally in the next election.

Most politicians and analysts in this land where the word pundit was invented believe that Mr. Singh still commands substantial respect and popularity around the country for his integrity, and that voters are not ready to consider bringing Mr. Gandhi back.

"The Prime Minister may derive his greatest strength from the fact that no party wants to fight another election now, not even Congress," said Bhabani Sen Gupta, of the Center for Policy Research.

Although the Prime Minister says he is not adverse to open debate among his colleagues, there are many politicians, including some in his own party, who believe that he will have to put an end to some unseemly public disputes among his colleagues.

SHOWDOWN WITH DEPUTY PREDICTED

Ultimately, many believe, there will have to be a showdown with his Deputy Prime Minister, Devi Lal.

When Mr. Singh broke with Mr. Gandhi and was expelled from the Congress Party in 1987, he was a man without a political base. He succeeded in creating a national party, the Janata Dal, and later the wider National Front only with the help of several important regional politicians.

Foremost among them were Mr. Lal, Chief Minister of the northern state of Haryana and a near-feudal leader of increasingly prosperous farmers belonging to the Jat caste, the Chandra Shekhar, a wily politician who never hid his ambition to be prime minister, a position be believes he was unfairly denied in 1977, when another non-Congress Government was in power.

When Mr. Singh took office in December, Mr. Lal joined him in a decisive political manuever to sideline Mr. Shekar, who challenged Mr. Singh for the chance to form a government. Mr. Lal was rewarded with the title of Deputy Prime Minister as well as Agriculture Minister. Mr. Shekhar, shunted to the sidelines, began to plot.

PROGRESS ON FOREIGN POLICY

Now he has renewed his relationship with Mr. Lal, and the two have become a virtual fifth column in the party. They threaten to deprive Mr. Singh of their support bases in the populous Hindi-speaking north.

If Mr. Singh has acted cautiously on the domestic political front, he moved quickly in foreign policy. Troops were brought back from Sri Lanka, agreements were signed with Bangladesh and a trade war with Nepal has ended. Mr. Singh recently joined officials from other developing nations in establishing a new international organization, the Group of 15, for helping one another and forming a front to tackle their perceived problems with industrialized nations.

But relations with Pakistan, the largest neighbor, have been set back significantly by the crisis in Kashmir, raising the level of suspicion and tension between the two nations. Over the next few months, this issue will test the statesmanship of Mr. Singh, and at the same time his domestic political acumen will be facing its greatest challenge.

[From Amnesty International USA, June 7, 1990]

INDIA: TORTURE AND KILLINGS OF UNARMED CIVILIANS IN KASHMIR

Amnesty International has expressed grave concern to the Indian Government over renewed reports of indiscriminate killings of unarmed civilians by security forces in Kashmir.

Since January, there have been repeated allegations of extrajudicial executions and other human rights abuses as the government moves to suppress an escalating independence campaign in Kashmir.

On 21 May, 47 people were reported killed by official sources when police shot at thousands of men and women who were mourning the death of Srinigar's Islamic leader, Maulvi Mohammed Farooq, who had been shot dead earlier. Unofficial reports say the number of deaths was higher, with at least 60 killed.

Government ministers said Kashmiri militants mingling in the crowd of mourners had opened fire first, and civilians were subsequently killed in the "cross-fire" between central reserve police forces and armed Kashmiris. But survivors, journalists and other witnesses said security forces opened fire without warning or provocation and the shooting was indiscriminate. As on previous occasions in Kashmir when unarmed demonstrators have been shot by paramilitary personnel, doctors and journalists reported that most victims bore head, neck or chest wounds, suggesting the security forces were shooting to kill. A senior police officer has reportedly opened an investigation into the killings.

The incident is the latest in a series of indiscriminate killings of unarmed demonstrators which have occurred in Kashmir since January. Amnesty International acknowledges that the task of the security forces in maintaining law and order in Kashmir is a difficult one, where several armed groups have resorted to violence. These groups have killed members of the security forces, government officials, and civilians alleged to be "informers". On 10 April, one such group killed three people it had taken as hostages. Amnesty International condemns the torture or killing of prisoners by anyone but says killings by armed groups can never justify security forces resorting to extrajudicial executions.

Thousands of people are reported to have been arbitrarily arrested and detained without charge or trial since January for suspected involvement in Kashmir's independence campaign or for the state to join Pakistan. In Mid-May, the Government said many of those arrested had been released shortly after arrest and that only 500 were still held. However, unofficial sources alleged that well over 1,000 detainees were still held. None are known to have been tried but the Governor of Kashmir, who resigned on 25 May, said those with specific charges against them would be brought to trial in Jammu.

Some detainees have also reportedly been transferred to prisons outside Kashmir—relatives say they do not know where they are being held.

Many of those arrested are said to have been tortured with some released detainees bearing marks of beatings and of burnings with cigarettes. One victim said he was suspended from a rotating ceiling fan. During house-to-house searches, paramilitary forces are alleged to have ill-treated suspects and raped women, an assistant commissioner for local administration claimed he was beaten in January by the border security force when he inquired about shootings and killings by the security forces.

Amnesty International has not been able to visit Kashmir to investigate any of the recent human rights abuses allegations. But it says there is mounting evidence from independent sources supporting these allegations and has called on the Indian Government to take urgent measures to prevent further abuses.

Amnesty International is very concerned about the human rights situation in India and the deterioration of the situation in Kashmir, in particular. Amnesty International is calling upon Members of Congress to express their concerns in letters to the government of India.

IMPACT OF CONSTITUTIONAL ISSUE ON FLAG BURNING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LEVINE] is recognized for 5 minutes.

Mr. LEVINE of California. Mr. Speaker, I have asked for this brief special order in light of the importance of the constitutional issue which will be before the Committee on the Judiciary tomorrow and which I expect will be on the floor later this week.

Mr. Speaker, never in the history of the United States of America has this Congress or this country seen fit to amend, and act upon amending, the Bill of Rights of the Constitution of the United States of America. Never before in the history of this Republic, Mr. Speaker, has this country amended perhaps the most sacred constitutional set of freedoms that this Nation enjoys, those freedoms that are guaranteed under the first amendment to the U.S. Constitution.

Mr. Speaker, before we deliberate on the issues before us in committee tomorrow and on the floor on Thursday, I hope we will seriously reflect upon the consequences of tinkering with the first amendment to the Constitution of the United States of America. The first amendment in many respects, and certainly the entire Bill of Rights, are the cornerstones of American freedom.

Think about what these freedoms are. Think about their hallowed nature in the history of this country. Freedom of religion, the free exercise of religion, freedom of speech, unrestricted freedom of political speech. Even the most abhorrent concepts are

at least accorded a hearing under this sacred constitutional guarantee that has been enshrined in our Bill of Rights and enshrined in our first amendment throughout the history of this country.

As the Supreme Court stated just 1 week ago in the opinion which triggered the current consideration of this issue:

We are aware that desecration of the flag is deeply offensive to many. But the same might be said, for example, of virulent ethnic and religious epithets, see *Terminiello* v. *Chicago*, 337 U.S. 1 (1949), vulgar repudiations of the draft, see *Cohen* v. *California*, 403 U.S. 15 (1971), and scurrilous caricatures, see *Hustler Magazine, Inc.* v. *Falwell*, 485 U.S. 46 (1988). "If there is a bedrock principle underlying the First Amendment, it is that the Government may not prohibit the expression of an idea simply because society finds the idea itself offensive or disagreeable." Johnson, supra, at——. Punishing desecration of the flag dilutes the very freedom that makes this emblem so revered, and worth revering.

Mr. Speaker, let me bring the attention of my colleagues a story on today's Associated Press wire and which begins as follows, Mr. Speaker, and I quote the Associated Press wire of earlier today:

Members of China's rubberstamp parliament will discuss a proposed ban on desecration of the national flag this weekend and are likely to enact the law with little of the political fury exhibited in the United States.

The spokesman for that rubberstamp parliament, one Zhiang Huseng, stated that China's national flag law will face no constitutional hurdles, and he said:

I can say one thing for sure. The Chinese constitution will need no amending on the propagation of the law on the national flag.

Mr. Speaker, reflect on this. China has one of the more repressive governments on the globe.

□ 1350

This is the Government that ran students over with tanks in Tiananmen Square last June. This is a regime which would have no constitutional qualms about restricting speech at all.

Mr. Speaker, we are in America. We are protected by the first amendment to the U.S. Constitution. We are in the land of the free. We are not in China where tanks trample students in Tiananmen Square.

We should not allow the Goddess of Democracy which has inspired hope for a better Chinese future to be compromised by amending the first amendment to our Bill of Rights for the very first time in our history.

Mr. Speaker, the real issue before us this week will not be whether we support flag burning by a handful of misfits. None of us do. But to stop it, as offensive as it may be, as offensive as it surely is, will we support burning the Constitution and burning the freedoms that are enshrined in the first amendment to this Constitution that we hold so dear? That in fact, would be a threat to this Republic.

It will take some political courage to vote against this amendment and to protect the Bill of Rights, the first amendment, and the U.S. Constitution. If ever there was a time to exercise this political courage, this week will be such a time.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. LEVINE of California) to revise and extend their remarks and include extraneous material:)

Mr. LEVINE of California, for 5 minutes, today.

Mr. ANNUNZO, for 5 minutes, today.

Mr. GUARINI, for 5 minutes, on June 19.

Mr. RANGEL, for 60 minutes, on June 25.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DOUGLAS) and to include extraneous matter:)

Mr. SHAYS.

Mr. MACHTLEY.

Mr. GEKAS.

Mr. HANSEN.

Mr. PURSELL.

Mr. ARMEY.

(The following Members (at the request of Mr. LEVINE of California) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. TORRES.

Mr. NELSON of Florida.

Mr. KANJORSKI.

Mr. BONIOR in two instances.

Mr. MAZZOLI.

Mr. HUBBARD.

Mr. LANTOS.

Mr. ROE.

ADJOURNMENT

Mr. LEVINE of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 51 minutes p.m.), the House adjourned until tomorrow, Tuesday, June 19, 1990, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3401. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-213, "Motor Vehicle Fees Amendment Temporary Act of 1990", pursuant to D.C. Code Sec. 1-233(c)(1); to the Committee on the District of Columbia.

3402. A letter from the Acting Director of Communications and Legislative Affairs, Equal Employment Opportunity Commission, transmitting a copy of a report on the operations of the Office of General Counsel, October 1988 through September 1989, pursuant to 42 U.S.C. 2000e-4(e); to the Committee on Education and Labor.

3403. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend the Toxic Substances Control Act, as amended, for 2 years; to the Committee on Energy and Commerce.

3404. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Korea for defense articles and services estimated to cost $44 million (Transmittal No. 90-43), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3405. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original reports of political contributions by Townsend B. Friedman, of Illinois, and Richard C. Brown, of Maryland, Ambassadors-designate and members of their families, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3406. A letter from the Director, United States Information Agency, transmitting the semiannual report of the Office of Inspector General for the period October 1, 1989 through March 31, 1990, pursuant to Public Law 95-452, sec. 5(b) (102 Stat. 2526; to the Committee on Government Operations.

3407. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3408. A letter from the Secretary of the Interior, transmitting the Federal Coal Management Report, fiscal year 1989, pursuant to 30 U.S.C. 208-2; to the Committee on Interior and Insular Affairs.

3409. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to authorize appropriations for environmental research, development, and demonstration for fiscal years 1991 and 1992; to the Committee on Science, Space, and Technology.

3410. A letter from the Chief Judge, Court of Veterans Appeals, transmitting a draft of proposed legislation to make technical amendments to the Veterans' Judicial Review Act; to the Committee on Veterans' Affairs.

3411. A communication from the President of the United States, transmitting notification of his designation of Anne E. Brunsdale as Vice Chairman of the U.S. International Trade Commission, effective

June 16, 1990, pursuant to 19 U.S.C. 1330(c)(1); to the Committee on Ways and Means.

3412. A letter from the Secretary of Health and Human Services, transmitting the annual report of the Indian Health Care Improvement Act covering the major activities and accomplishments of the Indian Health Service during fiscal year 1988, pursuant to 25 U.S.C. 1671; jointly to the Committees on Energy and Commerce and Interior and Insular Affairs.

3413. A letter from the Secretary of Health and Human Services, transmitting a copy of a report entitled "the Accuracy of the Medicare Home Health Agency Cost Limits"; jointly, to the Committees on Energy and Commerce and Ways and Means.

3414. A letter from the Secretary of Health and Human Services, transmitting a copy of a report on standards for physicians' office laboratories; jointly, to the Committees on Energy and Commerce and Ways and Means.

3415. A letter from the Administrator, Agency for International Development, transmitting a letter stating that AID has completed its task and has ceased delivering aid to the Nicaraguan resistance as of April 30, 1990, pursuant to Public Law 101-14, sec. 11 (103 Stat. 40); jointly, to the Committees on Foreign Affairs and Appropriations.

3416. A letter from the Assistant Administrator, Environmental Protection Agency, transmitting a copy of a report entitled "the Second Progress Report Under the 1987 Chesapeake Bay Agreement", pursuant to 33 U.S.C. 1267; jointly to the Committees on Public Works and Transportation and Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DINGELL: Committee on Energy and Commerce. H.R. 4273. A bill to amend the Public Health Service Act to extend the program of grants for preventive health services with respect to tuberculosis, and for other purposes; with an amendment (Rept. 101-542). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 4790. A bill to amend the Public Health Service Act to establish a program of grants for the prevention and control of breast and cervical cancer (Rept. 101-543). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAWKINS: Committee on Education and Labor. H.R. 1013. A bill to amend the Education of the Handicapped Act to extend certain authorities contained in such Act through the fiscal year 1992; with amendments (Rept. 101-544). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LEVIN of Michigan (for himself, Mr. SWIFT, Mr. WAXMAN, Mr. MOODY, Mr. FAUNTROY, Mr. MCDERMOTT, Ms. PELOSI, Mr. FOGLIETTA, and Mr. LEWIS of Georgia):

H.R. 5067. A bill to amend titles XVIII and XIX of the Social Security Act to require providers of services and health maintenance organizations under the Medicare and Medicaid Programs to assure that individuals receiving services will be given an opportunity to participate in and direct health care decisions affecting themselves; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. RINALDO:

H.R. 5068. A bill to extend the temporary suspension of duty on certain oxygen-function amino compounds; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 286: Mr. BOEHLERT.

H.R. 552: Mr. STEARNS.

H.R. 930: Mr. ANDREWS.

H.R. 1180: Mr. MAVROULES.

H.R. 2816: Mr. LEATH of Texas.

H.R. 2870: Mr. SERRANO, and Mr. BROWDER.

H.R. 2942: Mr. SMITH of Texas.

H.R. 3120: Mr. BUSTAMANTE, and Mr. WISE.

H.R. 3958: Mrs. MARTIN of Illinois.

H.R. 4147: Mr. MARKEY, Mr. BUSTAMANTE, Mr. SHAYS, Mr. WAXMAN, and Mr. CHAPMAN.

H.R. 4492: Mr. CARPER, Mr. TORRICELLI, Mr. BENNETT, Mr. WAXMAN, and Mr. COYNE.

H.R. 4497: Mr. BATES.

H.R. 4520: Mr. EVANS.

H.R. 4552: Mr. SAVAGE.

H.R. 4573: Mr. HORTON, Mr. ACKERMAN, Mr. NEAL of North Carolina, Mr. HOCHBRUECKNER, Mr. FOGLIETTA, Mr. BLAZ, Mr. PALLONE, and Mr. CONTE.

H.R. 4601: Mr. SMITH of New Jersey.

H.R. 4763: Mr. BROWN of California.

H.R. 4790: Mr. KILDEE.

H.R. 4812: Mr. HEFNER, Mrs. LLOYD, Mrs. PATTERSON, Mr. SPRATT, and Mr. NEAL of North Carolina.

H.R. 4959: Mr. JOHNSON of South Dakota, Mrs. COLLINS, Mr. DOUGLAS, and Mr. CHAPMAN.

H.R. 4990: Mr. PORTER, Mr. DREIER of California, Mr. ROSE, Mr. JOHNSON of South Dakota, Mr. RINALDO, Mr. CARR, Mr. MCDADE, and Mr. CHAPMAN.

H.R. 5000: Mr. FAUNTROY, Mrs. COLLINS, and Mr. TOWNS.

H.J. Res. 374: Mr. MARKEY, Mr. LENT, and Mr. TORRICELLI.

H.J. Res. 439: Mr. JAMES, Mr. KOLTER, and Mr. HUCKABY.

H.J. Res. 459: Mr. UDALL, Mr. FEIGHAN, Mr. CLEMENT, and Mr. SKELTON.

H.J. Res. 509: Mrs. COLLINS, Mr. DE LA GARZA, and Mr. DYMALLY.

H.J. Res. 532: Ms. MOLINARI, Mr. LEWIS of California, Mr. ROE, Mr. NAGLE, Mr. SPENCE, Mr. SKEEN, Mr. MARTIN of New York, and Mrs. BENTLEY.

H.J. Res. 561: Mr. EVANS.

H.J. Res. 575: Mr. ALEXANDER, Mr. ANTHONY, Mr. BAKER, Mr. BARNARD, Mr. BEILENSON, Mrs. BOGGS, Mr. BOSCO, Mr. BOUCHER, Mrs. BOXER, Mr. BROWDER, Mr. BROWN of California, Mr. BROWN of Colorado, Mr. BRUCE, Mr. CARDIN, Mr. CARPER, Mr. CLEMENT, Mr. COBLE, Mr. COLEMAN of Missouri, Mr. DEFAZIO, Mr. DE LUGO, Mr. DINGELL, Mr. DOUGLAS, Mr. EDWARDS of California, Mr. FALEOMAVAEGA, Mr. FEIGHAN, Mr. FORD of Michigan, Mr. GALLO, Mr. HANSEN, Mr. HATCHER, Mr. HAYES of Illinois, Mr. HAYES of Louisiana, Mr. HEFNER, Mr. HOAGLAND, Mr. HOYER, Mr. HUGHES, Mr. JENKINS, Mr. JOHNSON of South Dakota, Mr. JOHNSTON of Florida, Mr. JONES of Georgia, Mr. JONES of North Carolina, Mr. KASTENMEIER, Mr. KENNEDY, MRS. KENNELLY, Mr. KILDEE, Mr. LANCASTER, Mr. LAUGHLIN, Mr. LEWIS of Georgia, Ms. LONG, Mrs. LOWEY of New York, Mr. MCDADE, Mr. MCDERMOTT, Mr. MCMILLEN of Maryland, Mr. MAZZOLI, Mr. MOODY, Mr. MOORHEAD, Mr. NAGLE, Mr. NEAL of Massachusetts, Mr. NIELSON of Utah, Mr. OBEY, Mr. OBERSTAR, Mr. PANETTA, Mr. PAYNE of New Jersey, Mr. PAYNE of Virginia, Mrs. PELOSI, Mr. PICKLE, Mr. PRICE, Mr. ROSE, Mr. ROWLAND of Connecticut, Mr. RUSSO, Mr. SABO, Mrs. SAIKI, Mr. SCHAEFER, Mr. SLATTERY, Mr. SIKORSKI, Ms. SLAUGHTER of New York, Mr. SOLARZ, Mr. SPRATT, Mr. SMITH of Florida, Mr. SMITH of New Hampshire, Mr. STEARNS, Mr. STENHOLM, Mr. TAUKE, Mr. TAUZIN, Mr. TAYLOR, Mr. THOMAS of Georgia, Mr. TRAFICANT, MRS. UNSOELD, Mr. VALENTINE, Mr. VOLKMER, Mr. VISCLOSKY, MRS. VUCANOVICH, Mr. WALGREN, Mr. WASHINGTON, Mr. WAXMAN, Mr. WOLF, Mr. WYDEN, Mr. WYLIE, Mr. YATES, and Mr. LIGHTFOOT.

H.J. Res. 578: Mr. FUSTER, Mr. YATES, Mr. MCNULTY, Mrs. COLLINS, Mr. SERRANO, Mr. MCGRATH, and Mr. STOKES.

H. Con. Res. 333: Mr. HOUGHTON, Mr. FOGLIETTA, Mr. KOSTMAYER, Mr. RITTER, Mr. MFUME, Mr. GEJDENSON, Mr. COLEMAN of Texas, Mr. YATES, Mr. JACOBS, Mr. LANCASTER, Mr. TALLON, Mr. WEBER, Mr. TRAFICANT, Mr. BLILEY, Mr. VANDER JAGT, Mr. TRAXLER, Mr. WELDON, Mr. VALENTINE, Mr. SLATTERY, Mr. TORRES, Mr. SHAW, Mr. SMITH of Texas, Mr. SKAGGS, Mr. SPRATT, Mr. DICKINSON, Mr. MAZZOLI, Mr. ECKART, Mr. SERRANO, and Mr. MARKEY.

H. Res. 134: Mr. CLAY, Mr. INHOFE, Mr. COBLE, and Mr. CHAPMAN.

SENATE—*Monday, June 18, 1990*

(Legislative day of Monday, June 11, 1990)

The Senate met at 2 p.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Behold, how good and how pleasant it is for brethren to dwell together in unity!—Psalm 133:1.

God of peace, thank Thee for the motto, "E Pluribus Unum"—"Out of Many, One"—for the vision of Franklin, Jefferson, and Adams that it should appear on the Great Seal of the United States. Thank Thee that our Founding Fathers conceived of the Senate as the model of that unity. Thank Thee for diversity without which dull uniformity would prevail—making us clones. Thank Thee for unity without which diversity would become anarchy.

We pray, mighty God, that the wind of the Holy Spirit will breathe upon the Senate, that it may find the strength which comes from unitedness. Put within the hearts of the Senators the will to unity, not at the expense of diversity, but that the immense corporate power of these 100 powerful public servants may come to focus upon the monumental, critical issues which divide and fragment. We pray in Jesus' name in whom is all power in Heaven and on Earth. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

THE JOURNAL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, following the time for the two leaders this afternoon, there will be a period for morning business until 3 p.m., with Senators permitted to speak therein for up to 5 minutes each.

At 3 p.m., the Senate will begin consideration of S. 566, the National Affordable Housing Act. There will be no rollcall votes today. Rollcall votes are possible at any time tomorrow when the Senate resumes consideration of the bill in the morning.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time, and I reserve all of the leader time of the distinguished Republican leader.

The PRESIDENT pro tempore. Without objection, the time of the two leaders is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. There will now be a period for the transaction of morning business, to extend until the hour of 3 p.m., with Senators permitted to speak therein for up to 5 minutes each.

The Senator from Nevada [Mr. REID] is recognized for not to exceed 5 minutes.

CAMPAIGN FINANCE REFORM

Mr. REID. Mr. President, the June 16 edition of the National Journal is almost entirely dedicated to one subject. They entitle the magazine "Campaign Grease."

This respected publication, which we in Congress and people throughout America read as an indication of what is going on in Washington, certainly is something we should all direct our attention to this day.

This publication of June 16 is broken up into a series of articles. The first article is titled "The Money Chase."

Mr. President, of course, what this title refers to is the pursuit of Senators to raise on an average $4 million during a campaign cycle. I think that the title of the article is a good choice if you are looking at what goes on here.

There are other articles that are just as descriptive as that: "Spend, Spend, Spend"; "Year Round Business," and of course, money raising is a year-round business; "Always Run Scared," which talks about how even though people may not have a tough election, they run as if they are going to have one and raise huge sums of money and spend huge sums of money. Another article, "Don't Look Homeward." This is also a descriptive title, Mr. President. What this article says is that large amounts of money are raised outside our home States.

"The Green Thumb Gang" is another article, and basically what this talks about, Mr. President, is the industry that has developed around campaign money raising. The $130 million-odd that is raised every 2 years by Senators has created an industry, an industry of people who both help raise and spend this money.

The first of the series of articles that I talked about, entitled "The Money Chase," makes a statement and asks a serious question. "The pursuit of campaign funds has become an unending marathon as worrying to participants as it is disturbing to spectators. But will it lead to the system's overhaul?"

Sadly, Mr. President, probably not. The answer to that question leaves me troubled, as I am sure it does a lot of people in this body. It is already nearing the end of June, leaving just over 2 months for us to work on legislative matters. The legislative ghost of campaign reform has appeared every now and then but I am afraid it may have disappeared for good if the weekend papers are correct, because in the newspapers it said the attempts by the two party leaders to have this resolved by two five-men working groups have failed. That being the case, it is going to be most difficult, Mr. President, for campaign reform to take place.

I think this is a tragedy for our electoral system, our Government, and especially for our constituents. We have both parties complaining about the necessity for campaign reform, the high cost of campaigns, how it is distracting from what really needs to be done. But what is being done about it? Not very much at this stage.

Mr. President, let me close by stating that I recognize that campaign reform is not the burning issue back home. People back home are more concerned about the budget deficits, and our educational system. And what are we going to do about what is happening in Eastern Europe? They are more concerned about the environment, and rightfully so. But we could concentrate more on those problems if we were not involved in this constant battle to raise campaign moneys. We could concentrate more on education, the environment, and deficit reduction perhaps.

Every 2 years 33 Senators run for reelection at an average cost of $4 million per race. That comes to over $130 million. And it is growing tremendously.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Mr. President, in 1976 the House and Senate spent $125.5 million. In 1988, they spent almost $458 million. In just 12 years the increase is staggering, even accounting for inflation.

In addition to the money raised and spent by candidates themselves, an entire year-round industry of independent organizations has sprung up to raise money to affect campaigns. These groups can come into a State and spend unlimited sums of money campaigning an individual. It is wrong. We have to do something about this. It is outrageous that these activities—these independent expenditures—are allowed to continue. Unless we do something about changing the law, they will continue.

So I think it is important that we recognize here in Washington that the people are concerned and will become more concerned as time goes on. We are here to represent the people's concerns about education, the environment, and deficit reduction. We have to recognize that campaign reform, which will benefit these issues, should not fade into the background. I think it is important for both parties to recognize that campaign reform is good government.

So I hope that the leaders would push the negotiators to come up with an agreement. I am partial to the Democratic legislation that has been introduced. But it is important that we recognize that something must be done before time runs out. As the National Journal reports, the debate on this issue is being carried out on an eerily quiet stage.

I intend, Mr. President, to keep making noise about it. I intend to keep making noise until we do something because I think it is time to exorcize this ghost legislation and end the haunting of campaign finance.

The PRESIDENT pro tempore. The Republican leader is recognized. His time has been reserved. He has 10 minutes under the time reserved. He also has 5 minutes in morning business if he so desires to use it.

CAMPAIGN FINANCE REFORM

Mr. DOLE. Mr. President, I was very surprised to read in this weekend's newspapers about the collapse of the bipartisan campaign finance reform negotiations.

I understand that Senator MCCONNELL, the leader of the Republican negotiating team, also learned—through the newspapers—about the Democrat's unilateral decision to discontinue the negotiations.

It is unfortunate that my colleagues on the other side of the aisle believe that bipartisan negotiations are not worth pursuing anymore.

There was bipartisan consensus on the need for a meaningful broadcast discount. There was bipartisan consensus on the need to reduce the influence of special interests by restricting PAC contributions and contributions from individuals living outside of a candidate's home State. There was bipartisan consensus on the need to curtail the practice of bundling and to close the millionaire's loophole that now exists in Federal law.

There was bipartisan consensus—in other words—on an entire menu of very important reform issues. But this consensus has apparently been sacrificed at the altar of rigid, arbitrarily determined spending limits that disadvantage challengers and promote incumbency.

I urge my colleagues to note this simple fact: Only 7 of the 32 winning Senate challengers from 1978 to 1988 stayed within the spending limits outlined in S. 137. Obviously, these are pretty low numbers. They are also pretty good numbers, particularly if you are interested in seeing the Democratic Party maintain its lock in Congress through the 21st century.

This is the view of virtually every campaign finance scholar who has studied the issue. It is the view of the Committee for the Study of the American Electorate, a nonpartisan research group, which recently concluded that the spending limits contained in S. 137 would favor Senate incumbents. That means Republicans and Democrats. And it happens to be the view of President Bush, who has publicly threatened to veto any bill that contains a rigid spending limits proposal or provision.

Mr. President, Senator MITCHELL and I will sit down and discuss what the next step should be. But since Democrats and Republicans appear to agree on many—if not most—of the key campaign finance reform issues, it remains my hope that bipartisan negotiations could resume sometime later this week.

There is simply too much at stake, and too many areas of agreement, to throw in the campaign reform towel without further discussions.

Let there be no mistake about it: the Senate can pass a comprehensive and truly meaningful campaign finance reform bill, and it can pass such a bill this year.

But we will not have reform if one party at the negotiating table chooses to walk lock step with Common Cause and the liberal media. And we will not have reform if reform means partisan advantage for one party and partisan disadvantage for the other.

Senate Republicans continue to believe that the real campaign finance culprit is not campaign spending, but the special interest sources of campaign funds.

That is why we have tried to limit the source. If one man gives me $1 million in my campaign, that is special interest of course. But if 1 million people give me $2 apiece, that is $2 million. But it is not much from any one source.

Instead of talking about some arbitrary aggregate spending limit, let us talk about limiting the source—political action committees, so-called soft money, out of State, to make us go back to our own States to raise money. Let us limit how much we can raise the source of the money, the aggregate total. There is no magic about the aggregate total unless we want to protect all who are incumbents.

I certainly share the view of the Senator from Nevada. I think many of the people in our State focus on other issues. But I find it very demeaning. I know the Presiding Officer does, and I know the Senator from Nevada does. Raising money is not what we are here for. We need to find some way to limit the cost of campaigns without going, in my view, to public financing. I think that would be a mistake because that would be another Federal program that would grow and grow like all Federal programs.

So I would just hope that we have not given up. This Senator has not given up. We believe that we have a good proposal on our side. Democrats believe they have a good proposal on their side. But you cannot have negotiations if in this case the negotiators from one party say, well, we are not going to negotiate anything until you agree to accept some arbitrary rigid aggregate spending limit. Why not set the aggregate spending limit, and let us set political action committees aside and negotiate everything else. Then maybe the leaders could make some adjustments or could negotiate spending limits and PAC contributions or whatever.

We need to reduce the amount political action committees can give—$10,000 is a lot of money; it ought to be less. We need to limit or ban soft money; and, ban what we call bundling; and, limit how much we can raise from out of State.

So I just say even though I was surprised to read that the distinguished Senator from Oklahoma just sort of pulled the plug, Senator BOREN, on any further negotiations without anybody being aware of it, at least this Senator was not aware of it, I hope that is not an indication that all bets are off; we will have to come back on the Senate floor and try to work it out on the Senate floor. Maybe we can. But I still hope we could give bipartisan negotiations another chance.

Mr. President, I reserve the remainder of my time.

The PRESIDENT pro tempore. The balance of the Republican leader's time is reserved by asking unanimous consent. Without objection, it is so ordered.

Mr. BOND addressed the Chair.

The PRESIDENT pro tempore. The Senator from Missouri [Mr. BOND] is recognized for not to exceed 5 minutes.

SAVINGS AND LOAN FRAUD

Mr. BOND. Mr. President, a U.S. grand jury indicated the owner of the infamous Vernon Savings & Loan in Texas on 38 counts last week. The latest in a string of indictments against the highest officials of Vernon, he stands accused of authorizing more than three dozen payments for illegal political contributions, lavish parties and hunting expeditions.

This indictment came after 4 years of investigation coordinated by the Justice Department. The unit investigating Vernon now has 140 lawyers, agents and investigators with 51 convictions in 76 indictments to their credit. Seven of Vernon's top officers and a heavy borrower have already been convicted.

But these prosecutions do not tell the whole story. Vernon's financial empire peaked at $1.7 billion before its crash. Since 96 percent of its loans were bad, taxpayers may lose $1.3 billion of that sum. Frankly, it takes a lot of teamwork to run up a debt like that.

Officials at Vernon were well connected. They reportedly entertained their regulators and raised bushels of money for their friends in the Congress. If their efforts gained them any influence, can we doubt that they used it?

What do we know of the teamwork at Vernon? It has been reported that they had friends in the leadership of the House. It has been reported that these friends intervened with Federal regulators investigating Vernon. We do know that the House Ethics Committee refused disciplinary action in one case.

But the real question here is what should we know—not just about Vernon—but about the largest finanacial scandal in our Nation's history. The American taxpayers are picking up a $130 billion plus interest tab; they deserve to know why. I think we owe them more for their money than just prosecutions, even significant prosecutions, strung out over a decade. American taxpayers deserve the whole story, not just pieces here and there.

When I came to the Senate in 1987, I joined the Banking Committee, and I found that the previous year an effort to provide $15 billion to replenish the dwindling FSLIC fund had been killed in the House, reportedly by the house Leadership. In my first year I was one of the few votes in the committee for the next effort to put $15 billion in the fund. Eventually, our effort won $10.8 billion for the fund. As we now know, even that was far from sufficient.

I have long sought better criminal prosecution and sponsored legislation to provide for stiffer penalties and supported the allocation of additional dollars for the Department of Justice to go after those who had stolen from the system.

Last spring I wrote the Attorney General suggesting that a special savings and loan fraud czar be appointed. Prosecuting these cases should be more than business as usual at the Justice Department.

I am disappointed at the pace of prosecutions. On May 25, I wrote to our committee leadership asking for a hearing to investigate this. I understand that hearings will be held on August first and second. I am confident that the hearing will be productive and that we will proceed with a spirit of bipartisan cooperation.

There also has been a discussion of additional legislation to enhance prosecution of those who looted savings and loans. I am confident that effort also will proceed with bipartisan cooperation and will focus our energy on stronger prosecution.

But I am most concerned that both the current process and increasing political posturing will not give the Nation the full savings and loan story. If we rely solely on prosecutions to punish those at fault, we leave out a wide range of foolish, short-sighted and unethical actions that may not be illegal, but are just as unacceptable and will cost this country just as much.

For this reason, I wrote the President today urging him to set up an independent commission to review the history of the savings and loan debacle and to report to the American people on the basic question—how did this happen?

For the Commission to be effective, it must be: Nonpartisan; be selected equally by representatives of the Congress and the President; and be chosen equally by representatives of each political party. It should not be comprised of any current members of the Congress or the administration. Given the importance of this matter, the Commission's final report should be submitted as soon as possible, so we in Congress can take any additional steps which might become necessary.

I think an independent commission of this nature needs a person of significant stature as its chairman. Personally, I believe William Seidman would make an excellent choice. Paul Volcker would also be an outstanding selection.

Some in Congress have recently called for an independent counsel or special prosecutor to investigate illegal activity by Government officials during this crisis. I applaud their intentions, but it is not enough simply to prosecute those who broke the law. We should know the full story of who is really responsible for the lax laws and regulations that led to this crisis.

Although a special prosecutor and an independent commission would have separate focuses, they could proceed simultaneously and would likely complement each other. In any case, the independent commission should certainly be granted the authority to forward the information it uncovers about illegal activity immediately to the appropriate law enforcement authorities.

The Commission should lay the foundation for prosecution of those in the public and private sectors and who acted illegally, if in fact they turn up additional information. A full investigation into all aspects of the scandal will till the ground for criminal indictments and convictions. The search for those who swindled and those who helped must start at the bottom and end at the top. No well-placed operator should be too big nor street corner hustler too small to escape their crime.

As we now know, ignoring this problem was a big mistake. Ignoring its lessons would be a bigger mistake. The Commission should help us avoid similar financial crises in the future. Its recommendations must serve as a public policy handbook of "do's and don'ts." Clearly there will be more "don'ts." As the American people have sensed, there is plenty of blame for this scandal to go around. It took a lot of teamwork to get the country in this mess.

The real danger with this terrible crisis is that it will deteriorate into partisan warfare. I have been in the trenches long enough to sense when a real dogfight is about to break out. There would be plenty of casualties, too. But if the desire to make the savings and loan scandal a political issue prevails, the real casualty once again will be the American people.

The savings and loan crisis is not over. We still have a job to do. The Resolution Trust Corporation may run out of money by the end of the year. It still has billions of dollars of assets left to sell which will certainly affect real estate markets nationwide. It must continue to seize thrifts across the country. And, the Government must pursue every crook who stole from the FSLIC, seeking the maximum criminal penalties and the maximum recovery of their ill-gotten gains.

Getting this mess under control, not pointing fingers at each other, is what we ought to be doing. The S&L debate must stay focused on solving the problems at hand. I believe an independent commission investigating the scandal's fundamental causes will help us keep that course.

Some might say that in our society investigating the savings and loan debacle is the function of a free and un-

fettered press. It is widely recognized that coverage of this scandal has not been the media's best effort. Although there has been insightful coverage, we cannot count on the fourth estate to bring all the facts to light in an extensive fashion. I ask unanimous consent to have printed an op-ed on this subject by Ellen Hume which appeared in the New York Times.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 24, 1990]

WHY THE PRESS BLEW THE S&L SCANDAL

(By Ellen Hume)

CAMBRIDGE, MA.—Every taxpayer deserves an answer to this question: Why did the well-paid, well-educated and constitutionally protected press corps miss the savings and loan scandal, which is the most expensive public finance debacle in U.S. history?

The press-bashers are having a field day, charging that journalists, who ferreted out the details of Gary Hart's dates and Vice President Dan Quayle's academic embarrassments, weren't able to deliver the goods when it really mattered. If the press had seen and reported earlier the savings and loan industry's eight-year suicidal spree, the subsequent political pressure might have saved taxpayers tens or even hundreds of billions of dollars.

Here are some of the factors that led to the press's disappointing performance on the scandal?

It was a "numbers" story, not a "people" story. While the trade press, including the National Thrift News (now renamed the National Mortgage News), reported important developments in the scandal years ago, it was all too complicated and boring to interest many mainstream journalists. Regulatory changes—such as the accounting tricks and reduced capital requirements that helped paper over the first phase of the savings and loan crisis in the early 1980's—weren't big news.

A reporter with The Houston Post, Pete Brewton, tried to ask candidate George Bush a question about the savings and loan scandal during a 1988 campaign trip to Texas. He says that the national press corps and Bush campaign aides showed contempt for the "boring" topic and quickly changed the subject.

The story was outside the Beltway. Along with the trade press, many local reporters aggressively covered savings and loan failures in their communities, including The Dallas Morning News, The Miami Herald and The Los Angeles Times.

But local reporting generally isn't read by journalists from the national news organizations that set the agenda for Washington's policy makers. And while regional reporters for the major news organizations and freelancers also had good stories, "not one paper covered it thoroughly from beginning to end," concludes Gregory Hill, The Wall Street Journal's San Francisco bureau chief.

The villains were a bipartisan, politically powerful group. The credibility of Charles Keating, who now is singled out as the prototypical thrift villain in most news accounts, was actively boosted not only by five U.S. senators from both parties but also by Alan Greenspan, before Mr. Greenspan became chairman of the Federal Reserve Board, and by the Arthur Young accounting firm. While Michael Dukakis tried to raise the savings and loan problem during the Presidential campaign, both parties shied away because no one knew how to fix it without raising taxes.

The victims didn't complain. Because the deposits were insured by the Federal Government, there weren't any pictures on the evening news of anguished citizens lining up outside closed savings and loans.

Government regulators had special reasons for keeping quiet about the problem. With the exception of the former chairman of the Federal Home Loan Bank Board, Edwin J. Gray, high-level regulators were reluctant to disclose the facts, often for political reasons. They said they were afraid of triggering runs on lending institutions.

Many pertinent documents were kept secret by law. Regulators' examination reports aren't available even under the Freedom of Information Act, because lawmakers fear they might cause bank panics. Reporters also don't have access to credit reports or other crucial loan documentation that might have tipped them off to the undercapitalized loans pervasive in weak thrifts.

Some information about mortgages made by a Texas institution in California might be on file in a county in California, but not at the Texas lending institution. "If our tax dollars are going to support the deposits," says Mr. Brewton, "all the loan information should be made available from the Federal regulators."

The press simply isn't equipped to do everything the public expects it to do. Journalists have been expected to replace the regulators thrown out of business during the past decade. Journalists should be better watchdogs. But in the crush of competitive deadlines they can't do what a regulator or a Congressional oversight committee with subpoena power can do—especially since people can lie to the press without paying any price for it.

Journalists have gotten used to having their information pre-digested. "We usually depend on governmental institutions or groups like Common Cause or Ralph Nader or General Motors or somebody to make sense out of all this data for us," observes Brooks Jackson, a Cable News Network reporter who has won awards tracking money and politics for his former employer, The Wall Street Journal.

Serious investigative journalism has fallen on hard times. It is considered too wasteful for today's bottomline oriented journalism corporation managers. In addition, the press has become more the keeper of the status quo than the challenger from outside, partly because reporters tend to be much better paid than they used to be, and they hobnob with the policy makers they're allegedly monitoring.

"Whenever they wanted to find out what was going on, they went to the industry," says Mr. Gray, who tried in vain to interest the politicians and the press in the spreading scandal.

There is plenty of blame to go around, from the regulators to Congress to Wall Street. But there also should be embarrassment and soul searching at the highest levels of journalism.

Our inability to unravel and explain the importance of the Iran-contra abuses, the Housing and Urban Development influence-buying schemes and the savings and loan excesses is a scandal in itself. When politicians and regulators aren't doing their jobs, good journalism is more important to a democracy than even journalists would like to admit.

Mr. BOND. Finally, my colleagues should know I plan to continue my pursuit of an independent investigation beyond today's action. Depending on the White House's response, I will soon bring a resolution on an independent commission before the Senate and would appreciate my colleagues' support.

I ask unanimous consent that a letter I wrote to the President be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, June 18, 1990.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: With last Wednesday's indictment of Don Dixon, the Justice Department has culminated a 2½ year investigation into his wheeling and dealing with the assets of the now-defunct Vernon Savings & Loan. This investigation resulted in 38 charges being filed against Mr. Dixon, but did nothing to resolve any of the broader questions of political or ethical impropriety raised by the S&L crisis.

While I am pleased that the indictments and convictions continue, I am disappointed that the current process and increasing political posturing will only lead us to understand part of the savings and loan story. Left unexplored will be political pressures applied to regulators, the delays related to political connections, and the ill-thought out policy decisions which have left us facing the largest financial scandal ever to beset this nation.

Many in Congress have recently expressed their belief that a special prosecutor should be assigned to delve into the criminal conduct of S&L industry executives, as well as the complicitly of government officials—whether they be in the legislative or executive branch. While I applaud the intent of this approach, I do not believe we can neglect the rest of the story.

If we rely soley on prosecutions to punish those at fault, we leave out a wide range of venal, foolish, short-sighted and unethical behavior that are not illegal but will cost this country just as much. That would be a grave mistake.

In order to be serious about the pledge "never again" it isn't enough simply to prosecute law-breakers. We must also have a full understanding of the event which required the massive bailout of the savings and loan industry.

This means we must go beyond the Department of Justice's indictments to a full investigation of all the aspects of this scandal.

Clearly there is plenty of blame to go around. Some may argue that we should cease pointing fingers and that instead government should concentrate on cleaning up the mess. I agree. But I also believe that the American people deserve to have a full reckoning of this scandal. If for no other reason than for them to have faith in their government, Americans need to know that all the facts are on the table. As we now know, ignoring this problem was a big mistake. However, ignoring its lessons would be an even bigger mistake. To avoid this we must have the full story.

Thus I urge you, Mr. President, to set up an independent commission to review all the

facts and to report to the American people on the basic question—how did this happen?

For this commission to be effective, it should be: nonpartisan; have members recommended from each political party and by both the legislative and executive branch; and, should not be comprised of any current members of the Congress or current Administration officials. The Commission should also be given the authority to turn over immediately to the appropriate law enforcement authorities the information pertaining to illegal activity it discovers. In addition, given the importance of this subject, the Commission's final report should be submitted as soon as possible.

Mr. President, I hope you will give this matter the utmost consideration as we work with your administration to remedy the very significant problems which have occured.

Sincerely,

CHRISTOPHER S. BOND,
U.S. Senator.

Mr. BOND. I yield the floor, and I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order of the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRAHAM). Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMENICI. Are we in morning business?

The PRESIDING OFFICER. We are in morning business until the hour of 3 p.m.

Mr. DOMENICI. Are there any limitations on speeches?

The PRESIDING OFFICER. Five minutes per speaker.

Mr. DOMENICI. Mr. President, I ask unanimous consent that I be permitted to speak for as long as 10 minutes, unless a Senator arrives and is interested in his 5 minutes, at which time I will yield immediately.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Mexico is recognized.

Mr. DOMENICI. I thank the Chair.

(The remarks of Mr. DOMENICI pertaining to the introduction of S. 2747 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

THE IMPACT OF THE SUMMIT MEETING OF THE PROLIFERATION OF WEAPONS OF MASS DESTRUCTION

Mr. McCAIN. Mr. President, we rarely hear any good news about the proliferation of weapons of mass destruction. Instead, each week seems to bring news of some dramatic new development in India, Iran, Iraq, Libya, North Korea, or Pakistan that increases the risk of the use of nuclear, chemical, and biological weapons.

I think it is a bit ironic, therefore, that one of the major achievements of the recent summit with the Soviet Union has been virtually ignored both in this body and the media.

On June 4, the United States and Soviet Union signed a joint statement on nonproliferation which I ask be reported in the RECORD at the end of my statement. This joint statement is a positive step forward in uniting our countries in the fight against proliferation and it deserves recognition as such. It may not be everything we desire, but it is a good beginning in an area that is critical to our security and that of our friends and allies.

Let me briefly summarize the agreement. It contains provisions where we and the Soviet Union make a commitment to work together and in parallel to prevent proliferation, and to urge other states to do so as well.

In regard to nuclear proliferation, both states agree to strongly support efforts to prevent the proliferation of nuclear weapons, to encourage more states to adhere to the Non-Proliferation Treaty and adopt IAEA safeguards, and to create regional nonproliferation agreements—particularly in the Middle East, South Asia, and southern Africa.

In regard to missile proliferation, the Soviet Union affirms its support of the objectives of the missile technology control regime [MTCR]. The Soviet Union has, in effect, agreed to act as if it were a signator to the MTCR and it has agreed to work with the United States in pursuing new missile nonproliferation initiatives, particularly in the Middle East and South Asia.

In regard to chemical proliferation, both states have agreed not to proliferate chemical weapons and to actively discourage chemical proliferation anywhere in the world. They have agreed to bilateral discussions to strengthen export controls, and they have agreed to support regional efforts to halt or eliminate the proliferation of such weapons.

Mr. President, I would have liked to see the U.S.S.R. be more flexible at the summit in moving forward toward the kind of START and CFE agreements that will truly reduce the risk and cost of war. I would have liked to see more definite progress in opening up the emigration of the Soviet Jews, and in allowing the families of Soviet defectors to join them in the United States. I would have liked to see a clearer recognition of the right of the Baltic States to independence, and I would have liked to see more progress on recognizing the rights of a united Germany.

That said, we must give credit where credit is due. President Bush and Secretary Baker deserve praise for bringing the Soviet Union to the point where it has agreed to actively join in the kind of comprehensive battle against proliferation that I have advocated on this floor and for which I have proposed suitable legislation.

President Gorbachev deserves praise for having the vision to look beyond his immediate problems, and deal with a problem that is rapidly becoming the most serious threat to world peace.

Those who labored to produce this document deserve praise for overcoming what often seems to be a climate of inertia and neglect, and one where lesser problems get far more resources and attention.

In short, Mr. President, the joint statement on nonproliferation is one very real accomplishment of the recent summit and one that I hope will inspire us to act speedily in reaching a conference agreement on the chemical weapons bill and bringing a strong missile proliferation bill to the floor.

There being no objection, the joint statement was ordered to be printed in the RECORD, as follows:

JOINT UNITED STATES-SOVIET STATEMENT ON NON-PROLIFERATION, JUNE 4, 1990

The United States of America and the Union of Soviet Socialists Republics oppose the proliferation of nuclear weapons, chemical weapons, missiles capable of carrying such weapons, and certain other missiles and missile technologies. The more nations that possess such weapons, the more difficult it will to be realize the desire of people everywhere to achieve effective arms control and disarmament measures and to reduce the threat of war. Weapons proliferation can provoke or intensify insecurity and hostility among nations, and threatens mankind with warfare of unprecedented destructiveness.

Our discussions over the past months point the way to a new era in relations between our two countries. We have taken major steps toward concluding agreements to reduce our own strategic nuclear arsenals, to bring limits on nuclear testing into force, and to reach a global ban on chemical weapons. Together with the nations of Europe, we are taking unprecedented steps to reduce existing conventional weaponry as part of a process of building a lasting structure of European security. The progress we are making and the commitments we have made in these bilateral and multilateral arms control efforts clearly demonstrate that arms reductions can contribute to increase security, even when there have been long-standing and deep-seated differences between countries.

The historic steps we have taken to improve U.S.-Soviet relations and to cooperate in the interests of international stability create the possibility of even closer and more concrete cooperation in the areas of nuclear, chemical, and missile non-proliferation.

With these considerations in mind, the United States and the Soviet Union:

Declare their commitment to preventing the proliferation of nuclear weapons, chemical weapons, and missiles capable of carrying such weapons and certain other missiles and missile technologies, in particular those subject to the provisions of the Missile Technology Control Regime (MTCR);

Agree to work closely together and with other members of the international community to develop and to put into action concrete measures against the proliferation of these types of weapons; and

Call on other nations to join in a renewed commitment to effective non-proliferation measures as a means of securing international peace and stability and as a step toward the effective limitation worldwide of nuclear weapons, chemical weapons, missiles, and missile technology.

The two sides have taken specific actions to advance these commitments.

NUCLEAR WEAPONS NON-PROLIFERATION

In order to prevent the proliferation of nuclear weapons, the United States and the Soviet Union:

Reaffirm their steadfast and long-lasting commitment to prevent the proliferation of nuclear weapons and to strengthen the international nuclear weapons non-proliferation regime;

Reaffirm their strong support for the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and agree that it continues to make an invaluable contribution to global and regional security and stability;

Urge all countries which have not yet done so to adhere to the NPT;

Urge all NPT parties to implement scrupulously their International Atomic Energy Agency (IAEA) safeguards obligations under the Treaty;

Affirm their intention to cooperate together and with other Treaty parties to ensure a successful 1990 Review Conference on the Treaty on the Non-Proliferation of Nuclear Weapons which would reaffirm support for the objectives of the Treaty and its importance to international security and stability;

Support the Treaty for the Prohibition of Nuclear Weapons in Latin America (the Treaty of Tlatelolco) and urge all countries in the region to bring it into force at an early date;

Reiterate their continuing commitment to strengthening the IAEA, whose unique system of safeguards has contributed to the widespread peaceful use of nuclear energy for social and economic development;

Support increased international cooperation in the peaceful uses of nuclear energy under IAEA safeguards;

Call on all non-nuclear-weapons states with unsafeguarded nuclear activities to place these activities under international safeguards;

Agree on the need for stringent controls over exports of nuclear-related material, equipment and technology, to ensure that they will not be misused for nuclear explosive purposes, and urge all other nations capable of exporting nuclear-related technology to apply similarly strict controls;

Continue to support efforts to improve and strengthen the international nuclear export control regime;

Support discussions among states in regions of nuclear proliferation concern for the purpose of achieving concrete steps to reduce the risk of nuclear proliferation, and, in particular, join in calling on the nations of the Middle East, Southern Africa, and South Asia to engage in and pursue such discussions;

Agree to continue their regular, constructive bilateral consultations on nuclear weapons non-proliferation.

MISSILE AND MISSILE TECHNOLOGY NON-PROLIFERATION

In order to steam the proliferation of missiles and missile technology, the United States and the Soviet Union:

Have signed the Treaty between the United States of America and the Union of Soviet Socialist Republics on the Elimination of Their Intermediate-Range and Shorter-Range Missiles, demonstrating that controls on—indeed the elimination of—such missiles can enhance national security;

Reaffirm their intention that the START Treaty be signed by the end of the year;

Affirm their support for the objectives of the Missile Technology Control Regime, covering missiles, and certain equipment and technology relating to missiles capable of delivering at least 500 kilograms of payload to a range of at least 300 kilometers and they call on all nations that have not done so to observe the spirit and the guidelines of this regime;

Are taking measures to restrict missile proliferation on a worldwide basis, including export controls and other internal procedures;

Have instituted bilateral consultations to exchange information concerning such controls and procedures and identify specific measures to prevent missile proliferation;

Agree to work to stop missile proliferation, particularly in regions of tension, such as the Middle East;

To this end, affirm their intent to explore regional initiatives to reduce the threat of missile proliferation, including the possibility of offering their good offices to promote such initiatives;

Recall that they favor international economic cooperation including cooperation aimed at peaceful space exploration as long as such cooperation could not contribute to missile proliferation;

Appeal to all countries—to exporters of missiles and missile technology as well as purchasers—to exercise restraint, and express their willingness to continue their respective dialogues with other countries on the non-proliferation of missiles and missile technology.

Are resolved, on their part, to continue to work to strengthen such international restraint with respect to missile and missile technology proliferation.

CHEMICAL WEAPONS NON-PROLIFERATION

In order to stem the use and proliferation of chemical weapons, the United States and the Soviet Union:

Declare that a multilateral, effectively verifiable chemical weapons convention banning and development, production and use of chemical weapons and eliminating all stocks on a global basis is the best long-term solution to the threat to international security posed by the use and spread of chemical weapons, and that non-proliferation measures are considered a step toward achieving such a convention;

Will intensify their cooperation to expedite the negotiations in Geneva with the view to resolving outstanding issues as soon as possible and to finalizing the draft convention at the earliest date;

Have instituted bilateral confidence building measures, including chemical weapons data exchange and reciprocal site visits;

Have just signed a trailblazing agreement on destruction and non-production of chemical weapons and on measures to facilitate the multilateral convention on chemical weapons;

Commit themselves, in that agreement, to take practical measures to encourage all chemical weapons-capable states to become parties to the multilateral convention;

Having declared their possession of chemical weapons, urge other states possessing chemical weapons to declare their possession, to comment to their destruction, and to begin immediately to address, through research and cooperation, the need for chemical weapons destruction capability;

State that they themselves will not proliferate chemical weapons;

Have instituted export controls to stem the proliferation of chemical weapons. These measures are not intended to hinder or discriminate against legitimate peaceful chemical activities;

Have agreed to conduct bilateral discussions to improve the effectiveness of their respective export controls to stem the proliferation of chemical weapons;

Conduct regular bilateral consultations to broaden bilateral cooperation, including the reciprocal exchange of information on the problems of chemical weapons proliferation;

Confirm their intent to pursue political and diplomatic actions, where specific cases give rise to concerns about the production, use or spread of chemical weapons;

Join with other nations in multilateral efforts to coordinate export controls, exchange information, and broaden international cooperation to stem the proliferation of chemical weapons;

Reaffirm their support for the 1925 Geneva Protocol banning the use of chemical weapons in violation of international law;

Are taking steps to strengthen the 1925 Geneva Protocol by:

Encouraging states that are not parties to accede;

Confirming their intention to provide active support to the United Nations Secretary General in conducting investigations of reported violations of the Protocol;

Affirming their intention to consider the imposition of sanctions against violators of the Protocol, including those under Chapter VII of the United Nations Charter;

Agreeing to consult promptly in the event of a violation of the Protocol to discuss possible bilateral, and multilateral actions against the offender, as well as appropriate assistance to the victims of such violation;

Agree that the presence and further proliferation of chemical weapons in areas of tension, such as the Middle East, is particularly dangerous. The two countries therefore affirm their intent to explore regional initiatives in the Middle East and other areas, including the possibility of offering their good offices to promote such initiatives as:

Efforts to broaden awareness of the dangers of chemical weapons proliferation and its negative impact on implementation of the multilateral convention on chemical weapons;

Bilateral or multilateral efforts to stem chemical weapons proliferation, including the renunciation of the production of chemical weapons;

Efforts to destroy chemical weapons in advance of the multilateral convention on chemical weapons, as the United States and the Soviet Union are doing.

The United States and the Soviet Union call on all nations of the world that have not already done so to join them in taking comparable, effective measures to stem chemical weapons proliferation.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today is the 1,920th day that Terry Anderson has been held in captivity in Beirut.

MEETING OF THE BRITISH-AMERICAN PARLIAMENTARY GROUP

Mr. BYRD. Mr. President, last weekend, I was privileged to host the annual meeting of the British-American Parliamentary Group, which this year consisted of 11 members of Parliament and 5 U.S. Senators. My cochairman for this event, part of which was held at the magnificent Greenbrier Spa in White Sulphur Springs, WV, was the distinguished Senator from Alaska, TED STEVENS. The other Senators on this bipartisan group included the distinguished Senator from Tennessee, chairman of the Budget Committee, Mr. SASSER, as well as the distinguished Senator from Nevada, Mr. REID and the distinguished Senator from Idaho [Mr. MCCLURE].

On their side, the British fielded a most impressive group, led by the Right Honorable Peter Brooke, now serving as Minister in the British Cabinet for Northern Ireland, and organized by the Honorary Secretary of the Group, the Right Honorable Michael Jopling, who had previously served as Minister of Agriculture in the Thatcher Government from 1983–87. On the British side, as well as ours, the group was about evenly divided, with six MP's coming from the Government side and five from the opposition side, the Labour Party. The other members of the British delegation from the House of Commons, included the following: from the Conservative Party, Mr. Gregory Knight, Mr. Anthony Favell, Mr. Robert McCrindle, and Mr. Michael Shersby; from the opposition, or Labour side, the leader was the Right Honorable Robert Sheldon, who had previously served as British Treasury Secretary from 1974–75, Mr. Frank Haynes, Mr. Roy Hughes, Mr. Martin O'Neill, and Dr. Gavin Strang, all members of the House of Commons.

Mr. President, the meetings we held, which included more than 10 hours of discussions at the Greenbrier, were preceded in Washington by a most informative series of discussions here in the Senate. Both the distinguished majority and minority leaders gave generously of their time in meeting with the British delegation. In addition, we had a most fruitful luncheon discussion at the Appropriations Committee on Thursday, June 7, 1990, and the following Senators spoke eloquently to the group either there or the next day before we departed for West Virginia: Senators LUGAR, WARNER, HEINZ, NUNN, KENNEDY, BENTSEN, and KERRY.

As I have said, Mr. President, the discussions were fruitful, unusually stimulating, educational, and most lively. It is quite obvious that a regular and sustained dialog between our two legislative bodies is important in the current era, and needed as we face what the group all felt was a most uncertain, turbulent, and even dangerous decade in the 1990's. Indeed, the view was expressed on more than one occasion that the 1990's could very well be the most dangerous period for the world and the United States of the entire 20th century. From our side, Mr. President, I broke the work and presentations of the Senate delegation down into several broad areas; TED STEVENS did a fine job on the defense and arms control questions, JIM SASSER gave a detailed exposition on our budget process and the macroeconomic issues we currently are wrestling with, HARRY REID gave an excellent presentation on environmental matters, and JIM MCCLURE gave a cogent and superb recitation of America's problems with regard to energy. The British delegation also gave presentations of their own, and virtually everyone present made contributions on these topics across-the-board.

At the request of the British side, the first couple of hours of discussion was devoted to the big picture questions of the changing nature of East-West relations, the collapse of the Soviet security bloc, the evolving situation in Eastern Europe, and the challenges that are emerging in the Far East and the Middle East.

It is clear, Mr. President, that we are faced with a major challenge in terms of the pace of current events, particularly regarding a European continent boiling with political change, and with a reawakening of ethnic consciousness. While democratic forces have gained and are in the ascendency, in a decisive but still fragile way in the east, centripetal forces resulting from ethnic rivalries and decades of economic failure and environmental decay are leaving their mark on Eastern Europe.

We are faced with the problem of our analytical capabilities lagging behind the kaleidoscopic blur of events in the Soviet Union and Eastern Europe. The group focused on the range of institutional questions being deliberated in the West, in NATO, in the CSCE Helsinki process, in the 4-plus-2 Germany talks, in the CFE multilateral arms control talks in Vienna, and on the question of the sustainability of the Soviet leadership. There was a consensus that changes in NATO doctrine must be examined, that we have to come to terms with the meaning of German reunification. There was considerable discussion on Germany, but no dissent from the assertion that Germany must remain in NATO and should not go the way of France in terms of independence from NATO decisionmaking. The German questions remain at the heart of the matter, but the specter of a disintegrating Soviet Union served as the backdrop for all our observations. There was discussion of the establishment of a new task force within the 35-nation European security framework talks to deal with verification of the CFE conventional force cuts. Indeed, the whole question of European-wide conventional force verification, as well as how the new nationalisms, new "Balkanisms," are going to be "policed," is a complex and daunting one.

Our Senators made the point quite clearly, I thought, about how our economic problems drive not only our defense budget, but the whole question of the future of United States involvement in the affairs of a new European security system. There is no doubt that we are going to reduce our military expenditures dramatically—indeed, we have actually reduced the size of our defense budget as a percentage of GNP over the decade of the 1980's already, and there is more to come. There was, however, a lively debate on the question of Soviet strategic force modernization, a subject that the American side is, more understandably, focused on. The British tend to see Soviet conventional force reductions as the main event, since that has a practical effect on NATO, but the point was made that Soviet strategic force modernization remains unchecked, and that is a factor that gives us pause in sizing the strategic force portions of our defense budget. The point was made by our side that it should not be automatically assumed that the United States will remain in Europe because it is the right thing to do; unless NATO says strongly that the United States should be there, the chances are that we will not. On the other side of the coin, it certainly is not foreordained that there will be an abrupt American pullout or severe drawdown. We may well have to face the difficult job of convincing a skeptical American public that U.S. forces must remain on the Continent, but it is clear that there must be both a fair sharing of the burden by our allies and a strong case made by them for a continued American presence for us to succeed in the public relations task.

There was a very spirited debate over Japan and the strength of the American economy during the next decade. While some felt that the United States was on the verge of regaining its competitiveness vis-a-vis Japan, others were more pessimistic. The feeling was that both our countries must face the Japan economic challenge clearly and more effectively,

and that it will have major impacts on the behavior of the other economic powers of the Pacific Rim.

The point was made that while Eastern Europe is looking to the United States as an advertisement for capitalism, the large size of our budget deficit reduces that American model in its attractiveness. There was a strong assertion put forward by our British friends that the Japanese effect and involvement in the American economy was too high, too dangerous, that United States competitiveness was vulnerable, and that it was difficult for the United States to tell Poland, for example, not to borrow and to increase the price of gasoline to pay for development when we in the United States were not following our own advice at home.

To put it bluntly, the British were telling us in a variety of ways that they sought stronger American leadership, and it would certainly be better if we put our economic house in better order. It certainly reinforced my own view that U.S. economic strength is directly related to our bedrock national security. A long-term debtor nation, with persistent poor trading performance, and continued foreign participation in our treasury auctions, cannot easily be reconciled with continued great power status.

The United States side made the point that we need British help to make sure that United States market access into the EEC in the process of the Europe '92 movement was assured, and that there was equitable European burden-sharing with us in the security field.

While much of the discussion focused on Europe, events in both the Far East and the Middle East also were discussed. As for the Far East, there was general concern over the militarization of the area, where large Chinese, Soviet Far East and Korean armies posed questions. Indeed, the point was made that there are more Japanese warships plying the northern Pacific today than there are American warships.

As for the Middle East, the spread of chemical, biological, and nuclear warships and the ballistic missiles to deliver them now proliferating in the region, as well as the continued spread of fundamentalist Muslim culture, in counterpoint to the spread of Christian-Judea religion, was of increasing concern. The question of how we are going to shift our attention and deal adequately with this volatile and increasingly dangerous region took up a considerable portion of our deliberations.

Clearly, the two anchors of the British-American relationship—our heritage of shared values and institutions, and our joint willingness to act together to attempt not only to react in a timely way to events on the European Continent and the world, but to help shape and fashion them to preserve and foster the values we have worked for—must be nurtured and deepened in the years immediately ahead. It would be impossible to recapture the full flavor of the whole discussion, but suffice it to say, Mr. President, that such a dialog is critical to our relationship and to our two nations' ability to think and act together in the decade that we have just entered. I look forward with anticipation to our next meeting, which will be in London.

I would also note in passing that next year is the 50th anniversary of the founding of the United Kingdom-United States Parliamentary Group, as it started at the height of World War II, in 1941. It is needed today as much as ever.

Mr. President, in addition to the fulsome discussions we had on the topics I have mentioned, the British provided some interesting detail on their working hours and practices. We can without hesitation be envious of the campaign and election spending situation that pertains in Great Britain. Campaigns last 3 weeks, and candidates are prohibited from buying time on radio or TV personally. The average amount spent on a typical election is about $10,000. The Members of the British Parliament work long and hard hours. They have only one or two personal staff members each, and, like us, are spending increasingly less time in their chamber and more time in committees, both parliamentary and party committees, a practice which they said derives directly from our own practice in this regard. The parliamentary select committees are expanding their staffs, and allowances, and travel are growing. Parliament sits for 34 weeks a year. Mondays through Thursdays are usually heavy voting days, while on Friday there is rarely voting, but still a lot of business. Specifically, the Monday through Thursday hours on the floor are quite long: the chamber convenes at 2:30 in the afternoon, the mornings being reserved for committee work. While the sessions are scheduled to go until 10:30 at night, most of the time they will run on until well after midnight. On Friday, the convening hours are 9:30 to 2:30. The mere recitation of this hard work ethic, and the reduced attention to campaigning and campaign money in Britain should be enough to give us incentive to redouble our efforts to get a handle on campaign finance reform. It strikes me that they have these things in far better balance and perspective than do we.

Mr. President, the group departed from the Greenbrier on Monday morning, June 11, to visit Charleston, WV, where it was hosted by the Governor of West Virginia and other West Virginia legislative, administrative, and judicial officials, as well as the city manager of Charleston.

Mr. President, on Monday, the British Members of the House of Commons traveled from the Greenbrier to Charleston, WV, State capital. The group assembled at the Executive Mansion in Charleston for a memorable formal luncheon hosted by Governor and Mrs. Gaston Caperton. The Governor asked several of his top aides to be present at the luncheon to be available to answer questions posed by the group about various facets of West Virginia State government.

After lunch, Governor Caperton made a brief statement on State and Federal government relations. The British asked several provocative questions about the advantages and disadvantages of State government, the duties of the governor, the most difficult problems Governor Caperton faces as the State's chief executive, and on what is happening currently in State politics. In addition, the group was very interested in the State's tax structure, budget, and initiatives to promote economic development.

Following the Governor's luncheon, the group was taken to the West Virginia Senate chamber in the State Capitol Building. During the next phase of the day's program, Senate President Keith Burdette, Speaker of the House of Delegates Robert "Chuck" Chambers, West Virginia Attorney General Roger Tompkins, and Executive Assistant to the Governor Tom Heywood answered questions about West Virginia's Legislature and the legislative process. This session lasted 2 hours and was lively and informative. Also, a more detailed explanation was given to the British on why States have legislative bodies, and what the "separation of powers" means on the State level.

At the conclusion of this segment of the program, the Members of Parliament were taken on a brief tour of the capitol, including the Governor's reception room and the House of Delegates chamber. The final stop on the tour was the West Virginia State Supreme Court of Appeals chamber. Justice William T. Brotherton talked with the group about the legal structure in West Virginia. He gave a candid presentation on the workings of State courts in West Virginia.

The delegation departed the State capitol at 4 p.m., for the brief drive to the Charleston Municipal Building. At the municipal building, the group met with John Price, executive assistant to the mayor, City Manager Frank Thomas, and City Councilman J. Thomas Lane. For almost an hour, a thoughtful discussion was held on the interaction of cities—the local level—with government on the county, State, and Federal levels. Also, the group wanted to know about the responsibilities of city government, tax-raising procedures, and the budget process.

Additionally, the group realized that the Charleston mayor is a Republican, and wondered how a Republican city administration gets along with a Democratic State administration and congressional delegation.

Mr. President, overall I have been well impressed with the degree of knowledge shown by the British group with regard to various levels of American government. Members of the delegation asked pointed and pertinent questions throughout their discussions with American officials.

SENATOR QUENTIN BURDICK

Mr. BENTSEN. Mr. President, for three decades, the people of North Dakota have been ably represented in the U.S. Senate by QUENTIN BURDICK. Only 35 other men have served as long in this body. Today he ranks third in seniority.

Throughout his 30 years as a Senator, QUENTIN BURDICK has never forgotten his roots in North Dakota; nor his commitment to the people of that fine State. His has been a stalwart voice for farmers, for the needs of rural communities, for the rights of native Americans, for senior citizens.

I especially valued our chance to work together on the Environment and Public Works Committee. We shared a strong interest in the Interstate Highway Program and worked together over the years to foster its development.

Today, of course, Senator BURDICK is the chairman of that important committee, as well as chairman of the Appropriations Subcommittee on Agriculture and Related Agencies. These positions give him the power and the opportunity to champion the very issues which have long concerned him.

One reason QUENTIN BURDICK works so hard for the people of North Dakota, I think, is that, before coming to the Senate, he had his share of political defeats. People in elective office have a special fondness for someone like QUENTIN who knows how to get up off the canvas and keep on fighting. And we have enormous admiration for anyone who can win the support of the voters, as he has, six times in a row.

Senator BURDICK may not be a fixture on national television, but he is very important to us in the Senate. Strong but quiet, friendly but highly principled, he casts a long shadow.

As Sam Rayburn used to say, people come to the Congress as work horses or show horses. The work horses make this a productive institution for our democracy; the show horses perform to great applause but leave no lasting mark. Senator BURDICK is one of those sturdy work horses.

Mr. President, it was just 30 years ago this month that QUENTIN BURDICK won a special election to the Senate. August 8 will mark the 30th anniversary of his taking the oath of office. These are special milestones for our distinguished colleague.

I wanted to take this time to call attention to these anniversaries and to the many years of public service which QUENTIN BURDICK has given to North Dakota and the Nation.

BREAST CANCER AWARENESS: "WASHINGTON RACE FOR THE CURE"

Mr. DOLE. Mr. President, today I would like to join other distinguished colleagues of mine in giving recognition to the success and importance of a national breast cancer awareness campaign—"Washington Race for the Cure." It was appropriate that this event held on June 16, 1990, was a family affair, because breast cancer strikes not just individuals, but families, communities, and this Nation. Each year more than 142,000 American women and about 900 men will find out they have breast cancer. It is estimated that 44,000 women will die in 1990 of this disease, making breast cancer the second leading cause of cancer deaths—lung cancer being first—among women ages 35-54 in the United States.

Women of this Nation have experienced a steadily increasing incidence of breast cancer since 1976. Early detection through self-examination, clinical examinations, and screening mammography can significantly improve the outlook for persons with breast cancer. Those same techniques can increase treatment options and improve a woman's chance of survival. Mammography can detect lesions too small to be felt by the most experienced examiner. In fact, if current guidelines on mammography and physical examinations are followed, our Nation can reduce the deaths caused by breast cancer by 30 percent. Yet a vast number of American women do not regularly avail themselves of the advantages of early detection. That is a tragic fact, considering one in every 10 American women will be diagnosed with breast cancer in their lifetime.

Clearly, we need to know more about breast cancer. Factors that have been associated with an increased chance of getting breast cancer include age, family history, personal history, and possibly diet. But for as many as 75 percent of the women with this condition there are no known risk factors. Scientists can not explain why one woman develops breast cancer while another woman does not. And four out of five breast lumps identified are not cancerous. Further scientific research is critical in this area to identify tumor markers for earlier detection of breast cancer and new promising treatment methodologies.

"The Washington race for the cure," cochaired by Vice President QUAYLE and Mrs. Quayle, was an overwhelmingly successful wake up call to heighten America's awareness about breast cancer and to alert the public of the need to address this issue. On June 16, 1990, that race was highlighted with vast National support to encourage early detection, education, and research toward a cure for breast cancer. The event was astoundingly successful, with greater than 10,000 participants. Funds generated through this campaign will be used for breast cancer research and the acquisition of a mobile mammogram, for residents of the District of Columbia.

Mr. President, I commend the efforts of Vice President QUAYLE and Mrs. Quayle. I urge my colleagues to join the awareness campaign and any other local or national efforts to find the cure for breast cancer. Knowing that you are contributing to the cure of such a deadly disease facing women of this Nation promises to be a rewarding experience.

HAITI'S DEMOCRATS DESERVE OUR SUPPORT

Mr. CRANSTON. Mr. President, I rise today to offer my fullest support to the Democrats of Haiti who are trying to return their country to constitutional rule. Last month, interim civilian President Madame Ertha Pascal-Trouillot visited Washington to seek U.S. support for fair elections. Given Haiti's recent past, I believe Madame Pascal-Trouillot faces a daunting task, and deserves our attention and our help.

Efforts to bring democracy to Haiti since the fall of the thuggish Dictator "Baby Doc" Duvalier in 1986 have been stained by rivers of blood and riddled by long nights of terror. How many can forget the tragedy of November 29, 1987—election day—when Haitian soldiers stood passively by as gunmen stormed polling places in Port-Au-Prince and murdered dozens of people who were lined up to vote? Was there, could there have been, anything more offensive to the conscience of the American people than the sight of men and women being gunned down merely for the crime of wanting to vote? That election, which international observers said afterward was rigged by the Government of then-head-of-state Gen. Henri Namphy, put a civilian in the Presidency, but one who rules at the sufferance of the military. He lasted less than 6 months. From the time of his ouster until March of this year, when Madame Pascal-Trouillot was drafted into the Presidency by civilian groups following widespread civil unrest, Haiti has been ruled by a series of military dictatorships.

President Pascal-Trouillot has pledged to hand over power to an elected successor, and many are now looking to elections as early as this fall. However, the largest remaining and continuing question mark regarding the ultimate success of that transition concerns the Haitian military. There are serious reservations about the military's ability and desire to maintain order, its capacity to protect the election process, and its fundamental willingness to allow civilians to exercise anything approaching real power.

The Haitian Army's current commander, Gen. Herard Abraham, has been making encouraging gestures in this regard. He appears genuinely to believe it is in the military's own self-interest to allow the elections to go forward. He has repeatedly stressed his forces' commitment to play a subordinate and supportive role in the transition to democracy.

Despite such signals, however, there is a real question about General Abraham's control of all elements of the military, once a mainstay of the 30-year reign of terror by the Duvalier family. During that time, the army became a thoroughly debased institution in which protection was extended to drug traffickers and contraband lords, and where plundering—when done from the shadows of the State—was not considered stealing. Although General Abraham is reputed to be a man of integrity and intelligence, it is unclear that he has sufficient control over the 7,000-man force to compel it to follow. In particular, it is uncertain whether he is in control of the force's remaining tactical unit, the Presidential guard.

Part of the problem, Mr. President, is that the Haitian military—like many of its counterparts in Latin America—has been formed with the notion that somehow they are "different and better" than their civilian counterparts. And, logically, if they are different and better, they begin to wonder: why should we take orders from civilians, even if they are elected?

Clearly, the most important task facing U.S. policy is the implementation of a strategy that reinforces efforts by President Pascal-Trouillot, General Abraham and others to ensure the military's full support for democratization at every step of the process. It is imperative that the Haitian people be guaranteed enough security that both candidates and voters can participate freely and openly in both the electoral campaign and on voting day. If such guarantees are not forthcoming, there is the risk of participation being reduced to such a level as to make the whole process meaningless. Therefore, it must be made clear to both the military and para-military forces—such as the dreaded tonton macoutes—that should they attempt to create a climate of violence and insecurity, their actions will face a full range of sanctions targeted at and designed to remove any benefits associated with access to the United States.

I believe there are several steps which might be undertaken to reassure the population in the runup to the election and to deliver a clear message to would-be elements of destabilization and insecurity. One step might be the sending of U.S. Army mobile trainers to work—under the guidance and control of the U.S. Ambassador, and perhaps in coordination with military units from another democratic nation in the region—with carefully selected elements of the Haitian military to put together units that would be charged with safeguarding the electoral process.

It is obvious that in order to make this proposal work, the embassy should be required to provide enough information about the background and attitudes of the Haitian personnel involved to give it a reasonable chance of success. Any effort in this regard would require the support and active involvement of senior Haitian military officers. If, at any time, the commitment of the Haitian military is compromised, the training mission should be immediately brought to an end. In order to be effective, the effort should also count on the clear support of both Haiti's democratic political leadership as well as the population at large.

A second initiative concerns a program to foster better relations between civilians and the military, in the context of promoting control by the former over the latter. In Haiti, as in many developing nations undergoing democratic transition, the military is seen as a caste apart. The lack of interaction between civilian and military institutions often contributes to the feeling of military officers that they are "different and better" than civilians. Obviously, such a view is antithetical to democratic institutions.

Fortunately, in the past several years, a number of universities and democratic development institutions have developed a certain expertise in the area of civil-military relations in emerging democracies. Among these groups are Florida International University, the National Democratic Institute for International Affairs [NDI], and the American University. The purpose of these programs is the promotion of a dialog between military officers and political practitioners—a heretofore improbable encounter given patterns of social interaction in many of these countries.

Such seminars and conferences—frequently conducted outside a country to further help break down existing patterns of behavior—usually yield a number of positive consequences.

First, personal ties, and thus confidence, between military officers and the political community are strengthened—and sometimes created for the first time.

Second, by discussing military issues with members of the Armed Forces, civilian political leaders and their staffs become empowered on security issues as valid interlocutors.

And third, by establishing relations with the political community, officers interested in the professionalization of their corps come to appreciate the value of community support for their efforts.

Mr. President, I believe the State Department and the Agency for International Development should be working with one or more of these groups on a crash program designed to promote healthier civil-military relations. The dollar amounts on these projects is relatively small—especially so when considering the important relationships that are initiated that are crucial to the strengthening of the democratic process.

After the seminar, or seminars, are conducted and a new group of political leaders take their places in Parliament, it is vital that they, together with a selected group of military officers, be invited to the United States to see how we have successfully handled our own civil-military relationship. In particular, I believe it is important that they see the degree of cooperation between the civilian and military sectors of our society in the formulation of the common defense, and the amount of participation of civilian managers in the security process. If past experiences in this area are any guide, personal relationships among the two groups will undoubtedly grow, and thus provide a cushion of good will during the difficult moments of transition.

INTERNATIONAL CRIMINAL COURT

Mr. SPECTER. Mr. President, on May 10, 1990, in the halls of the United States Senate, an important threshold step in fighting international crimes—especially the global problem of international drug trafficking—was taken. On that date, a group of 13 international criminal law scholars assembled at my behest in a 1-day symposium to develop another alternative to combat the international crime of drug trafficking. The alternative discussed was the creation of an international criminal court.

Joining the symposium were Congressman BOB KASTENMEIER and Congressman JIM LEACH who on March 2, 1989, had introduced House Concurrent Resolution 66, calling for the creation of an international Criminal Court. Congressmen LEACH and KAS-

TENMEIER reviewed the developments of the past 20 years of transnational criminal offenses and the need for an internationalization of law enforcement. They spoke out strongly of the need for an international criminal court. I cannot speak highly enough of the contributions and support these legislators are providing to the development of an international criminal court.

Indeed, their efforts complement efforts which I have made. In 1986, the Congress adopted my amendment to the Omnibus Security and Terrorism Act calling on the President to pursue negotiations to establish an international criminal court to try terrorists. And, in 1988, I included a provision in the Omnibus Anti-Drug Abuse Act calling on the President to pursue negotiations to establish an international criminal court with jurisdiction over international drug trafficking.

As a result of the discussion and exchange of views by symposium participants a consensus evolved by the end of the day. There was agreement that a regional international criminal court of limited scope and powers had the potential for making a significant contribution in the area of narcotics trafficking and should be further explored. Mr. President, without objection, I wish to include a copy of the written consensus drafted as a result of this symposium. I wish to add that I fully endorse this consensus.

There being no objection, the consensus was ordered to be printed in the RECORD, as follows:

AN INTERNATIONAL CRIMINAL COURT FOR THE 1990s; TOWARD A CONSENSUS MODEL

The desirability of a law-based system is as obvious for the international system as for national systems. Toward this end, proposals have been advanced for the creation of an international criminal court to assist in repressing some of the most dangerous violations of the international legal order.

The post-World-War-Two international tribunals for punishment of aggression, war crimes and crimes against humanity have been the paradigms that shaped past proposals. It appears, however, that such a supra-national tribunal has not been created for a variety of reasons.

Nevertheless, there is reason to believe that many nations in favor of concerted action against particular forms of criminal conduct, including in principle, a proposal for an international criminal court to deal with narcotics trafficking in the Americas and the U.N. General Assembly has referred this proposal to the International Law Commission of the United Nations for its view.

As a result, it appears to be a good time to give serious consideration to specific proposals for an international criminal court with limited scope and powers. A model must be chosen that will be both technically sound and acceptable to potential participating nations.

The most promising approach appears to be the creation of a regional court for the Americas (or the Caribbean) addressing narcotics trafficking. The model should be capable of meeting important needs of nations in that region without impairing the important interests of any of them.

Unless the U.S. is more active in this area, there is a risk that proposals for an international criminal court will be made that may ignore U.S. concerns.

An important threshold step in developing a practical proposal for an international criminal court was taken on May 10, 1990 when a symposium organized by Senator Arlen Specter met in Washington, D.C., to discuss the creation of an international criminal court. Participants exchanged views and shared information concerning current developments.

It was agreed that a proposal for a regional international criminal court of limited scope, and powers, had the potential for making a significant contribution in the area of narcotics trafficking and should be further explored.

In this regard, the participants at the symposium agreed that it would be constructive to focus on the development of a proposal pursuant to which such a regional court would:

a. Exercise jurisdiction on behalf of signatory states rather than universal jurisdiction;

b. Be part of an overall framework coordinating mechanisms for criminal cooperation, including extradition, transfer of prisoners, judicial cooperation, transfer of proceedings and enforcement of penal judgments;

c. Be complimentary to other existing standards and institutions;

d. Adjudicate individual responsibility, not responsibility of states.

Specific concerns that could be addressed in formulating proposals might include:

a. That the court not be construed as a panacea or excuse for inaction, particularly with respect to narcotics traffic suppression;

b. That there be no danger that the court could be dominated or manipulated for political purposes;

c. That the court mechanisms should address or at least not obscure inadequacies of national systems;

d. That gaps in jurisdiction be closed, such as those that occur when a nation will not extradite its nationals yet will not prosecute them for crimes with foreign aspects;

e. That a model should be as basic as possible, leaving expansion to an evolutionary process.

Generally, the participants agreed that the notion of a regional criminal court limited to narcotics trafficking offenses might be worth examining.

Professor Blakesley agreed to develop a draft model for exploration at a conference at the end of June in Siracusa, Sicily. Other suggestions made at the conclusion of the symposium for following up on this matter included a proposal to reconvene the symposium to consider any concrete proposals; creation of a U.S. national commission; and, possibly, at some appropriate time, Congressional hearings on the subject.

Mr. SPECTER. In addition, one participant, Prof. Christopher Blakesley, professor of law from the Louisiana State University Law Center, was requested to submit a draft model for further discussions and exploration. Without objection, I would like to include that draft into the RECORD.

There being no objection, the draft was ordered to be printed in the RECORD, as follows:

LOUISIANA STATE UNIVERSITY
LAW CENTER,
Baton Rouge, LA June 5, 1990.

Re International Criminal Court Symposium (Att'n: Mr. Charles Battaglia, Symposium Director).

Hon. ARLEN SPECTER,
U.S. Senate, Washington, DC.

DEAR SENATOR SPECTER: As commissioned, I have enclosed the final version of the Model Regional International Criminal Tribunal, for you to put into the Congressional Record to begin the process, as discussed at the Symposium. I have included a model for an International Commission or Board of Inquiry (to provide the investigative and prosecutorial arm of the tribunal), as well as a Model for the Tribunal, as a whole. This Commission or Board of Inquiry is part of the Tribunal, which would have an investigative arm (the Commission of Board of Inquiry) and a court, among other organs.

As decided at the Symposium, we will take this model to Siracusa, for continued discussion and development. I look forward to the rest of the process.

Sincerely yours,
CHRISTOPHER L. BLAKESLEY,
Professor of Law.

[Draft Model International Criminal Tribunal]

(By Prof. Christopher L. Blakesley, Louisiana State University) [1]

COMMISSIONED BY PARTICIPANTS IN SYMPOSIUM: INTERNATIONAL CRIMINAL COURT, U.S. SENATE, MAY 10, 1990

EXECUTIVE MEMORANDUM

Introduction: Model(s)

This memorandum covers the final draft model for a regional international criminal court to be put into the Congressional Record. The basic model is a full-fledged *International Tribunal* System, which can be made Regional, by including only nations within a region. It combines a *Procuracy or Criminal Inquiry Commission [or Board of Criminal Inquiry] and a Court*, as the two essential institutions. I have also included a model of a separate *Criminal Inquiry Commission* for supplemental use. This Commission of Criminal Inquiry may be a separate alternative, to be used, if the full-blown Tribunal were not to come into being. My main purpose in including a model for it, however, is to use it to inform the Commission of Inquiry [or Procuracy] Arm of the Full Blown International Tribunal. The institutions could be established as two separate entities or as arms of the same Tribunal. The proposal could incorporate all or any part of the following alternatives. At the comment stage, I decided to send both models. My preference is to have these institutions coordinated and combined in a *Tribunal*, having several parts.

1. The full-fledged Court System—see 1953 Draft Statute [1] and 1980 Draft Statute. This Court System would include the functions of the *Commission* and the *Court*, presented separately below. It is presented as the below.

2. The non-adjudicative Model of an Inquiry System—see Model proposed by the ILA, adapted and discussed below.[3]

THE INTERNATIONAL [REGIONAL] TRIBUNAL

The International Tribunal may be adapted to a regional model, simply by making it applicable to nations within a region. Its characteristics are the same, either way. This model will provide not only a court for prosecution, but a tribunal that combines a

full fledged inquiry system for investigation, a mechanism for coordination and cooperation of domestic (national) criminal justice systems, through the promotion of transfer of proceedings and transfer of prisoners. It is important to NOTE that this model actually has four sub-models built into one (the (1) International Tribunal Model, which can be scaled down to a (2) Regional Tribunal; and the (3) International Commission of Inquiry. The International [Regional] Tribunal functions alternatively, and as a matter of choice by the party states in any given case, as an International Tribunal of original [though not exclusive] jurisdiction, having original jurisdiction over the offenses of drug trafficking and terrorism [or other offenses], as defined in the organic Convention. In addition, (4) the Convention provides a Transfer of Proceedings model: proceedings and prisoners may be transferred to and from the regional tribunal and the state-parties.

This is significant, and in reality creates an additional "model within the model." Jurisdiction with obtain not only for offenses for which the Tribunal has original jurisdiction, pursuant to the Convention, but also for any offenses that it receives by virtue of the transfer of proceedings provisions of the Convention. This means that nations which wish to avail themnselves of the Tribunal's support and jurisdiction may do so by triggering those parts of the Convention. The nation-parties may retain original jurisdiction, yet avail themselves of the benefits of the Tribunal. They will not lose jurisdiction by doing so. Also, the tribunal can function as a conduit for coordination and transfer of prisoners, fugitives, and proceedings between state-parties. It is designed, therefore, to be an additional alternative to be utilized by the state-parties, not a replacement for anything.

Thus, the International Tribunal is more than a court. It is really a tribunal in the "continental" sense. It includes the Court, of course, where prosecutions take place. But it also includes a commission of criminal inquiry [4] a coordinating body for coopeeration in matters of international criminal law.

The model International Tribunal, of course, is not a panacea. It is designed, however, to provide a significant incremental benefit in international cooperation in combating international crime. It does not deflect domestic concentration or effort in law enforcement. Rather, it provides additional wherewithall to be utilized by the nation-parties in the common effort against international crime. It is an attempt to have an international or regional mechanism that does not detract from domestic investigation, prosecution, or extradition, but enhances local efforts and provides incentive and actual support. It is designated to magnify the opportunity international cooperation. It provides for an institution to help investigation and prosecution of international crime, by internationalizing the notions of prisoner and proceedings transfer.

The Tribunal is not a replacement for current domestic and international institutions, but is an additional alternative to promote investigation and prosecution of international crimes. It is not designed to allow a cop-out by countries, but provides the wherewithall to investigate, prosecute, convict and punish offenders, if nations choose to allow it to do so. A nation may utilize its own investigative forces or those of the Board or Commission of Inquiry. A nation party may use its own prosecutors or those of the Board or Commission. A nation may use the auspices and services of the institute to gather evidence for prosecutions at home. In other words, this is not a substitute for or a distraction from domestic prosecution, but an additional means and facilitator for either domestic or international prosecution of international crimes. It is to promote, not detract from, local prosecution. It simply provides support for domestic prosecution or an alternative place and institution for prosecution in an international tribunal. Any fear that this will not work, because nations will use it as an excuse not to meet their own responsibility to prosecute crime is not well founded. If a nation fails to meet its duties under international law, because of corruption, incompetence, lack of funding or institutional support, that problem obtains for domestic prosecution, as well as international prosecution. It will hamper enforcement, prosecution domestically, and extradition on a bilateral or multilateral basis. The regional tribunal will only provide an additional means to assist nations to fight crime in a manner consistent with their own domestic interests and their international duty. The proposal would only provide an additional outlet for those nations that wish to accommodate their international duty to extradite or prosecute, but for whatever reason, do not have the wherewithall to do so. It would eliminate excuses for not meeting that duty.

The additional mechanism to promote investigation and prosecution of international crime does not replace domestic operations or allow a means for state-parties to avoid their domestic and international responsibility to prosecute or extradite, but provides the wherewithall to investigate, prosecute, convict and punish offenders, if nations choose to allow it to do so. A nation may utilize its own investigative forces or those of the Tribunal. A state-party may use its own prosecutors or those of the Tribunal. A nation may use the auspices of the Tribunal and prosecute at home. In other words, this is not a substitute for or a detraction from domestic prosecution, but an additional means and a facilitator for either domestic or international prosecution of international crimes.

The jurisdiction of the Tribunal may include all international crimes, as defined by listed international conventions. Or, it could be limited in jurisdiction to two basic types of offenses: terroristic offenses and narcotics trafficking, as defined by specific conventions and incorporated into this Convention.

The term "terrorism:" If the Tribunal, including the Court and Commission are to cover terroristic crimes, it may be wise to follow Professor Bassiouni's suggestion that it may not be appropriate to use the term *terrorism*, because, it seems to have been appropriated by propagandists on all sides. Also, the term only makes sense for criminal law purposes when it contains specific, material elements. These elements differ, of course on the type of terrorism that is being prosecuted. On the other hand, the term could be utilized, if it is demystified and given substantive elements. This would avoid its abuse and obfuscation. If we could have a convention that lists specific terroristic offenses, each with proper elements, and establish an international or regional criminal court to prosecute these offenses, it would actually assist in the battle against terrorism and erode the opportunity for propagandists to appropriate the terminology. It would be clear that *terrorism* is a generic term is meant to apply to the specific list of offenses in the convention. It may be, as suggested by some at the Symposium, that the Tribunal ought not to cover terroristic offenses, because it would be "taking on too much" and could lend itself to propagandistic manipulation.

The list of offenses, whatever they include ought to be based on international conventions, such as the United Nations Narcotics Convention, those covering Hijacking, Protection of Diplomats and other Internationally Protected Persons, Piracy and Offenses Against Civilian Vessels, etc. The Convention creating an international criminal court could provide a significant service by listing the offenses, including their elements, covered by the court and to be prosecuted therein. This would, in effect, be a sort of criminal code. The list of pp. 13–15 and 29, of Professor Bassiouni's Report provides the outline. If it were not possible to draft an entire penal code, the notion of *transfer of criminal proceedings*, as noted at p. 47, of Professor Bassiouni's report, would allow prosecution based on the substantive law of the transfering state. Would the court interpret the law in such a case as it believed the domestic courts of the transfering state would do, or would it develop its own base of interpretations.

It is important for the United States at least to be party to the study of the possibilities of such a regional tribunal. The opportunity for development of understanding among nations just from the study is important. In addition, participation in the study and development of a regional tribunal will allow some influence in the structure, ideals, procedures and substance of whatever results. Even if the United States Government ultimately were to decide not to become a party, there is value in having participated in the development.

Trial: Significant issues arise in relation to the form of trial (adversarial vs. not so adversarial); matters of evidence admission; burden and standard of proof; investigation and use of evidence obtained during investigation, etc. There could be difficulties in this regard. There are certainly differing perceptions of what is the better method to protect civil liberties, while obtaining conviction of the guilty. This would have to be considered carefully. Would the prosecution have to prove all the elements beyond a reasonable doubt? How would investigation and evidence gathering be controlled? Will there be cross-examination by defense counsel and prosecution?

Conviction: Will there be jury trials? What role will the jury have? Who will make up the jury? Will judges sit with the jurors, as in some European Systems? Will the verdict have to be unanimous?

Appeal: Will there be appeal of questions of fact as well as to question of law and legal error? Will there be a means of *collateral attack*, for those instances in which a convicted person learns of abuse or other significant violation of his rights, after appeals have concluded?

Resolution of these issues is provided in the attached draft Convention.

DETAILED MODEL CONVENTION FOR THE REGIONAL CRIMINAL TRIBUNAL[5]

Chapter 1. Definitions

Article I—The Convention

The Convention of the International Criminal Tribunal which is the legal authority and basis for the functioning of the Tribunal and its Organs.

Article II—The International Criminal Tribunal

All the Organs created by the Convention, which include the Court, the Procuracy [or Board of Criminal Inquiry], the Secretariat, and the Standing Committee of States-Parties.

Article III—The International Criminal Court

The judicial organ of the Tribunal, which adjudicates matters constituting an alleged violation of the International Criminal Code, determines guilt or innocence, and metes out penalties in accordance with the provisions of the Convention.

Article IV—The Procuracy [or Board of Criminal Inquiry]

That Organ of the Tribunal that investigates, prosecutes, and oversees the application of the decisions of the Court.[6]

Article V—The Secretariat

The clerical and administrative organ of the Tribunal.

Article VI—The Standing Committee

That body consisting of the States-Parties to the Convention that adopted the Convention.

Article VII—The Procurator

The Person elected by the Standing Committee to head the Procuracy [or Board of Criminal Inquiry].

Article VII—The Judge or Judges

The judicial person or persons who sit on the Tribunal, including the Procuracy or Board of Criminal Inquiry.

Article IX—The Secretary

The person elected by the Standing Committee to head the Secretariat.

Article X—The Convention

The instrument by virtue of which the Tribunal is adopted.

Chapter 2. General Provisions

Article XI—Purpose of the International Criminal Tribunal

This International [Regional] Criminal Tribunal is hereby established for the purpose of investigating, prosecuting, trying, and enforcing the provisions of the international offenses which have been promulgated as being within the jurisdiction of this Tribunal in the Convention and in any other Agreement made to Supplement the Convention.

Article XII—Nature of the Tribunal

The Tribunal shall be a permanent body, occupying facilities and performing its chief functions at [seat-nation to be determined], and utilizing as its official languages those of the United Nations.

Commentary

A. Establishment of the Tribunal:

1. The Tribunal would be established pursuant to a regional multilateral convention [hereinafter referred to as "the Convention"] open to all states in the region. A system would be worked out that would eliminate or reduce the possibility of the Tribunal being "stacked" or biased toward any particular political interest, group, or nation.

2. The Member-States to the Convention would agree on the establishment of the Tribunal whose seat would be in a state with the region.

3. The established Tribunal would have an international legal personality and would sign a host-country agreement with the host state. The Tribunal would thus have extra-territoriality for its premises and immunity for its personnel.

4. The Tribunal's costs and facilities, including detentional facilities will be paid on a pro-rata basis by the member-states to the Convention.

5. The Tribunal as an international regional organization would be granted jurisdiction by the member states to prosecute certain specified offenses embodied in international conventions and the authority to detain those accused, and those convicted of the charges (The merits of such a detentional scheme is that it removes pressures on the affected states, particularly in "terrorism" cases, and in cases involving major drug offenders.

Article XII—Organs of the Tribunal

1. The Tribunal shall consist of the following organs:

a. The Court;

b. The Procuracy [or Board of Criminal Inquiry];

c. The Secretariat; and

d. The Standing Committee of States-Parties to the Convention of the International Criminal Tribunal.

2. The functions and competence of the above organs shall be as described in this Convention.

Article XIII—Jurisdiction of the Tribunal

The Tribunal shall have jurisdiction, in accordance with international law and the provisions of this Convention. Its jurisdiction exists by virtue of a provision [or series of provisions] in the Convention, which will be in the nature of a "transfer of criminal proceedings."[7] It will have original jurisdiction based on territoriality, active or passive personality or other appropriate theory of jurisdiction. The Tribunal has jurisdiction to investigate, prosecute, adjudicate and punish persons and legal entities accused or found guilty of any of the crimes contained in the Convention and any other international offenses which may be embodied in a Supplemental Agreement.

Commentary

The Jurisdiction of the Tribunal exists by virtue of provision (or series of provisions) in the Convention, which will be in the nature of a "transfer of criminal proceedings."[8] Thus, each state that has original jurisdiction based on territorality, active or passive personality will not lose jurisdiction, but merely transfer the criminal proceedings to the Tribunal. This approach will alleviate some major jurisdictional and sovereignty problems).

Article XV—Competence of the Tribunal

1. The Tribunal shall, subject to the provisions of the present Convention, exercise its competence in accordance with international law whose sources are stated in Article 38 of the International Court of Justice.

2. The competence of the Organs of the Tribunal shall be interpreted and exercised in light of the purposes of the Tribunal as set forth in this Convention.

Article XVI—Subjects Upon Whom the Tribunal Shall Exercise Its Jurisdiction

The Tribunal shall exercise its jurisdiction over natural persons, organizations and States.

Article XVII—Sanctions

1. The Court as an organ of the Tribunal shall upon entering a finding of guilty, and in accordance with Article XXII and standards set forth in this Convention, have the power to impose the following sanctions:

a. Deprivation of liberty or any lesser measures of control where the person found guilty is a natural person; and,

b. Fine to be levied against a natural person, organization or State; and

c. Injunctions against natural persons or legal entities restricting them from engagin in certain conduct or activities; and

d. Order restitution and provide for damages.

2. Sanctions shall be established by the rules of the Court, and shall be published before their entry into effect. Such sanctions shall be based on the criteria set forth in the International Criminal Code.

Commentary

The intended consequence of this "transfer of criminal proceedings" approach, is that the Tribunal will use the substantive law of the transferring state, and its own procedural rules which will be part of the Convention and promulgated prior to the Tribunal's entry in function.[9]

The Procurator-General (or other designated official) of the Commission will act as the Chief Prosecutor but will be assisted by a prosecuting offical of the transferring state whose law is to be applied. The investigating auspices of the Commission will be available to be utilized by the member-states in their own internal investigations and prosecutions, as well. This does not mean that the Commission may do anything without the permission of the state in question, but may be invited to assist that state. The Commission is designed to be an additional arm in investigation and prosecution of international crime, not a replacement for what already exists internationally and domestically.[10]

Chapter 3. The Penal Processes of the Tribunal

Article XVIII—Initiation of the Process

Prosecution will be charged to the Commission under the control of the Procurator-General. The investigative part will come under the auspices of the Court.

No criminal process shall be initiated unless a complaint is communicated to the Procuracy [or Board of Criminal Inquiry] or originated within the Procuracy [or Board of Criminal Inquiry].

The Investigative Division of the Procuracy [or Board of Criminal Inquiry] shall determine whether such complaints are "manifestly unfounded" or not, and that determination shall be reported immediately to the source of the communication, if any.

No complaint by a State-Party to the present Convention or an Organ of the United Nations shall be deemed "manifestly unfounded." Other States and Intergovernmental Organizations whose complaints are determined to be "manifestly unfounded" may appeal such determinations to the Court pursuant to Article XXII of this Convention.

Unless otherwise directed by the Court, the Procuracy [or Board of Criminal Inquiry] may either take no further action on "manifestly unfounded" complaints or may continue further investigation.

Communications determined "not manifestly unfounded" shall be transferred together with the record of investigation to the Prosecutorial Division of the Procuracy [or Board of Criminal Inquiry], which shall immediately inform the accused and assume responsibility for the development of the case.

When a case is ready for prosecution, the Procurator shall submit it to an appropriate

Chamber of the Court pursuant to Article XIX and XX of this Convention, or to the Standing Committee pursuant to Article XVII of this Convention, or to both, but if a case based on a complaint submitted by a State-Party to this Convention or by an Organ of the United Nations has not been presented to the Court within one year of submission to the Standing Committee, the source of the complaint may request the Court to examine the case and act pursuant to Article XIX of this Convention.

Commentary

It is possible that the court, or at least judges, ought to oversee the investigative function, in order to protect human rights. Prosecution may commence on the basis of a criminal charge brought by a member-state. In addition, a member-state that does not have subject matter or in personam jurisdiction, or that does not wish to bring criminal charges within its jurisdiction, may petition the Procurator-General to inquire the potential direct prosecution before the Court. In such cases, the request by a member-state could be confidential, and only after the Procurator-General has deemed the evidence sufficient will the case for prosecution be presented to the Commission in camera for action. Alternatively, the Procurator General could present the case to the Court, in camera, which, in such a case, will be sitting as an International Judicial Inquiry Board. Once the Commission or the Court (sitting as a Judicial Inquiry Board) has decided whether or not to prosecute, the Procurator-General will issue an Indictment and request the surrender of the accused by the member-state where the accused may be found.

Alternatively, a member-state may, on the basis of the Judicial Inquiry Board's finding, issue its own indictment and ask the Court to prosecute. This latter approach would leave the prosecutorial initiative with member-states.

The Convention should include provisions on surrendering the accused to the Commission or Court and provisions on providing them with judicial assistance for the procurement of evidence (both tangible and testimonial)."

Article XIX—Pre-Trial Process

1. The Prosecutorial Division of the Procuracy for Board of Criminal Inquiry] may request an appropriate Chamber of the Court pursuant to this Article of the Convention to issue orders in aid of development of a case, in particular, orders in the nature of:

a. Arrest warrants;

b. Subpoenas;

c. Injunctions;

d. Search warrants;

e. Warrants for surrender of an accused so as to enable accused persons to be brought before the Court and to transit States without interference.

2. Requests for such orders may be granted with or without prior notice if opportunity to be heard would jeopardize the effectiveness of the requested order.

3. All such orders shall be executed pursuant to the relevant laws of the State in which they are to be executed.

4. The ultimate merits of a case shall not be considered pursuant to Article XI of this Convention until the case has been submitted to an appropriate Chamber of the Court, and the Chamber made the following determinations:

a. The case is reasonably founded in fact and law;

b. No prior proceedings before the Tribunal or elsewhere bar the process in accordance with the principal *ne bis in idem* or fundamental notions of fairness; and

c. No conditions exist that would render the application unreliable or unfair.

5. The schedule of proceedings shall be established by the appropriate Chamber in consultation with the Procuracy [or Board of Criminal Inquiry] and Court for the accused with due regard to the principle of fairness to the parties and the principle of "speedy trial."

Commentary

Protection of basic Civil Liberties & Jurisdiction: One of the dangers of an international criminal court is that it will not incorporate sufficient due process type protections for the accused. It will be important to establish a list of rights, protections, and procedures for practice before the court; a sort of "Bill of Rights" will need to be incorporated. This could be done via articles of Jurisdiction, based on convention provisions agreed to by the party states, in a manner similar to the *transfer of criminal proceedings* agreements, and incorporating procedural rules and principles incorporates the general principles of international law, particularly those in the International Covenant an Civil and Political Rights and other like conventions.

Article XX—Adjudication

1. Hearings on the ultimate merits of cases shall be conducted in public before a designated Chamber of the Tribunal [or the Court] but deliberations of the Chamber shall be *in camera.*

2. A Chamber may at any time dismiss a case and enter appropriately motivated orders. In case of dismissal for any reason other than on the merits, the principle *ne bis in idem* shall not apply.

3. In all proceedings a Chamber shall give equal weight to evidence and arguments presented by the Procurator and on behalf of the accused in accordance with the principle of "equality of arms" of the parties.

4. When all evidence respecting guilt or responsbility for wrongful acts has been presented, and argued by the parties, the Chamber shall close the Heaings and retire for deliberations.

5. The decisions of the Chambers shall be publicly announced orally, in summary or entirely, accompanied by written findings of fact and conclusions of law, or entered 30 days from the date of pronouncement of the oral decision, and any judge of that Chamber may write a separate dissenting or concurring opinion. [The opinions are to be anonymous].[12]

6. A determination of guilt shall be deemed entered when recorded by the Secretariat, which shall communicate it forthwith to the Procuracy [or Board of Criminal Inquiry] and the accused, but no such determination shall be regarded as effective until 3 days after the date of recording at which time the deciding Chamber may no longer modify its findings.

7. Each Chamber shall consist of three judges selected by lot, and cases shall be assigned to each Chamber by lot.

Article XXI—Sanctioning

1. Upon a Determination of guilt or responsibility, a separate hearing shall be held regarding sanctions to be imposed, at which hearing evidence of mitigation and aggravation shall be introduced and argued by the parties.

2. At the conclusion of this hearing the Chamber shall retire for deliberation and shall issue its Determination in the same manner and subject to the same conditions as for a Determination of guilt, as set forth in paragraph 5 and 6 of Article XX.

3. Upon conviction the individual may be returned to the surrending state, which will carry out the sentence on the basis of provisions in the Convention, in the nature of "transfer of prisoners" agreeements.[13]

Alternatively, the convicted person could be transferred to any other member-state on the same legal basis, or the Tribunal could place the convicted person in its areas detentional facilities which will be set up by the Convention in accordance with a host-state agreement between the Tribunal and the State wherein the determinal facility will be established.

By virtue of the Convention, an indictment by the tribunal sitting as a Judicial Inquiry Board will be recognized by all member-states, which could also, subject to appropriate national legislation, prosecute the accused in their national courts. This will be a new form of regional jurisdiction equivalent to the broader theory of universal jurisdiction.

Article XXII—Appeals

1. Appeals to the Court *en banc* from Determinations of Chambers as to the guilt or responsibility or as to sanctions may be commenced by the accused upon written notice filed with the Secretariat and communicated to the other party within 30 days of the date of entry of judgment or order appealed.

2. Other appeals from actions of Chambers may be taken before a final judgment is entered only if such actions are conclusive as to independent matters.

3. The Procuracy [or Board of Criminal Inquiry] may appeal questions of law in the same manner as an accused under paragraphs 1 and 2.

4. Decisions on Appeals shall be delivered in the same manner as other decisions of the Court *en banc* as provided in Article XX, paragraphs 5 and 6 of this Convention.

5. Decisions of the Court *en banc* and unappealed Determinations or orders of Chambers shall be deemed final unless it is shown that:

a. Evidence unknown at the time of the Determination or order has been discovered, which would have had a material effect on the outcome of the said Determination or order; or,

b. The Court or Chamber was flagrantly misled as to the nature of matters affecting the outcome; or

c. On the face of the record the facts alleged have not been proved beyond a reasonable doubt; or,

d. The facts proved do not constitute a crime within the jurisdiction of the Tribunal; or,

e. Other grounds for which the Court may provide by its Rules.

6. Appealed Determinations may be revised or vacated or remanded for new Determination, and when vacating a Determination the Court shall specify what if any *ne bis in idem* effect shall be given to the prior proceedings.

Commentary

To Provide for the right of appeal, the Tribunal could be divided in Chambers and the Judges drawn by lot. One Chamber will be the Judicial Inquiry Board, and one or more other Chambers will be adjudicating chambers. The Tribunal *en banc* will hear appeals (excluding the sitting judges on the case).

Should there be appeal of questions of fact as well as to questions of law and legal error? Will there be a mean of *collateral attack*, for those instances in which a convicted person learns of abuse or other significant violation of his rights, after appeals have concluded?

Article XXIII—Sanctions and Supervision

1. The Court may call upon any State-Party to execute measures imposed in respect of guilt, in accordance with the laws of the said State-Party.

2. With respect to each accused determined to be guilty, a judge of the Court shall be selected by lot as Supervisor of the sanction imposed.

3. All requests to modify sanctions shall be directed in the first instance to the Sanction Supervising judge who may submit the request to the Adjudicating Chamber for modification provided such action in no way increases the sanction or conditions imposed upon the person or legal entity found guilty.

4. Decisions of the Sanction Supervising Judges regarding modification requests may be appealed to the Chamber which imposed the sanction, but such appeals in the Chamber's discretion need not be the subject of full hearings and detailed written decisions.

5. Nothing here precludes the Court in accordance with its Rules to suspend its sanctions or place pre-conditions to their application in accordance with its Rules.

Chapter 4. Organs of the Tribunal

Article XXIV—The Court

1. The Tribunal will consist of as many judges as there are member-states to the Convention but not less than thirteen. No more than—of the judges shall be of the same nationality. They shall be elected by the Standing Committee of States-Parties from nominations submitted there. There will be four Chambers of three Judges each, and a Presiding Judge. The Judges will be drawn by lots to sit in rotation on the four Chambers (one of which, as stated above, will be the Judicial Inquiry Board.)

2. Nominees for positions as judges shall be of distinguished experts in the fields of international criminal law or human rights and other jurists qualified to serve on the highest courts of their respective States who may be of any nationality or have no nationality.

Each member-state will appoint a Judge from the ranks of its judiciary or from distinguished members of the Bar or from Academia. The Judges will be persons of high competence, knowledgeable in International Criminal Law, and of high moral character. Appointment of Judges and their tenure is to be established by the Convention.

3. Judges shall be elected by secret ballot and the Standing Committee of States-Parties shall strive to elect persons representing diverse backgrounds and experience with due regard to representation of the major legal and cultural systems of the world.

4. Elections shall be coordinated by the Secretariat under the supervision of the presiding officer of the Standing Committee of States-Parties and shall be held whenever one or more vacancies exist on the Court.

5. Judges shall be elected for the following terms: four judges for four-year terms, four judges for six-year terms, and four judges for eight-year terms. Judges may be re-elected for any term at any time available.

6. No judge shall perform any public function in any State.

7. Judges shall have no other occupation or business than that of judge of this Court. However, judges may engage in scholarly activity for remuneration provided such activity in no way interferes with their impartiality and appearance of impartiality.

8. A judge shall perform no function in the Tribunal with respect to any matter in which he may have had any involvement prior to his election to this Court.

9. A judge may withdraw from any matter at his discretion, or be excused by a two-thirds majority of the judges of the Court for reasons of conflict of interest.

10. Any judge who is unable or unwilling to continue to perform functions under this statute may resign. A judge may be removed for incapacity to fulfill his functions by a unanimous vote of the other judges of the Court.

11. Except with respect to judges who have been removed, judges may continue in office beyond their term until their replacements are prepared to assume the office and shall continue in office to complete work on any pending matter in which they were involved even beyond their term.

12. The judges of the Court shall elect a president, vice-president and such other officers as they deem appropriate. The president shall serve for a term of two years.

13. Judges of the Court shall perform their judicial functions in three capacities:

a. Sitting with other judges as the Court *en banc*;

b. Sitting in panels of three on a rotational basis in Chambers; and

c. Sitting individually as Supervisors of sanctions.

14. The salary of judges shall be equal to that of the judges of the International Court of Justice.

15. The Court *en banc* shall, subject to the provisions of this Convention, adopt Rules governing procedures before its Chambers and the Court *en banc*, and provide for establishment and rotation of Chambers.

6. The Court *en banc* shall announce its decisions orally in full or in summary, accompanied by written findings of fact and conclusions of law at the time of the oral decision or within thirty days thereafter, and any judge so desiring may issue a concurring or dissenting opinion. Opinions may be anonymous.

17. Decisions and orders of the Court *en banc* within thirty days of the Certification of the judgment enter its decision without notice.

18. The Court *en banc* may within thirty days of the Certification of the judgment enter its decisions without notice.

19. No actions taken by the Tribunal may be contested in any other forum than before the Court *en banc*, and in the event that any effort to do so is made, the Procurator shall be competent to appear on behalf of the Tribunal and in the name of all States-Parties of this Convention to oppose such action.

20. States-Parties agree to enforce the final judgments of the Court in accordance with the provisions of this Convention.

Article XXV—The Procuracy [or Board of Criminal Inquiry] [14]

1. The procuracy shall have the Procurator as its chief officer and shall consist of an administrative division, an investigative division and a prosecutorial division, each headed by a deputy procurator, and employing appropriate staff.

2. The procurator shall be elected by the Standing Committee of States-Parties from a list of at least three nominations submitted by members of the Standing Committee, and shall serve for a renewable term of six years, barring resignation or removal by two-thirds vote of the judges of the Court *en banc* for incompetence, conflict of interest, or manifest disregard of the provisions of this Convention or material Rules of the Tribunal.

3. The Procurator's salary shall be the same as that of the judges.

4. The deputy procurators and all other members of the Procurator's staff shall be named and removed by the Procurator at will.

5. In particular, the Standing Committee may:

a. Offer to mediate disputes between States-Parties relating to the functions of the Tribunal; and

b. Encourage States to accede to the Convention; and,

6. Propose to States-Parties international instruments to enhance the functions of the Tribunal.

7. The Standing Committee may exclude from participation representatives of States-Parties that have failed to provide financial support for the Tribunal as required by this Convention or States-Parties that failed to carry out their obligations under this Convention.

8. Upon request by the Procuracy [or Board of Criminal Inquiry], or by a party to a case presented for adjudication to a Chamber of the Court, the Standing Committee may be seized with a mediation and conciliation petition. In that case, the Standing Committee shall within 60 days decide on granting or denying the petition, from which decision there is no appeal. In the event that the Standing Committee grants the petition, Court proceedings shall be stayed until such time as the Standing Committee concludes its mediation and conciliation efforts, but not for more than one year except by stipulation of the Parties and with the consent of the Court.

Article XXVIII—General Institutional Matters

1. Each of the Organs of the Tribunal shall formulate and publish its own Rules in accordance with the Standards set forth in the Convention to regulate its functions under this Convention, but the Rules of the Procuracy [or Board of Criminal Inquiry] and Secretariat shall be subject to approval by a majority of the Court *en banc*.

2. The Procurator shall participate without a vote in formulating the Rules of the Court and of the Secretariat. The President of the Court shall participate without a vote in formulating the Rules of the Procuracy [or Board of Criminal Inquiry] and of the Secretariat.

3. Except to the extent of the adopted Rules, procedures of the Court shall be those of the International Court of Justice and those of the Secretariat shall be as for the Registrar of the International Court of Justice.

4. Each of the Organs of the Tribunal shall cooperate with the Secretariat in formulating its budget request and such budget requests shall be presented to the Court *en banc* for modification or approval, subject to adoption or rejection in their entirety by the Standing Committee.

5. The Judges, the Procurator and Deputy Procurators and their assistants and the Secretary shall be deemed officers of the Court, as well as Counsels appearing in a given case, and they shall enjoy immunity from legal processes of States with respect to the performance of their legal duties.

6. No officer of the Court other than Counsel in a given case shall perform any

function under this Convention without having first made a public, solemn declaration of impartiality and adherence to this Convention and the Rules of the Tribunal.

Chapter 5. Tribunal Standards

Article XXIX—Standards for Rules and Procedures

1. In all proceedings of the Tribunal and in the formulation of any Rules by any of its organs, the accused shall be entitled to those fundamental human rights enunciated in the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights, which for these purposes are:

a. The presumption of innocence

The presumption of innocence is a fundamental principle of criminal justice. It includes *inter alia:*

(1) No one can be convicted or formally declared guilty unless he has been tried according to law in a fair trial;

(2) No criminal punishment or any equivalent sanction may be imposed upon a person unless he has been proven guilty in accordance with the law;

(3) No person shall be required to prove his innocence;

(4) In case of doubt the decision must be in favor of the accused.

b. Procedural rights ("equality of arms")

The accused shall have substantial parity in proceedings and procedures and shall be given effective ways to challenge any and all evidence produced by the prosecution and to present evidence in defense of the accusation.

c. Speedy trial

Criminal proceedings shall be speedily conducted without, however, interfering with the right of the defense to adequately prepare for trial. To this effect:

(1) Time limitations should be established for each stage of the proceedings and should not be extended without reason by the appropriate Chamber of the Court.

(2) Complex cases involving multiple defendants or charges may be severed by the appropriate Chamber of the Court when it is deemed in the interest of fairness to the parties and justice to the case.

(3) Administrative or disciplinary measures shall be taken against officials of the Tribunal who deliberately or by negligence violate the provisions of this Convention and the rules of this Tribunal.

d. Evidentiary questions

(1) All procedures and methods for securing evidence which interfere with internationally guaranteed human rights shall be in accordance with the standards of justice set forth in this Convention and in the rules of the Tribunal.

(2) The admissibility of evidence in criminal proceedings must take into account the integrity of the judicial system, the rights of the defense, the interests of the victim and the interests of the regional [world] community.

(3) Evidence obtained directly or indirectly by illegal means which constitute a serious violation of internationally protected human rights, violate the provisions of this Convention, and the Rules of this Tribunal shall hold them inadmissible.

(4) Evidence obtained by means of lesser violations shall be admissible only subject to the judicial discretion of the Court on the basis of the veracity of the evidence presented and the values and interests involved.

e. The right to remain silent

Anyone accused of a criminal violation has the right to remain silent and must be informed of this right.

f. Assistance of counsel

(1) Anyone suspected of a criminal violation has the right to defend himself and to competent legal assistance of his own choosing at all stages of the proceedings, beginning when defendant is a specific focus of the criminal investigation.

(2) Counsel shall be appointed *ex officio* whenever the accused by reason of personal condition is unable to assume his own defense or to provide for such defense, and in those complex or grave cases where in the best interest of justice and in the interest of the defense such counsel is deemed necessary by the Court.

(3) Appointed counsel shall receive reasonable compensation from the Tribunal whenever the accused is financially unable to do so.

(4) Counsel for the accused shall be allowed to be present at all stages of the proceedings, including interrogations, lineups, and other critical investigatory proceedings which may impact on the fairness of the trial.

(5) Counsel for the accused or the accused shall be provided with all incriminating evidence available to the prosecution as well as all exeulpatory evidence as soon as possible but no later than at the conclusion of the investigation or before adjudication and in reasonable time to prepare the defense.

(6) Anyone detained shall have the right to access and to communicate in provate with his counsel personally and by correspondence, subject only to reasonable security measures decided by a judge of the Court.

g. Arrest and detention

(1) No one shall be subject to arbitrary arrest or detention.

(2) No one shall be deprived of his liberty except on such grounds and in accordance with such procedure as established by this Convention and Rules of the Tribunal and only on the basis of a determination by the Court.

(3) No one shall be arrested or detained without reasonable grounds to believe that he committed a criminal violation within the jurisdiction of the Tribunal.

(4) Anyone arrested or detained shall be promptly brought before a judge of the Court and shall be informed of the charges against him; after appearance before such judicial authority he may be returned to the custody of the arresting authority but he shall be subject to the jurisdiction of the Court even when in the custody of a State-Party.

(5) Preliminary or provisional arrest and detention shall take place only whenever necessary and as much as possible should be reduced to a minimum of cases and to the minimum of time.

(6) Preliminary or provisional detention shall not be compulsory but subject to the determination of the Court and in accordance with its Rules.

(7) Alternative measures to detention shall be used whenever possible and include *inter alia:* bail, limitations of freedom of movement, imposition of other restrictions.

(8) No detainee shall be subject to rehabilitative measures prior to conviction unless he freely consents thereto.

(9) No administrative preventive detention shall be permissible as part of any criminal proceedings.

(10) Any period of detention prior to conviction shall be credited toward the fulfillment of the sanction imposed by the Court.

(11) Anyone who has been the victim of allegal or unjustified detention shall have the right to compensation.

Commentary

Protection of basic Civil Liberties & Jurisdiction: This Convention has taken into consideration and accommodated a serious danger of an international criminal court; a failure to incorporate sufficient due process protections for the accused. It is important to establish a list of rights, protections and procedures for investigation and prosecution; a sort of "Bill of Rights" is incorporated. It provides substantive and procedural rules and incorporating the general principles of international law, particularly those in the international Convenant on Civil and Political Rights and other like conventions.

Trial: Significant issues arise in relation to the form of trial (adversarial vs. not so adversarial); matters of evidence admission; burden and standard of proof; investigation and use of evidence obtained during investigation, etc. Attention is paid to this. There are cetainly differing perceptions of what is the better method to protect civil liberties, while obtaining conviction of the guilty. This will have to be considered carefully. Issues relating to standard of proof for conviction; how investigation and evidence gathering be controlled; role of prosecutor and defense counsel are all addressed. Should there be direct and cross-examination by prosecutor and defense counsel?

Conviction: Will there be jury trials? What role will the jury have? Who will make up the jury? Will judges sit with the jurors, as in some European Systems? Will the verdict have to be unanimous?

h. Rights and interests of the victim

The rights and interests of the victim of a crime shall be protected in particular:

(1) the opportunity to participate in the criminal proceedings;

(2) the right to protect his civil interests;

(3) due regard shall be given in formulation of Rules of the Organs of the Tribunal to the principle of *no bis in idem,* but a seemingly duplicative prosecution shall not be barred provided that the record in the prior proceeding is taken into account along with any prior measures in respect to the guilt of the accused.

(4) Arrest and detention shall be in conformity with the Standard Minimum Rules for Treatment of Prisoners and the Principles on Freedom from Arbitary Arrest and Detention of the United Nations.

(5) Maximum flexibility regarding restrictive measures should be encouraged, including use of such mechanisms as house arrest, work release and bail, and credit shall be given for any pre-conviction restrictions to an accused.

(6) The Tribunal shall include all of the above in the formulation of its Rules of Practice and Procedures which shall be effective upon promulgation.

(7) No proceedings before the Tribunal shall commence prior to the promulgation of the Rules of Practice and Procedures of the Court, the Procuracy [or Board of Criminal Inquiry] and the Secretariat.

Chapter 6. Judicial Assistance and Other Forms of Cooperation

Article XXX—Cooperation between the State-Parties and the International Criminal Tribunal

Section 1. Duties of State-Parties

1.0 The State-Parties shall provide the International Ctriminal Tribunal with all means of judicial assistance and cooperation, including, but not limited to, extradition, letters rogatory, service of writs, assistance in securing testimony and evidence, transmittal of records, transfer of proceed-

ings and transfer of prisoners. The Tribunal will provide the State-Parties with similar support and cooperation.

Section 2. Methods and Procedures

1.1 The methods of judicial assistance and other forms of cooperation and regulating procedures between the State-Parties and the International Criminal Tribunal shall be those methods and procedures provided for, in a "Procedural Enforcement Part." [15]

1.2 The Rules of Practice of the Tribunal shall supplement the provisions of Procedural Enforcement Part with respect to ministerial matters.

Section 3. Recognition of the Judgments of the International Criminal Tribunal

1.1 The State-Parties agree to recognize the judgments of the Court and to execute its provisons. For the purposes of double jeopardy and evidentiary matters, the International Criminal Tribunal shall recognize the sanctions of other States in accordance with the provisions of Article XVII and other relevant articles.

1.2 The Court's Rules of Practice shall govern the recognition of the judgments of the Court by State-Parties and those of the other States by the Court.

Section 4. Transfer of Offenders and Execution of Sentences

1.1 In the event the International Criminal Tribunal does not have detentional facilities under its direct control, it may request a State-Party to execute the sentence in accordance with that Party's correctional system, and, in that case, the Tribunal shall continue to exercise jurisdiction over the offender, including his transfer to another State or facility.

1.2 In the event the International Criminal Tribunal has placed an offender in its own detention facilities, this person may by agreement be transferred for detention to his country of origin, subject to the Tribunal's jurisdiction.

1.3 The Tribunal's Rules of Practice shall determine the basis and condition of the transfer of offenders and the execution of sentences.

MODEL FOR PROPOSED INTERNATIONAL COMMISSION [OR BOARD] OF CRIMINAL INQUIRY [16]

The proposed International Criminal Tribunal will consist not only of an international court, but would also include an International Commission [or board] of Criminal Inquiry. This Commission would provide the investigative arm of the Tribunal. It would be available to provide assistance to state-party investigations and to investigate relevant criminal activity as commissioned by the state-parties, in the manner determined by the Convention. The Court would be established pursuant to a regional multilateral convention [hereinafter referred to as "the Convention"] open to all states in the region. A system would be worked out that would eliminate or reduce the possibility of the Court being "stacked" or biased toward any particular political interest, group, or nation. It is not required that the Tribunal be divided into Organs, such as the Commission and the Court, etc. This Commission or Inquiry Board is part of the International Tribunal and is to provide each of the functions, as in the model provided by Professor Bassiouni in his Report for the Symposium. All of the ideas and functions were provided in his model.

This is a Commission [or Inquiry Board] a coordinating body for cooperation in matters of international criminal law. It is designed to magnify the opportunity for international cooperation. It provides for an institution to help investigation and prosecution of international crime by internationalizing the notions of prisoner and proceedings transfer. The following model Convention provides the details of the Commission, which will be part of the Tribunal. The Commission Convention may be part of the Convention establishing the Tribunal.

Establishment and Jurisdiction

ARTICLE 1. A Regional Commission [or Board] of Criminal Inquiry (hereinafter referred to as "the Commission") is hereby established and empowered to hold inquiry according to this Convention.

Commentary

The Commission would be established pursuant to a regional multilateral convention [hereinafter referred to as "the Convention"] open to all states in the region. A system would be worked out that would eliminate or reduce the possibility of the Court being "stacked" or biased toward any particular political interest, group, or nation.

The Member-States to the Convention would agree on the establishment of the Commission whose seat would be in a state within the region.

The established Commission would have an international legal personality and would sign a host-country agreement with the host state. The Commission would thus have extra-territoriality for its premises and immunity for its personnel.

The Commission's costs and facilities, including detentional facilities will be paid on a pro-rata basis by the member-states to the Convention.[17]

The Commission as an international regional organization would be granted jurisdiction by the member states to prosecute certain specified offenses embodied in international conventions and the authority to detain those accused, and those convicted of the charges. (The merits of such a detentional scheme is that it removes pressures on the affected states, particularly in "terrorism" cases, and in cases involving major drug offenders.).

ARTICLE 2. *Ratification* of the present Convention may be limited to one or more of the Offenses listed in Article 2.

Commentary

This article allows the state-parties to choose which portions of the Convention they wish to utilize. A similar article ought to be included in the Court and other Parts of the Tribunal. It allows a state party to control the amount of sovereignty allocated to the Tribunal.

ARTICLE 3. The Commission shall consist of—members, of which—shall constitute the quorum.

ARTICLE 4. Members of the Commission shall be elected by the Contracting states from the candidates nominated by them. Each Contracting State may nominate two candidates and shall have one vote. The nominated candidates shall be citizens of a Contracting state. A Contracting State may not vote for its own nominees.

Commentary

This article provides the opportunity to develop a scheme which will minimize the risk of any "hijacking" or propagandistic appropriation of the Commission or Court. Ideas on how the members should be chosen need to be developed.

ARTICLE 5. Members of the Commission shall serve for a period of—years. They may be re-elected.

Commentary

Here is another opportunity to establish safeguards.

ARTICLE 6. The Commission shall have *authority* to investigate and otherwise deal with offenses described in the following international conventions, provided they have come into force.

Commentary

Here we would list the offenses to be within the authority of the Commission. It could include all those indicated in the Bassiouni Symposium Report, or be limited to certain terroristic and narcotics trafficking offenses, or merely be limited to narcotics trafficking.

ARTICLE: 7. The *Jurisdiction of the Commission.* would exist by virtue of a provision (or series of provisions) in the Convention, which would be in the nature of a "transfer of criminal proceedings." (Thus, each state that has original jurisdiction based on territoriality, active or passive personality or other appropriate theory of jurisdiction would not lose jurisdiction, but could merely choose to transfer the criminal proceedings to the Commission. The decision to transfer proceedings would be a matter of choice by the party-state in each instance. This approach will alleviate some major jurisdictional and sovereignty problems).

The intended consequence of this "transfer of criminal proceedings," approach is that the Commission will use the substantive law of the transferring state, and its own procedural rules which would be part of the Convention and promulgated prior to the Commission's entry in function.

The Procurator-General (or other designated official) of the Commission will act as the Chief Prosecutor but will be assisted by a prosecuting official of the transferring state whose law is to be applied. The investigating auspices of the Commission will be available to be utilized by the member-states in their own internal investigations and prosecutions, as well. This does not mean that the Commission may do anything without the permission of the state in question, but may be invited to assist the state. The Commission is designed to be an additional arm in investigation and prosecution of international crime, not a replacement for what already exists internationally and domestically.

ARTICLE 8. *Prosecution* will be charged to the Commission under the control of the Procurator-General. The investigative part will come under the auspices of the Commission and the trial part will come under the auspices of the Court.

It is possible that the court, or at least judges, ought to oversee the investigative function, in order to protect human rights. Prosecution may commence on the basis of a criminal charge brought by a member-state. In addition, a member-state that does not have subject matter or on personam jurisdiction, or that does not wish to bring criminal charges within its jurisdiction, may petition the Procurator-General to inquire the potential direct prosecution before the Court. In such cases, the request by a member-state could be confidential, and only after the Procurator-General has deemed the evidence sufficient will the case for prosecution be presented to the Commission in camera for action. Alternatively, the Procurator-General could present the case to the Court, in camera, which, in such case, would be sitting as an International Judicial Inquiry Board. Once the Commission or the Court (sitting as the Judicial Inquiry Board)

has decided whether or not to prosecute, the Procurator-General will issue an Indictment and request the surrender of the accused by the member-state where the accused may be found.

Alternatively, a member-state may, on the basis of the Judicial Inquiry Board's finding, issue its own indictment and ask the Court to prosecute. This latter approach would leave the prosecutorial initiative with member-states.

The Convention should include provisions on surrendering the accused to the Commission or Court and provisions on providing them with judicial assistance for the procurement of evidence (both tangible and testimonial).[21]

ARTICLE: 9. *Rules of Procedure.* The rules of day-to-day administrative procedure will be promulgated by the Commission itself. The rules of procedure for conducting investigations will be part of the Convention establishing the Commission and the Court. These rules of procedure will accommodate basic notions of civil liberty and protection of human rights.

Commentary

Protection of basic Civil Liberties & Jurisdiction: One of the dangers of an international criminal court is that it will not incorporate sufficient due process type protections for the accused. It would be important to establish a list of rights, protections, and procedures for practice before the court; a sort of "Bill of Rights" would need to be incorporated. This could be done via articles of Jurisdiction, based on convention provisions agreed to by the party states, in a manner similar to the *transfer of criminal proceedings* agreements, and incorporating procedural rules and principles incorporating the general principles of international law, particularly those in the International Covenant on Civil and Political Rights and other like conventions.

ARTICLE 10. *Funding.* The Contracting States shall create and maintain a fund which will pay for the maintenance and operation of the Commission as well as expenses for witnesses, experts, interpreters, and counsel if approved by the Commission. The collection and administration of finances in this fund shall be conducted in accordance with the regulations adopted by the Commission.

ARTICLE 11. (1) The Commission shall apply the definition of a particular offense which is prescribed by the conventions in force in the appropriate Contracting State(s), according to article 6 of this Convention, and jurisdiction will obtain in accordance with article 7.

(2) Also with regard to the general part of criminal law including grounds for defense and justification (when an indictment is recommended), the Commission shall apply the relevant rules of international law, and where no such rules exist, the national law of the state concerned, as above, in paragraph 1, if the latter is not in conflict with international law. [22]

ARTICLE 12. A person who is being tried or has already been tried in a Contracting State shall not be subject to an inquiry in the same matter before the Commission.

(2) No person shall be subject to an inquiry before the Commission if at the time of receipt of the petition, there are judicial criminal proceedings in the same matter pending against him in the Contracting State in which the alleged offense was committed or in a Contracting State of which he is a citizen. If judicial criminal proceedings are underway in a State-party, that state has the option of "staying proceedings" and submitting them to the Commission for investigation and prosecution before the Tribunal.

Commentary

This article provides a means of allowing the Tribunal in all its aspects to be a boon to local prosecution, not a replacement for it. It may be that this article should be modified to magnify this purpose.

ARTICLE. 13. The Commission shall be seized upon petition by:

[this will need to be worked out, but it could be] (a) any person, group of persons or non-governmental organization present in a Contracting State and claiming to be the victim of an alleged offense, or (b) a Contracting State, which has conferred jurisdiction upon the Commission with respect to the offenses concerned; or (c) both.

Commentary

This article, of course, would depend on the offenses covered by the Convention establishing the Tribunal. If it covered only narcotics offenses, for example, the entities who could seize to Commission would differ.

ARTICLE 14. The Commission's report shall be submitted with such comments as it may consider appropriate to the parties concerned. The report may include an indictment or its equivalent, which will trigger prosecution before the Court.

ARTICLE 15. The Commission may hear more than one petitioner on the same matter. Each petitioner shall have the right to be represented. Petitioners shall also have the right to cross-examine witnesses and to submit evidence in accordance with the Commission's rules of procedure. The proceedings and investigation shall conform to the protections of human rights as exist in the promulgated conventions and in international law generally. [23]

Commentary

This is where reference needs to be made to the "bill of rights" or other human rights conventions.

ARTICLE 16. The alleged offender shall have the right to be heard in respect of the petition. He or she shall have the right to be assisted by counsel of his or her own choice, to submit evidence, to cross-examine witnesses, and to inspect any document or other evidence introduced during the inquiry.

He or she shall be allowed reasonable expenses for defense, charged to the fund referred to in article —, if the Commission is satisfied that he or she is financially unable to engage the services of counsel.

Unless the Commission makes use of the power under article 18 (to take the accused into custody), the alleged offender shall be free to proceed to the destination of his or her choice; no proceedings shall be instituted against the accused by the authorities of the state in which the inquiry is held prior to the lapse of 30 days following the termination of the inquiry. These provisions shall apply to other persons involved in the inquiry.

ARTICLE 17. The Commission shall hold its sessions in public, unless private sessions are necessary in the international public interest. The deliberations of the Commission shall take place in private and shall not be disclosed; although opinions will be written, including dissenting opinions. The voting will be anonymous.

Commentary

Anonymous voting is designed to protect the judges from intimidation and reprisal or terrorism.

ARTICLE 18. Where the Commission has a strong suspicion and belief on reasonable and probable grounds that an offense covered by this Convention has been committed by a person subject to its inquiry, it may make an application to the Contracting State in accordance with the jurisdiction conferred upon it by that State, to take this person into custody.

The preceeding paragraph shall apply similarly to search and seizure.

The State to which the application is made shall decide upon the application according to its own laws and applicable international treaties.

ARTICLE 19. Having regard to the facts established at the inquiry, the Commission shall either: a) terminate the inquiry against the accused, should the complaint appear to be unfounded in law or in fact, or b) declare the matter settled by consent of the petitioner, the Procurator-General, the person who is subject to the inquiry and victim or their legal representatives, or c) recommend an indictment or its equivalent.

ARTICLE 20. In accordance with the jurisdiction conferred upon it by the Contracting States, the Commission may submit its recommendation of indictment and/or any other finding to the State where the suspected offender is present and request that the State act accordingly, or it may submit it to the Court for prosecution. The will of the State-party that presented the petition controls. A report of the Commission's findings shall be presented to the Contracting States, to the Court and to the parties involved in the investigation.

ARTICLE 21. The recommendation(s) of the Commission shall be established by a majority vote of the members present. The recommendation shall be given in the conclusion of the Commission's report.

ARTICLE 22. The Commission may request national authorities to assist it in the performance of its functions. A Contracting State shall render such assistance in conformity with any convention(s) or other instrument(s) it has accepted. The Commission may call upon any State to supply information which may be relevant to the inquiry. The States may request information and evidence and assistance from the Commission for domestic prosecution.

ARTICLE 23. The Commission shall examine the evidence offered by the petitioner and the accused. The Commissioin may call witnesses for examination, request evidence and call experts.

FOOTNOTES

[1] Professor of Law, Louisiana State University Law Center: B.A., Univ. of Utah; M.A., Fletcher School of Law and Diplomacy, Tufts; J.D., U. of Utah; LL.M., Columbia; J.S.D. Columbia University School of Law. Professor of Law, Louisiana State University Law Center. Formerly Attorney-Adviser, Office of the Legal Adviser, U.S. Dept. of State.

[2] M.C. Bassiouni, A DRAFT INTERNATIONAL CRIMINAL CODE AND A DRAFT STATUTE FOR AN INTERNATIONAL TRIBUNAL, at 21-52 (1987) [hereinafter, Draft Code].

[3] *See "Draft Statute for an International Commission of Criminal Inquiry and a Draft Statute for an International Criminal Court,"* INTERNATIONAL LAW ASSOCIATION, 60TH CONFERENCE, Montreal, August 29-September 4, 1982, in *Report of the 60th Conference of the International Law Association* (1983). Defenses were considered in PROTOCOL II, To THE STATUTE FOR AN INTERNATIONAL CRIMINAL COURT AND TO THE STATUTE FOR AN INTERNATIONAL COMMISSION OF CRIMINAL INQUIRY CONTAINING DEFENCES, International Law Association, REPORT OF THE 62ND CONFERENCE, Seoul, Aug. 24th to Aug. 30th, 1986.

[4] *Draft Statute for an International Commission of Criminal Inquiry,* in INTERNATIONAL LAW ASSO-

CIATION, REPORT OF THE 60TH CONFERENCE (MONTREAL, 1982) (1983) (at Appendix D).

[5] This Model combines the functions of the Commission of Criminal Inquiry and the Tribunal. Adapted from *Draft Statute of the International Criminal Tribunal*, in BASSIOUNI, A DRAFT INTERNATIONAL CRIMINAL CODE AND DRAFT STATUTE FOR AN INTERNATIONAL CRIMINAL TRIBUNAL 213 (1987).

[6] For more detail on a Procuracy or Board of Criminal Inquiry, see *Model for Proposed Regional International Commission of Criminal Inquiry*, supra this memorandum.

[7] *See e.g.*, the *European Convention on Transfer of Sentenced Persons* (E.T.S. No. 112) and the bilateral treaties between the U.S. and Canada, Mexico and other countries on Transfer of Prisoners. *See*, Bassiouni "Transfer of Prisoners Between the United States, Mexico and Canada" 239, and H. Epp "The European Convention on Transfer of Prisoners" 253, in M.C. Bassiouni INTERNATIONAL CRIMINAL LAW (Vol. II, 1986).

[8] *See e.g.* the *European Convention on the Transfer of Proceedings in Criminal Matters* (E.T.S. No. 73).

[9] The procedural rules would be on the basis of general principles of international law and in accordance with internationally protected human rights, particularly the International Covenant on Civil and Political Rights, and the Inter-American Convention on Human Rights.

[10] See, *Proposed International Commission or Board of Criminal Inquiry, supra.*

[11] *See e.g.*, the *European Convention on Mutual Legal Assistance* (E.T.S. No. 30), and the various bilateral Conventions between a number of states. *See* A. Ellis and R. Pisani, "The United States Treaties on Mutual Assistance in Criminal Matters" 151, in M.C. Bassiouni *International Criminal Law* (Vol. II, 1986).

[12] It might be wise to make the voting anonymous, so as to protect the judges from threats and violence in the arena of international terrorism and drug trafficking.

[13] *See e.g.*, the *European Convention on Transfer of Sentenced Persons* (E.T.S. No. 112) and the bilateral treaties between the U.S. and Canada, Mexico and other countries on Transfer of Prisoners. *See*, Bassiouni "Transfer of Prisoners Between the United States, Mexico and Canada" 239, and H. Epp "The European Convention on Transfer of Prisoners" 253, in M.C. Bassiouni INTERNATIONAL CRIMINAL LAW (Vol. II, 1986).

[14] See *Draft Model for Proposed International Commission of Criminal Inquiry, supra.*

[15] This Procedural Enforcement Part will be promulgated as part of the Convention and would incorporate matters of international cooperation in matters of criminal justice. This is modeled upon Transfer of Proceedings and Transfer of Prisoner conventions.

[16] Adapted from *Draft Statute for an International Commission of Criminal Inquiry*, in INTERNATIONAL LAW ASSOCIATION, REPORT OF THE 60TH CONFERENCE (MONTREAL, 1982) (1983) (at Appendix D). This Commission or Board of Criminal Inquiry will form an arm of the Tribunal to investigate crime and to prosecute cases before the Court.

[17] The detention aspect of the Tribunal could be under the auspices of the Commission or of another of the Tribunal's organs.

[18] See, e.g., list of offenses covered by the Draft Statute for an International Commission of Criminal Inquiry, in I.L.A., REPORT OF THE 60TH CONFERENCE *supra* note 4, at 424-425.

[19] *See e.g.* the *European Convention on the Transfer of Proceedings in Criminal Matters* (E.T.S. No. 73).

[20] The procedural rules would be on the basis of general principles of international law and in accordance with internationally protected human rights, particularly the International Covenant on Civil and Political Rights, and the Inter-American Convention on Human Rights.

[21] *See e.g.*, the *European Convention on Mutual Legal Assistance* (E.T.S. No. 30), and the various bilateral Conventions between a number of states. *See* A. Ellis and R. Pisani, "The United States Treaties on Mutual Assistance in Criminal Matters" 151, in M.C. Bassiouni *International Criminal Law*, (Vol. II. 1986).

[22] See alternatively, PROTOCOL II, TO THE STATUTE FOR AN INTERNATIONAL CRIMINAL COURT AND TO THE STATUTE FOR AN INTERNATIONAL COMMISSION OF CRIMINAL INQUIRY CONTAINING DEFENCES, International Law Association, REPORT OF THE 62ND CONFERENCE, Seoul, Aug. 24th to Aug. 30th, 1986.

[23] For additional articles for the protections afforded the accused, see PROTOCOL II, TO THE STATUTE FOR AN INTERNATIONAL CRIMINAL COURT AND TO THE STATUTE FOR AN INTERNATIONAL COMMISSION OF CRIMINAL INQUIRY CONTAINING DEFENCES, International Law Association, REPORT OF THE 62ND CONFERENCE, Seoul, Aug. 24th to Aug. 30th, 1986.

Mr. SPECTER. While the notion of an international criminal court can be traced back to World War I and certainly to the model of the Nuremberg and Tokyo trials following World War II, the last 20 years have witnessed a dramatic movement toward the internationalization of law enforcement because of the developments of transnational criminal offenses in the area of terrorism and international drug trafficking.

More recently, a 1989 proposal to the United Nations by Prime Minister Robinson from Trinidad-Tobago—endorsed by 16 other countries mostly from the Caribbean—calls for the creation of an international criminal court with jurisdiction over illicit trafficking in narcotics across national frontiers. I have met and discussed with Prime Minister Robinson his reasons for establishing such a court. He indicated that Trinidad-Tobago is an involuntary victim of drug trafficking because of its location. But, Trinidad-Tobago has neither resources to police its borders nor sufficient security forces to apply the rule of law in the face of violent narco-terrorism in that region of the world. Trinidad's proposal has now been advanced. The United Nations International Law Commission has been charged to address the question of establishing an international criminal court or other international criminal trial mechanism with jurisdiction over persons alleged to have committed crimes of international drug trafficking across national frontiers. The commission is currently meeting in Geneva.

But, the ILC is not the only forum for discussion of this proposal. Commencing later month in Italy, the International Institute of Higher Studies in Criminal Sciences in cooperation with the United Nations Crime Prevention Branch on Penal Codes will focus primary attention on the issue of creation of an international criminal court. And, in August, the United Nation's 8th Congress on Crime Prevention will also focus debate on the creation of such a court. Clearly, the progress made on the need for and creation of international criminal court has taken a quantum leap forward.

In sum, it is clear that there is broad agreement on the definition and threat posed by drugs and drug trafficking leading to the United Nations adoption on December 20, 1988 of the Convention against the Illicit Traffic in Narcotic Drugs and Psychotropic Substances. In spite of several international conventions on aviation, maritime safety and hostage-taking, there is less agreement on the definition of terrorism. While both represent a very serious problem to safety and security, the development of a regional international criminal court focusing on drugs and international drug trafficking, in my view, offers a start in establishing and developing the international criminal court system.

In closing, I wish to support the effort of the forthcoming fora in their efforts to create an international criminal court. In the months ahead I shall be introducing a new legislative proposal to move the United States closer to a more active role in the formulation of an international criminal court.

Mr. President, I would be gravely remiss if I did not recognize the extensive scholarship contributed by Cherif Bassiouni, professor of law at DePaul University College of Law to the development of an international criminal court and code. Professor Bassiouni's counsel and dedication have been a source of inspiration and guidance to this Senator and indeed to the community of international criminal lawyers and scholars. His competence and vision as an international criminal law scholar are universally shared. I thank him publicly for his contributions and leadership in this matter and look forward to greater cooperation with him in the formulative period ahead.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, the time for morning business is now closed.

NATIONAL AFFORDABLE HOUSING ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 566, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 566) to authorize a new Housing Opportunities Partnerships program to support State and local strategies for achieving more affordable housing to increase home ownership, and for other purposes.

The Senate proceeded to consider the bill (S. 566) to authorize a new Housing Opportunities Partnerships Program to support State and local strategies for achieving more affordable housing to increase home ownership, and for other purposes, which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Affordable Housing Act".

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Sec. 1001. Amendment to title I of the Housing and Community Development Act of 1974.

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TITLE I—GENERAL PROVISIONS AND POLICIES

SEC. 101. THE NATIONAL HOUSING GOAL.

The Congress affirms the national goal that every American family be able to afford a decent home in a suitable environment.

SEC. 102. OBJECTIVE OF NATIONAL HOUSING POLICY.

The objective of national housing policy shall be to strengthen a nationwide partnership of public and private institutions able—

(1) to ensure that no resident of the United States is without either access to decent shelter or assistance in avoiding homelessness;

(2) to increase the Nation's supply of decent housing that is affordable to low-income and moderate-income families and accessible to job opportunities;

(3) to improve housing opportunities for all residents of the United States, particularly members of disadvantaged minorities, on a nondiscriminatory basis;

(4) to help make neighborhoods safe and livable;

(5) to expand opportunities for homeownership;

(6) to provide every American community with a reliable, readily available supply of mortgage finance at the lowest possible interest rates; and

(7) to encourage tenant empowerment and reduce generational poverty in federally-assisted and public housing by improving the means by which self-sufficiency may be achieved.

SEC. 103. PURPOSES OF THE NATIONAL AFFORDABLE HOUSING ACT.

The purposes of this Act are—

(1) to help families not owning a home to save for a down payment for the purchase of a home;

(2) to retain wherever feasible as housing affordable to low-income families those dwelling units produced for such purpose with Federal assistance;

(3) to extend and strengthen partnerships among all levels of government and the private sector, including for-profit and nonprofit organizations, in the production and operation of housing affordable to low-income and moderate-income families;

(4) to expand and improve Federal rental assistance for very low-income families; and

(5) to increase the supply of supportive housing, which combines structural features and services needed to enable persons with special needs to live with dignity and independence.

SEC. 104. DEFINITIONS.

As used in this Act—

(1) The term "unit of general local government" means a city, town, township, county, parish, village, or other general purpose political subdivision of a State; Guam, the Northern Mariana Islands, the Virgin Islands, American Samoa, the Federated States of Micronesia and Palau, the Marshall Islands, or a general purpose political subdivision thereof; a consortium of such political subdivisions recognized by the Secretary in accordance with section 316(2)(B) of this Act; and any agency or instrumentality thereof that is established pursuant to legislation and designated by the chief executive to act on behalf of the jurisdiction with regard to provisions of this Act.

(2) The term "State" means any State of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

(3) The term "jurisdiction" means a State or unit of general local government.

(4) The term "participating jurisdiction" means any State or unit of general local government whose comprehensive affordable housing strategy has been approved by the Secretary in accordance with section 105 of this Act.

(5) The term "nonprofit organization" means any private, nonprofit organization that—

(A) is organized under State or local laws,

(B) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual,

(C) complies with standards of financial accountability acceptable to the Secretary, and

(D) has among its purposes significant activities related to the provision of decent housing that is affordable to low-income and moderate-income persons.

(6) The term "community housing development organization" means a nonprofit organization, within the definition of paragraph (5), that—

(A) has among its purposes the provision of decent housing that is affordable to low-income and moderate-income persons;

(B) maintains, through significant representation on the organization's governing board and otherwise, accountability to low-income beneficiaries and low-income community residents with regard to decisions on the design, siting, development, and management of affordable housing;

(C) has a demonstrated capacity for carrying out activities assisted under this Act; and

(D) has a history of serving the local community or communities within which housing to be assisted under this Act is to be located.

(7) The term "government-sponsored mortgage finance corporations" means the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal Agricultural Mortgage Corporation.

(8) The term "very low-income families" means low-income families whose incomes do not exceed 50 percent of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

(9) The term "low-income families" means families whose incomes do not exceed 80 percent of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

(10) The term "moderate-income families" means families whose incomes do not exceed the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

(11) The term "families" includes families consisting of a single person in the case of (A) a person who is at least 62 years of age, or is a person with disabilities within the meaning of section 521(j)(2) of this Act, (B) a displaced person, (C) the remaining member of a tenant family, and (D) other single persons in circumstances described in regulations of the Secretary.

(12) The term "security" has the same meaning as in section 2 of the Securities Act of 1933.

(13) The term "first-time homebuyer" means (A) an individual and his or her spouse who have had no ownership interest in a residence during the previous 3-year period, or (B) a person who, during the previous 3-year period, has become a displaced homemaker, which means an individual who may have had an ownership interest in a principle home and whose marriage has resulted in a legal separation, divorce, or death.

(14) The term "Secretary" means the Secretary of Housing and Urban Development, unless otherwise specified in this Act.

SEC. 105. STATE AND LOCAL HOUSING STRATEGIES.

(a) IN GENERAL.—The Secretary shall provide assistance directly to a jurisdiction only if—

(1) the jurisdiction submits to the Secretary a comprehensive housing affordability strategy (hereafter in this section referred to as the "housing strategy");

(2) the jurisdiction submits annual updates of the housing strategy; and

(3) the housing strategy, and any annual update of such strategy, is approved by the Secretary.

The Secretary shall establish such dates and manner for the submission and approval of housing strategies under this section that the Secretary determines will facilitate orderly program management by jurisdictions and provide for timely investment or other use of funds made available under this Act. If the Secretary finds there is good cause, the Secretary may provide reasonable extensions of any deadlines for submission of a jurisdiction's housing strategy.

(b) CONTENTS.—A housing strategy submitted under this section shall be in a form that the Secretary determines to be appropriate for the assistance the jurisdiction may be provided under this Act and shall—

(1) describe the jurisdiction's estimated housing needs projected for the ensuing 5-year period, and the jurisdiction's need for assistance for low-income and moderate-income persons under this Act, specifying such needs for different types of tenure and for different categories of residents, such as very low-income, low-income, and moderate-income persons, the elderly, single persons, large families, residents of nonmetropolitan areas, and other categories of residents that the Secretary determines to be appropriate;

(2) describe the nature and extent of homelessness within the jurisdiction, providing an estimate of the special needs of various categories of persons who are homeless or threatened with homelessness, and a description of the jurisdiction's strategy for (A) helping very low-income families avoid becoming homeless; (B) addressing the emergency shelter and transitional housing needs of homeless persons (including a brief inventory of facilities and services that meet such

needs within that jurisdiction); and (C) helping homeless persons make the transition to permanent housing and independent living;

(3) describe the significant characteristics of the jurisdiction's housing market, indicating how those characteristics will influence the use of funds made available under this Act for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units;

(4) explain how the cost of housing or the incentives to develop, maintain, or improve affordable housing in the jurisdiction are affected by public policies, particularly by policies of the jurisdiction, including tax policies affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on residential investment, and describe the jurisdiction's strategy to remove or ameliorate any negative effects of such policies;

(5) explain the institutional structure, including private industry, nonprofit organizations, and public institutions, through which the jurisdiction will carry out its housing strategy, assessing the strengths and gaps in that delivery system and describing what the jurisdiction will do to overcome those gaps;

(6) indicate resources from private and public sources other than this Act that are reasonably expected to be made available to carry out the purposes of this Act, explaining how funds made available under this Act will leverage those additional resources and identifying, where the jurisdiction deems it appropriate, publicly owned land or property located within the jurisdiction that may be utilized to carry out the purposes of this Act;

(7) set forth the jurisdiction's plan for investment or other use of housing funds made available under this Act, the United States Housing Act of 1937, the Housing and Community Development Act of 1974, and the Stuart B. McKinney Homeless Assistance Act, during the ensuing year or such longer period as the Secretary determines to be appropriate, indicating the general priorities for allocating investment geographically within the jurisdiction and among different activities and housing needs;

(8) describe the means of cooperation and coordination among the State and any participating units of general local government in the development, submission, and implementation of their housing strategies;

(9) describe the number of public housing units in the jurisdiction, the physical condition of such units, and how they fit into the jurisdiction's housing strategy;

(10) describe the standards and procedures according to which the jurisdiction will monitor activities authorized under this Act and ensure long-term compliance with the provisions of this Act; and

(11) include a certification that the jurisdiction will affirmatively further fair housing.

The Secretary may provide for the submission of abbreviated housing strategies by jurisdictions that are not otherwise expected to be participating jurisdictions under this Act. Such an abbreviated housing strategy shall be appropriate to the types and amounts of assistance the jurisdiction is to receive as determined by the Secretary.

(c) APPROVAL.—

(1) IN GENERAL.—The Secretary shall review the housing strategy upon receipt. Not later than 60 days after receipt by the Secretary, the housing strategy shall be approved unless the Secretary determines before that date that (A) the housing strategy is inconsistent with the purposes of this Act, or (B) the information described in subsection (b) has not been provided in a substantially complete manner. For the purpose of the preceding sentence, the adoption or continuation of a public policy identified pursuant to subsection (b)(4) shall not be a basis for the Secretary's disapproval of a housing strategy. During the 18-month period following enactment of this Act, the Secretary may extend the review period to not longer than 90 days.

(2) ACTIONS IN CASE OF DISAPPROVAL.—If the Secretary disapproves the housing strategy, the Secretary shall immediately notify the jurisdiction of such disapproval. Not later than 15 days after the Secretary's disapproval, the Secretary shall inform the jurisdiction in writing of (A) the reasons for disapproval, and (B) actions that the jurisdiction could take to meet the criteria for approval. If the Secretary fails to inform the jurisdiction of the reasons for disapproval within such 15-day period, the housing strategy shall be deemed to have been approved.

(3) AMENDMENTS AND RESUBMISSION.—The Secretary shall, for a period of not less than 45 days following the date of first disapproval, permit amendments to, or the resubmission of, any housing strategy that is disapproved. The Secretary shall approve or disapprove a housing strategy not less than 30 days after receipt of such amendments or resubmission.

(d) COORDINATION OF STATE AND LOCAL HOUSING STRATEGIES.—The Secretary may establish such requirements as the Secretary deems appropriate to encourage coordination between and among the housing strategies of a State and any participating jurisdictions within the State, except that a unit of general local government shall not be required to have elements of its housing strategy approved by the State.

(e) CONSULTATION WITH SOCIAL SERVICE AGENCIES.—When preparing a housing strategy for submission under this section, a jurisdiction shall make reasonable efforts to confer with appropriate social service agencies regarding the housing needs of children, elderly persons, persons with disabilities, homeless persons, and other persons served by such agencies.

(f) BARRIER REMOVAL.—Not later than 4 months after completion of the final report of the Secretary's Advisory Commission on Regulatory Barriers to Affordable Housing, the Secretary shall submit to the Congress a written report outlining the Secretary's recommendations for legislative and administrative actions to facilitate the removal or modification of excessive, duplicative, or unnecessary regulations or other requirements of Federal, State, or local governments that (1) inflate the costs of or otherwise inhibit the construction, rehabilitation, or management of housing, particularly housing that otherwise could be affordable to low-income and moderate-income families, or (2) contribute to economic or racial discrimination.

SEC. 106. CERTIFICATION.

The Secretary shall, by regulation or otherwise, as deemed by the Secretary to be appropriate, require any application for housing assistance under this Act, the Housing and Community Development Act of 1974, or the Stuart B. McKinney Homeless Assistance Act, to contain or be accompanied by a certification by an appropriate State or local public official that the proposed housing activities are consistent with the housing strategy of the jurisdiction to be served.

SEC. 107. CITIZEN PARTICIPATION.

(a) IN GENERAL.—Before submitting a housing strategy under this section, a jurisdiction shall—

(1) make available to its citizens, public agencies, and other interested parties with information concerning the amount of assistance the jurisdiction expects to receive under this Act and the range of investment or other uses of such assistance that the jurisdiction may undertake;

(2) publish a proposed housing strategy in a manner that, in the determination of the Secretary, affords affected citizens, public agencies, and other interested parties a reasonable opportunity to examine its content and to submit comments on the proposed housing strategy;

(3) hold one or more public hearings to obtain the views of citizens, public agencies, and other interested parties on the housing needs of the jurisdiction; and

(4) provide citizens, public agencies, and other interested parties with reasonable access to records regarding any past uses of any assistance the jurisdiction may have received under this Act.

(b) NOTICE AND COMMENT.—Before submitting any performance report or substantial amendment to a housing strategy under this section, a participating jurisdiction shall provide citizens with reasonable notice of, and opportunity to comment on, such performance report or substantial amendment prior to its submission.

(c) CONSIDERATION OF COMMENTS.—A participating jurisdiction shall consider any comments or views of citizens in preparing a final housing strategy, amendment to a housing strategy or performance report for submission. A summary of such comments or views shall be attached when a housing strategy, amendment to a housing strategy or performance report is submitted. The submitted housing strategy, amendment, or report shall be made available to the public.

(d) REGULATIONS.—The Secretary shall by regulation establish procedures appropriate and practicable for providing a fair hearing and timely resolution of citizen complaints related to housing strategies or performance reports.

SEC. 108. COMPLIANCE.

(a) PERFORMANCE REPORTS.—(1) Each participating jurisdiction shall annually review and report, in a form acceptable to the Secretary, on the progress it has made in carrying out its housing strategy, which report shall include information on the number and types of households served, including the number of very low-income, low-income, and moderate-income persons served and the racial and ethnic status of persons served that will be assisted with funds made available under this Act.

(2) The Secretary shall (A) establish dates for submission of reports under this subsection, and (B) review such reports and make such recommendations as the Secretary deems appropriate to carry out the purposes of this Act.

(3) If a jurisdiction fails to submit a report satisfactory to the Secretary in a timely manner, assistance to the jurisdiction under this Act may be—

(A) suspended until a report satisfactory to the Secretary is submitted; or

(B) withdrawn and reallocated among participating jurisdictions in accordance with section 316(5) of this Act if the Secretary finds, after notice and opportunity for a hearing, that the jurisdiction will not submit a satisfactory report.

(b) PERFORMANCE REVIEW BY SECRETARY.—(1) The Secretary shall ensure that activities of each participating jurisdiction are reviewed for compliance with the provisions of this Act not less frequently than annually. Such review shall include, insofar as practicable, on-site visits by employees of the Department of Housing and Urban Development and shall include an assessment of the participating jurisdiction's—

(A) management of funds made available under programs administered by the Secretary;

(B) compliance with its housing strategy;

(C) accuracy in the preparation of performance reports under subsection (h); and

(D) efforts to ensure that housing assisted under programs administered by the Secretary are in compliance with contractual agreements and the requirements of law.

(2) The Secretary shall report on the performance review in writing. The Secretary shall give the participating jurisdiction not less than 30 days to review and comment on the report. After taking into consideration the comments of the participating jurisdiction, the Secretary may revise the report and shall make the jurisdiction's comments and the report, with any revisions, readily available to the public within 30 days after receipt of the jurisdiction's comments.

(c) REVIEW BY COURTS.—The adequacy of information submitted under subsection (b)(4) shall not be reviewable by any Federal, State, or other court. Review of a housing strategy by any Federal, State, or other court shall be limited to determining whether the process of development and the content of the strategy are in substantial compliance with the requirements of this Act. During the pendency of any action challenging the adequacy of a housing strategy or the action of the Secretary in approving a strategy, the court shall not have the authority to enjoin activities taken by the jurisdiction to implement an approved housing strategy. Any housing assisted during the pendency of such action shall not be subject to any order of the court resulting from such action.

SEC. 109. ENERGY EFFICIENCY STANDARDS.

The Secretary of Housing and Urban Development shall, not later than one year after the date of enactment of this Act, promulgate energy efficiency standards for new construction of public and assisted housing. Such standards shall meet or exceed the provisions of the Model Energy Code of the Council of American Building Officials. The Secretary shall develop such standards through a Task Force composed of homebuilders, National, State, and local housing agencies (including public housing agencies), energy agencies and building code organizations and agencies, energy efficiency organizations, utility organizations, low-income housing organizations, and other parties designated by the Secretary.

SEC. 110. TAX AND HOUSING COORDINATING COUNCIL.

(a) ESTABLISHMENT.—There is created a Tax and Housing Coordinating Council that shall consist of the Secretary of the Treasury, the Secretary of Housing and Urban Development, the Secretary of Agriculture, and the President's Chief Domestic Policy Advisor.

(b) DUTIES.—The Council shall (1) advise the President regarding the consistency among existing and proposed Federal housing policies and tax policies; (2) comment on tax legislation proposed in Congress or by the Administration; and (3) submit to both Houses of the Congress within the first 90 days of each Congress a report on the state of the Nation's housing, including a section considering Federal housing policies, their tax component, and the relationship between tax and housing policies.

(c) ASSISTANCE FROM FEDERAL AGENCIES.—The Council may secure directly from any department or agency of the United States such data and information as the Council may require for the purpose of this subtitle. Upon request of the Council, any such department or agency shall furnish such data or information.

SEC. 111. CAPACITY STUDY.

(a) IN GENERAL.—The Secretary shall ensure that the Department of Housing and Urban Development has adequate capacity and resources, including staff and training programs, to carry out its mission and responsibilities, and to implement the provisions of this Act.

(b) REPORT.—Not later than 60 days after the date of enactment of this Act, and annually thereafter, the Secretary shall prepare and submit to the Committee on B, H, and UA of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives a study detailing the Department's plan to maintain such capacity, together with any recommendations for legislative and administrative action as the Secretary determines to be appropriate.

TITLE II—HOMEOWNERSHIP

SEC. 201. FHA CEILING.

Section 203(b)(2) of the National Housing Act is amended by striking "during fiscal year 1990" and inserting "until September 30, 1992".

SEC. 202. DELEGATION OF PROCESSING.

Section 202 of the National Housing Act is amended by adding at the end the following:

"(s)(1) Not later than the expiration of the 60-day period beginning on the date of enactment of the National Affordable Housing Act, the Secretary shall implement a system of mortgage insurance for mortgages insured under this section or section 221, 223, 232, or 241 that delegates processing functions to selected approved mortgagees. Under such system, the Secretary shall retain the authority to approve rents, expenses, property appraisals, and mortgage amounts and to execute a firm commitment.

"(2) Notwithstanding paragraph (1), the Secretary shall maintain a viable system for full insurance programs under which all processing functions are performed by officers and employees of the Department of Housing and Urban Development.".

SEC. 203. REVERSE MORTGAGE INSURANCE.

(a) LIMITATION ON INSURANCE AUTHORITY AND MAXIMUM AMOUNT INSURED.—Section 255(g) of the National Housing Act (12 U.S.C. 1715z-20(g)) is amended by striking the second sentence and inserting the following: "The total number of mortgages insured under this section may not exceed 25,000.".

(b) TYPES OF LOANS.—Section 255(d) of the National Housing Act (12 U.S.C. 1715z-20(d)) is amended—

(1) in paragraph (7), by striking "and" at the end;

(2) in paragraph (8), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

"(9) provide for future payments to the mortgagor based on accumulated equity (minus any applicable fees and charges), according to the method that the mortgagor shall select from among the methods under this paragraph, by payment of the amount—

"(A) based upon a line of credit;

"(B) on a monthly basis over a term specified by the mortgagor;

"(C) on a monthly basis over a term specified by the mortgagor and based on a line of credit;

"(D) on a monthly basis over the tenure of the mortgagor;

"(E) on a monthly basis over the tenure of the mortgagor and based upon a line of credit; or

"(F) on any other basis that the Secretary considers appropriate; and

"(10) provide that the mortgagor may convert the method of payment under paragraph (9) to any other method during the term of the mortgage, except that for fixed rate mortgages, the Secretary may prescribe regulations limiting convertability under this paragraph.".

(c) LIMITATION ON LIABILITY OF MORTGAGOR.—Section 255(d)(7) of the National Housing Act (12 U.S.C. 1715z-20(d)(7)) is amended by striking subparagraph (A) and inserting the following new subparagraph:

"(A) the net sales proceeds from the dwelling that are subject to the mortgage (based upon the amount of the accumulated equity selected by the mortgagor subject to the mortgage, as agreed upon by the mortgagor and mortgagee); or".

TITLE III—INVESTMENT IN AFFORDABLE HOUSING

SEC. 301. SHORT TITLE.

This title may be cited as the "Housing Opportunities Partnerships Act".

SEC. 302. PURPOSES.

The purposes of this title are—

(1) to expand the capacity of States and units of general local government throughout the United States to design and implement strategies for achieving an adequate supply of affordable housing for low-income and moderate-income Americans;

(2) to provide participating jurisdictions, to the extent feasible on a one-stop basis, the various forms of Federal housing assistance needed to promote the development of partnerships among the Federal Government, States, and units of general local government, private industry, and nonprofit organizations able to utilize effectively all available resources for affordable housing;

(3) to develop and refine, on an ongoing basis, a selection of model programs incorporating the most effective methods for providing affordable housing, and accelerate the application of such methods where appropriate throughout the United States to achieve the prudent and efficient use of funds made available under this title;

(4) to increase the investment of private capital and the use of private sector resources in the provision of affordable housing;

(5) to allocate Federal funds for investment in affordable housing among participating jurisdictions by formula and incentive allocation;

(6) to leverage those funds insofar as practicable with State and local matching contributions and private investment;

(7) to establish for each participating jurisdiction a housing investment trust fund with a line of credit for investment in affordable housing, with repayments back to the housing investment trust fund being made available for reinvestment by the jurisdiction; and

(8) to provide credit enhancement for affordable housing by utilizing the capacities of existing agencies and mortgage finance institutions when most efficient and supplementing their activities when appropriate.

SEC. 303. COORDINATED FEDERAL SUPPORT FOR HOUSING STRATEGIES.

To the maximum extent practicable, the Secretary shall make assistance under this title, together with mortgage insurance, rental assistance, and other housing assistance provided by the Secretary, available to participating jurisdictions on a coordinated basis with respect to housing assisted under this title.

SEC. 304. ESTABLISHMENT OF HOUSING OPPORTUNITIES PARTNERSHIPS ADVISORY BOARD.

(a) IN GENERAL.—There is created a Housing Opportunities Partnerships Advisory Board, which shall continue to exist until dissolved by Act of Congress. The members of the Advisory Board shall represent the public interest in the achievement of the purposes of this title. The Advisory Board shall periodically review the activities under this title and provide advice to the Secretary with respect to the formulation of general policies related to the Housing Opportunities Partnerships and such other matters as the Secretary may deem appropriate. The Advisory Board shall, in all other respects, be subject to the provisions of the Federal Advisory Committee Act.

(b) COMPOSITION.—The Advisory Board shall be composed of 18 members to be appointed from among individuals who have expertise and broad experience related to the purposes of the Housing Opportunities Partnerships program, of whom—

(1) 10 shall be appointed by the Secretary;

(2) 4 shall be appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing, and Urban Affairs of the Senate; and

(3) 4 shall be appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing and Community Development of the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

(c) QUALIFICATIONS.—Membership of the Advisory Board shall include—

(1) not less than 3 persons who have had distinguished, private sector careers in housing finance, management or development industries;

(2) not less than 2 persons from State government and 2 persons from local government who have made outstanding achievements in housing finance or development;

(3) not less than 3 persons who have backgrounds of leadership in representing the interests of low-income tenants; and

(4) not less than 3 persons who have achieved excellence in nonprofit housing development.

(d) POLITICAL AFFILIATION.—Not more than 10 members of the Advisory Board may be from any one political party.

(e) TERMS.—Of the members of the Advisory Board first appointed, 6 shall have terms of 1 year, and 6 shall have terms of 2 years. Their successors and all other appointees shall have 3-year terms.

(f) AUTHORITY.—The Advisory Board shall have power to confer with, request information of, and make recommendations to the Secretary. The Secretary shall promptly provide the Advisory Board with information that the Advisory Board determines is needed to carry out its review of the activities and policies related to the Housing Opportunities Partnerships program.

(g) REPORT.—The Advisory Board shall, not later than December 31 of each year, submit to the Secretary and the Congress a report of its assessment of the activities under this title and its recommendations for improvement. Such report shall include any minority views.

(h) MEETINGS.—The Advisory Board shall meet at Washington, District of Columbia, not less than twice a year, or more frequently if requested by the Secretary or approved by a majority of the members. The Advisory Board may select its chairman, vice chairman and secretary, and adopt methods of procedure.

(i) COMPENSATION.—Subject to the provisions of section 7 of the Federal Advisory Committee Act, all members of the Advisory Board may be compensated, and shall be entitled to reimbursement from the Secretary for traveling expenses incurred in attendance at meetings of the Advisory Board.

SEC. 305. AUTHORIZATION.

There are authorized to be appropriated to carry out this title $2,000,000,000 for fiscal year 1991, $2,500,000,000 for fiscal year 1992, and $3,000,000,000 for fiscal year 1993, of which—

(1) $25,000,000 for fiscal year 1991, $25,000,000 for fiscal year 1992, and $25,000,000 for fiscal year 1993 shall be for activities authorized under subtitle C, and

(2) an amount equal to the amount appropriated for the fiscal year in which this Act is enacted to carry out section 17 of United States Housing Act of 1937 shall be for grants under such section.

Any funds appropriated under this section shall remain available until expended.

SEC. 306. NOTICE.

The Secretary shall establish standards to implement the provisions of this title by notice published in the Federal Register not later than 180 days after the date of enactment of this Act.

Subtitle A—Housing Opportunity Partnerships (HOP)

SEC. 311. AUTHORITY.

The Secretary is authorized to make funds available to participating jurisdictions for investment to expand the supply of affordable housing in accordance with provisions of this subtitle.

SEC. 312. ELIGIBLE USES OF INVESTMENT.

(a) HOUSING USES.—

(1) IN GENERAL.—Funds made available under this subtitle may be used by participating jurisdictions to provide incentives to support rental housing and homeownership affordability through the acquisition, construction, reconstruction, or moderate or substantial rehabilitation of affordable housing, including real property acquisition, site improvement, conversion, demolition, and other expenses, including relocation expenses of any displaced persons, families, businesses, or organizations.

(2) PREFERENCE TO REHABILITATION.—A participating jurisdiction shall give preference to rehabilitation of substandard housing unless the jurisdiction determines that such rehabilitation is not the most cost effective way to meet the jurisdiction's need to expand the supply of affordable housing.

(b) INVESTMENTS.—Participating jurisdictions shall have discretion to invest funds made available under this subtitle as equity investments, interest-bearing loans, noninterest-bearing loans or advances, interest subsidies or other forms of assistance that the Secretary has determined to be consistent with the purposes of this subtitle. Each participating jurisdiction shall have the right to establish the terms of assistance.

(c) PROHIBITED USES.—Funds made available under this subtitle may not be used to—

(1) defray any administrative cost of a participating jurisdiction,

(2) provide direct rental assistance to tenants,

(3) provide non-Federal matching contributions required under any other Federal program;

(4) provide assistance authorized under section 9 of the United States Housing Act of 1937,

(5) carry out activities authorized under section 14 of the Housing Act of 1937, or

(6) provide assistance to eligible low-income housing under the Emergency Low Income Housing Preservation Act of 1987 or the Low-Income Housing Preservation and Resident Homeownership Act of 1990.

(d) MANUFACTURED HOUSING.—For purposes of this subtitle, the term "housing" includes manufactured housing and manufactured housing lots.

SEC. 313. DEVELOPMENT OF MODEL PROGRAMS.

(a) IN GENERAL.—The Secretary shall—

(1) in cooperation with participating jurisdictions, government-sponsored mortgage finance corporations, nonprofit organizations, the private sector, and other appropriate parties, develop, test, evaluate, refine, and, as necessary, replace a selection of model programs designed to carry out the purposes of this title;

(2) make available to participating jurisdictions alternative model programs, which shall include suggested guidelines, procedures, forms, legal documents and such other elements as the Secretary determines to be appropriate;

(3) assure, insofar as is feasible, the availability of an appropriate variety of model programs designed for local market conditions, housing problems, project characteristics, and managerial capacities as they differ among participating jurisdictions;

(4) negotiate and enter into agreements with agencies of the Federal Government, participating jurisdictions, private financial institutions, government-sponsored mortgage finance corporations, nonprofit organizations, and other entities to provide such services, products, or financing as may be required for the implementation of a model program;

(5) provide detailed information on model programs as requested by participating jurisdictions, private financial institutions, developers, nonprofit organizations, and other interested parties; and

(6) encourage the use of such model programs to achieve efficiency, economies of scale, and effectiveness in the investment of funds made available under this subtitle through third-party training, printed materials, and such other means of support as the Secretary determines will achieve the purpose of this subtitle.

(b) ADOPTION OF PROGRAMS.—Except as provided in section 324(2), each participating jurisdiction shall have the discretion to adopt one or more model programs, adapt one or more model programs to its own requirements, design additional forms of assistance by itself or in cooperation with other participating jurisdictions, and suggest additional model programs for adoption by the Secretary as the participating jurisdiction may deem appropriate, and the Secretary may assist a participating jurisdiction in adopting, adapting, or designing one or more model programs.

(c) SUBTITLE D PROGRAMS.—The selection of model programs shall include programs meeting the objectives set forth in subtitle D.

SEC. 314. INCOME TARGETING.

Each participating jurisdiction shall invest funds made available under this subtitle within each fiscal year so that—

(1) not less than 50 percent of such funds are invested with respect to dwelling units that are occupied by households that qualify as very low-income families at the time of initial occupancy or at the time funds are invested, whichever is later;

(2) not less than 80 percent of such funds, including funds under paragraph (1), are invested with respect to dwelling units that are occupied by households that qualify as low-income families at the time of initial occupancy or at the time funds are invested, whichever is later; and

(3) all such funds are invested with respect to housing that qualifies as affordable housing under section 315.

SEC. 315. QUALIFICATION AS AFFORDABLE HOUSING.

(a) RENTAL HOUSING.—

(1) QUALIFICATION.—Housing that is for rental shall qualify as affordable housing under this title only if the housing—

(A) bears rents not greater than the lesser of (i) the existing fair market rent for comparable units in the area as established by the Secretary under section 8 of the United States Housing Act of 1937, or (ii) a rent that does not exceed 30 percent of the adjusted income of a family whose income equals 65 percent of the median income for the area, as determined by the Secretary, with adjustment for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 65 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes;

(B) has not less than 20 percent of the units (i) occupied by very low-income families who pay as a contribution toward rent (excluding any Federal or State rental subsidy provided on behalf of the family) not more than 30 percent of the family's monthly adjusted income as determined by the Secretary, or (ii) occupied by very low-income families and bearing rents not greater than the gross rent for rent-restricted residential units as determined under section 42(g)(2) of the Internal Revenue Code of 1986;

(C) is occupied only by households that qualify as low-income families;

(D) is not refused for leasing to a holder of a voucher or certificate of eligibility under section 8 of the United States Housing Act of 1937 because of the status of the prospective tenant as a holder of such rental credit, voucher, or certificate of eligibility;

(E) will remain affordable, according to binding commitments satisfactory to the Secretary, for the remaining useful life of the property, as determined by the Secretary, without regard to the term of the mortgage or to transfer of ownership, or for such other period that the Secretary determines is the longest feasible period of time consistent with sound economics, the purposes of this title, and the objective of this Act; and

(F) if newly constructed, meets the energy efficiency standards promulgated by the Secretary in accordance with section 109 of this Act.

(2) ADJUSTMENT OF QUALIFYING RENT.—The Secretary may adjust the qualifying rent established for a project under subparagraph (A) of paragraph (1), if the Secretary finds that such adjustment is necessary to support the continued financial viability of the project.

(3) INCREASES IN TENANT INCOME.—Housing shall qualify as affordable housing despite a temporary noncompliance with subparagraph (B) or (C) of paragraph (1) if such noncompliance is caused by increases in the incomes of existing tenants and if actions satisfactory to the Secretary are being taken to ensure that all vacancies are filled in accordance with paragraph (1) until such noncompliance is corrected. Tenants who no longer qualify as low-income families shall pay as rent not less than 30 percent of the family's adjusted monthly income, as recertified annually.

(4) MIXED-INCOME PROJECT.—Housing that accounts for less than 100 percent of the dwelling units in a project shall qualify as affordable housing if such housing meets the criteria of this section.

(5) MIXED-USE PROJECT.—Housing in a project that is designed in part for uses other than residential use shall qualify as affordable housing if such housing meets the criteria of this section.

(b) HOMEOWNERSHIP.—Housing that is for homeownership shall qualify as affordable housing under this title only if the housing—

(1) has an initial purchase price that does not exceed 95 percent of the median purchase price for the area, as determined by the Secretary with such adjustments for differences in structure and for new and old housing as the Secretary determines to be appropriate;

(2) is the principal residence of an owner whose family qualifies as a moderate-income family at the time of purchase;

(3) provides ownership opportunities to families with a broad range of incomes below the area median income, including a preponderance of low-income families;

(4) is made available for initial purchase only to first-time homebuyers;

(5) is made available for subsequent purchase only—

(A) to persons who meet the qualifications specified under paragraph (2), and

(B) at a price consistent with guidelines that are established by the participating jurisdiction and determined by the Secretary to be appropriate to provide the owner with a fair return on investment, including any improvements, and to ensure that the housing will remain affordable to a reasonable range of moderate income homebuyers; and

(6) if newly constructed, meets the energy efficiency standards promulgated by the Secretary in accordance with section 109 of this Act.

SEC. 316. PARTICIPATION BY STATES AND LOCAL GOVERNMENTS.

The Secretary shall designate a State or unit of general local government to be a participating jurisdiction when it complies with procedures that the Secretary shall establish by regulation, which procedures shall provide for the following:

(1) ALLOCATION.—Not later than 20 days after funds to carry out this subtitle become available (or, during the first year after enactment of this Act, not later than 20 days after (A) funds to carry out this subtitle are provided in an appropriation Act, or (B) regulations to implement this subtitle are promulgated, whichever is later), the Secretary shall allocate funds in accordance with section 317 and promptly notify each jurisdiction receiving a formula allocation of its allocation amount. If a jurisdiction is not already a participating jurisdiction, the Secretary shall inform the jurisdiction in writing how the jurisdiction may become a participating jurisdiction.

(2) ELIGIBILITY.—A jurisdiction receiving a formula allocation under section 317 shall be eligible to become a participating jurisdiction if its formula allocation is $2,000,000 or greater, or if—

(A) the Secretary finds that—

(i) the jurisdiction is the city with the largest population in a metropolitan area, has a local housing authority, and has demonstrated a capacity to carry out provisions of this subtitle, and

(ii) the State has authorized the Secretary to transfer to the jurisdiction a portion of the State's allocation that is equal to or greater than the difference between the jurisdiction's formula allocation and $2,000,000, or the State or jurisdiction has made available from the State's or jurisdiction's own sources an equal amount for use by the jurisdiction in conformance with the provisions of this subtitle; or

(B) geographically contiguous units of general local government have formed a consortium that, in the determination of the Secretary—

(i) has sufficient authority and administrative capability to act on behalf of its member jurisdictions in carrying out the purposes of this Act,

(ii) will, according to a written certification by the State (or States, if the consortium includes jurisdictions in more than one State), direct its activities to alleviation of the State's or the States' most severe housing problems, and

(iii) is comprised only of jurisdictions that have received a formula allocation for the fiscal year. Such a consortium shall be deemed to be a unit of general local government for purposes of this subtitle.

(C) If a jurisdiction has met the requirements of subparagraph (A), the jurisdiction's formula allocation for a fiscal year shall subsequently be deemed to equal the sum of the jurisdiction's allocation under section 317(a)(1) and the amount made available to the jurisdiction under paragraph (A)(ii). The formula allocation for a consortium that has met the requirements under subparagraph (B) shall equal the total of the formula allocations of its member jurisdictions.

(3) NOTIFICATION.—If an eligible jurisdiction notifies the Secretary in writing, not later than 30 days after receiving notification under paragraph (1), of its intention to become a participating jurisdiction, the Secretary shall reserve an amount equal to the jurisdiction's allocation (plus any reallocations for which the jurisdiction is eligible under section 317(d)(1)) pending the jurisdiction's designation as a participating jurisdiction. The Secretary shall reallocate, by formula in accordance with section 317(d), any funds reserved under the previous sentence if the Secretary determines that the jurisdiction will not meet the requirements for designation as a participating jurisdiction within a reasonable period of time.

(4) SUBMISSION OF STRATEGY.—Not later than 90 days after providing notification under paragraph (3), an eligible jurisdiction shall submit to the Secretary a comprehensive housing affordability strategy in accordance with section 105.

(5) REALLOCATION.—If the Secretary determines that a jurisdiction has failed to meet the requirements of the previous 3 paragraphs or if the Secretary, after providing for amendments and resubmissions in accordance with section 105(c)(3), disapproves the jurisdiction's comprehensive housing affordability strategy, the Secretary shall reallocate any funds reserved for the jurisdiction as follows:

(A) STATE.—If a State has failed to meet the requirements, the Secretary shall—

(i) make any funds reserved for the State available by incentive allocation among applications submitted by units of general local government within the State or consortia that include units of general local government within the State, insofar as approvable applications meeting the selection criteria under section 317(c) are received within 12 months after the funds become available for the incentive allocation, and

(ii) reallocate the remainder by formula in accordance with section 317(d).

(B) LOCAL.—If a unit of general local government has failed to meet the requirements and is located in a State that is a participating jurisdiction, the Secretary shall reallocate to the State any funds reserved for the locality.

(C) DIRECT REALLOCATION.—If a unit of general local government has failed to meet the requirements and is located in a State that is not a participating jurisdiction, the Secretary shall—

(i) make any funds reserved for the locality available for use within the State by incentive allocation among units of general local government and community housing development organizations, insofar as approvable applications meeting the selection criteria under section 317(c) are received within 12 months after the funds become available for the incentive allocation with priority going to applications for affordable housing within the locality, and

(ii) reallocate the remainder in accordance with section 317(d).

(D) CERTAIN JURISDICTIONS DEEMED TO BE PARTICIPATING JURISDICTIONS.—If a State or unit of general local government is meeting the requirements of paragraphs (2), (3), and (4), it shall be deemed to be a participating jurisdiction for purposes of reallocation under this paragraph.

(6) DESIGNATION.—The Secretary shall designate an eligible jurisdiction to be a participating jurisdiction as soon as its comprehensive housing affordability strategy is approved in accordance with section 105.

(7) CONTINUOUS DESIGNATION.—Once a State or unit of general local government is designated a participating jurisdiction, it shall remain a participating jurisdiction for subsequent fiscal years, except as provided in paragraph (8). The provisions of paragraphs (2) through (5) shall not apply to participating jurisdictions.

(8) REVOCATION.—The Secretary may revoke a jurisdiction's designation as a participating jurisdiction if—

(A) the Secretary finds, after reasonable notice and opportunity for hearing, that the jurisdiction is unwilling or unable to carry out the provisions of this title, or

(B) the jurisdiction's allocation falls below $2,000,000 for 3 consecutive years, below $1,750,000 for 2 consecutive years, or the jurisdiction does not receive a formula allocation of $1,500,000 or more in any 1 year.

If a jurisdiction's designation as a participating jurisdiction is revoked, any remaining line of credit in the jurisdiction's housing investment trust fund established under section 318 shall be reallocated by formula in accordance with section 317(d).

SEC. 317. ALLOCATION OF RESOURCES.

(a) IN GENERAL.—(1) After reserving such amounts for Indian tribes as required under paragraph (2) of this subsection, the Secretary shall allocate among participating jurisdictions such funds as are approved in an appropriations Act to carry out this subtitle as follows:

(A) 80 percent of the funds approved in an appropriations Act shall be allocated according to a formula established under subsection (b). Of the funds made available under the previous sentence, the Secretary shall (i) for fiscal years 1991 and 1992, allocate 60 percent among units of general local government and 40 percent among States, and (ii) for subsequent fiscal years, allocate such percentage among units of general local government and such percentage among States as are determined under subsection (e).

(B) 20 percent of the funds approved in an appropriations Act shall be allocated according to an incentive allocation as provided in subsection (c).

(2) For each fiscal year, of the amount approved in an appropriations Act to carry out this subtitle, the Secretary shall reserve for grants to Indian tribes 1 percent of the amount appropriated under such section. The Secretary shall provide for distribution of amounts under this paragraph to Indian tribes on the basis of a competition conducted pursuant to specific criteria for the selection of Indian tribes to receive such amounts. The criteria shall be contained in a regulation promulgated by the Secretary after notice and public comment.

(b) FORMULA ALLOCATION.—

(1) IN GENERAL.—The Secretary shall issue regulations establishing an allocation formula that reflects each jurisdiction's share of the Nation's need for an increased supply of affordable housing for low-income and moderate-income families of differing size, as identified by objective measures of tightness in the housing market, inadequate housing, poverty, and the costs of producing housing. This formula shall be used for all formula allocations and reallocations provided for in this subtitle. The data to be used for allocation of funds within a fiscal year shall be those that are available to the Secretary 90 days prior to the beginning of that fiscal year.

(2) MINIMUM STATE ALLOCATION.—

(A) If the formula, when applied to funds approved under this section in appropriations Acts for a fiscal year, would allocate less than $3,000,000 to any State, the allocation for such State shall be $3,000,000, and the increase shall be deducted pro rata from the allocations of other States.

(B) If no unit of general local government within a State receives an allocation under paragraph (3), the State's allocation shall be increased by $1,500,000. Priority for use of such increased allocation shall go to the provision of affordable housing within the boundaries of cities within the State that are the largest city within a metropolitan area. The increased allocation to a State under the preceding sentence shall be derived by a pro rata deduction from the allocations to units of general local government in all States.

(3) MINIMUM LOCAL ALLOCATION.—The Secretary shall allocate funds available for formula allocation to units of general local government so that, when all such funds are allocated by the formula, only those jurisdictions that are allocated an amount of $1,500,000 or greater shall receive an allocation.

(4) MAXIMUM ALLOCATIONS.—No State shall be allocated an amount greater than 15 percent of the total allocated under subsection (a)(1) among States, and no unit of general local government shall be allocated an amount greater than 15 percent of the total allocated under subsection (a)(1) among units of general local government.

(c) INCENTIVE ALLOCATION.—The Secretary shall make an incentive allocation among participating jurisdictions for funds made available under subsection (a)(1)(B). A jurisdiction shall be eligible for an incentive allocation under this paragraph only if the jurisdiction demonstrates to the satisfaction of the Secretary that the jurisdiction is engaged, or has made good faith efforts to engage, in cooperative efforts between the State and appropriate participating jurisdictions within the State to develop, coordinate, and implement housing strategies under this title. The Secretary shall by regulation establish selection criteria for such incentive allocations, which criteria shall take into account—

(1) the applicant's demonstrated commitment to expand the supply of affordable housing through actions that—

(A) direct funds made available under this subtitle to benefit very low-income families, with a range of incomes, in amounts that exceed the income targeting requirements of section 314, with extra consideration given for activities that expand the supply of affordable housing for very low-income families whose incomes do not exceed 30 percent of the median family income for the area, as determined by the Secretary;

(B) provide matching resources in excess of funds required under section 320; and

(C) stimulate a high degree of investment and participation in development by the private sector, including nonprofit organizations;

(2) the degree to which the applicant is pursuing policies that—

(A) make existing housing more affordable;

(B) remove or ameliorate any negative effects that public policies identified by the applicant pursuant to section 105(b)(4) may have on the cost of housing or the incentives to develop, maintain, or improve affordable housing in the jurisdiction;

(C) preserve the affordability of privately-owned housing that is vulnerable to conversion, demolition, disinvestment, or abandonment;

(D) increase the supply of housing that is affordable to very low-income, low-income, and moderate-income persons, particularly in areas that are accessible to expanding job opportunities; and

(E) remedy the effects of discrimination and improve housing opportunities for disadvantaged minorities; and

(3) the degree to which the applicant needs an allocation under this section to carry out an approved housing affordability strategy that, in the determination of the Secretary, will—

(A) serve as a national model,

(B) demonstrate promising new methods for expanding the supply of affordable housing,

(C) ease a severe regional shortage in one or more categories of affordable housing, or

(D) respond to particularly difficult housing problems.

The total amount allocated to a jurisdiction under this subsection in any fiscal year shall not exceed the jurisdiction's allocation under subsection (b) in that fiscal year.

(d) REALLOCATIONS.—

(1) IN GENERAL.—The Secretary shall make any reallocations under this subtitle periodically throughout each fiscal year so as to ensure that all funds to be reallocated are made available to eligible jurisdictions as soon as possible, consistent with orderly program administration. Jurisdictions eligi-

ble for such reallocations shall include participating jurisdictions and jurisdictions meeting the requirements of paragraphs (2), (3), and (4) of section 316.

(2) COMMITMENTS.—The Secretary shall establish procedures according to which participating jurisdictions may make commitments to invest funds made available under this section. Such procedures shall provide for appropriate stages of commitment of funds to a project from initial reservation through binding commitment. Notwithstanding any other provision of this section, funds that the Secretary determines are needed to fulfill binding commitments shall not be available for reallocation.

(3) LIMITATION.—Unless otherwise specified in this subtitle, any reallocation of funds from a State shall be made only among all participating States, and any reallocation of funds from units of general local government shall be made only among all participating units of general local government.

(e) REVIEW OF ALLOCATION PERCENTAGE.—

(1) IN GENERAL.—For fiscal years that begin later than 18 months after the enactment of this Act, the Secretary shall provide annually for an independent study of the participation under this title of States and eligible units of general local government to determine the appropriate percentage allocation among units of general local government and among States under subsection (a)(1). Such study shall consider—

(A) the percentage of States and of eligible units of general local government that have become participating jurisdictions;

(B) the extent to which participating States and units of general local government exceed the income targeting requirements under section 314; and

(C) the extent to which participating States and units of local government exceed the matching requirements under section 320, after taking into account differences in fiscal capacity among jurisdictions.

(2) RECOMMENDATIONS.—Alter consulting with the Housing Opportunity Partnerships Advisory Board on the results of the independent study, the Secretary shall submit to Congress any recommendation for change in the percentage allocation among States and among units of general local government under subsection (a)(1) that the Secretary deems to be appropriate.

(3) CONTINUITY.—Notwithstanding other provisions of this section, if a percentage allocation among States and among units of general local government has not been specified in statute for a fiscal year prior to the beginning of the fiscal year, such percentage allocation for the fiscal year shall be the same as the percentage allocation for the previous fiscal year.

SEC. 318. HOUSING INVESTMENT TRUST FUNDS.

(a) ESTABLISHMENT.—The Secretary shall establish for each participating jurisdiction a housing investment trust fund, which shall be an account (or accounts as provided in section 319(c)) for use solely to invest in affordable housing within the participating jurisdiction's boundaries in accordance with the provisions of this subtitle.

(b) LINE OF CREDIT.—The Secretary shall establish a line of credit in the housing investment trust fund of each participating jurisdiction, which line of credit shall include—

(1) funds allocated or reallocated to the participating jurisdiction under section 317, and

(2) any payment or repayment made pursuant to section 319.

(c) REDUCTIONS.—A participating jurisdiction's line of credit shall be reduced by—

(1) funds drawn from the housing investment trust fund by the participating jurisdiction,

(2) funds expiring under subsection (g), and

(3) any penalties assessed by the Secretary under section 324.

(d) CERTIFICATION.—A participating jurisdiction may draw funds from its housing investment trust fund, but not to exceed the remaining line of credit, only after providing certification, in a form satisfactory to the Secretary, that the funds shall be used pursuant to the participating jurisdiction's approved housing strategy and in compliance with all requirements of this title. When such certification is received, such funds shall be immediately disbursed in accordance with the form of the assistance determined by the participating jurisdiction.

(e) INVESTMENT WITHIN 15 DAYS.—The participating jurisdiction shall, not later than 15 days after funds are drawn from the jurisdiction's housing investment trust fund, invest such funds, together with any interest earned thereon, in the affordable housing for which the funds were withdrawn.

(f) NO INTEREST OR FEES.—The Secretary shall not charge any interest or levy any other fee with regard to funds in a housing investment trust fund.

(g) EXPIRATION OF RIGHT TO DRAW FUNDS.—If any funds becoming available to a participating jurisdiction under this title are not placed under binding commitment to affordable housing within 24 months after the last day of the month in which such funds are deposited in the jurisdiction's housing investment trust fund, the jurisdiction's right to draw such funds from the housing investment trust fund shall expire. The Secretary shall reduce the line of credit in the participating jurisdiction's housing investment trust fund by the expiring amount and shall reallocate the funds by formula in accordance with section 317(d).

(h) ADMINISTRATIVE PROVISION.—The Secretary shall keep each participating jurisdiction informed of the status of its housing investment trust fund, including the status of amounts under various stages of commitment.

SEC. 319. REPAYMENT OF INVESTMENT.

(a) IN GENERAL.—Any repayment of funds drawn from a jurisdiction's housing investment trust fund, and any payment of interest or other return on the investment of such funds, shall be deposited in such jurisdiction's housing investment trust fund, except that, if the jurisdiction is not a participating jurisdiction when such payment or repayment is made, the amount of such payment or repayment shall be reallocated in accordance with section 317(d). Repayments of funds under this subsection are not receipts of the Federal Government.

(b) ASSURANCE OF REPAYMENT.—Each participating jurisdiction shall enter into an agreement with the Secretary ensuring that funds invested in affordable housing under this subtitle are repayable when the housing no longer qualifies as affordable housing. Any repayment under the previous sentence shall be for deposit in the housing investment trust fund of the jurisdiction making the investment; except that if such jurisdiction is not a participating jurisdiction when such repayment is made, the amount of such repayment shall be reallocated in accordance with section 317(d).

(c) AVAILABILITY.—The Secretary shall take such actions as are necessary to ensure that any repayments deposited in a housing investment trust fund in accordance with this section shall be immediately available to the participating jurisdiction for investment subject to the provisions of this subtitle that apply to funds that are allocated under section 317. Actions authorized under the preceding sentence may include the establishment for a participating jurisdiction of a housing investment trust fund account outside of the Federal Government that, under arrangements satisfactory to the Secretary, shall be used solely to invest in affordable housing within the participating jurisdiction's boundaries in accordance with the provisions of this subtitle.

SEC. 320. MATCHING REQUIREMENTS.

(a) CONTRIBUTION.—Each participating jurisdiction shall make contributions to affordable housing assisted under this subtitle that total, throughout a fiscal year, not less than 25 percent of the total funds drawn from the jurisdiction's housing investment trust fund in that fiscal year. Such contributions shall be in addition to any amounts made available by the participating jurisdiction under section 316(2)(A)(ii).

(b) RECOGNITION.—

(1) IN GENERAL.—A contribution shall be recognized for purposes of the previous sentence only if it—

(A) is made with respect to housing that qualifies as affordable housing under section 315, or

(B) is made with respect to any portion of a project not less than 50 percent of the units of which qualify as affordable housing under section 315.

(2) ADMINISTRATIVE EXPENSES.—Contributions for administrative expenses shall be recognized only up to an amount equal to 7 percent of funds provided for investment under this title.

(c) FORM.—Such contributions may be in the form of—

(1) cash contributions from non-Federal resources, which may not include funds from a grant made under section 106(b) or section 106(d) of the Housing and Community Development Act of 1974;

(2) payment of administrative expenses, as defined by the Secretary, from non-Federal resources, including funds from a grant made under section 106(b) or section 106(d) of the Housing and Community Development Act of 1974;

(3) the value of taxes, fees, or other charges that are normally and customarily imposed but are waived, foregone, or deferred in a manner that achieves affordability of housing assisted under this title;

(4) the value of land or other real property as appraised according to procedures acceptable to the Secretary;

(5) the value of sweat equity invested in the housing as determined by the Secretary;

(6) the value of investment in on-site and off-site infrastructure required for affordable housing assisted under this subtitle, or

(7) such other in-kind contributions as the Secretary may approve.

(d) REDUCTION OF REQUIREMENT.—If a jurisdiction demonstrates to the satisfaction of the Secretary that a reduction of the matching requirement specified in subsection (a) is necessary to permit the jurisdiction to carry out the purposes of this title, the Secretary may reduce the matching requirement during a period not to exceed 3 years after the jurisdiction is first designated as a participating jurisdiction. Such reduction shall be not more than 75 percent in the first year, not more than 50 percent in the second year, and not more than 25 percent in the third year.

SEC. 321. PRIVATE-PUBLIC PARTNERSHIP.

Each participating jurisdiction shall make all reasonable efforts, consistent with the purposes of this title, to maximize participation by the private sector, including nonprofit organizations and for-profit entities, in the implementation of the jurisdiction's housing strategy, including participation in the financing, development, rehabilitation and management of affordable housing. Nothing in the previous sentence shall preclude public housing authorities from fully participating in the implementation of a jurisdiction's housing strategy.

SEC. 322. DISTRIBUTION OF ASSISTANCE.

(a) LOCAL.—Each participating jurisdiction shall, insofar as is feasible, distribute assistance under this subtitle geographically within its boundaries and among different categories of housing need, according to the priorities of housing need identified in the jurisdiction's approved housing strategy.

(b) STATE.—Participating States shall be responsible for distributing assistance throughout the State according to the State's assessment of the geographical distribution of the housing need within the State, as identified in the State's approved housing strategy. Participating States shall distribute assistance to rural areas in amounts that take into account the nonmetropolitan share of the State's total population and objective measures of rural housing need, such as poverty and substandard housing, as set forth in the State's housing strategy approved under section 105 of this Act. To the extent the need is within the boundaries of a participating unit of general local government, the State and the unit of general local government shall coordinate activities to address that need.

SEC. 323. SET-ASIDE FOR COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS.

(a) IN GENERAL.—Each participating jurisdiction, for a period of 18 months after funds under this subtitle are made available to the jurisdiction, shall reserve not less than 10 percent of such funds for investment only in housing to be developed, sponsored, or owned by community housing development organizations. Following the third year after a jurisdiction first becomes a participating jurisdiction, the share to be reserved under the previous sentence shall increase to 15 percent, unless the jurisdiction annually demonstrates to the satisfaction of the Secretary that such amounts cannot be used effectively by qualified community housing development organizations. Each participating jurisdiction shall make reasonable efforts to identify community housing development organizations that are capable of carrying out elements of the jurisdiction's housing strategy and to encourage such community housing development organizations to do so. A participating jurisdiction is authorized to enter into contracts with community housing development organizations to carry out this section.

(b) RECAPTURE AND REUSE.—If any reserved funds remain uninvested for a period of 18 months and the participating jurisdiction demonstrates to the satisfaction of the Secretary that it has complied with subsection (a) but such funds cannot be used effectively within the participating jurisdiction by qualified community housing development organizations, then the participating jurisdiction shall, for a period not to exceed 12 months, have the right to invest not more than 50 percent of such funds without regard to the requirements of subsection (a), and the Secretary shall, to the extent deemed appropriate by the Secretary, make the remainder of such funds available by incentive allocation (1) among community housing development organizations to achieve the purposes of this title, or (2) among eligible organizations to carry out capacity development of community housing development organizations consistent with section 352(3), with preference to community housing development organizations serving the jurisdiction.

(c) RECAPTURE AND DEDUCTION.—If any reserved funds remain uninvested for a period of 18 months and the participating jurisdiction has not demonstrated to the satisfaction of the Secretary that it has complied with subsection (a), the Secretary shall deduct such funds from the line of credit in the participating jurisdiction's housing investment trust fund and make such funds available by incentive allocation among community housing development organizations giving preference to approvable applications from qualified community housing development organizations for affordable housing within the boundaries of the jurisdiction.

(d) INCENTIVE ALLOCATION CRITERIA.—Insofar as practicable, incentive allocations under this section shall be made according to the selection criteria established under section 317(c).

SEC. 324. PENALTIES FOR MISUSE OF FUNDS.

If the Secretary finds after reasonable notice and opportunity for hearing that a participating jurisdiction has failed to comply substantially with any provision of this subtitle and until the Secretary is satisfied that there is no longer any such failure to comply, the Secretary shall reduce the line of credit in the participating jurisdiction's housing investment trust fund by the amount of any expenditures that were not in accordance with the requirements of this subtitle, and the Secretary may—

(1) prevent withdrawals from the participating jurisdiction's housing investment trust fund for activities affected by such failure to comply;

(2) restrict the participating jurisdiction's activities under this title to activities that conform to one or more model programs made available under section 313; or

(3) remove the participating jurisdiction from participation in allocations or reallocations of funds made available under this subtitle.

SEC. 325. LIMITATION ON JURISDICTIONS UNDER COURT ORDER.

Notwithstanding any other provision of this Act, if a participating jurisdiction has been adjudicated, by a Federal, State, or local court, to be in violation of title VI of the Civil Rights Act of 1964, the Fair Housing Act, or any other Federal, State, or local law promoting fair housing or prohibiting discrimination, or if a settlement has been entered into in any case where claims of such violations have been asserted against a participating jurisdiction, the Secretary shall ensure that funds provided under this subtitle shall be employed to carry out all housing remedies, other than fines or penalties, required by such judgment or settlement until the Secretary is satisfied that all such housing remedies have been carried out.

SEC. 326. TENANT AND PARTICIPANT PROTECTIONS.

(a) LEASE.—(1) The lease between a tenant and an owner of affordable housing assisted under this title for rental shall be for not less than one year, unless by mutual agreement between the tenant and the owner, and shall contain such terms and conditions as the Secretary shall determine to be appropriate.

(2) Each lease shall provide that the tenant, any member of the tenant's household, or a guest or other person under the tenant's control shall not engage in activity that adversely affects the health, safety, or right to quiet enjoyment of the premises of other tenants, and shall not engage in criminal activity, including drug-related criminal activity, that threatens the health or safety of, or right to quiet enjoyment by, the other tenants of the premises, and such criminal activity shall be cause for termination of tenancy.

(b) TERMINATION OF TENANCY.—An owner shall not terminate the tenancy or refuse to renew the lease of a tenant of rental housing assisted under this title except for serious or repeated violation of the terms and conditions of the lease, for violation of applicable Federal, State, or local law, or for other good cause. Any termination or refusal to renew must be preceded by the owner's service upon the tenant of a written notice specifying the grounds for the action.

(c) MAINTENANCE AND REPLACEMENT.—The owner of rental housing assisted under this title shall maintain the premises in compliance with all applicable housing quality standards and local code requirements.

(d) TENANT SELECTION.—The owner of rental housing assisted under this title shall adopt written tenant selection policies and criteria that are (1) consistent with the purpose of providing housing for very low-income and low-income families, and (2) reasonably related to program eligibility and the applicants' ability to perform the obligations of the lease. Tenants shall be selected from a written waiting list in the chronological order of their application, insofar as is practicable. Owners shall promptly notify in writing any rejected applicant of the grounds for any rejection.

SEC. 327. MONITORING OF COMPLIANCE.

(a) ENFORCEABLE AGREEMENTS.—Each participating jurisdiction, through binding contractual agreements with owners and otherwise, shall ensure long-term compliance with the provisions of this title. Such measures shall provide for (1) enforcement of the provisions of this title by the jurisdiction or by the intended beneficiaries, and (2) remedies for the breach of such provisions.

(b) PERIODIC MONITORING.—Each participating jurisdiction, not less frequently than annually, shall review the activities of owners of affordable housing assisted under this title for rental to assess compliance with the requirements of this title. The results of each review shall be included in the jurisdiction's performance report submitted to the Secretary under section 108(a) and made available to the public.

SEC. 328. TRANSITION RULE FOR RENTAL REHABILITATION PROGRAM.

Notwithstanding any other provision of this title, the Secretary shall, during fiscal years 1991 and 1992, set aside such portion of the funds made available under section 317(a)(1)(A) that is equal to the amount appropriated in fiscal year 1990 under section 17(a) of the United States Housing Act of 1937 to carry out a transitional rental rehabilitation program. The Secretary shall administer such program in accordance with the rules and regulations promulgated pursuant to sections 17(a), (b) and (c) of the United States Housing Act of 1937 that were in effect on the date of enactment of this Act.

Subtitle B—Mortgage Credit Enhancement

SEC. 331. ESTABLISHMENT OF COMMISSION ON CREDIT ENHANCEMENT.

There is created a Commission on Credit Enhancements ("Commission"), which shall exist for 9 months after the appointment of the members. The Commission shall carry out a study of ways in which financing for affordable housing may be made available to assist in the most efficient implementation of comprehensive housing affordability strategies of participating jurisdictions. In conducting the study, the Commission shall draw upon the expertise of such representatives of State and local government, State and local housing finance agencies, agencies of the United States, government-sponsored mortgage finance corporations, for-profit and nonprofit housing developers, private financial institutions, and sources of long-term mortgage investment, as the Commission determines to be appropriate. The Commission shall, in all other respects, be subject to the provision of the Federal Advisory Committee Act.

SEC. 332. COMPOSITION OF THE COMMISSION.

(a) APPOINTMENTS.—The Commission shall be composed of 15 members to be appointed from among individuals who have expertise and broad experience related to the purposes of the Commission, of whom—

(1) 5 shall be appointed by the Secretary;

(2) 5 shall be appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing, and Urban Affairs of the Senate; and

(3) 5 shall be appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing and Community Development of the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

(b) QUALIFICATIONS.—Membership of the Commission shall include—

(1) not less than 3 persons who have had distinguished, private sector careers in the housing finance, management, or development industries;

(2) not less than 3 persons from State government who have made outstanding achievements in housing finance or development;

(3) not less than 3 persons from local government who have made outstanding achievements in housing finance or development;

(4) not less than 3 persons who have backgrounds of leadership in representing the interests of low-income tenants; and

(5) not less than 3 persons who have achieved excellence in nonprofit housing development.

(c) POLITICAL AFFILIATION.—Not more than 8 members of the Commission may be from any one political party. All members shall be appointed within 6 months of the enactment of the National Affordable Housing Act.

(d) REPORT.—The Commission shall submit to the Secretary and the Congress its final report containing any recommendations for legislative or administrative actions needed to improve the availability of mortgage finance for affordable housing. Such report shall include any minority views. The study shall include, but need not be limited to, an assessment of—

(1) the need for the Department of Housing and Urban Development, government sponsored mortgage finance corporations, or other agencies of the United States to provide partial credit enhancement to make financing for affordable housing available efficiently and at the lowest possible cost; and

(2) alternative ways in which—

(A) the Department could provide any needed credit enhancement on a one-stop basis for participating jurisdictions, in coordination with other forms of assistance under this subtitle;

(B) the Department or other agencies of the Federal Government could assist government-sponsored mortgage finance corporations in the financing of mortgages on affordable housing through the development of mortgage-backed securities that are more standardized and readily traded in the capital markets;

(C) the capacities of existing agencies of the United States could be used to provide mortgage finance more efficiently for affordable housing through government-sponsored mortgage finance corporations; and

(D) the interests of the Federal Government could be protected and any risks of loss could be minimized through requirements for fees, mortgage insurance, risk-sharing, secure collateral, and guarantees by other parties, and through standards relating to minimum capital and prior experience with underwriting, origination and servicing.

(e) ADMINISTRATION.—The Commission shall meet at Washington, District of Columbia, as requested by the Secretary or approved by a majority of the members. The Commission shall select its chairman, vice chairman and secretary, and adopt methods of procedure.

(f) COMPENSATION.—Subject to the provision of section 7 of the Federal Advisory Committee Act, all members of the Commission may be compensated, and shall be entitled to reimbursement from HUD for traveling expenses incurred in attendance at meetings of the Commission.

Subtitle C—Other Support for State and Local Housing Strategies

SEC. 351. AUTHORITY.

The Secretary shall, insofar as is feasible through contract with eligible organizations, develop the capacity of participating jurisdictions, State and local housing finance agencies, nonprofit organizations and for-profit corporations, working in partnership, to identify and meet needs for an increased supply of decent, affordable housing.

SEC. 352. PRIORITIES FOR CAPACITY DEVELOPMENT.

To carry out section 351, the Secretary shall provide assistance under this subtitle to—

(1) facilitate the exchange of information that would help participating jurisdictions carry out the purposes of this title, including information on program design, housing finance, land use controls, and building construction techniques;

(2) improve the ability of States and units of general local government to design and implement comprehensive housing affordability strategies, particularly those States and units of general local government that are relatively inexperienced in the development of affordable housing;

(3) increase the ability of community housing development organizations to maintain, rehabilitate or construct housing for low-income and moderate-income families, particularly in areas with substantial need for such housing and inadequate resources to produce such housing;

(4) encourage private lenders and for-profit developers of low-income housing to participate in public-private partnerships to achieve the purposes of this title;

(5) increase the investment of private capital in housing for very low-income families, particularly by encouraging the establishment of benevolent loan funds through which private financial institutions will accept deposits at below-market interest rates and make those funds available at favorable rates to developers of low-income housing and to low-income home buyers;

(6) support locally initiated efforts to establish privately owned, local community development banks and credit unions to finance affordable housing; and

(7) improve the ability of States and units of general local government, community housing development organizations, private lenders, and for-profit developers of low-income housing to incorporate energy efficiency into the planning, design, financing, construction, and operation of affordable housing.

SEC. 353. CONDITIONS OF CONTRACTS.

(a) ELIGIBLE ORGANIZATIONS.—The Secretary shall carry out this subtitle insofar as is practicable through contract with—

(1) a participating jurisdiction or agency thereof;

(2) a public purpose organization established pursuant to State or local legislation and responsible to the chief elected official of a participating jurisdiction;

(3) an agency or authority established by two or more participating jurisdictions to carry out activities consistent with the purposes of this title;

(4) a national or regional nonprofit organization that has a membership comprised predominantly of entities or officials of entities that qualify under paragraph (1), (2), or (3); or

(5) a nonprofit organization that—

(A) customarily provides in more than one State services related to the provision of decent housing that is affordable to low-income and moderate-income persons or the revitalization of deteriorating neighborhoods;

(B) has demonstrated experience in providing a range of assistance, such as financing, grants, technical assistance, construction and property management assistance, capacity building and training, to community housing development organizations or similar organizations that engage in community revitalization; and

(C) has a demonstrated ability to provide technical assistance and training for local developers of affordable housing.

(b) CONTRACT TERMS.—Contracts under this section shall be for not more than 3 years and shall provide not more than 20 percent of the operating budget of the contracting organization in any one year. Within any fiscal year, contracts with any one organization may not be entered into for a total of more than 20 percent of the funds appropriated under this subtitle in that fiscal year.

(c) MATCHING REQUIREMENT FOR TECHNICAL ASSISTANCE.—

(1) IN GENERAL.—The Secretary shall not enter into contracts pursuant to paragraph (3) of section 352 for amounts that exceed 50 percent of the projected costs that the Secretary determines to be appropriately related to a project in preparation for approval of an application for assistance under this Act and insurance under the National Housing Act.

(2) ELIGIBLE USES OF FUNDS UNDER THIS SECTION.—Funds made available under paragraph (3) of section 352 may be used only for costs that the Secretary determines to be customary and reasonable project preparation costs, including but not limited to—

(A) assessment of market and financial feasibility;

(B) engagement of a development team;

(C) preliminary design and engineering costs;

(D) site control and title clearance;

(E) cost estimation; and

(F) other professional costs related to the development of the housing, including committee staff.

(3) ELIGIBLE MATCHING CONTRIBUTIONS.—An organization entering into a contract with the Secretary under this section shall make matching contributions to project preparation costs from non-Federal resources in amounts not less than 50 percent of the project preparation costs, as determined by the Secretary under paragraph (1), which contributions may include but not necessarily be limited to—

(A) costs that are eligible under paragraph (2);

(B) identification, screening, and counseling of prospective residents; and

(C) administrative and planning costs that the Secretary determines are appropriately related to the project and the ongoing provision of affordable housing in the area to be served by the project.

(4) ADJUSTMENTS OF OTHER ASSISTANCE.—The Secretary shall take account of assistance provided to a project under paragraph (3) of section 352 when adjusting other assistance to be provided to the project as required by section 102(d) of the Department of Housing and Urban Development, Reform Act of 1989.

SEC. 354. RESEARCH IN HOUSING AFFORDABILITY.

The Secretary is authorized to support, through contracts with eligible organizations and otherwise, such research and publishing such reports as will assist in the achievement of the purposes of this title. Activities authorized by the previous sentence may include an ongoing analysis of the impact of public policies at the Federal, State, and local levels, both individually and in the aggregate, on the incentives to expand and maintain the supply of energy-efficient affordable housing in the United States, particularly in areas with severe problems of housing affordability. For purposes of this section, agencies of the United States, government-sponsored mortgage finance corporations, and qualified research organizations shall be included as eligible organizations in addition to eligible organizations specified under section 353.

Subtitle D—Specified Model Programs

SEC. 361. IN GENERAL.

Among the alternative model programs that the Secretary shall make available for use by participating jurisdictions under the provisions of section 313 shall be model programs specified in this subtitle.

SEC. 362. RENTAL REHABILITATION.

(a) IN GENERAL.—The Secretary shall make available a model program to support the rehabilitation of privately owned rental housing located in neighborhoods where the median income does not exceed 80 percent of the area median as determined by the Secretary and where rents can reasonably be expected not to change materially over an extended period of time.

(b) AMOUNT OF SUBSIDY.—The amount of the rehabilitation subsidy shall be moderate and shall generally not exceed 50 percent of the total costs associated with the rehabilitation of the housing.

(c) OWNER AGREEMENTS.—Owners of assisted housing shall agree not to discriminate against prospective tenants on the basis of their receipt of or eligibility for housing assistance under any Federal, State or local housing assistance program for at least 10 years beginning on the date on which the rehabilitated units in the housing are made available for occupancy. For the purposes of activities under such model program, the Secretary may determine, under section 315(a)(1)(E) of this Act, that a period of 10 years is the longest feasible period of time consistent with sound economics.

(d) ADDITIONAL RESTRICTIONS.—The guidelines of the model program shall generally comport with the additional protections and restrictions specified under section 17(c) of the United States Housing Act of 1937.

SEC. 363. REHABILITATION LOANS.

(a) IN GENERAL.—The Secretary shall make available a model program to provide direct loans to finance the rehabilitation of low and moderate income single family and multifamily residential properties.

(b) CONDITION OF LOANS.—The Secretary shall establish terms and conditions to ensure that such loans are acceptable risks, taking into consideration the need for rehabilitation, the security for the loan and the ability of the borrower to repay the loan. The Secretary may establish the interest rate for loans under the model program, which shall include special interest rates for loans to borrowers with incomes below 80 percent of the area median income.

(c) ADDITIONAL RESTRICTIONS.—Guidelines for the model program may require that the property—

(1) be located in an area that contains a substantial number of dwellings in need of rehabilitation;

(2) the property is residential and owner-occupied; and

(3) the property is in need of rehabilitation or concentrated code enforcement within a reasonable time, and the rehabilitation of such property is consistent with a local plan for rehabilitation or code enforcement.

Additional guidelines of the model program shall generally comport with the additional protections and restrictions specified under section 312 of the Housing Act of 1964.

SEC. 364. SWEAT EQUITY MODEL PROGRAM.

(a) IN GENERAL.—The Secretary shall make available to participating jurisdictions as described in section 313 a model program to provide grants to public and private nonprofit organizations and community housing development organizations to provide technical and supervisory assistance to low-income and very low-income families, including the homeless, in acquiring, rehabilitating, and constructing housing by the self-help housing method.

(b) REHABILITATION OF PROPERTIES.—The program shall target for rehabilitation properties which have been acquired by the Federal, State, or local governments.

(c) HOMEOWNERSHIP OPPORTUNITIES THROUGH SWEAT EQUITY.—

(1) The program shall utilize the skilled or unskilled labor of eligible families in exchange for acquisition of the property.

(2) Basic training shall be provided to eligible families in home maintenance skills and homeownership counseling.

(d) RENTAL OPPORTUNITIES THROUGH SWEAT EQUITY.—(1) The program shall include rental opportunities for eligible families which will help expand the stock of affordable housing which is most appropriate for the target group.

(2) The use of the tenant's skilled or unskilled labor shall be encouraged in lieu of or as a supplement to rent payments by the tenant.

(e) DEFINITION.—The term "self-help housing" means the same as in section 523 of the Housing Act of 1949.

(f) ADDITIONAL RESTRICTIONS.—The guidelines of the model program shall generally comport with the additional protections and restrictions specified under section 523 of the Housing Act of 1949.

Subtitle E—General Provisions

SEC. 381. NONDISCRIMINATION.

No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 shall also apply to any such program or activity.

SEC. 382. ANNUAL AUDITS AND ACCOUNTABILITY.

(a) INDEPENDENT AUDITS.—The Secretary, except as provided in paragraph (b)(1), shall contract annually with an independent accounting firm to provide for a full financial audit of the records of the Housing Opportunities Partnerships program for each fiscal year. Each audit shall be performed as soon as practicable after the close of the fiscal year and in accordance with generally accepted Government auditing standards approved by the Comptroller General of the United States ("Comptroller General"), and shall be consistent with the requirements of sections 9105 and 9106 of title 31, United States Code. The Secretary shall promptly submit the report of the independent accounting firm to the Congress, consistent with the requirements of section 9106 of title 31, United States Code, and such report shall be published. The requirement for an audit under this section shall be in lieu of the requirement for an audit by the Comptroller General under section 9105(a) of title 31, United States Code.

(b) AUDITS BY THE COMPTROLLER GENERAL.—

(1) AUDITS OF THE HOUSING OPPORTUNITIES PARTNERSHIPS PROGRAM.—The Comptroller General, when the Comptroller General deems it to be appropriate or when requested by the Committee on Banking, Housing, and Urban Affairs of the Senate or the Committee on Banking, Finance and Urban Affairs of the House of Representatives, shall conduct a full financial audit of the records of the Housing Opportunities Partnerships program for any fiscal year. The initiation of an audit for a fiscal year under the previous sentence shall obviate the requirement for an audit by an independent accounting firm under paragraph (a) for that fiscal year. The report of the Comptroller General shall be submitted promptly to the Secretary and the Congress and shall be published.

(2) AUDITS OF RECIPIENTS.—The financial transactions of participating jurisdictions and of other recipients of funds provided under this title may, insofar as they relate to funds provided under this title, be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by such recipients pertain-

ing to such financial transactions and necessary to facilitate the audit.

SEC. 383. UNIFORM RECORDKEEPING AND REPORTS TO THE CONGRESS.

(a) UNIFORM REQUIREMENTS.—The Secretary shall develop and establish uniform recordkeeping, performance reporting, and auditing requirements for use by participating jurisdictions.

(b) REPORT TO THE CONGRESS.—Not later than 120 days after the end of each fiscal year, the Secretary shall make an annual report to the Congress that summarizes and assesses the results of reports provided under this section.

SEC. 384. CITIZEN PARTICIPATION.

The Secretary shall ensure that each participating jurisdiction, and each jurisdiction seeking to become a participating jurisdiction, complies with the requirements of section 105(i) of this Act.

SEC. 385. LABOR.

Any contract for the construction of affordable housing with 12 or more units assisted with funds made available under this subtitle shall contain a provision requiring that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a—276a-5), shall be paid to all laborers and mechanics employed in the development of affordable housing involved, and participating jurisdictions shall require certification as to compliance with the provisions of this section prior to making any payment under such contract. The Secretary may waive the application of this subsection in cases or classes of cases where laborers or mechanics, not otherwise employed at any time in the construction of such housing, voluntarily donate their services without full compensation for the purposes of lowering the costs of construction and the Secretary determines that any amounts saved thereby are fully credited to the corporation, cooperative, or public body or agency undertaking the construction.

SEC. 386. INTERSTATE AGREEMENTS.

The consent of the Congress is hereby given to any two or more States to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative efforts and mutual assistance in support of activities authorized under this title as they pertain to interstate areas and to localities within such States, and to establish such agencies, joint or otherwise, as they may deem desirable for making such agreements and compacts effective.

SEC. 387. ENVIRONMENTAL REVIEW.

(a) IN GENERAL.—In order to assure that the policies of the National Environmental Policy Act of 1969 and other provisions of law which further the purposes of such Act (as specified in regulations issued by the Secretary) are most effectively implemented in connection with the expenditure of funds under this title, and to assure to the public undiminished protection of the environment, the Secretary, in lieu of the environmental protection procedures otherwise applicable, may under regulations provide for the release of funds for particular projects to participating jurisdictions under this title who assume all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act, and such other provisions of law as the regulations of the Secretary specify, that would apply to the Secretary were he to undertake such projects as Federal projects. The Secretary shall issue regulations to carry out this section only after consultation with the Council on Environmental Quality.

(b) PROCEDURE.—The Secretary shall approve the release of funds subject to the procedures authorized by this section only if, at least 15 days prior to such approval and prior to any commitment of funds to such projects the participating jurisdiction has submitted to the Secretary a request for such release accompanied by a certification which meets the requirements of subsection (c). The Secretary's approval of any such certification shall be deemed to satisfy his responsibilities under the National Environmental Policy Act of 1969 and such other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the releases of funds for projects to be carried out pursuant thereto which are covered by such certification.

(c) CERTIFICATION.—A certification under the procedures authorized by this section shall—

(1) be in a form acceptable to the Secretary,

(2) be executed by the chief executive officer or other officer of the recipient of assistance under this title qualified under regulations of the Secretary,

(3) specify that the recipient of assistance under this title has fully carried out its responsibilities as described under subsection (a), and

(4) specify that the certifying officer (A) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 and each provision of law specified in regulations issued by the Secretary insofar as the provisions of such Act or other such provision of law apply pursuant to subsection (a), and (B) is authorized and consents on behalf of the participating jurisdiction and himself to accept the jurisdiction of the Federal courts for the purpose of enforcement of his responsibilities as such an official.

(d) ASSISTANCE TO A STATE.—In the case of assistance to States, the State shall perform those actions of the Secretary described in subsection (b) and the performance of such actions shall be deemed to satisfy the Secretary's responsibilities referred to in the second sentence of such subsection.

TITLE IV—HOMEOWNERSHIP AND OPPORTUNITY THROUGH HOPE

Subtitle A—HOPE Grants for Public and Indian Housing Homeownership

SEC. 401. HOPE FOR PUBLIC AND INDIAN HOUSING HOME- OWNERSHIP.

The United States Housing Act of 1937 is amended by adding the following new title at the end thereof:

"TITLE III—HOPE FOR PUBLIC AND INDIAN HOUSING HOMEOWNERSHIP

"AUTHORITY

"SEC. 301. (a) PROGRAM AUTHORITY.—The Secretary is authorized to make—

"(1) planning grants to help applicants to develop homeownership programs for specified public housing projects in accordance with this title; and

"(2) implementation grants to carry out specified public housing projects and homeownership programs in accordance with this title.

"(b) AUTHORITY TO RESERVE HOUSING ASSISTANCE.—In connection with a grant under this title, the Secretary may reserve authority to provide assistance under section 8 of this Act to the extent necessary to provide rental assistance for a nonpurchasing tenant who resides in the project on the date the Secretary approves the application for an implementation grant, for use by the tenant in another project.

"(c) AUTHORIZATION.—There are authorized to be appropriated for grants under this title $50,000,000 for fiscal year 1991, $75,000,000 for fiscal year 1992, and $100,000,000 for fiscal year 1993, of which not more than $2,000,000 may be appropriated in any fiscal year for planning grants under this title. Sums appropriated pursuant to this subsection shall remain available until expended.

"PLANNING GRANTS

"SEC. 302. (a) GRANTS.—The Secretary is authorized to make planning grants to applicants for the purpose of developing homeownership programs under this title.

"(b) ELIGIBLE ACTIVITIES.—Planning grants may be used for the following activities—

"(1) development of resident management corporations and resident councils;

"(2) training and technical assistance for applicants;

"(3) development of homeownership programs, including determining their affordability;

"(4) preliminary architectural and engineering work;

"(5) tenant and homebuyer counseling and training;

"(6) planning for economic development, job training, and self-sufficiency activities that promote economic self-sufficiency of homebuyers and homeowners under the homeownership program;

"(7) development of security plans; and

"(8) preparation of an application for an implementation grant under this title.

"(c) APPLICATION.—(1) An application for a planning grant shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish.

"(2) The Secretary shall require that an application contain at a minimum—

"(A) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 105 of the National Affordable Housing Act that the proposed activities are consistent with the approved housing strategy of the State or unit of general local government within which the project is located;

"(B) a request for a planning grant, specifying the activities proposed to be carried out, the schedule for completing the activities, and the amount of the grant requested;

"(C) a description of the applicant and a statement of its qualifications;

"(D) a certification that the applicant will comply with the requirements of the Fair Housing Act, title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and will affirmatively further fair housing; and

"(E) identification and description of the public housing project or projects involved, and a description of the composition of the tenants, including family size and income.

"(d) SELECTION CRITERIA.—The Secretary shall establish selection criteria for a national competition for assistance under this section, which shall include—

"(1) the qualifications or potential capabilities of the applicant;

"(2) the extent of tenant interest in the development of a homeownership program for the project;

"(3) the potential for developing an affordable homeownership program and the suitability of the project for homeownership;

"(4) such other factors as the Secretary determines to be appropriate for purposes of

carrying out the program established by this title in an effective and efficient manner.

"(e) LIMITATION ON PLANNING GRANTS.—Assistance provided under this section with respect to any public housing project may not exceed $100,000.

"IMPLEMENTATION GRANTS

"SEC. 303. (a) GRANTS.—The Secretary is authorized to make implementation grants to applicants for the purpose of carrying out homeownership programs approved under this title.

"(b) ELIGIBLE ACTIVITIES.—Implementation grants may be used for the following activities—

"(1) architectural and engineering work;

"(2) acquisition of the public housing project from a public housing agency for the purpose of transferring ownership to eligible families in accordance with an approved homeownership program;

"(3) rehabilitation of any public housing project covered by the homeownership program, in accordance with standards established by the Secretary;

"(4) administrative costs of the applicant and any charges by the applicant for developing and carrying out the homeownership program;

"(5) legal fees;

"(6) counseling and training of homebuyers and homeowners under the homeownership program;

"(7) defraying costs for the ongoing training needs of the recipient that are related to developing and carrying out the homeownership program;

"(8) defraying costs related to relocation of tenants who elect to move;

"(9) defraying costs related to any necessary temporary relocation of tenants during rehabilitation;

"(10) economic development activities that promote economic self-sufficiency of homebuyers and homeowners under the homeownership program;

"(11) funding of operating and replacement reserves of the project covered by the homeownership program; and

"(12) defraying some or all of the costs related to implementation of a replacement housing plan.

"(c) MATCHING FUNDING.—(1) Each recipient shall assure that contributions equal to not less than 25 percent of the grant amount made available under this section shall be provided from non-Federal sources to carry out the homeownership program.

"(2) Such contributions may be in the form of—

"(A) cash contributions from non-Federal resources, which may not include Federal tax expenditures or funds from a grant made under section 106(b) or section 106(d) of the Housing and Community Development Act of 1974;

"(B) payment of administrative expenses, as defined by the Secretary, from non-Federal resources, including funds from a grant made under section 106(b) or section 106(d) of the Housing and Community Development Act of 1974;

"(C) the value of taxes, fees, or other charges that are normally and customarily imposed but are waived, foregone, or deferred in a manner that facilitates the implementation of a homeownership program assisted under this subtitle;

"(D) the value of land or other real property as appraised according to procedures acceptable to the Secretary;

"(E) the value of investment in on-site and off-site infrastructure required for a homeownership program assisted under this subtitle; or

"(F) such other in-kind contributions as the Secretary may approve.

Contributions for administrative expenses shall be recognized only up to an amount equal to 7 percent of the total amount of grants made available under this section.

"(d) APPLICATION.—(1) An application for an implementation grant shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish.

"(2) The Secretary shall require that an application contain at a minimum—

"(A) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 105 of the National Affordable Housing Act that (i) the proposed activities are consistent with the approved housing strategy of the State or unit of general local government within which the project is located, and (ii) the matching funding required under subsection (c) shall be provided;

"(B) a request for an implementation grant, specifying the amount of the grant requested;

"(C) where applicable, an application for assistance under section 9 of this Act (i) specifying the proposed uses of such assistance and the period during which the assistance will be needed, and (ii) including an economic self-sufficiency plan specifying an estimated target date for phasing out the section 9 assistance;

"(D) a description of the proposed homeownership program, consistent with section 304 and the other requirements of this title, specifying the activities proposed to be carried out and their estimated costs, demonstrating that the program will be affordable to eligible families, and identifying the schedules for carrying it out;

"(E) identification and description of the public housing project or projects involved, and a description of the composition of the tenants, including family size and income;

"(F) a workable plan for giving all tenants an opportunity to become owners, which plan shall identify—

"(i) the price at which the applicant intends to transfer ownership interests in, or shares representing, units in the project;

"(ii) the factors that will influence the setting of such price;

"(iii) how such price compares to the estimated appraised value of the ownership interests or shares;

"(iv) the underwriting standard the applicant plans to use (or reasonably expects a public or private lender to use) for potential tenant purchasers;

"(v) the financing arrangements the tenants are expected to pursue or be provided; and

"(vi) a workable schedule of sale (subject to the limitations of section 304(p)) based on estimated tenant incomes.

"(G) a description of the resources that are expected to be made available to provide the matching funding required under subsection (c) and of other resources that are expected to be made available in support of the homeownership program;

"(H) identification and description of the financing proposed;

"(I) where the applicant is not a public housing agency, the proposed sales price, if any, and terms to the applicant;

"(J) identification and description of the entity that will operate and manage the property;

"(K) a plan for—

"(i) identifying and selecting eligible families to participate in the homeownership program;

"(ii) providing relocation assistance to families who elect to move;

"(iii) assuring continued affordability by tenants, homebuyers, and homeowners in the project; and

"(iv) providing ongoing training and counseling for homebuyers and homeowners; and

"(L) a certification that the applicant will comply with the requirements of the Fair Housing Act, title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and will affirmatively further fair housing.

"(e) SELECTION CRITERIA.—The Secretary shall establish selection criteria for a national competition for assistance under this section, which shall include—

"(1) the ability of the applicant to develop and carry out the proposed homeownership program, taking into account the quality of any related ongoing program of the applicant, and the extent of tenant interest in the development of a homeownership program and community support;

"(2) the extent to which current tenants and other eligible families will be able to afford the purchase;

"(3) the quality and viability of the proposed homeownership program, including the viability of the economic self-sufficiency plan;

"(4) the extent to which funds for activities that do not qualify as eligible activities will be provided in support of the homeownership program; and

"(5) whether the approved comprehensive housing affordability strategy for the jurisdiction within which the public housing project is located includes the proposed homeownership program as one of the general priorities identified pursuant to section 105(b)(7) of the National Affordable Housing Act.

"(f) APPROVAL.—The Secretary shall notify the applicant whether the application is approved or not approved. The Secretary may approve the application for an implementation grant with a statement that the application for the section 9 assistance is conditionally approved, subject to the availability of appropriations in subsequent fiscal years.

"OTHER PROGRAM REQUIREMENTS AND LIMITATIONS

"SEC. 304. (a) LOCATION WITHIN PARTICIPATING JURISDICTIONS.—The Secretary may approve applications for grants under this title only for public housing projects located within the boundaries of jurisdictions that are participating jurisdictions under title III of the National Affordable Housing Act.

"(b) FINANCING.—(1) The application shall identify and describe the proposed financing for (A) any rehabilitation, and (B) acquisition (i) of the project, where applicable, by an entity other than the public housing agency for transfer to eligible families, and (ii) by eligible families of ownership interests in, or shares representing, units in the project. Financing may include use of the implementation grant, sale for cash, or other sources of financing (subject to applicable requirements), including conventional mortgage loans and mortgage loans insured under title II of the National Housing Act.

"(2) Property transferred under this title shall not be pledged as collateral for debt or otherwise encumbered except when the Secretary determines that—

"(A) such encumbrance will not threaten the long-term availability of the property for occupancy by low-income families;

"(B) neither the Federal Government nor the public housing agency will be exposed to undue risks related to action that may have to be taken pursuant to paragraph (3);

"(C) any debt obligation can be serviced from project income, including operating assistance that is provided in accordance with subsection (j); and

"(D) the proceeds of such encumbrance will be used only to meet housing standards in accordance with subsection (c) or to make such additional capital improvements as the Secretary determines to be consistent with the purposes of this title.

"(3) Any lender that provides financing in connection with a homeownership program under this title shall give the public housing agency, resident management corporation, or other appropriate entity a reasonable opportunity to cure a financial default before foreclosing on the property, or taking other action as a result of the default.

"(c) HOUSING STANDARDS.—(1) Public housing projects transferred under this title shall meet housing standards established by the Secretary. The Secretary, in response to a written plan contained in an application, may give an applicant a period of not to exceed 3 years (from the date the property is transferred from the public housing agency to the applicant or another entity specified in the approved application) to meet such housing standards.

"(2) A public housing agency shall not convey fee simple title to a public housing project transferred under this title until the property meets the housing standards established under paragraph (1).

"(d) QUALIFIED MANAGEMENT.—As a condition of approval of a homeownership program under this title, the resident management corporation (or such other entity representing the interests of the tenants) shall have demonstrated its abilities to manage public housing by having done so effectively and efficiently for a period of not less than 3 years or by entering into a contract with a qualified management entity that meets such standards as the Secretary may prescribe to ensure that the property will be maintained in a decent, safe, and sanitary condition.

"(e) ECONOMIC SELF-SUFFICIENCY PLAN.—Where a homeownership program involves the use of section 9 assistance for homebuyers or homeowners, the application shall include an economic self-sufficiency plan designed to reduce the need for the assistance through the provision of training, employment, and supportive services opportunities.

"(f) SALE BY PUBLIC HOUSING AGENCY TO APPLICANT OR OTHER ENTITY REQUIRED.—Where the Secretary approves an application providing for the transfer of the eligible project from the public housing agency to another applicant, the public housing agency shall transfer the project to such other applicant, in accordance with the approved homeownership program.

"(g) PREFERENCES.—In selecting eligible families for homeownership, the recipient shall give a first preference to otherwise qualified current tenants and a second preference to otherwise qualified eligible families who have completed participation in the project independence program authorized under section 14(j) of this Act, or in another economic self-sufficiency program specified by the Secretary.

"(h) COST LIMITATIONS.—The Secretary may establish cost limitations on eligible activities under this subtitle.

"(i) ANNUAL CONTRIBUTIONS.—Notwithstanding the purchase of a public housing project under this section, or the purchase of a unit in a public housing project by an eligible family, the Secretary shall continue to pay annual contributions with respect to the project. Such contributions may not exceed the maximum contributions authorized in section 5(a).

"(j) OPERATING SUBSIDIES.—To the extent that the total income of a public housing project transferred under this title is not sufficient to cover the costs of operation, the public housing agency may enter into a 5-year operating assistance contract from amounts made available for use under section 9 of this Act, subject to the availability of appropriations, to provide assistance for the operating costs of an approved homeownership program. The total amount of the contract shall not exceed 5 times the current annual operating subsidy determined under section 9 of this Act with respect to the project for the year before sale of the project under this title, plus an annual inflation adjustment determined by the Secretary. The assistance shall be paid on an annual basis, and may not exceed an amount for each year that is equal to the annual operating subsidy determined under section 9 of this Act with respect to the project for the year before sale of the project under this title, plus an annual inflation adjustment determined by the Secretary.

"(k) USE OF PROCEEDS FROM SALES TO ELIGIBLE FAMILIES.—The entity that transfers ownership interests in, or shares representing, units to eligible families, or another entity specified in the approved application, may use 50 percent of the proceeds, if any, from the initial sale for costs of the homeownership program, including improvements to the project, business opportunities for lower income families, and supportive services related to the homeownership program; additional homeownership opportunities; and other activities approved by the Secretary. The remaining 50 percent shall be returned to the Secretary for use under this subtitle, subject to limitations contained in appropriations Acts. Such entity shall keep and make available to the Secretary all records necessary to calculate accurately payments due the Secretary under this subsection.

"(l) RESTRICTIONS ON RESALE BY HOMEOWNERS.—(1) A homeowner under a homeownership program may transfer the homeowner's interest in, or shares representing, the unit only (A) to low-income families; and (B) at a price consistent with guidelines established by the Secretary that are designed to provide the owner with a fair return on investment (subject to paragraph (2)), including any improvements, and to ensure that the housing will remain affordable to a reasonable range of low-income homebuyers. Where a resident management corporation or resident council has jurisdiction over the unit, that entity shall have the right to purchase the ownership interest in, or shares representing, the unit from the homeowner for the amount specified in a firm contract between the homeowner and a prospective buyer. If such an entity elects to purchase, it shall make the unit available for purchase by eligible families in accordance with the preferences established under subsection (f).

"(2) If the sale to the first eligible family is for less than market value, the homeownership program shall provide for appropriate restrictions to assure that an eligible family may not receive any undue profit. The plan shall provide for—

"(A) authorizing the family to retain a portion of the net proceeds of the sale on a sliding scale over a 10-year period;

"(B) limiting the family's consideration for its interest in the property to the total of—

"(i) the contribution to equity paid by the family;

"(ii) the value, as determined by such means as the Secretary shall determine through regulation, of any improvements installed at the expense of the family during the family's tenure as owner; and

"(iii) the appreciated value determined by an inflation allowance at a rate which may be based on a cost-of-living index, an income index, or market index as determined by the Secretary through regulation and agreed to by the purchaser and the entity that transfers ownership interests in, or shares representing, units to eligible families (or another entity specified in the approved application), at the time of initial sale, and applied against the contribution to equity; such entity may, at the time of initial sale, enter into an agreement with the family to set a maximum amount which this appreciation may not exceed;

"(C) execution by the initial purchaser of a promissory note equal to the difference between the market value and the purchase price, payable to the public housing agency or other entity designated in the homeownership plan, together with a mortgage securing the obligation of the note; or

"(D) any other appropriate arrangement that the Secretary determines is adequate to prevent undue profit for at least 10 years.

"(3) Upon sale, the entity that transferred ownership interests in, or shares representing, units to eligible families, or another entity specified in the approved application, shall ensure that subsequent owners are bound by the same limitations on resale and further restrictions on equity appreciation.

"(4) Fifty percent of any portion of the net sales proceeds that may not be retained by the homeowner under the plan approved pursuant to paragraph (2) shall be paid to the entity that transferred ownership interests in, or shares representing, units to eligible families, or another entity specified in the approved application, for use for improvements to the project, business opportunities for lower income families, supportive services related to the homeownership program, additional homeownership opportunities, and other activities approved by the Secretary. The remaining 50 percent shall be returned to the Secretary for use under this subtitle, subject to limitations contained in appropriations Acts. Such entity shall keep and make available to the Secretary all records necessary to calculate accurately payments due the Secretary under this subsection.

"(m) REPLACEMENT PLAN.—(1) Public housing projects shall not be transferred under this title unless the Secretary has entered into a binding agreement with the local public housing agency to make available to such agency any Federal funding assistance to provide an additional decent, safe, sanitary, and affordable dwelling unit as a replacement for each unit in a public housing project to be transferred. Such replacement housing may consist of—

"(A) the development of new public housing units by the public housing agency in accordance with section 5;

"(B) the rehabilitation of vacant public housing units by the public housing agency in accordance with section 14(n)(1);

"(C) the use of 5-year, tenant-based rental assistance under section 8(b)(2) and section 8(o)(9);

"(D) the use of a State or local program that is comparable to any of the Federal programs referred to in subparagraphs (A) through (C) as to housing standards, eligibility, and contribution to rent, and provides a term of assistance of not less than 5 years;

"(E) where the applicant is a resident management corporation, resident council, or cooperative association, the acquisition of nonpublicly owned housing units, which the applicant shall operate as rental housing comparable to public housing as to term of assistance, housing standards, eligibility, and contribution to rent; or

"(F) any combination of such methods.

"(2) Tenant-based rental assistance under section 8 (or a comparable State or local program) shall be counted as replacement housing only if the Secretary finds that replacement with assistance specified under subparagraphs (1) (A) and (B) is not feasible, and the supply of private rental housing actually available to those who would receive tenant-based assistance is sufficient for the total number of certificates and vouchers available in the community after implementation of the agreement under subparagraph (1) and that such supply is likely to remain available for the full 5-year term of such assistance.

"(n) PROTECTION OF NON-PURCHASING FAMILIES.—(1) No tenant residing in a dwelling unit in a public housing project on the date the Secretary approves an application for an implementation grant may be evicted by reason of a homeownership program approved under this title.

"(2) If the tenant decides not to purchase a unit, or is not qualified to do so, the recipient shall, during the term of the operating assistance contract entered into under subsection (j), permit each otherwise qualified tenant to continue to reside in the project at rents that do not exceed levels consistent with section 3(a) of this Act or, if an otherwise qualified tenant chooses to move (at any time during the term of such operating assistance contract), the public housing agency shall, to the extent approved in appropriations Acts, offer such tenant (A) a unit in another public housing project, or (B) section 8 assistance for use in other housing.

"(3) The recipient shall also inform each such tenant that if the tenant chooses to move, the recipient will pay relocation assistance in accordance with the approved homeownership program.

"(4) Tenants renting a unit in a project transferred under this subtitle shall have all rights provided to tenants of public housing under this Act.

"(o) DOLLAR LIMITATION ON ECONOMIC DEVELOPMENT ACTIVITIES.—Not more than an aggregate of $250,000 from amounts made available under sections 302 and 303, and under section 14 of this Act, may be used for economic development activities under sections 302(b)(6) and 303(b)(10) for any project.

"(p) TIMELY HOMEOWNERSHIP.—Recipients shall transfer ownership of the property to tenants within a specified period of time that the Secretary determines to be reasonable. During the interim period when the property continues to be operated and managed as rental housing, the recipient shall utilize written tenant selection policies and criteria that are approved by the Secretary as consistent with the purpose of improving housing opportunities for very low-income families. The recipient shall promptly notify in writing any rejected applicant of the grounds for any rejection. Tenants renting a unit in a project transferred under this subtitle shall have all rights provided to tenants of public housing under this Act.

"(q) RECORDS AND AUDIT OF RECIPIENTS OF ASSISTANCE.—(1) Each recipient shall keep such records as may be reasonably necessary to fully disclose the amount and the disposition by such recipient of the proceeds of assistance received under this title (and any proceeds from financing obtained in accordance with subsection (b) or sales under subsections (k) and (l)(4)), the total cost of the homeownership program in connection with which such assistance is given or used, and the amount and nature of that portion of the program supplied by other sources, and such other sources as will facilitate an effective audit.

"(2) The Secretary shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this title.

"(3) The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall also have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this title.

"DEFINITIONS

"SEC. 305. For purposes of this title—

"(1) The term 'applicant' means the following entities that may represent the tenants of the project: a public housing agency (including an Indian housing authority); a resident management corporation, established in accordance with requirements of the Secretary under section 20 of this Act; a resident council; a cooperative association; a public or private nonprofit organization; or a public body, including an agency or instrumentality thereof.

"(2) The term 'eligible family' means a family or individual who is a tenant in the public or Indian housing project on the date the Secretary approves an implementation grant, a lower income family, or a family or individual who is assisted under a housing program administered by the Secretary or the Secretary of Agriculture.

"(3) The term 'homeownership program' means a program providing for acquisition by eligible families of ownership interests in, or shares representing, at least one-half of the units in a public housing project under any arrangement determined by the Secretary to be appropriate, such as cooperative ownership (including limited equity cooperative ownership) and fee simple ownership (including condominium ownership), for occupancy by the eligible families.

"(4) The term 'recipient' means an applicant approved to receive a grant under this title or such other entity specified in the approved application that will assume the obligations of the recipient under this title.

"(5) The term 'resident council' means any incorporated nonprofit organization or association that—

"(A) is representative of the tenants of the housing;

"(B) adopts written procedures providing for the election of officers on a regular basis; and

"(C) has a democratically elected governing board, elected by the tenants of the housing.

"RELATIONSHIP TO OTHER HOMEOWNERSHIP OPPORTUNITIES

"SEC. 306. The provisions of this title shall not apply to housing developed or transferred for homeownership purposes prior to the enactment of the National Affordable Housing Act under the turnkey III, the mutual help, or any other homeownership program established under section 5(h), section 6(c)(4)(D), or section 21 of this Act.

"ANNUAL REPORT

"SEC. 307. The Secretary shall annually submit to the Congress a report setting forth—

"(1) the number, type, and cost of public housing units sold pursuant to this title;

"(2) the income, race, gender, children, and other characteristics of families participating (or not participating) in homeownership programs funded under this title;

"(3) the amount and type of financial assistance provided under and in conjunction with this title;

"(4) the amount of financial assistance provided under this title that was needed to ensure continued affordability and meet future maintenance and repair costs; and

"(5) the recommendations of the Secretary for statutory and regulatory improvements to the program.

"LIMITATION

"SEC. 308. Any authority of the Secretary under this title to provide financial assistance, or to enter into contracts to provide financial assistance, shall be effective only to such extent or in such amounts as are or have been provided in advance in an appropriation Act.".

SEC. 402. RELATED AMENDMENTS TO SECTION 18, DEMOLITION AND DISPOSITION OF PUBLIC HOUSING.

(a) REPEAL OF DISPOSITION AUTHORITY.—Section 18(b)(1) of such Act is amended by striking out "disposition" and inserting in lieu thereof the following: "disposition, and the tenant councils and resident management corporation, if any, have been given appropriate opportunities to purchase the project or portion of the project covered by the application,".

(b) APPLICABILITY.—Section 18 of the United States Housing Act of 1937 is amended by adding at the end the following new subsection:

"(e) The provisions of this section shall not apply to the disposition of a public housing project in accordance with an approved homeownership program under title III of this Act.".

SEC. 403. RELATED AMENDMENT TO SECTION 8.

(a) ELIGIBILITY.—The first sentence of section 8(o)(3) of such Act is amended by—

(1) striking "or"; and

(2) insert the following before the period: ", or

"(D) a family that qualifies to receive a voucher in connection with a homeownership program approved under title IV of the National Affordable Housing Act.".

(b) REPLACEMENT HOUSING.—(1) Section 8(b) of the United States Housing Act of 1937 is amended by adding at the end the following new paragraph:

"(2) The Secretary is authorized to enter into annual contributions contracts with public housing agencies for the purpose of replacing public housing transferred in accordance with title III of this Act. Each contract entered into under this subsection shall be for a term of not more than 60 months.".

(2) Section 8(o) of the United States Housing Act of 1937 is amended by adding at the end the following new paragraph:

"(9) The Secretary is authorized to enter into contracts with public housing agencies to provide rental vouchers for the purpose of

replacing public housing transferred in accordance with title III of this Act. Each contract entered into under this paragraph shall be for a term of not more than 60 months.".

SEC. 404. RELATED CIAP AMENDMENTS.

Section 14 of the United States Housing Act of 1937 is amended by adding at the end the following subsection:

"(n)(1) The Secretary shall make available and contract to make available assistance in the form of grants for the purpose of rehabilitating vacant public housing units as replacement housing for public housing transferred in accordance with title III of this Act.

"(2) The Secretary shall make available and contract to make available assistance in the form of grants for the purpose of supplementing implementation grants made available in accordance with title III of this Act.

"(3) Grants under paragraphs (1) and (2) shall be made only from amounts provided for such purposes in appropriations Acts.".

SEC. 405. RELATED AMENDMENT TO RESIDENT MANAGEMENT.

Section 20(f)(1) of the United States Housing Act of 1937 is amended by adding in the first sentence after "financial assistance" the following: "for activities not in conjunction with activities assisted under title III of this Act.".

SEC. 406. RELATED AMENDMENT TO SECTION 9, PUBLIC HOUSING OPERATING SUBSIDIES.

Section 9(a)(3)(B) of the United States Housing Act of 1937 is amended—

(1) by striking "and" at the end of clause (iii);

(2) by striking the period at the end of clause (iv) and inserting "; and"; and

(3) by adding at the end the following new clause:

"(v) if a public housing agency transfers a public housing project in accordance with an approved homeownership program under title III of this Act, the payments received under this section with respect to such project shall continue for a 5-year period, subject to the availability of appropriations for such purpose, in amounts not less than the amounts that would have been received without such transfer.".

SEC. 407. IMPLEMENTATION.

(a) IN GENERAL.—Not later than 120 days after the date funds authorized under title III of the United States Housing Act of 1937 first become available for obligation, the Secretary shall by notice establish such requirements as may be necessary to carry out the provisions of this title. Such requirements shall be subject to section 553 of title 5, United States Code. The Secretary shall issue regulations based on the initial notice before the expiration of the 8-month period following the date of the notice.

(b) TERMINATION OF EXISTING PUBLIC HOUSING HOMEOWNERSHIP PROVISIONS.—

(1) IN GENERAL.—Effective on the date of enactment of this Act, section 5(h) and section 21 of the United States Housing Act of 1937 are repealed.

(2) SAVINGS PROVISION.—The provisions of paragraph (1) shall not affect housing transferred for homeownership purposes prior to the enactment of this Act under section 5(h) or section 21 of this Act.

SEC. 408. APPLICABILITY.

In accordance with section 201(b)(2) of the United States Housing Act of 1937, the amendments made by this subtitle shall also apply to public housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority, except that nothing in this title affects the program under section 202 of such Act.

Subtitle B—HOPE for HUD Multifamily Homeownership

SEC. 411. PROGRAM AUTHORITY.

(a) The Secretary is authorized to make—

(A) technical assistance grants to develop the capacity of applicants to develop and carry out homeownership programs for specified eligible properties in accordance with this subtitle;

(B) planning grants to enable applicants to develop homeownership programs for specified eligible properties in accordance with this subtitle; and

(C) implementation grants to enable applicants to carry out homeownership programs for specified eligible properties in accordance with this subtitle.

(b) AUTHORITY TO RESERVE HOUSING ASSISTANCE.—In connection with a grant under this subtitle, the Secretary may reserve authority to provide assistance under section 8 of the United States Housing Act of 1937 to the extent necessary—

(1) to provide housing assistance to an otherwise qualified eligible family, for use by the family in connection with the purchase and continued ownership by the family of an ownership interest in, or shares representing, a unit in the property; and

(2) to provide rental assistance for a nonpurchasing tenant who resides in the property on the date the Secretary approves an application for an implementation grant, for use by the tenant in that or another property.

(c) AUTHORIZATION.—There are authorized to be appropriated for grants under this subtitle $25,000,000 for fiscal year 1991, $35,000,000 for fiscal year 1992, and $45,000,000 for fiscal year 1993, of which not more than $1,000,000 may be appropriated in any fiscal year for technical assistance grants under this subtitle and not more than $1,000,000 may be appropriated in any fiscal year for planning grants under this subtitle. Sums appropriated pursuant to this subsection shall remain available until expended.

SEC. 412. TECHNICAL ASSISTANCE GRANTS.

(a) GRANTS.—The Secretary is authorized to make technical assistance grants to applicants for the purpose of developing the capacity of applicants to develop and carry out homeownership programs under this subtitle and under the Low-Income Housing Preservation and Resident Homeownership Act of 1990, and to develop and carry out other homeownership opportunities involving acquisition of single family property, containing no more than four units, owned by the Secretary.

(b) ELIGIBLE ACTIVITIES.—Technical assistance grants may be used for the purpose of providing training and technical assistance for potential applicants.

(c) APPLICATION.—(1) An application for a technical assistance grant shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish.

(2) The Secretary shall require that an application contain at a minimum—

(A) a certification by the public housing official responsible for submitting the comprehensive housing affordability strategy under section 105 of the National Affordable Housing Act that the proposed activities are consistent with the approved housing strategy of the State or unit of general local government within which the eligible property is located;

(B) a request for a technical assistance grant, specifying the activities proposed to be carried out, the schedule for completing the activities, and the amount of the grant requested; and

(C) a description of the applicant and a statement of its qualifications.

(d) SELECTION CRITERIA.—The Secretary shall establish selection criteria, which shall include—

(1) the qualification or potential capabilities of the applicant; and

(2) such other factors as the Secretary determines to be appropriate for purposes of the program established by this title.

SEC. 413. PLANNING GRANTS.

(a) GRANTS.—The Secretary is authorized to make planning grants to applicants for the purpose of developing homeownership programs under this subtitle.

(b) ELIGIBLE ACTIVITIES.—Planning grants may be used for the following activities—

(1) training and technical assistance of applicants related to the development of a specific homeownership program;

(2) development of homeownership programs, including determining their affordability;

(3) preliminary architectural and engineering work;

(4) tenant and homebuyer counseling and training;

(5) planning for economic development, job training, and self-sufficiency activities that promote economic self-sufficiency for homebuyers and homeowners under the homeownership program;

(6) development of security plans; and

(7) preparation of an application for an implementation grant under this subtitle or of a homeownership program proposal under the Low-Income Housing Preservation and Resident Homeownership Act of 1990.

(c) APPLICATION.—(1) An application for a planning grant shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish.

(2) The Secretary shall require that an application contain at a minimum—

(A) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 105 of the National Affordable Housing Act that the proposed activities are consistent with the approved housing strategy of the State or unit of general local government within which the project is located;

(B) a request for a planning grant, specifying the activities proposed to be carried out, the schedule for completing the activities, and the amount of the grant requested;

(C) a description of the applicant and a statement of its qualifications;

(D) a certification that the applicant will comply with the requirements of the Fair Housing Act, title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and will affirmatively further fair housing; and

(E) identification and description of the eligible property involved, and a description of the composition of the tenants, including family size and income.

(d) SELECTION CRITERIA.—The Secretary shall establish selection criteria for assistance under this section, which shall include—

(1) the qualifications or potential capabilities of the applicant;

(2) the extent of tenant interest in the development of a homeownership program for the property;

(3) the potential for developing an affordable homeownership program and the suitability of the property for homeownership; and

(4) such other factors as the Secretary determines to be appropriate for purposes of carrying out the program established by the subtitle in an effective and efficient manner.

(e) LIMITATION ON PLANNING GRANTS.—Assistance provided under this section with respect to any eligible property may not exceed $100,000.

SEC. 414. IMPLEMENTATION GRANTS.

(a) GRANTS.—The Secretary is authorized to make implementation grants to applicants for the purpose of carrying out homeownership programs approved under this subtitle.

(b) ELIGIBLE ACTIVITIES.—Implementation grants may be used for the following activities—

(1) architectural and engineering work;

(2) acquisition of the eligible property for the purpose of transferring ownership to eligible families in accordance with an approved homeownership program;

(3) rehabilitation of any property covered by the homeownership program, in accordance with standards established by the Secretary;

(4) administrative costs of the applicant and any charges by the applicant for developing and carrying out the homeownership program;

(5) legal fees;

(6) counseling and training of homebuyers and homeowners under the homeownership program;

(7) defraying costs related to ongoing training needs of the recipient related to developing and carrying out the homeownership program;

(8) defraying costs related to relocation of tenants who elect to move;

(9) defraying costs related to any necessary temporary relocation of tenants during rehabilitation;

(10) economic development, job training, and self-sufficiency activities that promote economic self-sufficiency of the project's homebuyers and homeowners of the property covered by the homeownership program; and

(11) funding for operating and replacement reserves of the property covered by the homeownership program.

(c) MATCHING FUNDING.—(1) Each recipient shall assure that contributions equal to not less than 25 percent of the grant amounts made available under this section shall be provided from non-Federal sources to carry out the homeownership program.

(2) Such contributions may be in the form of—

(A) cash contributions from non-Federal resources, which may not include funds from a grant made under section 106(b) or section 106(d) of the Housing and Community Development Act of 1974;

(B) payment of administrative expenses, as defined by the Secretary, from non-Federal resources, including funds from a grant made under section 106(b) or section 106(d) of the Housing and Community Development Act of 1974;

(C) the value of taxes, fees, or other charges that are normally and customarily imposed but are waived, foregone, or deferred in a manner that facilitates the implementation of a homeownership program assisted under this subtitle;

(D) the value of land or other real property as appraised according to procedures acceptable to the Secretary;

(E) the value of investment in on-site and off-site infrastructure required for a homeownership program assisted under this subtitle; or

(F) such other in-kind contributions as the Secretary may approve.

Contributions for administrative expenses shall be recognized only up to an amount equal to 7 percent of the total amount of grants made available under this section.

(d) APPLICATION.—(1) An application for an implementation grant shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish.

(2) The Secretary shall require that an application contain at a minimum—

(A) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 105 of the National Affordable Housing Act that (i) the proposed activities are consistent with the approved housing strategy of the State or unit of general local government within which the project is located, and (ii) the matching funding required under subsection (c) shall be provided;

(B) a request for an implementation grant, specifying the amount of the grant requested;

(C) where applicable, an application for assistance under section 9 of the United States Housing Act of 1937, specifying the proposed uses of such assistance and the period during which the assistance will be needed;

(D) a description of the proposed homeownership program, consistent with section 415 and the other requirements of this subtitle, specifying the activities proposed to be carried out and their estimated costs, demonstrating the program will be affordable by eligible families, and identifying the schedule for carrying it out;

(E) identification and description of the property involved, and a description of the composition of the tenants, including family size and income;

(F) a workable plan for giving all tenants an opportunity to become owners, which plan shall identify—

(i) the price at which the applicant intends to transfer ownership interests in, or shares representing, units in the project;

(ii) the factors that will influence the setting of such price;

(iii) how such price compares to the estimated appraised value of the ownership interests or shares;

(iv) the underwriting standard the applicant plans to use (or reasonably expects a public or private lender to use) for potential tenant purchasers;

(v) the financing arrangements the tenants are expected to pursue or be provided; and

(vi) a workable schedule of sale (subject to the limitations of section 415(m)) based on estimated tenant incomes.

(G) a description of the resources that are expected to be made available to provide the matching funding required under subsection (c) and of other resources that are expected to be made available in support of the homeownership program;

(H) identification and description of the financing proposed;

(I) the proposed sales price and terms to an entity, if any, that will purchase the property for resale to eligible families;

(J) identification and description of the entity that will operate and manage the property;

(K) a plan for—

(i) identifying and selecting eligible families to participate in the homeownership program;

(ii) providing relocation assistance to families who elect to move;

(iii) assuring continued affordability by tenants, homebuyers, and homeowners in the property;

(iv) providing ongoing training and counseling for homebuyers and homeowners; and

(v) where homebuyers or homeowners under a homeownership program are expected to receive the benefit of Federal, State, or local assistance, promoting economic self-sufficiency of homebuyers and homeowners; and

(L) a certification that the applicant will comply with the requirements of the Fair Housing Act, title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and will affirmatively further fair housing.

(e) APPROVAL.—The Secretary shall notify the applicant whether the application is approved or not approved. The Secretary may approve the application for an implementation grant with a statement that the application for the section 8 assistance is conditionally approved, subject to the availability of appropriations in subsequent fiscal years.

(f) SELECTION CRITERIA.—The Secretary shall establish selection criteria for assistance under this section, which shall include—

(1) the ability of the applicant to develop and carry out the proposed homeownership program, taking into account the quality of any related ongoing program of the applicant, and the extent of tenant interest in the development of a homeownership program and community support;

(2) the extent to which current tenants and other eligible families will be able to afford to purchase;

(3) the quality and viability of the proposed homeownership program;

(4) the extent and urgency of the need to approve the application in order to protect the opportunity to provide homeownership of units in the property;

(5) the extent to which funds for activities that do not qualify as eligible activities will be provided in support of the homeownership program; and

(6) whether the approved comprehensive housing affordability strategy for the jurisdiction within which the eligible property is located includes the proposed homeownership program as one of the general priorities identified pursuant to section 105(b)(7) of the National Affordable Housing Act.

SEC. 415. OTHER PROGRAM REQUIREMENTS AND LIMITATIONS.

(a) LOCATION WITHIN PARTICIPATING JURISDICTIONS.—The Secretary may approve applications for grants under this subtitle only for eligible properties located within the boundaries of jurisdictions that are participating jurisdictions under title III of the National Affordable Housing Act.

(b) FINANCING.—(1) The application shall identify and describe the proposed financing for (A) any rehabilitation, and (B) acquisition (i) of the property, where applicable, by a resident or other entity for transfer to eligible families, and (ii) by eligible families of ownership interests in, or shares representing, units in the property. Financing

may include use of the implementation grant, sale for cash, and other sources of financing (subject to applicable requirements), including conventional mortgage loans and mortgage loans insured under title II of the National Housing Act.

(2) Property transferred under this subtitle shall not be pledged as collateral for debt or otherwise encumbered except when the Secretary determines that—

(A) such encumbrance will not threaten the long-term availability of the property for occupancy by low-income families;

(B) the Federal Government will not be exposed to undue risks related to action that may have to be taken pursuant to paragraph (3);

(C) any debt obligation can be serviced from project income, including operating assistance that is provided in accordance with section 415; and

(D) the proceeds of such encumbrance will be used only to meet housing standards in accordance with subsection (c) or to make such additional capital improvements as the Secretary determines to be consistent with the purposes of this subtitle.

(3) Any lender that provides financing in connection with a homeownership program under this subtitle shall give the Secretary, the resident management corporation, or other appropriate entity a reasonable opportunity to cure a financial default before foreclosing on the property, or taking other action as a result of the default.

(c) HOUSING STANDARDS.—(1) Eligible properties transferred under this subtitle shall meet housing standards established by the Secretary. The Secretary, in response to a written plan contained in an application, may give an applicant a period of not to exceed 3 years (from the date the property is transferred from the Secretary or an existing owner to the applicant or another entity specified in the approved application) to meet such housing standards.

(2) Neither the Secretary nor an existing owner shall convey fee simple title to an eligible property transferred under this subtitle until the property meets the housing standards established under paragraph (1).

(d) QUALIFIED MANAGEMENT.—As a condition of approval of a homeownership program under this subtitle, the resident management corporation (or such other entity representing the interests of the tenants) shall have demonstrated its abilities to manage eligible properties by having done so effectively and efficiently for a period of not less than 3 years or by entering into a contract with a qualified management entity that meets such standards as the Secretary may prescribe to ensure that the property will be maintained in a decent, safe, and sanitary condition.

(e) ECONOMIC SELF-SUFFICIENCY PLAN.—Where a homebuyer or homeowner under a homeownership program is expected to receive the benefit of Federal, State, or local assistance, the application shall include an economic self-sufficiency plan designed to provide training, employment, and supportive services opportunities in order to eliminate the need for assistance for such persons.

(f) PREFERENCES.—In selecting eligible families for homeownership, the recipient shall give a first preference to otherwise qualified current tenants and a second preference to otherwise qualified eligible families who have completed participation in the project independence program authorized under section 14(j) of the United States Housing Act of 1937, or in another economic self-sufficiency program specified by the Secretary.

(g) COST LIMITATIONS.—The Secretary may establish cost limitations on eligible activities under this subtitle.

(h) USE OF PROCEEDS FROM SALES TO ELIGIBLE FAMILIES.—The entity that transfers ownership interests in, or shares representing, units to eligible families, or another entity specified in the approved application, may use 50 percent of the proceeds, if any, from the initial sale for costs of the homeownership program, including improvements to the project, business opportunities for lower income families, and supportive services related to the homeownership program; additional homeownership opportunities; and other activities approved by the Secretary. The remaining 50 percent shall be returned to the Secretary for use under this subtitle, subject to limitations contained in appropriations Acts. Such entity shall keep and make available to the Secretary all records necessary to calculate accurately payments due the Secretary under this subsection.

(i) RESTRICTIONS ON RESALE BY HOMEOWNERS.—(1) A homeowner under a homeownership program may transfer the homeowner's interest in, or shares representing, the unit only (A) to low-income families; and (B) at a price consistent with guidelines established by the Secretary that are designed to provide the owner with a fair return on investment (subject to paragraph (2)), including any improvements, and to ensure that the housing will remain affordable to a reasonable range of low-income homebuyers.

(2) If the sale to the first eligible family is for less than fair market value, the homeownership program shall provide for appropriate restrictions to assure that an eligible family may not receive any undue profit. The plan shall provide for—

(A) authorizing the family to retain a portion of the net proceeds of the sale on a sliding scale over a 10-year period;

(B) limiting the family's consideration for its interest in the property to the total of—

(i) the contribution to equity paid by the family;

(ii) the value, as determined by such means as the Secretary shall determine through regulation, of any improvements installed at the expense of the family during the family's tenure as owner; and

(iii) the appreciated value determined by an inflation allowance at a rate which may be based on a cost of living index, an income index, or market index as determined by the Secretary through regulation and agreed to by the purchaser and the entity that transfers ownership interests in, or shares representing, units to eligible families (or another entity specified in the approved application), at the time of initial sale, and applied against the contribution to equity; such entity may, at the time of initial sale, enter into an agreement with the family to set a maximum amount which this appreciation may not exceed;

(C) execution by the initial purchaser of a promissory note equal to the difference between the market value and the purchase price, payable to the recipient or other entity designated in the homeownership plan, together with a mortgage securing the obligation of the note; or

(D) any other appropriate arrangement that the Secretary determines is adequate to prevent undue profit for at least 10 years.

(3) Upon sale, the entity that transferred ownership interests in, or shares representing, units to eligible families, or another entity specified in the approved application, shall ensure that subsequent owners are bound by the same limitations on resale and further restrictions on equity appreciation.

(4) Fifty percent of any portion of the net sales proceeds that may not be retained by the homeowner under the plan approved pursuant to paragraph (2) shall be paid to the entity that transferred ownership interests in, or shares representing, units to eligible families, or another entity specified in the approved application, for use for improvements to the project, business opportunities for lower income families, supportive services related to the homeownership program, additional homeownership opportunities, and other activities approved by the Secretary. The remaining 50 percent of such proceeds shall be returned to the Secretary for use under this subtitle, subject to limitations contained in appropriations Acts. Such entity shall keep and make available to the Secretary all records necessary to calculate accurately payments due the Secretary under this subsection.

(j) PROTECTION OF NONPURCHASING FAMILIES.—(1) No tenant residing in a dwelling unit in a property on the date the Secretary approves an application for an implementation grant may be evicted by reason of a homeownership program approved under this subtitle.

(2) If a tenant decides not to purchase a unit, or is not qualified to do so, the Secretary shall, subject to the availability of appropriations, ensure that rental assistance under section 8 is available for use by each otherwise qualified tenant in that or another property.

(3) The recipient shall also inform each such tenant that if the tenant chooses to move, the recipient will pay relocation assistance in accordance with the approved homeownership program.

(k) SALE OF ELIGIBLE PROPERTIES BY THE SECRETARY—FORECLOSURE SALES.—In connection with a foreclosure sale, the Secretary may require, as a term or condition of sale, that an eligible property be used by the purchaser, and its successors and assigns, only in accordance with a homeownership program approved under this subtitle.

(l) DOLLAR LIMITATION ON ECONOMIC DEVELOPMENT ACTIVITIES.—Not more than an aggregate of $225,000 from amounts made available under sections 413 and 414 may be used for economic development activities under sections 413(b)(5) and 414(b)(10) for any project.

(m) TIMELY HOMEOWNERSHIP.—Recipients shall transfer ownership of the property to tenants within a specified period of time that the Secretary determines to be reasonable. During the interim period when the property continues to be operated and managed as rental housing, the recipient shall utilize written tenant selection policies and criteria that are approved by the Secretary as consistent with the purpose of improving housing opportunities for very low-income families. The recipient shall promptly notify in writing any rejected applicant of the grounds for any rejection.

(n) RECORDS AND AUDIT OF RECIPIENTS OF ASSISTANCE.—(1) Each recipient shall keep such records as may reasonably be necessary to fully disclose the amount and the disposition by such recipient of the proceeds of assistance received under this subtitle (including any proceeds from financing obtained in accordance with subsection (b) or sales under subsections (h) and (i)(4)), the total cost of the homeownership program in connection with which such assistance is given or used, and the amount and nature of that portion of the program supplied by other sources, and such other sources as will facilitate an effective audit.

(2) The Secretary shall have access for the purpose of audit and examination to any books, documents, papers and records of the recipient that are pertinent to assistance received under this subtitle.

(3) The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall also have access for the purpose of audit and examination to any books, documents, papers and records of the recipient that are pertinent to assistance received under this subtitle.

(o) CERTAIN ENTITIES NOT ELIGIBLE.—Any entity that assumes, as determined by the Secretary, a mortgage covering eligible property in connection with the acquisition of the property from an owner under this section must comply with any low-income affordability restrictions for the remaining term of the mortgage. This requirement shall only apply to an entity, such as a cooperative association, that, as determined by the Secretary, intends to own the housing on a permanent basis.

SEC. 416. SECTION 8 ASSISTANCE.

(a) HOMEOWNERSHIP.—To the extent that the total income of an eligible property transferred under this subtitle is not sufficient to cover the costs of operation, the Secretary may extend existing contracts for loan management assistance under section 8(v) for a period not to exceed 5 years and, if such extensions are not sufficient, provide additional rental assistance under section 8(b)(3), subject to the availability of appropriations, to provide assistance for the operating costs of an approved homeownership program.

(b) EXCEPTION TO SECTION 8 PREFERENCE.—The requirement for giving preference to certain categories of eligible families under sections 8(d)(1)(A) and 8(o)(3) shall not apply to the provision of assistance to a family residing in a dwelling unit in an eligible project on the date the Secretary approves an application for an implementation grant.

SEC. 417. DEFINITIONS.

For purposes of this title—

(1) The term "applicant" means the following entities that may represent the tenants of the housing: a resident management corporation or a resident council, established in accordance with requirements of the Secretary; a cooperative association; or a public or private nonprofit organization; a public body (including an agency or instrumentality thereof); or a public housing agency (including an Indian housing authority). For purposes of technical assistance grants under section 412, the term "applicant" also means any other entity determined to be suitable by the Secretary to receive a grant and to provide training and technical assistance to potential applicants for homeownership programs under this subtitle or to other entities interested in developing other homeownership opportunities involving eligible property.

(2) The term "eligible family" means a family or individual who is a tenant of the eligible property on the date the Secretary approves an implementation grant or who is a lower income family.

(3) The term "eligible property" means a multifamily rental property, containing five or more units, that is (A) owned by the Secretary and was financed by a loan or mortgage that was insured or held by the Secretary under the National Housing Act or by a loan held by the Secretary under section 312 of the Housing Act of 1964; (B) financed by a loan or mortgage that is held by the Secretary and was insured by the Secretary under such Act; or (C) determined by the Secretary to have serious physical or financial problems under the terms of such an insurance or loan program. For purposes of technical assistance grants under section 412, the term "eligible property" also means single family property, containing no more than four units, owned by the Secretary and eligible low-income housing, as defined in the Low-Income Housing Preservation and Resident Homeownership of 1990.

(4) The term "homeownership program" means a program providing for acquisition by eligible families of ownership interest in, or shares representing, the units in an eligible property under any arrangement determined by the Secretary to be appropriate, such as cooperative ownership (including limited equity cooperative ownership) and fee simple ownership (including condominium ownership), for occupancy by the eligible families.

(5) The term "Indian housing authority" has the meaning given such term in section 3(b)(11) of the United States Housing Act of 1937.

(6) The term "low income family" has the meaning given such term in section 3(b)(2) of the United States Housing Act of 1937.

(7) The term "public housing agency" has the meaning given such term in section 3(b)(6) of the United States Housing Act of 1937.

(8) The term "recipient" means an applicant approved to receive a grant under this subtitle or such other entity specified in the approved application that will assume the obligations of the recipient under this subtitle.

(9) The term "resident council" means any incorporated nonprofit organization or association that—

(A) is representative of the tenants of the housing;

(B) adopts written procedures providing for the election of officers on a regular basis; and

(C) has a democratically elected governing board, elected by the tenants of the housing.

(10) The term "Secretary" means the Secretary of Housing and Urban Development.

SEC. 418. ANNUAL REPORT.

The Secretary shall annually submit to the Congress a report setting forth—

(1) the number, type and cost of eligible properties transferred pursuant to this subtitle;

(2) the income, race, gender, children and other characteristics of families participating (or not participating) in homeownership programs funded under this subtitle;

(3) the amount and type of financial assistance provided under and in conjunction with this subtitle;

(4) the amount of financial assistance provided under this subtitle that was needed to ensure continued affordability and meet future maintenance and repair costs; and

(5) the recommendations of the Secretary for statutory and regulatory improvements to the program.

SEC. 419. LIMITATION.

Any authority of the Secretary under this subtitle to provide financial assistance, or to enter into contracts to provide financial assistance, shall be effective only to such extent or in such amounts as are or have been provided in advance in an appropriation Act.

SEC. 420. EXEMPTION.

Eligible property covered by a homeownership program approved under this subtitle shall not be subject to (1) the Low-Income Housing Preservation and Resident Homeownership Act of 1990, or (2) the requirements of section 203 of the Housing and Community Development Amendments of 1978 applicable to the sale of projects either at foreclosure or after acquisition by the Secretary.

SEC. 421. RELATED NATIONAL HOUSING ACT AMENDMENT.

Section 203(b)(9) of the National Housing Act is amended by inserting after "Housing Act of 1961," the following: "or with respect to a mortgage covering a single family home in connection with a homeownership program under title IV of the National Affordable Housing Act,".

SEC. 422. RELATED SECTION 9 AMENDMENT.

Section 8(b) of the United States Housing Act of 1937 is amended by adding at the end the following new paragraph:

"(3) The Secretary is authorized to enter into a contract for assistance payments with an owner of eligible property transferred in accordance with subtitle B of title IV of the National Affordable Housing Act to provide assistance for the operating costs of an approved homeownership program. Each contract entered into under this section shall be for a term of not more than 60 months.".

SEC. 423. IMPLEMENTATION.

Not later than 120 days after the date funds authorized under this subtitle first become available for obligation, the Secretary shall by notice establish such requirements as may be necessary to carry out the provisions of this subtitle. Such requirements shall be subject to section 553 of title 5, United States Code. The Secretary shall issue regulations based on the initial notice before the expiration of the 8-month period following the date of the notice.

Subtitle C—HOPE for Homeownership Through Nonprofit Organizations

SEC. 431. PROGRAM AUTHORITY.

(a) IN GENERAL.—The Secretary is authorized to make implementation grants to enable applicants to carry out homeownership programs in accordance with this subtitle.

(b) AUTHORITY TO RESERVE HOUSING ASSISTANCE.—In connection with a grant under this section which will be used for a homeownership program covering an occupied eligible property, the Secretary may reserve authority to provide assistance under section 9 of the United States Housing Act of 1937 to the extent necessary to provide rental assistance for a non-purchasing tenant who resides in the property on the date the Secretary approves the application for an implementation grant, for use by the tenant in that or another property.

(c) AUTHORIZATION.—There are authorized to be appropriated for grants under this subtitle $25,000,000 for fiscal year 1991, $35,000,000 for fiscal year 1992, and $45,000,000 for fiscal year 1993. Sums appropriated pursuant to this subsection shall remain available until expended.

SEC. 432. IMPLEMENTATION GRANTS.

(a) GRANTS.—The Secretary is authorized to make implementation grants to applicants for the purpose of carrying out homeownership programs approved under this subtitle.

(b) ELIGIBLE ACTIVITIES.—Implementation grants may be used for the following activities—

(1) architectural and engineering work;

(2) acquisition of the property for the purpose of transferring ownership to eligible

families in accordance with an approved homeownership program;

(3) rehabilitation of the property covered by the homeownership program, in accordance with standards established by the Secretary;

(4) administrative costs of the applicant and any charges by the applicant for developing and carrying out the homeownership program;

(5) legal fees;

(6) counseling and training of homebuyers and homeowners under the homeownership program;

(7) defraying costs related to ongoing training needs of the recipient that are related to developing and carrying out the homeownership program;

(8) defraying costs related to relocation of tenants who elect to move;

(9) defraying costs related to any necessary temporary relocation of tenants during rehabilitation; and

(10) funding of replacement reserves of the property covered by the homeownership program.

(c) MATCHING FUNDING.—(1) Each recipient shall assure that contributions equal to not less than 25 percent of the grant amounts under this section are provided from non-Federal sources to carry out the homeownership program.

(2) Such contributions may be in the form of—

(A) cash contributions from non-Federal resources which may not include funds from a grant made under section 106(b) or section 106(d) of the Housing and Community Development Act of 1974;

(B) payment of administrative expenses, as defined by the Secretary, from non-Federal resources, including funds from a grant made under section 106(b) or section 106(d) of the Housing and Community Development Act of 1974;

(C) the value of taxes, fees, or other charges that are normally and customarily imposed but are waived, foregone, or deferred in a manner that facilitates the implementation of a homeownership program assisted under this subtitle;

(D) the value of investment in on-site and off-site infrastructure required for a homeownership program assisted under this subtitle; or

(E) such other in-kind contributions as the Secretary may approve.

Contributions for administrative expenses shall be recognized only up to an amount equal to 7 percent of the total amount of grants made available under this section.

(d) APPLICATION.—(1) An application for an implementation grant shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish.

(2) The Secretary shall require that an application contain at a minimum—

(A) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 105 of the National Affordable Housing Act that (i) the proposed activities are consistent with the approved housing strategy of the State or unit of general local government within which the project is located and (ii) the matching fund required under subsection (c) shall be provided;

(B) a request for an implementation grant, specifying the amount of the grant requested;

(C) where section 8 assistance is to be used, (i) a certification from the applicant that it has entered into an agreement with a public housing agency under which the agency has agreed to apply for and administer any necessary section 8 assistance for use under the homeownership program; or (ii) an application from a public housing agency for assistance under section 9 of the United States Housing Act of 1937, specifying the proposed uses of such assistance and the period during which the assistance will be needed;

(D) a description of the qualifications and experience of the applicant in providing lower income housing; and where the applicant is a private nonprofit organization, a statement from the State or unit of general local government endorsing the application;

(E) a description of the proposed homeownership program, consistent with section 422 and the other requirements of this subtitle (i) specifying the activities proposed to be carried out and their estimated costs (including an estimated range of acquisition and rehabilitation costs), (ii) identifying the area proposed to be served, (iii) demonstrating the financial affordability of the program, and (iv) identifying the schedule for carrying out the proposed program;

(F) where properties are occupied by tenants, a workable plan for giving all tenants an opportunity to become owners, which plan shall identify—

(i) the price at which the applicant intends to transfer ownership interest in or shares representing, the unit or units in the project;

(ii) the factors that will influence the setting of such price;

(iii) how such price compares to the estimated appraised value of the ownership interests or shares;

(iv) the underwriting standard the applicant plans to use (or reasonably expects a public or private lender to use) for potential tenant purchasers;

(v) the financing arrangements the tenants are expected to pursue or be provided; and

(vi) a workable schedule of sale (subject to the limitations of section 414(m)) based on estimated tenant incomes;

(G) a description of the types of properties to be covered by the homeownership program (identifying the current owners, in the case of eligible property as defined in sections 424(3) (A) and (B), and demonstrating that it appears feasible to acquire eligible property from the owners), and a description of the composition of potential eligible families, including family size and income;

(H) a description of the resources that are ex- pected to be made available to provide the matching funding required under subsection (c);

(I) identification and description of the financing proposed;

(J) a plan for—

(i) identifying and selecting eligible families to participate in the homeownership program;

(ii) providing relocation assistance to families who elect to move; and

(iii) assuring continued affordability by tenants, homebuyers, and homeowners in the property; and

(K) a certification that the applicant will comply with the requirements of the Fair Housing Act, title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and will affirmatively further fair housing.

(e) SELECTION CRITERIA.—The Secretary shall establish selection criteria for assistance under this subtitle, which shall include—

(1) the ability of the applicant to develop and carry out the proposed homeownership program, taking into account the qualifications and experience of the applicant and the quality of any related ongoing program of the applicant;

(2) the quality and viability of the proposed homeownership program;

(3) the extent to which suitable eligible property is available for use under the program in the area to be served, and the extent to which the types of property expected to be covered by the proposed homeownership program are federally owned; and

(4) whether the approved comprehensive housing affordability strategy for the jurisdiction within which the eligible property is located includes the proposed homeownership program as one of the general priorities identified pursuant to section 105(b)(7) of the National Affordable Housing Act.

SEC. 433. OTHER PROGRAM REQUIREMENTS AND LIMITATIONS.

(a) HOMEOWNERSHIP PROGRAM.—A homeownership program under this subtitle shall provide for—

(1) the recipient to acquire the eligible property and to reimburse the seller;

(2) the eligible family to acquire an ownership interest in, or shares representing, the unit from the recipient only if the unit meets housing standards established by the Secretary;

(3) the eligible family to make payments towards the costs of homeownership in accordance with the affordability standards set forth in the homeownership program;

(4) the eligible family to make or cause to be made repairs and improvements required to (A) correct all defects that pose a substantial danger to health and safety within one year, (B) make such repairs and improvements to the property as may be necessary to meet housing standards established by the Secretary within three years, and (C) permit reasonable periodic inspections at reasonable times by the unit of general local government or the recipient; and

(5) the recipient to convey fee simple title to, or shares representing, the unit, upon compliance by the family with the requirements of paragraph (4) and any other requirements specified by the Secretary.

(b) PREFERENCES.—In selecting eligible families for homeownership, the recipient shall give a first preference to otherwise qualified current tenants and a second preference to otherwise qualified eligible families who participate in the project independence program under section 14(j) of the United States Housing Act of 1937 or another economic self-sufficiency program specified by the Secretary.

(c) COST LIMITATIONS.—The Secretary may establish cost limitations on eligible activities under this subtitle.

(d) RESALE BY HOMEOWNERS.—(1) A homeowner under a homeownership program may transfer the homeowner's interest in, or shares representing, the unit only (A) to low-income families; and (B) at a price consistent with guidelines established by the Secretary that are designed to provide the owner with a fair return on investment (subject to paragraph (2)), including any improvements, and to ensure that the housing will remain affordable to a reasonable range of low-income homebuyers.

(2) If the sale to the first eligible family is for less than market value, the homeownership program shall provide for appropriate restrictions to assure that an eligible family

may not receive any undue profit. The plan shall provide for—

(A) authorizing the family to retain a portion of the net proceeds of the sale on a sliding scale over a 10-year period;

(B) limiting the family's consideration for its interest in the property to the total of—

(i) the contribution to equity paid by the family;

(ii) the value, as determined by such means as the Secretary shall determine through regulation, of any improvements installed at the expense of the family during the family's tenure as owner; and

(iii) the appreciated value determined by an inflation allowance at a rate which may be based on a cost of living index, an income index, or market index as determined by the Secretary through regulation and agreed to by the purchaser and the entity that transfers ownership interests in, or shares representing, units to eligible families (or another entity specified in the approved application), at the time of initial sale, and applied against the contribution to equity, such equity may, at the time of initial sale, enter into an agreement with the family to set a maximum amount which this appreciation may not exceed;

(C) execution by the initial purchaser of a promissory note equal to the difference between the market value and the purchase price, payable to the recipient or other entity designated in the homeownership plan, together with a mortgage securing the obligation of the note; or

(D) any other appropriate arrangement that the Secretary determines is adequate to prevent undue profit.

(3) Upon sale, the entity that transferred ownership interests in, or shares representing, unity to eligible families, or another entity specified in the approved application, shall ensure that subsequent owners are bound by the same limitations on resale and further restrictions on equity appreciation.

(4) In the case of multifamily projects, 50 percent of any portion of the net sales proceeds that may not be retained by the homeowner under the plan approved pursuant to paragraph (3) shall be paid to the recipient, for use by the recipient for eligible activities under this subtitle. The remaining 50 percent of such proceeds shall be returned to the Secretary for use under this subtitle, subject to limitations contained in appropriations Acts. Such entity shall keep and make available to the Secretary all records necessary to calculate accurately payments due the Secretary under this subsection.

(e) PROTECTION OF NONPURCHASING FAMILIES.—(1) No tenant residing in a dwelling unit in a property on the date the Secretary approves an application for an implementation grant may be evicted by reason of a homeownership program approved under this subtitle. If the tenant decides not to purchase a unit, or is not qualified to do so, the Secretary shall, subject to the availability of appropriations, ensure that rental assistance under section 8 is available for use by each otherwise qualified tenant (who meets the eligibility requirements under such section).

(2) The recipient shall also inform each such tenant that if the tenant chooses to move, the recipient will pay relocation assistance in accordance with the approved homeownership program.

SEC. 434. EXCEPTION TO SECTION 8 PREFERENCE.

The requirement for giving preference to certain categories of eligible families under sections 8(d)(1)(A) and 8(o)(3) shall not apply to the provision of assistance to a family residing in a dwelling unit in an eligible property on the date the Secretary approves an application for an implementation grant.

SEC. 435. DEFINITIONS.

For purposes of this title—

(1) The term "applicant" means (A) a private nonprofit organization, or (B) a public agency (including an agency or instrumentality thereof) in cooperation with a private nonprofit organization.

(2) The term "eligible family" means a family or individual who is a lower income family and who does not currently own a home.

(3) The term "eligible property" means (A) a single family property, containing no more than four units, owned by the Secretary, the Secretary of Veterans Affairs, the Secretary of Agriculture, the Resolution Trust Corporation, a State or local government, or a public housing agency (including an Indian housing authority), (B) a multifamily property, containing five or more units, that is owned by any public entity specified in subparagraph (A), other than by the Secretary or a public housing agency, or (C) manufactured housing owned by the Secretary.

(4) The term "homeownership program" means a program providing for acquisition by eligible families of ownership interests in, or shares representing, units in an eligible property under any arrangement determined by the Secretary to be appropriate, such as cooperative ownership (including limited equity cooperative ownership) and fee simple ownership (including condominium ownership), for occupancy by the eligible families.

(5) The term "Indian housing authority" has the meaning given such term in section 3(b)(11) of the United States Housing Act of 1937.

(6) The term "low income family" has the meaning given such term in section 3(b)(2) of the United States Housing Act of 1937.

(7) The term "public housing agency" has the meaning given such term in section 3(b)(6) of the United States Housing Act of 1937.

(8) The term "recipient" means an applicant approved to receive a grant under this title.

(9) The term "Secretary" means the Secretary of Housing and Urban Development.

SEC. 436. IMPLEMENTATION.

Not later than 120 days after the date funds authorized under this subtitle first become available for obligation, the Secretary shall by notice establish such requirements as may be necessary to carry out the provisions of this subtitle. Such requirements shall be subject to section 553 of title 5, United States Code. The Secretary shall issue regulations based on the initial notice before the expiration of the 8-month period following the date of the notice.

TITLE V—AFFORDABLE RENTAL HOUSING

Subtitle A—Preservation of Affordable Rental Housing

SEC. 501. MANAGEMENT AND PRESERVATION OF FEDERALLY ASSISTED HOUSING.

(a) SECTION 236.—Section 236(f) of the National Housing Act is amended by adding the following new paragraph after paragraph (4):

"(5)(A) Notwithstanding paragraph (1), tenants whose incomes exceed 80 percent of area median income shall pay as rent the lower of the following amounts: (A) 30 percent of the family's adjusted monthly income; or (B) the relevant fair market rental established under section 8(b) of the United States Housing Act of 1937 for the jurisdiction in which the housing is located.

"(B) An owner shall phase in any increase in rents for current tenants resulting from subparagraph (A). Rental charges collected in excess of the basic rental charges shall continue to be credited to the reserve fund described in subsection (g)(1).".

(b) SECTION 221.—Section 221 of the National Housing Act is amended by inserting the following after subsection (k):

"(l)(1) Notwithstanding any other provision of law, tenants residing in eligible multifamily housing whose incomes exceed 80 percent of area median income shall pay as rent not more than the lower of the following amounts: (A) 30 percent of the family's adjusted monthly income; or (B) the relevant fair market rental established under section 8(b) of the United States Housing Act of 1937 for the jurisdiction in which the housing is located. An owner shall phase in any increase in rents for current tenants resulting from this subsection.

"(2) For purposes of this subsection, the term 'eligible multifamily housing' means any housing financed by a loan or mortgage that is (A) insured or held by the Secretary under subsection (d)(3) and assisted under section 101 of the Housing and Urban Development Act of 1965 or section 8 of the United States Housing Act of 1937; or (B) insured or held by the Secretary and bears interest at a rate determined under the proviso of subsection (d)(5).".

SEC. 502. FLEXIBLE SUBSIDY PROGRAM.

(a) EXTENSION.—Section 236(f)(3) of the National Housing Act is amended by striking "September 30, 1991" and inserting "September 30, 1993".

(b) AUTHORIZATION.—Section 201(j) of the National Housing Act is amended by adding at the end the following paragraph:

"(5) There are authorized to be appropriated for assistance under the flexible subsidy Fund not to exceed $50,000,000 for fiscal year 1991, $52,000,000 for fiscal year 1992, and $54,080,000 for fiscal year 1993.".

SEC. 503. PRESERVATION OF LOW-INCOME HOUSING AND RESIDENT HOMEOWNERSHIP.

(a) IN GENERAL.—Subtitles A and B of the Emergency Low Income Housing Preservation Act of 1987 are amended to read as follows:

"TITLE II—PRESERVATION OF LOW-INCOME HOUSING AND RESIDENT HOMEOWNERSHIP

"Subtitle A—Short Title

"SEC. 201. SHORT TITLE.

"This title may be cited as the 'Low-Income Housing Preservation and Resident Homeownership Act of 1990'.

"Subtitle B—Prepayment of Mortgages Insured Under the National Housing Act and Resident Homeownership

"SEC. 221. GENERAL PREPAYMENT LIMITATION.

"An owner of eligible low-income housing may prepay, and a mortgagee may accept prepayment of, a mortgage on such housing only in accordance with a plan of action approved by the Secretary under this subtitle. An insurance contract with respect to eligible low-income housing may be terminated pursuant to section 229 of the National Housing Act ('voluntary termination') only in accordance with a plan of action approved by the Secretary under this subtitle. A mortgagee may not foreclose the mortgage on, or acquire by deed in lieu of foreclosure, any eligible low-income housing project without the approval of the Secretary.

"SEC. 222. NOTICE OF INTENT.

"(a) FILING WITH THE SECRETARY.—An owner of eligible low-income housing that intends to terminate the low-income affordability restrictions through prepayment or voluntary termination in accordance with section 224 or seeks to extend the low-income affordability restrictions of the housing in accordance with section 225, or transfer the housing to a qualified purchaser in accordance with section 226, shall file with the Secretary a notice indicating this intent in such form and manner as the Secretary shall prescribe. An owner shall not be eligible to file a notice of intent under this subsection if—

"(1) the mortgage covering the housing falls into default on or after the effective date of the National Affordable Housing Act; or

"(2)(A) the mortgage covering the housing fell into default before, but is current as of, that date; and

"(B) the owner does not agree to recompense, in such amount as the Secretary may determine, the appropriate Insurance Fund for any losses sustained by the Fund as a result of any work-out or other arrangement agreed to by the Secretary and the owner with respect to the defaulted mortgage.

"(b) FILING WITH THE STATE OR LOCAL GOVERNMENT; COPY TO TENANTS.—The owner shall simultaneously file the notice of intent with the office of the chief executive officer of the appropriate State or local government for the jurisdiction within which the housing is located, and advise the tenants of the housing.

"SEC. 223. INFORMATION FROM THE SECRETARY; PLAN OF ACTION.

"(a) INFORMATION FROM THE SECRETARY.—

"(1) TO OWNER.—Within 6 months of receipt of a notice of intent under section 222 the Secretary shall provide the owner with such information as the owner needs to prepare a plan of action. In the case of an owner seeking to terminate the low-income affordability restrictions of the housing, this information shall include a description of the criteria specified under section 224 and the documentation required to satisfy such criteria. In the case of an owner seeking to extend the low-income affordability restrictions of the housing or transfer the housing to a qualified purchaser, this information shall include (A) notice of the housing's preservation value as calculated in accordance with section 228; and (B) a description of the Federal incentives authorized under sections 225 and 226 of this title.

"(2) TO TENANTS.—The Secretary shall make the information referred to in paragraph (1), as well as other information related to the rights and opportunities of the tenants, available to the tenants of the housing.

"(b) SUBMISSION OF PLAN OF ACTION.—

"(1) TIME FOR SUBMISSION.—Within 6 months of receipt of the information from the Secretary under subsection (a), the owner may submit the plan of action to the Secretary in such form and manner as the Secretary shall prescribe.

"(2) COPIES OF PLAN.—If the owner submits a plan to the Secretary under paragraph (1), the owner shall also submit a copy to the tenants of the housing. The owner shall simultaneously submit the plan of action to the office of the chief executive officer of the appropriate State or local government for the jurisdiction within which the housing is located. An appropriate agency of such State or local government shall review the plan and advise the tenants of the housing of any programs that are available to assist the tenants in carrying out the purposes of this title.

"(3) FAILURE TO SUBMIT A PLAN.—If the owner does not submit a plan of action to the Secretary within the 6-month period referred to in paragraph (1) (or such longer period as the Secretary determines to be appropriate where the owner seeks to transfer the housing to a qualified purchaser), the notice of intent shall be null and void and the owner may not submit another notice of intent under section 222 for 6 additional months.

"(c) CONTENTS.—(1) If the notice of intent seeks to terminate the low-income affordability restrictions through prepayment or voluntary termination in accordance with section 224, the plan of action shall include—

"(A) a description of any proposed changes in the status or terms of the mortgage or regulatory agreement;

"(B) a description of any proposed changes in the low-income affordability restrictions;

"(C) a description of any change in ownership that is related to prepayment or voluntary termination;

"(D) an assessment of the effect of the proposed changes on existing tenants;

"(E) an analysis of the effect of the proposed changes on the supply of housing affordable to low and very low-income families or persons in the community within which the housing is located and in the area that the housing could reasonably be expected to serve; and

"(F) any other information that the Secretary determines is necessary to achieve the purposes of this title.

"(2) If the notice of intent seeks to extend the low-income affordability restrictions of the housing in accordance with section 225 or transfer the housing to a qualified purchaser in accordance with section 226, the plan of action shall include—

"(A) a description of any proposed changes in the status or terms of the mortgage or regulatory agreement;

"(B) a description of the Federal incentives requested including cash flow projections, and analyses of how the owner will address any physical or financial deficiencies and maintain the low-income affordability restrictions of the housing;

"(C) a description of any assistance that could be provided by State or local government agencies, as determined by prior consultation between the owner and the agencies; or

"(D) any other information that the Secretary determines is necessary to achieve the purposes of this title.

"(d) REVISIONS.—The owner may from time to time revise and amend the plan of action as may be necessary to obtain approval of the plan under this subtitle. The owner shall submit any revision to the Secretary and to the tenants of the housing.

"SEC. 224. PREPAYMENT AND VOLUNTARY TERMINATION.

"The Secretary may approve a plan of action that seeks termination of the low-income affordability restrictions through prepayment or voluntary termination only upon a written finding that—

"(1) implementation of the plan of action will not materially increase economic hardship for current tenants (and will not in any event result in (A) a monthly rental payment by a current tenant that exceeds 30 percent of the monthly adjusted income of the tenant or an increase in the monthly rental payment in any year that exceeds 10 percent (whichever is lower), or (B) in the case of a current tenant who already pays more than such percentage, an increase in the monthly rental payment in any year that exceeds the increase in the Consumer Price Index or 10 percent (whichever is lower)) or involuntarily displace current tenants (except for good cause) where comparable and affordable housing is not readily available determined without regard to the availability of Federal housing assistance that would address any such hardship or involuntary displacement; and

"(2) the supply of vacant, comparable housing is sufficient to ensure that such prepayment will not materially affect—

"(A) the availability of decent, safe, and sanitary housing affordable to low-income and very low-income families or persons in the area that the housing could reasonably be expected to serve;

"(B) the ability of low-income and very low-income families or persons to find affordable, decent, safe, and sanitary housing near employment opportunities; or

"(C) the housing opportunities of minorities in the community within which the housing is located.

"SEC. 225. INCENTIVES TO EXTEND LOW-INCOME USE.

"(a) AGREEMENTS BY SECRETARY.—After receiving a plan of action from an owner of eligible low-income housing that includes the owner's plan to extend the low-income affordability restrictions of the housing, the Secretary shall, subject to the availability of appropriations for such purpose, enter into such agreements as are necessary to satisfy the criteria for approval under section 227.

"(b) PERMISSIBLE INCENTIVES.—Such agreements may include one or more of the following incentives that the Secretary, after taking into account local market conditions, determines to be necessary to provide an annual return equal to 8 percent of the owner's equity in the housing (the preservation value established under section 228 minus the outstanding balance on the HUD-assisted mortgage):

"(1) Increased access to residual receipts accounts.

"(2) Subject to the availability of amounts provided in appropriations Acts—

"(A) an increase in the rents permitted under an existing contract under section 8 of the United States Housing Act of 1937, or

"(B) additional assistance under section 8 or an extension of any project-based assistance attached to the housing.

"(3) An increase in the rents on units occupied by current tenants as permitted under section 227.

"(4) Financing of capital improvements under section 201 of the Housing and Community Development Amendments of 1978.

"(5) Financing of capital improvements through provision of insurance for a second mortgage under section 241 of the National Housing Act.

"(6) In the case of housing defined in section 233(a)(A)(iii), redirection of the Interest Reduction Payment subsidies to a second mortgage.

"(7) Other incentives authorized in law.

"SEC. 226. INCENTIVES TO TRANSFER THE HOUSING TO QUALIFIED PURCHASERS.

"(a) IN GENERAL.—Where the notice of intent submitted by the owner under section 222 indicates an intention to transfer the housing to a qualified purchaser, the owner shall, prior to offering to sell the housing to any qualified purchaser, give priority purchasers a right of first offer to purchase the housing in accordance with subsection (b).

"(b) RIGHT OF FIRST OFFER.—(1) For the 3-month period following receipt of a notice of intent submitted by an owner under section 222, priority purchasers shall have an opportunity to give a written notice to the owner and the Secretary stating their interest in acquiring the housing ('expression of interest'). Such written notice shall be in such form and include such information as the Secretary may prescribe.

"(2) Within 30 days of receipt of an expression of interest by a priority purchaser, the Secretary shall provide such purchaser with information on the assistance available from the Federal Government to facilitate a transfer and the owner shall provide appropriate information on the housing, to be determined by the Secretary. Priority purchasers shall have 9 months from the date of receipt of such information to negotiate a purchase with the owner and submit (with the owner) a plan of action requesting assistance under subsection (d).

"(c) OFFERS TO PURCHASE.—In the event that (1) no priority purchasers submit a timely expression of interest in acquiring the housing as provided in subsection (b); or (2) the owner is unable to reach agreement on the terms of a sale with any priority purchaser after the 9-month negotiation period has expired, the owner shall be free to offer to sell the housing to any other qualified purchaser.

"(d) ASSISTANCE.—(1) The Secretary shall approve a plan of action requesting assistance submitted by an owner and a qualified purchaser only if residents of the housing who comprise at least 50 percent of the units in the housing support such transfer. Where the qualified purchaser is a resident council, the Secretary shall, prior to approval, find that the council's proposed resident homeownership program meets the requirements specified in section 230. For all other qualified purchasers, the Secretary shall, prior to approval, find that the criteria of approval specified in section 227 have been satisfied.

"(2) The Secretary shall, for approvable plans of action, provide assistance sufficient to enable qualified purchasers to (A) acquire the eligible low-income housing from the current owner for a purchase price equal to the preservation value of the housing; (B) rehabilitate the housing up to housing standards established for this subtitle; and (C) establish adequate operating and replacement reserves. In the case of an approved resident homeownership program, the Secretary shall also provide assistance to cover the costs of training for the resident council, homeownership counseling and training, the fees for the nonprofit entity or public agency working with the resident council and costs related to relocation of tenants who elect to move.

"(3)(A) Where the qualified purchaser is a priority purchaser, the Secretary may provide assistance (in the form of a grant) for each unit in the housing in an amount, as determined by the Secretary, that is no greater than the present value of the total of the projected published fair market rents for existing housing established by the Secretary under section 8(c) of the United States Housing Act of 1937 for the next 10 years (or such longer period if additional assistance is necessary to cover the costs referenced under paragraph (2)).

"(B) For all qualified purchasers, the Secretary may provide assistance for an approved application in the form of one or more of the incentives authorized under section 225(b). The Secretary may also provide insurance for a second mortgage under subsections (d) and (f) of section 241 of the National Housing Act for purposes of acquisition and rehabilitation.

"(5)(A) For purposes of this title, the term 'priority purchaser' means (i) a resident council organized to acquire the housing in accordance with a resident homeownership program that meets the requirements of section 228; and (ii) qualified nonprofit organizations dedicated to the promotion of affordable housing and State and local agencies that agree to maintain low-income affordability restrictions for the remaining useful life of the housing.

"(B) The term 'qualified purchaser' includes priority purchasers and for-profit entities that agree to maintain low-income affordability restrictions for the remaining useful life of the housing.

"SEC. 227. CRITERIA FOR APPROVAL OF PLAN OF ACTION INVOLVING INCENTIVES.

"(a) IN GENERAL.—The Secretary may approve a plan of action that describes the owner's plan to extend the low-income affordability restrictions of the housing or transfer the housing to a qualified purchaser (other than a resident council) only upon finding that—

"(1) due diligence has been given to ensuring that the package of incentives is, for the Federal government, the least costly alternative that is consistent with the full achievement of the purposes of this title;

"(2) binding commitments have been made to ensure that—

"(A) the housing will be retained as housing affordable for very low-income families or persons, low income families or persons, and moderate-income families or persons for the remaining useful life of such housing;

"(B) throughout such period, adequate expenditures will be made for maintenance and operation of the housing;

"(C) current tenants will not be involuntarily displaced (except for good cause);

"(D) any increase in rent contributions for current tenants will be to a level that does not exceed 30 percent of the adjusted income of the tenant or the published existing fair market rent for comparable housing established under section 8(c) of the United States Housing Act of 1937, whichever is lower (current tenants shall not qualify for a reduction in rent contributions by reason of this subparagraph);

"(E)(i) any resulting increase in rents for current tenants (except for increases made necessary by increased operating costs)—

"(I) shall be phased in equally over a period of not less than 3 years, if such increase is 30 percent or more; and

"(II) shall be limited to not more than 10 percent per year if such increase is more than 10 percent but less than 30 percent; and

"(ii) assistance under section 8 of the United States Housing Act of 1937 shall be provided if necessary to mitigate any adverse effect on current income-eligible tenants; and

"(F)(i) rents for units becoming available to new tenants shall be at levels approved by the Secretary that will ensure, to the extent practicable, that the units will be available and affordable to the same proportions of very low-income families or persons, low income families or persons, and moderate income families or persons (including families or persons whose incomes are 95 percent or more of area median income) as resided in the housing as of January 1, 1987 (based on the area median income limits established by the Secretary in February, 1987), or the date the plan of action is approved, whichever date results in the highest proportion of very low-income families, except that this limitation shall not prohibit a higher proportion of very low-income families from occupying the housing; and

"(ii) in approving rents under this paragraph, the Secretary shall take into account any additional incentives provided under this subtitle and shall make provision for such annual rent adjustments as may be made necessary by future reasonable increases in operating costs; and

"(3) no incentives under sections 225 and 226 will go into effect until the Secretary determines the project meets housing standards established by the Secretary, except that incentives under such sections and other incentives designed to correct deficiencies in the project may be provided.

"(b) SECTION 8 RENTAL ASSISTANCE.—When providing rental assistance under section 8, the Secretary may enter into a contract with an owner, contingent upon the future availability of appropriations for the purpose of renewing expiring contracts for rental assistance as provided in appropriations Acts, to extend the term of such rental assistance for such additional period or periods as is necessary to carry out an approved plan of action. The contract and the approved plan of action shall provide that, if the Secretary is unable to extend the term of such rental assistance or is unable to develop a revised package of incentives providing benefits to the owner comparable to those received under the original approved plan of action, the Secretary, upon the request of the owner, shall take the following actions (subject to the limitations under the following paragraphs):

"(1) Modify the binding commitments made pursuant to subsection (a) that are dependent on such rental assistance.

"(2) Terminate the plan of action and any implementing use agreements or restrictions, but only if the owner agrees in writing to take the actions specified in the plan to ensure that any tenants displaced are relocated to affordable housing.

At least 30 days before making a request under the preceding sentence, an owner shall notify the Secretary of the owner's intention to submit the request. The Secretary shall have a period of 90 days following receipt of such notice to take action to extend the rental assistance contract and to continue the binding commitments under subsection (a).

"(c) RELOCATION OF DISPLACED TENANTS.—Any plan of action that includes incentives shall specify actions that the Secretary and the owner shall take to ensure that any tenants displaced as a result of modifications taken pursuant to subsection (b) are relocated to affordable housing.

"(d) AFFORDABILITY.—Agreements to maintain the low-income affordability restrictions for the remaining useful life of the housing may be made through execution of a new regulatory agreement, modifications to the existing regulatory agreement or mortgage, or, in the case of the prepayment of a mortgage or voluntary termination of mortgage insurance, a recorded instrument.

"SEC. 228. PRESERVATION VALUE.

"(a) IN GENERAL.—The preservation value of eligible low-income housing under this subtitle shall be an amount equal to the fair market value of the housing as multifamily rental housing, as calculated in accordance with subsection (b).

"(b) FAIR MARKET VALUE DETERMINATION.—(1) The fair market value of the housing shall be determined by two independent ap-

praisers, one of whom shall be selected by the Secretary and one of whom shall be selected by the owner. If the two appraisers fail to agree on the fair market value, the Secretary and the owner shall jointly select a third appraiser, whose appraisal shall be binding on the parties.

"(2) The Secretary shall provide written guidelines for appraisals of fair market value under this section, which shall assume repayment of the existing HUD-assisted mortgage, termination of the existing low-income affordability restrictions and conversion to market rate, multifamily rental housing. Such guidelines shall establish methods for (A) determining rehabilitation expenditures that would be necessary to bring the housing up to quality standards required to attract and sustain a market rate tenancy upon conversion and (B) assessing other costs that the owner could reasonably be expected to incur if the owner converted the property to market rate, multifamily rental housing. The guidelines may permit reliance upon assessments of rehabilitation needs and other conversion costs determined by an appropriate State agency, as determined by the Secretary. The value of the property calculated in accordance with the guidelines shall be discounted by such percentage as the Secretary determines to be an appropriate adjustment to reflect the residual value of the prior Federal assistance in the development, operation and maintenance of the housing.

"(3) The Secretary may approve a plan of action under section 225 or section 226 only based upon an appraisal conducted in accordance with this section that is not more than one year old.

"SEC. 229. TIMETABLE FOR APPROVAL OF PLAN OF ACTION.

"(a) NOTIFICATION OF DEFICIENCIES.—Not later than 60 days after receipt of a plan of action, the Secretary shall notify the owner in writing of any deficiencies that prevent the plan of action from being approved. If deficiencies are found, such notice shall describe alternative ways in which the plan could be revised to meet the criteria for approval.

"(b) NOTIFICATION OF APPROVAL.—

"(1) IN GENERAL.—Not later than 180 days after receipt of a plan of action, or such longer period as the owner requests, the Secretary shall notify the owner in writing whether the plan of action, including any revisions, is approved. If approval is withheld, the notice shall describe—

"(A) the reasons for withholding approval; and

"(B) the actions that could be taken to meet the criteria for approval.

"(2) OPPORTUNITY TO REVISE.—The Secretary shall subsequently give the owner a reasonable opportunity to revise the plan of action and seek approval.

"SEC. 230. RESIDENT HOMEOWNERSHIP PROGRAM.

"(a) FORMATION OF RESIDENT COUNCIL.—Tenants seeking to purchase eligible low-income housing in accordance with section 226 shall organize a resident council for the purpose of developing a resident homeownership program in accordance with standards established by the Secretary. The resident council shall work with a public or private nonprofit organization or a public body (including an agency or instrumentality thereof). Such organization or public body shall have experience that will enable it to help the tenants consider their options and to develop the capacity necessary to own and manage the housing, where appropriate, and shall be approved by the Secretary.

"(b) OTHER PROGRAM REQUIREMENTS AND LIMITATIONS.—

"(1) SALES TO RESIDENTS.—As a condition of approval of a homeownership program under this subtitle, the resident council shall prepare a workable plan acceptable to the Secretary for giving all residents an opportunity to become owners, which plan shall identify—

"(A) the price at which the resident council intends to transfer ownership interests in, or shares representing, units in the housing;

"(B) the factors that will influence the setting of such price;

"(C) how such price compares to the estimated appraised value of the ownership interests or shares;

"(D) the underwriting standard the resident council plans to use (or reasonably expects a public or private lender to use) for potential tenant purchasers;

"(E) the financing arrangements the tenants are expected to pursue or be provided; and

"(F) a workable schedule of sale (subject to the limitations of paragraph (8)) based on estimated tenant incomes.

"(2) APPROVAL OF METHOD OF CONVERSION.—The Secretary shall approve the method for converting the housing to homeownership, which may involve acquisition of ownership interests in, or shares representing, the units in a project under any arrangement determined by the Secretary to be appropriate, such as cooperative ownership (including limited equity cooperative ownership) and fee simple ownership (including condominium ownership).

"(3) REQUIRED CONDITIONS.—The Secretary shall require that the form of homeownership impose appropriate conditions, including conditions to assure that—

"(A) the number of initial owners that are very low-income, lower income, or moderate-income persons at initial occupancy meet standards required or approved by the Secretary;

"(B) occupancy charges payable by the owners meet requirements established by the Secretary;

"(C) the aggregate incomes of initial and subsequent owners and other sources of funds for the project are sufficient to permit occupancy charges to cover the full operating costs of the housing and any debt service; and

"(D) each initial owner occupies the unit it acquires.

"(4) USE OF PROCEEDS FROM SALES TO ELIGIBLE FAMILIES.—The entity that transfers ownership interests in, or shares representing, units to eligible families, or another entity specified in the approved application, may use 50 percent of the proceeds, if any, from the initial sale for costs of the homeownership program, including improvements to the project, operating and replacement reserves for the project, additional homeownership opportunities in the project; and other project-related activities approved by the Secretary. The remaining 50 percent of such proceeds shall be returned to the Secretary for use under section 226, subject to limitations contained in appropriations Acts. Such entity shall keep and make available to the Secretary all records necessary to calculate accurately payments due the Secretary under this subsection.

"(5) RESTRICTIONS ON RESALE BY HOMEOWNERS.—(A) A homeowner under a homeownership program may transfer the homeowner's interest in, or shares representing, the unit only (i) to low-income families; and (ii) at a price consistent with guidelines established by the Secretary that are designed to provide the owner with a fair return on investment (subject to paragraph (2)), including any improvements, and to ensure that the housing will remain affordable to a reasonable range of low-income homebuyers.

"(B) If the sale to the first eligible family is for less than market value, the homeownership program shall provide for appropriate restrictions to assure that an eligible family may not receive any undue profit. The plan shall provide for—

"(i) authorizing the family to retain a portion of the net proceeds of the sale on a sliding scale over a 10-year period;

"(ii) limiting the family's consideration for its interest in the property to the total of—

"(I) the contribution to equity paid by the family;

"(II) the value, as determined by such means as the Secretary shall determine through regulation, of any improvements installed at the expense of the family during the family's tenure as owner; and

"(III) the appreciated value determined by an inflation allowance at a rate which may be based on a cost-of-living index, an income index, or market index as determined by the Secretary through regulation and agreed to by the purchaser and the entity that transfers ownership interests in, or shares representing, units to eligible families (or another entity specified in the approved application), at the time of initial sale, and applied against the contribution to equity; such entity may, at the time of initial sale, enter into an agreement with the family to set a maximum amount which this appreciation may not exceed;

"(iii) execution by the initial purchaser of a promissory note equal to the difference between the market value and the purchase price, payable to the recipient or other entity designated in the homeownership plan, together with a mortgage securing the obligation of the note; or

"(iv) any other appropriate arrangement that the Secretary determines is adequate to prevent undue profit for at least 10 years.

"(C) Upon sale, the entity that transferred ownership interests in, or shares representing, units to eligible families, or another entity specified in the approved application, shall ensure that subsequent owners are bound by the same limitations on resale and further restrictions on equity appreciation.

"(D) Fifty percent of any portion of the net sales proceeds that may not be retained by the homeowner under the plan approved pursuant to subparagraph (B) shall be paid to the entity that transferred ownership interests in, or shares representing, units to eligible families, or another entity specified in the approved application, for use for costs of the homeownership program, including improvements to the project, operating and replacement reserves for the project, additional homeownership opportunities in the project; and other project-related activities approved by the Secretary. The remaining 50 percent of such proceeds shall be returned to the Secretary for use under section 226, subject to limitations contained in appropriations Acts. Such entity shall keep and make available to the Secretary all records necessary to calculate accurately payments due the Secretary under this subsection.

"(6) PROTECTION OF NONPURCHASING FAMILIES.—(A) No tenant residing in a dwelling unit in a property on the date the Secretary approves a plan of action may be evicted by

reason of a homeownership program approved under this subtitle.

"(B) If a tenant decides not to purchase a unit, or is not qualified to do so, the Secretary shall ensure that rental assistance under section 8 is available for use by each otherwise qualified tenant (that meets the eligibility requirements under such section) in that or another property. The requirement for giving preference to certain categories of eligible families under sections 8(d)(1)(A) and 8(o)(3) of the United States Housing Act of 1937 shall not apply to the provision of assistance to such families.

"(C) The resident council shall also inform each such tenant that if the tenant chooses to move, the owner will pay relocation assistance in accordance with the approved homeownership program.

"(7) QUALIFIED MANAGEMENT.—As a condition of approval of a homeownership program under this subtitle, the resident council shall have demonstrated its abilities to manage eligible properties by having done so effectively and efficiently for a period of not less than 3 years or by entering into a contract with a qualified management entity that meets such standards as the Secretary may prescribe to ensure that the property will be maintained in a decent, safe, and sanitary condition.

"(8) TIMELY HOMEOWNERSHIP.—Resident councils shall transfer ownership of the property to tenants within a specified period of time that the Secretary determines to be reasonable. During the interim period when the property continues to be operated and managed as rental housing, the resident council shall utilize written tenant selection policies and criteria that are approved by the Secretary as consistent with the purpose of providing housing for very low-income families. The resident council shall promptly notify in writing any rejected applicant of the grounds for any rejection.

"(9) RECORDS AND AUDIT OF RESIDENT COUNCILS.—(A) Each resident council shall keep such records as may be reasonably necessary to fully disclose the amount and the disposition by such resident council of the proceeds of assistance received under this subtitle (including any proceeds from sales under paragraphs (4) and (5)(D)), the total cost of the homeownership program in connection with which such assistance is given or used, and the amount and nature of that portion of the program supplied by other sources, and such other sources as will facilitate an effective audit.

"(B) The Secretary shall have access for the purpose of audit and examination to any books, documents, papers, and records of the resident council that are pertinent to assistance received under this subtitle.

"(C) The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall also have access for the purpose of audit and examination to any books, documents, papers, and records of the resident council that are pertinent to assistance received under this subtitle.

"(10) Any entity that assumes, as determined by the Secretary, a mortgage covering low-income housing in connection with the acquisition of the housing from an owner under this section must comply with any low-income affordability restrictions for the remaining useful life of the housing. This requirement shall only apply to an entity, such as a cooperative association, that, as determined by the Secretary, intends to own the housing on a permanent basis.

"SEC. 231. DELEGATED RESPONSIBILITY TO STATE AGENCIES.

"(a) IN GENERAL.—The Secretary shall delegate responsibility for implementing this subtitle to a State housing agency if such agency submits a preservation plan acceptable to the Secretary.

"(b) APPROVAL.—State preservation plans shall be submitted in such form and in accordance with such procedures as the Secretary shall establish. The Secretary may approve plans that contain—

"(1) an inventory of low-income housing located within the State that is or will be eligible low-income housing under this subtitle within 5 years;

"(2) a description of the agency's experience in the area of multifamily financing and restructuring;

"(3) a description of the administrative resources that the agency will commit to the processing of plans of action in accordance with this title;

"(4) a description of the administrative resources that the agency will commit to the monitoring of approved plans of action in accordance with this subtitle;

"(5) an independent analysis of the performance of the multifamily housing inventory financed or otherwise monitored by the agency;

"(6) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 105 of the National Affordable Housing Act that the proposed activities are consistent with the approved housing strategy of the State within which the eligible low-income housing is located; and

"(7) such other certifications or information that the Secretary determines to be necessary or appropriate to achieve the purposes of this subtitle.

"(c) IMPLEMENTATION AGREEMENTS.—The Secretary may enter into such agreements as are necessary to implement an approved State preservation plan, which agreements may include incentives that are authorized in other provisions of this subtitle.

"SEC. 232. CONSULTATIONS WITH OTHER INTERESTED PARTIES.

"The Secretary shall confer with any appropriate State or local government agency to confirm any State or local assistance that is available to achieve the purposes of this title and shall give consideration to the views of any such agency when making determinations under this subtitle. The Secretary shall also confer with appropriate interested parties that the Secretary believes could assist in the development of a plan of action that best achieves the purposes of this subtitle.

"SEC. 233. DEFINITIONS.

"For purposes of this subtitle:

"(1) The term 'eligible low-income housing' means any housing financed by a loan or mortgage—

"(A) that is—

"(i) insured or held by the Secretary under section 221(d)(3) of the National Housing Act and assisted under section 101 of the Housing and Urban Development Act of 1965 or section 8 of the United States Housing Act of 1937;

"(ii) insured or held by the Secretary and bears interest at a rate determined under the proviso of section 221(d)(5) of the National Housing Act;

"(iii) insured, assisted, or held by the Secretary or a State or State agency under section 236 of the National Housing Act; or

"(iv) held by the Secretary and formerly insured under a program referred to in clause (i), (ii), or (iii); and

"(B) that, under regulation or contract in effect before February 5, 1988, is or will within 18 months become eligible for prepayment without prior approval of the Secretary.

"(2) The term 'low-income affordability restrictions' means limits imposed by regulation or regulatory agreement on tenant rents, rent contributions, or income eligibility in eligible low-income housing.

"(3) The terms 'low income families or persons' and 'very low-income families or persons' mean families or persons whose incomes do not exceed the respective levels established for low income families and very low-income families, respectively, under section 3(b)(2) of the United States Housing Act of 1937.

"(4) The term 'moderate-income families or persons' means families or persons whose incomes are between 80 percent and 95 percent of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families.

"(5) The term 'owner' means the current or subsequent owner or owners of eligible low-income housing.

"(6) The term 'Secretary' means the Secretary of Housing and Urban Development.

"(7) The term 'resident council' means any incorporated nonprofit organization or association that—

"(A) is representative of the resident of the housing;

"(B) adopts written procedures providing for the election of officers on a regular basis; and

"(C) has a democratically elected governing board, elected by the residents of the housing.

"SEC. 234. NOTICE TO TENANTS.

"Where a provision of this subtitle requires that information or material be given to tenants of the housing, the requirement may be met by (a) posting a copy of the information or material in readily accessible locations within each affected building, or posting notices in each such location describing the information or material and specifying a location, as convenient to the tenants as is reasonably practical, where a copy may be examined, and (b) supplying a copy of the information or material to a representative of the tenants.

"SEC. 235. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated for assistance and incentives authorized under this subtitle $412,500,000 for fiscal year 1991, $858,000,000 for fiscal year 1992, and $892,320,000 for fiscal year 1993.

"SEC. 236. APPLICABILITY.

"The requirements of this subtitle shall apply to any project that is eligible low-income housing on or after November 1, 1987.".

(b) TABLE OF CONTENTS.—The table of contents of such Act is amended by striking the items relating to subtitles A and B of title II and inserting the following:

"Subtitle A—Short Title

"Sec. 201. Short title.

"Subtitle B—Prepayment of Mortgages Insured Under the National Housing Act and Resident Homeownership

"Sec. 221. General prepayment limitation.
"Sec. 222. Notice of intent.
"Sec. 223. Information from the Secretary; plan of action.
"Sec. 224. Prepayment and voluntary termination.

"Sec. 225. Incentives to extend low-income use.
"Sec. 226. Incentives to transfer the housing to qualified purchasers.
"Sec. 227. Criteria for approval of plan of action involving incentives.
"Sec. 228. Preservation value.
"Sec. 229. Timetable for approval of plan of action.
"Sec. 230. Resident homeownership program.
"Sec. 231. Delegated responsibility to State agencies.
"Sec. 232. Consultations with other interested parties.
"Sec. 233. Definitions.
"Sec. 234. Notice to tenants.
"Sec. 235. Authorization of appropriations.
"Sec. 236. Applicability.".

SEC. 504. RELATED NATIONAL HOUSING ACT AMENDMENTS.

(a) CONFORMING AMENDMENTS.—Section 241(f) of the National Housing Act is amended by—

(1) in paragraph (1), striking out "section 233 of the Emergency Low Income Housing Preservation Act of 1987" and inserting in lieu thereof "section 232 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990";

(2) in paragraph (2)(A), striking out "value" and all that follows through the second comma and inserting in lieu thereof "preservation value determined by the Secretary under section 228 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990"; and

(3) in paragraph (2)(A), striking out "section 225(b) of the Emergency Low Income Housing Preservation Act of 1987" and inserting in lieu thereof "section 227 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990".

(b) APPROVAL PRIOR TO FORECLOSURE.—Section 250(b) of such Act is amended to read as follows:

"(b) A mortgagee may not foreclose the mortgage on, or acquire by deed in lieu of foreclosure, any project to which subsection (a) of this section applies, without the approval of the Secretary.".

(c) REPEALER.—Section 250(c) of such Act is hereby repealed, and section 250(d) is redesignated as section 250(c).

SEC. 505. RELATED UNITED STATES HOUSING ACT OF 1937 AMENDMENTS.

Section 8(v)(2) of the United States Housing Act of 1937 is amended by striking out "Emergency Low Income Housing Preservation Act of 1987" and inserting in lieu thereof "Low-Income Housing Preservation and Resident Homeownership Act of 1990".

SEC. 506. EXTENSION OF PRIOR LAW UNTIL EFFECTIVE DATE OF THIS ACT.

Section 203 of the Emergency Low Income Housing Preservation Act of 1987 is hereby repealed. This section shall take effect upon enactment of this Act.

SEC. 507. TRANSITION.

Any owner of eligible low-income housing covered by the Emergency Low Income Housing Preservation Act of 1987 shall instead be subject to the Low-Income Housing Preservation and Resident Homeownership Act of 1990 unless the owner has (a) submitted a notice of intent under the Emergency Low Income Housing Preservation Act of 1987 before January 1, 1990, and (b) before the effective date of this title—

(1) has received approval from the Secretary of Housing and Urban Development to prepay a mortgage or voluntarily terminate mortgage insurance pursuant to a plan of action approved under section 225(a) of the Emergency Low Income Housing Preservation Act of 1987, and

(2) has (A) executed and recorded a use restriction or regulatory agreement modification under a plan of action approved by the Secretary under section 225(b) of such Act; or (B) entered into a regulatory agreement modification pursuant to section 228 of such Act.

SEC. 508. EFFECTIVE DATE.

The effective date of this title (other than section 506) shall be the effective date of final regulations issued by the Secretary.

Subtitle B—Low-Income Rental Assistance

SEC. 521. SECTION 8 REVISIONS.

(a) DESIGNATION OF CERTIFICATE AND VOUCHER PROGRAMS.—

(1) Section 8(b) of the United States Housing Act of 1937 is amended by striking "(b)(1)" and inserting "(b) RENTAL CERTIFICATES.—".

(2) Section 8(o) of the United States Housing Act of 1937 is amended by inserting "RENTAL VOUCHERS.—" after "(o)".

(b) FAIR MARKET RENT REFINEMENT.—

(1) Section 8(c)(1) of the United States Housing Act of 1937 is amended—

(A) by inserting "(A)" after "(c)(1)";

(B) by paragraphing and inserting "(B)" at the beginning of the fourth sentence;

(C) by paragraphing and inserting "(C)" at the beginning of the sixth sentence;

(D) by paragraphing and inserting "(D)" at the beginning of the seventh sentence; and

(E) by paragraphing and inserting "(E)" at the beginning of the eighth sentence.

(2) Section 8(c)(1)(B) of the United States Housing Act of 1937 is amended by adding at the end the following new sentence: "The Secretary may approve an alternative schedule with more than one fair market rent for an area if a participating jurisdiction or jurisdictions whose boundaries encompass all or part of the area demonstrate to the satisfaction of the Secretary that such alternative fair market rent schedule (i) accurately reflects rent variations among submarkets within the area, and (ii) will (I) improve housing opportunities for disadvantaged minorities and families with special needs, (II) provide very low-income families with better access to employment and education opportunities, or (III) otherwise further the objectives of national housing policy as affirmed by Congress.".

(c) TENANT RENT CONTRIBUTIONS UNDER TENANT-BASED CERTIFICATE PROGRAM.—

(1) Section 8(c)(3) of the United States Housing Act of 1937 is amended—

(A) by inserting "(A)" after "(3)" the first time it appears; and

(B) by adding at the end the following new subparagraph:

"(B)(i) A family receiving tenant-based rental assistance under subsection (b)(1) may pay a higher percentage of income than that specified under section 3(a) of this Act if—

"(I) the family notifies the local public housing agency of its interest in a unit renting for an amount which exceeds the permissible maximum monthly rent established for the market area under paragraph (1), and

"(II) such agency determines that the rent for the unit and the rental payments of the family are reasonable, after taking into account other family expenses.

"(ii) A public housing agency shall not approve such excess rentals for more than 10 percent of its annual allocation of incremental rental assistance under subsection (b)(1). A public housing agency that approves such excess rentals for more than 5 percent of its annual allocation shall submit a report to the Secretary not later than 30 days following the end of the fiscal year. The report shall be submitted in such form and in accordance with such procedures as the Secretary shall establish and shall describe the public housing agency's reasons for making the exceptions, including any available evidence that the exceptions were made necessary by problems with the fair market rent established for the area. The Secretary shall ensure that each report submitted in accordance with this clause is readily available for public inspection for a period of not less than 3 years, beginning not less than 30 days following the date on which the report is submitted to the Secretary.

"(iii) The Secretary shall, not later than 3 months following the end of each fiscal year, submit a report to Congress that identifies the public housing agencies that have submitted reports for such fiscal year under clause (ii), summarizes and assesses such reports, and includes recommendations for such legislative or administrative actions that the Secretary deems appropriate to correct problems identified in such reports.".

(2) The second sentence of section 8(c)(1)(A) of the United States Housing Act of 1937 is amended by—

(A) inserting "(i)" after "fair market rental" the second time it appears; and

(B) by striking "a local housing assistance plan" and all that follows through the end of the sentence and inserting in lieu thereof the following: "a housing strategy as defined in section 105 of the National Affordable Housing Act, or (ii) by such higher amount as may be requested by a tenant and approved by the public housing agency in accordance with paragraph (3)(B).".

(d) SPECIAL REVISIONS TO PROJECT-BASED CERTIFICATE PROGRAM.—

(1) TENANT SELECTION.—Section 8(d)(2) of the United States Housing Act of 1937 is amended by adding at the end the following new subparagraph:

"(D) Where a contract for assistance payments is attached to a structure, the owner shall adopt written tenant selection procedures that are satisfactory to the Secretary as (i) consistent with the purpose of improving housing opportunities for very low-income families; and (ii) reasonably related to program eligibility and an applicant's ability to perform the obligations of the lease. An owner shall promptly notify in writing any rejected applicant of the grounds for any rejection.".

(2) PROJECT-BASING OF CERTIFICATES.—Section 8(d)(2)(A) of the United States Housing Act of 1937 is amended by striking all that follows the comma in the second sentence and inserting the following: "the contract for assistance payments may be attached to the structure (including a single room occupancy facility) only if the owner agrees to rehabilitate the structure other than with assistance under this Act and otherwise complies with the requirements of this section.".

(3) TERM OF ASSISTANCE.—Section 8(d)(2)(C) of the United States Housing Act of 1937 is amended to read as follows:

"(C) In the case of a contract for assistance payments that is attached to a structure under this paragraph, a public housing agency shall enter into a contract with an owner, contingent upon the future availability of appropriations for the purpose of renewing expiring contracts for assistance payments as provided in appropriations Acts, to extent the term of the underlying contract for assistance payments for such

period or periods as the Secretary determines to be appropriate to achieve long-term affordability of the housing. The contract shall obligate the owner to have such extensions of the underlying contract for assistance payments accepted by the owner and the owner's successors in interest.".

(4) ENERGY EFFICIENCY STANDARDS.—Section 8(d)(2)(B)(ii) of the United States Housing Act of 1937 is amended to read as follows:

"(ii) the structure meets the energy efficiency standards promulgated by the Secretary in accordance with section 109 of the National Affordable Housing Act.".

(e) REVISIONS TO VOUCHER PROGRAM.—

(1) REASONABLENESS OF RENTS.—Section 8(o) of the United States Housing Act of 1937 is amended by adding at the end the following new paragraph:

"(10)(A) The rent for units assisted under this subsection shall be reasonable in comparison with rents charged for comparable units in the private unassisted market or assisted under section (b)(1). A public housing agency shall, at the request of a family assisted under this subsection, assist such family in negotiating a reasonable rent with an owner. A public housing agency shall review all rents for units under consideration by families assisted under this subsection (and all rent increases for units under lease by families assisted under this subsection) to determine whether the rent (or rent increase) requested by an owner is reasonable. If a public housing agency determines that the rent (or rent increase) for a unit is not reasonable, the agency may disapprove a lease for such unit.".

(2) DOCUMENTATION OF EXCESSIVE RENT BURDENS.—Section 8(o)(9) of the United States Housing Act of 1937 is amended by adding at the end the following new subparagraph:

"(B)(i) A public housing agency shall, at least annually, in a written form satisfactory to the Secretary, obtain information on the percentage of income paid for rent of all families assisted under this subsection. If, during any fiscal year, more than 10 percent of the families assisted under this subsection by a public housing agency pay a higher percentage of income than that specified under section 3(a) of this Act, the local public housing agency shall submit a report to the Secretary not later than 30 days following the end of the fiscal year. The report shall be submitted in such form and in accordance with such procedures as the Secretary shall establish and shall contain the public housing agency's assessment of the reasons for such excessive rent burdens, including any available evidence that the excessive rent burdens were caused by problems with the fair market rent established for the area. The Secretary shall ensure that each report submitted in accordance with this clause is readily available for public inspection for a period of not less than 3 years, beginning not less than 30 days following the date on which the report is submitted to the Secretary.

"(ii) The Secretary shall, not later than 3 months following the end of a fiscal year, submit a report to Congress that—

"(I) identifies the public housing agencies that have submitted reports for such fiscal year under clause (i),

"(II) summarizes and assesses such reports, and

"(III) includes recommendations for such legislative or administrative actions that the Secretary deems appropriate to correct problems identified in such reports.".

(3)(A) ADJUSTMENT OF SUBSIDY.—Section 8(o)(2) of the United States Housing Act of 1937 is amended—

(i) by striking "The" after "(2)" and inserting "(A) Except as provided for in subparagraph (B), the"; and

(ii) by adding at the end the following new subparagraph:

"(B) The monthly assistance payment for a family residing in the same unit in which it resided at the time the family received a voucher shall be the amount by which the rent for the dwelling unit (including the amount allowed for utilities in the case of a unit with separate utility metering) exceeds 30 percent of the family's monthly adjusted income: Provided, That the rent is equal to or less than the payment standard.".

(B) The amendment made by subparagraph (A) shall apply only to vouchers made available in appropriations Acts after the date of enactment of the National Affordable Housing Act.

(f) TENANT PROTECTIONS.—Section 8(d)(1)(B) of the United States Housing Act is amended by—

(1) striking "and" before "(ii)"; and

(2) adding at the end the following new clauses:

"(iii) the lease between the tenant and the owner shall provide that the tenant, any member of the tenant's household, or a guest or other person under the tenant's control shall not engage in activity that adversely affects the health, safety, or right to quiet enjoyment of the premises by other tenants, and shall not engage in criminal activity, including drug-related criminal activity, that threatens the health, safety, or right to quiet enjoyment of the premises by other tenants, and that such criminal activity shall be a cause for termination of tenancy; and

"(iv) any termination of tenancy shall be preceded by the owner's provision of written notice to the tenant specifying the grounds for such action.".

(g) DISTRIBUTION OF CERTIFICATES.—Section 213(d)(1)(A) of the Housing and Community Development Act of 1974 is amended by adding at the end the following new sentence: "Assistance under section 8(b)(1) of the United States Housing Act of 1937 shall be allocated in a manner that enables participating jurisdictions to carry out, to the maximum extent practicable, comprehensive housing affordability strategies approved in accordance with section 105 of the National Affordable Housing Act. Such jurisdictions shall submit recommendations for allocating assistance under section 8(b)(1) of such Act to the Secretary in accordance with procedures that the Secretary determines to be appropriate to permit allocations of such assistance to be made on the basis of timely and complete information. For purposes of this subparagraph, the term 'participating jurisdiction' means a State or unit of general local government designated by the Secretary to be a participating jurisdiction under title III of the National Affordable Housing Act.".

(h) RENEWAL OF EXPIRING CONTRACTS.—(1) Section 8 of the United States Housing Act of 1937 is amended by adding at the end the following new subsection:

"(w) Not later than 30 days after the beginning of each fiscal year, the Secretary shall publish in the Federal Register a plan for reducing, to the extent feasible, year-to-year fluctuations in the levels of budget authority that will be required over the succeeding 5-year period to renew expiring rental assistance contracts entered into under this section since the enactment of the Housing and Community Development Act of 1974. To the extent necessary to carry out such plan and to the extent approved in appropriations Acts, the Secretary is authorized to enter into annual contributions contracts with terms of less than 60 months.".

(2) Section 8(d)(2) of the United States Housing Act of 1937 is amended by inserting after the first sentence the following: "The Secretary shall permit public housing agencies to enter into contracts for assistance payments of less than 12 months duration in order to avoid disruption in assistance to eligible families if the annual contributions contract is within 1 year of its expiration date.".

(i) DEFINITION OF PARTICIPATING JURISDICTION.—Section 8(f) of the United States Housing Act is amended—

(1) by striking "and" at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3); and

(3) by adding at the end the following new paragraphs:

"(4) the term 'participating jurisdiction' means a State or unit of general local government designated by the Secretary to be a participating jurisdiction under title III of the National Affordable Housing Act; and

"(5) the term 'drug-related criminal activity' means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).".

(j) LOW-INCOME TERM.—The United States Housing Act of 1937 is amended—

(1) by striking "lower income families" each place it appears and inserting "low income families",

(2) by striking "lower income housing" each place it appears and inserting "low income housing".

(k) DRUG-RELATED AMENDMENTS.—Section 8(c)(2)(B) of the United States Housing Act of 1937 is amended by adding at the end the following: "Where the Secretary determines that a project assisted under this section is located in a community where drug-related criminal activity is generally prevalent and the project's operating, maintenance, and capital repair expenses have been substantially increased primarily as a result of the prevalence of such drug-related activity, the Secretary may, subject to the availability of appropriations for contract amendments for this purpose, on a project by project basis, provide adjustments to the maximum monthly rents, to a level no greater than the existing fair market rents established for the areas by the Secretary in accordance with paragraph (1), to cover the costs of maintenance, security, capital repairs, and reserves required for the owner to carry out a strategy acceptable to the Secretary for addressing the problem of drug-related criminal activity. Any rent comparability standard required under this paragraph may be waived by the Secretary to so implement the preceding sentence.".

(l) REVISIONS TO PREFERENCE RULES.—

(1) CERTIFICATE PROGRAM.—Section 8(d)(1)(A) of the United States Housing Act of 1937 is amended—

(A) by striking "(i)" the first time it appears;

(B) by inserting after "shall" the third time it appears the following: "(i) for not less than 90 percent of the families who initially receive assistance in any 1-year period,"; and

(C) by amending clause (ii) to read as follows: "(ii) for any remaining assistance in any 1-year period, give preference to families who qualify under a system of local pref-

erences established by the public housing agency in writing and after public hearing to respond to local housing needs and priorities which may include (I) assisting very low-income families who either reside in transitional housing assisted under title IV of the McKinney Homeless Assistance Act, or participate in a program designed to provide public assistance recipients with greater access to employment and educational opportunities; (II) assisting families in accordance with subsection (u)(2); (III) avoiding breakup of families and preserving and strengthening families and achieving other objectives identified in cooperation with child welfare agencies and other appropriate human service agencies; or (IV) achieving other objectives of national housing policy as affirmed by Congress; and (iii) prohibit any individual or family evicted from housing assisted under the Act by reason of drug-related criminal activity (as defined in subsection (f)(5)) from having a preference under any provision of this subparagraph for 5 years unless the evicted tenant successfully completes a rehabilitation program approved by the Secretary;".

(2) VOUCHER PROGRAM.—Section 8(o)(3) of the United States Housing Act of 1937 is amended—

(A) by inserting "(A)" after "(3)";

(B) by striking "(A)" and inserting in lieu thereof "(i)";

(C) by striking "(B)" and inserting in lieu thereof "(ii)";

(D) by striking "(C)" and inserting in lieu thereof "(iii)";

(E) by paragraphing and inserting "(B)" after the first sentence; and

(F) by adding at the end the following new sentence: "The public housing agency shall in implementing the preceding sentence establish a system of preferences in writing and after public hearing to respond to local housing needs and priorities which may include (i) assisting very low-income families who either reside in transitional housing assisted under title IV of the McKinney Homeless Assistance Act, or participate in a program designed to provide public assistance recipients with greater access to employment and educational opportunities, (ii) avoiding breakup of families and preserving and strengthening families and achieving other objectives identified in cooperation with child welfare agencies and other appropriate human service agencies, or (iii) achieving other objectives of national housing policy as affirmed by Congress. Any individual or family evicted from housing assisted under the Act by reason of drug-related criminal activity (as defined in subsection (f)(5)) is not eligible for a preference under any provision of this subparagraph for 5 years unless the evicted tenant successfully completes a rehabilitation program approved by the Secretary.".

(m) SECTION 8 OPT-OUTS.—Section 8(c)(9) of the United States Housing Act of 1937 is amended by—

(1) inserting at the end of the first sentence the following sentence: "The owner's notice shall include a statement that the owner and the Secretary may agree to a renewal of the contract, thus avoiding the termination."; and

(2) inserting before the final sentence the following sentence: "Within 30 days of the Secretary's finding, the owner shall provide written notice to each tenant of the Secretary's decision.".

SEC. 522. AUTHORIZATIONS.

(a) AGGREGATE BUDGET AUTHORITY.—Section 5(c)(6) of the United States Housing Act of 1937 is amended by adding at the end the following new sentence: "The aggregate amount of budget authority that may be obligated for contracts for annual contributions under section 8, for other assistance under section 8 and for amendments to existing contracts is increased (to the extent approved in appropriations Acts) by $2,896,920,000 on October 1, 1990, $3,019,003,000 on October 1, 1991, and $3,139,764,000 on October 1, 1992.".

(b) UTILIZATION OF BUDGET AUTHORITY.—Section 5(c)(7) of the United States Housing Act of 1937 is amended to read as follows:

"(7)(A) Using the additional budget authority provided under paragraph (6) and the balances of budget authority that become available during fiscal year 1991, the Secretary shall, to the extent approved in appropriations Acts, reserve authority to enter into obligations aggregating—

"(i) for assistance under section 8(b)(1)—

"(I) not more than $1,185,600,000 for increment rental assistance,

"(II) not more than $324,570,000 for property disposition activities,

"(III) not more than $149,400,000 for loan management activities, and

"(IV) not more than $108,750,000 for public housing replacement activities; and

"(ii) for assistance under section 8(o), not more than $1,128,600,000.

"(B) Using the additional budget authority provided under paragraph (6) and the balances of budget authority that become available during fiscal year 1992, the Secretary shall, to the extent approved in appropriations Acts, reserve authority to enter into obligations aggregating—

"(i) for assistance under section 8(b)(1),

"(I) not more than $1,233,024,000 for incremental assistance,

"(II) not more than $343,759,000 for property disposition activities,

"(III) not more than $155,376,000 for loan management activities, and

"(IV) not more than $113,100,000 for public housing replacement activities; and

"(ii) for assistance under section 8(a), not more than $1,173,744,000.

"(C) Using the additional budget authority provided under paragraph (6) and the balances of budget authority that become available during fiscal year 1993, the Secretary shall, to the extent approved in appropriations Acts, reserve authority to enter into obligations aggregating—

"(i) for assistance under section 8(b)(1),

"(I) not more than $1,282,345,000 for incremental assistance,

"(II) not more than $357,510,000 for property disposition activities,

"(III) not more than $161,591,000 for loan management activities, and

"(IV) not more than $117,624,000 for public housing replacement activities; and

"(ii) for assistance under section 8(a) than $1,220,694,000.".

Subtitle C—Operation Bootstrap

SEC. 531. OPERATION BOOTSTRAP DEMONSTRATION PROGRAM.

(a) ESTABLISHMENT OF DEMONSTRATION PROGRAM.—The Secretary shall carry out a program to demonstrate the effectiveness of local strategies that coordinate the provision of assistance under section 8 of the United States Housing Act of 1937 and public and private economic self- sufficiency programs to enable eligible families to achieve economic independence. The demonstration period shall be 5 years.

(b) SET-ASIDE OF RENTAL CERTIFICATES.—In connection with this demonstration, the Secretary shall enter into contracts with public housing agencies to provide rental assistance under the voucher program authorized under section 8(o) of the United States Housing Act of 1937. The Secretary shall set-aside not more than 5,000 incremental rental vouchers for the purpose of carrying out this demonstration.

(c) APPLICATION.—The funds made available under this section shall be allocated by the Secretary among approvable applications submitted by units of general local government. Applications for assistance under this section shall be submitted by the chief executive officers of such jurisdictions in such form and in accordance with such procedures as the Secretary shall establish. Applications for assistance shall contain—

(1) a description of the size, characteristics and needs of the population of the families expected to participate in the Operation Bootstrap program;

(2) a description of the services and activities to be provided to families receiving rental vouchers under this section, which shall be provided by both public and private resources and may include but not be limited to child care, transportation, personal and career counseling, job training and placement, case management and education;

(3) a description of how the Operation Bootstrap program will match services and activities to the needs of the families in the program;

(4) a description of both the public and private resources that are expected to be made available to provide the services and activities under the Operation Bootstrap program;

(5) assurances satisfactory to the Secretary that development of the services and activities under the Operation Bootstrap has been coordinated with the Job Opportunities and Basic Skills Training program and the Job Training Partnership Act programs and any other relevant employment, training, and education programs in that area and that implementation will continue to be coordinated in order to avoid duplication of services and activities;

(6) assurances satisfactory to the Secretary that the services and activities under the Operation Bootstrap program will be provided in accordance with the requirements of the program;

(7) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 105 of the National Affordable Housing Act that the proposed activities are consistent with the approved housing strategy of the unit of general local government within which the demonstration program will be administered;

(8) evidence of coordination between the local public housing agency, the local welfare and employment agencies, and other public and private agencies that have resources or programs available to assist very low-income families;

(9) evidence of consultation with organizations representing eligible families, local business, educational facilities and other local interests that have resources or programs available to assist very low-income families; and

(10) such other information or certifications that the Secretary determines to be necessary or appropriate to achieve the purposes of this section.

(d) SELECTION.—

(1) CRITERIA.—The Secretary shall establish selection criteria for assistance under this section which shall include—

(A) the ability of the applicant or designated service providers to provide the services and activities under its Operation Bootstrap program;

(B) the need for a program providing both rental assistance and the designated services and activities for eligible families in the area to be served;

(C) the quality of services and activities under its Operation Bootstrap program;

(D) the extent to which the proposed funding for the services and activities under the Operation Bootstrap program is or will be available;

(E) the extent to which the proposed Operation Bootstrap program would meet the needs of the eligible families proposed to be served by the program; and

(F) such other factors as the Secretary determines to be appropriate for purposes of carrying out the demonstration program established by this section in an effective and efficient manner.

(2) CONSULTATION WITH HHS AND DEPARTMENT OF LABOR.—In reviewing the applications, the Secretary shall consult with the Secretary of Health and Human Services and the Secretary of Labor with respect to the services and activities under the proposed Operation Bootstrap program.

(3) FUNDING LIMITATIONS.—No more than 10 percent of the assistance made available under this section may be used for programs located within any one unit of general local government.

(e) ENCOURAGEMENT OF SAVINGS.—The public housing agency shall take appropriate actions (including the establishment of an escrow savings account) to encourage participating families to save funds.

(f) REQUIRED AGREEMENTS.—The Secretary may not approve any assistance for any program under this section unless the applicant agrees—

(1) to operate the proposed program in accordance with the program requirements established by the Secretary;

(2) to conduct an ongoing assessment of the services and activities required by the participants in the demonstration program; and

(3) to comply with such other terms and conditions as the Secretary may establish for purposes of carrying out the program in an effective and efficient manner.

(g) DEFINITIONS.—

(1) The term "eligible family" means a very low-income family who is eligible to receive a rental voucher under section 8 of the United States Housing Act of 1937.

(2) The term "very low-income family" has the same meaning given the term under section 3(b)(2) of the United States Housing Act of 1937.

(h) REPORTS TO CONGRESS.—

(1) INTERIM REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to the Congress an interim report evaluating the effectiveness of the demonstration program under this section.

(2) FINAL REPORT.—Not later than 2 years after the termination of the demonstration program under this section, the Secretary shall submit to Congress a final report evaluating the effectiveness of the demonstration program under this section.

(i) IMPLEMENTATION.—Not later than 120 days after the date funds authorized for the demonstration program under this section first become available for obligation, the Secretary shall by notice establish such requirements as may be necessary to carry out the demonstration program authorized under this section.

SEC. 532. GAO STUDY ON LINKING FEDERAL HOUSING ASSISTANCE TO ECONOMIC SELF-SUFFICIENCY PROGRAMS.

(a) IN GENERAL.—The Comptroller General of the United States shall submit to the Congress, not later than 18 months following the date of enactment of the National Affordable Housing Act, a report evaluating the policy and administrative implications of requiring State and local governments to tie the provision of rental assistance under section 8 of the United States Housing Act of 1937 to participation in economic self-sufficiency programs.

(b) SCOPE OF REPORT.—The report shall include—

(1) an evaluation of Federal programs to link housing and supportive services for the promotion of economic self-sufficiency, including programs that are being or have been administered by the Secretary of Housing and Urban Development such as Project Self-Sufficiency, Operation Bootstrap, and the Public Housing Comprehensive Transition Demonstration; and

(2) an assessment of the policy and administrative implications of allocating section 8 rental assistance only to localities that have a plan for providing incremental rental assistance only in conjunction with economic self-sufficiency programs.

(c) CONSULTATION.—In preparing the report under this section, the Comptroller General shall consult with the Secretary of Housing and Urban Development, the Secretary of Health and Human Services, the Secretary of Labor, other appropriate Federal officials, appropriate State and local officials, other knowledgeable individuals, and national and other organizations representing eligible beneficiaries, State and local welfare and employment agencies, public housing agencies, business, public and private education or training institutions, and other service providers.

(d) DEFINITION.—The term "economic self-sufficiency program" means public and private programs that are designed to enable economically disadvantaged individuals achieve economic independence, including programs authorized under the Job Training Partnership Act and the Family Support Act of 1988.

TITLE VI—HOUSING FOR PERSONS WITH SPECIAL NEEDS

Subtitle A—Supportive Housing for the Elderly

SEC. 601. SUPPORTIVE HOUSING FOR THE ELDERLY.

(a) IN GENERAL.—Section 202 of the Housing Act of 1959 is amended to read as follows:

"SEC. 202. SUPPORTIVE HOUSING FOR THE ELDERLY.

"(a) PURPOSE.—The purpose of this section is to enable elderly persons to live with dignity and independence by expanding the supply of supportive housing that—

"(1) is designed to accommodate the special needs of elderly persons; and

"(2) provides a range of services that are tailored to the needs of elderly persons occupying such housing.

"(b) GENERAL AUTHORITY.—The Secretary is authorized to provide assistance to private nonprofit organizations and consumer cooperatives to expand the supply of supportive housing for the elderly. Such assistance shall be provided as (1) capital advances in accordance with subsection (c)(1), and (2) contracts for project rental assistance in accordance with subsection (c)(2). Such assistance may be used to finance the construction, reconstruction, or moderate or substantial rehabilitation of a structure or a portion of a structure to be used as supportive housing for the elderly in accordance with this section. Assistance may also cover the cost of real property acquisition, site improvement, conversion, demolition, relocation, and other expenses that the Secretary determines are necessary to expand the supply of supportive housing for the elderly.

"(c) FORMS OF ASSISTANCE.—

"(1) CAPITAL ADVANCES.—A capital advance provided under this section shall bear no interest and its repayment shall not be required so long as the housing remains available for very-low-income elderly persons in accordance with this section. Such advance shall be in an amount calculated in accordance with the development cost limitation established in subsection (h).

"(2) PROJECT RENTAL ASSISTANCE.—Contracts for project rental assistance shall obligate the Secretary to make monthly payments to cover any part of the costs attributed to units occupied (or, as approved by the Secretary, held for occupancy) by very-low-income elderly persons that is not met from project income. The annual contract amount for any project shall not exceed the sum of the initial annual project rentals for all units so occupied and any initial utility allowances for such units, as approved by the Secretary. Any contract amounts not used by a project in any year shall remain available to the project until the expiration of the contract. The Secretary may adjust the annual contract amount if the sum of the project income and the amount of assistance payments available under this paragraph are inadequate to provide for reasonable project costs.

"(3) TENANT RENT CONTRIBUTION.—A very-low-income person shall pay as rent for a dwelling unit assisted under this section the highest of the following amounts, rounded to the nearest dollar: (A) 30 percent of the person's adjusted monthly income, (B) 10 percent of the person's monthly income, or (C) if the person is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the person's actual housing costs, is specifically designated by such agency to meet the person's housing costs, the portion of such payments which is so designated.

"(d) TERM OF COMMITMENT.—

"(1) USE LIMITATIONS.—All units in housing assisted under this section shall be made available for occupancy by very-low-income elderly persons for not less than 40 years.

"(2) CONTRACT TERMS.—The initial term of a contract entered into under subsection (c)(2) shall be 240 months. The Secretary shall, to the extent approved in appropriation Acts, extend any expiring contract for a term of not less than 60 months. In order to facilitate the orderly extension of expiring contracts, the Secretary is authorized to make commitments to extend expiring contracts during the year prior to the date of expiration.

"(e) APPLICATIONS.—Funds made available under this section shall be allocated by the Secretary among approvable applications submitted by private nonprofit organizations. Applications for assistance under this section shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish. Such applications shall contain—

"(1) a description of the proposed housing;

"(2) a description of the assistance the applicant seeks under this section;

"(3) a description of the resources that are expected to be made available in compliance with subsection (h);

"(4) a description of (A) the category or categories of elderly persons the housing is

intended to serve; (B) the supportive services, if any, to be provided to the persons occupying such housing; (C) the manner in which such services will be provided to such persons, including, in the case of frail elderly persons, evidence of such residential supervision as the Secretary determines is necessary to facilitate the adequate provision of such services; and (D) the public or private sources of assistance that can reasonably be expected to fund or provide such services;

"(5) a certification from the appropriate State or local agency (as determined by the Secretary) that the provision of services identified in paragraph (4) is well designed to serve the special needs of the category or categories of elderly persons the housing is intended to serve;

"(6) a certification from the public official responsible for submitting a housing strategy for the jurisdiction to be served in accordance with section 105 of the National Affordable Housing Act that the proposed project is consistent with the approved housing strategy; and

"(7) such other information or certifications that the Secretary determines to be necessary or appropriate to achieve the purposes of this section.

"(f) SELECTION CRITERIA.—The Secretary shall establish selection criteria for assistance under this section, which shall include—

"(1) the ability of the applicant to develop and operate the proposed housing;

"(2) the need for supportive housing for the elderly in the area to be served;

"(3) the extent to which the proposed size and unit mix of the housing will enable the applicant to manage and operate the housing efficiently and ensure that the provision of supportive services will be accomplished in an economical fashion;

"(4) the extent to which the proposed design of the housing will meet the special physical needs of elderly persons;

"(5) the extent to which the applicant has demonstrated that the supportive services identified in subsection (e)(3) will be provided on a consistent, long-term basis;

"(6) the extent to which the proposed design of the housing will accommodate the provision of supportive services that are expected to be needed, either initially or over the useful life of the housing, by the category or categories of elderly persons the housing is intended to serve; and

"(7) such other factors as the Secretary determines to be appropriate to ensure that funds made available under this section are used effectively.

"(g) PROVISIONS OF SERVICES.—

"(1) IN GENERAL.—In carrying out the provisions of this section, the Secretary shall ensure that housing assisted under this section provides a range of services tailored to the needs of the category or categories of elderly persons occupying such housing. Such services may include (A) meal service adequate to meet nutritional need; (B) housekeeping aid; (C) personal assistance; (D) transportation services; (E) health-related services; and (F) such other services as the Secretary deems essential for maintaining independent living. The Secretary may permit the provision of services to elderly persons and persons with disabilities who are not residents if the participation of such persons will not adversely affect the cost-effectiveness or operation of the program or add significantly to the need for assistance under this Act.

"(2) APPLICATION OF PROJECT RETROFIT REQUIREMENTS.—The Secretary shall apply the requirements governing Project Retrofit under section 512(f) of the National Affordable Housing Act to housing assisted under this section that is intended to serve frail elderly persons.

"(3) LOCAL COORDINATION OF SERVICES.—The Secretary shall ensure that owners have the managerial capacity to—

"(A) assess on an ongoing basis the service needs of residents;

"(B) coordinate the provision of supportive services and tailor such services to the individual needs of residents; and

"(C) seek on a continuous basis new sources of assistance to ensure the long-term provision of supportive services.

Any cost associated with this subsection, including any cost associated with the employment of a service coordinator in housing serving frail elderly persons, shall be an eligible cost under subsection (c)(2). The provisions governing the responsibilities and qualifications of a service coordinator under section 512(c) of the National Affordable Housing Act shall apply to this section.

"(h) MATCHING REQUIREMENT.—

"(1) IN GENERAL.—Each applicant shall contribute not less than 5 percent of the development cost calculated in accordance with subsection (i) to assure the applicant's commitment to the housing. Such contributions may be in the form of (A) cash investment from private resources; (B) the value of land or other real or personal property as appraised according to procedures acceptable to the Secretary; and (C) the present value of supportive services that the applicant has committed to provide from private resources in accordance with this section.

"(2) REDUCTION OF REQUIREMENT.—The Secretary may reduce or waive the matching requirement specified under paragraph (1) for individual applicants where the Secretary finds that such waiver or reduction is necessary to achieve the purposes of this section provided that the applicant demonstrates to the satisfaction of the Secretary that it has the capacity to manage and maintain the housing in accordance with this section.

"(i) DEVELOPMENT COST LIMITATIONS.—

"(1) IN GENERAL.—The Secretary shall periodically establish development cost limitations by market area for various types and sizes of supportive housing for the elderly by publishing a notice of the cost limitations in the Federal Register. The cost limitations shall reflect (A) the cost of construction, reconstruction, or rehabilitation of supportive housing for the elderly that meets applicable State and local housing and building codes; (B) the cost of movables necessary to the basic operation of the housing, as determined by the Secretary; (C) the cost of special design features necessary to make the housing accessible to elderly persons; (D) the cost of special design features necessary to make individual dwelling units meet the physical needs of elderly persons; (E) the cost of congregate space necessary to accommodate the provision of supportive services to elderly persons; (F) if the housing is newly constructed, the cost of meeting the energy efficiency standards promulgated by the Secretary in accordance with section 109 of the National Affordable Housing Act; and (G) the cost of land, including necessary site improvement. In establishing development cost limitations for a given market area under this subsection, the Secretary shall use data that reflect currently prevailing costs of construction, reconstruction, or rehabilitation, and land acquisition in the area. For purposes of this paragraph, the term 'congregate space' shall include space for cafeterias or dining halls, community rooms or buildings, workshops, adult day health facilities, or other outpatient health facilities, or other essential service facilities.

"(2) ANNUAL ADJUSTMENTS.—The Secretary shall adjust the cost limitation not less than once annually to reflect changes in the general level of construction, reconstruction, or rehabilitation costs.

"(3) INCENTIVES FOR SAVINGS.—(A) The Secretary shall use the development cost limitations established under paragraph (1) to calculate the amount of financing to be made available to individual owners after taking into account the matching requirements specified under subsection (h). Owners which incur actual development costs that are less than the amount of financing shall be entitled to retain 50 percent of the savings in a special housing account. Such percentage shall be increased to 75 percent for owners which add energy efficiency features which (i) exceed the energy efficiency standards promulgated by the Secretary in accordance with section 109 of the National Affordable Housing Act; (ii) substantially reduce the life-cycle cost of the housing; (iii) reduce gross rent requirements; and (iv) enhance tenant comfort and convenience.

"(B) The special housing account established under subparagraph (A) may be used (i) to supplement services provided to residents of the housing or funds set aside for replacement reserves, or (ii) for such other purposes as determined by the Secretary.

"(4) DESIGN FLEXIBILITY.—The Secretary shall, to the extent practicable, give owners the flexibility to design housing appropriate to their location and proposed resident population within broadly defined parameters.

"(5) USE OF FUNDS FROM OTHER SOURCES.—A owner shall be permitted voluntarily to provide funds from non-Federal sources for amenities and other features of appropriate design and construction suitable for supportive housing for the elderly if the cost of such amenities is (A) not financed with the advance, and (B) is not taken into account in determining the amount of Federal assistance or of the rent contribution of tenants.

"(j) TENANT SELECTION.—An owner shall adopt written tenant selection procedures that are satisfactory to the Secretary as (1) consistent with the purpose of improving housing opportunities for very-low-income persons with disabilities; and (2) reasonably related to program eligibility and an applicant's ability to perform the obligations of the lease. Owners shall promptly notify in writing any rejected applicant of the grounds for any rejection.

"(k) MISCELLANEOUS PROVISIONS.—

"(1) TECHNICAL ASSISTANCE.—The Secretary shall make available appropriate technical assistance to assure that applicants having limited resources, particularly minority applicants, are able to participate more fully in the program carried out under this section.

"(2) CIVIL RIGHTS COMPLIANCE.—Each owner shall certify, to the satisfaction of the Secretary, that assistance made available under this section will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, and other Federal, State, and local laws prohibiting discrimination and promoting equal opportunity.

"(3) NOTICE OF APPEAL.—The Secretary shall notify an owner not less than 30 days prior to canceling any reservation of assistance provided under this section. During the 30-day period following the receipt of a notice under the preceding sentence, an owner may

appeal the proposed cancellation of loan authority. Such appeal, including review by the Secretary, shall be completed not later than 45 days after the appeal is filed.

"(4) LABOR STANDARDS.—The Secretary shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors and subcontractors in the construction of housing assisted under this section and designed for dwelling use by 12 or more elderly persons shall be paid wages at rates not less than those prevailing in the locality involved for the corresponding classes of laborers and mechanics employed on construction of a similar character, as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (the Davis-Bacon Act); but the Secretary may waive the application of this paragraph in cases or classes of cases where laborers or mechanics, not otherwise employed at any time in the construction of such housing, voluntarily donate their services without full compensation for the purposes of lowering the costs of construction and the Secretary determines that any amounts saved thereby are fully credited to the corporation, cooperative, or public body or agency undertaking the construction.

"(l) DEFINITIONS.—

"(1) The term 'elderly person' means a household composed of one or more persons at least one of whom is 62 years of age or more at the time of initial occupancy.

"(2) The term 'frail elderly' means an elderly person who is unable to perform at least 3 activities of daily living adopted by the Secretary for purposes of this program. Owners may establish additional eligible requirements (acceptable to the Secretary) based on the standards in local supportive services programs.

"(3) The term 'owner' means a private nonprofit organization that receives assistance under this section to develop and operate supportive housing for the elderly.

"(4) The term 'private nonprofit organization' means any incorporated private institution or foundation—

"(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

"(B) which has a governing board (i) the membership of which is selected in a manner to assure that there is significant representation of the views of the community in which such housing is located, and (ii) which is responsible for the operation of the housing assisted under this section; and

"(C) which is approved by the Secretary as to financial responsibility.

"(5) The term 'State' includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States.

"(6) The term 'Secretary' means the Secretary of Housing and Urban Development.

"(7) The term 'supportive housing for the elderly' means housing that is designed (A) to meet the special physical needs of elderly persons and (B) to accommodate the provision of supportive services that are expected to be needed, either initially or over the useful life of the housing, by the category or categories of elderly persons that the housing is intended to serve.

"(8) The term 'very low-income' has the same meaning as given the term 'very low-income families' under section 3(b)(2) of the United States Housing Act of 1937.

"(m) AUTHORIZATIONS.—

"(1) CAPITAL ADVANCES.—There are authorized to be appropriated for the purpose of funding capital advances in accordance with subsection (c)(1) $628,000,000 for fiscal year 1991, $659,000,000 for fiscal year 1992, and $685,360,000 for fiscal year 1993. Amounts so appropriated, the repayments from such advances, and the proceeds from notes or obligations issued under this section prior to the enactment of the National Affordable Housing Act shall constitute a revolving fund to be used by the Secretary in carrying out this section.

"(2) PROJECT RENTAL ASSISTANCE.—For the purpose of funding contracts for project rental assistance in accordance with subsection (c)(2) the Secretary may, to the extent approved in an appropriations Act, reserve authority to enter into obligations aggregating $346,000,000 for fiscal year 1991, $363,000,000 for fiscal year 1992, and $377,520,000 for fiscal year 1993.".

(b) CONFORMING AMENDMENT.—Section 213(a) of the Housing and Community Development Act of 1974 is amended by striking "section 202 of the Housing Act of 1959".

(c) EFFECTIVE DATE AND APPLICABILITY.—

(1) The Secretary shall, upon the request of an owner, apply the provisions of this section to any housing for which a loan reservation was made under section 202 of the Housing Act of 1959 before the date of enactment of this Act but for which no loan has been executed and recorded. In the absence of such a request, any housing identified under the preceding sentence shall continue to be subject to the provisions of section 202 of the Housing Act of 1959 as they were in effect when such assistance was made or reserved.

(2) When responding to an owner's request under paragraph (1), the Secretary shall, notwithstanding any other provision of law, apply such portion of amounts obligated at the time of loan reservation, including amounts reserved with respect to such housing under section 8 of the United States Housing Act of 1937, as are required for the owner's housing under the provisions of this section and shall make any remaining portion available for other housing under this section.

(d) EXPEDITED FINANCING AND CONSTRUCTION.—

(1) IN GENERAL.—The Secretary shall—

(A) provide such adjustments and waivers to the cost limitations specified under 24 CFR 885.410(a)(1); and

(B) make such adjustments to the relevant fair market rent limitations established under section 8(c)(1) of the United States Housing Act of 1937 in providing assistance under such Act,

as are necessary to ensure the expedited financing and construction of qualified supportive housing for the elderly provided that the Secretary finds that any applicable cost containment rules and regulations have been satisfied.

(2) DEFINITION.—For purposes of this subsection, the term "supportive housing for the elderly" means housing—

(A) located in a high-cost jurisdiction; and

(B) for which a loan reservation was made under section 202 of the Housing Act of 1959, 3 years before the date of enactment of this Act but for which no loan has been executed and recorded.

SEC. 602. PROJECT RETROFIT.

(a) PURPOSE.—The purpose of this section is to enable frail elderly persons residing in federally assisted housing to live with dignity and independence, avoiding unnecessary institutionalization by—

(1) retrofitting individual dwelling units and renovating public and common areas in such housing to meet the special physical needs of eligible residents;

(2) creating and rehabilitating congregate space in or adjacent to such housing to accommodate supportive services that enhance independent living;

(3) providing transitional funding for those qualifying supportive services that cannot otherwise be funded; and

(4) improving the capacity of management to assess the service needs of eligible residents, coordinate the provision of supportive services that meet the needs of eligible residents and ensure the long-term provision of such services.

(b) AUTHORIZATION TO PROVIDE ASSISTANCE.—The Secretary is authorized to provide assistance in the form of grants to adapt eligible housing for the elderly so that such housing better accommodates the physical requirements and service needs of eligible residents. Assistance under this section shall be made available only to owners that demonstrate, to the satisfaction of the Secretary, that the assistance is necessary for the provision of qualifying supportive services that will receive long-term support from sources other than this Act.

(c) ELIGIBLE ACTIVITIES.—

(1) RETROFIT AND RENOVATION.—Assistance under this section may be provided with respect to eligible housing for the elderly for—

(A) retrofitting of individual dwelling units to meet the special physical needs of current or future residents who are or are expected to be eligible residents, which retrofitting may include—

(i) widening of doors to allow passage by persons with disabilities in wheelchairs into and within units in the project;

(ii) placement of light switches, electrical outlets, thermostats and other environmental controls in accessible locations;

(iii) installation of grab bars in bathrooms or the placement of reinforcements in bathroom walls to allow later installation of grab bars;

(iv) redesign of usable kitchens and bathrooms to permit a person in a wheelchair to maneuver about the space; and

(v) such other features of adaptive design that the Secretary finds are appropriate to meet the special needs of such residents;

(B) such renovation as is necessary to ensure that public and common areas are readily accessible to and usable by eligible residents;

(C) renovation, conversion, or combination of vacant dwelling units to create congregate space to accommodate the provision of supportive services to eligible residents;

(D) renovation of existing congregate space to accommodate the provision of supportive services to eligible residents; and

(E) construction or renovation of facilities to create conveniently located congregate space to accommodate the provision of supportive services to eligible residents.

For purposes of this paragraph, the term "congregate space" shall include space for cafeterias or dining halls, community rooms or buildings, workshops, adult day health facilities, or other outpatient health facilities, or other essential service facilities.

(2) TRANSITIONAL SUPPORT FOR SERVICES.—Assistance under this section may also be provided with respect to eligible housing for the elderly for—

(A) the transitional provision of qualifying supportive services if the owner demonstrates to the satisfaction of the Secretary that—

(i) the qualifying services are necessary to help eligible residents live independently and avoid unnecessary institutionalization;

(ii) the owner has made diligent efforts to use or obtain other available resources to fund the designated services; and

(iii) long-term funding for the qualifying services will be available from other sources; and

(B) the renewal of contracts entered into under the Congregate Housing Services Act of 1978.

Assistance under this paragraph shall be phased out over a period not to exceed 3 years.

(3) SERVICE COORDINATOR.—The employment of one or more individuals (hereinafter referred to as "service coordinator") who may be responsible for—

(A) working with the professional assessment committee established under subsection (f) on an ongoing basis to assess the service needs of eligible residents;

(B) working with service providers and the professional assessment committee to tailor the provision of services to the needs and characteristics of eligible residents;

(C) mobilizing public and private resources to ensure that the qualifying supportive services identified pursuant to subsection (d)(1) can be funded over the time period identified under such subsection;

(D) monitoring and evaluating the impact and effectiveness of any supportive service program receiving capital or operating assistance under this section; and

(E) performing such other duties and functions that the Secretary deems appropriate to enable frail elderly persons residing in federally assisted housing to live with dignity and independence.

The Secretary shall establish such minimum qualifications and standards for the position of service coordinator that the Secretary deems necessary to ensure sound management. The Secretary may fund the employment of service coordinators by using amounts appropriated under subsection (k) and by permitting owners to use existing sources of funds, including excess project reserves.

(d) APPLICATION.—The funds made available under this section shall be allocated by the Secretary among approvable applications submitted by owners. Applications for assistance under this section shall be submitted in such form and in accordance with such procedures as the Secretary shall establish. Applications for assistance shall contain—

(1) a description of qualifying supportive services that can reasonably be expected to be made available to eligible residents over a 5-year period (or such longer period that the Secretary determines to be appropriate if assistance is provided for activities under subsection (c)(1) that involve substantial rehabilitation);

(2) a firm commitment from one or more sources of assistance ensuring that some or all of the qualifying supportive services identified under paragraph (1) will be provided for not less than 1 year following the completion of activities assisted under subsection (c)(1);

(3) a description of public or private sources of assistance that are likely to fund or provide qualifying supportive services for the entire period specified under paragraph (1), including evidence of any intention to provide assistance expressed by State and local governments, private foundations, and other organizations (including for-profit and nonprofit organizations);

(4) a certification from the appropriate State or local agency (as determined by the Secretary) that (A) the provision of the qualifying supportive services identified under paragraph (1) will enable eligible residents to live independently and avoid unnecessary institutionalization, and (B) there is a reasonable likelihood that such services will be funded or provided for the entire period specified under paragraph (1);

(5) evidence that the owner has established a professional assessment committee in accordance with subsection (f);

(6) a description of assistance that the owner seeks under this section;

(7) a description of any fees that would be established pursuant to subsection (f)(3); and

(8) such other information or certifications that the Secretary determines to be necessary or appropriate to achieve the purposes of this section.

(e) PROGRAM SELECTION CRITERIA.—The Secretary shall establish selection criteria for assistance under this section which shall include—

(1) the ability of the owner or a designated service provider to provide the qualifying supportive services identified pursuant to subsection (d)(1);

(2) the need for such services in the housing;

(3) the extent to which the envisioned renovation and conversion activities will foster the provision of such services;

(4) the extent to which the owner has demonstrated that such services will be provided over the period identified pursuant to subsection (d)(1);

(5) the extent to which the owner has had a good record of maintaining and operating housing for the elderly; and

(6) such other factors as the Secretary determines to be appropriate to ensure that funds made available under this section are used effectively.

(f) PROVISION OF SERVICES.—

(1) ESTABLISHMENT OF PROFESSIONAL ASSESSMENT COMMITTEE.—(A) Each owner shall establish a professional assessment committee composed of at least three persons, each of whom is a qualified medical professional or other person professionally competent to appraise the functional abilities of residents of eligible housing for the elderly in relation to the performance of the normal activities of daily living.

(B) The professional assessment committee shall identify residents eligible to receive qualifying supportive services and designate the services appropriate for each eligible resident. Residents shall be accorded fair treatment and due process and a right of appeal in determinations of eligibility. Personal and medical records made available for determinations of eligibility shall remain confidential.

(2) PARTICIPATION BY OTHER RESIDENTS.—Residents other than eligible residents may participate in a supportive service program receiving capital or operating assistance under this section if the owner determines that the participation of such residents will not adversely affect the cost-effectiveness or operation of the program. The Secretary may permit the provision of services to elderly persons and persons with disabilities who are not residents if the participation of such persons will not adversely affect the cost-effectiveness or operation of the program or add significantly to the need for assistance under this Act.

(3) FEES.—An owner may charge fees for meals and other qualifying supportive services. Such fees shall be reasonable, shall not exceed the cost of providing the service, and shall be calculated on a sliding scale related to income which permits the provision of services to eligible residents who cannot afford meal and service fees. Fees for services provided to residents who are not eligible residents shall be reasonable and shall not exceed the cost of providing the service.

(4) RESIDENT ELIGIBILITY.—The Secretary shall establish the standards and guidelines governing the eligibility of residents for qualifying supportive services under this section after consultation with the Secretary of Health and Human Services and with appropriate organizations representing the elderly, as determined by the Secretary.

(g) REPORTS.—

(1) OWNERS' REPORTS.—Each owner shall submit to the Secretary, in such form and at such time as the Secretary shall prescribe, an annual report evaluating the use of funds made available under this section.

(2) ANNUAL REPORT TO THE CONGRESS.—The Secretary shall submit to the Congress, not later than 120 days after the end of each fiscal year, an annual report evaluating the effectiveness of activities assisted under this section in such fiscal year. Such report shall summarize the reports submitted under paragraph (1).

(h) RESERVE FUND.—The Secretary may reserve not more than 5 percent of the amounts made available in each fiscal year to supplement grants awarded to owners under this section when, in the determination of the Secretary, such supplemental adjustments are required to maintain adequate levels of services to eligible residents.

(i) MISCELLANEOUS PROVISIONS.—

(1) PARTICIPATION OF RESIDENTS.—Each owner shall, to the maximum extent practicable, employ residents of eligible housing for the elderly who are not eligible residents, to provide services assisted under this section or from other sources. Such persons shall be paid at a rate not less than the highest of—

(A) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a)(1) of such act applied to the resident and if he or she were not exempt under section 13 thereof;

(B) the State or local minimum wage for the most nearly comparable covered employment; or

(C) the prevailing rates of pay for persons employed in similar public occupations by the same employer.

(2) DISREGARD OF SERVICE AS INCOME.—No service provided to a resident of eligible housing for the elderly under this section, except for wages paid under paragraph (1) of this section, may be treated as income for the purpose of any other program or provision of State or Federal law.

(3) RESIDENCE.—Persons receiving services assisted under this section shall be deemed to be residents of their own households, and not to be residents of a public institution, for the purpose of any other program or provision of State or Federal law.

(j) DEFINITIONS.—For the purpose of this section—

(1) the term "elderly person" means a person who is 62 years of age or over;

(2) the term "eligible housing for the elderly" means housing that is occupied by elderly persons and their families and is—

(A) public housing assisted under the Housing Act of 1937;

(B) assisted under section 202 of the Housing Act of 1959;

(C) insured, assisted, or held by the Secretary under section 236 of the National Housing Act;

(D) insured or held under section 221(d)(3) of the National Housing Act and assisted under section 101 of the Housing and Urban Development Act of 1965 or section 8 of the United States Housing Act of 1937;

(E) insured or held by the Secretary and subject to a loan or mortgage bearing interest at a rate determined under the proviso to section 221(d)(5) of the National Housing Act;

(F) assisted under section 515 of the Housing Act of 1949; or

(G) assisted under section 8 of the United States Housing Act of 1937, all of the units of which receive the benefit of assistance under such section.

(3) the term "eligible resident" means a person residing in eligible housing for the elderly who qualifies under the definition of frail elderly, person with disabilities (regardless of whether the person is elderly), or temporarily disabled;

(4) the term "frail elderly" means an elderly person who is unable to perform at least 3 activities of daily living adopted by the Secretary for purposes of this program. Owners may establish additional eligible requirements (acceptable to the Secretary) based on the standards in local supportive services programs;

(5) the term "person with disabilities" has the meaning given the term under section 521 of this Act;

(6) the term "owner" means a public housing agency that operates public housing, a nonprofit entity that owns and operates all other types of eligible housing under paragraph (2), or a for-profit entity that owns and operates all other types of eligible housing under paragraph (2) and agrees to operate such housing as low income housing through the term of the original mortgage;

(7) the term "public housing" has the meaning given the term in section 3(b)(1) of the United States Housing Act of 1937;

(8) the term "public housing agency" has the meaning given the term in section 3(b)(6) of the United States Housing Act of 1937;

(9) the term "qualifying supportive services" shall mean new or significantly expanded services that the Secretary deems essential to enable eligible residents to live independently and avoid unnecessary institutionalization. Such services may include but not be limited to; (A) meal service adequate to meet nutritional need; (B) housekeeping aid; (C) personal assistance (which may include, but is not limited to, aid given to eligible residents in grooming, dressing, and other activities which maintain personal appearance and hygiene); (D) transportation services; and (E) health-related services; the owner may provide the qualifying services directly to eligible residents or may, by contract or lease, provide such services through other appropriate agencies or providers;

(10) the term "Secretary" means the Secretary of Housing and Urban Development; and

(11) the term "temporarily disabled" means an impairment which (A) is expected to be of no more than 6 months' duration, and (B) substantially impedes a person's ability to live independently unless the person receives qualifying supportive services.

(k) AUTHORIZATION.—There are authorized to be appropriated to carry out this subtitle $50,000,000 for fiscal year 1991, $52,000,000 for fiscal year 1992, and $54,080,000 for fiscal year 1993. Any amount appropriated under this section shall remain available until expended.

(l) CONFORMING AMENDMENT.—Section 9(a)(3)(B) of the United States Housing Act of 1937 is amended—

(1) by striking "and" at the end of clause (iv);

(2) by striking the period at the end of clause (v) and inserting "; and"; and

(3) by adding at the end the following new clause:

"(vi) if a public housing agency renovates, converts, or combines one or more dwelling units in a public housing project to create congregate space to accommodate the provision of supportive services in accordance with section 512 of the National Affordable Housing Act, the payments received under this section shall not be reduced because of the resulting reduction in the number of dwelling units.".

SEC. 603. HOPE FOR ELDERLY INDEPENDENCE.

(a) PURPOSE.—The purpose of this section is to establish a demonstration program to test the effectiveness of combining housing vouchers and supportive services to assist frail elderly persons to continue to live independently. The demonstration period shall be five years.

(b) HOUSING VOUCHER ASSISTANCE.—In connection with this demonstration, the Secretary may enter into contracts with public housing agencies to provide housing assistance under the voucher program authorized under section 8(o) of the United States Housing Act of 1937. The Secretary shall set aside not more than 1,500 incremental rental vouchers for the purpose of carrying out this demonstration. A public housing agency may not require that a frail elderly person live in a particular structure or unit, but may require that the person live within a particular geographic area, as a condition of participation, where necessary to assure that the provision of supportive services is feasible. At the end of the demonstration period, the public housing agency shall give each frail elderly person the option to continue to receive assistance under the housing voucher program of the agency.

(c) SUPPORTIVE SERVICES REQUIREMENTS; MATCHING FUNDING.—

(1) FEDERAL, PHA AND INDIVIDUAL CONTRIBUTIONS.—The amount estimated by the public housing agency and approved by the Secretary as necessary to provide the supportive services for the demonstration period shall be funded as follows:

(A) the Secretary shall provide 40 percent, using amounts appropriated under this section;

(B) the public housing agency shall assure the provision of at least 50 percent from sources other than under this section; and

(C) notwithstanding any other provision of law, each frail elderly person shall pay 10 percent of the costs of the supportive services the person receives.

(2) PROVISION OF SERVICES FOR ENTIRE DEMONSTRATION.—Each public housing agency shall assure that supportive services appropriate to the needs of the frail elderly persons to be served under this demonstration are provided throughout the demonstration period. Expenditures for supportive services need not be made in equal amounts for each year, but may vary depending on the needs of the frail elderly persons assisted under this section. A public housing agency may use up to 20 percent of the Federal assistance provided for supportive services in each year of this demonstration and any amounts from any prior year in which the public housing agency did not use 20 percent of the available Federal assistance. Notwithstanding any other provision of law, eligibility for supportive services shall be limited to persons who are receiving housing assistance under this section.

(3) CALCULATION OF THE MATCH.—In determining compliance with paragraph (1)(B), an agency may include the value of such items as the Secretary determines to be appropriate, which may include the salary paid to staff to provide supportive services.

(d) APPLICATIONS.—An application under this section shall request both housing voucher and supportive services assistance, and shall be submitted by a public housing agency in such form and in accordance with such procedures as the Secretary shall establish. The Secretary shall require that an application contain at a minimum—

(1) an application for voucher assistance under section 8(o) of the United States Housing Act of 1937;

(2) a description of the size and characteristics of the population of frail elderly persons and of their housing and supportive services needs;

(3) a description of the proposed method of determining whether a person qualifies as a frail elderly person (specifying any additional eligibility requirements proposed by the agency), and of selecting frail elderly persons to participate;

(4) a statement that the public housing agency will create a professional assessment committee or will work with another entity which will assist the public housing agency in identifying and providing only those services that each frail elderly person needs to remain living independently;

(5) a description of the mechanisms for developing housing and supportive services plans for each person and for monitoring the person's progress in meeting that plan;

(6) the identity of the proposed service provider and a statement of its qualifications;

(7) a description of the supportive services the public housing agency proposes to make available for the frail elderly persons to be served, the estimated costs of such services, a description of the resources that are expected to be made available to cover the portion of the costs required by subsection (c)(3);

(8) assurances satisfactory to the Secretary that the supportive services will be provided for the demonstration period;

(9) the plan for coordinating the provision of voucher assistance and supportive services;

(10) a description of how the public housing agency will ensure that the service providers are providing supportive services, at a reasonable cost, adequate to meet the needs of the persons to be served;

(11) a plan for continuing supportive services to frail elderly persons that continue to receive voucher assistance after the end of the demonstration period; and

(12) a statement that the application has been developed in consultation with the area agency on aging under title III of the Older Americans Act and that the public housing agency will periodically consult with the area agency during the demonstration.

(e) SELECTION.—

(1) CRITERIA.—The Secretary shall establish selection criteria for a national competition for assistance under this section, which shall include—

(A) the ability of the public housing agency to develop and operate the proposed housing voucher and supportive services program;

(B) the need for a program providing both housing assistance and supportive services for frail elderly persons in the area to be served;

(C) the quality of the proposed program for providing supportive services;

(D) the extent to which the proposed funding for the supportive services is or will be available;

(E) the extent to which the program would meet the needs of the frail elderly persons proposed to be served by the program; and

(F) such other factors as the Secretary specifies to be appropriate for purposes of carrying out the demonstration program established by this section in an effective and efficient manner.

(2) CONSULTATION WITH HHS.—In reviewing the applications, the Secretary shall consult with the Secretary of Health and Human Services with respect to the supportive services aspects.

(3) FUNDING LIMITATIONS.—No more than 10 percent of the assistance made available under this section may be used for programs located within any one unit of general local government.

(f) REQUIRED AGREEMENTS.—The Secretary may not approve any assistance for any program under this section unless the public housing agency agrees—

(1) to operate the proposed program in accordance with the program requirements established by the Secretary;

(2) to conduct an ongoing assessment of the voucher assistance and supportive services required by each frail elderly person participating in the program;

(3) to assure the adequate provision of supportive services, at a reasonable cost, to each frail elderly person participating in the program; and

(4) to comply with such other terms and conditions as the Secretary may establish for purposes of carrying out the program in an effective and efficient manner.

(g) DEFINITIONS.—For purposes of this section:

(1) The term "frail elderly person" means a person who, or a family where each person, is at least 62 years old, is eligible to receive a voucher under the first sentence of section 8(o)(3) of the United States Housing Act of 1937, and is unable to perform at least three activities of daily living adopted by the Secretary for the purposes of this program. Public housing agencies may establish additional eligibility requirements based on the standards in local service programs.

(2) The term "professional assessment committee" means a group of at least three persons appointed by a public housing agency which shall include at least one qualified medical professional and other persons professionally competent to appraise the functional abilities of the frail elderly in relation to the performance of activities of daily living.

(3) The term "public housing agency" has the meaning given such term in section 3(b)(6) of the United States Housing Act of 1937. The term includes an Indian Housing Authority, as defined in section 3(b)(11) of such Act.

(4) The term "Secretary" means the Secretary of Housing and Urban Development.

(5) The term "supportive services" means assistance that the Secretary determines (A) addresses the special needs of frail elderly persons; and (B) provides appropriate supportive services or assists such persons in obtaining appropriate services, including personal assistance with activities of daily living, case management services, counseling, supervision, and other services essential for achieving and maintaining independent living. Supportive services shall not include medical services, as determined by the Secretary.

(h) REPORT.—

(1) INTERIM REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to the Congress an interim report evaluating the effectiveness of the demonstration program under this section.

(2) FINAL REPORT.—Not later than 2 years after the termination of the demonstration period under this section, the Secretary shall submit to Congress a final report evaluating the effectiveness of the demonstration program under this section.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out the Secretary's responsibilities for supportive services under this demonstration, $10,000,000 to become available in fiscal year 1991, and remain available until expended.

(j) IMPLEMENTATION.—Not later than 120 days after the date funds authorized for the demonstration under this section first become available for obligation, the Secretary shall by notice establish such requirements as may be necessary to carry out the demonstration program authorized under this section.

Subtitle B—Supportive Housing for Persons with Disabilities

SEC. 611. SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES.

(a) PURPOSE.—The purpose of this section is to enable persons with disabilities to live with dignity and independence within their communities by expanding the supply of supportive housing that—

(1) is designed to accommodate the special needs of such persons; and

(2) provides supportive services that address the individual health, mental health, and other needs of such persons.

(b) GENERAL AUTHORITY.—The Secretary is authorized to provide assistance to private, nonprofit organizations to expand the supply of supportive housing for persons with disabilities. Such assistance shall be provided as—

(1) capital advances in accordance with subsection (d)(1), and

(2) contracts for project rental assistance in accordance with subsection (d)(2).

Such assistance may be used to finance the acquisition, acquisition and moderate rehabilitation, construction, reconstruction, or moderate or substantial rehabilitation of housing to be used as supportive housing for persons with disabilities and may include real property acquisition, site improvement, conversion, demolition, relocation, and other expenses that the Secretary determines are necessary to expand the supply of supportive housing for persons with disabilities.

(c) GENERAL REQUIREMENTS.—The Secretary shall take such actions as may be necessary to ensure that—

(1) assistance made available under this section will be used to meet the special needs of persons with disabilities by providing a variety of housing options, ranging from group homes and independent living facilities to dwelling units in multifamily housing developments, condominium housing, and cooperative housing; and

(2) supportive housing for persons with disabilities assisted under this section shall—

(A) provide persons with disabilities occupying such housing with supportive services that address their individual needs;

(B) provide such persons with opportunities for optimal independent living and participation in normal daily activities, and

(C) facilitate access by such persons to the community at large and to suitable employment opportunities within such community.

(d) FORMS OF ASSISTANCE.—

(1) CAPITAL ADVANCES.—A capital advance provided under this section shall bear no interest and its repayment shall not be required so long as the housing remains available for very-low-income persons with disabilities in accordance with this section. Such advance shall be in an amount calculated in accordance with the development cost limitation established in subsection (h).

(2) PROJECT RENTAL ASSISTANCE.—Contracts for project rental assistance shall obligate the Secretary to make monthly payments to cover any part of the costs attributed to units occupied (or, as approved by the Secretary, held for occupancy) by very low-income persons with disabilities that is not met from project income. The annual contract amount for any project shall not exceed the sum of the initial annual project rentals for all units and any initial utility allowances for such units, as approved by the Secretary. Any contract amounts not used by a project in any year shall remain available to the project until the expiration of the contract. The Secretary may adjust the annual contract amount if the sum of the project income and the amount of assistance payments available under this paragraph are inadequate to provide for reasonable project costs. In the case of an intermediate care facility which is the residence of persons assisted under title XIX of the Social Security Act, project income under this paragraph shall include the same amount as if such person were being assisted under title XVI of the Social Security Act.

(3) RENT CONTRIBUTION.—A very low-income person shall pay as rent for a dwelling unit assisted under this section the higher of the following amounts, rounded to the nearest dollar: (A) 30 percent of the person's adjusted monthly income, (B) 10 percent of the person's monthly income, or (C) if the person is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the person's actual housing costs, is specifically designated by such agency to meet the person's housing costs, the portion of such payments which is so designated; except that the gross income of a person occupying an intermediate care facility assisted under title XIX of the Social Security Act shall be the same amount as if the person were being assisted under title XVI of the Social Security Act.

(e) TERM OF COMMITMENT.—

(1) USE LIMITATIONS.—All units in housing assisted under this section shall be made available for occupancy by very low-income persons with disabilities for not less than 40 years.

(2) CONTRACT TERMS.—The initial term of a contract entered into under subsection (d)(2) shall be 240 months. The Secretary shall, to the extent approved in appropriation Acts, extend any expiring contract for a term of not less than 60 months. In order to facilitate the orderly extension of expiring contracts, the Secretary is authorized to make commitments to extend expiring contracts during the year prior to the date of expiration.

(f) APPLICATIONS.—Funds made available under this section shall be allocated by the Secretary among approvable applications submitted by private nonprofit organizations. Applications for assistance under this section shall be submitted in such form and in accordance with such procedures as the Secretary shall establish. Such applications shall contain—

(1) a description of the proposed housing;

(2) a description of the assistance the applicant seeks under this section;

(3) a supportive service plan that contains—

(A) a description of the needs of persons with disabilities that the housing is expected to serve;

(B) assurances that persons with disabilities occupying such housing will receive supportive services based on their individual needs;

(C) evidence of the applicant's (or a designated service provider's) experience in providing such supportive services;

(D) a description of the manner in which such services will be provided to such persons, including evidence of such residential supervision as the Secretary determines is necessary to facilitate the adequate provision of such services; and

(E) identification of the extent of State and local funds available to assist in the provision of such services;

(4) a certification from the appropriate State or local agency (as determined by the Secretary) that the provision of the services identified in paragraph (3) are well designed to serve the special needs of persons with disabilities;

(5) reasonable assurances that the applicant will own or have control of an acceptable site for the proposed housing not later than 6 months after notification of an award for assistance;

(6) a certification from the public official responsible for submitting a housing strategy for the jurisdiction to be served in accordance with section 105 of the National Affordable Housing Act that the proposed housing is consistent with the approved housing strategy; and

(7) such other information or certifications that the Secretary determines to be necessary or appropriate to achieve the purposes of this section.

(g) SELECTION CRITERIA.—The Secretary shall establish selection criteria for assistance under this section, which shall include—

(1) the ability of the applicant to develop and operate the proposed housing;

(2) the need for housing for persons with disabilities in the area to be served;

(3) the extent to which the proposed design of the housing will meet the special needs of persons with disabilities;

(4) the extent to which the applicant has demonstrated that the necessary supportive services will be provided on a consistent, long-term basis;

(5) the extent to which the proposed design of the housing will accommodate the provision of such services;

(6) the extent to which the applicant has control of the site of the proposed housing; and

(7) such other factors as the Secretary determines to be appropriate to ensure that funds made available under this section are used effectively.

(h) DEVELOPMENT COST LIMITATIONS.—

(1) IN GENERAL.—The Secretary shall periodically establish development cost limitations by market area for various types and sizes of supportive housing for persons with disabilities by publishing a notice of the cost limitations in the Federal Register. The cost limitations shall reflect—

(A) the cost of acquisition, construction, reconstruction, or rehabilitation of supportive housing for persons with disabilities that (i) meets applicable State and local housing and building codes; (ii) conforms with the design characteristics of the neighborhood in which it is to be located;

(B) the cost of movables necessary to the basic operation of the housing, as determined by the Secretary;

(C) the cost of special design features necessary to make the housing accessible to persons with disabilities;

(D) the cost of special design features necessary to make individual dwelling units meet the special needs of persons with disabilities;

(E) the cost of congregate space necessary to accommodate the provision of supportive services to persons with disabilities;

(F) if the housing is newly constructed, the cost of meeting the energy efficiency standards promulgated by the Secretary in accordance with section 109 of the National Affordable Housing Act; and

(G) the cost of land, including necessary site improvement.

In establishing development cost limitations for a given market area, the Secretary shall use data that reflect currently prevailing costs of acquisition, construction, reconstruction, or rehabilitation, and land acquisition in the area.

(2) ANNUAL ADJUSTMENTS.—The Secretary shall adjust the cost limitation not less than once annually to reflect changes in the general level of acquisition, construction, reconstruction, or rehabilitation costs.

(3) INCENTIVES FOR SAVINGS.—(A) The Secretary shall use the development cost limitations established under paragraph (1) to calculate the amount of financing to be made available to individual owners. Owners which incur actual development costs that are less than the amount of financing shall be entitled to retain 50 percent of the savings in a special project account. Such percentage shall be increased to 75 percent for owners which add energy efficiency features which (i) exceed the energy efficiency standards promulgated by the Secretary in accordance with section 109 of the National Affordable Housing Act; (ii) substantially reduce the life-cycle cost of the housing; (iii) reduce gross rent requirements; and (iv) enhance tenant comfort and convenience.

(B) The special project account established under subparagraph (A) may be used (i) to supplement services provided to residents of the housing or funds set-aside for replacement reserves, or (ii) for such other purposes as determined by the Secretary.

(4) FUNDS FROM OTHER SOURCES.—An owner shall be permitted voluntarily to provide funds from non-Federal sources for amenities and other features of appropriate design and construction suitable for supportive housing for persons with disabilities if the cost of such amenities is (A) not financed with the advance, and (B) is not taken into account in determining the amount of Federal assistance or of the rent contribution of tenants.

(i) TENANT SELECTION.—(1) An owner shall adopt written tenant selection procedures that are satisfactory to the Secretary as (A) consistent with the purpose of improving housing opportunities for very low-income persons with disabilities; and (B) reasonably related to program eligibility and an applicant's ability to perform the obligations of the lease. Owners shall promptly notify in writing any rejected applicant of the grounds for any rejection.

(2) Notwithstanding any other provision of law, an owner may, with the approval of the Secretary, limit occupancy within housing developed under this section to persons with disabilities who have similar disabilities and require a similar set of supportive services in a supportive housing environment.

(j) MISCELLANEOUS PROVISIONS.—

(1) TECHNICAL ASSISTANCE.—The Secretary shall make available appropriate technical assistance to assure that applicants having limited resources, particularly minority applicants, are able to participate more fully in the program carried out under this section.

(2) CIVIL RIGHTS COMPLIANCE.—Each owner shall certify, to the satisfaction of the Secretary, that assistance made available under this section will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act and other Federal, State, and local laws prohibiting discrimination and promoting equal opportunity; and

(3) SITE CONTROL.—An applicant may obtain ownership or control of a suitable site different from the site specified in the initial application. If an applicant fails to obtain ownership or control of the site within 1 year after notification of an award for assistance, the assistance shall be recaptured and reallocated.

(4) OWNER DEPOSIT.—The Secretary may require an owner to deposit an amount not to exceed $10,000 in a special escrow account to assure the owner's commitment to the housing.

(5) NOTICE OF APPEAL.—The Secretary shall notify an owner not less than 30 days prior to canceling any reservation of assistance provided under this section. During the 30-day period following the receipt of a notice under the preceding sentence, an owner may appeal the proposed cancellation. Such appeal, including review by the Secretary, shall be completed not later than 45 days after the appeal is filed.

(6) LABOR STANDARDS.—The Secretary shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors and subcontractors in the construction of housing assisted under this section and designed for dwelling use by 12 or more persons with disabilities shall be paid wages at rates not less than those prevailing in the locality involved for the corresponding classes of laborers and mechanics employed on construction of a similar character, as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (the Davis-Bacon Act); but the Secretary may waive the application of this paragraph in cases or classes of cases where laborers or mechanics, not otherwise employed at any time in the construction of such housing, voluntarily donate their services without full compensation for the purposes of lowering the costs of construction and the Secretary determines that any amounts saved thereby are fully credited to the corporation, cooperative, or public body or agency undertaking the construction.

(k) DEFINITIONS.—As used in this section—

(1) The term "acquired immunodeficiency syndrome and related diseases" means the disease of acquired immunodeficiency syndrome and any conditions arising from the etiologic agent for acquired immunodeficiency syndrome. The term does not include

any condition of asymptomatic infection with the etiologic agent for acquired immunodeficiency syndrome.

(2) The term "group home" means a single family residential structure designed or adapted for occupancy by not more than 8 persons with disabilities. The Secretary may waive the project size limitation contained in the previous sentence if the applicant demonstrates that local market conditions dictate the development of a larger project. Not more than 1 home may be located on any one site and no such home may be located on a site contiguous to another site containing such a home.

(3) The term "person with disabilities" means a household composed of one or more persons at least one of whom has a disability. A person shall be considered to have a disability if such person is determined, pursuant to regulations issued by the Secretary to have a physical, mental, or emotional impairment which (A) is expected to be of long-continued and indefinite duration, (B) substantially impedes his or her ability to live independently, and (C) is of such a nature that such ability could be improved by more suitable housing conditions. A person shall also be considered to have a disability if such person has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001-7) or is a person with acquired immunodeficiency syndrome and related diseases. The Secretary shall prescribe such regulations as may be necessary to prevent abuses in determining, under the definitions contained in this paragraph, the eligibility of families and persons for admission to and occupancy of housing assisted under this section. Notwithstanding the preceding provisions of this paragraph, the term "person with disabilities" includes two or more persons with disabilities living together, one or more such persons living with another person who is determined (under regulations prescribed by the Secretary) to be important to their care or well-being, and the surviving member or members of any household described in the first sentence of this paragraph who were living, in a unit assisted under this section, with the deceased member of the household at the time of his or her death.

(4) The term "supportive housing for persons with disabilities" means housing that—

(A) is designed to meet the special needs of persons with disabilities, and

(B) provides supportive services that address the individual health, mental health or other special needs of such persons.

(5) The term "independent living facility" means a project designed for occupancy by not more than 20 persons with disabilities in separate dwelling units where each dwelling unit includes a kitchen and a bath.

(6) The term "owner" means a private nonprofit organization that receives assistance under this section to develop and operate a project for supportive housing for persons with disabilities.

(7) The term "private nonprofit organization" means any incorporated private institution or foundation—

(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

(B) which has a governing board (i) the membership of which is selected in a manner to assure that there is significant representation of the views of persons with disabilities, and (ii) which is responsible for the operation of the housing assisted under this section; and

(C) which is approved by the Secretary as to financial responsibility.

(8) The term "State" includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States.

(9) The term "Secretary" means the Secretary of Housing and Urban Development.

(10) The term "very low-income" has the same meaning as given the term "very low-income families" under section 3(b)(2) of the United States Housing Act of 1937.

(l) AUTHORIZATIONS.—

(1) CAPITAL ADVANCES.—There are authorized to be appropriated for the purpose of funding capital advances in accordance with subsection (d)(1) $258,000,000 for fiscal year 1991, $271,000,000 for fiscal year 1992, and $281,840,000 for fiscal year 1993. Amounts so appropriated, the repayments from such advances, and the proceeds from notes or obligations issued under this section prior to the enactment of this Act shall constitute a revolving fund to be used by the Secretary in carrying out this section.

(2) PROJECT RENTAL ASSISTANCE.—For the purpose of funding contracts for project rental assistance in accordance with subsection (d)(2), the Secretary may, to the extent approved in an appropriations Act, reserve authority to enter into obligations aggregating $234,000,000 for fiscal year 1991, $246,000,000 for fiscal year 1992, and $255,840,000 for fiscal year 1993.

(m) EFFECTIVE DATE AND APPLICABILITY.—

(1) The Secretary shall, upon the request of an owner, apply the provisions of this section to any housing for which a loan reservation was made under section 202 of the Housing Act of 1959 before the date of enactment of this Act but for which no loan has been executed and recorded. In the absence of such a request, any housing identified under the preceding sentence shall continue to be subject to the provisions of section 202 of the Housing Act of 1959 as they were in effect when such assistance was made or reserved.

(2) When responding to an owner's request under paragraph (1), the Secretary shall, notwithstanding any other provision of law, apply such portion of amounts obligated at the time of loan reservation, including amounts reserved with respect to such housing under section 8 of the United States Housing Act of 1937, as are required for the owner's housing under the provisions of this section and shall make any remaining portion available for other housing under this section.

Subtitle C—Supportive Housing for the Homeless

SEC. 621. AMENDMENT TO MCKINNEY ACT.

(a) IN GENERAL.—Title IV of the Stewart B. McKinney Homeless Assistance Act is amended to read as follows:

"TITLE IV—HOUSING ASSISTANCE

"Subtitle A—General Provisions

"SEC. 401. PURPOSE.

"(a) IN GENERAL.—The purpose of this title is to expand the Federal commitment to alleviate homelessness in this Nation by providing States and localities with the resources to—

"(1) help very low-income families avoid becoming homeless;

"(2) meet the emergency shelter needs of homeless persons and families;

"(3) provide transitional housing to facilitate the movement of homeless persons and families to independent living;

"(4) provide specialized permanent housing for homeless persons who require a supportive living environment; and

"(5) provide supportive services to help homeless persons and families lead independent and dignified lives.

"SEC. 402. DEFINITIONS.

"For purposes of this title—

"(1) The term 'assistance' means noninterest bearing advances to assist the acquisition, lease, renovation, substantial rehabilitation, operation, or conversion of facilities to assist the homeless, grants for moderate rehabilitation, grants for other purposes, and other assistance made eligible under section 405 and subtitle B.

"(2) The term 'emergency activities' means (A) activities that help very low-income families avoid becoming homeless in accordance with section 411, and (B) supportive services that are provided in an emergency shelter developed in accordance with section 412.

"(3) The term 'families' has the same meaning given the term under section 104(11) of the National Affordable Housing Act.

"(4) The term 'grantee' means a State or unit of general local government receiving grants from the Secretary under section 403(a). For purposes of section 406 and subsections (a), (b), (c), and (f) of section 408, a private nonprofit organization receiving a direct grant under section 405 shall be treated as a grantee.

"(5) The term 'person with disabilities' has the same meaning given the term in section 521 of the National Affordable Housing Act.

"(6) The term 'homeless person with disabilities' means a person with disabilities who is a homeless person within the meaning of section 103, is at risk of becoming a homeless person, or has been a resident of transitional housing carried out pursuant to this Act or the provisions made effective by section 101(g) of Public Law 99-500 or Public Law 99-591.

"(7) The term 'locality' means the geographical area within the jurisdiction of a local government.

"(8) The term 'operating costs' means expenses incurred by a project sponsor operating any housing assisted under this title with respect to—

"(A) the administration, maintenance, repair, and security of such housing; and

"(B) utilities, fuels, furnishings, and equipment for such housing.

"(9) The term 'operating costs' includes expenses incurred by a project sponsor operating transitional housing under this title with respect to—

"(A) the conducting of the assessment required by section 413(c)(1)(B); and

"(B) the provision of supportive services to the residents of such housing.

"(10) The term 'outpatient health services' means outpatient health care, outpatient mental health services, outpatient substance abuse services, and case management services.

"(11) The term 'private nonprofit organization' means a secular or religious organization—

"(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

"(B) that has a voluntary board;

"(C) that has an accounting system or has designated a fiscal agent in accordance with requirements established by the Secretary; and

"(D) that does not discriminate in the provision of assistance.

"(12) the term 'project' means a structure or a portion of a structure that is acquired or rehabilitated with assistance provided under this title or with respect to which the Secretary provides technical assistance or annual payments for operating costs.

"(13) The term 'project sponsor' means any governmental or private nonprofit organization that—

"(A) receives assistance from the Secretary or from a grantee under section 403(a),

"(B) is approved by the grantee as to financial responsibility, and

"(C) is directly responsible for the administration of assistance provided under this title.

Each project sponsor shall act as the fiscal agent of the Secretary with respect to assistance provided to such project sponsor under this title.

"(14) The term 'Secretary' means the Secretary of Housing and Urban Development.

"(15) The term 'State' means a State of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, or any agency or instrumentality thereof that is established pursuant to legislation and designated by the chief executive to act on behalf of the jurisdiction with regard to provisions of this Act.

"(16)(A) The term 'supportive services' means assistance designed by a project sponsor that—

"(i) addresses the special needs of homeless persons, such as deinstitutionalized persons, families with children, persons with mental disabilities, other persons with disabilities, the elderly, and veterans intended to be served by a project; and

"(ii) assists in accomplishing the purposes of the different types of housing for the homeless made eligible under this subtitle.

"(B) The term includes—

"(i) food services, child care, substance abuse treatment, assistance in obtaining permanent housing, outpatient health services, employment counseling, nutritional counseling, security arrangements for the protection of residents of facilities to assist the homeless, and such other services essential for maintaining or moving towards independent living as the Secretary determines to be appropriate; and

"(ii) assistance to homeless persons in obtaining other Federal, State, and local assistance available for such individuals, including public assistance benefits, mental health benefits, employment counseling, and medical assistance.

"(C) Such term does not include the provision of major medical equipment.

"(D) All or part of the supportive services may be provided directly by the project sponsor or by arrangements with other public or private service providers.

"(17) The term 'unit of general local government' means any city, town, township, county, parish, village, or other general purpose subdivision of a State; Guam, the Northern Mariana Islands, the Virgin Islands, American Samoa, the Federated States of Micronesia and Palau, the Marshall Islands, or a general purpose political subdivision thereof; a consortium of such political subdivisions recognized by the Secretary in accordance with section 404(b)(1)(B) of this Act; and any other territory or possession of the United States.

"(18) The term 'very low-income families' has the same meaning given the term under section 104(8) of the National Affordable Housing Act.

"SEC. 403. GENERAL AUTHORITY.

"(a) GRANTS FOR HOMELESS HOUSING ASSISTANCE.—

"(1) IN GENERAL.—The Secretary shall, to the extent of amounts approved in appropriations Acts under section 409, make grants to States and units of general local government and to eligible applicants under section 405 in order to (A) carry out activities designed to meet the emergency, transitional, and permanent housing needs of the homeless, (B) help very low-income families and persons avoid becoming homeless, and (C) help homeless families and persons make the transition to permanent housing. A jurisdiction shall be eligible to receive a grant only if it has obtained an approved housing strategy (or an approved abbreviated housing strategy) in accordance with section 105 of the National Affordable Housing Act. A grantee shall carry out activities authorized under this subsection through contracts with project sponsors, except that a grantee that is a State shall obtain the approval of the unit of general local government for the locality in which a project is to be located prior to entering into such contracts.

"(2) ALLOCATION OF RESOURCES.—

"(A) FORMULA GRANTS.—(i) 80 percent of the amounts approved in appropriations Acts under section 409 shall be allocated in accordance with a formula established under section 404. Of the amounts made available under the previous sentence, the Secretary shall allocate 70 percent among units of general local government and 30 percent among States.

"(ii) Grants allocated under this subparagraph shall be available only for approved activities. Approved activities shall include—

"(I) the provision of assistance to help very low-income families avoid becoming homeless in accordance with section 411;

"(II) the development of emergency shelters for the homeless in accordance with section 412;

"(III) the development of transitional housing to facilitate the transition of homeless persons to independent living in accordance with section 413;

"(IV) the development of permanent housing for homeless persons with disabilities in accordance with section 414;

"(V) the provision of assistance to help very low-income families who are residing in emergency shelter or transitional housing make the transition to permanent housing in accordance with section 415; and

"(VI) such other activities that the Secretary develops in cooperation with grantees in accordance with section 416.

The Secretary shall establish standards and guidelines for approved activities. The Secretary shall permit grantees to refine and adapt such standards and guidelines for individual projects, where such refinements and adaptations are made necessary by local circumstances.

"(iii) A grantee may use not more than 30 percent of the grants allocated in accordance with this subparagraph for emergency activities as defined in section 402(2). The Secretary may approve a higher limitation if the grantee demonstrates that other approved activities under this subparagraph are already being carried out in the jurisdiction with other resources.

"(B) DISCRETIONARY ALLOCATIONS.—20 percent of the amounts approved in appropriations Acts under section 409 shall be allocated among appropriate applications in accordance with section 405.

"(b) SRO RENOVATION.—The Secretary shall, to the extent of amounts approved in appropriations Acts under section 422, provide rental assistance to public housing agencies or other contracting agencies for the renovation of single room occupancy dwellings in accordance with subtitle C.

"SEC. 404. ALLOCATION FORMULA.

"(a) ESTABLISHMENT OF FORMULA.—The Secretary shall issue regulations establishing an allocation formula that reflects each jurisdiction's share of the Nation's need for housing assistance for the homeless as identified by—

"(1) objective measures of the incidence of homelessness;

"(2) the relation between the supply of affordable housing for very low-income families and the number of such families in the jurisdiction;

"(3) poverty; and

"(4) housing overcrowding.

The data to be used for allocation of funds within a fiscal year shall be those that are available to the Secretary 90 days prior to the beginning of that fiscal year.

"(b) ALLOCATION RULES.—

"(1) MINIMUM LOCAL ALLOCATION.—The Secretary shall allocate amounts available for formula allocation to units of general local government so that, when all such amounts are allocated by the formula, only those jurisdictions that are allocated an amount of $200,000 or greater shall receive an allocation. A jurisdiction receiving a formula allocation shall be eligible to receive grants if its formula allocation is $250,000 or greater, or if—

"(A) the Secretary finds that—

"(i) the jurisdiction is the city with the greatest population in a metropolitan area and has demonstrated a capacity to carry out provisions of section 403(a), and

"(ii) the State has authorized the Secretary to transfer to the jurisdiction a portion of the State's allocation that is equal to or greater than the difference between the jurisdiction's formula allocation and $250,000 or the State or jurisdiction has made available from the State's or jurisdiction's own sources an equal amount for use by the jurisdiction in conformance with the provisions of section 403(a); or

"(B) geographically contiguous local governments have formed a consortium that, in the determination of the Secretary—

"(i) has sufficient authority and administrative capability to act on behalf of its member jurisdictions in carrying out the provisions of section 403(a), and

"(ii) is comprised only of jurisdictions that have received a formula allocation for the fiscal year.

Such a consortium shall be deemed to be a unit of general local government for purposes of this section. If a jurisdiction has met the requirements of subparagraph (A), the jurisdiction's formula allocation for a fiscal year shall subsequently be deemed to equal the sum of the jurisdiction's allocation under this subsection and the amount made available to the jurisdiction under subparagraph (A)(ii). The formula allocation for a consortium that has met the requirements, under this subparagraph shall equal the total of the allocations of its member jurisdictions.

"(2) MINIMUM STATE ALLOCATION.—(A) If the formula, when applied to the funds available in accordance with section 403(a)(2)(A), would allocate less than $250,000 to any State, the allocation for such State shall be $250,000, and the increase shall be deducted pro rata from the allocations of other States.

"(B) If no unit of general local government within a State receives an allocation under paragraph (1), the Secretary may increase the State's allocation by $125,000 after determining that such increase is necessary to provide appropriate levels of housing assistance to homeless persons and families within the State. Priority of use of such increased allocation shall go to the provision of housing assistance for the homeless within the boundaries of cities within the State that are the largest city within a metropolitan area. The increased allocation to a State under the preceding sentence shall be derived by a pro rata deduction from the allocations to units of general local government.

"(3) GRANTEE STATUS.—Once a State or unit of general local government becomes a grantee, it shall remain eligible to receive grants for subsequent fiscal years, except as provided in paragraph (4).

"(4) REVOCATION.—The Secretary may revoke a jurisdiction's status as a grantee if (A) the Secretary finds, after reasonable notice and opportunity for hearing, that the jurisdiction is unwilling or unable to carry out the provisions of this subtitle, or (B) the jurisdiction's formula allocation falls below $250,000 for 3 consecutive years, below $225,000 for 2 consecutive years, or below $200,000 in any 1 year.

"(d) INITIAL ALLOCATION OF ASSISTANCE.—Not later than 30 days after funds to carry out this section are provided in an appropriations Act (or, during the first year after enactment of this Act, not later than 30 days after regulations to implement this section are promulgated or due), the Secretary shall allocate funds in accordance with subsections (a) and (b) and promptly notify each jurisdiction receiving a formula allocation of its allocation amount. If a local jurisdiction is not eligible to receive grants because its allocation amount is too low, the Secretary shall inform the jurisdiction in writing how the jurisdiction may become eligible to receive grants.

"(e) DISTRIBUTION OF ASSISTANCE BY A STATE.—Each State shall distribute its allocation of assistance under this section in accordance with the need for homeless assistance as identified in the State's housing strategy approved under section 105 of the National Affordable Housing Act and shall coordinate its efforts where assistance is distributed to a unit of general local government that is a grantee.

"(f) ALLOCATION TO TERRITORIES.—In addition to the other allocations required in this section, the Secretary may make such allocations under this subtitle as the Secretary determines to be appropriate to Guam, the Northern Mariana Islands, the Virgin Islands, American Samoa, the Federated States of Micronesia and Palau, the Marshall Islands and any other territory or possession of the United States.

"SEC. 405. DISCRETIONARY ALLOCATION.

"(a) IN GENERAL.—The Secretary shall, to the extent of amounts made available under section 403(a)(2)(B) or reallocated under subsection 408(e), make grants to eligible applicants to meet urgent needs of homeless persons that are not being met by available public and private sources in areas with an unusually high incidence of homelessness. For purposes of this section, the term 'eligible applicant' means a grantee or private nonprofit organization, except that a grantee shall not be permitted to submit an application if the Secretary finds that the grantee is in noncompliance with sections 406 and 408.

"(b) ELIGIBLE ACTIVITIES.—Assistance provided under this section may be used for approved activities under subtitle B and for the following additional activities:

"(1) the purchase, lease, rehabilitation, renovation, operation, or conversion of facilities to assist the homeless;

"(2) the transitional provision of supportive services designed to meet special needs of homeless persons, including families with children, deinstitutionalized persons, persons with mental disabilities, other persons with disabilities, the elderly, and veterans. Assistance provided under this paragraph shall be phased out over a period not to exceed 3 years; and

"(3) the provision of supplemental assistance to projects assisted under sections 412 and 413 if such assistance is required to meet the special needs of homeless persons residing in such projects.

"(c) APPLICATIONS.—Funds made available under this section shall be allocated among approvable applications submitted by eligible applicants. Applications for assistance under this section shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish. Such applications shall contain—

"(1) a description of the proposed activities;

"(2) a description of the size and characteristics of the homeless population that would be served by the proposed activities;

"(3) a description of the public and private resources that are expected to be made available in connection with the proposed activities;

"(4) assurances satisfactory to the Secretary that any property purchased, leased, rehabilitated, renovated, or converted with assistance under this section (except for property to be used as emergency shelter in accordance with section 412) shall be operated for not less than 10 years for the purpose specified in the application;

"(5) evidence in a form acceptable to the Secretary that the proposed activities will meet urgent needs of homeless persons that are not being met by available public and private sources;

"(6) if submitted by a private nonprofit organization, a certification from the public official responsible for submitting a housing strategy in accordance with section 105 of the National Affordable Housing Act that the application is consistent with the approved housing strategy; and

"(7) such other information or certifications that the Secretary determines to be necessary to achieve the purposes of this section.

"(d) SELECTION CRITERIA.—

"(1) IN GENERAL.—The Secretary shall establish selection criteria for assistance under this subsection, which shall principally take into account—

"(A) the extent to which the proposed activities meet urgent needs of homeless persons that are not being met by available public and private sources; and

"(B) the extent to which the area in which the proposed activities are to be carried out is an area with an unusually high incidence of homelessness.

"(2) ADDITIONAL CRITERIA.—Selection criteria established by the Secretary shall also take into account—

"(A) the extent to which the proposed activities would provide assistance to homeless persons who are most difficult to serve;

"(B) the extent to which the proposed activities would make available as housing for homeless persons property owned by the Federal Government, a State, a unit of general local government, or other public entity, including in rem property, public buildings, and public land;

"(C) the extent to which the proposed activities would be carried out in a jurisdiction that has demonstrated exemplary coordination among State and local agencies administering housing, child welfare, and public assistance activities;

"(D) the extent to which the applicant has demonstrated the capacity to carry out the proposed activities; and

"(E) such other factors as the Secretary determines to be appropriate to ensure that funds made available under this section are used effectively.

"(e) SPECIAL RULES FOR SUPPLEMENTAL ASSISTANCE FOR FACILITIES TO ASSIST THE HOMELESS.—

"(1) The Secretary may not provide assistance under subsection (b)(3) unless the Secretary determines that—

"(A) the applicant has made reasonable efforts to utilize all available local resources and resources available under the other provisions of this title; and

"(B) other resources are not sufficient or are not available to carry out the purpose for which the assistance is being sought.

No assistance provided under subsection (b)(3) may be used to supplant any non-Federal resources provided with respect to any project.

"(2) Not more than $10,000 of any grant or advance under subsection (b)(3) may be used for outpatient health services (excluding the cost of any rehabilitation or conversion of a structure to accommodate the provision of such services).

"(3) The Secretary of Housing and Urban Development and the Secretary of Health and Human Services shall jointly establish guidelines for determining under this section the appropriateness of proposed outpatient health services. Such guidelines shall include such provisions as are necessary to enable the Secretary of Housing and Urban Development to meet the time limits under this section for the final selection of applications for assistance.

"(f) ADMINISTRATIVE PROVISIONS.—The total amount allocated to a grantee under this section in any fiscal year shall not exceed the grantee's formula allocation under section 404 in that fiscal year.

"SEC. 406. RESPONSIBILITIES OF GRANTEES AND PROJECT SPONSORS.

"(a) MATCHING REQUIREMENTS.—Each grantee shall be required to supplement the grants provided under this title with an equal amount of funds from non-Federal sources. Each grantee shall certify to the Secretary its compliance with this subsection, describing the sources and amounts of such supplemental funds. Supplemental funds may include the value of any donated material or building, the value of any lease on a building, any salary paid to staff to carry out the program of a project sponsor, and the value of the time and services contributed by volunteers to carry out the program of a project sponsor at a rate determined by the Secretary.

"(b) HOUSING QUALITY.—Each grantee shall assure that housing assisted under this subtitle shall be decent, safe, and sanitary and, when appropriate, meet all applicable State and local housing and building codes and licensing requirements in the jurisdiction in which the housing is located.

"(c) CONSISTENCY WITH HOUSING STRATEGY.—Each grantee shall certify, to the satis-

faction of the Secretary, that activities undertaken by project sponsors with assistance from the grantee are consistent with the housing strategy submitted by the grantee in accordance with section 105 of the National Affordable Housing Act.

"(d) ASSISTANCE TO HOMELESS PERSONS.—Each grantee shall certify that each project sponsor shall administer, in good faith, a policy designed to ensure that any shelter or housing assisted under this subtitle is free from the illegal use, possession, or distribution of drugs or alcohol by its beneficiaries.

"(e) LIMITATION ON USE OF FUNDS.—Each grantee shall certify, to the satisfaction of the Secretary, that neither assistance received under this subtitle nor any State or local government funds used to supplement such assistance will be used to replace other public funds previously used, or designated for use, to assist the homeless.

"(f) CIVIL RIGHTS COMPLIANCE.—Each grantee shall certify, to the satisfaction of the Secretary, that the grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (Public Law 88-352), and the Fair Housing Act and the grantee will affirmatively further fair housing.

"(g) REPORTS.—

"(1) Each grantee shall submit to the Secretary, in such form and at such time as the Secretary shall prescribe, a performance and evaluation report on the use of amounts made available under this subtitle, together with the grantee's assessment of the relationship of such usage to the grantee's approved housing strategy. The report shall include information on the number of homeless persons served and the reasons for their homelessness. The report shall also specify the amounts made available under this subtitle for each approved activity under subtitle B. The report shall be made available to the public so that citizens, public agencies, and other interested parties have an opportunity to comment on the report prior to its submission. The report shall include a summary of any comments received from interested parties.

"(2) The Secretary shall consult with national associations of States, local governments, and other housing interests to develop uniform recordkeeping, performance reporting, and auditing requirements. After considering the results of such consultations, the Secretary shall establish uniform recordkeeping, performance reporting, and auditing requirements for assistance made available under this subtitle.

"(h) SITE CONTROL.—Each grantee or project sponsor shall furnish reasonable assurances that it will own or have control of a site for the proposed project not later than 6 months after notification of an award for grant assistance. A suitable site different from the site specified in the application satisfies the requirement of this subsection. If ownership or control of a site is not obtained within 1 year after notification of an award for grant assistance, the grant shall be recaptured and reallocated.

"(i) PREVENTION OF UNDUE BENEFITS.—The Secretary may prescribe such terms and conditions as he deems necessary to prevent project sponsors from unduly benefiting from the sale or other disposition of projects constructed, rehabilitated, or acquired with assistance under this subtitle other than a sale or other disposition resulting in the use of the project for the direct benefit of very low-income families.

"(j) ADDITIONAL REQUIREMENTS.—The Secretary may establish such other program requirements as the Secretary determines are necessary for grantees to administer activities authorized under this subtitle in an efficient manner.

"SEC. 407. STRATEGY TO ELIMINATE WELFARE HOTELS AND UNFIT TRANSIENT FACILITIES.

"(a) IN GENERAL.—The Secretary shall, not more than 4 months after the date of enactment of the National Affordable Housing Act, identify the States and units of general local government which use welfare hotels and other unfit transient facilities as housing for homeless families with children and develop and publish in the Federal Register a strategy to eliminate such use by January 1, 1992. In developing the strategy required under this section, the Secretary shall consult with the Secretary of the Department of Health and Human Services, the Administrator of the Federal Emergency Management Agency, other appropriate Federal officials, appropriate States and units of general local government, major organizations representing homeless persons and other experts.

"(b) CONTENTS OF STRATEGY.—The strategy developed under this section shall specify—

"(1) actions to be taken to ensure that families with children currently residing in welfare hotels or unfit transient facilities will make a timely transition to permanent housing;

"(2) actions to be taken to provide sufficient emergency, transitional, and permanent housing to preclude the future use of welfare hotels or unfit transient facilities as housing for homeless families with children; and

"(3) changes in Federal, State, and local statutes and regulations that are needed to eliminate the use of welfare hotels and unfit transient facilities as housing for homeless families with children.

"(c) IMPLEMENTATION OF STRATEGY.—To ensure that the strategy developed under this section is carried out within the statutory deadline, the Secretary shall be authorized to use and apply the following additional resources and powers:

"(1) such preferences in the allocation of resources under section 405 as the Secretary determines to be appropriate;

"(2) such limitations upon a jurisdiction's discretion to allocate resources among approved activities under section 403(a)(2)(A) of this title as the Secretary determines to be appropriate; and

"(3) such expedited decisionmaking or waivers or revisions of regulatory requirements under other provisions of Federal law as the Secretary determines to be appropriate; and

"(4) such additional constraints on the use of funds under other provisions of Federal law as the Secretary determines to be appropriate.

"(d) DEFINITIONS.—For purposes of this section—

"(1) the term 'unfit transient facility' means a facility that provides transient accommodations to homeless persons and families in an environment that does not meet the minimum standards of habitability established by the Secretary in accordance with section 412(b); and

"(2) the term 'welfare hotel' means a commercial hotel or motel used by a jurisdiction to provide transient accommodations to homeless persons and families receiving some type of public assistance.

"SEC. 408. ADMINISTRATIVE PROVISIONS.

"(a) LIMITATION ON ADMINISTRATIVE EXPENSES.—A grantee may not use more than 5 percent of the assistance received under this subtitle for administrative purposes.

"(b) INCOME ELIGIBILITY.—A homeless person shall be eligible for assistance under any program provided by this subtitle, or by the amendments made by this subtitle, only if the person has income not exceeding 50 percent of the median income for the area, as adjusted in accordance with section 3(b)(2) of the United States Housing Act of 1937.

"(c) FLOOD ELEVATION REQUIREMENTS.—Flood protection standards applicable to housing acquired, rehabilitated, or assisted under any provision of this subtitle shall be no more restrictive than the standards applicable to any other program administered by the Secretary.

"(d) APPLICABILITY OF SECTION 104(g) OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974.—The provisions of, and regulations and procedures applicable under, section 104(g) of the Housing and Community Development Act of 1974 shall apply to assistance and projects under this subtitle.

"(e) RECAPTURE AND REALLOCATION OF FUNDS.—

"(1) FORMULA REALLOCATIONS.—If a State or unit of general local government receiving a formula allocation under section 404 fails to obtain approval of its housing strategy in accordance with section 105 of the National Affordable Housing Act, the Secretary shall reallocate any funds reserved for the jurisdiction as follows:

"(A) If a State fails to obtain approval of its housing strategy, the Secretary shall make the State's formula allocation available in accordance with section 405. The Secretary shall, insofar as practicable, give priority to funding projects that assist the homeless population within the State.

"(B) If a unit of general local government eligible for a grant under section 404 fails to obtain approval of its housing strategy, the Secretary shall promptly reallocate the locality's formula allocation to the State in which the locality is located if the State has obtained approval of its housing strategy. The State shall give priority to funding projects that assist the homeless population within the locality.

"(C) If a unit of general local government eligible for a grant under section 404 fails to obtain approval of its housing strategy, and is located within a State that also fails to obtain approval of its housing strategy, the Secretary shall make the locality's formula allocation available in accordance with section 405. The Secretary shall, insofar as practicable, give priority to funding projects that assist the homeless population within the locality.

"(2) NONCOMPLIANCE.—The Secretary may recapture assistance made available to a grantee if the Secretary determines that the grantee is in noncompliance with program requirements and shall reallocate such assistance in accordance with section 405.

"(3) OTHER REALLOCATIONS.—If, following the receipt of applications for the final funding round under section 405 for any fiscal year, any amount set aside for assistance pursuant to section 405 will not be required to fund the approvable applications submitted for such assistance, the Secretary shall reallocate such amount for use under subtitle C.

"(f) GAO AUDITS.—Insofar as they relate to funds provided under this section, the financial transactions of grantees and project sponsors may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptrol-

ler General of the United States. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and other papers, things, or property belonging to, or in use by, such grantees and project sponsors pertaining to the financial transactions and necessary to facilitate the audit.

"SEC. 409. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this title $220,000,000 for fiscal year 1991, $228,800,000 for fiscal year 1992, and $237,952,000 for fiscal year 1993. Any amount appropriated under this section shall remain available until expended.

"SEC. 410. REPORTS TO CONGRESS.

"The Secretary shall submit annually to the Congress a report summarizing the activities carried out under this title and setting forth the findings, conclusions, and recommendations of the Secretary as a result of the activities. The report shall summarize and assess the results of performance reports provided in accordance with subsection 406(g). The report shall be submitted not later than 3 months after the end of each fiscal year.

"Subtitle B—Approved Activities

"SEC. 411. HOMELESSNESS PREVENTION.

"(a) DEFINITION.—Assistance to help very low-income families avoid becoming homeless may include activities other than those that the Secretary has found to be inconsistent with the purposes of this Act.

"(b) LIMITATION ON FINANCIAL ASSISTANCE.—A grantee may provide financial assistance to very low-income families who have received eviction notices or notices of termination of utility services if—

"(1) the inability of the family to make the required payments is due to a sudden reduction in income;

"(2) the assistance is necessary to avoid the eviction or termination of services;

"(3) there is a reasonable prospect that the family will be able to resume payments within a reasonable period of time; and

"(4) the assistance will not supplant funding for preexisting homelessness prevention activities from other sources.

"SEC. 412. EMERGENCY SHELTER.

"(a) DEFINITION.—A project shall be considered 'emergency shelter' if it is designed to provide overnight sleeping accommodations and appropriate eating and cooking accommodations for homeless persons.

"(b) MINIMUM STANDARDS OF HABITABILITY.—The Secretary shall prescribe such minimum standards of habitability as the Secretary determines to be appropriate to ensure that emergency shelters assisted under this section are environments that provide appropriate privacy, safety, and sanitary and other health-related conditions for homeless persons and families. Grantees are authorized to establish standards of habitability in addition to those prescribed by the Secretary.

"(c) TYPES OF ASSISTANCE.—A grantee may provide the following assistance to a project sponsor of emergency shelter:

"(1) a grant for the renovation, major rehabilitation, or conversion of buildings to be used as emergency shelters;

"(2) a grant for the provision of supportive services if such services do not supplant any services provided by the local government during any part of the immediately preceding 12-month period; and

"(3) annual payments for maintenance, operation (other than staff), insurance, utilities, and furnishings.

"(d) PROGRAM REQUIREMENTS.—A grantee may approve assistance for a project under this subsection only if the project sponsor has agreed that it will—

"(1) in the case of assistance involving major rehabilitation or conversion of a building, maintain the building as a shelter for homeless persons and families for not less than a 10-year period;

"(2) in the case of assistance involving rehabilitation (other than major rehabilitation or conversion of a building), maintain the building as a shelter for homeless persons and families for not less than a 3-year period;

"(3) in the case of assistance involving only activities described in paragraphs (2) and (3) of subsection (c), provide services or shelter to homeless persons and families at the original site or structure or other sites or structures serving the same general population for the period during which such assistance is provided;

"(4) comply with the standards of habitability prescribed by the Secretary and (if applicable) the State or unit of general local government; and

"(5) assist homeless persons in obtaining—

"(A) appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living; and

"(B) other Federal, State, local, and private assistance available for homeless persons.

"SEC. 413. TRANSITIONAL HOUSING FOR THE HOMELESS.

"(a) DEFINITION.—A project shall be considered 'transitional housing' if it is designed to facilitate the movement of homeless persons to independent living within 24 months (or such longer period as the Secretary determines is necessary to facilitate the transition of homeless persons to independent living). Transitional housing includes housing primarily designed to serve deinstitutionalized homeless persons and other homeless persons with mental disabilities, and homeless families with children.

"(b) TYPES OF ASSISTANCE.—A grantee may provide the following assistance to a project sponsor of transitional housing:

"(1) An advance not to exceed cost of acquisition, substantial rehabilitation, or acquisition and rehabilitation of an existing structure for use as transitional housing. The repayment of any outstanding debt owed on a loan made to purchase an existing structure shall be considered to be a cost of acquisition eligible for an advance under this paragraph if the structure was not used as transitional housing prior to the receipt of assistance.

"(2) A grant for moderate rehabilitation of an existing structure for use as transitional housing.

"(3) Annual payments for operating costs of transitional housing (including transitional housing that is newly constructed with assistance provided from sources other than this Act) not to exceed 75 percent of the annual operating costs of such housing.

"(4) Technical assistance in—

"(A) establishing transitional housing in an existing structure;

"(B) operating transitional housing in existing structures and in structures that are newly constructed with assistance provided from sources other than this Act; and

"(C) providing supportive services to the residents of transitional housing (including transitional housing that is newly constructed with assistance provided from sources other than this Act).

"(5) A grant for establishing and operating an employment assistance program for the residents of transitional housing, which shall include—

"(A) employment of residents in the operation and maintenance of the housing; and

"(B) the payment of the transportation costs of residents to places of employment.

"(6) A grant to establish and operate a child care services program for homeless families as follows:

"(A) A program under this paragraph shall include—

"(i) establishing, licensing, and operating an on-site child care facility for the residents of transitional housing; or

"(ii) making contributions for the child care costs of residents of transitional housing to existing community child care programs and facilities; and

"(iii) counseling designed to inform the residents of transitional housing of public and private child care services for which they are eligible.

"(B) A grant under this paragraph for any child care services program shall not exceed the amount equal to 75 percent of the cost of operating the program for a period of up to 5 years.

"(C) Child care services provided with respect to a child care services program assisted under this paragraph shall meet any applicable State and local laws and regulations.

A project sponsor may receive assistance under both paragraphs (1) and (2).

"(c) PROGRAM REQUIREMENTS.—

"(1) REQUIRED AGREEMENTS.—A grantee may approve assistance for a project under this section only if the project sponsor has agreed—

"(A) to operate the proposed project as transitional housing for not less than 10 years;

"(B) to conduct an ongoing assessment of the supportive services required by the residents of the project;

"(C) to provide such residential supervision as the Secretary determines is necessary to facilitate the adequate provision of supportive services to the residents of the project;

"(D) to comply with such other terms and conditions as the Secretary or grantee may establish for purposes of carrying out this program in an effective and efficient manner.

"(2) OCCUPANT RENT.—Each homeless person residing in a facility assisted under this section shall pay as rent an amount determined in accordance with the provisions of section 3(a) of the United States Housing Act of 1937.

"(3) ALTERNATIVE USE.—A project may continue to be treated as transitional housing for purposes of this subsection if the grantee determines that such project is no longer needed for use as transitional housing and approves the use of such project for the direct benefit of very low-income families.

"SEC. 414. PERMANENT HOUSING FOR HOMELESS PERSONS WITH DISABILITIES.

"(a) DEFINITION.—A project shall be considered 'permanent housing for homeless persons with disabilities' if it provides community-based long-term housing and supportive services for not more than 8 homeless persons with disabilities. The Secretary may waive the limitation contained in the preceding sentence if the grantee demonstrates that local market conditions dictate the development of a larger project.

"(b) PROJECT DESIGN AND SITING.—Each project assisted under this subtitle shall be either a home designed solely for housing

persons with disabilities or dwelling units in a multifamily housing project, condominium project, or cooperative project. Not more than 1 home may be located on any 1 site and no such home may be located on a site contiguous to another site containing such a home.

"(c) TYPES OF ASSISTANCE.—A grantee may provide the following assistance to a project sponsor of permanent housing for homeless persons with disabilities:

"(1) An advance not to exceed the cost of acquisition, substantial rehabilitation, or acquisition and rehabilitation of an existing structure for use as permanent housing for homeless persons with disabilities. The repayment of any outstanding debt owed on a loan made to purchase an existing structure shall be considered to be a cost of acquisition eligible for an advance under this paragraph if the structure was not used as permanent housing for homeless persons with disabilities prior to the receipt of assistance.

"(2) A grant for moderate rehabilitation of an existing structure for use as permanent housing for homeless persons with disabilities.

"(3) Annual payments for operating costs for permanent housing for homeless persons with disabilities (including permanent housing for homeless persons with disabilities that is newly constructed with assistance provided from sources other than this Act), not to exceed 50 percent of the annual operating costs of such housing for the first year of operation, and not to exceed 25 percent of such costs for the second year of operation.

"(4) Technical assistance in—

"(A) establishing permanent housing for homeless persons with disabilities in an existing structure;

"(B) operating permanent housing for homeless persons with disabilities in existing structures and in structures that are newly constructed with assistance provided from sources other than this Act; and

"(C) providing supportive services to the residents of permanent housing for homeless persons with disabilities (including permanent housing for homeless persons with disabilities that is newly constructed with assistance provided from sources other than this Act).

"(d) PROGRAM REQUIREMENTS.—

"(1) REQUIRED AGREEMENTS.—A grantee may approve assistance for any project under this section only if the project sponsor has agreed—

"(A) to operate the proposed project as permanent housing for homeless persons with disabilities for not less than 10 years;

"(B) to conduct an ongoing assessment of the supportive services required by the residents of the project;

"(C) to provide such residential supervision as the Secretary determines is necessary to facilitate the adequate provision of supportive services to the residents of the project; and

"(D) to comply with such other terms and conditions as the Secretary or grantee may establish for purposes of carrying out this program in an effective and efficient manner.

"(2) STATE PARTICIPATION.—Each grantee providing assistance to a project under this section shall transmit to the Secretary a letter of participation from the State assuring that the State will promptly transmit assistance to the project sponsor and will facilitate the provision of necessary supportive services to the residents of the project;

"(3) OCCUPANT RENT.—Each homeless person residing in a project assisted under this section shall pay as rent an amount determined in accordance with the provisions of section 3(a) of the United States Housing Act of 1937.

"(4) ALTERNATIVE USE.—A project may continue to be treated as permanent housing for homeless persons with disabilities for purposes of this subsection if the grantee determines that such project is no longer needed for use as such housing and approves the use of such project for the direct benefit of very low-income families.

"(5) TENANT SELECTION.—(A) A project sponsor owner shall adopt written tenant selection procedures that are satisfactory to the Secretary as (i) consistent with the purpose of improving housing opportunities for very low-income persons with disabilities; and (ii) reasonably related to program eligibility and an applicant's ability to perform the obligations of the lease. Project sponsors shall promptly notify in writing any rejected applicant of the grounds for any rejection.

"(B) Notwithstanding any other provision of law, a project sponsor may, with the approval of the grantee, limit occupancy within housing developed under this section to persons with disabilities who have similar disabilities and require a similar set of supportive services in a supportive housing environment.

"SEC. 415. TRANSITION TO PERMANENT HOUSING.

"(a) DEFINITION.—Assistance to help eligible families make the transition to permanent housing shall include the provision of security deposits and the cost of rent for one month. For purposes of this section, the term 'eligible family' means a very low-income family who has resided in emergency shelter or transitional housing and who meets other conditions of eligibility as the Secretary determines to be appropriate.

"(b) LIMITATION ON FINANCIAL ASSISTANCE.—A grantee may provide financial assistance to eligible families in the form of a security deposit and the cost of rent for not more than one month if—

"(1) the grantee determines that the rental charge for the subject unit is reasonable in comparison with rents charged for comparable units in the private, unassisted market;

"(2) there is a reasonable prospect that the family will be able to sustain the rental payments for a reasonable period of time; and

"(3) the eligible family has made reasonable efforts to receive assistance under the program of aid to families with dependent children under part A of title IV of the Social Security Act or a similar local, State, or Federal public assistance program.

"(c) PARTICIPATING LANDLORD.—If an eligible family vacates the rental unit, a landlord participating in this program shall return to the grantee any portion of the security deposit (including reasonable interest) against which such landlord does not have a claim. Any returned funds may be used by a grantee in accordance with section 403(a).

"SEC. 416. DEVELOPMENT OF ADDITIONAL APPROVED ACTIVITIES.

"The Secretary, in cooperation with grantees and other appropriate parties, shall develop additional approved activities to carry out the purposes of this title.

"Subtitle C—Section 8 Single Room Occupancy

"SEC. 421. SECTION 8 ASSISTANCE FOR SINGLE ROOM OCCUPANCY PROVISIONS.

"(a) USE OF FUNDS.—The amounts made available under this subtitle shall be used only in connection with the moderate rehabilitation of housing described in section 8(n) of the United States Housing Act of 1937 for occupancy by homeless persons, except that such amounts may be used in connection with the moderate rehabilitation of efficiency units if the building owner agrees to pay the additional cost of rehabilitating and operating such units.

"(b) ALLOCATION.—The amounts made available under this subtitle shall be allocated by the Secretary among approvable applications to the applicant public housing agencies or other contracting agencies that best demonstrate a need for the assistance under this section and the ability to undertake and carry out a program to be assisted under this subtitle. To be considered for assistance under this section, an applicant shall submit to the Secretary a proposal containing—

"(1) a description of the size and characteristics of the population within the applicant's jurisdiction that would occupy single room occupancy dwellings;

"(2) a listing of additional commitments from public and private sources that the applicant might be able to provide in connection with the program;

"(3) an inventory of suitable housing stock to be rehabilitated with such assistance; and

"(4) a description of the interest that has been expressed by builders, developers, and others (including profit and nonprofit organizations) in participating in the program.

No single city or urban county shall be eligible to receive more than 10 percent of the assistance made available under this subtitle.

"(c) FIRE AND SAFETY IMPROVEMENTS.—Each rental credit contract entered into with the authority provided under this subtitle shall require the installation of a sprinkler system that protects all major spaces, hard wired smoke detectors, and such other fire and safety improvements as may be required by State or local law. For purposes of this subsection, the term 'major spaces' means hallways, large common areas, and other areas specified in local fire, building, or safety codes.

"(d) COST LIMITATION.—

"(1) The total cost of rehabilitation that may be compensated for in a rental credit contract entered into with the authority provided under this subtitle shall not exceed $15,000 per unit, plus the expenditures required by subsection (d).

"(2) The Secretary shall increase the limitation contained in paragraph (1) by an amount the Secretary determines is reasonable and necessary to accommodate special local conditions, including—

"(A) high construction costs; or

"(B) stringent fire or building codes.

"(3) The Secretary shall increase the limitation in paragraph (1) on October 1 of each year by an amount necessary to take into account increases in construction costs during the previous 12-month period.

"(e) CONTRACT REQUIREMENTS.—Each contract for annual contributions entered into with a public housing agency or other contracting agency to obligate the authority made available under this subtitle shall—

"(1) commit the Secretary to make such authority available to the public housing agency or other contracting agency for an aggregate period of 10 years, and require that any amendments increasing such authority shall be available for the remainder of such 10-year period;

"(2) provide the Secretary with the option to renew the contract for an additional period of 10 years, subject to the availability of appropriations; and

"(3) provide that, notwithstanding any other provision of law, first priority for occupancy of housing rehabilitated under this subtitle shall be given to homeless persons.

"SEC. 422. INCREASE IN BUDGET AUTHORITY.

"The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(e)(2) of such Act is authorized to be increased by $78,694,000 on or after October 1, 1990, by $81,842,000 on or after October 1, 1991, and by $85,115,000 on or after October 1, 1992. Any funds appropriated under this section shall remain available until expended.

"Subtitle D—Shelter Plus Care Program

"PART I—SHELTER PLUS CARE: GENERAL REQUIREMENTS

"SEC. 431. PURPOSE.

"The purpose of the program authorized under this subtitle is to provide rental housing assistance to homeless persons with disabilities (primarily persons who are seriously mentally ill, have chronic problems with alcohol, drugs, or both, or have acquired immune deficiency syndrome and related diseases) in connection with supportive services funded from sources other than this subtitle.

"SEC. 432. RENTAL HOUSING ASSISTANCE.

"The Secretary is authorized, in accordance with the provisions of this subtitle, to provide rental housing assistance under parts II, III, and IV.

"SEC. 433. SUPPORTIVE SERVICES REQUIREMENTS; MATCHING FUNDING.

"(a) SUPPLEMENTAL FUNDS.—Each recipient shall assure that the amount of budget authority obligated by the Secretary for rental housing assistance under this subtitle is supplemented with at least an equal amount of funds from other sources. The funds shall be used for the provision of supportive services to eligible persons under this subtitle. In calculating the amount of these funds, a recipient may include the value of such items determined appropriate by the Secretary.

"(b) ASSURANCES.—Each recipient shall give reasonable assurances that supportive services appropriate to the needs of eligible persons to be served under its program will be provided for the full term of the rental housing assistance under parts II, III, and IV, as appropriate. Expenditures for supportive services need not be made in equal amounts for each year, but may vary depending on the needs of the persons assisted under the program.

"(c) RECAPTURE.—If the supportive services and funding for the supportive services required by this section are not provided, the Secretary may recapture any unexpended housing assistance.

"SEC. 434. APPLICATIONS.

"(a) IN GENERAL.—An application for rental housing assistance under this subtitle shall be submitted by an applicant in such forms and in accordance with such procedures as the Secretary shall establish.

"(b) MINIMUM CONTENTS.—The Secretary shall require that an application contain at a minimum—

"(1) a request for housing assistance under part II, III, or IV, or a combination, specifying the number of units requested and the amount of necessary budget authority;

"(2) a description of the size and characteristics of the population of eligible persons;

"(3) the identity of the proposed service provider or providers (which may be, or include, the applicant) and a statement of the qualifications of the provider or providers;

"(4) a description of the supportive services that the applicant proposes to assure will be available for eligible persons;

"(5) a description of the resources that are expected to be made available to provide the supportive services required by section 433;

"(6) a description of the mechanisms for developing a housing and supportive services plan for each person and for monitoring each person's progress in meeting that plan;

"(7) reasonable assurances satisfactory to the Secretary that the supportive services will be provided for the full term of the housing assistance under part II, III, or IV, or a combination; and a certification from the applicant that it will fund the supportive services itself if the planned resources do not become available for any reason;

"(8) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 105 of the National Affordable Housing Act that the proposed activities are consistent with the approved housing strategy of the unit of general local government within which housing assistance under this subtitle will be provided;

"(9) a plan for—

"(A) in the case of rental housing assistance under part II, providing housing assistance;

"(B) identifying and selecting eligible persons to participate, including a proposed definition of the term 'chronic problems with alcohol, other drugs, or both';

"(C) coordinating the provision of housing assistance and supportive services;

"(D) ensuring that the service providers are providing supportive services adequate to meet the needs of the persons served;

"(E) obtaining participation of eligible persons who have previously not been assisted under programs designed to assist the homeless or have been considered not capable of participation in these programs; this plan shall specifically address how homeless persons, as defined in section 103(a)(2)(C), will be brought into the program;

"(10) in the case of housing assistance under part III, identification of the specific structures that the recipient is proposing for rehabilitation and assistance; and

"(11) in the case of housing assistance under part IV, identification of the nonprofit entity that will be the owner or lessor of the property, and identification of the specific structures in which the nonprofit entity proposes to house eligible persons.

"SEC. 435. SELECTION CRITERIA.

"(a) IN GENERAL.—The Secretary shall establish selection criteria for a national competition for assistance under this subtitle, which shall include—

"(1) the ability of the applicant to develop and operate the proposed assisted housing and supportive services program, taking into account the quality of any ongoing program of the applicant;

"(2) the need for a program providing housing assistance and supportive services for eligible persons in the area to be served;

"(3) the quality of the proposed program for providing supportive services and housing assistance;

"(4) the extent to which the proposed funding for the supportive services is or will be available;

"(5) the extent to which the project would meet the needs of the homeless persons proposed to be served by the program;

"(6) the cost-effectiveness of the proposed program; and

"(7) such other factors as the Secretary specifies in regulations to be appropriate for purposes of carrying out the program established by this subtitle in an effective and efficient manner.

"(b) CONSULTATION WITH HHS.—In reviewing the applications, the Secretary shall consult with the Secretary of Health and Human Services with respect to the supportive services aspects.

"(c) FUNDING LIMITATION.—No more than 10 percent of the assistance made available under this subtitle for any fiscal year may be used for programs located within any one unit of general local government.

"SEC. 436. REQUIRED AGREEMENTS.

"The Secretary may not approve assistance under this subtitle unless the applicant agrees—

"(1) to operate the proposed program in accordance with the provisions of this subtitle;

"(2) to conduct an ongoing assessment of the housing assistance and supportive services required by the participants in the program;

"(3) to assure the adequate provision of supportive services to the participants in the program; and

"(4) to comply with such other terms and conditions as the Secretary may establish for purposes of carrying out the program in an effective and efficient manner.

"SEC. 437. TERMINATION OF ASSISTANCE.

"If an eligible person who receives assistance under this subtitle violates program requirements, the recipient may terminate assistance.

"SEC. 438. DEFINITIONS.

"For purposes of this subtitle:

"(1) The term 'acquired immunodeficiency syndrome and related diseases' has the same meaning given the term in section 521 of the National Affordable Housing Act.

"(2) The term 'applicant' means—

"(A) in the case of rental housing assistance under parts II and IV, a State, unit of general local government, or Indian tribe; and

"(B) in the case of single room occupancy housing under the section 8 moderate rehabilitation program under part III (i) a State, unit of general local government, or Indian tribe (that shall be responsible for assuring the provision of supportive services and the overall administration of the program), and (ii) a public housing agency (that shall be primarily responsible for administering the housing assistance under part III).

"(3) The term 'chronic problems with alcohol, other drugs, or both' shall have such meaning as proposed by the applicant and approved by the Secretary.

"(4) The term 'eligible person' means a homeless person with disabilities (primarily persons who are seriously mentally ill, have chronic problems with alcohol, drugs, or both, or have acquired immunodeficiency syndrome and related diseases).

"(5) The term 'Indian tribe' has the meaning given such term in section 102 of the Housing and Community Development Act of 1974.

"(6) The term 'person with disabilities' has the same meaning given the term in section 521 of the National Affordable Housing Act.

"(7) The term 'public housing agency' has the meaning given such term in section 3(b)(6) of the United States Housing Act of 1937.

"(8) The term 'recipient' means an applicant approved for participation in the program authorized under this subtitle.

"(9) The term 'Secretary' means the Secretary of Housing and Urban Development.

"(10) The term 'seriously mentally ill' means having a severe and persistent mental or emotional impairment that seriously limits a person's ability to live independently.

"(11) The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

"(12) The term 'supportive services' means assistance that the Secretary determines (A) addresses the special needs of eligible persons; and (B) provides appropriate services or assists such persons in obtaining appropriate services, including health care, mental health services, substance and alcohol abuse services, case management services, counseling, supervision, education, job training, and other services essential for achieving and maintaining independent living. In-patient acute hospital care shall not qualify as a supportive service.

"(13) The term 'unit of general local government' has the meaning given such term in section 102 of the Housing and Community Development Act of 1974.

"SEC. 439. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—For purposes of the housing program under part II of this subtitle, there are authorized to be appropriated $160,800,000 for fiscal year 1991, $167,213,000 for fiscal year 1992, and $173,400,000 for fiscal year 1993.

"(b) PART III.—For purposes of the housing program under part III of this subtitle, the budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(e)(2) of such Act is authorized to be increased by $49,571,000 on or after October 1, 1990, $54,193,000 on or after October 1, 1991, and $56,144,000 on or after October 1, 1992.

"(c) PART IV.—For purposes of the housing program under part IV of this subtitle, there are authorized to be appropriated $35,835,000 for fiscal year 1991, $37,233,000 for fiscal year 1992, and $38,573,000 for fiscal year 1993.

"(d) AVAILABILITY.—Sums appropriated under this section shall remain available until expended.

"PART II—SHELTER PLUS CARE: HOMELESS RENTAL HOUSING ASSISTANCE

"SEC. 441. PURPOSE.

"The Secretary is authorized to use amounts made available under section 439(a) to provide rental housing assistance in accordance with the requirements of this part.

"SEC. 442. HOUSING ASSISTANCE.

"Where necessary to assure that the provision of supportive services to persons is feasible, a recipient may require that a person participating in the program live (a) in a particular structure or unit for up to the first two years of participation, and (b) within a particular geographic area for the full period of participation or the period remaining after the period referred to in subsection (a).

"SEC. 443. AMOUNT OF ASSISTANCE.

"The contract with a recipient for assistance under this part shall be for a term of five years. Each contract shall provide that the recipient shall receive aggregate amounts not to exceed the appropriate existing housing fair market rent limitation under section 8(c) of the United States Housing Act of 1937 in effect at the time the application is approved. At the option of the recipient and subject to the availability of such amounts, the recipient may receive in any year (1) up to 25 percent of such amounts or (2) such higher percentage as the Secretary may approve upon a demonstration satisfactory to the Secretary that the recipient has entered into firm financial commitments to ensure that the housing assistance described in the application will be provided for the full term of the contract. Any amounts not needed for a year may be used to increase the amount available in subsequent years. Each recipient shall ensure that the assistance provided by the Secretary, and any amounts provided from other sources, are managed so that the housing assistance described in the application is provided for the full term of the assistance.

"SEC. 444. HOUSING STANDARDS AND RENT REASONABLENESS.

"(a) STANDARDS REQUIRED.—The Secretary shall require that—

"(1) the recipient inspect each unit before any assistance may be provided to or on behalf of the person to determine that the occupancy charge for the housing being or to be provided is reasonable and that each unit meets housing standards established by the Secretary for the purpose of this part; and

"(2) the recipient make at least annual inspections of each unit during the contract term.

"(b) PROHIBITION.—No assistance may be provided for a dwelling unit (1) for which the occupancy charge is not reasonable, or (2) which fails to meet the housing standards, unless the owner promptly corrects the deficiency and the recipient verifies the correction.

"SEC. 445. TENANT RENT.

"Each tenant shall pay as rent an amount determined in accordance with the provisions of section 3(a)(1) of the United States Housing Act of 1937.

"SEC. 446. ADMINISTRATIVE FEES.

"The Secretary shall make amounts available to pay the entity administering the housing assistance an administrative fee in an amount determined appropriate by the Secretary for the costs of administering the housing assistance.

"PART III—SHELTER PLUS CARE: SECTION 8 MODERATE REHABILITATION ASSISTANCE FOR SINGLE ROOM OCCUPANCY DWELLINGS

"SEC. 451. PURPOSE.

"The Secretary is authorized to use amounts made available under section 439(b) of this subtitle only in connection with the moderate rehabilitation of single room occupancy housing described in section 8(n) of the United States Housing Act of 1937 for occupancy by very-low-income eligible persons. However, amounts made available under section 439(b) may be used in connection with the moderate rehabilitation of efficiency units if the building owner agrees to pay the additional cost of rehabilitating and operating the efficiency units.

"SEC. 452. FIRE AND SAFETY IMPROVEMENTS.

"Each contract for housing assistance payments entered into using the authority provided under section 439(b) shall require the installation of a sprinkler system that protects all major spaces, hard-wired smoke detectors, and such other fire and safety improvements as may be required by State or local law. For purposes of this section, the term 'major spaces' means hallways, large common areas, and other areas specified in local fire, building, or safety codes.

"SEC. 453. CONTRACT REQUIREMENTS.

"Each contract for annual contributions entered into by the Secretary with a public housing agency to obligate the authority made available under section 439(b) shall—

"(1) commit the Secretary to make the authority available to the public housing agency for an aggregate period of 10 years, and require that any amendments increasing the authority shall be available for the remainder of such 10-year period;

"(2) provide the Secretary with the option to renew the contract for an additional period of 10 years, subject to the availability of authority; and

"(3) provide that, notwithstanding any other provision of law, first priority for occupancy of housing rehabilitated under this part III shall be given to very-low-income eligible persons.

"SEC. 454. OCCUPANCY.

"(a) OCCUPANCY AGREEMENT.—The occupancy agreement between the tenant and the owner shall be for at least one month.

"(b) VACANCY PAYMENTS.—If an eligible person vacates a dwelling unit before the expiration of the occupancy agreement, no assistance payment may be made with respect to the unit after the month during which the unit was vacated, unless it is occupied by another eligible person.

"(c) INAPPLICABILITY OF 'OTHER SINGLE PERSON' LIMITATIONS.—The limitations on the eligibility of other single persons contained in section 3(b)(3) of the United States Housing Act of 1937 shall not apply to eligible persons under this part.

"PART IV—SHELTER PLUS CARE: SECTION 202 RENTAL ASSISTANCE

"SEC. 461. PURPOSE.

"The Secretary is authorized to use amounts made available under section 439(c) of this subtitle only in connection with the provision of rental housing assistance under section 611 of the National Affordable Housing Act for very-low-income eligible persons. The contract between the Secretary and the recipient shall require the recipient to enter into contracts with owners or lessors of housing meeting the requirements of section 611 of such Act for the purpose of providing such rental housing assistance.

"SEC. 462. AMOUNT OF ASSISTANCE.

"The contract with a recipient of assistance under this part shall be for a term of 5 years. Each contract shall provide that the recipient shall receive aggregate amounts not to exceed the appropriate existing housing fair market rent limitation under section 8(c) of the United States Housing Act of 1937 in effect at the time the application is approved. Each recipient shall ensure that the assistance provided by the Secretary, and any amounts provided from other sources, are managed so that the housing assistance described in the application is provided for the full term of the assistance.

"SEC. 463. HOUSING STANDARDS AND RENT REASONABLENESS.

"The Secretary shall require that (a) the recipient inspect each unit before any assistance may be provided to or on behalf of the person to determine that the occupancy charge for the housing being or to be provided is reasonable and that each unit meets housing standards established by the Secretary for the purpose of this part, and (b) the recipient make at least annual inspections of each unit during the contract term. No assistance may be provided for a dwelling unit (a) for which the occupancy charge is

not reasonable, or (b) which fails to meet the housing standards, unless the owner or lessor, as the case may be, promptly corrects the deficiency and the recipient verifies the correction.

"SEC. 464. ADMINISTRATIVE FEES.

"The Secretary shall make amounts available to pay the nonprofit entity that is the owner or lessor of the housing assisted under this part an administrative fee in an amount determined appropriate by the Secretary for the costs of administering the housing assistance.

"Subtitle E—Miscellaneous

"SEC. 471. ENVIRONMENTAL REVIEW.

"The provisions of, and the regulations and procedures applicable under, section 104(g) of the Housing and Community Development Act of 1974 shall apply to assistance and projects under this title.".

(b) IMPLEMENTATION.—Not later than 120 days after the date funds authorized under section 439 of the Stewart B. McKinney Homeless Assistance Act, as amended by this Act, first become available for obligation, the Secretary shall by notice establish such requirements as may be necessary to carry out the provisions of subtitle D of that Act. Such requirements shall be subject to section 553 of title 5, United States Code. The Secretary shall issue regulations based on the initial notice before the expiration of the eight-month period following the date of the notice.

(c) TRANSITION PROVISIONS.—Amounts appropriated for use under subtitle D of title IV of the Stewart B. McKinney Homeless Assistance Act, as it existed immediately before the date of enactment of this Act, that are or become available for obligation shall be available for use under subtitle D of title IV of the McKinney Act, as amended by this Act.

SEC. 622. DEFINITION OF "HOMELESS PERSON".

Section 103(a) of the Stewart B. McKinney Homeless Assistance Act is amended by adding after "homeless individual" the following: "or homeless person".

SEC. 623. TRANSITIONAL RULE.

Notwithstanding section 404(a) of the Stewart B. McKinney Homeless Assistance Act (as amended by section 531), during the period not to exceed 1 year following the enactment of this Act, the Secretary is authorized to allocate homeless assistance made available under such Act in accordance with regulations in effect on January 1, 1989, to the extent determined by the Secretary to be necessary to provide for orderly transition to the regulations issued under such section.

SEC. 624. CONFORMING AMENDMENT.

That part of the table of contents of the Stewart B. McKinney Homeless Assistance Act that relates to title IV of such Act is amended to read as follows:

"TITLE IV—HOUSING ASSISTANCE

"Subtitle A—General Provisions

"Sec. 401. Purpose.
"Sec. 402. Definitions.
"Sec. 403. General authority.
"Sec. 404. Allocation formula.
"Sec. 405. Discretionary allocation.
"Sec. 406. Responsibilities of grantees and project sponsors.
"Sec. 407. Strategy to eliminate welfare hotels and unfit transient facilities.
"Sec. 408. Administrative provisions.
"Sec. 409. Authorization of appropriations.
"Sec. 410. Reports to Congress.
"Subtitle B—Approved Activities.
"Sec. 411. Homelessness prevention.
"Sec. 412. Emergency shelter.
"Sec. 413. Transitional housing for the homeless.
"Sec. 414. Permanent housing for homeless persons with disabilities.
"Sec. 415. Transition to permanent housing.
"Sec. 416. Development of additional approved activities.

"Subtitle C—Section 8 Single Room Occupancy

"Sec. 421. Section 8 single room occupancy provisions.
"Sec. 422. Increase in budget authority.

"Subtitle D—Shelter Plus Care Program

"PART I—SHELTER PLUS CARE: GENERAL REQUIREMENTS

"Sec. 431. Purpose.
"Sec. 432. Rental housing assistance.
"Sec. 433. Supportive services requirements; matching funding.
"Sec. 434. Applications.
"Sec. 435. Selection criteria.
"Sec. 436. Required agreements.
"Sec. 437. Termination of assistance.
"Sec. 438. Definitions.
"Sec. 439. Authorization of appropriations.

"PART II—SHELTER PLUS CARE: HOMELESS RENTAL HOUSING ASSISTANCE

"Sec. 441. Purpose.
"Sec. 442. Housing assistance.
"Sec. 443. Amount of assistance.
"Sec. 444. Housing standards and rent reasonableness.
"Sec. 445. Tenant rent.
"Sec. 446. Administrative fees.

"PART III—SHELTER PLUS CARE: MODERATE REHABILITATION ASSISTANCE FOR SINGLE ROOM OCCUPANCY DWELLINGS

"Sec. 451. Purpose.
"Sec. 452. Fire and safety improvements.
"Sec. 453. Contract requirements.
"Sec. 454. Occupancy.

"PART IV—SECTION 202 RENTAL ASSISTANCE

"Sec. 461. Purpose.
"Sec. 462. Amount of assistance.
"Sec. 463. Housing standards and rent reasonableness.
"Sec. 464. Administrative fees.

"Subtitle E—Miscellaneous

"Sec. 471. Environmental review.".

SEC. 625. STRATEGY TO ASSIST HOMELESS PERSONS WITH ACQUIRED IMMUNODEFICIENCY SYNDROME AND RELATED DISEASES.

(a) IN GENERAL.—The Secretary of Housing and Urban Development shall, not more than 12 months after the date of enactment of the National Affordable Housing Act, develop and publish in the Federal Register a strategy to expand the supply of supportive housing for homeless persons with acquired immunodeficiency syndrome and related diseases. In developing the strategy required under this section, the Secretary shall consult with the Secretary of the Department of Health and Human Services, other appropriate Federal officials, appropriate States and units of general local government, major organizations representing homeless persons with acquired immunodeficiency syndrome and related diseases and other experts.

(b) PRELIMINARY INFORMATION.—In developing the strategy required under this section, the Secretary shall—

(1) identify the States and units of general local government that have a significant population of homeless persons with acquired immunodeficiency syndrome and related diseases;

(2) assess the extent to which Federal housing and supportive service programs (and comparable State and local programs) are adequately serving such population within the jurisdictions identified under paragraph (1);

(3) identify provisions in Federal, State, and local statutes and regulations that inhibit the development of supportive housing for homeless persons with acquired immunodeficiency syndrome and related diseases; and

(4) identify other barriers that inhibit the implementation of Federal housing and supportive service programs (and comparable State and local programs) within the jurisdictions identified under paragraph (1).

(c) CONTENTS OF STRATEGY.—The strategy developed under this section shall specify—

(1) recommended changes in Federal, State, and local statutes and regulations identified under subsection (b)(3);

(2) actions to be taken to build the capacity of nonprofit organizations that are dedicated to the development of supportive housing for persons with acquired immunodeficiency syndrome and related diseases;

(3) such preferences in the allocation of resources under section 405 of the Stewart B. McKinney Homeless Assistance Act as the Secretary determines to be appropriate;

(4) such limitations upon a jurisdiction's discretion to allocate resources among approved activities under section 403(a)(2)(A) of the Stewart B. McKinney Homeless Assistance Act as the Secretary determines to be appropriate;

(5) such set-aside of tenant-based rental assistance under section 8(o) of the United States Housing Act of 1987 as the Secretary determines to be appropriate;

(6) such expedited decisionmaking or waivers or revisions of regulatory requirements under other provisions of Federal law as the Secretary determines to be appropriate; and

(7) such additional constraints on the use of funds under other provisions of Federal law as the Secretary determines to be appropriate.

(d) DEFINITIONS.—As used in this section—

(1) The term "acquired immunodeficiency syndrome and related diseases" means the disease of acquired immunodeficiency syndrome and any conditions arising from the etiologic agent for acquired immunodeficiency syndrome. The term does not include any condition of asymptomatic infection with the etiologic agent for acquired immunodeficiency syndrome.

(2) The term "Federal housing and supportive service programs" shall include but not be limited to public housing developed under the United States Housing Act of 1937, housing developed under section 202 of the Housing Act of 1959, housing developed or assistance provided under section 8 of the United States Housing Act of 1937, housing developed under title IV of the Stewart B. McKinney Homeless Assistance Act, and related supportive services provided under programs administered by the Department of Health and Human Services and other agencies and departments of the Federal Government.

TITLE VII—PUBLIC AND INDIAN HOUSING

SEC. 701. PURPOSES.

The purposes of this title are—

(1) to modernize the Nation's stock of low-income public and Indian housing and provide operating assistance needed for such housing to be a suitable living environment;

(2) to make adequate provisions for one-for-one replacement of any public housing dwelling units that are demolished or disposed of;

(3) to establish Project Independence to help families with children living in public housing gain better access to jobs and educational opportunities; and

(4) to reduce the cost of operating assistance to public and Indian housing by improving the energy efficiency of the housing stock.

Subtitle A—Public Housing Revisions

SEC. 711. PUBLIC HOUSING REVISIONS.

Section 14 of the United States Housing Act of 1937 is amended by inserting at the end the following new subsection:

"(p) MAJOR RECONSTRUCTION.—The Secretary shall make available and contract to make available assistance in the form of grants to enable the substantial redesign, reconstruction or redevelopment of existing public housing projects or units. Of the total amount of assistance approved in appropriation Acts under section 5(c), there shall be set aside to carry out this subsection $92,000,000 for fiscal year 1991, $96,000,000 for fiscal year 1992 and $100,000,000 for fiscal year 1993.".

SEC. 712. REPLACEMENT HOUSING.

(a) BUDGET REQUEST.—Section 18(c)(2) of the United States Housing Act of 1937 is amended by adding at the end the following: "As part of each annual budget request for the Department of Housing and Urban Development, the Secretary shall transmit to the Congress a report—

"(A) outlining the commitments the Secretary entered into during the preceding year to fund plans approved under subsection (b)(3); and

"(B) specifying, by fiscal year, the budget authority required to carry out the commitments specified in paragraph (A).".

(b) REPEALER.—Section 18(c)(3) of the United States Housing Act is repealed.

SEC. 713. REFORM OF PUBLIC HOUSING MANAGEMENT.

(a) PERFORMANCE INDICATORS FOR PUBLIC HOUSING AGENCIES.—Section 6(j) of the United States Housing Act of 1937 is amended to read as follows:

"(j)(1) The Secretary shall develop and publish in the Federal Register indicators to assess the management performance of public housing agencies. Such indicators shall enable the Secretary to evaluate the performance of public housing agencies in all major areas of management operations. The Secretary shall, in particular, use the following indicators:

"(A) the number and percentage of vacancies within an agency's inventory, including the progress that an agency has made within the previous 3 years to reduce such vacancies;

"(B) the amount and percentage of funds obligated to the PHA under section 14 of this Act which remain unexpended after 3 years;

"(C) the percentage of rents uncollected;

"(D) the energy consumption per unit (with appropriate adjustments to reflect different regions and unit sizes);

"(E) the average period of time that an agency requires to repair and turn-around vacant units;

"(F) the proportion of maintenance work orders outstanding;

"(G) the percentage of units that an agency fails to inspect to ascertain maintenance or modernization needs within such period of time as the Secretary deems appropriate (with appropriate adjustments for large and small agencies); and

"(H) such other factors as the Secretary deems appropriate.

"(2)(A) The Secretary shall establish procedures for designating troubled public housing agencies, which procedures shall include identification of serious and substantial failure to perform as measured by the performance indicators specified under paragraph (1) and such other factors as the Secretary may deem to be appropriate.

"(B) The Secretary shall seek to enter into an agreement with each troubled public housing agency setting forth—

"(i) targets for improving performance as measured by the performance indicators specified under paragraph (1) and other requirements within a specified period of time;

"(ii) strategies for meeting those targets; and

"(iii) incentives or sanctions for effective implementation of those strategies, which may include such constraints on the use of funds made available under this Act and the Housing and Community Development Act of 1974 as the Secretary determines to be appropriate.

The Secretary and the public housing agency shall, to the maximum extent practicable, seek the assistance of local public and private entities in carrying out the agreement.

"(3)(A) Notwithstanding any other provision of law or of any contract for contributions, upon the occurrence of events or conditions that constitute a substantial default by a public housing agency with respect to the covenants or conditions to which the public housing agency is subject or an agreement entered into under paragraph (2), the Secretary—

"(i) may solicit competitive bids from housing management agents in the eventuality that these agents may be needed for managing all, or part, of the housing administered by a public housing agency; and

"(ii) may petition for the appointment of a receiver (which may be a private management corporation) of the public housing agency to any district court of the United States or to any court of the State in which the real property of the public housing agency is situated, that is authorized to appoint a receiver for the purposes and having the powers prescribed in this subsection.

"(B) In any proceeding under subparagraph (A)(i), upon a determination that a substantial default has occurred, and without regard to the availability of alternative remedies, the court shall appoint a receiver to conduct the affairs of the public housing agency in a manner consistent with this Act and in accordance with such further terms and conditions as the court may provide. The court shall have power to grant appropriate temporary or preliminary relief pending final disposition of the petition by the Secretary.

"(C) The appointment of a receiver pursuant to this subsection may be terminated, upon the petition of any party, when the court determines that all defaults have been cured and the housing operated by the public housing agency will thereafter be operated in accordance with the covenants and conditions to which the public housing agency is subject.

"(4) The Secretary shall annually submit to the Congress a report identifying the public housing agencies that have been designated as troubled under paragraph (2), describing the agreements that have been entered into with such agencies under such paragraph, describing the status of progress under such agreements, and describing any action that has been taken in accordance with paragraph (3). In preparing such report, the Secretary shall consult with the Public Housing Advisory Board established under section 5(n) of this Act.".

(b) PROJECT-BASED ACCOUNTING SYSTEMS.—Section 6(c)(4) of the United States Housing Act is amended by adding at the end the following:

"(E) the establishment and maintenance of a system of accounting for rental collections and costs (including administrative, utility, maintenance, repair and other operating costs) on a project basis.

The Secretary shall develop such guidelines and timetables as the Secretary determines to be appropriate, taking into account the requirements of public housing agencies of different sizes and characteristics, to achieve compliance with paragraph (4)(E) not later than January 1, 1993.".

(c) REDUCTION OF OPERATING SUBSIDY FOR VACANT UNITS.—Section 9 of the United States Housing Act of 1937 is amended by adding at the end the following:

"(f) REDUCTION.—The Secretary may reduce operating subsidies for public housing units that have been continuously vacant for 1 year or longer where such vacancies have been caused by factors within the control of the public housing agency.".

SEC. 714. TERMINATION OF TENANCY IN PUBLIC HOUSING.

(a) IN GENERAL.—Section 6(l)(5) of the Housing Act of 1937 is amended by striking the words after "shall not engage in" and before "and such criminal activity" and by inserting "activity that adversely affects the health, safety, and right to quiet enjoyment of the premises by other tenants and shall not engage in criminal activity, including drug-related criminal activity, that threatens the health or safety of, or right to quiet enjoyment of the premises by, other tenants,".

(b) NO PREFERENCE.—Section 3(b)(3) of the United States Housing Act of 1937 is amended by inserting at the end the following new sentence: "Any individual or family evicted from housing assisted under the Act by reason of drug-related criminal activity (as defined in section 6(l)) is not eligible for a preference under any provision of this paragraph for 5 years unless the evicted tenant successfully completes a rehabilitation program approved by the Secretary.".

SEC. 715. ENERGY EFFICIENCY DEMONSTRATION.

(a) ESTABLISHMENT.—The Secretary shall establish a demonstration program to encourage the use of private energy service companies in accordance with section 118(a) of the Housing and Community Development Act of 1987. The Secretary shall provide technical assistance to 5 public housing agencies to demonstrate the opportunities for energy cost reduction in 5 public housing projects through energy services contracts. Not later than 90 days after enactment of this Act, the Secretary shall establish such selection criteria for this demonstration as the Secretary deems appropriate after consultation with representatives of public housing agencies and energy efficiency organizations.

(b) REPORT.—As soon as practicable following one year after the date of enactment of this Act, the Secretary shall submit to the Congress a report setting forth the findings and recommendations of the Secretary as a result of the demonstration under this section. The Secretary shall disseminate such report, to the extent practicable, to other public housing agencies.

(c) FUNDING.—Of the total amount approved in appropriation Acts under section 911 of this Act, there shall be set aside to carry out this section $500,000 for fiscal year 1991.

SEC. 716. PREFERENCE RULES.

Section 6(c)(4)(A) of the United States Housing Act of 1937 is amended—

(1) by inserting the following after "which" the second time it appears: "(i) for not less than 50 percent of the units that are made available for occupancy in a given fiscal year,";

(2) by inserting the following after "Act": "(ii) for any remaining units to be made available for occupancy, gives preferences in accordance with a system of preferences established by the public housing agency in writing and after public hearing to respond to local housing needs and priorities, and (iii) prohibits any individual or family evicted from housing assisted under the Act by reason of drug-related criminal activity from having a preference under any provision of this subparagraph for 5 years unless the evicted tenant successfully completes a rehabilitation program approved by the Secretary,"; and

(3) by striking all that follows after "problems" and inserting in lieu thereof a period.

SEC. 717. PUBLIC HOUSING REPLACEMENT.

Section 18(b) of the United States Housing Act of 1937 is amended by—

(1) striking "and" at the end of paragraph (2); and

(2) inserting at the end the following new paragraphs:

"(4) the public housing agency has developed a plan for the provision of not less than an additional decent, safe, sanitary and affordable dwelling unit for each two public housing dwelling units to be demolished or disposed of under such application (which plan otherwise complies with the requirements of paragraph (3)) where—

"(A) the project or portion of the project to be demolished or disposed of has had vacancies exceeding 35 percent for each of the 5 years preceding submission of the application under this section;

"(B) the project is located within a jurisdiction that has a vacancy rate for standard rental units that exceeds 10 percent (as reported in the most recent comprehensive housing affordability housing strategy filed and approved in accordance with section 105 of the National Affordable Housing Act); and

"(C) the project is located within jurisdiction that is deemed by the Secretary to be experiencing severe economic distress in accordance with standards established under section 119(b)(1) of the Housing and Community Development Act of 1974; and

"(5) the public housing agency has held an open, public hearing to obtain citizen views on the application, which hearing shall be held after adequate notice, at a time and location convenient to parties who will be affected by the demolition or disposition and with accommodation for persons with disabilities.".

SEC. 718. PUBLIC HOUSING ADVISORY BOARD.

Section 5 of the United States Housing Act of 1937 is amended by inserting at the end the following new subsection:

"(n) PUBLIC HOUSING ADVISORY BOARD.—

"(1) There is created a Public Housing Advisory Board that shall provide advice to the Assistant Secretary for Public and Indian Housing with respect to the formulation of general policies and significant regulations governing public housing and such other matters as the Secretary and the Assistant Secretary may deem appropriate. The Advisory Board shall, in all other respects, be subject to the provisions of the Federal Advisory Committee Act.

"(2)(A) The Advisory Board shall be composed of 15 members to be appointed from among individuals who have substantial expertise and broad experience in public housing of whom—

"(i) 9 shall be appointed by the Secretary;

"(ii) 3 shall be appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing and Urban Affairs of the Senate; and

"(iii) 3 shall be appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing and Community Development of the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

"(B) Membership on the Advisory Board shall include—

"(i) not less than 8 persons with distinguished careers in public housing, including persons who serve or have served as executive directors of public housing agencies or as receivers for public housing agencies;

"(ii) not less than 2 persons who are distinguished professionals such as architects, engineers, or builders who are associated with the development or modernization of public housing;

"(iii) not less than 2 persons who are elected public officials at the State or local level;

"(iv) not less than 2 persons who are tenants or representatives of tenants or a tenant organization; and

"(v) not less than 1 person who is a distinguished academic in the field of housing and urban development, particularly public housing.

"(C) The initial appointments to the Advisory Board shall be made not later than 90 days after the date of enactment of this Act in accordance with this subsection.

"(3) Members of the Advisory Board shall be selected to ensure, to the greatest extent practicable, geographical representation of every region of the country.

"(4) Membership of the Advisory Board shall not include any person who, during the previous 24-month period, was required to register with the Secretary under section 112(c) of the Department of Housing and Urban Development Reform Act of 1989 or employed a person for purposes that required such person to so register.

"(5) Of the members of the Advisory Board first appointed, 5 shall have terms of 1 year, and 5 shall have terms of 2 years. Their successors and all other appointees shall have terms of 3 years.

"(6) The Advisory Board is empowered to confer with, request information of, and make recommendations to the Assistant Secretary for Public and Indian Housing. The Assistant Secretary shall promptly provide the Advisory Board with such information as the Board determines to be necessary to carry out its review of the activities and policies of the Department of Housing and Urban Development that affect public housing.

"(7) The Advisory Board shall, not later than December 31 of each year, submit to the Secretary and the Congress a report of its assessment of the Department's activities affecting public housing, including the appropriateness of existing and proposed regulations, the adequacy of information systems (especially the Performance Funding System), the appropriateness of staffing patterns, the adequacy of staff work experience in public housing and other matters related to the Department's ability to help public housing agencies maintain and improve the living conditions in public housing. Such report shall contain the Board's recommendations for improvement and include any minority views.

"(8) The Board shall meet in Washington, D.C., not less than twice annually, or more frequently if requested by the Assistant Secretary for Public and Indian Housing or a majority of its members. The Board shall elect a chairman, vice chairman and secretary and adopt methods of procedure. The Board may establish committees and subcommittees as needed.

"(9) Subject to the provisions of section 7 of the Federal Advisory Committee Act, all members of the Board may be compensated and shall be entitled to reimbursement from the Department for traveling expenses incurred in attendance at meetings of the Board.".

SEC. 719. EVICTION FOR CRIMINAL ACTIVITY.

(a) NOTICE TO POST OFFICE.—Section 6 of the United States Housing Act of 1937 is amended by adding at the end the following subsection:

"(n) When a public housing agency evicts an individual or family from a dwelling unit for engaging in criminal activity, including drug-related criminal activity, the public housing agency shall notify the local post office serving that dwelling unit that such individual or family is no longer residing in the dwelling unit.".

(b) GRIEVANCE PROCEDURES.—Section 6(k) of the United States Housing Act of 1937 is amended by adding: "An agency may exclude from its procedure any grievance concerning an eviction or termination of tenancy for criminal activity, including drug-related criminal activity, that adversely affects the health, safety and welfare of the public housing tenants on the premises provided that the agency notifies the tenant of the reason for the action to evict or terminate tenancy." between "on the proposed action." and "An agency may exclude", and by adding "for criminal activity, including drug-related criminal activity, that adversely affects the health, safety and welfare of the public housing tenants on the premises." between "termination of tenancy" and "in any jurisdiction".

Subtitle B—Authorizations

SEC. 721. AUTHORIZATION OF OPERATING SUBSIDIES.

Section 9(c) of the United States Housing Act of 1937 is amended to read as follows:

"(c) There are authorized to be appropriated for purposes of providing annual contributions under this section $1,865,000,000 for fiscal year 1991, $1,940,100,000 for fiscal year 1992, and $2,017,200,000 for fiscal year 1993.".

SEC. 722. AUTHORIZATION OF THE COMPREHENSIVE IMPROVEMENT ASSISTANCE PROGRAM AND PUBLIC HOUSING RESIDENT MANAGEMENT.

(a) COMPREHENSIVE IMPROVEMENT ASSISTANCE PROGRAM.—Section 5(c)(6) of the United States Housing Act of 1937 is amended by adding at the end the following new sentence: "The aggregate amount of budget authority that may be obligated for comprehensive improvement assistance grants under section 14 is increased by $2,217,000,000 on October 1, 1990, by $2,306,000,000 on October 1, 1991, and by $2,398,400,000 on October 1, 1992.".

(b) PUBLIC HOUSING RESIDENT MANAGEMENT.—Section 20(f)(3) of the United States

Housing Act of 1937 is amended to read as follows:

"(3) FUNDING.—Of the amounts made available for financial assistance under section 14, the Secretary may use to carry out this subsection not more than $2,500,000 for fiscal year 1991, $2,500,000 for fiscal year 1992, and $2,500,000 for fiscal year 1993.".

Subtitle C—Project Independence

SEC. 731. PURPOSE.

The purpose of this subtitle is to provide families with children living in public housing with better access to educational and employment opportunities by—

(1) developing facilities for training and support services in or near public housing;

(2) mobilizing public and private resources to expand and improve the delivery of such training and services;

(3) providing transitional funding for essential training and support services that cannot otherwise be funded; and

(4) improving the capacity of management to assess the training and service needs of families with children, coordinate the provision of training and services that meet such needs and ensure the long-term provision of such training and services.

SEC. 732. PROJECT INDEPENDENCE.

Section 14 of the United States Housing Act of 1937 is amended—

(1) by redesignating subsections (j) through (n) as (k) through (o); and

(2) by inserting after subsection (i) the following new subsection:

"(j)(1) The Secretary shall make available and contract to make available assistance in the form of grants to adapt public housing to help families with children gain better access to educational and job opportunities. Assistance under this subsection shall be made available only to public housing agencies that demonstrate to the satisfaction of the Secretary that such assistance is necessary to accommodate the provision of supportive services that will receive support from sources other than this Act. Facilities to be assisted under this subsection shall be in or near the premises of public housing. Such assistance shall be made without regard to the requirements of subsections (c) through (h). Of the total amount of assistance approved in appropriations Acts under section 5(c), there shall be set aside to carry out this subsection $50,000,000 for fiscal year 1991, $52,000,000 for fiscal year 1992, and $54,080,000 for fiscal year 1993.

"(2)(A) Assistance provided under this subsection may be used for—

"(i) the renovation, conversion, or combination of vacant dwelling units in a public housing project to create congregate space to accommodate the provision of supportive services;

"(ii) the renovation of existing congregate space in a public housing project to accommodate the provision of supportive services;

"(iii) the renovation of facilities located near the premises of one or more public housing projects to accommodate the provision of supportive services;

"(iv) the transitional provision of qualifying supportive services if the public housing agency demonstrates to the satisfaction of the Secretary that—

"(I) the qualifying services are appropriate to improve the access of eligible residents to employment and educational opportunities;

"(II) the public housing agency has made diligent efforts to use or obtain other available resources to fund the designated services; and

"(III) long-term funding for the qualifying services will be available from other sources; and

"(v) the employment of management personnel (hereinafter referred to as 'service coordinator') who may be responsible for—

"(I) assessing the training and service needs of eligible residents;

"(II) working with service providers to coordinate the provision of services and tailor such services to the needs and characteristics of eligible residents;

"(III) mobilizing public and private resources to ensure that the qualifying supportive services identified pursuant to paragraph (4)(A) can be funded over the time period identified under such paragraph;

"(IV) monitoring and evaluating the impact and effectiveness of any supportive service program receiving capital or operating assistance under this section; and

"(V) performing such other duties and functions that the Secretary deems appropriate to provide families with children living in public housing with better access to educational and employment opportunities.

"(B) Assistance provided to carry out activities specified in subparagraph (A)(iv) shall be phased out over a period not to exceed 3 years.

"(C) The Secretary shall establish such minimum qualifications and standards for the position of service coordinator that the Secretary deems necessary to ensure sound management.

"(3) Assistance under this subsection shall be allocated by the Secretary among approvable applications submitted by public housing agencies.

"(4) Applications for assistance under this subsection shall be submitted in such form and in accordance with such procedures as the Secretary shall establish. Applications for assistance shall contain—

"(A) a description of the qualifying supportive services that can reasonably be expected to be made available to eligible residents over a 5-year period (or such longer period that the Secretary determines to be appropriate if assistance is provided for activities under paragraph (2)(A) that involve substantial rehabilitation);

"(B) a firm commitment of assistance from one or more sources ensuring that qualifying supportive services will be provided for not less than 1 year following the completion of activities assisted under paragraph (2)(A);

"(C) a description of public or private sources of assistance that can reasonably be expected to fund or provide qualifying supportive services for the entire period specified under subparagraph (A), including evidence of any intention to provide assistance expressed by State and local governments, private foundations, and other organizations (including profit and nonprofit organizations);

"(D) a certification from the appropriate State or local agency (as determined by the Secretary) that (i) the provision of the qualifying supportive services identified under subparagraph (A) will provide eligible residents with better access to educational and employment opportunities, and (ii) there is a reasonable likelihood that such services will be funded or provided for the entire period specified under subparagraph (A);

"(E) a description of assistance that the public housing agency seeks under this subsection; and

"(F) such other information or certifications that the Secretary determines to be necessary or appropriate to achieve the purposes of this subsection.

"(5) The Secretary shall establish selection criteria for assistance under this subsection which shall take into account—

"(A) the ability of the public housing agency or a designated service provider to provide the qualifying supportive services identified under paragraph (4)(A);

"(B) the need for such services in the public housing project;

"(C) the extent to which the envisioned renovation, conversion and combination activities will foster the provision of such services;

"(D) the extent to which the public housing agency has demonstrated that such services will be provided for the period identified under paragraph (4)(A);

"(E) the extent to which the public housing agency has had a good record of maintaining and operating public housing; and

"(F) such other factors that the Secretary determines to be appropriate to ensure that funds made available under this subsection are used effectively.

"(6)(A) Each public housing agency shall submit to the Secretary, in such form and at such time as the Secretary shall prescribe, an annual progress report evaluating the use of funds made available under this subsection.

"(B) The Secretary shall submit to the Congress, not later than 120 days after the end of each fiscal year, an annual report evaluating the effectiveness of activities assisted under this subsection in such fiscal year. Such report shall summarize the progress reports submitted pursuant to subparagraph (A).

"(7) The Secretary may reserve not more than 5 percent of the amounts available in each fiscal year under this subsection to supplement grants awarded to public housing agencies under this subsection when, in the determination of the Secretary, such supplemental adjustments are required to maintain adequate levels of services to eligible residents.

"(8)(A) Each public housing agency shall, to the maximum extent practicable, employ public housing residents to provide the services assisted under this subsection or from other sources. Such persons shall be paid at a rate not less than the highest of—

"(i) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a)(1) of such Act applied to the resident and if he or she were not exempt under section 13 thereof;

"(ii) the State or local minimum wage for the most nearly comparable covered employment; or

"(iii) the prevailing rates of pay for persons employed in similar public occupations by the same employer.

"(B) No service provided to a public housing resident under this subsection may be treated as income for the purpose of any other program or provision of State or Federal law.

"(9) For purpose of this subsection—

"(A) the term 'eligible resident' means a person residing in public housing who—

"(i) is a single parent head of household with 1 or more children under the age of 10; and

"(ii) is economically disadvantaged within the meaning of sections 4(8) (A) and (B) of the Job Training Partnership Act;

"(B) the term 'qualifying supportive services' shall mean new or significantly expanded services that the Secretary deems es-

sential to provide families living with children in public housing with better access to educational and employment opportunities. Such services may include but not be limited to—

"(i) child care;

"(ii) employment training and counseling;

"(iii) literacy training;

"(iv) computer skills training; and

"(v) assistance in the attainment of certificates of high school equivalency.

The public housing agency may provide such services directly to eligible residents or may, by contract or lease, provide such services through other appropriate agencies or providers.".

SEC. 733. CONFORMING AMENDMENTS.

(a) NO REDUCTION OF OPERATING SUBSIDY.—Section 9(a)(3)(B)(v) of the United States Housing Act of 1937 (as added by section 512(l) of this Act) is amended by inserting "section 14(j) of this Act or" before "section 512".

(b) BENEFITS EXCLUDED FROM INCOME.—Section 3(a) of the United States Housing Act of 1937, is amended by adding at the end the following new paragraph:

"(3) The earnings of and benefits to any public housing resident resulting from participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988, section 14(j) of this Act or any comparable Federal, State or local law shall not be considered as income for the purposes of determining a limitation on the amount of rent paid by the resident during—

"(A) the period that the resident participates in such program; and

"(B) the period, not to exceed 18 months, that—

"(i) begins with the commencement of employment of the resident in the first job acquired by the person after completion of such program that is not funded by assistance under this Act; and

"(ii) ends on—

"(I) the date the resident ceases to continue employment without good cause as the Secretary shall determine; or

"(II) the expiration of the 18-month period following the commencement of the period described in clause (i), whichever event occurs first.".

Subtitle D—Indian Housing

SEC. 741. DISPOSITION OF INTERESTS ON INDIAN LAND.

Section 509 of the Housing Act of 1949 is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following:

"(d) In the event of default involving a security interest in tribal allotted or trust land, the Secretary shall only pursue liquidation after offering to transfer the account to an eligible tribal member, the tribe, or the Indian housing authority serving the tribe or tribes. If the Secretary subsequently proceeds to liquidate the account, he shall not sell, transfer, or otherwise dispose or alienate the property except to one of the aforementioned entities.".

SEC. 742. AUTHORIZATIONS.

Section 5(c)(6) of the United States Housing Act of 1937 is amended by adding at the end the following: "The aggregate amount of budget authority that may be obligated for Indian housing public housing grants is increased (to the extent approved in appropriation Acts) by $179,170,000 on October 1, 1990, by $186,337,000 on October 1, 1991, and by $193,790,000 on October 1, 1992.".

Subtitle E—Public and Assisted Housing Drug Elimination

SEC. 751. REAUTHORIZATION OF THE PUBLIC HOUSING DRUG ELIMINATION ACT.

(a) IN GENERAL.—The Public Housing Drug Elimination Act of 1988 (chapter 2 of subtitle C of title V of Public Law 100-690) is amended to read as follows:

"CHAPTER 2—PUBLIC AND ASSISTED HOUSING DRUG ELIMINATION

"SEC. 5121. SHORT TITLE.

"This chapter may be cited as the "Public and Assisted Housing Drug Elimination Act of 1989".

"SEC. 5122. CONGRESSIONAL FINDINGS.

"The Congress finds that—

"(1) the Federal Government has a duty to provide public and other federally assisted housing that is decent, safe, and free from illegal drugs;

"(2) public and other federally assisted housing in many areas suffer from rampant drug-related crime;

"(3) drug dealers are increasingly imposing a reign of terror on public and other federally assisted housing tenants;

"(4) the increase in drug-related crime not only leads to murders, muggings, and other forms of violence against tenants, but also to a deterioration of the physical environment that requires substantial government expenditures; and

"(5) local law enforcement authorities often lack the resources to deal with the drug problem in public and other federally assisted housing, particularly in light of the recent reductions in Federal aid to cities.

"SEC. 5123. AUTHORITY TO MAKE GRANTS.

"The Secretary of Housing and Urban Development, in accordance with the provisions of this chapter, may make grants to public housing agencies (including Indian Housing Authorities) and private, for-profit and nonprofit owners of federally assisted, low-income housing for use in eliminating drug-related crime.

"SEC. 5124. ELIGIBLE ACTIVITIES.

"Grants under this chapter may be used in public housing or other federally assisted low-income housing projects for—

"(1) the employment of security personnel;

"(2) reimbursement of local law enforcement agencies for additional security and protective services;

"(3) physical improvements which are specifically designed to enhance security;

"(4) the employment of one or more individuals—

"(A) to investigate drug-related crime on or about the real property comprising any public or other federally assisted housing project; and

"(B) to provide evidence relating to such crime in any administrative or judicial proceeding;

"(5) the provision of training, communications equipment, and other related equipment for use by voluntary tenant patrols acting in cooperation with local law enforcement officials;

"(6) innovative programs designed to reduce use of drugs in and around public or other federally assisted housing projects; and

"(7) providing funding to nonprofit public housing resident management corporation and tenant councils to develop security and drug abuse prevention programs involving site residents.

"SEC. 5125. APPLICATIONS.

"(a) IN GENERAL.—To receive a grant under this chapter, a public housing agency or an owner of federally assisted, low-income housing shall submit an application to the Secretary, at such time, in such manner, and accompanied by such additional information as the Secretary may reasonably require. Such application shall include a plan for addressing the problem of drug-related crime on the premises of public and other federally assisted low-income housing. The plan shall include the following:

"(1) An assessment of the nature and extent of the problem of drug-related crime and the problems associated with drug-related crime in the projects administered by the applicant that are proposed for funding under this title.

"(2) A discussion of the activities currently being undertaken and a listing of the resources being provided by the applicant, governmental entities, resident management corporations, and resident management councils to address the problem of drug-related crime in the projects proposed for assistance under this chapter.

"(3) A discussion of the applicant's strategy for addressing the problem of drug-related crime in each of the projects proposed for assistance under this chapter including—

"(A) a description of each component of the applicant's strategy to be undertaken with funding under this chapter and how these components interrelate;

"(B) the anticipated cost of each component of the strategy and the financial and other resources that may reasonably be expected to be available to carry out each component;

"(C) a schedule for beginning and completing each component of the strategy;

"(D) an estimate of the results that the strategy is supposed to achieve;

"(E) the role of affected tenants, resident management corporations, tenant councils and any other entities, such as local and State governments and community organizations, in planning and implementing the strategy;

"(F) if grants under this chapter are to be used for innovative programs to reduce the use of drugs in and around public and other federally assisted, low-income housing under paragraph (6) of section 5124, a statement of the nature of the program and how the program represents a new or creative approach to achieving this purpose that could be usefully replicated at other housing sites; and

"(G) evidence of local government, local community and tenant support for the plan.

"(b) CRITERIA.—The Secretary shall approve applications under this chapter based exclusively on—

"(1) the extent of the drug-related crime problem in the public or federally assisted housing, low-income housing project proposed for assistance;

"(2) the quality of the plan to address the crime problem in the public or federally assisted housing, low-income housing project or projects proposed for assistance;

"(3) the capability of the applicant to carry out the plan as reflected by funding or other commitments of support for each aspect of the plan, its administrative capability to manage its projects, its record of previous efforts to eliminate drugs from its projects and its degree of commitment to addressing the problem of drug-related crime; and

"(4) the extent to which tenants, the local government and local community support and participate in the design and implementation of the anticrime activities of the applicant.

"(c) PREFERENCE.—In the case of applications submitted by private owners, the Sec-

retary shall give preference to applicants who contribute or raise resources for the implementation of their plan. The Secretary shall reject the application of any private owner who has received more than a reasonable return, as determined by the Secretary, on the project or projects referred to in the owner's plan.

"(d) PRIVATE HOUSING.—The Secretary may establish guidelines for the evaluation of applications submitted by private owners that reflect any differences that exist between the problem of drug-related crime in public housing and the problem of drug-related crime in other federally assisted, low-income housing.

"SEC. 5126. DEFINITIONS.

"For the purposes of this chapter:

"(1) CONTROLLED SUBSTANCE.—The term 'controlled substance' has the meaning given such term in section 102 of the Controlled Substance Act (21 U.S.C. 802).

"(2) DRUG-RELATED CRIME.—The term 'drug-related crime' means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use a controlled substance.

"(3) SECRETARY.—The term 'Secretary' means the Secretary of Housing and Urban Development.

"(4) FEDERALLY ASSISTED, LOW-INCOME HOUSING.—The term 'federally assisted, low-income housing' means housing assisted under—

"(A) section 221(d)(3) or section 221(d)(4) of the National Housing Act;

"(B) section 101 of the Housing and Urban Development Act of 1965; or

"(C) section 8 of the United States Housing Act of 1937.

"SEC. 5127. IMPLEMENTATION.

"The Secretary shall issue regulations to implement this chapter within 180 days after the date of enactment of the National Affordable Housing Act.

"SEC. 5128. REPORTS.

"The Secretary shall require grantees to provide periodic reports that include the obligation and expenditure of grant funds, the progress made by the grantee in implementing the plan described in section 5125(a), and the incidence of drug-related crime in projects assisted under this chapter.

"SEC. 5129. EVALUATION.

"(a) IN GENERAL.—To increase the efficiency and effectiveness of programs funded under this chapter, the Secretary shall conduct a comprehensive evaluation of the programs funded under this chapter.

"(b) FACTORS TO BE CONSIDERED.—In conducting this review, the Secretary shall consider—

"(1) whether the programs funded under this chapter establish or demonstrate an effective approach to reducing drug-related criminal activity in public and other federally assisted, low-income housing;

"(2) the cost of such programs and the number of similar programs funded under this chapter.

"(3) whether the programs can easily be replicated in other jurisdictions; and

"(4) whether there is substantial public awareness and community involvement in the programs.

Evaluation shall include the routine auditing, monitoring, and internal assessment of the programs.

"(c) REPORT.—The Secretary shall annually report to the Congress on the nature and findings of the evaluation required under this section.

"SEC. 5130. AUTHORIZATION OF APPROPRIATIONS.

"There is authorized to be appropriated to carry out this chapter $150,000,000 for fiscal year 1991, $156,000,000 for fiscal year 1992, and $162,240,000 for fiscal year 1993. Any amount appropriated under this section shall remain available until expended.".

(b) CONFORMING AMENDMENTS.—The table of contents for title V of Public Law 100-690 is amended by striking the items relating to chapter 2 and insert the following:

"CHAPTER 2—Public and Assisted Housing Drug Elimination

"Sec. 5121. Short title.
"Sec. 5122. Congressional findings.
"Sec. 5123. Authority to make grants.
"Sec. 5124. Eligible activities.
"Sec. 5125. Applications.
"Sec. 5126. Definitions.
"Sec. 5127. Implementation.
"Sec. 5128. Reports.
"Sec. 5129. Evaluation.
"Sec. 5130. Authorization of appropriations.".

TITLE VIII—RURAL HOUSING

SEC. 801. PURPOSES.

The purposes of this title are—

(1) to reaffirm the National commitment to expand homeownership and produce affordable rental housing for low-income persons in rural areas;

(2) to promote the full utilization of the section 502 program by very low-income people through the use of partially deferred mortgages; and

(3) to improve the quality of affordable housing in communities that have extremely high concentrations of poverty and substandard housing and that have been underserved by rural housing programs by directing Farmers Home Administration assistance toward designated underserved areas.

SEC. 802. PROGRAM AUTHORIZATIONS.

(a) INSURANCE AND GUARANTEE AUTHORITY.—Section 513(a)(1) of the Housing Act of 1949 is amended to read as follows:

"(a)(1) The Secretary may, to the extent approved in appropriation Acts, insure and guarantee loans under this title in aggregate amounts not to exceed $2,160,000,000 during fiscal year 1991, $2,246,400,000 during fiscal year 1992, and $2,336,256,000 during fiscal year 1993, as follows:

"(A) For insured or guaranteed loans under section 502 on behalf of borrowers receiving assistance under section 521(a)(1) or receiving guaranteed loans pursuant to section 304 of the Housing and Community Development Act of 1987, $1,457,465,000 for fiscal year 1991, $1,515,764,000 for fiscal year 1992, and $1,576,394,000 for fiscal year 1993.

"(B) For loans under section 504, $11,715,000 for fiscal year 1991, $12,184,000 for fiscal year 1992, and $12,671,000 for fiscal year 1993.

"(C) For insured loans under section 514, $11,870,000 for fiscal year 1991, $12,344,000 for fiscal year 1992, and $12,839,000 for fiscal year 1993.

"(D) For insured loans under section 515, $677,840,000 for fiscal year 1991, $704,954,000 for fiscal year 1992, and $733,152,000 for fiscal year 1993.

"(E) For loans under section 523(b)(1), $520,000 for fiscal year 1991, $540,000 for fiscal year 1992, and $562,000 for fiscal year 1993.

"(F) For site loans under section 524, $590,000 for fiscal year 1991, $614,000 for fiscal year 1992, and $638,000 for fiscal year 1993.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 513(b) of the Housing Act of 1949 is amended to read as follows:

"(b) There are authorized to be appropriated, to remain available until expended, the following amounts:

"(1) For grants under section 504, $19,000,000 for fiscal year 1991, $19,760,000 for fiscal year 1992, and $20,550,000 for fiscal year 1993.

"(2) For purposes of section 509(c), $520,000 for fiscal year 1991, $540,000 for fiscal year 1992, and $562,000 for fiscal year 1993.

"(3) Such sums as may be necessary to meet payments on notes or other obligations issued by the Secretary under section 511 equal to—

"(A) the aggregate of the contributions made by the Secretary in the form of credits on principal due on loans made pursuant to section 503; and

"(B) the interest due on a similar sum represented by notes or other obligations issued by the Secretary.

"(4) For financial assistance under section 516, $20,340,000 for fiscal year 1991, $21,154,000 for fiscal year 1992, and $22,000,000 for fiscal year 1993.

"(5) For grants under section 523(f), $14,340,000 for fiscal year 1991, $14,914,000 for fiscal year 1992, and $15,510,000 for fiscal year 1993.

"(6) For grants under section 533, $25,800,000 for fiscal year 1991, $26,832,000 for fiscal year 1992, and $27,906,000 for fiscal year 1993.".

(c) RENTAL ASSISTANCE PAYMENT CONTRACTS.—Section 513(c)(1) of the Housing Act of 1949 is amended to read as follows:

"(c)(1) The Secretary, to the extent approved in appropriation Acts, may enter into rental assistance payment contracts under section 521(a)(2)(A) aggregating $395,000,000 for fiscal year 1991, $410,800,000 for fiscal year 1992, and $427,232,000 for fiscal year 1993.".

(d) RENTAL HOUSING LOAN AUTHORITY.—Section 515(b)(4) of the Housing Act of 1949 is amended by striking "September 30, 1990" and inserting "September 30, 1993".

(e) MUTUAL AND SELF-HELP HOUSING GRANT AND LOAN AUTHORITY.—Section 523(f) of the Housing Act of 1949 is amended by striking "September 30, 1990" and inserting "September 30, 1993".

(f) RURAL RENTAL REHABILITATION DEMONSTRATION.—Section 311(d) of the Housing and Community Development Act of 1987 is amended by striking "September 30, 1989" and inserting "September 30, 1992".

SEC. 803. SECTION 502 DEFERRED REPAYMENT.

Section 502 of the Housing Act of 1949 is amended by adding at the end thereof the following:

"(f) AUTHORITY FOR DEFERRED REPAYMENT.—

"(1) IN GENERAL.—The Secretary may allow a borrower to defer repayment of not more than 20 percent of the principal on a loan made or insured under this section after the date of enactment of the National Affordable Housing Act if the Secretary determines that—

"(A) the borrower resides in a State in which an average of 10 percent or more of the set-asides established in section 502(d) have not been obligated since November 30, 1983;

"(B) the deferral is necessary to enable the borrower to afford payment on the loan; and

"(C) the borrower can reasonably be expected fully to amortize the deferred principal over the remaining life of the loan.

"(2) SUBSEQUENT ADJUSTMENTS.—When the Secretary finds that a borrower deferring repayments under this subsection is able to make an increased mortgage payment in accordance with the schedules and repayment plans prescribed by the Secretary under section 502(b)(2), the Secretary shall first apply any increase in the monthly mortgage payment to repayment of deferred principal and interest on that principal and then, when principal is no longer being deferred, to an increase in the interest rate payable on the loan.

"(3) INTEREST ON DEFERRED PRINCIPAL.—Interest on the deferred principal shall remain at 1 percent until the deferral has been repaid in full.".

SEC. 804. HOUSING IN UNDERSERVED AREAS.

Section 509 of the Housing Act of 1949 is amended by adding at the end thereof the following:

"(e) HOUSING IN UNDERSERVED AREAS.—

"(1) DESIGNATION OF UNDERSERVED AREA.—The Secretary shall designate as targeted underserved areas 100 counties in fiscal years 1991, 1992, and 1993 that have severe, unmet housing needs as determined by the Secretary. A county shall be eligible for designation if—

"(A) during fiscal years 1986 through 1988, the number of housing units assisted in the county under sections 502, 504, and 515 of this title as a percentage of rural households with incomes below 80 percent of area median in the county is less than the number of housing units assisted in the State as a percentage of the rural households with incomes below 80 percent of area median in the State, as determined by the Secretary; and

"(B) the county has a high combined—

"(i) number of county rural households with incomes below 50 percent of area median income as a percentage of total county rural households; and

"(ii) number of county rural occupied substandard housing units as a percentage of total county rural households.

In any State, notwithstanding subparagraph (A) above, the Secretary may consider for targeting the county with the highest combined percentage as set forth in subparagraph (B) above.

"(2) OUTREACH PROGRAM.—The Secretary shall publicize the availability to targeted underserved areas of grants and loans under this title and promote, to the maximum extent feasible, efforts to apply for those grants and loans for housing in targeted underserved areas.

"(3) SET-ASIDE FOR TARGETED UNDERSERVED AREAS.—The Secretary shall set aside and reserve for assistance in targeted underserved areas $25,000,000 in section 515, $40,000,000 in section 502, and $1,000,000 each in section 504 loans and grants during fiscal years 1991, 1992, and 1993. During each such fiscal year, the Secretary shall set aside an amount of section 521 rental assistance that is appropriate to provide assistance with respect to the lending authority under section 515 that is set aside for such fiscal year. Any assistance set aside for targeted underserved areas that has not been obligated by a reasonable date established by the Secretary shall be subject to year-end pooling procedures established by the Secretary.

"(4) LIST OF UNDERSERVED AREAS.—The Secretary shall publish the current list of targeted underserved areas.

"(5) PROJECT PREPARATION ASSISTANCE.—

"(A) IN GENERAL.—The Secretary is authorized to provide grants to community housing development organizations or units of general local government for the development of affordable housing in targeted underserved areas. As used in this paragraph, the term "community housing development organization" has the same meaning as in section 105(6) of the National Affordable Housing Act.

"(B) PURPOSE.—A grant under this section shall not exceed an amount that the Secretary determines to equal the customary and reasonable costs of preparing an application for a loan under section 502, 504, 514, 515, or 524, including preapplication planning, site analysis, market analysis, and other necessary technical assistance. The Secretary shall adjust the loan amount to take account of project preparation costs that have been paid from grant proceeds and that normally would be reimbursed with proceeds of the loan.

"(C) AUTHORIZATION.—There are authorized to be appropriated to carry out this paragraph not to exceed $10,000,000 for fiscal year 1991, $10,400,000 for fiscal year 1992, and $10,816,000 for fiscal year 1993. Any funds so appropriated shall remain available until expended.".

SEC. 805. HOUSING PRESERVATION GRANTS.

(a) USE OF DEOBLIGATED FUNDS.—Section 533(c)(1) of the Housing Act of 1949 is amended by adding at the end the following: "Funds obligated, but subsequently unspent and deobligated, may remain available for use as housing preservation grants in ensuing fiscal years.".

(b) REALLOCATION.—Section 533(g) of the Housing Act of 1949 is amended by striking the last sentence and inserting the following: "Any amounts which become available as a result of actions under this subsection shall be reallocated as housing preservation grants to such grantee or grantees as the Secretary may determine.".

SEC. 806. TRANSFER OF SECTION 502 INVENTORY FOR USE UNDER SECTION 515.

Section 510(e) of the Housing Act of 1949 is amended by striking "or public bodies" and inserting ", public bodies, or for profit entities, which have good records of providing low-income housing under section 515".

SEC. 807. REUSE OF SECTION 515 LOAN AUTHORITY.

Section 515 of the Housing Act of 1949 is amended by adding at the end the following:

"(t) Any amounts appropriated for loans under this section shall remain available until expended.".

SEC. 808. RIGHTS OF APPEAL.

Section 510(g) of the Housing Act of 1949 is amended by inserting before the semicolon the following: ", except that rules issued under this subsection may not exclude from their coverage decisions made by the Secretary that are not based on objective standards contained in published regulations".

SEC. 809. EQUITY TAKEOUT INCENTIVE FOR NEW RURAL HOUSING LOANS.

Section 515(t)(4) of the Housing Act of 1949 is amended by adding at the end the following sentence: "A moderate income tenant, or a low-income tenant receiving rental assistance, who occupies a unit previously occupied by a low-income unassisted tenant shall pay a rent that includes the annual increases which that unit would have incurred. An unassisted low-income tenant who occupies a unit previously occupied by either a moderate income tenant or a low-income tenant receiving rental assistance, shall pay only the basic rent plus $2.00.".

TITLE IX—COMMUNITY DEVELOPMENT AND MISCELLANEOUS PROGRAMS

Subtitle A—Community Development

SEC. 901. COMMUNITY DEVELOPMENT AUTHORIZATIONS.

(a) COMMUNITY DEVELOPMENT BLOCK GRANTS.—The second sentence of section 103 of the Housing and Community Development Act of 1974 is amended to read as follows: "There are authorized to be appropriated for purposes of assistance under sections 106 and 107 $3,031,700,000 for fiscal year 1991, $3,154,100,000 for fiscal year 1992, and $3,279,400,000 for fiscal year 1993.".

(b) ELIGIBLE ACTIVITIES.—Section 105(a) of the Housing and Community Development Act of 1974 is amended—

(1) by striking "and" at the end of paragraph (18);

(2) by striking the period at the end of paragraph (19) and inserting "; and"; and

(3) by adding at the end the following:

"(20) provision of technical assistance to public or private nonprofit entities to increase the capacity of such entities to carry out eligible neighborhood revitalization or community economic development.".

(c) PUBLIC SERVICES.—(1) Section 105(a)(8) of the Housing and Community Development Act of 1974 is amended by inserting after "under this title" the second place it appears "including program income".

(2) Section 105(a)(8) of the Housing and Community Development Act of 1974 is amended by inserting after "unit of general local government" the third time it appears "(or in the case of nonentitled communities not more than 15 per centum statewide)".

(d) GUARANTEES.—The last sentence of section 108(a) of the Housing and Community Development Act of 1974 is amended by striking "$150,000,000 during fiscal year 1988, and $156,150,000 during fiscal year 1989" and inserting "$160,000,000 during each of the fiscal years 1991, 1992, and 1993".

(e) NEIGHBORHOOD REINVESTMENT CORPORATION.—Section 608(a) of the Neighborhood Reinvestment Corporation Act is amended by striking "$18,300,000 for fiscal year 1988, and $18,300,000 for fiscal year 1989" and inserting "$28,000,000 for each of the fiscal years 1991, 1992, and 1993".

(f) NEIGHBORHOOD DEVELOPMENT DEMONSTRATION.—Section 123(g) of the Housing and Urban-Rural Recovery Act of 1983 is amended by striking "1988 and 1989" and inserting "1991, 1992, and 1993".

SEC. 902. CITY AND COUNTY CLASSIFICATIONS.

(a) METROPOLITAN CITY.—Section 102(a)(4) of the Housing and Community Development Act of 1974 is amended—

(1) by striking the second sentence and inserting in lieu thereof the following: "any city that was classified as a metropolitan city for at least two years pursuant to the first sentence of this paragraph shall remain classified as a metropolitan city.";

(2) by striking "for fiscal year 1988 or 1989" in the fourth sentence; and

(3) by striking "the first or second sentence of" and "under such first or second sentence" in the last sentence.

(b) URBAN COUNTY.—Section 102(a)(6)(B) of the Housing and Community Development Act of 1974 is amended to read as follows:

"(B) Any county that was classified as an urban county for at least two years pursuant to subparagraph (A) of this paragraph shall remain classified as an urban county, unless it fails to qualify as an urban county pursuant to subparagraph (A) by reason of

the election of any unit of general local government included in such county to have its population excluded under clause (ii)(I)(a) of subparagraph (A) or not to renew a cooperation agreement under clause (ii)(I)(b) of such subparagraph.".

SEC. 903. CDBG SANCTIONS.

(a) SYNTHESIS OF BLOCK GRANT SANCTIONS.—Section 104(e) of the Housing and Community Development Act of 1974 is amended by striking the eighth sentence and inserting the following: "If, after providing a grantee a hearing, the Secretary determines that the grantee is continuing to fail to satisfy standards published in regulations to measure grantee performance pursuant to the reviews and audits described in the previous sentence, the Secretary may adjust, reduce, withhold, or withdraw amounts of the annual grants made (but not yet obligated) or to be made, in accordance with the Secretary's findings under this subsection".

(b) CONFORMING AMENDMENT.—Section 111(a) of such Act is amended by striking "shall—" and all that follows up to the period and inserting: "may adjust, reduce, withhold, or withdraw amounts of the annual grants made (but not yet obligated) or to be made".

Subtitle B—Miscellaneous Programs

SEC. 911. RESEARCH AND DEVELOPMENT.

Section 501 of the Housing and Urban Development Act of 1970 is amended by striking the second sentence and inserting the following: "There are authorized to be appropriated to carry out this title $21,200,000 for fiscal year 1991, $22,100,000 for fiscal year 1992, and $23,000,000 for fiscal year 1993.".

SEC. 912. FAIR HOUSING INITIATIVES PROGRAM.

(a) AUTHORIZATION.—Section 561(d) of the Housing and Community Development Act of 1987 is amended by striking the first sentence and inserting the following: "There are authorized to be appropriated to carry out the provisions of this section, including any program evaluations, $6,000,000 for fiscal year 1991, $6,258,000 for fiscal year 1992, and $6,527,000 for fiscal year 1993.".

(b) EXTENSION OF AUTHORITY.—Section 561(e) of the Housing and Community Development Act of 1987 is amended by striking "September 30, 1989" and inserting in lieu thereof the following: "September 30, 1993".

TITLE X—CONFORMING AMENDMENTS AND MISCELLANEOUS PROVISIONS

SEC. 1001. AMENDMENT TO TITLE I OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974.

Section 104(c) of the Housing and Community Development Act of 1974 is amended to read as follows: "Any grant made under section 106(b) shall be made only if the unit of general local government certifies that it is following a current housing affordability strategy which has been approved by the Secretary in accordance with section 105 of the National Affordable Housing Act or a housing assistance plan which was approved by the Secretary not later than 180 days after enactment of the National Affordable Housing Act.".

SEC. 1002. REPORT ON RESIDUAL RECEIPTS ACCOUNTS IN SECTION 8 AND SECTION 202 HOUSING.

The Secretary of Housing and Urban Development shall conduct a study of a statistically significant sample of housing assisted under section 8 of the United States Housing Act of 1937 and section 202 of the Housing Act of 1959 to determine the amounts that are contained in existing residual receipts accounts. The Secretary shall identify the existing rules and regulations governing the permissible uses of such accounts. Not later than 6 months after the date of enactment of this Act, the Secretary shall submit to the Congress a detailed report setting forth the findings of the Secretary as a result of the study.

SEC. 1003. MINIMUM STATE SHARE FOR CERTAIN HOUSING PROGRAMS.

(a) IN GENERAL.—Notwithstanding any other provision of law, each State shall be entitled to receive not less than one-half of 1 percent of the aggregate amount of funds available in each fiscal year to carry out the following housing assistance programs:

(1) Elderly and handicapped housing loans under section 202 of the Housing Act of 1959.

(2) Public housing modernization under section 14 of the United States Housing Act of 1937.

(3) Public housing operating subsidies under the United States Housing Act of 1937.

(4) Indian housing development under the United States Housing Act of 1937.

(b) REGULATIONS.—The Secretary of Housing and Urban Development is authorized to prescribe regulations to carry out the provisions of this section.

(c) CALCULATION.—For the purpose of this section, amounts of assistance provided to any agency or instrumentality of a State, any political subdivision or public agency within a State, and any private nonprofit or for-profit sponsor or developer participating in a State on a project assisted under a program referred to in subsection (a) are amounts provided to a State.

SEC. 1004. TERMINATION OF EXISTING HOUSING PROGRAMS.

Except with respect to projects and programs for which funds have been previously appropriated, no new grants or loans shall be made after October 1, 1990 under—

(1) section 17(d) of the United States Housing Act of 1937;

(2) section 312 of the Housing Act of 1964;

(3) title VI of the Housing and Community Development Act of 1987;

(4) section 8(e)(2) of the United States Housing Act of 1937, except where funds are allocated under this authority for single room occupancy dwellings as authorized by title IV of the Stewart B. McKinney Homeless Assistance Act;

(5) section 810 of the Housing and Community Development Act of 1974;

(6) title IV of the Housing and Community Development Amendments of 1978;

(7) section 106 of the Housing and Urban Development Act of 1968;

(8) section 5(a)(2) of the United States Housing Act of 1937; and

(9) except as authorized under section 328 on a transitional basis, section 17(a) of the United States Housing Act of 1937.

Mr. CRANSTON. Mr. President, I am delighted that the Senate is now able to consider the National Affordable Housing Act. The bill was originally introduced over a year ago. It was developed on a bipartisan basis. Forty-one Senators joined as cosponsors, among them the Senator who is now presiding, Senator GRAHAM of Florida.

The bill has been the subject of more than 30 hearings in Washington and around the country. It has evolved to reflect the comments and ideas of many of the country's leading practitioners.

We are today at a major milestone in a long and important journey toward an effective national housing policy.

We have before us a historic opportunity to unleash massive resources and enormous energies that are available around the country to bring good, affordable homes within the reach of young families, of working people, of families with low incomes, of elderly Americans, and of people with special needs.

Before I proceed to spell out in more detail the current situation in regard to housing in our country, which is deplorable, and the measures that we are proposing to cope with that manyfold serious problem, and describe the efforts that went into preparing this bill over a long 3-year period, I would like to bring Senators up to date on developments this morning in regard to this bill and in regard to the views of the administration.

We have been seeking for a long time to ascertain from the administration exactly what they would support and exactly what they felt the most fundamental needs were from their point of view.

When the bill was reported out of the Banking Committee by a very strong bipartisan vote, I met, along with other Senators immediately thereafter, with Secretary Kemp and Mr. Darman, and we agreed that they would consider the bill in the form in which we reported it and get back to us with their comments.

Understandably, because of the involvement of Mr. Darman in the budget summit, it was difficult to find a time to get him to focus on housing and to put together that meeting. But Friday I received word that they were ready to meet.

A few of us met this morning with Mr. Darman, the head of the OMB and with Secretary Jack Kemp of HUD. Senators present were, in addition to myself—we met in my office—Senator RIEGLE, chairman of the Banking Committee, Senator SARBANES, who has been very active in developing the bill in the committee, Senator BOND, on the Republican side, who has been very, very active in building a bipartisan approach and exceedingly constructive in that effort, and Senator CONNIE MACK, also on the Housing Committee and very deeply involved in this. Senator GARN, the ranking Republican of the committee, and Senator D'AMATO, ranking member of the Housing Subcommittee, were unable to attend because of other commitments. The meeting was put together on fairly short order.

We had a very upbeat, positive meeting, and the HUD and budget staffs and the Banking Committee staffs are now working on the details of several

points that were presented as most important by the administration.

We hope to get some report on progress later today. I am very hopeful that we can agree on compromises on all the major points.

Just to summarize them very briefly, the administration representatives stated that they have four major issues along with a host of minor ones. They said none of the minor ones are matters that would cause any difficult confrontation or any consideration of a veto. It was plain that there is a desire to avoid a veto in the discussions we had.

The four major points that the administration is concerned about are, first, they feel that the present draft of this bill puts too much emphasis on construction of new housing. We do not feel that is the case. We feel that the emphasis is upon rehabilitation, but we are prepared to try to find a way to meet their concerns on that topic. I think we can since we, like they, do not feel that the major emphasis should be on construction of new housing, although we do feel there has to be elbow room to develop it where it is needed. One place it is needed is in connection with the rehabilitation.

Sometimes, in a given place, in a given city, you cannot have effective rehabilitation without some new construction at the same time. Plainly, if we are going to develop more housing, not just maintain what we presently have, there has to be some new construction one way or another.

I believe we can resolve whatever the differences are on that point.

The second point the administration stressed was that they want to make sure we are targeting adequately to the poorest people among us. We want to do so, too. So I do not think there is any problem there which cannot be worked out. We feel the bill already targets appropriately. If we have to make it more explicit in some way, we are prepared to do that.

The third major point was on FHA actuarial soundness, and plainly we are agreed, everyone, Democrats, Republicans, in or out of the administration, in or out of the Senate, that there must be an actuarially sound FHA. We do not want to get into any unpleasant financial fiasco on that front.

The administration has proposed one approach coming out of the Price Waterhouse study that would, they believe, put FHA on an actuarially sound basis. We also believe this approach would put it on a sound basis actuarially, but we feel there is a better way that will not result in the opening costs to a family or an individual purchasing a new home escalating so much that many people who might otherwise be eligible to buy a home would be knocked out of the market. The administration approach would increase for a typical homebuyer the initial costs that would have to be covered by cash from $3,500 to $4,400. We believe that there is an actuarially sound way to avoid that increase in the cost, and that will be the subject of our discussion basically in the meeting now underway at the staff level with the administration.

Since we are agreed that we need an actuarially sound FHA, I think we should be able to work out this third problem also.

The fourth basic issue was the level of expenditure, the budget amount to be authorized, and some discussion of how the money should be allocated within the overall figure.

I am very encouraged by what was said at the meeting on that subject. Richard Darman said, "If we can work out the policy issues," namely the three that I just enumerated, "we are prepared to go well over our budget proposal. I assure you that we would not veto the bill on the dollar figure alone. The amount of money authorized won't be the bottom line."

Jack Kemp said at the meeting, "We are not making any veto threat. You have made a good-faith effort, and we know where your heart is."

I am very confident that we will not have a problem over the amount of money to be authorized in this measure which is, I think, destined to be somewhere above the $3 billion mark based upon what has been done by the two committees in the House and Senate and in the present budget proposals that have been moving in the House, moved all the way in the Senate Committee, and also has gone through the Senate. But we should be able to work out the dollar amount.

I am greatly relieved that will not be a major obstacle. Thus, we should be able, I believe, to work out a bill that can have very strong bipartisan approach. This would be the first major housing bill really designed to deal with the great housing needs that are developing and have developed in our country since 1968.

There was another measure in 1974, but it was not a major measure. There has been no measure of significance—just one housekeeping measure, and one measure designed to deal with fraud and abuse within the housing programs passed just last year.

So we are on our way, I trust, to a very significant development on the housing front in our country.

Decent, affordable housing is no distant abstraction. The family's home is a key to a family life. It shapes the family's self-image. It is for the relationships formed between husband and wife, parent and child, brother and sister. Unfortunately, for the past decade the housing trends have been disturbing.

Since the Great Depression, the rate of home ownership rose steadily in this country. But then, beginning in 1980, the home ownership rate began to fall and it has been falling since, particularly among young families struggling to buy their first home. Too many Americans—even those with reasonably good incomes—are caught in a frustrating and losing struggle to achieve home ownership.

Pressure has also been building on those who need affordable rental housing. One family must live too far from their jobs. Another family must settle for a home that is too small. Another has to live in substandard housing. And those at the very bottom are forced to live in garages or on the street or under a bridge.

In recent years, many areas of the country have seen a looming, new phenomenon: the supply of low-cost housing has been disappearing. Between 1973 and 1983, the United States permanently lost 4.5 million affordable rental units through demolition or structural conversion, while the number of very low-income families was rising. Housing that very low-income families can afford is now being lost at the rate of 1.5 million units a decade. The country faces the additional loss of 2 million federally assisted units in the decade to come.

Even families who are well-housed are beginning to see how they can be affected. Children, as they become adults, are not able to afford a home near where they have grown up or within a reasonable distance from good jobs. Aging parents, as they become more frail, may be unable to find affordable housing where they can live safely and independently. Housing problems make families vulnerable in many ways.

The blue-ribbon National Housing Task Force which Senator D'AMATO and I created to help us study out these problems, put it well. This prestigious group said there is a "paradox of housing in America"—for most of our citizens, the promise of a decent home has become a reality; but for millions, we have not only fallen short, we are losing ground.

Mr. President, for most of the last decade, while these housing problems were growing, the country had a Federal administration that was overtly hostile to housing. They used the Department of Housing and Urban Development as a dumping ground for political appointees who were inexperienced, incompetent, uncommitted to the Department's mission, determined to demoralize the career staff, and—in too many cases—easily corrupted.

Since 1980, budget authority for housing assistance—which measures the long-term Federal commitment to affordable housing—was slashed by 80 percent. The Reagan administration

had sought even more draconian cuts. For the 5-year period 1980 through 1986, President Reagan's budgets requested a negative $1.6 billion for housing assistance. That is, the administration sought to take away funds that had already been provided for low-income housing.

The full consequences of those cuts in budget authority were not felt during the Reagan years. Prior year contracts had not yet expired. Housing funded under Presidents Ford and Carter opened for occupancy during the Reagan administration. And Congress continued to provide incremental housing assistance, although in greatly reduced amounts. As a result, the numbers of families receiving assistance and Federal housing outlays continued to increase during the Reagan years.

Only now is the real impact of the Reagan cuts in housing assistance beginning to be felt, as older contracts start to expire. And the impact will be felt for years to come as Congress will have to provide substantial increases in funding just to avoid losing ground and cutting assistance to those now receiving it.

I am disappointed to say that some in this administration still advocate a further retreat on affordable housing. President Bush's most recent budget requested a further cut of $520 million in real terms. FHA mortgage insurance for affordable rental housing has been brought to a virtual halt.

Fortunately, the Congress—on a bipartisan basis—resisted the most damaging actions proposed by the Reagan administration. And I believe Congress—on a bipartisan basis—will now push the Bush administration to launch a truly effective national housing policy that will make a difference for American families.

I am again encouraged by the session we had today, and by the working session now going on elsewhere with signs that the administration will cooperate in this effort.

Mr. President, there is no reason why the United States cannot provide the affordable housing that our people need. The country has vast housing resources that can be put to work much more effectively than they are today. We have the world's most highly developed systems for financing and producing housing. State and local governments have been acquiring new sophistication in support of affordable housing. Private industry is also having to deal with the housing problem. And tens of thousands of Americans have organized to respond to the tragedy of homelessness and to provide decent housing for those who need it.

That is why, 3 years ago, the Senate Housing Subcommittee began to explore a sweeping overhaul of national housing policy. Senator AL D'AMATO and I issued an open invitation to experienced leaders across the country who are committed to more affordable housing.

The response was overwhelmingly enthusiastic. More than 70 organizations submitted over 1,100 pages of recommendations, which were jointly published by the Senate and House. The National Housing Task Force—a bipartisan group of 26 leading housing experts from the private and public sectors—completed a historic review of our national housing needs. Under the leadership of MIT, 20 of America's top housing researchers analyzed housing problems and solutions that work.

Hearings were held here in Washington and around the country. Thousands of additional hours were spent by subcommittee members and staff in meetings with groups and individuals to refine the structure of the bill and its various provisions.

The Housing Subcommittee listened very carefully to those discussions. Two messages were heard loud and clear.

First, we need the Federal Government to step up to its responsibilities—to enter into an intelligent, long-term partnership with States, localities, private industry, and nonprofit organizations so that their potential to provide more affordable housing can be fulfilled.

And the second message was that the Federal Government cannot and should not do the whole job. States and local governments must be mobilized to contribute their resources and change a broad array of policies that needlessly drive up the cost of housing. Private firms and nonprofit organizations must be called upon to employ their skills in producing and managing affordable housing. Private lenders will have to provide financing.

Mr. President, the subcommittee was determined, from the very beginning to this 3-year process, to build this legislation on the broadest possible consensus about effective housing policy and to develop the legislation openly, with the broadest possible involvement of experienced leaders who are committed to affordable housing for Americans.

The result is the bill now before the Senate. The bill would consolidate Federal housing assistance, and make it more understandable and adaptable to changing local needs. Funding would be authorized for 3 years.

I would like to summarize the key elements of the bill for my colleagues.

First, the bill would extend for 2 years the $124,875 ceiling on FHA-insured mortgages. I will offer an amendment that will achieve actuarial soundness in the FHA Mutual Mortgage Insurance Fund.

That is one of the matters presently being discussed, one of the three major points, where the administration wanted to express its concerns and explore a resolution of their concerns with us.

Second, the bill—as its core provision—would launch a new housing opportunity partnership [HOP] initiative that will build a long-term investment partnership among the Federal State, and local governments, and the private sector. States and localities would be responsible for developing a 5-year housing strategy and for selecting and adapting appropriate ways to expand the supply of affordable housing, with preference to rehabilitation of substandard stock. A special one-stop office in HUD would be responsible for developing effective model programs and for establishing strict program accountability and funding control. Funds would be distributed to qualifying States and localities partly by formula, partly by incentive allocation. State and local resources and policies would have to help achieve affordable housing.

Third, the bill includes the administration's proposed HOPE grants to help low-income families buy public housing and other foreclosed property owned by HUD.

The bill also includes, with refinements, other administration proposals to: First, preserve the low-income affordability of federally assisted housing that could soon be lost through prepayment; second, authorize an "Operation Bootstrap" to provide supportive services to voucher recipients; third, create "Elderly Independence" to provide scattered-site supportive housing; and fourth, initiate "Shelter plus Care" to provide rental assistance and supportive services for homeless persons with disabilities.

The bill refines the HOPE initiative in a few important ways that were suggested by Senators on both sides of the aisle. As a result Governors and mayors would have a say in HOPE activities, the risk of fraud and abuse would be reduced, the housing would remain available to low-income families, and care would be taken to make sure HOPE does not reduce the supply of housing available for the poor.

Fourth, the bill would revise vouchers to make sure that tenant rents are affordable. It would refine certificates to give tenants more flexibility in the choice of housing.

Fifth, the bill would revise housing programs for elderly persons, persons with disabilities, homeless persons, and low-income families with children to reflect the fact that housing for persons with special needs must be more than bricks and mortar, but must also include an appropriate package of supportive services.

Sixth, the bill would expand Farmers Home assistance for homeownership and rental housing, with special attention to low-income areas that have

been underserved. Some 4.3 million rural families are burdened with serious housing problems, including 2 million living in substandard housing. The Nation's rural housing needs clearly require special attention.

Seventh, the bill would revise public housing to give HUD more authority to resolve management problems in troubled public housing agencies. The major reconstruction program would be consolidated within the CIAP modernization for renovation of severely distressed projects. Project Independence would give public housing tenants greater access to education and employment opportunities.

And finally, the bill would extend authorization for CD block grants with the current program structure.

Mr. President, the bill now before the Senate provides a fresh and promising framework for a national housing policy that is well suited to the needs of the next decade.

The bill is designed to meet several vital objectives.

First, the bill provides a responsible level of funding. It would authorize an increase of $3.1 billion in budget authority over the fiscal year 1991 baseline. Those levels are consistent with the budget resolutions passed by the Senate and the House. Authorizations for fiscal years 1992 and 1993 would be above the CBO baseline by $4.2 billion and $4.8 billion, respectively. It would provide housing assistance to 730,000 low-income families who badly need it.

The bill is designed to be effective at relatively low levels of funding in the initial years but could be expanded effectively as the budget permits.

The bill places priority on the most pressing problems: To preserve the existing stock of federally assisted low-income housing, and to expand the supply of affordable housing. The bill builds on the imaginative housing activities that are already underway at the State and local level, where many new initiatives were launched during the 8 Reagan years. The HOP investment partnership, in particular, would use Federal funds to leverage State, local, and private resources.

Second, the bill is designed not to establish some rigid "made in Washington" program or just to distribute Federal funds through a block grant, but to establish a nationwide network of responsive and imaginative housing investment partnerships between government at all levels and the private sector.

The bill is designed to provide close coordination among all of the vital forms of Federal housing assistance, including: First, capital subsidies to reduce costs; second, credit enhancements, such as mortgage insurance and other methods to attract private financing; third, rental assistance for low-income families such as vouchers or certificates, technical assistance to get the best methods adopted nationwide; fourth, interaction with the private housing investment and development sectors, which have important national and international characteristics; and fifth, ongoing oversight to make sure the housing is well managed and affordable for decades to come.

Third, the bill goes beyond the HUD Reform Act of 1989 to provide additional protections against fraud and abuse.

At the national level, the bill eliminates the root sources of the recent HUD scandals. The bill would allocate housing assistance through an open, objective, and fully documented process. The bill would remove HUD from the process of granting funds to individual projects and therefore free HUD for impartial monitoring and oversight of State and local housing activities. There would be clear responsibility for program accountability and funding control.

The key HOP initiative would be administered through a one-stop office with a strong incentive to ensure that HOP is administered well for the long term. HOP activities would be subject to extraordinary oversight. The HOP Advisory Board, comprised of 18 members with established reputations of leadership, would have access to all important information. The bill also requires full financial audits annually either by an independent auditor or GAO. Therefore, any pattern of abuse would be brought quickly to light.

At the State and local level also, the committee bill would avoid any replication of the conditions that led to the HUD scandal. HOP funds could be used only in compliance with strategies approved after public hearings.

The funding would remain in revolving trust funds under the Secretary's control until they are invested in affordable housing. Project selection would have to be done in the sunlight, according to public procedures with full documentation. The basis on which any funding award is made or denied would have to be fully documented. HUD would have powerful tools for overseeing State and local activities and could impose tough penalties for abuse. The public, local news media, and competitors for scarce housing resources would have full access to information regarding the use of HOP funds.

Fourth, the bill would direct program benefits to the most needy, but it also would move away from the production of housing that tends to isolate tenants geographically and socially. HOP funds would assist only affordable housing units—none for administrative overhead. And all affordable housing would have to be made available to voucher holders.

At the very least, 50 percent of the funds would have to be used for housing occupied by very low-income families. And no less than 80 percent of the funds would have to be used for housing occupied by low-income families.

The bill has strong incentives to target more of the funds to these families than these minimums.

However, the bill recognizes that responsible, workable neighborhood housing strategies will also have to address the pressing housing needs for moderate-income families also.

Fifth, the bill would provide an important balance between tenant rental assistance and action that provides an adequate supply for affordable housing. The HOP investment partnership gives clear preference to rehabilitation of substandard housing where that is most cost effective.

The bill recognizes, however, that it makes no sense to dictate a blanket program choice from Washington. Newer, growing areas can achieve an adequate supply of affordable housing only by providing it within new buildings. Some new construction is often an indispensable stimulus for neighborhood rehabilitation efforts, particularly in older city neighborhoods that have many dilapidated houses and vacant lots.

It is in that respect that I think the bill basically coincides with one of the four points the administration brought up wanting the programs basically to be started in terms of assistance to those who need it the most. That is our intention. If we could strengthen it in a reasonable way, we would do so.

Any new construction assisted would likely be small-scale, scattered-site, neighborhood-based and mixed-income housing—that is, it would be the sort of affordable housing that has been successfully produced by imaginative local housing partnerships in many parts of the country in recent years.

Sixth, the bill provides for supportive housing. It recognizes that adequate housing for persons with special needs—particularly elderly persons, persons with disabilities, homeless persons and large, single-parent families—must combine a properly designed building and a package of supportive services that those residents need to live with independence. Some persons may need health care, nutrition services or housekeeping assistance; others may need day care, training, or employment services.

The bill would foster the economic empowerment of low-income families. It would restructure Federal housing assistance to provide helpful way stations between poverty and economic self-sufficiency.

Seventh, the bill would provide a permanent solution to the prepayment problem. It builds upon the preservation initiative contained in the administration's HOPE proposal and a con-

sensus that is emerging from the extensive work done during the past 3 years.

Owners would be compensated either for continuing to maintain the housing for low-income tenants or for transferring it to qualified organizations, including tenant organizations.

Mr. President, in sum, the bill now before us is a bold, comprehensive framework for Federal support for affordable housing. It is a balanced national housing policy. It would improve tenant-based rental assistance but also expand the supply of affordable housing. It would emphasize rehabilitation of existing housing but also support construction and acquisition where that is appropriate. It would target resources on the most needy but also recognize the need to make decent housing more affordable to working families and first-time home buyers.

Mr. President, I look forward to the debate that now begins. I urge my colleagues on both sides of the aisle to consider the urgent need for this legislation, to give it their support, to improve it further, and to join in winning enactment of major housing legislation of which we—and the country—can be proud.

The PRESIDING OFFICER (Mr. ROBB). The Chair recognizes the Senator from Michigan [Mr. RIEGLE].

Mr. RIEGLE. Mr. President, let me initially commend the Senator from California for an outstanding presentation and for his very important leadership as chairman of the Housing Subcommittee of the full Banking Committee. I think the statement that he has just made and the leadership he has given now over a long period of years brings us to this very important point.

I rise myself now, as chairman of the full committee, in support of the National Affordable Housing Act which is now before the Senate. It is about 3 years ago that the Housing Subcommittee, under the very able leadership of Senators CRANSTON and D'AMATO, began the process of shaping new Federal housing policy. Senator SARBANES who is here, Senator HEINZ, Senator BOND, Senator MACK, and myself, and many others have been active in that process as committee members over that period of time.

That process included representatives from every major segment of the housing community, and that would include low-income advocates, industry groups, States and localities, nonprofit organizations, housing financiers, and certainly individual citizens.

I think it is fair to say that this National Affordable Housing Act before us now is the product of that very broad and bipartisan, if you will, nonpartisan process. It certainly establishes, I think, an effective new direction in providing affordable housing for all Americans. The Banking Committee approved this legislative package on May 2 of this year, in a vote of 16 to 4 in committee.

"A decent home in a suitable living environment for every American" was set forth as an articulated goal by the Congress in 1949. Yet it continues to elude the Nation. It is fair to say that we are in the midst of a national affordable housing crisis.

We tend to throw the word "crisis" around, and I think it fits in this situation; that a vast number of our citizens are confronted daily with the Nation's failure to achieve a decent home and suitable living environment for all Americans. This failure manifests and illustrates itself in many forms.

Throughout the Nation, we witness the human tragedy and plight of millions of Americans, either homeless, living in deplorable conditions, oftentimes paying greater than 50 percent of their income in monthly rent, and even then often able to afford only very meager quarters, and very large numbers are unable ultimately to realize the American dream of home ownership, something I think almost every citizen, whether a single person or part of a family, aspires to as a personal and family goal.

I think perhaps the most visible of these ills is the homelessness that we see, and we certainly see it manifested here in the District of Columbia. It is no longer just the fate of an unfortunate nameless and faceless handful of people across the country, or a small number of people. Instead, it is a very harsh reality for many Americans; increasingly for children in our society; and in many instances, single parents, many of them women, younger women which children who find themselves unable to keep any kind of shelter over their heads short of going into an emergency shelter location, if one can be found.

That reality has reached such an epidemic size in our society that for the first time in our history, when we have been conducting a national census every 10 years, as we do this year, we have attempted to conduct a special census just to count homeless people in our society. And it is a measure of the fact that the problem has grown to such a size.

While the results from the homeless census will not be available for some time, our best estimate is that there are some 730,000 Americans who are homeless on any given night, and between 1.3 million and 2 million persons who would experience homelessness at some point each year.

As I say, a very substantial part of that number will be children and single parents responsible for the care and safekeeping of children. If you look around Washington, DC, today you see it on the hot-air grates here. We have a lot of those because the underground heating system in the wintertime connects the Federal buildings here. There are a lot of hot-air grates on the sidewalk where the ventilation occurs, and we have had standing room only for hot-air grates here in Washington over the last several years, certainly on the coldest nights in the winter.

Because there are literally not enough hot-air grates to go around, we have a number of people trying to keep from freezing to death by sleeping in abandoned cars, we find them in cardboard boxes, under bridges and in subway tunnels as a way to get out of the cold rain and wind, in order to have a way to shelter themselves from the elements.

To see that condition in America in the 1990's for even a handful of people, let alone millions of people in our society, is something that is wrong, something that has to be changed, and something that we can change. We are obviously not going to do it until we decide to make a commitment to do it. But it is necessary and right and proper that we step up to that problem as a nation.

There are also millions of additional people who are at risk of becoming homeless because their housing costs are too high. Those individuals who at present have shelter are many times just one or two or three paychecks away, should they be laid off and lose their income, from having to forfeit their housing and also join the ranks of the homeless.

The numbers there are very compelling. We have some 4 million American families who live in substandard housing or pay more than 50 percent of their monthly income for rent. Obviously, if they lose their income, they are not going to be able to stay in that apartment.

The high-rent burden not only places families at risk of homelessness, but also impacts on their ability to even feed and clothe themselves. If you have to spend the lion's share of your money just to get off the street at night to have some kind of roof over your head for your family, obviously the other basic necessities in many instances cannot be afforded.

There are also over a million low-income people today in America who are on the waiting lists for assisted housing. These waiting lists do not include all those who are seeking low-income shelter. Many waiting lists in cities are so long that they have been closed to new families for a long period of time, and the prospect for assisting these families under present circumstances is very bleak.

The Congressional Budget Office estimates two-thirds of all the households who are poor enough to qualify for Federal housing aid nevertheless receive no housing assistance whatso-

ever. So, yes, they are eligible, but they do not get a penny's worth of help to try to solve that situation.

We also see, as Senator CRANSTON has mentioned, that there are over a million and a half units of privately owned low-cost housing that have been lost this decade alone due to decay, abandonment, gentrification, and conversion. According to the National Low-Income Housing Preservation Commission, there are another half a million units that will be lost in the next 15 years.

So you have, on the one hand, a rising population of people in desperate need of housing, and on the other hand we have the existing supply going down because we are losing these units for the reasons I have just cited.

Another threat to low-cost housing is the pending expiration of section 8 rental assistance contracts. Over the next 5 years, contracts covering nearly 1 million units are due to expire. And as those disappear, that is going to create even more pressure on this problem.

There is an MIT report out that projects that if present patterns will continue, by the year 2003, nearly 19 million Americans will be unable to find affordable housing.

Again, a substantial portion of those will be children who are bounced from pillar to post on any given day or night simply because they are in a situation where their families and the people responsible for them just cannot find a place to get in out of the cold and to be able to have a roof over their heads.

So it is not surprising that we find ourselves, I think, heading more and more into a Clockwork Orange type society where the problems and the pressures on the underclass, manifested in one form in homelessness, are showing up in all the other ways. If you do not have a home and a place to be, it is very difficult to get into school or get into a job training program, and, also, of course, people who cannot afford the basic shelter arrangements are not going to be getting health coverage or a decent diet or the other kinds of things that we associate with just a minimum standard of living.

I think when you have a growing underclass in this society who are in what circumstance and yet they are surrounded by affluence and so they see others of us in the society doing well or they can see on television, through store windows, or wherever, people living in grand style or in good style, something that seems to be in a sense permanently out of reach for them, I think it creates and adds to tremendous pressures and stresses within our society that I think are very dangerous. I think they are inhuman, and I think they are unnecessary, but I think they carry with them an enormous potential for harm and damage to the country. I think that damage is going on each day.

We do not want to get to a situation where the people who are dispossessed in our society are so large in number and so resentful of the condition in which they find themselves and in many cases no way to get out of it, that we have a country that literally is at odds with itself and set against itself. We cannot have that kind of condition. And yet that is where the trend lines are taking us.

So this National Affordable Housing Act addresses the housing crisis which is building. It does it in a comprehensive way. It addresses the spectrum of housing needs faced by homeless people and low-income people, and, also importantly, by first-time home buyers. Because it is time to create a system where, instead of homeowner statistics sliding down and backward, that we make it possible for people who are attempting to save and to try to achieve the dream of homeownership to have the chance to step up and make that accomplish sometime in their working life, and hopefully sooner rather than later. We know the benefit that homeownership can confer in terms of helping families maintain their ability of becoming part of a neighborhood, strengthening our neighborhoods, strengthening our community schools, and so forth.

So we have important provisions in here that facilitate the development of homeownership and bring it into reach of more people.

The National Affordable Housing Act provides the necessary infrastructure for us to begin to address the urgent need for affordable housing. It indeed is an important step to make a decent home in a suitable living environment for all Americans a reality.

The bill would achieve its goal through several mechanisms.

First, the bill would bring State and local governments into a new partnership with the Federal Government and the private sector, including nonprofit corporations. These partnerships would be committed to meeting the housing needs of our communities.

State and local governments would be given the flexibility to design housing strategies which expand the supply of affordable housing and which are tailored to the needs of their housing markets. The bill recognizes that housing strategies must be crafted to local housing needs since they differ greatly throughout the country.

The Federal Government would ensure the success of these strategies by providing adequate resources to facilitate the development of affordable housing. This would be accomplished through the creation of Housing Opportunity Partnerships or the HOP Program. HOP is designed to make the Federal Government a partner in developing affordable housing. HOP will provide funding to rehabilitate dilapidated housing owned by the Government—Federal, State, or local—and make them available to low-income people. HOP will also provide funding for new construction, where appropriate, of affordable housing.

Second, the bill would make affordable rental housing more available by providing a permanent solution to the preservation of the Nation's existing affordable rental housing stock and by improving Federal rental assistance.

Third, the bill will expand the supply of supportive housing that meets the special physical needs of the frail elderly, persons with disabilities, and the homeless.

Fourth, the bill reforms and reauthorizes the McKinney homeless programs with increased funding levels. The bulk of McKinney funds would be distributed directly to States and localities. These jurisdictions would then decide how to best allocate resources among activities like emergency shelter, transitional housing, and homelessness prevention.

Fifth, the bill will improve public housing through the eradication of the deplorable living conditions in severely distressed public housing. It will fund modernization and provide additional moneys for capital improvement and preservation of this vital source of housing. Further, the bill would improve public housing, by increasing funding for its modernization. And it would create a new program, to help public housing residents gain greater access to employment, day care, and educational opportunities.

The bill also consolidates several existing categorical programs so that States and localities will have the flexibility to better serve their unique housing needs. The bill reforms several existing programs. It also reauthorizes existing programs, like the community development block grant, which have proven effective in meeting the needs of the Nation's cities and rural areas.

Finally, the bill incorporates much of Secretary Kemp's HOPE initiatives to provide home ownership and empowerment opportunities for tenants of public housing.

As a nation, we have the responsibility to see that all Americans are given a safe, decent, and affordable place to live. After almost a decade of the abandonment of the Federal commitment to low-income housing, this bill will affirm our goal of ensuring that every American family is able to afford a decent home in a suitable living environment.

The grave state of the affordable housing problem in our Nation makes passage of the National Affordable Housing Act an extremely important

priority for this Congress and I urge my colleagues to vote for its enactment.

I will just make one other comment and that is this: It is time for us to act on this issue right now. We have been going now for years and years and years without an adequate response to the housing needs of this country. This was the area of the Federal budget most cut back during the decade of the 1980's. One of the results is all the homeless people we see adrift in our society today. The loss of a single person to that kind of a condition is something that this country ought not accept.

There are people out there that we can help, and they are part of this Nation of ours. They are part of this national family of ours. And when I see children in that situation—I have been going through the homeless shelters in Michigan, and an increasing number of the people that I see there are 2 years old, 3 years old, 4 years old, children in arms. These children need some kind of a decent way to get started in life in America in the 1990's. Acting on this housing bill, as responsibly drawn as it is, is a way to give them that chance. They deserve that chance. And we have the responsibility here to see that they get it.

I thank the Chair.

Mr. SARBANES. Mr. President, I rise in very strong support of S. 566, the National Affordable Housing Act, legislation to deal with a serious affordable housing crisis facing this country.

Mr. President, this bill, S. 566, in my judgment, would establish a framework for the working of a cooperative arrangement between the Federal, State, and local governments and the private sector that would give us a chance to come to grips with the serious housing problem facing this country.

This legislation includes a comprehensive set of proposals that would begin to overcome a decade of neglect, fraud, and favoritism, I regret to say. To the credit of the current Secretary of Housing and Urban Development, a problem to which he has addressed himself.

It would restore the Nation's commitment to the goal of affordable, decent housing for American families.

This legislation recognizes that merely cleaning up the past difficulties at HUD will not solve our housing crisis. New proposals are needed to deal with the worsening homeless situation; to reverse the recent decline in home ownership; and to increase the supply of affordable rental housing and housing for people with special needs. All of those problems are addressed in this legislation.

This is a well-balanced, reasonable piece of legislation. It builds on the solid foundation established over the past 3 years by the very able and distinguished Senator from California, Senator CRANSTON, joined by Senator D'AMATO and others. I commend him for the extraordinary leadership and commitment he has given to this problem. I also want to thank the chairman of the full committee, Senator RIEGLE, who has made it a priority for the Banking and Housing Committee.

This legislation is a product of an intensive 3-year effort to review the country's housing needs and develop a national housing policy that can provide more affordable housing for American families. It incorporates and reflects suggestions from a nationwide cross-section of local and State officials, of experts in housing finance, of housing managers, of tenant organizations, of low-income-housing advocates, of nonprofit housing organizations, of private developers, of housing researchers, of experts in the academic field, and others interested and involved in the housing issue.

We know that during the last decade Federal housing policy was devastated by severe budget cuts, policy neglect, systematic mismanagement, and, indeed, in some instances outright fraud and abuse. During that decade the Department of Housing and Urban Development was in severe distress and need of revitalization, and revelations of scandal further highlighted need for a sweeping overhaul.

I am not going to summarize the substantive provisions of this legislation. That was done very ably by Senator CRANSTON in his opening address. But I do want to touch on the process that has gone into bringing this legislation to the floor of the Senate.

There have been four major initiatives. First of all, in August 1987, almost 3 years ago, the Senate Housing Subcommittee chairman, Senator CRANSTON, and the ranking minority member, Senator D'AMATO, invited major organizations and leading individuals concerned about housing to recommend what were called building blocks, for comprehensive housing legislation.

There was a tremendous response to this invitation and a outpouring of enthusiastic work and ideas from around the country. These recommendations were published in a committee print from the Senate and House Banking Committee entitled, "A New National Housing Policy" which ran to 1,100 pages. That was an impressive response.

Second, beginning about the same time, the Department of Urban Studies and Planning at MIT initiated the MIT Housing Policy project to evaluate the lessons of the previous decade of housing policy: What had worked, what had not, what could be done about the housing problems the country would face. Twenty major papers were commissioned from leading housing authorities. They were presented and reviewed in a 3-day conference held here in the Capitol, late in 1987.

Third, to move this process forward, Chairman CRANSTON and Senator D'AMATO invited James Rouse of the Enterprise Foundation, really one of our Nation's leading citizens with respect to the housing problems facing our country—not only with respect to the problems, but also with respect to the solutions.

If there is anyone who has been able to put real solutions on the ground with respect to the housing problem, it has been Jim Rouse. He and David Maxwell, of Fannie Mae, formed a blue ribbon panel to recommend a new framework for national housing policy.

That task force consisted of 26 leaders, bipartisan, with national reputations in housing policy. They held 2-day meetings at least every couple of weeks over a period of more than 4 months to hear testimony, review research, and to arrive at findings and recommendations.

Their recommendations were extremely helpful. The recommendations were included in a report entitled "A Decent Place to Live" that was issued in March 1988. They were extremely helpful to the Senate Housing Subcommittee, on which I am privileged to serve. Then the Senate Housing Subcommittee held more than 30-day's of hearing to prepare the act; not on the act itself, but leading up to the preparation of the act. Thousands of additional hours were spent by subcommittee members and staff in meetings with groups and individuals in order to refine the proposals.

The effort was to build legislation on the broadest consensus possible about effective housing policy and to develop it openly, in a way that everyone interested could paticipate. The subcommitee then explored the legislative feasibility of the various recommendations. We prepared staff concept papers that were released for further comment and criticism. On the basis of all of this effort, then the process of drafting legislation began.

I have gone into this in some detail because I think it imperative for Members of the Senate and others to appreciate the careful, comprehensive, open process that was followed to try to shape this legislation.

The National Affordable Housing Act was introduced on March 15, 1989, more than a year ago. The Senate Subcommittee on Housing held 13 hearings on major components of this bill through April, June, July, and September of last year. They drew more than 125 witnesses. Often those hearings were in a roundtable format, in order to give people more of a chance to participate so we could have a dialog and exchange back and forth.

Additional oversight hearings were held on the long-term financial strength of the FHA insurance funds.

We also held hearings on the fraud and abuse question. Provisions had originally been contained on that issue in this legislation as it was introduced in March 1989. In October of last year, Secretary Kemp released the administration's HUD reform package. At that time the administration was not prepared to submit a full package of housing legislation.

The committee at that time, in order to assist the administration in its efforts, to assist Secretary Kemp, agreed to delay action on the comprehensive housing legislation on the substantive provisions until the second session of this Congress—in other words the session we are now in. And we undertook, in an effort to support the Secretary's reform efforts, to consider a separate HUD reform bill, combining elements of the administration's reform package and elements of the reform provisions that were included in the National Affordable Housing Act. That legislation, the HUD Reform Act, was enacted by the Congress in November of last year.

In March of this year the administration announced its own package of housing legislation, the HOPE initiative, and that was introduced by request in the Senate on March 20.

We took testimony immediately from Secretary Kemp. We held roundtable hearings on that initiative. There were extended discussions with the administration about its provisions. Important parts of that proposal have been included in this legislation which has finally been brought to the floor. This was reported from the committee on May 2 of this year by a bipartisan vote of 16 to 4—a 16-to-4 vote.

Mr. President, as I indicated, this represents a tremendous amount of work by a great number of people over a very sustained period of time. We have sought to respond to the administration's initiatives by including in the proposal very important elements—I submit virtually all the major portions of the administration's HOPE proposal—and it has been incorporated into this comprehensive package.

I want to commend the administration and the Secretary for recognizing the need for legislative action in the housing field. This reverses a decade of antipathy toward housing legislation, and I am happy to say that the administration seems disposed to working with the Congress on enacting a piece of legislation this year.

This would return us to a proud tradition which has marked the country through all the decades preceding the last one in which Federal programs and policies in housing, developed together by Democrats and Republicans, by the President and Congress, have tried to address the need of encouraging home ownership, providing affordable public and private housing for the poor, and addressing the housing needs of a special population.

The administration's initiative is aimed primarily at home ownership, an objective we strongly support, but we also need to address as well the question more broadly of affordable housing. It is an increasingly pressing problem in this country. The number of low-income families, households that pay more than half of their income for rent, almost doubled during the 1980's. Less than one third of all poor families receive any form of Government housing assistance. The home ownership rate declined during the 1980's. Among poor Americans, the homeless population is growing. The supply of available, inexpensive housing is dwindling. There are very long lines of families waiting for housing assistance.

This act was introduced with over 40 bipartisan cosponsors in the Senate. It was reported, as I indicated, with a solid bipartisan majority.

While it may not include all of the elements that one might want to address our national housing crisis, I think it makes not only a good-faith start, but this legislation through its comprehensive approach sets a framework within which the Federal, State, and local governments in partnership with the private sector, both nonprofit and profit, and in a partnership with tenants and those seeking housing in community groups can come together to formulate a national housing approach which offers a real opportunity to come to grips with this issue.

So, Mr. President, this is a very important occasion. This is a pressing national issue; giving people a decent home, making it possible for people to achieve a decent home in a decent neighborhood is a national goal. It has been a stated national goal for more than half a century, and yet we are falling well short of even beginning to achieve it.

A tremendous effort has gone into trying to develop the best thinking to address this issue. It is the best thinking not only of experts, not only of academics, not only of those who make their living in the housing business, but also the people who are impacted right at the grassroots level, the tenants, those seeking housing, those who work with the homeless, those who work with the aged and the disabled. It is all in this legislation.

We have an opportunity now to move it forward. I very much hope we will be able to do it with an overwhelming majority and that we will put into place this framework which, in my judgment, will trigger a tremendous commitment not only at the Federal level but at all levels, not only by Government but also by the private sector, to address this pressing national need.

In closing, I thank those many groups and individuals across the country from State and local government, from nonprofit groups, private individuals from the housing industry, from the academic community, people seeking housing, people who came to us and told moving stories about what they face in terms of their own lives and lives of their family in trying to meet their housing needs. They all have given so much to this effort. I very much hope that effort will see its fruition on the floor of the Senate in the next few days and that we will move this legislation in the next step toward becoming law.

Mr. President, I close again by thanking the very able and distinguished Senator from California [Mr. CRANSTON], the chairman of the Housing Subcommittee, for the extraordinary leadership which he has provided to this important endeavor. The amount of hours and dedication and energy and attention he has given to this issue is really unparalleled in my legislative experience. We are at this point largely because he had not only a concern about the problem and not only a vision about the substance to deal with it but an understanding that if we reached out to the country and asked people to come in to try to help, we would get this tremendous response. That is exactly what has happened. This representss a significant legislative accomplishment. I strongly urge my colleagues to support this legislation.

I yield the floor.

Mr. CRANSTON. Mr. President, I thank the Senator from Maryland very much for his eloquent statement in behalf of this bill, for his description of the problem, for his very careful and accurate outline of all the work that went into it by so many people who spent many days and weeks, indeed years, working together to develop the legislation that is now before us.

Not least among those was Senator SARBANES, who has been totally involved in the process from the very beginning, who contributed immensely to the progress we have made to this point, and who I know will have a lot to do with the success I expect we will have as we move the bill through the Senate, on to the House, and through enactment.

I also thank the Senator from the bottom of my heart for his comments about my efforts in this regard. I am deeply grateful.

I also want to thank Senator RIEGLE, who escaped before I had an opportunity to thank him for his leadership of the full committee, and so many other members of the committee.

I see Senator HEINZ, of Pennsylvania, who is representing the minority today, is on the floor. I look forward to hearing from him. I thank him for all the work he has done on the bill to this point, and I look forward to him helping to carry it all the way.

The PRESIDING OFFICER (Mr. SANFORD). The Senator from Pennsylvania is recognized.

Mr. HEINZ. Mr. President, first I commend the distinguished Senator from California for the enormous amount of work he has done on this housing bill. Indeed, for as many years as I can remember, the Senator from California, Mr. CRANSTON, has been working with exceptional energy on this issue.

I think we are all very pleased there is at last before the Senate a very comprehensive, innovative, creative, and extremely thoughtful approach to meeting, the changing needs of our housing population, and also which takes into account what we have learned over perhaps more than a decade about the shortcomings not only of our Nation's housing program but also about the kinds of barriers and temptations that the tremendously bureaucratic and overly layered, programs we have unintentionally, but nonetheless created, have placed in the way of delivering the kind of housing we obviously need to deliver to the neediest in our population.

So the legislation that is before us today, S. 566, the National Affordable Housing Act, seeks to foster several goals which are fundmental to our national housing policy, ones that have been fundamental for more than four decades.

First and foremost among them has been—and I hope always will be—to promote home ownership among all income groups. Home ownership should not just be the luxury of middle-income Americans. Unhappily, it is becoming a luxury even for middle-income Americans. But regardless of income level, no member of our society should as a matter of fact or as a matter of circumstance be permanently foreclosed from the realistic prospects of someday having a home that they can figuratively and literally call their own.

So that is our first goal.

Our second goal is to maintain an adequate supply of housing stock that is affordable to low-income families. In setting that goal, we recognize that housing markets are imperfect.

I come from a community—Pittsburgh, PA, is my hometown—prior to the 1982 recession there, where a lot of people who were very happy, secure, middle income, working in a mill, often a steel mill, or a glass factory, or any other heavy industry that paid well above the national average in manufacturing. After 1982—I had thousands upon thousands of middle-class constituents who suddenly ended up on the low end of the totem pole. They became low-income people almost overnight when that factory closed.

As a result, what had been a dream turned into a nightmare. Many of those people, fortunately not all, lost their homes. Typically, it was the younger worker who was not so far along on the mortgage payments who might have bought the home while the housing market was strong in 1979 and 1980 and who found himself moving out of a house involuntarily, onto unemployment involuntarily and into public housing, or being afforded assistance through the section 8 program, the certificate through the voucher program, also involuntarily.

But those were the alternatives. While it may not exemplify everybody who is in public housing, it just shows you can have all the skills you want. But if you live in a geographic area where other jobs are not available—if you are, in effect, unlucky—you may very well need the assistance that this legislation, or legislation like it provides.

There are also the cases where people enter the workforce without the skills they need to compete in that workforce. And, if such individuals had time, and if such individuals have the time, they will get those skills.

Several years before I ran for the House of Representatives, I served as chairman of the Employment and Economic Growth Subcommittee of the Pittsburgh Urban League. The board was very involved in job training programs, principally the OJT programs. We concluded that we were not doing a good enough job for the people we were supposed to be serving. The fact that somebody had a job placement did not merely mean that they had a career. In many cases they could not make it. They would become another statistic, and some other job training program would pick them up, give them training, get them placed, score that as a success, and history might repeat itself more times over.

We found in attempting to take a fresh look at all this that there was a group of people graduating from high school—largely women, largely minority—who were receiving what they thought was secretarial training but whose skills in terms of ability to type, in terms of ability to take dictation, did not quite have the skills to compete in the marketplace.

We in response to these problems created a very specialized, very targeted job training program that resulted in maybe 95-plus percent of those young women obtaining permanent employment.

These examples merely suggest that there are people who move into public housing because they have not yet either found their niche in the job market or have not yet found the skills they need in order to compete. It is in our interest as a country to have all the people in this country get the skills they need to be able to contribute to our country. I might add Mr. President that was a predominantly manufacturing community. Today something like 75 to 80 percent of all the jobs in the city of Pittsburgh are in service industries. Talk about a transition, in a little less than a decade and a half, the employment demographics of the city have almost completely changed. So you see, Mr. President, we have people who have received jobs, but they could not compete for a period of time, because they did not have exactly what the job market needed at that moment, but which subsequently they did come to need.

All these and more reasons require, Mr. President, that we maintain an adequate supply of housing stock, affordable to low-income families. That is perhaps why we have very little disagreement about those two principal goals that we have been working on trying to meet over the last 4 years.

The reason we are here on the floor today with the National Affordable Housing Act is that we—that is to say the Congress—and the administration are facing the issue about how we are going to design a workable housing policy for the next decade and beyond. If we are wise enough to foresee the future sufficiently, we will continue to advance those fundamental objectives.

Inevitably, as we consider change, there will be disagreements over the exact shape of change and the issues of policy in the legislation. But I posit, Mr. President, that that is what we should and intend to debate over the next few days.

Mr. President, there is no debate about the fact that shelter is a basic human need and that our Federal housing policy is supposed to ensure that American families live in safe, decent, and affordable housing. The fact that we do have homelessness and, depending on where you are, a substantial amount of it, should be very troubling to most people. For whatever reasons, people are homeless, and they are many. They are not a homogeneous population. They are very heterogeneous group of people.

The fact is that we know—or else we would never have passed a McKinney Housing Act—that our policy has not fulfilled its promise. But homelessness apart, there are other worrisome signs as well.

I mentioned earlier that owning a home is part of the American dream, but for too many middle American families that dream has been deferred, it has been postponed, because they cannot afford to put up the money for the foundation, let alone the House.

That is what has happened to our housing costs. After increasing steadily since the Second World War, the percentage of Americans owning their own homes has declined every year since 1980, since that great boom cycle. It has been followed by a bust of home ownership.

That the cost of housing is the culprit is no secret. But there is a larger cost to our society, and that is the disenfranchisement, figuratively speaking, of an increasing number of our people. By the term "disenfranchisement," I mean a literal, in this case, disconnection from feeling like you have a tangible piece of America, which is your responsibility, as well as perhaps for your posterity. What home ownership uniquely gives Americans is a sense of place and being, and a sense of belonging, and a sense of participating, and a sense of community. And to the extent we as Americans have and share all those values, we are a stronger community and country.

We work better together; we find ourselves less at cross purposes. We are less likely to run out and hire a lawyer, if somebody bangs your car in the back with their front fender. We have become more commonsense oriented and a little less litigious, I hope. And by contrast, when people are unable to feel that they are truly a part of this country, the statistics tend to run the other way. What used to be called juvenile delinquency increases; family separations increase; the number of people living on the edge of poverty or somehow trying to get by without getting the education that they need increase; alcoholism and drug abuse increase.

I am not here to argue which is the chicken and which is the egg. But those statistics certainly associate one with the other. And to the extent that Americans do not have a sense of place, sense of purpose, sense of community, we become, as Americans, a more troubled country.

Those Americans at the lowest end of the income scale, Mr. President, are obviously not in a position to own their own home—at least for now. But they are having, on balance, a harder time finding rental units that are within their budget constraints.

It might interest the Chair to know that there are some 11.6 million renters who earn $10,000 or less each year, while there are only 7.9 million units which are available at $250 per month or less. One does not have to be a math genius to figure out that $250 a month is about 30 percent annually, about $3,000 of the $10,000; consequently, there are well in excess of 3.7 million American families who are spending in excess of one-third of their income for shelter. In some cases, it is a good deal higher.

So as you look as this historically, you find a disturbing trend. You find that back in 1978 2.3 million people, about 44 percent of all poor renters earning $10,000 annually or less, paid at least 60 percent or more of their income for housing. Today, as I suggested, that figure is up to 3.8 milion Americans.

It would be a mistake, by the way, Mr. President, I am sure—coming from the State of North Carolina, you as our Presiding Officer know this, to assume that the lack of affordability is limited to the urban poor; to the contrary, it is a problem that adversely affects many people who consider themselves middle class; it is a problem found in suburbia and certainly found in many rural areas.

In 1985, one out of every three renters with incomes above the poverty line paid more than 30 percent of their income for basic shelter.

Seventeen percent of all homeowners with income above the poverty line have borne such cost, and in my home State of Pennsylvania, the Pittsburgh-area HUD office puts the fair market rate of rent for a one-bedroom apartment at some $371 a month. So it takes an average annual income of about $18,700 just to live in a one-bedroom apartment.

That is a problem for people in my region, because only 41 percent of the people living in the Pittsburgh area earn that much a year. And my hometown is not different from most others.

If is therefore abundantly clear that these problems call for a much more vigorous Federal response than has been the case in the past, and the Federal response before us has appeared on the floor today as S. 566. This bill, the National Affordable Housing Act, is the culmination not just of the work in this Congress, but indeed some 3 years stretching back to the Congress before last. It, as I said, is a very major achievement. It is aimed at many of the problems I have discussed.

But I am concerned that it is not as well structured as it needs to be, because we learned over the last 3½ years that it is not just Robin HUD that has been stealing money from the taxpayers. In fact, there has been an entire cadre of well-connected crooks and their cohorts who plotted and schemed and have stolen tens of millions of dollars from the U.S. taxpayers and HUD.

And what that means is that the basic premise of the bill before us, which as I say started over 3½ years ago, which was that HUD was well managed and fraud free, and that housing administration generally is well managed and fraud free, is simply not the case. And that should give us pause for some concern.

I voted to bring this bill to the floor out of committee, even though I did not agree with everything in it, because I feel that the debate we are going to have is critical; it is important. It should, and I believe it will—as I listened to the opening statement of the Senator from California, Senator CRANSTON—address the serious issues in the bill, as well as the serious problems facing the American people.

I want to take a moment to indicate that, on our side of the aisle, there was quite a divided opinion on this bill. When we came to the vote in committee, the minority voted 4 votes for, 4 votes against, and 1 not voting. You might call that a split right down the middle, which is not easy to do with nine people, but we achieved it without any effort whatsoever.

And that split represents, on the one hand, a recognition that there has been a very serious and good-faith effort to deveop comprehensive housing legislation, must of it representing a needed overhaul of current housing policies and programs; but, on the other hand, it represents the fact that many on the minority side believe the bill fails to reflect several crucial realities in today's housing situation.

Among those is the recognition that housing programs need to do a better job of fostering home ownership, to do a better job of inviting empowerment and should work in tandem with social service programs to provide the opportunity for the people to lift themselves out of poverty. And we believe that given a chance, most people will do that.

Flexibility at the State and the local level is essential so that the policies reflect local economic conditions. The decisionmaking process for programs does indeed need to be streamlined so that the responsibility is clearly in one place, not dispersed throughout private, nonprofit, Federal, State, and local decisionmaking structures.

In short, all of the different pieces in the housing puzzle need to fit together. Tax policy, rental assistance, public housing, State and local programs all need to be coordinated locally to meet housing needs more efficiently. And Federal money should, and we hope will, be used to leverage other resources so that we can get the most in the amount of acceptable housing for Federal taxpayer dollars.

Let me say I will quote somewhat extensively from the additional views on S. 566, and I do quote here:

> In philosophical terms, S. 566 moves in this direction, by rejecting a continuation of complex, federally mandated programs and moving toward a more flexible and locally-based approach to housing. In spite of mixed views relating to funding of new programs, we applaud the Committee for commencing a new direction for housing programs.

Now, as we point out in the additional views to S. 566, in a committee report starting on page 305, there are a variety of problems seen by those on our side of the aisle. Some of us feel

strongly about some of these problems; others less so. Some may not agree with the entire list, but the problems that we generally felt that the bill as reported did not sufficiently address were seven in number.

First, there is concern that the levels of new funding included in the bill's authorization levels may be too high and may in effect be very unrealistic. We believe that it is important to do more, but the question is should we promise more than we are likely to deliver over the next 3 years.

A second problem was the inadequate elimination of bureaucracy and delay so that funds may reach the local level quickly. I think we all know what we are talking about there, and I will not belabor that.

A third issue, and this is not the fault of the authors at the time this came up, and Senator CRANSTON has addressed it in his remarks, is the need to include solutions to the problems that are faced by the Federal Housing Administration and the FHA mortgage insurance programs.

And it is only since the bill was reported that Price-Waterhouse and HUD made their recommendations to the Congress. On June 6 we held a hearing in our committee and heard from Secretary Kemp, and others, on what specifically needed to be done, and to engage them in a discussion. And I have no doubt that we will, before we conclude consideration of this bill, satisfactorily address the FHA insurance program issue.

Fourth, was the problem of the extent to which this legislation permits States and localities to use a very large amount of additional Federal assistance for new construction of housing. It is not we do not recognize that there are times and places when new construction is needed.

But it is a genuine concern that there are far too many times when new construction is neither the most efficient, the most appropriate nor the most affordable means of meeting peoples' needs. And it also represents a great concern that when you put money out for new construction, because new construction programs invariably draw from a variety of sources of money, that those new construction programs will attract influence peddlers or lobbyists—call them what you want; consultants, people who want to make a buck—like honey attracts flies. While it is not absent in other kinds of programs, it is of particular concern there.

Fifth, is the movement away from tenant-based subsidy to project-based subsidy, which in substantial part is related to the fact that in this legislation the availability of section 8 units to public housing authorities has been uncapped.

We have capped it at 15 percent. We capped it at 15 percent because, realistically, if we did not cap it at some level, somebody could say 15 percent is too high or too low.

But, leaving that issue aside, when the section 8 certificates or vouchers were to be handed out, there would be an irresistible temptation on the part of public housing authorities to hand them out only to people who are going to live in public housing as opposed to assisted housing, which is privately owned and privately maintained, which gets its money from the renter with the assistance of the section 8 voucher. The movement away from helping the tenant as opposed to helping the landlord and in this case the big landlord; namely, the housing authority, we view as a step back, as a step going in the wrong direction, certainly away from empowerment and toward dependency on the system and all that that entails.

The sixth problem was the somewhat minimal amount of consolidation of existing programs into HOP, the Housing Opportunities Program. That concerns me a little less than others. I think we did what we could. Some people would like to have done more.

But I am concerned about the targeting of the HOP Program, and that, as written, it is going to spread money across a very wide spectrum of lower but not necessarily very low-income people and dilute the effort that normally one would expect, which is to help, as a doctor would when confronted with an array of casualties on the battlefield, those who, if they do not get the help, are likely either to die or to be seriously injured for a lifetime get helped first. This is called triage. And while we all would like to do better by our housing programs, the fact is that when we sit back and think about what the purpose of our programs ought to be, they ought to be about helping the people who need the help the most, the neediest. I believe that is a correctable problem. But the targeting of the HOP Program is a serious concern.

Finally—and this is particularly true of the administration—is the concern about the relatively low funding for the HOPE Program. Most people in the committee have, at one time or another, been confused about the difference between HOP and HOPE, except that there is an E on one and not on the other. The HOP Program is basically a tunnel to get moneys to the State and local level. It stands for, Housing Opportunity Partnerships and received a substantial amount of assistance in this legislation.

HOPE, on the other hand, was the administration's proposal, standing for Home Ownership for People Everywhere, which emphasized helping people make a transition from dependence to independence, from being renters to homeowners. It is creative, innovative, and has risks associated with it because it is new and different. Some people do not like it because they argue that somehow it might reduce the stock of public housing.

By the way, on that point, we have not done a very good job on something that is really implicit in all our assisted housing programs. What has always been implicit in our housing programs is that they were temporary for the people in them, that these are programs that help people through a difficult time of transition. And, as I indicated at the outset, that remains the philosophy, and, in many cases, I suspect the minority of cases, that may simply not be true. What has happened is that our assisted housing programs and particularly our public housing community units have become not temporary housing but permanent housing for people by becoming more than temporary; they become communities in and of themselves. People who have lived there 5 years do not want to move. They have become set in their habits. We have not done a very good job of returning to the basic idea behind our housing programs of three or four decades ago that this is temporary help until you get out on your feet and become a homeowner. And that is why the HOPE Program is well named.

As I say, people have concerns about how well it is going to work. Are we going to have other penalties that we pay as a result? We do not know the answers to most of those questions, but we do know that the concept behind the HOPE Program, housing opportunity for people even if they are in public housing, is the right concept and is the right kind of dream, dream of hope, that we want people to have about this country.

And so, Mr. President, we have our work cut out for us here today. I think Senator CRANSTON was right when he pointed out that the critical issues on which I hope we can reach a thoughtful compromise are indeed new construction, the emphasis on it or the overemphasize on it; the need to better target this legislation to the poor, and the poorest of the poor at that; to address, as I think we all want to and I am sure we will, the Federal Housing Administration's actuarial soundness issue; and then adjust, within an acceptable overall level of fundings, our allocations to meet our most appropriate needs.

Mr. President, I do not see anybody on our side of the aisle seeking recognition.

(Mr. FORD assumed the chair.)

Mr. CRANSTON. Mr. President, I thank the Senator from Pennsylvania for his statement, for his comments, and for his work on this measure. I am delighted that he supports it generally, as he did when he voted for the measure in committee. He recognizes

that in the discussions that I and others engaged in today with Mr. Darman and Mr. Kemp, of the administration, we have made progress on some of the matters that concerned him that he spoke about now and that are mentioned in additional views beyond the majority report in the report emanating from the Banking Committee, from the Housing Subcommittee, on this bill.

I look forward to working with the Senator from Pennsylvania and with other Members on the other side of the aisle. I look forward to working specifically with him in improving the bill where we can, in working for and accepting amendments or trying to get adopted amendments that will improve the bill, and for fending off those amendments that undermine the general purposes of the bill. I know the Senator will be a source of strength on that front.

I would like to comment on a few of the specific points the Senator made. We are, I think, quite close to agreement on most of these points, as I believe we are now with the administration.

On the matter of targeting, that is one of the subjects that came up and that I have already mentioned in terms of our discussion with Mr. Darman and Mr. Kemp today. I would like to go into that in a little bit of detail because it is a very important aspect of this bill and, in fundamental purpose and principle, Mr. Darman, Mr. Kemp, the Senator from Pennsylvania [Mr. HEINZ], and others, and the Democrats who have worked with others on this bill are in accord.

I urge my colleagues, who are concerned about the income targeting of benefits under this bill, to take a closer look at existing law, at current needs, and the bill itself. We urged that upon Secretary Kemp and Mr. Darman this morning.

Federal housing subsidies, including direct subsidies and tax expenditures, benefit a broad spectrum of the population. About 80 percent of all Federal housing assistance goes to higher income homeowners through the mortgage interest and real estate tax deductions. Direct subsidies for low-income families have been funded at levels that serve less than one-third of those eligible.

Many working families receive no housing assistance because their incomes are too high to qualify for direct subsidies and too low to benefit from tax expenditures.

I believe that, in general, scarce resources should go to the most needy. The committee bill is designed to do exactly that. But the question of proper income targeting can be drawn too simplistically. We have to guard against that.

First, any definition of "the most needy" will unavoidably be arbitrary. Wherever the line is drawn, no matter where it is drawn, a narrowly targeted housing policy will produce irrational distinctions. Assistance available to one family will be denied to another falling just barely outside the line of eligibility. Resentment and opposition will build against a policy that excludes large segments of the population who experience housing deprivation. Rigid targeting that ignores low-income, moderate-income, and middle-income families will be perceived as inappropriate in light of the housing benefits provided to upper-income households.

Second, housing built solely for the poor tends to isolate tenants geographically and socially. A developer's concern for location and design is limited if housing is to be occupied only by subsidized tenants. The result can be low-income housing that is poorly designed and placed in bad locations. In contrast, a policy that encourages mixed income housing offers developers an incentive to build for the market, to find good sites and produce marketable designs. More units of affordable housing can result because neighborhood opposition is lessened.

Third, it is difficult to identify precisely the segment of the housing market that serves the poor. The housing market is composed of a large number of interrelated submarkets and the problems found in one submarket can profoundly influence others. Barriers to home ownership build pressure on rental housing, and when the rental market tightens, a broad spectrum of families are hurt in the competition. One family must live too far from its jobs; another family must settle for a home that is too small; yet another must accept substandard housing. Holders of vouchers find it increasingly hard to find suitable housing, and those at the very bottom are forced to live in garages or on the street or in doorways or under bridges.

Fourth, housing programs which benefit only those with the lowest incomes are too easily attacked. The cost per unit tends to be highest. The numbers assisted tend to be lowest, the political support will be weakest and the program support will be most vulnerable to deep cuts or to elimination.

Our Nation's housing needs require Federal assistance that maintains broad support over time. The committee bill is comprehensive legislation that targets very low income and low-income families and at the same time it is intended to address the interrelated parts of the housing problem. Not less than 50 percent of the jurisdiction's HOP funds will have to be invested in dwelling units occupied by very low income families. This would include incomes that do not exceed 50 percent of area median income.

Other provisions of the subtitle are designed to ensure that HOP investment continues to provide long-term investment for very low income families. Not less than 80 percent of a jurisdiction's HOP funds would have to be invested in dwelling units occupied by low-income families. This is defined as incomes that do not exceed 80 percent of area median income. This, of course, includes very low-income families which I just mentioned.

Taken together these limitations would require that all HOP funds would be for rental units occupied by low or very low income families. The limitations would permit up to 20 percent of a jurisdiction's HOP funds to be invested for home ownership by families with incomes between 80 percent or 100 percent of area median. Home ownership assistance would have to serve families with a broad range of income below the area median, including a preponderance of low-income families.

Other provisions of the HOP, including their criteria for awarding incentive allocations, strongly encourage jurisdictions to exceed these minimum requirements and target a greater share of the benefits to low- and very low-income families. These provisions provide for tight income targeting while providing the flexibility that is needed to carry out balanced, affordable housing strategies.

The Housing Subcommittee heard compelling testimony concerning the overwhelming housing needs faced by very low-income families. The 1985 American housing survey indicates that as many as 45 percent of the 7,100,000 renter households living below the poverty line were paying more than 70 percent of their income for rent.

What does that leave for clothes, for food, for transportation, for other basic needs of a family?

Only 28 percent of all other rental households living below the poverty line actually receive any other form of renter assistance. This is particularly troublesome when you consider the definition of "very low income" in HUD programs is higher than the poverty level.

The targeting decisions in this bill reflect the special care which must be taken to assure that Federal assistance goes to benefit those with the greatest housing need and the least ability to afford decent housing. This targeting can be achieved within State and local housing strategies that respond to problems of housing affordabilty that confront a broader segment of the population.

I trust, Mr. President, these points will help alleviate the concerns of the Senator from Pennsylvania and others who are concerned about targeting, and Mr. Darman and Mr. Kemp and

those working with them now, with our staff, in trying to reach an accommodation on this front.

We all share the desire for targeting. I think we have to be careful in how we do it. As I have indicated here, I think the bill already does it very effectively. If we can make it more effective without becoming restrictive and jeopardizing our goal, we should take those steps.

Of the seven points that were made by the Senator from Pennsylvania that relate to the additional views of the members of the minority in the committee report on new funding, they raise a question about authorizing this new level of spending when we are having difficulty maintaining the current level of housing funding, and in view of the general budget deficit situation.

I have already touched upon the fact that in our discussions with Mr. Darman and Mr. Kemp, it was made plain they will not feel the amount we are discussing is excessive, and that would not be a matter that could cause a veto or a bitter controversy over the measure, if we work out the policy differences, as I believe we can.

The second point relates to FHA reform. As I indicated, we did not include that in the bill as reported, because the Price Waterhouse study was not available to us. It has now been made available to us. We have come up with a proposal. The administration has come up with its proposal, and that is one of the major points we are discussing now with the administration. I am confident we can work out that matter.

On new construction, the minority additional points said:

> We believe that there is substantial evidence to indicate that rehabilitation continues to be a less costly alternative than new construction.

We believe that is true. We want to place the emphasis not on new construction but on rehabilitation, and that is another matter we are discussing with the administration, another matter I believe we will work out.

In regard to bureaucracy and redtape and consolidation, that is a very valid point that was made by the Senator from Pennsylvania and is reflected in the additional views. I would like to speak in a wee bit of detail to that point, because I believe that HOP embodies much of the reform that is desired.

When we began developing the bill 3 years ago, we leaned from housing experts from around the country that HUD was grossly mismanaged, severely weakened, badly demoralized, and clearly in need of thoroughgoing reform.

That is why the National Affordable Housing Act started out to be a comprehensive reform bill that would overhaul Federal housing assistance and revitalize HUD.

Over the past 8 years, a new wave of housing organizations and initiatives have blossomed at the State and local level. They have expertise. They have experience. But leading practitioners have made it very clear that real progress on housing cannot occur unless the Federal Government joins the partnership with significant and predictable investment.

This bill would build on the growing capacity of State and local governments. The centerpiece of the bill, the housing opportunity partnerships [HOP] provides a strong Federal-State-local partnership for affordable housing.

The National Affordable Housing Act simplifies and streamlines HUD programs by consolidating a number of small HUD programs into one straightforward funding mechanism, exactly what the Senator from Pennsylvania talked about, and it is recognized in the additional views that a significant degree of consolidation has, indeed, occurred in this measure.

These steps would significantly lessen the need for HUD to micromanage projects. HUD would be free to oversee the State and local activities.

State and local governments and many private and nonprofit organizations throughout the country are able and eager to provide more affordable housing. The bill places more responsibility on them, not on HUD, for devising housing programs, selecting recipients, and monitoring compliance.

Public and press scrutiny of program implementation at the State and local level is intense. Since HUD would not be making project-by-project decisions, which is what got HUD into a lot of trouble, HUD would be free to monitor State and local activities more aggressively. HOP activities would be monitored by an advisory board of experienced people with diverse backgrounds and HOP funds would be subjected to annual, independent audit.

We must use this opportunity not only to reform and rebuild the Department but to overhaul the entire system for delivering federally assisted housing. The corruption and mismanagement that occurred under the previous administration should not and does not provide the rationale for delaying the passage of these housing initiatives.

The fifth point raised in the additional views and by the Senator from Pennsylvania relate to tenant and project based rental assistance. We recognize that some new approaches are needed there, some reforms are necessary, and that is one matter I would like to speak to in a bit of detail.

Tenant based rental assistance, such as vouchers, should continue to be an important element of Federal housing policy. We are agreed on that. But we should not make some simple-minded choice of either vouchers or expansion of the housing supply. This is particularly true since there is substantial evidence that vouchers are not the solution that we originally hoped they might prove to be.

First and foremost, vouchers just do not work where housing is unavailable. Obviously, they cannot. The number of low-income households seeking affordable housing has now outstripped the supply available to them. The supply of housing renting at $250 or less fell by 1.8 million units from 1970 to 1985, a great decline. At the same time, demand for such housing has increased substantially. The source for that is the Center on Budget Policy and Priorities in April 1989.

Vouchers do not ensure affordability for tenants who hold vouchers. A number of voucher holders who find housing pay an extremely high share of their incomes for rent. This is true in especially tight markets.

A HUD study found that nearly half of voucher holders are paying more than 30 percent of their limited incomes for rent. An incredible 25 percent are paying more than 40 percent of their incomes for rent even with the voucher subsidy.

These rent burdens are intolerable. A family with children or an elderly person making less than $10,000 a year can barely afford to pay 30 percent of their income for rent, let alone 40 or 50 percent or even more. These families must neglect other necessities of life—food, health care, child care, and clothing—as scarce resources go to rent.

Since vouchers have no rent restrictions as to how much landlords can charge tenants for rent, landlords can exploit those who have no housing alternatives.

As reported in the Washington Post last year, many landlords have learned how to milk the voucher system by charging voucher tenants higher rents than certificate tenants occupying similar units in the same building. That was covered in the Washington Post on March 18, 1989.

To make things worse, many of these voucher holders are forced to live in substandard housing. According to a HUD inspector general audit of the voucher program, over 50 percent of voucher holders are living in substandard housing. That report came out in December 1988. That is a pretty shocking figure. Fifty percent of voucher holders live in substandard housing.

Problems with vouchers arise in soft markets as well since tenants are allowed to pocket the difference between the actual rent and the fair market rent. They end up paying for less than 30 percent of their income for rent.

Many recipients are simply not successful at using the vouchers. Thirty percent of those tenants who do successfully use the voucher do so because they already were fortunate enough to live in an acceptable unit renting below the fair market rent.

White families are successful only 75 percent of the time. Minority families have even lower success rates: black families have a success rate of 56 percent, Hispanic families only 47 percent. These families lose their chance at obtaining housing assistance if they are unsuccessful at finding suitable housing.

The problems with vouchers can be even worse in rural areas. In a September 1989 study of section 8 rental assistance in rural areas, respondents repeatedly cited the quality and availability of rental assistance as the biggest obstacle in administering the programs. The report stated, "79 percent of the PHA's surveyed identified counties where families encountered unusual difficulties."

Fifty-eight percent of the respondents cited the poor quality of housing as the biggest problem. Twenty percent of the respondents cited the lack of available rental housing as the major problem.

Leading conservations claim that increasing the supply of vouchers will cause the market to respond by producing more housing. But the Rouse-Maxwell Task Force reported that only 7.5 percent of unsubsidized multifamily housing produced in 1986 would be affordable to low-income families.

Furthermore, vouchers do not provide enough of a guaranteed return for developers to invest sufficiently in low-income housing.

The HOP represents a positive, comprehensive national strategy for more affordable housing. It could make vouchers more useful in tight housing markets by expanding the supply of housing that rents at or below the fair market rent and is available to voucher holders.

It will invigorate new partnerships around the country involving private industry, nonprofit organizations, States, and communities. It will provide for more efficient and effective use of tax incentives, more flexible use of Federal capital investment, and more effective incentives to get all sectors working together for better, more affordable housing.

The sixth point related to consolidation of existing HUD programs. I have already spoken about how much of that is done. The Senator from Pennsylvania recognizes, and the additional views recognize, that we adopted a compromise at the markup which consolidated a number of exising programs. The thought is expressed that it did not go far enough but that the general thrust was agreed to.

I do not think we have major difference on that now. In regard to HOPE grants, the additional views in the committee for including most of the administration's HOPE initiative in S. 566 are in the bill now before it. It a lauds that program. We like it. We accept it. We would like to find more funds for it as suggested: Perhaps some additional funds can be found if we are able to lift the amount overall to support to programs in the bill. Obviously, we could do better.

Basically, I hope that what I have said in response to the Senator from Pennsylvania and to the additional views indicate a very broad consensus on goals, and a great deal of specific progress on details. I trust we can work out whatever more needs to be done to ensure that broadcast possible support for this measure as it works its way through the process now on the Senate floor.

The PRESIDING OFFICER. The Senator from North Carolina.

ORDER OF PROCEDURE

Mr. SANFORD. Mr. President, just for 2 minutes I would like to ask unanimous consent to proceed as if in morning business, and that I be permitted to speak for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR QUENTIN BURDICK

Mr. SANFORD. Mr. President, I rise today to offer my appreciation to Senator QUENTIN BURDICK for his 30 years of service and dedication to the U.S. Senate, and my congratulations to the people of North Dakota for sending him here. Senator BURDICK is only the 36th Senator in history to reach the 30-year mark, and so it is with great pleasure that I recognize his outstanding efforts.

QUENTIN BURDICK has dedicated his life to the service of his country. After being elected as a North Dakota Congressman in 1958, Senator BURDICK was elected to the Senate in 1960, in a special election. Since then, he has begun serving his fifth consecutive term, thus establishing himself as third in seniority in this body. This striking record exemplifies his deep-felt sense of responsibility toward his State and his country. What I especially like about QUENTIN BURDICK is that he conducts his business with other Senators with a sense of fairness and concern and helpfulness. Time has not eroded his sensitivity to either the broader needs of the Nation of the more particularly concerns of a region.

Serving now as chairman of the Senate Environment and Public Works Committee, as well as the chairman for the Appropriations Subcommittee on Agriculture, Rural Development, and Related Agencies, Senator BURDICK has made a substantial difference in the Senate. These positions have given him power over agriculture and infrastructure—two major areas of legislation which have greatly benefited from his involvement. He has also served his constituents and the Senate well through service on the Special Committee on Aging and the Select Committee on Indian Affairs.

Senator BURDICK has committed himself to the improvement of rural life in the United States, continually working to ensure that his country fulfill its responsibility to those Americans living in rural conditions. "We must rethink our priorities," insists Senator BURDICK. "If our smaller communities are to survive, we must help them make needed improvements."

In co-founding the rural health caucus in 1985, Senator BURDICK has served as an influential force in helping countless people enjoy better health. As a member of the rural development task force, he has helped to open up investment opportunities to promote economic growth in rural communities, as well as providing improvements in health care and educational opportunities to promote economic growth in rural communities, as well as providing improvements in health care and educational opportunities for these communities. Senator BURDICK points out that, "Rural Americans make up almost a quarter of the Nation's elderly and over one-half the poor. The special needs of the rural population cannot be ignored."

In North Carolina, I represent a State in which 45 percent of the population lives in rural areas. We appreciate QUENTIN BURDICK's leadership. Of the 100 counties in the State, 12 have poverty rates over 20 percent. Thus, I am deeply affected by all legislative efforts that work to improve these areas.

QUENTIN BURDICK has continually supported legislative efforts to better the lives of those in rural areas. Every year he demonstrates his allegiance to rural issues as he fights for continued funding for various rural programs. He states:

> While select areas are thriving, rural Americans in general have lower incomes, fewer job opportunities, higher unemployment rates, and are more likely to live below the poverty line than their urban counterparts. It is time to give investment and economic opportunities to struggling rural communities.

He is talking about so many parts of America, and rural Americans have no better friend than QUENTIN BURDICK.

SENATOR QUENTIN BURDICK

Mr. CRANSTON. Mr. President, Senator SANFORD remarked about the service of QUENTIN BURDICK. I want to say a word or two about that.

I pay tribute to Senator BURDICK for his great and long service in the

U.S. Senate. Few Americans are privileged to serve in this body for 30 years. Senator QUENTIN BURDICK has been here for that sustained period of time. He has worked his way up to a leadership position as chairman of the Environmental and Public Works Committee, where he is serving with great distinction. He has represented the people in his State magnificently.

Senator BURDICK has voted very wisely, from my point of view, on issue after issue. He has been particularly attentive to the needs of the veterans of his State. He has worked for peace, justice, and for equal opportunity. He has worked to protect the environment and for appropriate public works. He has done a great deal on many fronts, and we all owe him a great debt of gratitude.

NATIONAL AFFORDABLE HOUSING ACT

The Senate continued with the consideration of the bill.

Mr. SANFORD. Mr. President, now that we are out of morning business, I would like to return to the housing bill.

Of course, I think this is a momentous occasion as we turn now to consideration of the National Affordable Housing Act long past due. Through this legislation the Federal Government will be rededicating itself to addressing the tremendous housing needs facing the country.

I commend the chairman of the Banking Committee, Senator RIEGLE, and especially I thank the chairman of the Housing Subcommittee, Senator CRANSTON, for his perserverence and for his steadfast efforts to bring together the various forces, influences, and interests to mold a strong and cohesive bill that makes housing a priority of the Federal Government.

The chairman has worked tirelessly to incorporate the housing proposals of the administration—numerous Senators. I am satisfied that we have a bill now that, maybe with a few modifications, can satisfy a considerable majority of this Senate.

The chairmen have worked tirelessly to incorporate the housing proposals of the administration, and numerous Senators, into the framework established by the Rouse-Maxwell National Housing Task Force.

We do not approach this legislation in a vacuum. During the past 3 years, the Banking Committee has held over 30 days of hearings and solicited the expert advice of housing advocates, housing researchers, industry representatives, government officials, and housing assistance recipients from across the Nation. The result is a carefully crafted piece of legislation that merits bipartisan support and the immediate enactment by the Congress.

The Senate must act quickly on the National Affordable Housing Act to stem the tide of homelessness and to reduce the affordability crisis that denies millions of Americans the dream of homeownership. The high cost of housing and the lack of affordable, decent shelter force 4 million American families to live in substandard housing or to pay more than 50 percent of their income in rent. One has only to take a walk across Capitol Hill, or through the heart of cities and small towns across the Nation, to witness the unfortunate plight of Americans whose only home is a cardboard box or a steam grate.

The Congress and the administration share the responsibility for this desperate housing crisis. The Federal Government has slashed assistance for housing in the 1980's by 80 percent in real terms—a more substantial cut than any other major segment of the budget. It is time for the Senate to live up to its responsibility to the citizens of this Nation and pass a bill which substantially increases funding for housing.

The foundation of the National Affordable Housing Act is the Housing Opportunity Partnerships [HOP] Program which will provide flexible funds to States and localities who submit substantial housing assistance strategies. The HOP Program will catalyze housing partnerships between all levels of government, private industry, and nonprofit organizations. Through this program, the bill recognizes the expertise and the potential of State and local housing initiatives, as well as the need for a comprehensive approach to housing assistance.

The National Affordable Housing Act also recognizes the need for homeownership opportunity and rental affordability. It incorporates the administration's HOPE proposals to empower public housing residents and low-income families to own their own home. The legislation also expands the supply of rental assistance and preserves the current stock of assisted rental housing.

Equally important, the legislation addresses the special needs of the homeless, the elderly, and the disabled by connecting housing assistance with services. The bill makes numerous program improvements to help all Americans to live independently and with dignity. In addition, the legislation reauthorizes the community development block grant program—a proven housing development tool that has been used effectively throughout the Nation.

As a Senator from North Carolina, I am particularly pleased with the rural housing component of the bill that reauthorizes and improves the successful Farmers Home Administration rural housing progams. In fact, the need is especially great in my home State.

I was somewhat embarrassed to see that the Washington Post recently highlighted, or maybe I should say lowlighted, the existence of 100,000 outhouses in North Carolina alone. Certainly, that is an indication that we are part of the some 2 million households living in substandard housing in the country.

While the housing crisis in urban areas generally receives most attention, the housing needs of rural America are no less servere; 4.3 million rural households have a severe housing problem in this country, with some 2 million households living in substandard housing. Of the 100 counties in my home State of North Carolina, 12 nonmetropolitan counties have poverty rates over 20 percent and substandard housing rates over 10 percent.

So to give proper attention to these pressing needs, I introduced the Rural Housing Revitalization Act. I am extremely pleased that the chairman and the committee have incorporated many of the provisions of that legislation in the National Affordable Housing Act.

First and foremost the legislation increases the authorization for Farmers Home rural housing programs by $300 million over the baseline. These programs serve as the primary source of Federal housing assistance in rural areas, and have provided assistance to over 2 million rural Americans since 1949. However, funding for rural housing has been cut by 68 percent in real terms over the past decade and unit production has fallen sharply.

The increased authorization in the bill will allow the Farmers Home Administration to alleviate part of the $2 billion backlog in approved applications for rural housing assistance. It will also reduce the current, intolerable wait for housing assistance, which averages 3 years.

The rural housing component also targets assistance to very low-income families and to the poorest counties that have been traditionally underserved by the Federal Government. The legislation creates a deferred loan program to lower the income required for home ownership. In addition it builds upon a successful FmHA demonstration program that sets aside funding for 100 counties with severe unmet housing needs. A grant program is established to assist organizations in these counties to apply for and administer rural housing loan funds.

The legislation also recognizes the critical role that the private sector plays in rural housing assistance. It enables for-profit developers to convert section 502 inventory properties to section 515 rural rental housing and saves FmHA millions of dollars in the process.

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Throughout the National Affordable Housing Act, the committee has included provisions to ensure that rural residents can take maximum advantage of the assistance provided. I say that we can do no less for rural America.

One of the key considerations of the floor debate on the National Affordable Housing Act must be the fiscal soundness of FHA. The recent Price-Waterhouse report on the mutual mortgage insurance fund clearly shows that the fund has declined in value by $5.6 billion since 1980 and that the current business underwritten by FHA is unsound. The Senate must take immediate steps to strengthen FHA and build the fund's equity to 1.25 percent of insurance in force.

I strongly support management reforms, premium restructuring, and a minimum level of buyer equity to ensure that FHA regains solid footing. As we make these changes, however, I hope that we will keep in mind FHA's traditional role in assisting low- and moderate-income households to achieve the dream of home ownership. We must not burden low-income households or change FHA into a mortgage insurance provider for high income families.

I also hope that the debate over raising the FHA mortgage limits will be kept separate from the debate on fiscal soundness. The Price-Waterhouse study found that raising the FHA mortgage limits will not improve the actuarial soundness of the mutual mortgage insurance fund, and raising this issue now will only complicate matters.

In any case, I will oppose a significant increase in the FHA mortgage limit because the increase will alter the traditional role of FHA toward insuring mortgages for high income families. I simply do not believe that it is in the best interests of the Federal Government to insure high-income households.

The National Affordable Housing Act takes a giant step forward in the entire Nation's battle to make housing affordable. It provides the tools to combat substandard housing and to improve the opportunities of low-income renters. Most important, it establishes a foundation upon which a national housing strategy can be launched.

I certainly hope that we will move quickly to enact this legislation. I thank, again, the members of the committee and the Senator from California and the Senator from Pennsylvania for their endless long work on this legislation.

I yield the floor.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. Mr. President, I thank the Senator from North Carolina for his statement on behalf of the bill. I appreciate his generous remarks about my own efforts in regard to it. I thank the Senator from North Carolina, particularly for the very important part he has played in crafting this measure regarding the needs in rural America, for rural housing. We have a great, great problem there and a great, great need, as I indicated in earlier remarks.

It was the Senator from North Carolina who insisted and saw to it that we dealt with that problem in a meaningful and very significant and sensible way in the bill, so that the Senator's mark is on the bill in many respects and, in particular, in that respect. I thank him for what he has done, and I count upon his help as we nurse the measure along through the Senate floor.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, in a moment I am going to send a sense-of-the-Senate amendment to the desk and ask for its consideration. I want to say a word or two about the amendment so people know what it's about and, hopefully, that there will be no objection to it.

The amendment that I will offer is a simple and straightforward one—one which reaffirms congressional intent regarding the need for an enhanced Federal housing program for seniors. I say that, Mr. President, because in 1900, 1 in 10 Americans was aged 55 and over; by 1986, 1 in 5 was at least 55 years old, and 1 in 8 was 65 or over. Today, the fastest growing segment of the elderly population are persons 85 and over, individuals who have an increased need for support services to retain their independence and avoid premature and often unnecessary placement into a nursing home.

However, despite the growing needs of seniors aged 85 and over, those living in federally subsidized housing projects often do not receive the necessary supportive services to help them remain independent. The absence of homemaker, chore, cooking and bathing services, for example, often means the difference between elderly persons remaining independent or, in the alternative, having to face the cold, harsh reality of the bricks and mortar of a nursing home, away from friends and family and community.

No elderly American, regardless of income, should ever be forced into a nursing home. There are better alternatives, in most cases, which are available. But, until such time as Congress is willing and able to provide support services to help seniors remain independent, older Americans will continue to prematurely enter nursing homes and other institutional facilities.

The amendment I will offer today is a sense-of-the-Senate amendment. It underscores congressional recognition that a graying America has special needs and that we must do a better job of identifying and marshaling necessary supportive services to help older Americans to remain independent. This amendment puts the Senate on record in recognizing the unique needs of elderly Americans, needs that are, as we know, in fact quite different from nonelderly, handicapped Americans.

AMENDMENT NO. 2023

Mr. HEINZ. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. HEINZ] proposes an amendment numbered 2023.

Mr. HEINZ. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the Committee amendment add the following new section:

ELDERLY HOUSING NEEDS IN THE UNITED STATES

SEC. . (a) FINDINGS.—The Congress finds that—

(1) there is a large and growing demand for suitable and affordable housing for elderly Americans;

(2) to remain independent and avoid premature placement into nursing homes, elderly persons will need adequately subsidized federally sponsored housing projects;

(3) persons 85 and over are the fastest growing segment of the elderly population and are in greater need of support services to remain independent.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress should recognize the unique needs of persons 85 and over and attempt to design Federal housing programs recognizing such needs.

Mr. HEINZ. Mr. President, my understanding is that we will not have any votes today.

Mr. CRANSTON. Unless the Senator wishes a rollcall, I would be happy to accept the amendment.

Mr. HEINZ. Mr. President, on that, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HEINZ. Mr. President, the Senator from California was kind enough to ask whether or not the yeas and nays would be necessary. Indeed they may not prove to be, but depending on circumstances, we can make that judgment later.

There is more business I would like to transact.

Mr. CRANSTON. May I just say a word, if the Senator will yield. I think

the amendment he offers, a sense-of-the-Senate measure, designed simply to stress the need to do all we can in every way we can to assist senior Americans with their housing needs and related matters, is very fine. The measure attempts to do as much as we can.

We should do more as soon as we can afford it; do more as soon as we can figure out more appropriate ways to move ahead.

I thank the Senator for his leadership in making this proposal, which I wholeheartedly will support. I will be perfectly satisfied without a rollcall, if it is decided that is the appropriate way to proceed tomorrow.

Mr. HEINZ. Mr. President, first I thank the Senator from California for his kind words. This is an area where the Senator from California has a remarkable, long, and commendable record, first as a defender of the very special program, the 202 Program, that we have created for our elderly; and as a supporter, as I remember him to be a very strong supporter, of the congregate housing services legislation, which we enacted close to a decade ago, and we recognized that there is a great deal more that we need to learn and need to do.

And one of the things we need to learn to do better is to coordinate housing programs with social services programs. Maybe as long as HUD is independent from HHS, we will never learn how to do that without a major change of attitude. It is my hope that this will be just one more reminder that we need a have a change of attitude.

AMENDMENT NO. 2024 TO AMENDMENT NO. 2023

Mr. HEINZ. Mr. President, I send to the desk an amendment to my amendment, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. HEINZ] proposes an amendment numbered 2024 to amendment No. 2023.

In lieu of the matter proposed to be inserted, insert the following:

It shall not be in order in the Senate to consider any bill dealing with the public debt, or amendment or conference report thereon if Congress has not acted to remove the OASDI revenues and expenditures from the calculation of the deficit of the United States government pursuant to the Gramm-Rudman-Hollings Deficit Reduction Act.

Mr. HEINZ. Mr. President, as my colleagues will recognize, this amendment is really an amendment that I had hoped to offer last Thursday when we considered the budget resolution.

But the budget resolution was part of a unanimous-consent request. I did not feel, all things considered, that it would be appropriate to press my case on that unanimous-consent request because the budget resolution when enacted does not become statute. It is a resolution to which we are bound by the Budget Act, and it is a resolution that in and of itself does not have the force of law.

Obviously, the amendment that I have offered is going to give our colleagues in the Senate a chance to express their commitment. I hope it is their commitment, once and for all, on behalf of millions of aged and disabled Americans who depend on Social Security retirement, and disability benefits.

This is an amendment designed as well to ensure that America regains its fiscal integrity and reenters the world marketplace as the engine of economic growth and opportunity that we want our country to be.

What the amendment I have proposed does is to call quite simply for the separation of the Social Security accounts, the Old-Age, Survivors, and Disabiliity Insurance Program, from the Gramm-Rudman-Hollings deficit reduction calculations, and the purpose, therefore, is to have the Senate say unequivocally that we will not pass another increase in the national debt, temporarily or permanently, until Congress has acted to remove in their entirety, the OASDI revenue and expenditures trust funds from the deficit reduction calculations of the budget.

I have spoken at length on this floor as recently as Thursday of last week as to the need for Congress to adopt this policy. It is my hope that this amendment will make it very clear that we are not going to continue the kind of fiscal irresponsibility that we have engaged in since last summer when concerted efforts were made by myself and others to take the OASDI trust funds out of the GRH deficit reduction calculations.

There are times, I suppose, when one wants to be a voice in the wilderness. I do not consider myself in this case a voice in the wilderness, because I will be the first to say that I am not alone. The senior Senator from New York [Mr. MOYNIHAN], the distinguished Senator from South Carolina [Mr. HOLLINGS], and a large number of other individuals have said at one time or another in cosponsoring legislation or in speeches either here on the floor, in committee, or back in our States, that they are serious about this issue.

Mr. CRANSTON. Mr. President, will the Senator yield for a moment for a question?

Mr. HEINZ. Without losing my right to the floor.

Mr. CRANSTON. Yes.

The Senator's amendment has now taken on a different character. I will not make comment on it now; I can no longer say I will accept it if possible.

Mr. HEINZ. I understand.

Mr. CRANSTON. I ask the Senator a question. I have the Ambassador of the Philippines waiting to see me and constituents waiting to see me. How long will the Senator be talking on this subject? I want to come back when we get to housing.

Mr. HEINZ. The Senator from Pennsylvania does not need to talk a long time. I will be happy to do whatever I can to accommodate the schedule of the senior Senator from California.

I see the ranking member of the Budget Committee, Senator DOMENICI, is on the floor, and he may wish to express himself, either at length or not, on this issue.

Mr. CRANSTON. If I may just say, I do not have any compelling need to get the floor. I do not know anybody else who wants to speak now on housing, unless someone comes to the floor.

If the Senator wishes to speak on the subject a while, that is fine with me. I want to know how long he may be going on.

Mr. HEINZ. I will not need more than a half hour, including any remarks of the Senator from New Mexico.

Mr. CRANSTON. I thank the Senator very much.

Mr. DOMENICI. May I ask the Senator a question without losing the right to the floor?

The PRESIDING OFFICER. The Senator may proceed.

Mr. DOMENICI. Let me say to my friend from Pennsylvania, I was totally unaware the amendment he is speaking of was coming up tonight. I did not come to the floor for that purpose. I wanted to speak on an issue I think he will find interesting and perhaps he will be even supportive of the Senator from New Mexico. I wanted to speak about the Federal Reserves' current policy of tight money in the United States.

Mr. HEINZ. Mr. President, might I have unanimous consent to yield to the Senator from New Mexico without losing my right to the floor for——

Mr. DOMENICI. Not more than 5 or 6 minutes. Let us make it no more than 8 minutes, Mr. President.

The PRESIDING OFFICER. Without objection, the Senator from New Mexico is recognized for not more than 10 minutes.

Mr. DOMENICI. I thank the Chair. The Chair has been in the Senate with the Senator from New Mexico for long enough to know of my propensity to overspeak.

INFLATION, ECONOMIC GROWTH, AND FED POLICY

Mr. DOMENICI. Mr. President, let me start by saying that if the economy of the United States were a patient, I would say that it was time to get a second opinion. The Federal Reserve Board is following a tight money policy as an effort to cure the "I" word, inflation. But in effect it may

very well be that what they are trying to cure may end up being worse than the current ailment.

I would like to spend just a few minutes addressing this issue because I do not think there is anything more important than a vibrant American economy and a healthy and sound American financial and banking system.

Mr. President, I say to our fellow Senators we are currently experiencing an unprecedented confluence of events: An anemic real estate market compounded by the economic impact of the savings and loan bailout, weak overall economic growth, and the strain of foreign credit demands on U.S. credit markets.

The potential for even larger problems in our financial sector that these events raise calls for special care by the Federal Reserve Board at this time. In its zeal to fight inflation, it needs to be especially careful that it does not overlook its role of insuring the safety and solvency of the financial system.

In its desire to maintain the soundness of money, it must not neglect the solvency of the economy.

Let me speak a moment about inflation. While it is absolutely important to the continuation of the current expansion to keep inflation under control, the signs are that inflation is not accelerating at this time. And I repeat, not.

Let us look at some facts. Finished goods prices have increased only 3.1 percent over the last 12 months, the lowest for any 12-month period since October 1988.

While the Consumer Price Index rose appreciably from January through March, that was primarily due to temporary effects: The December freeze of agricultural produce and the temporary rise in energy prices from weather-related increases in heating demands over the winter, a rise that is now being reversed. Spot crude oil prices are now down to $14 a barrel from around $20 a barrel in January.

The increase in the Consumer Price Index has been a modest 0.2 percent in both April and May. That is an annual rate, Mr. President, of 2.4 percent if it were to continue—an annual rate not seen since 1986.

Predictors of future inflation are also down; gold prices, commodity prices, and long-term bond rates have all fallen recently.

At the same time, Mr. President, while the economy is growing, it is not growing solidly enough. After stripping out temporary hiring of workers to conduct the census, job growth has been quite weak over the last 3 months.

On the demand side, retail sales have declined over the same period. Interest sensitive sectors—housing and autos—have been hit especially hard.

And I think every Senator is aware of the next remark: Banks have become more skittish, as the real estate market softened; they have tightened their terms of credit and raised standards for all types of risk loans.

Real GNP in the first quarter was revised down last month to 1.3 percent, that is following a 1.1-percent increase in the fourth quarter of 1989. These are the slowest two quarters since 1986.

Complicating this picture of domestic economic activity are higher interest rates abroad, the result of increased foreign credit demands and central bank restraint, particularly in Europe. To the extent that higher U.S. rates are being driven up by those foreign demands, the higher U.S. rates are not needed or desired.

Important public policy questions are being debated by too small a group of policymakers at the present time: Questions such as, What is the present status of inflation in this country and its prospects for worsening in the future; What risks do we run by focusing only on the issue of inflation instead of widening our focus to the larger question of the state of the economy and the safety of the basic financial institutions; and, third, What are the effects of changing foreign economic circumstances on our credit markets?

I hope that hearings on these three questions and the others raised by Members of the Senate will be held soon in the Congress, and I intend to urge the chairman of the Budget Committee to consider holding such hearings as soon as possible.

Looking at the economic numbers, it is clear that adequate real growth, not inflation, should be our major concern. But the Federal funds rate, the rate by which the Federal Reserve affects the economy, remains at 8.25 percent, unchanged over the past 6 months.

What is the Federal Reserve trying to fix, Mr. President? If it is inflation, currently there is little evidence in the numbers that it needs fixing. With credit stringency already being pursued by banks, we do not need an even worse credit crunch brought on by tight monetary policies.

While it is clear that we need to get the deficit down, the amount that can be cut without bringing on a recession is reduced in a weak economy, and a weak economy makes the size of the budget problem even larger. As Alice discovered in Wonderland, it seems the faster we run to solve the problem, the further we get behind.

In light of these issues, it is this Senator's opinion that it is time for the Federal Reserve to change its policy. They should err on the side of economic growth and solvency, rather than on the side of fighting inflation.

I urge that others who are concerned about this issue join with the Senator from New Mexico in urging that, while we want an independent Federal Reserve, we insist on answers to these questions in public hearings. We need to know precisely what we are fighting with tight money policies in the midst of the savings and loan disaster, and in the midst of evidence that inflation is modest and under control and that economic growth is weak.

We are being asked to put together a deficit reduction package—multiyear in size—I have been at it long enough to know that, if it is a package of $40 billion or $50 billion and we do not get some significant economic growth soon—at more than 2.5 percent a year—we will lose each year much of the deficit reduction that we are struggling to put together because of the diminished economic growth.

So, Mr. President, it is not usual for the Senator from New Mexico to address issues such as this on the floor of the Senate. But the more I look at it, the more I talk with people in my State and across this country and I observe their concerns about pieces of the confluence of events—and I state them again. The confluence of events are: an anemic real estate market being made more anemic by the S&L insolvency and bailout process and compounded by weak economic growth; the strain of foreign credit demands on the U.S. market; and everything that goes with the S&L problem that we are confronted with in this country. When you add all of those up, it is reasonable to ask, What are we fighting with a tight monetary policy when we are being buffeted by serious adverse effects not only on our economic growth but on those things that the Federal Reserve Board is most charged with taking precautions about, such as the financial system, the banking system and the like.

I thank the Senate for listening and I thank the Senator from Pennsylvania for his generous yielding of the floor to the Senator from New Mexico.

I yield the floor.

The PRESIDING OFFICER (Mr. INOUYE). Under the previous order, the Senator from Pennsylvania is recognized.

Mr. HEINZ. Mr. President, I thank my colleague from New Mexico for delivering some very important remarks on a subject many of us have been concerned about. As always it is a pleasure to have him here. I would, however, like to continue to bring to the attention of the Senate, some of my specific concerns.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. HEINZ. I will withhold.

Mr. President, let me briefly recapitulate why we are here. It is, very simply, this. We have been through a series of discussions on how we can address the subject of Social Security off budget. As I started to say a moment ago, the issue was one we first began to confront in some cases as far back as 1983; in other cases, with specific legislation only within the last year or two.

But toward the end of 1988, both Senator MOYNIHAN and I delivered speeches to the National Academy of Social Insurance at which we suggested, indeed we urged that then—this is nearly 2 years ago, now—was the time to address this issue.

Since that time there have been occasional legislative opportunities but, for one reason or another, those opportunities have had to have been foregone.

So, basically there are 3 reasons I bring this to the Senate today. The first is that we have seen two debt ceiling increases to which this should have been an amendment, or the substance of this should have been an amendment offered by one of my colleagues or myself: the temporary debt ceiling increase last fall; the permanent debt ceiling increase last November.

It might have been addressed, at least in a sense-of-the-Senate way, on the budget resolution. And, as I listened to the majority leader on Thursday as he talked about—as indeed he appropriately did—the opportunities to address this on the next debt ceiling bill which could come as early as the end of next month, and listened again to his quite appropriate qualifications as to why it could be in a position where it might not be appropriate, once again from his standpoint, to address this issue, I felt waiting for the possibility of a third debt ceiling bill was too uncertain. Therefore, I made the decision not to wait.

The second reason I decided to offer this amendment today is that the Budget Committee appears to be on the brink of having real budget discussions. That is a welcome event. However, many of us are concerned, the budget crisis may drag on through the beginning of the next fiscal year and into a lame duck session.

I suppose it would be terribly optimistic to think that might not happen. I hope it will not happen. But it still might. It is extremely important for the Senate to express itself very clearly as to whether or not we intend that our budget negotiators and the administration together be instructed in this fashion to make a decision right up front about how they are going to treat the old-age and survivors and disability income [OASDI] trust funds. They are trust funds. They should be segregated. They should not be counted as part of deficit reduction when indeed, because they are trust funds, we all know that not a single dollar of what is in those trust funds, and the surpluses that are beginning to build in those trust funds, should be spent for any other purpose than to provide benefits to the elderly and disabled—as we, in Congress, have intended.

Therefore, before the budget negotiations really get started, before people get in the middle of things, we express the will of the Senate and, hopefully, the will of the Congress on this subject.

Finally, it has become apparent to me that, at least within any reasonable timeframe, that the Budget Committee, which had hoped to act on this matter no later than April 1 of this year, is too preoccupied currently with other matters and for whatever reasons was simply not able to reach either an agreement or a consensus on addressing this matter in committee with the timeframe specified here on the floor back in November.

That is what brings me to the floor today. And, all that being true, I suppose I would not otherwise be here except I believe this to be an extremely important issue and I want to take a moment of the Senate to demonstrate why.

Mr. President, on Thursday of last week, I indicated that we had an extraordinary situation. That extraordinary situation was that the national debt, what our country owes, was growing a lot faster than the annual increase in our deficit. And in order to make that clear to people, what I said was that during the 4-year period for which we have numbers, fiscal years 1986, 1987, 1988 and 1989—those four fiscal years, if you read our profit and loss statement, the books of the United States of America, you would see we reported for those 4 years a total of deficits that added up to some $677 billion. In other words, our deficit averaged pretty close to $160 billion or $170 billion in each of those years. It was higher in some years. It was as high as $221 billion. It was as low as $149 billion in fiscal 1987. It was around $155 billion in fiscal 1988 and 1989.

The total number was $677 billion—a huge number. It is one I know we are all embarrassed about. Because, as they say, if you are not part of the solution you are part of the problem. And none of us can stand here and say we have been a real part of the solution because those numbers prove we are wrong.

But, big as that number is, the national debt over those same 4 years has grown not by $677 billion, as we would think it would, but by a much larger number. The national debt over those 4 years has grown to the tune of $1.049 trillion.

How do you do that? How do you increase the national debt more than 50 percent faster than the deficit?

Mr. President, first of all, I guess the answer is it is not easy. You have to work at it.

Unfortunately, what we have worked at is pretending this is not happening. But in this case the numbers do not lie. The numbers tell us that we have been misleading the American public for longer than we would like to admit.

I am not here to say that when the Gramm-Rudman-Hollings procedure started, there was any intent to mislead the people. There was an intent to solve the problem—not to mislead.

But what has happened since then is that Social Security surpluses have been used to make the deficit look smaller, even though it cannot hide the increase in the national debt; Congress has become guilty of complicity in continuing this fiscal charade.

That is not what we intended. It is not what we as a Congress set out to do. I think we can plead innocent to those charges. But when it comes to condoning a continuing charade, we have been caught red handed.

Mr. President, some of our colleagues may say maybe the American people do not understand this. Maybe we should not bother to change. As I will demonstrate in a moment, I think the American people understand very clearly what it is we are doing, and they do not like it one bit.

What I would like to show to our colleagues though is the following chart. This chart shows what has happened in the difference between our annual deficits and the national debt. It is true, if you go back to 1980—and these are numbers in terms of our cumulative budget deficit that started back in 1960—the 1980's was not the first time that the national debt grew at a faster rate than the budget deficits. Back in 1980, we had nearly $500 billion, a half a trillion dollars' worth of accumulated deficit since the year 1960, and before 1960 the deficits were pretty small except for World War II when we ran fairly significant deficits. Our total national debt a the end of 1980 was about $900 billion, a difference of about $400 billion over the previous 20 years.

What has happened, though, in the last 10 years between 1980 and 1990, is that we have really begun to pick up steam, and that our cumulative budget deficit now is only about two-thirds of our cumulative national debt. Again, we began picking up speed in 1986, 1988, and 1990, those 4 years, to the point where, looking back over the last 30 years, our national debt is now a trillion dollars greater than the budget deficits that we said were all that we were running up in the way of red ink. A trillion dollars is a real

problem. As I said, just in the last 4 years we have accounted for about $372 billion of that problem, and that, if anybody wants to make a comparison of it, dwarfs even the most pessimistic assessment of the savings and loan financial disaster and scandal. The upper estimate on that, the worst estimate I have heard—maybe it will change, but the worst I have heard is $300 billion. In 4 years, we have run up the national debt faster than we have told people by nearly $375 billion—$372 billion to be precise. As a result, we are mortgaging the future of this country, and we are not even bothering to tell anybody.

Mr. President, if we continue along this path—and we very well could—what we are going to see as the Social Security trust fund builds is that we will be accumulating not just $3 trillion in national debt, which is where we are today, but that as the revenues to the Social Security trust fund and the interest on the surplus in the Social Security trust fund increase. We will have more and more that we can tell the American people we can spend, but we will spend it only at the cost of running up the national debt within the next 15 years to double—double—the $3 trillion level at which it is today and then double it again 15 years later, by the year 2020.

Mr. President, the idea of doubling the $3 trillion national debt, as we are talking about reducing the budget deficit down to zero, and then doubling that national debt from twice what it is today, or $3 to $6 trillion and doubling that by the year 2020 to $12 trillion is something of which I cannot conceive. A trillion is so much money nobody can explain to anybody how much it is, and we are talking about debt increasing that much more.

It is certainly not something that this Senator feels we should leave as a legacy to our children, and thus, I am compelled to offer the amendment today that is now before my colleagues.

I would like, however, to try to make clear to my colleagues that there are some very eloquent comments on this issue that are not my own.

I said a moment ago that the American public knows that Congress has allowed the Social Security trust fund to help make the size of the deficit. Indeed, I would like to quote from some mail I have received from my constitutents in Pennsylvania.

A woman from McKeesport, PA, writes—and all I say will be quotes of constitutents—

> We realize that the Congress is undermining the soundness of the Social Security System and by doing so it is jeopardizing the retirement security of retirees.

She is absolutely correct, because, Mr. President, when we start paying out the surpluses in the Social Security trust fund, what we will find is that there is nothing there but paper. That paper will be U.S. Government debt, and the U.S. Government will be so deeply in debt it will make Donald Trump look like a sound and prudent financial investor.

Mr. President, a man from Stroudsburg, PA, said,

> As a retiree it is disgusting to realize that Congress is as deceitful as to include Social Security funds in the balance of the Federal Treasury.

Another man from Lancaster, PA, the central part of the State—Stroudsburg is up in northeastern Pennsylvania—writes:

> True, the national debt is deplorable, but stealing from the Social Security trust fund is no way to solve this problem. It's only one more way of prolonging the time when we as a Nation must face the music.

Another gentleman from Catawissa, PA, writes:

> Clearly, Social Security should be set aside and out of the budget of the United States of America. It was established as a Trust for those who have dedicated the best years of their life to their family, their job, and their country. Herein, we owe those who have given and who will give in the future, the comfort of this fiscal trust.

From Tamaqua, PA, a man writes:

> This is a trust which must be preserved and protected at all costs: so that the many elderly Americans now, and for those who come, can have some semblance of independence and pride in their retirement life.

Mr. President, I could go on. But let me ask unanimous consent that all of these quotations appear in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SOCIAL SECURITY—OFF BUDGET—CONSTITUENT RESPONSE

"We realize that the Congress is undermining the soundness of the Social Security System, and by doing so, it is jeopardizing the retirement security of future retirees."—McKeesport, PA.

"As a retiree it is disgusting to realize that Congress is as deceitful as to include Social Security funds in the balance of the Federal Treasury."—Stroudsburg, PA.

"True, the national debt is deplorable, but stealing from the Social Security Trust Fund is no way to solve this problem. It is only one more way of prolonging the time when we, as a nation, must face the music."—Lancaster, PA.

"Clearly, Social Security should be set aside and out of the budget of the United States of America. It was established as a Trust for those who have dedicated the best years of their life to their family, their job, and their country. Herein, we owe those who have given and who will give in the future, the comfort of this fiscal trust."—Catawissa, PA.

"This is a trust which must be preserved and protected at all costs: so that the many elderly Americans now, and for those to come, can have some semblance of independence and pride in their retirement life."—Tamaqua, PA.

"It is a fundamental commitment to retirement security and independence that deserves a stand-alone status. As one who relies on Social Security as a retirement supplement I believe Social Security Trusts must be protected."—Bradford Woods, PA.

"I also agree that Social Security money should not be used to hide the budget deficit. It seems reasonable to me that Congress itself should be open and honest in every respect with the people they represent. That, of course, seems to be asking too much."—Warren, PA.

"To spend the money I believe to be contributing to Social Security in payment for government programs other than those of Social Security is dishonest. Consequently, I consider such an allocation of money, without my knowledge and consent, an abuse of my trust. I wish my Social Security Tax to subsidize Social Security programs exclusively."—Bala-Cynwyd, PA.

"Americans believe Social Security not to be tax to balance the federal budget but payment toward a retirement system to provide some semblance of security in old age. The budget is one thing and Social Security another. This action is needed to maintain the solvency of the Social Security System and peoples faith in our system."—Carbondale, PA.

"Our federal budget deficit bothers me greatly. Our Congress should not hide the actual amount of the deficit from themselves not the American people."

Mr. HEINZ. Mr. President, let me conclude where I began.

This amendment gives every Senator an opportunity to demonstrate to the millions of both current and future retirees that they do indeed have a personal commitment to protecting the Social Security trust funds. Those who support this amendment will have demonstrated it; those who oppose it will be sending a message that they do not care about the integrity of the Social Security trust funds nor about the basic commitment of honesty in the fiscal affairs of Government.

This amendment sends a very clear message that the Members of this body who vote for it are determined to see honesty restored to the budget process. For those who vote for it, it will underscore their commitment to removing the Social Security trust funds from our deficit reduction calculations.

So I think it is important that the time to address this issue is now. Not 2 months from now, not 2 weeks from now, certainly not 2 years from now.

I see that the manager of the bill, the distinguished Senator from California, has returned. If it would be appropriate, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second. There is a sufficient second.

The yeas and nays were ordered.

Mr. HEINZ. Mr. President, I yield the floor.

Mr. ADAMS. Mr. President, as a cosponsor of this bill, I rise to provide my support to S. 566, the National Affordable Housing Act. This bill is the culmination of many months of hard work by Chairman CRANSTON, Senator

D'AMATO, James Rouse of the Enterprise Foundation, and David Maxwell of Fannie Mae.

As others will point out, the citizen involvement on this legislation was massive. The Rouse-Maxwell National Housing Task Force was formed as a bipartisan group of 26 leaders with a national housing policy reputation. Meetings were held over 4 months. Over a 3-year period, 1,100 pages of recommendations were reviewed by this group and the subcommittee.

Mr. President, I bring up these facts, because it is important that the public recognize the comprehensive review process that went into developing this bill. Senator CRANSTON and the Housing Subcommittee are well aware of the critical need in this Nation to facilitate the development of affordable housing. Let me emphasize that this is a need that also demands quick action on the part of this body.

Quick action is needed because we are in a time where Federal policy has shifted away from stimulating the supply of low-income housing. Rather, with the repeal of the section 8 new construction, we now look to providing section 8 vouchers or certificates. This means the stock of federally assisted, privately owned housing has shrunk as the use restrictions and contracts on these projects expire and private owners convert them to non-low-income uses.

Mr. President, in my own State of Washington, 40 percent of the federally assisted housing stock is potentially at risk of loss. Between 1989 and 2010, contracts and use restrictions on over 26,000 assisted housing units will expire, allowing many private owners to seek prepayment of mortgage balances or opt out of contracts.

Mr. President, let me say that my own State has done very much to mitigate these losses. The Governor of Washington has developed a major housing trust fund that commits millions of dollars to an innovative housing trust fund to meet a variety of locally identified low income and special housing needs statewide. He has also appointed a growth strategies commission that is considering the impacts of growth on housing affordability and signed into law a major growth bill that includes important housing elements.

Mr. President, now it is our turn to step up to the plate. The National Affordable Housing Act provides for that leadership role that the Federal Government must take.

The core of the bill is to create a comprehensive program that consolidates nine different housing programs into one program that brings together a long-term investment partnership among the Federal, State, and local governments, and the private sector. Funds would be distributed according to the development of local housing strategies to expand the supply of affordable housing. This is a creative solution that mandates the cooperation of many different sectors, and I am happy to see its implementation.

Let me also say that I am very supportive of the fact that this bill extends for 2 years, the $124,785 ceiling on FHA insured mortgages. The FHA insured mortgages program has been a constant source of support for the young first time home buying couple who just need that extra help to get them in their first home. Obtaining a home is every person's American dream.

Mr. President, housing needs in this country have reached critical proportions. Over the last 8 years, while we have built more bombs and guns, we have failed to develop the real strength in our Nation. That is, investing in affordable housing, adequate health care, and a workable infrastructure, that ultimately increases the productivity, and social well-being of the U.S. worker and his or her family.

Mr. President, I urge my colleagues to pass this historic legislation. Thank you.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. CRANSTON. Mr. President, I ask unanimous consent that there be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE CALENDER

EXECUTIVE SESSION

Mr. CRANSTON. I ask unanimous consent that the Senate proceed to executive session to consider the following nominations: Calendar No. 812, Robert H. Cleland, to be a U.S. district judge; Calendar No. 813, Jimmy C. Carter, to be U.S. Marshal for the Southern District of Georgia; Calendar No. 814, Gary E. Shovlin, to be U.S. Marshal for the Middle District of Pennsylvania; and Calendar No. 815, Richard J. Hankinson, to be inspector general of the Department of Justice.

The PRESIDING OFFICER. Is there objection?

Mr. HEINZ. Reserving the right to object, I shall not object, Mr. President, I just want to say I am very pleased to be here as the Senate considers the nomination of Gary Shovlin, to be the U.S. Marshal for the Middle District of Pennsylvania. He has been extremely well-qualified for the job. I know he will do well.

Mr. CRANSTON. I ask unanimous consent that the nomination of Richard J. Hankinson be considered as having been referred to and discharged from the Committee on Governmental Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. I further ask unanimous consent that the nominees be confirmed en bloc; that any statements appear in the RECORD as if read; that the motions to reconsider be laid upon the table, en bloc; that the President be immediately notified of the Senate's action; and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

THE JUDICIARY

Robert H. Cleland, of Michigan, to be U.S. district judge for the Eastern District of Michigan.

DEPARTMENT OF JUSTICE

Jimmy C. Carter, of Georgia, to be U.S. Marshal for the Southern District of Georgia for the term of 4 years.

Gary E. Shovlin, of Texas, to be U.S. Marshal for the Middle District of Pennsylvania for the term of 4 years.

Richard J. Hankinson, of Virginia, to be inspector general, Department of Justice.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON NATIONAL DRUG OPERATIONS CENTER MESSAGE FROM THE PRESIDENT—PM-124

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on the Judiciary:

To the Congress of the United States:

Pursuant to the provisions of section 1213(a)(2) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189), I transmit herewith a report containing an analysis of the feasibility of establishing a National Drug Operations Center for the integration, coordination, and control of all drug interdictions.

GEORGE BUSH.

THE WHITE HOUSE, *June 18, 1990.*

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3148. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report on the Association of Democratic Nations proposed by Pakistan Prime Minister Benazir Bhutto in June 1989; to the Committee on Foreign Relations.

EC-3149. A communication from the Federal Co-Chairman of the Appalachian Regional Commission, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Appalachian Regional Commission, for the period ended March 31, 1990; to the Committee on Governmental Affairs.

EC-3150. A communication from the Acting Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, the annual report of the Commission under the Government in the Sunshine Act for calendar year 1989; to the Committee on Governmental Affairs.

EC-3151. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "The Gallery Place, Parcel 6, Square 455"; to the Committee on Governmental Affairs.

EC-3152. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on Rural Telephone Bank's financial statements for the fiscal year ended September 30, 1988; to the Committee on Governmental Affairs.

EC-3153. A communication from the Secretary of Education, transmitting, pursuant to law, the second semiannual Report to Congress on Audit Follow-up (covering the period from October 1, 1989, through March 31, 1990), and information on management's decisions and final actions taken on audit recommendations; to the Committee on Governmental Affairs.

EC-3154. A communication from the Chairman of the Federal Labor Relations Authority, transmitting a draft of proposed legislation to provide for a pay adjustment for the Chairman, Members, and the General Counsel of the Federal Labor Relations Authority; to the Committee on Governmental Affairs.

EC-3155. A communication from the Chairman of the United States International Trade Commission, transmitting, pursuant to law, the second semiannual Report of the Office of Inspector General and the activities and accomplishments of the Office of Inspector General for the period October 1, 1989 through March 31, 1990; to the Committee on Governmental Affairs.

EC-3156. A communication from the Assistant Secretary of the Army, transmitting a draft of proposed legislation to amend title 5, United States Code, to expand the types of duties that may be performed by Federal employees when on military leave as members of the Reserve components of the Armed Forces; to the Committee on Governmental Affairs.

EC-3157. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the interim report on the Native Hawaiian Revolving Loan Fund (NHRLF) describing the activities and progress of the NHRLF during its first year of funding; to the Select Committee on Indian Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations, without amendment:

S. 2749: An original bill to provide a supplemental authorization of appropriations for fiscal year 1991 for the Department of State and the United States Information Agency, and for other purposes (Rept. No. 101-334).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DOMENICI (for himself, Mr. KENNEDY, Mr. D'AMATO, Mr. DURENBERGER, Mr. DODD, and Mr. SIMON):

S. 2747. A bill to provide services and housing grants to aid the transition from homelessness for homeless individuals who are mentally ill or substance abusers; to the Committee on Labor and Human Resources.

By Mr. RIEGLE (for himself and Mr. GARN) (by request):

S. 2748. A bill to authorize the Secretary of the Treasury to adopt distinctive counterfeit deterrents for exclusive use in the manufacture of U.S. securities and obligations, to clarify existing authority to combat counterfeiting, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PELL, from the Committee on Foreign Relations:

S. 2749. An original bill to provide a supplemental authorization of appropriations for fiscal year 1991 for the Department of State and the United States Information Agency, and for other purposes; placed on the calendar.

By Mr. SASSER (for himself, Mr. HATCH, Mr. JOHNSTON, and Mr. DASCHLE):

S. 2750. A bill to amend the Federal Property and Administrator Services Act of 1949 to authorize the Administrator of General Services to make available for humanitarian relief purposes any nonlethal surplus personal property, and for other purposes; to the Committee on Governmental Affairs.

By Mr. DECONCINI (for himself and Mr. MCCAIN):

S. 2751. A bill to reform certain Indian programs, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. JOHNSTON (for himself, Mr. BENTSEN, and Mr. WIRTH):

S.J. Res. 335. Joint resolution designating July 1, 1990, as "Imported Oil Dependence Day"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOMENICI (for himself, Mr. KENNEDY, Mr. D'AMATO, Mr. DURENBERGER, Mr. DODD, and Mr. SIMON):

S. 2747. A bill to provide services and housing grants to aid the transition from homelessness for homeless individuals who are mentally ill or substance abusers; to the Committee on Labor and Human Resources.

PATH GRANTS ACT

Mr. DOMENICI. Mr. President, this bill we call the PATH grant bill, Projects to Aid the Transition from Homelessness, pathways to services and improved housing for the homeless, mentally ill, and substance abusers. My cosponsors are Senators KENNEDY of Massachusetts, D'AMATO of New York, DURENBERGER of Minnesota, DODD of Connecticut, and SIMON of Illinois.

I want to let the Senate know that we have worked very hard on this bill, to see if we could not find a way to get the mayors of this country and the Governors of this country to agree on an approach to doing something more effective for the homeless who are mentally ill and the homeless who are substance abusers, who are on our streets. I am pleased to say in addition to my cosponsors that we have reached some kind of broad support, which I think is worthy of note.

The U.S. Conference of Mayors supports this approach as do the National Governors Association. Even if we would have those two major organizations of political leaders, we ought to have some organizations that are aware of the problem called homelessness in the streets of America.

But the problem is not homogeneous. There are some really different problems in the streets of America on homelessness, and we are trying to address one problem that is very, very serious and has to be treated differently. Those who are mentally ill and those who are drug abusers, thus in a sense are suffering mental impediments because of their addiction, are on the streets.

I am pleased to inform the Senate that the National Mental Health Association, the National Alliance for the Mentally Ill, the American Psychiatric

Association, the American Psychological Association, the Mental Health Law Project, the National Association of State Mental Health Program Directors, and the National Association of Counties also support this bill.

Mr. President, I have to tell the Senate that we do have a very unique and different problem among those homeless Americans who are mentally ill and on the streets and those who are suffering with drug abuse addiction and are on the streets and others who may be in need of help. It should be obvious that they have a very different problem.

But I must say to the Senate—and I want to be careful as to how I say this—that we are a part of the problem in trying to put together legislation to address this issue. Let me see if I can explain to the distinguished occupant of the chair why we have a problem ourselves.

Mr. President, if we draw a bill that provides housing and related housing services for this class of Americans that are desperately in need of help, that goes to the housing committees of the Congress. But if we put into the same bill what this very distinguished group of supporters are saying ought to be in the service we perform, then we have to provide this along with housing service for those who are mentally ill. If it was as easy as providing housing for the mentally ill, most mentally ill would not be on the streets. The problem is this need for care and services along with the housing.

So, Mr. President, if we then write in one bill what this bill has in it, we do not have a committee in the Congress that has jurisdiction over this. Because one deals with housing and one deals with the kind of human services, including expert mental health care, expert drug addiction care and services, and that goes to another committee. Now, if that was not bad enough—and I regret to say this—then our Government is structured so we cannot do this, because HUD takes care of housing, but Secretary Sullivan in the Department of Health and Human Services takes care of these services.

Mr. President, we are going to try, nonetheless, when the housing bill comes to the floor, to put this approach in the HUD bill, in the new housing bill. We will be down here in a few days urging the Senators to put this bill in the new HUD bill that we pass. We think we have found a way so that our Secretary of HUD and our Secretary of Health and Human Services can support this approach, because it is essentially in most respects a block grant that is going to go to our sovereign States, about half to the Governors and about half to the mayors on a formula basis. And what they must provide for our National Government is an in-advance commitment to furnish the kind of service described in this bill and they will then get the block grant money and have to regularly report on what they are doing.

The major problem is in the major cities, but there are problems in every city. So any Senator that is interested will find the formula will put some money in every State. And I am from New Mexico with one large city, but this is an American problem. I am concerned about it. I know something about the mentally ill component.

Incidentally, Mr. President, these two groups of American people are no less than 40 percent of the homeless in the United States and in many places they may be 50 or 60 percent. And maybe in America the concern about homelessness has waned. I gather, looking at some pollsters, it may have waned in the minds of Americans. And probably part of it is because such a large portion of those who are in the streets are mentally ill or drug abusers, and maybe many Americans feel that it is useless or maybe fruitless to help them, because they truly need some very special kind of help.

In fact, when I said 40 percent I was speaking of one of these areas. We think the mentally ill component is 40 percent. We think those who are drug abuse-affected may also be 40 percent. So we may have 80 percent of the homeless in some of the large cities of America that are having one or either of these problems or a combination of two of these.

So what we are going to try to do is authorize a new bill and see if we can get this bill through the Congress. I know it disregards committee jurisdictions and that it also disregards the previous anomalies of which Cabinet Secretary should administer a program that has both housing and services.

And I might say, I compliment the Secretaries of both HUD and Health and Human Services. They are aware of this problem. As a matter of fact, they have already heretofore entered into some interagency agreements where they try to mend this very strained kind of application of services to housing. They are succeeding in some cases.

But, nonetheless, as the housing bill goes through the Congress and as one of Senator KENNEDY's bills goes through the Labor and Human Resources Committee, they are kind of trying to stick to their jurisdictional lines. I think the first bill to the floor is HUD, and we will try to put the Domenici-Kennedy bill on it. It is an authorization bill. If we cannot fund it later, that will be for fiscal policy reasons. It will be a $300 million authorization for housing and services for the homeless in this Nation. This will not replace the existing McKinney Act, but it will take one section of it that was very small, and it will substitute this and expand it.

When I explained how they will use the money once it gets to Governors and to mayors of large and small cities, I did not mention that their plan of action will have to provide that all of this money goes for this purpose, but it also will give flexibility, in that at least one-third is for the housing component and at least one-third on outreach and treatment services related to the shortcoming and impediment of the homeless person. A final one-third can be spent on either housing or services or combining the two, whichever makes most sense for the area. So it is going to replace the mental health services block grant now in the McKinney Act.

Again, I repeat, one of the reasons we are not able to make a real dent in the homelessness issue in America is because some have assumed it is a very simple proposition of providing housing. The Senator from New Mexico does not argue the point that you need housing for the homeless. But I do argue the point that to merely provide housing for mentally ill people or those who are suffering and are on the streets suffering from drug abuse will do no good or will do very little good and provide very temporary removal from the streets. We need something that will attempt to make their house look a little bit like a home, which means there has to be some support service with it. And we are going to try to do that.

The National Institute for Mental Health estimates—and I repeat what I said a while ago—that about 40 percent of the homeless suffer from well-defined, known mental illnesses: Schizophrenia, depression, manic or bipolar, major psychosis of one type or another, clearly definable in today's psychiatric evaluative process.

The conference of mayors has done their own report and they have focused some attention on the other group of people we are trying to help here, those who are addicted to alcohol or drugs and are on the streets. They have given an estimate, believe it or not, that in their major cities, those that have been evaluated, up to 44 percent of the homeless people they are trying to help are either addicted to illegal drugs or suffering from some form of alcohol addiction.

So, Mr. President, while I am on neither of the committees of jurisdiction, the mentally ill part of the American population has been of special concern to this Senator. I am very proud and pleased that the U.S. Government had finally recognized that serious mental illness is among the worst diseases in the United States any way we look at it: Numbers of people affected, families, number of family members being destroyed and distraught, economic

impact, number of hospital beds occupied. Take any of those, and serious mental illness is the No. 1 illness in America.

I am aware of that. Our Government is now aware of that. The National Institute of Mental Health and others over the last 5 years are doing remarkably well. Some of the greatest scientists in America are involved in this research, Mr. President, because they have seen a national commitment. We are putting in substantial amounts of money. I might say, not as much as we spend on cancer, not as much as we spend on some others, but we have been making strides with sufficient continuity and consistency that great scientists are getting committed.

We are making enormous breakthroughs in determining what the root cause is. Clearly we are making enormous strides, putting this disease, mental illness, right up on the table so it is not something that families in the United States whose 17-year-old is a schizophrenic have to hide in terror, who are embarrassed to talk about the illness. We are beginning to make some great strides.

Diagnostic equipment that is being invented to find out what is going on in the human brain is absolutely startling in its innovativeness and in the dimension of progress made in the past 5 or 6 years.

In fact, we are now in a decade we call the "Decade of the Brain," by Presidential resolution. I believe it is fair to say we have made more progress in this area in the last decade than in all of human history. And the Decade of the Brain will end with us knowing more about the mind and what causes people to have mental diseases—and yes, we may, in the process, even find out why we get addicted to drugs and how we can eliminate that. If that kind of knowledge is found, that may be the way we get out of the mess we are in with reference to illegal drugs.

This bill addresses what the best people in the country say ought to be done to help with this problem. I have a detailed analysis of the bill, along with an attachment that will furnish each Senator with information about the formula allocations to each State and that State's major cities.

We are introducing this bill because we want everyone to have a good look at it. It is probably not going to have a full-blown hearing on its merits because it is in two different committees. We may even break it into two parts and put part of it into one bill, if that bill gets out of committee. But if we have a chance, we are going to put the entire bill on one of the first housing or homelessness bills that comes through here. I want to be prepared, then, to urge Senators from both sides of the aisle to vote for it.

I thank all of the cosponsors. As the Chair will recognize, I have cosponsors from both of the major committees and from both sides of the aisle. I thank Senator KENNEDY for his cosponsorship.

Mr. President, I ask unanimous consent that the detailed analysis samples of allocations, allocations to the 50 States and large cities, and the text of our bill be printed in the RECORD.

There being no objection, the material was orderd to be printed in the RECORD, as follows:

S. 2747

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROJECTS TO AID THE TRANSITION FROM HOMELESSNESS.

(a) AMENDMENT TO TITLE.—The heading to part C of title V of the Public Health Service Act (42 U.S.C. 290cc et seq.) is amended to read as follows:

"PART C—PROJECTS TO AID THE TRANSITION FROM HOMELESSNESS"

(b) AMENDMENT TO TEXT.—Part C of title V of the Public Health Service Act (42 U.S.C. 290cc et seq.) is amended to read as follows:

"SEC. 521. SHORT TITLE.

"This part may be cited as the 'Projects to Aid the Transition from Homelessness (PATH) Act of 1990'.

"SEC. 522. DEFINITIONS.

"For the purposes of this part—

"(1) the term 'eligible entity' means a State, a metropolitan city, or an urban county;

"(2) the term 'eligible homeless individual' means an individual who is—

"(A) afflicted with serious mental illness, alcoholism, substance abuse or a combination thereof; and

"(B) homeless or at imminent risk of becoming homeless;

"(3) the term 'metropolitan city' has the meaning given such term in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302);

"(4) the term 'service provider' includes any general purpose unit of local government, a city, county, town, township, parish, village or combination thereof, or a community based organization;

"(5) the term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Federated States of Micronesia and Palau;

"(6) the term 'urban county' has the meaning given such term in section 102 of the Housing and Community Development Act of 1974; and

"(7) the term 'Secretary' means the Secretary of Health and Human Services.

"SEC. 523. ALLOTMENT.

"(a) IN GENERAL.—The Secretary in each fiscal year shall make an allotment to metropolitan cities, urban counties, and States (for distribution to service providers in the States) in the same manner as the Secretary of Housing and Urban Development makes allocations under section 106 of the Housing and Community Development Act of 1974 (42 U.S.C. 5306) except that the Secretary shall—

"(1) substitute 50 percent for 70 percent in subsection (a) of such section; and

"(2) substitute 50 percent for 30 percent in subsection (d) of such section.

"(b) SPECIAL RULES.—

"(1) IN GENERAL.—If, under the allotment provisions applicable under this part, any city or urban county would receive an allotment of less than 0.05 percent of the amounts appropriated to carry out this part for any fiscal year, such amount shall instead be reallotted to the State, except that any metropolitan city that is located in a State that does not have counties as local governments, that has a population greater than 40,000 but less than 50,000 as used in determining the fiscal year 1987 community development block grant program allocation, and that was allocated in excess of $1,000,000 in community development block grant funds in fiscal year 1987, shall receive directly the amount allotted to such city under subsection (a).

"(2) MINIMUM.—Notwithstanding any other provision of law, the total among allotted to each State, including amounts allotted to each eligible entity within the State shall not be less than—

"(A) $500,000; or

"(B) the amount of the allotment such State received pursuant to this part in fiscal year 1990 plus 30 percent of such allotment.

"(3) RATABLE REDUCTION.—The Secretary shall ratably reduce the allotments made pursuant to subsection (a) in order to carry out the provisions of this subsection.

"(c) ALLOTMENTS TO TERRITORIES.—In addition to the other allotments required in this section, the Secretary shall (for amounts appropriated after the date of enactment of this section) allot assistance under this subtitle to the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Federated States of Micronesia and Palau, and any other territory or possession of the United States, in accordance with an allotment formula established by the Secretary, but in no case shall the total amount allotted to all of the territories and possessions exceed 2 percent of the total amount appropriated pursuant to the authority of section 532.

"(d) REQUIREMENT OF NON-FEDERAL CONTRIBUTIONS.—

"(1) IN GENERAL.—The Secretary shall not make an allotment under this part unless the eligible entity agrees that the eligible entity will make available, directly or through donations from public or private entities, non-Federal contributions toward such costs in an amount equal to not less than $1 for each $3 of Federal funds provided under the grant.

"(2) DETERMINATION OF AMOUNT.—Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Except as provided in paragraph (3), amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(3) SPECIAL RULE.—Funds received pursuant to section 106 of the Housing and Community Development Act of 1974 may be included in determining the amount of such non-Federal contributions.

"(4) WAIVER.—The Secretary may waive the requirements of paragraph (1) for metropolitan cities and urban counties which are unable to provide such matching funds.

"(5) PARTICIPATING LOCALITIES.—Each State receiving an allotment under this part shall not require participating localities to provide non-Federal contributions in excess

of the non-Federal contributions described in paragraph (1).

"SEC. 524. ALLOTMENT APPLICATION.

"(a) ALLOTMENT APPLICATION—

"(1) IN GENERAL.—Each eligible entity desiring an allotment under section 523 shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require.

"(2) APPLICATION PERIOD.—The Secretary shall provide for a 90 day period during which applications may be submitted pursuant to paragraph (1).

"(b) CONTENTS.—Each application submitted pursuant to subsection (a) shall—

"(1) describe the activities and services for which the allotment is sought;

"(2) identify existing programs providing services and housing to eligible homeless individuals and identify gaps in the delivery systems of such programs;

"(3) include a plan for providing services and housing to eligible homeless individuals which shall—

"(A) describe the coordinated and comprehensive means of providing services and housing to homeless individuals; and

"(B) include documentation that suitable housing for eligible homeless individuals will accompany the provision of services to such individuals;

"(4) describe the source of the non-Federal contributions described in section 523;

"(5) contain assurances that the non-Federal contributions described in section 523 will be available at the beginning of the grant period;

"(6) describe any voucher system which may be used to carry out the provisions of this part; and

"(7) contain such other information or assurances as the Secretary may reasonably require.

"SEC. 525. REQUIREMENT OF SUBMISSION OF DESCRIPTION OF INTENDED USE OF GRANT FUNDS.

"(a) IN GENERAL.—The Secretary may not make an allotment under section 523 to an eligible entity for any fiscal year unless—

"(1) the eligible entity submits to the Secretary a description of the intended use for the fiscal year of the amounts for which the eligible entity is applying pursuant to such section;

"(2) such description identifies the geographic areas within the eligible entity in which the greatest numbers of homeless individuals with a need for mental health, substance abuse, and housing services are located;

"(3) such description provides information relating to the programs and activities to be supported and services to be provided, including information relating to coordinating such programs and activities with any similar programs and activities of public and private entities; and

"(4) the eligible entity agrees that such description will be revised throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the eligible entity pursuant to section 523.

"(b) OPPORTUNITY FOR PUBLIC COMMENT.—The Secretary may not make an allotment under section 523 to an eligible entity for a fiscal year unless the eligible entity agrees that, in developing and carrying out the description required in subsection (a), the eligible entity will provide public notice with respect to the description (including any revisions) and such opportunities as may be necessary to provide interested persons, such as family members, consumers, and mental health, substance abuse, and housing agencies, an opportunity to present comments and recommendations with respect to the description.

"(c) RELATIONSHIP TO STATE COMPREHENSIVE MENTAL HEALTH SERVICES PLAN.—

"(1) IN GENERAL.—The Secretary shall not make an allotment under section 523 to an eligible entity unless the services to be provided pursuant to the description required in subsection (a) are consistent with the State comprehensive mental health services plan required in subpart 2 of part B of title XIX.

"(2) SPECIAL RULE.—The Secretary shall not make an allotment under section 523 to an eligible entity unless the services to be provided pursuant to the description required in subsection (a) have been considered in the preparation of, have been included in, and are consistent with, the State comprehensive mental health services plan referred to in paragraph (1).

"SEC. 526. USE OF ALLOTMENT.

"(a) USE OF ALLOTMENT.—

"(1) IN GENERAL.—Each eligible entity receiving an allotment under to section 523 shall use such allotment to pay the Federal share of awarding grants to or entering into contracts with service providers to enable such service providers to provide services and housing to homeless individuals in accordance with the provisions of this part.

"(2) FEDERAL SHARE.—The Federal share shall be 75 percent.

"(3) SPECIAL RULE.—Each eligible entity receiving an allotment under section 523 shall use at least two-thirds of such allotment to assist eligible homeless individuals who have—

"(A) a primary diagnosis of a serious mental illness; or

"(B) a diagnosis involving a serious mental illness and substance abuse.

"(4) USES.—

"(A) IN GENERAL.—Each eligible entity receiving an allotment under section 523 shall use—

"(i) one-third of such allotment to enable service providers to provide services to eligible homeless individuals;

"(ii) one-third of such allotment to enable service providers to provide housing to eligible homeless individuals; and

"(iii) one-third of such allotment to enable service providers to provide services or housing to eligible homeless individuals.

"(B) WAIVER.—The Secretary may waive the provisions of subparagraph (A) if the eligible entity demonstrates, to the satisfaction of the Secretary, that other sources of funds, such as payments under titles IV, XVI and XIX of the Social Security Act, State programs, donations or wages are available to meet the service or housing needs of eligible homeless individuals in the area for which the allotment was made.

"(5) COORDINATION.—Each eligible entity receiving an allotment under section 523 shall only make grants pursuant to paragraph (1) to service providers which have the capacity to meet or coordinate the comprehensive services and housing needs of eligible homeless individuals, including referral services. Such capacity includes contractual arrangements and viable referral plans among service providers of mental health, substance abuse, or housing services so that the comprehensive needs of individuals who are both mentally ill and substance abusers are met.

"(6) ADMINISTRATIVE EXPENSES.—Notwithstanding the provisions of this subsection, each eligible entity receiving an allotment pursuant to section 523 may reserve 4 percent of such allotment for administrative expenses.

"(b) SPECIAL RULES.—Each eligible entity receiving an allotment under section 523 shall not award a grant to a service provider which—

"(1) has a policy of excluding individuals from mental health services due to the existence or suspicion of substance abuse; and

"(2) has a policy of excluding individuals from substance abuse services due to the existence or suspicion of mental illness.

"(c) SUPPLEMENTATION.—Each eligible entity receiving an allotment under section 523 shall only use such funds to supplement and not supplant the amount of Federal, State and local government funds available for mental health services in the area served by such eligible entity in fiscal year 1990.

"SEC. 527. LOCAL APPLICATION.

"Each service provider desiring a grant pursuant to section 526(a) shall submit an application to the appropriate eligible entity at such time, in such manner and accompanied by such information as the eligible entity may reasonable require.

"SEC. 528. LOCAL USE OF GRANT FUNDS.

"(a) SERVICES.—Grants awarded pursuant to section 526(a) shall be used to provide either on-site or off-site services to eligible homeless individuals. Such services shall include—

"(1) outreach and engagement services;

"(2) screening and diagnostic treatment services;

"(3) habilitation and rehabilitation;

"(4) community mental health services;

"(5) alcohol or drug treatment services;

"(6) staff training, including the training of individuals who work in shelters, mental health clinics, substance abuse programs, and other sites where homeless individuals require services;

"(7) case management services, including—

"(A) preparing a plan for the provision of community mental health services to the eligible homeless individual involved, and reviewing such plan not less than once every 3 months;

"(B) providing assistance in obtaining and coordinating social and maintenance services for the eligible homeless individual, including services relating to daily living activities, transportation services, and habilitation and rehabilitation services, prevocational and vocational services, and housing services;

"(C) providing assistance to the eligible homeless individual in obtaining income support services, including housing assistance, food stamps, and supplemental security income benefits;

"(D) referring the eligible homeless individual for such other services as may be appropriate; and

"(E) providing representative payee services in accordance with section 1631(a)(2) of the Social Security Act if the eligible homeless individual is receiving aid under title XVI of such Act and if the applicant is designated by the Secretary to provide such services;

"(8) supportive and supervisory services in residential settings;

"(9) referral to primary health services;

"(10) referral to job training and education programs; and

"(11) referral to other relevant service or housing programs.

"(b) HOUSING.—

"(1) IN GENERAL.—Grants awarded pursuant to section 526(a) shall also be used for—

"(A) providing eligible homeless individuals and their families transitional and permanent housing, including housing in—

"(i) group homes;

"(ii) community-based long term housing;

"(iii) service enriched single room occupancy;

"(iv) units in a multi-family housing project;

"(v) condominiums;

"(vi) cooperatives;

"(vii) apartments; and

"(viii) single room occupancy units;

"(B) renovation, expansion, repair and operating costs of housing;

"(C) start-up costs;

"(D) planning;

"(E) technical assistance in applying for housing assistance;

"(F) improving the coordination of housing services;

"(G) security deposits; and

"(H) the costs associated with matching eligible homeless individuals with appropriate housing situations.

"(2) RESTRICTION.—Grants awarded pursuant to section 526(a) shall not be used to place eligible homeless individuals in housing described in clauses (iii) through (viii) of subparagraph (A) of paragraph (1) if more than 20 percent of the units in such housing are occupied by eligible homeless individuals.

"(c) SPECIAL RULE.—Grants awarded pursuant to section 526(a) may be used to purchase housing facilities if at least 50 percent of the purchase price of such facility is supplied from non-Federal sources.

"(d) LIMITATIONS.—Grants awarded pursuant to section 526(a) shall not be used—

"(1) to support emergency shelters or construction of housing facilities;

"(2) for inpatient psychiatric treatment costs or inpatient substance abuse treatment costs; and

"(3) to make cash payments to intended recipients of mental health, substance abuse, or housing services.

"SEC. 529. COORDINATION.

"(a) IN GENERAL.—The Secretary shall provide for coordination among eligible entities of housing and service strategies used in carrying out the provisions of this part.

"(b) INFORMATION.—In carrying out the provisions of subsection (a) the Secretary shall make available to eligible entities—

"(1) the information contained in the application and plan submitted pursuant to section 524; and

"(2) the annual report described in section 531.

"SEC. 530. TECHNICAL ASSISTANCE.

"The Secretary, through the National Institute of Mental Health, the National Institute of Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse may provide technical assistance to eligible entities in developing planning and operating programs in accordance with the provisions of this Act.

"SEC. 531. REQUIREMENT OF REPORTS BY STATES.

"(a) IN GENERAL.—The Secretary shall not make allotments under section 523 to an eligible entity unless such eligible entity agrees to prepare and submit to the Secretary an annual report in such form and containing such information as the Secretary determines (after consultation with the Comptroller General of the United States, the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse) to be necessary for—

"(1) securing a record and a description of the purposes for which amounts received under section 523 were expended and of the recipients of such amounts; and

"(2) determining whether such amounts were expended in accordance with the provisions of this part.

"(b) AVAILABILITY TO PUBLIC OF REPORTS.—The Secretary may not make allotments under section 523 to an eligible entity unless such eligible entity agrees to make copies of the reports described in subsection (a) available for public inspection.

"(c) EVALUATIONS BY COMPTROLLER GENERAL.—The Comptroller General of the United States in cooperation with the National Institute of Mental Health, shall evaluate at least once every 3 years the expenditures of grants under this part by eligible entities in order to ensure that expenditures are consistent with the provisions of this part, and shall include in such evaluation recommendations regarding changes needed in program design or operation.

"SEC. 532. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $300,000,000 for fiscal year 1990 and each succeeding fiscal year thereafter to carry out the provisions of this part.".

PATH GRANTS FOR THE HOMELESS

Mr. President, I would like to provide my Senate colleagues with a more detailed description of our bill to create Projects to Aid the Transition from Homelessness (PATH).

These grants are intended to make a major difference in the lives of the homeless who are mentally ill and those who are substance abusers. We truly hope to create pathways from homelessness for these needy Americans.

In addition to serving these very difficult populations, Mr. President, our approach is unique in that we provide housing and service money in a single grant to help the homeless.

From all the information about treating the mentally ill and the substance abusing homeless we can gather, it is quite clear that a stable living environment is essential if we are going to make a difference in the lives of the mentally ill or substance abusers. Yet, the McKinney Act, with all its good programs misses the mark when it comes to this fundamental notion. Treatment services stand a better chance of success when they are based in a home setting.

Our bill is not a replacement for the McKinney Act, rather it is an expansion of the McKinney Act for the homeless who are mentally ill and substance abusers. In essence, we are hoping to replace the existing block grant program for the homeless mentally ill of the McKinney Act (Title VI-B) with an expanded effort to base these people in much needed housing such as group homes, apartments, or other suitable home.

It is possible to combine services and housing under the current terms of the McKinney Act. But it is also difficult. In most cities and towns in America it will not be done. This is because the housing and services resources of the McKinney Act do not come from the same Federal department. The housing money is offered through a national competition under Title IV, while the mental health treatment money goes out under a formula allocation as a block grant to each State, Title VI-B.

Thus, to secure McKinney Act housing money to go along with the treatment funds, each State must be successful in a national competition. Failing this, a non-profit service provider must find some other local source of funding to provide the housing that is needed.

The current mental health treatment funds of the McKinney Act are allocated to each State under a formula that guarantees each State a minimum of $275,000. There is no comparable minimum for housing grants to each States.

We did our best to build as many bridges as possible in the McKinney Act to link the service money with the housing money, but there are still many many gaps in local services due to this two-track funding approach.

This new bill, Mr. President, simplifies the funding process enormously and guarantees each State and major metropolitan area a certain level of funds to provide both services and housing for these hard-to-reach and hard-to-treat homeless populations.

In addition to simplifying the process, we increase budget authority to pay for the additional costs of adding housing as well as treatment programs for substance abusers to current law.

The current law FY 1990 authorization level for Title VI-B of the McKinney Act is $35 million, Title VI-B, however, does not provide housing money, nor does it serve substance abusers unless they have a primary diagnosis of mental illness.

ADDING SUBSTANCE ABUSE SERVICES

The current McKinney Act does not provide a source of funds for substance abuse treatment except for the Community Demonstration Projects for Alcohol and Drug Abuse Treatment of Homeless Individuals (Section 512(c) of the Public Health Service Act). These demonstration projects are being run in 9 cities with funds appropriated through FY 1989. The FY 1990 applications are now under review in a competition for about $16.4 million (authorized at $17 million). In FY 1987 we appropriated $9.2 million; nothing in FY 1988; and $4.6 million in FY 1989 for these pilot programs for substance abuse among the homeless.

A U.S. News World Report Story on January 15, 1990, reports that substance abuse among the homeless is increasing dramatically. The story cites the U.S. Conference of Mayors 27-city survey released in December, 1989.

Local officials reporting to the Conference of Mayors are now saying that 44 percent of the homeless are substance abusers.

According to the article, the mayors are also reporting that "since 1986, the numbers of alcoholics and drug addicts have grown faster than other segments of the homeless, with their ranks increasing by almost a third in the last year alone."

One of the most difficult assessments to make when dealing with a homeless person who is an alcoholic or a drug addict is the determination of whether or not there is also an underlying mental illness. In many cases *both* illnesses are present. These are homeless persons with a "dual diagnosis."

Recent studies show that among the general population, drug abusers have the highest likelihood of also having a severe mental disorder—about one-half of drug addicts are thus afflicted.

Among alcoholics in the general population, about a third have a "co-morbid mental disorder."

Explained in another way, these findings say that an alcoholic is 2.7 times more likely than a non-alcoholic to have a severe mental disorder. A drug addict is 4.5 times

as likely as a non-abuser to have an underlying mental disorder.

This type of research finding, while not specifically about the homeless, certainly lends credibility to creating a source of Federal funds to address these often related and difficult to treat ailments.

When we add the estimates together—44% substance abusers among the homeless according to the Mayors' survey and 40% mentally ill from the National Institute of Mental Health—it is clear that a great majority of homeless people have either substance abuse problems, mental illness or both.

EXPANDING THE MCKINNEY ACT

We authorize $300 million in budget authority in our bill, Mr. President. We hope to see more mental health treatment, better housing conditions, and, for the first time in the McKinney Act, nationwide substance abuse treatment targeted to the homeless.

To assure that the new money is spent on housing for the homeless who are mentally ill or substance abusers, we require that at least one-third of the funds received by a city or State be spent on housing. Another one-third must be spent on eligible services, and the final one-third can be spent on either housing or services.

If a Governor or Mayor can establish to the satisfaction of the Secretary of Health and Human Services (HHS) that the one-third requirement for either housing or services is being met from other sources, that requirement can be waived.

If there is an extreme housing shortage in Boston, for example, but the Mayor of Boston can show enough State and local money available for mental health and substance abuse services, the grant funds from this act may all be used to meet the housing needs of eligible homeless people in Boston.

On the other hand, Denver may be in need of service money while easily able to find suitable housing for these populations. In that case, Denver could use this grant money for services only as long as the required housing can be shown to be available from other sources.

We anticipate, however, that most cities and States will need both service and housing money. If our bill is enacted, they will have both.

FUND ALLOCATION

To allocate the $300 million, we have applied the current formula for distributing funds for the Community Development Block Grant (CDBG), with two important changes.

This formula was chosen because it is well known and well accepted across this country. This formula uses the factors of population, poverty, and housing conditions to distribute funds.

The first change we make in this formula is to require that large cities and urban counties will receive one-half of appropriated funds. States will receive the other half. States can, of course, allocate their funds to smaller cities and towns around the State, or to community based organizations.

Assuming a full appropriation of $300 million when the first 50–50 split is made, $150 million would go to State governments to distribute and $150 million would go to the larger cities in America, designated as metropolitan cities and urban counties. The CDBG formula factors of population, poverty, and housing conditions are then applied to allocate these funds among States and large cities.

The current Title VI-B, Community Mental Health Services, of the McKinney Act, allocates all block grants to States based only on population. Governors then distribute the money within their States to large and small cities.

The second change we make in the CDBG formula allocation is the requirement that no State, including its entitlement communities, will receive less than $500,000.

If the initial formula run allocates less than $500,000 to any State and its entitlement communities based on the factors used for distribution, a pro rata reduction is taken from the other States to bring each State up to $500,000.

This minimum per state has the effect of equalizing the States if low levels of appropriations are made by the Congress. In FY 1989, for example, when we appropriated only $14.128 million for Title VI-B, each State, including California, New York, and New Mexico received the same minimum of $267,944! The $14 million was too low to allow each State the statutory minimum of $275,000.

To help my colleagues see the estimated allocation of funds under our proposed formula, I am including a complete listing of the 50 States, territories, and entitlement communities at the end of my statement.

This calculation is based on two appropriation levels: full funding at $300 million and partial funding at $100 million for all 50 States and entitlement communities.

As in the current CDBG formula, we assumed that the territories would receive two-tenths of one percent of the total funds available.

PROTECTING THE MENTALLY ILL

Since this new grant program replaces the Community Mental Health Services Block Grant of the Stewart B. McKinney Homeless Assistance Act, some people in the mental health community may be concerned over providing services to this fragile population.

To protect this group, we have created a hold harmless provision that holds each state and its entitled communities to the total amount of funds received under Title VI-B of the McKinney Act in FY 1990, plus an additional 30 percent.

This 30 percent increase is an acknowledgement that housing costs and serving substance abusers add to the costs of providing eligible services in our bill.

In addition to the "hold harmless plus 30 percent", we have required that at least two-thirds of the beneficiaries be seriously mentally or dually diagnosed with mental illness and substance abuse problems.

Unfortunately, the recent history of substance abuse treatment compared to mental health treatment shows a sharp relative decline in services to the mentally ill compared to substance abusers. This is due largely to the surge in funding for drug treatment programs in the two large anti-drug abuse acts.

The two-thirds minimum for mentally ill or dually diagnosed persons will keep this grant program from becoming an extension of current substance abuse programs.

By requiring case managers to seek services for eligible clients, we are hoping to see more coordination with substance abuse treatment programs. In the event such programs cannot be located, this bill provides some of the necessary funds to add substance abuse treatment services for the homeless.

IMPROVING THE CHANCES OF GETTING SERVICES

Unfortunately, a mental health center will too often fail to treat a person with substance abuse problems. Nor will a drug or alcohol treatment program treat a person with signs of mental illness.

Our bill addresses this institutional failure by denying funds from this grant to programs with a stated or implied policy of turning away potential clients with either mental disorders or substance abuse afflictions.

In other words, if a substance abuse treatment program denies services to those with mental illness or vice versa, these funds cannot be contracted to that agency or provider.

Our aim here is to assure a homeless person that any entrance point into the treatment system will lead to positive assistance. We are not requiring each service provider to be a comprehensive alcohol, drug, and mental health provider. Rather, we are requiring that proper referrals be made without regard to the primary capability of the provider. This provision will improve the integration of the treatment network for a homeless person who is very likely to have mental disorders or addictions to alcohol or drugs.

HOUSING

In addition to strengthening the service network for the homeless, our bill assures large cities and all States at least one source of funding from the McKinney Act to provide the essential housing needed to stabilize eligible program beneficiaries and enhance their chances of making a transition our of homelessness.

We believe, Mr. President, that no transition from homelessness can be made without adequate housing assistance, especially when we are trying to help the mentally ill and the alcohol or drug addicted homeless person.

In FY 1990, the McKinney Act housing programs in Title IV, operated by the U.S. Department of Housing and Urban Development (HUD), were authorized at $291 million.

Depending on local decisions, our bill increases the potential housing assistance under the McKinney Act by at least $100 to $200 million. These figures do not count the local match of 25 percent, which serves to increase the funding for this purpose.

This range of $100 million to $200 million is based on our requirement that at least one-third of this $300 million grant authorization be spent on housing and at least one-third be for services.

In short, we are increasing the housing assistance authority of the McKinney Act anywhere from 34 to 68 percent.

Our housing money is also more flexible than the current McKinney Act Housing Assistance money. We do not require competition for the housing funds, and we allow using the funds for security deposits.

We want to encourage transitional and permanent housing for eligible homeless individuals *and their families.* Hence we encourage many kinds of housing services: Group homes, community-based long term housing, service enriched single room occupancy units, units in a multi-family housing projects, condominiums, cooperatives, apartments and single room occupancy units.

To accomplish this housing goal, we allow expenditure of grant funds for renovation, expansion, repair and operating costs of housing. Security deposits and housing vouchers (locally created) are also allowed.

A building or housing unit may be purchased with grant funds if an additional 50 percent in local funds is used to match such

a purchase (over and above the initial 25 percent match to obtain the basic grant).

No new construction or emergency shelter support is allowed.

REQUIRED APPLICATIONS

The intended uses of these funds must be written in an application submitted to the Department of Health and Human Services. This application will define the geographic areas where the greatest numbers of intended beneficiaries are located.

It will describe the programs and activities to be supported, including coordination with other agencies and non-profit organizations. Public comments will be required.

Intended mental health activities must be consistent with the State comprehensive mental health services plan.

Assurances that improved housing conditions will be available to eligible participants will also be required.

LOCAL MATCH REQUIREMENTS

Each eligible entity must contribute a local share of 25 percent to match the 75 percent Federal share.

The local match may be cash or in kind including plant, equipment, or services.

CONCLUSION

Our proposed PATH grants, Mr. President, will significantly expand the Stewart B. McKinney Homeless Assistance Act to add significant new housing authority and service funds for the homeless who are mentally ill and/or sustance abusers.

We are replacing a FY 1990 authorization level of $35 million with a new authorization of $300 million.

The significant increase in reported substance abuse and the seriousness of mental disorders among the homeless warrants such an increase. We are confident that the cities, towns, and States of America will welcome this very important assistance to create more innovative pathways out of homelessness for the homeless who are severely mentally ill or who have addictions to alcohol and/or drugs.

This bill is supported by the U.S. Conference of Mayors, the National Governors' Association, the National Alliance for the Mentally Ill, the National Mental Health Association, the American Psychiatric Association, the American Psychological Association, the Mental Health Law Project, the National Association of State Mental Health Program Directors, and the National Association of Counties.

I urge my colleagues to help us simplify the McKinney Act while at the same time increasing its effectiveness for a very needy group of homeless individuals.

EXAMPLES OF ALLOCATIONS TO STATES AND CITIES FOR THE DOMENICI-KENNEDY PATH GRANTS

If the full $300 million is appropriated, the following grants would go to those sample States and cities:

California: $29.3 million.
State: $19.1 million.
Entitlement cities ($10.2 million): e.g. Los Angeles County: $2.5 million.
City of Los Angeles: $4.9 million.
Sacramento: $315,000.
New York: $28.9 million.
State: $6.0 million.
Entitlement cities ($22.9 million): e.g. New York City: $15.2 million.
Albany: $316,000.
Massachusetts: $9.1 million.
State: $4.82 million.
Entitlement cities ($4.3 million): e.g., Boston: $1.6 million.
Worcester: $390,000.
Connecticut: $3.6 million.
State: $2.35 million.
Entitlement cities ($1.3 million): e.g. New Haven: $327.000.
New Mexico: $1.505 million.
State: $1.175 million.
Albuquerque: $330,000.
Ohio: $13.9 million.
State: $6.5 million.
Entitlement cities ($7.37 million): e.g. Cleveland: $2.1 million.
Columbus: $557,000.
Illinois: $15.4 million.
State: $5.2 million.
Entitlement cities ($10.2 million): e.g., Chicago: $7.3 million.
Peoria: $164,000.

ANALYSIS OF PATH GRANT ESTIMATES, REVISED ESTIMATE ALLOCATION OF $300 MILLION: 50 PERCENT TO ENTITLED PLACES, 50 PERCENT TO NONENTITLEMENT; MINIMUM TOTAL $500,000, TERRITORIES 0.20 PERCENT

[In thousands of dollars]

State	Communities entitlement	States nonentitlement	Total
Alaska	138	362	500
Alabama	1,445	3,675	5,120
Arkansas	176	2,699	2,875
Arizona	1,754	1,081	2,835
California	19,063	10,276	29,339
Colorado	1,046	1,728	2,774
Connecticut	1,304	2,353	3,657
District of Columbia	1,462	0	1,462
Delaware	436	178	614
Florida	7,477	4,257	11,734
Georgia	2,356	4,207	6,563
Hawaii	995	286	1,281
Iowa	486	3,375	3,861
Idaho	0	882	882
Illinois	10,173	5,246	15,419
Indiana	2,188	3,968	6,156
Kansas	566	2,006	2,572
Kentucky	1,364	3,261	4,625
Louisiana	2,232	3,688	5,920
Massachusetts	4,296	4,821	9,117
Maryland	3,331	1,158	4,489
Maine	166	1,483	1,649
Michigan	6,089	5,899	11,988
Minnesota	2,143	2,852	4,995
Missouri	3,287	3,043	6,330
Mississippi	268	3,517	3,785
Montana	0	811	811
North Carolina	741	5,479	6,220
North Dakota	0	709	709
Nebraska	341	1,431	1,772
New Hampshire	139	911	1,050
New Jersey	6,386	2,832	9,218
New Mexico	330	1,175	1,505
Nevada	380	388	768
New York	22,927	5,992	28,919
Ohio	7,372	6,541	13,913
Oklahoma	662	2,077	2,739
Oregon	922	1,535	2,457
Pennsylvania	12,362	6,101	18,463
Puerto Rico	4,667	6,003	10,670
Rhode Island	752	678	1,430
South Carolina	200	3,638	3,838
South Dakota	0	865	865
Tennessee	1,767	3,307	5,074
Texas	8,723	9,290	18,013
Utah	735	899	1,634
Virginia	1,889	3,312	5,201
Vermont	0	685	685
Washington	2,457	1,697	4,154
Wisconsin	1,651	4,112	5,763
West Virginia	356	2,131	2,487
Wyoming	0	500	500
Territories	0	600	600
Total	150,000	150,000	300,000

ANALYSIS OF PATH GRANT ESTIMATES, REVISED ESTIMATE ALLOCATION OF $100 MILLION: 50 PERCENT TO ENTITLED PLACES, 50 PERCENT TO NONENTITLEMENT; MINIMUM TOTAL $500,000, TERRITORIES 0.20 PERCENT

[In thousands of dollars]

State	Communities entitlement	States nonentitlement	Total
Alaska	46	454	500
Alabama	483	1,155	1,638
Arkansas	58	850	908
Arizona	585	341	926
California	6,353	3,232	9,585
Colorado	349	544	893
Connecticut	434	741	1,175
District of Columbia	487	0	487
Delaware	145	355	500
Florida	2,489	1,342	3,831
Georgia	787	1,323	2,110
Hawaii	332	168	500
Iowa	162	1,063	1,225
Idaho	0	500	500
Illinois	3,390	1,650	5,040
Indiana	730	1,249	1,979
Kansas	190	631	821
Kentucky	456	1,026	1,482
Louisiana	743	1,161	1,904
Massachusetts	1,432	1,517	2,949
Maryland	1,111	364	1,475
Maine	56	466	522
Michigan	2,030	1,857	3,887
Minnesota	715	898	1,613
Missouri	1,094	958	2,052
Mississippi	90	1,107	1,197
Montana	0	500	500
North Carolina	248	1,724	1,972
North Dakota	0	500	500
Nebraska	114	450	564
New Hampshire	46	454	500
New Jersey	2,125	894	3,019
New Mexico	110	390	500
Nevada	127	373	500
New York	7,643	1,884	9,527
Ohio	2,457	2,057	4,514
Oklahoma	221	653	874
Oregon	308	482	790
Pennsylvania	4,118	1,921	6,039
Puerto Rico	1,556	1,889	3,445
Rhode Island	250	250	500
South Carolina	67	1,145	1,212
South Dakota	0	500	500
Tennessee	590	1,039	1,629
Texas	2,909	2,921	5,830
Utah	245	284	529
Virginia	630	1,041	1,671
Vermont	0	500	500
Washington	820	533	1,353
Wisconsin	551	1,293	1,844
West Virginia	118	671	789
Wyoming	0	500	500
Territories	0	200	200
Total	50,000	50,000	100,000

ANALYSIS OF PATH GRANT ESTIMATES REVISED ESTIMATED ALLOCATIONS TO METRO CITIES/URBAN COUNTIES TOTAL TO ENTITLED COMMUNITIES REDUCED TO 50 PERCENT OF U.S. ALLOCATION

[Amounts in thousands of dollars]

State/Community	Revised estimate $300,000,000	Revised estimate $100,000,000
Alaska: Anchorage (subtotal)	138	46
Alabama:		
Birmingham	592	198
Huntsville	133	44
Mobile	247	83
Montgomery	233	78
Jefferson County	240	80
Subtotal	1,445	483
Arkansas: Little Rock (subtotal)	176	58
Arizona:		
Mesa	155	51
Phoenix	795	265
Tucson	395	132
Maricopa County	248	83
Pima County	161	54
Subtotal	1,754	585
California:		
Anaheim	202	67

ANALYSIS OF PATH GRANT ESTIMATES REVISED ESTIMATED ALLOCATIONS TO METRO CITIES/URBAN COUNTIES TOTAL TO ENTITLED COMMUNITIES REDUCED TO 50 PERCENT OF U.S. ALLOCATION—Continued

[Amounts in thousands of dollars]

State/Community	Revised estimate $300,000,000	Revised estimate $100,000,000
Berkeley	240	80
Compton	191	64
El Monte	168	56
Fresno	316	105
Glendale	154	51
Inglewood	144	48
Long Beach	461	153
Los Angeles	4,889	1,629
Oakland	653	218
Oxnard	171	57
Pasadena	150	57
Pomona	141	47
Riverside	170	57
Sacramento	315	105
San Bernadino	154	51
San Diego	932	311
San Francisco	1,522	507
San Jose	589	196
Santa Ana	340	113
Stockton	199	66
Alameda County	146	49
Contra Costa County	258	86
Fresno County	339	113
Kern County	365	122
Los Angeles County	2,500	834
Marin County	135	45
Orange County	417	139
Riverside County	510	170
Sacramento County	402	134
San Bernardino County	449	150
San Diego County	429	143
San Joaquin County	203	68
San Mated County	222	74
Santa Clara County	225	75
Sonoma County	184	61
Ventura County	178	59
Subtotal	19,063	6,353
Colorado:		
Colorado Springs	180	60
Denver	728	243
Adams County	138	46
Subtotal	1046	349
Connecticut:		
Bridgeport	307	102
Hartford	346	115
New Britain	145	49
New Haven	327	109
Waterbury	179	59
Subtotal	1304	434
District of Columbia (subtotal)	1,462	487
Delaware:		
Wilmington	223	74
New Castle County	213	71
Subtotal	436	145
Florida:		
Fort Lauderdale	183	61
Hialeah	335	111
Jacksonville	646	215
Miami	1,036	345
Miami Beach	165	55
Orlando	159	53
St. Petersburg	235	78
Tallahassee	132	44
Tampa	351	117
Brevard County	139	46
Broward County	458	152
Dade County	1,311	437
Escambia County	195	65
Hillsborough County	355	118
Orange County	337	112
Palm Beach County	415	138
Pasco County	172	57
Pinellas County	233	78
Polk County	279	93
Seminole County	152	51
Volusia County	189	63
Subtotal	7,477	2,489
Georgia:		
Albany	134	44
Atlanta	841	280
Augusta	159	53
Columbus	201	67
Macon	169	57
Savannah	206	69
Cobb County	166	56
De Kalb County	314	105
Fulton County	166	56
Subtotal	2,356	787
Hawaii, Honolulu (Subtotal)	995	332
Iowa:		
Des Moines	323	108
Sioux City	163	54
Subtotal	486	162
Illinois:		
Chicago	7,317	2,439
Cicero	145	49
East St. Louis	194	64
Evanston	145	48
Oak Park	134	44
Peoria	164	55
Rockford	162	54
Cook County	908	303
Du Page County	285	95
Lake County	176	58
Madison County	246	82
St. Clair County	165	55
Will County	132	44
Subtotal	10,173	3,390
Indiana:		
Evansville	227	76
Fort Wayne	206	69
Gary	311	104
Hammond	192	64
Indianapolis	727	242
South Bend	233	78
Terre Haute	160	53
Lake County	132	44
Subtotal	2,188	730
Kansas:		
Kansas City	185	62
Topeka	148	50
Wichita	233	78
Subtotal	566	190
Kentucky:		
Covington	145	49
Lexington-Fayette	191	64
Louisville	793	265
Jefferson County	235	78
Subtotal	1,364	456
Louisiana:		
Baton Rouge	381	127
New Orleans	1,254	418
Shreveport	262	87
Jefferson Parish	335	111
Subtotal	2,232	743
Massachusetts:		
Boston	1,596	532
Cambridge	259	86
Fall River	230	77
Lawrence	165	55
Lowell	174	58
Lynn	217	72
Medford	131	44
New Bedford	233	78
Newton	162	54
Quincy	164	55
Somerville	239	79
Springfield	336	112
Worcester	390	130
Subtotal	4,296	1,432
Maryland:		
Baltimore	2,002	667
Anne Arundel County	189	63
Baltimore County	347	116
Montgomery County	318	106
Prince Georges County	475	159
Subtotal	3,331	1,111
Maine: Portland (subtotal)	166	56
Michigan:		
Dearborn	171	57
Detroit	3,715	1,239
Flint	369	123
Grand Rapids	298	99
Kalamazoo	147	49
Lansing	139	46
Pontiac	132	44
Saginaw	206	69
Genesee County	189	63
Macomb County	131	44
Oakland County	299	99
Wayne County	293	98
Subtotal	6,089	2,030
Minnesota:		
Duluth	232	78
Minneapolis	1,101	367
St. Paul	599	199
Hennepin County	211	71
Subtotal	2,143	715
Missouri:		
Kansas City	785	261
St. Joseph	154	51
St. Louis	1,879	626
St. Louis County	469	156
Subtotal	3,287	1,094
Mississippi: Jackson (subtotal)	268	90
North Carolina:		
Charlotte	308	103
Greensboro	151	51
Raleigh	135	45
Winston Salem	147	49
Subtotal	741	248
Nebraska: Omaha (subtotal)	341	114
New Hampshire: Manchester (subtotal)	139	46
New Jersey:		
Atlantic City	159	52
Bayonne	157	52
Camden	280	93
East Orange	137	45
Elizabeth	200	67
Jersey City	631	210
Newark	918	306
Paterson	295	98
Trenton	265	88
Bergen County	830	277
Burlington County	204	68
Camden County	168	56
Essex County	447	149
Gloucester County	142	47
Hudson County	426	142
Middlesex County	146	49
Monmouth County	243	81
Morris County	159	53
Ocean County	173	57
Union County	406	135
Subtotal	6,386	2,125
New Mexico: Albuquerque (subtotal)	330	110
Nevada:		
Las Vegas	170	57
Clark County	210	70
Subtotal	380	127
New York:		
Albany	316	105
Babylon Town	132	44
Binghamton	191	64
Buffalo	1,436	479
Islip Town	195	65
Mount Vernon	153	51
New Rochelle	131	44
New York	15,246	5,081
Niagara Falls	224	75
Rochester	748	249
Schenectady	199	66
Syracuse	511	171
Tonawanda Town	142	47
Troy	165	55
Utica	248	83
Yonkers	306	102
Erie County	199	66
Monroe County	148	50
Nassau County	1,063	354
Onondaga County	143	48
Orange County	142	47

ANALYSIS OF PATH GRANT ESTIMATES REVISED ESTIMATED ALLOCATIONS TO METRO CITIES/URBAN COUNTIES TOTAL TO ENTITLED COMMUNITIES REDUCED TO 50 PERCENT OF U.S. ALLOCATION—Continued

[Amounts in thousands of dollars]

State/Community	Revised estimate $300,000,000	Revised estimate $100,000,000
Rockland County	141	47
Suffolk County	336	112
Westchester County	412	138
Subtotal	22,927	7,643
Ohio:		
Okron	563	187
Canton	241	80
Cincinnati	1,073	358
Cleveland	2,100	700
Columbus	577	192
Dayton	557	186
Lakewood	148	50
Springfield	168	56
Toledo	577	192
Youngstown	376	125
Cuyahoga County	249	83
Franklin County	166	56
Hamilton County	255	85
Montgomery County	184	61
Stark County	138	46
Subtotal	7,372	2,457
Oklahoma:		
Oklahoma City	375	125
Tulsa	287	96
Subtotal	662	221
Oregon:		
Portland	626	209
Clackamas County	146	49
Washington County	150	50
Subtotal	922	308
Pennsylvania:		
Allentown	207	69
Altoona	164	55
Chester	145	49
Erie	279	93
Harrisburg	197	65
Johnston	142	47
Lancaster	131	44
Philadelphia	4,494	1,497
Pittsburgh	1,469	490
Reading	254	84
Scranton	277	92
Upper Darby	150	50
Wilkes-Barre	159	53
York	132	44
Allegheny County	1,212	404
Beaver County	296	98
Berks County	205	68
Bucks County	198	66
Chester County	213	71
Delaware County	278	92
Lancaster County	250	84
Luzerne County	388	129
Montgomery County	272	91
Washington County	351	117
Westmoreland County	302	101
York County	197	65
Subtotal	12,362	4,118
Puerto Rico:		
Aguadilla Municipio	197	65
Arecibo Municipio	313	105
Bayamaon Municipio	505	168
Caguas Municipio	368	123
Carolina Municipio	418	139
Guaynabo Municipio	203	68
Humacao Municipio	170	57
Mayaguez Municipio	304	101
Ponce Municipio	656	219
San Jan Municipio	1,144	381
Toa Baja Municipio	240	80
Trujillo Alto Municipio	149	50
Subtotal	4,667	1,556
Rhode Island:		
Pawtucket	156	52
Providence	498	166
Woonsocket	98	32
Subtotal	752	250
South Carolina: Greenville County (subtotal)	200	67
Tennessee:		
Chattanooga	199	66
Knoxville	200	67
Memphis	935	312

ANALYSIS OF PATH GRANT ESTIMATES REVISED ESTIMATED ALLOCATIONS TO METRO CITIES/URBAN COUNTIES TOTAL TO ENTITLED COMMUNITIES REDUCED TO 50 PERCENT OF U.S. ALLOCATION—Continued

[Amounts in thousands of dollars]

State/Community	Revised estimate $300,000,000	Revised estimate $100,000,000
Nashville-Davidson	433	145
Subtotal	1,767	590
Texas:		
Amarillo	132	44
Austin	433	145
Beaumont	148	50
Brownsville	226	76
Corpus Christi	320	106
Dallas	1,082	361
El Paso	713	238
Fort Worth	437	145
Houston	1,887	629
Laredo	256	85
Lubbock	201	67
McAllen	144	48
San Antonio	1,278	426
Waco	134	44
Bexar County	146	49
Harris County	459	153
Hidalgo County	520	173
Tarrant County	207	70
Subtotal	8,723	2,909
Utah:		
Provo	131	44
Salt Lake City	358	119
Salt Lake County	246	82
Subtotal	735	245
Virginia:		
Newport News	138	46
Norfolk	388	129
Portsmouth	149	50
Richmond	368	123
Roanoke	146	49
Virginia Beach	197	65
Arlington County	177	59
Fairfax County	326	109
Subtotal	1,889	630
Washington:		
Seattle	962	321
Spokane	306	102
Tacoma	214	71
Clark County	145	49
King County	399	133
Pierce County	245	82
Snohomish County	186	62
Subtotal	2,457	820
Wisconsin:		
Madison	145	49
Milwaukee	1,359	453
Racine	147	49
Subtotal	1,651	551
West Virginia:		
Charleston	172	57
Huntington	184	61
Subtotal	356	118
Total	150,000	50,000

Mr. D'AMATO. Mr. President, I am pleased to cosponsor Senator DOMENICI's "Projects to Aid the Transition from Homelessness [PATH]" bill. My friend and colleague has shown tremendous dedication to improving the plight of mentally ill homeless individuals. His comprehensive legislation to provide housing and social services to this needy group must be commended.

Across the country, the number of mentally ill homeless persons is increasing. The numbers are particularly striking in large urban areas like New York City. We must respond to this trend. And we must respond in a way that takes into account the complexity and diversity of homelessness around the Nation.

Complex problems require comprehensive solutions, and homelessness is certainly no exception. This is why I support Senator DOMENICI's legislation: it moves away from a simplistic, overly segmented approach to homelessness, and moves toward a comprehensive interdisciplinary way of addressing the needs of homeless individuals. Currently, community groups are faced with the nightmare of coordinating two large Federal bureaucracies, the Departments of Housing and Urban Development [HUD] and Health and Human Services [HHS]. Within HUD itself, there are six separate housing programs for the homeless—each with its own rules, regulations, and procedures. Within HHS, there are six comparable programs providing services for the homeless. This labyrinth of programs must be mind-boggling for nonprofit homeless groups.

Senator DOMENICI's legislation eliminates this dysfunctional system and replaces it with the "PATH" program—a $300 million new housing and social services block grant for the homeless with serious mental illness, alcoholism or substance abuse problems. By administering this program through a single Department, community groups will be able to access and coordinate innovative housing and social services programs.

In addition to simplifying the process by coordinating programs, the block grant approach that is used in this legislation embraces a sensible way to get funding out to the areas that most need Federal assistance. "PATH" grants will be funded using the proven CDBG formula, dividing the formula allocation based on a 50/50 split between States and localities. One-third of New York's "PATH Grant" money will be spent on housing, one-third on services, and the remaining third can be used for either housing or services, based on a region's particular need. By getting the money out of the hands of Washington bureaucrats and into the hands of mayors and Governors, the resources will then be spent by those who can best respond to the Nation's housing needs.

The "PATH" grants legislation will have a great impact on my home State of New York; $28.9 million, or almost 10 percent of the total pot, will go to New York State. I anticipate that about $15.2 million will go to New York City, $1.4 million to Buffalo, and $316,000 to Albany. $6 million of New York's money will go to the Governor to be distributed among smaller and more rural communities.

Various mental health groups have expressed concern that they will lose some of their McKinney funding

under this legislation since "PATH" grants will replace the Community Mental Health Services Block Grant in the McKinney Act. I would like to assure such groups that they will be protected. This legislation includes a hold harmless provision that guarantees each State and its entitlement communities the total amount of funds received under title VI-B of the McKinney Act in fiscal year 1990, plus an additional 30 percent.

As it relates to housing, the bill increases homeless housing assistance over current levels by at least 30 percent, or at least $100 million. In addition, the housing funding also becomes more flexible than the McKinney programs permit because it can be used for a wider range of housing activity.

As a whole, this legislation should be a boost to all organizers who provide housing and/or services to mentally ill homeless individuals. Most importantly, it should provide better, more thorough assistance directly to mentally ill, homeless individuals.

Our Nation is in the midst of a domestic crisis. I commend my friend Senator DOMENICI for his recognition of this crisis. I am proud to be an original cosponsor of legislation that responds to this crisis and look forward to working towards its passage so we can get the necessary resources out to those in dire need.

Thank you, Mr. President.

Mr. DURENBERGER. Mr. President, today I rise to join my distinguished colleagues from New Mexico, Massachusetts, Illinois and New York in introducing a bill to give State and local governments another weapon in their arsenal for combating the scourge of homelessness.

This new program will be known as PATH grants. PATH stands for projects to aid the transition from homelessness. The program will fill an important niche in U.S. housing programs in order to place the homeless into homes and to address the medical and social problems of this neglected segment of our society.

I have long been an advocate of block grants that allow local units of government to assess their own needs and create their own solutions to those needs. The problem of homelessness is well suited to block grant programs. Minneapolis has different needs than El Paso and should be allowed to try and create different solutions.

In my own State of Minnesota, State and local governments have been successful in using block grants to create innovative programs to solve persistent problems. Through experimentation by local governments, we can see what does and does not work for future Federal, State and local programs. I firmly believe that it is far more effective for decisions on programming needs to be made at the local level rather than by bureaucrats in Washington, DC.

Last month, I had the pleasure of visiting a number of people who are living in transitional housing in Minnesota. These people are moving from a period of dependence on their survival skills and the emergency shelter system to independent living.

Karen is one of these people. Karen recently had a baby, a chubby, sleepy little girl named Dana. Karen became homeless and turned to the emergency shelter system in St. Paul as the result of an unsettling and potentially abusive living situation. Her childhood was filled with a history of abuse shortly after entering the shelter, Karen was visited by an outreach worker funded through the Health Care for the Homeless Program of the Stewart B. McKinney Homeless Assistance Act who referred her to a transitional housing program. The shelter was not a place for her to live, much less for her to raise a baby.

The solution for Karen and thousands of people like her in Minnesota is transitional housing; a safe, comfortable environment where they receive the necessary services, housing referrals, love and encouragement to rise above homelessness.

Minnesota has more transitional housing than any other State in the country. However, due to funding, safety, and staff restrictions, most of these transitional housing units are unable to serve people who suffer from severe or chronic chemical dependency or mental health problems.

Approximately one-third of homeless people suffer from mental health problems; another one third are dependent on chemicals or alcohol. The Health Care for the Homeless Program in Minnesota has been very successful in meeting the immediate needs of these homeless people. The problem comes when the people are ready to move out of emergency shelter and there is no place to go. Or, after 3 to 6 months in a more stable housing situation, a crisis happens, and there is nowhere to turn but the streets.

Ellen and her children Sharon and Marie could have been in just such a situation. Ellen escaped a battering situation and found placement in a battered women's shelter. A short time later, Ellen moved in to a housing unit in a transitional housing program in Minneapolis.

Ellen broke into tears as she told me her story. And she glowed when she talked about her goals to get her diploma, get a good job, and move off of assistance.

A couple of weeks ago, daughter Marie became very ill with pneumonia. All goals were quickly put aside to deal with this new crisis. Ellen turned to the transitional housing program director for financial guidance and help with this new stress in the life of her family. Karen and Ellen were very fortunate because they had a place to go. But what would have happened if the transitional housing programs were not there?

Ellen could live in rural Minnesota, say in St. Louis County, with her husband and her two children. After years of abuse, she leavs at 2 a.m. and asks a neighbor for help. The family is homeless and has no where else to turn.

A couple of weeks later, Ellen finds a tiny apartment which she can afford. Sharon has now missed a great deal of school and she no longer feels comfortable with her friends. Marie does not have any toys and there is not any money for even a pack of crayons. Ellen cannot find work and she can not get to the doctor or store easily because she does not have a car. Ellen talks to a friend: would you drive us to Duluth? In Duluth, a larger urban center, the family turns to an emergency shelter—homeless again. The children out of school, without friends, toys, or anything that is familiar. Marie is very ill with pneumonia. Ellen questions whether or not she should have stayed in the battering situation.

This pipeline from rural Minnesota to urban areas is a common one in Minnesota. While rural Minnesota may have an abundance of low cost affordable housing, there is a shortage of services for people who are in crisis situations or who are afflicted with mental health problems or chemical dependency problems. People who are homeless or people who have particular mental health or chemical dependency needs are unlikely to stay in a rural area for long before they migrate to an urban center. Once in an urban area, the culture, people, services, and systems are unfamiliar. Not only is an individual homeless, the individual has no idea where to turn for help.

Children suffer greatly from homelessness and poverty. I can easily picture the sunny face of 5 year old Amber as she showed me her house, a deteriorating structure with five pages of building code violations. Her mother, Charlotte, told me the house was luxurious compared to the place from which they moved.

Amber is a beguiling youngster who is never at a shortage for words. Amber has never been homeless, but her family, one of the "working poor" families, struggles to keep food in her stomach and a roof over her head every day. One unpredicted addition to a tight budget, a medical emergency or car problems, for example, means the difference between a home and a shelter. I wonder what would happen to Amber and her family if that one unknown crisis pushed them to the streets.

Children as young as 9 who have lived in homeless situations in Minnesota have attempted suicide four and five times. Twelve-year-olds have been involved in consuming and distributing drugs and in cult activities. Approximately 130 developmental and medical problems are documented for every one hundred homeless children screened by public health nurses in the St. Paul shelter system. This ratio compares to 20 developmental and medical problems documented for every 100 nonhomeless children. These children need counseling, monitoring, and intervention from trained professionals to insure they are not our homeless people of tomorrow.

The PATH bill, which we introduce today, is a major step in the right direction in our continuing efforts to stamp out involuntary homelessness. I urge my colleagues to review this bill and become cosponsors to this important legislation.

By Mr. RIEGLE (by request):

S. 2748. A bill to authorize the Secretary of the Treasury to adopt distinctive counterfeit deterrents for exclusive use in the manufacture of United States securities and obligations, to clarify existing authority to combat counterfeiting, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

COUNTERFEIT DETERRENCE ACT

● Mr. RIEGLE. Mr. President, today I am introducing—at the administration's request—a bill designed to curb the increasing efforts to counterfeit Federal Reserve notes. With the advances in computerization, the ability to duplicate drawings and reproductions in color, and the sophisticated scanning equipment, the Treasury Department is concerned about the impact this technology will have on both the casual as well as professional counterfeiters. My colleague, Senator GARN, joins me in cosponsoring this legislation by request. While this is a concern, we must also be aware of the needs of legitimate business and personal use of such technology, while protecting the rights of law-abiding citizens.

Mr. President, I ask unanimous consent that a letter from the Department of the Treasury explaining the need for the legislation and the full text of the bill be included in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2748

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Counterfeit Deterrence Act of 1990".

SEC. 2. Chapter 25 of title 18, United States Code, is amended by—

(a) inserting the following new section immediately before section 471:

"SEC. 470. ELECTRONIC MEANS

"For the purposes of this chapter, the term 'other thing' or 'thing', from which a counterfeit is printed or may be printed, or which is fitted, used or intended to be used or fitted in the making of counterfeits, shall specifically include any electronic means which is used for the acquisition, recording, retrieval, transmission, or reproduction of any obligation or other security, unless such use is authorized by law, the Secretary of the Treasury, or some other proper officer of the United States."; and

(b) inserting after section 474 the following new section:

"SEC. 474A. DETERRENTS TO COUNTERFEITING OF OBLIGATIONS AND SECURITIES

"(a) Whoever has or retains in his control or possession, after a distinctive paper has been adopted by the Secretary of the Treasury for the obligations and other securities of the United States, any similar paper adapted to the making of any such obligation or other security, except under the authority of the Secretary of the Treasury or some other proper officer of the United States, shall be fined not more than $5,000 or imprisoned not more than fifteen years, or both.

"(b) Whoever has or retains in his control or possession, after a distinctive counterfeit deterrent has been adopted by the Secretary of the Treasury for the obligations and other securities of the United States by publication in the Federal Register, any similar feature or device adapted to the making of any such obligation or other security, except under the authority of the Secretary of the Treasury or some other proper officer of the United States, shall be fined not more than $5,000 for each violation, or imprisoned not more than fifteen years, or both.

"(c) As used in this section—

"(1) The term 'distinctive paper' includes, but is not limited to, any distinctive medium of which currency is made, whether of wood pulp, rag, plastic substrate or other natural or artificial fibers or materials; and

"(2) The term 'distinctive counterfeit deterrent' includes, but is not limited to, any ink, watermark, seal, security thread, optically variable device, or other feature or device in which the United States has an exclusive property interest, or which is distinct from any other similar feature or device by its design, color or other specifications, and which the Secretary designates as being of value in preventing the counterfeiting of obligations or other securities of the United States.".

SEC. 3. Section 474 of title 18, United States Code, is amended by—

(a) striking "United States; or" at the end of the sixth paragraph and inserting in lieu thereof, "United States—"; and

(b) striking the seventh paragraph.

SEC. 4. Section 504 of title 18, United States Code, is amended—

(a) in subparagraph (D) by striking the comma at the end thereof and inserting instead a period;

(b) in paragraph (1) by striking from the text following subparagraph (D) the words "for philatelic" and all that follows through "albums).";

(c) by redesignating paragraph (2) as paragraph (3) and inserting after paragraph (1) the following new paragraph:

"(2) The provisions of this section shall not apply to, or permit the reproduction of illustrations of obligations or other securities, by or through electronic means used for the acquisition, recording, retrieval, transmission, or reproduction of any obligation or other security."; and

(d) striking from paragraph (3), as redesignated, the phrase "but not for advertising purposes except philatelic advertising,".

SEC. 5. The analysis of chapter 25 of title 18, United States Code, is amended—

(a) by inserting before the item relating to section 471 the following:

"470. Electronic means."; and

(b) by inserting after the item relating to section 474 the following:

"474A. Deterrents to counterfeiting of obligations and securities.".

DEPARTMENT OF THE TREASURY,
Washington, DC, January 30, 1990.

The Honorable DAN QUAYLE,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: There is transmitted herewith a draft bill, "To authorize the Secretary of the Treasury to adopt distinctive counterfeit deterrents for exclusive use in the manufacture of United States securities and obligations and to clarify existing authority to combat counterfeiting, and for other purposes." Also enclosed is a comparative type showing the changes proposed to be made in current law. During the 99th Congress, a similar proposal passed the Senate on August 15, 1986, as part of S. 1092.

Recent advances in reprographic technology pose a new and substantial threat of counterfeiting. New and improving generations of copying equipment are capable of reproducing documents—including currency and other securities—in color and with greater accuracy and clarity. The introduction of such equipment is making counterfeiting a crime of opportunity; the potential counterfeiter no longer requires any particular expertise.

This threat is compounded by the recent exponential advances in other reprographic equipment and techniques. For example, currency and securities designs can now be read by electro-optical (laser) scanning, digitized and stored in computers. Once stored, such designs can be reproduced by computer-controlled printing techniques in varying formats, colors and sizes. The United States Secret Service is aware of three instances where electro-optical scanning techniques have been employed in attempts to counterfeit U.S. currency.

In order to combat these new threats of counterfeiting, it will be necessary for the Secretary of the Treasury to adopt a variety of new "distinctive counterfeit deterrents" that will make U.S. currency and obligations more difficult to counterfeit. The Department of the Treasury is actively engaged in the identification and development of such deterrents.

This proposal would authorize the Secretary to adopt new distinctive counterfeit deterrents (*e.g.,* watermarks, seals, and security threads); criminalize the unauthorized possession of distinctive counterfeit deterrents adopted by the Secretary, as well as the possession of features and devices similar in form to such deterrents; amend chapter 25 of title 18, United States Code, to clarify that counterfeiting includes the use of electronic techniques such as electro-optical scanning; amend section 504 of title 18, United States Code, to provide that laser-generated computer images of U.S. currency and securities are not permissible reproductions, and to conform that section with the

holding of the Supreme Court in *Regan* v. *Time, Inc.*, 468 U.S. 641 (1984).

It would be appreciated if you would lay the draft bill before the Senate. An identical draft bill has been transmitted to the Speaker of the House of Representatives.

The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to the submission of this proposed legislation to the Congress.

Sincerely,

EDITH E. HOLIDAY,
General Counsel.●

By Mr. SASSER (for himself, Mr. HATCH, Mr. JOHNSTON, and Mr. DASCHLE):

S. 2750. A bill to amend the Federal Property and Administrative Services Act of 1949 to authorize the Administrator of General Services to make available for humanitarian relief purposes any nonlethal surplus personal property, and for other purposes; to the Committee on Governmental Affairs.

FEDERAL USED PROPERTY FOR DOMESTIC USE ACT

● Mr. SASSER. Mr. President, this morning, I along with my good friends, Senator HATCH, Senator JOHNSTON, and Senator DASCHLE, rise to introduce legislation that will end the unfair preferential treatment given to foreign nations by the U.S. Government in the distribution of surplus Federal property. Much of this property takes the form of useful construction and engineering equipment that is greatly needed by States and local communities. At a time when these financially strapped localities are having an increasingly difficult time maintaining and developing their infrastructure and basic services, we should ensure that they get their fair share of equipment the Federal Government cannot use.

Currently, Mr. President, the Secretary of Defense has the authority to transfer excess Department of Defense property to the State Department for distribution to Third World and other countries under the auspices of the Humanitarian Assistance Program. I believe that much of this property, which is all taxpayer financed, should first be made available to Federal agencies and States through the General Services Administration [GSA] Donation Program before it is donated away free of charge.

The Humanitarian Assistance Program was created in fiscal year 1986. Initially, the program was intended to help supply Afghan and Cambodian refugees and resistance groups with limited categories of Federal surplus property. Some of these items included boots, parkas, clothing items, medical supplies, and communication equipment. However, as the focus of the program expanded to a larger number of Third World nations, and now to Eastern Europe and even the Soviet Union, the category of excess property sought for the Humanitarian Assistance Program has also expanded. Over the past 2 years there has been an increasing emphasis on heavy duty equipment, including bulldozers, tractors, roadgraders, cranes, backhoes, front loaders, dump trucks, and other equipment traditionally sought by States through the GSA donation program. In fact, approximately $60 million in Department of Defense excess property was acquired by the Humanitarian Assistance Program during fiscal year 1986 through 1990-to-date, with steady and substantial increases occurring each year.

Mr. President, I believe that the original intent of the Humanitarian Assistance Program has been circumvented. The program was designed to meet an immediate need in two Third World countries, but it has since expanded to become a full-fledged foreign assistance program. It has become a foreign assistance program that gives away surplus Government property paid for out of the pockets of the American people and provides free to foreign nations valuable surplus construction and engineering equipment greatly needed by financially strapped State and local governments.

Mr. President, each State has an agency for surplus property that is responsible for screening available property and distributing it to the various local government entities. In my home State of Tennessee, the State Division of Property Utilization has been able to obtain for county and city road departments heavy construction equipment through the GSA Donation Program. The cost of this equipment was substantially lower than if purchased new. In fact, in one county, the superintendent of highways paid $30,000 for a pan-scraper that would of cost $250,000 new. These State agencies are not only saving taxpayers money, they provide an invaluable source of inexpensive, surplus Federal equipment that greatly benefits thousands of local communities across the country.

Mr. President, the legislation I am proposing today affords us a real opportunity to enable States and local communities to provide vital infrastructure improvements and other Government services. The value of some of this excess surplus property is immeasurable. My colleagues need only ask their respective State surplus agencies to find out what a difference this surplus equipment can make. I want to emphasize that this legislation will not end the Humanitarian Assistance Program, it will simply lessen its priority and allow States and local communities the first opportunity to obtain surplus construction and engineering equipment.

I urge my colleagues to support this important bill.●

Mr. HATCH. Mr. President, I am delighted to support my good friend from Tennessee. We are trying to come to grips with the self-help programs that our States need to develop in order to deal with our Nation's decaying infrastructure.

The Senator from Tennessee fears that much of the equipment declared excess by our military engineer organizations will be preempted by the Humanitarian Assistance Program when there is a genuine need at home. I share these fears but, like my friend from Tennessee, I do not want to cut off access by needy nations in the midst of a natural disaster. This equipment that can make the difference between continuing losses and recovery; indeed, in some cases, between life and death perhaps. And that is not the purpose of this bill.

Rather the bill establishes some rather basic priorities:

If equipment is excess to military use, priority access will go to state and local governments. This will be done by repealing the United States Code at 10 USC 2547 to lower the priority of the Humanitarian Assistance Program [HAP]. The President retains his ability to provide virtually any type of emergency assistance he determines to be appropriate to the crisis, but under different legislative authority. What is removed is the access that foreign countries now have.

We are already in the process of a major restructuring of the Armed Forces of the United States, and especially the Army, from which the great bulk of equipment will come. The critical priority here, Mr. President, is to assure that excess equipment, which will be released in ever-greater quantities, is made available first to our own domestic needs. There are several compelling reasons for this.

Needs, above all. I have heard from most of the countries in my own State of Utah: Salt Lake, Cache, Davis, Utah Counties, among others, as well as from dozens of cities: Providence City, Salt Lake City, Tooele, to name a few, all with the same message: taxes, competing expenditure targets, and equipment costs won't allow us to take care of our own roads and highways.

The equipment was built and bought for a threat scenario in Europe that has changed. Yet the need for the equipment is no less at home. By transferring excess equipment to domestic uses, many advantages accrue—the savings are obvious; but less obvious is the availability of such equipment in the event of mobilization. In this instance, well-maintained equipment could be returned immediately to military use. Obviously, this would not be the case if it were transferred abroad.

The amount of equipment potentially available, just from the Army's engineer units, and excluding almost half as much again that would be available from the other services com-

bined, is immense. Let me give you my own calculations which I have taken from standard Army organizational documents.

There is an engineer battalion for each division, amounting to 28 battalions for our 20 infantry, six armored and mechanized divisions, and two air assault or airborne divisions. For these units alone, the following engineer equipment is organic to the unit: over 1,000 dump trucks, 450 bulldozers, 200 scoop loaders, 136 graders, and 66 20-ton cranes. However, there are still another 10 separate engineer brigades, or 30 battalions, with about the same equipment. If 25 percent of this capacity is transferred back to the United States and inactivated, there could be an immediate release of over 500 dump trucks, for example, or about 225 bulldozers.

Mr. President, this is state-of-the-art equipment, often well beyond the needs of a humanitarian program. Moreover, as I have already said, even excess equipment could be treated as a mobilization asset under this bill because the items would be available.

Mr. President, we have done our share in making Europe safe and secure; and we will continue to provide a fair share. But keep this in mind: we have spent over $10 billion on European infrastructure, such as roads, highways, communications lines, airports, and so forth, in the past decade alone as part of our contribution to NATO. In a sense, we now suffer a three-way disadvantage: The Europeans have a modernized infrastructure; it enhances their competitiveness, for example, a German manufacturer will use this network to transport his products to the East European market at a significant shipping advantage over the U.S. exporter; and, finally, we must now pay for our own infrastructural recovery, having financed NATO's for 40 years.

My point is this: We need these items at home; yet we are no less sensitive to emergency needs abroad.

By Mr. DECONCINI (for himself and Mr. MCCAIN):

S. 2751. A bill to reform certain Indian programs, and for other purposes; to the Committee on Energy and Natural Resources.

INDIAN PROGRAMS REFORM ACT

● Mr. DECONCINI. Mr. President, I am pleased to be joined by my colleague Senator MCCAIN in introducing legislation today which will, in my opinion, provide for more accurate and efficient monitoring of the recovery of natural resources on Indian and Federal lands. This bill will ensure that we fulfill our trust responsibilities to native Americans.

In 1987, the Arizona Republic carried a series of investigative articles entitled "Fraud in Indian Country." A particular focus of these articles was the defrauding of Indian tribes and allottees of much-needed income from the sale of oil and gas found on their lands. Through specific examples, this investigative series exposed serious problems in the monitoring of natural resource activities on Indian lands.

In 1988, the Senate, in response to these allegations, created the Special Committee on Investigations, which I chaired. The charge of the special committee was to investigate these allegations and recommend solutions. For 2 years, the special committee poured over millions of pages of documents which were subpoenaed and gathered from industry, the Federal Government, and Indian organizations. We interviewed thousands of witnesses, and held hearings on a number of topics, including the monitoring of Indian natural resources.

The findings of the special committee in the area of natural resources have been summarized in our final report. I ask unanimous consent that this section of our report, pages 105 to 151, be included in the RECORD.

Our investigation found that large mineral-producing Indian tribes have encountered huge successes in developing their natural resources. However, the Federal Government, particularly the Department of the Interior, has been slow to provide assistance to these tribes and has been dilatory in allowing these tribes autonomy in monitoring their own mineral interests. I believe that no one is better suited to monitor tribal natural resource interests than the tribes themselves.

For Indian allottees and tribes with small quantities of minerals on their lands, the problems associated with the lack of adequate monitoring and accountability of their resources were found to have a much greater impact. These individuals usually receive less than a few thousand dollars per year in royalty income, and rely on this income to feed and shelter themselves and their families. These tribes are located in otherwise economically depressed areas and their modest royalty income provides some measure of relief to high unemployment and poor living conditions on their reservations.

These allottees and tribes rely primarily, if not totally, on the Department of the Interior to monitor their natural resources and the modest income derived from these resources. Yet, when close inspection of the mineral activities on their lands was called for and reports of theft needed investigation, the Department of the Interior's Bureau of Land Management [BLM] simply did not adequately carry out its responsibilities. The special committee found in that organization a callous indifference toward the inspection and monitoring of mineral activities on Indian lands.

The special committee further found that the Bureau of Indian Affairs was negligent in its responsibilities to distribute, in a timely fashion, royalty incomes to allottees and tribes so that they could avoid financial disaster. This agency's record of handling Indian funds, Indian inquiries and requests for help has been atrocious. For example, the special committee found that one Indian allottee was forced to live in an abandoned car when her royalty checks stopped coming and the BIA could not provide any answers to her questions.

Currently, BLM has the responsibility for the inspection of Indian lands and the duty to verify that the field production of oil and gas resources from Indian leases is accurately measured and reported. These Indian leases comprise slightly more than 16 percent of the total leases under BLM supervision. The Minerals Management Service [MMS] on the other hand, is responsible for ensuring that the proper amount of royalties are paid on that production, and the BIA has the responsibility to properly distribute the royalty payments to the Indian tribes and allottees. Vigorous enforcement and close coordination are essential to make this kind of system work. In fact, this has even been acknowledged by the BLM in their own report on their Inspection and Enforcement Program dated February 1990. On page 18 of this report concerning the sophisticated thefts of oil and gas resources it states:

> A major factor affecting the identification and investigation of suspected records falsification is the requirement for close coordination and cooperation between the BLM and MMS in integrating their respective roles in production and royalty accountability. The review and comparison of production and sales reports by MMS cannot be used alone to identify suspected theft. The production reports must be compared with independently measured production and run tickets verified by BLM on the ground.

The special committee found that in spite of these pronouncements, the BLM has failed to effectively coordinate with other agencies and take sufficient steps to detect and prevent thefts of Indian natural resources. As evidence of this, the General Accounting Office [GAO] found that the BLM does not fully verify production and that management controls and interagency cooperation are inadequate. Additionally, the Department of the Interior's Inspector General issued a report in November 1989 which expressed concern about the ability of the BLM to effectively monitor the accuracy of oil and gas production and urged more aggressive enforcement and coordination with the MMS. This current system of divided responsibilities among different agencies for the inspection of Indian lands, and the monitoring, collection, and distribu-

tion of Indian royalities has been a dismal failure.

The legislation which I introduce today will solve a number of the problems that currently exist in the monitoring of and accountability for Indian natural resources. First, this bill consolidates the monitoring, collection and distribution of Indian royalties, as well as inspection of Indian lands, into one agency—the Department of the Interior's Mineral Management Service. Second, to prevent the type of theft which the special committee uncovered, this bill provides a system of monitoring purchases of oil and gas from Indian and Federal lands by requiring that purchasers submit, to the proper parties, certified information on each removal run. The bill also includes criminal penalties for purchasers who fail to provide the required information. Specific criminal penalties have also been prescribed for the theft of natural resources from Indian and Federal lands. In addition, the Department of the Interior will be required to develop a plan that will ensure routine inspection of all meters and gauges relating to oil and gas production on Indian and Federal lands, and develop minimum standards for such meters and gauges. Any party which does not maintain its meters and gauges properly will be subject to civil sanctions. The Department and the Federal Bureau of Investigation will be required to work together and share information regarding natural resource theft from Indian lands. This will include FBI training for relevant Department personnel on inspecting lease sites and investigating theft.

In addition to the provisions discussed above, this bill also amends the Federal Oil and Gas Royalty Management Act of 1982 [FOGRMA] to allow more effective monitoring of Indian and Federal royalties. The first of these changes allows Indian tribes to receive 100 percent funding for any cooperative efforts they make to monitor their royalties. Currently Indian tribes receive only 50 percent funding, while States are entitled to receive 100 percent funding for making the same cooperative efforts.

Second, this legislation adds a number of procedural amendments to FOGRMA which will allow the Department of the Interior to issue civil penalties for violations enumerated within the Act, to cancel leases when appropriate, and to give rewards for information leading to the recovery of unpaid royalties due Indian tribes or allottees. Due to a 20-day cure period found within the original Act, the Department is, for all practical purposes, precluded from effectively issuing and collecting civil penalties. This cure period eliminates any deterrent effect of issuing penalties, and has prompted the Department to be lax in assessing penalties for certain violations. The Department has also encountered legal resistance from parties whose leases were subject to cancellation. Those parties have claimed that the Department has no authority to cancel Indian and Federal leases. Also, FOGRMA currently allows rewards to be given to individuals who provide information leading to the recovery of unpaid royalties on only Federal lands, not Indian lands. This bill corrects this inequity.

Third, this bill clarifies the Department's authority to require the maintenance of records and to conduct audits on Indian and Federal leases. The Department will require parties to maintain records for longer than the 6-year period currently prescribed in FOGRMA. Also, the Department will be allowed to audit leases anytime after the 6-year period.

The last amendment to FOGRMA expands the Department's authority to monitor and enforce leases on Indian and Federal lands to include the development and extraction of natural resources other than oil and gas. Currently, the provisions of FOGRMA extend only to oil and gas leases, which in 1988 accounted for over 52 percent of all Indian natural resource royalties collected by the Federal Government. However, coal leases account for another 41 percent of all Indian royalties, and other minerals such as copper and phosphate account for the remaining 6 or 7 percent.

Other provisions of this legislation include requiring MMS to compile and print annual royalty statistics which would be helpful to Indian tribes and allottees to monitor their own royalties. Those statistics will include the number of Indian leases audited by the Department during the past year, the product and geographic area relating to such leases, and the frequency and causes of underpayment. The bill directs the Department to provide the maximum amount of information in its statistics while at the same time assuring confidentiality.

Mr. President, as you know, the special committee has recommended much broader changes in the administration of programs which affect native Americans. On April 25, I introduced legislation which will codify the principal recommendation of the special committee. This new Federalism will enable Indian governments, if they so choose, to assume full control over their programs and funds. However, because the management of natural resources tends to be highly complex and technical in nature, some tribes may wish to rely on the Federal Government for assistance in this regard. The bill I am introducing today makes the Federal Government's role in the management of Indian natural resources more responsive to the needs of native Americans.

I ask unanimous consent that the bill and a synopsis of the legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2751

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Indian Programs Reform Act of 1990".

SEC. 2. DEFINITIONS.

For the purposes of this Act—

(1) the term "Federal lands" means lands and interests in land owned by the United States that are subject to the mineral leasing laws, including mineral resources and mineral estates reserved to the United States in the conveyance of a surface or nonmineral estate;

(2) the term "Indian allottee" means an Indian for whom land or an interest in land is held in trust by the United States or who holds title subject to a restriction against alienation imposed under Federal law;

(3) the term "Indian lands" means lands and interests in land of an Indian tribe or an Indian allottee that is held in trust by the United States or that is subject to a restriction against alienation imposed under Federal law, including mineral resources and mineral estates reserved to an Indian tribe or an Indian allottee in the conveyance of a surface or nonmineral estate, but not including lands subject to the Act entitled "An Act for the division of the lands of the Osage Indians in Oklahoma Territory, and for other purposes", approved June 28, 1906 (34 Stat. 539);

(4) the term "Indian tribe" means an Indian tribe, band, nation, pueblo, community, rancheria, colony, or other group of Indians for which land or an interest in land is held in trust by the United States or which is subject to a restriction against alienation imposed under Federal law;

(5) the term "lease" means a contract, profit-share agreement, joint venture agreement, or other agreement issued or approved by the United States under a mineral leasing law that authorizes exploration for, extraction of, or removal of natural resources;

(6) the term "natural gas" means combustible gas formed naturally within the Earth;

(7) the term "natural resources" means chat, coal, copper, gypsum, limestone, phosphate, sand, gravel, scoria, sulfur, and other commodities formed naturally within or upon the Earth;

(8) the term "oil" means unrefined oil, condensate, and refined oil or condensate to be blended with unrefined oil;

(9) the term "operator" means a person, including a lessee, who has control of or manages operations on a natural resource lease site on Federal lands or Indian lands; and

(10) the term "removal run" means the receipt of oil or natural gas by a purchaser of oil or natural gas in a transaction in which royalties accrue to the original owner of the oil or natural gas.

SEC. 3. TRANSFER OF FUNCTIONS.

Not later than 180 days after the date of enactment of this Act, the following functions, and any funds allocated or reserved for such functions, shall be transferred to the Minerals Management Service of the Department of the Interior:

(1) The distribution of royalty income to Indian tribes and Indian allottees, currently performed by the Bureau of Indian Affairs of the Department of the Interior.

(2) The enforcement of leases, including inspection duties involved with such enforcement, relating to the leasing of Indian lands, currently performed by the Bureau of Land Management of the Department of the Interior.

SEC. 4. REMOVAL FORMS.

(a) IN GENERAL.—A purchaser of oil or natural gas extracted from Federal lands or Indian lands who removes the oil or natural gas shall, for each removal run, provide a removal form to the operator and mineral-owner of the extracted oil or natural gas.

(b) CONTENTS OF FORM.—(1) The removal forms described in subsection (a) shall contain the following information:

(A) The total quantity of oil or natural gas removed during the removal run.

(B) The date and hour at which the removal run occurred.

(C) The temperature, gravity, and quality of the oil or natural gas that was removed.

(D) The license number of any vehicles involved in the removal or initial transport of the oil or natural gas.

(E) The names of the persons who participated in the removal or initial transport of the oil or natural gas.

(2) Each removal form shall be certified as true, under oath and subject to criminal penalty, by—

(A) at least 1 person who participated in the removal or transport of the oil or natural gas; and

(B) in the case of a purchase by a corporation, an officer of the corporation.

(3) A copy of a completed removal form shall be left on-site prior to transport, and subsequently sent to the mineral-owner not later than 15 days after removal of the oil or natural gas.

(4) For the purposes of this section, the term "mineral-owner" means—

(A) in the case of Federal lands, a representative of the United States Government; and

(B) in the case of Indian tribal lands, a representative of the tribe owning the land or mineral rights.

(5) In the case of a removal of oil or natural gas from Indian allotted land, removal forms shall be sent to a representative of the Department of the Interior and made available for inspection by the allottee owners.

(6) The Secretary of the Interior shall prescribe civil penalties for failure to prepare and certify removal forms or to submit a removal form to an operator or mineral-owner as required above by this section.

(7) A willful failure to prepare, certify, or provide a removal form as required by this section shall be subject to criminal penalties pursuant to section 8.

(8) The Secretary of the Interior shall promptly promulgate regulations to implement and enforce this section and sections 5 and 6.

SEC. 5. ANNUAL REPORTS.

(a) IN GENERAL.—A purchaser of oil or natural gas from Federal lands or Indian lands shall submit annually to the Department of the Interior a report, certified as true, subject to criminal penalties, by an authorized representative of the purchaser, listing figures, reported to the purchaser by its gaugers, employees, or other representatives charged with receiving or transferring such oil or natural gas during the previous year, describing in detail transactions in which—

(1) the purchaser received more oil or natural gas than it paid for; and

(2) the purchaser received less oil or natural gas than it paid for.

(b) APPLICATION.—Subsection (a) shall apply only to transactions in which royalties accrue to the United States, an Indian tribe, or an Indian allottee.

SEC. 6. OIL AND NATURAL GAS METERS.

(a) IN GENERAL.—The Secretary of the Interior shall establish guidelines for the maintenance and inspection of on-site meters used to gauge the production and purchase of oil and natural gas on Federal lands and Indian lands.

(b) CONTENTS OF GUIDELINES.—The guidelines described in subsection (a) shall—

(1) detail minimum quality standards for such meters;

(2) ensure that all such meters will be inspected on a periodic basis; and

(3) prescribe mandatory civil penalties to be assessed against owners of meters which, upon inspection, do not meet minimum quality standards.

SEC. 7. JOINT WORKING GROUP.

The Director of the Federal Bureau of Investigation, in conjunction with the Secretary of the Interior, shall create a joint working group for the purposes of—

(1) increasing the flow of information between the Federal Bureau of Investigation and the Department of the Interior regarding thefts or reports of theft of natural resources from Indian lands; and

(2) providing training seminars conducted by experienced representatives of the Federal Bureau of Investigation for the purpose of assisting Department of the Interior personnel with their inspection and investigation duties involving natural resource theft from Indian lands.

SEC. 8. PENALTIES.

(a) VIOLATIONS RELATING TO REMOVAL FORMS.—Whoever knowingly or willfully—

(1) forges a signature on a removal form completed pursuant to this Act;

(2) submits false, misleading or inaccurate material information on such removal forms; or

(3) fails to submit removal forms or provide all material data on such removal forms as required by this Act,

shall be fined under title 18, United States Code, imprisoned not more than 5 years, or both.

(b) OTHER VIOLATIONS.—Whoever—

(1) knowingly or willfully prepares, maintains, or submits to any Federal agency false, inaccurate, or misleading reports, notices, removal forms, or other removal documents, affidavits, records, data, or other written information relating to the lease of Federal lands or Indian lands for the purpose of exploration, extraction of, or removal of oil, natural gas, or other natural resources;

(2) knowingly or willfully takes, removes, transports, uses, or diverts any oil, natural gas, or other natural resources from any lease site or Federal lands or Indian lands without legal authority; or

(3) purchases, accepts, sells, transports, or conveys to another, any oil, natural gas, or other natural resource knowing or having reason to know that such oil, natural gas, or other natural resource was stolen or unlawfully removed or diverted,

shall be fined not more than $500,000, imprisoned not more than 5 years, or both.

SEC. 9. PENALTIES FOR VIOLATION OF THE FEDERAL OIL AND GAS ROYALTY MANAGEMENT ACT.

Section 109 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1719) is amended—

(1) by amending subsections (a), (b), (c), and (d) to read as follows:

"(a)(1) Any person who—

"(A) fails or refuses to comply with any requirements of this Act (including failure to provide records within a reasonable time alter a request by the Secretary under this Act) or any mineral leasing law, any rule or regulation thereunder, or the terms of any lease or permit issued thereunder; or

"(B) fails to permit inspection authorized in section 108 or fails to notify the Secretary of any assignment under section 102(a)(2),

shall be liable for a penalty of up to $1,000 per violation for each day such violation continues, dating from the date such person is given written notice of violation by the Secretary.

"(2) A penalty under this section may not be applied to any person who is otherwise liable for a violation of paragraph (1) if the violation was discovered and reported to the Secretary or the Secretary's authorized representative by the liable person and corrected within such time as the Secretary may agree to.

"(b) If corrective action is not taken within 40 days or such longer period as the Secretary may agree to, after written notice of violation by the Secretary, such person shall be liable for a civil penalty of not more than $5,000 per violation for each day the violation continues, dating from the date of such notice.

"(c) Any person who—

"(1) knowingly or willfully fails to make any royalty payment by a date specified by statute, regulation, order, or lease term;

"(2) fails or refuses to permit lawful entry, inspection, or audit; or

"(3) knowingly or willfully fails or refuses to comply with section 102(b)(3),

shall be liable for a penalty of up to $10,000 per violation for each day the violation continues, and, at the discretion of the Secretary, cancellation of the lease to which the violation relates.

"(d) Any person who—

"(1) knowingly or willfully prepares, maintains, or submits false, inaccurate, or misleading reports, notices, removal forms, run tickets or other removal documents, affidavits, records, data, or other written information;

"(2) knowingly or willfully takes, removes, transports, uses, or diverts any oil, gas, or other natural resource from any lease site without legal authority; or

"(3) purchases, accepts, sells, transports, or conveys to another, any oil, gas, or other natural resource, knowing or having reason to know that the oil, gas, or other natural resource was stolen or unlawfully removed or diverted,

shall be liable for a penalty of up to $50,000 per violation for each day the violation continues, and, at the discretion of the Secretary, cancellation of the lease to which the violation relates."; and

(2) by inserting at the end thereof the following new subsection:

"(m)(1) The Secretary may issue an order canceling a lease on Federal lands, Indian lands, or the Outer Continental Shelf, if the Secretary determines that the lessee has failed or refused to comply with an order to

pay royalties within 30 days after issuance of a notice to the lessee of the effectiveness of such order and nonpayment.

"(2) No order canceling a lease shall be issued until the lessee has been given the opportunity for a hearing on the record.

"(3) In a proceeding to control the cancellation of a lease pursuant to an order issued under this subsection, the lessee may not assert as a defense that the order to pay royalty is invalid.".

SEC. 10. REWARDS.

Section 113 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1723) is amended by striking "with respect to any oil and gas lease on Federal lands or the Outer Continental Shelf" and inserting ", an Indian tribe, or an Indian allottee with respect to any oil, gas, or other natural resource lease of Federal lands, Indian lands, or the Outer Continental Shelf".

SEC. 11. RECORDKEEPING.

Section 103(b) of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1713) is amended by inserting at the end thereof the following new sentence:

"Nothing in this Act shall limit the authority of the Secretary to—

"(1) conduct audits after expiration of the 6-year period referred to in the preceding sentence; or

"(2) require maintenance and production of records beyond the expiration of that 6-year period, without necessity of initiating an audit.".

SEC. 12. COOPERATIVE AGREEMENTS.

(a) Section 202 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1732) is amended—

(1) by striking "Indian tribe" each place it appears and inserting "Indian tribe or duly recognized and qualified audit representative of an organization of Indian allottees"; and

(2) inserting at the end thereof the following new subsection:

"(d) The Secretary may compensate any Indian tribe or any duly recognized and qualified organization of Indian allottees for direct costs needed to participate in a cooperative agreement pursuant to this Act.".

SEC. 13. AMENDMENT OF THE FEDERAL OIL AND GAS ROYALTY MANAGEMENT ACT OF 1982 TO GOVERN REMOVAL OF NATURAL RESOURCES OTHER THAN OIL AND NATURAL GAS.

(a) Section 2(a) of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1701) is amended in paragraphs (2), (3), and (4) by striking "oil and gas" and inserting "oil, gas, and other natural resources".

(b) Section 2(b) of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1701) is amended—

(1) in paragraph (1) by striking "oil and gas" and inserting "oil, gas, and other natural resources";

(2) in paragraphs (2) and (3) by striking "oil and gas" and inserting "oil, gas, and other natural resources"; and

(3) in paragraph (4) by striking "oil and gas resources" and inserting "oil, gas, and other natural resources".

(c) Section 3 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1702) is amended—

(1) by redesignating paragraphs (5), (6), (7), (8), and (9) as paragraphs (6), (7), (8), (9), and (10);

(2) by inserting after paragraph (4) the following new paragraph:

"(4) 'gas' means any gas originating from, or allocated to, the Outer Continental Shelf, Federal, or Indian lands;";

(3) in paragraph (10), as redesignated by paragraph (1) of this subsection, by striking "or gas" each place it appears;

(4) by redesignating paragraphs (11), (12), (13), (14), (15), and (16) as paragraphs (12), (13), (14), (15), (16), (17), and (18);

(5) by inserting after paragraph (10), as redesignated by paragraph (1) of this subsection, the following new paragraph:

"(11) 'other natural resource' means chat, coal, copper, gypsum, limestone, phosphate, sand, gravel, scoria, sulfur, and other commodities formed naturally within or upon the Earth;";

(6) in paragraphs (6), (7), (9), (15), and (16), as redesignated by paragraph (1) of this subsection, by striking "oil or gas" each place it appears and inserting "oil, gas, or other natural resources"; and

(7) in paragraph (13), as redesignated by paragraph (1) of this subsection, by striking "oil and gas" and inserting "oil, gas, or other natural resource".

(d) Section 101 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1711) is amended—

(1) in subsection (a) by striking "oil and gas" and inserting "oil, gas, or other natural resources";

(2) in subsection (b)(1) by striking "oil and gas" and inserting "oil, gas, or other natural resources"; and

(3) in subsection (c) (1) and (2) by striking "oil and gas" and inserting "oil, gas, or other natural resources".

(e) Section 102 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1712) is amended—

(1) in subsection (b) (1) and (2) by striking "oil and gas" and inserting "oil, gas, or other natural resources";

(2) in subsection (c)(1) by striking "oil" each place it appears and inserting "oil or other natural resources"; and

(3) in subsection (c)(2) by striking "oil or gas" each place it appears and inserting "oil, gas, or other natural resources".

(f) Section 103 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1713) is amended—

(1) in subsection (a) by striking "oil or gas" and inserting "oil, gas, or other natural resources"; and

(2) in subsection (b) by striking "oil and gas" and inserting "oil, gas, and other natural resource".

(g) Section 104(b) of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1714) is amended by striking "oil or gas" and inserting "oil, gas, or other natural resources".

(h) Section 105(a) of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1715(a)) is amended by striking "oil or gas" each place it appears and inserting "oil, gas, or other natural resource".

(i) Section 106 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1716) is amended by striking "oil or gas" and inserting "oil, gas, or other natural resource".

(j) Section 108(a) of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1718(a)) is amended—

(1) in paragraph (1) by—

(A) striking "oil" the first place it appears and inserting "oil or another natural resource"; and

(B) striking "oil" the second place it appears and inserting "oil or other natural resource"; and

(2) in paragraph (2) by striking "oil" and inserting "oil or other natural resource".

(k) Section 111 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1721) is amended—

(1) in subsection (a) by striking "oil or gas" and inserting "oil, gas, and other natural resource"; and

(2) in subsection (b) by striking "oil or gas" and inserting "oil, gas, or other natural resource".

(l) Section 201 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1731) is amended by striking "oil or gas" and inserting "oil, gas, and other natural resource".

(m) Section 202 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1732) is amended—

(1) in subsection (a) by striking "oil or gas" and inserting "oil, gas, or other natural resource"; and

(2) in subsection (b) by striking "oil or gas" each place it appears and inserting "oil, gas, or other natural resources".

(n) Section 204(a)(1) of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1734(a)(1)) is amended by striking "oil and gas" and inserting "oil, gas, or other natural resource".

(o) Section 308 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1756) is amended by striking "oil or gas" and inserting "oil, gas, or other natural resource".

SEC. 14. LEASE STATISTICS.

The Minerals Management Service shall print annually statistics on the number of Indian tribal and allottee leases audited during the past year, the product and geographic area relating to each lease, and the frequency and causes of underpayment, if any, discovered as a result of such audits. Such statistics shall be made available to any Indian lessor upon written request by the lessor. In producing such statistics, the Minerals Management Service shall strive to provide the maximum amount of information while at the same time assuring necessary confidentiality, where appropriate, to lessors, lessees, and royalty payors.

SYNOPSIS OF PROPOSED BILL

Sec. 1. Short title: Indian Programs Reform Act of 1990.

Sec. 2. Definitions: This section sets forth specific definitions to be applied throughout the legislation in regard to natural resources, leases, Federal and Indian lands, Indian Tribes and individual allottees and similar specific terms.

Sec. 3. Transfer of functions: This section transfers to the Minerals Management Service (MMS):

a. Indian royalty distribution function from Bureau of Indian Affairs (BIA).

b. Inspection and enforcement authority over Indian leases from the Bureau of Land Management (BLM).

Sec. 4. Removal forms: Purchasers of oil and gas will provide a detailed removal form for each taking. The form will be certified as true subject to civil and criminal penalties for failure to prepare, certify and/or submit the form to the proper persons.

Sec. 5. Annual reports: Purchasers of oil and natural gas from Federal and Indian lands must submit specified annual reports to the Secretary of the Interior describing all transactions in which either more or less oil and gas were received than actually paid for.

Sec. 6. Oil and natural gas meters: The Secretary of the Interior shall establish guidelines for the maintenance and inspection of on-site meters used to gauge production and purchase of oil and gas on Federal and Indian lands.

Sec. 7. Joint working group: The Director of the FBI and the Secretary of the Interior will create a joint working group to facilitate the sharing of information on and training in the detection, investigation and prevention of fraud and theft of natural resources from Federal and Indian lands.

Sec. 8. Penalties: Felony provisions (5 years/$250,000) provided for fraud regarding removal forms. Felony provisions (5 years/$500,000) provided for: (1) other fraudulent statements or reports concerning leases for exploration, extraction or removal of natural resources from Federal or Indian lands; (2) taking, diverting, using or transporting natural resources from Federal or Indian lands (theft); and (3) sale, transfer, purchase or receipt of stolen natural resources.

Sec. 9. Penalties for violation of the Federal Oil and Gas Royalty Management Act (FOGRMA): Amends section 109 of FOGRMA:

(1) Provides civil penalties up to $1,000 per day for non compliance with mineral leasing laws and regulations or failure to permit authorized inspections. If corrective action is not taken in 40 days, the penalties escalate to not more than $5,000 per day of continuing violation. This eliminates the current 20 day "cure" period for assessment of civil penalties.

(2) Willful failure to pay a royalty due by a required date can result in a penalty of up to $10,000 per day and cancellation of the lease.

(3) Willful fraud in records or the submission of documents, illegal taking, transferring or receiving of natural resources that were stolen, or unlawfully removed or diverted can result in daily penalties up to $50,000 and cancellation of the particular lease.

(4) Gives authority to the Secretary of the Interior to issue a cancellation order on any lease on Federal or Indian lands or the Outer Continental Shelf if the lessee fails to comply with an order to pay royalties within 30 days.

Sec. 10. Rewards: Amends section 113 of FOGRMA to include rewards for information leading to the recovery of unpaid royalties due Indian Tribes or allottees.

Sec. 11. Recordkeeping: Amends section 103(b) of FOGRMA to clarify authority to require the maintenance of records and the audit of Indian and Federal leases and to do so beyond the courrent six year period.

Sec. 12. Cooperative agreements: Amends section 202 to include representatives of Indian allottees and to provide for payment of compensation for direct costs needed to participate in a cooperative agreement.

Sec. 13. Amendment of FOGRMA to govern removal of natural resources other than oil and natural gas: Amends all necessary sections of FOGRMA to expand the act's application to other natural resources such as coal and copper.

Sec. 14. Lease statistics: The MMS will be required to compile and print annual royalty statistics which will be helpful to Indian Tribes and allottees in monitoring their own royalties.●

By Mr. JOHNSTON (for himself, Mr. BENTSEN, and Mr. WIRTH):

S.J. Res. 335. Joint resolution designating July 1, 1990, as "Imported Oil Dependence Day"; to the Committee on the Judiciary.

IMPORTED OIL DEPENDENCE DAY

● Mr. JOHNSTON. Mr. President, oil imports are surging into this country in volumes that we have not experienced since the 1970's. These imports are bleeding our economy and they constitute a threat to our national security. Today I am introducing a joint resolution which would designate July 1, 1990 as Imported Oil Dependence Day.

I have deliberately proposed July 1 because it is just 3 days before the Fourth of July—the day we celebrate the independence of our country. We should be proud of our history of over 200 years of independence and freedom, but we must also be aware of forces that threaten that independence.

Our Nation's dependence on foreign oil is large and growing. In May we imported 8.5 million barrels every day—about 52 percent of our needs. Current forecasts show that we could soon be importing over two-thirds of our oil.

The bill we pay for this oil is huge. It will be about $50 billion this year. That is a $50 billion hemorrhage of money flowing out of the country. It accounts for fully one-half of our total trade deficit.

Our oil import bill is projected to grow dramatically. According to the Department of Energy, by the year 2000, it will double to $100 billion. By the year 2010, it will be over $160 billion. Let me emphasize, those are real 1990 dollars.

Personally, I think the DOE forecast is optimistic. Former Energy Secretary James Schlesinger recently testified before my committee and predicted that domestic production will decline faster than what DOE projects. The difference will be made up by more foreign oil.

We are already struggling with a high, stubborn trade deficit. We are paying for it largely by going deeper into debt and selling off our assets. There are some positive signs that our exports are expanding and this will help. But how will we ever close the trade deficit when our oil import bill doubles, then triples.

In addition to bleeding our economy, oil imports pose a security threat. We know what happens when a nation becomes too dependent on outside energy sources. We have the experience of the 1970's to reflect upon. Two oil crises drove up the price of oil and helped throw the economy into recession. In the first oil crisis, our Nation was the target of a politically inspired oil supply boycott. In the second crisis, the shortage was small but price rise was very large.

If past events do not provide sufficient warning, we should look to the more recent experience of Lithuania. That country has felt the noose of an energy cutoff tighten around its neck.

These twin problems—a bleeding economy and the energy security threat—cry out for an aggressive policy to expand our domestic energy supplies and reduce our oil imports. I propose to designate July 1 as Imported Oil Dependence Day in order to call attention to the pressing problems.

The administration seems mired in an interminable review of energy policy options. Congress has been occupied with the Clean Air Act amendments and the annual budget battles. We need to raise our level of attention to energy matters.

I am happy to report that Congress is making some progress toward mitigating the energy security threat. The Senate recently passed S. 2088, a bill that would expand the strategic petroleum reserve to 1 billion barrels. The House is considering similar legislation. Unfortunately, the administration opposes this expansion. Yet it still has offered no plan to deal with the economic and security implications of rapidly rising oil imports.

Mr. President, for all these reasons, I am introducing this joint resolution. I urge my colleagues to support it. I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 335

Whereas the health of the American economy is dependent on adequate supplies of energy at reasonable prices; and

Whereas the United States is dependent upon foreign supplies for close to fifty percent of its daily oil needs; and

Whereas that oil dependence is predicted to grow significantly in the decade to come; and

Whereas our nation's oil import bill now accounts for half of the trade deficit; and

Whereas if present trends in production and consumption continue, our nation's oil import bill could double and triple over the next ten to twenty years, and

Whereas the economic and national security of the United States and the independent conduct of America's foreign policy is threatened by high levels of oil imports: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 1, 1990 is designated "Imported Oil Dependence Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate activities promoting awareness of oil imports and the problems they pose for the nation.

Resolved further, That the Secretary of Energy is directed to issue a report to Congress on July 1 of every year indicating the extent to which the United States relied on imported oil during the previous one-year period, and the extent to which it is projected to rely on imported oil during the coming one-year period.●

ADDITIONAL COSPONSORS

S. 160

At the request of Mr. THURMOND, the names of the Senator from Mississippi [Mr. LOTT], and the Senator from Hawaii [Mr. INOUYE] were added as a cosponsors of S. 160, a bill to require the construction of a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces who served in World War II and to commemorate U.S. participation in that conflict.

S. 260

At the request of Mr. MOYNIHAN, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 260, a bill to amend the Internal Revenue Code of 1986 to make the exclusion from gross income of amounts paid for employee educational assistance programs.

S. 416

At the request of Mr. DOMENICI, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 416, a bill to provide that all Federal civilian and military retirees shall receive the full cost-of-living adjustment in annuities payable under Federal retirement systems for fiscal years 1990 and 1991, and for other purposes.

S. 513

At the request of Ms. MIKULSKI, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 513, a bill to amend chapters 83 and 84 of title 5, United States Code, to extend certain retirement provisions of such chapters which are applicable to law enforcement officers to inspectors of the Immigration and Naturalization Service, inspectors and canine enforcement officers of the U.S. Customs Service, and revenue officers of the Internal Revenue Service.

S. 874

At the request of Mr. FORD, the names of the Senator from Louisiana [Mr. BREAUX], and the Senator from Nebraska [Mr. EXON] were added as cosponsors of S. 874, a bill to establish national voter registration procedures for Presidential and congressional elections, and for other purposes.

S. 1170

At the request of Mr. INOUYE, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 1170, a bill to amend the Federal Aviation Act of 1958 to provide for the establishment of limitations on the duty time for flight attendants.

S. 1384

At the request of Mr. DASCHLE, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 1384, a bill to amend the XVIII of the Social Security Act to provide direct reimbursement under part B of Medicare for nurse practitioner or clinical nurse specialist services that are provided in rural areas.

S. 1690

At the request of Mr. DODD, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 1690, a bill to establish programs to improve foreign language instruction, and for other purposes.

S. 1808

At the request of Mr. BREAUX, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 1808, a bill to amend section 468A of the Internal Revenue Code of 1986 with respect to deductions for decommissioning costs of nuclear powerplants.

S. 1834

At the request of Mr. LIEBERMAN, the names of the Senator from New York [Mr. MOYNIHAN], and the Senator from Idaho [Mr. SYMMS] were added as cosponsors of S. 1834, a bill to recognize and grant a Federal charter to the organization known as the Supreme Court Historical Society.

S. 1911

At the request of Mr. DODD, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 1911, a bill to provide assistance in the development of new or improved programs to help younger individuals through grants to the States for community planning, services, and training; to establish within the Department of Health and Human Services an operating agency to be designated as the Administration on Children, Youth, and Families; to provide for a White House Conference on Young Americans; and for other purposes.

S. 1923

At the request of Mr. REID, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 1923, a bill to protect the rights of victims of crime and to establish a Federal victim's bill of rights for children.

S. 1981

At the request of Mr. HOLLINGS, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 1981, a bill to permit the Bell Telephone Companies to conduct research on, design, and manufacture telecommunications equipment and for other purposes.

S. 2032

At the request of Mr. COHEN, the names of the Senator from New Mexico [Mr. DOMENICI], and the Senator from Arizona [Mr. MCCAIN] were added as cosponsors of S. 2032, a bill to amend the Internal Revenue Code of 1986 to provide for a credit for health insurance expenses.

S. 2044

At the request of Mr. BIDEN, the names of the Senator from Florida [Mr. GRAHAM], the Senator from Iowa [Mr. HARKIN], and the Senator from Hawaii [Mr. AKAKA] were added as cosponsors of S. 2044, a bill to require tuna products to be labeled respecting the method used to catch the tuna, and for other purposes.

S. 2056

At the request of Mr. HARKIN, the names of the Senator from Alabama [Mr. SHELBY], and the Senator from Hawaii [Mr. AKAKA] were added as cosponsors of S. 2056, a bill to amend title XIX of the Public Health Service Act to provide grants to States and implement State health objectives plans, and for other purposes.

S. 2071

At the request of Mr. PACKWOOD, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 2071, a bill to amend the Internal Revenue Code of 1986 to provide incentives for savings and investments in order to stimulate economic growth.

S. 2112

At the request of Mr. METZENBAUM, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 2112, a bill to amend the National Labor Relations Act to prevent discrimination based on participation in labor disputes.

S. 2229

At the request of Mr. DODD, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 2229, a bill to reauthorize the Head Start Act for fiscal years 1991 through 1994, and for other purposes.

S. 2236

At the request of Mr. MCCONNELL, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 2236, a bill to amend the Housing Act of 1949.

S. 2247

At the request of Mr. GRAHAM, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of S. 2247, a bill to establish the Florida Keys National Marine Sanctuary in the State of Florida and for other purposes.

S. 2270

At the request of Mr. LIEBERMAN, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 2270, a bill to amend title 5, United States Code, to establish a pay schedule, to revise the rates of pay for Federal Fire Service personnel, and for other purposes.

S. 2283

At the request of Ms. MIKULSKI, the names of the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Hawaii [Mr. INOUYE], the Senator from Wyoming [Mr. SIMPSON], the Senator from Michigan [Mr. RIEGLE],

the Senator from Pennsylvania [Mr. HEINZ], the Senator from Maine [Mr. COHEN], and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of S. 2283, a bill to amend the Public Health Service Act to establish a program of grants for the prevention and control of breast and cervical cancer, and for other purposes.

S. 2286

At the request of Mr. HOLLINGS, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 2286, a bill to require the Secretary of Transportation to lead and coordinate Federal efforts in the development of magnetic levitation transportation technology and foster implementation of a magnetic levitation transportation system.

S. 2290

At the request of Mr. HEINZ, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 2290, a bill to amend titles II and XVI of the Social Security Act to improve widow's and widower's eligibility for insurance benefits and children's eligibility for supplemental security income benefits.

S. 2414

At the request of Mr. WILSON, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 2414, a bill to amend the Public Health Service Act to establish a program of formula grants for compensating certain trauma care centers for unreimbursed costs incurred with respect to undocumented aliens.

S. 2415

At the request of Mr. DOMENICI, the names of the Senator from Oregon [Mr. PACKWOOD], the Senator from Washington [Mr. ADAMS], the Senator from Maryland [Ms. MIKULSKI], and the Senator from Alabama [Mr. SHELBY], were added as cosponsors of S. 2415, a bill to encourage solar and geothermal power production by removing the size limitations contained in the Public Utility Regulatory Act of 1978.

S. 2489

At the request of Mr. LEAHY, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 2489, a bill to improve the nutritional health of needy Americans, to provide emergency food assistance, to authorize several vital nutrition programs, and for other purposes.

S. 2568

At the request of Mr. BIDEN, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of S. 2568, a bill to establish the Counter-Narcotics Technology Assessment Center within the Office of National Drug Control Policy, and for other purposes.

S. 2604

At the request of Mr. GRAHAM, the names of the Senator from California [Mr. WILSON] and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of S. 2604, a bill to facilitate the use of pesticides that are registered for agricultural minor uses, to establish the Inter-Regional Research Project No. 4 (IR-4 Program), and for other purposes.

S. 2675

At the request of Mr. KOHL, the names of the Senator from Kansas [Mr. DOLE] and the Senator from Maine [Mr. COHEN] were added as cosponsors of S. 2675, a bill to amend title 13, United States Code, to provide for the enumeration in the census of members of the Armed Forces assigned outside of the United States, and for other purposes.

S. 2680

At the request of Mr. BUMPERS, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 2680, a bill to provide for the relief of certain persons in Stone County, Arkansas deprived of property as a result of a 1973 dependent resurvey by the Bureau of Land Management.

S. 2688

At the request of Mr. GRAHAM, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 2688, a bill to amend section 21B of the Federal Home Loan Bank Act to provide for Resolution Funding Corporation borrowing from the Treasury.

S. 2689

At the request of Mr. HEINZ, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 2689, a bill to amend title XVIII of the Social Security Act to provide for medicare coverage of the costs of home hemodialysis staff assistance, and for other purposes.

S. 2712

At the request of Mr. DIXON, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 2712, a bill to establish a Financial Services Crime Division in the Department of Justice.

S. 2721

At the request of Mr. LIEBERMAN, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 2721, a bill to amend title 18 of the United States Code to give the Secret Service jurisdiction to assist in investigating certain financial crimes arising from the savings and loan crisis.

S. 2729

At the request of Mr. CHAFEE, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 2729, a bill to amend the Coastal Barrier Resources Act, and for other purposes.

S. 2744

At the request of Mr. KASTEN, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 2744, a bill to amend the Internal Revenue Code of 1986 to provide for a maximum long-term capital gains rate of 15 percent and indexing of certain capital assets, and for other purposes.

SENATE JOINT RESOLUTION 273

At the request of Mr. BREAUX, the names of the Senator from North Dakota [Mr. CONRAD] and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of Senate Joint Resolution 273, a joint resolution to designate the week of October 7-13, 1990 as "National Health Care Food Service Week."

SENATE JOINT RESOLUTION 279

At the request of Mr. SPECTER, the names of the Senator from Delaware [Mr. BIDEN], the Senator from Maine [Mr. COHEN], the Senator from Georgia [Mr. NUNN], the Senator from Delaware [Mr. ROTH], the Senator from Idaho [Mr. MCCLURE], the Senator from South Carolina [Mr. THURMOND], and the Senator from Oregon [Mr. PACKWOOD] were added as cosponsors of Senate Joint Resolution 279, a joint resolution to designate the week of September 16, 1990, through September 22, 1990, as "National Rehabilitation Week."

SENATE JOINT RESOLUTION 282

At the request of Mr. WILSON, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of Senate Joint Resolution 282, a joint resolution to designate the decade beginning January 1, 1990, as the "Decade of the Child."

SENATE JOINT RESOLUTION 283

At the request of Mr. CRANSTON, the names of the Senator from Hawaii [Mr. INOUYE] the Senator from Maryland [Ms. MIKULSKI], and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of Senate Joint Resolution 283, a joint resolution to commemorate the centennial of the creaton by Congress of Yosemite National Park.

SENATE JOINT RESOLUTION 284

At the request of Mr. BYRD, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of Senate Joint Resolution 284, a joint resolution to designate the week beginning September 16, 1990 as "National Give the Kids a Fighting Chance Week."

SENATE JOINT RESOLUTION 290

At the request of Mr. ARMSTRONG, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of Senate Joint Resolution 290, a joint resolution to designate the week of July 22, 1990, through July 28, 1990, as the "National Week of Recognition

and Remembrance for Those Who Served in the Korean War.

SENATE JOINT RESOLUTION 293

At the request of Mr. RIEGLE, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of Senate Joint Resolution 293, a joint resolution designate November 6, 1990, as "National Philanthropy Day."

SENATE JOINT RESOLUTION 296

At the request of Mr. SPECTER, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of Senate Joint Resolution 296, a joint resolution designating August 7, 1990, as "National Neighborhood Crime Watch Day."

SENATE JOINT RESOLUTION 299

At the request of Mr. JOHNSTON, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of Senate Joint Resolution 299, a joint resolution to designate the period October 1, 1990, through October 1, 1991, as the "Year of the Wetlands."

SENATE JOINT RESOLUTION 305

At the request of Mr. THURMOND, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Indiana [Mr. COATS], and the Senator from Kansas [Mr. DOLE] were added as cosponsors of Senate Joint Resolution 305, a joint resolution to designate the month of September 1990, as "National Awareness Month of Children with Cancer."

SENATE JOINT RESOLUTION 328

At the request of Mr. SPECTER, the names of the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Indiana [Mr. COATS], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from South Carolina [Mr. THURMOND], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Connecticut [Mr. DODD], the Senator from Rhode Island [Mr. CHAFEE], the Senator from California [Mr. CRANSTON], the Senator from Idaho [Mr. MCCLURE], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Georgia [Mr. NUNN], the Senator from Washington [Mr. ADAMS], the Senator from Alaska [Mr. STEVENS], and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of Senate Joint Resolution 328, a joint resolution designating October 1990 as "National Domestic Violence Awareness Month."

SENATE JOINT RESOLUTION 329

At the request of Mr. KASTEN, the names of the Senator from Tennessee [Mr. GORE], the Senator from Michigan [Mr. RIEGLE], the Senator from Rhode Island [Mr. PELL], the Senator from South Dakota [Mr. PRESSLER], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of Senate Joint Resolution 329, a joint resolution to designate the week of June 17, 1990 through June 23, 1990 as "National Week to Commemorate the Victims of the Famine in Ukraine, 1932-1933", and to commemorate the Ukrainian famine of 1932-1933 and the policies of Russification to suppress Ukrainian identity.

SENATE CONCURRENT RESOLUTION 127

At the request of Mr. KENNEDY, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of Senate Concurrent Resolution 127, a concurrent resolution to express the sense of Congress that Greyhound Lines, Inc., and the Amalgamated Transit Union should pursue meaningful negotiations under the auspices of the Federal Mediation and Conciliation Service and the Secretary of Labor to resolve their dispute and restore vital transportation services to American communities.

SENATE CONCURRENT RESOLUTION 134

At the request of Mr. HEINZ, the names of the Senator from Vermont [Mr. JEFFORDS], the Senator from Georgia [Mr. FOWLER], and the Senator from Hawaii [Mr. AKAKA] were added as cosponsors of Senate Concurrent Resolution 134, a concurrent resolution expressing the sense of Congress concerning a 1991 White House Conference on Aging.

AMENDMENTS SUBMITTED

NATIONAL AFFORDABLE HOUSING ACT

HEINZ AMENDMENT NO. 2023

Mr. HEINZ proposed an amendment to the bill (S. 566) to authorize a new corporation to support State and local strategies for achieving more affordable housing; to increase home ownership; and for other purposes, as follows:

At the end of the Committee amendment add the following new section:

ELDERLY HOUSING NEEDS IN THE UNITED STATES

SEC. . (a) FINDINGS.—The Congress finds that—

(1) there is a large and growing demand for suitable and affordable housing for elderly Americans;

(2) to remain independent and avoid premature placement into nursing homes, elderly persons will need adequately subsidized federally sponsored housing projects;

(3) persons 85 and over are the fastest growing segment of the elderly population and are in greater need of support services to remain independent.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress should recognize the unique needs of persons 85 and over and attempt to design Federal housing programs recognizing such needs.

HEINZ AMENDMENT NO. 2024

Mr. HEINZ proposed an amendment to amendment No. 2023 proposed by him to the bill S. 566, supra, as follows:

In lieu of the matter proposed to be inserted, insert the following:

It shall not be in order in the Senate to consider any bill dealing with the public debt, or amendment or conference report thereon if Congress has not acted to remove the OASDI revenues and expenditures from the calculation of the deficit of the United States Government pursuant to the Gramm-Rudman-Hollings Deficit Reduction Act.

NOTICES OF HEARINGS

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce for the public that a field hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests.

The field hearing will take place July 6, 1990, beginning at 10 a.m. and conclude at approximately 12 noon. The hearing will be held in the Dona Ana Branch Community College, 3400 South Espina, Las Cruces, NM.

The purpose of the hearing is to receive testimony on S. 2684, a bill to authorize a study of methods to protect and interpret the nationally significant fossil trackways found in the Robledo Mountains near Las Cruces, NM.

Because of the limited time available for the hearing, witnesses may testify by invitation only. It will be necessary to place witnesses in panels and place time limits on the oral testimony. Witnesses testifying at the hearing are requested to bring 10 copies of their testimony with them on the day of the hearing. Please do not submit testimony in advance.

Written statements may be submitted for the hearing record. It is necessary only to provide one copy of any material to be submitted for the record. If you would like to submit a statement for the record, you may send it to the Subcommittee on Public Lands, National Parks and Forests, room 364 of the Dirksen Senate Office Building, Washington, DC 20510 or Senator BINGAMAN'S office in Las Cruces, NM.

For further information regarding the hearing, please contact Alice Salcido in Senator BINGAMAN'S Las Cruces office at (505) 523-6561 or Tom Williams of the subcommittee staff at (202) 224-7145.

COMMITTEE ON SMALL BUSINESS

Mr. BUMPERS. Mr. President, I would like to announce that the Small Business Committee will hold a full committee hearing on Thursday, June 28, 1990, to examine the impact of Social Security payroll taxes on small businesses. The hearing will be held in room 428A of the Russell Senate Office Building and will commence at 9:30 a.m. For further information, please call Cesar Conda of Senator

KASTEN's office at 224-8656, or Chuck Ludlam of the committee staff at 224-5175.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. FORD. Mr. President, I would like to announce for the Senate and the public that a hearing has been scheduled before the Subcommittee on Energy Research and Development.

The purpose of the hearing is to receive testimony on the Department of Energy's uranium enrichment enterprise and the independent financial assessment prepared by Smith Barney, Harris Upham & Co.

The hearing will take place on Tuesday, June 26, 1990, at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

Those wishing to provide written testimony for the printed hearing record should send it to the Subcommittee on Energy Research and Development, U.S. Senate, Washington, DC 20510, Attn: Cheryl Moss.

For further information, please contact Cheryl Moss at (202) 224-7569.

ADDITIONAL STATEMENTS

EVERY DAY IS EARTH DAY AT MAGAHAY ELEMENTARY

● Mr. RIEGLE. Mr. President, the observance across the country of Earth Day on April 20 has inspired many people to take steps to improve our environment. I am pleased today to recognize the fourth grade class of Magahay Elementary School, in Sterling Heights, Michigan. These concerned students realized that they were throwing away an enormous amount of garbage each day after their lunch. They collected 1,589 drink containers, 878 paper bags, and 751 plastic bags. One student wrote to tell me that just one week they had enough plastic and paper bags to encircle their school twice. They determined that in one year, the 500 students at Magahay Elementary would together throw away over 30,000 drink containers, 18,000 plastic bags, and 35,000 paper bags.

As a result of their study, each student pledged to take five steps to reduce what they throw away. The pledge of one fourth grader, who wrote to me about the project, are as follows:

1. I will always bring a "Trash-free" lunch to school which contains a lunch box, tupperware for sandwiches or goodies and a thermos.
2. I will try to put less garbage in the trash can.
3. I will convince two people to recycle things so they can convince two others and it goes on.
4. Whenever someone gives me a present for my birthday, I will neatly unwrap my present and use the paper over.
5. From now on, I will plant as many trees as I can.

The students at Magahay Elementary have decided to make every day Earth Day. As their Senator, I am proud of the steps they are taking to keep our Earth a clean, healthy, and beautiful place to live. If every community, family, and individual were to follow the example of these young people, we would make great strides in protecting our fragile environment. The battle to save our planet will only be won if each individual signs up for the fight.●

STEEL SUBSIDY OF THE DAY NO. 3: ITALY

● Mr. HEINZ. Mr. President, recently I have made some remarks focusing on President Bush's efforts to build an international consensus on steel and the remaining obstacles to such an agreement. Much of the problem stems from the use of subsidies by foreign governments, and my comments today are the third in a series designed to show just how widespread this unjust practice has become. Today's subsidy comes from Italy. Despite the European Community's banning of further subsidies to its steel industry, many of its countries continue to subsidize steelmaking through regional development aid and programs in lieu of direct subsidies.

In the case of Italy, such actions are readily apparent. Only 2 months ago at the behest of the Italian Government, the EC approved $2.3 billion in aid for the State-owned steel group, Ilva, to be used to reduce outstanding debt. Furthermore, with the support of the Italian Government, Dalmine, a subsidiary of Ilva, was also granted a separate capital injection of $110 million at that same EC meeting.

Old habits die hard, Mr. President, and subsidization practices in Italy are a classic example. Yet, these practices are restricted under our bilateral consensus agreement with the EC. To insure that the playing field is level for all steelmakers, situations like this one must be addressed and future ones avoided. That is why Senator BAUCUS and I and others have introduced the Trade Agreements Compliance Act, to make sure that all U.S. trade pacts are fully implemented and properly enforced. I hope Senators will give American industry a vote of confidence by supporting this bill.●

U.S.-EASTERN EUROPE, A GESTURE OF GOODWILL

● Mr. KERRY. Mr. President, last week, I had the privilege of meeting with Pierre Balliet, vice president and director of the Houghton Mifflin Co. in Boston, who has generously donated 14,000 education textbooks to libraries and universities in Czechoslovakia.

This gesture of good will is part of a longtime effort by USIA Director Bruce Gelb and the book and library advisory committee to encourage donations from the American publishing community. Three publishers were honored by USIA for their donations: S. William Pattis, president of the National Textbook Co. Publishing Group, who as chairman of the committee has been instrumental in coordinating book donations; Robert Zeleny, senior vice president and editor-in-chief of World Book, Inc. whose company has donated 25 sets of the world book encyclopedia to USIA libraries throughout the world, and Pierrre Balliet with Houghton Mufflin. At this time, books valued at over one-half million dollars are on their way overseas. Included in the donation are encyclopedias, research and American English language texts, books on comtemporary American literature and politics, and "How To" business books.

Mr. President, I wish to bring to the attention of all Senators this extraordinary act of private diplomacy and generosity. We all owe a debt of gratitude to Mr. Balliet and the other publishing executives whose private action is an example to each of us of what can be done to build the long term relationship of goodwill between the people of the United States and the people of Eastern Europe that will be the foundation for peace and prosperity in the future.●

FLAG DESECRATION

● Mr. JOHNSTON. Mr. President, I am pleased to join in sponsoring Senate Joint Resolution 332, proposing a constitutional amendment to prohibit the physical desecration of the flag of the United States.

With this amendment we are proclaiming that our flag is more than just a piece of cloth.

It is a symbol of the values that Americans believe in.

It is a hallowed and permanent tribute to the men and women who have devoted their lives to advancing those values, who have fought for this flag, who have died for this flag, and who are buried beneath it.

It is a testament of our faith, in the dignity and nobility of the human race, a message we have carried to every corner of the globe. Even to the stars.

Finally, it is a promise to all future generations, that our commitment to liberty and justice for every citizen of the world will never die, that these stars and stripes, and the dream they represent, will endure forever.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

● Mr. HEFLIN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 for Ms. Michelle Haynes, a member of the staff of Mr. Walter J. Stewart, to participate in a program in China, cosponsored by the Far East Studies Institute and the Chinese People's Institute of Foreign Affairs, from May 23 to June 4, 1990.

The committee has determined that participation by Ms. Haynes in the program in China, at the expense of the Far East Studies Institute and the Chinese People's Institute of Foreign Affairs, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for William Mansel Long, a member of the staff of Senator HEFLIN, to participate in a program in Korea, sponsored by the Korea Economic Institute for International Economic Policy, from May 27 to June 2, 1990.

The committee has determined that participation by Mr. Long in the program in Korea, at the expense of the Korea Economic Institute for International Economic Policy, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Pamela Kruse, a member of the staff of Senator JAMES M. JEFFORDS, to participate in a program in England, funded by the British Council and cosponsored by the Liaison Group for International Educational Exchange, from May 26 to June 3, 1990.

The committee had that participation by Ms. Kruse in the program in England, at the expense of the Liaison Group for International Educational Exchange, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Mr. Mitch Bainwol, a member of the staff of Senator CONNIE MACK, to participate in a program in England, sponsored by the American Council for Young Political Leaders, from May 12 to May 18, 1990.

The committee has determined that participation by Mr. Bainwol in the program in England, at the expense of the American Council for Young Political Leaders, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Dr. Andrew K. Semmel, a member of the staff of Senator RICHARD G. LUGAR, to participate in a program in China cosponsored by the Far East Studies Institute and the Chinese People's Institute of Foreign Affairs, from May 23 to June 2, 1990.

The committee has determined that participation by Dr. Semmel in the program in China, at the expense of the Far East Studies Institute and the Chinese People's Institute of Foreign Affairs, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Mr. Ed Quick a member of the staff of Senator DAVID PRYOR, to participate in a program in China cosponsored by the Far East Studies Institute and the Chinese People's Institute of Foreign Affairs, from May 25 to June 5, 1990.

The committee has determined that participation by Mr. Quick in the program in China, at the expense of the Far East Studies Institute and the Chinese People's Institute of Foreign Affairs, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Mr. David Strauss, a member of the staff of Senator QUENTIN N. BURDICK, to participate in a program in China, cosponsored by the Far East Studies Institute and the Chinese People's Institute of Foreign Affairs, from May 23 to June 5, 1990.

The committee has determined that participation by Mr. Strauss in the program in China, at the expense of the Far East Studies Institute and the Chinese People's Institute of Foreign Affairs, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Mr. Robert N. Mottice, a member of the staff of Senator CONNIE MACK, to participate in a program in China cosponsored by the Far East Studies Institute and the Chinese People's Institute of Foreign Affairs, from May 25 to June 2, 1990.

The committee has determined that participation by Mr. Mottice in the program in China, at the expense of the Far East Studies Institute and the Chinese People's Institute of Foreign Affairs, is in the interest of the Senate and the United States.●

THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS 100TH ANNIVERSARY

● Mr. SASSER. Mr. President, today Americans enjoy more life insurance protection than ever before. If this protection was spread evenly across all families, it would mean the average American household in 1989 had $93,600 of life insurance, equal to some 28 months of disposable personal income per household. However, restricted to the 81 percent of all U.S. households which actually have some form of life insurance, the average climbs to $115,500. Life insurance and private pension reserves account for over one-third of all long-term personal savings in the United States. Many financially secure retirements are made possible by life insurance products and annuities. In total, 156 million Americans depend on life insurance for their personal financial security and for independent retirement.

Individual policyholders and their families are not the only beneficiaries of life insurance. America's cities and towns, real estate and securities industries, and the stock market—in general, any endeavor which requires capital—are significant beneficiaries of life insurance. This occurs because life insurance companies are able to circulate back into the economy policyholders' premium dollars in the form of investments. The capital then becomes available for use by other segments of the American business community to build hospitals, factories, office buildings and homes, as well as to expand and modernize public utilities, thereby creating jobs and strengthening the economy.

It is unquestioned, Mr. President, that career life underwriters—agents, managers, and general agents—are indispensable to the provision of this insurance and the effectiveness and progress of the life insurance industry and daily provide skilled and personal service of great social and economic benefit to consumers.

These life underwriters, as members of local associations of The National Association of Life Underwriters, further demonstrate their professionalism by wide-ranging involvement in their communities' well-being.

The National Association of Life Underwriters is now celebrating its century-long tradition of providing service to the public and promoting the highest ethics and professionalism among life underwriters, the historic first convention having occurred at the Parker House in Boston, on June 18, 1890.

So, Mr. President, today it is fitting that we commemorate the 100th anniversary of the National Association of Life Underwriters and commend its members, past and present, for their tireless work for the good of their profession and their communities.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. BINGAMAN. Mr. President, as citizens of the United States, we can travel or move basically anywhere we want. If a family wants to travel abroad, and has the money to do so, the major obstacle they face is obtaining permission from the host country. Likewise, if this family desires to take up residence abroad, and is law-abiding, they must receive permission from the country where they wish to live—rather than from some agency of the U.S. Government. This is so because the United States does not restrict our right of movement.

But this right is not something we should take for granted. Not every person in the world enjoys this right. For example, we all know that the Soviet Union has made stunning progress in recent years in allowing its citizens the right of movement both within and outside of its borders. For those people who have finally been granted exit visas, the years of hoping and waiting have ended. But for others, the days of waiting continue.

Today, in the Soviet city of Penza, the Sorkin family is waiting. And if the past is any indication, Roman and Svetlana Sorkin, and their three children, could be waiting for quite some time. The Sorkins have been told by Soviet authorities that they cannot leave the country until after 1995.

Roman Sorkin, a 38-year-old engineer, first applied for permission to emigrate to Israel in 1988. He was initially denied because of the secret nature of his work as a simple laborer at the Electropribor—or scientific instrument—plant in Penza from 1977 until 1983. He was denied despite the fact that when he left this work in 1983, he signed an agreement not to leave the Soviet Union until 5 years had passed. Five years did pass, Mr. President, and the Sorkins were still not allowed to leave.

Later that year, shortly before a visit to the United States by President Gorbachev, Roman Sorkin was informed by Soviet authorities that his exit visa secrecy limitations had been lifted, and that he and his family would finally be allowed to emigrate. Understandably excited, the Sorkins quit their jobs, gave up their flat and purchased five one-way airplane tickets out of the country.

A short time later, the visas were annulled. Once again, Soviet authorities cited secrecy as grounds for denial. The Sorkins were told they could leave the country not sooner than 1996.

Now I do not know if there was a link between President Gorbachev's visit to the United States and the fact that the Sorkins' visas were suddenly granted and then just as suddenly revoked. But I do know that the Sorkins are confused, angry and scared.

Recently, Svetlana Sorkin wrote in a letter to a friend outside the country, "For Jews, Russia now feels like a powder keg waiting for the right match to explode. * * * So when I ask today to do everything possible to facilitate our leaving for Israel, I ask not for me, but for my three children."

I truly hope that her analogy is an exaggerated one. But whether or not it is, the bottom line is that the Sorkins, like so many other thousands of people before them, should be allowed to emigrate.

I applaud the great progress we have seen in the Soviet human rights situation under President Gorbachev. Since 1986, his policies have allowed more than 135,000 Soviet Jews to emigrate and to finally live their lives as they choose. I only hope that President Gorbachev will extend this same basic right to the Sorkins and to the other refuseniks who remain inside the Soviet Union.

This August, 12-year-old Renata Sorkin will turn 13, which is the time for Batmitzvah. I believe there could be no better gift for her, her siblings, and her parents than the gift of freedom.●

THE CALENDAR

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration en bloc of Calendar Nos. 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 633, 634, and 635; that the bills and resolutions be deemed read a third time and passed; that the preambles be agreed to; and that the motion to reconsider the passage of these items be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURE INDEFINITELY POSTPONED

Mr. CRANSTON. Mr. President, I further ask unanimous consent that Calendar No. 632 be indefinitely postponed.

The PRESIDING OFFICER. Withouty objection, it is so ordered.

Mr. CRANSTON. I ask unanimous consent that the consideration of these calendar items appear individually in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

RETIRED ENLISTED ASSOCIATION, INC.

The bill (S. 670) to recognize the organization known as the "Retired Enlisted Association, Incorporated," was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 670

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CHARTER.

The Retired Enlisted Association, Incorprated, a nonprofit corporation organized under the laws of the State of Colorado, is recognized as such and is granted a Federal charter.

SEC. 2. POWERS.

The Retired Enlisted Association, Incorporated, (hereinafter in this Act referred to as the "corporation") shall have only those powers granted to it through its bylaws and articles of incorpration filed in the State in which it is incorporated and subject to the laws of such State.

SEC. 3. OBJECTS AND PURPOSES OF THE CORPORATION.

The objects and purposes of the corporation are those provided in its bylaws and articles of incorporation and shall include—

(1) upholding and defending the Constitution of the United States;

(2) promoting health, prosperity, and scholarship among its members and their dependents and survivors through benevolent programs;

(3) assistaing veterans and their dependents and survivors through a service program established for that purpose;

(4) improving conditions for retired enlisted service members, veterans and their dependents and survivors; and

(5) fostering fraternal and social activities among its members in recognition that cooperative action is required for the furtherance of the common interests.

SEC. 4. SERVICE OF PROCESS.

With respect to service of process, the corporation shall comply with the laws of the State in which it is incorporated and those States in which it carries on its activities in furtherance of its corporate purposes.

SEC. 5. MEMBERSHIP.

Except as provided in section 8, eligibility for membership in the corporation and the rights and privileges of members of the corporation shall be as provided in the constitution and bylaws of the corporation.

SEC. 6. BOARD OF DIRECTORS; COMPOSITION; RESPONSIBILITIES.

Except as provided in section 8, the composition of the board of directors of the corporation and the responsibilities of such board shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State in which it is incorporated.

SEC. 7. OFFICERS OF CORPORATION.

Except as provided in section 8, the positions of officers of the corporation and the election of members to such positions shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State in which it is incorporated.

SEC. 8. NONDISCRIMINATION.

In establishing the conditions of membership in the corporation and in determining the requirements for serving on the board of the directors or as an officer of the corporation, the corporation may not discriminate on the basis of race, color, religion, sex, handicap, age or national origin.

SEC. 9. RESTRICTIONS.

(a) INCOME AND ASSETS.—No part of the income or assets of the corporation may inure to the benefit of any member, officer, or director of the corporation or be distrib-

uted to any such individual during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actuall necessary expenses in amounts approved by the board of directors.

(b) LOANS.—The corporation may not make any loan to any officer, director, or employee of the corporation.

(c) SHARES OF STOCK.—The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

(d) CONGRESSIONAL APPROVAL.—The corporation shall not claim congressional approval or the authorization of the Federal Government for any of its activities by virtue of this Act.

SEC. 10. LIABILITY.

The corporation shall be liable for the acts of its officers and agents whenever such officers and agents have acted within the scope of their authority.

SEC. 11. BOOKS AND RECORDS; INSPECTION.

The corporation shall keep correct and complete books and records of account and minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep, at its principal office, a record of names and addresses of all members having the right to vote in any proceeding of the corporation. All books and records of such corporation may be inspected by any member having the right to vote in any corporation proceeding, or by any agent or attorney of such member, for any proper purpose at any reasonable time. Nothing in this seciton shall be construed to contravene any applicable State law.

SEC. 12. AUDIT OF FINANCIAL TRANSACTIONS.

The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law," approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end thereof the following:

"The Retired Enlisted Association, Incorporated.".

SEC. 13. ANNUAL REPORT.

The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as the report of the audit required by setion 2 of the Act referred to in section 12 of this Act. The report shall not be printed as a public document.

SEC. 14. RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER.

The right to alter, amend, or repeal this Act is expressly reserved to the Congress.

SEC. 15. DEFINITION OF "STATE".

For the purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and the territories and possessions of the United States.

SEC. 16. TAX-EXEMPT STATUS.

The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code of 1986. If the corporation fails to maintain such status, the charter granted by this Act shall expire.

SEC. 17. EXCLUSIVE RIGHTS TO NAMES.

The corporation shall have the sole and exclusive right to use the names "The Retired Enlisted Association, Incorporated", "The Retired Enlisted Association", "Retired Enlisted Association", and "TREA", and such seals, emblems, and badges as the corporation may lawfully adopt. Nothing in this section may be construed to conflict or interfere with established or vested rights.

SEC. 18. TERMINATION.

If the corporation shall fail to comply with any of the restrictions or provisions of this Act, the charter granted by this Act shall expire.

INTERNATIONAL VISITORS' MONTH

The joint resolution (S.J. Res. 248) to designate the month of September 1990 as "International Visitors' Month," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 248

Whereas the United States Information Agency conducts educational and cultural exchange programs that bring current and future foreign leaders to the United States, often for their first visit;

Whereas the experiences of these visitors affect attitudes and decisions regarding our country and international relations in general;

Whereas the success of these programs depends on the visitors' seeing American democracy in all its openness and diversity;

Whereas such broad and meaningful exposure requires thousands of volunteers, who open their homes, businesses, and communities to more than 5,000 visitors each year;

Whereas such volunteer efforts are coordinated by the National Council for International Visitors, comprised of 103 not-for-profit community organizations throughout the United States and 42 national programming agencies;

Whereas these international visits not only enrich the United States and the world in cultural, social, and human terms, but also provide the United States and foreign nations opportunities in international trade, commerce, and economic development; and

Whereas the continuing vitality and growing value of such programs depend upon community awareness and support: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 1990 is designated as "International Visitors' Month". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that month with appropriate ceremonies and activities.

MENTAL ILLNESS AWARENESS WEEK

The joint resolution (S.J. Res. 256) to designate the week of October 7, 1990, through October 13, 1990, as "Mental Illness Awareness Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The peamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 256

Whereas mental illness is a problem of grave concern and consequence in American society, widely but unnecessarily feared and misunderstood;

Whereas 31 to 41 million Americans annually suffer from clearly diagnosable mental disorders involving significant disability with respect to employment, attendance at school, or independent living;

Whereas more than 10,000,000 Americans are disabled for long periods of time by schizophrenia, manic depressive disorder, and major depression;

Whereas 33 percent of the homeless suffer serious, chronic forms of mental illness;

Whereas alcohol, drug, and mental disorders affect almost 19 percent of American adults in any 6-month period;

Whereas mental illness in at least 12,000,000 children interferes with vital developmental and maturational processes;

Whereas mental disorder-related deaths are estimated to be 33,000 annually, with suicide accounting for at least 29,000 of those, although the real number is thought to be at least three times higher;

Whereas our growing population of the elderly is particularly vulnerable to mental illness;

Whereas estimates indicate that 1 in 10 AIDS patients will develop dementia or other psychiatric problems as the first sign of the disease and that as many as two-thirds of AIDS patients will show neuropsychiatric symptoms before they die;

Whereas mental disorders result in staggering costs to society, estimated to be in excess of $249,000,000,000 in direct treatment and support and indirect costs to society, including lost productivity;

Whereas the Federal research budget committed to the Alcohol, Drug Abuse, and Mental Health Administration represents only about 1 percent of the direct clinical costs of caring for persons with alcohol, drug, and mental disorders;

Whereas mental illness is increasingly a treatable disability with excellent prospects for amelioration and recovery when properly recognized;

Whereas families of mentally ill persons and those persons themselves have begun to join self-help groups seeking to combat the unfair stigma of the diseases, to support greater national investment in research, and to advocate an adequate continuum of care from hospital to community;

Whereas in recent years there have been unprecedented major research developments bringing new methods and technology to the sophisticated and objective study of the functioning of the brain and its linkages to both normal and abnormal behavior;

Whereas research in recent decades has led to a wide array of new and more effective modalities of treatment (both somatic and psychosocial) for some of the most incapacitating forms of mental illness (including schizophrenia, major affective disorders, phobias, and phobic disorders);

Whereas appropriate treatment of mental illness has been demonstrated to be cost effective in terms of restored productivity, reduced utilization of other health services, and lessened social dependence; and

Whereas recent and unparalled growth in scientific knowledge about mental illness has generated the current emergence of a new threshold of opportunity for future research advances and fruitful application to

specific clinical problems: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the 7-day period beginning October 7, 1990, and ending October 13, 1990, is designated as "Mental Illness Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that week with appropriate ceremonies and activities.

WYOMING CENTENNIAL DAY

The joint resolution (S.J. Res. 271) to designate July 10, 1990 as "Wyoming Centennial Day," was considered, ordered to be engrossed for a third readng, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 271

Whereas on July 10, 1890, President Bengamin Harrison signed a proclamation admitting Wyoming as the forty-fourth State in the Union.

Whereas Wyoming is known as the Equality forty-fourth State;

Whereas Wyoming was the first State to recognize the rights of women and allow them voting privileges;

Whereas Wyoming appointed the first woman Justice of the Peace, Ester Hobart Morris, whose statue now graces the United States Capitol;

Whereas Wyoming is the home of the first national forest, the Shoshone;

Whereas Wyoming elected the first woman governor, Mrs. Nellie Tayloe Ross;

Whereas Wyoming, which represents the ideal in outdoor recreation, became the home of our Nation's first national park, Yellowstone National Park, the founding gem and is the site of the magnificent Grand Tetons;

Whereas Wyoming is also the home of America's first national monument, Devils Tower;

Whereas Wyoming is the site of the mother store of J.C. Penney's Department store in Kemmerer, founding a familiar fixture on mainstreets across America;

Whereas renowned inventor Thomas Alva Edison received the inspiration for the invention of the incandescent bulb while fishing and camping in Encampment, Wyoming;

Whereas Wyoming is home to the Nation's largest rodeo, Cheyenne Frontier Days, "the Daddy of them all";

Whereas Wyoming's beautiful mountains, trees, ranches and natural resources are appreciated nationwide;

Whereas on July 10, 1990, the State of Wyoming will see the dawn of a new century: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 10, 1990, is designated "Wyoming Centennial Day", and the President is authorized and requested to issue a proclamation acknowledging the economic, social and historic contributions of the people of Wyoming to the United States of America over the past century.

NATIONAL HEALTH CARE FOOD SERVICE WEEK

The joint resolution (S.J. Res. 273) to designate the week of October 7 through 13, 1990, as "National Health Care Food Service Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 273

Whereas health care food service is a vital function of the provision of care and treatment of hospitalized persons;

Whereas health care food service workers, chefs, dieticians, dietary assistants, and administrators work in concert with other health care professionals to provide the best possible patient care; and

Whereas the provision of nutrition and sustenance is an essential component of the care and recovery of hospitalized persons: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 7 through 13, 1990, is designated as "National Health Care Food Service Week", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe that week with appropriate ceremonies and activities.

LYME DISEASE AWARENESS WEEK

The joint resolution (S. J. Res. 276) designating the week beginning July 22, 1990, as "Lyme Disease Awareness Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 276

Whereas Lyme disease is spread by the tick species Ixodes Dammini by means of the bacterium Borrelia Burgdorferi;

Whereas these ticks are no larger than the head of a pin;

Whereas these ticks can be carried by domestic animals such as cats, dogs, and horses;

Whereas these ticks can be transferred from domestic animals to humans;

Whereas Lyme disease was first diagnosed in southeastern Connecticut and has spread to 43 States;

Whereas the Centers for Disease Control has reported more than 21,000 cases of Lyme disease since 1982;

Whereas Lyme disease is easily treated in its early stages by an oral vaccine administered by a physician (penicillin and erythromycin for young children and tetracycline for persons allergic to penicillin);

Whereas the early symptoms of Lyme disease may be a bullseye rash, severe headaches, fever, and swollen glands;

Whereas Lyme disease often mocks rheumatoid arthritis and heart disease;

Whereas if left untreated, Lyme disease can cause severe damage to the heart, brain and joints;

Whereas the best cure for Lyme disease is prevention;

Whereas prevention of Lyme disease depends upon public awareness; and

Whereas education is essential to making the general public and health care professionals more knowledgeable of Lyme disease and its debilitating side effects: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning July 22, 1990, is designated as "Lyme Disease Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs, ceremonies, and activities.

FLIGHT ATTENDANT SAFETY PROFESSIONAL'S DAY

The joint resolution (S.J. Res. 278) designating July 19, 1990, as "Flight Attendant Safety Professional's Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 278

Whereas Federal aviation regulations, since 1952, have required flight attendants on board all commercial airlines to safeguard the well-being of passengers;

Whereas flight attendants are trained to respond to medical emergencies and have assisted in saving passengers' lives in emergencies caused by strokes, heart attacks, and so forth;

Whereas flight attendants' professionalism and calmness in evacuations of crashed airplanes have saved thousands of lives that otherwise would have been lost;

Whereas flight attendants have given their lives to save passengers in emergency evacuations, sustaining an on-the-job fatality rate higher then that of police officers;

Whereas flight attendants have assisted in hundreds of in-flight emergencies due to hijackings, terrorist acts, decompressions, and severe turbulence; and

Whereas flight attendants have vigorously strived for safety improvements at their airlines and the Federal Aviation Administration and have worked diligently to educate the flying public of safety procedures: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 19, 1990, is designated as "Flight Attendant Safety Professional's Day", and the President is requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

NATIONAL D.A.R.E. DAY

The joint resolution (S.J. Res. 281) to designate September 13, 1990, as "National D.A.R.E. Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 281

Whereas D.A.R.E. (Drug Abuse Resistance Education) is a comprehensive program under which children from kindergarten through the 12th grade are taught how to resist the pressures of experimenting with drugs and alcohol;

Whereas the D.A.R.E. program provides parents and the information and techniques necessary to reinforce and further develop the decisions of their children to lead drug-free lives;

Whereas the D.A.R.E. program targets children at ages when they are most valuable to extreme peer pressure to try drugs and alcohol and teaches them how effectively to resist pressure to engage in negative behavior;

Whereas the D.A.R.E. program is now conducted in local schools in more than 2,000 communities in 49 States and in Department of Defense Overseas Dependent Schools worldwide;

Whereas more than 4,500,000 school children will be reached through the D.A.R.E. core curriculum in 1990;

Whereas, school children are sometimes more streetwise about substance abuse than are classroom teachers, the D.A.R.E. program is taught by veteran police officers having direct experience with cases involving criminal drug offenses and with people whose lives have been ruined by sustance abuse;

Whereas each police officer who teaches the D.A.R.E. program completes an 80-hour training course that includes instruction in teaching techniques, relationships between officers and schools, self-esteem development, child development, and communication skills;

Whereas the D.A.R.E. curriculum, development by the Los Angeles Police Department and the Los Angeles Unified School District, helps school children understand self-image, recognize and manage stress without using drugs or alcohol, analyze and resist media presentations about drugs and alcohol, evaluate risk-taking behavior, resist gang pressure, apply decision-making skills, and evaluate the consequences of the choices facing them;

Whereas independent research shows that the D.A.R.E. program has exceeded its goal of helping students combat peer pressure to use drugs and alcohol by contributing to improved study habits and grades, by reducing vandalism and gang activity, and by instilling greater respect for police officers; and

Whereas the D.A.R.E. program has achieved outstanding success teaching positive and effective approaches to one of the most difficult problems facing young people today, namely drug and alcohol abuse: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 13, 1990, is designated as "National D.A.R.E. Day", and the President is requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate ceremonies and activities.

NATIONAL HISTORICALLY BLACK COLLEGES WEEK

The joint resolution (S.J. Res. 285) to designate the period commencing September 9, 1990, and ending September 15, 1990, as "National Historically Black Colleges Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 285

Whereas there are 107 Historically Black Colleges and Universities in the United States;

Whreas such colleges and unversities provide the quality education so essential to full participation in a complex, highly technological society;

Whereas black colleges and universities have a rich heritage and have played a prominent role in American history;

Whereas such institutions have allowed many underprivileged students to attain their full potential through higher education; and

Whereas the achievements and goals of the Historically Black Colleges are deserving of national recognition: Now, therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing September 9, 1990, and ending on September 15, 1990, is designated as "National Historically Black Colleges Week" and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States and interested groups to observe such week with appropriate ceremonies, activities, and programs, thereby demonstrating support for Historically Black Colleges and Universities in the United States.

Mr. THURMOND. Mr. President, it gives me great pleasure to have 52 of my colleagues as cosponsors for Senate Joint Resolution 285, a joint resolution to designate the week of September 9, 1990 through September 15, 1990, as "National Historically Black Colleges Week."

This is the eighth consecutive year that I have authored this legislation.

Six of the 107 historically black colleges, namely Allen University, Benedict College, Claflin College, South Carolina State College, Morris College, and Voorhees College, are located in my home State. These colleges are vital to the higher education system of South Carolina. They have provided thousands of economically disadvantaged young people with the opportunity to obtain a college education.

Mr. President, hundreds of thousands of young Americans have received quality educations at these 107 schools. These institutions have a long and distinguished history of providing the training necessary for participation in a rapidly changing society. Historically black colleges offer to our citizens a variety of curriculums and programs through which young people develop skills and talents, thereby expanding opportunities for continued social progress.

Senate Joint Resolution 285 was reported favorably by the Judiciary Committee on Thursday, June 14, 1990. I am pleased that the Senate is considering this joint resolution today.

POLISH AMERICAN HERITAGE MONTH

The joint resolution (S.J. Res. 289) to designate October 1990 as "Polish American Heritage Month," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 289

Whereas the first Polish immigrants to North America were among the first settlers of Jamestown, Virginia in the seventeenth century;

Whereas Kazimierz Pulaski, Tadeusz Kosciuszko, and other Poles came to the British colonies in America to fight in the Revolutionary War and to risk their lives and fortunes for the creation of the United States;

Whereas Poles and Americans of Polish descent have distinguished themselves by contributing to the development of arts, sciences, government, military service, athletics, and education in the United States;

Whereas, the Polish constitution of May 3, 1791, was modeled directly on the constitution of the United States, is recognized as the second written constitution in history, and is revered by Poles and Americans of Polish descent;

Whereas Poles and Americans of Polish descent take great pride and honor the greatest son of Poland, His Holiness Pope John Paul the Second;

Whereas Poles and Americans of Polish descent and people everywhere applauded the efforts of Solidarity's leader Lech Walesa and the Polish Government in holding a Round Table conference in February-April 1989, which led to a peaceful transition to a multi-party democracy;

Whereas Americans of Polish descent and Americans take great pride in the election of Tadeusz Mazowiecki as Prime Minister of Poland;

Whereas Americans of Polish descent and Americans support the struggle of the Polish people to move towards a free-market economy; and

Whereas the Polish American Congress is observing its forty-sixth anniversary this year and is celebrating October 1990 as Polish American Heritage Month: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1990 is designated "Polish American Heritage Month", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such a month with appropriate ceremonies and activities.

NATIONAL WEEK OF RECOGNITION AND REMEMBRANCE FOR THOSE WHO SERVED IN THE KOREAN WAR

The joint resolution (S.J. Res. 290) to designate the week of July 22, 1990, through July 28, 1990, as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 290

Whereas on June 25, 1950, the Communist army of North Korea invaded and attacked South Korea, initiating the Korean War;

Whereas the week of July 22, 1990, through July 28, 1990, includes July 27, 1990, the thirty-seventh anniversary of the cease-fire agreement that ended the active combat of the Korean War;

Whereas the Korean War was brought to an end primarily through the efforts of the United States Armed Forces;

Whereas for the first and only time in history, a United Nations Command was created, with the United States as the executive agent, to repel such invasion and preserve liberty for the people of the Republic of Korea;

Whereas, in addition to the United States and the Republic of Korea, 20 other member nations provided military contingents to serve under the United Nations banner;

Whereas, after 3 years of active hostilities, the territorial integrity of the Republic of Korea was restored, and the freedom and independence of the people of Korea were assured, even to this date;

Whereas, over 5,700,000 American service men and women were involved directly or indirectly in the Korean War;

Whereas American casualties during the Korean War were 54,246 dead, of which 33,629 were battle deaths, and 103,284 wounded;

Whereas during the Korean War, 8,177 Americans were listed as missing or prisoners of war, and 329 prisoners of war are still unaccounted for;

Whereas although the Korean War has been known as the "Forgotten War" of the United States, this Nation should never forget the ultimate sacrifice made by those who fought and died in Korea for the noble and just cause of freedom;

Whereas the Congress of the United States has enacted a law authorizing the establishment of a Korean War Veterans Memorial in the Nation's Capital to recognize and honor the service and sacrifice of those who participated in the Korean War, and the President has signed such law;

Whereas increasing numbers of Korean War veterans are setting aside July 27, the anniversary date of the armistice, as a special day to remember those with whom they served and to honor those who made the supreme sacrifice in a war to preserve the ideals of freedom and independence;

Whereas on the significant anniversary of the cease-fire that started the longest military armistice in modern history, it is right and appropriate to recognize, honor, and remember the service and sacrifice of those who endured the rigors of combat and the extremes of a hostile climate under the most trying conditions; and

Whereas such service men and women prevailed to preserve the independence of a free nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of July 22, 1990, through July 28, 1990, is designated as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War"; and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities, and to urge the departments and agencies of the United States and interested organizations, groups, and individuals to fly the American flag at half staff on July 27, 1990, in honor of those Americans who died as a result of service in Korea.

NATIONAL NEIGHBORHOOD CRIME WATCH DAY

The joint resolution (S.J. Res. 296) designating August 7, 1990, as "National Neighborhood Crime Watch Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 296

Whereas neighborhood crime is of continuing concern to the American people;

Whereas the fight against neighborhood crime requires people to work together in cooperation with law enforcement officials;

Whereas neighborhood crime watch organizations are effective at promoting awareness of, and participation of volunteers in, crime prevention activities at the local level;

Whereas neighborhood crime watch groups can contribute to the national war on drugs by helping to prevent their communities from becoming markets for drug dealers;

Whereas citizens across the United States will soon take part in a "National Night Out", a unique crime prevention event which will demonstrate the importance and effectiveness of community participation in crime prevention efforts by having people spend the period from 8 to 10 o'clock p.m. on August 7, 1990, with their neighbors in front of their homes: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That August 7, 1990, is designated as "National Neighborhood Crime Watch Day", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe National Neighborhood Crime Watch Day with appropriate programs, ceremonies, and activities.

YEAR OF THE WETLANDS

The joint resolution (S.J. Res. 299) to designate the period October 1, 1990, through October 1, 1991, as "Year of the Wetlands," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 299

Whereas wetlands areas are of great importance to both the environmental and economic health of the Nation by providing the habitat essential to the support of a variety of aquatic, avian, and terrestrial wildlife, the sustenance for much of the Nation's commercial and recreational fisheries, helping reduce flood damage and mitigating water pollution, providing homes and jobs for our citizens, and supporting a number of valued recreational opportunities and many other public benefits;

Whereas the Nation has lost a significant portion of those wetlands believed to be in existence in the contiguous United States when European settlement began and losses persist and may even be increasing;

Whereas many public and private programs have been confected over the last two decades to protect and manage these valuable wetlands resources, but these programs cannot, without the active participation of the American public, protect this valuable resource;

Whereas with three out of every four acres of wetlands in the continental United States in private ownership, it is important for all Americans to understand the critical roles wetlands play in all States, the diversity of wetlands in these States and the proper means by which to conserve wetlands;

Whereas the final report of the National Wetlands Policy Forum released in November 1988 called for over one hundred actions by Federal, State, and local government to enhance wetlands protection, many of which will be considered by the Congress this year and in future years; and

Whereas a period of special emphasis on wetlands conservation will expand public awareness and knowledge of the importance and variety of wetlands and their resources in our daily lives: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1, 1990, to October 1, 1991, be designated "Year of the Wetlands", and the President is requested to issue a proclamation calling upon the people of the United States to observe this year of special emphasis with appropriate activities that promote a better understanding and awareness of our Nation's critical and invaluable wetlands resources and the appropriate means by which all Americans may be good stewards of this resource.

Mr. JOHNSTON. Mr. President, I am pleased that Senate Joint Resolution 299 which I introduced on April 24, 1990, proclaiming October 1, 1990–October 1, 1991, as "Year of the Wetlands" was unanimously reported out of the Judiciary Committee and is now before the full Senate. I urge the Senate's approval of this measure.

Wetlands are a vital resource in the United States because of their impact on both the environmental and economic health of our Nation. This Year of the Wetlands would be instrumental in providing the public with a working knowledge of wetlands.

The Nation is now beginning to realize that wetlands do provide a wealth of values to society. One great value that many people do realize is that wetlands create habitats for many forms of fish and wildlife. Some of these animals spend their entire lives in wetlands while others use it mainly for reproduction and nursery grounds. Marshes and swamps are frequented by a variety of fish and wildlife for food and drinking water.

Fish populations are dependent on both inland and coastal wetlands. Approximately two-thirds of the major U.S. commercial fishes depend on estuaries and salt marshes for nursery or spawning grounds. Some of these fish

that are probably familiar to you, Mr. President, are bluefish, sea trout, striped bass, and mullet. Most of these fish are found in the coastal marshes along the Atlantic and gulf coasts while many salmon species are found in the Pacific Northwest. Freshwater fishes are also wetlands dependent for survival.

Waterfowl and other birds are dependent on wetlands for breeding grounds, overwintering areas and feeding grounds. Salt marshes along the Atlantic coast are used for nesting by birds such as black ducks, blue-winged teals, and seaside sparrows. The Nation's inland wetlands are most noted for waterfowl production, although they also serve as important resting areas for various migrating birds. The principal breeding area for waterfowl in the United States is the Prairie Pothole Region of the Dakotas. Examples of these pothole nesters include mallard, pintail, and blue-winged teal. Other birds such as blackbirds, spotted sandpipers, and sparrows also nest in these wetlands.

Another significant value of wetlands is that of environmental quality. They help to maintain good water quality by removing nutrients, processing chemical, and organic wastes and reducing sediment loads of water. Obviously, clean waters are important to man, yet they are also important to aquatic life. Other functions of wetlands are flood conveyance, barriers to waves and erosion and flood storage.

The need to increase public awareness was recognized by the national wetlands policy forum in 1988 in the final report that group issued. Indeed, the report found that

> Much of the public, including many landowners, continues to lack information and understanding of the functions and value of wetlands, the appropriate techniques for protecting and managing them, the economic and other advantages of protecting them, and even where such information can be found.

The report recommended that a major outreach effort be undertaken by public and private groups to expand education programs about the location of our wetlands, the diversity of values these areas hold, and how to protect them. For such an outreach program to be effective, we must have a central focal point. Designating October 1, 1990, through October 1, 1991, as the Year of the Wetlands will provide that focus and will give us the impetus to get started in earnest.

The next decade presents us with opportunities and challenges as we seek a coordinated, thoughtful strategy for the environment. No challenging is greater than finding a way to conserve our national wetlands resources, and we will only be successful if we understand the complexity of this issue and develop a consensus on the need to protect this resource. This resolution and the opportunities it presents can help us take the first step in meeting this challenge.

Mr. STEVENS. Mr. President, I support Senator JOHNSTON's effort to focus attention on our Nation's wetland resources by designating 1991 as the "Year of the Wetlands." Given the level of recent attention to and conflict about wetlands protection and development, Senator JOHNSTON's resolution is well timed.

Two features of Alaska's wetlands should be reflected in this initiative and the ensuing wetlands policy that will develop next year.

The first is Alaska's abundance of wetlands. Alaska has more total wetlands than the other 49 States put together. We have 170 millions acreas. The other States combined have only 105.6 million areas of wetlands. Any national wetlands policy must reflect this fact.

It must also recognize that only 80,000 acres of Alaska's wetlands have been lost. The rest of the country has drained, filled, or otherwise lost approximately 119 million acres of this resource. In order to grow, Alaskans—including our Native corporation wetland owners—need to be able to responsibly use their wetlands resources without a time consuming or costly burden. A national policy and the means that implements it should reflect the disproportionally large amount of wetlands Alaska is fortunate enough to contain. It should also reflect the need Alaskans to use this resource.

Will the educational efforts of the Year of the Wetlands examine and reflect on these Alaskan conditions toward developing a national wetlands policy?

Mr. JOHNSTON. Yes. I believe it will. Although the resolution focuses on the wetlands situation in the contiguous 48 States, Alaska's circumstances will not be forgotten in this educational effort. It will reflect your State's wetland circumstances and conditions, including the large amount of wetlands in Alaska. Alaskans should be recognized for their stewardship of the State's wetlands resource. I believe the wetlands initiative will show that Alaska should not be hamstrung by an inflexible national wetlands policy.

Mr. STEVENS. The other feature of Alaska's wetlands that I hope your initiative will bring into focus and help to account for in a national wetlands policy is the large portion of Government land ownership in my State.

This is really a critical issue for my State. Eighty-seven percent of Alaska is owned by the Federal or State government. Native corporations own 11.5 percent of the Alaska's land area—land given to them to settle their Native claims. That leaves about 1.5 percent of the entire State in private ownership. Much of it is wetlands and owned by individual landowners. This is the only land that Alaska has on which to grow—land where homes, churches, small businesses, medical facilities, and infrastructure will be built.

Although the resolution does not specifically mention the nature of private wetland ownership in Alaska, will the wetland initiative draw this type of unique characteristic out as well?

Mr. JOHNSTON. Yes it will. You have raised an important point. The proportion of land in Alaska owned by the Government is quite high compared to other States. Part of the reason I introduced this resolution designating 1991 as the Year of the Wetlands was to call attention to such circumstances in Alaska and across the country. Only when all of the facts associated with the Nation's varying wetland circumstances are assessed can an intelligent wetlands policy be shaped.

Mr. MURKOWSKI. Mr. President, I congratulate my colleague on his initiative with respect to our Nation's wetlands. I believe a period of national focus on wetlands values and wetlands conservation is very important and timely.

As you may be aware, Mr. President, Alaska has its own set of wetlands related problems that need to be considered. The main problem in Alaska is not a scarcity of wetlands, it is an overabundance of them. Over 74 percent of the nonmountainous area in my State could be classified as wetlands. This amounts to 170 million acres of wetlands in Alaska. In additoin, Mr. President, 99.95 percent of these wetlands are, and will remain intact as the vast majority of these wetlands areas are protected by the Federal and State land management agencies.

I would bring to your attention three of the many unique elements of Alaska's wetlands.

The interior and North Slope of Alaska is tundra and muskeg, underlain by permafrost. This means, Mr. President, that the ground is frozen immediately below the surface forming a dam which prevents soil drainage.

This land does not serve the same habitat functions or values as wetlands that have been lost in the contiguous 48 States. In fact, some studies indicate that dry upland sites which have been created in these vast wetlands are preferred habitat areas for local wildlife.

Many communities in Alaska are completely surrounded by wetlands. This means that any additional development, such as small medical clinic, a house or what have you, would necessarily impact wetlands.

As stewards of their own land, Alaskans have an acute understanding of the delicate relationship that exists

between the wise use of its natural resources and the maintenance of ecological stability. Will the Year of the Wetlands initiative focus on the very unique aspects of Alaska's wetlands resource, help educate all of us on the wide range of values represented in these wetlands areas and the ways in which people may live and work in these vast wetlands areas while preserving the integrity of the wetlands system as a whole?

Mr. JOHNSTON. The answer to the Senator's question is an emphatic yes. I have been fortunate enough to visit the tundra several times, as the Senator knows. One cannot really begin to appreciate the vastness and uniqueness of that wetland area until one makes that visit. Among other issues, the Year of the Wetlands activities will surely focus on the unique tundra wetlands as well as the unique coastal wetlands in my own State of Louisiana.

We in Louisiana are blessed with abundant coastal wetlands that, unfortunately, are perhaps the only eroding and subsiding wetlands in our Nation. We are losing miles of wetlands each year. A permanent solution to this problem will depend in part on the development of a national consensus that can only result from focus and public education efforts like those comtenplated for the Year of the Wetlands.

Mr. MURKOWSKI. Mr. President, I thank the Senator and join him in supporting this important and timely designation of the period from October 1, 1990, to October 1, 1991, as the "Year of the Wetlands."

JEWISH COMMUNITY CENTER MONTH

The joint resolution (S.J. Res. 300) to designate September 1990 as "Jewish Community Center Month," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 300

Whereas Jewish Community Centers are large and complex cultural, social, and recreational institutions dedicated to preserving the identity and well-being of a vital and vibrant segment of the United States;

Whereas there are than two hundred Jewish Community Centers, branches, and camps serving a clientele of more than one million people across the continent;

Whereas Jewish Community Centers feature programs and services for all age groups, from infants through the elderly, and for people with disabilities and special needs;

Whereas Jewish Community Centers serve as gathering places for Jews of all denominations and offer a rich and varied program of Jewish educational and cultural opportunities;

Whereas the first Jewish Community Centers in North America came into being during the second half of the nineteenth century to provide social, recreational, and intellectural activities for a small and relatively settled Jewish community in the United States;

Whereas these centers, first called Young Men's Hebrew Associations and then Young Men's and Women's Hebrew Associations, primarily offered opportunities for young men and women to meet through reading and athletic clubs;

Whereas, as the nineteenth century progressed into the twentieth and the United States became a haven for hundreds of thousands of Jews fleeing the oppression and pogroms of Eastern Europe, Jewish Community Centers turned their energies and attention to the enormous task of acculturating the new immigrants, teaching them English and the meaning of United States citizenship;

Whereas after the influx diminished and Jews continued to contribute to virtually every segment of society, Jewish Community Centers evolved once again into institutions dedicated to preserving Jewish identity and continuity through educational, cultural, social, and recreational programming; and

Whereas, as Jewish Community Centers enter their second century of providing service, under the continuing leadership of the Jewish Welfare Board, now known as the Jewish Community Centers Association of North America, it is most fitting that we recognize their important contribution to the fabric of life in the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 1990 is designated as "Jewish Community Center Month", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the month with appropriate ceremonies and activities.

NATIONAL BREAST CANCER AWARENESS MONTH

The joint resolution (S.J. Res. 301) designating October 1990 as "National Breast Cancer Awareness Month" was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 301

Whereas breast cancer will strike an estimated 150,000 women and 900 men in the United States in 1990;

Whereas one out of every ten women will develop breast cancer at some point in her life;

Whereas the risk of developing breast cancer increases as a woman grows older;

Whereas breast cancer is the second leading cause of cancer death in women, killing an estimated 43,000 women and 300 men in 1989;

Whereas the 5-year survival rate for localized breast cancer has risen from 78 percent in the 1940s to over 90 percent today;

Whereas most breast cancers are detected by the woman herself;

Whereas educating both the public and physicians about the importance of early detection will result in reducing breast cancer mortality;

Whereas appropriate use of screening mammography, in conjunction with clinical examination and breast self-examination, can result in the detection of many breast cancers early in their development and increase the survival rate to nearly 100 percent;

Whereas data from controlled trials clearly demonstrate that deaths from breast cancer are significantly reduced in women over the age of 40 by using mammography as a screening tool;

Whereas women do not have mammograms for a variety of reasons, such as the cost of testing, lack of information, and fear;

Whereas access to screening mammography is directly related to socioeconomic status;

Whereas increased awareness about the importance of screening mammography will result in the procedure being regularly requested by the patient and recommended by the health care provider; and

Whereas it is projected that more women will use this lifesaving test as it becomes increasingly available and affordable: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1990 is designated as "National Breast Cancer Awareness Month", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the month with appropriate programs and activities.

NATIONAL DRUG-FREE SCHOOLS AND COMMUNITIES EDUCATIONAL AWARENESS DAY

The joint resolution (S.J. Res. 304) to designate October 17, 1990, as "National Drug-Free Schools and Communities Educational Awareness Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 304

Whereas one in every two high school seniors who graduated in 1989 used an illegal drug before graduating.

Whereas the Congress recognizes that drug abuse exists among people in all geographic areas, of all socioeconomic classes, and of all ethnic and racial groups.

Whereas the Congress recognizes that education and public awareness regarding the dangers of drug abuse are necessary to prevent the children and young people of this National from entering into cycles of drug abuse.

Whereas the Congress recognizes that members of a community must unite and work together to address the drug abuse problem that this Nation confronts: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 17, 1990, is designated as "National Drug-Free Schools and Communities Education and Awareness Day", and the President is requested to issue a proclamation calling upon the people of the United States, depart-

ments and agencies of State and local governments, and interested organizations to observe such day with appropriate ceremonies, activities, and programs.

NATIONAL HUNTINGTON'S DISEASE AWARNESS MONTH

The joint resolution (S.J. Res. 308) to designate the month of June 1990, as "National Huntington's Disease Awarness Month," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 308

Whereas 25,000 Americans are victims of Huntington's Disease, a fatal, hereditary, neurological disorder;

Whereas an additional 125,000 Americans have a 50 percent chance of inheriting the gene responsible for Huntington's Disease from an affected parent, and are considered to be "at-risk" for the disease;

Whereas tens of thousands of other Americans experience the destructive effects of the disease, including suffering from the social stigma associated with the disease, assuming the difficult role of caring for a loved victim of the disease, witnessing the prolonged, irreversible physical and mental deterioration of a loved one, and agonizing over the death of a loved one;

Whereas at present there is no cure for Huntington's Disease and no means available to retard or reverse the effects of the disease;

Whereas a victim of the later stages of Huntington's Disease invariably requires total personal care, the provision of which often results in devastating financial consequences for the victim and the victim's family;

Whereas recent advances in the field of molecular genetics have enabled scientists to locate approximately the gene-site responsible for Huntington's Disease;

Whereas many of the novel techniques resulting from these advances have also been instrumental in locating the genesites responsible for familial Alzheimer's Disease, manic depression, kidney cancer and other disorders;

Whereas increased Federal funding of medical research could facilitate additional advances and result in the discovery of the cause and chemical processes of Huntington's Disease and the development of strategies to stop and reverse the progress of the disease;

Whereas Huntington's Disease typifies other late-onset, behavoral genetic disorders by presenting the victim and the victim's family with a broad range of biomedical, psychological, social, and economic problems; and

Whereas in the absence of a cure for Huntington's Disease, victims of the disease deserve to live with dignity and be regarded as full and respected family members and members of society; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of June 1990, is designated as "National Huntington's Disease Awarness Month", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such month with appropriate programs, ceremonies, and activities.

NATIONAL CRITICAL CARE AWARENESS WEEK

The joint resolution (S.J. Res. 312) designating the week of November 12, 1990, through November 18, 1990, as "National Critical Care Awareness Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 312

Whereas the people of the United States are not sufficiently aware of the special medical needs of the critically ill and injured;

Whereas a family member must often act as the spokesperson for a critically ill or injured patient by providing important information about the patient and often by making decisions regarding the treatment of such patient;

Whereas critical care is a rapidly expanding and challenging area of life-saving medicine which is practiced in such places as intensive care units, trauma centers, burn units, coronary care units, and neonatal and pediatric intensive care units;

Whereas critical care units are often vital to the survival of patients in life-threatening conditions;

Whereas since nurses play an essential role in administering critical care treatment, the current shortage of nurses in the United States could have a devastating impact on the access and quality of care for patients experiencing life-threatening conditions;

Whereas the provision of critical care raises new and complex ethical, social, economic, and legal issues which will require the involvement of health care professionals, public policy makers, and the general public; and

Whereas the Foundation for Critical Care, the Society of Critical Care Medicine, and the American Association of Critical-Care Nurses are dedicated to improving the care of critically ill and injured patients through research and education; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of November 12, 1990, through November 18, 1990, is designated as "National Critical Care Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs and activities.

NATIONAL CHILDREN'S DAY

The joint resolution (S.J. Res. 316) to designate the Second Sunday in October 1990, as "National Children's Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 316

Whereas the people of the United States should celebrate children as the most valuable asset of the Nation;

Whereas children represent the future, hope, and inspiration of the United States;

Whereas the children of the United States should not be allowed to feel that their ideas and dreams will be stifled because adults in the United States do not take time to listen;

Whereas many children face crises of grave proportions, especially as they enter adolescent years;

Whereas it is important for parents to spend time listening to their children on a daily basis;

Whereas modern societal and economic demands often pull the family apart;

Whereas encouragement should be given to families to set aside a special time for all family members to remain at home;

Whereas adults in the United States should have an opportunity to reminisce on their youth to recapture some of the fresh insight, innocence, and dreams that they may have lost through the year;

Whereas the designation of a day to commemorate the children of the United States will provide an opportunity to emphasize to children the importance of developing an ability to make the choices necessary to distance themselves from impropriety;

Whereas the designation of a day to commemorate the children of the Nation will emphasize to the people of the United States the importance of the role of the child within the family;

Whereas the people of the United States should emphasize to children the importance of family life, education, and spiritual qualities; and

Whereas parents, teachers, and community and religious leaders should celebrate the children of the United States, whose questions, laughter, and tears are important to the existence of the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the second Sunday in October of 1990 is designated as "National Children's Day", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the day with appropriate ceremonies and activities.

NATIONAL RADON ACTION WEEK

The joint resolution (S.J. Res. 317) to designate the week of October 14, 1990, through October 20, 1990, as "National Radon Action Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 317

Whereas exposure to radon poses a serious threat to the health of the people of this Nation;

Whereas the Environmental Protection Agency estimates that lung cancer attributable to radon exposure causes approximately twenty thousands deaths a year in the United States;

Whereas the United States has set a long-term national goal of making the air inside buildings as free of radon as the ambient air;

Whereas excessively high levels of radon in homes and schools can be reduced suc-

cessfully and economically with appropriate treatment;

Whereas only about 2 percent of the homes in this Nation have been tested for radon levels;

Whereas the people of this Nation should be educated about the danges of exposure to radon; and

Whereas people should be encouraged to conduct tests for radon in their homes and schools and to make the repairs required to reduce excessive radon levels: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 14, 1990, through October 20, 1990, is designated as "National Radon Action Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that week with appropriate ceremonies and activites.

NATIONAL LITERACY DAY

The joint resolution (S.J. Res. 320) designating July 2, 1990, as "National Literacy Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 320

Whereas literacy is a necessary tool for survival in our society;

Whereas thirty-five million Americans today read at a level which is less than necessary for full survival needs;

Whereas there are twenty-seven million adults in the United States who cannot read, whose resources are left untapped, and who are unable to offer their full contribution to society;

Whereas illiteracy is growing rapidly, as two million three-hundred thousand persons, including one million two-hundred thousand legal and illegal immigrants, one million high school dropouts, and one hundred thousand refugees, are added to the pool of illiterates annually;

Whereas the annual cost of illiteracy to the United States in terms of welfare expenditures, crime, prison expenses, lost revenues, and industrial and military accidents has been estimated at $225,000,000,000;

Whereas the competitiveness of the United States is eroded by the presence in the workplace of millions of Americans who are functionally or technologically illiterate;

Whereas there is a direct correlation between the number of illiterate adults unable to perform at the standard necessary for available employment and the money allocated to child welfare and unemployment compensation;

Whereas the percentage of illiterates in proportion to population size is higher for blacks and Hispanics, resulting in increased economic and social discrimination against these minorities;

Whereas the prison population represents the single highest concentration of adult illiteracy;

Whereas one million children in the United States between the ages of twelve and seventeen cannot read above a third grade level, 13 per centum of all seventeen-year-olds are functionally illiterate, and 15 per centum of graduates of urban high schools read at less than a sixth grade level;

Whereas 85 per centum of the juveniles who appear in criminal court are functionally illiterate;

Whereas the 47 per centum illiteracy rate among black youths is expected to increase;

Whereas one-half of all heads of households cannot read past the eighth grade level and one-third of all mothers on welfare are functionally illiterate;

Whereas the cycle of illiteracy continues because the children of illiterate parents are often illiterate themselves because of the lack of support they receive from their home environment;

Whereas Federal, State, municipal, and private literacy programs have only been able to reach 5 per centum of the total illiterate population;

Whereas it is vital to call attention to the problem of illiteracy, to understand the severity of the problem and its detrimental effects on our society, and to reach those who are illiterate and unaware of the free services and help available to them; and

Whereas it is also necessary to recognize and thank the thousands of volunteers who are working to promote literacy and provide support to the millions of illiterates in need of assistance: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 2, 1990, is designated as "National Literacy Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

NATIONAL AGRICULTURAL RESEARCH WEEK

The joint resolution (S.J. Res. 321) to designate the week of August 19 through 25, 1990, as "National Agricultural Research Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 321

Whereas sections 520 and 526 of the Revised Statutes (7 U.S.C. 2201 and 2204) placed primary responsibility for scientific experimentation in agriculture within the Department of Agriculture and provided the basis for developing the modern nationwide coopertive agricultural research system;

Whereas past public commitments to agricultural research in the United States have provided the scientists and facilities essential to making successful technological advances in agricultural science;

Whereas United States consumers have been the major beneficiaries of agricultural research, which has enabled consumers to obtain a broad array of food, fiber, and forest products unsurpassed in affordability, availability, quality, safety, and convenience; and

Whereas the agricultural production and marketing system of the United States faces urgent challenges, including increased international competition for markets, consumer demands for healthier and safer foods, adjustments posed by the uncertainties of climatic change, appeals to conserve the natural resources and protect the environment of the United States, and the need to improve the economic well-being of rural areas within the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) the week of August 19, 1990 through August 25, 1990, is designated as "National Agricultural Research Week"; and

(2) the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the week with appropriate ceremonies and activities.

RELIGIOUS FREEDOM WEEK

The joint resolution (S.J. Res. 331) to designate the week of September 23 through 29, 1990, as "Religious Freedom Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 331

Whereas the principle of religious liberty was an essential part of the founding of the Nation, and must be safeguarded with eternal vigilance by all men and women of goodwill;

Whereas religious liberty has been endangered througout history by bigotry and indifference;

Whereas the first amendment to the Constitution guarantees the inalienable rights of individuals to worship freely or not be religious, as they choose, without interference from governmental or other agencies;

Whereas the Constitution ensures religious freedom to all of the people of the United States;

Whereas at Touro Synagogue in 1790, President George Washington issued his famous letter declaring "to bigotry no sanction, to persecution no assistance";

Whereas the Touro Synagogue letter advocating the doctrine of mutual respect and understanding was issued more than 1 year before the adoption of the Bill of Rights;

Whereas the letter of President Washington and the Touro Synagogue have become national symbols of the commitment of the United States to religious freedom;

Whereas thoughout the history of the Nation, religion has contributed to the welfare of believers and of society generally, and has been a force for maintaining high standards for morality, ethics, and justice;

Whereas religion is most free when it is observed voluntarily at private initiative, uncontaminated by Government interference and unconstrained by majority preference; and

Whereas religious liberty can be protected only through the efforts of all persons of goodwill in a united commitment: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) the week of September 23 through 29, 1990, is designated as "Religious Freedom Week"; and

(2) the President is authorized and requested to issue a proclamation calling on the people of the United States, including members of all faiths or none, to join together in support of religious tolerance and religious liberty for all, and to observe the week with appropriate activities.

NATIONAL JOB SKILLS WEEK

The joint resolution (S.J. Res. 333) to designate the week of September 30, 1990 through October 6, 1990, as "National Job Skills Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 333

Whereas the ability to maintain an internationally competitive and productive economy and a high standard of living depends on the development and utilization of new technologies;

Whereas new technologies required skills that are currently unavailable in the national workforce;

Whereas experts in both public and private sectors predict that a shortage of skilled entry-level workers will exist through the remainder of the twentieth century;

Whereas young people in the United States are experiencing higher than normal unemployment rates due to the lack of skills necessary to perform entry-level jobs that are currently available;

Whereas young people in the United States will continue to experience higher than normal unemployment rates unless such young people develop the skills necessary to perform the entry-level jobs that become available;

Whereas workers in the United States, threatened by dislocation due to plant closures and industrial relocation, need special training and education to prepare for new jobs and new opportunities; and

Whereas a National Job Skills Week would serve to focus attention on present and future workforce needs, to encourage public and private cooperation in job training and educational efforts, and to highlight the technological changes underway in the workplace: Now, therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 30, 1990, through October 6, 1990, is designated as "National Job Skills Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

BICENTENNIAL OF CIVIL GOVERNMENT IN THE TERRITORY OF TENNESSEE

The joint resolution (H.J. Res. 555) to commemorate the bicentennial of the enactment of the law which provided civil government for the territory from which the State of Tennessee was formed, was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

RYAN WHITE COMPREHENSIVE AIDS RESOURCES EMERGENCY ACT

Mr. CRANSTON. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 2240.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House insist upon its amendments to the bill (S. 2240) entitled "An Act to amend the Public Health Service Act to provide grants to improve the quality and availability of care for individuals and families with HIV disease, and for other purposes," and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. DINGELL, Mr. WAXMAN, Mr. ROWLAND of Georgia, Mr. LENT, and Mr. MADIGAN be the managers of the conference on the part of the House.

Mr. CRANSTON. Mr. President, I move the Senate disagree in the House amendments, agree to a request for a conference; and that the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion. The motion was agreed to, and the Chair appointed Senators KENNEDY, PELL, METZENBAUM, DODD, HATCH, COATS, and JEFFORDS conferees on the part of the Senate.

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY, JUNE 19, 1990

MORNING BUSINESS; RECESS FROM 12:30 P.M. TO 2:15 P.M.

Mr. CRANSTON. Mr. President, on behalf of the majority leader, I ask unanimous consent that when the Senate complete its business today, it stand in recess until 9:30 a.m., Tuesday, June 19, that following the time for the two leaders there be a period for morning business not to extend beyond 10 a.m., with Senators permitted to speak therein for up to 5 minutes each; and that the Senate stand in recess from 10:30 p.m. until 2:15 p.m. in order to accommodate the respective party conferences.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. CRANSTON. Mr. President, there being no further business on either side of the aisle and no Senator seeking recognition, I now ask unanimous consent that the Senate stand in recess under the previous order until 9:30 a.m., tomorrow.

There being no objection, the Senate, at 6:26 p.m., recessed until June 19, 1990, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 18, 1990:

IN THE AIR FORCE

THE FOLLOWING PERSON FOR RESERVE OF THE AIR FORCE APPOINTMENT, IN THE GRADE INDICATED, UNDER THE PROVISIONS OF SECTION 593, TITLE 10, UNITED STATES CODE, WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF SECTION 8067, TITLE 10, UNITED STATES CODE, TO PERFORM THE DUTIES INDICATED.

MEDICAL CORPS

To be lieutenant colonel

CHARLES T. WALLACE, xxx-xx-xxxx

THE FOLLOWING AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR PROMOTION IN THE RESERVE OF THE AIR FORCE UNDER THE PROVISIONS OF SECTIONS 593 AND 8379, TITLE 10 OF THE UNITED STATES CODE. PROMOTIONS MADE UNDER SECTION 8379 AND CONFIRMED BY THE SENATE UNDER SECTION 593 SHALL BEAR AN EFFECTIVE DATE ESTABLISHED IN ACCORDANCE WITH SECTION 8374, TITLE 10 OF THE UNITED STATES CODE. (EFFECTIVE DATE FOLLOWS SERIAL NUMBER).

LINE OF THE AIR FORCE

To be lieutenant colonel

MAJ. STEPHEN E. ABSHIER, xxx-xx-xxxx 2/3/90
MAJ. KENNETH E. AMOS, xxx-xx-xxxx 3/11/90
MAJ. JOHN V. ANKENY, xxx-xx-xxxx 2/20/90
MAJ. RALPH H. BASLER JR., xxx-xx-xxxx 3/8/90
MAJ. THOMAS L. BENE JR., xxx-xx-xxxx 3/12/90
MAJ. ROBERT J. BLACHLEY, xxx-xx-xxxx 3/14/90
MAJ. JAMES A. CAMPBELL, xxx-xx-xxxx 3/4/90
MAJ. PAUL E. DAVENPORT, xxx-xx-xxxx 3/9/90
MAJ. DALE A. DULL, xxx-xx-xxxx 3/24/90
MAJ. RICHARD T. DURANT, xxx-xx-xxxx 3/12/90
MAJ. MARK S. FUNAIOLE, xxx-xx-xxxx 3/14/90
MAJ. PAUL E. GAYSO, xxx-xx-xxxx 3/6/90
MAJ. LONNIE C. GOODSON, xxx-xx-xxxx 3/8/90
MAJ. WILLIAM E. HODGE, xxx-xx-xxxx 3/8/90
MAJ. THOMAS C. HRUBY, xxx-xx-xxxx 3/9/90
MAJ. CHARLES G. KECK, xxx-xx-xxxx 3/11/90
MAJ. DENNIS L. LOMBARD, xxx-xx-xxxx 1/29/90
MAJ. STEPHEN G. MCCORMICK, xxx-xx-xxxx 3/3/90
MAJ. MICHAEL L. MCKINNEY, xxx-xx-xxxx 3/16/90
MAJ. DENNIS E. MURRAY, xxx-xx-xxxx 3/16/90
MAJ. KENNETH J. OBRIEN, xxx-xx-xxxx 1/4/90
MAJ. RICHARD V. OSTROGORSKY, xxx-xx-xxxx 3/14/90
MAJ. EDWARD W. REICH, xxx-xx-xxxx 1/27/90
MAJ. JERRY F. RESSA, xxx-xx-xxxx 3/1/90
MAJ. GREGORY J. SALL, xxx-xx-xxxx 3/14/90
MAJ. NOEL C. SIRABELLA, xxx-xx-xxxx 3/8/90
MAJ. STEVEN C. SPEER, xxx-xx-xxxx 3/16/90
MAJ. TERRENCE L. THILMONY, xxx-xx-xxxx 3/9/90
MAJ. GARY W. WALKER, xxx-xx-xxxx 3/12/90
MAJ. RICHARD P. WENGER, xxx-xx-xxxx 2/10/90
MAJ. KIRK T. WESTERVELT, xxx-xx-xxxx 3/20/90
MAJ. CHARLES E. WHITWORTH, xxx-xx-xxxx 3/3/90

MEDICAL CORPS

MAJ. SONJA M. JOHNS, xxx-xx-xxxx 2/10/90
MAJ. DAVID A. PERDZOCK, xxx-xx-xxxx 2/1/90
MAJ. KENNARD B. SPROUL, xxx-xx-xxxx 3/3/90

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN ACCORDANCE WITH SECTIONS 624 AND 628, TITLE 10, UNITED STATES CODE. THE OFFICER IDENTIFIED WITH AN ASTERISK IS ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE:

MEDICAL CORPS

To be colonel

*DAVID L. MICHAELS, xxx-xx-xxxx

To be major

FRANK P. CIAMPI, xxx-xx-xxxx
GREGORY A. LOGSDON, xxx-xx-xxxx
CORNELIUS C. MAHER, III, xxx-xx-xxxx
DALE B. SMITH, xxx-xx-xxxx
LEO D. TUCKER II, xxx-xx-xxxx
THOMAS R. WALSH, xxx-xx-xxxx

THE FOLLOWING-NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN ACCORDANCE WITH SECTIONS 624, TITLE 10, UNITED STATES CODE. THE OFFICERS INDICATED BY ASTERISK ARE ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE:

DENTAL CORPS

To be colonel

JAMES W. CARTWRIGHT, xxx-xx-xxxx
GEORGE CHRISTENSEN, xxx-xx-xxxx
RALPH H. CIVJAN, xxx-xx-xxxx
DAVID B. CLEM, xxx-xx-xxxx
WILLIAM R. CORBIN, xxx-xx-xxxx
LESTER R. HENDERSON, xxx-xx-xxxx
TIMOTHY J. HOBBS, xxx-xx-xxxx
LOUIS, R. HOLLINGER, xxx-xx-xxxx
DEAN B. KELLER, xxx-xx-xxxx
STEPHEN B. KERN, xxx-xx-xxxx
JAMES D. KOONCE, xxx-xx-xxxx
ROBERT E. OBRIEN, xxx-xx-xxxx
MICHAEL P. RETHMAN, xxx-xx-xxxx
JACK C. STEWART, xxx-xx-xxxx
DOUGLAS R. VERHOFF, xxx-xx-xxxx

CHAPLAIN

To be lieutenant colonel

JACK N. ANDERSON, xxx-xx-xxxx
FRANCISCO BELTRAN, xxx-xx-xxxx
*JAMES K. BLUETT, xxx-xx-xxxx
BRUCE L. BURSLIE, xxx-xx-xxxx
MERLE R. DECH, xxx-xx-xxxx
DAVID M. DEDONATO, xxx-xx-xxxx
WILLIAM J. DELEO, xxx-xx-xxxx
ANDREW J. DEMBICKI, xxx-xx-xxxx
LAWRENCE R. FENTON, xxx-xx-xxxx
MARK E. FENTREES, xxx-xx-xxxx
GEORGE G. GARNER, xxx-xx-xxxx
WILLARD D. GOLDMAN, xxx-xx-xxxx
WILLIAM L. GRAHAM, xxx-xx-xxxx
WILLIAM H. HAMMANN, xxx-xx-xxxx
CARLTON HARPER, xxx-xx-xxxx
*TOMMY H. MARLOWE, xxx-xx-xxxx
GRANT H. MCALLISTER, xxx-xx-xxxx
JAMES B. MCCOY, xxx-xx-xxxx
MYRON A. PICKETTS, xxx-xx-xxxx
DAVID F. ROBERTS, xxx-xx-xxxx
LOWELL G. RODDY, xxx-xx-xxxx
KENNETH M. RUPPAR, xxx-xx-xxxx
LOUIE G. SCALES, xxx-xx-xxxx
KENNETH SCHROEDER, xxx-xx-xxxx
ARTHUR E. SKINNER, xxx-xx-xxxx
DONALD J. SPENCE, xxx-xx-xxxx
LARRY A. WALKER, xxx-xx-xxxx
KARL K. WILLOUGHBY, xxx-xx-xxxx

DEPARTMENT OF COMMERCE

TIMOTHY JOHN MCBRIDE, OF MICHIGAN, TO BE AN ASSISTANT SECRETARY OF COMMERCE, VICE MICHAEL PHILIP SKARZYNSKI.

OFFICE OF PERSONNEL MANAGEMENT

STEPHEN D. POTTS, OF MARYLAND, TO BE DIRECTOR OF THE OFFICE OF GOVERNMENT ETHICS FOR A TERM OF 5 YEARS, VICE FRANK Q. NEBEKER, RESIGNED.

CONFIRMATIONS

Executive Nominations Confirmed by the Senate June 18, 1990:

DEPARTMENT OF JUSTICE

RICHARD J. HANKINSON, OF VIRGINIA, TO BE INSPECTOR GENERAL, DEPARTMENT OF JUSTICE.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

ROBERT H. CLELAND, OF MICHIGAN, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF MICHIGAN.

DEPARTMENT OF JUSTICE

JIMMY C. CARTER, OF GEORGIA, TO BE U.S. MARSHAL FOR THE SOUTHERN DISTRICT OF GEORGIA FOR THE TERM OF 4 YEARS.

GARY E. SHOVLIN, OF TEXAS, TO BE U.S. MARSHAL FOR THE MIDDLE DISTRICT OF PENNSYLVANIA FOR THE TERM OF 4 YEARS.

EXTENSIONS OF REMARKS

SELECT COMMITTEE TO INVESTIGATE FINANCIAL INSTITUTION FRAUD, MISMANAGEMENT, OVERSIGHT AND SUPERVISION

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 18, 1990

Mr. KANJORSKI. Mr. Speaker, I want to share with my colleagues the text of House Resolution 414, a resolution I have introduced to create a Select Committee to Investigate Financial Institution Fraud, Mismanagement, Oversight and Supervision.

After serving on the Banking Committee for the past three terms, the last two of which have been spent investigating the unfolding savings and loan disaster, I have come to the conclusion that this disaster is far greater than any one standing committee can handle.

Banking Committee Chairman HENRY GONZALEZ and subcommittee Chairman FRANK ANNUNZIO have both done an exemplary job of trying to bring to light the myriad details that are associated with the savings and loan crisis. However, competing demands for the attention of any standing committee, constraints in legislative funding, and lack of investigate staff have prevented us from providing a full explanation to our colleagues and to the public.

The American public is crying out for an understanding of what has already become the largest financial disaster in our history, and we as legislators have a responsibility to understand it ourselves and to explain it properly. Before we can ensure the President's statement of "Never again," we need a thorough investigation of what happened, how it happened, and what we need to do to prevent it from happening again.

I am proposing the establishment of a select committee modeled after the Iran-Contra Committee, consisting of 15 members with expertise from several committees with jurisdiction over the issues. The select committee's investigative activities and its hearings would lay out for the public, in an easy to follow manner, the causes and consequences of the savings and loan disaster. This would lead to a report which makes conclusions and issues recommendations for future action.

These are critical questions which demand thorough, comprehensive, and timely answers and solutions. This issue will not go away. We are already seeing the earlier projected costs of this disaster skyrocketing to unbelievable new levels. Nor have we seen the end of the seemingly ever growing list of failed S&L's. For the good of the Nation, we must act now to face this problem.

The text of my resolution, House Resolution 414, follows:

H. RES. 414

Resolved, That (1) There is hereby created a Select Committee to Investigate Financial Institution Fraud, Mismanagement, Oversight and Supervision, to be composed of fifteen Members of the House to be appointed by the Speaker, one of whom he shall designate as chairman, and one of whom he shall designate as vice chairman. Any vacancy occurring in the membership of the select committee shall be filled in the same manner in which the original appointment was made. The select committee is authorized and directed to conduct a full and complete investigation and study, and to make such findings and recommendations to the House as the select committee deems appropriate, including those concerning the amendment of existing legislation or the enactment of new legislation regarding the following matters:

(a) The extent to which fraud, mismanagement and conflicts of interest by or among officers, directors, consultants or employees of financial institutions, or any other individuals or entities, have or may contribute to losses to federal or state deposit insurance funds,

(b) The adequacy of federal and state investigation and prosecution of fraud and mismanagement at federally insured and state insured financial institutions.

(c) The adequacy of actions by the Executive Branch to recover the costs to the U.S. Treasury resulting from fraud, mismanagement and violations of federal banking laws and regulations,

(d) The extent to which the ability to recover the cost to the U.S. Treasury resulting from fraud, mismanagement and violations of federal banking laws and regulations is hindered by inadequate resources, or untimely investigations or prosecutions,

(e) The extent of which economic factors have or may contribute to losses to federal or state deposit insurance funds,

(f) The extent to which financial activities permitted by states to state chartered institutions, but not permitted to federally chartered institutions, have or may contribute to losses to federal or state deposit insurance funds,

(g) The extent to which financial activities permitted by the federal government have or may contribute to losses to federal or state deposit insurance funds,

(h) The extent to which changes in federal deposit insurance have or may contribute to losses to federal deposit insurance funds, and whether or not any changes in the scope or nature of federal deposit insurance are warranted,

(i) The extent to which federal or state bankruptcy laws have or may contribute to losses at financial institutions or federal or state deposit insurance funds, or may make it more difficult to recover funds from individuals who are found guilty of violating federal banking law or regulations, and whether or not any changes in federal or state bankruptcy laws are warranted,

(j) The causes and consequences of any inadequate or improper oversight, supervision or examination of state chartered financial institutions by state regulatory agencies, and the extent to which such activities have or may contribute to losses to federal or state deposit insurance funds,

(k) The causes and consequences of any inadequate or improper oversight, supervision or examination of federally chartered or insured financial institutions by federal regulatory agencies, and the extent to which such activities have or may contribute to losses to federal or state deposit insurance funds,

(l)(1) The accuracy and timing of Executive Branch estimates and representations to the Congress of the magnitude and extent of problems at federally insured financial institutions,

(2) The consequences of any inaccurate estimates and representations on the final cost to the U.S. Treasury of resolving these problems, and

(3) The extent to which any inaccurate estimates and representations were willful or intentional,

(m) The final anticipated cost to the U.S. Treasury of resolving problems at, or meeting its obligations to insured depositors at, federally insured financial institutions,

(n) Whether additional public or private resources are necessary to resolve current and anticipated problems at federally insured financial institutions, and if so, the most equitable way to apportion those costs,

(o) The past, present and future disposition of failed financial institutions and their assets,

(p) The direct or indirect ramifications on the U.S. economy of the multi-billion dollar expenditure for resolving problems at our nation's federally insured financial institutions,

(q) The direct or indirect ramifications on the U.S. economy associated with disruptions in the real estate market which have or may result from the failure of federally or state insured financial institutions or the disposition of assets from those institutions,

(r) The direct or indirect ramifications on financial intermediaries associated with disruptions in the economy which have or may result from the failure of federally or state insured financial institutions or the disposition of assets from those institutions, and the health of our remaining financial institutions in general,

(s) In connection with the matters described in this section, the implications for non-insured financial intermediaries of the failure of federally or state insured financial institutions, and the health of our non-insured financial intermediaries in general,

(t) All matters relating directly or indirectly to the foregoing.

(2) One-third of the members of the select committee shall constitute a quorum for the transaction of business other than the reporting of a matter, which shall require a majority of the committee to be actually present, except that the select committee may designate a lesser number, but not less than two, as a quorum for the purpose of holding hearings to take testimony. When a quorum for any particular purpose is present, general proxies may be counted for that purpose. The select committee may sit while the House is reading a measure for

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

amendment under the five-minute rule. The rules of the House shall govern the select committee where not inconsistent with this resolution. The select committee shall adopt additional written rules, which shall be public, to govern its procedures, which shall not be inconsistent with this resolution or the rules of the House. Such rules may govern the conduct of the depositions, interviews, and hearings of the select committee, including the persons present.

(3) The select committee is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, or in any other country, whether the House is in session, has recessed, or has adjourned; to require, by subpoena or otherwise, the attendance and testimony of such witnesses, the furnishing of information by interrogatory, and the production of such books, records, minutes, correspondence, files, memoranda, paper, documents, calendars, recordings, data compilations from which information can be obtained, tangible objects, and other things and information of any kind as it deems necessary. Unless otherwise determined by the select committee the chairman, upon consultation with the ranking minority member, or the select committee, shall authorize and issue subpoenas. Subpoenas shall be issued under the seal of the House and attested by the Clerk, and may be served by any persons designated by the chairman or any member. Provisions may be included in the rules and process of the select committee to prevent the disclosure of committee demands for information. The select committee may request investigations, reports, and other assistance from any agency of the executive, legislative, and judicial branches of the Federal Government.

(4) The chairman, or in his absence the vice chairman, or in their absence a member designated by the chairman, shall preside at all meetings and hearings of the select committee. All meetings and hearings of the committee shall be conducted in open session, unless a majority of members of the select committee voting, there being in attendance the requisite number required for the purpose of hearings to take testimony, vote to close a meeting or hearing. Pursuant to rule XI(3)(f)(2), coverage of testimony of subpoenaed witnesses will be limited at their request, unless a majority of members of the select committee voting, there being in attendance the requisite number required for the conduct of business, vote otherwise.

(5) The chairman, upon consultation with the ranking minority member, may employ and fix the compensation of such clerks, experts, consultants, technicians, attorneys, investigators, and clerical and stenographic assistants as it considers necessary to carry out the purposes of this resolution. No more than three such staff may receive compensation corresponding to Executive Level IV. The select committee shall be deemed a committee of the House for all purposes of law, including rule XI(2)(n), and sections 6005, 1505, and 1621 of title 18, section 192 of title 2, 1754(b)(1)(B)(ii) of title 22, and section 734(a) of title 31, United States Code. The select committee may reimburse the members of its staff for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the select committee, other than expenses in connection with meetings of the select committee held in the District of Columbia. Staff of the House or joint committees, at the direction of their Members, committee chairmen, or the Speaker, as appropriate, and upon request of the select committee, may serve as associate staff to the select committee for designated purposes. Associate staff shall be deemed staff of the select committee to the extent necessary for those designated purposes.

(6) Unless otherwise determined by the select committee the chairman, upon consultation with the ranking minority member, or the select committee, may authorize the taking of affidavits, and of depositions pursuant to notice or subpoena, by a Member or by designated staff, under oath administered by a Member or a person otherwise authorized by law to administer oaths. Deposition and affidavit testimony shall be deemed to have been taken in Washington, DC, before the select committee once filed there with the clerk of the committee for the committee's use. Unless otherwise directed by the committee, all depositions, affidavits, and other materials received in the investigation shall be considered nonpublic until received by the select committee, except that all such material shall, unless otherwise directed by the committee, be available for use by the Members of the select committee in open session.

(7) Pursuant to sections 6103(f)(3) and 6104(a)(2) of title 26, United States Code, for the purpose of investigating the subjects set forth in this resolution and since information necessary for this investigation cannot reasonably be obtained from any other source, the select committee shall be specifically authorized to inspect and receive any tax return, return information, or other tax-related material, held by the Secretary of the Treasury, related to individuals and entities named by the select committee as possible participants, beneficiaries, or intermediaries in the activities or transactions under investigation. As specified by section 6103(f)(3) of title 26, United States Code, such materials and information shall be furnished in closed executive session.

(8) The select committee shall be authorized to respond to any judicial or other process, or to make any applications to court, upon consultation with the Speaker consistent with rule L.

(9) The select committee may submit to any committee of the House specific matters within their jurisdiction, and may request that such committees pursue such matters further. Committees pursuing such requested inquiries may, in turn, receive the continuing assistance, consistent with the select committee's own jurisdiction, of the select committee's legal process, personnel, and records. Committees which pursue or have pursued inquiries, during the previous or current Congress, within the subjects of the select committee investigation shall furnish the select committee with copies of all testimony and documents.

(10) The select committee shall provide other committees and Members of the House with access to its information and proceedings: *Provided,* That the select committee may require that access to particular matters or classes of matter shall be consistent with rule XLVIII(7)(c)(2): *And provided further,* That the select committee may direct that particular matters or classes of matter shall not be made available to any person by its members, staff, or others, or may impose any other restriction. The select committee may require its staff to enter nondisclosure agreements, and its chairman, in consultation with the ranking minority member, may require others, such as counsel for witnesses, to do so. The Committee on Standards of Official Conduct may investigate any unauthorized disclosure of such classified information by a Member, officer, or employee of the House or other covered person upon request of the select committee. If, at the conclusion of its investigation, the Committee on Standards of Official Conduct determines that there has been a significant unauthorized disclosure, it shall report its findings to the House and recommend appropriate sanctions for the Member, officer, employee, or other covered person consistent with rule XLVIII(7)(e) and any committee restriction, including nondisclosure agreements.

(11) Authorized expenses of the select committee for investigations and studies, including for the procurement of the services of individual consultants or organizations, thereof, and for training of staff, shall be paid from the contingent fund of the House upon vouchers signed by the chairman and approved by the Speaker.

(12) The select committee shall report to the House the final results of its investigation and study, together with such recommendatons for legislation or other matters as it deems advisable, unless the House directs otherwise. Following the filing of its final report, it shall have one month before the authority herein shall expire in order to close its affairs, including provision of assistance to committees pursuing remaining inquiries, transmittal of records to other communities, and storage of its remaining records by the Clerk of the House.

TRIBUTE TO REV. RICHARD C. WELSH

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 18, 1990

Mr. BONIOR. Mr. Speaker, I rise today to pay tribute to a dedicated individual. Rev. Richard C. Welsh. Reverend Welsh is celebrating his 30th year as a priest.

Richard Welsh was born October 8, 1934, in Ferndale, MI. He attended St. James school in Ferndale until his senior year of high school. His senior year and his college undergraduate work was done at Sacred Heart Seminary in Detroit. He then obtained his theological training at St. John Provincial in Plymouth, MI. He has a masters degree in psychology from the University of Detroit, as well.

Richard Welsh was ordained a priest on June 4, 1960. Father Welsh offered his first mass at his home parish of St. James in Ferndale. He has served our Lady Queen of Peace in Harper Woods. St. Anthony in Belleville, St. Anne in Warren and St. Kieran in Utica. Father Welsh has also served as chaplain of St. Joseph Hospital in Pontiac as well as Our Lady of the Hills in Troy. He then became director of pastoral care at St. Joseph East and West Hospitals in Mount Clemens. For the past 4 years he has served as pastor of Holy Innocents in Roseville.

I commend Reverend Welsh on his inspirational leadership. He is a touchstone in our community and will long be remembered as a true friend.

AN OPEN LETTER TO THE PRESIDENT AND CONGRESS

HON. RICHARD K. ARMEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 18, 1990

Mr. ARMEY. Mr. Speaker, I want to commend this incisive letter addresed to Congress and the President which centers on the elimination of waste, fraud, and abuse within the Federal budget to my colleagues.

[From the Washington Post, May 13, 1990]

AN OPEN LETTER TO THE PRESIDENT AND THE CONGRESS

The only precondition—cut government waste.

Budget negotiations are beginning this week with "no preconditions."

But there should be one precondition on the agenda for the talks—eliminating government waste.

In January 1990, on national television, Charles A. Bowsher, head of the General Accounting Office (Congress' investigative agency) estimated that the federal government squanders $180 billion of the taxpayers' money each year through waste, fraud and mismanagement.

The notion that deficits are caused by low taxes is a complete falsehood. In fiscal 1990, federal revenues will increase by $80 billion as a result of economic growth. We have chronic deficits because, while income tax revenues have grown by 8% a year during the past decade, Congress has increased spending by 11% a year.

Any tax increases you agree to now won't solve the deficit.

Any new taxes will just disappear down the sinkhole of government waste.

Here are just a few examples of government waste that must be cut.

1. IRS Fails to Collect $87 Billion in Delinquent Taxes—Is it really necessary for all Americans to pay more in taxes so some people don't have to pay the back taxes, penalties and interest they already owe?

2. Defense Department Inventory of $29 Billion in Unneeded Spare Parts—There's $13 billion of unrequired aircraft parts in the Air Force and $3.7 billion of unneeded Navy ship and submarine parts. All told, there's $29 billion of such material at DOD. Why should taxpayers pay more in taxes while DOD squanders our money?

3. $22 Billion in Losses From Poor Financial Management. The General Accounting Office reported material weaknesses in 17 major federal agencies in their financial management and internal controls, including $12 billion at the Commodity Credit Corporation, $6 billion at the Export-Import Bank, and $4 billion at the Department of Veterans' Affairs. In the private sector, these agencies would be in serious financial trouble, perhaps, in bankruptcy. Should taxpayers be willing to pay more for such mismanagement?

There are smaller examples as well, including $2 billion wasted each year to keep open obsolete military bases; $830 million in double subsidies to irrigate land which the government is paying farmers not to plant; and $40 million for Forest Service logging road subsidies which help privately-owned companies.

Government waste is now a national scandal. Before we have another savings and loan crisis or another debacle at a federal department like the loss of $8 billion at Housing and Urban Development, it is time to act.

Citizens Against Government Waste has just released a new list showing how you can cut waste without raising taxes—over $280 billion worth of waste in five years.

CAGW's 350,000 members are right now flooding Capitol Hill with letters demanding action to eliminate government waste.

What's more, in town meetings across America, The Action Group to Save America's Economy has found wide-spread grassroots support for cutting the deficit by first cutting government waste.

But despite these reports and others from the General Accounting Office, Inspectors General, Congressional Budget Office and the Office of Management and Budget, the issue of eliminating waste is still not on the national agenda, and it's not on the budget summit table.

It should be.

As a matter of basic fairness to American taxpayers, the elimination of waste must be moved to the top of the agenda during all negotiations on reducing the deficit.

In a recent Wirthlin poll, taxpayers were asked what their priorities would be in reducing the deficit. Eliminating government waste was the top choice of 64% of those polled, with 27% choosing cuts in defense spending, 4% supporting cuts in domestic programs, and only 2% calling for increase taxes.

The American people don't want more taxes. They know there's enough government waste to prevent a tax increase.

We propose the following action plan:

Appoint a bipartisan council of skilled private sector and public investigative leaders to pull out the most critical waste-cutting recommendtions from already identified sources and propose implementing legislation for the FY 1991 budget.

Appoint a Chief Financial Officer to make sure federal agencies carry out the waste-cutting plan and implement uniform government-wide accounting procedures.

Give the President the line-item veto to help prevent billions of dollars in future wasteful spending.

Respectfully,

Action Group to Save America's Economy,
HARRY E. FIGGIE, JR.,
Chairman.

Citizens Against Government Waste,
J. PETER GRACE,
Co-Chairman,
JACK ANDERSON,
Co-Chairman,
ALAN L. KEYES,
President.

FREEDOM OF EXPRESSION?

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 18, 1990

Mr. HUBBARD. Mr. Speaker, the Courier-Journal, a daily newspaper in Louisville, KY, publishes many articles and editorials about freedom of expression and campaign finance reform for Federal elections.

These are two issues important to Members of Congress.

Yesterday, the lead editorial in this Louisville newspaper, defending the rights of those among us who love to burn and desecrate our flag, included this sentence: "For those voters who mindlessly equate the Flag with patriotism, these candidates may prove effective." The candidates referred to are U.S. Senator MITCH MCCONNELL and his 1990 challenger Dr. Harvey Sloane.

I include a portion of my letter to the editor of the Courier-Journal which responds to a very lengthy article by reporter Mike Brown which appeared in the newspaper Sunday, June 10. My letter was received by The Courier-Journal last Thursday. At 4:35 p.m. last Friday, Edward Bennett, editor of the newspaper's Forum section, called to inform me through Joey Lucas, my projects assistant and press secretary, that the letter would not appear this Sunday, June 17, but next Sunday, June 24 in a condensed version. This seems ironic considering that Mike Brown's article contained approximately 600 more words than my letter to the editor.

Incredulously, Ed Bennett told Joey Lucas that he and Mike Brown would like to know from me the names of the Congressmen whose expenditures are listed in my letter to the editor. Surely these two veteran newspapermen are aware that Federal Election Commission reports are available to the public.

If The Courier-Journal editors were more consistant with their policy of freedom of expression, they should run my letter to the editor in its entirety.

HOUSE OF REPRESENTATIVES,
Washington, DC, June 12, 1990.

LETTER TO THE EDITOR,
Readers' Forum, The Courier-Journal,
West Broadway, Louisville, KY.

TO THE EDITOR: There is not a week that goes by without several Kentuckians mentioning to me the long-time animosity of The Courier-Journal toward Carroll Hubbard.

Selective criticism of me while ignoring what other Kentuckians in Congress are doing is nothing new for The C-J writers.

Even during my first term in Congress, The C-J was featuring on the front page my purchase of a home in McLean, VA., which The C-J emphasized cost a lot more than the one I owned in Mayfield, Kentucky. No other member of the Kentucky congressional delegation has ever become newsworthy by borrowing money to buy a home in the Washington area except Carroll Hubbard.

If 100 readers of The C-J were asked which two members of the Kentucky congressional delegation received the most negative press from your newspaper, surely all 100 would answer Carroll Hubbard and Jim Bunning.

Congressman Bunning has protested your unfairness in the past and was quoted in your May 27 Sunday magazine as saying, "My idea of hell would be reading The Courier-Journal every day."

Anyone who reads your newspaper realizes Mike Brown obviously has several in the Kentucky congressional delegation he adores. Mike Brown's contempt for me during the ten years he's been in your Washington office is well-known by readers of your newspaper and many people in Washington.

Through the years I have complained to Barry Bingham, Jr., George Gill, David Hawpe, Keith Runyon, Mark Provano, Hunt Helm and others at The C-J about the ongoing vendetta of Mike Brown. Nothing changes.

I actually don't enjoy writing letters to the editor and it has been a long time since I've written to The C-J.

Last Sunday's lengthy article by Mike Brown, featured on pages one and four of your Forum section, is typical Mike Brown reporting. The article was headlined "Politicians find some interesting uses for campaign funds."

Well, which politicians are Mike Brown's targets this time? No surprise, it's Carroll Hubbard and Jim Bunning again. To try to make readers think his article is balanced, Mike Brown mentions one non-controversial expenditure by each of two others in the Kentucky congressional delegation—U.S. Reps. Harold "Hal" Rogers ($360) and Larry Hopkins ($324).

I'm not seeking to embarrass any of my colleagues in the Kentucky congressional delegation, but I submit to your readers some of the campaign expenditures for 1989 and through May 9 of this year (the time period which was chosen by Mike Brown) which were not reported last Sunday. As you read each of the following, ask why these expenditures by campaign committees of members of the Kentucky congressional delegation were not of interest to Mike Brown.

First, $66,865.94 paid out in campaign expenditures (as "Payroll" and "Fundraising Expenses") to an individual listed in the quarterly Report of the Clerk of the House as a part-time congressional employee.

Second, $29,587.88 in 1989 to Maryland Bank of Wilmington, Delaware, and listed repeatedly as "travel expenses." No itemization is listed.

Third, $5,923.49 ("Payroll") from the campaign committee to the congressman's "legislative director" and another $2,581.26 in salary to a "special assistant" in his Washington office.

Fourth, reimbursements to one Member of Congress of $19,648.25 "for travel, lodging, postage, telephone, stationery, etc." in 1989.

Fifth, payments to one Member of Congress' MasterCard account for a total of $6,455.06 for "Travel and subsistence." No itemization is listed.

Sixth, one Kentuckian's campaign committee paid $710 to Boggs Lane Liquor, Richmond, Kentucky.

The fact is that since none of the above involved Carroll Hubbard or Jim Bunning, in Mike Brown's eyes they were not worth mentioning in his lengthy article last Sunday.

In 1988, Mike Brown made it news that my legislative/press assistant Lawrence Ford went on my campaign payroll ($943) for just the month of May.

Last Sunday marked the third time Mike Brown reported that my campaign committee spent "$3,000 for a portrait of Hubbard's father to hang in the congressman's Washington office." The portrait, honoring the man whose good name in western Kentucky was the No. 1 reason I was first elected to Congress, was paid for in full for more than 16 months ago.

Think about it. If Congressman Carrol Hubbard had paid a federal employee $66,865.94 from Jan. 1, 1989-May 9, 1990, in campaign expenditures, would Mike Brown have reported it?

And, oh, wouldn't Mike Brown have had a field day on your page A-1 with an article if the Carroll Hubbard for Congress Committee had spent $710 at "Boggs Lane Liquor, Richmond, Ky."!

Sincerely,

CARROLL HUBBARD,
U.S. Representative,
First District—Kentucky.

HONORING JANE D. GAWRONSKI, PH.D., SUPERINTENDENT OF THE WEST COVINA UNIFIED SCHOOL DISTRICT

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 18, 1990

Mr. TORRES. Mr. Speaker, it is my distinct honor to rise today and recognize an outstanding individual, Dr. Jane D. Gawronski, superintendent of the West Covina Unified School District. On Tuesday, June 19, 1990, Dr. Gawronski will be honored at a special reception as she will move on from her current position with the school district.

Dr. Gawronski has been superintendent of the West Covina Unified School District since 1987. During her tenure, she assisted the school district in obtaining an emergency appropriation from the State legislature and developed and implemented a fiscal recovery plan to repay the emergency appropriation. In addition, Dr. Gawronski has been instrumental in implementing school consolidations that improved programs for students. For example, upon surveying staff and community assessments on school effectiveness, a new organizational structure was implemented at a new high school and a new middle school was opened.

Dr. Jane D. Gawronski has had a lifelong relationship with the field of education. She obtained a bachelor of science degree in mathematics from the State College at Boston in 1962. By 1964, she completed her M.Ed. degree at the University of Idaho and by 1971, Dr. Gawronski had completed her Ph.D. in mathematics education at the University of Minnesota. Her teaching experience is extensive and includes the university level, high school, and junior high school.

In West Covina, Dr. Gawronski's community involvement includes active membership and participation in the Lions Club, the chamber of commerce, and the coordinating council. She has also been actively involved with the 2100 Club of the Queen of the Valley Hospital, the San Gabriel Valley YWCA, and a number of other organizations within and around the community of West Covina.

Dr.Gawronski, is a versatile and capable teacher and administrator. She is a truly committed educator of high caliber. To complement her list of outstanding achievements, Dr. Gawronski has also done extensive publishing, presenting, and consulting, in the area of mathematics and computers, as they relate to education.

It is due to her dedication and competence in the field of education that the community of West Covina has truly benefited from her service. The West Covina Unified School District and I wish her well in her future challenges.

Mr. Speaker, at this time I ask that my colleagues join me in saluting an educator, a fine lady, and my good friend, Dr. Jane D. Gawronski, for her invaluable achievements and contributions to the West Covina Unified School District.

COMMEMORATING THE DEDICATION OF THE FRED K. ROBINSON ADMINISTRATIVE CENTER

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 18, 1990

Mr. FAZIO. Mr. Speaker, on the eve of the dedication of the Fred K. Robinson Administrative Center, I rise today to pay special tribute to Mr. Robinson, a product of the Sacramento school system who went on to become a distinguished educator and administrator of the Sacramento School District.

In honor of his life-long pursuit of educational excellence, the North Sacramento School District's Board of Trustees recently passed a resolution which I would like to submit to the record at this time.

NORTH SACRAMENTO SCHOOL DISTRICT
RESOLUTION No. 1134

Whereas, Fred K. Robinson's life and career represent a living history of the North Sacramento School District's 75 years in elementary education; and

Whereas, he was the very first 1st grader of the North Sacramento School in 1914 as well as the only student in grade one! Along with 12 other students, Mr. Robinson was educated in a rented garage on Marysville Boulevard while North Sacramento School, now the district office, was being built. He graduated from North Sacramento School District and later Grant Joint Union High School District, going on to CSU, Chico, to study teaching; and

Whereas, Fred K. Robinson returned to the North Sacramento School District as a teacher, moving on to become a principal and finally, superintendent. The first superintendent, Mr. Foster, encouraged Fred to be a teacher after seeing him work with church youth. Taking the advice to heart, Fred became "Mr. Robinson" officially in 1932. Back then, male teachers were employed only for sixth grade. Mr. Robinson was hired as a teacher at Hagginwood. In 1940, he moved into administration as principal at American River School, now Dos Rios. North Sacramento grew up with Fred Robinson, developing through the 1920's and 30's. When the McClellan Air Force Base arrived in the 1940's McClellan School, now Castori, responded with open doors to the influx of families. Mr. Robinson became their first attendance supervisor/principal in 1944; and

Whereas, in 1945 Fred K. Robinson was appointed the fourth superintendent of the North Sacramento School District. He held this position for twenty-two years: Now, therefore, be it

Resolved and ordered, That since Mr. Robinson's life exemplifies the quality education this district has demonstrated since the time our first 1st grade student stepped into our first school, the North Sacramento School District is proud to name the district administration building after the legacy of Mr. Fred K. Robinson; and be it further

Resolved and ordered, That the district administration building shall be called the Fred K. Robinson Administrative Center from this day forth.

In witness of the passage of the foregoing Resolution, in the form and manner prescribed by law, we, the members of said Governing Board present and voting thereon, have hereunto set our hand this 19th day of April, 1990.

TED HEUSEL

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 18, 1990

Mr. PURSELL. Mr. Speaker, I wish to take this opportunity to recognize a very special anniversary for someone who has come to be known in my district as "Mr. Ann Arbor." A life-long resident of Ann Arbor, Ted Heusel is celebrating his 40th year as an on-the-air broadcaster.

Born and raised on Ann Arbor's old west side, Ted's family owned the Heusel Bakery which his grandfather founded around 1910. Ted grew up and attended school in Ann Arbor. In 1948, Ted got his start in radio working part-time at WPAG while attending graduate school at the University of Michigan. From that time on, Ted Heusel's voice has been an institution on the local airwaves.

In 1954, Ted married a University of Michigan theater major from Washinton, DC. Ted and Nancy Heusel shared a love for theater, an important part of Ted's life to this day. Together, Ted and Nancy have parented four children.

It was during 1956 that Ted took center stage in radio history. Deciding he wanted to liven up his radio show—working then at the old WOIA station south of Ann Arbor—Ted encouraged local listeners to call in and chat about an upcoming election. And thus, Ted became the father of talk radio.

Ted's radio career eventually took him back to WPAG, where he worked for 16 years delivering the morning news and hosting a talk show called "Community Comment." In 1983, he made the switch to WAAM, where he continues to host his very popular "Ted Heusel Show."

But as I mentioned, radio has not occupied all of Ted's life. He appeared in numerous plays and has directed even more productions of the Ann Arbor Civic Theater. In 1968, Ted became involved in local politics when he was elected to the Ann Arbor School Board. He stayed in that position until 1974, including 1 year as board president.

Ted has become well-known for his easy style on the radio. His vast knowledge of local people and events has contributed to his loyal following in "radioland."

Mr. Speaker, I ask my colleagues to join with me in paying tribute to one of radio's finest—Ted Heusel. Congratulations on 40 years, and best wishes for another 40.

TRIBUTE TO OUR LADY OF MOUNT CARMEL

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 18, 1990

Mr. BONIOR. Mr. Speaker, I rise today to pay tribute to an outstanding institution, Our Lady of Mount Carmel. The church celebrates its 125th anniversary on Sunday, June 17, 1990.

In 1850, Rev. Lawrence Kilroy was appointed to take charge of the missions in St. Clair County, MI. In 1853, a small log cabin church was built under his direction. This parcel of land, two miles east of Emmett, MI, is now Our Lady of Mount Carmel Cemetery.

The same time Father Kilroy was building his log cabin church, Mr. Patrick Kennedy, as supervisor, was organizing Emmett Township. The township was formed February 19, 1850. The village of Emmett, then known as Mount Crowley, was not platted until 1856. The village became Emmett on April 21, 1883 based on an old Irishman's logic, "to justify the prefix 'Mount' would need the eye of faith as the country is extremely level."

In 1865, the parish officially became known as Our Lady of Mount Carmel when a frame church was erected for nearly $2,000. The parish outgrew the log cabin church and the need for a new and larger church became apparent. At first there was a discrepancy as to the location of the new church. Some wanted the church more convenient to the village of Emmett, while others sentimentally wanted the church to be built at the same location. John S. Foley, then bishop of Detroit, settled the matter with a letter to the parish's reverend Peter Loughran. In it, Bishop Foley wrote, "It is decided, therefore, that a new church is to be erected. * * * The location of a church should be such that it may be convenient to the greater majority of the congregation. * * * I have come to the conclusion that the more available site for the new church would be the village of Emmett."

On June 8, 1896, the ground was broken for a new church in the village of Emmett. With Bishop Foley in attendance, the cornerstone was laid for the new church. The church was built with the blood and sweat of volunteers, who were provided meals and free beer in exchange for their services. It is said the Protestant wives did not always approve when the word came: "Men needed at Emmett again," and their husbands would go off to work all day for three square meals and lots of cold beer.

On Saturday afternoon, January 18, 1897, the local 5-o'clock train stopped in Emmett at the Grand Trunk Station to let off Bishop John Foley for the second time. This time it was for the dedication of Our Lady of Mount Carmel's new church, which remained the parish's church until it burned down by a fire on October 16, 1966. The current church was built across the street from where the old one stood. It was dedicated by John Cardinal Dearden on June 12, 1970. Although the church has moved several times, the spirit of those who built that first church in 1865 remains instilled in the hearts and minds of the parish.

A TRIBUTE TO JOHN R. KENNEY

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, June 18, 1990

Mr. HANSEN. Mr. Speaker, I would like to pay tribute this day to a distinguished constituent from my district in Utah, John R. Kenney. Mr. Kenney will be retiring at the end of this month, concluding a successful 44-year military and civil service career.

Born in Loveland, OH, and raised in Ohio and Illinois, Mr. Kenney entered military service at Ft. Sheridan, IL, in March 1956. His civil service career commenced in June 1947 as Chief of the Air Force Overseas Military Assistance Program Office, Far East Air Forces [FEAF] after having served in the U.S. 6th Army in the Pacific area. He served a total of 13 years in military and civilian positions in the Far East countries of Taiwan, Indonesia, Burma, and Okinawa.

February 1959, he returned from overseas to the Middletown Air Materiel Area [MAAMA], Olmsted Air Force Base, PA. In the Directorate of Materiel Management, his key positions were Chief of Requirements Branch and Chief of Plans and Programs, Military Assistance Branch and Logistics Management Division.

August 1965, he was reassigned to Hill Air Force Base, UT, as Deputy Chief, Aerospace Reconnaissance and Photographic Division. Within the Directorate of Materiel Management, Mr. Kenney held several key staff positions, including Deputy Chief of Logistics Management Division, Deputy Chief of Item Management Division (two tours), Deputy Chief of Airmunitions Division, and Deputy Chief of Aircraft Systems Management Division. Additionally, during 1975–77, he was Deputy Director of Plans and Programs.

Since May 1983, Mr. Kenney has served as the Deputy Chief, Aircraft Division, Directorate Contracting and Manufacturing at the Ogden Air Logistics Center, Hill Air Force Base, UT. His assignment has been managing 105 military and civilian personnel with the responsibility for procurement of all aircraft landing gear systems, wheels, brakes, tires, aircraft mods, PDM repair, and engineering services, as well as all F–4, FR–4 and F–16 airframes and structural and airborne spare parts of the United States Air Force.

In June 1982, Secretary of Defense, Casper W. Weinberger, presented Mr. Kenney with the DOD Distinguished Civilian Service Award. Mr. Kenney is the only U.S. Civil Service employee at the Ogden Air Logistics Center who has received this award. Throughout his career, he has also been the recipient of many Outstanding and Sustained Superior Performance Awards.

Mr. Kenney has received the following awards:

1982 "Boss of the Year" Award from the American Business Women's Association."

1980 Air Force Exceptional Civilian Service Award;

1980 Executive Manager of the Year Award—FMA;

1979 Ogden ALC Distinguished EEO Award;

1974 Air Force Meitorious Civilian Service Award.

In addition, he is presently a National Director-at-Large in the Society of Logistics Engineers [SOLE], a member of the National Contract Management Association [NCMA], and a member of the Elks Lodge.

Following high school in Chicago, IL, he completed a nonresident course sponsored by Industrial College of the Armed Forces and courses at Federal Executive Institute, AFIT, and the Brookings Institution for Federal Managers. In addition, he has completed numerous computer courses and has also attended many seminars.

Mr. Kenney and his wife, Paula, reside in Bountiful, UT. They have three sons, John, Robert, and Michael, and two daughters, Margaret and Barbara. All are married with a total of 15 grandchildren amongst them.

Mr. Speaker, I wanted to bring Mr. Kenney's accomplishments to the attention of my colleagues. As his Representative, I am pleased to honor him this day.

TRIBUTE TO CLYDE H. "SKIP" ALLISON, JR.

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 18, 1990

Mr. LANTOS. Mr. Speaker, I rise today to pay tribute to my friend and associate, Clyde H. Allison, Jr. He died at the age of 31 in his home in Manhattan last Wednesday from an apparent stroke.

Skip, as he was known to all of us, was a litigation associate at the New York law firm of Paul, Weiss, Rifkind, Wharton & Garrison. Last October, as my staff and I were inundated with the work of our investigation of abuse and mismanagement at the Department of Housing and Urban Development under former HUD Secretary Samuel Pierce, Skip took a leave of absence from his law firm and served as a special counsel on the staff of the Subcommittee on Employment and Housing.

For 5 months, Skip assisted with the important work that our subcommittee was carrying out. Thanks to his conscientious efforts and his careful work, we were able to conduct our investigation more quickly and thoroughly than would have been possible otherwise. The fine words of praise that have been lavished on my staff by many who have observed our investigation are in part a tribute to his excellent work.

His willingness to join my staff was reflective of his dedication to the public interest. In addition to his heavy commercial litigation practice, he counseled and represented numerous death row inmates, and he was involved in a recent battle before the U.S. Supreme Court to secure post-conviction representation for prisoners on death row. He also volunteered his legal services, to tenants under threat of eviction.

Skip Allison was born and grew up in New Jersey. Prior to beginning his legal career, he studied for the ministry at the Bible Baptist College East seminary. He graduated cum laude in History from Rutgers College, and in 1986 he received a J.D. degree, also cum laude, from Harvard Law School.

Mr. Speaker, I invite my colleagues to join me in expressing sincerest condolences to his parents, Clyde H. and Shirley Allison of Neshanic Station, NJ, to his brothers Douglas and Kenneth Allison, and to his financee Ms. Lauren Silverman.

PENNSYLVANIA YOUTH HONORED FOR EAGLE SCOUT

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 18, 1990

Mr. GEKAS. Mr. Speaker, I rise today to ask my colleagues to join me in congratulating a young man from the 17th Congressional District of Pennsylvania.

On July 11, Jeffrey Grant Jones will earn the Eagle Scout Award. Jeff joined the Scouts in 1983, and has since earned 25 merit badges and all 12 of the skill awards. In 1986, he received the highest award in the Cub Scouts, the Arrow of Light, for which he earned two gold and four silver arrow points. Jeff earned his ranks of first class in 1987, star in 1988, and became a Life Scout that same year. He was presented the Ad Altare Dei Catholic Church Award by Bishop William H. Keeler at the Camp Bashore Conference, and he earned the World Conservation Award.

Jeff has served in the positions of scribe, assistant patrol leader, patrol leader, and is currently assistant senior patrol leader. In 1988, Jeff was inducted into the Order of the Arrow, and he earned his brotherhood in 1989.

In addition to his Scouting activities, Jeff has maintained an excellent academic record. He is an honor roll student at Lewisburg Area High School, and is a member of the forensics, basketball, soccer, and track teams.

The Award of Eagle Scout represents years of discipline, devotion, leadership, honor, and determination—all of which are characteristics of Jeff and the Boy Scouts of America. For his Eagle Scout project, Jeff held a neighborhood crime watch program, and a child fingerprinting program for the young people of his community. When I see such diligence expressed at an early age I feel assured, knowing that one day these young people will lead this vast Nation or ours.

I am very proud of Jeff for the accomplishments he has made. He has worked hard to achieve this goal, and is well-deserving of it.

FOSTER PARENT PLAN CHANGES NAME TO PLAN INTERNATIONAL USA

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 18, 1990

Mr. MACHTLEY. Mr. Speaker, I rise to bring to your attention the fine work of an organization based in my State of Rhode Island.

Today is an historic moment as the organization, which we all know as Foster Parents Plan, officially changes its name to PLAN International USA. This is a most appropriate and opportune occasion to recognize this leading U.S. private voluntary organization for its pioneering work in international development and overseas child sponsorship.

PLAN International USA's mission in behalf of children in need does not stop with its work in the Third World. Here at home, PLAN is a leading proponent of the pending Convention on the Rights of the Child, an international treaty now awaiting ratification by the necessary minimum of 20 countries.

PLAN International USA believes the United States should be among the first countries to endorse the convention on children's rights, and has mobilized the U.S. private voluntary community to seek immediate ratification in Washington. I am proud to say that Rhode Island shares this conviction, and recently became the first State in the country to pass a resolution urging the United States to ratify this convention without delay.

As an extension of its work to improve the well-being of children around the world, PLAN International USA is also committed to improving understanding of the causes and conditions of Third World poverty. The organization's acclaimed See Me, Share My World Program is one of the country's shining examples of real innovation in this relatively new field of global education.

Over 2,000 students from 20 Rhode Island elementary schools have pilot tested See Me, Share My World over the past 18 months. At a juncture where far too many American youngsters are geographically and interculturally illiterate, these fourth and sixth graders have an understanding and appreciation of life in six developing countries that spans the similarities, as well as the differences, to their own.

If more of us in this country shared their perspective the world would be a better place. I am delighted, therefore, to note that PLAN International USA is now making See Me, Share My World available to schools and libraries across the country.

This humanitarian endeavor is not just a dull textbook lesson, but an exciting story of working together for the well-being of the next generation.

It is with great pleasure that I wish PLAN International USA continued success in the future.

THE RETIREMENT OF EVELYN D. MOON FROM THE BRIDGEPORT SCHOOL SYSTEM

HON. CHRISTOPHER SHAYS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, June 18, 1990

Mr. SHAYS. Mr. Speaker, it is my pleasure to have this opportunity to extend my congratulations to Evelyn D. Moon as she celebrates her retirement from the Bridgeport school system after 32 years of dedicated service.

Evelyn has given her life to the master profession—the profession that teaches all other professions. Through years of devotion to her career she has made a significant, everlasting difference in the lives of so many young people.

She has had the opportunity to see her efforts come to fruition by teaching a generation and the children of that generation. Hundreds of students have grown up to be model members of society through Evelyn's guidance and legendary care. How satisfying it must be for her to know she's given the greatest gifts of all—the gifts of vision, hope, and a full spectrum of dreams for a world that needs dreamers.

In recognition of the retirement of Evelyn D. Moon, it is my honor to bring to my colleagues' attention her wonderful career. May I offer her my warmest wishes for a long and happy retirement.

TRIBUTE TO MR. AND MRS. SAAVEDRA

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 18, 1990

Mr. MARTINEZ. Mr. Speaker, I rise today to pay tribute to Zeferino and Mary Saavedra, who are celebrating their golden wedding anniversary. On July 7, 1940, Zeferino and Mary Saavedra wed in Los Angeles, CA. These two individuals were not only blessed with an abundance of happiness and a loving family, but also are pillars of the San Gabriel community.

Zeferino, originally from Mexico, became a naturalized citizen while serving in the Navy during World War II. He met Mary over 60 years ago and was a fixture in the garment industry until his retirement in 1988. Mary had a much harder position in which she raised four daughters, Bertha, Pauline, Rachel, and Rebecca, and three sons, Richard, Andrew, and Gabriel who blessed the couple with 25 grandchildren, and 3 great-grandchildren.

In addition, during the seventies, these two remarkable people were foster parents to 12 children—including Vietnamese refugees. During this period the Saavedra's actively volunteered for the United Farm Workers and were involved in the Catholic Church at St. Anthony's in San Gabriel. As eucharistic ministers Mary and Zeferino still serve the San Gabriel convalescent center on Sundays. Mary somehow finds the time and energy to volunteer in the maternity ward at Garfield Hospital as well.

Mr. Speaker, these two people have given of themselves to their family and community. They deserve to be recognized for their tremendous efforts and all that they have accomplished. I am proud to represent such loving and giving people. Their life is a heartwarming testimonial to the adage by William Bryant that "eternal love doth keep." Please join me in honoring these special people on their 50th anniversary and wishing them all the best in the world.

THE ALABAMA PRIMARY HEALTH CARE ASSOCIATION: OUTSTANDING SERVICE TO THE SECOND DISTRICT OF ALABAMA

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 18, 1990

Mr. DICKINSON. Mr. Speaker, the Alabama Primary Health Care Association is an outstanding organization serving the State of Alabama with 15 community health centers, providing for 52 communities that are medically underserved.

Over 100 physicians, specializing in family practice, obstetrics, and gynecology, internal medicine, and pediatrics provide the necessary medical care for a wide spectrum of patient health problems. Most centers also offer laboratory services, such as-pharmacy, x ray, dental, nutrition counseling, social services, and many others.

Community health centers are the major providers of primary health care services for medically underserved areas of Alabama, and work in concert with the State and county health departments, as well as other service providers—including local hospitals.

In the Second Congressional District of Alabama, there are three outstanding medical centers: Conecuh Medical Center in Evergreen; Lister Hill Health Center in Montgomery, and; Southeast Alabama Rural Health Center in Troy.

The Conecuh Medical Center [CMC] operates clinic sites in the cities of Evergreen—Conecuh County, McKenzie—Butler County, and Red Level—Covington County. Each is a modern rural clinic equipped with an in-house laboratory service for quick diagnosis, with easy access to area hospitals. CMC has three full-time family practitioners, nurses, and other medical support staff serving all clinics, which served a total of 3,893 users for 18,734 medical visits in 1988.

The Lister Hill Health Center operated the largest urban primary health care clinic in Montgomery County, as well as a satellite clinic—Ramer Health Center—in South Montgomery County. Lister Hill provided services to over 22,075 users who generated 64,843 medical and dental visits in 1988.

The Southeast Alabama Rural Health Association—in conjunction with the Charles Henderson Child Health Center—has organized a model rural health consortium in southeast Alabama. This combined program operates six centers in Barbour, Crenshaw, Dale, and Pike Counties, from its central office in Troy.

In closing, members of the Alabama Primary Health Care Association share a common goal of providing quality health care under the leadership of an experienced and professionally respected medical team, and the people of the Second District are thankful for their service and dedication.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, June 19, 1990, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 20

9:00 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To hold hearings on S. 1974, to require new televisions to have built in decoder circuitry designed to display closed-captioned television transmissions.

SR-253

Labor and Human Resources

Business meeting, to consider pending calendar business.

SD-430

9:30 a.m.

Armed Services

Manpower and Personnel Subcommittee

To hold hearings on S. 2171, authorizing funds for fiscal year 1991 for military functions of the Department of Defense and to prescribe personnel levels for fiscal year 1991, focusing on involuntary separation pay and other compensation and transition benefit proposals, and S. 2663, to provide increased and special benefits to individuals involuntarily separated from the Armed Forces.

SR-232A

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Governmental Affairs

Permanent Subcommittee on Investigations

To hold hearings to examine health care costs, focusing on revenue recovery firms.

SD-342

Judiciary
To hold hearings on proposed legislation designed to implement existing laws relative to violent crimes, from sexual to domestic offenses, against women.
SD-226

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings to examine financial service developments in Europe, Canada, and Japan in relation to consideration of proposed legislation to modernize the financial services industry.
SD-538

Environment and Public Works
Toxic Substances, Environmental Oversight, Research and Development Subcommittee
To hold hearings on environmental issues relating to Avtex Fibers, Inc., in Front Royal, Virginia.
SD-406

Finance
To hold hearings to review the President's decision to renew most-favored-nation trade status to China.
SD-215

1:30 p.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 814, to provide for the minting and circulation of redesigned one dollar coins symbolizing the anniversary of the discovery of the New World.
SD-538

2:00 p.m.
Armed Services
Strategic Forces and Nuclear Deterrence Subcommittee
To hold hearings on S. 2171, authorizing funds for fiscal year 1991 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal year 1991, focusing on the Strategic Defense Initiative.
SH-216

Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for the Federal Maritime Commission, and the Maritime Administration, Department of Transportation.
SR-253

Select on Intelligence
To resume hearings to review certain proposals to improve the counterintelligence posture of the United States by strengthening U.S. ability to deter, detect, and prosecute persons who turn to espionage.
SD-366

JUNE 21

9:30 a.m.
Environment and Public Works
Superfund, Ocean and Water Protection Subcommittee
To hold oversight hearings on the superfund remedy selection process.
SD-406

Rules and Administration
To hold hearings on S. Con. Res. 122, to establish an Albert Einstein Congressional Fellowship Program.
SR-301

Small Business
To resume hearings to review the Small Business Administration's small business investment companies program.
SR-428A

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings to examine whether there is a lack of available credit in certain areas of the United States.
SD-538

Foreign Relations
Business meeting, to mark up Montreal Aviation Protocols (Ex. B, 95th Congress, 1st Session).
SD-419

Joint Economic
To hold hearings to examine how recent developments in Europe will affect the U.S. economy, focusing on how German unification, reform in eastern Europe, and the European community's investment boom will affect U.S. interest rates, the trade deficit, and the dollar.
2226 Rayburn Building

10:30 a.m.
Armed Services
To hold hearings on the nomination of Gilberto Guardia Fabrega, of Panama, to be Administrator of the Panama Canal Commission.
SR-222

Rules and Administration
To hold hearings on S. Res. 206, to establish a point of order against material that earmarks research moneys for designated institutions without competition.
SR-301

1:00 p.m.
Appropriations
District of Columbia Subcommittee
To hold joint hearings with the House Appropriations' Subcommittee on the District of Columbia on proposed budget estimates for fiscal year 1991 for the government of the District of Columbia.
H-301, Capitol

1:30 p.m.
Judiciary
To hold hearings on proposed legislation to amend the U.S. Constitution to protect the American flag.
SD-226

2:00 p.m.
Banking, Housing, and Urban Affairs
To continue hearings to examine whether there is a lack of available credit in certain areas of the United States.
SD-538

Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 2680, to provide for the relief of certain persons in Stone County, Arkansas deprived of property as a result of a 1973 dependent resurvey by the Bureau of Land Management.
SD-366

Select on Indian Affairs
To hold oversight hearings on S. 2451, to establish in the Department of the Interior a Trust Counsel for Indian Assets.
SR-485

JUNE 22

9:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1991 for foreign assistance, focusing on U.S. military assistance.
SD-138

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on S. 2398 and S. 2399, bills to authorize funds for the United States National Senior Sports Organization of Chesterfield, Missouri, to register "National Senior Olympics" as a trademark.
SR-253

10:00 a.m.
Judiciary
Immigration and Refugee Affairs Subcommittee
To hold hearings on S. 1629, to impose civil liability on anyone who, under the authority of a foreign nation, subjects any alien or United States citizen to torture or extrajudicial killing.
SD-226

JUNE 26

9:00 a.m.
Appropriations
Foreign Operations Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1991 for foreign assistance programs.
Room to be announced

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 2464, to establish the Red Rock Canyon National Conservation Area in Nevada, S. 2475, to provide for the acquisition and addition of the William Johnson House to the Natchez National Historical Park in Mississippi, S. 2555, to designate a segment of the Lower Merced River in California as a component of the National Wild and Scenic Rivers System, S. 2612, to establish a commission to determine the feasibility of designating the Mississippi River as a national heritage corridor, and S. 2669, to provide for increases in appropriation ceilings for land acquisition and development in certain units of the National Park System.
SD-366

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on S. 1772, to prohibit State lotteries from misappropriating professional sports service marks.
SD-430

2:30 p.m.
Appropriations
Foreign Operations Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1991 for foreign assistance programs.
Room to be announced

Armed Services
Closed briefing, on classified intelligence matters relating to the Soviet Union, and to discuss consideration of S. 2171, the Department of Defense Authorization Act.
SR-222

JUNE 27

9:30 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings to examine the Federal Trade Commission's (FTC) international antitrust jurisdiction over foreign companies.
SR-253

Governmental Affairs
To resume hearings on S. 1978, to establish the Department of Industry and Technology as an executive department, to establish the Interagency Export Enhancement Committee within the Office of the President, and to transfer the National Oceanic and Atmospheric Administration to the Environmental Protection Agency.
SD-342

10:00 a.m.
Foreign Relations
European Affairs Subcommittee
To hold hearings to examine conventional arms talks and European security.
SD-419

2:00 p.m.
Finance
Energy and Agricultural Taxation Subcommittee
Taxation and Debt Management Subcommittee
To hold joint hearings on proposed legislation to prevent abuses in determining estate and gift tax values.
SD-215

JUNE 28

9:30 a.m.
Small Business
To hold hearings on the impact of social security payroll taxes on small businesses.
SR-428A

Veterans' Affairs
Business meeting, to consider pending legislation relating to veterans compensation and health-care benefits.
SR-418

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 2273, to encourage economic development of mineral deposits in the Greens Creek area of the Admiralty Island National Monument in Alaska by granting the Sealaska Corporation the subsurface estate.
SD-366

Foreign Relations
Terrorism, Narcotics and International Operations Subcommittee
Western Hemisphere and Peace Corps Affairs Subcommittee
To hold joint hearings on proposed U.S. military training for Peru.
SD-419

2:30 p.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1991 for the Department of the Interior.
S-128, Capitol

JULY 11

10:00 a.m.
Judiciary
Constitution Subcommittee
To hold joint hearings with the House Committee on the Judiciary's Subcommittee on Courts, Intellectual Property, and the Administration of Justice on S. 2370, to revise Federal copyright law to apply the fair use doctrine to all copyrighted work, whether published or unpublished.
SD-226

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings to review the status of the human genome project of the Department of Energy and the National Institute of Health.
SD-366

JULY 12

9:30 a.m.
Select on Indian Affairs
To hold hearings to examine protective services for Indian children, focusing on alcohol and substance abuse programs.
SR-485

2:00 p.m.
Agriculture, Nutrition, and Forestry
Agricultural Research and General Legislation Subcommittee
To hold hearings on the U.S.-Canada open border trade agreement, focusing on meat and poultry.
SR-328A

CANCELLATION

JUNE 19

2:00 p.m.
Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

POSTPONEMENTS

JUNE 21

9:30 a.m.
Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings to review the effectiveness of the Program Fraud Civil Remedies Act.
SD-342

JUNE 22

2:00 p.m.
Agriculture, Nutrition, and Forestry
Agricultural Research and General Legislation Subcommittee
To hold hearings to review the U.S.-Canada open border agreement, focusing on meat and poultry.
SR-332

SENATE—*Tuesday, June 19, 1990*

(Legislative day of Monday, June 11, 1990)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable HARRY REID, a Senator from the State of Nevada.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

* * * *but with God all things are possible.*—Matthew 19:26.

Almighty God, to whom belongs all power and all wisdom, manifest Thyself in this place that all may know that Thou art present and relevant. Certainly anything that is doable this powerful body can do. But despite all its power, some issues are beyond human resolution and require divine remedy. As the Senate labors under internal as well as external pressures, confronting not only the issues from without but the struggle of conscience, courage, and confidence from within, as stubborn problems refuse solution and an impending election pervades the atmosphere, help Your servants to learn to depend upon the God of the impossible as they try to do everything that is possible.

In the name of Jesus for whom nothing is impossible. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 19, 1990.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HARRY REID, a Senator from the State of Nevada, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. REID thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is now recognized.

THE JOURNAL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, following the time for the two leaders, there will be a period for morning business not to extend beyond 10 a.m., with Senators permitted to speak therein for up to 5 minutes each.

At 10 this morning, the Senate will resume consideration of S. 566, the affordable housing bill, with amendment No. 2024 the pending business.

The yeas and nays have been ordered on this amendment, so my colleagues should be aware that there is the possibility of a rollcall vote this morning relative to that amendment.

Other votes are likely today with respect to the housing bill. Between the hours of 12:30 p.m. and 2:15 p.m., the Senate will stand in recess to accommodate the party conference luncheons.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time and reserve all the leader time of the distinguished Republican leader.

The ACTING PRESIDENT pro tempore. Without objection, the time of the two leaders is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business to extend to the hour of 10 a.m., with Senators permitted to speak therein for up to 5 minutes each.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislation clerk proceeded to call the roll.

Mr. GORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator is recognized to speak in morning business.

REVERSAL OF ADMINISTRATION ENVIRONMENTAL POLICY

Mr. GORE. Mr. President, I rise to discuss two issues related to the global environment. On Friday afternoon, after we had finished our business for the week here and when many Senators were on their way to their home States, at the end of that day the administration quietly announced, in the form of a press release from John Sununu, that it was suddenly reversing its policy on the protection of the stratospheric ozone layer and was now prepared to join in a previously agreed measure to supply some funding for a pool of money to assist some of the poorest nations in the world to develop and use substitutes for the chemicals that are now implicated in the destruction of the Earth's protective ozone shield.

I rise today to commend the administration's decision to reverse its previously stated policy with regard to that international fund.

I am pleased that the administration finally listened to the advice it was receiving from its own Environmental Protection Agency, its State Department, many of our allies, including Prime Minister Thatcher, many scientists and business leaders and concerned citizens; also, many Members of this body. There were quite a few Members of the Senate on both sides of the aisle who joined in a bipartisan effort in an attempt to persuade the President to overrule the position too stridently stated by his chief of staff, Mr. Sununu.

I hope that this will bring to a close the battle of wills on this particular part of the issue concerning the protection of the stratospheric ozone layer, but we must wait to see how this position is presented in the international negotiations beginning this week.

I hope those negotiations will result in a successful effort to strengthen and expand the Montreal Protocol designed to protect the stratospheric ozone layer. That protocol must be extended and protected, Mr. President, because if that remains the only measure that is on the books, so to speak, and a part of the international agreement to protect the stratospheric ozone layer, then the concentrations of the harmful chemicals will triple throughout this coming century. The current concentrations are already doing such serious damage that it is

abundantly obvious that we must strengthen that measure.

Mr. President, I ask unanimous consent to proceed for an additional 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

GLOBAL WARMING

Mr. GORE. Mr. President, the second issue I would like to discuss has to do with another threat to the global environment. That is the problem of global warming. There has been an international effort underway to assess the seriousness of global warming and to come up with proposals for solving that problem. Three international scientific and expert panels were established under the auspices of the U.N. environment program and the World Meteorological Organization. The panel charged with assessing the seriousness of the problem was chaired by Great Britain. They completed their work and announced that they were certain the problem was real, extremely serious and that the time to act is now.

The panel charged with responsibility for coming up with answers or solutions to the problem was chaired by the United States. I had an opportunity to chair a hearing last week that looked at how this process was going. What I found was quite troubling, Mr. President. The participants in the hearing advised us that what took place during the meeting was that every time any nation would propose some kind of strong action to confront the problem, representatives from Saudi Arabia would stand and blast the proposal, and the representatives from the United States would sit silently by, never challenging a single word expounded by the representatives of the world's largest oil exporting nation with such a large stake in opposing any measures to reduce the emissions of carbon dioxide now believed to be causing the problem of global warming.

As a result of the administration's failure to lead on this issue, the panel, chaired by the United States, produced a report that contains no specific timetables, no goals, no policy options capable of addressing the problem in any meaningful way whatsoever. This is not leadership, Mr. President. It is not what our country needs; it is not what this world needs. What passes for leadership on the environment in the Bush administration is the kind of last-minute, begrudging reversal of course that we saw late Friday afternoon on the ozone question. More typically, what we see is the kind of performance that has characterized the administration's handling of this response strategy group designed to confront the global warming problem.

I think it is unfortunate that we have had this kind of performance by the administration. I hope the President will decide to change course here as well and provide leadership.

In closing, Mr. President, I ask unanimous consent that various news accounts of the ozone policy reversal be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 16, 1990]

UNITED STATES DROPS OPPOSITION TO CFC PHASEOUT FUND

(By Michael Weisskopf)

The Bush administration said yesterday it has dropped its opposition to the creation of a $100 million international fund to help developing nations end their use of chemicals that erode the ozone layer shielding the Earth from withering ultraviolet rays.

The policy reversal follows a storm of criticism and personal appeals to the White House, including those by British Prime Minister Margaret Thatcher and American corporate chiefs. It also extricates the United States from almost certain diplomatic isolation at a London conference next week on an accelerated timetable to curb use of the dangerous chemicals—chlorofluorocarbons (CFCs)—and eventually eliminate them.

It also marks a concession by White House Chief of Staff John H. Sununu. Sununu led the fight against the United Nations-proposed fund, which was supported by Environmental Protection Agency Administrator William K. Reilly. The policy shift announcement was made in a White House statement released under Sununu's name.

The U.S. position had raised fears by corporate giants who produce or use CFCs that Washington's resistance could have subjected American companies to trade barriers by nations participating in the fund. Chairmen of companies such as E.I. du Pont de Nemours & Co., and Motorola Inc. had appealed to the White House for a change in policy, according to administration sources.

First proposed at an international meeting last month in Geneva, the fund is considered essential to enlist the support of such modernizing giants as China and India for a 1987 treaty calling for reductions of the versatile CFCs. The gases are used for refrigeration, cleaning of computer parts and production of polystyrene items.

The United States, whose contribution was to have been assessed at $25 million, was the only nation to oppose the fund. Publicly, U.S. officials had said existing programs of the World Bank were adequate to assist developing nations phase out use of CFCs.

But privately, Sununu and Office of Management and Budget Director Richard G. Darman had argued the expenditures could set a dangerous precedent for far more costly future requests to help the Third World reduce its reliance on traditional energy sources, such as coal, which cause global warming.

In yesterday's statement, Sununu said the United States will submit its own fund proposal at next week's conference, with conditions underlining the "precedential nature" of the fund and the "unique circumstances" that make it necessary.

Sununu said the proposal will meet President Bush's "essential criteria." They are "adequate scientific evidence" of the causes and effects of ozone depletion, "strong evidence" that the fund would "successfully address" the problem and the "reasonable and predictable" nature of the expenditures needed.

Details of the proposal were not made available. But an administration official said the U.S. plan is expected to call for $100 million, with Washington assessed 20 to 25 percent of the costs in line with its overall contribution to international organizations. If China and India join the pact, the fund would grow to $200 million.

The fund, to be administered by the World Bank, would be used to help Third World industries that use CFCs convert to alternative chemicals, cover the extra costs of alternatives and identify new ways to replace CFCs.

While 54 nations have signed the 1987 treaty and are expected at the London conference to vote for elimination of CFCs, scientists say efforts to preserve the stratospheric ozone layer 10 miles above the Earth will be frustrated if developing nations not now party to the pact fail to curb their growing use of the popular and cheap chemicals.

Washington reaction to the policy shift was favorable among those advocating CFC phaseout. Sen. John H. Chafee (R-R.I.) said that without a fund to enlist the cooperation of the Third World, "all that will be accomplished by the developed nations will be canceled."

Liz Cook, of Friends of the Earth, cautioned that if the administration proposal has too many strings attached, developing nations might not be satisfied.

[From the New York Times, June 16, 1990]

UNITED STATES TO BACK FUND TO PROTECT OZONE

(By Philip Shabecoff)

WASHINGTON, June 15.—Reversing a policy decision, the White House said today that it would support a new international fund to help poorer countries phase out chemicals that are destroying the earth's ozone layer.

The new policy removes the last big hurdle to an international agreement for a ban on the chemicals, including chlorofluorocarbons. The accord is expected at a meeting in London next week.

Bush Administration officials said the United States expected to contribute $20 million to $25 million to the fund, which would total $150 million to $250 million. Today's announcement did not change the expected amount of the American contribution.

SCIENTIFIC FINDINGS

Although the amount of money involved is relatively small, White House officials led by the chief of staff, John H. Sununu, originally opposed setting up a new fund rather than providing the same amount of aid through existing institutions like the World Bank. The White House feared that a new fund would set a precedent for expensive new foreign aid programs on the environment.

Chlorofluorocarbons and certain other chlorine-containing chemicals produced by industry have been found by scientists to be severely depleting ozone molecules in the upper atmosphere. That ozone shields the earth's surface from excessive ultraviolet radiation from the sun, which can cause skin

cancer and cataracts and suppress the immune system in humans; the radiation also damages crops and wildlife.

The White House has been under heavy domestic and international pressure to reverse its decision. Many other countries have warned that the American opposition to a fund to help the poorer countries could undermine the effort to bar future production of chlorofluorocarbons.

Last week, for example, Prime Minister Margaret Thatcher of Britain wrote to President Bush urging him to reconsider. Administration officials say. On Tuesday, Mustafa K. Tolba, executive director of the United Nations Environmental Program, called on the United States to provide help to the developing countries. Environmental organizations and even the industries that make and use chlorofluorocarbons, called the original White House decision a mistake and asked for its reversal.

The House of Representatives has already authorized $30 million to help the developing countries protect the ozone layer. A similar proposal has been introduced in the Senate.

Stephen Hart, a White House spokesman, said today that the change came as a result of "internal Administration discussions." Mr. Sununu issued a statement today saying that at the London meeting the United States would propose a new fund, operated and administered by the World Bank, to help the poorer countries phase out chlorofluorocarbon production.

A U.S. CONDITION

But Mr. Sununu's statement said the United States would support the fund only if it was not considered a precedent for dealing with other international aid programs.

The United States proposal would also build in strict controls to assure that the financial aid is used for its intended purposes.

A treaty signed in Montreal in 1987 under the auspices of the United Nations Environment Program requires a 50 percent reduction in the production and use of chlorofluorocarbons by the year 2000. But subsequent scientific data on the seriousness of the problem have shown that such a reduction would not be adequate. The United States and most other countries now support a total phaseout by 2000 and sharp reductions in other ozone-depleting chemicals, including methyl chloroform.

Many developing countries have insisted that they would not be able to phase in substitutes without additional assistance. India and China, two countries with development plans that call for substantially expanded use of the chemicals, have said they will not join a treaty to eliminate the use of the chemicals without substantial new economic and technical help.

The change of White House policy was praised today by members of Congress, environmentalists and industry representatives.

"Hurray for the President," said Senator John H. Chafee, Republican of Rhode Island, one of those who wrote to Mr. Bush urging him to reconsider. "This is a very wise political decision but more than that it is a very wise decision for the future of the world."

[From the Time magazine, June 25, 1990]

ECOLOGY: U-TURN ON OZONE

White House chief of staff John Sununu infuriated environmentalists last month when he blocked creation of a special international fund to help developing countries reduce their use of industrial gases that deplete the ozone layer. Charging that a U.S. failure to support the fund would undermine George Bush's vow to be the Environmental President, Democratic Senator Albert Gore of Tennessee called the policy "pigheaded and obstinate." He predicted that once the angry reaction set in, Sununu would reverse himself.

Last week Sununu did just that. He announced that the U.S. would contribute $25 million to a $100 million World Bank fund that will help underwrite the cost of chlorofluorocarbon-abatement efforts in less developed nations. Sununu claimed that the Administration now found itself able to endorse the fund because financial safeguards that the initial plan lacked have been put in place.

But a White House official pooh-poohed Sununu's explanation for the abrupt turnabout in policy as "a mere fig leaf." Said he: "It became clear to us that almost everybody was unhappy."

THE WHITE HOUSE,
June 15, 1990.

STATEMENT BY THE CHIEF OF STAFF

The Administration will propose a fund, operated and administered by the World Bank, to assist less developed countries (LDCs) in phasing out the production of CFCs by the year 2000. The President's proposal is intended to allow the parties to the Montreal Protocol to conclude an acceptable agreement on a package of amendments. The proposal includes specific requirements addressing: the uses of the fund; the precedential nature of the fund; the administration of the fund; assessments; control of the fund; and voting rights within the fund.

The President's proposal is structured to reflect the unique circumstances that create the need for a fund specifically designed to assist LDCs in phasing out CFCs in a non-precedential framework. This approach meets the President's essential criteria for any such funding mechanism.

First, there is adequate scientific evidence of the causes and effects—in this case, of ozone depletion.

Second, there is strong evidence that the steps to be taken—under the amended Protocol—will successfully address the problem.

Third, the resources needed to address the problem are reasonable and predictable.

The President expects the parties to the Montreal Protocal to successfully conclude negotiations on a package of amendments to the Protocol next week in London. The Administration's proposal will be offered at that time.

The President's proposal is designed to meet the financial needs of LDCs as they transition from the production of ozone-depleting substances to environmentally safe alternatives. At the same time, it addresses previously stated significant U.S. concerns about the use and management of the fund and the concern that there be no precedent-setting nature to such aid.

The United States has been a world leader in efforts to control emissions that adversely affect the ozone layer. The United States outlawed the use of CFC aerosol propellants in 1978; strongly supported the initial negotiations that led to the Vienna Convention for the Protection of the Ozone Layer in 1985; and was among the first to sign the Montreal Protocol in 1987.

EXTENSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that morning business be extended for 10 minutes, as under the same arrangements heretofore agreed to.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The senior Senator from West Virginia is recognized.

Mr. BYRD. I thank the Chair.

(The remarks of Mr. BYRD pertaining to the introduction of S. 2752 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER (Mr. KERRY). The Senator from West Virginia is recognized.

Mr. ROCKEFELLER. I thank the Chair.

(The remarks of Mr. ROCKEFELLER pertaining to the introduction of S. 2752 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

EXTENSION OF MORNING BUSINESS

The PRESIDING OFFICER. The period for morning business is now to expire.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. I thank the Chair.

The PRESIDING OFFICER. If the Senator would suspend just for a minute so I can close morning business and have the clerk report the pending business.

Mr. MOYNIHAN. Absolutely.

Mr. WILSON. Mr. President, I ask unanimous consent that morning business be extended by 5 minutes.

The PRESIDING OFFICER. Is there objection to the Senator's request?

Mr. MOYNIHAN. Mr. President, without meaning to object, I will not object, may I say that we have matters before the Senate today and this would be the last occasion which I would feel free not to object.

The PRESIDING OFFICER. The Senator from California is recognized.

Morning business is extended for 5 minutes.

Mr. BYRD. Mr. President, will the Senator from California yield without losing his right to the floor?

Mr. WILSON. Certainly.

Mr. BYRD. Will he allow the Senator from New York to make a few comments—less than 5 minutes certainly. The Senator had the floor.

Mr. MOYNIHAN. I will be longer.

Mr. BYRD. All right. I thank the Senator for yielding.

The PRESIDING OFFICER. The Senator from California is recognized.

THE VIOLENCE AGAINST WOMEN ACT OF 1990

Mr. WILSON. Mr. President, during morning business today eight women in America will confront an attacker. Five women will become victims of rape, almost 1 in 5 of whom will live in my home State of California; 228 women will be beaten, the majority by their husbands, boyfriends, or exspouses; as many as three battered women will die before day's end.

Mr. President, these are not just grim statistics. In every case, there is terrible anguish. There is literally physical pain and suffering, but perhaps it is exceeded even by the psychological trauma that is inflicted.

What restitution will society make for these heinous crimes? Do the victims receive assurance that there will be protection in the future?

For most rapists, a conviction will mean no more than a short term in prison. Take, for example, the case of Lawrence Singleton who raped 15-year-old Mary Vincent, chopped off her arms and dumped her into a canyon to die. Miraculously, she survived that brutal attack, which is to say she survived physically, and for that Lawrence Singleton was sentenced to 14 years and served only 8. He is now at liberty. His victim is suffering a lifetime of inexpressible pain and injury, physical and psychological.

Mr. President, we simply cannot call ourselves a civilized society if we do not protect the most vulnerable from the most heinous kind of attack. There are men who batter their wives or girlfriends, and in most cases they go unpunished because their crimes go unreported, however violent, unless they actually murder their victims.

Sadly, this Nation has a history of turning the other cheek, of being embarrassed about domestic violence, and until recently we have not done nearly enough about it. Only a handful of States have enacted tough laws to combat this terrible threat. Our response remains inadequate in the face of a frightening escalation of reported domestic violence.

In that setting, I particularly commend the Senator from Delaware, the chairman of the Judiciary Committee, who has faced this problem and today will be introducing legislation to provide the first real Federal effort to combat violent crime against women.

I commend Senator BIDEN and I join him in that effort.

First, the Violence Against Women Act of 1990 recognizes that not all rapists can be rehabilitated and creates new penalties for repeat sex offenders.

Close to 8 percent of all convicted rapists will rape again. For these criminals, their actions, much like those of the crack addict, represent a continuum of behavior from which they cannot escape.

Senator BIDEN's legislation will also ensure that rapists will spend more than what seems a fortnight at Sing-Sing by increasing Federal penalties for rape. It provides minimum sentences of a duration that at least offers some hope that women will be safe from these recidivists and though monetary relief cannot remove the scars which in many cases remain a lifetime.

In addition to requiring these longer prison terms this legislation requires that rapists atone for their actions by paying restitution to their victims.

Accordingly, the bill will require and expand victim restitution in sex crime cases.

For those areas of the country which are the most dangerous for women, such as Los Angeles, I am sad to say, where over 2,000 rapes are committed each year, the bill will authorize $300 million to increase prosecution rates and set up special crime units to target violent crimes against women.

Finally, the Violent Crime Against Women Act will encourage greater law enforcement intervention and cooperation in domestic violence cases, create new civil rights protections for victims of sex crimes, and set up a national commission on violent crime against women.

Mr. President, we not only can but we must protect a woman's right to live safely in security in her home and to be able to walk safely through her neighborhood, safe from the Lawrence Singletons of the world.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WILSON. Mr. President, I ask unanimous consent for an additional 30 seconds.

Mr. MOYNIHAN. Mr. President, without meaning to object, I do note that I did say I would object. I will one last time not object. We have business before the Senate.

Mr. WILSON. Mr. President, I thank the Senator from New York. I have to say I think this is important business before the Senate, and shortly will be before the Senate.

Mr. President, the Violence Against Women Act is an important step in the direction of making women safe.

I can hope Congress will move quickly to enact this bill both to provide Federal jurisdiction and protection—and to provide a model and a prod to State criminal justice systems where the lion's share of this grave problem must be dealth with—so that we might spare the senseless pain and suffering of millions of rape and aggravated assault victims and prevent the death of 1,500 battered women each year.

I thank the Chair and yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The period of morning business is now closed.

NATIONAL AFFORDABLE HOUSING ACT

The PRESIDING OFFICER. The clerk will report the pending business.

The bill clerk read as follows:

A bill (S. 566) to authorize a new Housing Opportunities Partnerships program to support State and local strategies for achieving more afforable housing to increase home ownership, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) Heinz amendment No. 2023, expressing the sense of the Senate that Congress should recognize the unique needs of persons 85 and older and attempt to design Federal housing programs recognizing such needs.

(2) Heinz amendments No. 2024 (to amendment No. 2023), in the nature of a subsitute.

Mr. MOYNIHAN. Mr. President, I rise as I had earlier indicated to speak to the amendment which was offered yesterday by the senior Senator from Pennsylvania, my friend, Senator HEINZ, a fellow member of the Committee on Finance.

That amendment can be best described simply by reading it. It says: It shall not be in order in the Senate to consider any bill dealing with the public debt, or amendment or conference report thereon if Congress has not acted to remove the OASDI revenues and expenditures from the calculation of the deficit of the United States Government pursuant to the Gramm-Rudman-Hollings Deficit Reduction Act.

The only point that might want to be spelled out further is that by "OASDI" the Senator refers to the Old-Age, Survivors, and Disability Insurance Program, commonly known as Social Security.

So we are talking about Social Security and the Social Security surplus of which we have heard a considerable amount so far this year. But we have not yet acted this year.

May I say, Mr. President, that Senator HEINZ' proposal presents us with an opportunity to confront reality, and I for one, having proposed this myself in previous Congresses and in this Congress, am going to vote for this measure, and I hope we all will do it because it will tell our summiteers as they gather again today what they really have to work with.

In this morning's Washington Post we have an article by David Broder reflecting a luncheon meeting yesterday here in Washington where Mr. Darman spoke to reporters. The headline says very simply "Forced Cuts

Could Exceed $80 Billion, Darman Says." Then the subhead: "Revenue Proposals Expected Today as Negotiators Resume Talks on Deficit Reduction."

What Mr. Darman was referring to was the amount that will be sequestered if on October 1 we have not passed a budget that meets the Gramm-Rudman-Hollings targets for the coming fiscal year.

Mr. Darman's estimate is $20 billion more than it was previously. That is about right. Every 2 months for the last 10 years Budget Directors have added $20 billion to the deficit. He speaks about the horrendous event and consequences.

He read, according to Mr. Broder, who is unimpeachable in these matters, the figures from a 22-page draft of a document he plans to make public on July 15 as a warning to the Congress of the potential cost of an impasse. By then he said the lawmakers will be facing another deadline, the need to increase the $3.1 trillion ceiling on Treasury borrowing before they start their annual August recess. That does indeed face us.

Later on it points out that the debt is roaring up because of the savings and loan disaster, which is costing us money that is being borrowed by the Federal Government, you may be sure.

Mr. President, what would Senator HEINZ' proposal do? If he were here, I would ask that I be added as a cosponsor. Perhaps he will hear me. I am sure he can accommodate me on that.

Well, it is very simple. It prompts us to pass legislation to remove Social Security surpluses from the calculation of the deficit, so as to expose the true deficit.

And that is a fair point, sir, because these surpluser are not general revenues; they are trust funds; 132 million Americans have their Social Security numbers and individual accounts. I was about to tell you mine, Mr. President. I received it almost 50 years ago, and those first three numbers always escape me—-20-3776. So I have two-thirds of the number. The first three escape me. That is my account.

Over 5 years, the amount of surpluses in the fund will come to $500 billion. So that means that the gentlemen gathered in the Mansfield Room this afternoon to discuss this matter have an extra $500 billion they need to fund, about twice what they are talking about now. I think that is about right. That is serious, Mr. President.

But it is also serious that they put us in this fix—$3.12 trillion in debt. Mr. President, 1980's began with a debt under $1 trillion. We tripled the national debt in 8 years under an administration that never stopped talking about a balanced budget.

The amount of money we borrowed in the 8 years of the previous administration came, in constant dollars, to 85 percent of the money borrowed in the Second World War. All we have to show for it is Grenada. We cannot even claim Central America anymore.

I see also this morning in the Washington Post a story titled "Baker To Press Other Nations for Aid to Central America." He wants the Japanese to take over our celebrated responsibility for those republics; also the World Bank and International Monetary Fund. Certainly, we cannot do it.

Here are the numbers. You get a sense of what is involved, Mr. President. In fiscal year 1991, there will be a $74 billion surplus in the Social Security trust funds. In fiscal year 1992, $85 billion. In fiscal year 1993, $98 billion. I say that is the point when the trust funds will commence to rise by $2 billion a week.

In 1994, $112 billion. In 1995, $128 billion. We are at that point moving to where they will be rising at $3 billion a week. But, Mr. President, these are not general revenues. They ought not to be available to the Treasury to spend on everything from paper clips to battleships, and whatever else in between.

I should say, Mr. President, that with respect to this subject that is referred to with some frequency as taking the Social Security trust funds off budget, I want to say that I do not fully understand the pressure to do this, because the Social Security trust funds are off budget, Mr. President. They are not on budget now.

If we want to adopt a resolution that we ought to do what we have already done, well, that would not surprise me, but I do not know how useful an exercise it would be. The National Commission on Social Security Reform in 1983 recommended that the trust funds be taken off budget in fiscal 1993.

In the 1985 version of Gramm-Rudman-Hollings, this was brought back to fiscal 1986. So they are off budget now. But they are included in the Gramm-Rudman-Hollings estimates of the deficit.

Why is that, Mr. President? Very simple. It makes the deficit seem smaller than in fact it is. So it is a good thing to say that the deficit is, at minimum, $74 billion larger next year than it will be calculated as being, and to say to the President, to Congress, fine, do not do anything, and on October 1 you will have to cut $154 billion, not $80 billion, out of the operating budget of the United States.

I do not know how many aircraft carriers will have to return to port. Mr. Darman has all manner of things that he feels would be bad. I agree they would be bad. We would have to eliminate student grants for 1.2 million people and reduce all other surviving student aid grants by $675 apiece. I do not think you would have any if you doubled the $80 billion to $154 billion.

And to furlough 5,500 Federal prison guards, call it 10,000; intermittent shutdown of some airports. That would shut down quite a few, I would think. Stop work on the hazardous waste funds cited for Superfund cleanup. Well, stop work at all of them, I guess. If you are going to have an irresponsible Government, if you are going to get elected by pledging to do things that cannot be done, let the consequences flow forth. Close down work on all the Superfund sites.

Mr. Darman, if I may say—and he is my friend, and I have known him for many years—should not be reading a list of events that will happen in the event of sequestration to journalists, and without showing it to us. I hope he brings that list with him today. If he does not, I hope someone asks him for it.

In any event, sir, it is not an $80 billion list. By the time he arrives at 2 o'clock this afternoon, it will be $154 billion. Let us see that list. At the same time he shows it to journalists, what do you say if he shows it to the President? That would be interesting, to be seen showing it to the President, with a good photo of him. What are we going to do about it? Well, I do not know, but thanks to Senator HEINZ, we will see.

Mr. President, I see my friend on the floor, and I cannot suppose but that he perhaps would want to discuss this matter. I asked earlier if I might be added as a cosponsor to his resolution.

Mr. President, I ask that the two articles I referred to in the Washington Post be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 19, 1990]

FORCED CUTS COULD EXCEED $80 BILLION, DARMAN SAYS

(By David S. Broder)

On the eve of critical negotiations with Congress, the Bush administration's budget director said yesterday that the alternative to agreement on a deficit-reduction plan is at least $80 billion in forced spending cuts, which would lay waste to most domestic programs.

Richard G. Darman, director of the Office of Management and Budget, told a group of reporters that possible revenue-raising measures will be discussed for the first time by administration and congressional representatives when they resume their meeting today. He predicted that by Thursday, proposals for $45 billion to $60 billion in deficit reduction "will come from all parties—including the administration."

As the bipartisan budget summit prepared to move from detailed briefings to direct negotiations, with only the principals present, Darman said, "We feel a lot better about the group and the process than we did a few weeks ago." But he cautioned that the "chemistry" and mutual trust that have been built up in the past four weeks of briefings are untested. No one, he said, is

under any illusions "about how hard this is."

What ultimately may force action, Darman said, is the realization that "sooner or later, we have to deal with each other" to avoid sequestration, the technical term for across-the-board spending cuts that would be of unprecedented magnitude in order to meet the Gramm-Rudman-Hollings deficit target of $64 billion for fiscal 1991.

Darman's estimate of "at least $80 billion" for sequestration was about $20 billion higher than the administration originally had warned might be necessary. Even if the lower figure should prove accurate, Darman said, it would, among other things, eliminate student aid grants for 1.2 million people and reduce all other surviving student aid grants by $675 apiece; force furloughs of 5,500 federal prison guards; the intermittent shutdown of some airports and increase delays in the air transport system four- to sixfold; and stop work on almost half the hazardous waste sites slated for Superfund cleanup.

Darman read the figures from a 22-page draft of a document he plans to make public on July 15 as a warning to Congress of the potential costs of an impasse. By then, he said, the lawmakers will be facing another deadline—the need to increase the $3.12 trillion ceiling on Treasury borrowing before they start their annual August recess.

Darman said the national debt limit that was expected to get the government through all of this year will be exceeded by September, largely because "we're spending money so fast on the savings and loan [cleanup] resolutions."

While the deadline for lifting the debt ceiling before the congressional summer vacation "is the real midnight hour,'" Darman said, the administration hopes to see substantial progress in negotiations before Congress starts another 12-day break on June 29. An overall agreement on the elements of the package by that date is important, he said, to allow sufficient time for the detailed staff work required to handle not only the medium-term deficit-reduction plan but long-term reforms of $6 trillion worth of government credit and insurance programs.

Darman said the prospect of $80 billion or more in forced cuts is horrifying enough that all parties to the negotiation will recognize the law must be changed. But he said that "neither the administration nor the financial markets" would accept simple bookkeeping changes or target adjustments that would postpone the problem for another year. "It will require change in substantive law," he said.

While withholding any details of the administration's package, Darman indicated he was ready to offer suggestions in the defense and entitlements areas "if the group is interested." He also said President Bush was likely to join the discussions personally in the next two weeks and "is fully prepared" to lead the lobbying and public education effort if a bipartisan package can be assembled.

While conceding that the negotiators face "large problems of trust and the management of political risk," Darman said he was encouraged by the fact that "there have been a number of occasions when people could have taken cheap partisan shots and didn't."

[From the Washington Post, June 19, 1990]

BAKER TO PRESS OTHER NATIONS FOR AID TO CENTRAL AMERICA

(By Lee Hockstader)

ANTIGUA GUATEMALA, GUATEMALA, June 18.—Secretary of State James A. Baker III assured Central American presidents today that Washington would press Japan and Western Europe to increase their assistance to the region at a time of declining U.S. aid to most Central American countries.

Although the United States recently sent an aid package worth $720 million to rebuild the ruined economies of Nicaragua and Panama, U.S. economic assistance to the other Central American nations—Costa Rica, El Salvador, Guatemala and Honduras—dropped by about 20 percent this year.

The region's presidents, meeting in this cobblestoned colonial capital on a rescue mission for their war- and debt-shattered economies, have stressed that no combination of steps they could take would be sufficient to lift the region from its poverty without new infusions of cash from industrialized nations.

Baker, who arrived in Guatemala Sunday night and met individually with the six presidents today, is proposing an international effort by wealthy nations and international lending institutions to help Central America. The approach is patterned on the Group of 24 industrialized nations that was formed last year to rebuild Poland and Hungary and has since been expanded to address the needs of other Eastern European countries.

"We . . . recognize that there are fears in Central America that the United States and the industrial democracies will be diverted by the changes in Eastern Europe and ignore this region at this moment of historic opportunity," he said. "I'm here today at the request of President Bush to make it very clear that the United States will be engaged and fully supportive of this regional peace process."

Although the presidents expressed some doubts about the structure of the new aid mechanism and conditions that might be attached to new assistance, the general response to Baker's proposal was positive.

"The United States is taking the lead in getting the world to give aid to Central America," said Costa Rican President Rafael Calderon. "We all celebrate that."

Nicaragua has already been the beneficiary not only of some $330 million in direct U.S. aid, but also of a $300 million aid package pledged earlier this month in Rome by a group of 34 donors, including the 12 European Community countries, the World Bank and the International Monetary Fund.

The 34 donors also pledged an additional $180 million for Nicaragua in 1991, a sum that would include food aid and help to reduce Managua's balance-of-payments deficit.

Baker did not mention how much aid for Central America might be generated by his plan. Essentially, however, the idea seems to hold out the still vague promise of doing for the rest of Central America what the industrialized nations appear to be doing already for Nicaragua.

The proposal comes as Central America's presidents—all of them democratically elected and oriented toward free-market economies—are expressing optimism that the region has passed through a decade of violence and instability and is ready to address long-range challenges of underdevelopment and poverty.

Two-thirds of the 30 million people in the region live in poverty, and perhaps half of the poor are considered severely impoverished—that is, unable to provide themselves with a normal daily diet.

The region's leaders, plainly worried that tenuous steps toward regional peace are threatened by poverty and stagnation, proposed on Sunday a broad program of regional cooperation in trade, production and expansion of infrastructure.

One effect of the plan would be to resuscitate the Central American Common Market, launched in the 1960s but a victim of wars and rivalries in recent years.

in addition to reassessing tariffs, cutting border restrictions for goods and people and eliminating other barriers to free trade, the five presidents called for a unified approach to rebuilding the region's transportation, communications and energy resources and creating a regional foreign service to attract new investment and tourism.

They further proposed the development of coordinated industrial and agricultural policies to guide regional production. And they instructed the region's economic planners to establish a forum to examine ways of easing the region's $20 billion debt.

Baker hailed the plan and called the summit a "historic . . . symbol of changes that are transforming this region." However, after a decade in which the United States has spent hundreds of millions of dollars to finance wars that had a devastating effect on the region's economies, U.S. aid to most of the countries on this isthmus is beginning to slip just as they seem on the verge of pacification.

Combined U.S. economic aid to Costa Rica, El Salvador, Guatemala and Honduras fell to $565 million in fiscal 1990 from $702 million last year—a reduction of about 20 percent.

The region's leaders have expressed anxiety that the "peace dividend" that has permitted U.S. funds originally intended for the Pentagon budget to be diverted to help Nicaragua and Panama will not be repeated in the rest of Central America.

Baker and other U.S. diplomats reassured the presidents that the proposal to organize wealthy nations to assist Central America would result in an old package that would supplement—not replace—current U.S. bilateral aid programs.

Salvadoran President Alfredo Cristiani said, "From our perspective, we look with . . . pleasure and with hope on the possibility of aid that would complement that which already exists bilaterally and multilaterally."

However, some aspects of the proposal seemed to touch regional sensitivities. In particular, several leaders expressed reservations about an outline of the proposal floated recently by Deputy Secretary of State Lawrence S. Eagleburger.

Eagleburger suggested that the organization's co-chairs be the United States, Japan and Eastern Europe, with the secretariat to be located in the United States. He added that "we would consider inviting a Latin nation," such as Venezuela, also to serve as a co-chair.

Guatemalan President Vinicio Cerezo said that if an international mechanism is created to help Central America, the leadership of such an organization should "fundamentally" come from the region itself.

U.S. officials, aware that the idea for a U.S.-based secretariat had not been enthusiastically received, stressed that the struc-

ture of the new organization had not been determined.

There also were concerns that the new aid would come heavily conditioned. Baker acknowledged that it would be intended to support human rights, democracy, development and disarmament and that deviations from those goals in the region could cloud prospects for the flow of aid.

Baker also said "it would be nice" if the Soviet Union continued supporting Nicaragua under the conservative government of President Violeta Chamorro as it did under the revolutionary rule of president Daniel Ortega.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. HEINZ. Will the Senator yield for a unanimous-consent request?

Mr. D'AMATO. Yes.

Mr. HEINZ. Mr. President, I ask unanimous consent that the senior Senator from New York be added as a cosponsor to my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, I ask the distinguished Senator from Pennsylvania if he would add me also as a cosponsor.

Mr. HEINZ. If the Senator will yield, I ask unanimous consent that the Senator from New York also be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. D'AMATO. Mr. President, I commend the senior Senator from Pennsylvania. I think it is about time that we had an accounting system which gave credit for funds that came into the system, as it should be, and credit for other revenues that are going to be expended in the budget process, as it should be, against the expenditures. There is no reason to maintain this fiction.

I commend both the Senator from Pennsylvania and the senior Senator from New York, who has called to our attention the inadequacies of our present operation.

Mr. President, I rise with positive and yet mixed thoughts about the bill that is pending. I have been involved in helping to develop this legislation with Senator CRANSTON and others over the past 3 years. While I have concerns about certain parts of the bill, in general I believe it is moving in the right direction, shifting decisionmaking from the Federal Government to our cities, to our States, and to our communities. As an ex-county official, I know that the best solutions to problems most often come from within the community that understands and knows those problems firsthand and not from the bureaucrats in Washington.

Because of this shift of emphasis in giving greater decisionmaking to local government, I support this legislation. On the other hand, during the full committee markup of this bill I expressed a number of concerns, as did many of my colleagues, relating to very important aspects of the budget level. The bill is $4 billion over the President's budget. There is room for negotiation, and that is something that we are going to have to do.

There is the lack of full funding for the HOPE Program, only $435 million over a 3-year period of time, as contrasted with a request of $1.89 billion for the administration. There is the problem of new construction, what should and should not be considered a new construction program, and, of course the largest and the most important which I intend to speak to is the FHA developments. I believe that we face a possible disaster. It may or may not rival the size and certainly will exacerbate the present problem we have with the thrifts and real estate industry, and I think it bears some looking at, and certainly before we enact comprehensive legislation we should examine this most carefully.

Mr. President, I have been informed by the administration—and this information came to me literately within the past 10 minutes—that if the bill passes as it is without there being addressed some of these issues that I have put forth, the President will veto the bill.

It seems to me that we have put too much time in not to attempt to iron out, if we can, these possible difficulties. I know Senator CRANSTON shares my thoughts in this regard, and I believe a large majority of the committee and the Members of this body, but certainly the Banking Committee, feel likewise. It is going to be pretty difficult to attempt to work out the compromises necessary while we have the bill on the floor, and it seems to me that it is necessary for us to set up a time and a formula by which we can attempt to negotiate out the differences. If we can, I think the American people are going to be better for it. We will get a good housing bill. We will get one that meets the budget constraints and addresses the major problems.

Mr. CRANSTON. Mr. President, will the Senator yield briefly?

Mr. D'AMATO. Certainly.

Mr. CRANSTON. I have not heard of any threat of veto until this moment.

Mr. D'AMATO. If I might respond, I received this note, literally, just prior to my addressing my statements to the Senate, and I have been informed that a letter will be forthcoming, probably before noon, from the White House indicating this.

Mr. CRANSTON. If I may address that just briefly, I know the Senator wants to make his statement, but I appreciate this opportunity to speak just very briefly on this matter. We had a very fine meeting yesterday with Richard Darman, the head of the Office of Management and Budget, and Jack Kemp, the Secretary of HUD. They made it very plain they did not want to discuss vetoes at this point. They thought it was an effort to be accommodating on matters where we have differences. I am rather shocked that we now have a suggestion from somewhere that there could be a veto since they know and the Senator and I know there are negotiations going on right now. We are negotiating on four points that came up yesterday in the meeting with Mr. Darman and Mr. Kemp.

They are not areas where we have any major differences. One is on new construction. They are concerned that maybe there will be too much of that, but we recognize, I think, a need for some, but we want to emphasize other approaches so we are in agreement in principle. On targeting a floor, we both want that. It is a matter of how we make sure it is done properly. On FHA making it actuarily sound, we agreed we must do that. Price Waterhouse is checking on an ultimate proposal that fits seemingly within their comprehension of the facts of life, which would, I think, probably meet a common goal in a better way than the administration proposed. Again, that is a matter to work out.

On the funding, Mr. Darman, head of OMB, specifically stated yesterday that, if we reach agreement on those other three major points, and I believe we can, funding will not be a vetoable item. Negotiations are under way now. I had a report 10 minutes ago on those negotiations while the Senator had a suggestion of veto 10 minutes ago. The negotiations are going forward. Progress is being made, with no guarantee of success, but I think there will be success. So I think we have an excellent chance rather swiftly, quite possibly to pass this measure here in a way that will have very broad bipartisan support and no suggestion of a veto from the White House.

Mr. D'AMATO. I think the issue, if I might indicate to my colleague from California, is that unless these issues are resolved, the veto is not only a possibility, but it is rather a certainty as it relates to some of the areas where concern is expressed.

This Senator will be candid and express the concern that it seems to me it is going to be difficult to deal with all of the issues to be resolved unless the principals will have an opportunity to address them with their various people in the administration, both Secretary Kemp's office and OMB and the White House.

So I wonder, when we are going to attempt to do that. We are trying to do the bill on the floor at the same time and while staff is able, is compe-

tent, is professional, in the final analysis it is going to take the parties who are interested in this to finally culminate in a successful compromise, if that is what the case is going to be.

Mr. CRANSTON. If the Senator will again yield briefly, obviously, it will take agreement by all the people who are primarily involved in this issue both in the administration and in the Senate. I think we have an excellent opportunity to achieve that agreement. Plainly, the bill we finally pass here is not the final version. It will have to go through a process with the House as to what we can agree upon in conference. But I think the House will be willing to have some give and take at that time. So I remain very confident that we will be able to work out these matters.

I would like to add one point. It was not until we got the bill on the floor that we were able to really get the attention of everybody who wants to be involved in this matter. The administration, of course, for understandable reasons, did not come forward with its exact views until we had the bill on the floor. Having the bill on the floor was a mechanism that caused some action. I hope we can have the negotiation going on simultaneously with consideration of this bill on the floor in various amendments and wrap it up all at once fairly swiftly. That is my hope and objective. I hope it can be attained.

Mr. D'AMATO. Mr. President, one of the areas of concern that I have mentioned and my distinguished colleague from California has also alluded to—Secretary Kemp came to the Hill and testified 2 weeks ago—is this question of FHA. There has been a significant development since the markup of the Banking Committee's legislation. On June 6, we learned that the Federal Housing Administration [FHA], is actuarily unsound. It has lost $5 billion in net worth since 1980. This is something that this Senator found astounding. Yet those are the facts.

Without reform, there is no doubt that we are going to continue to lose substantial sums of money. Some estimate $200 million to as much as $700 million. I am suggesting that figure is lower. It is a lot more than $700 million or $200 million a year, and that is taxpayers' money.

I think it is about time that we took some necessary action as it relates to this and stop business as usual. Sure, we are going to have the special interest groups that are going to come down and say oh, no, no, do not touch this, you are going to make home ownership more difficult.

Let me say this to you. I think it is absolutely wrong if we are going to be, with every new FHA mortgage that we make, saying that the taxpayer is going to pick up an additional burden. And if we are going to make these mortgages, we ought to make them when they are actuarially sound. We should not have people getting mortgages which amount to 103 percent of the value of the home that they are purchasing, because Mt. Taxpayer is paying for it.

If you looked at that report, the Price Waterhouse report, and spoke to the people who made it, the experts, what they say is that we are in a precarious situation now, but if the value of real estate does not increase between 2 to 4 percent annually, we are going to face losses. Two percent is a loss, 4 percent is about a break even. That means that property has to be a appreciating.

Mr. President, you do not have to be a scholar, or a Ph.D. in the economic area, or a real estate expert to know that property values basically throughout this country are not appreciating at 4 percent, particularly for the single family home, but in many regions are going down 20 to 25 to 30 percent. That means we have a calamity on our hands. We do not have just a problem, we have the potential for another S&L debacle, and given the depression of the real estate market as a result of the S&L situation, we have something that is unprecedented.

Now is the time for us to deal with this problem. Now is not the time to be doing business as usual. That is why this Senator has indicated to the administration that I will be working with them and offering a package of reforms on FHA. It is absolutely imperative.

I look forward to working with my colleagues. I have spent 3 years, and my staff has, as well, almost 3 years, in attempting to move a bill, a housing bill that America needs, attempting to deal with some of the problems that we find inherent in the present legislation. But I think we have to be realistic and I think we have to be fiscally prudent. And if it took the S&L debacle to wake us up, let us begin to look at this problem of FHA and not just go on doing business as usual with a little nick here and a little slight change there. Let us make sure that we bring in the people who will know the actuaries and say, what do we need to see to it that we are not adding to the problem.

I think there is a problem there already with the portfolio that exists, far bigger than Price Waterhouse really recognized, given the deterioration of the real estate market. But to continue it and exacerbate it and to put good money, so to speak, after bad, and that is taxpayer's money, and to have it follow in the same manner, would be unforgivable, would not be correct.

If we are going to act on a housing bill, we should take corrective measures now in that legislation as it relates to the FHA program.

Mr. President, I yield the floor. I see my distinguished colleague from Pennsylvania, I do not know if he is going to speak on his amendment. I know it is pending. Therefore, I will suggest the absence of a quorum, Mr. President.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BRYAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRYAN. Mr. President, I ask that my name be added as a cosponsor to the Heinz amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRYAN. Mr. President, the term Social Security trust fund has a certain resonance to it. I think most Americans—and I include myself in this category, prior to coming to Washington—believed that the trust fund is something very sacrosanct, something inviolable, something that is set apart, separate, for an expressed purpose; namely, to take care of the retirement requirements of the American public as funded through the Social Security trust system.

Most Americans felt, until recently, that somewhere in Washington, in all of these marvelous edifices that we have, that there would be some impressive building, someplace there would be a colossal gate which would open in part, and there would be found the Social Security trust receipts amounting to some $65 or $70 billion, and that that money would be held separate and apart and not used for any other purpose other than the retirement purposes of the American public who are recipients under the Social Security system or who hoped to be recipients under the Social Security System.

One of the great tragedies of public finance at the Federal level, and I think one of the things that engenders so much cynicism and doubt and skepticism about those of us that are part of the public process, particularly those of us who are privileged to serve at the Federal level, is that when we say things, apparently we do not always mean what we say.

In reviewing the President's budget proposal for fiscal year 1991, one category includes borrowing from the trust funds projected in the 1991 fiscal year to be $74 billion.

Mr. President, it is wrong to establish a trust fund for one purpose and to use those proceeds for another. So I would commend our colleague, the distinguished Senator from Pennsylvania, on the amendment that he offers.

I believe by adopting this amendment, we make an important contribution and a step in providing the truth in the budgeting process; that we make one further step to providing some integrity in the budget process; and that, finally, maybe we begin to get over the confusion that abounds in the Federal process with all of these trust funds—not only Social Security, the Federal highway trust fund, the aviation trust fund—all of these trust funds are used for purposes not intended. The public is understandably angered, and rightly so, when they learn that in point of fact if you went into that area where they believed the trust fund moneys are kept, that there would not be a single dime. All you would have on deposit there would be a slip of paper signed by the Office of Management and Budget—Mr. Darman—"We owe the American people $74 billion."

The public knows that is wrong. Those of us charged with the responsibility of representing the public interest, we know it is wrong. It is time we do something about it.

Mr. President, I am pleased to add my name as a cosponsor to the Heinz amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from California.

UNANIMOUS-CONSENT AGREEMENT

Mr. CRANSTON. Mr. President, I am going to propound a unanimous-consent agreement with respect to the Heinz amendment at 12 noon. I ask unanimous consent that the vote on the Heinz amendment, No. 2024, occur at 12 noon today. I further ask unanimous consent that if the Heinz amendment is agreed to, the yeas and nays on the first-degree amendment be vitiated and the Senate then proceed without any intervening action or debate to vote on amendment No. 2023, as amended.

The PRESIDING OFFICER. Is there objection?

Mr. HEINZ. Mr. President, reserving the right to object, and I do not think I will need to object because I would like to have a vote on the amendment at noon, I would inquire of the Senator from California if it might be possible to have an up-or-down vote on the amendment?

Mr. CRANSTON. It is expected there will be an up or down on the amendment. I do not propose to make a tabling motion.

Mr. HEINZ. So that is clear to all Senators, could we amend the unanimous consent or modify the unanimous consent?

Mr. CRANSTON. The proposal does require "a vote on." It precludes a tabling motion.

Mr. HEINZ. And without any intervening motion or point of order?

The PRESIDING OFFICER. The Chair notes the unanimous consent as proposed offered the opportunity for a vote—requires a vote on the Heinz amendment.

Mr. HEINZ. Parliamentary inquiry, Mr. President, as propounded, would the unanimous-consent request permit any point of order to be made?

The PRESIDING OFFICER. Unless it is explicitly stated so, points of order are not deemed waived.

Mr. HEINZ. Mr. President, I renew my request to the Senator from California, that he might modify his unanimous-consent request to preclude any points of order.

Mr. CRANSTON. I so do.

The PRESIDING OFFICER. Is there objection to that modification? Hearing none, it is so ordered.

Mr. HEINZ. I thank the Senator from California.

Mr. CRANSTON. I would add following this vote as we all know, we will recess, shortly thereafter, for the two party conferences. We will resume consideration of the bill at 2:15, when we reconvene. I hope we can then proceed to have action.

My last report is the negotiations going on between staff representatives of the majority and minority on the committee, with the administration, are presently proceeding well. We may be able to have an agreement before the end of the day on some portion of all that. Meanwhile, there are some other amendments, I hope not too many, that will be brought up on the bill. I hope we can get to them and start having some votes without too much time on each amendment this afternoon.

The majority leader has indicated the desire to pass this measure as soon as possible. That is, of course, subject to working out the agreements and negotiations with the administration. But, if those are successful I hope we can finish this bill very, very rapidly and I urge all my colleagues who have amendments, or things to say in regard to this measure, to come to the floor with their amendments the moment the way is open for that, following disposition of the Heinz amendment so that we get action. Meanwhile, any statements Senators have, like the Senator from Missouri whom I see on the floor who has been a very active participant in developing this measure and been a very fine partner across the aisle in working on it—I see he is present, perhaps he can make his opening statement at this time.

The PRESIDING OFFICER. The Senator from Missouri [Mr. BOND] is recognized.

Mr. HEINZ. Will the Senator from Missouri yield for a unanimous-consent request?

Mr. BOND. I yield to the Senator from Pennsylvania.

PRIVILEGE OF THE FLOOR—S. 566

Mr. HEINZ. Mr. President, I ask unanimous consent that during the consideration of S. 566, the National Affordable Housing Act, Kim Bellard of my staff be accorded privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEINZ. Mr. President, I ask unanimous consent the Senator from Arizona [Mr. DECONCINI] be added as a cosponsor to the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I thank the chairman of the subcommittee, the distinguished Senator from California, and also our ranking member, Senator D'AMATO of New York, for the good work they have done on this measure. I want to express my optimism and the encouragement I feel about the progress we have made so far on S. 566, the National Affordable Housing Act.

As has already been noted on the floor, we had a positive meeting with the administration on Monday and I hope we will be able, by the ongoing negotiations, to reach the necessary agreements so that for the first time in a decade we will be able to agree on and pass a bipartisan bill which will give a much needed new direction to our Federal housing policy.

As has already been noted, we have been advised of a very serious situation with respect to FHA. I note that the report for HUD prepared by Price Waterhouse raises some very serious red flags, and I think it is time we deal with those warnings in a timely fashion.

This body had called to its attention about 5 years ago, problems with the Farm Credit Administration. Actions were taken, which were not effective in dealing with the problem. We came back in 1987 for a major bailout bill.

Similarly, we previously had concern raised about the savings and loan industry, and the crisis in the FSLIC, the insurance fund for the savings and loans.

We took actions, but not effective actions. It must be said we followed the old admonition: Cheer up, things could get worse. We cheered up and things got worse.

In this instance I hope we will be able to take the warning that has been prepared for us, presented to us by an accounting firm and by HUD, and take effective action so we will not jeopardize the ability of the FHA to provide assistance for those who truly need it to be able to afford homes. That is going to be one important part of this measure.

In addition, I think there are other parts of the bill which are extremely important. I have spent a good deal of time in the last several years, as has

my staff, talking with people in my home State and people around the country about housing policy, what has gone wrong, what needs to be fixed and how we can improve it. From these discussions several general principles have emerged.

First, I think it is extremely important housing programs be flexible so that at the State and local level policies can reflect local economic conditions and social needs. St. Louis and Boston and Los Angeles and Springfield, MO, may have very different housing problems. It is nonsense to think only those in Washington can make good decisions about what is needed in each local area.

The decisionmaking for policies and programs needs to be streamlined so the responsibility for policy is clearly in one place. Authority and responsibility need to go together.

All the different pieces of the housing puzzle need to fit together. The low-income housing tax credit, rental assistance, public housing, State, and local programs, all need to be coordinated along with the private sector initiatives to adopt an overall strategy for the community. Federal money should be used to leverage other resources so we can get the most housing for the dollars that we spend.

Housing policies also need to work hand in hand with social service programs to encourage empowerment and self-help and thus help people bring themselves out of poverty. Secretary Kemp has made a tremendous contribution with his HOPE initiative and they have brought forward things like Operation Bootstrap, Project Independence, and others. I applaud Senator CRANSTON for including so many of these proposals in his legislation.

Senator CRANSTON's willingness to adopt these proposals from the administration and other proposals from this side have given us a great opportunity to move forward on a bipartisan basis to achieve the needed reforms in housing.

(Mr. BRYAN assumed the chair.)

Mr. BOND. Mr. President, I, for one, could not support more money or even continue to spend money on the inefficient categorical grant programs now in place. But in this bill, we have made some significant improvements, and I believe that the time has come to start putting money back into the supply of housing which, in my view, has been sadly neglected.

I was particularly interested in the problems of public housing, problems which in some areas of my State have become severe. I introduced several amendments which were accepted at the committee markup which will improve the management of public housing and, most important, the service provided to those residents of public housing.

I would like to take a minute now to describe some of them because I believe they improve the bill, and I would like my colleagues to know the philosophy behind them and what we are trying to achieve in this legislation.

I think we would all say that the vast majority of public housing agencies are well run, but there are a small minority of public agencies that give a black eye to the whole program. There are particular problems that crop up which bring general disgrace to the concept of public housing.

Public housing is run by local officials spending Federal money and in the past, too often, it has been spent only with great interference and red tape and conflicting responsibilities and authorities with Federal bureaucrats. This division of responsibility has caused a significant number of the problems which have arisen.

Local officials blame the Federal Government for the squalid conditions. They say they will not let us do something; they will not let us make the necessary changes. The Federal Government, on the other hand, says, why, it is the PHA, the Public Housing Authority's responsibility; we cannot control them.

The people who lose out, Mr. President, in that kind of squabble are the residents themselves who live in housing that is substandard, that does not meet the conditions or the qualifications that we would expect a rich and decent country as ours to afford.

We want to change this, and the amendments that were adopted move in that direction. The first amendment sets up a system of performance indicators for HUD to use in evaluating how well public housing agencies are managing the public housing under their control. HUD is to report back to Congress annually about what progress they are making in improving the performance of the most severely troubled PHA's.

HUD is given the ability to contract out some or all of the housing projects in a jurisdiction if the PHA is severely troubled and will not work out an agreement to improve performance. This gives HUD an additional alternative to petition the courts for the appointment of a receiver to manage troubled public housing agencies.

Currently, the sticks used in dealing with unsatisfactory conditions in local public housing is to cut off the CIAP or modernization housing funds. The problem with that tool, the only people who suffer are the residents of public housing who are not getting decent public housing in the first place. This measure gives new tools. It gives a modified bunch of sticks so that the housing authority can be replaced as the manager of that public housing development if they are not doing a good job.

In addition to the sticks, it provides some carrots. It says for those housing agencies which are doing a good job, they will be able to get their funds, this CIAP fund, on a block grant basis so they will not have to apply each year for specific approval for CIAP.

To me, this makes a great deal of sense. The amendment also allows for reduction in operating subsidies for units which have been continuously vacant for more than 1 year due to the negligence of the PHA.

My amendment also sets up an Advisory Commission on Public Housing so that HUD can take advantage of the expertise in the field. Our message to HUD simply is: Just do it. We want you to take care of these problems. Public housing deserves a higher priority.

A second amendment, one that is extremely important in my State and a number of others, adds some flexibility to the public housing demolition standards in current law. The rigidities of the one or one replacement requirement prevents cities from dealing with troubled projects that have been vacant for many years. I understand the philosophy behind the 1-for-1 replacement rule. That makes some sense when the projects or the developments are fully occupied. Why let a housing resource be destroyed? But it makes much less sense when there are empty high rises that never provide a decent living environment for families and now sit boarded up.

I have toured housing developments in St. Louis which no one would want to live in; no one would choose to go there. They have degenerated through lack of attention, through abuse over the years, and they are beyond rehabilitation. Many of these sit three-quarters empty.

Under the current law, it is impossible to tear down those high-rise tenements and replace them with decent housing because of the rigidities of the 1-for-1 replacement formula. My amendments allows HUD to approve demolition if conditions are met. The city has to come up with one replacement unit for every two demolished. The project must have been 35 percent vacant for each of the previous 5 years. The vacancy rate in the city must be above 10 percent. The area must be economically distressed and the city must hold open meetings to discuss plans for the site.

I believe from discussions with my colleagues that similar situations exist in other States, and I believe this reasonable provision puts much needed flexibility in an overly rigid statute and will lead to much better housing and more available housing which families will not be loathed to live in.

My last public housing amendment adds public housing simply as one of the issues that must be addressed

when jurisdictions submit their housing strategies to HUD.

In the conversations that I have had with people from the entire spectrum of subsidized and public housing interest and responsibility in my State, the one point they all make is we have to consider public housing as a critical element in our overall housing strategy. It is important that we consider so, and this amendment will require it to be done.

Mr. President, I would like to address just for a minute some concerns that a number of my colleagues have expressed in the hearing in committee and in the cloakrooms as we have discussed housing. Some are concerned about the commitment the Federal Government has to housing.

We have made that commitment, Mr. President. We have moved forward but, unfortunately, we have tied that commitment down with a series of redtape bureaucracy. We have seen evidence of mismanagement and the term "HUD scandal" has become a standard term of reference. The time has come when that is changed.

First, the new administration of Secretary Jack Kemp has made a total commitment to improving the management of housing resources in the United States. Under his strong, dedicated leadership, concern for those who live in public housing, I am convinced that we now have the administration in place that realizes how important our commitment to housing is.

Second, Congress last year passed HUD reforms which are essential to cleaning up the problems that have existed. But, frankly, I think the final element that is necessary in reform of HUD, to avoid the problems of the past, is to change the system that we now have that is strangled with redtape, whose complexity invites the use of consultants to short circuit the unduly lengthy and burdensome procedures to get money approved.

For my colleagues who have reservations about housing, who look at Government from a more conservative point of view, I would say philosophically this is sound. Essentially, we have moved to a block grant type of arrangement under which responsibility and authority will be lodged at the local level. This will get away from having unnecessary responsibility centered in Washington.

Pragmatically, we will put the responsibility at the local level so that the local officials and the State officials will have the responsibility. They will not be able to point their finger at anybody else; they will have to get the job done.

Mr. President, I know that the occupant of the chair has had the same experience that I have serving as the chief executive of his State, recognizing the frustrations that we have all had when we have programs that are thrust upon us to administer, yet we have to call back to Washington; we have to beg, plead, and implore Washington to let us manage the projects.

I am convinced that in most, if not all, of the circumstances, we will see much better management when that authority and responsibility is returned to the State and local level. But in those cases where it is not, it is going to be far easier to identify and make accountable those officials subject to the will of voters at the local and State levels who have not performed their responsibilities satisfactorily.

The second objection, the second concern that has been raised, and it is a legitimate one, is the same authorized in this bill. As I said earlier, I feel strongly we did not spend enough money on housing in the last few years, but I would say also that we were wasting far too much of the money that we appropriate.

Now, however, we have passed an authorization out of committee which recognizes more funds are needed for this vitally important resource.

As the President knows and all of us know in this body, we are not going to, in this bill, commit the funds. We authorize the funds. As Secretary Kemp and Budget Director Darman pointed out yesterday, the amount of money we are going to have to spend on housing ultimately, apparently, is going to be determined by our colleagues and those in the administration who are in the budget summit. We hope that they will be able to provide additional funds. But the actual level of funding will not be determined by this bill. It will come out of the budget agreements and out of the Appropriations Committees.

Secretary Kemp and Director Darman said if the changes in policy are made, they would not object to the level of authorization. I think that is very important. We understand, those of us who have to operate under tough budget discipline, that we sometimes cannot have all the money we want, but at least we can make sure that the policies are correct.

I say also to my colleagues on this side of the aisle that this measure contains some very important initiatives that have been recommended by HUD, under Secretary Kemp, and are supported by the Bush administration.

I mentioned things like Operation Bootstrap and Project Independence. One that is of particular interest to me is the additional authority and resources for assisting resident management organizations to buy the housing units, the developments in which they live.

Mr. President, for my colleagues who have not had an opportunity to visit some of the resident management operations or to see in operation one of those units turned over to resident ownership, I would say you are missing one of the most exciting and one of the most innovative developments in the field in many years. People who have the opportunity to manage their developments, who will in the future have the opportunity to own their developments, are the ones who will make them livable. We can cite many around the country but we are very proud of Loretta Hall in Carr Square, which is in the process of moving toward tenant ownership; Bertha Gilkey in Cochran Gardens and the many working with them.

They have said to the drug pushers "Get out." They have said to the young mother who is overwhelmed with responsibilities, "We will help you. We will provide child care and assistance for you and your children." They have said to the substance abuser, "Get help. We will help you if you reform and change your ways." They have cleaned up. They have modernized. They have painted up. They have spruced up their developments and they are pleasant places to live because they have incentive and the opportunity to control their destinies. That is an exciting principle which is expanded upon and continued in this very important piece of legislation.

Finally, as has already been noted, Secretary Kemp and Director Darman have asked us to look at four areas in which they have significant problems. No. 1, they say that we ought to target more money to lower income. It was certainly the intention of the committee that low-income housing be favored. Senator CRANSTON has graciously agreed to consider the prospect because I believe everybody on the committee wants to see the money going primarily to the lowest income housing, recognizing that some may need to go for higher income to maintain stability in the project. But we think this is a worthwhile step forward, can help maintain the neighborhoods and can provide better housing for everybody involved.

Second, they want to limit the amount of money that goes into construction. I do not think anybody had an intention of making this a construction measure. We wanted to encourage rehabilitation. The administration is to come forward with some higher standards for new construction which they wish to include in the bill. Again, I believe that the willingness of the majority and the minority to consider those puts us on the right track.

Third, they want to see more funds authorized for the HOPE Program. I would support them in that. I think the HOPE Program, the projects I have mentioned which have been brought forth as a result of the work of Secretary Kemp and others, do provide empowerment. They provide

social services. They go beyond provision of housing to make better lives and better contributing citizens of the residents who live in public housing. I believe we can add more to the HOPE Projects.

Finally, they have said that we must have FHA reforms. Mr. President, as I mentioned at the beginning of my remarks, that is absolutely essential. I do not believe anybody in this body or in Congress or in the administration wants us to turn loose on the American taxpayer another disaster such as we have had to bail out in other areas where Government-sponsored enterprises or Government-backed insurance funds have gotten into trouble.

These are the critical elements. We have a flawed housing strategy. We have problems in the FHA right now. We have before us a means of solving those problems and of working out a much better policy. I urge my colleagues who are not initially inclined to support a housing bill to come work with us.

There are the four general areas on which the administration places its highest priority. They have a number of other concerns. Some of those concerns we may be able to agree upon without a vote. They may be accepted by both sides. On others we may have to vote up or down. I think, however, we have the vehicle before us which can help develop a sound housing strategy, a policy which will serve the people of this country, particularly those who need assistance with their housing for the rest of this century and on into the next.

I invite my colleagues to take a look at what is in this bill to see if they do not agree with us that we have made great strides, and with the help of our colleagues in this body, we can make an even better bill that will be, for the first time in too long a time, a good bipartisan effort to reform and improve housing policy in the United States.

I thank the Chair.

Mr. CRANSTON. Mr. President, I thank the distinguished Senator from Missouri for his very fine statement in regard to the housing situation facing our country and the specific legislation now before us. The Senator has contributed mightily to working out a better and better bill. Many of us are deeply grateful to him for that. His experience as a Governor was also of great help as we developed a bill that is going to rely more and more on Governors and mayors and other local officials to execute sound housing policies that will be backed by this legislation.

I was unable to listen to all of the Senator's remarks. I would like to ask one question. I heard him refer to amendments. Is he planning to offer amendments?

Mr. BOND. Mr. President, at this time I do not have plans to offer any amendments. I intend through my staff, to continue to participate in the negotiations. There may be areas which come out of those discussions where the adminstration would wish to have points brought forward. I defer to the ranking member on the subcommittee as to his views on that. I am willing and able to assist in any way I can. I do not have any of my own but will work with the managers of the bill if I can be of assistance in any way.

Mr. CRANSTON. I thank the Senator for that explanation. It is my hope that before too long we have some amendments that we have worked out with the administration; that a number of us can then join as sponsors of whatever amendments are required to implement that agreement.

Mr. BOND. I thank the chairman of the subcommittee for his kind comments, and I look forward to working with him.

Mr. CRANSTON. Mr. President, I wish to speak briefly on the Heinz amendment. I hope that most of our discussion today and on through tomorrow, can be related to housing and not to other matters. But on the Heinz amendment, let me begin by saying that I fully support the goal of the Senator from Pennsylvania. That goal is to remove the Social Security trust fund from the unified budget and from the Gramm-Rudman deficit calculations. I am a cosponsor of legislation, S. 1795, which would do so.

In 1985, I authored an amendment adopted by the Senate instructing the Finance Committee and the Budget Committee to bring before the Senate legislation to assure that Social Security funds would not be used to offset general spending or to reduce the general deficit. Social Security taxes are collected for the specific purpose of funding Social Security benefits and should not be used for other purposes.

S. 1795 and the amendment offered by the Senator from Pennsylvania are intended to protect Social Security funds and I strongly support that goal.

Although I am not sure that the current bill before us, the housing bill, is the most appropriate vehicle for the Senate to use to achieve this goal, I intend to vote for the Heinz amendment for the reasons I have expressed, and I urge other Senators to do likewise.

In closing, I wish to pay tribute to the remarkably effective and thoughtful leadership which PAT MOYNIHAN has provided for a long, long time now. He is the man who has been out front on this issue.

He thought it through with great care. He has made some very bold proposals. I applaud the leadership that Senator MOYNIHAN has offered to all of us, to the country, and senior citizens—and to all concerned in relationship to this matter.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York [Mr. D'AMATO] is recognized.

Mr. D'AMATO. Mr. President, I too hope, as the Senator from California has indicated, that we will be able to work out some compromise as it relates to some of the outstanding issues I have attempted to touch on, and that the administration is concerned about.

I expect this afternoon I will probably have in hand the letter in which the White House indicated to my staff that unless various areas can be dealt with there would be a veto.

Obviously, the tactic of bringing the bill to the floor was such, and I concurred, as to attempt to bring about the kinds of movement and dialog that would see us make some progress so we could resolve those legitimate differences that exist.

There are a number of policy questions. I think we have come a long way in narrowing the number and scope of those differences. Hopefully we can work them out. There is obviously the matter of the budget and the amount of dollars that we are talking about. But I think that falls in place after we resolve the issues.

There is a matter of the FHA. I can say with certainty that there will be at least one amendment that this Senator will be offering as it relates to FHA.

I have been a great proponent of the FHA program. I believe home ownership is the route of a strong neighborhood, a strong community, gives family an opportunity to sink its roots, and has so much in the way of value as it relates to socioeconomic policy that I believe everyone, in terms of shared values, feels comes about.

Having said that, this Senator sees an incredible problem. It is not to deprive people of the opportunity of home ownership, but it is not to continue business as usual in the market that is going to bring about destruction.

We do no good to those families, and we certainly do not help them if we raise their hopes and expectations, and get them to put whatever limited resources they have into a home that is going to be taken away from them; that is going to be foreclosed on them. We dash their dreams, their hopes, their aspirations, as well as cost the taxpayer billions of dollars.

We have to look at this. This is a Senator who worked with my distinguished colleague in fighting to raise the limits, because I saw many youngsters in the New York metropolitan area, Long Island, where I live, where FHA was not applicable in most cases.

But I say when you see changing times, when you have the facts, when you have the circumstances which

demonstrate that we cannot continue business as usual, this is not the time to raise limits in the face of the precarious position that the fund is in, and indeed it is precarious. I think it is in worse shape than was put forth, because certainly they did not anticipate it as they were going through the diminished values as it relates to real property.

Diminished values there are. Homes that were bought 2 years ago for $240,000 people cannot sell for $200,000. We are not talking about a 2 or 3 percent gain in the market, or a 2 or 3 percent loss in the market. We are talking about losses of 20 percent.

If you ask Price Waterhouse, if you were to calculate a 20-percent loss in the first year, and they make their calculations over a 5-year period of time, if you ask them what would they think about that, they probably would have to hedge and say, "Well, if that were sustained for a period of time, there would be deep trouble."

Deep trouble? You better believe there is deep trouble. We should not kid ourselves. I was shocked by that report. The fact of the matter is, it is not good enough to be shocked; we have to do something. We cannot continue business as usual.

You cannot let people come in, mortgage out, and get 103 percent. They are not putting in money. If you are able to mortgage out the cost of the closing costs, the insurance costs, all of the other costs, and you have a mortgage now that is in existence for 103 percent of the value of the property, what kind of real equity have those people put in?

We have to change it. You cannot do it. It is not right. It is not fair. It is not fair to those same people who you are inducing to get into a situation, in many cases, which they cannot support.

Let me tell you, you have people in this; you want to talk about fraud and corruption. You have brokers who make a living this way. They do not give a darn about these people.

One of the things we ask the FHA, the Housing Commission, one of the things we ask Price Waterhouse, one of the things I asked GAO, and they said they are undertaking, is a study to see how many of these mortgage mills there are that have failure rates which would exceed that which would be acceptable, so the FHA people, the housing people, would stop doing business with them. We do not have that information.

But I must say, Secretary Kemp and his people are looking at that. But you have to be able to distinguish. There are some people who do not care, some of the mortgage brokers who bring people in. I am not condemning all mortgage brokers. I tell you there are some who want to get that commission. The more people they handle, the more money they make. John Q. Taxpayer, in the long run, winds up paying the tab. So we cannot continue business as usual.

There will be an amendment offered by this Senator. I hope that I will be able to get support. We are working on it now. I will submit it to the distinguished chairman of the committee and hope to elicit his support. I know how deeply he feels about home ownership opportunities for working families, for poor, to give them an opportunity. I believe in that.

But I think we would be making a terrible mistake if at this time, at this date, with the climate what it is, to exacerbate the problem, to underestimate the potential for adding billions of dollars to the deficit, and also throwing many, many people out on the streets. This does not make sense to this Senator to continue a policy which, as it is presently constituted, is doomed to colossal failure.

Mr. CRANSTON. Will the Senator yield?

Mr. D'AMATO. Certainly.

Mr. CRANSTON. Mr. President, we share the concern about the actuarial soundness of FHA. We do not want another mess on our hands. It is plain that an effort must be made and will be made to deal with that problem on this bill.

We did not do it in committee when we were concerned with the bill simply because Price Waterhouse said it was not available to us. It became available to us, and subsequent to that the administration suggested one approach.

The staff of the committee has suggested an alternative approach which is now being analyzed by Price Waterhouse to see if it, in their view, would contribute the necessary stability and soundness to the FHA fund. If it does, I hope it can be the basis of the negotiation resolution that is now going on with the administration, since it would have the effect of keeping the out-of-pocket costs of would-be home buyers under FHA from going up by about $900 from a typical $3,500, $3,600, $3,700, up to $4,400.

If we can avoid that, we should. If we cannot avoid it, we will obviously have a problem.

Mr. D'AMATO. If I might ask my good friend, I understand and I have a shared concern with my colleague as it relates to attempting to give home ownership the broadest possible opportunity.

It would seem to me if we are talking about $900 as it relates to raising the cost, at some point in time we have to look at this situation and come to a realization that indeed it may be more than $900.

And would the Senator agree that keeping the FHA program sound might very well not only call for it but be the correct and proper thing to do, to raise that cost—and it is a cost—to the individual who is looking to participate in that program so we do not have a debacle? That is what we are trying to come to, I think. But $900, I think, is on the low side. I just want to share that with the Senator.

I think that this problem is worse than Price Waterhouse put forth to us in their presentation, that if one looks at the underlying figures and begins to examine in depth and detail how serious this problem is, there is not a 4 percent appreciation of homes throughout the United States. Their program which they put forth, which calls for at least $900 more in each home, bases that on an appreciation value of 4 percent. Absent that appreciation, we are going to have to put up more than $900. Otherwise, that fund will be in deep trouble.

I am suggesting to the Senator that it is a difficult proposition to accept Secretary Kemp's initial proposal, and this Senator believes it does not go far enough, and we are going to have another situation that we will be back here and called to account by the public, saying, "My gosh, you knew this was taking place; how come you continued?" We have now been put on notice, and some can say we did not have a full appreciation of the volatility of the real estate market and the expanded powers that back in 1982 were given to the State savings and loan associations that brought us into the terrible situation that we face. But we cannot say that now, as it relates to the FHA situation.

I also suggest that, if they were to go and monitor—and I think they should—6 months from now, I think they are going to find that the FHA is not only actuarially unsound but has no more value left, and they are in a deficit position, particularly if real property values continue to fall. I see no sign of that letting up.

When one looks at the RTC and the property being put out on the market and at the credit crunch, again, I do not think you have to be a doctor of economics to say that the real estate market is not going to turn around in the foreseeable, certainly in the immediate, future. It simply is not. There is more and more property being put out there under distressed situations which pulls the value of all real estate down. The first ones to get hurt are the FHA properties, which are at the lower end.

So I am very concerned about this, and I say to my colleague, it is a new wrinkle. It is. We received this report June 6, and I think things are moving so quickly, kind of like Eastern Europe. Who could have imagined the events taking place as they did? Who could have imagined we would have a thrift problem like this? But the problem is here, and we better wake up to it.

Mr. CRANSTON. I share every concern that has been voiced by the Senator from New York. We must have FHA on a sound and solvent basis for now and for the future. If we can get it on that basis in a way that avoids knocking out of the housing market through FHA many people who are perfectly capable of making the monthly payments but have not accumulated enough cash for a lot of out-of-pocket expenses for the purchase, I think we should seek to do so. There are many people in my State who are in that condition. I am sure there are many in the State of the Senator from New York and in other States.

There are presently discussions going on between OMB, HUD, and representatives of both the minority and the majority on the Housing Subcommittee, and Price Waterhouse is involved in this, to see if there is a way that we can agree upon to ensure through this legislation that FHA will be on a sound basis. And if we find agreement on that in a way that does not knock some people out of the market, I hope that we will be able to proceed in that fashion.

I want to ask the Senator from New York if he would be good enough to delay bringing forward his own amendment on FHA until we see what comes out of the negotiations between his staff, my staff, OMB, HUD, and Price Waterhouse, and maybe we can all agree on an approach so that there would be no controversy on the Senate floor at all.

Mr. D'AMATO. I certainly will not offer an amendment until I have an opportunity to discuss it with the chairman of the committee, the manager of the bill, and have input from all of the various people. But I have to say that even the administration's proposal which has been put forth, or the suggested reforms that have come forth from Price Waterhouse at this point in time, I have to say that this Senator does not feel go far enough.

Mr. CRANSTON. I have not seen what will come out of the negotiations, if something comes out of the negotiations. I would like to wait and see.

Mr. D'AMATO. I am willing to sit with the Senator. There is talk of amendments which HUD is looking to get people to go forward with. I am attempting to see if we cannot sit down and find out what their legislative suggestions and changes are. I imagine they are attempting to work those out with staff. I wish I could share the good Senator's optimism for that compromise, but I do not see it moving as quickly as I would like. And this is brinksmanship at the 11th and a half hour that we are talking about. So I hope we do have the compromises we are looking for so we can move toward enactment of the legislation.

Certainly, I would submit any changes to the Senator, but I cannot say, in all candor, that I will not go forward with an amendment at some point in time.

Mr. CRANSTON. I understand that. I thank the Senator.

If there is no one who wishes to speak at this moment on the housing matter or the Heinz amendment, I suggest the absence of a quorum. We will be voting in about 12 minutes.

Mr. HEINZ. If the Senator will withhold his request for a quorum call.

The PRESIDING OFFICER. The Senator from Pennsylvania, Mr. HEINZ.

Mr. HEINZ. Mr. President, I rise to make a few closing observations on the pending amendment. Let me say that I am most appreciative of those Senators who have indicated their support of this amendment and those Senators who have agreed to cosponsor it. I also want to thank the manager of the housing bill, Senator CRANSTON, who has stated his intent to support it and vote for it.

I want to take one moment to refresh my colleagues' recollection of why this is an issue that is an easy one to vote for and a very hard one, I believe, if you care about the future of this country and of our children and children's children, to vote against.

The basic problem is this; we are telling the country that we have money, which is in a trust fund, the Social Security trust fund, which is not ours to apply as if it were available to reduce the Federal deficit. Yet, that is exactly what we are doing. So in a very real sense, ever since we enacted our deficit reduction legislation, the Gramm-Rudman-Hollings law, we have been a party to continuing a practice that was probably considered somewhat inocuous back in 1985 but today has become a serious problem.

We cannot continue to, in effect, treat those annual increments of increased surpluses in the Social Security trust fund as someone's personal piggy bank. We should not do it here in the Senate or in the House, and they should not do it downtown. The size of that misapplication is, indeed, I think something of a shock.

I took the liberty of preparing this analysis in chart form, which shows that back in 1980 when we told people that the deficit increased by a certain amount, in this case back in 1980, $74 billion, the increase in the national debt was very close to that amount. In that case it was $79 billion. Therefore, there was a discrepancy of about $5 billion. And, in a sense, it did not seem to most people to be terribly significant. But in the last 4 years, for which we have numbers, fiscal years 1986, 1987, 1988, and 1989, what is clearly apparent is the size of the deficit. Although, very, very large, it is, in fact, being substantially dwarfed by the size of the increase in the national debt that very same year.

Mr. President, if you said to the average American that the national debt is increasing much faster than the annual deficits as they accumulate, he or she would probably give you a very strange look and say how can the national debt increase more quickly than what you say it is you are running up in the way of unpaid bills? How can your debt go up faster than your cash shortage?

The answer is that we have found a way to do it, and the way we have done it is to pretend that the surpluses in our trust funds, principally the annual surpluses accruing to the Social Security trust fund, are somehow available to make the deficit look smaller than it actually is.

So, over this 4-year period, where deficits have run $221 billion, $149 billion, $155 billion, $152 billion, respectively the actual increases in our national debt have been much higher; $303 billion, $226 billion, $255 billion, $265 billion—for this same time period. In sum, our annual deficits over this 4-year period have increased some $677 billion; the national debt some $1.849 trillion—over 50 percent.

When the Senate votes on the amendment before it today, we will be giving very explicit instructions to our colleagues in the Congress that we are not going to engage in this kind of charade any longer and that before the national debt can be increased one penny, that we will have acted to end this practice.

That, of course, is the sum and substance of this amendment. It says we cannot take up the debt ceiling unless Congress has acted to remove the OASDI trust funds from the calculation of our deficits and deficit reduction measures under Gramm-Rudman-Hollings. That is the way it ought to be and I hope, Mr. President, it is the way the Senate will make it.

Mr. CRANSTON. If the Senate will yield, there is at least one Member on our side, perhaps two, who would like to speak briefly on the amendment.

Mr. HEINZ. I yield the floor.

Mr. SANFORD. Mr. President, I thank the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. SANFORD. Mr. President, I simply wanted to thank the Senator for his leadership and persistence in pointing out to the American people that we have been fooling them about the size of the debt, and the time has come to do something about it. I ask that he allow me to be a cosponsor of this resolution.

Mr. HEINZ. Mr. President, I make that unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SANFORD. Mr. President, in March 1988, I introduced legislation to remove Social Security from the Gramm-Rudman deficit calculations. At the time, some told me that this was a rather radical idea. So I am pleased that this idea of no longer using Social Security trust fund reserves to mask the true size of our deficits has caught on. It is about time.

I am pleased to support the amendment offered by my distinguished colleague from Pennsylvania, but I believe this is but one of several steps that must be taken to reach an honest budget. In fiscal year 1991, it is estimated that under present law, the Social Security reserves will cover up the real deficit by about $75 billion, yet we will increase the debt by well in excess of $300 billion.

Mr. President, we should remove Social Security from the deficit calculations, but we should go further. We should remove all Federal retirement programs from the deficit calculations as I have proposed in budget reform legislation, S. 101. If it is wrong to misuse Social Security funds to hide our debt, it is equally as wrong to misuse other Federal retirement funds.

We must also require that our annual deficit numbers include gross interest. All interest owed by the Federal Government should be counted as a payment. Interest on the debt is our problem, and we should be clear about that. This year alone we will pay more than $261 billion in interest on the debt.

We must, in short, take off or move aside all of the items that have been used to cover up the true size of the debt.

Mr. President, I hope my colleagues will support the amendment before us this morning. But I also hope they will view this effort to remove Social Security from the deficit calculations as one of many steps we need to take this year that will require an honest accounting of the Federal budget.

Mr. HEINZ. Mr. President, if the Senator will yield, I thank him for his kind remarks. He, too, has been very much in the forefront of trying to bring this issue to the attention of the Senate. He mentions the fact, and he is quite accurate and correct, that not all of the differential between the growth in the national debt and what we report as our deficit is due to the Social Security trust fund surplus. Most of it is due to the Social Security trust fund surplus. But it is also due to the treatment of some other trust funds, such as the highway and airport and airways trust fund, and on that he is absolutely correct.

I hope it will be possible to act not only on the OASDI, the Social Security Program, but others that have posed this same problem to us and to the country.

The PRESIDING OFFICER. The Senator from Florida [Mr. GRAHAM] is recognized.

Mr. GRAHAM. I thank you, Mr. President.

I first ask unanimous consent to be added as a cosponsor of the amendment of the Senator from Pennsylvania.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM. Thank you, Mr. President.

I, too, commend the Senator for having focused, over a long period of time, our collective consideration on this aspect of the issue.

I believe it is clearly in the interest of the Nation, in the interest of honest budget policy, and in the interest of those who look to the Social Security fund for their economic support, that we take the action that the Senator from Pennsylvania has suggested; that is, that we set in motion a process which will lead to the removal of the Social Security surplus from the calculation of the annual deficit targets for purposes of Gramm-Rudman-Hollings. I support that and am pleased to cosponsor it.

Mr. President, I would suggest that that is not enough in order to accomplish our objectives, that there are other issues that require this Senate's attention. I hope as part of the debate, when we return to this issue, that we will look at some of these additional considerations.

I make these remarks in part to alert my colleagues to the fact that over the next few days it is my intention to introduce legislation which will deal with another dimension of this question; that is, what do we do with the Social Security surplus after we have taken it off budget and after we have taken it off Gramm-Rudman-Hollings? Do we continue to do as we are doing it today, which is allow it to be used to finance essentially the Federal deficit?

Mr. President, I ask unanimous consent to have printed in the RECORD a portion of an extremely interesting study by the Federal Reserve Bank of Boston dated March-April 1989, discussing the United States and the comparative experience with social security surpluses in Sweden, Japan, and our neighbor in Canada.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New England Economic Review, March-April 1989]

PUBLIC PENSION SURPLUSES AND NATIONAL SAVING: FOREIGN EXPERIENCE

(By Alicia H. Munnell and C. Nicole Ernsberger)

Old-age, survivors, and disability insurance receipts are projected to exceed outlays for the next 30 years, producing assets equal to nearly 30 percent of GNP by the year 2018. Although current law provides that these accumulated reserves be drawn down between 2018 and 2048, proposals are already emerging to raise taxes and maintain the reserves once amassed. Hence, the United States currently has a convenient mechanism for augmenting its low level of national saving. By accumulating assets in the social security trust funds, the federal government has the potential to create government saving and thereby raise the national saving rate, but this will not happen automatically.

Whether or not government saving actually occurs will depend on how Congress reacts to the buildup in the social security trust funds. If Congress substitutes the increase in reserves for a tax hike or spending cut to finance current consumpton—that is, to pay for current outlays in the rest of the budget—no real saving will occur. But if the government alters its spending and taxing patterns to produce surpluses in its unified accounts—not just in the social security trust funds—the nation will enjoy higher saving and investment.

While saving through the trust funds may be the most desirable course of action, its importance for either the OASDI program or future generations should be kept in perspective. If the economic assumptions underlying the social security trustees' intermediate cost projections prove to be roughly correct, the OASDI program will function perfectly well regardless of whether reserves are accumulated in advance or financing is returned to pay-as-you-go. If OASDI reserves are not built up between now and 2018, then OASDI taxes will have to be raised between 1 and 2 percentage points each for employees and employers in 2018, rather than 2048, to finance annual deficits on a current cost basis. This tax increase is not insignificant, but completely manageable.

Likewise, if the productivity growth underlying the intermediate cost projections materializes, the difference between how well-off people would be with and without the additional saving is fairly small. Recent estimates indicate that in 2020 the net wage after paying social security taxes will be 199 percent of today's level without the additional saving, 211 percent with it (Aaron, Bosworth, and Burtless 1989, table 5-4).

The necessity of prefunding may be open to debate, but a result that almost all commentators agree should be avoided is one where the reserves amassed in the social security trust funds are spent on current consumption. This outcome would have the undesirable distributional consequence of financing general government activities by the more regressive payroll tax. Hence, if reserves are to be accumulated, it is important to figure out how to translate public pension accumulations into national saving.

The United States is not the first country to attempt to prefund, at least partially, its public pension system. Canada, Japan, and Sweden, in particular, have all accumulated large public pension trust fund reserves in an effort to ease the burden of future pension costs. This paper explores the experiences of those countries to see if they suggest any policies or procedures that might help ensure that pension fund surpluses are used to augment national saving and investment rather than merely to replace current taxes and pay for current general government outlays.

I. RELEVANT CONSIDERATIONS

Before looking at the experiences of the individual countries, it is useful to consider the major concerns regarding the ability of the federal government to increase national saving, and to identify those factors that might influence the likelihood that trust fund surpluses will raise future output and national income.

Since the origins of the social security program in the 1930s, opponents of funding have argued that Congress will use the assets in the trust funds to pay for current consumption. This potential problem is typically, albeit imprecisely, characterized as using surpluses in the social security trust funds to cover deficits in the rest of the budget. The real concern, however, is not one of deficits but rather one of behavioral response. That is, critics worry that the surpluses in the social security trust funds will encourage Congress either to spend more money or to raise less tax revenue than it would have otherwise. Thus, the issue is one of fiscal discipline. By removing pressure to scrutinize the merits of alternative spending proposals, the social security reserves could allow Congress either to liberalize social security benefits or to finance marginal projects in the non-social-security portion of the budget, producing high government spending than would otherwise occur. Alternatively, by appearing to be available to cover general government outlays, the social security surpluses could reduce incentives to raise additional taxes.

One would think that the likelihood of producing this type of behavioral response would vary inversely with the availability of trust fund revenues for general budget or deficit reduction purposes. One factor in this regard is probably whether the social security programs are included in some type of unified budget or are accounted for separately. If trust fund activity is integrated with other federal functions and the total reported as a single figure, as has been true in the United States since 1969, Congress and the public would be encouraged to think that the trust fund reserves are available to cover general government outlays. This tendency is reinforced if social security is included in deficit reduction targets as has been true under the Gramm-Rudman-Hollings legislation. Hence, the buildup of assets in the public pension programs would be expected to have the least effect on other government tax and spending decisions when budget totals and budget targets are reported excluding social security.

Another closely related factor is the ease with which the Treasury can borrow from the trust funds. This depends on the extent to which the administration and the finances of the social security trust funds and the rest of the government are intertwined. In the United States, the Secretary of the Treasury is also the Managing Trustee of the Trust Funds. Although the Secretaries of Labor and of Health and Human Services and two public members also serve as trustees, the Treasury Secretary has the authority to make decisions that affect the financing of the trust funds without involving other members of the Board. For example, in 1985 when the Treasury was constrained by a statutory debt ceiling from issuing any new securities, the Secretary made the decision to convert $28 billion in long-term specially issued bonds held by the trust funds into non-interest-bearing cash balances without notifying the two public trustees (U.S. Senate 1985 and General Accounting Office 1986). The use of payroll taxes, in effect, to temporarily underwrite general government expenses occurred because the Secretary of the Treasury was forced to choose between forgoing interest earnings on the funds or defaulting on government obligations.

Moreover, in the United States, the finances of the social security trust funds and the rest of the budget are closely intermingled (Koitz 1986). The Treasury Department, rather than the Social Security Administration, collects the earmarked payroll taxes and deposits them in a general account with other revenues it receives. The trust funds are then issued special federal securities in a compensating amount. While the balances of the securities reflect the resources available to the social security programs, they more closely resemble spending limitations than control over resources. One would expect less use of trust fund revenues for general government expenditures in situations where the trust funds are more than a bookkeeping activity on the part of the Treasury Department.

In the same vein, the extent to which the trust funds are a captive market of the Treasury might also affect the extent to which social security surpluses produce additional investment. An investment mechanism that diverted reserves directly to the private sector might discourage Congress from spending the social security balances. Of course, the amount of investment is not directly affected by whether social security reserves are invested initially in Treasury securities or private securities. The potential impact is only indirect; forcing the government to go to the private sector to finance all of its debt might highlight, and thereby create pressure to control, the size of the deficit in the non-social-security portion of the budget. Hence, one would expect less use of social security revenues to cover general government outlays in those countries where the fund trustees have more discretion over investment options.

The discussion so far has assumed that reserves in the trust funds are translated into national investment in the private sector; that is, the trust funds buy government debt, thereby freeing private investors to increase their purchase of private sector securities. In fact, it is also possible for investment to take place directly through the public sector. Not all government spending consumption; the building of roads, bridges and other types of physical infrastructure by the government is just as much an investment as the construction of any factory in the private sector. Equally important is government investment in human capital; increases in future output will require a healthy and educated work force. This means that money spent on programs such as Head Start may contribute just as much a physical investment to ensuring higher future income. In both cases, the spending initiatives would have to be over and above what would have occurred in the absence of the trust fund accumulation; otherwise the buildup of trust fund reserves would simply have substituted for tax increases and no additional investment would have taken piace.

The implication of the potential role for government investment is that evaluating whether trust fund accumulation produces greater investment may sometimes entail a two-step process. The first step is an assessment of whether the existence of the surpluses generated greater expenditure or lower taxes in the rest of the budget. If the overall government budget deficit remains unchanged, probably no additional saving has occurred. An exception would be those instances in which the government increased expenditures, but these additional expenditures took the form of investment in physical or human capital rather than consumption. Thus, a second step in gauging a nation's success in translating social security reserves into higher future incomes requires an appraisal of the composition of government spending in the wake of the trust fund accumulation. While generally such an appraisal would be quite difficult, requiring a detailed analysis of spending patterns, some information on government investments in physical capital may be readily available when capital outlays are treated separately in the national accounts.

The following sections explore the experiences of Sweden, Japan, and Canada in order to see what can be learned about effectively prefunding public pension plans that might be useful for the United States. These countries have accumulated substantial amounts of money in their public pension plans; pension reserves currently amount to 30 percent of gross domestic product (GDP) in Sweden, 18 percent of GDP in Japan and 8 percent of GDP in Canada. The individual countries, however, have had varying degrees of success in translating pension fund accumulation into national saving. Part of this variation in outcomes may be attributable to differences in political climates.

All three countries have parliamentary forms of government, where the prime minister is also the leader of the majority party. This arrangement eliminates much of the conflict between the executive and legislative branches and produces a stable political environment as long as one party remains in power; otherwise the results can be extremely unstable. As discussed below, Sweden has been governed almost continuously by the same party since 1932 and Japan has been controlled by the same party since 1955, while control of the Canadian government has alternated on a regular basis between the Liberals and the Conservatives. Because one would expect more success using the government to increase saving in a stable and disciplined political environment, the discussion of each country begins with a very brief political overview.

The bulk of each country survey then consists of three parts. The first is a summary of the developments that led to the prefunding of the public pension program. The second is a preliminary assessment of the impact of the pension fund buildup on national saving, based on government accounts data prepared by the Organisation for Economic Co-operation and Development (OECD). These data are particularly valuable since they standardize for differences in accounting, and they include separate figures for government deficits (revenues less outlays) and for government saving (revenues less outlays plus net capital investment). The third part goes behind the government accounts to explore the factors, such as budgetary procedures or investment policies, that may have contributed to each country's apparent success or failure. The necessarily tenative conclusions are presented in a final section.

II. SWEDEN

Sweden is a constitutional monarchy with a parliamentary form of government. Since World War II, the same five political parties—the Moderates, the Centerists, the Liberals, the Social Democrats, and the Left

Party Communists—have been represented in Parliament. The Social Democrats were in power, either alone or in coalition from 1932 to 1976, and they returned to power in 1982. During the period from 1976 to 1982, the Moderate, Center, and Liberal parties—typically referred to as the bourgeois parties—ruled in coalition. The Social Democrats are closely aligned with the workers' trade union movement, which has been the motivating force behind most of the social security reforms (The Swedish Institute 1986, pp. 16-19).

Development of a Funded Pension Program

Sweden has two public pension programs: 1) the basic social security pension and 2) the Swedish national pension, Allman Tillaggas pension (ATP). The basic social security program dates from 1913 and pays old-age benefits to all persons 65 and older (67 prior to July 1976) regardless of their labor force status. The ATP pays an earnings-related pension to those with substantial labor force attachment and their dependents. The basic social security program is financed on a pay-as-you-go basis, with 75 percent of the revenues coming from payroll taxes levied on employers and 25 percent coming from general revenues. The ATP program is financed on a pay-as-you-go basis, with 75 percent of the revenues coming from payroll taxes levied on employers and 25 percent coming from general revenues. The ATP program is financed on a partially funded basis with contributions derived completely from employer payroll taxes. Employees do not make direct contributions to either pension.

In the early 1950s, the workers' trade union movement began pushing for reform of the public pension system, and its efforts led to the establishment in 1957 of a commission to study ways of improving public pension benefits. As a result of the Commission's report, Parliament passed in 1958, by a one-vote margin, legislation that raised benefits under the existing social security program and introduced the new ATP supplementary earnings-related pension program.

IV. CANADA

Canada, a federal state consisting of ten provices and two territories, is a member of the British Commonwealth. The Queen and her representative in Canada, the Governor General, are the formal heads of state. The Governor General summons and dissolves Parliament, signs state documents, and gives assent to parliamentary bills, but, in almost all cases, must carry out these duties in accordance with the advice of the responsible ministers.

Parliament consists of two houses: the Senate, where representation, as in the United States, is determined on the basis of a fixed number of representatives from each region; and the House of Commons, where representation is based on popoulation. Three political parties have significant representation in the Canadian Parliament; the Progressive Conservatives, the Liberals, and the New Democrats. The Progressive Conservatives are currently in power. Since 1930, Parliamentary control has alternated fairly regularly between the Liberals and the Conservatives; the New Democrats have never been the ruling party.

Development of a Funded Pension Program

The Canada and Quebec Pension Plans (CPP and QPP) were developed in the 1960s by the Liberal government, in response to growing inadequacies of the existing federal universal pension system. Parliamentary debate began in 1963 over the establishment of an earnings-related old-age, survivors and disability public insurance system to supplement the flat benefit provided to all persons 65 and over by the Old Age Security program.

The federal government originally proposed a pay-as-you-go financing scheme, but the provincial governments objected. Feeling the effects of almost a decade of deficits and facing the prospect of massive investments in schools to meet the educational needs of Canada's baby boom generation, the provinces were determined that the system be substantially funded, with annual surpluses made available to them for investment (Bryden 1974). The current financing of the CPP represents a compromise between the federal and provincial government positions; the program has run annual surpluses since its inception, and had accumlated $35 billion (Canadian dollars) in assets, or 6 percent of GDP, by 1988.

Rather than participate in the CPP, Quebec elected to create its own public pension, the QPP. Because contributory rates and benefits have always been the same and the buildup of assets in relation to outgo is identical, the two plans are often referred to together. QPP assets amount to 2 percent of GDP. As noted below, however, the investment practices for the $13 billion (Canadian dollars) held by the QPP have been very different from those of the CPP.

The founders of the Canada Pension Plan felt that reserves equal to two times annual outlays would be sufficient for their purposes. In order to hasten the buildup of reserves, rates were originally set at 1.8 percent each for employers and employees and 3.6 percent for the self-employed, and the payment of full benefits was delayed until 1976. From the outset, however, the CPP's designers recognized that the initial rate schedule would not be sufficient indefinitely and recommended a future review of the reserve fund's status. In 1985 the federal and provincial Ministers of Finance conducted a series of meetings aimed at setting a rate schedule for the next 25 years. Despite the fact that the reserve fund then held assets in excess of six times annual outlays, the original intent of a reserve fund equal to two times outlays was reaffirmed at the meetings (Department of Insurance Canada 1985, p. 3). A new rate schedule, recommended by the Ministers of Finance, was passed by Parliament in 1986 and enacted in 1987. The revised schedule called for the 3.6 percent payroll tax to rise 0.2 percent annually from 1987 through 1991 and 0.15 percent annually from 1992 through 2011. As benefits are expected to increase sharply, this schedule should result in a decline in the ratio of reserves to outlays from 6.0 to 2.0, while the absolute size of the fund remains constant.

TABLE 7.—CANADIAN GOVERNMENT SAVINGS AND DEFICIT (—) OR SURPLUS AS A PERCENT OF GDP, 1960–86

Year	General		Central and Social Security		Central		Social Security [1]		Local [2]		Provincial		Municipal [2]	
	Savings	Deficit or surplus	Savings	Deficit or surplus	Savings	Deficit or surplus	Savings	Deficit or surplus	Savings	Deficit or surplus	Savings	Deficit or surplus	Savings	Deficit or surplus
1960	0.60	1.71	0.49	0.58	0.49	0.58	[3]	[3]	1.09	1.13	0.47	0.54	0.62	0.58
1961	.47	2.06	.70	1.01	.70	1.01	[3]	[3]	1.17	1.05	.11	.69	1.05	.35
1962	1.12	1.60	.94	1.15	.94	1.15	[3]	[3]	2.07	.45	.74	.13	1.32	.32
1963	1.32	1.32	.42	.60	.42	.60	[3]	[3]	1.74	.71	.61	.21	1.13	.50
1964	2.51	.19	.80	.67	.80	.67	[3]	[3]	1.72	.47	.77	.16	.95	.32
1965	3.06	.36	1.28	.95	1.28	.95	[3]	[3]	1.78	.59	.90	0	.88	.59
1966	3.52	.66	1.81	1.47	.70	.36	1.11	1.11	1.71	.80	.65	.27	1.06	.53
1967	3.05	.22	1.55	1.17	.26	.12	1.29	1.29	1.50	.95	.47	.49	1.03	.47
1968	3.20	.67	1.69	1.33	.35	.01	1.34	1.34	1.61	.65	.65	.07	.86	.58
1969	4.53	2.32	2.90	2.59	1.55	1.24	1.35	1.35	1.63	.27	1.06	.39	.57	.65
1970	2.91	.80	1.93	1.63	.58	.28	1.35	1.35	.98	.82	.30	.29	.67	.53
1971	2.46	.03	1.52	1.18	.20	.14	1.32	1.32	.94	1.15	.42	.50	.52	.64
1972	2.32	.04	1.24	.78	.03	.49	1.27	1.27	1.08	.83	.25	.67	.83	.16
1973	3.05	.89	2.01	1.51	.85	.34	1.16	1.16	1.04	.62	.70	.09	.34	.53
1974	4.22	1.89	2.54	2.01	1.37	.84	1.17	1.17	1.68	.12	1.32	.47	.36	.60
1975	.07	2.52	.52	1.07	1.70	2.25	1.18	1.18	.44	1.45	.07	1.00	.51	.45
1976	.22	1.81	.07	.59	1.18	1.70	1.11	1.11	.29	1.22	.08	.74	.37	.48
1977	.58	2.53	1.86	2.36	2.89	3.40	1.04	1.04	1.28	.16	.37	.27	.92	.10
1978	1.40	3.19	3.03	3.51	4.06	4.53	1.02	1.02	1.63	.32	1.05	.42	.58	.10
1979	.52	2.02	2.17	2.44	3.15	3.42	.98	.98	1.64	.42	.61	0	1.03	.42
1980	1.26	2.80	2.18	2.49	3.15	3.47	.98	.98	.92	.31	.40	.18	.52	.13
1981	.03	1.48	.89	1.15	1.81	2.07	.92	.92	.86	.33	.27	.30	.59	.02
1982	3.86	5.96	3.68	4.44	4.69	5.45	1.02	1.02	.18	1.53	.84	1.53	.66	0
1983	4.82	6.97	4.41	5.42	5.21	6.21	.79	.79	.41	1.55	.96	1.56	.56	.01
1984	4.73	6.70	5.07	6.15	5.81	6.88	.73	.73	.34	.55	.12	.56	.46	0
1985	5.13	7.06	5.24	6.05	5.91	6.72	.67	.67	.11	1.01	.47	1.07	.58	.06
1986	3.80	5.51	3.64	4.29	4.26	4.91	.62	.62	.16	1.22	.68	1.27	.52	.05

[1] Canada and Quebec pension plans only.
[2] Includes hospitals.
[3] The Canada and Quebec pension plans were not instituted until 1966.

Source: 1974–86: OECD, Department of Economics and Statistics, 1988, *National Accounts:* 1974–1986, Vol. 2, Detailed Tables, Canadian tables 1, 6.1, 6.2, 6.3, 6.4; 1960–73: OECD, unpublished data.

Additionally, the 1986 reform provided that the CPP system be subject to actuarial reviews at five-year intervals. Should it be found that alterations in contributions are necessary to meet the ultimate goal of a reserve fund equal to two times outlays, the actuaries will so advise the Ministry of Finance which, in turn, will submit a bill to Parliament.

The CPP and QPP and National Saving

Table 7 presents the OECD budget data for Canada. The table shows that the CPP and QPP have consistently produced annual surpluses equal to roughly 1 percent of GDP. Since 1974, however, these surpluses have been swamped by large annual deficits in the central accounts, producing substantial overall deficits at the federal level. As discussed earlier, deficits in the non-social-security portion of the budget do not indicate, in and of themselves, that the effort to increase national saving and investment has failed. What must be evaluated is whether the existence of the pension fund surpluses caused general government expenditures to be higher, or taxes lower, than they would have been otherwise. To a large extent, this may depend on how social security is treated in the budget.

The CPP and the Budget

CPP financing is entirely off-budget and no discussion of the system's finances is included in the budget document. The CPP's annual report is an independent publication, prepared by the Chief Actuary of the Office of the Superintendent of Financial Institutions. (The Office of the Superintendent of Financial Institutions is an arm's-length department of the Ministry of Finance.) While there is no legislated schedule for these annual reports, Health and Welfare Canada is required to submit its *Main Estimates* to Parliament each February, and part III of this report focuses on the CPP. Parliamentary tradition dictates that the federal budget be presented in February as well.

Despite this coincidence in timing, it is unlikely that members of Parliament take any comfort from the buildup in the CPP. Not only are the reserves not included in budget totals or deficit targets, but also the fund is in no way a captive market for Treasury securities. The vast majority of CPP reserves are loaned to the provinces and only a small residual may be used by the central government. On the other hand, because the provinces have such easy access to the accumulated pension reserves, it is necessary in the case of Canada to worry about a behavioral response not only from the members of Parliament but also from the provincial governments.

Investments of the CPP

The provinces are allowed to borrow from the CPP in proportion to their contributions, with any leftover funds used to purchase federal 20-year bonds. Table 8 shows how the $35 billion (Canadian dollars) held by the CPP were divided as of April 1988; less than 8 percent has been loaned to the central government.

The provinces might increase their expenditures in response to the CPP commitment to purchase their bonds, for several reasons. First, the average (and marginal) interest rates that the provinces have to pay on this debt are below market. This occurs because interest rates charged by the CPP are weighted averages of all federal 20-year bonds outstanding, which are typically below those of provincial debt. Hence, provinces can borrow from the CPP for lower rates than they would have to pay on the open market. They may also be able to lower their own open market rates by reducing the supply of provincial bonds sold to the general public. The Atlantic Provinces, which tend to be poorer, have the most to gain from the CPP lending provisions, since they face the largest gap between the rate that they are charged by the CPP and the rate that they must pay on the open market. If the provincial deficits are large, the implicit reduction in marginal costs may be substantial. Lower interest costs may thus induce more current consumption of government goods and services.

TABLE 8.—DISTRIBUTION OF CPP LOANS, APRIL 1988

Province	Percentage of total loans
Atlantic Provinces:	
Newfoundland	2.1
Prince Edward Island	4
Nova Scotia	3.9
New Brunswick	2.9
Central Provinces:	
Quebec [1]	4
Ontario	47.1
Manitoba	5.5
Western Provinces:	
Saskatchewan	4.5
Alberta	11.8
British Columbia	14.0
The Yukon Territory	(2)
The Northwest Territories	(2)
Federal	7.4

[1] Quebec is allowed to borrow from the CPP because some Quebec citizens work in Ontario and because the Royal Canadian Mounted Police who reside in Quebec still contribute to the CPP.

[2] Less than 0.1 percent.

Source: Ministry of Health and Welfare, 1988, Canada Pension Plan Account Monthly Report, April, Schedule F.

An even greater increase in government expenditures might occur if the provinces felt that they would never have to pay back the loans from the CPP fund. A number of Canadian observers originally thought that this might be the case (Pesando and Rea 1977, p. 91), and early statements by the government of Ontario implied that CPP-owned debt was treated differently than publicly owned debt (Ontario 1974, pp. 26-27). In fact, the provinces have treated their borrowing very seriously; they have never missed all interest payment and, in some instances, have already repaid the loans.

Some commentators simply assume in their reviews that the availability of ready credit encouraged more spending by the provincial governments (Bird 1976); no one appears to have made strong arguments to the contrary. The only effort to actually document increased expenditures was a 1981 study prepared for the Economic Council of Canada. This study found that the borrowings from the CPP induced the Atlantic Provinces to reduce their own-source revenues and to increase expenditures, thereby increasing their total borrowings; the results for the other provinces were ambiguous (Patterson 1981). Although it is difficult to say with certainty, it appears that the CPP money loaned to the provinces induced greater provincial spending.

The issue remains, however, as to whether this increased spending produced additional consumption or greater investment. The data in table 7 tend to indicate that provincial spending on investment did not increase in response to the ability of the provinces to borrow from the CPP. Provincial saving was 0.6 percent of GDP from 1960 through 1965; it increased only very slightly from the inception of the CPP through 1974; thereafter it became negative. This pattern is also evident in the figures for provincial expenditures on gross capital formation, which have declined steadily since the inception of the plan from a high of 14 percent of total provincial expenditures in 1964 to less than 4 percent in 1986 (Ministry of Finance 1987, table 52). Thus it appears that the provincial governments have allocated a large share of the CPP surpluses to current consumption.

Investments of the QPP

The QPP, which as of June held $13 billion (Canadian dollars) in assets, does not lend to other provinces. Instead the assets, along with the assets of other Quebec public employee pensions, are supplied to the Caisse des Dépôts. The Caisse des Dépôts invests its assets in regional businesses and crown corporations, with an eye toward the highest possible return. The fund is even allowed to purchase private corporate equities, although it may not hold more than 40 percent of the voting stock in any one firm. Directors of the Caisse des Dépôts are often taken from the private sector, despite some concern over conflicts of interest. By placing its funds directly into regional businesses, the investment patterns of the QPP contrast sharply with those of the CPP. In short, the QPP appears to have increased national saving and investment while the CPP probably has not.

Overall Assessment of the Canadian Experience

Except in the case of Quebec, the Canadian government appears to have failed to prefund its public pension system in a meaningful way. On balance, the buildup in the trust funds seems to have stimulated additional consumption spending at the provincial level and to have reduced the incentive to raise provincial taxes. Would the same thing happen in the United States if the social security funds invested their reserves in state and local bonds? A partial answer may rest on the functions for which the two entities—provinces and states—can borrow.

It appears to be much easier for provinces in Canada to borrow for consumption expenditures than it is for states in the United States. Although New Brunswick, Newfoundland, and Nova Scotia maintain capital accounts, all borrowing is considered revenue, so debt may be used to meet deficits in their general accounts. Alberta has several off-budget special accounts for capital investments and crown corporations, and borrowing for the general budget is not encouraged. However, because Alberta is so dependent upon oil prices for its revenues, it is occasionally forced to borrow for current consumption. Ontario, British Columbia, Manitoba, and Saskatchewan do not even maintain capital accounts. Therefore, borrowing for current consumption is in no way differentiated from borrowing for capital investments. Only Prince Edward Island has legislative restrictions on current consumption borrowing; deficits in the general account may only be met by short-term debt issues. On balance, however, the lack of legal prohibitions and the negative saving in the OECD accounts indicate that the provinces are certainly able to borrow and probably have been borrowing for current consumption.

In the United States 49 of the states (Vermont being the exception) have balanced budget laws. This means that any borrowed

general consumption funds must be repaid within a legislated time frame, typically under one year (Advisory Commission on Intergovernmental Relations 1987, tables 42 and 43). The OECD data for the United States in table 9 show consistent surpluses at the local level since 1972 (1975 is the lone exception), which tends to confirm that the states and localities have not engaged in deficit financing for their general accounts. Hence, as long as the OASDI funds limited their state bond purchases to those with long-term maturities, the states could not use OASDI funds to cover general account deficits. This constraint would help assure that trust fund loans to state and local governments would result in productive investment.

TABLE 9.—U.S. GOVERNMENT SAVING AND DEFICIT (—) OR SURPLUS AS A PERCENT OF GDP, 1960–86

	General		Central and Social Security		Central		Social Security		Local	
	Saving	Deficit or surplus	Saving	Deficit or surplus	Saving	Deficit or surplus	Saving	Deficit or surplus	Saving	Deficit or surplus
1960	1.67	0.58	0.81	0.96	0.68	0.84	0.12	0.12	0.86	0.38
1961	.28	.86	.57	.41	.18	.02	.39	.39	.85	.45
1962	.38	.57	.59	.28	.54	.22	.05	.05	.97	.29
1963	1.11	.11	.08	.25	.11	.06	.19	.19	1.03	.36
1964	.61	.62	.51	.37	.76	.62	.25	.25	1.12	.25
1965	1.05	.21	.04	.19	.09	.06	.13	.13	1.01	.39
1966	.67	.63	.47	.26	1.32	1.11	.84	.84	1.14	.37
1967	.80	2.16	1.84	1.58	2.46	2.20	.62	.62	1.04	.58
1968	.42	.72	.79	.36	1.24	.82	.45	.45	1.20	.35
1969	1.78	.79	.64	1.04	.04	.36	.68	.68	1.15	.25
1970	.74	1.39	1.67	1.06	1.81	1.20	.14	.14	.93	.33
1971	1.40	2.03	2.25	1.72	2.06	1.53	.19	.19	.85	.31
1972	.39	.65	1.90	1.19	1.93	1.23	.03	.03	1.51	.54
1973	.44	.36	.82	.10	1.35	.63	.53	.53	1.26	.46
1974	.24	.35	1.15	.41	1.45	.71	.30	.30	.91	.06
1975	3.97	4.30	4.45	4.10	3.51	3.15	.94	.94	.48	.20
1976	2.48	2.44	3.24	2.75	2.45	1.96	.78	.78	.76	.31
1977	1.33	1.14	2.30	1.90	1.70	1.31	.60	.60	.97	.77
1978	.22	.30	1.25	1.11	1.16	1.02	.08	.08	1.03	.81
1979	.04	.17	.71	.40	.85	.53	.14	.14	.76	.67
1980	1.60	1.46	2.23	1.88	1.76	1.40	.48	.48	.63	.42
1981	1.32	1.13	1.90	1.63	1.51	1.25	.38	.38	.58	.49
1982	4.15	3.97	4.38	4.16	3.36	3.14	1.02	1.02	.23	.19
1983	4.95	4.86	5.32	5.15	4.30	4.13	1.02	1.02	.36	.29
1984	3.92	3.84	4.70	4.51	4.61	4.42	.09	.09	.79	.66
1985	4.01	4.13	4.71	4.63	4.82	4.74	.11	.11	.70	.50
1986	4.31	4.37	4.91	4.69	5.12	4.90	.21	.21	.60	.32

Source: 1974–86: OECD, Department of Economics and Statistics, 1988, National Accounts: 1974–1986, vol. 2, Detailed Tables, United States tables 1, 6.1, 6.3, 6.4; 1960–73: OECD, unpublished data.

V. CONCLUSIONS AND POLICY IMPLICATIONS

Before drawing any conclusions, it is crucial to emphasize the speculative nature of this entire exercise. This is a preliminary paper and involves hypothesizing about what would have happened in the absence of trust fund accumulations in foreign countries with different cultures and institutions on the basis of limited information. With this important caveat, some tentative conclusions are possible.

The key concern in the United States is that Congress will increase its spending or reduce its tax-raising efforts in response to the buildup of large reserves in the social security trust funds. Such a response would mean that no savings would occur, and future incomes would be no higher than they would have been otherwise. It would also have the undesirable distributional consequence of financing current general government activities by the more regressive payroll tax.

The likelihood of the members of Congress responding to the social security surpluses in this manner probably depends largely on their ability to count the surpluses towards overall deficit reduction. All three countries studied keep their social security accounts very separate from the rest of the budget, and this appears to have discouraged their legislatures from incorporating social security surpluses in their general budget decisions or their deficit reduction efforts. As long as the United States retains a unified budget and frames its deficit targets in these terms, Congress will be tempted to keep one eye on the surpluses when voting on tax and expenditure proposals. Hence, ensuring that social security does indeed go off budget when the Gramm-Rudman-Hollings legislation expires in 1993 is an important first step.

The separateness of the social security program as an institution seems to be another important dimension. This does not mean that separate institutional arrangements guarantee complete control; the Swedish fund has total independence, but the nature of its investments was strongly influenced by the Central Bank's credit market regulations. Nevertheless, more separateness may be desirable than currently exists in the United States. As described in the introduction, the U.S. program is really only a Treasury Department account with the Secretary of the Treasury as managing trustee. This incestuous setup would probably not be desirable in an environment where the social security trust funds are to be used to increase national saving. The Secretary of the Treasury should not have easy access to social security funds in case of a debt ceiling crisis such as occurred in 1985, or consider the trust funds available as a captive market for purchasing federal debt.

The solution may rest, in part, in resurrecting a proposal to make social security an independent agency. This change, which has long been advocated for the integrity of the program and administrative effectiveness (Ball 1978, pp. 458–60 and Congressional Panel on Social Security Organization 1984) may become essential in an era of reserve accumulation. Control over revenues and investment decisions should reside with a board that is totally separate from the Treasury.

The lessons so far have come primarily from Sweden and Canda; Japan, of course, has taken an entirely different approach to translating pension fund reserves into productive investment. It does not have a separate agency, but instead the federal government tightly controls the allocation of the EPI and NP reserves through the capital budget. Although this approach does not seem to fit well with our institutional arrangement and political environment, it may be useful to take a new look at the capital budgeting process.

Investing the accumulated trust fund reserves, which might at first appear difficult, in fact seems to create few problems. The Swedish experience illustrates that the purchase of debt instruments and investing through financial intermediaries avoid any interference in private sector decisions. Also, the United States should be able to invest in state and local securities without running into any of the problems experienced in Canada, since states are restricted from long-term borrowing except for capital projects.

In short, we can learn a lot from Sweden, Japan and Canada's efforts to prefund some of their future pension liaiblities. These countries have already accumulated reserves equal to 30 percent, 18 percent and 8 percent of their respective GDPs, and have attempted to funnel them into productive investment, with varying degrees of success. A somewhat discouraging result, for those committed to increasing national saving through accumulating reserves in the social security trust funds, is that the greatest success has occurred in countries with stable and disciplined political environments, where one party has been in power almost continuously since the experiment began.

Mr. GRAHAM. Mr. President, in discussing the United States experience, the authors point out an instance in 1985, when the Treasury was constrained by a statutory debt ceiling from issuing any new securities, a circumstance that we are soon going to be returning to. The Secretary of the Treasury made the decision to convert $28 billion in long-term, specially issued bonds held by the Social Security trust fund into non-interest-bearing cash balances without notifying the two public trustees. The use of payroll

taxes, in effect, to temporarily underwrite general Government expenses occurred because the Secretary of the Treasury was forced to choose between forgoing interest earning on the funds or defaulting on Government obligations.

The authors go on to reference this as the incestuous relationship between the Treasury and the Social Security surplus. I suggest that we need to break that incestuous relationship by not only taking the surplus off budget and off Gramm-Rudman, but we also need to start investing the Social Security surplus in areas that will not allow it to be used in the way it was in 1985.

I suggest to my colleagues that we learn from the experience of other countries which have dealt with essentially the same economics and demographics but have done so in a more creative way. I am particularly going to suggest that we study the Canadian experience in which they have used the Social Security surplus to help——

Mr. DECONCINI. Mr. President, will the Senator yield?

Mr. GRAHAM. Let me finish the sentence, and I will yield the floor. The Canadians have used the Social Security surplus as a means of assisting and financing their capital infrastructure needs.

I believe that there are some important analogies for the United States to this. What the Senator from Pennsylvania has done in giving us a forum in which a broad array of issues that relate to how do we fulfill our contract with the Social Security eligible of America in an honorable, decent, and credible manner, I think is a debate that will be of great significance and value to the American people.

I yield the floor.

Mr. DECONCINI. Mr. President, how much time remains?

The PRESIDING OFFICER. The time for the vote under the previous order is set at 12 o'clock.

Mr. DECONCINI. Mr. President, I ask unanimous consent that I may have 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, I thank my colleagues.

I want to first comment on what the Senator from Florida mentioned. He is absolutely right. We need to not only take the steps the Senator from Pennsylvania is moving forward here but we need to address what we are going to do with these funds. I look forward to seeing his legislation and would hope he would share it with some of us.

I want to say that the Senator from Pennsylvania has finally got to the crux of the matter that has been hanging around here for far too long. He has taken the leadership of bringing this not only to the attention of the U.S. Senate and us voting on it today but to the people of this country. I wish to thank him for his steadfastness and, quite frankly, innovative approach of doing this in a manner that is going to do away with, as he said, the charade. It is long overdue to put this in perspective with what the American public thinks it is and it is not; and that is the Social Security funds be not spent for Government operations and to satisfy the huge burgeoning deficit that we permitted to go on and on for years and years. I joined the Senator already as a cosponsor and compliment him for his leadership.

I yield back the remainder of my time.

LET THE SENATE VOTE ON SOCIAL SECURITY OFF BUDGET

Mr. HOLLINGS. Mr. President, I rise in support of the amendment of the distinguished Senator from Pennsylvania, and to second his determined insistence that the Senate be allowed to vote on removing Social Security revenues and expenditures from the calculation of the deficit for Gramm-Rudman-Hollings purposes.

It is high time we voted on this litmus test of truth in budgeting and honesty in Government. My own amendment to remove Social Security from the Gramm-Rudman-Hollings calculations was introduced last session. It gained 25 cosponsors in the Senate, including our leader, Senator MITCHELL, and had widespread support in the House from Speaker FOLEY on down.

The crunch of legislation at the end of the 1989 session prevented the Senate's voting on my bill, but Senator MITCHELL promised us a vote early in the new session. Well, we are now into the 6th month of the session and we have yet to have our vote. So I believe that Senator HEINZ is entirely correct and justified in forcing the issue onto the calendar with his amendment No. 2023.

Mr. President, let us face it. Until we acknowledge the true scale and enormity of the Federal deficit, then we will never get off the dime on the deficits. Putting Social Security off budget will be a giant step forward toward that day of truth and reckoning.

Mr. President, in all the great jambalaya of frauds surrounding the budget, surely the most reprehensible is the systematic and total ransacking of the Social Security trust fund in order to mask the true size of the deficit. As we all know, the Social Security payroll tax has become a money machine for the U.S. Treasury, generating fantastic revenue surpluses in excess of the costs of the Social Security program. Excess Social Security tax revenues will be $65 billion in 1990 alone—boosted by yet another rise in the Social Security tax rate this past January 1. By 1993, the annual Social Security surplus will soar to $99 billion.

The public fully supported enactment of hefty new Social Security taxes in 1983 to ensure the retirement program's long-term solvency and credibility. The promise was that today's huge surpluses would be set safely aside in a trust fund to provide for baby-boomer retirees in the next century.

Well, look again. The Treasury is siphoning off every dollar of the Social Security surplus to meet current operating expenses of the Government. By thus reducing the deficit, we mask the true enormity of the Federal budget crisis while creating the illusion that Congress and the administration are actually doing something about deficits.

The hard fact is that, in the next century, the Social Security system will find itself paying out vastly more in benefits than it is taking in through payroll taxes. And the American people will wake up to the reality that those IOU's in the trust fund vault are a 21st century version of Confederate banknotes.

Of course, the Treasury would have the option of raising taxes to repay the astronomical sums we have borrowed from the trust fund. But that would be a brazen rip off of working Americans, many of whom will be retirees obliged to pay a second time for the benefits they have already earned.

On the other hand, if the Treasury wimps out and chooses not to raise taxes to reimburse the trust fund, then there will be no alternative but to slash Social Security benefits. The most likely scenario is that Social Security payments would be turned into just another means-tested welfare program for the very poor; if you make more than, say, $15,000 per year, then forget about collecting any Social Security benefits.

Any way you slice it, it is lousy public policy to borrow massively from the Social Security trust fund with no credible plan for reimbursement. Of course, the immediate damage from this approach is that it allows us to mask the true scale of the Federal budget deficit, thus making it easier for us politicians to sit on our hands.

This is a gross breach of faith with the American people. Social Security is perhaps the most successful social program ever enacted by the Federal Government. Without question, it is the most effective antipoverty program in history. Social Security is not charity or welfare. On the contrary, it is a supplementary retirement fund that workers pay for with their hard-earned money.

Mr. President, I say it is time to stop playing games with Social Security

and the Government's finances. It is time to use honest budget numbers and to make honest budget choices. By all means, let us begin by putting Social Security truly in trust and totally off budget.

Mr. SIMPSON. Mr. President, I rise to speak on a subject that has been bouncing around this old Chamber quite a bit these past few weeks—Social Security and the treatment of the trust funds. I think it is time to dispense with some of the passionate—though very sincere—rhetoric on this issue and turn our attention to the real problems involving Social Security over the long haul.

Mr. President, one thing has become so very clear from the mail that I have received on this issue: People are just a mite confused about the way the Social Security system operates. They seem to think that Congress has done something sinister—dirty perhaps or even illegal—with the Social Security trust funds, that evil politicians are callously raiding the excess Social Security revenues and diverting the funds to their own very favorite political pork-barrel projects. Political leaders who use words like thievery and embezzlement—and we have heard that here in the Chamber—to describe the Government's handling of Social Security are only recklessly adding to the confusion. Let me state this so very clearly: The money going into the Social Security system, and the money being paid out, is handled in exactly the same fashion as it was when the program was first begun in 1935. Please hear that! The collection, investment, and distribution of Social Security taxes and benefits are and were set by law, and they have never changed. The only difference is that the present financial condition of the Government—and the Social Security program is very much a part of the Government—has focused attention on how the individual pieces all fit together, and on the real relationship between pork-barrel projects and the Social Security trust funds.

At the root of the issue is the public's perception—or misperception—that the surplus taxes are somehow directly deposited and saved in Social Security trust funds, which they are not. Contrary to popular belief, Social Security taxes, like all other Government revenues, are deposited in the U.S. Treasury—not into some separate Social Security trust funds. Each day, these taxes flow into 15,000 depository accounts maintained by the U.S. Government with various financial institutions across the country. They, along with the many other forms of tax revenues which the Government collects, then become part of the Government's operating cash pool. Airport and highway taxes, civil service retirement contributions, and many other forms of dedicated Federal receipts—all of which have corresponding trust funds—are treated in exactly the same way. The trust funds themselves receive credit for the taxes when the Government receives them, through the posting of nonmarketable securities—really IOU's—to the fund. Basically, this is a proper bookkeeping entry made by the Treasury. Similarly, the benefits are not paid from the trust funds, but are paid from the General Treasury. As the checks are then issued, the securities posted to the trust funds are reduced by a corresponding amount—another proper bookkeeping entry. Simply stated, the Social Security trust funds are credited with IOU's when Social Security taxes are received by the Treasury, and those IOU's are taken back or debited when the Treasury makes expenditures to beneficiaries on the program's behalf.

What the trust fund securities do is represent spending authority for the program. As long as there is a balance posted to the trust fund account, the Treasury Department has the authority to continue to pay the program's bills. But the cash money itself—the resources needed to make actual cash payments—comes from tax receipts and from the public borrowing of the Government as a whole, through the U.S. Treasury.

What happens if more Social Security taxes are collected than are spent in any given month? Is the money then still in the Treasury? Nope—for once the taxes are received, they then become indistinguishable from other moneys paid into the Treasury and they are then used to pay whatever bills the Government owes. The fact that more money was received than was spent shows up as a higher balance—or a surplus, if you want to call it that—of securities on the trust fund ledgers. These IOU's represent a loan that the Government makes to itself—like giving one part of the Government—the Social Security system—a claim on other, future Government resources.

Thus, while the concept of trust funds and dedicated receipts seems to indicate there might be separate pots of money, the Federal Government really honestly does operate as one single financial entity. Revenues generated by any of the trust fund programs are not handled separately, invested separately, or managed separately. Their operations are only separated from other accounts by bookkeeping entries. When money slated for the trust funds reaches the Treasury, it is indistinguishable from all of the other receipts—and the Treasury Department, after properly crediting the various accounts, uses whatever funds are available to pay the country's bills. I do earnestly hope that this might make it clear that for a Federal account, the term trust fund does not mean that the Federal Government is operating in a fiduciary or trustee capacity, it is merely a special account which is designated as is based in the law which was placed on the books originally.

This handling of Social Security's finances is not some new invention; the idea of collecting surplus Social Security taxes was heavily imbedded in the original Social Security Act which was enacted in 1935. Even then, the notion was that a large fund should be built up to help finance the future benefits. During the early 1940's, in fact, Social Security tax receipts were 6 or 7 times more than the program's expenditures. It was also the original Social Security Act which mandated that the excess Social Security receipts would flow only into the Treasury through the purchase of special issue U.S. Treasury bonds. This was to be a form of forced national savings which it was hoped would continue to stimulate the rapid growth of America's expanding economy. Unfortunately, the founders of Social Security could not have ever foreseen the twin economic and demographic forces that are driving the system today. If they had, they may well have designed some other instrument for investing of the Social Security tax receipts.

It may be helpful to consider an analogy, though I surely have no desire to confuse the issue further. Consider how a bank works. When you deposit cash in a bank, the cash does not just sit there in a safe deposit box while inflation eats away at its value. Instead, the bank credits your account with the deposit and then uses the actual cash to make interest-bearing loans and investments, which in turn increase the capital of the bank. Similarly, when you go to the bank to draw cash out of your account, you don't get back the same money you put it, you get the cash just deposited there by somebody else. That is just how the Social Security system operates—but with one important difference. That difference is that the bank loans the money out to investors or businesses who use it to generate capital and then pay it back to the bank with interest, so that the money is recycled. Social Security payments are not recycled—instead they are replaced in the Treasury bank by a constant stream of FICA tax revenues.

The second difference is that you cannot draw more money out of the bank than you have in there—without incurring a debt. Under Social Security however, most individuals draw out the entire amount of their contributions, plus interest, in under 6 years. Yet they can expect to continue to live and draw benefits for another dozen years. No bank could ever operate in that manner. However, the Social Security system has a sufficient number

of depositors to cover the excess outflow with their payroll tax deductions—but only for the time being.

As long as the FICA tax stream keeps pace with the benefit payment stream, the system will remain self-financing—however, in the year 2030, when the retired population is more than double what it is today, Social Security benefit obligations will start to exceed all FICA payroll tax receipts. That is when we will face some genuine difficulties. A huge—some say $12 trillion—reserve of spending authority will likely have accumulated on Social Security's ledger sheets by then, and the Treasury will have to make good on those notes. The problem is that unless the Treasury bank is operating on a balanced budget by that time, it will simply not have the funds at hand to pay out. At that time, the Treasury will have to either increase its income—raise taxes—cut its spending, or do some combination of the above, in order to produce the necessary surplus cash to pay off Social Security obligations. That is just exactly how the system was designed at the very beginning.

In effect, whether or not Social Security is counted as part of the Federal budget, Social Security FICA taxes will continue to be deposited in the Federal Treasury and the trust funds will continue to receive credit for them as they are collected. This credit will then continue to give the Treasury Department authority to issue Social Security checks, even in years when FICA taxes do fall short of benefit obligations, because in such an event the Treasury will be able to draw on the large reserve of spending authority that has accumulated to the trust fund on its ledger sheets.

However, Congress must meet its duty to balance the budget before those reserves are needed, so that there will actually be cash on hand to honor those funds. Otherwise, the Government will simply have to raise that money from future workers. That is what those who speak about the future of the Social Security Program mean when they use words like "thievery" or "raiding" to describe the relationship between Social Security and the budget deficit. The only raiding that is being done is of benefits payable to future generations of Social Security recipients, and the only theft is in the lessening of living standards of future generations of workers—those will hopefully be around in the year 2030 and beyond—your kids and grandkids and mine. To stop the plundering, we need but to balance the budget. Many seem ready to do that, but judging from the mail I receive in my office, protesting even the most modest cuts in this or that program, I wonder whether the American people are really all that concerned about the fiscal integrity of Social Security over the long term, or whether they have grown all too comfortable with living far beyond the Nation's means.

Mr. HARKIN. Mr. President, I rise in support of the Heinz amendment related to taking Social Security out of the unified budget and Gramm-Rudman-Hollings calculations.

I am looking for a sound means which I can recommend to provide at once security against the several disturbing factors in life—especially those which relate to unemployment and old age.

With those words, President Franklin Delano Roosevelt began the greatest and most successful program in our Nation's history, Social Security.

No single function of Government affects as many Americans as profoundly as Social Security does. Nearly 40 million retirees, disabled workers, their spouses, and children including over 518,000 Iowans, receive a Social Security check every month, and over 140 million Americans are insured in the event of death or disability. Social Security is the primary source of income for 70 percent of older Americans, and it is virtually the sole source of income for almost one in three older persons.

Mr. President, Social Security is a precious compact between the Government and the people. Yet, doubts have been raised about this compact because each day nearly $200 million in Social Security funds are used to pay for things other than Social Security benefits, including bloated and outdated defense programs. In addition, Americans' trust in Social Security is being exploited to cover the true size of our Federal deficit. This year, the true deficit would be $66.6 billion higher if the surplus which Social Security is running was not being counted in the Gramm-Rudman calculations.

Mr. President, Social Security did not cause the deficit. And Social Security should not continue to be used as a scapegoat to solve or mask the deficit. That is why we need to take prompt actions to protect Social Security and its beneficiaries by taking Social Security off budget. If we don't, next year another $74 billion in Social Security funds will be used for purposes they were not intended.

Mr. President, we need to take a number of steps to strengthen and improve Social Security. This amendment should lead to a good first step and as such I urge my colleagues to support it. Older and disabled Americans deserve no less.

Mr. President, in conclusion, I want to also pay tribute to our distinguished colleague from New York, Senator MOYNIHAN, for his leadership in bringing this important issue to the forefront of national attention. He has done the Nation a great service.

VOTE ON AMENDMENT NO. 2024

The PRESIDING OFFICER. Under the previous order, the question now occurs on the amendment. The question is on agreeing to amendment No. 2024 offered by the Senator from Pennsylvania [Mr. HEINZ] to amendment No. 2023. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from New Hampshire [Mr. HUMPHREY] and the Senator from Delaware [Mr. ROTH] are necessarily absent.

The result was announced—yeas 96, nays 2, as follows:

[Rollcall Vote No. 117 Leg.]

YEAS—96

Adams	Ford	McCain
Akaka	Fowler	McClure
Baucus	Garn	McConnell
Bentsen	Glenn	Metzenbaum
Biden	Gore	Mikulski
Bingaman	Gorton	Mitchell
Bond	Graham	Moynihan
Boren	Gramm	Murkowski
Boschwitz	Grassley	Nickles
Bradley	Harkin	Nunn
Breaux	Hatch	Packwood
Bryan	Hatfield	Pell
Bumpers	Heflin	Pressler
Burdick	Heinz	Pryor
Burns	Helms	Reid
Byrd	Hollings	Riegle
Chafee	Inouye	Robb
Coats	Jeffords	Rockefeller
Cochran	Johnston	Rudman
Cohen	Kassebaum	Sanford
Conrad	Kasten	Sarbanes
Cranston	Kennedy	Sasser
D'Amato	Kerrey	Shelby
Danforth	Kerry	Simon
Daschle	Kohl	Simpson
DeConcini	Lautenberg	Specter
Dixon	Leahy	Stevens
Dodd	Levin	Symms
Dole	Lieberman	Thurmond
Domenici	Lott	Warner
Durenberger	Lugar	Wilson
Exon	Mack	Wirth

NAYS—2

Armstrong	Wallop

NOT VOTING—2

Humphrey	Roth

So the amendment (No. 2024) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. KERRY). Under the previous order, the yeas and nays on amendment No. 2023 are vitiated.

The question is on agreeing to amendment No. 2023, as amended.

The amendment (No. 2023), as amended, was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2025

Mr. CRANSTON. Mr. President, I send an amendment to the desk on behalf of Senator INOUYE and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California [Mr. CRANSTON], for Mr. INOUYE, proposes an amendment numbered 2025.

Mr. DOLE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert:

Section 109 of the Housing and Community Development Act of 1974 (42 U.S.C. 5309) is amended by adding at the end the following new subsection:

"(d) The provisions of this section and section 104(b)(2) which relate to discrimination on the basis of race shall not apply to the provision of assistance by grantees under this title to the Hawaiian Home Lands.".

Mr. CRANSTON. Mr. President, for the information of Senators and their staffs, we will proceed to act upon the Inouye amendment immediately after we reconvene at 2:15. Following that, Senator GRAHAM of Florida has two amendments that he will be prepared to bring up. Other Senators with whom I spoke during this rollcall have indicated they will be ready on various amendments.

I urge all Senators and staff involved to try to get Senators to bring amendments to the floor this afternoon and early evening so we can dispose of as much of the business on this measure as possible. Senator MITCHELL hopes we can complete action on this bill without too great a time-consuming process. That should be possible provided negotiations with the administration work out on this measure.

I now yield the floor.

Mr. DOLE. Mr. President, is my leader time reserved?

The PRESIDING OFFICER. That is correct; the Senator has 10 minutes.

LTV CORP. DECISION

Mr. DOLE. Mr. President, yesterday the Supreme Court ruled 8 to 1 in Pension Benefit Guaranty Corporation versus the LTV Corporation that the PGBC may require LTV to reassume liability for more than $2 billion in employee pension plan obligations that the company had stopped funding for some 100,000 workers and retirees.

I applaud this decision, for it sends a strong and clear message to employers that they can not escape their own plan funding obligations by declaring bankruptcy, shifting billions of dollars of liability to the Government, and then going back into business and setting up new plans.

This case began 3 years ago when in 1987, LTV Corp.—having already declared bankruptcy—informed the PBGC that it could not and would not continue to fund its plans which had unfunded obligations of over $2 billion. The PBGC, in order to protect the retirement incomes of LTV's workers, terminated the plans and assumed paying the guaranteed benefits.

LTV then established new so-called Follow-On pension plans for its union employees and retirees which were virtually identical to the terminated plans under which the PBGC was paying the unfunded obligations.

The simple result of this situation was that LTV was continuing benefits to its workers as if no plan termination had occurred while shifting over $2 billion in unfunded pension costs to the Federal Government.

Mr. President, now that the Supreme Court has spoken, companies should be forewarned that the law requires them to fulfill their pension funding responsibilities and that such obligations can not be avoided by seeking protection under bankruptcy laws and then pretending as if nothing has happened. $2.5 billion in unfunded liabilities to workers and retirees is a big deal and the Federal Government is not going to be the deep pocket bailing out billions and billions of dollars of liabilities when the employers who ran up those liabilities are able to pay them off themselves. We have seen and had enough of these kinds of problems with the savings and loan crisis.

This decision reaffirms that the PBGC is a safety net for the 40 million workers and retirees who rely on it and should not be viewed as the personal bank account of those seeking to subsidize unfunded pension liabilities. Retirees, the Federal Government and the American taxpayer can now rest a lot easier.

MISSILE DEFENSES: MEETING THE THREAT

Mr. DOLE. Mr. President, in March, I brought to the attention of my colleagues comments made by the President, during his trip to Lawrence Livermore Laboratory in California, on the subject of strategic defense. At the time, the President said, "in the 1990's, strategic defense makes much more sense than ever before. * * *"

Yesterday, our distingushed colleague and ranking member on the Senate Armed Services Committee, Senator WARNER, makes a similar case in an editorial in the New York Times. His article, entitled, "We Still Need Missile Defenses," insightfully and thoroughly examines the need for missile defenses.

Citing the potential for political and military instability in the Soviet Union, Senator WARNER notes that strategic missile defenses enhance stability and deterrence by protecting our retaliatory forces, thus denying an attacker any certainty of achieving his objectives.

Moreover, he points out that defenses provide a hedge against cheating on arms control treaties.

But, Senator WARNER does not limit his analysis to the United States-Soviet strategic relationship. He broadens the discussion by reminding us that there are many countries that now possess missiles that threaten the interests of not only the United States, but those of our friends, as well. As he points out, missile defenses in the United States and within the borders of our allies would greatly deter the use of ballistic missiles.

Mr. President, I commend Senator WARNER for his penetrating analysis and forward-looking thinking on U.S. defense and national security matters. It seems to me that many in this body focus only on dollar levels. Few are thinking about future threats to our security and how to meet them. Nevertheless, Senator WARNER continues to demonstrate leadership on defense matters. I hope that all of my colleagues will read and seriously consider the case thoughtfully made by Senator WARNER.

Mr. President, I ask unanimous consent that Senator WARNER's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 18, 1990]

WE STILL NEED MISSILE DEFENSES

(By John Warner)

WASHINGTON.—Have the dramatic changes in Eastern Europe and the Soviet Union undermined the need for continued research on ballistic missile defenses? Absolutely not. If anything, the case for some type of missile defenses is more compelling today than at any time since the advent of nuclear weapons and ballistic missiles.

We must remain prepared to deal with political and military instability. The Soviet Union is increasingly fraught with nationalist and ethnic unrest, and its economy cannot fulfill the basic needs of the people. Mr. Gorbachev's viability is questioned because of the seemingly indomitable problems facing his nation.

The Soviet Union still possesses a formidable military capability. Most notable is its strategic offensive and defensive nuclear force modernization program. Soviet ballistic missile defense around Moscow—the world's only such system—are being upgraded.

Consequently, our nuclear deterrent must remain, in both perception and reality, uncontestable to any foreign power. And we must consider the enormous benefits of a strategic missile defense.

Even as arms control negotiations move toward reducing the overall levels of strategic delivery systems, our existing strategic

defenses—such as air defenses, early-warning and surveillance and intelligence—are clearly seen by other countries as stabilizing and unthreatening. Missile defenses will enhance this stability by assuring that our perhaps more vulnerable retaliatory forces are protected and by denying an attacker any certainty of achieving his objectives.

They also provide a hedge against cheating on arms control treaties. Indeed, effective missile defenses actually promote strategic arms control objectives by reducing the military value of multiple-warhead missiles. They also provide incentives for the Soviet Union to move to a less threatening force of single-warhead, land-based missiles.

In addition, there are many countries that now possess missiles that threaten the interests of the U.S. and its friends. Many of these missiles are capable of reaching allies like Israel and can be equipped with chemical or biological warheads, and soon even nuclear weapons.

Today, the number of developing countries possessing ballistic missiles with a range of less than 1,000 miles—such as Iraq and Syria—has increased substantially. William Webster, Director of the Central Intelligence Agency, recently informed Congress that, by the year 2000, at least six third-world countries will have ballistic missiles with ranges of up to 1,800 miles, and three of them may develop ballistic missiles with a range of 3,400 miles.

Missile defenses in the U.S. and within the borders of our allies would greatly deter long-range ballistic missile use. Tactical ballistic missile defenses deployed by our allies would enhance deterrence and stability.

On a recent trip to California, I had a firsthand look at the Strategic Defense Initiative. The question is no longer whether the country has the technical ability to build cost-effective missile defenses; it is clear we do. Rather, we must now ask what role missile defenses will have in our national strategy.

As in the air defense debate in England during the 1930's, we must now ask: Does America want to be defended, and if so, with what systems? For England, the outcome of that debate was pivotal. It was England's advanced air defense systems that saved it in the summer of 1940.

It is worth remembering the words of Winston Churchill at the peak of the air defense debate: "I think it would be a great mistake to neglect the scientific side of purely defensive action against aircraft attack. Certainly, nothing is more necessary, not only to this country, but to all peace-loving . . . powers in the world . . . than that the good old earth should acquire some means of destroying the sky marauder."

Today, the marauder is ballistic missiles. I am convinced that we must now, more than ever before, plan for the inclusion of missile defenses in our national security strategy.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there now be a period for morning business, and that I be recognized to address the Senate for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE BILL OF RIGHTS

Mr. MITCHELL. Mr. President, last year, I supported and voted for a law to protect the flag. I believed then and believe now that this was the appropriate response to a flag burning that occurred in 1984.

Last week, by the narrow one-vote margin of 5 to 4, the Supreme Court ruled that the law violates the freedom of speech provision of the first amendment to the Constitution.

I disagree with the five Justices who formed the majority in this case. I think they were wrong. I agree with the four who voted to uphold the constitutionality of the law. But, under our system, once the Supreme Court has ruled, that ruling is the law of the land. So even though I disagree with the Court's ruling, I accept it.

The question now is whether we should override the Court's decision by amending the Constitution.

I oppose and condemn the burning of the flag. I find it offensive and obnoxious. I am proud to be an American, proud of our flag. But I do not support changing the Constitution. We can support the American flag without changing the American Constitution.

The first 10 amendments to the Constitution have come to be known as the Bill of Rights. They were adopted as part of the Constitution because the States insisted that before a new and powerful Federal Government could be created, there had to be clear and controlling limits on the power of that Federal Government against individual citizens.

The Bill of Rights secures the liberty of the individual by limiting the power of Government.

Across the whole sweep of human history, there is no better, clearer, more concise, more eloquent or effective statement of the right of citizens to be free of the dictates of Government than the American Bill of Rights.

For 200 years it has protected the liberties of generations of Americans. During that time, the Bill of Rights has never been changed or amended. Not once. Ever. The Bill of Rights stands today, word for word, exactly as it did when adopted 200 years ago.

Of the 10 amendments which make up the Bill of Rights, none is more important than the first. In this debate, its relevant words are few, direct, and clear.

> Congress shall make no law * * * abridging the freedom of speech. * * *

Let me repeat those words:

> Congress shall make no law * * * abridging the right of freedom of speech. * * *

Never in 200 years has the first amendment been changed or amended. As a result, never in 200 years has Congress been able to make a law abridging the freedom of speech.

Now we are asked to change that, for the first time. We are asked to give Congress and the States the power to do that which, for 200 years, the Bill of Rights has prevented them from doing.

We are asked to permit Congress, or any State, to make a law that would abridge freedom of speech, as defined by the Supreme Court.

Even though, as I have already said, I disagree with the Court, I do not believe we should amend the Bill of Rights. I do not believe we should ever, under any circumstances, for any reason, amend the Bill of Rights. The Bill of Rights is so effective in protecting individual liberty of Americans precisely because of its unchanging nature. Once that is unraveled, its effectiveness will be forever diminished.

If the Constitution is amended to prohibit the burning of a flag, where do we stop?

The principal supporter of this amendment is President Bush. I ask the President to answer this question for the American people:

If someone burns the Constitution, would President Bush propose an amendment to the Constitution to prohibit that? If not, does that mean he has less respect for the Constitution than he does for the flag?

If his answer is yes, then where does he draw the line? How about the Declaration of Independence?

The point is that once the Bill of Rights is changed or amended, no line can be drawn. That is why it should not be changed or amended.

We Americans revere the flag. We also revere the Constitution and Bill of Rights. We need not choose between them.

For a free people, the fight against an enemy army demands sacrifice and courage. That is difficult and demanding. It is also difficult and demanding in time of peace to live up to our own high ideals.

It is not difficult for Americans or anyone else to tolerate differences and eccentricities. They are all around us. But defending the freedom of those who would deny it to others—that is difficult.

Perhaps that is why no other nation today tries, or has ever tried, to live by a standard as high and as demanding as the American Bill of Rights. Every nation has a government. Every nation has a flag. Only the United States of America has a Bill of Rights.

We Americans do try to live by the Bill of Rights. We have chosen not to take the easy way out. We have chosen not to try to silence those who are wrong, but rather to challenge them with the truth.

That way has served us well. It has preserved our liberties for two centuries.

We will celebrate the 200th anniversary of the Bill of Rights next year. We will remind ourselves, and the world, that the greatest protector of liberty is the truth.

We have religious liberty in America because we reject any government-sanctioned religion. We believe each American will find God by his or her own path, through his or her own church.

We have political liberty in America because we reject any government-imposed political doctrine. We believe each American will find and defend his or her own political views.

We have personal freedom in America because we reject any government-dictated patriotism. We believe each American will freely discover in his or her own heart the love of country and pride in our Nation that has made so many Americans willing to defend it at the cost of blood and life itself for two centuries.

Our Founding Fathers had more confidence in their fellow Americans and more faith in their children than some of our current leaders. They knew better than to have the Government dictate what politics are right or wrong.

For 200 years, the Bill of Rights has protected the liberties of Americans through economic turmoil, civil war, political strife, social upheaval, and international tension. Despite the worst that fate and our enemies have hurled at us, we have never found it necessary to change the fundamental principles on which our Government was founded and by which our freedom is secured.

Principles which have stood that test of time should not be discarded or tampered with.

It will be a sad, tragic irony if a few obnoxious publicity seekers, who appear to hate America, achieve their victory by stampeding those who love America to take the unwise action of changing the Bill of Rights for the first time in American history. I love America and the American flag and the American Bill of Rights too much to let that happen without a fight.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

APPLAUDING THE MAJORITY LEADER

Mr. CRANSTON. I applaud the majority leader on a superb statement on what America is all about and what the Bill of Rights and the Constitution are all about. This is exactly the sort of leadership we counted upon receiving from GEORGE MITCHELL when we elected him majority leader of the Senate. I am proud that we did so, and I am very proud that he made that very thoughtful and very profound statement.

The flag stands for the Constitution and the Bill of Rights. It is getting things upside down to defend the flag and undermine the Bill of Rights, as the Dole amendment would do. I have talked to every Member of the Senate who is either against the amendment or is uncertain, and I am increasingly confident that the leadership provided by GEORGE MITCHELL will prevail and that the Dole amendment will be defeated. It is certainly what should happen in the Senate and in this country.

THE CITADEL'S 1990 BATTLING BULLDOGS

Mr. HOLLINGS. Mr. President, The Citadel's baseball Bulldogs are a team traditionally noted for their high spirits and low budgets. At the outset of this year's college season, the sports pundits picked The Citadel to finish a humble seventh in the Southern Conference.

As it turned out, the pundits went to sleep, and the Bulldogs dared to dream. They dreamed their way through a 26-game winning streak and the Southern Conference championship. They dreamed their way to the Atlantic Regional championship in Miami. And, earlier this month, they dreamed their way into the College World Series in Omaha—the only military school ever to make it to the final eight.

Of course, what got The Citadel's team to Omaha was not dreaming but determination and grit—plus superb coaching by Chal Port. Southerners say that what matters is not the size of the dog in the fight but the size of the fight in the dog. These particular 'Dogs kicked and scrapped and fought with an inspired abandon. Their reverie was cut short by Louisiana State in the College World Series, but the dream lives.

We will never forget the skill and heart and pride of the 1990 Citadel Bulldogs. Probably LSU's Coach Skip Bertman put it best when he said of the Bulldogs, "They're America's team—touched by Abner Doubleday himself. A real field of dreams."

Mr. President, I salute The Citadel Bulldogs for their tremendous season, and I request that the team roster be printed in the RECORD followed by an article "Who'd a thunk it?" from the Charleston News and Courier.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

1990 THE CITADEL BULLDOGS

No.—Name, Position, Hometown.
1—Phillip Tobin, SS, Charleston, S.C.
2—Larry Hutto, C, Hampton, S.C.
3—Dan McDonnell, 2B, Port Chester, N.Y.
4—Jason Rychlick, OF, Spartanburg, S.C.
6—Tony Skole, 3B, Roswell, Ga.
7—Mike Branham, OF, Charleston, S.C.
8—Derrick Rogers, C, Hertford, N.C.
9—Gettys Glaze, P, Charleston, S.C.
10—Anthony Jenkins, OF, Ladson, S.C.
11—Chris Coker, 1B, Bamberg, S.C.
12—Scott Elvington, INF, Spartanburg, S.C.
13—Mike Black, OF, Matthews, N.C.
14—Richard Shirer, P, Orangeburg, S.C.
15—Hank Kraft, P, Chesapeake, Va.
16—Kevin McGarvey, P, St. Simons Island, Ga.
18—Cornell Caldwell, OF, Charlotte, N.C.
19—Vic Correll, INF, Nashville, Ga.
20—Bart Mays, INF, P, Collinsville, Va.
21—Steve Basch, P, Lansing, Mich.
22—Brad Stowell, P, Jacksonville, Fla.
23—Billy Baker, P, 1B, Charleston, S.C.
24—Ken Britt, P, OF, Blythewood, S.C.
Eddie Graham, MGR, Austin, TX.
30—Chal Port—Head Coach.
17—Tom Hatley—Assistant Coach.
5—Ken Creehan—Assistant Coach.

WHO'D A THUNK IT—IMPROBABLE CAST CARRIES CITADEL TO GLORY

(By Ken Burger)

In the beginning, back in January, when they gathered to practice in warmup suits and on some days could see their breath as they zipped the ball around the infield and the aluminum bats were cold to the touch, nobody gave it much thought.

Nor did early February send any signs. The season started as most do, lost somewhere between the end of football and the crescendo of basketball. They were winning a few games, there even appeared to be a pattern. But nobody really gave it much thought.

In fact no one, not even their coach, thought the 1990 Citadel baseball term would be much different from those that had come before. They were picked to finish sixth in the eight-member Southern Conference where only seven schools play baseball.

So who'd a thunk it?

That this band of unlikely heroes would somehow put it all together and battle their way to the College World Series. Certainly not the media. Certainly not coach Chal Port, who gave his usual preseason assessment of rebuilding. Probably not even the players, a group of 35 cadets with only seven seniors on the roster, almost all of whom are from South Carolina or neighboring towns in Georgia and North Carolina.

They would go through their season, do their best, enjoy the camaraderie and be able to tell their sons about playing baseball at The Citadel many years from now.

Nobody knew. Really. Nobody knew.

It wasn't until late February, maybe early March, when their headlines starting getting a little larger, moving to the front page of the sports section. Bulldogs win 10th straight. Bulldogs win 12th straight. Bulldogs extend win streak.

Soon the television stations were showing up at College Park to get snipets of the moment for the evening news. Win streaks are fun to follow. They give people something to talk about over lunch. How 'bout those Bulldogs?

And then the streak got serious. As they approached the school record, still winning, the pressure started building. Seventeen. Eighteen. Nineteen straight. The school record was 22 straight. Now people were paying attention.

And they broke it, eventually winning 26 straight before losing to Kent State. The ride was over. The TV cameras didn't come back for a while. The team went into a mild

slump, apparently returning to reality. Everybody could relax.

But the slump didn't last. The Bulldogs started winning again, this time with a little less hoopla. And by the end of the season they won the Southern Conference regular-season title going away. No contest. Interesting. And to make things more interesting, the conference tournament was coming to Charleston for the first time. The pressure was on again.

By this time, however, the warm spring breezes of April found a Citadel team that had genuinely come into its own. They were loose. They were having fun. They had nothing to lose. And they didn't.

They dominated the tournament, won four straight, and earned the right to travel to Miami for the Atlantic Regional. Everybody thought it would be a nice trip for the boys who had played so hard. Nobody thought they had a chance.

But they did it again. Against unbelievable odds, they beat North Carolina State, East Carolina and the dreaded Miami Hurricanes twice to steal the regional crown and a trip to Omaha, Nebr., for the College World Series.

So who'd a thunk it?

Nobody was more surprised by this time than Port, a veteran of 26 years of coaching Citadel baseball teams. He had seen teams with more potential go south. He had seen some with less do well. But he had never had a group like this.

By now the city of Charleston and the Palmetto State were getting a little giddy about this club. The Citadel, yes, The Citadel was in the College World Series. What a trip. What a story. Everybody thought it was great. Nobody thought they had a chance.

And when they arrived in the Midwest, they didn't. Not really. The other teams were loaded. Real contenders. The Bulldogs were just an aberration, a novelty. The only military school to ever make it to the final eight. Everybody talked about how they had to march and what great manners the boys had and how Port was one of the funniest, most entertaining coaches around.

They lost their first game to Louisiana State, 8-2. People thought, that's OK, at least they made it this far. Nobody expected them to do anything anyway. One more loss and they're gone. They made a good showing. Got on ESPN.

Then they played the game of their lives. Trailing Cal State-Fullerton 4-1 going into the seventh inning, they rallied. Port did some of his magic coaching and strained every ounce of talent and ability out of his team. They won, 9-7, in a 12-inning drama that few will forget.

So they had done it. They had at least won a game in Omaha, proving they belonged, that they weren't a fluke. One more loss and they'd be coming home.

It came the next night, against LSU, again. This time it was 6-1, a loss relayed back to the fans by radio because ESPN couldn't show it live due to its major-league obligations. It was probably better that way. Hearing it was less painful than watching it.

And at 4:0.7 p.m. the next day, they touched down in Charleston. The end of a long odyssey. The season that couldn't have been, had been. They became and remain the most unlikely and humble of heroes.

For through their efforts they gave us all something to cheer for, and gave themselves something to remember forever. It was one of those things that wasn't supposed to happen, but it did. And those are the best kind.

Who'd a thunk it?

CONTINUING CONFLICT ON CYPRUS

Mr. KENNEDY. Mr. President, it is regrettable that while so many conflicts around the world are being peacefully resolved, the nation of Cyprus remains divided as Turkish troops continue to occupy the northern part of the island, as they have since the invasion of 1974.

Earlier this month, I had the opportunity to meet with the Secretary General of the United Nations, Javier Perez de Cuellar, and the newly elected Prime Minister of Greece, Constantine Mitsotakis—two statesmen who share a strong commitment to the peaceful resolution of the situation on Cyprus.

The Secretary General is continuing his tireless efforts on behalf of Cyprus, despite the Turkish Cypriots' insistence on obstructing the path to peace. Earlier this year, the leader of the Turkish Cypriots, Rauf Denktash, demanded that the Secretary General and President Vassiliou recognize his Northern Republic of Cyprus. As a result, the talks which the Secretary General had planned for late February broke down before they began. During his recent visit, the Secretary General said that he will soon resume his efforts to bring the two sides together, and it is my hope that this time his efforts will be successful.

I also believe it is imperative that President Bush and Secretary Baker make Cyprus a higher priority for the administration as part of the ongoing effort to resolve the stalemate.

In addition, I was encouraged by Prime Minister Mitsotakis' commitment to a peaceful resolution of the conflict. During our recent meeting, he spoke of his desire to improve relations with Turkey. But he is concerned, as many of us are, that despite the good faith efforts of the Secretary General and President Vassiliou, the situation remains unresolved.

It is my hope that the Turkish Government will use this opportunity to improve relations with Greece and help resolve this conflict, so that the people of Cyprus can begin a healing process that will permit future generations on Cyprus to live in peace and prosperity.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 1,921st day that Terry Anderson has been held in captivity in Beirut.

AN ECONO-POLITICAL SATIRE AFTER THE STYLE OF WILLIAM SHAKESPEARE

Mr. BYRD. Mr. President, parody and satire are among the cleverest and most challenging forms of humor.

For this week's issue of Business Week, however, Alan S. Blinder, the Gordon S. Rentschler Memorial Professor of Economics at Princeton University, has composed a satirical parody that combines elements of classical Shakespearean forms with contemporary issues in an unusually brilliant, insightful, and amusing fashion.

I would like to share this piece from the June 18, 1990, issue of Business Week with our colleagues. Therefore, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the item was ordered to be printed in the RECORD, as follows:

[From Business Week, June 18, 1990]

O! THAT THIS TOO, TOO SOLID DEFICIT WOULD MELT!

(By Alan S. Blinder)

A few nights ago, George Bush was heard wandering through the White House in the wee hours, brooding.

To tax or not to tax—that is the question.
Whether 'tis nobler in the mind to suffer
The slings and arrows of outrageous political misfortune
Or to face up to a sea of deficits,
And by taxation end them.

To tax, to spend no more,
And by a rosy scenario to say we end
The structural deficit and the thousand natural shocks
The budget is heir to. 'Tis a consummation
Devoutly to be wished.

To tax, to spend, the peace dividend
Perchance to dream.
Aye, there's the rub.
For in that dream of peace what budget surpluses may come
When we have whittled down the Pentagon's coin
Must give us pause. There's the hope
That may avert calamity in my term.

For who would bear the whips and scorns of dying S&Ls,
The infrastructure's crumble,
The Democrats' obscene gloating,
The pangs of high interest rates,
The insolence of reporters,
And the insults that such a man of merit must endure
When he himself might his exit take with a fair Boskin?

Who would bear such burdens, To grunt and sweat before Congress,
But that the dread of raising taxes in an election year,
That electoral abyss from which no politician returns,
Paralyzes the will,
And makes us rather bear the deficits we have
Than fly to perils we know not of?

Pollsters do make cowards of us all.
Thus the vision thing is sicklied o'er with the pale cast of doubt.
And events of great pitch and moment Pass us by in East Europe and at home As we brood upon this thought
And lose the capacity to act.

Soft you now! The fair Darman! Keeper of the budget,
Reader of the lips.

DARMAN. My lord, I have a T-word for you that Congress has long longed to deliver. I pray you now receive it.

BUSH. No. I never gave you license.

DARMAN. My honored lord, you know right well you did. And when thou disavowed sweet Sununu's words, it egged those evil legislators on.

BUSH. Ha! Are you honest? Are you fair?

DARMAN. What means your lordship?

BUSH. That if you be honest and fair, your honesty would not be so questioned in the Congress.

DARMAN. Would my revenue projections have won your heart were they more modest? Would my interest-rate assumptions have brought you cheer were they less bold?

BUSH. Not likely, good Darman. Alas, we stayed the clock, but now time gives our budget disproof. You read my lips.

DARMAN. Indeed, my lord, you made me.

BUSH. You should not have believed me, for virtuous hope cannot innoculate a budget from outrageous reality. I do not scorn the T-word now.

DARMAN. I was the more deceived.

BUSH. Get thee to Capitol Hill. Bring me back great Gramm, righteous Rudman, and hardy Hollings. I am myself an honest man, but my budget is accused of such things that dear Dole and duped Dukakis didst suffer at the polls. I am proud, revengeful, and with more budget schemes at my beck than I have accounting gimmicks to give them shape. The people know we are errant knaves all. They believe none of us. So go thy way to the Hill and bring to trio here. We'll have Gramm-Rudman III before the dawn.

(Darman returns an hour later with Gramm, Rudman, and Hollings.)

GRH. Double, double, toil and trouble, Fire burn, and cauldron bubble. Eye of Newt and toe of foal, Wing of Quayle and tongue of Dole. Silvered in the moon's eclipse, Right-wing Turks and well-read lips.

BUSH (startled). Who goes there?

DARMAN. 'Tis the trio, sir, from the Hill.

BUSH. Good men all. Twice before your magic pens have the budget crisis staved, with lofty aims and loopholes well hid. Wilt thou cook up one more brew to get me through 1992?

GRAMM AND RUDMAN: Aye!

HOLLINGS. Nay!

BUSH. Partisan fiend! Return this last to the Hill, there to slave 'til Democrats this White House regain—if 'ere they do! I'll repair with great Gramm and righteous Rudman and labor 'til morrow. At dawn's first light, we'll see who has the upper hand.

THE CONFLICT IN KASHMIR

Mr. WILSON. Mr. President, recent tensions in the State of Jammu and Kashmir have once again brought India and Pakistan to the threshold of war. Riots have broken out, curfews have been imposed, and death tolls continue to mount on both sides. While the leaders of India and Pakistan have both indicated a desire to end the violence, peace in this region seems ever more remote.

The tiny State of Jammu and Kashmir, bounded on the west by Afghanistan and Pakistan, and on the east by China, remains the seat of a conflict regional in its dimensions but potentially international in scope. Since 1947, disputes over Jammu and Kashmir have already caused two wars between India and Pakistan. But another Indo-Pakistani battle could escalate into a world tragedy because both countries now possess lethal technological weapons.

It is highly unfortunate that this issue has rekindled animosities between two democratically elected governments in the strategic southern cone of Asia.

Continued violence and stalemate in Jammu and Kashmir can only undermine the stability of each nation—one trying to solve its own internal ethnic disputes, and the other struggling to move out from under the shadow of dictatorship.

Although recent history would discourage us from hoping for a peaceful resolution of the Jammu and Kashmir problem, the United States cannot afford to sacrifice hope or consign the innocent civilians of this region to a fate of protracted war.

Our diplomats must seize upon the glimmers of hope that have emerged and try to transform them into enduring commitments between India and Pakistan.

Both sides have already stated that they do not want war if they can avoid it.

Both sides have already proposed democratic solutions for Jammu and Kashmir that while different in form, are similar in principle.

Both sides have already denounced extremists who would murder their way into power.

And most importantly, Mr. President, both sides have compelling interests in achieving a settlement of this crisis without taking up arms against each other.

America, in this case, must become the radical defender and ambassador of peace. We cannot impose specific solutions from afar or mettle in affairs that only the Indians, Pakistanis, and Kashmiris themselves can ultimately settle. Yet America's moral and political responsibilities compel our Nation—which has assisted in restoring stability and prosperity to tormented regions all over the world—to do nothing less for the people of Jammu and Kashmir.

The PRESIDING OFFICER. The Chair reminds the Senate that under the previous order the Senate was due to recess.

EXTENSION OF MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the period for morning business be extended so that Senator DECONCINI may address the Senate for 3 minutes. And does the Senator from Oklahoma wish to address the Senate?

Mr. NICKLES. Yes.

Mr. MITCHELL. And that Senator NICKLES address the Senate for 5 minutes, and that following the completion of their remarks, the Senate stand in recess.

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. DECONCINI. I thank the Chair.

(The remarks of Mr. DECONCINI pertaining to the submission of Senate Concurrent Resolution 139 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

THE FLAG AMENDMENT

Mr. NICKLES. Mr. President, I wish to respond to the majority leader. He made a forceful and thoughtful statement in opposition to Senator DOLE's constitutional amendment dealing with protecting the flag. I want to respond in just a couple of short minutes.

One, I do think I hear strong opposition to Senator DOLE's amendment, both by Senator CRANSTON of California, and the majority leader, Senator MITCHELL, but I have a real feeling that the problem deals not so much with the constitutional amendment; the problem deals with the Supreme Court ruling. I think that was a mistake. By a 5-to-4 decision, the Supreme Court threw out over 200 years of tradition and history that we have in this country. By a 5-4 decision, the Supreme Court totally ignored the 10th amendment to the Constitution, in my opinion, which is part of the sacred Bill of Rights.

As a matter of fact, in my opinion, I think the 10th amendment is probably the most ignored amendment to the Constitution. Certainly, the first amendment is very important: freedom of religion, freedom of the press, freedom of assembly, freedom of speech. For 200 years, our forefathers did not interpret that amendment to protect a person and say, well, yes, you have the freedom to burn the flag, the freedom to grab spray paint and paint the walls on the national monuments or on the Nation's Capitol. There are some restrictions. I do not see those actions as being speech.

I do not think our forefathers would envision the first amendment being interpreted so broadly as to protect such actions.

Finally, I call the attention of my colleagues to the 10th amendment. It says the powers not delegated to the

United States by the Constitution, nor prohibited by the States are reserved to the States respectively, or to the people, to the people, to the States and to the people. Forty-eight States have laws restricting burning or desecrating the flag, which the Supreme Court ignored. They had thrown that out. The Supreme Court by a 5 to 4 decision made a mistake. That needs to be overturned.

I also tell my colleagues that it is my preference that the Supreme Court would change their mind. They overruled the State statutes prohibiting desecration of the flag. So we passed a national law, and they overruled that as well, by the same 5 to 4 decision.

So what is our recourse? Our only recourse now is a constitutional amendment. My preference would be that the Supreme Court would reverse itself. That would probably only happen when we have the change in the makeup or membership of the Supreme Court, I hope that happens. I hope that we can have a more realistic Supreme Court that will read not only the first amendment, but also read the 10th amendment and read the other rights: "All other rights and powers not delegated by the Constitution to the Federal Government are reserved to the States and to the people," and that certainly includes protecting our national flag. Let us allow the States to make these kinds of decisions.

They have done it well. Was the national liberty in jeopardy for 200 years when the States were protecting the flag? I think not. I think five members of the Supreme Court made a serious mistake. I think we need to address that mistake. The only recourse for the time being is to change the Constitution and pass a constitutional amendment. My ultimate hope is that we change the makeup and membership of the Supreme Court which will happen and they will reverse this ruling.

Mr. President, I yield the floor.

RECESS UNTIL 2:15 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:49 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. SANFORD].

The PRESIDING OFFICER. As a Senator from the State of North Carolina, I suggest the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL AFFORDABLE HOUSING ACT

The Senate continued with the consideration of the bill.

Mr. INOUYE. Mr. President, what is the pending business?

AMENDMENT NO. 2025

The PRESIDING OFFICER. The pending business is amendment No. 2025 by Mr. CRANSTON for Mr. INOUYE to the National Affordable Housing Act.

Mr. INOUYE. Mr. President, I am pleased to advise my colleagues that this matter has been cleared by both managers and it is scheduled to become part of the management technical amendments package. Accordingly, I ask for its immediate consideration.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the amendment.

The amendment (No. 2025) was agreed to.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2026

Mr. GRAHAM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM] proposes an amendment numbered 2026.

Mr. GRAHAM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert the following:

"In determining the Performance Funding System utility subsidy for public housing agencies, the Secretary shall include a cooling degree day adjustment factor. The method by which a cooling degree day adjustment factor is included shall be identical to the method by which the heating degree day adjustment factor is included.".

Mr. GRAHAM. Mr. President, one of the provisions in the current public housing authority responsibility of the Department of HUD is to provide those PHA's with an annual operating subsidy. This is intended to be the difference between what the authority collects in terms of rents and the cost of operating the property.

Part of the formula for calculating that differential relates to utility costs. For some time, the formula utilized by the Department has recognized the unusual occurrences of severe winter days, freeze conditions, by authorizing a heating degree adjustment factor which essentially allows for an adjustment for the additional costs which a public housing authority would undertake because of unusually severe winter type conditions. There is, however, no commensurate recognition of the severity that may occur during the times of drought and extreme heat which we have had in the last few years.

We have all seen scenes of these persons, particularly elderly persons and the very young, who have been dramatically adversely affected as a result of that. That also has an adverse effect in terms of the economics of operating many of the public housing authority properties.

So the amendment that I have submitted would direct HUD to develop an appropriate cooling degree day adjustment factor in the same way that we currently have a heating degree day adjustment factor. It would recognize a legitimate cost which is borne by public housing authorities in virtually every area of the country which has been subject to the severe heat of recent years. I believe it would bring both economic rationality and fairness in terms of the Federal Government meeting its obligation on an equal basis to public housing authorities in America.

I urge the favorable consideration of the amendment.

Mr. D'AMATO. Mr. President, will the Senator yield for a question?

Mr. GRAHAM. Yes.

Mr. D'AMATO. My inclination is to accept the amendment. I am going to ask if my distinguished colleague would not give us an opportunity to check what the cost impact would be. But possibly he could answer that. Does the Senator have any idea of what the implication in terms of costs would be?

Mr. GRAHAM. The answer is "No." The reason for that is because this is essentially a grant of authority directive to the Secretary to develop a formula for the definition and the application of the cooling days adjustment. And so you would have to know what the Secretary's construct was before you could then calculate what its economic impact would be. If you did as as I believe was done when the heating factor was introduced, and that is if you did not increase the total amount of funds, it would be a matter of redistributing within an existing formula that attempts to assess costs to public housing authorities for their utility

bills across on a national basis. It would add another factor in to the formula through which the funds were allocated and distributed.

But I cannot answer the question. I think it is obviously a legitimate but unanswerable question until the Secretary devises his particular means of implementing the directive.

Mr. D'AMATO. If the amendment were to be passed, would the Secretary be required to then, after he conducts his analysis to implement this cooling days program, would that be mandated?

Mr. GRAHAM. The amendment would require, determining the performance funding system, which is the system under which the operating subsidies are paid, the Secretary shall include a cooling degree day adjustment factor; and that that factor shall be identical to the method by which the heating degree day adjustment factor is currently included. That is in essence what the amendment says.

Mr. D'AMATO. It would seem to me, given the fact that we do this as it relates to heating, certainly as it relates to the additional cost, the burden that obviously does occur, that we are really talking about a reallocation of funds within the system without there being additional funds.

I would ask the Senator if he would not, before we move on to his other amendment, lay this aside. I do not think that I am going to object—and I possibly could accept it—but I would like to have an opportunity to check with the administration to see if they do have any objection to it.

Mr. CRANSTON. Mr. President, I will just add that the amendment is acceptable from my point of view. If it can be worked out to the satisfaction of Senator D'AMATO, then we accept it.

Mr. GRAHAM. Mr. President, I ask unanimous consent to lay this amendment aside pending the consideration of the next amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WALLOP. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALLOP. Mr. President, I ask unanimous consent that the pending business, which I believe to be the amendment of the Senator from Florida, be set aside.

The PRESIDING OFFICER. That amendment has been laid aside.

AMENDMENT NO. 2027

(Purpose: To modernize United States circulating coin designs, of which one reverse will have a theme of the Bicentennial of the Constitution)

Mr. WALLOP. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. WALLOP] proposes an amendment numbered 2027.

Mr. WALLOP. Mr. President, I ask unanimous consent that reading of the amendment be dispended with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end, add the following:

SECTION 1. DENOMINATIONS, SPECIFICATIONS, AND DESIGN OF COINS.

Subsection (d)(1) of section 5112 of title 31, United States Code, is amended by striking the fourth sentence.

SEC. 2. DESIGN CHANGES REQUIRED FOR CERTAIN COINS.

Subsection (d) of section 5112 of title 31, United States Code, is amended by adding at the end the following new paragraph:

"(3) The design on the reverse side of the half dollar, quarter dollar, dime coin, 5-cent coin and one-cent coin shall be selected for redesigning. One or more coins may be selected for redesign at the same time, but the first redesigned coin shall have a design commemorating the two hundredth anniversary of the United States Constitution for a period of 2 years after issuance. After than 2-year period, the bicentennial coin shall have its design changed in accordance with the provisions of this subsection. Such selection, and the minting and issuance of the first selected coin shall be made not later than 1 year after the date of the enactment of this paragraph. All such redesigned coins shall conform with the inscription requirements set forth in paragraph (1) of this subsection."

SEC. 3. DESIGN ON OBVERSE SIDE OF COINS.

Subsection (d) of section 5112 of title 31, United States Code, is amended by adding at the end the following new paragraph:

"(4) Subject to paragraph (2), the design on the obverse side of the half dollar, quarter dollar, dime coin, 5-cent coin, and one-cent coin shall contain the likenesses of those currently displayed and shall be considered for redesign. All such coin obverse redesigns shall conform with the inscription requirements set forth in paragraph (1) of this subsection.".

SEC. 4. SELECTION OF DESIGNS.

The design changes for each coin authorized by the amendments made by this Act shall take place at the discretion of the Secretary and shall be done at the rate of one or more coins per year, to be phased in over 6 years after the date of the enactment of this Act. In selecting new designs, the Secretary shall consider, among other factors, thematic representations of the following constitutional concepts: freedom of speech and assembly; freedom of the press; right to due process of law; right to a trial by jury; right to equal protection under the law; right to vote; themes from the Bill of Rights; and separation of powers, including the independence of the judiciary. The designs shall be selected by the Secretary upon consultation with the United States Commission on Fine Arts.

SEC. 5. REDUCTION OF THE NATIONAL DEBT.

Subsection (a)(1) of section 5132 of title 31, United States Code, is amended by inserting after the third sentence the following: "Any profits received from the sale of uncirculated and proof sets of coins shall be deposited by the Secretary in the general fund of the Treasury and shall be used for the sole purpose of reducing the national debt.".

Mr. WALLOP. Mr. President, to my knowledge, both the distinguished chairman of the committee and the ranking member have agreed to this amendment. It is essentially the same language as a bill which has twice previously passed the Senate in this session. The bill is S. 428, which would redesign U.S. circulating coins to include on the reverse side the theme of the bicentennial of the Constitution. Sixty-seven Senators have cosponsored the bill; 278 Members of the House of Representatives have joined as sponsors.

The bill has been held up in the committee in the House for reasons which today remain unclear. It has been delayed despite the high public approval and proven economic benefit of the bill. Analysis indicated the coin's design would yield a net profit to the U.S. Government of as much as $1 billion, moneys which can be used to reduce the national debt.

It is a common practice among nations to redesign their coins. The United States has changed coin designs 33 times before in our Nation's history. However, we have not redesigned our coins for a quarter of a century. The theme of the redesign is important: the Constitution. I urge the managers of the housing bill to accept the amendment.

Mr. CRANSTON. Mr. President, since this measure has passed the Senate unanimously five times and since it will bring in revenues swiftly that are so desperately needed, this side is perfectly willing and delighted to accept the amendment.

Mr. D'AMATO. Mr. President, I certainly have no objection, and I concur with the observations of my distinguished colleague from California.

The PRESIDING OFFICER. Is there further debate?

Mr. WALLOP. Mr. President, I just add that the distinguished Senator from California has been, numerous times, either the sponsor or cosponsor of this. We have worked on it together for a long time. Both of us would like to see this money come to the taxpayers at no expense to the Government.

Mr. CRANSTON. I thank the Senator from Wyoming for his leadership in this issue and for his recognition of my efforts in this same direction.

Mr. WALLOP. I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2027) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WALLOP. Is the Senator from Florida prepared to retake the floor?

Mr. GRAHAM. Momentarily.

Mr. WALLOP. I yield the floor.

Mr. GRAHAM. Mr. President, in a moment I will be submitting another amendment, but before doing so, I have an explanation. During the committee consideration of this legislation, an amendment was offered which now appears on page 481, beginning at line 14, of the printed text, which relates to expedited financing construction. Essentially, the amendment would allow the Secretary to provide for adjustments in waivers for certain cost limitations relative to section 202 housing. This is housing for the elderly.

I was concerned about this amendment when it was offered in committee because of its potential effect for other 202 housing projects; that is, if we authorized costs that were above the norm for some projects and if the pool of funds available for section 202 was limited, the consequence would be that other projects that were being constructed within the standards would be adversely affected.

There have been some discussions over the last few days among various interested parties.

AMENDMENT NO. 2028

Mr. GRAHAM. I send an amendment to the desk, which I hope will resolve this issue, and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment is laid aside. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM] proposes an amendment numbered 2028.

On page 481, line 15, strike "shall" and insert the following: "may, subject to the availability of appropriations for contract amendments for the purposes of this subsection,".

Mr. GRAHAM. Mr. President, what this amendment intends to do is to recognize the validity that the Secretary should have some increased discretion relative to high-cost projects, but that those projects should be funded through appropriations specifically for contract amendments. This has been, apparently, the traditional way in which such extensions beyond the standard cost limits were authorized and funded; that is, specific authority to the Secretary for a waiver with the funding to come through a special account denominated "Contract Amendments" for the purpose of funding those costs which went beyond normal cost standards.

Mr. President, I urge the adoption of this amendment.

Mr. D'AMATO. Mr. President, the Senator from New York has discussed this with other colleagues submitting legislation that would block grant the 202 Program. The 202 Program is a program that constructs housing for the elderly and the handicapped. It is a program that in most areas is in great demand and in great need. It is a program that in high-cost areas has developed a huge backlog. I do not have the figures in front of me now, but it is well over 20,000 units in the pipeline.

By the way, the program has steadily eroded to 12,000 to 10,000 to 7,500, and this year they propose 3,800 units for the entire Nation for our senior citizens, whom we venerate, whom we talk about, whom we say we want to help. This is a program that communities fight for. They want it. Twenty-plus thousand units held up in the pipeline. That is enough for 3, 4, 5 years, and, under the present budget, for 7 years.

Oh, we announce the grants. We have ribbon-cutting ceremonies, great fanfare, and nothing happens. Nothing happens. The community-based organization, whether it be Catholic charities, whether it be the Federation of Jewish philanthropies, et cetera, then runs into an incredible backlog. What happens? They say you cannot develop a community room. So you build 100 units, and there is no community room. People cannot come together.

We are talking about basic necessities for it so people are going to have some amenities, not just be stacked away. This is how this pipeline has clogged. If it were a human being they would be dead, their arteries would have atrophied, finished, over. Yet, we keep making these releases. Oh, we are building housing in New York, in Florida, in Pennsylvania, Illinois. When we check these areas, we will find many of them have not gotten but a small percentage of the grants that were actually awarded and announced.

Congressmen sent out the releases, "Housing coming to this area," "that area." Senators sent out the press releases. And you find out 6 years later, 7 years later the project has not been started.

Now, what we attempted to do was to give to the Secretary of Housing an opportunity to cut through some of the so-called redtape, to see to it that the housing would be constructed. That was the purpose of the amendment.

Of course, the same people who said let us block grant it so those local communities that want it, they can build the housing and, if they want to enrich it with other moneys from community development, from the HOPE Program or from the HOP Program, why they can do this, oh, no. I can tell you what. They went out and ginned up and they called up all the special interest groups to call up and say Senator D'AMATO is going to stop the 202 Program. Let us have it out on the floor. I am not stopping the 202 Program. The program is dead now. The artery has clogged. Only a small fraction gets through. If that is the way you want it, let us let the people know.

By the same token I am told, well, Senator, if you make this a block grant program, then they are going to slowly diminish the block grant program because they always do that, and there will be no housing for senior citizens.

I am asking my colleagues today, where is your voice in opposition to reducing the program which is a miserly one now, that has about 7,500 units for the entire Nation, 8,000, and they are cutting it to 3,700. I have not heard anybody say anything.

One the one hand, you say do not block grant it because the administration will kill that program. On the other hand, right in front of us, they are reducing it by more than 50 percent. And it does not even work. The artery is plugged, totally plugged. Incredible.

I am not going to oppose this amendment. I just want it to be said that when you say, on the one hand, that we are going to fix the artery, we are going to unplug it, we are going to push those housing units out, we want to help our senior citizens, that is not what has been done. When you oppose block granting, it is so that we give to the local communities and villages the opportunity to use that without having to come here on bended knee to ask the bureaucrats to help them, without having to go in and get the special interest guys who go over there and who know somebody and get them to unplug it or use political influence. They, say, oh, no. No, because if you do that, then they are going to kill the program.

So you do not want block granting because somehow you say that is going to reduce the funding levels. The funding levels are being reduced dramatically anyway, and the pipeline is totally clogged, and you cannot even get the Roto Rooter guy in there to unplug it. I tell you, it does not make much sense, and I hate to tell you, as we proceed with this bill, that we are not really going to be doing the people's business if this is the way we are going to continue.

Now, I do not know the purpose of the amendment. It is not to cost other people more money. I do not know. I really do not know. I thought we were going to unplug this line.

I would like to ask my distinguished friend and colleague from Florida, how does this help unplug the line?

Mr. GRAHAM. I have some good news. The good news is in a memo I received this morning from representatives of the Housing and Urban Development. I will just read a paragraph of the memo which they gave me on this amendment.

They say:

However, the bulk of the pipeline to which the D'Amato amendment would be applicable, while in high cost areas, have sufficiently high fair market rents to enable the projects to proceed. Therefore, increasing the fair market rents is not needed.

And they go on the make the point that the Department's opinion is that it has made good progress in terms of unplugging the pipeline, and that at this juncture they do not see the requirement to raise the fair market rents as a significant prescription to the malady as it currently exists. Therefore, the suggestion that where there is a specific case in which the necessity for increasing either limitations of cost on construction or the limitations on the fair market rent, that they should be handled as a discrete matter including a specific contract amendment appropriation to fund that differential.

I might say, to give the Senator further solace on this day, the Department's memo states:

Recently, due to cost problems in the New York City area, the Department issued instructions to the field offices which indicated that headquarters would permit increases up to 260 percent of the norm. Indications are from the field office that this should be sufficient to resolve cost problems on cases currently in the pipeline.

Mr. D'AMATO. I am prepared to accept the Senator's amendment, but I think it is worthy of note as it relates to what has taken place with this program, and I would hope we are not looking to take moneys from other areas but we are looking to see to the program which has a miniscule amount of housing in comparison to the demonstrated need—not only the need but in terms of the communities that are ready and willing to accept it and to build it. It is probably the finest program that continues to deteriorate as it relates to two matters.

No. 1, the manner in which it is administered and the fact that the administration, year after year, has cut back on the number of units. Again, I do not mean to be repetitious, but it seems to me that those who argue against the community development block grant formulas which could give great flexibility to the local communities argue on very weak ground, on the ground that to do so would eventually lead to the program's elimination, when the program is being melted down in front of our eyes. It is being eliminated in front of us.

So I will accept the amendment of the Senator. I do not hold out much hope for the high cost areas, to be quite candid, but if this language will make the Senator feel better as it relates to a certain area, I will accept it.

Mr. CRANSTON. Mr. President, I support the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 2078) was agreed to.

Mr. GRAHAM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2026

Mr. GRAHAM. Mr. President, I believe that under the previous order, we now revert to the amendment that I previously offered and was laid aside.

The PRESIDING OFFICER. That is correct. The question is on agreeing to amendment No. 2026. The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the Housing Authority of the city of St. Petersburg, signed by Mr. Edward White, Jr., executive director.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE HOUSING AUTHORITY OF THE CITY OF ST. PETERSBURG, FL.
April 19, 1990.

Hon. BOB GRAHAM,
U.S. Senate, 241 Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR GRAHAM: Thank you for the time you spent with me and other members of the Florida Association of Housing and Redevelopment Officials last month in Washington. We all enjoyed meeting you and having the opportunity to share our concerns pertaining to PHA operating problems and pending housing legislation.

One of the matters about which you have expressed particular concern and had asked for more detailed information involved certain inequities in the method(s) HUD uses to adjust and to reconcile actual PHA utility consumption to projected utility consumption at the end of each PHA fiscal year.

The referenced HUD methods for year-end reconciliation strongly disfavor PHA's located in warmer climates. PHA's project future utility consumption during their annual budget process by using a three (3) year rolling base period of actual consumption. The amount of PFS utility subsidy is determined by factoring current utility rates into the projection of utility consumption.

However, real PHA utility consumption related to heat may deviate from the projection based upon annual variations in temperatures (severity of winters). HUD annually provides a heating degree day based adjustment factor for PHA's to apply to allowable actual heat related utility consumption to avoid PHA windfalls when actual heat related consumption is less than the projected consumption level because of abnormally mild winters. Conversely, HUD will provide additional subsidy if actual heat related consumption was higher than had been forecast because of an abnormally cold winter.

A significant inequity can occur when a PHA heats and cools with the same utility. This is especially so when the year-end adjustment is negative to reflect a mild winter but the PHA also had experienced unusually high consumption of the same utility related to cooling because of a severely hot summer.

The HUD utility reconciliation method does not recognize the dual use of a single utility for both cooling and heating and has no process to adjust for cooling degree days.

In response to a previous congressional inquiry about the referenced inequity, HUD reasoned that use of a cooling degree day adjustment factor would involve significant technical problems which are not as extensive as those encountered for heating degree day adjustment factors. According to HUD, the problem of isolating cooling costs is inherently complex because most PHA-owned air conditioning systems use electricity which is not generally separately metered and includes household lighting and cooling, and possibly other electrically powered uses.

HUD's reasoning is specious at best. Any electrically heated building also uses electricity for household lights, cooking and sometimes for hot water production. Similarly, natural gas is often used for heating and for hot water production.

HUD requires PHA's to apply the heating degree day adjustment factor whether the utility involved is used just for heat or not. Obviously, the fact that PHA units which are air conditioned by a utility which is also used for household lighting should present no greater problem in a cooling degree adjustment factor than is presently the case of the heating degree day factor.

Moreover, the Housing Authority of the City of St. Petersburg has prepared a method to estimate use of electricity for cooling purposes based upon a comparison of heating and cooling degree days which equitably approximates the relative use of the utility for heating and cooling. The data used for these calculations was obtained from the National Weather Service, the same source used by HUD to obtain heating degree day data.

Unlike most areas of the country, Sunbelt PHA's, particularly in Florida and south Texas, use electricity more to power cooling systems than to heat. It is grossly unfair to adjust allowable consumption downwards in a Sunbelt PHA because of a mild winter when in fact the affected utility was used primarily for cooling and was thus unaffected by the mild winter.

In the above referenced HUD response, it was claimed that there is no data available to measure the extent to which a cooling degree day adjustment factor is needed to ensure reasonable equity.

In fact, the St. Petersburg PHA provided data which graphically demonstrated that the present utility reconciliation method which does not take into account cooling degree days unfairly penalized St. Petersburg in the amount of $46,000 in our fiscal

year-end March 31, 1989, quite a substantial loss for an authority of our size.

The HUD response further states that PHA's in warmer climates have only a limited proportion of their units equipped with air conditioning equipment. Thus, the absence of a cooling degree day adjustment would be offset by the small proportion of units affected.

HUD's claim is wholly erroneous. The percent of St. Petersburg PHA-owned low rent public housing units which is air conditioned is 32% of the total. The percent of PHA-owned low rent public housing units which are air conditioned is actually considerably higher when you factor out the number of units where utilities are purchased by the residents, and thus not affected by the year-end adjustment factor. Of the units where the PHA purchase utilities, the percent air conditioned is 65%.

Both the data base and the methodology to devise a cooling degree day adjustment factor in order to provide equity to Sunbelt-based PHA's is available. HUD should either immediately promulgate rules for a cooling degree day adjustment or waive the year-end utility reconciliation for PHA's who use the same utility for heating and cooling.

I have drafted a suggested form letter for you to use to enlist the support of other members of the Sunbelt Caucus.

Sincerely,

EDWARD WHITE, Jr.

The PRESIDING OFFICER. Is there further debate on the amendment 2026.

Mr. D'AMATO. Again, I am going to ask my distinguished colleague if he would not withhold, because I do want to have an opportunity to check with the administration. I am willing to accept it, but I would like to ascertain if they have any serious, strenuous objection. If they do, depending upon who raises it, then I might even go along with the Senator on it. Did the Senator get that?

Mr. GRAHAM. The Senator heard those encouraging remarks.

Mr. D'AMATO. It seems to me, if we can, it makes sense that air-conditioning today should be considered as a cost element. I am ready to accept it, but I just do not want them to indicate they did not have an opportunity to seriously object. But, barring any serious objection, I am ready to accept it.

Mr. GRAHAM. I would like to underscore this is not just an air-conditioning amendment, although that is one factor during a severe heat period. It also relates to the fact people use other utilities, refrigerators, lights.

There is an additional whole array of items that function with the type of severe heat that this Nation has been experiencing in recent summers. It ought to be recognized.

Mr. D'AMATO. Mr. President, I agree with the Senator. Personally, my own preference would be to be supportive. I do not anticipate any difficulty in disposing of it in a very few minutes.

Mr. GRAHAM. I have no objection to laying this aside subject to the consideration of the next amendment.

The PRESIDING OFFICER. Without objection, the amendment is laid aside.

ORDER OF PROCEDURE

Mr. CRANSTON. Mr. President, I would like the attention of the Senator from New York. I am about to propound a unanimous-consent agreement just so Senators know what is happening to expedite business.

I ask unanimous consent that we proceed in the following order for the next few rounds on this bill. First, an amendment by the Senator from Connecticut, Senator LIEBERMAN; then Senator ALAN DIXON will have an opportunity to speak to the bill briefly; then two amendments by the Presiding Officer at the moment, Senator SANFORD; and, then an amendment by Senator WIRTH; that we go in that order.

Before we reach the end of that line, I hope we can agree on further amendments which will include some Republican amendments which will later be offered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LIEBERMAN. Mr. President, I rise to support the bill and to commend our colleagues in taking the leadership in bringing it before us.

America's housing shortage is a crisis that effects virtually every region of our country. Hundreds of thousands, perhaps even millions, of our fellow Americans neither own nor rent shelter. Many must use emergency shelter spending 13 months there on the average at tremendous cost to the American taxpayers. Others double or triple up with relatives or friends.

Those are the unseen homeless who put further stress on their already heavily burdened lives. Young families trying to get a fresh start in the world find that the American dream of home ownership is fast becoming a nightmare of astronomical housing costs and unachievable downpayments.

This National Affordable Housing Act which has been so ably crafted by my colleague from California, Senator CRANSTON, my colleague and neighbor from New York, Senator D'AMATO, and their colleagues on the Banking Committee helps turn the American dream into reality for millions of our fellow Americans. It is a worthy and reasonable bill that will help State and local governments respond to the housing crunch within their borders in a fast and cost effective way. It moves Government back into the business of helping to give Americans a roof over their heads.

Even advocates of a limited role for Government in the life of our Nation cannot fairly deny that providing shelter is a basic task of Government.

I am honored that the National Affordable Housing Act, this bill before us now, contains two concepts that were included in legislation that I introduced last April.

One provision of the legislation of course makes security deposit grant programs eligible for Federal housing funds. This is a proposal that I based on a similar program that was pioneered in the State of Connecticut. The program in Connecticut recognizes that many people who live in emergency shelters, or who are doubled up with relatives and friends in inadequate housing, actually have jobs and can afford to make monthly payments.

What they cannot afford to do is to cope with the security deposit and the first month's rent that most landlords naturally require before they allow a tenant to move in. A security deposit grant program allows the Government to provide the landlord with that security deposit and first month's rent.

It helps the homeless make the leap from emergency shelters into rental housing. It is a cost-effective response to the problem of homelessness because the Government, if Connecticut's experience is a guide, will actually get back most of the money it invests in security deposits and first months' rent from the landlords after the tenants move on to other housing.

It also helps reduce the astronomical amount of money that taxpayers are offering into emergency housing programs. I know we have all heard horror stories about the Government paying a $2,000 a month tab to a so-called welfare hotel operator per room.

For the cost of less than 1 month's rent in such an emergency shelter, the Government is going to get that back at the end of the lease. We can help many families move into their own apartments where they can pay the rent instead of the taxpayer paying it every month.

In the first 2 years of this programs' operation in Connecticut, I am pleased to report that more than 2,000 homeless families actually became renters, thanks to the security deposit grant program. By helping to channel funds to such programs around the Nation this bill will help many, many thousands more to make that big move into a place of their own.

The second feature of this legislation which I have been proud to work with the committee on is its focus on rehabilitation of existing buildings for housing. I can tell you, Mr. President, that in my own State of Connecticut, in cities like Bridgeport, New Haven, Hartford, there exists many dozens of buildings that are empty and in various stages of disrepair. Those buildings are a blight on their neighborhoods, they are eyesores, they are health hazards, they are breeding grounds for crime, and drug abuse.

But abandoned buildings also represent an opportunity. This bill recognizes that opportunity. It is an opportunity to provide housing for the homeless and those who live in inadequate shelters in apartments.

The National Affordable Housing Act requires the recipients of Federal housing funds to give priority to rehabilitation of existing buildings where feasible. I think by emphasizing the rehabilitation of buildings that already exist this bill will minimize the construction of massive new housing projects, projects that take a lot of time and money to build. Renovating existing structures is clearly quicker and cheaper, and it can provide the spark for the rehabilitation of whole neighborhoods.

Mr. President, I am proud to be a cosponsor of this legislation. I urge my colleagues to support it.

AMENDMENT NO. 2029

(Purpose: To create a consortium consisting of members from the public and private sector to develop and promote the use of new, cost-saving building technologies, and for other purposes)

Mr. LIEBERMAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Connecticut [Mr. LIEBERMAN] proposes an amendment numbered 2029.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new title:

TITLE —FEDERAL GOVERNMENT COOPERATIVE PROGRAM WITH THE ADVANCED BUILDING CONSORTIUM

SEC. . SHORT TITLE.

This title may be cited as the "Advanced Building Consortium Act".

SEC. . FINDINGS.

The Congress finds that—

(1) there is a growing shortage of affordable housing for newly formed households, low- and moderate-income families and the homeless;

(2) one significant reason for this critical shortage is the high cost of constructing new housing or renovating existing buildings;

(3) recent technological advances could be applied to the design, construction, maintenance and operations of buildings which could significantly reduce costs;

(4) the unique characteristics of the building industry, which is highly diversified and composed primarily of small businesses that are continually confronted with a wide variety of financial, technical and regulatory uncertainties, make it difficult for those responsible for the design, construction, installation, operation, maintenance and financing of buildings to assume additional uncertainties and risks which they associate with innovative building technologies;

(5) the Federal Government has a responsibility, as the owner and operator of the Nation's largest inventory of buildings in every geographical region, to seek reductions in the costs of constructing and operating buildings;

(6) the Federal Government has expended hundreds of millions dollars in support of research and development of technologies that could be applied to buildings, but the results of that research are not applied to the Federal Government's buildings because the current procurement system makes it difficult for new building technologies to compete successfully with conventional technologies;

(7) the building industry, which has historically accounted for a significant portion of the gross national product, is now confronted with increasing foreign competition that threatens domestic companies in important market sectors, with corresponding substantial losses in employment;

(8) current institutional constraints impose high costs and require as much as 20 years to obtain the necessary market acceptance of new building technologies and therefore inhibit the private sector of the economy from investing in such worthwhile endeavors;

(9) the development of a cooperative program between the Federal Government and a responsible entity representing leaders of the building industry who are concerned with improving the above described conditions and capable of providing expertise and leadership to provide for the introduction, use and evaluation of cost-saving technological innovations in new and existing buildings owned and operated by the Federal Government, could facilitate the introduction and the early use of such cost saving innovative building technologies by Federal, State and local public agencies and by the private sector of the economy;

(10) while a new cooperative program of the Federal Government and the building industry is needed to facilitate introduction of technological innovations, various private organizations and institutions, private industry, labor, and Federal and other governmental agencies and other entities are presently engaged in building research, technology development, testing and evaluations and information dissemination and these capabilities should be effectively utilized wherever possible and appropriate in the implementation of this Act; and

(11) an authoritative nongovernmental instrumentality needs to be created by the Federal Government to address the problems and issues described in this section, with the advice and assistance of the various sectors of the building community, including labor and management, technical experts in building science and technology and State and local governments.

SEC. . CONSORTIUM AUTHORIZATION.

(a) ESTABLISHMENT.—There is established, for the purposes described in section , an appropriate nonprofit, nongovernmental instrument to be known as the Advanced Buildings Consortium (hereafter referred to as the "Consortium"), which shall not be an agency or establishment of the United States Government. The Consortium shall be subject to the provisions of this title and, to the extent consistent with this title, to the District of Columbia Nonprofit Corporation Act.

(b) DIRECTORS.—The Consortium shall have a Board of Directors (hereafter referred to a the "Board") consisting of not less than 15 nor more than 21 members who shall be appointed by the Secretary of Housing and Urban Development, in consultation with cooperating Federal agencies, from among senior executives representing the various segments of the building community of the various regions of the country with extensive experience in building industries, including (1) representatives of the building industry, product manufacturers, and experts in health, fire and safety, and (2) members representative of the public interest highly experienced in building technologies, including architects, professional engineers and representatives of consumer organizations. No Federal official shall be a member of the Board. Members of the Board shall not participate in any deliberations of the Board affecting technologies or related matters where they hold a financial interest or membership in, or employment by, or receive other compensation from, any company, association, or other group associated with the manufacture, distribution, installation, or maintenance of the building products, equipment, systems, subsystems, or other construction materials and techniques associated with the building technology under consideration or with the conventional technology for which the new technology may be a substitute.

(c) NO STOCK.—The Consortium shall have no power to issue any shares of stock or to declare or pay any dividends. No part of the income or assets of the Consortium shall inure to the benefit of any director, officer, employee or other individual except as salary or reasonable compensation for services.

(d) POLITICAL CONTRIBUTIONS.—The Consortium shall not contribute to or otherwise support any political party or candidate for elective public office.

SEC. . CONSORTIUM FUNCTIONS AND RESPONSIBILITIES

(a) IN GENERAL.—The Consortium shall conduct research involving, and take actions to facilitate and promote the use of, new, cost-saving building technologies. In carrying out its activities, the Consortium shall—

(1) select and evaluate new building technologies, including energy cost savings technologies, that conform to recognized performance criteria and meet test standards for maintenance of life, safety, health, and public welfare when used in occupied buildings;

(2) conduct needed investigations in direct support of paragraph (1);

(3) conduct economic analyses of proposed new technologies when produced and installed in buildings at volumes associated with comparable conventional technologies;

(4) in collaboration with cooperating Federal agencies, advise building designers, installers, subcontractors, contractors and supervising officials responsible for buildings in the appropriate design and use of the innovative building technology incorporated in federally owned or operated buildings;

(5) in collaboration with cooperating Federal agencies, monitor and evaluate the performance of new building technologies for at least 1 year after installation and building occupancy; and

(6) assemble and disseminate technical data and other information directly related to activities described in paragraphs (1) through (5) of this subsection.

(b) DELEGATION AND MONITORING.—The Consortium, in exercising its functions and responsibilities described in subsection (a) of this section, shall—

(1) assign and delegate to the maximum extent possible, responsibility for conducting each of the activities described in subsection (a) to private organizations, institutions, agencies, and Federal and other governmental entities that have a demonstrated capacity to exercise or contribute to the exercise of such responsibility,

(2) monitor the performance achieved through assignment and delegation, and

(3) when deemed necessary, reassign and delegate such responsibility.

(c) CONSISTENCY WITH OTHER LAW.—The Consortium, in exercising its functions and responsibilities under subsections (a) and (b) of this section, shall—

(1) assure to the extent possible that its actions and recommendations are consistent with nationally recognized performance criteria, standards, and other technical provisions of Federal, State, and local building codes and regulations and conform with generally accepted community and environmental standards; and

(2) consult with the Department of Justice and other agencies of Government to the extent necessary to insure that the national interest is protected and promoted in the exercise of its functions and responsibilities.

SEC. . FEDERAL PARTICIPATION.

(a) COOPERATIVE PROGRAM.—The Secretary of Housing and Urban Development, the Secretary of Defense, the Secretary of Agriculture, the Secretary of Energy, and the Administrator of General Services, and other departments, agencies and establishments of the Federal Government having responsibility for more than 1,000 buildings or for operating buildings at an annual cost of at least $1,000,000 shall participate in a cooperative program with the Consortium to develop and implement programs to incorporate one or more of the recommended new technologies in a new or existing building within each department. The initial selection of the new technology and the specific building project in which the new technology will be incorporated shall be determined jointly by the cooperating Federal agency and the consortium within 1 year after the date of enactment of this Act. The technology selected shall be appropriate to the building selected, and its intended uses, and shall offer maximum opportunity to demonstrate cost savings.

(b) REQUIRED ASSURANCES.—Upon agreement between the Federal agency and the Consortium with respect to the selection of the appropriate technology and the schedule of necessary work, the Consortium shall—

(1) provide the Federal agency with a 5-year guarantee from the technology manufacturer that all necessary corrections to the technology will be made in the design, installation, and maintenance of the technology and that all malfunctions will be repaired without delay and that the technology manufacturer will be responsible for removal of the technology in the event of its failure to perform as required;

(2) provide the Federal agency and its officials responsible for constructing or renovating the buildings utilizing the new technology, as well as the designers, installers, subcontractors and contractors responsible for the design, construction or renovation of the buildings utilizing the new technology with the technical information necessary to assure the most appropriate use of the new technology;

(3) in collaboration with the Federal agency, monitor and evaluate the performance of the new technology; and

(4) prepare reports to be made available to public agencies at all levels of government, to the industry and to the public on the performance of the new technology.

(c) PROCUREMENT WAIVER.—Each Federal agency participating in this program is authorized to waive the applicability of procurement laws or regulations and deem the Consortium to be a sole source of the agreed-upon new technology for the selected building or facility. Competitive bidding for all other work in the selected building or facility shall conform with Federal building procurement regulations.

(d) SET-ASIDE.—Each Federal agency participating in this cooperative program shall set aside special funds in its annual appropriated building construction and renovation budget, in an amount not exceeding $1,000,000 in any fiscal year to provide for the costs of testing, monitoring, and evaluating the new technologies employed in this program.

(e) ANNUAL REPORT.—Each participating Federal agency shall report annual to the Congress or its efforts to implement the purpose of this Act.

SEC. . AUTHORIZATION.

There are authorized to be appropriated to the Consortium an amount not to exceed $500,000 for each of the first 2 years of the Consortium's operation. Such funds shall remain available to the Consortium until expended.

SEC. . ANNUAL REPORT.

The Consortium shall submit an annual report for the preceding year to the President for transmittal to the Congress within 60 days of its receipt. The report shall be a comprehensive and detailed report of the Consortium's operations, activities, financial condition, and accomplishments under this title and of the extent of the cooperation received from participating Federal agencies, and may include recommendations as the Consortium deems appropriate.

Mr. LIEBERMAN. Mr. President, this amendment would create a new public-private sector cooperative program called the Advanced Building Consortium which would be designed to facilitate the development and employment of new technologies in building construction.

The goal of this program would be to advance building techniques that will result in cheaper, safer, and more energy efficient structures. The fragmented nature of the building industry in America today inhibits construction innovations.

I have heard this from people who spend their lives and earn their livelihoods in the construction industry. It can take 15 to 20 years for a new building product or technology to gain general market acceptance long after it has been proven safe and reliable. That means the way in which we build homes and offices today has been woefully little changed from the way we built it in the sixties, despite the tremendous advances in science, engineering, computers, and other fields that can have some impact on the construction industry.

This Advanced Building Consortium which I am proposing would be composed of leaders in the construction industry, product manufacturers, contractors, engineers, and architects appointed by the Secretary of Housing and Urban Development. They would work to discover and renew building technologies.

The consortium would then recommend the most promising of these innovations to the Federal Government for use in Federal buildings and other structures built with Federal funds including military housing and housing for the homeless.

I think the American economy would benefit because new building technologies can be tested and brought to wide acceptance and usage through the construction industry with the aid of these Federal pilot projects. The American taxpayer would benefit because structures built with their tax dollars would be built in a more cost effective and energy efficient manner without the need for them to pay for the cost of developing such technologies.

Mr. President, last year I introduced a bill, S. 1479, which supports the search for new ways to lower building costs. Today I am offering this provision as an amendment to S. 566. I National Affordable Housing Act because by lowering construction and energy costs we make housing more affordable to the Federal Government and to individual consumers.

This amendment would create a Federal-private sector cooperative programs, the Advanced Building Consortium, which would facilitate the introduction and employment of new technologies in building construction. In a nutshell, the industry consortium would recommend new technologies to the Federal Government and then monitor the performance of these new cost and energy saving products in the laboratory of a Federal building.

The fragmented nature of the building industry has always been a great disincentive to innovation in construction. No single company accounts for more than 1 percent of new construction nationally. Construction companies are thinly capitalized and, therefore, unable to develop or finance new products. It often takes 10 to 20 years for a new building product to gain general market acceptance, even when a product is proven safe, reliable, and beneficial. The smoke detector waited 14 years before achieving a level of general acceptance.

Architects, builders, and engineers are reluctant to use new products because of high liability insurance costs and the prohibitive price of any new technology which is not yet in full production. Contractors are also reluctant to take on the risk of a new technology.

Due to this institutional aversion to change, building technologies have remained, for the most part, at the same level as immediately following the Second World War. Although energy costs have soared and the building sector now consumes 62 percent of the Nation's $150 billion annual electric bill, construction technology has not been updated to keep energy costs down. Unless we encourage the new technologies in construction, greater energy efficiency and lower costs remain an impossibility.

This amendment would spur development of new building and housing technologies. The amendment enables the leaders of the construction industry—product manufacturers, contractors, engineers, and architects—who have the strongest interest in innovative products to form a consortium to develop new ideas. This independent consortium will recommend the most promising innovations to the Government for use in both existing and new buildings. If they are workable and cost saving, the new products in Federal buildings will provide the public and the construction industry with the information they need.

Using Federal buildings as a test ground sharply reduces the amount of development time necessary to bring new technologies to market. The Government, taxpayers and future home buyers will benefit from the development and testing of these new products. The Federal Government will be able to utilize new products without bearing the development costs. Federal buildings and housing will enjoy lower operating costs when the products prove successful, and consumers will benefit from having the new cost effective technologies on the market.

The Federal Government is no stranger to research and development projects for building technology. It has spent tens of millions without industry assistance in research without practical application. Sadly, the fruits of these tests, papers, reports have resulted in only a modest level of innovation. The people who would use the innovations want actual results not a paper report produced in a laboratory. The advanced building consortium would ensure that new technologies are used in actual construction and then reviewed for widespread use with industry's cooperation. The result would be a proven product rather than a report.

If the advanced building consortium is implemented, new cost-saving and energy efficient technologies can be introduced into Government buildings. Within a short period of time, the successful results of these pilot programs will be disseminated to all other areas of the building and construction industry. Use of the technologies in private construction would have the stamp of approval of experience in Federal buildings. I believe this amendment is an important component in legislation designed to make housing more affordable.

Mr. President, I understand that both Senator CRANSTON and Senator D'AMATO have had an opportunity to review this amendment. I have reason to believe that they are both prepared to accept it. I certainly encourage them to do so, and thank them for the interest and cooperation.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. Mr. President, Senator LIEBERMAN has been very active in the development of the housing bill which is now before us in the Senate. I commend him for his efforts. I commend him for the insights he has offered on homelessness, low-income housing preservation, and housing affordability.

The amendment was part of a bill, S. 1479, which he introduced several months ago. Connecticut, like my State of California, has seen home prices escalate out of the reach of many low- and moderate-income families, especially young families just starting out.

This amendment would create an independent consortium to facilitate the development and adoption of energy-efficiency and cost-saving housing technologies. I support the amendment offered by my colleague from Connecticut.

Mr. D'AMATO. Mr. President, I support the amendment offered by Senator LIEBERMAN from Connecticut. I commend him. It makes sense, and it is sound. If we can build and bring these kinds of consortium to fruition, it is going to make our housing dollars for those who need housing go much further. We accept the amendment. I commend the Senator from Connecticut for his thoughtfulness.

The PRESIDING OFFICER. Is there further debate?

Mr. LIEBERMAN. I thank the Senators for their support, and I urge adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut.

The amendment (No. 2029) was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote.

Mr. D'AMATO. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from Illinois is recognized.

Mr. DIXON. Mr. President, as an original cosponsor of S. 566, the National Affordable Housing Act, I rise today to urge my colleagues in the Senate to support this bill.

First, Mr. President, may I commend the chairman of the Housing Subcommitee, the distinguished senior Senator from California, Senator CRANSTON, and the ranking minority member, my friend from New York State, Senator D'AMATO, for their outstanding leadership in producing a significant housing bill.

This has been a 3-year bipartisan effort which reflects our adoption of proposals and suggestions from the private and public sectors, including State and local officials, assisted housing residents and advocates, and many other individuals, groups and organizations that have an interest in housing programs.

From time to time, I have addressed this body on the critical housing needs of this country. However, I continue to be concerned about the miserable failure of our assisted housing programs, and the adverse impact it has on low- and moderate-income individuals and families.

Since 1981, federally assisted housing programs have been slashed by more than 80 percent. As a result, today, many areas of the country are experiencing an acute shortage of available and affordable decent housing.

The number of low-income families seeking affordable housing currently outstrips the supply available to them. Many low-income families have been forced into housing well beyond their means.

Mr. President, we can not afford to turn our backs on these less fortunate individuals and families. I am committed to the goals of providing affordable housing, homeownership, jobs, and opportunities for all Americans. These are major components of the American dream.

Among other provisions, S. 566 establishes a permanent solution to the housing prepayment problem, with emphasis on preserving the low-income character of housing units. As you know, prior to enactment of the 1987 housing authorization bill, HUD's 221(d)(3) and 236 programs allowed owners of federally insured low- and moderate-income housing units to prepay their 40-year mortgage loans after 20 years. Experts estimate that because of this dilemma, within the next 15 years, nearly 250,000 multifamily units could be lost.

However, S. 566 removes the temporary extension in the 1987 law and establishes a standard value for the property. Additionally, S. 566 provides options to property owners so that they may extend the low-income use of their housing units, transfer the housing to existing residents or other qualified purchasers, or prepay and

convert the housing to market rentals or condominiums.

I wish to also highlight the provision in the bill which extends FHA-insured mortgages for 2 years at $124,875. As we continue to negotiate with HUD on reforming FHA to actuarial soundness, I hope that a compromise can be reached on which we can all agree.

Under the administration's initiative, Homeownership and Opportunity for People Everywhere [HOPE] Grant Program, S. 566 permits low-income families to become owners of properties held by Federal, State, and local agencies. Additionally, S. 566 provides grants to help residents in FHA distressed and foreclosed multifamily buildings to purchase and maintain their properties.

As sponsor of the resident management of public housing provision in the 1987 housing bill, I believe that public housing homeownership and resident management give low-income persons a greater stake in their housing, and a greater sense of responsibility for their lives. Where public housing units are managed by residents, there have been improvements in the overall living conditions in the units, as well as decreases in the incidence of vandalism, maintenance costs, and rent delinquency. In addition, public assistance caseloads have decreased.

Other significant features of S. 566 include:

First, the creation of a Housing Opportunity Partnerships [HOP] Program where States and localities would be responsible for developing their own housing strategy, and for selecting and adapting appropriate ways to expand their supply of affordable housing;

Second, revision of housing programs for the elderly, disabled, homeless, and low-income families with children to include supportive services;

Third, assistance to the Farmers Home Administration for rural housing homeownership;

Fourth, reauthorization of the Community Development Block Grants Program; and

Fifth, authorization of an increase of $3.1 billion in budget authority over the fiscal year 1991 baseline.

Although, as a compromise, I support consolidating the Public Housing Development Program into the HOP Program, I continue to be troubled by it. Low-income constituents tend to be less politically active, therefore, they are less likely to receive funds in a competitive grant program.

As you are aware, the Public Housing Development Program has provided housing for our poorest citizens. Funds are used for the development, acquisition, and reconstruction of low-income housing. This program is desperately needed in our increasingly tight rental markets where the housing certificate and voucher programs are unsuccessful in providing shelter to families who need it. I am hopeful that the House-Senate conference committee will take a careful look at this provision.

I am deeply concerned about the size of the Federal budget deficit and will do all in my power to see that it is reduced. I am equally concerned about the disproportionate share of cuts that have been made in HUD-assisted programs since 1981.

However, I believe that the $3.1 billion in budget authority that is proposed in S. 566 is fiscally responsible and program sound. I also believe that the bill gives affordable housing the priority it deserves on our national agenda.

Mr. President, I support S. 566, and I call on my colleagues to approve it.

May I finally say, once again, I warmly congratulate my colleagues, the distinguished senior Senator from California, and my friend from New York State.

Few people outside this room know how much time and energy these two men have devoted to this cause over a period of years. I am on the committee that is jurisdictional. I suppose that these two Senators have spoken to me several hundred times about various, changes in this bill. They have worked assiduously for years in the service of their constituencies and the people of America to give us an affordable housing bill. I think these two Senators deserve the accolades and the warmest personal regards of their colleagues and the folks of America for this excellent work product.

I thank you, Mr. President, and my distinguished colleagues from California and New York State for the pleasure of working with them on this legislation and congratulate them heartily on a job well done.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. Mr. President, I thank the Senator from Illinois very, very much for his hard work and contributions to this measure and for his remarks just now in support of it and for his remarks about the efforts that I and Senator D'AMATO have made as chairman and ranking minority member of this committee. I am very grateful and look forward to working with Senator DIXON as we complete action on this bill. We have a few hurdles yet to surmount.

May I ask the Senator from North Carolina if he is ready for his amendment?

Mr. SANFORD. Mr. President, I am afraid we have not quite completed the negotiations with the staff and I will have to suggest the absence of a quorum.

Mr. CRANSTON. Withholding that, since the Senator is not quite ready, I ask unanimous consent that we may proceed ahead of the two Sanford amendments with a package amendment that has been worked out by the minority and majority staff of the committee.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, before we proceed, I, too, congratulate Senator DIXON, our colleague from Illinois, for his work on this bill and many provisions in this legislation, particularly as it relates to tenant management, giving people an opportunity to provide good sound management so there is a decent standard of living, so there is safety and soundness in the housing programs instead of just shoveling out hundreds of millions of dollars and not getting the tenants involved so they can help provide for their own security and needs. He meant it, felt it, and made it a part of the legislative package. I think he should be commended for it, not just in the legislation, but it is over a history of time that Senator DIXON has been concerned in this area.

Certainly as someone whose family lived in a project, I certainly appreciate that. I think for people who live in these projects, and many have deteriorated, it is only when we empower the tenants to do a better job and give them power and opportunity that we have hope to make a difference.

I congratulate the Senator.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California?

Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, the amendment that I now offer for consideration contains several provisions that have been suggested to me and to Senator D'AMATO by several of our colleagues.

As managers of the bill, we have considered each of these provisions and believe that they will enhance the bill now before us. In order to facilitate the process here today, and we are now moving along quite expeditiously with a lot of cooperation from Senators, we are offering these amendments as one package amendment. I will briefly describe the provisions included in this committee amendment.

The first amendment would authorize the use of HOP technical assistance funds for the promotion of employer assisted housing. The prohibitively high cost of homes in many regions with thriving economies has made it increasingly difficult for some employers to attract a constant labor supply. Rather than relocating, many businesses have found it necessary to assist their employees in obtaining affordable housing. Senator LAUTENBERG has been active in promoting this idea and we include it at his request.

The second amendment would direct HUD to extend existing congregate housing services contracts for up to 3

years and renew such contracts upon determination of continuing need. HUD's obligations would be subject to the availability of appropriations. This is included at the request of Senator MITCHELL, our majority leader, and Senator COHEN.

The third amendment, included at the request of Senator DODD, would allow funding for homeless prevention activities to be unrestricted. The bill currently places a 30-percent limit on such activities. Some communities have found that this limitation hampers their ability to best address the needs of their locality. The amendment would also allow staff costs to be included as an operational expense for emergency shelters.

The fourth amendment would clarify that lower matching requirements would apply to community-based nonprofit organizations that are unaffiliated with national nonprofits. This is included at the request of Senator GRAHAM of Florida.

The fifth amendment would extend HUD's home equity conversion mortgages demonstration project to 1993. This was also included at the request of Senator GRAHAM.

The sixth amendment, suggested by Senator RIEGLE, chairman of the parent Banking Committee of the Housing Subcommittee, would require participating jurisdictions to establish an outreach program to encourage the inclusion of minorities and women in HOP contracting activities. It would require HUD to report on the implementation of this provision within 6 months after promulgation of regulations and, thereafter, on an annual basis.

The seventh amendment, submitted by Senator KERRY of Massachusetts, would require that the Secretary study the actuarial soundness of implementing a program to project increases in an areas's average home price and determine downpayments accordingly. This will test out the effectiveness of a very innovative idea proposed in legislation introduced by my colleague from Massachusetts.

The eighth amendment, submitted by Senator KOHL, would direct the Farmers Home Administration to pay interest on escrow accounts in States where other mortgage lenders are required to do so.

The ninth amendment, submitted by Senator PACKWOOD, would hold harmless the amount of funding that is determined through the allocation formula for a metropolitan city that annexes an urban county.

I believe these are all sound amendments that will enhance the bill. I hope they will be accepted promptly by our colleagues without any controversy, and none would seem to be in store.

AMENDMENT NO. 2030

(Purpose: To permit and promote employer-assisted housing programs)

Mr. CRANSTON. Mr. President, I send to the desk this amendment now as one amendment to be considered en bloc.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from California [Mr. CRANSTON] proposes an amendment numbered 2030 en bloc.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 309, line 6, strike "and".

On page 309, line 12, strike the period and insert "; and".

On page 309, between lines 12 and 13, insert the following:

(8) facilitate the establishment and efficient operation of employer-assisted housing programs through research technical assistance and demonstration projects.

On page 486, line 7, strike out "this paragraph" and insert "subparagraph (A)".

On page 486, line 8, after the period, insert the following: "Assistance under subparagraph (B) shall be for a period of not to exceed 3 years and may be renewed, subject to the availability of appropriations, upon a determination of continuing need.".

On page 526, beginning with "(A) on line 1, strike all through "(B)" on line 4.

On page 556, line 9, strike "(other than staff)".

On page 472, line 15, before "The" insert the following:

"(A) MANDATORY WAIVER.—The Secretary shall reduce or waive the matching requirement specified under paragraph (1) for individual organizations that are not affiliated with national nonprofit organizations.

"(B) DISCRETIONARY WAIVER.—

On page 258, line 11, after "by" insert the following: "striking '1991' and inserting '1993', and by".

On page 303, between lines 9 and 10, insert the following:

SEC. . EQUAL OPPORTUNITY.

(a) SOLICITATION OF CONTRACTS.—Each participating jurisdiction shall prescribe procedures acceptable to the Secretary to establish and oversee a minority outreach program within each such jurisdiction to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, including, without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all contracts, entered into by the participating jurisdiction with such persons or entities, public and private, in order to facilitate the activities of the participating jurisdiction to provide affordable housing authorized under this Act or any other Federal housing law applicable to such jurisdiction.

(b) REPORT TO CONGRESS.—

(1) IN GENERAL.—Before the end of the 130-day period beginning on the date regulations are promulgated under this title, the Secretary shall submit to the Congress a report containing a description of the actions taken by each participating jurisdiction pursuant to subsection (a) and such recommendations for administrative and legislative action as the Department may determine to be appropriate to carry out the purposes of such subsection.

(2) REPORT.—The Secretary shall include in each annual report required under section 383 a description of the actions taken by each participating jurisdiction pursuant to subsection (a) and such recommendations for administrative and legislative action as may be appropriate to carry out the purposes of such subsection.

At the appropriate place in the original bill insert the following section:

The Secretary shall undertake a study to determine the actuarial soundness of implementing a program to guarantee downpayments for first-time homebuyers based on a system of downpayment savings accounts and payment schedules that require monthly or other periodic payments over a specified period of time in an amount equal to a specified percentage of the value of housing at the time of purchase in a specified housing market area or census tract.

At the end of title VIII, add the following:

SEC. . ESCROW ACCOUNTS.

Section 501(e) of the Housing Act of 1949 is amended by inserting after the third sentence the following: "The Secretary shall pay the same rate of interest on escrowed funds as is required to be paid on escrowed funds held by other lenders in any State where State law requires payment of interest on escrowed funds.".

At the end of title IX, add the following:

SEC. . ALLOCATION FORMULA IN CASES OF ANNEXATION.

(a) IN GENERAL.—Section 102(a)(12) of the Housing and Community Development Act of 1974 is amended by inserting at the end thereof the following: "Where the boundaries for a metropolitan city or urban county used for the 1980 Census have changed as a result of annexation, the current population used to compute extent of growth lag shall be adjusted by multipling the current population by the ratio of the population based on the 1980 Census in the boundaries used for the 1980 Census over the population based on the 1980 Census in the current boundaries.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply to the extent approved in appropriations acts to the first allocation of assistance under section 106 that is made after the date of enactment of this section and to each allocation thereafter for a period not exceed three years after the date of annexation.

The PRESIDING OFFICER. Is there further debate?

Mr. KOHL. Mr. President, I would like to thank the managers of this bill, Senator CRANSTON and Senator D'AMATO, for their willingness to include an amendment of mine in the leadership package. Let me take just a moment to explain my amendment.

This amendment makes a small but important change to the Farmers Home Administration's section 502 program—the single family home ownership program. It requires the Farmers Home Administration [FmHA] to pay interest on escrow accounts under the section 502 program in those States that require escrow funds to be

interest bearing. The cost of the amendment is minimal, estimated by FmHA to be less than $200,000 annually.

In 1987, Congress required FmHA to set up escrow accounts for single family housing borrowers in order to assure the annual payment of taxes and insurance. Participation is required by all eligible single family housing borrowers, regardless of whether borrowers have been prompt in their tax and insurance payments. While no FmHA escrow account has yet been established, FmHA has indicated that it lacks the authority to pay interest on escrow accounts at such time as the escrow program is implemented.

While the use of escrow accounts is common within the mortgage industry, many States require that these escrow accounts pay interest. Wisconsin law, for example, stipulates a 5.25-percent interest rate on escrow funds. Twelve other States have similar requirements: California, New York, Iowa, Maine, Maryland, Massachusetts, Minnesota, New Hampshire, Oregon, Rhode Island, and Utah all require some rate of interest on escrow funds.

This amendment simply assures FmHA single family housing borrowers the same rate of interest on escrow accounts that other borrowers in their State are assured from other lending institutions. FmHA would not be required to pay interest in those States that do not require escrow accounts to be interest-bearing.

Mr. President, my amendment is an effort to provide equitable treatment for FmHA single family housing borrowers, especially for those who have been prompt in paying their tax and insurance payments and who should not be penalized by having to contribute to a non-interest-bearing escrow fund. I know of no opposition to the amendment, and I want to thank again the managers of this bill for accepting this amendment.

Mr. COHEN. Mr. President, I rise in support of the committee's leadership package of amendments, particularly as it affects the Congregate Housing Services Program. The committee has agreed to the recommendation by Senator MITCHELL and me to continue this extremely worthwhile program for 3 years, and allow continued renewal of existing contracts as appropriations allow after that. I want to thank Senator CRANSTON and Senator D'AMATO for accepting our recommendation, and I can tell them that there are many relieved elderly citizens in Maine as a result of their attention to this matter.

The Congregate Housing Services Program has been a relatively small but extremely successful program over the years, and it has resulted in the ability of many elderly residents to live in dignity and with a sense of pride. By providing limited nursing care, meals, personal care attendants, maid service and other services at specific sites, the CHS Program has been successful at achieving its goal of allowing many elderly to live outside a nursing home, which can often be costly and inappropriate.

The Congregate Housing Services Program operates at 60 sites nationwide. There are three sites in Main that depend on the CHSP: the Methodist Conference Home in Rockland, the Old Town Housing Authority, and the Brunswick Housing Authority. The residents of these housing units have been extremely concerned about the future of this program, which they have come to depend upon in their daily lives. While it may be difficult for us to imagine, we must put ourselves in the place of these individuals, whose only choice would be to go to a nursing home if the Congregate Housing Services Program were eliminated. They do not need to do this, and they certainly do not want to do this. The relatively inexpensive CHSP Program has allowed them to live in a less costly setting, so it is one of the few programs that spends a bit of money in order to avoid very large expenditures.

The proposal to fold CHSP into the block grant that is incorporated in S. 566 is understandable on the part of the committee, but its impact on the effectiveness of the program would have been devastating. The administrators of CHSP at Rockland, Old Town, and Brunswick feared that the block grant approach would result in a less reliable program, if it was funded at all by the State or local governments. Because of the pressure on those entities to address pressing housing problems, it was feared that a small program like CHSP would be overlooked.

I believe that the amendment included in the committee's leadership package today will address the concerns expressed by the program's administrators and beneficiaries in Maine. Again, I thank the committee chairman and ranking member for listening to these concerns expressed by the program's administrators and beneficiaries in Maine. Again, I thank the committee chairman and ranking member for listening to these concerns and taking action on them.

Mr. D'AMATO. Mr. President, these amendments have been reviewed by staff. We find no objection. As a matter of fact, we find that a significant number enter into areas as it relates to housing and housing opportunities which will enhance the operation. So we are certainly supportive and have no objection.

The PRESIDING OFFICER. Is there further debate? Hearing none, the question is on agreeing to the amendment of the Senator from California.

The amendment (No. 2030) was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote.

Mr. D'AMATO. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MORNING BUSINESS

Mr. CRANSTON. Mr. President, Senator SANFORD is still not quite ready with his amendment. I ask unanimous consent that we may have 5 minutes of morning business in which Senator LEVIN and perhaps other Senators may speak.

The PRESIDING OFFICER. Without objection, it so ordered.

The Chair recognizes the Senator from Michigan [Mr. LEVIN].

Mr. LEVIN. I thank the Chair and the Senator from California and the Senator from New York.

(The remarks of Mr. LEVIN pertaining to the introduction of Senate Joint Resolution 336 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. LEVIN. Mr. President, I yield the floor. I suggest the absence of a quorm.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WIRTH. Mr. President, I ask unanimous consent that the order for the quorm call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WIRTH. Mr. President, I believe that I am next in line for offering an amendment under the previous unanimous-consent request.

FITZWATER BLAMES S&L CRISIS ON DEMOCRATS

Mr. WIRTH. Mr. President, I wanted to, however, just take a couple of minutes before then to respond to what I thought was a quite remarkable press conference held today by the White House Press Secretary, Mr. Marlin Fitzwater. Today, Mr. Fitzwater said that much of the blame for the Nation's savings and loan crisis lies with Democrats and dared us to make it a campaign issue in November.

"I just want to put them on notice that this plays both ways, and we're ready to play," Fitzwater said of the Nation's greatest financial disaster since the Depression.

"Take a look at all of them," he said. "They want to make this a political issue, we'll be glad to do it. There are a lot of battles that can be fought on this turf, and we're ready."

Getting down into his three-point stance, Marlin Fitzwater sets the tone for public debate on the most serious

financial crisis that this Nation has faced in its history of financial crises that many of us on the floor of the U.S. Senate have attempted to bring to the attention of the administration, obviously without any success, because nothing is going on. Mr. President, you know that and I know that and the American people know that while hundreds of billions of dollars are being spent to right the ship, too many of the people who have benefited are still on their yachts and nobody is going to jail.

Mr. Fitzwater said, "We're talking about a decade of negligence and mismanagement that has to be corrected."

The question is, Mr. President, who ran the Government during this decade of mismanagement and negligence?

The question is, Mr. President, Who ran the Government during this "decade of mismanagement and negligence?" I do not remember that the Democrats won the election in 1980, Mr. President. I do not remember we won the election in 1984 and 1988.

"A decade of mismanagement," Mr. President, has been going on, no question about it. The only valid thing that Mr. Fitzwater has said in this whole transcript of his remarks this morning was that there has been a decade of mismanagement. That is absolutely the case.

What we are trying to do is to point out the facts of the situation. And the facts of the situation, in terms of mismanagement, are very, very clear. Let me, again, just recite a few of the concerns we have had, Mr. President; absolutely legitimate concerns.

In October 1988, the House Government Operations Committee found that insider misconduct caused or contributed to more than three-quarters of all thrift failures. Insider misconduct caused or contributed to it.

The General Accounting Office, last June, issued a report that examined 26 thrift failures and compared them to a sample of 26 solvent thrifts. The idea was to get a side-by-side: thrifts that had worked; thrifts that had gone down the chute.

In looking at the ones that had gone down the chute, gone insolvent, belly up, they found actions that appeared to be fraud and insider abuse. Investigations or legal action had been initiated against 25 or 26—investigations, legal action—what is going on?

Mr. Fitzwater says to us "We're talking about a decade of negligence and mismanagement that has to be corrected." This is what we are pointing to, this decade of mismanagement and neglect.

The President's own Attorney General, apparently, now in trouble with the President, recently talked about an "epidemic of fraud" in the savings and loan industry. Does the epidemic of fraud come from the 1970's or the 1960's or the 1950's or from Mr. Fitzwater's "decade of negligence and mismanagement?"

The Attorney General said at least 25 to 30 percent of thrift failures can be attributed to criminal activity. The officials at the Resolution Trust Corporation said that 60 percent of the institutions that it seized have been victimized by serious criminal activity. An "epidemic of fraud," "serious criminal activity," what is going on?

What we attempted to do, Mr. President, and this is the point we have been making, we attempted to give the administration the ability to go after fraud. Put some people in jail. Put them behind bars. Have their ill-gotten gains returned to the taxpayers. The administration, however, told us they cannot spend the money. They cannot go out and hire the needed assistance U.S. attorneys, the FBI agents, accountants to do the job, even though the evidence was overwhelming they should be doing so.

The Federal Bureau of Investigation, the FBI, told us they have received more than 20,000 referrals involving fraud and other criminal activity in the financial services industry, and that the Bureau has been unable to examine them: 20,000 referrals involving fraud. They do not have the staff to go after them. More than 1,000 of those cases are major, involving losses of more than $100,000.

As of February 1990, the Bureau also had more than 9,000 pending bank and S&L fraud and embezzlement cases, some 3,000 of which, said the Bureau, were major. Three thousand pending fraud and embezzlement cases, that were major, Mr. President. And more than 900 of them involved losses greater than $1 million.

If more than 900 of the pending cases involve losses of more than $1 million, that at least is almost $1 billion of cases they know about. But the administration says they do not have the resources, cannot spend the money and go after it.

Even J. Timothy Ryan, the new Director of the Office of Thrift Supervision who came through here on a very controversial appointment—a number of people felt there were a lot of politics involved in that appointment but he was confirmed, that came and went—recently told me that bank and thrift regulators were sending the Department of Justice an additional 8,000 referrals a month regarding civil and criminal violations and that there were 80,000 referrals pending.

The point we are making, Mr. President, is let us get after this business. I cannot go to a gathering, I cannot go to a county fair, I cannot walk down the street, I cannot fly on an airplane without somebody coming up to me—and everybody has had this same reaction—and saying: What in the world is going on? Why are those people not going to jail? What are you doing about it?

And we say, well, we are the Congress. There is an administration whose job it is to run the Government. And this administration, I also say to some of them when they follow with a second or third question, has been running this Government for 10 years. What has been going on?

Mr. Fitzwater says we are talking about a "decade of negligence and mismanagement that has to be corrected." He was absolutely right. I am going to start using that line. "High White House official said there has been a decade of mismanagement and negligence that has to be corrected." Absolutely correct.

Now, the suggestion is that we are making this a political issue. Come on. We are just trying to lay out the facts and the figures and have people understand what is going on. The facts and the figures, Mr. President, speak for themselves. And the facts and the figures speak loud and clear at the White House right now.

Why do you suppose there is an economic summit going on? There is not an economic summit because George Bush woke up one morning and stopped reading his own lips. There is an economic summit going on because we are in an incredibly deep financial crisis, Mr. President. We are in a deep financial crisis, in part caused by the irresponsible economic policies of this last "decade of negligence and mismanagement." But also from the fact that we have a S&L crisis that is mounting up and mounting up and mounting up.

That is why the summit is going on. That is why the President is deeply worried, because this negligence and mismanagement is coming back to bite. The chickens are coming home to roost, and it is about time.

A final note I would like to make, Mr. President. It might be we are going to be told that what we should have done in the securities industry was operate the securities industry the way we operated the savings and loan industry: Deregulate the industry, and then take all the resources away from supervising it. A double penalty: Deregulate the industry and then take all the resources away from supervising it. It is a double negative. That is what they did in the S&L industry over this "decade of negligence and mismanagement."

Thank goodness we did not do it in the securities industry, which is precisely what the administration wanted to do. They came to us, Mr. President, in the early 1980's, with this agenda of deregulate. At all costs, deregulate. Get the Government off our back.

They had that some agenda for the Securities and Exchange Commission.

We were told by the then chairman of the SEC, Mr. President, we can do more with less. That was the euphemism of the time that said deregulate, take away resources. They asked us to deregulate a large part of the securities industry. We refused to do it.

I ask you to think, Mr. President, for a minute, what would have happened if we had done that with the securities industry? It is one of the last places where we have some handle on these extraordinarily important and very fragile financial institutions which are so terrible important to our economy and to our ability to compete around the world. I hoped, Mr. President, we would stop; we would get away from the kind of discussions we had today.

This reminds me, I remember once the same person who is talking about, accurately, this "decade of fraud of mismanagement," described Mr. Gorbachev as a "drugstore cowboy." Do you remember that?

It is time for us to be moving along with a very serious commitment to governing, Mr. President; a very serious commitment to managing the economy; a very serious commitment to doing the job we were elected to do and not run away from all that, Mr. President.

I know this is the housing bill we are on, but the opportunity was taken to take some very significant shots at Democrats and take some very significant shots at a number of us in the U.S. Senate who have been concerned about this. I thought it was important to once again put the facts of the situation out.

We tried to put the facts of the situation out, Mr. President, when we had the dire emergency supplemental up.

The dire emergency supplemental, my colleagues will remember, had funding in it for Nicaragua and funding in it for Panama. I was looking at that. We are always sort of curious: What is a dire emergency supplemental? What does it tell us?

In the dire emergency supplemental, there were funds for Panama. So one asks: How are we going to spend these umpty-ump number of dollars in Panama? We send in the Stealth fighters, the night fighters, we destroy Panama and now we are building it back up again. What is the justification for this?

There was $30 million to promote tourism for Panama. The Senator from Illinois and I were talking about that. That looked a little curious to me to spend $30 million for tourism in Panama. I happen to know we spent $14 million to promote tourism in the whole of the United States, and we were going to spend $30 million, a little country, to promote tourism in Panama.

That says to me that is going to be a boondoggle; that money is going to disappear and slide away someplace else. What I attempted to do was get the Senate to pass an amendment to transfer that $30 million of promotion of tourism in Panama over to enforce the S&L crisis. The administration says they cannot spend the money. We gave it to them once, let us do it again.

They raised a point of order on that which is the old dodge. If you do not want to deal with the question, you raise a point of order. Unfortunately, the point of order prevailed. Imagine, Mr. President, here we are in the United States Senate spending money to promote tourism in Panama and raising a point of order and refusing to enforce the law surrounding the S&L crisis.

Taxpayers out there are wondering: What are you all doing? I think there are some legitimate questions they are asking. I hope we can get some good answers, and I hope we can get the administration to give us some good answers as well.

So, Mr. President, as I say, I have an amendment.

Mr. President, as part of the record, I wish to include a letter dated August 4, 1986, from Mr. Lawrence Taggart, of Taggart Financial, to Hon. Donald Regan, then Chief of Staff of the White House.

Mr. Taggart points out that "My father and I have been politically active both in the Deukmejian administration in California and the Reagan administration in Washington." He said, "Having worked for the past 15 years within the industry and serving as the former commissioner of Savings and Loan of the State of California, I believe I am properly credentialed to bring to your attention the items addressed in this letter." He is very critical of any kind of hard administration of the S&L's, and he says, "These actions being done"—this is the actions by a Mr. Gray—"to the industry by the current chief regulator of the Federal Home Loan Bank Board are likely to have a very adverse impact on the ability of our party to raise needed campaign funds in the upcoming elections. Many who have been very supportive of the administration are involved with savings and loan associations which are either being closed by the Federal Home Loan Bank Board, or threatened with closure, without any serious consideration as to the consequences."

Another example of what has been going on, Mr. President.

I ask unanimous consent to have this letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AUGUST 4, 1986.

HON. DONALD REGAN,
Chief of Staff, White House, Washington, DC.

DEAR HONORABLE REGAN: I am writing because of a genuine concern for the thrift industry in this country, and the fact that a number of actions have been taken recently which will cause irreparable harm to savings and loan associations. Additionally, these actions being done to the industry by the current chief regulator of the Federal Home Loan Bank Board are likely to have a very adverse impact on the ability of our Party to raise needed campaign funds in the upcoming elections. Many who have been very supportive of the Administration are involved with savings and loan associations which are either being closed by the FHLBB, or threatened with closure, without any serious consideration as to the consequences in the communities and states in which they are located.

Having worked for the past fifteen years within the industry and serving as the former Commissioner of Savings and Loans for the State of California, I believe I am properly credentialed to bring to your attention the items addressed in this letter. I have been encouraged my many thrift executives to write you with the desire that someone close to the Administration is made fully aware of certain actions recently emanating from the Federal Home Loan Bank Board.

BUSINESS ATTITUDE

My father and I have been politically active both in the Deukmejian Administration in California and the Reagan Administration in Washington, D.C. We have been very supportive because both administrations have been quite protective in fostering new business enterprises and promoting the precepts of free enterprise wherever possible.

The attitude of the FHLBB and Chairman Gray has been contrary to that of the Reagan Administration. While I was Commissioner of Savings & Loans in California (18 months ago), the Department of Savings and Loan found itself processing 210 applications for new savings and loan charters, which were encouraged by both the Legislature and the Administration in California. However, few of these applications ever received FSLIC insurance because of an attitude by Chairman Gray that new charters represented unacceptable risks and that there were already too many associations. Individuals were willing to commit millions of dollars to obtain charters and to promote home lending, but were wholly frustrated in their attempts because of inordinate processing delays at the FHLBB and countless denials predicated on frivolous grounds. These persons have now lost many millions of dollars in organizational expenses and most have relented to Gray's refusal to grant approval for new charters.

I, too, have had an application pending for a new charter together with 23 other shareholders. However, as I have been told by members of his staff, his strong personal bias toward me—which grew out of the fact that I expressed differences of opinions while Commissioner—has caused him to refuse to issue an approval or denial. Anyone in his position, with such a strong personal bias, should "step-aside" and allow his staff and other Board members to decide the fate of a pending application. This particular application has been awaiting a decision in final form for nearly one year.

While I can cite tens of dozens of other examples, the attitude of the FHLBB toward the industry it regulates is most likely apparent in the fact that although there were approximately 6,500 thrift associations 10-15 years ago, there are only 3,200 today, and nothing is being done to

foster or encourage new entrants into the industry—rather, processing of new applications has become non-existent and regulations have been promulgated which makes it extremely difficult for new associations to survive. It was always my understanding that the Reagan Administration has been wholly supportive of free enterprise and has encouraged entrepreneurs through deregulation to establish new businesses, and yet, this same attitude has not at all been apparent at the FHLBB. Instead, they have frustrated and discouraged those who desire to contribute substantial capital and become involved in the savings and loan industry.

COMPOSITION OF BANK BOARD

Currently, the Bank Board is authorized to have three members. Two members have submitted their resignations and the posts are waiting the appointment of two, new individuals.

It is difficult to emphasize just how important these two vacant seats are to the savings and loan industry. Chairman Gray is very strong in his opinions and assertions, and it now appears more appropriate than ever to fill these vacancies as soon as possible with two individuals who are both knowledgeable about the real problems which plague the industry today, and who have the "backbone" to stand up to a strong-willed Chairman if differences should arise. It is my understanding that two individuals have been proposed who would appear to be very capable and knowledgeable candidates, and would support the President's position of free enterprise and entrepreneurship.

The number of members on the Bank Board is too small and the industry problems too great to allow the major decisions to be made by virtually one individual. There is a very real and pressing need to achieve some semblance of balance on the Bank Board, to preclude or minimize the irreparable harm that may result from one person's overzealous attitude under the guise of attempting to protect the industry.

There are many executives within the industry who would advocate a larger Board to minimize the possibility of a monarchist agency, similar to the situation which exists today. These persons would recommend either a five or seven person board.

REGULATORY ENVIRONMENT

When Chairman Gray and I assumed our respective posts early in 1983, there had been a concerted effort both at the State level and in Congress to deregulate the thrift industry and free it from the shackles of burdensome and over-reaching, redundant regulations. However, before associations really had an opportunity to adjust to this new found freedom and deregulated environment, the FHLBB began to change its policy, most likely because of problems experienced with a few associations. It did not take long before a number of new regulations were introduced and promulgated restricting many of the activities that associations were becoming engaged in to develop additional sources of profit and capital and which they have become encouraged to do in order to recover out of the severe economic slump experienced in the early '80s. Fearing the widespread use of nontraditional activities, and forecasting substantial anticipated losses incured by many because a few had experienced problems. Chairman Gray sought to dramatically restrict associations from further engaging in speculative activities, even though a return to more traditional forms of lending would substantially reduce the potential to keep associations profitable.

In the past several years, Chairman Gray has continually referred to the fact that he intended to regulate "by the lowest common denominator;" that is, if a few associations experienced problems in a particular area, or became too speculative, he would introduce regulations to restrict all associations from the same activity. What has now resulted, is that rather than encourage healthy associations to become more profitable, their activities and abilities to make profits have been reduced to the level of the "lowest common denominator" relative to deregulated powers and authorities.

Having been close to the staff at the FHLBB, I am informed that in many instances proposed regulations, which await final approval pending the expiration of comment periods, are approved irrespective of the hundreds and thousands of comments which are received opposing the regulations from the industry executives. In fact, I have been told often the comments to proposed regulations are not even read nor considered—that it is merely an exercise in futility for those who respond out of concern.

All of the efforts and effects of the Garn-St Germain legislation which was so critical to the deregulation and survival of the thrift industry has been frustrated with the introduction of new, restrictive regulations—regulations which have been implemented without proper studies to assess the impact on the industry.

CLOSURE OF ASSOCIATIONS

In the past one and a half years, the Federal Home Loan Bank Board has caused to be closed twenty associations in California with aggregate assets of approximately twelve billion dollars. In many instances in both California and Texas, the top three to seven executives are forced to resign their posts because of intimidating threats by FHLBB supervisory agents that associations will be closed and/or taken over unless they resign immediately. And after the resignations have been secured, with no evidentiary basis in most cases that anything illegal or unlawful has been committed, the FHLBB proceeds to examine some associations with the predisposed intention of finding a sufficient number of problems assets to reduce the association to insolvency, thereby providing the "opportunity" to place the association into receivership or conservatorship.

In many of the instances where associations have been closed, the executives which have had to resign have been those with the most experience in the industry, and generally far more experience than the receiver or conservator that replaces them. In most instances, there is no prudent nor economic reason to close down or take over associations. If certain individuals are to be targeted for removal because of safety and soundness considerations, the associations they respectively manage do not have to be seized or closed. "You do not have to sink the ship just to get at the Captain." I can cite any number of examples in both Texas and California to support my statements and conclusions.

It is felt by many in the industry that the 250 extra Federal examiners on temporary duty in Texas are poised awaiting passage of the Recapitalization Bill pending approval in the Senate and House. If approved, sufficient funds will then be available to the FSLIC to proceed quickly to take over or close down associations, many of which are now being closely monitored and under Cease and Desist Orders or Supervisory Agreements. It is then anticipated that a substantial number of these "loaned" examiners will be transferred to California to begin a pattern of strict examinations and additional closures. Additionally, it seems that those who are typically targeted for removal or take over are sole shareholder associations or those who are controlled by a few shareholders, are highly profitable and which have experienced substantial growth over the past three to five years. Passage of the proposed Recapitalization Bill will provide Chairman Gray the necessary resources to proceed ahead in this pattern of eradicating those individuals and associations he has targeted for removal.

In those cases where associations have been seized by the Federal regulators, industry executives have consistently complained of the lack of "due process" involved at the time of take-over. Special examinations are conducted in a discriminate manner, assets are appraised far below their book or fair market values, and without prior notice or forewarning, or an opportunity to question or object, association executives are informed that sufficient reserves must be established for problem loans to an extent that makes the association insolvent, and then these targeted associations are immediately seized, officers removed, and conservators assume required operational roles.

I can understand that due process may not be possible in those instances where associations may be hostile to regulatory concerns, or criminal activity is involved. However, these cases are very few in number. In the majority of seizures, management has generally been very cooperative with the regulators, and there is no evidence of criminal activity.

Once an association has been seized, it is extremely difficult to complain or object to the grounds for seizure. In most instances, because of the suddenness of the seizure, appropriate legal counsel cannot be present to object to the actions of the regulators. There are instances in which forty or fifty examiners/regulators converged upon nonhostile savings and loan associations in a show of force and in order to demonstrate to other novice examiners how a take-over is conducted. This type of regulatory activity has often brought fear, and even terror, to many innocent employees and customers.

There has been no due process—no opportunity for associations or management to object to the methods by which they are seized—no opportunity to contrast or question the evaluation methods or conclusions of value of appraisals conducted by the Federal Home Loan Bank(s). Never in the history of the thrift or banking industry has there been the number of seizures and take-overs as we have seen the past two years, and with such a total disregard for the rights of others.

DUAL SYSTEM

It is common to refer to our financial institutional system as a dual system—they are comprised primarily of banks and savings and loan associations. It is generally known that a distinction exists between Federally and State chartered thrifts, and this is referred to as a "dual system" as well.

Although State chartered thrifts (savings and loan associations) must conform to certain Federal regulations and laws (FSLIC), as well as those of the respective states in which they are situated, it is important to remember that an option does exist—owners/shareholders of associations can

elect either a Federal or a State charter. For years now there has been a delicate balance in this dual system, and states have zealously protected their respective rights and the ability to regulate their own State chartered financial institutions.

The move by the FHLBB the last two years to re-regulate the thrift industry has seriously upset this balance, as many of the powers and authorities enjoyed by various states have been preempted by overriding Federal regulations. California and Texas were two such states that permitted broad discretionary powers for savings and loan associations—the activities which were permitted enabled associations to achieve high levels of profit and recover from the severe economic slump experienced from 1980 through 1983. The broad investment powers generated a renewed interest in the savings and loan industry in these two states, and many sought to obtain new charters recognizing the opportunities which were available.

This past year, however, things have changed dramatically. These broad investment powers have been preempted by Federal law (FHLBB), and associations are no longer able to diversify their activities as they were accustomed. Many associations have been forced to consent to onerous supervisory agreements and Cease and Desist orders—measures which are dramatic in effect often predicted on trivial grounds and which seriously impair an association's ability to survive economically and remain solvent. The impact of these orders and agreements has been to severely reduce the earnings of associations to such an extent that capital eventually becomes impaired.

The sensitive balance of the dual system has now been substantially eroded because of the recent attitude of the FHLBB to take matters into their own hands and because of efforts to preempt the more favorable states' law. Whatever advantage states had has been obviated by actions of the FHLBB.

I felt compelled to bring these matters to your attention, Mr. Regan, because you have expressed personal concern regarding matters at the FHLBB. I wish to convey the feelings I have set forth in this letter as a former regulator and executive within the savings and loan industry and because of a genuine concern for the preservation of this industry. Unlike others in the industry who greatly fear reprisals from the Chairman of the FHLBB, and who are fearful of venting their anger and frustration, I am in a position to freely express myself and to bring to your attention the serious, irreparable harm that is being done to savings and loan associations across this land. If I can be of any assistance, or provide additional information in these regards, please do not hesitate to call upon me.

Sincerely yours,

LAWRENCE W. TAGGART.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado has the floor.

Mr. WIRTH. Parliamentary inquiry. Can the President give me a sense of where we are in procedure and recognition and what the unanimous-consent request was?

The PRESIDING OFFICER. Under the previous order, the Senator from North Carolina was to be recognized for the purpose of proposing two amendments. He asked that be withheld because he was still negotiating those amendments.

Mr. KERREY. Can I ask the Senator from Colorado to yield?

Mr. WIRTH. I have the floor, and will be happy to yield to the distinguished Senator from Nebraska for a question.

Mr. KERREY. Mr. President, I have listened to the Senator from Colorado talk about this issue. I have listened to him talk about the savings and loan issue for over a year now. I have also taken a personal interest in this issue as a consequence of some very unsatisfactory experience that I had when I was Governor, with a similar sort of situation on a much smaller scale, with a slightly different consequence for people because, in this case, the deposits of the institution were not fully guaranteed, as it turns out. We just did not, in this case, ask the right questions. We were not as diligent in pursuit of the truth as we should have been. As a consequence, the people suffered. We did not regulate properly.

I have taken a personal and strong interest in the savings and loan issue as a consequence of that experience. In fact, in a conversation that I had with Secretary Brady over a year ago during the process of debate on the bill—I was offering an amendment that would have changed the structure of the RTC—I told Secretary Brady about that experience. My advice to the President was not to get this thing so close to him that it would look as if he were withholding information from the public.

In fact, I believe it is very significant that President Bush's spokesman in a press conference today made comments about me and other Members of Congress at the same time that he made a defense of the Attorney General. The Attorney General was asked by the Federal Bureau of Investigation to take a lie detector test. The test itself was requested in pursuit of the truthful answers relating to an incident where the executive branch leaked information about a Member of Congress.

I am saying to the Senator from Colorado that this is not just political attacking. This is more than just a Republican administration trying to go after some Democrats, although that clearly is a part of it. I see an abuse of power here. I see it as an executive versus legislative branch issue, not just as a political issue, though I am sure the President is concerned about this becoming a campaign issue in 1992.

Let me make it clear, as I said, that it is my personal experience dealing particularly with regulators that has caused me to take this interest. It is precisely because of the unsatisfactory experience, particularly the unsatisfactory answers that I got from regulators in pursuit of the truth in regards a bank issue when I was Governor.

It is precisely because of this experience that I have and I will continue to take an interest in this issue. I do not believe that the President has been well advised, in fact, by not taking some advice that I and other people have tried to offer, with all due respect, for the President trying to work this thing out.

I believe, in fact, that the President has organized this bailout so that the U.S. Department of Treasury controls the flow of all information. I offer to my colleagues the example of Bill Seidman. Even Bill Seidman, who, when he provided a different version of the truth than the administration wanted, found himself in hot water as well. So it is not just Democrats; in this case, not just Members of Congress.

They have organized this bailout so as to be able to control the information. My experience in the past tells me that is a big mistake; that you should provide the maximum amount of sunshine and accountability, otherwise the people themselves will struggle with the questions that they, I think have a legitimate right to get an answer to.

The messsage I believe the President is sending is not just that we are going after Democrats. The message in this particular case is we are going after the entire legislative branch, not just to members of the Democratic Party, but to all Members of Congress. The message is this: I believe what the President is saying to us is simply give me a blank check; give me all the money that I need and then we will tell you perhaps if we need some more money, but that is about all we are going to give you. We will report to you every now and then, but do not press us; do not be too critical; do not step over the line. If you have some criticism, we would appreciate it if you would clear it with us first. If you get too critical in this thing, we might have some things on you; we might leak some information to the press on you as well. We might have something down in our files here on you, Senator, not just Democratic Senators, but Republican Senators as well. Maybe you wrote a letter in your past to some regulator that we will leak at just the appropriate time.

So I say to my colleagues, this should not just be seen as an issue of Democrats being angry when a President's spokesman makes inferences during a press conference. This is an issue much more important than an arrogant, sneaky maneuver by President Bush's spokesman in a press conference.

I believe it is symptomatic of something larger. I believe it is symptomat-

ic of the executive branch: It has grown too big and too far.

While they have been talking about local control, while they have been talking about States, local government having more control, they have been building a powerful Federal bureaucracy. In fact, the Resolution Trust Corporation is just a form of what appears to me to be a preferred method of governing. Any Member of the Congress who talks about health care understands that the real power lies with the health care financing administration. Any Member of Congress who understands agriculture understands that the real power lies down at USDA. Any Member of Congress who is interested in energy, or transportation, or other issues that are important to them—education, for example—understands that the real power is not on the Hill; the real power is downtown.

So, Mr. President, I would like to ask, at long last, the Senator from Colorado if he sees a similar sort of situation here? Does the Senator see this, in fact, not just as a situation where Republicans are concerned about this being a political issue for the President in 1992—that is obvious; it is obvious by the petulance displayed by the President's spokesman this morning that that is a concern. That to me is not debatable. They are concerned about 1992, and they have been watching polls on a whole variety of issues. That is not really debatable.

What concerns me here, and I was curious as to whether the Senator from Colorado, who has more experience than I have in the legislative branch, sees it the same; whether the Senator sees it as a situation where, in fact, the legislative branch is being told, "you do not really have any rights to push too far on an issue we consider to be our prerogative."

Mr. WIRTH. I think the Senator from Nebraska raises an absolutely valid point with which I agree. I have had experience myself in precisely this kind of intimidation tactic, or what I think is the Senator's suggestion that that is what it is. I think they are trying to say to us clear your statements, clear your questions before you ask them. Do not give the small potatoes speech on the Senate floor. You cannot do that unless you call the White House and clear it.

About 3 weeks or a month ago, Mr. President, there was a hearing about to be held on the Silverado Savings and Loan Institution on the House side. Silverado is in Denver, CO. As a diversionary tactic prior to doing that—the Republicans, the administration has control of all the files. They control all of this—they slid out information on David Paul. David Paul apparently was a major S&L figure in California. They attempted to paint a variety of Democratic Senators as David Paul and put out a major story that Senator TIM WIRTH was involved with David Paul, had used his airplane, had gone here and had gone there and put out a bill of particulars as to when this had happened.

Of course, the facts show that that was precisely not the case—never been on that airplane; the dates were wrong. I was in Colorado when I was supposed to be up here. It was the most preposterous and silly approach. But I suppose if you had not been around for a period of time and had not had some scar tissue—I have a lot of that politically—you would get kind of afraid and say what are these guys doing? I am going to hunker down and I am not going to say anything.

Not the case. We made it very clear. I called the ranking Republican on the other side, and they have all of this major defense up there and the staff minions are doing it on the Republican side, precisely what the Senator is suggesting is the case. And, of course, it happened again this last weekend. The Silverado hearing is occurring over there either today or tomorrow. They released another letter that I had written to Chairman Volcker in 1984 before any of this sort of thing was going on in an attempt to gain diversionary and intimidating tactics. A little bit silly. We caught them at it, right. In fact, the release, the press report on the release said documents released by Republican operatives, something to that effect. Caught in the act. It is very clumsy, and it also is a very ineffective diversion from the job that is supposed to be being done, and that is the job of presumably managing us back to some kind of economic health and not just trying to wind your way through, slide through, cut corners between now and 1992.

I believe their fundamental goal is precisely what the Senator suggests, just get reelected in 1992, damn the torpedoes, forget the truth, forget the validity of what is going on. All we are concerned about is getting reelected in 1992.

We could go on on this for a long period of time and talk about where we are headed on various policy issues, but thank goodness, Mr. President, we are going to think just about 1992 and, for example, bring up the flag. Let us wrap ourselves in the flag and maybe if we divert ourselves with these kinds of dishonest stories relating to S&L's and if we can wrap ourselves in the flag, we can fool the American people into thinking we are governing. They are not governing, and we are going to continue to point it out. In Mr. Fitzwater's own words, what we are doing right here in the U.S. Senate is talking about a decade of negligence and mismanagement. That is what it is all about, Mr. President.

Mr. KERREY. I wonder if the Senator will yield for another question.

Mr. WIRTH. I am happy to yield.

Mr. KERREY. I guess I need to make it clear that I have never stood on the floor and tried to associate President Bush with the reasons for the collapse of savings and loans. I have never given a speech and implied that his son as a consequence of being on the board of Silverado had some sort of association with the overall collapse. I have never stood here on the floor and said, "Aha, didn't you get a hundred thousand dollars yourself from Charles Keating?" I never came to the floor and said, "Weren't you the head of the deregulation task force that President Reagan put together?" I have never done any of that.

I think what is history is history. There are all kinds of processes for us to determine who is and who is not guilty in all of this. What I am concerned about is the way that currently we have not organized and what are we doing. If we just spent $60 billion to $80 billion of the taxpayers' money this year, it seems to me a legitimate question for a representative of the people to come to the floor and ask how is the money being spent? Has it had an impact on interest rates? Is it affecting the capacity of home buyers to buy homes? Is it doing anything at all to the economy? Are you selling them as quickly as you could? Are you taking into account the need for low-income housing? It seems to me legitimate for me to be asking questions like that.

I have no interest in going back and trying to connect the President with all sorts of things that may have happened in the past. That is not my interest. It seems legitimate for me to stand on the floor—and I ask the Senator from Colorado if he shares my feeling that we perhaps need more of it coming from Congress—and ask questions about how this is organized, questions about the impact upon interest rates, questions about the impact on home buyers, questions about the impact on communities, questions about the impact on healthy financial institutions that are out there right now competing, competing with 400 institutions that the Government of the United States now owns and is guaranteeing the deposits. It seems to me it is legitimate.

I apologize again for the long question, but it seems to me legitimate for us to be on the floor and, if anything, we need to be on the floor more and not be intimidated by what I consider a rather petulant remark by the President's spokesman. Rather than be intimidated by that remark, it seems to me we ought to be emboldened by it and come to the floor more often asking questions about how this money was spent.

If it was a program for children, a $5-million program, let alone a $500-

billion program for savings and loans, if it was a $5-million program, we would be here with everything we have. If it went for children, if it went for schools, if it went for energy or the environment, if it went for anything other than this, we would be over here constantly saying we are the taxpayers' representatives and we have a right to know. It seems to me we should be here more often.

I again apologize for the length of the question and ask the Senator from Colorado as my last question if that is legitimate.

Mr. WIRTH. I thank the distinguished Senator for a question which is absolutely valid.

What I hear on a steady basis from constituents is, Where are the Democrats? Are you all standing up on this? Why are you not all telling the truth and talking about it?

Mr. President, if a tree falls in the woods and there is nobody around, does it make any noise? We can come out and raise these issues and if there is no attention given to it, it does not have any impact.

Now apparently and obviously we have some attention and it is about time. It is absolutely valid on behalf of the people that elected me and the people that are represented by the distinguished Senator from Nebraska and the people who represent all of the other constituencies on the floor of the Senate, all of our States have a right to know what is going on. They have a right to know and we have an obligation to ask, to raise these issues and continue to do so.

I have raised this issue about enforcement over and over and over again. The response that we have received from the administration consistently is, we cannot spend the money. We are doing the job. We are setting up task forces.

We are checking out the size of the task forces being referred to. Some are two people, some are four people, for what is admittedly these enormously complicated items and we are going to have an amendment later, Senators GRAHAM, DIXON, and I—we hope that it will come out on the crime bill; if not, as a freestanding bill—to go after the question of enforcing the law, bringing to bear the resources necessary to do the job. That is our responsibility, not just to do what the administration might suggest we ought to do.

Mr. KERREY. I promise this will be my last. I would like to know if I could ask one more question.

Mr. WIRTH. I will be happy to yield to the Senator for a question.

Mr. KERREY. In the one statement the Senator made with which I agree—although I will just broaden it a bit—the Senator said the people are asking, where are the Democrats? People are asking me, where is Congress? As I said, I do not see this is a Republican-Democrat issue. For gosh sakes, does anybody have to be reminded what happened when the National Endowment for the Arts spent money that some Members thought was offensive? Does anybody have to be reminded that practically every time money is spent in some way that offends a Member of Congress, whether it is $1,000 or whether it is $1 million, that they are on the floor immediately saying it should not be spent that way?

Here you have $500 billion and the Stanford report saying maybe it is a trillion over 40 years and the administration coming forward and saying, well, we are not going to count interest. We are not going to count the money that was spent prior to January 1989. We will leave all that off. Now instead of $60 billion, it is $135 billion, maybe. We are not sure.

It seems to me that not only should Democrats be on the floor but Republicans, without concern for whether or not it embarrasses the President because it seems to me, I would ask the Senator from Colorado, unless Congress becomes outraged that the taxpayers' money is being misspent, that it is being wasted, unless Congress comes to the fore with some sense of dignity, not comparable I would say to the indignity and outrage that some felt about the National Endowment for the Arts, we are going to get nothing done. All we will do is get something that might look good on TV but we will not in fact get to the bottom of it.

I ask if the Senator sees it that way, as an issue where Congress needs to become more engaged; not just Democrats, who are perhaps attacked again, as I said by a meanspirited, sort of angry little spokesperson for the President, but all of us in Congress.

Mr. WIRTH. The Senator again is correct. I did not raise the partisan issue; the partisan issue was raised by the present spokesman at the White House this morning. That was the purpose of my heading up to address the Senate to see if I might be able to correct the record, and to find once again what indeed our responsibilities are.

I would be more than happy to yield to the distinguished senior Senator from Illinois.

Mr. DIXON. Mr. President, I thank my friend, the distinguished Senator from Colorado, for his remarks. I would put this question to him.

Would he agree with this Senator and many others who have followed the thrift crisis that Bill Seidman is probably the best informed and the most responsibly motivated person in this administration with respect to finding not only a solution to the problem for the future, but a correct way to address the existing problem that is before us right now?

Mr. WIRTH. I agree with that, and in fact said to Bill Seidman directly that he has an enormous reservoir of good will because he is the one person who has been honest about this on a steady basis; absolutely nonpartisan about it, very clear, concise, and said let us get on and be aggressive; also, maybe most importantly, he shares with the distinguished senior Senator from Illinois a sense of urgency.

Mr. DIXON. Would my friend from Colorado answer this question? If my friend from Colorado were the chief executive of this country at this point in our history, with this immense problem before us, would my friend from Colorado urge Mr. Seidman to leave the administration, and show him the door at a time when this crisis is before us in the country, and he is the one single man most respected by every Democrat and every Republican on the Hill with reference to this particular concern?

Mr. WIRTH. I would keep Mr. Seidman. But is Mr. Seidman leaving?

Mr. DIXON. May I say to my friend, and, Mr. President, may I say to my friends, too, in the Senate and in the country, that the best information I have—and I think the accepted view in this town—is that Mr. Seidman has been politely shown the door by the administration, and will shortly be leaving the administration and abandoning the post he has held with great distinction in this Government.

I would suggest that the experience of almost every one of us as public people over the time that we have served in public service is that indispensable men and women in the times of great crisis ought to be kept to address the problem and find the correct solution. I know of no one in the Government, I know of no one in the country better qualified to address the existing problem, and to suggest solutions so we do not have a repeat of this problem in the near future, than Bill Seidman.

Why do I talk about the near future, Mr. President? My colleagues know that, in recent hearings, we have had testimony that the early symptoms are there for the repetition of the disease that occurred in the thrift crisis in commercial banking in this country—right now, something like $13 billion plus in funding to protect right now a $49 billion exposure—testimony from major people in our hearings that if we had a recession similar to the 1982 recession, that problem would go right off the chart.

At a time like this, this administration is silently inviting in many ways, and certainly, by implication, inviting Mr. Seidman to depart the administration. I think that is a great tragedy. I am concerned about it.

Mr. D'AMATO. Will my colleague yield for a question?

Mr. DIXON. I will yield for a question, though I do not know that I have the power to do that.

Mr. WIRTH. The Senator from Colorado has the floor.

On the Seidman issue, and I will be happy to yield to the distinguished Senator from New York for a question, you will remember that Bill Seidman was I believe brought to Washington initially in 1974 by Jerry Ford.

Mr. DIXON. He is a Republican, may I say; a friend, I think, of the former distinguished President.

Mr. WIRTH. He was brought to help Jerry Ford at a time of very real crisis to provide a calming influence. We know what happened. That was a time in which there was a good deal of significant healing after an enormous upheaval. Bill Seidman did a very fine job at that point, and I think he is entrusted with a similar kind of crisis today. I am sorry to hear the Senator say that he believes that he will be leaving or has been in fact given the door.

I am happy to yield to the distinguished Senator from New York.

Mr. DIXON. If I could make this further observation before my friend from Colorado gives my good friend from New York an opportunity to be heard, may I make these few points?

I agree with what my friend from Colorado has said. It is sort of implicit around here that the administration simply does not want to do much about this problem. We have the Seidman example. Here is the outstanding man in the Government leaving at a time of grave crisis. I think that is something the country ought to be concerned about.

My friend from Colorado talked about the fact that this Senator and the Senator from Colorado offered an amendment to the supplemental appropriations bill to take $30 million from the assistance for Panama in that supplemental appropriations bill and give it to the Department of Justice to hire investigators and prosecutors; $30 million, Mr. President. Do people here remember how much that bill involved?

First of all, for Panama and Nicaragua alone, it involved $720 million. Many people supported that. But the entire supplemental itself—and the record will show I voted against it. It was a voice vote, but I put a statement in the RECORD about how onerous I felt that bill was. That bill contemplated $4.5 billion of the taxpayers' money for all kinds of expenditures in the country. Not one person on the other side took exception to that expenditure. Yet on our $30 million attempt to transfer funds for a useful purpose with reference to the thrift problem, there was a parliamentary objection on the other side, believe it or not, to that amendment when the whole bill itself, that whole supplemental appropriations bill, was subject to that same objection. That $4.5 billion bill, full of a great deal of pork, went down without a burp, without a burp. But the $30 million caused an upheaval of extraordinary proportions, Mr. President.

That is an attempt to try to solve the problem. We come along with our attempt now to set up a special strike force. We are finally going to have an opportunity on the crime bill to offer that amendment—the Senator from Colorado, the Senator from Florida, this Senator and others. I expect at that time that will be opposed by the administration.

Mr. President, there are any number of good reasons to have concern about how we are moving in the degree of due diligence in which we are moving on this thrift crisis in America.

When Mr. Fitzwater makes the kind of statement he made in this press conference and suggests it is a problem caused by the Democrats, I would want to again bring to the attention of this Senate and the public generally the fact that this is referred to even by the Secretary of the Treasury, Nick Brady, as a problem of this decade. This decade is a decade in which this administration has controlled the Government, and has been responsible for what occurs in the Government.

I think it is very clear that the deregulation, the inability to regulate that industry, and to properly regulate that industry is what has led to this very serious crisis in the country.

I would say that as a minimal thing the administration ought to be doing all it can to put the crooks in jail, to pursue with great vigor the deep pockets out there, get back this money by piercing the corporate veil by looking at bank accounts, by piercing bankruptcy if necessary, and fraud and criminality will do that, and otherwise in every way possible through a motivated effort of the highest degree find this money in the country in these deep pockets, from these crooks and these thieves who have taken it from the American people, and put it back in the Treasury.

I thank my friend from Colorado for his remarks, with which I want to fully associate myself. I say one last time, it is a sad day in this town when Bill Seidman leaves his post and leaves us without his intellectual capacity and his honesty and understanding of this great problem.

Mr. WIRTH. If I might reclaim my time and ask a question, is there a replacement for Mr. Seidman?

Mr. DIXON. I do not know that of my own information, may I say to my friend from Colorado. There will, of course, be a replacement, I think, in time for Mr. Seidman. I think that the confidence he holds of the American public and the Congress and the Government will be lost to America. I think it is a great loss.

Mr. WIRTH. It seems to me that before setting up a situation where a person who was trusted in doing the job leaves and before you encourage him to leave, before you open the door and invite him to leave, you have somebody ready to move into that slot and people know about it. If, in fact, we have what I think is a very real crisis of confidence and a valid crisis of management, I do not know who that person is.

Mr. DIXON. I might also respond, when we talk about these problems, Mr. Seidman has suggested some of the solutions we ought to look at, solutions like looking at the deposit insurance question. Incidentally, I do not think it is his view that the $100,000 deposit insurance level should be reduced. I think he generally feels that would have very little salutary effect now.

There is a question of risk-based deposit insurance. I hope the Senator from Colorado knows that. This Senator has been researching it for months. There is a question of the too-big-to-fail doctrine, whether we ought to have it at all any more in view of the experiences we have had in America. This Senator feels we should not.

There is a question of stronger regulation. After the industry was deregulated on the recommendation of a commission chaired by the now President, then Vice President, of the United States, it is the view of the major regulator that absolutely nothing was done to supervise these institutions after deregulation, that is to say, to see that there was safety and soundness in these institutions.

What are we doing about that now? Why is the administration not bringing us legislation to deal with the problem that its own witnesses now tell us is a growing problem in America that could be repeated, Mr. President, and that the symptoms of that dread disease are already apparent in the commercial banking industry? Where is the legislation to address that problem? This Senator is working on legislation, but I am not the President of the United States or the Secretary of the Treasury. I am working on the problem because I see it. But where is the solution to the problem that this administration, in the last decade, has permitted to occur in this country? That is the question I think my friend from Colorado and others quite properly ask.

Mr. WIRTH. I thank the distinguished Senator from Illinois for his aggressive leadership and his sense of urgency, which I think is maybe the most important variable we ought to attend to. This is a serious matter that demands serious attention, demands

serious energy, and not business as usual.

The distinguished Senator from Florida—whom I see is on the floor—and I have legislation, in fact, to examine the deposit insurance issue, how much of it there ought to be, to examine how many deposits one has, and risk-based insurance. We introduced that in 1987. We have introduced that in this Congress, and we hope that we will have success in having that become law.

I see the distinguished Senator from Florida is here.

Mr. GRAHAM. I thank my colleague from Colorado.

I have another concern in reading the transcript of the press conference this morning by Mr. Fitzwater. The concern is that there seems to be, in the essence of this conference, an example of the passivity, an essential lack of concern for this problem, emanating from the highest levels of the administration.

For example, the whole press conference started with questions about a lunch held today between the President and the Attorney General and issues of what would be the topics to be discussed, and was one of those topics to be discussed the criticism of the slow-paced prosecution of the criminal component of the S&L debacle? In the course of the question-and-answer relationship with the press, this question was asked: "There is some fairly tough talk about going after these people," that is, the criminal element within the S&L industry, "is the President getting them," the criminals, "to cover more of the costs, seizing more of their own property to defray the enormous cost to the American taxpayer of this bailout?" That is a good question. That is a question which a lot of Americans have been asking themselves, asking us, hoping that they would have a chance to ask a spokesman of the President of the United States.

What was the answer? The answer is, Mr. Fitzwater says:

> The Resolution Trust Corporation is charged with taking over these thrifts, dispensing with the property, getting back all the funds that they can to help pay for the depositors' losses.

That was not the question that the inquisitive reporter was asking. The inquisitive reporter did not want to get a lecture in how you sell distressed assets with an S&L. What she or he wanted to know is, how are you going to hold the individuals accountable who profited by these series of what Mr. Fitzwater would go on to call the "decade of mismanagement," how are you going to get the people who actually put the money in their pockets to disgorge and help to reduce the costs that all of us are now going to have to pay. The fact that Mr. Fitzwater either did not know or, if he knew, did not think it was important enough to respond to that question, I think is indicative of the passivity with which this whole issue has been treated.

Mr. President, I further suggest that there is another fundamental issue, and that is the necessity for Presidential assumption of leadership on this issue. We have heard almost nothing since the initial legislation was introduced, almost a year and a half ago, on this issue from the highest levels. There has not been a call to action, nor has there been a statement to the American people that this is an issue under control, to calm yourselves, do not act in an irrational or an inappropriate manner, because we have this issue under control. What we have heard is silence.

I think it is time that the President step forth, and I suggest that he has a fairly obvious speech to be delivered. He needs to tell the American people some basic facts about just what is happening. Is this still the $50 billion problem that he described it as being when his legislation was introduced in early 1989, or is it the $500 billion issue that the General Accounting Office says it is, or is it the $1 trillion issue that the Stanford University researchers think it may well be? What is the extent of the problem? The President of the United States is in the best position of any American to assess the depth of this issue, and what is the true extent of the challenge that we face?

The President needs to tell us how he thinks we ought to pay for it. Last year, the dominant concern was how to avoid having the cost assigned to anyone's reponsibility. After a long debate, we finally decided to put 30 percent of the cost of last year's $50 billion—$30 billion out of the $50 billion was put off budget, so that it would not be so visible, so that it would not be so painful.

I believe that we need the President to step forward to tell us today, was that a responsible decision? Or, should we revisit it? Should we not do as some very thoughtful people such as Felix Rohatyn last week suggested, pay for it now? You went to the party, you got the benefits, this particular generation of Americans; you should pay for this, not transfer it to our children and to our granchildren.

Mr. President, I think those are legitimate questions. You, as the leader of the country, I believe could give this Nation a sense of calm and direction by speaking to those issues. We need to know some facts about what is happening relative to the criminal prosecutions.

Mr. Fitzwater said today he thinks there are maybe 1,000 cases that are currently being processed by the Department of Justice.

In response to the question on the S&L, is the President satisfied with the pace that the Department of Justice has been pursuing prosecutions in the S&L scam, Mr. Fitzwater says:

> We always like the prosecutions to go faster but this is a process that is not quick. It means chasing paper through a lot of organizations. We have some 1,000 cases, more than 1,000 cases in the works. The Attorney General is gearing up task forces all over the country.

We have information that in fact there are over 21,000 referrals of criminals cases currently pending, most of them in an inactive status before various investigatory and prosecutorial agencies. Is it 1,000 or 21,000, or as my colleague from Colorado reported last week in a conversation with the head of the Office of Thrift Supervision, it may be mounting at the rate of 8,000 to 10,000 every month as the regulatory agencies get deeper into the levels of abuse within these institutions?

I think the American people deserve to know the facts so that we, too, can understand and participate in moving our Nation through this very, very dark period of its economic and political history.

Finally, Mr. President, I suggest that the President could speak to the American people about what does this mean about your future? Does this S&L debacle say that your plans to buy a new home in the next few years are going to have to be put aside? Does this mean as a small business person that your hopes of securing financing for expansion of your business are going to have to be delayed? Does this mean that the economic future of the country is going to be placed in some doubt and, therefore, you should adopt a more defensive and protective individual, as well as societal, economic posture?

Mr. President, we received some disturbing news just this morning, a report that construction of new housing last month fell 1.4 percent to the lowest level since the 1982 recession. To what degree is that another response, another reflection, another symptom of the spreading S&L crisis?

Those are the kinds of questions that I think the President, not an uninformed petulant spokesman, should be speaking directly to the American people. With that candid talk could then come the outline where we go from here, because I agree that what the American people are interested in most now is solving this problem, not lacerating history. There will be plenty of opportunities for political and academic historians to evaluate what has happened in the past. What is critical now is what is going to happen from now through the future, that we have the ability and responsibility to provide some direction to control.

Mr. President, I would be interested in whether our distinguished colleague

from Colorado feels that that is another lesson that might be learned from a reading of the press conference held earlier today by Mr. Marlin Fitzwater.

Mr. WIRTH. Mr. President, the issue of again a lack of urgency and a lack of attention to this serious problem is raised by lack of knowledge. We are told this morning that maybe there are 1,000 cases out there. The facts of the matter are, as the distinguished Senator from Florida has pointed out, much, much more dramatic and difficult than that.

The Federal Bureau of Investigation has received more than 20,000 referrals, not 1,000. But 1,000 of those 20,000 involve losses of more than $100,000.

As of February 1990, 4 months ago—and lots has happened since then—the FBI had more than 7,000 pending bank and S&L fraud and embezzlement cases, some 3,000 of which were major—3,000 fraud and embezzlement cases that were major—and more than 900 of those thought to involve more than $1 million each. That is almost a billion right there.

Mr. Fitzwater pointed out and said maybe there are 1,000 cases here that we are kind of going after. Then he went on to say the Attorney General is gearing up task forces all over the country.

What is he gearing up the task forces with? The fact that we found out, after probing on this front, was that the administration—this goes to the point about the money—we said to them, "Spend this money and go after this fraud." They would not do it. The FBI was also asking for this money. The FBI asked for 224 more agents; the U.S. Attorneys Office requested 113 more assistant U.S. attorneys and 142 more support staff.

The administration now is coming around and saying maybe we will do a little bit more, but what they have done is let the FBI add 42 agents and 26 support staff. This is a faint response to the problem. The problem is mammoth; the response is a token response.

They say, can the administration use this money? Of course they can.

In recent testimony before the House Government Operations Committee's Commerce, Consumer and Monetary Affairs Subcommittee, the administration officials indicated there is a need for additional resources. These are people who are career service.

On March 14, 1990, Oliver B. Revell, Associate Deputy Director of the FBI, discussed the difference between the March 1989 request and the eventual allocation of resources to pursue financial institutions fraud and embezzlement. Mr. Revell said that these additional personnel were still needed and that "we wouldn't have asked for them if we didn't need them."

On March 15, 1990, Assistant Attorney General Edward S.G. Dennis, Jr., testified before the same House subcommittee. Mr. Dennis' statement noted that seven FBI field offices requested additional special agents but were not allocated any new agents. Ten other FBI field divisions were described by Mr. Dennis as receiving "substantially fewer positions than requested."

The story was similar when Mr. Dennis turned to the U.S. Attorneys Offices: 11 districts requested additional assistant U.S. attorneys but did not receive any while eight districts received substantially fewer positions than they requested.

That is a very stark contrast to the Attorney General gearing up task forces all across the country.

Mr. PRYOR. Mr. President, I take this opportunity this afternoon to commend the very distinguished Senator from Colorado for bringing this matter to the attention of this body.

I also associate myself with the remarks of the Senator from Illinois, the Senator from Nebraska, and the Senator from Florida, that have preceded mine.

Mr. President, I ask unanimous consent that after my remarks appear in the RECORD that the transcript of the White House briefing given by Mr. Marlin Fitzwater be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PRYOR. Mr. President, that is the press conference that Mr. Fitzwater, speaking for the President of the United States, held, I assume, this morning sometime before lunch.

About 2 hours ago someone handed me a United Press International summary of this press conference that I have just made reference to, that I am placing in the RECORD.

Mr. President, I will say that when I read this news article, this United Press International summary of that discussion in that press conference, I did not know whether to laugh or to cry, but I would sense that really what I felt was—I guess I was flabbergasted, flabbergasted that the chief spokesman of the President of the United States would make statements such as he made in this particular press conference.

My next reaction was, well, maybe Mr. Fitzwater—who has been so busy the last 2 or 3 weeks defending us from the flag burners, protecting our people from the flag burners—maybe he forgot to do his homework or look at any history of the last decade which has led up to the greatest financial scandal in our country's history.

So maybe we will not say that he meant this. Maybe we will just say he did not have time to do his homework.

Mr. President, I would like to say one thing. I am part of the guilt of the S&L problem. I was a U.S. Senator during the past decade. I voted for some of the deregulation proposals asked for by the Republican administration. I am part of the guilt.

But for Marlin Fitzwater to go to the press and say that the Democrats should bear the majority of the blame for the S&L crisis is beyond my comprehension. Mr. President, I think that this body, and this Senator, are within our rights, and within my rights, to ask the President of the United States at this time if he associates himself with these allegations and accusations against the Democratic Party.

I think if President Bush would only look back, he would have to remind himself that in the FIRREA Act, signed August 8, 1989, it took the Democrats working with the President to pass that particular bailout plan. It could not have been done without Democrats. It took Democrats, Mr. President, to approve the nominee for the OTS Director's position, Mr. Timothy Ryan, a man who I thought was unqualified for the job and whom I opposed. Despite my opposition, enough Democrats did vote with Republicans to approve Mr. Ryan's nomination. It could not have been done with just Republicans. My point is Mr. President, that Democrats have publicly supported President Bush's efforts to clean up the S&L industry, yet his spokesman puts the blame for the problem on us.

Mr. President, I have accepted blame for a portion of this S&L crisis because I was a Member of this body, and the buck stops here. But if there is any grave Democratic responsibility, I think it is that we were negligent—negligent because we did not subject the regulators who were telling the Congress about the status of the S&L crisis 3 and 4 years ago, to a polygraph test.

This is where we were negligent. We should have submitted them to a polygraph test. We should have put them under oath. Because, Mr. President, in looking back, and this is a harsh accusation, they simply were not telling us the truth. We could not find out the truth. We heard rumors. There were innuendos. There were accusations. We would call people before our committees. We could not get the truth.

Looking back, Mr. President, what was happening there was an attempt, a studied attempt, to make certain that during the last 1 or 2 years of President Reagan's Presidency—and he had been a most popular President—no scandals erupted. So they kept postponing this. They kept

saying, "Well, it is not as bad as you think, Senators and Congressmen. This thing is going to go away." Or, "we are going to grow our way out of it." But, Mr. President, the truth was the S&L crisis was here. It was happening. And we were not being told the truth. Those are the facts.

And, yes, all of us have a little blame to share.

Mr. President, I think the Senator from Nebraska a few moments ago put his finger on a larger issue. I would like to talk about that for just a moment. That larger issue is the abuse of power that we may be seeing the first signs of in this particular administration. I hope it is not true, because I know President Bush. I know him as an honorable man. I went to the U.S. House of Representatives with him as a freshman Congressman in the year 1967. He is a good man. He is a decent man.

But when his spokesman, Marlin Fitzwater, goes before the press and he starts talking about individual Senators and individuals who he is trying to put the blame on—he lists for example, Senator BOB KERREY, Democrat of Nebraska—and then he says, and I quote Mr. Fitzwater, "Take a look at all of them."

An abuse of power, after just having been with the Attorney General of the United States. "Take a look at all of them." What sort of a message is that, Mr. President? Is that a message to Senator KERREY, and to Senator WIRTH, and to Senator GRAHAM, and to Senator DIXON, and to Senator PRYOR.

"If you ask any questions about this, we are going to take a look at you." Is that what we are talking about? Is that what we have come to? They say, "Well, all of these problems are going to go away. We are going to have enough money to fund this. We do not need to put it on budget." Funny money, make believe, Disneyland.

Mr. President, I have been a politician pretty well all my life. I started running for office when I was 25 and got elected when I was 26. I have usually been able to explain just about anything—a vote, a position, a statement, a misstatement, you name it. Maybe that is the gift or the art or the science of being in politics; I do not know. I do not want to get into that.

But, Mr. President, I cannot go home to my State of Arkansas, I cannot go home and explain to those people in a town hall meeting why these crooks are not in jail and why the American taxpayer is going to have to pay for their yachts, their Jaguars, their mansions, their villas, their Mercedes. I cannot explain it.

I cannot explain to those people, Mr. President, when I go back to Arkansas, why these 21,000 cases that the Senator from Colorado once again brings to our attention on the Senate floor, why these cases are not being prosecuted. Some people say, "Well, we do not have enough money. We do not have enough prosecutors. We do not have enough courts."

Mr. President, once again, it was the Democrats, it was the Democrats in this body and in the House of Representatives that said, "Mr. President, you name what you need to go after these crooks and these scoundrels. We will give it to you. We will get it for you." They cut back on the requests.

In FIRREA last year, signed by the President on August 8, there was—I think I am correct, the Senator may want to correct me—$75 million authorized to investigate and prosecute S&L crimes. That money has not been spent, Mr. President. Some of it has. We tried, as we stated a moment ago, to take some $30 million out of a foreign aid program and make it available so the Justice Department could have more money, so they could hire more prosecutors.

"Well, no, we do not think we will be for that"—a lackadaisical attitude.

Mr. President, last Thursday I made a little statement on the floor about a situation in Texas, to demonstrate the mentality, which is rather laissez-faire, and says everything is going to be nice. I wanted to know what the Government liquidators were going to be doing with some of the Persian rugs out of the S&L's they closed. I would like to be able to buy a Persian rug—probably I will never be able to. I wanted to know what they were doing with the Jaguars and walnut desks and conference tables and Picassos and sculpture. I said, what did they do with these?

Well, let me tell you what happened. The GAO found out in the State of Texas, they did a little test case there, a $3.3 million inventory was taken to a warehouse. Do you know what the taxpayers netted out of those liquidations, Mr. President? After the warehouse storage, after the inventory, the lawyers' fees, the consultants—you name it—the taxpayers netted out of that $3.3 million only $57,000.

Mr. President, the distinguished occupant of the chair is a very successful businessman and he knows that is not a very good deal. It is not a good deal. It is a sweetheart deal and this is a sweetheart deal. Mr. President, George Bush's chief spokesman is trying to cast that blame where it is not due.

Looking at the State of Texas, people say well, we should have had more regulators or should have done this or should have done that. Yet the thrift industry was coming up here crying to us, saying, "We do not want regulation, we want deregulation, we want free enterprise, we want to be able to wave the flag." What happened, Mr. President? We had free enterprise, all right.

For example, in the State of Texas, in 1981, there were 54 regulators. By 1987 there were 12 regulators. We turned away from the problem. We thought it was being looked after. But we could not get the facts.

Mr. President, another comment from Marlin Fitzwater in today's press briefing. A reporter by the name of "Jerry" questioned: "Marlin, you are kind of suggesting that the decade of mismanagement was chiefly Democratic. Would you care to balance it off and tell us where the Republican faults lie?"

Mr. Fitzwater: "No."

Another question. Mr. Fitzwater calls on Sara. That could be Sara McClinton, I do not know.

Mr. Fitzwater calls on Sara who says in the second part of her question: "And also, Mr. Fitzwater, I would like to ask you if any Republican has ever come forward since that $100,000 was passed, and asked that it be changed?"

Mr. Fitzwater says, "Well, we're taking a look at all of that now."

Mr. President, there has been a lot of talk today about blame. I think it is time to stop talking about blame and do something about the problem. I think the first thing we can do about the problem is hire the number of regulators we need. We can equip them, we can give them the tools.

They say, well, we are forming task forces all over the United States. Mr. President, we do not need any more talk about task forces. We do not need any more consultants. We do not need any more studies. We need action. The American people are asking and begging for that action because our credibility is diminishing quickly—this institution's.

I conclude, Mr. President, by saying I am deeply troubled by Mr. Fitzwater's statement and I am hoping that the President of the United States, George Bush, who is a very, very decent man, will disassociate himself, before the sun sets, from these accusations.

Mr. President, I thank the distinguished Senator from Colorado.

NATIONAL AFFORDABLE HOUSING ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 2032

Mr. WIRTH. Mr. President, I have original recognition to offer an amendment. Mr. President, on behalf of myself, Mr. JEFFORDS, and Mr. HEINZ, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. WIRTH], for himself, Mr. JEFFORDS, and Mr. HEINZ, proposes an amendment numbered 2032.

Mr. WIRTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Section 203 of the National Housing Act is amended by adding at the end thereof the following new subsection:

(v) Develop a Uniform Mortgage Financing Plan for Energy Efficiency.

(1) The Secretary of Housing and Urban Development, in consultation with the Secretary of Energy, shall within two years of the passage of the National Affordable Housing Act (NAHA), promulgate a uniform plan to make housing more affordable through mortgage financing incentives for energy efficiency.

(2) To develop this plan, the Secretary shall form a task force to make recommendation on financing energy efficiency in private mortgages, through the policies of Federal agencies and federally chartered financial institutions, mortgage bankers, homebuilders, real estate brokers, private mortgage insurers, energy suppliers, and nonprofit housing and energy organizations.

Mr. WIRTH. Mr. President, I offer this amendment on behalf of the distinguished Senator from Pennsylvania [Mr. HEINZ] and the distinguished junior Senator from Vermont [Mr. JEFFORDS]. The three of us, Mr. President, have the pleasure and the honor of serving as chairs and cochairs of the Alliance to Save Energy, a very important national group set up 10 years ago by Senator Percy. The first Executive Director was Carla Hills, now the U.S. Trade Representative.

The purpose of the alliance was to focus on issues of energy efficiency. The alliance had a very important conference last spring that focused on affordable housing. One of the issues that emerged in the affordable housing conference was the importance of energy efficiency.

If, Mr. President, we could develop a program that made housing more energy efficient, the people who were in that housing would have more money left over to do other things. That is pretty obvious. If we can develop a way in which the energy efficiency can be applied to those individual's mortgages, then they are ahead and we can make housing available and affordable to a lot more people.

Without question, affordable housing is a national crisis: the shame of homelessness and the squeeze on homeownership remain realities despite this Nation's tremendous wealth. Today, many of our children are finding it difficult to own a home—even with two incomes. Young people that are able to afford their first home, must make that purchase further and further away from urban centers and the workplace.

Energy efficiency is also a pressing issue—for our energy security, our international competitiveness and for the environmental crisis that is unfolding around the world. It is clear that the Earth's atmosphere cannot benignly absorb the increasing levels of carbon dioxide released by man's burning of fossil fuels. From acid rain to global warming, we have come to understand that energy policy is the essential component of environmental policy. Indeed, environmental policy is driving energy policy and will continue to do so for the foreseeable future.

My intention today is to explore the relationship of these two issues. For more than a decade, the Alliance to Save Energy has shown that energy efficiency should be a mainstay of the affordable housing formula. In 1988, we reported that energy is the largest cost of housing after rent or mortgage payments. Their research found that energy represents about 20 percent of the typical monthly housing expense, and more than one-third of the housing budget of low-income families.

We know that energy is a big piece of the affordable housing puzzle. Our challenge lies in finding opportunities to reduce consumer expenditures on energy in order to free up resources for investments in better and more decent housing. With the proper policy mix, good energy policy can be good economic policy, good housing policy and good environmental policy. We must keep in mind that every house we build or rehabilitate today will effect these policy objectives for years to come.

Energy, in itself, is not a primary consumer good. Rather, our constituents want energy services for their homes—lights, heat and air-conditioning. The objective of energy conservation is to ensure that these services are available to consumers in the most efficient manner. Research by the Alliance, Harvard University and other expert organizations, has found that by implementing cost-effective energy efficiency measures, we can cut our national housing bill by $25 billion annually. In the process, we can help millions of people in this country. The Alliance believes that as many as 250,000 families could become homeowners for the first time and another 2 million households, mostly low-income renters, could afford to pay their housing bills if we make homes energy efficient. In the process, we can help limit the need for new powerplants and reduce environmentally damaging emissions.

If we were to reduce energy consumption by 25 percent in the housing sector of our economy, we could save the equivalent of 400 million barrels of oil every year, preventing the emissions of millions of tons of carbon dioxide—the primary greenhouse gas.

Mr. President, working with the Banking and Urban Affairs Committee, we have taken a first step in achieving these savings. S. 566 includes language that directs the Department of Housing and Urban Development to develop energy efficiency standards for new construction of public and assisted housing. The Federal Government pays more than $1 billion each year for the energy bills of public housing. Much of this could be avoided with cost-effective investments.

The amendment I am now offering takes a further step—develop a uniform mortgage financing plan for energy efficiency. While Fannie Mae, Freddie Mac, FHA, and VA have made prograss toward incorporating energy considerations in the mortgage underwriting process, there is no uniform, simple policy that consumers and lenders can use to ease the affordability squeeze. We need a uniform, understandable procedure for incorporating the costs of energy efficiency improvements into the mortgage and ensure that it is well known to builders, realtors and buyers alike. If we let consumers roll the cost of energy efficiency improvements into their mortgages, the savings may help more buyers to qualify for loans.

The ingredients of an energy efficient home are well known and commercially available: better insulation, radiant barriers, more efficient heat pumps and high efficiency appliances. Unfortunately, these features are not being built into many of today's homes. High initial costs and the failure of mortgage insurance procedures to account for energy efficiency are the primary impedients.

Let me give a real-world example of energy efficient affordable housing. In Dallas, TX, homes are being financed with an initial added cost of $250 to the home for energy efficient measures which adds about $2.50 to the monthly mortgage payment. However—and this is what is key—these homes save the owners $35 a month in energy bills.

I think you will agree that making this kind of mortgage readily available to buyers will enhance a family's ability to own a home, as well as make important reductions in energy consumption. Overall, I think these kind of initiatives will cost very little in public or private dollars, and will give us better, more affordable housing.

I hope, Mr. President, that this amendment will be agreed to. We have discussed it with the distinguished managers of the legislation on both sides.

The PRESIDING OFFICER. The Chair recognizes the Senator from California.

Mr. CRANSTON. I think the Senator from Colorado has offered a very fine amendment. I know he has been very active for a long time in pushing energy efficiency relating to many,

many problems in our society, including global warming on a worldwide basis, pollution all over our country, and energy efficiency is one of the ways to resolve that. It is a fine amendment and I am prepared to accept it on behalf of the majority and I believe the minority is likewise ready to do so.

Mr. DOLE. Mr. President, I am not a member of the committee but I am advised there is no objection to the amendment on this side. We are prepared to accept it.

The PRESIDING OFFICER. Is there further debate on the amendment?

If there be no further debate, the question is on agreeing to the amendment of the Senator from Colorado.

The amendment (No. 2032) was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WIRTH. I want to thank the distinguished manager of the bill, Senator CRANSTON. He and his staff were very helpful in developing this. This is a different way of thinking about energy and housing. I think this is an important step. I want to thank Senator CRANSTON, as well as Senator D'AMATO, on the minority side, who was also helpful with his staff. Thank you, Mr. President.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

THE S&L CRISIS

Mr. WIRTH. Mr. President, to recapitulate, illegal activity was widespread within the savings and loan industry and will cost taxpayers billions of dollars. The American people rightfully expect the Federal Government to vigorously pursue individuals whose illegal activities contributed to the industry's losses. If we are serious about sending a message of "never again" to those involved in the financial industry, we must aggressively investigate and prosecute criminal activity related to the S&L crisis. We cannot let those in the financial services industry believe the Government will cover any loss—no matter how big—and then let the perpetrators go unpunished.

There is no question that fraud and insider abuse by S&L owners and management contributed significantly to the problem we now face. The need for additional resources to investigate and prosecute criminal activity within the thrift industry is also well documented:

The Federal Bureau of Investigation has received more than 20,000 referrals involving fraud and other criminal activity in the financial services industry that the Bureau has been unable to examine. More than one thousand of these cases are major involving losses of more than $100,000.

As of February 1990, the Bureau also had more than 7,000 pending bank and S&L fraud and embezzlement cases, some 3,000 of which were major. And more than 900 pending cases and about 235 of the unaddressed referrals involve losses greater than $1 million.

The Department of Justice caseload is growing rapidly. Mr. Timothy Ryan, the new Director of the Office of Thrift Supervision, recently informed me that bank and thrift regulators were sending the Department of Justice 8,000 referrals per month regarding civil and criminal violations and that there were now 80,000 cases pending.

Regulators will examine and close more insolvent institutions and the Department of Justice will receive thousands more referrals of possible criminal activity related to savings and loan failures, increasing the workload for Federal investigators and prosecutors.

The $50 million requested by the administration for fiscal 1990 proved inadequate. The additional personnel provided by these funds did not meet the staffing needs identified in a 1989 FBI survey. In this survey, FBI and U.S. attorneys' offices requested 224 more FBI agents, 113 more assistant U.S. attorney positions, and 142 more support staff positions than the agencies received.

The administration's budget proposal for fiscal year 1991 does not make a specific request to target criminal activity related to the S&L crisis and instead includes some funding for this purpose within the overall request for investigating and prosecuting bank fraud. The budget would only permit the FBI to add 42 agents and 26 support staff, well short of the bureau's staffing needs.

Additional resources are needed as soon as possible because the passage of time makes investigation more difficult.

In recent testimony before the House Government Operations Committee's Commerce, Consumer and Monetary Affairs Subcommittee, administration officials indicated there is a need for additional resources to pursue financial institution crimes.

On March 14, 1990, Mr. Oliver B. Revell, Associate Deputy Director of the FBI, discussed the difference between the March 1989 request and the eventual allocation of resources to pursue financial institution fraud and embezzlement. Mr. Revell said that these additional personnel were still needed and that "we wouldn't have asked for them if we didn't need them."

On March 15, 1990, Assistant Attorney General Edward S.G. Dennis, Jr., testified before the same House subcommittee. Mr. Dennis' statement noted that seven FBI field offices requested additional special agents but were not allocated any new agents. Ten other field divisions were described by Mr. Dennis as receiving "substantially fewer positions than requested."

The story was similar when Mr. Dennis turned to the U.S. attorneys' offices; 11 districts requested additional assistant U.S. attorneys but did not receive any while 8 districts received substantially fewer positions than they requested.

Mr. Dennis said that:

> A significant reason why these shortages exist is that there is insufficient funding under FIRREA to fill all the requested positions.

Yet FIRREA authorized $25 million more than the $50 million the administration requested for this purpose.

By now Senators are familiar with this problem. The issue has drawn a great deal of attention in recent weeks. Although the Senate rejected my amendment to transfer funds from Panama tourism development assistance to the Department of Justice [DOJ] for investigation and prosecution of financial institution crimes, a variety of related proposals have since been introduced in both the House and Senate.

Several proposals would reorganize the Federal Government's activities in this area. These include legislation to create a Financial Services Crime Division within DOJ, authorize a special prosecutor to investigate the S&L crisis, establish local strike force in areas with the highest levels of criminal referrals, and authorize the Secret Service to join in investigating thrift crimes. Another bill directs the Attorney General to pursue the thousands of unaddressed referrals and pending cases over the next 2 years. Legislation has also been introduced that would expand investigators' subpoena authority, increase access to IRS records, prevent restitution orders from being discharged in bankruptcy, allow regulators' administrative expenses to be reimbursed from civil penalties, give the RTC priority in claims against an institution and its officers and directors, and make all types of bank fraud subject to the Racketeering Influenced and Corrupt Organizations [RICO] Act. Some of these ideas has found their way into more than one piece of legislation. Importantly, Members on both sides of the aisle in each Chamber have joined in this chorus calling for action.

Many of these initiatives deserve our serious attention and support. I ap-

plaud Senator BIDEN's plan to hold Judiciary Committee hearings to examine these various initiatives and prepare a proposal for the Senate's consideration. We may wish to consider some organizational changes. We may wish to provide law enforcement officials with some additional tools beyond those provided by FIRREA and other existing statutes. Regardless, we have given the Judiciary Committee a lengthy list of things to look at. And, Mr. President, I would not be surprised to see more proposals thrown into the hopper.

However, the most effective thing we can do at this time is give the FBI and U.S. attorneys' offices additional resources to investigate and prosecute the criminals who were active in the industry. The Department of Justice is trying hard to do its job and its personnel are effective, capable, and dedicated. If we give the FBI and the U.S. attorneys more resources, the Department will be able to make more progress against the backlog of cases. If we do not provide more resources, the many other suggestions before us will do little good.

An often overlooked element of this issue is the possibility of recovery of funds through more aggressive prosecution. In 1989, more than $16 million were recovered as a result of 10 cases involving savings and loans. A year ago, Assistant Attorney General Carol Crawford wrote that U.S. attorneys estimated potential recoveries of $89.6 million under S&L fraud cases investigated by their offices. And we must remember that there are many cases which have yet to reach the U.S. attorneys for action. We will get some financial return from funds invested in S&L investigation and prosecution in addition to the important message it would send to the American public and the financial services industry. Spending in this area will, at least in part, pay for itself.

FIRREA authorized $75 million for fiscal years 1990, 1991, and 1992 to pursue the investigation and prosecution of financial institution crimes. However, the administration only requested $50 million for 1990 and did not make a specific request for 1991. I am concerned by the lack of priority reflected by this request and the conflicting voices we hear from the administration. On the one hand, Timothy Ryan tells me of the astounding pace of criminal referrals while Oliver Revell, the Associate Deputy Director of the FBI, and Assistant Attorney General Edward Dennis discuss the need for additional personnel and resources to pursue those referrals. At the same time, the administration's budget request does not reflect that need.

Mr. President, these conflicting messages make me wonder what is going on. Is OMB overruling the Department of Justice much as they overruled thrift regulators' requests for additional supervisors during the mid-1980's? I hope not. But I simply do not understand why the administration is not rushing to ask us to provide the Department of Justice with the resources that Department officials indicate they need. Fortunately, I have heard reports that the administration is now preparing a proposal in this area. I am encouraged by this apparent change of heart and look forward to seeing the President's recommendations.

I am also encouraged by last week's statement by my good friend, the junior Senator from South Carolina and chairman of the Subcommittee on Commerce, Justice, State, and Judiciary Appropriations. Senator HOLLINGS announced his intent to seek at least $109.5 million for the Department of Justice's efforts to pursue S&L-related crimes. Senator HOLLINGS has held hearings on this topic and knows the problem well. I hope we will all support him as his subcommittee seeks to provide the funds necessary to go after the criminals involved in the S&L crisis.

Recently, I introduced Senate Resolution 298, a resolution calling upon the President to seek the full $75 million authorized by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 [FIRREA] to pursue the investigation and prosecution of financial institution crimes. The resolution also requests that the President allocate additional resources as necessary to ensure criminal activity that contributed to losses to the Federal deposit insurance funds is investigated and prosecuted to the fullest practicable extent. I encourage Senators to cosponsor this resolution and go on record in support of full funding for the Department of Justice's efforts to attack crimes related to the savings and loan debacle.

SAVINGS AND LOAN FACTSHEET

The savings and loan [S&L] debacle is the largest financial crisis in our Nation's history. According to the Treasury Department, the cost of resolving the crisis today could be as much as $132 billion. The General Accounting Office [GAO] calculates that the overall cost could reach $500 billion over a 30-year period.

FRAUD AND THE S&L CRISIS

Fraud and other criminal activity contributed significantly to the savings and loan industry's losses and will cost taxpayers billions of dollars. An October 1988 report of the House Government Operations Committee found that insider misconduct caused or contributed to more than three-fourths of all thrift failures. Last June, the General Accounting Office [GAO] issued a report that examined 26 thrift failures and compared them to a sample of 26 solvent S&L's. The GAO found activities at each insolvent institution that appeared to be fraud and insider abuse. Investigations or legal action had been initiated against 25 of these 26 thrifts or against persons associated with the S&L's.

Attorney General Richard Thornburgh recently spoke of an "epidemic of fraud" in the savings and loan industry and indicated that at least 25 to 30 percent of thrift failures can be attributed to criminal activity by the institution's officers and management. Officials at the Resolution Trust Corporation [RTC] indicate that an estimated 60 percent of the institutions it has seized "have been victimized by serious criminal activity."

LARGE AND GROWING INVESTIGATION AND PROSECUTION CASELOADS

The Federal Bureau of Investigation has received more than 20,000 referrals involving fraud and other criminal activity in the financial services industry that the Bureau has been unable to examine. More than 1,000 of these cases are major and involving losses of more than $100,000. As of February 1990, the Bureau also had more than 7,000 pending bank and S&L fraud and embezzlement cases, some 3,000 of which were major. And more than 900 of the pending cases and 234 of the unaddressed referrals involve losses greater than $1 million. The Department of Justice caseload is growing rapidly. Mr. Timothy Ryan, the new Director of the Office of Thrift Supervision, recently indicated that bank and thrift regulators were sending the Department of Justice 8,000 referrals per month regarding civil and criminal violations and that there were now 80,000 referrals pending. Regulators will examine and close more insolvent institutions and the Department of Justice will receive thousands more referrals of possible criminal activity related to savings and loan failures, increasing the workload for Federal investigators and prosecutors.

FUNDING FOR INVESTIGATION AND PROSECUTION OF S&L CRIME

Last year the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 [FIRREA] authorized $75 million annually for 3 years to investigate and prosecute financial institution crimes. However, the administration requested only $50 million for the current fiscal year. These funds were used to expand staff in FBI and U.S. attorneys' offices throughout the country. The $50 million in funding is inadequate. The additional personnel do not meet the staffing needs identified in a 1989 FBI survey. In this survey, FBI and U.S. attorneys' offices requested 224 more FBI agents, 113 more assistant U.S. attorney positions, and 142 more support staff positions than the agencies received.

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specific request to target criminal activity related to the S&L crisis and instead includes some funding for this purpose within the overall request for investigating and prosecuting bank fraud. The budget would only permit the FBI to add 42 agents and 26 support staff, well short of the bureau's staffing needs. Additional resources are needed as soon as possible because the passage of time makes investigation more difficult.

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The story was similar when Mr. Dennis turned to the U.S. attorneys offices: 11 districts requested additional assistant U.S. attorneys but did not receive any while 8 districts received substantially fewer positions than they requested. Mr. Dennis said that "a significant reason why these shortages exist is that there is insufficient funding under FIRREA to fill all the requested positions." That may be the case. However, FIRREA authorized $25 million more than the $50 million the administration requested for this purpose.

Timothy Ryan, the Director of the Office of Thrift Supervision also recently called upon Congress to provide more resources to investigate and prosecute financial institution crimes.

EXHIBIT 1

THE WHITE HOUSE,
Washington, DC.

REGULAR BRIEFING

Briefer: Marlin Fitzwater; Tuesday, June 19, 1990.

Mr. FITZWATER. All right. The President just finished the meeting with the GOP Senators, we'll go through that in a second. He's having a taping session this morning for senatorial candidates, having lunch with Attorney General Thornburgh——

Q. What's that about?

Mr. FITZWATER. Just talk about the Civil Rights Bill and other matters that pertain to the Justice Department.

Q. (Inaudible)—Thornburgh—(inaudible).

Q. Hold his hand?

Mr. FITZWATER. Pardon?

Q. Hold his hand? Isn't he pretty——

Q. Is his job on the line, Marlin?

Mr. FITZWATER. Get serious.

Q. Is that a no?

Q. That's a serious question. Is there any question about his tenure?

Mr. FITZWATER. He's an outstanding Attorney General, don't be—it's nonsense.

Q. Does he have other plans?

Mr. FITZWATER. No, get serious.

(Cross talk.)

FITZWATER [continuing]. Be serious.

Q. Marlin, not every Attorney General takes lie detector tests because people don't believe what he says. I mean this is a serious question.

Mr. FITZWATER. All right, I'll give a serious answer. The Attorney General——

Q. (Inaudible).

Mr. FITZWATER. The Attorney General is doing an outstanding job, the President wanted to have lunch with him, talk about a number of issues including the statutes of the Civil Rights Bill, the S&L prosecutions and other matters.

Q. Marlin?

Mr. FITZWATER. Yes.

Q. Just on that point, is he talking about the changes Mr. Thornburgh is making in the Justice Department, the reorganization, personnel changes?

Mr. FITZWATER. No.

Q. Marlin, on the S&L, is the President satisfied with the pace that the Justice Department has been pursuing prosecutions in the S&L scandal?

Mr. FITZWATER. Well, we'd always like the prosecutions to go faster, but this is a process that is not quick. It means chasing paper through a lot of organizations. We have some 1,000 cases, more than 1,000 cases are in the works. The Attorney General is gearing up task forces all over the country, committing more resources to the effort all the time. So we do expect results, but it's not going to be a quick and easy process. We're not talking here about guys who rob dime stores. We're talking about guys who have—who have taken savings from families through elaborate schemes and mismanagement and finagling of savings and loans, and we are going to find them, we are going to put them in jail, but it's not going to be a quick process.

Wyatt?

Q. On that, is the administration considering expanding the FBI for that purpose?

Mr. FITZWATER. We have expanded resources in all the departments; the FBI has put a lot of people onto it. I don't have numbers. I refer you to the FBI, but I know they have committed a lot of resources to it.

Q. Is there a new S&L specific package in the works?

Mr. FITZWATER. No.

John?

Q. Marlin, there is about 40 percent of these cases, the S&L cases in Texas, the President's home state. And last Sunday, Kevin Phillips wrote an article in which he said that we are paying for the 1990—in the 1990s, for what happened in the 1980s. Do you know if the President read that article?

Mr. FITZWATER. I don't know if he read the article, but I know we need to go after all these people involved in the savings and loan scandal wherever it is.

Q. Does he think that his son is not involved at all?

Mr. FITZWATER. He's not.

Wendell?

Q. This is some fairly tough talk about going after these people. Is the President supporting getting them to cover more of the costs—seizing more of their own property to defray the enormous cost to the American taxpayer of this bailout?

Mr. FITZWATER. The Resolution Trust Company is charged with taking over those thrifts, dispensing with the property, getting back all the funds that they can to help pay for the depositors' losses.

A big part of the problem here is that in the dead of night a few years ago, the Democrats pushed through raising the limits to $100,000 per person. So there's a lot of cost to recover here. And that is our purpose, and we're going to do it. But there are enormous depositors' accounts that need to be safeguarded, and that is the legal responsibility. The Resolution Trust Company is working as rapidly as they can to do that.

Leo?

Q. Is that a political charge you just made?

Q. Marlin, usually you make the point that the President deliberately does not want to involve himself in criminal prosecutions planned or underway by the Justice Department.

Mr. FITZWATER. That's true.

Q. This seems to be an exception. Why?

Mr. FITZWATER. Well, I'm talking here about the overall prosecution of the problem, and not the specific cases. I don't know about any of the cases.

Frank?

Q. Marlin, did they discuss whether the adjustments made in the job discrimination act—well, the Civil Rights Act of 1990—make it any less necessary to veto?

Q. Can we stay on this subject?

Mr. FITZWATER. Yeah, let's stay on this subject.

Q. Well this is the Thornburgh bunch.

Mr. FITZWATER. No, let's stay on this subject.

Q. Marlin?

Mr. FITZWATER. Helen?

Q. Are you saying that the Democrats are the cause of the S&L debacle?

Mr. FITZWATER. Oh, I'm saying the Democrats have a big role in it. And take a look at Jim Wright and Tony Coelho and Mr. Kerrey and some of his Nebraska accounts and Don Riegle and DeConcini—take a look at all of them. If they want to make this a political issue, we'll be glad to do it.

Q. Marlin, is this the kickoff event?

Mr. FITZWATER. Sarah?

Q. Marlin, I checked the Federal Home Loan Bank Board office a while back, and they tell me that every constituency in the Congress has people calling them—Democratic and Republican—calling them to ask them to go easy on federal regulation. They didn't say it was one party or another; they said everybody did it. And it seemed that a lot of this was in—people was—congressmen were pushed to do this by civic leaders and chambers of commerce leaders in their own home towns, saying "Go easy on them or our people will be hurt."

And also, I 'd like to ask you if any Republican has ever come forward since that $100,000 was passed and asked that it be changed?

Mr. FITZWATER. Well, we're taking a look at all of that now. I'm sure there'll be all kinds of reexaminations of the problem. It's

a very sorry mess and one that a lot of people have suffered for and one that needs to be cleaned up.

Q. Marlin, you mentioned that the Democrats—you said they pushed through the—(inaudible)—100,000. Does this administration think $100,000 is excessive?

Mr. FITZWATER. Well, in retrospect, we think it helped lead to a lot of the problems here. And it caused people to have more confidence than they should have; the bank regulation was not as strong as it should have been. We could go on and on, and that's why these cases are under investigation. But I don't think you hear any serious analysis of this problem that doesn't point to Freddy St. Germain and the changes that were made in the banking laws back at that point.

Q. Barring St. Germain——

Mr. FITZWATER. John?

Q. Marlin, it was a well-established Republican, Bill Seidman, who came—the first one to come forward and say that the cost of this bailout is atrociously low. We're going to have to really face this, and whether you believe these varying stories, it was Sununu and Secretary Brady who seemed to be upset that Seidman was not a team player, and he's not going to be with us long.

Mr. FITZWATER. That's just a—you're just talking about analysis of the cost, which is irrelevant to the problem. I mean, the costs keep rising, they keep going up—there's no question about that. But that's irrelevant to the problem of how we got into this mess in the first place.

We're talking about a decade of negligence and mismanagement that has to be corrected.

Gerry?

Q. Marlin, you're kind of suggesting that that decade of mismanagement was chiefly Democratic. Would you care to balance it off and tell us where the Republican faults lie?

Mr. FITZWATER. No.

Michael?

Q. Was it mismanagement of the deregulated industry that is the problem, or was it deregulation itself was wrong?

Mr. FITZWATER. The trusts—the trusts that have gone under.

Yes, Steve?

Q. How was it that increasing the insurance limit to $100,000 increases the incidence of questionable loans on the part of the bank managers? How does that encourage them to make—

Mr. FITZWATER. Well, I don't think I'm qualified to give you that kind of analysis, but I'll be glad to put you together with people who can.

Gene?

Q. Marlin, was there any responsibility from previous administrations cutting back on the number of regulators who oversaw the management practices?

Mr. FITZWATER. Well, there's enough—a lot of responsibility for everyplace, but I see some disturbing signs of Democrats wanting to make this political to Republicans, and I just want to put them no notice that this plays both ways and we're ready to play.

Q. Marlin?

Mr. FITZWATER. Helen.

Q. You have never been so vehement, and you've never tackled this subject before. Is this—did this come out of the leadership meeting, and have you made it—is it now going to be a big campaign issue?

Mr. FITZWATER. No, I think Senator Kerrey and others are clearly trying to make it a campaign issue, and if they want to do it, so be it. There are a lot of battles that can be fought on this turf, and we're ready.

Q. Kerrey of Nebraska?

Mr. FITZWATER. Kerrey of Nebraska, yes.

Q. When you say, "We're ready to play," does that mean that the President himself will be heard on this issue, or is he going to leave it to spokesmen and others?

Mr. FITZWATER. Well, we'll just have to wait and see.

Okay, want to move on to the other issues? Gaylord?

Q. I've got one more question on this.

Q. When do I get a question about the lunch?

Mr. FITZWATER. Yeah, we'll get to the lunch here in a minute.

Q. I've got one more question on this.

Mr. FITZWATER. Yes?

Q. You've taken the offensive here, but are there specific steps that the Justice Department is about to take to increase the prosecutorial offensive?

Mr. FITZWATER. They've been taking a number of steps over the last several months. I'm sure Justice Department can detail those for you—increasing cases, task forces, workloads, prosecutors, all up and down the line.

Q. Marlin——

Mr. FITZWATER. John?

Q. Isn't there a problem here in trying to settle this through the Justice Department, or at least trying to prosecute a lot of these people in that there's just no law against making bad loans?

Mr. FITZWATER. That's—it is a——

Q. I mean, losing money is not a crime in a lot of places.

Mr. FITZWATER. It's a very difficult case to make, that's right. It involves investigating these loans and their management practices and seeing whether laws were broken. In some cases, it was just bad management and bad judgment. In some cases, it was cases of fraud. Now, we have grand juries hearing a lot of different cases, but there still are a lot of prosecutions that can be made. With over 1,000 cases working, you know there are going to be some.

John?

Q. Marlin, just following up Helen's question on the timing of this attack of yours, I saw B. Jay here, are you sure that wasn't a meeting here that—before the briefing with Mary Madeleine (sp) and others, maybe in the phone call with Atwater, that it's time to unleash Marlin—(reporter growls)—today on the S&L scandal?

Q. Tell us all, Marlin.

Mr. FITZWATER. No.

Q. No political meetings?

(Cross talk.)

Mr. FITZWATER. Leo?

No meeting——

Q. Hey, hey.

Mr. FITZWATER. No meeting.

Q. No separate meeting, outside?

Mr. FITZWATER. No, none.

Leo?

Q. Did you say that the administration is reviewing the viability of the $100,000 insurance limit on deposits?

Mr. FITZWATER. No, I haven't heard that. I'm just saying I'm sure that there'll be all—there'll be all kinds of reviews of the S&L industry coming out of this. But I don't have any special review on that limit, no.

Q. In other words, there's no initiative contemplated to reduce that?

Mr. FITZWATER. I'm not aware of any at the moment.

Steve?

Q. You're satisfied with keeping the 100,000 [dollar]?

Mr. FITZWATER. I'm not aware of any change at the moment.

Q. Obviously this lashing attack is meant to show that Bush is doing a great job on trying to clean up the mess. Is it also directed perhaps at the Reagan administration and at that regulation that went on during that period that was behind a lot of this?

Q. Say yes.

Mr. FITZWATER. I direct it at the problem. The problem's a difficult one and it needs to be cleaned up.

Q. Well, Marlin, aren't you saying that the problem really lies at its source and not in its continued process?

Mr. FITZWATER. What's that mean? (Scattered laughter.)

Q. Well, you're saying that the problem lies solely at the feet of the Democrats because it—if its inception came there, not at the Republicans who continue the administration—continued it through their administration. But isn't that sort of like saying "I'll eat your cake but I'm not responsible.

Q. What's he been whispering about, Marlin?

Mr. FITZWATER. [Laughing]. I'm not sure what he's whispering about, Sarah. The problem is with us. You all know how it's being dealt with. Congress is taking a look at it. We're looking at it legally.

Q. Did this subject come up this morning at all in the congressional meeting?

Mr. FITZWATER. Just briefly, just briefly.

Q. Well, how briefly? In what respect?

Mr. FITZWATER. Tom?

Q. How did it come up, Marlin? Can you just fill us in?

Mr. FITZWATER. The Attorney General just said that he was pursuing a number of cases and mentioned the number of 1,000 cases. That's about it. And of course——

(Cross talk.)

Mr. FITZWATER. Tom?

Q. Marlin, there's a proposal by a House Republican congressman to appoint a special prosecutor to examine the S&L mess. A number of Republican members have signed on to that bill, including Newt Gingrich. Does the White House oppose it?

Mr. FITZWATER. I think our feeling is the Justice Department's the appropriate place for these investigations to go forward.

Frank? Civil rights?

Q. I want to change the subject when this is done.

Mr. FITZWATER. Okay.

Q. Yeah, I'm just a little confused. You say that—you seem to be blaming this on the Democrats, but I thought most of the deregulation occurred during the Reagan administration. And I seem to recall that then-Vice President Bush chaired a commission on deregulation in the financial institutions?

Mr. FITZWATER. I invite you to go back and look at the history of this problem. I think the names will be clear as to where they came from.

Q. Yes, but I wondered if you could point out to us where the President challenged the $100,000 limit as chairman of that, and where he challenged the deregulation? The Republicans championed that.

Mr. FITZWATER. I'm just saying these things happened, and I invite you to go back and look at the record. It speaks for itself.

Maureen?

Q. Has anyone besides Kerrey tried to make this a campaign issue, as far as you can tell?

Mr. FITZWATER. Well, we see it in any number of places, yes.

Q. Where else do we see it, Marlin?

Mr. FITZWATER. Well, he's the only one I want to specify because he chose to go on television and make a big floor speech a couple of nights ago.

Q. Would you like to elaborate on your reference to his dealings with Nebraska banks?

Mr. FITZWATER. No. I'll let you look into that yourself.

Doug?

Q. Is the President in favor of stepped up prosecutions of S&L fraud, which is what—one thing that Thornburgh seems to be interested in?

Mr. FITZWATER. You bet.

Okay, Rita?

Q. Did you say that the administration is not asking Congress for any more money above the 50 million for more investigations and prosecutorial strength?

Mr. FITZWATER. I don't know. What do you mean? What are you talking about?

Q. Is the Administration going to ask for more money beyond what Congress has already authorized for the purpose of prosecuting and investigating the S&L thing?

Mr. FITZWATER. Well, we asked for $50,000,000 and we asked for a supplemental which was rejected. I don't remember how much that was. And we're considering now the—of course, part of the budget compromise is—is the whole billions that are necessary to pay off depositors. So, it's all part of that plan.

Frank? Okay, let's go to Frank and civil rights.

Q. Can I finish one more?

Mr. FITZWATER. One last question. John?

Q. When you start to really grapple with the budget and make decisions on that, is the administration and specifically the President ready to point to the S&L—the mishandling of the whole S&L thing, as one reason, whatever decisions he has to make on the budget, whatever that has in regard to revenue or whatever, that a larger part of that is the S&L problem and how it was mishandled?

Mr. FITZWATER. Well, the S&L payoff for the contributors is a part of the problem now, yes. I mean, and it will be—I mean there's no question about that.

Q. Is that going to justify the tax hike?

Mr. FITZWATER. We just say it's a part of the budget compromise they've got to consider.

Okay, Frank?

Q. The Thornburgh-Bush agenda does it include the changes made in the job discrimination law, the Civil Rights Act of 1990, and whether or not it's no longer a veto recommendation?

Mr. FITZWATER. The meeting this morning, including the participation of Attorney General Thornburgh, focused on a number of issues. To get to the civil rights bill and the thrust of your question, let me just introduce it by saying the President began by noting some progress in the situation in Lithuania, saying that he had expressed the sentiment of the Congress on that matter. Then they talked about campaign reform and the status of that bill. They talked about the Hatch Act, where they're execting a veto vote, override vote in the House, and then will move on to the Senate. The President expressed his support for—or his gratitude for Senate support and indicated he hoped that they sustained his veto.

Q. What reading did he get on that?

Mr. FITZWATER. They said it would be close, but they were hopeful they could be able to do it.

On the Civil Rights Bill, they had—the President raised many of the issues that he raised in his Rose garden speech before civil rights groups on what he would like to see in a civil rights bill. He said that he does not want to veto the bill; and he wants a civil rights bill he can sign; that members of the administration have been having discussions with leaders on the Hill trying to work out language that is acceptable. The President said that if the bill does compel quotas, that he will consider the veto, but that he is hopeful that that can be resolved. His message to those who say that the bill does not constitute a quota bill is let's work out the language to make sure that's the case.

Q. So it's not there yet?

Mr. FITZWATER. Not there yet.

The Attorney General had some discussion of the bill and its various provisions. He spoke certainly about the provision that changes the burden of proof—or shifts the burden of proof from the employee to the employer, indicating that that's unknown in the American system of jurisprudence, that a person must prove he's done nothing, and that we have great concerns about that provision as well. He talked about the various case laws that are behind the civil rights bill and the problems that they're having in getting the language changed.

But the consensus of everybody was that they want something they can be for; they want a civil rights bill that can be signed. And there was some indication from Senator Hatch and others involved that, while it's a very complex bill and the language is very detailed, that they will be able to work out compromise language that would satisfy our concerns.

Q. So they——

Mr. FITZWATER. They also talked about—I guess those are the main things.

Q. Marlin?

Mr. FITZWATER. Yes, uh-huh?

Q. Was there any concern expressed by Hatch or others that the Democrats were going to be pushing this bill at a time when Nelson Mandela was in the country?

Mr. FITZWATER. No.

Q. The subject didn't come up.

Mr. FITZWATER. No.

Wendell?

Q. About a month ago, the new chairman of the Civil Rights Commission, appointed by the President——

Mr. FITZWATER. Well, I think somebody mentioned that—I'm sorry, John—somebody mentioned that the bill might come up during that period, but there's no concern about it.

Wendell?

Q. Said that—said that there were no quotas, said the bill did not mandate quotas, said that——

Mr. FITZWATER. Who said that?

Q. The man the President has nominated for the chairman of the Civil Rights Commission. And said that the President's aides were mistaken, and seemed to think that he had made some headway in convincing the President of that. Have we shifted back the other way, now? Is the sense that there are quotas and the Civil Rights Commission chief is wrong?

Mr. FITZWATER. Never been any doubt in our mind that it has constituted quotas in several areas of the bill, that the remedies provision has been unfair and inequitable, and that that has been a very significant problem. We've had a veto threat on this bill for weeks on the basis of its being—amounting to a quota bill.

Q. I can't believe what I'm hearing. Okay. Marlin.

Mr. FITZWATER. What's wrong, Anne? Why can't you believe what you're hearing?

Q. Well, because the day that Arthur Fletcher was here you described the differences as "very minimal" and said, "There was no longer veto threats, that we don't make such threats this early in the legislative process and that the President——"

Mr. FITZWATER. I said that then that the differences were minimal, that there was a veto threat on them, but that we hoped to resolve them.

Q. All right. Let's go to today.

Mr. FITZWATER. That's still the case.

Q. You said that——

Mr. FITZWATER. Minimal, compared to the whole bill. This is a bill about this thick—(indicating)—but they're serious enough that we're being urged to veto the bill if we can't resolve these.

Q. But is there a potential veto threat or not? I'm confused. You said he would consider it and then you—the time you came out when Anne mentioned, you said the Thornburgh veto threat was off and now you're saying your're being urged to veto it and the veto threat's on. I mean, I'm just confused by your use of words. Will the President veto the bill in its present form?

Mr. FITZWATER. Well, the problem is, I don't want to say that because the bill is changing and because we're in the midst of discussions. But I think you clearly get the picture that we're willing to veto this bill if it contains—if it is a quota bill. That's the bottom line.

Anne?

Q. You talk about the compromise—long way towards a compromise that you're trying to work out. Senator Hatch said he had seen no language and no proposal from the White House on a compromise. Senator Kennedy said he's seen no language and no proposal from the White House on the compromise. What—civil rights leaders say this is essentially a stall. Where's the language? What is the language? And why is it secret from the two main people involved in negotiating this?

Mr. FITZWATER. Well, I'm not sure what they're referring to. Certainly Senator Kennedy has been in on all of the discussions with Governor Sununu and Boyden Gray and the Attorney General and others. Senator Hatch, I don't believe, has been directly involved so I'm not sure what he has seen. But they both clearly are aware of our concerns and what the discussions are about.

Q. But they've seen no compromise.

Mr. FITZWATER. Maybe they're not—maybe they're talking about specific language or something, but that's got to flow out of the debate.

Q. You have no——

Q. Marlin, the question is: Do you want them to just change——

Mr. FITZWATER. I'm not willing to give out any specific words, if that's what you're asking for—words on paper.

Q. Yeah, but do they exist?

Mr. FITZWATER. They exist in terms of our discussions, yeah. We know exactly what the problems are and how they can be fixed. There are lawyers all over town.

Q. You won't tell Kennedy what they are and you won't tell Hatch they are——

Mr. FITZWATER. Kennedy's aware of the problem here. We're discussing it, trying to work it out.

Q. Frank?

Q. As I understand it—and I don't—but—(laughter)—if a business departs from the proportion of a racial balance in an area in its hiring, that it is presumed to be guilty. And this is a shifting burden thing, too, but it's out of that kind of language that they're concerned that the businessmen will set quotas. And is the President going to veto it beacuse somebody might decide to set a quota to protect themself from some intangible thing that he can't (capture?)?

Mr. FITZWATER. Well, if the law forces that, that makes it a veto bill. That's our point. If the law has the effect of forcing people to adopt quotas, then it's a quota bill. That's our whole point.

Q. Is the President going to have a news conference in Huntsville tomorrow?

Mr. FITZWATER. Nothing very formal. He'll have a ropeline press conference, probably during the visit to the Marshall Space Flight Center.

Q. Does he have prepared remarks of any kind, or does he have something——

Mr. FITZWATER. He'll have some remarks about the space program—yeah.

Q. But it's not a formal sitdown press conference?

Mr. FITZWATER. Not a formal—no.

Q. Does he have any kind of a mikestand conference?

Q. When he arrives?

Mr. FITZWATER. Yeah, probably just a toast lectern in a mall—take some questions.

Q. Any kind of announcement that he wants to make about——

Mr. FITZWATER. No. No announcement of anything. It's nothing special. It's just the President felt it was about time to come down to the briefing room and talk to the press again, and we said, "Well, let's—why don't we do it in Huntsville?"

The PRESS. Why?

Q. Why, Marlin?

Mr. FITZWATER. Oh, it'll make an interesting day—give you all good stories to write and fill up the press plane—things like that. (Laughter.)

(Cross talk.)

Q. What time? Marlin, what time in Huntsville?

Q. Marlin, did you talk about—did the budget—did anybody talk about the budget at the meeting this morning?

Mr. FITZWATER. No, the budget wasn't discussed.

Q. I have another question for you which is that the Democrats have been saying for weeks that the President has to prepare public opinion for the possibilty that revenue has to be raised. And they're also saying that they're going to sit there with their arms folded and wait for the Preisdent to go first. What's he going to do?

Mr. FITZWATER. Well, I don't think they will. I think they are operating in good faith, and I think they'll discuss various options and proposals and they'll flow back and forth. And when they get a final agreement, then we'll all go to the country and talk about the problem and explain what the compromise is.

Q. Marlin, you're sure—so you're just not—you're not going to—prepared to say here the President has something to present tomorrow to go first. That's not true?

Mr. FITZWATER. They've all agreed that's not the way they're going to do it. It's not going to be, this is our—our side, our presentation and your presentation, and you knock down this and we'll knock down that. That's not the way they're going to proceed. They're going to talk about various ideas, and proposals will come on the table, but there's not going to be a yours and ours and theirs.

Q. Marlin, does Mary McGrory have an exclusive——

Q. (Inaudible.)

Mr. FITZWATER. Well, they'll work that out.

Sarah, I'm sorry.

Q. Does Mary McGrory have an exclusive interview with the President? She just went in.

Mr. FITZWATER. No.

Wendell?

Q. Senators Cohen and Gramm said that the White House says the 10:00 meeting is breaking up. Is there a budget, internal budget meeting going on?

Mr. FITZWATER. No, there are some 28 members who are running for office in this election who are coming in to have videotapes made, and they were among that group.

John?

Q. On the family leave, is that veto going to come any day, or is it still——

Mr. FITZWATER. We haven't received the bill yet, but it'll—whenever—after we receive the bill.

Q. A follow-up on that, in that tape of September 1988, when the President talked about it during the campaign, I didn't hear him suggest or imply that if it was mandated, he would be opposed to it. Who did he think was going to, you know, favor these leaves? That the companies were going to do it themselves, that business was going to police itself?

Mr. FITZWATER. Exactly.

Q. Who would do it if the government didn't do it?

Mr. FITZWATER. Exactly. Most companies—or many companies do, and he was urging voluntary participation.

Q. But the weird thing about it was that the word "voluntary" was not in there, Marlin.

Mr. FITZWATER. Neither was "mandatory." It was silent on that point. All he said was he thought women should not be forced out of their jobs because of having children. He believed it then, he believes that now. He repeats that same words today, he just doesn't believe it should be federally mandated. But he does believe companies should provide those benefits.

Yes?

Q. Marlin, he raised it in that speech, that it was—that was being done at a lot of companies around the country, and if there's been no redress of that since.

Mr. FITZWATER. He believes that companies should provide those benefits. He just doesn't believe they should be federally mandated.

Wyatt?

Q. You, at this podium some months ago, basically made the point that you all thought the cure in this parental leave was worse than the harm. You said that it would—you were afraid, the administration was afraid it would drive people out of work if you mandated——

Mr. FITZWATER. That's one of the big problems, is job losses, yes.

Q. Marlin, on what do you base that conclusion?

Mr. FITZWATER. On two extensive conclusions. One is that there are studies that tend to show that mandated federal benefits force employers to make decisions not to hire. And secondly, the experience that we've seen in Western Europe and even—and in Eastern Europe, certainly—is that the more rigidities you build into the employment system, the more difficult it is to hire people and create new jobs. When we saw the rapid expansion of employment in the United States in the late 1980's you did not see that in places like Great Britain, Italy and France. And their conclusion—one of the major conclusions was that they had so many rigidities in their employment benefits system, and we don't want that to happen here. We think it very definitely is a jobs question.

Leo?

Q. On OCS, still possible this week?

Mr. FITZWATER. Any day. Nick?

Q. Yes——

Q. How about today?

Mr. FITZWATER. Not today.

Q. Former Japanese Foreign Minister Abe is coming to meet with President Bush on Thursday. He said last week that US-Japanese relations are in danger of breaking down due to the growing acrimony as you approach the final report on SII. Is the President concerned about these kinds of comments, and——

Mr. FITZWATER. Well, we don't believe that's the case. We have good relations with Japan. The President and the Prime Minister have good relations. Our two countries are both large economic powers. I don't think there's any danger of that breaking down.

We're working towards the final—final report. We want to keep the pressure on. A lot of participants are commenting one way or another, but there is no danger in United States-Japan relations falling apart.

Q. Would you say that you would hope to have that final report ready for Kaifu and Bush to sign when they meet prior to the Houston summit?

Mr. FITZWATER. No. It will be ready whenever it's supposed to be ready.

Helen?

Q. Hatch said something about—in connection with the letter to Shamir—there was a lot going on behind the scenes. Do you know what he was referring to, or did something come up at the meeting?

Mr. FITZWATER. I don't know. As Knight-Ridder reported, the President did send a letter to Mr. Shamir congratulating him on the formation of his government. He talked about Israel's security and well-being remaining an important concern to the United States and went on—I guess you've all reported all this, you don't need to hear it again.

Q. No, I'd like to hear it.

Mr. FITZWATER. Okay. Said he looked forward to working with Mr. Shamir on enhancing the freedom of Soviet Jews. He reiterated his view that Israel's settlement activity constitutes a significant obstacle to peace. He reiterated his strong support for the Israeli government's May 14, 1989, initiative as the most realistic way forward in the peace process. And, as Prime Minister Shamir said yesterday, that President Bush also asked him for his views on the peace process and how they would like to proceed.

Pascal?

Q. What are these suggestions about?

Mr. FITZWATER. What suggestions?

Q. President Bush made suggestions to Prime Minister Shamir. (They/he?) said that in the interview. Could you give any details of what those are?

Mr. FITZWATER. No detail, really, just to the effect of continuing the peace process, of pursuing the various proposals that Secretary Baker had been working on in the recent months before the fall of the last government.

Gene?

Q. Marlin, Hatch outside said that the President had indicated there were, quote, "Some substantive reasons to hope for success" in the Middle East peace process. To what is he alluding?

Mr. FITZWATER. Well, I don't know. I mean, you have to ask him. My—if I were asked that question, I guess I would point to, one, that we now have a government so at least we have an entity to work with. The President's letter is one of committing the United States to the peace process and we are hopeful that we can—we can engage the Shamir government in pursuing that. But what he had in mind, I have no idea.

Pat?

Q. What time is this press conference tomorrow?

Mr. FITZWATER. There's no specific time. It's just—be just during the tour of the Marshall Space Flight Center which is generally late morning, I think—early afternoon.

Charles?

Q. Just to tie up a loose end on the civil rights—John's question about the timing with Mandela. Would you consider it dysfunctional if the Democrats brought it up or would you consider it political?

Mr. FITZWATER. No, they can bring it up at any time.

Pascal?

Q. Could you at least give us a list of the pre-briefs for the two summits—NATO and Houston—if there will be pre-briefs next week?

Mr. FITZWATER. We'll try and publish something for you.

Q. (Inaudible.)

Mr. FITZWATER. Try and do it this afternoon, yeah.

The PRESS. Thank you.

Mr. FITZWATER. Okay.

Mr. JEFFORDS. Mr. President, I rise in strong support of the pending amendment and commend the Senator from Colorado for offering this provision to require the Department of Housing and Urban Development to develop guidelines for States to develop a uniform mortgage financing plan for energy efficiency.

Mr. President, several States, including Vermont already have such programs. Vermont's program, "Energy Rated Homes of Vermont," is a great success. It is supported by bankers, realtors, homebuilders, fuel dealers, and housing advocates. Those concerned with energy and environment issues are impressed because this program results in energy savings and therefore minimizes problems associated with energy production.

Under the Vermont program, trained appraisers gather information to complete an energy audit of homes energy requirements. Similar to the EPA mileage ratings for cars, this system compares the energy efficiency of one home to another, regardless of age or style. Energy efficiency is rated on a scale of 1 to 5, with a 5-star home being the most efficient.

The rating system provides participating lenders a tool to incorporate energy efficiency in the underwriting process. If the home already rates 4 stars, or if a buyer plans to bring the home up to this level, the buyer may qualify to receive a larger loan and cover the cost of completing the energy work.

In effect, lenders stretch the allowable debt-to-income ratios for homes rated 4 or 5 stars.

The program is based on a simple premise: A homeowner will be better able to afford a mortgage payment if his monthly utility payments will be predictably and consistently lower.

Mr. President, energy efficiency is one of this country's best opportunities to reduce energy consumption, decrease pollution of many sorts, and increase productivity. It is widely known that the United States uses about twice as much energy per unit of gross national product as do our biggest trade competitors. This excessive energy use causes all sorts of problems that have traditionally been addressed by end-of-the-pipe solutions.

The recent clean air debate demonstrated the importance of reducing the demand for energy instead of seeking to increase the production of energy.

While several States have already developed energy efficient programs on their own, these same States generally support the promulgation of a uniform, national system. Additionally, States without such programs will be better able to adopt this system that produces many winners and has no losers.

I urge my colleagues to approve this important amendment.

UNANIMOUS-CONSENT AGREEMENT—VETO MESSAGE TO ACCOMPANY H.R. 20

Mr. CRANSTON. Mr. President, I have a unanimous-consent request that I believe has been cleared on both sides of the aisle.

I ask unanimous consent that when the Senate receives from the House the veto message to accompany H.R. 20, the Hatch Act reform bill, that it be considered as having been read and spread on the Journal.

I further ask unanimous consent that at 9:30 a.m., on Thursday, June 21, the Senate turn to the veto message, and that there be 2 hours on the message, to be equally divided between Senator GLENN and ROTH, and that at 11:30 a.m., on Thursday, the Senate proceed to vote, without any intervening action, on the question: Shall the bill pass, the objections of the President of the United States to the contary, notwithstanding?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, do I have any leader time remaining?

The PRESIDING OFFICER. The Senator has 6 minutes remaining.

ENOUGH BLAME TO GO AROUND

Mr. DOLE. Mr. President, I was not present during all the discussion of Mr. Fitzwater's remarks. But I say my colleagues cannot have it both ways; they cannot go around attacking President Bush as the savings and loan President. I notice the Senator from Arkansas talk about the bipartisan support for Mr. Ryan, but not with his vote or the vote of others who spoke on the S&L matter. I just suggest, as I understand Mr. Fitzwater did: There is probably enough blame to go around. So if we talk about President Bush being the savings and loan President, I am going to make a statement on the floor in a couple of days about the savings and loan Congress so we can all talk about where the blame lies.

I think in the final analysis, it probably lies everywhere. But to suggest somehow there is an abuse of power because the President of the United States, through his spokesman and press officer, raises some questions after he has been attacked by Democrats for the last several days and several weeks, as the President invented the S&L crisis, I think certainly is illogical.

I applaud Mr. Fitzwater and I hope he keeps it up. The President of the United States does not have to take it lying down just because some Member of Congress attacks and somebody else attacks; it does not mean the President of the United States is helpless or hapless. He does not have to take it lying down.

I am pleased the spokesman, Mr. Fitzwater, has indicated the President understands political attack when he sees it and that they are going to meet these attacks head on. So I applaud Mr. Fitzwater.

This was a matter discussed this morning in a leadership meeting. We will be making some comments. We raised the same question with the Attorney General that was raised here on the floor about the need to move ahead on some of the prosecutions. There are a number of cases out there already; a thousand cases pending. It is not that nothing happens. But I suggest that it does take a while to find all these prosecutors. It takes a while to organize a Senate office when you are a new Senator.

I guess when it all unfolds, we will find enough blame for everyone; all of us; including everyone.

Mr. President, I ask unanimous consent to print in the RECORD an article by Jeffrey Birnbaum on the S&L crisis.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, June 14, 1990]

DEMOCRATS DON KID GLOVES IN S&L MESS TO AVOID SCRUTINY OF THEIR OWN HANDS

(By Jeffrey H. Birnbaum)

WASHINGTON.—The Democratic Party is suffering a severe case of unfulfilled expectations over the savings-and-loan debacle.

Many Democrats believe they should be bashing President Bush and the Republicans for causing the mishandling the nation's biggest financial scandal. "It's the biggest issue I can see for us against Bush," says Rep. Dan Glickman (D., Kan.).

The issue resonates with the voters. "I have not done a town meeting where this hasn't been a major focus of attention," says Rep. Thomas Downey (D., N.Y.). "I am astonished by the level of interest, but more horrified by the level of anger. This is a political issue of the very first magnitude and it's going to bite somebidy hard."

But, so far the Democrats have remained mostly passive in what seems to be a ready-made issue for them. When Treasury Secretary Nicholas Brady went before the Senate Banking Committee recently to concede that his agency had grossly underestimated the cost of the thrift-rescue plan. Bush administration aides were astounded—and relieved—to find questioning by the panel's Democrats so tame.

The reason? In the public mind the Democrats are at least as culpable in the S&L mess as the Republicans. Four of the "Keating Five" Senators under investigation for intervening on behalf of S&L kingpin Charles Keating are Democrats including the chairman of the Senate Banking Committee. Donald Riegel of Michigan. And former House Speaker James Wright and former House Banking Committee Chairman Ferdinand St Germain both were ruined politically after allegations of close ties with thrift executives.

"I don't believe that either party is totally without sin on the issue, says Rep. Thomas Carper (D., Del.).

As a result, Republicans doubt the $100 billion-plus crisis will rub off on them exclusively. "A thumbnail sketch of the history on the S&L crisis has a veritable rogues gallery of Democratic leaders in it, says John Buckley, a Republican strategist.

Instead, incumbents of either stripe may well be victims of the S&L fallout. "It is best as an outsider-vs-insider issue, as opposed to a Democrat-vs-Republican issue," says Harrison Hickman, a Democratic consultant.

"It's bad for everybody," agrees Sen. John Breaux (D., La.), chairman of the Senate Democrats campaign committee. "It's bad for incumbents."

"It's going to be a very salient issue in the fall, predicts Roger Stone, a Republican consultant. "Incumbents beware!"

In particular, the S&L bailout is expected to play a role in the re-election contests that year of Democratic Rep. Frank Annunzio of Illinois, a senior member of the House Banking Committee, and of GOP Rep. Charles Pashayan of California, who accepted and then later returned a campaign contribution from a group run by Mr. Keating.

Still, a growing number of Democrats believe their party should try to use the thrift crisis against the Republicans. Sen. Bill Bradley of New Jersey, Sen. Bob Kerrey of Nebraska, and Gov. Mario Cuomo of New York make criticism of the S&L bailout part of their stump speeches. Last week at New York State's Democratic Party convention in Albany. Gov. Cuomo excoriated the Republicans for allowing thrift executives to "do what they want to do." The result, he said, was that "they stole everything in sight. They fouled up everything in sight and now you're paying for it."

Other Democrats are taking this same line of attack. The S&L situation "is going to be one of the most important issues of the campaign." says Rep. Vic Fazio (D-Calif.). "If there's a political price to be paid, and there will be." he adds. "I don't think those bills are going to come due for Democrats."

There is some reason for Democrats to be sanguine that they can direct voter anger at the GOP. Many of them say that the thrift industry's basic problems stem from the Reagan administration's emphasis on deregulation and its unwillingness to budget an adequate number of government auditors. In addition, they note that Mr. Bush was at the center of the issue: as vice president he headed Mr. Reagan's task force on deregulation.

What's more, the most recent setbacks in the bailout—especially its ever-escalating cost—are easily laid at the feet of the Bush administration, Democrats say. "Responsibility for what happened in the past is somewhat shared," says Rep. Barney Frank, (D., Mass.). "But since last year's bailout bill passed they have done a very poor job of administering it. . . . It's been a real screw-up.

Few believe the S&L problem is much better now than when the president won the legislation he sought last year to clean up the mess. And Democrats have begun to target their barbs at what they see as shortcomings of that enterprise. These include the Justice Department's slowness in prosecuting thrift executives and the Treasury's long-delayed sale of confiscated assets.

Some congressional Democrats warn that the Bush administration's request for more bailout money will be rejected unless the deposit-insurance system is overhauled in a populist way, including placing lower limits on the amount of deposits that are federally insured. This would serve to put a Democratic stamp on the solution. What's more, Democratic-led efforts are under way in both the Senate and the House to force the administration to spend more than it wants to prosecute savings-and-loan criminals.

"This is worse than Watergate," asserts Rep. Annunzio of the House Banking Committee. His subcommittee on financial institutions, which already has grilled the president's son Neil about his directorship of a failed Colorado thrift, has scheduled other hearings for later this year.

But it isn't clear that the Democrats can succeed in fulfiling their political aspirations with the issue. "The problem we have as Democrats." concludes Rep. Bruce Vento (D., Minn.), "is that a few Democrats stuck their noses in where they didn't belong."

Mr. KERREY. Will the Republican leader yield?

Mr. DOLE. I will yield when I finish.

FLAG AMENDMENT

Mr. DOLE. Mr. President, after listening to the distinguished majority leader, Senator MITCHELL, and the distinguished majority whip, Senator CRANSTON, I am tempted to say that the Senate needs a refresher course in basic civics.

The preamble to the Constitution starts off with these three simple, but important, words, "We, the people."

The Constitution does not begin, "We, the Congress."

According to a recent Gallup poll commissioned by the American Legion, 71 percent of all Americans support the flag amendment. And according to a recent Time magazine poll, 68 percent of the American people believe that Old Glory deserves one type of protection only—and that is constitutional protection.

Mr. President, these poll results may vary a bit, but the lesson for us in Congress is crystal clear: At least two-thirds of the American people support a constitutional amendment to prohibit flag desecration. It is probably even higher than that because there are 5, 6, or 7 percent undecided. At least two-thirds of the Congress should get behind the American people by supporting the amendment as well.

The distinguished majority leader says that "the flag amendment would change the Bill of Rights for the first time in history."

That is good rhetoric, and if I am on the other side, it is a good statement. But—as the Senator from Alabama, Senator HEFLIN, has pointed out before—it ignores history, and it is simply not true.

The 13th, 14th, and 15th amendments to the Constitution amended—changed—the Bill of Rights by giving the freed slaves the right to vote, the right to engage in political activity, the right to speak freely.

These amendments certainly changed the Bill of Rights.

I also find it ironic that the leadership on the other side are now wrapping themselves around the first amendment when, in fact, they voted for the so-called Flag Protection Act last October.

In a desperate effort to achieve something called content neutrality, this statute prohibited more conduct, more speech, than a proposed constitutional amendment.

But there was not a whimper—not one word—about the first amendment last October, or about the prudence of amending the Bill of Rights through a statute.

I find it even more ironic that during the 100th Congress, both Senators MITCHELL and CRANSTON voted to invoke cloture on a constitutional amendment allowing Congress and the States to restrict our most important form of speech—political speech. This amendment—Senate Joint Resolution 282—was designed to overturn the Supreme Court's Buckley versus Valeo decision and to allow campaign spending limits.

Without question, Senate Joint Resolution 282 is as much of an amendment to the Bill of Rights as the flag amendment, Senate Joint Resolution 332.

But maybe campaign spending limits are somehow more important than protecting the flag of the United States of America.

The majority leader also suggests that—by protecting the flag—we will somehow open a Pandora's box—that there are other national symbols—no different from the flag—that would also clamor for constitutional protection.

Mr. President, I also went to law school, and I know all about sleight-of-hand slippery-slope arguments like this one. I never bought those arguments in law school. And I do not buy the one advanced today by the majority leader.

Do we pledge allegiance to the Constitution, or to the Presidential seal, or to any other national symbol?

Of course not.

June 14, Flag Day, is a national holiday, but do we have a national holiday honoring the constitution, or the Presidential seal, or any other national symbol?

No, we do not.

The "Star Spangled Banner," our national anthem, honors the resiliency of Old Glory. But does our national anthem honor the Constitution, or the Presidential Seal, or any other national symbol?

No, it does not.

Forty-eight of the fifty States have enacted statutes prohibiting the desecration of the flag. In fact, they have been getting along pretty well for all these years when we prohibited burning of the flag or desecration of the flag.

Have the States and Congress passed laws prohibiting the desecration of the Constitution, or the Presidential seal, or any other national symbol?

No, they haven't.

So, as you can see, the flag stands alone. It stands alone as the unique symbol of our ideals, our hopes, our aspirations as a united people.

No doubt about it, amending the Constitution is serious business. That is why the framers intentionally made the process a long and difficult one, two-thirds of Congress and 38 States.

But amending the Constitution is also squarely in the American tradition. And, in fact, one-fourth of all amendments adopted since the Bill of Rights were drafted to overturn specific Supreme Court decisions that the American people simply did not like.

In case you have not noticed, the American people do not like the Texas versus Johnson decision. They do not like the United States versus Eichman decision either.

The American people want to say "no" to the fragile five-Justice majority on the Supreme Court. Keep in mind, this was 5 to 4. One Justice difference would have made it the other way around.

So, Mr. President, Congress should not deny the American people this precious opportunity.

It is time for us in Congress to get the wax out of our ears and listen to the American people for a change.

I yield to the Senator from Nebraska.

Mr. KERREY. I thank the Republican leader. I want to make a comment as well on the flag issue. Last week in debate, I went a little over the top myself with an emotional response. I want to make it clear that I have a great deal of admiration for the Republican leader, long before I ever arrived here. I watched you not only in service of your country here, but I like the way that you operate. It seems to me what I have observed, at least from a distance, and we are at some distance not only because of the fact we are across the aisle from one another, but we are a generation apart, but I admire the way you stand up in what you believe in. I admire the fact at times you ignore the polls. You are not afraid to stand and say this is what we ought to be doing in the Middle East; this is what we ought to be doing in America in 1985. As Governor, I had strong support of the action you took then because I thought it was courageous and correct. I make it clear, we disagree on the flag amendment but it is not personal. It is just a genuine and legitimate disagreement.

Similarly, the question that I had relating to the S&L situation, I am fully prepared to accept any criticism that the administration wants to make of a position that I take.

I am trying to in fact engage in a debate about what ought to be done, about proper insight. I am concerned, though, when the response in particular from Mr. Fitzwater appeared not to be on substance but appeared to be mostly political. In this particular case, he said maybe I ought to check Senator KERRY's background, see if there is anything there. I am respectfully and genuinely asking the Republican leader what he thinks a political attack is. At what point do I cross the line from legitimately and genuinely expressing my concern about the way it is organized, about the way we are directing the resources inside, about the policy of the S&L's, about the bailout itself, at what point have I crossed the line from engaging in simple concern about the policy and being unfair with political accusations?

Mr. DOLE. I think my time may have expired, but if I may ask for 5 minutes as if in morning business.

The PRESIDING OFFICER (Mr. BINGAMAN). The Senator may proceed for 5 minutes.

Mr. DOLE. Again, let me make it clear so we understand, I have great respect for the Senator from Nebraska. We differ on some of the issues, but I think fundamentally we are in agreement on maybe more than we disagree on. I would go back to the flag for just a moment because I have watched the Senator from Nebraska on television charging that the Republican leader and the President were laughing and waving the flag at a White House meeting. The truth is, as one of the ABC correspondents pointed out, we were laughing because that was the President's birthday and when all the reporters walked in they had on these little funny hats. The Senator from Nebraska was not there. He said we were laughing about the flag. I thought that was a little unfair. But had the Senator been there and had the Senator seen what was going on with these reporters' silly little hats, he might have been laughing, too. So I want to correct the record on that because I think there may be a mistaken belief by some that somehow President Bush and Senator DOLE were down there waving the flag and laughing about the whole issue, which the Senator found to be—I cannot remember the word, but it was not kind. But I would also point out that the Wall Street Journal piece on Flag Day says, "Democrats Don Kid Gloves on the S&L Mess to Avoid Scrutiny of Their Own Hands."

So I just point out that there is plenty of blame to go around. To stand up on the floor and attack the President may be good sport, but on this side we are going to defend our President. If he has made a mistake in handling the S&L problem, we will raise it, as we raised this morning with the Attorney General. We need to move more quickly. I said so before because I can see this becoming a political issue. It should not become a political issue, but let us face it, these matters can become political issues.

So I just say to the Senator from Nebraska, I am certainly willing to work together with anybody in a constructive way to try to find an answer to some of the problems. I am not going to let Members of the other party get up and bash the President or bash his press officer without at least some response when I do not think President Bush has the responsibility for this. It was President Bush who sent a bill up here in the first month he was President to deal with the S&L crisis. We can find a lot of examples, and I will point out some in a speech I will make in the next few days. Since the Senator from Nebraska has referred to President Bush as the savings and loan President, I am going to make a speech on the S&L Congress. So we will have it both ways.

Mr. KERREY. I thank the Republican leader for the answer, and I look forward to the speech. I will try to be here when the Senator gives it.

Mr. DOLE. It will not be that good, but I will give it.

Mr. KERREY. I thank the Senator.

NATIONAL AFFORDABLE HOUSING ACT

The Senate continued with the consideration of the bill.

Mr. KERRY. Mr. President, I rise at this point to say a few words about the National Affordable Housing Act which is the pending legislation, and I will do so mindful of the fact that we are in between amendments. But I did want to do this on the first day that we are really in the middle of grappling with the amendments as the bill comes to the floor and as we set out on what I think is a most important journey with respect to the entire effort regarding housing in this country.

Yesterday we began that effort. Today we get into the real mix of some amendments even as we continue negotiations with the administration on some parts of this legislation.

But I would like to express my support for this bill. I have some minor reservations here and there about portions of it. But Senator CRANSTON, the distinguished Senator from California, who chairs the subcommittee on which I am privileged to serve, and who as a member of the Banking Committee has really done an extraordinary job, I think deserves enormous credit for the fact that this bill is here at this moment in time. This has not been a short-term passion of Senator CRANSTON. He has pushed this bill. He has worked diligently with almost every single group across the country in an effort to reach out to them and to listen. There have been commissions, there have been task forces, there have been outside advisers, and he has really done an extraordinary job of building a coalition of some of the most difficult constituencies because of the interests that are at stake and the tensions that have traditionally existed between those constituencies. It is to his credit that this bill has taken the shape it has, along with the work of Senator D'AMATO and other Members of the minority who have helped us to arrive at this moment.

We use the word "landmark" legislation of the Senate from time to time, and sometimes perhaps inappropriately, but I think it is entirely appropriate to consider this landmark legislation. One of the reasons it is landmark legislation is that it represents the first time in more than 10 years that we have attempted to define our priorities on the Senate floor regarding national housing policy and to reaffirm our commitment that has been stated from administration to administration from the late 1940's until the beginning of the 1980's, that it was the commitment of this country to provide decent and affordable housing for all Americans.

Over the last decade we have seen the development of an extraordinary crisis in housing, a really unique crisis, and the problem of affordability has intensified. Federal support for housing has been devastated year to year by budget cuts, by policy neglect, by systematic mismanagement, and by outright fraud and abuse.

Taken alone, these different restraints on a housing program have each and of themselves raised a high level of concern. But when you realize that these symptoms resulted in extraordinary human cost then the price of our neglect becomes even more dear.

It is axiomatic to point to the fact that this is one of the richest, if not the very richest, country on the face of this planet. That has permitted an awful lot of people in this country to be able to take certain principles for granted. Certainly one of those principles has been the traditional American concern for those less fortunate, for those who are not able to share as easily the American dream.

Despite the virtues—and there are many—there is something drastically wrong when the National Academy of Sciences can report that an estimated 100,000 of our children are on the streets and roads of America looking for shelter each night like stray animals, and when another 6 million Americans are at extreme risk because their rents are so disproportionate to their ability to pay. There is also something dramatically wrong when, in a country which has prided itself on its ability to have its citizens achieve the dream of homeownership, young couples today are finding it increasingly difficult and often impossible to reach that dream, to share the purchase of a home.

There is also something dramatically wrong when we look and see that between 1973 and 1983 the United States permanently lost some 4.5 million affordable rental units through demolition or through structural conversion, when we realize that we stand to lose 2 million more federally assisted affordable housing units in the decade to come.

We cannot afford that loss. The country cannot afford it. Our spirit cannot afford it and we certainly cannot afford it in the misery that will mean for countless Americans who will continue to be counted among our homeless or among those who cannot afford to share in the dream itself.

It is no wonder, considering that history of these last 10 years, the history of avoidance of choices and the history of willful neglect, that we now have people eating on heating grates and on orange crates; it is no wonder that the demand for shelter at any price has pulled housing costs through the roof; it is no wonder that so many young families cannot afford to buy, and so many older homeowners cannot afford to hold onto the home in which they currently live.

As a Vietnam veteran, I am particularly sensitive to the fact that so many of our homeless in America are Vietnam veterans. It is my hope—and I have talked to the Senator from California—that even in this bill we may be able to address that issue somewhat, even as we continue to work to try to find a consensus on other legislation that hopefully can provide funding to our homeless.

We have a housing crisis in America. It is about time that Washington began to solve it, not cause it, or contribute to it as it has so negligently done in these past years.

The time to correct these wrongs is now, and it is long overdue, Mr. President. I believe that Senator CRANSTON, through his leadership on this particular bill, begins that process. It is a most important beginning. This act is a reasonable and a responsible renewal of the Federal Government's role in the commitment to the goals of the 1949 Housing Act.

This act authorizes a comprehensive new housing policy, based on better experience and on bitter experience, based on sound principles, and based on the careful study and advice, as I mentioned earlier, of the very best expertise in our country from all regions of the country, all housing sectors, all levels of government, all kinds of private business, and without regard to political party.

I am convinced that this legislation can mobilize a sustained national effort to provide more affordable housing, and the foundation of this act is its attempt to guide and to strengthen existing programs among the States, among local government, among private industry, and among nonprofit organizations. It is not an effort by the Federal Government to step in with big brother or big government somehow making all of it happen and constructing enormous new projects.

We have learned some lessons. We understand the dangers of that kind of effort. This is an effort to try to take the best of what has worked at the local level, the best of innovative and creative efforts from the State—and I am proud to say that the State of Massachusetts has helped contribute to that through the efforts of Governor Dukakis and our Secretary of Communities and Development, Amy Anthony, who has done an extraordinary job of being creative, and trying to take scarce resources to the greatest distance.

All of these have been combined in this bill with the goal of preserving

and of expanding the supply of affordable housing.

In addition, this bill seeks to take out of HUD a decisionmaking process which has been subject to fraud and abuse, and to raw politics. It takes it out, and it puts it closer to where the housing problem really exists.

I think that is sensible. It maintains strict oversight of HUD, and we also understand that is critical because we have seen and we have learned through better experience firsthand what political and personal greed can do when too much discretion over too much money is centralized in too few hands and hidden by the impenetrable darkness of Washington bureaucracy.

Mr. President, this bill represents fundamental and systemic reform of our housing program, and it is critical to ending the disastrous fraud that has made HUD a four letter word to too many Americans.

Mr. President, I will not go into detail about the specifics of what this bill sets out to do because the Senator from California and other Senators have done so in the course of the opening statements yesterday. But I want to mention a couple of the specific aspects of the bill which I think are particularly important to the people of Massachusetts.

First, I think the committee has made a bold effort under difficult circumstances to work out a best sense of compromise with respect to the issue of preservation of existing housing and the expiring certificate problem.

As most of my colleagues know, during the 1990's we stand to lose over 360,000 federally assisted low- and moderate-income housing units. We do that because the restrictions on use, which were reposed on those housing units 20 years ago in order to entice developers to make this investment in the first place, are expiring. We have a difficult problem.

If each developer who has built up an expectation that they have the right to sell that house does so, or that unit, or those units, then obviously we lose housing units, and that would have a devastating impact on renters, on elderly, on those who depend on that housing for shelter. That would be unacceptable.

But, by the same token, I personally believe that the Government has made a contract with those people, and you cannot expect people in the business world to put their capital up for the purposes that the Government entices only to find that later on the Government is always willing to change the rules in a way that is adverse to their willingness to do that.

So there has to be some balance. I think the Senate is trying to create that balance as best as possible, though there may still be some steps that could be taken to address that even further.

Whether or not that will happen in the course of debate on the floor or whether it will happen in conference is yet to be seen, but I support Senator CRANSTON's efforts to be fair and to try to strike the best balance, and I think this compromise is an effort to try to do that.

In Massachusetts we are talking about the possibility of losing an estimated 30,000 units, representing tenants who simply will not have a reasonable alternative. That is obviously unacceptable, to lose 30,000 units in a State our size. So I have been fighting, along with other Members of our delegation, to try to guarantee that that will not happen. I thank the distinguished Senator from California for his sensitivity to that issue.

I also want to mention the inclusion of the reauthorization of the 1988 Public Housing Drug Elimination Act and its expansion in this bill to include federally assisted housing as well. Working with my colleague from New Jersey, Senator LAUTENBERG, we were able to fashion an approach that will go a long way to helping our public housing authorities to address the growing needs that are associated with illegal drug use and drug-related crime.

Too many of our federally assisted units have become almost places for sale of drugs. Obviously, there is far too much crime in those units, and too many 16 year olds or 14 year olds have been exposed to extraordinary levels of violence, partly because the design of these units was such that they never contemplated the modern scourge that we face today with crime in those areas.

The grants from this program can be used to fund a variety of projects, which address those issues, including the employment of security personnel; the reimbursement of local law enforcement agencies for additional security and protective services; physical improvements as simple as lighting in an entryway, and other things designed to enhanced security; drug abuse prevention programs, as well as communications and other related equipment for voluntary tenant patrols.

In closing, Mr. President, as this debate goes on through this week, as the negotiations go on, I look forward to working in an effort to try to guarantee that we have the strongest housing bill possible. I express my support for the basis of this legislation. The committee has labored long and hard to fashion a bill that we can be proud of, and a bill that would reverse the extraordinary neglect and perverse policies and outright fraud that have characterized the Federal housing program for the past decade.

I believe that this is a bill that begins to do that, and I know the Senator from California would like to see more money put up for this purpose. We recognize the difficult budget constraints within which we are working, and we respect the mutual desire on both sides of the aisle to deal with reality on that issue.

I encourage my colleagues to support this legislation, and I look forward to working with the distinguished Senator from California and the Senator from New York in an effort to see that it becomes again the law of the land in a restatement of what we first expressed as a Congress in 1949 and what we should reexpress as we move into the next decade of this century.

Mr. CRANSTON. Mr. President, I want to thank the distinguished Senator from Massachusetts very much for his very warm and laudatory remarks about the efforts that I have made on this bill.

Much more than that, I want to thank him for his many contributions to the housing needs of our country. Senator KERRY became deeply involved in housing issues long before he became a member of the Housing Committee, which is the parent committee of the housing subcommittee that I chair. He was one of the principal authors of the housing bill we passed last year.

We are building in the bill we are now considering a partnership with States and cities and others at the local level that is based in good part on innovative efforts that were undertaken locally throughout our country, all across it, during the 1980's when the U.S. Government totally advocated its responsibilities for helping Americans meet their housing needs.

So we know that there were scandals rather than successes in building housing and providing it for those who needed it. The Senator's State of Massachusetts was one of those that was particularly innovative in many ways during those years, and provided many examples that we will rely upon and are relied upon as we try to spread the word around the country of what works locally and what does not and where we can support it, as we hope to at the Federal level through this bill. So we are looking to the Senator and to his State for the leadership already provided, and for leadership that will be provided in the future.

The Senator mentioned two particular issues that are of concern to him and concern to many. He is providing leadership on both. One is the need to find a way to preserve for low-income tenants housing that was built some time ago under Federal programs, where contracts are not running out, and it might be turned over instead to people with lesser needs. We need to find a way—and the Senator is helping us do so—that will preserve much of that housing for those who need it,

but will be fair to those who built them and made investments that gave an opportunity for a good many years to a good many Americans to live in decent housing that would not otherwise have been available to them.

The Senator, a veteran himself, and a man who won many honors in connection with his own military service, has been particularly concerned about homeless veterans. The situation of homeless veterans is a disgrace in our country. A great many of the people who are homeless are veterans, and members of their families are veterans.

I and my staff are working with the Senator and his staff to find a way to help homeless veterans and their families get the shelter they need in a dignified way that ensures that they will have shelter that is appropriate to those who have served our country at a time of need. Now they have a time of need, and we must help them in their time of need. The Senator from Masachusetts is a primary leader in that effort at the present time, and I am confident that we will find a way, under his leadership and in our cooperative effort, to meet those needs.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. I thank the distinguished chairman for those comments. I am particularly appreciative of his efforts on the veterans legislation. I know our staffs are even working now. I hope we can resolve that. I thank the distinguished chairman, and I look forward to working with him, as we have worked for 19 years on these matters. I appreciate it.

Mr. GARN. Mr. President, we have before us today the National Affordable Housing Act. When this bill was passed out of committee, I voted against the bill.

However, I qualified my vote by saying that I, too, want a housing bill, but one with a price tag that is not $4 billion over the President's budget. If we can chip away effectively at the spending level of the bill, so it comes down to a reasonable ballpark figure, that would help me to consider voting for final passage of the bill.

This is an interesting time for housing legislation. Everyone wants a housing bill. The Democrats want a bill; the Republicans want a bill. The administration, including OMB and HUD, wants a bill. But, beyond ironing out what the price tag on the bill will be, there are still a few areas where a compromise still needs to be struck.

Just over a week ago, the administration came before the Banking Committee, together with GAO and Price Waterhouse, to unveil a set of FHA reform proposals to ensure that the FHA fund remains actuarially sound. In the meantime, several incarcerations of an alternative FHA proposal have surfaced. There are laudable aspects of both proposals, and as negotiations continue, I expect that there will be a meeting of the minds on an FHA package before we're finished deliberating the bill.

One nagging question in the back of my mind is, do these reform proposals go far enough? As I said when the original HUD-FHA reform proposal was presented to the committee, the Federal guarantee which backs FHA insurance is explicit, and if the fund were ever to be insolvent, a taxpayer bailout would be absolutely necessary.

A couple of other areas of the Affordable Housing Act about which I share concerns of the administration are, new construction, income targeting, and full funding for the administration's HOPE proposal. I will not go into details of those programs now, as it appears that continuing negotiations may make significant progress before too long.

Mr. President, I am guardedly optimistic that we will have a housing bill voted out of the Senate before Independence Day which we can all support. My hopes are that those involved in negotiations can come to the bargaining table with minds open to progress in the debate, and check partisan politics at the door.

Thank you, Mr. President.

Mr. KERRY. Mr. President, I ask unanimous consent that I be permitted to proceed as in morning business for a few minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ANOTHER OILSPILL

Mr. KERRY. Mr. President, yesterday barge 145 carrying 5 million gallons of oil ran aground at Buzzards Bay in Massachusetts. We were fortunate, and we were really lucky; we dodged the bullet for the second time in a week. Despite the fact that a hole was ripped in four of the tanks holding 1.2 million gallons of oil, water came up underneath and plugged the hole and kept the oil contained.

Mr. President, the stakes of oilspill roulette, which we seem to be playing now on a daily and weekly basis, are simply too high. The 475-foot oil cargo barge ran aground less than 1 mile from where the cruise ship, *The Bermuda Star*, ran aground just 8 days ago, and that ship spewed 7,500 gallons into the bay, leaving a sticky oiled shoreline on a nearby island.

These spills follow in the wake of the *Mega Borg* spill off of Galveston, TX, where a Norwegian oil tanker exploded, spilling an estimated 3.9 million gallons of oil, and that accident has fouled the seas, leaving crews and volunteers to wait, and presumably wait until it arrives, for a 30-mile oil slick that is now moving onto the coast.

And that tanker had been carrying 38 million gallons when the vessel suffered the explosion. Just days before the *B.T. Nautilus* ran aground in New Jersey dumping more than 250,000 gallons of oil into the harbor.

These oilspill incidents must remind each and every one of us that Congress is not living up to the promise it made after the *Exxon Valdez* spill last year; after the Narragansett Bay spill last year; after the spills in Texas and Delaware last year; and the Long Beach spill a few months ago in California. If I recall, we promised to pass major oilspill reform legislation as soon as possible. One year and countless spills later is simply not soon enough. These recent accidents only serve to underscore the need for Congress to move on oilspill legislation and move as rapidly as possible.

The Senate passed a bill last August nearly a year ago; the House passed legislation in November. Three months ago, the Senate made a proposal to the House to reconcile the differences between these two bills. To date the House has yet to respond except in the area of double hulls.

So, Mr. President, working at a snail's pace is not adequate to protect the treasured resources of our countless communities around the country that have been subjected to these spills.

The two proposals before the House and the Senate are actually very close, and it seems to me that we ought to be able to focus our attention to work out the final differences.

Last year, Mr. President, I chaired several hearings in the Commerce Committee on oilspills and those hearings culminated in a portion of the oilspill legislation that we so badly need.

During those hearings it was evident that contingency planning and preparedness is the key to dealing with an oilspill. In Prince William Sound, the *Exxon Valdez* spill had several different plans on paper, but when put to the test none could produce. Skimmers were in drydock, booms were too short, dispersants had not been tested. The legislation before our two bodies addresses such inequities by requiring all vessels, facilities, and ports to have contingency plans that are approved by the Coast Guard.

Yesterday in Buzzards Bay, the Coast Guard was prepared. They had the barge boomed within hours, and the reason they were able to do that is because all of the equipment was on hand, less than a mile away at the other spill of *The Bermuda Star*. They did not have to wait 57 hours to have the equipment flown in from Norway, as was the case with the *Mega Borg*.

I think these two examples only serve to underscore the efforts we

have made in the legislation now pending in the Congress and its shows how critical contingency planning and preparedness are if a spill occurs.

Mr. President, I would like to particularly commend the fine work of the Coast Guard and the leadership of Admiral Rybacky who helped to guarantee that the spills in Massachusetts have been minimal in their impact, on the coast.

I also for that reason applaud the provision of the legislation pending before the Congress in both the House and the Senate which places the Coast Guard immediately in charge when a spill occurs.

Mr. President, the House and the Senate are really quite close to an agreement on a double hull provision. I happen to be a strong supporter of double hull requirements and I supported Senator ADAM'S amendment when the bill was on the Senate floor last year. I have pushed to have it included in the conference bill. Agreement is imminent to require all newly constructed vessels to have double hulls, and mandates a phaseout of the existing single hull tanker and barge fleets.

Both the Senate and the House are in agreement on establishing the necessary industry financed billion dollar fund which would compensate for quick cleanup costs and for damages from oilspills. Both bills hold owners of tankers liable and both provide full compensation for natural resource damage and recovery. So in reality, we are really quite close. The biggest stumbling block to overcome relates to the issue of the inclusion of the 1984 international protocols with regard to oilspill liability standards.

Our majority leader, Senator MITCHELL, has been very outspoken on this issue. He strongly opposes the 1984 protocols as they undermine and preempt State liability laws. I agree with Senator MITCHELL. The 1984 protocols simply do not go far enough to protect the States and their implementation would have the devastating impact of overturning the States rights to have stronger laws and a higher standard.

In general, Mr. President, I do not oppose an international protocol. But in this regard, the standard imposed by the 1984 protocols is not high enough. I think we have a right to guarantee that the citizens of Maine, Massachusetts, Alaska, and those States that are impacted by this scourge of oilspills, that they have a right to demand higher standards if they want to put in place higher standards.

So I call on my fellow conferees to meet at the earliest point possible and to try to have a final bill before the President before we recess in August.

We obviously cannot continue to play the game of chance as we are engaged in today. We have been very, very lucky in a number of situations like Massachusetts, but it is very clear that that luck will not go on forever, just as it is tragically clear that the human error that has contributed to each of these prior accidents will undoubtedly plague us in the future. The State of Massachusetts thrives on costal tourism. It thrives and boasts a $ billion fishery fish business. We, like every other coastal area, will suffer too much, and have too much at stake without this bill going forward.

I urge the conferees to do their duty, and I hope, Mr. President, that we can resolve this issue in the wake of these recent oilspills which remind us of the problem that we face.

I yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL AFFORDABLE HOUSING ACT

The Senate continued with the consideration of the bill.

Mr. CRANSTON. Mr. President, we set aside an amendment offered by Senator GRAHAM a while ago. Matters have now been worked out on that measure. I ask that it again be placed before the Senate.

AMENDMENT NO. 2026

The PRESIDING OFFICER. The question recurs on the amendment by the Senator from Florida, amendment No. 2026.

Is there further debate on the amendment?

Mr. CRANSTON. Just a word of explanation.

This amendment would direct the Secretary of HUD to use a cooling day adjustment factor when calculating the performance funding system. The administration has agreed to let the amendment proceed along today and that is the position of the minority now, with the understanding that negotiations will continue on this provision. The administration's objections relate not to the merits of the provision but they have some questions about the potential costs. We will be dealing with that in the time ahead, but there is now no objection to adopting the amendment at this stage.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 2026) was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

The PRESIDING OFFICER. Without objection the motion to reconsider is laid upon the table.

Mr. CRANSTON. Mr. President, I want to speak to a matter that has baffled some people in the press as we proceed with this bill.

As I recounted before, after the committee reported the measure now before us by a strong bipartisan vote, I had an immediate meeting, along with a few other Senators, with Mr. Darman and Mr. Kemp. It was agreed that we would get together at a further point after they had an opportunity to analyze the measure. Of course, they did not know exactly what was in it at that moment the same day that we passed a bill.

For a variety of reasons, it was difficult to put together the meeting, in part because of Mr. Darman being so deeply involved in the so-called summit discussions on the deficit. But we pursued the matter of the meeting and it was stated finally that they were ready to meet, and we were endeavoring to find a date.

Just before the meeting was finally set, I received a very strong letter from Secretary Kemp stating that they were eager to try to work out problems regarding the bill, but then proceeding to, in many, many pages, set forth the many objections that HUD and the administration perceived to this bill.

Upon analysis, it seemed to me and to the staff of the committee, the majority staff, that there were many misunderstandings and misapprehensions, if not misrepresentations, of what the bill actually proposed to do.

I was a little surprised to receive this letter just on the eve of the negotiations, but I accept it, of course. I have been working on a response. I was a little reluctant to respond when we were getting into negotiations.

We finally did have the meeting yesterday between Mr. Darman, who heads the Office of Management and Budget for the administration, and Secretary Kemp of HUD.

I felt it was a very fine meeting, where they set forth four major points that they felt should be taken into consideration and that some changes should be be made in the bill in accordance with some concerns about those points. We agreed in principle on all the points and it was agreed that there would be negotiations to try to resolve the differences over those four points.

I reported that to the press and stated that Secretary Kemp had stated in the course of our meetings that, "We are not making veto threats. We know where your heart is in all of this."

Mr. Darman made claims that if things were worked out on the policy matters that the matter of how much money was going to be involved in the bill, provided it was a reasonable amount, would not be a vetoable item.

I was, therefore, again surprised to see a statement of administration policy issued today by the administration that makes another onslaught on the bill and says "If S. 566 were presented to the President in its current form, his senior advisers would recommend that the bill be vetoed." Once again a threat of a veto was mentioned this morning by Senator D'AMATO at the opening stages of our consideration of the measure.

The press and other observers are a little bit baffled by the fact that I am being rather optimistic about the negotiations and meanwhile these rather bombastic communications keep emerging. I find it hard to understand exactly why they keep being issued by the administration. This latest one is from the Executive Office of the President, from the Office of Management and Budget. Maybe it is just to try to get across their concerns and maybe it is for purposes of bargaining.

The memorandum today from the Executive Office of the President does acknowledge that the administration is working with several members of the committee to develop an acceptable set of amendments. They say they provided a number of essential amendments to these amendments and they say, "No agreement has been reached on these amendments, but the discussions continue."

It seems to me that the negotiations, despite these communications, are going along fairly well. I remain reasonably optimistic that we will work out our differences since in principle we have the same basic goals, I believe, in regard to the four points raised by the administration.

I think it appropriate that at this time I make a statement setting forth my response to Secretary Kemp. I was reluctant to reply to him in the midst of the negotiations, but since we keep getting these communications from them I think it is now appropriate that I read to the Senate my response to Secretary Kemp. The letter reads as follows:

U.S. SENATE,
Washington, DC, June 18, 1990.

Hon. JACK KEMP,
Secretary, Department of Housing and Urban Development, Washington, DC.

DEAR MR. SECRETARY: I remain determined to work with you for enactment of effective legislation to make good housing more affordable for American families who urgently need it.

Even in this tight budgetary environment, Congress and the Administration now have a rare opportunity to begin a long-overdue effort to improve national housing policy. We can energize the resources and abilities that are available across the country to provide the affordable housing needed by American families now and in the future. The Senate housing legislation can launch a real national housing policy—a policy that begins to build new housing partnerships among the private sector and government at all levels to expand the supply of affordable housing; one that begins to increase empowerment of low-income Americans, to preserve our low-income housing stock, to improve rental assistance, and to provide supportive housing for persons with special needs.

I believe Congress is ready to act favorably on this significant initiative, if the Administration will join in cooperation.

The Administration's public statements express goals that I and hundreds of housing leaders have long been determined to achieve: eliminating corruption and scandal, improving housing for the poor, and regaining FHA's actuarial soundness.

Important details of the Administration's legislative proposals, however, are not yet well enough thought through, and some would move in the wrong direction. I am convinced that scarce resources should be used in ways that have been proven to work. We should not go back to placing a few HUD appointees in a position to make deals and use federal funds to do favors for developers. And we should not place arbitrary, unworkable constraints on the ability of local communities to provide decent, affordable housing.

I am encouraged by the negotiations that are underway. I believe it is possible to reach agreement. I and many other Senators have long made clear our willingness to accommodate the Administration's housing proposals. But we are going to have to do so within a comprehensive and balanced housing bill.

In that spirit of cooperation, Senators acceded to the Administration's request to put off action on a major housing initiative. Action last year was limited to dealing with the mismanagement, fraud and abuse that afflicted the Department in recent years. The Senate Banking Committee repeatedly delayed action this year on the National Affordable Housing Act until the Administration could complete its housing proposals. And the Committee incorporated virtually all of the Administration's HOPE Initiative in the Senate-reported housing bill.

The Senate-reported housing bill makes a relatively few, necessary refinements to ensure that HOPE activities are consistent with state and local housing needs, to minimize potential sources of fraud and abuse, to make sure that HOPE activities do not reduce the scarce supply of affordable housing for the poor, to avoid sudden disruptions in the delivery of human services across the country, and to make other improvements that were recommended by Senators on a bipartisan basis.

The Committee-reported housing bill would authorize $435 million for the Administration's new HOPE programs over 3 years. After giving the matter careful consideration, Senators decided that this funding level would provide for a solid, responsible start-up and expansion of this new program.

The Committee was determined to keep the housing bill's authorizations within levels contemplated in the Senate budget resolution. All areas of the bill were under intense budgetary pressure. The Committee's decision on funding for HOPE activities was consistent with the views of a broad consensus of witnesses that scarce resources should be directed to the country's central housing needs: expanding the supply of affordable housing, reaching out to families who have been left on waiting lists, preserving the existing low-income housing inventory, and relieving the suffering of homeless persons.

I believe there is, around the country, much good will toward you and a willingness to accommodate the HOPE proposals. But I also have heard from around the country—from elected officials and those who understand housing—that the HOPE suggestions, whatever their good points, can only make sense as one part of a true national housing policy that has to be much broader and more balanced. Many are deeply concerned that details in the HOPE package reflect the fact that it was developed with very little consultation outside a small circle within the Administration.

The Senate's housing bill is the product of a 3-year long nationwide consultation on the country's housing needs. That effort involved hundreds of the country's most experienced, dedicated and imaginative people who understand housing—from local communities, nonprofit organizations, tenant organizations, private industry and government. Senators worked hard to turn the best ideas into sound legislation. These are not my ideas or the ideas of some narrow interest group, they are not Democratic ideas or Republican ideas, they are just good, workable ideas that can make a real difference for American families.

Elements of the Senate housing bill have been greatly refined during the past 3 years. Undoubtedly, they can be improved further. They deserve careful analysis. They deserve vigorous debate.

Unfortunately, the Department's criticisms, noted in your letter, reflect either a profound misunderstanding or determined misstatement of provisions in the Senate housing bill.

First, the letter claims that the Housing Opportunity Partnerships (HOP) initiative is "heavily biased to new construction." In fact, paragraph 312(a)(2) of the bill clearly states that participating jurisdictions must give preference to rehabilitation of substandard housing where that is most cost effective. If there is a clear bias in the HOP provision it is toward rehabiltiation of substandard housing, toward acquisition of housing for low-income use in areas that currently have a good supply, and toward production of housing that is small-scale, scattered-site, neighborhood-based and mixed-income. That is, if HOP has a bias, it is intentionally toward the kind of affordable housing that has been successfully provided by imaginative local housing partnerships in many parts of the country in recent years.

The Committee, without objection, rejected language to make any new construction subject to approval by HUD. This reflects the virtual unanimous opinion from local communities that a blanket prohibition of new construction dictated from Washington is simply unreasonable. Newer, growing areas can achieve an adequate supply of affordable housing only by providing it within new structures. Moreover, some new construction is often an indispensable part of neighborhood rehabilitation efforts, particularly in older city neighborhoods that have many dilapidated houses and vacant lots.

Second, the letter claims that HOP funds are not adequately targeted. In fact, the minimum income targeting in the HOP initiative concentrates funds heavily on the

housing needs of low-income families and very low-income families. Moreover, the HOP provisions include very strong incentives for states and localities to exceed those minimum requirements.

The Senate bill learns from past mistakes. It builds on the lessons of successful housing efforts: That federal housing activities should not "ghettoize" tenants, isolating them geographically and socially. Even though the bill targets its resources on low-income the poor, the bill gives states and local communities the needed flexibiltiy to provide for mixed-income housing and neighborhoods. Community housing organizations have found that mixed-income housing gives developers an incentive to build for the market, find good sites and produce marketable designs. It can also result in more affordable housing because neighborhood opposition is lessened.

Third, the letter claims that housing constuction is inherently corrupting. That profoundly misinterprets the recent HUD scandals and overlooks key features of the Committee bill. As the various Congressional investigations have uncovered, the HUD scandals were created by an Administration that systematically filled top HUD positions with people who were inexperienced, incompetent, hostile to the department's mission, intent on demoralizing the career staff, and, in too may cases, easily corrupted.

Many of those involved in the scandal were determined to destroy housing production programs. We can not let their corruption be used as an excuse to complete their hostile mission.

The proper response to the scandals is to make sure that sensitive HUD posts are filled with talented and committed people.

Another response is to establish strong systems of accountability, as we have done in the HUD Reform Act of 1989 and as the Senate housing bill would do.

The HOP program would be designed to prevent at the state and local level the scandals that have plagued HUD in recent years. HUD would allocate HOP funds through an open, objective process to States and local governments. Procedures for distributing funds—whether by formula or by incentive allocation—would be publicly established and fully documented. The bill would remove HUD from the process of granting funds to individual projects and therefore free HUD for impartial monitoring and oversight of state and local housing activities.

At the state and local level, HOP funds could be used only in compliance with strategies approved after public hearings. Project selection would have to be done in the sunlight, according to public procedures with full documentation. The basis on which any funding award is made or denied would have to be fully documented. HUD would have powerful tools for overseeing state and local activities and could impose tough penalties for abuse. The public, local new smedia and competititors for scarce housing resources would have full access to information regarding the use of HOP funds.

Fourth, the letter implies there is no way to ensure that newly constructed housing will remain decent and affordable. I believe that is simply unfounded. The vast majority of older, federally-assisted housing has proven to be an irreplaceable source of decent, low income housing 20 years after it was built. That is precisely why the Administration and Congress have been trying for over three years to find ways to keep from that stock from being lost to low-income use.

It is easy to point to cases of poor management, which I deplore as much as you. But Congress has given the Department a wide array of tools to help private owners maintain their properties and to penalize those who fail to do so. States and localities under the HOP will have a similar array of tools and sanctions. Many problems were created by the Reagan Administration's determined neglect of its obligation to the tenants of these houisng projects and to fulfill the government's reponsibilities. Poor records were maintained, monitoring was ignored, funds were squandered, favors were traded.

Fifth, the letter seems to suggest that the country already has an adequate supply of affordable housing.

Let me say, if that is the intent—I am interpolating this now apart from my letter—if it is the actual understanding or belief of the people in HUD that the country already has an adequate supply of affordable housing, that is errant nonsense. We plainly have very great needs for affordable housing in many parts of my State and, I believe, in some parts of every State in the Union.

Back to my letter to Secretary Kemp, commenting on that particular point:

Fifth, the letter seems to suggest that the country already had an adequate supply of affordable housing—pointing to national vacancy statistics. That flies in the face of actual experience of local communities and low-income families in all too many parts of the country. Rental vacancies tend to be concentrated in higher priced housing—among units that are not available and affordable to low-income and moderate-income families, even if they hold a voucher. In most markets, the vacancy rate for units affordable to very low-income families is extremely low, and some experts believe that even those statistics overstate the true rate of vacancy in decent housing because they include many units that are uninhabitable or suffering from disinvestment. In addition, vacancies in Houston or Denver provide no help to families seeking affordable housing in Los Angeles, Atlanta, Seattle or other places with growing job opportunities.

We have been losing low-cost housing at the rate of 1.5 million units a decade. The diminishing supply of affordable housing has placed an intense pressure on rents in the remaining units—forcing families either to pay unacceptably high proportions of their limited incomes for shelter or to be forced into homelessness.

Sixth, the letter claims that the HOP program could be accommodated through expansion of the Community Development Block Grant (CDBG) program. That scheme was pushed by the Reagan Administration and adamantly opposed by states, localities and community groups. CDBG itself is currently underfunded, having taken a 50 percent cut in real terms since 1980. Low income communities desperately need these funds for community revitalization and economic development activities.

The Subcommittee received extensive testimony that federal housing assistance must be provided not just as grant money but in a way that recognizes the special requirements of housing. As mentioned above, HOP was, therefore, designed to closely coordinate several types of federal housing assistance: (1) capital subsidies to reduce costs, (2) credit enhancements, such as mortgage insurance and other methods to attract private financing, (3) rental assistance for low-income families, such as vouchers or certificates, (4) technical assistance to get the best methods adopted nationwide, (5) interaction with the private housing investment and development sectors, which have important national and international characteristics, and (6) ongoing oversight to make sure the housing is well-managed and affordable for decades to come. These special design features of HOP could not be replicated by simply increasing CDBG funding and expanding its eligible activities.

The HOP program is the most significant, but not the sole, component of the National Affordable Housing Act. The legislation also provides a permanent solution to the prepayment problem and makes significant revisions to existing housing programs like Section 8 rental assistance, McKinney homeless assistance and public housing. A brief discussion of these provisions is warranted by objections raised in your letter.

Title V of the bill would ensure that housing assisted under HOP will remain affordable for the long term. Failure to do so would permit large windfall gains to a fortunate few who initially purchased the housing. Given the substantial federal investment which has been and will be made in these properties, reasonable resale restrictions—which still permit sales to families with incomes of 80 percent of area median—is clearly justified.

The bill would also provide one-for-one replacement of each public housing unit sold under HOPE. The Administration proposal required the replacement of sold public housing units *only* where no restrictions were placed on resale of units to low-income buyers, those with incomes below 80 percent of area median. Since public housing generally serves the very poor—families with incomes below even 30 percent of area median—units which become available to low-income buyers are definitely "lost" forever to the very low end of the rental market.

Title V of the bill contains a permanent solution to the threatened loss of hundreds of thousands of older subsidized units through mortgage prepayments. Primary emphasis is placed on preserving the at-risk housing for use by low income families. Owners would receive compensation for either continuing to maintain the housing for low-income tenants or for transferring it to qualified organizations, including tenant organizations.

Experts agree that this is the most cost-effective strategy available to the federal government, far less expensive, for example, than the long-term cost of simply providing vouchers to tenants who are displaced. I believe that the solution is structured in a way that protects the interests of the owners, the tenants and the communities in which the housing is located. Windfall profits *would not* be given to landlords in soft markets since only properties with real appreciation in value would be eligible for incentives. Reasonable restrictions would be placed on prepayments to protect tenants from evictions or sharp increases in rent.

Title V of the National Affordable Housing would also make several significant revisions to the existing voucher and certificate programs. First, the bill would permit a locality to use all of its incremental certificates as project-based assistance. The Administration's objections seem to be based

on the perception that the bill would permit *all* certificates, not just the incremental ones, to be used for project-based assistance. Since that is not the Committee's intent, I am sure the issue can be resolved. This will greatly improve the certificate program by giving localities the necessary tools to leverage private financing for rehabilitation and development activities. The Administration has publicly recognized the usefulness of rental assistance as a leveraging device.

Second, the bill would allow jurisdictions, with the Secretary's approval, to establish fair market rents that more precisely reflect the rent variations within their own jurisdictions. This would, in many cases, enhance tenant choice, providing tenants (particularly tenants with special needs) with broader housing opportunities and greater proximity to employment and education opportunities.

Finally, the bill would eliminate the so-called "shopping incentive" for tenants who use vouchers to rent the same apartment in which they resided before receiving the voucher. Studies by Abt Associates and the General Accounting Office have shown that this incentive gives in-place rents an additional subsidy and drives up the cost of the program without achieving any significant public purpose.

Title V of the National Affordable Housing Act would also continue the Operation Bootstrap demonstration program. There is substantial evidence that many communities do not have the resources or capacity to meet the requirements of a program mandating that rental assistance be linked to supportive services. Simply mandating "empowerment" activities, without providing the additional administrative and program supports, will create nothing but failed programs and unfulfilled expectations. Again, on this issue, I understand the Administration is open to refinements that could eliminate objections to its original proposal.

Title VI of the National Affordable Housing Act would consolidate four of the five existing McKinney programs and streamline the distribution of the new program to States and localities. I strongly believe that States and localities, not the federal government, are best situated to assess the nature and extent of their homeless problems, devise long-term, comprehensive strategies for addressing such problems and deliver homeless assistance in an expedited and effective fashion.

Title VII of the Senate bill would give localities greater flexibility in the selection of tenants for new or vacant public housing units. The effect of the existing rules has been to concentrate in public housing developments the poorest of the poor, many of whom have multiple social, health and educational problems. Giving localities the discretion to select half of the new tenants in accordance with locally-defined preferences will enhance their ability to develop and sustain viable housing communities. The bill would *not* alter the tight income targeting provisions which now govern public housing.

In closing, I urge you to reexamine some of the conclusions in your letter, which I think are unjustified by provisions of a bill that was developed over 3 years drawing on the experience of some of the country's best people who understand housing.

I share your belief that this is an "historic opportunity" to move forward on this long-neglected domestic issue. Let us find the common ground.

Sincerely,

ALAN CRANSTON.

Let me close by saying I have great respect for Secretary Kemp. I believe he wants to be a good Secretary, and I believe he wants to get a good bill. I hope that, apart from these exchanges, we can see to it the negotiations move forward effectively, in a spirit of good will and compromise in determination to fashion a bill that will work; and then we can achieve that goal.

I also am greatly encouraged by the role that Dick Darman is playing at the Office of Management and Budget in trying to make, I think, an honest effort to try to make these negotiations work. I still remain quite hopeful and confident that they will work and we will have a bill that will gain wide support and be supported by the administration.

I understand Senator DANFORTH, of Missouri, is planning to come to the floor at any moment to offer an amendment. If that is the case, I believe it is an amendment that will require a rollcall vote, which I suppose will occur somewhere around 7. If he gets here soon, maybe we coud have it happen earlier than that.

If there are others with amendments we can work out without rollcalls, I am prepared to stay to do that on into the evening so we can cover as much ground as possible now and, depending upon the will of the majority leader, Senator MITCHELL, perhaps there would be other rollcalls after the one on the Danforth proposal. I am not certain what the majority leader's plans are or wishes are in that regard at the present time.

Pending the arrival of Sentor DANFORTH, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GORE). Without objection, it is so ordered.

Mr. DANFORTH. Mr. President, I am about to send an amendment to the desk which, although I think it is a pretty noncontroversial amendment, for strategic reasons in dealing with the House of Representatives, I am going to ask for a rollcall vote. I want to put the Senate on notice of that fact. My guess is this will take about 10 minutes to explain so that for the convenience of Senators, probably, say, about 20 after 6, we will have a rollcall vote.

It is a safety-related issue. It does not have anything to do with housing, but it is an issue on which we want to get the attention of the relevant committees in the House and to have a rollcall vote I think is of some help in dealing with the House of Representatives.

AMENDMENT NO. 2033

(Purpose: To authorize the Secretary of Transportation to make grants to the States for acquiring video equipment to be used in detecting and prosecuting persons driving under the influence of alcohol or a controlled substance)

Mr. DANFORTH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri [Mr. DANFORTH] proposes an amendment numbered 2033.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . Section 408(f) of title 23, United States Code, is amended—

(1) by striking "and" at the end of paragraph (7);

(2) by striking the period at the end of paragraph (8) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraph:

"(9) for the acquisition of video equipment to be used in detecting persons driving under the influence of alcohol or a controlled substance and in effectively prosecuting those persons.".

Mr. DANFORTH. Mr. President, yesterday the U.S. Supreme Court upheld the constitutionality of the use of video tapes of drug or alcohol-impaired drivers in the prosecution of court cases. The Supreme Court, in an 8-to-1 opinion that was written by Justice Brennan, held that it did not violate a suspected drunk driver's Maranda rights to show on tape the fact that a person could not walk in a straight line, could not drive a car in a straight line.

The use of video equipment by police officers has been a growing practice and it has been very successful in making cases against drugged and drunk drivers. As a matter of fact, to my knowledge, in every case in which there has been a tape recording, there has been a guilty plea. The defendant has not gone to court in order to challenge the tape.

The fact that we do have a very serious problem of drunk and drugged driving in this country is very well known. In 1988, there were 23,357 alcohol-related highway fatalities in the United States. Drugged driving is a little bit harder to show statistically, but every analysis that we know of in-

dicates that it is a very, very serious problem.

A 1988 Department of Transportation study indicated that drug use was involved in as much as 22 percent of the automobile crashes.

The Insurance Institute for Highway Safety has a study which indicates that of fatally injured male drivers between 15 and 34 years of age, 37 percent tested positive for marijuana. Earlier this year, New York released a study showing that 25 percent of the drivers between ages 16 and 45 killed in New York City traffic accidents tested positive for cocaine.

Mr. President, in order to deal with this problem, Aetna Life and Casualty and Mothers Against Drunk Driving [MADD] have formed a partnership to purchase video cameras for a number of police departments. One of those police departments is the Kansas City, MO, Police Department.

Michael Creamer, a deputy sheriff in Columbus, OH, said this when explaining the importance of video cameras: "We'll show the judge, the jury, and the courtroom how they really looked driving on the wrong side, falling down by the car, unable to walk or recite the alphabet." Creamer said that in all 17 cases where his department had videotaped drunk drivers there has been a guilty plea.

The amendment that I have offered today authorizes the Secretary of Transportation to make grants from already appropriated funds to States for the purchase of video cameras. We presently have a statute on the books, title 23, United States Code, section 408, which provides for incentive grants to the States from the Department of Transportation for drunk driving programs. There are a number of criteria that States can meet in order to have the opportunity to participate in the incentive grant program. That long list of possibilities presently does not include the use of video cameras. The sole point of this amendment is to authorize the Secretary of Transportation to use the funds for the possible acquisition of video cameras.

Mr. President, as I say, I think this really is a totally noncontroversial provision. Normally, I would not trouble the Senate with a rollcall vote on the issue. I think there are those who would like to see a little action on the floor today. For their benefit, I will ask for a rollcall vote, and also for the sake of trying to help us in negotiations with the House of Representatives.

I have three items, Mr. President, which I ask unanimous consent be printed in the RECORD. The first is a letter from Micky Sadoff, president of Mothers Against Drunk Driving; the second is an article from the New York Times dated April 21, 1990, entitled "Drunken Drivers Now Facing Themselves on Video Camera," and the final article is from today's Washington Post reporting on the Supreme Court case of yesterday entitled, "Video Evidence Allowed in Drunk Driving Cases."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MOTHERS AGAINST DRUNK DRIVING,
Hurst, TX, May 23, 1990.

Hon. JOHN C. DANFORTH,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR DANFORTH: This letter is in response to your inquiry regarding MADD's position on the use of video cameras as a means to apprehend and prosecute drunk drivers. Specifically, you asked for our support for your initiative to incorporate this feature of law enforcement into the NHTSA 408 Alcohol Incentive Grant program.

As news media reports have indicated, MADD has been intimately involved in developing the use of video cameras as a means of catching and convicting drunk drivers. To MADD, the use of technology of this kind is but one more way to insure that drunk drivers are swiftly apprehended and removed from our nation's highways. The video camera approach works in concert with efforts to swiftly and surely remove the driving privileges of those who drink and drive. For these reasons, we are pleased to support your initiative to make the use of video equipment a feature of the NHTSA 408 program.

MADD commends you for this initiative. Your activities in the U.S. Senate to rid our nation's highways of drunk drivers and insure justice for the victims of this crime are deeply appreciated by Mothers Against Drunk Driving.

If I can be of further assistance to you as this legislation develops, please do not hesitiate to contact me.

Sincerely,

MICKY SADOFF,
President.

[From the New York Times, Apr. 21, 1990]

DRUKEN DRIVERS NOW FACING THEMSELVES ON VIDEO CAMERA

(By Andrew H. Malcolm)

COLUMBUS, OHIO, April 18.—Two years ago two Houston police officers became frustrated with what they regarded as the gullibility and leniency of courts in dealing with drunken drivers. With their own money, the officers bought a video camera, mounted it in their patrol car and began taping every arrest for driving while drunk.

Today, thanks to a major insurance company and word of mouth in law enforcement, dashboard-mounted video cameras that silently record a weaving car and then its incoherent driver are beginning to have an impact.

"I was skeptical of the cameras at first," said Michael E. Creamer, chief deputy of the Franklin County Sheriff's Department here. "We're not in the movie business. But they've been fantastic for us."

Since his department received 12 cameras donated by Aetna Life & Casualty in November, all 17-videotaped drunken driving arrests that came to court ended in guilty pleas, before the case consumed any costly court time or overtime for officers. "Now I'd like a camera in all 45-cars," said Chief Creamer, whose office estimates that the cameras saved $4,000 in overtime.

Because drunken driving convictions carry severe fines and jail terms, virtually all defendants in nonvideotaped cases plead not guilty. Eighty to 90 percent of those arrested are convicted on some offense.

"HOW THEY REALLY LOOKED"

"But now," said Chief Creamer, "there's something else for them to consider: We'll show the judge, the jury and the courtroom how they really looked driving on the wrong side, falling down by their car, unable to walk a straight line or recite the alphabet. It's very hard to rebut that kind of testimony."

Law-enforcement agencies around the country are discovering the power of these pictures. Showing the date, the time and every word and action quickly prompts most defendants to choose not to have such tapes shown. They plead guilty.

All legal challenges to such filming have failed, the prevailing opinion being that whatever an officer is, he can take notes, still-pictures or videotape. And he need not warn defendants of the right to remain silent until they are formally in custody, long after the camera rolls. Some officers tell potential defendants they are being filmed; most do not.

Sgt. Larry Tolar of Colorado's State Patrol, which recently received 24 of Aetna's video cameras, said the cameras also boosted police motivation and morale. "On the roadside," said the sergeant, "the drunk driver is swearing and maybe swinging at the officer, falling down drunk.

"Then he shows up in court three months later all reasonable and contrite in a three-piece suit with his kid, his devoted wife and his mother in a wheelchair, and it's his word against the officer's. Now, everybody in the courtroom can see him or her as the officer saw them on the street, as a potential murderer."

Aetna began the program last July in partnership with Mothers Against Drunk Driving. So far, said John Hawkins, a company spokesman, Aetna has given 258 of the $1,000 Panasonic cameras to Houston, Kansas City, Pittsburgh, Richmond, Va., Orlando, Indianapolis, Fort Lauderdale, Mesa, Ariz., and other cities.

SOMETHING BEYOND PLATITUDES

"We wanted to do something beyond platitudes," said Mr. Hawkins. "Alcohol-related auto accidents cost Aetna upwards of $250 million last year. A 10 percent reduction would have a significant impact in human terms and dollars and get some folks into help before they do some serious damage."

Drunken drivers cost the nation an estimated $23 billion a year in property damage and lost productivity. Each year they kill 23,500 people, half the total of road fatalities and 3,500 more than are killed in other homicides.

Dr. James Nichols, deputy director of alcohol and state programs for the National Highway Transportation Safety Administration, says the cameras are further proof of another upswing in law enforcement involving drunken driving.

Arrests peaked in 1983 at about 1.92 million, he said. They slipped slightly to 1.7 million in intervening years, but since 1988's 1.8 million arrests they have been increasing.

THE WAY IT USED TO BE

"That's much better than in the mid-70's," he said, "when an average year had 500,000 such arrests." Fifteen years ago, he said one out of every 2,000 drunken drivers

was arrested. Today, the figure is one of every 250 to 500.

In 1982, according to Federal highway statistics, 56.7 percent of the 39,092 fatal car crashes involved alcohol. By 1988, with 20 percent more miles driven, the number of fatal crashes had increased to 42,119, but the percentage involving alcohol had fallen to 49.4.

"Video cameras make enforcement a whole new ballgame," he said. "There is no silver bullet to stop drunk driving. But you typically have a well-paid defense attorney up against an overworked prosecutor. The video camera is a weapon that will help widen the net, adding to the perceptible fear of being surely caught, effectively prosecuted and swiftly punished. That's a big help. Remember, most drunk drivers in fatal crashes have never been caught before."

PROTECION FOR PRISONERS

James Fais, chief prosecutor here, says the camera protects prisoners against physical or legal abuses. For their own protection against allegations of abuse, especially from female prisoners, several of Chief Creamer's deputies leave the camera on from place of arrest to jail cell.

The portable video cameras are also being used in other ways, to record a crime or crash scene or, during chases, to help prove that defendants tried to flee. Some departments, like the Georgia Highway Patrol, encourage officers to leave cameras running whenever they are in the car.

ABCDEFG, ER, F * * *

"The cameras are not panacea," said Capt. Thomas Shook, who runs Richmond's Traffic Safety Division, "and some of the older guys grumble about the extra gear and new technology. But our guilty pleas are going up each month—and so are our requests for alcohol treatment."

"Our officers now feel they're getting a better shake in court," said Lieut. Carl Williams of the traffic division in Houston. Two of his men, Charles Green and Phillip Nelson, had the original videocamera idea.

Tapes here show men and women weaving all over the road at all hours. Only a young woman claims not to have drunk alcohol in two weeks, but cannot find her home. She is cruising the wrong street. A man, the sole occupant of a weaving car, claims not to have been driving and then curses the officer and passes out.

Another, just off the expressway, is asked to recite the alphabet. "ABCDEFGFIGEFIK," he says.

"O.K., sir," says the officer. "Thank you."

The man turns to return to his car. "No, uh, sir," says the officer, "you're under arrest for operating a vehicle under the influence of alcohol." And he reads him his rights.

[From the Washington Post, June 19, 1990]

VIDEO EVIDENCE ALLOWED IN DRUNK-DRIVING CASES

(By Ruth Marcus)

The Supreme Court yesterday upheld the power of police to videotape drunk-driving suspects and use evidence of their slurred speech against them at trial without first advising the drivers of their constitutional rights.

The court, ruling 8 to 1, compared slurred speech to obtaining a suspect's blood or handwriting sample and said using such evidence does not violate rights against self-incrimination.

The court said police may videotape suspects answering routine "booking questions" about their name, address, height, weight, eye color, age and date of birth without first providing the so-called Miranda warning that they have the right to remain silent.

The use of videotapes to record drunk-driving suspects performing sobriety tests and answering questions has become a common and effective police technique.

Yesterday's decision came in the case of Inocencio Muniz, a Pennsylvania man arrested in Cumberland County, Pa., in 1986 for driving under the influence of alcohol.

Police videotaped Muniz answering questions at the booking center, where his speech was slurred and he stumbled over his age—initially giving the wrong number—and his address, for which he needed to look at his driver's license. Muniz was then unable to tell police the date of his sixth birthday. And in the course of being videotaped taking three sobriety tests, Muniz offered several incriminating statements explaining his inability to perform the test.

A Pennsylvania appeals court allowed the use of the videotaped evidence of Muniz failing the sobriety tests—walking a straight line, standing on one leg, and looking at a moving object—but suppressed the entire audio portion of the tape.

In reversing that decision yesterday, the court, in an opinion by Justice William J. Brennan Jr., said "any slurring of speech and other evidence of lack of muscular coordination revealed by Muniz's responses" were "non-testimonial" and therefore did not require Miranda warnings.

However, by a 5 to 4 vote, the court said the question to Muniz about the date of his sixth birthday did require a "testimonial response" and should be suppressed. Justice Thurmond Marshall, who dissented from the rest of the ruling, joined with Brennan and Justices Sandra Day O'Connor, Antonin Scalia and Anthony M. Kennedy in that conclusion.

Chief Justice William H. Rehnquist—joined by Justices Byron R. White, Harry A. Blackmun and John Paul Stevens—said the sixth-birthday question should have been allowed because it was simply "an effort on the part of the police to check how well Muniz was able to do a simple mathematical exercise," similar to the check of his physical reflexes.

The court also said Muniz's incriminating statements could be used against him because they were voluntary and "not prompted by an interrogation." The case is *Pennsylvania* v. *Muniz*.

In other action yesterday, the court refused to review a ruling requiring Boston University to give tenure to an English literature professor found to have been a victim of sex discrimination. The university argued in *Boston University* v. *Brown* that requiring it to grant tenure would interfere with its academic freedom.

Mr. DANFORTH. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate on the pending amendment?

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum, if the Senator has no further remarks.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further debate on the pending amendment?

Mr. CRANSTON. Mr. President, I believe there is nothing more to be said on the amendment. We are ready for a vote.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment of the Senator from Missouri [Mr. DANFORTH]. The yeas and nays have been ordered. The clerk will call the roll.

The result was announced—yeas 100, nays 0, as follows:

[Rollcall Vote No. 118 Leg.]

YEAS—100

Adams	Fowler	McConnell
Akaka	Garn	Metzenbaum
Armstrong	Glenn	Mikulski
Baucus	Gore	Mitchell
Bentsen	Gorton	Moynihan
Biden	Graham	Murkowski
Bingaman	Gramm	Nickles
Bond	Grassley	Nunn
Boren	Harkin	Packwood
Boschwitz	Hatch	Pell
Bradley	Hatfield	Pressler
Breaux	Heflin	Pryor
Bryan	Heinz	Reid
Bumpers	Helms	Riegle
Burdick	Hollings	Robb
Burns	Humphrey	Rockefeller
Byrd	Inouye	Roth
Chafee	Jeffords	Rudman
Coats	Johnston	Sanford
Cochran	Kassebaum	Sarbanes
Cohen	Kasten	Sasser
Conrad	Kennedy	Shelby
Cranston	Kerrey	Simon
D'Amato	Kerry	Simpson
Danforth	Kohl	Specter
Daschle	Lautenberg	Stevens
DeConcini	Leahy	Symms
Dixon	Levin	Thurmond
Dodd	Lieberman	Wallop
Dole	Lott	Warner
Domenici	Lugar	Wilson
Durenberger	Mack	Wirth
Exon	McCain	
Ford	McClure	

NAYS—0

So the amendment (No. 2033) was agreed to.

The PRESIDING OFFICER. The Senate will come to order. The pending question is the reported committee substitute to the bill.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. I move to reconsider the previous vote.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. CRANSTON. Mr. President, I ask unanimous consent that there be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEAN SMITH HONORED AS SCHOLAR-ATHLETE

Mr. COHEN. Mr. President, when I was in college, my first career aspiration was to be a professional basketball player. Although I eventually took a decidedly different career path, the lessons I learned from playing sports have stayed with me all of my life.

Another basketball player from Maine was honored this month for taking the lessons he learned in sports and applying them to life. Dean Smith, of Dover-Foxcroft, was named the National Collegiate Athletic Association's Walter Byers Fellowship recipient. This national award is presented annually to a male and a female collegiate senior athlete who excels in academics.

Dean graduated one semester early from the University of Maine at Orono at the top of his class with a bachelor of science degree in electrical engineering. He was named to the first team, Academic All American, and to the first team, All Conference in Division I college, basketball while maintaining a 3.86 cumulative grade point average.

Dean has always had high aspirations even though some doubters told him he stood a slim chance of ever playing Division I basketball. But Dean proved them wrong with the drive and determination that he has demonstrated both on the court and in the classroom.

During my days as a college basketball player, I learned some immutable principles—that there are rules to be followed, discipline that had to be imposed, and referees or judges who would call foul if I violated those rules.

But most of all I learned the joy of clean competition, of the struggle to prevail, the sweet rewards of victory, the bitter taste of disappointment or defeat, the whole range of experiences that each of us will come to know in a lifetime.

Dean Smith learned these lessons, too, and has earned national recognition for his success in applying them both on and off the court.

I congratulate Dean Smith on this award and ask unanimous consent that an article about him that appeared in the Bangor Daily News be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Bangor Daily News, June 7, 1990]

HOMETOWN HONORS TOP SCHOLAR-ATHLETE

(By Diana Bowley)

DOVER-FOXCROFT.—He was called an overachiever and an outstanding citizen, student and athlete on Wednesday during a reception at his alma mater, but four years ago, Dean Smith was considered an average student with average chances of success.

Smith of Dover-Foxcroft, the National Collegiate Athletic Association's Walter Byers Fellowship recipient, was honored at Foxcroft Academy and had a day named after him. Town officials in Dover-Foxcroft, Sebec, Charleston and Monson made June 6 Dean Smith Day.

The Walter Byers Fellowship award, the student athlete's version of the Heisman trophy, is presented annually to a male and a female collegiate senior athlete who excels in academics. As one of more than 225,000 student athletes in the nation, Smith's chances of winning the award were slim.

Valedictorian of his 1986 class, Smith, the son of Glenda and Jake Smith, graduated from the University of Maine one semester early at the top of his class with a bachelor of science degree in electrical engineering. He is a post-graduate student at UM.

Smith was named to the first team Academic All-American, and to the first team All-Conference in Division I college basketball, while he maintained a 3.864 cumulative grade-point average.

Thomas "Skip" Chapelle of UM called Smith an all-time basketball standout. Smith was an "overachiever in the wonderful world of athletes," he said.

He said Smith was "a small forward at best, who played center and led in rebounds." While at UM, Smith received no athletic scholarships, but received several academic awards.

A Monson native, Smith said he used his out-of-school activities in high school as an outlet from the monotony of his in-school activities and to build his character. Basketball intrigued him to the point that he desired more than anything to play Division I college basketball.

"This dream, I realized was one that would take a tremendous amount of work, sacrifice, and determination to make it come true. Thus, I put in literally thousands of hours practicing, hoping that it would later pay off," he said.

Smith said he was a "realist" and knew that the competition would be strong, so he continued to participate in other activities, but made an even stronger commitment to academics.

During his senior year at Foxcroft Academy, Smith said he was strongly encouraged to aim high. Others however, told him that his dreams and aspirations were "unrealistic for an average-ability, small-town kid from Maine with ordinary SAT scores, and that maybe I should modify my goals," he said.

These varying outlooks were what solidified his intent to succeed. "I must admit that the opinions of my doubters had the strongest impact on me," he said.

Smith said those who doubted his aspirations said he was not talented enough to play Division I basketball, that he was too short, too slow and too poor a shooter to play.

His doubters also claimed his success would be limited because of his ordinary public education and SAT scores, the fact that he had little computer background and no history of displaying the kind of time management that would be required in college.

"The problem with most of their reasons, however, was that they were not concerned with my personal ability or drive, but factors that were not in my control. It was their opinion that where I came from and what school I went to limited my chances for success in future endeavors. It seemed to me that I was faced with a personal challenge concerning my abilities and it made me even more determined to realize my dreams," he said.

"And so why was it me, a kid who grew up in Monson and a graduate of Foxcroft Academy (who received the Walter Byers award)? Why wasn't it someone from New York or California or somewhere else? I can tell you why. It is because where you come from or what school you go to does not somehow limit your chances for success. What matters most is one's drive and one's willingness to do whatever it may take to achieve a desired outcome," Smith said.

Well wishes were extended by letter to Smith from President and Mrs. George Bush, Gov. John R. McKernan, Rep. Olympia J. Snowe, and Sens. William S. Cohen and George J. Mitchell.

Sen. Charles Pray and Rep. Kathryn Merrill were on hand for the celebration. Pray presented Smith with a resolution from the Maine House of Representatives and the Senate, and also unveiled an engraved plaque in Smith's honor that will hang in the lobby at FA. Monson Town Manager Ruel Cross also presented an engraved plaque to Smith on behalf of the SAD 68 community.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Foreign Relations.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—MESSAGE FROM THE PRESIDENT—PM 125

The PRESIDING OFFICER laid before the Senate the following message from the President of the United

States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

Pursuant to the requirements of 42 U.S.C. 3536, I transmit herewith the Twenty-fourth Annual Report of the Department of Housing and Urban Development, which covers calendar year 1988.

GEORGE BUSH.

THE WHITE HOUSE, *June 19, 1990.*

ANNUAL REPORT ON ADMINISTRATION OF THE RADIATION CONTROL FOR HEALTH AND SAFETY ACT—MESSAGE FROM THE PRESIDENT—PM 126

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with section 360D of the Public Health Service Act (42 U.S.C. 2631), I am submitting the report of the Department of Health and Human Services regarding the administration of the Radiation Control for Health and Safety Act during calendar year 1989.

The report recommends that section 360D of the Public Health Service Act that requires the completion of this annual report be repealed. All the information found in this report is available to the Congress on a more immediate basis through the Center for Devices and Radiological Health Center technical reports, the Radiological Health Bulletin, and other publicly available sources. This annual report serves little useful purpose and diverts agency resources from more productive activities.

GEORGE BUSH.

THE WHITE HOUSE, *June 19, 1990.*

MESSAGES FROM THE HOUSE

At 2:53 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 246. Joint resolution calling upon the United Nations to repeal General Assembly Resolution 3379.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2567. An act entitled the "Reclamation Projects Authorization and Adjustment Act of 1990";

H.R. 4273. An act to amend the Public Health Service Act to extend the program of grants for preventive health services with respect to tuberculosis, and for other purposes;

H.R. 4609. An act to amend the Coast Guard Authorization Act of 1989 (Public Law 101-225);

H.R. 4736. An act to reduce the number of reports that the Department of Defense is required by law to submit to Congress, and for other purposes; and

H.R. 4790. An act to amend the Public Health Service Act to establish a program of grants for the detection and control of breast and cervical cancer.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker has signed the following enrolled bills and joint resolutions:

S. 286. An act to establish Petroglyph National Monument and Pecos National Historical Park in the State of New Mexico, and for other purposes;

H.R. 1622. An act to amend title 17, United States Code, to change the fee schedule of the Copyright Office, and to make certain technical amendments;

H.R. 3046. An act to reduce the number of Commissioners on the Copyright Tribunal, to change the salary classification rates for members of the Copyright Tribunal and the U.S. Parole Commission, for the Register and Associate Registers of Copyrights, and for the Deputy and Assistant Commissioners of Patents and Trademarks;

H.R. 3545. An act to amend the Chesapeake and Ohio Canal Development Act to make certain changes relating to the Chesapeake and Ohio Canal National Historical Park Commission;

H.R. 3834. An act to amend the National Trails System Act to designate the route from Selma to Montgomery for study for potential addition to the national trails system;

S.J. Res. 245. Joint resolution designating July 3, 1990, as "Idaho Centennial Day"; and

S.J. Res. 246. Joint resolution calling upon the United Nations to repeal General Assembly Resolution 3379.

The enrolled bills and joint resolutions were subsequently signed by the President pro tempore [Mr. BYRD].

MEASURES REFERRED

The following joint resolution, received from the House of Representatives for concurrence on June 11, 1990, was read the first and second times by unanimous consent, and referred as indicated:

H.J. Res. 520. Joint resolution granting the consent of Congress to amendments to the Washington metropolitan area transit regulation compact; to the Committee on the Judiciary.

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 4273. An act to amend the Public Health Service Act to extend the program of grants for preventive health services with respect to tuberculosis, and for other purposes; to the Committee on Labor and Human Resources.

H.R. 4609. An act to amend the Coast Guard Authorization Act of 1989 (Public Law 101-225); to the Committee on Commerce, Science, and Transportation.

H.R. 4736. An act to reduce the number of reports that the Department of Defense is required by law to submit to Congress, and for other purposes; to the Committee on Armed Services.

H.R. 4790. An act to amend the Public Health Service Act to establish a program of grants for the detection and control of breast and cervical cancer; to the Committee on Labor and Human Resources:

The Committee on Banking, Housing, and Urban Affairs was discharged from the further consideration of the following bill; which was referred to the Committee on the Judiciary:

S. 209. A bill to amend section 547 of title 11, United States Code, to provide that certain withdrawal transactions made by depositors from certain financial institutions not be avoided as preferential transfers.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 2567. An act entitled the "Reclamation Projects Authorization and Adjustment Act of 1990."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3158. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on budget rescissions and deferrals dated June 1, 1990; pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, referred jointly to the Committee on Appropriations and the Committee on the Budget.

EC-3159. A communication from the Comptroller of the Department of Defense, transmitting, pursuant to law, a contract award report for the period July 1 to August 31, 1990; to the Committee on Armed Services.

EC-3160. A communication from the Deputy Under Secretary of Defense (Acquisition), transmitting, pursuant to law, a report stating that the Army Tactical Missile System has increased more than 25 percent over the reflected baseline unit cost; to the Committee on Armed Services.

EC-3161. A communication from the Deputy Under Secretary of Defense (Acquisition), transmitting, pursuant to law, a report stating that the Family of Medium Tactical Vehicles program has increased more than 25 percent over the reflected baseline cost; to the Committee on Armed Services.

EC-3162. A communication from the Assistant Secretary of Defense (Force Management and Personnel), transmitting, pursuant to law, a report of the adequacy of pay and allowances of the Armed Forces; to the Committee on Armed Services.

EC-3163. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Export Controls: Commerce Depart-

ment Has Improved its Foreign Policy Reports to Congress"; to the Committee on Banking, Housing, and Urban Affairs.

EC-3164. A communication from the Chairman of the Pennsylvania Avenue Development Corporation, transmitting, pursuant to law, the annual report of the Corporation for 1989; to the Committee on Energy and Natural Resources.

EC-3165. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3166. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3167. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3168. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3169. A communication from the Inspector General, Department of the Interior, transmitting, pursuant to law, a report entitled "Accounting for Reimburseable Expenditures of Environmental Protection Agency Superfund Money, Water Resources Division, U.S. Geological Survey"; to the Committee on Environment and Public Works.

EC-3170. A communication from the Commissioner of Social Security transmitting, pursuant to law, the annual report of the Social Security Administration for 1990; to the Committee on Finance.

EC-3171. A communication from the chief counsel of the Foreign Claims Settlement Commission, transmitting, pursuant to law, the annual report of the Commission for calendar year 1989; to the Committee on Foreign Relations.

EC-3172. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60 day period prior to June 7, 1990; to the Committee on Foreign Relations.

EC-3173. A communication from the Assistant Administration of the Agency for International Development (Legislative Affairs), transmitting, pursuant to law, the annual report of the Chairman of the Development Coordination Committee for fiscal year 1989; to the Committee on Foreign Relations.

EC-3174. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report on the use of certain emergency funds for unexpected urgent needs of Palestinian refugees; to the Committee on Foreign Relations.

EC-3175. A communication from the general counsel of the Department of the Treasury, transmitting a draft of proposed legislation to provide for the participation of the United States in the European Bank for Reconstruction and Development; to the Committee on Foreign Relations.

EC-3176. A communication from the Administrator of General Services, transmitting a draft of proposed legislation to amend the Federal Property and Administrative Services Act of 1949 to establish new contracting procedures for the continued occupancy of leased space; to the Committee on Governmental Affairs.

EC-3177. A communication from the Acting Director of the Federal Emergency Management Agency, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Federal Emergency Management Agency for the period ended March 31, 1990; to the Committee on Governmental Affairs.

EC-3178. A communication from the Executive Secretary of the Federal Reserve Employee Benefits System, transmitting, pursuant to law, the annual report of the Retirement Plan for Employees of the Federal Reserve System for the plan year ended December 31, 1989; to the Committee on Governmental Affairs.

EC-3179. A communication from the Acting Assistant Attorney General (Legislative Affairs), transmitting a draft of proposed legislation entitled the "Orderly Phase-Out of Parole Act of 1990;" to the Committee on the Judiciary.

EC-3180. A communication from the Secretary of Labor, transmitting, pursuant to law, the annual report on the administration of the Longshore and Harbor Workers' Compensation Act for fiscal year 1988; to the Committee on Labor and Human Resources.

EC-3181. A communication from the Deputy Under Secretary of Defense (Acquisition), transmitting, pursuant to law, a report on Department of Defense procurement from small and other business forms for the period October 1989 through March 1990; to the Committee on Small Business.

EC-3182. A communication from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to alter the amount of certain types of special pay authorized to be paid to physicians and dentists employed by the Veterans Health Services and Research Administration"; to the Committee on Veterans' Affairs.

EC-3183. A communication from the Administrator of the General Services Administration, transmitting, pursuant to law, a Report of Building Project Survey which proposes Federal construction of a Federal building courthouse in northwest Indiana; to the Committee on Environment and Public Works.

EC-3184. A communication from the President of the United States, transmitting, pursuant to law, a notification of Anne E. Brunsdale's designation as Vice Chairman of the U.S. International Trade Commission; to the Committee on Finance.

EC-3185. A communication from the Chairman of the U.S. International Trade Commission, transmitting, pursuant to law, the 61st quarterly report on trade between the United States and nonmarket economy countries; to the Committee on Finance.

EC-3186. A communication from the Secretary of the Interior, transmitting, pursuant to law, the Federal Coal Management Report, fiscal year 1989; to the Committee on Energy and Natural Resources.

EC-3187. A communication from the Chairman of the Postal Rate Commission transmitting, pursuant to law, a report concerning the Department of Health and Human Services' audit for fiscal year 1989; to the Committee on Governmental Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-528. A concurrent resolution adopted by the Legislature of the State of Hawaii; to the Committee on Commerce, Science, and Transportation.

"HOUSE CONCURRENT RESOLUTION 28

"Whereas, the Nation's coastal areas now contain more than half of our population and that percentage is expected to grow to seventy-five per cent by the year 2000; and

"Whereas, the coastal areas of the country are increasingly called upon to support a tremendous and often conflicting array of critically important activities including: fisheries development and enhancement; commerce and industrial port development; energy exploration and production; public access and recreation; waterfront restoration and housing; wetland and coastal preservation; ocean dumping of pollutants and clean drinking water; and

"Whereas, the Coastal Zone Management Act (CZMA) was enacted in 1972 to establish for the first time a national program to encourage and assist state involvement in preserving, protecting, developing and, where possible, restoring or enhancing the nation's ocean and coastal resources; and

"Whereas, the Congress of the United States reaffirmed its and the nation's commitment to this program through the reauthorization of the CZMA in 1980 and 1985; and

"Whereas, the seaward boundary of the coastal zone is defined as the United States territorial sea in the CZMA; and

"Whereas, the United States territorial sea has been extended by Presidential Proclamation from 3 to 12 nautical miles; and

"Whereas, there is confusion as to the management responsibilities of the federal and state governments within the 3- to 12-mile zone of the extended territorial sea; and

"Whereas, the CZMA stands today as the only comprehensive tool that allows federal, state, and local governments to cooperatively manage more than 95,000 miles of our country's beaches, bays, ports and harbors, wetlands, estuaries, and fisheries; and

"Whereas, under the CZMA a unique and successful partnership between federal, state, and local governments, and the public has been established to carry out the national policy objectives of the Act, which involves giving balanced consideration to a myriad of competing coastal resource uses; and

"Whereas, coastal states and island governments have been encouraged to develop and implement coastal management programs subject to review and approval by the federal government, with federal financial assistance and the promise that federal activities directly affecting the coastal zone will be consistent with approved state management programs; and

"Whereas, the partnership established by the CZMA has been remarkably productive, with more than ninety per cent of the na-

tion's coastal zone being managed through federally approved coastal management programs and twenty-nine of thirty-five eligible coastal states and island governments having instituted these programs; and

"Whereas, the State of Hawaii operates an approved coastal management program that will receive $687,000 in federal financial assistance during federal fiscal year 1989-1990; and

"Whereas, to sustain the national framework under which judicious consideration can be given to the interests of all legitimate users of coastal resources, the state-federal partnership established by the CZMA must continue; and

"Whereas, in managing these programs, the coastal states and island governments have developed an expertise in dealing with coastal management issues, which will become increasingly important as pressures upon the nation's finite ocean and coastal resources continue to increase; and

"Whereas, the March, 1989, grounding of the *Exxon Valdez* spilled 10,800,000 gallons of North Slope crude oil into Prince William Sound, killing thousands of sea birds, sea otters, and other wildlife, and closing important commercial fisheries; and

"Whereas, as of November, 1989, cleanup efforts to remove spilled oil from 1,200 miles of fouled Alaskan shoreline have surpassed $1,000,000,000; and

"Whereas, several coastal states presently have strict oil spill liability laws and others are considering similar legislation; and

"Whereas, the Congress of the United States has failed to enact comprehensive oil spill legislation and, for the past fifteen years, included a preemption provision in the House of Representatives' version of a bill; and

"Whereas, the United States Senate passed S. 686 (Mitchell, D-Maine), which does not preempt states from establishing their own oil-spill cleanup and compensation funds, and provides for unlimited liability or higher liability limits than federal law; and

"Whereas, the United States House of Representatives recently passed H.R. 3394 (Jones, D-North Carolina), which does not preempt state law from providing for separate funds and liability but does retain gross negligence as the standard by which an oil company or carrier pays unlimited damages under federal law; and

"Whereas, the United States Senate's and United States House of Representatives' versions of the comprehensive oil spill bill will be considered in a conference committee before the end of 1990; and

"Whereas, every state's natural interest and inherent authority to protect both its citizens and its vital natural resources is part of its very sovereignty; and

"Whereas, the ocean and coastal areas of Hawaii are economically, environmentally, socially and culturally important; and

"Whereas, large quantities of both crude and refined oil are imported to Hawaii, resulting in the potential for serious oil spills; and

"Whereas, in the event of an oil spill the transportation of containment and cleanup equipment from California to Hawaii would take 24 hours, or more; now, therefore,

"Be it resolved by the House of Representatives of the Fifteenth Legislature of the State of Hawaii, Regular Session of 1990, the Senate concurring, That the Congress of the United States is respectfully urged to reauthorize the CZMA in 1990 so that the federal government can continue to provide coastal states with regulatory incentives and financial assistance, and the states will continue to exercise primary responsibility for the management of their coastal resources; and

"Be it further resolved, That the Congress of the United States is respectfully urged to provide stable and predictable grant funding to enable coastal states to meet their obligations under the CZMA; and

"Be it further resolved, That the Congress is respectfully urged to include language in the CZMA reauthorization legislation which encourages interested states to begin a cooperative planning effort with the federal government for the rational conservation and development of the extended territorial sea area; and

"Be it further resolved, That the Congress of the United States is respectfully urged to enact legislation to ensure that all federal activities directly affecting a state's coastal zone be clearly subject to CZMA consistency review, and to clarify the meaning of the phrase "directly affecting," thus maintaining the state's consistency review authority over federal activities occurring seaward or landward of a state's coastal zone; and

"Be it further resolved, That the Congress of the United States is respectfully urged to enact federal oil spill legislation that does not preempt state oil spill programs and laws and permits the states to adopt similar or more stringent legislation, and set simple negligence as the standard for damages; and

"Be it further resolved, That Congress is urged to establish an oil spill regional response team in Hawaii; and

"Be it further resolved, That certified copies of this Concurrent Resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, the members of Hawaii's congressional delegation, and the Governor of Hawaii."

POM-529. A concurrent resolution adopted by the Legislature of the State of Hawaii; to the Committee on Energy and Natural Resources:

"HOUSE RESOLUTION 277

"Whereas, Waipio Valley on the island of Hawaii is a place of breathtaking beauty that was once home to thousands of ancient Hawaiian taro farmers and is still being used for taro crops today; and

"Whereas, this area is of significant historical and cultural significance to the people of Hawaii; and

"Whereas, it is anticipated that taro will continue to be the main crop of this area, however, in recent years, taro farmers have had difficulties with their crops because of devastating floods; and

"Whereas, a growing number of visitors and residents have shown interest in the Valley, however, because of its precarious location, it is inaccessible to all but a few tourists and kamaainas; and

"Whereas, access to the valley has always been difficult because of the steep slopes that form the valley, high cliffs along the ocean with little or no beach terrace, and the treacherous current and swells of the ocean; and

"Whereas, because of these inherent hazards, traffic driving in and out of the valley is restricted by county ordinance to four-wheel drive vehicles only; and

"Whereas, currently, the Bishop Museum is the owner of a considerable portion of the lower Waipio Valley; unfortunately, these holdings have not been properly surveyed and are a nonearning asset for the Bishop Museum; and

"Whereas, as a result, Bishop Museum needs assistance in the support of its programs and operating costs; and

"Whereas, because of the cultural, historical, agricultural, and recreational significance of Waipio Valley, it should be secured by the State for the benefit of all the residents of Hawaii; now, therefore,

"Be it resolved by the House of Representatives of the Fifteenth Legislature of the State of Hawaii, Regular Session of 1990, That the Task Force to Preserve Waipio Valley be convened by the Chairperson of the Board of Land and Natural Resources to consist of eleven members; and

"Be it further resolved, That four of the eleven members shall include: the Chairperson of the Senate Committee on Culture, Arts, and Historic Preservation, the Chairperson of the House Committee on Water and Land Use Development, the Chairperson of the Board of Land and Natural Resources, and the Mayor of the County of Hawaii, or their designated representatives; and

"Be it further resolved, That the remaining seven members shall be appointed by the Governor and shall include a representative from the Hamakua Sugar Company, a representative from the Bishop Museum, a member of the County Council of the County of Hawaii, community representatives, and a representative of small landowners; and

"Be it further resolved, That the Task Force shall evaluate a variety of issues related to the purchase and management of lands in Waipio Valley currently owned by Bishop Museum, including but not limited to:

"(1) Reviewing the management and administration of Waipio Valley;

"(2) Balancing existing and future cultural, historical, agricultural, and tourism needs of the area;

"(3) Establishing a ceiling limiting the number of persons entering Waipio Valley;

"(4) If a ceiling is established, exploring and determining mechanisms to implement the ceiling;

"(5) Reviewing the impact of former sugar lands now barren above the valley walls on flatlands behind Kamuela homes;

"(6) Reviewing the impact of urban developments resulting in drainage into the valley; and

"(7) Reviewing the possible reforestation of these uplands to control erosion, runoff, and potential flooding;

"Be it further resolved, That the Task Force to Preserve Waipio Valley report its findings and recommendations to the Legislature at least twenty days before the convening of the Regular Session of 1991; and

"Be it further resolved, That certified copies of this Resolution be transmitted to the Governor, the Chairperson of the Board of Land and Natural Resources, the President of the Senate, the Speaker of the House of Representatives, the Chairperson of the Senate Committee on Culture, Arts, and Historic Preservation, the Chairperson of the House Committee on Water and Land Use Development, the Mayor of the County of Hawaii, the Manager of Hamakua Sugar Company, the Director of the Bishop Museum, the Chairperson of the County Council of the County of Hawaii, and the President of the Waipio Valley Farmers' Association."

POM-530. A joint resolution adopted by the Legislature of the State of California; to the Committee on Energy and Natural Resources:

"ASSEMBLY JOINT RESOLUTION No. 66

"Whereas, In the late 1770's the Franciscans, and others, wanted to find an overland access route to California, in order to support the missions and encourage more settlers to go to the area; and

"Whereas, In 1775 and 1776, Captain Juan Bautista de Anza and an expedition of hardy people endured tremendous hardships, and successfully found a route from Arizona to the San Diego area, and then north to Monterey and the Bay area; and

"Whereas, This expedition opened the first overland route to northern California and made the settlement of San Francisco possible; and

"Whereas, HR 1159, which designates the Juan Bautista de Anza National Historic Trail as part of the National Trails System, has passed the United States House Subcommittee on National Parks and Public Lands; and

"Whereas, A study authorized by Congress in 1983 found that the proposed route meets the criteria to be designated a national historic trail; and

"Whereas, There is substantial public support for the designation of the Juan Bautista de Anza Trail as a national historic trail, and substantial work has already been done to identify and establish the trail; and

"Whereas, The benefits of designation of the trail exceed the costs; now, therefore, be it

Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the Congress of the United States to pass HR 1159 which designates the Juan Bautista de Anza National Historic Trail; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-531. A concurrent resolution adopted by the Legislature of the State of Ohio; to the Committee on Finance:

"HOUSE CONCURRENT RESOLUTION 41

"Whereas, The members of the 118th General Assembly of Ohio wish to memorialize the Congress of the United States to review the provisions of the Social Security Act commonly known as the Social Security Offset and Windfall, which substantially reduce the anticipated retirement benefits of Ohio public employees, for the purpose of repealing or amending those provisions to provide relief for such public employees and parity with benefits enjoyed by non-public employees who are able to receive private pensions without comparable reduction in Social Security benefits; and

"Whereas, Public employees in the State of Ohio participate in state or local public retirement systems and not in the Social Security System as to such public employment; and

"Whereas, Numerous Ohio public employees and/or their spouses also are or have been employed in non-public sector jobs for which they and their employer have contributed to the Social Security System; and

"Whereas, Upon retirement after many years of dedicated public service, Ohio public employees have been promised and are entitled to receive a public pension based upon their service and contributions to the state retirement systems; and

"Whereas, Ohio public employees who have also been employed in non-public sector jobs or have spouses who have been so employed and have contributed to the Social Security System upon retirement expect to receive Social Security benefits commensurate with their Social Security-covered service and comparable to those received by all others who contributed to the Social Security System; and

"Whereas, As a result of the Social Security Windfall provision, Section 215 (a)(7) of the Social Security Act and the Offset provision, Subsections (b)(4), (c)(2), (e)(7), (f)(2), and (g)(4) of Section 202 of the Social Security Act, the Social Security benefits for which contributions were made by the employee or the employee's spouse, respectively, are substantially reduced or eliminated, severely impacting the financial condition of the public retiree; and

"Whereas, The General Assembly firmly believes that Ohio public employees should not be penalized for their years of dedicated public service and should receive Social Security benefits which are commensurate with their or their spouses' years of Social Security-covered service and contributions and are comparable to those received by all other employees; therefore be it

"*Resolved,* That we, the members of the 118th General Assembly of Ohio, in adopting this Resolution, hereby apply to the Congress of the United States to review the Windfall and Offset provisions of the Social Security Act for the sole purpose of repealing or amending such provisions to provide relief to public system retirees and to provide Social Security benefits to such public system retirees which are commensurate with their or their spouses' years of Social Security-covered service and contributions and are comparable to those received by other retirees; and be it further

"*Resolved,* That the Legislative Clerk of the House of Representatives transmit duly authenticated copies of this Resolution to each member of Congress, to the Secretary of State and presiding officers of both houses of the legislature of each of the other states in the Union, to the Clerk of the United States House of Representatives, to the Secretary of the United States Senate, to the president of the United States, and to members of the public media."

POM-532. A resolution adopted by the City Council of Lakewood, Ohio favoring support of the Early Childhood Education and Development Act; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 1400. A bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. CRANSTON, from the Committee on Veterans' Affairs:

Ronald M. Holdaway, of Wyoming, to be an Associate Judge of the United States Court of Veterans Appeals for the term of fifteen years;

Jonathan R. Steinberg, of Maryland, to be an Associate Judge of the United States Court of Veterans Appeals;

Hart T. Mankin, of Delaware, to be an Associate Judge of the United States Court of Veterans Appeals for the term of fifteen years; and

Donald L. Ivers, of New Mexico, to be an Associate Judge of the United States Court of Veterans Appeals for the term of fifteen years.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BYRD (for himself and Mr. ROCKEFELLER):

S. 2752. A bill to authorize appropriations for the Appalachian highway system and local access roads serving the Appalachian region, and for other purposes; to the Committee on Environment and Public Works.

By Mr. HARKIN (for himself, Mr. DURENBERGER, Mr. KENNEDY, Mr. SIMON, Mr. COATS, Mr. ADAMS, Mr. JEFFORDS, Mr. METZENBAUM, Mr. AKAKA, and Mr. BINGAMAN):

S. 2753. A bill to reauthorize the Developmental Disabilities Assistance and Bill of Rights Act; to the Committee on Labor and Human Resources.

By Mr. BIDEN (for himself, Mr. COHEN, Mr. PACKWOOD, Mr. WILSON, Mr. DECONCINI, Mr. METZENBAUM, and Mr. INOUYE):

S. 2754. A bill to combat violence and crimes against women on the streets and in homes; to the Committee on the Judiciary.

By Mr. PELL (by request):

S. 2755. A bill to provide for the participation of the United States in the European Bank for Reconstruction and Development; to the Committee on Foreign Relations.

By Mr. BIDEN:

S. 2756. A bill to encourage national law enforcement cooperation; to the Committee on the Judiciary.

By Mr. MOYNIHAN (for himself, Mr. PELL, Mr. SIMON, Mr. DIXON, Mr. AKAKA, Mr. LEIBERMAN, Mr. D'AMATO, Mr. WILSON, Mr. GORE, Mr. DECONCINI, and Ms. MIKULSKI):

S. 2757. A bill to amend the Foreign Assistance Act of 1961 to authorize the provision of medical supplies and other humanitarian assistance to the Lithuanian people to alleviate suffering during the current emergency; to the Committee on Foreign Relations.

By Mr. LEVIN (for himself, Mrs. KASSEBAUM, Mr. LUGAR, Mr. SIMON, Mr. BOREN, Mr. MITCHELL, Mr. KOHL, Mr. RIEGLE, Mr. DODD, Ms. MIKULSKI, Mr. BIDEN, Mr. EXON, Mr. COHEN, Mr. DECONCINI, Mr. REID, Mr. GRAHAM, Mr. PELL, Mr. MOYNIHAN, Mr. GORE, Mr. LAUTENBERG, Mr.

INOUYE, Mr. SARBANES, Mr. BRADLEY, Mr. WIRTH, Mr. BURDICK, Mr. LIEBERMAN, Mr. AKAKA, Mr. ROCKEFELLER, Mr. WARNER, Mr. ROBB, Mr. DOMENICI, Mr. LEAHY, Mr. NUNN, Mr. METZENBAUM, Mr. CRANSTON, Mr. BREAUX, Mr. KERRY, Mr. CHAFEE, Mr. BRYAN, Mr. ADAMS, Mr. KENNEDY, Mr. SPECTER, Mr. HOLLINGS, Mr. BUMPERS and Mr. PRYOR):

S.J. Res. 336. A joint resolution designating the week in 1990 which coincides with the first visit of Nelson Mandela to the United States after his release from prison in South Africa as "South African Freedom Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DECONCINI:

S. Con. Res. 139. A concurrent resolution expressing the sense of the Congress with regard to a United States-Mexico Free Trade Agreement; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BYRD (for himself and Mr. ROCKEFELLER):

S. 2752. A bill to authorize appropriations for the Appalachian highway system and local access roads serving the Appalachian region, and for other purposes; to the Committee on Environment and Public Works.

APPALACHIAN HIGHWAY SYSTEM

Mr. BYRD. Mr. President, Senator ROCKEFELLER and I are introducing the Appalachian Highway Development Act, S. 2752. This bill is urgently needed, not only to complete the necessary highway infrastructure improvements necessary for Appalachia, but also to renew and keep a commitment first made to the people of Appalachia 25 years ago.

In 1965, when the Appalachian Regional Commission, the ARC, was first authorized, the Appalachian region of our country was severely depressed. As a result of ARC and its efforts, a number of Americans are healthier, better educated, more highly skilled, and better off economically than they were.

But we have not completed the job.

One of the major linchpins to economic prosperity for the people of Appalachia is the highway system. The highway program is especially important to economic development in West Virginia and throughout Appalachia. Improvements in the highway system have enabled previously isolated areas to be opened up to new business and job opportunities. The highway system has enabled the people of Appalachia to take advantage of educational and job opportunities never before available. With the improved interstate highways, the products of Appalachia moved to markets, and Appalachia was opened up to tourism.

But the job is not finished. While nearly 70 percent of the ARC highway system is completed, there still remains approximately 940 miles to be constructed, of which 143.6 miles are in West Virginia. It is essential that these roads be constructed to link all the regions of Appalachia.

The Interstate Highway System is now virtually completed, and the task before us is to build on that system. We must maintain and expand that highway system to meet both the challenges and the opportunities that our ever-changing society presents. Next year, with the reauthorization of the highway program, Congress will have the opportunity to address the existing needs and lay the groundwork for future expansion for fiscal years 1992 and beyond. In the post-interstate era, in other words, beginning with October 1, 1991, attention must be given to the next system of national highways—further development and linkage of our Nation's various regions to the completed Interstate System.

As Secretary of Transportation Sam Skinner stated in his "National Transportation Policy," it should be Federal transportation policy to ensure that essential new capacity is provided in transportation systems of national significance to meet critical national needs. The Appalachian Regional Highways are of national significance, not only to the 13 States that comprise Appalachia but also to the many shippers, travelers, tourists, and residents that use the highways.

The legislation that Senator ROCKEFELLER and I are introducing today does not take funds from any State or constrain the present programs or spending plans in any State. In testimony before the Senate Appropriations Subcommittee on Transportation, of which I am a member, witnesses from both the General Accounting Office and the Federal Highway Administration testified that, at the end of the life of the current highway authorization, there will exist a balance of approximately 7 billion uncommitted dollars in the highway trust fund. A portion of that unencumbered balance should be used to finance the completion of ARC highways. That is what my colleague, Senator ROCKEFELLER, and I are saying. Our bill does not require any other program to be reduced or refocused; and it does not require any increase in taxes and user fees that go into the highway trust fund.

The highway trust fund exists for the sole purpose of building our highways. Initially, this fund supported construction of the Interstate System. Now, with that system virtually complete, it is time to turn attention to, in the words of the new national transportation policy, "highways of national significance."

Since July 1, 1956, through September 30, 1988, the 13 Appalachian States have paid into the highway trust fund over $64.2 billion or 33.7 percent of the total paid into the trust fund by all the States combined. Over this period of time 32 years, those same 13 Appalachian States have received 33.7 percent of trust fund disbursements.

The legislation which Senator ROCKEFELLER and I are introducing applies this same historical ratio of reimbursements, in the Appalachian States, to the estimated balance available at the end of the current highway authorization period. For fiscal year 1992, our bill authorizes $2.360 billion for ARC highway construction, of which, West Virginia would qualify for $462 million. For fiscal years 1993 and beyond, the bill makes ARC highways eligible for inclusion into the Federal-Aid Primary Highway Program, so that they would be eligible for Federal funding and would be included in the President's budget annually when he sends it up to Congress.

Senator ROCKEFELLER and I are attempting to provide a jump-start for the 13 Appalachian States so that they can begin to complete the work on the Appalachian corridors. It would be a tremendous economic stimulant for those States. Then following that first year, 1992, the jump-start year, the Appalachian corridors would be folded into the Federal-Aid Primary Highway Program.

I respectfully submit that Appalachia has waited long enough. Its roads are and should be part of the postinterstate construction program, and they are "highways of national significance."

I yield the floor, Mr. President. I know that my colleague wishes to address remarks to the bill which we are jointly introducing today.

Mr. President, I ask unanimous consent that two tables, one entitled "Appalachian Development Highway System 1987 Cost Estimate," and another entitled "Federal Highway Trust Fund Receipts Through Fiscal Year 1988," be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM 1987 COST ESTIMATE—ELIGIBLE SECTIONS ADJUSTED TO SEPT. 30, 1989

[In thousands of dollars]

State	Remaining costs		Percent	Miles under construction or completed	Miles yet to be constructed
	Total cost	ARC funds			
Alabama	694,132	555,321	0.092	109.3	123.1
Georgia	231,091	184,801	032	103.8	28.9

APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM 1987 COST ESTIMATE—ELIGIBLE SECTIONS ADJUSTED TO SEPT. 30, 1989—Continued

[In thousands of dollars]

State	Remaining costs		Percent	Miles under construction or completed	Miles yet to be constructed
	Total cost	ARC funds			
Kentucky	750,396	600,325	.105	349.2	85.6
Maryland	123,552	98,843	.017	77.0	6.2
Mississippi	184,770	147,821	.025	66.8	50.0
New York	291,849	233,483	.040	199.8	19.7
North Carolina	391,092	312,877	.054	155.7	49.7
Ohio	273,103	218,486	.038	146.0	55.6
Pennsylvania	1,856,620	1,485,309	.260	207.9	245.6
South Carolina	14,434	11,549	.002	16.6	6.3
Tennessee	668,142	534,522	.093	242.0	88.1
Virginia	245,890	196,715	.034	154.5	36.8
West Virginia	1,399,470	1,119,583	.196	267.1	143.6
ADHS total	7,124,541	5,699,635		2,095.7	939.2

FEDERAL HIGHWAY TRUST FUND RECEIPTS THROUGH FISCAL YEAR 1988

[In billions of dollars]

Appalachian States	Paid in	Received	Ratio
Alabama	3.522	4.613	1.31
Georgia	5.490	5.642	1.03
Kentucky	3.090	3.852	1.25
Maryland	3.286	5.342	1.62
Mississippi	2.343	2.502	1.67
New York	9.942	11.928	1.20
North Carolina	5.349	4.476	.84
Ohio	9.041	8.344	.92
Pennsylvania	8.949	10.403	1.16
South Carolina	2.763	2.620	.85
Tennessee	4.295	4.692	1.09
Virginia	4.596	6.214	1.35
West Virginia	1.557	3.772	2.42
Appalachian total	64.223	74.400	1.16
U.S. total	[1] 190.551	[2] 220.285	1.16

[1] 33.7 percent of total paid in.
[2] 33.7 percent of total received.

Mr. ROCKEFELLER. I thank my senior colleague, Mr. President, and I thank him very sincerely for this magnificent effort.

I want to make two points. In 1965, Mr. President, this Nation made a commitment to the 13 Appalachian States; they recognized that those Appalachian States had certain problems, certain concerns, and they were going to address those. The key way they were going to address them was through the highway system. Today, 1990, one-third of those highways remain incomplete.

Therefore, my first point is that the Nation made a commitment to a troubled part of our country, Appalachia, and that commitment is not yet honored, but the money to honor it is there—in the highway trust fund.

My second point is that in the Appalachian States, 81 percent of the new jobs that have been created in those 13 States have been in counties and immediately surrounding areas where there is either an Appalachian corridor or an interstate or both. Case closed, Mr. President. Where there are Appalachian corridors, jobs come—in the eastern part of West Virginia, corridor H; in the western part of the West Virginia, corridor D, Parkersburg; in the southern part of West Virginia, corridor G, Charleston down through Williamson; and then perhaps four-laning corridor L, from Beckley up to I-79.

Mr. President, I do not have to tell you that the people in our State need work. This bill introducted by Senator BYRD—with strong concurrence and work on my part—is the single-most important development act for the economy of the State of West Virginia and for Appalachia that can be devised. I want it to succeed because I want our people to have work.

I thank the Chair.

By Mr. HARKIN (for himself, Mr. DURENBERGER, Mr. KENNEDY, Mr. SIMON, Mr. COATS, Mr. ADAMS, Mr. JEFFORDS, Mr. METZENBAUM, Mr. AKAKA, and Mr. BINGAMAN):

S. 2753. A bill to reauthorize the Developmental Disabilities Assistance and Bill of Rights Act; to the Committee on Labor and Human Resources.

DEVELOPMENTAL DISABILITIES ASSISTANCE AND BILL OF RIGHTS ACT

● Mr. HARKIN. Mr. President, I am pleased to introduce today, along with Mr. DURENBERGER, Mr. KENNEDY, Mr. SIMON, Mr. COATS, Mr. ADAMS, Mr. JEFFORDS, Mr. METZENBAUM, Mr. AKAKA, and Mr. BINGAMAN legislation amending and extending for 4 years programs authorized under the Developmental Disabilities Assistance and Bill of Rights Act. This bill has a special significance to me since my first bill as chairman of the Subcommittee on Disability Policy was the reauthorization of the Developmental Disabilities Act in 1987.

This act is the banner legislation of a national movement in this country to assure that every person with a developmental disability has the opportunity for independence, productivity, and integration into the community. That movement includes people with developmental disabilities, their families, advocates, professionals working in programs which support and assist persons with developmental disabilities, policy makers, and other citizens who have committed their time and energy to further the goals of the movement.

Let me tell you about one young woman who has benefited from programs under this act. Kim Hurley, of Volga, IA, testified before the subcommittee on March 30 when we held hearings on the act. She is a student at the University of Northern Iowa, studying to become an accountant. Kim has had cerebral palsy since birth. She has been assisted by the University Affiliated Program at the University of Iowa, one of the network of such programs created by this act, for the past 7 years. She has received physical, occupational, and speech therapy.

With technical assistance from the UAP over the years, Kim has begun to use a variety of devices such as a motorized wheelchair, a portable computer as a means of writing, and a voice synthesizer for communication. While in high school, Kim served on the high school's newspaper staff, participated in 4-H including giving presentations, and was a member of the Spanish club. Kim has worked at a museum two summers ago. Kim says she can conquer anything she sets her mind to, and I believe her.

The Developmental Disabilities Act has four components: The Basic State Grant Program; the protection and advocacy system; the university affiliated programs; and the projects of national significance.

BASIC STATE GRANT PROGRAM

Under the provisions of the Basic State Grant Program, State planning grants are provided to developmental disabilities councils to assist States to develop and implement comprehensive plans of community based and family centered services for persons with developmental disabilities.

The 1987 amendments to the Developmental Disabilities Act reaffirmed the thrust of the program and included amendments which clarified and strengthened the role of the Councils with regard to their advocacy role in their respective states. Council independence was strengthened. Council activities were refocused to include policy analysis and other activities likely to have the greatest effect on the most number of people.

Any important provision in the 1987 amendments to the act was a mandate for each State planning council to conduct a comprehensive review and analysis of services provided by all State agencies with responsibilities which affect the lives of people with developmental disabilities. Further, we called for a review and analysis of the effectiveness of Federal and State developmental disabilities functions and services from the consumers point of view. Public forums were conducted in each State and territory during which people with disabilities, their families, interested citizens, and service providers offered testimony.

On January 1, 1990, the 56 State and territorial developmental disabilities planning councils presented the results of these reports—called the 1990 Reports—to their Governor and legislature. An aggregation of these State and territorial reports will be presented by the Secretary of Health and Human Services to Members of Congress. This bold step forward will provide a blueprint for the improvement of public policies which affect people with disabilities. This is an exciting and unprecedented opportunity for progress, and one we must take full advantage.

This bill further clarifies the independence of the planning council with respect to receiving, accounting for, and disbursing funds and with respect to the use of State's non-Federal share as non-Federal match. The bill also clarifies that planning councils are responsible for hiring and supervising the director of the council. The bill allows the planning council to issue a request for review of the designation of the designated State agency by the Governor.

The bill expands the State plan requirements to add a requirement to assess and, if appropriate, update the findings of the comprehensive study and analysis—1990 Report—conducted by planning councils as mandated by the 1987 amendments to the act. The bill further clarifies the primary function of the State planning council as serving as an advocate of persons with developmental disabilities, conducting public policy analysis, and planning.

This program is authorized in fiscal year 1990 for $77.4 million and appropriated at $61.93 million. The bill increases authorization levels to $81,270,000 in fiscal year 1991, $85,270,000 in fiscal year 1992, $89,600,175 for fiscal year 1993, and $94,080,190 for fiscal year 1994.

PROTECTION AND ADVOCACY SYSTEMS

As a condition for receipt of a State grant for planning and service coordination, States must have, in effect, a system to protect and advocate the rights of persons with developmental disabilities. These systems must have the authority to pursue legal and administrative remedies for such persons. They investigate reported incidents of abuse and neglect and provide such services as information and referral, outreach, hotlines, counseling, and legal services.

The 1987 amendments to the Developmental Disabilities Act added several provisions to enhance the accountability of the P&A system and ensure particular attention to the needs of members of racial and ethnic minorities who are developmentally disabled. Systems were required to establish a grievance procedure and provide the public with the opportunity to make public comment on the priorities established by the system. Access to records was clarified, as was the authority of the system to investigate incidents of abuse and neglect if there is probable cause to believe that such incidents occurred.

The bill clarifies the conditions under which protection and advocacy systems have access to records in those extraordinary situations when there is reason to believe that the health or safety of an individual with developmental disabilities is in serious or immediate jeopardy, and the legal guardian, conservator, or other legal representatives have been contracted, offered assistance, but have failed or refused to act on behalf of the person.

The bill also clarifies the process by which the Governor may redesignate the State agency implementing the protection and advocacy system; and who may be appointed to a governing board.

This program is authorized in fiscal year 1990 for $24.2 million and appropriated at $20.48 million. The bill authorizes to be appropriated $25,000,000 for fiscal year 1991, $28,350,000 for fiscal year 1992, $29,770,000 for fiscal year 1993, and $31,258,500 for fiscal year 1994.

UNIVERSITY AFFILIATED PROGRAMS

University affiliated programs provide interdisciplinary training for students and other persons preparing to serve individuals with developmental disabilities. These programs are an integral part of a college or university, conduct interdisciplinary training, demonstrate exemplary services for persons with developmental disabilities, conduct applied research, and provide technical assistance to other agencies serving this population. In fiscal year 1990, there are 44 university affiliated programs and 3 satellite centers.

The 1987 amendments to the Developmental Disabilities Act retained the current focus on interdisciplinary training, the demonstration of exemplary services, and technical assistance. A new training grant program was established which focuses on issues of growing national significance including early intervention, programs for the elderly, and community based service programs. Opportunities for the expansion of the UAP Program was made possible by permitting universities to apply for funds to study the feasibility of establishing a new UAP or satellite program. States with no UAP's were given priority.

The bill retains the training grant initiative as a core training award. Grants in the amount of $90,000 are to be awarded to each applicant that submits a proposal that meets quality standards. The grant will be for 3 years, if sufficient funds are available, and reapplications for a subsequent period are on a competitive basis. If sufficient funds are available, the Secretary has the discretion to award grants up to $150,000 if applications are of sufficient scope and quality so as to address issues of national significance.

Priority areas in early intervention, aging, and community based service programs are retained under the training initiative. New priority areas are created in assistive technology and positive behavior management. An additional priority area is created which allows a UAP, in consultation with the planning council, to develop a priority area that meets a need specific to the State they serve. UAP's who apply for grants under this section must establish a consumer advisory group.

As a means of ensuring quality and accountability, the bill also creates a peer review process for monitoring training grants and assuring quality programs. Criteria for peer reviews is also included. In the event that an applicant does not submit a quality application, as determined by peer review, this section provides for the Secretary to utilize unexpended funds to make awards to other UAP's for the purposes set out in this section, not to exceed $150,000.

The bill also provides for the continued expansion of UAP programs to all States. Applicants from States who are not served by a UAP will be given first priority. However, in the event applications of sufficient quality are not received from States who are unserved by a UAP, the Secretary may consider applications from States that are served by a UAP or satellite center which is not able to serve particular geographic regions of the States, if such applications demonstrate a need.

This program is authorized in fiscal year 1990 for $15.5 million and appropriated at $13.19 million. The bill authorizes to be appropriated $18,400,000 for fiscal year 1991, $21,042,000 for fiscal year 1992, $23,816,000 for fiscal year 1993, and $26,360,000 for fiscal year 1994.

PROJECTS OF NATIONAL SIGNIFICANCE

Projects of national significance include demonstration, research, and evaluation projects intended to expand and improve services to persons with developmental disabilities. Such projects include: First, data collection; second, support for families of persons with developmental disabilities; third, technical assistance to improve the advocacy, planning and training functions of the programs under this act; and fourth, pursuit of Federal interagency initiatives including employment, pediatric AIDS, and early intervention services for children.

The 1987 amendments to the Developmental Disabilities Act renamed this section, previously titled special projects. A feasibility study of information and referral systems was authorized. Projects to train policymakers, develop and ongoing data systems, pursue interagency intiatives, and other projects of national size and scope were conducted.

This bill amends the purpose to include data collection and analysis, technical assistance to program components, technical assistance for the development of information and referral systems, educating policymakers, Federal interagency initiatives, and the enhancement of minority participation in public and private sector initiatives in developmental disabilities.

This program is authorized in fiscal year 1990 for $3.65 million and appropriated at $2.86 million. The bill authorizes to be appropriated $3,900,000 for fiscal year 1991, $4,095,525 for fiscal year 1992, $4,299,750 for fiscal year 1993, $4,514,800 for fiscal year 1994.●

● Mr. DURENBERGER. Mr. President, I rise to join with my distinguished colleague from Iowa in introducing the Departmental Disabilities Assistance and Bill of Rights Act of 1990.

This bill reauthorizes and makes several important improvements to the Developmental Disabilities Assistance and Bill of Rights Act, Public Law 100-146. Although this little-known act provides less than 2 percent of the total Federal funding for persons with development disabilities, it is the engine that shapes and guides services for persons with developmental disabilities in this country. It is the glue that holds the system together.

The DD Act assists States in ensuring persons with developmental disabilities receive the services and other assistance they need to achieve independence, productivity, and integration into the community. It is carried out through four basic program components: the basic State grants made to States for planning coordination and administration of services; the protection and advocacy [P&A] system to protect and advocate for the rights of persons with developmental disabilities; the university affilated programs [UAP] to carry out interdisciplinary training research and demonstrations and technical assistance; and the projects of national significance which expands and improves priority area services.

During the last reauthorization, language was inserted to require each State to prepare a report which analyzed current status of services to persons with developmental disabilities and the barriers to achievement of independence, productivity, and integration. Because of the due date of January 1, 1990 these reports were soon dubbed the "1990 Reports." The information from these reports showed that this act has been successful in establishing the foundation for providing support services to persons with developmental disabilities and their families and in promoting its goal of independence, productivity, and integration. The reports also show, however, areas were improvement is needed. The reports show that there are still pockets of underserved and unserved individuals, and that there is still a gap between what we know to work and current practice.

These reports have contributed significantly to this reauthorization process and will continue to help shape policy in the future.

Based on the information we received in the 1990 reports, we are not introducing a bill today that will make radical changes to the current act. That is not needed. Rather, the bill we are introducing today will fine-tune the act and will work to bring state of practice in line with the state of the art. The bill makes several important changes which will help ensure access to those eligible under the act, including a change to the definition of developmental disabilities that breakdown eligibility criteria to make it more age-appropriate for infants and toddlers. The 1990 reports repeatedly mentioned the problem of unserved and undeserved populations. This bill makes several changes to ensure these populations are not overlooked.

Several States mentioned problems associated with defining the appropriate role for the developmental disability council. This legislation makes several technical and clarifying changes to better define the relationship between the council and the State agency and the authority of the council over the director.

In response to limited numbers of instances where a guardian abuses or neglects an individual with a developmental disability, causing a serious threat to the health and safety of the individual, the bill gives greater authority to the P&A's to intervene. The bill also increases accountability and local discretion for the UAP's, and expands the priority categories to include behavior management and technology. Because of the extraordinary work that has come out of the Minnesota UAP Program in the area of behavior management I am particularly encouraged by this addition and the opportunity this brings to broaden our efforts in this field.

Mr. President, as we look forward to the passage of the Americans with Disabilities Act, it is the continued support of programs like the ones under the Developmental Disabilities Act that will ensure the rights granted under the ADA are not gone to waste by a system that does not facilitate independence, productivity, and integration of persons with disabilities into the community.

Finally, Mr. President, I would like to thank my distinguished colleague, and chairman of the Subcommittee on Disability Policy, for the cooperation he has shown in working with me, the administration, and many others on this legislation. The bill before us in the product of many hours of his time trying to ensure a balanced and bipartisan effort. And I commend him for his efforts and urge your strong support.●

By Mr. BIDEN (for himself, Mr. COHEN, Mr. PACKWOOD, Mr. WILSON, Mr. DECONCINI, Mr. METZENBAUM, and Mr. INOUYE):

S. 2754. A bill to combat violence and crime against women on the streets and in homes; to the Committee on the Judiciary.

VIOLENCE AGAINST WOMEN ACT

Mr. BIDEN. Mr. President, I rise today to introduce the first ever comprehensive legislation specifically geared toward combating violent crime against women: the Violence Against Women Act of 1990.

Violent crime against women is a serious problem in America—a serious problem and a growing one, too.

We are all familiar with the sensational well-publicized cases of horrifying brutality against women—indeed, as I speak now, underway in New York is the trial of the young men who brutally beat and raped an investment banker on an evening jog in Central Park.

While such stories rivet our attention, we must understand that this is not a problem of one or two horrible incidents. Violent crime against women happens every day in this country—every day, every hour, every minute.

Indeed, every 6 minutes, a woman is raped in this country; and every 18 seconds, a woman is beaten.

As tragic as these facts are, there is one truth even more troubling: violence against women is not only widespread—it is growing.

Over the last 10 years, the rape rate has risen four times faster than the national crime rate—four times faster. That means that rape is increasing not 50 percent more, or 100 percent more, but 400 percent faster than other crime in the United States.

Young women are victims of epidemic increases in violent crimes. Over the past decade and a half, while assaults against men in their early 20's have fallen 12 percent, assaults against young women have risen almost 50 percent.

But the problem is not limited to young women only: women of all ages have been brutalized. The next chart shows what has happened to the murder rate of senior citizens since 1974:

While the rate of murder of men has fallen 5.6 percent;

The rate of murder of women has climbed almost 30 percent.

This epidemic of violence against women must be stopped. And the need for urgent action becomes clearer still when we realize that many, many serious crimes against women are never even reported.

Experts estimate that less than half of all rapes are ever reported to the police. Crimes in the home—affecting as many as 3 to 4 million women a year—have an even lower reporting rate. And let's make no mistake about how serious these beatings at home are: Experts tell us that at least one-

third of these crimes would be labeled as felonious rapes or felonious assaults if they did not fall into the category of domestic disputes.

We all know the consequences of this epidemic. Our wives, our mothers, and our colleagues are afraid to walk in grocery store parking lots, to jog in public parks, or to ride home from work late at night in city buses. They are losing a fundamental human right—the right to be free from fear.

I believe that the legislation I am introducing today will help in the fight against violent crime against women. It attacks the problem in all forms—from rape cases to domestic violence, from every day assaults to murder. And it attacks the problem at all levels of our society: From the home to the streets, from the criminal justice system to the prison system.

The Violence Against Women Act of 1990 is best summarized by the names of its three major titles:

Title I—Safe Streets for Women;

Title II—Safe Homes for Women; and

Title III—Civil Rights for Women.

The bill contains many significant legislative proposals—too many to summarize at this time. As a result, I ask unanimous consent that a complete summary of the legislation appear in the RECORD following my remarks.

For now, I would like to explain a few of the bill's key provisions in more detail.

TITLE I: SAFE STREETS FOR WOMEN

Title I of the bill recognizes that any concerted effort to reduce violent crime against women must target the areas where women are most often victimized. Thus, the bill provides $200 million in grants to the 40 areas in the country found by the Justice Department to be the most dangerous for women. In addition, $100 million is provided for the Nation's remaining State and local governments.

These grants will significantly boost the number of police officers on the streets and prosecutors in the courts—police and prosecutors targeting violent crimes against women.

Title I also helps prevent street crime against women by providing grants for lights and cameras in public transit, and punishes these crimes more severely by doubling the penalties for rape and aggravated rapes tried in Federal court.

TITLE II: SAFE HOMES FOR WOMEN

The second major title of the bill deals with the crisis confronting millions of women every year who are the victims of violent crimes in their own homes.

Despite its name—domestic violence—these incidents are by no means tame; 1 million women a year require medical attention for injuries inflicted by abusing spouses.

Title II provides new laws, encourages new policies, and adds new funds to help in the fight against domestic violence.

For example, the bill protects women who flee their abusers, by making protective courts order issued by any State valid in the 49 others. This way, when a woman crosses a State line, she does not lose the benefit of a judge-issued order aimed at keeping her abusive spouse away from her.

In addition, the bill uses Federal grant programs to encourage States to arrest abusive spouses—particularly in cases of repeated abuse. Right now, in some States, a man can be arrested on sight if he has two outstanding speeding tickets, but police won't arrest him when they arrive—for the second or third or fourth time—on the scene where he has abused his spouse. This sort of discrimination must end.

Title II contains other provisions as well, including increased funding for shelters that house battered women, and funds for training prosecutors and courts in handling spouse abuse cases.

TITLE III: CIVIL RIGHTS FOR WOMEN

Finally, and perhaps most importantly, title III of the Violence Against Women Act addresses the issue of civil rights.

For too long, we have ignored the right of women to be free from the fear of attacks based on their gender—97 percent of all sex assaults in this country are against women.

We all know this; indeed, we assume it; but we ignore the obvious implication of the fact: A rape or sex assault should be deemed a civil rights crime, just as hate beatings aimed at blacks or Asians are widely recognized as violations of their civil rights.

This bill attempts to fill a gap in our civil rights laws by defining gender-motivated crimes as bias or hate crimes and amending Federal civil rights laws to say that such attacks violate a woman's civil rights.

Such protections can never blunt the pain to a victim of a sex crime; but they do say that we as a nation—as a whole nation—will not tolerate these crimes of hate. We will not tolerate them because they cause physical and emotional injuries; and we will not tolerate them because they deprive a women of the freedom from fear that she will be attacked because—and simply because—she is a woman.

Sex crimes are crimes of hate and discrimination—bias crimes—and it is time that Federal law treated them as such.

In closing, Mr. President, the Violence Against Women Act contains all of these provisions and more. I ask unanimous consent that the text of the bill be printed in the RECORD. I hope my colleagues will join me in supporting this legislation which aims at putting an end to this problem of violence—a problem that puts more women in the hospital today than breast cancer, auto accidents, plane crashes, and strokes combined.

I ask unanimous consent that a copy of an outline and the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2754

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Violence Against Women Act of 1990".

SEC. 2. TABLE OF CONTENTS.

TITLE I—SAFE STREETS FOR WOMEN

Sec. 101. Short title.

Subtitle A—Federal Penalties for Sex Crimes

Sec. 111. Repeat offenders.
Sec. 112. Federal penalties.
Sec. 113. Mandatory restitution for sex crimes.

Subtitle B—Law Enforcement and Prosecution Grants to Reduce Violent Crimes Against Women

Sec. 121. Grants to combat violent crimes against women.

Subtitle C—Safety for Women in Public Transit

Sec. 131. Grants for capital improvements to prevent crime in public transportation.

Subtitle D—National Commission on Violent Crime Against Women

Sec. 141. Establishment.
Sec. 142. Duties of commission.
Sec. 143. Membership.
Sec. 144. Reports.
Sec. 145. Executive director and staff.
Sec. 146. Powers of commission.
Sec. 147. Authorizations of appropriations.
Sec. 148. Termination.

TITLE II—SAFE HOMES FOR WOMEN

Sec. 201. Short title.

Subtitle A—Interstate Enforcement

Sec. 211. Interstate enforcement.

Subtitle B—Arrest in Spousal Abuse Cases

Sec. 221. States or localities that discriminate against arrest in cases of family violence.
Sec. 222. Encouraging arrest policies.

Subtitle C—Funding for Shelters

Sec. 231. Authorization.

Subtitle D—Judicial Training

Sec. 241. Training programs for judges.

TITLE III—CIVIL RIGHTS

Sec. 301. Civil rights.

TITLE I—SAFE STREETS FOR WOMEN

SEC. 101. SHORT TITLE.

This title may be cited as the "Safe Streets for Women Act of 1990".

Subtitle A—Federal Penalties for Sex Crimes

SEC. 111. REPEAT OFFENDERS.

(a) IN GENERAL.—Chapter 109A of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 2247. Repeat offenders

"Pursuant to its authority under section 994(p) of title 28, United States Code, the

United States Sentencing Commission shall promulgate guidelines or amend existing guidelines to provide that any person who commits a violation of this chapter, after one or more prior convictions for an offense punishable under this chapter, or after one or more prior convictions under the laws of any State or foreign country relating to aggravated sexual abuse, sexual abuse, or abusive sexual contact, is punishable by a term of imprisonment up to twice that otherwise provided in the guidelines, or up to twice the fine authorized in the guidelines, or both.".

(b) TABLE OF SECTIONS.—The table of sections for chapter 109A of title 18, United States Code, is amended by adding at the end thereof the following:

"2247. Repeat offenders.".

SEC. 112. FEDERAL PENALTIES.

(a) AGGRAVATED SEXUAL ASSAULT.—Pursuant to its authority under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall promulgate guidelines or amend existing guidelines to provide that a defendant convicted of an offense under section 2241 of title 18, United State Code, shall receive a term of imprisonment of no less than 18 years.

(b) SEXUAL ASSAULT.—Pursuant to its authority under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall promulgate guidelines or amend existing guidelines to provide that a defendant convicted of an offense under section 2242 of title 18, United States Code, shall receive a term of imprisonment of no less than 12 years.

(c) ABUSIVE SEXUAL CONTACT.—

(1) Pursuant to its authority under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall promulgate guidelines or amend existing guidelines to provide that a defendant convicted of an offense under section 2244(a)(1) of title 18, United States Code, shall receive a term of imprisonment of no less than 6 years.

(2) Pursuant to its authority under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall promulgate guidelines or amend existing guidelines to provide that a defendant convicted of an offense under section 2244(a)(2) of title 18, United States Code, shall receive a term of imprisonment of no less than 3 years.

SEC. 113. MANDATORY RESTITUTION FOR SEX CRIMES.

(a) IN GENERAL.—Chapter 109A of title 18, United States Code, is amended by adding at the end thereof the following:

"§ 2248. Mandatory restitution

"(a) Notwithstanding the terms of section 3663 of this title, and in addition to any other civil or criminal penalty authorized by law, the court shall order restitution for any offense under this chapter.

"(b)(1) The order of restitution under this section shall direct that—

"(A) the defendant pay to the victim the full amount of the victim's losses as determined by the court, pursuant to paragraph (3); and

"(B) the United States Attorney enforce the restitution order by all available and reasonable means.

"(2) For purposes of this subsection, the term 'full amount of the victim's losses' includes any costs incurred by the victim for—

"(A) medical services relating to physical, psychiatric, or psychological care;

"(B) physical and occupational therapy or rehabilitation;

"(C) any income lost by the victim as a proximate result of the offense; and

"(D) any other losses suffered by the victim as a proximate result of the offense.

"(3) Restitution orders under this section are mandatory. A court may not decline to issue an order under this section because of—

"(A) the economic circumstances of the defendant; or

"(B) the fact that a victim has, or is entitled to, receive compensation for his or her injuries from the proceeds of insurance.

"(4)(A) Notwithstanding the terms of paragraph (3), the court may take into account the economic circumstances of the defendant in determining the manner in which and the schedule according to which the restitution is to be paid.

"(B) For purposes of this paragraph, the term 'economic circumstances' includes—

"(i) the financial resources and other assets of the defendant;

"(ii) projected earnings and other income of the offender; and

"(iii) any financial obligations of the offender, including obligations to dependents.

"(C) An order under this section may direct the defendant to make a single lumpsum payment, partial payment at specified intervals, or payment in the form of serviced rendered to persons or organizations.

"(D) In the event that the victim has recovered for any amount of loss through the proceeds of insurance or any other source, the order of restitution shall provide that restitution be paid to the person who provided the compensation, but that restitution shall be paid to the victim before any restitution is paid to any other provider of compensation.

"(5) Any amount paid to a victim under this section shall be set off against any amount later recovered as compensatory damages by the victim in—

"(A) any Federal civil proceeding; and

"(B) any State civil proceeding, to the extent provided by the law of the State.

"(c) For purposes of this section, the term 'victim' includes any person who has suffered direct physical, emotional, or pecuniary harm as result of a commission of a crime under this chapter, including—

"(1) in the case of a victim who is under 18 years of age, incompetent or incapacitated, the legal guardian of the victim or the victim's estate, another family member, or any other person designated by the court; and

"(2) in the case of a victim who is deceased, the representative of the victim's estate.".

(b) TABLE OF SECTIONS.—The table of sections for chapter 109A of title 18, United States Code, is amended by adding at the end thereof the following:

"2248. Mandatory restitution.".

Subtitle B—Law Enforcement and Prosecution Grants To Reduce Violent Crimes Against Women

SEC. 121. GRANTS TO COMBAT VIOLENT CRIMES AGAINST WOMEN.

(a) IN GENERAL.—Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711 et seq.) is amended by—

(1) redesignating part N as part O;

(2) redesignating section 1401 as section 1501; and

(3) adding after part M the following:

"PART N—GRANTS TO COMBAT VIOLENT CRIMES AGAINST WOMEN

"SEC. 1401. PURPOSE OF THE PROGRAM AND GRANTS.

"(a) The purpose of this part is to assist States, cities, and other localities to develop effective law enforcement and prosecution strategies to combat violent crimes against women and, in particular, to focus efforts on those areas with the highest rates of violent crime against women.

"(b) Grants under this part shall provide additional personnel, equipment, training, technical assistance, and information systems for the more widespread apprehension, prosecution, and adjudication of persons committing violent crimes against women and specifically, for the purposes of—

"(1) developing and implementing innovative police techniques for reducing the incidence of violent crimes against women;

"(2) training law enforcement officers and prosecutors to target violent crimes against women, including sexual assault;

"(3) developing and training units of law enforcement officers and prosecutors specifically devoted to targeting violent crimes against women, including sexual assault; and

"(4) developing or enlarging victim advocacy programs working with, connected to, or within, police departments and prosecutors' offices to increase reporting and reduce attrition rates for cases involving violent crimes against women.

"Subpart 1—High Intensity Crime Area Grants

"SEC. 1411. GENERAL PURPOSE.

"(a) The Director of the Bureau of Justice Assistance (hereafter in this part referred to as the 'Director') shall make grants to areas of 'high intensity crime' against women.

"(b) For purposes of this part, a 'high intensity crime area' means an area with one of the 40 highest rates of violent crimes against women, as determined by the Bureau of Justice Statistics pursuant to section 1412.

"SEC. 1412. GRANT DETERMINATION.

"(a) COMPUTATION.—Within 45 days after the date of enactment of this part, the Bureau of Justice Statistics shall compile a list of 40 areas with the highest rates of violent crimes against women based on the combined female victimization rate per population for assault, sexual assault (including, but not limited to, rape) murder, robbery, and kidnapping.

"(b) PUBLICATION.—After compiling the list set forth in subsection (a), the Bureau of Justice Statistics shall convey it to the Director who shall publish it in the Federal Register.

"(c) ENTITLEMENT.—Upon satisfying the terms of subsection (d), any high intensity crime area shall be entitled to a grant under this subpart upon certification by the chief executive officer of the governmental entities responsible for law enforcement and prosecution of criminal offenses within the area that the funds shall be used to reduce the rate of violence against women, and for one or more of the purposes outlined in section 1401. In the case of funds to be used for purposes outlined in section 1411(b)(2), (b)(3), and (b)(4), entitlement is contingent upon certification that programs will coordinate activities with, and include participation of, victim advocacy groups.

"(d) APPLICATION REQUIREMENTS.—The application requirements provided in section

513 of this title shall apply to grants made under this subpart.

"(e) DISBURSEMENT.—No later than 60 days after the receipt of an application under this subpart, the Director shall either disburse the appropriate sums provided for under this subpart or shall inform the applicant why the application does not conform to the terms of section 513 of this title.

"(f) GRANTEE REPORTING.—Upon completion of the grant period under this subpart, the grantee shall file a performance report with the Director explaining the activities carried out together with an assessment of the effectiveness of those activities in achieving the purposes of this part. The Director shall suspend funding for an approved application if an applicant fails to submit such an annual performance report.

"Subpart 2—Other Grants to States to Combat Violent Crimes Against Women

"SEC. 1121. GENERAL GRANTS TO STATES.

"(a) GENERAL GRANTS.—The Director is authorized to make grants to States, for the use by States and units of local government in the States, for the purposes outlined in section 1411, and to reduce the rate of violent crimes against women.

"(b) AMOUNTS.—The amounts of grants under subsection (a) shall be—

"(1) $300,000 to each State; and

"(2) that portion of the then remaining available money to each State that results from a distribution among the States on the basis of each State's population in relation to the population of all States.

"(c) ENTITLEMENT.—Upon satisfying the terms of subsection (d), any State shall be entitled to funds provided under this part upon certification that the funds shall be used to reduce the rate of violent crimes against women and for one or more of the purposes outlined in section 1411.

"(d) APPLICATION REQUIREMENTS.—The application requirements provided in section 513 of this title shall apply to grants made under this subpart.

"(e) DISBURSEMENT.—No later than 60 days after the receipt of an application under this subpart, the Director shall either disburse the appropriate sums provided for under this subpart or shall inform the applicant why the application does not conform to the terms of section 513 of this title or this section.

"(f) GRANTEE REPORTING.—Upon completion of the grant period under this subpart, the grantee shall file a performance report with the Director explaining the activities carried out together with an assessment of the effectiveness of those activities in achieving the purposes of this subpart. The Director shall suspend funding for an approved application if an applicant fails to submit such an annual performance report.

"Subpart 3—General Terms and Conditions

"SEC. 1131. GENERAL TERMS AND CONDITIONS.

"(a) NONMONETARY ASSISTANCE.—In addition to the assistance provided under subparts 1 or 2, the Director may direct any Federal agency, with or without reimbursement, to use its authorities and the resources granted to it under Federal law (including personnel, equipment, supplies, facilities, and managerial, technical, and advisory services) in support of State and local assistance efforts.

"(b) BUREAU REPORTING.—No later than 180 days after the end of each fiscal year for which grants are made under this part, the Director shall submit to the Judiciary Committees of the House and the Senate a report that includes, for each high intensity crime area (as provided in subpart 1) and for each State (as provided in subpart 2)—

"(1) the amount of grants made under this part; and

"(2) a summary of the purposes for which those grants were provided and an evaluation of their progress.

"(c) REGULATIONS.—No later than 45 days after the date of enactment of this part, the Director shall publish proposed regulations implementing this part. No later than 120 days after such date, the Director shall publish final regulations implementing this part.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each fiscal year 1991, 1992, and 1993, $200,000,000 to carry out the purposes of subpart 1, and $100,000,000 to carry out the purposes of subpart 2.".

Subtitle C—Safety for Women in Public Transit

SEC. 131. GRANTS FOR CAPITAL IMPROVEMENTS TO PREVENT CRIME IN PUBLIC TRANSPORTATION.

Section 24 of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"GRANTS TO PREVENT CRIME IN PUBLIC TRANSPORTATION

"SEC. 24. (a) GENERAL PURPOSE.—From funds authorized under section 21, and not to exceed $10,000,000, the Secretary shall make capital grants for the prevention of crime and to increase security in existing and future public transportation systems. None of the provisions of this Act may be construed to prohibit the financing of projects under this section where law enforcement responsibilities are vested in a local public body other than the grant applicant.

"(b) GRANTS FOR LIGHTING, CAMERA SURVEILLANCE, AND SECURITY PHONES.—

"(1) From the sums authorized for expenditure under this section for crime prevention, the Secretary is authorized to make grants and loans to States and local public bodies or agencies for the purpose of increasing the safety of public transportation by—

"(A) increasing lighting within or adjacent to public transportation systems, including bus stops, subway stations, parking lots, or garages;

"(B) increasing camera surveillance of areas within and adjacent to public transportation systems, including bus stops, subway stations, parking lots, or garages;

"(C) providing emergency phone lines to contact law enforcement or security personnel in areas within or adjacent to public transportation systems, including bus stops, subway stations, parking lots, or garages; or

"(D) any other project intended to increase the security and safety of existing or planned public transportation systems.

"(2) From the sums authorized under this section, at least 75 percent shall be expended on projects of the type described in subsection (b)(1) (A) and (B).

"(c) REPORTING.—All grants under this section are contingent upon the filing of a report with the Secretary and the Department of Justice, Office of Victims of Crime, showing crime rates in or adjacent to public transportation before, and for a 1-year period after, the capital improvement. Statistics shall be broken down by type of crime, sex, and race of the victim and perpetrator.

"(d) INCREASED FEDERAL SHARE.—Notwithstanding any other provision of this Act, the Federal share under this section for each capital improvement project which enhances the safety and security of public transportation systems and which is not required by law (including any other provision of this chapter) shall be 90 percent of the net project cost of such project.

"(e) SPECIAL GRANTS FOR PROJECTS TO STUDY INCREASING SECURITY FOR WOMEN.—From the sums authorized under this section, the Secretary shall provide grants and loans for the purpose of studying ways to reduce violent crimes against women in public transit through better design or operation of public transit systems.

"(f) GENERAL REQUIREMENTS.—All grants or loans provided under this section shall be subject to all the terms, conditions, requirements, and provisions applicable to grants and loans made under section 2(a).".

Subtitle D—National Commission on Violent Crime Against Women

SEC. 141. ESTABLISHMENT.

There is established a commission to be known as the National Commission on Violent Crime Against Women (hereinafter referred to as the Commission).

SEC. 142. DUTIES OF COMMISSION.

(a) GENERAL PURPOSE OF THE COMMISSION.—The Commission shall carry out activities for the purposes of promoting a national consensus on violent crime against women, and for making recommendations for how to reduce violent crime against women.

(b) FUNCTIONS.—The Commission shall perform the following functions—

(1) evaluate the adequacy of, and make recommendations regarding, current law enforcement efforts at the Federal and State levels to reduce the rate of violent crimes against women;

(2) evaluate the adequacy of, and make recommendations regarding, the responsiveness of State prosecutors and State courts to violent crimes against women;

(3) evaluate the adequacy of, and make recommendations regarding, the role of the Federal Government in reducing violent crimes against women;

(4) evaluate the adequacy of, and make recommendations regarding, the dissemination of information that is essential to the prevention of violent crimes against women;

(5) evaluate the adequacy of, and make recommendations regarding, data collection and other available statistical means to evaluate the extent of violent crimes against women.

SEC. 143. MEMBERSHIP.

(a) NUMBER AND APPOINTMENT.—

(1) APPOINTMENT.—The Commission shall be composed of 15 members as follows:

(A) Five members shall be appointed by the President—

(i) three of whom shall be—

(I) the Attorney General;

(II) the Secretary of Health and Human Services;

(III) the Director of the Federal Bureau of Investigation,

who shall be nonvoting members, except that in the case of a tie vote by the Commission, the Attorney General shall be a voting member; and

(ii) two of whom shall be selected from the general public on the basis of such individuals being specially qualified to serve on the Commission by reason of their education, training, or experience.

(B) Five members shall be appointed by the Speaker of the House of Representatives on the joint recommendation of the

Majority and Minority Leaders of the House of Representatives.

(C) Five members shall be appointed by the President pro tempore of the Senate on the joint recommendation of the Majority and Minority Leaders of the Senate.

(2) CONGRESSIONAL COMMITTEE RECOMMENDATIONS.—In making appointments under subparagraphs (B) and (C) of paragraph (1), the Majority and Minority Leaders of the House of Representatives and the Senate shall duly consider the recommendations of the Chairmen and Ranking Minority Members of committees with jurisdiction over laws contained in title 18 of the United States Code.

(3) REQUIREMENTS OF APPOINTMENTS.—The Majority and Minority Leaders of the Senate and the House of Representatives shall—

(A) select individuals who are specially qualified to serve on the Commission by reason of their education, training, or experience; and

(B) engage in consultations for the purpose of ensuring that the expertise of the ten members appointed by the Speaker of the House of Representatives and the President pro tempore of the Senate shall provide as much of a balance as possible and, to the greatest extent possible, cover the fields of law enforcement, prosecution, judicial administration, legal expertise, and victim advocacy.

(4) TERM OF MEMBERS.—Members of the Commission (other than members appointed under paragraph (1)(A)(i)) shall serve for the life of the Commission.

(5) VACANCY.—A vacancy on the Commission shall be filled in the manner in which the original appointment was made.

(b) CHAIRMAN.—Not later than 15 days after the members of the Commission are appointed, such members shall select a Chairman from among the members of the Commission.

(c) QUORUM.—Seven members of the Commission shall constitute a quorum, but a lesser number may be authorized by the Commission to conduct the hearings.

(d) MEETINGS.—The Commission shall hold its first meeting on a date specified by the Chairman, but such date shall not be later than 60 days after the date of the enactment of this Act. After the initial meeting, the Commission shall meet at the call of the Chairman or a majority of its members, but shall meet at least six times.

(e) PAY.—Members of the Commission who are officers or employees or elected officials of a government entity shall receive no additional compensation by reason of their service on the Commission.

(f) PER DIEM.—While away from their homes or regular places of business in the performance of duties for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under sections 5702 and 5703 of title 5, United States Code.

(g) DEADLINE FOR APPOINTMENT.—Not later than 45 days after the date of the enactment of this Act, the members of the Commission shall be appointed.

SEC. 111. REPORTS.

(a) IN GENERAL.—Not later than 1 year after the date on which the Commission is fully constituted under section 143, the Commission shall prepare and submit a final report to the President and to the appropriate committees of Congress.

(b) CONTENTS.—The final report submitted under paragraph (1) shall contain a detailed statement of the activities of the Commission and of the findings and conclusions of the Commission, including such recommendations for legislation and administrative action as the Commission considers appropriate.

SEC. 115. EXECUTIVE DIRECTOR AND STAFF.

(a) EXECUTIVE DIRECTOR.—

(1) APPOINTMENT.—The Commission shall have an Executive Director who shall be appointed by the Chairman, with the approval of the Commission, not later than 30 days after the Chairman is selected.

(2) COMPENSATION.—The Executive Director shall be compensated at a rate not to exceed the maximum rate of the basic pay payable under GS-18 of the General Schedule as contained in title 5, United States Code.

(b) STAFF.—With the approval of the Commission, the Executive Director may appoint and fix the compensation of such additional personnel as the Executive Director considers necessary to carry out the duties of the Commission.

(c) APPLICABILITY OF CIVIL SERVICE LAWS.—The Executive Director and the additional personnel of the Commission appointed under subsection (b) may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(d) CONSULTANTS.—Subject to such rules as may be prescribed by the Commission, the Executive Director may procure temporary or intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals not to exceed $200 per day.

SEC. 116. POWERS OF COMMISSION.

(a) HEARINGS.—For the purpose of carrying out this subtitle, the Commission may conduct such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate. The Commission may administer oaths before the Commission.

(b) DELEGATION.—Any member or employee of the Commission may, if authorized by the Commission, take any action that the Commission is authorized to take under this subtitle.

(c) ACCESS TO INFORMATION.—The Commission may secure directly from any executive department or agency such information as may be necessary to enable the Commission to carry out this subtitle, except to the extent that the department or agency is expressly prohibited by law from furnishing such information. On the request of the Chairman of the Commission, the head of such a department or agency shall furnish nonprohibited information to the Commission.

(d) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

SEC. 117. AUTHORIZATIONS OF APPROPRIATIONS.

There is authorized to be appropriated for fiscal year 1991, $500,000 to carry out the purposes of this subtitle.

SEC. 118. TERMINATION.

The Commission shall cease to exist 30 days after the date on which its final report is submitted under section 144. The President may extend the life of the Commission for a period of not to exceed one year.

TITLE II—SAFE HOMES FOR WOMEN

SEC. 201. SHORT TITLE.

This title may be cited as the "Safe Homes for Women Act of 1990".

Subtitle A—Interstate Enforcement

SEC. 211. INTERSTATE ENFORCEMENT.

(a) IN GENERAL.—Part 1 of title 18, United States Code, is amended by inserting after chapter 110 the following:

"Chapter 110A—Violence Against Spouses

"Sec. 2261. Traveling to commit spousal abuse.
"Sec. 2262. Interstate violation of protection orders.
"Sec. 2263. Restitution.
"Sec. 2264. Full faith and credit given to protection orders.
"Sec. 2265. Definitions for chapter.

"§ 2261. Traveling to commit spousal abuse

"(a) Any person who travels or causes another (including the intended victim) to travel in interstate commerce, with the intent to injure his or her spouse and who either during the course of any such travel or thereafter, violates a law of any State concerning domestic or family violence, shall be fined not more than $1,000 or imprisoned for not more than one year, or both, in addition to any fine or term of imprisonment provided under State law. If no fine or term of imprisonment is provided for under the law of the State or territory where the injury occurs, then a person violating this section shall be fined not more than $1,000 or imprisoned for not more than 1 year.

"(b) For purposes of subsection (a), a law concerning domestic or family violence includes laws specifically related to domestic or family violence as well as State laws on battery, assault, sexual assault, unlawful imprisonment, kidnapping, unlawful entry, damage to property, and theft, where the victim is the spouse of the offender.

"§ 2262. Interstate violation of protection orders

"(a) Any person who travels or causes another (including the intended victim) to travel in interstate commerce, with the intent to violate a valid protection order issued by a State, and a violation results, shall be fined not more than $1,000, and imprisoned not more than 6 months, or both.

"(b) Any person who travels or causes another (including the intended victim) to travel in interstate commerce, with the intent to violate a valid protection order that has previously been violated, and a further violation results, shall be fined not more than $2,000, and imprisoned not more than 1 year but not less than 3 months, or both.

"(c) Any person who travels or causes another (including the intended victim) to travel in interstate commerce, with the intent to violate a valid protection order that has previously been violated, and serious bodily injury results, shall be fined not more than $5,000, and imprisoned not more than 5 years but not less than 6 months, or both.

"§ 2263. Restitution

"(a) In addition to any fine or term of imprisonment provided under this chapter, and notwithstanding the terms of section 3663 of this title, the court shall order restitution to the victim of an offense under this chapter.

"(b)(1) The order of restitution under this section shall direct that—

"(A) the defendant pay to the victim the full amount of the victim's losses as determined by the court, pursuant to subsection (3); and

"(B) the United States Attorney enforce the restitution order by all available and reasonable means.

"(2) For purposes of this subsection, the term 'full amount of the victim's losses' includes any costs incurred by the victim for—

"(A) medical services relating to physical, psychiatric, or psychological care;

"(B) physical and occupational therapy or rehabilitation; and

"(C) any income lost by the victim as a proximate result of the offense; and

"(D) any other losses suffered by the victim as a proximate result of the offense.

"(3) Restitution orders under this section are mandatory. A court may not decline to issue an order under this section because of—

"(A) the economic circumstances of the defendant; or

"(B) the fact that victim has, or is entitled to, receive compensation for his or her injuries from the proceeds of insurance.

"(4)(A) Notwithstanding the terms of paragraph (3), the court may take into account the economic circumstances of the defendant in determining the manner in which and the schedule according to which the restitution is to be paid, including—

"(i) the financial resources and other assets of the defendant;

"(ii) projected earnings and other income of the offender; and

"(iii) any financial obligations of the offender, including obligations to dependents.

"(B) An order under this section may direct the defendant to make a single lumpsum payment, partial payment at specified intervals, or payment in the form of services rendered to persons or organizations.

"(C) In the event that the victim has recovered for any amount of loss through the proceeds of insurance or any other source, the order of restitution shall provide that restitution be paid to the person who provided the compensation, but that restitution shall be paid to the victim before any restitution is paid to any other provider of compensation.

"(5) Any amount paid to a victim under this section shall be set off against any amount later recovered as compensatory damages by the victim in—

"(A) any Federal civil proceeding; and

"(B) any State civil proceeding, to the extent provided by the law of the State.

"(c) For purposes of this section, the term 'victim' includes any person who has suffered direct physical, emotional, or pecuniary harm as a result of a commission of a crime under this chapter, including—

"(1) in the case of a victim who is under 18 years of age, incompetent or incapacitated, the legal guardian of the victim or the victim's estate, another family member, or any other person designated by the court; and

"(2) in the case of a victim who is deceased, the representatives of the victim's estate.".

"§ 2264. Full faith and credit given to protection orders

"(a) Any protection order issued consistent with the terms of subsection (b) by the court of one State (the issuing State) shall be accorded full faith and credit by the court of another State (the enforcing State) and enforced as if it were the order of the enforcing State.

"(b) A protection order made by a State is consistent with the provisions of this section only if—

"(1) such court has jurisdiction under the law of such State; and

"(2) before the order is issued, reasonable notice and opportunity to be heard is given to the person against whom the order is sought, provided that, in the case of ex parte orders, it shall be sufficient if provision is made in the order for notice and opportunity to be heard as soon as possible after the order is issued, consistent with due process.

"§ 2265. Definitions for chapter

"As used in this chapter—

"(1) The term 'spouse' includes a present or former spouse and any other person defined as a spouse under, or otherwise protected under, the domestic or family violence laws of a State;

"(2) The term 'protection order' includes any injunction issued for the purpose of preventing acts of one spouse against another, including temporary and final orders issued by civil and criminal courts, whether obtained by filing an independent action or as a pendente lite order in another proceeding; and

"(3) The term 'State' includes a State of the United States, the District of Columbia, and any commonwealth, territory, or possession of the United States.".

(b) TABLE OF CHAPTERS.—The table of chapters for part 1 of title 18, United States Code, is amended by inserting after the item for chapter 110 the following:

"110A. Violence against spouses ..... 2261.".

Subtitle B—Arrest in Spousal Abuse Cases

SEC. 221. STATES OR LOCALITIES THAT DISCRIMINATE AGAINST ARREST IN CASES OF FAMILY VIOLENCE.

(a) FAMILY VIOLENCE PREVENTION AND SERVICES.—Section 303(a)(2) of the Family Violence Prevention and Services Act (42 U.S.C. 10402(a)(2)) is amended by adding at the end thereof the following:

"No State or locality shall be entitled to a grant under this title if, as a matter of policy or law, it discriminates against victims of family violence by prohibiting or discouraging the arrest of persons committing family violence. Any application for a grant pursuant to this section must certify that the conditions of this paragraph are met, attaching copies of the relevant policy or laws. Proof that a State or locality permits warrantless misdemeanor arrests based on probable cause in domestic violence situations is sufficient, but not necessary, to make the showing required by this section that the State or locality does not discriminate against victims of family violence.".

(b) VICTIMS OF CRIME ACT OF 1984.—(1) Section 1404(a)(2) of the Victims of Crime Act of 1984 (42 U.S.C. 10603(a)(3)) is amended by—

(A) striking "and" after the semicolon in subparagraph (B);

(B) striking the period at the end of subparagraph (C) and inserting "; and"; and

(C) adding at the end thereof the following:

"(D) certify that the State does not discriminate against victims of family violence, as a matter of policy or law, by discouraging or prohibiting the arrest of persons committing violence against spouses or other family members.

Proof that a State or locality permits warrantless misdemeanor arrests based on probable cause in domestic violence situations is sufficient, but not necessary, to make the showing required by this section that the State or locality does not discriminate against victims of family violence.".

(2) The amendments made by this subsection shall take effect one year after the date of enactment of this Act.

SEC. 222. ENCOURAGING ARREST POLICIES.

The Family Violence Prevention and Services Act is amended by adding after section 311 the following:

"SEC. 312. ENCOURAGING ARREST POLICIES.

"(a) PURPOSE.—To encourage States and localities to treat spousal violence as a serious violation of criminal law, the Secretary is authorized to make grants to eligible States, municipalities, or local government entities for the following purposes:

"(1) to centralize police enforcement of laws against spousal or family violence, and tracking of cases involving spousal or family violence;

"(2) to centralize and coordinate prosecution of cases involving spousal or family violence in one group or unit of prosecutors; and

"(3) to centralize judicial responsibility for cases involving spousal or family violence in one court or group of judges.

"(b) ELIGIBILITY.—(1) Eligible grantees are those States, municipalities or other local government entities that—

"(A) demonstrate, through arrest statistics, that their laws or policies have been effective in significantly increasing the number of arrests made of spouse abusers; and

"(B) certify that their laws or official policies—

"(i) mandate arrest of spouse abusers based on probable cause that violence has been committed or mandate arrest of spouses violating the terms of a valid and outstanding protection order for the benefit of one spouse from another spouse; or

"(ii) permit warrantless misdemeanor arrests of spouse abusers and encourage the use of that authority.

"(2) For purposes of this section, the term 'protection order' includes any injunction issued for the purpose of preventing acts of one spouse against another, including temporary and final orders issued by civil and criminal courts, whether obtained by filing an independent action or as a pendente lite order in another proceeding.

"(3) The eligibility requirements provided in this section shall take effect one year after the date of enactment of this section.

"(c) DELEGATION AND AUTHORIZATION.—The Secretary shall delegate to the Attorney General of the United States the Secretary's responsibilities for carrying out this section and shall transfer to the Attorney General from funds appropriated under section 311 not in excess of $25,000,000 for each fiscal year to be used for the purpose of making grants under this section.

"(d) APPLICATION.—An eligible grantee shall submit an application to the Secretary. Such application shall—

"(1) contain a certification by the chief executive officer of the State, municipality, or local government entity that the conditions of subsection (b) are met;

"(2) describe the entity's plans to centralize or increase coordination in police departments, prosecutors' offices, or the courts for cases of spousal or family violence;

"(3) identify the agency or office or groups of agencies or offices responsible for carrying out the program; and

"(4) identify goals to be met by the planned increase in centralization and coordination.

"(e) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to a grantee that—

"(1) does not currently provide for centralized handling of cases involving spousal or family violence in any one of the areas listed in this subsection—police, prosecutors, and courts; and

"(2) demonstrates a commitment to strong enforcement of laws, and prosecution of cases, involving spousal or family violence.

"(f) REPORTING.—Each grantee receiving funds under this section shall submit a report to the Secretary evaluating the effectiveness of the plan described in subsection (d)(2) and containing such additional information as the Secretary may prescribe.

"(g) REGULATIONS.—No later than 45 days after the date of enactment of this section, the Secretary shall publish proposed regulations implementing this section. No later than 120 days after such date, the Secretary shall publish final regulations implementing this section.".

Subtitle C—Funding for Shelters

SEC. 231. AUTHORIZATION.

Section 310 of the Family Violence Prevention and Services Act (42 U.S.C. 10409) is amended to read as follows:

"SEC. 310. AUTHORIZATION OF APPROPRIATIONS.

"(a) There are authorized to be appropriated to carry out the provisions of this title, $75,000,000 for each of the fiscal years 1991, 1992 and 1993.

"(b) Of the sums appropriated under subsection (a) of this section for any fiscal year, not less than 60 percent shall be used by the Secretary for making grants under section 303.".

Subtitle D—Judicial Training

SEC. 241. TRAINING PROGRAMS FOR JUDGES.

The Family Violence Prevention and Services Act is amended by adding at the end thereof the following:

"SEC. 311. TRAINING PROGRAMS FOR JUDGES.

"(a) From the sums authorized under this title, the Attorney General shall provide $200,000 to the State Justice Institute for the purpose of developing model programs to be used by the States in training judges in the laws of the States on spousal abuse and family violence.

"(b) In implementing this section, the Attorney General shall direct that the State Justice Institute insure that the model program is developed in conjunction with, and with comments from, law enforcement officials, victim advocates, recognized legal experts, and prosecutors.".

TITLE III—CIVIL RIGHTS

SEC. 301. CIVIL RIGHTS.

(a) FINDINGS.—The Congress finds that—

(1) crimes motivated by the victim's gender constitute bias crimes in violation of the victim's right to equal protection of the laws, equal privileges and immunities under the laws, and in violation of the victim's right to be free from discrimination on the basis of gender;

(2) current law provides a civil rights remedy for gender crimes committed in the workplace, but not on the street or in the home;

(3) State and Federal criminal laws do not adequately protect against the bias element of gender crimes, which separates these crimes from acts of random violence, nor do they adequately provide victims the opportunity to vindicate their interests.

(b) RIGHTS, PRIVILEGES AND IMMUNITIES.—All persons within the United States shall have the same rights, privileges and immunities in every State as is enjoyed by all other persons to be free from crimes of violence motivated by the victim's gender, as defined in subsection (d).

(c) CAUSE OF ACTION.—Any person, including a person who acts under color of any statute, ordinance, regulation, custom, or usage of any State, who deprives another of the rights, privileges or immunities secured by the Constitution and laws as enumerated in subsection (b) shall be liable to the party injured, in an action for the recovery of compensatory and punitive damages.

(d) DEFINITION.—For purposes of this section, a "crime of violence motivated by the victim's gender" means any rape, sexual assault, or abusive sexual contact motivated by gender-based animus.

VIOLENCE AGAINST WOMEN—BILL OUTLINE

TITLE I—SAFE STREETS FOR WOMEN

A. Federal sex crime legislation

1. Doubles penalties for rape and aggravated rape;

2. Creates new penalties for repeat sex offenders;

3. Requires and expands victims restitution in sex crime cases.

B. High Intensity Violence Areas

1. Authorizes $300 million in law enforcement grants—$200 million to the 40 most dangerous areas in the country for women and $100 million to all 50 states;

2. Grants include funds to increase prosecution rates (notoriously low) by training police and prosecutors; setting up special units of police, prosecutors, and victim advocates to target violent crimes against women.

C. Public Transit: Lights & Cameras

Earmarks capital improvement grants from mass transit funding to increase lighting and camera surveillance at bus stops, stations, and adjacent parking lots.

D. National Commission on Violent Crime Against Women

Modeled on the AIDS Commission, this group will help focus attention on increasing crime rates against women.

TITLE II—SAFE HOMES FOR WOMEN

A. Interstate Enforcement

1. Creates federal penalties for spouse abusers who cross state lines to continue abuse or to violate an existing "stay away" order;

2. Requires states to enforce the "stay away" orders that other states issue, as long as the order meets certain minimum criteria.

B. Arrest

1. Bars grants to states and localities that discriminate against spouse abuse by having a policy that discourages or prohibits arrest of abusing spouses.

2. Provides grants to states and localities, encouraging arrests of abusing spouses.

C. Funding/Grants

1. Doubles funding for battered women's shelters;

2. Authorizes $25 million in law enforcement grants including funds for prosecutors and courts to develop special units devoted to spouse abuse.

TITLE III—CIVIL RIGHTS FOR WOMEN

A. Sex Crimes as "Bias" or "Hate" Crimes

1. Defines gender-motivated crimes, like rape, as "bias" crimes, depriving victims of equal rights.

B. Civil Rights

1. Creates a civil rights remedy, allowing victims of sex crimes to bring a civil rights case and, if gender-based animus is proven, recover compensatory and punitive damages;

2. Modeled on longstanding civil rights laws, (42 U.S.C. secs. 1981-1985) protecting blacks from race-based attacks;

3. Rectifies inequity in current law that provides a civil rights remedy for gender crimes committed in the workplace, but not if committed on the street or in the home;

4. Limited to gender-motivated crimes.

By Mr. PELL (by request):

S. 2755. A bill to provide for the participation of the United States in the European Bank for Reconstruction and Development; to the Committee on Foreign Relations.

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT ACT

● Mr. PELL. Mr. President, by request, I introduce for appropriate reference a bill to provide for the participation of the United States in the European Bank for Reconstruction and Development.

This proposed legislation has been requested by the Department of the Treasury, and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the Acting General Counsel of the Department of the Treasury to the President of the Senate, which was received on June 12, 1990.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2755

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Sec. 201. This Act may be cited as the "European Bank for Reconstruction and Development Act".

Sec. 301. Acceptance of Membership

The President is hereby authorized to accept membership for the United States in the European Bank for Reconstruction and Development (hereinafter the "Bank") provided for by the agreement establishing the Bank (hereinafter the "Agreement").

Sec. 401. Governor and Alternate Governor

(a) The President, by and with the advice and consent of the Senate, shall appoint a Governor of the Bank, an alternate for the Governor, and a Director of the Bank.

(b) No person shall be entitled to receive any salary or other compensation from the

United States for services as a Governor or Alternate Governor.

Sec. 501. Applicability of Bretton Woods Agreements Act

The provisions of section 4 of the Bretton Woods Agreements Act, as amended 59 Stat. 512, 22 U.S.C. 286b, shall apply with respect to the Bank to the same extent as with respect to the International Bank for Reconstruction and Development and the International Monetary Fund. Reports with respect to the Bank under paragraphs (5) and (6) of subsection (b) of section 4 of the Bretton Woods Agreements Act shall be included in the first and subsequent reports made thereunder, after the United States accepts membership in the Bank.

Sec. 601. Federal Reserve Banks as Depositories

Any Federal Reserve bank which is requested to do so by the Bank may act as its depository, or as its fiscal agent, and the Board of Governors of the Federal Reserve System shall exercise general supervision over the carrying out of these functions.

Sec. 701. Subscription of Stock

(a) The Secretary of the Treasury is authorized to subscribe on behalf of the United States to 100,000 shares of the capital stock of the Bank; provided, however, that the subscription shall be effective only to such extent or in such amounts as are provided in advance in appropriations Acts.

(b) There is hereby authorized to be appropriated, without fiscal year limitation, for payment by the Secretary of the Treasury of the subscription of the United States for those shares, [$1,167,010,000.00].

(c) Any payment made to the United States by the Bank as a distribution of net income shall be covered into the Treasury as a miscellaneous receipt.

Sec. 801. Jurisdiction of United States Courts

For the purpose of any civil action which may be brought within the United States, its territories or possessions, or the Commonwealth of Puerto Rico, by or against the Bank in accordance with the Agreement, the Bank shall be deemed to be an inhabitant of the Federal judicial district in which its principal office or agency in the United States is located, and any such action to which the Bank shall be a party shall be deemed to arise under the laws of the United States, and the district courts of the United States, including the courts enumerated in section 460 of title 28, United States Code, shall have original jurisdiction of any such action. When the Bank is the defendant in any action in a State court, it may, at any time before the trial thereof, remove such action into the appropriate district court of the United States by following the procedure for removal provided in section 1446 of title 28, United States Code.

Sec. 901. Effectiveness of Agreement

The Agreement, and particularly articles [43] through [50], shall have full force and effect in the United States, its territories and possessions, and the Commonwealth of Puerto Rico, upon acceptance of membership by the United States in, and the establishment of, the Bank.

Sec. 1001. Securities Issued by Bank as Exempt Securities; Report Filed With Securities and Exchange Commission

(a) Any securities issued by the Bank (including any guarantee by the Bank, whether or not limited in scope) in connection with raising of funds for inclusion in the Bank's ordinary capital resources as defined in article 7 of the Agreement and any securities guaranteed by the Bank as to both principal and interest to which the commitment in article 6, paragraph 4, of the Agreement is expressly applicable, shall be deemed to be exempted securities within the meaning of paragraph (a)(2) of section 3 of the Act of May 27, 1933, as amended (15 U.S.C. 77c), and paragraph (a)(12) of section 3 of the Act of June 6, 1934, as amended (15 U.S.C. 78c). The Bank shall file with the Securities and Exchange Commission such annual and other reports with regard to such securities as the Commission shall determine to be appropriate in view of the special character of the Bank and its operations and necessary in the public interest or for the protection of investors.

(b) The Securities and Exchange Commission, acting in consultation with such agency or officer as the President shall designate, is authorized to suspend the provisions of subsection (a) at any time as to any or all securities issued or guaranteed by the Bank during the period of such suspension. The Commission shall include in its annual reports to Congress such information as it shall deem advisable with regard to the operations and effect of this section and in connection therewith shall include any views submitted for such purpose by any association of dealers registered with the Commission.

Sec. 1101. Technical Amendments

(a) The seventh sentence of paragraph 7 of section 5136 of the Revised Statutes of the United States as amended 12 U.S.C. 24, is further amended by striking out "or" after "the African Development Bank," and inserting in lieu thereof a comma, and by inserting "or the European Bank for Reconstruction and Development," after "the Inter-American Investment Corporation."

(b) Section 51 of Public Law 91-599, as amended 84 Stat. 1657; 22 U.S.C. 276c-2, is furthered amended by striking out "and" after "the African Development Bank," and inserting "and the European Bank for Reconstruction and Development," after "the Inter-American Investment Corporation".

DEPARTMENT OF THE TREASURY,
Washington, DC, June 12, 1990.

Hon. DAN QUAYLE,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: Transmitted herewith is a draft bill, "To provide for the participation of the United States in the European Bank for Reconstruction and Development."

The draft bill authorizes the President (1) to accept membership in the European Bank for Reconstruction and Development (the "Bank") and (2) to subscribe to 100,000 shares of the Bank's capital stock, having a par value of 1 billion European Currency Units, the dollar amount of the U.S. contribution being fixed at U.S. $1,167,010,000.

The Purpose and Structure of the Bank

The countries of Eastern Europe are undergoing dramatic changes in their movement towards market economies. The United States and other democratic countries have responded to these changes with strong offers of political and economic support. Much of this support has been in the form of bilateral assistance.

In February, the Administration submitted legislation to authorize assistance to emerging democracies in Eastern Europe. That legislation envisioned both bilateral and multilateral support for those countries in transition to market oriented economies.

Earlier this year, at the invitation of the French Government, European and non-European countries began negotiations on a multilateral effort, a new development bank, to foster and promote economic reforms in Eastern Europe. On April 9, the negotiations were satisfactorily concluded with agreement on a draft charter for the European Bank for Reconstruction and Development.

The United States will have the largest share, ten percent, of the capital stock of the Bank. The European Economic Community, its member countries, and the European Investment Bank together will hold a majority, 51 percent, of the capital stock of the Bank.

The Bank will be a multilateral financial institution with the mission of supporting countries that are undergoing economic and political reforms. Article 1 states the purpose of the Bank as follows:

In contributing to economic progress and reconstruction, the purpose of the Bank shall be to foster the transition towards open-market oriented economies and to promote private and entrepreneurial initiative in the Central and Eastern European countries committed to and applying the principles of multiparty democracy, pluralism, and market economics.

In response, in part, to strong U.S. advocacy that the Bank's lending be primarily directed to the private sector, it was agreed (in Article 11 of the proposed Articles) that at least sixty percent of the Bank's lending would be devoted to the private sector, with the balance available for infrastructure or environmental loans supporting development of the private sector or to public enterprises operating in a competitive fashion, i.e., autonomous from the Government and subject to bankruptcy laws.

Another major goal for the United States was to restrict the level of borrowing by the Soviet Union. This has been accomplished by limiting, for a three-year period, borrowings by the Soviet Union to the amount of its subscription to the paid-in capital of the Bank, i.e., to an upper limit of approximately $210 million. Moreover, all such borrowings must be directed either to finance the private sector, to facilitate transition from state-ownership to private ownership, or to help state enterprises which are operating competitively and are moving to participation in a market oriented economy. At the end of this three year period, access by the Soviet Union to the full borrowing program will require approval by three-fourths of the Governors representing eighty-five percent of the voting power of the Bank.

The United States also proposed, and was able to secure, a strong environmental focus for the Bank's activities. The Bank is "to promote in the full range of its activities environmentally sound and sustainable development". Article 2, paragraph 1(vii). The Bank will carry out its operations "by making or participating in loans and providing technical assistance for the reconstruction or development of infrastructure, including environmental programmes, necessary for private sector development and the transition to a market-oriented economy." Article 11, paragraph 1(v). Finally, Article 35, paragraph 2, requires the Bank to report annually on the environmental impact of its activities. The United States will seek adoption within the Bank of environmental impact assessment and other environmental procedures, as well as appropriate staffing, to ensure that environmental issues are given full consideration.

Capital Stock Subscription

The draft bill authorizes the Secretary to subscribe to the full allotment of shares apportioned to the United States—100,000 shares of capital stock. Each share of capital stock has a par value of 10,000 European Currency Units. (An ECU is a unit of account, which is a basket of the twelve European Community countries, currencies.) The United States was able to secure the right to fix this subscription in dollars at a dollar/ECU rate of U.S. $1.16701 per each ECU.

The United States will subscribe to 100,000 shares of capital stock, 30,000 of which are "paid-in" shares and 70,000 "callable" shares. The total cost of the paid-in shares will be $350,103,000. Under the Bank's charter, each member must pay for its paid in shares in five equal installments. The Administration will thus seek an appropriation of $70,020,600, which will constitute budget authority, annually over the five-year period beginning with Fiscal Year 1991. This will be funded within the Administration's $300 million request for Fiscal Year 1991 for the Special Assistance Initiative for Eastern Europe. For callable capital, the Administration will seek program limitations of $163,381,400 in appropriations legislation for each year of the same period. Such program limitations will not constitute budgetary authority. The draft bill therefore authorizes an appropriation of $1,167,010,000 for the United States, paid-in and callable shares.

It would be appreciated if you would lay the proposed bill before the Senate. An identical proposal has been transmitted to the Speaker of the House of Representatives.

The Office of Management and Budget advises that there is no objection to the presentation of this proposed bill to the Congress and that its enactment would be in accord with the program of the President.

Sincerely,

JEANNE S. ARCHIBALD,
Acting General Counsel.●

By Mr. BIDEN:

S. 2756. A bill to encourage national law enforcement cooperation; to the Committee on the Judiciary.

NATIONAL LAW ENFORCEMENT COOPERATION ACT

● Mr. BIDEN. Mr. President, today I am introducing the National Law Enforcement Cooperation Act of 1990, a bill to utilize the latest computer technology in the fight against violent crime and illegal drug trafficking.

More than 16,000 local, State, and Federal police agencies are currently linked to the FBI's fugitive, missing person and stolen property files through the National Crime Information Center [NCIC]. Since its establishment in 1967, NCIC has become the most important cooperative initiative in the history of law enforcement. In 1988, the NCIC system helped to locate more than 130,000 fugitives, 33,000 missing persons, and $1.1 billion in stolen property.

NCIC is more than just an important law enforcement tool. It is also a critical tool in ensuring the safety of police officers. Every time a police officer makes a routine traffic stop—one of the most dangerous types of stops—the officer checks NCIC to see if the car might harbor a wanted or dangerous person.

The 20-year-old NCIC system, however, needs to be significantly upgraded if it is to meet the needs of law enforcement officers who face an increase in the number and sophistication of drug traffickers and violent criminals. State-of-the-art technology exists that can dramatically increase the accuracy of the FBI's criminal records, cut the time that police officers must wait to receive criminal information, and improve the search capabilities to more effectively track criminals.

This technology can also promote civil liberties. By improving the accuracy and speeding the retrieval of criminal history files, we can cut down on the number of false arrests and decrease the time that innocent citizens are delayed during routine traffic stops.

Even more important, the technology that police agencies will need to take advantage of the FBI's updated system could be purchased for approximately $2,500 per police cruiser, less than the $10,000 many police departments now pay for mobile police radios.

The FBI, working with State and local police agencies, has developed a comprehensive plan—the so-called NCIC 2000 project—that would allow State and local agencies to tap into a vastly enhanced FBI computer system.

Yesterday, the FBI and the Wilmington Police Department demonstrated a prototype of the new NCIC 2000 system to dozens of police officials from Delaware, Pennsylvania, New Jersey, and Maryland. These officials were unanimous in their assessment that this new technology could be an exceptionally valuable new tool in the fight against violent crime and drug trafficking.

The technology already exists to upgrade the current NCIC system. It is ready to go. Now, all we need to do is provide funding.

That is why I am introducing the National Law Enforcement Cooperation Act of 1990, which will authorize $78 million during the next 5 years to implement the NCIC 2000 project. This funding is needed for computer software and hardware, site development, and other operation costs.

With this new technology, innocent citizens stopped for warrants issued on others with similar names will be cleared instantly, while criminals using false identification or aliases will be hauled off to jail.

I ask unanimous consent that a copy of the bill be printed in the RECORD at this time.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2756

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This act may be cited as the "National Law Enforcement Cooperation Act of 1990".

SEC. 2. FINDINGS.

The Congress finds that—

(1) cooperation among Federal, State, and local law enforcement agencies is critical to an effective national response to the problems of violent crime and drug trafficking in the United States;

(2) the National Crime Information Center, which links more than 16,000 Federal, State, and local enforcement agencies, is the single most important avenue of cooperation among law enforcement agencies;

(3) major improvements to the National Crime Information Center are needed because the current system—

(A) is more than twenty years old

(B) carries much greater volumes of enforcement information; and

(C) at this time is unable to incorporate technological advances that would significantly improve its performance; and

(4) the Federal Bureau of Investigation, working with state and local law enforcement agencies and private organizations, has developed a promising plan, "NCIC 2000", to make the necessary upgrades to the National Crime Information Center that should meet the needs of United States law enforcement agencies into the next century.

SEC. 3. AUTHORIZATIONS OF APPROPRIATIONS.

There are authorized to be appropriated the following sums to implement the "NCIC 2000" project:

(1) $17,000,000 for fiscal year 1991;

(2) $25,000,000 for fiscal year 1992;

(3) $22,000,000 for fiscal year 1993;

(4) $9,000,000 for fiscal year 1994; and

(5) such sums as may be necessary for fiscal year 1995.

SEC. 4. REPORT.

By February 1 of each fiscal year for which funds for NCIC 2000 are requested, the Director of the Federal Bureau of Investigation shall submit a report to the Committee on the Judiciary of the Senate and House of Representatives that details the progress that has been made in implementing NCIC 2000 and a complete justification for the funds requested in the following fiscal year for NCIC 2000.●

By Mr. MOYNIHAN (for himself, Mr. PELL, Mr. SIMON, Mr. DIXON, Mr. AKAKA, Mr. LIEBERMAN, Mr. D'AMATO, Mr. WILSON, Mr. GORE, Mr. DECONCINI, and Ms. MIKULSKI):

S. 2757. A bill to amend the Foreign Assistance Act of 1961 to authorize the provision of medical supplies and other humanitarian assistance to the Lithuanian people to alleviate suffering during the current emergency; to the Committee on Foreign Relations.

EMERGENCY ASSISTANCE FOR LITHUANIA

Mr. MOYNIHAN. Mr. President, today Lithuanians are literally dying in their fight for freedom. This fact has received scant attention. Perhaps our attention has been distracted by the enormous changes taking place around the world. But the fact is that,

as a result of the Soviet blockade of Lithuania, its people are suffering from an increasingly serious shortage of medical supplies. Factories outside of Lithuania will not fullfill orders, shipments are being sidetracked and the Soviet authorities are starving the Lithuanian Republic of the funds needed to purchase vital supplies. Already there is a critical shortage of insulin, anesthesia, penicillin, disinfectants, and other indispensible items. I understand that some diabetics have already died. Disposable syringes and supplies of surgical thread are running out. Firsthand reports from Vilnius indicate that surgeons are at the point of conducting triage in emergency rooms. There are also reports that hospitals have nearly exhausted their supply of filters for life-sustaining dialysis machines.

Thus, the Soviet blockade is, as I have said, now a matter of life and death. A small nation, a nation which was a member of the League of Nations and which negotiated treaties with the Soviet Union as an equal, sovereign state, is now attempting to regain its freedom. Mr. President, we must support its struggle to be free. Stalin and Hitler traded pieces of Lithuania like they were chattel goods. The incorporation of Lithuania into the Soviet Union was an act of the most blatant illegality. We have never accepted that act and we must not acquiesce to the Soviet blockade now.

Today I am introducing legislation to provide to Lithuania critically needed humanitarian aid. This aid is needed to protect the young, the old, and the infirm from the devastating effects of the Soviet blockade: medicine, fuel for emergency vehicles, food, and clothing. Other nations have offered aid. Some have already sent it. Yet we have done nothing. I believe that President Gorbachev will ultimately realize that Lithuania must go free and will lift his blockade. We have seen some positive moves in this direction in recent days. But until the blockade is in fact lifted we must act without delay to minimize the loss of life in Lithuania. I am joined in introducing this legislation by my colleagues Senators PELL, SIMON, DIXON, AKAKA, LIEBERMAN, D'AMATO, WILSON, GORE, DECONCINI, and MIKULSKI. Mr. President, I ask unanimous consent that this proposed legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2757

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 9 of part I of the Foreign Assistance Act of 1961 (relating to international disaster assistance) is amended by adding at the end thereof the following new section:

"SEC. 495L. LITHUANIAN EMERGENCY RELIEF.—(a)(1) The Congress recognizes that prompt United States assistance is necessary to alleviate the emergency existing in Lithuania which has caused the Lithuanian people to suffer a severe shortage of medical supplies and the basic necessities of life.

"(2)(A) The Administrator of the agency primarily responsible for carrying out part I of this Act shall—

"(i) furnish, in accordance with the authorities of this chapter, humanitarian assistance for the relief of the Lithuanian people during the existing emergency;

"(ii) solicit donations of humanitarian assistance for Lithuania;

"(iii) cooperate with private relief agencies attempting to provide humanitarian aid to Lithuania; and

"(iv) immediately attempt to deliver humanitarian assistance to Lithuania by the most expeditious means available, including deliveries by United States personnel, providing aid to private relief agencies or to other governments with access to Lithuania, or any combination of these means which facilitates the most rapid transfer of humanitarian assistance to Lithuania.

"(B) For purposes of this paragraph, the term "humanitarian assistance' includes—

"(i) fuel for emergency vehicles and medical facilities;

"(ii) water purification supplies, materials for immunization, and other materials needed to prevent the outbreak of contagious diseases and to safeguard public health;

"(iii) medical supplies; and

"(iv) food and clothing.

"(b)(1) In addition to funds authorized to be appropriated to carry out this chapter, there are authorized to be appropriated to the President $10,000,000 to carry out subsection (a)(2).

"(2) Funds appropriated pursuant to paragraph (1) are authorized to remain available until expended.

"(c) The Congress urges the President immediately to seek permission from the Soviet Union to deliver humanitarian relief directly to Lithuania without delay.".

● Mr. DIXON. Mr. President, I am pleased to join my distinguished colleague, Senator MOYNIHAN, in introducing legislation to get medical assistance to Lithuania.

This legislation seeks $10 million in authorization for medical and humanitarian assistance for Lithuania and directs the appropriate Federal agencies to get moving in this effort to relieve the considerable health crises facing the Lithuanian people.

Soviet President Gorbachev's economic embargo has also been a health embargo. He has not just tried to stop the flow of oil, gas, and food, but also denied insulin, blood, and immunization equipment. It is a cruel, and heretofore, unknown side of the embargo.

Senator MOYNIHAN and I, and others, are committed to relieve the suffering afflicting Lithuanians and non-Lithuanians alike. The need for insulin knows no ethnic categories. President Gorbachev is engaged in the slow death of his own Russian nationals—the very population for whom he claims need protection from the democratic aspirations of the Lithuanian majority.

Mr. President, this is a very modest proposal; $10 million of authorization is a blip on the radar screen. But it can have real benefit to those in need. There is no doubt as to the need for this assistance.

The ball is in President Gorbachev's court. If he is serious in his efforts to resolve the crisis in the Baltic States, here is a perfect opportunity for him to show his willingness to start down the path toward resolution and peace. I urge him to allow the provisions authorized in this legislation to enter Lithuania.

The United States has stood with the Lithuanian people in their struggle for independence. This Senator has pledged to do all he can to effect such a change in their status. This legislation is an opportunity to show, in a responsible way, that we are committed in word, and by action. I urge my colleagues to support this legislation.●

By Mr. LEVIN (for himself, Mrs. KASSEBAUM, Mr. LUGAR, Mr. SIMON, Mr. BOREN, Mr. MITCHELL, Mr. KOHL, Mr. RIEGLE, Mr. DODD, Ms. MIKULSKI, Mr. BIDEN, Mr. EXON, Mr. COHEN, Mr. DECONCINI, Mr. REID, Mr. GRAHAM, Mr. PELL, Mr. MOYNIHAN, Mr. GORE, Mr. LAUTENBERG, Mr. INOUYE, Mr. SARBANES, Mr. BRADLEY, Mr. WIRTH, Mr. BURDICK, Mr. LIEBERMAN, Mr. AKAKA, Mr. ROCKEFELLER, Mr. WARNER, Mr. ROBB, Mr. DOMENICI, Mr. LEAHY, Mr. NUNN, Mr. METZENBAUM, Mr. CRANSTON, Mr. BREAUX, Mr. KERRY, Mr. CHAFEE, Mr. BRYAN, Mr. ADAMS, Mr. KENNEDY, Mr. BUMPERS, and Mr. SPECTER):

S.J. Res. 336. Joint resolution designating the week in 1990 which coincides with the first visit of Nelson Mandela to the United States after his release from prison in South Africa as "South African Freedom Week"; to the Committee on the Judiciary.

SOUTH AFRICAN FREEDOM WEEK

Mr. LEVIN. Mr. President, we have all been touched by recent developments in South Africa. The release of Nelson Mandela was heralded around the world as a positive step, and has highlighted the possibility of a peaceful process to end apartheid and bring about a democratic, nonracial society in South Africa. Nelson Mandela's release was especially heartening to me since I have repeatedly called for his release and had written to him on a number of occasions during his imprisonment. The Levin-Kassebaum Free Mandela resolution, which passed the Senate October 10, 1984, expressed the sense of the Senate that the Government of South Africa should immediately release Nelson Mandela and remove the banning orders imposed on

Winnie Mandela. My resolution urging the U.S. Ambassador to South Africa to seek to meet with Nelson Mandela was included in the Anti-Apartheid Act enacted into law in 1986.

Mr. President, as you know, Mr. Mandela will be visiting the United States tomorrow, June 20 through June 30. We should commemorate his freedom, just as we deplored his imprisonment. Accordingly, today I am joined with Senator KASSEBAUM and 44 of our colleagues in sponsoring a resolution declaring the week of Nelson Mandela's visit "South African Freedom Week."

Nelson Mandela, through his selflessness, symbolizes the courageous fight of many South Africans against the brutality of apartheid. In that fight, the people of the United States, expressing themselves through our votes in the Congress, have stood firmly on the side of freedom. Though Nelson Mandela was imprisoned for nearly 28 years, they could not lock away his leadership, they could not chain his character, and they could not isolate his image. He became a symbol, but he also remain a very real human being, ready and willing to continue and complete a life's work.

Four years ago, the eminent persons group was allowed to meet with Nelson Mandela. In their report of that meeting they noted that:

> We were first struck by his physical authority * * * he exuded authority, and received the respect of all around him, including his jailers * * * In our discussions, Nelson Mandela also took care to emphasize his desire for reconciliation across the divide of color * * * He pledged himself anew to work for a multiracial society to which all would have a secure place * * * [Some argue that his release would result in violence, but we believe that] Mr. Mandela's own voice would appeal for calm. We believe his authority would secure it. * * *

Mr. President, it did. It has. It will.

That the predictions of the eminent persons group have been confirmed is a tribute to the power of a person like Nelson Mandela. But his power is not just in the effect he has had on a people—it is also reflected in the affect he has had on individuals.

Nelson Mandela will be joined in his visit to the United States by his wife Winnie. In 1985, she wrote a letter to the people of the world in the form of a book. She called that book "Part of My soul Went With Him." As all know, she has also suffered imprisonment, including solitary confinement over the years. She described that experience in these words:

> Those first few days are the worst in anyone's life—that uncertainty, that insecurity: there is such a sense of hopelessness, the feeling that this is now at the end. The whole thing is designed to destroy you, not only morally but physically as well.

But Winnie Mandela like her husband, was not destroyed. She survived, as he did. She endured, as he did. And both of them reaffirmed our faith in redemption and renewal.

Mr. President, I ask unanimous consent to have printed in the RECORD the letter which I wrote to Nelson Mandela in August 1988, and I also ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 336

Whereas Nelson Mandela was jailed for nearly 28 years in South Africa along with other political prisoners;

Whereas Nelson Mandela has expressly committed himself to ending the oppression of apartheid and to establishing a democratic, nonracial society in South Africa;

Whereas the anti-apartheid movement in South Africa sets an example for racially oppressed people in the fight for freedom for all South Africans;

Whereas the people and the Congress of the United States call on the Government of South Africa to move swiftly to abolish apartheid; and

Whereas the people of the United States remain committed to the maintenance of human rights and the principles of democracy for all citizens without regard to color and have condemned apartheid as a crime against humanity: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week in 1990 which coincides with the first visit of African National Congress leader Nelson Mandela to the United States after his release from prison in South Africa is designated as "South African Freedom Week", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the week with appropriate ceremonies and activities.

U.S. SENATE,
Washington, DC, 20510, August 5, 1988.

Mr. NELSON MANDELA,
Pollsmoor Prison,
Capetown, South Africa.

DEAR MR. MANDELA: You and your cause have been the object of great admiration by most members of the United States Congress.

We have written you before but I am sure the letters didn't reach you. We have also adopted some resolutions, a couple of which are enclosed.

Your steadfast will and determination on behalf of the cause that you and most of the world believe in will be long remembered and revered. We hope that some day you will again be free in a free country, but in the absence thereof we want you to know that you have achieved more in prison than most of us could achieve in many lifetimes walking about free.

Sincerely,

CARL LEVIN.

Mrs. KASSEBAUM. Mr. President, I rise today in support of the joint resolution to declare the week of Nelson Mandela's visit "South African Freedom Week."

Nelson Mandela arrives in the United States tomorrow for a 10-day visit. Throughout his 27 years in prison, Mr. Mandela demonstrated great personal courage. His faith in a democratic and nonracial South Africa has served as a beacon of hope for all South Africans struggling against the brutality of apartheid.

This is an encouraging time in South Africa. With the release of Mr. Mandela, the unbanning of the African National Congress, and the lifting of the state of emergency in three provinces, the South African Government has clearly begun to move down the path toward a new, truly free South Africa. I deeply hope that the remaining preconditions for negotiations—including the freeing of all political prisoners—will soon be met.

As Mr. Mandela arrives in the United States, I believe that it is important that we recognize both his struggle for freedom and his faith in a democratic, nonracial South Africa by declaring the week of his visit "South African Freedom Week."

Mr. SIMON. Mr. President, tomorrow Nelson and Winnie Mandela will arrive in the United States. And next week the Congress will have the honor of hearing Mr. Mandela's address before a joint session of Congress. Mr. Mandela's life—his courage and achievement—embodies the difficult struggle against apartheid and the hope for a new nonracial, democratic, and free South Africa. This resolution designating "South African Freedom Week" honors the long struggle for change in South Africa and Mr. Mandela's personal commitment, but it also recognizes the fundamental changes that must occur in South Africa before even this great man is truly free.

We join the American people in welcoming Nelson and Winnie Mandela to the United States.

ADDITIONAL COSPONSORS

S. 160

At the request of Mr. THURMOND, the names of the Senator from Pennsylvania [Mr. HEINZ], and the Senator from Kansas [Mr. DOLE] were added as cosponsors of S. 160, a bill to require the construction of a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces who served in World War II and to commemorate U.S. participation in that conflict.

S. 1515

At the request of Mr. MITCHELL, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 1515, a bill to amend the Internal Revenue Code of 1986 to permit private foundations and community foundations to establish tax-exempt cooperative service organizations.

S. 1589

At the request of Mr. METZENBAUM, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor

of S. 1589, a bill to amend the Appalachian Region Development Act of 1965 to include Columbiana County, OH, as part of the Appalachian region.

S. 1878

At the request of Mr. GRAHAM, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 1878, a bill to amend title XIX of the Social Security Act to allow for State matching payments through voluntary contributions and State taxes.

S. 1933

At the request of Mr. HEINZ, the names of the Senator from Idaho [Mr. MCCLURE], the Senator from Oregon [Mr. PACKWOOD], and the Senator from Hawaii [Mr. AKAKA] were added as cosponsors of S. 1933, a bill to provide for the minting of coins in commemoration of the bicentennial of the death of Benjamin Franklin and to enact a fire service bill of rights and programs to fulfill those rights.

S. 2070

At the request of Mr. KOHL, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 2070, a bill to amend title 18, United States Code, to prohibit the possession or discharge of a firearm in a school zone.

S. 2222

At the request of Mr. BRADLEY, the names of the Senator from Nevada [Mr. REID], the Senator from Missouri [Mr. BOND], and the Senator from Nebraska [Mr. KERREY] were added as cosponsors of S. 2222, a bill to amend the Internal Revenue Code of 1986 with respect to the tax treatment of payments under life insurance contracts for terminally ill individuals.

S. 2316

At the request of Mr. BRADLEY, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 2316, a bill to amend the Agricultural Act of 1949 to establish an equitable sugar price support program, and to require the use of a tariff rate quota to make this program effective.

S. 2591

At the request of Mr. BAUCUS, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 2591, a bill to amend title XVIII of the Social Security Act to provide relief from certain regulations relating to physicians' services.

S. 2602

At the request of Mr. METZENBAUM, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Washington [Mr. ADAMS], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 2602, a bill to amend the Public Health Service Act to provide assistance for biomedical and health services research, treatment programs, and for other purposes relating to Alzheimer's disease and related disorders.

S. 2677

At the request of Mr. LAUTENBERG, the names of the Senator from Maryland [Mr. SARBANES], the Senator from Rhode Island [Mr. PELL], the Senator from Maryland [Ms. MIKULSKI], the Senator from New Jersey [Mr. BRADLEY], and the Senator from Wisconsin [Mr. KOHL] were added as cosponsors of S. 2677, a bill to extend for 2 years the operation of sections 599D and 599E of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990.

S. 2699

At the request of Mr. ROTH, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 2699, a bill to amend title 31 of the United States Code to restrict the use of appropriations amounts available for definite periods.

S. 2723

At the request of Mr. BURNS, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 2723, a bill to amend the Rail Passenger Service Act to authorize appropriations for the National Railroad Passenger Corporation and for other purposes.

SENATE JOINT RESOLUTION 282

At the request of Mr. WILSON, the names of the Senator from Rhode Island [Mr. PELL], the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Vermont [Mr. JEFFORDS] were added as cosponsors of Senate Joint Resolution 282, a joint resolution to designate the decade beginning January 1, 1990, as the "Decade of the Child."

SENATE JOINT RESOLUTION 298

At the request of Mr. THURMOND, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of Senate Joint Resolution 298, a joint resolution to provide for the erection of a memorial in the Arlington National Cemetery to honor U.S. combat glider pilots of World War II.

SENATE JOINT RESOLUTION 306

At the request of Mr. SIMON, the names of the Senator from Rhode Island [Mr. CHAFEE], the Senator from Maine [Mr. COHEN], and the Senator from California [Mr. WILSON] were added as cosponsors of Senate Joint Resolution 306, a joint resolution to designate the period commencing October 21, 1990, and ending October 27, 1990, as "National Humanities Week."

SENATE JOINT RESOLUTION 320

At the request of Mr. LAUTENBERG, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of Senate Joint Resolution 320, a joint resolution designating July 2, 1990, as "National Literacy Day."

SENATE JOINT RESOLUTION 324

At the request of Mr. DOLE, the names of the Senator from Oklahoma [Mr. BOREN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Nevada [Mr. BRYAN], the Senator from Arkansas [Mr. BUMPERS], the Senator from North Dakota [Mr. BURDICK], the Senator from Montana [Mr. BURNS], the Senator from Indiana [Mr. COATS], the Senator from Mississippi [Mr. COCHRAN], the Senator from Maine [Mr. COHEN], the Senator from North Dakota [Mr. CONRAD], the Senator from California [Mr. CRANSTON], the Senator from South Dakota [Mr. DASCHLE], the Senator from Connecticut [Mr. DODD], the Senator from New Mexico [Mr. DOMENICI], the Senator from Nebraska [Mr. EXON], the Senator from Washington [Mr. GORTON], the Senator from North Carolina [Mr. HELMS], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Massachusetts [Mr. KERRY], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Indiana [Mr. LUGAR], the Senator from Florida [Mr. MACK], the Senator from Ohio [Mr. METZENBAUM], the Senator from Maine [Mr. MITCHELL], the Senator from Georgia [Mr. NUNN], the Senator from Michigan [Mr. RIEGLE], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from New Hampshire [Mr. RUDMAN], the Senator from Tennessee [Mr. SASSER], the Senator from Alabama [Mr. SHELBY], the Senator from Wyoming [Mr. SIMPSON], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Alaska [Mr. STEVENS] and the Senator from Idaho [Mr. SYMMS], were added as cosponsors of Senate Joint Resolution 324, a joint resolution to designate June 3, 1990, as "Week of the National Observance of the 50th Anniversary of World War II."

SENATE CONCURRENT RESOLUTION 91

At the request of Mr. HATFIELD, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of Senate Concurrent Resolution 91, a concurrent resolution expressing the sense of the Congress with respect to archieving common security in the world by reducing reliance on the military and redirecting resources toward overcoming hunger and poverty and meeting basic human needs.

SENATE CONCURRENT RESOLUTION 125

At the request of Mr. COHEN, the names of the Senator from Nebraska [Mr. EXON], the Senator from Alabama [Mr. SHELBY], the Senator from Vermont [Mr. JEFFORDS], the Senator from Michigan [Mr. RIEGLE], the Senator from Indiana [Mr. COATS], the Senator from South Dakota [Mr. PRESSLER], the Senator from South Dakota [Mr. DASCHLE], the Senator from Minnesota [Mr. DURENBERGER] and the Senator from Virginia [Mr. WARNER] were added as cosponsors of Senate Concurrent Resolution 125, a concurrent resolution expressing the sense of Congress regarding adequate funding for long-term health care

services provided through the Medicare and Medicaid Programs.

SENATE CONCURRENT RESOLUTION 134

At the request of Mr. HEINZ, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of Senate Concurrent Resolution 134, a concurrent resolution expressing the sense of Congress concerning a 1991 White House Conference on Aging.

SENATE CONCURRENT RESOLUTION 138

At request of Mr. MACK, the names of the Senator from Montana [Mr. BURNS], the Senator from New Hampshire [Mr. RUDMAN], the Senator from Missouri [Mr. BOND], the Senator from Tennessee [Mr. GORE], the Senator from Virginia [Mr. ROBB], the Senator from Iowa [Mr. HARKIN], the Senator from Wisconsin [Mr. KOHL], the Senator from Hawaii [Mr. AKAKA], the Senator from Hawaii [Mr. INOUYE], the Senator from Rhode Island [Mr. PELL], the Senator from South Dakota [Mr. PRESSLER], the Senator from Washington [Mr. ADAMS], the Senator from Nebraska [Mr. EXON], the Senator from New York [Mr. D'AMATO], the Senator from Arizona [Mr. MCCAIN], the Senator from Massachusetts [Mr. KERRY], the Senator from Washington [Mr. GORTON], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Oklahoma [Mr. BOREN], the Senator from Louisiana [Mr. BREAUX], the Senator from West Virginia [Mr. ROCKEFELLER], and the Senator from New York [Mr. MOYNIHAN] were added as cosponsors of Senate Concurrent Resolution 138, a concurrent resolution expressing the sense of the Senate that contacts between the United States and the Palestine Liberation Organization should be suspended if the PLO has not taken certain actions.

SENATE RESOLUTION 231

At the request of Mr. BRADLEY, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of Senate Resolution 231, a resolution urging the submission of the Convention on the Rights of the Child to the Senate for its advice and consent to ratification.

SENATE RESOLUTION 288

At the request of Mrs. KASSEBAUM, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of Senate Resolution 288, a resolution expressing the sense of the Senate regarding the reopening of universities in the West Bank and Gaza without delay.

SENATE RESOLUTION 298

At the request of Mr. GRAHAM, the names of the Senator from Kansas [Mrs. KASSEBAUM], the Senator from New Jersey [Mr. BRADLEY], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of Senate Resolution 298, a resolution to express the sense of the Senate that efforts to investigate and prosecute financial institution crimes should be fully funded.

AMENDMENT NO. 1672

At the request of Mr. MCCONNELL, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of amendment No. 1672 intended to be proposed to S. 1970, a bill to establish constitutional procedures for the imposition of the sentence of death, and for other purposes.

AMENDMENT NO. 2024

At the request of Mr. HEINZ, the names of the Senator from New York [Mr. MOYNIHAN], the Senator from New York [Mr. D'AMATO], the Senator from Nevada [Mr. BRYAN], and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of amendment No. 2024 proposed to S. 566, a bill to authorize a new corporation to support State and local strategies for achieving more affordable housing, to increase home ownership, and for other purposes.

At the request of Mr. SANFORD, his name was added as a cosponsor of amendment No. 2024 proposed to S. 566, supra.

At the request of Mr. GRAHAM, his name was added as a cosponsor of amendment No. 2024 proposed to S. 566, supra.

SENATE CONCURRENT RESOLUTION 139—RELATIVE TO A UNITED STATES-MEXICO FREE TRADE AGREEMENT

Mr. DECONCINI submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. CON. RES. 139

Whereas Mexican President Carlos Salinas de Gortari has initiated and implemented critical economic reforms to drastically reduce Mexico's annual inflation rate and to reduce the country's foreign debt;

Whereas bilateral trade between the United States and Mexico, our third largest trading partner, topped $52 billion in 1989, with United States exports more than doubling between 1986 and 1989 from $12.4 billion to $25 billion;

Whereas the United States and Mexico are committed to the success of the multilateral trade negotiations presently being conducted at the Uruguay Round of the General Agreement on Tariffs and Trade, particularly in regard to agriculture, textiles, intellectual property rights, and services;

Whereas cooperation between the United States and Mexico on antinarcotics efforts has steadily improved since President Salinas de Gortari took office;

Whereas the United States and Mexico have entered into two important framework agreements during the past 3 years which have assisted in improving their bilateral trade and investment relationship;

Whereas during the 30th Mexico-United States Interparliamentary Conference on May 25 and 26, 1990, both the United States and Mexican delegates agreed that before the United States and Mexico enter into a free trade agreement, they must first establish consultative talks in order to explore the possibility of a free trade agreement and to report back to both administrations;

Whereas the world economic picture is rapidly changing with the opening of the Soviet Union and Eastern Europe, negotiations on a 1992 European Community, and the continued expansion of the Pacific rim countries;

Whereas Congress plays a critical role in the formulation and approval of any United States free trade agreement: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) President Bush and President Salinas de Gortari be commended for their decision on June 11, 1990, to move in a timely fashion toward negotiations on trade, investment, and other areas of mutual concern in order to explore the possibility of a United States-Mexico Free Trade Agreement;

(2) the essential role of Congress in the enactment of a free trade agreement be recognized, and that the United States Trade Representative should, throughout the negotiating process, consult closely with Members of Congress representing key constituencies who would be affected by such agreements; and

(3) the United States Trade Representative should include the following issues in discussions with the Minister of Commerce and Industrial Development of Mexico:

(A) the consideration of both macro- and micro-economic factors which might prove an obstacle to a free trade agreement as well as the effect such as agreement might have on the United States economy;

(B) nontariff as well as tariff barriers; and

(C) an assessment of other issues, including labor force issues, intellectual property rights, environmental and health concerns, law enforcement and narcotics, agriculture, and infrastructure.

Mr. DECONCINI. Mr. President, we had the opportunity last week to witness what I believe is the start of a historic process between the United States and Mexico—the opening of preliminary discussions on a free trade agreement. During his recent visit to Washington, Mexican President Carlos Salinas de Gortari lobbied President Bush, Members of Congress, as well as American corporate leaders on the advantages of an agreement that would, among other things, eliminate trade barriers and import quotas.

Specifically, President Bush and Salinas have directed United States Trade Representative Carla Hills and Mexican Commerce Minister Dr. Jaime Puche, to begin the necessary preparatory work toward negotiations for a free trade agreement. This preliminary work will be presented to the two Presidents before they meet in Mexico in December.

Representing a State that shares a 400-mile border with Mexico, I am well aware of the strong social, cultural, and religious relationships the citizens of our two countries enjoy. Having grown up in Tucson, less than 2 hours from the Mexican border, I have many lifelong friends of Mexican heritage. Nevertheless, as many of my col-

leagues will attest, I have not hesitated to speak out in this body on Mexico's lack of cooperation in the past with United States antidrug efforts and the Mexican military, law enforcement, and government's failure to address corruption.

Last year the Senate adopted a resolution I introduced that commended President Salinas for his antidrug and anticorruption efforts and challenged Mexico to improve its record in this critical area.

Mr. President, earlier this month I traveled to Mexico City at the invitation of President Salinas and the United States-Mexico Chamber of Commerce. The distinguished chairman of the House Agriculture Committee, KIKI DE LA GARZA, and I, exchanged views with President Salinas on the possibility and direction of a United States-Mexico free trade agreement. I told President Salinas I would do my best in Congress to build support for such an agreement. As we are well aware, final approval on any proposed free trade agreement rests with Congress.

Today I am submitting a sense-of-the-Congress resolution concerning the start of preliminary talks between the United States and Mexico on a free-trade agreement. My resolution recognizes the economic accomplishments of the Salinas Government. It recognizes that bilateral trade between our two nations topped $52 billion in 1989, with U.S. exports more than doubling between 1986 and 1989, from $12 to $25 billion. My current resolution also acknowledges the importance of the ongoing Uruguay round of the GATT negotiations and the substantive economic changes taking place in Western and Eastern Europe. Most important, my concurrent resolution stresses the essential role of Congress in the enactment of a free trade agreement and directs the U.S. Trade Representative to consult closely with Members of Congress during the negotiating process.

Although I am generally supportive of the concept of a United States-Mexico free-trade agreement, I believe there are critical issues that must be taken into consideration during the formulation of such an agreement. This concurrent resolution stipulates that the United States Trade Representative include a number of issues in her discussions with Mexican officials, including: labor, environment and health, law enforcement and narcotics, and agriculture. As you known, I have a particular interest in Mexico's level of cooperation in the war against drugs, and I will continue to monitor that cooperation in this vital area.

Mr. President, a free-trade agreement is not going to happen overnight. I commend President Bush and President Salinas for initiating the process and I hope to work with them. This resolution urges the President to include Congress as a player in the negotiation process of a United States-Mexico free trade agreement.

I urge my colleagues to cosponsor this concurrent resolution.

AMENDMENTS SUBMITTED

NATIONAL HOUSING ACT

INOUYE AMENDMENT NO. 2025

Mr. CRANSTON (for Mr. INOUYE) proposed an amendment to the bill (S. 566) to authorize a new corporation to support State and local strategies for achieving more affordable housing; to increase home ownership; and for other purposes; as follows:

At the appropriate place insert:

Section 109 of the Housing and Community Development Act of 1974 (42 U.S.C. 5309) is amended by adding at the end the following new subsection:

"(d) The provisions of this section and section 104(b)(2) which relate to discrimination on the basis of race shall not apply to the provision of assistance by grantees under this title to the Hawaiian Home Lands.".

GRAHAM AMENDMENT NO. 2026

Mr. GRAHAM proposed an amendment to the bill S. 566, supra, as follows:

At the appropriate place in the bill insert the following:

"In determining the Performance Funding System utility subsidy for public housing agencies, the Secretary shall include a cooling degree day adjustment factor. The method by which a cooling degree day adjustment factor is included shall be identical to the method by which the heating degree day adjustment factor is included.".

WALLOP AMENDMENT NO. 2027

Mr. WALLOP proposed an amendment to the bill S. 566, supra, as follows:

At the end, add the following:

SECTION 1. DENOMINATIONS, SPECIFICATIONS, AND DESIGN OF COINS.

Subsection (d)(1) of section 5112 of title 31, United States Code, is amended by striking the fourth sentence.

SEC. 2. DESIGN CHANGES REQUIRED FOR CERTAIN COINS.

Subsection (d) of section 5112 of title 31, United States Code, is amended by adding at the end the following new paragraph:

"(3) The design on the reverse side of the half dollar, quarter dollar, dime coin, 5-cent coin and one-cent coin shall be selected for redesigning. One or more coins may be selected for redesign at the same time, but the first redesigned coin shall have a design commemorating the two hundredth anniversary of the United States Constitution for a period of 2 years after issuance. After than 2-year period, the bicentennial coin shall have its design changed in accordance with the provisions of this subsection. Such selection, and the minting and issuance of the first selected coin shall be made not later than 1 year after the date of the enactment of this paragraph. All such redesigned coins shall conform with the inscription requirements set forth in paragraph (1) of this subsection."

SEC. 3. DESIGN OF OBVERSE SIDE OF COINS.

Subsection (d) of section 5112 of title 31, United States Code, is amended by adding at the end the following new paragraph:

"(4) Subject to paragraph (2), the design on the obverse side of the half dollar, quarter dollar, dime coin, 5-cent coin, and one-cent coin shall contain the likenesses of those currently displayed and shall be considered for redesign. All such coin obverse redesigns shall conform with the inscription requirements set forth in paragraph (1) of this subsection.".

SEC. 4. SELECTION OF DESIGNS.

The design changes for each coin authorized by the amendments made by this Act shall take place at the discretion of the Secretary and shall be done at the rate of one or more coins per year, to be phased in over 6 years after the date of the enactment of this Act. In selecting new designs, the Secretary shall consider, among other factors, thematic representations of the following constitutional concepts: freedom of speech and assembly; freedom of the press; right to due process of law; right to a trial by jury; right to equal protection under the law; right to vote; themes from the Bill of Rights; and separation of powers, including the independence of the judiciary. The designs shall be selected by the Secretary upon consultation with the United States Commission on Fine Arts.

SEC. 5. REDUCTION OF THE NATIONAL DEBT.

Subsection (a)(1) of section 5132 of title 31, United States Code, is amended by inserting after the third sentence the following: "Any profits received from the sale of uncirculated and proof sets of coins shall be deposited by the Secretary in the general fund of the Treasury and shall be used for the sole purpose of reducing the national debt.".

GRAHAM AMENDMENT NO. 2028

Mr. GRAHAM proposed an amendment to the bill S. 566, supra; as follows:

On page 481, line 15, strike "shall" and insert the following: "may, subject to the availability of appropriations for contract amendments for the purposes of this subsection,".

LIEBERMAN AMENDMENT NO. 2029

Mr. LIEBERMAN proposed an amendment to the bill S. 566, supra, as follows:

At the appropriate place, insert the following new title:

TITLE —FEDERAL GOVERNMENT COOPERATIVE PROGRAM WITH THE ADVANCED BUILDING CONSORTIUM

SEC. . SHORT TITLE.

This title may be cited as the "Advanced Building Consortium Act".

SEC. . FINDINGS.

The Congress finds that—

(1) there is a growing shortage of affordable housing for newly formed households, low- and moderate-income families and the homeless;

(2) one significant reason for this critical shortage is the high cost of constructing

new housing or renovating existing buildings;

(3) recent technological advances could be applied to the design, construction, maintenance and operations of buildings which could significantly reduce costs;

(4) the unique characteristics of the building industry, which is highly diversified and composed primarily of small businesses that are continually confronted with a wide variety of financial, technical and regulatory uncertainties, make it difficult for those responsible for the design, construction, installation, operation, maintenance and financing of buildings to assume additional uncertainties and risks which they associate with innovative building technologies;

(5) the Federal Government has a responsibility, as the owner and operator of the Nation's largest inventory of buildings in every geographical region, to seek reductions in the costs of constructing and operating buildings;

(6) the Federal Government has expended hundreds of millions of dollars in support of research and development of technologies that could be applied to buildings, but the results of that research are not applied to the Federal Government's buildings because the current procurement system makes it difficult for new building technologies to compete successfully with conventional technologies;

(7) the building industry, which has historically accounted for a significant portion of the gross national product, is now confronted with increasing foreign competition that threatens domestic companies in important market sectors, with corresponding substantial losses in employment;

(8) current institutional constraints impose high costs and require as much as 20 years to obtain the necessary market acceptance of new building technologies and therefore inhibit the private sector of the economy from investing in such worthwhile endeavors;

(9) the development of a cooperative program between the Federal Government and a responsible entity representing leaders of the building industry who are concerned with improving the above described conditions and capable of providing expertise and leadership to provide for the introduction, use and evaluation of cost-saving technological innovations in new and existing buildings owned and operated by the Federal Government, could facilitate the introduction and the early use of such cost saving innovative building technologies by Federal, State and local public agencies and by the private sector of the economy;

(10) while a new cooperative program of the Federal Government and the building industry is needed to facilitate introduction of technological innovations, various private organizations and institutions, private industry, labor, and Federal and other governmental agencies and other entities are presently engaged in building research, technology development, testing and evaluations and information dissemination and these capabilities should be effectively utilized wherever possible and appropriate in the implementation of this Act; and

(11) an authoritative nongovernmental instrumentality needs to be created by the Federal Government to address the problems and issues described in this section, with the advice and assistance of the various sectors of the building community, including labor and management, technical experts in building science and technology and State and local governments.

SEC. . CONSORTIUM AUTHORIZATION.

(a) ESTABLISHMENT.—There is established, for the purposes described in section , an appropriate nonprofit, nongovernmental instrument to be known as the Advanced Buildings Consortium (hereafter referred to as the "Consortium"), which shall not be an agency or establishment of the United States Government. The Consortium shall be subject to the provisions of this title and, to the extent consistent with this title, to the District of Columbia Nonprofit Corporation Act.

(b) DIRECTORS.—The Consortium shall have a Board of Directors (hereafter referred to a the "Board") consisting of not less than 15 nor more than 21 members who shall be appointed by the Secretary of Housing and Urban Development, in consultation with cooperating Federal agencies, from among senior executives representing the various segments of the building community of the various regions of the country with extensive experience in building industries, including (1) representatives of the building industry, product manufacturers, and experts in health, fire and safety, and (2) members representative of the public interest highly experienced in building technologies, including architects, professional engineers and representatives of consumer organizations. No Federal official shall be a member of the Board. Members of the Board shall not participate in any deliberations of the Board affecting technologies or related matters where they hold a financial interest or membership in, or employment by, or receive other compensation from, any company, association, or other group associated with the manufacture, distribution, installation, or maintenance of the building products, equipment, systems, subsystems, or other construction materials and techniques associated with the building technology under consideration or with the conventional technology for which the new technology may be a substitute.

(c) NO STOCK.—The Consortium shall have no power to issue any shares of stock or to declare or pay any dividends. No part of the income or assets of the Consortium shall inure to the benefit of any director, officer, employee or other individual except as salary or reasonable compensation for services.

(d) POLITICAL CONTRIBUTIONS.—The Consortium shall not contribute to or otherwise support any political party or candidate for elective public office.

SEC. . CONSORTIUM FUNCTIONS AND RESPONSIBILITIES

(a) IN GENERAL.—The Consortium shall conduct research involving, and take actions to facilitate and promote the use of, new, cost-saving building technologies. In carrying out its activities, the Consortium shall—

(1) select and evaluate new building technologies, including energy cost savings technologies, that conform to recognized performance criteria and meet test standards for maintenance of life, safety, health, and public welfare when used in occupied buildings;

(2) conduct needed investigations in direct support of paragraph (1);

(3) conduct economic analyses of proposed new technologies when produced and installed in buildings at volumes associated with comparable conventional technologies;

(4) in collaboration with cooperating Federal agencies, advise building designers, installers, subcontractors, contractors and supervising officials responsible for buildings in the appropriate design and use of the innovative building technology incorporated in federally owned or operated buildings;

(5) in collaboration with cooperating Federal agencies, monitor and evaluate the performance of new building technologies for at least 1 year after installation and building occupancy; and

(6) assemble and disseminate technical data and other information directly related to activities described in paragraphs (1) through (5) of this subsection.

(b) DELEGATION AND MONITORING.—The Consortium, in exercising its functions and responsibilities described in subsection (a) of this section, shall—

(1) assign and delegate to the maximum extent possible, responsibility for conducting each of the activities described in subsection (a) to private organizations, institutions, agencies, and Federal and other governmental entities that have a demonstrated capacity to exercise or contribute to the exercise of such responsibility,

(2) monitor the performance achieved through assignment and delegation, and

(3) when deemed necessary, reassign and delegate such responsibility.

(c) CONSISTENCY WITH OTHER LAW.—The Consortium, in exercising its functions and responsibilities under subsections (a) and (b) of this section, shall—

(1) assure to the extent possible that its actions and recommendations are consistent with nationally recognized performance criteria, standards, and other technical provisions of Federal, State, and local building codes and regulations and conform with generally accepted community and environmental standards; and

(2) consult with the Department of Justice and other agencies of Government to the extent necessary to insure that the national interest is protected and promoted in the exercise of its functions and responsibilities.

SEC. . FEDERAL PARTICIPATION.

(a) COOPERATIVE PROGRAM.—The Secretary of Housing and Urban Development, the Secretary of Defense, the Secretary of Agriculture, the Secretary of Energy, and the Administrator of General Services, and other departments, agencies and establishments of the Federal Government having responsibility for more than 1,000 buildings or for operating buildings at an annual cost of at least $1,000,000 shall participate in a cooperative program with the Consortium to develop and implement programs to incorporate one or more of the recommended new technologies in a new or existing building within each department. The initial selection of the new technology and the specific building project in which the new technology will be incorporated shall be determined jointly by the cooperating Federal agency and the consortium within 1 year after the date of enactment of this Act. The technology selected shall be appropriate to the building selected, and its intended uses, and shall offer maximum opportunity to demonstrate cost savings.

(b) REQUIRED ASSURANCES.—Upon agreement between the Federal agency and the Consortium with respect to the selection of the appropriate technology and the schedule of necessary work, the Consortium shall—

(1) provide the Federal agency with a 5-year guarantee from the technology manufacturer that all necessary corrections to the technology will be made in the design, installation, and maintenance of the technology and that all malfunctions will be re-

paired without delay and that the technology manufacturer will be responsible for removal of the technology in the event of its failure to perform as required;

(2) provide the Federal agency and its officials responsible for constructing or renovating the buildings utilizing the new technology, as well as the designers, installers, subcontractors and contractors responsible for the design, construction or renovation of the buildings utilizing the new technology with the technical information necessary to assure the most appropriate use of the new technology;

(3) in collaboration with the Federal agency, monitor and evaluate the performance of the new technology; and

(4) prepare reports to be made available to public agencies at all levels of government, to the industry and to the public on the performance of the new technology.

(c) PROCUREMENT WAIVER.—Each Federal agency participating in this program is authorized to waive the applicability of procurement laws or regulations and deem the Consortium to be a sole source of the agreed-upon new technology for the selected building or facility. Competitive bidding for all other work in the selected building or facility shall conform with Federal building procurement regulations.

(d) SET-ASIDE.—Each Federal agency participating in this cooperative program shall set aside special funds in its annual appropriated building construction and renovation budget, in an amount not exceeding $1,000,000 in any fiscal year to provide for the costs of testing, monitoring, and evaluating the new technologies employed in this program.

(e) ANNUAL REPORT.—Each participating Federal agency shall report annual to the Congress or its efforts to implement the purpose of this Act.

SEC. . AUTHORIZATION.

There are authorized to be appropriated to the Consortium an amount not to exceed $500,000 for each of the first 2 years of the Consortium's operation. Such funds shall remain available to the Consortium until expended.

SEC. . ANNUAL REPORT.

The Consortium shall submit an annual report for the preceding year to the President for transmittal to the Congress within 60 days of its receipt. The report shall be a comprehensive and detailed report of the Consortium's operations, activities, financial condition, and accomplishments under this title and of the extent of the cooperation received from participating Federal agencies, and may include recommendations as the Consortium deems appropriate.

CRANSTON AMENDMENT NO. 2030

Mr. CRANSTON proposed an amendment to the bill S. 566, supra; as follows:

On page 309, line 6, strike "and".

On page 309, line 12, strike the period and insert "; and".

On page 309, between lines 12 and 13, insert the following:

(8) facilitate the establishment and efficient operation of employer-assisted housing programs through research technical assistance and demonstration projects.

On page 486, line 7, strike out "this paragraph" and insert "subparagraph (A)".

On page 486, line 8, after the period, insert the following: "Assistance under subparagraph (B) shall be for a period of not to exceed 3 years and may be renewed, subject to the availability of appropriations, upon a determination of continuing need.".

On page 526, beginning with "(A) on line 1, strike all through "(B)" on line 4.

On page 556, line 9, strike "(other than staff)".

On page 472, line 15, before "The" insert the following:

"(A) MANDATORY WAIVER.—The Secretary shall reduce or waive the matching requirement specified under paragraph (1) for individual organizations that are not affiliated with national nonprofit organizations.

"(B) DISCRETIONARY WAIVER.—

On page 258, line 11, after "by" insert the following: "striking '1991' and inserting '1993', and by".

On page 303, between lines 9 and 10, insert the following:

SEC. . EQUAL OPPORTUNITY.

(a) SOLICITATION OF CONTRACTS.—Each participating jurisdiction shall prescribe procedures acceptable to the Secretary to establish and oversee a minority outreach program within each such jurisdiction to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, including, without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all contracts, entered into by the participating jurisdiction with such persons or entities, public and private, in order to facilitate the activities of the participating jurisdiction to provide affordable housing authorized under this Act or any other Federal housing law applicable to such jurisdiction.

(b) REPORT TO CONGRESS.—

(1) IN GENERAL.—Before the end of the 180-day period beginning on the date regulations are promulgated under this title, the Secretary shall submit to the Congress a report containing a description of the actions taken by each participating jurisdiction pursuant to subsection (a) and such recommendations for administrative and legislative action as the Department may determine to be appropriate to carry out the purposes of such subsection.

(2) REPORT.—The Secretary shall include in each annual report required under section 383 a description of the actions taken by each participating jurisdiction pursuant to subsection (a) and such recommendations for administrative and legislative action as may be appropriate to carry out the purposes of such subsection.

At the appropriate place in the original bill insert the following section:

The Secretary shall undertake a study to determine the actuarial soundness of implementing a program to guarantee downpayments for first-time homebuyers based on a system of downpayment savings accounts and payment schedules that require monthly or other periodic payments over a specified period of time in an amount equal to a specified percentage of the value of housing at the time of purchase in a specified housing market area or census tract.

At the end of title VIII, add the following:

SEC. . ESCROW ACCOUNTS.

Section 501(e) of the Housing Act of 1949 is amended by inserting after the third sentence the following: "The Secretary shall pay the same rate of interest on escrowed funds as is required to be paid on escrowed funds held by other lenders in any State where State law requires payment of interest on escrowed funds.".

At the end of title IX, add the following:

SEC. . ALLOCATION FORMULA IN CASES OF ANNEXATION.

(a) IN GENERAL.—Section 102(a)(12) of the Housing and Community Development Act of 1974 is amended by inserting at the end thereof the following: "Where the boundaries for a metropolitan city or urban county used for the 1980 Census have changed as a result of annexation, the current population used to compute extent of growth lag shall be adjusted by multipling the current population by the ratio of the population based on the 1980 Census in the boundaries used for the 1980 Census over the population based on the 1980 Census in the current boundaries.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply to the extent approved in appropriations acts to the first allocation of assistance under section 106 that is made after the date of enactment of this section and to each allocation thereafter for a period not exceed three years after the date of annexation.

NONINDIGENOUS AQUATIC NUISANCE ACT

McCONNELL AMENDMENT NO. 2031

(Ordered referred to the Committee on Environment and Public Works.)

Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill (S. 2244) to prevent and control infestations of the coastal and inland water of the United States by the zebra mussel, and other nonindigenous acquatic nuisance species, as follows:

At the appropriate place, add the following:

TITLE —SUBSTITUTE NONINDIGENOUS ACQUATIC NUISANCE ACT OF 1990

SECTION 1. SHORT TITLE.

This Act may be cited as the "Substitute Nonindigenous Aquatic Nuisance Act of 1990".

SEC. 2. DEFINITIONS.

As used in this Act, the term—

(1) "ballast water" means any water taken aboard to be used for ballasting purposes (to manipulate the trim and stability of a vessel);

(2) "nonindigenous species" means any species that is not native to the ecosystem, including any such organisim transferred from one country to another;

(3) "high seas" means waters outside the exclusive economic zone of any nation;

(4) "environmentally sound" methods or techniques means methods or techniques that have a minimal impact on the natural ecology of an ecosystem, including integrated pest management techniques with an emphasis on nonchemical measures; and

(5) "acquatic nuisance" means a nonindigenous species which threatens the biodiversity, environmental stability, or the economic or recreational development of a water resource.

SEC. 3. FINDINGS.

The Congress finds that—

(1) the transport of untreated water between ports in the ballast tanks of ships results in unintentional introduction of nonindigenous species to fresh, brackish, and saltwater environments;

(2) when environmental conditions are favorable, nonindigenous species become established, successfully reproduce, and may disrupt the economy and the industry of an area;

(3) several nonindigenous species which could be transported into the waters of the United States in ballast tanks are known to be actual or potential threats to saltwater and freshwater ecosystems;

(4) the zebra mussel (Dreissena polymorpha) was unintentionally introduced into the Great Lakes in Lake St. Clair through ballast water exchange, and the species became established and rapidly spread downstream through all of the Great Lakes, the St. Lawrence River, and inland lakes of Pennsylvania and New York;

(5) if left uncontrolled, through transport of larvae and unintentional transport via boats, water transfers among the Mississippi and Ohio River basins, and the Allegheny River (a headway tributary of the Ohio River), the zeba mussel is expected to infest over two-thirds of the continental United States;

(6) the zebra mussel colonizes water inlet pipes (which causes reduced water flow), boat hulls (which causes increased drag), and other hard surfaces such as rocks;

(7) the potential disruption of the aquatic ecosystems by the zebra mussel, including adverse effects on biodiversity of lakes and rivers, and reductions in fish populations (including sport and commercial fisheries, and other fish populations), could be severe;

(8) a coordinated research, control, and education effort is needed to attenuate the spread of the zebra mussel and other aquatic nuisance species throughout the United States;

(9) specifically, research is needed to explore environmentally sound approaches to control such nuisance species; and

(10) research is also needed on the basic biology of aquatic nuisance species, particularly the zebra mussel, and the environmental impacts of such aquatic nuisance species, including impacts on biodiversity.

SEC. 4. PURPOSES.

The purposes of this Act are—

(1) to prevent unintentional introduction of nonindigenous species into waters of the United States through ballast water management and other requirements;

(2) to coordinate research, control activities, and information regarding aquatic nuisance species, and reduce the burden of these tasks from already overburdened State and local agencies;

(3) to contain the spread of the zerbra mussel and other aquatic nuisance species in the waters of the United States through educational programs geared to early identification and control methods;

(4) to establish aquatic nuisance species research programs to develop environmentally sound control methods, monitor distribution, study the basic biology of such species, and investigate potential human health impacts of such species, as well as potential environmental and economic impacts;

(5) to minimize economic and ecological impacts of nonindigenous aquatic nuisance species if any such species become established (as has the zebra mussel); and

(6) to declare the zebra mussel an injurious species and to provide for further declarations of injurious species status as needed to prevent the intentional transport of aquatic nuisance species (other than for permitted research purposes).

TITLE I—UNITED STATES COAST GUARD REGULATIONS

SEC. 101. REGULATIONS TO PREVENT UNINTENTIONAL INTRODUCTION OF NONINDIGENOUS SPECIES INTO AND WITHIN THE WATERS OF THE UNITED STATES.

(a) IN GENERAL.—(1) The Secretary of the Department of Transportation, under which the Coast Guard operates (hereafter in this Act referred to as the "Secretary"), acting through the Commandant of the United States Coast Guard, and in consultation with—

(A) the Secretary of Commerce, acting through the Administrator of the National Oceanic and Atmospheric Administration;

(B) the Secretary of the Interior, acting through the Director of the Fish and Wildlife Service;

(C) the Administrator of the Environmental Protection Agency; and

(D) the heads of other relevant departments or agencies (as determined by the Secretary);

shall, not later than 6 months after the date of the enactment of this Act, promulgate such regulations as may be necessary for the prevention and control of the transportation into the waters of the United States of viable biological materials in the ballast waters of ships.

(2) Except as provided in subsections (b) and (c), the regulations promulgated under this subsection shall—

(A) a require a vessel to carry out high sea exchange of ballast water prior to releasing ballast water into any of the waters of the United States; and

(B) allow for the use of alternative ballast water management methods in lieu of the method described in subsection (A) as such alternative methods are developed and recommended by the Secretary pursuant to paragraph (5) of the subsection (d).

(b) REGULATIONS TO PREVENT UNINTENTIONAL TRANSFERS.—The Secretary, in consultation with the official described in subparagraphs (A) through (D) of subsection (a)(1), shall promulgate such regulations as the Secretary determines to be necessary to prevent unintentional transfer or introduction of nonindigenous species by ships operating exclusively within the territorial waters of the United States or coastal waters of North America (as defined by the Secretary). A ship described in this subsection shall not be subject to high seas ballast water exchange requirements described in subsection (a)(2).

(c) EXEMPTION FOR SHIPS THAT TREAT WATER.—A ship that is subject to the requirements that prescribe the treatment of ballast water for the removal of chemical contaminants shall not be subject to the high seas ballast water exchange requirement described in subsection (a)(2).

(d) REQUIREMENTS FOR REGULATIONS.—The regulations promulgated under subsections (a) and (b) shall—

(1) ensure the right of any captain of a ship to protect the safety of his or her ship and the crew and passengers of such ship;

(2) apply to all foreign flag ships and United States Flag ships; and

(3) for the purpose of reflecting the principle that the ballast water from one ship is sufficient for the introduction and establishment of an aquatic nuisance species, include an enforcement mechanism such as—

(A) mandatory return to deep sea ballast exchange areas;

(B) fines; and

(C) application of other environmentally sound ballast water treatment methods;

(4) provide for random sampling procedures to monitor compliance and for sampling for the biological content of ballast water (in cooperation with the appropriate officials of the United States Fish and Wildlife Service); and

(5) be revised as more methods are developed and recommended by the Secretary (in consultation with officials described in subparagraphs (A) through (D) of subsection (a)(1), on the basis of the findings of the report required under section 207 of the Coast Guard Authorization Act of 1989, or on the basis of other reports that the Secretary determines to appropriate.

(e) CIVIL PENALTY.—The Secretary of Transportation is authorized to assess a civil penalty in an amount not to exceed $35,000 against the owner or operator, or both, of any ship in violation of regulations promulgated pursuant to this Act. All civil penalties assessed pursuant to this Act shall be available, as provided by appropriation Acts, to endow research on the control of nonindigenous species.

TITLE II—ZEBRA MUSSEL AND AQUATIC NUISANCE SPECIES RESEARCH, CONTROL, AND EDUCATIONAL PROGRAM

SEC. 201. COORDINATION OF RESEARCH.

(a) NATIONAL COOPERATIVE ACTION GROUP.—(1) The Secretary of the Interior, acting through the Director of the United States Fish and Wildlife Service, and the Secretary of Commerce, acting through the Administrator of the National Oceanic and Atmoshperic Administration (hereinafter referred to as the "National Cooperative Action Group"), shall jointly take such action as may be necessary to coordinate national research, control, and educational efforts associated with the zebra mussel and other aquatic nuisance species in or threaten the waters of the United States.

(2)(A) The National Cooperative Action Group is authorized to establish such regional commissions as the National Cooperative Action Group determines to be necessary to assist in carrying out the purpose of this Act.

(B) A regional commission described in subparagraph (A) shall be—

(i) established along the boundaries of one or more adjacent, similarly with potential for infestation (with aquatic nuisance species) water-resources regions, as defined in the United States Geological Survey 1982 map of surface water and related land resource development in the United States and Puerto Rico; and

(ii) composed of not more than 15 members appointed by the National Cooperative Action Group as follows:

(I) 1 regional representative from the Department of the Interior;

(II) 1 regional representative from the Department of Commerce;

(III) 1 regional representative from the Environmental Protection Agency;

(IV) 1 representative from the raw water users industry (as defined by the National Cooperative Action Group), or an association of such raw water users industries;

(V) 1 representative from the recreational and sport fishing industry (as defined by the National Cooperative Action Group);

(VI) 8 representatives from State governments and the governments of political subdivisions of States that process the rights of

those waters which are directly vulnerable to infestation; and

(VII) not more than 2 representatives from regional organizations or authorities selected by the National Cooperative Action Group.

(3) The National Cooperative Action Group shall coordinate the regional commissions established under this section and facilitate the transfer of information among such regional commissions.

(4) Upon the request of the chairman of any regional commission, and after consultation with the National Cooperative Action Group, the head of any Federal department or agency is authorized to detail to such regional commission any of the personnel of such department or agency to assist the regional commission in the performance of the functions of such regional commissions under this Act.

(5) The Secretary of the Interior and the Secretary of Commerce may provide to each regional commission such administrative and technical support services as the Secretary of the Interior and the Secretary of Commerce determine to be necessary for the effective functioning of such regional commissions.

(6) The Administrator of General Services is authorized to furnish each regional commission under this Act with such offices, equipment, supplies, and services as the Administrator is authorized to furnish to any other agency or instrumentality of the United States.

(7) The National Cooperative Action Group shall provide timely advice to the Secretary of State concerning aquatic nuisance species that infest water resources shared with other countries.

(b) ROLE OF REGIONAL COMMISSIONS.—Regional commissions established pursuant to this section shall—

(1) identify regional priorities with respect to the aquatic nuisance species;

(2) make recommendations to the National Cooperative Action Group concerning aquatic nuisance species;

(3) coordinate programs established to carry out the purposes of the Act; and

(4) issue, on at least an annual basis, a report on regional research and education concerning aquatic nuisance species to the National Cooperative Action Group on research and education.

(c) ADMINISTRATIVE PROVISIONS RELATING TO REGIONAL COMMISSIONS.—(1) Members of a regional commission established pursuant to this section shall serve at the pleasure of the National Cooperative Action Group.

(2) Members of a regional commission shall receive no additional pay, allowances, or benefits by reason of service to the regional commission. Members who are not full-time Federal employees may be allowed travel expenses and per diem, in lieu of subsistence, at rates authorized for persons serving intermittently in the Government service under subchapter I of chapter 57 of title 5, United States Code, to the extent funds are available for such expenses.

(3) A majority of the members of a regional commission shall constitute a quorum, but one or more members designated by the regional commission may hold hearings.

(4) Members of a regional commission shall select a chairman from among the members of the regional commission.

(5) Each regional commission shall meet in the geographical area of the regional commission at the call of the chairman of the regional commission or upon the request of a majority of the members of the regional commission.

(6) Each regional commission may establish committees or work groups of technical representatives of members of the regional commission to advise the regional commission on specific matters relating to the functions of the commission authorized under this Act.

(7) Each regional commission may nominate, and assign duties to, a coordinator and such other full-time and part-time employees as the National Cooperative Action Group determines to be necessary for the performance of the functions of the regional commission.

(d) EFFECT OF FEDERAL ADVISORY COMMITTEE ACT.—Except as otherwise provided by this Act, each regional commission shall operate pursuant to the Federal Advisory Committee Act (5 U.S.C. App).

(e)(1) REGIONAL COMMISSION FOR THE GREAT LAKES.—Not later than 30 days after the enactment of this Act, the National Cooperative Action Group shall establish a regional commission for the Great Lakes region described in paragraph (2).

(2) For the purposes of this subsection, the Great Lakes Region shall encompass the following regions (as designated in the United States Geological Survey 1982 map of surface and related land resource development in the United States and Puerto Rico):

(A) Great Lakes Region 4;

(B) Ohio Region 5; and

(C) Upper Mississippi Region 7.

(3) The National Cooperative Action Group shall request that the Great Lakes Fishery Commission—

(A) designate a representative to serve on the regional commission described in this subsection;

(B) advise, coordinate, and provide secretarial services on matters related to Great Lake fisheries, related environmental concerns, and interactions with the Government of Canada; and

(C) provide technical services for any technical services for any technical committee established by the National Cooperative Action Group to address matters described in subparagraph (B).

(4) The National Cooperative Action Group shall request that the Great Lakes Commission—

(A) designate a representative to serve on the regional commission described in this subsection;

(B) advise, coordinate, and provide secretarial services on matters related to the economic impacts of the zebra mussel on the geographic area of the Great Lakes region, and interactions with the Government of Canada; and

(C) provide technical services for any technical committee established by the National Cooperative Action Group to address matters related to the economic impacts of the zebra mussel on the geographic area of the Great Lakes region.

(5) The National Cooperative Action Group shall request that the University of Louisville Water Resources Department—

(A) designate a representative to serve on the regional commission described in this subsection;

(B) advise, coordinate, and provide secretarial services on matters related to the economic impacts of the zebra mussel on the geographic area of the Ohio Region; and

(C) provide technical services for any technical committee established by the National Cooperative Action Group to address matters related to the economic impacts of the zebra mussel on the geographic area of the Ohio Region.

SEC. 202. LEAD AGENCIES.

(a) ROLE OF THE SECRETARY OF COMMERCE.—As part of the original effort to address aquatic nuisance species in the United States, the Secretary of Commerce, acting through the Administrator of the National Oceanic and Atmospheric Administration (who shall consult the head of the National Sea Grant College Program) shall, in response to the recommendations of the regional commissions established under section 201, serve as the head of the lead agency in connection with program to—

(1) carry out administrative activities related to the regional commission;

(2) investigate the basic biology of aquatic nuisance species;

(3) research, propose, and evaluate aquatic nuisance species control methods (with an emphasis on environmentally sound methods of control for industry, commercial, and recreational users of infested waters);

(4) provide timely advice to the Administrator of the Environmental Protection Agency, the Director of the United States Fish and Wildlife Service, and the chairmen of the regional commissions established under section 201, concerning aquatic nuisance species control methods proposed or in use;

(5) develop and implement educational programs through Sea Grant Marine Advisory Services, and any other available resources that the Secretary of Commerce determines to be appropriate to inform the general public, State governments, governments of political subdivisions of States, and industrial and recreational users of aquatic resources in connection with matters concerning the identification of aquatic nuisance species, and control methods for such species, including the prevention of the further distribution of such species;

(6) notify State governments and the governments of political subdivisions of States, private raw water users (as defined by the Secretary of Commerce), and other interested or affected entities that the Secretary of Commerce determines to be appropriate, of projected rates and directions of the spread of the zebra mussel and other aquatic nuisance species in a manner that will facilitate timely planning to avoid, prevent, or compensate for likely impacts of such aquatic nuisance species;

(7) investigate methods for minimizing the economic impacts of the zebra mussel and other aquatic nuisance species on public, commercial, and private waters;

(8) assist in efforts in the public and private sector to control economic impacts of the zebra mussel and other aquatic nuisance species; and

(9) maintain a current list of control methods in use within the region served by such regional commission and make the list available upon request.

(b) ROLE OF THE SECRETARY OF THE INTERIOR.—As part of the regional effort to address aquatic nuisance species in the United States, the Secretary of the Interior, acting through the Director of the United States Fish and Wildlife Service, shall, in response to the recommendation of the regional commissions established under section 201, serve as the head of the lead agency in connection with programs to—

(1) investigate the basic biology of the zebra mussel and other nonindigenous species;

(2) research, and evaluate aquatic nuisance species control methods to protect biodiversity and the fisheries of waters (with emphasis on environmentally sound

methods) and make recommendations concerning such methods;

(3) establish a program with the assistance of the United States Coast Guard for the random sampling of ballast tanks;

(4) monitor the distribution and spread of the zebra mussel and other aquatic nuisance species, generate projections on the rate and direction of the spread of such infestations, and, with the assistance of personnel of the Sea Grant Marine Advisory Services, notify regions where infestations are pending for the purposes of advanced planning;

(5) monitor the effects on human health of the zebra mussel and other aquatic nuisance species;

(6) research and monitor the effects of the zebra mussel and other aquatic nuisance species on biodiversity of the affected regions; and

(7) advise the Administrator of the Environmental Protection Agency, the Administrator of the National Oceanic and Atmospheric Administration, and the chairmen of the regional commissions concerning current aquatic nuisance species control methods proposed or in use.

(c) MEMORANDA OF AGREEMENT CONCERNING LEAD AGENCY STATUS.—To maximize use of existing facilities, lead agency status within the boundaries of a given regional commission designation may be altered or shared by a mutual agreement between the departments or agencies described in subsections (a) and (b) through a memorandum of agreement filed not later than 60 days after the formation of the regional commission that is the subject of the memorandum of agreement. Such memorandum of agreement shall specify the activities for which the signatories to the agreement shall be responsible, and shall contain such provisions as are necessary to ensure the coordinated implementation of such activity. In the absence of a memorandum of agreement, lead agency status shall be determined pursuant to subsections (a) and (b).

(d) In regions for which inland waters (except for the Great Lakes) comprise the majority of the affected waterways (as in water resource regions 10, 11, 13, 14, 15, and 16 of the United States Geological Survey 1982 map of surface water and related land resource development in the United States and Puerto Rico) the United States Fish and Wildlife Service shall cooperate with Federal departments and agencies that implement other related programs in effect on the date of the enactment of this Act to fulfill all lead agency roles (as described in subsections (a) and (b)).

SEC. 203. RESEARCH RESTRICTIONS.

(a) LOCATION OF RESEARCH ACTIVITIES.—The research activities authorized under this Act concerning an aquatic nuisance species shall be carried out in areas specified by the National Cooperative Action Group (as established in section 203(a)).

(b) ALLOCATION OF FUNDING.—To the extent possible, funds for research authorized under this Act shall be allocated to existing facilities within areas with potential or existing infestation by the aquatic nuisance species subject to study.

(c) RESEARCH PRIORITIES.—In funding research related to the basic biology of the aquatic nuisance species, priority shall be given to research to advance the development of applied techniques of aquatic nuisance species prevention and control and the funding of such research efforts should be carried out as soon as possible.

SEC. 204. INTERACTION WITH FOREIGN COUNTRIES.

(a) The Secretary of State, in consultation with the National Cooperative Action Group and the Secretary, shall, to the extent allowable by law, initiate negotiations with the governments of foreign countries concerning the planning and implementation of prevention, research, education, and control programs related to aquatic nuisance species infesting shared water resources.

(b) In the case of the Great Lakes, the activities of the National Cooperative Action Group, the National Oceanic and Atmospheric Administration, the United States Fish and Wildlife Service, and the regional commission for the Great Lakes established under section 201(e) of this Act, shall conform with the goals of the Boundary Waters Treaty of 1909 and the Great Lakes Water Quality Agreement as amended in 1987 and such agencies shall cooperate with the Great Lakes Fishery Commission in all matters affecting Great Lakes fisheries.

SEC. 205. REPORTS.

Not later than 180 days after the date of the enactment of this Act, and annually thereafter, the National Cooperative Action Group shall submit a report to the appropriate committees of the Congress that—

(1) summarizes reports of the regional commissions established under this Act and includes a summary of the progress of the regional commissions in meeting the goals established for such commissions under this Act; and

(2) makes recommendations concerning prevention and control of aquatic nuisance species that the National Cooperative Action Group determines to be appropriate.

SEC. 206. INJURIOUS SPECIES.

In accordance with section 42 of title 18, United States Code, the Secretary of the Interior shall declare the zebra mussel (Dreissena polymorphia) an injurious species.

SEC. 207. SEA GRANT SERVICES AND GRANTS TO UNIVERSITIES.

(a) GRANTS FOR UNIVERSITY RESEARCH.—The appropriate lead agency, as determined under this Act, shall allocate funds authorized under this Act for competitive university research grants to be administered through the Sea Grant College program to study aquatic nuisance species.

SEC. 208. AUTHORIZATION OF APPROPRIATIONS.

(g) EDUCATION AND ASSISTANCE SERVICES.—In addition to the education and assistance services described under this Act provided by Sea Grant Marine Advisory Services, the appropriate Sea Grant College Program is authorized to conduct educational and assistance services related to the prevention and control of aquatic nuisance species.

There is authorized to be appropriated for fiscal years 1991, 1992, 1993, 1994, and 1995, in addition to any other amounts that might be authorized—

(1) $950,000 to fund research at the Great Lakes Environmental Research Laboratory and other laboratories of the National Oceanic and Atmospheric Administration (of which not more than $200,000 shall be used to fund administrative services by the Great Lakes Commission);

(2) $1,650,000 to fund Sea Grant competitive university research grants described in section 207 which are conducted in the Great Lakes Region (as defined in paragraph (2) of section 201(a) of this Act);

(3) $500,000 to fund Sea Grant College Program education and extension services described in section 207 which are conducted in the Great Lakes Region;

(4) $100,000 to fund administrative services of the Great Lakes Fishery Commission;

(5) $1,000,000 to fund research authorized under this Act conducted through the United States Fish and Wildlife Service in the Great Lakes Region (as defined in paragraph (2) of section 201(a) of this Act);

(6) $3,300,000 to fund regulatory activities of the United States Coast Guard authorized under this Act;

(7) $500,000 to fund Sea Grant Marine Advisory Service national education and extension services;

(8) $500,000 to fund nationwide monitoring activities by the United States Fish and Wildlife Service; and

(9) such other sums as may be necessary to carry out the purposes of this Act.

NATIONAL HOUSING ACT

WIRTH (AND OTHERS) AMENDMENT NO. 2032

Mr. WIRTH (for himself, Mr. JEFFORDS, and Mr. HEINZ) proposed an amendment to the bill S. 566, supra, as follows:

Section 203 of the National Housing Act is amended by adding at the end thereof the following new subsection:

(v) Develop a Uniform Mortgage Financing Plan for Energy Efficiency.

(1) The Secretary of Housing and Urban Development, in consultation with the Secretary of Energy, shall within two years of the passage of the National Affordable Housing Act (NAHA), promulgate a uniform plan to make housing more affordable through mortgage financing incentives for energy efficiency.

(2) To develop this plan, the Secretary shall form a task force to make recommendation on financing energy efficiency in private mortgages, through the policies of federal agencies and federally-chartered financial institutions, mortgage bankers, homebuilders, real estate brokers, private mortgage insurers, energy suppliers and nonprofit housing and energy organizations.

DANFORTH AMENDMENT NO. 2033

Mr. DANFORTH proposed an amendment to the bill S. 566, supra, as follows:

At the appropriate place, insert the following:

SEC. D. Section 408(f) of title 23, United States Code, is amended—

(1) by striking "and" at the end of paragraph (7);

(2) by striking the period at the end of paragraph (8) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraph:

"(9) for the acquisition of video equipment to be used in detecting persons driving under the influence of alcohol or a controlled substance and in effectively prosecuting those persons.".

BRYAN AMENDMENT NO. 2034

(Ordered to lie on the table.)

Mr. BRYAN submitted an amendment intended to be proposed by him to the bill S. 566, supra, as follows:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Depositor Protection and Anti-Fraud Act of 1990".

SEC. 2. LIMITATIONS ON CERTAIN NONDEPOSIT MARKETING ACTIVITIES IN RETAIL BRANCHES OF FDIC-INSURED DEPOSITORY INSTITUTIONS.

(a) IN GENERAL.—Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding at the end the following new subsection:

"(o) REGULATION OF CERTAIN NONDEPOSIT MARKETING ACTIVITIES IN RETAIL BRANCHES OF INSURED DEPOSITORY INSTITUTIONS.—

"(1) PROHIBITION ON SELLING CERTAIN INSTRUMENTS.—No insured depository institution may permit any evidence of indebtedness of, or ownership interest in, that institution or any affiliate to be sold or offered for sale in any of the following:

"(A) A domestic branch of that institution at which insured deposits are accepted.

"(B) That institution's head office, if it accepts insured deposits and is located in the United States.

"(2) EXCEPTIONS.—Paragraph (1) shall not apply with respect to any of the following:

"(A) A deposit in an insured depository institution.

"(B) A traveler's check, cashier's check, teller's check, or money order, or other similar negotiable instrument typically sold by insured depository institutions in the ordinary course of business.

"(C) An interest in an investment company registered under the Investment Company Act of 1940.

"(D) The sale of instruments in large dollar amounts to a sophisticated investor.

"(E) The sale of instruments pursuant to a transaction regulated under section 563b of title 12 of the Code of Federal Regulations.

"(F) The exchange or transfer or conversion of an uninsured instrument for another uninsured instrument.

"(3) REGULATORY EXEMPTIONS.—The appropriate Federal banking agency may by regulation provide exemptions from paragraph (1) if at a minimum:

"(A) the exemption is in the public interest;

"(B) the purchasers would not be likely to confuse the evidence of indebtedness or ownership interest with an insured deposit because of the manner in which it is sold or offered for sale, or for any other reason;

"(C) the evidence of indebtedness or ownership interest would be sold or offered for sale on terms (including price) no less favorable for depositors than for persons similarly situated who are not depositors;

"(D) the seller or offeror institutes and follows procedures to determine before selling the instrument whether the instrument is appropriate for the purchaser, except to the extent that the agency determines that, in particular cases or classes of transactions, such procedures are not necessary to protect the public;

"(E) no broker or dealer registered under the Securities Exchange Act of 1934 (or any associated person) receives a greater sales commission in connection with a sale described in paragraph (1) than for a sale not described in paragraph (1); and

"(F) none of the following persons (other than a broker or dealer registered under the Securities Exchange Act of 1934, or an associated person) receives what is in substance a sales commission which is greater than the amount typical for the industry or that exceeds the amount that could have been received by a person subject to paragraph 3(E) in connection with the sale or offer to sell described in paragraph (1):

"(i) The insured depository institution.

"(ii) An affiliate of the insured depository institution.

"(iii) An employee of the insured depository institution or any of its affiliates, or a person under the direction and control of the insured depository insitution or any of its affiliates.

"(4) ANNUAL REPORTS REQUIRED.—Each appropriate Federal banking agency shall report annually to the Chairman and the ranking minority member of the Committee on Banking, Housing, and Urban Affairs of the Senate and the Chairman and the ranking minority member of the Committee on Banking, Finance and Urban Affairs of the House of Representatives on any differences between that agency's regulations under this subsection and the regulations adopted by the other agencies under this subsection. Each report shall explain the reasons for any such differences, and shall be published in the Federal Register.".

(b) REGULATIONS.—Not less than 180 days after the date of enactment of this Act, each appropriate Federal banking agency shall promulgate regulations to administer and carry out the purposes of this section.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective with respect to depository institutions regulated by each appropriate Federal banking agency immediately upon the effectiveness of final regulations promulgated by that agency under subsection (b), but in not event later than 270 days after the date of enacement of this Act.

SEC. 3. LIMITATIONS ON CERTAIN NONDEPOSIT MARKETING ACTIVITIES IN RETAIL BRANCHES OF FEDERALLY INSURED CREDIT UNIONS.

(a) IN GENERAL.—Section 205 of the Federal Credit Union Act (12 U.S.C. 1785) is amended by adding at the end the following new subsection:

"(j) REGULATION OF CERTAIN NONDEPOSIT MARKETING ACTIVITIES IN RETAIL BRANCHES OF INSURED CREDIT UNIONS.—

"(1) PROHIBITION ON SELLING CERTAIN INSTRUMENTS.—No insured credit union may permit any evidence of indebtedness of that credit union or any evidence of indebtedness of, or ownerhip interest in, any affiliate of that credit union to be sold or offered for sale in any of the following:

"(A) A domestic branch of that credit union at which insured shares are accepted.

"(B) That credit union's head office, if it accepts insured deposits and is located in the United States.

"(2) EXCEPTIONS.—Paragraph (1) shall not apply with respect to any of the following:

"(A) An insured share in an insured credit union.

"(B) A traveler's check, cashier's check, teller's check, or money order, or other similar negotiable instrument typically sold by federally insured depository institutions in the ordinary course of business.

"(C) An interest in an investment company registered under the Investment Company Act of 1940.

"(D) The sale of instruments in large dollar amounts to a sophisticated investor.

"(3) REGULATORY EXEMPTIONS.—The Board may by regulation provide exemptions from paragraph (1) if at a minimum:

"(A) the exemption is in the public interest;

"(B) the purchasers would not be likely to confuse the evidence of indebtedness or ownership interest with an insured share because of the manner in which it is sold or offered for sale, or for any other reason;

"(C) the evidence of indebtedness or ownership interest would be sold or offered for sale on terms (including price) no less favorable for shareholders than for persons similarly situated who are not shareholders;

"(D) the seller or offeror institutes and follows procedures to determine before selling the instrument whether the instrument is appropriate for the purchaser, except to the extent that the Board determines that, in particular cases or classes of transactions, such procedures are not necessary to protect the public;

"(E) no broker or a dealer registered under the Securities Exchange Act of 1934 (or any associated person) receives a greater commission in connection with a sale decribed in paragraph (1); and

"(F) none of the following persons (other than a broker or dealer registered under the Securities Exchange Act of 1934, or an associated person) receives what is in substance a sales commission in conection with the sale or offer to sell described in paragraph (1):

"(i) The insured credit union.

"(ii) An affiliate of the insured credit union.

"(iii) An employee of the insured credit union or any of its affiliates, or any person under the direction or control of the insured credit union or any of its affiliates.

"(4) AFFILIATE DEFINED.—For the purposes of this subsection, the term 'affiliate' means any company that controls, is controlled by, or is under common control with another company.

"(5) ANNUAL REPORTS REQUIRED.—The Board shall report annually to the Chairman and the ranking minority member of the Committee on Banking, Housing, and Urban Affairs of the Senate and the Chairman and the ranking minoirty member of the Committee on Banking, Finance and Urban Affairs of the House of Representatives on any differences between the Board's regulations under this subsection and the regulations adopted by the Federal banking agencies under section 18(o) of the Federal Deposit Insurance Act. The report shall explain the reasons for any such differences, and shall be published in the Federal Register.".

(b) REGULATIONS.—Not less than 180 days after the date of enactment of this Act, the National Credit Union Administration Board shall promulgate regulations to administer and carry out the purposes of this section.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective immediately upon the effectiveness of final regulations promulgated under subsection (b), but in no event later than 270 days after the date of enactment of the Act.

● Mr. BRYAN. Mr. President, I rise today to inform my colleagues of my intention to offer an amendment to the House bill. This amendment is a refined version of my legislation S. 2058, the Depositor Protection and Anti-Fraud Act of 1990, which is cosponsored by a majority of both the Democrats and Republicans on the Senate Banking Committee.

The amendment is intended to minimize potential customer confusion be-

tween federally insured deposits and uninsured securities sold in the same offices. I urge my colleagues to take a close look at this amendment.●

MANAGEMENT OF NATIONAL PARK SYSTEM RESOURCES

JOHNSTON AMENDMENT NO. 2035

Mr. CRANSTON (for Mr. JOHNSTON) proposed an amendment to the bill (H.R. 2844) to improve the ability of the Secretary of the Interior to properly manage certain resources of the National Park System, as follows:

At the end of section 2, insert the following new subsection (d):

"(d) SCOPE.—The provisions of this section shall be in addition to any other liability which may arise under Federal or State law.".

CHACOAN OUTLIERS PROTECTION ACT

JOHNSTON AMENDMENT NO. 2036

Mr. CRANSTON (for Mr. JOHNSTON) proposed an amendment to the bill (S. 798) to amend title V of the act of December 19, 1980, designating the Chaco Culture Archeological Protection Sites, and for other purposes, as follows:

On page 5, lines 5 through 16, strike section 5 in its entirety and insert in lieu thereof:

"SEC. 5. AMENDMENT TO THE MASAU TRAIL.

Section 201 of Public Law 100-225 (101 Stat. 1539, 460uu-11) is hereby amended by striking 'New Mexico and eastern Arizona' wherever it occurs and inserting in lieu thereof 'New Mexico, eastern Arizona, and southwestern Colorado'.".

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a markup on Thursday, June 21, 1990, beginning at 2 p.m., in 485 Russell Senate Office Building to consider for report to the Senate S. 381 to provide Federal recognition of the Mowa Band of Choctaw Indians in Alabama; S. 1918, to provide Federal recognition of the Jena Band of Choctaws of Louisiana; S. 1289, the Indian Forest and Woodlands Enhancement Act; S. 2167, to reauthorize appropriations for tribal colleges; S. 2213, to amend Tribal College Endowment Program; and S. 2297, the Indian Alcohol and Substance Abuse Prevention and Treatment Act to be followed by a hearing on S. 2451, to establish in the Department of the Interior a Trust Counsel for Indian Assets.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224-2251.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. FORD. Mr. President, I would like to announce for the Senate and the public that a hearing has been scheduled before the Subcommittee on Energy Research and Development.

The purpose of the hearing is to receive testimony on the current operations and future mission of the Department of Energy's national laboratories. Testimony will be received on both the status of ongoing programs at the laboratories and the potential for new or enhanced programs in the future. Testimony will also be received on math and science initiatives that could utilize the expertise of the national laboratories.

The hearing will take place on Thursday, July 26, 1990, at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

Those wishing to provide written testimony for the printed hearing record should send it to the Subcommittee on Energy Research and Development, U.S. Senate, Washington, DC 20510, Attn: Mary Louise Wagner.

For further information, please contact Mary Louise Wagner at (202) 224-7569.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE NUTRITION AND FORESTRY

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on June 19 at 2:30 p.m. to hold a business meeting on the 1990 farm bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PROJECTION FORCES AND REGIONAL DEFENSE

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Subcommittee on Projection forces and Regional Defense of the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, June 19, 1990 at 9:30 a.m. to receive testimony on DOD strategic lift requirements and capabilities in review of S. 2171 the DOD Authorization Act for fiscal year 1991.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON THE CONSTITUTION

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Subcommittee on the Constitution of the Committee on the Judiciary, be authorized to meet during the session of the Senate on Tuesday, June 19, 1990 at 10 a.m., to hold a hearing on S. 34, a bill to amend title 28 of the United States Code to clarify the remedial jurisdiction of inferior Federal courts and Senate Joint Resolution 295, a joint resolution proposing an amendment to the Constitution of the United States to prohibit the Supreme Court or any inferior court of the United States from ordering the laying or increasing of taxes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WATER AND POWER

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Subcommittee on Water and Power Committee of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate 10 a.m., June 19, 1990, for a hearing to receive testimony on S. 1765, the Mid-Dakota Rural Water System Act of 1989, and S. 2710, a bill to authorize the Secretary of the Interior to construct the Lake Andes-Wagner and Marty II units in South Dakota.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. CRANSTON. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a hearing on the nominations of James W. Holsinger to be chief medical director and Stephen A. Trodden to be inspector general, both for the Department of Veterans Affairs on Tuesday, June 19, 1990, at 9:30 a.m. in SR-418.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENVIRONMENTAL PROTECTION

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Subcommittee on Environmental Protection, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Tuesday, June 19, beginning at 10:30 a.m., to conduct a hearing on S. 2244, a bill to prevent and control infestations of the coastal and inland waters of the United States by the zebra mussel, and other nonindigenous aquatic nuisance species.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

PISTONS: NBA CHAMPS GO TWO FOR TWO

● Mr. LEVIN. Mr. President, there they go again. The Detroit Pistons rise to the top of the National Basketball Association for the second year in a row is a rare accomplishment in sport; a standard of excellence shared by only two other franchises in basketball history.

The final victory in the five-game series capped a magical season and a

magical collection of championship games. When the Pistons went to Portland with the NBA finals tied at one game apiece, they took with them the memory of not having won a game in Portland since 1974. Nobody expected them to dominate the games in Portland. But through patience, hard work, and the deep reach of determination, the Pistons won game three 121 to 106, with guards Isiah Thomas, Joe Dumars, and Vinnie Johnston combining for 75 points. And the roll was on.

It was fitting that Joe Dumars stardom shone so brightly during the game, leading the team to victory with 33 points. Immediately after game 3, Dumars was told that his father had passed away that afternoon, Isiah Thomas, one of the few people in the Pistons organization who had learned of the death of Joe Dumars, Jr., prior to the beginning of the game, smiled inwardly as he watched Dumars ace an off-balance shot between three defenders and thought, "Your father helped that one in, Joe."

In an act of tremendous courage and strength, Joe Dumars stayed on with the team to play in games 4 and 5. For all that he has endured and all he has given, Joe Dumars is a champion. Our prayers and thoughts will be with him and his family during this most difficult time.

While this season was a team effort of EVP's—equally valuable players—only one man is the MVP, most valuable player, and that man is Isiah Thomas, chosen by unanimous vote. It has been written that his shooting during the finals seemed to come from the gods. Thomas averaged 27.6 points, 7 assists and 5.2 rebounds in 5 games and scored 29 points in the 5th, hitting all 3 of his 3 pointers.

Mr. President, the Detroit Pistons have shown us what grit, determination and hard work can do. Under Bill Davidson and Chuck Daly, the entire Pistons organization has made us doubly proud. All Michigan is thrilled with their back-to-back victories. Through their play, they have taken firm hold of the NBA's Larry O'Brien trophy and told all comers, as the words of the popular song that has become the team's anthem say, "You can't touch this."●

DOUGLASS CATER, WASHINGTON COLLEGE

● Mr. SARBANES. Mr. President, at the end of June, Douglass Cater will be leaving as president of Washington College in Chestertown, MD. In February 1982, Douglass Cater, former White House aide to President Johnson, author, journalist, and educator, began what he called a very intensive love affair with a small liberal arts college. That love affair has benefited Washington College, its graduates, students, and faculty as well as Chestertown and the State of Maryland, and I wish to express my personal gratitude for all that Doug Cater has achieved.

Under President Cater's leadership, Washington College, the 10th oldest chartered college in the Nation, has seen a marked growth both in its enrollment and endowment. Over the last 8 years, four new buildings have been added to the campus while existing ones have been renovated. Douglass Cater has brought scores of well-known speakers to the college, enhancing its academic standing throughout the State and the Nation. In 1987, he vigorously defended our small liberal arts schools on the editorial pages of the Washington Post and the New York Times. On a more personal note, he and his wife Libby brought warmth and charm to the academic and historic community of Chestertown.

At the end of this month, Douglass Cater will be leaving Washington College. In the fall, he will begin a fellowship at the National Humanities Center in North Carolina where he will reflect on the past 8 years and begin work on a book dealing with "great little liberal arts colleges."

Mr. President, the presidency of Douglass Cater at Washington College was part of an amazing career matched by few in public or private life. I join with all Marylanders in expressing our deep respect for the years Mr. Cater spent with us at a superb small liberal arts college.

I ask that a retrospective of the Cater years by Dr. Sherry Magill, vice president and deputy to the president of Washington College, and an interview conducted by Sue De Pasquale, a former Sophie Kerr Prize winner and currently assistant editor of the Johns Hopkins Alumni Magazine Consortium, both published in the Washington College magazine, be reprinted in the RECORD along with an editorial, entitled "Washington's Cater," from the May 30, 1990, edition of the Baltimore Sun.

The material follows:

[From the Baltimore Sun, May 30, 1990]

WASHINGTON'S CATER

The tenth oldest chartered college in the United States, Washington College, has cast an influence far greater than its size. And Douglass Cater, who is stepping down as president at age 66, has had an influence on it far greater than the eight years of his tenure.

Arriving in the Eastern Shore school's bicentennial year, 1982, Mr. Cater found a school past its prime, of small size, modest facilities, small endowment, some reputation for lacrosse and writing, and large uncertainty about its future, which was considered to be endangered.

Mr. Cater, after a distinguished career in journalism and government, raised Washington College's profile and self-esteem. He presided over $41 million in fund-raising for new buildings, laboratories, scholarships and higher faculty salaries. His leadership has brought distinguished visitors to the campus and sent well-educated and well-rounded graduates from it, raising the quality of the student body while increasing its size from 680 to 850, with better facilities for the 850 than the 680 had enjoyed.

In an era dominated by de-personalized and mass university instruction, the small liberal arts college, valuing education above research and committed wholly to the undergraduate student, has an increasingly important role to play for the nation. During Douglass Cater's time, Washington College has transformed itself back into a self-confident, important small college able and anxious to make its contribution to American education.

[From the Washington College Magazine]

SNAPSHOTS FROM THE CATER YEARS: A RETROSPECTIVE

(By Dr. Sherry Magill)

In February of 1982, Douglass Cater was named the 23rd president of Washington College. In selecting a well-known journalist and former special assistant to Lyndon Baines Johnson, the Board of Visitors and Governors undoubtedly had named a man who could write well and possessed a talent for persuading folks to do what they don't always wish to do. It had also chosen a man of extraordinary vision, intense passion, and inexhaustable energy. In accepting the post, Cater assumed a special burden: would he be capable of leading the institution which bears the name of the country's first president into yet another century?

Cater would meet what often seemed like insurmountable challenges. Early in his administration, he was asked if he enjoyed his job. President Cater laughted heartily, and then flatly stated with characteristic candor: "About 60 percent of the time!"

What carried Douglass Cater that other 40 percent of the time was his intense love affair with Washington College—the history, the idea, the place.

In his Inaugural Address, President Cater noted Washington College's unique history: founded by the Reverend William Smith in 1782, Washington College benefitted from the early patronage of George Washington. What made it unique in its formative years was its mission: it was dedicated not to the work of the Church, but to the work of the Republic. Its role was to educate citizens for the vital tasks of democracy.

The new president alluded to the special distinction Washington College could achieve if its initial mission could be kept alive for the present and preserved for the future.

Over the past eight years, President Cater has labored to bring into focus this education for citizenship responsibilities. Under his leadership, the administration and faculty have established faculty enrichment programs including the Faculty Enhancement Fund and the Wye Faculty Seminar; introduced the Freshman Common Seminar, the Honors Program, Writing Tutorials, and the President's Forum; brought academic computing to campus; and established O'Neill Literary House, International House, and special-interest housing for students interested in science.

And, of course, there is the Master Plan. The vision was to unite the landscape of the Washington College campus, too long separated by a town street which bifurcated its interior. Since his appointment, Douglas Cater has helped move, if not heaven and

earth, at least a water tower, a town street, and tons of Washington College dirt. The Cater Administration has overseen construction of four new buildings and the renovation of an additional six.

To sum up the Cater Years in one word: serendipity.

And what about the man? In a phrase, he never took "no" for an answer.

INTERVIEW—LEAVING A LEGACY: FINAL THOUGHTS FROM PRESIDENT CATER

(By Sue De Pasquale 1987)

Q. As historians look back on the Cater Years at Washington College, what would you most like to be remembered for?

A. If I had to put it in one word, it would be caring. I feel that I've devoted eight years to a very intensive love affair with a small liberal arts college. It will take more time to define what are the things that succeeded or failed, what lasted or went with the wind.

But I do think I managed to bring yeast to the College. One faculty was quoted in Maryland Magazine as saying I brought urban tensions to Chestertown. That's fair commentary because I did bring some tensions here. But I hope that when we look back from a more distant vantage point, they will prove to be creative tensions.

I think the College community believes in its own future more than it did when Libby and I first came to Chestertown. We know that it has received greater national attention and that brings satisfaction to students, faculty, and college presidents alike. We are not the best kept secret in Maryland anymore. I feel there is need to distance myself and to spend at least a year of cogitation on the future of the small liberal arts college in America. That's going to be one of my assignments while at the National Humanities Center this coming year.

Q. You plan to write two books concurrently during your time as a Fellow at the Center?

A. I will be working on one book immediately and this other book—the one dealing with the great little liberal arts colleges—will be on the back burner. But I don't know which one will come off the stove first.

I feel there are many, many strengths and some weaknesses in the way liberal arts institutions in America are governed. This will be a book of, I hope, detachment. I'm not going to be a true believer anymore. I'm going to become a critic of what I did and what others have done over the past decade.

The more immediate book will be memoirs under the theme of my life among the politicians. I was born the son of a city clerk and a state senator in Alabama. I grew up watching the genus politicus close up, but never crossing over to become one. Something may have been missing in my genes or my aptitudes. So even when I spent four and a half years in the LBJ White House, I was still the observer.

Q. In what ways have you left your personal stamp on Washington College?

A. I think I left my fingerprints not just in the brick and mortar, not just in the raising of funds.

When I came to the College, I said somewhat facetiously that I was weary of thinking about big insoluble problems, and that I wanted to spend my time thinking about little insoluble problems. And those words came back to haunt me. The destiny of the small liberal arts college is not subject to neat solutions. Yet I have enjoyed, even in periods of high tension, dealing with problems on a scale that can be called humansized. It has tested the best of what was in me. In retrospect I can think of a hundred times that I might have been more skillful or more patient or more persistent. But I had a learning curve. It's a great deal different coping with a problem in Bunting Hall than it was helping LBJ launch a major elementary or higher education program.

Looking back on eight years, I could not have stayed the course if it had not been for my wife, Libby, who has served, I believe, as the First Lady par excellence of Washington College. I'm delighted that President Trout has a dynamic wife who means to be involved. In the big universities you can read about the spouses of the presidents—men and women—who lead quite separate lives. Maybe you can get away with that in a big university, but in a small college it really takes a team to give meaning to the office and to the Hynson-Ringgold House.

All of us have grown weary of the winter of discontent when there seemed to be mud stretching every direction. I don't want to be remembered for mud, nor even for brick and mortar, although I do believe a college has to plan its facilities to meet its long-term future. We are buying another century for Washington College, not just gratifying instant desires next week or next semester. It takes some endurance, and it takes a capacity to withstand criticism. There are at least 850 students and a good many faculty who can tell you how to spend those dollars better than we spent them. But time will tell. I'm willing to wait.

Q. You've put into place several new programs that should bear a lasting legacy to your leadership. Would you talk briefly about them?

A. I am very excited about three endowments that will make possible a new dimension of distinction at Washington College.

One is the Goldstein Chair and Fund, which is dedicated to involving students and faculty in the world of public service, by bringing people to campus, by cultivating programs—both domestic and international—that are related to public policy and public service, by having internships that will build on the experience we already have with our Annapolis interns.

The second is the McLain Chair and Fund, which will be dedicated to achieving distinction for the College in fields of interdepartmental research and study that relate to our environment—and more particularly our immediate environment, the great Chesapeake Bay.

And the third, which was named by the Hodson Trust and established this year, is the Cater Fund. It is to be dedicated to creating a Society of Junior Fellows. These will be students of promise and motivation who may be chosen in the second semester of their sophomore year or their junior or senior years.

Those who are chosen for this Fellowship will be able to apply to an endowed fund for grants that will support internships, travel study programs—a great variety of projects that can extend and enhance an upperclassman's educational experience.

Q. How will the the grants be awarded?

A. Students will apply to this Endowment the way that you would submit a proposal to a small foundation. With the help of faculty and other advisers, they will have to prepare a project proposal which will be reviewed by the appropriate council and grants will be made.

The Cater Fund can achieve distinction for Washington College by recognizing that the critical time to challenge a student is after he or she gets to the College, not merely to award bright high school seniors with a giant merit scholarship.

This new endowment is designed to attract the student as he or she approaches mid-career at the College and who may be thinking of going to a bigger university in an urban center. This will offer them the opportunity through the Junior Fellowship and through the grants to design their own projects and to enrich their own education beyond the classroom.

I think it is an idea whose time has come. In five or ten years, this concept can win for the College the same sort of recognition that the Sophie Kerr program has achieved.

The fourth program that has been going for a number of years and has been financed out of discretionary money given to me as President is the Faculty Enhancement Fund. The Dean and I serve as the trustees for the Fund. We receive written applications from faculty members for projects that will enrich their sabbatical leave or their summer work or their work during the winter. It provides an extra inducement to stretch.

With these four programs and with the Sophie Kerr program and the O'Neill Literary House, with the new synergism at the Larrabee Fine Arts Center, with the Academic Computing Program that now reaches to every department and to almost every student, with the International House and the Science Dormitory, we have a capacity to make the whole greater than the sum of the parts.

Q. What immediate challenges do you see looming on the horizon for Washington College?

A. I've said that my successor, Dr. Charles Trout, faces challenges that in some ways are even more formidable than those that faced me.

I was in a crisis situation. There had to be a turnaround in enrollment and in the financial affairs of the College. A dramatic turnaround. This is challenging, but it also permits you to work in a situation where performance is more easily measured.

Now the challenge for the next President is to build on the strengths that the College has, to accomplish reforms—or at least more rethinking of mission and purpose—and to find the funds primarily for endowment that will give a larger nest egg to Washington College.

This College is grossly under endowed. When you compare us to our peer colleges, we need to double our endowment in the next five to seven years.

This is more difficult to do when you're not in a situation of crisis. There is always the temptation of friends and alums and patrons to say, "Well, everything is ticking along, what's the fuss?"

I wish Dr. Trout well. I think very highly of him. The search could not have been better conducted nor had a more successful outcome. He brings academic credentials to the job that will bring honor to the College.

He is not fully tested in the vital field of mendicancy, but neither was I when I got here. You don't know whether you have any aptitude for it until you've tried it. It requires an idea in the brain, a good story on the tongue, and a fire in the belly to be a good fundraiser.

Q. Looking back on your years as President, do you have any regrets?

A. That's what's going to take a year of cerebration to measure. I'm too close to it still, and Commencement is still a month away. Until we've passed that last rite, I

cannot get the relaxation or the detachment to begin to measure regrets.

My associates will testify that I pledged last September I would not be a lame duck president this year. I have worked overtime to keep that pledge.

There should be no mystery in the reason for my departure. I said it loud and clear last August that my doctor had confirmed my own intuitive sense that I had grown exhausted in the job. To stick it out just for the purpose of going a full ten years would be threatening not only to my health, but the health of the College. I feel an enormous sense of physical release now that there is somebody already named and ready to come on board this summer.

I do not feel that my exhaustion is a permanent condition. In fact, I already feel less exhausted than I did last August. It is time for a change of pace and a change of pursuit.

I began my career as a writer and I'm looking forward to reclaiming that heritage. Writing is a lonely pursuit. A blank page can stretch out like eternity while you're trying to find something to put on it. But is also brings tremendous excitement and I'm ready to return to that career.

Q. What do you see as Washington College's mission in the constellation of small liberal arts colleges in America?

A. I am convinced now more than when I got here that we have begun to earn another century. We're among the endangered species, and there will be many colleges that fall by the wayside. During the immediate five years ahead we are told there will be a continuing decline in the number of high school graduates. This will mean heightened competition for entering students.

We have put in place programs and professional services that will allow us to go against the stream. I'm proud of the Executive Council that leads the College and believe that Dr. Trout will inherit worthy people in the Administration. He will also inherit a faculty that has proved its worth over more years than I have been here.

The mission of the liberal arts college is not a tidy one. It is continually evolving, responding to the needs of the times. I believe that Washington College has a strong sense of mission. My hope is that its leadership will continue to challenge and to examine and to invigorate that sense of mission.●

BUDGET SCOREKEEPING REPORT

● Mr. SASSER. Mr. President, I hereby submit to the Senate the latest budget scorekeeping report for fiscal year 1990, prepared by the Congressional Budget Office in response to section 308(b) of the Congressional Budget Act of 1974, as amended. This report was prepared consistent with standard scorekeeping conventions. This report also serves as the scorekeeping report for the purposes of section 311 of the Budget Act.

This report shows that current level spending is under the budget resolution by $3.3 billion in budget authority, and over the budget resolution by $4.2 billion in outlays. Current level is under the revenue floor by $5.2 billion.

The current estimate of the deficit for purposes of calculating the maximum deficit amount under section 311(a) of the Budget Act is $114.8 billion, $14.8 billion above the maximum deficit amount for 1990 of $100 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 18, 1990.

Hon. JIM SASSER,
Chairman, Committee on the Budget,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1990 and is current through June 14, 1990. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the 1990 Concurrent Resolution on the Budget (H. Con. Res. 106). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32, the 1986 First Concurrent Resolution on the Budget.

Since my last report, dated June 11, 1990, the Amtrak Reauthorization and Improvement Act, H.R. 2364, has been vetoed by the President. This action increases the current level estimates of budget authority and revenues.

Sincerely,

ROBERT D. REISCHAUER,
Director.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, 101ST CONG., 2D SESS., AS OF JUNE 14, 1990

[In billions of dollars]

	Current level [1]	Budget resolution H. Con. Res. 106	Current level +/− resolution
FISCAL YEAR 1990			
Budget authority	1,326.1	1,329.4	−3.3
Outlays	1,169.4	1,165.2	4.2
Revenues	1,060.3	1,065.5	−5.2
Debt subject to limit	3,055.1	3,122.7	−67.6
Direct loan obligations	19.1	19.3	−.2
Guaranteed loan commitments	115.1	107.3	7.8
Deficit	114.8	[2] 100.0	[3] 14.8

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval and is consistent with the technical and economic assumptions of H. Con. Res. 106. In addition, estimates are included of the direct spending effects for all entitlement or other mandatory programs requiring annual appropriations under current law even though the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions. In accordance with sec. 102(a) of the Balanced Budget and Emergency Deficit Control Reaffirmation Act (101 Stat. 762) the current level deficit amount compared to the maximum deficit amount does not include asset sales.

[2] Maximum deficit amount (MDA) in accordance with sec. 3(7)(E) of the Congressional Budget Act, as amended.

[3] Current level plus or minus MDA.

THE CURRENT LEVEL REPORT 101ST CONG. 2D SESS., SENATE SUPPORTING DETAIL, FISCAL YEAR 1990 AS OF CLOSE OF BUSINESS JUNE 14, 1990

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			1,068,600
Permanent appropriations and trust funds	954,969	791,109	
Other legislation	635,362	638,737	566
Offsetting receipts	−233,985	−233,985	
Total enacted in previous sessions	1,356,347	1,195,862	1,069,166
II. Enacted this session:			
Dire Emergency Supplemental Appropriations (Public Law 101-302)	2,293	666	
An act making technical amendments to title 5, United States Code (Public Law 101-303)		−1	
Total enacted this session	2,293	665	
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory adjustments required to conform with current law estimates in budget resolution:			
Salaries of judges	−8	1	
Payment to judicial officers' retirement fund	4	−4	
Judicial survivors' annuities fund	3	3	
Fees and expenses of witnesses	−5		
Justice assistance	4		
Fisherman's guaranty fund	1	1	
Administration of territories	−1		
Firefighting adjustments	1,057	−192	
Federal unemployment benefits (FUBA)	5		
Advances to unemployment trust fund	(48)	(48)	
Special benefits	−24		
Black Lung disability trust fund	52	31	
Vaccine improvements program trust fund	7	7	
Federal payments to railroad retirement	1	1	
Retirement pay and medical benefits	−4		
Supplemental security income program	263	263	
Special benefits, disabled coal miners	21		
Grants to states for Medicaid	−907		
Payments to health care trust funds	(325)	(325)	
Family support payments to States	84	84	
Payments to states for AFDC work programs	15	15	
Payments to states for foster care	−83		
Health professions student loan insurance fund	−25	−7	
Guaranteed student loans	−175		
College housing and academic facilities loans	−3	−3	
Rehabilitation services	−79		
Payments to widows and heirs	[1]	[1]	
Reimbursement to the rural electrification fund	111	111	
Diary indemnity program	[1]	[1]	
Conservation reserve program	720		
Special milk program	−2		
Food stamp program	−2,000		
Child nutrition programs	−74		
Federal crop insurance corporation fund	[1]		
Agriculture credit insurance fund	342		
Rural housing insurance fund	[1]		
Rural communication development fund	[1]		
Payments to the farm credit system financial assistance corporation	−2		
Coast Guard retired pay	−17		
Payment to civil service retirement	(84)	(84)	
Government payments for annuitants	3	−2	
Readjustment benefits	−62		
Compensation	258	208	
Pensions	−62		
Burial benefits	−4		
Loan guaranty revolving fund	−7		
Disaster relief	−1,100	−883	
Total entitlement authority	3,834	−371	
VI. Adjustment for Economic and Technical Assumptions	−28,685	−26,863	−8,900
Total current level as of June 14, 1990	1,326,120	1,169,393	1,060,266
1990 budget resolution H. Con. Res. 106	1,329,400	1,165,200	1,065,500
Amount remaining:			
Over budget resolution		4,193	
Under budget resolution	3,280		5,234

[1] Less than $500,000.

Notes: Numbers may not add due to rounding. Amounts shown in parenthesis are interfund transactions that do not add to totals.●

LEGISLATING ASSIMILATION: THE ENGLISH-ONLY MOVEMENT

● Mr. SIMON. Mr. President, some weeks ago, I placed an article aside because I wanted to read it later, and the weeks went by, and I finally have read it.

It is an article by Mark R. Halton, assistant editor of the Christian Century, that appeared in that publication under the title, "Legislating Assimilation: The English-Only Movement." For those who are interested in this subject and what is taking place, this is a good, well-written, and balanced article.

I would add two things that are not mentioned in the article.

First, when I hear people arguing against bilingual educational opportunities, and I hear them stress that their grandfather came over from Sweden or some other country and got by without a bilingual educational opportunity, they forget that things have changed dramatically since their grandfather came over from Sweden or another country. In those days, you could have a third grade education and drop out of school and still have plenty of job opportunities. Neither requirements for basic skills in reading or mathematics were required nor skills in speaking English.

By the end of World War II, the average laborer had to have a fourth grade education, and now the average laborer has to have ninth grade education, and it is climbing. The demand for unskilled labor has gone down, and for us to develop a huge reservoir of unskilled labor, which we will do if we do not assist young people whose mother tongue is not English, makes no sense at all.

Second, I note that frequently, though not always, those who push hardest for English as an official language or the English-only movement, or whatever the particular twist is, are the same people who oppose appropriations for teaching English to people who want to learn English who have reached our country.

I ask to insert the article by Mark Halton into the RECORD at this point, and I urge my colleagues to read it.

The article follows:

LEGISLATING ASSIMILATION: THE ENGLISH-ONLY MOVEMENT

(By Mark R. Halton)

Contention between people who speak different languages is as old as the story of Babel. The ancient Greeks referred to those who spoke in other tongues as "the babblers." Ancient Slavs called the Germans across their border "the mute" or "unspeaking" people. Today, U.S. residents whose primary language is other than English—especially Spanish speakers—are being regarded as "un-American."

A pitched battle is under way between those who consider that, for the sake of America's cohesion, English must be legislated the official language through state or federal constitutional amendments, and those who consider such attempts bigoted or xenophobic. The main goals of the English-only movement are to eliminate or limit bilingual education in the public schools; to prevent state or local governments from spending funds for translating roads signs or government documents or for translators to assist non-English-speaking patients at public hospitals; and to abolish multilingual ballots—required in 375 jurisdictions by the 1965 Voting Rights Act. Florida, Colorado and Arizona—states with large Hispanic populations—voted in referendums last year to make English the official language, bringing the number of states with such laws to 17.

In contrast, New Mexico's legislature voted down an English-only law last spring and endorsed "English Plus," stating, "Proficiency on the part of our citizens in more than one language is to the economic and cultural benefit of our State and the Nation."

But what does "English only" mean? That question is being raised in California, where voters approved a language law four years ago. This year, a legislative committee rejected a bill that would have banned the use of languages other than English by state and local government agencies. Also, a state senate committee, responding to the U.S. Equal Employment Opportunity Commission, enacted a law prohibiting private companies from restricting their employees' use of non-English languages while at work, unless necessary for business reasons. In 1988 the Los Angeles federal appeals court, countering some companies' English-only rules, said such restrictions are not only a veiled form of discrimination but a way of increasing racism.

The groups that have led the fight "to protect English by declaring it the official language of the United States" are U.S. English (whose co-founder, S. I. Hayakawa, is a former U.S. senator from California and a retired professor of linguistics) and English First, part of the Committee to Protect the Family. These groups are on the offensive, claiming that they are trying to help non-English speakers get ahead economically and socially. U.S. English, which claims 350,000 members, cites the "political upheavals over language that have torn apart Canada, Belgium, Sri Lanka . . . and other nations" as a reason to ban the use of "many languages" for official purposes.

Seventy years ago Theodore Roosevelt expressed a similar resolve; "We have room for but one language here, and that is the English language, for we intend to see that the crucible turns our people out as Americans, and not as dwellers in a polyglot boarding house." He was reacting to the 5.2 million southern Europeans and the 8.8 million middle and eastern Europeans—the new immigrants—who had arrived on American shores in the two decades preceding the First World War. He was also expressing the nationalism that followed the war. By 1924 restrictive quotas were imposed to limit immigration from southern and eastern Europe, thus keeping out the people "not like us." Following World War I many communities banned the teaching of German and restricted its use in public meetings—and even on the telephone. The proponents claimed that they were only promoting unity, but anti-German feelings were evident. Striking down these laws, the U.S. Supreme Court ruled in 1923 that the "protection of the Constitution extends to all, to those who speak other languages as well as to those born with English on their tongue."

Most opponents of the English-only movement—such as the Mexican-American Legal Defense Fund and the U.S. Catholic Conference's Secretariat for Hispanic Affairs—are not against ethnic groups learning English, but against the us-versus-them rhetoric advanced by many English-only advocates. George Munoz, writing in the Chicago Sun-Times, has said, "Opposition to English-only is not from a desire to stay apart; most Hispanics want to integrate. But they don't want to be denied access to the mainstream while they're learning English." Muñoz argues that it's not the language of communication that should be important to the government but whether the government can make itself understood by all.

The recent English-only movement got its start in Miami—perhaps the most bilingual major city in the U.S.—in 1978, after Emmy Shafer was unable to communicate with any of the clerks at the Dade County municipal offices. They all spoke only Spanish; she, only English. Her protest led to passage of a 1980 county law stipulating that no funds could be used to translate public signs or documents into Spanish or other non-English languages.

But Miami is a special case. It contains the majority of the country's Cuban-Americans, who compose about 5 percent of the U.S. Hispanic population. They have largely avoided assimilating because they consider themselves exiles of Cuba, still awaiting the fall of the Castro government to return home. Puerto Ricans living in Miami, on the other hand, reportedly are learning English quickly, many of them vying for well-paying bilingual jobs.

On the whole, language assimilation in the U.S. has followed a four-generation pattern, according to Kenneth Wilson in Van Winkle's Return: Change in American English, 1966-1986. Between 1890 and 1920, for example, hundreds of thousands of Poles emigrated to the U.S. A typical Polish couple (call them the Pomykalskis) might have arrived in New York City in 1909 with an infant son and eventually settled in Chicago where they spoke only Polish at work, at mass, in the shops and of course, at home. But in a few years their son spoke English at school, starting in first grade, while speaking Polish at home and at his afterschool job. He and his Polish friends became bilingual and did not have an accent in either language.

He got married to his high school sweetheart in 1928—a Pole who had emigrated with her parents when she was 13 years old—and the two spoke English at home, she with a slight accent. With their parents they spoke Polish. Their children, the grandchildren of the immigrant Pomykalskis, spoke English at home and at school, and used Polish only when speaking to Grandmother in the kitchen. In each domain of language—school, social life, church and family—the use of Polish diminished.

The original Pomukalskis's great-granddaughter was born in 1956 in a suburb of Columbus, Ohio. She grew up speaking no Polish and has very little connection to her Polish heritage. She is thorough enculturated in American ways and language. As Wilson says, "Wistfully, this generation hopes to recover some linguistic access to a culture that now . . . they wish they knew better."

Some immigrants have defied assimilation. Hasidic Jews in Brooklyn speak Yiddish, and some Amish in the Midwest speak a German dialect; they have chosen to live

on linguistic islands. Finnish and Scandinavian immigrants in rural communities in the northern Midwest did not quickly assimilate for geographical reasons. But the commercial and societal forces shaping Hispanic immigration over the past 35 years suggest a different scenario for these immigrants.

Social and economic constraints have cut off many Hispanics from mainstream American—that is, Anglo—culture. Hispanic women who work only in the home have had limited contact with U.S. culture, and language programs sponsored by local governments or businesses rarely reach them. Furthermore, in many of the largest U.S. cities one finds Spanish-language radio, TV and newspapers, and videocassettes, billboards and even grocery and department store labels in Spanish—not to promote Spanish but simply to sell goods. English-only legislation would not change these realities.

But despite the social and commercial forces leading Hispanics away from assimilation, recent studies have concluded that first- and second-generation Hispanics have learned English as fast as Italians, Russians, Greeks, Romanians or Japanese immigrants did at the turn of the century. An editorialist in the Wall Street Journal reports that an analysis of 1980 census data by professors at the Urban Institute and the University of Chicago reveals that while a great majority of Hispanics over the age of 25 speak Spanish at home, most also speak English with proficiency. And a study by the RAND Corporation reveals that language-assimilation statistics for Hispanic immigrants are in line with the history of the Polish family discussed above. Nearly half the permanent Mexican immigrants living in California speak English well, and only about 25 percent speak Spanish exclusively. For the most part, their American-born children are bilingual and 90 percent are proficient in English. Over half of their grandchildren speak only English. David Lopez, a professor at UCLA, concludes that if immigration from Latin America dried up today (not likely to happen), language assimilation by Hispanics would be complete by the year 2030. Leonard Dinnerstein and David M. Reimers in Ethnic Americans: A History of Immigration and Assimilation beleive that "with so much more public assistance available than had been given to immigrants in previous generations, it is possible that the newcomers may not need as long a time to move into the mainstream of American society."

The issue that most divides the English-only advocates and their opponents is bilingual education. Former President Reagan spoke against it. Congress has debated it. Newspaper op-ed pages and radio talk shows have discussed it. "Bilingual education" is really a misnomer, since the goal of such programs is not to produce bilingual students, but to make Hispanic, Chinese or Vietnamese students proficient in English while drawing on their own native language as a transitional tool. U.S. English and other groups claim that bilingual education helps perpetuate adherence to non-English tongues. But the National Association for Bilingual Education points to research revealing the advantages of bilingual education: when students participate for an average of two to three years researchers notice "improved academic achievement test scores, reduced rates of school dropout and student absenteeims, increased community involvement in education, and enhanced student self-esteem."

Many older people who emigrated to the U.S. when they were in grade school were thrown into English-only classrooms and made to swim or sink. They claim that all their immigrant peers learned to swim, and quickly. However, no studies were done at the time to determine how many immigrant children sank—dropping out of school or never living up to their potential. Language acquisition can be a slow, arduous process for many. And there is more to education than learning a language. Learning math, science, music or art in one's native language gives a student skills readily transferable to the English-speaking world. A student does not need to relearn the subjects taught in Spanish when later reviewing them in English.

Though the U.S. has never had an official policy of introducing English to immigrants, language assimilation has always been startlingly rapid. Kenji Jakuta in Mirror of Language: The Debate on Bilingualism credits economic interests and "benign neglect" of one's own language as the leading causes of immigrants' forsaking their mother tongues. Another reason cited is that educational psychologists urged immigrant parents to avoid speaking a non-English language at home on the false premise that bilingualism stunts the academic growth of children. While no linguists tout this theory today, many proponents of the English-only movement still believe that there is room for but one language in a young person's mind.

When immigrants poured into America in the 19th century one of three scenarios could have played out. American culture could have transformed the immigrants (Americanization or assimilation); the culture could have been transformed by the immigrants (melting pot); or the culture could have split into separatist groups. For over 150 years the pattern has been one of assimilation, "a move," Dinnerstein and Reimers write, "into the mainstream of American life (requiring) the relinquishment of cherished cultural ties." Immigrants start in separate groups—as Hispanics do today by attending Spanish-language churches and marrying other Hispanics—but within four generations they assimilate, no longer calling themselves, for example, Polish-Americans but simply Americans.

Political unity, communication and transportation systems, and financial factors will keep the U.S. an English-speaking nation. English does not need to be legislated the official language; gentler forces than those proposed by English-only proponents will produce that end. As the U.S. enters the '90s, a new awareness of other cultures' music, language, customs, food, electronic goods and even political ways in transforming our life. There is a growing realization that Americans of northern European descent have much to learn from U.S. residents of Latin American or Asian backgrounds. Perhaps in the 21st century the strict assimilation patterns of the past will yield to more "melting"—the mixing of cultures in a way that changes the flavor of the entire society.●

THE 70TH ANNIVERSARY OF THE WOMEN'S BUREAU

● Mr. HARKIN. Mr. President, earlier this month, on June 5, we marked the 70th anniversary of a very significant segment of the Department of Labor, the Women's Bureau.

Over the decades of its existence, the Women's Bureau of the Labor Department has sought to serve the needs and interests of women in the workplace, beginning with the sweatshops of the early 1900's, through the tumultuous changes of the two world wars, to the present decade of the 1990's where the needs and concerns of women are as different from those of the 1920's as they will be from those of women in 2060.

The year the Women's Bureau was formed—the same year as women gained the right to vote, I might add—only 18 percent of women between the ages of 35 and 64 were employed. They generally went to work to help out the family income, and did not expect to be a permanent part of the work force throughout their lives. In all, the 8.25 million working women made up less than 20 percent of the American work force.

This year, 70 years later, 55 million women make up 44 percent of our country's civilian work force, and we are all familiar with the social changes behind their being very much a permanent, full-time part of that work force.

The accomplishments of the Women's Bureau are many, starting with Mary Anderson, the first Director, who was responsible for the inclusion of women in what we now know as the Fair Labor Standards Act. Under Esther Peterson, who served President Kennedy's administration, passage of the Equal Pay Act of 1963 was achieved. These are just two in a long list of significant milestones and accomplishments.

Today, under the leadership of Jean Curtis, the goals of the Women's Bureau focus on such areas as balancing the conflicting demands of work and family; employer-sponsored child care support systems; the needs of older women, including displaced homemakers; gender based wage discrimination; the employment-related needs of women voters; increasing the employability of handicapped women; preparation of women for the types of jobs that will be available after the turn of the century; and increasing the opportunities for women in management, the professions, and skilled trades.

The accomplishments of the Women's Bureau are many, but their future tasks are no less important because of these accomplishments. I salute the Bureau for what it has been able to accomplish and wish it all success as it continues to carry out its mission.●

HONORING RATH MANUFACTURING

● Mr. KASTEN. Mr. President, I rise today to honor a genuine small busi-

ness success story. The Rath Manufacturing Co. of Janesville, WI, has established a national reputation for quality, efficiency, and customer service.

Rath Manufacturing makes steel tubing—and the company is also a very important force for good in the Janesville community. The story of Rath Manufacturing—its achievements and the lessons it might provide for other American businesses—are the subject of a justly laudatory article in the Forbes magazine of June 25. I ask that this article be printed in the RECORD for the benefit of my colleagues.

The article follows:

TOTALLY TUBULAR

(By Joel Millman)

Forty miles south of Madison, Wis. is little Janesville (pop. 51,000). It's a town where mothers still use dinner bells to call the kids in for dinner, and where square dances and high school band concerts fill the entertainment listings of the Janesville *Gazette*. It's aslo home to Rath Manufacturing Co., Inc., one of the country's best small businesses.

Rath makes high-quality stainless steel tubing, the shiny tubing used in food processing and the pharmaceutical industry. On farms and at dairies, much of the nation's milk passes through Rath's tubing. With over 500,000 feet—or almost 100 miles—of mirror-finish tubing shipped each week, enough per year to stretch from New York to California, Rath's product is sold to the Dannon Co., Johnson & Johnson and Archer Daniels Midland. With 100 employees and estimated sales of $50 million this year, Rath is easily the metal tubing industry's most efficient producer.

The company is privately owned by its chairman, Duane Rath, 49, and two partners. According to audited statements provided by the company, sales have exploded from $6 million in 1984 to nearly $45 million last year. Profit margins exceeded 15% in each of the past two years; the company earned over $6 million last year. Worker productivity—sales dollars per employee—was $440,000 in 1989, easily the highest in Rath's segment of the tubing industry.

Someone once called productivity the product of enthusiasm plus experience, and Duane Rath has both in abundance. He calls his upbringing the "businessman's equivalent of the stage-door childhood." As a boy in rural Sac City, Iowa, Rath pulled his red wagon door-to-door selling things like pancake mix and vanilla extract.

That's where the cat comes in. "There was an old schoolteacher who wouldn't ever come to her door," recalls Rath, relishing the story. "One day she came out and said if I got her cat down from a tree, she'd buy my pancake mix. I was 7 years old, but I crawled up that tree and got her cat."

Rath pauses to smile, and adds: "She couldn't *possibly* have eaten all the pancake mix I sold her." Never in his later business dealings would Rath underestimate the importance of customer service.

Virgil Rath, Duane's father, sold milking machinery. In 1952, while visiting a supplier in Janesville, he leaped into the manufacturing end of the business by buying up the newly bankrupt factory that sold him his wares. It was not a smart move. The machines Rath was selling were becoming obsolete as better technology was developing. The Rath's aftertax profits in 1953 were a mere $2,861. "We were riding a dead horse," says Duane today.

By 1957 Duane Ruth was 16 and selling harder than ever. The red wagon had been replaced by a battered Plymouth convertible. While earning a degree in English literature from the University of Wisconsin, Duane sold household goods—spatulas, can openers, mixing bowls—around Wisconsin, as well as his own family's dairy farm equipment in sales territories ranging as far from home as New England.

As his graduation present, his mother and father appointed Duane president of Rath Manufacturing. It was more of a present than it seemed. The company was still struggling, but it was about to change direction: Instead of assembling farm machinery out of steel tubing, Rath was going to manufacture the tubing itself.

Virgil Rath, 74, is still remembered in Janesville as a self-taught mechanical genius. With his son installed as president, he set about teaching himself the art of tube making.

For decades tube mills had used a two-step process, forming and welding steel strips into tubes on a mill, then finishing them in a gas-fired furnace. Together with Jim Sanger, a new partner Duane Rath recruited—literally—out of a foxhole during National Guard training, Virgil Rath created the Rath Continous Processing Mill. Its chief innovation lay in eliminating the need for separate firing in the furnace, or having to wait for the tubing to be cooled; this allowed the tubing to be packaged and shipped immediately from the mill, and also produced a more consistent grade of tubing.

The Raths spent the next three years designating the machinery needed to implement their innovations. By 1979 the new mill machinery was in place. In 1975 Duane bought out his parents for $112,000, then sold $2 million in industrial revenue bonds to pay for expansion. Duane made Sanger a partner in 1979, then in 1984 brought in a third partner, Milwaukee investor James Dodson, a retired businessman who had the background Rath needed to begin producing and marketing its tubing.

Rath moved into the production of stainless tubing for the simple reason that supplies were tight, prices high and many suppliers arrogant. "When the market was in very short supply, we would call certain vendors for estimates and they would literally laugh at us," says Duane Rath.

Again the schoolteacher's cat enters the story. Rath developed a computer pricing model. This enabled the company to give potential customers a firm quote for stainless tubing within 10 or 15 minutes of a call. Soon contractors bidding industrial jobs—some involving thousands of feet of tubing—were calling Rath to formulate their bids. For nothing Rath got valuable market research about who needed what item for which purpose, and often converted the knowledge into sales.

"We use Rath because they jump through hoops for us," says Marcia Comerford, purchasing manager for the fabrication divisions of Archer Daniels Midland in the Midwest. "Rath doesn't force us to buy a minimum amount, and they will do just about anything we need in as quick a time as we need it." Annual sales to ADM: in excess of $1 million.

It helps, of course, that unlike many of its big competitors that have fallen by the wayside, Rath Manufacturing is nonunion. Rath's mill operators voted to decertify their membership in the Sheet Metal Workers union in 1970, and have enjoyed what they call "shared stewardship" with management ever since. Rath's mill operators average close to 50 hours per week, often working weekends and holidays to fill special orders. For their flexible work rules, Rath offers a novel payment system—a weekly bonus based on the amount of tubing shipped from the plant during the week. Rath has paid the bonus every week since 1978, when the system started; last year the bonus averaged $55 per week.

"Producing the best tubing in the world is job security for me," says Everett Calhoun, a 35-year-old mill operator, with Rath since 1986. Calhoun earned $40,000 last year-$36,000 in base pay, plus $4,000 in bonuses. In a town where three-bedroom homes sell for under $60,000, that kind of compensation breeds loyalty. Since 1985 only 6 employees have left the company, while 2,000 job applications are on file.

Last Christmas Rath gave employees something even better than a bonus. He gave them a scholarship fund, named for his parents, to pay college expenses for any of his employees' children entering the University of Wisconsin or for any other school, up to $10,000 a year. Upon hearing of the scholarship plan, Wisconsin Governor Tommy Thompson named Rath guest of honor at his State of the State address. But Rath isn't letting any of the celebrity go to his head.

"The creation of wealth in this environment is inevitable," he says, casting his arm out over the humming mill his family built. "The point is, there is a lot more to life than making money. Then again, you can only take that attitude when you have a certain amount of money." ●

"BREADLINES AND BILLIONAIRES"

● Mr. SIMON. Mr. President, recently, Alan Durning, senior researcher for World Watch magazine, wrote an editorial, titled "Breadlines and Billionaires."

It is a not-so-gentle reminder of the inequities that we continue to tolerate in our world.

Unfortunately, we can find those inequities very much present in our own country.

For example, in his editorial he notes:

The richest billion people consume at least 20 times the goods and services that the poorest billion do.

At another point, he notes:

Militarism, meanwhile, adds its own trillion dollar drain. We humans spend $200 a year for each man, woman, and child on the means of warfare, but we cannot seem to find the $1 it would cost each of us to save 14 million children who die each year from simple diseases like diarrhea.

I ask to insert the full editorial in the RECORD, and I urge my colleagues to read it.

The editorial follows:

[From World Watch magazine, May-June 1990]

BREADLINES AND BILLIONAIRES

Every night I pedal home past a van from Martha's Table, a downtown Washington charity that hands out sandwiches to the

homeless. For years now the line on the street corner has been growing steadily. This winter, for the first time, I saw mothers and small children.

The lengthening queue is a personal reminder of the forces that are splitting humanity into haves and have-nots. The statistics are cold and appalling: The world today has 157 billionaires, perhaps 2 million millionaires, and 100 million homeless. It has half a billion who eat too much, and an equal number who eat scarcely enough to stay alive.

At the global level, as in the United States, equity of income distribution is worse today than at any time since records have been kept. The richest billion people consume at least 20 times the goods and services that the poorest billion do.

The reasons are imbedded in the structure of the international economy. For almost a decade, the global marketplace has been acting like Robin Hood in reverse: Each year poor nations are paying rich ones $50 billion more in debt payments than they receive in new funds.

Worsening this regressive financial flow is the plummet in prices for Third World exports. U.S. import limits on sugar during much of the past decade, for example, have created a situation in which Americans pay several times the world market price to sweeten our coffee with beet sugar from Minnesota while cane cutters nearly starve for lack of work in the Philippines.

Militarism, meanwhile, adds its own trillion dollar drain. We humans spend $200 a year for each man, woman and child on the means of warfare, but we cannot seem to find the $1 it would cost each of us to save 14 million children who die each year from simple diseases like diarrhea.

Ending poverty is an environmental priority, too, because those at the bottom of the world's economic ladder are driven by hunger into clearing forests, overgrazing rangeland, and exhausting soil. Saving the earth will remain little more than a pipe dream unless a floor is put under the poorest.

The necessary steps are straightforward: bold debt relief, demilitarization, reduction of import restrictions, and rebuilding social service sectors—both at home and abroad—caught between spiraling needs and shriveling means.

In exchange for a few of our wordly comforts, we the fortunate can gain a planet that is more peaceful, more sustainable, and more humane.

ALAN DURNING,
Senior Researcher.●

HONORING CAPT. GEORGE P. WOODWORTH

● Mr. ADAMS. Mr. President, I rise today to honor Capt. George P. Woodworth. Captain Woodworth is retiring on July 1, 1990, after 28 years of dedicated service to the United States.

Captain Woodworth, a native of Cottage Grove, OR, was graduated from the U.S. Naval Academy, Annapolis, MD, and commissioned as ensign, U.S. Navy, in June 1962.

While active in the Navy, Captain Woodworth served the United States at sea in both the Atlantic and Pacific Fleets on the U.S.S. *Sculpin*, as well as the U.S.S. *Daniel Boone* and the U.S.S. *Ulysses S. Grant*. He has served on the submarine support staffs of commander, Submarine Squadron 18 and commander, Submarine Group 6. He has also commanded the U.S.S. *James Monroe*, out of Holy Loch, Scotland, and the U.S.S. *Michigan*, which was the second Trident submarine to be deployed out of Bangor, WA. From May 1986 until May 1988, Captain Woodworth commanded Sub Squadron 17 out of Bangor, WA, as well. Captain Woodworth is currently serving as the Chief, Nuclear and Chemical Division, Plans and Policy Directorate on the Joint Chiefs of Staff.

Through his many years of dedicated service to the U.S. Navy, Captain Woodworth has been bestowed with a number of decorations. Included are the Legion of Merit with two Gold Stars, the Navy Commendation Medal with two Gold Stars, and the Navy Achievement Medal.

After retiring on July 1, 1990, Captain Woodworth and his wife, the former Brenda King, plan to settle in Bremerton, WA. Captain Woodworth's three children, his colleagues, and citizens across this country will look to his achievements with respect, pride, and humility. I, personally, would like to take this opportunity to commend Captain Woodworth for his keen sense of duty as exemplified in his 28 years of dedicated service to this country.●

A TRIBUTE TO COL. GARY S. ZEIGLER

● Mr. ADAMS. Mr. President, I rise today to pay tribute to Col. Gary S. Zeigler, vice commander of Headquarters Air Weather Service [AWS] Scott AFB, IL. Colonel Zeigler will retire on July 1, 1990, after 26 years of dedicated service to the U.S. Air Force.

Colonel Zeigler's career is distinguished both academically and professionally. After graduating from Washington State University in 1964, and receiving his commission through the Reserve Officer Training Corps the same year, Colonel Zeigler began his meteorology career as a detachment forecaster at Peace AFB, NH, supporting strategic bomber and tanker operations. In 1969, following his assignment as a detachment commander at Whiteman AFB, MO, he was elected to attend graduate training in meteorology at the University of Washington though the Air Force Institute of Technology. Upon completion of graduate school in 1970, Colonel Zeigler served at Scott AFB as deputy chief of the Weather Modification Division, AWS. Following this technically oriented assignment, he returned to supporting aircraft operations as detachment commander of the weather unit at U-Tapao Royal Thai Navy Base, Thailand, from late 1972 to late 1973.

Colonel Zeigler was stationed at Offutt AFB, NE, from 1973 to 1978, performing tours of duty as Chief of Current Operations, Headquarters 3d Weather Wing and as Global Duty officer at the Air Force Global Weather Control [AFGWC]. Following his departure from Offutt AFB in 1978, he attended the Naval War College in Newport, RI, completing the course as a distinguished graduate.

Colonel Zeigler's next assignment was as chief of Weather Programs, Directorate of Operations, Headquarters U.S. Air Force. In 1981, he became the assistant deputy chief of staff, Systems, AWS, Scott AFB. His primary duties included planning and programming for a worldwide system of military weather and space environmental activities. In 1983, Colonel Zeigler assumed command of the 2d Weather Wing, Kapaun, AS, West Germany, with concurrent duty as staff weather officer for Headquarters USAF in Europe. In 1985, Colonel Zeigler assumed command of the Second Weather Wing, Kapaun AS, West Germany, with concurrent duty as staff weather officer for Headquarters USAF in Europe. He assumed his present position as the vice commander of Headquarters Air Weather Station.

Through his many years of dedicated service in the U.S. Air Force, Colonel Zeigler has been bestowed with a number of decorations. Included are the Legion of Merit, the Bronze Star Medal, Meritorious Service Medal with three oak leaf clusters and the Air Force Commendation Medal with two oak leaf clusters.

Mr. President, Colonel Zeigler's career will serve as a model of achievement to which future officers will strive. I commend him for his keen sense of duty and patriotism. I am certain I speak for the rest of the Senate when I say thank you, Colonel Zeigler, for a job well done.●

ORDER FOR REFERRAL OF S. 1400

Mr. CRANSTON. Mr. President, I ask unanimous consent that, when the Committee on Commerce, Science, and Transportation reports S. 1400, the Product Liability Reform Act, the bill shall be referred to the Committee on the Judiciary for a period of 60-calendar days for its consideration of those matters within its jurisdiction: Provided that, if the Committee on the Judiciary does not report S. 1400 by the expiration of that 60 calendar day period, the committee shall be discharged from further consideration thereof and the bill shall be placed on the Senate Calendar.

I further ask unanimous consent that, at any time before the expiration of the 60-calendar day period described in the preceding paragraph and at the request of the majority leader after consultation with the mi-

nority leader, S. 1400 shall be referred to the Committee on Labor and Human Resources for its consideration of those matters within its juridiction: Provided that, if the Committee on Labor and Human Resources does not report S. 1400 by the expiration of that 60-calendar day period, the committee shall be discharged from further consideration thereof and the bill shall be placed on the Senate Calendar.

I further ask unanimous consent that, if either committee reports the bill, any written report of the Judiciary Committee or the Labor Committee regarding S. 1400 shall be filed no later than the close of business on the first day of session following the August recess.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR S. 1379, DEFENSE PRODUCTION ACT AMENDMENTS, TO BE REFERRED AND PLACED ON THE CALENDAR

Mr. CRANSTON. Mr. President, I ask unanimous consent that when the Senate Banking Committee reports S. 1379, the Defense Production Act Amendments of 1990, that the bill be immediately referred to the Committee on Judiciary for consideration of sections 125 and 127 only; and that if the bill is not reported by the Judiciary Committee by July 17, 1990, that it then be automatically discharged and placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 101-18

Mr. CRANSTON. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from a treaty with Poland concerning business and economic relations (Treaty Document No. 101-18), transmitted to the Senate today by the President; and ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and the Republic of Poland Concerning Business and Economic Relations, with Protocol and four related exchanges of letters, signed March 21, 1990, at Washington. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

This treaty is the first to be transmitted to the Senate under my initiative to strengthen economic relations with East European countries, in support of the political and economic reforms taking place there. It will encourage, facilitate, and protect U.S. investment and business activity in Poland. The treaty also will serve to stimulate the growth of the private sector and of market institutions in that country. The treaty is fully consistent with U.S. policy toward international investment. A tenet of this policy, reflected in this treaty, is that U.S. direct investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the parties also agree to international law standards for expropriation and compensation; free financial transfers; and procedures, including international arbitration, for the settlement of disputes.

I recommend that the Senate consider this treaty as soon as possible and give its advice and consent to ratification of the treaty, with protocol and related exchanges of letters, at an early date.

GEORGE BUSH.

THE WHITE HOUSE, *June 19, 1990.*

NATIONAL PARK SERVICE RESOURCES MANAGEMENT ACT

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 600, H.R. 2844, the National Park Service resources management bill.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 2844) to improve the ability of the Secretary of the Interior to properly manage certain resources of the National Park System.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause, and inserting in lieu thereof the following:

SECTION 1. DEFINITIONS.

As used in this Act the term:

(a) "Attorney General" means the Attorney General of the United States.

(b) "Damages" includes the following:

(1) Compensation for—

(A) (i) cost of replacing, restoring, or acquiring the equivalent of a park system resource; and

(ii) the value of any significant loss of use of a park system resource pending its restoration or replacemant or the acquisition of an equivalent resource; or

(B) the value of the park system resource in the event the resource cannot be replaced or restored.

(2) The cost of damage assessments under section 3(b).

(c) "Response costs" means the costs of actions taken by the Secretary of the Interior to prevent or minimize destruction or loss of or injury to park system resources; or to abate or minimize the imminent risk of such destruction, loss, or injury; or to monitor ongoing effects of incidents causing such destruction, loss, or injury.

(d) "Park system resource" means any living or nonliving resource that is located within or is a living part of a marine regimen or a Great Lakes aquatic regimen (including on aquatic regimen within Voyageurs National Park) within the boundaries of a unit of the National Park System, except for resources owned by a non-Federal entity.

(e) "Regimen" means a water column and submerged lands, up to the high-tide or high-water line.

(f) "Secretary" means the Secretary of the Interior.

SEC. 2. LIABILITY.

(a) IN GENERAL.—Subject to subsection (c), any person who destroys, causes the loss of, or injures any park system resource is liable to the United States for response costs and damages resulting from such destruction, loss, or injury.

(b) LIABILITY IN REM—Any instrumentality, including but not limited to a vessel, vehicle, aircraft, or other equipment that destroys, causes the loss of, or injures any park system resource shall be liable in rem to the United States for response costs and damages resulting from such destruction, loss, or injury to the same extent as a person is liable under subsection (a).

(c) DEFENSES.—A person is not liable under this section if such person can establish that—

(1) the destruction, loss of, or injury to the park system resource was caused solely by an act of God or an act of war;

(2) such person acted with due care, and the determination, loss, of, or injury to the park system resource was caused solely by an act or omission of a third party, other than an employee or agent of such person; or

(3) the destruction, loss, or injury to the park system resource was caused by an activity authorized by Federal or State law.

SEC. 3. ACTIONS.

(a) CIVIL ACTIONS FOR RESPONSE COSTS AND DAMAGES.—The Attorney General, upon request of the Secretary after a finding by the Secretary—

(1) of damage to a park system resource; or

(2) that absent the undertaking or response costs, damage to a park system resource would have occurred

may commence a civil action in the United States district court for the appropriate district against any person who may be liable under section 2 for response costs and damages. The Secretary shall submit a request for such an action to the Attorney General whenever a person may be liable or an instrumentality may be liable in rem for such costs and damages as provided in section 2.

(b) RESPONSE ACTIONS AND ASSESSMENT OF DAMAGES.—(1) The Secretary shall undertake all necessary actions to prevent or minimize the destruction, loss of, or injury to

park system resources, or to minimize the imminent risk of such destruction, loss, or injury.

(2) The Secretary shall assess and monitor damages to park system resources.

SEC. 4. USE OF RECOVERED AMOUNTS.

Response costs and damages recovered by the Secretary under the provisions of this Act or amounts recovered by the Federal Government under any Federal, State, or local law or regulation or otherwise as a result of damage to any living or nonliving resource located within a unit of the National Park System, except for damage resources owned by a non-Federal entity, shall be available to the Secretary and without further congressional action may be used only as follows:

(a) RESPONSE COSTS AND DAMAGE ASSESSMENTS.—To reimburse costs and damage assessments by the Secretary or other Federal agencies as the Secretary deems appropriate.

(b) RESTORATION AND REPLACEMENT.—To restore, replace, or acquire the equivalent of resources which were the subject of the action and to monitor and study such resources: Provided, That no such funds may be used to acquire any lands or waters or interests therein or rights thereto unless acquisition is specifically approved in advance in appropriations Acts and any such acquisition shall be subject to any limitations contained in the organic legislation for such park unit.

(c) EXCESS FUNDS.—Any amounts remaining after expenditures pursuant to subsections (a) and (b) shall be deposited into the General Fund of the United States Treasury.

(d) REPORT TO CONGRESS.—The Secretary shall report annually to the Committee on Appropriations and the Committee on Energy and Natural Resources of the United States Senate and the Committee on Appropriations and the Committee on Interior and Insular Affairs of the United States House of Representatives on funds expended pursuant to this Act. The report shall contain a detailed analysis and accounting of all funds recovered and expended, including, but not limited to, donations received pursuant to section 5, projects undertaken, and monies returned to the Treasury.

SEC. 5. DONATIONS.

The Secretary may accept donations of money or services for expenditure or employment to meet expected, immediate, or ongoing response costs. Such donations may be expended or employed at any time after their acceptance, without further congressional action.

AMENDMENT NO. 2035

Mr. CRANSTON. Mr. President, I send a technical amendment by Senator JOHNSTON to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated:

The assistant legislative clerk read as follows:

The Senator from California [Mr. CRANSTON], for Mr. JOHNSTON, proposes an amendment numbered 2035.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of section 2, insert the following new subsection (d):

"(d) SCOPE.—The provisions of this section shall be in addition to any other liability which may arise under Federal or State law.".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2035) was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote.

Mr. WILSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed the question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 2844) as amended, was passed.

Mr. CRANSTON. Mr. President, I move to reconsider the vote.

Mr. WILSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CHACOAN OUTLIERS PROTECTION ACT OF 1990

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 577, S. 798, which would designate the Chaco culture archeological protection sites.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 798) to amend title V of the act of December 19, 1990, designating the Chaco culture archeological protection sites, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California?

Their being no objection, the Senate proceeded to consider the bill, which has been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause, and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Chacoan Outliers Protection Act of 1990".

SEC. 2. AMENDMENT OF PURPOSES.

Subsection (b) of section 501 of the Act of December 19, 1980 (94 Stat. 3228, Public Law 96-550), is hereby amended by striking "San Juan Basin;" and inserting in lieu thereof "San Juan Basin and surrounding areas;".

SEC. 3. ADDITIONS TO ARCHEOLOGICAL PROTECTION SITES.

Subsection (b) section 502 of the Act of December 19, 1980 (94 Stat. 3228, Public Law 96-550), is hereby amended by deleting it in its entirety and replacing it with the following new subsection (b):

"(b) Thirty-seven outlying sites are hereby designated as 'Chaco Culture Archeological Protection Sites'. The thirty-seven archeological protection sites totalling approximately thirteen thousand seven hundred sixty-seven acres identified as follows:

Name:	Acres
Allentown	380
Andrews Ranch	950
Bee Burrow	480
Bisa'ani	131
Casa del Rio	40
Casamero	160
Chimney Rock	3,160
Coolidge	450
Dalton Pass	135
Great Bend	26
Greenlee Ruin	60
Gray Hill Spring	23
Guadalupe	115
Halfway House	40
Haystack	565
Hogback	453
Indian Creek	100
Jaquez	26
Kin Nizhoni	726
Lake Valley	30
Manuelito-Atsee Nitsaa	60
Manuelito-Kin Hochoi	116
Muddy Water	1,090
Navajo Springs	260
Newcomb	50
Peach Springs	1,046
Pierre's Site	440
Raton Well	23
Salmon Ruin	5
San Mateo	61
Sanostee	1,565
Section 8	10
Skunk Springs/Crumbled House	533
Standing Rock	348
Toh-la-kai	10
Twin Angels	40
Upper Kin Klizhin	60.".

SEC. 4. MAP.

A map entitled "Chaco Culture Archeological Protection Sites" generally depicting the thirty-seven outlying sites shall be kept on file and available for public inspection in the office of the Headquarters of the Chaco Culture National Historical Park, the office of the State Director of the Bureau of Land Management in Santa Fe, New Mexico, the Office of the Area Director of the Bureau of Indian Affairs in Window Rock, Arizona, and the offices of the State Historic Preservation Officers of Arizona and New Mexico.

SEC. 5. AMENDMENTS TO THE MASAU TRAIL.

(a) Section 201 of the Act of December 31, 1987 (101 Stat. 1539, Public Law 100-225) is hereby amended by striking "New Mexico and eastern Arizona" wherever it occurs and inserting in lieu thereof "New Mexico, eastern Arizona, and southwestern Colorado".

(b) The first sentence of section 202 of the Act of December 31, 1987 (101 Stat. 1539, Public Law 100-225), as amended is further amended by striking "and Zuni-Cibola Na-

tional Historical Park" and inserting "Zuni-Cibola National Historical Park, and Petroglyph National Monument".

AMENDMENT NO. 2036

Mr. CRANSTON. Mr. President, on behalf of Senator JOHNSTON, I send a technical amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California [Mr. CRANSTON], for Mr. JOHNSTON, proposes an amendment numbered 2036.

Mr. CRANSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 5, lines 5 through 16, strike section 5 in its entirety and insert in lieu thereof:

"SEC. 5. AMENDMENT TO THE MASAU TRAIL.

"Section 201 of Public Law 100-225 (101 Stat. 1539, 460uu-11) is hereby amended by striking 'New Mexico and eastern Arizona' wherever it occurs and inserting in lieu thereof 'New Mexico, eastern Arizona, and southwestern Colorado'.".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2036) was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WILSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I urge the Senate to approve the Chacoan Outliers Protection Act of 1990, S. 798. This legislation would expand the Chaco Culture Archeological Protection Sites to include an additional 4,996 acres containing structures and artifacts associated with the Chacoan Anasazi Indian culture of the San Juan Basin of New Mexico.

The San Juan Basin is an area of major significance to the cultural history of North America. It is here that a people that we now call the Anasazi, which is Navajo for "the ancient ones," mysteriously appeared, flourished, and suddenly disappeared in the space of 400 years, from 900 to 1300 A.D. The center of this civilization was Chaco Canyon, a remote and barren site.

The Anasazi built many pueblos and structures around Chaco Canyon and established a large network of outlying communities, known as Chacoan outliers. The Chacoan outliers were spread over an area of over 30,000 square miles and linked by an extensive system of roads.

Archeologists debate the purpose of Chaco Canyon and its outlying communities. The traditional view is that Chaco was a trade center, but an emerging body of evidence, bolstered by the archeo-astronomy work of the Solstice Project, points to Chaco as a religious and ceremonial site.

Chaco Canyon has long been recognized as being a nationally and internationally significant site. In 1907 Chaco Canyon was designated a national monument. The United Nations demonstrated the international significance of Chaco Canyon when it recently designated Chaco Canyon and five Chacoan outliers as World Heritage Cultural Properties.

In 1980, I introduced and the Congress passed the Chaco Cultural National Historical Park Establishment Act, which became Public Law 96-550. This act enlarged the park and reestablished it as the Chaco Culture National Historical Park, consisting of the main body of the park and three noncontiguous units. The act also mandated procedures for the protection, preservation, and administration of archeological remnants of the Chacoan culture.

When Chaco Canyon was first afforded Federal protection in 1907, numerous archeological sites were known to exist outside the boundaries of the national monument. Their relationship to Chaco Canyon, however, was unclear. Archeologists subsequently determined that many of these sites—some as far as 100 miles from Chaco Canyon—were part of the Chacoan culture.

To the untrained eye, the physical remains of the Chacoan outliers are difficult to discern. At some of the sites, walls still stand. At most sites, however, the magnificent structures of the Anasazi people have collapsed into a mound of rubble, which over the years have been buried by the desert sands.

Unfortunately, over the years, many of these sites were vandalized by unscrupulous pot-hunters or degraded by development activities.

In order to protect these outliers, the Chaco Culture National Historical Park Establishment Act designated 33 sites as Chaco Culture Archeological Protection Sites. The Secretary of the Interior is charged with managing these sites in order to preserve them and provide for their interpretation and study. Activities that would endanger the cultural values of the sites are prohibited.

Ownership of the lands containing the archeological protection sites is a checkerboard of private, State, Federal, and Indian interests. The Indian interests include trust, allotted, and fee parcels. In addition, some surface and subsurface ownerships are divided between two or more entities. Therefore, the act mandated that these lands be protected by cooperative agreements, rather than Federal acquisition, where possible.

The Chacoan outliers are not included in the National Park System. Rather, they are managed primarily by the Bureau of Indian Affairs and the Bureau of Land Management. These entities are responsible for resource protection and preservation at the sites.

As introduced, the Chacoan Outliers Protection Act would have expanded the existing Chaco Culture Archeological Protection Sites system to provide protection to five new sites. It also would have expanded the boundaries of 13 of the existing protection sites.

After hearing testimony on the Chacoan Outliers Protection Act, the Energy and Natural Resources Committee amended the bill to add a total of 7 new sites to the 33 existing sites in the Chaco Culture Archeological Protection Sites system. Those sites are: Casamero, Chimney Rock, Guadalupe, Manuelito-Atsee Nitsaa, Manuelito-Kin Hochoi, Navajo Springs, and Salmon Ruins.

Included in these new archeological protection sites is the first Forest Service site, Chimney Rock in southern Colorado. The Manuelito sites have been designated as priority 1 national historic landmarks because severe erosion has damaged the sites.

In addition, the bill would add a total of 2,328 acres to the boundaries of 13 other sites: Allentown; Andrews Ranch; Bee Burrow; Coolidge; Dalton Pass; Great Bend; Grey Hill Spring; Haystack; Hogback; Newcomb; Peach Springs; San Mateo; and Standing Rock.

Three sites—Las Ventanas, Morris 41, and Squaw Springs—would be deleted from the system, and four sites—Jaquez, Muddy Water, Section 8, and Skunk Springs/Crumbled House—would be reduced by a total of 219 acres.

The net result of the changes to be made by the Chacoan Outliers Protection Act would be to increase the number of Chaco Culture Archeological Protection Sites from 33 to 37 and to increase the acreage of the system by 4,996 acres to 13,767 acres.

The bill also includes technical changes to the Chaco Culture National Historical Park Establishment Act to clarify that some sites lie outside the San Juan Basin, to correct the spelling of the name of the Jaquez site, and to direct that maps of the sites be filed with various agencies that have management responsibility for the sites.

The bill also has been amended to include a technical correction of Public Law 100-225, the El Malpais Act, to clarify that the Masau Trail automobile touring route established by that act may extend into southwestern Colorado.

These changes, which are the result of 9 years of research by Federal,

State, and Indian archeologists, were recommended by the Interagency Management Group for the Chaco Culture Archeological Protection Sites, consisting of the National Park Service, the Bureau of Indian Affairs, the Bureau of Land Management, the Forest Service, the Navajo Nation, and the State of New Mexico. They also are in accordance with the 1983 joint management plan for the Chaco Culture Archeological Protection Sites.

Mr. President, the Chacoan Outliers Protection Act would preserve sites of major cultural significance for future generations and assure that the sites are protected from further degradation. These sites are part of the cultural heritage of all Americans and we must act to preserve them, for cultural resources, once lost, can never be restored or regained.

Finally, Mr. President, I would like to thank Senator BINGAMAN and Senator BRADLEY for their cosponsorship of this bill. These sites are not in Senator BRADLEY'S State, but he has always been a strong and eloquent advocate of the preservation of the remains of the Chacoan civilization.

I yield the floor.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 798

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Chacoan Outliers Protection Act of 1990".

SEC. 2. AMENDMENT OF PURPOSES.

Subsection (b) of section 501 of the Act of December 19, 1980 (94 Stat. 3228, Public Law 96-550), is hereby amended by striking "San Juan Basin;" and inserting in lieu thereof "San Juan Basin and surrounding areas;".

SEC. 3. ADDITIONS TO ARCHEOLOGICAL PROTECTION SITES.

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Halfway House	40
Haystack	565
Hogback	453
Indian Creek	100
Jaquez	26
Kin Nizhoni	726
Lake Valley	30
Manuelito-Atsee Nitsaa	60
Manuelito-Kin Hochoi	116
Muddy Water	1,090
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Newcomb	50
Peach Springs	1,046
Pierre's Site	440
Raton Well	23
Salmon Ruin	5
San Mateo	61
Sanostee	1,565
Section 8	10
Skunk Springs/Crumbled House	533
Standing Rock	348
Toh-la-kai	10
Twin Angels	40
Upper Kin Klizhin	60.".

SEC. 4. MAP.

A map entitled "Chaco Culture Archeological Protection Sites" generally depicting the thirty-seven outlying sites shall be kept on file and available for public inspection in the office of the Headquarters of the Chaco Culture National Historical Park, the office of the State Director of the Bureau of Land Management in Santa Fe, New Mexico, the Office of the Area Director of the Bureau of Indian Affairs in Window Rock, Arizona, and the offices of the State Historical Preservation Officers of Arizona and New Mexico.

SEC. 5. AMENDMENT TO THE MASAU TRAIL.

Section 210 of Public Law 100-225 (101 Stat. 1539, 460uu-11) is hereby amended by striking "New Mexico and eastern Arizona" wherever it occurs and inserting in lieu thereof "New Mexico, eastern Arizona, and southwestern Colorado".

Mr. CRANSTON. I move to reconsider the vote by which the bill, as amended, was passed.

Mr. WILSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER FOR STAR PRINT—S. 1224

Mr. CRANSTON. Mr. President, I ask unanimous consent that the report of the Commerce Committee on S. 1224, the Motor Vehicle Fuel Efficiency Act, be star printed to include the additional views that I now send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO INDEFINITELY POSTPONE CERTAIN MEASURES

Mr. CRANSTON. I ask unanimous consent that Calendar Order Nos. 592 and 595 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER REFERRING S. 209 TO THE JUDICIARY COMMITTEE

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Banking Committee be discharged from further consideration of S. 209, a bill amending the United States Code concerning financial transactions, be referred to the Judiciary Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR WEDNESDAY, JUNE 20, 1990

Mr. CRANSTON. Mr. President, on behalf of the majority leader, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9 a.m., Wednesday, June 20; that following the time for the two leaders there be a period for morning business not to extend beyond 10 a.m., with Senators permitted to speak therein; and that the Senate resume consideration of S. 566, the housing bill, at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE ON TOMORROW

Mr. CRANSTON. Mr. President, I ask unanimous consent that when we return to the Housing bill, which I believe will be at 10 a.m. tomorrow, that the first amendment to be considered will be the amendment relating to a homeless conference offered by the Senator from Tennessee who is presently the Presiding Officer of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 9 A.M.

Mr. CRANSTON. If the acting distinguished Republican leader, my collegue from California, has no further business, and if no Senator is seeking recognition, I now ask unanimous consent the Senate stand in recess under the previous order until 9 a.m., Wednesday, June 20.

There being no objection, the Senate, at 6:52 p.m., recessed until Wednesday, June 20, 1990, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate June 19, 1990:

DEPARTMENT OF STATE

EDWARD WILLIAM GNEHM, JR., OF GEORGIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE STATE OF KUWAIT.

GENTA HAWKINS HOLMES, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF NAMIBIA.

HOUSE OF REPRESENTATIVES—*Tuesday, June 19, 1990*

(Legislative day of Monday, June 11, 1990)

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

May our actions, O God, be consistent with our words, and may our words and actions reflect honest desires for justice and integrity. Keep us, we pray, from allowing any trust to be sacrificed for personal gain or temporary advantage, but may we be reminded to be faithful in our vocations and ever aware of the good of every person. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. DUNCAN. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. DUNCAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 280, nays 115, not voting 37, as follows:

[Roll No. 172]

YEAS—280

Ackerman	Boucher	Costello
Alexander	Boxer	Coyne
Anderson	Brennan	Darden
Andrews	Brooks	Davis
Annunzio	Broomfield	de la Garza
Anthony	Browder	DeFazio
Applegate	Brown (CA)	Derrick
Archer	Bruce	Dicks
Atkins	Bryant	Dingell
AuCoin	Bustamante	Dixon
Barnard	Campbell (CO)	Donnelly
Bartlett	Cardin	Dorgan (ND)
Bateman	Carper	Downey
Bates	Carr	Durbin
Beilenson	Chapman	Dwyer
Bennett	Clement	Dymally
Berman	Clinger	Early
Bevill	Coleman (TX)	Eckart
Bilbray	Collins	Edwards (CA)
Boggs	Condit	Emerson
Bonior	Conte	English
Borski	Conyers	Erdreich
Bosco	Cooper	Espy
Evans	Long	Rowland (CT)
Fascell	Lowey (NY)	Rowland (GA)
Fazio	Luken, Thomas	Roybal
Feighan	Markey	Russo
Fish	Martinez	Sabo
Flake	Matsui	Saiki
Flippo	Mavroules	Sangmeister
Ford (TN)	Mazzoli	Sarpalius
Frank	McCloskey	Sawyer
Frost	McCollum	Scheuer
Gaydos	McCrery	Schiff
Gejdenson	McCurdy	Schneider
Gephardt	McDermott	Schulze
Geren	McEwen	Schumer
Gibbons	McHugh	Serrano
Gillmor	McMillen (MD)	Sharp
Gilman	McNulty	Shaw
Glickman	Meyers	Shumway
Gonzalez	Mfume	Shuster
Gordon	Michel	Sisisky
Gradison	Miller (CA)	Skaggs
Grant	Mineta	Skeen
Gray	Moakley	Skelton
Green	Mollohan	Slattery
Guarini	Montgomery	Slaughter (NY)
Hamilton	Moody	Smith (FL)
Hammerschmidt	Morrison (CT)	Smith (NE)
Hansen	Morrison (WA)	Smith (NJ)
Harris	Mrazek	Smith (VT)
Hatcher	Murtha	Snowe
Hayes (IL)	Myers	Solarz
Hayes (LA)	Natcher	Spratt
Hertel	Neal (MA)	Staggers
Hoagland	Neal (NC)	Stallings
Hochbrueckner	Nielson	Stark
Horton	Nowak	Stearns
Houghton	Oakar	Stenholm
Hoyer	Oberstar	Studds
Hubbard	Obey	Swift
Huckaby	Olin	Synar
Hughes	Ortiz	Tallon
Hutto	Owens (NY)	Tanner
Jenkins	Owens (UT)	Tauzin
Johnson (CT)	Packard	Taylor
Johnson (SD)	Panetta	Thomas (GA)
Johnston	Patterson	Thomas (WY)
Jones (GA)	Paxon	Torres
Jones (NC)	Payne (NJ)	Traficant
Jontz	Payne (VA)	Traxler
Kanjorski	Pease	Udall
Kaptur	Pelosi	Unsoeld
Kastenmeier	Penny	Valentine
Kennedy	Perkins	Vento
Kennelly	Petri	Visclosky
Kildee	Pickett	Volkmer
Kleczka	Pickle	Walgren
Kolter	Poshard	Walsh
Kostmayer	Price	Washington
LaFalce	Pursell	Waxman
Lancaster	Quillen	Weiss
Lantos	Rahall	Wheat
Laughlin	Rangel	Whitten
Leath (TX)	Ravenel	Williams
Lehman (CA)	Ray	Wilson
Lehman (FL)	Richardson	Wise
Lent	Rinaldo	Wolpe
Levin (MI)	Robinson	Wyden
Levine (CA)	Roe	Yates
Lewis (GA)	Rohrabacher	Yatron
Lipinski	Rose	
Livingston	Rostenkowski	

NAYS—115

Armey	Brown (CO)	Coble
Baker	Buechner	Coleman (MO)
Ballenger	Bunning	Coughlin
Barton	Burton	Courter
Bentley	Callahan	Cox
Bereuter	Campbell (CA)	Craig
Bilirakis	Chandler	Crane
Bliley	Clarke	Dannemeyer
Boehlert	Clay	DeLay
DeWine	Kolbe	Roth
Dickinson	Kyl	Roukema
Dornan (CA)	Lagomarsino	Saxton
Douglas	Leach (IA)	Schaefer
Dreier	Lewis (CA)	Schroeder
Duncan	Lewis (FL)	Sensenbrenner
Edwards (OK)	Lightfoot	Shays
Fawell	Lukens, Donald	Sikorski
Fields	Machtley	Slaughter (VA)
Frenzel	Madigan	Smith, Denny (OR)
Gallegly	Marlenee	Smith, Robert (NH)
Gallo	Martin (IL)	Smith, Robert (OR)
Gekas	Martin (NY)	Solomon
Gingrich	McCandless	Spence
Goodling	McDade	Stangeland
Goss	McGrath	Stump
Grandy	Miller (OH)	Sundquist
Gunderson	Miller (WA)	Tauke
Hancock	Molinari	Thomas (CA)
Hastert	Moorhead	Upton
Hefley	Morella	Walker
Henry	Murphy	Weber
Herger	Oxley	Whittaker
Hiler	Parris	Wolf
Holloway	Pashayan	Young (AK)
Hopkins	Porter	Young (FL)
Hunter	Regula	
Hyde	Rhodes	
Inhofe	Roberts	
Ireland	Rogers	
James	Ros-Lehtinen	

NOT VOTING—37

Aspin	Jacobs	Schuette
Byron	Kasich	Smith (IA)
Combest	Lloyd	Smith (TX)
Crockett	Lowery (CA)	Stokes
Dellums	Manton	Torricelli
Dyson	McMillan (NC)	Towns
Engel	Nagle	Vander Jagt
Foglietta	Nelson	Vucanovich
Ford (MI)	Pallone	Watkins
Hall (OH)	Parker	Weldon
Hall (TX)	Ridge	Wylie
Hawkins	Ritter	
Hefner	Savage	

□ 1227

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Maryland [Mr. MFUME] please come forward and lead the House in the Pledge of Allegiance?

Mr. MFUME led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 555. A joint resolution to commemorate the bicentennial of the enact-

ment of the law which provided civil government for the territory from which the State of Tennessee was formed.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, and a concurrent resolution of the House of the following titles:

H.R. 76. An act to amend the Wild and Scenic Rivers Act to study the eligibility of the St. Marys River in the States of Florida and Georgia for potential addition to the wild and scenic rivers system;

H.R. 987. An act to amend the Alaska National Interest Lands Conservation Act, to designate certain lands in the Tongass National Forest as wilderness, and for other purposes; and

H. Con. Res. 310. A concurrent resolution setting forth the congressional budget for the U.S. Government for the fiscal years 1991, 1992, 1993, 1994, and 1995.

The message also announced that the Senate insists upon its amendments to the concurrent resolution (H. Con. Res. 310) "Concurrent resolution setting forth the congressional budget for the U.S. Government for the fiscal years 1991, 1992, 1993, 1994, and 1995," and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SASSER, Mr. FOWLER, and Mr. DOMENICI to be conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2240) "An Act to amend the Public Health Service Act to provide grants to improve the quality and availability of care for individuals and families with HIV disease, and for other purposes," and agree to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KENNEDY, Mr. PELL, Mr. METZENBAUM, Mr. DODD, Mr. HATCH, Mr. COATS, and Mr. JEFFORDS, to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 1756. An act to provide for the preservation and interpretation of sites associated with Acadian culture in the State of Maine;

S. 2059. An act to establish the Weir Farm National Historic Site in the State of Connecticut;

S. 2181. An act to authorize the National Aeronautics and Space Administration to purchase approximately 8 acres of land at the Fort Sumner Municipal Airport, De Baca County, New Mexico;

S. 2437. An act to authorize the acquisition of certain lands in the States of Louisiana and Mississippi for inclusion in the Vicksburg National Military Park, and for other purposes;

S. 2566. An act to redesignate the Sunset Crater National Monument as the Sunset Crater Volcano National Monument;

S.J. Res. 271. Joint resolution to designate July 10, 1990 as "Wyoming Centennial Day";

S.J. Res. 273. Joint resolution to designate the week of October 7 through 13, 1990, as "National Health Care Food Service Week"; and

S.J. Res. 276. Joint resolution designating the week beginning July 22, 1990, as "Lyme Disease Awareness Week."

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

MERRILL L. JOHNSON-LANNEN

The Clerk called the bill (H.R. 1862) for the relief of Merrill L. Johnson-Lannen.

There being no objection, the Clerk read the bill, as follows:

H.R. 1862

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Merrill L. Johnson-Lannen of Brooklyn, New York shall be deemed to be an employee whose transfer in March 1985 from the United States Postal Service to the United States Army Corps of Engineers entitled him to travel, transportation, and relocation expenses to the same extent as those authorized, at the time of such transfer, under subchapter II of chapter 57 of title 5, United States Code, for other transferred employees within the meaning of chapter 57 of such title.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BENJAMIN H. FONOROW

There Clerk called the bill (H.R. 3298) for the relief of Benjamin H. Fonorow.

There being no objection, the Clerk read the bill, as follows:

H.R. 3298

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PAYMENT REQUIRED.

The Secretary of Treasury shall pay, out of any money in the Treasury not otherwise appropriated, to Benjamin H. Fonorow (Social Security Number 075-12-0669) the sum of $3,100. Such sum represents the travel, transportation, and relocation expenses incurred by Benjamin H. Fonorow in good faith reliance on erroneous information contained in his travel authorization that the United States would pay such expenses incident to his beginning employment with the General Services Administration in Peachtree, Georgia.

SEC. 2. RELIEF FROM LIABILITY.

(a) RELIEF.—Benjamin H. Fonorow is relieved of liability to the United States for the sum of $1,880.50. Such sum represents the amount paid by the United States to pack and transport his household goods and personal effects incident to his beginning employment with the General Services Administration in Peachtree, Georgia.

(b) EFFECT OF RELIEF.—In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the sum referred to in subsection (a).

SEC. 3. LIMITATION ON ATTORNEY'S AND AGENT'S FEES.

Not more than 10 percent of the sum referred to in section 1 shall be paid to or received by any agent or attorney for services rendered in connection with obtaining such sum. Any person who violates this section shall be fined not more than $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IZZYDOR SHEVER

The Clerk called the bill (H.R. 3642) for the relief of Izzydor Shever.

There being no objection, the Clerk read the bill, as follows:

H.R. 3642

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Izzydor Shever is deemed to be an employee transferred by the Department of the Army from one official station to another for permanent duty in the interest of the Government without a break in service incident to travel performed from Newport News, Virginia, to Falls Church, Virginia, in July 1988, for the purpose of permitting reimbursement of relocation expenses authorized by 5 U.S.C. 5724 and 5 U.S.C. 5724a, incident to that travel.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BEULAH C. SHIFFLETT

The Clerk called the bill (H.R. 3791) for the relief of Beulah C. Shifflett.

There being no objection, the Clerk read the bill, as follows:

H.R. 3791

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Beulah C. Shifflett of Albemarle County, Virginia, $811.20, in full settlement of all claims of Beulah C. Shifflett against the United States by reason of non-receipt of two Treasury checks numbered 5,254,109, dated September 27, 1963, in the amount of $800; and numbered 5,254,568, dated October 11, 1963, in the amount of $11.20, both of which checks were issued to Beulah C. Shifflett by the authority of the United States Army Finance and Accounting Center in payment of lawful obligations of the United States.

Mr. SLAUGHTER of Virginia. Mr. Speaker, I rise today in support of a bill which I have reintroduced each Congress since coming to the House in 1985. The bill, H.R. 3791, would provide private relief for my constituent, Beulah C. Shifflett, in the amount of $811.20, which she was due but never received from the Army after the death of her son in the 1960's. Legislation to provide Ms. Shifflett this relief has been pending in the Congress since the 1970's.

In the 100th Congress, this legislation passed the full House without controversy. Unfortunately, the other body did not act on the bill before the Congress ended. In May of this year, H.R. 3791 was reported favorably by the Judiciary Committee, and I would ask that the full House now pass the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EUNICE E. CHOATE

The Clerk called the bill (H.R. 4327) for the relief of Enuice E. Choate.

There being no objection, the Clerk read the bill, as follows:

H.R. 4327

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RELIEF FROM LIABILITY.

(a) IN GENERAL.—Enuice E. Choate of Big Spring, Texas, the spouse of a former member of the United States Air Force, is hereby relieved of liability to the United States in the amount of $909.25, representing the amount erroneously paid to her, through no fault of her own, for travel expenses incurred incident to her attendance at a conference and award ceremony conducted by the Air Force in 1985.

(b) SETTLEMENT OF ACCOUNTS.—In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for the amounts for which liability is relieved by subsection (a).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REBECCA T. ZAGRANISKI

The Clerk called the bill (H.R. 4378) for the relief of Rebecca T. Zagraniski.

There being no objection, the Clerk read the bill, as follows:

H.R. 4378

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REIMBURSEMENT FOR RELOCATION EXPENSES.

The appointment of Rebecca T. Zagraniski to the Department of Health and Human Services, under the Visiting Scientist Program, shall be considered to have entitled her to be reimbursed for her relocation expenses incident to her relocation from Newtown, Pennsylvania, to Atlanta, Georgia, consistent with the benefits and entitlements provided for employees transferred in the interest of the Federal Government under sections 5721 through 5733 of title 5, United States Code, at the time of her appointment in October 1985.

SEC. 2. LIMITATION ON AGENTS AND ATTORNEYS FEES.

No amount exceeding 10 percent of a payment made pursuant to section 1 may be paid to or received by any agent or attorney in consideration for services rendered in connection with the payment. Any person who violates the provisions of this section shall be guilty of an infraction and shall be subject to a fine in the amount provided under title 18, United States Code.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1230

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on the bills considered today on the Private Calendar and passed.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will announce that there will be 10 requests honored on each side during the 1-minute speeches. We will restrict requests to 10 on each side.

BETTY REA'S CONTRIBUTION TO THE NATIONAL ARBORETUM CAPITOL COLUMNS PROJECT

(Mr. WHITTEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHITTEN. Mr. Speaker, on June 14, 1990, it was my pleasure to present a plaque to Betty Rea (Mrs. Edward L. Rea). I took that opportunity to make some remarks which I would like to restate here. I repeat:

BETTY REA

It is my part today to recognize the great job which Betty Rea has done in making this day possible. These columns which graced the Capitol building for more than a hundred fifty years had to wait 30 years for Betty Rea to come along and have them placed here at the National Arboretum—a fitting place for them to be for the Arboretum itself is a national treasure, like the Kew Gardens in London.

The National Capitol Columns project is a first rate expression of our feeling toward the past. As I have frequently pointed out, we need to respect the past and to revere those who went before; but to build on it, not to try to return to it.

I consider myself a real conservationist, as most of you are—but I recognize that everything we have today, even the Arboretum, is a case of mankind developing his environment to his own use.

The history of man is a record of converting the environment to meet his needs—his clothing, his food, his housing. Everthing about us, including our National Arboretum, is a verification of that fact.

We have been guilty in the past of excesses in our actions, and these we should correct. But, we should never lose track of the fact that we should continue to improve our environment, not only to have it serve us, but to provide for our quality of life.

It is also true that we have been guilty of negligence, of waste of our natural resources. These faults should be corrected, but by all means we should not let the cure do more damage than it provides relief.

We must continue to improve the environment, while fully realizing what our forefathers have provided in the past, which these historic columns so well represent.

Betty Rea, you have done a great job. Like my wife, "you let" your friends and your acquaintances help you.

I may say, my colleague here on the platform, the Honorable LINDY BOGGS, Congresswoman from Louisiana, is in the same class.

I think a poem by Edgar A. Guest, changed to fit the gender—says it well—

IT COULDN'T BE DONE

(By Edgar A. Guest)

Somebody said that it couldn't be done,
But she with a chuckle replied
That "maybe it couldn't," but she would be one
Who wouldn't say so till she'd tried.
So she buckled right in with the trace of a grin
On her face. If she worried she hid it.
She started to sing as she tackled the thing
That couldn't be done, and she did it.

Somebody scoffed: "Oh, you'll never do that;
At least no one ever has done it";
But she took off her coat and she took off her hat,
And the first thing we knew she'd begun it.
With a lift of her chin and a bit of a grin,
Without any doubting or quiddit,
She started to sing as she tackled the thing
That couldn't be done, and she did it.

There are thousands to tell you it cannot be done,
There are thousands to prophesy failure;
There are thousands to point out to you, one by one,
The dangers that wait to assail you.
But just buckle in with a bit of a grin,
Just take off your coat and go to it;
Just start to sing as you tackle the thing
That "cannot be done," and you'll do it.

Mr. WHITTEN. Betty, I appreciate the opportunity to speak on this occasion and pass on to you this plaque which truly you have earned which says:

THE PLAQUE

"Friends of the United States National Arboretum in appreciation to Betty Rea for her steadfast devotion and leadership as Chairman of the National Capital Column project June 14, 1990."

VOTE NO ON H.R. 3859, WASHINGTON CENTER FOR INTERNSHIP AND ACADEMIC SEMINARS

(Mr. GOODLING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOODLING. Mr. Speaker, I am here pleading with my colleagues to vote no today on the suspension that is carried over from yesterday. That suspension is H.R. 3859.

Even if you had signed on to that legislation, you did that at a time

when you did not realize that we were going to be looking for $60 billion to $100 billion in cuts. We do not want to cut good education programs and at the same time authorize $12 million to build a dormitory for college students, a few select college students who come here for internships.

Mr. Speaker, we have an awful lot of good legislation dealing with disadvantaged in the area of education, so I would ask you to please vote no on H.R. 3859. Let us spend our education dollars on worthwhile issues, not on bricks and mortar.

INTRODUCTION OF SAVINGS AND LOAN ACCOUNTABILITY MANAGEMENT REFORM ACT

(Mr. ECKART asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ECKART. Mr. Speaker, in the days of the old wild west when the bad guys robbed the bank, mounted their steeds and headed out of town, there was always one good store owner who came out front and said, "Sheriff, sheriff, they went that-a-way," and then the sheriff mounted his horse and rounded up his posse. Justice was sure and swift.

Well, when it comes to the savings and loan crisis here in the United States, justice is surely anything but swift. That is why today I am introducing legislation which will require Treasury agents, the Nation's Secret Service, to be allowed to involve itself to clean up this mess and put those crooks behind bars where they belong. With 600 FBI agents on the case, we still have 2,300 unprosecuted, uninvestigated cases.

The passage of my bill, which is called the Savings and Loan Accountability Management Reform Act [SLAMR] will commit 300 new Treasury agents to this task, a 50-percent increase in bringing to justice those who have defrauded our investors and ripped off the taxpayers to the tune of $2,000 per person. Put them behind bars. Let's once again make justice sure and swift.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair wishes to welcome all our visitors in the gallery and to tell them that we are delighted they are visiting us today, but the rules of the House prohibit responses, either in support of or in opposition to any statements made on the floor by our visitors. The Chair would appreciate your cooperation.

THE 2-TON TONY OF FEDERAL WASTE

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, there is a lot of sentiment in this House for new taxes, but before taxpayers are willing to empty out their wallets they will want some assurances that we have cut Federal programs to the bone.

I wish I could give them those assurances, but I cannot. I have seen the 2-Ton Tony of Federal waste.

It is called the National Defense Reserve Fleet. Much of it is nothing but a bunch of rusting 50-year old ships that the taxpayers are shelling out millions of dollars every year to maintain.

Congressman RON WYDEN and I held a hearing on the issue, and we plan to request a GAO audit and introduce legislation that would get rid of much of this floating junkpile.

Americans are opposed to tax increases because they sense that there is a lot of fat being protected in the Federal budget. They are right. It is time to get rid of it.

PRESIDENT TALKS MORE ABOUT BROCCOLI AND THE FLAG THAN THE S&L CRISIS

(Mrs. BOXER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOXER. Mr. Speaker, last week, our colleague, the gentleman from New York [Mr. SCHUMER], pointed out that the President has talked more about broccoli than he has talked about the savings and loan crisis.

The President also spends much more time talking about the flag than he does about the savings and loan crisis, much more time about the flag than the soaring deficit and the fact that we are the world's largest debtor Nation. He talks more about the flag than the fact that he, the President, headed up the Reagan Task Force on Deregulation, over-zealous deregulation, which started this whole savings and loan mess which has even ensnared the President's own son.

So I say today to the American people, this President, this Republican administration, wants to keep your eye on the red, white, and blue, so you will not notice the red ink, the whitewash, and the blue smoke and mirrors.

NATIONAL HEALTH CARE STUDY

(Mr. BILIRAKIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BILIRAKIS. Mr. Speaker, today, I have introduced legislation that would direct the Health and Human Services Secretary to conduct a study of the national health care programs of several nations including Canada, Great Britain, West Germany, and Japan.

The study would compare and contrast the U.S. health care program with health care systems of other countries. The purpose would be to evaluate the health care costs of other countries, analyze health care costs to individuals and determine the availability of basic health care. HHS would be required to report back to Congress no later than 1 year after enactment of the legislation.

I urge my colleagues to join me in cosponsoring legislation intended to educate Congress about the health care programs of other nations.

PRESIDENT TRIES TO HIDE SIZE OF S&L CRISIS

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, the President has attempted to make the American people believe that "education and environment" are his middle names. In point of fact, his middle name should be "S&L."

As Vice President, Mr. Bush was chairman of the task force which recommended reductions in S&L watchdog regulators, allowing fraud to escape detection as his party pushed for deregulation.

Now as President, Mr. Bush has tried to hide the size of the problem he helped create, consistently underestimating the cost to the taxpayer, then striving to keep the bailout "off budget," out of sight, and in the process making working Americans pay billions more, and having his lieutenants lie about it to Congress.

Yet while he is content to make the taxpayer pay more so that he can save political face, the President has allowed the S&L thieves to get off scot-free of the 21,000—not 2,100 as we heard before, but 21,000 S&L fraud and embezzlement cases, the administration has produced only one indictment, and that was just last week.

Mr. Speaker, the problem is too grave, the stakes too high, for the President to continue playing S&L hide and seek. It is time to stop hiding the problem and time to start seeking indictments before not only this Presidency, but the entire decade, becomes synonymous with savings and loan disaster.

□ 1240

MOTION TO INSTRUCT CONFEREES ON H.R. 3

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

39-059 O-91-35 (Pt. 10)

Mr. GEKAS. Mr. Speaker, Members of the House, remember section 89 which we thought we had laid to rest last year in a total repeal that took place on the floor of this House? We thought that was the end of the matter, and we received the applause of the small business people and all of our accountants and everybody back home.

Mr. Speaker, it is raising its ugly head again in the form of a hidden provision in a conference that is going on on the child care bill. I am here now to, pursuant to rule XXVIII, clause 1(c) of the Rules of the House of Representatives, hereby announce my intention to offer a motion tomorrow to instruct the House conferees on H.R. 3, the child care bill, to disagree with the Senate language on section 89.

Mr. Speaker, I am including a copy of my motion to be printed immediately following my remarks. My remarks would be, Mr. Speaker:

Mr. Speaker, I offer a motion.

Mr. GEKAS moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill, H.R. 3, be instructed to disagree to subtitle B of title II of the Senate amendment.

Mr. Speaker, we must, again, drive a stake through the zombie known as section 89. Please help me tomorrow as we move to remove this odious feature from our Tax Code.

SIXTEEN MONTHS AFTER THE S&L LEGISLATION

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, last year the Congress passed legislation designed to address the savings and loan disaster.

Sixteen months later, President Bush has failed to fill essential leadership positions at the Resolution Trust Corporation. Sixteen months later 137 of the thrifts taken over by the RTC remain unsold. Sixteen months later it is estimated that an additional 400 S&L's are teetering. Sixteen months later only one person who mismanaged and stole from the accounts of depositors has been indicted. Sixteen months later more than 21,000 fraud and embezzlement referrals and complaints have been left unaddressed by the FBI.

William James wrote that, "Great emergencies and crises show us how much greater our vital resources are than we had supposed." Mr. Speaker, if William James had witnessed the Bush administration response to the S&L debacle, he would have created an exemption clause.

NOTICE OF MOTION TO INSTRUCT CONFEREES ON H.R. 3 ON THE SOCIAL SECURITY EARNINGS PENALTY

(Mr. BROWN of Colorado asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of Colorado. Mr. Speaker, pursuant to rule XXVIII, I hereby give notice of my intent to offer instructions to the conferees on H.R. 3. The instructions will concern modifications in the Social Security retirement test, otherwise known as the earnings penalty. It will cover sections 301 through 304 to the Senate amendments, and I will submit the text of that motion for the RECORD.

Mr. Speaker, the earnings penalty is one of the cruelest taxes ever enacted. It says to senior citizens who have paid into Social Security all of their lives:

We do not care what your circumstances are, not matter how much in need you are; we are going to sock you next year with a penalty tax of 33⅓ percent in addition to all other taxes, in addition to the 28 percent, in addition to State taxes, in addition to Social Security.

Mr. Speaker, that tax is wrong. This measure will not touch the money for child care. The funding for this change in the earnings penalty will come solely from the Social Security area, but, Mr. Speaker, this change, delayed, far too long and far too modest, is at least a step in the right direction.

We need to say to our senior citizens who are so much in need, "We want to help you, encourage you, not penalize you."

MOTION TO INSTRUCT CONFEREES REGARDING H.R. 3

Mr. BROWN of Colorado moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill (H.R. 3) to authorize appropriations to expand Head Start programs and programs carried out under the elementary and Secondary Education Act of 1965 to include child care services, and for other purposes be instructed to agree to sections 301, 302, 303, and 304 of the Senate amendment, with the following amendments:

Page 175 of the Senate amendment, strike lines 12 through 17 and insert the following:

"(D) Notwithstanding any other provision of this subsection, the exempt amount which is applicable to an individual who has attained retirement age (as defined in section 216(1)) before the close of the taxable year involved—

"(i) shall be the exempt amount which would (but for this clause) be determined under this paragraph for each month of any taxable year ending after 1990 and before 1992, plus $80, and

"(ii) shall be the exempt amount which would (but for this clause) be determined for each month of any taxable year ending after 1991 and before 1993, plus $10.".

Page 176 of the Senate amendment, beginning on line 8, strike "December 31, 1989" and insert "December 31, 1995".

Page 177 of the Senate amendment, strike line 17 and all that follows through line 2 on page 178 and insert the following:

(a) IN GENERAL.—Subparagraph (B) of section 202(j)(4) of the Social Security Act (42 U.S.C. 402(j)(4)) is amended—

(1) by striking clauses (i) and (iv); and

(2) by redesignating clauses (ii), (iii), and (v) as clauses (i), (ii), and (iii), respectively.

SEND S&L THIEVES TO JAIL

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, at home I am getting asked about the savings and loan scandal: "When do the prosecutions start? Bring out the law dogs. Start the trials. Indict some defendants."

Congress has appropriated the money. When does the Department of Justice start spending? Oh, yes, there was a recent indictment, 1 out of 21,000 cases under investigation. A crook has better odds at lotto.

The President says he wants to stop flag burning. How about burning some of the S&L crooks who have been torching millions of American taxpayers?

I hear now that the other side wants to keep the House in an all-night vigil for violent crime. How about a vigil to get the people who assaulted and brutalized this economy? Do you want to see crime victims? How about every taxpayer who is getting mugged for $2,000?

With this administration, on savings and loans, the taxpayer calls 911 and has been put on hold for a year.

People in my district are real clear, Mr. Speaker. They say that as long as we are getting taken to the S&L cleaners, we want to see some S&L thieves go to the slammer.

S&L SCANDAL A DISGRACE

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, if Bonnie and Clyde had been living in the 1980's, they would not have needed to rob banks. They would have gotten all their money from S&L's. They would have used promoters instead of guns and they would not have had to worry about getting caught by G-men in this do-nothing Justice Department.

The S&L scandal is a disgrace.

The right wing philosophy that all government is bad was extended in the 1980's to the failure of the Government's responsibility to oversee and audit the S&L's whose deposits the taxpayers were guaranteeing.

The result was that some of the high-flyers stole America blind, the

Reagan administration turned a blind eye, and the so-called regulators were driving the getaway cars.

Now the Justice Department, to compound the crime, seems either unwilling or unable to throw these crooks in jail and seize their assets.

Even more galling is that while we lament what has happened to the savings and loans today, other financial institutions—including some banks—are allowed by the regulators in the Bush administration and by the Federal Reserve Board to engage in inherently risky practices that could result in the same kind of failure again.

Banks are participating in hostile takeovers with highly leveraged loans, S&L's and banks continue to buy risk assets, and the current regulators are pushing to allow these financial institutions to venture into more inherently risky areas suich as real estate, securities, and more. It is just plain crazy.

When will the administration wake up and understand that there is a requirement to carefully and aggressively regulate those who play the economic game with money that is guaranteed by the American taxpayer?

The American people are sick and tired of this incompetent oversight and regulation. It is time to take action to put a stop to it.

VOTE NO ON H.R. 3859

(Mr. FAWELL asked and was given permission to address the House for 1 minute.)

Mr. FAWELL. Mr. Speaker, I would like to talk about another scandal.

Mr. Speaker, I rise today in opposition to H.R. 3859, which, amazingly, is on the Suspension Calendar today and will be voted on later today.

H.R. 3859 is a bill which authorizes $12 million to fund the construction of a private college facility, the Washington Center, which houses college interns.

Wisely, the administration has indicated that the President will veto this bill.

There are a number of reasons for this. No. 1, the Federal Government should not fund bricks and mortar in the private sector. No. 2, intern housing is surely not at a crisis situation, but, Mr. Speaker, the debt-deficit problem of this Nation surely is. No. 3, the authorization has been decided on a noncompetitive basis. Other universities, such as American University, which has a very similar intern program, had no chance to bid on the project and did not even know that they were taking bids on it, and no bids were taken. No. 4, if we have extra money to spend on education, we should spend it on programs such as Head Start, chapter 1, Pell grant for needy children, all of which are underfunded.

Mr. Speaker, this bill is symbolic of a Congress which is seemingly oblivious to its profligate overspending ways amidst an ever-increasing ocean of debt.

To have it on the Suspension Calendar adds insult to injury.

□ 1250

SORRY, MAYORS: FEDERAL MONEY IS NEEDED TO BAIL OUT S&L'S

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute.)

Mr. TRAFICANT. Mr. Speaker, Martin Segal was found guilty of ripping off our savings and loans. He was worried. He was to be sentenced. He remembered that Jimmy Bakker got 40 years. But the judge said, and listen to this:

> Mr. Segal is genuinely sorry. He has suffered enough. And I am only going to give Mr. Segal 60 days, because he paid $9 million in fines already.

Big deal. After all the money that Segal and Ivan Boesky ripped off, $9 million is mere pocket change, simply the cost of doing business, folks. But meanwhile, our mayors ask for help for their cities. You know what the Government has told them? Sorry. Tough luck. We need the money to bail out the savings and loans.

Hey, that is the truest thing I have ever heard. Think about it. It costs big bucks to put these white collar criminals in jail. They need room service, their beds turned down, and mints put on their pillows every night.

Poor Jimmy Bakker. He should have simply ripped off a bank, folks.

VOTE ON BALANCED BUDGET CONSTITUTIONAL AMENDMENT 8 YEARS OVERDUE

(Mr. DOUGLAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOUGLAS. Mr. Speaker, there is good news for the taxpayers at this hour. For the first time in 8 years we will have a vote on the balanced budget amendment to the Constitution. For 8 long years people have introduced balanced budget amendments, but the people's Representatives have been unable to vote on them. Seventy percent of the American people say why don't you guys amend the Constitution and force yourself to only spend what you bring in?

On May 24, the gentleman from Texas [Mr. STENHOLM] and the gentleman from Idaho [Mr. CRAIG] filed a discharge petition, and just a few minutes ago it hit the magic number 218. We now will have a vote next month on the balanced budget amendment.

I want to extend my congratulations to the gentleman from Texas [Mr. STENHOLM] and the gentleman from Idaho [Mr. CRAIG] as well as to the gentleman from Texas [Mr. BARTON] and the gentleman from Oklahoma [Mr. INHOFE] and all the others who put the effort into this to force a vote in the people's House on the constitutional amendment to balance the budget. It is long overdue by 8 years.

FLAG AMENDMENT

Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, I want to make this point about the flag amendment resolution very clear. If the Members of the House vote for this constitutional amendment, this is not the final step in the process.

The resolution must be ratified by three-fourths of the 50 States. I think it is only logical to give the States the opportunity to vote on whether or not they want to stop flag burning.

Let us permit the system to work the way our forefathers drew it up by approving this resolution in Congress, and sending it to the States for ratification.

The State legislatures are closer to the people than we are here in Washington. I have no idea what they would do with this proposed constitutional amendment. But let us allow the people to vote on this amendment through their State legislators.

HONG KONG SHOULD DROP PROSECUTION OF DEMOCRACY LEADERS

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, on May 22, the Hong Kong Government charged four leading members of the United Democrats of Hong Kong, the colony's first major political party. Their crime? Leading a protest in February against the failure of Britain and China to honor their treaty commitments and provide for a democratically elected legislature in Hong Kong. The charge? Using a hand-held megaphone without the prior written consent of the Chief of Police.

What is most disturbing about these circumstances is that the statute chosen to prosecute the democracy leaders is one that the Hong Kong Government has itself acknowledged contravenes its own Bill of Rights and its commitments under international human rights convenants.

Such a disregard of human rights and international commitments frighteningly resembles the current practice

of the Chinese Government, and its sets a wretched precedent for the post-1997 Hong Kong Government.

Mr. Speaker, I call on Great Britain, especially as 1997 approaches, to protect human rights in Hong Kong and to abandon such ill-founded political prosecutions.

STATEMENT IN OPPOSITION TO THE CONSTITUTIONAL AMENDMENT BANNING FLAG BURNING

(Mr. LEHMAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEHMAN of California. Mr. Speaker, soon the House will vote on a constitutional amendment to exempt one form of public expression from first amendment protection. It is ironic that we are considering amending the Bill of Rights, which has never been amended, as we near its 200th anniversary. To demonstrate our true respect for the flag, we should leave the Bill of Rights alone.

The flag symbolizes our freedoms, freedoms guaranteed in the Constitution, the freedom to speak, believe, and express political positions that may not be agreeable to all. I believe that the Constitution should be amended in only the most critical circumstances, where basic rights, freedoms, or security are at stake. Amending the Bill of Rights should be reserved for only the most serious of these cases. The irritation caused by flag burners does not measure up to the standard.

President Bush says the flag desecration threatens the fabric of our society. Are we really so weak and insecure as to be threatened by a few misguided attention seekers? Are we now so rattled as to substitute our judgment for the Founding Fathers so that we may be occasionally spared the painful inconvenience of watching a fool desecrate the flag?

I share in the emotional attachment to the flag that most Americans feel, but believe that the President should stop exploiting this issue for political purposes and get back to the more important issues facing this Nation.

BALANCED BUDGET AMENDMENT A CRITICAL ISSUE

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, a few minutes ago we collected the 218th signature on a discharge petition to discharge a rule on a resolution for a balanced budget amendment to the Constitution of this country. For 8 years my colleague, the gentleman from Texas [Mr. STENHOLM], myself, the gentleman from Oregon [Mr. ROBERT F. (BOB) SMITH], and the gentleman from Delaware [Mr. CARPER], have worked on this most important issue.

Obviously Members of the House are speaking. They want an opportunity for a clear up or down vote on this most critical issue.

While 70-plus percent of the American people demand fiscal responsibility, it is now time that this House address this issue in a responsive, clear, and understandable way, a recorded vote that will send a message as to whether we will develop the political will to be fiscally responsible.

Mr. Speaker, it is important now to work with our Speaker to assure that we gain a time necessary to assure an adequate and important vote on this critical issue.

THE JACKSONVILLE, FL, SLAYING

(Mr. WEISS asked and was given permission to address the House for 1 minute and revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, President Bush's decision last year to ban only foreign made semiautomatic weapons—excluding domestically made weapons—became even more tragic and hypocritical yesterday.

Nine Americans died when an ex-felon walked into a Florida business and shot eight people with a semiautomatic rifle. He then turned and shot himself.

This painful episode with semiautomatic weapons in the United States is once again too familiar and too bloody. Remember Stockton, CA. Remember Louisville. And now Jacksonville.

How many more such tragedies have to occur before we believe that these weapons are deadly and have no legitimate use in American society? How much longer does Congress have to debate the legitimacy of semiautomatics while innocent Americans become the victims of our inaction?

Mr. Bush's halfway ban on semiautomatic weapons is absolutely illogical. Congress ought to totally ban semiautomatic weapons. A 7-day waiting period for the purchase of handguns is also sorely needed.

Otherwise, labels on these domestic semiautomatics should read: "Buy American/Kill American."

WAIVING CERTAIN POINTS OF ORDER DURING CONSIDERATION OF H.R. 5019, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1991

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 413 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 413

Resolved, That during consideration of the bill (H.R. 5019) making appropriations for energy and water development for the fiscal year ending September 30, 1991, and for other purposes, all points of order against the following provisions in the bill for failure to comply with clause 2 of rule XXII are waived: beginning on page 4, line 1, through page 17, line 5; beginning on page 20, line 16, through page 22, line 10; beginning on page 24, line 1, through page 29, line 6; beginning on page 33, line 1, through line 12; beginning on page 38, line 3, through page 62, line 7; beginning on page 65, line 1, through page 68, line 11; and beginning on page 72, line 9, through page 74, line 19; and all points of order against the following provisions in the bill for failure to comply with clause 6 of rule XXII are waived: beginning on page 4, line 1, through page 11, line 5; beginning on page 14, line 1, through page 16, line 24; beginning on page 20, line 23, through page 21, line 8; beginning on page 25, line 1, through page 27, line 15; beginning on page 33, line 1, through line 12; beginning on page 53, line 1, through page 54, line 2; beginning on page 57, line 20, through page 58, line 11, and beginning on page 66, line 1, through page 68, line 11. It shall be in order to consider the amendments printed in section 2 of this resolution, and all points of order against the amendments for failure to comply with the provisions of clause 2 of rule XXI are hereby waived.

SEC. 2. (a) The amendment to be offered by Representative Skaggs of Colorado, or his designee:

On page 46, line 14, insert the following before the period: ": *Provided*, That no funds in this Act shall be available for the Plutonium Recovery Modification project until 30 days after the Secretary of Energy has provided to the Congress his review of the Department of Energy's modernization report".

(b) The amendment to be offered by Representative Scheuer of New York, or his designee:

On page 47, line 25, insert the following before the period: ": *Provided further*, That $1,300,000 of the funds appropriated under this heading shall be used to carry out the Reduced Enrichment in Research and Test Reactors Program".

SEC. 3. (a) For purposes of sections 302 and 311 of the Congressional Budget Act of 1974, as amended (Public Law 93-344, as amended by Public Law 99-177) as they apply to the Committee on Appropriations and consideration of general appropriation bills, amendments thereto or conference reports thereon, in the House of Representatives, the Congress shall be considered to have adopted H. Con. Res. 310, setting forth the congressional budget for the United States Government for the fiscal years 1991, 1992, 1993, 1994, and 1995, as adopted by the House on May 1, 1990. For purposes of this resolution, the allocations of spending and credit responsibility to the Committee on Appropriations printed in the star print of H. Rept. 101-455 shall be considered as allocations made pursuant to section 302(a) of the Congressional Budget Act of 1974, as amended.

(b) This section shall cease to apply upon final adoption by the House and the Senate of a concurrent resolution on the budget for fiscal year 1991.

□ 1300

The SPEAKER pro tempore (Mr. TORRES). The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentlewoman from Illinois [Mrs. MARTIN], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 413 will facilitate consideration of H.R. 5019, the energy and water development appropriations bill for fiscal year 1991.

The resolution does not provide for the consideration of H.R. 5019 because general appropriations bills are privileged in the House. Nor does the rule provide for general debate, which is customarily limited pursuant to a unanimous-consent agreement propounded by the bill manager prior to floor consideration.

As usual with general appropriations bills, H.R. 5019 will be read by paragraph for amendment under the 5-minute rule and Members may offer any amendments allowed under the rules, including motions to strike.

Section 1 of House Resolution 413 waives clauses 2 and 6 of rule XXI against designated paragraphs in the bill and against two amendments printed in section 2 of the resolution.

Clause 2 of rule XXI prohibits unauthorized appropriations and legislative provisions in general appropriations bills, and restricts the offering of limitation amendments to such bills. These waivers are necessary because Congress has not yet enacted laws authorizing various programs funded in the bill, and because some bill language constitutes legislation under the precedents.

Clause 6 of rule XXI prohibits reappropriations in general appropriations bills. These waivers are necessary to allow the transfer of unexpended balances from one account to another and the extension of authority to obligate those funds in the new fiscal year.

Section 2 of the resolution contains the two amendments protected from points of order under the rule: an amendment offered by Representative SKAGGS of Colorado, or his designee, and an amendment offered by Representative SCHEUER of New York, or his designee.

Mr. Speaker, the third section of House Resolution 143 establishes certain procedures for the orderly and expeditious consideration of general appropriations bills for fiscal year 1991.

Section 3 simply provides that for purposes of sections 302 and 311 of the Congressional Budget Act as they apply to appropriations bills, Congress is deemed to have agreed to House Concurrent Resolution 310 as adopted by the House on May 1, 1990. The provisions of section 3 will apply to H.R. 5019 and to all other fiscal 1991 general appropriations bills pending final adoption of a budget resolution for the next fiscal year.

This language is necessary if the House is to move ahead with the normal appropriations process in an orderly way. My colleagues know that the Budget Act, as amended by Gramm-Rudman-Hollings, allows the Appropriations Committee to bring bills to the floor without any restriction whatsoever as to spending totals when Congress has not adopted a budget resolution by May 15.

Although the Senate adopted a budget resolution late last week, no budget resolution has yet been agreed to by both Houses so the appropriators are technically free to report bills using any numbers they wish.

Section 3 of this rule will impose discipline upon the Appropriations Committee by requiring them to conform the fiscal 1991 bills to the House-passed budget pending a conference with the Senate and the outcome of the budget summit, if there ever is one.

Section 3 allocates spending and credit authority to the Appropriations Committee according to the House-passed budget as published in the star print of House Report 101-455. The committee will divide the allocations among its subcommittees and report those subdivisions to the House for enforcement purposes.

Section 3 contains no reconciliation instructions, nor does it initiate debt-limit legislation under House rule XLIX. But it does expressly provide that once a budget resolution is finally agreed to, its terms will supersede this resolution and control the process from that point forward.

Mr. Speaker, this House has important budgetary responsibilities to fulfill for the coming fiscal year. Appropriations bills can and will move forward with or without this rule; the only issue is whether they will be considered under the discipline of the Budget Act. I urge all Members to support this rule and the bill it pertains to.

Mr. Speaker, I reserve the balance of my time.

Mrs. MARTIN of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 413 waives clauses 2 and 6 of House Rule 21 against numerous provisions in the energy-water development appropriations bill. Those two clauses prohibit unauthorized or legislative provisions and reappropriations in an appropriations bill. And believe me, over 80 percent of this bill is either unauthorized or legislative. The Appropriations Committee has assured us, however, that these provisions have been signed-off on by the relevant authorizing committees.

Nevertheless, I think this is a sad commentary on the state of the authorization-appropriations process. Not only do we routinely put the cart before the horse, but we frequently even fail to hitch up the horse. Too often we don't even bother to consider, let alone enact, the necessary authorizing legislation before we appropriate the money. According to the Congressional Budget Office, in the current fiscal year alone some 49 laws totaling $55.2 billion in appropriations have not been reauthorized as required by law. What have we come to?

I want to spend the balance of my time on this rule talking about a horse of a different color, and that's section 3 of the rule which provides special budget procedures for the consideration of appropriations bills. That section in essence says that for purposes of Budget Act points of order against appropriations bills, the House-appointed budget resolution shall be deemed to be the final congressional budget resolution.

Mr. Speaker, this procedure reminds me of a riddle attributed to President Lincoln: If you call a tail a leg, how many legs does a horse have? And the answer is: A horse would still have four legs because calling a tail a leg doesn't make it a leg. The same holds true for section 3. Calling the House budget resolution the congressional budget resolution doesn't make it so. And therein lies the rub. Not only do we not yet have a conference agreement on the budget, but we've got a budget summit in progress right now. So why, oh why, would we want to sanctify an admittedly outdated, irrelevant and obsolete budget by this procedure?

Oh, I know that the proponents of this special procedure argue that it is needed in order to impose some fiscal discipline on the appropriations process; that without this pseudobudget resolution in place, not only could the Appropriations Committee go hog-wild with porky profligacy, but Members would further run up the bacon bill with floor amendments.

I disagree that that is the real danger we face here. After all, the Appropriations Committee annually boasts that it has come in under the President's budget, and that it did so even before we had a Budget Act. It prides itself on its fiscal conservatism and responsibility. And it usually successfully resists floor attempts to increase spending.

The real danger is not that we will go over the House budget limits, but rather that we will spend up to those limits when everyone knows we will have to pare back later. The real danger is that we will highball the limits on each of these appropriations

bills. And let's face it: 13 highballs can make for one heck of a binge. But what about the morning after, when the real budget is handed down from on high?

And the energy-water appropriations bill before us today is proof positive of what I am talking about. The tentative subdivision for this subcommittee is $20.2 billion in budget authority, and, sure enough, this bill comes in at exactly $20.9 billion, according to Chairman BEVILL's testimony before the Rules Committee. That's $700 million over the President's budget request of $20.9 billion, and $2.5 billion more than last year's appropriation $18.4 billion. So here we are, the first appropriation bill out of the box, and it is a highball.

Mr. Speaker, the Rules Committee considered two options that would have us proceed on a more rational and fiscally conservative basis until we have a final budget. The gentleman from Minnesota [Mr. FRENZEL] suggested that we proceed at the fiscal 1990 levels for now. And the gentleman from Minnesota [Mr. PENNY], the gentleman from Iowa [Mr. TAUKE] and I have proposed that we proceed on a current services or CBO baseline basis, or the House budget resolution, whichever is lower. The Rules Committee rejected both approaches on a party line vote.

Mr. Speaker, I offered a different proposal in the Rules Committee. I think this is the most realistic way to proceed until we have a budget summit agreement. It essentially takes the 1990 spending level plus inflation, or the House 1991 budget figures if they are lower, as they are with Commerce, State, Justice, Defense, military construction, transportation, and the District of Columbia. The bottom line of this approach is that it would save us $22 billion in budget authority over the House budget levels; $22 billion ain't peanuts.

On the energy-water bill before us, the Tauke-Penny proposal would cap budget authority at $19.2 billion, or $1.7 billion less than the pending committee bill.

The chairman of the Budget Committee has suggested that proceeding with the House budget levels will keep the pressure on the budget summiteers. I don't know about that, but I do know that it will create a great deal of pressure against any cuts recommended in the House budget levels. And that does not bode well for final congressional action on real deficit reductions. You will hear Representatives TAUKE and PENNY speak to this as a bipartisan approach that they have worked to make doable. I commend and join them in this effort.

Mr. Speaker, the Republican leader and whip have appealed to the Rules Committee to make in order an alternative approach that would express the sense of the House that the budget summit should report its recommendations on a budget back to the Congress no later than June 28. This is the message we should be sending: "Give us a meaningful budget with real deficit reductions in a timely fashion." That's the approach we should be encouraging by our actions today, not discouraging and undermining by adopting a pseudobudget.

And yet, the Rules Committee flatly refused to even allow that substitute to be offered. Presumably the majority is offering its procedure in good faith and in the belief that it is important for an orderly budget process. And that is the same spirit in which the minority has offered its alternative. I don't think either approach represents a partisan game, and therefore there should be no reason for shutting out the minority on a party line vote. But that was done.

Mr. Speaker, because the Rules Committee refused to allow the minority even one substitute, it is necessary for me to urge my colleagues, in the interest of fairness and bipartisanship, to vote down the previous question so that we might offer the Michel substitute for section 3 of this rule calling for a budget summit recommendation by June 28.

If we succeed in defeating the previous question it is my intention to offer the Michel language. If, for some reason, that amendment is ruled out of order, I would then offer the Tauke-Penny language to hold our spending bills to the lower of the CBO baseline or House budget resolution. That language clearly would be germane to the section 3 language and clearly would give the House a chance to vote on exercising fiscal restraint and caution while the budget summit is in process.

□ 1310

It would also allow Members to have a framework on which to cast votes. Time after time, we know the pressure that will exist for Members, on all Members, to be just a little more generous with other people's money. If we would pass the substitute, we could all talk about the fact there would be increases where necessary, but we could save $22 billion. That is a large amount of money, and a first and necessary step in reaching Gramm-Rudman requirements.

I therefore urge my colleagues to vote "no" on the previous question so that we can offer the House these more reasonable, realistic, and prudent alternatives.

Mr. DERRICK. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. GUARINI].

(By unanimous consent Mr. GUARINI was allowed to speak out of order.)

INTRODUCTION OF BILL TO CELEBRATE NATIONAL BASEBALL DAY

Mr. GUARINI. Mr. Speaker, I take this time to reflect on baseball, our national favorite pastime. Millions of Americans live for those lazy afternoons and evenings at the ball park, the smell of popcorn and hot dogs, the crack of the bat, and the roar of the crowd.

Our Nation has come to know and love the great sport of baseball.

The game's true inventor was engineer Alexander Cartwright.

He established today's baseball diamond with bases 90 feet apart and foul lines and three outs per inning and nine men on a side.

The first official game under these rules took place on June 19, 1846, in Hoboken, NJ, 144 years ago.

On that momentous day, the New York Nines beat the Knickerbockers by a score of 23 to 1 and history was made.

The people of Hoboken, led by Governor Jim Florio, their Mayor Pat Pasculli, Assemblyman Bernard Kenny, and the American Baseball Heritage, are waging a battle to officially establish baseball's birthplace.

Accordingly, I am introducing a bill to celebrate National Baseball Day on June 19.

The bill will commemorate the original first game, and recognize Hoboken's rightful place in baseball history.

Let us join with the millions of fans across the Nation in saying "Happy Birthday" to baseball today.

Mr. Speaker, I insert for the RECORD a copy of a House resolution expressing the sense of Congress that June 19, 1991, should be designated as "National Baseball Day":

H. RES. —

Whereas June 19, 1846 was the first baseball game played under Alexander Cartwright's modern rules, which took place on the historic Elysian Fields in Hoboken, New Jersey.

Whereas 55,173,597 people attended major league baseball games during 1989 and all but one of the 26 teams had over one million attendees each.

Whereas baseball is played on an unmatched number of caliber levels including little league, high school, collegiate, minor leagues, and major leagues.

Whereas baseball is a cultural experience that originated in the United States and has spread to the Caribbean, Latin America, Canada, Japan, and even the Soviet Union.

Whereas the popularity of baseball has increased world-wide so that it will be included as an Olympic sport in 1992.

Resolved by the House of Representatives, That the day June 19, 1991 is designated "National Baseball Day."

Mr. DERRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, I rise in support of the rule and also urge a vote to support the previous question.

The rule provides for a deeming resolution which permits all of the appropriations bills to move forward pursuant to the numbers approved in the House budget resolution. There are three very important reasons to support this rule and that provision.

The first is that in the absence of doing anything, in the absence of not providing this resolution, there really is no discipline, no controls whatsoever on the appropriations bills that come to the floor. Under the Budget Act, the appropriations bills can come, after May 15, to the floor. We do not have to be held to any ceilings without the enactment of this deeming resolution.

Therefore, I think the important point here to make is that this is not a question of whether or not the appropriations bill should move or not move. This is a question of whether or not there ought to be discipline associated to those appropriations bills as they move forward.

Second, in the present unclear situation with regard to the budget negotiations generally, both on the summit as well as on the budget conference, it is essential that the House move forward with its business. In the summit, at the present time, we are entering the fifth week of negotiations, and no one who participates in that is sure as to when or whether we will be able to achieve an agreement in the summit. Second, on the conference, on the budget resolution, the Senate last week adopted just a set of numbers, no priorities, no reconciliation, no defense number, no discretionary number, just a number. Obviously, the House in contrast, passed a full budget resolution including reconciliation bills, including priorities, including functional levels. It is our intention to take that full budget resolution to conference.

□ 1320

So, when a conference will be completed under those circumstances is also difficult to tell. In light of those circumstances, it is also important, therefore, that we continue with the business of the House and move these appropriation bills. There is a concern that somehow moving these appropriation bills means that if we achieve a summit or achieve a conference report, we cannot then make the corrections. That is wrong. In 1987 we did that, and in 1989 we did that. Once we had a summit agreement, once there was an agreement with the administration, we went back to the appropriation bills and basically revised them so that they would target in accordance with that agreement.

The third point that has been made here is that somehow we cannot move forward unless we can provide additional cuts here in terms of all the appropriation bills. The fact is that in the House budget resolution, what we did was we provided $4.3 billion less than what the President provided in his budget. This is not a question of whether or not we are targeting less money with regard to the appropriations versus the President's budget. This is not a question of whether or not we are in fact reducing the request of the President, because we are. The House budget resolution is $4.3 billion less than the President's request.

The argument here is priorities. Specifically there is concern because the defense budget is reduced more than what the President would like or more perhaps than what the other side of the aisle would like. Nevertheless, it is $4.3 billion less than what the President requested overall, and that, I think, says a great deal about the merits of the House budget resolution.

Second, the argument is somehow made that because we have a House budget resolution, just because we passed it by a majority vote, since there are certain Members here that do not like it, it does not count.

The majority vote, as far as I know, under the Constitution counts. We passed a budget resolution by a majority vote. It is a full budget resolution, and according to the precedents that we have established in this area, as we did in 1985, it is fully within our purview in terms of conducting the business of the House to proceed with a deeming resolution and to implement it.

In addition to that, for those who want cuts, they can go ahead. They can offer amendments to the appropriation bills. If they want a 5-percent cut, if they want a 10-percent cut, if they want a 2-percent cut, nobody is stopping any Member from offering those amendments and from Members casting those votes. So the fact is that for those who think the appropriation bills ought to be less, they will have the opportunity to cast those votes in accordance with appropriate amendments. This is, after all, an open rule.

The last point I would make is that point I have made in the past: That if we do not proceed, that would be the worst way to try to deal with the summit. In a vacuum where we do nothing and the summit basically hangs without any kind of pressure to move forward, the best pressure we can bring on those at the summit is to continue the business of the House and continue the business of the Senate and move forward. Only in that situation will members of the summit recognize that they have to act now rather than suddenly wait for all the trains to hit the station at the same time.

So for all those reasons, the fact that there is a precedent for doing this; second, the fact that this is the only discipline available to appropriation bills, whether Members like it or not; third, that it is important to continue the business of the House, and, fourth, that for those Members who want to cut back on these appropriation bills, they are free to do it with amendments that will be offered in each of the appropriation bills, for all of those reasons, I urge a yes vote on the rule and a yes vote on trying to preserve the rule as reported.

Mrs. MARTIN of Illinois. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. SOLOMON], a member of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I thank the gentlewoman for yielding this time to me.

Mr. Speaker, after listening to the gentleman from New Jersey [Mr. GUARINI] talk about the subject of baseball, I thought I was on the wrong bill here for 1 minute, but certainly the gentleman from California [Mr. PANETTA] has gotten us back on the right track. However, it is the right track leading in the wrong direction, leading us in the direction of total fiscal irresponsibility that is going to further exacerbate these huge deficits that we have lived with for these many years. It is going to make it impossible for older Americans to live on their fixed incomes, and it is going to make it impossible for younger Americans to get mortgages at decent interest rates.

Mr. Speaker, I do rise in opposition to the rule, and I shall vote to defeat the previous question.

Section 3 of this rule serves to resuscitate the ill-considered "special budget resolution" that first surfaced on this floor about 2 weeks ago and that was pulled by the leadership. That resolution and the language contained in section 3 of this rule take the House-passed version of the budget resolution and apply those numbers to the appropriations process for not just this bill, which is $2.2 billion over last year, but for all remaining appropriation bills to come before the House this year. Out the window goes any kind of fiscal discipline.

Mr. Speaker, this very bill, Energy and Water appropriations, is $2.2 billion over last year's. Next Tuesday we will be debating another bill called Commerce, Justice and State appropriations. That is another $2.2 billion over last year's. Where does it all end?

But that is not the only problem with this rule, I say to my colleagues. Section 3 effectively absolves this Congress and congressional committees from meeting any reconciliation targets, thereby striking down what little spending restraint this Congress can muster.

Reconciliation, in theory, is supposed to be the enforcement mechanism in the budget process. That is

why we enacted budget legislation a decade and a half ago. According to this rule, however, reconciliation is an expendable option. If it gets in the way of political expedience, as determined by the majority leadership on that side of the aisle, we throw it overboard. And if this rule passes, we can count on it.

Mr. Speaker, the Congressional Budget and Impoundment Control Act is not a collection of suggestions or guidelines. It is the law. It is the law of the land, not just a rule of this House. Every day that passes without seeing the enactment of a concurrent budget resolution for this year adds to the delinquency of this House, as well as to that of the other body.

Mr. Speaker, let us look at the law. By law, the House and the Senate were to have completed action on a concurrent budget resolution by when? Last April 15, 65 days ago. We are now more than 9 weeks overdue. Try doing that with your mortgage payments and see what happens. You would be out in the street, and that is where we ought to be. By law, the House and the Senate were to have the reconciliation phase of this budget process completed by June 14. That is 4 days ago. Here we are, late again.

The majority leadership says, "That's OK, what is a little law-breaking among friends? If we can't get reconciliation done on time, we just won't do it at all; we just break the law." What a way to do the business of the people.

Mr. Speaker, let me just conclude by saying that if the majority leadership was interested in providing some fiscal discipline around here, the House should have been kept in session last week around the clock, if necessary, until we fulfilled our statutory obligations, until we obeyed the law. And the same thing goes for the other body over there. I hope they are listening.

Mr. Speaker, it gets embarrassing year after year to be confronted with the kind of gimmicry and excuses that are contained in section 3 of this bill. I urge defeat of the rule, and I also urge defeat of the previous question.

Mr. DERRICK. Mr. Speaker, I yield 1 minute to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Speaker, I thank the gentleman for yielding this time to me, and I take this time in an attempt to set the record straight. I do not think I will achieve that, but I will say this anyway.

I heard the chairman of the Committee on the Budget make the statement that the total amount of appropriations that are to be requested under our House budget resolution is about $4 billion less than what is requested by the President.

In fact, in the 45-year period from 1945 through 1989, the record shows that Congress has appropriated a total of $173.5 billion less than Presidents requested to be appropriated.

Moreover, the record shows that in each of 39 of those years Congress has appropriated less than Presidents proposed.

Mr. Speaker, I will include extraneous matter in the RECORD during the debate when the House resolves itself into the Committee of the Whole in order to present this data for the RECORD.

Mrs. MARTIN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. FRENZEL] the ranking member of the Committee on the Budget.

□ 1330

Mr. FRENZEL. Mr. Speaker, I rise in vigorous opposition to House Resolution 413, not only because it protects unauthorized provisions and legislative provisions in the energy and water appropriations bill, but also, and most importantly, because it establishes the 302(a) allocation for the Committee on Appropriations based on the House-passed budget resolution.

For those of my colleagues who do not understand what we are doing, the Committee on Rules, has deemed this resolution, to be the same as the budget resolution. The Committee on Rules has said that the congressional budget resolution is this rule, and that this rule is the congressional budget resolution.

Mr. Speaker, this is the equivalent of the Committee on Rules 1 year ago telling us that we had 2 separate days within 24 hours. My colleagues will remember when the Committee on Rules added an extra day to the calendar.

The Congress has not passed its budget resolution. Under normal procedure, the 302(a)'s cannot be set until Congress has passed its resolution.

Deeming something to be something it is not is a wonderful trick that is conceived in our own minds for the purpose of self-delusion. What we have done is we have inspired the Committee on Appropriations. If we pass this resolution we are telling the committee to spend everything in sight. Therefore, I ask my colleagues to defeat the previous question on this rule so that the gentlewoman from Illinois [Mrs. MARTIN] can amend the rule providing that the 302 allocation be set at the lower of the level of the House-passed budget resolution or the fiscal year 1991 CBO baseline.

Mr. Speaker, that would lower the 302(a) by $22 billion, as the gentlewoman from Illinois [Mrs. MARTIN] has suggested.

Initially, the Republican leader, the Republic whip, the gentleman from Massachusetts [Mr. CONTE] and I asked the Committee on Rules to make in order an alternate resolution. The gentlewoman from Illinois [Mrs. MARTIN] has described that adventure to my colleagues. The Committee on Rules was gracious enough to hold the bill for a week, but then moved it in the same form, in the same noxious, deeming form, as it had been presented.

Mr. Speaker, I suggested to the Committee on Rules that it hold discretionary spending to the fiscal year 1990 postsupplemental level if the House insisted on passing its appropriation bills at this time. There is, it seems to me, almost no possibility, under any kind of a summit agreement, that we are going to come anywhere near to the levels of domestic discretionary spending that are deemed in this resolution.

I think all Members should be aware that in passing the deeming resolution they are allowing discretionary budget authority for domestic expenditures to rise $30 billion above last year's levels of our budget resolution. If my colleagues are very proud of increasing domestic spending by $30 billion, then they should vote "yes" on the previous question.

On the other hand, if you think $30 billion is a little more than your constituents had in mind for increases, then I hope you'll join us in voting "no."

It has been suggested also, Mr. Speaker, that there is a precedent for this deeming resolution. There was one precedent, but all of the citers have failed to note that that precedent also included reconciliation instructions. The Committee on Rules this year did not choose to impose the reconciliation instructions. This resolution only opens the flood gates of spending. It does not raise any barriers to spending, nor impose any spending discipline. And so, in fact, we have only one-half of a deeming resolution.

Mr. Speaker, this resolution is going to get this House in great trouble because it will give us encouragement to pass outrageously expensive domestic discretionary expenditures. Then we will find that we are jerked up, either by a sequester or by a summit agreement. Again, if that is the course this House wants to follow, I think the public should know about it, and I think the Members should know what their votes mean.

Finally I would say, Mr. Speaker, the distinguished chairman of the Committee on the Budget, the gentleman from California [Mr. PANETTA], with whom I disagree on procedural matters very rarely, has said that this is the only discipline we have. I must say I will leave it to the public to decide whether an increase of $30 billion over last year's budget resolution in domestic discretionary spending, that's right, $30 billion, is some form of discipline. If anybody believes it is

discipline, that person will be well qualified to explain how we got our $3 trillion deficit in the first place.

We really need to vote this resolution down, to defeat the previous question. That is the only way we can retain a shred of self-respect and maintain any discipline at all in our fiscal procedures.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Speaker, I thank the gentleman from South Carolina [Mr. DERRICK], my colleague and friend, for yielding, and I would simply say that I think the arguments that are made on the other side are sort of bootstrap arguments. They are holding themselves up by their own galluses, if my colleagues will.

Mr. Speaker, I would like to make two points. The first is in relation to spending.

My colleagues, let us not forget that the budget that this body passed is $4 billion less than the President's budget in overall spending. So, sure, we are here arguing by priorities, and some people do not like giving enough money to education, or to health care, or to conservation. They would rather put that money in other programs.

However, Mr. Speaker, the bottom line is that, after all the priorities are divided up, this is 4 billion and change less than the President recommended.

But the thing that sort of gets my goat, Mr. Speaker, is very simply, "Where were you?"

Mr. Speaker, we asked and waited till someone would put the President's budget on the floor. There were over 160 Members from the other side. Not one would stand up and put the President's budget on the floor. To this day no one has put the President's budget on the floor.

Sure, it is a lot harder to pass a budget when not one member of the President's own party will venture to offer that budget for a vote. Sure, it is a lot tougher to do things having to get all their votes from one side of the aisle. But the bottom line is very simple.

Mr. Speaker, we have a budget. We labored, and struggled and passed a budget, and a darned good budget at that. The party, the people, on the other side do not have a budget. They can throw all the logs they want in the way. They can come up with cute little resolutions, and previous questions and everything else at the last minute, at 11:59, but it does not matter because we are going to do the business we have to do.

Mr. Speaker, we are going to pass a good budget, we are going to pass appropriations bills, and, finally, when the President and the other party want to become players, they can join us. Until then we will move forward on our own and pass a good budget.

Mrs. MARTIN of Illinois. Mr. Speaker, I yield myself 30 seconds.

First of all, Mr. Speaker, I say to the House that the speech of the gentleman from Minnesota [Mr. FRENZEL] and the speech of the gentleman from California [Mr. PANETTA], the chairman of the Committee on the Budget, moved people on my side to a couple statements I feel I must repeat.

One is from different points here that, after hearing the speeches, we realize now we are deemed if we do and doomed if we do not, and the other is that Captain Kirk has returned with his message, and that is, "Deem me up, Scotty."

Mr. Speaker, I just suggest that that shows my colleagues that these things do not make much sense and that we should be doing better.

Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. MYERS], a member of the Committee on Appropriations.

Mr. MYERS of Indiana. Mr. Speaker, I regret taking the floor at this moment to speak at this instance. I think in my 24 years that this is one of the very few times that I have ever spoken on a rule.

I rise today in support of this rule and urge a "no" vote in an attempt to defeat the previous question.

Serving on the Committee on Appropriations is not very much fun anymore. Every year, annually, we must come to the floor and fight this battle because we are doing the job which my colleagues, the Members of this Congress, have given me. That is the responsibility of, in a timely fashion, bringing our bills to the floor of the House of Representatives.

□ 1340

It means then, if we are going to keep our schedule, we have to go to the Rules Committee and ask for this rule waiving points of order and asking for the waiver of the budget because the budget never gets out in time for us to bring our bills to the floor in a timely fashion.

The Appropriations Committee does not really appreciate being put in this posture, but I must say, we are doing our job as you have given us.

Now, we are a little bit late. This is the first appropriation bill to come to this floor. We should have been here at least a week ago, if not 2 or 3 weeks ago. To keep our schedule, every appropriation bill should have been reported by June 10 of this year and then all of them should pass the House of Representatives by June 30.

If I read my schedule correctly, we have just 6 working days after today to complete 13 bills, and this is the first bill to come before the House of Representatives.

Now, we are waiving points of order for several reasons. First, the Department of Energy needs authorizing legislation. This is nothing new. It has happened before.

The Bureau of Reclamation has some projects that they need that have to be put in this bill. The Corps of Engineers also has some legislation in this. All of these have been cleared with the authorizing committees. They understand it.

We also need authorization for the Appalachian Regional Commission and the Nuclear Regulatory Commission.

The SPEAKER pro tempore. The time of the gentleman from Indiana has expired.

Mrs. MARTIN of Illinois. Mr. Speaker, I yield 2 more minutes to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Speaker, I thank the gentlewoman for yielding this additional time.

Mr. Speaker, if we are to get our job done, we have to come to the floor at this time with this type of legislation.

Now, we recognize we are right up to what the House passed on the budget. Again, nothing new about this, we have done it for the last several years.

We have been criticized for the fact that we are right up against that limit, but we were burned last year in this committee. We came to the floor with a smaller figure below what was budget-passed, because we are conservative, contrary to what we have been hearing today. We wanted to hold that spending down, but last year we got our bill through. Then came sequestration in December of last year. We got the same percentage cut from our already-cut bill that everyone else got that did not cut their bill. So this year we decided we would not get a double cut.

Now, we all recognize and it is understood that the moment we get a budget, a budget summit agreement, we will cut this bill from whatever passes this House today. That is understood. We are not going to go with the higher figure. Redeeming legislation is absolutely required by law, so there is nothing strange about this, either. We have done it on several other occasions.

In closing, last year we had a huge CR, not the biggest, but I am favoring this rule today because I do not like Washington at Christmastime. I prefer being back home again in Indiana at Christmastime. If you do not pass this today, we will be here at Christmastime with the biggest CR you ever saw. What bothers me is that the same people today who are criticizing us for coming to the floor with this will be the ones out there saying, "Why have you got that big CR? Why don't you get your work done?"

I agree with them, but we are trying to get our work done now that is absolutely what is required.

So I say today, please vote for this rule with the understanding that you are not voting for a budget buster. Quite to the contrary. I do not think anyone here believes it will be passed by June 28. I have not seen the amendments being offered, but I have read the letter from the gentlewoman from Illinois [Mrs. MARTIN]. It says we have to do it by June 28.

What happens if we do not get it done by June 28? What happens? Well, you will be right back here in July with this same situation, I am quite sure. So let us get our work done today. We are doing it in a timely fashion. We will cut if necessary, and it will be necessary in the future.

Mrs. MARTIN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, I appreciate what the gentleman from Indiana just said, but if we look at this bill, we find that the Appropriations Committee is doing more than what they are required to do. For example, if you look at a portion of their bill on solar energy and other renewable energies, you will find out that the authorizing committee did its work.

We on the Science, Space, and Technology Committee, did our job. We got passed Public Law 101-218 and that set a spending limit in that category of $113 million. That is $113 million which was above the 1990 estimate by 12 percent. We thought we were being fairly generous.

What do we find in this bill? We find that the appropriators completely ignored the authorization and are spending $138 million, almost $139 million, a 23 percent increase over authorizations.

Why do we serve on authorizing committees around here anymore, if you on the Appropriations Committee do not even respect our judgment about priorities?

In other cases, we specifically asked for line items in the budget, for instance, on hydrogen, and there is absolutely no line item placed in the budget for hydrogen under this proposal.

In other words, our will is being totally ignored. I tell you, I think it is wrong. I think it is perfectly appropriate for you to come to the floor and argue if we authorizers do not get our work done that you have got a terrible ordeal to overcome, that you have a policy then to make; but I think it is terribly wrong when you come to the floor when an authorization is in place and you ignore our authorization. You ignore the limits of it. You ignore the priorities within it. You ignore the policies within it. You have no right to do that.

This bill is overspent because you have ignored what the authorizers asked you to do.

Mrs. MARTIN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. TAUKE].

Mr. TAUKE. Mr. Speaker, if you are here listening to the debate today, you get the impression that this is a struggle between the Appropriations Committee and the other Members of the body. It is not that at all. The problem that we face is much more than an internal struggle. It is a challenge as to how we are going to deal with the very serious economic problem facing this Nation.

I recall a few years ago I had a town meeting and a farmer came up to me and he said:

> Don't you realize that you have got the same problem we all have?

And I did not catch on immediately, and he said:

> Well, all the economic theorists told us land values would never go down, we could have huge amounts of debts and there would never be a time of reckoning.
>
> The economic theorists are telling you the same thing, the reality is that if the interest payments got too high, too high a percentage of our annual income and if the folks who were loaning us the money decided they did not want to loan anymore, we got in serious trouble.

He said:

> You've got the same problem.

And indeed, we do. Interest consumes an ever bigger portion of the budget and we rely on foreign sources that may not continue to have the capital necessary to continue to finance this debt. That is why we have to address the issue of what is a realistic budget, not the President's budget, not the House budget, but what is a realistic budget at this point.

I think if we defeat the previous question, we have an opportunity to look at a realistic budget from which the appropriators can work.

Certainly what passes the House is not realistic, knowing what we know today.

If we say, on the other hand, as we will do if we can defeat the previous question, that we will take the lower of current services or the House-passed budget in each spending category, we save upward of $20 billion, which gets us into the framework of being realistic, given current economic conditions.

So I hope that Members will defeat the previous question and change the guidelines given to the appropriators. If they do not, then we should make cuts in the appropriations bill itself.

I think it is important to point out, we are not talking about cuts really in the appropriations bill. Everybody uses that rhetoric. It really means trimming the size of the increases in the appropriations bills. Under all scenarios, we are looking at substantial increases over last year's spending. It is a matter of how much.

I suggest that each of us has a responsibility when we assumed this office. It is a responsibility to manage the taxpayers' money well. It is a responsibility to make the choices that have to be made. That is what comes with serving in this job. If we do not make the choices that have to be made on the budget front today, then we are playing games with the people of the Nation, and in the process we are increasing the chances that we will undermine the economic strength of our country and put ourselves in deep jeopardy down the road.

So vote no on the previous question. Give us a chance to set more realistic guidelines for the appropriators and when we get to the bill let us look at how we can achieve some savings.

□ 1350

Mrs. MARTIN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Speaker, I only want to take the floor to object to this bill coming to the floor today, to object to the process by which we are engaged in appropriating.

This makes a mockery of the whole process of the economic summit, of the idea of trying to get together in a bipartisan way in a closed room to talk candidly. Here we are in the House with the Democratic leadership moving forward, business as usual, spend as usual, exceed the President's budget as usual, exceed last year's spending as usual, build up the wave of public spending and then turn in shock and say, "Oh, gee, the only way we can balance the budget is to go back and raise taxes and cut defense and do everything we do not want to do."

The fact is there is no reason that this bill had to come to the floor before the July break. There is no reason that if this bill was going to come to the floor that it could not come to the floor under the ground rules adopted by the Senate, come to the floor at last year's spending level. Then it is easy to add up.

But every Member of this House knows that once an appropriation bill is passed and everybody has their piece of pork and they have all sent out their press releases, it is incredibly harder to cut down and much easier to add up.

I think that if the Democratic leadership had in any serious way been responsible about trying to cut spending, they would have insisted, as the Senate did, on coming in at last year's number and allowing the Committee on Appropriations to go forward, if

necessary, but to do it on a very spartan basis.

I think that it is outrageous, in the middle of the summit, to bring this to the floor. Next month, when we get around to the debt ceiling, all of the Democrats who proudly control the calendar and they proudly control the schedule and they are proud to bring all the spending bills they want, are going to come to the Republican side of the House and say, "You have got to help us with the debt ceiling. Oh, you have got to help us bail out the country with all the debt that we helped build up."

Mr. Speaker, I just want to serve notice that I think this is a very, very poor way to set the stage for that.

Mr. DERRICK. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Speaker, every year we get to this point, and we start hearing the arguments about the process.

I remember when we passed the Democratic budget on this floor, we offered even at that late date before the vote was taken, at this late date, "You can offer a revised budget." Nobody stood to offer the President's budget.

The gentleman from Georgia just says that we are busting the President's budget. I am given to understand that it is less than the President's budget, but I do not know that because the President's budget was never offered.

The gentleman from Georgia is talking about pork. I want to thank the gentleman for going to my district and referring to me as a pig which is beside the point.

Nevertheless, this is a budget that we passed in due time. It is the only vehicle that we have to go by. When they want to talk about pork, I am chairman of the Military Construction Committee, and it has not been limited to the Democratic side. People come by and want some additions to military construction, and it has not come only from the Democratic side on the defense budget from people wanting to hold the programs that we have.

This is not a budget that satisfies only the people on this side. This is a budget that we passed, and we are offering it to the American people. You cannot do something with nothing. It is very easy to stand up and say, "You are wrong, but we do not offer anything." It has happened this way for the past 10 years.

Mr. Speaker, I served on the Committee on the Budget for 6 years, and there has not been 100 combined votes in the last 10 years for the Republican budget. It has only been offered twice with recorded votes. One time it got 1 vote, with our good friend, Jack Kemp, voting for it, and another time it got 30 votes. So to stand up and talk about this process to me is a little bit hypocritical.

We passed a budget, and it is the only vehicle. It is the only game in town. I commend the people for forging ahead with it.

Mrs. MARTIN of Illinois. Mr. Speaker, I yield the remainder of my time, 1 minute and 30 seconds, to the Republican leader, the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker, it is rather unfortunate that we begin the appropriation process with the Energy and Water bill, which is significantly above not only last year's level, but even the significant increases proposed by the President. Then, the second bill coming down the pike has to do with State, Justice, and Commerce, half of which, unfortunately, is unauthorized.

With all this, Mr. Speaker, I believe this rule is premature. Premature, because we should not be considering appropriations bills on the floor until we have established the proper spending parameters.

The House budget resolution will not be the source of those parameters. The spending guidelines will be determined by the budget summit.

It does not make sense, therefore, to bring this rule before us which not only allows the energy and water bill to be considered at spending levels much higher than we are likely to end up with, but which also establishes such higher levels for all the other bills as well.

Let me cite the figures for you. The House budget resolution provided an additional $30 billion over last year's level for nondefense discretionary programs. That is a whopping 15-percent increase.

How can anyone seriously contemplate increases of that magnitude when we have a major summit in progress on how to cut the deficit. The two simply do not jibe.

Of course, the big spenders in this body like to say "Well, most of this increase is coming out of defense, so it is not really increasing the deficit." Hogwash.

If we are serious about cutting the deficit, we do not simply shift moneys from one account to another. Any savings we achieve in one account, we use to reduce the deficit, not as a cover to increase spending in other areas.

Let's look at another set of figures: the CBO baseline. That baseline allows an inflationary increase over last year. Some people call it current services. We used to hear from people that if we could only fund programs at current services, we'd be happy.

Well, the House budget resolution is some $21 billion above current services for domestic discretionary programs. In other words, 10 percent over even the inflationary increase.

What about the President's budget? The President proposes a $6 billion increase in domestic discretionary spending over last year, a less than inflationary 3-percent increase. That is just one-fifth of what the budget resolution proposes.

The bottom line, in other words, is that no matter which set of figures you look at, the House budget resolution is way out of line. To use that resolution as the benchmark to judge appropriations bills, therefore, simply stretches the credulity and undermines our ability to work out a substantive summit agreement.

What we should do, instead of setting 302(b) allocations at unrealistically high levels, is establish a deadline for the summit to complete its deliberations. I can tell you, as a participant, that the summit could use a little encouragement in this regard, to put it mildly.

If the previous question is defeated, the gentlelady from Illinois will offer, as a substitute for the 302(b) section, a sense-of-House language that calls upon the summit to make its recommendations by June 28. That ought to be plenty of time, if we really set about our business.

By setting a deadline, we will help to move the process along and still allow the appropriations bills to be considered in a timely fashion. But it would be a serious mistake, in order to simply gain a couple of weeks, to encourage the passage of appropriations bills at the unrealistically high House budget resolution level.

So when it comes time for a vote, I urge defeat of the previous question.

Mr. DERRICK. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Speaker, it has been stated on several occasions that this bill is over the President's budget. I think it is important to point out why; because we have a serious problem cleaning up our nuclear production facilities and this bill begins to address it.

As Members know, the Department of Energy shares with the Department of Defense responsibility for producing as well as cleaning up weapons systems and the production facilities that produce our nuclear warheads that are deployed on all sorts of platforms by all of our services all around the globe.

I think everyone realizes that this is one of the major environmental problems that face this country. Whether you are from Colorado, worrying about Rocky Flats, or whether you are from Texas or from Ohio, we all realize, as I am sure the gentleman from South Carolina does, that these nuclear production facilities are a serious problem for this generation and for generations to come, costing us billions of dollars.

This bill, for the first time, adds to the administration's budget in order to expedite the cleanup process. We did so responsibly. The money can be spent in the next fiscal year.

I think that if anyone were to cavalierly vote against this rule on the basis that it overspends, they are in danger, I think, of making a vote against a crucial environmental cleanup program that would indicate an insensitivity to one of our most significant national challenges.

This committee, like all of the other subcommittees of Appropriations, which fund domestic discretionary spending, has paid the biggest price toward deficit reduction in the last 10 years. The share of the budget of the Committee on Appropriations has dropped from somewhere near 30 percent to somewhere close to 10 percent.

The gentleman from Iowa [Mr. TAUKE] was correct when he said that the growth area of the budget is in interest on the debt that has grown from $1 trillion to $3 trillion in the last decade.

This committee has been the one committee to belly up to the bar, so to speak, and make the cuts year after year that have been required. But we cannot let every problem fester without the attention that it deserves.

Cleaning up our nuclear waste facilities has been on our agenda unattended for far too long. The last administration seriously neglected the problem. Under Admiral Watkins and President Bush, we have begun to make some progress. This committee wants to expedite that progress. I hope the Republican Members of Congress will not cast a vote blindly against improving the environment as it relates to the nuclear waste that has so badly polluted in so many States around this Nation for so long.

□ 1400

This is a responsible bill, one that ought to be enacted. We begin by supporting the motion to pass the previous question, and then by supporting the rule.

Mr. FRENZEL. Mr. Speaker, I rise in opposition to House Resolution 413 not only because it protects unauthorized provisions and legislative provisions in the energy and water appropriations bill but because it also establishes the 302(a) allocation for the Appropriations Committee based on the House-passed budget resolution.

It deems a rule to be the congressional budget resolution. This is the equivalent of the Rules Committee decision to add an extra day to the calendar last year.

I ask my colleagues to defeat the previous question on this rule so that the gentlewoman from Illinois [Mrs. MARTIN] can amend this rule providing that the 302(a) allocation be set at the lower of the House-passed budget resolution or the fiscal year 1991 CBO baseline level. This alternate 302(a) allocation would be approximately $22 billion below the level set in the House-passed budget resolution.

Initially, the Republican leader, Mr. MICHEL, the Republican whip, Mr. GINGRICH, the ranking Republican of the Appropriations Committee, Mr. CONTE, and I had asked the Rules Committee to make in order an alternate resolution calling on the budget summit negotiators to report back recommendations by June 28. This would have allowed the Appropriations Committee to complete action on most bills at the full committee level before bringing these bills to the floor. Final adjustments, based on the summit recommendations could have been made and then the bills could have been moved forward quickly.

I had suggested a second alternative of holding total discretionary spending at the fiscal year 1990 post supplemental level, if the House was intent on moving appropriations measures at this time. The Senate has taken this course by passing a shell budget resolution last Thursday which provides the Appropriations Committee with the 1990 current level for discretionary spending.

If we proceed to consideration of the energy and water appropriations measure today, I intend to offer an across-the-board cut of 10.53 percent which would bring the total budget authority level of $20.9 billion in this bill back down to the 1990 current level of $18.7 billion.

I strongly urge Members to defeat the previous question so that this resolution can be amended. As it now stands the resolution would allow domestic discretionary budget authority to rise $30.3 billion over the level set in last year's budget resolution. Total discretionary budget authority, Defense and domestic, would be allowed to rise $8.2 billion over the current 1990 level.

If Congress is serious about concluding a substantial deficit reduction package in the budget summit, it is unlikely that discretionary spending would be allowed to increase at all over last year's level, especially in light of the defense cuts envisioned by many. This is not the time to sanction large spending increases in nondefense discretionary programs, just to have them cut back later in the process.

Furthermore, this resolution is silent on the reconciliation instructions assumed in the House-passed budget resolution which would reduce entitlements and other direct spending programs, as well as increase revenues. Evidently, the offsetting savings are not as attractive as the opportunity to increase spending.

The participants of the budget summit should be given a chance to come to a resolution on the difficult task of putting together a substantial deficit reduction package. In the meantime, we should not be going on with business as usual—providing substantial spending increases in the individual appropriations bills. Therefore, I urge my colleagues to defeat the previous question on this rule.

Mr. DERRICK. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. TORRES). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mrs. MARTIN of Illinois. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 260, nays 157, not voting 15, as follows:

[Roll No. 173]

YEAS—260

Ackerman	Fazio	Mazzoli
Alexander	Feighan	McCloskey
Anderson	Fields	McCrery
Andrews	Flake	McCurdy
Annunzio	Flippo	McDermott
Anthony	Foglietta	McHugh
Applegate	Ford (MI)	McMillen (MD)
Aspin	Ford (TN)	McNulty
Atkins	Frank	Mfume
AuCoin	Frost	Miller (CA)
Baker	Gaydos	Mineta
Barnard	Gejdenson	Moakley
Bartlett	Gephardt	Mollohan
Barton	Geren	Montgomery
Bates	Gibbons	Moody
Beilenson	Glickman	Morrison (CT)
Bennett	Gonzalez	Morrison (WA)
Berman	Gordon	Mrazek
Bevill	Gray	Murphy
Bilbray	Guarini	Murtha
Boggs	Hall (OH)	Myers
Bonior	Hamilton	Nagle
Borski	Harris	Natcher
Bosco	Hatcher	Neal (MA)
Boucher	Hawkins	Neal (NC)
Boxer	Hayes (IL)	Nowak
Brennan	Hayes (LA)	Oakar
Brooks	Hefner	Oberstar
Browder	Hertel	Obey
Brown (CA)	Hoagland	Olin
Bruce	Hochbrueckner	Ortiz
Bryant	Holloway	Owens (NY)
Bustamante	Horton	Owens (UT)
Callahan	Hoyer	Pallone
Campbell (CO)	Hubbard	Panetta
Cardin	Huckaby	Parker
Carper	Hughes	Patterson
Carr	Hutto	Payne (NJ)
Chapman	Jenkins	Payne (VA)
Clarke	Johnson (SD)	Pease
Clay	Johnston	Pelosi
Clement	Jones (GA)	Perkins
Coleman (TX)	Jones (NC)	Pickett
Collins	Jontz	Pickle
Condit	Kanjorski	Poshard
Conyers	Kaptur	Price
Cooper	Kastenmeier	Pursell
Costello	Kennedy	Rahall
Coyne	Kennelly	Rangel
Crockett	Kildee	Richardson
Darden	Kleczka	Rinaldo
de la Garza	Kolter	Roe
DeFazio	Kostmayer	Rose
Dellums	LaFalce	Rostenkowski
Derrick	Lancaster	Rowland (GA)
Dicks	Lantos	Roybal
Dingell	Laughlin	Russo
Dixon	Leath (TX)	Sabo
Donnelly	Lehman (CA)	Sangmeister
Dorgan (ND)	Lehman (FL)	Sarpalius
Downey	Lent	Savage
Durbin	Levin (MI)	Sawyer
Dwyer	Levine (CA)	Scheuer
Dymally	Lewis (GA)	Schroeder
Dyson	Lipinski	Schumer
Early	Lloyd	Serrano
Eckart	Long	Sharp
Edwards (CA)	Lowey (NY)	Sikorski
English	Luken, Thomas	Sisisky
Erdreich	Manton	Skaggs
Espy	Martinez	Skelton
Evans	Matsui	Slattery
Fascell	Mavroules	Slaughter (NY)

Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Tanner
Tauzin
Taylor
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Walgren
Washington
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)

NAYS—157

Archer
Armey
Ballenger
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Conte
Coughlin
Courter
Cox
Crane
Dannemeyer
Davis
DeLay
DeWine
Dickinson
Dornan (CA)
Douglas
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fish
Frenzel
Gallegly
Gallo
Gekas
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Grant
Green
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Hopkins
Houghton
Hyde
Inhofe
Jacobs
James
Johnson (CT)
Kasich
Kolbe
Kyl
Lagomarsino
Leach (IA)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Lukens, Donald
Machtley
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Nielson
Oxley
Packard
Parris
Pashayan
Paxon
Penny
Petri
Porter
Quillen
Ravenel
Regula
Rhodes
Ridge
Roberts
Robinson
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Rowland (CT)
Saiki
Saxton
Schaefer
Schiff
Schneider
Schulze
Sensenbrenner
Shaw
Shays
Shumway
Shuster
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (VT)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stearns
Stump
Sundquist
Tauke
Thomas (CA)
Thomas (WY)
Upton
Vander Jagt
Walker
Walsh
Weber
Weldon
Whittaker
Wolf
Young (FL)

NOT VOTING—15

Byron
Craig
Engel
Hall (TX)
Hunter
Ireland
Markey
Nelson
Ray
Ritter
Schuette
Torricelli
Vucanovich
Watkins
Wylie

□ 1419

Mr. YOUNG of Alaska changed his vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. TORRES). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mrs. MARTIN of Illinois. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 276, noes 136, answered "present" 1, not voting 19, as follows:

[Roll No. 174]

AYES—276

Ackerman
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bartlett
Barton
Bates
Beilenson
Bennett
Berman
Bevill
Bilbray
Boggs
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Browder
Brown (CA)
Bruce
Bryant
Bustamante
Callahan
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clarke
Clay
Clement
Coleman (TX)
Collins
Condit
Conte
Conyers
Cooper
Costello
Coughlin
Coyne
Darden
de la Garza
DeFazio
DeLay
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fields
Flake
Flippo
Foglietta
Ford (MI)
Ford (TN)
Frank
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gilman
Glickman
Gordon
Gray
Green
Guarini
Hall (OH)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Holloway
Horton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lantos
Laughlin
Leath (TX)
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken, Thomas
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McEwen
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Miller (OH)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Pickett
Pickle
Poshard
Price
Pursell
Rahall
Rangel
Richardson
Rinaldo
Roe
Rogers
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schulze
Schumer
Serrano
Sharp
Shaw
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Solarz
Spratt
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Studds
Swift
Tallon
Tanner
Tauzin
Taylor
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Walgren
Washington
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)

NOES—136

Archer
Armey
Ballenger
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Courter
Craig
Crane
Dannemeyer
Davis
DeWine
Dickinson
Dornan (CA)
Douglas
Dreier
Duncan
Edwards (OK)
Fawell
Fish
Frenzel
Gallegly
Gallo
Gekas
Gillmor
Gingrich
Goodling
Goss
Gradison
Grant
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Hopkins
Houghton
Hunter
Inhofe
Jacobs
Johnson (CT)
Kasich
Kyl
Lagomarsino
Lancaster
Leach (IA)
Lent
Lewis (FL)
Lightfoot
Lukens, Donald
Machtley
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McDade
McGrath
McMillan (NC)
Meyers
Michel
Miller (WA)
Molinari
Moorhead
Morella
Nielson
Oxley
Packard
Parris
Pashayan
Paxon
Petri
Porter
Quillen
Ravenel
Regula
Rhodes
Ridge
Roberts
Robinson
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Rowland (CT)
Saiki
Saxton
Schaefer
Schiff
Schneider
Sensenbrenner
Shays
Shumway
Shuster
Slaughter (VA)
Smith (VT)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Tauke
Thomas (CA)
Thomas (WY)
Upton
Vander Jagt
Walker
Walsh
Weber
Weldon
Whittaker
Wolf
Young (FL)

ANSWERED "PRESENT"—1

Grandy

NOT VOTING—19

Baker
Byron
Cox
Crockett
Engel
Gonzalez
Hall (TX)
Hawkins
Ireland
James
McCrery
Nelson
Ray
Ritter
Schuette
Synar
Torricelli
Vucanovich
Wylie

□ 1438

Mr. PEASE changed his vote from "no" to "aye."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. JAMES. Mr. Speaker, upon review of the votes that transpired, it indicates that I did not cast a vote on rollcall No. 174. To the best of my knowledge, I was present and did cast a "no" vote. Whether it was a mechanical malfunction or a personal oversight, I would request that the RECORD show that I

was against the rule to H.R. 5019, the fiscal 1991 energy and water appropriation bill.

FILING OF SECTION 302 ALLOCATION FROM THE COMMITTEE ON APPROPRIATIONS

(Mr. WHITTEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHITTEN. Mr. Speaker, I have just filed with the Clerk of the House the subdivision of budget authority and outlays which is necessary to be filed by the adoption of the rule pursuant to section 302 of the Budget Act. This report was ordered reported by the Committee on Appropriations on June 13, 1990.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
June 18, 1990.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House at 2:13 p.m. on Monday, June 18, 1990 said to contain a report containing an analysis of the feasibility of establishing a National Drug Operations Center for the integration, coordination, and control of all drug interdictions.

With great respect, I am
Sincerely yours,
DONNALD K. ANDERSON,
Clerk, House of Representatives.

REPORT ON FEASIBILITY OF ESTABLISHING A NATIONAL DRUG OPERATIONS CENTER—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 204)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Armed Services, the Committee on the Judiciary, the Committee on Merchant Marine and Fisheries, the Committee on Public Works and Transportation, and the Committee on Ways and Means, and ordered to be printed:

(For message, see proceedings of the Senate of Monday, June 18, 1990, at page 14446.)

□ 1440

GENERAL LEAVE

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the consideration of the bill (H.R. 5019) making appropriations for energy and water development for the fiscal year ending September 30, 1991, and for other purposes, and that I may be permitted to include extraneous matter.

The SPEAKER pro tempore (Mr. TORRES). Is there objection to the request of the gentleman from Alabama?

There was no objection.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1991

Mr. BEVILL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5019) making appropriations for energy and water development for the fiscal year ending September 30, 1991, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Indiana [Mr. MYERS] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

□ 1443

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for consideration of the bill, H.R. 5019, with Mr. PEASE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the bill was considered as having been read the first time.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from Alabama [Mr. BEVILL] will be recognized for 30 minutes, and the gentleman from Indiana [Mr. MYERS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Alabama [Mr. BEVILL].

Mr. BEVILL. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, before we begin consideration of this bill, I would like to take a minute to point out a matter which will greatly impact this subcommittee in the future. We will be losing two very important members of this subcommittee at the end of this Congress. The people of Oklahoma will be very lucky to have Mr. WES WATKINS as the next Governor of their great State. He has been a strong and supportive member of this subcommittee since January 1981—he has served with distinction for 10 years. We wish him well as the next Governor of Oklahoma. We are also bidding farewell to Mrs. VIRGINIA SMITH, the gentlewoman from Nebraska. She has chosen to retire at the end of this Congress. Mrs. SMITH came to the Appropriations Committee in January 1977 and has been a member of this subcommittee the entire time—14 years. We will certainly miss the advice and support of both these individuals. All the members of the subcommittee join me in wishing both of these fine people all the best in their future endeavors.

Mr. Chairman, we bring to you today for your favorable consideration the energy and water development appropriations bill for 1991. I am joined in this effort by my colleagues on the Energy and Water Development Subcommittee who have worked long and hard to bring this legislation to the floor. Let me express my special appreciation to our ranking minority member, the gentleman from Indiana [Mr. MYERS]. As in the years past, he and I have worked together with the subcommittee without any trace of partisanship to fashion a bill that meets the present and future needs of our entire country. I also want to express my appreciation and thanks to the members of the subcommittee, the gentlewoman from Louisiana [Mrs. BOGGS], the gentleman from California [Mr. FAZIO], the gentleman from Oklahoma [Mr. WATKINS], the gentleman from Georgia [Mr. THOMAS], the gentleman from Texas [Mr. CHAPMAN], the gentlewoman from Nebraska [Mrs. SMITH], and the gentleman from Michigan [Mr. PURSELL]. I want to also thank Chairman WHITTEN, a member of the subcommittee, and Mr. CONTE for their assistance.

Mr. Chairman, at the outset, I want to point out to Members of the House that this bill is within the section 302(b) allocation for both new budget authority and outlays. I caution Members that any amendments offered to increase appropriations for any programs in this bill will put it over our allocation amount as it applies to budget authority because we are right at our ceiling.

Mr. Chairman, the bill before the committee today would provide $20,900,000,000 to the Army Corps of Engineers, the Bureau of Reclamation, the Department of Energy, and seven independent agencies and commissions. The bill includes $10,926,148,000 for defense activities and $9,973,852,000 for domestic programs. The amount for defense is $40,103,000 less than the budget request, and the amount for domestic programs is $581,931,000 greater than the administration's request.

I would like to note that the total amount recommended in the bill is $20,775,518,000 in new budget authority. However, the Congressional Budget Office has scored the bill at a total amount of $20,900,000,000 due to

an adjustment needed to compensate for excess revenues received in the uranium enrichment account. The $20,900,000,000 is equal to the subcommittee's 302(b) allocation.

TITLES I AND II

WATER RESOURCE DEVELOPMENT

Mr. Chairman, the committee is committed to a policy of development of the vital water supply, navigation, flood control, irrigation, and hydroelectric projects that are necessary to the well-being and economic growth of the entire Nation. No part of this country is immune from the problems of water—too little or too much—and all States of the Union must join together cooperatively to foster a truly national water policy which responds to the unique needs of each State and region.

Title I includes $3,562,291,000 for the Corps of Engineers which provides for 515 water projects in the planning or construction phases.

Title II includes $957,109,000 for the Bureau of Reclamation which provides for 122 water resource projects in the planning or construction phases.

Titles I and II also provide for studies and projects in the operation and maintenance category. Within the available funds; the subcommittee has attempted to accommodate the most critical needs, within budget constraints, identified through the extensive hearings conducted with administration witnesses, the public, State, and local officials and Members of Congress. It was fortunate this year that the committee was able to provide for new construction starts for the Corps of Engineers in this bill.

TITLE III—DEPARTMENT OF ENERGY

In Title III, for the Department of Energy, the recommendation provides a total of $15,640,486,000. In this title, we are recommending $10,915,148,000 for the national security programs and $4,725,338,000 for all other energy programs. The amount recommended for energy research programs maintains a balanced energy research program and a healthy scientific research effort. The recommendations include many changes in the request which are summarized in the report. I will mention a few.

In the energy programs of the Department of Energy, several changes are worth mentioning:

For solar and renewable energy programs, we are recommending $195,283,000 compared to the budget request of $175,126,000.

For environmental restoration and cleanup activities at Department of Energy defense and nondefense facilities, the committee recommendation is $3,278,492,000, an increase of $487,056,000 over the budget request.

For general science and research, the committee recommendation provides a total of $1,273,732,000, the same as the budget request. The recommendation includes $317,866,000 for the superconducting super collider. Of this amount, $168,866,000 is for construction. The administration is still very supportive of this project. While the committee is also supportive of the project because of the new knowledge and understanding that will be brought about by constructing it, we are also very concerned about the cost increases of the project, and the Department's inability to show firm commitments with regard to foreign participation.

The recommendation for defense programs of $10,915,148,000 is $1,268,955,000 above the current appropriation and is $38,603,000 less than the budget request. The recommended level includes increased funds for defense waste cleanup as I noted previously.

TITLE IV—INDEPENDENT AGENCIES

Title IV of the bill includes $615,632,000 for seven independent agencies. This is $44,381,000 above last year's level.

We have provided $150,000,000 for the Appalachian Regional Commission; $135,000,000 for the Tennessee Valley Authority; $11,000,000 for the Defense Nuclear Facilities Safety Board; and $1,382,000 for three river basin commissions.

The committee recommendation provides $471,320,000 for the Nuclear Regulatory Commission, an increase of $35,409,000 from last year's level. In addition, the bill includes language which would permit NRC to use up to $156,750,000 in revenues from licensing and other activities to offset part of the appropriations.

GENERAL PROVISIONS

The bill contains the customary general provisions carried in prior years to permit the agencies funded in this bill certain flexibility and to limit other activities.

COMMITTEE REPORT

The report accompanying the bill provides a good explanation of the recommendations reflected in the bill. I would encourage the Members to look through it.

Mr. Chairman, this is a good bill. I recommend its adoption.

□ 1450

Mr. MYERS of Indiana. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is never any pleasure in this body to serve in the minority. More than half of this body never has experienced that. I would say, "I hope someday you get the opportunity to experience that."

Mr. Chairman, I have been hoping that for 24 years, but someday, maybe, I will be lucky.

However, Mr. Chairman, on this committee and subcommittee it is no problem. In the full committee it is no problem, thanks to the chairmanship of the gentleman from Alabama [Mr. BEVILL] and the chairmanship of our big chairman, the gentleman from Mississippi [Mr. WHITTEN]. It is never a problem being the minority, and for that I thank my colleagues on the committee, as well as the staff.

Mr. Chairman, a lot of work goes into preparing a bill to come to the floor. I think most people who do not serve on the Committee on Appropriations do not realize this, but there has been a tremendous amount of work that has gone into this bill to get to this point.

Mr. Chairman, this is a bill that this committee is very proud of. I remember 20 years ago, when the gentleman from Alabama [Mr. BEVILL] and I came on this subcommittee. I think we both commented to each other, as junior members of this subcommittee, "Boy, if we're ever around for 20 years, that will be a snap, bringing a bill to the floor."

How wrong we were. It is still difficult, as most of my colleagues who are on the floor during the debate on the rule found out. It is still difficult to bring a bill to the floor. But now I think we can lay down our wraps and say, "Well, we've kicked the Appropriations Committee around all we want to. Let's get on with the affairs that are necessary to keep the programs that come under the jurisdiction of this committee in action."

The gentleman from Alabama [Mr. BEVILL], the chairman, has always been very fair, and for that I thank him, and the gentleman from Mississippi [Mr. WHITTEN], the chairman, has been most cooperative. Every member of this subcommittee, as well as the staff and the leaders, has been under the very capable leadership of our good friend and longstanding friend, Hunter Spillan, who has been on this committee, good gosh, longer than anybody that has been on this committee, I guess. I also want to add to the thoughts of two of our members, the gentlewoman from Nebraska [Mrs. SMITH], who came to Congress in 1975, and she came on this committee in 1977, and has chosen to retire and go back to Nebraska. She has been a very capable and hard-working member of this subcommittee for all these many years, has always contributed very much, and we certainly will miss the capable leadership and help that the gentlewoman from Nebraska [Mrs. SMITH] has given us. Also, our good friend from Oklahoma who has chosen to seek other work. He came at the end of the Congress in 1977, joined the committee in 1981, again a very hard-working, a very diligent member. He is also very persistent. Both he and the gentlewoman from Nebraska [Mrs. SMITH] are very persistent members, and we will miss both of them on this subcommittee, but we do thank them for their contributions through the years.

Mr. Chairman, the gentleman from Alabama [Mr. BEVILL] has presented the bill, what is in the bill and what has not been in the bill, very capably, so I will not go into that. Title I and title II deal with the natural resources, principally water, both in the Corps of Engineers, as well as the Bureau of Reclamation.

We take water for granted in this country. Most of us have always had sufficient amounts of water. Some areas in the country at this moment and this spring have seen too much water. Other areas have not seen enough water. But this is something this committee has the responsibility of providing, not only municipal and industrial, but for the needs of this country, something that each one of us is taking for granted because it has always been here, and we think it always will be, and it will be, as long as we have concern for the future and provide for the future generations.

Mr. Chairman, I just became a grandfather over the weekend, and that little baby who was born in Terre Haute, that little boy, I hope, will have all the water and will never have to worry about whether he has enough water.

□ 1500

But nevertheless, unless we do our job and prepare for the future, and sometimes it steps on some people's toes when we have to do these things, but unless we do our job today we will never have the water for our children and great-grandchildren. The gentlewoman from Louisiana [Mrs. BOGGS] became a great-grandmother last week. Those little babies just coming into the world expect the same things that we take for granted, and because of the courage of people like you here we will be able to do that.

So we provide not only for the drinking water we need, the industrial water that industry needs to be competitive with the rest of the world, but we also provide for navigation, and hopefully cheap navigation, available navigation. More than 25,000 miles of inland waterways are under the jurisdiction of this committee. It is very expensive at times to keep the locks and dams in condition, especially subjected to the floods that we have had this year, but the maintenance and the repairs that are necessary come under this committee.

Then we have also had many floods this year. Our bill for the Bureau of Reclamation and the Corps of Engineers is about $400 million over the President's request. Some of this has been due to floods. When the President prepared his budget, we had not had these severe floods at that time that have come to us since, so we have had some additional anticipation here of what we are going to have to do to restore and repair some of the damage that has been done.

In the Department of Energy title III, we are about $15 million over the President's request. It is $15.6 million, as the chairman has told us. But some of the areas here are for energy and research.

Again, we take electricity for granted, the power that turns the turbines, the power that turns the wheels of American industry are provided because someone had the foresight to do the research and development.

We have always had, or most of us in our lifetimes, have had electricity. We take it for granted, but somebody has to make some sacrifices. Someone has to do some work to have it here.

Again, research for alternate sources of energy comes under the jurisdiction of the Department of Energy, which comes in this bill.

We also have $2.7 billion for environmental cleanup and waste management, a big area. We create a lot of waste in our society today with the energy that we develop and in the waste of industry, so we have to find someplace to dispose of this and we are spending more money this year in an effort to take care of that particular area.

In the defense area, this year, we are going to have considerably somewhat less than the President had included, but the increase we have over last year's bill mostly is in waste management.

Also in this bill we are refurbishing and in some cases destroying some old nuclear weapons. We are dismantling these weapons. Some of the newer weapons coming on are cleaner and smaller. We are replacing those weapons. We are testing weapons constantly, again coming under the jurisdiction of this committee in this particular bill.

There are many items in this bill that have been criticized, including the fact that authorization had not come along. There has been some criticism that in some instances we have gone over the request. In some two or three instances we have gone over what the authorization was because there have been things happen since the authorization. All of these have been checked with the authorizing committees.

In some instances the White House has requested increases, such as in solar energy. We have had an increase there because there have been some new opportunities since the President's budget came to us and also through the authorization. There is opportunity here we think for some breakthroughs in some of these areas.

So, we have not exactly stayed in line. But, we have not always appropriated up to the level of the authorizing committee. I know we are going to be criticized today because we have not appropriated in some instances the maximum amount authorized by law, but if we are to hold spending down, and we all must do that, we have to make those priorities. We have done that. We hope we have used the best judgment. We have done it only after many, many hours and thousands of people who have testified, both written and orally, who presented their testimony before us.

This is a good bill. I think it is one that all of us certainly can support. It is one of the best bills, I think, we have ever brought forward. It is also the largest bill. In the 20 years I have been on this subcommittee, this is the largest bill we have ever come forward with.

So Mr. Chairman, I hope every Member can support this. Again, I have to say that any amendment to be offered that is more dollars, without corresponding reductions someplace else, the committee will have to oppose, because we are right up to the ceiling right now.

So again, it is a good bill and I hope everyone can support it.

Mr. BEVILL. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, I commend both the chairman and the ranking member. This bill is within the 302(b) subdivision of the Energy and Water Subcommittee. I ask this be included in the RECORD so other Members can see this.

Mr. Chairman, I rise in support of H.R. 5019, the energy and water development appropriations bill for fiscal year 1991, and request permission to revise and extend my remarks. This is the first of the 13 annual appropriations bills. I am pleased to note that the bill, as reported, is within the 302(b) subdivision for the Energy and Water Development Subcommittee.

The bill provides $20.900 billion in discretionary budget authority and $19.840 billion in discretionary outlays. The bill is at the level of discretionary budget authority set by the subdivision for this subcommittee, but $60 million below it in discretionary outlays.

The direct loan levels in the bill are $27 million below the discretionary subdivision for this subcommittee.

As chairman of the Budget Committee, I plan to inform the House of the status of all spending legislation, and will be issuing a "Dear Colleague" on how each bill compares the budget resolution.

I look forward to working with the Appropriations Committee on its other bills.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, DC, June 15, 1990.

DEAR COLLEAGUE: Attached are fact sheets on H.R. 5019, Energy and Water Development Appropriations bill and H.R. 5021, Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations bill. These bills are scheduled for consideration next week.

These are the first appropriations bills for Fiscal Year 1991 and both bills are at or below the Appropriations Committee 302(b) subdivision for these subcommittees.

I hope this information will be helpful to you.

Sincerely,

LEON E. PANETTA.

[Fact Sheet]

H.R. 5019, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS BILL, FISCAL YEAR 1991 (H. REPT. 101-536)

The House Appropriations Committee reported the Energy and Water Development Appropriations bill for fiscal year 1991 on Wednesday, June 13, 1990. This bill is scheduled for floor action on Tuesday, June 19, subject to a rule being adopted.

COMPARISON TO THE 302(b) SUBDIVISION

The bill provides $20,900 million of discretionary budget authority, the same amount provided by the appropriations subdivisions for this subcommittee. The bill is under the discretionary outlay subdivision by $60 million. A comparison of the bill to the spending and credit subdivisions follows:

COMPARISON TO SPENDING ALLOCATION

[In millions of dollars]

	Energy and water development appropriations bill		Appropriations Committee 302(b) subdivision		Bill over (+)/ Under(—) 302(b) subdivision	
	BA	O	BA	O	BA	O
Discretionary	20,900	19,840	20,900	19,000	.....	—60
Mandatory [1]	.....	.....	.....	.....	.....	.....
Total	20,900	19,840	20,900	19,000	.....	—60

[1] Conforms to budget resolution estimates of existing law.

Note: BA—New budget authority; O—Estimated outlays.

The direct loan levels in the bill are $27 million below the discretionary subdivision for this subcommittee. A comparison follows:

COMPARISON TO CREDIT ALLOCATION

[In millions of dollars]

	Energy and water development appropriations bill		Appropriations Committee 302(b) subdivision		Bill over(+)/ under(—) 302(b) subdivision	
	DL	LG	DL	LG	DL	LG
Discretionary	5	.....	32	.....	—27	.....
Mandatory	.....	.....	.....	.....	.....	.....
Total	5	.....	32	.....	—27	.....

Note: DL—New direct loan obligations; LG—New loan guarantee commitments.

The House Appropriations Committee reported the Committee's subdivision of budget authority, outlays, and credit consistent with the "allocation of spending and credit responsibilities to committees," as contained in House Report 101-455 to accompany H. Con. Res. 310, Concurrent Resolution on the Budget for Fiscal Year 1991, as adopted by the House on May 1, 1990.

The following are the major program highlights for the Energy and Water Development Appropriations Bill for Fiscal Year 1991, as reported:

PROGRAM HIGHLIGHTS

[In millions of dollars]

	Budget authority	New outlays
Atomic energy defense programs [1]	10,915	7,095
Army Corps of Engineers	3,562	2,381
Bureau of Reclamation	952	786
DOE general science	1,274	892
(Superconducting Super Collider—SSC)	(318)	(223)
Energy supply R&D	2,703	1,352
Uranium enrichment (gross)	1,406	1,219
Nuclear waste fund (civilian)	293	146
Appalachian Regional Commission (ARC)	150	11
Nuclear Regulatory Commission (gross)	471	353
Tennessee Valley Authority (TVA)	135	33

[1] The Atomic energy defense program funds are part of Function 050, National Defense. The other accounts shown above are nondefense discretionary programs.

Mr. BEVILL. Mr. Chairman, I yield such time as he may consume to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, the whole country is indebted to the gentleman from Alabama [Mr. BEVILL], the gentleman from Indiana [Mr. MYERS] and the rest of the subcommittee.

It is hard sometimes to look after your own country, but the problems we have today are not the result of what we spend on our own country. We must spend on our country if we are going to be economically strong enough to do all these other things.

I am proud to have served with them and to be a part of it.

Our Committee on Appropriations has done a fine job in this bill which provides funds to take care of our own country. We should all keep in mind that ours is a large country and this bill touches every State and area. The funds in this bill are large. However, it doesn't begin to do what could or should be done to protect and develop our country.

We must realize our only real material wealth is the Nation itself. That is all we have to back our money. That is what all our other commitments depend upon.

My colleagues on the subcommittee, the chairman of the subcommittee, TOM BEVILL, the ranking minority member, JOHN MYERS, and other members of the subcommittee have explained in some detail what the bill does for our Nation, and I agree with what they say.

COUNTRY IS IN SERIOUS FINANCIAL CONDITION

Mr. Chairman, I am glad to be a member of this subcommittee and chairman of the Committee on Appropriations. I want to point out that our financial conditions, which are serious, are not the fault of our committee, for since 1945, the total of appropriations bills has been $173,000,000,000, below the totals recommended by our various Presidents.

My colleagues have discussed the overall bill which makes investments in the Nation. I point out that since we started meeting local problems with Federal programs in 1934, our national physical wealth has increased 41 times.

NATIONAL PROGRAMS AT WORK

Mr. Chairman, I have been Mississippi's representative on the Appropriations Committee in the House of Representatives since 14 months after I came here. This makes my 12th year as chairman of the Committee on Appropriations. We have a bipartisan committee, with a professional staff not surpassed by any staff in Congress. The committee tries to be fair to the people in all sections of the Nation; to look after their local problems, for the strength of our Nation depends on the sections being strong and healthy. As I said earlier, others here have pointed out the overall aspects of this appropriations bill, which as a long time member of the subcommittee, I support. I want to call attention to some of the national programs that are of special interest to my district, State, and section.

For the Yazoo Basin, funding is provided to continue construction on the Big Sunflower project, the demonstration erosion control projects, the tributaries project, the Upper Yazoo projects, and for backwater mitigation lands. The reformulation study—Yazoo Basin projects—is also funded as well as operation and maintenance for all completed Yazoo Basin projects.

For the foothills joint demonstration erosion control program, funds are included for work on Batupan Bogue, Otoucalofa Creek, Hotophia Creek, Hickahala and Senatobia Creeks, Long Creek, Black Creek, Burney Branch, Town Creek-Charleston, Sherman Creek, Abiaca Creek, Toby Tubby Creek, Pelucia Creek, Cane-Mussacuna Creeks, Hurricane-Wolf Creeks, and the Coldwater River.

For other ongoing construction, funds are included for the Nonconnah Creek project, the Sardis Dam—dam safety assurance, the Tombigbee River and Tributaries project, the Tennessee-Tombigbee Waterway—purchase of mitigation lands. Additionally, funds are included to begin the Horn Lakes Creek and Tributaries project, and the Gulfport Harbor project. Funding is also included for the Jackson metro area—study, and the East Fork, Tombigbee River [O&M]. Language is also included in the report directing the Corps of Engineers to submit a report to the committee which provides an assessment of infrastructure and port development needs at Newport, MS, in DeSoto County, which is the limit of which we are authorized to do at this time.

For the Tennessee Valley Authority, rural development activities are maintained at the current level. Efforts are directed at helping to eliminate the economic hardships in the valley's rural areas.

For the Appalachian Regional Commission, highway program and area development activities are also maintained at current levels. This funding supports the continued construction of corridor V. Report language encourages the Commission to facilitate the transfer of a northwest Mississippi junior college building to the Benton County school system and to strengthen the clinic at Hickory Flat which is also in Benton County.

Funding in this bill also provides for a cooperative agreement between Jackson State University, Lawrence Berkeley Laboratory, and Ana G. Mendez Educational Foundation, an ongoing program.

FIRST FISCAL YEAR 1991 APPROPRIATIONS BILL

Mr. Chairman, this is the first of our appropriations bills. Tomorrow we will take up the Commerce, Justice, State, Judiciary bill and next week we expect to take up the foreign operations and the VA-HUD-independent agencies bills. They will be followed by bills for Labor-HHS, dealing with health and education and Social Security, Transportation, providing for highways, Treasury-Postal Service, Interior, including funds for the Natchez-Trace and forestry, and the others.

Mr. Chairman, I repeat again, the total of appropriations bills has been kept $173,000,000,000 below the recommendations of the Presidents since 1945. The money in this bill is investment spending. It is not what we have spent on our own country which causes our financial problems.

I urge adoption of the bill.

Mr. MYERS of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. INHOFE].

Mr. INHOFE. Mr. Chairman, I thank the gentleman from Indiana for yielding me this time.

I would like to bring up something that I think was probably overlooked by the gentleman from Alabama and by the gentleman from Indiana in that one of the best things about this proposal is that it is going back and honoring commitments that were made long before we were here and were never honored.

I would remind Members what a couple of those are, one being a levy system that was built back in the mid-1940's that has been deteriorating. We have an obligation and a commitment that was made at that time to the public to keep that thing under repairs, only to find out that in December 1989 there was a communication from the Corps of Engineers that said they are no longer going to do it.

I commend the gentleman from Oklahoma [Mr. WATKINS] for coming forth and adding his strength to the issue to get money appropriated to keep that commitment.

The other one I am sure is going to be addressed by the gentleman from Arkansas, and that is the Montgomery Point Lock and Dam, something where this country has so many millions of dollars invested that we cannot get hold of a figure in building that navigation system all the way to middle America. It would be completely useless if at this time we did not go ahead and complete our efforts to the realization of the Montgomery Point Lock and Dam to renew that and the effectiveness of that navigation way through Arkansas and up through Oklahoma.

So Mr. Chairman, I commend all those involved in this in helping us to keep our commitment to the public that was made decades ago.

Mr. BEVILL. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. CHAPMAN], a member of this subcommittee.

Mr. CHAPMAN. Mr. Chairman, for purposes of a colloquy, I would like to ask the chairman, the gentleman from Alabama [Mr. BEVILL] a question.

Within the funds available for the Red River Basin Comprehensive Study, the committee has directed the Corps of Engineers to examine the causes of the recent severe flooding in the Red River Basin and report to the committee on what steps would be needed to restore existing structures damaged in the flooding and to assist in preventing against future flooding. This examination of flooding in the Red River Basin is to include all the States in the area who were affected by the floods, for example, Texas, Arkansas, Louisiana, and Oklahoma. Am I correct in this assumption and statement?

Mr. BEVILL. Mr. Chairman, if the gentleman will yield, yes, the gentleman is correct.

Mr. CHAPMAN. I thank the committee chairman.

Mr. MYERS of Indiana. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. PURSELL], a very capable member of this subcommittee.

□ 1510

Mr. PURSELL. Mr. Chairman, I wish to congratulate the gentleman from Alabama [Mr. BEVILL] and the gentleman from Indiana [Mr. MYERS] for their outstanding work on this legislation. As in past years, the Energy and Water Development appropriations bill is a bipartisan effort, and I am pleased to have the good fortune to serve on a subcommittee led by these two members.

Mr. Chairman, the Department of Energy is faced with unprecedented challenges in the next decade, and I am pleased that Congress is providing Secretary Watkins with the support he will need to meet these demands. The President and Congress are justifiably concerned with America's competitiveness in the future, and the Department of Energy can play a major role in improving the competitive status of our industries and our students. When Admiral Watkins was a witness before the subcommittee earlier this year, I asked him what was the single most pressing need he recognized in his position as Secretary, and his reply was to get better results and more students interested in math and science education.

The bill would provide an increase of $519 million over the 1990 level for energy supply, research, and development activities. This funds all of DOE's renewable energy programs, including nuclear fusion and fission, solar energy, and geothermal energy. The development of clean, efficient, renewable energy sources will be a key component of America's ability to compete in tomorrow's world economy.

I am a strong supporter of the Superconducting Super Collider [SSC], as I believe the benefits we would derive from it are practically endless. The SSC would help the United States attract the world's leading scientists, and it will provide benefits ranging from new technologies for tomorrow to the possibility of teaching us more about what makes the universe function.

Some of our Nation's best scientists are employed at DOE labs, and I believe we must place increased emphasis on bringing many of their research results to the marketplace. I am very pleased that the subcommittee has provided an increase of $57 million in the biological and environmental research account. One of the objectives of this program is to apply DOE technology to solving major problems in medicine. For example, laser technology is helping doctors treat kidney stones and gall bladder attacks, glaucoma, and many forms of cancer. The bill would also provide funds to support a demonstration positron emission tomography [PET] scan at Children's Hospital in Detroit. There are approximately two dozen PET scans in use in the United States today, but this would be the first dedicated to pediatric purposes.

The bill also provides a $99 million increase for supporting research and technical analysis. This program provides support for university research efforts, including facilities, fellowships, and direct program support. This is vital support, as our universities are an important part of our Nation's energy future.

Finally, one of the most pressing responsibilities facing the Department of Energy is the environmental and waste management activities. Only now are we learning more about the extent of the needs in this area. The committee has provided almost $3.3 billion for these activities, an increase of more than $1 billion from fiscal year 1990.

Again, I want to commend the chairman and ranking member and their staffs for an excellent bill, and I encourage my colleagues to support this legislation.

Mr. BEVILL. Mr. Chairman, I yield 1 minute to the gentleman from Colorado [Mr. CAMPBELL], one of our great colleagues here.

Mr. CAMPBELL of Colorado. Mr. Chairman, I rise in strong support of Chairman BEVILL's funding package to continue the important work of the Bureau of Reclamation. The work the Bureau does is crucial in my part of the country and you've helped build more than a few water projects.

For the past several years, my constituents and I have been asking for additional money above what the administration has requested. This year, however, the administration provided adequate funding for all the projects in Colorado's Third Congressional District.

For instance, the Animas-La Plata Project, the foundation of the 1986 Ute Indian Water Rights Settlement, needed $13.4 million in fiscal year 1991 in order to meet the 12-year construction timetable. The administration has finally recognized the importance of this project and recommended the necessary funding.

The National Wildlife Federation [NWF] recently attacked this project in a "dear colleague" sent to each representative. The letter was inflammatory and erroneous. The real victim of the NWF's position are not the project's sponsors, but the Colorado Ute Indians.

The construction of the project, which is comprised of an off stream reservoir and a pumping plant, is one of the components of the Colorado Ute Indian Water Rights Settlement Agreement which Congress enacted less than 2 years ago. Without the project, the Indians have nowhere to store their water.

The project is supported by the local community which voted to approve its construction by more than 60 percent in 1987.

The project is phased into two parts with the non-Indians paying for the irrigation components of the project. The farmers who benefit are obligated to pay for the project and endorsed it.

In its fiscal year 1991 budget, the Bush administration recommended spending $13 million on the project to meet the strict construction timetable and allow the Indians to take advantage of their water rights within 12 years.

More than 200 farms have signed up to receive water from the project, so many in fact, that during the third year of a severe drought, applicants for water have been turned away.

The project's effect on the salinity of the Colorado River was contemplated when the Colorado River Salinity Control Act passed in 1976. The program is already mitigating the effects of water development in the Colorado River Basin.

The project will not result in the significant loss of any wildlife habitat. Money has already been dedicated to increasing trout fisheries in the Colorado River Basin and to re-introducing endangered fish into the river through the Endangered Fish Recovery Program being supervised by the USFWS.

The project uses energy because in order to preserve the Animas River, the community chose to pump water out of the river into an off-stream reservoir rather than to dam the river.

While non-Indians do benefit, all of the water is involved in the settlement.

The Ute Indian settlement was the result of years of work. All alternatives were discussed by the House Committee on Interior and Insular Affairs last Congress. The settlement binds the Indian and their neighbors on questions of water allocation. The arguments raised by the NWF are identical to those raised during hearings and on the House floor. The bill passed committee by voice vote, and passed the House by nearly 2 to 1.

The USFWS recently completed a draft biological opinion, required by the Endangered Species Act. As required by law, the agency had only 60 days to fully interpret, review and understand the complexity of the water supply system of the entire San Juan River Basin. The report is only a draft, and the act allows more time for a thorough exploration of mitigation alternatives.

I was particularly outraged by the NWF's letter because it is masking its opposition to water projects behind a draft study, while ignoring the years of work that went into designing the project and the U.S.'s obligation to its trustee, the Colorado Ute Indians.

The other Bureau of Reclamation projects which have received the necessary funds are the Dolores, Closed Basin and Frying-Pan Arkansas projects.

I am also pleased with the administration's request for construction money to continue work on the salinity control projects in the Colorado River Basin including the Lower Gunnison salinity control unit, which the subcommittee funded for the first time last year.

These projects have the support and participation of State and local water users. The funding in the President's budget should allow those to be completed on schedule.

Chairman BEVILL has been a real friend of the West and I appreciate his support and urge my colleagues to support the bill.

The CHAIRMAN. The Committee will rise informally to receive a message.

MESSAGE FROM THE PRESIDENT

The SPEAKER pro tempore (Mr. BROWN of California) assumed the chair.

The SPEAKER pro tempore. The Chair will receive a message.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States was communicated to the House by Mr. Kalbaugh, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1991

The Committee resumed its sitting.

Mr. MYERS of Indiana. Mr. Chairman, I yield 3 minutes to the gentleman from Alabama [Mr. DICKINSON].

Mr. DICKINSON. Mr. Chairman, If I might have the attention of the gentleman from Alabama [Mr. BEVILL] for the purposes of a colloquy, I would like to ask for a slight clarification of the distinguished gentleman from Jasper.

Mr. Chairman, it is my understanding that the appropriations bill for the Energy and Water Development Subcommittee provides funding for the continuation of a comprehensive study for the Apalachicola-Chattahoochee-Flint and Coosa-Alabama River Basins in Alabama, Georgia, and Florida. One goal of this study is to provide the basis for a future tri-State agreement for the joint use of water resources.

It is also my understanding that during this comprehensive study, water supply contract or reallocations will be completed only for the short-term needs for those communities in the Tri-rivers and Coosa-Alabama River Basins that have currently identified water needs. Is this the understanding of the Chairman?

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I am happy to yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, I concur with the gentleman's statement.

Mr. DICKINSON. Mr. Chairman, I thank the chairman.

There has been a great deal of comment and concern by the areas that have need of the water. Atlanta, for instance, has a shortage of drinking water. There is this study ongoing for the allocation of water needs to the three States involved, Florida, Georgia, Alabama, and so I thank the chairman for clarifying this at this time, and hopefully it can be resolved very amicably in the near future.

Mr. BEVILL. Mr. Chairman, I yield 3 minutes to our good friend and colleague. the gentleman from Arkansas [Mr. ALEXANDER], who serves on the Committee on Appropriations.

Mr. ALEXANDER. Mr. Chairman, I wish to remind our colleagues of the serious flooding we had in Arkansas, Texas, and other parts of mid-America about a month ago.

It is the funds provided by this committee that address those problems in our region. Flood control is not pork as it is sometimes described by our friends from the media.

Flood control means protecting lives, saving homes, crops, livestock—the work of a lifetime.

I wish to thank the chairman, the ranking member and all the members of the subcommittee for the very fine work they have done in bringing this bill to the floor today.

It has been said that when the bill is finally passed by both bodies and the conference report agreed to that it will be within the President's budget.

In fact, Mr. Chairman, the Appropriations Committee has a good track record of either not exceeding Presidential requests or coming in below those requests.

I would like to point out for the benefit of the media, should they be interested, that from 1945 to 1989, the record shows that, overall, Congress has appropriated $173.5 billion less than Presidents have requested.

The facts are there. It's as simple as that.

Moreover, the record shows that in 39 of those years Congress has appropriated less than the White House has proposed.

The data is here for anyone to see. All they have to do is open their eyes to view it. I will today insert it in the CONGRESSIONAL RECORD and will be glad to make copies for anyone in the media who might want it.

I truly believe the media is doing a great disservice to our country by not reporting these facts, by tarring Congress with a big-spender brush without benefit of the facts.

□ 1520

I support this bill to provide funds for energy and water development.

While there are many other important parts of the bill, my remarks will focus on water resources management. This measure contains urgently needed money to continue the work of protecting people and property from flood damage in Arkansas and most other States.

As I said earlier devastating floods have rampaged through communities and food- and fiber-producing regions across the country.

In Arkansas this year, alone, flooding has displaced hundreds of families and wreaked tens of millions of dollars in destruction of farm crops. Even so, in the First Congressional District, which I am privileged to represent, the losses were less than they might have been in the past.

The reason is easily found—flood damage protection. Previous Congresses supported constructive actions needed to defend the national interest in securing the people and the Nation's food and natural fiber production from flooding.

The mighty Mississippi River system moves more water out of the Nation's inland regions than any other system in the country. When the millions of gallons of water traveling south to the Gulf of Mexico are multiplied by heavy rains, people in regions like Arkansas' First Congressional District go on alert.

History has taught them that even if the Mississippi stays inside its levees, floods can ravage the homes and land along rivers like the White, St. Francis, Black, Cache, and Little Red. It happens because excess water coming south from the Northern States slows or blocks the normal flow of those rivers into the Mississippi.

People in Arkansas do not have to think very hard to decide that flood control is a worthwhile investment of tax dollars. Most are aware of the ruin and loss uncontrolled flooding brings. They have personal acquaintance with it, or know people who have.

Arkansans know that flood-control projects funded by the Federal Government can be the difference between being forced out of their homes and seeing their crops destroyed by rising river waters.

The job of bringing flood control to endangered areas is not complete. This funding bill will not finish the task. But, it contains money which will help push us a step nearer our goal.

At this point, I would like to include in the CONGRESSIONAL RECORD a table showing appropriations history in the 1945 to 1989 period.

I urge that the House vote for passage of this energy and water development appropriations bill.

REGULAR ANNUAL, SUPPLEMENTAL, AND DEFICIENCY APPROPRIATION BILLS COMPARISON OF ADMINISTRATION BUDGET REQUESTS AND APPROPRIATIONS ENACTED

Calendar year	Administration budget requests	Appropriations enacted	Difference (under –) (over +)
1945	$62,453,310,868	$61,042,345,331	–$1,410,965,537
1946	30,051,109,870	28,459,502,172	–1,591,607,698
1947	33,367,507,923	30,130,762,141	–3,236,745,782
1948	35,409,550,523	32,699,846,731	–2,709,703,792
1949	39,545,529,108	37,825,026,214	–1,720,502,894
1950	54,316,658,423	52,427,926,629	–1,888,731,794
1951	96,340,781,110	91,059,713,307	–5,281,067,803
1952	83,964,877,176	75,355,434,201	–8,609,442,975
1953	66,568,694,353	54,539,342,491	–12,029,351,862
1954	50,257,490,985	47,642,131,205	–2,615,359,780
1955	55,044,333,729	53,124,821,215	–1,919,512,514
1956	60,892,420,237	60,647,917,590	–244,502,647
1957	64,638,110,610	59,589,731,631	–5,048,378,979
1958	73,272,859,573	72,653,476,248	–619,383,325
1959	74,859,472,045	72,977,957,952	–1,881,514,093
1960	73,845,974,490	73,634,335,992	–211,638,498
1961	91,597,448,053	86,606,487,273	–4,990,960,780
1962	96,803,292,115	92,260,154,659	–4,543,137,456
1963	98,904,155,136	92,432,923,132	–6,471,232,004
1964	98,297,358,556	94,162,918,996	–4,134,439,560
1965	109,448,074,896	107,037,566,896	–2,410,508,000
1966	131,164,926,586	130,281,568,480	–883,358,106
1967	147,804,557,929	141,872,346,664	–5,932,211,265
1968	147,908,612,996	133,339,868,734	–14,568,744,262
1969	142,701,346,215	134,431,463,135	–8,269,883,080
1970	147,765,358,434	144,273,528,504	–3,491,829,930
1971	167,874,624,937	165,225,661,865	–2,648,963,072
1972	185,431,804,552	178,960,106,864	–6,471,697,688
1973	177,959,504,255	174,901,434,304	–3,058,069,951
1974	213,667,190,007	204,012,311,514	–9,554,878,493
1975	267,224,774,434	259,852,322,212	–7,372,452,222
1976	282,142,432,093	282,536,694,665	+394,262,572
1977	364,867,240,174	354,025,780,783	–10,841,459,391
1978	348,506,124,701	337,859,466,730	–10,646,657,971
1979	388,311,676,432	379,244,865,439	–9,066,810,993
1980	446,690,302,845	441,290,587,343	–5,399,715,502

REGULAR ANNUAL, SUPPLEMENTAL, AND DEFICIENCY APPROPRIATION BILLS COMPARISON OF ADMINISTRATION BUDGET REQUESTS AND APPROPRIATIONS ENACTED—Continued

Calendar year	Administration budget requests	Appropriations enacted	Difference (under –) (over +)
1981	541,827,827,909	544,457,423,541	+2,629,595,632
1982	507,740,133,484	514,832,375,371	+7,092,241,887
1983	542,956,052,209	551,620,505,328	+8,664,453,119
1984	576,343,258,980	559,151,835,986	–17,191,422,994
1985	588,698,503,939	583,446,885,087	–5,251,618,852
1986	590,345,199,494	577,279,102,494	–13,066,097,000
1987	618,268,048,956	614,526,518,150	–3,741,530,805
1988	621,250,663,756	625,967,372,769	+4,716,709,013
1989	652,138,432,359	666,211,680,769	+14,073,248,410
Total	10,249,467607,455	10,075,912,028,737	173,555,578,718

Note: Prepared by House Committee on Appropriations, June 19, 1990

Mr. MYERS of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Chairman, I want to rise to say thank you to the chairman of our subcommittee and the distinguished ranking member, the gentleman from Indiana [Mr. MYERS], because they included within this bill today, as they have for the last couple of years, a continuing effort of their leadership on behalf of the environmental management program for the Upper Mississippi Basin. I am proud to say the appropriations bill in front of us at this point in time includes $17 million for that environmental management program.

This is the first program in this Nation where the Army Corps of Engineers, in cooperation with the Department of Interior and the Fish and Wildlife Service, is working jointly to pursue a balanced program between navigation on the one side and environmental concerns on the other. This has become a national and international precedent setting program.

The bill before us provides $3 million more than the President asked for. These Members deserve great commendation in that regard, and I highly support that.

I will tell Members, however, that in the past they have provided leadership and the Senate has not followed suit, so we have lost some of that leadership from these Members and from this House in terms of conference committees. I am optimistic that will change this time, because just recently we have had the Secretary of Interior, the head of the Army Corps of Engineers, Mr. Page, Assistant Secretary Connie Harriman, and Director of Fish and Wildlife John Turner, all in my district looking at the environmental management program, and they have committed that in next year's budget on behalf of the President they will request full funding. That full funding request will become absolutely crucial, because on the environmental management side we are $28 million behind the authorized level. So we need to find ways in which to restore

that funding or extend the program in order to maintain this equal balance footing between the navigation side as a part of the additional construction of Lock and Dam 26 at Alton, IL, on the one hand, and the absolute commitment to the environmental side, the resource monitoring, the ecosystem assistance and rehabilitation that is going to be necessary.

Mr. Chairman, I just want to thank both Members for their leadership in this regard.

Mr. BEVILL. Mr. Chairman, I yield 2 minutes to our good friend and colleague, the gentleman from California [Mr. BROWN].

Mr. BROWN of California. Mr. Chairman, I rise today to express my support for the fiscal year 1991 energy and water appropriations bill. I am especially pleased to see that the bill includes $65 million for the Santa Ana Flood Control project in southern California, which was included in the President's budget proposal.

The Inland Empire, located approximately 60 miles east of Los Angeles, is recognized as the most serious flood risk area west of the Mississippi. According to the Army Corps of Engineers, a major flood of the Santa Ana River could threaten 2 million people and result in damage of over $12 billion. This would be more than twice the damage caused by Hurricane Hugo in South Carolina.

The Santa Ana River is barely a trickle most of the time; however, this river can be transformed by heavy rain into a powerful and destructive torrent that floods large portions of southern California—including Orange, Riverside, and San Bernardino Counties. The 1938 flooding of the Santa Ana resulted in 87 casualties and washed out more than 100 bridges. The 1969 flooding destroyed many houses and took out Riverside's Van Buren Boulevard Bridge. The enormous growth which has occurred in this region over the past 20 years has made the risk of disaster even greater than before.

Last year, $20 million was appropriated to begin construction on the Seven Oaks Dam. Construction on the 8-year project is expected to begin later this year, after necessary land acquisition is completed. The fiscal year 1991 appropriations bill includes $65 million for additional construction on the Seven Oaks Dam, as well as funding for other features of the Santa Ana Mainstem project, including the Mill Creek Levee, San Timoteo Creek Channel, Oak Street Drain, Prado Dam, and the Santiago Creek.

I appreciate the committee's support for the Santa Ana Mainstem project in the fiscal year 1991 energy and water development appropriations bill. When completed, the Santa Ana Mainstem project will provide the necessary flood protection for over 2 million people and hundreds of square miles of developed lands in southern California.

Mr. MYERS of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. STANGELAND], a very valuable member of the authorizing committee, with whom we have worked very closely.

Mr. STANGELAND. Mr. Chairman, I rise in support of H.R. 5019, the fiscal year 1991 energy and water development appropriations bill. The legislation provides critically needed funds for the Corps of Engineers, the Bureau of Reclamation, and other energy and water-related agencies.

First, let me congratulate the committee and subcommittee leadership for their efforts in what must be an exceedingly difficult job. They received 15,000 pages of testimony and listened to over 100 Members of Congress request funds for priority projects and programs. Chairman JAMIE WHITTEN; ranking minority member, SILVIO CONTE; subcommittee chairman, TOM BEVILL; and subcommittee ranking minority member, JOHN MYERS are to be commended for their leadership and willingness to address so many needs and requests.

I particularly want to thank Chairman BEVILL and ranking minority member MYERS for their hard work on funding the Corps of Engineers, the Bureau of Reclamation, and other agencies. As ranking minority member of the Public Works Committee's Water Resources Subcommittee, I value our close working relationship. Members of the two authorizing and appropriating committees for the Corps of Engineers must continue to work together.

Having said that, let me express some concern about a few of the bill's provisions. The Public Works and Transportation Committee recognizes emergencies arise that might justify very limited exceptions to House Rule 21's prohibitions against legislating in an appropriations bill and appropriating for unauthorized projects. H.R. 5019 certainly contains some examples of such violations.

Rather than single out and raise points of order against these provisions, however, let me just reiterate our committee's concerns and elaborate on our plans. We will not object to these provisions at this point. However, we will continue to question the need to violate rule 21, particularly when the authorizations process is on a 2-year cycle. The Water Resources Subcommittee will make every effort to address our colleagues' needs on a frequent and reliable basis. In fact, we hope to move an omnibus Corps of Engineers bill in the coming weeks. It is simply inappropriate to use the appropriations process to authorize projects or make policy.

In spite of these incursions on our committee's jurisdiction and violations of rule 21, I believe the bill as a whole is a good one. Besides providing needed funds for the Corps' general investigations, construction, and operation and maintenance accounts, the bill places greater emphasis on environmental and infrastucture initiatives. In particular, I am pleased to see wetlands research addressed in H.R. 5019.

For wetlands regulations and other corps' regulatory matters, the bill provides $71.5 million. I am hopeful this will suffice; we need adequate funding to protect these resources. In the meantime, I would hope the corps could interject some procedural and administrative reforms into the process. I am also extremely concerned about recent proposals to increase permit fees and impose new charges for wetlands mapping and environmental reviews. If implemented in their current form, these unprecedented cost increases would not only add insult to injury for many permit applicants but possibly also encourage unpermitted, illegal wetlands activities.

Next, I want to personally thank the committee for funding several important water resources projects and studies in Minnesota. For example, the bill directs the Secretary to continue the Sauk Lake cleanup project, authorized in the Water Resources Development Act of 1986. The project demands the immediate attention of the Secretary. The alternatives report, which is to be treated more like reconnaissance survey than a feasibility study for cost-sharing purposes, should be implemented as soon as possible. Within existing funds, the Secretary should move forward with the acquisition of a weed harvester. If the need exists for additional harvesters and related equipment, the corps should use funds provided in this legislation. Funds available in H.R. 5019 should be directed toward measures—such as acquisition of weed harvesters—that result in actual cleanup rather than just more study. Again, this is a high-priority project. As I understand it, the committee's intent is that the corps move forward immediately with implementation using previously appropriated funds as well as funds provided in this legislation.

Several other Minnesota-related projects deserve mention. The $50,000 provided for Buffalo River streambank protection will encourage greater use of nonstructural, environmentally compatible measures. The $200,000 for Little Falls will help meet flood control, water quality, and related problems upstream of the city.

The Minnesota/North Dakota Technical Resource Service, authorized in section 50 of the Water Resources Development Act of 1988, receives first-

time funding of $250,000. This program has the strong backing of water officials from both States as well as from local watershed boards and concerned citizens. It should lead to improved flood-control measures and increased participation from all public and private sectors.

This limited funding under section 50 of the 1988 Act, however, is not a substitute for funding under the highly successful section 22—planning assistance to States—and section 206—flood plain management Service—programs. These vital programs supplement the technical resource service. As the committee report mentions, the Federal share is to remain at 100 percent for sections 22 and 206. The new section 50 service is to receive the same treatment in this instance; at no time did Congress intend for it to involve anything less than 100 percent Federal cost sharing.

The Committee has also included $39 million for the Garrison Dam diversion project. For a long time, along with Congressman BYRON DORGAN and others, I have urged adequate funding for this worthwhile initiative. With appropriate environmental safeguards and non-Federal support, this project has the potential to meet the increasing water supply needs of a very thirsty region. Both Minnesota and North Dakota should benefit.

Mr. Chairman, H.R. 5019 is important legislation for meeting the Nation's energy and water needs. I urge my colleagues to support it.

Mr. BEVILL. Mr. Chairman, I yield 1 minute to the gentleman from Maryland [Mr. DYSON].

Mr. DYSON. Mr. Chairman, I rise today to support H.R. 5019, the Energy and Water Development Appropriations Act for fiscal year 1991.

As always, this legislation contains funding for a multitude of individual projects.

And as always, taken as a whole, it is far greater than the sum of its parts.

The legislation before us will fund research into magnetic fusion, superconductivity, and supports the development of environmentally safe solar and renewable energy resources.

The bill will maintain the Nation's harbors, protect floodplains, provide for the cleanup of nuclear facilities and the development of nuclear waste containment facilities.

The bill directly affects thousands of communities and touches the lives of millions of U.S. citizens, Mr. Chairman. Its development is truly a tribute to the energy of our colleagues, the Honorable TOM BEVILL, JOHN MYERS, and of the members and staff of the subcommittee.

Of the hundreds of projects and activities supported by this bill, there is one with which I am especially familiar. It is one that I think illustrates both the importance of this legislation and the difficult job the subcommittee faces in putting it together.

That project is officially known as the Atlantic coast of Maryland hurricane protection project. It began in 1962, when a particularly brutal storm swept over Ocean City, which at that time was a small seaside community on Maryland's Atlantic coast.

The storm inflicted 16 million dollars' worth of property damage. This may not sound like much, but today it would translate into damages of more than $160 million.

The following year, Mr. Chairman, the House directed the Corps of Engineers to study the shoreline's vulnerability, and to estimate the likely property damage that might occur in the event of what is referred to as a "100-year storm."

Eighteen years later, that report was delivered to the chief engineer. That was 1981. The report observed that "little natural protection from storm tides and waves remains" to protect Ocean City. It concluded that "there is significant potential for a major storm causing a catastrophe."

Based on that conclusion, the Corps of Engineers estimated that a 100-year storm would inflict at least $50 million in property damages and could possibly threaten the lives of thousands of the city's summer visitors.

The corps therefore recommended an extensive hurricane protection project be undertaken to avoid the catastrophic damage of a midsummer hurricane or a midwinter northeastern storm.

The year the corps released their report, I took my place as a freshman Member of the House of Representatives. I have been working steadily since then to see the Corps' recommendation put into action. In the words of my district's farmers, Mr. Chairman, let me say that it has been a long row to hoe.

I will not recap the entire history of this effort. It is too sad a tale to burden our colleagues with today. There have been the usual setbacks and obstacles with which I suppose every Member of this body is painfully familiar.

The administration consistently refused to recommend the project.

Gaining an authorization despite this refusal was itself an arduous task.

State and Federal authorities had to negotiate agreements on project design and cost sharing.

Meanwhile, costs escalated due to the inflation that always accompanies delays. New storms ravaged the coast. The battering that Ocean City withstood from Hurricane Gloria and tropical storm Juan, for instance, added nearly $9 million to the price of the project.

I continued to promote this project, Mr. Chairman, because I truly believe that it is absolutely vital to the safety, welfare, and future of Ocean City's residents and visitors.

Each summer weekend, more than 350,000 visitors flock to Ocean City. In the years since the Ash Wednesday storm, more than 2.5 billion dollars' worth of property has sprung up along the exposed seaside.

The Federal Flood Insurance Program, I might add, insures just under half of that, meaning that the Federal Government has a $1.1 billion investment in the city's safety.

I have believed that a major storm, sweeping unexpectedly out of the Atlantic, would impose property damage worth tens of millions of dollars.

Worse, I have feared that such a storm would inevitably claim the lives of countless residents and visitors.

As if to bear out these considerations, the Corps of Engineers released in 1987 a supplemental study of the Ocean City project. According to that study, a severe storm would, in fact, inflict property damages in excess of $100 million.

Now, finally, the plan developed almost a decade ago is in full swing. Contained in the bill before us is $14.8 million for the Atlantic Coast of Maryland Hurricane Protection Program. From the perspective of the overall Federal budget, or even the total appropriation for energy and water development, this is not very much.

But looked at from the perspective of the residents of Ocean City, and of the State of Maryland, this figure takes on considerable significance.

On behalf of the people of Ocean City, and of the State of Maryland, I would like to thank TOM BEVILL, and JOHN MYERS, their colleagues on the subcommittee for the consideration and attention that they have given to this project.

Budget constraints have forced the postponement of many deserving projects. Chairman BEVILL cannot control the amount of revenues that he is responsible for allocating. He and his subcommittee must choose carefully between many competing claims.

They examine every proposed project in great detail. Each year they take testimony from interested Members of Congress. They hear from most private citizens motivated enough to make the trip to Washington.

The chairman can justifiably claim to have heard it all before. But he has always listened intently when I have testified before his subcommittee. He has asked insightful questions, and given sincere assurances that he would give every consideration to my request for funding.

In my opinion, no one can reasonably ask for more than that.

In closing, Mr. Chairman, let me restate that this bill is, on the whole, greater than the sum of its parts. It

serves the future of this country as much as it does the future of the countless communities that are home to the projects it identifies.

Putting together the mosaic that is contained in this bill is a difficult, time-consuming job, and I am pleased to congratulate Mr. BEVILL; the ranking minority member, Mr. MYERS from Indiana; and the members and staff of the Subcommittee on Energy and Water Development for a job well done.

I urge my colleagues to support this bill.

Mr. MYERS of Indiana. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. RHODES], who has given very valuable help to us and whose father was the ranking Republican member of this committee.

Mr. RHODES. Mr. Chairman, I need to tell Members a little story. For the past 3 years I have requested this subcommittee to restore $3.2 million to the Bureau of Reclamation weather modification program, and I have appeared before the subcommittee each of those years and very eloquently testified in support of my request. In each of those 3 years the subcommittee has chosen not to adhere to my requests.

So this year I submitted my request in writing and decided not to waste the time of the subcommittee nor mine by appearing to testify. And lo and behold, the bill as reported by the committee contains the $3.2 million for the Bureau of Reclamation's weather modification program.

Now, my colleagues, there is a lesson to be learned here someplace, and when I figure out what it is, I will let Members know.

□ 1530

I do want to thank the subcommittee not just for that restoration of the Bureau of Reclamation funds for what I think will turn out to be a very important program, but for the bill itself. It is an excellent bill. It addresses a lot of needs nationwide, and the gentleman from Alabama [Mr. BEVILL], the gentleman from Indiana [Mr. MYERS], and the balance of the committee are to be congratulated, and I urge my colleagues to support this bill.

Mr. BEVILL. Mr. Chairman, I yield 2 minutes to our colleague and friend, the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Chairman, first of all I want to express my strong support for this important bill and two specific projects in New Mexico, one, the Acequias project for the water irrigation district, and I also strongly support the full funding for the Animesda Plata project that the chairman and the subcommittee have included, consistent with the Bush budget. That is an important water project for the States of Colorado and New Mexico and the Ute Indians. It is an agreement that the Congress should honor in the future, and I am glad the full funding is there.

I am concerned, however, about language in the bill that would eliminate independent research and development funds for the national laboratories including Los Alamos National Laboratory in my district.

Current policy authorizes the Department of Energy to tax certain programs to provide discretionary funding for laboratory-directed research and development projects. The discretionary fund allows our national laboratories the flexibility to fund new discoveries and timely ideas. The discretionary fund is critical to our laboratories' ability to address pressing scientific issues in the Nation's interest.

At Los Alamos National Laboratory, the Institutional Supporting Research and Development [ISRD] Program is the Director's discretionary, basic research and exploratory research and development program. In fiscal year 1990 this program accounted for approximately 7 percent of the Laboratory's total funding amounting to $68 million.

Mr. Chairman, the ISRD program at Los Alamos is a proven success. Examples of programmatic research areas that have emerged, at least in part, from ISRD funding include inertial and magnetic fusion, human genome studies, high temperature superconductivity, and compact high current proton accelerators.

Elimination of the program would cripple the Laboratory's ability to aggressively pursue emerging technologies essential to the Nation's rapidly changing needs. For instance, new but unproven approaches to environmental restoration would generally have to wait for the 2-year proposal process of the Department to be funded. The Laboratory's science and engineering capability would be limited to the present array of externally funded programs and could not be deployed to new emerging areas. Finally, the Laboratory could not act as quickly to hire outstanding scientists as they are identified.

The discretionary fund for independent research and development is essential to our national laboratories' scientific effectiveness in achieving and maintaining staff and program excellence. Such flexibility is crucial if the scientific community is to meet the Nation's rapidly changing demands. In short, while we must have accountability, we can't allow the bureaucratic process to run our entire scientific program. Science and bureaucracy mix as well as oil and water—with much the same effect—the science gets polluted. I urge my colleagues to reinstate this program.

The House Committee on Appropriations passed a bill making appropriations for energy and water development for fiscal year 1991. Included in the bill is funding for several programs at the Los Alamos National Laboratory

VERIFICATION AND CONTROL TECHNOLOGY

Verification and control technology provides for arms control treaty verification and national security requirements. Los Alamos is uniquely suited to conduct research into verification and control technologies. Los Alamos specializes in detection technology including satellite monitoring programs and seismic and nonseismic monitoring of nuclear testing.

The House Appropriations Committee approved $164.4 million for verification and control technology. LANL will get in excess of $30 million.

MAGNETIC FUSION ENERGY

Research aimed at developing magnetic fusion could provide the country with an essentially unlimited source of electricity that has environmental and safety advantages over other energy technologies. Under construction at Los Alamos is the Confinement Physics Research Facility which promises to develop alternative methods of achieving fusion.

The House Appropriations Committee approved $325.3 million for the Magnetic Fusion Program with $21.2 million allocated to Los Alamos.

NUCLEAR PHYSICS

The House Appropriations Committee approved $330.7 million for fundamental research in nuclear physics. The Los Alamos Meson Physics Facility [LAMPF] at Los Alamos is one of the most impressive nuclear research facilities in the world.

Los Alamos will receive $41.0 million for the LAMPF facility.

SPECIAL NUCLEAR MATERIALS R&D LABORATORY REPLACEMENT

The Appropriations Committee has recommended no funding for this project because the scope of the project has significantly changed and the total estimated cost of the project has increased from $210 million to an estimated $375 million. The project is currently under review by the DOE.

NUCLEAR WEAPONS RESEARCH AND DEVELOPMENT

The House Appropriations Committee approved $1,164,261,000 for nuclear weapons research and development. Nuclear weapons research and development is essential to avoid technological surprise and ensure the reliability and safety of weapons from the stockpile. Los Alamos plays an essential role in the Nation's nuclear weapons R&D.

Water projects in New Mexico: $200,000 was approved for the New Mexico Regional Water Resources Study.

Operations and maintenence: $1.2 million was approved for the Abiquiu Dam; $1.4 million was approved for

the Cochiti Lake; $869,000 was approved for the Conchas Lake; $216,000 was approved for the Galisteo Dam; $400,000 was approved for the Jemez Canyon Dam; $705,000 was approved for the Santa Rosa Dam and Lake; $423,000 was approved for the Two Rivers Dam.

General investigations study: $460,000 was approved for the Pecos River in Roswell; $263,000 was approved for the Rio Grande Floodway project from San Acacia to Bosque Del Apace.

Construction: $2 million was approved for the Acequias Irrigation System; $200,000 was approved for the Albuquerque North Diversion Channel; $1.4 million was approved for the Rio Grande Floodway, Truth or Consequense Unit.

Mr. MYERS of Indiana. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Chairman, I rise more out of frustration than out of criticism, and I really am seeking an explanation.

We can be rightfully criticized on the authorizing side for not passing authorization bills to guide the Appropriations Committee. I think that has been true for too long. It has been particularly true out of some committees such as mine in Science, Space, and Technology. We often do not have authorizaton bills not because we do not try, but because we cannot get them through the Senate.

But in the case of some of the programs in this bill we managed to do so. We have a public law, Public Law 101-218, that dealt with renewables and solar. Under the provisions of our bill, under the things that are exclusively in the jurisdiction of the Science, Space and Technology Committee, the Appropriation Committee was allocated $113 million to spend. The bill we have before us in those accounts comes to almost $139 million.

The reason why I am frustrated is why in the world should any of us work on the authorizing committees to do our job if we are going to be ignored? This bill totally ignores our priorities, and it certainly ignores our overall spending figures. You are in a position in the accounts that are exclusively ours of going way over anything that we allocated.

I have heard explanations on the floor so far that we went by the President's budget. The President's budget does not guide you; the upward limit that you have is the authorization, if we meet anything. I have heard that you have come up with new things that you wanted to try. That is fine, except you had an authorization guide, and that should be the upward limit. We ought not be put in a position as authorizers of having your committee just say we have decided that what got put in the public law simply does not guide us.

Can someone explain to me on the floor why it is that the authorizing committee was ignored with its money figures? I am glad to yield. I mean I would really like to know why we are some $25 million above what the authorizing committee told you to do.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, I can understand what the gentleman is saying. This Appropriation Committee endeavors not to raise the authorization; it is not our role, as the gentleman says. Often we have to authorize programs that are needed very badly, and in this particular instance there was a difference and we did appropriate some money that was not authorized because again we have to reprioritize. There was a request from the administration for money, and it was in biofuels and wind energy, not only solar, also for photovoltaics. We are having a breakthrough in growing photovoltaics now, and those are the areas that we thought we needed to fund.

Mr. WALKER. If the gentleman will allow me to reclaim my time, the committee had $113 million and they exceeded it vastly. It seems to me that it does not make sense.

Mr. MYERS of Indiana. But it was in areas that we identified a need where we exceeded because there was a request.

Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas [Mr. HAMMERSCHMIDT], the ranking member of the authorizing committee, one with which certainly this committee works very closely.

Mr. HAMMERSCHMIDT. Mr. Chairman, I rise to commend the Appropriations Committee for their work in funding needed water resources projects around the country and in the Arkansas Basin in particular. In this regard, I also want to draw special attention to the need to continue funding for the McClellan-Kerr Waterway, which is very important to the entire basin. The project has been operational since 1968 and has provided Arkansas and Oklahoma with a navigation link to the inland waterway system. In recent years, problems have been encountered with low water problems at the mouth of the system where the White River enters the main channel of the Mississippi. The corps has been looking at the problem and is pursuing a plan that calls for construction of a new lock and dam at river mile 0.5—the so-called Montgomery Point Lock and Dam. The corps study on this is not yet complete and will need to evaluate all available options and their environmental consequences. I commend the committee for providing $1 million to allow the corps to complete their study. The committee report also provides that the funds may be used for land acquisition for the Montgomery Point Lock and Dam—a step that ordinarily represents the first step in construction for the project. It is my understanding that these funds are being provided with the understanding that the lock and dam is authorized as an element of the original authorized project.

Mr. BEVILL. If the gentleman will yield, Mr. Chairman, the gentleman is correct. That is our understanding.

Mr. HAMMERSCHMIDT. Let me assure the gentleman from Alabama that we on the authorizing committee have also reviewed the authorization of the McClellan-Kerr system and concluded that the lock and dam near the confluence of the White and Mississippi Rivers was included in the broad discretionary authority conferred upon the corps to construct a 9-foot navigation channel for the Arkansas River. In that regard, I would ask the gentleman from California, the distinguished Chairman of the Committee on Public Works and Transportation if he agrees that a dam at the entrance channel is authorized.

Mr. ANDERSON. Mr. Chairman, if the gentleman will yield, let me state that we have examined the project documents. We have concluded that the authorization for the comprehensive Arkansas River Project gives the chief of engineers clear and broad authority to construct such facilities as he determines necessary and desirable to provide a usable 9 foot depth navigation channel between Little Rock and the Mississippi River. Under this authorization, the chief of engineers possesses full authority to construct the Montgomery Point Lock and Dam. Furthermore, such a feature of the project has never been recommended for deauthorization by the corps, nor has it ever been deauthorized by operation of law. Therefore, it is the view of the authorizing committee that the lock and dam currently under study by the corps—the Montgomery Point Lock and Dam—is authorized.

Mr. HAMMERSCHMIDT. Mr. Chairman, I thank the gentleman.

Mr. CONTE. Mr. Chairman, today we are considering the first of 13 regular appropriations bills for fiscal year 1991. As usual, the first horse out of the gate is the energy and water development bill.

And it seems to be a pretty healthy horse this year, some $2.4 billion stronger than last year—$20.9 billion in new budget authority.

But to those who say the bill is too big and that we should reject it because of its size, I answer that it's high time to get on with the business of appropriations. Of course, the bill is large. Of course, the numbers are subject to the outcome of the budget summit negotiations.

But the bill reflects the most difficult work of the subcommittee in establishing priorities for the important programs within its jurisdiction. If the numbers have to change down the line, so be it. But the bill establishes a framework of funding priorities that we should adopt now, irrespective of the final budget resolution.

Mr. Chairman, under the Budget Act, the House is to complete action on all the regular appropriations bills by June 30. That's a target we won't hit, but we have to get moving ahead now, so we won't have to rely on the ugliest of all appropriations beasts, the continuing resolution, later.

Mr. Chairman, being behind schedule is not a sufficient reason to pass this bill. Fortunately, the bill has much to commend it. First, this bill demonstrates that Congress is serious about solving one of the most serious environmental problems of our times: the cleanup of contaminated nuclear production facilities. The bill contains $3.3 billion for the environmental restoration and waste management activities of DOE; $3.3 billion is a ton of money by anyone's standards.

But if we're ever going to solve a $100 billion problem and leave behind an uncontaminated world for our grandchildren, we need to spend some real money, and we need to invest now, before costs escalate further.

The bill also contains a substantial increase for the solar and renewable energy programs of the Department of Energy. The bill includes $130 million for solar energy programs, $14.5 million more than requested by the President and $38 million more than last year. This reflects the committee's recognition that we can no longer be complacent with our energy supply situation. We must release ourselves from the stranglehold of foreign oil, and the development of new, clean, efficient energy sources is the key to our energy freedom.

The bill also fully funds the administration's request of $46 million for the human genome project, and it adds $5 million to the $20 million budget request for energy biosciences to increase competitive DOE grants for biological research.

The bill even contains full funding—$318 million—for the superexpensive super hole in Texas.

There are those of us who are concerned that this is a lot of money to pour into a project that lacks substantial foreign commitments, a firm cost estimate, and an authorization. But the committee will keep a very close eye on the project to ensure that DOE keeps costs down and proceeds consistently with the SSC authorization bill passed by the House last month.

I would also like to note that the bill contains $30 million for the Garrison Diversion project in North Dakota. I would like to thank the gentleman from North Dakota [Mr. DORGAN] for his cooperation and good faith efforts in negotiations a compromise with me on the expenditure of these funds.

We both fully intend to comply with the agreement on Garrison that led to the Garrison Reformulation Act of 1986.

Mr. Chairman, I would like to pay special tribute to two members of the subcommittee who have decided to make this energy and water bill their last. My dear friends, the gentlewoman from Nebraska [Mrs. SMITH] and the gentleman from Oklahoma [Mr. WATKINS] have been devoted members of this subcommittee, and the entire country has benefited from their extraordinary efforts. I wish them the very best in their future endeavors.

The chairman of the subcommittee, the Honorable TOM BEVILL of Alabama, and the ranking minority member, the Honorable JOHN MYERS, have—along with the other members of the subcommittee—done their usual outstanding job in ordering our national priorities for energy and water development. The product of their herculean efforts is before you now, and I urge your support.

Mr. MILLER of California. Mr. Chairman, in February of this year, the Subcommittee on Water, Power and Offshore Energy Resources held a hearing on H.R. 3960, a bill to increase the authorized cost ceiling for the Colorado River storage project [CRSP] to allow for the completion of the Bonneville unit of the central Utah project.

At this hearing, the subcommittee received testimony from the inspector general of the Department of the Interior, who repeated his findings from an audit report completed in April 1988. The report found that the Bureau of Reclamation's methods of calculating the CRSP cost ceiling were improper and misleading. The report also found that the Bureau failed to disclose hundreds of millions of dollars in cost overruns to the Congress; improperly extended the repayment period from 50 to 60 years in seven repayment contracts; revised cost allocations without congressional approval, resulting in at least $400 million in lost interest; and overstated the project cost ceiling estimates to Congress by $388 million. The inspector general made specific recommendations to the Bureau to correct these problems. The Bureau has not implemented these recommendations.

One of the most significant recommendations made by the inspector general was that the Bureau modify its misleading practice of lumping separable CRSP project features together for the purpose of indexing their statutory cost ceilings. Instead, the inspector general recommended that the Bureau report to Congress the estimates of cost ceilings, expenditures, and remaining spending authority for each of the individual storage projects and participating projects within the CRSP program.

In a submission to the subcommittee on February 12, 1990, the Bureau provided such project-by-project breakouts. The financial data clearly indicate that several individual CRSP participating projects, including the Bonneville unit of the central Utah project and the Dallas Creek and Dolores projects, will exceed their authorized cost ceilings if completed under current project plans. This information raises the question of whether the cost ceilings will be exceeded in fiscal year 1991 if appropriations included in H.R. 5019 are enacted. I am including the February 12, 1990, letter from the Commissioner of Reclamation, and the financial data included with that letter for the RECORD.

The findings and recommendations of the inspector general, and the financial information supplied by the Bureau make it apparent that the status of CRSP cost-ceiling calculations is questionable at best.

It is my expectation that funds contained in the bill for the Bonneville unit, Dallas Creek, and Dolores projects should be obligated by the Secretary of the Interior only to the extent authorized by law. It is my further expectation that such increases in the statutory cost ceilings for these three projects as are necessary should be authorized before fiscal year 1991 appropriations are obligated for these projects by the Secretary.

I want to assure my colleagues from Utah and Colorado of my willingness to work with them toward the enactment of legislation this year that will provide the authority needed to bring the Bonneville unit, Dallas Creek, and Dolores projects to an acceptable and useful state of completion.

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, DC, February 12, 1990.

Hon. GEORGE MILLER,
Chairman, Subcommittee on Water, Power, and Offshore Energy Resources, Committee on Interior and Insular Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to recommendations by the Inspector General, Reclamation has agreed to provide the Congress with some supplemental information to the budget concerning the Colorado River Storage Project (CRSP) appropriation ceiling. The enclosed Table 1 lists all the initial and participating units of the CRSP authorized by Public Laws 84-485, 92-370, and 100-563. The Total Line shows that the authorized appropriation ceiling needs to be increased by $708.9 million to complete the project as authorized by these three laws.

The enclosed Table 2 lists the participating units of the CRSP authorized by Public Law 90-537. The Total Line shows that the authorized appropriation ceiling needs to be increased by $9.3 million to complete those units as authorized. These needs have been identified in the Budget Justifications submitted in support of the President's Budget for fiscal year 1991.

I would be happy to answer any questions you may have concerning these two appropriation ceilings.

Identical letters are being sent to Senate Subcommittee on Water and Power; Senate Subcommittee on Energy and Water Development; and House Subcommittee on Energy and Water Development.

Sincerely,

DENNIS B. UNDERWOOD,
Commissioner.

TABLE 1.—COLORADO RIVER STORAGE PROJECT PARTICIPATING UNITS (PUBLIC LAWS 84-485, 92-370, AND 100-563)

Units	Indexed unit estimates October 1990 [1]	Total amount currently estimated for completion [1]	Difference between indexed unit estimate and estimated cost for completion
Wayne N. Aspinall	$214,978,412	$168,068,158	$46,910,254
Flaming Gorge	72,053,571	80,933,950	(8,880,379)
Glen Canyon	328,720,817	254,895,890	73,824,927
Navajo	43,235,236	44,330,596	(1,095,360)
Transmission	130,601,000	130,599,127	1,873
O and M	3,578,000	3,577,680	320
Quality of Water	499,000	498,926	74
Bonneville	1,121,034,840	1,888,497,372	(767,462,532)
Jensen	23,045,543	72,220,256	(49,174,713)
Upalco	61,344,316	103,854,000	(42,509,684)
Vernal	11,420,237	10,401,297	1,018,940
Emery County	19,057,684	16,294,510	2,763,176
Florida	11,268,032	11,263,438	4,594
Hammond	8,771,216	7,262,257	1,508,959

TABLE 1.—COLORADO RIVER STORAGE PROJECT PARTICIPATING UNITS (PUBLIC LAWS 84-485, 92-370, AND 100-563)—Continued

Units	Indexed unit estimates October 1990 [1]	Total amount currently estimated for completion [1]	Difference between indexed unit estimate and estimated cost for completion
La Barge	136,000	136,279	(279)
Lyman	15,421,798	35,892,439	(20,470,641)
Paonia	6,129,904	6,166,878	(36,974)
Pine River Extension	136,000	136,496	(496)
Seedskadee	121,937,295	41,711,807	80,225,488
Silt	8,541,785	7,393,669	1,148,116
Smith Fork	4,588,043	4,568,980	19,063
Strawberry Valley [2]	18,000,000	18,000,000	0
National Fish Hatcheries	9,075,271	16,544,000	(7,468,729)
Modifications and Addition	(2,306,000)	14,810,913	(17,116,913)
Rounding/Adjustments	(2,091,000)	0	(2,091,000)
Total	[3] 2,229,177,000	2,938,058,918	(708,881,916)

[1] Initial unit estimates were based on the estimated cost of the unit when authorized by Congress and then adjusted by engineering indexes. These initial estimates may have been made quickly, using preliminary data available. The amount currently estimated for completion may also be based on similar data, especially for those projects which have been inactive for a time.
[2] This is authorized by Public Laws 100-563 and 101-101.
[3] This is the indexed appropriation ceiling, October 1990 prices, for the project.

TABLE 2.—COLORADO RIVER STORAGE PROJECT PARTICIPATING UNITS (PUBLIC LAW 90-537)

Units	Indexed unit estimates October 1990	Total amount currently estimated for completion	Difference between indexed unit estimate and estimated cost for completion
Animas-La Plata	422,900,000	352,033,500	70,866,500
Dallas Creek	134,016,000	166,864,000	(32,848,000)
Dolores [1]	171,765,000	460,513,351	(288,748,351)
San Miguel	254,208,000	125,430,000	128,778,000
West Divide	382,449,000	260,671,000	121,778,000
Endangered Species [2]	0	10,000,000	(10,000,000)
Rounding/Adjustments	836,000	0	836,000
Total	[3] 1,366,174,000	1,375,511,851	(9,337,851)

[1] McElmo Creek was made a component of the Dolores Project by Public Law 98-569. It is not included here since it is a part of the Colorado River Basin Salinity Control Projects, Title II appropriation ceiling.
[2] Endangered Species covers activities required by Public Law 100-202 and is to be accomplished within the appropriation ceiling of Public Law 90-537, but costs not to exceed $10 million.
[3] This is the indexed appropriation ceiling, October 1990 prices, for the five participating units and the endangered species work.

Mr. DORGAN of North Dakota. Mr. Chairman, I first want to thank members of the Energy and Water Subcommittee for your unfailing cooperation and your support for the Garrison Diversion project.

The $30 million included in this fiscal year 1991 appropriations bill helps to keep faith with North Dakota and to remind the Office of Management and Budget [OMB] about fair play.

It appears that some OMB budgetary zealots tried to zero out a water project in the most rural State in the Nation as a way to shave some funds from the Federal budget. They would have done this in the name of economy and environmental protection.

Unfortunately, their green eye shades have blinded them to a cardinal principle: that the Federal Government must keep its commitments to the people. The Garrison commitment stems, as you know, from the promise that North Dakota would receive a major water development project in exchange for the loss of 500,000 acres of prime farm land to a dam and reservior providing electricity and flood control to downstream States.

KEEPING A FEDERAL COMMITMENT TO NORTH DAKOTA

I underscore that the Federal commitment to compensate the State of North Dakota and its Indian tribes, was made irrespective of any economic or environmental calculations. The State suffered the permanent presence of a Rhode Island sized flood and received a promise for water development in return.

However, the State did agree to build the Garrison Diversion project in a manner which took into account both benefit analysis and protection of the environment. For example, the project calls for acre-for-acre mitigation of the loss of any wetlands or environmentally sensitive tracts. The State has scrupulously adhered to this policy and even established its own wetland trust and initiated the no-net-loss concept.

Mr. Chairman, the people of North Dakota have now suffered through a decade of falling farm and energy prices and 2 years of drought. Garrison offers not only the fulfillment of a Federal commitment, but a key ingredient in rebuilding a shaken State economy. Without Garrison, we lose the buffer of protection against drought, the ability to deliver usable water to several communities with unreliable water supplies, and the chance to promote industrial development in the Red River Valley. Nor should it be overlooked that termination of Garrison represents another broken promise to the native Americans of our State, since a major share of the Garrison benefits would redound to the tribes.

Permit me to remind Members what the Reformulation Act promised. Public Law 99-294 declared that Congress sought to:

First, meet the water needs of the State of North Dakota, including municipal, rural, and industrial water needs and

Second, offset the loss of farmland within North Dakota resulting from the construction of major features of the Pick-Sloan Missouri Basin Program, by means of a federally assisted water resource development project providing irrigation for 130,940 acres.

North Dakota was promised $200 million for the municipal and industrial program. To date, it has received only a fraction of that money. Regardless of any alleged problems with the cost or economics of irrigation facilities, the Federal Government absolutely must keep its first pledge to meet North Dakota's water needs.

Moreover, North Dakota has yet to receive irrigated water for 1 acre of the 130,000-acre plan—excluding test plots in the Oakes Test Area.

PRESIDENT REAGAN'S SUPPORT

Let me, therefore, recall for my colleagues that President Reagan signed the Garrison Reformulation Act and sent me this congratulatory letter, which read in part:

I am confident that this measure addresses the water needs of your state, while maintaining a fiscal integrity consistent with my administration's efforts to ensure that only cost-effective projects are constructed.

President Reagan told me that Garrison met the test, that it was "an acceptable compromise." Now the former Vice President sends up a budget which says that Garrison no longer passes muster and that the people of North Dakota must high jump 8 feet to satisfy the whims of the green-shade brigade at OMB. Ironically, OMB Director Dick Darman was also a high-ranking official in the same Reagan administration when Garrison reformulation became the law of the land.

I respectfully ask my colleagues if budgetary shuffles represent the fulfillment of a solemn promise enshrined in public law. I say "No" and must categorically condemn successive administrations—Republican and Democratic alike for breaking faith with North Dakota.

In the interest of fair play and economic development, I hope that you will honor the Federal commitment with funding in fiscal year 1991 in the amount of $30 million, as included in H.R. 5019.

COMPENSATION FOR GROWTH AND DEVELOPMENT

I underscore that Garrison Diversion has a big job. Making up for the loss of one-half million acres in prime farmland is a tall order.

But we must move ahead to realize this promise with a solid budget in fiscal year 1991, after a 3-year freeze has prevented Garrison from receiving appropriation levels equivalent to the $40 to $60 million levels of the mid-1980's. Instead of being at ground zero or even $30 million, Garrison funding should be restored to a level near $45 million, which the Bureau of Reclamation is fully capable of doing. However, $30 million will at least keep the project moving—especially on rural, municipal, Indian, and industrial water development.

MOVING AHEAD ON SHEYENNE RIVER FLOOD CONTROL

I also want to support the committee report on flood control activities on the Sheyenne River in eastern North Dakota. Despite the semiarid climate in the State, which gives rise to Garrison Diverson, the flat prairie lands and sheet flooding of springtime makes the Sheyenne River area particularly vulnerable to disastrous flooding. Even as I testified last year, eastern North Dakota was being inundated by a spring flood.

Last year Congress provided start-up funding for the Sheyenne River Diversion project. Over $5 million was appropriated for the initial construction of this important flood control project. I remind the Members of the superior merits of this project. Its benefit-cost ratio is the highest of any of the new starts that received funding last year.

The bill proposes $8.9 million in continued funding for the Sheyenne River project. I strongly urge my colleagues to provide this amount in the fiscal year 1991 appropriations bill. This project is well on its way with broad local support and no unresolved environmental concerns.

In conclusion, I urge support for this bill and for both the Garrison reformulation project and Sheyenne River flood control.

Ms. VUCANOVICH. Mr. Chairman, I rise today to thank the committee for their hard work on fiscal year 1991's energy and water development appropriations bill, H.R. 5019.

Although the Western United States is experiencing its fourth consecutive year of drought, I am grateful to the committee for funding my request for flood control studies and investigations in northern Nevada.

As recently as 1984, Elko County, the Truckee Meadows, and Washoe Valley have all experienced flooding, which caused mil-

lions of dollars of damage to homes, roads, airport facilities, alfalfa crops, and other capital projects. Flooding has even occurred in downtown Reno, threatening lives and millions of dollars in damage.

H.R. 5019 includes money to enable the U.S. Corps of Engineers to examine flood control solutions in northern Nevada, and I greatly appreciate the foresight shown by the committee. The need for flood control in northern Nevada is something very easily overlooked, especially in the light of today's Western States' drought.

Mr. Chairman, I would also like to bring to light the Department of Energy's obstinance in adequately funding the State of Nevada's nuclear waste repository studies. I must emphasize that I remain unequivocally opposed to the siting of the nuclear waste repository in Nevada. I take strong issue both with the conduct of the Department of Energy in working with the State of Nevada, and with Congress for its action in singling out Yucca Mountain as its primary characterization site. The State of Nevada does not create nuclear waste, why should we have to store it?

The State of Nevada has documented a need for approximately $22 million to continue adequate and necessary study of the proposed repository site. The Department of Energy has only given $5 million to the State of Nevada, and only $5 million to the affected local governments, for a total of only $10 million. This falls ridiculously short, less than 50 percent of needed funding.

Mr. Chairman, the Department of Energy has been appropriated $300 million in the nuclear waste disposal fund portion of this bill, but continues to deny State of Nevada scientists an opportunity to reach their own conclusions. Simply put, the Department of Energy is playing a money game with deadly consequences. If adequate study is not done on Yucca Mountain, the possibility of an accident of disasterous proportions becomes greater. We are not talking about a small accident that can be taken care of by money or time, but a catastrophe of epic proportions that will have far reaching effects on humankind for thousands of years.

Mr. LAGOMARSINO. Mr. Chairman, I rise in support of H.R. 5019, the energy and water development appropriation for fiscal year 1991, and to commend the gentleman from Alabama, the chairman of the committee; the gentleman from Indiana [Mr. MYERS], ranking member of the committee; and the gentleman from California [Mr. FAZIO] along with their staffs, for their work on this bill.

In today's tight budget climate, they have forged a bill which meets the requirements of the public for safety, security, and commerce, while respecting the taxpayers' demand for responsible government.

I particularly want to thank the gentlemen for including several projects of particular importance to residents of Ventura and Santa Barbara Counties this year—including vitally needed funds for dredging at Ventura and Santa Barbara Harbors, for designing breakwater and other improvements, for erosion control, and for an important study by the Army Corps of engineers on emergency water supplies.

Each of the projects approved by the committee is critical to the safety and well-being of residents of our area, and I want to thank the gentleman, once again, for his unfailing courtesy and responsiveness to our needs. I urge an "aye" vote on the bill.

Mr. WYDEN. Mr. Chairman, today this House will vote on appropriations which will include funding for the Department of Energy for the upcoming fiscal year. I want to congratulate my colleagues on the Appropriations Committee for a good bill. But I also want to talk about one important initiative which failed to be addressed in this bill—a matching grant program that underwrites transfer of commercially useful technologies from DOE labs to the private sector.

This program, called the advanced manufacturing initiative, was begun as a pilot project earlier this year by the Department in cooperation with the National Center for Manufacturing Sciences, an Ann Arbor, MI-based organization dedicated to the technological overhaul of the Nation's basic industries. The idea was to open up all kinds of knowledge in these DOE labs which might prove useful to manufacturers.

In total, we're talking about labs in at least 12 States, with $100 billion in facility assets, operating on a combined budget of almost $7 billion per year. These DOE facilities are producing new knowledge that can positively effect a broad spectrum of industries, from automaking to semiconductor manufacturing.

The problem, Mr. Chairman, always has been providing small business with practical access to these sophisticated technologies. There are various legal and bureaucratic hurdles which too often are near-impossible for small companies to overcome.

Last October, the Small Business Subcommittee on Regulation, Business Opportunities and Energy, which I chair, held a hearing on these problems. Small businesses desiring all kinds of valuable Federal technologies told us that too often technology transfer activities at Federal labs are underfunded and essentially passive. Reflecting these problems, this Government spent more than $60 billion in basic and applied research last year. In the same period, returns to the Government in the form of license revenues from Government patents—the knowledge that was incorporated by manufacturers—amounted to less than $4 million, a return of 0.00005 percent.

It is tragic that so much valuable knowledge is gathering dust on the shelves of Federal labs. It is a waste of scarce tax dollars. It hamstrings the ability of our manufacturers to compete in a tough global environment.

The advanced manufacturing initiative answered this dilemma by actively bringing together manufacturers which technological challenges DOE scientists with technical solutions. The program then helped them cut through the redtape to bring that appropriate technology home to the customer.

This was a highly successful, Government-sponsored, sales and service operation.

The program during the next fiscal year is projected to require $25 million in Government funds to match a similar investment from private industry. I urge my colleagues participating in the upcoming conference with the Senate to strongly support this critical project.

Mr. Chairman, I'd also like to include in the RECORD a letter written to me last March by Admiral Watkins, the Energy Secretary, regarding the high value of this program.

THE SECRETARY OF ENERGY,
Washington, DC, March 20, 1990.

Hon. RON WYDEN,
Chairman, Subcommittee on Regulation, Business Opportunities, and Energy, Committee on Small Business, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of support for the Department of Energy's Advanced Manufacturing Initiative (AMI) with the National Center of Manufacturing Sciences (NCMS). I could not agree with you more that such collaborative agreements between Federal laboratories and industry, especially small businesses, are an essential ingredient for improving the competitiveness of U.S. manufacturing.

We are very excited about the AMI pilot project with NCMS. I agree with you that it may serve as a model for other programs in the Department and other agencies. Like the High Temperature Superconductivity Pilot Centers, the AMI will focus on cooperative, cost-shared arrangements with industry, two of the key success factors in technology transfer that have surfaced during the National Energy Strategy (NES) process. While we do not yet have a final agreement signed with NCMS, we expect to do so in the very near future.

As part of our ongoing efforts to develop the NES and respond to the requirements of the National Competitiveness Technology Transfer Act of 1989, we will be working closely with other agencies, Federal labs, Congress, and industry. In fact, just last week I chaired a Technology Transfer Round Table with 23 top executives from the public and private sectors, including Mr. Edward Miller of NCMS and Ms. Judith Bostock of the Office of Science and Technology Policy. We will be happly to cooperate in any way with Dr. Bromley and his staff to assess the AMI program.

Thank you again for your interest and support of both our technology transfer initiatives and the National Energy Strategy. I will keep you informed of our progress with the Advanced Manufacturing Initiative.

Sincerely,

JAMES D. WATKINS,
Admiral, U.S. Navy (Retired).

Mr. HOCHBRUECKNER. Mr. Chairman, I riser in strong support of the energy and water development appropriations bill for fiscal year 1991 (H.R. 5019). I wish to commend the gentleman from Alabama, Chairman TOM BEVILL, for his hard work in bringing to the floor a bill for fiscal year 1991 which is fiscally responsible and responds to pressing national needs.

There is one particular provision in this bill that I want to call to the attention of the House. That is the appropriation of $3 million for the Shinnecock Inlet project on Long Island. That funding is necessary to begin repairs and extension of the jetties at that very important and treacherous inlet.

The timely completion of the Shinnecock Inlet project is a matter of life and death for fishermen and boaters in my district. Its inclusion in this bill is necessary to confront the very serious threat to human life, property, and the fishing economy of eastern Long Island posed by continued shoaling in the inlet.

Shinnecock Inlet is a tremendously important passageway for fishermen on Long Island. The value of the fishing interests directly dependent upon Shinnecock Inlet is approximately $80 million per year. If the inlet were not cleared and its jetties reconstructed to minimize future shoaling, this industry could be destroyed.

Fishing boat accidents caused by shoaling in the inlet have resulted in several deaths, and the Coast Guard continues to be very concerned about the safety of boaters using Shinnecock Inlet. Without the Navigation Improvement Program funded under this bill, it might be necessary to severely restrict marine vessel traffic in the inlet.

Congress authorized the Shinnecock Inlet project 30 years ago, as a part of the River and Harbor Act of 1960. The Corps of Engineers has spent $1 million to complete the project's design and specifications, and $5.3 million was appropriated last year for dredging the inlet. That dredging will begin this summer.

New York Governor Mario Cuomo strongly supports completion of the Shinnecock Inlet project, as does Suffolk County Executive Patrick Halpin. They are fully committed to providding the necessary non-Federal matching funds. In addition, our U.S. Senators are very actively supporting this project.

Thanks are due once again to a number of Long Islanders who have worked tirelessly to support the Shinnecock Inlet project. In particular, I want to recognize Donna Soleau, Linda Kozofsky, and the members of the Concerned Wives of Shinnecock Fishermen; Ricky Lofstad and the members of the Shinnecock Fishermens Cooperative; Billy Pell of Pell's Dock; Floyd Carrington and the members of the Shinnecock Marlin and Tuna Club; and John Scotti and the other employees of Cornell Cooperative Extension's marine division. There are many other individuals and groups that have lent their support to this effort and should be proud of their contribution..

Mr. Chairman, the people of eastern Long Island are most grateful to the gentleman from Alabama [Mr. BEVILL]. I thank the gentleman for his support of the Shinnecock Inlet project, and I ask all my colleagues to support H.R. 5019 as adopted by the Committee on Appropriations.

Mr. RAHALL. Mr. Chairman, I rise in support of H.R. 5019, the energy and water development appropriations bill for fiscal year 1991. Of great importance to my home State of West Virginia is funding for the Appalachian Regional Commission [ARC] and for the Army Corps of Engineers water development projects.

Since 1965 the ARC has worked to fight poverty in Appalachia through a variety of health, education, and job training programs. Of course, a key component to any economic development strategy, and a major component of the ARC's program, is the construction and maintenance of infrastructure. The ARC has played a significant role in the economic development of Appalachia by funding, and working to finish, the construction of the 3,000 mile Appalachian Corridor System.

Despite the ARC's efforts, much work remains to be done. Many in Appalachia continue to struggle against poverty, illiteracy, shortages in health care, high infant mortality and high unemployment rates. The corridor system, the foundation of any future economic prosperity in the region, is still only two-thirds complete. It has been estimated that at current funding levels, the construction of the corridor system will not be finished until at least 2065. Corridor G, which links various communities in my district with important economic centers, will not be completed for another 25 years at the current rate of funding.

The bill appropriates $150 million for the ARC, which has been, and remains to be, of critical importance to West Virginia and other areas of Appalachia. While I am disappointed that the compromise did not contain a funding level closer to the level contained in H.R. 1166, legislation I introduced which reauthorized the Commission at $185 million per year for 5 years, I am encouraged by the $100 million increase over the President's recommendation.

Also of importance to the economic prosperity of West Virginia is the funding of water development projects, contained in the bill. I am particularly pleased that the committee included, at my request, $1.125 million for the expansion of the David W. Harris Riverfront Park in Huntington, WV, and $75,000 for floodproofing along Krouts Creek, also in Huntington, WV.

One of West Virginia's top economic development strategies is to promote our tourism industry. The Riverfront Park has been an integral part of southern West Virginia's tourism industry. In 1987 alone, the park received 309,000 visitors. Improvements are needed to relieve traffic congestion, provide for docking facilities for excursion boats such as the Mississippi and Delta Queens, and generally increase the park's capacity. The funding provided by the committee will be used for the Federal cost-share and will make this project a reality.

Krouts Creek flows through a densely developed residential area of west Huntington. There are approximately 200 residences in the 100-year floodplain of Krouts Creek. The Krouts Creek floodplain has received damaging floods several times over the past 25 to 30 years. The most recent occurred in 1987 affecting 30 residences and 3 businesses with a total damage of over $100,000. Regrettably, the floodproofing project is too large for residences to afford on their own and too small for the Federal Government to focus upon. The $75,000 ensures that the Army Corps of Engineers will complete a detailed project report for Krouts Creek project.

Because of the success of Huntington's Riverfront Park, the committee also provides $500,000 to initiate and complete a reconnaissance study of the needs and opportunities for enhancing urban waterfront areas of communities in West Virginia along the Ohio River. It is my hope that the study will indicate that other similar projects can be initiated to further bolster West Virginia's tourism industry and economy.

The bill also provides funding of vital water infrastructure projects which will greatly assist in West Virginia's ability to efficiently transport goods. The bill provides $46.3 million for continued construction of new locks at Gallipolis on the Ohio River, about 30 miles upstream from Huntington, WV. This construction will replace the badly deteriorated locks which were completed in 1937. In addition, the bill provides $16.2 million for construction at Winfield Locks on the Kanawha. The water traffic which must pass through these locks has quintupled, making the original design of the locks obsolete.

The bill also contains funding for flood control. Of particular importance to southern West Virginia is $64.8 million for flood control projects on the Levisa and Tug Forks and upper Cumberland River. These projects, such as the flood walls at Williamson and the floodproofing of homes in that area, are crucial to the future of the Tug Valley communities which have been repeatedly destroyed by severe flooding.

The bill also provides important funding for the operation and maintenance of existing Corps of Engineers projects throughout West Virginia. Included is funding for the operation and maintenance at the following areas:

Beech Fork Lake	$689,000
Bluestone Lake	982,000
Burnsville Lake	1,015,000
East Lynn Lake	1,059,000
Elk River Harbor	300,000
Elkins	5,000
Kanawha River Locks and Dams	6,590,000
R.D. Bailey Lake	1,337,000
Stonewall Jackson Lake	872,000
Summersville Lake	1,151,000
Sutton Lake	1,325,000
Tygart Lake	915,000

Again, I want to commend the committee for their cooperation and attention to the funding needs of the ARC, and these other worthy projects, and I wish to urge my colleagues to support the adoption of this bill.

Mr. ORTIZ. Mr. Chairman, I am pleased to rise in support of the bill, H.R. 5019, energy and water development appropriations for fiscal year 1991.

I commend Chairman BEVILL for his efforts in forging together a bill that meets our national interest in maintaining our Nation's ports and waterways.

This bill contains funding for the operation and maintenance of four ports in the 27th District of Texas: Brazos Island Harbor—commonly known as the Port of Brownsville—the channel to Harlingen, the channel to Port Mansfield, and the Corpus Christi ship channel.

Additionally, the committee has authorized funds for significant flood control projects in the Lower Rio Grande Valley. This will assist in maintaining the integrity of the Gulf Intracoastal Waterways.

These funds are necessary to encourage continued commerce in our ports.

These international ports provide valuable and needed port facilities along the coastal waters of one of the major water routes in the United States.

Commerce leads to jobs and jobs are the key to happy and industrious people.

Once again, I thank the chairman and the committee, and I urge the passage of this important bill.

Mr. SMITH of New Jersey. Mr. Chairman, I rise today in support of H.R. 5019, the energy and water development appropriations bill of 1991. I am especially pleased that the committee has been able to satisfy my request to

provide the Army Corps of Engineers with funding to conduct the reconnaissance phase of a feasibility study of New Jersey's Manasquan River. Earlier this year, I had introduced legislation, H.R. 4778, which would authorize the Corps of Engineers to conduct a study of the Manasquan River basin in order to determine the feasibility of implementing flood control prevention measures. H.R. 5019 appropriates the $300,000 needed to begin this study.

Mr. Chairman, in both 1987 and 1989, heavy rains forced the Manasquan River to overflow its banks and caused severe damages in Howell Township, Freehold Township and other New Jersey communities. In June 1989, both Freehold and Howell Townships declared states of emergency in order to clear the streams of debris and sediment. These measures, while helpful in the short term, will not resolve the long-term flood problems.

In March, at a meeting held in my office with the local officials and representatives of the corps, it was determined that a study needed to be conducted to identify the most comprehensive and effective way to prevent future flooding events. Accordingly, I introduced legislation to direct the Secretary of the Army to conduct a study of the feasibility of implementing flood control measures on the Manasquan River to alleviate flooding in Freehold, Howell, and other effected townships in New Jersey. In addition, I requested that the Appropriations Subcommittee on Energy and Water Development include sufficient funding in the 1991 appropriations bill to begin the initial, or reconnaissance phase of such a study.

Mr. Chairman, I realize that a large number of requests are made each year for flood control projects and that, given budget constraints, only a small number can be approved. As such, I am pleased that the committee has seen the importance of this project, adopted my proposal, and included $300,000 to fund the initial phase of this study.

I would like to thank Mr. BEVILL and Mr. MYERS, the chairman and ranking member of the Subcommittee on Energy and Water Development, for their invaluable assistance. I would also like to express my gratitude to Mr. WHITTEN and Mr. CONTE, the chairman and ranking member of the full Appropriations Committee, for their leadership in bringing this bill to the floor in a timely fashion.

Mr. GALLO. Mr. Chairman, I rise in support of H.R. 5019, the energy and water development appropriations for 1991. This bill provides funding for many programs of vital importance to the Nation and to the State of New Jersey.

New Jersey ranks dead last in the return it receives for every dollar of taxes it sends to Washington. This bill provides $26 million for important projects in New Jersey. As concerned as I am about cutting spending to decrease the deficit, this bill is not the place to do it.

For example, in addition to providing funds to promote clean water, this bill provides $5.8 million for the Passaic River Tunnel, a project of paramount need to the residents of my district who have been subject to devastating floods. These people have waited years for relief. Now, a proposal is on the verge of being implemented, because money has been appropriated to plan the extension of the terminus to Newark Bay. I will not do anything which would have the effect of denying these people the relief they so clearly need. We must act before we see a repeat of the terrible floods of years past, where people tragically have lost their lives and extensive property damage has occurred.

Mr. Chairman, I recognize very well the need to cut spending. As we consider the various appropriations bills over the course of the coming months, I am sure we will find places to cut. Of course, should the President and our congressional budget summiteers reach an agreement, the entire picture might change. But, until that happens, we must consider each appropriation bill upon its merits, and on the merits, this bill deserves the support of the House.

Thank you.

Ms. PELOSI. Mr. Chairman, I rise in support of H.R. 5019, the Energy and Water Development Appropriations bill for 1991.

Included in this legislation is funding to develop a long-term management strategy for the disposal of dredged material from San Francisco Bay. The committee report emphasizes the importance of securing both short-term alternatives, as well as a long-term strategy to meet the demands of new-work projects that are currently stalled as a result of inadequate disposal capacity at existing sites.

Between now and 1992, major new-work and maintenance projects are expected to produce about 20 million cubic yards of sediment for disposal—enough to fill almost 40 olympic size swimming pools every day for a year.

Without this funding, the bay area is faced with the absence of a short-term or long-term disposal site to accommodate the significant amount of dredged material that is required to continue commerce at our ports and to guarantee that the environmental quality of San Francisco Bay is protected. The economic loss to the community would be significant without the ability of ports to receive the larger, more efficient container ships that frequent other west coast ports. Additionally, the environmental health of San Francisco Bay is at question with the continued overuse of its disposal sites and the lack of adequate disposal monitoring and other testing and inspection safeguards.

In order to offset the immediate problem that faces our community, every effort is being made by the bay delegation to work with the Army Corps of Engineers to locate disposal sites for short-term, or alternative, use. This includes a review of upland sites, as well as locations where levee reinforcement or wetlands creation might be a possibility.

I commend the work of the subcommittee, under the able leadership of Chairman BEVILL, and the full committee, for their actions to resolve this important problem.

Thank you.

Mr. ECKART. Mr. Chairman, as you will remember, last year I came to the floor during consideration of the energy and water appropriations bill to cut constructions funding for the superconducting super collider.

During recent consideration of the SSC authorization bill, a small group of us offered a series of amendments to increase accountability on this troubled project. I believe with acceptance of those amendments, the House succeeded in significantly improving the authorizing legislation. Our series of amendments were designed to ensure that Congress, and the American people, knew what we are buying for $8 billion and that the product matches the description on the package.

I continue to have deep concerns about the SSC. I am concerned about the cost to the taxpayers. I am concerned about the level of foreign participation. I am concerned that this big science project will drain millions of dollars away from thousands of worthy small science projects.

Next month, the Department of Energy is to come out with revised cost estimates—estimates which, by the way, were supposed to be available early this year—which take into account the redesign of the SSC. I—and many of my colleagues—are eagerly awaiting those estimates. We plan on looking at them frontward and backward and we will turn them inside out to see if they have the ring of authenticity about them.

Mr. Chairman, I am here to say what I said last July and again last month: We are watching the SSC. We are watching to see if the product indeed matches the description on the package, and that truth in advertising prevails.

[From the Washington Post, May 10, 1990]

SMALLER EUROPEAN PROJECT COULD STEAL SUPER COLLIDER'S GLORY

(By William Booth)

As Congress debates the future of the $8 billion Superconducting Super Collider, the largest and most expensive scientific device ever seriously proposed—and one of the biggest public works projects ever begun—rival physicists in Europe are rushing to build a smaller, cheaper machine that threatens to beat the colossal American venture to its subatomic prize.

While supporters of the SSC believe their giant collider will be far superior to the European upstart, they concede the smaller machine could catch a glimpse of the same elusive forces and fundamental particles sought by the SSC. The Europeans plan to have their Large Hadron Collider [LHC] operating at least a year before the SSC starts up.

The LHC would be eight times as powerful as the current record holder at the Fermi National Accelerator Laboratory outside Chicago. The SSC is planned to be 20 times as powerful as Fermilab.

Both the SSC and the LHC are designed to sling protons around and around in both directions through circular tunnels filled with superconducting magnets. After approaching the speed of light, the beams of protons will be steered to head-on collisions.

In the tiny but extremely energetic explosions, physicists hope to find the most fundamental building blocks of all matter and to learn more about the forces that hold everything together, from atomic nuclei to the universe.

Because the field is so new, it is anyone's guess which collider would make the most interesting discoveries. Yet the world of high-energy physics is marked by successful gambles.

"We don't know where the gold is going to be," said Sidney Drell of the Stanford Linear Accelerator Center in California, and

one of the leading proponents of the SSC. Drell is betting that the more muscular SSC is the machine that will really explore new subatomic worlds, but even Drell admits that the Large Hadron Collider could strike it rich.

"The Europeans could luck out," said Alexander Firestone, a physicist at Iowa State University who has been collaborating with colleagues in Europe. "They've been lucky before."

The push by the Europeans to build their rival collider comes at a time when many American scientists are grumbling about the escalating cost of the SSC, recently reestimated at about $8 billion. They fear the project will divert money from all the other areas of physics research, including many that offer far more promise of practical payoff.

Supporters of the SSC, who are now trying to persuade Congress to go ahead with the project, have known for several years that the Europeans were thinking about a rival collider. However, what was once a distant possibility has lately become more certain.

At a recent meeting of the American Physical Society, Carlo Rubbia, the hard-charging director of the European Center for Nuclear Research (CERN), gave an enthusiastic presentation on the capabilities and construction schedule for his LHC.

While Rubbia must still prove to the 15 member-nations of CERN that his collider should be funded, he predicted his machine would be running by 1997—at least a year, and in all likelihood several years, before the first subatomic particles are smashed by the SSC. Rubbia also said his machine can be built for just $1 billion.

"It is very obvious it is going ahead," Firestone said. "You'd need to hit Carlo with a truck to stop him now."

While the LHC would be only 40 percent as powerful as the SSC, Rubbia said the European machine would cost far less and could discover the same exotic particles and phenomena sought by the more expensive SSC.

The European collider would be cheaper because it would be less powerful and because it would be built in an existing tunnel in the Alps. The SSC, on the other hand, is being built from scratch on the plains south of Dallas.

"We will be extremely competitive," Rubbia said. "And I would not be surprised if we were finished first."

Rubbia estimated that the LHC would cost about $1 billion. Critics in the United States say Rubbia is employing creative accounting, and that his machine will probably cost several billion dollars.

The Energy Department is still trying to calculate a definitive cost for the SSC, since recent revelations have required that the machine undergo an extensive redesign. The House last week authorized building the SSC, but the money has not yet been committed by appropriations committees in the House or Senate.

The object of both colliders is to smash together protons, particles that normally exist in the nuclei of atoms. Physicsts often compare a proton to a sack of marbles, each sack representing the three quarks that make up each proton. In a collider, the bags of marbles are flung around and smashed into each other. While it is relatively easy to get one bag to hit another, it is a much rarer event to get one marble in one bag to score a direct hit on another marble in the other bag. But it is the collision of the individual marbles—the quarks—that is of the most interest to physicans, who want to see the forces that hold them together.

The thinking behind the SSC, according to Stanford's Drell, is that the whole sack of marbles must be smashed at very high energies so that power of the collisions among the individual marbles would still be great.

The European machine would also be smashing protons and quarks together, but they would be doing it with less energy, and so their collisions would be less powerful and potentially less interesting.

In the fraction of a second after each collision, debris flies out in all directions and into a detector, a massive web of wires and plates that tracks the path of each particle and feeds the information to a computer.

It is from these tracks that physicists try to deduce the fundamental behavior of matter.

While Drell thinks it is possible that the Europeans could take "a very limited snapshot" of the quarry sought by the Americans, he maintains that the SSC would be capable of not just glimpsing new forces, but exploring them.

The Europeans, however, hope to make their beams of protons many times "brighter" than the beams at SSC. In other words, Rubbia and his colleagues hope to pack a lot more bags of marbles into their protons beam. Instead of getting millions of collisions, a second, they hope to get billions. What they are lacking in brute strength, they hope to make up in numbers of collisions.

Whether the Europeans can build detectors that could keep track of so many collisions is unknown. "At some point you become dazzled by the collisions," said Chris Quigg, a physicist at the Lawrence Berkeley Laboratory in California who has been involved in SSC planning and who believes that more collisions do not necessarily make the European collider more competitive.

The supporters of the SSC insist that their machine must be built at the tremendous energies of 40 trillion electron volts (TEV), or risk missing some amazing events. Rubbia and his colleagues think they can see some amazing things, too, at 16 TEV and a fourth the price.

"You could argue in favor of the Europeans, that we should slow down, that a giant monster like SSC might not be necessary," Firestone of Iowa State said. "But physics is not rational and physicists are not rational."

Many physicists who study topics unrelated to the SSC openly detest the project. Even some members of the elite community of high-energy physicists, whose business it is to find the most fundamental forces and particles in nature, now worry that the monster SSC will be built at the expense of other worthy high-energy experiments. For example, if the SSC is built, other large machines at Stanford, Fermilab and Brookhaven may have to wait for funding. And in the derby race of high-energy physics, either machines are constantly upgraded, or their caretakers are overtaken by rivals.

"I'm very concerned," said Burton Richter, head of the Stanford Linear Accelerator Center in California, who would like to see another big linear collider built in the next decade. "All of us are worried about the impact of larger budgets for the SSC."

BIG SCIENCE: IS IT WORTH THE PRICE

(By Malcolm W. Browne)

If America eventually decides it can spare the $8 billion or so needed to build the Superconducting Supercollider, the county-size machine might turn out to be a key to the meaning of physical reality, or it might be a dud. But either way, the project is raising intense debate among scientists and politicians as to whether the new knowledge it generates will be commensurate with the enormous cost.

The huge particle accelerator, to be housed in a 54-mile-long tunnel near Waxahachie, Tex., would hurl counter-rotating beams of protons around a racetrack-shaped course, forcing these subatomic particles to collide head on at combined energies of up to 40 trillion electron-volts. This staggering energy would be some 20 times greater than the energy of particle collisions at any existing accelerator.

Proponents expect the machine to produce a deeper understanding of the fundamental forces and particles that are the building blocks of all matter and believe it will bring mankind a little closer to understanding how the universe began and evolved to its present-day complexity.

But as the time nears to begin the costly construction phase, some seven years after the collider was first proposed to the Energy Department by leading physicists, critics are raising new questions about the project. The huge accelerator has never been popular with those scientists who view it as a budget-buster destined to starve Federal funds for smaller scientific projects, and the voices of critics have grown louder than ever.

Two years ago, Sigma XI, the scientific honor society, conducted a national poll that found that only 2 percent of the 3,332 scientists who responded favored construction of the Superconducting Supercollider. Even the widely unpopular Strategic Defense Initiative program scored higher, with 4 percent approval.

The Central Design Group for the collider completed its preliminary plans in 1986, estimating the overall cost of the machine at $5.9 billion. But rancorous disagreements have been heightened by a series of increases in the estimated cost. Builders of the machine learned that larger margins of engineering error were essential to bring the machine up to its intended energy, and this would mean enlarging the diameter of the beam line, redesigning the magnets that confine the beam, and adding a mile or so to the machine's length. The estimated cost now stands at nearly $8 billion.

The accelerator's staff of scientists, engineers, technicians and administrators already numbers some 500, and its leaders hope that an environmental impact survey will be completed in the next few months. Some time therefter initial site preparation will begin, and the project will begin acquiring land.

Two years ago disagreements between high-energy physicists supporting construction of the project and other physicists not involved in accelerator research led to a schism within the American Physical Society, the nation's preeminent professional association of physicists. Bitter exchanges of letters by supporters and opponents of the collider are published monthly by the society's magazine, Physics Today. At one point, members who said they believed their economic and professional interests were threatened by a small but influential bloc of high-energy physicists considered forming an independent association. The society's officers have smoothed over the rift, but opposing opinions about the project remain strong.

Such leaders of the project as its director, Dr. Roy F. Schwitters, are seeking to convince members of Congress and key Administration officials that the Superconducting Supercollider is essential to maintaining a credible program of high-energy research in the United States. Supporters of the accelerator have sometimes sought to sell the project to members of Congress on the ground that it may lead to important innovations in practical technology and would enhance scientific education at all levels. But most scientists agree that the real object in building the project is essentially intellectual and philosophical (some even say theological) rather than practical. The goal is to recreate primordial forms of matter that have not existed elsewhere in the universe (except perhaps in black holes) since the first ten-quadrillionth of a second after the Big Bang creation event.

According to the prevailing theory, only one fundamental force existed during the first instant after the creation of the universe. But as the universe swiftly expanded and cooled, the supposed original unity split into the puzzling multiplicity of forces and particles we know today. By smashing particles together at stupendous energies and briefly recreating conditions (on a microscopic scale) that existed just after the Big Bang, scientists hope to glimpse parts of the original pristine unity of nature, thereby gaining insights into how and why our complex universe took the form it did, a form that made life itself possible.

Dr. Leon M. Lederman, a Nobel laureate, a former director of Fermilab and the president-elect of the American Association for the Advancement of Science, speaks of giant accelerators as "telescopes that look backward in time." In fact, the rise of

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"The S.S.C. project will have many spinoffs for the Department of Defense, especially in technologies required by the Strategic Defense Initiative, including particle beams, information processing, computer control, pulse power sources and high-energy accelerators. The nuclear weapons community will benefit from the fundamental research on the building blocks of atomic matter."

Particle physicists backing the accelerator vehemently deny any association of this project or any other high-energy research accelerator with weapons programs. Dr. Robert Wilson, Fermilab's first director, was asked by members of Congress in 1970 whether the new accelerator laboratory would contribute to the development of military technology. He replied: "It has nothing to do directly with defending our country except to make it worth defending." In fact, most physicists see little practical use for the technology in the project, except in high-energy research.

THE CRITICS: LOSSES FEARED FOR SMALL PROJECTS

Dr. Paul A. Fleury, an officer of the American Physical Society who works as a research director in condensed-matter physics, said he believed that neither Congress nor the public understood what the S.S.C. was intended to do.

"If what the American people really expect of the S.S.C. is an investigation of the ultimate basis of reality, that's fine," he said. "But I'm not sure people realize that what they'll be paying for is nothing more than pure science. Neither the public nor the Congress should deceive themselves by imagining that the S.S.C. will lead to important technological spinoffs. Building the S.S.C., moreover, may exact a heavy economic price, including increasing national neglect of education and a reduction of basic research in fields essential to our competitive position."

Although overall government support for scientific research is increasing somewhat, he said, the lion's share is going to such "big science" projects as the accelerator and on projects with little apparent scientific value, "such as the projected space station."

Dr. Fleury added: "We simply cannot fund these big projects without starving the tens of thousands of smaller research programs conducted by single scientists or small groups. These projects are doing the work that keeps the nation competitive in semiconductors, superconductors and other cutting-edge technology.

"Science and technology in America are in deadly danger. A frog suddenly dropped into a beaker of boiling water jumps out and saves itself, but if the water is heated slowly, the frog fails to notice the heat until it is too late. That's what's happening to most basic research in America," Dr. Fleury said, "and one of the reasons we don't notice it is that we're spending so many research dollars on big-science projects like the S.S.C."

In a complaint published by Physics Today in July 1988, Dr. John F. Waymouth, retired research director for GTE Electrical Products, asserted that the benefits of the collider were far from certain, and that "a research director who wants to keep his job will not commit half his budget to the high-risk project while starving the ones that pay the bills."

Another outspoken critic of "big science" who has doubts about the accelerator is Dr. Arno Penzias. He and Dr. Robert Wilson shared in the Nobel Price in Physics in 1978 for their discovery of a faint microwave signal pervading the entire universe, a discovery accepted by most physicists as confirmation of the Big Bang theory of the origin of the universe.

"I'm no expert on the S.S.C." Dr. Penzias said. "But if we end up beggaring our universities to build this thing, I think we're on the wrong track. One of the big arguments for the S.S.C. is that it will inspire public interest in science and attract young people to the field. But if we can't educate them properly because we've spent our money on big machines instead of universities, where's the point? As a nation we must take a new look at our scientific priorities and ask ourselves what we really want."

Some of history's most significant physics experiments actually cost very little, he said, and scientific imagination and creativity are still more important than an expensive apparatus. For example, he cited the famous 1887 light-beam experiment conducted by the American scientists Albert A. Michelson and Edward W. Morley, which paved the way for Einstein's special theory of relativity.

But other scientists note that as any science matures, its hurdles become higher and its research costs greater. The only way to make further advances, they say, is to pay the high costs of the needed machines.

THE ACHIEVEMENTS—THE BIG MACHINES: THEIR FINDINGS

Even high-energy physics was originally cheap, but it has come a long way in 60 years, both in its achievements and its price.

Although several systems for accelerating atomic nuclei and electrons were devised early in the 20th century, serious accelerator experiments began with the invention of the cyclotron in 1929 by Ernest O. Lawrence, an American physicist. Dr. Lawrence, who was awarded the Nobel Prize in Physics in 1939 for his invention, built his first cyclotron from cheap magnets borrowed from another laboratory along with some sheet brass, glass and wire, all held together with solder and sealing wax. Only four inches in diameter, the device spun hydrogen nuclei around a circular path, boosting them to an energy of 80,000 electron-volts.

Dr. Lawrence's first cyclotron is now a museum piece at Lawrence Berkeley Laboratory in California, one of two major laboratories named after him. According to the Lynn Yarris of the laboratory, records show that the four-inch cyclotron cost less than $10. But the price of subsequent accelerators rapidly increased. Dr. Lawrence's 1940 model, the 184-inch cyclotron (parts of which are still used in research) cost $1.5 million. Besides advancing scientific knowledge, that instrument played a key research role in making the uranium-235 used in the atomic bomb that destroyed Hiroshima.

The methods for accelerating particles have changed since Lawrence's time. Today bunches of subatomic particles surf along on radio waves confined to pencil-thin beams by ultrapowerful (and in some cases, superconducting) magnets. The most powerful existing proton accelerator, the Tevatron at Fermilab, is four miles in circumference and boosts protons and their antimatter counterparts to a collision energy of two trillion electron-volts.

* * * * *

Supplied with data from ever more energetic accelerators, theorists thus arrived at the idea that all matter is ultimately made up of "quarks," "leptons" and interacting forces. The "Standard Model," a theory that physicists regard as the most successful attempt ever made to describe the fundamental nature of matter, was the result.

But the Standard Model has some conspicuous gaps and troubling inconsistencies. It predicts the existence of six quarks, of which only five have been found. The sixth, the "top" quark, has foiled every effort to find it, even those conducted at the world's largest accelerators.

THE PROSPECTS: RIDDLES REMAIN FOR THE COLLIDER

The search for the top quark illustrates one of the major uncertainties of high-energy physics: it is impossible to predict the energy range required to make a discovery. In 1977, when the "bottom" quark was discovered, physicists calculated that the top quark would have a mass of 13.5 billion electron-volts, a mass that could easily be created by the energy planned for Fermilab's Tevatron. After more than a decade of searching at ever higher energies, however, it is now known that the top quark, if it exists at all, must have been a mass greater than 89 billion electron-volts, and no one knows how much greater.

Still more troubling to physicists is the riddle of "broken symmetry," a phenomenon in which some unknown force spontaneously breaks the original symmetrical relationship known to have existed between the electromagnetic force (which gives us visible light, among other things) and the weak nuclear force (which causes certain types of radioactivity). Exploring the nature of this mysterious symmetry-breaking force or mechanism has been rated by planners of the Superconducting Supercollider as the machine's highest research priority.

A closely related project will be the quest for a hidden mechanism by which nature endows particles of matter with mass. An all-encompassing force field (sometimes called the "Higgs Field") is believed to be the factor that gives matter mass, and this field might be associated with a hypothetical particle called a Higgs boson. The discovery of a real Higgs boson would be a landmark in science, even opponents of the collider agree.

There is a sporting chance that the accelerator could do this, Dr. Schwitters and his associates believe, but even if no Higgs boson is found, "something equally exciting is certain to turn up," he said.

But to reach the energy required to probe the phenomenon of symmetry-breaking, Dr. Schwitters and his staff assert, some changes in the original design of the machine were needed: a more powerful injector to give protons their initial energy boost, a wider hole through which the beams can circulate, about 200 more huge magnets than the 8,600 originally planned, and an additional mile of length.

All this has increased the estimated cost and fed the flames of debate, leading some analysts to suggest a compromise in the form of a somewhat scaled-down version of the collider. But to reduce the project's energy, said Tsung-dao Lee, a Nobel laureate in physics, "would be like designing a lunar mission that would fly only a third of the way to the moon."

Debate over the accelerator seems destined for a long run.

Mr. MATSUI. Mr. Chairman, I would like to express my ardent support for H.R. 5019, energy and water appropriations for fiscal year 1991.

This bill provides much needed funding for a range of projects nationwide, not the least of which include the flood control needs in my home city of Sacramento. I am extremely pleased that the Appropriations Committee and the House are reaffirming the Federal commitment toward alleviating the grave flood danger looming over Sacramento. This funding commitment will bring to a full circle the process which began at the local and State level, was generously supported in the budget submissions of the Federal agencies, and is today being embraced by Congress.

The importance of these funds in seeing to the safety of thousands of Sacramento area residents cannot be overstated, particularly in light of the recent tragic loss of life and property in Shadyside, OH.

I would also like to voice my opposition to the amendment being offered by the gentleman from Wisconsin [Mr. PETRI].

As my colleagues are undoubtedly aware, California is experiencing its third straight year of drought conditions. The agricultural impacts of these conditions have already begun to be felt by California farmers and consumers. Unfortunately, there is little that the Federal Government can do to alleviate those effects because we cannot legislate, and the Bureau of Reclamation cannot administer, rainfall.

It is within our power, however, and indeed it is a power we must exercise, to mitigate the environmental impacts which drought conditions have created. The Bureau of Reclamation, recognizing this responsibility, has made periodic cold water releases out of the Central Valley project's Shasta Dam to protect salmon spawning in the Sacramento River.

Those releases of cold water come with a pricetag, however. The water released at Shasta Dam is water which bypasses the hydroelectric turbines. Thus the Western Area Power Administration, which is the Federal agency which markets the power created at Shasta and other Bureau of Reclamation dams in California, is faced with a power shortfall, which it must contractually compensate for by purchasing more costly oil-fired replacement power.

I can only commend the committee for correctly concluding that the costs for minimizing the environmental consequences from the California drought should not fall squarely on one specific class of citizens—utility ratepayers. California power users are already suffering adverse effects from the drought in that the low water levels within CVP will result in less available power. Forcing local ratepayers to bear the sole financial burden for a Federal agency's actions is an unfair consequence particularly when those actions are mandated by environmental responsibility.

The gentleman from Wisconsin [Mr. PETRI], alleges that his amendment keeps this issue in the authorizing committee, where it belongs. I would suggest, however, that with the Petri amendment or without it, the committees will continue their continuing consideration of fish restoration programs. My understanding is that cost share formulas are a part of those considerations. Those proceedings may conclude that power users should be tabbed with a portion of the economic effects of fish restoration. Until that time, however, the Federal Government must not pass its environmental responsibilities on to a select group of citizens.

I urge my colleagues to oppose the Petri amendment.

Mr. STOKES. Mr. Chairman, I rise in support of H.R. 5019, the energy and water development appropriations bill for fiscal year 1991. I want to commend the distinguished chairman, Mr. BEVILL, for bringing this important legislation to the floor.

This bill provides funding for many of the energy and water programs which are vital to our Nation. While the bill contains necessary and substantial funding increases over the levels provided last year, approximately $2.3 billion, the funding level is exactly equal to the target set by the Appropriations Committee in the 302(b) allocation.

Mr. Chairman, in addition to the many environmental, defense weapons and energy programs contained in this bill, there are two funding provisions which are of particular interest to me. One provision guarantees the participation of minorities and women in the development of the superconducting super collider [SSC], and the other provides $44 million in funding to several university-based, energy research projects.

As you know, the superconducting super collider is one of the most advanced and ambitious high physics projects ever undertaken by our Nation. Last year, Congress provided about $200 million for this project. This year, the committee is recommending $318 million.

Unfortunately, minority-owned businesses, historically black colleges and universities, and other minority educational institutions have not been included in projects of this magnitude. Consequently, our Nation faces a situation constituting de facto exclusion of qualified contractors from such projects, as well as a situation that fails to utilize available and technically expert scientific work forces.

For the last 2 years, I have authored language which addresses this problem. This language, which is contained in H.R. 5019, directs the Secretary of Energy to provide at least 10 percent of the total Federal funding for the SSC to minority-owned businesses and institutions. This provision will help to enhance and guarantee minority involvement in the scientific and technological industries which are bound to shape our Nation's future. Similar language was included in the Superconducting Super Collider authorization bill, H.R. 4380, which passed the House just a few weeks ago, on May 2, 1990.

The other provision, Mr. Chairman, relates to energy research and development activities being conducted by at least five prestigious universities. One university in particular, Case Western Reserve University, is located in my congressional district. Case Western Reserve is one of our Nation's leading private research universities. Language contained in this bill provides $10 million in funding to support of a new biomedical research facility.

The new research facility will be located at Case Western's school of medicine, and will house 150 scientists conducting clinical research in areas of critical need. The facility will allow the university to strengthen its research activities in a variety of areas, including environmental health; cancer; diabetes, geriatrics; viral diseases, such as aids; and genetic diseases, such as sickle cell anemia and cystic fibrosis.

In addition to these activities, there are many other benefits which will result from this new and innovative facility. Activities being conducted at the facility also will contribute to the growth of the local and regional economies. Of the 150 scientists who will work at the facility, 80 will be new faculty. The new building will create about 250 new jobs for support staff. Construction of the building is expected to create more than 1,500 jobs. The project is expected to generate and additional $25 million in annual research funding, with an estimated impact of more than $37 million annually of the regional economy.

The transfer of new technologies developed at the facility would also contribute to the economic growth of the region. The State of Ohio already has committed over $10 million to this project. The university will be raising an additional $60 million from private contributions, borrowing and other sources.

This is a most worthy project, Mr. Chairman. As we all know, research conducted at universities provides the foundation for commercial development and application of new products and technologies critical to maintaining America's ability to compete in the international marketplace and to be assured of a strong national defense.

I, again, commend Chairman BEVILL for the wisdom and leadership he has provided in helping to ensure the funding of these vital activities. Mr. Chairman, I strongly urge my colleagues to support final passage of H.R. 5019.

Mr. FAZIO. Mr. Chairman, I rise in strong support of the energy and water development appropriations bill for fiscal 1991. This is a good and balanced bill, and I urge my colleagues to support it.

Mr. Chairman, I would also like to take this opportunity to commend the good work of the chairman of the Energy and Water Subcommittee, Mr. BEVILL; Mr. MYERS, the ranking minority member; and, the subcommittee's dedicated staff. They have done an admirable job over the years in defending the interests of the House during our conferences with the other body, and this year was no different.

Mr. Chairman, I would especially like to thank Mr. BEVILL and Mr. MYERS for their assistance in many varied needs of California. The bill includes funding for approximately $262 million in water projects throughout the State, including a number of key projects in my district.

The bill continues to support the efforts of the Corps of Engineers to address the flood threat to Sacramento and parts of Yolo County. The bill includes funds to continue progress on deepening the Port of Sacramento to Deepwater Ship Channel and to nearly complete work on a project providing flood protection to Fairfield and Suisun City.

The bill also continues key research by the Department of Energy into magnetic fusion, solar energy, geothermal energy, and human genome. I would particularly like to highlight the strong support for the solar program reflected in the bill. The bill provides $130.4 million for solar energy research, $38 million more than is provided for in the current fiscal year. In addition, the bill assures that the Department of Energy will continue in a leadership role in furthering our understanding of the problems of climate change and developing proposals to mitigate the warming of the planet.

Again, Mr. Chairman, I thank Mr. BEVILL and Mr. MYERS for their cooperation and support, and their sensitivity to the many water development and energy-related problems facing the Nation and the State of California, in particular. I urge my colleagues to support the bill.

Mr. KYL. Mr. Chairman, I have some concerns about certain provisions in this bill relating to the Department of Energy Defense Programs and would like to record my position on these issues.

RESEARCH AND DEVELOPMENT

In this time of major global change and uncertainty, it is vitally important that we maintain a highly reliable strategic nuclear force and that we retain the fundamental capability to respond appropriately to changing nuclear requirements driven either by the evolving nature of the threat or by arms control agreements. The Weapons Research, Development and Testing program in the Department of Energy provides the fundamental basis for the maintenance of the United States deterrent, namely the scientists and engineers with the technical capabilities to develop and maintain U.S. nuclear weapons.

Recent newspaper accounts concerning the safety of the SRAM-A warhead and the 8-inch nuclear artillery shell have emphasized the importance of having competent scientists with adequate facilities to measure, evaluate and improve the safety of our nuclear weapons stockplile.

Since 1985 the overall level of effort in the DOE weapons RD&T program has declined approximately 25 percent in manpower and nearly 40 percent in the number of nuclear tests performed per year. The current level of effort, both in terms of laboratory manpower and nuclear tests, is the lowest in 25 years and has reached critical levels. The fiscal year 1991 appropriations bill would continue that unwise decline.

INDEPENDENT RESEARCH AND DEVELOPMENT [IR&D]

The DOE weapon laboratories have had the authority to utilize a small portion of their Research and Development funds for independent research, IR&D, not specifically described in the authorization or appropriation language. These funds, amounting to 2 percent to 7 percent of their directed R&D funds, are under the control of the laboratory directors and are used for creative R&D that has proven to be very valuable to the national interest as well as to DOE's defense activities. The Appropriations Committee removed $100 million from the DOE Atomic Energy Defense Activities and $20 million from the Energy Supply, Research and Development Activities. And in the Report to the bill directed the Department to discontinue the general policy of allowing its multiprogram laboratories to accumulate and expend funds on laboratory-directed research and development. I believe that this is a serious mistake.

The funds for these activities are carefully controlled to ensure that they are not misused, but the scientists are allowed to pursue their ideas subject to the approval of the laboratory director. This freedom given to creative scientists helps recruit and retain them for more programmatic missions. Laboratory scientists are difficult to obtain and require years to train in the unique science of nuclear explosives. The $100 million reduction will cause the immediate loss of 600 to 700 laboratory personnel and the report directing the discontinuance of such a practice will cause a potential long-term loss of the brightest and most innovative scientists.

The DOE laboratories are world famous for their demonstrated competency and creativeness. Arbitrarily restraining their creativity in this fashion is not good management of a technical program nor of technical personnel. This independent research and development amounts to a small fraction of the laboratories' effort, but has produced results that are very valuable to national defense and to the Nation in general.

The current IR&D Program has already contributed to the Nation's economic competitiveness and to solving our defense and environmental problems:

The program sponsored a small project to investigate the superplastic properties of steel with the goal of forming complex structures more economically. This has led to a large joint initiative between the Department of Energy and the private sector that promises substantial economic benefits to our steel industry.

The program has also funded the development of an extremely sensitive analytical technique that permits the extension of radiocarbon dating procedures to clinical and biological research applications. This accelerator-based technology promises safer drugs and a quantitative understanding of the mutagenic potential of various chemicals and natural products.

Projects sponsored by the program have contributed to innovative concepts such as "Brilliant Pebbles," an important component in the Strategic Defense Initiative [SDI].

Program funds are now being used to develop new innovative technologies which address the Nation's environmental problems such as utilizing natural occurring microbes to clean contaminated aquifers.

The program is helping to support the application of the Free Electron Laser, developed for the SDI Program, to x-ray lithography for producing microchips. The ability of the x-ray laser to etch very fine lines on microchips allows the production of microchips with 10 to 100 more circuits per chip than current techniques. This could allow U.S. manufacturers to leapfrog foreign competitors in the microchip industry.

There are many more examples in 1990 and valuable new projects were planned for 1991. I believe that DOE's IR&D Program is of great value to the Nation and should be continued.

TESTING

There have been repeated calls by other nations and by certain of my colleagues to further limit U.S. nuclear testing. It is important to realize that nuclear testing limitations are very different from arms control agreements like START and INF; testing limitations do not reduce the nuclear stockpiles of the United States or Soviet Union by a single weapon. Instead, they place constraints on technologies that we depend on to maintain the safety and credibility of our nuclear deterrent under any foreseeable circumstances.

Congress has correctly demanded the most rigorous testing on nonnuclear defense systems to ensure their effectiveness and minimize the risk to our servicemen. Congress has also demanded the most rigorous safety and security measures to prevent accidental or unauthorized detonation of our nuclear weapons. Testing is vital to assure the safety and security of our stockpile of nuclear weapons.

I would like to insert here the text of a letter sent to Adm. James D. Watkins, Secretary of Energy, from the two nuclear laboratory directors concerning the current level of nuclear testing and why testing in the current world environment is important.

JUNE 6, 1990.

Hon. JAMES D. WATKINS,
Admiral, U.S. Navy (Retired), the Secretary of Energy, U.S. Department of Energy, Washington, DC.

DEAR ADMIRAL WATKIN: National Security Directive 29 requires the Departments of Energy and Defense to prepare a white paper for the NSC and the President on the impact of the nuclear testing program. This white paper is being worked jointly by the Departments with input from the laboratories. As is true for all joint agency studies, it will take time and require compromise to finalize the response to NSD 29.

In the meantime the two of us are sufficiently concerned about the nuclear testing

issue to write to you directly. Nuclear testing continues to be crucial to meeting nuclear weapons requirements. This fact has been dramatically underscored in the past two years with the events surrounding the W79 artillery shell and the questions raised about the W88 Trident II warhead. We make the case for the importance of nuclear testing in today's environment in the attachment.

At the current level of testing, we can no longer maintain both the level of nuclear competence and the forward looking program that meets the nation's needs in safety, security, effectiveness, stockpile reliability, and avoidance of technological surprise. The problem is one of significant decline of resources for nuclear weapons RD&T in general, and nuclear testing in particular.

Our experts claim that the present testing rate would have to be doubled to meet our requirements. We recognize the political difficultires of justifying increased numbers of tests today. Therefore, we suggest that the Department commit to increasing the resources for nuclear testing. With increased resources for a small number of additional tests, plus increasing the number of add-ons and the number of diagnostics per test, we may be able to hold our own. Increased testing resources, however, cannot come at the expense of the overall RD&T budget since that has already declined in buying power by approximately 25 percent in the past five years.

We ask for your support for increased resources for the testing line item and the entire RD&T account in the FY 1991 and 1992 budgets. We would be happy to provide more specifics on any of the topics.

Sincerely,

S.S. HECKER,
Director,
Los Alamos National Laboratory.

WHY TEST IN THE CURRENT ENVIRONMENT?

Safety and security. The W79 and W88 episodes have dramatically demonstrated that the most expedient, and often the only way to resolve safety questions is through nuclear testing. Additionally, we are aware of the necessity to incorporate modern safety features such as insensitive high explosives (IHE) and fire resistant pits (FRPs) into the stockpile. The rate of current stockpile improvements is not adequate. And we cannot make these changes without the benefit of nuclear testing.

The security of our weapons systems also continues to be of utmost concern. Modernizing the stockpile and introducing new features in the future may well require nuclear testing.

Stockpile reliability. The reliability of the stockpile depends on our ability to conduct nuclear tests. The most convincing argument is that we must maintain a cadre of experienced weapons designers and engineers. Nuclear testing is crucial in building the expert judgment and confidence that is needed to answer stockpile questions. The age distribution of our current weapons program employees gives us great concern about a rapid loss of expertise in the near future.

Materials availability. Over the years, the DOE experienced a variety of critical materials shortages. Often we can compensate for such shortages through design. Almost without exception, such design changes need validation through nuclear testing before they can be implemented. There are two current examples. The tritium shortage still looms over the nuclear weapons program. We have numerous ideas to reduce the tritium requirements to ameliorate the supply problem. These ideas will have to be tested and verified through nuclear testing. We also face a potential shortage of plutonium parts (not material) because of the Rocky Flats problem. Possible stop gap measures include reusing retired plutonium pits. However, the "repackaged" warheads would have to be validated by nuclear tests.

Dynamics of deterrence. As the world situation continues to change, both military requirements and arms control requirements will shape the force structure of the future. The only thing that is certain is that the force structure will change. Build down requires new, different weapons to protect security and retain effectiveness and survivability. That requires nuclear testing.

Avoiding technological surprise. Nuclear tests extend our scientific frontiers and understanding of complex weapons phenomena. As the number of weapons decreases (especially if reductions are drastic) we become more vulnerable to technological surprise—that is, qualitative changes that could render our force ineffective or which could provide important new options to ourselves or our adversaries.

Test ban readiness. Both on our own and at the urging of Congress we have continued to explore means by which we could live with additional testing restrictions. Ironically, to prepare ourselves we have to test more to improve our fundamental understanding and confidence. We have significant nuclear test programs devoted to this effort as well as a comprehensive above-ground test facilities plan.

Environmental compliance. Long-term environmental compliance of the DOE production complex is best achieved by controlling what goes in the front end (design, material selection, processing techniques) rather than treating the effluents. We have scoped out such a program. It offers exciting possibilities but will clearly require nuclear testing to implement.

FOLLOW-ON-TO-LANCE (FOTL) AND 155MM ARTILLERY SHELL

The Appropriations Committee has reduced the DOE's R&D budget by $20 million and the Production and Surveillance budget by $142 million to reflect their understanding that the Follow-on-to-Lance and modernization of the 155mm shell have been cancelled. My understanding is that the FOTL has been cancelled by the President, but that the 155mm shell has not been cancelled. The DOE has identified about $16 million that is recoverable from production in FY 1991 due to the cancellation of the FOTL. Thus the Committee appears to have picked up too much money for those systems.

If it was the intent of the Committee to itself cancel the artillery shell, it apparently did this without consultation with the Administration. I point out that the short range missiles in Europe are still a bargaining issue between the U.S. and the Soviet Union and this unilateral action undercuts the bargaining power that the President may have to ensure the removal of the large number of Soviet short-range missiles in Eastern Europe. Even if the short-range missiles are removed from Europe, the artillery shells can be used in 155mm howitzers anywhere in the world, and can be easily deployed in an emergency. The current 155mm howitzer shell is over 25 years old, badly in need of modernization and should be improved.

Finally, it is unclear why the Committee reduced the R&D budget for these systems. It has been the Congressional practice to fund R&D on a level-of-effort basis, not to ratchet the laboratories up and down as weapon systems come and go. It is very difficult to train competent scientists in the unique science of nuclear explosives. This capability is not found in the private sector of our economy and should be preserved.

Mr. MYERS of Indiana. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. BEVILL. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 5019

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1991, for energy and water development, and for other purposes, namely:

TITLE I

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

The following appropriations shall be expended under the direction of the Secretary of the Army and the supervision of the Chief of Engineers for authorized civil functions of the Department of the Army pertaining to rivers and harbors, flood control, beach erosion, and related purposes.

□ 1540

Mr. WALKER. Mr. Chairman, I move to strike the last word. Mr. Chairman, I would still, if I could, like to seek an answer to my question of why it is that the authorizing committee was ignored in terms of our specific mandate on authorizations in this bill

I feel very strongly that we have the right to set priorities in the authorizing committees, and if we are going to be reasonably criticized at the point that we are not doing our job, I accept that criticism. But I think that the Committee on Appropriations needs to then accept the criticism from our side when you decide to ignore those things which are ours to decide, you know, and I respect what the gentleman from Indiana told me, that other requests came in.

You are not governed by those requests. You are governed by an authorization when an authorization is in place. Those requests are all very nice, but the fact is that the rules of this House, the procedures of this House are that you have to live within the authorized numbers or at the very least ought to have a signoff from the authorizing committee before you exceed those.

I certainly was not consulted anywhere along the line, as a ranking Republican on the committee. No one bothered to get in touch with me and ask me whether you could go above the figures we authorized for you.

That seems to me to be completely unacceptable.

The other explanation I heard was that the President's budget came in with some new requests. You are $20 million above the President's budget in this particular account.

So the President's budget did not guide you either. You went way above that.

Mr. Chairman, could the chairman explain to me where we fit into this process as authorizers?

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the chairman of the subcommittee, the gentleman from Alabama [Mr. BEVILL].

Mr. BEVILL. I thank the gentleman for yielding.

Mr. Chairman, we had many requests for increases to this particular program that you have mentioned, and even the President's budget was above what was authorized. We normally, and I understand this was done, my staff checks with your staff and makes that point. And they have no objection, then we went before the Committee on Rules. The rule allowed us to go forward with this. That was the gist of it.

So if we put the gentleman out and caused any inconvenience, we apologize because normally we consult the authorization committee before we go above any authorization. It is very unusual for us to go above any authorized amounts.

But this is apparently what has happened.

Mr. WALKER. Let me say to the gentleman there was no consultation on this. I am not aware that there was any consultation.

Mr. BEVILL. I understand. The gentleman has made his point. We have apparently slipped up, and we will try not to let that happen again.

Mr. WALKER. I appreciate that. But I would also hope that what we can get is some agreement that when the authorizing committees do their work, that the authorizing committees ought to be respected rather than ignored, that when we set up with limits for spending, we ought to be granted the courtesy of having our priorities reflected in what the Appropriations Committee does.

You certainly have broad discretion to act within our authorization, but in this case not only are our figures ignored but some of our priorities are ignored in this paragraph, for example, and I am going to raise this later on, and I hope that maybe I can get some support on it. We specifically asked for a line item for the hydrogen program. We did so because we did not think the Department of Energy has been very responsive on that. That line item was not included in your appropriation. Why? Well, I am told because the administration did not request it in their budget.

First of all, their budget was under preparation before the law passed. But second, they do not want it. I understand they do not want it. This is something that is going to be a pain for them.

But we think it is so important we ought to drive ahead with it. We would have liked to have seen that included in this appropriation as something which was very, very definitely important to the authorizing committee.

I will pursue that later on. But it is really frustrating when not only are our figures ignored but our priorities are ignored in the determination of policy. And I would hope that we are going to get some consideration of those things in the future because otherwise there is not much sense for us to spend our time doing the work.

Mr. BEVILL. Last week Chairman WHITTEN did send out a letter to the applicable authorization committees pointing out what is in the bill to see if there are any authorizing objections. At the same time, I think we should be more cautious, and we will try to do that in the future.

Mr. MYERS of Indiana. Mr. Chairman, I move to strike the penultimate word.

Mr. Chairman, we all recognize and sympathize with what the gentleman from Pennsylvania [Mr. WALKER] was speaking about in this instance. Certainly this committee is not in the business of reauthorizing. As far as I personally am concerned, Mr. WALKER, I do not think we get, in most cases, a dollar return for much research in solar. I think of all the possible sources of energy that probably solar is one of the lesser values, in my own judgment. But I do not think that is one that the entire members of this committee or certainly the House of Representatives share.

So for that reason, we have increased it. I have gone down and looked through the list. Solar is often associated with sun only. In this particular category there are others sources of energy.

Wind is an example, one in which the committee has not had great experience. But our allocation is exactly on the President's request in that particular area.

We also have photovoltaics, which is related to sun. The experience of this committee with photovoltaics has not been that great. But now we have the interest of industry in photovoltaics. We have had some breakthroughs in recent years with the conversion directly from photovoltaics to electric power.

So we now have developed the system of a silicon wafer that is more efficient, and we have experienced how to develop them better, and we think there is a breakthrough. So we did the biggest increase, I think you will find, in the photovoltaics.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. MYERS of Indiana. I yield to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding.

Mr. Chairman, in wind energy, for example, the administration requested $8.6 million in wind energy. You give them $11.8 million. That is compared to a spending in fiscal year 1990, the estimate was, $9.1 million.

So the administration requested less. You gave them substantially more in that particular area over and above the administration's request.

In photovoltaics, the administration did want more money. There was $35 million. They wanted to go to 43.6. You went to $46.9 million.

We had decided as an authorizing committee that that should be $39 million.

It seems to me that you had some obligation to us as authorizers to stick with our $39 million, which was still a substantial increase above what was spent in fiscal year 1990.

Mr. MYERS of Indiana. The committee attempted, as the chairman, said, to go back and get in touch. If the staff did not check base with you, we apologize for that. We should have.

But there have been some breakthroughs and more industry interest in photovoltaics. If we can match industry and get them to come up with research dollars, something we do not usually get, that would be something.

There is one other area and that is biomass. This country is developing huge amounts, as we all know, of wastes every day. If we can break through and burn that waste and develop energy in biomass, developing a whole new source of energy, that would be another area we did increase.

But let me suggest this to the gentleman: On the authorizing committee, or as an individual member, the gentleman can offer an amendment to strike that amount of money if he thinks we have gone over it. The gentleman has every right. The rule does provide the gentleman the opportunity to offer an amendment to bring it back to the limits of the authorizing committee.

I suggest the gentleman do that. That is a correct way. The gentleman knows it. He has been on this floor. He is a great parliamentarian. He knows how to do that.

Mr. WALKER. If the gentleman will yield.

Mr. MYERS of Indiana. I do not mean to be smart with the gentleman.

Mr. WALKER. No. But the gentleman knows that the Committee on Appropriations has an obligation, before you come to the floor, not to exceed the amounts that are appropriately authorized.

I would say to the gentleman that we got an explanation here a couple of minutes ago that said, "Well, you should have been aware of this and gone to the Rules Committee," and all that. You operate under a system that embargos the figures so that I, just within the last day or so, have been able to get the material that allows me to develop these figures, and was somewhat stunned to find out that the authorizing figures were exceeded.

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Mr. MYERS of Indiana. Mr. Chairman, the report containing these figures was public, and because the gentleman was not personally contacted as he should have been, I apologize. In the future, I will make sure as one member of this committee, that the gentleman is contacted, because he should have been. I am sorry that he was not.

Again, the remedy today is an amendment. That is the only way we can correct it, if the gentleman feels so and is compelled to change it.

Mr. WALKER. Mr. Chairman, if the gentleman will continue to yield, would the gentleman support an amendment to bring it back to the authorizing?

Mr. MYERS of Indiana. No, no.

Mr. WALKER. If the gentleman will continue to yield, so we are in a position while what the gentleman is attempting to do is pit the authorizers against the appropriators on things where all Members have held two hearings, you are talking about too? You are not the only one with the information that you are talking about. You are not the only place where all this information is developed. We hold hearings and spend hours and hours taking testimony, and set the priorities based upon what we regard as the realities. What the gentleman is saying is more important?

Mr. MYERS of Indiana. I wonder why this gentleman is the only Member I believe who is objecting to this process? What about the other Members?

Mr. WALKER. I have no idea about the other Members.

Mr. MYERS of Indiana. Just because I do not support it does not mean the gentleman does not have the right to order an amendment.

Mr. WALKER. I understand. I said I will offer an amendment to bring our priorities into order. The gentleman looks at the amendment, it says "of which" you have 2.7 billion dollars' worth of spending in the bill.

(On request of Mr. WALKER and by unanimous consent, Mr. MYERS of Indiana was allowed to proceed for 2 additional minutes.)

Mr. MYERS of Indiana. I yield to the gentleman from Pennsylvania.

Mr. WALKER. We have $2.7 billion in the bill in a category that I am saying that $4 million have to be spent out of that amount. It does not add one dime to the additional amount.

Mr. MYERS of Indiana. What is the math there?

Mr. WALKER. If the gentleman will continue to yield, I will spend $4 million out of $2.7 billion, less than one-tenth of 1 percent or something in the vicinity of that, and not add on spending in any way, shape, or form.

Mr. MYERS of Indiana. If the gentleman has the responsibility of taking this additional money——

Mr. WALKER. I would tell the gentleman that right now it falls in your category under the Biofuels Energy Program. I am perfectly willing to take it out of that, but our determination as an authorizing committee was that hydrogen ought to have its own separate line item so it could be followed, and so the Department would have to report on that individual program. That is something that we have done. We did it not only in this bill but recently passed in this House on suspension, the Matsunaga Hydrogen Research and Development Program, which goes to make that line item very, very firm. All we are trying to do is get that priority reflected in the gentleman's bill. I would not add one dime of spending. The gentleman would mischaracterize it if he says it in any way adds any spending at all.

Mr. MYERS of Indiana. I wonder where the gentleman is taking it from?

Mr. WALKER. Perhaps biofuels, or the additional money for solar thermal, or the additional money for wind energy. There are a number of different energies in that same category.

Mr. MYERS of Indiana. I wonder which the gentleman recommends?

Mr. WALKER. It could come out of all of those. We could take a little bit out of the increased spending. For instance, as I understand it, we have agreed to $2.5 million of spending in that area, so my amendment would simply bring it to the authorized amount by $1.5 million. We have more than that in an increase in the Wind Energy Program.

Mr. BROWN of California. Mr. Chairman, I move to strike the last word.

I followed this colloquy between the gentleman from Pennsylvania [Mr. WALKER] and the gentleman from Indiana [Mr. MYERS] very closely, and I also serve on the authorizing committee with the gentleman from Pennsylvania [Mr. WALKER]. I have had occasion to work with the gentleman on these items and many others in the course of that service. I think the gentleman has an excellent amendment with regard to the hydrogen proposal. I think perhaps it was merely an oversight that the committee did not provide a line item for that very important research program. I intend to support the amendment of the gentleman from Pennsylvania [Mr. WALKER] to provide for that line item. I hope that the chairman of the subcommittee will see fit to agree to that.

It does not require any additional funding, as the gentleman from Pennsylvania [Mr. WALKER] mentioned, but it merely specifies a program which has been set forth in separate legislation and passed by this House, and which has in the past had specific designation in the bill.

On the other matter involving the question of funding for renewables, larger than what is contained in the current authorization, I also am in agreement in principle with the gentleman from Pennsylvania [Mr. WALKER]. I think the committee perhaps erred in not only not consulting with the gentleman from Pennsylvania [Mr. WALKER]. I do not think the chairman of the committee was consulted with, but I do not know that for a fact. I am not, however, inclined to support an effort to cut that particular provision, because I will tell Members historically, and I know the chairman is well aware of this, there has been a sharp decline in funding in research in renewable energy, and the chairman and the subcommittee is just beginning to build that program back up to the level which it had just a few short years ago. Frankly, I commend him for doing this despite the fact that he has slightly exceeded the amount, according to the gentleman from Pennsylvania [Mr. WALKER], contained in the authorization.

Mr. Chairman, I yield to the gentleman from Alabama [Mr. BEVILL].

Mr. BEVILL. Mr. Chairman, I would say to the gentleman from Pennsylvani [Mr. WALKER] regarding the amendment that the two have referred to on hydrogen, that we will accept it. We will be glad to accept it, but we have to wait until we get to that point in the bill. I want to put the gentleman on notice so we can move along.

Mr. BROWN of California. Mr. Chairman, I would like to see the committee move along also, and I think in the long run what has emerged from the subcommittee is a good bill. I am prepared to support it.

Mr. STANGELAND. Mr. Chairman, I move to strike the last word, and I do so for the purpose of engaging in a colloquy with the gentleman from Alabama [Mr. BEVILL] and the ranking member from Indiana [Mr. MYERS].

H.R. 5019 provides $100,000 in operations and maintenance funds for the continued implementation of the cleanup project for Sauk Lake, MN. Of the $650,000 previously appropriated for this project, only $440,000 has been allocated. Is it the committee's intent that the Secretary of the Army be directed to utilize all previously appropriated funds immediately and to expedite the acquisition of cleanup-related equipment recommended in the alternatives report or other measures to hasten actual cleanup of the lake?

Mr. BEVILL. Mr. Chairman, if the gentleman will yield, the answer is yes.

Mr. MYERS of Indiana. If the gentleman will yield, I certainly support the chairman and the gentleman's remarks here. In fact, the committee will be following up, monitoring, and making sure the Secretary of the Army follows the concerns and the wishes of the committee.

Mr. STANGELAND. Is it also true that the committee does not intend for the acquisition of weed harvesters, transporters, and related equipment to be unnecessarily delayed while waiting for enactment of H.R. 5019 or lengthy review by the Chief of Engineers?

Mr. BEVILL. Mr. Chairman, if the gentleman will yield, the answer is yes.

Mr. MYERS of Indiana. Mr. Chairman, if the gentleman will yield, yes, I agree with the gentleman. In addition, the acquisition of a weed harvester prior to enactment of this legislation will not change the outlook of this and the intention of the committee.

Mr. STANGELAND. Finally, isn't it true that Congress never intended for the costs of preparing the alternatives report, which has been undertaken at 100 percent Federal cost, to be shared or for the project to undergo the same type of review by the Board of Engineers for Rivers and Harbors, the Chief of Engineers, and the Secretary that other projects would undergo?

Mr. BEVILL. Mr. Chairman, if the gentleman will continue to yield, the gentleman is 100 percent correct.

Mr. MYERS of Indiana. If the gentleman will continue to yield, the gentleman is correct.

Mr. STANGELAND. H.R. 5019 also provides funds for the nationwide section 22, planning assistance to States; and section 206, floodplain management services programs; and the new section 50, technical resource service program for Minnesota and North Dakota. Committee report language provides; First, the Federal share for the section 22 and section 206 programs shall remain at 100 percent notwithstanding recent proposals to require additional cash contributions from non-Federal participants; second, selected States shall receive various amounts under the section 22 program ranging from $100,000 to the statutory cap of $300,000; and third, the section 50 technical resource service shall receive $250,000. Is this the understanding of the chairman and ranking minority member of the subcommittee?

Mr. BEVILL. If the gentleman will yield, the answer is yes.

Mr. MYERS of Indiana. If the gentleman will continue to yield, the gentleman is correct.

Mr. STANGELAND. With regard to cost sharing for section 50, isn't it true that the committee does not intend in any way to imply that a Federal share of less than 100 percent could be imposed for section 50 funds?

Mr. BEVILL. The gentleman is correct.

Mr. MYERS of Indiana. Yes, as we understand the intent of section 50 of the 1988 Water Resources Act.

Mr. STANGELAND. With regard to section 22 allocations to various States, isn't it true the committee does not intend in any way to preclude the State of Minnesota from receiving its share of funds and that if enough funds are available the State could receive up to the current $300,000 statutory maximum?

Mr. BEVILL. Yes, the gentleman is correct.

Mr. MYERS of Indiana. I agree.

Mr. STANGELAND. With regard to section 50, the 1988 act requires that section 50 services are to be in addition to and not in lieu of section 22 or 206 services. Is it the committee's intent to be consistent with this requirement?

Mr. BEVILL. Yes.

Mr. MYERS of Indiana. That is correct, the funds provided under section 50 are not intended to be in lieu of either section 22 or section 206.

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Mr. STANGELAND. Mr. Chairman, finally, is it the committee's intent that any efforts by the corps and State officials under sections 22, 206, and 50 be coordinated with affected local governmental units, watershed boards, citizen groups, and others to the maximum extent practicable; that hydrology studies and floodplain analyses and maps be as accurate as possible; and that new or independent hydrology studies be conducted where appropriate?

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. STANGELAND. I yield to the chairman of the subcommittee.

Mr. BEVILL. Mr. Chairman, the answer to the gentleman's question is yes.

Mr. MYERS of Indiana. Mr. Chairman, the gentleman has asked these questions, and since he is on the authorizing committee, he knows the answers to the questions. For the record, let me say that he has been correct in every respect.

Mr. STANGELAND. Mr. Chairman, I thank the subcommittee chairman and the ranking member for their clarification and for their reiteration of the facts of law that we need to have cleared up.

The CHAIRMAN. The Clerk will read.

Mr. BEVILL. Mr. Chairman, I ask unanimous consent that the remainder of title I be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The text of the remainder of title I is as follows:

GENERAL INVESTIGATIONS

For expenses necessary for the collection and study of basic information pertaining to river and harbor, flood control, shore protection, and related projects, restudy of authorized projects, miscellaneous investigations, and when authorized by laws, surveys and detailed studies and plans and specifications of projects prior to construction, $167,847,000, to remain available until expended: *Provided*, That with funds herein appropriated the Secretary of the Army, acting through the Chief of Engineers, is directed to undertake the following items under General Investigations in fiscal year 1991 in the amounts specified:

Casino Beach, Chicago, Illinois, $220,000;

McCook and Thornton Reservoirs (CUP), Illinois, $2,000,000;

Lake George, Hobart, Indiana, $125,000;

Little Calumet River Basin (Cady Marsh Ditch), Indiana, $220,000;

Ste. Genevieve, Missouri, $600,000;

Red River Waterway, Shreveport, Louisiana, to Daingerfield, Texas, $1,900,000;

Miami River Sediments, Florida, $200,000;

Monroe County Beach Erosion (Smathers Beach), Florida, $193,000;

Wyoming Valley Levee Raising, Pennsylvania, $1,000,000;

Taylorsville Lake (Routt Road Bridge), Kentucky, $86,000:

Provided further, That not to exceed $30,700,000 shall be available for obligation for research and development activities: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to initiate and complete preconstruction engineering and design of the LaConner, Washington, project using funds appropriated for that purpose in the Energy and Water Development Appropriations Act, 1990, Public Law 101-101: *Provided further*, That the Secretary of the Army is authorized, in partnership with the Department of Transportation, and in coordination with other Federal agencies, to conduct research and development associated with an advanced high speed magnetic levitation transportation system: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $250,000 of the funds appropriated herein to complete the Los Angeles-Long Beach Harbors project feasibility study and is further directed to use $3,000,000 of the funds appropriated herein to initiate preconstruction engineering and design of that project upon release of the South Pacific Division Engineer's notice of completion of the feasibility report: *Provided further*, That with $200,000 of the funds appropriated in the Energy and Water Development Appropriations Act, 1990, Public Law 101-101, together with $300,000 of the funds appropriated herein, the Secretary of the

Army, acting through the Chief of Engineers, is directed to continue preconstruction engineering and design of the Red River Waterway, Index, Arkansas, to Denison Dam, Texas, project.

CONSTRUCTION, GENERAL

For the prosecution of river and harbor, flood control, shore protection, alteration and removal of obstructive bridges, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction), $1,300,389,000, of which such sums as are necessary pursuant to Public Law 99-662 shall be derived from the Inland Waterways Trust Fund, to remain available until expended: *Provided*, That with funds herein appropriated the Secretary of the Army, acting through the Chief of Engineers, is directed to undertake the following projects in fiscal year 1991 in the amounts specified:

O'Hare Reservoir, Illinois, $4,300,000;

Red River Emergency Bank Protection, Arkansas and Louisiana, $4,100,000;

Hansen Dam, California, $272,000;

Kissimmee River, Florida, $6,000,000;

Wallisville Lake, Texas, $9,200,000;

Red River Basin Chloride Control, Texas and Oklahoma, $5,000,000;

Shinnecock Inlet, New York, $3,000,000;

Platte River Flood and Streambank Erosion Control Demonstration Project, Nebraska, $1,500,000;

San Diego River and Mission Bay, California, $975,000;

Tampa Bay (Port Sutton), Florida, $500,000:

Provided further, That with $7,500,000 of the funds herein appropriated to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue the work for the levees/floodwalls and to undertake other structural and nonstructural work associated with the Barbourville, Kentucky, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project authorized by section 202 of Public Law 96-367: *Provided further*, That with $20,500,000 of the funds herein appropriated to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue the work for the river diversion tunnels and to undertake other structural and nonstructural work associated with the Harlan, Kentucky, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project authorized by section 202 of Public Law 96-367 using continuing contracts: *Provided further*, That no fully allocated funding policy shall apply to construction of the Barbourville, Kentucky, and Harlan, Kentucky, elements of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project: *Provided further*, That with funds herein or hereafter appropriated, the Secretary of the Army, acting through the Chief of Engineers, is directed to award continuing contracts until construction is complete in accordance with the terms and conditions of Public Law 101-101 for the O'Hare Reservoir, Illinois, and Wallisville Lake, Texas, projects: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to undertake the Kanawha River, Charleston, West Virginia, and Kanawha River, Saint Albans, West Virginia, projects using funds appropriated in the Energy and Water Development Appropriations Act, 1988, Public Law 100-202: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to permit the non-Federal sponsors for the Fort Toulouse, Elmore County, Alabama, and Mound State Park, Moundville, Alabama, projects to contribute, in lieu of cash, all or any portion of their share of the projects with work in-kind: *Provided further*, That using $400,000 of the funds appropriated herein the Secretary of the Army, acting through the Chief of Engineers, is directed to construct the Salyersville cut-through as authorized by Public Law 99-662, section 401(e)(1) in accordance with the Special Project Report for Salyersville, Kentucky, concurred in by the Ohio River Division Engineer on or about July 26, 1989: *Provided further*, That using $500,000 of the funds appropriated herein the Secretary of the Army, acting through the Chief of Engineers, is directed to complete engineering and design and proceed with construction in fiscal year 1991 of riverbed gradient restoration facilities in the vicinity of mile 206 of the Sacramento River, California, pursuant to the authority provided in section 102 of Public Law 101-101, the Energy and Water Development Appropriations Act, 1990: *Provided further*, That with $3,000,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to undertake construction of the Lower and Middle Rouge Rivers projects in Michigan, and the non-Federal share of these projects shall be 25 percent: *Provided further*, That with $550,000 of the funds herein appropriated, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue with planning, engineering, design, and construction of the Des Moines Recreational River and Greenbelt, Iowa, project in accordance with the terms and conditions for construction in Public Law 100-202: *Provided further*, That with $3,000,000 of the funds herein appropriated the Secretary of the Army, acting through the Chief of Engineers, is directed to approve the remaining design memoranda and to continue land acquisition at Red Rock Lake and Dam, Iowa, in accordance with Public Law 99-190: *Provided further*, That using $300,000 of the funds appropriated herein the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to repair and restore to a safe condition the existing Tulsa and West Tulsa Local Protection Project, Oklahoma, authorized by the Flood Control Act approved August 18, 1941, Public Law 73-228, at an estimated cost of $1,300,000. The non-Federal share of the project will be in accordance with the provisions of title I, section 103, of Public Law 99-662, for flood control purposes: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to initiate construction of the San Timoteo feature of the Santa Ana River Mainstem flood control project by scheduling design and construction. The Secretary is further directed to initiate and complete design and to fund and award all construction contracts necessary for completion of the San Timoteo feature. Furthermore, the Corps of Engineers is directed to use $1,000,000 of the funds appropriated herein to initiate the design; and, in addition, $61,636,000, to remain available until expended, is hereby appropriated for construction of the Red River Waterway, Mississippi River to Shreveport, Louisiana, project.

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES, ARKANSAS, ILLINOIS, KENTUCKY, LOUISIANA, MISSISSIPPI, MISSOURI, AND TENNESSEE

For expenses necessary for prosecuting work of flood control, and rescue work, repair, restoration, or maintenance of flood control projects threatened or destroyed by flood, as authorized by law (33 U.S.C. 702a, 702g-1), $342,731,000, to remain available until expended: *Provided*, That not less than $250,000 shall be available for bank stabilization measures as determined by the Chief of Engineers to be advisable for the control of bank erosion of streams in the Yazoo Basin, including the foothill area, and where necessary such measures shall complement similar works planned and constructed by the Soil Conservation Service and be limited to the areas of responsibility mutually agreeable to the District Engineer and the State Conservationist: *Provided further*, That the funds provided herein for operation and maintenance of Yazoo Basin Lakes shall be available for the maintenance of road and trail surfaces, alignments, widths, and drainage features: *Provided further*, That using $236,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to initiate construction of the Horn Lake Creek and Tributaries (Including Cow Pen Creek), Tennessee and Mississippi, project: *Provided further*, That the Secretary of the Army is hereby directed to expedite the acquisition, in fee simple, of lands, excluding minerals, for public access in the Atchafalaya Basin Floodway System, Louisiana, as authorized by Public Laws 99-88, 99-662, and 100-202. The Secretary is authorized to include in any transfer of real property, in fee simple, excluding minerals, for public access pursuant to Public Laws 99-88, 99-662, and 100-202, language requiring the United States, in the event that the property is no longer required for public access and prior to any subsequent sale, exchange, or other transfer of the property acquired, to first offer such property to the vendors, their heirs, successors or assigns, at the same price then being offered by any third party, which price shall in no event be less than the current fair market value. This authority is effective July 1, 1989, and the Secretary is further authorized to correct and amend deeds executed and delivered prior to said date to incorporate this provision.

OPERATION AND MAINTENANCE, GENERAL

For expenses necessary for the preservation, operation, maintenance, and care of existing river and harbor, flood control, and related works, including such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality or other public agency, outside of harbor lines, and serving essential needs of general commerce and navigation; surveys and charting of northern and northwestern lakes and connecting waters; clearing and straightening channels; and removal of obstructions to navigation, $1,457,488,000, to remain available until expended, of which such sums as become available in the Harbor Maintenance Trust Fund, pursuant to Public Law 99-662, may be derived from that fund, and of which $20,000,000 shall be for construction, operation, and maintenance of outdoor recreation facilities, to be derived from the special account established by the Land and Water Conservation Act of

1965, as amended (16 U.S.C. 460l): *Provided*, That $3,630,000 of the funds appropriated herein shall be used by the Secretary of the Army, acting through the Chief of Engineers, for the Long-Term Management Strategy for dredged material disposal in the San Francisco Bay, California, region: *Provided further*, That $2,500,000 of the funds appropriated herein shall be used by the Secretary of the Army, acting through the Chief of Engineers, to continue the development of recreation facilities at Sepulveda Dam, California: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $3,500,000 of the funds appropriated herein for the Federal share of construction of access facilities in the McAlpine Lock and Dam navigation pool. The non-Federal interests shall be credited for previous work related to access, including $3,000,000 for 1,060 feet of the new downtown wharf. Non-Federal interests shall provide necessary easements to the Federal Government for construction of improvements at no cost to the Federal Government. Title for lands shall remain with non-Federal interests: *Provided further*, That $100,000 of the funds appropriated herein shall be used by the Secretary of the Army, acting through the Chief of Engineers, to continue the Sauk Lake, Minnesota, project: *Provided further*, That $200,000 of the funds appropriated herein shall be used by the Secretary of the Army, acting through the Chief of Engineers, for operation and maintenance of existing structures and facilities of the Missouri National Recreation River, Nebraska and South Dakota: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, using $900,000 of the funds appropriated herein, is directed to undertake a major rehabilitation of the Johnstown, Pennsylvania, project to insure that the project will continue to provide the authorized level of protection in the future. The Secretary is further directed to investigate those non-federally owned buildings, embankments and walls which were included in the line of protection for the convenience of the Government and to perform needed repair, rehabilitation or replacement at Federal expense subject to the following terms: (1) The City of Johnstown secures needed rights of access to such structures; (2) the City of Johnstown agrees to hold and save the United States free from damages due to construction or operation and maintenance of the work on the non-Federal structures, except for damages due to the fault or negligence of the United States or its contractors: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to undertake improvements to roads, utilities, and other facilities at the Crowder Point East Recreation Area at Eufaula Lake, Oklahoma, using funds appropriated for that purpose in the Energy and Water Development Appropriations Act, 1989, Public Law 100-371: *Provided further*, That within funds available for the Eufaula Lake, Oklahoma, project, the Secretary of the Army, acting through the Chief of Engineers, is directed to make improvements and perform maintenance of Bugtussle Road at Lake Eufaula, Oklahoma: *Provided further*, That not to exceed $8,000,000 shall be available for obligation for national emergency preparedness programs.

REGULATORY PROGRAM

For expenses necessary for administration of laws pertaining to regulation of navigable waters, including bridges, and wetlands, $71,100,000, to remain available until expended.

FLOOD CONTROL AND COASTAL EMERGENCIES

For expenses necessary for emergency flood control, hurricane, and shore protection activities, as authorized by section 5 of the Flood Control Act, approved August 18, 1941, as amended, $25,000,000, to remain available until expended.

GENERAL EXPENSES

For expenses necessary for general administration and related functions in the office of the Chief of Engineers and offices of the Division Engineers; activities of the Board of Engineers for Rivers and Harbors, the Coastal Engineering Research Board, the Engineer Automation Support Activity, and the Water Resources Support Center, $136,100,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

Appropriations in this title shall be available for expenses of attendance by military personnel at meetings in the manner authorized by section 4110 of title 5, United States Code, uniforms, and allowances therefor, as authorized by law (5 U.S.C. 5901-5902), and for printing, either during a recess or session of Congress, of survey reports authorized by law, and such survey reports as may be printed during a recess of Congress shall be printed, with illustrations, as documents of the next succeeding session of Congress; not to exceed $5,000 for official reception and representation expenses; and during the current fiscal year the revolving fund, Corps of Engineers, shall be available for purchase (not to exceed 170 for replacement only) and hire of passenger motor vehicles.

GENERAL PROVISIONS

CORPS OF ENGINEERS—CIVIL

SEC. 101. Section 4(t)(3)(F) of the Water Resources Development Act of 1988, Public Law 100-676, is amended by striking "September 30, 1989" and inserting in lieu thereof "on the date of transfer of OMR&R responsibility to the city".

SEC. 102. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to construct the Pennington Creek project with funds previously appropriated for dredging of Pennington Creek, Denison Dam-Lake Texoma, Texas, under Operations and Maintenance, General, and as outlined in the Tulsa District Engineer's report as submitted to the Chief of Engineers on February 22, 1989, at full Federal expense. Construction of this project is contingent upon a local sponsor signing an agreement to operate and maintain the project at non-Federal expense.

SEC. 103. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to construct loading and related facilities at Boudinot Harbor, Oklahoma, River Mile 382.3 on the McClellan-Kerr Arkansas River Navigation System with funds available to the McClellan-Kerr Arkansas River Navigation System, at an estimated cost of $400,000.

SEC. 104. The project for flood control, Brush Creek and Tributaries, Missouri and Kansas, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4168) is modified to authorize the Secretary of the Army to construct the project substantially in accordance with the Post Authorization Change Report, dated April 1989, as revised on January 1990, at a total cost of $26,200,000 with an estimated Federal first cost of $16,090,000, and an estimated first non-Federal cost of $10,110,000.

SEC. 105. Notwithstanding the provisions of section 215 of the Flood Control Act of 1968 (42 U.S.C. 1962d-5a) the Secretary of the Army is directed to credit and/or reimburse the local sponsor of the Maumee Bay State Park project in Ohio for work completed by the local sponsor on the eastern segment of the authorized project before November 17, 1988, in an amount equal to the Federal share of the costs of such work. Such credit and/or reimbursement shall be applied to the local sponsor's share of the construction costs of the western segment of the authorized project.

The CHAIRMAN. Are there any points of order against any part of title I?

If not, are there any amendments to title I?

The Clerk will read.

The Clerk read as follows:

TITLE II

DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

For carrying out the functions of the Bureau of Reclamation as provided in the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) and other Acts applicable to that Bureau as follows:

GENERAL INVESTIGATIONS

For engineering and economic investigations of proposed Federal reclamation projects and studies of water conservation and development plans and activities preliminary to the reconstruction, rehabilitation and betterment, financial adjustment, or extension of existing projects, to remain available until expended, $12,926,000: *Provided*, That, of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further*, That all costs of an advance planning study of a proposed project shall be considered to be construction costs and to be reimbursable in accordance with the allocation of construction costs if the project is authorized for construction: *Provided further*, That funds contributed by non-Federal entities for purposes similar to this appropriation shall be available for expenditure for the purposes for which contributed as though specifically appropriated for said purposes, and such amounts shall remain available until expended.

CONSTRUCTION PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For construction and rehabilitation of projects and parts thereof (including power transmission facilities for Bureau of Reclamation use) and for other related activities as authorized by law, to remain available until expended, $649,697,000, of which $145,063,000 shall be available for transfer to the Upper Colorado River Basin Fund authorized by section 5 of the Act of April 11, 1956 (43 U.S.C. 620d), and $185,768,000 shall be available for transfers to the Lower Colorado River Basin Development Fund authorized by section 403 of the Act of September 30, 1968 (43 U.S.C. 1543), and such amounts as may be necessary shall be considered as though advanced to the Colorado River Dam Fund for the Boulder Canyon Project as authorized by the Act of December 21, 1928, as amended: *Provided*, That of

the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further,* That transfers to the Upper Colorado River Basin Fund and Lower Colorado River Basin Development Fund may be increased or decreased by transfers within the overall appropriation under this heading: *Provided further,* That funds contributed by non-Federal entities for purposes similar to this appropriation shall be available for expenditure for the purposes for which contributed as though specifically appropriated for said purposes, and such funds shall remain available until expended: *Provided further,* That the final point of discharge for the interceptor drain for the San Luis Unit shall not be determined until development by the Secretary of the Interior and the State of California of a plan, which shall conform with the water quality standards of the State of California as approved by the Administrator of the Environmental Protection Agency, to minimize any detrimental effect of the San Luis drainage waters: *Provided further,* That no part of the funds herein approved shall be available for construction or operation of facilities to prevent waters of Lake Powell from entering any national monument: *Provided further,* That the funds contained in this Act for the Garrison Diversion Unit, North Dakota, shall be expended only in accordance with the provisions of the Garrison Diversion Unit Reformulation Act of 1986 (Public Law 99-294): *Provided further,* That all costs of the safety of dams modification work at Coolidge Dam, San Carlos Irrigation Project, Arizona, performed under the authority of the Reclamation Safety of Dams Act of 1978 (43 U.S.C. 506), as amended, are in addition to the amount authorized in section 5 of said Act: *Provided further,* That none of the funds appropriated in this Act shall be used to study or construct the Cliff Dam feature of the Central Arizona Project: *Provided further,* That Plan 6 features of the Central Arizona Project other than Cliff Dam, including (1) water rights and associated lands within the State of Arizona acquired by the Secretary of the Interior through purchase, lease, or exchange, for municipal and industrial purposes, not to exceed 30,000 acre feet; and, (2) such increments of flood control that may be found to be feasible by the Secretary of the Interior at Horseshoe and Bartlett Dams, in consultation and cooperation with the Secretary of the Army and using Corps of Engineers evaluation criteria, developed in conjunction with dam safety modifications and consistent with applicable environmental law, are hereby deemed to constitute a suitable alternative to Orme Dam within the meaning of the Colorado River Basin Project Act (82 Stat. 885; 43 U.S.C. 1501 et seq.).

OPERATION AND MAINTENANCE

For operation and maintenance of reclamation projects or parts thereof and other facilities, as authorized by law; and for a soil and moisture conservation program on lands under the jurisdiction of the Bureau of Reclamation, pursuant to law, to remain available until expended, $231,516,000: *Provided,* That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund, and the amount for program activities which can be derived from the special fee account established pursuant to the Act of December 22, 1987 (16 U.S.C. 460l-6a, as amended), may be derived from that fund: *Provided further,* That of the total appropriated, such amounts as may be required for replacement work on the Boulder Canyon Project which would require readvances to the Colorado River Dam Fund shall be readvanced to the Colorado River Dam Fund pursuant to section 5 of the Boulder Canyon Project Adjustment Act of July 19, 1940 (43 U.S.C. 618d), and such readvances since October 1, 1984, and in the future shall bear interest at the rate determined pursuant to section 104(a)(5) of Public Law 98-381: *Provided further,* That funds advanced by water users for operation and maintenance of reclamation projects or parts thereof shall be deposited to the credit of this appropriation and may be expended for the same purpose and in the same manner as sums appropriated herein may be expended, and such advances shall remain available until expended: *Provided further,* That revenues in the Upper Colorado River Basin Fund shall be available for performing examination of existing structures on participating projects of the Colorado River Storage Project, the costs of which shall be nonreimbursable.

LOAN PROGRAM

For loans to irrigation districts and other public agencies for construction of distribution systems on authorized Federal reclamation projects, and for loans and grants to non-Federal agencies for construction of projects, as authorized by the Acts of July 4, 1955, as amended (43 U.S.C. 421a-421d), and August 6, 1956, as amended (43 U.S.C. 422a-422l), including expenses necessary for carrying out the program, $5,708,000, to remain available until expended: *Provided,* That of the total sums appropriated, the amount of program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further,* That during fiscal year 1991 and within the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed $4,946,000: *Provided further,* That any contract under the Act of July 4, 1955 (69 Stat. 244), as amended, not yet executed by the Secretary, which calls for the making of loans beyond the fiscal year in which the contract is entered into shall be made only on the same conditions as those prescribed in section 12 of the Act of August 4, 1939 (53 Stat. 1187, 1197).

GENERAL ADMINISTRATIVE EXPENSES

For necessary expenses of general administration and related functions in the office of the Commissioner, the Denver office, and offices in the five regions of the Bureau of Reclamation, $51,431,000, of which $600,000 shall remain available until expended, the total amount to be derived from the reclamation fund and to be nonreimbursable pursuant to the Act of April 19, 1945 (43 U.S.C. 377): *Provided,* That no part of any other appropriation in this Act shall be available for activities or functions budgeted for the current fiscal year as general administrative expenses.

EMERGENCY FUND

For an additional amount for the "Emergency fund", as authorized by the Act of June 26, 1948 (43 U.S.C. 502), as amended, to remain available until expended for the purposes specified in said Act, $1,000,000, to be derived from the reclamation fund.

WORKING CAPITAL FUND

For acquisition of computer capacity for the Business System Acquisition project, and other capital equipment and facilities, $4,831,000, to remain available until expended, as authorized in section 1472 of title 43, United States Code (99 Stat. 571).

SPECIAL FUNDS

(TRANSFER OF FUNDS)

Sums herein referred to as being derived from the reclamation fund or special fee account are appropriated from the special funds in the Treasury created by the Act of June 17, 1902 (43 U.S.C. 391) or the Act of December 22, 1987 (16 U.S.C. 460l-6a, as amended), respectively. Such sums shall be transferred, upon request of the Secretary, to be merged with and expended under the heads herein specified; and the unexpended balances of sums transferred for expenditure under the head "General Administrative Expenses" shall revert and be credited to the reclamation fund.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Reclamation shall be available for purchase of not to exceed 17 passenger motor vehicles for replacement only; payment of claims for damages to or loss of property, personal injury, or death arising out of activities of the Bureau of Reclamation; payment, except as otherwise provided for, of compensation and expenses of persons on the rolls of the Bureau of Reclamation appointed as authorized by law to represent the United States in the negotiations and administration of interstate compacts without reimbursement or return under the reclamation laws; for service as authorized by section 3109 of title 5, United States Code, in total not to exceed $500,000; rewards for information or evidence concerning violations of law involving property under the jurisdiction of the Bureau of Reclamation; performance of the functions specified under the head "Operation and Maintenance Administration", Bureau of Reclamation, in the Interior Department Appropriations Act 1945; preparation and dissemination of useful information including recordings, photographs, and photographic prints; and studies of recreational uses of reservoir areas, and investigation and recovery of archeological and paleontological remains in such areas in the same manner as provided for in the Acts of August 21, 1935 (16 U.S.C. 461-467), and June 27, 1960 (16 U.S.C. 469): *Provided,* That no part of any appropriation made herein shall be available pursuant to the Act of April 19, 1945 (43 U.S.C. 377), for expenses other than those incurred on behalf of specific reclamation projects except "General Administrative Expenses", amounts provided for plan formulation and advance planning investigations under the head "General Investigations", and amounts provided for science and technology under the head "Construction Program".

Sums appropriated herein which are expended in the performance of reimbursable functions of the Bureau of Reclamation shall be returnable to the extent and in the manner provided by law.

No part of any appropriation for the Bureau of Reclamation, contained in this Act or in any prior Act, which represents amounts earned under the terms of a contract but remaining unpaid, shall be obligated for any other purpose, regardless of when such amounts are to be paid: *Provided,* That the incurring of any obligation prohibited by this paragraph shall be deemed a violation of 31 U.S.C. 1341.

No funds appropriated to the Bureau of Reclamation for operation and maintenance, except those derived from advances by water users, shall be used for the particular benefits of lands (a) within the boundaries of an irrigation district, (b) of any member of a water users' organization, or

(c) of any individual when such district, organization, or individual is in arrears for more than twelve months in the payment of charges due under a contract entered into with the United States pursuant to laws administered by the Bureau of Reclamation.

None of the funds made available by this or any other Act shall be used by the Bureau of Reclamation for contracts for surveying and mapping services unless such contracts for which a solicitation is issued after the date of this Act are awarded in accordance with title IX of the Federal Property and Administrative Service Act of 1949 (40 U.S.C. 541 et seq.). Notwithstanding the provisions of 5 U.S.C. 5901(a), as amended, the uniform allowance for each uniformed employee of the Bureau of Reclamation, Department of the Interior, shall not exceed $400 annually.

GENERAL PROVISIONS

DEPARTMENT OF THE INTERIOR

SEC. 201. Appropriations in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities or other facilities or equipment damaged, rendered inoperable, or destroyed by fire, flood, storm, drought, or other unavoidable causes: *Provided*, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted.

SEC. 202. The Secretary may authorize the expenditure or transfer (within each bureau or office) of any appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under jurisdiction of the Department of the Interior.

SEC. 203. Appropriations in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency, or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by the Act of June 30, 1932 (31 U.S.C. 1535 and 1536): *Provided*, That reimbursements for costs of supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

SEC. 204. Appropriations in this title shall be available for hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchases of reprints; payment for telephone services in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.

SEC. 205. (a) AUTHORIZATION.—The Secretary is authorized and directed to enter into a contract with the McGee Creek Authority, Oklahoma City, Oklahoma, accepting a payment of $88,629,000.

(b) CONTRACT TERMINATION.—Upon receipt of the payment specified in subsection (a), the McGee Creek Water Authority's obligation under contract between the Authority and the Secretary numbered 0-07-50-X0822, dated October 11, 1979, shall be terminated.

(c) TITLE TO PROJECT FACILITIES.—Notwithstanding any payments made by the McGee Creek Water Authority pursuant to sections 205 (a) and (b) of this language or pursuant to any contract with the Secretary, title to project facilities of the McGee Creek Project, Oklahoma shall remain with the United States.

SEC. 206. (a) Except as provided in subsection (b) of this section, none of the funds appropriated in this or any other Act shall be used to execute new long-term contracts for water supply from the Central Valley Project, California.

(b)(1) The Secretary of the Interior is authorized and directed to enter into the following contracts: (A) a municipal and industrial water supply contract with the Sacramento County Water Agency, not to exceed 22,000 acre-feet annually, to meet the immediate needs of Sacramento County and a municipal and industrial water supply contract with the San Juan Suburban Water District, not to exceed 13,000 acre-feet annually, for diversion from Folsom Lake, with annual quantities delivered under these contracts to be determined by the Secretary based upon the quantity of water actually needed within the Sacramento County Water Agency service area and San Juan Suburban Water District after considering reasonable efforts to: (i) promote full utilization of existing water entitlements within Sacramento County, (ii) implement water conservation and metering programs within the areas served by the contract, and (iii) implement programs to maximize to the extent feasible conjunctive use of surface water and ground water; and (B) a municipal and industrial water supply contract with the El Dorado County Water Agency, not to exceed 15,000 acre-feet annually, for diversion from Folsom Lake or for exchange upstream on the Silver Fork or South Fork of the American River. The contracts required by this subsection are intended as the first phase of a contracting program to meet the long-term water supply needs of Sacramento and El Dorado Counties. The Secretary shall promptly initiate the necessary analysis for the long-term water supply contracts.

(2) Prior to entering into the contracts specified in subsection (b)(1) of this section, the Secretary is directed to comply with the provisions of the National Environmental Policy Act by preparing joint Environmental Impact Statements and California Environmental Quality Act Environmental Impact Reports. The Sacramento County Water Agency shall be the joint lead agency with the Bureau of Reclamation in the preparation of the environmental documents required under (b)(1)(A) of this section and the El Dorado County Water Agency shall be the joint lead agency with the Bureau of Reclamation in the preparation of the environmental documents required under (b)(1)(B), with the Bureau of Reclamation cooperating in all aspects of the environmental review process, but not controlling that process.

(3) Diversions from the American River under the contract for the Sacramento County Water Agency shall, to the maximum extent reasonable and feasible, take place at or near the mouth of the American River.

Mr. BEVILL (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The CHAIRMAN. Are there any points of order against any part of title II?

If not, are there are any amendments to title II?

The Clerk will read.

The Clerk read as follows:

TITLE III

DEPARTMENT OF ENERGY

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for energy supply, research and development activities, and other activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase or passenger motor vehicles (not to exceed 21 for replacement only), $2,703,272,000, to remain available until expended, of which $44,842,500 shall be available only for the following facilities: Advanced Technology Center, Indiana State University; Center for Energy Resources Management, University of New Orleans; Biomedical Research Facility, University of Alabama at Birmingham; Biomedical Research Facility, Case Western Reserve University; and Energy Science Research Facility at Boston College.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: Page 41, line 6, strike "of which" and insert the following: "of which $4,000,000 shall be available only for the Hydrogen Energy Systems Program, as authorized under section 4(c)(1)(C) of the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989, and of which".

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Chairman, this is the hydrogen amendment which we discussed previously that would simply create a line item at a $4 million level for the hydrogen program. The chairman of the subcommittee indicated previously that he was willing to accept the amendment.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, we have discussed the amendment, and we understand it. I am certainly in accord with the gentleman's views, and we accept the amendment.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the ranking Republican member.

Mr. MYERS of Indiana. Mr. Chairman, I thank the gentleman for yielding.

This is the hydrogen program. It is not a new program among the university programs, and it has not been one that has been extremely successful. But I think the Members should understand that this increase has got to come out of some other programs within this category. It is not new money, and it does come out of somebody else's programs.

So, Mr. Chairman, we will offer no objection to the amendment.

Mr. WALKER. Mr. Chairman, I thank the gentleman from Indiana.

I understand that this is something that will be a part of the overall program, but I think from the standpoint of the authorizing committee, we regard this as a very high priority. We think the fuel of the future may well be hydrogen, and that the way to have an environmentally safe fuel for transportation and a number of other things is in the field of hydrogen. So I do appreciate the committee's position.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

URANIUM SUPPLY AND ENRICHMENT ACTIVITIES

For expenses of the Department of Energy in connection with operating expenses; the purchase, construction, and acquisition of plant and capital equipment and other expenses incidental thereto necessary for uranium supply and enrichment activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of electricity to provide enrichment services; purchase of passenger motor vehicles (not to exceed 60, of which 46 are for replacement only), $1,406,018,000, to remain available until expended: *Provided*, That revenues received by the Department for the enrichment of uranium and estimated to total $1,530,500,000, in fiscal year 1991 shall be retained and used for the specific purpose of offsetting costs incurred by the Department in providing uranium enrichment service activities as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of section 3302(b) of title 31, United States Code. *Provided further*, That the sum herein appropriated shall be reduced as uranium enrichment revenues are received during fiscal year 1991 so as to result in a final fiscal year 1991 appropriation estimated at not more than $0.

GENERAL SCIENCE AND RESEARCH ACTIVITIES

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for general science and research activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 10 for replacement only including one police-type vehicle), $1,273,732,000, to remain available until expended.

Mr. MYERS of Indiana. Mr. Chairman, I move to strike the last word. Mr. Chairman, I rise to engage in a colloquy with the chairman of the subcommittee, the gentleman from Alabama [Mr. BEVILL].

I understand that the Department of Energy's fiscal year 1991 budget justification submitted to the Subcommittee on Energy and Water Development included $12 million in funding for the Fermilab National Laboratory's linear accelerator upgrade project in Chicago.

However, the budget tables that were subsequently submitted to the subcommittee by that Department contained an erroneous figure for the project's funding.

Mr. Chairman, it was the intent of the subcommittee to honor the administration's fiscal year 1991 budget request and fund the project at the requested level of $12 million.

Mr. Chairman, is that the gentleman's understanding?

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. MYERS of Indiana. I certainly yield to the chairman of my subcommittee.

Mr. BEVILL. Mr. Chairman, I thank the gentleman for yielding, and let me say that the distinguished gentleman from Indiana is correct.

Mr. MYERS of Indiana. So that was just an erroneous figure in the table?

Mr. BEVILL. Yes.

Mr. MYERS of Indiana. So $12 million was our intent?

Mr. BEVILL. The gentleman is correct.

Mr. MYERS of Indiana. Mr. Chairman, I thank the gentleman from Alabama.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NUCLEAR WASTE DISPOSAL FUND

For nuclear waste disposal activities to carry out the purposes of Public Law 97-425, as amended, including the acquisition of real property or facility construction or expansion, $292,833,000, to remain available until expended, to be derived from the Nuclear Waste Fund. To the extent that balances in the fund are not sufficient to cover amounts available for obligation in the account, the Secretary shall exercise his authority pursuant to section 302(e)(5) of said Act to issue obligations to the Secretary of the Treasury: *Provided*, That of the amount herein appropriated not to exceed $5,000,000 may be provided to the State of Nevada, for the conduct of its oversight responsibilities pursuant to that Act: *Provided further*, That not more than $5,000,000 may be provided to affected local governments, as defined in the Act, to conduct appropriate activities pursuant to the Act; *Provided further*, That none of the funds herein appropriated may be used directly or indirectly to influence legislative action on any matter pending before Congress or a State legislature or for any lobbying activity as provided in 18 U.S.C. 1913.

ISOTOPE PRODUCTION AND DISTRIBUTION PROGRAM FUND

Revenues received hereafter from the disposition of isotopes and related services shall be credited to this account, to be available for carrying out the purposes of the isotope production and distribution program without further appropriation: *Provided*, that such revenues and all funds provided under this head in Public Law 101-101 shall remain available until expended.

ATOMIC ENERGY DEFENSE ACTIVITIES

For expenses of the Department of Energy activities, $10,915,148,000, to remain available until expended, including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for atomic energy defense activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 308 for replacement only including 20 police-type vehicles, and purchase of one fixed-wing and one rotary-wing aircraft, for replacement only).

AMENDMENT OFFERED BY MRS. SCHROEDER

Mrs. SCHROEDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. SCHROEDER: Page 46, line 3, strike "$10,915,148,000" and insert in lieu thereof "$10,850,148,000".

The CHAIRMAN. The gentlewoman from Colorado is recognized for 5 minutes in support of her amendment.

(By unanimous consent, Mrs. SCHROEDER was allowed to proceed for 5 additional minutes.)

The CHAIRMAN. The gentlewoman from Colorado [Mrs. SCHROEDER] is recognized for 10 minutes in support of her amendment.

Mrs. SCHROEDER. Mr. Chairman, we just heard an intense debate over the rule, where opponents charged that we are spending too much money. Well, for those who want to cut Federal spending, my amendment offers you a chance to save $65 million this year and, perhaps, $1 billion over the 6 years. I would save this money by cancelling an unnecessary, unwanted, and probably unworkable new building the Department of Energy wants to build at the Rocky Flats Nuclear Weapons Plant, just outside of Denver.

Rocky Flats refines, processes, shapes, and machines plutonium to make nuclear devices, or pits, which serve to detonate nuclear weapons. The business end of every nuclear bomb and missile in the United States inventory is made at Rocky Flats.

This is extremely dangerous work, both to the workers in the plant and to the people living around the plant. Ingested plutonium is fatal; a mere 400 grams of plutonium can start a nuclear explosion. Building nuclear triggers, or pits, produces virulent wastes, both radioactive and nonradioactive, which are dangerous to process and store. In short, a plant like Rocky Flats should never have been sited near a city. It should never have been placed 14 miles upwind and upstream from the heart of a city of half a million residents and well within a metropolitan area of nearly 2 million people.

In 1981, DOE opened its state-of-the-art, no expenses spared, building 371 which was supposed to refine and process plutonium in the safest and most efficient way. The building was supposed to cost $100 million. It ended up costing twice that amount. It was supposed to be operating in 1977. It wasn't ready until 1981. It was supposed to provide safe and efficient operations for 30 or 40 years. Building 371 had to be closed down after less than a year because it did not work and became highly contaminated.

The Plutonium Recovery Modification project [PRMP] is now touted as the building to do the job which 371 could not perform. It is now estimated to cost $600 million. Last year the estimate was $370 million. Who knows what it will end up costing? One billion? More? It is supposed to be ready by 1997. Not likely. And, it is supposed to provide safe and efficient operations. But the technology to be used has not even been fully tested.

At the end of the Reagan administration, the Department of Energy [DOE] produced its 2010 report which held out the promise that Rocky Flats would be moved away from the Denver metropolitan area within 22 years. The Department of Energy under Secretary Watkins has, however, rescinded that study and is now talking about a much slower schedule. DOE's efforts to move ahead with PRMP indicates that they are in no hurry to move Rocky Flats operations out of Denver. It does not make any sense to try to amortize a $1 billion investment over 7 or 10 years.

Proponents make two arguments for PRMP. First, they say, we need PRMP for production of nuclear weapons and for the decomissioning of warheads banned by the upcoming START agreement. Not true. DOE has been making nuclear triggers at Rocky Flats for the past decade since 371 went down and before 371 opened without a building like PRMP. If it takes 10 years to move out of Rocky Flats, production can continue this way for the next 10 years. Besides, substantial plutonium recovery facilities exist at Los Alamos, NM, and Savannah River, SC. Much of the refining and processing work, as well as the destruction of warheads, can take place at these facilities. Indeed, the National Academy of Sciences told Congress last year that existing DOE plutonium recycling facilities, not including Rocky Flats, are more than adequate to handle the complex's plutonium recycling needs. And, this statement was based on old-pre-START levels of weapons production.

Second, the proponents say that PRMP is needed to clean up Rocky Flats so that it can be closed. Some facility will be needed to reduce radioactive residues and wastes and to extract radioactive materials out of the gloveboxes, ducts, and buildings at Rocky Flats. But, that is the problem with PRMP: it is designed for large-scale weapons production, not for decontamination of Rocky Flats.

Even the Appropriations Committee is not so certain about PRMP. In the report to accompany this bill, the committee expresses serious concern that the total estimated cost of the project has increased significantly. The committee directs the Secretary of Energy to "complete the testing and validation of the proposed technology and processes on a full-scale demonstration basis prior to obligating line-item construction funds." Further, "the committee expects the Department to take every action possible to avoid the failures exhibited in the management and construction of the original Building 371 project." This is hardly a ringing endorsement of the project.

If you don't like wasteful, unnecessary Government spending, vote for this amendment to reduce the Federal budget by $65 million.

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Mr. BROWN of Colorado. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the motion of the gentlewoman from Colorado [Mrs. SCHROEDER].

Really the question before the body is whether or not we should, indeed, build this new facility at Rocky Flats, and I appreciate that it comes up in a form offered by the gentlewoman from Colorado [Mrs. SCHROEDER] which says, "We will simply strike this funding as it comes before us now."

However, Mr. Chairman, succinctly put the question is this: "Do you build a facility that could run from $600 to $1 billion in the wrong location? Are we being wise with the taxpayers' money if we put it in a location that will be shut down?"

My own view, Mr. Chairman, is that we are not being wise.

Is a facility needed? Yes, I believe this country needs to have a modernized facility for processing this material.

However, Mr. Chairman, the location is a mistake. The location is the middle of an urban metropolitan area. We do not have adequate space around the facility to accommodate the problems that are naturally flowing from that facility.

Mr. Chairman, it is only prudent, only reasonable, to locate an extremely expensive processing facility at a location designed to handle it. It is one where we need to have adequate space around it so that we can deal with the environmental problems that come about with it. It is a location that, I think, has to be there so there is safety for the public.

My suggestion is that the motion of the gentlewoman from Colorado [Mrs. SCHROEDER] should be adopted, and that it is a prudent motion and that what it says is this: "If you're going to spend $1 billion on a facility, you darn well ought to have it in the right location, not a location that you plan to shut down in a few years."

Mr. Chairman, I hope this body will follow that line of wisdom. I think in the long run it will not only provide a savings for this country in terms of cost, but it will result in a far better location for this kind of important facility.

Mr. SKAGGS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am supporting the amendment offered by the gentlewoman from Colorado to remove funds in this bill for the plutonium recovery modification project at the Rocky Flats plant in my district.

I have spent considerable time studying this proposed project. It has come up in several hearings of the Armed Services Committee, I have been briefed on the project several times, and I have pored over the project documents. After all this study, and given all the changes we've seen in the world, I am not at all convinced that this project—with a cost that's likely to reach $1 billion or more—is needed.

In fact, the questions about the need for the facility are so serious that I, Mr. SPRATT, and two members of the Senate Armed Services Committee have asked the GAO to evaluate the need for the project. And so I think the most prudent course is to hold back the $65 million for the project that is in this bill, at least until it's clear whether or not we need this facility. This is really an extension of the logic that led to my own amendment to fence off the funds for PRMP—an amendment which I'll offer if this one is not passed.

I want to outline a few of the major problems I have found with the PRMP project.

First, it's not clear we need the plutonium recovery capacity PRMP would offer. For example, the National Academy of Sciences in January sent Congress a report that recommended against construction of

PRMP, based on projected future needs.

Also, DOE project documents assert a need for PRMP based on the assumption that we will not sign any START treaties. Now, obviously, DOE drew up its plans before we knew the cold war was going to end. But since Presidents Bush and Gorbachev signed conceptual agreements on the first START Treaty just 18 days ago, this assumption, and the entire PRMP project, may no longer make sense as presently configured and should be reevaluated.

Second, costs for the PRMP are not under control. Last year, DOE estimated the project would cost $370 million. The estimate so far this year, which DOE considers still tentative, is $500 to $600 million, a 60 percent increase in just 1 year. In hearings over at the House Armed Services Committee 2 months ago, DOE admitted there was another $208 million in costs not included in that estimate, so it is really about $800 million. I think it's sensible to assume we are talking about something that is likely to cost a billion dollars or more.

Third, PRMP is being built before the technology has been proven on a production scale. Members of Congress should be advised that DOE built another plutonium recovery facility at Rocky Flats that had to be abandoned after just 3 years of partial operations, in 1984, because the facility simply didn't work.

DOE built the entire facility before they knew whether the technology would work. Today, that building sits idle, a $215 million reminder that we shouldn't go ahead with projects before the technology is fully tested out.

Finally, it just does not make sense to build PRMP at Rocky Flats if DOE is going to move the plant. Just over a year ago, DOE proposed moving the entire Rocky Flats plant to another location. If DOE is still serious about moving the plant to a less populated area, which I support, it makes no sense to start by building a new billion-dollar facility at Rocky Flats. It will be a temptation for operations at the site to be continued indefinitely.

As I mentioned, if this amendment fails, I will offer an amendment to at least defer any use of this $65 million appropriation until Congress receives from DOE its revised modernization plan for the weapons complex. Congress should not be in a position of having to decide on PRMP before DOE finishes its overall plan for the future of the weapons complex, and before Congress gets a chance to review that plan.

Chairman BEVILL has done an excellent job on this bill, which in general I strongly support. I urge my colleagues to support the bill, and this amendment.

□ 1620

Mr. KYL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment and would suggest that both, actually all three of the speakers from Colorado, have indicated that there is an alternative to the Schroeder amendment which will be offered if it is defeated. I believe that the alternative is the preferable way for this body to proceed. Under the Skaggs amendment, which will be proposed should the Schroeder amendment be defeated, the funds for this facility will essentially be fenced until 30 days following the receipt of a report which is going to discuss the overall modernization program and will include this particular PRMP facility in its discussion. That is a wiser course of action than deleting all the funds for this facility for this coming fiscal year.

I would like to relate to my colleagues some of the reasons why this is the preferable course of action and in that regard quote from a letter that was sent to me and to Chairman SPRATT, the Chairman of the Department of Energy Nuclear Facilities Panel, of which I am the ranking member, on April 30. I will submit the remainder of this letter for the RECORD.

He says that he is writing to me and to the Chairman of the Department of Energy Nuclear Facilities Panel to reaffirm the need for the plutonium recovery modification project, or the PRMP at Rocky Flats.

> PRMP will modify the existing building 371 to provide safe, reliable plutonium processing capability. PRMP is essential to meet the health and safety goals that I have set forth for the Department of Energy and to meet production commitments.
>
> Additionally, I must inform you that during the past year PRMP facility total estimate cost has increased about $200 million from the previous estimate of $371 million. This increase—

And I respond specifically to questions that my colleagues have raised here—

> this increase is driven primarily by my commitment that DOE facilities be designed, built and operated in a manner which meets today's strict safety standards for protection of the environment and worker and public health and safety.

So in other words, in addition to the factor of inflation which is the other driving requirement for the increased cost here, the primary reason for the cost increase, in answer to my colleagues, is the increased safety and environmental protection safety standards which are built into the project pursuant to the directive of Secretary Watkins.

He goes on to say that the original building 371 project, which never met design objectives, represents a past failure by DOE. Despite this failure, the fundamental need for safe and reliable processing of plutonium residues and retired weapons parts remains. The current plutonium process in buildings, which are 771 and 776, are 20 years older than when building 371 was originally conceived to replace them. Plutonium processing now demands compliance with much stricter safety criteria. This combined with the continued increase in unprocessed plutonium residues, the lack of plutonium from production reactors and the cessation of the special isotope separation project, makes the need for PRMP even more urgent today. Since relocation of RFP would take in excess of 20 years, urgency exists regardless of any decision regarding RFP's future.

That answers the second question raised by my colleagues from California; namely, the question regarding the urgency.

Now, let me just address a couple of the other arguments that were raised by my good colleagues from Colorado, and I certainly understand their concern about locating this facility in their particular area in their particular State, but I would also point out that as Secretary Watkins has noted, this material which is at the site of this particular location, will have to be reprocessed in any event, whether it is transported to another site or not, because it is unsafe to be transported in its current status; so regardless of what is done, it is going to have to be reprocessed, and in order to develop the techniques to reprocess it and package it sufficient for safe transportation to another facility, what we are looking at is approximately the same cost to reprocessing it at this site with much less in terms of safety risk to other parts of the public which would have to be exposed to that as the material is transported elsewhere.

As Secretary Watkins has said, the PRMP will reduce the generation of processed wastes by 70 percent compared to current operations and radiation exposure to workers will be reduced by 50 percent.

So to the question why do we need this facility, we need it, among other things, to enhance the safety and the protection of the environment when this material, which has to be reprocessed sometime, somewhere, is in fact reprocessed.

These other two buildings have been unreliable, as Secretary Watkins pointed out. They currently involved outdated technology which would result in significant problems meeting the plutonium purity requirements for modern weapons design, in addition to environmental and safety considerations which I noted a moment ago.

The PRMP is designed to process retired weapons and would be required to provide reliable support to weapons disassembly in a build-down or arms control treaty situation.

This is in response to another point my colleagues raised. What about the START Treaty, the fact that ultimately we are going to be seeing a build-down, even though this is going to be over a long period of time.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

(By unanimous consent, Mr. KYL was allowed to proceed for 3 additional minutes.)

Mr. KYL. The point here, Mr. Chairman, if we have a treaty, and we are going to have a treaty which will result in the ability to disassemble our nuclear weapons and to ultimately retire them, we are going to need some kind of a facility to reprocess the material that is in those weapons. That is undeniable. The question is where will that facility be?

So to the question of do we need such a facility, I think I agree with my colleague, the gentleman from Colorado [Mr. BROWN] who pointed out that yes, of course, we need it. The only question is where it should be.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. KYL. I am happy to yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Well I think, Mr. Chairman, several things, and I thank the gentleman for yielding. No. 1, if you notice the reprocessing that the gentleman is talking about being transported somewhere else, it is not really being planned for that. It is really being planned for production. So I think they throw that in as an afterthought and I think we ought to be fairly honest about that.

Mr. KYL. Mr. Chairman, if I could reclaim my time, just to make the point, I was not trying to be dishonest about it. What I was saying was that the cost associated with reprocessing it to a point where it could be packaged and transported would eventually end up costing as much as reprocessing it simply to get rid of it.

The gentlewoman is correct that this facility is designed not to reprocess for transportation, but to reprocess in effect to get rid of that material that is unnecessary and to put the rest of it in weapons.

Mrs. SCHROEDER. Mr. Chairman, if the gentleman will yield further, that is part of our problem. I mean, the gentleman says safety is terribly important, but here we are going ahead without a design, without having tested the technology in advance, which the subcommittee points out in the report. This is what we did last time. We spent megabucks and gigabucks and it did not work.

□ 1630

I think after the failure of the first building 371, we should proceed until we have those answers. Second, if it is just to cleanup and move somewhere else, then we need probably a much smaller building or a much different kind of design according to the scientists who have looked at it, and, finally, I think the point by the gentleman from Colorado [Mr BROWN] was absolutely right; if we spend $1 billion on this building which will not open until 1997 or later, it will be quite incredible to think that we would then be closing down Rocky Flats, and the Department of Energy says Rocky Flats should not be where it is and it whould be closed down, so it seems to me if we really ought to spend this kind of money, we ought to test the technology first, test the process first, and then determine where a safe place is to put it and not go against the Department of Energy's own standard. Then when we talk about reprocessing, what is there to move, design an entirely different building. So it just seems to me all of those things should be answered before we play so fast and loose with the taxpayers' money.

Mr. KYL. Mr. Chairman, reclaiming my time, I will try to again answer a couple of points.

The purpose of this building is not to process the material so that it can be transported somewhere else to be processed.

The CHAIRMAN. The time of the gentleman from Arizona [Mr. KYL] has again expired.

(By unanimous consent, Mr. KYL was allowed to proceed for 3 additional minutes.)

Mr. KYL. Mr. Chairman, I think it is important to engage in this dialog, and I am pleased to do it with my colleague from Colorado who has expressed a significant concern about health and safety considerations, and that is the final point, I think, that ought to be made here.

The whole point of building a new facility is to have a safe facility to finally do something with this material which is onsite. It cannot sit there. It cannot be disposed of. It cannot be transported. Something has got to be done with it.

What Secretary Watkins has said is that until the year 2010 we need to have the capability of reprocessing this material onsite in order to get rid of it and then close the facility down. But that would give us time to reprocess all of the material which is there and that which is expected to be there, and the purpose that he has said that is so important in this is to avoid the following thing, the higher-than-necessary radiation exposure to the plutonium recovery workers which is currently the situation, the increased risk of failure to support the nuclear weapons stockpile plan, the continued operation of aged facilities which present greater risk of insult to the environment, a matter that I know is of great concern to my colleague from Colorado, higher routine risk from increased shipping of plutonium residues, if in fact they had to be shipped somewhere else, and, finally, the reduced ability to provide reliable support for any reduction in the weapons stockpile that might result from, and that will result from, our build-down due to the START treaties.

These are the reasons that Secretary Watkins has said we need to move forward now, and these are the reasons why I would submit that we should defeat the amendment of the gentlewoman from Colorado which would eliminate all of the funding for this program for the coming fiscal year but, instead, accede to the amendment of the gentleman from Colorado [Mr. SKAGGS] which would, in effect, fence this money until receipt of the report from the Secretary. I think that would give us plenty of opportunity to review and to make any other decisions we need to make without absolutely killing the program for the next fiscal year.

Mrs. SCHROEDER. Mr. Chairman, if the gentleman will yield further, I want to say I disagree with the gentleman, but I thank him for yielding.

I think it is very important to not fund the money until it has been authorized and until we have seen the report ahead of time, because I think we made so many mistakes in the past here, and there are so many big questions to be answered with the cold war slowing down a bit, and this is the time to do it.

I do not think we should be throwing money at it. There is plenty of time. We are not talking about having this done until 1997. It is not like this is going to derail everything. Besides, none of these things have really been tested to the point where we can really believe what he is saying. I believe what he is saying, and I believe that is where he wants to be, but I want to see the testing done to prove it.

I thank the gentleman from Arizona for yielding, and I hope we change his mind. I hope we give him a great chance to save $65 million until we have a little more.

Mr. KYL. Mr. Chairman, I appreciate the comments of my colleague.

I will just say that these are the reasons that I suggest we adopt the Skaggs amendment and defeat the amendment of the gentlewoman from Colorado.

The letter referred to follows:

THE SECRETARY OF ENERGY,
Washington, DC, April 30, 1990.

Hon. JON KYL,
Ranking Minority Member, Department of Energy Defense, Nuclear Facilities Panel, U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN KYL: I am writing to you and to the Chairman of the Department of Energy Defense Nuclear Facilities Panel, Committee on Armed Services, to reaffirm the need for the Plutonium Recovery Modification Project [PRMP] at the Rocky Flats Plant [RFP]. PRMP will modify the

existing Building 371 to provide safe, reliable plutonium processing capability. PRMP is essential to meet the health and safety goals I have set for the Department of Energy [DOE] and to meet production commitments. Additionally, I must inform you that, during the past year, PRMP facility total estimated cost has increased about $200 million from the previous estimate of $371 million. This increase is driven primarily by my commitment that DOE facilities be designed, built, and operated in a manner which meets today's strict safety standards for protection of the environment and worker and public health and safety.

The original Building 371 project, which never met design objectives, represents a past failure by DOE. Despite this failure, the fundamental need for safe, reliable processing of plutonium residues and retired weapon parts remains. The current plutonium processing buildings, Buildings 771 and 776, are 20 years older than when Building 371 was originally conceived to replace them. Plutonium processing now demands compliance with much stricter safety criteria. This, combined with the continued increase in unprocessed plutonium residues, the lack of plutonium from production reactors, and the cessation of the Special Isotope Separation project, makes the need for PRMP even more urgent today. Since relocation of RFP would take in excess of 20 years, urgency exists regardless of any decision regarding RFP's future.

Enclosed with this letter are two summaries. The first supports the conclusion that PRMP is urgently needed; the second details the causes of the increased cost estimate.

Along with the need for PRMP, I have reviewed the PRMP project in light of the original Building 371 problems. I am convinced that PRMP is on a solid course for success based on the following fundamental actions.

Management by a committed, experienced management team, including DOE headquarters and on-site representatives of DOE, the plant operating contractor (EG&G), the architect-engineer (Bechtel National), and the Los Alamos National Laboratory.

Technical analyses of candidate processes by national plutonium processing experts which resulted in a safe and reliable PRMP process flowsheet.

Verification of design assumptions by ensuring that all processes are proven at full scale.

Documentation and control of the project using a formal, disciplined system which has been proven successful in past nuclear Navy; National Aeronautics and Space Administration; and Energy Research and Development Administration/DOE projects of comparable size.

To ensure the utmost in environmental compatibility and safety to both the public and to the RFP workers, I have directed that:

An environmental impact statement will be prepared for the project. This statement, including public hearings, will be completed prior to any construction.

A complete safety analysis of the modified building will be prepared, analyzed by DOE experts and independent experts, and finally approved by me prior to any startup of operations with radioactive materials.

PRMP has a high cost. I believe this cost is justified and that the consequences of inaction are serious for DOE and the Nation. I ask for your support for this project.

Sincerely,

JAMES D. WATKINS,
Admiral, U.S. Navy (Retired).

JUSTIFICATION FOR PLUTONIUM RECOVERY MODIFICATION PROJECT

PRMP is urgently needed for the following reasons:

PRMP will reduce the generation of process wastes by 70 percent compared to current operations. Radiation exposure to workers will be reduced by 50 percent.

Buildings 771 and 776 have been unreliable in supporting production commitments, being operationally available less than 50 percent of the time over the last 18 months.

The outdated technology in Buildings 771 and 776 results in significant problems meeting the plutonium purity requirements of modern weapon design.

Buildings 771 and 776 are short of modern design criteria for worker and public safety. Upgrading the facilities and their processes is possible at a construction cost roughly twice that of PRMP.

PRMP is designed to process retired weapons and would be required to provide reliable support to weapons disassembly in a build-down or arms control treaty situation.

The backlog of residues containing recoverable plutonium at Rocky Flats is over 140 metric tons. The plutonium contained in these residues is needed to meet current production and reserve requirements.

Many of these residues cannot currently be processed at Rocky Flats, and only a small part can be processed at other DOE sites. Providing full processing capability at other sites would require costs comparable to or higher than PRMP and would require shipment of the residues from Rocky Flats to the processing site.

Shipping plutonium residues may increase the risk to the public. This risk will be evaluated as part of the Building 371 environmental impact statement.

Most of the residues cannot meet Department of Transportation regulations for shipping without preprocessing and repackaging. No facility to accomplish this exists at Rocky Flats.

PRMP is designed to process high volume, low plutonium and difficult to recover residues found in the backlog. Similar residues will be created during decontamination and decommissioning (D&D) activities, making PRMP valuable for support of final D&D of the Rocky Flats Plant. Without PRMP or a similar facility, the large volume of D&D residues would require preprocessing, packaging, and shipping.

Failure to complete PRMP would have the following serious consequences:

Higher than necessary radiation exposure to the plutonium recovery workers.

Increased risk of failure to support the nuclear weapons stockpile plan.

Continued operation of aged facilities which present greater risk of insult to the environment.

Higher routine risks from increased shipping of plutonium residues.

Reduced ability to provide reliable support for any reduction of the weapons stockpile.

Mr. PURSELL. Mr. Chairman, I rise in opposition to the Schroeder amendment. The committee opposes the Schroeder amendment.

Mr. Chairman, we are looking favorably at the Skaggs amendment on this side. We think that if we are going to err, we ought to err on the side of safety.

I think we can make that point, as Secretary Watkins said in a statement very clearly, that the PRMP program will reduce the generation of process waste by 70 percent compared to current operations.

Radiation exposure to workers will be reduced by 50 percent.

Mr. Chairman, I am inserting in the RECORD Secretary Watkins' letter which was sent to the chairman, the gentleman from Alabama [Mr. BEVILL], for the committee.

Mr. Chairman, I think in summary, on this side, we oppose the Schroeder amendment and will look favorably at the Skaggs amendment.

THE SECRETARY OF ENERGY,
Washington, DC, April 30, 1990.

Hon. TOM BEVILL,
Chairman, Energy and Water Development Subcommittee, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to reaffirm the need for the Plutonium Recovery Modification Project (PRMP) at the Rocky Flats Plant (RFP). PRMP will modify the existing Building 371 to provide safe, reliable plutonium processing capability. PRMP is essential to meet the health and safety goals I have set for the Department of Energy (DOE) and to meet production commitments. Additionally, I must inform you that, during the past year, PRMP facility total estimated cost has increased about $200 million from the previous estimate of $371 million. This increase is driven primarily by my commitment that DOE facilities be designed, built, and operated in a manner which meets today's strict safety standards for protection of the environment and worker and public health and of safety.

The original Building 371 project, which never met design objectives, represents a past failure by DOE. Despite this failure, the fundamental need for safe, reliable processing of plutonium residues and retired weapon parts remains. The current plutonium processing buildings, Buildings 771 and 776, are 20 years older than when Building 371 was originally conceived to replace them. Plutonium processing now demands compliance with much stricter safety criteria. This, combined with the continued increase in unprocessed plutonium residues, the lack of plutonium from production reactors, and the cessation of the Special Isotope Separation project, makes the need for PRMP even more urgent today. Since relocation of RFP would take in excess of 20 years, urgency exists regardless of any decision regarding RFP's future.

Enclosed with this letter are two summaries. The first supports the conclusion that PRMP is urgently needed; the second details the causes of the increased cost estimate.

Along with the need for PRMP, I have reviewed the PRMP project in light of the original Building 371 problems. I am convinced that PRMP is on a solid course for success based on the following fundamental actions.

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Verification of design assumptions by ensuring that all processes are proven at full scale.

Documentation and control of the project using a formal, disciplined system which has been proven succcessful in past nuclear Navy; National Aeronautics and Space Administration; and Energy Research and Development Administration/DOE projects of comparable size.

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PRMP is designed to process retired weapons and would be required to provide reliable support to weapons disassembly in a build-down or arms control treaty situation.

The backlog of residues containing recoverable plutonium at Rocky Flats is over 140 metric tons. The plutonium contained in these residues is needed to meet current production and reserve requirements.

Many of these residues cannot currently be processed at Rocky Flats, and only a small part can be processed at other DOE sites. Providing full processing capability at other sites would require costs comparable to or higher than PRMP and would require shipment of the residues from Rocky Flat to the processing site.

Shipping plutonium residues may increase the risk to the public. This risk will be evaluated as part of the Building 371 environmental impact statement.

Most of the residues cannot meet Department of Transportation regulations for shipping without preprocessing and repacking. No facility to accomplish this exists at Rocky Flats.

PRMP is designed to process high volume, low plutonium and difficult to recover residues found in the backlog. Similar residues will be created during decontamination and decommissioning (D&D) activities, making PRMP valuable for support of final D&D of the Rocky Flats Plant. Without PRMP or a similar facility, the large volume of D&D residues would require preprocessing, packaging, and shipping.

Failure to complete PRMP would have the following serious consequences.

Higher than necessary radiation exposure to the plutonium recovery workers.

Increased risk of failure to support the nuclear weapons stockpile plan.

Continued operation of aged facilities which present greater risk of insult to the environment.

Higher routine risks from increased shipping of plutonium residues.

Reduced ability to provide reliable support for any reduction of the weapons stockpile.

CAUSES FOR COST INCREASE OF PLUTONIUM RECOVERY MODIFICATION PROJECT

The major contributors to the increased cost of PRMP are:

Inclusion of separate, redundant, and isolated ventilation and emergency power and fire protection systems to enhance safety and accident mitigation in accordance with current design criteria.

Addition of control rooms, alarms, and monitoring and recording instrumentation which will survive accident scenarios.

Design and process enhancements which reduce routine worker radiation exposure levels.

Inclusion of processes to produce high-purity plutonium to meet current weapons requirements solely from recycle and to provide the waste reduction discussed above.

Project delay has increased the cost due to inflation.

Mr. SYNAR. Mr. Chairman, today, two of our colleagues from Colorado, Representative PAT SCHROEDER and Representative DAVID SKAGGS, are offering amendments to restrict funding for the contsruction of the Plutonium Recovery Modification project [PRMP]. I support their efforts, because it is apparent to me that DOE has not demonstrated that this is the right type of facility to build. While it is clear that there are numerous problems with the existing facilities at Rocky Flats and while it is clear that DOE needs to have plutonium handling and processing facilities to handle warhead production and recycle, the case has not been made that PRMP is the way to go.

Our national strategic requirements are rapidly changing as the energy and water bill indicates its cut of funding for the Follow-On-To-Lance and 155mm artillery shells. With each passing day, the strategic landscape changes, and while all acknowledge that adjusting the nuclear weapons complex to fit these changes is extraordinarily difficult. The fact remains, however, that DOE has not completed its modernization plan for the complex and will not do so until the end of the year. DOE is just beginning to prepare the environmental impact statement on the proposed Rocky Flats project.

Without this information and without an additional demonstration to the Congress that this proposed facility is the right facility, in the right place, at the right time, I simply do not believe that we should provide construction funding for PRMP in this bill.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Colorado [Mrs. SCHROEDER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mrs. SCHROEDER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 142, noes 278, not voting 12, as follows:

[Roll No. 175]

AYES—142

Ackerman	Gilman	Price
Atkins	Glickman	Ridge
Bates	Green	Roberts
Beilenson	Guarini	Ros-Lehtinen
Bennett	Hall (OH)	Rostenkowski
Berman	Hamilton	Roukema
Bilbray	Hayes (IL)	Russo
Boehlert	Hefley	Saiki
Bonior	Henry	Sangmeister
Borski	Hertel	Schaefer
Bosco	Hoagland	Scheuer
Boxer	Jacobs	Schneider
Brennan	Johnson (SD)	Schroeder
Browder	Johnston	Schumer
Brown (CO)	Jones (NC)	Sensenbrenner
Bruce	Jontz	Sharp
Campbell (CA)	Kanjorski	Shays
Campbell (CO)	Kastenmeier	Sikorski
Cardin	Kennedy	Sisisky
Clarke	Kildee	Skaggs
Clement	Kostmayer	Slattery
Coble	Leach (IA)	Slaughter (NY)
Collins	Lehman (CA)	Smith (VT)
Condit	Levine (CA)	Snowe
Conyers	Lewis (GA)	Solarz
Cooper	Long	Stark
Costello	Machtley	Studds
Crockett	Markey	Synar
DeFazio	Martin (IL)	Tauke
Dellums	Matsui	Thomas (WY)
Donnelly	Mavroules	Torres
Downey	McDermott	Torricelli
Durbin	Meyers	Towns
Dymally	Mfume	Traficant
Eckart	Miller (CA)	Valentine
Edwards (CA)	Moody	Walgren
Evans	Morella	Walsh
Fascell	Morrison (CT)	Waxman
Fawell	Mrazek	Weber
Feighan	Murphy	Weiss
Fish	Nagle	Wheat
Foglietta	Neal (MA)	Whittaker
Ford (TN)	Oakar	Williams
Frank	Owens (NY)	Wolpe
Frenzel	Owens (UT)	Wyden
Gejdenson	Panetta	Yates
Gephardt	Pelosi	
Gibbons	Poshard	

NOES—278

Alexander	Boggs	Conte
Anderson	Boucher	Coughlin
Andrews	Brooks	Courter
Annunzio	Broomfield	Cox
Anthony	Brown (CA)	Coyne
Applegate	Bryant	Craig
Archer	Buechner	Crane
Armey	Bunning	Dannemeyer
Aspin	Burton	Darden
AuCoin	Bustamante	Davis
Baker	Byron	de la Garza
Ballenger	Callahan	DeLay
Barnard	Carper	Derrick
Bartlett	Carr	DeWine
Barton	Chandler	Dicks
Bateman	Chapman	Dingell
Bentley	Clay	Dixon
Bereuter	Clinger	Dorgan (ND)
Bevill	Coleman (MO)	Dornan (CA)
Bilirakis	Coleman (TX)	Douglas
Bliley	Combest	Dreier

Duncan	Lent	Rhodes
Dwyer	Levin (MI)	Richardson
Dyson	Lewis (CA)	Rinaldo
Early	Lewis (FL)	Robinson
Edwards (OK)	Lightfoot	Roe
Emerson	Lipinski	Rogers
English	Livingston	Rohrabacher
Erdreich	Lloyd	Rose
Espy	Lowery (CA)	Roth
Fazio	Lowey (NY)	Rowland (CT)
Fields	Luken, Thomas	Rowland (GA)
Flake	Lukens, Donald	Roybal
Flippo	Madigan	Sabo
Ford (MI)	Manton	Sarpalius
Frost	Marlenee	Savage
Gallegly	Martin (NY)	Sawyer
Gallo	Martinez	Saxton
Gaydos	Mazzoli	Schiff
Gekas	McCandless	Schulze
Geren	McCloskey	Serrano
Gillmor	McCollum	Shaw
Gingrich	McCrery	Shumway
Gonzalez	McCurdy	Shuster
Goodling	McDade	Skeen
Gordon	McEwen	Skelton
Goss	McGrath	Slaughter (VA)
Gradison	McHugh	Smith (IA)
Grandy	McMillan (NC)	Smith (NE)
Grant	McMillen (MD)	Smith (NJ)
Gray	McNulty	Smith (TX)
Gunderson	Michel	Smith, Denny (OR)
Hammerschmidt	Miller (OH)	
Hancock	Miller (WA)	Smith, Robert (NH)
Hansen	Mineta	
Harris	Moakley	Smith, Robert (OR)
Hastert	Molinari	
Hatcher	Mollohan	Solomon
Hayes (LA)	Montgomery	Spence
Hefner	Moorhead	Spratt
Herger	Morrison (WA)	Staggers
Hiler	Murtha	Stallings
Hochbrueckner	Myers	Stangeland
Holloway	Natcher	Stearns
Hopkins	Neal (NC)	Stenholm
Horton	Nielson	Stokes
Houghton	Nowak	Stump
Hoyer	Oberstar	Sundquist
Hubbard	Obey	Swift
Huckaby	Olin	Tallon
Hughes	Ortiz	Tanner
Hunter	Oxley	Tauzin
Hutto	Packard	Taylor
Hyde	Pallone	Thomas (CA)
Inhofe	Parker	Thomas (GA)
Ireland	Parris	Traxler
James	Pashayan	Udall
Jenkins	Patterson	Unsoeld
Johnson (CT)	Paxon	Upton
Jones (GA)	Payne (NJ)	Vander Jagt
Kaptur	Payne (VA)	Vento
Kasich	Pease	Visclosky
Kennelly	Penny	Volkmer
Kleczka	Perkins	Walker
Kolbe	Petri	Watkins
Kolter	Pickett	Weldon
Kyl	Pickle	Whitten
LaFalce	Porter	Wilson
Lagomarsino	Pursell	Wise
Lancaster	Quillen	Wolf
Lantos	Rahall	Yatron
Laughlin	Ravenel	Young (AK)
Leath (TX)	Ray	Young (FL)
Lehman (FL)	Regula	

NOT VOTING—12

Dickinson	Nelson	Smith (FL)
Engel	Rangel	Vucanovich
Hall (TX)	Ritter	Washington
Hawkins	Schuette	Wylie

□ 1658

Messrs. WISE, CRAIG, ESPY, and ANTHONY changed their vote from "aye" to "no."

Mrs. MEYERS of Kansas, Mrs. MARTIN of Illinois, Ms. PELOSI, and Messrs. LEACH, TOWNS, BERMAN, and SHAYS changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SKAGGS

Mr. SKAGGS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SKAGGS: On page 46, line 14, insert the following before the period: ": *Provided*, That no funds in this Act shall be available for the Plutonium Recovery Modification project until 30 days after the Secretary of Energy has provided to the Congress his review of the Department of Energy's modernization report".

Mr. SKAGGS. Mr. Chairman, I would like to express my great thanks to the chairman of the subcommittee, the gentleman from Alabama [Mr. BEVILL], for his cooperation and assistance in fashioning the amendment that is before us.

Mr. Chairman, I am offering an amendment that would keep the Department of Energy [DOE] from using funds in the bill to start work on its proposed plutonium recovery modification project [PRMP] at the Rocky Flats Plant in my district until 30 days after Congress receives DOE's revised weapons complex modernization plan. DOE expects to submit this plan with its budget early next year.

I supported the Schroeder amendment that we just voted on, to cut all funding in the bill for PRMP, because of some serious questions I and many people in Colorado have about PRMP. Since that amendment failed, I am offering an amendment that would not remove funds, but would instead put a fence around those funds until Congress receives DOE's revised modernization report.

I believe that this approach is an appropriate one that gives Congress some assurances that what DOE does on PRMP will be consistent with its long-term modernization plans.

My amendment would keep DOE from proceeding with design and procurement for the PRMP facility before it finishes its overall plan for the future of the weapons complex, and before Congress gets a chance to review that plan.

It's important for us to see the modernization plan first, because the plan is supposed to lay out the plant capacities DOE thinks it will require to meet future nuclear materials needs, and what changes will be needed in the design of the weapons complex.

This is especially important because DOE's first version of the plan, issued early in 1989, called for closing Rocky Flats entirely and moving its functions elsewhere. DOE's modernization plan should enable an answer to the questions: Does it make sense to put a new, billion-dollar facility at a site you plan to move out of? And, if not, what are you going to do? Move out of Rocky Flats, and build PRMP elsewhere? Or, stay at Rocky Flats for the long term, and build PRMP there? We in Congress need the answers at the outset of projects like PRMP, not later down the road, after a few hundred million have been spent.

As I have mentioned before, there are also some other troubling aspects to the proposed PRMP project:

First, costs have risen by over 60 percent since last year;

Second, DOE documents state that they've assessed the need for PRMP based on the assumption that no START treaties will be signed. Obviously, these documents were written before we knew the cold war was winding down. But since Presidents Bush and Gorbachev signed conceptual agreements on the first START treaty just 18 days ago, this assumption is out of date, and so may be the entire PRMP project; and

Third, PRMP is being designed to use technologies that are still not fully proven at production scale operations.

My amendment to put a hold on PRMP would give DOE the time to reexamine the project and deal with these multiple problems having to do with project costs and justification. It also makes sure that Congress and DOE proceed with PRMP only after we know the whole picture, after we see the modernization plan, after we have the proper context for a billion-dollar decision. This hold costs us very little, but it gives Congress and DOE a valuable chance to reevaluate this project.

I would like to thank Energy and Water Subcommittee Chairman BEVILL for all the help he has given me in fashioning this amendment and for his support on the amendment. He and his subcommittee have done an excellent job on this bill, which I strongly support.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. SKAGGS. Mr. Chairman, I yield to the gentleman from Alabama [Mr. BEVILL].

Mr. BEVILL. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, we are familiar with this amendment, and we accept it.

Mr. SKAGGS. Mr. Chairman, I appreciate the gentleman's remarks.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. SKAGGS. I yield to the gentleman from Indiana [Mr. MYERS].

Mr. MYERS of Indiana. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, this side of the aisle has reviewed this amendment. I think we are in agreement.

Mr. Chairman, I hope that none of the funds that would be appropriated here will be used for the report which is absolutely essential. The Secretary of Energy has testified before our committee as to the necessity of the progress of this report being made, that new equipment be someplace.

I certainly understand the concern of those from Colorado, but work is being done there presently. These weapons must be decommissioned, they must be reprocessed. Plutonium is very valuable. The work must be done someplace.

So I hope none of the money here would curtail that report, which is absolutely essential. We will accept it with the understanding none of the money here would curtail that report.

Mr. SKAGGS. I appreciate the gentleman's remarks.

Mr. Chairman, certainly the intent of this amendment is not to impede progress on the modernization report itself. That, in fact, will provide the context that we need to make a reasoned judgment about what the configuration of the plutonium recovery project should be and where it should be.

Mr. MYERS of Indiana. So it is the intent of the author of this amendment that we merely fence this amount of money until the report is made, and assuming it is a favorable report, then the money would be spent. If it would not be, it would come back to our committee for review.

Mr. SKAGGS. Well, the amendment fences the money until 30 days after that report is received. The intent is for that period of time to be available to us to see whether or not it does make sense to proceed with the expenditure of these funds. Presumably, if we reach the conclusion that it does not, we can communicate that to the Department and take appropriate action.

Mr. MYERS of Indiana. I thank the gentleman.

Mr. Chairman, there is no objection here.

Mr. SKAGGS. Mr. Chairman, in view of the sentiments expressed by the chairman and the ranking Member both, I will not take more time of the body and I yield back the balance of the time and ask for an "aye" vote.

The CHAIRMAN pro tempore (Mr. BRYANT). The question is on the amendment offered by the gentleman from Colorado [Mr. SKAGGS].

The question was taken, and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SABO. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 413, noes 7, not voting 12, as follows: 34

[Roll No. 176]

AYES—413

Ackerman	Anthony	Atkins
Alexander	Applegate	AuCoin
Anderson	Archer	Baker
Andrews	Armey	Ballenger
Annunzio	Aspin	Barnard
Bartlett	Fazio	Lewis (FL)
Barton	Feighan	Lewis (GA)
Bateman	Fields	Lightfoot
Bates	Fish	Lipinski
Beilenson	Flake	Livingston
Bennett	Flippo	Lloyd
Bentley	Foglietta	Long
Bereuter	Ford (MI)	Lowery (CA)
Berman	Ford (TN)	Lowey (NY)
Bevill	Frank	Luken, Thomas
Bilbray	Frenzel	Machtley
Bilirakis	Frost	Madigan
Bliley	Gallegly	Manton
Boehlert	Gallo	Markey
Boggs	Gaydos	Marlenee
Bonior	Gejdenson	Martin (IL)
Borski	Gekas	Martin (NY)
Bosco	Gephardt	Martinez
Boucher	Geren	Matsui
Boxer	Gibbons	Mavroules
Brennan	Gillmor	Mazzoli
Brooks	Gilman	McCandless
Broomfield	Gingrich	McCloskey
Browder	Glickman	McCollum
Brown (CA)	Gonzalez	McCrery
Brown (CO)	Goodling	McCurdy
Bruce	Gordon	McDade
Bryant	Goss	McDermott
Buechner	Gradison	McEwen
Burton	Grandy	McGrath
Bustamante	Grant	McHugh
Byron	Gray	McMillan (NC)
Callahan	Green	McMillen (MD)
Campbell (CA)	Guarini	McNulty
Campbell (CO)	Gunderson	Meyers
Cardin	Hall (OH)	Mfume
Carper	Hamilton	Michel
Carr	Hammerschmidt	Miller (CA)
Chandler	Hancock	Miller (OH)
Chapman	Harris	Miller (WA)
Clarke	Hastert	Mineta
Clay	Hatcher	Moakley
Clement	Hawkins	Molinari
Clinger	Hayes (IL)	Mollohan
Coble	Hayes (LA)	Montgomery
Coleman (MO)	Hefley	Moody
Coleman (TX)	Hefner	Moorhead
Collins	Henry	Morella
Combest	Hiler	Morrison (WA)
Condit	Hoagland	Mrazek
Conte	Hochbrueckner	Murphy
Conyers	Holloway	Murtha
Cooper	Hopkins	Myers
Costello	Horton	Nagle
Coughlin	Houghton	Natcher
Courter	Hoyer	Neal (MA)
Cox	Hubbard	Nielson
Coyne	Huckaby	Nowak
Craig	Hughes	Oakar
Crane	Hunter	Oberstar
Crockett	Hutto	Obey
Dannemeyer	Hyde	Olin
Darden	Inhofe	Ortiz
Davis	Ireland	Owens (NY)
de la Garza	Jacobs	Owens (UT)
DeFazio	James	Oxley
DeLay	Jenkins	Packard
Dellums	Johnson (CT)	Pallone
Derrick	Johnson (SD)	Panetta
DeWine	Johnston	Parker
Dickinson	Jones (GA)	Parris
Dicks	Jones (NC)	Pashayan
Dingell	Jontz	Patterson
Dixon	Kanjorski	Paxon
Donnelly	Kaptur	Payne (NJ)
Dorgan (ND)	Kasich	Payne (VA)
Dornan (CA)	Kastenmeier	Pease
Douglas	Kennedy	Pelosi
Downey	Kennelly	Penny
Dreier	Kildee	Perkins
Duncan	Kleczka	Petri
Durbin	Kolbe	Pickett
Dwyer	Kolter	Pickle
Dymally	Kostmayer	Porter
Dyson	LaFalce	Poshard
Early	Lagomarsino	Price
Eckart	Lancaster	Pursell
Edwards (CA)	Lantos	Quillen
Edwards (OK)	Laughlin	Rahall
Emerson	Leach (IA)	Ravenel
English	Lehman (CA)	Ray
Erdreich	Lehman (FL)	Regula
Espy	Lent	Rhodes
Evans	Levin (MI)	Richardson
Fascell	Levine (CA)	Ridge
Fawell	Lewis (CA)	Rinaldo
Ritter	Skeen	Thomas (CA)
Roberts	Skelton	Thomas (GA)
Robinson	Slattery	Thomas (WY)
Roe	Slaughter (NY)	Torres
Rogers	Slaughter (VA)	Torricelli
Rohrabacher	Smith (FL)	Towns
Ros-Lehtinen	Smith (IA)	Traficant
Rostenkowski	Smith (NE)	Traxler
Roth	Smith (NJ)	Udall
Roukema	Smith (TX)	Unsoeld
Rowland (CT)	Smith (VT)	Upton
Rowland (GA)	Smith, Denny (OR)	Valentine
Roybal	Smith, Robert (NH)	Vander Jagt
Russo	Smith, Robert (OR)	Vento
Sabo	Snowe	Visclosky
Saiki	Solarz	Volkmer
Sangmeister	Solomon	Walgren
Sarpalius	Spence	Walker
Savage	Spratt	Walsh
Sawyer	Staggers	Washington
Saxton	Stallings	Watkins
Schaefer	Stangeland	Waxman
Scheuer	Stark	Weber
Schiff	Stearns	Weiss
Schneider	Stenholm	Weldon
Schroeder	Stokes	Wheat
Schulze	Studds	Whittaker
Schumer	Sundquist	Whitten
Sensenbrenner	Swift	Williams
Serrano	Synar	Wilson
Sharp	Tallon	Wise
Shaw	Tanner	Wolf
Shays	Tauke	Wolpe
Shumway	Tauzin	Wyden
Shuster	Taylor	Yates
Sikorski		Yatron
Sisisky		Young (FL)
Skaggs		

NOES—7

Bunning	Kyl	Young (AK)
Hansen	Lukens, Donald	
Hertel	Stump	

NOT VOTING—12

Engel	Morrison (CT)	Rose
Hall (TX)	Neal (NC)	Schuette
Herger	Nelson	Vucanovich
Leath (TX)	Rangel	Wylie

□ 1724

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. BRYANT). The Clerk will read.

The Clerk read as follows:

DEPARTMENTAL ADMINISTRATION

For salaries and expenses of the Department of Energy necessary for Departmental Administration and other activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the hire of passenger motor vehicles and official reception and representation expenses (not to exceed $35,000) $375,095,000, to remain available until expended, plus such additional amounts as necessary to cover increases in the estimated amount of cost of work for others notwithstanding the provisions of the Anti-Deficiency Act (31 U.S.C. 1511 et seq.): *Provided*, That such increases in cost of work are offset by revenue increases of the same or greater amount, to remain available until expended: *Provided further*, That moneys received by the Department for miscellaneous revenues estimated to total $150,000,000 in fiscal year 1991 may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of section 3302 of title 31, United States Code: *Provided further*, That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year 1991 so as to result in a final

fiscal year 1991 appropriation estimated at not more than $225,095,000.

AMENDMENT OFFERED BY MR. SCHEUER

Mr. SCHEUER. Mr. Chairman, I offer an amendment.

The Clerk read as follows: On page 47, line 25, insert the following before the period: ": *Provided further*, That $1,300,000 of the funds appropriated under this heading shall be used to carry out the Reduced Enrichment in Research and Test Reactors Program".

Mr. SCHEUER. Mr. Speaker, I rise today to offer an amendment, with my colleagues from Michigan and Tennessee, to restore funding for a small, but vital Energy Department program, whose goal is to keep nuclear weapons out of the hands of terrorists such as Libya's Mu'ammar Qadhafi, Syria's Hafiz al-Assad and Iraq's Saddam Husayn, the notorious "Butcher of Baghdad."

I would like to thank:

The floor manager, our distinguished colleague from Alabama, TOM BEVILL, for his guidance, assistance, and support in drafting this amendment;

Our colleague JOE MOAKLEY of Massachusetts, chairman of the Rules Committee, for his assistance in ensuring this amendment could be offered today;

And my colleagues from the Science Committee, Chairwoman MARILYN LLOYD of Tennessee and HOWARD WOLPE of Michigan, who are the cosponsors of this amendment. For many years they have led the effort to save this invaluable program, which is not based in any of our States, but whose constituency is the world.

Mr. Speaker, for decades, the United States has exported—as fuel for foreign nuclear research reactors—a substance known as high enriched uranium. Mr. Speaker, this is the stuff of atom bombs—the same material used in the first nuclear weapon, which destroyed Hiroshima.

The Reduced Enrichment in Research and Test Reactors Program—or RERTR Program for short—was established in 1978 to reduce and eventually eliminate U.S. exports of atom bomb-grade uranium, to ensure that none of this material could fall into the hands of madmen intent on committing the ultimate terrorist act—going nuclear.

The program develops alternate fuels—of nonweapons-usable, low-enriched uranium—so that we can stop exporting bomb-grade uranium.

The program has made great strides in this direction, reducing annual U.S. exports of bomb-grade uranium from about 1,500 pounds to about 300 pounds. But the mission of the program is not yet fully realized. The United States still exports about 300 pounds of highly enriched uranium annually, sufficient for six atom-bombs, if stolen or diverted.

Mr. Speaker, these continuing exports of nuclear weapons-grade uranium are a dangerous anachronism. They are a vestige of an era—the so-called Atoms for peace plan—when the United States really believed we would have an indefinite monopoly on nuclear weapons technology. That era is over.

Today, news reports tell us of college students who design nuclear weapons for their senior thesis. The only thing stopping these kids—or a terrorist group—from actually building an atom bomb is obtaining sufficient weapons-grade nuclear material. As CIA Director William Webster testified to Congress last year, "The key to a nuclear weapons program is acquiring plutonium-239 or highly enriched uranium."

And look where we have sent weapons-grade uranium: Argentina, Brazil, Iran, Pakistan—none of whom have signed the Nuclear Non-Proliferation Treaty.

The threat posed by this material is real. Just last year, the Washington Post reported that Iraq had renewed its nuclear weapons program in earnest: "using the 25 pounds of [highly] enriched uranium left over from the [Osirak research] reactor."

And it is no mystery which country would be targeted by an Iraqi A-bomb. It is Israel, the same country that would be targeted if Libya, Iran, or the PLO got the bomb.

The United States has also sent several bomb-grade shipments to Romania—which until December was ruled by the ruthless Nicolae Ceausescu, a leader who clearly was not dealing with a full deck. As noted in a recent New York Times op-ed—which I am inserting in the RECORD—incredible though it may seem, the NRC has approved a license to export still more bomb-grade uranium to Romania. Is this really the kind of country we want to be sending ingredients for nuclear warheads?

Perhaps the greatest threat is posed not by any of these nations, but by terrorist organizations. These groups are so amorphous, so hard to pin down, they might feel they could strike without fear of retaliation. Pan Am 103 and the U.S. Marine barracks are testament to the fact that today's terrorists are just crazy enough to wreak such indiscriminate carnage.

Mr. Speaker, reducing U.S. exports of nuclear-weapons-grade material is not only a worthy goal, it is the law. In 1986, we enacted an amendment to the Omnibus Diplomatic Security and Antiterrorism Act, sponsored by our colleague, Mr. WOLPE of Michigan, which directed the President "to keep to a minimum the amount of weapons-grade nuclear material in international transit." Terminating the RERTR program now, while we are still exporting 300 pounds of bomb-grade uranium annually, would be a clear violation of this law.

Perhaps the greatest selling point for this program is its price tag. Our amendment would provide the minimal acceptable funding level of $1.3 million annually, enough to continue converting those overseas reactors which can use fuels already developed by the program. In national security terms, it's a bargain basement bonanza.

As noted in a recent Washington Post op-ed, which I am submitting for the RECORD, President Bush has taken to hawking his star wars program on the grounds that it can prevent nuclear attacks by terrorists or rogue states. The price tag: $4.66 billion annually. At less than one-thousandth the cost, the RERTR Program would do infinitely more to reduce this threat.

Full funding for the program, which I hope we can restore eventually, would be $4.2 million. This would permit development of more advanced fuels, so that we could halt entirely our exports of bomb-grade uranium. Zero bomb-grade exports. That's the only way we'll ever be sure this material won't fall into the wrong hands.

The Secretary of Energy, Adm. James Watkins, agreed yesterday to support our amendment to provide the program $1.3 million. He also is ordering a thorough reevaluation of the program, to determine whether to provide the remainder of the funding. Chairman BEVILL has assured me he would support a reprogramming request later this year if the Secretary wants to provide the rest of the funding.

For those of my colleagues who, like myself, are greatly troubled by our burgeoning Federal deficit, let me reassure you: This amendment will not add one penny to the Energy Department's budget, since it only earmarks money from within existing departmental administration funds.

I urge my colleagues to support this amendment. At a cost of $1.3 million, it is the best national security bargain in town.

[From the Washington Post, Mar. 31, 1989]

IRAQ SAID DEVELOPING A-WEAPONS

(By Glenn Frankel)

Jerusalem, March 30—Iraq, whose first attempt at acquiring nuclear capability was destroyed by Israeli warplanes in 1981, is secretly engaged in a crash program to build nuclear warheads for use with a strategic missile also under development, according to well-placed Israeli sources.

The goal of the secret program is to produce and test such a warhead within the next two years, the sources said. Some say they believe the Iraqis are keeping to that schedule, while others contend the project is at least five years away from completion.

Either way, however, the sources agree that Iraq has the technological capability to construct a nuclear weapon in the near future. They may not become a nuclear-pro-

duction nation, but they can be a nuclear-possession nation," said one Israeli source.

The Iraqi program which was launched after the Israeli Air Force bombed the 70-megawatt Osirak nuclear reactor eight years ago, is using the 25 pounds of enriched uranium left over from the reactor, according to the sources, whose information on the Iraqi project was largely confirmed by U.S. military analysts in Washington.

After Iraq failed to obtain the cooperation of western governments, notably France, in the new project, it contracted with several "freelance" technological firms, which the sources declined to identify, but which are believed to be western European. The sources said the project is being financed in part by Saudi Arabia and that Pakistan is believed to have provided limited technical assistance.

The warhead would be attached to a medium-range, surface-to-surface missile that Iraq is developing along with Argentina and Egypt in a project known by the Argentines as "Condor-2" and by the Egyptians as "Badr-2000," the sources said. Because of its high price tag—the Israelis estimate the cost of each missile at $8 million—and its ability to carry a warhead weighing up to 1,100 pounds, many defense experts believe the missile is being developed for use with a nonconventional warhead. Development of the missile is said to be close to completion.

Israel destroyed the Osirak reactor, it said, because Iraq was planning to produce a nuclear bomb for use against the Jewish state. Menachem Begin, the Israeli prime minister at the time, warned then that Israel would not allow any hostile state to develop nuclear weapons. Israeli officials have refused to comment on the new Iraqi nuclear program, but sources said they were following the project with mounting anxiety and debating a course of action.

Concern over the Iraqi program is said to be one reason behind the Soviet Union's recent diplomatic initiative in the Middle East. Soviet Foreign Minister Eduard Shevardnadze raised the matter in his talks with Israeli Foreign Minister Moshe Arens in Cairo in February, according to Israeli sources. They say Shevardnadze used Iraq's nuclear potential as an example of how the region could spin out of control if war broke out.

Shevardnadze is said to have urged Israel to sign the 1968 international nuclear nonproliferation treaty, which Israel has never endorsed, and to submit to international inspection of its nuclear reactor at Dimona, in the Negev Desert. He also asked Israel to commit itself to measures that would ban medium- and long-range missiles from the Middle East or significantly reduce their number. In return, Shevardnadze promised that Moscow would restore diplomatic relations with Jerusalem.

A senior Israeli official confirmed that the two diplomats discussed "the question of armaments in the Middle East" in general terms but said that "the question of missiles or of nuclear weapons was not raised specifically." The official said Arens told Shevardnadze he shared the Soviet minister's concern but noted that Israel was responsible for less than 10 percent of the defense expenditure in the region.

Speaking in Cairo on Feb. 23, the day after he met with Arens, Shevardnadze proposed that the nations of the region declare the Middle East "a nuclear-free and chemical-free zone" and called for mutual inspection and on-site monitoring to promote arms control.

In the same speech, Shevardnadze dropped what sources here cited as a significant hint about the Iraqi nuclear project when he said that the need to end the potentially catastrophic Middle East arms race was a prime reason for increased Soviet diplomatic involvement in the region.

"Unless a peaceful comprehensive political settlement is found to the Arab-Israeli conflict, developments in the region would follow a [disastrous] spiral by the logic of military confrontation," Shevardnadze said. The region faces the threat of an arms race that sooner or later could degenerate to a nuclear face-off.

"It is precisely because the Middle East is becoming a major obstacle to the further development of the process of disarmament, on which most of the world nations place their hopes for a better future, precisely because it is becoming a threat to those hopes, that is necessary to internationalize the search for a settlement in the Middle East."

The two-stage missiles, which are expected to achieve a range of at least 500 miles, are being developed in Iraq and the other two host countries by several west European firms—chiefly West German, French and Italian—in apparent violation of the seven-nation Missile Technology Control Regime of April 1987, which prohibits export of components and technology for such missiles. All three European countries are signatories to the agreement.

The sources said the missile project was begun by Argentina and that in 1984, Egypt became a partner in the enterprise, representing both itself and Iraq. Since then, the sources said, the three countries have invested an estimated $800 million in the project, and it is expected they will add another $2.4 billion before production begins. Egypt and Iraq expect to produce 200 missiles each.

Earlier this week, Iraqi President Saddam Hussein declared in a speech honoring visiting Saudi King Fahd that Saudi Arabia was helping finance the rebuilding of the reactor the Israeli Air Force destroyed in 1981. Israeli sources discounted his assertion, however, saying reconstruction of the reactor has not begun and that the nuclear warhead project is a separate effort.

Israel reportedly has possessed nuclear weapons for nearly three decades. Information disclosed by Mordechai Vanumu, an Israeli nuclear technician now serving a 16-year prison sentence for divulging state secrets, indicated that Israel has built at least 100 nuclear weapons of various sizes.

Israel's government has traditionally refused to comment on its nuclear capability, but Israeli leaders, including Prime Minister Yitzhak Shamir, have called for Middle Eastern nations to join in declaring the region a "nuclear-free zone."

[From the New York Times, Feb. 5, 1990]

SEND URANIUM TO ROMANIA?

(By Victor Gilinsky)

GLEN ECHO, MD.—The pending shipment of bomb-grade nuclear fuel for a reactor at a Government research institute near Budapest spotlights the need to correct an overly indulgent U.S. approach to the shipment of such dangerous fuel abroad.

In the 1970's, the U.S. sold Romania a test reactor that was to be fueled with highly enriched (bomb-grade) uranium. The Romanians asked for fuel in 1976. In those days, Nicolae Ceausescu was seen as a thorn in the Soviet Union's side. President Jimmy Carter and his national security adviser, Zbigniew Brzezinski, clearly wanted very much to reward the dictator.

They pressed the Nuclear Regulatory Commission, which had statutory export authority, to approve the shipment, which contained several bombs' worth of enriched uranium. (As an N.R.C. commissioner at the time, I worked to tighten the controls, but could not prevent the shipment.) The foreign policy crowd has always been fond of using exports with military overtones to demonstrate chumminess.

The N.R.C. authorized a shipment of about 38 kilograms needed for the reactor core. But it held back an additional 17 kilograms (about a one-bomb quantity) requested for later refueling in order to keep it out of harm's way. Fuel is easy to handle until it is irradiated in a reactor.

Once the shipment began, so did a Keystone Kops sequence that said lot about the whole system of "safeguarding" such exports.

As the fuel shipment passed through New York City, an N.R.C. inspector noticed that the security seals on some fuel canisters were broken. Instead of checking for theft, he replaced the broken seals with new ones. It was several days before the regional office thought, it worth mentioning to N.R.C. headquarters that anything was amiss.

Once informed, we tried to engage the services of the Vienna-based international Atomic Energy Agency, which was supposed to inspect the fuel in Romania. We asked the agency to send someone immediately to check the canisters upon arrival.

Did we realize, said the agency, that a long weekend was coming up and that it would be very difficult to find an inspector? No, we did not. And did we realize that the inspectors would have to get Romanian visas, and that might take some time? No.

We actually thought the inspectors might drop everything and rush to check whether anyone had made off with bomb-grade material. Eventually, the agency did send someone to take a look. Fortunately, no fuel was missing. In the years since, the I.A.E.A. has inspected the fuel from time to time.

In 1988, at the urging of the Reagan Administration, the N.R.C. approved export of 17 kilograms that had been held back. For one technicality or another related to transport security, the fuel had not been shipped before Mr. Ceausescu was deposed.

The State Department apparently never lost its faith in that old Stalinist's security forces. As late as last December, a department spokesperson said, "Appropriate physical security measures are being applied to the highly enriched uranium in Romania and will be applied to any additional nuclear material shipped to that country."

At a party meeting last April, Mr. Ceausescu announced that Romania could build nuclear weapons—without mentioning that it was obligated under international treaty to do no such thing. Some critics in the U.S. thought this was ample reason to hold up the shipment of highly enriched uranium. Not so the N.R.C., which after consultation with the State Department, said Mr. Ceausescu was merely engaging in "wishful thinking."

Now the Romanian security personnel on whom the State Department has been relying to protect our uranium have been scattered, and it is not certain what happened to the highly enriched uranium that had already been sent. The U.S. reportedly called the I.A.E.A., which called someone in Romania and was told not to worry.

The moral of the story: It is foolish to rely on transport and site security to protect our highly enriched uranium exports. (At one point, Jimmy Carter was ready to give the Shah of Iran anything nuclear because he was a friend and had "good nonproliferation credentials." Whatever the Shah might have got, Ayatollah Ruhollah Khomeini would have inherited.)

If the past is any guide, the State Department will now rationalize the second shipment on the grounds that it would be insulting not to send the bomb-grade fuel to the new Government when we were ready to send it to Mr. Ceausescu. The answer, if we have to give one, should be a friendly no.

It would be better still if the new Romanian Government took the opportunity to advance a healthier international approach toward fueling research reactors. What better way to set themselves apart from Mr. Ceausescu's nuclear program than to tell the U.S. that Romania would prefer lower enrichment uranium fuel, which cannot be used as a nuclear explosive.

[From the Washington Post, Mar. 28, 1990]

SDI No Answer to Nuclear Terrorism

(By Daniel Horner and Deborah J. Holland)

Seeking to justify his $4.66 billion budget for the strategic defense initiative, President Bush has highlighted the risk of terrorist or so-called "rouge states" developing or acquiring nuclear weapons. The president is right to be concerned about nuclear terrorism but wrong if he thinks SDI is an answer to the problem.

Countries aiming to "go nuclear" need not put the explosive material—plutonium or highly enriched uranium (HEU)—onto a ballistic missile. Terrorists have even less reason (and capability) to do so.

President Bush should take a cue from his CIA director, William Webster, who testified last May that "the key to a nuclear-weapons program is acquiring plutonium-239 or highly enriched uranium." If we don't want terrorists to go nuclear, it makes sense to do everything possible to keep down the amount of nuclear-explosive material in circulation around the world.

Like seat belts, that's not just a good idea; it's the law. In the Omnibus Diplomatic Security and Antiterrorism Act of 1986, Congress directed the president "to keep to a minimum the amount of weapons-grade nuclear material in international transit." The Bush administration is flouting this law in two ways.

First, it has canceled prematurely a little-known but hugely successful nuclear nonproliferation effort, the Reduced Enrichment in Research and Test Reactors program. This program developed low-enriched—that is, nonexplosive—uranium fuel to replace the highly enriched, bomb-grade uranium fuel that the United States now exports for nearly all foreign research reactors.

It was by far the biggest national security bargain in the federal budget. For an average of about $3 million a year, it has helped to reduce U.S. annual exports of HEU from about 1,500 pounds (at least 30 bombs worth) in 1978 to about 350 pounds (seven bombs worth) today. For an additional $15 million—small change to the big spenders in the Defense and Energy departments—the program could develop replacement fuels for all research reactors by 1995.

The Energy Department, however, was concerned that it might be forced to convert its own civilian research reactors. To forestall that possibility, the department pulled the rug out from under RERTR by declaring that the program had fulfilled its mission. The full RERTR budget for fiscal 1990 was supposed to have been $4.2 million—about one one-thousandth of what SDI got. But the Energy Department slashed the budget to $1.2 million in "final year funding" and zeroed the program out of the 1991 budget request.

Unless Congress restores the necessary funding, conversion to fuels that cannot be used in bombs is unlikely to proceed. By refusing to convert its own civilian reactors, continuing efforts of bomb-grade uranium and cutting off technical assistance to foreign reactor operators, the Energy Department is offering little incentive to switch to low-enriched uranium fuel—even though the fuel is now available for most reactors.

The Bush administration threw away another chance to limit the flow of bomb material when it gave the green light to Switzerland to put more than 1,000 pounds of plutonium from power reactors (at least 65 bombs worth) into international commerce. This plutonium, once separated from spent fuel, can be fashioned directly into crude atom bombs if nuclear-minded terrorists get their hands on it.

Nonetheless, in response to a letter stating our concerns, Secretary of Energy James Watkins wrote, "I do not agree that these two subsequent arrangements contribute to grave international security and environmental risks." Even more hair-raising is the administration's plan to approve shipments of about 50 tons of plutonium from Europe on a slow boat to Japan—about one ton per voyage escorted by a single Japanese coast guard cutter.

Since all of this plutonium originated in U.S.-supplied reactor fuel for nuclear power plants, American approval is required before any shipments of plutonium can take place. This requirement, a key provision of the 1978 Nuclear Non-Proliferation Act, was designed to minimize commerce in U.S.-controlled plutonium and help ensure it does not end up in bombs. But the administration is disinclined to enforce either this law or the 1986 legislation that strengthens it.

Decisions by Bush to curb commerce in bomb-grade uranium and plutonium would not command the media attention that a spectacular SDI test does. But if he wants to prevent nuclear terrorism, Bush will have to make down-to-earth decisions like these, rather than looking to the pie in the sky that is SDI.

Mrs. LLOYD. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I yield to my colleague, the gentlewoman from Tennessee.

Mrs. LLOYD. Mr. Chairman, I would like to thank Mr. Bevill and Mr. Meyers and the Appropriations staff for all of the hard work that they have done on this bill. I have been, and continue to be, a supporter of this modest, but important, RERTR Program.

This research on reactor fuels will lead eventually to the elimination of international traffic in highly enriched uranium for research reactors. Recent events in the Middle East have once again reminded us that the threat of proliferation, however small, is still present; therefore even modest steps to reduce proliferation risks are prudent and serve the interests of all nations.

In addition to eliminating the proliferation risk, the new fuels being developed hold promise for innovative methods of producing isotopes for which there is a growing need in the medical field. I would, therefore, urge that you support this amendment to appropriate $1.3 million in fiscal year 1991, so that we may continue to decrease foreign inventories of highly enriched uranium.

I believe that America's international commitments to research reactors and nuclear power and our national security interests justify the RERTR program at the higher funding level. I urge your support of this amendment.

In addition, this legislation includes funding for many projects that are of vital interest to the Third District of Tennessee. I am hopeful that this legislation will pass with provisions for the Third District in tact.

The bill includes $500,000 that I requested to initiate a flood control study in Hamilton County. This study will provide Hamilton County with valuable information for strategic planning necessary to prevent another flooding disaster like the one we experienced this winter. It also includes funding for many projects at the Department of Energy's Oak Ridge Reservation. The advanced neutron source is funded at $12 million to continue research and development and preliminary engineering. The Department of Energy's budget request stated that:

A lack of attention is being given to improving the essential scientific facilities required to accomplish the main scientific mission of the laboratories and maintaining preeminence in certain key fields of research.

One of three facilities identified by the scientific community as critical to the future need is the advanced neutron source, according to the Department's own request. To that end, I worked closely with the Appropriations Committee and am pleased that they supported me in this program.

Science education, including the nuclear engineering research and education at the University Research Reactor Programs, received a significant increase. The Department had proposed an increase in science education programs, and we were successful in enhancing that increase to include $11 million for the nuclear education and research reactors for a science education total of $41 million.

Last year, I began the drive for increased funding for renewable energy with my 3-year authorization bill. The Appropriations Committee followed that lead by providing $139 million for solar and renewable energy research and development.

The Advanced Reactor Research and Development Program is funded at a

modest level—$47 million—for fiscal year 1991. My own bill, H.R. 4854, would enhance that funding beginning in fiscal year 1992 with a multiyear authorization. This is a classic example of the need for multiyear spending plans to create planned and consistent direction for important R&D programs.

AVLIS was funded at the Department's request of $154.5 million. I was pleased to see that the Appropriations Committee strongly encouraged the Department of Energy to expedite the schedule in order to make an intelligent deployment decision at the earliest reasonable date. These are all important programs, and I urge my colleagues to vote for final passage of this legislation.

Mr. WOLPE. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I yield to the gentleman from Michigan.

Mr. WOLPE. Mr. Chairman, I rise in strong support of this amendment, and I want to thank my colleagues, the gentleman from New York [Mr. SCHEUER] and the gentlewoman from Tennessee [Mrs. LLOYD], for their efforts.

Mr. Chairman, I do not think there is any threat greater to our global security today than the proliferation of nuclear weapons among outlaw nations or terrorist groups. Clearly, the principal obstacle to someone who wishes to develop a nuclear device curently is not the technology itself; rather, it is the lack of highly enriched uranium or plutonium.

□ 1730

Mr. Chairman, American national interests require that we take steps to reduce the availability of that kind of material around the world. That is why this research that is going forward now is so vital to the interests of America, to the security interests of the world itself. I hope it will enjoy the support of this body.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, we accept this amendment. We think it is a very good amendment and support the amendment.

Mr. SCHEUER. Mr. Chairman, I thank the gentleman from Alabama [Mr. BEVILL], my colleague.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, this side will accept the amendment of the gentleman from New York [Mr. SCHEUER]. This country has been very fortunate. The world has been very fortunate. We have not had a problem in international terrorism in the area of nuclear or enriched fuel, but I think we can anticipate sometime in the future that it might happen, so I think that in this case we ought to do what we can to avoid it in the future. So, this side does accept the amendment of the gentleman from New York [Mr. SCHEUER] and thanks the gentleman for bringing it to our attention.

Mr. SCHEUER. Mr. Chairman, let me assure my colleagues that perhaps one of the greatest things about this program is its price tag. We are providing for $1.3 million today. The Secretary of Energy, Adm. Jim Watkins, who is surely one of the stars of this administration, has promised to look over the basic program very thoroughly, the total program, including continued development of high-density fuels made of low-enriched uranium, which when successfully developed would enable us to halt all exports of weapons-grade uranium. The total program would cost $4.2 million annually compared to star wars, President Bush's program for controlling rogue-state nuclear terrorism, which has a cost this year of $4.66 billion.

Mr. Chairman, the RERTR program is a bargain-basement item, one one-thousandth of the cost of the administration's star wars program for controlling nuclear terrorism. I urge my colleagues to give it their strong support.

Mr. WOLPE. Mr. Chairman, I rise in support of the amendment and want to thank my colleagues Mr. SCHEUER and Ms. LLOYD for their efforts.

Since 1978, the Reduced Enrichment in Research and Test Reactors [RERTR] Program has been our country's only program aimed at preventing the spread of bomb-grade uranium fuel. The program at Argonne National Laboratory develops low-enriched uranium fuels to replace weapons grade uranium currently being used in nuclear test and research reactors worldwide. These new fuels do not significantly affect performance of the reactors or increase the costs of reactor operation. However, the low-enriched uranium fuels do allow the removal from civilian use of many bombs-worth of highly enriched uranium. If left in place, these weapons-grade fuels will remain vulnerable to theft and may be used by radical terrorists to develop atomic weapons.

Frankly, I can see no greater threat to global security than the proliferation of nuclear weapons among outlaw nations or terrorist groups. And, I want to make one point absolutely clear: the most significant barrier, right now, for someone who wishes to develop a nuclear device is not the technology. Rather it is a lack of highly enriched uranium or plutonium. Because of this concern, I authored, in 1986, title VI of the Omnibus Diplomatic Security and Antiterrorism Act which strengthens the physical security for U.S. nuclear exports abroad so as to reduce the risks of international nuclear terrorism. This act specifically directs the President to minimize the amount of weapons-grade nuclear material which is in international transit and the elimination of all exports of highly enriched uranium is precisely the long-standing goal of the RERTR Program.

Mr. Chairman, it has often been said that "good things come in small packages." Well, the RERTR Program is a very small package and it is also a very good one. For only $1.2 million we can continue to convert overseas reactors to use the low-enriched fuels which have already been developed at Argonne labs. I am glad that Secretary Watkins has indicated his support for this level of funding. But, for an additional $3 million we could fully fund the RERTR Program and continue fuel development. Without the additional low-enriched fuel, the United States will be forced to export nearly 300 pounds of weapons-grade fuel every year, indefinitely. If diverted or stolen, these 300 pounds could annually produce six atomic bombs. Clearly, this represents a grave threat which should not be overlooked. It is my understanding that in recent conversations with my distinguished colleague, Mr. SCHEUER, Secretary Watkins has indicated his interest in the RERTR Program and I am hopeful that he will soon recommend full funding for this absolutely critical program. In the meantime, I urge my colleagues to support this amendment. It is a small investment which will yield significant security returns.

The CHAIRMAN pro tempore (Mr. BRYANT). The question is on the amendment offered by the gentleman from New York [Mr. SCHEUER].

The amendment was agreed to.

Mr. THOMAS A. LUKEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to seek clarification from the subcommittee chairman, the gentleman from Alabama, regarding section 305 of the bill, which requires the Secretary of Energy to use the Army Corps of Engineers to "manage and carry out the environmental remediation activities and restoration" of the Hanford, WA, sites. The Hanford Reservation is comprised of four Superfund sites on the Environmental Protection Agency's national priorities list.

It is my understanding that the language in section 305 is not intended to modify or affect in any way the Resource Conservation and Recovery Act or the Comprehensive Environmental Response, Compensation, and Liability Act of 1980. Further, I understand that section 305 is not intended to change the roles and responsibilities of EPA, the State of Washington, and the Department of Energy as set forth in the RCRA and CERCLA statutes with regard to response actions at Hanford. Additionally, I understand that the language of section 305 is not intended to alter or change any of the provisions or requirements set forth in the interagency agreement that has already been entered into by the EPA, the State of Washington, and the Department of Energy for cleanup and corrective action on the Hanford Reservation.

I would appreciate the gentleman from Alabama's response as to whether my understanding of the intent of section 305 is correct.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. THOMAS A. LUKEN. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, the gentleman from Ohio [Mr. THOMAS A. LUKEN] is correct in his understanding of the intent of section 305.

Mr. THOMAS A. LUKEN. Mr. Chairman, I thank the gentleman from Alabama [Mr. BEVILL].

Mr. WOLPE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to begin by commending the gentleman from Alabama [Mr. BEVILL], the chairman and the entire committee for their work on this bill. I am particularly pleased to see increases over the President's request for environmental restoration and for solar and renewable energy programs, among others. These programs, in my view, are very important to the country's long-term environmental and energy health. This is a bill that I can vote for although I do have some trepidation about the funding level of one specific project.

Mr. Chairman, buried in this appropriation is a seed called the superconducting super collider that will sprout and, very likely, will ultimately starve other energy research projects. In that connection, with the permission of the gentleman from Alabama [Mr. BEVILL], the chairman, I would like to engage him in a brief colloquy.

Mr. Chairman, I wonder if the gentleman from Alabama [Mr. BEVILL] would respond to a series of three questions I would like to put to him.

First of all, when the Department of Energy releases its cost estimates in July, will the committee support a GAO review of these estimates, as well as any other relevant project management plans?

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. WOLPE. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, we certainly have no objection to a GAO review.

Mr. WOLPE. Second, Mr. Chairman, has the committee expressed an opinion on how much of Texas' $1 billion contribution should be used to defray the project's construction costs?

Mr. BEVILL. Mr. Chairman, we believe that the Texas contribution should be used to defray costs for the entire project and not just construction. I think that is what the gentleman's question leads to; is it not?

We have no objection to it being applied to the entire project.

Mr. WOLPE. Third, Mr. Chairman, how much of the project does the committee believe should be financed by foreign contributions, and what form should these contributions take?

Mr. BEVILL. Mr. Chairman, we expect these to be inkind contributions, as well as funds, and the more they get, as far as we are concerned, the better it will be.

Mr. WOLPE. Mr. Chairman, I thank the gentleman from Alabama [Mr. BEVILL] for those responses.

Mr. Chairman, I want to indicate to Members of this body that in my judgment what we are seeing happen here is that, faced with future decreases in weapons contracts, the Grummans and General Dynamics of this country have turned their attention to civilian science in hopes of propping up their portfolios. Consequently in the debate on the superconducting super collider, politics, in my judgment, is pushing aside science.

Mr. Chairman, I believe that what we are seeing is the rise of a scientific-industrial complex that in many ways will parallel the military-industrial complex that we have all become very familiar with. As with the military-industrial complex, I fear that this emergent scientific-industrial complex may be more concerned with a project's size and price rather than with the Nation's productivity or the wise investment of Federal dollars. The more capital intensive and complicated the projects become, the bigger will be the profits, and the heavier will be the lobbying that we will all experience.

My fear, very frankly, is that the superconducting super collider marks the elevation of this scientific-industrial complex onto a new level. More expensive than the yearly budgets of two Cabinet agencies, the superconducting super collider will line the pockets of defense science contractors and severely threaten the funding of diverse, innovative, small science, which has always been the fount of creativity for scientific progress in this country.

Mr. Chairman, as we make a $300 million payment on a multi-billion-dollar project about which we still know very little, there are proven technologies in DOE's own labs that could make the superconducting super collider obsolete not long after the cement has dried. The Wakefield accelerator, developed by the Argonne National Laboratory, is a perfect example of the innovative technology we should be pushing and of a project whose funding may be constrained because of the superconducting super collider.

The superconducting super collider technology is, in fact, some 30 years old. Today we are agreeing to push a 30-year-old technology beyond what is economically justifiable while we virtually ignore a brand new technology that could potentially do the job of the superconducting super collider to 300 times more efficiently. I will be submitting for the record recent magazine articles which indicate that a scaled-up Wakefield accelerator could achieve the same energy in a 2-mile tunnel as the superconducting super collider will in its 54 miles. But a Wakefield accelerator would require no superconducting magnets and no 2 trillion electron volt injector, and that is the problem. Although Wakefield and several other innovative accelerator designs have far greater potential in the long run, there are no Grummans and General Dynamics pushing these alternatives.

□ 1740

The CHAIRMAN pro tempore (Mr. BRYANT). The time of the gentleman from Michigan has expired.

(By unanimous consent, Mr. WOLPE was allowed to proceed for 3 additional minutes.)

Mr. WOLPE. Mr. Chairman, yes, the politics has outpaced the science, but the Wakefield accelerator also symbolizes the Faustian bargain that DOE and high energy physicists are striking by pushing the superconducting super collider. Fifteen years from now we could have a new generation of particle accelerators more powerful than the superconducting super collider at much less cost. But this is unlikely to happen. The superconducting super collider will dominate both DOE's high energy budget and high energy particle physicists for at least the next 15 years. If this country follows its normal pattern with major technological breakthroughs, somebody else will build a large Wakefield accelerator, and the superconducting super collider will become a dinosaur 5 years after it has been completed.

To conclude, I think it is important to dispel and illusions we in this Chamber may have concerning the superconducting super collider. First, it will likely cost billions more than we are being led to believe currently. Second, there are many less expensive ways to get the physics expected to be achieved from the superconducting super collider. Third, and most importantly, the superconducting super collider will actually hurt American competitiveness by effectively starving a wide range of productive research that could yield enormous benefits for our society.

I realize that many Members want this project to be built, but it simply may prove to be economically infeasible. I hope that the Department's cost estimates due in July and the General Accounting Office's review of these estimates will provide the forum for my colleagues to take a second and a hard look at the superconducting super collider. We need this information before we make any definitive decisions concerning the project. Because we lack these facts, it would be imprudent to

offer any amendments at this time, and that is why none are being offered. After we have this information, though, I hope we can assemble a clearer picture of the superconducting super collider's real costs and what it will mean to the rest of our scientific endeavors in this country.

[FROM THE SCIENTIFIC AMERICAN, MARCH 1989]

PLASMA PARTICLE ACCELERATORS

(By John M. Dawson)

Smashing charged particles together at nearly the speed of light, high-energy accelerators have advanced understanding of the structure of matter, the fundamental forces of nature and the origin of the universe. In the 1930's cyclotron accelerators generating energies of a million electron volts (MeV) simulated conditions in the cores of giant stars, providing a laboratory environment for studying nuclear reactions. More recently synchrotrons and linear accelerators, at a billion electron volts (GeV), have explored the environment in the interior of neutron stars and proved the existence of antimatter. Today proton synchrotrons, at a trillion electron volts (TeV), are probing the conditions of the universe to within a billionth of a second of its birth. As plans are laid for the world's largest accelerator, the Superconducting Supercollider, accelerator technology is approaching practical limits. Fortunately a new technology, plasma particle acceleration, has emerged that could constitute a promising way to achieve still higher energies.

The $4.4-billion Superconducting Supercollider (SSC) will require an 87-kilometer accelerator ring to boost particles to 40 TeV [see "The Superconducting Supercollider," by J. David Jackson, Maury Tigner and Stanley Wojcicki: Scientific American, March, 1986]. The SSC's tremendous size is due in part to the fact that its operating principle is the same one that has dominated accelerator design for 50 years: it guides particles by means of magnetic fields and propels them by strong electric fields. If one were to build an equally powerful but smaller accelerator than the SSC, one would need to increase the strength of the guiding and propelling fields. Actually, however, conventional technology may not be able to provide significant increases in field strength. There are two reasons. First, the forces from magnetic fields are becoming greater than the structural forces that hold a magnetic material together; the magnets that produce these fields would themselves be torn apart. Second, the energy from electric fields is reaching the energies that bind electrons to atoms; it would tear electrons from nuclei in the accelerator's support structures.

It is the electric field problem that plasma particle accelerators can overcome. Plasma particle accelerators are based on the principle that particles can be accelerated by the electric fields generated within a plasma; a state of matter heated to a temperature at which electrons are stripped from their atomic hosts. Because the plasma has already been ionized, plasma particle accelerators are not susceptible to electron dissociation. They can in theory sustain accelerating fields thousands of times stronger than conventional technologies. If accelerating fields of such magnitude could be produced over extended distances, a plasma particle accelerator a few hundred meters long could match the projected energy of the 87-kilometer Superconducting Supercollider.

Electric fields that accelerate particles can be created in a plasma because of the medium's remarkable properties. A plasma as a whole is electrically neutral, but because the electrons and the positively charged ions are separated, a disturbance can create regions of negative charge (high concentrations of electrons) and regions of positive charge (high concentrations of positive ions). Such an uneven distribution of charge sets up an electric field, which runs from positive to negative regions. The electric field pulls the electrons and ions together with equal force. Since an electron's mass is much smaller than that of a ion, the electrons move toward the positive regions, whereas the ions remain essentially stationary.

As the electrons from negative regions are drawn to positive regions, they steadily gain velocity and momentum. The momentum does more than carry the electrons to a positive region; it causes them to overshoot it, whereupon the electric field reverses direction, first opposing the electrons' motion and slowing them down and then pulling them back again. The process repeats itself, establishing an electron "pendulum."

An array of such electron pendulums, created by disturbances in a plasma, can create an electric field that accelerates charged particles, imagine a thin cylinder of plasma, its long axis horizontal. Every electron penddulum is centered at a different point in the cylinder and oscillates to the left and right, parallel to the axis. Suppose the pendulums are made to oscillate in sequence. Say a pendulum at the left end of the plasma cylinder occupies its leftmost position. A small distance along the plasma cylinder another electron pendulum is in its center position, and it is followed by a pendulum in its rightmost position. Next comes a pendulum at its center position and then one at its leftmost position. If all these electron pendulums were to start oscillating at the same frequency and achieve the same maximum amplitude, regions of negative (or positive) charge would appear to move along the cylinder in a traveling wave. The effect would resemble the lights on a theater marquee; although each bulb switches on and off in sequence, waves of light seem to move across the sign.

In this way the combined motion of the electron pendulums forms a longitudinal wave of positive and negative regions traveling through the plasma—a plasma wave, in turn the positive and negative regions establish an electric field that travels along with the plasma wave. If a charged particle is injected into the plasma at approximately the same velocity as the plasma wave, it will stay in phase with the field, absorb energy from the field and accelerate steadily. This phenomenon is the basis for particle acceleration in plasmas.

The acceleration of the particle does not follow the intuitive notion of acceleration as being an increase in velocity over time. Charged particles in present-day high-energy accelerators travel at nearly the speed of light. An electron from a 50-GeV accelerator falls short of the speed of light by only five parts in 10^{11}, that is, if an electron raced a light pulse around the earth, the electron would cross the finish line only a tenth of a millimeter behind the light. When particles traveling at these speeds absorb energy from a field, they are accelerated in the sense that their mass increases in accordance with Einstein's theory of relativity. The particles' velocity, however, increases very little. In order to accelerate (to add mass to) a beam of charged particles already moving at very high speed, a plasma accelerator must create a plasma wave traveling at nearly the speed of light so that charged particles do not outrun the electric field wave.

The velocity of a plasma wave is the product of its wavelength (the distance between one negative region and the next one) multiplied by the frequency (the rate at which the electron pendulums oscillate). The frequency of the plasma wave in a given plasma is fixed; it is a function of the density of available electrons. The wavelength, however, is variable. Hence the velocity of a plasma wave can be made equal to the speed of light by giving it the proper wavelength. Given a plasma wave at the plasma's natural frequency and the proper wavelength, charged particles can be injected into the plasma and remain at a constant phase of this wave, gradually gaining energy from the electric field.

There is a constraint on the amount of energy a plasma wave can impart to an electron. The strongest electric field that can be produced in a plasma is set by the maximum amplitude of the oscillations, which in turn is determined by wave breaking. Just as an ocean wave breaks when its crest falls into its trough, so a plasma wave can break when one set of electron pendulums swings into a region before electron pendulums from another region have vacated it. For a plasma wave that has a phase velocity equal to the speed of light, theory predicts that the limiting amplitude due to wave breaking is related to the square root of the undisturbed electron density. Plasmas that have densities of between 10^{16} and 10^{21} electrons per cubic centimeter are routinely produced in laboratories, and so the strongest accelerating fields are in theory between 100 million and 30 billion volts per centimeter. In comparison, accelerating fields of 200,000 volts per centimeter are generated in existing accelerators, and fields of one or two million volts per centimeter are projected for future conventional accelerators.

Since plasma waves promise stronger electric fields than conventional technologies, they are good prospects for accelerating particles to high energy. How, then, are plasma waves generated? So, far two methods for creating plasma waves for accelerators have been proposed and tested: the wake field and the beat wave.

The wake-field method exploits a "bunch" of many electrons to generate waves in a plasma, thereby accelerating a group of a few electrons to higher energies. Just as a boat moving through the water pushes some of the water aside, making a wake, so a bunch of many electrons traveling through plasma generates a wake of plasma waves.

As an electron bunch enters a region, the plasma electrons move out of the way so that the combination of the plasma and the bunch remains electrically neutral. As the electron bunch exists, leaving a deficit of electrons in the region, the plasma electrons rush back to reestablish equilibrium. This movement of plasma electrons initiates the oscillation of the electron pendulums and results in a plasma wave traveling at a velocity equal to that of the electron bunch. The plasma wave establishes an electric field: the so-called wake field. A group of a few electrons, suitably placed in the wake field, can then be accelerated to energies higher than those of the driving bunch.

To some extent, however, the plasma electrons resist being pushed aside by the driving bunch, thereby reducing the energy

available to produce plasma waves. This resistance can be minimized by shaping the electron bunch so that the density of electron first increases slowly and then is cut off rapidly. In this manner the plasma's electrons adjust easily to the incoming bunch but are then driven into large oscillations. By devising a computer model for this process, Jaojang Su of the University of California at Los Angeles has shown that an appropriately shaped 75-MeV bunch can accelerate electrons to 1,000 MeV.

Turbulence can break up plasma waves and also can lead to significant energy loss by producing instabilities in both the driving bunch and the accelerated group of electrons. The driving bunch is the more susceptible to instabilities, because it has more electrons and less energy than the accelerated group. There are two critical types of instability in the driving bunch: the two-stream instability and the Weibel instability.

The two-stream instability develops when some electrons in the bunch moves faster than others. As the bunch moves through the plasma this difference in velocity becomes more pronounced, decreasing the efficiency with which plasma waves can be produced. Simulations by Su indicate that, in spite of the two-stream instability, a plasma wave can absorb approximately 80 percent of the energy of the driving bunch before it breaks up.

In the Weibel instability the driving bunch subdivides and contracts into several concentrated "filaments" within the plasma. Each electron of the driving bunch runs parallel to the others and constitutes an independent electric current. Because parallel currents attract one another, the electrons of the bunch tend to move closer together. The bunch as a whole does not contract uniformly; rather, groups of electrons move together to form filaments.

It appears that one can control Weibel instability by giving the electrons of the driving bunch a little random motion perpendicular to the direction of the bunch. The random motion tends to disperse any filaments that form. A transverse energy of about 50,000 eV, which is easily generated, suffices to stabilize bunches that have energies of 100 MeV. Although this added transverse energy will tend to disperse the bunch too far, the tendency can be countered by introducing a guiding magnetic field. If the Weibel instability is kept under contract, Thomas C. Katsouleas and Scott C. Wilks of U.C.L.A. have found, the efficiency with which energy can be transferred from the wake field to the accelerated particles is 30 percent.

These results have been partially confirmed by the first experimental test of a wake-field accelerator. The experiment was started by David S. Cline of U.C.L.A. and the University of Wisconsin at Madison in collaboration with workers from the Argonne National Laboratory. James B. Rosenzweig of Wisconsin built the plasma source, and James D. Simpson of Argonne directed the conversion of a 20-MeV linear accelerator into a source of electron bunches for producing the wake field.

A small fraction of the electrons generated by the linear accelerator provided the electrons to be accelerated in the wake field. These electrons were passed through a thin foil to slow them down to 15 MeV and were magnetically deflected from the main bunch. The 15-MeV group then entered a plasma behind the driving bunch and acted as a test pulse. Computer modeling of this experiment by Rhonald K. Keinigs and Michael E. Jones at Los Alamos and by Su indicate that at peak performance the wake can accelerate electrons 300,000 volts per centimeter. So far the actual experiment has achieved only 50,000 volts per centimeter, because there were fewer electrons in the driving bunch than expected. The experiment, however, demonstrated acceleration by a wake field.

The beat-wave method has been studied more intensively in both theory and experiment than the wake-field method. Beat-wave accelerators have already accelerated particles in the laboratory from .5 to 2 MeV and have generated electric fields approximately 10 times stronger than those produced in the most advanced conventional accelerators.

Rather than employing an electron bunch the beat-wave method generates plasma waves from two intense laser beams whose light has different frequencies. The beams are combined so that the light waves interfere, forming alternating regions where the two waves are in phase (and reinforce) and regions where they are out of phase (and cancel). The result is a heat wave in the composite wave, oscillating at a frequency equal to the difference in the frequencies of the parent beams. If the composite beam is then focused into a plasma, the beam creates regions of high and low radiation pressure. If the frequency of the beats is equal to the plasma's natural frequency of oscillation, the plasma electrons respond resonantly and produce powerful plasma waves.

In the beat-wave process both the evolution of the plasma wave and the propagation of the two laser beams through the plasma are highly complex. Computer models have been constructed that follow the motion of several million charged particles through the electromagnetic fields generated by the particles and the lasers. Each model particle actually represents a large number of plasma electrons, but the model closely emulates nature—including relativistic effects—and has been quite successful in predicting the complex behavior of heat waves interacting with electrons and loans in plasma.

Joseph M. Kindel and David W. Forslund of the Los Alamos National Laboratory and Warren B. Mori of U.C.L.A. have modeled the enteraction of a plasma that has a density of 10^{12} electrons per cubic centimeter and two laser beams that have wavelengths of 9.6 and 10.6 microns and intensities of about 10^{16} watts per square centimeter. These values are similar to those already achieved in experiments. In their simulation Kindel, Forslund and Mori achieved an accelerating field along the axis of the laser beam of about 50 percent of the theoretical maximum possible value, which suggests that the best-wave method puts extremely intense electric fields within reach.

Computer models have also been helpful in diagnosing problems that must be solved for a stable and efficient accelerator. If the composite laser beam does not remain focused as it travels through the plasma, for instance, the beam will be ineffective at generating beat waves over large distances. The width of a laser beam ordinarily grows because of diffraction. The unusual optical properties of intense light in a plasma tend to focus laser beams. Both theory and computer modeling indicate that the width of a laser beam of sufficient intensity will remain stable (at about .2 millimeter in the Forslund, Kindel and Mori model). Such focusing is essential to the beat-wave strategy, since a plasma accelerator would require laser beams to propagate over large distances.

Like the beam, the electrons that are accelerated by the plasma wave must also stay focused in a coherent bunch at the center of the plasma wave. Fortunately the plasma waves generated by laser beams not only create accelerating electric fields along the axis of the laser beam but also produce radial electric fields. These radial fields can focus the electrons to the axis. Two additional effects help the focusing. First, the plasma channel tends to become positively charged, because the radiation pressure from the light exerts an outward push on the plasma electrons. Second, strong confining magnetic fields are produced by the current owing to the accelerated electrons. If the accelerated electrons are focused to the axis, their progress is unimpeded and they do not lose a significant amount of energy.

The laser beam can occasionally produce turbulence that disrupts the formation of plasma waves, however. Such turbulence arises when not only the electrons but also the positive ions in a plasma react to the laser beam, the ions must be essentially stationary to produce effective plasma waves. The ions will move, though if the laser beam is focused on a plasma region for more than 10^{-10} second, or .1 nanosecond. That is enough time for radiation pressure from the laser beam to push the ions out of the region of the beam. Therefore if a laser pulse shorter than .1 nanosecond travels through undisturbed plasma, the pulse can propagate for many meters and generate a nonturbulent plasma wave.

The creation of plasma waves that have enough velocity to accelerate particles efficiently presents another technical difficulty. The velocity with which a beat wave and the plasma wave propagate through the plasma is dependent on the natural frequency of the plasma and the frequency of the lasers that produced the beat wave. This puts a limit on the energy that accelerated electrons can ultimately attain. For instance, lasers that radiate at a frequency of 10^{15} hertz and a plasma that has a natural frequency of 10^{12} hertz could yield electron accelerations as high as 100 million volts per centimeter and maximum energies approaching 1 TeV.

The energy limit can be overcome, however. If the accelerated electrons move at an angle to the direction of wave propagation, the electrons must move faster than the wave itself to keep up with it. The accelerated electrons can be forced to move at the proper angle by applying a magnetic field perpendicular to the plasma wave's direction. Riding waves at an angle is a strategy favored by surfboarders in order to move faster and get a longer ride. Hence the hypothetical accelerator based on this strategy is called the Surfatron.

Soon after Toshiki Tajima of the University of Texas at Austin and I published the first theoretical paper on the beat-wave method in 1979, the first experiments were begun by Chandrashekhar J. Joshi and his collaborators at the National Research Council of Canada in Ottawa. To create a plasma they focused a powerful carbon dioxide laser beam on a thin carbon foil. Instead of combining two additional laser beams to create a beat wave in the plasma, however, they took advantage of an interaction between the first laser and the plasma. The interaction generated secondary light waves whose frequency differed from the frequency of the original beam by the

plasma frequency. The interference of the secondary light and the original laser beam formed plasma waves by a mechanism much like the beat-wave process except that the plasma waves propagated in every direction. This experiment gave crude but encouraging results: intense plasma waves were generated and electric fields of about 10 million volts per centimeter were produced.

Joshi went on with this research at U.C.L.A. He constructed an experimental device that would drive the plasma waves directly and measure them quantitatively. This time he generated a beat wave with synchronized pulses one nanosecond long from two carbon dioxide lasers that had wavelengths of 0.5 and 10.6 microns. The frequency of the beat wave matched the plasma frequency. Joshi directed the beat wave into a plasma formed by an electric spark. He detected plasma waves by scattering a third laser off the plasma wave, and he observed electric fields whose strengths ranged between three million and 10 million volts per centimeter.

The experiment was deficient in two respects, however. First, as predicted by theory, the nanosecond laser pulses were long enough to disturb the plasma ions, and a large number of turbulent waves developed among the ions, hampering the operation of the accelerator. Second, no electrons were accelerated. The velocities of the plasma electrons were much too low to be accelerated by the plasma wave. Just as surfers must paddle in order to gain enough speed to catch an ocean wave, so electrons must have enough initial energy to be accelerated by the beat wave. Joshi is hoping to eliminate turbulence by shortening the laser-pulse lengths, and he is injecting some electrons at a high initial energy (1.5 MeV). He expects that the high-energy electrons will be accelerated by a plasma wave to about 10 MeV.

A group under the direction of A. E. Dangor from the Imperial College of Science and Technology in London and Roger G. Evans of the Rutherford Appleton Laboratory near Oxford is currently working on a beat-wave accelerator that relies on neodymium glass lasers producing light at wavelengths of roughly one and 1.1 microns. The group has encountered a number of experimental difficulties but has recently seen evidence of the generation of plasma waves.

Those workers also created a reproducible and uniform plasma—one that is perfect within the limits of their measurements. The plasma was formed by rapidly bombarding every atom in a gas with photons of light and thereby removing the electrons from virtually every atom. Such a uniform, quiescent plasma can support high-quality plasma waves; it is a necessity if plasma waves more than several meters long are to be supported in both beat-wave and wake-field accelerators.

An experiment much like Joshi's was conducted by Francois Martin and his group at the University of Quebec. The experiment involved two plasmas, one to provide a pulse of accelerated electrons and the other to accelerate them further by the beat-wave process. Electrons were initally accelerated to more than .5 MeV by a process similar to Joshi's first experiment. A laser beam struck a solid target, creating a plasma of high electron density and temperature. The most energetic electrons were extracted and injected into the second plasma, where they were traveling fast enough to be further accelerated by the heat-wave method. When the workers analyzed the electrons coming from the beat-wave region, they recorded energies as high as 2 MeV. Since the beat-wave region was only 1.5 millimeters long, accelerating fields of approximately 10 million volts per centimeter must have been produced.

A number of additional investigations are now under way in the U.S., Canada, England, France and Japan. Although promising electric fields have been produced, more research is necessary to determined whether plasma particle accelerators can compete with existing accelerators in energy, intensity and quality. Surpassing the awesome power of the Superconducting Supercollider and the impressive record of accelerator technologies developed over the past 50 years remains a major challenge for plasma physicists.

In addition to the original goal of devising new means for accelerating particles, the ongoing research holds promise for several other areas of study. It may contribute to an understanding of particle-acceleration processes in nature. Pulsars, for example, are thought to generate intense waves in plasmas that accelerate particles to extremely high energies in a relatively short distance.

Further research into beat-wave accelerators could lead to new sources of X rays and gamma rays. Electrons accelerated by a heat wave could be directed into tungsten toils, which would then emit X rays. Electrons could also be injected into a plasma wave perpendicular to the direction of the electric field. These electrons would then be accelerated transversely to their direction of motion, causing them to radiate X rays and gamma rays.

Plasma-wave technologies will also provide new opportunities to study the interaction of electromagnetic fields with plasmas. Plasma waves can generate tremendous electric fields, and similar techniques may yield magnetic fields of similar scale. As in many seientific endeavors, the most important results of studies on plasma-acceleration may be totally unexpected.

[From Popular Mechanics, July 1990]

CLASH OF THE PARTICLE COLLIDERS

ARGONNE, IL.—As plans for the huge Superconducting Supercollider (SSC) wax ever more costly, a new accelerator has proved able to whip electrons up to speed over desktop distances.

Recently demonstrated at Argonne National Laboratories, the wakefield accelerator uses a technique reminiscent of racing cars "drafting" the car ahead.

In Argonne's apparatus, a driver beam, a pulse of electrons, is fired along a ceramic tube, as it travels, the beam induces in its wake a moving charge that races along the inside of the tube. This moving charge pulls a second group of particles launched a fraction of a second behind the driver beam.

Accelerating continuously, the energy level of the trailing beam builds quickly. Injectors feed fresh driver beams into the tube to replace driver beams whose energy is flagging. The timing of these injections—to the billionth of a second—is crucial to the accelerator's operation.

Scaled up, the existing apparatus could generate light-speed energy levels with a tube only * * * long. A tube 2 miles long configured for heavier protons instead of electrons, could do the job the 55-mile-long SSC is expected to do.

Meanwhile, the price tag for the SSC has jumped from $5.9 billion to more than $7 billion. Reason: The proton smasher will need a beam injector twice as powerful as originally planned, and a beam tube ½ in. wider. Ground has yet to be broken for the project.

The CHAIRMAN pro tempore. The Clerk will read.

The Clerk read as follows:

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $28,421,000, to remain available until expended.

POWER MARKETING ADMINISTRATIONS

OPERATION AND MAINTENANCE, ALASKA POWER ADMINISTRATION

For necessary expenses of operation and maintenance of projects in Alaska and of marketing electric power and energy, $3,233,000, to remain available until expended.

BONNEVILLE POWER ADMINISTRATION FUND

Expenditures from the Bonneville Power Administration Fund, established pursuant to Public Law 93-454, are approved for expenses of the Yakima Basin Screen Facilities Phase II; and for official reception and representation expenses in an amount not to exceed $2,500.

During fiscal year 1991, no new direct loan obligations may be made.

OPERATION AND MAINTENANCE, SOUTHEASTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy pursuant to the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southeastern power area, $9,285,000, to remain available until expended.

OPERATION AND MAINTENANCE, SOUTHWESTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, and for construction and acquisition of transmission lines, substations and appurtenant facilities, and for administrative expenses, including official reception and representation expenses in an amount not to exceed $1,500 connected therewith, in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, $20,107,000, to remain available until expended; in addition, notwithstanding the provisions of 31 U.S.C. 3302, not to exceed $8,899,000 in reimbursements, to remain available until expended.

CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE, WESTERN AREA POWER ADMINISTRATION

(INCLUDING TRANSFER OF FUNDS)

For carrying out the functions authorized by title III, section 302(a)(1)(E) of the Act of August 4, 1977 (Public Law 95-91), and other related activities including conservation and renewable resources programs as authorized, including official reception and representation expenses in an amount not to exceed $1,500, the purchase, maintenance, and operation of one helicopter for replacement only, $293,762,000, to remain available until expended, of which $266,101,000 shall be derived from the Department of the Interior Reclamation fund; in addition, the Secretary of the Treasury is

authorized to transfer from the Colorado River Dam Fund to the Western Area Power Administration $4,702,000, to carry out the power marketing and transmission activities of the Boulder Canyon project as provided in section 104(a)(4) of the Hoover Power Plant Act of 1984, to remain available until expended: *Provided*, That in the operation of Shasta Dam, Central Valley Project, California, any increase in power purchase costs incurred by the Western Area Power Administration after January 1, 1986, resulting from bypass releases for temperature control purposes to preserve anadromous fisheries in the Sacramento River shall be nonreimbursable.

AMENDMENT OFFERED BY MR. PETRI

Mr. PETRI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PETRI: Page 53, line 20, strike the colon and all that follows through page 54, line 2, and insert a period.

Mr. PETRI. Mr. Chairman, this amendment simply strikes from the bill language that would retroactively transfer costs of fishery protection measures at Shasta Dam from the power customers of California to the taxpayers of America. It will save the taxpayers millions of dollars.

For the past several years, it has been increasingly evident that the dwindling stocks of salmon in the Sacramento River required additional protection from the depletion of water resulting from water and power development in the basin. One step that has been taken has been to release cold water into the Sacramento River from the lower levels of Lake Shasta, a Federal reservior. Until the Bureau of Reclamation completes certain modifications at Shasta Dam, however, some portion of the cold water released for fish must bypass the power generators at the dam. This has required that non-Federal utilities that receive Federal hydropower in California be supplied with somewhat more expensive power purchased on the open market to make up the difference in power production at Shasta. The Western Area Power Administration, the Federal agency that markets the hydropower produced at the Bureau of Reclamation dams in California, passes these costs of purchased power on through to the local power customers. These costs have been estimated to total around $11 million.

H.R. 5019 would change current law and policy. Legislative language in the bill would declare that all costs of power purchases resulting from water releases for temperature control at Shasta Dam would be a responsibility of the Federal taxpayers, rather than the local power customers. Furthermore, this provision would be retroactive to January 1, 1986, in effect providing a rebate to power customers from the Treasury. My amendment eliminates that provision.

Federally generated hydroelectric power in California is already a bargain for these ratepayers. Power from Uncle Sam is already priced below the prevailing price of wholesale electric power from non-Federal sources. The language in title III is simply another example of the desire of a narrow group of water interests in California to pocket unreasonable subsidies at taxpayer expense.

This issue does not belong on an appropriations bill. Indeed, legislation is now pending in both bodies to establish a major program of fish and wildlife restoration measures to repair the environmental damage caused by the huge Central Valley project, of which Shasta Dam is a major element. Nor surprisingly, one of the controversial aspects of this legislation is who will pay, and how much. The language of title III reflects the jockeying of influential California water interests to carve out a position on this larger question of a repayment responsibility for fish and wildlife mitigation.

This amendment would keep this issue where it belongs—in the authorizing committees. Let the House have the benefit of the considered opinion of the Committee on Interior Affairs and the Committee on Merchant Marine and Fisheries before acting to change current law and policy in this area.

Current law and policy is not unreasonable. Power customers in the Pacific Northwest are currently funding fish and wildlife measures costing more than 10 times the Shasta release program. During times of budgetary limits, this is as it should be. Furthermore, paying these environmental costs with ratepayers' dollars tends to promote energy conservation and efficiency. Subsidies to power customers undermine energy conservation.

Last week the House voted overwhelmingly to reduce unnecessary subsidies for irrigation water supplied by the Bureau of Reclamation. I urge all of my colleagues to join with me now to reduce unnecessary subsidies for hydroelectric power supplied by the Bureau of Reclamation.

Mr. Chairman, this amendment is supported by the Bush administration, the National Taxpayers Union, the National Resources Defense Council, the National Wildlife Federation, the Sacramento River Preservation Trust, the Sierra Club, the Friends of the Earth, the Friends of the River California Chapter, the Audubon Society, and the California National Resources Federation.

Mr. Chairman, it is not an anti-California amendment. It is supported by may responsible environmental groups in that State.

Again, Mr. Chairman, I urge adoption of the amendment.

Mr. PASHAYAN. Mr. Chairman, will the gentleman yield?

Mr. PETRI. I yield to the gentleman from California.

Mr. PASHAYAN. Mr. Chairman, I am constrained to observe that last week when the House was considering H.R. 2567, which is the bill the gentleman referred to just a moment ago, some of us were arguing to vote against the amendments and against the bill because the amendments had not been considered by the Committee on Interior and Insular Affairs.

Now I find it interesting, to say the least, that now the gentleman who took the side of the reformists last week and ignored our plea to vote against the amendment for the very reasons that they were complicated, had not gone through that committee, now the gentleman blithely stands here and suggests that we should amend the bill today for the very same argument that it has not gone through the committee.

I wish to point out to the gentleman, where is the consistency?

Mr. PETRI. Reclaiming my time, Mr. Chairman, I will just respond by saying the gentleman was so persuasive last week that I followed his argument this week.

□ 1750

Mr. FAZIO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to the amendment with the support of the members of the authorizing committees and, in fact, specifically the gentleman from California [Mr. Bosco] and the gentleman from California [Mr. MILLER], who have jurisdiction in this area and who have their own legislation that will ultimately refine the answer to this question.

I think it is important for Members to realize that this is not a revote on the issues we had last week. The gentleman from California [Mr. MILLER] and the gentleman from California [Mr. Bosco] are both working to try to come up with a formula by which we can properly apportion the costs of restoring the salmon fisheries in the Sacramento River, and that is why this piece of legislation, a part of the energy and water bill, is before us.

Essentially what we have said here is until a formula can be derived that will effectively charge all the beneficiaries of the Central Valley project their proportionate share, and the Federal Government has a major portion of those costs, we will not apportion all of the costs to the public power users alone.

I want to make a point very quickly in rebuttal to the gentleman from Wisconsin [Mr. PETRI]: Public power pays full price for all of its costs, its direct costs, its shared costs, and its mitigation costs. In fact, it is paying costs that other people ought to absorb.

Power users have become the easy place to go to find money when the

rest of society that benefits from the enhancement or mitigation or restoration of fisheries does not want to pay for it.

I believe that this problem is really a short-term one that will go away once normal weather conditions return to California. Since 1987, we have had serious droughts in the Sacramento Valley, in fact, throughout much of California. It is because of the drought that we are involved with this effort to help restore the salmon fishery.

We are required to release cold water from Shasta Reservoir through Shasta Dam around the turbines. We are about to fix that problem so we can release that cold water to help the salmon spawn through turbines, but at the moment we have to go around the turbines. That means that additional costs are incurred by WAPA, the Western Area Power Administration. They do not have the power to sell to the people they have contracted to sell it to.

In effect, what happens is there is an additional burden which is going to be borne by all the customers of the utilities that depend on those dams for their hydropower. They will pay more this year because of the drought alone. Do not compound the problem by asking them to pay even more to save the fisheries that benefit all of us.

Let me point out who benefits. Certainly it is not just the power customers who benefit. Obviously restoration of the fishery is important to the commercial fishing industry. Seventy-five percent of the salmon that are spawned in the Sacramento River are harvested off the coast of the Pacific Northwest.

The reasons why we have degradation of our fisheries, and the salmon is certainly one of those that is not quite endangered but is close to it, is because we have had too many years of unregulated mining, agriculture run off, and population growth. None of those problems are attacked by simply tacking on additional rate increases onto the utilities.

What we are trying to do here is say that when the recreationists, when the environmentalists, when the municipal and industrial and agricultural water users, when the mining interests and all of the others are brought to the table by legislation that the gentleman from California [Mr. MILLER] and the gentleman from California [Mr. Bosco] have introduced, then we can fairly apportion these costs. Until that time, all of the beneficiaries are best represented by the Federal Government through WAPA, appropriations. That seems to me the fairest way to go for the time being. It is consistent with action that the House took in 1988, when the Reclamation States Drought Assistance Act was passed.

So to rebut the gentleman from Wisconsin [Mr. PETRI] again, we are continuing to express an opinion on this based on the only precedent we have, the 1988 law passed when we made the same decision that this bill asks the House to make again today.

This is an unfair burden on people who are already paying more and more for their power. It is not properly apportioned, and I would ask that the Members defeat the Petri amendment.

Mr. PASHAYAN. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I am happy to yield to my friend, the gentleman from California [Mr. PASHAYAN], from the San Joaquin Valley.

Mr. PASHAYAN. Mr. Chairman, I just want to emphasize, first of all, that I appreciate the gentleman's lucid and thorough explanation.

But I just want to emphasize that the bottom line of a provision in the bill that he seeks to preserve here is the fact that it is a provision to accommodate the drought, and it is a very severe drought. Is that not the case?

Mr. FAZIO. Reclaiming my time, the gentleman is correct. Once we have replaced the turbine facility that is currently there, allowing water to go through it as it goes out into the river to help the salmon spawn, the cold water that we seek, this problem will go away. It is a short-term problem that will be resolved.

Mr. PASHAYAN. It is an emergency problem, really, is it not?

Mr. FAZIO. The gentleman is correct. The drought is in its fourth year. We have had serious increases in hydropower costs as a result.

Mr. PASHAYAN. Mr. Chairman, I just will observe that in other parts of the country they do not have those kinds of droughts from some of the northern Midwestern parts of the country. They are blessed with an abundance of water. Sometimes it is difficult to project what it would be like when things are dusty and dry.

Mr. FAZIO. Obviously with all the flooding taking place in the Central States, we in California, through this bill, are going to be spending a good deal of money on problems that are not our regional, parochial problems, but are part of the national agenda that must be addressed.

The CHAIRMAN. The time of the gentleman from California [Mr. FAZIO] has expired.

(At the request of Mr. PETRI and by unanimous consent, Mr. FAZIO was allowed to proceed for 1 additional minute.)

Mr. PETRI. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I am happy to yield to the gentleman from Wisconsin.

Mr. PETRI. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I want to say that there is no Member of this body who I think is more effective, and this language shows that, and there is no Member for whom I have more respect. He is certainly doing an excellent job for the people of his area.

But I have a concern about the people of my area.

Mr. FAZIO. I am always happy to yield for compliments.

Mr. PETRI. The gentleman did make a good point. I wanted to address it very briefly. That is it may, indeed, be more equitable to spread the costs of fishery protection to all users of water supplied by Lake Shasta rather than just to the rate-payers, but that is not what the language of the bill currently before us does.

Mr. FAZIO. That is correct. But if I could reclaim my time, that question will be resolved when the Miller or Bosco bill, which directly attacks the question of how the restoration of the fisheries in the upper Sacramento River should take place is addressed. That will be, as far as I am concerned, the time and place to resolve it. I want the authorizing committee to do it. I am simply trying to keep faith with prior precedent in the language that is included in this bill at the moment.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I am happy to yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the gentleman has laid it out very well, as the other gentleman from California has said.

Last week, I did vote for the Gejdenson amendment after it was amended. I probably would have voted for the Miller amendment had it been clarified by the Lehman amendment.

This is, as the gentleman says, an entirely different situation. What we have here is Federal action, if you will, that is imposing an extra cost on these ratepayers including some in my own district. These people are already suffering and paying a great deal more because of the drought, but this is in addition to that. This has nothing to do with the drought directly. It has nothing to do with producing electricity.

This is, as the gentleman has pointed out, because the water has been diverted. It seems to me that what he proposes is eminently correct and right, namely, that the authorizing committee should do it, but that in the meantime we should not make the ratepayers pick up the entire burden.

The CHAIRMAN. The time of the gentleman from California [Mr. FAZIO] has again expired.

(At the request of Mr. DICKS and by unanimous consent, Mr. FAZIO was al-

lowed to proceed for 2 additional minutes.)

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I am happy to yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I want to rise in strong support of the committee action that the gentleman from California has taken in opposition to the amendment offered by our good friend, the gentleman from Wisconsin [Mr. PETRI].

Being from the Pacific Northwest, I understand very completely the problems that the gentleman is facing and the problems of preserving this important fishery which is crucial to the entire Pacific coast, and particularly the States of Washington and Oregon.

I think the gentleman has crafted a fair and equitable approach. It is an interim, emergency kind of an approach because of the drought, and I would hope that the committee would reject the Petri amendment and stay strongly committed to the Fazio amendment.

Mr. FAZIO. Mr. Chairman, I appreciate that.

Mr. HERGER. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I am happy to yield to the gentleman from California.

Mr. HERGER. Mr. Chairman, I rise in opposition to this amendment, which I believe is mistaken and misleading.

The real issue before us in this provision is whether or not every American has an interest in the Endangered Species Act, or whether the costs of preserving a species should be borne solely by those affected adversely by the preservation effort.

Certainly, preserving the salmon and steelhead trout populations in the Sacramento River is in our national interest. Northern California electricity users are willing to pay their fair share to achieve this goal. But, is it fair to ask these consumers to shoulder the entire burden of the cost of saving the fishery resource, which is to be preserved for every American? I do not think so.

Given the fact that California is now in its fourth consecutive drought year, the amount of power generation available from Shasta Dam is already reduced. With this amendment, we will force utility consumers to shoulder a double burden of financing drought relief and wildlife protection.

It seems to me this amendment suggests that the cost of preserving an endangered species are not legitimate costs that should be borne by every American equally. I fear the consequences of this amendment will be to undermine public support for preserving endangered species by putting an undue cost burden on those most directly affected by the preservation effort. In the interest of fairness and protecting our environment, I urge the defeat of the Petri amendment.

□ 1800

Mr. KASICH. Mr. Chariman, I move to strike the requisite number of words.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Chairman, I rise in support of the Petri amendment. The bill, as reported, contains language to change current law and require the Federal taxpayer to pay the costs resulting from fish protection measures at Shasta Dam in California. Not only would the bill protection measures at Shasta Dam in California. Not only would the bill provide a free ride for those fortunate enough to receive low-cost electric power from Shasta, but because it applies retroactively to 1986, it would actually have the effect of giving money back to these electric utilities.

Mr. Chairman, the amount of money at issue here is not large by the bloated standards of the deficit ridden Federal Government—only $11 million. But it is hard to imagine a raid on the Treasury more self-serving and blatant than the one presented to us by the Appropriations Committee here this evening.

I commend the gentleman from Wisconsin [Mr. PETRI] for bringing this issue to the attention of the House. His amendment would simply preserve current law and policy regarding the power customers' financial responsibility for fish and wildlife protection at Federal dams. I note that the Petri amendment is supported by most of the major national environmental organizations, as well as by conservation groups in California. The National Taxpayers Union supports this amendment, as does the Bush administration.

Mr. Chairman, the easiest way to eliminate an unnecessary Federal subsidy is to stop it before it starts. As the Congress takes up the various appropriations bills in the days and weeks ahead, we will never have an easier choice to make regarding spending priorities and reducing the deficit. It just doesn't get any easier than this.

I urge my colleagues to vote for the Petri amendment to protect the environment and save the tax dollars of our constituents.

Mr. KASICH. Mr. Chairman, reclaiming my time, I am almost in shock listening to this debate. Let me tell you why. I agree with everybody. The gentleman from California [Mr. FAZIO] is as good a legislator as we can find. I listened to my good friend, the gentleman from California [Mr. HERGER], talk about the fact that it is public policy that is forcing us to force all the taxpayers to pay for this. I might even be able to buy that argument.

Mr. Chairman, when I walked on the floor I heard some colloquy going on between the gentleman from California [Mr. FAZIO] and someone else talking about the fact that it is the Federal Government that is forcing us to do this in order to preserve these endangered species; therefore, everybody ought to pay for it.

I did not know when the time was going to come for me to be able to get into the well and express my profound frustration with what happened just about 30 days ago when this House passed the Clean Air Act and handed the Midwest a bill that is going to absolutely kill the consumers of the State of Ohio in that it is going to absolutely kill the jobs of people who live in my district and around the State of Ohio.

Do you know what? When we had the acid rain provision offered to the Clean Air Act, people from the Midwest begged Members in the House of Representatives to honor the long-held concept of cost sharing. I mean, we did it on the S&Ls, when we in the Midwest bailed out other parts of the country. We did it down in South Carolina when we had a horrible storm down there. Now we are going to do it again for people out in California.

But when it come to the Midwest, when it came to the acid rain provisions of the Clean Air Act, the rest of the country told the Midwest, "You can just forget it. You can pick up the costs all by yourself."

Let me tell Members what the costs are to my consumers and the costs to the State of Ohio, which we get no help on, which no one else in the country is forced to pay.

My consumers in my 12th District are going to pay $773 million a year from 1996 to the year 2005. That is a 16-percent increase in my consumers' utility bills. Imagine that; $773 million a year for 5 years, to pay for the acid rain provisions.

In the State of Ohio the acid rain provisions, for which we get no help from anybody else in the country, are going to cost the consumers of the State of Ohio $1.4 billion a year for 5 years.

Now, look, what about a sense of fairness? I say to my friend from California, how can we tell people that we are going to share, my consumers in Ohio, who are being stuck with a utility bill increase of 16 percent, and get no help on a bill that was passed by this House, where we said the cost sharing is not to be accepted. How am I supposed to go home and tell these same people, who are going to pick up the costs of the acid rain provisions in the Clean Air Act, "Well, you not only have to pay for that, but you have got to pay for 11 million dollars' worth of costs that a group of people in California are being stuck with, because the Congress is mandating legislation."

Why were we forgotten, is what I want to know? Why did everybody say the Midwest can be forgotten. If it drives up the costs of your consumers, if it steals your jobs, that is your prob-

lem. The rest of the country, we do not care.

But when it comes down to the problems of S&L's, of storms, of problems in the State of California right now, we are all going to share in it and we are all going to pay.

That kind of regionalism really is just very frustrating for us from the Midwest to have to experience this.

So I may agree with Members from California that cost sharing is a decent idea. I voted for the S&L bill, I voted for the aid to South Carolina, I voted for the earthquake relief in San Francisco, because I believed the whole country ought to share in solving particular problems.

I am just bitterly disappointed though when it came time for the rest of the country to share in helping to resolve the environmental problems in the Midwest, everybody else in the country said, "Forget it. We don't care. Handle it on your own. If things go bad, that is the breaks. We don't believe in cost sharing."

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I assume based on this passionate argument that the gentleman from Ohio [Mr. KASICH] is going to vote with the gentleman for California [Mr. FAZIO], because the gentleman is clearly in favor of cost sharing.

Mr. FASICH. Mr. Chairman, I was.

The CHAIRMAN pro tempore (Mr. BRYANT). The time of the gentleman from Ohio [Mr. KASICH] has expired.

(By unanimous consent, Mr. KASICH was allowed to proceed for 2 additional minutes.)

Mr. KASICH. Mr. Chairman, I was. That is exactly the frustration. I always vote for cost sharing for everybody else's problems and troubles in the country. You see, when it came to Ohio, you said, "Forget it. You handle it on your own. If you can't pay for it, your people get put out of work, that is tough."

I cannot get on an airplane and fly back to Ohio and tell my constituents, who are going to be saddled with a 16-percent increase in utility rates, and probably many of them unemployment, that I have now added another $11 million to the tab. I have to make a statement as a Member from the Midwest who says look, folks, maybe we should go back and revisit Clean Air. Don't ask me to keep being a cost sharer when my people are going to be put out of work, and everyone knows what a 16-percent increase in utility rates means.

I am not trying to pick a fight with any Members. I am just trying to express my frustration with Ohio being left in the cold. We are going to come back here in a couple of years and probably have to pass some kind of additional unemployment benefits. We put it in the bill already. We may have to pass more unemployment benefits, because nobody wanted to share and help in solving the problems for the State of Ohio.

Mr. Chairman, I know I sound very frustrated. It is because I am. Because I think the House tries to be fair, and I think in regard to this acid rain provision of the Clean Air Act, Ohio just was given the short end of the stick. Frankly, we got the shaft.

Mr. Chairman, I am very angry about it, and I hope we can maybe revisit this and help out my consumers in the future.

Mr. BOSCO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the bill that has been discussed to save the Sacramento River salmon and steelhead fishery is my legislation and that of the gentleman from California [Mr. MILLER], so I feel compelled to speak in general and briefly on it, and also to answer the objections raised by the gentleman from Ohio [Mr. KASICH].

The Sacramento River is not in my district, and nor are the utility ratepayers involved, so I think I can speak to this whole issue impartially.

Insofar as the argument made by the gentleman from Ohio [Mr. KASICH], a clear distinction can be made. In that case his utility users, the beneficiaries of the power, are engaged in an activity that actively pollutes the environment. In order to abate those coal-burning facilities, it is necessary for them to spend money.

In the case of the utility users of the gentleman from California [Mr. FAZIO], what they are doing now is fine. It does not impact on the environment at all. They are not destroying the salmon resource by the activity of generating power from Shasta Dam.

It is what we want to do in terms of the entire Sacramento River restoration program that will create the costs to his utility users. That is the distinction. Should people who are not polluting the environment through the use of their power have to in effect pay to mitigate a problem that they did not cause?

The decimation of the salmon resource in the Sacramento River has been caused by dozens of reasons over the years, but the utility users of the gentleman from California [Mr. FAZIO] are not one of those dozen reasons.

Mr. Chairman, we all have a stake in preserving endangered species. If we do not do something about the salmon resource in the very near future, it will become extinct. I do not think that in this case a particular small group of utility users should be held liable for the costs.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. BOSCO. I yield to the gentleman from California.

□ 1810

Mr. MILLER of California. I thank the gentleman for yielding and concur with what he has said.

I would say to those who are offering this amendment, ordinarily I would be with them, and I will be with them when it comes to the notion of a permanent solution.

What we have here is a problem that was created as a result of the drought. We have a national disaster, if you will, that is taking place in the State of California. As a result of that drought, over which we have no control, some emergency steps had to be taken to try to preserve a very important salmon run that is also very important in terms of the economics of the area, both in terms of sports fisheries and commercial fisheries. This is a serious economic issue. We tried to respond with the only means we had available to us, which was the immediate release of cold water, bypassing the generators.

We are now in the authorizing committee, the Committee on Interior and Insular Affairs, trying to arrive at a permanent solution that the gentleman from California [Mr. Bosco] and others have offered, and in that case we are working on a formula so that, in fact, the people that benefit from this project, the people that share in the responsibility of the project will, in fact, be the individuals who are paying for the improvements and the preservation under the Endangered Species Act, and for the general preservation of the fisheries and the habitat.

So, I think an important point was made about how those burdens are cost shared and the obligation to do so. We have done this on other major projects. But in terms of the money that the gentleman from California [Mr. FAZIO] is addressing, that was imposed on an emergency basis as a result of the drought. Just as other constituencies have had problems from floods, and droughts, and fires and hurricanes, we also experienced that natural disaster, and this was part of the cost of that. So we do not expect to carry this over into the permanent solution which is going to be far more expensive.

So I would hope that those who have offered the amendment would understand that this was a one-time, short-term fix because of an emergency that none of us could have predicted and none of us have been able to make it rain as of yet, and that is the situation that we are at grips with. It will not be the permanent solution.

We are not going to ask everybody else to pick up the tab for that obligation.

Again I thank the gentleman for yielding.

Mr. BOSCO. I thank the gentleman for his comments.

Mr. MILLER of Washington. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there have been commendations as to the effectiveness of my colleague from California. I certainly agree with those. But I would like to offer a commendation to my colleague from Wisconsin, Mr. PETRI, who has had the courage to offer an amendment that says look, utility ratepayers have been picking up those costs in other parts of the country. Let us not foist these costs onto the Federal taxpayers.

What we have here is a proposal to take $11 million in costs stemming from fish protection water releases, excuse some ratepayers in California, have the Federal taxpayers pick up the cost, and all sorts of reasons have been advanced. I come from a region in the Northwest where we have a lot of fish protection programs, permanent fish protection programs, temporary fish protection programs, emergency fish protection programs. The last time I looked in the Bonneville Power Authority rate structure there was $100 million of costs for those programs. Those costs are borne by the ratepayers of the Pacific Northwest.

To the gentleman from Ohio, my colleague, who asked how he is going to go back to his constituents in Ohio, I think the question is how do we explain to the ratepayers in the Pacific Northwest and other parts of this country that are paying for these programs, good programs, why they should pay for their own programs and then pay for California's programs as well.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Washington. I am happy to yield to the gentleman from California.

Mr. FAZIO. Mr. Chairman, I just want to make the point that I am a strong supporter of Bonneville, and I want to work toward more cooperation in general between WAPA and Bonneville, but Bonneville Power Authority is one of the most subsidized by the Federal Government with some of the most artificially low rates compared to those in other regions where ratepayers have been for a longer period of time paying the full rate. So I would be careful about getting into the question of subsidies and who is not subsidized when we get into those kinds of comparisons.

Mr. BEVILL. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment of my good friend, the gentleman from Wisconsin [Mr. PETRI].

Mr. Chairman, I yield back the balance of my time.

Mr. RHODES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was asked by the gentleman from California [Mr. FAZIO] to give him some support from over here, and I am pleased to do it. Everything that needs to be said has been said. The only thing I want to add is that when the gentleman from California [Mr. FAZIO] asked me to do this, I did not realize that I would be on the same side as the other gentleman from California [Mr. MILLER], which gives me some pause.

However, I believe very strongly that the beneficiaries of public power throughout the West are looked upon as cash cows convenient to virtually every cause that comes along. I agree with the position of the gentleman from California [Mr. FAZIO] that the language in the bill should be preserved.

Mr. SHUMWAY. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I am happy to yield to the gentleman from California.

Mr. SHUMWAY. Mr. Chairman, I thank the gentleman for yielding and I also rise in opposition to this amendment.

Ladies and gentleman of the House, this amendment sets bad policy. I know it is very easy to beat up on California since California seems to have so much and get so much. But in this case we are talking about disaster assistance. California is undergoing a disaster, the fourth consecutive year of a drought, and because of that disaster the salmon fishery is very adversely affected.

Do we say to Californians, because they happen to be Californians, when they have a disaster they pay for the disaster, and in any other case, such as Ohio or any other State, that we would come into this body and say that when there is a national disaster, and a very important resource is being lost, let us get behind it as a Congress and do something about it. I think that is all we are asking for in this regard.

The committees are undertaking the responsibility of devising a permanent solution to this problem. But right now we have a disaster that needs to be met. The bill provides a way of meeting that. It is very fair that we address it nationally instead of imposing the entire cost upon utility ratepayers in the State of California.

I therefore urge that the amendment be defeated, and again I thank the gentleman.

Mr. RHODES. Mr. Chairman, I yield back the balance of my time.

Mr. PASHAYAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I also urge my colleagues to vote against the amendment. I was moved by the remarks of my friend from Ohio, and with all due respect to what I know is the hardship of the people of Ohio, just let me say that in this case we are talking about a natural disaster. It is not a manmade disaster.

We have a severe drought in California. It has gone on now for 4 years. The amount of water we are getting is multiples less than the average, and this is but one feature of the reaction that we must have, a reaction to an act of God, and I use that in the legal sense of the word, a natural disaster.

We are not talking about some kind of a condition that has been wrought by man, as has been really the case of the problems addressed in the clean air bill. This is a disaster which can strike in different forms anywhere in the country. One day it might strike Wisconsin, perhaps not in a drought but maybe in floods. The tradition has been that the entire Nation responds, and I ask, therefore, that this amendment be defeated.

Mr. MYERS of Indiana. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

This is an amendment which I usually could support. However, we have circumstances here which are quite different than the Clean Air Act, which I voted against also.

I share the concern of the gentleman from Ohio [Mr. KASICH], but this is a one time, one area issue of something that is completely out of control by the local users of the utility in California and the ratepayers there. It is something that was not anticipated. It is really an abrogation of an agreement that was made between the power companies and the Western Power Administration.

So I think if we were writing a new contract we certainly would anticipate this. But this is something that was not anticipated. It would be placing an undue burden onto these people through no fault of theirs. They did not cause the drought, but one step further, it is what the Fish and Wildlife Service has directed, that the water go around the generators, so it is out of control completely by the local users and it is something that I think can be corrected in a year or so.

But I am going to support the committee and I ask for a no vote on the amendment. I think the bill is absolutely fair in this instance.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. PETRI].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. PETRI. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 140, noes 277, not voting 15, as follows:

[Roll No. 177]

AYES—140

Applegate	Hammerschmidt	Porter
Archer	Hancock	Poshard
Armey	Hastert	Quillen
Ballenger	Henry	Ray
Bartlett	Hertel	Regula
Barton	Hiler	Ridge
Bates	Hoagland	Rinaldo
Bentley	Holloway	Ritter
Bilirakis	Hopkins	Roberts
Boehlert	Houghton	Robinson
Broomfield	Hyde	Roth
Bruce	Inhofe	Rowland (CT)
Bunning	Jacobs	Russo
Burton	James	Sarpalius
Byron	Johnson (CT)	Sawyer
Campbell (CA)	Johnston	Saxton
Clinger	Jontz	Schneider
Coble	Kasich	Sensenbrenner
Combest	Kennelly	Sharp
Costello	Kildee	Shaw
Cox	Kleczka	Shays
Crane	Kostmayer	Shuster
Dannemeyer	Kyl	Sikorski
Davis	LaFalce	Slattery
DeLay	Leach (IA)	Smith (NJ)
DeWine	Lent	Smith (TX)
Dingell	Lightfoot	Smith (VT)
Douglas	Long	Smith, Robert (NH)
Duncan	Lowey (NY)	
Eckart	Madigan	Snowe
Edwards (OK)	Martin (IL)	Solomon
Evans	McCloskey	Stearns
Fawell	McEwen	Stenholm
Fields	McGrath	Studds
Frenzel	McMillan (NC)	Stump
Gallo	Meyers	Sundquist
Gejdenson	Michel	Tallon
Gillmor	Miller (WA)	Tauke
Gilman	Molinari	Upton
Glickman	Morella	Valentine
Goodling	Neal (NC)	Vander Jagt
Goss	Oxley	Walker
Gradison	Pallone	Weber
Grandy	Patterson	Weiss
Green	Paxon	Weldon
Gunderson	Penny	Wolf
Hamilton	Petri	Wolpe

NOES—277

Ackerman	Bryant	Dickinson
Alexander	Buechner	Dicks
Anderson	Bustamante	Dixon
Andrews	Callahan	Donnelly
Annunzio	Campbell (CO)	Dorgan (ND)
Anthony	Cardin	Dornan (CA)
Aspin	Carper	Downey
Atkins	Carr	Dreier
AuCoin	Chandler	Durbin
Baker	Chapman	Dwyer
Barnard	Clarke	Dymally
Bateman	Clay	Dyson
Beilenson	Clement	Early
Bennett	Coleman (MO)	Edwards (CA)
Bereuter	Coleman (TX)	Emerson
Berman	Collins	English
Bevill	Condit	Erdreich
Bilbray	Conte	Espy
Bliley	Conyers	Fascell
Boggs	Cooper	Fazio
Bonior	Coughlin	Feighan
Borski	Courter	Flake
Bosco	Coyne	Flippo
Boucher	Craig	Foglietta
Boxer	Crockett	Ford (MI)
Brennan	Darden	Ford (TN)
Brooks	de la Garza	Frank
Browder	DeFazio	Frost
Brown (CA)	Dellums	Gallegly
Brown (CO)	Derrick	Gaydos
Gekas	Mazzoli	Sangmeister
Gephardt	McCandless	Savage
Geren	McCollum	Schaefer
Gibbons	McCrery	Scheuer
Gonzalez	McCurdy	Schiff
Gordon	McDade	Schroeder
Grant	McDermott	Schulze
Gray	McHugh	Schumer
Guarini	McMillen (MD)	Serrano
Hall (OH)	McNulty	Shumway
Hansen	Mfume	Sisisky
Harris	Miller (CA)	Skaggs
Hatcher	Miller (OH)	Skeen
Hawkins	Mineta	Skelton
Hayes (IL)	Moakley	Slaughter (NY)
Hayes (LA)	Mollohan	Slaughter (VA)
Hefley	Montgomery	Smith (FL)
Hefner	Moody	Smith (IA)
Herger	Moorhead	Smith (NE)
Hochbrueckner	Morrison (WA)	Smith, Denny (OR)
Horton	Mrazek	
Hoyer	Murphy	Smith, Robert (OR)
Hubbard	Murtha	
Huckaby	Myers	Solarz
Hughes	Nagle	Spence
Hunter	Natcher	Spratt
Hutto	Neal (MA)	Staggers
Ireland	Nielson	Stallings
Jenkins	Nowak	Stark
Johnson (SD)	Oakar	Stokes
Jones (GA)	Oberstar	Swift
Jones (NC)	Obey	Synar
Kanjorski	Olin	Tanner
Kaptur	Ortiz	Tauzin
Kastenmeier	Owens (NY)	Taylor
Kennedy	Owens (UT)	Thomas (CA)
Kolbe	Packard	Thomas (GA)
Kolter	Panetta	Thomas (WY)
Lagomarsino	Parker	Torres
Lancaster	Pashayan	Torricelli
Lantos	Payne (NJ)	Towns
Laughlin	Payne (VA)	Traficant
Lehman (CA)	Pease	Traxler
Lehman (FL)	Pelosi	Udall
Levin (MI)	Perkins	Unsoeld
Levine (CA)	Pickett	Vento
Lewis (CA)	Pickle	Visclosky
Lewis (FL)	Price	Volkmer
Lewis (GA)	Rahall	Walgren
Lipinski	Ravenel	Walsh
Livingston	Rhodes	Watkins
Lloyd	Richardson	Waxman
Lowery (CA)	Roe	Wheat
Luken, Thomas	Rogers	Whittaker
Lukens, Donald	Rohrabacher	Whitten
Machtley	Ros-Lehtinen	Williams
Manton	Rose	Wilson
Markey	Rostenkowski	Wise
Marlenee	Roukema	Wyden
Martin (NY)	Rowland (GA)	Yates
Martinez	Roybal	Yatron
Matsui	Sabo	Young (AK)
Mavroules	Saiki	Young (FL)

NOT VOTING—15

Engel	Morrison (CT)	Schuette
Fish	Nelson	Stangeland
Gingrich	Parris	Vucanovich
Hall (TX)	Pursell	Washington
Leath (TX)	Rangel	Wylie

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Messrs. BEREUTER, SMITH of Florida, and SCHEUER changed their vote from "aye" to "no."

Messrs. ROBINSON, HERTEL, WOLPE, PALLONE, VALENTINE, and GILMAN, Mrs. KENNELLY, and Messrs. GLICKMAN, HOLLOWAY, SHAW, GOSS, and GRANDY changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

Mr. BEVILL. Mr. Chairman, I ask unanimous consent that the remainder of the bill, through line 19, page 74, be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The text of the remainder of the bill, through line 19, page 74, is as follows:

FEDERAL ENERGY REGULATORY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Energy Regulatory Commission to carry out the provisions of the Department of Energy Organization Act (Public Law 95-91), including services as authorized by 5 U.S.C. 3109, including the hire of passenger motor vehicles; official reception and representation expenses (not to exceed $3,000); $122,750,000, to remain available until expended: *Provided*, That hereafter and notwithstanding any other provision of law, not to exceed $122,750,000 of revenues from fees and annual charges, and other services and collections in fiscal year 1991, shall be retained and used for necessary expenses in this account, and shall remain available until expended: *Provided further*, That the sum herein appropriated shall be reduced as revenues are received during fiscal year 1991, so as to result in a final fiscal year 1991 appropriation estimated at not more than $0.

GEOTHERMAL RESOURCES DEVELOPMENT FUND

For carrying out the Loan Guarantee and Interest Assistance Program as authorized by the Geothermal Energy Research, Development and Demonstration Act of 1974, as amended, $80,000, to remain available until expended: *Provided*, That the indebtedness guaranteed or committed to be guaranteed through funds provided by this or any other appropriation Act shall not exceed the aggregate of $500,000,000.

GENERAL PROVISIONS—DEPARTMENT OF ENERGY

SEC. 301. Appropriations for the Department of Energy under this title for the current fiscal year shall be available for hire of passenger motor vehicles; hire, maintenance and operation of aircraft; purchase, repair and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services. From these appropriations, transfers of sums may be made to other agencies of the United States Government for the performance of work for which this appropriation is made. None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriation Act. The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private, or foreign.

(TRANSFER OF FUNDS)

SEC. 302. Not to exceed 5 per centum of any appropriation made available for the current fiscal year for Department of Energy activities funded in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise provided, shall be increased or decreased by more than 5 per centum by any such transfers, and any such proposed

transfers shall be submitted promptly to the Committees on Appropriations of the House and Senate.

(TRANSFERS OF UNEXPENDED BALANCES)

SEC. 303. The unexpended balances of prior appropriations provided for activities in this Act may be transferred to appropriation accounts for such activities established pursuant to this title. Balances so transferred may be merged with funds in the applicable established accounts and thereafter may be accounted for as one fund for the same time period as originally enacted.

MINORITY PARTICIPATION IN THE SUPERCONDUCTING SUPER COLLIDER

SEC. 304. (a) FEDERAL FUNDING.—The Secretary of Energy shall, to the fullest extent possible, ensure that at least 10 per centum of Federal funding for the development, construction, and operation of the Superconducting Super Collider be made available to business concerns or other organizations owned or controlled by socially and economically disadvantaged individuals (within the meaning of section 8(a) (5) and (6) of the Small Business Act (15 U.S.C. 637(a) (5) and (6))), including historically black colleges and universities and colleges and universities having a student body in which more than 20 percent of the students are Hispanic Americans or Native Americans. For purposes of this section, economically and socially disadvantaged individuals shall be deemed to include women.

(b) OTHER PARTICIPATION.—The Secretary of Energy shall, to the fullest extent possible, ensure significant participation, in addition to that described in subsection (a), in the development, construction, and operation of the Superconducting Super Collider by socially and economically disadvantaged individuals (within the meaning of section 8(a) (5) and (6) of the Small Business Act (15 U.S.C. 637(a) (5) and (6))) and economically disadvantaged women.

ENVIRONMENTAL REMEDIATION AND RESTORATION OF HANFORD SITE, RICHLAND, WASHINGTON

SEC. 305. (a)(1) The Secretary of Energy shall use the services of the Secretary of the Army, Corps of Engineers, Walla Walla District, on a reimbursable basis, to manage and carry out the environmental remediation activities and restoration of the Hanford Site, Richland, Washington, using funds appropriated to the Department of Energy by any appropriations Act.

(2) Any funds heretofore, herein and hereafter appropriated to the Department of Energy for environmental remediation activities and restoration of the Hanford Site shall be available to reimburse the Secretary of the Army for services performed by the Deparment of the Army in connection with the environmental remediation activities and restoration of the Hanford Site.

(b) The services of the Secretary of the Army referred to in subsection (a) shall include areas such as sampling and analysis investigations; investigations and associated planning, design, and construction activities related to the closure of active hazardous waste management units; remedial investigations and feasibility studies, design and construction activities related to hazardous waste release sites; procurement of design and construction services; design and construction contract management and design and construction contract oversight; program management activities; and research and development.

TITLE IV

INDEPENDENT AGENCIES

APPALACHIAN REGIONAL COMMISSION

For expenses necessary to carry out the programs authorized by the Appalachian Regional Development Act of 1965, as amended, notwithstanding section 405 of said Act, and for necessary expenses for the Federal Cochairman and the alternate on the Appalachian Regional Commission and for payment of the Federal share of the administrative expenses of the Commission, including services as authorized by section 3109 of title 5, United States Code, and hire of passenger motor vehicles, to remain available until expended, $150,000,000.

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SALARIES AND EXPENSES

For necessary expenses of the Defense Nuclear Facilities Safety Board in carrying out activities authorized by the Atomic Energy Act of 1954, as amended by Public Law 100-456, section 1441, $11,000,000, to remain available until expended.

DELAWARE RIVER BASIN COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out the functions of the United States member of the Delaware River Basin Commission, as authorized by law (75 Stat. 716), $224,000.

CONTRIBUTION TO DELAWARE RIVER BASIN COMMISSION

For payment of the United States share of the current expenses of the Delaware River Basin Commission, as authorized by law (75 Stat. 706, 707), $457,000.

INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

CONTRIBUTION TO INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

To enable the Secretary of the Treasury to pay in advance to the Interstate Commission on the Potomac River Basin the Federal contribution toward the expenses of the Commission during the current fiscal year in the administration of its business in the conservancy district established pursuant to the Act of July 11, 1940 (54 Stat. 748), as amended by the Act of September 25, 1970 (Public Law 91-407), $200,000: *Provided*, That funds herein or hereafter appropriated may be used for the local sponsor's share of the study cost for the U.S. Army Corps of Engineers' Anacostia River and Tributaries study in Maryland and the District of Columbia.

NUCLEAR REGULATORY COMMISSION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Commission in carrying out the purposes of the Energy Reorganization Act of 1974, as amended, and the Atomic Energy Act, as amended, including the employment of aliens; services authorized by section 3109 of title 5, United States Code; publication and dissemination of atomic information; purchase, repair, and cleaning of uniforms, official representation expenses (not to exceed $20,000); reimbursements to the General Services Administration for security guard services; hire of passenger motor vehicles and aircraft, $471,320,000, to remain available until expended, of which $19,650,000 shall be derived from the Nuclear Waste Fund: *Provided*, That from this appropriation, transfer of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further*, That moneys received by the Commission for the cooperative nuclear safety research program, services rendered to foreign governments and international organizations, and the material and information access authorization programs, including criminal history checks under section 149 of the Atomic Energy Act of 1954, as amended, may be retained and used for salaries and expenses associated with those activities, notwithstanding the provisions of section 3302 of title 31, United States Code, and shall remain available until expended: *Provided further*, That revenues from licensing fees, inspection services, and other services and collections estimated at $156,750,000 in fiscal year 1991 shall be retained and used for necessary salaries and expenses in this account, notwithstanding the provisions of section 3302 of title 31, United States Code, and shall remain available until expended: *Provided further*, That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 1991 from licensing fees, inspection services and other services and collections, and from the Nuclear Waste Fund, excluding those moneys received for the cooperative nuclear safety research program, services rendered to foreign governments and international organizations, and the material and information access authorization programs, so as to result in a final fiscal year 1991 appropriation estimated at not more than $314,570,000.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, including services authorized by 5 U.S.C. 3109, $3,680,000, to remain available until expended; and in addition, not to exceed 5 percent of this sum may be transferred from Salaries and Expenses, Nuclear Regulatory Commission: *Provided*, That notice of such transfers shall be given to the Committees on Appropriations of the House and Senate: *Provided further*, That from this appropriation, transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred.

SUSQUEHANNA RIVER BASIN COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out the functions of the United States member of the Susquehanna River Basin Commission as authorized by law (84 Stat. 1541), $211,000.

CONTRIBUTION TO SUSQUEHANNA RIVER BASIN COMMISSION

For payment of the United States share of the current expenses of the Susquehanna River Basin Commission, as authorized by law (84 Stat. 1530, 1531), $290,000.

TENNESSEE VALLEY AUTHORITY

TENNESSEE VALLEY AUTHORITY FUND

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. ch. 12A), including purchase, hire, maintenance, and operation of aircraft, and purchase and hire of passenger motor vehicles, and for entering into contracts and making payments under section 11 of the National Trails

System Act, as amended, $135,000,000, to remain available until expended: *Provided*, That this appropriation and other moneys available to the Tennessee Valley Authority may be used hereafter for payment of the allowances authorized by section 5948 of title 5, United States Code.

TITLE V—GENERAL PROVISIONS

SEC. 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 502. None of the funds in this Act shall be used to pay the expenses of, or otherwise compensate, parties intervening in regulatory or adjudicatory proceedings funded in this Act.

SEC. 503. None of the programs, projects or activities as defined in the report accompanying this Act, may be eliminated or disproportionately reduced due to the application of "Savings and Slippage", "general reduction", or the provision of Public Law 99-177 or Public Law 100-119 unless such report expressly provides otherwise.

SEC. 504. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 505. None of the funds appropriated in this Act shall be used to implement a program of retention contracts for senior employees of the Tennessee Valley Authority.

SEC. 506. Notwithstanding any other provision of this Act or any other provision of law, none of the funds made available under this Act or any other law shall be used for the purposes of conducting any studies relating or leading to the possibility of changing from the currently required "at cost" to a "market rate" or any other noncost-based method for the pricing of hydroelectric power by the six Federal public power authorities, or other agencies or authorities of the Federal Government, except as may be specifically authorized by Act of Congress hereafter enacted.

SEC. 507. None of the funds appropriated in this Act for Power Marketing Administrations or the Tennessee Valley Authority, and none of the funds authorized to be expended by this or any previous Act from the Bonneville Power Administration Fund or the Tennessee Valley Authority Fund, may be used to pay the costs of procuring extra high voltage (EHV) power equipment unless contract awards are made for EHV equipment manufactured in the United States when such agencies determine that there are one or more manufacturers of domestic end product offering a product that meets the technical requirements of such agencies at a price not exceeding 130 per centum of the bid or offering price of the most competitive foreign bidder: *Provided*, That such agencies shall determine the incremental costs associated with implementing this section and defer or offset such incremental costs against otherwise existing repayment obligations: *Provided further*, That this section shall not apply to any procurement initiated prior to October 1, 1985, or to the acquisition of spare parts or accessory equipment necessary for the efficient operation and maintenance of existing equipment and available only from the manufacturer of the original equipment: *Provided further*, That this section shall not apply to procurement of domestic end product as defined in 48 CFR sec. 25.101: *Provided further*, That this section shall not apply to EHV power equipment produced or manufactured in a country whose government has completed negotiations with the United States to extend the GATT Government Procurement Code, or a bilateral equivalent, to EHV power equipment, or which otherwise offers fair competitive opportunities in public procurements to United States manufacturers of such equipment.

SEC. 508. Such sums as may be necessary for fiscal year 1991 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

The CHAIRMAN. Are there any points of order against any part of the remainder of the bill?

If not, are there amendments to the remainder of the bill?

AMENDMENT OFFERED BY MR. OWENS OF UTAH

Mr. OWENS of Utah. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OWENS of Utah: At the end of the bill, add a new section 509, as follows:

SEC. 509. None of the funds appropriated by this Act may be used for the purposes of land acquisition on the Monks Hollow Dam and Reservoir, Upper Diamond Fork Pipeline, or Last Chance Powerplant of the Bonneville Unit of the Central Utah Project.

Mr. OWENS of Utah. Mr. Chairman, the Utah delegation has been working very hard to complete a reauthorization bill for the Central Utah project, which has a sizable appropriation in the bill at hand this afternoon.

Two months, in a historic agreement between the water district involved and the environmental community, it was agreed that no money would be spent for the purposes set forth in this act, for construction or for land acquisition, and hence the amendment today to take out the funds for land acquisition.

My own opinion is that the amendment should go further and should have included planning money. It may be that if this matter is not settled before this bill comes before the other body, that amendment will be offered there to remove the planning money. But the amendment before us today, Mr. Chairman, is the best that the Utah delegation can agree unanimously upon, and, therefore, I ask for its support by this body.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. OWENS of Utah. I yield to the chairman of the subcommittee.

Mr. BEVILL. Mr. Chairman, I thank the gentleman for yielding?

Mr. Chairman, we accept the amendment. As far as we know, there is no opposition to the amendment, and we accept it as it is.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. OWENS of Utah. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, this side has reviewed the amendment. I know there have been extensive negotiations this afternoon within the Utah delegation, and we congratulate the Members for finally working out their differences. I realize that this is not in the gentleman's district, but an agreement was reached with the other gentleman from Utah.

Mr. OWENS of Utah. Mr. Chairman, in Utah all the State is practically one district.

I am grateful to the gentleman from Alabama [Mr. BEVILL] and the gentleman from Indiana [Mr. MYERS] for their assistance in this and in so many other matters.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Utah [Mr. OWENS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FRENZEL: At the end of the bill, add the following new section:

SEC. 509. Each amount for appropriation contained in this act is hereby reduced by 10.53 percent.

Mr. FRENZEL. Mr. Chairman, this is an across-the-board cut which I have offered today in order that this appropriation can be maintained at last year's postsupplemental spending level.

I think that the Members will recall from the debate earlier in the day that this bill is about 11.8 percent more than was appropriated for the current year. That is somewhere between $2.2 billion and $2.3 billion more than last year. To restore to last year's level requires a 10.53-percent across-the-board cut.

I have a lot of wonderful ideas about how we could reduce expenditures in this bill rather than cut across the board, but the across-the-board cut is offered in tribute to the committee's work. I did not want to disturb its sense of priorities, but, rather, I wanted to leave them intact and take a little bit from each of the amounts they have suggested. My amendment does, then, preserve the priorities set by the Appropriations Committee.

I do not really believe we need 25 new construction starts by the Corps of Engineers, which will cost $1.5 billion in additional spending over the life of the projects. And I do not think the $45 million earmarked for specific university projects within the energy supply, research and development account exempting those projects from normal peer review process are very good either.

I do not believe the general taxpayers should be responsible for the fish protection, although the House has just decided that they should be. I am also not enthused about providing $317 million in new spending to pro-

ceed with the construction of the superconducting super collider.

However, I have not offered all these other kinds of amendments. Instead I have chosen this 10.53-percent decrease across the board.

□ 1850

Mr. Chairman, this is a very large, important amendment. Many Members would believe that a 10.5-percent cut is a radical one. It is, but only in the sense that the bill is a radical bill to begin with.

We see very few bills which increase spending more than 11 percent over the previous year. This is a radical bill because it provides more than $2.2 billion, or more than an 11 percent increase, over last year's spending.

Mr. Chairman, that is what happens when, by rule, we deem the budget resolution to have been passed, and we provide for all of the extra domestic discretionary spending authority more than $30 billion over last year's budget resolution.

That, Mr. Chairman, the House has already done. Here is its only chance to prevent what I think is an enormous, unnecessary, unurgent expenditure of the taxpayers' money.

I urge that the amendment be adopted.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in support of the amendment of the gentleman from Minnesota [Mr. FRENZEL].

Mr. Chairman, I rise in strong support of this amendment, but I truly appreciate the thoughtful work that the committee has done. I recognize the pressures that are upon them and the decisions that they have had to make.

However, Mr. Chairman, unfortunately this is an example of the Members of the House of Representatives rationally pursuing irrational goals. It is why the deficit is the Congress' deficit and not the President's deficit.

Mr. Chairman, the economy of this Nation is moving very slowly. In New England the situation is serious. Our economy is weak. Unemployment is growing quite rapidly. Credit is increasingly difficult to obtain. Factory orders are down.

Mr. Chairman, I want to put in the RECORD at the end of my statement an article that was on the front page of my major newspaper entitled, "Angry Taxpayers Turning Up Heat."

[From the Hartford (CT) Courant, June 18, 1990]

ANGRY TAXPAYERS TURNING UP HEAT

(By Chris Sheridan)

For years Robert Gross considered himself a "voice in the wilderness" in West Hartford, a council member whose cries for fiscal conservatism went unheeded in a town known for its strong commitment to local services.

But this spring, months after he failed to win his party's endorsement or re-election to the council, Gross's calls were joined by a chorus of citizens. Taxpayer groups forced the first town budget referendum in seven years, and June 5 helped defeat a $115 million proposal by a hefty margin.

"People are getting tired of increasing taxes," Gross said. "They're coming out from everywhere."

Budgets have fallen like dominoes in dozens of towns this year as residents from Winsted to Windsor Locks rally against tax increases. Pinched themselves by a nose-diving economy, taxpayers are refusing to bear the budget costs created by low grand list growth and cuts in state aid.

"Even when the state's system was good, taxpayers carried an inordinate amount of the burden," said Kevin Maloney, public relations manager for the Connecticut Conference of Municipalities. "Local taxpayers are saying 'our backs are already broken.' "

In Windsor, officials face a 1990-91 budget 0.1 percent smaller than this year's after residents slashed $4 million at a town meeting. Clinton needed three referendums and $1.5 million in cuts before voters approved a budget, and in New Hartford a property owners' group has called for zero spending increases and forced a second referendum after helping defeat the town's first proposal by a 3-1 ratio.

Leaders of taxpayer groups describe even moderate increases with terms such as outrageous, ridiculous and devastating. They have skewered local officials and caused layoffs and program cuts. Although the number of towns experiencing these budget difficulties is unknown, the complaints have built to such a crescendo that some are comparing the state to California during the heyday of Howard Jarvis and Proposition 13.

Revaluation has added another wrinkle to bitter budget battles. More than a third of the state's 169 municipalities—including West Hartford—have been scheduled for revaluation in 1989 and 1990; those homeowners anticipate increases in their tax bills even without budget growth.

"People are afraid and they are looking for any way to make their lives easier," said former West Hartford Mayor Christopher F. Droney.

Droney and others have formed their own groups to support local budgets. They caution that costs postponed this year will only increase in the future, while cuts will require reductions in the very services that make their towns attractive places to live in—and move to.

"There's nothing wrong with being austere," says Ronnie Greenspan, a Cheshire parent who leads the Coalition of Cheshire Citizens. "We just don't want to take any steps back."

Budget opponents insist they don't want to see services slashed either, but question their benefits if current residents can no longer afford to live in town.

"It's gotten to the point where people have to make conscious decisions between paying taxes and paying the mortgage," said William Rood, president of the Windham Taxpayers' Association.

Windham residents suffered a 24.8 percent increase in their taxes this year after a battle over the school budget that stretched through November. Earlier this spring, local leaders offered a budget that required no tax increases. Rood did not oppose the successful proposal, but he is still dissatisfied.

"I'm at the point that I wonder why I'm doing it," said Rood, a local businessman. "There's nothing left."

Local officials are caught between these competing concerns, and find few options. Increases in employee salaries have been set by contracts negotiated during the boom times of the mid-1980s; costs for other projects and state-mandated programs are also fixed.

"We had already made commitments based on those promises," said William MacDonald, a town council member in East Hampton, where budgets this year have twice been defeated at referendums. "It's easy for the state to mandate certain things but . . . when it comes to the wherewithal, [this year] they haven't got it."

Not every town has seen such revolts. Fewer than a fifth of Colchester's registered voters casts ballots on an $18.2 million budget proposal approved last month; in East Haddam the only objection to a $10.4 million budget was that it did not include money for a $20,000 state matching grant. Hartford officials approved unprecedented tax and spending increases with nary a word from local homeowners, but then they were protected by a previously arranged tax relief plan. Their savings will be the same next year, but they will have to absorb any new tax increases.

And avoiding increases won't be easy. Municipalities may well receive even less money next year as the state's fiscal condition declines. Local budgets, already anemic after this year's struggles, will have little room for more cuts.

"If that money doesn't come through, it's going to be an absolute disaster for towns and cities," said George Hill, an extension professor at the Institute for Public Service at the University of Connecticut who also serves as the mayor of Mansfield. "Something has got to be done."

Something is being done. In Granby members of the boards of selectmen, education and finance in December signed a statement of commitment pledging budget and tax limits. Residents in other towns are examining reforms such as North Branford's Proposition 30, which links budget increases to the growth of a town's grand list. Clinton voters rejected such a proposal June 8, but its supporters have promised to try again.

Others want changes at the state level, through means such as tax reforms or limits on spending and costly mandates to municipalities. Whatever their position, leaders of some taxpayer groups say they plan to have an effect beyond their towns.

"If we can get things under control at the local level, [we can] make them more responsible and go to the state and say, 'Don't tell us what to do,' " said Beverly Nalette, president of the Winchester Taxpayers Association. "I think it is trickling up."

Yet taxpayer revolts are hardly unprecedented; local budgets also failed in the early 1980s, when the country was suffering a recession and many of these same towns were in the midst of their previous revaluation. Even leaders of the taxpayer groups say the return of good times probably will rob much of their momentum. Still, they vow to remain vigilant.

For now, budget supporters hope to preserve what they can by fostering community spirit.

"I think we do have to make some decisions," said Steven Sedlack, chairman of Winchester Citizens for Progress. "The view I'd like to take is we're all in this together."

Mr. Chairman, I do not make this speech with any pleasure at all, but when the people in my 45 towns are by referendum voting down for the third time their school budgets, voting down

their municipal budgets over and over again, it is not because they do not care about the services. It is because they cannot afford the tax burden.

We are finally reaching a point where we on this House floor do not, frankly, have the moral right to increase spending 10 percent in the first appropriations bill we bring to the floor without even a budget resolution to guide us when the people we represent are not getting 2-percent raises. In my district they are lucky if they are keeping their jobs.

So I am bringing that outside-the-beltway voice into the beltway, and while I appreciate the good work of the committee, I am glad that the gentleman from Minnesota [Mr. FRENZEL] has recommended a simple, across-the-board cut so that the priorities of the committee, as established, are in place but the cost to taxpayers is reduced.

We are not in the same world we were in 2 years ago, 4 years ago, 8 years ago, 10 years ago. We are on the verge of economic disaster. We should not be passing the buck to the summit leadership and their deliberations. We should be taking responsibility now to address the deficit. This is the time to demonstrate.

Mr. Chairman, there is absolutely no way that we could impose on the taxpayers of this Nation the taxes that would be required to increase every budget function 10 percent. You will not raise taxes enough to cover such spending increases, we must not simply add them to the deficit. So, I urge my colleagues to remember that what is rational in its parts is not necessarily rational in its whole, and for us to proceed this way in the budget process of the freest Nation of the world is not a luxury we can afford.

Mr. Chairman, I urge support for the amendment of the gentleman from Minnesota [Mr. FRENZEL].

Mr. BEVILL. Mr. Chairman, I rise in opposition to the amendment of the gentleman from Minnesota [Mr. FRENZEL].

As my colleagues know, we go through this charade every year. We spend months on this legislation. We work on it, and then somebody comes up, and looks in a glass ball and says, "Ten percent across the board." I would just point out that this amendment would be absolutely devastating. It would practically spoil what we are trying to do in nuclear cleanup, which we have not done enough.

Mr. Chairman, we are very disappointed with where we are, and they want to cut that. They want to cut everything, and it is rather interesting that these always come up like this, and it is always somebody that never appears before the committee. They never point all these things out. As my colleagues know, if there is any waste in the bill, we would like to know about it. If they would come tell us, we would knock it out. But they wait until we get to the floor, and then they just suddenly come up with an amendment, meat-ax approach, and it is irresponsible.

Mr. Chairman, I would just say that I am very much opposed to the amendment of the gentleman from Minnesota [Mr. FRENZEL], and I urge everybody to vote against it.

Mr. MYERS of Indiana. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this is an amendment that Members easily can attach themselves to and support. We all recognize that. But, as the author of the amendment, the gentleman from Minnesota [Mr. FRENZEL] stated, there will be cuts. I do not think anyone here, and especially the members of our committee, realizes that there will be cuts later on. But we will have to make those cuts from a standpoint of an agreement with the other body. If we accept this amendment today, we seriously undermine the negotiations that we will have to work out in conference with the other body, and they will have their priorities, and it leaves us behind the eight ball when we start negotiating the cuts.

In addition, Mr. Chairman, we all recognize that in the budget summit there will be cuts made, and we have all recognized that we are going to have to bring these figures down, but at this time I do not think we should take the meat-ax approach that the gentleman from Alabama [Mr. BEVILL], the chairman, has mentioned. Also, the author of the amendment says that we will make cuts on specific items that are maybe not as high in priority.

So, Mr. Chairman, the cuts will be made at the proper time, the proper way, but we urge our colleagues at this time not to undermine the efforts of this committee, which has acted in good faith. Cuts will be made in the future. Let our committee do it instead of this approach in this way.

Mr. HENRY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take a full 5 minutes.

I am sorry. I have to believe that the gentleman from Minnesota [Mr. FRENZEL] and the gentlewoman from Connecticut [Mrs. JOHNSON] have spoken some very hard words of truth. I understand what the gentleman said. I understand that across-the-board cuts are arbitrary. Sometimes we do not have any choice by the time the bill gets down here.

Mr. Chairman, this is the first bill we are dealing with by way of appropriations. We are already roughly $100 billion off of our budget targets under Gramm-Rudman not counting Social Security, not counting the savings and loan, not counting the other forms of budget gimmickry, not counting flim-flam shifting of Medicare and Medicaid funds back and forth, in and out of this budget year, and I simply say that it is an awfully bad way to start.

Mr. Chairman, I hope we will consider that, and I urge my colleagues' support of the amendment of the gentleman from Minnesota [Mr. FRENZEL].

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. FRENZEL].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. FRENZEL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 98, noes 314, not voting 20, as follows:

[Roll No. 178]

AYES—98

Archer	Hiler	Roth
Ballenger	Hopkins	Rowland (CT)
Bennett	Houghton	Schneider
Bentley	Hunter	Schroeder
Bilirakis	Ireland	Schulze
Bliley	Jacobs	Sensenbrenner
Broomfield	Johnson (CT)	Sharp
Brown (CO)	Johnston	Shays
Bunning	Jontz	Shumway
Burton	Kasich	Shuster
Campbell (CA)	Leach (IA)	Sikorski
Clinger	Lent	Slaughter (VA)
Coble	Lewis (FL)	Smith (VT)
Coleman (MO)	Lightfoot	Smith, Denny (OR)
Combest	Lukens, Donald	Smith, Robert (NH)
Cox	Machtley	Smith, Robert (OR)
Crane	Martin (IL)	Snowe
Dannemeyer	McCandless	Solomon
DeWine	McEwen	Stearns
Douglas	McGrath	Stenholm
Dreier	McMillan (NC)	Stump
Duncan	Michel	Tallon
Fawell	Miller (OH)	Tauke
Frenzel	Molinari	Thomas (CA)
Gekas	Moorhead	Thomas (WY)
Gingrich	Morrison (CT)	Upton
Goodling	Oxley	Vander Jagt
Gradison	Packard	Walker
Hamilton	Patterson	Weldon
Hammerschmidt	Petri	Whittaker
Hancock	Ridge	
Hastert	Ritter	
Hefley	Robinson	
Henry	Rohrabacher	

NOES—314

Ackerman	Brennan	Darden
Alexander	Brooks	Davis
Anderson	Browder	de la Garza
Andrews	Brown (CA)	DeFazio
Annunzio	Bruce	DeLay
Anthony	Bryant	Dellums
Applegate	Buechner	Derrick
Armey	Bustamante	Dickinson
Aspin	Byron	Dicks
Atkins	Callahan	Dingell
AuCoin	Campbell (CO)	Dixon
Baker	Cardin	Donnelly
Barnard	Carper	Dorgan (ND)
Bartlett	Carr	Dornan (CA)
Barton	Chandler	Downey
Bateman	Chapman	Durbin
Bates	Clarke	Dwyer
Beilenson	Clay	Dymally
Bereuter	Clement	Dyson
Berman	Coleman (TX)	Early
Bevill	Collins	Eckart
Bilbray	Condit	Edwards (OK)
Boehlert	Conte	Emerson
Boggs	Conyers	English
Bonior	Cooper	Erdreich
Borski	Costello	Espy
Bosco	Coughlin	Evans
Boucher	Courter	Fascell
Boxer	Craig	Fazio

Feighan	Long	Ros-Lehtinen
Fields	Lowery (CA)	Rose
Flake	Lowey (NY)	Rostenkowski
Flippo	Luken, Thomas	Roukema
Foglietta	Madigan	Rowland (GA)
Ford (MI)	Manton	Roybal
Frank	Markey	Russo
Frost	Marlenee	Sabo
Gallegly	Martin (NY)	Saiki
Gallo	Martinez	Sangmeister
Gaydos	Matsui	Sarpalius
Gejdenson	Mavroules	Savage
Gephardt	Mazzoli	Sawyer
Geren	McCloskey	Saxton
Gibbons	McCollum	Schaefer
Gillmor	McCrery	Scheuer
Gilman	McCurdy	Schiff
Glickman	McDade	Schumer
Gonzalez	McHugh	Serrano
Gordon	McMillen (MD)	Shaw
Goss	McNulty	Sisisky
Grandy	Meyers	Skaggs
Grant	Mfume	Skeen
Gray	Miller (CA)	Skelton
Green	Miller (WA)	Slattery
Guarini	Mineta	Slaughter (NY)
Gunderson	Moakley	Smith (FL)
Hall (OH)	Mollohan	Smith (IA)
Hansen	Montgomery	Smith (NE)
Harris	Moody	Smith (NJ)
Hatcher	Morella	Smith (TX)
Hayes (IL)	Morrison (WA)	Solarz
Hayes (LA)	Mrazek	Spence
Hefner	Murphy	Spratt
Herger	Murtha	Staggers
Hertel	Myers	Stallings
Hoagland	Nagle	Stangeland
Hochbrueckner	Natcher	Stark
Holloway	Neal (MA)	Stokes
Horton	Neal (NC)	Studds
Hoyer	Nielson	Sundquist
Hubbard	Nowak	Swift
Huckaby	Oakar	Synar
Hughes	Oberstar	Tanner
Hutto	Obey	Tauzin
Hyde	Olin	Taylor
Inhofe	Ortiz	Thomas (GA)
James	Owens (NY)	Torres
Jenkins	Owens (UT)	Torricelli
Johnson (SD)	Pallone	Towns
Jones (GA)	Panetta	Traficant
Jones (NC)	Parker	Traxler
Kanjorski	Pashayan	Udall
Kaptur	Paxon	Unsoeld
Kastenmeier	Payne (NJ)	Valentine
Kennedy	Payne (VA)	Visclosky
Kennelly	Pease	Volkmer
Kildee	Pelosi	Walgren
Kleczka	Penny	Walsh
Kolbe	Perkins	Watkins
Kostmayer	Pickett	Waxman
Kyl	Porter	Weber
LaFalce	Poshard	Weiss
Lagomarsino	Price	Wheat
Lancaster	Pursell	Whitten
Lantos	Quillen	Williams
Laughlin	Rahall	Wilson
Lehman (CA)	Ravenel	Wise
Lehman (FL)	Ray	Wolf
Levin (MI)	Regula	Wolpe
Levine (CA)	Rhodes	Wyden
Lewis (CA)	Richardson	Yates
Lewis (GA)	Rinaldo	Yatron
Lipinski	Roberts	Young (AK)
Livingston	Roe	Young (FL)
Lloyd	Rogers	

NOT VOTING—20

Coyne	Hawkins	Rangel
Crockett	Kolter	Schuette
Edwards (CA)	Leath (TX)	Vento
Engel	McDermott	Vucanovich
Fish	Nelson	Washington
Ford (TN)	Parris	Wylie
Hall (TX)	Pickle	

□ 1917

Mr. INHOFE changed his vote from "aye" to "no."

Mr. SHAYS changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DANNEMEYER

Mr. DANNEMEYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DANNEMEYER: Page 74, insert after line 19 the following new section:

SEC. 509. Notwithstanding any other provision of this Act, each amount appropriated or otherwise made available by this Act that is not required to be appropriated or otherwise made available by a provision of law is reduced by 5 percent.

Mr. DANNEMEYER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DANNEMEYER. Mr. Chairman, the amendment that the House has just considered would have cut 10 percent from the level of spending in this appropriation bill.

The amendment that I am offering would reduce that 10 percent to 5 percent. It would cut out a little over $1 billion from this bill. It would still permit growth of some 7.1 percent over what was appropriated in fiscal year 1990.

A lot of the arguments that were addressed to the amendment on behalf of my colleague, the gentleman from Minnesota [Mr. FRENZEL], certainly are applicable to this amendment as well.

Mr. Chairman, there is a most alarming additional statistic that I do not believe has been brought out as part of the debate concerning the increase in the percentage of the Federal spending for interest on the national debt.

□ 1920

Ten years ago, 1980, the percentage of Federal spending for interest on the debt was 12.7 percent. In 1990, the interest percentage, the amount of Federal spending for interest on the debt, has risen to 21.2 percent. We all know we are adding about one-quarter of a trillion dollars to the national debt this year. We tripled the debt in the 1980's. If we do not take a change in course, we are looking at an additional $3 trillion to the national debt at least in the decade of the 1990's.

Mr. Chairman, I think it is time that Congress establish as a principle in these appropriations bills that will come across the desk in this year that we are going to impose a freeze or no more than an increase in spending over 1990 reflected by the rate of inflation.

We can send a clear signal to the negotiators in the summit that there is a way to bring spending under control, other than raising taxes, and that is by reducing spending consistent with the rate of inflation. Over the course of the next 3 or 4 years we will let the revenue growth that would come from a productive economy go a long ways toward balancing the budget.

Mr. Chairman, we have got to start on this process somewhere. For these reasons, I ask an aye vote.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from Indiana [Mr. MYERS].

Mr. MYERS of Indiana. Mr. Chairman, I ask an inquiry of the gentleman from California [Mr. DANNEMEYER], the 5-percent cut which is provided, the act does not require to be appropriated. Is this 5 percent of the $20.9 billion that is in the appropriation bill, or just 5 percent of those items not required by law?

Mr. DANNEMEYER. Mr. Chairman, reclaiming my time, it would be 5 percent of the $20.7 billion that is in the appropriation bill.

Mr. BEVILL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, what we are talking about here is cutting the Corps of Engineer projects by $71 million, the Bureau of Reclamation by $20 million, and the cleanup of hazardous wastes by $313 million. That is at the rate of 2 percent. When you put the general reduction at 5 percent, we are talking about cutting over $782 million out of these critical projects that are needed.

Many of our projects, practically every project in here requires local matching funds. This is something that we have done. Some of them require as much as 50 percent.

These communities, rural areas in most of the States, cannot afford this kind of a cut.

Mr. Chairman, we have discussed all of this before. I just want to urge Members to vote against this amendment. This is another one where they are looking into the glass ball, and then they just reach up and pick a figure out of the air. It is an across-the-board cut. It is a meat ax approach.

Mr. Chairman, we have this every year. We ought to discourage this. I do not think the committee ought to be put in the position of adding 5 percent or 2 percent so you all can take a general cut here at 8 o'clock at night. I just do not think we want that. Why do we not just defeat these amendments and support the committee? I urge a no vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. DANNEMEYER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DANNEMEYER. Mr. Chairman, I demand a recorded vote.

A recorded vote was taken.

The vote was taken by electronic device, and there were—ayes 124, noes 285, not voting 23, as follows:

[Roll No. 179]

AYES—124

Archer	Hansen	Ritter
Armey	Hefley	Robinson
Baker	Henry	Rohrabacher
Ballenger	Hiler	Roth
Barnard	Hopkins	Roukema
Bates	Houghton	Rowland (CT)
Bennett	Hunter	Schaefer
Bentley	Ireland	Schneider
Bilirakis	Jacobs	Schroeder
Bliley	Jenkins	Schulze
Broomfield	Johnson (CT)	Sensenbrenner
Brown (CO)	Johnston	Sharp
Bunning	Jontz	Shays
Burton	Kasich	Shumway
Byron	Leach (IA)	Shuster
Campbell (CA)	Lightfoot	Slaughter (VA)
Clinger	Long	Smith (VT)
Coble	Lukens, Donald	Smith, Denny (OR)
Coleman (MO)	Machtley	Smith, Robert (NH)
Combest	Martin (IL)	Smith, Robert (OR)
Courter	Martin (NY)	Snowe
Cox	McCandless	Solomon
Craig	McCollum	Spence
Crane	McEwen	Stearns
Dannemeyer	McGrath	Stenholm
Darden	McMillan (NC)	Stump
DeWine	Michel	Tallon
Dornan (CA)	Miller (OH)	Tauke
Douglas	Miller (WA)	Thomas (CA)
Dreier	Molinari	Thomas (WY)
Duncan	Moody	Upton
Fawell	Moorhead	Valentine
Frenzel	Morrison (CT)	Vander Jagt
Gekas	Neal (NC)	Walgren
Gingrich	Oxley	Walker
Goodling	Packard	Walsh
Gradison	Parris	Weldon
Grant	Patterson	Whittaker
Guarini	Payne (VA)	
Hall (OH)	Penny	
Hamilton	Petri	
Hammerschmidt	Ravenel	
Hancock	Ridge	

NOES—285

Ackerman	Chapman	Fazio
Alexander	Clarke	Feighan
Anderson	Clement	Fields
Andrews	Coleman (TX)	Flake
Annunzio	Collins	Foglietta
Anthony	Condit	Ford (TN)
Applegate	Conte	Frank
Atkins	Conyers	Frost
AuCoin	Cooper	Gallegly
Bartlett	Costello	Gallo
Barton	Coughlin	Gaydos
Bateman	Coyne	Gejdenson
Beilenson	Davis	Gephardt
Bereuter	de la Garza	Geren
Berman	DeFazio	Gibbons
Bevill	DeLay	Gillmor
Bilbray	Dellums	Gilman
Boehlert	Derrick	Glickman
Boggs	Dickinson	Gonzalez
Bonior	Dicks	Gordon
Borski	Dingell	Goss
Bosco	Dixon	Grandy
Boucher	Donnelly	Gray
Boxer	Dorgan (ND)	Green
Brennan	Downey	Gunderson
Brooks	Durbin	Harris
Browder	Dwyer	Hastert
Brown (CA)	Dymally	Hatcher
Bruce	Dyson	Hayes (IL)
Bryant	Early	Hefner
Buechner	Eckart	Herger
Bustamante	Edwards (OK)	Hertel
Callahan	Emerson	Hoagland
Campbell (CO)	English	Hochbrueckner
Cardin	Erdreich	Holloway
Carper	Espy	Horton
Carr	Evans	Hoyer
Chandler	Fascell	Hubbard
Huckaby	Montgomery	Schiff
Hughes	Morella	Schumer
Hutto	Morrison (WA)	Serrano
Hyde	Mrazek	Shaw
Inhofe	Murphy	Sikorski
James	Murtha	Sisisky
Johnson (SD)	Myers	Skaggs
Jones (GA)	Nagle	Skeen
Jones (NC)	Natcher	Skelton
Kanjorski	Neal (MA)	Slattery
Kaptur	Nielson	Slaughter (NY)
Kastenmeier	Nowak	Smith (FL)
Kennedy	Oakar	Smith (IA)
Kennelly	Oberstar	Smith (NE)
Kildee	Obey	Smith (NJ)
Kleczka	Olin	Smith (TX)
Kolbe	Ortiz	Solarz
Kostmayer	Owens (NY)	Spratt
Kyl	Owens (UT)	Staggers
Lagomarsino	Pallone	Stallings
Lancaster	Panetta	Stangeland
Lantos	Parker	Stark
Laughlin	Pashayan	Stokes
Lehman (CA)	Paxon	Studds
Lehman (FL)	Payne (NJ)	Sundquist
Levin (MI)	Pease	Swift
Levine (CA)	Pelosi	Synar
Lewis (CA)	Perkins	Tanner
Lewis (FL)	Pickett	Tauzin
Lewis (GA)	Porter	Taylor
Lipinski	Poshard	Thomas (GA)
Livingston	Price	Torres
Lloyd	Pursell	Torricelli
Lowery (CA)	Quillen	Towns
Lowey (NY)	Rahall	Traficant
Luken, Thomas	Ray	Traxler
Madigan	Regula	Udall
Manton	Rhodes	Unsoeld
Markey	Richardson	Vento
Marlenee	Rinaldo	Visclosky
Matsui	Roberts	Volkmer
Mavroules	Roe	Watkins
Mazzoli	Rogers	Waxman
McCloskey	Ros-Lehtinen	Weber
McCrery	Rose	Weiss
McCurdy	Rostenkowski	Wheat
McDade	Rowland (GA)	Whitten
McDermott	Roybal	Williams
McHugh	Russo	Wilson
McMillen (MD)	Sabo	Wise
McNulty	Saiki	Wolf
Meyers	Sangmeister	Wolpe
Mfume	Sarpalius	Wyden
Miller (CA)	Savage	Yates
Mineta	Sawyer	Yatron
Moakley	Saxton	Young (AK)
Mollohan	Scheuer	Young (FL)

NOT VOTING—23

Aspin	Hall (TX)	Nelson
Clay	Hawkins	Pickle
Crockett	Hayes (LA)	Rangel
Edwards (CA)	Kolter	Schuette
Engel	LaFalce	Vucanovich
Fish	Leath (TX)	Washington
Flippo	Lent	Wylie
Ford (MI)	Martinez	

□ 1942

Mr. WHITTEN changed his vote from "aye" to "no."

Mr. SCHAEFER changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. SHUMWAY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to engage the gentleman from California [Mr. FAZIO], a member of the subcommittee, and the gentleman from California [Mr. MATSUI] in a discussion to clarify the $250,000 funding line item included in the bill for the Auburn-Folsom South project, which is located in my congressional district and is of great importance to me and my constituents.

As my two colleagues know, when I made the request to the subcommittee in April for this special funding it was to allow the Bureau of Reclamation to complete work on its feasibility studies and environmental studies for the long-authorized multipurpose project. This would be separate from, and in addition to, the work which the Corps of Engineers is doing on the so-called expandable dry dam flood control alternative, and for which funding is contained in this bill.

However, I am deeply concerned that while the $250,000 line item is included in this bill, the accompanying committee report language describes the study as one which the Bureau of Reclamation is to undertake to examine the so-called expandability of the corps' dry dam alternatives. This is not at all what I had in mind.

I strongly believe that for the Congess and the local community to make an informed, meaningful and prudent choice on how to proceed with development on the American River, all of the project options must be fully developed so that all of the necessary information is out on the table for full and open review. The Bureau must therefore parallel what the corps is doing—otherwise, the community and Congress will not be afforded the full range of legitimate options for action in 1992.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. SHUMWAY. I yield to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the committee report does talk about the Bureau's Auburn-Folsom South study in terms of expandability of the corps dry dam option. This was to try and ensure that the Bureau's work was compatible with what the Corps of Engineers is already doing. We do not want to fund two studies that might somehow conflict with each other.

The overriding consideration, from my perspective, is to ensure that a viable flood control option is available to the Congress for authorization in 1992. The committee report language was drafted to make certain that if the Bureau conducted these studies it would no way delay the corps or the ultimate action by Congress on a flood control solution.

I am concerned with whether the executive branch would allow for completion of one study by the corps to move forward if another is still pending, yet not completed, by the Bureau of Reclamation.

We have been warned that two apparently conflicting studies would cause delays. We have also been warned that the Bureau very well might not be able to complete a feasibility study and EIS meeting all re-

quired principle and guidelines soon enough for congressional authorization in 1992. For that reason also we focused on studying expansion of the corps' flood-control-only dam. If adequate studies into expansion actually can be done soon enough for 1992 authorization, the multipurpose option will in effect be before Congress anyway. But to ensure lack of conflict we structured the Bureau study the way we did.

Mr. MATSUI. Mr. Chairman, will the gentleman yield?

Mr. SHUMWAY. I yield to the gentleman from California [Mr. MATSUI].

Mr. MATSUI. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, it is important also to include the notion of expandability in the report language so that some more formal consideration is given to what the criteria might be for expansion to take place. It is conceivable that in examining the issue of expandability, the Bureau of Reclamation could complement what the Corps of Engineers is doing so that the expanded stage could be considered by the Congress at the outset, as soon as a feasibility and impact study meeting the required principles and guidelines is submitted to Congress.

The key, however, is to include some direction to the Bureau so that it in no way competes or delays the corps' flood control work and we are given credible assurances as to that fact.

Mr. SHUMWAY. I thank the gentleman, and I would like to say to both of my colleagues I understand your point. I would like to assure them both that I am working with the administration on this very matter. In fact, in a recent meeting with Secretary Lujan, this issue was raised, and the Secretary made assurances that he would be responding to a letter from both of you to him on that very question.

I can assure the gentleman that it is not my intention to have the Bureau delay this issue further. I agree with the 1992 congressional action timeframe which you have endorsed. I will work to insure that the Bureau and the Interior Department complete their studies in this timeframe and that OMB concurs.

Mr. FAZIO. If the gentleman would yield further, it is my understanding that the gentleman's concerns are real. I can assure him we will continue to work with him on this issue. If the gentleman can get unambiguous and reliable assurances from the administration and OMB that a feasibility study and EIS by the Bureau of Reclamation, one that is not based on assuming expansion of a dry dam and one that meets the principle and guidelines, will not sidetrack or delay the Corps of Engineers' studies and that the 1992 timeframe can be met by the Bureau of Reclamation, then we will reconsider the issue before the final statement of managers is written so that it addresses all of our concerns, bearing in mind that flood control is the primary concern of Sacramento and that nothing can be done to jeopardize Sacramento's prospect for obtaining flood protection as quickly as possible.

Mr. SHUMWAY. Mr. Chairman, I thank both of my colleagues.

AMENDMENT OFFERED BY MR. PENNY

Mr. PENNY. Mr. Chairman, I offer an amendment:

The Clerk read as follows:

Amendment offered by Mr. PENNY: Page 74, insert after line 19 the following new section:

SEC. 509. Notwithstanding any other provision of this Act, each amount appropriated or otherwise made available by this Act that is not required to be appropriated or otherwise made available by a provision of law is reduced by 2 percent.

□ 1950

Mr. PENNY. Mr. Chairman, along with my colleague, the gentleman from Iowa [Mr. TAUKE], and a bipartisan group of Members, I offer an amendment today to the fiscal year 1991 energy and water appropriations bill to reduce spending 2 percent across-the-board in all discretionary accounts in the measure. This amendment would reduce overall appropriations by approximately $400 million. Even with this reduction, it is important to note energy and water appropriations would still grow by nearly $2 billion over current year spending. That amounts to a 9-percent increase. Frankly, I think even that is too much.

Mr. Chairman, there are many reasons we should, at the very least, adopt this 2 percent amendment. First, it is the fiscally responsible thing to do. At a time when our budget negotiators are struggling for consensus on a package of deficit reduction, we should not be passing large spending increases no matter how worthy the new initiatives. Second, the energy and water appropriations bill is considered to be untouchable because it contains funding for the public works projects that dot the Nation. Obviously, the projects in this measure benefits many congressional districts, including my own. In that sense, a vote for this amendment is a real acid test of our ability to reduce spending.

If we can demonstrate today our willingness to cut the spending in this bill, we will signal that we are serious about reducing the deficit, even if it means projects in our own backyard. Let there be no mistake about it, deeper budget reductions are coming in energy and water appropriations later this year. Those cuts will affect all other areas of Federal expenditure. We can start the process of reducing spending today in a very modest way, or we can wait for a Gramm-Rudman sequestration or the budget summit here to do it for Members.

Mr. Chairman, a reduction in this bill is needed. It is the right thing to do and will signal our budget negotiators and the American people that we are serious about beginning the process of controlling Federal spending. I strongly urge an aye vote on the amendment.

Mr. OBEY. Mr. Chairman, I rise in opposition to the amendment.

I will not take the 5 minutes. I simply want to make one observation: In the foreign aid bill, which I am going to be bringing to the House this coming week, my subcommittee cut the administration's $5 billion military foreign aid request by about 4 percent. To see the reaction of the administration, you would think I committed a capital offense as chairman of that committee.

I simply want to observe that the bill before us provides for the fiscal needs of each and every State to the Union. It provides some crucial national programs such as nuclear waste cleanup. It provides a very badly needed increase in solar energy research after years of gutting that program. I would simply suggest to Members tonight, do not apply the 2-percent mini Gramm-Rudman meat ax to this bill. Wait 1 week. I will bring Members a bill next week on foreign aid. It will enable Members to vote not for a 2-percent cut, but a 4-percent cut in some of the most unnecessary spending in the Federal budget. Let's discriminate. Let's aim at the programs that ought to be cut, not at the programs that deal with the essential needs of each and every community in this country.

I urge Members to vote against the amendment.

Mr. TAUKE. Mr. Chairman, I move to strike the last word.

I know that the hour is late, but I think it is worthwhile to note that the gentleman from Wisconsin makes our case. We are going to be back next week when his bill comes to the floor, saying that there, too, we have to hold the line on spending. As we go through this process, we will cross swords with the President and people in the administration. We will cross swords with people in the administration. We will cross swords with people in the committees of the House and the Senate. We will cross swords with many of our colleagues. However, the bottom line is that we have to make some choices along the way here. We are going to have to begin to get a handle on the growth rate and spending.

The 2-percent cut in this instance allows for a 10-percent increase in spending. That is a pretty significant increase in spending in these pro-

grams. I would suggest that it is more than our American citizens expect at a time when we do not have the dollars that we are spending. This is a sound signal to the budget summiteers as they are meeting, that there are some people here in the House who are willing to make some choices. There are people here in the House who are willing to back up the difficult decisions that we have to make. I urge my colleagues to vote yes in support of this amendment.

Mr. BEVILL. Mr. Chairman, I move to strike the requisite number of words.

I make this very brief statement. This is another meat-ax approach. This subcommittee has always brought a bill that is fiscally responsible, and we are within the 302(b) allocations based on the budget that we passed in the House. Therefore, I urge Members to vote against this meat-ax approach. This is just not the way to do it.

I think Members agree with that, and I urge Members to vote against this amendment.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this very blunt meat-ax, as it has been described, is actually a cream puff. It is a marshmallow. It is hardly worth voting for. But on the other hand, what we have already done today with this bill is either to flaunt or to doom the summit by which we are going to try to reduce the deficit, and that what the House has done today is give a very easy explanation to the $3 trillion deficit that we are passing on to those who come behind Members.

If we cannot at least sustain a 2-percent vote, the House will have well described itself by this evening's work.

Ms. SNOWE. Mr. Chairman, I rise in support of the Penny-Tauke amendment to H.R. 5019, the energy and water development appropriations bill for fiscal year 1991. This amendment simply reduces all of the bill's spending levels, across-the-board, by 2 percent.

I want to preface my remarks in support of this amendment by saying I recognize that the Appropriations Committee is faced with a difficult job in bringing this bill before the House without a final fiscal year 1991 budget resolution in place and without any agreement from the much-heralded budget summit.

Nonetheless, while the committee has done its job in putting this bill together, the Penny-Tauke amendment needs to be adopted. If the 101st Congress is going to get serious about reducing the deficit, adopting this amendment is the first, critical step we need to take in that process.

This measure provides for $20.7 billion in spending during fiscal year 1991, a $2.3 billion increase over last year's spending. While to some people that may sound like a reasonable figure, in fact, that number represents a 12-percent hike over the fiscal year 1990 funding level.

The inflation rate from April of last year to April of this year was only 4.7 percent. Can we really afford to be increasing spending in this bill by more than 2½ times the inflation rate? I don't think so.

Now, the Office of Management and Budget is indicating that the fiscal year 1991 budget deficit could be somewhere between $135 to $190 billion. Clearly, the need to reduce the deficit is greater than ever before.

Even if we take OMB's most optimistic deficit figure of only $135 billion, that means roughly $70 billion in automatic, across-the-board spending cuts would be needed to satisfy Gramm-Rudman's requirements.

Given how hard we all know it is going to be to meet that target level. we simply cannot afford 12 percent spending increases in this bill.

I recognize, of course, that this bill funds a number of very important budget priorities for President Bush and the Congress, such as the Energy Department's nuclear weapons cleanup project and the superconducting super collider.

But working to reduce the deficit, by holding back on the rate of growth in Federal spending, should be an even more important objective at this time. Indeed, there is no higher priority on our Nation's agenda than reducing the deficit.

The Penny-Tauke 2-percent amendment reduces the Energy Department nuclear weapons cleanup program's budget by $55 million, and trims only $7 million off of the bill's spending for the superconducting super collider. Clearly, both of these programs will receive substantial spending increases over last year's funding levels, even if this modest amendment is adopted.

On the other hand, if the amendment is defeated, what signal does that send to the budget negotiators and the American people about the resolve here in Congress to make tough choices about reducing the deficit?

If the budget summit talks have any chance at all of being a success, rejecting this amendment could doom them to failure. Rejecting this amendment tells the budget negotiators and the American people that the Congress can't even take $415 million out of a $20.7 billion spending bill that increases spending by 12 percent over last year's level.

The time has come for the Congress to take the first step toward holding down the rate of growth in Federal spending for fiscal year 1991. Adopting this amendment means we can make some progress in our efforts to reduce the deficit. Failing to do so means we cannot.

I hope that we can make the most of this opportunity. I strongly urge you to join me in supporting the Penny-Tauke 2-percent amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. PENNY].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. PENNY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 175, noes 232, not voting 25, as follows:

[Roll No. 180]

AYES—175

Andrews	Hamilton	Ravenel
Applegate	Hammerschmidt	Regula
Archer	Hancock	Rhodes
Armey	Hansen	Ridge
Baker	Hastert	Ritter
Ballenger	Hefley	Roberts
Barnard	Henry	Robinson
Bateman	Herger	Rohrabacher
Bates	Hiler	Roth
Bennett	Hopkins	Roukema
Bentley	Houghton	Rowland (CT)
Bereuter	Hubbard	Russo
Bilbray	Hunter	Sangmeister
Bilirakis	Hutto	Sawyer
Bliley	Inhofe	Schaefer
Boehlert	Ireland	Schneider
Brennan	Jacobs	Schroeder
Broomfield	Jenkins	Schumer
Brown (CO)	Johnson (CT)	Sensenbrenner
Buechner	Johnston	Sharp
Bunning	Jontz	Shaw
Burton	Kasich	Shays
Byron	Kastenmeier	Shumway
Campbell (CA)	Kolbe	Shuster
Chandler	Kyl	Sikorski
Clarke	Lagomarsino	Skelton
Clinger	Lightfoot	Slattery
Coble	Lipinski	Slaughter (VA)
Coleman (MO)	Long	Smith (TX)
Combest	Lukens, Donald	Smith (VT)
Condit	Machtley	Smith, Denny (OR)
Cooper	Martin (IL)	Smith, Robert (NH)
Courter	Martin (NY)	Smith, Robert (OR)
Cox	McCandless	Snowe
Craig	McCollum	Solomon
Crane	McCurdy	Spence
Dannemeyer	McEwen	Stearns
Darden	McGrath	Stenholm
DeLay	McMillan (NC)	Stump
DeWine	Meyers	Sundquist
Douglas	Michel	Tallon
Dreier	Miller (OH)	Tanner
Duncan	Miller (WA)	Tauke
English	Molinari	Thomas (CA)
Fawell	Moody	Thomas (WY)
Frenzel	Moorhead	Upton
Gallegly	Morella	Valentine
Gekas	Morrison (CT)	Vander Jagt
Geren	Neal (NC)	Walgren
Gillmor	Oxley	Walker
Gilman	Packard	Walsh
Gingrich	Parker	Weber
Glickman	Parris	Weldon
Goodling	Patterson	Whittaker
Gradison	Paxon	Wolf
Grandy	Payne (VA)	
Grant	Penny	
Guarini	Petri	
Gunderson	Porter	
Hall (OH)	Quillen	

NOES—232

Ackerman	Cardin	Dymally
Alexander	Carper	Dyson
Anderson	Carr	Early
Annunzio	Chapman	Eckart
Anthony	Clement	Edwards (OK)
Atkins	Coleman (TX)	Emerson
AuCoin	Collins	Erdreich
Bartlett	Conte	Espy
Barton	Conyers	Evans
Beilenson	Costello	Fascell
Berman	Coughlin	Fazio
Bevill	Coyne	Feighan
Boggs	Davis	Fields
Bonior	de la Garza	Flake
Borski	DeFazio	Foglietta
Bosco	Dellums	Ford (TN)
Boucher	Derrick	Frank
Boxer	Dickinson	Frost
Brooks	Dicks	Gallo
Browder	Dingell	Gaydos
Brown (CA)	Dixon	Gejdenson
Bruce	Donnelly	Gephardt
Bryant	Dorgan (ND)	Gonzalez
Bustamante	Downey	Gordon
Callahan	Durbin	Goss
Campbell (CO)	Dwyer	Gray

Green	McHugh	Saxton
Harris	McMillen (MD)	Scheuer
Hatcher	McNulty	Schiff
Hayes (IL)	Mfume	Schulze
Hefner	Miller (CA)	Serrano
Hertel	Mineta	Sisisky
Hoagland	Moakley	Skaggs
Hochbrueckner	Mollohan	Skeen
Holloway	Montgomery	Slaughter (NY)
Horton	Morrison (WA)	Smith (FL)
Hoyer	Mrazek	Smith (IA)
Huckaby	Murphy	Smith (NE)
Hughes	Murtha	Smith (NJ)
Hyde	Myers	Solarz
James	Nagle	Spratt
Johnson (SD)	Natcher	Staggers
Jones (GA)	Neal (MA)	Stallings
Jones (NC)	Nielson	Stangeland
Kanjorski	Nowak	Stark
Kaptur	Oakar	Stokes
Kennedy	Oberstar	Studds
Kennelly	Obey	Swift
Kildee	Olin	Synar
Kleczka	Ortiz	Tauzin
Kolter	Owens (UT)	Taylor
Kostmayer	Pallone	Thomas (GA)
LaFalce	Panetta	Torres
Lancaster	Pashayan	Torricelli
Lantos	Payne (NJ)	Towns
Laughlin	Pease	Traficant
Lehman (CA)	Pelosi	Traxler
Lehman (FL)	Perkins	Udall
Levin (MI)	Pickett	Unsoeld
Levine (CA)	Pickle	Vento
Lewis (CA)	Poshard	Visclosky
Lewis (FL)	Price	Volkmer
Lewis (GA)	Pursell	Watkins
Livingston	Rahall	Waxman
Lloyd	Ray	Weiss
Lowery (CA)	Richardson	Wheat
Lowey (NY)	Rinaldo	Whitten
Luken, Thomas	Roe	Williams
Manton	Rogers	Wilson
Markey	Ros-Lehtinen	Wise
Marlenee	Rose	Wolpe
Matsui	Rostenkowski	Wyden
Mavroules	Rowland (GA)	Yates
Mazzoli	Roybal	Yatron
McCloskey	Sabo	Young (AK)
McCrery	Saiki	Young (FL)
McDade	Sarpalius	
McDermott	Savage	

NOT VOTING—25

Aspin	Gibbons	Nelson
Clay	Hall (TX)	Owens (NY)
Crockett	Hawkins	Rangel
Dornan (CA)	Hayes (LA)	Schuette
Edwards (CA)	Leach (IA)	Vucanovich
Engel	Leath (TX)	Washington
Fish	Lent	Wylie
Flippo	Madigan	
Ford (MI)	Martinez	

□ 2016

Mr. RHODES and Mr. PAXON changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

This Act may be cited as the "Energy and Water Development Appropriations Act, 1991".

Mr. BEVILL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. MINETA] having assumed the chair, Mr. PEASE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5019) making appropriations for energy and water development for the fiscal year ending September 30, 1991, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to, and that the bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

□ 2020

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DANNEMEYER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 355, noes 59, not voting 18, as follows:

[Roll No. 181]

AYES—355

Ackerman	Bustamante	Dingell
Alexander	Byron	Dixon
Anderson	Callahan	Donnelly
Andrews	Campbell (CO)	Dorgan (ND)
Annunzio	Cardin	Dornan (CA)
Anthony	Carper	Downey
Applegate	Carr	Dreier
Atkins	Chandler	Durbin
AuCoin	Chapman	Dwyer
Baker	Clarke	Dymally
Barnard	Clay	Dyson
Bartlett	Clement	Early
Barton	Clinger	Eckart
Bateman	Coleman (MO)	Edwards (CA)
Beilenson	Coleman (TX)	Edwards (OK)
Bennett	Collins	Emerson
Bentley	Condit	English
Bereuter	Conte	Erdreich
Berman	Conyers	Espy
Bevill	Cooper	Evans
Bilbray	Costello	Fascell
Bilirakis	Coughlin	Fawell
Boehlert	Courter	Fazio
Boggs	Cox	Feighan
Bonior	Coyne	Fields
Borski	Craig	Flake
Bosco	Dannemeyer	Flippo
Boucher	Darden	Foglietta
Boxer	Davis	Ford (MI)
Brennan	de la Garza	Ford (TN)
Brooks	DeFazio	Frank
Broomfield	DeLay	Frost
Browder	Dellums	Gallegly
Brown (CA)	Derrick	Gallo
Bruce	DeWine	Gaydos
Bryant	Dickinson	Gejdenson
Buechner	Dicks	Gephardt
Geren	Matsui	Savage
Gillmor	Mavroules	Sawyer
Gilman	Mazzoli	Saxton
Glickman	McCandless	Schaefer
Gonzalez	McCloskey	Scheuer
Goodling	McCollum	Schiff
Gordon	McCrery	Schulze
Goss	McCurdy	Schumer
Grandy	McDade	Serrano
Grant	McDermott	Shaw
Gray	McHugh	Shumway
Green	McMillen (MD)	Shuster
Guarini	McNulty	Sisisky
Gunderson	Meyers	Skaggs
Hall (OH)	Mfume	Skeen
Hamilton	Miller (CA)	Skelton
Hammerschmidt	Miller (OH)	Slattery
Hansen	Miller (WA)	Slaughter (NY)
Harris	Mineta	Smith (FL)
Hastert	Moakley	Smith (IA)
Hatcher	Mollohan	Smith (NE)
Hayes (IL)	Montgomery	Smith (NJ)
Hefley	Moody	Smith (TX)
Hefner	Moorhead	Smith (VT)
Herger	Morella	Smith, Denny (OR)
Hertel	Morrison (WA)	Smith, Robert (OR)
Hoagland	Mrazek	Solarz
Hochbrueckner	Murphy	Spence
Holloway	Murtha	Spratt
Hopkins	Myers	Staggers
Horton	Nagle	Stallings
Houghton	Natcher	Stangeland
Hoyer	Neal (MA)	Stark
Hubbard	Nielson	Stearns
Huckaby	Nowak	Stenholm
Hughes	Oakar	Stokes
Hunter	Oberstar	Studds
Hutto	Obey	Sundquist
Hyde	Olin	Swift
Inhofe	Ortiz	Synar
Ireland	Owens (UT)	Tallon
James	Packard	Tanner
Jenkins	Pallone	Tauzin
Johnson (SD)	Panetta	Taylor
Jones (GA)	Parker	Thomas (CA)
Jones (NC)	Pashayan	Thomas (GA)
Kanjorski	Patterson	Thomas (WY)
Kaptur	Paxon	Torres
Kastenmeier	Payne (NJ)	Torricelli
Kennedy	Payne (VA)	Towns
Kennelly	Pease	Traficant
Kildee	Pelosi	Traxler
Kleczka	Penny	Udall
Kolbe	Perkins	Unsoeld
Kolter	Pickle	Valentine
Kostmayer	Porter	Vander Jagt
Kyl	Poshard	Vento
LaFalce	Price	Visclosky
Lagomarsino	Pursell	Volkmer
Lancaster	Quillen	Walgren
Lantos	Rahall	Walsh
Laughlin	Ravenel	Washington
Lehman (CA)	Ray	Watkins
Lehman (FL)	Regula	Waxman
Levin (MI)	Rhodes	Weber
Levine (CA)	Richardson	Weiss
Lewis (CA)	Ridge	Weldon
Lewis (FL)	Rinaldo	Wheat
Lewis (GA)	Roberts	Whittaker
Lightfoot	Roe	Whitten
Lipinski	Rogers	Williams
Livingston	Rohrabacher	Wilson
Lloyd	Ros-Lehtinen	Wise
Long	Rose	Wolf
Lowery (CA)	Rostenkowski	Wolpe
Lowey (NY)	Roukema	Wyden
Luken, Thomas	Rowland (GA)	Yates
Machtley	Roybal	Yatron
Manton	Sabo	Young (AK)
Markey	Saiki	Young (FL)
Marlenee	Sangmeister	
Martinez	Sarpalius	

NOES—59

Archer	Crane	Johnson (CT)
Armey	Douglas	Johnston
Ballenger	Duncan	Jontz
Bates	Frenzel	Kasich
Bliley	Gekas	Lukens, Donald
Brown (CO)	Gingrich	Martin (IL)
Bunning	Gradison	Martin (NY)
Burton	Hancock	McEwen
Campbell (CA)	Henry	McGrath
Coble	Hiler	McMillan (NC)
Combest	Jacobs	Michel

Molinari	Roth	Slaughter (VA)
Morrison (CT)	Rowland (CT)	Smith, Robert (NH)
Neal (NC)	Russo	Snowe
Oxley	Schneider	Solomon
Parris	Schroeder	Stump
Petri	Sensenbrenner	Tauke
Pickett	Sharp	Upton
Ritter	Shays	Walker
Robinson	Sikorski	

NOT VOTING—18

Aspin	Hawkins	Nelson
Crockett	Hayes (LA)	Owens (NY)
Engel	Leach (IA)	Rangel
Fish	Leath (TX)	Schuette
Gibbons	Lent	Vucanovich
Hall (TX)	Madigan	Wylie

□ 2036

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. MORRISON of Connecticut. Mr. Speaker, I was unavoidably absent for rollcall votes 176 and 177 on H.R. 5019, energy and water appropriations for fiscal year 1991. Had I been present, I would have voted "yea" on rollcall 176 on the Skaggs amendment and "aye" on rollcall 177 on the Petri amendment.

In addition, I was absent this morning for rollcall vote 183 on approval of the Journal. Had I been present, I would have voted "aye."

PERSONAL EXPLANATION

Mr. NELSON of Florida. Mr. Speaker, had I been present, I would have voted "aye" on rollcall No. 172, No. 173, No. 174, No. 176, No. 181 and "nay" on rollcall No. 175, No. 177, No. 178, No. 179, No. 180, and No. 182.

NOTIFICATION OF MEMBER'S INTENTION TO OFFER MOTION TO INSTRUCT CONFEREES ON H.R. 3

(Mr. GOODLING asked and was given permission to address the House for 1 minute.)

Mr. GOODLING. Mr. Speaker, I am providing the House notification that I will be offering tomorrow a motion to instruct conferees on H.R. 3, particularly the ABC section of the child care bill.

The text of the proposed motion is as follows:

Mr. GOODLING moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 3 be instructed to reject the new "Act for Better Child Care" grant program proposed in the Senate amendment.

WASHINGTON CENTER FOR INTERNSHIPS AND ACADEMIC SEMINARS

The SPEAKER pro tempore (Mr. MINETA). The unfinished business is the question of suspending the rules and passing the bill, H.R. 3859.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Montana [Mr. WILLIAMS] that the House suspend the rules and pass the bill H.R. 3859, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 91, nays 313, not voting 28, as follows:

[Roll No. 182]

YEAS—91

Ackerman	Gonzalez	Payne (NJ)
Alexander	Hamilton	Pelosi
Anderson	Hatcher	Perkins
Anthony	Hayes (IL)	Porter
Bates	Hertel	Poshard
Berman	Hoagland	Pursell
Boggs	Horton	Rahall
Bonior	Hoyer	Ridge
Brooks	Hughes	Roe
Brown (CA)	Johnson (SD)	Rose
Carper	Johnston	Rostenkowski
Clay	Jones (NC)	Roukema
Clement	Jontz	Roybal
Conyers	Kastenmeier	Sabo
Coyne	Kennelly	Serrano
Davis	Kildee	Smith (FL)
Dellums	Lehman (FL)	Smith (IA)
Dicks	Levine (CA)	Stokes
Donnelly	Lightfoot	Swift
Dwyer	Lowey (NY)	Synar
Dymally	Matsui	Tauke
Early	Mavroules	Torres
Edwards (CA)	McDermott	Towns
Emerson	Miller (OH)	Vento
Fascell	Mineta	Washington
Fazio	Nagle	Waxman
Foglietta	Neal (MA)	Weiss
Ford (MI)	Nowak	Wheat
Frost	Oakar	Williams
Gejdenson	Oberstar	
Gephardt	Owens (UT)	

NAYS—313

Andrews	Combest	Gingrich
Annunzio	Condit	Glickman
Applegate	Conte	Goodling
Archer	Cooper	Gordon
Armey	Costello	Goss
Atkins	Coughlin	Gradison
AuCoin	Courter	Grandy
Baker	Cox	Grant
Ballenger	Crane	Green
Bartlett	Dannemeyer	Guarini
Barton	Darden	Gunderson
Bateman	de la Garza	Hall (OH)
Bellenson	DeFazio	Hammerschmidt
Bennett	DeLay	Hancock
Bentley	Derrick	Hansen
Bereuter	DeWine	Harris
Bevill	Dickinson	Hastert
Bilbray	Dingell	Hefley
Bilirakis	Dixon	Hefner
Bliley	Dorgan (ND)	Henry
Boehlert	Dornan (CA)	Herger
Borski	Douglas	Hiler
Bosco	Downey	Hochbrueckner
Boucher	Dreier	Holloway
Boxer	Duncan	Hopkins
Brennan	Durbin	Houghton
Broomfield	Dyson	Hubbard
Browder	Eckart	Huckaby
Brown (CO)	Edwards (OK)	Hunter
Bruce	English	Hutto
Bryant	Erdreich	Hyde
Buechner	Espy	Inhofe
Bunning	Evans	Ireland
Burton	Fawell	Jacobs
Bustamante	Feighan	James
Byron	Fields	Jenkins
Callahan	Flake	Johnson (CT)
Campbell (CA)	Flippo	Jones (GA)
Campbell (CO)	Ford (TN)	Kanjorski
Cardin	Frank	Kaptur
Carr	Frenzel	Kasich
Chandler	Gallegly	Kennedy
Chapman	Gallo	Kleczka
Clarke	Gaydos	Kolbe
Clinger	Gekas	Kostmayer
Coble	Geren	Kyl
Coleman (MO)	Gillmor	LaFalce
Collins	Gilman	Lagomarsino
Lantos	Pallone	Smith (NE)
Laughlin	Panetta	Smith (TX)
Lehman (CA)	Parker	Smith (VT)
Levin (MI)	Parris	Smith, Denny (OR)
Lewis (CA)	Pashayan	Smith, Robert (NH)
Lewis (FL)	Patterson	Smith, Robert (OR)
Lewis (GA)	Paxon	Snowe
Lipinski	Payne (VA)	Solarz
Livingston	Pease	Solomon
Lloyd	Penny	Spence
Long	Petri	Spratt
Lowery (CA)	Pickett	Staggers
Luken, Thomas	Pickle	Stallings
Lukens, Donald	Price	Stangeland
Machtley	Quillen	Stark
Manton	Ravenel	Stearns
Marlenee	Ray	Stenholm
Martin (IL)	Regula	Studds
Martin (NY)	Rhodes	Stump
Martinez	Richardson	Sundquist
Mazzoli	Rinaldo	Tallon
McCandless	Ritter	Tanner
McCloskey	Roberts	Taylor
McCollum	Robinson	Thomas (CA)
McCrery	Rogers	Thomas (GA)
McCurdy	Rohrabacher	Thomas (WY)
McDade	Ros-Lehtinen	Torricelli
McEwen	Roth	Traficant
McGrath	Rowland (CT)	Traxler
McHugh	Rowland (GA)	Udall
McMillan (NC)	Russo	Unsoeld
McMillen (MD)	Saiki	Upton
McNulty	Sangmeister	Valentine
Meyers	Sarpalius	Vander Jagt
Mfume	Savage	Visclosky
Michel	Sawyer	Volkmer
Miller (CA)	Saxton	Walgren
Miller (WA)	Schaefer	Walker
Moakley	Scheuer	Walsh
Molinari	Schiff	Watkins
Mollohan	Schneider	Weber
Montgomery	Schroeder	Weldon
Moody	Schulze	Whittaker
Moorhead	Schumer	Whitten
Morella	Sensenbrenner	Wilson
Morrison (CT)	Sharp	Wise
Morrison (WA)	Shaw	Wolf
Mrazek	Shays	Wolpe
Murphy	Shumway	Wyden
Murtha	Shuster	Yates
Myers	Sikorski	Yatron
Natcher	Sisisky	Young (AK)
Neal (NC)	Skaggs	Young (FL)
Nielson	Skeen	
Obey	Skelton	
Ortiz	Slattery	
Oxley	Slaughter (NY)	
Packard	Slaughter (VA)	

NOT VOTING—28

Aspin	Hawkins	Olin
Barnard	Hayes (LA)	Owens (NY)
Coleman (TX)	Kolter	Rangel
Craig	Lancaster	Schuette
Crockett	Leach (IA)	Smith (NJ)
Engel	Leath (TX)	Tauzin
Fish	Lent	Vucanovich
Gibbons	Madigan	Wylie
Gray	Markey	
Hall (TX)	Nelson	

□ 2053

Mr. DEFAZIO changed his vote from "yea" to "nay."

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE JOINT RESOLUTION 324

Mr. MCCURDY. Mr. Speaker, I ask unanimous consent to have my name removed as an original cosponsor of House Joint Resolution 324.

The SPEAKER pro tempore (Mr. WOLPE). Is there objection to the re-

quest of the gentleman from Oklahoma?

There was no objection.

KOREAN WAR REMEMBRANCE DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 575) to designate June 25, 1990, as "Korean War Remembrance Day" and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I yield to the gentleman from Illinois [Mr. SANGMEISTER], who is the chief sponsor of this joint resolution.

Mr. SANGMEISTER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would like to thank the gentleman from Ohio [Mr. SAWYER], chairman of the Subcommittee on Census and Population, and the ranking minority member, the gentleman from Pennsylvania [Mr. RIDGE], for bringing this legislation to the floor. In addition, I would like to thank the majority of our colleagues who have joined me as cosponsors of House Joint Resolution 575 as well as Senators ALAN CRANSTON and FRANK MURKOWSKI for their efforts in the Senate. And lastly, I would like to thank the Veterans of Foreign Wars and all other veteran service organizations for their generous help in making this legislation possible.

Mr. Speaker, June 25, 1990, marks a very important anniversary in our Nation's history. Forty years ago on that day, the Communist Army of North Korea invaded South Korea and ignited the conflict known as the Korean war. As one of 35 Members of the House who served in the Armed Forces during that period, I find it especially tragic that many refer to the Korean war as America's forgotten war. For too long, the courageous men and women who fought in that war have been overlooked. These men and women, and their families, have not forgotten the sacrifices they made to insure the freedom of the South Korean people. Our Nation should never forget those who fought and died in Korea for the cause of freedom.

I would like to share some facts with the American people about the Korean war—America's so-called forgotten war.

The conflict prompted formation of a 22 nation strong United Nations military command—with the United States as the executive authority. This was the only time such a command has ever been used: 5.7 million American servicemen and servicewomen were involved; 8,177 Americans were listed as missing or prisoners of war, and 328 prisoners of war are still unaccounted for; 103,284 Americans were wounded; 54,246 Americans died in the war—including 33,629 battle deaths; and in all, more than 1 million lives were lost as a result of the conflict.

Mr. Speaker, these statistics about the Korean war are sobering and tragic. However, we must remember that the efforts of our brave men and women were not in vain. The conflict left an enormous legacy that has changed the very course of the world. It encouraged the United States to draw lines against Communist subversion—saving the southern half of the Korean peninsula from Communist despotism and putting it on the road toward prosperity and democracy. In many ways, it set the stage for the dramatic changes we see in Eastern Europe today.

So, it is with great pride that I rise today to present this legislation for consideration by the House of Representatives. So be it resolved that June 25, 1990, is designated as "Korean War Remembrance Day," and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe this day with appropriate ceremonies and activities and to urge the Departments and Agencies of the United States and interested organizations, groups, and individuals to fly the flag of the United States at half staff on June 25, 1990, in honor of the Americans who died as a result of service in the Korean war. With House Joint Resolution 575, this Congress is saying "thank you" to the men and women who had the courage and determination to fight on foreign soil for the ideals of freedom and democracy. These ideals have stood the test of time, and now, so will the legacy of the soldiers of the Korea war.

Mr. RIDGE. Mr. Speaker, I congratulate the gentleman for his contribution to this resolution.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection the the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 575

Whereas on June 25, 1950, the army of the Communist government of North Korea initiated the Korean war by invading South Korea;

Whereas the United Nations military command created to respond to the attack is the only example of such a command in the history of the United Nations:

Whereas members of the Armed Forces of the United States exerted executive authority over and were the primary participants in the command;

Whereas in addition to the United States and South Korea, 20 other member nations of the United Nations provided military forces to serve under the United Nation's military command;

Whereas after three years of active hostilities, the territorial integrity of South Korea was restored, primarily through the efforts of the Armed Forces of the United States;

Whereas the people of South Korea remain free and independent to this day;

Whereas more than 5,700,000 United States servicemen and servicewomen were directly or indirectly involved in the war;

Whereas this Nation's casualties from the war included 54,246 dead, of which 33,629 were battle deaths, 103,284 wounded, 8,177 listed as missing or prisoners of war, and 328 prisoners of war still unaccounted for;

Whereas, although the Korean war has been called this Nation's "Forgotten War", the war has not been forgotten by those who served or by the families of those who served;

Whereas this Nation must never forget the sacrifices made by the servicemen and servicewomen who served, fought, were injured, and died in the Korean war;

Whereas the Congress has enacted and the President has signed into law an Act to establish a Korean War Veteran's Memorial in the Nation's Capital to recognize and honor the service and sacrifice of this Nation's servicemen and servicewomen who participated in the Korean war; and

Whereas on the 40th anniversary of the commencement of the Korean war, it is appropriate to recognize, honor, and remember the service and sacrifices of the servicemen and servicewomen of this Nation who preserved the indpendence of South Korea by enduring the rigors of combat, a hostile climate, and other trying conditions during that war: Now, therefore, be it

Resolved by the Sente and House of Representatives of the United States of America in Congress assembled, That June 25, 1990, is designated as "Korean War Remembrance Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities and to urge the departments and agencies of the United States and interested organizations, groups, and individuals to fly the flag of the United States at half staff on June 25, 1990, in honor of the Americans who died as a result of service in the Korean war.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMEMORATING 50TH ANNIVERSARY OF NATIONAL SHERIFFS' ASSOCIATION

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 264) to commemorate the 50th anniversary of the National Sheriffs' Association, and ask for its immediate consideration.

□ 2100

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore (Mr. WOLPE). Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I yield to the chairman of the subcommittee of jurisdiction, my colleague and friend, the gentleman from Ohio [Mr. SAWYER].

Mr. SAWYER. Mr. Speaker, I thank the gentleman for yielding. I take this opportunity to offer special thanks to the gentleman from Texas [Mr. ORTIZ] for his extraordinary effort in bringing this joint resolution before us. Unfortunately, he is not able to be with us. He had a previous engagement for which he was already several hours late.

Mr. ORTIZ. Mr. Speaker, I rise in strong support of House Joint Resolution 497 and ask the House to approve this bill by unanimous consent. House Joint Resolution 497 designates June 24 through June 30 as "National Sheriffs' Week."

During this week, the National Sheriffs' Association will commemorate 50 years of service at their national conference in Denver CO.

Sheriffs are the chief law enforcement officers in their county.

As a former sheriff, I remember the difficulties that are faced on the front line. We should remember that sheriffs face these dangers presented everyday by the war on drugs and, therefore, it is appropriate that we should honor them with this resolution.

This legislation will honor the efforts of current sheriffs as well as those who have proudly pinned on the star in the past.

It will honor all of the sheriffs and deputies who have died in the service of others.

The National Sheriffs' Association has continued to perpetuate the ideals of an efficient organization of the sheriffs of the United States, striving to raise the level of professionalism for the office of sheriff and their deputies.

The National Sheriffs' Association also continues to bring about and preserve legislative harmony on the Federal and State level by being cognizant of the needs of the enforcement officials and the safety of the public.

I hope my colleagues will join me in honoring our Nation's sheriffs for their outstanding efforts to preserve peace and insure domestic tranquility.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 264

Whereas the National Sheriffs' Association, incorporated on September 26, 1940, by the Secretary of State of the State of Ohio, is commemorating 50 years of service this year;

Whereas the purposes of the National Sheriff's Association are to form and perpetuate an efficient organization of the sheriffs of the United States and to raise the level of professionalism in the office of sheriff and in sheriffs' deputies and other law enforcement professionals charged with or interested in the execution and enforcement of State and Federal laws;

Whereas the National Sheriffs' Association continues to provide professional law enforcement leadership in the areas of training and exchange of information pertaining to the duties, methods, and official practices of the members and to inform the members of all such matters that pertain to violation of law or injury to persons or property;

Whereas the National Sheriffs' Association has continued to foster cooperation among State sheriffs' associations and Federal, State, and municipal law enforcement organizations; and

Whereas the National Sheriffs' Association has continued to advocate and preserve legislation in harmony with the needs of enforcement officials and the safety of the public: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of June 24, 1990, through June 30, 1990, is designated as "National Sheriffs' Week" in honor of the 50th anniversary of the National Sheriffs' Association, and the President is authorized and requested to issue a proclamation calling upon the people of the United States to honor all sheriffs during the week for their outstanding efforts to preserve the peace and ensure domestic tranquillity.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 575 and Senate Joint Resolution 264, the joint resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ANNUAL REPORT OF DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR 1988—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Banking, Finance and Urban Affairs.

(For message, see proceedings of the Senate of today, Tuesday, June 19, 1990.)

REPORT ON ADMINISTRATION OF THE RADIATION CONTROL FOR HEALTH AND SAFETY ACT DURING CALENDAR YEAR 1989—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Energy and Commerce.

(For message, see proceedings of the Senate of today, Tuesday, June 19, 1990.)

LET US NOT ALLOW THE BURNING OF OLD GLORY

(Mr. DORNAN of California asked and was given permission to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, in reference to the last speaker, the distinguished gentleman from West Virginia, let him organize an all-night session on the S&L's. I will take the tough slot, 3 to 4 a.m. I will be glad to discuss the S&L crisis, and I agree, we should burn people on it.

But meanwhile, let us not allow the burning of Old Glory.

I have never in an interview for the past year and a half at any time, any place, ever taken political advantage of the flag issue or ever indicated for one solitary second it was a partisan issue. I do not believe it is a partisan issue.

After all, in this 5-to-4 decision out of the Supreme Court, it was two conservative Justices, the two new freshmen members following a libertarian stripe, that gave the majority to undo, twice, 48 State laws stopping the desecration of Old Glory.

Mr. Speaker, I am inserting in the RECORD Patrick Buchanan's column, my good friend and an excellent man with logic, his column from yesterday where he said simply, quoting Justice Brennan, that a man or a policeman who rushes into a mob to stop its desecration is a scofflaw, who does not understand the first amendment. But to burn the flag, that is OK.

That is like Orwell's statement that that has to be an intellectual statement, because a common man would never speak so foolishly.

WHOSE CONSTITUTION IS IT, ANYWAY?

(By Patrick Buchanan)

Last Monday, in a 5-4 decision, the Supreme Court basically said that American citizens, who have pledged their "allegiance to the flag of the United States,"may not interfere with its mutilation.

The man who burns the flag exercises a constitutional right, says octogenarian Justice William Brennan. But, the man, or policeman, who rushes into a mob to stop its

desecration is a scofflaw, who doesn't understand the First Amendment.

George Orwell's observation comes to mind. Only an intellectual would make a statement like that; no ordinary man could be such a fool.

Burning the flag is saying, "I hate America," says one justice. Like it or not, this is protected political speech. But, "mooning" a candidate is also political expression. Is that, too, now protected?

Flag burning may be political expression; but, it is more than speech; it is conduct. To burn the flag of people whose fathers fought under it, whose uncles and brothers lie buried beneath it, is a provocation, an act of aggression. If burning the American flag does not constitute "fighting words," what the devil does?

During the War Between the States, Yankee and Confederate soldiers, some still boys, died retrieving fallen battle flags. They were honored in memory, decorated for bravery. How can it be a badge of honor to have died, picking a fallen flag up out of the mud, and at the same time is it the constitutional thing to do to let someone spit on it, rip it and burn it?

The court's ruling contradicts common sense.

Freedom of speech was never an absolute right. Men have been sued, and punished, for slander, libel, false advertising, inciting riot, obscenity, panhandling. All these are more purely speech than pouring kerosene on a flag and putting a match to it.

Until 1989, flag burning was outlawed in 48 states. Were we less free before Bill Brennan struck down those state laws?

It is time Americans recaptured their hijacked Constitution from the unelected ideologues who have distorted it for 30 years. Behaving like sheep before black-robed shepherds we have let this country be driven to where the Ten Commandments cannot be posted in a public school, or a manger placed in a public park at Christmas, but flag burning and pornography are court-protected activities. A supposedly self-governing American people must now wait for this all-powerful tribunal to tell us what we may, and may not do, about capital punishment, taxes, abortion, conscription, even how our legislature districts may be drawn up. This is the American Civil Liberties Union's America; not what the Founding Fathers had in mind. And we all know it.

Fortunately, this time, the court went too far. The good news about the flag-burning decision is that the affront to Congress, not just the states, may finally convince our cowardly first branch of government to drive the renegade third branch back onto its constitutional reservation.

But there is an easier method of redress than amending the Constitution. The Founding Fathers who knew the capacity of men to abuse power; provided for a Bill Brennan.

Article III specifically authorizes Congress to restrict the "appellate jurisdiction" of the Supreme Court. All Congress need do is pass a law denying the Supreme Court the right to hear appeals from state courts on cases dealing with flag desecration.

Flag worship is not, as some insist, a form of idolatry. A man who reveres and honors the flag no more "worships" it than a man who keeps a picture of his family on his desk worships them.

All of us know friends who, without request, will take out of their wallets a photograph of a child. This is not idolatry, but an expression of paternal pride, affections, love. Burning the flag is like taking that picture, spitting on it, throwing it in the gutter, trampling on it. It is not an invitation to argue; it is a challenge to fight. Like calling one's mother a tramp.

The idolatry, here is on the part of those who have exalted the First Amendment above the Constitution of which it is only a part; then, declared it to be an absolute; inviolable right. Anyone who did that with the Second Amendment would be called a nut.

"We, the People of the United States," the Constitution says in its preamble, "do ordain this Constitution, in order to form a more perfect Union . . . insure domestic Tranquility . . . etc." How does burning the American flag help "create a more perfect union" how does it help "insure domestic Tranquility"?

America's kulturkampf, the cultural struggle, deepens. People who hate America are no longer satisfied with airing their views, because no one pays any attention to their views. That is why they resort to provocation: urinating on crucifixes, burning flags, filling the airwaves with filth, polluting the culture. Then they demand we respect, protect, even subsidize their hatred.

The flag amendment is a vehicle for giving them the kind of beating that is long overdue. As Thomas Jefferson reminded us, "A little rebellion, now and then, is a good thing, as necessary in the political world as storms in the physical." A flag amendment is our rebellion.

Where should that rebellion lead? Ultimately, to restoration to its rightful place of our lost, 10th Amendment: "The Powers not delegated to the United States by the Constitution, not prohibited by it to the States, are reserved to the States respectively, or to the people." The pornography and prayer cases, the flag-burning and abortion cases belong back there—with the states and the people.

THE NOTCH BABIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GAYDOS] is recognized for 5 minutes.

Mr. GAYDOS. Mr. Speaker, I rise today to join my colleagues in calling attention to the notch baby issue.

Social Security provides a lifeline for many Americans. It was the cornerstone of Franklin D. Roosevelt's New Deal and is supposed to enable our older citizens to live independently and with dignity.

But, it appears, all is not perfect. When we adopted the 1977 Social Security Amendments, we inadvertently created a class of 7 million people—the "notch" babies—who, born between 1917 and 1921, receive smaller retirement benefits than retirees born either before or after them.

How did this happen? Well, in our attempt to ensure that the Social Security system would continue to assist our retirees, we adopted a 5-year, phase-in plan to gradually reduce benefits for all retirees.

That plan didn't work as we had hoped because we had not anticipated the double-digit inflation rate of the late 1970's and early 1980's, and, unfortunately, that small group of retirees, the "notch" babies, are suffering unfairly as a result.

Each year, I receive thousands of letters from constituents contending that they or a family member are being discriminated against.

We have all heard the countless horror stories. Two workers born only days apart, for example—one in December 1916 and the other in January 1917, who both retired in January 1982 and receive monthly Social Security benefits that could differ by as much as $110 a month—even though their earnings were the same while they were employed.

According to the National Committee To Preserve Social Security And Medicare, the average loss for each notch baby workers is $660 per year when measured against the benefits of retired workers born between 1912 and 1916.

The average annual loss for spouses of notch babies is $363 and $293 for each child.

Today, nearly 13 years after the passage of the 1977 amendments, 621,637 notch babies in the State of Pennsylvania alone are still waiting for their fair share.

As I said earlier, our intentions were to make the system fair for all recipients. The Congress and the Ford and Carter administrations did what they felt was best at the time.

It wasn't, and now it's time to finally solve the problem.

Mr. Speaker, we've been haggling over this issue for too many years. Action is long overdue, and as a cosponsor of H.R. 917, I have made the commitment to the elderly in my district and across the country to help resolve the notch problem.

I have also signed the petition to discharge notch legislation from the Ways and Means Committee.

We're not looking at an impossible task. Compared to the savings and loan bailout, which is expected to cost American taxpayers as much as $500 billion, correcting this inequity would be a drop in the bucket.

Yet we hesitate to help out these individuals who are only guilty of being born either a few years too late or too early. This simply doesn't make sense, and it's not fair.

The General Accounting Office's March 1988 report on the notch issue says:

> No amount of technical discussion and sophisticated analysis is sufficient to convince an individual that it is equitable for him to receive a benefit that is $100 less per month than his nearly identical neighbor.

This blatant inequity doesn't have to continue to exist, and can be corrected at a modest cost. It's the very least we can do to help make things right for these Social Security recipients.

I'd also like to take this opportunity to give special recognition to some of the notch babies who reside within my congressional district and have been tireless in their efforts to have this inequity corrected.

Mr. Maurice "Buzz" Quinlan of Verona, PA, and Mr. John L. Fabry, and Mrs. Helen Furer, both of Brackenridge, are among those who have persisted in the fight to correct the Social Security notch.

They are to be commended for their hard work and dedication.

They, along with the nearly 2,000 notch babies who correspond with me regularly, have been most effective in keeping the notch issue in the forefront and in sustaining my efforts to press for prompt action to have the discrepancy corrected.

I urge my colleagues to join me in making the Social Security System work for everyone, including the notch babies.

Mr. Speaker, I yield to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Speaker, I would like to associate myself with the statement of the gentleman from Pennsylvania.

Mr. Speaker, we are here today to discuss an issue that potentially affects as many as 20 million Americans, but which unfortunately might not otherwise be addressed in this Chamber.

That issue is the Social Security notch, and there are many of us here today who have worked long and hard to try to bring this matter up for due consideration, only to see our efforts die in committee each Congress.

Mr. Speaker, that must change. When Congress passed the Social Security Amendments of 1977 to correct a flawed benefit formula by gradually phasing in a new formula, we never dreamed that we would be cutting benefits for those born during the transition period of 1917 to 1921. And, as a report by the General Accounting Office stated:

No amount of technical discussion and sophisticated analysis is sufficient to convince an individual that it is equitable for him to receive a benefit that is $100 less per month than his nearly identical neighbor.

So here we are, 13 years later, with no bill on the floor and no committee hearings even scheduled, presumedly hoping that this issue will just fade away. However, there are those of us here today who do not want to see this issue fade away and who are still actively pursuing legislation to correct the notch inequity.

There are many Members who have notch bills to promote, and I have my own, H.R. 2707, which I introduced with my Senate colleague Senator TERRY SANFORD of North Carolina. But just like many of my colleagues who have introduced notch legislation, I feel no pride of authorship—I am also an original co-sponsor of the Roybal bill, H.R. 917—but rather I feel that it is high time that we get a bill through committee and to the floor for a vote. For if this issue continues to be denied its just consideration, then we will in effect be following one injustice with another.

Mr. GAYDOS. Mr. Speaker, I yield to the gentleman from Nevada [Mr. BILBRAY].

Mr. BILBRAY. Mr. Speaker, I would like to associate myself with the statement of the gentleman from Pennsylvania who has so adequately said what all of us want to say.

Mr. Speaker, the Social Security notch is a national issue that is long overdue in being addressed on the House floor.

It is a sad fact that retired workers born between 1917 and 1928 will lose an average of $660 a year in Social Security benefits. Some actually lose thousands of dollars each year. I am here today because I believe it is high time for Congress to stop the rhetoric and start to do something to correct an injustice that has been plaguing our senior citizens for over a decade.

The Social Security notch was created during the double-digit inflation of the late 1970's. Because of the rapidly increasing inflation rate, the retiree's benefits began to rise even faster than the inflation rate. The formula for computing benefits was changed in 1977 in an attempt to stop what appeared to be a runaway drain on the Social Security system. These 1977 modifications sought to phase in a 6-to-10-percent benefit reduction over a 5-year period; however, this new formula did not work. As a result, a "notch" opened up, with retirees born from 1917 to 1921 receiving less in benefits than those born in prior years.

Mr Speaker, I believe Congress committed a serious error in 1977 when it enacted the legislation that created the "notch" by specifying a transition period of only 5 years. Instead of a gradual transition to the new benefit formula, as was the intent, an abrupt, 20-percent reduction in benefits actually occurred.

Today, the 8 million seniors born between 1917 and 1921 are discriminated against every month when they receive their Social Security benefits. These notch babies receive much lower Social Security benefits, sometimes as much as $200 per month less than those born before the notch.

In the State of Nevada, the notch inequity has affected over 41,000 retired workers. In my district alone I receive dozens of letters and phone calls each week from seniors angry about the notch.

The stories I hear tell of the unjustness of the notch inequity: Two sisters who worked for the same company for 25 years and made virtually identical contributions to Social Security. The sister born in 1917 receives $1,860 per year less in Social Security benefits than her older sister who was born just 1 year before. Another woman who has been paying into Social Security since 1937 has had over $11,000 in benefits withheld and is currently living in poverty on $550 a month. She demands to know when this injustice will stop? When she will be compensated? These are the questions our seniors ask every day, and they still remain unanswered. Our constituents are fed up with the legislative inaction by Congress. Now is the time to act on the notch issue and I urge you to support the effort to resolve this injustice.

I have been a cosponsor of legislation to correct the Social Security notch inequity since shortly after my election to office. This Congress I have repeated my support for two bills which would fix the miscalculation, reverse the notch and equalize Social Security checks.

At last count, close to 200 Members of this body have cosponsored legislation by Congressmen FORD, GRANDY, HEFNER, and ROYBAL to correct the notch inequity. But still Congress has failed to act.

Mr. Speaker, I see this as an issue of fairness to our seniors and I am determined to work for them until this issue is resolved once and for all.

We have held this forum to command the attention that this issue deserves. We stand committed to rally enough of our colleagues to find a compromise to this problem. We must put an end to the disparity in benefits which has troubled seniors for nearly 12 years.

Today may very well be the only opportunity we as Congressmen have to debate this issue. We should let the seniors know that they do have allies in Congress concerned about their situation and dedicated to finding a responsible solution to the Social Security notch inequity.

I thank my colleagues for this opportunity to speak today on this most pressing concern. I yield back the balance of my time.

Mr. GAYDOS. Mr. Speaker, I yield to the gentlewoman from South Carolina [Mrs. PATTERSON].

Mrs. PATTERSON. Mr. Speaker, I would also like to join with my other colleagues in support of the gentleman from Pennsylvania.

Mr. Speaker, today I join some of my colleagues in voicing my strong support for an equitable solution to resolve the "notch" situation.

This issue has been lingering around for too long without being resolved. Various pieces of legislation with fair and reasonable solutions have been introduced and reintroduced only to remain pending in the House Ways and Means Subcommittee on Social Security year after year, Congress after Congress.

The time has come for Members of Congress to stop dragging their feet and overlooking our older citizens who deserve to be treated fairly and equally.

Enough hearings have been held and enough studies have been conducted. It is time to take action to correct this situation. To allow the notch problem to go another year unresolved would be a grave injustice for our citizens who worked hard for their benefits.

I urge my colleagues to join in resolving this situation this year and stop dragging their feet.

NOW THAT THE WEST HAS WON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, the cold war is over and someone needs to tell Congress and the President, Time magazine proclaimed in its June 18

issue in an article: "Clinging to the Cold War."

The winds of change are blowing through the Soviet Union, China and other Communist countries—blowing with such force that the leaders of those countries can barely stand against it.

The economies of Communist countries are collapsing like houses of cards, leaving store shelves empty and people looking for an alternative.

Russian leaders know that cold war saber rattling; that building tanks and missiles beyond defense needs serves only to drain their treasury—and will not fill store shelves with bread and meat.

Democracy is winning the ideological battle and capitalism is winning the war for economic supremacy.

But Time magazine observes that someone needs to tell the President and Congress.

Why? Because even with these dramatic and historic changes, the Federal budget continues to be built on a 1950's cold war foundation, with billions of dollars still earmarked to defeat the spread of communism—a system which cannot keep its own people fed and must beat and kill students in a square in China merely to survive in power.

These events present us with an exciting and challenging opportunity—consideration of the first post-cold war budget. It is an opportunity to launch a serious discussion of the road ahead, to ask where we are going and how we are going to get there.

I am calling today for a dialog, based on the premise that we face a new era—an era which will require us to come up with new directions for the Nation.

The battle against communism no longer represents an impediment to such discussions. In addition to dealing with their multiple failures, Communist countries are too busy battling their own citizens to present a military threat to the United States.

But, as Time magazine proclaimed, someone needs to tell the President and Congress that the west won—that the cold war is over.

The Defense Department is aware that times are changing, the news media is aware that great power shifts are taking place around the globe. It is time for this information to be fully embraced by both White House and Congress.

Cold war spending must be reviewed with an eye to its necessity.

The millions we are spending to send radio and television signals into Cuba certainly serves as a prominent example of the type of cold war spending which is difficult to justify in this new day and age.

Cuba is effectively jamming Radio and TV Marti signals—causing little problem for Castro, but potentially great problems for our own domestic broadcasters.

It is much the same with the trade embargo against Cuba. A spectacular failure as a foreign policy tool, it has served only to hurt American farmers—farmers such as those in my own State of Arkansas.

Communism is also failing in Cuba. Castro knows this. It has prompted him to try to better relations with the United States for the past 10 years.

He can look beyond his island and see events in Eastern Europe. He knows of the student uprising in Beijing. Castro knows that the fate of his country does not lie ultimately with the Soviet Union and China thousands of miles from Havana, but with the United States—90 miles from his shore.

The type of cold war spending represented by Radio and TV Marti must be seriously reviewed. We must reestablish our priorities within the framework of today's changing world conditions—not continue as if the Red scare was in full bloom.

Gratefully, we are moving into a new era—an era marked by the replacement of confrontation with cooperation, enabling us to rethink priorities. It is a chance we should not miss.

Accordingly, we must establish directions for America which take into account these greatly altered circumstances.

The facts are there, the record is an open book. And, the facts fly in the face of the perception that Congress is to blame for the mountain of debt this country faces.

By speaking with a single voice, focusing the message and getting it out, administrations have been able to tar Congress with the big spender brush—even in light of the fact that during the 1981-88 period, Congress appropriated $16.1 billion less than the President requested. And, since 1944, Congress held the total of appropriations bills almost $174 billion below Presidential requests.

We now need to turn our undivided attention to a careful study of the first post-cold war budget with an eye to budget savings.

We have the chance to carefully review cold war spending. To eliminate it where possible. The savings could run into the billions of dollars.

A post-cold war budget will also allow us to turn our attention to America and her needs. It could be that we can use some resources now earmarked for fighting the cold war to invest in our country and our people.

Because spending priorities have been focused on massive defense buildups and other manifestations of the cold war mindset, our own country has suffered—to the point that the 1980's have been described as a "Decade of Disinvestment in America."

We cannot allow that to continue into the 1990's, to allow our public works infrastructure to deteriorate further and to deprive our youth of the training and education they need to compete in a global economy. To do so would be an abdication of leadership and responsibility.

Budgetary savings. An invest in America program.

All of these possibilities and more could be part of our overall post-cold war budget discussions.

I am fully aware that we cannot step in and immediately dismantle the system we put into place to fight the cold war.

I do not suggest such action.

In fact, the cold war system has done its work very well and those who worked within it are to be congratulated. The job they have done is certainly partly responsible for turning the eyes of many Eastern Europeans toward a different system, one which can provide for their needs and be less restrictive on their liberties.

I do suggest, however, that it is time we start a process of review—which could lead to the cutting back of some of these agencies and a redirection of the funds currently going to pay for their operation.

Do we need to be spending money directing broadcast signals into Cuba—signals which few Cubans even see because of jamming? I believe these are the type questions we should be asking.

There are, of course, many domestic needs which could be addressed with these funds—shifting our priorities from the cold war to the drug war is a prime example of a shift which would greatly benefit this Nation.

And, the internal threat posed by drugs seems much more serious to me today than any external threat we face from communism.

While the Department of Defense is combing through its budget to identify savings which can be made because of changing world conditions, I believe we in Congress have an obligation to do the same, across the entire budget.

The review should begin immediately.

The cold war is over, communism is failing. It's chances of recovery are slim. The Nobel laureate economist F.A. Hayek argues, for example, that the modern world is too rich in information for centrally planned states ever to satisfy the wants to their own people—and, therefore, must fail.

We can reap the dividends of victory in the cold war, but we must be convinced it is over before we will roll up our sleeves, get to work and produce those dividends.

The American people will benefit from the end of the cold war. It is now a matter of convincing the President

and Congress that the last symbolic shot has been fired.

CLINGING TO THE COLD WAR

(By George J. Church)

The cold war is over. Intellectuals, diplomats and government officials agree. So does business; last week General Motors signed a $1 billion deal to sell auto parts to the U.S.S.R. Now would somebody please tell Congress? Old thinking dies hard on Capitol Hill, and there are days when the lawmakers seem to have missed the news.

Certainly George Bush has so far failed to get the message across, in part because of his own ambivalence. At his summit with Soviet leader Mikhail Gorbachev, the President proclaimed, "We've moved a long, long way from the depths of the cold war." But asked last week if the cold war was over, Bush fudged: "Well, I don't know—we've got to wait and see." Ever since the summit, the President has heard grumbling—and not only from right-wingers—that he failed to "jam it to them while they're weak," in the words of Wisconsin Democrat Les Aspin, chairman of the House Armed Services Committee. Aspin predicts "potential problems" for both the chemical-weapons treaty signed at the summit and an eventual pact to reduce strategic nuclear warheads. But the biggest trouble at the moment is a bipartisan rebellion against a trade agreement that would grant Moscow most-favored-nation trade status (which actually means access to American markets on terms equal to those enjoyed by most other countries).

Under Gorbachev, the U.S.S.R. has fulfilled the one explicit condition that Congress laid down for granting MFN status to the Soviet Union when it passed the Jackson-Vanik Amendment in 1974, which was intended to permit freer emigration. In 1989, 71,190 Jews left the country. As recently as three years ago, a mere 914 emigrated. However, congressional leaders of both parties have raised a new condition: movement toward granting Lithuania's demand for independence from Moscow.

That approach is particularly surprising since Soviet-bashing no longer commands wide support among voters. Only a fourth of those who responded in an April poll for Time and CNN by Yankelovich Clancy Shulman said the U.S. "should pressure the Soviet Union to give Lithuania its independence." Almost two-thirds judged the issue to be "none of our business."

So why is the hard line now developing in Congress? Part of the explanation is that some conservatives would be left with little to do since one reason for their existence is to promote hostility toward the Kremlin. Other legislators who have no nostalgia for the cold war nonetheless think Bush has tied U.S. policy too closely to Gorbachev's political survival, and thus made concessions unwarranted by Soviet weakness. Bush invited such criticism by linking Lithuania and trade relations in May, then unlinking them at the summit without getting Soviet concessions in return.

A still larger number of Congressmen say they support any nation's right to self-determination. Their lofty concern apparently does not extend to Quebec, Slovakia, Palestine or other areas where minorities are seeking nationhood, perhaps because U.S. voter rolls do not include large numbers of French-Canadians, Slovaks or Palestinians. Though Lithuanian Americans have been highly vocal, they are small in number and there is no organized Lithuanian lobby in the U.S. But millions of Americans of East European ancestry nurse a long-standing and understandable grudge against Moscow.

Most important of all, Democrats like Majority Leader George Mitchell and Speaker Tom Foley have been probing for an issue on which they can score points against the highly popular Bush. They are being joined by Republicans like Senate Minority Leader Bob Dole who share the irresistible congressional tendency to bicker with the President—any President, on almost any issue that comes to hand. It is difficult to remember now, but little more than a year ago many Congressmen, including some of those currently most critical of Bush for allegedly caving in to the Kremlin, were blasting the President for not moving rapidly enough to end the cold war. They would do well to bear in mind that George Bush is still the shrewdest poll reader in America, and that he may know something about his countrymen's desire to move beyond the cold war.

□ 2110

CHAIRMAN ANNUNZIO REPORTS ON POLISH CREDIT UNION DEVELOPMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, periodically I have given the House a report on the latest information on the development of credit unions in Poland and other Eastern European countries. Poland currently lacks financial institutions serving the savings and credit needs of that country as it moves toward becoming a democracy. The Solidarity union movement has chosen credit unions for this role because of their worldwide success during the last 140 years.

As chairman of House Banking Subcommittee on Financial Institutions, I proposed and received the cooperation of the Credit Union National Association and the World Council of Credit Unions to work with Poland's Solidarity in providing technical training to create a credit union system. I also urged the administration to provide funding for this endeavor. The U.S. Agency for International Development last month awarded an 18-month grant of $230,000 which will allow the World Council to complete the first two steps of a three-step program.

I have now learned that the first step is under way—a detailed technical team analysis of the market, legislative, and financial climate in Poland. The second and third steps will be the design of a credit union development program and the implementation of that program.

Earlier this month, a technical team consisting of representatives of the World Council and the Solidarity Polish Credit Union Working Group traveled to Poland to begin the development of a national credit union movement in that country. The team's work follows up on a February-March credit union study tour of the United States, Canada, and Ireland by six Solidarity representatives.

A development strategy will be written and presented to the Polish Credit Union Work Group before the team leaves on June 29.

In addition to AID, financial support for the month long trip by the 17-member team comes from a number of sources within the international credit union movement, the CUNA Foundation, CUNA Mutual Insurance Group, the Credit Union Executives Society and the various organizations represented by the participants.

A new term is being used in Poland, "Savings and Credit Unions." It emphasizes that savings will be the principal source of funds.

Mr. Speaker, I might also add that the first 10 savings and credit unions are expected to be organized and operating in Poland by the end of 1990. This is a far cry from the situation less than a year ago when I urged that the United States provide financial and technical help to Poland because the people had lost faith in government-run institutions there. The Polish people had literally stuffed their savings—estimated at $7 billion—in mattresses, or under floorboards, or in cookie jars, because of fears of confiscation by the state.

ENDORSEMENT OF NATIONAL ENDOWMENT FOR THE ARTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. TOWNS] is recognized for 5 minutes.

Mr. TOWNS. Mr. Speaker, I stand today to lend my unequivocal endorsement for the work of the National Endowment for the Arts. In providing encouragement and assistance to individual artists, this incredible organization has enriched the society.

There are some who contend that public funding should not be used to fund the arts. However, I think that a lesson in history may be instructive. In the Great Depression, the WPA was a part of President Roosevelt's new deal. In this country's most difficult political and economic times, there was a national policy which appreciated the magnificent potential in the contribution of artists to shore up the national spiit and move the country toward prosperity. This was not make-work projects. These projects provided firsthand documentation of significant historical events. Few can forget the moving photographs taken by WPA artists of the displaced farmers moving across the country with their families and possessions on truck in search of a better life. A photograph may be art one day and history the next.

In recent years, the National Endowment for the Arts has come under attack by self-appointed arbiters of taste, decency, and decorum. I believe the American people can make their own decisions about the art they value and want to see. I have not become more qualified to critique art by virtue of holding public office. I don't know anyone who has. Many people are saying that because this art is publicly funded, a public consensus of acceptability is required. Art should not be held to any standard different from other governmental expenditures. We do not require a consensus for defense spending; funding for education; nor health care spending. We do not require a consensus because there are some projects which we fund because it is the right thing to do, it is the business of government to do it; it is necessary; and as a nation, we need it.

Art allows us to look into our hearts, see beyond ourselves and rise above the everyday mundaneness of the world. We expand the horizons of the inner self to learn to understand the life and experiences of others. You may never see Tahiti, but if you have seen Paul Gauguin, you have a feeling of knowing the people and customs of this place. You may never have been to Harlem, but you can begin to understand the life and dreams of these people by reading the works of Langston Hughes; you may never have known anguish or despair but if you see the works of Munch, you will understand the pain of those who do; you may never have known the tranquility of water lilies on a pond, but if you have seen Monet, you may understand.

In essence, art allows us to overcome, transcend, and be made sublime. Those who oppose art oppose openness, and new ideas. To oppose art is to oppose the potential inherent in each of us. To oppose art is to oppose yourself.

STATEMENT ON THE REAUTHORIZATION OF THE NATIONAL ENDOWMENT FOR THE ARTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. WEISS] is recognized for 60 minutes.

Mr. WEISS. Mr. Speaker, the National Endowment for the Arts [NEA] comes before Congress for reauthorization this year in the midst of a political tempest. Strangely, at the eye of this storm lie a few small photographs, notably some taken by the late Robert Mapplethorpe. The tiny group of outspoken legislators and other individuals who are generating these menacing winds thunder for restrictions on the content of what NEA-funded artists may produce. In doing so, they are ignoring several critical realities.

First, a majority of their constituents supports Government funding of the arts without content restrictions based on political judgment. A recent nationwide poll reveals that 61 percent of the American public rejects congressional efforts to restrict or censor controversial art, and strongly supports the National Endowment for the Arts against its critics in the current debate.

Second, those advocating congressional censorship of NEA grants ignore the near perfect track record that the NEA peer review grantmaking process holds. In the NEA's 25-year history, less than 0.02 percent of 80,000 grants awarded have been controversial in any way.

Rather than celebrating this unique record of success, however, NEA critics focus on the handful of grants that have received negative attention, and seek to revise or destroy the whole NEA grantmaking procedure. Instead, these critics should focus on the NEA's monumental achievements.

Remarkably, three out of the four of this year's Tony nominees in the "Best Play" category, including the winner, were developed at NEA funded nonprofit theaters. So were the last 11 Pulitzer Prize winning plays.

When the National Endowment for the Arts was founded in 1965, there were 100 local arts agencies, and now there are over 2,000. In 1965 there was one full-time professional chorus in the country, 60 professional orchestras, 37 professional dance companies, and 56 nonprofit professional theaters. Now, there are at least 57 professional choruses, 210 orchestras, 250 dance companies, and 400 theaters eligible for endowment support. The audience for all of these activities has grown exponentially.

This NEA-generated burgeoning of the arts profoundly impacts the economy of our country. Economic studies demonstrate clearly that the arts are a major generator of income. In a 1985 report, the Los Angeles Chamber of Commerce estimated that the overall economic impact of the arts in the area amounted to nearly $5.1 billion per year.

A 1987 report on the New York City and New York-New Jersey metropolitan area states that the arts have a $6 billion impact on the economy, creating more than $2 billion in personal income and over 117,000 jobs. The more than 1,900 arts institutions in the region entertain an annual audience of 64 million—13 million of whom are visitors from outside the region. These visitors, who come primarily or extend their stay for arts and culture, together with the proceeds of touring companies, generate an estimated $1.6 billion for the area.

One last point that grant restriction advocates must keep in mind: restrictions based on political content of art challenge the integrity of the U.S. Constitution. Many constitutional scholars believe that such restrictions violate the first amendment guarantee of freedom of expression. The New School for Social Research recently filed suit in a New York Federal district court based on this claim.

The Supreme Court has repeatedly held that the first amendment does not disappear just because the taxpayers pick up the tab. In 1958, in Speiser versus Randall, for example, California established a rule requiring anyone who sought to take advantage of a property tax exemption to sign a declaration stating that he did not advocate the forcible overthrow of the Government of the United States. This Court stated that:

to deny an exemption to claimants who engage in certain forms of speech is in effect to penalize them for such speech (Id, at 518, 78 CT., at 1338).

One can clearly see the parallel of this case to the current antiobscenity pledge artists are required to sign if they are to receive an NEA grant.

In Perry versus Sindermann (1972), the Court stated that:

the government may not deny a benefit to a person on a basis that infringes his constitutionally protected interests—especially freedom of speech.

And, in a unanimous opinion in the 1983 case Regan versus Taxation with Representation of Washington, Chief Justice William Rehnquist wrote that neither by subsidy nor penalty, may the Government "aim at the suppression of dangerous ideas."

Again, in Federal Communications Commission versus the League of Women Voters of California (1984), the Court held that editorials, however controversial, may not be banned from the public airwaves—even though the taxpayers foot the bill for the Corporation for Public Broadcasting.

A nation that has long distrusted loyalty oaths should not jump to establish conformity oaths. The people of this country have learned that prior restraints exert an intolerably chilling effect. Artists receiving NEA grant checks attached to a list of forbidden ideas will sacrifice creativity to ensure that they do not broach the line of acceptability. As Justice Thurgood Marshall once put it, the problem with a "sword of Damocles is that it hangs—not that it drops."

Obviously, the Government must exercise some control over publicly funded art; some accountability is required. The quality of the art, however, and not political palatability, must be the determining factor. In a free society, a government may not purchase artistic orthodoxy by the power of the sword nor by the power of the purse.

In 1981, President Reagan's own Presidential Task Force on the Arts and Humanities endorsed:

The continuation of this system which leaves decisions about artistic and scholarly merit to the judgement of respected professionals in the arts and humanities.

The task force further stated:

panel review has proved to be a fair and effective system for grant-making at the Endowment.

Recently, President Bush stated his support for the peer review process and asked for a reauthorization of the NEA without content restrictions. Representative PAT WILLIAMS, chairman of the subcommittee with jurisdiction over reauthorization of the NEA, has introduced a bill that does just this.

As Representatives of the people, we must be responsive to the desires of the people and respect the integrity of the Constitution. I, therefore, urge my colleagues to support Representative WILLIAMS' important piece of legislation and reauthorize the NEA without restrictions.

Mr. RANGEL. Mr. Speaker, sometimes, for a long while there is a great silence about this or that program and you eventually begin to wonder whether anybody out there cares about that program. Then, the program becomes threatened, and the silence suddenly turns into a chorus of support. That has happened with the National Endowment for the Arts. In the last few weeks hundreds and hundreds of my constituents have written me asking me to support the NEA and oppose new censorship policies for the NEA. So I would like to let my constituents know that I have heard their voices and they can count on my support.

When those who want to censor the National Endowment of the Arts talk about the problem, you always hear about these same cases. You don't here about the three Tony Award-winning plays this year that benefited from grants from the NEA. You don't hear about this year's Pulitzer Prize-winning play which benefited from grant from the NEA.

Now, if I was on the advisory board of the NEA, I don't know whether I would have chosen those particular projects for funding that the opponents of the NEA pick out as obscene. Each of us has different tastes and we would make different choices if we were in the position of choosing. But, given that, what are we going to do?

Shall we get rid of the whole NEA because we disagree with some of their grants? Well, if we do that then we are going to lose all of those other projects, those that we like as well as those we don't—including the Pulitzer Prize-winning plays.

Perhaps then we should have a policy of not funding obscene art. Perhaps the NEA could make a stamp which says "Government Approved: Not Obscene" and on every piece of art with Government funding we can put that stamp "Government Approved: Not Obscene." I don't think we want that either.

No, I think the best solution by far is to accept the fact that we may at times have disagreements over what should be funded, but to retain our policy supporting the National Endowment for the Arts without censorship. Surely, the principles of free speech and support for the arts are more important in the end than disagreements about a very few pieces of art.

Mr. SCHEUER. Mr. Speaker, I first want to congratulate my New York colleague, Mr. WEISS, for bringing us here together to call attention to an issue crucial to all Americans.

A country is defined by its culture, and if the attacks on the National Endowment for the Arts continue, this country is in danger of losing its identity as the civilized world's cradle of free expression.

Mr. Speaker, the President has stalwartly supported the NEA, and Chairman John Frohnmayer so far, and I congratulate him for his splendid stance, and encourage him not to capitulate to narrow-minded censors now.

Mr. Speaker, the United States has always been a leader in the free expression of the human spirit. Though other countries have histories thousands of years longer than ours, we have quickly become a major contributor to the arts and humanities, to letters, but we have not done well enough:

According to Executive Director of the NEA Frohnmayer, to fully achieve its goals, NEA needs $300 million.

According to studies of the NEA, each Federal dollar invested in art by the NEA generates $10 in private donations, a 10-to-1 positive economic impact.

In 1988, $119 million was distributed by the NEA in the form of grants, which in turn generated almost $1.4 billion in private donations.

The United States spends about $13 per capita each year on Federal funding for the arts. Germany spends $27, The Netherlands spends $29, France spends $32, Canada spends $32, and Sweden spends $35.

If you factor in all private funding, the United States still spends only $28 per capita each year on the arts.

Mr. Speaker, before the NEA, you had to travel to New York to see a play, and opera, or a major art exhibit. The NEA has brought art and culture to the people all over the country.

And a single community arts center receiving an NEA extension grant provides other fine benefits: programs that target children at risk, schoolchildren, the disabled, and minority populations. The outreach of the NEA Is encouraging and very cost effective. But we need more.

It would be a travesty not to expand the cultural horizons of our country, especially our children. I urge my colleagues to view the NEA as an investment in our children's future.

Mr. Speaker, I also condemn any efforts to restrain the creative energies of NEA grant recipients. Art has been controversial throughout the ages, and man has survived this continuing controversy handsomely. In fact, it is controversy that has always brought spark and life into the world's cultures.

Mr. Speaker, it would be a travesty to turn our backs on the good works of the NEA. We measure up to other nations poorly in so many ways: education and health outputs, mass transportation, infrastructure, and most disappointing treatment of America's children, our most precious asset. Let us not add failing support for the arts to that embarrassing list.

Mr. GREEN of New York. Mr. Speaker, I welcome the opportunity to participate in this special order on the National Endowment for the Arts [NEA] and I wish to thank my colleague from New York, Mr. WEISS, for organizing this time so that we can recognize the outstanding work of the NEA in fostering the arts in the United States.

I am privileged to represent New York's 15th Congressional District, which is home to many of America's great cultural institutions: the Metropolitan Museum of Art, the Museum of Modern Art, the Guggenheim Museum, the Whitney Museum, the Frick Collection, the Jewish Museum, Carnegie Hall, Town Hall, and the theater district. In addition to the famous museums and theaters, the vibrancy of New York's cultural life is augmented by countless repertory theaters, small and medium-sized museums, dance companies, concert halls, cabarets, poetry readings, crafts festivals, art galleries, outdoor art shows, and film festivals. It is the large number, the variety, and the overall outstanding quality of those cultural entities that have made New York City one of the cultural centers of the world.

However, one of the fascinating changes in the cultural life of the United States over the past 25 years is that enjoying the arts is no longer the privilege of those who live in or are able to travel to a major metropolis like New York City. One's own community can, and probably does, have a community opera company, a repertory theater, special art exhibits, or a summertime concert series. That change has come about because the National Endowment for the Arts has provided seed money for local artistic efforts and those grants have enabled local theaters, beginning writers, struggling painters, composers, and choreographers to develop projects and thrive. It is the NEA that has made such a cross-section of the arts available in communities throughout the country and for that reason the NEA should be reauthorized so that it can continue its work unimpeded.

As for the controversy over NEA funding of so-called obscene and pornographic art, when this issue arose last year, I understood how some people might be offended by the images created by Robert Mapplethorpe and Andres Serrano. Those images concerned two very sensitive areas of human experience: sexuality and religion. My commitment to the fundamental right to free speech and my belief in the importance of the arts in enriching our lives however, brought me to the conclusion that, even though some artistic efforts may offend, all artistic efforts must be encouraged. My role as an elected official in a country whose right of free speech is guaranteed by the Constitution is to ensure that artistic efforts are conducted in an atmosphere of free inquiry.

Certainly people may disagree on the merits of various NEA grants but what has greatly offended me is the jump that some have made from disapproving of individual works of art to proposing that we place restrictions on what artists can paint, write, produce, or photograph with NEA funds. The following example illustrates this concern:

Several months ago I received a letter from someone who was angry over reports that the NEA was going to fund a mural of the Yalta Conference. No; as far as I could tell from the brief description in the letter, the mural was not going to contain sexually explicit or sacrilegious images but it was going to portray an historical event that included Joseph Stalin, the Soviet dictator who was responsible for murdering millions of Soviet citizens after World War II. "Why should federal funds be spent on a project that would portray Joseph Stalin?" the writer asked.

I agree that Joseph Stalin was a despot; but, I ask, do we not remember that principles that guided the Founding Fathers of our country? Have we not learned from the totalitarian countries where freedom of speech is not guaranteed? More often than not, the leaders of those repressive governments proscribe certain writers, composers, or artists. Those in power claim that a writer's works don't follow revolutionary dogma, a composer's music stirs too strongly nationalistic feelings, or an artist paints bourgeois themes. It has happened in the Soviet Union, the People's Republic of China, and Hitler's Germany. Our country is

hailed as a beacon of freedom in large part because such restrictions do not exist.

Despite the fact that an infinitesimal amount of NEA grants have caused controversy over the past 25 years of the NEA's existence, I still say that Government funding of the arts should continue. The arts enrich our lives, whether we are observers or creators, and fill our consciousness with the splendid diversity of human experience. The images created are not pleasant or agreeable ones but art is not solely about pretty pictures hanging on a wall.

Thomas Jefferson stated in his chapter on religion in Notes on the State of Virginia (1781), "Truth can stand by itself." I say that great art will also stand by itself. Our proper role is to resist the misguided efforts of self-appointed censors and provide support for artistic efforts in an atmosphere of free inquiry. Let us support reauthorization for the National Endowment for the Arts and allow it to proceed unimpeded with the important work it has been doing for the past 25 years.

Mr. OWENS of New York. I am proud to speak this evening in strong support of reauthorizing the National Endowment for the Arts without any restrictive language or changes in the funding formula. I quote from one of our former Presidents:

> Artists stretch the limits of understanding. They express ideas that are sometimes unpopular. In an atmosphere of liberty, artists and patrons are free to think the unthinkable and create the audacious. * * * Where there's liberty, art succeeds. In societies that are not free, art dies.

From whom do I quote, Mr. Speaker? Not from one of our liberal Presidents, but from one of the most conservative Presidents of our time, Ronald Reagan.

I stress that point because the debate over the relative merits of the NEA has been centering on the wrong issues. It has been centering on what a very few artists have been doing with their grants and whether or not the works of art they have created are appropriate or decent. We are not artists. Very few of us would claim to be experts on art. So how can this body sit in judgment over the country on art and even attempt to deem it appropriate and inappropriate or good or bad.

As Mr. Reagan and thousands of other people who are knowledgeable about art assert, artists create art to reflect society, to explore societal ideas and concepts. They do not choose only those ideas which are comfortable and acceptable to us. If they did art would be universally boring; there would be nothing new, nothing daring, nothing to make us think about the art itself and about what it is reflecting.

A person who grew up in the savage ghettos of an inner-city, who lived in run-down housing projects and went to school in a crumbling, rat-infested school, whose family was left out of the trickle-down economics theory of the Reagan era, is not going to paint a pretty portrait of the former President. That artist is also not going to paint pretty pictures of landscapes and fruit bowls, and frolicking kittens. That artist's portrayals are more likely to reflect the experiences of his or her life and the anger of being shut out from the prosperity apparently being realized elsewhere in society.

When that artist paints pictures of ugliness and despair and we condemn that art as bad or inappropriate, what are we saying about that person's life? Are we saying it was bad, not legitimate, and not worthy of a true protrayal? Yes; we are. And what are we then saying about that person?

These are some of the human dynamics of this debate. I do not see how we can condemn art which is ugly, art makes us think about realities that we may not have experienced. This art is reflecting things that are happening in our society, and closing our eyes will not make those things go away. Such art can help us recognize other influences in our culture, and even help us understand them. And if it does not help me or you specifically, you can be sure that it is helping someone, somewhere, who can relate to it.

This is what the freedom of expression is all about. The freedom to depict images and realities which may be offensive, but which help us explore influences in our culture that we would otherwise not experience. An image or a picture or a book can travel places and affect people all over the world. People who live in remote communities, even in the United States, may have access to a library program which contains books of stories or books of art or musical reproductions which can allow the people in that community to explore the arts and to witness the images of the experiences or reflections of people from all corners of the world.

The NEA has financed many programs which promote access to the arts for people who otherwise would not be able to experience art. These programs may include bringing a dance troupe into rural areas on a tour, or it may include sponsoring a musical exploration program for poor students in the inner-city.

In my district in central Brooklyn, the NEA has funded many small and worthwhile community programs. One such program is operated through the Bedford Stuyvesant Restoration Corp. This program consists of art workshops, weekend youth programs, exhibitions of works of artists from around the world, writers workshops, poetry readings, and other such programs. Students who have participated in these programs have gone on to study at such renowned institutions as the School of the Visual Arts and Pratt Institute. The center received a $36,000 grant from the NEA last year to help fund this multicultural center. With such programs, restoration has become well known and attracts children and adults from throughout the city to participate in those and many other community-minded programs.

Another cultural program funded by the NEA in my district is New Radio and Performing Arts, a pioneer in the fields of experimental documentaries, contemporary radio drama, commissioned works for radio, and sound experiments for the broadcast media. Endowment support over several years has helped this organization to explore new projects about women poets of color and identify new talents for underrepresented radio themes and contents. One example of this is a new weekly program in which a young black journalist will document black student activism in the nineties. New radio and performing arts is reaching out to young audiences and is committed to reaching a culturally diverse audience. They will use their most recent grant of $75,000 to support "Bluesstage," a weekly series on the blues in America.

Endowment support to another institution in my district, the Brooklyn Museum, has funded a variety of projects intended to showcase specific new art forms as well as to provide broader institutional support. These include a $1 million challenge grant for critical facility repairs, funds earmarked to mount the museum's collection of African art, and funds to aid in the preparation of a comprehensive catalog of the museum's American paintings collection, considered to be one of the five most significant collections in the country. Smaller programs targeted to the local multicultural community seek to increase access to different art forms and exploration of the arts by children and the community at large. These programs include a series exploring African-American video which study issues of importance to the community; "The Feminist 'I'; Video Programs From the Women Make Movies Collection," exploring a variety of multicultural feminist issues in approximately 40 tapes; and "Video Art for Kids," a program which will begin this fall and will introduce children aged 6 to 18 to this vital electronic art form through screenings, discussions, and hands-on workshops,

These and many other worthwhile community programs in my district have been funded by the NEA, and thousands more have been funded nationwide. Mr. Speaker, of more than 80,000 grants, only 20 or 25 have been considered controversial. For this, some Members of this body are advocating that we eliminate the entire program.

Members are rising up in arms because tax dollars have been spent on funding these controversial projects. Mr. Speaker, each taxpayer is responsible for only 62 cents of the total yearly budget for the NEA. Compare that with the cost per taxpayer for each $20 million rocket that blows up, or the astronomical cost of the $500 billion S&L bailout. Where is the outrage over the cost to the taxpayers of these million- and billion-dollar black holes?

Members are rising up in arms over supposedly morally repugnant projects being sponsored by the Government. Where is the outrage over the equally morally repugnant problems being created by the Government such as the present situation with the WIC Program which is being cut back to the bare bones, or the housing programs which have been cut more than 60 percent in the past 10 years and caused millions of women and children to live on the streets. And where is the outrage over the morally repugnant waste of Federal funds on the $500 billion S&L bailout, the likes of which we have never seen before and hopefully will never see again. Where is the outrage?

This situation with the National Endowment for the Arts has been blown way out of proportion. There are no rational reasons for restricting this program and there are no reasons at all to eliminate it altogether. This Congress has been stampeded into making wrong and potentially disastrous decisions too frequently in the recent past. We must not bow to these illogical forces. We must fight on the

floor for logic. We must fight to preserve this program based not on fear and intimidation, but based on the history and good experiences of this particular program. I urge my colleagues to have courage, and to vote for the right thing when the National Endowment for the Arts reauthorization comes to the floor.

□ 2120

GENERAL LEAVE

Mr. WEISS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my foregoing special order.

The SPEAKER pro tempore. (Mr. WOLPE). Is there objection to the request of the gentleman from New York?

There was no objection.

SOCIAL SECURITY AND THE NOTCH YEARS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island [Mr. MACHTLEY] is recognized for 60 minutes.

GENERAL LEAVE

Mr. MACHTLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. MACHTLEY. Mr. Speaker, I rise today, along with my colleague, the gentleman from Massachusetts [Mr. FRANK], whom I would like to congratulate and who has been a leader on this issue for many years, as have some other colleagues in the House, to discuss an issue which is old, an issue that has been discussed numerous times but which has had no action. I referred to the issue of the notch years.

Who are these notch babies, as they are sometimes referred to, and why are they upset? Well, first, I do not think they are babies. They are distinguished Americans who have had unfortunate genetic circumstance of having been born in the years, 1917 through 1921. These are people who fought in World War II, they are like Ken and Mary Machtley, my parents, who were both born in 1919.

I understand their desires. I understand their needs. They worked hard so that people like myself and many other people who were born in the baby boom years would have a better life, a better education, and a better chance to succeed in this world.

My parents are like the 5 to 7 million people who fall into this category. They do not want more than they are entitled to; they just want to be treated fairly and equitably and justly.

When it was first discussed with me by my mother and I understood there may be a problem, I said that perhaps there was a conflict of interest and I ought to distance myself, but at her urging I looked at this problem and realized that, in fact, there is a discrepancy here. I discussed with her the fact that I may have to put her in a blind trust to avoid a conflict of interest. She said, "Do whatever you want. Just solve the problem."

Let us take a look at this problem and see how it was created, what was intended, and how we can solve it. In 1972, it was intended that we would index Social Security based on COLA's. Unfortunately, although it was intended it would be 42 percent of the average wage, the language was perhaps inartfully drafted, and the reality was that instead of the 4 percent, we began to see a very sharp rise up through what would have been the 1981 retirees at about 55 percent.

In 1977, it became clear that Congress was going to have to do something to achieve the desired effect of a 42-percent average return on average wages.

This chart very carefully, I think, illustrates that curve which was going up through 1981, the retirees' period. If we looked at this chart and went backward and subtracted it at 65, we would have seen that this transition period in here is in fact the notch years, 1916, 1917, 1918, 1920, and 1921.

It is clear, as I have looked at the records and have tried to read them, that what was intended was that there would be a slow transitional period from this high point of 55 percent back to an average of 42 percent, but again Congress in its artful wisdom created a formula which, instead of having an intended 6- to 10-percent reduction incurred in the first year of those who would retire in 1979, would give a 10-percent reduction until we get out here in 1982 and 1983, when they get a 20-percent reduction on benefits received. Such an accelerated benefit cut, I would suggest was never anticipated, it was never intended, and I think the record is clear that this was not the desired effect of the legislation in 1977.

The Select Committee on Aging has looked at this issue for more than 5 years. They have tried to decide the issue, and they have asked, if we are going to correct this, how in fact can we correct it?

Despite the fact that the original proposal had both Presidential and congressional support, there was a 10-year transitional period. In fact, 5 years was what was to be resolved and used.

In fact, the question then comes up: How do we resolve it. Some people have been so bold as to even ask, do we really have a notch anomaly? This chart clearly depicts that in fact there is a notch anomaly. This chart shows monthly Social Security benefits for persons born from 1895 through 1935 who have average earning histories and who retired at age 65. We can see very clearly here that 1917 through 1921 in this chart are the notch years. This is the result of the formula which accelerated the transition period.

We can also see that after 1921, when the new formula took place, how there was an even uphill swing. So very clearly, the people who are in this category are receiving not only less wages than those who were fortuitous enough to have been born in 1916 but they are also receiving less than their neighbors and friends who retired subsequently as a result of increased earnings.

Again I would suggest that this was never intended. I think this chart very clearly portrays that in fact there is an anomaly, that it is in fact wrong, and that it needs to be corrected. If in fact we are going to assume, then, for factual purposes that this is an actual anomaly, the third question that needs to be addressed is: "What can we do? Is it possible to correct this, and, if so, how should we go about it?"

□ 2130

Mr. Speaker, there are those who might suggest that we would either raise taxes or cut benefits in order to somehow smooth this transition into the new formula which takes place after 1921. But I think, if my colleauges will look at what we really have done since 1977 in the Social Security trust fund, it is clear, as I look at the numbers, that in fact the amount of moneys which we have received and kept in the trust fund are more than was anticipated in 1977.

Here my colleagues see the projection in 1977 was to have 2.51 years of outgo assets. In fact, in 1990, today the projections are that we have 2.8 years of outgo assets. By the year 2015 the money in trust fund, the 1977 projection, was that we would have 2.5 years of outgo assets, and in fact today, as they make their projections, it is 4.75 years of outgrow assets, which is clearly in my way of thinking an anticipated revenue increase which was never anticipated in 1970.

Stated another way: In 1987 the trust fund totaled $67 billion. That was $27 billion higher than was projected for 1987, at the time of the 1983 Social Security Act, so the fund is growing even faster.

Mr. Speaker, there are those who would suggest we are going to need all the dollars that we can possibly muster. Therefore, we ought to just leave that fund increasing at a rapid pace. At the beginning of 1988 the

fund ratio was 40 percent compared to the 24 percent projected for 1988. Again in 1983.

So, Mr. Speaker, clearly there is an increase in money in the trust funds so that, in fact, it is not a situation where we can say we would have to raise taxes, we would have to cut benefits. There is money there.

The question is: How are we going to use it?

Mr. Speaker, in the recent GAO report they said, "No amount of technical discussion and sophisticated analysis is sufficient to convince an individual that it is equitable for him to receive a benefit that is $100 less per month than his nearly identical neighbor."

This is the real problem. People are being discriminated against based upon fortuitous birth circumstances, not based upon years of work, not based upon earnings, not based anything other than the fortuitousness of their birth.

Now what are we talking about in terms of real dollars for individuals? This GAO report suggests that an individual retiring at age 65 would receive $1,668 a year less than his competitor who would retire in 1960. That is approximately 20 percent at the peak of this period of time.

Mr. Speaker, I think it is important to point out that we are also going to see actuarily a peak in the number of people who fall into this notch category. Somewhere between 5 and 7 million people are living today, and we are going to see that peak in 1992. Based on current actuarial data we can mathematically project how many people we are going to have to be paying benefits out to over a period of 10 years, and the 10-year period is the period which has, I think, been most discussed as part of the legislation of the gentleman from California [Mr. ROYBAL].

Now, Mr. Speaker, what is the problem? What is the holdup? Why not correct this problem? If in fact there is an anomaly, if in fact seniors are being discriminated against based upon birth, why not? Well, frankly it is my understanding, and I will certainly defer to the gentleman from Massachusetts [Mr. FRANK] who has been here longer, but the issue has been tied up in the Committee on Ways and Means. There just are not enough dollars to go around for everyone.

Well, there is a method in Congress which can get that bill out of the Committee on Ways and Means. The gentleman from Massachusetts [Mr. FRANK] has a discharge petition. If in fact one-half of the Congressmen plus one, 218, sign the discharge petition, which is kept right up here at the front, then in fact that bill comes out, and we can at least begin to address the issue, debate it, vote on it and, in fact, see if we cannot resolve it.

Unfortunately, Mr. Speaker, when I looked at that not too long ago, a week ago, there were only 17 people who has signed that discharge petition, so in fact there may even be more than that, maybe 30 right now. It is still way short of what is needed.

Mr. Speaker, I would suggest that we are going to spend this time, and I am going to yield to the gentleman from Massachusetts [Mr. FRANK], my distinguished colleague, and we will continue here for an hour or so, and many of my distinguished colleagues are here to discuss it.

I wanted to discuss, first of all, the issue of how it occurred, as best I can understand, and, if anyone understands the formulas, I would dare say they can do square root in their head without a computer.

However, Mr. Speaker, I would yield at this time to the distinguished gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Speaker, I thank the gentleman from Rhode Island [Mr. MACHTLEY], my friend. I welcome him to this fight. He has been a vigorous supporter of equity, and I am going to yield, as I know he wants to yield, to our colleagues who joined us.

Mr. Speaker, this is going to be, as I count up the people who have joined us, one of the largest special orders in number of participants. We are a little bit deprived of some of their personal presence because of the lateness of the hour, but it seems to me that well over 20 Members will have voiced a particular position today, which is an impressive number for a special order.

Let me just say at this point for a minute or two what we are talking about: Fairness. We are a country that believes in fairness. We were born because of a national reaction to unfairness imposed by the British. We are the envy of many other parts of the world, as we have recently seen in Eastern Europe, because of our openness and our fairness, and we are proud of our country, and we believe we do work to be fair, but, as the gentleman from Rhode Island [Mr. MACHTLEY] has just demonstrated, there is an element of unfairness that I do not think can be justified.

Mr. Speaker, two people who work side by side at the same job for the same hours for the same pay for the same length of years retire, and one of them, because she was born 5 months later than the other, gets $40, $50, $70, $80 a month less in Social Security. That is not fair. Not all of the sophisticated mathematical efforts people indulge in can make it seem fair.

Now we have a second argument. People have briefly said to it, "Well, it may not be fair, but we can't afford it." But this secret is out of the bag. There is a large and growing surplus in the Social Security trust fund that pays what we know is old age and survivors benefits.

Mr. Speaker, our colleagues from the other body, whose names the rules prohibit me from mentioning, talked about that, because I cannot quote Senators, but I can refer to what they have referred to, and there is a large surplus.

In 1983 this Congress passed a law which raised Social Security taxes, and at the time people still thought we were in a deep recession, and they raised the payroll tax, it turns out, by more than they would have had to if they had known what the economy was going to look like. At the same time the cost-of-living increase for older people, by the way, in 1983 was cut in half because it was put back every 6 months. That is for everybody, not just for the people in the notch years. The combination of cutting benefits and raising taxes has produced a very large surplus.

There are a number of bills here, and people have said, "Be specific." We have legislation supported here by the gentleman from North Carolina [Mr. HEFNER] who spoke briefly, by the gentleman from Michigan [Mr. FORD], by the gentleman from Iowa [Mr. GRANDY], by the gentleman from California [Mr. ROYBAL], the chairman of the Select Committee on Aging. These are bills supported by Democrats and Republicans. This is a bipartisan matter. They vary in detail. All of them, however, would make a substantial step toward reducing the unfairness, the arbitrary denial to people of money simply because of when they were born, and it would do it in a way that would not burden the tax system of this country one cent because it would draw on the large and growing surplus in Social Security.

Mr. Speaker, I will return to that, but at this point I want to yield because I know my friend from Rhode Island [Mr. MACHTLEY] does. So we first yield to some of my friends on my side, and he will yield to the others because we appreciate our colleagues who are with us, and I think the gentleman from Rhode Island [Mr. MACHTLEY] and I want to explain to people, by way of apology, that last week we were both ready to do this special order, and the House for once adjourned too early. Last week we had a little problem because the House got out 2 hours before anybody expected. Today the House stayed 2 hours after everybody hoped. Somewhere we could have been in the middle, so we were too early last week, we are too late today, but we are here today, and we are going to give people their chance.

Mr. MACHTLEY. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. WALGREN].

Mr. WALGREN. Mr. Speaker, it is high time for Congress to fix the notch.

It is high time for the Congress to fix the so-called notch in Social Security benefits. For the past three Congresses, bills attempting to change the sharp reductions in benefits that have confronted those retiring starting with those born in 1916, have made no progress. That is 6 years in the lives of retirees, with no indication that the Government has any recognition of the injustice they feel. Most retirees caught in these circumstances feel the Government is simply waiting for most of them to die so the problem will just go away. That is a sad reality for America.

As we all know so well, Congress was required to reduce benefits for Social Security during the 1970's because inflation was fast bankrupting the system. In fairness to the Congress, the law tried to provide a transition period for those reaching retirement age during the several years after the new formula took effect.

But, this transition has just not worked, causing injustices that should, in all fairness, be redressed. The present transition formula, when calculated with rates of inflation, that changed dramatically from year to year, resulted in unconscionable differences in monthly retirement benefits between people who have every right to be treated equally.

The Congress has recognized mistakes it has made before, as last year's repeal of the Catastrophic Health Insurance Program so clearly demonstrated. The Congress has gone to great lengths to correct ourselves when we were wrong. We repealed Prohibition, we have desegregated, and every year we vote to modify, repeal, or amend countless laws passed in earlier sessions of Congress.

The existence of a notch in the Social Security system has destroyed not just the trust, but the very goodwill millions of older Americans feel for their country. Many of these men and women served with distinction on the battlefields of Europe and in the Pacific in defense of their country. People like Anthony Purcell, who has labored so tirelessly on this issue in my Pennsylvania district—worked hard over the years feeling their contribution to our society would be respected in their retirement.

As reward for their hard work and service to their country, these older Americans looked forward to a steady, fixed retirement income. Out of the blue, they were confronted with the fact that others were receiving $50, $75, or $100 more in Social Security each month than they were entitled to. It was not because that person worked harder, or had a better job; rather, Congress had just happened to pick the year they were born as the cutoff date for major reductions in Social Security benefits.

These Americans deserve better treatment than that.

To do our best to provide some measure of fair treatment to this group, I have cosponsored H.R. 917 again this year. This legislation, introduced by Congressman ED ROYBAL, would eliminate the notch once and for all. This bill would have us go back and start over with this problem, eliminating the notch and replacing it with an extremely gradual, 10-year phase in of the new formula. This would assure essentially equal treatment for those who have been discriminated against by the present sharp transition to lower Social Security benefits for the future.

I have joined Congressman BARNEY FRANK and a host of other Congressmen in signing a discharge petition which would remove notch legislation from the Committee of Jurisdiction and bring it to the House floor for a vote.

I urge my colleagues to join me in this effort to correct this injustice.

□ 2140

Mr. MACHTLEY. Mr. Speaker, I yield to the distinguished gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Speaker, let me begin by commending the gentleman from Massachusetts and the gentleman from Rhode Island for their leadership in this matter and taking out this special order. In spite of the fact that the hour is late, it is not too late for this House to address this topic and to fix the problem that we refer to as the notch problem.

I would like to say to the gentleman from Rhode Island, who is a relatively new Member of Congress, having served here completing his second year, that this is one of the best and most articulate efforts I have seen to explain this situation of the notch to our colleagues. The fact that the gentleman is here is proof that he has been spending a great deal of time on this. Not only does the gentleman understand the situation, but he is also very able with his charts and notes to explain it to other colleagues who may be watching someplace else on campus; but I do thank the gentleman for permitting me to take part in this special order.

Mr. Speaker, I am pleased, if not anxious, to join with my colleagues today in addressing the long-standing inequities of the Social Security notch.

At the onset, I want to make one very important observation: namely, that this is an issue that transcends partisan lines; it transcends partisan lines because it is an issue of fundamental fairness.

It seems inconceivable to me that two retired individuals with similar work histories can receive monthly Social Security checks that differ as much as $125.

And it is even more inconceivable to me that Congress, today, continues to pat itself on the back for passing the law that created this fiasco.

Are the Members of the House and Senate so righteous that they can not admit making a mistake? Need we be reminded of a more recent disaster that was known as catastrophic care?

Mr. Speaker, I submit that the notch formula should follow the same route as the catastrophic care law. But in doing so, I want to try and put this issue in historical perspective.

When I joined this body in 1984, the notch had already been passed and enacted into law. I had to do some serious backtracking to understand just what it was all about.

Superficially, it seemed like a good idea. The intent was to lower the wage replacement rate gradually, over a 5-year period.

The intent was to create a soft landing for those who stood to be affected.

But we all know what happened. There was no soft landing. It was a crash landing. The wage replacement rates seemed to be slashed overnight.

And those on the receiving end—older Americans who had spent their lives preparing for retirement—wound up feeling more like victims rather than beneficiaries.

Over the last few years, we have had a subcommittee hearing in the House, there has been an unfavorable GAO report, and there has been many interpretations of the Social Security formula and the notch.

But in the end, this great body did the less than honorable thing: nothing.

Well, I think it is a new day. I think it is time to take another look at the inequity of the notch, and to try and address the bitterness that millions of retired Americans—former working Americans—have toward the government which, they believe, has cheated them.

I think my colleagues will agree that, over time, issues continue to evolve. We see things differently when there are events—both domestically and abroad—that change American thinking and society.

And I can tell you that my constituents, in particular those who are branded "notch babies," have not closed their eyes to the ideas that bounced around inside the Washington beltway.

One idea would freeze the Social Security cost-of-living adjustment as part of a deficit reduction package. That is tantamount to adding insult to injury, insofar as the notch babies are considered. And I can't blame them for feeling that way.

Another idea is to slash the Social Security wage tax, and make the program a pay-as-you-go proposition.

The notch baby feels the pinch of that one, too. On the one hand, he is reading that our trust fund is too big, and being wrongfully siphoned off—borrowed, actually—to pay the Nation's bills.

On the other hand, he is told that restoring his benefits, or any portion thereof, would deplete and drain the trust fund.

My colleagues, we know that we can deal with this issue. I will concede that this body is not prepared to go back and pay back years of benefits—in fact, most of my constituents who happened to be born at the wrong time will, with some regret, concede this point.

But to do nothing is plain wrong. This is one time when we should "just say no" to the status quo.

Sometimes I find it hard to believe that when I was elected in 1984, there was still a genuine scare afoot that COLA's would be cut or denied in any given years.

The senior citizens in my district were so concerned about this possibility that I formed a Social Security COLA coalition right here in the House.

From there, the notch coalition evolved, and I was pleased to chair that with my good friend form Iowa, Congressman GRANDY.

As I said at the beginning, the issue before us does not belong solely to the Democrats or the Republicans. And the membership of those two coalitions certainly verify that fact.

I close by thanking my colleagues for allowing me to share in this special order, and by making one last appeal to those in the house who would continue to ignore the entire matter.

Consider, please, that today's older American is striving to be independent and self-providing. They want to pay their own bills to the extent that they can. They don't want to be a burden to their family, or to the Government.

If you think about it, only in the last couple of decades have we really provided for the needs of those who seek a dignified retirement.

Addressing the notch, I submit, is but one more way to make that dignified retirement a reality.

□ 2150

Mr. MACHTLEY. Mr. Speaker, I would like to commend the gentleman from New Jersey for his distinguished work and his very articulate and very eloquent thoughts here this evening. I think the gentleman is to be commended, and, as a new Member, I feel like I am the cavalry coming over the hill to reinforce the efforts.

Mr. Speaker, I yield to the distinguished gentleman from North Carolina [Mr. CLARKE].

Mr. CLARKE. Mr. Speaker, I would like to thank Congressman FRANK and Congressman MACHTLEY who reserved the time for this special order. I wish to speak out today on behalf of the thousands of older Americans in the Southern Appalachians who are affected by the so-called Social Security notch. I have received hundreds of letters from older Americans in North Carolina who believe that they are victims of an injustice. Hundreds of others have spoken to me about it. They feel that the Government is not giving them the full Social Security benefits owed them and that they are not being treated fairly.

The matter of the notch in the Social Security benefits structure has remained unresolved for several years now. It is time we work out a fair and equitable solution.

Many of those who oppose efforts to correct the notch have cited a 1988 General Accounting Office report which suggested that the notch legislation proposed at that time would be too costly and would endanger the financial soundness of the Social Security trust fund. However, I believe that current legislation, such as S. 1212 and Mr. HEFNER's bill, H.R. 2707, adequately addresses these concerns and should be given thorough consideration.

The present payment formula for Social Security recipients born in the 1917–21 period omits their 4 most recent years of earnings from the calculations of their benefits. For almost all of them, these were the years of their highest earnings. For many retired people born in the "notch" this reduction of Social Security income amounts to as much as $100 per month which they need for their living expenses.

While I believe that we should correct this unfairness, we must do so responsibly. We are fortunate to be running a Social Security surplus which appears to be sufficient to cover the costs of fixing this inequity.

It is important that Congress take the necessary steps to resolve this matter of the notch once and for all.

Mr. Speaker, I thank the gentleman from Rhode Island [Mr. MACHTLEY] and the gentleman from Massachusetts [Mr. FRANK] for this time.

Mr. MACHTLEY. Mr. Speaker, I thank the gentleman very much. I would also like to commend him for pointing out the inequitableness of the exclusion of those 4 years of earnings. It is, I think, a very important aspect as to why we get the anomaly as we see in the notch years because of that exclusion, and I think that that is an important fact, and I think the gentleman also points out a very important fact that this is not a regional problem. It is a problem which is diverse and probably in every State in this country.

Mr. CLARKE. It is a nationwide problem.

Mr. MACHTLEY. I thank the gentleman for his very, very fine words.

Mr. Speaker, I yield to the distinguished gentleman from Florida [Mr. JAMES].

Mr. JAMES. Mr. Speaker, I want to thank my distinguished colleagues, Congressmen RON MACHTLEY and BARNEY FRANK, for calling this important special order today concerning the inequitable treatment of certain senior citizens concerning Social Security, better known as the notch issue. While we often disagree on subjects that we discuss in the Judiciary Committee where we both serve, we are in complete agreement in our opposition to the unfair treatment of senior citizens who will lose much needed Social Security benefits when the notch baby regulations go into affect.

Simply put, the law is nothing short of age discrimination. When the law was passed in 1977, the Social Security System was being threatened on all sides by inflation and recession. The system was near insolvency, and something needed to be done soon. While I have no doubt that the authors of the legislation had the best intentions, they really created a monster. The formula for changing the way benefits are calculated was ill-conceived, and the subsequent economic recovery has brought to the fore these inequities.

The results are nothing less than astounding. People that are trapped in the notch years see those who retired before them and those who retired after them receiving far more dollars. What's more, the inequity grows every year. Because they started from a lower base, each COLA increase year to year makes the dollar difference grow larger and larger. Purchasing power continues to decline, and senior citizens who are trapped in the notch years slide deeper and deeper into financial inequity.

Congress can and should change that inequity. Congressman MACHTLEY, Congressman FRANK, and myself, along with many other Members, have cosponsored legislation that would restore equity to the Social Security System and bring the notch retirees back to fiscal equity. However, that legislation has been held up in committee. Despite the pleas of thousands of retirees, and despite our efforts to the contrary, this vital legislation has sat unattended. In the name of basic fairness, we must not allow that to continue. All of us here tonight are committed to seeing this important legislation reach the floor of the House for proper debate and consideration. I want to urge any of my colleagues who have not already done so to sign the discharge petition regarding this legislation. For the sake of all notch retirees, for the sake of fairness

and equity, we must see this legislation passed soon.

Mr. Speaker, my suggestion is for all of the viewing audience who may be watching these proceedings that they now write immediately their Congressman if they feel that we are correct in our request that the notch legislation be passed. Write them now. That is the most effective thing that can be done. Write your Congressman. If you are affected or if you feel that this is unfair, and it is unfair, and I wish that everyone would express their concern to their Congressman, their Senator and, indeed, the executive branch and the President.

I thank the gentleman so much.

Mr. MACHTLEY. I thank the gentleman very much. Again, I would like to thank him for his participation in this very important special order and for his dedication and effort to help not only his constituents but others who are similarly situated across this country.

Mr. Speaker, I yield to the distinguished gentleman from New York [Mr. GILMAN], who has been a leader in this Congress on many social issues including this very important issue concerning notch victims.

Mr. GILMAN. Mr. Speaker, I am pleased to join my colleagues today to discuss the Social Security notch inequity. And I would like to take this opportunity to commend the gentleman from Massachusetts [Mr. FRANK], the gentleman from Rhode Island [Mr. MACHTLEY], the gentleman from Pennslyvania [Mr. MURPHY], the gentleman from New Jersey [Mr. SAXTON] for organizing this evening's discussion of this topic which is so vital to our seniors.

As an original cosponsor of H.R. 917, the Roybal bill, I welcome this opportunity to speak in favor of correcting the injustice suffered by those seniors born between the years 1917 and 1921.

The views we are expressing this evening are shared by many of our constituents and many of our colleagues in both Houses. It is also hoped that those of our colleagues who have not supported the notch will be persuaded to recognize the merit in our seniors' complaints concerning the notch years.

Our seniors, and many other observers, have been telling us for years that something is radically wrong with the existing Social Security benefit formula enacted in 1977, and we owe it to them to take note of their concerns and to take some form of remedial action.

The notch-year inequity stems from a congressional effort to correct an error in the 1972 Social Security Act amendments which threatened to bankrupt the entire Social Security System.

Through an unintentional miscalculation, Congress provided, Social Security recipients with an increase that double indexed for inflation, accounting for the rise in the cost of living not once, but twice.

Let the record show, however, that Congress had intended to provide Social Security recipients with some form of an increase in 1972. In 1977, when Congress revisited the issue, the intention of enhancing senior citizen benefits remained unattended to.

In light of these facts, the treatment bestowed upon notch year recipients is highly incongruous and blatantly unfair.

Congressional intent is evident in the measure which Congress pursued to minimize the impact of the initial benefit reductions. Congress certainly did not intend to single out notch year recipients for unfair or discriminatory treatment.

Unfortunately, however, in another example of good intentions gone awry, the effect of the transition to the new formula fell disproportionately upon those senior citizens born during the notch years.

The transition formula failed to work because it did not take account of earnings made after the age of 61, and it could not predict the double digit inflation suffered throughout the late 1970's and early 1980's.

Thus, workers who turned age 63 in the years 1979 to 1983, immediately after the transition rule took effect, were subject to drastic benefit reductions which, in some cases, reached as much as 10 to 20 percent. This is certainly not the gradual benefit reduction of 6 to 10 percent which Congress had intended.

Congress did not intend this transitional period to treat notch year recipients overly harshly. We certainly did not intend to cause benefit disparities of as much as $1,200 for workers born 2 days apart, simply because one worker was born in the wrong calendar year.

In order to correct this problem, Representative ROYBAL has introduced H.R. 917, the Social Security Transitional Benefit Computation Act of 1989. This measure, which is pending in the Subcommittee on Social Security, enjoys the support of 146 of our colleagues in the House of Representatives.

This important measure would restore the original intent of the Congress in both 1972 and 1977, without creating egregious benefit disparities and without threatening the future viability of the Social Security System.

Accordingly, I urge the subcommittee to pursue this legislative initiative which would allow for a more gradual transition to a corrected benefit formula. This measure would restore fairness for a significant portion of our elderly population which has been discriminated against due to the date of their birth.

Most important, enactment of this legislation would restore confidence in the Federal Government's willingness and ability to provide for the retirement years of our Nation's senior citizens in a fair and equitable manner. I submit that this is the true intent of Social Security and I invite my colleagues to join with us in this worthy endeavor.

□ 2200

Mr. MACHTLEY. Mr. Speaker, I certainly appreciate the participation of the gentleman from Ohio [Mr. GILMAN] both here and in many other matters which are important. I think the gentleman has demonstrated an unusually strong grasp of what is frankly very complicated material. I know that the citizens who are affected in the gentleman's district and across that United States appreciate his dedicated work in trying to correct this obvious inequitable situation.

Mr. Speaker, at this time I would yield to the distinguished gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Speaker, I thank the gentleman from Rhode Island [Mr. MACHTLEY] once again. A number of our colleagues have been here. It is a very late hour. I would like at this point to introduce into the RECORD under the general leave which the gentleman from Rhode Island has gotten the statements of some of our colleagues.

The gentleman from Alabama [Mr. HARRIS], a strong statement. These are all Members I will say who spoke to me personally today, who care deeply about this issue, who join the gentleman from Rhode Island [Mr. MACHTLEY], myself, the gentleman from New Jersey, the gentleman from Pennsylvania, who took out this special order. They wanted to be here, they made an effort to be here, were on the floor, and each statement which they submitted are evidence of some real commitment.

In addition to the gentleman from Alabama, we have the gentleman from Florida [Mr. SMITH], my colleague from Massachusetts [Mr. MAVROULES], the gentleman from Iowa [Mr. TAUKE], the gentleman from New York [Mr. OWENS], the gentleman from Ohio [Mr. FEIGHAN], the gentleman from California [Mr. TORRES], the gentleman from Pennsylvania [Mr. MURPHY], one of the authors of the bill, the gentleman from Michigan [Mr. SCHUETTE], the gentleman from Michigan [Mr. BONIOR].

Mr. Speaker, there are others there. I believe we will have gone well over 2 dozen Members who will have participated. It is a large number, but not quite large enough. We need more people to sign the discharge petition that has been alluded to.

What we are saying to our colleagues in the Committee on Ways and Means is bring it to the floor. We have indisputably an unfairness. People who have worked at the same job for the same pay get different amounts of Social Security, solely because of when they are born. I cannot think of another policy of this Government, of which we are justly proud, which so blatantly discriminates, which says to two people equally circumstanced, tough luck for you, you were born too late. That is not worthy of this great country.

We have the money, not to make it all go away, not to do everything, but we have enough money. You look at the legislation, H.R. 1917, sponsored by the chairman of the Aging Committee, for instance, or H.R. 2707, sponsored by the gentleman from North Carolina. You could pass those bills with the surplus we have four and five times over and not damage the surplus. Pass these bills and the surplus will continue to grow.

We are talking about the generation that won World War II. We are talking about a generation that saved civilization from the greatest menace it has ever known, Adolf Hitler. They worked hard since then. They built homes, they raised children, they worked in factories, they farmed, they provided services to others. In their retirement years they are asking only for fairness. We do not want to be the American Government that turned away from American principles and denied it to them.

Mr. Speaker, I will talk a little more a little later. We have one more colleague that has joined us.

I did want to add, however, in addition to the statements, a word of praise for an organization. We have all talked about our local organizations that have worked. In my area it is the Greater Fall River Notch Babies Coalition that has done extraordinarily good work, that worked with me on the strategy for the discharge petition.

But one of the coordinating organizations is the National Committee for the Preservation of Social Security and Medicare, has been particularly helpful. They sat with us and talked with us and helped us plan out this strategy, and they are helping do the national coordination. I am enormously grateful.

I will now be seated so the gentleman from Rhode Island [Mr. MACHTLEY] can yield to one of our other colleagues and make the Speaker happy that we followed regular procedure, and I will then return.

Mr. MACHTLEY. Mr. Speaker, I yield to the distinguished gentleman from Pennsylvania [Mr. KOLTER].

Mr. KOLTER. Mr. Speaker, I certainly want to thank the gentleman for providing the forum this evening to discuss the notch year problem. But may I first preface my brief remarks here with a brief interrogation.

Can someone advise me what the type of surplus we do have at this present time in the Social Security trust fund is?

Mr. MACHTLEY. The specific numbers I had given during my earlier presentation was that in 1988 there was approximately $26 billion more than was anticipated at the 1977 period when this transition period was in fact created.

This chart shows, and I think this is what we have to look at, in other words, when they created the 5-year transition rule, what did they anticipate the revenues would be. Therefore, they based everything on that anticipated revenue.

They projected by the year 2000 there would be 2.15 years of outgo assets, but in fact today we see 2.8 years of outgo. By the year 2015, in 1977 when this correction factor was introduced, they assumed it would be 2.5, and in fact it is 4.75.

Now, the reality is many people say we need all that additional surplus for existing generations and baby boomers like myself, but the reality is there is more than was anticipated in 1977.

Mr. KOLTER. So it is really not a question of having the resources or the money to take care of this problem. Somewhere I read an account that I thought that we had a surplus of over $1 million a day in this account. I do not know how true that is, but it is an astounding figure, if it is the truth.

□ 2210

Mr. MACHTLEY. Mr. Speaker, it is my understanding that each year, if you look at how much of the Social Security surplus is offsetting our Federal deficit, we are talking on an average of about $50 billion. It may be higher on each year, depending on what the investment rate is, but that is the surplus.

I think it would be unfair to say that that is all available because in 1983 when they made the corrective action that surplus is needed again for this slug of baby boom generation people who will come into that 65-year term. But there is clearly, and this is what I think is important, clearly more revenue than was ever anticipated in 1977 at the time when the corrective notch years were created.

Mr. KOLTER. I thank the gentleman for that information. That does lead to my remarks this evening.

Mr. Speaker, I come from a congressional district where the concern for the notch babies is particularly acute. Western Pennsylvania has undergone an economic transition of profound proportions over the past decade, and the plight of many notch retirees has not been a pleasant one.

Over the years, I have felt frustration over my colleagues who have not shared my sentiments for notch reform. That frustration, however, pales in comparison to the anger I feel at various publications, too numerous to mention, which have leveled misleading potshots against the notch babies over the past several years.

A more reasonable perspective was recently offered by Mr. John Hess, a journalist with the New York Observer, and a notch baby himself. Mr. Hess noted that the notchers came of age during the Great Depression, worked and lived through hard times, but were fortunate to witness the passage of the Social Security Act of 1935. He further noted that these young notch babies of the 1930's voiced no complaint about helping support the older generations of their day, and did so admirably for over half a century. Now, those notch babies need the same support they remarkably provided during their work years.

I think discussion of a few facts is appropriate. The Social Security Administration data for 1984 reveal that 30 percent of the U.S. households of persons 65 or older was in the range of $5,000 to $9,999. Over 15 percent of such households had incomes under $5,000. In Pennsylvania alone, there are over 600,000 retired workers born between 1917 and 1926 who were entitled to retirement benefits in 1989. When measured against the benefits of retired workers born between 1912 and 1916, these 600,000 Pennsylvania retirees suffer an annual loss of $660.

Examples of the inequity of the notch are not hard to find. Two sisters in New Jersey were born a year and a half apart. The younger sister receives 15 percent less benefits than her older sibling, despite having paid 17½ percent more Social Security taxes than her sister. What was the younger sister's problem? She was simply unlucky enough to be born in 1917. A poor woman in North Carolina suffered a similar fate. She was born 9 days too late—on January 9, 1917, which resulted in lost benefits of $1,296 in 1988 alone.

Of course, I could go on with these stories all day, but I think the point is clear. The notch is simply unfair. Let us help the notch victims by righting this wrong. The notch babies have worked too hard and too long, to face this insult in their later years.

In closing, I wish to acknowledge my gratitude to a number of extraordinary western Pennsylvanians on their magnificent work for notch babies nationwide. Tony Purcell, Dante Decanini, Dorothy D'Amico, and Fran Rice are to be applauded for their efforts. Their perseverence and commitment are inspirational to anyone who has worked to help the notch victims. It

has been my pleasure to work with them in this effort.

Mr. MACHTLEY. I thank the gentleman. I think he points out a very important factor, and that is that the people who are being affected, those people who today would be 69 to 73 years old, are not the wealthiest of our society generally speaking. They are in fact the poorest of our society. When we consider the compounded problem which we are creating when the average income of many of these recipients is $500 a month or $6,000 a year, $10 difference in their checks means an awful lot to these individuals, and I think that is the most unfortunate part of this, that we are not recognizing that these are the people who need our help the most. I think the gentleman very articulately expressed that in his comments, and I thank him for adding that, because I think it is very important.

Mr. KOLTER. The frustration I feel here is through the years I have worked so hard with my people back home who have this problem, and it is frustrating that so many of our colleagues who have the same type of constituency, who have notch year babies in their district, do not want to join us in signing our legislation. For the world of me, I do not know what we can do to get them to sign on to our legislation.

Mr. MACHTLEY. I thank the gentleman very much.

Mr. JONTZ. Mr. Speaker, will the gentleman yield?

Mr. MACHTLEY. I yield to the gentleman from Indiana.

Mr. JONTZ. Mr. Speaker, I thank the gentleman for yielding. I want to express a word of appreciation to the gentleman from Rhode Island and the gentleman from Massachusetts for taking this special order tonight to have this very important discussion. I think that this is an issue that deserves to be fully debated in the Congress and deserves the consideration of the Congress. It is a credit to both gentlemen that this opportunity was provided for Members to discuss the issue this evening.

Mr. Speaker, I took it upon myself just a few weeks ago to write to the distinguished chairman of our Ways and Means Committee, the gentleman from Illinois, Mr. ROSTENKOWSKI, about the notch issue. I have been a cosponsor of one of the notch bills for some time, H.R. 1060, which is authored by one of the Members of the Ways and Means Committee, the gentleman from Tennessee [Mr. FORD]. I wrote to the chairman of the Ways and Means Committee to inquire about the bill and to express my support for it and to ask for some explanation of the chairman's views. I did receive a very thoughtful letter.

I find myself in agreement with a great deal of what the chairman of the Ways and Means Committee says, but yet I cannot agree with his conclusion. I thought I might just review a little bit of what the chairman's arguments are and perhaps offer some perspective of my own on the issue.

The chairman takes the time, which is quite necessary, to go through a little bit of the history of the notch, and I think that there is general agreement that the problem originally is the result of a mistake that the Congress made, that the benefit formulas that were written and that were in error for those beneficiaries born before 1917 was not anything done of a malicious nature but was an honest mistake. I think we also are in agreement, all parties, that in the long term it was necessary to reduce Social Security benefits to a sustainable level, and that the real issue is how that transition would be made.

What I find to be a mistake on the part of the Congress was that an effort was made to make the transition over a 5-year period and so the stair steps in terms of reduced benefits are rather steep. One can understand the argument of those who oppose the notch legislation, that they feel that those individuals in the notch period are receiving proper replacement earnings based on the earnings that those who come after receive. But I think if we look at it from another perspective and compare the Social Security benefits that are received by those in the notch to those who come before, then we see the basis of the very valid complaint that someone who is born 2 or 3 years after the beginning of the notch period will see substantially lower benefits, and I think that is wrong. I do not think that is a characteristic of the Social Security system that we want to see so pronounced.

So my understanding of the approach that has been taken by the various notch bills that have been filed, certainly by H.R. 1060 that I have cosponsored, is that the legislation would seek to make the stair steps smaller and make that transition period over a longer period of time so that the difference between any period of years would be much less in magnitude. I think that is the fair and proper way to resolve the problem, to see that the discrepancies in benefits received from one year to the next is not as substantial as it is now.

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And I think that is what is necessary for us to do now in the Congress to recognize a mistake was made, to recognize that the way the transition has been made is unfair and, from the standpoint of the beneficiaries who are affected when they look at their benefits as compared to those who were born before 1917, that they really are not being treated fairly.

So I would hope that the chairman of the Committee on Ways and Means and other members of the Committee on Ways and Means, my distinguished friend and neighbor from Indiana [Mr. JACOBS], chairman of the Subcommittee on Social Security, will take another look at this issue.

I will grant much of their logic, much of their argument I cannot find fault with. But I do think that they ought to take some notice of the discrepancy in benefits and what impact that has on the beneficiaries not only in terms of the real dollars that they receive but also the confidence of people in the Social Security System. I would hope that if the committee could revisit that issue, that they would be convinced there is some reason that millions of Americans are concerned about, that we are not dealing with a situation of millions of notch babies who are misinformed or who are asking for more than what they are reasonably entitled to. But they are asking that we make this transition on a more gradual basis and that they be treated with a little more sensitivity in terms of the benefits that they receive.

I would hope that the committee would see fit then to move legislation. I do not know what the proper details are. Obviously as all Members of Congress, I would want to see a proper balance maintained in the Social Security trust fund. None of us wants to bankrupt the Social Security trust fund. But I think that we can adjust the benefits to provide for a more gradual transition over a period of years and that that is what we should try to do with the legislation that is now pending before the Congress.

Again I want to thank the gentleman from Rhode Island [Mr. MACHTLEY] and the gentleman from Massachusetts [Mr. FRANK] for conducting the special order this evening and for allowing me to offer the comments tonight.

Mr. Speaker, I look forward to working with the gentleman and with our colleagues on the Committee on Ways and Means to resolve this issue. As my constituents in the Fifth Congressional District home in Indiana are affected by this notch point out every time I visit with them, nobody is getting any younger. We ought to take action now and see that the correction is made and admit that through no one's fault, really, through no malicious intent, a mistake was made that can now be corrected. We have it within our means to correct this mistake and to get a better deal for the 10 million Americans affected by the Social Security notch.

Again I thank the gentleman from Rhode Island for this opportunity tonight to speak to this important issue.

Mr. BILIRAKIS. Mr. Speaker, I appreciate the opportunity to participate in this special order today. As a Florida Member of Congress from the Clearwater/New Port Richey area, I have had the opportunity to represent many notch babies in Congress.

The notch issue is not new, and I, like others, have been frustrated by this situation. As most know, Congress enacted legislation in 1977 to correct a flaw in the Social Security benefit formula created by earlier legislation. The end result was a substantial difference in benefit levels for people who had similar work histories but differed slightly in age. Ever since my first election to Congress in 1982, the social notch matter has been one of the most talked about issues in my congressional district.

I represent a district that has one of the highest concentrations of older Americans in the Nation. However, I do not believe that my experience is unique, in fact, I think most Members of Congress have heard loud and clear from their constituents about the notch injustice.

The notch gap, which resulted from a solution having backfired, is the cause of many seniors receiving $100 or more a month less in Social Security benefits than others with similar work histories just because they happened to be born between 1917 and 1921. While $100 may not seem like much today, it is a tremendous amount to those who try to live on $500 to $600 a month.

Besides the fact that the additional money would be a welcome relief to many seniors, the notch issue also involves a principle—the fair and equitable treatment of our citizens by our Government. The Social Security system should not discriminate against anyone and I find it even more intolerable when we are talking about discrimination against the same people who served this country through depressions, recessions, and World War II. Isn't it amazing, Mr. Speaker, how we the Congress have the knack of penalizing just that segment of the American people, least deserving of unfair treatment, those who held our Republic together during those tough years of the 1930's and World War II.

To date, there have been 13 notch correction bills that have been introduced in the 101st Congress. Earlier this year, I proudly signed the discharge petition calling for the immediate consideration of all notch legislation. Additionally, I have introduced legislation in every Congress I have served in which attempts to lessen large benefit disparities between groups of new recipients.

Mr. Speaker, the question of which notch correction bill is enacted does not matter to me. What does, however, matter to me, Mr. Speaker, is that the notch disparity be rectified so that none of our citizens are treated unfairly at the benefit of others.

I am hopeful that today's special order will renew congressional interest in the notch issue and that in the not-too-distant future, legislation will be enacted to restore due benefits to our older persons.

Mr. CLEMENT. Mr. Speaker, I am very pleased to have an opportunity to speak on the issue of the Social Security notch. In fact, it is the first issue I discussed on the first day I began my tenure in the Congress. The Social Security notch continues to be an issue of great importance to me and to many of the residents of Tennessee's Fifth Congressional District.

As we all know, Mr. Speaker, many, many bills proposing to correct the notch disparity have been introduced year after year, and Congress after Congress. Unfortunately, no action has been taken on any of these bills.

The reasons for this are many. With respect to some solutions, the price would be very high in an already deficit-plagued society. Thus, the Ways and Means Committee, where all notch legislation is assigned, has refused to take any action on the matter. But the truth be known, any notch solution does not stand a chance as long as the American Association of Retired Persons [AARP] and other senior citizen organizations continue to oppose its enactment.

I commend Representative FRANK and others for convening this special order. We must stand together and speak with a united voice if we expect to ever pass legislation to correct the unfortunate notch gap. Many of us have our own bills. I, too, have a bill, designated as H.R. 1298. It was the first bill I introduced upon my arrival in Congress. While I would like nothing better than to see my bill passed, that, in my opinion, is not the issue.

The issue should not be whose bill should be passed or who should get the credit for the bill's passage. The unfortunate fact remains that thousands of senior citizens from every district in this country are suffering on a monthly basis due to the notch GAP and it must be corrected.

These elderly people are losing as much as $100 per month in Social Security benefits through no fault of their own. Their only crime, Mr. Speaker, lies merely in the year in which they happened to have been born.

Affected individuals, those born between the years 1917–21, are losing Social Security benefits that they have worked for and would be entitled to were it not for the year of their birth.

While $100 per month may not seem like much money to some of us, the fact is that this same $100 can mean a great difference for many senior citizens across the country.

This $100 can be the difference between having to go without food or having to choose between food and medication.

I, for one, Mr. Speaker, think that our seniors have waited long enough. The time to correct the notch enequity is now. There is no place for discrimination in the United States of America. Discrimination against our senior citizens, people who made this country great and who taught us the ideals and values which we cherish, is wrong, Mr. Speaker. I would urge that every action be taken to correct this unfair situation in an expeditious and proper manner.

Our senior citizens deserve better treatment, Mr. Speaker.

Mr. EMERSON. Mr. Speaker, first let me thank my colleagues, Representative MACHTLEY and Representative FRANK, for sponsoring this special order to "get out the word" on the Social Security notch issue. The notch issue has been floating around even since 1979, but at this point, no action has been taken. Since no committee hearings or any other formal discussions have been scheduled, these few hours may be the only time for the House to debate the notch issue before Congress adjourns. I am grateful to my colleagues for the opportunity to be heard on this issue.

The issue of the Social Security notch itself has been clouded by a great deal fo confusion, and I hope that, during this special order, we can set the record straight. In 1972, Congress first recognized that retirees needed some sort of automatic protection against the ravages of inflation. During that year, Congress passed a law which created a set formula for Social Security benefits and provided that if inflation went above three percent, the cost-of-living allowances [COLA's] would automatically kick in. That way, our nation's retirees wouldn't be dependent on Congress to act each year to protect their much-needed benefits from inflationary erosion.

Social Security benefits represent a commitment that the Federal Government has made to American workers, and the benefit dollars are tremendously important to the millions of folks who depend on them each month. The Federal Government has a responsibility to see that Social Security benefits will still be able to play the role that was intended for them from the beginning. The Government has a responsibility to see that inflation doesn't destroy the buying power of those hard-earned benefits.

Indexing to inflation was therefore a good idea, no doubt. But soon, problems became apparent. No one suspected that the oil crisis and other economic pressures would force inflation into double-digit rates. And this outrageous inflation revealed some flaws in the original benefit formula. Soon, the costs of Social Security began to outpace its income, which came solely from payroll taxes. If something wasn't done soon, Social Security would have quickly gone bankrupt.

In 1977, Congress changed the formula to correct the flaws from the 1972 bill. Over a 5-year phase-in period beginning in 1979, new retirees—that is, folks born between 1917 and 1921—had their benefits gradually reduced to be consistent with the benefits of folks who were born after 1921. But even this "correction" and problems.

Despite the fact that Congress enacted this law with the best of intentions, the application of the new formula is not fair in its application. Those who were born between 1917–21, also known as notch babies, generally receive smaller benefits than people with similar work histories that were born just before them. And, the 5-year phase-in method for the new computation is not uniform, making disparity appear even more severe in some years.

On the first day of the 101st Congress, therefore, I introduced the Notch Baby Act to rectify this situation for the folks who have waited for over 10 years. This bill will create a new alternative transitional computation formula for those born between 1917 and 1921, making for a more equitable distribution of benefits among folks who have similar earnings histories.

I am also supporting a number of the other "notch" bills that have been introduced by my colleagues in the House of Representatives. These bills may differ in their precise methods

of solving the problem, but each one addresses the basic inequity of the notch—an action that is long overdue.

Again, I thank Representative MACHTLEY and FRANK for the opportunity to participate in this important discussion, and I thank my colleagues who have taken the time to voice their concerns with the Social Security notch problem. I, for one, think that the more than 7 million American notch babies have waited long enough for their just treatment. And I have no doubt that many of my colleagues agree. It's time for Congress to take action and to correct an unfair situation.

Mr. HARRIS. Mr. Speaker, I rise today to express my full support for a legislative solution to the notch inequity that affects more than 160,000 retired Alabamians. For many notch babies, the disparity is unreasonable and unfair. It is very difficult to justify the differences between benefits of two beneficiaries. If a person is born between 1917 and 1926, their Social Security check is lower than that of their older peers. For some seniors, this average loss of $600 per year can be enormously important. It may mean the difference between purchasing nutritious foods and medicine to ensure good health.

I believe that we need to address this issue in a fair and reasonable manner. More than one-third of the House have already agreed to sponsor one of the four bills designed to remedy the situation. Although I am a cosponsor of House Resolution 917, I would be supportive of any legislation that would increase benefits for those persons born after 1917.

In the 100th Congress, the Subcommittee on Social Security in the House Committee on Ways and Means conducted a hearing on the issue. This Congress, there is no indication that action will be taken. It is my hope that our speeches today will encourage the Ways and Means Committee to reopen the issue.

I realize that any solution would be costly. For this reason, I am open to suggestions to draft solutions that would phase in increases for notch babies. I would not support any measure that would jeopardize the solvency of the Social Security trust fund. It may be necessary to forgo retroactive payments. However, I am certain that most senior citizens will appreciate our concerted efforts to make the formula more fair.

In addition, I believe the notch problem will not go away. It is time for Congress to face the choices necessary to write a new bill to help our seniors. This problem has been in Congress for too long. Although I do not serve on the Ways and Means Committee, I have expressed my concerns to many members of the committee.

Mr. MAVROULES. Mr. Speaker, I want to thank my colleagues BARNEY FRANK, AUSTIN MURPHY, RON MACHTLEY, and JIM SAXTON, for inviting me to speak today about the Social Security notch issue.

The Social Security notch is an issue which has tremendous significant impact on the quality of life for many of our elderly citizens born between 1917 to 1921. As I am sure you are aware, in 1972, Congress revised the formula that was used to compute Social Security benefits by instituting cost-of-living-adjustments [COLA's] to reflect the Consumer Price Index. The unexpected jump in inflation in the early 1980's caused Social Security benefits under the new formula to rise to unprecedented levels. If the rates had continued to rise in that fashion, the Social Security trust fund would have been bankrupt. In 1977, Congress passed an amendment to reduce rates transitionally, over a 5-years period, in order to cushion the blow to the new retirees. All of those who attained benefit eligibility, age 62, after January 1, 1989, were affected by the new transitional formula. This group of people, born between the years 1917 and 1921, have become known as the notch babies.

Many different concerns have arisen out of the 1917 amendments. The notch babies feel they are being unfairly treated because those retirees born before 1917 have received benefits that are much higher because the formula was overindexed. Another disparity reflected in the revised formula gives many people who worked the same length of time at the same salaries a different benefit depending when they were born. Also, under the new formula, the benefits are based on earnings until age 62. With more older Americans reentering the work force out of economic necessity or because they want to contribute their skills and talents, the new formula does not take into account earnings made after age 62, and can discourage late retirement.

I feel we must ensure the future integrity of the Social Security System, yet, at the same time, we must have a retirement system that is fair and equitable. You will be interested to know that I am cosponsoring H.R. 917, a compromise bill designed to reduce the cost of implementing a notch remedy while ensuring equity for identical work and wage histories. In my judgment, this is a responsible legislative remedy that will address the unfair situation created by the 1977 amendments, without depleting the Social Security trust funds.

I pledge my continued efforts to enhance the quality of life for our Nation's senior citizens and will continue to support responsible notch legislation.

Mr. SMITH of Florida. Mr. Speaker, at the town meetings I frequently hold in my district in Florida, I hear constituents concerns on a wide variety of issues. A prime concern has been the subject of the Social Security notch. But the residents of my district, as well as the notch babies around the country, wouldn't have to worry about this problem if it had been corrected as quickly as it was created.

Social Security amendments were passed 18 years ago creating a change in benefit calculation. This new method triggered an unintended increase in benefit levels to certain individuals. Social Security recipients were receiving an increase in benefits equaling 55 percent. Since revenues were only adequate to sustain the traditional 42 percent, the Social Security trust fund was seriously strained and close to bankruptcy. Congress enacted the Social Security Amendments of 1977, to save the trust fund. While these amendments were necessary to preserve the Social Security trust fund, it was not successful in creating an adequate period of transition, and therefore, punishing those born between 1917 and 1921.

The quick passage of the legislation has brought us to where we are today. Our Social Security System is discriminating against people simply on the basis of when they were born. This is absurd. How can we as legislators explain to a notch baby that her benefit is lower than her neighbors, simply due to her birth date? It is time that we end this discrepancy in the Social Security System.

In the near future, I will introduce my own solution to the notch disparity. My bill, the Social Security Benefits Improvement of 1990, will erase the inequities in benefits created by the amendments of 1977. This legislation will include provisions for an increase in the benefits for those born in years of 1917 to 1921. The Congressional Budget Office estimates that Social Security recipients born in the notch years will find an increases in their benefits from $32 to $114 a month. This is a substantial difference. I urge my colleagues to support reform of the 1977 Social Security amendments. It is high time we treat notch babies equitably.

Mr. TAUKE. Mr. Speaker, through no fault of their own, 145,000 Iowans are being penalized for the date of their birth. Social Security benefits to one in five Social Security beneficiaries in Iowa have been cut by as much as $200 per month because they were born in the notch years.

The Social Security notch problem is not a recent revelation. To the contrary, we have known about this injustice for at least 6 years. Why hasn't the Congress resolved the notch problem?

Because we intended for the notch to happen?

In fact, the Social Security Amendments of 1977, which created the notch, were supposed to provide for a gradual phase-in to the new benefit formula. Instead, the phase-in formula singled out one group of beneficiaries for lower benefits.

Because resolving the notch costs too much?

Not true. The trust fund is accumulating larger-then-anticipated surpluses. Additionally, the long-term costs of correcting the notch are negligible.

Because fixing the notch would increase the budget deficit?

The Social Security trust fund is already scheduled to be taken out of the unified budget. If we remove the trust fund from the budget today, as many of my colleagues would support, resolving the notch would have no impact on efforts to eliminate the budget deficit.

The fact is that the current budget process mistreats the trust fund by using the surpluses to mask the trust size of the budget deficit.

Because correcting the notch would create another notch?

This is simply not true. Resolving the notch put beneficiaries born between 1917 and 1921 back on par with all other beneficiaries.

Mr. Speaker, no other issue has begged for corrective action more than the notch problem. I have heard from more of my constituents on this issue than any other. I have strongly supported legislation to correct the notch. I have held hearings in Iowa and participated in hearings in Washington, yet no action has been forthcoming.

The Social Security notch is one of the greatest injustices that exists. How can the

Congress sit back, vote for huge pay raises and ignore the notch?

Last year, we undid the damage that was done by the Medicare catastrophic law. We listened to our constituents and we did the right thing. Why don't we demonstrate the same responsibility to notch babies? We took care of the Medicare catastrophic law in less than 1 year. The notch babies have been waiting for action for 6 years.

The time to take decisive action is now. The Social Security notch should be corrected, and this Congress should push for an up or down vote on the notch before the end of this session of Congress. It is a matter of fairness and equity for millions of Social Security beneficiaries.

Mr. MURPHY. Mr. Speaker, if Congress was aware of a disaster that affected over 7 million people, I am certain that we would act immediately to repair the damage. We have a reputation for fairness and for justice. We have come to the aid of victims of floods, earthquakes, famine, war, and drought. Well let's add another groups to our list, we are in the midst of a very serious situation which merits our attention—the victims of the notch.

Least anyone think that this is a small matter, some 7 million senior citizens are victimized by the Social Security notch scheme. Every retiree born between 1917 and 1926 feels the effect of the notch each time they receive a Social Security check. At last count there were over 621,000 notch victims in Pennsylvania alone.

Where did the notch come from? It came because Congress tried to do something good for retirees—automatically adjust their Social Security checks for inflation. In 1972 Congress passed a law designed to accomplish this.

Soon, we discovered that the formula used to calculate the cost-of-living adjustments itself was wrong and that in a very short time we would bankrupt the System because of overpayments.

In 1977 we tried again to do the right thing. Late in December the Congress passed the 1977 Amendments to the Social Security Act. It attempted to correct the mistake made 5 years earlier by instituting 5-year transition period to phase out the improper formula and to substitute a correct cost-of-living adjustment allowance.

Well, it seems that we did it again. Instead of returning a measure of fairness to the Social Security System, we created a whole new group of injured—the notch victims.

No one doubts that Congress made a mistake back in 1972 and no one doubts that we had to do something to correct the mistake. But many of my colleagues scoffed at me when I voted against those 1977 amendments. I realized that this was too serious a problem be corrected with a quick fix a few hours before we went home for Christmas.

History has demonstrated that our fix was indeed wrong and 7 million people can testify to the depth of the injustice.

They have come here many times in the past 6 years. We have witnessed marches to the Capitol. We attended a huge rally back in 1986, we have received thousands of cards and letters asking for our help and still nothing has been done.

The fact of the matter is that 7 million senior citizens do not receive the correct amount of Social Security benefits every month because Congress made a mistake back in 1977 and we are unwilling to correct our error.

For the past 6 years Congress has seen numerous legislative attempts to correct the notch. A look at each Congress shows that every 2 years about 20 notch correction bills are introduced and these attract some 250-plus cosponsors.

Previously, the sponsors have been divided on what constitutes a viable corrective measure. This time, I am proud to say, compromises have been made on all sides. In this Congress we see only four major bills. While there are some differences among them, they all represent fair and inexpensive ways to correct the notch. I have been a long-time supporter of H.R. 917, formerly H.R. 1917. While I can understand many of my friends supporting other measures, the time has come for us to abandon this counterproductive tactic and to pull our strength together to effect a solution.

With all of the recent talk about huge Social Security surpluses being used to mask the deficit, it was inevitable that talk would shift toward using this money to compensate the notch victims. People keep asking, "If we have money to paper over the deficit, to give billions to foreign nations, to buy $500 million bombers, why can't we spend a little money from the Social Security trust to correct the notch?"

Let's face it, there is money in the mythical Social Security trust fund and it is better spent correcting the notch than it is spent hiding the budget deficit.

The notch victims aren't asking for the world. They don't want retroactivity, or a lumpsum repayment or a dollar-for-dollar restoration of their missing benefits. What they seek is a reasonable correction and it is within our power to give it to them.

The leadership has neglected this issue. The Ways and Means Committee has frustrated every legislative effort to find a solution. Every man and woman in this Congress is familiar with this issue because the problem touches every congressional district in the Nation.

While we appreciate this opportunity to debate and discuss this issue here on the floor, what we want is a vote. Straight up or down on the notch issue. Will we spend the money that is needed to correct the problem? I and my fellow notch victims are willing to stand by the results of this vote and to settle once and for all the issue of where Congress is on solving the notch.

I urge all of my colleagues to join in support with us today to demand that we get a chance to vote on this important issue.

Mr. TORRES. Mr. Speaker, since coming to Congress in 1983, I have received thousands of letters, postcards, office visits, and telephone calls on the Social Security notch.

One petition, I recall, had over 1,500 signatures urging the elimination of the notch problem. I have been following this issue for 8 years now and have cosponsored several pieces of legislation aimed at correcting the inequity brought about by the 1977 amendments to the Social Security Act.

The common thread in each of my constituent letters and calls has been the inherent injustice of the notch. The idea that all workers could equally contribute to the same Social Security system and then be discriminated against simply because of their date of birth is intolerable. Those seniors who have worked all their lives expect and deserve their fair share of benefits. They do not want to hear excuses about flaws and bureaucratic overindexation.

I am fortunate to have a very active organization of notch babies in my district. Headed by a courageous woman by the name of Shirley Hagen, Notch Babies, Inc. was founded to help educate and lobby Federal elected officials on this bread-and-butter issue for seniors.

The issue is not dead. Our seniors hold us accountable every day. What we need to do is design and pass the best possible solution which does not jeopardize the financial stability of the entire system. We have a GAO report on the issue, there are a myriad of independent studies and several pieces of legislation aimed and correcting the problem. The facts and figures are in. What we need to do now is bite the bullet and find a compromise position that is agreeable to all.

There is no other Social Security issue that is so distressing to current retirees than the blatant inequities of the Social Security notch. We must continue to educate our constituents and colleagues on Capitol Hill to bring an equitable solution to this problem.

Mr. FEIGHAN. Mr. Speaker, first I want to commend my colleagues, Mr. FRANK and Mr. MACHTLEY, for allowing us this opportunity to address the notch situation today.

However, it is very disturbing that we still have to arrange debates like this 12 years after the notch problem was created, and 11 years after the first notch babies began receiving their unfairly reduced benefits.

But we have no choice. The notch problem is nothing short of a crisis. Millions of our constituents are not receiving benefits, benefits to which they are entitled, benefits that they had every right to expect.

Mr. Speaker, this is a simple question of fairness. We have a situation in which Americans who worked hard, contributed to the Social Security System throughout their working lives, and served their country in peace and war, are being denied benefits merely because they were born between the years 1917 and 1921.

Today millions of Americans are receiving reduced benefits because the formula by which their benefits are computed is different then the formula by which their neighbors' benefits are computed. And, to add insult to injury, they are being told to just sit back and accept this injustice as "one of those things."

Mr. Speaker, they are not accepting it. They are telling us that they expect their Government to make fairness a policy goal, fairness and justice. That is why they are urging us to support bills like H.R. 917 which would remedy this notch crisis. They want action and they expect it.

And they have every right to. After all, the notch generation is the generation that put our country back on its feet after the Great De-

pression. It's the generation that fought the Second World War. It's the generation that created the post war economic boom that kept this country running for almost a half century. They more than earned their benefits. That is why we're here today, because we are determined that they get them.

Mr. Speaker, we have studied this problem to death. Now is the time for action.

Mr. OWENS of New York. Mr. Speaker, there are millions of senior citizens in this country who are being unfairly cheated through a miscalculation made in the 1977 Social Security amendments. There are millions more who may be affected by this inequity. This is a serious problem for those senior citizens whose money is extraordinarily tight. It is a problem which must be addressed—not by introducing more legislation, but by passing legislation out of this Congress and having it enacted into law.

There are those who have disputed the fact that there is a notch in the Social Security benefits, but a GAO report in 1988 showed a definite notch and documented the relative drops in benefits for the average worker affected by this notch. These drops amounted to cuts as large as 20 percent for some workers. This 20 percent translated to a maximum cut of $1,668 a year for some of these workers.

For many senior citizens their Social Security check is a major source, if not the only source, of their monthly income. It has been more than adequately documented that surviving on the standard Social Security benefit alone is difficult. We have all heard the horror stories of senior citizens who suffered from malnutrition, or who lost their homes, or who became ill because they could not afford to buy medicine, because they were attempting to survive with Social Security as their only income. For those who are affected by the notch, surviving on Social Security is that much harder, if not virtually impossible.

What we must not do, is adopt those legislative solutions which would not solve the notch problem, but only make matters worse for all Social Security recipients by bringing everyone else down to the level of those affected by the notch.

We must enact a solution which will not undermine the short-term financing of Social Security which would effect those currently participating in the program, or the long-term financing which would effect the viability of the program for our children and grandchildren.

However, equally as important as the financing of Social Security is the public's perception of the system's fairness. We must maintain public confidence in the Social Security System.

One of the main problems in solving the notch problem has not been that we cannot find a viable solution. The legislation exists that would solve it. In 1972, a similar benefits problem was created and solved relatively quickly. The original delay was caused by a looming financing crisis for the Social Security Administration, and unfortunately, that delay has never been overcome. As the origins of the problem receded into the increasingly distant past, the urgency of correcting the notch dimmed. As proposals to fully correct the problem were drafted, Members complained that the solutions would be too expensive. Members are still saying that the solutions to correct the notch are too expensive.

This argument is becoming more and more ludicrous. H.R. 2707, introduced by Representative HEFNER, would peak at $4.5 billion a year during the mid-1990's. The cost of this bill falls in between the costs of other proposals—and is more than $300 billion less than the most optimistic estimate of the savings and loan bailout.

How can Members of this body rationalize spending more than $350 billion on bailing out the savings and loan institutions and socializing our banking industry, and then reject out of hand equalizing payments to our senior citizens to enable the poorest of them to better afford the necessities of living? How is it that this Congress can continue to favor corrupt multimillionaire bankers over our poor senior citizens without being called to task for that favoritism?

Another problem delaying enactment of a solution to the notch problem is the continued use of the massive Social Security surplus to mask the true size of the Federal deficit. There is great resistance to increasing the cost of the Social Security Program, by any amount, in order to keep as much of those reserves as possible in the bank to offset the deficit. Accepting the proposal to remove the Social Security surplus from the calculations of the budget deficit would enable Congress to enact notch legislation without affecting the size of the deficit.

There are many obstacles to enacting legislation to solve the notch problem. But not one of those obstacles is sufficient cause to delay it indefinitely, or even to have delayed it this long. Legislation to solve this problem should have been enacted years ago, and we can only fault this body for that delay. For us it has only been a few years since this problem began. For those who are living with the notch that delay has been far too long.

Mr. KASTENMEIER. Mr. Speaker, the notch has been with us since 1977. At that time, we in Congress set about fixing an unirended windfall in Social Security benefits for those born between 1912 and 1916. This windfall occurred because of cost-of-living increases voted by Congress in 1972. An error had been made in calculations which brought the system close to financial disaster.

In 1977, we set about fixing the error by phasing in, over a 5-year period of time, the corrected calculations for those who would soon be entering their retirement years and were born between 1917 and 1921. Increases in payroll contributions were part of repairing the system as well.

With the passage of time since that correction, however, subsequent problems with the 1977 changes have arisen. I have cosponsored bills in both the 100th and 101st Congresses to take a look at any unintended consequences of those 1977 corrections and to rectify any inequities that may have resulted in lower benefits to individuals. The bill I have cosponsored, H.R. 1060, also would stretch out the transition period over a longer time, thereby flattening out the transition curve from the old to the new formula.

There are several questions which I feel ought to be thoroughly aired on the notch issue. We should ask whether the number of years for phasing in the new replacement rates was sufficient to ensure that beneficiaries are really receiving the levels of benefits that Congress intended. There are also questions about the ways in which work years are considered for benefit purposes which should be examined in detail. Also, the fact is that the economy did not perform as it was expected to in the years after the new formulas were put into place. We should ask what effect this had on the benefit levels Congress intended.

I strongly feel that an open and honest discussion of the questions about the notch problems in the form of legislative hearings would do much to help us know exactly in what way Congress should proceed to correct any unintended problems from previous adjustments. The job of the Congress is to address problems in terms of law and to make changes when needed to ensure fairness and equity. The fact that a need to reopen an issue has been identified by many Members and has been addressed in several legislative proposals is proof that Congress is making every effort to do our job.

I will continue to urge that we address the notch issue in a fair and effective way and do so in a timely fashion.

Mr. SCHUETTE. Mr. Speaker, as a cosponsor of legislation to reform the flawed notch formula, I rise to express my views on this issue. Hundreds of my constituents are gravely concerned about their Social Security benefits. As you know, the notch identifies those born between the years 1917 and 1921 who are receiving transitional replacement rates for their Social Security benefits. This transition period was put in place by the 1977 Social Security amendments, in response to an error in the benefit formula begun in 1972. If the old benefit computation rules had been left unchanged, benefit levels for many individuals retiring in the future would have been higher than their earnings before retirement, causing a severe threat to the Social Security trust fund.

To correct this error and preserve Social Security, the 95th Congress enacted changes to reduce the replacement rate to that which had been originally intended. To protect the benefits of people already receiving or about to receive Social Security, Congress provided a special transitional computation for those persons reaching retirement age in the first several years after the new rule went into effect. This explains why those born between 1917 and 1921 may be receiving slightly higher benefits than those born after 1921. While those persons born in the notch years receive less in benefits than those born before 1917, notch babies generally receive more than those born after 1921.

During the 100th Congress I cosponsored two measures (H.R. 1721 and H.R. 1921) which would have lengthened the benefit transition period. However, neither of these was acted upon before adjournment. This legislation was reintroduced in the 101st Congress and no action has as yet been taken.

The Social Security notch is one of my constituents' biggest concerns. If there ever was an issue the senior citizens in Michigan were

unhappy about, this is it. I receive more mail on this matter than any other single issue. Americans are frustrated with notch inequity and they are angry too. As their representatives, we have an obligation to address an issue that is of the utmost importance to them. Is that not what we are serving in Congress for? I have always been a strong supporter of Social Security benefits and services and I will continue to work hard for the elderly.

Mr. BONIOR. Mr. Speaker, I am pleased to join my colleagues today speaking in a special order on the Social Security notch.

The notch has made it possible for two Social Security recipients with identical working records to receive differing amounts of benefits. I have heard, for instance, that there were two sisters, who worked at the same job for the same length of time. The one born in 1916, however, received $150 more in Social Security benefits than the one born in 1917. We owe it to our senior citizens to correct this blatant inequity.

I am a cosponsor of H.R. 917 to eliminate the notch for retirees born between 1917 and 1926. There are many seniors who need the extra income that they are losing each month due to the notch. H.R. 917 would ensure they receive from $37 to $114 more per month, based on their current benefit level. This would help, among others, many veterans of World War II who fought all over the globe to keep our country safe.

H.R. 917 is a part of a large package of reforms for senior citizen programs which I support. Recently I introduced House Concurrent Resolution 317 that calls on Congress to prevent the Social Security trust fund from being used to hide the size of the budget deficit. I also support Social Security cost-of-living increases [COLA's]. Seniors living on fixed incomes need these raises to deal with the inflated costs of housing, medicine, and food.

To give seniors greater economic independence, I am cosponsoring H.R. 2460 that would eliminate the earnings test for citizens who have reached retirement age. It is unfair to penalize retirees who have the creative drive or the economic need to work.

As a strong supporter of the Older Americans Act, I am working in my district to preserve senior nutrition sites. This program provides many senior citizens with their only healthy meal of the day. Many of these seniors were born in the notch years and could certainly use the extra income.

It is good to see so many of my colleagues here today, speaking out in support of eliminating the notch. I hope you will join me in cosponsoring H.R. 917. The Social Security system was created with the goal of ensuring a decent quality of life for senior citizens. I believe correcting the notch is a vital part of that goal.

Mr. RINALDO. Mr. Speaker, I rise today to express the concerns of thousands of people from the Seventh District of New Jersey. The vast majority of the people I am speaking for today have retired after a lifetime of work and payroll contributions to Social Security. These are carpenters and lawyers, mechanics and doctors, veterans and widows.

Across all of their differences, they share two things in common. They are the first generation of Americans to retire after contributing to Social Security for the entirety of their working lives—a payroll deduction from every single check over 40 or 50 years. And they are the generation we know as the notch.

Congress created this problem when the benefit formula was changed in 1977. And it is up to Congress to solve it. As vice chairman of the House Select Committee on Aging, I am a chief sponsor of a bill to remedy the notch, H.R. 917, and have been fighting to correct this inequity in Social Security benefits. Unfortunately, all bills designed to remedy the notch have been bottled up in the House Ways and Means Committee, which has sole legislative jurisdiction on this issue.

The time has come to resolve this issue once and for all. There is no excuse for denying notch babies a vote on this critical issue.

People affected by the notch are tired of the footdragging and excuses that seem to be the only answers to their inquiries, and quite frankly, so I am. The excuses are stale, and the solutions are long overdue. It is our responsibility to return equity to the system and eliminate the notch immediately. If we do not risk undermining faith in the fundamental fairness of Social Security itself.

Mr. Speaker, I commend my colleagues for taking out this special order.

Mrs. VUCANOVICH. Mr. Speaker, I rise in strong support of notch reform legislation. In this Congress, as in the past Congress, I have cosponsored legislation that would correct this gross inequity. I feel it is essential that the Congress move to right this wrong that affects so many Americans.

Some will contend that the notch is not a problem. I beg to differ. Even the General Accounting Office—in a report done shortly after passage of the 1977 Social Security Amendments, which caused unintended benefit inequities known as the notch—stated the following:

No amount of technical discussion and sophisticated analysis is sufficient to convince an individual that it is equitable for him to receive a benefit that is $100 less per month than his nearly identical neighbor.

Mr. Speaker, the following case history demonstrates how unfair the notch situation is:

Ruby Ford of Chillicothe, TX, born February 11, 1917, is a classic example of the effect of the flawed transition on benefits to notch babies. Had she been born 6 weeks earlier, her monthly Social Security check in 1988 would have been $678. She, too, worked until age 65, but since she was born in 1917, her earnings after age 61 could not be counted. Her monthly check was only $546, a 24-percent loss. In 1988, it cost her $1,584 for having been born 42 days late.

I would like fairness to be extended to those who have been unfairly treated and who have experienced this inequity firsthand. These Americans have worked as hard for their earned benefits as have others who happened to be born in another year. We must act now to correct this bureaucratic injustice. I feel that this can best be accomplished through legislation that reforms and extends the transition period. Unfortunately, the transition formula established by the 1977 amendments was poorly designed and did not work for a number of reasons, primarily because post age 61 earnings were not included in calculating benefits. These are often a worker's highest earning years.

We need to move legislation such as H.R. 181 and H.R. 1060, bills I have cosponsored, that would restore the original intent of Congress by gradually phasing in a stable level of benefits to those born between 1917 and 1921. A solution to the notch will help to restore faith in the system for millions of our older Americans.

Ms. ROS-LEHTINEN. Mr. Speaker, it is an atrocity to perceive that one is being treated unfairly, and that is exactly what has been engendered among the people born from 1917 to 1921. The unequivocal truth is that Social Security notch babies are receiving lower monthly benefits than people born in the immediate years before that period.

A responsible solution to the notch years needs to be enacted so that we can restore faith to the many thousands of notch babies and provide protection to the current and future beneficiaries.

Social Security notch babies have experienced an outrgeous injustice and the time has come to correct this.

Mr. POSHARD. Mr. Speaker, it's a pleasure for me to join such distinguished company and to participate in a discussion of the notch issue.

Coming from a rural area with quite a few older residents, I have heard quite a bit about the notch question.

And if I was adversely affected by a quirk in legislation like this group is, I would be just a little upset as well. So let me begin by saying that I appreciate and understand the objections the notch babies have.

I believe it is our responsibility to do something about the notch issue.

Speakers before and after me will more eloquently and expertly explain the ins and outs of the legislation that created the notch in the first place.

But it should be emphasized that this was done in good faith, not with any intention to harm those folks who now find themselves in this predicament.

And we find ourselves wtih another predicament—the budget. It will be quite a challenge to correct the notch problem with the deficit we have and the other demands on our limited resources.

First we have to decide whether notch recipients deserve the benefits just as much as anyone else. And the answer to that is an emphatic, resounding, and unanimous "Yes."

So now we have to find a way to fund it.

I am cosponsor of Congressman ROYBAL'S bill to correct this problem which phases in compensation but does not offer retroactive benefits. That's probably not the very best answer for the people who are in the notch, but it's a fair and reasonable approach, and perhaps the best solution for all involved.

I really just want to emphasize that I believe we have an obligation to meet this problem head-on and come with a solution. The Social Security recipients who are affected have earned their benefits and are entitled to them.

We should live up to our end of the bargain.

Mr. ANNUNZIO. Mr. Speaker, I am pleased to have the opportunity to join with my col-

leagues in the House of Representatives in calling for congressional action to correct the disparity in Social Security benefits for recipients born during the notch years.

I am a cosponsor of H.R. 917, the Social Security Transitional Benefit Computation Act of 1989, to provide for a more gradual 10-year period of transition to the changes in benefit computation rules as they apply to workers attaining age 65 in or after 1982, and for the last several years, I have urged that the committees in Congress with jurisdiction take the steps necessary to address this inequity in benefit levels.

In 1972, Congress double-indexed Social Security benefits to compensate for inflation. This formula, if retained intact, could have resulted in a situation where individuals retiring after the year 2000 would have received more in Social Security benefits than their preretirement earnings. To correct this oversight, Congress approved the Social Security Amendments of 1977, introducing a new benefit formula which reduced the earlier overcompensated benefit levels.

However, to protect the beneficiaries from abrupt reductions in their Social Security benefits, a 5-year transition formula was created. The original intent of Congress was to provide a modest initial decrease in benefit levels for this transition group over this 5-year period, and then to stabilize benefit levels for all Social Security recipients. Unfortunately, this stabilization did not occur. Instead, changes in the economy as well as a provision in the transition formula which excluded earnings after age 61 for those born in the notch years, resulted in a situation where some beneficiaries actually had their benefits reduced by as much as 24.1 percent.

Today, individuals born only days apart, and with the same work and salary histories, can have a great disparity of monthly benefits because one was born in 1917 and one was born in 1916. Those born in the notch years, 1917–21, contributed into the Social Security System and expected to receive their fair share of benefits. Over the years, they have contributed to the strength and greatness of America. As young adults, they struggled through the Great Depression, and many were called upon to serve their country and fight in World War II. They should not be penalized just because of their birth date.

Over the last several years, several thousands of my constituents, who were born in the notch years, have contacted me to express their deep concern about this inequity, and have called upon the Congress to correct this program.

As a cosponsor of H.R. 917, the Social Security Transitional Benefit Computation Act, it is my hope that this special order today will heighten public awareness about the Social Security notch, and this will lead to developing a solution to this problem.

It is important that all Americans view Social Security benefits and taxes as fair, and I urge the Congress to take the steps necessary to correct this notch inequity.

Mr. FISH. Mr. Speaker, I rise today to speak about a very specific group of people. A group of people who have been unfairly treated as a result of legislation which we in the Congress passed in 1977. They are of course the notch babies—men and women born between the years of 1917 and 1921.

There is no question that in 1977, the Social Security benefit formula that indexed benefits to the cost of living needed to be reformed. This formula, adopted in 1972, allowed for overly generous automatic benefit adjustments which nearly bankrupted the Social Security trust fund. However, the reform which was implemented created a great differential between the Social Security benefits earned by the notch babies and those earned by people born prior to 1917. This can only be described as an injustice.

Mr. Speaker, every Member of this body is compassionate to the needs of the elderly. Those of us who were serving in 1977, simply did not forsee the unanticipated effects of the new benefit formula o those people who reached retirement age during the 5 years over which it was phased in—that due to the double digit inflation of the late 1970's, the notch babies would end up with hundreds, even thousands, of dollars less annually than those born just before them with similar years of work and wages. But we can correct this problem.

In every Congress, numerous bills are introduced to bring the benefits of those born between 1917 and 1921 more in line with the level of those born in 1916. In every Congress, these bills die in committee. This Congress should be different. This Congress must restore fairness and equity for those people who comprised the first generation to pay in completely to the Social Security system over their entire working lives. Nor should we lose sight of the fact that males in this age group were between the ages of 20 and 24 when the United States entered World War II.

I hope that my colleagues will join me in correcting the notch problem—the babies have waited long enough.

Mr. SMITH of Florida. Mr. Speaker, at the town meetings I frequently hold in my district in Florida, I hear constituents' concerns on a wide variety of issues. A prime concern has been the subject of the Social Security notch. But the residents of my district, as well as the notch babies around the country, wouldn't have to worry about this problem if it had been corrected as quickly as it was created.

Social Security amendments were passed 18 years ago creating a change in benefit calculation. This new method triggered an unintended increase in benefit levels to certain individuals. Social Security recipients were receiving an increase benefits equaling 55 percent. Since revenues were only adequate to sustain the traditional 42 percent, the Social Security trust fund was seriously strained and close to bankruptcy. Congress enacted the Social Security amendments of 1977, to save the trust fund. While these amendments were necessary to preserve the Social Security trust fund, it was not successful in creating an adequate period of transition, and therefore, punishing those born between 1917–21.

The quick passage of that legislation has brought us to where we are today. Our Social Security System is discriminating against people simply on the basis of when they were born. This is absurd. How can we as legislators explain to a notch baby that her benefit is lower than her neighbors, simply due to her birthdate? It is time that we end this discrepancy in the Social Security System.

In the near future, I will introduce my own solution to the notch disparity. My bill, the Social Security Benefits Improvement Act of 1990, will erase the inequities in benefits created by the amendments of 1977. This legislation will include provisions for an increase in the benefits for those born in years of 1917–21. The Congressional Budget Office estimates that Social Security recipients born in the notch years will find an increase in their benefits from $32 to $114 a month. This is a substantial difference. I urge my colleagues to support reform of the 1977 Social Security amendments. It is high time we treat notch babies equitably.

Mrs. LONG. Mr. Speaker, I wish to address the Social Security notch issue. As many of you know, this issue centers on Social Security recipients born in the years 1917–21, informally known as the notch years.

A definitive study by the General Accounting Office demonstrated that individuals born in the notch years generally receive lower benefits than do individuals born before 1917. However, this same study showed that retirees born in the notch years generally receive higher benefits than the retirees born after them.

This uneven situation arose out of an attempt by Congress in the 1970s to scale back Social Security benefits as the formula used to compute cost-of-living adjustments was increasing benefits far ahead of wage and price inflation. These costs threatened to bankrupt the Social Security trust fund. In order to remedy the situation, the benefits for retirees due to turn age 62 in the years 1979 through 1983 were calculated to gradually decrease in order to bring the benefits back in line with inflation. Benefits for those individuals due to turn age 62 after 1983; that is, those retirees born after 1921, were set at the correct level.

Now, however, the decrease in benefits for Social Security recipients born in the notch years is very uneven. The benefit levels for some notch year individuals drop off sharply instead of gradually from the levels for people born just before them. However, in almost every case, these notch year individuals still receive higher benefits than those people born after them.

Mr. Speaker, I do not support cutting the benefits of seniors born before 1917 nor do I support cutting the benefits of seniors born during the notch years in order to bring their benefits down to the level of those seniors born after the notch years. While some retirees benefit more than others from overly generous cost-of-living adjustments, none of the retirees born during the notch years are being penalized relative to the retirees born after them who generally receive lower benefits.

While I am very concerned about the uneven transition in benefit levels, the proposals that I have seen to address the notch problem cost tens of billions of dollars. I am very concerned that a massive increase in costs would threaten the financial integrity of the Social Secrity System. This is something no one wants to see. Congress has worked too long and too hard to ensure the security of the program that is vital to so many people.

The difficulties in addressing the notch problem are complex and numerous. I believe that the solution to the problem must be equally sophisticated. Congress must work toward a solution which will address the transition levels in benefits, provide fairness to all Social Security beneficiaries, and have a fiscally responsible impact. Mr. Speaker, I pledge my support to finding that solution.

Mr. KANJORSKI. Mr. Speaker, I rise today to speak on behalf of a large number of my constituents and senior citizens across the Nation who are victims of the Social Security notch. As you know the notch victims are retired workers whose monthly Social Security benefit have been reduced, because of an unfair grouping in the benefit equation that affects retirees born from 1917 to 1926.

Those affected by the notch have worked long and hard with the expectation of enjoying their retirement years without worrying about paying rent or buying food. These senior citizens, however, have been unfairly treated by the very system they helped build.

As a result, I have joined with several of my colleagues in introducing legislation to end discrimination against citizens born in the notch period. In the past, I have spoken out for the need to quickly resolve the notch problem, and I will continue to do so until those affected by the notch receive the benefits they have earned and deserve.

In addition to sponsoring legislation, I have made floor speeches urging the Ways and Means Committee, which must review notch legislation, to act on this issue. I have also testified before its Social Security Subcommittee on behalf of those in my district who are adversely affected by the notch problem. Furthermore, I met personally with the past Social Security Commissioner to discuss this issue. She told me she hopes the problem will just go away. I told her it will not until we correct this injustice.

I do not support lowering benefit levels. In addition, I am opposed to any cuts or freezes in Social Security cost of living adjustments. It is unjust to ask senior citizens to make sacrifices for a situation they had no part in creating.

Since my election to Congress, I have been actively involved in legislation to correct the notch problem. I have written to the President and committee leaders to demand action. I have even participated in demonstrations addressing this issue on the Capital steps.

Despite efforts by many of my colleagues and myself, little progress has been made to correct the injustice caused by the notch situation. This administration, like its predecessor, continues to refuse to even attempt to correct the notch. But I can assure those that hope this problem will just go away that the notch issue will not disappear and must be addressed.

Mr. Speaker, earlier this year, Senator MOYNIHAN focused on a very real problem in the Federal budget. The surplus in the Social Security trust fund should not be used by the administration to hide the size of the real budget deficit.

I strongly believe that the trust fund surplus should be used to benefit those who deserve it—Social Security recipients and specifically, the victims of the notch. It is unfortunate that, through no fault of their own, retirees are the innocent victims of an error in the calculation system.

It is my sincere hope that the current debate on the Social Security surplus will demonstrate to the President and my colleagues in the Congress that it is possible, and absolutely essential, to correct the notch.

Mr. ENGEL. Mr. Speaker, I rise today to express my opposition to the Social Security notch. Since my election to Congress, I have been working hard to correct this injustice.

The Social Security notch problem causes people born between 1917 and 1921 to receive smaller Social Security payments than others. Last year, I cosponsored H.R. 917, a bill designed to correct this problem by providing a formula to increase benefits for people affected by the notch.

For years, bills to correct the notch have been introduced, but no action is ever taken on them. This Congress, unfortunately, has been no different than others.

Senior citizens are frustrated by the lack of action on the notch issue. Many constituents have approached me and asked if Congress is waiting for them to die before action is taken. I certainly hope this is not true, but I am beginning to wonder.

Earlier this year there was a great deal of discussion about reducing the Social Security tax because the Social Security surplus was being used to finance the Federal deficit. At the time this proposal was raised, I sugggested using part of the Social Security surplus to help notch babies, born between 1917 and 1921. I still support this idea. We can correct the notch problem with part of this surplus.

Current estimates show that it will cost between $6 and $10 billion per year to correct the notch problem. The Social Security trust fund will have accumulated a surplus of $155 billion by the end of 1990. This amount is expected to rise to over $1 trillion by the year 2000. It is only right to use a small portion of this money to correct this horrible discrimination.

Mr. Speaker, It is unfair that certain parts of our population are being discriminated against because of their age. I urge the Ways and Means Committee to report out a notch correction bill and allow the full House to vote on this issue. Let's give our senior citizens the benefits to which they are entitled. People born between 1917 and 1921 should not continue to be treated as second-class citizens. It is unfair and discriminatory. Let's give these people the money they deserve.

Mr. RAHALL. Mr. Speaker, I rise to speak on behalf of millions of Social Security recipients across this great country of ours who are being unfairly deprived of their rightful monthly Social Security benefits.

These retirees, who by accident of birth between the years of 1917 and 1921, are having as much as $100 per month in entitlement benefits withheld because of a 1977 change in the calculation used to determine earned benefits, demand satisfaction now.

When Congress acted in 1977, it must be said that Congress acted in good faith in an effort to lower and stabilize replacement rates for future beneficiaries. What Congress did not realize was that we would be cutting benefits as much as, and as abruptly as, we did.

These unfortunate individuals are known as notch babies—babies born in 1917, but who are now 73 years of age, already having received Social Security benefits for nearly a decade into their retirement years—10 years of having benefits withheld amounting to as much as $100 a month for some.

How many notch babies are there? It's hard to tell. We have many statistics and the numbers vary. But some estimates show more than 12 million nationwide, and that 98,917 live in West Virginia, and they are growing older.

I have received some very sad, and some very angry letters from my notch babies from the Fourth District of West Virginia, wanting to know when Congress is going to act. Some of my constituents want to know if we are deliberately delaying action on notch year legislation so that when they are all dead of old age, Congress need not act at all—and nothing need be paid at all.

And yet these good people say to me, it is OK if you don't make the benefits retroactive when you fix the notch—even though we have lost money over the past decade of having our benefits reduced. Just fix it so that we can begin to receive next month the amount of benefits we are entitled to receive. How many of us would be that generous?

I have been a cosponsor of the notch year legislation since it was first introduced many years ago—and yet Congress has done nothing.

No hearings have been held. No markup is scheduled.

I have signed the discharge petition in an effort to bring this bill out of committee and onto the floor of the House for a vote. But nothing has come of it.

Some say the reason the committee of jurisdiction is holding off on this legislation is that there is no money to pay for it.

What's wrong with using the Social Security trust fund for paying for the notch babies? Why not take a long and serious look at other pending bills that neither reduce the trust fund nor require us to raise taxes.

We are taking the surplus off budget, but instead of using it to reduce the deficit as we have done for years, this year's budget resolution calls for spending the surplus to pay off the public debt.

Is there a difference?

Have we stopped using the Social Security trust fund for one thing, only to spend it for another thing—neither of which it was nor is intended to be used for?

Our older people—our senior citizens—did not pay into the surplus—the surplus came along after their time. But they paid into the Social Security system, during year after year of hard work, many at very low wages in jobs that did not offer other pension programs.

All these people have is their earned entitlement to Social Security, and the small amount many of them receive won't pay their heating bills, much less health care, rent or mortgage payments, and food. And we deny them an extra little payment—a payment they have earned—because we can't or won't bring a bill to the floor to restore those benefits.

Mr. Speaker, I am appalled, and yet except for the opportunity to speak during these spe-

cial orders, there is nothing I can do for my constituents in West Virginia's Fourth District to help them.

Are they right, Mr. Speaker? Are we in fact holding off on acting on this notch year legislation waiting for a time when most of them will be long dead, and get us off the hook on this issue? I hope not.

The time for talk is past—now is the time to do something to resolve the notch year problem. West Virginia's notch babies deserve a fair shake, and a fair check.

Let us put our money where our mouth is—pass the notch year legislation now.

Mr. MONTGOMERY. Mr. Speaker, I want to thank my colleagues for taking this special order today to talk about the Social Security notch issue. I am cosponsoring this reform effort because I think this inequity has gone on long enough.

More than 102,000 Social Security recipients in the State of Mississippi are adversely affected by this problem, certainly through no fault of their own. They only want to be treated fairly and equally and the notch correction legislation seeks to do that.

I think it is very useful to take this time today to discuss the issue and talk about how we might be able to rework the benefit formula for persons born between 1917-21. I appreciate the efforts of my colleagues who organized this special order and I thank them for allowing me to participate.

Mr. QUILLEN. Mr. Speaker, I applaud my colleagues for organizing this opportunity to debate the Social Security notch issue. For several Congresses, I have introduced legislation to correct this inequity. I've cosponsored other similar measures, signed discharge petitions, spoken on the House floor, and sent letters to the Ways and Means Committee urging that hearings be held to resolve this issue. In this Congress alone, over 180 Members have done the same, but our requests have fallen on deaf ears.

In 1977, when we passed the Social Security Act amendments, it was called the largest peacetime tax increase in the history of this country. This law increased the amount of tax that workers and employers had to contribute to Social Security and at the same time reduced the amount they would get back when they retired. This same law created the notch years, penalizing those born after 1916. I voted against that measure.

The GAO released a report in March 1988, and included a comparison of monthly benefits received by average earners retiring at age 65. A retiree born in 1916, before the notch, would receive $685. A retiree born 1 year later would receive $618—more than $800 less per year. A retiree born in 1921, the last of the notch years, would receive $561 per month—almost $1,500 less per year than the prenotch retiree. This is a substantial amount of money to those trying to make ends meet on a very limited fixed income.

The formula used to compute benefits for the notch babies is disproportionate, discriminatory, and unfair. It needs to be revised and the proposals developed to correct the formula deserve complete review and consideration by the Congress.

This is a serious issue of extreme importance to millions of Americans, and I once again call upon the Ways and Means Committee to hold hearings on this matter and to give the Members of this Congress an opportunity to remedy this situation.

Mr. ALEXANDER. Mr. Speaker, I am here today to speak for the thousands of senior citizens in my district who are victims of the Social Security notch disparity.

In 1972, Congress amended the Social Security law to tie benefit increases to changes in the cost-of-living index. A few years later, it was discovered that this new formula gave too much weight to fluctuations in the inflation rate.

To fix this problem, Congress altered the payment formula in 1977.

Congress had only good intentions when it changed the formula. But the outcome was unfair to some of our senior citizens.

What no one knew at that time was that shifts in inflation rates would cause unexpected inequities in the Social Security payment computations.

This means that Americans born from 1917 to 1921 receive less money each month than other Social Security beneficiaries.

Estimates show that in the First District of Arkansas, which I represent, up to 25,000 retired workers are affected by this unfair payment system.

Some of these senior citizens receive as much as $1,000 less per year than other Social Security beneficiaries who may have been born a few weeks, days, or even hours earlier.

Mr. Speaker, many of these people have worked nearly all of their lives. With their many hours of work, they have fulfilled their part of the Social Security compact. Now it is time to fulfill our side of the bargain.

The Federal Government has promised Americans they will be protected in their retirement years in exchange for a lifetime of hard work.

Our senior citizens deserve to be protected in a just fashion. They deserve an equitable Social Security benefit computation formula. As their elected representatives, we have a responsibility to correct this formula.

That is why I am a cosponsor of H.R. 917, the Social Security Transitional Benefit Computation Act.

This bill would gradually phase in the benefits computation changes included in the 1977 Social Security Amendments.

It would provide equitable Social Security benefits for all Americans—including those born in the notch between 1917 and 1921.

Mr. Speaker, the notch injustice has gone on for too long. Let's make a commitment today to correct this unintended inequity.

Mr. WELDON. Mr. Speaker, the American people have had enough. For more than a decade, senior citizens have asked Congress to fix the Social Security notch and for an equal number of years, they have been turned down.

It is time that we, as a Congress correct the mistakes made in 1977. As we are all aware, people born between 1917 and 1921 have found that their Social Security benefits are lower than those people born in 1916. The disparity is not based on their earnings history. They receive lower benefits because they were born in the so-called transition years. We know it better as the notch.

In trying to prevent the Social Security system from running dry, Congress instituted sweeping changes in 1977, which reformed the formula by which benefits are calculated. Unfortunately, this change hurts people who are forced to draw their small income from this new formula. This hardly seems fair. In fact, I wonder how many of my colleagues would like to have their paychecks computed on the basis of the year they were elected to Congress.

One of my constituents got a rather rude awakening to the notch. After serving his country in World War II, Sid Ulan of Wallingford, PA, went into business with his sister. Over 30 years, they contributed identical amounts to the Social Security system. In 1982, they both retired and applied for their benefits. His benefits were substantially lower than his sister's. Part of that is caused by the fact that Mr. Ulan retired early. But he is receiving approximately $200 per month less than his sister solely because of the year in which he was born. With examples such as this, it is hard to understand why Congress has permitted this situation to continue.

Congress created the notch in 1977, because they feared that the Social Security system was running dry. Those fears should be well erased by now. During the next decade, annual Social Security surpluses are expected to average more than $121 billion per year. So let's drop the fiction that we need to pay lower benefits to ensure the solvency of Social Security.

I have cosponsored legislation, H.R. 2707, which would restore equity and fairness to individuals born in the notch years. The bill, however, would hardly break the Social Security system. Adoption of this legislation would still permit the trust funds to grow to more than $1.3 trillion by the end of this decade.

I have heard plenty of people complain that we should not fix the notch because it will increase the deficit. To that I say, "hogwash." The Social Security trust funds should not be used to hide the deficit. Those moneys have been collected to pay for retirement benefits, not to hide the deficit. Yes, fixing the notch will cost money, but it is money set aside exclusively to pay for such benefits.

Despite the clear need for notch reform, the Ways and Means Committee has failed to bring this legislation to the House floor. I have been reluctant to sign the discharge petition. I had hoped that the normal committee system would successfully bring this bill to the House floor. It is clear, however, that waiting for the Ways and Means Committee to act on the notch will be as fruitful as waiting for the sky to fail. Last week, I signed the discharge petition to bring notch reform legislation to the House floor. I hope that all of my colleagues will do the same.

Mr. Speaker, I call upon my colleagues to reflect on this problem. To those who agree on the need for real reform, let us join together to find a solution. To those who continue to preach inaction, let them be wary of our growing strength and numbers.

Mr. MANTON. Mr. Speaker, I want to thank my colleagues, Mr. FRANK and Mr. MACHTLEY,

for reserving this time to discuss the Social Security notch. I believe it is imperative for the Congress to focus its attention on this inequity which effects more than 7 million Americans born between 1917 and 1921. These people are the so-called notch babies, and they receive lower Social Security benefits than individuals born just a few years earlier.

Mr. Speaker, the Social Security notch issue is one of particular concern to my constituents. Since I was first elected to Congress, I have received more letters and phone calls about the notch than almost any other issue. Over the years, I have become more and more firmly convinced the notch is an injustice which must be remedied.

Mr. Speaker, many people are confused about what the notch is. The Social Security notch came about as the result of a well-intentioned 1977 effort to correct an automatic benefit increase provision created in 1972, under which Social Security benefits were overindexed for inflation. While the 1977 amendments were largely successful in making this correction they contained a notable error. The amendments excluded from benefit computations the earnings of individuals born between the years 1917 to 1921 who chose to work after age 61.

Mr. Speaker, in 1987, the House Select Committee on Aging held a field hearing in my district on the subject of the notch. At this hearing, the inequity created by the notch was clearly shown through a comparison of the earnings records of two of my constituents. The husband was born in 1916 and retired early at age 62, at a reduced benefit level. His wife, who was born in 1921, worked until age 65 and earned $6,000 more than her husband during her working life. Yet, as a result of the notch, the wife received $190 less per month than her husband.

I believe the experience of this couple clearly illustrates the fact that the notch exists and continues to cause unequal treatment. We have all heard the skeptics say that the notch is an illusion, that people born between 1917 and 1921 are not receiving less benefits than they deserve. Clearly those skeptics are wrong.

Mr. Speaker, I am a proud cosponsor of H.R. 917 and H.R. 2707, two bills designed to correct the notch inequity. Although the bills have different schedules for correcting the notch, I believe they both are sound proposals for rectifying this problem. We can debate which proposal is preferable. What is important is the notch issue comes before the House for a vote. Many notch victims feel the Congress is ignoring their problem. I urge my colleagues on the Ways and Means Committee to hold hearings on these two notch bills to dispel the concerns of notch victims that Congress does not want to remedy this problem. The errors of the 1977 amendments have been allowed to stand for too long, now is the time for action on this issue.

Mr. Speaker, again, I want to thank my colleagues for reserving this time to discuss this important issue. I hope we can move beyond debate at the end of legislative business and begin legislative action on measures designed to remedy the notch inequity.

Mr. BROWN of California. Mr. Speaker, the question of restoring Social Security benefits to the 7 million retirees who were born between 1917 and 1921 has dragged on for too long. It dominates much of the mail which we receive from senior citizens in our districts, and it is a perennial agenda item during all of our meetings with seniors. Not only is the notch issue routinely unfinished at the conclusion of each Congress, but those men and women who are affected by this problem are dying every year in increasing numbers. We can no longer substitute neglect for action on this issue, in the hope that it will simply disappear.

I urge my colleagues in the House of Representatives to bring to a vote legislation which would restore the level of Social Security benefits to all notch babies. As a cosponsor of H.R. 917, Representative ROYBAL'S bill which would phase in restoration of these benefits over a 10-year period, I am naturally supportive of efforts to discharge that bill from committee; however, more important is the larger issue of simply bringing this question up for a vote. Whether it be H.R. 917, or any of the other myriad notch bills which have been introduced in the 101st Congress, I urge this body to act. To date, not a single piece of notch legislation has reached the House floor for consideration.

As a notch baby myself, I feel a particular responsibility to voice the sentiments of my constituents who feel that they have been unfairly treated by our Government in terms of this situation. They simply do not understand why their friends and relatives who were born a few years, or even a few months, before them, and have the same working record, should receive significantly greater Social Security benefits.

We owe it to these men and women to fully address the notch issue. Let's quit stalling, and bring the notch issue to a vote.

Mr. ERDREICH. Mr. Speaker, I appreciate having the opportunity to address the House regarding the Social Security benefits for those born in the notch years and after.

In 1977, before I was elected to Congress, resources in the Social Security trust funds were rapidly being depleted. The reason, I am informed, was that in the 1972 amendments to the Social Security Act, Congress had utilized a cost-of-living formula that miscalculated inflation, resulting in excess yearly COLA increases. In order to preserve the Social Security trust funds for future retirees Congress changed the formula by which Social Security checks were computed. That change accounts for the difference in notch benefit checks and those to people who retired or were about to retire before the formula was changed. The formula lowered benefits for everyone who was born after 1916, but the differences seem more pronounced in the amounts drawn by those born in the 5-year transition period, 1917–21.

I feel very strongly that we must treat all retirees fairly. In the last Congress I cosponsored legislation which would increase benefits to those effected by this recalculation. I have also reintroduced H.R. 1152, to require the Department of Health and Human Services to make a recommendation on which solution to the problem is most sound. Any spending of money in the Social Security trust funds must be carefully planned to insure that the funds remain sound enough to handle increasing numbers of retirees as the U.S. population ages. Several bills to correct the notch discrepancy, varying in cost, have been referred to the House Ways and Means Subcommittee on Social Security. The Subcommittee last year held hearings on the bills, but did not report any of the measures.

Though we commend our colleagues on the Ways and Means Committee for the work they have done on this issue so far, I am hopeful that we can now move legislation to produce an equitable solution to the notch problem. I will continue to do all I can to improve benefits for recipients of Social Security.

Mr. CLINGER. Mr. Speaker, I am pleased to have this opportunity to discuss the notch inequity with my colleagues on the House floor today, and I commend the sponsors of this special order for their hard work on behalf of our senior citizens.

The 1977 Social Security amendments were designed to rectify the problems in the overindexed 1972 benefit formula and reduce benefit levels for all persons eligible for retirement after 1978. Congress wanted to phase in the reduction over a few years so as not to hurt those who were already planning on a specific Social Security benefit.

The final legislation included a 5-year phase-in to the new benefit formula. Unfortunately, this transition did not work because of the unanticipated double-digit inflation of the 1970's and because the transition formula ignored the post age 61 earnings of individuals in calculating benefits.

My goal has always been to press for a responsible solution to the notch which will restore faith in the system for millions of notch babies and provide maximum protection to current and future beneficiaries. Notch legislation which I have cosponsored contains technical corrections which substantially reduce the cost of correcting the notch while still providing equity to those individuals born during the years 1917–21. This legislation would allow for a 10-year transition to the new benefit formula.

This amended bill would compute benefits under the old 1972 formula and reduce them by 3 percent. In addition, benefits would be reduced an additional 3 percent for each year of birth after 1916. Under this formula, beneficiaries would be protected from abrupt reductions in benefits, as envisioned in the 1977 amendments, and would also receive retroactive benefits. Last year, the Social Security actuaries estimated the cost of this proposal to be approximately $45 billion over 10 years.

Under this 10-year formula, average earning 65-year-old retirees born between 1917 and 1924 are projected to receive higher benefits than under current law, while 65-year-old retirees born after 1924 would receive the same level of benefits projected under current law.

We have been studying this problem on the Select Committee on Aging for over 3 years. It is my feeling that enough hearings have been held and enough studies have been done and that it is time for action.

Let me conclude by stating that this inequity should not exist. Such arbitrary discrepancies in benefit levels are unfair and undermine confidence in the Social Security system. I believe

this legislation solves this problem responsibly and fairly.

Mr. BILBRAY. Mr. Speaker, Social Security notch is a national issue that is long overdue in being addressed on the House floor.

It is a sad fact that retired workers born between 1917 and 1921 will lose an average of $660 a year in Social Security benefits. Some actually lose thousands of dollars each year. I am here today because I believe it is high time for Congress to stop the rhetoric and start to do something to correct an injustice that has been plaguing our senior citizens for over a decade.

The Social Security notch was created during the double-digit inflation of the late 1970's. Because of the rapidly increasing inflation rate, the retiree's benefits began to rise even faster than the inflation rate. The formula for computing benefits was changed in 1977 in an attempt to stop what appeared to be a runaway drain on the Social Security system. These 1977 modifications sought to phase in a 6- to 10-percent benefit reduction over a 5-year period; however, this new formula did not work. As a result, a notch opened up, with retirees born from 1917 to 1921 receiving less in benefits than those born in prior years.

Mr. Speaker, I believe Congress committed a serious error in 1977 when it enacted the legislation that created the notch by specifying a transition period of only 5 years. Instead of a gradual transition to the new benefit formula, as was the intent, an abrupt, 20-percent reduction in benefits actually occurred.

Today, the 8 million seniors born between 1917 and 1921 are discriminated against every month when they receive their Social Security benefits. These notch babies receive much lower Social Security benefits, sometimes as much as $200 per month less than those born before the notch.

In the State of Nevada, the notch inequity has affected over 41,000 retired workers. In my district alone I receive dozens of letters and phone calls each week from seniors angry about the notch.

The stories I hear tell of the unjustness of the notch inequity: Two sisters who worked for the same company for 25 years and made virtually identical contributions to Social Security. The sister born in 1917 receives $1,860 per year less in Social Security benefits than her older sister who was born just 1 year before. Another woman who has been paying into Social Security since 1937 has had over $11,000 in benefits withheld and is currently living in poverty on $550 a month. She demands to know when this injustice will stop? When will she be compensated? These are the questions our seniors ask every day, and they still remain unanswered. Our constituents are fed up with the legislative inaction by Congress. Now is the time to act on the notch issue and I urge you to support the effort to resolve this injustice.

I have been a cosponsor of legislation to correct the Social Security notch inequity since shortly after my election to office. This Congress I have repeated my support for two bills which would fix the miscalculation, reverse the notch, and equalize Social Security checks.

At last count, close to 200 Members of this body have cosponsored legislation by Congressmen FORD, GRANDY, HEFNER, and ROYBAL to correct the notch inequity. But still Congress has failed to act.

Mr. Speaker, I see this as an issue of fairness to our seniors and I am determined to work for them until this issue is resolved once and for all.

We have held this forum to command the attention that this issue deserves. We stand committed to rally enough of our colleagues to find a compromise to this problem. We must put an end to the disparity in benefits which has troubled seniors for nearly 12 years.

Today may very well be the only opportunity we as Congressmen have to debate this issue. We should let the seniors know that they do have allies in Congress concerned about their situation and dedicated to finding a responsible solution to the Social Security notch inequity.

I thank my colleagues for this opportunity to speak today on this most pressing concern.

Mr. EVANS. Mr. Speaker, I support legislation to correct the flawed notch formula.

I have heard from a great number of senior citizens who have expressed their grave concern regarding the Social Security computation which brought about substantial differences in benefit allocations for individuals born between 1917 and 1921 and other recipients. Enacted in 1977, this computation, though developed with the intention of saving the Social Security system from economic ruin, has produced unforeseen results and has called into question the fairness of this law. The notch problem has adversely affected as many as 488,948 current retired workers in Illinois.

For these reasons, I have joined in sponsoring legislation (H.R. 917) to rectify the notch effect on our senior citizens. This legislation would restore and protect the benefit levels of workers reaching age 65 in or after 1982—and their widows and widowers—by eliminating the notch between those levels and the corresponding benefit levels of persons who reached age 65 before 1982.

I am fully aware that older Americans struggle to make ends meet in the midst of rising inflation and understand the precarious position of those that live on rigidly fixed incomes. As a strong advocate of fairness and equitability in the Social Security retirement system, I will continue to work toward the passage of this legislation during this Congress.

Mr. JONTZ. Mr. Speaker, I am glad to have the opportunity to participate in today's special order and call attention to the Social Security notch inequity. This is an issue that deserves to be fully debated and acted upon in the Congress.

It is an injustice that 10 million Americans born between 1917 and 1921 receive lower Social Security benefits than many beneficiaries born before those dates. They are victims of the Social Security notch, which especially hurts those trying to make ends meet on a modest budget.

Mr. Speaker, my constituents in the Fifth District of Indiana and people from all across our Nation have spoken clearly on this issue. They have asked Congress to correct this mistake and end the notch injustice. I can understand the arguments of those opposed to notch legislation who feel that the individuals in the notch are receiving benefits comparable to those who were born after them.

But I think if we take another perspective and compare the benefits of those in the notch with the benefits of those who were born earlier, we see a most valid point. I am a cosponsor of H.R. 1060 by Representative HAROLD FORD, which I believe is a fair and proper method of reducing the discrepancies in benefits in a way that is fair to all those involved and preserves the integrity of the Social Security Trust Fund.

What I find to be a mistake was the effort to make the transition over a 5-year period, resulting in very steep steps of reduced benefits. H.R. 1060 would make the steps smaller by extending that transition over a longer period of time so that the difference between any period of years would not be as great. I think that is the fair and proper way to resolve the problem, so that the discrepancies in benefits received from one year to the next is not as substantial as it is now.

I have written the chairman of the Ways and Means Committee to urge that we in this body be given the opportunity to take swift action on this issue. While I understand much of the logic of the chairman and other members of the committee, I would hope that they would take another look at this issue and see the effects of the notch not only in real dollars to our seniors, but also in the lack of confidence that many have in our Social Security system. We are not dealing with millions of notch babies who are misinformed or are asking for more than what they deserve; rather, we are dealing with millions of Americans who only ask that they be treated with a little more compassion and sensitivity in terms of the Social Security benefits they receive.

Mr. Speaker, I look forward to working with our colleagues on the Ways and Means Committee to resolve this issue. As my constituents often remind me, none of us are getting any younger and we ought to act swiftly to end the notch injustice.

Mr. SOLOMON. Mr. Speaker, we are here today to discuss our country's notch babies. For as long as I have served in Congress my constituents have urged my support for a fair resolution to the notch problem. And for as long as I have served in the Congress I have supported and pushed for a solution in the form of legislation.

Under the Social Security Amendments of 1977, the notch babies, born from 1917 through 1921, receive lower benefits than persons born before those years, even though they may have held the same job and earned the same exact salary as their older counterparts. These glaring benefit disparities occur despite equal contributions.

This disparity in benefits paid to these citizens and to individuals born before 1916 has shaken the confidence which many seniors previously had in America's Social Security system. To deny the roughly 9 million Americans, many of whom are veterans or are widows of veterans who served their country, an inadequate legislative response is completely unfair.

I am not talking about jeopardizing the solvency of the Social Security system. A fiscally sound solution needs to be aggressively pursued, and we have the resources and the support to accomplish this. I have signed the pending discharge petition, and I am cosponsoring many of the pending bills. I can only urge my colleagues to remember that the Congress can and should address the problem of the notch and restore faith and fairness to the Social Security system.

Mr. ROTH. Mr. Speaker, I appreciate the opportunity join with my colleagues today to shine a spotlight on the tremendous difference in benefits faced by Social Security recipients born in the notch years.

The notch was caused by the Social Security Amendments of 1977, which became law before I came to Congress. Because of this law, individuals born in the years 1917 through 1921 are receiving less of their Social Security benefits.

It is obvious that this benefit reduction is completely unfair. Senior citizens who have contributed to the Social Security system over the decades deserve better treatment from the Federal Government than to lose their hard-earned benefits because they were born in the notch years.

I have been fighting for years to bring fairness to the Social Security system by fixing the notch. I am a cosponsor of H.R. 1060, the Social Security Notch Adjustment Act, which would correct the notch problem permanently by restoring all benefits for every Social Security retiree.

Unfortunately, there are some Members of Congress who don't fully understand this issue and how unfair it is to seniors. For years, they have blocked consideration of H.R. 1060 and other bills designed to fix the notch.

We cannot keep asking seniors born in the notch years to wait for congressional committees to take up this issue—they have already waited too long. That is why I have signed a congressional discharge petition which will force a House vote on the notch issue. This is a rarely used procedure, but if committees refuse to act on extremely important cases like this, there is no other alternative.

I have received thousands of letters on the notch issue. In my annual questionnaire, it was again one of the key concerns facing senior citizens.

We need a vote by the full House of Representatives on the notch question. That is why I am urging all my colleagues to join me in signing the discharge petition, so we can bring long-overdue relief to those born during the notch years.

We in government have an obligation to defend the rights of seniors who have devoted their lives to building our Nation. Seniors born in the notch years are no less deserving of our concern. The time for Congress to act on the notch issue is now. In fact, it's long overdue. It's an issue we must debate and schedule for a vote.

Ms. SCHNEIDER. Mr. Speaker, I am calling on the chairman and members of the House Ways and Means Committee to bring the legislation to solve the notch problem to the floor for a vote.

In my home State of Rhode Island, over 50,000 people are victims of the notch, and not a day goes by when I do not receive a phone call, letter, or visit by an individual who is seeking action on this issue. When I attended a town meeting recently, the notch problem dominated the agenda. My constituents are frustrated with Congress for dragging its heels on this; they simply cannot understand why this body has refused to bring this issue to the floor for a vote—and they are right.

Thirteen years have passed since the notch problem was first created by Congress. We have studied the issue; we have held hearings and introduced legislation on the matter. I, along with several of my colleagues, have signed a discharge petition to bring the legislation to the floor. There is nothing that prevents us from moving ahead.

The General Accounting Office, which completed a study on the notch problem, concluded that "no amount of technical discussion and sophisticated analysis is sufficient to convince an individual that it is equitable for him to receive a benefit that is $100 less per month than his nearly identical neighbor"—GAO, page 104. Yet, the real inequity here is Congress' refusal to debate the issue and review existing alternative proposals that deal with the notch issue. I therefore join my colleagues in requesting that the notch legislation be brought before the floor for a vote.

Mr. SMITH of New Jersey. Mr. Speaker, I rise today to a gain express my adamant and continued support for efforts to correct the notch injustice and to ask my colleagues in the House to join me and other leaders on this issue in our fight to eliminate the Social Security notch problem.

Mr. Speaker, since the Social Security Amendments of 1977 were enacted, a serious injustice has been imposed on those born after 1917 and, more specifically, those born between 1917 and 1921. In an attempt to correct a decidedly faulty benefit calculation system in place in 1977, the Congress—and I was not yet a Member of the House in 1977—rewrote the Social Security benefit formula and created a new equation that has economically penalized so many of our senior citizens.

Mr. Speaker, as soon as the notch disparity surfaced in the early 1980's—keep in mind that there was a 5-year delay in its implementation—I cosponsored legislation to correct this injustice. Over the years, I have cosponsored several notch reform proposals, wrote my own bill to bring about a resolution to the notch, and went before the Rules Committee with a notch reform amendment. As you know, however, the committees of this House have yet to take decisive action on these legislative efforts.

Mr. Speaker, we in this Congress, and the seniors across this Nation can wait no longer. It is time to eliminate the notch.

Mr. Speaker, let me remind my colleagues who have refused to address the notch problem just exactly who is being penalized because of the notch. Those caught in the notch are those who have survived the Depression and served this country in World War II and Korea. They are people who had been faithfully paying into Social Security all their lives and have tried to prepare for their retirement. They are parents and grandparents, widows and widowers, and dedicated Americans just trying to make it on fixed incomes.

Mr. Speaker, in my view, the notch inequity seems to indicate that a good work ethic does not matter, nor does loyalty, ability, or intelligence. What does matter is whether you were born on December 31, 1916, or January 1, 1917, because if you were unfortunate enough to be born a day later than your neighbor, your Social Security benefits are going to be much lower.

Mr. Speaker, this arbitrary distinction that penalizes some and rewards others has got to be eliminated. Legislation, H.R. 917, introduced by Congressman ROYBAL, the chairman of the Select Committee on Aging, would make the current benefit formula more equitable and provide higher nonretroactive benefits to those affected by the notch. I am pleased to be a cosponsor of this legislation.

Apparently, Mr. Speaker, nearly 150 House Members have joined with me and cosponsored H.R. 917. Yet, despite this overwhelming support, no hearings have been scheduled on this bill, no votes have been ordered in support or opposition to the bill, and there is little hope for action on the bill in committee.

In view of this current prognosis, a few Members, including myself, have signed a discharge petition in an attempt to enable H.R. 917 to bypass committee consideration and proceed to the floor of the House for a vote. As you know, Mr. Speaker, the rules of the House require that 218 members sign a discharge petition before a bill can bypass the committee procedure. Right now, the discharge petition for H.R. 917 falls short of the 218 signatures it needs to be sent to the floor.

Mr. Speaker, I ask my fellow colleagues that have cosponsored Congressman ROYBAL's legislation or any other legislation that is designed to correct the notch problem to join me and others committed to help our senior citizens by signing Discharge Petition No. 4 and giving the notch issue its due consideration.

Mr. FORD of Tennessee. Mr. Speaker, America has a debt to all of its senior citizens. Our elderly citizens made this country the greatest Nation in the world during the 20th century, and we cannot turn our backs on any one of them as we come upon the year 2000.

Today, we are here to discuss an issue that does not address the concerns of only senior citizens born after 1917, but the integrity of the Social Security system as a whole.

Congress passed the Social Security Amendments of 1977 to adjust the Social Security benefit computation formula to eliminate overindexing and to stabilize replacement rates.

As a result, Social Security retirees born just before 1917 generally receive higher benefits than those born in 1917 and after, a disparity known as the notch. This disparity has created concerns for Social Security recipients born between 1917 and 1921 and for many supporters of the elderly here in the Congress.

For nearly a decade, notch retirees have voiced their concerns to Congress. Although we have failed to adequately respond as of yet, I believe that the time is fast approaching when we will remove the notch.

You see, Mr. Speaker, one of the main reasons that we have not corrected the notch is that Social Security is a part of our deficit calculation. But once we remove the Social Security trust fund from the budget calculations, I hope that we will be able to use the Social Security trust fund for its intended recipients: America's senior citizens, including the notch babies.

It is unfair that someone by accident of the year of his or her birth should be penalized with lower retirement wages. It is unfair that a $160 per month differential in Social Security benefits between a person born in March 1917 and someone born 3 months earlier in 1916 exists.

Mr. Speaker, the original intent of the 1977 amendments was to reduce benefits over a 5-year period by 6 to 10 percent and to stabilize future benefits. Unfortunately, the phasein did not work and instead reductions have continued to range between 10 to 20 percent.

To address this I introduced H.R. 1060, the Social Security Notch Act. This bill addresses the problem of the disparity of income for the notch babies. My bill would amend title II of the Social Security Act to provide for a more gradual period of transition to the changes in benefit computation and would provide for increases in notch benefits accordingly.

There are at least nine similar notch proposals introduced by my colleagues that would provide possible solutions to this dilemma. Three alternative bills would request a study of the notch problem and possible solutions and one bill would direct the Commissioner of Social Security to devise a plan to resolve the notch disparity. Nonetheless, all of these bills await action by Congress.

The notch problem was an unintentional and unexpected side effect of the 1977 computation changes and should be corrected.

Mr. Speaker, I fear that this session of the 101st Congress will also end with no correction to the notch. But with the removal of the trust fund from the budget, I can now see a light at the end of the tunnel. And I firmly believe that sooner, not later, we will correct the notch.

I urge my colleagues to join with me in working toward removal of the Social Security trust fund from the budget calculations and then toward immediate passage of comprehensive legislation amending the notch differential.

Mr. MARTINEZ. Mr. Speaker, I welcome this opportunity to stand in support of correcting the so-called notch inequity that has existed far too long. We have been trying for years to correct the notch problem by either restoring the pre-1977 Social Security benefit rules or by lengthening and reforming the transitional benefit formula. However, despite widespread bipartisan support for corrective legislation, we have not been able to bring the notch issue to the floor of the House of Representatives.

The problem began back in 1972 when the Social Security Act was amended to provide annual cost-of-living adjustments. Unfortunately, this amendment had the effect of increasing the future benefits of current workers twice—once through COLA's and again through the inflation-based growth in wages upon which benefits are based. Therefore, to protect people against an abrupt reduction in benefits a new 5-year transition plan was developed for people reaching age 62 before 1979. The formula lowered benefits by 5 to 7 percent each year until the new formula could be implemented. Then in 1982 the grave consequences of the new 5-year plan was discovered.

During this Congress alone there have been close to 20 different pieces of legislation introduced which would in some manner affect the notch situation. Although many of them take differing approaches to the problem at hand, it seems evident that there is overwhelming support for some action. For instance, H.R. 917, introduced by Congressman ROYBAL, already has 146 cosponsors. Yet the only action taken since it was introduced was taken by Congressman FRANK filing a discharge petition.

Through the years I have supported corrective notch legislation such as H.R. 917, as well as taking action by testifying before the Subcommittee on Social Security and writing letters to Chairman ROSTENKOWSKI and Representative JACOBS in support of this problem. The lack of action at the full and subcommittee level is truly discouraging for myself and the millions of senior citizens affected by this situation. In California alone, 1,005,969 retired workers are affected according to the National Committee to Preserve Social Security and Medicare. This number is not insignificant and should not be treated in that manner.

There are those who say that a notch does not actually exist. How can that possibly be true in the face of many studies which clearly show that those born between 1917 and 1921 receive considerably less benefits than those born before or after them? The differences range from an average of $68 in lost benefits per month for those born in 1917 to $137 for those born in 1920 according to the Select Committee on Aging. The difference can mean many things to those who do not receive these added benefits. We are not talking about people who work full time and bring home a paycheck. We are talking about senior citizens who rely on the little that social security gives them to survive. The difference of $68 is immeasurable to them.

It seems ironic that we can spend around $300 billion a year on defense, but people are fearful that restoring benefits to those born in the notch years might be too costly. Accordingly to a cost estimate by the Department of Health and Human Services in regard to H.R. 917, they found that the additional costs per year would only range between $5.4 billion to $6.3 billion—a relatively small price to pay for restoring fairness to our Social Security system.

With the continually rising costs of housing, food, and especially health care, it seems to me that a select group of our Nation's elderly has been chosen to bear an unequitable portion of the burden after Congress' attempt to amend the Social Security benefit formula.

I believe that the time for action is now—before it is too late. We must rectify this situation while those affected are still able to receive benefits. If the Subcommittee on Social Security and the full Ways and Means Committee were to take action now, we would be able to bring this important legislative to the House floor for full consideration and debate before the end of the 101st Congress. That is what I am here today urging for, and what the seniors of our Nation deserve.

SOCIAL SECURITY AND THE NOTCH YEARS

The SPEAKER pro tempore (Mr. WOLPE). Under a previous order of the House, the gentleman from Massachusetts [Mr. FRANK] is recognized for 60 minutes.

Mr. FRANK. Mr. Speaker, I thank my friend from Rhode Island [Mr. MACHTLEY] once again. I thank the people who stuck with us. I will yield to my friend in a moment or two.

We had references to the surplus. It is undeniable that we have a surplus.

In fact, there was a very prominent proposal that we reduce Social Security taxes.

The surplus is large and growing. It is not an accident.

In 1983, Congress voted very substantial increases in the Social Security tax at the same time that Congress voted cuts in the benefit level, in effect, reducing the cost-of-living increase by half by putting it back 6 months every year.

What happened was the Congress voted that Social Security tax increase at a time when Members still thought that we were in the throes of a recession. In fact, we were coming out of it. But we did not fully realize that.

The employment figures that were used in 1983 turned out to be far too pessimistic. America employed many more people and generated far more of a payroll tax.

Let me make clear how easily financable in a responsible way the various notch bills are. That is, we could pass these notch bills which do not undo all of the notch act, but would substantially reduce its unfairness, would provide much greater justice for all the people, Americans who worked hard all their lives. Here are the costs.

H.R. 2707, the gentleman from North Carolina, over 5 years, it would cost $29.7 billion. H.R. 1060, the gentleman from Tennessee, $38.2 billion over 5 years. The gentleman from Iowa, $12.5 billion. This does not do as much as some others, but it does something.

The gentleman from California, chairman of the Committee on Aging, his would cost $30 billion.

Now, that is with a surplus that will be, by the turn of the century, in three figures, and by the early years of the next century it will be in the

hundreds of billions. We are talking about using a relatively small percentage of the social security surplus to be fair to people who worked hard all their lives and are not being treated fairly.

Now, why is there such opposition? Members have alluded to that.

Many of us have been working hard. Partly, it is a natural human reluctance to make a mistake. It has been a bipartisan reluctance; Democrat and Republican Presidents and congressional leaders have said, "No."

Part of it, however, has to do with the great budget shell game. We have been hiding this surplus under the shells. The Social Security surplus is the pea that we have been looking for. There is a very large deficit, in the operating part of the Federal Government.

Under our combined budget, so-called, which dates from the days of Lyndon Johnson, there is an accounting device whereby the final deficit we announce, the one that governs, for instance, in Gramm-Rudman, takes the large surplus in social security and the larger deficit in the operating budget and adds them together. In other words, there is an interest on the part of people at the Office of Management and Budget, the executive branch and some in Congress in keeping the Social Security surplus large so that the rest of the budget deficit looks small. That is not fair.

People who worked hard all their lives, paid in the payroll tax under Social Security have a right to have the Social Security trust fund treated fairly. It should not be lumped in for accounting purposes because what we now have is an incentive on the part of many in the Federal Government artificially to pump up the Social Security surplus.

That is one of the reasons, by no means the only reason, that we have such resistance to something elementarily fair such as the Notch Act. That is all we are saying, that people who built the country, fought for the country, World War II veterans, they should not be so starkly discriminated against.

And where we have got a surplus that can be used substantially to reduce that discrimination, there is not any good reason not to do it. That is why many of us, the National Committee for the Preservation of Social Security and Medicare, grassroots organizations in all of our areas like the Greater Fall Notch Babies Coalition in my district.

Interestingly, Mr. Speaker, today in the publication Roll Call there was a retrospective on Congress of 35 years ago. One of my predecessors, the last Republican to be Speaker of the House, neighboring district to my friend from Rhode Island, former Speaker Joe Martin, was featured. His picture, I am proud to say, hangs in the Speaker's lobby. He was pictured on the front page of that last issue.

One of the men who last served him, Ernie Ledera, worked for Joe Martin. He was an expert on congressional procedures, he was one of those with whom I worked when we decided that the only option open to us was a discharge petition which we invite Members to sign.

We are not asking for a discharge petition so that we can shortcircuit the committee process; we are asking for the discharge petition so that we can jump-start the committee process.

All we want to do is get enough signatures so that the committee will have to take us seriously.

We say to the committee that we have the following elements: Unfairness, people who worked hard all their lives getting less money than other people who worked no harder or no less hard simply because they were born.

□ 1030

A surplus which is there and growing that would allow the United States to pay for it. A tradition of fairness in America. Can we not get together several legislative approaches and let Members pick one? We are not trying to dictate to the committee but saying to the committee elementary fairness requires this come forward.

I yield to my colleague and neighbor in this joint effort, the gentleman from Rhode Island [Mr. MACHTLEY].

Mr. MACHTLEY. Mr. Speaker, I think the gentleman has pointed out some very, very fine points here talking about fairness, and I would like to add again that it was never intended in the initial legislation of 1972 as it was developed through 1977. This anomaly was purely a mathematically created problem, not one of people sitting in a committee room saying, "Let us somehow reduce their benefits" so that we would have more money. It was intended, in all of the literature which was reviewed by many of the same associations and groups which the gentleman just discussed and lauded, it was intended to have a gentler transition.

Now, I think the other important issue is, as I talk to my parents who are both notch babies and victims, and many people in my district, no one is suggesting they go back to this pre-1916 or beyond period. They would like that. However, what we are saying is, it should be fair, it should be equitable, there should not be such a dramatic drop.

So, whether it is billed in 1917 or another bill as the gentleman from Iowa [Mr. GRANDY], or the bill which was discussed earlier on, why that is the most important issue. The issue is that nothing is happening. We stand here and, unfortunately, as was discussed by the gentleman from Indiana, these people are not getting younger. Unfortunately, many of them are dying before our Government, we here in Congress, can respond.

Now, I have 59,681, approximately, people who fall into that category in my State alone. Six percent of the population. As a Congressman, I feel it is incumbent upon me to raise this issue because they have written to me. As I came in we were discussing whether I brought my lunch or what I brought, but what I brought was I have thousands of letters which we have received this year alone from people saying, "Would you please respond to this notch issue, that we are notch babies." This bag is full of these letters.

Mr. FRANK. Mr. Speaker, I hope the gentleman is able to answer before we work on the franking budget.

Mr. MACHTLEY. We will make sure we respond prior to. In fact, we already have, I think.

I want to read a couple of sentences from people who wrote to me because they really, as I indicated, they cannot be here to share their personal thoughts, and they asked Members to share. One here says,

> I am returning your letter. I hope that something can be done at the notch baby act. I was very disappointed when I retired and found out I was losing $100 a month. Believe me, living on $7,000 a year income is not much to have when you are paying as much rent as I am. I had to work until I was 70 years old, and the only pleasure, I have is my home, my old car, and my children and friends.

Another gentleman in his letter to me said, "My mother gets $278 a month from Social Security." That is $3,000 a year, probably below the poverty level. "I would like to know why she is getting less money because she was born in 1917?"

Another person said, "I paid my Social Security taxes as long as the law has been in effect, and missed paying during the 3½ years I was in World War II. Maybe for that reason I should be docked in the Social Security check. Why is Congress not willing to help us before we die off?"

I am sure that the distinguished gentleman from Massachusetts, over his years, has had thousands of people who have asked and sent letters requesting his support. I think the important point is, we have it within our means. This is a wealthy country. As the gentleman very well stated, we have never attempted to discriminate intentionally, and there are those in Congress today who would say do not do anything. Let a sleeping giant alone. I think it is unfair. It is unfair to our families. It is unfair to our neighbors, and it is unfair to Americans that we are willing to acknowledge that there is, in fact, a discrimi-

nation, and unwilling to correct it when we have the ability.

Therefore, I would join my colleagues in urging my other colleagues who have not yet signed a discharge petition, let Members at least get this on the floor, and let Members debate and find some solution. It may not be at the 65 percent of the average wage, which was in effect in 1968, but it certainly can be better than the 20-percent reduction we are now paying our senior citizens.

Mr. FRANK. Mr. Speaker, let me in closing pick up on one of the themes that my friend, the gentleman from Rhode Island [Mr. MACHTLEY] has stressed. One of the assets of any Nation is the good faith of its people. We worry some about a drop in that in the United States. We worry in my judgment, correctly, when fewer people vote. The generation affected by the notch act is a peculiarly patriotic generation, the people, after all, people who were born between 1917 and into the 1920's, they are the people who came to adulthood during World War II, and who fought World War II, and who fought it as the people in the armed services, who fought it by being home and keeping the home front going, and keeping America as an engine of production, and food for the rest of the world.

These are people on the whole who have had lives of hard work. They have played by the rules that they were told they should play by. When their country needed them, they defended it. They came home, and they built it. They raised children. They created the families. They helped create a higher education system. They helped to create an Interstate Highway System. They built the country as we now know it. They turned many of them to the age of retirement. Sadly, they are now told, many of them for the first time in turning to the Government, saying, "Okay, we worked hard all of our lives, and at a point where we understood we get back some retirement income and recognition of all we have done."

Many of them find that they are confronted with the most blatant form of discrimination. No one can deny that. No one can deny that when two people identically circumstanced are paid substantially different amounts, one is being paid unfairly.

These people have worked all their lives, and we have said it is very difficult as an elected official of this Government of which we are very proud to explain to people in their sixties and seventies why they are being treated that they think unfair, and that I cannot tell them is fair, that I do not want to tell them is fair, because it is not fair. To erode the good faith that these people have in this Government, to listen to their anguish when they say, "Why should I be treated this way after all I have done from World War II on," I do not think we want to do that, especially since we want to stress this again, without raising a single penny of taxes, without endangering in the slightest way the fiscal stability of the old-age, survivors trust fund.

We can provide relief to these people of a substantial sort, give them back some faith in their Government, give them the wherewithal to live decently, because we are not talking about millionaires who are squandering it. I do not understand why we will not do it, and I particularly do not understand why we will not talk about it and bring it to the floor.

I am pleased that more than two dozen Members have today either in person or in writing made clear their commitment to the notch. I am pleased that we are working with so many organizations, both nationally and locally, on this subject. It is a bipartisan effort. I think we are pretty much evenly divided between the parties today. We are listening to people, and saying to our colleagues, first we must separate out that Social Security trust fund from the rest of the budget so the game is no longer played. Then must realistically ask what we have, look at the undeniable claim that the people have and let Members work together to alleviate their situation.

We have four pieces of legislation, well drafted pieces. They vary somewhat. I have my own preference for some of them over others, but there is clearly enough done here to show that we can make substantial improvements. We have a government now which is legitimately concerned with trying to aid emerging democracies in Eastern Europe. We are worried about our obligations in the rest of the world. I do not want to run away from those obligations. I do not, however, want to pursue them at the expense of hard-working Americans now in their sixties and seventies who are entitled to fairness, and who are asking only fairness. These are not the people, the ones who are advocating for the notch act, who live rich, and do not expect to die rich. They do expect to live out their retirement years in a system of fairness. That is not too much to them to ask of their country. I think it is our obligation to give it to them.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. RITTER (at the request of Mr. MICHEL), until 5 p.m. today, on account of attending a funeral in his congressional district.

Mrs. BYRON (at the request of Mr. GEPHARDT), for today until 4:30 p.m., on account of death in family.

Mr. ENGEL (at the request of Mr. GEPHARDT), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MACHTLEY) to revise and extend their remarks and include extraneous material:)

Mr. LEWIS of California, for 60 minutes each day, on June 26, 27, and 28.

Mr. ARMEY, for 60 minutes, on June 20.

Mrs. BENTLEY, for 60 minutes each day, on June 21, 26, 27, and 28.

Mr. PETRI, for 60 minutes, on June 20.

Mr. GUNDERSON, for 5 minutes today.

Mr. LEWIS of Florida, for 60 minutes, on July 10.

(The following Members (at the request of Mr. FRANK) to revise and extend their remarks and include extraneous material:)

Mr. ALEXANDER, for 5 minutes today.

Mrs. LOWEY of New York, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. TOWNS, for 5 minutes, today.

Mr. POSHARD, for 60 minutes, on June 20.

Mr. FALEOMAVAEGA, for 30 minutes, on June 20.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. ALEXANDER, and to include extraneous matter, on H.R. 5019 in the Committee of the Whole today.

Mr. MILLER of California, on H.R. 5019, in the Committee of the Whole today.

Mr. CONTE during general debate on H.R. 5019 in the Committee of the Whole today.

(The following Members (at the request of Mr. MACHTLEY), and to include extraneous matter:)

Mr. COUGHLIN.
Mr. SUNDQUIST.
Mr. SCHAEFER.
Mr. WYLIE.
Mrs. MORELLA.
Mr. GRANDY.
Mr. MCEWEN.
Mr. GEKAS.
Mr. DICKINSON.
Mr. TAUKE.
Mr. GINGRICH.
Mr. CRAIG.
Mr. SAXTON.
Mr. BURTON of Indiana.
Mr. BEREUTER in two instances.
Mrs. BENTLEY in three instances.

(The following Members (at the request of Mr. FRANK) and to include extraneous matter:)

Mr. BATES.
Mr. SMITH of Florida.
Mr. MATSUI.

Mr. DYSON.
Mr. HAMILTON in two instances.
Mr. ORTIZ.
Mr. THOMAS of Georgia.
Mr. ASPIN.
Mr. FASCELL.
Mr. KANJORSKI.
Mr. MILLER of California.
Mr. WEISS.
Mr. MRAZEK.
Mr. DWYER of New Jersey.
Mr. PENNY.
Mr. MARTINEZ.
Mr. KOSTMAYER in two instances.
Mr. APPLEGATE.
Mr. BARNARD.
Mr. FORD of Michigan.
Mr. ATKINS.
Mr. ENGEL.
Mr. UDALL.
Mr. KASTENMEIER.
Mr. SKELTON.
Mr. TORRES.
Mr. DOWNEY.
Mr. HAWKINS.
Mr. FAZIO.
Mr. DORGAN of North Dakota.
Mr. WYDEN.
Mr. MORRISON of Connecticut.
Mr. MCMILLEN of Maryland.
Mr. LIPINSKI.
Mr. KOLTER in two instances.
Mr. STUDDS.
Ms. PELOSI.
Mr. FRANK.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2181. An act to authorize the National Aeronatics and Space Administration to purchase approximately 8 acres of land at the Fort Sumner Municipal Airport. De Baca County, NM; to the Committee on Science, Space, and Technology.

S. 2437. An act to authorize the acquisition of certain lands in the States of Louisiana and Mississippi for inclusion in the Vicksburg National Military Park, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 2566. An act to redesignate the Sunset Crater National Monument as the Sunset Crater Volcano National Monument; to the Committee on Interior and Insular Affairs.

S. 1756. An act to provide for the preservation and interpretations of sites associated with Acadian culture in the State of Maine; to the Committee on Interior and Insular Affairs.

S. 2059. An act to establish the Weir Farm National Historic Site in the State of Connecticut; to the Committee on Interior and Insular Affairs.

S.J. Res. 271. Joint Resolution to designate July 10, 1990 as "Wyoming Centennial Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 273. Joint Resolution to designate the week of October 7 through 13, 1990, as "National Health Care Food Service Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 276. Joint Resolution designating the week beginning July 22, 1990, as "Lyme Disease Awareness Week"; to the Committee on Post Office and Civil Service.

ENROLLED BILLS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1622. An act to amend title 17, United States Code, to change the fee schedule of the Copyright Office, and to make certain technical amendments;

H.R. 3046. An act to reduce the number of Commissioners on the Copyright Royalty Tribunal, to change the salary classification rates for members of the Copyright Tribunal and the U.S. Parole Commission, for the Register and Associate Registers of Copyrights, and for the Deputy and Assistant Commissioners of Patents and Trademarks, and for other purposes;

H.R. 3545. An act to amend the Chesapeake and Ohio Canal Development Act to make certain changes relating to the Chesapeake and Ohio Canal National Historical Park Commission; and

H.R. 3834. An act to amend the National Trails System Act to designate the route from Selma to Montgomery for study for potential addition to the national trails system.

SENATE ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolutions of the Senate of the following titles:

S. 286. An act to establish Petroglyph National Monument and Pecos National Historical Park in the State of New Mexico, and for other purposes;

S.J. Res. 245. Joint resolution designating July 3, 1990 as "Idaho Centennial Day"; and

S.J. Res. 246. Joint resolution calling upon the United Nations to repeal General Assembly Resolution 3379.

MOTION TO DISCHARGE COMMITTEE

Mr. STENHOLM, pursuant to clause 4, rule XXVII, and supported by the signature of 218 Members, entered a motion to discharge the Committee on Rules from the consideration of the resolution (H. Res. 391) providing for the consideration of the joint resolution (H.J. Res. 268) proposing an amendment to the Constitution to provide for a balanced budget for the U.S. Government and for greater accountability in the enactment of tax legislation, which was referred to said committee May 10, 1990.

When said motion was referred to the Calendar of Motions to Discharge Committees.

The names of the Members who signed said petition are as follows:

Charles W. Stenholm.
Larry E. Craig.
Robert F. (Bob) Smith.
Joe Barton.
Andrew Jacobs, Jr.
Chuck Douglas.
Robert C. Smith.
Paul E. Gillmor.
Richard K. Armey.
William E. Dannemeyer.
Robert S. Walker.
Larry Combest.
Bill Paxon.
Jim Saxton.
Lynn Martin.
Barbara F. Vucanovich.
James T. Walsh.
C.W. Bill Young.
Bob Livingston.
Jim McCrery.
Hank Brown.
Jim Chapman.
Patricia F. Saiki.
Thomas R. Carper.
Tom Campbell.
Porter J. Goss.
Jim Bates.
Clyde C. Holloway.
Gerald B.H. Solomon.
Mel Hancock.
Christopher C. Cox.
James M. Inhofe.
Craig Thomas.
Greg Laughlin.
Robert J. Lagomarsino.
Tom DeLay.
J. Alex McMillan.
Jerry Lewis.
Howard Coble.
Carlos J. Moorhead.
Howard C. Nielson.
Ileana Ros-Lehtinen.
Lamar S. Smith.
Philip M. Crane.
Floyd Spencer.
Cass Ballenger.
Steven Schiff.
Bob Whittaker.
John J. Duncan, Jr.
Joe Skeen.
Ron Packard.
Steve Bartlett.
Duncan Hunter.
Peter A. DeFazio.
Thomas J. Ridge.
John Miller.
Jack Fields.
Don Young.
Dean A. Gallo.
Frederick S. Upton.
James H. (Jimmy) Quillen.
Arthur Ravenel, Jr.
Steve Gunderson.
Joel Hefley.
Jim Kolbe.
George W. Gekas.
Frank R. Wolf.
Peter Smith.
Arlan Stangeland.
Craig T. James.
Richard H. Baker.
Jim Courter.
Thomas E. Petri.
Stan Parris.
Bob Stump.
Carl D. Pursell.
Larry J. Hopkins.
Sherwood L. Boehlert.
Bill Schuette.

Toby Roth.
Susan Molinari.
Ben Nighthorse Campbell.
Dana Rohrabacher.
D. French Slaughter, Jr.
James McClure Clark.
Dan Burton.
Thomas J. Tauke.
Mickey Edwards.
Jim Lightfoot.
Wally Herger.
Ralph M. Hall.
Thomas J. Bliley, Jr.
Newt Gingrich.
Jack Buechner.
Harold Rogers.
James V. Hansen.
Stephen L. Neal.
Jon L. Kyl.
Harris Fawell.
Bill Grant.
Norman D. Shumway.
Dan Schaefer.
Herbert H. Bateman.
Wm. S. Broomfield.
Ron Marlenee.
Cliff Stearns.
Michael Bilirakis.
Bill McCollum.
Curt Weldon.
Bill Lowery.
John R. Kasich.
Richard H. Stallings.
Wayne Owens.
Vin Weber.
Virginia Smith.
David Dreier.
Charles E. Bennett.
Denny Smith.
Don Ritter.
Paul B. Henry.
Michael G. Oxley.
Alfred A. McCandless.
W.J. (Billy) Tauzin.
E. Clay Shaw, Jr.
Jan Meyers.
Bill Sarpalius.
George (Buddy) Darden.
Charles Wilson.
James A. Hayes.
Ed Jenkins.
Ben Erdreich.
Claude Harris.
Glenn Poshard.
Hamilton Fish, Jr.
W.G. (Bill) Hefner.
Guy Vander Jagt.
James F. Sensenbrenner, Jr.
Bob McEwen.
Carroll Hubbard, Jr.
Gary Condit.
John Paul Hammerschmidt.
Fred Grandy.
John Hiler.
Doug Bereuter.
Robert K. Dornan.
Robin Tallon.
Albert G. Bustamante.
Michael DeWine.
Claudine Schneider.
Lawrence Coughlin.
Jerry Huckaby.
Clarence E. Miller.
Robert H. Michel.
John Edward Porter.
Dave McCurdy.
Tom Lewis.
Sonny Callahan.
Jim Olin.
Glenn English.
Doug Barnard, Jr.
Lindsay Thomas.
Ronald K. Machtley.
William L. Dickinson.
William F. Clinger, Jr.
Solomon P. Ortiz.
Norman F. Lent.
Edward R. Madigan.
Ben Jones.
Chalmers P. Wylie.
Roy J. Rowland.
E. Thomas Coleman.
Beverly B. Byron.
Bill Frenzel.
Tommy F. Robinson.
Pat Roberts.
John S. Tanner.
David O'B. Martin.
John J. Rhodes III.
Joseph M. McDade.
Robert W. Davis.
C. Thomas McMillen.
Bob Clement.
Charles Hatcher.
Helen Delich Bentley.
J. Dennis Hastert.
Frank Horton.
Tim Johnson.
Elton Gallegly.
Marvin Leath.
Henry J. Hyde.
Bill Emerson.
Sid Morrison.
Don Sundquist.
Nancy L. Johnson.
Ronnie G. Flippo.
Olympia J. Snowe.
Mike Espy.
Wes Watkins.
Harold L. Volkmer.
Donald E. "Buz" Lukens.
Raymond J. McGrath.
Earl Hutto.
Bill Archer.
Marilyn Lloyd.
Joseph E. Brennan.
Ike Skelton.
Elizabeth J. Patterson.
Joseph M. Gaydos.
Joe Kolter.
Pete Geren.
Andy Ireland.
William M. Thomas.
Tim Valentine.
Tom Bevill.
Richard T. Schulze.
Rod Chandler.
Gene Taylor.
Christopher H. Smith.

ADJOURNMENT

Mr. FRANK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 40 minutes p.m.), the House adjourned until tomorrow, Wednesday, June 20, 1990, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3417. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to extend the Solid Waste Disposal Act; to the Committee on Energy and Commerce.

3418. A letter from the Chairman, Federal Election Commission, transmitting proposed regulations governing allocation of expenses between Federal and non-Federal accounts, methods of payment, and reporting, pursuant to 2 U.S.C. 438(d)(1); to the Committee on House Administration.

3419. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend the Federal Water Pollution Control Act, as amended, for 2 years; jointly to the Committees on Public Works and Transportation and Merchant Marine and Fisheries.

3420. A letter from the Assistant Secretary of the Interior (Policy, Budget, and Administration), transmitting the Bureau of Land Management and the Fish and Wildlife Service reports on the implementation of section 318 of the 1990 Department of the Interior and Related Agencies Appropriations Act through April 1, 1990, pursuant to Public Law 101-121, sec. 318(h) (103 Stat. 750); jointly to the Committees on Agriculture, Appropriations, Merchant Marine and Fisheries, and Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WHITTEN: Committee on Appropriations. Report on the subdivision of budget totals for fiscal year 1991 (Rept. 101-545). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. STAGGERS (for himself and Mr. KENNEDY):

H.R. 5069. A bill to improve the Department of Veterans Affairs compensated work therapy program, to authorize the Secretary of Veterans Affairs to provide a demonstration program of transitional housing for veterans in that program, to provide mortgage payment assistance to avoid foreclosure of home loans guaranteed by the Secretary of Veterans Affairs, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BOSCO (for himself, Mr. ANDERSON, and Mr. HAMMERSCHMIDT):

H.R. 5070. A bill to amend the John F. Kennedy Center Act to authorize appropriations for maintenance, repair, alteration and other services necessary for the John F.

Kennedy Center for the Performing Arts, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. BOSCO:

H.R. 5071. A bill to amend the Federal Triangle Development Act relating to the financing, planning, construction, and operation of the international and cultural trade center, and for other purposes; jointly, to the Committees on Public Works and Transportation and Interior and Insular Affairs.

By Mr. ROE (for himself, Mr. WALKER, Mr. VALENTINE, and Mr. BOEHLERT):

H.R. 5072. A bill to enhance the position of U.S. industry through application of the results of Federal research and development, and for other purposes; to the Committee on Science, Space, and Technology.

By Mr. BRUCE (for himself and Mr. WAXMAN):

H.R. 5073. A bill to amend the Public Health Service Act to revise and extend the program for the prevention and control of injuries; to the Committee on Energy and Commerce.

By Mr. BENNETT:

H.R. 5074. A bill to require the refining, processing, or upgrading of certain material in the national defense stockpile in order to convert such material into a form more suitable for storage, subsequent disposition, and immediate use in a national emergency; to the Committee on Armed Services.

By Mr. THOMAS A. LUKEN (for himself, Mr. BOUCHER, Mr. BLILEY, Mr. LENT, Mr. WHITTAKER, Mr. SHARP, Mr. TAUKE, Mr. SLATTERY, Mr. MANTON, and Mr. SWIFT):

H.R. 5075. A bill to amend the Rail Passenger Service Act to authorize appropriations for the National Railroad Passenger Corporation, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BENNETT:

H.R. 5076. A bill to amend the Strategic and Critical Materials Stockpiling Act to authorize the President to barter material in the national defense stockpile to finance the upgrading, refining, and processing of stockpile material; to the Committee on Armed Services.

By Mrs. BENTLEY (for herself, Mr. LIPINSKI, Mr. ECKART, Mr. ROE, and Mr. DELAY):

H.R. 5077. A bill to amend the Internal Revenue Code of 1986 to exempt interest on newly issued obligations of the Federal Government from tax, and for other purposes; to the Committee on Ways and Means.

By Mr. BILIRAKIS:

H.R. 5078. A bill to require the Secretary of Health and Human Services to submit a report to the Congress regarding the national health care systems of certain industrialized countries; to the Committee on Energy and Commerce.

By Mrs. BOXER (for herself and Ms. PELOSI):

H.R. 5079. A bill to amend title 5, United States Code, to provide civilian employees of the Department of Defense who are separated as a result of a base closure involving a transfer of the base to another Federal agency a hiring preference for Federal job openings at the same location, and for other purposes; jointly, to the Committees on Post Office and Civil Service and Education and Labor.

By Mr. BRYANT (for himself and Mr. STAGGERS):

H.R. 5080. A bill to establish the U.S. Flag Commission and criminal penalties for the desecration of the flag of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. DOWNEY:

H.R. 5081. A bill to amend the Internal Revenue Code of 1986 to remove certain limitations on charitable contributions of certain items; to the Committee on Ways and Means.

By Mr. HAMILTON:

H.R. 5082. A bill to establish an Economic and Budgeting Commission, and for other purposes; jointly, to the Committees on Government Operations and Rules.

By Mr. LEVIN of Michigan (for himself, Mr. WOLPE, Ms. KAPTUR, and Mr. BRYANT):

H.R. 5083. A bill to authorize the Secretary of Commerce to establish a pilot program to promote U.S. goods and services through U.S. commercial centers; jointly, to the Committees on Foreign Affairs and Energy and Commerce.

By Mr. LEWIS of Georgia (for himself, Mr. MILLER of California, Mr. UDALL, Mr. WEISS, Ms. PELOSI, Mr. BATES, Mr. FOGLIETTA, Mr. FAUNTROY, Mr. ESPY, Mr. PAYNE of New Jersey, Mr. WHEAT, Mr. EDWARDS of California, Mr. MOAKLEY, Mr. BERMAN, Mr. FUSTER, Mr. DURBIN, Mr. BRYANT, Mr. SYNAR, Mr. FASCELL, Mr. KLECZKA, Mr. KILDEE, Mr. DYMALLY, Mr. STUDDS, Mr. ANDREWS, Mr. RANGEL, Mr. FLAKE, and Mr. TOWNS):

H.R. 5084. A bill to authorize the National Park Service to acquire and manage the Mary McLeod Bethune Council House National Historic Site, and for other purposes; to the Committee on Interior and Insular Affairs.

By Ms. MOLINARI:

H.R. 5085. A bill to provide for a study of hazardous air pollutants by the National Institute of Environmental Health Sciences; to the Committee on Energy and Commerce.

By Mr. RAHALL:

H.R. 5086. A bill to authorize appropriations for the Appalachian highway system and local access roads serving the Appalachian region, and for other purposes; to the Committee on Public Works and Transportation.

By Mrs. UNSOELD (for herself, Mr. DEFAZIO, Mr. SWIFT, Mr. MORRISON of Washington, Mr. MILLER of Washington, and Mr. DICKS):

H.R. 5087. A bill to amend the Internal Revenue Code of 1986 to reduce the capital gains tax on certain timber to allow a credit for certain forest management expenditures, and for other purposes; to the Committee on Ways and Means.

By Mr. KOSTMAYER (for himself, Mr. GEJDENSON, Mr. JOHNSTON of Florida, Mr. WOLPE, Mr. LANTOS, Ms. SCHNEIDER, and Mr. PORTER):

H.R. 5088. A bill to authorize debt for nature conversion agreements with countries in the Western Hemisphere; to the Committee on Foreign Affairs.

By Mr. RUSSO:

H.J. Res. 606. Joint resolution designating February 16, 1991, as "Lithuanian Independence Day"; to the Committee on Post Office and Civil Service.

By Mr. KILDEE (for himself and Mr. TAUKE):

H. Con. Res. 340. Concurrent resolution expressing the sense of the Congress with respect to the 25th anniversary of the Foster Grandparent Program; to the Committee on Education and Labor.

By Mr. UDALL:

H. Con. Res. 341. Concurrent resolution expressing the sense of the Congress with regard to a United States-Mexico Free Trade Agreement; to the Committee on Ways and Means.

By Mr. GUARINI:

H. Res. 416. Resolution expressing the sense of the House of Representatives that June 19, 1991 should be designated as "National Baseball Day"; to the Committee on Post Office and Civil Service.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 60: Mr. WELDON, Mr. PALLONE, Mr. COUGHLIN, and Mr. FALEOMAVAEGA.

H.R. 101: Mr. WAXMAN and Mr. WYDEN.

H.R. 181: Mr. SOLOMON.

H.R. 220: Mr. PALLONE, Mr. OWENS of New York, Mr. KOLTER, Mr. TRAFICANT, Mr. KOSTMAYER, Mr. MCDERMOTT, Mr. HAYES of Illinois, Mr. KLECZKA, Mr. HYDE, Mr. WALSH, and Mrs. COLLINS.

H.R. 711: Mr. EMERSON.

H.R. 929: Mr. GEJDENSON and Mr. DWYER of New Jersey.

H.R. 1067: Mr. WATKINS.

H.R. 1085: Mr. BUECHNER and Mr. FLAKE.

H.R. 1582: Mr. MOODY.

H.R. 1649: Mr. LEWIS of Georgia.

H.R. 1693: Mr. PANETTA and Mr. LEWIS OF GEORGIA.

H.R. 2025: Mr. LEHMAN of Florida.

H.R. 2041: Mr. WYDEN.

H.R. 2116: Mr. BAKER, Mr. HAYES of Louisiana, and Mr. INHOFE.

H.R. 2121: Mr. POSHARD, Mr. LOWERY of California, Mr. HANSEN, Mr. SYNAR, Mr. FISH, and Mr. JAMES.

H.R. 2204: Mr. KASTENMEIER.

H.R. 2205: Mr. KASTENMEIER.

H.R. 2213: Mrs. BOXER, Mr. MRAZEK, Mr. MINETA, Mr. SOLARZ, Mr. FOGLIETTA, and Mr. TORRICELLI.

H.R. 2353: Mr. PARKER, Mr. WOLPE, and Mr. SUNDQUIST.

H.R. 2380: Mr. LANCASTER and Mr. ARMEY.

H.R. 2418: Mr. CLEMENT, Mr. PAYNE of Virginia, and Mr. GALLEGLY.

H.R. 2707: Mr. SOLOMON.

H.R. 2800: Mr. CLINGER, Mr. KOLTER, Mr. HARRIS, Mr. FROST, Mrs. BENTLEY, Mr. KOLBE, and Mr. LANCASTER.

H.R. 2852: Mr. WYDEN.

H.R. 2902: Mr. TOWNS.

H.R. 2947: Mr. OWENS of Utah.

H.R. 2972: Mr. GORDON, Mr. FRANK, and Mr. SOLARZ.

H.R. 3004: Mr. GRANT.

H.R. 3064: Mr. BURTON of Indiana, Mr. HAYES of Louisiana, Mr. JOHNSON of South Dakota, Mr. PRICE, Mr. LIVINGSTON, and Mr. SAXTON.

H.R. 3088: Mr. LEWIS of Georgia.

H.R. 3154: Mr. KLECZKA.

H.R. 3346: Mr. HOCHBRUECKNER and Mrs. JOHNSON of Connecticut.

H.R. 3516: Mr. BAKER, Mr. COX, Mr. ARMEY, and Mr. DELAY.

H.R. 3690: Mr. HARRIS, Mr. WILSON, Mrs. MARTIN of Illinois, Mr. DOUGLAS, Mr. LIVINGSTON, Mrs. COLLINS, and Mr. CHAPMAN.

H.R. 3719: Mr. DAVIS.

H.R. 3805: Mr. GILMAN.

H.R. 3819: Mr. PORTER, Mr. RAHALL, Mr. POSHARD, Mr. HORTON, Mr. JENKINS, Mr. BENNETT, Mr. MORRISON of Connecticut, Mr. EVANS, and Mr. MCNULTY.

H.R. 3863: Mr. MCDERMOTT, and Mr. WALSH.

H.R. 3864: Mr. THOMAS A. LUKEN, Mr. HUGHES, Mr. CROCKETT, Mr. JAMES, Mr.

EVANS, Mr. BEVILL, Mr. KOLTER, Mr. FRANK, and Mr. VOLKMER.

H.R. 3914: Mr. JENKINS, Mr. SKELTON, Mr. MCCRERY, Mr. LENT, Mr. YOUNG of Alaska, and Mr. SARPALIUS.

H.R. 3929: Mr. PEASE.

H.R. 3930: Mr. BUSTAMANTE.

H.R. 3936: Mr. GUARINI.

H.R. 3972: Mr. MACHTLEY.

H.R. 4004: Mrs. UNSOELD.

H.R. 4026: Mrs. KENNELLY.

H.R. 4121: Mr. MILLER of Ohio.

H.R. 4212: Mr. DELAY, Mr. SKELTON, Mr. HUTTO, and Mr. SAXTON.

H.R. 4226: Mr. SHAYS.

H.R. 4250: Mr. FISH and Mr. BRUCE.

H.R. 4286: Mr. ARMEY.

H.R. 4300: Mr. ROE and Mr. MARKEY.

H.R. 4324: Mr. FROST and Mr. POSHARD.

H.R. 4336: Mr. SCHIFF.

H.R. 4374: Mr. TORRICELLI.

H.R. 4494: Mr. FISH, Ms. OAKAR, Mr. HUTTO, Mr. WATKINS, Mr. HYDE, Mr. ARMEY, Mr. CHANDLER, Mr. THOMAS of Wyoming, Mr. INHOFE, Mr. DELAY, Mr. MOLLOHAN, Mr. BARTON of Texas, Mr. DENNY SMITH, Mr. OXLEY, Mr. HOAGLAND, Mr. ENGLISH, Mr. FASCELL, Mr. AUCOIN, Mr. HOPKINS, Mr. FIELDS, Mr. VOLKMER, and Mr. MARLENEE.

H.R. 4513: Mr. HORTON, Mr. HYDE, Mr. FAUNTROY, Mr. GILMAN, Mr. SABO, Mr. DORNAN of California, and Ms. LONG.

H.R. 4515: Mr. COX, Mr. HUGHES, Mr. KOLTER, Mr. NEAL of North Carolina, Mr. SERRANO, and Mr. TOWNS.

H.R. 4575: Mr. SAXTON.

H.R. 4582: Mr. ALEXANDER.

H.R. 4583: Mr. HORTON, Mr. BOUCHER, Mr. LEWIS of Georgia, Mr. WASHINGTON, Mr. SERRANO, Mr. GILMAN, Mr. ROWLAND of Connecticut, Mr. SYNAR, Mr. DIXON, and Mr. SMITH of Vermont.

H.R. 4601: Mr. JAMES.

H.R. 4631: Mr. OWENS of New York.

H.R. 4640: Mr. MCEWEN, Mr. QUILLEN, Mr. SCHAEFER, and Mrs. VUCANOVICH.

H.R. 4659: Mr. OWENS of Utah and Mr. PRICE.

H.R. 4675: Mr. CLINGER, Mr. RAHALL, Mr. STAGGERS, Mr. SCHIFF, Mr. WILSON, Mr. MOLLOHAN, and Mr. CHAPMAN.

H.R. 4743: Mr. FRANK, Mrs. LLOYD, Mr. CLARKE, Mr. NEAL of North Carolina, Mr. TALLON, Mr. PAYNE of Virginia, Mr. FLIPPO, Mr. IRELAND, Mr. SMITH of Texas, Mr. HANCOCK, Mr. BLAZ, Mr. DANNEMEYER, and Mr. BLILEY.

H.R. 4761: Mr. TAUZIN and Mr. JACOBS.

H.R. 4795: Mr. CONDIT, Mr. LEWIS of Georgia, Mr. BONIOR, Mr. DORGAN of North Dakota, and Mr. DELLUMS.

H.R. 4816: Mr. MOLLOHAN, Mr. BUSTAMANTE, Mr. WALSH, Mr. BEVILL, Mr. TOWNS, and Mr. ECKART.

H.R. 4818: Mr. DWYER of New Jersey, Mr. MATSUI, and Mr. BUECHNER.

H.R. 4872: Mr. HOYER.

H.R. 4891: Mr. NEAL of North Carolina.

H.R. 4921: Mr. SKEEN and Mr. STUMP.

H.R. 4937: Mr. JONTZ and Mrs. COLLINS.

H.R. 4952: Mr. ROWLAND of Georgia.

H.R. 4958: Mrs. MORELLA and Mr. RAHALL.

H.R. 4959: Mr. LEWIS of Florida and Mr. HOCHBRUECKNER.

H.R. 4972: Mr. OBERSTAR, Mrs. COLLINS, and Mr. FUSTER.

H.R. 4981: Mr. TOWNS.

H.R. 4984: Mr. MILLER of Washington and Mr. MCMILLAN of North Carolina.

H.R. 4992: Mr. MATSUI, Mr. STARK, Mr. FAUNTROY, Mr. PAYNE of New Jersey, Mr. SERRANO, Mr. BLAZ, Mr. RICHARDSON, Ms. PELOSI, Mr. KILDEE, Mrs. COLLINS, Mr. TOWNS, Mr. FALEOMAVAEGA, Mr. ATKINS, Mr. DELLUMS, Mr. FAZIO, Mr. DIXON, Mr. BATES, Mr. ROYBAL, Mrs. BOXER, and Mr. HORTON.

H.R. 5011: Mrs. COLLINS.

H.R. 5028: Mr. HUNTER.

H.R. 5050: Mr. PARRIS, Mr. RIDGE, Mrs. ROUKEMA, Mr. ROTH, Mr. HUBBARD, Mr. LEACH of Iowa, Mr. MCCANDLESS, Mr. FLAKE, Mr. MFUME, Mrs. MARTIN of Illinois, Mr. CARPER, Ms. OAKAR, Mr. PRICE, Mr. DREIER of California, Mrs. SAIKI, Mrs. PATTERSON, Mr. OWENS of New York, Mr. SAXTON, Mr. SHARP, Mr. BURTON of Indiana, Mr. MCDADE, Mr. BUNNING, Mr. BROOMFIELD, and Mr. BEREUTER.

H.R. 5055: Mr. ROWLAND of Connecticut, Mr. PORTER, and Mr. WALKER.

H.J. Res. 469: Mr. DEFAZIO, Mr. DURBIN, Mr. FRENZEL, Mr. GILMAN, Mrs. KENNELLY, Mr. LAFALCE, Mrs. LOWEY of New York, Mr. NATCHER, Mr. OWENS of New York, Mr. OWENS of Utah, Mr. RAVENEL, Mr. RHODES, Mr. DENNY SMITH, Mr. TALLON, Mr. WYDEN, and Mr. WYLIE.

H.J. Res. 497: Mr. CLINGER, Mr. DORNAN of California, Mr. GALLO, Mr. COYNE, Mr. BATEMAN, Mr. POSHARD, Mr. TRAXLER, Mr. BEVILL, Mr. ANDERSON, Mr. PASHAYAN, Mr. DICKS, Mr. PAYNE of New Jersey, Mr. OWENS of Utah, Mr. CRAIG, Mr. RIDGE, Mr. EDWARDS of Oklahoma, Mr. FAWELL, Mr. CONYERS, Mr. NATCHER, Mr. GUARINI, Mr. WHEAT, Mr. COLEMAN of Texas, Mr. HUTTO, Mr. MFUME, Mr. STENHOLM, Mr. RICHARDSON, Mr. SAVAGE, Mr. KLECZKA, Mr. HEFNER, Mr. SCHEUER, Mr. TOWNS, Mrs. UNSOELD, Mr. SCHIFF, Mr. WALGREN, Mr. HYDE, Mr. LEATH of Texas, Mr. FAUNTROY, Mr. FISH, Mr. HAYES of Illinois, Mr. YOUNG of Alaska, Mr. DE LUGO, Mr. GRANDY, Mr. FIELDS, Mr. UPTON, Mr. HOCHBRUECKNER, Mr. BRENNAN, Mr. TAUZIN, Mr. WELDON, Mr. ROYBAL, Mr. ACKERMAN, Mr. GEJDENSON, Mr. ALEXANDER, Mr. COSTELLO, Mr. MACHTLEY, Mr. MILLER of Washington, Mrs. MEYERS of Kansas, Mr. YATRON, Mr. MARTINEZ, and Mr. HAMMERSCHMIDT.

H.J. Res. 519: Mr. MANTON, Mr. RAVENEL, Mr. RINALDO, Mr. HALL of Ohio, Mr. BOUCHER, Mr. RICHARDSON, Mr. BRYANT, and Mr. WYDEN.

H.J. Res. 535: Mr. DEFAZIO, Mr. FOGLIETTA, Mr. BILBRAY, Mr. VISCLOSKY, Mr. GEREN of Texas, Mr. LEWIS of Georgia, Mr. KOSTMAYER, Mr. TORRICELLI, Mr. ANDERSON, Mr. BRUCE, Mr. CLEMENT, Mr. EMERSON, Mr. CONTE, Mr. ESPY, Mr. KOLTER, Mr. HORTON, Mr. JONES of North Carolina, Mr. MCCOLLUM, Mr. LEVIN of Michigan, Mr. DIXON, Mr. REGULA, Mr. COBLE, Mr. ROBINSON, Mr. HUTTO, Mr. DENNY SMITH, Mr. FALEOMAVAEGA, Mr. SKELTON, Mr. SPRATT, Mr. BUSTAMANTE, Mr. DICKS, Mr. GUARINI, Mr. MCDADE, Mr. MILLER of California, Mr. PALLONE, Mr. RAVENEL, Mrs. SAIKI, Mr. SARPALIUS, Mr. SAVAGE, and Mr. SAXTON.

H.J. Res. 554: Mr. RAHALL, Mr. KENNEDY, Mr. RINALDO, Mr. ROE, Mrs. SAIKI, Mr. SARPALIUS, Mr. SAVAGE, Mr. SABO, Mr. SCHEUER, Mr. ORTIZ, Mr. HAMMERSCHMIDT, Mr. SKEEN, Mr. SKELTON, Mr. DENNY SMITH, Mr. SMITH of Iowa, Mr. TAUZIN, Mr. SPRATT, Mr. MORRISON of Washington, Mr. HOCHBRUECKNER, and Mr. GILMAN.

H.J. Res. 575: Mr. STOKES, Ms. ROS-LEHTINEN, Mr. GRAY, Mr. RAVENEL, Mrs. LLOYD, Mr. SCHIFF, Mr. BRENNAN, and Mr. GORDON.

H.J. Res. 578: Mr. DERRICK, Mr. HAYES of Illinois, Mr. PANETTA, and Mr. OWENS of New York.

H.J. Res. 582: Mr. OWENS of Utah, Mr. PALLONE, and Mr. SCHAEFER.

H.J. Res. 583: Mr. DWYER of New Jersey, Mr. HORTON, Mr. GORDON, Mr. WOLF, Mr. MARTINEZ, Mrs. COLLINS, Mr. BROWN of California, Mr. RAVENEL, Mr. PALLONE, Mr. MARKEY, and Mr. FAUNTROY.

H.J. Res. 598: Mr. PAYNE of Virginia, Mr. WALSH, and Mr. TOWNS.

H. Con. Res. 216: Mr. HORTON.

H. Con. Res. 234: Mr. TAUZIN.

H. Con. Res. 252: Mr. KLECZKA.

H. Con. Res. 288: Mr. HORTON.

H. Con. Res. 309: Mr. HORTON, Mr. BUECHNER, Mr. LEWIS of Georgia, Mr. WASHINGTON, Mr. SERRANO, Mr. GILMAN, Mr. ROWLAND of Connecticut, Mr. SYNAR, Mr. DIXON, and Mr. SMITH of Vermont.

H. Con. Res. 331: Mr. BERMAN, Mr. FAZIO, Mr. FUSTER, Mr. LEWIS of Georgia, Mr. PORTER, and Mr. SCHEUER.

H. Con. Res. 333: Mr. BARTON of Texas, Mr. BEVILL, Mr. NATCHER, Mr. DICKS, Mrs. COLLINS, Mr. BROOMFIELD, Mrs. BOGGS, Mr. OWENS of New York, and Mrs. SMITH of Nebraska.

H. Res. 380: Mr. BOEHLERT, Mr. OWENS of Utah, and Mr. BUSTAMANTE.

H. Res. 402: Mr. LIPINSKI, Mr. HAYES of Louisiana, Mr. DURBIN, Mr. GINGRICH, Mr. LANCASTER, Mr. HANSEN, Mr. JONES of Georgia, Mr. THOMAS A. LUKEN, Mr. RANGEL, Mr. PRICE, Mr. OXLEY, Mr. BOEHLERT, Mrs. COLLINS, Mr. GONZALEZ, Mr. PAYNE of Virginia, Mr. LAFALCE, Mr. MAZZOLI, Mrs. BYRON, Mr. SOLOMON, Mr. SCHEUER, Mr. FAZIO, Mr. HEFNER, and Mr. FIELDS.

H. Res. 407: Mr. RUSSO, Mr. ROBINSON, Mr. BEREUTER, Mr. MARTIN of New York, Mr. RAHALL, Mr. MORRISON of Washington, Mr. PEASE, Mr. RIDGE, Mr. SMITH of Texas, Mr. GEJDENSON, Mrs. SMITH of Nebraska, Mr. BILIRAKIS, Mr. SPENCE, Mr. BROOMFIELD, Mr. EDWARDS of Oklahoma, Mr. COMBEST, Mr. GALLEGLY, Mr. HOPKINS, Mr. LEWIS of Florida, Mr. IRELAND, Mrs. JOHNSON of Connecticut, Mr. LIGHTFOOT, Mr. MCEWEN, Mr. MCGRATH, Mr. REGULA, Mr. MOODY, Mr. PAYNE of Virginia, Mr. SAXTON, Mr. CLARKE, Mr. SCHIFF, Mr. JONTZ, Mr. SHUSTER, Mr. SLATTERY, Mr. STANGELAND, Mr. MILLER of Ohio, Mrs. VUCANOVICH, Mr. SCHUETTE, Mr. VALENTINE, Mr. SENSENBRENNER, Mr. INHOFE, Mr. JACOBS, Mr. STARK, Mr. JAMES, Mr. BEVILL, Mr. SLAUGHTER of Virginia, and Mr. DICKS.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.J. Res. 324: Mr. MCCURDY.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

189. By the SPEAKER: Petition of the city of Seattle, King County, WA, relative to the National Endowment for the Arts; to the Committee on Education and Labor.

190. Also, petition of the city of Minneapolis, MN, relative to the regulation of ozone-depleting compounds; to the Committee on Energy and Commerce.

191. Also, petition of the township of Union, NJ, relative to Lithuania; to the Committee on Foreign Affairs.

192. Also, petition of the city of Titusville, FL, relative to the distribution of grant funds; to the Committee on Government Operations.

193. Also, petition of the Association of Pacific Island Legislatures, relative to the Exclusive Economic Zone of the Commonwealth of the Northern Mariana Islands; to

the Committee on Interior and Insular Affairs.

194. Also, petition of the Association of Pacific Island Legislatures, relative to endorsing war reparation compensation for victims of enemy atrocities during World War II; to the Committee on Interior and Insular Affairs.

195. Also, petition of the city of Lakewood, OH, relative to support of H.R. 3; jointly, to the Committees on Education and Labor and Ways and Means.

196. Also, petition of the Association of Pacific Island Legislatures, relative to urging the Congress to approve H.R. 98; jointly, to the Committees on Interior and Insular Affairs and Ways and Means.

EXTENSIONS OF REMARKS

COMMEMORATING THE 50TH ANNIVERSARY OF PUBLIC HOUSING IN THE UNITED STATES

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. WYLIE. Mr. Speaker, it is my distinct pleasure to inform you, the Members of the House, and, indeed, the world, that Poindexter Village, 240 North Champion Avenue, Columbus, OH, the first low rent public housing community completed in this Nation, is celebrating its 50th Anniversary today, June 19, 1990.

We are especially honored that the Honorable Jack Kemp, Secretary of the Department of Housing and Urban Development, felt it important enough to be with us in Columbus to commemorate this most significant and auspicious occasion. The Secretary participated in a ribbon cutting ceremony at Poindexter Village and as the keynote speaker at the first annual scholarship fund luncheon of the newly formed Public Housing Alumni Association.

The Public Housing Alumni Association was established by former public housing residents to recognize the remarkable achievements of some of those who grew up in public housing and to send a message of hope and opportunity to today's public housing generation. Those who compose the membership of the Public Housing Alumni Association are excellent role models for promoting encouragement and creating a positive attitude about public housing. It is only fitting and proper that we pay tribute to former and current residents of public housing and to the positive impact they have made and will continue to make on our Nation.

I would especially like to call attention to the fact that former President Franklin Delano Roosevelt came to Columbus on October 12, 1940, to participate in the official dedication of Poindexter Village. Sixteen years later, Mrs. Eleanor Roosevelt made a special visit to Poindexter Village during a trip to Ohio's capital city.

Since its beginning a half century ago, thousands of people have occupied the 434 units of housing at Poindexter Village. Many lives began and ended there. Many who have and who are making valuable contributions to our city, State, and Nation call Poindexter Village home. And with the assistance of such people and groups as the Public Housing Alumni Association, we are determined to see that public housing in Columbus continues to have a positive impact on our great city.

Over the Nation, public housing has played an extremely important role in the lives of many people in the past 50 years, and it will continue to help shape the lives of Americans as we move into the 21st century. Housing for all our citizens must be among our top priorities.

PENNSYLVANIA NEWSPAPER WINS PULITZER

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. KOSTMAYER. Mr. Speaker, I want to call to the attention of my colleagues the 6th of 10 editorials written by Tom Hylton of the Pottstown Mercury in Pottstown, PA.

These editorials on the subject of farmland preservation won this year's Pulitzer Prize for editorial writing, and I commend them to my colleagues.

SOUTHEAST PENNSYLVANIA MUST MAKE BETTER USE OF ITS LAND

(By Tom Hylton)

Gov. Casey has declared October as recycling month to promote public awareness of the state's new recycling law. "We're doing more to control the amount of trash we generate than any other state in the nation," he said.

The new law is ambitious in scope. It requires people to recycle at least 25 percent of their trash within the next decade. Currently, only 1 percent is recycled.

While Pennsylvania is setting new standards in reusing manufactured goods, it remains shamefully extravagent with its most precious resource of all—its land.

When George Washington was president there were 430,000 people living in Pennsylvania. Today, there are nearly 12 million of us, and each one puts far more strain on the environment than our ancestors.

We drive cars that spew pollutants into the air. We use heavily manufactured products and vast quantities of electricity. We create mounds of garbage. And everyone wants to live on a two-acre lot.

Unfortunately, while there are 25 times more Pennsylvanians than there were 200 years ago, there's not one square inch more of Pennsylvania.

We must begin to use Pennsylvania's land far more wisely than we do now.

Just as we needed a revolutionary recycling law to manage our trash, we need far-reaching changes in our development laws to conserve land.

To its great misfortune, Pennsylvania has an antiquated system of local government. Each of the state's 2,572 municipalities is supposed to regulate growth within its borders. However unwise it may seem, each is supposed to allow for every type of development—from malls to housing projects to heavy industry.

Land use is best regulated on a regional basis. It is impossible in a lone township like West Vincent, for example, to maintain farmland when highways and offices and housing are proliferating around it.

The issues are too overwhelming for small townships. Watching a group of part-time supervisors deal with a major developer is like watching the Polish cavalry fend off German tanks.

Counties, or a regional authority, must have the power to direct growth into some areas and forbid it in others. Prime agricultural areas must be held safe from development.

In Europe, this kind of thinking is second nature. If it wasn't, the open space would have vanished long ago.

At the end of World War II, the English strictly zoned every piece of land in the nation. A greenbelt was created around each city, which the government has maintained in a successful effort to keep the countryside intact. Thanks to that approach, a country smaller than Pennsylvania but with four times its population is world famous for its rural charm.

France and the Netherlands have instituted comprehensive national farmland preservation programs. Even though its population density is nearly four times that of Chester County, Holland's No. 1 industry is still agriculture.

Recently, several states have taken the first steps toward managing growth on a regional scale.

In 1986, the New Jersey Legislature created a State Planning Commission with a mandate to find a balanced way to guide development. The most densely populated state in the nation, New Jersey lost half its farmland between 1950 and 1985.

Early next year, the New Jersey Legislature is expected to adopt its first statewide land-use plan. It aims to curtail growth in more than half the state while encouraging the redevelopment of the cities and older suburbs.

In southeastern Pennsylvania, new development must be concentrated into compact areas. One- and two-acre residental zoning should be discouraged.

Philadelphia and outlying towns, linked together by rail, must be revived. Cities and towns were created because they make sense. For example, people can walk places. They can use public transportation to get to their jobs and back.

So far, Pennsylvania hasn't considered any sort of regional mechanism to manage growth. Except for the Southeast, the state is eager for growth and sees little need for stricter land regulation.

Since 1978, the Pennsylvania Municipalities Planning Code has allowed neighboring municipalities to voluntarily create a regional zoning law, but only one such law—in lower Bucks County—has been drawn up. Because each municipality jealously guards its prerogatives, most state and local government officials have resigned themselves to accepting the status quo.

We believe major changes in land-use laws are imperative—especially in southeastern Pennsylvania.

We believe the public is far more receptive to change than the elected officials themselves. People will support strong measures to curb suburban sprawl, save farms and open space, protect the environment, and ensure a better life for our children. But the public needs a way to voice its will.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

The Chester County $50 million bond referendum to save open space provides that instrument. If it passes by a wide margin, elected officials may be emboldened to consider strong steps to preserve Chester County from the onslaught of development. Lancaster, Berks, York and other agrarian counties may follow Chester County's lead.

In his annual message to Congress in 1862, Lincoln proposed a bold plan to end the war and free the slaves. The slave-holding states would order immediate emancipation, and the federal government would compensate each slave-owner for the loss of his property.

At the time, the plan was considered dangerously radical, but Lincoln defended it with these words:

"The dogmas of the quiet past are inadequate for the stormy present. The occasion is piled high with difficulty, and we must rise with the occasion. As our case is new, we must think anew, and act anew. We must disenthrall ourselves, and then we shall save our country."

Chester County has lost more land to development in the last three and a half years than it has in the previous 300. The present laws governing growth are inadequate for the stormy present. Stronger laws can and must be adopted.

But enlightened public attitudes will take years to translate into workable laws. Chester County doesn't have years to wait. In the short run, funds from the proposed bond issue are vital to preserve land until adequate land-use measures are adopted.

"A nation may be said to consist of its territory, its people, and its laws," Lincoln said. "The territory is the only part which is of certain durability. 'One generation passeth away, and another generation cometh, but the earth abideth forever.' "

If rural Chester County is to be preserved for future generations, the bond issue must be approved. We urge you to vote yes on Election Day.

THE ECONOMIC AND BUDGETING COMMISSION ACT OF 1990

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. HAMILTON. Mr. Speaker, a sensible budget strategy must start with a realistic picture of the budget and the economy over the next several years. The bill I am introducing today, the Economic and Budgeting Commission Act of 1990, will help us get the budget process off on the right foot.

ROSY SCENARIOS HIDE THE PROBLEM

Economic assumptions are critical in estimating the deficit. They are the foundation on which the budget is built. A small difference in economic assumptions can add or subtract billions of dollars from the projected budget deficit. Sizeable differences in several key economic assumptions can seriously skew the budget baseline.

To estimate how much money the Government will take in, and how much we will need to spend, we must first make certain assumtions about the economy's performance in the years ahead. How much will GNP grow? Will interest rates rise or fall? Will more people be working or will joblessness increase? The answers to these questions produce estimates of tax revenues, the cost of servicing the national debt, and payments for unemployment insurance and other forms of Government assistance.

The budget also depends on technical assumptions such as the number of people eligible for entitlement programs or how fast the Pentagon will actually spend money it is authorized to spend. The budget baseline, then, shows the Federal Government's outlays and receipts over a given period of time under current laws and policies.

Under Gramm-Rudman, OMB provides the definitive economic outlook. The administration has every incentive to claim that the economy will grow rapidly and interest rates will fall, because it reflects well on its policies and reduces the need for spending cuts and tax increases. Congress accepts the forecast, because it minimizes the work we must do to meet the Gramm-Rudman deficit reduction targets.

Rosy scenarios set us up for failure. A forecast that is optimistic in the short run means Congress can use timing manipulation and other accounting tricks to meet the targets. A forecast that is optimistic in the long run fools us into thinking the deficit problem will melt away just over the horizon. This is how we got into our current fiscal mess.

A Joint Economic Committee staff study, published earlier this month, illustrates the critical difference economic assumptions can make. In January, the administration submitted a rosy scenario that seriously underestimated the fiscal year 1991 deficit and indicated that, without much work, we'd soon have a balanced budget. The President's budget projected the fiscal year 1991 deficit at $63 billion, assuming adoption of his program. However, the same budget, based on CBO's economic assumptions, would show a deficit of $89 billion. That represents a $26 billion difference for 1 fiscal year.

CBO's March reestimate of the President's budget reveals a deficit that is $117 billion higher in 1995, due solely to the difference in economic assumptions. By fiscal year 1995, the cumulative difference between OMB and CBO grows to $386 billion.

In May, the administration presented a new forecast at the budget summit, with a sharply higher projected deficit. The administration now concedes that the assumptions used to support its January budget have crumbled. But the sharp increase in the size of the administration's new deficit estimate was not caused by a deteriorating economy. To most forecasters, the outlook hasn't changed. Rather, the administration is recognizing that its original short-term forecast was overly optimistic.

The administration has not changed its overall long-term outlook. To offset lower near-term growth, it is now even more optimistic about economic growth over 1992–1994. The administration is still using a set of best-case variables, thereby underestimating the size of the deficit and the amount of deficit reduction which will be required through fiscal year 1995.

What sets the administration's forecast apart from those of private sector forecasters and the Congressional Budget Office is its optimistic assumptions on all of the key variables. Other forecasters who are relatively optimistic about some variables typically are relatively pessimistic on others. For example, a forecaster who expects rapid growth also expects high interest rates, because more economic activity usually means more demand for credit.

No one can say for sure that the administration's fortunate outcomes will not materialize, but few reputable economists would bet on its forecast. How, then, can we base the Nation's budget on it?

TOWARD A REASONABLE STARTING POINT

The Economic and Budgeting Commission Act of 1990 would change the budget process, and ensure that the more reasonable assumptions and baseline would be used as the basis for the Federal budget.

The bill would establish an Economic and Budgeting Commission. The Chairman of the Federal Reserve would serve as Chairman of the Commission. The other four members would be appointed to 4-year terms by the President, one each from lists provided by the Speaker of the House, the House Minority Leader, the Senate Majority Leader, and the Senate Minority Leader. The Commissioners would serve without pay. They could call on outside consultants and experts from the staffs of Federal agencies.

The configuration of the Commission is intentionally small. This is no new government bureaucracy. It is designed to fulfill one narrow task, and that task only. The selection of the members satisfies constitutional standards of separation of powers, and commonsense standards of competence and fair play.

The bill would require that OMB and CBO submit, by December 10 or the fifteenth day after the sine die adjournment of a session of Congress, whichever is later, budget baselines for the coming fiscal year and each of the 4 succeeding fiscal years. These reports would include the economic assumptions on which the baselines are computed. Within 10 days, the Economic and Budgeting Commission would choose which of the two baselines should be used for purposes of the Budget Act, without making any changes in the baseline chosen. The President would then use the baseline and economic assumptions chosen by the Commission to prepare the budget.

Under current practice, OMB releases its baseline as part of the President's budget and CBO releases its baseline at about the same time, typically in January. The bill would require an earlier release, but the earlier deadline should not be burdensome for either agency. Much of the work of preparing the baseline must be completed early in the budget cycle. The bill requires the Commission to act expeditiously so that the President's budget can be submitted in a timely manner. In addition, settling on a baseline early in the process will save Congress time and effort by removing the difficult and contentious issue of whether to accept the administration's baseline.

The Commission would choose between the two baselines, without changing them, for two reasons. First, the Commission will not have a substantial bureaucracy capable of creating its own estimates. Second, unlike a procedure that would choose the average of the base-

lines of the two budget offices, the Act provides no reward for an agency that creates an outrageous baseline. Instead, each office would have an incentive to be more reasonable, so that its baseline would be chosen.

Subsequent reports issued by CBO and OMB, such as the administration's mid-session review, would be adjusted only for changes resulting from new legislation or regulations. The initial baseline would serve as a benchmark for measuring policy changes for the entire fiscal year.

While there is some appeal to having the latest possible economic outlook, its value is more apparent than real. Changing the baseline in the middle of the budget process is like moving the goalposts in the middle of a football game. If the economy is strengthening, a revised budget baseline would tell us we need less deficit reduction—exactly the opposite of sound policy. Further, a midyear update can be manipulated by the Executive to force the Congress to pursue rigorous deficit reduction that the administration ducked with a rosy scenario in its original budget. It makes more sense to set a baseline and stick to it. If economic conditions change radically over the few months between baseline selection and midsession review, we might want to rethink our policy goals, but that would not require moving the baseline in the middle of the budget cycle.

What we need now is realistic and prudent budgeting, not the usual smoke and mirrors. We need to start with moderate, not optimistic, economic assumptions. We cannot budget for the best case. The likelihood of ideal outcomes is too low; the cost if they do not materialize is too high. Perhaps the administration will provide more reasonable assumptions, if it faces the possibility that CBO's outlook could be the definitive one.

In my view, rosy economic assumptions are the smoke that begins the budgetary games. The Economic and Budgeting Commission will help clear the smoke. Then, it will be up to us to eliminate the mirrors. The task will be formidible, but we must take the first step now.

TRIBUTE TO THE REVEREND RONALD E. SWISHER

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. MILLER of California. Mr. Speaker, I rise today to ask my colleagues to join me in congratulating the Reverend Ronald E. Swisher of Richmond, CA., on his appointment as superintendent for the delta district of the United Methodist Church. This appointment is indeed a fitting recognition of Reverend Swisher's many years of dedication to the members of his parish and the residents of Contra Costa County.

Throughout his pastorate at Easter Hill United Methodist Church in Richmond, Reverend Swisher has maintained his involvement in community activities. His service on the human relations commissions for both the city of Richmond and Contra Costa County has proven invaluable in addressing the cultural and racial issues facing our communities' diverse populations. His membership on the Bay Vision 2020 Commission will lend an important voice to the process of planning for our region's future.

The people of Contra Costa County have been indeed fortunate to have an individual of Reverend Swisher's caliber serving their community, and it is with mixed emotions that we bid him farewell.

RICHARD A. MATYAS, JR., AND DOREEN GALE WED

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. LIPINSKI. Mr. Speaker, I rise today to call my colleagues attention to a joyous and happy occasion in my district. This Saturday, June 23, Richard A. Matyas, Jr., and Doreen Gale will be joined together in the sacrament of holy matrimony. The wedding will be held at the Saint Rene's Parish which is in the Clearing area on Chicago's beautiful southwest side.

Doreen, daughter of the late Stanley Gale, is a graduate of Immaculate Heart of Mary High School. She earned a bachelor of science degree in nursing from St. Xavier College in 1987. The bride-to-be is a surgical nurse at Mercy Hospital.

Her fiance, son of the late Richard A. Matyas Sr., graduated from De La Salle High School in 1982. He earned a bachelor of arts degree from St. Xavier in 1988. Richard is the owner of Emerald Electronics.

I hope my colleagues will join me in offering congratulations to the proud parents, Mrs. Elaine Gale and the groom's loving mother, Mrs. Lucille Matyas. Please also accompany me in offering my best wishes for the couple to share many happy years together.

CONGRESSMAN KILDEE HONORS AAU BASKETBALL CHAMPIONS

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. KILDEE. Mr. Speaker, I rise today to call attention to an historic event, the first time in the history of the United States that one sponsor has had both a men's and a women's basketball team win Amateur Athletic Union [AAU] championships in the same year.

Mr. Sam Ragnone, an attorney from the Seventh Congressional District in Flint, MI has been a sponsor of these teams for many years. There have been many fine games played in AAU events, and many adroit teams have competed. This year marks a turning point in the AAU basketball tournament because for the first time ever two teams with the same sponsor have earned the title of champion. It is only through the generosity of Mr. Ragnone that this was able to occur, and I commend Mr. Ragnone for the great spirit he has exhibited through his diligent support of these teams.

Under the able leadership of Coach Joseph White, the women's team was able to defeat the Armed Forces team in a landslide 95 to 60 win in Milwaukee, WI, on April 8, 1990. The team was lead by such skilled players as AAU All-Americans Trena Keys, Laurie Byrd, and Honorable Mention Cassandra Pack. Also outstanding were teammates Leteia Hughley, Stephanie Greer, Kimberly McCartha, Cary McGehee, Edith Pennywell, Bridgette Howard, and Cheryl Williams-Miller. While the whole team made invaluable contributions toward the victory, Laurie Byrd, who was voted most valuable player, deserves special mention. Through the efforts of Coach White, Laurie Byrd, and all of the other members of the team, these women have brought honor to themselves, their coaches, Mr. Ragnone, and the Seventh Congressional District.

The men's team is equally commendable. Under the leadership of their coach, Sam Ragnone, and Rob Flaska, the assistant coach, the team seized the national championship in Topeka, KS on April 1, 1990. In a close match with a final score of 97–92, the team defeated another from Lafayette, IN. The victorious men's team consists of Joel Ragland, Lamar Edwards, Darrin Fitzgerald, Tom Hawkins, Terry Duerod, Eric Turner, Ray Kelser, Greg Kelser, James Joseph, Zack Hicks, Rony Thompkins, and Ernest Williams. Greg Kelser, who attended Michigan State University, was voted most valuable player. The whole team put in an exemplary effort, and I am extremely proud to know that a team as skilled as this one is based in the Seventh Congressional District, which I serve.

Mr. Speaker, I am extremely honored to be able to herald the victories of both of these skilled teams. Mr. Rognone has shown how one generous person can bring joy and happiness into the lives of others; by not only sponsoring these two teams, but dedicating his time while coaching the men's team, Mr. Rognone has shown his enviable dedication to the sport. I am proud of everyone who helped to bring about these victories, and I urge you and all of our colleagues to join me in honoring the first time in the history of AAU basketball that both the men's and women's teams have had the same sponsor.

VOICE OF AMERICA

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. KOLTER. Mr. Speaker, I rise today to speak to a problem that troubles me deeply. All over Central and Eastern Europe, Communist regimes are collapsing. In some of these nations the break with the past is almost complete. In others the Communists are attempting to hold on to power by hook or by crook. One of these unfortunate nations is Yugoslavia. Now Yugoslavia is supposed to be a federation of six republics, much like our own United States. In actual fact, it really resembles the Soviet Union, where various peoples live under the subjugation of one dominant nationality.

Today I want to speak to the plight of one of these oppressed people, the people of Croatia, the land of my forefathers. First, I would like to give some historical background. Before World War I Croatia was part of the Austrian Empire. Although the Croatian people longed for independence, this union exposed Croatia to Western culture and Western values, both of which the Croatians readily absorbed. With the breakup of Austria-Hungary in 1918, the Croatians were united with several other southeastern European peoples into the Kingdom of Serbs, Croats, and Slovenes, later renamed Yugoslavia. The most important of these nations was Serbia, which having won its independence in 1878, had fought valiantly for the allies.

On April 6, 1940, Yugoslavia was invaded, without declaration of war, by the armies of Nazi Germany. For their own purposes the Nazis created a puppet Croatian state and induced some Croatians to support it. Others such as Dr. Vlatko Macek, head of the Croatian Peasant Party and the most important Croatian leader, would have nothing to do with the invaders. Yugoslavia was to endure 5 years of brutal occupation and guerrilla warfare.

The most important of the guerrilla groups was led by the Communist, Josip Tito. Tito was able to take over the government and establish a Communist dictatorship. Because Tito had no intention of handing over his hard won conquests to Stalin and had the good sense to institute some vitally needed reforms, he gained a reputation in the West as a moderate. However, if he wished he was capable of ruthlessness. He also found advantage in pitting Yugoslavia's various nationality groups against each other. In 1971 Croatian nationalists were brutally suppressed. Thus the wounds of war had no chance to heal.

With Tito's death in 1980, Yugoslavia was badly divided as a moribund Communist oligarchy attempted to keep his system running. However, the winds of change that have swept Eastern Europe have descended on these people like a hurricane. This April and May free elections were held in Croatia. The Communists were repudiated and the Croatian Democratic Union was swept to power. Its leader, Franjo Tudjman, won the republic's presidency. The platform of the CDU calls for turning Yugoslavia into a federation of sovereign states as envisioned in 1918. Meanwhile in Serbia, which has not even scheduled elections, Communist President Slobodan Milosevic continues to defend both Communist dictatorship and Serbian dominance.

In their struggle for liberty and dignity, the Croatian people, like the people of all of Eastern Europe, have long relied on the Voice of America. Imagine the chagrin these freedom-loving Croatians must feel when they tune in and hear the VOA broadcasting overwhelmingly in the Serbian language. For example, in 1989 the VOA broadcast a total 346 hours of programming aimed at Yugoslavia. Of the 269 hours was broadcast in the Serbian language and only 77 hours in Croatian. The Yugoslav section of the VOA has a total of 14 employees. Twelve of these are Serbs and only two Croatian. This discrepancy has been noted in Croatia. A recent survey made by the sociology department of Catholic University showed that 85 percent of the respondents felt that VOA does not devote attention to Croatian concerns and over 95 percent felt the need for a Croatian language section at the VOA. The VOA has shown no signs of accommodating the wishes of these freedom-loving people. Their excuse is that there is no such thing as a Croatian language. Rather, they claim, Serbs and Croatians both speak something called "Serbo-Croatian."

I must take exception to this. My father was born in Croatia and was a scholar of Croatian literature and linguistics. He always emphasized that Serbian and Croatian, although related, were distinct languages. This is not just a matter of pronunciation. For example, the word "odojce" means piglet in Croatian but baby in Serbian. I could cite hundreds of such examples. Why then does the VOA insist that this is one language?

For their own purposes the Communist rulers of Yugoslavia have long sought to deny the extent of the country's ethnic diversity. This is a common ploy among Communists. The Communist rulers of China have tried to deny the existence of the unique culture of Tibet. Conversely, the rulers of the Soviet Union have claimed that the inhabitants of Moldavia, which they seized from Romania, have some distinctive Moldavian culture rather than being the Romanians that they claim to be. The Communists rely on the old tactic of the "big lie." Tell a lie often enough and people will believe it. Well the VOA seems to have swallowed this one hook, line, and sinker. The people of Croatia, however, know enough to spit it out.

Even if the VOA's claim were true, one could still make the case for Croatian braodcasts. Imagine if the VOA had existed 70 or 80 years ago and had been broadcasting to the Irish people during their struggle for freedom. Now nobody questions that most Irish people speak English. However, to have broadcast to them using announcers speaking precise Oxford English would have been deeply insulting. It is no less so for the Croatians, who do speak a separate language.

Mr. Speaker, I urge my colleagues to redress this patently unfair situation. I am not asking for an increased appropriation for the VOA. I am requesting that there be a more equitable distribution of existing funds by reducing the size of the Serbian section. I think it fair that a Croatian section be established at the VOA with a total of five employees/announcers with one supervisor. Please remember the Croatian people who have struggled so long and hard for their freedom.

JASON DICKERSON, WEST VIRGINIA WINNER IN THIRD NATIONAL PEACE ESSAY CONTEST

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. RAHALL. Mr. Speaker, it gives me great pleasure to announce that Jason Dickerson, a junior this past year at Wayne High School, located in the Fourth District of the great State of West Virginia, has won first place from our State in the third annual National Peace Essay Contest.

This contest is sponsored each year by the U.S. Institute of Peace, chartered by Congress in 1984, premised on the fact that while we as a Nation know much about the terrible causes of and the paths leading to war, we know far too little about the causes of peace, and how to become pathfinders to peace. In the belief that the problems and prospects of our world, and the potential rewards of a peaceful planet are important to us all, and particularly to our young people who stand to inherit from us, the National Peace Essay Contest was established, giving high school students the opportunity to share their views with peers in their schools and with national leaders associated with the U.S. Institute of Peace.

I believe, as the U.S. Institute of Peace believes, that our future leadership will come from the next generation—and that we can learn from them even now. This year, the Peace Institute asked the contest participants to do the following in preparing their essays:

Discuss one instance when the United States' efforts made a significant contribution to the prevention or resolution of an international conflcit, as a party or potential party or as a peacemaker. Comment on the principal circumstances and the lessons which might be learned for future peacemaking.

Mr. Speaker, Jason Dickerson, of Wayne High School in Wayne, WV chose the Camp David accords to comment upon, and I insert the prize-winning essay hereafter in its entirety.

The more than 50 student winners, from the United States, U.S. territories, and American overseas dependent schools, will begin arriving in Washington during the week of June 25 to receive scholarships for college, based upon their having won statewide essay-writing contests. While in Washington, the students will be accorded every opportunity to observe their government in action, and finally three from among them will be chosen for a top scholarship honors—first, second, and third place winners nationally. I urge my colleagues to welcome the student winner from their State or district while they are in Washington next week.

In the last 2 years, the institute has awarded over $70,000 in scholarships to student winners of the National Peace Essay Contest. This year, the top three students who won statewide contests will be awarded college scholarship ranging from $100 to $500, while at the national level, students are competing for college scholarships of $10,000, $5,000, and $3,500.

Mr. Speaker, I wish all these young people the best of luck during next week's competition—but most of all, I wish all the luck in the world to Jason Dickerson of Wayne High School located in the Fourth District of West Virginia.

We in West Virginia are very proud of Jason, and I personally congratulate him for winning at the State level, and recommend his commendable essay to his peers, and to my colleagues, for their reading. I found it to be knowledgeable, showing thoughtful insight into the historic 13 days at Camp David when

President Jimmy Carter brought together two leaders of diverse cultures and led them along the path to peaceful accord.

A CASE STUDY IN INTERNATIONAL PEACEMAKING: THE CAMP DAVID SUMMIT OF 1978

(By Jason Dickerson)

The 1978 Camp David summit was a landmark development in international peacemaking. These were truly thirteen days that changed the world.

President Carter had a brilliant idea when he invited Israeli Prime Minister Menachem Begin and Egyptian President Anwar el-Sadat to Maryland in September 1978. By bringing them together and shutting off their delegations from the rest of the world, Carter made possible the agreement which was finally reached between Egypt and Israel, two rival Middle Eastern nations.

It was important that the meetings be shut off from the rest of the world and the media. Open peace talks often lead to public posturing for negotiating position. Furthermore, these types of public statements lead to inflexibility in negotiating. Egypt and Israel clearly had so many differences—cultural, diplomatic, military, political, religious, social, etc.—that inflexibility was not possible if an agreement was to be reached.

The Carter administration's agenda for Camp David was to negotiate an instrument of peace between the Egyptians and Israelis. It could be agreed that their arguments went back to the days of the prophets and the pharaohs, so everyone involved knew that Camp David would be no easy task. Indeed, it is somewhat difficult to believe that Begin and Sadat agreed to the summit at all. Begin and Sadat were clearly more progressive than their predecessors: that was an important ingredient of Camp David.

For the summit to be a success, however, it was important that Begin and Sadat like each other—or, at the very least, be tolerant of each other. For two leaders whose cultures had been enemies for centuries to negotiate for peace was unprecendented; for those same leaders to spend two weeks together in the mountains discussing their differences was unheard of. If a personal rapport of some kind didn't develop, Camp David wouldn't only have failed to achieve Middle Eastern peace; it could have started a war.

Carter and his team were responsible for achieving the personal rapport between the Egyptian and Israeli leaders. Among other things, Carter studied exhaustive psychological analyses of Begin and Sadat prior to their arrivals at Camp David. This helped Carter plot his strategy and put the negotiators at ease with each other and the concept of Camp David.

The relationship between Carter and Sadat was clearly closer than that between Carter and Begin. Carter's keen intellect and amicability seemed to win the trust of the Egyptians and Israelis. Also important were the relationships between members of the delegations. I particularly recall a picture of Begin playing chess with Carter National Security Adviser Zbigniew Brzezinski.

Trust being achieved between the two parties and the Americans, the next step in the Camp David concept was the bridging of that trust between the two delegations. This proved to be more difficult than imagined: witness the frequent deadlocks in the Camp David talks. Of course, it wasn't possible to achieve complete trust between people of such differing views and backgrounds. However, Camp David did build enough trust to formulate a blueprint for Egyptian-Israeli peace, which eventually led to a truce—albeit an imperfect one—between the two nations.

The supreme importance of personal involvement in international relations is Camp David's legacy to world peace-making. Begin, Carter, and Sadat were the driving forces behind the limited success at Camp David—not their foreign ministers, not some negotiating team sitting at a table in the Swiss Alps.

It wasn't until these leaders became passionately and personally drawn into the peace process that a truce was achieved. Centuries of traditional peacemaking hadn't worked; thirteen days at Camp David did.

To further demonstrate the point, think about the normalization of relations between the People's Republic of China and the United States. Years of Cold War posturing led only to rancor; the direct and personal involvement of Richard Nixon and Mao Tse-tung led to peace.

Think about the INF treaty. It wasn't until Mikhail Gorbachev and Ronald Reagan sat in front of a roaring fire in Geneva that real progress toward nuclear arms elimination was made.

But the lessons of Camp David shouldn't end with the INF treaty. Personal, one-on-one negotiating is a method that can lead to more peaceful international relations.

Instead of having the next "superpower summit" in the White House, the Kremlin, or even on two ships in the Mediterranean, maybe President Bush could invite President Gorbachev to his beachfront home in Maine. Maybe Gorbachev could invite Bush to his home in Soviet Georgia. These types of settings would encourage the growth of a personal relationship that could lead to the advancement of their negotiations.

Carter's role in the Camp David process should also serve as a role model for present and future United States leaders. Carter took on the challenge of achieving Middle Eastern peace and advanced and innovative concept toward that end. It is not enough for the President to fiddle around with troop numbers and missile limits. In the next century, the state of international relations will require bold proposals and the direct, daily involvement of the President of the United States.

The United States is and will remain the only power with the capacity to bridge international conflicts like this one between Egypt and Israel. The world needs our leadership, and the United States has a duty and the destiny to provide it.

The 1990s can be a time of great opportunity for the development of peace and good will among nations. 1990 is not 1978, and George Bush is certainly not Jimmy Carter. However, there are important similarities: President Bush's temperament with regard to international diplomacy is comparable to Carter's. Bush is interested in peace, and, unlike Carter, he has had a great deal of experience in international diplomacy prior to entering the White House. Furthermore, the changing times of the present and the immediate future give the President an extraordinary opportunity to mold the future of mankind in peace. Carter, too, had this opportunity at Camp David, and he seized it.

The Egyptian/Israeli peace, while far from perfect, was a breakthrough in world peacemaking—not so much for its content as for the way it was achieved. The lessons of Camp David, those thirteen days that changed the world, should be on the hearts and minds of peacemakers everywhere.

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EXCESS DEFENSE EQUIPMENT PROVIDED UNDER THE SOUTHERN REGIONAL AMENDMENT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. HAMILTON. Mr. Speaker, I would like to draw the attention of my colleagues to information I recently received from the Defense Security Assistance Agency [DSAA] regarding the southern regional amendment [SRA]. Under the SRA Program the Defense Department is authorized to provide excess United States equipment from Europe to base rights countries in southern Europe and to countries designated as key non-NATO allies—currently Egypt and Israel fall into this category.

In fiscal year 1990, $3.447 billion in excess equipment was offered to eligible countries. According to the Defense Department, this equipment became excess and available as a result of normal modernization plans of the U.S. Armed Forces and is not related to negotiations in Europe on the reduction of conventional arms.

The information provided by DSAA lists the offers made for fiscal year 1990 by country, item, and quantity. Where an offer was not accepted, it has been noted.

The DSAA list follows:

The following information on excess equipment provided to Southern Region Amendment (SRA) countries is provided as requested. This equipment has been offered to the various SRA countries; however, not all of the equipment has been accepted, as in the case of Greece and the M60A1 tanks. We anticipate that more equipment will become available in the future. We cannot provide an estimate of how much additional equipment will be offered to these countries, due to the current uncertainty of the force structure.

EXCESS EQUIPMENT LISTING FOR SRA COUNTRIES

Country	Item	Quantity
Egypt	M60A1, main battle tank	700
	M718, ¼-ton truck, ambulance	27
	M880, 1¼-ton truck	190
	M881, 1¼-ton truck	5
	M882, 1¼-ton truck	199
	M884, 1¼-ton truck	131
	M886, 1¼-ton truck, ambulance	141
	M890, 1¼-ton truck,	28
	M792, 1¼-ton truck, ambulance	6
	M416, 1¼-ton trailer	211
	M520, 8-ton trailer	67
	M559, 22½-ton fuel truck	4
	M561, 1¼-ton truck	164
Greece[1]	M60A1, main battle tank	110
Israel	M151A2, ¼-ton truck	290
Portugal	M151A2, ¼-ton truck	25
	M416, ¼-ton trailer	40
Turkey	M880, 1¼-ton truck	405
	M882, 1¼-ton truck	199
	M883, 1¼-ton truck	13
	M885, 1¼-ton truck	286

EXCESS EQUIPMENT LISTING FOR SRA COUNTRIES—Continued

Country	Item	Quantity
	M893, 1¼-ton truck, ambulance	7
	M416, 1¼-ton trailer	199

[1] Greece declined the offer.

CAN UNDERFUNDED HIGHWAYS AND TRANSIT STALL THE ECONOMY?

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. LIPINSKI. Mr. Speaker, I would like to bring to my colleagues' attention a keynote address by David Aschauer who is senior economist at the Federal Reserve Bank of Chicago. This outstanding speech delivered at the forum "Moving America: Developing a National Transportation Policy," sponsored by Women's Transportation Seminar in Chicago, IL, on June 11, 1990. The speech is titled "Can Underfunded Highways and Transit Stall the Economy?" and highlights our Nation's extreme need for a strong infrastructure system.

The text of the speech follows:

When a portion of the Nation's infrastructure fails, it often makes front page news.

In recent years, a bridge collapse in New York cost 10 lives, a ruptured dam in Georgia killed a number of school children, and the health of millions were put at risk when medical debris floated on shore along the Atlantic coast.

But beyond these obvious high costs of the nation's underinvestment in its highways, bridges, mass transit, airports, and other infrastructure facilities, there is an equally insidious long-term threat.

For several years I have been studying the link between Government investment in infrastructure and its effect on the overall productivity of the United States.

Studying economic trends dating back 40 years, I have found that there is indeed a strong and robust link between the level of infrastructure investment and the Nation's ability to increase its level of productivity—a key economic measure "of how efficiently a nation converts its resources into goods and services.

In today's competitive, global economy, these findings bear important implications for future Government spending policies.

GOVERNMENT SPENDING INCREASES

Overall, spending by all levels of government has increased from one fourth of national output in the early 1950s to more than one-third by the 1980s. Clearly, "big government" has been with us and remains with us, despite the antigovernment philosophy of the Reagan administration from 1980 to 1988.

But the increased spending has been in transfer payments to individuals—Social Security, Aid to Families with Dependent Children, and similar programs. Meanwhile, government spending on nonmilitary investment infrastructure peaked in the 1960s at 3.4 percent of the Gross National Product and has declined to around 2 percent in the 1980s.

This shift in government spending priorities—away from investment in the future and toward public consumption in the present—is at the root of some of our most important long-term economic difficulties: our low productivity growth; our declining private profit rate; and our reduced global competitiveness.

LOWERED PRODUCTIVITY REDUCES COMPETITIVENESS

Since 1982, the United States has staged a truly remarkable economic performance. We have enjoyed an expansion of output well into its seventh year, the longest in any peacetime period in American history. Still, troubling clouds have been gathering on the economic horizon. The rate of growth of productivity has fallen from 1.8 percent per-year during the 1960s to .8 percent in the 1970s and .7 percent in the early 1980s.

While productivity growth in the United States has been a dismal .7 percent per-year, it has been an impressive 2.9 percent in West Germany, and 3.1 percent in Japan. This inferior productivity performance is at the heart of our "competitiveness" problem and associated chronic deficits in international trade. Economists lay partial blame for this decline in productivity growth on increased oil prices and a reduced emphasis on research and development. The reduction in productivity caused by underinvestment is easy to understand when one considers that the U.S. Department of Transportation estimates that in 1985 total vehicle delays on the highway were in excess of 722 million hours.

Comparing the rate of government infrastructure spending and the level of productivity growth since 1950, it is clear that the two match each other very closely.

Simply put, the decreased rate of public capital—highways, airports, mass transit and other facilities—plays a large role in the slump in the private sector productivity.

This is particularly true for "core" infrastructure—streets and highways, mass transit, airports, water and sewer systems, and electrical and gas facilities. Quantitatively, as much as 60 percent of the productivity slump can be attributed to neglect of our core infrastructure.

U.S. CAN'T AFFORD REDUCED PRODUCTIVITY

When a nation's rate of productivity growth doesn't keep up with increases in consumption, the shortfall must be met by either reducing infrastructure investment or by increasing imports. The U.S. has mostly followed the latter course, evidenced by 1987 trade deficits with Western Europe of $26 billion and with Japan of $56 billion. In the words of Harvard economist Robert Reich, "our nation's growing economic problem . . . is due neither to the federal budget deficit per se, not to foreigners' unwillingness to treat us fairly. It is due to our overwhelming failure to invest in our collective productivity, and the consequent decline in our capacity to add value to the world economy."

INFRASTRUCTURE-PRODUCTIVITY LINK FOUND IN OTHER NATIONS

The same connection between public investment and overall productivity also exists in other nations. Recently, Japan has invested about 5.1 percent of output in public facilities and achieved a productivity growth of 3.1 percent per-year; at the other end of the scale we find the United States with a low public investment ratio of .3 percent and low productivity growth of .7 percent per year.

Thus, one reason for the United States' declining international competitiveness is the nation's reduced rate of investment in its highways, airports, ports, and other facilities.

In the words of Nancy Rutledge, past Executive Director of the National Council on Public Works Improvement: "In the long run, our ability to compete in the international economy will be weakened, and our standard of living will suffer."

PRIVATE SECTOR NEEDS GOOD INFRASTRUCTURE

Public capital has been shown to be essential to private sector productivity and profitability. I adhere to the recommendation of the National Council on Public Works Improvement that the United States should boost its spending on infrastructure facilities to some $90 or $100 billion a year.

The large federal deficit has brought attention to the overall scale of government activity in the economy. Some argue that the government should spend less and others that it should tax more. Both of these responses contain merit. My findings, however, indicate that more attention should be paid to the composition of the government's expenditures, and particularly the effects various spending patterns may have on the nation's profitability and productivity. While total government spending mounts, investment in public works slides. By reorienting our public spending priorities so as to upgrade and expand our infrastructure, we can be confident we will heighten the productivity of our workforce and improve our position in the increasingly competitive international marketplace."

FRICTION IN THE DRUG WAR

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. KOSTMAYER. Mr. Speaker, last month President Jaime Paz Zamora of Bolivia came to town to tell us that his country needs economic aid, not military aid, to win the drug war. Unfortunately, the administration was not listening.

In the Andean nations of Peru, Bolivia, and Colombia, the administration is engaged in a major military escalation of the drug war. But it has not yet even begun to deal with the long term, less politically appealing policies of crop substitution and economic development, which will bring real gains in the long run, not temporary gains in the short run.

None of the three Andean Presidents agrees with the White House that a military solution is possible. Recently the three Andean Ambassadors reaffirmed their governments' positions in a meeting with members of the Foreign Affairs Committee.

In urging us to place more emphasis on economic solutions and less on military solutions, President Paz Zamora said during his visit, "We have 400,000 peasants in Bolivia living from coca and if we eliminate—this trade—they will be unemployed. In your country, it would be the equivalent of 50 million people being unemployed."

In a thoughtful editorial on the subject, the Washington Post notes that "in both Latin America and Washington, thoughtful observers worry that the expanded military programs proposed by Washington may tip the fragile

politics of these dependent Andean countries."

The Post goes on to say, "it was disconcerting to watch Bolivian President [Paz] Zamora having to bargain for economic support by offering to accept military aid. The United States has to work harder to make sure that what military aid it gives does not embolden the local military to ignore the politicians or trample on human rights."

The same can be said with respect to Peru and Colombia.

The war against drugs in Latin America must start with crop substitution, alternative economic development programs, and aid to civilian-controlled police forces for interdiction. To do otherwise will not only lose the war on drugs, but will also increase America's military involvement and place civilian institutions at risk.

The administration simply must stop trying to tell these countries that, although they are required to pay the costs of conducting the drug war, we are going to tell them how to run it. Ultimately, what is missing—and sorely needed—is what the Post calls "'an intimate and unfamiliar degree of political cooperation," and "a deeper sort of moral collaboration in which the hemisphere's consumer and producer countries act on a common concern for each other's well-being."

Mr. Speaker, I hope my colleagues will give careful attention to the Post editorial of May 9 and its news report of May 8, which follows:

[From the Washington Post, May 8, 1990]

BOLIVIA SEEKS $150 MILLION ANNUALLY

PAZ ZAMORA TO ASK BUSH FOR AID TO DENT COCA LEAF DRUG TRAFFIC

(By Michael Isikoff)

Bolivian President Jaime Paz Zamora said he will ask President Bush today for up to $150 million a year in fresh economic aid to take advantage of a major new opportunity to put a permanent dent in Bolivia's coca leaf drug traffic.

At the same time, however, Paz Zamora said in an interview yesterday he did not see any need for his country's military to become more directly involved in the fight against drug traffickers, a prime goal of the Bush administration's anti-drug strategy.

In the first four months of 1990, the Bolivian government has paid farmers to destroy over 8,400 acres of coca plants, a record pace made possible by a collapse in coca leaf prices due to disruption of purchasing and shipping organizations by the anti-drug crackdown in Colombia of President Virgilio Barco.

Paz Zamora said these efforts must be followed up "very quickly" with specific economic programs to provide his farmers with alternative crops and employment. He said he is proposing an international assistance plan for his country of about $350 million a year, with 30 to 35 percent coming from the United States.

"There has never been an opportunity like this to obtain results," Paz Zamora said. "If the United States gives a budget next year of $130 [million] to $150 million for this specific purpose, I think it would be of great assistance in taking Bolivia out of the international drug traffic in six or seven years."

A senior U.S. official said Bolivian police and military must first show more progress in attacking local drug traffickers. "Our view is that interdiction of the [coca] traffic has to come first in order for alternative economic development to become viable," the official said.

Bolivia, South America's poorest country, grows enough coca leaves to provide raw material for about a third of the U.S. cocaine supply. In the past, the leaves have been processed in Bolivia into paste and then flown to Colombia for final production of white powder cocaine.

But U.S. officials say they have seen increasing signs of Colombian drug traffickers moving into Bolivia to set up laboratories there. The administration has proposed a sharp increase in military aid to Bolivia this year, to $35 million. That would include financing to more than double a rotating group of U.S. Special Forces and other military trainers in the country that now number fewer than 50.

Paz Zamora said greater Bolivian military involvement in the anti-drug fight "doesn't seem like it is needed." Increased economic aid must be supplemented with specific programs to help unemployed coca farmers, he said.

"We have 400,000 peasants in Bolivia living from coca and if we eliminate [this trade] they will be unemployed," he said. "In your country, it would be the equivalent of 50 million people being unemployed."

[From the Washington Post, May 9, 1990]

FRICTION IN THE WAR ON DRUGS

Notwithstanding the upbeat tone of Bolivian President Jaime Paz Zamora in Washington yesterday, the war on drugs is producing some friction between the United States and coca-growing Bolivia and Peru. Too much emphasis on a military approach, is the broad complaint, not enough on economic aid. These warnings sometimes come with a hysterical edge—with the suggestion, for instance, that the presence of American trainers indicates that a full-blown American military intervention is on the horizon. In both Latin America and Washington, however, thoughtful observers worry that the expanded military programs proposed by Washington may tip the fragile politics of these dependent Andean countries. For Americans, the temptation is not simply to tackle drugs at the demand end rather than the supply end but also to do so on the cheap—tens of millions are budgeted for the new military programs while the economic needs run in the hundreds of millions.

These are cautions essential to keep in mind as the United States gets serious about the war on drugs. In Peru, for instance, Maoist guerrillas as well as drug traffickers may be gunning for Americans in the coca-growing zone. Why can't the requisite training be done elsewhere? Since there does seem to be a sizable drop in the price of coca—apparently mostly a result of disruptions of the supply chain up the line in Colombia—why can't the United States move faster with the economic aid needed to help growers shift permanently to another means of livelihood? It was disconcerting to watch Bolivian President Zamora having to bargain for more economic support by offering to accept military aid. The United States has to work harder to make sure that what military aid it gives does not embolden the local military to ignore the politicians or trample on human rights.

To raise these issues, however, is merely to acknowledge that these are the first stages of what is bound to be a difficult, drawn-out process. At the Cartagena drug summit in February, the United States and concerned Latin countries undertook the program whose parts are being put in place now. An intimate and unfamiliar degree of political cooperation is essential. There is a further requirement for a deeper sort of moral collaboration in which the hemisphere's consumer and producer countries act on a common concern for each other's internal well-being.

HOW TO RAISE VOTER TURNOUT

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. SWIFT. Mr. Speaker, the House of Representatives passed the national voter registration bill earlier this year which make registering to vote as simple as applying for a driver's license. The legislation, in fact, does just that. Along with the "motor voter" provision, the legislation provides for registration by mail and at governmental agencies. In efforts to keep voter rolls free of deadwood and to protect against fraud the bill includes a list of cleaning procedure.

The New York Times recently ran a thoughtful column urging the Senate to do what the House has already done—pass the National Voter Registration Act. I would like to submit for the RECORD this essay authored by Raymond E. Wolfinger, political science professor at the University of California, Berkeley.

[From the New York Times, June 6, 1990]

HOW TO RAISE VOTER TURNOUT

(By Raymond E. Wolfinger)

BERKELEY, CA.—Everybody deplores low voter turnout. This year, the House has done something about it by, in bipartisan action, passing the National Voter Registration Act. The measure is marking time in the Senate, where it has no Republican support at present. Hesitant senators need only look abroad for inspiration.

When West Germans, Swedes and Italians move, they are required by law to report their new address to the Government. This step automatically registers them to vote at their new address and cancels their voting rights at the old one.

When Americans move, convenience or law generally leads them to report their new address to the U.S. Postal Service and their state department of motor vehicles. Their old voting address usually is not purged from the records; their new one almost never is automatically transmitted to election officials in their new places of residence.

This rudimentary failure in communication is especially troubling because, many studies have shown, one-third of all Americans move within two years of any November election day.

Among all the probelms the newly arrived face in new neighborhoods, re-registering holds a low priority, partly because of bureaucratic hurdles. The result is that turnouts by people who have moved within two years of election day are among the lightest in the U.S. They are on a par with turnouts by the young, minority members and the poor.

One way to get more people to vote is to get more registered. In the last three Presidential elections, 85 percent of those registered to vote did so. However, in the 1988

election, only 69 percent of all voting-age citizens were registered. The easiest way to increase this number is to focus on those who have recently moved.

The National Voter Registration Act, passed last February by the House, would require communication between state and local election officials, on the one hand, and the Postal Service and motor vehicle departments, on the other.

Applications for drivers' licenses and renewals and reports of address changes given to motor vehicle departments would automatically, be reflected in registration rolls, with the previous address being purged.

Every state would be required to keep its rolls for Federal elections current, and would be given the option of using the Postal Service's change-of-address data to do so.

A major threat to passage of the Senate version is the Republicans' concern that a provision requiring registration by mail in all states would encourage fraud: one person might register several names.

Actually, the greatest threat to clean elections lies in fraudulent use of "deadwood"—millions of registrations left on the books by people who have moved and neglected to notify election officials.

Conservatively, 10 to 20 percent of all current registrations represent citizens who no longer live where they are registered. No state's arrangements for purging nonvoters work fast enough—and some states have no such provisions at all.

This weakness would be repaired by the National Voter Registration Act, which resulted from more than a year of painstaking bipartisan negotiations in the House.

The Senate Rules and Administration Committee has sent its version to the full Senate for debate. But chairman Wendell Ford, Democrat of Kentucky, is still negotiating changes with Mark Hatfield of Oregon, the second-ranking Republican, in hopes of wooing G.O.P. support.

Congress has a long record of ignoring proposals to increase voter turnout. The current bill is the most sensible and successful one in memory.

After the 1988 Presidential election, the worst turnout in 64 years, the media and politicians consumed newsprint and air time deploring that statistic. A fraction of the energy devoted to that empty righteousness, if applied today to passage of the National Voter Registration Act, could dramatically improve our performance in 1992.

CONGRESSMAN KILDEE HONORS SONJA KEEN

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. KILDEE. Mr. Speaker, it gives me great pleasure to pay tribute to Mrs. Sonja Keen, of Flint, MI. Mrs. Keen is a student at Mott Community College, who on April 24, 1990 received an award as the top national scholar of the year. This award was presented to Mrs. Keen by the American Association of Community and Junior Colleges, the Phi Theta Kappa Honor Society, and IBM.

Mrs. Keen exemplifies the spirit of hard work and determination that all students in our Nation should strive to achieve. When she was told she had a unique ability to motivate fellow students, Mrs. Keen nourished her desire to teach at the collegiate level. After receiving her associate in arts 1 year ago, Mrs. Keen continued to have an unquenched thirst for knowledge. Enrolling at Mott Community College once again, this time she is striving for an associate in science.

Mrs. Keen must endure a rigorous personal schedule in order to maintain her flawless 4.0 grade point average and raise her two children. To keep this superb average, Mrs. Keen studies up to 15 hours before a test. She is also involved in many extracurricular activities including serving as a troop leader for local Girl Scouts, editing her school newspaper, and holding a job at a nearby florist. Mrs. Keen's dedication to her family, education, and community is a true testament of academic excellence.

This award—the highest a junior, community, or technical college student can receive—gives Mrs. Keen a $4,000 scholarship to the school of her choice as well as a gold medal. With her award, Mrs. Keen plans to enroll at the University of Michigan next fall.

Mr. Speaker, Mrs. Sonja Keen has distinguished herself as a fine example of the highest degree in the field of academics. Her unquenched thirst to obtain knowledge along with her dedication and hard work is the kind of spirit that makes America strong. I would like my colleagues to join me in praise of Mrs. Sonja Keen.

A SPECIAL TRIBUTE TO MARY SANTORO

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. KOLTER. Mr. Speaker, I rise today to recognize Mary Santoro for her generous time and many contributions to the people of Zelienople in my Fourth Congressional District of Pennsylvania.

Mary was born in Butler, but raised in Zelienople, a close-knit community where people take a special interest in helping others.

After earning a bachelor of arts degree in social work from George Washington University and serving at the U.S. Justice and Navy Departments from 1956 to 1957 in Washington, DC, Mary returned to her hometown of Zelienople to care for an aging parent.

Since her return, she has dedicated herself to preserving and improving the health, happiness, and general well-being of her neighbors. Mary's strong, steadfast interest and commitment to the people of Zelienople has been demonstrated through her influence in and support of various social and religious organizations such as the Pennsylvania Recreation and Parks Society; the Association for the Ill, Handicapped, and the Aged; the Butler Area Aging Advisory Board; and the St. Vincent DePaul Society.

In addition, her active participation as a Confraternity of Christian Doctrine Facility Teacher, a church lector, and a parish social minister at St. Gregory's Catholic Church, reflects Mary's poignant interest in educating others about something she believes in fervently.

Furthermore, Mary's personal initiative to help start the Southwest Action Ranch for Underpriviledged Children; her influence in bringing the first Young Men's Christian Association to Zelienople; her involvement on the advisory board as a safe home worker, a hotline operator and a counselor for the Volunteers Against Abuse Centers; and her role as president of the board of mental health of Butler County; clearly illustrate her dedication toward the betterment of people.

Mary's perseverence as a social worker has earned her a number of honors; a three-time nominee for the distinguished service award in Zelienople, woman of the year in Zelienople Borough, and the first woman to serve on the Zelienople Borough Council in 1979. Today, she continues to serve as an active member of the council. Recently, Mary received a special award in May 1989. The Catholic Diocese of Pittsburgh presented her with the Caritas award, given annually to a person who has done the most to further the charitable goals of the diocese.

However, Mary is not alone in pursuing her endeavors. Accompanying her in her social work is her sister, Rose. Together, both sisters form a strong, active team to help foster an environment of health, happiness, and general well-being.

On behalf of the Congress, I extend my sincerest thanks and greatest appreciation to Mary Santoro for enriching the lives of people through her outstanding and admirable social work. Her deep concern for the welfare of people is truly unique and deserving of this special recognition.

BILL BARTLETT, EDUCATOR, RETIRES

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to an outstanding citizen from my congressional district, Sacramento, CA, on the occasion of his retirement from the San Juan Unified School District. Bill Bartlett has served the San Juan school district for 36 years, and it is indeed an honor to share with my colleagues the inspiring career of this devoted public servant.

Mr. Bartlett has spent the entire span of this career serving the citizens of California. His service has included experience as a teacher, vice principal, principal, and elementary school director. Since 1982, Mr. Bartlett has effectively administered school-based coordination programs in the San Juan Unified School District. These coordination programs have earned commendations from the State of California Review Team. Mr. Bartlett also has administered the Federal Government's Chapter I program in the San Juan Unified School District since 1975. More then 3,800 underachieving students are currently served by this program and students who participate in this program collectively achieve more than one year's academic progress in a single school year. Also to be noted is the fact that in 1989, one of the schools under the administration of

Mr. Bartlett's chapter I program was one of 10 schools in California to receive an Effective Compensatory Education School Award from the State of California.

Mr. Speaker, I commend Mr. Bartlett on his accomplishments and contributions to the public education system, and I ask that my fellow colleagues join me in congratulating him for a job well done. I extend my best wishes to him in all his future endeavors.

AFTER 18 YEARS AS PRESIDENT, STEVEN MULLER RETIRES FROM JOHNS HOPKINS UNIVERSITY

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mrs. BENTLEY. Mr. Speaker, on Sunday, April 22, I had the pleasure of attending a dinner honoring Dr. Steven Muller upon his retirement from 18 years of hard work and dedication as president of Johns Hopkins University.

Understandably we are quite proud to have John Hopkins University and Hospital located in the great State of Maryland. As many of you recall one of the most recent space shuttle launches included the Hubble space telescope in which the Space Telescope Science Institute [STSI], located on the university's Homewood campus, played a vital role in its development. Under the guidance of President Muller, Johns Hopkins competed with universities and institutions across the Nation for the STSI and was finally selected by NASA to house the program.

Without a doubt the entire Nation and world have benefited from the accomplishments and discoveries found at Johns Hopkins University and Hospital. It was the *Apollo 17* flight that carried a ultraviolet spectrometer built at Johns Hopkins to study the lunar atmosphere. The list of pioneering firsts includes the first use of surgical rubber gloves; the purification of insulin; discovery of the adrenalin and the anticoagulant, heparin; discovery of vitamin D; the development of corrective surgery for blue babies; development of gene mapping; the first use of drugs to prevent rheumatic fever; the first to use bone marrow transplants; development of the implantable, rechargeable cardiac pacemaker; and, yes, for those of you who suffer from motion sickness, Johns Hopkins was the first to discover the effectiveness of Dramamine.

The list of accomplishments is truly astonishing. Since 1876, the Johns Hopkins University and John Hopkins Hospital—1889—have continued to lead the Nation in education and medicine.

Undoubtedly, the name Johns Hopkins University is one which carries an air of prestige and denotes quality and integrity. Indeed, the name Hopkins is one that thousands if not millions instantly recognize both here in the United States and abroad. To preside over Johns Hopkins University as president is a mark of distinction to which few can compare. However, distinction and accomplishments are nothing new to Steven Muller.

In 1971, Steven Muller left his post as vice president of public affairs at Cornell University to serve as provost of the Johns Hopkins University. Shortly thereafter, in 1972, Dr. Muller was elected as president of the university and hospital. Dr. Muller was the first person to hold both positions since Daniel Coit Gilman, the university's first president. Born in 1927, in Hamburg, Germany, Steven Muller came to the United States in 1940, and became a naturalized citizen in 1949.

A graduate of the University of California at Los Angeles in 1948, Steven Muller continued his education as a Rhodes Scholar at Oxford University in England, where he received the B. Litt. degree in politics in 1951. In 1958, he received his Ph.D. from Cornell University as a graduate student in the department of government and served the U.S. Army Signal Corps from 1954 to 1955. During his time at Cornell University he held an appointment as associate professor of government, teaching graduate and undergraduate students in addition to his administrative duties.

Unfortunately, in a materialistic society such as ours, we tend to judge individuals upon their material wealth and gains. Regrettably, very few of us recognize individuals for their personal wealth. Indeed, wealth of spirit and character are much more desirable traits than mere monetary or material wealth. Without a doubt Dr. Steven Muller exemplifies personal wealth of character. Not only has he excelled in professional achievements, but he has taken an active role in civic organizations as well.

Outside of his other responsibilities, Dr. Muller has served as a director of the Baltimore Museum of Art; Maryland Academy of Sciences; Millipore Corp.; Eisenhower World Affairs Institute; the Challenger Center; Alex. Brown Inc.; Beneficial Corp.; and Organization Resources Counselors, Inc. Other distinctions include service as former chairman and current member of the Association of American Universities; trustee of the Consortium for the Advancement of Private Higher Education; the Committee for Economic Development and the Conference Board; and vice chairman and director of the American Institute for Contemporary German Studies. In 1980, Dr. Muller was recognized with the Commander's Cross of the Order of Merit by the President of the Federal Republic of Germany for his contributions to German-American relations. In 1988, he was also named Commendatore by the President of the Republic of Italy.

More recently, Dr. Mueller has served as chairman of the Association of American Medical Colleges' panel of medical education; director of the Council on Financial Aid to Education; chairman of the National Association of Independent Colleges and Universities; and has served as a member of Presidential commissions including one of world hunger. The list literally is too long to completely review. Throughout his career as president of Johns Hopkins, Dr Steven Muller has brought a list of accomplishments and leadership qualities to one of our Nation's foremost universities. In doing so not only have Johns Hopkins University and Hospital greatly benefited, as well as the students who attend there, but the State of Maryland and our entire Nation have benefited from the leadership and professionalism of Dr. Steven Muller. The effects of one man can indeed be profound.

At a time when the standard of American education has been criticized, it gives me great encouragement to see the quality and integrity displayed by Dr. Steven Muller. We can never place enough emphasis upon the importance of education. The nature of a free and democratic society such as ours is one which depends heavily upon the people. For that reason, democracy requires far more attention and care taking than other forms of government. Without an educated and mentally aware populace, a democracy becomes weak and misguided. Therefore, it is education that provides our Nation with a strong and solid foundation to build upon so that future generations can equally benefit from the blessings of liberty.

Mr. Speaker, my fellow colleagues, it gives me great pleasure to congratulate Dr. Steven Muller upon his retirement after 18 years of remarkable accomplishments and service to Johns Hopkins University and Hospital. His hard work and dedication will benefit many generations to come.

IN A TEST OF HONESTY, RINCON SHINES

HON. LINDSAY THOMAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. THOMAS of Georgia. Mr. Speaker, nowadays, so much of the news that we read in the newspaper and hear on the evening news is bad—climbing murder rates, the wide-reaching drug problem, and a multitude of other tragedies. We seldom hear about the good works being performed across the country every day.

The fact is that a great many people are involved in positive activities in their communities and demonstrate a spirit of good will and helpfulness.

A perfect example of this occurred in my district at the beginning of the month. Citizens in the small town of Rincon, GA, which is just north of Savannah, helped to recover more than 275 pieces of jewelry that were spilled by five thieves who had stolen the gems from a nearby jewelry store.

I am reprinting an article that ran in the June 9 edition of the Atlanta Constitution to bring to my colleagues' attention this impressive story. This is just one indication of the fine and upstanding people that I have the honor of serving in the U.S. House of Representatives.

On behalf of the citizens of the First Congressional District, I salute those residents of Rincon that were involved for their efforts and honesty in this situation.

IN A TEST OF HONESTY, RINCON SHINES

(By Jingle Davis)

RINCON, GA.—When five jewel thieves fled through the woods of this small southeast Georgia town, spilling their loot as they went, the townfolks helped police stay hot on the trail.

When the chase was finished, the honest citizens of Rincon turned over a king's

ransom in diamonds, emeralds, sapphires and other treasures they had picked up.

"We found the last of it in the woods this week," said Maj. Doug Lanier of the Rincon Police Department, adding that the bulk of the jewelry was turned in the day of the robbery by residents. "We'd have never known it if somebody had pocketed a ring or two. We'd have thought it was lost in the woods."

Major Lanier said Friday that more than 20 locals crawled on their hands and knees through the woods to help recover all 275 pieces of jewelry stolen May 26 from Webb Jewelers in nearby Springfield.

Major Lanier said he was "pleasantly surprised" at the cooperation and integrity of his fellow Rinconians. "I'm really impressed at how the community bonded together and helped."

Randy Duggar, 34, a Springfield firefighter who was off duty at the time of the chase, said quite a few teenagers helped pick up the jewelry, which he said was strewn in a solid trail down a city street and into the brush. He said only one person jokingly expressed a desire to keep any of the items. "It was all expensive stuff, too," he said, adding that one ring he picked up bore a $2,500 price tag.

Mr. Duggar said folks "were more concerned with following the trail and making sure we found everything."

Police said five men were involved in the robbery at Webb Jewelers. The suspects fled south toward Savannah on Ga. Highway 21, stopping at one point to change vehicles, he said.

A Springfield police officer who saw the exchange radioed Rincon police.

The five men then fled in foot into woods and back yards, carrying their ill-gotten gains in paper grocery bags and sweaters, the officer said.

"They were spilling jewels all over the place, and people were coming out and helping pick up the stuff," Major Lanier said.

Four suspects, including two juveniles, were caught the day of the holdup. The fifth suspect was arrested this week in Savannah.

Dennis Webb, who has owned the jewelry store in Springfield for 20 years, said this was his first robbery.

"It is amazing and refreshing that the jewelry was returned," Mr. Webb said. "It makes me feel real good. You hope people are like that, and in Rincon, apparently they are."

DEBATE OVER THE NATIONAL ENDOWMENT FOR THE ARTS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. RICHARDSON. Mr. Speaker, while the debate over the National Endowment for the Arts continues to rage, I believe it is imperative that we consider the views of those with experience in the arts field. Maria Benitez, director of the Institute for Spanish Arts and a world renowned dancer and choreographer, is extremely well qualified to understand the manner in which art enriches our lives. In fact, Maria Benitez and her dance company have enriched the lives of New Mexicans and audiences around the world. Furthermore, Maria Benitez has served on the NEA's peer review panels and has firsthand experience with this fine agency.

In a recent letter to John Agristo, the president of Saint John's College and a member of the independent commission reviewing the NEA, Maria Benitez outlines the NEA's tremendous value to artists and audiences across our Nation. This thoughtful letter from a major artist adds balance and perspective to a debate lacking these qualities. Mr. Speaker, I request that the letter be inserted into the RECORD and commend it to my colleagues' attention.

SANTA FE, NM,
June 11, 1990.

Mr. JOHN AGRESTO,
President, St. John's College, Santa Fe, NM

DEAR MR. AGRESTO: In the Santa Fe New Mexican (6/7/90), I read, with great interest your comments on the National Endowment for the Arts and the fact that you are on the advisory commission to "reach some recommendations about the future of the NEA and its grant making procedures". You added that you had received "virtually nothing from the Santa Fe community" in regards to the controversy that now surrounds that organization. One reason may be is that the Santa Fe community has not been sufficiently informed of the situation. Reading the paper was the first time I heard of it. I hope my letter will not be the only one that you receive.

Another reason may be what might appear as an indifferent attitude from artists from this area concerning the NEA. But perhaps it is not so much an indifference, but a feeling of not being able to compete on a national level and, most of all, a feeling of inadequacy when it comes to filling out mountains of complicated forms and confronting the bureaucratic process of grant making and awarding. I certainly felt that way when I first started in the early seventies. I had to be practically tarred and feathered before I was persuaded to get into the process. In my ignorance, I felt I had absolutely no chance of competing with say, large companies like the NYC Ballet or Martha Graham, so why bother? In my ignorance I did not know that I would NOT have to compete with them directly because of certain criteria such as dance form and operating budget. The odds for me, in the beginning, seemed insurmountable—I had to become a non-profit organization (I was the first dance company in New Mexico to do so), prove a track record (at that time I didn't have much of one here but did have in Spain), deal with budgets (of which I had no experience whatsoever), try to understand the unique language of arts administration, etc., only to be turned down for my efforts the first couple of times. (After becoming more familiar with the grant procedure, I began to understand the necessity to let time weed out the "flakes"—those people who impulsively and unrealistically suddenly decide they are going to become 'dreamers and artists'.)

So I do understand, to a certain point, why artists are reluctant and/or impatient to involve themselves with seemingly overwhelming odds, but whether or not the artist is incapable or unwilling to join the system, the system is there. The NEA is a just and fair system and its one and only purpose is to help us and we had better well learn to adjust ourselves to it. We all want to be in the studio where we belong and, of course, would much prefer not having to deal with such mundane matters as to how to pay the rent this month, where the next buck is coming from, contract negotiations, all types of legal and business matters and decisions that have nothing to do with our particular artistic expression. But that is a total luxury that most of us will never be able to afford, unless we are independently wealthy and few of us are that. If younger, less-established artists are forced to take full-time jobs to support themselves, they will never have the time or energy to develop as artists. We must pursue not only our own artistic endeavors but also must learn to make ourselves sophisticated in the art of survival as well. Besides performing revenues, which are haphazard at best, the one most single important art of survival, for me and many other art organizations, is the National Endowment for the Arts.

I am very happy I did go through the grant process, troublesome and problematic as it is. I am still going through the process and will continue to do so. Since the mid-seventies my company, the Maria Benitez Spanish Dance Company has received numerous grants from the NEA and probably would not have survived without them. We have toured throughout the United States many times and in Europe. We have performed in major cities in major theatres as well as the smallest communities. Besides concerts, we have performed countless lecture-demos for people of all ages, particularly elementary, junior and senior high school students. All of this and much more would have been impossible without help from the NEA. I am not tooting my own horn, believe me, but want to emphasize that grants enabled us to do all these things and to become what we are—the major Spanish dance company in this country that is capable of moving into the European market as well. And even though we tour much more than most dance companies, we still lose money as do all the dance companies with whom I am familiar. Without subsidy we would all have to price ourselves out of the market . . . then people would be without jobs—not only the artists themselves but a host of others who depend on their activity such as arts administrators, box/office personnel, touring and stage managers, light designers, to name a few. I am sure graphic designers, printers, photographers would feel an effect too. Of course, who would lose out the most would be the general public.

Over the years I have been a panelist on two different NEA panels—Dance and Inter-Arts. I was invited to return but their meetings were almost always scheduled during the height of our Santa Fe or touring season. I continue to evaluate from time to time. Being on these panels was a real "hands on" education in the grant process and I found that process to be very fair. A genuine effort is made to give the hundreds of applications the attention and concern they deserve. Panelists are rotated off every two years in order to bring in others with new and fresh points of view and provide them with that learning process as well. The experience for me was invaluable. I honestly think that the funding procedure the NEA now incorporates is the best, in that a national peer group discusses, trades information and evaluates companies and individuals for funding recommendations. Policy making is done by individuals and artists who have been in the business for years—from the largest companies to the smallest. Every effort is made to involve people from different areas of the country.

I would be definitely opposed to funds being appropriated to the states for grant distribution. Most of the states, as separate

entities, do not have a large enough pool of expertise on the state level. Can you imagine having the likes of (to name a few) Arlene Croce, author and dance critic for the New Yorker; Arthur Mitchell, Director, Dance Theatre of Harlem; Jack Anderson, author and dance critic for the New York Times; Michael Smuin, Director, San Francisco Ballet (at that time); Merrill Brockway, PBS Dance in America TV; arts administrators and commissioners from around the country, etc., all on the same panel at the same time? That is possible only on a national level and I had the pleasure of being on that panel. Pretty mind-boggling for a little girl from Taos, New Mexico!

I don't think any of us would argue what the NEA has done to enrich our cultural life and what the NEA has done for countless arts organizations and artists throughout the country. In comparison, we, being the richest country in the world give less for the arts per capita than European-Socialist countries. Nevertheless, our procedure for funding is far more democratic. For example, young, emerging artists in Spain have little chance of competing with more established artists and funding decision makers are not 'rotated off' but may stay on for years with their views and biases. The Spanish government does not have panels that evaluate and recommend and funds are distributed to a select few by a select few. Yet, the state pays for the majority of public performances.

Mr. Agresto, thank you for your time in reading this long letter. I know you are as busy as I in getting on with the jobs we have at hand. I will be sending copies of this letter to various people as I feel it states pretty clearly where I stand.

Regards,

MARIA BENITEZ,
Director,
Maria Benitez Spanish Dance Co.

A TRIBUTE TO HERMAN FINKELSTEIN

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. KASTENMEIER. Mr. Speaker, I rise to note the passing last month of Herman Finkelstein, the former long-time general counsel to the American Society of Authors, Composers, and Publishers [ASCAP]. Even in an age when the copyright bar had more than its fair share of great practitioners, Herman seemed to stand head and shoulders above them all. He left an enduring imprint on the law.

I met Herman shortly after I entered Congress in 1959, and together we traveled the long road of copyright revision that led to the Copyright Reform Act of 1976. I learned a great deal about the copyright law from Herman, and I learned a great deal about human nature as well. He would fight long and hard for his clients—the composers and lyricists and publishers who comprised ASCAP's membership—but he always could step back from advocating a cause and provide the human touch that helped craft a political package acceptable to Members of Congress.

Of course, Herman was from time to time a little rough around the edges. I confess that occasionally, after weeks of wrangling over the jukebox issue or the mechanical rate or the term of protection, I would dread the prospect of rounding a corner in the House Office Building and seeing at the end of the corridor Herman grimly bearing down on me at the head of a phalanx of importuning lobbyists. But I quickly learned that he played an immensely important role in the legislative process, and the 1976 act stands as a monument to his wisdom, to his dogged tenacity, and to his fine qualities as a human being. We all miss him.

Mr. Speaker, I commend to my colleagues' pertinent remarks of Mr. Bernard Korman, current general counsel to ASCAP to the Copyright Society of the U.S.A. (June 4, 1990), about the "force" and contributions of Herman Finkelstein.

Herman was a force. He was brilliant and possessed of extraordinary energy. At our annual dinner in 1983, at Mohonk, the Society honored Herman, who had just turned 80. I spoke on that occasion and reviewed his great contributions to ASCAP's life and legal history.

He played a leadership role in his day that no one plays today. That is in part because there are so many more of us practicing copyright law and sharing the load. But only in part, because the larger reason has to do with his forceful personality and his brilliance. He was among the top 2 or 3 in the class of 1927 at Yale Law School. From there he went on to be the first law clerk to Judges Tom Swan and Learned Hand. Indeed, the first law clerk to any circuit court judge.

That came about in a curious way. In 1927 only Supreme Court justices had law clerks whose salaries were paid by the government. Tom Swan, Dean of the Yale Law School, had just been appointed to the second circuit. He invited Herman to be his law clerk and Learned Hand's. They paid his salary out of their own pockets. It was then the going Wall Street rate—$1,800 per year. (In 1950 when Herman hired me, the rate had shot up—to $3,600.)

Herman was fond of telling how Learned Hand called him into his chambers one day and told him that he had been talking to Justice Frankfurter and had mentioned that he now had a law clerk whose salary he and Judge Swan were paying. Justice Frankfurter told Judge Hand that he thought a Federal criminal statute prohibited a Federal judge from sharing the emoluments of his office with anyone. Judge Hand asked Herman to check that statute.

Herman found that, indeed, there was such a statute and that it had never been enforced. He so reported. Judge Hand responded, "Well, Herman, if you won't mind sharing a cell with me, I won't mind sharing one with you."

For many years, indeed, so long as both Judges lived, Herman was the senior law clerk to both and arranged for the annual clerks' dinners for them. He remained a friend of both Judges throughout their lives and formed friendships with many of the clerks who came along later.

Betty Finkelstein, Herman's wife of some 60 years, told me last Thursday that Herman had two loves: His family and his profession. She was right, of course. What she could not know—what no one could know who did not work closely with Herman was the way Herman immersed himself in his work. It was total immersion.

Freud tells us that, ideally, work should play the same part in the life of an adult that play does in the life of a small child. A small child becomes totally involved in his play. Of course, for a child the total immersion is a pleasurable experience. Herman's total immersion was not always pleasurable—for him or for those who worked with him.

But it was for the most part. He genuinely loved his work. He genuinely believed in the rightness of his representation of ASCAP. He genuinely believed in the role of advocate.

When I first knew Herman, 40 years ago, he signed every letter that went out of the ASCAP Legal Department. No lawyer was permitted to sign any letter for years, until Herman was satisifed that the lawyer had been trained to the exacting standard he applied to everyone: Facts had to be dug out and gotten right. They had to be stated the best way they could be stated. Every letter was viewed as a piece of advocacy.

Herman was fond of saying, "I run a tiffany operation." What he meant was that every piece of work he put his hand to had to be as fine as he could make it. Herman polished letters to students commenting on their prize-winning essays in ASCAP's Nathan Burkan memorial competition with the same concentrated effort he brought to his affidavits and briefs.

In any organization, power and responsibility flow to those who seek it. For many years, Herman Finkelstein was the most important ASCAP figure, apart from members, not only because he was good, but also because he was always ready to assume responsibility and to exercise authority.

There are too many people here tonight who worked for and with Herman for me to suggest, had I any wish to dissemble, that he was always a joy to be around. He could be very sharp in his criticism. But his criticism was objective and always directed at the work, never at the person. That, indeed only that, made it tolerable for those of us who stayed with him. Of course, not everyone did. Some left and pursued careers elsewhere. Most succeeded and Herman was very proud of those he felt he had helped become better lawyers.

Herman once told me, years ago, that he wanted to be respected but he was not interested in being liked. He was certainly respected. He was among the most highly regarded in our field for decades. And, despite the fact that he was pretty crusty, he was also very well-liked. Socially, he was extremely charming. Herman was genuinely interested in people. He was a book collector who read books. He enjoyed literature and, before he came to the office most mornings, he spent an hour or so reading his favorite authors. One of those was George Bernard Shaw, whose direct and plain style he much admired and emulated.

Herman has taught us all and left his mark on a number of us, and it is a firm and deep imprint. His style of lawyering will be around for a while. Times change and Herman's ways of thinking about the law as a profession may seem quaint to some lawyers today. He loved the analytic part, and he loved being an advocate. Money really meant little to him. It was of mostly symbolic significance. He had to be, and he was, the highest salaried person at ASCAP. He used to refer to his salary as his "retainer" and it was always clear to the ASCAP Board of Directors that he was their counsel, not their employee in the usual sense of that term. Billable hours as the mark of a successful lawyer, indeed the term one hears today, "The Law Business"—that kind of

thing was not for him. Herman Finkelstein was a remarkable man and he had a remarkable career. We are all his beneficiaries.

SCENIC RIVER DESIGNATION FOR THE NIOBRARA RIVER

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. BEREUTER. Mr. Speaker, this Member wants his colleagues to see the following editorial from the June 19, 1990, edition of the Omaha World-Herald which sharply questions the reliability and legitimacy of a poll used by opponents to S. 280. That legislative would, among other things, designate a 76-mile stretch of the Niobrara River in Nebraska as a scenic river. This editorial constitutes one more reason for my colleagues to vote against the amendment offered by my distinguished colleague Mrs. SMITH which would only study the Niobrara River, and for final passage of S. 280.

[From the Omaha World-Herald, June 19, 1990]

SURVEY WAS MISLEADING: SCENIC RIVER BILL'S FOES PICKED A SHABBY TACTIC

Members of the House of Representatives and the White House Staff won't, we hope, be taken in by a late-in-the-game tatic used * * * to fight federal scenic rivers protection for parts of the Niobrara River.

The tactic consists of publicizing the results of an opinion survey that the Wirthlin group of Virginia conducted for the Nebraska Water Resources Association. Mrs. Smith, a 3rd District Nebraska Republican, wants the scenic rivers bill voted down in the House or vetoed by the White House. She has represented the survey results as evidence that a majority of Nebraskans oppose a federal role in protecting the Niobrara.

Whether the survey results reflect anything of the kind is open to serious doubt. As Rep. Doug Bereuter, R-Neb., has pointed out, the survey included misleading questions. The answers are therefore subject to misleading interpretations.

One of the questions Wirthlin asked was this: "As you may know, there has been a debate concerning who should be responsible for managing and protecting the Niobrara River in north-central Nebraska. Of the following, who do you think should be responsible: the federal government, the state government of Nebraska or the local residents who live along the river?"

Significantly, the question didn't inform participants that such a thing as a scenic rivers bill existed. The question seemed to suggest that a generalized debate has been proceeding in which federal, state and local options carry equal weight.

They don't carry equal weight. No serious proposal has been advanced for the State of Nebraska to protect and manage the Niobrara. The debate on the Niobrara has to do with whether Congress should pass scenic rivers legislation sponsored in the Senate by Sen. J. James Exon and in the House by Rep. Peter Hoagland—legislation that is supported by four of Nebraska's five members of Congress and 74 percent of the participants in a 1989 World-Herald Poll.

Nor were the participants in the Wirthlin poll given a definition of "managing." Managing a river can mean anything from regulating streamflows to stabilizing banks or determing water allocation policies. The lack of a definition leaves no way of knowing what the participants meant when they preferred one level of government over another.

A second question asked participants to choose between the scenic rivers bill and a study backed by Mrs. Smith.

Participants were told that the scenic rivers bill would give "the federal government's National Park Service the authority to regulate activities and development on and along the river." A study, they were told, "would determine which segments of the river need to be protected to preserve the environment" and determine "whether the people who live along the river, Nebraska state government or the federal government should implement and manage the protection plan for the river."

Not surprisingly, 63 percent picked the option with the language about protecting the river and preserving the environment, and only 27 percent approved of the option with that heavy-handed redundancy—"the federal government's National Park Service"—and references to the regulation of activities and development.

Use of the Wirthlin poll adds nothing of substance to the debate over how to protect a unique Nebraska river. We urge fair-minded people on both sides of the issue to reject this shabby attempt * * * influence the outcome.

WE ARE FALLING BEHIND OTHER COUNTRIES' EDUCATIONAL SYSTEMS

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. DYSON. Mr. Speaker, education is very important in our country but it is evident that we are falling behind other countries' educational systems. With this in mind, I would like to draw my colleagues attention to an insightful letter to the editor that recently appeared in the Washington Post. This letter was written by Prof. Theodore P. Perroes, chairman of the chemistry department of Georgetown University.

Other countries are gaining a significant lead over American students in the areas of physical science and mathematics. This is a serious problem.

In order to keep up with other countries and to educate our youth so that future generations will be able to better compete in a global market, we must remedy this serious educational problem. We must invest in our educational system now to insure a better future for our country.

Mr. Speaker, I am sure that my colleagues will find Dr. Perros's thoughts as interesting as I have.

[From the Washington Post, June 1, 1990]

SNOOZING IN SCIENCE CLASS

(By Theodore Perros)

This letter is a response to the Outlook article "Why Our Students Keep Snoozing Through Science" [May 20].

A few weeks ago I invited 10 students from my general chemistry class at George Washington University, where I am a professor, to join me for lunch. Eight were foreign nationals who had acquired some of their secondary school training in their respective lands but who had also attended and received diplomas from American high schools, public and private. Two were Americans who had attended and completed their secondary education in the public school system.

All were very good students. I had informed them beforehand of the purpose for which I had extended the invitation: to have them present their thoughts on the reasons for the general lack of interest in science among students and their views on the education they had received in the public school system in America.

Most surprising was the pervasive anti-intellectual attitude among many secondary and even college students. There is a sentiment of indifference to studies and to the effort needed to acquire knowledge. The greatest interest is directed to participation in the social elements that are a part of growing up. Striving for excellence in school is not a norm.

In American public schools, homework is minimal, if assigned at all. In contrast three to four hours per night was the normal activity for those who had studied abroad. These students were confronted with greater academic demands than students here.

Foreign nationals are exposed to mathematics and the sciences continuously over many years beginning with grade school and extending through middle and high schools. Chemistry, physics and mathematics are taught over a period of four or more years. Further—in contrast with the United States and England, whose public school teachers are graduates of schools of education (the United States and England are the only nations in the world having such schools)—instructors of mathematics and the sciences in foreign lands have received baccalaureate or graduate degrees in the respective disciplines. The same is found in many private schools in America.

Whereas the sciences are highly regarded disciplines in foreign lands and attract the best students, that respect, once accorded to these fields here, no longer exists. The lack of interest in the physical sciences and mathematics can be traced to the quality of instruction in mathematics and the sciences at the grade-school level. Unless the student is strongly literate in mathematics by the seventh or eight grade, chances are remote that he will become interested in the physical sciences and mathematics at a later time. Mathematics is the key, and no amount of hands-on experiments in chemistry or physics will change the situation.

COMMENDING MASSACHUSETTS AMTRAK UNION EMPLOYEES

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. FRANK. Mr. Speaker, I am very pleased that the Massachusetts House of Representatives last month passed a resolution commending Massachusetts Amtrak Union employees. I very much agree with the sentiments expressed in the resolution, and I ask that the full text be entered into the RECORD.

Mr. Speaker, those of us who live and work in the Northeast Corridor and who have traveled on Amtrak, know well how successful Amtrak has become in increasing its passenger load. I also understand that Amtrak's success has been repeated across the Nation. Unfortunately that success has not been shared by the Transportation Union employees of Amtrak. In fact, they have been subjected to wage freezes and deferrals for several years now while we have witnesed a 55-percent increase in passengers, in operations, in revenues and, ontime performance.

With that in mind, I urge my colleagues to consider this resolution reflecting the situation facing Amtrak's union employees, Mr. Speaker:

RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO SUPPORT THE MASSACHUSETTS AMTRAK UNION EMPLOYEES WHO DESERVE TO BE ACKNOWLEDGED AND FAIRLY PAID BY MANAGEMENT WHICH HAS CONTINUED TO DENY THESE WORKERS DECENT WAGES AND A WORKING CONTRACT.

Whereas, Amtrak workers, who have established a commitment to the railroad by making it an integral part of the past and an essential part of the future, have endured six years of wage freezes and deferrals which have left workers dollars an hour behind their counterparts on other Northeast rail systems, are about to enter their third year without a contract while Amtrak management personnel has received and continues to accept regular wage increases;

Whereas, An Amtrak commuter rail worker earns a lower hourly wage in 1990 than he/she did in 1984, regardless of the significiant increases in revenue, ridership, operations and on-time performance that must be credited to the labor and contributions of the employee workforce; and

Whereas, Amtrak management has consistently denied Amtrak employees fair wages, despite increases in passenger fares by 55%, the expansion of income from numerous sources, gains cited in revenues from operations which increased to $1.27 billion in 1989 from $758.8 million in 1984 and continually increasing demands placed on Amtrak employees by management which steadfastly refuses to share their revenue access among the men and women of its workforce who have worked to make that success a reality; and

Whereas, the American people have demanded higher safety and railroad operations standards from its rail transportation industry and congress responded to such appeals by enacting the strict Rail Safety Improvement Act of 1988, which penalizes the Amtrak worker who has committed an unsafe act while requiring Amtrak employees to assume greater responsibility, dedication and skills to assure that such standards are in accordance with the Federal law; and

Whereas, Amtrak management has refused to request a level of funding from congress sufficient to pay its workers a wage comparable to workers in other Northeast rail systems—a wage commensurate with these Federally mandated responsibilities; and

Whereas, Massachusetts citizens, who have experienced first-hand, either as affected workers or as dependent travelers and commuters, the implications of union-busting activities such as have been engineered by Eastern Airlines and Greyhound Bus Lines management which have caused disruption to its employees and to its service, would not tolerate such tactics were they to be successfully imposed by Amtrak management; therefore be it

Resolved, That the Massachusetts House of Representatives calls upon Amtrak management to ensure that funding be secured at a level sufficient to pay its employees wages that are comparable with other railroads and that, by working together with unions representing Amtrak workers, Amtrak management will support their efforts to secure a fair and decent contract for Amtrak employees in Massachusetts to set a precedent for Amtrak employees throughout the nation, further, to support this initiative by ensuring that all previous wage cuts and deferrals are restored to Amtrak employees; and be it further

Whereas, That copies of these resolutions be forwarded by the Clerk of the House of Representatives to the presiding officer of each branch of Congress and to the members thereof from this commonwealth.

CAPITOL COMPLEX RECYCLING FORUM

HON. JIM BATES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. BATES. Mr. Speaker, I am submitting my opening remarks and the testimony of Congressman GREEN before the Capitol Complex Recycling Forum:

STATEMENT OF HON. JIM BATES

Good morning and hello. I am Congressman Jim Bates, Chairman of the Committee on House Administration Subcommittee on Procurement and Printing. I would like to welcome all of you who are here today for our Capitol Complex Recycling Forum. This month marks the sixth month anniversary of our Office Waste Recycling Pilot Program. I would like to thank everyone who has helped to support to make this program a success.

Specifically, I would like to thank: Chairman Annunzio and Members of the Committee on House Administration for their support, the Honorable Mr. Green, Representative from the State of New York, Chairman Fazio and Members of the House Appropriations Legislative Subcommittee for all that they have done, Chairman Ford and the Members of the Senate Committee on Rules, the Honorable Mr. White, Architect of the Capitol, Mr. Miley, the House Office Superintendent, and the Members and the staffs of those offices in the Rayburn House Office Building, and the two floors of the Hart Senate Office Building that are successfully participating in the pilot program.

It is a pleasure to have Mr. Green with us here today along with J. Raymond Carroll, P.E., and Mr. Hanlon from the Architect of the Capitol's Office who will discuss with you the details of the Office Waste Recycling Program. We have invited the participating Members and their staffs to share their involvement and foster discussion. The purpose of this forum is to hopefully educate you about the recycling efforts in the Capitol Complex, answer any questions which you may have about the program, examine where the program is heading, and identify how everyone can be an active participant.

In the last forty years the world has seen a tremendous growth in economic output. Indeed, since 1950 global economic production has nearly quintupled. In general terms, the economic output since 1950 alone has matched the collective output produced from the beginning of civilization until 1950.

With this level of economic production in mind we must examine what we as a society are doing to manage our waste. The U.S. generates over 160 million tons of municiple solid waste per year. Each and every one of us disposes of approximately three to four pounds of trash per day. Of this only 10 percent is recycled, and nearly 80 percent is disposed of in landfills. But our landfills are filling up while the quantity of solid waste generated each year continues to increase.

Declining landfill capacity is becoming an urgent problem. The reason for this decline is threefold: older landfills are reaching their capacity levels, local governments are becoming better regulators of landfills which is forcing many substandard landfills to close; and finding sites for new landfills is more and more difficult due to rising public opposition. No one wants a new landfill in their own backyard. The EPA estimates that 80 percent of the existing landfills permitted will close within twenty years.

Across the country, communities everywhere are working together to establish innovative programs designed to make recycling economically viable and a permanent way of life for everyone. It is the responsibility of the elected leadership to do our part. But if we are to ever reach our ultimate goal of an 80 percent recycling rate our biggest task must be to first develop public awareness. When fully implemented, the Office Waste Recycling Pilot Program will be a shining example for other public and private complexes throughout the country.

Congress not only has the responsibility to be involved in the recycling effort, but as the leadership of this country, needs to set an example for the rest of the Nation. This is not only for symbolic reasons, but it should be seen as a wonderful opportunity to educate both, the thousands of individuals who work on Capitol Hill, as well as the constant flow of visitors, constituents, tourists and students who visit Capitol Hill each year.

In order to set that example the Committee on House Administration passed House Resolution 104, "Requiring the Architect of the Capitol to establish and implement a voluntary program for recycling paper disposed of in the operation of the House of Representatives," thus creating the Office Waste Recycling Pilot Program which serves as a model for recycling in the Capitol Complex. Six months ago the pilot program became a reality, as implemented by the Architect of the Capitol, operating with office suites in the Rayburn House Office Building and two floors of the Hart Senate Office Building participating.

The program is designed to explore the most convenient methods to collect and dispose of recyclable materials and develop a data base upon which future costs and benefits of a comprehensive program may be established. In August of this year, the Architect of the Capitol will be preparing a report on the program which my Subcommittee will review. Upon favorable consideration the Committee hopes to immediately move legislation to make recycling available to all offices of the Capitol Complex.

Due to the ever increasing interest and desire to participate, those offices not in the pilot program are now able to participate through additional recycling depositories

placed in central areas of each building near cafeterias and carry-outs.

It must be our commitment to work towards 100 recycling participation here in the Capitol Complex and serve as an encouraging example for all of government including the White House. The Subcommittee is currently preparing a letter to the White House requesting that they consider implementing a similar recycling program.

We all must keep in mind that the more we recycle, the more efficient the program will be, and the higher the volume, the greater the return.

There is a definite need for Congress to set the example and to do its part in the recycling effort. I wish to thank all the Members for their support, everyone who is participated in the Pilot Program, and all of you for coming here today and showing your interest. It is then the Subcommittee's intent to keep everyone well aware of how we are progressing. Hopefully we will have movement on legislation towards the end of summer.

And now it is my pleasure to introduce, the Honorable Mr. Green.

STATEMENT OF HON. BILL GREEN

I should like to thank Chairman Bates and all the Members of the House Administration's Subcommittee on Procurement and Printing for giving me the opportunity to participate in the six-month anniversary celebration of the Pilot Recycling Program for the Capitol Complex.

As many of you know, for the past six months the Rayburn House Office Building and the Hart Senate Office Building have been the targets of a pilot recycling program. We are here today in an effort to expand the program to make it available to every office on Capitol Hill by early next year. That step is contingent upon a favorable report by the Architect of the Capitol of the pilot program's outcome. A favorable report can only be achieved with the active and committed participation of every office involved in the program.

Most recently, I was fortunate to be able to move my office into the Rayburn building. Not only was I fortunate to have increased office space, but the move enabled my staff and me to participate in the recycling program, an opportunity previously unavailable while in the Longworth building. It is my sincere hope that the office recycling program will be expanded to include every capitol building, so that the many offices wishing to get involved in the program, like mine, are able to do so.

Recycling has become an increasingly more important issue every year. Last Friday, the Washington Post reported that ". . . Americans now recycle or compost some 13 percent of their garbage compared with 7 percent in 1960". Though the increase is slight, that example illustrates the efforts towards recycling waste are on the rise. In view of the country's ever increasing awareness of environmental problems and solutions, we, as Members of Congress and Congressional Staff, must be in the forefront on this issue. I believe that it is our duty to set a good example for the rest of the country, by fully recycling all of our waste paper products by the end of this year.

THE CHINESE DEMOCRACY MOVEMENT

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Ms. PELOSI. Mr. Speaker, recently our colleague from New York, Representative STEPHEN J. SOLARZ, addressed a rally on the Mall here in Washington commemorating the courageous martyrs of Tiananmen Square.

Mr. SOLARZ' words were more than simply a memorial to the past. They also represented a ringing endorsement of the fundamental truth that the democratic movement still lives in China. As Mr. SOLARZ rightly pointed out, the issue is not whether democracy will ultimately triumph in China, but only when and how it will triumph.

Mr. Speaker, Representative SOLARZ in his remarks touched on some universal truths about the longing for democratic freedoms felt by all men and women around the globe. Therefore, I insert his address in the RECORD:

THE CHINESE DEMOCRACY MOVEMENT

(By Representative Stephen J. Solarz)

We stand today on the symbolic axis of American democracy, on which are arrayed some of our greatest national monuments to freedom, equality, and representative government.

Your rally today is a celebration of these ideals, which are the spirit of American civilization and the birthright of men and women around the world.

Half way around the globe 1 year ago tonight, citizens of China stood on the symbolic axis of China's civilization—Tiananmen Square.

In the swelling crowds, there were students, workers, intellectuals, and even party members.

In the name of freedom, democracy, and responsible government, these citizens had stood up against a regime characterized by repression, dictatorship, and corruption.

On behalf of the Chinese people, they had for 6 long weeks sought peacefully to win China's political center from a modern-day emperor.

It was the largest mass movement for democracy in modern times, mobilizing millions of committed Chinese both inside and outside your country.

By its numbers and its dedication, it proved that the Chinese people want democracy.

By its reasonable objectives and restrained tactics, it showed that the Chinese people are capable of democracy.

By its principled challenge to the status quo, it demonstrated that the chief obstacle to Chinese democracy was neither economic backwardness nor confucian culture, but a gang of elders determined to maintain their monopoly on power.

By their arrogance toward the citizens in the square, the gang of Elders, like the Gang of Four before them, showed the utter contempt in which they hold the Chinese people.

By their use of excessive and indiscriminate violence, they demonstrated that fear, intimidation, and the spilling of human blood are the only instruments of domination they had left.

By their resort to lies and fabrications about what happened in and around Tiananmen Square, they demonstrated that they have lost the moral mandate which only the Chinese people can confer upon them.

One year ago, the Chinese democracy movement suffered a serious setback.

Yet it was not destroyed.

It still thrives in the minds and hearts of millions of Chinese citizens—both at home and abroad.

It awaits an opportunity to struggle anew for the ideals of freedom and democracy.

The issue is not whether the Chinese democracy movement will ultimately triumph.

The question is when and how it will triumph.

Last year some of your comrades were struck down by PLA bullets.

Even today, some of your friends languish in PRC jails.

Yet their sacrifice is a solemn inspiration to all Chinese citizens who yearn for freedom.

And it is an awesome reminder to all who take democracy for granted how precious it really is.

Last year the world watched in shock and horror to see the lengths that power holders will go to maintain their power.

Yet I believe that because of this sense of outrage, Leninist powerholders in the Soviet Union and Eastern Europe, by and large, chose to accommodate the democracy movements they faced rather than repress them.

In that regard, the Soviet people and the people of Eastern Europe owe a debt of gratitude to the Chinese people.

I do not know when democracy's new day will dawn in China.

I do know that until it does, freedom-loving people around the world will keep faith with the people of China.

And your friends in the U.S. Congress will work through our democratic system to promote the cause of democracy and human rights in China.

Furthermore, I give you my personal commitment that I will do everything I can to halt the intimidation and harassment of Chinese citizens in the United States by the agents of the Gang of Elders.

It is bad enough that the Beijing regime abuses the human rights of people in China.

But it is utterly unacceptable for its agents to attempt to enforce its repressive rule on American soil in violation of the protection of the U.S. Constitution.

In the very near future, my subcommittee will hold hearings on this outrageous conduct and it is my intention to seek and secure the passage of legislation which will bring it to an end.

Nine years ago in Poland, the Solidarnosc movement was crushed by the Jaruzelski regime.

With it died the hope for democratic change in Leninist systems—or so it seemed.

Yet the flame of freedom continued to burn.

The heroes of Solidarnosc did not lose hope.

Their foreign friends stood fast.

And eventually, the Polish movement for democracy rose like a phoenix from the ashes of Gdansk and emerged victorious.

Democratic movements can prevail in Leninist systems.

The Chinese democracy movement will rise like a phoenix from ashes of Tiananmen.

We do not know how.

We cannot say when.

Yet the tide of history is on your side!

Freedom will triumph over tyranny!

The people of China will be masters of their government!

Long after the Gang of Elders is gone, the martyrs of Tiananmen will be remembered for their courageous commitment to the cause of democracy for which they gave their lives!

Long live democracy in China!

Zhongguo minzhu wansui!

EXPAND MEDICAL RESEARCH OPPORTUNITIES AT A CRITICAL JUNCTURE

HON. DOUG BARNARD, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. BARNARD. Mr. Speaker, on June 5, I introduced the Biomedical and Behavioral Facilities Construction Act of 1990, which has been designated as H.R. 4955. The legislation authorizes a 3-year matching grant program within the National Institutes of Health for constructing and updating medical research buildings. Senator Edward Kennedy is sponsoring a companion bill, which already has been reported favorably by the Labor and Human Resources Committee.

At a time when medical science is being called upon to confront the enormous challenges of the 1990's and the next century, such as AIDS and Alzheimer's disease, we find our universities ill-equipped to conduct state-of-the-art biomedical and behavioral research. One of the greatest impediments is a lack of modern facilities.

Not since the Health Research Facilities Act of 1956, which expired in 1972, has NIH had general construction authority. Categorical construction funding through such NIH components as the National Cancer Institute and the National Eye Institute dwindled significantly during the 1970's and 1980's.

Also, while non-Federal sources have been responsible for substantial medical research construction during the past two decades, many facilities have become obsolete or even unsafe over the years. State and local government and private funds are not sufficient to remedy this decay. Some Federal assistance is needed to maintain, renovate, or modernize these existing structures.

H.R. 4955 renews the Federal commitment to health science facility construction and renovation while improving the availability and productivity of research efforts. Under the program, public and nonprofit institutions would receive Federal grants, subject to clearly stated eligibility requirements and selection criteria, for use in constructing new facilities or improving existing ones.

Institutions could submit applications at least once a year to the Director of NIH giving adequate assurance that the building to be constructed would be used for biomedical or behavioral research for 20 years from the date of completion. To conduct peer review of grant applications and to report to the Director of NIH on biomedical research construction, the bill sets up an expert technical review board within the Division of Research Resources of NIH.

Total spending authorized to implement the program and for grants is $150 million in fiscal year 1991 and whatever sums are necessary for fiscal years 1992 and 1993. Keep in mind that the cost effectiveness of each grant is ensured by the requirement that non-Federal sources supply half of the construction funds.

Today, I ask my colleagues to support this reasonable and timely legislation by becoming a cosponsor of H.R. 4955. The serious health crises of today, and our inability to adequately address them, make Federal Government support of health science more important than ever, particularly with respect to expansion and modernization of available research space. The amounts authorized by H.R. 4955 are certainly not a high price to pay for significant progress in these two areas.

FATHER CONDIT'S SUBMARINE PRAYER

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. SKELTON. Mr. Speaker, recently, Comdr. Russell Harris, USN, was a guest in Jefferson City, MO, where he met many people of that community. The U.S.S. *Jefferson City,* which Commander Harris will command, was christened by my wife, Susie, in Norfolk, VA, and will be commissioned in 1992. At a breakfast held in Jefferson City, Father John C. Condit, pastor of St. Francis Xavier Parish of Taos, MO, delivered a submarine prayer. I ask that it be printed herewith so that I might share it with the Members of this body.

SUBMARINE PRAYER

Almighty and Eternal Father . . . grant a blessing to all here present. Bless the submarines as they dive beneath the sea and guide them in their mission of keeping the great waters free for all to enjoy.

But most of all bless and protect the men who sail the ships through the darkness and silence of the unknown deep. May their concern for the proper working of the ship be reflected in the same concern for their own spiritual lives and the well being of their men.

May the past glorious and harmonious history of the Silent Service be an augur of the success of the astounding developments of the future as a deterrent for war and a great harbinger for peace.

We pray that the mission of the U.S.S. *Jefferson City* with its Captain and crew, be a part of your plan for a lasting peace, and that soon for the whole world, there will be an abiding trust of all nations one for the other. Through Christ Our Lord. Amen.

LANDOWNERS SUPPORT NIOBRARA SCENIC RIVER DESIGNATION

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. BEREUTER. Mr. Speaker, earlier today my distinguished colleague from Nebraska [Mr. HOAGLAND] and this Member received the attached joint landowner letter which expressed the support of the named landowners for a scenic river designation for the 76-mile stretch of the Niobrara River contained in S. 280. They point out that they collectively "own approximately 55 miles of riverfront within this 76 mile reach of river when the Nature Conservancy's support is added to this list. An additional 9 miles of river—18 miles of riverfront—is within the Fort Niobrara National Wildlife Refuge." This support from landowners, of course, is contrary to what opponents of S. 280 have been saying. After reading the following letter this Member asks that his colleagues vote against the amendment offered by my distinguished colleague [Mrs. SMITH] which would only study the Niobrara River, and for final passage of S. 280. Despite disinformation and attempted intimidation of landowners and others supporting the scenic river designation these landowners show their courageous support. There are many other supporters in the river area who tell this Member they believe their support must be silent.

JOINT LANDOWNER LETTER

DEAR REPRESENTATIVES HOAGLAND AND BEREUTER: We own riverside land along the Niobrara River in the 76-mile stretch of the Niobrara River between Valentine and Newport. The purpose of this letter is to reassure you that we continue to support Scenic River Designation.

We prefer appropriate National Scenic River legislation over the type of questionable local strip zoning authority which has recently been imposed on landowners in this area.

We urge the House of Representatives to pass S. 280 as reported out of the Interior Committee and then work with Senator Exon and Senator Kerrey to restore, in conference, most provisions of the Senate passed version of S. 280 designed to clarify and give added protection to the interests of landowners. We appreciate your dedication toward achieving protection of the Niobrara River Valley in partnership with ranch and farm landowners, and those of us who have homes and businesses within the proposed scenic river corridor.

Collectively, we own approximately 55 miles of riverfront within this 76 mile reach of river when The Nature Conservancy's support is added to this list. An additional 9 miles of river (18 miles of riverfront) is within the Fort Niobrara National Wildlife Refuge.

If the National Park Service is the assigned administrative agency, we request that considerable attention be given to providing Congressional direction which will assure that the river corridor is managed in general harmony with the existing interests of landowners as generally outlined in 1980 and 1985 joint letters to the Nebraska Congressional Delegation (and as generally contained in the original versions of S. 280 and H.R. 761).

However, we are increasingly comfortable with the concept of administration of this section of river by the U.S. Fish and Wildlife Service in cooperation with the local advisory commission (on a permanent basis) contained in the original bills (S. 280 and H.R. 761). This would more clearly allow us to maintain our compatible hunting and trapping rights within the corridor.

A special local management authority to administer national scenic river designation is another option if it has adequate funds for conservation easements (to be developed

in cooperation with each individual landowner, and generally on a willing-seller basis as outlined in the original versions of S. 280 and H.R. 761). However, we do not endorse the Niobrara Basin Joint Management Board for this purpose. It was hastily developed to block scenic river designation and does not adequately reflect the views of landowners who support this legislation.

We thank you for your continuing consideration of our special concerns and request that you maintain a working relationship with us even after the legislation is enacted.

Mr. & Mrs. Franklin Egelhoff, Mr. & Mrs. Harold Hutton, Beryl Kuhre Family, Mr. & Mrs. Delbert Scheffler, Roy Anderson, Robert D. Marcotte, Phillip James, Mr. & Mrs. Cecil McCullough, George Lincoln/Margaret Dolan, Richard Nelson, Mr. & Mrs. James O. Harlan, Ron Klataske/National Audubon Society, Winifred Parker, Mr. & Mrs. Joe Leonard Family, Robert McCulley, Mr. & Mrs. Don Hardin.

1990 MARYLAND WOMEN'S HALL OF FAME

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mrs. BENTLEY. Mr. Speaker, it is with great respect and admiration that I commend the 1990 honorees of the Maryland Women's Hall of Fame.

On March 27, 1990, the Maryland Commission for Women, the woman legislators of the Maryland General Assembly, and Governor William Donald Schaefer gathered at the State House lobby in Annapolis, MD, for the induction of the 1990 honorees into the Maryland Women's Hall of Fame.

The work of those women inducted at the ceremony is truly commendable. I say this not because they are women. I say this because their accomplishments are outstanding whether they be male or female. As you are aware, I believe very strongly in the important role of woman in all phases of our work force.

However, we cannot lessen the worth of the accomplishment by placing greater emphasis upon age, gender, or race. We must recognize individuals for their deeds, actions, and worth. Remember, it was Dr. Martin Luther King who said that individuals should be judged upon their character and not upon the color of their skin. Never can we allow ourselves to judge individuals upon any such inconsequential stigmas like the color of one's skin, nor can we judge simply upon their age or gender.

If we begin to judge or gauge ourselves and others upon gender, race, or age, then we will cheat ourselves ultimately out of our potential worth. It is for this reason that I support the accomplishments and work of women in all sectors of employment. They reach their positions and accomplishments because of their ability, expertise, and personal worth rather than the mere fact they are women. The women inducted into the 1990 Maryland Women's Hall of Fame are not recognized with this honor merely because of their gender. They are recognized for their professional achievements and abilities.

As chairman of the Federal Maritime Commission, I held the highest position of any woman at that time in the history of the United States Government. I could not have executed the functions of that position without the proper qualifications and abilities. Nor would I have accepted the responsibility if my appointment had been motivated by my gender rather than my qualifications. By no means, should I or any one else deserve a position just upon the novelty of a woman in a traditionally male role. I had to rely upon my knowledge and ability to be deserving of any respect as chairman. I did not seek respect because I was a woman, I sought respect because I knew the maritime industry. We cannot afford to take shortcuts. Instead, we must demonstrate our worth through our professionalism and expertise.

It gives me great honor to commend the following inductees who personify this belief and have proven their commitment to excellence. Among the inductees was Lucille Maurer who in 1987, was elected the first woman to serve as State treasurer for Maryland. From 1969 to 1987, she also served the State in the house of delegates. Lucille was well known for her ability in fiscal affairs and for developing funding formulas for public schools. Not only has she served our State well as an elected official, but she maintains an active role in community organizations as well.

Another honoree was Enolia P. McMillan who is widely known as a leading civil rights activist and educator. After completing her education in the segregated public school system in Maryland, Enolia became interested in advanced training for blacks and played a vital role in bringing to light the inequities of the segregated Maryland public education system and based her thesis at Columbia University on the differences in public education. Enolia's observations and inquiries had far-reaching effects and today she continues her work as a member of the board of regents of Morgan State University and even served as the national president of the NAACP until 1984. Indeed, many people today have greatly benefited from the insight of Enolia McMillan.

Rev. Dr. Pauli Murray-Civil was also inducted into the Women's Hall of Fame for her work as a teacher, civil rights activist, lawyer, writer, poet, and priest. The granddaughter of a slave and great-granddaughter of a slaveowner, Pauli was born in Baltimore but later moved to Durham, NC, where she rebelled against the segregation of the South. After graduation from Hunter College in New York, she sought admission to the graduate school of the University of North Carolina to which she was denied admission on the basis of race. Ironically, the college was funded originally by her own slave-owning ancestors. Upon completing undergraduate work at Howard Law School, Pauli applied to Harvard Law School for graduate study only to be turned down because of her sex. Among her accomplishments, Pauli's first book became a standard reference for civil rights lawyers and in 1978, she became one of the first women and the first black woman of the Episcopal Church to be ordained to the priesthood.

Another of the evening's inductees was Adele Hagner Stamp who has been recognized for her achievements as a community leader and educator. Adele began her career as dean of women at the University of Maryland in 1922, where she served until her retirement in 1960. Today, the student union building at the College Park campus is named the Adele H. Stamp Union in recognition of her outstanding contributions to the university. Upon her retirement, she was the first woman to receive the title of dean of women emeritus from the university's board of regents. Throughout her tenure at the university, she served as counselor, philosopher, administrator, teacher, friend, and role model to numerous students. Adele also organized the first Women's Student Government Association at the college along with a variety of other clubs and organizations, including the student chapter of the Red Cross. An activist for education, Adele traveled the State making speeches advocating better schools and higher salaries for teachers in Maryland.

The final inductee was Mary Lemist Titcomb who was the originator of the first bookwagon. Dedicated to the promotion of literacy, Mary's interest in the library was innovative and original. Having worked as a librarian in Vermont, she moved to Hagerstown, MD, where the Washington County, MD, Free Library opened in August 27, 1901. At the time, this was only the second working library in this Nation. Under the direction of Mary, in a couple of years the library quickly branched out into the surrounding area and began operating 22 deposit stations and then, 5 years later, grew to 66 stations. In spite of the remarkable growth the success of the library, Titcomb was concerned that those living in remote areas were still not being serviced. In 1904, the Washington County Free Library became the first library in the world to deliver books directly to individual homes. Her ideas and concepts quickly spread across the country. Mary Titcomb felt it was imperative to keep the people of this Nation reading and thinking in order to sustain the country. Her achievements and the achievements of all women pioneers recognized by the Maryland Women's Hall of Fame and elsewhere across our Nation shall never be forgotten.

Mr. Speaker, my fellow colleagues, the names I just mentioned are those of achievers whose work has not only made Maryland a better State, but who have enriched our entire Nation.

Again, I would like to commend the 1990 honorees of the Maryland Women's Hall of Fame. I share in their pride and congratulate them on their recognition.

SOCIAL SECURITY NOTCH

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. BURTON of Indiana. Mr. Speaker, I had planned to participate in the special order on the Social Security notch year bill which was originally scheduled to take place last Wednesday, June 13. Unfortunately, since this special order has been rescheduled for tonight, I am unable to participate in person. However, I respectfully request that the follow-

ing remarks be submitted to the CONGRESSIONAL RECORD in the Extensions of Remarks.

I want to begin by expressing my concern for America's senior citizens. It seems that every time an alteration in the Social Security system occurs, the result is more devastating to Social Security dependents than the original program. An example of these inequities affects the individuals born between the years of 1917 and 1921, the era known as the notch years.

The notch babies suffer due to the benefit calculation method enacted by Congress in 1977, to prevent the outright bankruptcy of the Social Security system. Although well-intentioned, Congress changed this benefit to the severe disadvantage of those born between 1917 and 1921. It is my strong belief that we need to keep the faith of these notch babies and adjust the benefits levels to eliminate the unfairness of this faulty transition.

I want to urge my colleagues on the House Ways and Means Committee to bring notch legislation out of committee as soon as possible to give the entire House of Representatives the opportunity to vote on it.

THE WIC PROGRAM: THE HOPE OF A HEALTHY START FOR EVERY CHILD

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. FASCELL. Mr. Speaker, the Special Supplemental Food Program for Women, Infants and Children (WIC), one of the best federally assisted food programs for the poor, is in danger of drastic funding cuts which would effectively take the food off the plates of millions of poor, malnourished children and pregnant women across our Nation. The Department of Agriculture recently announced that the successful program may see a substantial reduction in its funding level due to the USDA's underestimate of food costs.

The WIC Program has one of the best track records of any federally funded public assistance programs and has proven itself to be an investment in our Nation's future. The program is designed to lessen health problems associated with inadequate diets during the critical early stages of child development, including the prenatal stages. According to the American Academy of Pediatrics, the average cost of caring for a child born weighing under 2 pounds is $160,000. The average monthly cost of a WIC client in 1989 was $42. Thus, the program, as well as being morally correct and compassionate, is cost-effective.

Since its inception in 1972, the WIC Program has grown to reach more and more needy families. Last year the WIC Program saw record levels of enrollment. In 1989, the participation of women, infants and children reached 4 million. Of these 4 million, 22.9 percent were women, 30.6 percent were infants, and 46.5 percent were children. Even though the program reached a record number of eligible citizens last year, WIC still only reaches about half of all those eligible for its services.

To cut funding for this vital program would prove our Government to be fiscally short-sighted and morally blind. WIC is a program that attempts to reduce our Nation's shameful infant mortality rate and is successful; it attempts to reduce malnutrition among pregnant women and new mothers and their poverty stricken young children and is successful; and it attempts to educate poor young families about the value of good nutrition and is successful. While the WIC Program is accomplishing these goals, it is also providing a preventative service that helps every taxpayer. Studies continue to show that for every dollar spent on WIC, $3 are saved in future health care costs. With the rising cost of health care all over our Nation, WIC is truly a model of success.

Currently, due to inflationary price increases in basic food costs, the $150 million a year increase in funding over current services for the next 5 years for WIC proposed by the Congress will not expand the program as originally expected. I urge our colleagues to support full funding for this vital program which will ensure continuation of current services. The Congress must follow through on its commitment to those families participating in the WIC Program. Anything less would be taking food off the plates of hungry women, infants and children—the very individuals least able to help themselves.

COEUR D'ALENE, ID: ALL-AMERICAN CITY

HON. LARRY E. CRAIG

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. CRAIG. Mr. Speaker, I rise today to herald the efforts of the beautiful and scenic city of Coeur d'Alene, ID. The hidden gem of the Northwest has finally come to light.

Each year, the National Civic League bestows awards upon 10 communities that display uncommon cooperation between citizens, government, and businesses in solving challenging problems. A record 113 cities applied for the All-American City title this year. From the applications, the field was narrowed to 30 cities. The remaining candidates prepared a short presentation highlighting each city's efforts. Despite the competition, the judges chose Coeur d'Alene for its outstanding comunity service in the areas of education, human services, economic growth, and civil rights.

The many specific accomplishments recognized by the panel of judges were the Human Relations Task Force, the Jobs Plus Program, and the Kootenai Medical Center Foundation. The task force was conceived to support victims of discrimination and to educate the citizens concerning principles of human equity, dignity, and freedom. Jobs Plus is a nonprofit organization working to recruit and develop projects in order to revitalize the community's economy. The foundation has raised over $900,000 to support construction of the North Idaho Cancer Center.

Mr. Speaker, I could not be more proud of Coeur d'Alene and all the communities striving to make Idaho the best possible place to live.

HONORING 25 YEARS OF THE FOSTER GRANDPARENT PROGRAM

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. TAUKE. Mr. Speaker, today Congressman KILDEE and I are introducing a resolution commending the Foster Grandparents Program on 25 years of outstanding service.

Last year we reauthorized all of the important older American volunteer programs—the Retired Senior Volunteer Program [RSVP], the Foster Grandparent Program, and the Senior Companions Program—administered by ACTION. This year we have an opportunity to pay a special tribute to the Foster Grandparent Program on the occasion of its 25th anniversary.

Foster Grandparent volunteers are low-income senior citizens age 60 and above who provide supportive, person-to-person services to children with exceptional needs. Most foster grandparents work with children at least 20 hours a week. For their efforts, they receive a small stipend, the affection of their foster grandchildren, and the self-esteem which comes with knowing they are still an important, necessary part of society.

I am particularly proud that Mrs. Helen Andrews, one of the foster grandparents from my hometown of Dubuque, IA, has been chosen to attend a July 16 White House reception with First Lady Barbara Bush to honor foster grandparents. Mrs. Andrews is 71 years old and she spends her time with children at the Hillcrest Family Services shelter in Dubuque—playing everything from basketball to board games. Mrs. Andrews has been volunteering since 1983, and is a good example of why the program works as well as it does. She truly loves what she is doing.

Whether volunteers are playing with children at a shelter like Mrs. Andrews, working with handicapped children who are learning to dress themselves, assisting a learning disabled student struggling with a homework assignment, or counseling a young runaway, foster grandparents give of themselves what money cannot buy—love, patience, and someone to talk to when the rest of the world won't or can't listen.

Foster grandparents deserve to be commended for their many years of service to the children of our Nation. I urge my colleagues to join me in paying tribute to the Foster Grandparent Program and foster grandparents throughout the United States by cosponsoring this resolution.

NATIONAL HERITAGE RESOURCE ACT

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. DOWNEY. Mr. Speaker, I am introducing legislation today that is designed to sub-

stantially enhance the ability of museums and public libraries to acquire major collections of original works by artists, writers, and composers. The National Heritage Resource Act guarantees that America's cultural heritage will remain in this country and will always be available to the public in our museums, libraries, and archives.

The National Heritage Resource Act would remedy a present inequity in the tax law, the result of a 1969 change which specifically denied living authors, poets, musicians, scientists, and other artists a tax deduction for the fair market value of any works they personally donate to a museum, library, or archive. Although the alternate minimum tax treats donations of these works by their owners as preference items, the regular income tax continues to allow these owners to receive a tax deduction at the fair market value of works that they donate.

Since the 1969 change, artists no longer have an incentive to donate their works to public institutions. As a result, gifts by artists to museums and libraries have virtually ceased.

According to Daniel Boorstin, former Librarian of Congress, prior to the enactment of the 1969 Tax Reform Act the Manuscript Division of the Library of Congress was receiving collections totaling nearly 200,000 manuscripts each year. Since 1969, the Library has received only one major gift of self-created material by a living literary figure.

The Library's Music Division has experienced a similar decline in donations. Some 1,200 manuscripts had been donated to the Division's collection between 1963 and 1970, but in recent years only 30 have been received. A group of 35 well known composers—including Samuel Barber, Aaron Copland, Walter Piston, and Igor Stravinsky—stopped making gifts to the Library following the tax change. In particular, the Stravinsky papers, which were originally to be given to the Library the month the Tax Reform Act was signed into law, were sold to a private foundation in Switzerland.

University libraries from all regions of our country can also trace a decline in donations to this change in the tax structure. The lengthy list includes the University of California at Berkeley, University of Connecticut, University of Florida, Northwestern University, Purdue University, Iowa State University, University of Kansas, Harvard University, University of Minnesota, Washington University, Princeton University, Temple University, University of Texas, University of Utah, and University of Virginia.

Examples in my home State are numerous. New York University has experienced a decrease of from 80 to 90 percent of donations by artists or authors since 1969, while the New York State Library also estimates an 80-percent reduction in gifts of manuscripts. Furthermore, the Museum of Modern Art reported that it received donations of 52 works of art from the creators between 1967 and 1969, but since 1972, only 13 were donated.

In response to this national decline of donations to our museums and libraries, a 1981 Presidential Task Force on the Arts and Humanities specifically recommended that the 1969 amendment of the Tax Code governing charitable gifts of creative works by artists, writers and composers be amended. According to the task force, the immediate benefits of the change would be: First, the museums and libraries would be able to acquire important works directly from the creators of the works without cost; second, artists, authors, and composers would be able to choose the institutions which they believe would benefit the most from their gift; and third, the public would benefit from having the works of living artists and writers available to them in public institutions. The legislation I am introducing is designed to make these benefits a reality.

Stipulations in my bill, limiting what may or may not be claimed as a deduction, are specific enough to prevent its abuse by donors. For example, the bill requires the property for which deductions are taken must be in existence for 1 year prior to its donation in order to prevent property quickly produced and donated at tax time.

Moreover, donors are required to have a written appraisal of the fair market value for their gift and to include the appraisal with their tax return. Also, the donated property must directly relate to the primary purpose of the institutions. Finally, public officials may not take a deduction for donations of their papers if they were produced while the officials were officers or employees of the United States or of any State, or if the papers were created out of the performances of any duties as officers or employees of the Government.

Mr. Speaker, the cost of the legislation to the U.S. Treasury would be approximately $5 to $15 million. For this comparatively small amount we can end the 20-year drought in acquisitions the Nation's great institutions have suffered and demonstrate that the Nation's cultural heritage is important to us.

In view of the catastrophic effect that inflation and shrinking tax dollars have had on libraries and museums in recent years, this legislation to reinstate the tax incentive for the donation of materials by their creators to the Nation's public institutions is timely. Its enactment would not only help remedy the present tax inequity between the creators and owners of donated works but, more importantly, would enrich our Nation's cultural resources. In the words of Dr. Boorstin:

We thrive on our heritage. Positive action by Congress to restore the tax incentive for gifts of self-generated artistic and literary works will remind us that we will all have a share in this heritage and we are nourished by it. To garner works of artists, musicians, and authors by enacting legislation will help preserve a precious part of us.

Your support today for the National Heritage Resource Act will help ensure that our past will always have a place in the future.

In order to provide the widest possible opportunity for my colleagues to review this bill, I insert it here:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CHARITABLE CONTRIBUTIONS OF CERTAIN ITEMS CREATED BY THE TAXPAYER.

Subsection (e) of section 170 of the Internal Revenue Code of 1986 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end thereof the following new paragraph:

"(6) SPECIAL RULE FOR CERTAIN CONTRIBUTIONS OF LITERARY, MUSICAL, OR ARTISTIC COMPOSITIONS.—

"(A) IN GENERAL.—In the case of a qualified artistic charitable contribution—

"(i) the amount of such contribution shall be the fair market value of the property contributed (determined at the time of such contribution), and

"(ii) no reduction in the amount of such contribution shall be made under subparagraph (A) or (B) of paragraph (1).

"(B) QUALIFIED ARTISTIC CHARITABLE CONTRIBUTION.—For purposes of this paragraph, the term 'qualified artistic charitable contribution' means a charitable contribution of any literary, music, artistic or scholarly composition, any letter or memorandum, or similar property, but only if—

"(i) such property was created by the personal efforts of the taxpayer making such contribution no less than 1 year prior to such contribution,

"(ii) the taxpayer—

"(I) has received a written appraisal of the fair market value of such property by a person qualified to make such appraisal (other than the taxpayer, donee, or any related person (within the meaning of section 465(b)(3)(C)) which is made within 1 year of the date of such contribution,

"(II) attaches to the taxpayer's income tax return for the taxable year in which such contribution was made a copy of such appraisal, and

"(III) the appraisal takes into account but is not limited to the factors described in clause (vi),

"(iii) the donee is an organization described in subparagraph (A) of subsection (b)(1),

"(iv) the use of such property by the donee is related to the purpose or function constituting the basis for the donee's exemption under section 501 (or, in the case of a governmental unit, to any purpose or function described under subsection (c)),

"(v) the taxpayer receives from the donee a written statement representing that the donee's use of the property will be in accordance with the provisions of clause (iv), and

"(vi) the written appraisal referred to in clause (ii) includes evidence of the extent to which property created by the personal efforts of the taxpayer is or has been—

"(I) owned, maintained, and displayed by organizations described in subparagraph (A) of subsection (b)(1), and

"(II) sold to or exchanged by persons other than the taxpayer, donee, or any related person (within the meaning of section 465(b)(3)(C)).

"(c) MAXIMUM DOLLAR LIMITATION.—The aggregate amount of qualified artistic charitable contributions allowable to any taxpayer as a deduction under subsection (a) for any taxable year shall not exceed the artistic adjusted gross income of the taxpayer for such taxable year.

"(D) ARTISTIC ADJUSTED GROSS INCOME.—For purposes of this paragraph, the term 'artistic adjusted gross income' means that portion of the adjusted gross income of the taxpayer for the taxable year attributable to—

"(i) income with respect to the type of property described in subparagraph (B) that is created by the taxpayer, and

"(ii) income from teaching, lecturing, performing, or similar activity with respect to

such property or to similar activity with respect to such property or to similar property created by individuals other than the taxpayer.

"(E) PARAGRAPH NOT TO APPLY TO CERTAIN CONTRIBUTIONS BY PUBLIC OFFICIALS.—Subparagraph (A) shall not apply in the case of any charitable contribution of any letter, memorandum, or similar property which was written, prepared, or produced by or for an individual while such individual was an officer or employee of the United States or of any State (or political subdivision thereof) if the writing, preparation, or production of such property was related to, or arose out of, the performance of such individual's duties as such an officer or employee."

SEC. 2. TREATMENT OF EXCESS DEDUCTION FOR PURPOSES OF MINIMUM TAX.

Paragraph (1) of section 56(b) of the Internal Revenue Code of 1986 (relating to adjustments applicable to individuals) is amended by adding at the end thereof the following new subparagraph:

"(F) DEDUCTION FOR CHARITABLE CONTRIBUTION OF ART, ETC. CREATED BY TAXPAYER NOT ALLOWED.—In determining the amount allowable as a deduction under section 170, subsection (e)(6) of such section shall not apply."

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall apply to contributions made after December 31, 1989, in taxable years ending after such date.

COLOMBIA'S PRESIDENT BARCO: A GREAT HERO IN THE WAR AGAINST DRUGS

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. COUGHLIN. Mr. Speaker, recently Colombian leader Virgilio Barco visited the United States for the last time as President of Colombia. As vice chairman of the House Select Narcotics Committee, I would like to take this opportunity to pay tribute to this great hero of the war against drugs. Throughout his tenure as President, Barco has been an example of strength and courage to us all. He faced the most critical struggle, the war on drugs, in a country threatened by the world's most violent drug criminals. Barco has jeopardized his own personal safety for the cause of a drug-free democracy.

Colombia, over the last several years has been confronted by the deadly terrorism of the criminal drug cartels. In fact, these narcoterrorists have declared an all out war on Colombia. There have been many casualties: In August 1989, Colombian senator and leading Presidential candidate, Luis Carlos Galan, was tragically assassinated. In addition, there have been the deaths of 12 Supreme Court Justices, the attorney general, the Minister of Justice, members of Congress, and mayors. There have been the countless slayings of journalists, soldiers, policemen, and thousands of Colombian citizens. No country has made greater sacrifices in the war against drugs. Many Colombians have given their lives so that Colombia's democracy might prevail. There is the constant danger that the cartels will randomly strike with a bombing of an assassination in broad daylight.

No one is safe—especially President Barco—a symbol of Colombia's fight against the criminal drug organizations. President Barco will be written of in Colombian history as a great leader, the right man at the right time to lead his nation's war against drugs.

Furthermore Colombia's efforts have not been in vain. In recent months, Colombia has succeeded in significantly disrupting the cocaine trafficking in the Andes. Within Colombia, thousands of suspects have been arrested and millions of dollars in property have been confiscated.

Barco recognizes that Colombia cannot fight the cartels without the cooperation of other countries. In his address to the 44th session of the United Nations General Assembly on September 29, 1989, Barco stated that "in solidarity, as a community of nations," we must fight the global war against drugs.

We must remember that Colombia's fight against the cocaine cartels is our fight, too. Therefore, we must do everything we can to assist Colombia and to combat the scourge of drugs within the United States. We must fight demand by increasing awareness of the dangers of drugs. We must reduce the supply of drugs through tougher interdiction and tightening of controls on chemicals that are used to process drugs like cocaine. It is our responsibility, and a necessity, to assist Colombia. After all, we remain the largest cocaine consumer in the world. President Bush's $10.6 billion Federal drug program, which includes a 5-year, $2 billion Andean initiative to assist the cocaine producing countries, is an excellent start.

Let us follow Barco's lead, and in cooperation with Colombia's President-elect Cesar Gaviria Trujillo, let us face the cartels and defeat them. In the words of President Barco himself:

Let us declare today that, together, the last decade of this century will be used to bury the international scourge of drugs. Together we can and must succeed.

A STUDY IN HEROISM: BLACKFORK, OH'S, DONALD R. LONG

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. McEWEN. Mr. Speaker, America's greatness—her capacity for good, her dedication to justice, human rights, freedom, and responsibility—is the result of history's most remarkable and fortuitous convergence of natural wealth and human goodness and achievement, guided by a provident Creator. This is a rich and fruitful land, blessed with unmatched scenic beauty, and geographical and agricultural gifts. More important, ours is a nation populated by a most generous people who trace their ethnic and cultural roots to many lands, but whom pledge their allegiance to only one. I rise today to pay tribute to a fallen son of Ohio who lived and died for the American Ideal.

The American Ideal—an ideal defined most consistently by a love of liberty—is treasured here and around the world by people who know that freedom is the building block for any great society. In no other nation in the recorded history of mankind has the light of freedom burned more surely or brightly than in America. Our collective appreciation for our freedom owes to many factors, the most important of which is the uncommon bravery of those who have served in our Armed Forces in times of war. Their individual sacrifices, selflessly offered, have ensured our common inheritance—our liberty.

On July 4, 1990, the proud people of Oak Hill, OH, will turn their attention to a fallen son whose life and spirit exemplify that most American of themes, bravery in defense of liberty. On Independence Day, Oak Hill will dedicate a memorial to the memory of Donald R. Long, a native of nearby Blackfork, OH, who laid down his life for the men in his Army unit, and for his fellow countrymen back home in America.

Let me tell you about Donald Long. I will cite the text of the Army's official record of his service. In 1966, Sergeant Long was stationed in Vietnam. On June 30 of that year, Troops B and C, 1st Squadon, 4th Cavalry were conducting a reconnaissance mission along a road when they were attacked by a Viet Cong regiment.

When the enemy threatened to overrun a disabled personnel carrier nearby, Sergeant Long disregarded his own safety to help the severely wounded crew to safety. As he was handing arms to the less seriously wounded crewmen and reorganizing them to press the attack, an enemy grenade was hurled onto the carrier deck. Sergeant Long shouted a warning to the crew and pushed to safety one man who had not heard his warning over the roar of battle.

Realizing that these actions would not fully protect the exposed crewman from the deadly explosion, Sergeant Long threw himself over the grenade to absorb the blast and thereby saved the lives of eight of his comrades at the expense of his own life. Throughout the battle, Sergeant Long's extraordinary heroism, courage, and supreme devotion to his men were in the finest traditions of the military service, and reflect great credit upon himself and the U.S. Army.

That is the official account of Donald Long's extraordinary service to country, as presented at a Pentagon ceremony at which he was posthumously awarded America's highest military decoration, the Medal of Honor. Here, surely, was a young American who understood the gravity of his mission as a member of the U.S. Armed Forces. Paying no heed to concerns about his personal safety, Sergeant Long rose to face a stern challenge. That he would offer his life to give fuller value to our own lives bespeaks a commitment to sacred ideals which all Americans, in Blackfork, Oak Hill, and elsewhere should not forget.

We all hope that coming generations will not know the pain and suffering of war, and we should always work to reduce the risk of war and advance the cause of peace. At the same time, we carry the responsibility for reminding all Americans of the bravery which kept the flames of freedom burning in its darkest hours. We do well to remember that it was

through many courageous acts of American heroism, on violent fields of battle, that peace and freedom have been permitted to flourish here and abroad.

On July 4, Oak Hill will celebrate the day which commemorates American Independence. The community will pause in its celebrations to solemnly acknowledge the brave, unselfish acts of men like Donald Long, who answered the call of duty and served with honor. Mr. Speaker, on that day, we, too, should pause to offer our gratitude to this young man, to his family, and to his comrades in arms both living and deceased.

DR. WALLACE STETTLER, CORNERSTONE OF THE COMMUNITY, RETIRES AS PRESIDENT OF WYOMING SEMINARY PREPARATORY SCHOOL

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. KANJORSKI. Mr. Speaker, I rise today to record in the annals of the CONGRESSIONAL RECORD a tribute to a man who embodies the spirit which is the true wealth of our great Nation. Although we often measure wealth by a number of dollars or ounces of gold, the greatest wealth of our Nation is measured in human terms. The success of the United States these past two centuries has been driven by the strength of character of our leaders and the spirit of community fostered by them.

Dr. Wallace Stettler became the ninth president of Wyoming Seminary College Preparatory School on November 1, 1967. Since that time, the coeducational independent school further developed its reputation as one of the outstanding private schools in the Middle Atlantic States.

A native of Philadelphia, Dr. Stettler received his B.A. degree in philosophy and English from Dickinson College, in Carlisle, PA. He later obtained a Master of Divinity degree from Drew Theological Seminary, Madison, NJ. He holds honorary doctorates from King's College and College Misericordia, both located in northeastern Pennsylvania.

He is an emeritus member of the board of Lycoming College in Williamsport, PA and is a member of the board and the executive committee of the National Association of Schools, Colleges and Universities of the United Methodist Church.

In June of 1980, Dr. Stettler was elected to the University Senate by the National Association of Schools, Colleges, and Universities for the 1980-84 quadrennium. He was one of 21 presidents, usually college and university presidents, to be elected by the National Association.

In addition, Dr. Stettler is a member of the board of the Chicago-based Educational Institutions Insurance Administration. He is vice president of the Pennsylvania Association of Independent Schools, and past president of the Boarding School Headmasters Association of the Middle States.

He is trustee emeritus of the board of the Wyoming Annual Conference Administrative Council and the Long-Range Study Committee. He is also chairman of the board of the United Way of Wyoming Valley. As general chairman of the 1984 United Way Campaign, he surpassed the campaign goal by $28,000.

Dr. Stettler is on the boards of the Leadership Wilkes-Barre Steering Committee, Nesbitt Memorial Hospital, and Nesbitt Hospital Foundation. He is an advisory member of the Regional Marketing Committee of the Committee for Economic Growth in Wilkes-Barre.

He came to northeastern Pennsylvania from outside of the area and took over the reins of Wyoming Seminary 22 years ago. He made great strides in developing it physically, academically, and spiritually to the level where its graduates attend the finest colleges and universities in the United States. Since assuming his post, more than $13 million in capital funds have been raised to develop the educational program of the school, including faculty endowment and the improvement of the curriculum.

We can say many great things about the various positions Dr. Wallace Stettler holds in our community. But looking above and beyond these achievements, we can discuss the true value of a man and his relationship with the people whom he serves. He is a minister to his flock, a leader of a great faculty, an administrator of a 150-year-old learning institution, and a shaper of young people's minds, inspiring them to become members of the highest echelons of this Nation. It is in this context that we see the true contribution of Dr. Wallace Stettler.

Dr. Stettler has not only given the students the knowledge and the motivation to develop their personal talents, but he has impressed upon them and the community which he serves the value and the totality of life itself. He is indeed an extraordinary man—possessing skills we tend to believe were characteristic of the Founders of this great Nation.

When Adam Smith wrote "The Wealth of Nations," he surely recognized that all the gold, diamonds, and material riches in the world have little value for a nation if that nation has not developed the character of its citizens. Ours is indeed a wealthy nation for the leadership of men and women like Dr. Stettler, who can take the raw ability of young people and help them develop their talents, refine their values, and educate them to become contributing citizens in our society.

Dr. Wallace Stettler is closing this chapter of his life as president of Wyoming Seminary. However, we, and I speak for all of northeastern Pennsylvania, hope he is not leaving our community, because without his presence and his talented contributions, we would be a poorer area.

As Dr. Stettler has often said, most recently to the graduating class of which my daughter was a member, the values of a good life are really quite simple. In nursery school and kindergarten you learn to hold hands with one another, walk together and care for each other, you do your best, and you follow the basic rules of your religion and of your community. And if we carry these basic lessons of compassion and caring through the course of our lives, we will leave a mark in this world that is evident and clear.

Dr. Stettler obviously not only shared these lessons with his students, but he also practiced what he taught. Through his compassion and his love for his fellow man, he has left his mark not only on Wyoming Seminary, on the Wyoming Valley, and on a good part of Pennsylvania, but most importantly on all of the lives of those who knew him.

It is with distinct honor that I ask my colleagues in the Congress of the United States to join with me in honoring a man that has contributed immeasurably to the wealth of this Nation and his chosen community. I wish him well in his retirement and urge him most sincerely to continue to contribute to the Wyoming Valley so that we all may benefit from this gem among men.

JERUSALEM DAY

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mrs. MORELLA. Mr. Speaker, June 11, 1990, marked the 23d anniversary of the reunification of Jerusalem; 118 leaders in the Greater Washington Jewish community have joined together in a joint declaration of Jerusalem in honor or Jerusalem Day. At their request, I ask that their statement, reflecting the depth and the breadth of their concern for Jerusalem, be included in the RECORD.

DECLARATION ON JERUSALEM

Jerusalem was established by King David as the capital of the ancient Jewish kingdom in the year 1003 Before the Common Era. King Solomon built the Temple in Jerusalem 40 years later, in 963 BCE. That fundamental Jewish event took place 1300 years before the first Christian settlement in Jerusalem (in 300 CE) and 1600 years before the first Muslim settlement (in 638 CE).

Despite the turbulent history of the city, Jerusalem has remained central to Jewish political and religious aspiration for nearly 3000 years. Indeed, there has been a constant Jewish presence in Jerusalem for the entirety of its history, and there has been a Jewish majority in the city since 1844.

Jerusalem was conquered by successive regimes, each leaving a remnant of its religion and culture as part of the city's unique character. But the city remained whole until 1949.

When armistice lines were drawn after the combined attack of Arab armies was defeated by the nascent Israeli state in 1948, the city was divided and remained so for 19 years. During that dark period the government of Jordan denied Jews access to their holy sites, destroyed ancient synagogues and cemeteries, used Jewish grave stones as building blocks for Jordanian army latrines.

Since 1967, when Jerusalem was reunified in the "Six Day War", heroic efforts have been made by the government of Israel to ensure access of all faiths to their holy sites; to strive for ethnic and religious harmony and tolerance; to preserve the unique archaeological and historical significance of the city.

Most important to Jews, Israel's capital was no longer divided; Jerusalem was able to continue the legacy that King David began.

Jerusalem's well known and respected Mayor, Teddy Kollek, most poignantly summarized the centrality of Jerusalem to Jews saying,

This beautiful city is the heart and soul of the Jewish people. You cannot live without a heart and soul. If you want one simple word to symbolize all of Jewish history, that word would be Jerusalem.

We, the undersigned, leaders of Jewish organizations in the greater Washington area, in honor of Jerusalem Day, 5750, declare our support of a politically and physically unified Jerusalem, the capital of Israel. We share with the people of Israel an unshakable commitment to a united Jerusalem under Israeli sovereignty and with open access to all, and we pledge ourselves today to continue and deepen our efforts to maintain Jerusalem's status.

NAME, TITLE, AND ORGANIZATION

Rabbi Gedaliah Anemer, Rabbi, Young Israel Shomrai Emunah Congregation.

Rabbi Andrew Baker, President, Washington Board of Rabbis.

Laszlo Berkowitz, Rabbi, Temple Rodef Shalom.

Gary Bonnett, President, Greater Washington Aliyah Council.

Shoshana Bryen, Executive Director, Jewish Institute for National Security Affairs.

Rabbi Leonard Cahan, Rabbi, Congregation Har Shalom.

Susan Catler, Chair, Washington Area Friends of Histadrut.

Rickey Cherner, President, Louis D. Brandeis District, ZOA.

Robert Chertock, Executive Director, Jewish National Fund.

Naomi Cohen, Executive Director, Congregation Beth El Montgomery County.

Earl Colson, President, Washington Hebrew Congregation.

Rabbi Mark Diamond, Rabbi, Temple Israel.

Luna Diamond, Vice President, National Council of Women.

Joan Dodek, President, Washington Committee for Soviet Jewry.

Ted B. Farber, Executive Director, United Jewish Appeal Federation of Greater Washington.

Herbert A. Fierst, Chairman, Jewish Institute for National Security Affairs.

Rabbi Gary Fink, Rabbi, Osch Shalom Congregation.

Rabbi Lyle Fishman, Rabbi, Ohr Kodesh Congregation.

Sy Freedman, President, American Red Magen David for Israel Capital Region.

Allen L. Gabriel, Vice President, United Synagogue Seaboard Region.

Stephen N. Gell, President, Jewish Community Council of Greater Washington.

Norman Gelman, President, American Jewish Committee.

Rabbi Noah Golinkin, Director, Hebrew Literacy Program.

Rabbi Saul Grife, Rabbi, Mishkan Torah.

Sophie Hoffman, President, Northern Virginia Hadassah.

Rabbi Saul Z. Hyman, Rabbi, Kehilat Shalom Congregation.

Mildred Jacobs, President, Na'amat USA Bilu Group.

Edward H. Kaplan, President, United Jewish Appeal Federation of Greater Washington.

Lester Kaplan, Executive Director, Jewish Community Center of Greater Washington.

Celia Keller, President, Medina Club Na'amai USA.

Rabbi Paul Kerbel, Rabbi, Nevey Shalom Congregation.

Rabbi Hillel Klavan, Rabbi, Ohev Sholom Talmud Torah Congregation.

Sheldon H. Klein, President, International Assoc. of Jewish Lawyers & Jurists (DC).

Rabbi Herzel Kranz, Rabbi, Silver Spring Jewish Center.

Eric Land, President, P.G. County Jewish Alliance.

Sheila Lebowitz, President, Greater Washington Area Hadassah.

John F. Lippmann, President, Mid-Atlantic Council, UAHC.

Milton Loube, Commander, Jewish War Veterans of MD Post 567.

Rabbi Jack Luxemburg, Rabbi, Temple Beth Ami.

Rabbi Jonathan Maltzman, Rabbi, Congregation Beth El Montgomery County.

Rita Margolis, President, Jewish Genealogy Society of Greater Washington.

Jane Merkin, Executive Director, American Jewish Congress (DC).

Ronald Merrill, President, Temple Sinai.

Arna Mickelson, Executive Director, D.C. Jewish Community Center.

Rabbi Avis Miller, Rabbi, Adas Israel Congregation.

Rabbi Jack Moline, Rabbi, Agudas Achim Congregation.

Joseph Muchnick, Vice President, American Red Magen David for Israel.

Ruth Newman, Executive Director, Washington Committee for Soviet Jewry.

Maran Ostchega, Executive Director, Bethesda Jewish Congregation.

Baback Panahbarhagh, President, Jewish Student Union-University of Maryland.

Rabbi Seymour M. Panitz, Rabbi, Hebrew Home of Greater Washington.

Eleanor Pearl, Chairman, NoVa Jewish Coalition.

Babette Pitt, President, Na'amai USA—Greater Washington Council.

Rabbi Phillip Pohl, Rabbi, Congregation B'nai Shalom.

Fred Roberts, President, B'nai B'rith National Capital Association.

Arnold Rome, President, Temple Solel.

Dr. Leonard L. Rosenbaum, President, B'nai B'rith Habirah Unit #5040.

Bert Seidman, Chairman, Jewish Labor Committee Washington DC Chapter.

Jack Serber, President, ZOA Potomac Region.

Irving Slott, President, American Jewish Congress, Suburban Maryland Chapter.

Rhoda Stein, President, Old Dominion Unit B'nai B'rith.

Mike Stein, President, Virginia State Assoc. of B'nai B'rith.

Moshe Teichman, Executive Director, Beth Sholom Congregation.

Alvin Temin, President, B'nai B'rith Brotherhood Lodge.

Murray Tenenbaum, Executive Director, Jewish Community Council of Greater Washington.

Rabbi Joseph P. Weinberg, Rabbi, Washington Hebrew Congregation.

Rabbi Stuart Weinblatt, Executive Director, Louis D. Brandeis District, ZOA.

Stuart Weiss, President, ARZA-Association of Reform Zionists of America.

Rabbi Jeffrey Wohlberg, Rabbi, Adas Israel Congregation.

INDIVIDUAL SIGNATORIES

Marilyn Abel, Rabbi Marvin I. Bash, Douglas Bloomfield, Shirley Blumberg, Cynthia Brilliant, Shalom Brilliant, Frank Buckley, Sidney Chazen, David Davidson, Gloria Derkay, Rabbi Richard Dier, Linda Eisinger, Solomon Feldman, Morton Frank, Mitchell Frankel, Paul Frommer, Marlene Gorin, Ester Goldberg, Norman Goldstein, Rabbi Noah Golinkin, Rabbi Oscar Groner, Anne Kalikow, Irving Kalikow, Roslyn Klein, Phyllis Kliman.

Albert Kliman, Evan Krame, Melvin Lewis, Mark Mellman, Rose B. Mensh, Sydney Mensh, Maurice S. Meyer, Harris Pitlick, June Rogul, Ruth Rosenberg, Israel Rotkin, Portia Rotkin, Dr. Emanuel Stadian, Michael Eric Siegel, Samuel H. Sislen, Irwin Stein, Lois Slott, Ruth Temin, Elsie Trombka, Joseph H. Tudor, Marcia Weinberg, Bernard S. White, David Zaltas, Sheri Zweig.

NATIONAL ASSOCIATION OF WOMEN BUSINESS OWNERS HONORS KATHLEEN GOLDSTEIN

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mrs. BENTLEY. Mr. Speaker, on May 22 I had the pleasure of attending the National Association of Women Business Owners [NAWBO] Woman of the Year Dinner.

This year's recipient was Kathleen Goldstein, of Griffin, Ltd. Kathleen's long list of achievements is truly remarkable. Kathleen has worked hard on both a local and national level as an active member of NAWBO. Among her accomplishments, she has served as a delegate to the White House Conference on Small Business and was the 1989 SBA advocate of the year and received the Woman in Business Advocate Award the same year.

Currently, Kathleen is a subcontractor to Westinghouse and many other large corporations. Without a doubt, Kathleen serves to personify the important and continually growing role of women-owned businesses throughout our Nation. Unfortunately, we have been slow to recognize the vital role women-owned businesses play in our Nation's economy, defense, and trade. Today, women-owned businesses are increasing in numbers faster than any other group and by the year 2000 will represent 55 percent of our Nation's businesses.

As you are aware, the welfare of our Nation is one of my primary concerns not only because of my job as a U.S. Representative, but also as a concerned citizen. We must realize that we are not only seeing a loss of jobs and loss of productivity, but a transfer of technology and loss of ability and expertise as well. A loss of ability and knowledge to perform even the most basic tasks is perhaps what is more frightening than a simple loss of productivity.

We should all make it our concern that this does not happen or else, we may find that future generations will have to relearn what was at one time common knowledge. Today we are moving closer and closer to a service economy, by no means can we sacrifice completely our Nation's remarkable accomplishments in industry. Indeed, this should not only be a concern associated with only one gender, but one shared by everyone.

The wealth and well-being of our Nation depends upon each and everyone of us. When I see the professionalism and accomplishments

of such individuals as Kathleen Goldstein, I have no doubt that this Nation will prosper from those who share her commitment to excellence. The work of the National Association of Women Business Owners and their Woman of the Year, Kathleen Goldstein, truly deserves special recognition.

Kathleen Goldstein is a shining example of the fortitude of character which made our Nation so great. Unfortunately, we tend to judge individuals by their monetary or material wealth rather than their wealth of character. Those who are truly successful cannot be judged by their material gains, instead their success is apparent through their personal and professional accomplishments. Material wealth can be derived from a variety of sources; however, personal and professional wealth can only be derived from one source, that of the individual.

Mr. Speaker, my fellow colleagues, I sincerely wish to congratulate Kathleen Goldstein on her recognition as Woman of the Year by the National Association of Women Business Owners. Her accomplishments are truly commendable and exemplify the professionalism and ability of the women-owned businesses throughout our Nation.

PETER F. CATELLI: A LIFETIME OF SERVICE

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. DWYER of New Jersey. Mr. Speaker, on June 22, 1990, the VFW Sgt. John B. Egan Post No. 663 of Perth Amboy will be honoring one of its members, Peter F. Catelli.

Mr. Catelli has lived a life of dedication and service, both to his country and his community. Born and raised in Perth Amboy, NJ, he enlisted in the U.S. Navy in 1943. He served in the Atlantic theater of operations, participating in the invasion of southern France; and, later serving aboard one of the escort ships carrying President Roosevelt to the famous Yalta meetings.

Mr. Catelli was sent to the Pacific, where his ship was involved in the preparations for a Japanese invasion, which thankfully was averted when the Japanese surrendered.

After leaving the Navy, Mr. Catelli returned to Perth Amboy and became a member of the Perth Amboy Police Force, where he became a leader in the fight against drugs and worked with the young people to reduce incidences of juvenile delinquency throughout the city. At the time of his retirement, Peter Catelli, was one of the most admired members of the police force in the city. The esteem in which he was held was evident when upon retirement, he was made a director at the police academy training new recruits.

Throughout his career with the police department, Peter Catelli was also very active with the VFW, joining in 1945 when he left the Navy. He has served in various positions in the VFW, including commander of Post 663 and was appointed convention director in 1972 by the State commander.

His involvement in the community through his participation in service organizations, such as the Elks, the Knights of Columbus, and local political organziations has spanned many years; and the numbers of people whose lives' he touched are countless.

Peter Catelli's life has been one of commitment to personal ideals of service to others. He shows us that there is always time to help someone else; and, in this, he is an example to us all.

IN HONOR OF BRIG. GEN. KENNETH E. EICKMANN'S PROMOTION

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. FAZIO. Mr. Speaker, I rise today to recognize Brig. Gen. Kenneth E. Eickmann, who was promoted to that rank on May 25, 1990 at McClellan Air Force Base in California. His distinguished and continued service makes him a great asset to the U.S. Air Force and to our Nation.

A graduate of the University of Texas with a bachelor of science in mechanical engineering and the Air Force Institute of Technology with a master of science in systems engineering, his professsional military career has spanned 23 years.

He received his commission on June 3, 1967 through the Reserve Officer Training Corps at the University of Texas where he held the position of cadet corp commander. After receiving his master's degree, General Eickmann reported to Chanute Air Force Base in Illinois as an instructor in the maintenance analysis branch of the technical training center. He was later assigned to Kelly Air Force Base in San Antonio, TX where he served as a reliability/maintainability engineer on the F-106 and C-5 aircraft. In July 1973, he became the aide to the commander of the San Antonio Air Logistics Center. In December of 1974, he was reassigned to Air Force Logistics Command at Wright-Patterson Air Force Base in Ohio. There he served as a development engineer in the Maintenance Technology Division of the Office of the Deputy Chief of Staff for Maintenance. Within 6 months, General Eickmann was promoted to the position of Executive Officer within that division. His service at Wright-Patterson continued with his reassignment to the Office of the Deputy Chief of Staff for Logistics Operations, Air Force Logistics Command, serving as the Director of Propulsion Systems On-Condition Maintenance Programs.

After attending Air Command and Staff College at Maxwell Air Force Base in Alabama, General Eickmann returned to Kelly Air Force Base as Chief of Engineering Support for the Directorate of Special Weapons. In March 1979, he was reassigned as the F-100 engine systems manager. In 1981, he assumed the rank of Colonel, the youngest officer ever to achieve that rank during peacetime. He then obtained further training at the Industrial College of Armed Forces, National Defense University at Fort Leslie J. McNair, in Washington, DC. Upon graduation, he was assigned to the Pentagon as Deputy Chief of the Logistics Concepts Division, Directorate of Logistics Plans and Programs, Office of the Deputy Chief of Staff for Logistics and Engineering. On March 1, 1983, he was promoted to Chief of the Weapons Systems Division.

General Eickmann's illustrious career continued when, later that year, he was selected to be the principal military advisor to the Assistant Secretary of the Air Force for Research, Development, and Logistics. After serving in that office until June 1985, he was reassigned to the San Antonio Air Logistics Center as the Chief of the Propulsion Management Division. With the reorganization of the division, he became Chief of Fighter Propulsion Systems Division, Directorate of Material Management.

General Eickmann's many military decorations include the Legion of Merit, the Meritorious Service Medal with two oak leak clusters, and the Air Force Commendation Medal.

Throughout his two decades of service to the U.S. Air Force, General Eickmann has been a great asset to the Air Force and this Nation. Not only is he an exemplary officer, he is also a devoted father and husband. His three children are all outstanding scholars and athletes. I wish to extend my congratulations to General Eickmann on his promotion and wish him all the best in his future military career.

UNITED STATES-MEXICO FREE TRADE AGREEMENT

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. UDALL. Mr. Speaker, today I am introducing a resolution concerning the negotiation and enactment of a United States-Mexico free trade agreement. For some time, I have felt that unilateral solutions to the problems our two countries face will ultimately fail. The problems we face today—drugs, illegal immigration, poverty—do not respect artificial borders.

It is no different with our respective economies. It is foolhardy to believe that somehow we can ignore each other and still prosper. The simple fact is that our two countries need each other and as international economic competition heats up, that dependency will likely grow. It had been assumed, however, that a free trade agreement would not soon be possible because the bulk of Mexicans would not support an alliance with the United States. Given our common history this stance is hardly surprising. This conventional wisdom did not take into account the leadership of President Salinas.

In the 18 months since President Salinas has taken office, Mexico has been given a dose of strong medicine. In light of the intransigence of our own budget negotiations consider what President Salinas has done: Ended the restriction on foreign investment, put state-owned enterprises on the block, denationalized the national bank, eliminated import substitution, cut Mexican tariffs from 100 to 20 percent, and removed licensing requirements for a whole array of imported products.

These steps represents a fresh approach for Mexico, one started by President de la Madrid in joining the GATT. No longer will Mexican industries be protected by the Government. Rather the Government will seek to put the country on a sound economic foundation which will allow Mexican businesses to compete with others around the world.

The Salinas initiatives have reaped tremendous benefits. Mexican inflation peaked in 1987 at 160 percent. The current rate stands at only 20 percent. In 1988, Mexico ran a trade deficit with the United States of some $2.6 billion in goods and products. One year later, Mexico ran a $2.2 billion surplus.

I believe President Salinas deserves our congratulations for his bold leadership. He has turned the Mexican economy on its head and has convinced those most opposed to this change of the wisdom of doing so. He has faced the challenge thrown down by the last election and has taken on the task of improving the lot of the Mexican people not by protecting them but by exposing Mexican business to the demands of international competition.

It is therefore fitting that the United States and President Bush take some step of equal measure. That step, as the President correctly noted, is the establishment of a free trade agreement between our two countries.

I have supported the concept of a free trade agreement for some time. Having seen the wisdom and economic benefits of dropping trade barriers between our country and our Canadian neighbors to the north, I believe it is time to look south.

Last year total trade between our two countries exceeded $51 billion, with the United States exporting nearly $25 billion of goods to Mexico. Mexico ranks as our third largest trading partner behind Japan and Canada. Given this vital stake in our economy, we ignore this important ally.

Early in the 101st Congress, I was pleased to join with my Arizona colleague, Representative JIM KOLBE, to support House Concurrent Resolution 59, which he introduced to encourage the President to start such negotiations with the Mexican Government. However, in light of a meeting last week I felt it important to note the tremendous economic progress Mexico has made under President Salinas.

The resolution has two simple but important provisions. First, it congratulates President Bush and President Salinas for the talks held earlier this month. Second, it urges President Bush and the administration to move expeditiously toward the formation of a trade agreement.

It is my hope that the President, Ambassador Hills, and Secretary Mosbacher will work quickly, closely, and carefully with President Salinas to develop a pact in which our countries can improve the strength and diversity of our economies through fair and friendly competition.

TRIBUTE TO RUTH TINKHAM

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. ATKINS. Mr. Speaker, I would like to take this opportunity to recognize and honor Ruth Tinkham, an outstanding volunteer from Concord, MA.

For the past 10 years, Ruth Tinkham has been volunteering her time and talents at the Alcott School in Concord. It is here that "Aunt Tink" provides tutorial instruction, skill reinforcement, and a great deal of caring and understanding to the first and second grade youngsters with whom she works. Along with this instructional guidance, the children fortunate enough to be involved with Mrs. Tinkham also receive a "living history lesson" through her marvelous storytelling abilities.

Relying upon her 94 years of wisdom and experience, Mrs. Tinkham brings history to life for the children with her stories about the world when she was their age. Children sit enthralled at her knees as she tells about the deermouse who spent the winter eating the nuts in her cupboard, or about her ancestor who came over on the *Mayflower*. In addition to providing a delightful window into the past, many of "Aunt Tink's" stories also carry with them a decidedly moral dimension, showing the importance of hard work, cooperation, polite manners, and helping others; values which are all too often lacking in today's world. In this manner, Mrs. Tinkham serves as an exceptional role model for the children in her classes.

The first and second graders at Alcott School are not the only ones, however, with something to learn from "Aunt Tink." Mrs. Tinkham wants others to be motivated by her role as a volunteer and the pleasure she receives from working with young people. Her selfless devotion to the children she is involved with serves as an inspiration to all of us. The higher levels of academic performance that have been observed in the children with whom she works clearly demonstrates the fact that an individual can indeed make a difference. Furthermore, it can be seen that Mrs. Tinkham's volunteer activities serve to shatter age stereotypes. The fact that she continues to be productively active well into her ninth decade is certainly admirable and inspiring.

I believe that America could use more individuals like "Aunt Tink." The love and patience which are her hallmarks represent an approach we all could learn from. Her work with children, our Nation's most valuable natural resource, is eminently worthwhile and valuable. Indeed, as a friend, teacher, and role model, the importance of Mrs. Ruth Tinkham's contribution cannot be overstressed. The children of America are the future, for me, for you, for the entire country. Mrs. Tinkham realizes this, and is doing all that she can to guarantee that the future is a bright one. For that, we are all grateful.

Mr. Speaker, I am proud to recognize Mrs. Ruth Tinkham for her years of dedicated volunteer work with the children of Alcott School in Concord, Massachusetts. "Aunt Tink," we applaud you and wish you all the best.

INDEPENDENT COUNSEL TO FURTHER INVESTIGATE THE S&L SCANDAL

HON. D. FRENCH SLAUGHTER, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. SLAUGHTER of Virginia. Mr. Speaker, the citizens of the Seventh Congressional District, like the overwhelming majority of American taxpayers, are outraged, as they should be. I also share their frustrations. Over the last several weeks we have learned of the rising cost of the savings and loan restructuring plan, but have yet to see the full prosecution of those responsible for the scandal.

In testimony before the House Judiciary Committee, the Assistant Attorney General for the Department of Justice maintained that prosecution and recovery of costs was a top priority. However, the testimony also reflected the difficulties they have encountered implementing the Financial Institutions Reform Act. The number of cases filed against failed or insolvent savings and loans and the wrongdoers associated with them, and the amounts of money recovered are shockingly low.

I supported the enactment of the financial institutions reform bill believing that we drafted a good, comprehensive proposal despite the time constraints and complexities presented by the insolvency of the savings and loan industry. Nevertheless, the implementation of this new law has been unsatisfactory. The American taxpayers we represent deserve better.

I have, therefore, joined a number of my colleagues in cosponsoring the resolution proposed by Representative PETER SMITH to urge the appointment of an independent counsel to investigate this situation thoroughly. I believe this measure would provide the means for the Congress and the American people to understand fully the scope of this problem, and bring about the necessary prosecution and conviction of fraudulent officials and bank executives.

Further, I recently supported efforts during consideration of the Department of Justice authorization by the Judiciary Committee to provide the Justice Department with adequate resources, including a sufficient number of investigations and prosecutors. The backlog of referrals from the Resolution Trust Corporation and the growing number of pending cases indicate that available resources must be utilized to bring this situation under control.

The time to get serious about the savings and loan debacle has long since passed. I urge my colleagues to push for the full implementation of the civil and criminal penalties title of the Financial Institutions Reform, Recovery, and Enforcement Act. Further, I urge my colleagues to support appointment of an independent counsel to further investigate the S&L scandal.

FLAG PROTECTION AMENDMENT NECESSARY AS LAST RESORT

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. McMILLEN of Maryland. Mr. Speaker, the recent Supreme Court ruling overturning the Flag Protection Act passed by Congress last year has supercharged the debate surrounding the desecration of the American flag. The decision is all the more controversial since it came on the eve of Flag Day. Speaker of the House of Representatives THOMAS FOLEY has promised a vote in the House within the next 30 days on whether to pass an amendment to the Constitution giving special protection to Old Glory. It would be preferable to be put in this situation at a time when many pressing matters are pending before the Congress. Nonetheless, when that vote occurs, I will vote in favor of that amendment and would like to take this opportunity to explain my reasons.

First, the flag is a unique American symbol, which deserves special protection. It is an extension and property of the National Government and, therefore, the property of all Americans. Just as it is illegal to desecrate the Lincoln Memorial, also Federal property, it should be against the law to burn the flag.

I would have preferred not to have to vote for a constitutional amendment, but rather, craft a bill which could stand up to a Supreme Court challenge. For example, European law extends moral rights to works of art against descecration. If one owns an original piece of art, such as a Rembrandt painting, regardless of the owners title, he or she could not destroy the painting because of its value to society as a work of art. The flag should enjoy similar protections because of its value to American society.

Second, I do not accept the argument that prohibiting the burning of the flag is a violation of the first amendment protections for free speech. We are not a nation like China that murders those who dissent from our Government. There are ample avenues available to any individual to protest the actions of our Nation. Thre is no need to trample on the very symbol of our freedom and democracy.

Moreover, by allowing the mutilation of the flag, I believe the Supreme Court is taking too far the definition of free speech. The Founding Fathers were very careful in choosing their words for the Constitution—they did not write the first amendment to provide for an unlimited freedom of expression. While I agree that our Government should allow a great deal of latitude for individuals to freely express themselves in a variety of mediums, I do not believe that burning the flag should be one of them. Laws already exist restricting various forms of expression for many reasons. A common restriction is for reasons of obscenity, which the Supreme Court has ruled can vary depending on the prevailing morals of a community. Just as displaying pornographic photos in public is prohibited by law, the desecration of the flag should be illegal, either by law or constitutional amendment.

Finally, many argue that this flag protection amendment should not be adopted simply because we should never tamper with the Constitution. The Founding Fathers obviously felt no inflexible reverence for the document they wrote, since the passed they first 10 amendments, the Bill of Rights, before the ink was dry on the original documents. Since then, 15 amendments have been adopted by the necessary two-thirds votes of both Chambers of Congress and three-fourths of the State legislatures. The debate should revolve around the issue at hand—burning the flag—not around the sanctity of the Constitution. If this amendment is not worthy of adoption, then let it be voted down on the merits of the issue.

I do not relish the option of amending the Constitution. Frankly, I think the five Supreme Court Justices strenuously objected, I am not alone in my belief. But, given these circumstances, we have no choice but to pass a constitutional amendment. The alternative is to allow individuals to mutilate the flag at will for whatever cause without penalty—a possibility that I know many Americans, including myself, could not tolerate.

HELMUTH NAUMER

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. RICHARDSON. Mr. Speaker, New Mexico's art community has lost one of its founders with the passing of Helmuth Naumer. He died at his home near Santa Fe last weekend at the age of 82.

A painter of Southwestern landscapes, he is probably best known for a series of colorful scenes of Pueblo communities created in the 1930's under the Works Progress Administration. These are currently being displayed at Bandelier National Monument in the first such exhibit by the National Park Service.

Naumer loved to work in chalk pastels to reproduce the breathtaking colors of New Mexico's land and sky. A favorite subject was the Canoncito Church, which he drew from every angle and in every light.

Naumer, a native of Germany, fell in love with the idea and later the reality of the American West. He came to Santa Fe in 1926 at the age of 19, married a native of Pecos and raised four children at his Rancho San Sebastian. He was a close friend to many other legendary figures of the early art scene of the area.

His paintings are included in many museum and private collections, including the New Mexico State Art Museum, the Albuquerque Art Museum, the Oakland Art Museum, and the Wichita Art Institute.

Mr. Speaker, the small art colony that sprang up in northern New Mexico so many years ago has evolved into a multimillion-dollar industry which sets worldwide trends in artistic expression. But while we welcome the new blood and fresh ideas, I ask my colleagues to join with me today in mourning the passing of one of the few remaining representatives of an exhilarating time that is gone forever.

SECTION 89: IT'S BACK

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. GEKAS. Mr. Speaker, much to my shock and consternation, I have recently discovered that the battle against the onerous section 89 provision is not done. While it seemed that this misdirected provision was killed once and for all when its repeal became law last November, it now seems that it may be revived in the conference committee on H.R. 3, the child care legislation.

Just to refresh your memory of this onerous provision included in the 1986 Tax Code, section 89 was a provision mandating that companies provide all employees with equivalent benefits, such as health coverage. Under section 89, the only acceptable proof was a burdensome and costly set of reporting requirements that would simply be a noose around the neck of small business. While well-intentioned, the specifics of the law and its implementation would have caused burdens that were completely inconsistent with its goal. Once small and medium-size businesses across the country ascertained the implications of section 89, Members were delunged by mail and phone calls from business owners, their accountants and employees.

Starting in the spring of 1989, I joined many of my colleagues in actively seeking a vote on the provision. On May 24, 1989, I went to the Rules Committee asking them to allow the House to vote on the repeal of section 89. Failing to get the approval of the Committee on Rules, I attempted a parliamentary move to allow the House a chance to vote on repeal. While that attempt lost by a mere seven votes, it focused the eyes of the Congress and the business community on the complete dissatisfaction with section 89 and the strength of the repeal effort. My next step was to file a discharge petition on May 31, 1989, to bring to the floor of the House H.R. 634 which called for the repeal of section 89 and already had 300 cosponsors. On July 7, 1989, the House passed a measure barring the Treasury Department from enforcing section 89 in fiscal year 1990; that measure, the Treasury, Postal Service and General Government Appropriations Act, passed the Senate on August 4. In September, the House adopted an amendment 390 to 36, calling for repeal as part of the deficit reduction bill, H.R. 3299. Finally, after a long and sometimes uphill battle, outright repeal was included as an amendment to House Joint Resolution 280, which increased the debt ceiling and became law on November 8, 1989. Now, this confusing and expensive regulation is back! On June 7, 1990, House child care conference Members accepted Senate section 89 language in the child care bill.

Tomorrow, I plan to introduce a motion on the floor to instruct the conferees to disagree to the section 89 language in the Senate amendment. I ask for my colleagues support for this motion, the language of which is as follows:

Mr. Speaker, I offer a motion.

Mr. GEKAS moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 3 be instructed to disagree to subtitle B of title II of the Senate amendment.

Let's put a stake through the heart of this bureaucratic zombie truly once and for all.

A TRIBUTE TO THE WATTS HEALTH FOUNDATION

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. HAWKINS. Mr. Speaker, I rise today to offer tribute to an organization founded in the 29th District of Los Angeles which has proven itself an invaluable asset to that community. The Watts Health Foundation has achieved success in providing health care to all people regardless of race, color, creed, national origin, or economic status.

The residents of south central Los Angeles have benefited from the services of the Watts Health Foundation since it inception in 1966. It was created in response to the civil disorder of 1965 in an effort to address long neglected needs of the south central L.A. community.

I would like to take time now to salute the people who help make this worthwhile organization possible. The following members of the Watts Health Foundation Board of Directors provide leadership and support for the foundation's programs and services: Benjamin N. Wyatt, Esq., chairman; Edna F. Guillary, first vice chairperson; Walter W. Davis, second vice chairperson; Lou Mitchell, recording secretary; Beulah C. Patterson, corresponding secretary; Brainard C. Simpson, CPA, treasurer; Vicente R. Bonilla, sergeant at arms; Welton L. Irving, parliamentarian; Leonard Lovett, Ph.D., chaplain; Wayne-Kent A. Bradshaw; Edna F. Briggs; DPA; Gilbert A. Fernandez; Mary Franklin; Arthur B. Hall; Alice Harris; Joseph W. Hayward; Freita S. Johnson; Angel Mendoza; Frank Sotelo; and Paula L. Woods.

These citizens play a pivotal role in our community. They are attorneys, business people and health professionals. They are teachers and parents with busy lives of their own, yet all remain dedicated to providing services which will benefit the community at large. Some are retired yet choose to devote their time working for the good of those less fortunate. They all serve on advisory committees and task forces as part of their commitment to the foundation. It is clear that the role that each board member plays is vital to all members of the south central community and beyond.

In providing health care to over 120,000 people each year this nonprofit organization offers services in the following areas: United Health Plan, Watts Health Center, United Health Plan MedCenter/Compton, House of Uhuru, Uhuru Counseling Center, Geriatrics & Homebound Services, Preventive Health Services, Homeless Health Care Program, and Watts/Jordan School-Based Health Clinic. The foundation has grown over the years from a demonstration project and neighborhood health center serving only the community of Watts to a nationally recognized health enterprise offering a broad range of innovative, cost effective, high-quality health care services.

Today, I salute the board members of this foundation for their untiring efforts and acknowledge, with thanks, the contributions they continue to provide.

A CELEBRATION OF EXCELLENCE

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. SCHAEFER. Mr. Speaker, I rise today in tribute to Bear Creek Elementary School located in Lakewood, CO. This outstanding group of students, parents, teachers, and administrators have recognized that, without the commitment and involvement of parents, our educational system will be mediocre at best. As a result of their innovative programs and old fashioned hard work, Bear Creek Elementary has become an excellent role model for all schools in the area of parental involvement programs.

When I came to Congress in 1983, one of the first items that crossed my desk was a National Commission on Excellence in Education report indicating the altering state of American education. Student achievement scores were dropping, 75 percent of participting foreign countries out performed U.S. students in science and reading comprehension, 27 million adults were functionally illiterate, 1 million youngsters from ages 12 to 17 couldn't read. For a nation where quality education for all citizens is a basic tenet, these were particularly frightening statistics.

As I respond, by instituting an educational task force in my district, I found members of the community—parents, teachers, administrators, business people, and government officials—eager to delve into the problem and come up with creative ideas and viable solutions to the problems examined. From these discussions a pattern emerged. Involvement equals educational excellence. Involvement, especially on the part of parents, is the crucial factor to increasing the quality of education in our schools.

Bear Creek Elementary School is exemplary of the mutually beneficial relationship parents and schools may develop toward a common goal—in this case, increasing the abilities, interest, and achievement of the students. Their innovative method of contracting between parents and the school has helped clarify roles and set out guidelines to eliminate any ambiguity of responsibilities.

A real desire for change, coupled with the unwavering commitment and involvement of the community, is exactly the catalyst we need to elevate the quality of education in Colorado to the highest level of excellence. Again, I applaud Bear Creek Elementary School's "celebration of excellence" and I am pleased to point out the real winners emerging from these creative efforts—the children.

THE POSTAGE STAMP TAX

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. FORD of Michigan. Mr. Speaker, the pressure to find ways to solve the budget deficit continues to build. Although the formula for cutting the deficit is rather simple—raise revenues or cut spending, or both—neither course of action is very popular. Each of these actions represents a direct hit on someone's pocketbook. One way to avoid the public's wrath is to target something that can achieve deficit reduction without directly impacting one's purse. In the past few years, one such target has been the Postal Service.

In the Omnibus Budget Reconciliation Act of 1987, the Postal Service was a big target and was required to pay, over 2 years, more than $1.2 billion to the U.S. Treasury. To achieve the savings required under the legislation the Postal Service cut services and severely curtailed its capital building program. The devastating impact of these actions led to the realization that as long as the Postal Service remained an on-budget entity, its revenues, which are not derived from taxes, would continue to be an easy target for financing deficit spending elsewhere.

Mr. Speaker, simply stated, it is much easier to require the Postal Service, which receives no tax support for its operations, to make payments to the Treasury than to take the more difficult action of making true cuts in the Federal budget. For this reason, Congress determined that the removal of the Postal Service from the Federal budget was deemed the only way to prevent similar future hits on the Postal Service. On September 12, 1989, by an overwhelming margin of 405 to 11, the House voted to remove the Postal Service from the Federal budget. This action was later incorporated into the Omnibus Reconciliation Act of 1989.

It should be noted that when the Postal Service received off-budget status, all indirect subsidies attributable to annuitant COLA and health insurance costs were required to be absorbed by the agency. This is being accomplished over several years in a prospective manner and no further subsidies remain to be paid.

Again this year the Congress and the administration face the difficult task of meeting the deficit reduction target. Again this year it remains unpopular to raise taxes or make real cuts in spending. Again it is easier to find an indirect target. I know my colleagues have already seen where this is going. The Postal Service is once again in the crosshairs of some of the budget cutters.

Mr. Speaker, there is a limit. This time it must stop. There is simply no valid justification to take another dime from the Postal Service. There are no further outstanding indirect subsidies to be paid and any further charges to the Postal Service would represent a hidden tax on the American postage ratepayer. If we must raise taxes, let us do it openly and not through an increase in the price of stamps.

IN HONOR OF FRANK A. ADAMO, JR.

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. ENGEL. Mr. Speaker, it is with great pleasure and admiration that I rise today to pay tribute to Frank A. Adamo, Jr., who is to be honored by the Yonkers, New York-based Congress of Italian American Organizations [CIAO] on Friday, June 22, 1990. Mr. Adamo has distinguished himself as a tireless and devoted worker for the Yonkers community. Through his dedication to his family, church, community, and business, Mr. Adamo has served as an exemplary member of the city of Yonkers.

Frank A. Adamo, Jr. is a longtime resident of Yonkers. He attended Yonkers Public Schools and received a bachelor's degree from New York University and a master's degree from Columbia University Teachers College. A dedicated public servant for over 30 years, Mr. Adamo has achieved a distinguished record in both public and community service.

First elected to the Yonkers Common Council in 1963, he was reelected to four consecutive terms by unprecedented pluralities. His tenure as a city councilman was distinguished by his election by his colleagues to the posts of majority leader and vice mayor. At that time, Mr. Adamo was the youngest vice mayor serving a city in the United States. He has also distinguished himself with his long tenure as majority leader.

Frank Adamo has remained active in political affairs up to the present. In addition to serving his community in various functions, he has worked on the national level and, most recently, he was invited to the White House in 1987 by former President Reagan to participate in a conference dealing with United States-Latin American policy.

Presently, Frank Adamo serves as 12th grade dean of students at Saunders High School. Mr. Adamo's dedication to education is exemplified by his service in numerous capacities with the Yonkers Board of Education for more than 30 years.

Mr. Adamo's involvement in his community is evident also in his wide and varied business background. He is the sole proprietor of Adam Bennett Associates, the exclusive caterer at the Italian City Club. He also served as a member and elected official of Local 178, Hotel and Restaurant Employees Union.

Frank Adamo has achieved a lifelong record of service to his community. His dedication to organizations as an officer or member include: immediate past president/delegate, Congress of Italian American Organizations [CIAO]; UNICO delegate; member, Enrico Fermi Scholarship Fund; member, Coalition of Italian-American Organizations, Sons of Italy, Columbia Republican League; past vice president, Yonkers League for Retarded Children; parade chairman, 1965 Columbus Day Celebration Committee; chairman, Ninth Ward Heart Committee; general chairman, Yonkers Heart Fund, Rauso Post, AMVETS, NYS Coaches Association, East Yonkers Rotary Club, Kimball Crest Taxpayers Association. Most recently, Mr. Adamo chaired the Westchester Italian Heritage Day Celebration for 3 years and is a member of the Tri-State Italian American Congress.

And yet with all his dedication and service to others, Frank Adamo has never forgot or neglected his family, his wife, Patricia, and his two children, Laura Louise and Frank III.

Mr. Speaker, I am proud to join in paying tribute to this exceptional man. Frank Adamo is one of those outstanding few who truly make a difference in society. We owe him a great deal for the service and dedication he has given to the Yonkers community. I extend my best wishes to him on this special occasion.

THE FLAG ISSUE IN PERSPECTIVE

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. STUDDS. Mr. Speaker, the recent Supreme Court decision on the flag and upcoming congressional votes on a constitutional amendment has prompted a flurry of editorial opinions on the subject. Three daily newspapers that cover my district, the Standard-Times of New Bedford, the Cape Cod Times, and the Patriot Ledger of Quincy, as well as the Enterprise, a triweekly newspaper published in Falmouth, MA, have recently written on the topic. They accurately have described the political backdrop against which this issue is being played, and have made eloquent arguments against tampering with the Constitution to address a problem that simply does not exist. I commend these editorials to all of my colleagues for their consideration.

[From the New Bedford Standard-Times, June 12, 1990]

ADD FLAG-BURNING TO THE LIST OF POINTLESS AMERICAN DISPUTES

Stock prices dipped sharply on the Common Sense Exchange Monday in anticipation of the political reaction to the Supreme Court's decision on burning the American flag.

The value of public discourse is bound to nosedive now that the court has decided, 5-4, that banning flag-burning is a restriction of free speech rights prohibited by the First Amendment. While the drug dealers take over the cities, while the savings and loan scandal loots the national treasury, while half the high school students in the United States can't locate the United States on a map, we'll be busy for the forseeable future arguing about flag burning.

President Bush, who really knows better than all this, implied in a Rose Garden question-and-answer session that he would press for a constitutional amendment. He said he knew right from the start that the law passed by Congress wouldn't hold constitutional water, so we have to go back and tinker with the Bill of Rights for the first time in our history.

And all of this is to "solve" a problem that really doesn't exist in the first place. How many people do you know who hate this country so much that they'll go out and burn an American flag in protest (and that's what it is, protest)? Does an epidemic of flag-burning threaten this nation's existence? Would giving the flag the status of a secular religious icon prove or improve anything? Will the flag-burners out there, all nine of them, suddenly respect the flag any more once the Constitution is rewritten? Will the non-flag-burners feel any safer without the option of changing their minds if they felt the nation took a wrong turn?

Of course none of this will matter, since it is so easy to challenge somebody's patriotism, to cloud a political campaign and avoid talking about things that really matter.

And so, as Japan presses ahead with the 64-megabyte computer chip that puts us five years behind in the race for desktop "supercomputers," as domestic automakers close more plants, as the savings and loan scandal spreads its tentacles into every corner of economic life, we'll argue about flags. That, and we'll go around arresting people for writing and singing rap songs with dirty words in them. We'll make this country clean again, if not safe, and wholesome, if not whole.

Is there no one in a position of power and authority willing to stand up and attempt to put a stop to this nonsense? Or are our leaders so impotent and so fearful of addressing real issues in creative and courageous ways that they have to dish out the flag-burning "problem" to keep us distracted? At the moment, that appears to be the case. The most manipulative and least valuable part of the last presidential campaign is coming back to haunt us, not every four years, but constantly, endlessly—a dose of political narcotic that has become an addiction.

[From the Cape Cod Times, June 14, 1990]

THE FLAG, AGAIN

The U.S. Supreme Court this week slapped down the ill-conceived flag-burning law just in time to provide true-blue political tub-thumpers with an "Are-you-or-aren't-you" issue for the 1990 campaign season. As in: "Are you or aren't you a patriotic American?"

With the flag-burning law ruled invalid on First Amendment grounds, the forces of symbolic patriotism led by President George Bush and Senate Minority Leader Bob Dole came storming out to do battle for an amendment to the Bill of Rights. This would make flag desecration a crime sealed into the basic body of American law, beyond the reach of the high court and common sense.

Flag burning is repugnant to most Americans. We wish the same could be said for ideological Constitution-tinkering.

Those, such as Dole, Bush, and Sen. Orrin Hatch may sincerely believe that the physical rendition of the American flag (most of which are manufactured in shops along the Pacific Rim, or by an American firm that may be open to unfair labor practices) needs this sort of protection.

Skeptics watching this controversy develop with breathtaking speed may also see a parallel between this and the phony Pledge of Allegience issue that the Bush campaign used so effectively in 1988. This thing has "Bush in '94" stamped all over it.

Dole, in a thundering, unbelievable speech in the Senate on Monday, reduced the flag-law debate to the intellectual level of a bumper sticker. "I'll place my money on the young men and young women who serve in America's armed services," he said. "The rest can place their money on the Jennifer Campbells and the others involved in this flag-burning case."

There it is: If you think this proposed amendment is unnecessary and an insult to the Bill of Rights, you're on the side of un-American, revolutionary dimwits such as Ms. Campbell (whose flag-burning conviction the justices overturned) and against our brave citizens in uniform. Implicit is that if you support this legislation you are a true American, a patriot. If you do not, your name has no place on America's ballots.

Those who lives through the appalling national shame of the McCarthy era will appreciate the possibilities.

So we now have a bread-and-circus issue that is sure to be rolled out wherever there are two candidates for the same seat. it could be the deciding factor in a close election. Who knows—this could be the dominant issue in some races.

Too bad, because the loser well could be the candidate who believes that the Bill of Rights, which has never been amended, is of greater substance than a rectangle of synthetic fabric—a candidate who worries that if this amendment passes, the Bill of Rights will be prey to zealots waving other banners.

Flag burning is not a problem in America. There are more important things the leaders of this country should be getting worked up about. For example:

Finding housing for our growing sub-population of homeless Americans.

Assuring that every American schoolchild learns how to use our language well, and can identify the continents on a map.

Dealing realistically with the massive, cancerous debt created during the 1980s and now consuming the federal budgets of the 1990s.

Cashing in on "the peace dividend"—adjusting to a world on the brink of freedom from the threat of a superpower war, a specter that has haunted us for half a century and has shaped our nation's spending priorities for as long as most of us can remember.

Making it unfashionable to abuse drugs or alcohol.

Making American business competitive—adapting to the marketing realities of emerging Pan-European and Pan-Pacific economic coalitions.

These are not simple, visceral issues that easily galvanize the electorate and win elections, as do those that invite politicians to wrap themselves in the Star and Stripes.

They are tough, meaningful issues, far more worthy of the president's attention—and with far more potential for uniting and strengthening the nation. But instead, Mr. Bush is leading the stampede to "protect" an indestructible symbol by diminishing the First Amendment, and having us believe that is leadership.

Today is Flag Day. Let's honor our flag by vowing to protect our freedoms.

[From the Quincy Patriot Ledger, June 13, 1990]

FREEDOM BEST PROTESTS OLD GLORY

Here we go again! For the second time in 12 months, the Bill of Rights is in jeopardy because politicians are wrapping themselves in the flag.

A majority of the U.S. Supreme Court is protecting the core of the Constitution, the celebrated freedoms that make America unique and admired.

The five justices wisely recognize that if unpopular, even distasteful, actions like desecrating the flag of the United States are declared unlawful by the state, freedom of expression is abridged. And once you begin unraveling constitutional guarantees like freedom of speech, it comes ever easier to snip away more—removing inhibitions to censorship and the suppression of dissent.

Why don't the president of the United States and members of Congress throw their support behind real democracy and provide responsible, statesmanlike leadership on the flag issue? Instead, President Bush and many congressmen are pandering to emotions, mistaking symbol for substance. Instead of rallying around the Constitution, they're saying it needs to be changed in order to protect the flag. They're wrong.

A year ago, the court's 5-4 ruling that a Texas law against flag-burning was unconstitutional touched off a national uproar. Our leaders in Washington lost no time in rashly vowing to protect the flag from abuse even if it meant changing the Constitution—as President Bush proposed.

Congress eventually settled for a new federal law making it a crime to burn or deface the American flag. Now the Supreme Court has wiped out that attempted solution, saying in another 5-4 decision this week the new statute suffers the same flaw of the Texas law—it's a way of suppressing dissent.

So again the president and many members of Congress say a constitutional amendment is the only way to safeguard the honor of the Stars and Stripes. To do so they are willing to tamper with the Bill of Rights. As one sponsor, House Republican leader Robert H. Michel exults, "I have to be very confident because of the very nature of what we're talking about here: Who wants to be against the flag?"

Who indeed?—and that's the danger.

Desecrating the American flag—the symbol of our nation and our values—is offensive. Those who commit such acts do so for shock value, to draw attention to their cause, whatever it may be.

But as distasteful as flag-burning is, it does not threaten our national survival. A far greater threat would be erosion of our constitutional freedoms by weakening the Bill of Rights to protect the flag.

National symbols are surely important. But even more important are the values they stand for.

Americans have cheered demonstrations for greater freedom in the Soviet Union, and the political protests that toppled both the symbols and the substance of Communist dictatorships in Eastern Europe. We wept when Chinese demonstrating for democracy were massacred last year. It is contradictory for Americans to argue a flag amendment that limits the scope of political dissent is necessary to protect our nation, while we applaud citizens in other countries seeking to topple unjust governments.

Justice William J. Brennan said it well in his opinion for the court majority: "Punishing desecration of the flag dilutes the very freedom that makes this emblem so revered, and worth revering."

[From the Falmouth Enterprise, June 15, 1990]

THIS SACRED DOCUMENT

Now we are going to have the depressing spectacle of a lot of lightweight Congressmen falling all over each other trying to prove their patriotism by voting for the flag amendment.

If they can make the flag an issue for a few months they won't have to face up to the real problems of the deficit and the savings and loan bailout and the rest.

The fact is that in no other nation on the earth is the flag in less need of legal protection than in this country. Americans have made their flag a living symbol. In the republic's 214 years the flag has never been in danger. It isn't now.

The flag doesn't need protection. The constitution does. There aren't any politicians in Washington today who could have written that document. There aren't any politicians in Washington today that could be trusted to rewrite it.

The Senate majority leader, George J. Mitchell of Maine, a former federal judge, said, "The question is whether, after 200 years, the most effective statement of individual liberty in all human history is to be changed for the first time. I do not believe we should tamper with this sacred document."

Amen!

SURVEY ON CRIME AND DRUGS

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. GINGRICH. Mr. Speaker, last year President Bush sent to Congress a proposal for comprehensive legislation to address this Nation's emergency situation with respect to crime and illegal drugs. The Judiciary Committee has yet to report this or any other proposal to the House of Representatives. While this emergency may not be a top priority for the Judiciary Committee, a recent survey of my constituents suggests that this issue is a top priority in the rest of America. I would like to share the results of my survey to which more than 2,000 residents of Georgia's Sixth District responded:

[In percent]

	Yes	No
1. Should the U.S. military help prevent illegal drugs from entering our country?	95	4
2. Should the U.S. military help other nations combat their drug production and supply problems?	60	35
3. Do you favor the death penalty for those who smuggle drugs into the U.S.?	80	18
4. Do you favor the idea of using drug war bonds, similar to World War II bonds, to help with the war on drugs?	55	38
5. Do you think the war on drugs is useless and that drugs should be legalized?	7	91
6. Do you favor testing driver's license applicants for drugs?	80	17
7. Do you approve of drug testing in:		
the workplace?	87	10
the military?	94	5
the transportation industry?	93	4
jails and prisons?	91	7
8. Do you support cutting funds from other federal programs for use in the war on drugs?	59	33

These responses show that Americans are concerned about drugs and crime in their country. Therefore, I urge all of my colleagues to cosponsor the National Drug and Crime Emergency Act—H.R. 4079/S. 2245. This bill includes many of the proposals which were introduced by President Bush last year. It is a comprehensive approach to the drug and crime emergency which our country is facing. H.R. 4079 calls for minimum mandatory sentences without release for drug traffickers. It calls for stiff sanctions against drug users, who fuel the violent trade in drugs. It also calls for drug testing in prisons and in the transportation industry. The National Drug and Crime Emergency Act is a decisive step toward winning the war on drugs. It is my

hope that the Judiciary Committee, as well as the entire Congress, will consider victory in the drug war as a top priority, just as the American people do.

A TRIBUTE TO AVON WILLIAMS

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. CLEMENT. Mr. Speaker, today I would like to pay tribute to a State senator from Tennessee who has been a champion of civil rights causes for over four decades, Senator Avon Williams.

Senator Williams, a recipient of numerous civil awards and citations, is considered to be one of the most effective attorneys in Tennessee history. He is well known for his involvement with several school desegregation cases, including a lawsuit that resulted in the merger of the University of Tennessee-Nashville and Tennessee State University.

After graduating from Johnson C. Smith University in 1940 with a bachelor of arts degree, he went on to join the Army Air Force in 1943 as a private. In 1946, he received an honorable discharge with the rank of first lieutenant after serving in the South Pacific.

On his return from the service he went back to school and earned a bachelor of laws degree in 1947 and a master of laws degree in 1948 from Boston University School of Law. After being admitted to the Tennessee Bar in 1948, he began his general practice in his hometown of Knoxville, TN, in 1949, remaining there until 1953, when he moved his practice to Nashville,

In 1953 Williams was admitted to practice before the U.S. Court of Appeals and by 1963 he earned the right to argue cases before the U.S. Supreme Court.

Williams was elected to the Tennessee State Senate in 1969 to represent Davidson County and has held that seat for the past 22 years. An outstanding legislator, Senator Williams, who has been confined to a wheelchair due to a neurological disorder which resulted in a speech impairment, recently announced that he will retire from the Tennessee General Assembly.

Davidson County, the State of Tennessee, and this Nation has been very fortunate that a man with Senator Williams' abilities and expertise so selflessly dedicated the past 22 years of his life to public service.

Senator Avon Williams has served as a role model to several generations of young men and women. His contributions to government and society are going to be sorely missed.

My one life has been enriched by my association with this great man. He has served as an inspiration to me and to dozens of political leaders throughout the State of Tennessee.

I ask my colleagues in the U.S. House of Representatives to join me today in recognizing Senator Avon Williams for the outstanding contributions he has made to the advancement of civil rights in America, for his legislative accomplishments, and for his service to the citizens of the United States.

CONGRATULATIONS TO BUCKEYE SOUTH JUNIOR HIGH SCHOOL

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. APPLEGATE. Mr. Speaker, I rise today to congratulate the team members from Buckeye South Junior High School in Yorkville, OH, on their success in the Odyssey of the Mind 1990 World Finals Competition.

Odyssey of the Mind is an international creative problem-solving program providing annual competition among students in kindergarten through high school, with a separate college level division. The program's purpose is to foster the development of creative thinking and problem-solving skills among young people. Participants compete in a variety of areas, from building mechanical devices such as spring-driven cars to rewriting and performing the classics. The Odyssey of the Mind Association, Inc., is a private nonprofit corporation claiming a membership of over 8,000 chartered associations in countries such as the Soviet Union, Japan, and Mexico.

These associations recruit schools at the regional, State, and Provincial levels, and create teams of seven students who are given the opportunity to test their creative solutions against other teams. The competitions culminate in the world finals, this year held on May 31, June 1 and 2 at Iowa State University. The seven students representing Buckeye South were Lee Anne Berze, Jennifer Brown, Elizabeth Lapoczka, Tricia Lollini, Christa Piccin, Jason Prati, and Eric Warren. They were coached by Rosanne Prati, Steve Piccin, and Roger and Marg Warren. The Buckeye South team won first place in the region 11 competition, first place in the Ohio State Competition, and second place in the World Finals.

Mr. Speaker, it is my distinct privilege and honor to ask my colleagues to join with me in congratulating this group of students from my district on their intelligence and creativity in solving the problems posed to them through the Odyssey of the Mind Competitions.

ON THE RETIREMENT OF LT. GEN. DONALD S. PIHL, USA

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. DICKINSON. Mr. Speaker, it is an honor to rise today to pay tribute to Lt. Gen. Donald S. Pihl who is retiring from the U.S. Army after more than 31 years of distinguished military service. We will all miss his candor and sound advice.

As the military duty to the Assistant Secretary of the Army (Research, Development and Acquisition), General Pihl earned a reputation as the father of Army acquisition. With exceptional competence and great personal commitment, he played a key and critical leadership role in structuring the Army's modernization program. His accomplishments in this arena alone, have left an indelible and profoundly positive impact on the Army's warfighting capabilities that will keep our soldiers the best equipped and best prepared in the world, well into the 21st century.

General Pihl has made enormous contributions to improving not only the methods and means by which the Army develops and acquires equipment, but he has played a singularly vital role in ensuring that the resources expended by the Army acquisition community best served the needs of our soldiers, the Army, and our national security. He constantly sought ways to improve Army acquisition, and his efforts were met with success.

In the last 10 years, while serving in three positions Headquarters, Department of the Army, General Pihl earned tremendous respect from me and my colleagues in the House and Senate who were fortunate enough to know and work closely with him. During this period he testified to six different congressional committees on more than 40 occasions. His reputation for being thoroughly knowledgeable about Army research, development, and acquisition, his willingness to give comprehensive, candid responses to questions, and his absolute integrity are unparalleled.

Throughout his distinguished career, General Pihl has displayed exemplary performance of duty, unique traits of imagination and technical competence, tactical and strategic understanding, extremely accurate judgment, and dedication to the highest principles of devotion to duty. He has made the Army immeasurably more capable and given the soldiers what they need to do their job on the battlefield.

General Pihl's achievements meet the highest of standards. His decorations include the Distinguished Service Medal—with Oak Leaf Cluster—the Legion of Merit—with Oak Leaf Cluster—the Bronze Star Medal for valor—with two Oak Leaf Clusters—and the Combat Infantryman Badge.

While we are certainly going to miss Don, we extend our heartiest congratulations to him on this wonderful occasion. We wish him and his wife, Sandy, the very best in the coming years.

A TRIBUTE TO CARLOS AND RITA MORALES

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. WEISS. Mr. Speaker, I rise today to pay tribute to Carlos Morales, executive director of Lincoln Square Neighborhood Center, and his wife, Rita Morales, its program director, who will retire after years of exemplary service to the center and the Westside community. The center has flourished under their leadership and its members and their families have thrived, gaining strength and stability under their guidance.

Carlos Morales received a masters degree in social work from the Fordham School of Social Work 50 years ago. His early experience working with street gangs in Brooklyn

and East Harlem gave him insight into the needs of young people and an understanding of the components that make up the fabric of a community.

When he came to the Lincoln Square Neighborhood Center in 1962, Carlos augmented the services it offered to attract the economically disadvantaged and the middle class so that everyone from toddlers to senior citizens could find programs that would meet their needs.

His wife, Rita Morales who started as a volunteer, has been program director for the past 10 years, supervising social services and cultural and educational activities for children, teens, adults, and seniors.

This remarkably talented husband and wife team has served Westsiders in an astonishing range of ages, occupations, talents, and origins. They have brought together an economic and social mix of people whose lives have been enriched by each other. Carlos and Rita Morales have linked these diverse groups so that this kind of coexistence has become not only a reality, but also a pleasure for all of us.

Mr. Speaker, I ask my colleagues to please join me in saluting these dedicated and outstanding community leaders.

TRIBUTE TO FRANK J. DeCUZZI

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. SCHEUER. Mr. Speaker, New York City's ethnically diverse, multicultural society is extremely well served by the Council for Unity. For the past 15 years, the council has successfully mediated conflicts between contending groups. It works at all levels of the New York City School System, and throughout a growing network of neighborhood-based organizations, bringing together our varied ethnic, racial, and religious communities.

On Thursday, June 21, 1990, at its 15th anniversary dinner, the Council for Unity will honor a distinguished resident of New York's Eighth Congressional District, Frank J. DeCuzzi. In recognition of his many years of selfless service to the youth of our city, Frank J. DeCuzzi has been named the Council for Unity's Man of the Year.

Frank DeCuzzi was born in the Ocean Hill-Brownsville section of Brooklyn on July 8, 1930. He served our country as a sergeant in the U.S. Marine Corps during the Korean war. Since 1959, he has been employed in a variety of positions by the New York Board of Education. At the end of this month, after 31 years of exemplary service, he retires from his current position as director of special projects in the office of school food and nutrition services.

Mr. Speaker, in recognition of many years of outstanding service and dedication to community youth, DeCuzzi was honored by the Flushing Boys Club in 1974. In 1984, he received the Man of the Year Award of the National Council of Columbian Associations in Civil Service. Other awards have followed, celebrating Frank DeCuzzi's selfless community activity. In 1985, he was Man of the Year of the Christopher Columbus Civic Association and received a Proclamation for Outstanding Citizenship from the City Council of New York.

In 1986, he was saluted as a founder, supporter, and activist of the education committee of the Italian-American Associations, Inc.

Mr. Speaker, Frank DeCuzzi's long list of involvement in community organizations includes his service as past president of the Cryder House Corp., vice-president of the Coalition of Italian American Associations, member of the Queens Community Planning Board No. 7, vice president of the National Ethnic Coalition of Organizations, past vice president of local 983 of District Council 37, and founding member of the board of advisers of the Council for Unity.

I congratulate the Council for Unity on this 15th anniversary of service to New York City and I congratulate the other outstanding recipients of its 1990 awards—Sandra Feldman as Woman of the Year, William Dennis Fugazy as Humanitarian of the Year, and Charles Hughes, recipient of the Leadership in Labor Award.

Mr. Speaker, may the good work of the Council for Unity and its honorees continue to reduce intergroup tensions in our society, and to promote multicultural appreciation, understanding, and cooperation.

A TRIBUTE TO MAJ. C. BRUSLE SHERBURNE

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. ASPIN. Mr. Speaker, I rise today to honor an individual that has provided many years of excellent support and dedication to not only myself and the Committee on Armed Services, but to the Congress at large. Maj. C. Brusle Sherburne, Office of the Secretary of the Air Force, Legislative Liaison, will be reassigned from the Pentagon to the Air Command and Staff College in Montgomery, AL on July 16, 1990. I and many of my colleagues have directly benefited from his exceptional service in the Air Force's congressional travel office.

As the Deputy Chief of the Air Operations Office, Major Sherburne's calm, logical, and thorough method of dealing with unique situations, some of which occurred in the middle of the night, resulted in the successful completion of many very important airlift missions. Time and time again, his can-do attitude made it happen on short notice trips to areas of national and international concern. These included the Persian Gulf, the *Challenger* space shuttle disaster, the Alaskan oilspill, and several Central American events including the Nicaraguan elections. Due to Brusle's knowledge and organizational abilities, he was selected as the escort officer for the largest congressional delegation in recent memory that visited Panama in the aftermath of Operation Just Cause. This visit, with 29 Members of Congress going into a war zone, went off flawlessly, due in large part to the efforts of Major Sherburne.

Mr. Speaker, I join with many of my colleagues who have directly benefited from the professional support Major Sherburne has provided the Congress in congratulating him for a job extremely well done and wishing him and his wife Gwen, as well as their daughters Sara and Rachel and son Brusle, the very best in the future. Major Sherburne is a professional among professionals and brings great credit upon himself and the U.S. Air Force.

HONORING LEO B. TUDELA, ALHAMBRA MSC MANAGER/POSTMASTER

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. TORRES. Mr. Speaker, I rise today to recognize an outstanding individual, Mr. Leo B. Tudela, MSC manager/postmaster for the city of Alhambra. On July 13, 1990, Mr. Tudela will be leaving Alhambra to begin his new assignment as division general manager/postmaster of Oklahoma City Field Division.

Mr. Tudela, a native of the U.S. Commonwealth of Northern Marianas, Saipan, was born on July 17, 1943. He is married to the former Leimomi Saint John and has three children, Henrietta, Leo, Jr., and Jesse.

Mr. Tudela joined the Postal Service in 1965 as a postal assistant/clerk at the South San Francisco Post Office. After 10 months, he left the Postal Service for a customer service position at Hawaiian Airlines in Honolulu. In 1973 he resumed his postal career in South San Francisco Post Office as a window and distribution clerk. During this time, he entered a graduate program at California State University, Hayward, where he earned a master's degree in public administration 2 years later.

Mr. Tudela made his transition into management with a series of assignments for the Equal Employment Opportunity Program [EEOP]. In 1976, he broadened the scope of his skills and responsibilities by serving as the MSC director of employment and labor relations in Boise, ID. Two years later, he joined a special headquarters task force that created the injury compensation programs and policies of the Postal Services.

In 1980, Tudela was named director of employee and labor relations for the Caribbean District, a job which he later held in the Boston District and the Sequoia District in Orange, CA. His early operations experience included acting director of mail processing in Providence, RI, and acting MSC manager/postmaster in Pasadena, CA.

While in his current capacity as MSC manager/postmaster at Alhambra, Mr. Tudela made significant gains in promoting good employee relations, and oversaw the planning and ongoing construction of the new Alhambra general mail facility. He proved to be a skilled administrator who was adept at dealing with the difficult demands of one of the fastest growing areas in the country.

In his new assignment, as division general manager/postmaster of Oklahoma City Field Division, Mr. Tudela will oversee the work of over 11,500 employees in 752 post offices who together serve more than 1.5 million rural and city deliveries in over 114,000 square

miles. The Oklahoma City Division includes all of Oklahoma as well as the Texas Panhandle. It encompasses the Lubbock, Lawton, Tulsa, and Oklahoma City sectional center facilities.

Mr. Tudela's contributions to the community of Alhambra and southern California will be missed. His expertise in his profession will also be cause for the regret of his departure. Nevertheless, I, along with his colleagues and employees, are glad that Leo will have an opportunity to confront new challenges.

Mr. Speaker, at this time, I ask that my colleagues please join me in saluting Mr. Leo B. Tudela for his commendable dedication to the U.S. Postal Service and the people it serves.

TRIBUTE TO THE 20 OUTSTANDING FILIPINO AMERICANS

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. MARTINEZ. Mr. Speaker, on July 3, 1990, 20 outstanding Filipino Americans from across the Nation, will be honored with a special dinner dance at the Capitol Hilton. In the annals of Filipino-American history, this is the first time that such a public accolade has been bestowed upon these dedicated Americans. As the third largest minority, next to blacks and Hispanics, Americans of Filipino decent have contributed significantly to this country's prosperity and deserve to be honored in the Nation's capital.

As Americans, we should never forget that this country was founded by, and made great by immigrants. The foundation and strength of this Nation lies in the intricate mosaic of ethnic groups that are the bulwark of liberty and the American dream. The Filipino community exemplifies this role in our society. I ask that my colleagues join me in conveying our heartfelt congratulations to the following awardees: Dr. Manolo Apanay of Morrow, GA; Mr. E.V. Vic Bacho of Seattle, WA; Mr. Danny Caliolio of Jersey City, NJ; Ms. Gloria Caoile of Springfield, VA; Ms. Lilia Clemente of New York, NY; Mr. Fred Cordova of Seattle, WA; Dr. Robert de la Cruz of Chesterfield, OH; Dr. Guillermo de Venecia of Madison, WI; Attorney Antonio Flores of New York, NY; Dr. Jorge Garcia of Potomac, MD; Mr. David Guillermo of Los Angeles CA; Mr. Melecio H. Jacaban of Sacramento, CA; Mr. Sammy Lorenzana of Los Angeles, CA; Attorney G. Monty Manibog of Monterey Park, CA; Ms. Irene Nativadad of Washington DC.; Mr. Manny Punzalan of Elmhurst, NY; Mr. Paul V. Salazar of River Forest, IL; Mr. Servan Pineda Singh of Oxon Hill, MD; Mr. Eddie Sotiangco of Los Angeles, CA; and Judge David Valderama of Fort Washington, MD.

Mr. Speaker, I am honored to recognize and pay tribute to these outstanding Filipino-Americans for their achievements, dedication to preeminence, and contribution to this great Nation.

"JUSTICE IN GERMANY: MEMORIES OF THE CHIEF PROSECUTOR"

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. MRAZEK. Mr. Speaker, a group of pro-Israel activists on Long Island recently published an important report entitled "Justice in Germany: Memories of the Chief Prosecutor." The book profiles William Denson, who represented the U.S. Government in the prosecution of the operators of the Dachau, Mauthausen, Flossenberg, and Buchenwald concentration camps.

Of the 117 accused war criminals prosecuted by Mr. Denson, 97 were hanged.

Mr. Denson was born and reared in Birmingham, AL. His great-grandfather was a colonel in the Confederate Army, his paternal grandfather served in this body. He now practices law with the firm of Meltzer, Lipp, Goldstein & Wolf, P.C., of Mineola, Long Island. Lewis Meltzer, who I am privileged to represent in Congress and who helped to publish this book, noted in its preface:

We have compiled this unique statement of oral history so that it will be harder to forget, harder to refute, harder to revise the tragic history of the Holocaust. We believe it is unique because of its source: a Bible-quoting Protestant southern lawyer, a descendant of an officer in the Confederate Army, who found himself a part of Jewish history as a prosecutor in four Nazi War Crimes trials. We have published this book as a reminder of Israel's continuing purpose in history. Israel's survival is imperative if for no other reason than it is home to a people whose survival was almost extinguished.

Mr. Speaker, I command "Justice in Germany: Memories of the Chief Prosecutor" to the attention of my colleagues, and I congratulate Mr. Meltzer and his collaborators for their fine work in creating this important record of a terrible era in human history.

SIOUX CITY, IA, NAMED ALL AMERICAN CITY

HON. FRED GRANDY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. GRANDY. Mr. Speaker, I rise today to recognize Sioux City, IA, as 1 of 10 All American Cities to be named nationwide. The All-American City Award is an honor of distinction. Begun under President Theodore Roosevelt, the award lauds communities which work together to identify and solve their common problems. It builds upon the premise that a great nation draws its strength not from the public nor the private sector alone, but from its people who accept and share the responsibility of citizenship.

The expanding role of the Government bureaucracy since the 1930's has come at a cost to American citizens: it has dwarfed the importance of the individual. Apathy and lethargy are rampant, indicated by the numerous social ills with few sure answers in sight.

Sioux City's accomplishment of the All American City symbolizes the community's ability to rise to the challenges that face them today: business and local government have joined efforts to make their community a better place to live. But more than that, this award symbolizes that each and every individual of the community has made a difference when they reached out to touch the lives of others. This sense of community spirit has led to one success story after another.

One of these is Siouxland Initiative. In 1988 a group of 216 area civic and business leaders joined efforts and promises of support to raise private and public funds for area development. Since that time, the metropolitan community responded with $2.7 million which has created over 1,000 jobs and $56 million in capital investment.

Another mark of achievement in Sioux City is the tri-State collaborative. Overcoming the parochial limitations that grew from arbitrary geographical boundaries, the city mobilized the resources of the three States of Iowa, Nebraska, and South Dakota. Emphasizing regional similiarities, business and government have worked to support business development, transcending the State borders that the city falls within. The growth in the areas of education, transportation, and retail are clear examples of the city's success.

Also impressive has been the creation of the multihazard plan. An increasing need for services, such as increased air traffic, coupled with decreasing tax dollars, led to the creation of the multihazard plan. This plan coordinated regional emergency services to avoid duplication and ensure all potential disaster needs were met. The effectiveness of this planning is demonstrated by Sioux City's response to the United Flight 232 disaster. A total of 45,000 people gave assistance during this emergency—almost 40 percent of the entire metropolitan population.

Ultimately, the All American City Award symbolizes the success of Siouxlander's commitment, as individuals, to their community. In the words of Edwin Chapin, a 19th century American author, "Not armies, not nations, have advanced the race: but here and there, in the course of ages, an individual has stood up and cast his shadow over the world."

THE U.S. COMMERCIAL CENTER PILOT PROGRAM ACT OF 1990

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 19, 1990

Mr. LEVIN of Michigan. Mr. Speaker, today I am introducing, along with my colleagues Mr. WOLPE, Ms. KAPTUR, and Mr. BRYANT, the U.S. Commercial Center Pilot Program Act of 1990.

For most small and medium sized U.S. businesses, venturing into the realm of foreign trade is a daunting challenge: They must run a gauntlet of unfamiliar languages, convoluted bureaucratic procedures, esoteric rules, and the high costs of exploring possible export op-

portunities. At the same time, U.S. businesses face ever tougher foreign competition both here and abroad.

I'm proposing a pilot program under which the United States and Foreign Commercial Service will establish U.S. Commercial Centers in three countries—one each in Asia, Eastern Europe and Latin America. These centers will greatly increase the U.S. export promotion resources and activity in these countries and give U.S. businesses the starting blocks and home team backing they need to get in the export trade race.

The GATT Uruguay round is expected to open new markets to international trade. As these new markets open, the competition will get even rougher—competition that is often backed by tied aid and other aggressive forms of export promotion.

Also, we need to recognize that U.S. firms, especially small and medium sized firms, need greater U.S. Government assistance to gain adequate access to certain markets. In many countries, markets such as telecommunications, energy, environmental control, waste management, transportation, and health care are either under tight government control or are government monopolies.

When the Congress stipulated the purposes of the United States and Foreign Commercial Service in 1988, it recognized the challenge facing the U.S. businesses pursuing export opportunities and called for a broad range of services to help them get in this competitive game. As a practical matter, these services have not been available in sufficient quantity or scope.

The time has come for us to start giving U.S. businesses the early, first-stage assistance they need to examine and pursue their foreign trade opportunities.

Located in key commercial cities, the center will provide visiting U.S. business representatives with language and clerical services as well as temporary office and meeting space during the exploratory stages. Center personnel will provide up-to-date information about the host country's industries, economy, markets, business practices, and commercial code. They will get U.S. business representatives started with reliable information and sound support, reducing the cost of answering the question, Can I become a competitive player in foreign trade?

Unlike most of our current overseas trade promotion offices that are frequently cramped for space and cumbersome to visit because they are located in secured State Department facilities, the three centers will be easily accessible, well equipped, commercial offices. In addition to office space, the centers will house fully equipped commercial libraries and provide small-scale exhibition space. By their appearance and quality services, the centers will reflect the quality of American products and services.

Among other objectives, this pilot program is designed to involve the private sector in every aspect of the establishment and operation of the U.S. Commercial Centers. This legislation authorizes the Secretary to recruit foreign trade fellows from the private sector, trade associations, and academia. In addition to allowing the centers to tap the experience of retired businessmen and women, this act's Foreign Trade Fellow Program will provide an opportunity for other U.S. business representatives to gain practical experience in a foreign commercial system. The Secretary is authorized to reimburse the travel costs of the foreign trade fellows.

This legislation further emphasizes the importance of private sector participation by calling for the Secretary of Commerce to implement the Market Development Cooperator Program authorized in the Omnibus Trade and Competitiveness Act of 1988. A similar program has been used to successfully promote U.S. agricultural exports. We know this approach works: Commerce ought to put it to use.

Finally, when it serves U.S. commercial interests, this legislation authorizes the Secretary of Commerce to lend a hand in providing some technical assistance to the business enterprises and governments of the host countries. There is an immediate need for us to try this approach in Eastern Europe. Each of the Eastern European nations is desperately in need of technical assistance in the areas of accounting, finance, marketing, business planning, and an enormous range of other, basic business skills. This is an excellent opportunity for U.S. business men and women to share their skills with their Eastern European colleagues and at the same time gain important knowledge about the emerging markets and industries of Eastern Europe. Through the centers and their U.S. offices, the United States and Foreign Commercial Service will match foreign need with U.S. expertise and begin building the informal networks essential to developing business leads and deals.

I'm proposing that $17 million be authorized for the establishment and operation of the pilot centers.

The U.S. Commercial Center approach is a straightforward, practical approach. It introduces some new and badly need services and gives the Department of Commerce additional resource to do the job it was assigned in the Omnibus Trade and Competitiveness Act of 1988.

Here is the bottom line: Given the impact of foreign competition on our economy and standard of living, we must take the lead and help more U.S. businesses get into the export game. Once in the game, its up to each business to make their own success by delivering quality products and services at competitive prices. I'm confident that U.S. workers and businesses are up to this challenge.

I request that the text of this legislation be included in the CONGRESSIONAL RECORD, immediately following the statement.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States Commercial Center Pilot Program Act of 1990".

SEC. 2. UNITED STATES COMMERCIAL CENTERS.

(a) ESTABLISHMENT.—The Secretary of Commerce shall establish, as a pilot program, a United States Commercial Center (hereinafter in this section referred to as a "Center") in one Eastern European country, in one country in Asia, and in one country in Latin America.

(b) PURPOSES AND FUNCTIONS OF THE CENTERS.—The purposes of the Centers shall be to provide additional resources for the promotion of exports of United States goods and services to the host countries, by—

(1) familiarizing United States businesses with the industries, markets, and customs of the host countries, thus facilitating commercial ties and trade;

(2) collecting and publishing economic and market data with respect to the host countries;

(3) providing assistance in the coordination and delivery of technical assistance by the United States Government to the governments and business enterprises of the host countries;

(4) providing first-stage technical, legal, clerical, language translation, and administrative assistance to United States businesses seeking to do business in the host countries; and

(5) in other ways promoting exports of United States goods and services to the host countries.

(c) SPECIFIC SERVICES TO BE PROVIDED.—To carryout its objectives, each Center shall make available the following (without charge to the recipient):

(1) BUSINESS FACILITIES.—Business facilities for use by United States businesses, including exhibition space, conference rooms, office space (including telephones and other basic office equipment, and, where warranted by impeding deficiencies in the public system, high quality international telecommuncations facilities,

(2) BUSINESS SERVICES.—Business support services for United States businesses, including language translation services, clerical services, and a commercial library containing a comprehensible collection of reference materials covering United States and host country industries and markets, and

(3) COMMERCIAL LAW INFORMATION SERVICES.—Commercial law information services for United States businesses and host country agencies and businesses, including—

(A) a clearing hosue for information regarding the commercial codes of the United States and the host country;

(B) assistance and recommendations regarding the modernization of the host country's commercial code and administrative procedures as they affect United States trade;

(C) publications to assist United States businesses; and

(D) legal referral services.

(d) OTHER TRADE PROMOTION ACTIVITIES.—Each Center shall also promote United States export trade by—

(1) facilitating contacts between buyers, sellers, bankers, traders, distributors, and necessary government officials from the United States and the host country;

(2) coordinating trade missions; and

(3) assisting with applications, contracts, and import and export clearances.

(e) STAFFING OF CENTERS.—

(1) IN GENERAL.—Each Center established under this section shall be staffed by members of the United States and Foreign Commercial Service, other employees of the Department of Commerce, employees of other appropriate Executive branch agencies, and Foreign Trade Fellows appointed pursuant to paragraph 3.

(2) REIMBURSEMENT OF OTHER AGENCIES.—Employees of Executive branch agencies, other than the Department of Commerce, shall be assigned or detailed to a Center on a reimbursement basis.

(3) FOREIGN TRADE FELLOWS.—The Secretary of Commerce shall appoint United States citizens as Foreign Trade Fellows to assist United States Government employees in staffing the Centers established under this section. The Secretary shall actively recruit individuals to serve as Foreign Trade Fellows from United States businesses, trade associations, labor unions, and the academic community. In order to facilitate the service of individuals (such as those from the academic community and smaller businesses) as Foreign Trade Fellows, the Secretary may make grants or provide stipends to Foreign Trade Fellows and may reimburse them for expenses they incur as the result of their service as Foreign Trade Fellows.

(f) CENTER FACILITIES AND THEIR RELATIONSHIP TO UNITED STATES DEPARTMENT OF COMMERCE OPERATIONS IN HOST COUNTRIES.—

(1) PHYSICAL ACCOMMODATIONS FOR THE CENTERS.—The Secretary of Commerce shall locate each Center in the primary commercial city of the host country. The Secretary shall acquire office space, exhibition space and other facilities and equipment that are necessary for each Center to perform its functions. To the extent feasible, each Center shall be located in the central commercial district of the host city.

(2) CONSOLIDATION OF DEPARTMENT OF COMMERCE OPERATIONS IN HOST COUNTRIES.—For the purpose of obtaining maximum effectiveness and efficiency and to the extent consistent with the purposes of the Centers, the Secretary of Commerce is authorized and encouraged to place all personnel of the Department of Commerce who are assigned to the city in which a Center is located in the same facilities as those in which the Center conducts its activities. The Secretary is authorized and encouraged to integrate activities of the Department of Commerce in the host country. This paragraph shall not be construed to authorize inefficient duplicative activities or facilities.

(g) ASSISTANCE TO BUSINESSES AND GOVERNMENTS OF HOST COUNTRIES.—For the purpose of stimulating and improving the commercial opportunities of United States businesses in the host countries, the Secretary of Commerce is authorized and encouraged to utilize the resources of the Centers, including Trade Fellows, to provide technical assistance to the business enterprises and governments of the host countries. The determination to provide such technical assistance, as well as the type, quantity, schedule, and means of assistance, shall be made in cooperation and consultation with the Secretary of State, the Administrator of the Agency for International Development, and such other Executive branch officials as the President may designate.

(h) USE OF MARKET DEVELOPMENT COOPERATOR PROGRAM.—The Secretary of Commerce shall, to the greatest extent feasible, use the Market Development Cooperator Program established under section 2303 of the Export Enhancement Act of 1988 (15 U.S.C. 4723) to assist in carrying out the purposes of the Centers established under this section.

(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary of Commerce $17,000,000 to carry out this section. Funds made available under this subsection may be used for the acquisition of real property.

(j) REPORTS TO CONGRESS.—The Secretary of Commerce shall submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate—

(1) not later than 120 days after the date of the enactment of this Act, a report on the establishment and operations of the Centers provided under this section; and,

(2) not later than 1 year after such date of the enactment, a report on the status, activities, and effectiveness of the Centers established under this section.

The report under paragraph (2) shall include any recommendations with respect to the pilot program established under this section.

SENATE—*Wednesday, June 20, 1990*

(Legislative day of Monday, June 11, 1990)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. As we prepare to reverence the God of our fathers, we will be led in prayer by the Senate Chaplain, the Reverend Dr. Richard C. Halverson. Dr. Halverson, please.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

In a moment of silence, let us remember the family of Al McGeown, who died on Sunday, father of two of our Capitol police officers, Kathy Bignotti and Steve McGeown.

* * * *God is love.*—1 John 4:7.

Father in Heaven, how desperately we need to learn and accept this profound reality. Thou dost love us not because we are worthy of that love, not because we live a good life and are never bad, but because Thou art love. Help us to understand there is nothing we can do to make Thee love us more. And there is nothing we can do to make Thee love us less, for Thou art love. Thou dost love us with an unconditional, universal, eternal love. Forgive us for demeaning Your love by behaving as though we must earn it, or deserve it, or live good enough lives to enjoy it. Help us to accept Your unfailing love, especially when we feel we are unworthy of it.

In Jesus' name who is love incarnate. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The Senate will be in order. Under the standing order, the designee of the majority leader will be recognized for not to exceed 10 minutes.

THE JOURNAL

Mr. KERREY. Mr. President, I ask unanimous consent this morning that this Journal of proceedings be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. KERREY. Mr. President, this morning, following the time reserved for the two leaders there will be a period for morning business not to extend beyond 10 a.m., with Senators permitted to speak therein. At 10 this morning, the Senate will resume consideration of S. 566, the housing bill.

The PRESIDENT pro tempore. Does the acting leader wish to ask unanimous consent there be a time on speeches which Senators will be permitted to deliver during the period for morning business?

Mr. KERREY. No. I do not.

The PRESIDENT pro tempore. I see. I thank the acting leader.

RESERVATION OF LEADER TIME

Mr. KERREY. Mr. President, I ask the time for the two leaders be reserved for their use later in the day.

The PRESIDENT pro tempore. Without objection, it is so ordered. The time of the two leaders will be reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. There will now be a period for the transaction of morning business with Senators permitted to speak therein, the period to end at 10 o'clock a.m.

Mr. KERREY. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KOHL). Without objection, it is so ordered.

WEST VIRGINIANS

Mr. BYRD. Mr. President, 127 years ago today, on June 20, 1863, West Virginia became the 35th State in the Union. The men and the women who led West Virginia to statehood those many years ago were brave, patriotic, religious, God-fearing, and freedom-loving.

About two-thirds of the population supported the Union. About one-third were sympathizers of the Confederacy. And the same qualities that were those of our earliest West Virginians can be found in West Virginians today. The people of West Virginia are still known for their patriotism, their loyalty to our Nation and to our flag, for their perseverance, and for their resourcefulness.

The State's motto is "Mountaineers; always free." Mountaineers are always free.

The people of those mountains have gone to the front lines, fighting, and all too often dying, for their Nation and their values in each of our Nation's wars. In World War II, West Virginia ranked fifth among the States in the percentage of its male population participating in the war. In the Korean war, West Virginia ranked first, and in the Vietnam war, West Virginia ranked second in the percentage of the eligible male population participating.

In both the Korean and the Vietnam wars, West Virginia ranked number one among the States in the percentage of deaths among the eligible male population that served in those wars.

West Virginians have never been afraid to stand up and fight for their beliefs.

And West Virginians have never been afraid to work hard for their families and their values. The people of West Virginia have a strong family ethic, a strong work ethic, and a strong religious ethic—the kinds of values that made this a great country, and the kinds of values that are so needed today, and so often missed and missing from the national scene: Belief in God; respect for authority; respect for the policemen, the soldier and the sailor; respect for the laws of the land.

West Virginia is known for the industries that have helped to lay the economic foundations of our Nation, including coal, steel, timber, and chemicals. Our State's abundant natural resources have helped to make those industries successful.

Mr. President, it is not the acres of land that make a nation great. It is the men and women who toil on those acres. It is not the coal mines that make a nation great. It is the miners who work in those mines and bring out the coal. America was a great country when Columbus discovered it. But America's men and women made it a great Nation.

So it is the people of West Virginia, the coal miners, the glassworkers, the steelworkers, the chemical workers, those who work in the forests, those who bring down the sturdy oaks from the mountaintops, and the myriad other workers who have made these industries of world renown.

Today, West Virginia is poised on the brink of many changes. Traditional industries are being supplemented

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

by new types of business activity: high technology, tourism, flexible manufacturing, and wood products, to name a few. But the old values are as true and as dear to West Virginians today as they were to our forefathers 127 years ago.

American values are standing on their heads today. We idolize the great athletes, the great basketball players, football players, baseball players. When I was a boy, I liked baseball, football, and basketball. I never was very good at playing the games, but they were of great interest to me. But I also had teachers who inspired me to study and to excel.

So even though I liked baseball, football, and the other sports, I liked algebra, geometry, English, and history better. My teachers were great teachers. They were not paid very much in those days, the days of the Great Depression. Many times, they had to take reductions in their checks to get them cashed. But they were dedicated teachers, who encouraged my thirst for learning.

My parents were not educated in this world's schools and universities. They were educated in the "school of hard knocks." They, too, encouraged me to excel in my scholastic studies.

My foster father never bought me a cowboy suit or a cap buster, not that I am speaking critically of those parents who might do that. He was not a man of great means. He was a poor coal miner. He always bought me a drawing tablet or watercolor set, some pencils, or a book. I was taught to try to excel, in my studies. And today we should take as our heroes those who excel.

Machiavelli wrote "The Prince," and in "The Prince" he suggested to the ruler that the ruler should study history, and try to emulate some great person, as Alexander the Great tried to emulate Achilles, as Julius Caesar sought to emulate Alexander the Great, and as Scipio Africanus sought to emulate Cyrus.

So we should try to excel. I try to encourage the young people of West Virginia to study, to excel, to try to be the best speller, the best mathematician in the class. Football, baseball, basketball, yes, are good, but no football game has ever changed the course of history. No football game will ever change the course of history. But it will be those young men and women who submerge themselves in their scholastic studies and seek to excel in the Nation's schoolrooms and workplaces who will help America to maintain its leadership in high technology and, hopefully, regain its leadership in certain other fields.

It is the old values that are lasting. Many West Virginians and, of course, many men and women from other States can say the same as I, and many West Virginians can say as I say, that we remember the prayers of a religious mother and the honesty and integrity of a religious father. These are the values that I hope we will seek to instill into our children of today.

West Virginia's most precious natural resource is mainly its people. I am proud to represent the people of West Virginia. I congratulate my State on its 127th birthday. On this day, my wish for West Virginia is for a future of economic growth and prosperity and a continued high quality of life.

Mr. President, I know that I am impinging on the time of the distinguished Senator from New Jersey [Mr. BRADLEY]. If I might just have 1 more minute, I will close.

Not gold, but only men,
Can make a nation great and strong;
Men who, for truth and honor's sake,
Stand fast and labor long;
Real men who work while others sleep,
Who dare while others fly;
They build a nation's pillars deep,
And lift them to the sky.

WEST VIRGINIA BIRTHDAY

Mr. ROCKEFELLER. Mr. President, I rise to speak to you in honor of the people of West Virginia. Today we celebrate the 127th birthday of our State.

West Virginians have always been known for their determination, loyalty and strength. From the first day, 127 years ago, when they separated from Virginia, the people of West Virginia have served the Union through good times and bad. We have consistently given more of our sons and daughters proportionately to war than the citizens of many other States. We have endured all kinds of economic hardship. But we have never wavered in our undying commitment to our families, our communities, our State and our Nation. So today I feel that we, as a Nation, should thank the people of West Virginia.

I am proud today, Mr. President, to tell you that the dedication and the patience of West Virginians are beginning to pay off. Our State is reemerging economically. Our people deserve tremendous credit for this resurgence. More and more companies are relocating to our State and adding jobs to the West Virginia work force. Why? Because these companies are realizing that our labor force is one of the best in the Nation. Our citizens are reliable, dedicated workers. They are loyal and capable. Companies such as AT&T, Bell Atlantic, North American Philips Lighting, Arcata Graphics, Rockingham Poultry, Bruce Hardwoods, and the FBI Fingerprinting Division, to name a few, will be adding thousands of West Virginians to their work forces in the next few years because they realize that the quality of our workers is unequaled anywhere.

Vacationers in America and throughout the world are also beginning to discover the rewards and advantages of West Virginia. Hundreds of thousands of travelers come to our State every year to ski on our beautiful mountains and white-water raft on our raging, scenic rivers.

Once again much of the credit for the growth in tourism, which has now become our second largest industry, goes to our people. The editorial pages of our newspapers are filled with letters from out-of-staters writing to thank West Virginia for its hospitality and beauty. Our people are also the reason tourists want to return to the Mountain State.

So on the birthday of our State, Mr. President, I would like to congratulate the citizens of West Virginia. They are the reason why I am proud to represent them and proud to be a West Virginian.

I ask all of my distinguished colleagues to join me in saluting the proud people of my State in saying "Happy Birthday West Virginia."

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Jersey.

THE CONSTITUTIONAL AMENDMENT PROHIBITING FLAG DESECRATION

Mr. BRADLEY. Mr. President, our American flag is best protected by preserving the freedom that it symbolized. I cannot support a constitutional amendment that would limit that freedom. At the same time, I believe that anyone who burns the American flag is an ungrateful lowlife who fails to understand how special and unique our country is.

Like most Americans, I revere the flag as a symbol of our national unity. I want it protected from abuse. That is why I strongly supported a law to punish those who would destroy our flag. That is why I regretted the Supreme Court's recent decision. That is also why I enthusiastically support and today urge passage of another law that would make it illegal for someone to burn a flag, if the act itself would incite violence.

In our system, the first amendment is what the Supreme Court at a particular time says it is. This Court has said the flag burning law violates freedom of expression. A future Supreme Court may reverse that decision. Although I wish the Supreme Court had ruled the other way, it did not. The question now is whether protecting the flag merits amending the Bill of Rights.

In making the decision to oppose this amendment, I consulted my heart and my mind. My heart says to honor all those who died defending American liberty. My heart conjures up images of the Marines holding the flag on Iwo Jima, the crosses in the fields at Flan-

ders, the faces of friends who never came back from Vietnam.

My heart says, what a nation believes in, what it will preserve, what it will sacrifice for, fight for, die for, is rarely determined by words. Often people cannot express in language their feelings about many things. How do I know? Because I struggle with it every day.

Remember the pain you felt when the *Challenger* exploded before your eyes? Remember the joy you felt when World War II and the Korean war ended? Remember the shock you felt when you learned of the assassinations of President Kennedy and Martin Luther King? Remember the feelings of attachment you have for the Lincoln Memorial, the Statue of Liberty, the flag?

These are symbols and shared memories for places, events, and things that tie us to our past, our country, and to each other, even when there are no words at all. When someone gives respect and recognition to them, we are moved, sometimes to tears. When someone demeans them or shows disrespect, we are outraged.

My heart says honor the flag, and I do. My mind says, when our children ask why America is special among the nations of the world, we tell them about the clear, simple words of the Bill of Rights, about how Americans who won our independence believed that all people were blessed by nature and by God, with the freedom to worship and to express themselves as they please. We found these truths to be self-evident before any other nation in the world did, and even before we created the flag to symbolize them.

Our Founding Fathers believed that fundamental to our democratic process was the unfettered expression of ideas. That is why the amendment that protects your right to express yourself freely is the first amendment, and politicians should never put that right at risk.

Now if this constitutional amendment passes, we will have done something no Americans have ever done—amended the Bill of Rights to limit personal freedom.

Even if you agree with the flag amendment, how can you know that the next amendment will be one you will like? You cannot. So let us not start. Once you begin chipping away, where does it stop? Do not risk long-term protection of personal freedom for a short-term political gain.

America's moral fiber is strong. Flag burning is reprehensive, but our Nation's character remains solid. My best judgment says we are in control of our destiny by what we do every day. We know the truth of Mrs. Bush's words that America's future will be determined more by what happens in your house than by what happens in the White House.

I have traveled America for 25 years. I know we still have standards, insist on quality, believe in hard work, honesty, care about our families, have faith in God.

A rapidly changing world looks to us to help them define for themselves what it means to be free. Our leadership depends more than ever on our example. This is the time to be confident enough in our values, conscientious enough in our actions, and proud enough in our spirit to condemn the antisocial acts of a few despicable jerks without narrowing our basic freedoms.

My mind says that the best way to honor those who died to preserve our freedom is to protect those freedoms and then get on with the business of making America a better place.

I took an oath to support and to defend the Constitution of the United States. Each Senator has to decide in her own mind and in his own heart what he feels he must do, to fulfill the promise he made to preserve and to stand by the Constitution. Different Senators will arrive at different answers. For me, this amendment does not preserve the Constitution. To the contrary, it constricts, narrows, limits—makes it less than it was before. To preserve means to keep intact, to avoid decay, but this amendment would leave freedom of expression less intact, less robust, more in a state of decay. To support an amendment which would, for the first time in 200 years, reduce the personal freedom that all Americans have been guaranteed by the Constitution would be, for me, inconsistent with my oath. I will never break my oath.

Finally, I trust more the wisdom of the Founding Fathers in devising a system that guarantees liberty than I trust the posturing of today's politicians seeking to gain political advantage. In his dissenting opinion, Justice Stevens warned us about using the flag "as a pretext for partisan dispute about meaner ends." On one level, the debate about the flag amendment is not about the nature and limits of American symbols and American freedom; it is about pure politics. The purpose of this amendment as the minority leader has admitted is to provide a launching pad for vicious attacks on the integrity and patriotism of those who vote against it.

The way it will begin is with an opponent saying "I will not question Senator X's patriotism, but I will question his judgment." Let us be honest; the charge questions patriotism. Then comes the graphic 30-second commercial featuring an unsavory, bearded lowlife burning a flag and clearly implying that a particular Senator is less than patriotic because he chose to preserve freedom over a constitutional amendment. This is sleazy politics, based on the ability to slur with impunity. A few years ago, the slur was directed at one's moral values, or commitment to family, or willingness to defend America. Now the same political poison aims for one's patriotism. Well, it makes me sick. A government or a politician who gains power by the slur will find little patience from the people and none from the opposite party when times get tough.

Politics can be a mean business but it can also be a glorious business. Sometimes an event has unexpected consequences. Let's be frank; there is patriotism on both sides of this debate. So let me tell you what I believe about patriotism.

Patriotism—I know how it feels to be proud to be an American. I remember how I felt back in 1964 when the United States Olympic basketball team defeated the Soviet Union in the finals—I remember standing on the victory stand, with the gold medal around my neck, chills running up and down my spine, as the flag was raised and the national anthem played.

I was proud to have won—for myself and for my country.

Patriotism—it is like strength. If you have it, you do not need to wear it on your sleeve.

The patriot is not the loudest one in praise of his country, or the one whose chest swells the most when the parade passes by, or the one who never admits we could do anything better.

No, a patriot is one who is there when individual liberty is threatened from abroad whether it is World War I, World War II, Korea, Vietnam, or even the wrongheaded action in Beirut in 1983—yes, that too. All those who served in these conflicts were defending liberty as our democracy chose, in its sometimes fallible way, to define the need to defend liberty.

But you do not need a war to show your patriotism. Patriotism is often unpretentious greatness. A patriot goes to work every day to make America a better place—in schools, hospitals, farms, laboratories, factories, offices, all across this land. A patriot knows that a welfare worker should listen, a teacher should teach, a nurse should give comfort. A patriot accords respect and dignity to those she meets. A patriot tries, in a secular as well as a spiritual sense, to be "his brother's keeper."

When the only grandfather I ever knew came to America, he went to work in a glass factory. He worked with his hands, and he worked long and hard. After work he lived for three things: The first thing he lived for was going to the public library on a Saturday night to check out Western novels which he would read and reread over and over again. The second thing he lived for was to sit on his front porch on summer nights with a railroad whistle in the background and

listen on the radio to his real love, baseball. And the third thing he lived for was to tell his grandson—me—what America meant to him. He said America was great because it was free and because people seem to care about each other. Those two, freedom and caring, are the two inseparable halves of American patriotism. As Americans who love our flag, we must not sacrifice the substance of that freedom for its symbol and we must learn to care more about each other.

That is why I am in politics. And as long as I am in politics, I will not be stampeded by a handful of protestors who I might despise or by a retinue of political consultants spreading the poison of today's partisan politics. Neither one represents the America I love and neither one will push me into restricting our fundamental freedom. To do so, I believe, would betray the meaning of the oath I took to support the Constitution and the promise I made to myself to always do what I thought was right.

I oppose this amendment.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. BRADLEY. I yield.

Mr. CRANSTON. I applaud the Senator from New Jersey for the stand he has taken in regard to the efforts by some to amend the Constitution of the United States and specifically the Bill of Rights. I have discussed this matter with the Senator from New Jersey. I know that he has given very long, very deep, and very careful thought to this matter.

He came to the inevitable conclusion that I thought he would because I know his patriotism, I know his thoughtfulness, I know his care in regard to issues. His leadership in this effort, that I predict will be successful to defeat any effort to amend the Bill of Rights, is very, very important. It is the sort of national leadership we have come to expect of BILL BRADLEY. I, for one, thank him, as I know many, many others will now and in the future.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico.

Mr. BINGAMAN. Mr. President, is it appropriate to speak as if in morning business?

The PRESIDING OFFICER. The period of morning business is due to expired in 1 minute.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that I be allowed to speak as if in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

FLAG AMENDMENT

Mr. BINGAMAN. Mr. President, I cannot support an effort to begin writing exceptions into the first amendment of our Constitution. The Supreme Court has said the first amendment protects the right of free speech, no matter how unpopular or offensive that speech is. The Court interprets that to include the right of people to burn a flag if a person so chooses. Presumably, the Court would reach the same conclusion with regard to a person's right to burn the Constitution or even the Bill of Rights itself.

Modern technology has given us the ability to see political protest, including the burning of flags, as it occurs around the world; in Tiananmen Square, in the Soviet Union and Eastern Europe, and in South Africa. We are not only able to see the political protest, we are also able to see those governments step in to prevent that expression, to limit that speech, and to silence dissent and criticism aimed at those in power.

This proposed constitutional amendment would sanction that same type of repressive action by our own Government. And such repression would not be permitted only when people are disturbing the peace, but also when they are trying to dramatize their strongly held political views. Like most citizens, I find many of those political views offensive and reprehensible. But I am not willing to amend the Constitution to permit States and the Federal Government to restrict the expression of those views.

It distresses me to the core to see the symbol of our great Republic mocked and desecrated. It hurts me deeply because I am so proud of this Nation and the values for which that it stands, and I become angry and resentful when I see others publicly and hatefully reject the flag and those values. When they burn or mutilate the flag, they burn or mutilate a profound symbol of the values I hold dear.

But in spite of my anger and resentfulness, I am not so foolish as to mutilate those values themselves. The strength of our country is in large part due to the fact that we tolerate the expression of unpopular views. It does not strengthen us as a nation to begin, by constitutional amendment, to restrict the right of political expression. It does not protect our Nation to diminish the very liberties which have made us the envy of all mankind.

Mr. President, the sad thing about this entire debate is that it is the result of political opportunism by our President and his close political advisers. Last year President Bush was persuaded that championing an amendment to the Bill of Rights to overturn this particular Supreme Court case was good politics. He hurried to the Iwo Jima Memorial at Arlington Cemetery and came out foursquare for the flag and against anyone who would burn it—and for that position, he cannot be criticized. But he then took the next step and argued that if the Supreme Court was right in its view that flag burning was a protected form of political expression, then the Congress and State legislatures should hasten to change the Bill of Rights to deal with this threat to the Republic.

That started the political debate that continues today. Many of my colleagues here in the Senate and in the House followed the President's lead. The implication of their statements was clear:

> Those who favor a constitutional amendment to protect the flag are more patriotic than those who do not. Of course no one would want to question anyone's patriotism. We all know that all politicians are equal when it comes to patriotism. But then the American people should not miss the point that some may not be quite as equal as others. And a sure indicator of who lacks adequate patriotic fervor will be his or her vote on this constitutional amendment.

Ben Johnson put it well when talking about this feigned or pretended patriotism when he said that such patriotism is "the last refuge of the scoundrel."

Mr. President, one point which has come home to me time and again since I have been in the Senate, is that the framers of our Constitution did a marvelous thing when they wrote that document and when they added to it the Bill of Rights. Not only did they produce a document embodying our most precious values and a system of government to advance and protect those values, they also had the wisdom to anticipate the very type of political opportunism we are seeing here. They anticipated it, and they guarded against it by requiring changes in the Constitution to be accomplished only by a two-thirds vote of both the Senate and the House of Representatives, and then by the approval of three-quarters of the legislatures of our States.

Those requirements are serving us well in the present debate. I hope that the necessary two-thirds vote to approve this amendment will not be achieved in this Senate. I am heartened to hear the strong statements of many of my colleagues against what the President has proposed.

What about the public reaction to all of this? Recent polls show that a majority of Americans favor such a constitutional amendment and indicate that they would be inclined to vote against a Representative or Senator who opposed it.

I would like to believe that, given time for additional reflection, most Americans would have a different view. I would like to believe that those of us in public life have a responsibility and opportunity to persuade our fellow citizens on this issue.

Time will tell whether my beliefs are well-founded.

Regardless of what the majority ultimately decides, I will cast my vote against this proposed amendment with the satisfaction of knowing that I've done what is clearly right.

I thank the Chair and I yield the floor.

INVESTING IN OUR FUTURE

Mr. PELL. Mr. President, it is without question that the world we live in is very complex, and the world of tomorrow will only become even more demanding. In this the last decade of the 20th century, our Nation will face its most serious challenges in the economic arena. Our ability to compete will rely heavily upon our ability to recognize our strengths and weaknesses in a rapidly changing world economy.

As new trading partnerships transform the international marketplace, the more intense the competition for economic leadership in the world will become. For this country and its citizens, much will be at stake in this competition—our standard of living, our national security, and our ability to provide world leadership.

Our success will depend heavily upon the investment this country is willing to make in its own future. I am convinced that a major component will be the investment we make in our education system. Education, now more than ever, will play a crucial role in determining the fortunes of this Nation.

One area in which we can identify a very real problem is the need to train math, science and foreign language teachers, and the need to provide better training in these disciplines for American students. If we do not provide improved instruction, the Nation as a whole will suffer. This is a major focus of the teacher legislation we are now working on. In math and science alone, we will need an additional 300,000 teachers by the year 2000. We are seeking to address this problem in our bill not only in order to attract talented new individuals to the teaching profession, but also with better inservice programs to enable teachers already in the classroom to hone their talents and skills.

We need better trained students to staff our burgeoning technological industries, and we need them now if we are to be prepared for the challenges ahead. Without these and other efforts, we will undoubtedly be unable to maintain the levels of success which we have achieved in the past.

Recently, I attended the commencement ceremony at Rensselaer Polytechnic Institute and listened to the insightful comments of Allan Bromley, the Assistant to the President for Science and Technology, on our country's willingness to develop what he described as a "sense of the future."

Mr. President, I ask unanimous consent that his remarks be printed in the RECORD for all of my colleagues to read.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

A SENSE OF THE FUTURE

(By D. Allan Bromley, Assistant to the President for Science and Technology)

COMMENCEMENT ADDRESS, RENSSELAER POLYTECHNIC INSTITUTE, TROY, NY, MAY 18, 1990

President Schmitt, Distinguished Guests, Members of the Class of 1990, Ladies and Gentlemen:

Let me begin by adding my congratulations to the Class of 1990. You have worked hard and have earned the recognition that is yours today. But this is not just your day. As the parent of two college graduates, I can tell you that your parents have looked forward to this day much longer than you have. In a very real sense, this is their day, too. So let me, both personally and on behalf of all of us who are honored to be joining the Rensselaer family this morning, extend to you—parents and students alike—our warmest congratulations and best wishes on this most important day.

I plan to keep my remarks brief this morning. But because I didn't know quite how much time would be appropriate, I called up Roland and asked his advice. He told me, "Just keep it shorter than the wait for hockey tickets." That shouldn't be too hard.

President Bush has a story that he likes to tell about long-winded speakers. It's about the boy who is sitting in church with his parents and asks his mother why there are flags lining the walkway outside. "Those are for the young men who died in the service," his mother tells him. The boy replies, "Oh, the 9:00 service or the 11:00 service?"

Yet, in my own defense, I must add that there is a certain timeless quality about commencement day, and often a real sadness at having this time come to an end. You have had four sheltered years here at Rensselaer, though I doubt they have always been comfortable ones, and the friends you have made—and the knowledge you have gained—will last a lifetime. Now life gets more complicated. The stakes, the challenges, and the rewards all go up.

You are entering a world that is much more complex and fluid than the world I entered after getting my graduate degrees from another great New York institution, the University of Rochester, in the 1950s. It is a world in which the only given is that change is continual—change in science and technology, change in political institutions, even change in society. Marshall McLuhan once said, "If it works, it's obsolete." The situation is not quite that bad, but it's getting close.

Think back for the moment to the 1950s and to what we know now that we didn't know then. The double helix structure of DNA was unknown at the beginning of that decade. Geologists throught the continents were immovable and permanent, despite the evidence of their own eyes in the match between the outlines of South America and Africa. No one had ever heard of quarks or black holes. The idea that we could put objects into orbit around the Earth was still considered science fiction. The greenhouse effect occurred in greenhouses, and if you wanted an ozone hole you had to make one in a laboratory.

One of the most appealing and yet confounding aspects of science is that we have very little idea what major developments will occur in the next 40 years. Yet we can be sure that they will be dramatic, and that the world of 2030 will be much different than the world today. I have often said that science and technology are the greatest adventure upon which humans have ever embarked. Those of you who will go on to become scientists and engineers are taking up that adventure at an exciting time. You are very lucky to be graduating when you are.

We tend to think of the 1950s as a time of optimism, and they were—we were eager to tackle the scientific challenges of our day. But some analysts would claim that the situation is different today. There has been much talk in the last few years about the decline of America, about how this country is destined to be overtaken by its competitors. And, for some reason, this speculation has found a receptive audience: according to polls, over half the people in this country think that America is in decline.

Yet it is impossible to make a compelling case that this country is in fact losing ground. Since the mid-1970s, the U.S. share of the gross world product has risen slightly. Our economy has now been growing for eight consecutive years—the longest peacetime expansion in the nation's history. The United States continues to have the highest standard of living in the world, and because of our wealth we have made at least as much progress as any other nation in controlling the pollution of our air and water.

It is always tempting to compare the bad aspects of modern life with the good aspects of years past and lament the difference, or to point to catastrophic problems that are right around the corner. You know what they say about economists—that they have predicted seven out of the last three recessions. But the world is much more likely to enter a period of unprecedented prosperity and peace during the 1990s than a period of economic contraction or social decline.

In taking issue with doomsayers, I do not mean to gloss over the very real problems that we face; in fact, I'll spend much of the rest of my time talking about a couple of these problems. But I want to emphasize that our problems are soluble if we can generate the national will to solve them and if we resolutely pursue the necessary solutions.

INVESTING IN RESEARCH AND DEVELOPMENT

These two conditions—a national will and resolute action—are tied up with a rather more subtle consideration. One of the most vital challenges we face in this country is to reinvigorate our sense of the future. The typically American characteristics of optimism, a willingness to take risks, and a sense of where we're going still thrive in this country, but they have lost their power to shape broad national goals. My colleague Richard Darman, the director of the Office of Management and Budget, calls this sense of the future a "realistic Romanticism," and despite the seeming contradiction in terms it is a very accurate description, because it describes the traits that have made America a great country.

One telling indication of how we view the future is how much of today's wealth we invest for tomorrow's gain. On a personal level, we invest by saving money or by going to college to learn new skills. On a national level, we invest by building up the nation's infrastructure of capital goods, scientific

and technical know-how, and people trained to use that knowledge in productive ways.

In that sense, one of the most important national investments that we can make is research and development. Research and development build the base for tomorrow's economic prosperity, international security, and national well-being. The lessons of history are unmistakable on this point. Past support from the federal government, and from the American taxpayers, for research and development has given the United States the strongest scientific and technological enterprise that the world has ever seen. It is a national and global resource; it is essential for our standing in the world.

Today, we still invest more money in research and development than does any other nation. But other countries are closing the gap, with what I believe are obvious effects on our international competitiveness. The United States now spends about 1.8 percent of its GNP on nondefense research and development. West Germany spends about 2.6 percent, and Japan spends about 2.8 percent. The world leadership that we have enjoyed for decades in science and technology is at risk. We shall lose this leadership only at our peril—militarily, economically, socially.

I personally believe that we do not spend enough on nondefense research and development in this country. One indication of this underinvestment is that we are finding it very difficult to maintain balance among the three main categories of public and private R&D funding:

The first is research and development that meets national needs, including development of the important enabling technologies that allow our industries to remain economically competitive.

The second is the large scientific projects that take us to the scientific frontier and are an important source of national pride.

And the third is the individuals and small groups doing basic and applied research, who remain the heart and backbone of American science. If any one of these three categories receives too little support, all three suffer, because all three are interrelated.

How are we to find additional funds for research and development from a federal government strapped for resources and a private sector that faces stiff competition from abroad? It won't be easy. But as we lower the budget deficit in the next few years, as economic reforms are instituted, and as international tensions lessen, the need to invest in our national future must take priority.

I believe that the American public senses this need, not only in terms of research and development but also in terms of such actions as rebuilding the national infrastructure and protecting the environment for future generations. The problem is translating public understanding into political will.

The answer, of course, lies in the American system of government. Benjamin Franklin said that in America the people govern—if they want to. In a democracy such as ours, things do not happen unless our leaders and legislators believe that you, our citizens, want them to happen. If you feel that investing in our national future is important, take the time to tell your Representatives and Senators about it. A thoughtfully written letter or a short meeting can convey a powerful impression—and I can tell you from being in Washington that politicians do listen. You will have an effect far beyond what you think possible.

INVESTING IN HUMAN RESOURCES

Research and development are one important investment in our future, but there is another investment that is even more important. We cannot do forefront research and development if we do not have the scientists and engineers to do it. Nor can we remain at the forefront of high-technology industry if we do not have a workforce capable of performing high-technology jobs.

This is the one point on which I might agree with the "America is in decline" school. Each coming generation of bright young minds constitutes our edge in a fiercely competitive world. It is our young people who can make the difference in an international marketplace. It we are not able to produce a well-educated populace able and willing to take up the technical challenges of the modern world—and not only at elite institutions like Rensselaer but broadly, throughout the country—we face a cloudy and uncertain future.

President Bush and the nation's governors have embraced this challenge by establishing six goals in education to be achieved by the end of the century. Probably the most controversial goal is that American students should be first in the world in mathematics and science achievement by the year 2000, whereas international comparisons now show us to be virtually last.

But I think it was very important for the President and the governors to set this goal. It shows that they recognize the importance and seriousness of scientific literacy, and that they are willing to devote special attention to this issue. Already, their focus on science and mathematics education has led to several new initiatives in my own office, including an attempt to coordinate the actions of federal agencies that have previously pursued education in almost complete isolation.

Of course, the news is not all bad for those of you who plan to become scientists and engineers. Your timing—over which I recognize you had remarkably little control—is excellent. You will be in great demand, particularly given the projections that show serious shortages of scientists and engineers developing in the 1990s. What you can accomplish will be limited only by your vision, your imagination, and your willingness to keep up with the astonishing rate at which your fields are changing.

But it is also more fun to be working in fields that are thriving, fields that are full of new people and new ideas. You, too, will experience the pain of personnel shortages. And without an adequate level of scientific literacy among the population at large, the funding and social support that you need to do your jobs will be in equally short supply.

So I would submit that you have both a responsibility and an opportunity to improve your own futures. You are the most recent beneficiaries of an educational system that has prepared you for very promising careers. Now is the time to return the favor.

There are many different ways to improve the state of scientific and technical literacy in this country. There is a program at Yale where science majors go into the community and work with poor and disadvantaged children to spark their interest in science. Other people become big brothers or sisters or teach classes after work. Some people come to Washington or take state or local jobs in government, and I can tell you from my own experience that government service is a rewarding and valuable thing to do. Other people express their commitment by political action, by writing letters and becoming involved in the issues that concern them.

The important point is to try to give back to others some of what you have received. It can be your own form of investing in the future, and it is an investment from which you and all the rest of us will benefit.

Your years here at Rensselaer have prepared you well for the task. You are among the brightest and best educated young people in the nation. I know that you will have an exciting and rewarding time.

So on behalf of those of us whom you may feel have received our Rensselaer degrees today with considerably less work than was required of you, let me only say how honored and privileged we are to be able to join this very select group—the Rensselaer Class of 1990.

WORLD SUMMIT FOR CHILDREN

Mr. PELL. Mr. President, on September 29–30 of this year, the World Summit for Children will take place at the United Nations. For the first time, heads of state will meet to determine a plan of action for protecting children and ensuring their survival and development.

Children are the greatest resource of any nation. Yet, this precious resource is being sapped by death and illness, particularly in the Third World. Three million children die each year from vaccine preventable diseases such as measles. Four million more die of diarrheal dehydration, and over 150 million children under the age of 5 suffer from malnutrition. We cannot stand by and let these trends continue. It is imperative that President Bush attend the summit and that the administration sign and submit to the Senate the Convention on the Rights of the Child, unanimously adopted last year by the U.N. General Assembly.

If the summit is to be a success, leaders throughout the world must understand that there is widespread public support for dramatic action for children. The World Summit for Children Candlelight Vigils is an important effort to secure this support.

Mr. President, I ask unanimous consent that a statement recently issued by the Children Candlelight Vigils be printed into the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 1, 1990]

Leaders of the world's two most powerful nations have let themselves be counted. It is now time for real action. Like so many of us, our national leaders are numbered by the enormity of the problem—40,000 children dying each day from malnutrition and disease.

Yet we have within our grasp the means to save almost half of the children under five who die daily—almost 20,000. We have new medical technologies, such as a 10c packet of saline nutrients to combat deadly dehydration; we have low-cost vaccines and vitamins, new ways of delivering medicine, and new communication and educational

tools to eradicate the ignorance that helps these diseases thrive.

So what can we do? Thankfully, we have at this moment an unprecedented opportunity to influence those at the levers of power:

The leaders of six nations (Canada, Egypt, Mali, Mexico, Pakistan and Sweden) have called for a World Summit for Children this September 29-30. Twenty-two other governments have joined them in a Planning Committee to prepare for this first North-South-East-West global summit, which will be chaired by Canada's Prime Minister Brian Mulroney and Pakistan's Prime Minister Benazir Bhutto.

At this meeting, leaders from around the world will be asked to do something bold and courageous—divert more of their attention and resources from current priorities, such as military security, and adopt a policy of "first call for children."

A successful World Summit for Children can make the 1990s the decade in which the shameful large-scale deaths and widespread malnutrition of the world's children and the deteriorating quality of life for children in industrialized nations are consigned to history, providing a permanent gift from the last decade of the 20th century to the people of the new century.

It may come as a surprise to many that there is now evidence that, by saving young lives, we also reduce the population growth rate. Experience shows that as parents become confident their first children will survive, the birth rate declines. In fact, no country in the world has reduced its population without reducing infant mortality.

In the new climate of openness and disarmament, the time is certainly ripe for such a summit. But the truth is that, unless the most influential countries participate fully, the potential of the summit to achieve real positive change will be lost.

It's time to back words with action.

TRIBUTE TO GEORGE SUMMER OF NEWBERRY, SC

Mr. THURMOND. Mr. President, I rise today to pay tribute to Mr. George Summer of Newberry, SC. Mr. Summer has dedicated more than 30 years of his life to molding the character of the young men of South Carolina through scouting.

Mr. President, a writer once said that heroes are not men of battle, but men of faith. George Summer is such a hero. He has faith in the high ideals of scouting, faith in his community, and above all, faith in the youth of our State.

George Summer's entire life has been dedicated to serving others. He has given tirelessly of his time and energy in order to provide the boys of Newberry County with a constructive alternative to alcohol and drugs.

"Uncle George," as he is affectionately known, has taken his scouts on countless camping trips. He has raised most of the funds to purchase and maintain a bus for Troop 222, and is one of the few scoutmasters who personally picks up troop members for their weekly meetings.

Although Mr. Summer has been plagued by health problems since childhood, he has become a valued leader of scouting in America. He led two national jamborees, and the Blue Ridge Council of the Boy Scouts of America named their 1989 Eagle Scout class after him to honor his contributions to scouting.

Mr. Summer has also been active in other aspects of community life. He served for 28 years as Newberry County coroner and 4 years on the Newberry County Council. He has given his time to other organizations as well, including the South Carolina Law Enforcement Association and the Sertoma Club.

George Summer has received many awards over the years, including the Scouters Award, the Scouters Key, Outstanding Scoutmaster of the Year, and a special award recognizing the 100th Eagle Scout in his scout troop. In addition to these scouting awards, he has been honored by the South Carolina House of Representatives and the city of Newberry.

However, Mr. Summer's friends will tell you that his most cherished reward is the pleasure of seeing his boys grow up to live honorable, productive and drug-free lives.

In short, George Summer is the kind of man who reflects the best America has to offer—a quiet man, whose good deeds are done with no fanfare and whose reward is simply to know that he has helped someone else to move along life's pathway. He has provided stability and encouragement to hundreds of boys, and by example he has taught them to be not only good scouts but men of both courage and kindness.

Mr. President, George Summer has recently been in poor health, and I am sure that my colleagues and Nancy and I would like to extend our very best wishes to him, his lovely wife Ethel, and his two fine sons, Buddy and Tony at this difficult time.

SENATOR BURDICK'S 30TH YEAR IN THE SENATE

Mr. JOHNSTON. Mr. President, on June 28, the Senior Senator from North Dakota will celebrate the 30th anniversary of his election to the Senate. One of only 36 Senators in the history to reach this landmark, it is fitting that special notice be taken of this date.

I have had the distinct pleasure of serving with the distinguished Senator on the Appropriation Committee for over a decade, and we serve together on two subcommittees. I can state unequivocally that his has always been a reasoned, thoughtful voice. Whether working hard for projects and programs of particular interest to North Dakota or on broader policy questions involving agriculture and the environment, the Senator from North Dakota has consistently done his homework well and presents very, very persuasive arguments. We've all learned to listen carefully when the Senator from North Dakota speaks for we have much to learn from him and usually know we will be persuaded by him.

Let me also say that the Senator from North Dakota is also one of the nicest people I have had the great pleasure to meet and become friends with over my years in Washington. He has always lent me an attentive ear, and has never failed to treat me, or as far as I know anyone else, with anything but the utmost courtesy, respect and attention. He is a true gentleman, and sets a high standard for us all to strive to achieve.

North Dakota has been well served by its senior Senator for the last 30 years, as has the Senate, and I hope we will have the pleasure of noting further special landmarks in his already august career in the future.

TWENTY-FIFTH ANNIVERSARY OF THE PEACE CORPS PROGRAM IN KENYA

Mr. CRANSTON. Mr. President, the Director of the Peace Corps, Paul Coverdell, recently made a splendid address at a celebration of the 25th anniversary of the Peace Corps Program in Malindi, Kenya. Over a quarter century, more than 4,000 Peace Corps volunteers have helped the people of this truly incredible country to help themselves. Eleven volunteers have given their lives in service to Kenya, the most recent, Daniel Ohl, in April of this year.

In his remarks, Director Coverdell points out that the Peace Corps will this month be serving in 70 nations. He enunciates the goal of having the Peace Corps serving "in virtually every nation that makes a legitimate request for assistance."

Mr. President, I ask unanimous consent that the Director's remarks be printed in the RECORD at this point.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

TWENTY-FIFTH ANNIVERSARY, PEACE CORPS, KENYA

(Address by Paul D. Coverdell, Director, Peace Corps)

Good evening and thank you, Jim for that very kind introduction. It is great pleasure for me to be in Malindi for this important anniversary.

Before leaving Washington to travel to a place I have not previously visited, I like to ask people what I should expect—and I made that inquiry of several people before I left on this trip. After being in Kenya but one day, I already know that the most accurate description I heard was from an individual who quoted an East African saying—"He who has tasted honey will return to the honey pot."

I haven't been here long, but I can readily understand how nearly everyone who visits Kenya wants to return to this exceptionally

beautiful land—and I can see why more than 4,000 Peace Corps Volunteers have found this to be among the most enchanting and exciting places in the world.

We are here today to celebrate an anniversary—a milestone—25 years of Peace Corps experiences in Kenya.

In his book entitled, "Facing Mount Kenya," Jomo Kenyatta devotes an entire chapter to a rather elaborate description of the marriage system in the Gikuyu community.

As I was thinking about the anniversary we are celebrating, I could not help but be struck by how similar it is to the celebration of a wedding anniversary—and, upon further reflection how similar the relationship between Peace Corps and the people of Kenya has been to the Gikuyu system of marriage.

Kenyata says that in the Gikuyu community, young men and women are left free to choose their mates. Peace Corps and Kenya have freely chosen each other as partners.

Marriage is considered one of the most powerful means of maintaining the cohesion of Gikuyu society. I would venture to say that the friendships between Peace Corps Volunteers and the people of Kenya have been among the most powerful means of cementing the bonds of friendship between our two nations.

And, in the Gikuyu system, one of the most important results of the marriage is to strengthen the tribes of both the husband and wife. I do not believe there can be any doubt that both Kenya and the United States have been strengthened by this marriage.

We are here today for a celebration, but as with the celebration of many anniversaries, our joy is tempered by sadness. Our sadness results from the recent loss of one of our courageous Volunteers, Daniel Ohl, who died just over a week ago. From everything I have heard from Jim Beck, the Peace Corps staff and other Volunteers, Dan was a remarkable young man who will be greatly missed.

Please allow me to extend to the Peace Corps Kenya staff, Dan's fellow Volunteers and friends my deepest sympathy over your loss, but be comforted by the knowledge that although Dan's life was short in years, it was long on accomplishments.

A famous American once said: "All of us are born for a reason, but all of us don't discover why. Success in lie has nothing to do with what you gain in life or accomplish for yourself. It's what you do for others."

By this definition, Dan's life was immensely successful.

And, while we are remembering the life and contributions of Daniel Ohl, let us also remember the others before Daniel who died while they were part of the Peace Corps Kenya family: John Parrott, 1965; Susan Rodgers and David Bogenschneider, 1970; Linda Manke, 1971; William West and Elizabeth Aldrich, 1972; H. Benjamin Gamber, 1975; Florence A. Krok, 1977; Lester H. Gleissmann, 1978; and Diana Hess, 1983.

Their work and their lives are an important part of our celebration—because what we are celebrating today is not the passage of time. Rather, as in a wedding anniversary, we are celebraing the events and particularly, the relationships which have made the years Peace Corps and Kenya have spent together important for both nations.

We are celebrating the Volunteers who came to Kenya 25 years ago when the people of this country were celebrating the first anniversary of their independence. And, I understand that we have with us today one of the individuals who was in that Kenya I group, Dr. Charles Mohan. Dr. Mohan worked in Agricultural Co-operatives and Land Settlement Schemes. Now he's back working with U.S.A.I.D. (Dr. Mohan, would you and your wife Laura please stand?) The Mohans will be here for several days so they can share with you some of the stories from back in 1965.

We are also celebrating the experiences of the other 4,000 Volunteers who have been part of this great program—each with her or his own stories, friendships, projects, frustrations, contributions made and contributions received.

We are celebrating the work of our Volunteers.

Work previous Volunteers did—in land settlement, fish culture, rural women development;

Work our Volunteers are doing today—in secondary education, small enterprise development, small town development; and the work of Peace Corps Kenya's future—new agro forestry programs, sports training programs and environmental education programs.

And we are celebrating the growth of Peace Corps worldwide—including historic expansion and new program initiatives both at home and abroad.

Our expansion is historic both in terms of the numbers of countries served and the opening up of new challenges in nations such as Haiti, Bolivia, Poland, Hungary and Namibia.

By June of this year, Peace Corps will serve in 70 nations—the most in our history. And within the next 18 months, we are planning to enter more new countries in Africa, Asia, Latin America and Europe than in the previous 18 years. It is our goal to have Peace Corps serving in virtually every nation that makes a legitimate request for assistance.

Our new overseas program initiatives are designed to meet the needs of a changing world.

To respond to the new popularity of market-oriented economic systems, we are expanding our programs in small business development.

To meet the needs of the 44% of people in the developing world who now live in cities, Peace Corps is placing new emphasis on urban development programs.

To help curtail the escalating deterioration of our world environment, we are involving more Volunteers in this important struggle.

But, we will not overlook our traditional programming, and we are working to strengthen our contributions in the areas of agriculture, health and education.

And at home, we are stepping up our third goal activity through a program called World Wise Schools, which is designed to link every active Peace Corps Volunteer with a school in the United States. This year we had nearly 1100 Volunteers participate in the program and hope to have 100% participation during the 1990-91 school year.

I am particularly pleased that more than 70 Volunteers in Kenya have participated in the World Wise Schools program during its maiden year. What a great way for American school children to learn about this beautiful country.

Another initiative at home is an effort to recruit more Volunteers of racial and ethnic minority groups so that the Peace Corps becomes truly reflective of the face of America.

And, we are working very hard to increase educational opportunities in the United States for our returning Volunteers.

Because Peace Corps Kenya is participating in so many of our new initiatives, it is appropriate that they are among the things we celebrate today.

But, of all the things we are celebrating, the most important is what I would imagine to be one of the reasons for celebration at a Gikuyu wedding anniversary—the increased strength that the marriage has brought to the tribes of both marriage partners.

It is easy for us to point to some of the things that the Peace Corps/Kenyan marriage has done to strengthen Kenya—the number of students taught; libraries started; vegetable gardens planted; automobile mechanics trained; water systems improved. Maybe we could equate these contributions of the Volunteers to the roracio which the groom's family gives to the family of the bride. But, what about the many gifts which our Volunteers have received in Kenya and brought back to their "family"—the United States? These are gifts we have too often failed to acknowledge because, quite frankly, we have not been as aware of them. Let me give you some examples.

At Columbia Teachers College in New York City, there is a program called the Peace Corps Fellows Program. This program was started in response to a critical shortage of certified teachers of mathematics and science in New York's inner city schools. In partnership with the Board of Education in the City of New York, Teacher's College offers the veterans of overseas Peace Corps service a scholarship towards a Master's degree in education and a concurrent full-time teaching position for two years.

Of the first 80 participants in this program, 12 (or 15%) served as Peace Corps Volunteers in Kenya. Let me describe for you just a few of the accomplishments of some of these Kenya RPCVs.

RPCV Tom Pearson's classes had the highest attendance rate at a high school in the South Bronx—after he put in place an innovative reward system which included persistent home contacts. Nineteen of Tom's students had perfect attendance one semester.

Pearson's mathematics students had the highest passing rates in recent memory on the Regents Algebra exam at Jane Addams High School in the South Bronx.

Kenya Volunteer Jennifer Knudson, in collaboration with another RPCV, designed an advanced problem-solving mathematics class at A. Phillip Randolph High School in Harlem. This school was recognized by former President Reagan and then Secretary of Education Bennett for "Excellence in Education." The school has nine Peace Corps Fellows teaching mathematics and science.

Peace Corps Fellow Susan Lisker tutors pregnant teenagers. She has also enrolled in Spanish classes to improve her communication with parents.

In addition to teaching computer literacy and attending classes at Teacher's College, Kenya RPCV Jim Laney is a Boy Scouts Master.

Given the extremely difficult conditions in which they work, these are amazing accomplishments, and having spoken to several of the Fellows participants, I will tell you that they attribute most of their success to the skills they learned in Peace Corps. So,

the students of New York City, have received immeasurable gifts from the experiences our Volunteers had here in Kenya.

And, I would bet there are nearly 4,000 other Peace Corps Kenya graduates who took lessons and skills learned in Kenya back home with them to the United States.

Yes, we have a lot to celebrate today, and as we look at the breathtaking changes sweeping the world—from Prague to Pretoria—we have reason to view the future with optimism.

Walls of all types—from iron curtains to apartheid—are crumbling, opening the way to an era of great possibilities: an era when ballots win out over bullets; when trade wars replace "Star Wars"; when national might will not longer be equated with military might; when every day is Earth Day; and when all people have freedom from hunger, disease, ignorance and persecution.

Our world is growing very small. In terms of transportation, communication and economic interdependence, a world which might have been represented by a hot air balloon in 1980, was probably no bigger than a basketball when Peace Corps first came to Kenya in 1965. Today, it is surely no bigger than a golfball.

And as the world grows smaller and physical and legal barriers between people disappear, the need for cooperation between nations and people has never been greater.

The people of Kenya and the Peace Corps Volunteers who have served here can take pride in the results of 25 years of cooperation. And as we celebrate the beginning of the next 25, 50 or 100 years of cooperation, I would like to thank you for allowing me to participate in this celebration with you and I would like to leave you with the words of one of this era's great leaders. The United States had George Washington. Kenya had Jomo Kenyatta. Czechoslovakia has Vaclav Havel—and these are his words I share with you:

". . . the salvation of this human world lies nowhere else than the human heart, in the human power to reflect, in human meekness and in human responsibility."

"Without a global resolution in the sphere of human consciousness, nothing will change for the better in the sphere of our being as humans, and the catastrophe toward which this world is headed—be it ecological, social, demographic or a general breakdown of civilization—will be unavoidable. If we are no longer threatened by world war or by the larger danger that the absurd mountains of accumulated nuclear weapons might blow up the world, this does not mean that we have definitely won. We are, in fact, far from final victory."

My friends—If the salvation of the world does indeed lie in the human heart, the people here today and the 4,000 Volunteers who have come before—including Daniel Ohl—have contributed significantly to that salvation.

Thank you.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 1,922d day that Terry Anderson has been held in captivity in Beirut.

TRIBUTE TO MR. J. BRIAN McKEE

Mr. THURMOND. Mr. President, I would like to take this opportunity to pay tribute to Mr. J. Brian McKee, who is retiring on July 14, 1990, after 28 years of dedicated service as a Federal law enforcement officer. I wish him all the best for a productive and enjoyable retirement, and I thank him for his many years of commitment to public safety.

A native of Malone, NY, Mr. McKee began his career on September 1, 1962, in New York City, as a special agent of the Naval Investigative Service [NIS]. He was later assigned to NIS headquarters in Washington, DC, where is served as senior staff assistant to the Director, Assistant Director for Administration, and first Assistant Director for Law Enforcement Programs and Physical Security. In 1984, he was reassigned as Director of the NIS Northeast region in New York City, and in December 1986 was selected for senior executive service rank and duty as the second civilian Director of the NIS.

During his years of service, Mr. McKee has been a truly dedicated public servant and has instilled a deep sense of duty and pride in his colleagues at the Naval Investigative Service. I am confident that my colleagues join me in commending Mr. McKee for his commitment to law enforcement and in wishing him the very best for his upcoming retirement.

TRIBUTE TO LT. GEN. GEORGE L. MONAHAN, U.S. AIR FORCE

Mr. THURMOND. Mr. President, on behalf of Senator EXON and myself, I rise today to honor Lt. Gen. George L. Monahan, as he approaches retirement after a distinguished military career, spanning 35 years in the U.S. Air Force.

General Monahan has served his country well. He is a veteran of combat, with 122 combat missions over Southeast Asia. He has also been a key contributor to the weapons acquisition process, ranging from the F-16 Lightweight Fighter Program, to his current challenging position as director of the Strategic Defense Initiative Organization.

During his impressive career, General Monahan has received many citations and military decorations, including the Distinguished Service Medal, the Distinguished Flying Cross, the Legion of Merit with oak leaf cluster, the Bronze Star, the Meritorious Service Medal, the Air Medal with nine oak leaf clusters, and the Air Force Commendation Medal.

In his current position as Director, SDIO, General Monahan has earned the reputation both for vigorous, dedicated, and forceful advocacy of the program and for honesty, forthrightness, and candor in his dealings with the Congress and the public. Leadership of the SDIO is a challenging assignment under the best of circumstances. General Monahan has earned the respect of all the Members of the Congress with whom he has dealt, whatever their degree of support for the program. Thus, Senator EXON and I salute his many years of dedicated service to the Nation, we thank him for a job well done, and we wish General Monahan and his lovely wife Mary only the best as they embark on the next chapter of their life together.

IMMIGRATION REFORM—THE TIME IS NOW

Mr. KENNEDY. Mr. President, this week over a dozen organizations reflecting a wide spectrum of political opinion—from liberal to conservative—joined in issuing what they termed "a consensus plea" for increased immigration.

As Congress continues to review the issue of immigration reform, launched again last year with passage by the Senate of S. 358, the Immigration Act of 1989, sponsored by myself and my good friend from Wyoming, Senator SIMPSON, I believe the points outlined in this appeal for immigration should be foremost in our debate.

As the group states in their plea, "It is time to end the polarization around American immigration policy. Scholars and analysts from all sides of the political spectrum agree on its benefits. Let us move forward on the basis of this consensus."

Mr. President, I would like to share this group's plea to Congress, and I ask unanimous consent that the text and signatories be printed in the RECORD.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

THE AMERICAN JEWISH COMMITTEE,
INSTITUTE OF HUMAN RELATIONS,
New York, NY.

A CONSENSUS PLEA FOR INCREASED IMMIGRATION

The United States is now at a critical stage in determining its policy of legal immigration. For only the fourth time in this century, Congress is considering significant change in how many newcomers we admit each year and by what criteria they should enter.

An issue so central to American values, society and prosperity necessarily entails sharp debate. At times this debate has become very polarized, impeding the development of legislation and confusing public attitudes toward immigration.

Yet, in the past few years, an emerging consensus has developed on the wisdom and public benefit of increased immigration to the U.S. This consensus includes liberals, conservatives, and others and is based on solid research conducted by a wide range of respected scholars. We believe that it is important for Americans to become more aware of this widespread consensus.

In the view of the broad spectrum of undersigned organizations, five points should underlie future U.S. immigration policy:

1. America gains from a generous immigration policy, which both benefits us materially and reflects our highest values of freedom, opportunity and family cohesion.

2. The cornerstone of immigration reform should be to increase the number of newcomers admitted to the U.S. each year. Current laws are too restrictive and deny many foreign born persons, who could make significant contributions to our country, the opportunity to come here.

3. America benefits from all lawful forms of immigration, including family unification, skill-based entry and refugee rescue. Increasing any of these modes of immigration should not occur at the expense of others.

4. As has been consistently true throughout U.S. history, America's newest immigrants enrich this nation economically and culturally. Immigration remains a central ingredient to retaining America's economic strength and its proud tradition of democratic pluralism.

5. Much recent research indicates that common fears about immigrants are unfounded. Newcomers do not take jobs away from Americans, do not generally abuse—or even use—the welfare system, and do not form a separate society. On the contrary, they aim to accultrate and contribute to the larger society. Whatever the short term costs of immigration in the early years after entry they are more than counterbalanced by longer-term benefits the nation accrues through a generous immigration policy.

It is time to end the polarization around American immigration policy. Scholars and analysts from all sides of the political spectrum agree on its benefits. Let us move forward on the basis of this consensus.

Sholom Comay, President, American Jewish Committee; Gregory Fossedal, President, Alexis de Tocqueville Institution; Edward H. Crane, President, Cato Institute; Donald J. Devine, President, Citizens for American Education Foundation; Fred L. Smith, President, Competitive Enterprise Institute; Mitchell E. Daniels, President, Hudson Institute; Jay Mazur, President, Int'l Ladies Garment Workers Union; Rita J. Simon, President, American Immigration Institute; John A. Griswold, Acting Director, Lutheran Immigration and Refugee Service; Raul Yzaguire, President, National Council of La Raza; S.B. Woo, President, Organization of Chinese Americans; Robert Poole, President, Reason Foundation; Msgr. Robert Lynch, General Secretary, U.S. Catholic Conference.

MEMORIAL FOR BETTY HAMBURGER

Mr. SARBANES. Mr. President, it is with great sorrow that I note the passing of Betty Hamburger, a good friend of mine as well as countless citizens of Maryland. Throughout her life, she gave far more than her share of energy and devotion to those people and causes in which she believed. She will be deeply missed by both those who knew her and those who benefited from the programs she advocated and advanced.

A true champion for the elderly, Mrs. Hamburger founded the Maryland Advocates for the Aging and served as its first president. She also served as a board member on the Maryland Conference of Social Concern and the Maryland State Commission on Aging. In a true test of her dedication, she "went undercover" in 1978 for the U.S. House's Select Committee on Aging, in order to uncover abuses in the sale of health policies to the elderly.

Mrs. Hamburger's contributions to the community were not limited to one area, however. She also served as president of the Jewish Educational Alliance and the Jewish Community Center. In 1982 she worked as cochairperson of the Baltimore County campaign for the reelection of Gov. Harry Hughes. For her unlimited commitment to service, Temple Oheb Shalom honored her for her 79th birthday, and in 1984 she was presented with "Baltimore's Best" award.

I extend my deepest sympathies to Mrs. Hamburger's two sons, Edward and Henry, and to her four grandsons and four granddaughters. This remarkable woman will be missed by all who were touched by her life and work.

I would also ask that the following article from the Baltimore Sun of June 3, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BETTY HAMBURGER, CIVIC ACTIVIST, DIES

Services for Betty K. Hamburger, a former retail merchandising executive and civic activist who became a passionate advocate for the aging, will be held at 2 p.m. today at Sol Levinson & Bros. Home, 6010 Reistertown Road.

Mrs. Hamburger died of cancer Thursday at her Pikesville home. She was 85.

Born in San Francisco, the former Betty Kalisher attended the Ethical Culture School in New York City and received her undergraduate degree from Barnard College and her master's of political science from the Johns Hopkins University.

She came to Baltimore in 1926. She married Isaac Hamburger, owner of the Hamburger's clothing chain, where she worked as advertising director and in public relations until her retirement in 1968, when the family business was sold. Mr. Hamburger died in 1960.

After her retirement from Hamburger's, Mrs. Hamburger worked for the elderly.

A board member of the Maryland Conference of Social Concern and the Maryland State Commission on Aging, she was also the founder and first president of the Maryland Advocates for the Aging.

In 1978 she went undercover for the House of Representatives Select Committee on Aging during an investigation of fraud and unethical practices in the sale of health policies to the elderly.

Mrs. Hamburger was honored on her 79th birthday in 1983 at Temple Oheb Shalom for her long and distinguished record of community service. In February 1984, she was presented with the "Best of Baltimore's Best" award for her outstanding work and contributions to the betterment of the city's quality of life.

Mrs. Hamburger was a former president of the Jewish Educational Alliance and the Jewish Community Center. She was the founder and first president of Maryland Advocates for the Aging.

Active in Democratic politics, she was cochairwoman of the Baltimore County campaign for the re-election of Gov. Harry Hughes in 1982.

Mrs. Hamburger is survived by two sons, Edward K. Hamburger of Baltimore and Henry I. Hamburger of Leonia, N.J., four grandsons and four granddaughters.

TRIBUTE TO STANLEY SOLLINS

Mr. SARBANES. Mr. President, with the untimely death of Stanley Sollins, the city of Baltimore has lost a distinguished citizen and the Baltimore community a wise leader and generous friend.

Stanley was truly a Baltimorean. He was born and educated in the city, departing after his graduation from high school in 1942 to serve in the U.S. Navy during World War II; he saw active duty in the Pacific theater. After the war he returned to Baltimore and entered into the two great commitments, one personal, the other professional, which were to define his life.

In 1949 Stanley married Elaine Naden, and in 1952 he received his law degree from the University of Baltimore Law School. It was clear from the start that Stanley was truly a family man, and over the years he and Elaine devoted themselves to their three children, and later to their two grandchildren as well. It was also clear from the very beginning of his career that Stanley would devote his formidable professional abilities and energies to building a society that faithfully reflected the reality and the promise of the U.S. Constitution. This he did unstintingly, with intelligence, modesty and perseverance. His efforts won him legions of friends and admirers, and made Baltimore a better place for all its people.

Stanley was perhaps best known for his work as Executive Director of the Baltimore Jewish Council, a position which he held over the 12-year period from 1975 to 1987. The council plays an important role in the city where the diversity, heterogeneity and vigor of the Jewish community are remarkable by any standard. It represents 42 different organizations and congregations throughout the metropolitan area which have joined to work together on issues of concern to the community as a whole. These concerns are numerous, and include support for Israel and for Soviet Jewry, remembrance of the Holocaust, opposition to antisemitism in all its forms. They also include opposition to all forms of bigotry, intolerance and prejudice, whoever the victim, and support for ef-

fects to promote democratic freedoms and social justice around the world—and here at home.

It was Stanley who led the Baltimore Jewish Council in new directions, into new areas of community involvement, undertaking dialog and building coalitions and dialog with the black community and with numerous Christian organizations. Because Stanley revered our democratic institutions, he worked hard to build the attitudes of self-respect and respect for others on which those institutions depend. After leaving the Council he worked on legal aid programs for the homeless and served on the Governor's commission on health care.

Among the community groups which he helped to form were the Baltimore Black Jewish Forum and the Maryland Interfaith Legislative Committee. Appointed by the Governor of Maryland in 1984, he was one of the seven founding members of the Maryland-based National Institute Against Prejudice and Violence and he worked very hard to bring the institute to life. A measure of his commitment is his family's request that gifts in his memory take the form of contributions to the institute.

Stanley Sollins was only 64 when he died, but his life was fuller than his years were long. A man of reason and generous spirit, he spoke to the best in us and will be remembered with gratitude and affection by all of us. Recent editorials in the Evening Sun and Baltimore Jewish Times, and a letter by Stanley which was published by the Sun shortly before his death make clear why this is so, and I ask unanimous consent to have them, along with memorials by former Governor Harry Hughes and several religious and community leaders, reprinted in the RECORD:

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun, May 27, 1990]

IGNORE THE HATERS

EDITOR: Correctly, the city has given permission to the skinheads to march and rally on June 9 at the War Memorial Plaza. Now it is up to the citizens of this community to show how they feel about these hate groups. Everyone should consciously avoid the area of the rally so that the streets on that day are deserted. Anyone who has to be in the vicinity should turn his back to show contempt.

It will be interesting, also, to see how the media report this event. Too often the media, in a haste to cover these kind of activities in an inflammatory and superficial manner, ignore reporting the many worthwhile events that occur.

STANLEY SOLLINS.

BALTIMORE.

[From the Baltimore Sun, May 29, 1990]

STANLEY SOLLINS

"There goes a good man," Oliver Wendell Holmes once remarked as he observed his Supreme Court colleague Louis Brandeis walking in the distance. In homespun simplicity, these words also provide a good assessment of Stanley Sollins, who died over the Memorial Day weekend.

There is hardly a single organized effort at fostering racial tolerance or interfaith understanding in Baltimore today that does not bear his wise and creative imprint. For him, justice was a lifelong preoccupation.

It was a curious but fitting coincidence that the same issue of *The Sun* which carried Stanley Sollins' obituary also carried his last letter to the editor—a sensible comment on the controversy over a planned demonstration in Baltimore by a racist group known as the Skinheads. The letter was just two paragraphs, but it made its point eloquently. And that point was that under our constitutional system even the most odious groups have a right to demonstrate, but citizens of good will also have a right to show their contempt in a dignified way by simply ignoring the hatemongers. And, he went on in a gentle lecture to the news media, the same First Amendment which gave reporters the right to cover such groups also gave the right to give them the scant attention they deserved.

His message was simply that in pluralistic America, there are ways to deal with hate groups without doing violence to the Constitution he so deeply revered.

The heart is stilled at the early age of 64, but the spirit lives in the many civil rights and interfaith groups he helped to create. That is the legacy of this good man who departed this weekend.

[From the Baltimore Jewish Times, June 1, 1990]

STANLEY SOLLINS, 1926–1990

Stanley Sollins, who died this week at the age of 64, was deeply committed to the Baltimore Jewish community and the American ideals of freedom. In his role as executive director of the Baltimore Jewish Council from 1975 to 1987, he joined those concerns. He helped the Council broaden its horizons as it grew in stature and increased its efforts to improve interfaith relations and relations between blacks and Jews.

Eulogized by Baltimore Hebrew University president Leivy Smolar as "a quintessential American, a noble Jew and a wonderful friend," Sollins was mourned not only by the Jewish community but by state and city officials with whom he worked closely, as well as Christian and black leaders. The fact that so many hundreds of people from so many different walks of life attended his funeral was proof of his success in his life-long struggle to achieve justice and equality for all men by working closely with them.

Throughout his tenure at the Jewish Council, he was a strong leader whose ability to mediate helped keep the community united. He was effective because he cared; his efforts were not his job, but rather his calling.

That is why his commitment did not end with his retirement from the Council. He stayed deeply involved in its community relations efforts and, vigilant to the end, a personal letter to the editor he wrote was published in the Sunday Sun the day after his death. Its message, regarding the planned skinheads march, was characteristic of his concern for balancing the legal system and personal commitment: he noted the correctness of allowing hate groups to march while calling on citizens to show their contempt for such actions by deserting the streets.

Stanley Sollins gave his heart and soul to the community. The most proper tribute to his memory is for us to rededicate ourselves to the ideals he fought for and which ennobled him to so many of us.

[From the Baltimore Sun, June 9, 1990]

STANLEY SOLLINS

EDITOR: Stanley Sollins not only deplored intolerance, bigotry and discrimination, he did something about it.

He spent his life fighting it in his own way—with dignity, dedication and facts. No fanfare. No personal publicity. They didn't interest him. Only results were important.

One example is the significant role he played in developing and establishing a unique Maryland-based organization, the National Institute Against Prejudice and Violence.

During the struggles to keep the institute afloat in the face of inadequate financial support, he was adamant and invaluable. To suggestions that the institute might have to close its doors, Stanley always replied, "We can't let that happen!" And it hasn't.

He will be missed by many of us, we who knew and loved him. But ironically he will be missed by many thousands more who never heard of Stanley Sollins or even realize they will miss him. They are the increasing numbers in our society who suffer from that which he deplored and against which he so effectively fought.

We have lost a truly decent person with the death of Stanley Sollins.

HARRY HUGHES.

BALTIMORE.

The writer is former governor of Maryland.

EDITOR: The death of Stanley Sollins leaves a monumental void in the number of those committed to equality of opportunity and racial justice in the Baltimore metropolitan area and the Free State. I was fortunate to be associated, over a decade, when he headed the Baltimore Jewish Community Relations Council as a sedulous and unwavering champion of human and civil rights.

I, too, recall with profound pleasure a biracial delegation that Stanley led to Israel in 1981. All of us were buoyed by his delightful wit, his capacious and trenchant grasp of the history and traditions of Israel and his unfailing generosity and patience in responding to a multiplicity of questions from us. He will be sorely missed.

SAMUEL L. BANKS.

BALTIMORE.

[From the Baltimore Sun; June 5, 1990]

THE LEGACY OF STANLEY SOLLINS

EDITOR: We are deeply saddened by the sudden and unitimely death of Stanley Sollins, the former executive director of the Baltimore Jewish Council, outstanding civic leader and our much loved and faithful friend.

Our sorrow and profound sense of loss over the death of this warm and caring human being cannot be taken away, yet his memory and his spirit console and strengthen us to renew our own commitment to interfaith dialogue and cooperation. His efforts in life have inspired us to continue the challenge—to use a Jewish expression—Tikkun Olam, to heal the world.

We have seen the Hubble space telescope focus the world's attention on the stars—their beauty, their power, their mystery. By spending themselves, stars give off light and

warmth in a dark, cold universe. Their brightness endures even after they themselves are gone from sight.

What a fitting image in recalling Stanley Sollin's contribution to our community! What a shining star he has been in our midst! And like the telescope he saw with clarity what others only dimly perceive.

It was Stanley's initiative that prompted the decisions of our Christian communities to embark upon a renewed dialogue in the early 1980s—a dialogue that has brought about much personal enrichment and understanding; that led to the tremendous success of the 1986 National Workshop on Christian-Jewish Relations held here in Baltimore; that made possible creation of the Jewish-Christian Institute which, along with many other initiatives, continues to enliven the spirit of collaboration and mutual respect that were at the heart of all that Stanley did.

In countless ways, he was a "bridge over troubled waters." And like a bridge he connected people and groups that might have remained separated. He was a champion of creative ideas and methods to heal alienation wherever he found it infecting the lives of people. Yet never was he a promoter of himself.

Finally, we recall with gratitude Stanley's participating in the Maryland Interfaith Legislative Coalition. Even though the individuals comprising the coalition came from widely divergent philosophical and theological points of view, participants focused their full energies on representing to state legislators the needs of the disadvantaged of Maryland.

With one spirit, they agreed upon some specific social issues in need of legislative action and then worked toward those goals. Stanley played a vital role in this process, often helping to resolve issues, chairing meetings and following through with legislative leaders.

His personal commitment to the integrity of justice brought to the coalition cohesion and success when its high ideals might have otherwise floundered in confusion.

His legacy to us is his self-sacrificing commitment to eradicating prejudice and violence, his indefatigable pursuit of responsible freedom and trransforming justice, a fascination with possibilities and a profound respect for human potential.

We thank you, Stanley, for your life among us. We are reminded of some poignant words which were once seen on a New England tombstone: "It is a fearful thing to love what death can touch. More fearful yet, never can touch. More fearful yet, never to have felt the touch of love." We wish you Shalom.

ROBERT P. PATTERSON,
P. FRANCIS MURPHY.

BALTIMORE.

The writers are, respectively, rector of the Episcopal Church of the Redeemer and auxiliary bishop of the Catholic Archdiocese of Baltimore.

[From the Baltimore Jewish Times, June 1, 1990]

STANLEY SOLLINS DIES AT 64

(By Gary Rosenblatt)

EDITOR: Stanley Sollins, who served as executive director of the Baltimore Jewish Council from 1975 to 1987, was eulogized on Monday as "a quintessential American, a noble Jew and a loyal friend" at funeral services at Baltimore Hebrew Congregation. Sollins, 64, died on Saturday at the Washington Hospital Center, after a short illness.

Dr. Leivy Smolar, president of Baltimore Hebrew University, described Sollins as "an authentic American patriot" who believed in the American system of government and fought throughout his life for freedom for all.

Rabbi Murray Saltzman of Baltimore Hebrew Congregation commented that when he asked Sollins' family what would be appropriate to read at the funeral, they all suggested the U.S. Constitution. Rabbi Saltzman said that Sollins viewed that document as "a living, thriving reality" and he asked: "who will take Stanley's place" in the struggle for freedom and equality? The rabbi praised Sollins for the "moral leadership he brought to our Jewish community and our city."

Aaron Kadish, an attorney friend, eulogized Sollins by noting that he cared most about his friends, his family, his clients and the American system of government.

Sollins' wife of more than 40 years, the former Elaine Naden, said in an interview that her husband was always concerned about the welfare of the community. She said one of the most meaningful events of her husband's life was his serving as a delegate to the Constitutional Convention of Maryland (1967-1968). Many of the convention's recommendations were subsequently adopted.

Perhaps the greatest testimony to Sollins' impact on so many Marylanders was the fact that hundreds of people from all walks of life—rabbis and Jewish leaders, Christian clergy, black leaders and government officials—filled the main sanctuary of Baltimore Hebrew Congregation for the funeral service.

Among the hallmarks of Sollins' tenure as professional head of the Baltimore Jewish Council, a coordinating and umbrella group for Jewish community relations, were his efforts to improve relations between Christians and Jews and between blacks and Jews.

Rabbi Donald Berlin, who was president of the Council during Sollins' tenure, recalled in an interview that Sollins "broadened the horizons of the Council" and was effective in holding the disparate elements of the community together. "He was a gadfly and a mediator," the rabbi said. He noted that Sollins defended Israel against Christian critics while at the same time broadening the Council's involvement in interfaith dialogue. And he was instrumental in keeping a lid on "denominational wars within the Jewish community," according to Rabbi Berlin, who praised Sollins' leadership and commitment.

William Engelman, the newly elected chairman of the Council, noted that Sollins was a man of stature nationally as well as locally, serving on the executive committee of the National Jewish Community Relations Advisory Council. "He was strong, decent, caring and committed," said Engelman, "and he will be deeply missed."

Among Sollins' many activities, he was particularly proud of his helping found the BL-EWS, the black-Jewish forum in Baltimore and COVE, the Coalition Opposed to Violence and Racism, during his leadership of the Jewish Council.

He was also chairman of the management board of WBJC-FM, Maryland liaison to the U.S. Holocaust Memorial Council and a member of the board of trustees of the Baltimore Council on Foreign Affairs.

Sollins grew up in Baltimore and, after graduating from City College in 1942, he joined the Navy and served in the Pacific during World War II.

Upon his return, he graduated from the University of Balitmore Law School in 1952, and established his law practice. He ran twice, unsuccessfully, for public office—for a seat on the Baltimore County Council in 1966 and the State Senate in 1977—but maintained a love for politics.

In 1984, he was appointed by Gov. Harry Hughes as one of the seven original members of COVE.

When he retired from the Council in 1987, Sollins was praised by Senators, Congressmen and other leaders for his tireless efforts on behalf of improved community relations and against all forms of bigotry. At the time, he promised to stay active, despite returning to his law practice, and he did. He worked on legal aid programs for the homeless, served on the Governor's Commission on Health Care and the search committee for a new executive director of the Jewish Council.

A letter to the editor he sent to the Sun about the current skinheads controversy was published the morning after his death. His message was consistent with his beliefs in that he noted the legal correctness of allowing hate groups to march while calling on citizens to show their contempt for such actions by deserting the streets on the day of the march.

Besides his wife, Sollins is survived by two sons, Ted, of Baltimore, and Charles of Fulton, Md., a daughter, Risa Jurewicz, of Detroit, a brother, Jerome, and two grandchildren.

The family asks that memorial contributions be made to the National Institute Against Prejudice and Violence.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

NATIONAL AFFORDABLE HOUSING ACT

The PRESIDING OFFICER. Under the previous order, the hour having passed 10 a.m., the Senate will now resume consideration of S. 566, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 566) to authorize a new Housing Opportunities Partnerships Program to support State and local strategies for achieving more affordable housing to increase home ownership, and for other purposes.

Mr. CRANSTON. Mr. President, we are now going to proceed to the consideration of the amendment offered by the Senator from Tennessee, Senator GORE, relating to the disgrace of homelessness in our country, then we will go on to other amendments.

I would like to urge all Senators and get the attention of all staffers involved to come to the floor with their amendments. We disposed of about 15 amendments yesterday. We made remarkable progress. We have to keep on that today.

The leader has indicated that he wants us to do our best to finish this bill and to finish it tomorrow, and that

means quite possibly a late night session tomorrow night unless we are able to move expeditiously enough today and during the daytime tomorrow to obviate that necessity. So I strongly urge all Senators to come to the floor.

I will be talking to Senators during the rollcall that will occur on the Gore amendment in an effort to line up a number of amendments for swift consideration in the Senate.

I thank the Senator from Tennessee for his amendment and for being here at the opening shot on the bill this morning to present his amendment for consideration.

AMENDMENT NO. 2037

(Purpose: To authorize a White House Conference on Homelessness)

Mr. GORE. Mr. President, I have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. GORE] proposes an amendment numbered 2037.

Mr. GORE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

At the end of the committee amendment, insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "White House Conference on Homelessness Act".

SEC. 2. AUTHORIZATION OF CONFERENCE.

(a) IN GENERAL.—The President shall call and conduct a National White House Conference on Homelessness (hereinafter referred to as the "Conference") within 18 months of the date of enactment of this Act, to carry out the purposes described in section 3 of this Act. The Conference shall be preceded by State and regional conferences with at least one such conference being held in each State and the District of Columbia.

(b) PRIOR STATE AND REGIONAL CONFERENCES.—Participants in the Conference and other interested individuals and organizations are authorized to conduct conferences and other activities at the State and regional levels prior to the date of the Conference, subject to the approval of the Executive Director of the Interagency Council on the Homeless, and shall direct such conferences and activities toward the consideration of the purposes of the Conference described in section 3 of this Act in order to prepare for the Conference.

SEC. 3. PURPOSES OF CONFERENCE.

The purposes of the Conference shall be—

(1) to increase public awareness of homelessness;

(2) to identify the problems of homeless individuals;

(3) to examine the status of homeless individuals:

(4) to assemble individuals involved in policies and programs related to the homeless:

(5) to develop such specific and comprehensive recommendations for executive and legislative action as may be appropriate to address the problem of homelessness.

(6) to review the existing laws and regulations related to public policy regarding the homeless.

SEC. 4. CONFERENCE PARTICIPANTS.

(a) IN GENERAL.—In order to carry out the purposes specified in section 3 of this Act, the Conference shall bring together individuals concerned with issues and programs, both public and private, relating to homelessness. No person involved in providing services to, or advocacy for, homeless individuals may be denied admission to any State or regional conference, nor may any fee or charge be imposed on any attendee except a registration fee of not to exceed $10.

(b) SELECTION.—Delegates, including alternates, to the National Conference shall be elected by participants at the State conferences. In addition—

(1) each Governor may appoint one delegate and one alternate:

(2) each Member of the United States House of Representatives, including each Delegate, and each Member of the United States Senate may appoint one delegate and one alternate:

(3) the President may appoint 100 delegates and up to 30 alternates:

(4) each organization enumerated in section 301(b) of the Stewart B. McKinney Homeless Assistance Act may appoint one delegate and one alternate; and

(5) each mayor of a city with a population of 175,000 or more, according to the latest available census, may appoint one delegate and one alternate.

Only individuals involved in providing services to or advocacy for, homeless individuals shall be eligible for appointment pursuant to this subsection.

SEC. 5. PLANNING AND ADMINISTRATION OF CONFERENCE.

(a) FEDERAL SUPPORT.—All Federal departments, agencies, and instrumentalities are authorized and directed to provide such support and assistance as may be necessary to facilitate the planning and administration of the Conference.

(b) EXECUTIVE DIRECTOR OF INTERAGENCY COUNCIL.—In carrying out the provisions of this Act, the Executive Director of the Interagency Council on the Homeless—

(1) shall provide such assistance as may be necessary for the organization and conduct of conferences at the State and regional levels as authorized under section 2(b) of this Act:

(2) is authorized to enter into contracts with public agencies, private organizations, and academic institutions to carry out the provisions of this Act; and

(3) shall assist in carrying out the provisions of this Act by preparing and providing background materials for use by participants in the Conference, as well as by participants in State and regional conferences.

(c) NONREIMBURSEMENT.—Each participant in the Conference shall be responsible for his or her expenses related to attending the Conference and shall not be reimbursed either from funds appropriated pursuant to this Act or the Stewart B. McKinney Homeless Assistance Act.

(d) STAFF.—(1) The President is authorized to appoint and compensate an executive director and such other directors and personnel for the Conference as he may deem advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(2) Upon request by the executive director, the heads of the executive and military departments are authorized to detail employees to work with the executive director in planning and administering the Conference without regard to the provisions of section 3341 of title 5, United States Code.

SEC. 6. REPORTS REQUIRED.

Not more than 6 months after the date on which the National Conference is convened a final report of the Conference shall be submitted to the President and the Congress. The report shall include the findings and recommendations of the Conference as well as proposals for any legislative action necessary to implement the recommendations of the Conference. The final report of the Conference shall be available to the public.

SEC. 7. FOLLOWUP ACTIONS.

The Interagency Council on the Homeless shall include in its annual report to the President and the Congress the status and implementation of the findings and recommendations of the Conference.

SEC. 8. AVAILABILITY OF FUNDS.

(a) AUTHORIZATION.—There are hereby authorized to be appropriated $6 million for fiscal year 1991 to carry out the provisions of this Act and they shall remain available until expended. New spending authority or authority to enter contracts as provided in this Act shall be effective only to such extent and in such amounts as are provided in advance in appropriation Acts.

(b) LIMITATION: DISPOSITION OF UNEXPENDED BALANCES.—No funds appropriated to the Interagency Council on the Homeless shall be made available to carry out the provisions of this Act other than funds appropriated specifically for the purpose of conducting the Conference. Any funds remaining unexpended at the termination of the Conference shall be returned to the Treasury of the United States and credited as miscellaneous receipts.

Notwithstanding any other provision of this Act, each authorization of appropriations contained in a provision of this Act (other than a provision of this subtitle) shall be reduced by an amount that bears the same ratio to—

(1) $6,000,000 for a fiscal year 1991 authorization.

Mr. GORE. Mr. President, I want to begin by congratulating my colleague, the Senator from California [Mr. CRANSTON] on his outstanding leadership in reviewing our Nation's inadequate housing situation and bringing this monumental legislation to the floor.

This legislation is the product of 3 years of complete and extremely thorough review of the Nation's housing situation and the problems with the availability of housing throughout the United States. This bipartisan effort has come to fruition as a result of strong commitment by the members of the Senate Housing Subcommittee of the full Banking Committee under its leadership, the chairman, Mr. CRANSTON, and the ranking member, Mr. D'AMATO.

I rise as a proud cosponsor of the National Affordable Housing Act, be-

cause the need in this country for affordable housing and housing assistance is overwhelming and must be addressed, not by passing a small measure, but by increasing the availability of housing for low- and moderate-income individuals and families. This bill is no small measure. It is an overhaul of Federal housing assistance, which will preserve thousands of existing homes and units designed to serve low-income people and increase HUD-assisted housing levels.

This extraordinary piece of legislation will direct our national housing policy in a way which strengthens Federal support for affordable housing. It will create a partnership between the Federal support for affordable housing. It will create a partnership between the Federal Government and State and local governments to identify and address their most pressing housing needs. Most important, this measure addresses two of the most pressing needs in this country: the expansion of decent and adequate housing and rental assistance for those most in need, and the increase of home ownership opportunities for low- and moderate-income hardworking Americans.

Mr. President, tragically, the housing crisis in this Nation extends even beyond the scarcity of affordable housing and cuts even deeper and harsher than the fact that families are living in inadequate and unsafe housing. Mr. President, our housing crisis has left more than 3 million people—3 million men, women, and children—with no place at all to sleep at night. One-third of this group are families. Today's homeless come from every walk of life, from every community, and are as diverse a group as America itself.

Until we conduct a thorough examination of homelessness in this country, its causes, its victims, and the problems which are unique to homelessness, our response is incomplete. Therefore, today, I offer an amendment that will convene a White House Conference on Homelessness. I, along with eight of my colleagues: Senators DODD, HEINZ, KERRY, ROCKEFELLER, my colleague from Tennessee, Senator SASSER, Senators STEVENS, SHELBY, CONRAD, BINGAMAN, and DIXON, introduced the White House Conference on Homelessness bill last year after the U.S. Conference of Mayors released a report on homelessness. The chairman of the Conference of Mayors, Mayor Ray Flynn of Boston, included in this report a call for a White House Conference on the homeless.

I ask unanimous consent that at the end of my remarks this morning, a letter from Mayor Flynn be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GORE. The Stewart B. McKinney Homeless Assistance Act passed with broad bipartisan support in the last Congress. I am convinced the White House conference on homelessness will play a unique and constructive role in help develop the next stage of a unified public policy to address the problem of homelessness, to help us understand not just the manifestations of the problem, but the causes of the problem, and ways to solve the problem effectively overtime.

Therefore, today I ask the Senate to adopt the White House Conference on Homelessness amendment to authorize a national conference of individuals concerned with programs and issues, both public and private, relating to homelessness. This assembly will be charged with the responsibility of examining homelessness and developing specific and comprehensive recommendations for appropriate executive and legislative action to address the problems of homelessness.

The Conference also will review existing laws and regulations related to public policy regarding the homeless and make recommendations for improvements.

President Bush has made a public commitment to addressing the problems associated with homelessness. I applaud that commitment, and I welcome the opportunity to work with the administration to make real and permanent progress toward solving this crisis. And, Mr. President, homelessness is indeed at crisis proportions in this Nation.

In the U.S. Conference of Mayors' report, emotional and mental health problems were identified most frequently as a consequence of homelessness for parents, children, and families as a whole. Among the other consequences cited were school-related problems, health problems and inadequate health care, loss of self-esteem and feelings of hopelessness, and all manner of family problems enduring overtime, beginning with the condition of homelessness.

Every survey city cited the lack of housing affordable to low-income people as a main cause of homelessness. There are, of course, many other causes. Some of those frequently identified were chronic unemployment; mental illness, and the lack of services for the mentally ill; substance abuse, and the lack of needed services; and, of course, most basic of all, poverty.

More than a third, 34 percent, of homeless persons are members of families; and one in four homeless persons is a child. Another 34 percent are substance abusers; a fourth are mentally ill and, of course, as we know, Mr. President, the policy of deinstitutionalizing the mentally ill over a lengthy period of time has contributed greatly to the homelessness problem in America. Twenty-three percent are unemployed.

So, Mr. President, the statistics go on and on, almost to a numbing degree. There are statistics about runaway youth, the elderly, veterans, the physically and mentally ill, abused and battered women and children, which make up a significant subgroup among the homeless. There are as many reasons for homelessness as there are homeless people. I am certain that every one of my colleagues has been appalled by the number of children who do not have a home in their individual States.

Mr. President, the McKinney Act was, and remains, an essential element of the Federal response to homelessness. To some extent, it begins to address most of the problems associated with homelessness. But with the problem continuing to grow, the next step in homeless policy needs to be clearly defined, and a coherent long-range policy must be developed. We need a national consensus on how we can banish this blight of homelessness from our Nation. It is for that reason that I am introducing the White House Conference on Homelessness amendment.

The Conference is meant to increase public awareness, identify the problems of homelessness, assemble the individuals involved in the issues and programs related to homelessness, review existing laws and programs, and make recommendations for executive and legislative action.

Mr. President, I have had a series of 13 workshops across my home State of Tennessee to examine and investigate, learn about, and better understand the problems of homelessness. I have been in close communication with what some call the caring community of individuals in every town and city who devote enormous amounts of time trying to deal with the problems of homelessness. I have found that these individuals represent a source of great wisdom and knowledge about how we as a nation can solve this problem.

I hope that many of them will become delegates to this Conference and share their wisdom with a broader audience.

Delegates will be selected in State and regional conferences or appointed by Governors, mayors, and Members of the House and Senate. Each Senator will be given the opportunity to name a delegate to attend the national Conference. The President will name 100 delegates; and he is authorized to call and conduct the conference within 18 months of enactment and to appoint a Conference director and staff.

The Interagency Council on the Homeless will be charged with preliminary preparations for the Conference, including giving approval for the State and regional conferences. This Confer-

ence is modeled on the very successful White House Conferences on Small Business, with which all of us are quite familiar.

Mr. President, I am afraid the issue of homelessness has recently been fading from the public view as the numbers have been increasing. But, if you talk to any mayor, any resident of our cities, or any homeless advocate, they will tell you that homelessness is a real and pressing problem. We need to look to the local level, mayors, local homeless advocates and those who are homeless, for the answers and long-term solutions.

I believe this Conference will serve a very important function by giving those most closely involved in services and advocacy for the homeless the opportunity to make specific recommendations for public policy. I urge my colleagues to join me in making this Conference a reality and a success. I urge their support for this amendment.

EXHIBIT 1

OFFICE OF THE MAYOR,
Boston, MA, February 8, 1989.

Hon. ALBERT GORE, Jr.,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR GORE: I appreciate your action today in filing legislation to establish a White House Conference on Homelessness. You have always been a strong advocate for the homeless, and this new legislation further demonstrates your commitment to this important issue.

As Chairman of the U.S. Conference of Mayors Task Force on Hunger and Homelessness, and on behalf of the nation's mayors, I recently issued our annual survey which shows that this problem continues to grow, and needs the increased attention of the federal government.

Last October, I wrote to the two Presidential candidates and aurged them to convene a White House Conference. Recently, I wrote to President George Bush, and sent him the attached letter along with a copy of the U.S. Conference of Mayors report on Hunger and Homelessness.

I am encouraged by President Bush's expressed concern for the homeless in America, and hope that he will convene this conference. With your leadership in the Senate, this conference will be a giant step toward the solution to homelessness in our country.

Thank you for your long-standing commitment to the homeless in America. Mayors across the nation know that they can count on you to work with them on issues of fairness and equity.

Sincerely,

RAYMOND L. FLYNN,
Mayor of Boston.

The PRESIDING OFFICER. The Chair recognizes the Senator from California.

Mr. CRANSTON. I wanted to note first Senator GORE has been a strong, stalwart leader on the issue of homelessness which is a disgraceful stain upon our democracy at the present time. I thank him and commend him for his leadership on this issue, and for the further step that he is proposing we now take on this front in the form of this amendment.

The proposal Senator GORE offers here today was originally introduced as S. 485, and was recently marked up by the Governmental Affairs Committee. The statistics are overwhelming; between 1.3 and 2 million persons may experience homelessness at some point during each year. We do not know the exact number.

On any given night 100,000 children under the age of 18 may well be homeless. Clearly the problem has escalated to crisis proportions and needs a national response.

One of the most heartrending aspects, apart from the children and the families wandering around, sleeping under bridges or on the streets or in automobiles or under trees, is that many of the homeless are veterans, veterans to whom we owe care and solicitude for the service they have rendered to our country in time of need. They now have their time of need and we should be doing all we can to see that no veteran of the United States military forces is left homeless.

This White House conference that the Senator proposes on homelessness would spotlight the need for Federal leadership to mobilize long-term national action, to coordinate efforts with States, localities, private industry, and community groups to successfully address the problems of homelessness. It is patterned after a White House conference on small business. It would cost $6 million, but there would be an offset found under the terms of the amendment in the budget so it is not proposing any budget increase.

I therefore support the amendment offered by our esteemed colleague from Tennessee and urge support for his amendment.

The PRESIDING OFFICER. The chair recognizes the Senator from Tennessee.

Mr. GORE. Mr. President, I have three additional points. I would like to publicly acknowledge here on the floor the efforts of the First Lady, Barbara Bush, on the problem of homelessness. She has been a leader in calling public attention to this disagraceful problem with which our country has tried to deal and I want to acknowledge those efforts.

Second, I wish to underscore a point just made by the chairman of the subcommittee, that is, the amendment will not add any additional money to the bill. It is revenue neutral because of the offset provisions contained in the amendment itself.

Third, I wish to underscore another fact noted by the chairman of the subcommittee, and that is that this amendment was originally introduced as a freestanding bill and has had the benefit of a full and thorough review by the Governmental Affairs Committee. They have reported the bill out to the floor. It has secured their approval before it comes as an amendment to this bill.

Again, I ask my colleagues for their support of the amendment. I know of no other Members wishing to speak. I will be guided by the subcommittee chairman's view on this question, but I am prepared to go ahead with a vote.

The PRESIDING OFFICER. Is there further debate?

Mr. CRANSTON. Mr. President, Senator D'AMATO, the ranking minority member on the subcommittee, is en route to the floor. He was detained elsewhere and we should not proceed on this amendment until he has had an opportunity to address it.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, after consultation with the Senator from Tennessee in regard to his amendment and consultation with him and with Senator D'AMATO, the ranking Republican, we would like to see how we might work things out on this amendment without precipitating the issue at this moment. So, I ask unanimous consent that it be set-aside and be the pending matter after each other amendment that comes along, so that Senator GORE would have the opportunity each time an amendment is disposed of to insist that his amendment be considered next.

So, I ask unanimous consent that it now be set-aside in order that we may go to the Kennedy amendment.

The PRESIDING OFFICER. Is there objection?

Mr. GORE. Reserving the right to object, and I will not object on this occasion, I stand ready to work with the ranking Republican member of the subcommittee and the chairman in addressing whatever concerns the White House may have.

I wish to say that I feel very strongly about this, and many Members of the Senate who have worked on the problems of homelessness have come to the conclusion that a national consensus is needed. Additional attention needs to be given the problems faced by these men, women, and children, people we stumble over on sidewalks in every city of this Nation. The attention that can be afforded by a White House conference on homelessness and the consensus which can be developed in that process will be a major advance in helping us understand how to better solve the problems of homelessness.

I do not know why the White House may object to this. It does not add new money to the bill. It should not be controversial. I do feel strongly about it, and at the appropriate time I will insist upon a vote upon this, not necessarily a record vote. I do not need a record vote, as far as that goes.

If there is some way to work out whatever problems the White House has, I am happy to work with them. But I am surprised to find that the White House evidently has some concern about this, and so I will look forward to working with them. At some point, we will have a chance to vote on this, on this bill. So, I will not object on this occasion.

Mr. D'AMATO. Mr. President, if I might, I feel compelled to respond at this point.

I have had conversations with the administration, with HUD, with OMB, and with the White House. What we are talking about is a duplication. What we are talking about is adding $6 million for a conference. We already have a program. A White House Conference on Homelessness would be superfluous if we were to utilize the Interagency Council on the Homeless.

I believe that there is a much better approach, and that is to see to it that the moneys which would be utilized as a result of this conference, which is $6 million, would best be spent on homeless problems instead of having a conference. We understand that there is a dire need, and hence the McKinney Act.

It seems to me that one of the ways to appropriately deal with this is to take the dollars that would otherwise be used for this conference and apply them to the programs that need the funding, as opposed to having another conference in which we go through the litany of problems, of which I think we are well aware, which we face in too many urban centers, in too many rural areas, to be very candid, in too many areas of our country.

How do we solve it? I do not know if another conference is going to do it. I have to suggest to you that the administration is in opposition, and I would agree with the administration. We see every morning, every night, every afternoon in our own communities or via the news media the desperate plight that so many families have. I do not know if you could tell me that another conference is going to solve the problem; taking $6 million to have this conference and then basically having 25 miniconferences held throughout the country is going to really go to the essence of solving the problem.

In the next few minutes, the senior Senator, my colleague from Massachusetts, Mr. KENNEDY, is going to be offering an amendment, which is a program amendment, which moves in the areas of addressing some of these problems that eventually result in homelessness and how do we deal with it. It seems to me that is the kind of thing we best move to, and I would hate to think that this bill should be bogged down on whether or not the Senate, in this bill, should be calling for a conference.

So, at this point in time, I say to my good friend, Senator GORE, it is not a question of not recognizing the problem but how do we best deal with it. It seems to me that the moneys should be spent on the homeless as opposed to having another conference.

The PRESIDING OFFICER. Is the Senator objecting to the unanimous consent?

Mr. D'AMATO. I am not objecting to laying it aside, and after we deal with Senator KENNEDY's amendment——

Mr. GORE. Mr. President, further reserving the right to object, just to respond very briefly, there have been very many precedents for a White House conference on a particular problem, resulting in a brand new national approach.

A White House Conference on Nutrition, for example, came up with a whole series of innovative approaches; prenatal nutrition, the Meals on Wheels Program, and other new initiatives which completely changed the Nation's approach to the problems of nutrition. There are many other examples.

A White House conference is not just another conference. It is carefully designed in a way which is preceded by 50 State conferences. It is a well-known, often-used mechanism for helping to create a national consensus on how to solve unique problems that have defied well-meaning efforts in the past.

We have homeless men, women, and children in every major city in this country. A lot of us look the other way when we walk down the sidewalk. I confess myself to feeling some hypocrisy when I see somebody and know that I could take them into my own home, but there are so many of them you kind of find all kinds of reasons not to open your own home to these people.

But we know as a country that this problem is not going away. It is getting worse. We as a nation cannot look away forever. We have to start seeing these people and seeing new ways to solve the underlying problem. That is what this effort is all about.

This idea did not originate with me. It originated with the National Conference of Mayors, which has been right where the rubber meets the road trying to solve this problem nationwide. Republicans and Democrats alike, who have been throwing up their hands at the local level, and recognizing this as a national problem, have said to the country, "Give us a hand in trying to figure out how to solve this problem, because putting another person off the sidewalk into a shelter one night is fine, but it is not solving the problem, because two more are there the next morning."

There is an old proverb with which we are all familiar: You give somebody a fish and they will not be hungry tomorrow; you teach a person how to fish and they will not be hungry for the rest of their life. The old saying applies here.

The cost which does not add any new money to the bill comes to about $2 per homeless person in the United States of America. Yes, we could put them in a shelter for another few hours for that, and money in the bill will do that. But what about the solutions to the problem so we do not have to put more of them in shelters the following night, and next year, and the next decade? That is what this new effort contained in the amendment is designed to do.

So, I hope that a way can be found to minimize the opposition from the White House, and, later on, as we vote on this measure, I hope that my colleagues on both sides of the aisle will support it. I withdraw any effort to object on this occasion, Mr. President.

The PRESIDING OFFICER. Is there objection? Without objection, the agreement is accepted.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

AMENDMENT NO. 2038

(Purpose: To combat homelessness and dependency through the establishment of housing-based family support centers, through the provision of housing-based services to frail elderly individuals and individuals with chronic and debilitating illnesses and conditions, through the provision of residence-based outpatient-mental health and substance abuse services, and through the use of grants for the improvement of community development corporations)

Mr. KENNEDY. Mr. President, on behalf of myself, Senator DOMENICI, and others, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follow:

The Senator from Massachusetts [Mr. KENNEDY], for himself, Mr. DOMENICI, Mr. DODD, Mr. HATFIELD, Mr. CRANSTON, Mr. JEFFORDS, Mr. ADAMS, Mr. INOUYE, Mr. LIEBERMAN, Mr. DURENBERGER, Mr. HARKIN, Mr. BURDICK, Mr. CONRAD, Mr. MOYNIHAN, Mr. SIMON, Ms. MIKULSKI, Mr. SARBANES, Mr. KERRY, Mr. PELL, Mr. GORE, Mr. AKAKA, Mr. FOWLER, Mr. BOREN, Mr. D'AMATO, Mr. LAUTENBERG, Mr. BRADLEY, Mr. RIEGLE, Mr. GRAHAM, and Mr. BINGAMAN, proposes an amendment numbered 2038.

Mr. KENNEDY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. KENNEDY. Mr. President, before I describe this amendment, I would like to commend Senators CRANSTON and D'AMATO and the members of the Banking Committee on their tireless efforts to bring the National Affordable Housing Act to the floor of the Senate. This bill is an important step in alleviating our national housing crisis—and it deserves the Senate's full support.

Over the last decade, we have witnessed an 80-percent reduction in funding for low-income housing. In many cities the waiting period for affordable housing is sometimes as long as 15 years. This is unacceptable.

S. 566 renews our commitment to the idea that all Americans deserve a decent place to live. It authorizes a comprehensive new housing policy to increase the supply and affordability of housing in America. I believe that this is a critically important goal, and I commend the members and staff of the Banking Committee for bringing this measure before the Senate.

Today as many as 2.5 million Americans are homeless. The number of homeless families have doubled in the past decade. The fastest growing group among the homeless consists of families with children. As many as one in four homeless persons is a child.

Forty percent of the adult homeless population suffer from mental illness, and many are addicted to drugs and alcohol. These citizens are living in poverty so severe that they are without permanent shelter. These men, women, and children are living a real-life nightmare.

Homelessness is a tragedy for those individuals, families and children—and for our Nation. It is time that we address this crisis.

This amendment will prevent and reduce homelessness while also improving the conditions in our current stock of low-income housing.

I want to express my special thanks to Senator DOMENICI for his outstanding contribution to this amendment. Senator DOMENICI has long been an eloquent advocate for the homeless—especially for those suffering from mental illnesses. His efforts have made a tremendous difference to many Americans who have no where else to turn.

I appreciate Senator DOMENICI's help on this amendment and his longtime efforts to assist those who need our help the most. The measure will provide $452.5 million in fiscal year 1991 to public and private nonprofit agencies for essential social and health services for families and individuals in subsidized housing and low-income neighborhoods.

Homeless families and individuals are not only without shelter, but are also exposed to immense risks of violence and disease. Incidents of bronchitis, lacerations, anemia, vascular disease, and chronic disease are more common and severe in the homeless population than among Americans who are housed.

One witness at a hearing on this legislation before the Labor and Human Resources Committee, described the problems facing various homeless individuals. She told us of a 33-year-old-substance-abusing mother, a 17-year-old dropout who was pregnant with her third child, a toddler who had not been immunized, and an 11-year-old boy who does well in school but faces daily recruitment by the gangs that plague his neighborhood.

There are many other shocking examples of the effects of homelessness. One of our witnesses described a man with AIDS who spent his dying days in a car. Shelter workers have described the shocking frequency with which homeless women are victims of rape. Elderly men have died on the streets of our Nation's cities from exposure in the winter—others have lost limbs to frostbite and gangrene. The bottom line is that every day in America, people are dying of homelessness and poverty.

It is a tragedy and a disgrace that any person should be in that situation in this country. A modest investment in housing, combined with reasonable services, could eliminate homelessness—and prevent more Americans from ending up alone, cold, and hungry on our city streets.

Our amendment seeks to achieve this goal through five carefully targeted and coordinated grant programs. The first program, family support centers, will provide onsite case managers and services to at-risk families. The services will include health, mental health, education, and substance abuse counseling. The program will provide the services that low-income families need before a crisis erupts.

But the program will have another result as well. Currently, many families are trapped in the shelter system because the services that they need are in the shelters. Combining services and housing will allow families currently confined to shelters to move into permanent housing and regain their independence.

The second program, subtitle B of the amendment, will provide housing-based health services to individuals who are seriously ill—such as people with AIDS—and the frail elderly. Citizens who require some assistance with daily living can remain in their homes and avoid the trauma and humiliation of institutionalization. The assistance authorized in this title includes health care and a variety of personal care, transportation, and housekeeping services.

The third subtitle consists of Senator DOMENICI's Projects to Aid the Transition from Homelessness, called PATH. This excellent proposal will provide services to homeless individuals who are seriously mentally ill or who are substance abusers.

This population by and large represents a substantial portion of the adult homeless population.

Mr. D'AMATO. Mr. President, will the Senator yield for a question?

Mr. KENNEDY. Yes. I would be glad to yield.

Mr. D'AMATO. It seems to this Senator, as the Senator is giving a description of what the legislation would do, that there is a very real attempt to take the services of Health and Human Services [HHS] and to link them with dealing with the homeless: Psychiatric care for those who are now homeless. So many of them, as the Senator is touching on, have psychiatric problems—care for the frail elderly, and to give them that component that so often is missing. Is that the overall intent of the legislation?

Mr. KENNEDY. The Senator has stated it correctly. First of all, this legislation will provide the kinds of services to those individuals who are most at risk, those at risk of losing or falling out of the low-income housing that they have today. Many of these individuals are in various housing projects.

So, the idea is to prevent the development of homelessness; second, to provide those who are in the shelters with the range of services that are often provided only in the shelters, in order that they can move out of the shelters and into low-income housing, which will be developed under the underlying legislation; and, third, to take those individuals who are in the low-income housing and provide them with the range of services so that they can become self-sufficient and less dependent on public assistance.

I think this amendment compliments the excellent work of the underlying bill, which is to try to develop, in a creative and imaginative way, greater housing opportunities for low-income individuals.

This is the service aspect which we believe compliments the central thrust of the housing legislation which I strongly support. We think this amendment will provide a synergistic approach that will make a tremendous difference in terms of both the prevention of homelessness and by moving individuals out of the shelters into a less dependent atmosphere, the reduction of homelessness.

The Senator from New York has stated the concept correctly. As the Senator is aware, the Domenici amendment, which is primarily focused on the problems of those who

are mentally ill, is a very important component at this concept. I will not take the Senate's time because I think all of us are very familiar with the fact that the root cause of homelessness among the mentally ill developed a number of years ago when we were moving from institutionalization into the community-based system of mental health care.

The problem is that we reduced the number of institutions, but, we never provided the resources for the community-based mental health care system. That has been one of the principal reasons for the rise in the numbers of mentally ill homeless.

So, the component of this amendment which Senator DOMENICI has contributed to address the needs of the mentally ill in our community, I think, is an additional feature which we think will be a very constructive addition as well.

Mr. D'AMATO. As the amendment addresses this problem, it would seem to me one of the great gaps we find is that which the Senator has touched on; that is, housing. Without the supportive services, it will soon leave those very same people who may have a shelter, who may have a decent shelter, have a fine facility, finding themselves being evicted for whatever reason, homeless once again, without the kinds of supportive services.

We can instruct the people, and certainly that is not always the case, if we were to give them the fund. Those in need of services that we seek to provide will find themselves soon to be out in the street again. All too often that happens to be the case. That is one of the objectives that the Senator's amendment is attempting to deal with.

Mr. KENNEDY. The Senator has stated the concept of the amendment accurately and is obviously familiar with the importance of these kinds of services. He is certainly familiar with them. That is precisely the intention of the amendment. We have spent a good deal of time in terms of considering how these services should be coordinated. I think that we have managed to incorporate these various components with the best ideas from the field. This has been the result of a very considerable review of existing programs and consultation with the mayors and Governors and various experts in the field. As I mentioned, we have very broad support among the mayors and Governors for these kind of services, as well.

Mr. President, I will just mention briefly, I know that Senator DOMENICI is on his way to the floor, just a couple of other aspects of the amendment, as I know he will want to address his proposal in greater detail.

The mentally ill and substance abusers need supportive services. Housing alone does not offer the helping hand that these desperately vulnerable individuals need.

Subtitle D of the amendment renews our commitment to community development corporations by reinvigorating the Federal component of our current public-private partnership. This amendment will provide seed funding to CDC's so that they can contribute their unique talents in our national effort to increase the supply of low-income housing.

The fifth subtitle contains Senator MIKULSKI's Gateway Program. I want to express my special gratitude to Senator MIKULSKI for her excellent work on this important program. The Gateway Program establishes on-site literacy, basic skills, and job training programs for young people in public housing. This program will substantially increase the employment prospects for youth in our Nation's housing projects.

If this amendment is adopted, all of these important services will be centrally located in the areas where at-risk families and individuals live. These programs will make it possible for those living on the edge to take the necessary steps to keep them from becoming homeless.

As Secretary Kemp said in describing his HOPE Program.

> The complete answer to getting people off the streets is permanent housing supplemented by the necessary supportive services for people to return to the economic mainstream.

Secretary Kemp is absolutely right.

Many families and individuals now living in shelters cannot move into housing without appropriate services. Moreover, until more such services are available, the ranks of the homeless will continue to swell as families that are currently housed face crises with no one to turn to for help.

We can reduce the number of homeless Americans by providing housing with support services, and this amendment will fulfill that goal.

The Committee for Economic Development, which consists of some 225 business executives and major university presidents, concluded that every $1 spent on early prevention and intervention can save $4.75 in the costs of remedial education, welfare, and crime further down the road.

Hospitalization alone for elderly or ill individuals costs as much as $560 a day. The average cost of a nursing home is $24,000 a year.

This amendment would provide home-based health care for frail elderly or seriously ill individuals for less than $8,000 a year. The health care program in our amendment will cost one-third of the cost of nursing home care.

Hospitalization for an individual with a major mental illness can cost $80,000 a year. The mental health services included in this amendment cost less than one-tenth the cost of institutionalization on a per individual basis.

As we all know, the costs of allowing our Nation's children to grow up in poverty are astronomical. When children are denied basic services, the costs are devastating.

Homeless children suffer from the uncertainty of when they will eat their next meal and where they will sleep during the night. The fear that someone may hurt them or their family members haunts their childhood.

The costs of not providing services are very high. Clearly, the investment of providing these preventive home-based services will save money—and lives—over time.

Can we afford not to pass and fund this amendment? The answer is clear: we must enact these programs. Our Nation's children, elderly, homeless, and vulnerable citizens are depending on us.

Many low-income communities and homes are drug-infested and violent places where life is anything but peaceful and secure—especially for elderly people and children. This amendment seeks to bring a ray of hope into the darkness that pervades our inner cities and rural poverty zones. Its purpose is not the never-ending construction of emergency shelters. Shelters are a necessary but short-term approach. This amendment provides a cure, not a bandaid. It will reduce the need for shelters—by reducing homelessness.

We have an obligation to help our fellow Americans help themselves. Homelessness is not inevitable in the United States. It is time we stopped acting like it is.

I urge my colleagues to support this amendment.

Mr. President, I see my colleague, friend and coworker on this amendment on the floor, Senator DOMENICI. I know he has an important message to give.

Once again, I express my personal appreciation to him for his enormously constructive effort in fashioning and shaping this amendment. I think most of us understand that a great reason for the development of homelessness in our society was the change from institutionalization to what was anticipated to be a comprehensive community-based mental health care system. Over a decade ago, we saw the phasing out of the institutionalization, and we as a society failed to meet the responsibility of providing a community-based system.

One of the greatest needs we are facing in assisting our fellow citizens involves the kind of attention that this amendment gives to those with mental illness. This issue has been of very considerable concern and interest and

continuing involvement of the Senator from New Mexico. He has made an important contribution from a policy point of view. In addition to that though, I know he has been very personally involved in working with local programs in his own community and State. Therefore, he brings a very special expertise, and it is clearly reflected in the parts of this amendment that address the mentally ill.

I yield the floor.

Mr. DOMENICI. Mr. President, let me thank my good friend from Massachusetts, Senator KENNEDY, for yielding. I am sure he had additional remarks.

I might say to my fellow colleagues on the floor, I have been next door in this economic summit, and I very much appreciate the opportunity to address this issue, because I feel very strongly about it. So let me tell the Senate, in my way, what we are doing wrong with reference to the homeless in the United States.

First, Mr. President and Members of the Senate, we now have two very, very important support groups for a substantial portion of this amendment, and I will tell the Senate shortly what portion. We have the U.S. Conference of Mayors on the one hand supporting this effort, and then we have the Governors of the United States supporting this effort, and we have every major organization that addresses the issue of mentally ill, the disease of mental illness. Everyone that is working out there in this issue, this very difficult issue, for years have supported a concept that is encapsulated in this bill.

What we have found out from those groups as they work in the streets of the United States is startling, because we are addressing the problem of homelessness in the United States as if those who are homeless simply need a home, a house, a building with a roof and some facilities in it, and that is needed, but we now know from these groups who are working there the following facts which are startling: 40 percent of the homeless people in the United States are mentally ill.

I am very, very pleased that we can come to the floor of the Senate and talk about mental illness as a disease, a sickness, because for most of America's history we assumed somebody ought to talk about those serious problems in the back room, or in an asylum, or in a kitchen where a mother and father are wondering what in the world happened to this 17-year-old who was growing up rather normally and all of a sudden is conducting his or her life in the most abnormal way.

We now understand, thanks to some marvelous research and dedicated people, much about mental illness. We understand what schizophrenia is. We understand what manic depression is. We understand what bipolar depression is.

When we are told that 40 percent of the men and women and young people on the streets of America who are homeless have this devastating disease called mental illness, and as the distinguished Senator from Massachusetts just indicated when we are aware that we have had an American policy implemented by our civility that took many of these people out of institutions like hospitals or asylums and did not substitute anything for it, we understand or should understand that to provide housing, either transitional housing or otherwise, to the group will not work, because they need support services, they need diagnosis and they need care.

Second, we have now found that at least the mayors of America will tell us that of this population of homeless people almost 44 percent suffer from extreme alcoholism, or are addicted with one of the devastating illegal drug habits that we are so worried about in this country. That means if those numbers are right about 84 percent of the population of homeless people have very, very special needs.

Some Americans are angry at the homeless. I understand recently that some polls are saying Americans are getting less concerned. But one of the reasons is that some of the people they are seeing in the streets who are homeless are sick. They have a mental illness that causes them to act rather irrationally, or they are addicted which causes them to act rather irrationally. So it seems to me that we have a rare opportunity to recognize that and try to do something about it.

Mr. President, I said the other day when I introduced the bill on this subject that we cannot just supply housing. We have to supply the services. And we have been rather irresponsible here in the Congress because we continue to argue turf battles, jurisdictional battles over supplying housing one way, through one committee, and through the Secretary of HUD and that department, and services elsewhere.

I do not believe Americans understand that. I do not believe they have any sympathy for that, and they are right. Certainly the homeless who are ill are not going to get help by us continuing to say, let us provide services one way through one department of the Government under a certain grant approach, and let us supply housing somewhere else and, if the two happen to meet, wonderful.

Frankly, the truth of the matter is that they are not meeting, and so we have marvelous organizations working for mayors and for Governors who are totally frustrated in their efforts to help the mentally ill and those on the streets who are suffering from drug addiction, be it alcohol or otherwise.

So what the Senator from New Mexico has been trying to do is to put this component of services and housing into one package, make it a block grant, let it go half to the Governors of the United States and half to the mayors, under a formula that is fair. We have not quite been able to do that in this bill.

I suggest that my friend from Massachusetts has tried but obviously he has the Labor and Human Resources Committee. Another committee is the HUD committee doing housing. So what I have done today is join him in an amendment that he has to a housing bill that addresses prevention of homelessness, but one of its major titles addresses itself singularly and solely to services needed by the mentally ill who are on our streets and those who are addicted to alcohol or other drugs and are on our streets. The services part is in our bill and is one principal component of the Kennedy-Domenici amendment.

What I wish we could have done was to include in it the housing component so we would be doing precisely what I have just described, that is, for once putting the grant money out there in the hands of the problem for both housing and services and give Governors and mayors the flexibility to do it. We have gone more than 50 percent of the way with a block grant on the services that is supported by the mayors, the Governors, and the major organizations that concern themselves with this specialty of dealing with the mentally ill and drug abusers on the streets. That is why I think we should go ahead and agree to this amendment.

Mr. President, in the basic housing bill that is before us, as I understand it the committee has taken all of the housing that is supposedly for the homeless and with one exception, a voucher program, they have put in a block grant for the homeless. The formula for its distribution is not yet totally arrived at. The Secretary will have discretion to write the formula.

I am hopeful that if we pass both we will get the Secretary of Housing and Urban Development to devise a distribution of that grant in a way that creates a high probability if not a certainty that the service money and the housing money will end up in the Governors' and mayors' hands simultaneously with the flexibility needed to merge the two in service for these very distinct needy, difficult to manage problems of the mentally ill who are on our streets and the addicted who are on our streets.

Mr. President, there is much more that could be said. I state as part of this RECORD that finally the United States Government can be somewhat proud of the research activity that is going on that is directed at the men-

tally ill of this country. Over the last 5 years we have regularly and significantly increased the National Institute of Mental Health funding for research in this very vital area. We have declared this the "Decade of the Brain."

We are recruiting the best scientists in the United States who are committeed to doing research in this area because they, too, are excited about our commitment and they believe it has some continuity. We have now in 6 years learned more about the brain and its functions and malfunctions than all of previous history, a rather phenomenal and positive achievement.

That is another path. But obviously we must stay on it because it by diagnosis and research will unlock many of the problem-solving mechanisms for this very unfortunate part of America's population, many of whom are on the streets of this country. In the process of finding more and more and more about the brain and its function, it may even, we hope, unlock some of the secrets of addiction to drugs and the like, because clearly, while we are fighting the battle of daily use and all that goes with it in terms of drugs, there is at least a hope that we will be able to find out essentially what goes on in the physiological makeup of human beings who are affected by this, and we may find some very startling ways to address the issue.

So in summary, I think we ought to adopt this amendment.

I am not enamored with this base housing, bill, S. 566. Maybe it will have to be amended further and go to conference and have some surgery done to it so it will be acceptable and become law someday. But I think we are making a very significant statement about the homeless in asking that we do this service block grant which the mayors, Governors, and others say is a very good first start.

Coupled with the consolidation of the housing for the homeless in ways that may be much more effective in causing simultaneity of money arriving in the hands of those doing the work, I think it is much better than anything we have done. I wholeheartedly support it.

I thank the Senator from Massachusetts and the very distinguished Senator from New York, Senator D'AMATO; Senator DURENBERGER, of Minnesota; Senator DODD of Connecticut; and Senator SIMON of Illinois for supporting my basic bill, and thus supporting a portion of it being in this amendment. I thank them for it and I look forward to a day when we can help our Governors and mayors do a better job through the numerous charitable organizations and institutions who are trying to help us with this problem.

I yield the floor.

Mr. DURENBERGER addressed the Chair.

The PRESIDING OFFICER (Mr. ROBB). The Chair recognizes the Senator from Minnesota.

Mr. DURENBERGER. Mr. President, the bill that is on the floor, the National Affordable Housing Act, has been called historic in many ways, and I think it is historic because it attempts to deal with what has been considered over the years, an insoluble problem. Trying to give national policy direction right now to housing in America seems like a well-nigh impossibility. So I rise to congratulate the authors and all of those who worked on this legislation for bringing this bill to the floor.

But, in specific, Mr. President, I am here out of special respect for the leadership in the health and social services area of my chairman of the Labor and Human Resources Committee, Senator KENNEDY; and my Republican friend from New Mexico, who has always been a leader on mental health issues, here in the Senate.

I think we can all recall times in which he challenged us right up to the end of the session. He was the one who would stand here and say, "But you have forgotten about the most important health issue today—the mental health issue."

So it is with pride and pleasure that I rise to support the Kennedy, Domenici, Durenberger, Jeffords amendment. I have been working with Senator DOMENICI on the PATH bill that he described to our colleagues which deals with the social service assistance and the transitional housing assistance for the mentally ill and substance abusers. The amendment today, incorporates the PATH bill into S. 2600, Senator KENNEDY's homeless prevention community revitalization amendment, on which we had some very compelling hearings in the Labor and Human Resources Committee.

Recently, Mr. President, I toured several homeless shelters and a variety of transitional housing programs in my home state of Minnesota, both in rural and in metropolitan areas. If anybody thinks the problem of the homeless is only an urban problem, they ought to visit rural America.

If anyone thinks it is only a problem of the grates and the shelters, then they ought to visit both the built-up urban areas and the long-term suburban areas of most of the major cities of America. They ought to walk through the rat-infested, about to burn down housing that literally millions of Americans are occupying today. They are not homeless, in the out-on-the-grate sense. They are living in rattraps with literally hundreds of housing code violations that nobody can do anything about. The city cannot do anything about it. The inspectors cannot do anything about it. The owners will not do anything about it because they cannot afford it, and the people themselves cannot afford it.

So this problem of homelessness is not just a matter of not having a roof over your head, it is the condition of the roof as well.

What my colleagues have said about introducing not only resources but some flexibility into dealing with the problem, particularly introducing the elements of social service and health prevention—the public health aspects of it is critical—is why I strongly support this amendment.

A recent survey of Minneapolis-St. Paul shelters showed us that on any given night approximately 20 to 30 percent of the people using the shelters—and that is just the shelters—are children. Many of these children do not have steady friends. They do not attend school regularly. They are jerked from one school to another, depending on where they were able to get housing most frequently. And, almost to a person, they are plagued with chronic health problems.

I met a child who was 9 years old who had already attempted suicide several times. I had not been able to think about at what age the mind is capable of helping to destroy the body until I discovered a 9-year-old girl who had already tried to do it. Life for that poor little girl was so tragic and so hopeless that before she even reached the age of 10 she felt she had to end that life.

These children need counseling, intervention, love, services, and companionship. They need somebody to make them feel worthwhile. But the best thing we can do for the children and many others affected by homelessness today is to work on preventing that kind of condition from occurring at all.

Mr. President, one of the failures in our effort to address the problem of homelessness has been our inability to address the problems individuals and families face that cause them to become homeless—to address the problem by looking at the whole person rather than simply focusing on one element of that person.

It is estimated that 2 million Americans are precariously and at imminent risk of homelessness. These are people like you and I. Many are simply experiencing a short-term financial shortfall, in which they need support services or temporary assistance to help them through the tough times. It is these people that the Senator from Massachusetts amendment addresses. It is an effort to prevent the tragedy of homelessness by focusing on the causes of homelessness and addressing the problems that cause people to slip into homelessness.

In meeting with individuals who are homeless and visiting the homeless shelters in Minnesota, it became quite

apparent that there were several things that we as a Federal Government can do to help end this grave national problem. First, to increase attention on prevention and on the casues of homelessness. And that, Mr. President, is the focus of this amendment. The amendment will provide onsite support services and case-management to families and individuals who are homeless or at risk of becoming homeless.

This amendment will also replace the current Mental Health Block Grant with a new proposal, first introduced my the senior Senator from New Mexico, myself and others that would provide support services and housing services to persons who are mentally ill or substance abusers. Official reports not only show that a majority of the homeless are mentally ill or substance abusers, but also that this population is growing. The Minneapolis-St. Paul survey showed that 39 percent of the men and 11 percent of the women currently consider themselves chemically dependent. The survey also showed that 30 percent of the men and 31 percent of the women felt that they have mental health problems, but do not know what to do about it. I think the inclusion of this provision and this amendment greatly strengthens the overall housing package before us today by providing a comprehensive approach to the housing problem in this country.

Mr. President, I urge support for this amendment.

I thank my colleague from Massachusetts for providing the opportunity and for providing the leadership on this amendment and my colleague from New Mexico, in particular, for being the one who has constantly reminded us that we need to stay on this prevention path.

I ask unanimous consent that additional material on the incidence of homelessness in Minnesota and various examples of our efforts to address mental health services and health care services be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MINNESOTA HOMELESS STATISTICS

In Minnesota, there are approximately 3,000 residents in emergency shelters on any given night, and an estimated homeless population of 7,000-10,000 people.

Of these 64% are women and children (above stats come from study from MN Coalition for Homeless and MN Depart. Jobs and Training).

Following stats come from 1989 Wilder Study:

In Metro area ⅔ residents of emergency shelters are men age 25-40. 40% of homeless men are veterans and most of these are from Viet Nam. 30-40% Homeless (state and metro) suffer from mental health problems. 30-40% (state and metro) suffer from chemical dependency.

In Minnesota, 45% respondents graduated from high school or have a GED. 25% are working while in emergency shelters. ½ respondents indicated had some job training. 65-70% of residents of emergency shelters in metro area have been residents of metro area at least 1 year and of these 26% have lived in the twin cities for 21 years or more. 32% experienced physical abuse as children; 31% of women experienced sexual abuse as children.

In the twin cities: 50% shelter residents are white. 32% residents are black. 7% Hispanic. 9% American Indian. 2% Mixed or other. 32% Respondents indicated they have chronic health problems. Of that group, ½ indicated they were unable to obtain needed care, 29% said they should be taking medication and were not doing so, and 51% (60% of women) said they could benefit from seeing a social worker for mental health reasons.

MINNESOTA EXAMPLES OF MENTAL HEALTH AND HEALTH CARE PROPOSALS

STREET SMARTS

Chemical abuse recovery is a process. It takes time to integrate and heal the emotional, physical and spiritual self destruction that is inherent in a life where chemicals have been abused and are used to deal with the harsh realities of life on the street. Serious chemical problems are common among homeless adults and are an important factor in understanding this population.

Chemical abuse is often seen as *the* way to make it through a day and to forget failure. There is growing concern of persons who work with homeless people regarding clients with dual and multiple diagnoses. For recovery to even begin to happen, chemically dependent homeless persons need to get away from the streets, where the temptation to use is ever present.

Safe settings that provide protection, adequate nutrition, rest and an opportunity to heal are desperately needed. The process of evaluation, placement and approval for treatment needs to be expedited. At times the whole procedure can take up to ten days, by then the person needing help may have lost her or his motivation or may have gone underground.—Emma Eskelson, CCDC, Health Care for the Homeless Project/Chrysalls

YWCA

Operating out of room 203 of the YWCA, the health team provides a large variety of screening and health promotion services to the women and children living at the YWCA shelter. Although housed in room 203, it is just as likely that our first contact with clients occurs in the kitchen, lounge, on the front steps, or upstairs on the residential floors. Our flexibility to meet clients on their own turf provides the first link to health services—our deliberate attempt at case finding. We offer public health nursing assessments and counseling, social work services, nutrition counseling, AIDS education and the opportunity to talk with a chemical counselor. The YWCA program provides 66 emergency shelter beds and 42 transitional housing beds. Our health team provides services to both populations.

A focus on children through the well child Early Periodic Screening Diagnosis and Treatment (EPSDT) program on Wednesday mornings brings together a team of 9 health and social service professionals to provide immunizations, developmental testing, vision and hearing screening, lab testing, nutrition counseling and physical examination. This is a concentrated effort to connect with families and to provide concrete referrals to community providers. Referrals are an important bridge between the client and the community health providers who might not otherwise follow these children as they use emergency rooms where they receive acute rather than preventative care.

Our first 8 EPSDT clinic screenings resulted in 37 referrals to eye specialists, dentists, WIC, family physicians, Early Childhood Education, and specialist medical doctors. The bonds we establish with the mothers at the clinic are essential to providing follow-up services for their children. Mothers open up to us and become more receptive to the services we can offer them, too.

Referrals for acute, prenatal, and well woman care, problem solving and providing support for women, assists families in transition who are coping with an almost overwhelming social service system. Our goal is to follow families back into the community, reconnect them with supportive neighborhood services and rebuild self-sufficiency skills.—Linda Stenstrom-Smith, Public Health Nurse, Health Care for the Homeless Project/McKinney Grant.

CARING FOR SHELTER CHILDREN

This article on Post Traumatic Stress Syndrome in Homeless Children is the first in a series by Tamsen, Morgan, PA-C, of Helping Hand Health Center who works with the Health Care for the Homeless Project at Women's Advocates, a battered women's shelter.

The mobile health team I am part of provides acute and preventive medical services in a shelter for battered women that can house up to 26 children and 11 women. As Physician Assistant at the shelter clinic, I see many children. This article is the first in a series that will focus on providing medical care for children in shelters. Every day I am struck by the similarities and overwhelming differences between these and other children. This series will address the following questions: 1. Is there a definitive and empowering way to understand and serve shelter children? 2. How do we separate behavior that is normal in an extreme environment, such as an unfamiliar and chaotic shelter setting, from behavior that is the result of an abusive or disrupted household; and 3. How do we provide support, empowerment and safety in the limited shelter clinic setting?

In a conference entitled, "Psychological Effects of Sexual and Domestic Violence," Dr. Judith Lewis Herman examined the effects of an unhealthy environment on children and the effects of children being witnesses to violence or themselves being victims of sexual or physical abuse. She explored the children's adaptive behaviors and their development after trauma.

In an unpublished study, Herman's group conducted interviews with adults evaluating their childhood (0-18 years old) for incidents of experiencing or witnessing physical or sexual abuse. They found that healthy individuals had quite low scores (0-2). On the other hand, 57% of the participants with borderline personality disorders had a history of abuse beginning in early childhood. Their scores were significantly higher (8-9).

In my practice, I find a striking similarity of the traits of borderline personality disorder to the behavior of shelter children:

Impulsivity;

Transient disturbances in reality testing, "It didn't really happen" or "It wasn't so bad";

Volatile interpersonal relations: Clinging and withdrawal, loss of internal focus of control, eg. striking out against loved ones; and

Identity disturbances: believing one is inherently bad and creating a socially conforming "false" self to hide it—pleasing and placating authority figures.

We also see disturbances in otherwise healthy children at the shelter. In the new and chaotic shelter environment, it is not uncommon for children to regress in behavior: to begin thumb-sucking again, bed or pants wetting, drinking from a bottle, or clinging for security.

How do these children see themselves? How can we, as a part-time clinic at the shelter, have an impact on these children? How do we help their mother's provide them with a sense of safety and love?—Tamsen Morgan, Physician Assistant, Health Care for the Homeless Project/Helping Hand Health Center.

Mr. KENNEDY. Will the Senator yield for a brief comment?

I want to thank the Senator from Minnesota. He was a cosponsor of the amendment and was active in shaping the legislation that we had in our Human Resource Committee which has, in a very significant and important way, been augmented by the excellent recommendations of the Senator from New Mexico. But he and the Senator from Vermont [Mr. JEFFORDS] have been very involved in the crafting of the proposal. I am grateful for all of his efforts.

The PRESIDING OFFICER. The Chair recognizes the Senator from California [Mr. CRANSTON].

Mr. CRANSTON. Mr. President, I rise to thank and commend my colleagues, Senator KENNEDY and Senator DOMENICI, on this amendment.

This amendment represents a collaborative effort between the Senate Banking, Housing, and Urban Affairs Committee and the Senate Labor and Human Resources Committee.

The provision of supportive housing for persons with special needs has been an objective embraced by the Housing Subcommittee throughout the development of this housing bill. It has long been recognized that housing must be more than bricks and mortar.

We on the Banking Committee have authorized two new programs to accomplish these objectives: Project Independence to help families with children gain greater access to employment, day care, educational, and other services and Project Retrofit to upgrade existing housing for the frail elderly to accommodate supportive services.

But we can only fulfill the housing side of the commitment through housing rehabilitation and retrofitting. With housing funding so tight after a decade of budget cuts, we do not have the luxury to spend precious HUD dollars on supportive services.

The passage of the McKinney Homeless Assistance Act of 1987 marked a successful effort to coordinate housing and support service programs. The National Affordable Housing Act would expand upon these recent efforts. We have been working closely with the Labor Committee to meet the service needs of tenants in public and assisted housing.

This package offered here today represents the results of these collaborative efforts between the Labor Committee and the Housing Subcommittee. The package provides the necessary supportive service funding needed to complement the housing programs in the bill. Secretary Kemp's HOPE proposal recognized the need for supportive services to augment housing assistance but placed the burden for providing these services on States and localities already strapped for resources. This Kennedy-Domenici package provides the commitment or resources necessary to follow through with these objectives.

The package incorporates elements of several bills moving through the Labor Committee: Senator KENNEDY's Homeless Prevention and Community Revitalization Act—S. 2600, Senator DOMENICI's Projects to Aid the Transition from Homelessness [PATH] proposal, Senator MIKULSKI's gateway bill, and a homeless youth demonstration project (S. 2587) which I have authored.

I think this package, Mr. President, represents a very important effort to provide a truly comprehensive program. I thank the Senators from Massachusetts and New Mexico for their very important work on this issue of homelessness and I urge support for the amendment.

The PRESIDING OFFICER. The Senator from New York [Mr. D'AMATO] is recognized.

Mr. D'AMATO. Mr. President, I am pleased to be a cosponsor of this amendment. I commend the Senator from Massachusetts and Senator DOMENICI. Senator KENNEDY and Senator DOMENICI have each put his finger on a very real problem we have failed to address and that is giving the kind of supportive services necessary to break the cycle of homelessness, of people who are walking around in an aimless manner who do not have the kind of counseling available to them to break that vicious cycle.

It will not only continue, it will deepen, and unless we put the resources where they are necessary then this problem indeed will continue to grow. I wonder why we say, my gosh the numbers of homeless are growing and growing and growing, wherever we go, particularly in our urban centers.

It is for far too long, we have not gone after the root causes, particularly as they relate to those people who have mental illnesses, who abuse drugs of all kinds. They need these services.

The integration of HHS into the area housing is long overdue. I am pleased to support the amendment. I believe the Senator was going to ask for the yeas and nays?

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Ms. MIKULSKI. Mr. President, I want to briefly comment on the amendment being offered today by my colleague, Senator KENNEDY to the National Affordable Housing Act.

As you know, along with Senator BROCK ADAMS, I am the Senate sponsor of a very important part of this amendment, the Gateway Public Housing Act.

This amendment will provide literacy, job, and skills training, and supportive services such as child care and drug prevention, and drug education programs to public housing tenants.

Illiteracy is a problem that disproportionately affects the poor. Over one-third of the mothers receiving aid to families with dependent children [AFDC] are functionally illiterate.

Other bills have proposed to enhance the literacy level of the economically disadvantaged. However, this amendment is unique in that it will target assistance to our public housing facilities, where large numbers of low- and moderate-income persons live. The Gateway Program will provide for grants to public housing authorities to design programs or purchase services from existing providers of social services to assist public housing residents' efforts to achieve independence through skills training and, ultimately, jobs.

I am especially pleased to sponsor this amendment because the model program for the Gateway proposal is a public housing high rise development located in my hometown, Baltimore, MD.

Baltimore's Lafayette Homes is a typical public housing high rise development with 805 units and almost 2,400 residents, 85 percent of which receive public assistance. However, with the creation of the Family Development Center, Lafayette Homes broke the mold of the typical public housing project. In the first program of its kind in the Nation, literacy training, computerized basic skills education, and job training are all available on site at the Lafayette Homes. Child care, year round, both during and after school, is available nearby so that parents will know their children are safe while they participate in these programs. Medical assistance and counseling are also available on site. Residents of the Lafayette Homes voluntarily participate in these programs because the Gateway Program

serves not only the individual, but the entire family.

I am pleased to include this program in Senator KENNEDY's amendment which will attempt to change the face of public assistance to the poor. People finding themselves in need of financial and housing assistance should have available all the support and self-help systems they can take advantage of. So that a single mother, an unemployed head of household, and elderly disabled person in with no resources can go on to become self-sufficient and better educated.

HOMELESSNESS PREVENTION AND COMMUNITY REVITALIZATION ACT

Mr. RIEGLE. Mr. President, today I rise to join my distinguished colleague from Massachusetts, Senator KENNEDY, in support of his amendment. His amendment would add the Homelessness Prevention and Community Revitalization Act, which I cosponsored, to the National Affordable Housing Act now being considered on the floor. This amendment will improve the lives of people in low-income housing and neighborhoods, with the hope of preventing and eliminating homelessness.

It accomplishes this by providing onsite supportive services and case management to both families and individuals who are at risk of homelessness due to poverty, serious illness, or lack of social and economic support networks.

This amendment fundamentally changes the way the Federal Government addresses our national shame of homelessness. It seeks to prevent homelessness rather than address it after it has become a crisis. The amendment provides new housing-based services to assist those at risk before they become homeless.

It is estimated that this proposal will benefit 100,000 people each year. Every individual we help through this measure is one less person who will have to live in cardboard boxes, on street grates, in alleys, or in shelters.

This amendment is complementary to S. 566. Together these initiatives create a comprehensive policy package which fully addresses the issues of housing and homelessness.

Housing alone is not enough. Many of the homeless or those at risk of homelessness need supportive services. At risk families need day care, job training, family counseling, and health care. The elderly and those with AIDS and other serious illnesses need nursing care and access to emergency health services. The seriously mentally ill need mental health services. Those with drug and alcohol dependency need treatment and job training assistance.

This amendment is the next step beyond the McKinney Act. We must be proactive and move beyond an emergency response. This amendment attempts to move toward elimination of homelessness by establishing much needed housing-based social service networks to assist people before they become homeless.

I wholeheartedly support this amendment. When coupled with the National Affordable Housing Act, it forms a complete strategy toward addressing the multiple needs of persons who are homeless or at risk of homelessness.

Mr. ADAMS. Mr. President, today I rise to speak in support of the amendment sponsored by the senior Senator from Massachusetts. The Senator has always provided the necessary leadership to address the needs of the disabled, and he has likewise responded to help the most vulnerable of our society—the homeless who are mentally ill. I commend the Senator's leadership on this issue.

Let me also add that Senator KENNEDY's amendment incorporates the provisions of the public housing gateway bill. This is a bill that Senator MIKULSKI and I introduced last year. The bill will provide necessary and basic support services for those people who reside in our Nation's public housing projects. More importantly, it provides such services in those housing projects. The bill will provide literacy tutoring, job and skills training, and supportive services such as day care and drug rehabilitation and enforcement services to public housing residents on public housing grounds.

Mr. President, the necessity of offering basic education and skills training in public housing projects is readily apparent. A large percentage of families living in public housing are headed by single women. Most of these young people lack a high school diploma and have never held a job. Others lack affordable child care, effectively closing them out of job training, education, and employment. Without basic skills and training leading to meaningful employment, these young heads of household, too often the children of other undereducated welfare-dependent public housing families, are unable to break out of this cycle of poverty. The gateway bill will help stop this vicious treadmill of generational poverty.

Mr. President, I would like to particularly emphasize the importance of the drug counseling and enforcement aspects included in the gateway bill because they are modeled after a unique approach instituted in Washington State. The Seattle Housing Authority [SHA], the largest housing authority in the Nation, has successfully provided drug counseling to residents in its housing complexes. Just as importantly, SHA helps residents fight drug activities through enhanced law enforcement by working closely with the Seattle Police Department. SHA's approach has been quite successful and is the model for parts of the gateway bill. SHA's successful and innovative approach should be credited, in large part, to its executive director, Mr. Harry Thomas, who has done an outstanding job.

Mr. President, let me conclude by saying that the housing problems our Nation faces must be addressed. Like many of my colleagues I am happy that the underlying bill is now being considered. My colleague, Senator CRANSTON, should be commended for his efforts in this regard. It is my hope that this measure, including the Kennedy amendment, will be enacted in a timely fashion.

Mr. BRADLEY. Mr. President, I rise as a cosponsor of Senator KENNEDY's homeless prevention and supportive services amendment. This amendment would help create safe, positive environments for families, children, and individuals in low-income housing and neighborhoods and provide supportive permanent housing and onsite social services and case management for families and individuals with special needs or who are at risk of homelessness due to income level, illness, mental illness, or lack of social and economic support networks.

Mr. President, I am particularly pleased that this amendment establishes discretionary grants to eligible agencies to establish home health services programs in low-income housing and neighborhoods in order to provide support services to individuals who are afflicted with chronic and debilitating diseases or conditions. One of the groups targeted for these services would be the vulnerable elderly. I have long been an advocate of home and community based strategies as the most humane and cost-effective ways of dealing with long term medical and social problems. Through the years, I have grown increasingly sensitive to the value of the informal network of loving family care givers and community support for our frail and ill citizens. I see this network as the backbone of every community's effort to offer humane and dignified care for its needy members. If we as a Nation, are to have any effective strategy to deal with our chronically ill and disabled population, it will have to build on and support this valuable network.

This amendment would provide $100 million in 1991 in grants for home health services, homemaker services, case management, meal services, respite care, and mental health services among others; $20 million would be utilized to provide home health services programs for the elderly. Mr. President, homelessness is often the last humiliation for highly vulnerable and often chronically ill frail individuals. This amendment would provide many valuable services to this population that would help to maintain them in the home setting with dignity and

connected to the community. I urge my colleagues to adopt the amendment.

The PRESIDING OFFICER. Is there further debate?

There being no further debate, the question is on agreeing to the amendment of the Senator from Massachusetts, amendment No. 2038.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced, yeas 89, nays 11, as follows:

[Rollcall Vote No. 119 Leg.]

YEAS—89

Adams	Ford	McCain
Akaka	Fowler	McConnell
Baucus	Garn	Metzenbaum
Bentsen	Glenn	Mikulski
Biden	Gore	Mitchell
Bingaman	Gorton	Moynihan
Bond	Graham	Murkowski
Boren	Gramm	Nickles
Boschwitz	Grassley	Nunn
Bradley	Harkin	Packwood
Breaux	Hatch	Pell
Bryan	Hatfield	Pressler
Bumpers	Heflin	Pryor
Burdick	Heinz	Reid
Byrd	Hollings	Riegle
Chafee	Inouye	Robb
Coats	Jeffords	Rockefeller
Cochran	Johnston	Sanford
Cohen	Kasten	Sarbanes
Conrad	Kennedy	Sasser
Cranston	Kerrey	Shelby
D'Amato	Kerry	Simon
Danforth	Kohl	Simpson
Daschle	Lautenberg	Specter
DeConcini	Leahy	Stevens
Dixon	Levin	Thurmond
Dodd	Lieberman	Warner
Domenici	Lott	Wilson
Durenberger	Lugar	Wirth
Exon	Mack	

NAYS—11

Armstrong	Humphrey	Rudman
Burns	Kassebaum	Symms
Dole	McClure	Wallop
Helms	Roth	

So the amendment (No. 2038) was agreed to.

Mr. KENNEDY. I move to reconsider the vote.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I want to express a very personal sense of appreciation to a member of my staff, Sarah von der Lippe, who has done so much to help shape this legislation. I am enormously grateful to her, and I want the Senate to recognize her special efforts.

The PRESIDING OFFICER. The Chair recognizes the Senator from Ohio [Mr. METZENBAUM].

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The Chair will remind the Senator the pending question is the Gore amendment No. 2037.

Mr. METZENBAUM. Mr. President, I ask unanimous consent the pending amendment be laid aside.

The PRESIDING OFFICER. Is there objection?

Mr. D'AMATO. I object.

The PRESIDING OFFICER. Objection is noted.

Mr. D'AMATO. Mr. President, let me say two things. No. 1, we have a lot of amendments and a lot of work to dispose of as it relates to the housing bill. This Senator is not prepared to allow extraneous matters come on that have nothing to do with housing, that are going to be controversial, that have and should be dealt with in other realms.

Now, every Member has a right to insist that his or her proposal be considered, but it is the intention of this Senator, unless we can get those matters cleared—they may be extraneous, they may make some sense and good judgment, but unless they are cleared by both sides—then this Senator will oppose considering them at this time. So I am not addressing the merits of the proposal the distinguished Senator from Ohio wants to put before this body, but I will not be prepared until and unless at the very least we dispose of those matters which we have ready to go that relate to housing and all the problems attendant thereto. That will be the position of the Senator. If that means we are going to stay on to midnight tonight, midnight tomorrow, on and on, this Senator is prepared to defend that position.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio has the floor.

Mr. METZENBAUM. Mr. President, I have been around here long enough to know that you cannot control the floor by just having an amendment pending at the desk and then objecting to its being set aside so you can decide which amendments can come up and which cannot. That is not the way the Senate works. That is not the way the Senator from New York handled the matter when he was very anxious to bring up the capital punishment amendment. If the Senator from New York wants to bog down this body—two can play at this game—to see to it that nothing else happens on the floor of the Senate while this pending amendment is before us, then I will object to any other amendment. But I have as much right to bring up this amendment that has to do with senior citizens and the poor people of this country having an opportunity to have their checks cashed and having an opportunity to have a low-cost banking account. I am interested in the housing bill, but there is not any reason why we cannot take up this amendment. It will not take a long time. I am willing to agree to a shortened period of time. I am willing to agree to whatever period of time the Senator from New York thinks is reasonable, an hour, half an hour on a side. That is fine. But as far as I am concerned, we are not going to use the procedure that has been used here on occasions, where you call up an amendment, then control the floor by not letting any other amendment come up.

Let us go ahead with the pending amendment if that is what the Senator from New York wants to do. Vote it up or down, and then the floor is open for amendment.

Mr. D'AMATO addressed the Chair.

Mr. METZENBAUM. Mr. President, I still have the floor.

The PRESIDING OFFICER. The Senator from Ohio retains the floor.

Mr. METZENBAUM. I say to my friend from New York, if he wants to preclude any further action on this bill, that is his choice. It is not my choice. I am for the housing bill. But do not tell the Senator from Ohio that he does not have a right to offer an amendment that has to do with the banking services for low-income people, for senior citizens. This is an amendment that has merit.

If we want to limit the time, fine. I will agree to limit the time. But if we do not want to do that, then call up the pending amendment or let us vote it up or down, and then I will take my chances about getting recognized to call up my amendment.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Ohio yield?

Mr. METZENBAUM. I yield the floor.

The PRESIDING OFFICER. The Senator from New York [Mr. D'AMATO].

Mr. D'AMATO. Mr. President, first of all, the Senator from New York does not intend to have the pending amendment laid aside. I did not propose it. It was proposed by Senator GORE. He asked that it be set aside. The Senator from California asked it be set aside. The Senator from New York agreed, so we could work on other housing measures. There is no intent to control the flow of the legislative process by this Senator.

What the Senator said is that we should dispose of those matters that deal with housing first. This is a controversial matter. The fact of the matter is there are going to be Members who are not going to agree to a time agreement. If the Senator from Ohio wants to have a vote on this then I would suggest that we deal with the matter as it relates to housing first, and then he can attempt to do whatever he wants.

Now to suggest that I am going to stop or impede the flow of business because I am saying let us proceed in an orderly manner is absolutely inappropriate.

Second, this Senator has seen others rise to the occasion, stop this body because they want only their legislation considered when they want.

Well, everyone has the right to assert his or her claims. I am not looking to take away any. But I will tell you right now, we have business to consider here that deals with the housing legislation that we worked 3 years to develop. I would like to see us proceed. If and when those matters are disposed of, I, personally, have no objection to looking at whatever any Senator wants to look at. He has a right. But I certainly have a right to stand here and to say that we have pending here an important matter, and as an accommodation to Senator GORE I agreed not to offer a second degree amendment. But I am very fully prepared to offer a second-degree amendment to Senator GORE's, as it relates to this matter.

I was looking to accommodate the flow of business. But I am not prepared at this point in time to undertake the matter that is going to be debated for hours and hours and hours. That is a fact. It is not this Senator's intention to debate it. But there are other colleagues, some of whom are on the floor, and I think they will express their position as well.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Utah [Mr. GARN].

Mr. GARN. Mr. President, I would simply say that this is a very important housing bill that has been worked on for a long time. There was a bipartisan effort in the Banking Committee to get it passed.

The Senator from Ohio certainly has the right to offer any amendment he desires to. The issues he is talking about he has worked on for a long time. But they are not dealing with housing. He has the right to offer them. His amendment is not germane. It has nothing to do with housing. It has to do with the banking part of the Banking Committee.

The point of it is, as I say, he has a right to offer it, but he needs to recognize it is very controversial, does not deal with housing, that there will be no time agreement on his amendment, and it will tie up this housing bill for a long, long time. I can guarantee that, not just on behalf of myself, but others on the committee and within this body who do not think this is the time or place to bring up that amendment.

He has that right. But the Senate should be aware that it will divert us from passing a housing bill, delay it, possibly even have the bill drawn down because it is very controversial, does not pertain to housing, and there will be no time agreement on that amendment.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. What is the parliamentary procedure with respect to the amendment offered by the Senator from——

The PRESIDING OFFICER. The pending question is the amendment offered by the Senator from Tennessee, and it is the first-degree amendment.

AMENDMENT NO. 2039 TO AMENDMENT NO. 2037

(Purpose: To provide access to check cashing services and basic banking services)

Mr. METZENBAUM. Mr. President, I sent an amendment to the desk and ask for its immediate consideration; a second-degree amendment.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] offers an amendment numbered 2039 to amendment numbered 2037.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the pending amendment add the following:

TITLE ___—CHECK CASHING

SEC. ___01. SHORT TITLE.

This title may be cited as the "Government Check Cashing Act of 1990".

SEC. ___02. DEFINITIONS.

For purposes of this title—

(1) FEDERAL DEPOSITORY INSTITUTIONS REGULATORY AGENCY.—The term "Federal depository institutions regulatory agency" means—

(A) the Comptroller of the Currency with respect to national banks;

(B) the Board with respect to member banks of the Federal Reserve System (other than national banks);

(C) the Board of Directors of the Federal Deposit Insurance Corporation with respect to federally insured depository institutions described in clause (i), (ii), or (iii) of section 19(b)(1)(A) of the Federal Reserve Act (other than national banks and member banks of the Federal Reserve System);

(D) the Director of the Office of Thrift Supervision with respect to federally insured depository institutions described in clause (v) or (vi) of section 19(b)(1)(A) of the Federal Reserve Act; and

(E) the National Credit Union Administration Board with respect to federally insured depository institutions described in clause (iv) of section 19(b)(1)(A) of the Federal Reserve Act.

(2) BOARD.—The term "Board" means the Board of Governors of the Federal Reserve System.

(3) DEPOSITORY INSTITUTION.—The term "depository institution" means any federally insured depository institution described in clauses (i) through (vi) of section 19(b)(1)(A) of the Federal Reserve Act.

(4) GOVERNMENT CHECK DEFINED.—The term "government check" means any check except for procurement or tax refund checks, which was issued by—

(A) the United States, any State, or any agency of the United States; or

(B) any agency of the State in which the check is presented for cashing purposes (in connection with a government check cashing service), any local unit of local government of such State, or any agency of any such unit of local government.

(5) GOVERNMENT CHECK CASHING RELATIONSHIP.—The term "government check cashing relationship" means a relationship between an individual and a depository institution under which a government check cashing service is provided pursuant to section 3(b) of this Act.

(6) STATE.—The term "State" has the meaning given to such term in section 3(a) of the Federal Deposit Insurance Act.

(7) TRANSACTION ACCOUNT.—The term "transaction account" has the meaning given such term by section 19(b)(1)(C) of the Federal Reserve Act.

SEC. ___03. GOVERNMENT CHECK CASHING SERVICES.

(a) REQUIREMENT TO OFFER SERVICES.—Each depository institution shall offer a government check cashing service that meets the requirements of this section.

(b) TERMS AND CONDITIONS OF SERVICE.—A government check cashing service offered by a depository institution meets the requirements of this section if the service—

(1) is available to individuals for the purpose of cashing government checks in the amount of $1,500 or less ($2,000 or less if the funds have been direct deposited) when the individual presenting the check (or seeking to withdraw funds which have been directly deposited) is the individual to whom the check has been issued;

(2) does not require any other relationship with such depository institution;

(3) does not require the individual to meet any prerequisite which would discriminate against low-income individuals in order to use such service;

(4) has a check cashing fee, if such a fee is assessed, which does not exceed the real and demonstrable costs of providing such service (including fraud losses) plus a modest profit not to exceed 10 percent of such costs. The depository institution shall base such fee on actual time studies and actual net processing cost studies performed either by the depository institution or the Federal Reserve Board pursuant to section ___ of this Act. The Board shall perform actual time and net processing cost studies in each of its regions, with, at minimum, one cost study per one major population area and one in a rural area in each region. The Board will provide the results of such studies to serve as models to institutions in that region, and any institution using such model will be exempt from the complaint section;

(5) allows the customer to designate at least 3 offices of such depository institution (or fewer if the depository institution does not have 3 offices) at which such customer may cash government checks; and

(6) allows the customer to cash government checks upon the presentation of—

(A) a copy of the registration provided in accordance with subsection (d); and

(B) an identification card in the form described in subsection (d)(2)(D) of this section.

(c) EXCEPTION.—A depository institution is not required to provide a government check cashing service under this title to any individual who—

(1) has a transaction account at any other depository institution,

(2) has a government check cashing relationship at any other depository institution, or

(3) has committed or has attempted to commit fraud against a depository institution.

(d) REGISTRATION REQUIREMENTS.—

(1) IN GENERAL.—A depository institution that requires a customer to register in order to use the government check cashing service shall take such action as may be necessary to establish a customer registration program.

(2) MINIMUM REQUIREMENTS.—The program under paragraph (1) shall provide for the following:

(A) Each depository institution shall provide for registration in all of its deposit taking offices staffed by individuals employed by such depository institution.

(B) A depository institution may require an applicant for a government check cashing relationship to submit an application containing the application date, and the name, address, date of birth, and handwritten signature of the applicant, or government issued identification number.

(C) At the time of service registration, an applicant may be required by the depository institution to sign a document in which he or she states whether he or she has or has applied for any transaction account or other government check cashing service.

(D) At the time of service registration, an applicant may be required to present an identification card which includes the signature and a photograph of such customer.

(E) The applicant shall be provided a copy of the completed service registration evidencing the fact that the registration has been received and filed with the depository institution within 20 days of such filing.

(F) A depository institution may not require a registration fee.

(3) REJECTION FOR INTENTIONAL MATERIAL MISREPRESENTATION.—If the depository institution has reason to believe that an applicant has made an intentional material misrepresentation in his or her application for a government check cashing relationship, the depository institution may reject such applicant's registration.

(e) INFORMATION ON SERVICE.—Upon request by any individual, a depository institution shall provide such individual with a written summary describing the government check cashing service offered by such depository institution.

(f) SPECIAL RULE FOR CREDIT UNIONS.—Any credit union which, in the ordinary course of business, cashes checks for members shall cash any government check in an amount of $1,500 or less for any member without charge if the member presenting the check is the individual to whom the check has been issued.

(g) SPECIAL RULE FOR CERTAIN DEPOSITORY INSTITUTIONS.—A depository institution, other than a credit union, which does not cash checks for customers, shall not be required to provide government check cashing services pursuant to this Act.

(h) PREVENTION OF FRAUD LOSSES.—A depository institution is not required to cash a check under this section if—

(1) the check is clearly fraudulent; or

(2) the individual presenting the check is clearly misrepresenting his or her identity.

SEC. ___04. POSTING OF NOTICES.

(a) NOTICE REQUIRED.—Each depository institution shall post a conspicuous notice in the appropriate area of each location where deposits are accepted that informs customers and potential customers that government check cashing services are available pursuant to this title.

(b) CONTENTS OF NOTICE.—Any notice required under subsection (a) shall clearly explain the material features and limitations of government check cashing services, so that customers can reasonably be expected to understand the terms of the service offered.

SEC. ___05. ADMINISTRATIVE ENFORCEMENT.

(a) ADMINISTRATIVE ENFORCEMENT.—Compliance with the requirements imposed under this title shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act—

(A) by the Comptroller of the Currency with respect to national banks;

(B) by the Board with respect to member banks of the Federal Reserve System (other than a national bank); and

(C) by the Board of Directors of the Federal Deposit Insurance Corporation with respect to banks the deposits of which are insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System);

(2) section 5(d) of the Home Owners' Loan Act, by the Director of the Office of Thrift Supervision with respect to any depository institution which is subject to such section; and

(3) the Federal Credit Union Act, by the National Credit Union Administration Board with respect to any insured credit union.

(b) ADDITIONAL ENFORCEMENT POWERS.—

(1) VIOLATION OF THIS TITLE TREATED AS VIOLATION OF OTHER ACTS.—For purposes of the exercise by any Federal depository institutions regulatory agency of any such agency's powers under any Act referred to in subsection (a), a violation of a requirement imposed under this title shall be deemed to be a violation of a requirement imposed under that Act.

(2) ENFORCEMENT AUTHORITY UNDER OTHER ACTS.—In addition to any Federal depository institutions regulatory agency's powers under any provision of law referred to in subsection (a), each such agency may exercise, for purposes of enforcing compliance with any requirement imposed under this Act, any other authority conferred on such agency by any other law.

(c) INVESTIGATION AND REPORT.—A Federal depository institutions regulatory agency that receives a complaint regarding a possible violation of this Act shall conduct an investigation of such complaint as such agency deems necessary, "Where the complaint is verified as accurate shall carry out proper enforcement procedures according to the powers of this Act, and shall provide the results of such investigation in writing to the individual filing such complaint, the depository institution investigated, the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

SEC. ___06. OTHER RELIEF.

Upon application by an aggrieved party, the appropriate United States district court or any other court of competent jurisdiction may grant such equitable and declaratory relief as is necessary to enforce the requirements imposed under this Act.

SEC. ___07. REPORTS.

(a) TREASURY REPORT.—Not later than one year after the date of enactment of this Act, the Secretary of the Treasury shall transmit to Congress a report examining the feasibility of staggering payment of Social Security and other benefit checks so that payments do not all occur on the first and fifteenth of the month.

(b) GAO STUDY AND REPORT.—

(1) STUDY.—No later than 6 months after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study to determine the feasibility of utilizing the United States Postal Service as an additional provider of government check cashing services. In addition, the Comptroller General shall conduct a study examining current practices of check cashing outlets, as they impact customers, including fee and practices, as well as the potential need for Federal or State regulation.

(2) REPORT.—Not later than the date which is 1 year after the date of enactment of this Act, the Comptroller General shall provide Congress with a report regarding the results of the study described in paragraph (1) along with any recommendations for legislative or administrative action that should be taken to address the check cashing needs of low-income individuals.

SEC. ___08. EFFECTIVE DATE.

This title shall take effect on the expiration of the date which is 180 days after the date of enactment of this Act.

TITLE ___—BASIC BANKING SERVICES

SEC. ___01. SHORT TITLE.

This title may be cited as the "Basic Financial Services Account Act of 1990".

SEC. ___02. DEFINITIONS.

For purposes of this title—

(1) APPROPRIATE FEDERAL DEPOSITORY INSTITUTIONS REGULATORY AGENCY.—The term "appropriate Federal depository institutions regulatory banking agency" means—

(A) the Comptroller of the Currency with respect to national banks;

(B) the Board with respect to member banks of the Federal Reserve System (other than national banks);

(C) the Board of Directors of the Federal Deposit Insurance Corporation with respect to depository institutions described in clause (i), (ii), or (iii) of section 19(b)(1)(A) of the Federal Reserve Act (other than national banks and member banks of the Federal Reserve System);

(D) the Director of the Office of Thrift Supervision with respect to depository institutions described in clause (v) or (vi) of section 19(b)(1)(A) of such Act; and

(E) the National Credit Union Administration Board with respect to depository institutions described in clause (iv) of section 19(b)(1)(A) of such Act.

(2) BOARD.—The term "Board" means the Board of Governors of the Federal Reserve System.

(3) DEPOSITORY INSTITUTION.—The term "depository institution" means any depository institution described in clauses (i) through (vi) of section 19(b)(1)(A) of the Federal Reserve Act.

(4) STATE.—The term "State" has the meaning given to such term in section 3(a) of the Federal Deposit Insurance Act.

(5) TRANSACTION ACCOUNT.—The term "transaction account" has the meaning

given such term by section 19(b)(1)(C) of the Federal Reserve Act.

SEC. ___03. BASIC FINANCIAL SERVICES ACCOUNT.

(a) BASIC FINANCIAL SERVICES ACCOUNT REQUIRED.—Each depository institution shall offer a basic financial services account which—

(1) is designed to meet the basic banking needs of low and moderate income persons and families; and

(2) meets the requirements of this section.

(b) ACCOUNT REGISTRATION.—

(1) IN GENERAL.—The basic financial services account under subsection (a) shall be offered as follows:

(A) Each depository institution shall offer the basic financial services account at all of its offices staffed by individuals employed by such depository institution.

(B) A depository institution may require an applicant for a basic financial services account to submit an application containing the application date, and the name, address, date of birth, and handwritten signature of the applicant, or a government issued identification number.

(C) At the time an account is opened, an applicant may be required to present an identification card that includes the signature and a photograph of such applicant.

(2) ELIGIBILITY.—A depository institution is not required to offer a basic financial services account to an individual who has committed or attempted to commit fraud against a depository institution.

(3) REJECTION FOR INTENTIONAL MATERIAL MISREPRESENTATION.—If the depository institution has reason to believe that an applicant has made an intentional material misrepresentation in his or her application for a basic financial services account, the depository institution may reject such application.

(c) TERMS AND CONDITIONS OF ACCOUNTS.—A basic financial services account offered by a depository institution meets the requirement of this section if such account—

(1) does not require any other account relationship with such depository institution;

(2) does not require the individual to meet any prerequisite which would discriminate against low-income individuals in order to use such account;

(3) does not have a minimum opening balance requirement of more than $25, a minimum balance requirement of more than $1, or an average monthly balance of more than $1,500;

(4) has fees and service charges that do not exceed the real and demonstrable costs of providing the account and accompanying services, plus a modest profit not to exceed 10 percent of such costs. The depository institution shall base such fees and service charges upon actual time studies and actual net processing cost studies performed either by the depository institution or the Federal Reserve Board. The Board shall perform actual time and net processing cost studies in each of its regions, with, at minimum, one cost study per one major population area and one in a rural area in each region. The Board will provide the results of such studies to serve as models to institutions in that region, and any institution using such model will be exempt from the complaint section;

(5) permits not less than 10 withdrawals per month including withdrawals described in paragraph (6), whether by check, share draft, negotiable order of withdrawal, or other means;

(6) permits checks, share drafts, negotiable orders of withdrawal, or similar instruments to be drawn on the account for purposes of making payments or other transfers to third parties;

(7) has a requirement that the depository institution will provide the account holder with—

(A) a detailed monthly statement listing all transactions for the month involved; or

(B) a passbook in which the depository institution enters all transactions for such account;

(8) does not require the account holder to use direct deposit services, automated teller machines, or other nonteller services for such purpose, but this paragraph does not prohibit a cost-based discount in fees when such services are used; and

(9) may be closed upon notice to the account holder by reason of the occurrence of—

(A) overdrafts with respect to his or her account on 3 separate and distinct occasions within any 6-month period; or

(B) fraudulent activity involving the account.

(e) INFORMATION ON ACCOUNTS.—Upon request of any individual, a depository institution shall provide such individual with a written summary describing the basic financial services account offered by such depository institution.

(f) SPECIAL RULE FOR CREDIT UNIONS.—A credit union which does not offer share draft accounts to members shall not be required to offer a basic financial services account pursuant to this title. Any credit union required to offer a basic financial services account shall be required to offer such account to members.

(g) SPECIAL RULE FOR CERTAIN DEPOSITORY INSTITUTIONS.—A depository institution, other than a credit union, which does not in the ordinary course of business offer transaction accounts to the general public, shall not be required to provide a basic financial services account pursuant to this title.

SEC. ___04. POSTING OF NOTICES.

(a) NOTICE REQUIRED.—Each depository institution shall post a conspicuous notice in the appropriate area of each location where deposits are accepted that informs individuals that basic financial services accounts which provide basic transaction services are available pursuant to this title.

(b) CONTENTS OF NOTICE.—Any notice required under subsection (a) shall clearly explain the material features and limitations of basic financial services accounts, including basic transaction services, so that individuals may reasonably be expected to understand the terms of the account offered.

SEC. ___05. ADMINISTRATIVE ENFORCEMENT.

(a) ADMINISTRATIVE ENFORCEMENT.—Compliance with the requirements imposed under this title shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act—

(A) by the Comptroller of the Currency with respect to national banks;

(B) by the Board with respect to member banks of the Federal Reserve System (other than national banks); and

(C) by the Board of Directors of the Federal Deposit Insurance Corporation with respect to depository institutions insured by the Federal Deposit Insurance Corporation (other than national banks and member banks of the Federal Reserve System);

(2) section 5(d) of the Home Owners' Loan Act, by the Director of the Office of Thrift Supervision with respect to any depository institution which is subject to such section; and

(3) the Federal Credit Union Act, by the National Credit Union Administration Board with respect to any insured credit union.

(b) ADDITIONAL ENFORCEMENT POWERS.—

(1) VIOLATION OF THIS TITLE TREATED AS VIOLATION OF OTHER ACTS.—For purposes of the exercise by any Federal depository institutions regulatory agency of any of such agency's powers under any Act referred to in subsection (a), a violation of a requirement imposed under this title shall be deemed to be a violation of a requirement imposed under that Act.

(2) ENFORCEMENT AUTHORITY UNDER OTHER ACTS.—In addition to any Federal depository institutions regulatory agency's powers under any provision of law referred to in subsection (a), each such agency may exercise, for purposes of enforcing compliance with any requirement imposed under this title, any other authority conferred on such agency by any other law.

(c) INVESTIGATION AND REPORT.—A Federal depository institutions regulatory agency that receives a complaint regarding a possible violation of this title shall conduct an investigation of such complaint, "Where the complaint is verified as accurate shall carry out proper enforcement procedures according to the powers of this Act, and" as such agency deems necessary, and shall provide the results of such investigation in writing to the individual filing such complaint, the depository institution investigated, the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

SEC. ___06. OTHER RELIEF.

Upon application by an aggrieved party, the appropriate United States district court or any other court of competent jurisdiction may grant such equitable and declaratory relief as is necessary to enforce the requirements imposed under this Act.

SEC. ___07. EFFECTIVE DATE.

This title shall take effect on the expiration of the date which is 180 days after the date of the enactment of this Act.

Mr. FORD. Mr. President, will the Senator yield for a parliamentary inquiry here?

Mr. METZENBAUM. Without losing my right to the floor.

Mr. FORD. We had a distinguished debater here from the State of Alabama, Senator Jim Allen. At one time Senator Allen got up and said, "All of my colleagues who want to take a trip to Mandalay can go ahead and take it."

Do I take it that this amendment has no time agreement, that we can take our trip to Mandalay?

Mr. METZENBAUM. No, not as far as this Senator is concerned.

Mr. D'AMATO. As far as this Senator is concerned——

Mr FORD. Just a minute.

Mr. METZENBAUM. He is addressing me, as I understand it. As far as this Senator is concerned, I am willing to make my remarks, which are not very long. I am willing for the opposition to make such remarks as they want to, and I am prepared to go to a vote. I have no desire to delay this body moving forward. So please do not go to Mandalay.

Mr. FORD. Mr. President, I ask unanimous consent that the Senator from Ohio not lose his right to the floor, and I would like to ask a question of the distinguished ranking member of the leadership or manager of the bill.

The PRESIDING OFFICER. Is there objection? Without objection.

Mr. FORD. I ask, then, the distinguished Senator from New York, will there be a time agreement on this, and how long do you think the time will take to discuss this amendment?

Mr. D'AMATO. There are Members who have informed me that they have various responsibilities, and I would not want to impair any of them with a vote immediately. But this Senator will be prepared at a certain point in time, probably 1:15, to make a tabling motion to begin with. If we need more time, just suggest it to be—1:30.

Mr. FORD. No. I was trying to work my schedule out, and other Senators' schedules out, because this appears to be something that will be controversial and will take some time. The Senator from Ohio says that in 30 minutes, he is ready to take a vote on it. The Senator from New York is saying around 1:15.

Mr. D'AMATO. At 1:15 I will make a motion to table.

Mr. FORD. A tabling motion; and, if that fails, then our business will be on this amendment for awhile?

Mr. D'AMATO. Yes.

Mr. FORD. I thank both Senators very much.

The PRESIDING OFFICER. The Senator from Ohio retains the floor.

Mr. METZENBAUM. Mr. President, the amendment that I sent to the desk is a second-degree amendment. I am not certain as to whether or not the first-degree amendment will or will not pass. Of course, if it does not pass and if my amendment were adopted, it would fall with it.

But that is not the critical point as the Senator from Ohio sees it, because by offering it as a second-degree amendment this body will have an opportunity to indictate whether they support or do not support it. It can then be offered at a later date and a later point in the bill. I assume the same vote will occur at that time, and possibly not even require a vote.

This amendment requires banks and savings and loans to cash Government checks for noncustomers and to offer low-cost bank accounts to the public. This amendment is the result of serious compromise on my part. I have cut back the strength of this amendment to a tremendous degree. The legislation is long overdue.

As a matter of fact, at one point there was some discussion with one of the leading members of the Banking Committee concerning this very issue. I have incorporated some of the thoughts that he had, although he has not supported those thoughts. But, in an effort to compromise, we have modified the strength of the amendment that is before us at the moment.

Let me bring to the attention of my colleagues exactly where we are on this subject. It is not a new subject. In fact, it has been before this body for a good many years.

In March 1987, the Senate agreed to by voice vote an amendment providing for the free cashing of Government checks. That goes further than does this amendment. But at that time no one in this body disputed the merit of giving low-income and elderly Americans the opportunity to cash Social Security, welfare, and retirement checks in a safe and convenient place, a neighborhood bank.

But the truth is, we passed that amendment before the banking lobby got a chance to mobilize against it. That was before the banking lobbyists started screaming about how onerous this legislation is. Well, that 1987 amendment was killed in conference. It was replaced with a directive to the GAO to study the matter. I believe that the GAO was given 6 months, as I recollect, to do the job.

One year later, in March 1988, legislation expanding the powers of banks hit the Senate floor. The GAO had still not completed its study. So I offered another check cashing amendment. Then Banking Committee Chairman Proxmire persuaded me not to offer the amendment, and I was promised a hearing and a markup. The Banking Committee had a hearing, but those banking lobbyists marshaled their forces and prevented a markup.

GAO, by the way, finally finished its study. What did GAO find? GAO found that the urban poor were in fact experiencing check cashing difficulties. GAO also found that only 18 percent of the banks they surveyed offered low-cost checking accounts to the general public.

Mr. President, despite the banking industry's assault, Senator Proxmire made good on his promise. At the end of the session, he included a Government check cashing and basic banking amendment in another version of the bill expanding bank powers. So it was the second time the Senate dealt with it affirmatively. But that whole bill died.

Next we took up legislation to bail out the savings and loan industry. That was in April 1989. At the time, we were asking American taxpayers to pick up the tab for the excesses of savings and loan executives. The savings and loan bailout was going to cost American taxpayers billions of dollars. At that point, far lesser number of billions we were told than we presently know to be the fact. If I thought that it was going to cost billions of dollars, the least we could do was include proposals to help give low-income Americans better access to the banking system.

But again I was told, "Senator, the time is not right," just as I was told today that the time is not right. I was promised and assured that there would be more hearings. Again, more hearings were held, but still nothing happened. The bank lobbyists continued to exercise their muscle in the Banking Committee.

Again, the Senator brought the issue to the floor. The date was in November 1989. This time the vehicle was the bill to reform HUD's administrative practices. Once again, I was told, "Hold off, we will give you a markup."

Members of the Senate, I want you to know that over this entire period of time, the senior citizens and the poor of this country have been crying for this legislation. As a matter of fact, I think all of the Members of this body received at their offices this blackboard from the AARP, which has distributed this. This is a prime issue for the AARP and the millions of people they speak for. What it says is, "Have banks forgotten their ABC's?" What a beautiful way to talk about the ABC's on a blackboard.

The ABC's about which they are talking are accessibility, banking services, and cashing of Government checks. Those are the ABC's. The senior citizens of this country are saying, please, Members of the Senate, you have stood by while the savings and loan industry has ripped off the American public, you have stood by and helped the banking industry in a hundred different ways; now will you not do something for the senior citizens of this country?

They are not asking for a lot. They are not asking for the banks to subsidize them; they are asking for a fair shake. Why would anybody be opposing this? Nobody wants the banks to dip into their coffers and subsidize the senior citizens and the poor. The elderly and the low-income Americans are tired of waiting. It is June 20, 1990, and the reason I have pushed with respect to this matter is that it is time to put this issue to a vote.

I have great respect for the chairman of the Consumer Banking Subcommittee. Frankly, he has tried to work out a compromise, and I appreciate his efforts. But he would be the first to tell you that he has met with strong—that is an understatement—and effective resistance from the banking lobby. They do not want to go along with any modest proposal to help the poor and elderly of this country; they just do not care. They say, you Members of the Congress take care of the banking industry, and when we get in some trouble, you back us up. And if the FDIC gets in trouble,

we will come to you for billions of dollars.

We are now coming to you for billions of dollars for the savings and loan industry. If the banking industry gets in trouble, we are going to go to the American taxpayers and say to them that you have to back up the FDIC. But do not come to us, do not ever come to us and ask us to do our share for the people of this country. In cities and towns throughout the Nation, individuals are trying to cash Government assistance checks, and they are being turned away from neighborhood banks, because they do not hold accounts in those banks.

Right now, one in six families has no relationship with a bank. Many people simply cannot afford the expensive maintenance fees or balance requirements. Banks used to be glad to get your business, but today they charge you for doing business with them. You have to have certain minimum balances and you have to have maintenance fees. Check-cashing outlets, as a consequence, are springing up all over the place in urban areas and in the suburbs. Drive down the streets of any city in America—and the check-cashing outlets used to be little hovels, little stores on the corner with a little red and yellow sign, or black and yellow sign, in front of them.

No more. Oh, no. They are fancy porcelain buildings now. They can afford the finer looking building, build their own building because they are charging excessive fees to cash checks not from the rich, not from the Senators, not from the Congresspersons, not from those who can pay, but from the senior citizens who are trying to eke out enough to pay for their food, housing, and medical bills, and they charge them excessive fees to cash those checks.

A 1988 consumer action study in California found that some check-cashing outlets in that State were charging as much as $30 for a single $500 Government benefit check. I went into some check-cashing places to look at the charges on the wall. Sometimes they have them on the wall and sometimes they do not. They just take the check, cash it, and then they tell you what you have to pay.

When you go in there and you are a senior citizen or a poor person, you need the money so badly you are in no position to quibble and say that seems to be too much, because you need the money.

So the check-cashing outlets have prospered. This is a shameful situation. Why are we allowing the traditional financial institutions, the banks and the savings and loans, to walk away from low-income and elderly consumers? Why are my colleagues over there talking about the fact that we will offer a tabling motion, and if that does not pass, we will filibuster, if necessary, we will defeat the housing bill rather than give the senior citizens of this country and the poor of this country a chance to cash their checks? Why? Why? Because the banking lobby is one of the most powerful political lobbies around here. Look at the newspaper reports of the banks' lobby political action committee and see how much money they give away annually and you will understand where they get all their moxie and their strength.

As I said before, banks want us to enact sweeping legislation allowing them into lucrative insurance and securities fields.

Oh, please, Mr. Congress, please, we need a little help from the Congress. We want to start to sell insurance, and we want to deal in the securities industry, we want to sell stocks and bonds. Please help us.

But we help somebody else? No way, Jose. No way are we going to help anybody else. We want it all for ourselves and be sure of one other thing, you in Congress, you keep that Federal Deposit Insurance Corporation strong enough so that if we make some bad loans and some bad deals, the American taxpayer will be standing behind us to bail out the banks and see to it that those insured deposits are covered.

As I said before, the savings and loans succeeded in getting Congress to bail them out of a crisis which was, in large part, of their own making.

Neither the banks nor the savings and loans have any trouble with the fact that the Government insures their customers' deposits. They do not have any problem about the fact that the Government sees to it that there is a Federal Reserve Board and that there is a banking system worked out with the Federal Government.

Keep the Government out of business, except when we want the Government to help us in our business. Do not ask them to compromise, do not ask the banks to compromise on these modest proposals to help the elderly and low-income Americans. They keep screaming Government interference, Government interference. Government interference if it is for people. But if it is to help the banks and the savings and loans that is not Government interference, that is the old, free enterprise way. That is what the banks say.

What nerve they have. What audacity. I have said to the banks not once, not twice, but 10 and 20 and 30 times, I am willing to negotiate with you to be fair. I do not want anything that hurts you. I just want to be fair. And I am frank to say to you I never could get anybody to walk in my door and negotiate. As a matter of fact, I have negotiated with myself and you have before you here a compromise proposal that I think is fair to the banks of this country and will not hurt them financially at all.

The American public supports the idea of requiring financial institutions to provide certain banking services. The American Association of Retired Persons commissioned a Gallup Poll in the fall of last year. Listen to their findings:

A large majority of consumers believe that financial institutions should offer a range of basic banking services to low-income consumers and would favor a law that makes such services mandatory.

The Gallup Poll goes on to say:

Three-quarters (73 percent) think financial institutions should offer some basic banking services that low-income people can afford, even if it means that these institutions would make a lower profit.

But let me point out something—my amendment would not require them to make a lower profit. My amendment would not even require them to operate at cost. My amendment goes beyond that.

My amendment says that they may charge reasonable fees—reasonable fees—plus a 10-percent profit. My amendment further says that the Federal Reserve Board will set models as to what the charges should be and the banks can, but they do not have to, follow those models. The banks do not have to conform. They can set their own fees.

The poll went on to find:

Three-quarters (76 percent) of consumers also believe that financial institutions should immediately cash Government checks up to a set amount for any person who is registered to cash checks there. Only one in five (18 percent)—

According to the Gallup Poll—

think institutions should not have to cash these checks for people who either do not have an account there or do not have enough money in their account to cover the amount of their check.

Gallup found overwhelming public support for the mandatory cashing of Government checks. They found overwhelming public support for requiring banks to offer low-cost accounts.

This bill provides a system of registry so that the bank may know with whom they are dealing, so that the bank may protect itself. It permits the banks to make a charge, a reasonable charge, based upon their cost plus 10 percent profit. This is a modest, reasonable proposal.

Let us listen to the people of this country as expressed in the Gallup poll. Let us listen to the senior citizens of this country as expressed by the AARP. Let us tell the banks enough is enough. Let us vote for this amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. SHELBY). The Senator from California.

Mr. CRANSTON. Mr. President, I yield to the majority leader.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, I thank my colleagues, Senator CRANSTON and Senator METZENBAUM.

VISIT TO THE SENATE BY EUROPEAN PARLIAMENTARIANS

Mr. MITCHELL. Mr. President, today we are pleased to welcome to the Senate a delegation from the Europen Parliament. Mr. Geoffrey Hoon, of the United Kingdom, is the chairman of the delegation, and Mrs. Hiltrud Breyer, of the Federal Republic of Germany, is the first vice chairman.

We were last visited by our colleagues from the European Parliament exactly 9 months ago, in September 1989. Since that visit, developments in the political history of Europe have been dramatic. Parliamentary democracy is spreading to countries that only 9 months ago appeared to be locked in authoritarian straitjackets. As the former Communist countries of Eastern Europe establish their democracies, the examples of working parliaments in West Europe will be important guides.

The European Parliament itself is also likely to take on an increasingly important role as we move toward the Europe of the single market in 1992. Close relations between the European Parliament and the U.S. Congress will be a significant aspect of the continued close cooperation between all of our countries.

I now ask that the Senate stand in recess for 3 minutes to enable my colleagues to join me in greeting our European colleagues.

I now ask unanimous consent that a list of the Members of the delegation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MEMBERS OF THE DELEGATION OF THE EUROPEAN PARLIAMENT

Mr. Geoffrey Hoon, Chairman (Socialist, United Kingdom).

Mrs. Hiltrud Breyer, 1st Vice-Chairman (Greens, Germany).

Mr. Gerardo Gaibisso (European People's Party, Italy).

Mr. Ernest Glinne (Socialist, Belgium).

Mr. Miguel Arias Camete (European People's Party, Spain).

Mrs. Mary Banotti (European People's Party, Ireland).

Mr. Lyndon Harrison (Socialist, United Kingdom).

Mr. Hans-Gert Poettering (European People's Party, Germany).

Mr. Ioannis Pesmazoglou (European People's Party, Greece).

Mr. Rudiger von Wechmar (Liberal, Democratic and Reformist, Germany).

Mr. Josep Verde I Aldea (Socialist, Spain).

Mr. Jacques Tauran (European Right, France).

Mr. Gene Fitzgerald (European Democratic Alliance, Ireland).

Mr. Bryan Cassidy (European Democrat, United Kingdom).

Mr. Jean-Paul Benoit (Socialist, France).

Lord Bethell (European Democrat, United Kingdom).

Mr. Klaus Haensch (Socialist, Germany).

Mr. Jean Penders (European People's Party, Netherlands).

Mr. Roberto Speciale (United European Left, Italy).

Mr. Elmar Brok (European People's Party, France).

Mr. Klaus Riskar Pederson (Liberal, Democratic and Reformist, Denmark).

RECESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate stand in recess for 5 minutes to enable my colleagues to join me in welcoming and greeting our European colleagues.

There being no objection, the Senate, at 12:19 p.m. recessed until 12:24 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. SHELBY].

NATIONAL AFFORDABLE HOUSING ACT

The Senate continued with the consideration of the bill.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I have had the opportunity to discuss this measure with the distinguished managers, the Senator from California and the Senator from New York. The Senator from New York, in connection with the pending Metzenbaum amendment, has indicated his desire to complete action on the housing-related amendments and on the housing bill, which I believe many Senators are anxious to see completed because of its importance in our society. The pending amendment is not germane.

I asked privately, the distinguished Republican manager, to see if we can develop on each side a list of amendments that we can agree upon so that we can then limit consideration to them, and then proceed to complete action on the bill. That will obviously influence the decision of many Senators on voting to table or not to table the pending Metzenbaum amendment.

If we can have an agreement limiting the amendments to germane amendments, amendments that are germane to this bill, and we know that there will not be other than such amendments, then I believe that would be a very persuasive argument to use with Senators in proceeding to table the pending amendment.

Obviously, if we are unable to get such an agreement, then if we are going to be dealing with an unlimited number of amendments and an unlimited number of nongermane amendments, why, then, that may be a significant factor in Senators' consideration, many of whom favor this particular amendment but would not want to see it serve as an obstacle to completion of action on this bill.

So, before setting a time, a precise time for the vote on the forthcoming tabling motion of the Senator from New York, which has been delayed to accommodate the schedule of other Senators now, I suggest that we proceed as diligently as possible on both sides to see if we can develop such a list and gain agreement to proceed in that fashion prior to having the vote.

That will give us an opportunity, hopefully, to achieve both objectives; that is, to get an agreement that will enable us to proceed to disposition of this bill, giving full opportunity for all Senators who have germane amendments to offer them. They should be included in that list, thereby assuring that right, and at the same time permitting us to proceed, if we are able to get that agreement, hopefully, to table this amendment and to have the bill proceed without other nongermane amendments.

Mr. METZENBAUM. If the majority leader will yield, the Senator from Ohio understands exactly what the majority leader is saying. I understand that if he can get an agreement that all nongermane amendments will no longer be possible, then the majority leader and others might feel that this amendment should go by the board as well. But, absent that, then this amendment stands on its own. Whether we have the votes or do not have the votes is up to the body to decide.

The Senator from Ohio feels very strongly about his amendment but also respects the need of the majority leader to move the action of the Senate forward. The Senator from Ohio would, therefore, be willing—since I have the feeling that between now and 1:15 or 1:30, whatever time it may be, that he may not be able to come up with the agreed list of amendments—I would be willing to retain my position on the calendar; but, by unanimous consent, set this matter aside in order that the leader might have time to negotiate with those who have housing amendments.

I say that as a matter of cooperation; not that, if he says no, it is not a matter of great moment to me. I am prepared for a vote, but I do understand exactly what he is trying to do.

Mr. MITCHELL. I do appreciate the willingness to cooperate of the Senator from Ohio. I believe it will be in the first instance a function of staffs on both sides to communicate with other Senators.

I suggest, to enable us to proceed on the bill, if the Senator is agreeable to setting his amendment aside without disadvantaging him in any way, that the managers be free to proceed to

take up other amendments that do relate to the bill and dispose of as many of them as possible while we are proceeding to consider, to see if we can develop such a list.

Would that be agreeable to the Senator?

Mr. METZENBAUM. Within reasonable limits, certainly. I do not intend to put it over until the very end; but for several hours, I have no problem with that at all.

Mr. MITCHELL. I hope we can develop a list in less than several hours. Whatever time it takes. I ask the staff now on both sides to proceed in that fashion. I appreciate the Senator's cooperation on behalf of the managers.

Could we take up other housing-related amendments so we can continue to make progress on this bill?

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. D'AMATO. I personally want to commend the majority leader for his recommendation, a twofold recommendation. No 1, that we agree, if we can, to get unanimous consent that everyone on both sides agrees to keep nongermane—not a unanimous consent—prohibiting nongermane amendments from coming to the floor. That, obviously, will give us the ability to focus in on housing issues.

And a second, which I think will be a little more difficult. I am hopeful, with respect to nongermane, we can get that basic agreement. But second, if we can get our amendments in order as relates to those that we will be working on and dispose of them, that will take us a little longer.

I am hopeful we can get an accord that nongermane amendments not be offered. Hopefully, we can do that within a reasonable period of time, by 1:30 or 2 p.m., and come to an accord. I would be personally very supportive of that.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. I thank my colleague. We will attempt to do that as promptly and as actively as possible. I thank my colleagues, and I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I must rise in opposition to the amendment offered by the Senator from Ohio. My friend from Illinois, Senator DIXON, the chairman of the subcommittee, has worked long and hard, as I have, to develop a compromise on the issue. There have been a number of proposals put forth. We have not yet come up with a satisfactory proposal, and we have had some very good suggestions delivered to us by GAO, which I will cite in a moment.

I oppose very strongly adding this extraneous amendment to the housing bill that we put so much time and effort into. I also have some substantive objections to the amendment.

For all of the problems cited by the sponsor, the Senator from Ohio, there are much better remedies available, remedies that will be substantially delayed if his amendment is developed. This piece of legislation, I fear, is heavyhanded overkill. There are several basic reasons we should not enact the Metzenbaum government check-cashing and lifeline banking proposals.

First of all, there is no clear and convincing evidence that low-cost financial services are unavailable. According to the GAO, as of mid-1985, 86 percent of banks cashed U.S. Treasury checks for nondepositors.

In my home State of Missouri, a recent survey of members of the Missouri Bankers Association revealed that 87 percent of the institutions offered low-cost checking accounts; 90 percent of the banks cashed Government checks for nondepositors.

The Metzenbaum proposal set up a rigid scheme that detailed exactly how banks must offer these services. Given the fact that basic check-cashing and banking services are already widely available, what is gained by forcing all banks, credit unions, and savings and loans, to conform with the rigid Federal prescription in these bills?

These financial institutions will incur additional costs. The possibility for innovation or local flexibility will be eliminated or at least significantly reduced by the detailed strictures in the proposal now before us.

Although I do not believe there is a problem with lack of access to financial services in my State, I am willing to accept the premise there may be areas in the country where people do have difficulty getting their Government benefit checks cashed. There may well be a problem in large urban areas, for example. Even so, this proposed amendment does not offer the best solution to the problem. Direct deposit of Government checks, electronic delivery of benefits, or even having the Post Office cash checks are much more promising solutions than this amendment.

The sponsor pointed out that a GAO study was requested, and that GAO study was delivered in October 1988. In that study, on page 33 it points out that State and local governments have attempted to resolve check-cashing difficulties.

They have included negotiating with commercial banks to cash nondepositor checks, mandating banks to provide low-cost accounts, delivering checks to check-cashing centers, regulating check cashing and check-cashing centers, and other solutions. We also know from testimony before the committee that States that have required such check cashing provide funds for indemnification of those institutions which do provide check cashing.

In summary, at the bottom of page 40 of the GAO report, it says:

> Requiring banking institutions to cash nondepositor checks is not the only way to improve individual access to Government benefits. Use of electronic funds transfer technology, for example, has been cited as a way to solve check-cashing problems by bringing more Government check recipients into the banking system. Its use could also lower Government costs and reduce banking institution concerns about check forgeries and long lines in their lobbies.
>
> Current technology can also make benefits available through use of plastic cards at automatic teller machines and point-of-sale outlets. This approach could reduce the concerns of those who do not want to have banking accounts. Recipients could also obtain additional benefits, such as the option not to take the full amount in cash at one time. The Office of Technology Assessment has reported that it is inevitable that federally funded assistance programs will ultimately move to some form of electronic delivery system.

The conclusion of the GAO report says:

> Matters for Congress to consider: We recognize that there are costs associated with the cashing of Government checks. If Congress determines that the recipients of certain Government checks should not bear these costs or should be assured of a low-cost option, it should consider encouraging methods that utilize plastic cards and electronic funds transfer technology.

Mr. President, those are recommendations not from lobbyists, lobbyists for financial institutions, lobbyists for consumer groups, or lobbyists for others interested in it; these are the conclusions of the GAO.

I also note that both New York City and the State of Pennsylvania deliver welfare benefits electronically, and they have had very positive experiences with it. For example, New York City has been delivering public assistant and food stamps electronically since 1984. The new system has eliminated 200,000 annual incidents of lost or stolen benefits. Every year, the city saves $9 million in administrative costs.

The State of Pennsylvania estimates that their direct delivery system for public assistance saves the State $25 million a year in addition to eliminating the need for replacement checks for those stolen from the mail and allowing recipients quicker and easier access to their money.

The Treasury Department estimates that it costs approximately 27 cents to issue a paper check, while electronic payments cost approximately 3 cents each.

The Treasury Department testified before our Banking Committee last June that a recipient is 1,500 percent more likely to have a benefit check stolen if it is mailed than if it is direct deposited.

Under the amendment we are considering today, if that is adopted, we are going to be mandating an inefficient and dangerous system of continued reliance on paper checks when there is much better technology available at lower cost and at greater safety to the senior citizens, to the low-income people, to the ones whose welfare we ought to be concerned about.

Treasury is currently doing an experiment with SSI recipients in Baltimore who will receive a plastic access card which will allow them to get their benefits from either ATM's or point-of-sale terminals in retail stores.

When Treasury was asked to testify on the proposal before us today, it concluded its testimony by saying:

> We believe that the future for electronic benefits is far brighter than to continue to emphasize check delivery.

Mr. President, I agree completely with this conclusion. Treasury should continue its efforts to promote the electronic delivery of benefits. It is cheaper for the Government and safer for recipients, who do not have to worry about having paper checks stolen from the mail and who do not have to worry about being robbed while carrying large sums of cash home from the bank or the check-cashing store.

Enacting this measure will freeze in place the system of paper checks when it is not in the best interest of consumers or of the Government, not to mention the financial institutions involved.

While I believe that direct deposit and electronic delivery is the ultimate solution to the problem addressed by the sponsor of this bill, I think there are interim solutions that are preferable to this bill. We have heard directly from Postmaster General Tony Frank that the Postal Service is willing to consider a proposal to cash Government checks in the 39,000 post offices across the country. The Postal Service already sells money orders, so it would not be a great leap for them to get in the business of cashing Government checks.

There are certain standards and qualifications set out in the letter from the Postal Service under Postmaster General Frank's signature. It should be considered. But the paper yesterday reportedly quoted the Postmaster General as saying:

> We are owned by the American people. If we can serve, by cashing Government checks, people who would not otherwise be served, we should take a look at it.

The article in the American Banker continues:

> However, if Congress requires banks to cash Government checks, there would be little need for his agency to offer this service.

Finally, there is another argument against the amendment presented to us today. There are far more post offices than there are banks. Informally, the Post Office has suggested to my office that they would not charge much more for cashing a Government check than they do for money orders, 75 cents or a dollar.

I ask unanimous consent to print in the RECORD the letter from Postmaster General Frank.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE POSTMASTER GENERAL,
Washington, DC, June 18, 1990.

DEAR SENATOR BOND: I understand that you and other Senators are looking for better opportunities for the public to cash federal, state, and local government checks, and that the Postal Service has been suggested as one possible alternative.

This is an interesting idea which has considerable appeal, and also poses a number of potentially complex questions. As a public service institution working through a nationwide network of about 39,000 post offices, stations, and branches, the Postal Service is readily available to people in all communities across the country. In addition to providing postal services, we have used this network or some portions of it to assist the federal government, on a reimbursement basis, to accomplish features of some of its other programs such as passport application, food stamp distribution, and the census. Just as our postal services have to fit together to serve the public well, anything else we take on needs to be carefully structured so as not to detract from people's use of our other services.

Some of the factors which would need to be explored can be briefly summarized.

Reimbursement. The Postal Service is a break-even operation, funded primarily by user charges. The cost and overhead associated with a check cashing service would need to come either from a fee charged to the person whose check is cashed or through some sort of appropriations funding.

Space Requirements. Some of our facilities have window positions not fully used now, and some do not. On government paydays or check distribution days, the traffic added to postal lobbies by check cashing customers could be considerable. If we have planned well around our postal needs, we should not have a lot of excess capacity now.

Variable Staffing Requirements. The demand for check cashing is likely to be highly concentrated in relation to the time when government checks become available on payday or by mail. The Postal Service currently is limited on the extent to which it may use part-time labor by collective bargaining contracts and is not skilled at handling large day-to-day shifts in workload. Too many people trying to cash checks at the same time could overburden staff and make both check-cashing customers and postal customers unhappy.

Cost of Labor. Postal window clerks are unionized employees paid on a national wage scale established in collective bargaining contracts. I am not satisfied that current labor contracts stop at the applicable standard of comparability to the pay and benefits for comparable levels of work in the private sector. We will be looking for wage restraint in the forthcoming national contract negotiations. But in terms of comparing the cost of performing a function with postal window clerks versus tellers at banks or private check-cashing stores, we are probably much more costly in many or most communities around the country.

Cash Needs. Post offices now operate under daily cash limits based on money order cashing and other needs. Check cashing could add considerably to requirements for cash on hand. This would impose additional kinds of costs.

Security Needs. Having extra cash around would add to security risks both in the post office and outside it. Our postal security force serves the larger post offices, but many thousands of smaller offices do not have security personnel on hand.

These are some of the matters which require attention if serious consideration is given to a check cashing service in post offices. The concept involves enough risks that if the Postal Service were asked to undertake the responsibility, we would probably need to field test such a program before agreeing to undertake it.

I would be pleased to work with you to pursue these issues further should you so wish.

Sincerely,

ANTHONY M. FRANK.

Mr. BOND. Mr. President, why should we forestall this promising development by accepting the Metzenbaum amendment?

In summary, access to banking service is not a problem in most areas, and, in those areas where it is a problem, there are far better remedies available. Electronic delivery of benefits or check cashing at the post office are much better solutions than the amendment before us. I encourage my colleagues to oppose this amendment. I yield the floor.

● Mr. SHELBY. Mr. President, I oppose the Metzenbaum amendment that would mandate banks to provide basic banking and check cashing services to noncustomers for several reasons. I consider myself proconsumer and if I had been convinced that the need existed for these services and or even that the benefits to the few consumers who might benefit offset the costs to the banking system, I would have supported this effort. The distinguished Senator from Ohio has been a champion of the little guy and an advocate for the disadvantaged and I commend his efforts in a number of areas. I believe, however, that my seat on the Senate Banking Committee has afforded me a better perspective of the big picture.

To start with, I am not convinced that a sufficient need for these services has been demonstrated. In my State, for example, more than half of the banks that are members of the Alabama Bankers Association, responded to a survey by this same group, which solicited information on the kind of services they provide. Eighty-eight percent of the banks reporting stated that they cashed checks for noncustomers, 82 percent of the banks reported that they offer basic banking services targeted to particular groups, including low income, students, and the elderly.

The Alabama division of the Independent Bankers Association also polled their members, some of whom are also members of the Alabama Bankers Association. Of the 135 members surveyed, 85 responded. All 85 responded that they cash government checks, of which 79 reported that they cashed checks for noncustomers. Forty-three of these banks charged no fee for this service. Sixty-six bankers require only proper identification. These community banks were also polled as to what type of accounts they offered to the underprivileged. Sixty-seven banks offer some type of reduced checking account, with more than half of these accounts being offered to the elderly.

Mr. President, the surveys done were informal and I do not offer this as absolute evidence that there is no one in Alabama that does not believe that this bank could do more to serve him. However, I believe that these figures indicate that banking and check cashing services are widely available through banks. These figures are comprehensive enough to lead me to believe that there are few, if any communities, where, if one bank will not cash a check, another across the street will.

In my State of Alabama, the community bank is important; it is the financial foundation upon which the community rests. These small towns are not like Washington, DC, or New York City or Los Angeles or Chicago; they are not communities of transient residents there from somewhere, on their way to somewhere else. These small towns and communities are full of people who have lived and worked there all of their lives. Relationships are important, and the banker recognizes his importance in the community. He knows that the lady who deposits her Social Security check in his low-cost banking account might be helping her grandson with his first auto loan the next week; he knows that the veterans check he cashes for the veteran might go toward paying the mortgage payment of a daughter or son. He knows that the money he gives to a lady with an AFDC check will probably end up in the local grocery store and in the local five and dime and at the local auto dealership and if these merchants do well, they may well come in for the products and services he can provide at a profit. Relationships are important, Mr. President, and bankers in small towns know that. That is why, it is my conviction that the bankers in my State already do a good job of providing basic banking and check cashing services to all groups, not just the wealthy.

As a side note to this point, I would point out that small businesses in Alabama, particularly the grocery stores, very frequently cash government checks, as well as payroll checks and sometimes even two party personal checks. Most often they do this free of charge. They do it not out of generosity but because they know that people have to eat and they are very likely to turn around and spend that money in the grocery store.

The Senator from Ohio would have the Senate believe that everyone should have a bank account. Well, Mr. President, I believe that everyone should have access to a bank account but I recognize that there are those people who, for reasons of convenience or misapprehension, would prefer not to have a bank account or would simply prefer to cash their checks elsewhere.

For every product and service there is a cost. And to mandate that banks provide basic banking services and government check cashing services would be to levy huge costs on financial institutions. Banks argue that lines in the lobby would be longer and that they would need larger lobbies and more tellers at a time when the trend is toward lower cost options such as ATM's. Certainly, the administrative burden of additional processing would increase.

I hear these arguments from the banks with some skepticism because I do not believe that there is a sizable percentage of unserved persons in need of a low cost check cashing outlet in most communities. This may be the case in big cities, where the smalltown relationships that I spoke of earlier have become a thing of the past.

My concern, however, is the enormous risk of fraud to which we would, with the passage of this amendment, expose insured financial institutions. Anyone who reads the paper, watches television, or listens to the radio does not need to be told that now is the time to minimize, not increase, the risk to financial institutions. I would like to submit with this statement, a copy of an article from Forbes magazine that describes the widely available, highly sophisticated technology that would permit the clever con artist to steal unprecedented sums from financial institutions. The Senator from Ohio has been very concerned over the savings and loan debacle and has followed closely the resolution of this crisis. I can only speculate that he has not fully considered the potential risk to the deposit insurance system if he were to be successful in passing this amendment.

We as legislators must, at all times, balance the needs of competing interests. I believe that the U.S. financial system is already accessible to all Americans, rich or poor. The problems that Senator METZENBAUM seeks to address are very real but they are not addressed by the legislation that we consider today. If we as the governing body of this nation decide that everyone should use a bank, perhaps the answer is a better educated consumer: Maybe we need to extol the merits of checking account and a savings account to children in elementary school, in junior high, and again at their graduation from high school. Maybe we should require all employers to urge direct deposit of paychecks to employees, maybe we should just require the direct deposit of all paychecks. With this approach, maybe we could increase the pitiful personal savings rate in this country and ultimately lower the cost of capital. Maybe we should explore the viability of having the Postal Service cash government checks through their post office branches. But let's not pass legislation that imposes additional costs and risks on an already shaky banking system. I ask that the Forbes article be printed in the RECORD immediately following my statement.

The article follows:

[From Forbes magazine, Nov. 27, 1989]

DESKTOP FORGERY

(By David Churbuck)

Paul Sjiem-Fat, a Netherlands Antilles national living in Boston's North Station neighborhood, claimed on a Bank of Boston credit card application to be an employee of the Dutch consulate. After he defrauded the bank of about $20,000, the bank discovered that his employment claim was a lie, and, since it involved impersonation of a diplomat, the Secret Service was called in, a search warrant was issued and Sjiem-Fat's apartment was raided.

Investigating this seemingly routine case, the Secret Service stumbled upon its first-ever case of computer forgery. It is certainly not going to be the last. While crooks are only just beginning to learn the game, the possibilities are nearly endless; letters of credit, job recommendations, property records, insurance claims, expense account receipts, college transcripts, business licenses. In short, many of the paper credentials on which society relies are henceforward suspect.

What made this Boston care especially alarming was that Sjiem-Fat used no sophisticated equipment. In his apartment police found a personal computer, a laser printer and nine bogus checks totaling $146,500. In a highly original—and perhaps pioneering—way, Sjiem-Fat was using ordinary desktop publishing tools as instruments of crime.

Here is what he apparently did. With the sort of desktop publishing equipment you can buy at any computer retailer. Sjiem-Fat convincingly forged Digital Equipment Corp., letterheads with a phony name, Paul Marques, and a phony vice president title. He also created phony cashier's checks from banks like First American and Chase Manhattan. Stewart Henry an investigator with the U.S. Secret Service, explains: "He used the official emblems from three different banks and transferred them onto blank check paper with a laser printer. This was the first time we had ever seen anything like this."

According to investigation, Sjiem-Fat used bogus checks to buy computers from various Boston suppliers. After taking delivery of the computers, he sold them for cash to buyers in the Caribbean area.

An isolated case? Not necessarily, just last month a rash of computer-generated fake checks hit the Phoenix area. "These look

like they were done by putting corporate logos onto check paper with a desktop publishing system," says Gail Thackery, an assistant attorney general for Arizona.

Coupled to a good printer and the right software, the personal computer is a powerful publishing device, It can create and store logos as well as type in all sizes and styles. With a scanner, it can read in a document, then modify and reprint it. It is, above all, quite accessible to the amateur. Now you can produce professional-looking brochures and blank business forms without hiring a master printer. You can also, if your taste runs that way, run off a bogus check or two.

The existence of all these potential counterfeiting tools is scary enough, but an unrelated development threatens to turn the situation into a disaster for the banking industry. This other problem is a federal statute compelling banks to give their customers quick access to funds from deposited checks.

The quick-access rule was heralded as a victory for consumers. But it was an even bigger victory for con artists. Why? Today's forger can make crisp and convincing business checks, deposit them into an account opened previosuly under a fake name, demand cash after waiting as little as three days, and be out of town long before the forgeries are discovered. If the forger has chosen as target a corporation with a large balance and a lot of check volume, it's next to impossible for either the bank or the corporation to detect the scheme without doing a monthly statement reconciliation. And that reconciliation can't possibly take place within three days of when a bogus check is deposited.

In the past, a forger had to have access to professional printing equipment and presses. He either owned a print shop, bribed someone who worked at one, or made do with whatever materials he could copy by hand. The risk of detection was high. Not any longer. The boom in desktop publishing has brought a flood of typesetting products to market, at declining prices and increasing capabilities.

"The market for this equipment has gone wild in the last year," says James Cavuoto, a Torrance, Calif. desktop publishing expert. "It's only a matter of time before the crooks catch on to the opportunity." They clearly already have.

How much computerized forgery goes on? A few years ago, next to none did, the equipment was expensive and inadequate. Now, probably a fair amount, although the authorities have yet to classify PC forgery as a crime separate from conventional forgery, and have no statistics on it whatever. [The Boston case, which sent Sjiem-far to a federal prison in September, is one of the few that have come before a court.] Total forgery, fraud and embezzlement losses at banks and other financial institutions ran $860 million in the U.S. last year.

In a few years, however, the computer forgery problem could explode. Equipment is getting cheaper and higher in resolution every day. The first laser printer cost $200,000. The current Apple NT desktop printer costs only $3,900—and has the same 300 dots per inch of resolution. Steven Jobs' new Next system promises a printer with 400-dot resolution. Scanners vintage mid-1970s cost $100,000 and could do black and white as a detail level of 300 dots per inch. Today's crop can do color scanning at 600 dots and cost about $10,000, while black-and-white scanners cost under $1,000.

What can the bad guys forge on a computer? Almost any printed document that has neither color nor texture in it. Particularly easy are plainpaper documents passed in situations where scrutiny is low. A band of shoplifters in the Philadelphia area used crude computer forgeries to dupe stores into acting as their own fences: forge a receipt for expensive clothes like leather coats, return them to customer service and walk off with a refund or check. One executive of a desktop publishing company says his teenage son used the equipment to create a fake ID in order to buy beer.

Forging of bank documents is an intriguing possibility. It may have helped William Stoecker (Forbes, Oct. 31, 1988) stiff leading banks out of tens of millions of dollars. Connecticut Bank & Trust has turned over to a bankruptcy court a letter and a note written on its letterhead that purport to release Grabill Corp.'s Stoecker from certain financial restraints. Grabill later filed for protection under Chapter 11, the documents, says CBT, are forged and not produced on the bank's word processing equipment. Stoecker's lawyer flatly denies this, and says he has document experts willing to back him up.

At this date, color is an impediment to computer forgers, since color printers print on waxy paper that is unlike ordinary printing paper. But this situation may change overnight. The newest Canon color copier, the CLC500, prints with superb detail on plain paper, and Canon has plans to add a connector that will enable the machine to be hooked to a computer for the printing of computer-generated images.

If bankers aren't terrified by all this, they should be. Two months ago a con man deposited in a European bank $3 million worth of bogus cashier's checks drawn on the New York branch of a German bank. The checks, which have a distinctive color background, were probably made from fake check stock created with a color copier of Canon quality. Investigators still haven't figured out how the payee and deutsche mark amounts were added, but a computer laser printer is one possibility. The imitations were far from perfect, but they did clear the New York branch. The crook cleaned out the European account soon thereafter. The police are still groping for leads.

Not surprisingly, the new generation of color copiers has the Bureau of Engraving & Printing in a panic. Since 1986 plans have been in place to redesign the currency to include repeated microprinting and special polyester threads. The bill redesign, due in the early 1990s, will probably thwart the color copier crowd.

But what is the banking industry going to do to ward off counterfeit checks? It doesn't have an answer. When Congress passed the quick-release law on deposited checks last year, a few Cassandras raised the issue of fraud losses. But they were drowned out by a chorus of consumerists, who said the banks' prime motive in putting holds on checks was to profit from the float.

"Technology has increased crime—that's a fact of life in this industry," says Boris Melnikoff, vice chairman of the American Banking Association's security and risk management committee. "The new regulation makes a banker's life much harder but makes things much simpler and faster for the thief."

To be sure, the desktop computer did not create the crime of forgery. All it did was make the tools user-friendly. Check-passers can now practice forgery in the privacy of their homes, without enlisting help from crooked printers who might squeal on them someday.

Take a look at the fake Forbes check shown on the cover and on page 247. It is an amateur job, created by a reporter with no previous experience in forgery. The green safety paper and the red numbering stamp came from stationery stores. The black parts of the blank check came out of an Apple NT laser printer attached to an Apple MacIntosh personal computer and an Apple scanner. The signatures are hand-drawn imitations, not nearly good enough to fool a handwriting expert but plenty good enough to fool a bank clerk. Most banks, by and large, do not check signatures before paying on checks.

How about the magnetic ink that encodes the bank routing number and account number at the bottom of a check? Magnetic ink printers were once expensive (circa $400,000) machines available only to banks and legitimate check printing companies. No longer. In 1987 Digital Design, a Jacksonville, Fla. firm, announced its Model 636 laser printer for personal computers. Using magnetic toner, the printer is aimed at the government and banking industry and companies that sort their business forms with magnetic scanners. Price tag: $7,388, excluding software.

The new mechine is an open invitation to crooks. An executive at Digital Design insist, "All the corporations we sell to are reputable ones." But since this low-cost machine has legitimate application outside the banking industry, it will be next to impossible to police its use.

Doctored receipts illustrate a different, and indeed much easier illustrate a different, and indeed much easier, application of desktop publishing. The document doctorer of a decade ago was known as a "pen and ink man," someone wearing a green eyeshade with a lot of patience and a steady hand. Today's has a much easier job. A desktop scanner converts a paper document into a digital file that can be manipulated with keyboard and mouse commands before it is printed again in crisp detail on a laser printer. Gone are bottles of Liquid-Paper, scissors and tape.

"Laser printers are our newest and biggest challange," says James Davidson, a document specialist of the Internal Revenue Service's forensic laboratory in Chicago. Why? He switches on a an ultraviolet light and shows how easy it is for a trained person to detect a crossed-out figure on a receipt. Cut-and paste jobs photocopied to hide the evidence can also be easily detected. But laser printers don't leave any more evidence than the fact that they are laser printers. Photocopy the output, attach that to your tax return and the best document examiner can't say whether a computer has been used to alter or print it.

"The big problem with computer-generated print is it offers us none of the clues of a typewriter: the irregularities in type, differences in impact," says Jeffrey Luber, chief document examiner with the Suffolk County Criminalistics Laboratory on Long Island. "The difference between one laser-printed document and another is minute."

Publishing consultant Cavuoto says the best way to tell if a document has been printed by a laser printer is to make a sharp fold over some of the type and scrape the edge. If some of the ink flakes off, then chances are good that it isn't ink but toner.

Cavuoto's is a useful hint, but it is, of course, useless if the legitimate receipt or voucher that the crook is altering is itself the output of a laser printer. To save money, businesses are shifting from offset-

printed forms stored in filing cabinets to electronic forms stored digitally for laser printing. In so doing, they are making it impossible for auditors or investigators to tell real forms from fake ones.

What can businesses do to protect themselves from computer counterfeits? It's like burglarproofing your car. Nothing will stop a really determined thief, but you can at least make him want to select another victim. "Try to make a document such that someone tempted to tamper with it will be discouraged by some feature or features," advises Thomas Gazda, a document security specialist at Arthur D. Little, the Cambridge, Mass. think tank. "You hope the forger gives up completely and decides tampering isn't their bag, or just moves on to somebody else's document."

One defensive move is to put color on important documents, such as checks and purchase orders. Color is harder to reproduce than black and white. Another, for businesses with a large enough printing volume to justify it, is to order nonstandard safety paper, and restrict your supplier's right to sell that pattern elsewhere.

Other safeguards include: Look for perforations on at least one side of the check. Hold up the check to a light and see if the routing numbers reflect light; if they do, then chances are they weren't printed with magnetic ink.

The check counterfeiter relies on the fact that the money he's going to steal is coming from a checking account with a very large balance. Also, he must have an original to work from. Thus, if your business involves occasionally handing out small refund or payment checks to strangers, move those payments through a checking account with a very small balance. Keep a separate account for larger payments to known and trusted vendors. If the crook uses a refund check as the template for printing an $18,000 fake, he may overdraw the account, triggering an inquiry that may just come in time to catch him.

Bank customers have less immediate reason to fear check counterfeiting than the banks do. Absent some real negligence by the bank customer (such as not doing reconciliations promptly), the loser on a forgery is the bank that accepts it as a deposit. But in the final analysis the losers will be the customers. Forgery losses will inevitably be passed along in the form of higher fees or lower interest rates paid. And if you were put out by all the cross-examining you got last time you walked into a bank to open a new account, brace yourself. Next time it will be a lot worse.●

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. I thank the Chair for the recognition. I am rising not in my capacity as chairman of the Banking Committee, but simply to express my own thoughts. I want to review briefly the history of our having dealt with this question before. I recall last year when we were dealing on an emergency basis with the FIRREA legislation, the savings and loan reform legislation, Senator METZENBAUM brought these amendments to the floor at that time and asked that they be included in that bill.

I recall in the debate that I asked that he not force that issue at that time; there were very strong objections to it. We had an emergency measure to pass, and, if he would not persist with the amendment at that time, we would take the amendment up in the committee. Senator DIXON, I know, made a pledge on the floor as the chairman of that subcommittee of our full committee to deal with it, which he has done. He has worked very hard on it, as my colleagues know, and as have other members of the committee as well.

But the subcommittee has not been able to work out an agreeable package that they have been able to present to us at the full committee level, and they continue to work on it.

With a year having gone by, I think at this point we face both a substance issue and a process issue. The substance issue actually deals with what is in the amendment itself. There are really two parts to it. It runs about 25 pages or so.

And then there is the question as to whether, from a process point of view, this is the logical place to deal with that issue. Here we have a housing bill. Yes, it comes under the jurisdiction of the Banking Committee, but I think a fair case could be made that these amendments are not directly germane to the housing bill. On the other hand, I can see why the Senator from Ohio, having offered it before, having waited a year, may feel that any bill coming out of the Banking Committee is an appropriate vehicle for him to propose these issues.

And so I think there is some basis, some reasonable basis, for him to make that case in light of the history that attaches to this particular amendment.

I must say, in looking at the amendment, there are two things by which I am struck. On page 4, with respect to Government check cashing, I notice that the Senator indicates the bank that would cash the Govenment check has the right under this proposal, if it were to become law, to charge a fee for that purpose, but that the fee could not exceed, and I am quoting now, "the real and demonstrable cost of providing such service, including fraud losses, plus a modest profit not to exceed 10 percent of such costs." Then it goes on to explain how that would be formulated.

It is very specific, and I think it is an important part of the amendment that, in fact, if this were to be adopted, banks are not being asked to do this as a public service as such; they are being explicitly given the permission to charge a fee for this service that not only recovers the cost but earns a profit—I think that is significant—with a specific allowance for any fraud losses that might be incurred. So I think that is a very important part of the amendment and needs to be highlighted.

Over on page 16, with respect to the lifeline checking account for low-income people, I find a similar provision, and it indicates that if this were to become law, the banks in this area also can have fees and service charges that do not exceed the real and demonstrable cost of providing the account and accompanying services, again plus a modest profit not to exceed 10 percent of such costs. It goes on in that vein.

So here, as well, there is an explicit statement that these are not to be, in effect, charity accounts, but that the bank is explicitly allowed to charge the full cost of the service plus earn a profit. There are probably other areas of the bank's business that would, maybe, earn more than a 10-percent profit, but in this case it can earn a profit up to 10 percent, in addition to the full recovery of costs. So I think that is a significant provision as well.

I met with my bankers from Michigan on this subject some weeks ago, and I asked them about lifeline checking accounts that would be designed to reach the people this amendment is aimed at. They tell me that in a very broad way in Michigan now, banks in the State have taken the initiative themselves to provide such accounts.

I took that to mean that not necessarily each and every bank but a very substantial number of banks in the State have done so. I do not have that specific data with me as I stand on the floor today, although I did ask them to prepare that information and send it to me. So I assume that either they have done so or are in the process of doing so.

On the substance issue, what the Senator from Ohio has put forward looks pretty reasonable to me. It looks pretty fair to me.

There are larger questions than just the issue or whether banks or any other business institution wants to be bothered in dealing with this kind of customer group that will not necessarily be a high-profit customer group. It has to do with, I think in part, the public service aspects of some of the obligation that attaches to being in the banking business. It is a special business. It is a very important business. It is the conveyor belt for monetary policy in this country and certain advantages accrue through the Federal Reserve system to those who run and manage and own banks.

We have Federal Deposit Insurance in place, which is a very important part of the banking franchise, paid for in large measure—at least we have seen in the extreme situation of the savings and loan instance—by the Federal taxpayer, but a very important aspect of the Government-conferred advantage into the banking system.

Banks also serve a very important broad public purpose in terms of being

the way in which we handle our payment system in the United States. Our tax laws over the years, a lot of other things, in addition to the broad regulatory structure, reflect the very important and unique role that banks have in our society. Banks have come to us and asked us to substantially change the operating charter of banks and to broaden it to give them a broader playing field and a better competitive position vis-a-vis other financial institutions in this country and from overseas. And we are in the midst of a very lengthy set of hearings on that subject. In fact we had one today. We are going to have 13 of those. We have had eight to date to look precisely at this question, and I fully intend at some point to offer a proposal by myself or in conjunction with others that will reflect changes in the financial institution system that will make us more competitive.

Some might argue, why not wait until that time to take up this issue. In fairness to the Senator from Ohio and to the extraordinary effort the Senator from Illinois has made to be accommodating on this issue—this issue is not a new one. This issue has been around. It is at least a year since we debated it last on the Senate floor. Although I do not much like the process of coming in and and trying to offer it on a bill that is not devoted to the subject, I can understand why the Senator from Ohio feels that this is his opportunity and if he does not move here he will not have the chance to do it.

So I think on substance, the Senator from Ohio has a pretty darned good package with these two items. I think people ought to be able to cash their Government checks and the banks, under the kinds of protections and profit protection that is here, ought to be willing to do it, ought to do it. I do not think they should be required to do it, but if they are not going to be willing to do it, then I think it is not unreasonable to impose it as a requirement.

With respect to lifeline banking, as I say, the bankers in my State have moved in that direction. But I think we are at a point in time where banks generally—not some, not most, but all banks—that want to be part of the banking system ought to be in a position to step forward and offer these kinds of banking services to people who are on the lowest rung of the economic ladder.

A question in America today is whether people have a chance to work their way into the system or whether the system is going to push them out. This housing bill is designed to create more housing opportunities so that we can get people out of the subway tunnels and cardboard boxes and off the hot air grates and out of abandoned cars and into homeless shelters. We have a lot of people in that situation. We want them to have better lives, complete lives. We have job training, education, health care and other kinds of things to bring our people into the system. I think we want to bring people even at the very low income levels into the system. They should not have to work through storefront check-cashing operations that oftentimes charge exorbitant fees in different parts of the country. They ought to have a chance to be part of the basic, everyday system that most of the rest of us have an opportunity to use.

That is why I think the bankers in my State have moved affirmatively to try to respond to that, because they understand it is important to do; that it makes sense; it is the right thing to do; and the time has come to do it.

I think it is appropriate for the country to look at that issue on a broad base. I think we have to be taking additional initiatives that bring people into the system, especially people who are on the lower rungs of the ladder and who, in many instances, are part of the underclass and who increasingly feel alienated from our society and feel as if there is not a way for them to connect, the way everybody else does.

This is a way to enable people to connect the way everybody else does on a proper ground. Yes, they are going to have to pay for the service; they are going to have to cover the cost of it; and they are going to have to be willing to pay a fair profit for that service. But then, in turn, they get the service. They are not second-class citizens. They are first-class citizens. They can walk in the door, into a federally insured institution, with Federal regulations, and be treated just like every other American. There is a value in that.

Now, would I rather have it on a banking bill that deals with financial institutions? Yes, I would. That is where it should be. If we had one right here, I would be speaking with even greater force about it.

I agree with Senator CRANSTON and others that it is awkward to bring it forward on a housing bill. It complicates the housing bill. We do not know exactly what the consequences will be if we start dealing with other matters unrelated to housing, no matter how meritorious they may be. So there is that side of the issue.

In fairness to Senator D'AMATO, to the work others have done, to Senator CRANSTON, Senator BOND, who spoke earlier, and so forth, I fully respect and am appreciative of the view they expressed because that is an important position to weigh as well.

So in any event, I wanted to make those statements. I say I speak for myself. I do not speak in the capacity now as representing the committee as a whole. But I think it is an important issue. I think it is time to address this issue even if it is in a situational context that is not exactly the one we might wish for.

I yield the floor.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. Mr. President, my thoughts about this matter are very similar to those expressed by the chairman of the committee, Senator RIEGLE.

I am concerned about this measure coming up on this vehicle, the housing bill, if it badly delays or thwarts the efforts to get a housing bill at this time. I am totally with Senator METZENBAUM on the substance. I would like to vote for his amendment now. I most certainly will vote for his effort on any appropriate vehicle.

I am sure that there will be an appropriate vehicle at some time if it is decided that today is not an appropriate vehicle where I will have the opportunity as will DON RIEGLE and others who are with Senator METZENBAUM totally on principle. We will have the opportunity to demonstrate that by our votes for him.

The reasons that I am for what Senator METZENBAUM has proposed are as following. Testimony in the Banking Committee has revealed that a significant segment of our society is not taking part in the traditional banking system and there are no Federal laws on this subject.

The issue really involves how much people will have to pay to get a check cashed or open a simple no frills bank account. There is a question particularly significant for low-income people, for people depending upon Medicaid, Social Security, veterans benefits, and for all families struggling to make ends meet. We simply cannot afford in justice, equity, and fairness to have even one person denied these services in our country which are essential to leading an orderly well-planned life.

The Senate passed this legislation before but it did not become law. The conference committee between the House and Senate decided to do a GAO study on the issue first. That study has been completed. That study shows that a problem exists. It shows that the problem must be addressed.

Since financial deregulation in the 1980's bank fees have escalated dramatically, and low-income people cannot afford bank accounts at these higher costs. Seventeen million families do not have bank accounts and are forced to pay escalating prices often up to $25 to check cashing outlets to cash their AFDC, veterans, railroad retirement, or Social Security checks.

Many of these same low- and moderate-income people who cannot afford a

bank account and cannot get their checks cashed at a bank or thrift would also pay for the thrift bailout through taxes. This inequity must be addressed by legislation.

The Metzenbaum amendment would require banks to cash Federal, State, and local government checks in amounts of $1,500 or less. Banks would be allowed to charge a reasonable fee to cover this cost as determined by the Federal Reserve Board. The consumer would be required to register for the service with a particular bank. The consumer would not be required to have an account at that bank. The bank would provide identity cards to customers who register for the service.

The Metzenbaum amendment would require banks to offer no frills checking accounts, initial deposits, and minimum balance requirements would be limited to $25 or less. Ten withdrawals would be allowed per month. Individuals with more than $1,000 on deposit would not qualify for the account. Fees and service charges for routine transactions could not exceed a minimal amount as determined based on costs determined by the Federal Reserve Board.

I am glad to say that in my State of California a recent market survey reveals that 93 percent of California households already have a banking relationship, and for households with incomes below $20,000, 85 percent have a bank relationship.

Depositor institutions in California already offer a wide range of banking accounts. Under these bills, existing services being offered by financial institutions will not have to be changed, and those institutions duly providing these services will be able to charge on the basis of the actual cost providing the services.

While California has been in the forefront in providing these kinds of services, as I am sure many other States have been as well, I believe this amendment will make other banks and thrifts and other States more responsive to the needs of low- and middle-income people, and those in my State and elsewhere that have not yet been responsive will become responsive when this approach offered by Senator METZENBAUM becomes law.

For all these reasons, I support what he is seeking to do. The only question is whether I support it on this particular bill, and I reserve judgment at this stage on how I am going to vote.

The Senator has indicated, Senator METZENBAUM, that if we work out a unanimous-consent agreement that no nongermane amendments will be considered on the housing bill, they will all be ruled out. Then Senator METZENBAUM agrees, and I am glad he has agreed, that the amendment would not be in order on this particular measure, and he would not oppose that unanimous-consent agreement.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, let me make clear that I am very grateful for the very supportive statements of the chairman of the Banking Committee as well as the manager of the bill indicating their personal support for the thrust of the amendment that I have offered.

Let us face it. This is a bill that attempts to provide assistance to low-income American families. This amendment attempts to produce the same type of assistance to the same American families. Both matters are within the jurisdiction of the Banking Committee.

I will agree that this may not be a perfect vehicle but it is not an inappropriate vehicle. As a matter of fact, I think that it is appropriate. But the amendment that was adopted by Senator DANFORTH I am not taking issue with, but it certainly is not relevant to this particular subject. The Danforth amendment provided for the acquisition of video equipment to be used in directing persons driving under the influence of alcohol or controlled substance and effectively prosecuting these persons. One hundred Members of the U.S. Senate voted for that amendment.

So it is obvious that this housing bill has an amendment on it now that is far removed. My amendment is not far removed. My amendment is directed toward the same people as is the underlying bill. But I have said, and I have no difficulty in repeating it, that if there were to be an agreement, and I were to ask unanimous consent that only germane amendments having to do with housing would henceforth be considered in connection with this bill then I think it would be inappropriate for the Senator from Ohio to insist that this be an exception, notwithstanding the exception that was made in connection with the Danforth amendment. Absent that, I think every Member of this Senate ought to vote for this amendment, if every Member has a concern for the senior citizens and poor of this country. And certainly it has already been indicated by the chairman of the Banking Committee and a manager of the bill, and in my earlier remarks, that there is nothing in this proposal that asks the banks to subsidize senior citizens or the poor. It provides that they will provide this service at their cost, plus 10 percent profit.

So I say that I think this amendment is right, and it is good. It is the kind of thing we should pass. We have been playing with it for a number of years, but I still would not stand in the way of passing the housing bill, providing that everybody else agreed that there would not be any other so-called nongermane amendments standing in the way of passage of the housing bill.

I yield the floor.

Mr. D'AMATO. Mr. President, some time ago, the Senator from Ohio——

Mr. DIXON. I wonder if my friend would yield to me for a brief moment.

Mr. D'AMATO. Yes.

Mr. DIXON. I thank my friend from New York. May I say to my friend from New York and all the participants, the only reason I am taking the floor now is that I am chairman of the jurisdictional subcommittee on this issue, the Consumer and Regulatory Affairs Subcommittee, and I must chair a hearing of the Banking Committee at 1:30.

I am obligated to chair a hearing this afternoon on our friend's coin bill in the committee. I want to say, briefly, that I am not making any statement at this point in time on the substantive questions here, because it appears we may not reach the amendment on this housing bill.

If there is not a unanimous-consent, and we do return to this amendment, I would take perhaps 4 or 5 minutes of my colleagues' time to explain the process in the subcommittee that I chair. But I say, in all fairness, the Senator from Ohio is acting after pretty extensive hearings here. I doubt that very little additional information can be gleaned from further hearings.

I will expand for 3 or 4 minutes upon that observation, should we return to the amendment later, and I only want my colleagues to know that the only reason I am not involved right now is it appears there is a good possibility that we will achieve a unanimous-consent agreement and deal only with germane amendments. For that reason, I will not return to the subject matter, unless we take up the amendment.

I thank my colleagues.

Mr. D'AMATO. Mr. President, about an hour ago, the Senator from Ohio made certain references to the power of the banking lobby, and that there are Members of the Congress, or some Members of this body who would seem to be supportive of them because of their political action committees, because of their great power, because of their economic force, because of what they would do politically.

Let us put it out on the table. We could have the Senator from Ohio's words read back. They were not my words. He talked about how the body went and gave banks expanded powers, wanted to give them insurance, wanted to give them all kinds of new areas to get involved in.

I think we have to be pretty careful when we begin in a broad brush, to talk about the political action committees and the money that they give to support candidates and the reason in

which they give it. This Senator takes rather strong exception to those remarks.

I know that when the bill that gave expanded powers to the thrifts in 1982 came up, there were only two Senators who voted against them. I know who one of them was. It was this Senator. I was concerned that we would be getting into very dangerous water.

I do not know how the Senator from Ohio voted. I imagine he must have voted no, also, because he certainly waxes eloquent now as it relates to the expanded powers that were given to these institutions. I do not know. Maybe it would be interesting to check the RECORD. Maybe the Senator from Ohio voted for those expanded powers; maybe he did not.

It is wonderful, in hindsight, and to come forth and say, well, you know the powers of the banks and political action committees is why you do not care. "You want to give them powers, responsibilities, you want to give them everything to choke out the little guy."

Where was my colleague in 1982? Where was my colleague when he voted on the Proxmire bill expanding powers of the commercial banks, giving them securities powers, mutual funds, municipal bonds, mortgage-backed securities?

I think two Senators voted against that bill, also. I know I was one of those Senators.

Are we going to say then that everybody who voted that way did so because they were disingenuous, because of the political action committees? Where was the Senator from Ohio on the Proxmire bill? Where was his vote?

He voted to give the big, bad banks all those powers. Why did he not watch it then? Was the Senator from Ohio willing to gamble with taxpayers' money then, to let them get into expanded activities and use FDIC and FSLIC back in 1982, to back up these activities.

It seems to me there was at least one Senator who said that on this floor, who said that in committee, who said, "We are doing the wrong thing;" you are gambling with taxpayers' money."

I do not recall the Senator from Ohio being there, and I take objection when he gets up here and waxes and takes that broad brush, and says; "you want to do this for the bankers." "That is why you are opposing this legislation." If the banks contribute, fine, that is wonderful, if they think I am doing the right thing. But they will not get this Senator to support them because they made a contribution, I will tell you right now for the record.

I think the Senator from Ohio owes, the body an explanation when he gets up here and says "you are doing this for the big, bad bankers." This Senator never said he opposes the Senator's amendment on the merits. I said we did not want to clutter and bring in extraneous matters unless we could get total agreement.

There was one amendment that came forth with everyone on the jurisdictional committees saying, fine; there was no objection from anyone, and we took it.

Let us get back to that other kind of inuendo. It was wrong. I could just as easily say, well, obviously, the Senator from Ohio was supporting the big, bad bankers because they have a lot of clout. That is why you must have voted to give them these additional powers on the Proxmire bill—absolutely, must have been.

I do not know too many other Senators, as we closed out 1988, who spoke against any further powers that would have been offered. I will go into that another time, as it relates to that issue.

When it comes up to saying how I vote, I attempt to exercise my votes on what I believe is going to be in the best interest of my constituents and the people of this Nation. Whether or not the banks contributed or not, it does not make a difference. I take second place to no one. This Senator has consistently said there are various activities in banking that we should not underwrite with taxpayers' dollars, and that there should be firewalls to see to it that there is an accounting, and that we are not going to place at risk FDIC, FSLIC, or the taxpayers' dollars in the final analysis.

The PRESIDING OFFICER. The Chair reminds the Senator from New York that all remarks from the floor must be addressed to the Chair and that a direct reference is not acceptable under the rules. It must be a third party reference.

Mr. D'AMATO. I apologize to the Chair for my remarks not being addressed to the Chair. I will take care to do so.

Mr. President, again, I have to say that when the body is placed in this example that I have attempted to illustrate, I do not think it is fair to the body. My colleagues did not vote to give expanded powers to the banks because of matters of avarice or because of the lobbying efforts, but because they felt, I believe, we had an honest disagreement, and they felt this would make them competitive, give them an opportunity to compete as many other banks throughout the world banking system have. And this Senator felt that, fine, we do not want to disadvantage our financial institutions.

However, let us not place at risk taxpayers' dollars. If they want to get into risky ventures, let them do it, but do not back them up with the Treasury of the United States.

That is the position I have taken. Many said you took it for the securities industry. The fact of the matter is that the securities industry is an important industry to this Nation and to this Senator's State, but also there was that question of if there are risky activities that the securities industries undertake they are undertaking them with their own dollars and not taxpayers backing it up. If they are going to become involved in matters of high risk and get high profit potential, yield, fine, but taxpayers should not be called upon to undertake those risky ventures.

That is how this Senator came down in 1982 and in 1988 and in 1989. I very strongly feel that if people were to revisit those questions today they might have an entirely different view.

I think it is inappropriate to suggest that simply because the banks may have a particular position and may be politically active that is the how and why that powers the decisions of the Congress. I think this is a very good example that I have just set forth.

Certainly my colleagues did not respond to ulterior motives. I believe they responded, maybe incorrectly, but their motives were to promote competition because we see that many of the financial institutions abroad do have diversity and do have these powers.

We also find in hearings that we just held that many foreign banks do not underwrite or guarantee deposits. It is very limited and in some cases none of the moneys that are placed on deposit are guaranteed by the taxpayers of this country. That is a far different cry from the situation that this Senator found when he had to consider legislation in 1982 and thereafter.

So the RECORD might reflect this Senator has always had a concern and that is why I voted against this banking legislation even when I was left as a minority of two, voting on the floor.

I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, the Senator heard a lot of debate on the floor of the U.S. Senate. To the best of my recollection the Senator never gets into personal discussions as to who accepted how much from which lobbyists. It is a matter between each Senator and his constituents or her constituents.

So if my colleague from New York feels some sense of uneasiness, that is a matter for him to decide for himself. I was never addressing him nor any other Member when I talk about PAC contributions from the banks. Those who accept those contributions have some responsibility to not only share that information with their constituents—it is public information—but also to take into account when they vote.

As to the banks, they do wield tremendous power around these halls.

They are one of the largest groups in making financial contributions. They have been successful in the past in keeping this Senator from being able to move forward with respect to legislation for check cashing for senior citizens and the poor. And they may be successful again. But as for how long, I do not know.

I would just say, as I said before, there were other nongermane amendments on this second-degree amendment of Senator HEINZ having to do with respect to the Social Security being off the budget. That was not germane to this particular bill. This one is far more germane. Notwithstanding that, I indicated publicly that if there is an agreement that no amendments will be considered except housing amendments, then the Senator from Ohio would have no difficult agreeing that this is not a housing amendment as such and I would wait for another day to press forward. But absent that, then I would hope that my colleagues would understand the impact of the comments of the chairman of the Banking Committee, the manager of the bill, and others who have indicated that the amendment on its face has merit, it is a good amendment; it should be adopted.

If an agreement can be reached that no nonhousing amendments are to be considered, I will have no trouble in agreeing to such a unanimous-consent request. Absent that, I will be prepared to take my chances on the vote on the floor and I would think that those who are concerned about senior citizens, the poor, and what is right and what is proper for the banks to do and not to do will have an opportunity to vote up or down.

I yield the floor.

The PRESIDING OFFICER. The senior Senator from California.

ORDER OF PROCEDURE

Mr. CRANSTON. I now ask unanimous consent that we lay aside the Gore amendment and the Metzenbaum amendment—I already have authority from Senator GORE to do so—with the understanding we are just going to a package amendment which will take a few moments and then we will be back where we are.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2040

Mr. CRANSTON. Mr. President, the amendment I offer now for consideration contains several provisions that have been suggested to myself and Senator D'AMATO by several colleagues.

The managers of the bill have considered each of these provisions and believe that they will enhance the bill now before us. In order to facilitate the process here today, we are offering them as one package amendment. I will briefly describe the provisions included in this committee amendment.

The first amendment, submitted by Senator DASCHLE, would make a number of important changes to better serve the desperate housing needs of Native Americans. The amendment would increase the authorization level for Indian housing development from 2,300 to 3,000 units in fiscal year 1991. Funding for all other housing programs would be reduced on pro rata basis to pay for this increase. The amendment would also extend eligibility for McKinney homeless assistance to Indian tribes, make Indian mutual help housing eligible for modernization assistance, and give the Secretary the authority to waive matching requirements for Indian tribes.

The second amendment, submitted by Senator SIMON, would direct the Secretary of HUD to conduct a study of ways in which State and local pension funds can be used to finance construction of low- and moderate-income housing.

The third amendment, included at the request of Senator SANFORD and Senator COHEN, would require HUD to allocate 20 percent of the funds, under the section 202 elderly housing program, to nonmetropolitan areas.

The fourth amendment, also submitted by Senator SANFORD, would set aside funds under section 515 Rural Housing Development Program for nonprofit organizations. These organizations are becoming an important developer of affordable housing in rural areas. The set aside, which rises to 10 percent in fiscal year 1993, essentially mirrors the policy adopted under the HOP Program and the Low-Income Housing Tax Credit Program.

The fifth amendment makes a series of technical amendments to the Public Housing Drug Elimination Program. These amendments are included at the request of the author of that important program, Senator LAUTENBERG.

Mr. President, I believe these are all sound amendments that will enhance the bill. I hope these will be accepted promptly by my colleagues by unanimous consent, and I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from California [Mr. CRANSTON], for himself, Mr. D'AMATO, Mr. INOUYE, Mr. BURDICK, Mr. CONRAD, Mr. MCCAIN, Mr. STEVENS, Mr. BINGAMAN, and Mr. REID, proposes amendments en bloc numbered 2040.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 282, line 18, after "tribes" insert "not less than".

On page 525, line 1, in subsection (a), insert ", Indian tribes," after "States.".

On page 531, between lines 3 and 4, insert the following:

"(19) The terms 'Indian tribe' and 'Indian housing authority' have the same meanings as in section 3 of the United States Housing Act of 1937.

On page 526, line 13, insert after the comma the following: "Indian tribe, Indian housing authority or"

On page 539, line 14, after the term "grantee" the following: ", Indian tribe, Indian housing authority".

On page 621, line 8, strike "$179,170,000" and insert "$233,700,000".

On page 621, line 9, strike "$186,337,000" and insert "$243,048,000".

On page 621, line 19, strike "S193,700,000" and insert '$252,770,000".

On page 621, between lines 10 and 11, inset the following:

SEC. 743. WAIVER OF MATCHING FUNDS REQUIREMENTS IN INDIAN HOUSING PROGRAMS.

(a) AUTHORIZATION OF WAIVER.—For any housing program that provides assistance through any Indian housing authority, the Secretary of Housing and Urban Development may provide assistance under such program in any fiscal year notwithstanding any other provision of law that requires the Indian housing authority to provide amounts to match or supplement the amounts provided under such program, if the Indian housing authority has not received amounts for such fiscal year under title I of the Housing and Community Development Act of 1974.

(b) EXTENT OF WAIVER.—The authority under subsection (a) to provide assistance notwithstanding requirements regarding matching or supplemental amounts shall be effective only to the extent provided by the Secretary, which shall not extend beyond the fiscal year in which the waiver is made or beyond the receipt of any amounts by an Indian housing authority under title I of the Housing and Community Development Act of 1974.

(c) DEFINITION OF HOUSING PROGRAM.—For purposes of this section, the term "housing program" means a program under the administration of the Secretary of Housing and Urban Development or the Secretary of Agriculture (through the Administrator of the Farmers Home Administration) that provide assistance in the form of contracts, grants, loans, cooperative agreements, or any other form of assistance (including the insurance or guarantee of a loan, mortgage, or pool of mortgage) for housing.

SEC. 745. ELIGIBILITY OF INDIAN MUTUAL HELP HOUSING FOR COMPREHENSIVE IMPROVEMENT ASSISTANCE.

Section 202(b) of the United States Housing Act of 1937 (42 U.S.C. 1437bb(b)) is amended—

(1) by striking "The Secretary" and inserting the following:

"(1) IN GENERAL.—The Secretary", and

(2) by adding at the end the following new paragraph:

"(2) ELIGIBILITY FOR CIAP.—Notwithstanding the provisions of section 14(c), the Secretary may provide assistance under section 14 for the housing projects under this section for the purposes under section 14.".

SEC. 746. ADJUSTMENT IN AUTHORIZATION LEVELS.

Notwithstanding any other provision of this Act, each authorization of appropriations contained in a provision of this Act (other than a provision of this subtitle)

shall be reduced by an amount that bears the same ratio to—

(1) $54,530,000 for a fiscal year 1991 authorization;

(2) $56,711,000 for a fiscal year 1992 authorization;

(3) $58,980,000 for a fiscal year 1993 authorization; as the amount authorized by such provision bears to the total amount authorized by this Act.

At the end of title X, add the following:

SEC. . The Secretary of Housing and Urban Development shall conduct a study of ways in which State and local pension funds can be used to finance construction of low- and moderate-income housing. Not later than 90 days after the date of enactment of this Act, the Secretary shall transmit to the Congress a report on the result of such study.

On page 480, between lines 13 and 14, insert the following new paragraph:

"(3) NONMETROPOLITAN ALLOCATION.—Not less than 20 per centum of the funds made available under this subtitle shall be allocated by the Secretary on a national basis for nonmetropolitan areas.".

At the end of title VIII, add the following:

"SEC. . SET-ASIDE OF RURAL RENTAL HOUSING FUNDS.

"Section 515 of the Housing Act of 1949, is amended by adding at the end thereof the following new subsection:

"(u) SET ASIDE OF RURAL RENTAL HOUSING FUNDS.—

"(1) AUTHORITY.—Not less than seven per centum of the funds available for loans authorized under this section in Fiscal Year 1991, and not less than eight per centum of the funds available for loans authorized under this section in Fiscal Year 1992, and not less than ten per centum of the funds available for loans authorized under this section in Fiscal Year 1993 shall be set aside for eligible entitites as specified in subsection (a).

"(2) EXCEPTION.—Funds not obligated by a reasonable date established by the Secretary shall be subject to year-end pooling procedures established by the Secretary.

On page 623, line 21, delete "innovative".

Deletes line 20-25 on page 625, and lines 1 and 2 on page 626.

On line 4, page 626, delete "(G)" and insert in lieu therof

On page 622, line 5, delete "suffer" and insert in lieu thereof, "suffers".

On line 9, page 626, delete "housing".

On line 12, page 626, delete "housing".

On line 10, page 626, add after the word "project": "or projects".

On line 22, page 621, delete "1989" and insert in lieu thereof: "1990".

On line 13, page 623, add after "federally assisted" the following: ", low income".

Delete line 11, page 624, and insert in lieu thereof the following: "of the housing administered or owned by the applicant for which the application is being submitted."

Delete line 16 and 17 on page 624, and insert in lieu thereof the following: "istered or owned by the applicant for which the application is being submitted."

On line 21, page 624, delete the second reference to "management".

On line 23, page 626, add after the first "and" the following: "the".

On lines 24 and 25 of page 626, delete "anticrime activities of the applicant" and insert in lieu thereof the following: "the activities proposed to be funded under the application".

(a) On line 6, page 626, insert after "CRITERIA.—" the following: "Except as provided by subsections (c) and (d),"

(b) On line 6, page 626, delete "The" and insert in lieu thereof the following: "the".

FUNDS FOR NONMETROPOLITAN AREAS

Mr. SANFORD. Mr. President, I would like to briefly comment on my amendment to create a national set-aside of 20 percent of section 202 elderly funds for nonmetropolitan areas.

Mr. President, the amendment which I have submitted is quite simple. Funds allocated through the Section 202 Program have traditionally been allocated according to a fair share formula. This formula currently sets aside 20 percent of section 202 elderly funds for nonmetropolitan areas.

However, the National Affordable Housing Act eliminates the fair share formula for the 202 programs, because the implementation of the formula inhibited the functioning of the program. The fair share formula allocates funds over a regional basis, and with the limited funds available to the 202 Program, each HUD field office was left with two few units to allocate to their region for nonmetropolitan areas—or for that matter—metropolitan areas. The result has been the reduction of the unit size of elderly projects which makes it difficult to deliver services to elderly residents in a cost-effective manner.

While I agree with the elimination of the fair share formula, I do not want to see the 202 Program turned merely into an urban program. As a Senator from a rural State, I have worked hard to see that the housing needs of rural America are met, and I want to ensure that the 202 Program also serves rural areas.

To achieve this goal, my amendment creates a national set-aside of 20 percent of section 202 elderly funds for nonmetropolitan areas. A national set aside eliminates the administrative problems created by the regional division in the fair share formula. At the same time, it ensures that rural areas receive adequate elderly housing units through the program.

Mr. President, I have worked hard to ensure that the National Affordable Housing Act meets the housing needs of all Americans. This amendment assists the elderly residents in rural areas, and I hope the managers of the bill will support it.

I urge the adoption of the amendment.

Mr. COHEN. Mr. President, I rise in support of Senator SANFORD's amendment establishing a 20-percent set aside of rural areas for section 202 housing for the elderly. I certainly understand the committee's concern over the ineffectiveness of the Fair Share Program as it previously existed, and I appreciate its willingness to continue to identify a portion of section 202 funds for rural areas.

While the pressure for elderly and disabled housing is intense nationwide, rural areas experience unique problems that can only be addressed through the construction of housing for individuals with special needs. Because rural residents are located far from areas that offer a wide range of services, the construction of specialized housing, such as section 202, is extremely important if this segment of our population is to be served adequately.

The amendment offered by Senator SANFORD, which I strongly support, would set aside 20 percent of the Section 202 Program funds for nonmetropolitan area nationwide, so that rural areas can be assured of adequate attention to their needs. Otherwise, they may get crushed by the competition from suburban and urban areas.

I commend Senator SANFORD for his works on this amendment, and again want to thank both Senator CRANSTON and Senator D'AMATO for accepting the amendment as proposed.

NONPROFIT SET ASIDE WITHIN RURAL RENTAL HOUSING

Mr. SANFORD. Mr. President, the Farmers Home Administration's 515 Rural Rental Housing Program has a proven record of providing decent, affordable rental housing to low- and very-low-income rural residents. However, the program's effectiveness has been limited by budgetary constraints which have created a $2 billion backlog in rural rental housing applications. This backlog creates a 2-year delay between the submission of an application and the obligation of funds.

The application backlog is particularly harmful to nonprofit organizations that lack the cash flow to wait 2 years in order to develop a rental housing project. During the 2-year waiting period, the applicant for a 515 rural rental housing project must have control of the site of the proposed project and the capability to update market information necessary for FmHA review of the proposal. While many nonprofits have the capability to plan, develop, and manage a rural rental housing project, few have the resources to commit to site and servicing costs for 2 years. The nonprofit sector's participation in the program has been inhibited by the absence of a readily available pool of funds for the nonprofit development of rural rental housing.

Currently 6.7 percent of rural rental housing funds are utilized by nonprofit organizations. My amendment establishes a set aside within the 515 program of 7 percent in fiscal year 1991, 8 percent in fiscal year 1992, and 10 percent in fiscal year 1993 for nonprofit organizations. This set aside will establish a readily available pool of funds for nonprofit organizations and elimi-

nate the devastating 2-year wait for fund obligation.

The amendment is designed to assist qualified nonprofit organizations who have the capacity to develop and adequately maintain rural rental housing projects. The Human Development Council of Clinton, NC, is just one example of the innovative nonprofit development organizations which exist across the Nation and combine community involvement and technical expertise to create well-managed housing projects.

However, if the Farmers Home Administration determines that the funds set aside for nonprofits cannot be fully obligated, because of an absence of qualified applications from nonprofit organizations, my amendment allows FmHA to pool the unobligated funds during the annual pooling procedures currently in place at FmHA. Thus, every penny of the funds appropriated for the section 515 program will be obligated to meet the tremendous backlog of approved applications in the program.

While I believe that the Congress should encourage the development of nonprofit housing assistance capacity in rural areas, I also recognize the excellent record of the private sector in the 515 Rural Rental Housing Program. One of the key reasons that I have fought so hard for funding increases in the 515 Program is that the private sector has used the program to vastly expand rural rental housing opportunities in rural areas.

The bill increases the authorization for section 515 from the current level of $550 million to $773 million in fiscal year 1993 in order to expand both nonprofit and private sector involvement in the program. As the appropriations process continues, I want to reaffirm my commitment to substantially increasing the funding for the 515 Rural Rental Housing Program.

SECTION 515 REPAYMENT PROVISIONS

Mr. SANFORD. Mr. President, I had hoped that this amendment would also include several technical corrections to the rural housing prepayment provisions included in the HUD reform act last year. I understand that these technical corrections could not be cleared on both sides of the aisle, prior to the completion of the leadership package, and it is my intention to strongly push for the adoption of these technical changes during conference on the bill. The House housing bill includes these provisions, and it is my hope that during conference with the House we will be able to work in a positive fashion to include these amendments.

Mr. CRANSTON. It is my hope also that we can get agreement on the technical amendments on section 515, and I thank the Senator for bringing this matter to the attention of the Senate.

Mr. D'AMATO. Mr. President, I am pleased to be able to join in supporting these amendments. They make sense. They make a housing bill better. They certainly address a number of programs that I believe are essential and can be strengthened and the efficiency of their operation increased. Therefore, I join the distinguished Senator from California in supporting these amendments.

INDIAN HOUSING NEEDS AND THE NATIONAL AFFORDABLE HOUSING ACT

Mr. DASCHLE. Mr. President, I rise to thank my colleagues on the Committee on Banking, Housing, and Urban Affairs—most notably the floor managers, Senator CRANSTON and Senator D'AMATO—for accepting my amendment to the National Affordable Housing Act. Their leadership and courtesy through the process of negotiating these provisions has been greatly appreciated.

The original provisions of S. 566 would have provided Indians more assistance than they have received during the past decade. However, cuts in Indian housing programs have threatened the housing production infrastructure on Indian reservations so severely that I believe we must go further. My amendment would meet four distinct needs on our Indian reservations.

First, my amendment would authorize appropriations for 3,000 Indian housing units for 3 years.

In 1970, less than a decade after Federal Indian housing programs were initiated, it was estimated that Indian populations on reservations were in need of housing for 63,000 Indian families. In 1988, after nearly two decades of progress, that need had grown to approximately 93,000, families.

During the past decade, most administration budgets have zeroed out Indian housing funding. During that time, Congress maintained minimal funding levels to keep the delivery of housing to Indians a viable program. Now that Congress is addressing our long-neglected national housing needs, it is only appropriate that Indian housing participate on an equal footing.

It is estimated that nearly one-fourth of American Indians live in substandard housing or are without homes of their own. Federal assistance for new construction of housing on this Nation's Indian reservations is literally the only option available for Indians to obtain decent housing. Other housing assistance programs such as vouchers and certificates do not work in Indian country because there is not an existing housing inventory from which to select.

Second, my amendment would make Indian tribes eligible for certain programs originally authorized in the McKinney Homelessness Assistance Act.

Indian tribes have a special government-to-government relationship with the Federal Government that must be recognized in all legislation that attempts to provide assistance to States and local governments. While the intent of the original McKinney Homeless Assistance Act was to serve native American populations, in practice, Indians on reservations have not been served well by these programs.

This amendment would simply make Indian tribes eligible for homeless assistance programs administered by the Department of Housing and Urban Development, as tribes are currently being excluded from HUD programs.

Third, my amendment would allow Indian Housing Authorities to request a waiver of matching funds requirements in Indian housing programs.

This provision would allow Indian Housing Authorities to request a waiver of matching fund requirements in Federal housing programs from the Secretary of HUD. The rationale behind this provision is to ensure that Federal program funds get out to the poorest of the poor. Unlike most non-Indian regions of the country, the typical reservation does not have any local tax base from which to draw matching funds. The result of new programs that require matching funds would be to completely exclude a significant segment of the population—a segment that has established an especially acute need for this assistance. Under this provision these areas would lose the benefit of leveraged funds, but Indian Housing Authorities would be able to participate in these programs.

Finally, my amendment would allow a one-time use of the Comprehensive Improvement Assistance Program [CIAP] for use by Indian families to make major repairs on their Mutual Help homes.

This provision would allow Indian families who own federally constructed housing units to qualify for a one-time CIAP grant to repair existing homes on reservations. Currently, Indians have been virtually unable to tap into these Federal funds. Many homes on the reservations are in desperate need of repair. The reality is, however, that the Indian family owners do not have the resources that would enable them to make these necessary repairs; for example, roof repairs.

These four provisions will at last get us back on the road to meeting the critical housing needs of Indian populations. The decade-long drought in Federal housing programs has contributed to the virtual hopelessness that exists on Indian reservations—the cultural centers of many tribes.

In closing, I would like to recount an experience I had on a visit to the Pine Ridge Indian Reservation that has

had a lasting impression on my views on Indian housing needs.

In South Dakota, as some of my colleagues know, the wind chill in the winter-time gets to be 75 below zero. During one of my visits, I stayed in a house on the Pine Ridge Reservation that had a 4-inch gap between the wall and the ceiling at the top. The braces underneath the floor, instead of being 18 inches, were 36 inches apart, so the floor swayed.

There was one electrical unit in the whole house that worked, and they had extension cords going from every room to that one wall unit. And there was this great big collection of extension plugs that went into one unit so they could get all the cords into that one outlet.

My host then showed me where the hearter units on the side were installed, but then they took me underneath the floor, and all the cords for those heater units were just dangling. Not one of the heating units was hooked up to any power source. It turns out that the heaters were there for looks.

This is what we need to address through this legislation—the problems facing every day Americans, struggling for the basic necessity of housing. Nothing fancy or frivolous, just safe and secure shelter.

Again, I thank the managers for accepting these Indian housing provisions and including them in the National Affordable Housing Act. This action serves as recognition that substandard housing and homelessness are not just urban problems, but are also very serious problems hidden in our rural areas and on our Indian reservations.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the amendment of the Senator from California.

The amendment (No. 2040) was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote.

Mr. D'AMATO. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CRANSTON. Mr. President, after consultation with the Senator from Ohio, I ask unanimous consent that his amendment be laid aside until 3:30 p.m.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. Mr. President, I do not intend to object. It is my understanding the amendment of the Senator from Ohio and the underlying Gore amendment would then be in order subject to such business as is on the floor then, and would come up immediately thereafter.

Mr. CRANSTON. That would be the understanding.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2041

(Purpose: To express the Sense of the Senate regarding the Mutual Mortgage Insurance Fund of the Federal Housing Administration)

Mr. CRANSTON. Mr. President, on behalf of the Senator from New York Mr. [D'AMATO] I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will open.

The legislative clerk read as follows:

The Senator from California [Mr. CRANSTON], for Mr. D'AMATO, proposes an amendment numbered 2041.

At the appropriate place, insert the following:

"It is the sense of the Senate that:

"That the Mutual Mortgage Insurance Fund of the Federal Housing Administration, which has lost $5 billion dollars in value since 1980, is seriously at risk should the real estate economy of the country falter; and

"The country's experience with the savings and loan industry demonstrates that unforeseen economic forces can seriously impact the Federal Treasury; and

"All measures should be taken by the Federal Government to forestall further decline in the health of the FHA Fund.".

Mr. D'AMATO. Mr. President, the FHA is an essential governmental function that has made the dream of homeownership the reality for countless millions of Americans.

However, Mr. President, we have a situation today that is not only troubling, but it is one that should direct the attention and the action of the Government to deal with what could potentially become another thrift crisis. I am not going to suggest the magnitude will go into the tens and tens of billions of dollars, but I do suggest that the magnitude of this problem certainly can go into the billions of dollars, and that that the taxpayers again will ultimately be called upon to bail them out.

It does not make sense to me that we should continue to be making mortgages, each and every one of them which will be guaranteed to lose money. It does not. Price Waterhouse, by their recent accounting, estimates that each mortgage we make under the program, done under the methodology we use, is losing between $200 to $700. Those losses are being picked up by the taxpayer. Their estimate of losses is anywhere from $200 million to $700 million a year.

But, Mr. President, this Price Waterhouse estimate based upon the fact that real estate values will be climbing at anywhere from 2 to 4 percent per annum. The fact of the matter is that the grim experience shows us that real estate values are not climbing, but they are going down in most areas of the country. That exacerbates the problem.

That anticipated loss of anywhere from $200 million to $700 million in this forthcoming year, this Senator predicts, is going to be miniscule in comparison to what the real number turns out to be at the end of this year. Certainly, no one would say that real estate and the home market is appreciating at the 4-percent figure they use, though they say that there will be a slight improvement of the fund balance.

So it is the sense of the Senate in which I suggest that we have to act, and do something appropriately and quickly, now to modernize the FHA fund, its operation, the mechanics of financing it, and do it now, not later. Because every day that goes by without us taking action deepens that incredible hole, and we are going to have the media asking us, "Why didn't you do something?"

Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. D'AMATO. Mr. President, I understand that the manager of the bill, my distinguished colleague and friend from California, has worked diligently in an attempt to come up with a compromise, a package, to deal with the problems of the FHA. We want to deal with them in a manner in which we do not close it down; that we make available to the yearning working families, who yearn for and look for homeownership opportunity, that homeownership opportunity.

But, Mr. President, it seems to me one of the cruelest things we can do is to induce people to come into the system when we know that they are going to be foreclosed in a relatively short period of time. That is what the present system does.

That is what the present system is guaranteed to produce, because we have people who are mortgaging out and taking 103 percent out. That means that literally they are putting no money in, because closing costs and all of the other costs attendant with homeownership are buried into the mortgage. So they have little, if anything, to lose. The American taxpayer is ultimately the loser.

Mr. President, I think we have to change that. This Senator has a number of suggestions. I know that the Senator from California has offered a number, and he may want to speak to this before I say anything further.

Mr. CRANSTON. Mr. President, I rise just briefly to support the amendment offered by the Senator from New York. The FHA, the Federal Housing Administration, plainly is in some jeopardy not now, but in the future, if we do not tighten up on its procedures

and restrict, to some degree, the circumstances under which it can grant loans.

Price Waterhouse made a study of this matter for the administration. They came through with recommendations on the subject. The administration has offered one proposal that would fulfill what the Senator from New York has suggested. The majority on the committee has been working on an alternative, which we hope will fulfull the objectives set forth in the amendment proposed by the Senator from New York.

All of us share the objectives that are proposed by the Senator from New York. It comes down, after we have agreed on those objectives and those principles, to how they should be fulfilled and guaranteed. This is one of the points, one of the four points that was raised by the administration, by specifically Secretary of Housing Jack Kemp, and by the head of the Office of Management and Budget, Richard Darman, when we met with them on Monday.

This is one of the matters that we are now negotiating in detail with the administration. We hope to reach an accommodation that is acceptable to the administration, acceptable to both the majority and the minority in the Senate, and that we will then proceed with a detailed proposal to ensure that FHA will be actuarially sound and solvent on into the future.

The Senator from New York clearly sets forth that goal in his proposal, and I am, therefore, very glad to support it.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, I am fully cognizant of the fact that negotiations, as they relate to FHA and the proposals that have been put forth by the committee and by my distinguished colleague from California, are taking place.

Having said that, I have also been advised that there appears to be a number of positions that have come to loggerheads, to a jam. It is the intention of this Senator to attempt to move this. I have expressed very seriously my concern.

I am going to make a more detailed statement, but the potential crisis facing the FHA program is one of the most significant that we face in this whole issue of housing. What should we be doing? Should we continue business as usual or take some strong medicine now and save the patients?

In the case of the thrifts we did not move with the speed necessary, we did not take the medicine when it was appropriate, and, therefore, too many of the patients have succumbed, with the eventual fallout that the taxpayer is going to be called upon to not even resuscitate the industry, but to meet the obligations that the Federal Government, I think quite improperly, undertook in many of these cases. Again, I think we had no business permitting the State-chartered banks to get into these areas of activity and back them up with FDIC insurance. We should have seen what was taking place. We will see a great proportion of the failures have come full term and are in this area. The expanded activities that we gave them, many of them were not prepared to handle. The regulators were not there.

We have a situation today that is far, far worse than the Price Waterhouse report indicates.

AMENDMENT NO. 2042 TO AMENDMENT NO. 2041

(Purpose: To assure the actuarial soundness of the Mutual Mortgage Insurance Fund)

Mr. D'AMATO. Mr. President, I am at this time sending an amendment to the desk in the nature of a second-degree amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New York [Mr. D'AMATO], for himself and Mr. HEINZ, proposes an amendment numbered 2042 to amendment No. 2041.

Mr. D'AMATO. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the matter proposed to be inserted, insert the following:

SEC. . ACTUARIAL SOUNDNESS FOR THE MUTUAL MORTGAGE INSURANCE FUND.

Section 205 of the National Housing Act is amended by adding at the end the following:

"(e)(1) The Secretary shall ensure that the Mutual Mortgage Insurance Fund attains—

"(A) a capital ratio of at least 1.25 percent not later than 18 months after the date of enactment of this subsection,

"(B) a capital ratio of at least 1.50 percent not later than 3 years after the date of enactment of this subsection,

"(C) a capital ratio of at least 1.75 percent not later than 5 years after the date of enactment of this subsection, and

"(D) a capital ratio of at least 2.00 percent not later than 7 years after the date of enactment of this subsection.

If the Secretary determines that the Fund does not have the capital ratio required under this subsection at any time, the Secretary shall report to the Congress on the financial status of the Fund, advise the Congress of any administrative measures being taken to attain and maintain the capital ratio required at the time of the Secretary's determination, and make any legislative recommendations that the Secretary deems appropriate.

"(2) Beginning 2 years after the date of enactment of this subsection, the Secretary shall report annually to the Congress on the financial status of the Mutual Mortgage Insurance Fund.

"(3) For purposes of this subsection—

"(A) the term 'capital' means the total governmental equity of the Mutual Mortgage Insurance Fund, as determined by the Secretary under the annual audit required by section 538 of this Act;

"(B) the term 'capital ratio' means the ratio of capital to unamortized insurance-in-force; and

"(C) the term 'unamortized insurance-in-force' means the Secretary's estimate of the remaining obligation on outstanding mortgages which are obligations of the Mutual Mortgage Insurance Fund.

"(f) The Secretary shall conduct an annual actuarial study of the Mutual Mortgage Insurance Fund.".

SEC. . FHA SINGLE-FAMILY MORTGAGE INSURANCE LIMITS.

Section 203(b)(2) of the National Housing Act is amended by striking out "(A) 150 percent (185 percent during fiscal year 1990)" and inserting in lieu thereof "(A) 185 percent".

SEC. . PROHIBITION ON DISTRIBUTABLE SHARES.

Section 205(c) of the National Housing Act is amended by inserting before the period at the end the following: ": *Provided further*, That the Secretary shall not distribute any such share with regard to any mortgage executed on or after January 1, 1991".

SEC. . RISK-BASED PERIODIC MORTGAGE INSURANCE PREMIUM.

Section 203(c) of the National Housing Act is amended by adding the following at the end thereof: "Notwithstanding any limit on the amount of a premium charge under this subsection and the provisions of the previous sentence, the Secretary may require payment of an additional premium charge for the insurance of any mortgage that is secured by a one- to four-family dwelling and is an obligation of the Mutual Mortgage Insurance Fund, as determined by the Secretary to be consistent with sound actuarial practice and taking into account high loan-to-value ratios. Such determination shall be in accordance with the findings of the annual actuarial study of the Mutual Mortgage Insurance Fund required under section 205(f). The additional premium charge shall be payable on a periodic basis, and may not exceed an amount equivalent to one-half of 1 percent per year of the amount of the principal obligation of the mortgage outstanding at any time, without taking into account delinquent payments or prepayments, and may be required (A) for up to 15 years if the initial loan-to-value ratio of the mortgage is greater than 95 percent, (B) for up to 10 years if the initial loan-to-value ratio is equal to or less than 95 percent but equal to or greater than 93 percent, and (C) for up to 4 years if the initial loan-to-value ratio is less than 93 percent but greater than or equal to 90 percent. The Secretary shall not require payment of an additional premium charge where the initial loan-to-value ratio of the mortgage is less than 90 percent. For purposes of this paragraph, the premium charge shall not be included in the determination of the initial loan-to-value ratio of the mortgage.".

SEC. . MORTGAGEE NOT WORTH.

Section 203 of the National Housing Act is amended by adding at the end the following:

"(t) Any direct endorsement lender which acts in the capacity of a mortgagee, as defined in section 201(b) of this title, must maintain adequate net worth in order to be eligible to enter into mortgage contracts which qualify for insurance under this title in an amount equal to not less than 1 percent of the total dollar amount of contracts that are written by the lender and insured under this title.".

SEC. 204. (a) Effective 18 months after enactment of this legislation, section 203(b) of the National Housing Act (12 U.S.C. 1709(b)(2)), is amended "the sum of (i) 97 per centum of $25,000" and inserting in lieu thereof the following: "95 per centum"; and, at line 19, deleting the comma following the word "insurance" and inserting a period in lieu thereof; and deleting at lines 19 and 20 the following: "and (ii) 95 per centum of such value in excess of $25,000"; and deleting at lines 23 through 28 the following: "If the mortgage to be insured under this section covers property on which there is located a one- to four-family residence to be occupied as the principal residence of the owner, and the appraised value of the property, as of the date the mortgage is accepted for insurance, does not exceed 97 percent of such principal obligation may be in an amount not to exceed 97 percent of such appraised value."

(b) Within one year of enactment of this Act, the Secretary shall report to the Congress upon the results of a study which will determine the impact of paragraph (a) upon home ownership and study alternative methods for reducing defaults on FHA mortgage loans.

SEC. 205. Section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)), is amended by adding at the end thereof the following sentence: "The FHA insured mortgage amount shall not include any monies used for payment of closing costs. 'Closing costs' include any costs other than the principal of the loan and any mortgage insurance premium charged by the Federal Housing Administration."

Mr. D'AMATO. Mr. President, let me, if I might, touch on a number of points that this FHA proposal goes into. I offer this amendment on behalf of myself and Senator HEINZ.

This proposal builds upon and strengthens the administration's FHA reform proposal. It includes the following provisions:

One: It establishes a risk-based premium. The provision establishes a risk-related premium structure with higher premiums for loans with lower downpayments.

That only makes sense, Mr. President. Let me underscore this. If all of the proposals, which are basically seven in number, were to be accepted, then the FHA program would still be the program that gives the most accessibility to homeownership in this country.

Granted, it may call for more money having to be put down. Granted, there is a risk premium associated with those which are more likely to have failure. But these are sound business programs and far better able to deal with the person who today comes through these mortgage mills. The lender does not care because he sells, packages, and puts it into the hands of the Federal Government. He does not care that a year from now that family that has moved in with its hopes and aspirations glowing, looking for homeownership, will not be able to make the payments. He does not care there is going to be a foreclosure and that 6 months thereafter they will be out, the home will be boarded, it may 2 or 3 or 4 years before it is resold, and that the Government may loose $20,000, $30,000, $40,000, $50,000 on that. The Government, indeed, is the taxpayers of the United States. It is a mill. They churn them out. They do not care.

We are going to hear from people, there is no doubt, talking about special interests, who say, "You are disenfranchising the poor." I suggest we are not. I suggest it is a terrible thing to bring someone to the promised land and abandon them in what becomes a desert, crush their hopes.

It is far better to say, "Look, these are minimums you have to make. If you can, then there is a real opportunity, not only that you are going to come to the promised land but be able to live in there and nurture your family and have them drink from the oasis that is there." An oasis is provided with homeownership. I believe in that.

This Senator, not too long ago, was on the floor calling for higher limits of FHA, because I wanted the young people in my towns and counties to have that opportunity, where the home prices are much higher than what the limits today would give us the ability to support. And they were precluded from using the FHA.

I said to myself, they should have this opportunity. So it is not from an experience of being opposed to the Government help, but saying let us make it meaningful help. Let us see to it that they really have an opportunity to own a home. Let us see to it that it is not going to be given to them in one hand and taken away by the other, as a result of the cruel realities of fact.

We establish a risk-based premium.

Two: We require that all closing costs must be paid up front. Today what takes place? Closing costs, when a person buys a home, are rolled into the mortgage. It is a hidden cost. It comes out into the monthly charges. So we have actually seen cases where people come in and buy a house for $100,000, and $103,000 is really taken out by the mortgage because the closing costs and other things associated with the purchase of that house ae included.

The third proposal: We would suspend the future payments on distributive shares. The administration has proposed this; that is, to discontinue to pay what you might say are earnings out, by reducing the monthly charges because the FHA is making money.

They are not making money, and they have to build up this base. It does not make sense to do that. We lower the threshold as it relates to dollars going out and the avenue and opportunity of risk which is now being taken by the FHA.

This fund, Mr. President, is in deep, deep trouble.

Four: We would make current mortgage limits permanent. The administration has proposed to make the current mortgage limits permanent. I believe the $124,875 limit is one we would be foolish to raise at this point. Just a few months ago, 6 months ago, this Senator was arguing to increase those limits. I have seen the Price Waterhouse report that says that unless the real estate values go up, unless we change the business of the FHA and how we do business and make mortgages available, the fund will become unsound. The fund, indeed, will be more than unsound because it is unsound now. Even if we adopt the proposals which Price Waterhouse has given to us, actuarially, the fund will go into the red.

I am going to suggest that even the proposals that this Senator puts forth, as Draconian as they may seem to some, as Draconian as they will be characterized, may not be enough to save the patient. I do not contend this is the cure-all. Indeed, in a collapsing real estate market, it may be that it will cushion additional losses which we are putting on the books today, which we will be putting on the books tomorrow and the next day, because every year we make approximately 1 million FHA mortgages.

So, divide that into 300 working days and we will see about 30,000 mortgages a day. Multiply 30,000 mortgages a day by a loss of anywhere from $700 to $1,000—and I think that is a low figure—that is what we are racking up in losses now. So we have to change "business as usual."

This is a controversial provision. We would increase the FHA downpayment requirements. This provision would increase the downpayments required from 3 percent to 5 percent. There is no financing available that rivals this—nowhere. For those who say you are making us uncompetitive, the fact of the matter is 5 percent is not an inordinate amount and that is 3 percent on the first $25,000. We are saying, no, you have to raise it to 5 percent.

So it comes out to we are requesting, or would be requiring, an additional $500 for the purchase of that home. If people are going to characterize this and say that $500 will make it impossible for people to buy a home, let me go a step further.

If the home buyer is going to come in on such a sliding basis, on thin ice, and we are going to permit people to do that, it is like letting a little kid walk on that ice, because you say I do not want to take away his opportunity to skate and enjoy winter. You better do it if it has 3 or 4 inches, and if he gets further on out there and it gets thinner and thinner, there is a likelihood he is going to fall in and drown.

That is what we do to people when we say, "You can buy a home with 3 percent down and do not worry about financing, the insurance, or paying for it, and do not worry about your closing costs, we will put that all in and pay that in your monthly charges."

Just like the little child who we do not have the courage to say "no" to; "it is dangerous out there", we had better begin to develop the fiscal discipline and political courage to say, it is not because we do not care, it is not because we do not love you, it is because we do not want to see a situation develop that is taking place regularly: Increased foreclosures, and more and more families like the little child who falls through that ice, which they should not have been permitted to go out on in the first place, falling in.

What takes place? Who comes to the rescue? In the case of the forclosed home, there is no one to the rescue. There is oftentime inadequate housing that the family has to move to, eviction proceedings, heartache, family breakup and homelessness. We are not doing working families any service by saying, yes, continue and only put down 3 percent.

This would require an additional 2 percent on the first $25,000. But, again, it brings soundness to the system and probably a much better chance of reducing the risk of that family winding up being evicted, being foreclosed and saving the taxpayers money that otherwise they are going to end up paying.

We strengthen the lender requirements in provision 6, a provision which says "* * * Direct Endorsement FHA lenders to retain a net worth* * *" of at least 1 percent.

Mr. President, today we have a situation where there are lenders who just do not care and who have no financial strength or responsibility. We better be concerned about those people in the thrift business who ran up billions of dollars worth of losses for us coming into this business today, for example, setting up a shop in which they shovel out these mortgages and have little in the way of requirements and have little in the way of experience as it relates to mortgage lending qualifications and become an FHA lender. They, themselves, can create more misery, more heartache and millions of dollars worth of losses to the taxpayer in the final analysis. They are the mortgage mills.

We should see to it that there are minimum requirements established. One of those requirements would be a net worth of at least $250,000 so that if we see that these people are involved in activities that they should not be, we can move against at least that amount of money, or at least 1 percent of the net worth on deposit of the volume of business they do under the program.

No. 7: It certainly is something that I believe should not be controversial, but it increases the capital requirements for the mutual mortgage insurance fund, the FHA single-family fund. It is precariously low. We will go into that in later debate to discuss just how low it is. This provision sets a timetable for the administration's capital requirement targets. After 18 months, the fund must reach a capital level of 1.25 percent.

Mr. President, I suggest that 1.25 percent is very, very modest. But it is a start. We set it as a goal. After 3 years, a capital level of 1.5 percent—1.5 percent. I think that is a thinly capitalized insurance program. If I had my druthers, we should move it up more. But that would be met with a chorus of cries: If you do that, you are going to close the FHA program down.

I do not want to close the FHA program down, but I do not want it to continue to do the kind of transactions that it does, that makes no business sense whatsoever for the taxpayers of this country or for the ultimate borrowers.

After 5 years, a capital level of 1.75 must be reached, and after 7 years, a capital level of 2 percent must be reached.

This builds upon the administration's proposal of reaching a capital level of 1.25 in 2 years, and 2 at some point in the future. So there are some targets there.

Certainly, we should be looking to move this in a direction where we make the fund sounder, where we continue to provide housing and housing opportunities for working families, for poor working families. But let us make sure it is a real opportunity, one not lined with a terrible disaster at the end of it, but with hope and a chance of success.

Mr. President, I yield the floor.

Mr. CRANSTON. Mr. President, Senator D'AMATO has now offered a detailed approach to putting FHA on a sound and reformed basis. He has several points in his proposal that I fully agree with. There are others I may agree with. I just do not understand them fully yet. They require analysis. There are one or two, maybe more, that I do not agree with. Again, I am not certain until I have had an opportunity to analyze the fine print more carefully.

As the Senator and I have agreed in our remarks, this is now subject to negotiation between representatives of both the majority and the minority and the administration. I am hopeful that an agreement may be worked out that will become the actual reform that we can then seek to attach to this measure as an amendment.

I may seek to make a few points about what I think should be in the agreement that we work out with the administration. Perhaps not all of that can be attained, but perhaps some of it can. We may get to the point where we have to vote on various proposals if we do not reach an agreement with the administration. There could be a vote on the D'Amato proposal, and there could be a vote on the Cranston proposal. There might be others, or we might find some way to make an amalgam of them.

At this point, I am not taking any direct position on what Senator D'AMATO has offered. I will, in a moment, express a few of my thoughts on the direction we should take on this matter.

I want to assure all Senators and all staffers concerned, Senators who have amendments, if anybody shows up with an amendment that we can act upon, Senator D'AMATO and I have agreed we will cease and desist on this subject and go to that amendment.

Mr. D'AMATO. Mr. President, let me echo the manager's entreatment. We entreat our Senators and colleagues: We know there are a number of amendments that are out; come to the floor, offer them. We are ready to dispose of them, and if they are germane and relative to the bill, to give the Members votes on them. We are not looking to delay this. There is this opportunity. We do have, as it relates to the FHA, ongoing negotiations, but I wanted to lay forth the package of reforms. That is not going to impede the negotiations, nor will it impede any of our colleagues from offering their amendments. I hope we can begin to move this process. We have come a long way and I do not think there are too many outstanding amendments out there.

Mr. CRANSTON. Mr. President, I now would like to read a "Dear Colleague" letter that I will address to my colleagues in the Senate on both sides of the aisle in regard to FHA. What I want to do is make plain before I read this letter that it proposes an approach. It indicates I will offer an amendment as Senator D'AMATO has offered an amendment, but I want to make plain that if the negotiations lead to an agreement between the administration and those of us most concerned about this in the Senate, then I will not offer this particular amendment and I trust Senator D'AMATO would perhaps not offer his, if we reach an agreement with the administration that both of us find satisfactory.

This will outline what I will propose to do in my way, as Senator D'AMATO has outlined what he intends to do in his way, unless the negotiations are successful.

So the "Dear Colleague" letter outlining this reads as follows:

JUNE 20, 1990.

DEAR COLLEAGUE: Promising negotiations with the Administration are underway to

achieve a broad agreement on S. 566, the National Affordable Housing Act. A key objective shared by Senators and the Administration is effective action to regain the actuarial soundness of FHA's Mutual Mortgage Insurance Fund (MMIF), the federal government's primary source of assistance for moderate-income and middle-income homebuyers. I intend to offer an amendment that would achieve that objective. I urge you to support the amendment and invite you to join as a cosponsor.

On June 6, 1990, Price Waterhouse released its massive audit and actuarial analysis of the Fund. Although the study found that the Fund currently is solvent due to a large surplus that was inherited from the 1970's, it revealed an alarming erosion in FHA's financial condition during the past decade, according to the report:

"[D]eclining house price appreciation, a major recession, and severe stress in the "oil patch" states have caused substantial losses through the 1980's. Combine this with past poor management practices and lax monitoring, and one is left with a Fund that may not survive even moderately poor conditions, much less a major economic problem."

The report pointed to several elements of current policy that are contributing to the cash drain on the Fund. First, the mortgage insurance premium of 3.8% now charged by FHA is proving to be too low to cover expected losses. Price Waterhouse recommended that the premium be increased to about 6% to build FHA reserves to a level of 1.25% of insurance-in-force. Second, in 1983, the law was changed to require the FHA premium to be paid up-front at the time of closing. This was done as a gimmick to reduce the budget deficit artificially. In reality it exposed FHA to increased risks of default, particularly when financing of the up-front premium produced an insured loan greater than the mortgaged property's value. Third, FHA continues to pay out "distributive shares" to borrowers who pay off mortagages that were insured in years that have not resulted in losses. This creates a cash drain of $140 million annually when the Fund as a whole is unsound. Fourth, FHA also fully refunds the "unearned" portion of premiums when a mortgage is prepaid, even though the premiums have actually been too low to cover the Fund's expected losses.

This problem is so important that an effective remedy should be taken without delay.

One proposal emerged from negotiations between HUD and OMB two weeks ago. That proposal would continue the 3.8% up-front premium for all borrowers but charge an additonal annual premium of 0.5% to borrowers who have low-downpayment mortgages. Loans with a loan-to-value (LTV) ratio less than 90% would have no additional premium. Loans with LTVs between 90% and 93% would pay the annual premium for 4 years. Loans with LTVs between 93% and 95% would pay the annual premium for 10 years; and loans with LTVs greater than 95% would pay the annual premium for 15 years. The HUD/OMB proposal would require a borrower to pay ⅔ of the closing costs in cash. The proposal would make no change in FHA's policy related to repayment distributive shares or unearned premiums.

The HUD/OMB proposal is strongly opposed by the National Association of Realtors, the National Association of Homebuilders, the Mortgage Bankers of America, the Consumers Union and other consumer groups. They point out that this solution would place the heaviest burden on first-time homebuyers and others who are struggling to save for a downpayment. A typical family using FHA insurance would need to come up with an additional $900 at closing, on top of about $3,550 that must now be provided. For many, that would mean the dream of homeownership will drift further out of reach.

The Price Waterhouse report indicates there are other, better alternatives that would regain the Fund's actuarial soundness and have a less severe impact on first-time homebuyers. My amendment would offer such an alternative.

First, my admendment would provide an FHA premium with a value at least equal to the premium in the Administration proposal. It would move ultimately to a lower up-front premium of 1.35%, which could be financed by the insured loan. It would also provide for an annual "pay-as-you-go" premium to be paid for the life of the mortgage. The annual premium would move to not less than 0.6%, or not less than such higher amount that the Secretary determines, on the basis of independent actuarial analysis, to be necessary to achieve actuarial soundness for the Fund. The amendment would define actuarial soundness as it is defined in the Price Waterhouse report. Any change in the required annual premium would take effect 90 days after the Secretary notifies Congress of the change and the reasons for it.

Due to budget considerations, my amendment would make the transition to this new premium over a 5-year period. During the next two years, homebuyers would need the same out-of-pocket cash as they do now; in subsequent years, the out-of-pocket cash requirement could slightly decline as the premium shifts to a "pay-as-you-go"system.

Second, the amendment would make some or all of the up-front premium nonrefundable, taking account of the fact that FHA's risk of default is higher in the earlier years of a mortgage. The remaining unearned portion of the premium would be repaid at 50% unless the FHA Fund has clearly returned to actuarial soundness.

Third, the amendment would base any payment of distributive shares on the performance of FHA's entire book of business. Unlike the Administration proposal, that provision would stop a needless cash drain on the Fund while the Fund remains unsound.

Fourth, the amendment would limit FHA insured loans to the value of the mortgaged property beginning in fiscal year 1993. The delay is necessary because of the budgetary need to phase down the up-front premium over several years. Nevertheless, even in fiscal years 1991 and 1992, the amendment would reduce FHA's risk of default somewhat from current policy and increase FHA's compensation for that risk.

Finally, the amendment, according to CBO, would achieve budgetary savings of $256 million in fiscal year 1991 and a total of $612 million over the next 5 years.

I believe you will find this amendment offers a sound way to regain FHA's financial health while meeting the needs of American homebuyers, whom FHA was created to serve. If you have any questions or comments, please have your staff call Larry Parks of the Senate Housing Subcommittee staff (4-0892).

I invite you to join as a cosponsor of the amendment.

Sincerely,

——— ———.

And I would sign that letter.

I want to reiterate one point. This is a letter than I am sending to colleagues today to set forth basically the approach that we have suggested at our negotiations with the administration. If these negotiations bear fruit, probably there would be some changes in this and I would then be supporting that alternative. If the negotiations do not bear fruit, then I will seek to have this approach adopted as the solution to the FHA problem, unless with other Senators we work out some accommodation modifying this is some way, incorporating perhaps some of the points offered by Senator D'AMATO that would give us something we could all work out together.

The PRESIDING OFFICER (Mr. ADAMS). The Senator from New York.

Mr. D'AMATO. Mr. President I want to thank the Senator from California for his manner of approach in seeing if we can attempt to resolve the differences that the attendant legislation that I have put forth contains and the proposal he has discussed that he would be willing to put forth also.

I believe, though, that this is the time for us to act. We have seen the pitfalls of failing to respond and doing business as usual for no matter how noble the cause and the purpose. If the ultimate design is going to lead to a failure of the system to the taxpayer being called upon to put up billions of dollars to the loss of real opportunity as a result of this, then, I would suggest we make a great error in delaying in taking the tough medicine now. Admittedly, some of this medicine is tough. It is going to call for people to have to put up some more money when they busy a house.

It will say if you purchase a house for $100,000, that all of the closing costs, the down payment, the mortgage insurance, which by the way they get back at the end, all of those things would cost some $10,000.

Let me say that it may be tough for people to get $10,000. But for us to say that we are going to get you into a home that, indeed, we are going to reduce the up-front costs, make you pay it in the back, and in addition run the risk of not only creating a loss of that home because you cannot really pay it off, but in addition create a situation where the fund may not be able to operate.

What happens if the fund bellies up? Will this Congress or future Congresses have the courage to see to it that FHA has enough dollars to continue a program of home ownership? I would suggest that if we do not take the tough action now, and toughen up on the requirements that are rather rea-

sonable and will still be the best in the land. We would not allow banking institutions—the regulators today will not allow banks to make mortgages with 5 percent down. They will not do it. They want 10 percent as a minimum. Here we are taking taxpayers' money, and gambling—noble purpose: home ownership.

I think if we go below 5 percent, we keep this at 3 percent, we are absolutely consigning the taxpayers to have go to pay billions of dollars more. We are never going to reach our targets. And I also suggest that the 5 percent may be too low. I think it is. But it is point at least in which to start.

If I came forth and said there should be an FHA minimum of 10 percent, my God, there not only would be a hue and cry, but the Senator would not be able to make it to the floor to offer the amendment.

But I certainly think for us to preceed on the basis of 3 percent, and yes, making some slight improvements as it relates to the moneys that will be thrown to the insurance fund—and cutting back on what the fund will have to be paying out by way of distributing shares are so minimal that we will be called to account by the taxpayers of this country.

Here is another problem, and I do not mean to be paternalistic. One of my staffers warned me about that. The fact of the matter is we do have an obligation to see to it that people do not get in over their head. We are not serving anybody's purpose by placing them in the precarious position, one in which there is a better chance of failure than there is of success. We can do better than that. This is just the beginning. I think we have to do a lot more as it relates to the lenders. I think we have to see to it.

I know Secretary Kemp has indicated they are going to monitor this, get their inspectors out there to check on these lenders where you have a history of 20, 30 percent default. They should not be out there being permitted to make these mortages for the FHA—absolutely not—because they do not give two hoots and a holler about the people who get put in these positions, who will lose their loans, lose the little bit of cash they have, resulting in costing the taxpayers tens and tens of billions of dollars on these defaults.

Many of these mortgage mills put 20, 30 people through a day. They do not care. They make their profit, 500 bucks, whatever it is, on each one of them. They will push them all through. They will not care if they knew the person could not make the first payment for the first month. They got theirs. It does not cost them a penny. Let Uncle Sam pick it up. Let the taxpayer pick it up. That is nosense. That is what has happened.

We have had some good days. Prices have moved up. Real estate moved up. So they got away with this nonsense. There were not that many defaults. If there was no default, they could sell the house maybe to cover the mortage. Who was hurt? Nobody was hurt.

That is not the situation we have today. Prices are not going up in the value of homes. They are going down. So everyone gets hurt, the family who gets dispossessed and the taxpayer. That is why I think we have to resolve this. It is better to take that medicine now.

I remember when we first had the CEBA FSLIC recapitalization bill and it came forward. I ultimately voted against the conference report because it did not pony up the money. We talked about $25 billion initially. Had the bill had $15 billion initially, instead of $5 billion, by tinkering with it, by coming back to the matter earlier, I think giving a little more. We may have saved the taxpayers quite a bit more money.

So I think we should not have that lesson lost on us. We should learn by those experiences, come to the table now, and see to it that we increase the upfront requirements, increase the fiscal management, see to it that we crack down on those lenders who do not give a darn but who are just looking to line their own pocketbooks. I am convinced that the Secretary's office is moving in that direction. There is now a study by the GAO to undertake to see how significant that problem may be.

Mr. President, I hope we can work out an agreement with my distinguished colleague and agree on a package. But I would rather us not agree on a package and walk away saying that everything is well and if we are going to leave it in basically the same condition that we found it—in other words, just for appearances to say that we have dealt with this problem, I think would be wrong.

Mr. President, let me say this: There is another problem with the FHA. This Senator is not going to attempt to address it or bring it up here. But if you think the single-family home situation and the mortgage fund balance and the projected losses et cetera are troublesome now, let me suggest they are going to get worse in the future. If there is a greater problem out there as it relates to the multifamily housing insurance program, one in which I believe the Secretary's office is attempting to get a handle on now, and where the losses indeed may go into the billions of dollars, I do not have the facts. But I do know and have some information that would lead this Senator to believe that is a serious problem. We are going to have to be dealing with it. Let us not compound it by inaction or by attempting to temper our actions so that we really do not treat the malady that we now face.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. D'AMATO. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

At 2:26 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House of Representatives having proceeded to reconsider the bill (H.R. 20) to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes, returned by the President of the United States with objections, to the House of Representatives, in which it originated it was, resolved, that the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

The PRESIDING OFFICER. Under the previous order, the veto message wil be considered as having been read and spread on the record of the Journal. The message, under the previous order, will be laid aside until 9:30 a.m., on Thursday.

Mr. BENTSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL AFFORDABLE HOUSING ACT

The Senate continued with the consideration of the bill.

Mr. NICKLES. Mr. President, I send an amendment to the desk.

AMENDMENT NO. 2042

The PRESIDING OFFICER. The Chair will state for the Senator there is an amendment pending at the present time and he should request it be set aside.

Mr. NICKLES. I ask unanimous consent that the amendment pending be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The D'Amato amendment will be temporarily set aside, and the Senator from Oklahoma is recognized.

AMENDMENT NO. 2045

(Purpose: To provide a resident worker program for tenants of public housing and tenants who receive rental assistance)

Mr. NICKLES. Mr. President, I sent an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES] proposes an amendment numbered 2045.

At the appropriate place, insert the following:

SEC. . RESIDENT WORKERS.

Section 12 of the United States Housing Act of 1937 is amended by adding the following: "The provisions of this section shall not apply to wages paid to a mechanic or laborer who is a tenant of a public housing project or of housing assisted under section 8 for work performed on any such housing."

Mr. NICKLES. Mr. President, the amendment that I offer is a very simple amendment. Basically, it would provide an exemption from Davis-Bacon for tenants living in public housing. They would be exempted from the so-called prevailing rate statutes so they could work on these buildings in housing.

Right now, the present law mandates that they be paid prevailing wage rates which many times are far in excess of what the marketplace would dictate, and in almost all cases they are far in excess of what those individuals can obtain through a contractor.

Therefore, they are exclude. They do not qualify for working on these units. I want tenants to be able to work on the units they live in. I personally have visited these units, many of which are in desperate need of repair. However, present law says that the tenants cannot make repairs on the units in which they are living.

You find graffiti on the walls. I have visited some public housing units in my State, and I have seen graffiti all over the walls. I asked the resident manager, "Why is that there; why shouldn't the walls be painted? Why can't these people who for the most part are unemployed paint and fix up the units? Why can't they fix the doors, plumbing; why can't they repair the roof?"

He said, "Well, we can't afford to pay prevailing wages. That is $14 an hour, and most of these people are unskilled. They do not have any skills, Senator, so the contractor is not going to pay them $14 an hour.

The net result is they continue to be unemployed; they continue basically sitting around in public housing watching somebody else come in and do the job. I find that to be unacceptable.

As a matter of fact, it bothered me a lot to go into the units, to find second and third generations on welfare, people who did not have skills or training, and to be prohibited by a Federal law from actually repairing these apartments or these housing units.

So that is why I am here. I want to make a change. I visited some of these units in Tulsa, OK, to be specific, and these units were in terrible shape. One of the reasons was the contractor, or the absentee owner, who has some kind of a special tax deal, had not kept up the units, did not do his fair share. But certainly a lot of the tenants had not done their share either. They had not been keeping the units up. But they could not be made to keep the units up. So we had a lot of people, the younger people who are growing up, 16, 17, 18, 19, 20, 25, maybe 30 years old, were not able to work on these units.

I want to change that. To change it we need to agree to this amendment.

I might tell my colleagues that we adopted this amendment in the past. I see my friend from California. He might remember this. He worked on that legislation several years ago when he worked on legislation to help the homeless. I put in a similar amendment that would allow the homeless to be able to work on construction and repairs for the homeless shelters that they were living in. And that amendment was agreed to. It by a voice vote.

I will also tell my colleagues I offered this on an appropriation bill last year. It was not agreed to. A lot of objections were, "Well, wait a minute. This should be on housing authorization legislation; it should not be on an appropriation bill. You are legislating on an appropriations bill."

We are not doing that today. We are legislating on a housing bill. We are trying to help those people who are unfortunate and do not have homes. We are trying to help even those people who are tenants living in public housing, trying to help them help themselves. I will tell my friend and colleague from California that we have the NAACP chapter in Tulsa, OK, that supports this amendment, because they understand the need for people to be able to train themselves. And there is no better training than working in your own housing unit. This is the best type of training that an individual can have. So it is supported by the Tulsa chapter of the NAACP.

I also have a letter signed by Secretary Kemp that supports the program. I have a letter also from the Ralph Jones Co., who is the housing management company for HUD. He says they can employ more people living in these units that he is managing if we adopt this amendment.

Mr. President, I ask unanimous consent that a letter from Secretary Kemp and also a letter from Ralph Jones be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT,
Washington, DC.

Senator DON NICKLES,
US. Senate, Washington, DC.

DEAR SENATOR NICKLES: Thank you for your recent letter requesting my support for an amendment to Senate Bill 566 that establishes a "Resident Worker Program."

Empowering the poor is one of our top priorities at the Department of Housing and Urban Development. Women and men living in housing projects across the country want the opportunity to take control of their own lives, and work within their own communities. I believe both labor organizations and the Administration support providing opportunities for project residents to employ their talents and skills towards the improvement of their homes.

I have detected a great deal of goodwill on the part of labor organizations committed to working towards our mutual goal of expanding the work force of skilled laborers. Job training received by project residents from journeymen laborers will provide an invaluable contribution to the progress of the poor.

Therefore, I support your effort to work with labor organizations to remove federal restraints that may discourage low income residents from working to improve their project communities. Your amendment should be welcomed by residents of public and Section 8 housing who have expressed a desire to improve their homes through sweat equity and resident management.

I admire your efforts, and will continue working with you to increase empowerment and employment opportunities for low income Americans.

Very sincerely yours,

JACK KEMP.
Secretary.

RALPH L. JONES CO.,
Tulsa, OK, June 20, 1990.

Hon. DON NICKLES,
U.S. Senate, Washington, DC.

DEAR SENATOR NICKLES: I have learned that the Senate has moved the time forward for consideration of the housing bill. I am writing to encourage your efforts to exempt residents of subsidized housing projects from the Davis-Bacon Act.

Our firm is a full service management company for HUD and is currently working on an assignment to renovate Morningstar Village Apartments and Vernon Manor Apartments. Because of the Davis-Bacon requirements, it is not possible to hire and train unskilled residents.

Best wishes for every success in this vital legislative effort. If you can get the exception approved, I'll put some tenants to work, immediately.

With personal regards.

Sincerely,

RALPH L. JONES, Jr.

Mr. NICKLES. Again, this amendment is very simple. I think it is a win-win amendment. It is an amendment that the tenants, the occupants of public housing, win. They are going to

learn some skills. It is an amendment that the taxpayers are going to win, because we can save the taxpayers money.

But that is not the purpose of my offering this amendment. My purpose is to help people help themselves, to help people to be able to learn trades, help people to be able to work and improve their personal situation, to climb that economic ladder to where they can get out of public housing. I think, by being able to maintain their own public housing, they would be making a giant step in that direction.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. D'AMATO. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. D'AMATO. Mr. President, I was not present to hear the poignant remarks and observations made by my friend, the Senator from Oklahoma. Senator NICKLES, I think, touches on an area where there should be an exemption. He and I have not always agreed as it relates to the Davis-Bacon provisions. But when we talk about affording people opportunities for home ownership, when we talk about presenting people with an opportunity to help themselves, I think that, notwithstanding that—there may not be many occasions, but the few opportunities that it may present by which a homeowner or tenant can help himself in the house or in the project that he or she lives in—we should not artificially, as a result of a misapplication of the labor provisions, restrict that kind of self-help.

Indeed, that is what the amendment of Senator NICKLES does. It provides an opportunity for people who will undertake improvements in their own projects, in the areas they live, to undertake that work.

When we talk about the kind of modest levels that will be covered and the number of incidents involved, which will probably be minimal, it seems to me we should be hoping that many people, when it relates to improving their own skill levels, when it relates to improving the place that they live, be given that opportunity.

I have been a strong supporter of Davis-Bacon, because I do believe the prevailing wage is something we want to protect. But as it relates to the person who is going to be working on enhancing his own quality of life where he lives and thereby giving added value to that project where others live, it would be irresponsible for us not to move in a direction to make an accommodation with this very carefully crafted nitch.

This is not, I believe, an opening of the door or washing away the prevailing wage practice. It has been the law of the land to see to it we do not bring in people who will replace those who have worked in an area or a region for many years with lower paid workers, with workers who, out of desperation, will take any job and thereby deprive those in the community, in the laboring force of what otherwise would be their decent wage level and a opportunity to support their families.

This does not do that. This is carefully crafted. If you live in a building and repairs are to be made and can be made, you can take that and do that. We want to encourage sweat equity, home ownership. What better way to do that? If we want to enhance skills, what better way to do that?

Mr. President, I am pleased to be able to support this amendment. I hope we can achieve acceptance of it. I know my colleague has asked for a vote on this. I believe, by the way, this measure has been accepted previously when it was attached to an appropriations bill. I think it fell the way of most amendments when we ran out of time, when it was considered legislation on appropriations. So the merits of the matter were not considered.

I think it is well balanced, and I certainly would not be in opposition. I think it will give people an opportunity to have employment that they otherwise would not and in the place where they should be employed, as it relates to the place where they live and where their families live.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition? The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, the Senator from Ohio agreed at 1:30 to set aside his amendment having to do with check cashing provisions for senior citizens and low-cost banking arrangements.

It is my understanding that during that period, Members on both sides were going to make an effort to see if they could agree on a limited number or a specific number of housing amendments, amendments that were specifically housing related, having to do with this bill.

Now, after leaving the floor, I come back and I find this amendment, which I suppose by some stretch of the imagination could be claimed to be housing related. I suppose maybe my amendment could be considered housing-related if you say well, it takes money in order to provide housing. But it seems to me this is one of those amendments that does not go to the basic thrust of trying to create a housing bill, a housing package.

I wonder whether the managers of the bill would not think it appropriate that this amendment, as well as the amendment of the Senator from Ohio, be laid aside; I think the amendment of the Senator from Ohio is coming back up at 3:30—that this amendment be laid aside in the same manner. Not that it does not have merit—although I do not believe it has merit, but respecting full well the Senator from Oklahoma's thoughts that it is meritorious—I think it was laid on the table at a previous time when it was on an appropriations bill. But, rather than going at some length to debate it, to see whether it should be laid aside until such times as a determination is made as to whether or not there can be an agreement as to what amendments should be taken up as a part of the basic housing bill.

I ask the managers, as well as the author of the amendment, if he would have any problem about doing that? I probably felt more strongly about my amendment, which is pending, than, maybe, he does about this; or at least equally as strong. But I thought if that would help the Senate proceed with its business, that I was not going to stand in the way of doing so.

There is no secret about it, this is a controversial amendment. It could be debated at some length. But I think the basic thrust is to try to get a housing bill. I am not at all suggesting the Senator take down his amendment, or that he not continue to fight for it, but whether or not be might be willing to set it aside in the same manner I have set aside the amendment that I have, while they continue these negotiations on just a limited number of housing bill amendments? Would the Senator from Oklahoma be good enough to respond to a question to that effect?

Mr. NICKLES. I will be happy to respond to my friend from Ohio. I would not be willing to set aside the amendment. I think our amendment is very pertinent to the underlying legislation; not the Senator's amendment dealing with banking. As Senator Baker would say, I do not have a dog in that fight.

But this amendment I have offered is very pertinent, very germane to the housing bill because we are talking about tenants in public housing having a right to be able to work on

housing units which they are living in. It could not be more germane. It is very much a viable part.

I note the bill is a very large bill. I do not know if everything in here will help tenants and help those on the lower end of the economic scale in public housing, but this very short amendment which I have offered, which is only one paragraph, will help tenants. It will help people living in public housing. It will give them opportunities to work and improve and modify the public housing. So I think it is a germane amendment and one that I intend to pursue.

Mr. METZENBAUM. Mr. President, the amendment the Senator from Ohio has will help people in public housing, maybe even more so than this. This might create jobs for them. My amendment would help them to be able to cash their checks so they can have food as well as housing. Obviously, the Senator from Oklahoma is within his rights refusing to take down his amendment. Under the circumstances, Mr. President, I suggest the absence of a quorum.

Mr. D'AMATO. Will the Senator withhold?

Mr. METZENBAUM. Without losing my right to the floor.

Mr. D'AMATO. The Senator was going to suggest an absence of a quorum. The Senator can go ahead and suggest the absence of a quorum. I will ask it be called off. If he wants to object, that will be his right.

Mr. METZENBAUM. I would like to suggest the absence of a quorum and consult with the chairman of the Labor Committee.

Mr. D'AMATO. I just wanted to, if I might be permitted, to make some observations.

The PRESIDING OFFICER. The Senator has withheld his request for a quorum. The Senator from New York is recognized.

Mr. D'AMATO. I thank the Senator.

For the benefit of the Senator from Ohio, I wanted him to know that we are in the process, to use a colloquial expression here, of shopping for an agreement that would possibly not only bring forth his amendment so that we could act on it, but also to do so on an up-or-down vote. I assume the Senator from Ohio would like to proceed in that manner because he has labored for such a long time in attempting to get a vote on this issue.

To be quite candid, notwithstanding that the appropriateness of bringing it at this time on this legislation might be something that reasonable people could agree or disagree on. It seems to me that there has been much in the way of hearings. The Senator from Ohio is a man of steadfast purpose who will move forward undoubtedly on most occasions that he deems appropriate to get a decision on this matter. I want him to know that this Senator does not oppose the disposition of this matter in a way in which it would give him a vote. However, there are some Members who have expressed their reservations.

Having said that, since the Senator has brought forth his amendment, since there has been some debate on this matter, certain of my coaliation who initially expressed a reservation about proceeding in this manner as it relates to taking an up-or-down vote I believe have had a change of opinion. If we can get sufficient clearance, this Senator is willing, at least for my part, to proceed with the vote. We are in the process of ascertaining this at the present time. Certainly, it will not deprive the Senator of any of his opportunities as it relates to this, but I just wanted to let him know that is one of the things we are pursuing.

Mr. METZENBAUM. I am ready to vote.

Mr. D'AMATO. Again, I am, certainly at 3:30 if we are able to come to an accommodation. But I wanted the Senator to know in addition to that which we formally agreed upon, that I have been seeking to see if we cannot clear the way for an up-or-down vote on it. I think they meet with the Senator's wishes.

Mr. METZENBAUM. That meets with my approval. I think the Senate ought to decide for itself. I will be happy to go with an up-or-down vote.

Mr. D'AMATO. That is what we are attempting to do. I wanted to advise the Senator and my colleagues what we are attempting to work out possibly in the next 25 minutes so we can get an answer and proceed to that.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there s sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, this amendment is not a new issue to the Senate. A similar amendment was offered by the Senator last year on the VA-HUD appropriations bill. The Senate rejected it at that time. Since that time, there has been no inquiry made to the Labor and Human Resources Committee, which has jurisdiction over this issue regarding this matter, and no legislation has been introduced to carry forward the objective of the Senator from Oklahoma.

We have received no correspondence or followup from the Senator from Oklahoma to our committee asking us to review this particular issue. If we had been offered the opportunity, we would have been able to review the provisions of this legislation in accordance with normal committee procedures.

I just arrived on the floor and heard a brief explanation of this amendment by the Senator from Oklahoma. But let us look at the language of the amendment. It says the provisions of this section shall not apply to "wages paid to a mechanic or laborer who is a tenant of a public housing project or of housing assisted under section 8 for work performed on any such housing."

Perhaps the Senator from Oklahoma intends that language to apply only to a public housing tenant working in the public housing project where he lives, but the language does not say so. It says: "Who is a tenant of a housing project or of housing assisted under section 8 for work performed on any such housing." Let me emphasize, "any such housing."

So you may very well have someone who is a skilled worker trying to provide for his family, who has been earning a decent wage, living in a public housing project, and along comes a contractor who says, "No, I have to give this fellow over here a good wage, but the Nickles amendment says I do not have to do that for you because you are living in a housing project and the project you are working on here is a section 8 project. I know this section 8 project happens to be 5 miles away from where the public housing project is but the Nickles amendment says I can do this.

"So you, Joe Jones, although I know you have been getting $8.50 an hour, and I know you have five kids and you are working and living in that housing project 10 miles away from here, I am going to pay you $3 an hour and I am going to continue to pay Jimmy Smith over here the amount, the $8.50, which is the prevailing wage."

I daresay, Mr. President, I can understand what the Senator may be attempting to do, and that is, if people are unemployed in a particular housing project, and there is some modernization or some rehabilitation work to be done, to try to give them a chance to gain some skills. But there is nothing about any training in this amendment. There is no indication that the contractor will have to provide at least some minimum amount of training, no assurance that OK, we going to pay you less than the prevailing wage, but we are going to give you at least a minimum amount of training, so you can work and improve—there is no mention of that in this amendment.

So, Mr. President, as much as I appreciate what I consider to be the objective of the Senator from Oklahoma, it seems to me that with these kinds of issues and questions, the Labor Committee ought to have at least a fair opportunity to examine to see what kind of sense this would make, who would

be affected, and what the impact would be.

Certainly I am aware of instances in which low income citizens have worked together to improve their neighborhoods for instance, the Bedford-Stuyvesant program, up in New York City, which was developed by Senator Robert Kennedy and Senator Javits had a program where the citizens on a certain block, would vote to improve the whole block, and various homes in the neighborhood. You have to get 85 percent of those individuals who are living in those private homes, to participate and they can do the work, but they have to make a commitment to do it. It has brought about extraordinary change. That makes a great deal of sense. We had a chance to examine that. How do you give to people who are living in these extraordinary substandard conditions incentive and an opportunity and a sense of pride in where they are living? We are all for it. Our committee has done more on that than any other committee. We have some ideas about how that can be done, and we are glad to work with those who are interested. We have done it in the past. We are glad to do it in the future.

To come out now with a proposal that is subject to a wide variety of interpretations and sell that as a program to provide some job opportunities for those in underserved communities just does not cut the mustard, Mr. President.

I want to give assurances to my friend that we are more than glad to try to deal with legislation to achieve the objective of the Senator from Oklahoma, but this is not it. We have not had a request from the Senator to try to work this matter out. Instead we are called over here on a housing bill to try to deal with an issue of substance and importance relating to work opportunities for housing tenants which has never been raised with the committee of jurisdiction. We do not want to raise a false sense of expectation by passing this kind of legislation and telling people who have hopes and dreams that oh, well, everything is going to be all right. We have passed legislation so that all of you who are unemployed are going to have an opportunity to gain employment.

Mr. President, as well-intentioned as this legislation may be, it will not achieve what I do believe is a desirable goal—the goal of trying to provide some employment for people in public housing projects that are targeted for modernization and rehabilitation, to permit the tenants to be involved and give them a sense of pride. We are all for that.

Our committee has worked on programs of this kind in the past. As I say, I think the most outstanding example is the Bedford-Stuyvesant program, which has offered that kind of opportunity to tens of thousands of people who live in the inner city and live in some of the most difficult circumstances. It is a success. Why not build on success rather than taking a flyer, which this particular amendment does. I hope we would have a chance to work with the Senator from Oklahoma on this issue at another time, but this is not an appropriate time to be trying to address such a matter.

Mr. CRANSTON. Mr. President, as Senators know, we have been trying to keep this bill to amendments that directly were germane and related to the provision of housing for people who have very good need for affordable housing in our country. We have been unable to get a clear reading from the Parliamentarian on whether this amendment is germane or not. That is one question about it.

Second, an amendment like this, or identical to it, or if not identical very similar, was defeated in a rollcall vote on an appropriations measure not too long ago.

Third, as Senator KENNEDY stated, there are reasons why many of us question the advisability of this amendment at this time. There is the thought, as Senator KENNEDY indicated, it might be possible to work out an amendment that would be acceptable, that would be in this general realm.

But for these reasons and because it is urgent that we try to move this bill—the majority leader has asked us to try to finish it tomorrow night, and I feel we should get to amendments that are directly related to the general purposes of this bill—I therefore move to table the amendment and ask for the yeas and nays.

Mr. NICKLES. Will the Senator yield for a moment?

Mr. CRANSTON. I will yield without losing my right to the floor.

Mr. NICKLES. If the Senator will give me a few minutes, I would like to respond to Senator KENNEDY. Then I will be happy to entertain the tabling motion. Will the Senator allow me that?

Mr. CRANSTON. That will be fine. I yield for that purpose and no other. I understand it will be rather brief.

Mr. NICKLES. I will be brief, and I thank my friend and colleague from California.

Mr. President, I thank my friend and Senator KENNEDY. We have wrestled with this issue over the years. I served with him. I did my 6 years on the Labor Committee, my penance on the committee, working with Senator KENNEDY and others.

Mr. President, I happen to disagree with him on this bill. This amendment is very germane. We are amending the 1937 Housing Act. It means if you do any modification on public housing above $2,000, you are subject to the prevailing wage. That means the Department of Labor determines what the wage rate would be. In a lot of cases, on some of these smaller projects, you may be talking about just painting the graffiti on the walls, a minor project, maybe it is a $10,000 project. Instead of telling somebody I will pay you so much to paint these units and maybe employ some younger people and get them off the streets and off drugs, we cannot do that because the Department of Labor is going to mandate the wage rate. Senator KENNEDY says they will not be getting $8. They will be getting $3.

Let me give you an example. The prevailing wage rate in Tulsa, OK, is $14. That is what the Department of Labor determines the wage rate to be. The reality is the economy is at a lot less than $14. That is skilled work. The unskilled work is a lot less. So the net result is unskilled workers do not get the jobs. So they sit and they watch somebody else come in and paint the graffiti.

I want to change that. I want the tenants to have the opportunity to be able to paint those walls or be able to fix the plumbing. Senator KENNEDY said there is no training. The best training in the world is on-the-job training. Right now, the prevailing wage doctrine keeps a lot of unskilled tenants unskilled. It keeps them untrained. We need to change that. We can change it.

I have a letter from a management company that manages the housing units in Tulsa. I will not read the whole letter. It has already been printed in the RECORD. They said that because of Davis-Bacon, it is not possible to hire and train unskilled residents. In other words, they cannot afford to go out and pay $14 an hour for unskilled laborers to do some of this work but they could be paying maybe $7 an hour. Instead, what does the tenant get? He gets nothing. He sits. He watches somebody else fix the units, and many times the units are not fixed for a long time. So tenants are living in unacceptable conditions. Many times the conditions are dilapidated; they are drug infested; they are unmaintained.

The irony of it is a lot of the tenants would like to do it. I have had tenant meetings in dilapidated housing where the tenant said, "Give me a chance. I would like to. I have not had a job in years. I would like to learn a skill. I would like to have a job. Incidentally, Senator, if I could have a job doing this, maybe that would decrease some of the pressure in dealing with drugs," and so on.

I might just read one comment that came from the head of the NAACP in Tulsa, OK. I asked him about changing the prevailing wage or exempting it so tenants could work.

I asked Mr. Ruford Henderson, "Do you favor the idea I was talking about, Mr. Henderson, that would allow tenants to work and fix up their own units?"

Mr. Henderson, the head of the NAACP says, "Of course."

I asked him, "At rates that may be at less than the so-called prevailing wage that is mandated by Washington?"

Mr. Henderson again, "Yes. It does two things. First of all, it gives tenants a skill and gives them a business they can develop so you can have two things going. Give them a fish, you feed them for a day, but teach him how to fish and he lives forever because he is fed forever."

Mr. President, I really ask my colleagues, let us give the tenants a chance. Let us give them the opportunity to be able to work on their own units. The Senator from Massachusetts said, well it does not apply to just their own units. No, we said, it applies to "such housing." So yes, they can work. In my State, we have public housing in one block, maybe three blocks away there is another. They could do repairs on both. I think that is certainly reasonable.

Mr. President, I hope this amendment will be adopted. I yield the floor.

Mr. KENNEDY. Mr. President, I do not mean to delay the Senate, but will the Senator yield?

Mr. CRANSTON. I yield briefly.

Mr. KENNEDY. Mr. President, the Senator from Oklahoma referred to a prevailing wage of $14 an hour, Tulsa, OK. The people who earn that rate have special skills. You are talking about the construction industry. But the interesting thing is that even on jobs that require payment of the prevailing wage, lower rates can be paid to apprentices enrolled in a bona fide apprenticeship program.

The Senater from Oklahoma does not even talk about an apprenticeship program for the public housing tenants who would be affected by his amendment. Start talking about putting these individuals in an apprenticeship program, and then we can start talking about doing some business, Senator. Talk about getting these people in apprenticeship programs where they are going to acquire real skills working on that particular project, so they get a sense of appreciation and desire to make that kind of project better, and we are talking about something meaningful.

But the idea that you can just take someone from a public housing project and put them to work without any kind of training, and assume that they will necessarily be acquiring meaningful skills, is just missing the point.

As I pointed out, you may have skilled individuals who are living in those housing projects; under the Nickles amendment their employer could say, "I'm going to pay you just $3 an hour. I know you have worked hard, I know you have a big family, but under the Nickles amendment you are not entitled to the prevailing wage because you are living in a housing project. If you want to get paid the prevailing wage you have to move."

Let us be serious. I hope we can work with the Senator from Oklahoma if he desires to pursue this worthwhile and desirable objective. But this is not the way to achieve that objective.

I thank the Chair.

Mr. CRANSTON. Mr. President, I move to table the pending amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California to lay on the table the amendment of the Senator from Oklahoma. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is necessarily absent.

The PRESIDING OFFICER (Mr. KERREY). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 61, nays 38, as follows:

[Rollcall Vote No. 120 Leg.]

YEAS—61

Adams	Ford	Mikulski
Akaka	Fowler	Mitchell
Baucus	Glenn	Moynihan
Bentsen	Gore	Nunn
Biden	Graham	Packwood
Bingaman	Harkin	Pell
Bradley	Hatfield	Pryor
Breaux	Heflin	Reid
Bryan	Heinz	Riegle
Bumpers	Hollings	Robb
Burdick	Inouye	Rockefeller
Byrd	Jeffords	Sanford
Conrad	Johnston	Sarbanes
Cranston	Kennedy	Sasser
D'Amato	Kerrey	Shelby
Daschle	Kerry	Simon
DeConcini	Lautenberg	Specter
Dixon	Leahy	Stevens
Dodd	Levin	Wirth
Durenberger	Lieberman	
Exon	Metzenbaum	

NAYS—38

Armstrong	Gorton	McConnell
Bond	Gramm	Murkowski
Boren	Grassley	Nickles
Boschwitz	Hatch	Pressler
Burns	Humphrey	Roth
Chafee	Kassebaum	Rudman
Coats	Kasten	Simpson
Cochran	Kohl	Symms
Cohen	Lott	Thurmond
Danforth	Lugar	Wallop
Dole	Mack	Warner
Domenici	McCain	Wilson
Garn	McClure	

NOT VOTING—1

Helms

So, the motion to table the amendment (No. 2045) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote.

Mr. RIEGLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2039 TO AMENDMENT NO. 2037

The PRESIDING OFFICER. The question now recurs on Amendment No. 2039 proposed by the Senator from Ohio to Amendment No. 2037 proposed by the Senator from Tennessee.

The Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, I have an amendment pending. I ask unanimous consent that Senator HATFIELD be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, it is my understanding that the Senator from New York wishes to make a motion to table.

Before doing that, let me just say to my colleagues very briefly what this amendment is all about. This is an amendment to make it possible for senior citizens and the poor to be able to go into a bank and cash a check given to them by their Government, instead of forcing them to go into a check-cashing place where they pay $15, $20, $25, or $30.

Under this amendment they would be required to cash the check, after the identification was provided, with a registry card that they have and the bank would be permitted to charge them whatever the bank's costs are plus 10 percent profit. There is no effort made to require the bank to do this without being able to make a profit, not a huge profit, but a modest profit of 10 percent.

There is not any reason under the sun why we ought to tell those who get a veterans check that they have to pay $25 or $30 to cash that check or they get a Social Security check and they have to pay that kind of money to cash the check. So all we are asking the banks to do is to accept that responsibility to cash the check.

The second portion of the bill provides that they would maintain low-cost checking accounts for up to 10 checks a month, no more than that, and, again, we would provide that the bank would have a right to charge whatever their actual costs are plus 10 percent.

I am aware of the fact many of the banks have opposed this. We have tried to negotiate with them over a long period of time. We have indicated a willingness to compromise, to be reasonable. This is not a new amendment to the Senate. We have passed this matter once through the Senate with much stronger language without the provision for the banks to be paid a profit and to be paid their costs. We passed it a second time along the same line. We have gone to hearings in the

Banking Committee, and this matter has been kicking around for about 4 years.

I am very proud of the fact that the chairman of the Banking Committee, speaking for himself, has come to the floor and indicated that the Senator from Ohio has been reasonable in the handling of this matter, that the proposal is a reasonable proposal, and that he, as the chairman of the committee, not speaking for the committee, supports the amendment. I am also very pleased about the fact that the manager of the bill, speaking for himself, has also indicated his support for the amendment.

It is fair to point out that there was considerable talk at one point about eliminating a whole host of amendments that were not directly housing connected. I said if there was an opportunity to do that, I would not stand in the way of passing the housing bill and I would be completely comfortable with recognizing that we could not move forward on this amendment under those circumstances.

It is now my understanding that the manager of the bill on the Republican side has indicated that he is prepared to offer a motion to table this amendment, and the Senator from Ohio feels that we probably should go forward.

All we are talking about, in the main, are Social Security checks, veterans benefit checks, welfare checks, railroad retirement checks, and the issue is whether or not we are going to require those people who receive those checks to have to pay a substantial fee in order to cash the check or whether they will be charged just a modest amount based upon the bank's cost plus a 10-percent profit factor for the bank.

The PRESIDING OFFICER (Mr. DODD). The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I wish to engage the author of this amendment in a colloquy and ask three or four questions.

Is the amendment an amendment in the second degree?

Mr. METZENBAUM. My amendment is an amendment in the second degree. The reason it is is that there is a pending Gore amendment, and I asked unanimous consent to set the Gore amendment aside in order that I might offer my amendment. There was an objection to that by the manager of the bill on the other side. I, therefore, wanted to get a vote, feeling once I got a vote, then we could come back and add it on at a later point regardless of whether or not the first-degree amendment was adopted. I offered it as a second-degree amendment not because it is particularly relevant to the first-degree amendment.

Mr. BUMPERS. Let me say to the Senator that I think, if his amendment were divisible, the issue of cashing Government checks has some merit. I do not find very much merit in the second part of the amendment.

I have taken the liberty of calling two or three bankers during the course of the day about this amendment. I might also say that was prompted by a few bankers calling me. But some of them already have essentially what the Senator is asking for in the second part of his amendment. All of them tell me that they cash Government checks, and I understand this is not just Federal checks on the U.S. Treasury; this would also include checks from the State of Arkansas, for example, and the State of Ohio, and so on.

Mr. METZENBAUM. Welfare checks.

Mr. BUMPERS. My question is this: So far as providing low-fee banking for people who make under $20,000 a year, how is the bank supposed to make the determination as to who qualifies for that service?

Mr. METZENBAUM. There is a registration process. And during the registration process when the individual is in the bank registering, he could make a representation whether he or she does or does not make less than $20,000.

Let me also respond to my colleague from Arkansas that the Senator from Ohio would not stand in the way of his making the effort to divide the amendment, if the Parliamentarian said that that was appropriate. I would be perfectly happy to have two separate votes, one on the low-cost check cashing, and the other on the small bank accounts.

Mr. BUMPERS. First of all, I am troubled about somebody coming in and simply saying yes, I qualify for this low-fee banking and I make less than $20,000 a year. What would keep just someone from walking in and saying I qualify for this checking account. We are talking about something like 10 checks a month for free.

Mr. METZENBAUM. The banks could charge a modest fee.

Mr. BUMPERS. It is less of a fee, though, than wealthy people like U.S. Senators pay.

Mr. METZENBAUM. Yes, it would be less than 10 checks. And it would be based upon the bank's cost plus 10 percent. They would be permitted to charge their cost plus 10 percent and that would be determined by them.

Mr. BUMPERS. What would they be permitted to charge for a Government check? I walk in there with a $500 Social Security check. I show them my drivers license or some other identification and I say I want you to cash this check. Is that a sufficient identification?

Mr. METZENBAUM. Let me read it to you.

> has a check cashing fee, if such a fee is assessed, which does not exceed the real and demonstrable cost of providing such services (including fraud losses) plus a modest profit not to exceed 10 percent of such costs.

Then it goes on to say:

> The depository institution shall base such fee on actual time studies and actual net processing cost studies performed either by the depository institution or the Federal Reserve Board.

Mr. BUMPERS. Who is going to audit the bank when they say "Yes, we have done time studies, and our cost for cashing a check of $500 is $5. We are entitled to a 10-percent fee on top of that, so it is $5.50. If you want to cash that check here, we will deduct $5.50"? Who is going to determine whether or not the bank actually did those time studies or not?

Mr. METZENBAUM. There is no procedure for doing that, but let us assume you go in, and let us say it is a $500 check, and let us say the cost is $60, a very high fee, higher than anything that is at all reasonable. All that the individual would have the right to do is to file a complaint with the appropriate Federal regulatory agencies. I quote:

> A Federal depository institutions regulatory agency that receives a complaint regarding a possible violation of this Act shall conduct an investigation of such complaint as such agency deems necessary and shall provide the results of such investigation in writing to the individual filing such complaint, the depository institution investigated, the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

But there is no penalty. In other words, if there is an overcharge, you have a right to file the complaint. The complaint section of the appropriate regulatory agency would advise the bank and the individual, yes, indeed, there was a substantial overcharge, and it is reasonable to assume the bank would no longer continue such charges. But there is still no penalty.

Mr. BUMPERS. You could file a complaint. Who would you file the complaint with?

Mr. METZENBAUM. With the appropriate regulatory agency.

Mr. BUMPERS. What would you do? Just say that they charged me $10 to cash my check and I believe that is excessive.

Mr. METZENBAUM. Yes; I do not know whether the agency would have some form to file, to use, but I would assume they would. I would assume this.

Let me point out two things. One is, the bank can set its own fee and then a complaint can be filed. The bank can follow another procedure, and that procedure is to go to the model that the Federal Reserve Board will establish. They will make a determination in each region of the country. It would be different in Arkansas than it would be in New York. They could say well,

the reasonable fee for cashing the $500 check in Arkansas is $2.89.

Now, if your bank then charges $2.89, then no complaint can be filed at all. They can charge their own fee as they determine it, or they can go use the fee as established, the model fee as suggested by the Federal Reserve Board. But they are not obligated to use that figure.

Mr. BUMPERS. Well, back to the banking. I want the Senator to tell me about requiring banks to provide a low-cost fee for accounts for people who make less than $20,000 a year.

Mr. METZENBAUM. We do not have the $20,000 figure in the bill.

Mr. BUMPERS. What qualifies somebody for that provision?

Mr. METZENBAUM. It is their representation to the bank when they register at the institution.

Mr. BUMPERS. When they register. You mean when they open an account?

Mr. METZENBAUM. Well, they go in and give some identification. They go in and say my name is Dale Bumpers, I live at so and so and I would like to open a low-cost banking account which I understand would permit me to cash up to 10 checks a month.

Mr. BUMPERS. Is the bank obligated then to accept that on its face?

Mr. METZENBAUM. No. If the bank believes—and I forget the language—but something like if the bank believes the individual with whom they are doing business has a fraudulent intent, the bank does have a right to refuse it. I think the language is here.

A depository institution is not required to offer a basic financial services account to an individual who has committed or attempted to commit fraud against a depository institution.

It goes on to say:

REJECTION FOR INTENTIONAL MATERIAL MISREPRESENTATION.—If the depository institution has reason to believe that an applicant has made an intentional material misrepresentation in his or her application for a basic financial services account, the depository institution may reject such application.

Mr. BUMPERS. Just based on the belief that the application is fraudulent?

Mr. METZENBAUM. Based on the belief that they made an intentional material misrepresentation. It does not have to prove fraud. Fraud, as you well know as a lawyer, takes more.

Mr. BUMPERS. Has the Senator had the GAO or anybody else do studies on what the cost of all this would be to the banks to do time studies, and also, what it could cost them to determine whether someone qualifies for this low-cost banking fee? Has the Senator done any studies as to what the cost would be to the banks to implement that?

Mr. METZENBAUM. No, I do not have any such studies. But I think it is only fair to say that what it might cost to do this work in Galion, OH, a smaller community, would be greatly different than what it would cost in Cleveland, OH. And my guess is in Little Rock, it would cost less than in some very tiny bank located one of the smaller communities of Arkansas.

But, what we are saying is this: Rather than saying it would be inappropriate to—and it would be inappropriate to say, well, it would be $4 for everybody. That might be too high for some and might even be too low for others, because they certainly pay higher salaries in New York City than they do in Galion, OH, or in some of the smaller communities of Arkansas. So what we have said to the bank is, you make the determination as to what your costs are. You add on to that 10 percent. And we are satisfied with that; no complaints at all. And if you do not want to go to the bother of making that determination, ask the Federal Reserve Board what they find to be a reasonable figure and use that figure and that is the end of it.

Mr. BUMPERS. Well, is the Senator going to allow the Federal Reserve Bank to decide, with a great deal of definition and precision, what low-cost banking is? In other words, is each bank going to be allowed to decide what kind of low-cost banking they will do to comply with this bill?

Let me give an illustration.

What if they say to the depositor: We are not going to allow you to bank here for nothing but we will allow you 10 free checks a month if you maintain a balance of $500 during the month. Would that qualify?

Mr. METZENBAUM. No. It would not.

Mr. BUMPERS. It would not?

Mr. METZENBAUM. I would like to direct my colleague's attention to page 16 of the bill, if he happens to have it handy, which provides the "terms and conditions of accounts."

A basic financial services account offered by a depository institution meets the requirement of this section if such account (1) does not require any other account relationship with such depository institution;

(2) does not require the individual to meet any prerequisite which would discriminate against low-income individuals, in order to use such account; (3) does not have a minimum opening balance requirement of more than $25, a minimum balance requirement of more than $1, or an average monthly balance of more than $1,500; (4) has fees and service charges that do not exceed the real and demonstrable costs of providing the account and accompanying services, plus a modest profit not to exceed 10 percent of such costs. The depository institution shall base such fees and service charges upon actual time studies and actual net processing cost studies performed either by the depository institution or the Federal Reserve Board.

Then it goes on to say if you use the Federal Reserve Board figures, that is the end of it.

There are additional provisions. It goes on to 5, 6, and 7.

Mr. BUMPERS. On page 17, starting at the top, one of the conditions is:

The Board shall perform actual time and net processing cost studies in each of its regions, with, at minimum, one cost study per one major population area and one in a rural area in each region. The Board will provide the results of such studies to serve as models to institutions in that region, and any institution using such model will be exempt from the complaints section.

I take it from that, if a bank does not decide to go with the Board's finding as to what a model charge and account would be, then the bank will be subject to a complaint? It could be subject to a complaint by anybody who qualifies for one of these low-cost checking accounts?

Mr. METZENBAUM. They would be subject to a complaint. But let us be very realistic. The complaint does not provide any penalties. It does not provide—if you file a complaint——

Mr. BUMPERS. I understand that. But what I am really driving at here is the kinds of costs the banks are going to have to incur if they have 2,000 or 3,000 complaints lodged against them by these people. My colleague is not talking about beanbags here to defend yourself against those kind of complaints.

Mr. METZENBAUM. Let me make an observation to my colleague from Arkansas. First, unless the bank makes really exorbitant charges, I could not conceive of their being 2,000 or 3,000 complaints filed. The bank has the very simple solution of using the fee set by the Federal Reserve Board, which would preclude any complaint at all. I would have to believe that what would happen in practice is that the Federal Reserve Board would come in with a figure. Let us pick a figure of $2.75. Let us assume that the bank does its studies and it comes out with a figure of $3.25.

I was a banker one time in my life. My guess is what I would do at that point is say, let us use the $2.75 and not worry about it. You cannot be quite that accurate.

I suppose, if you had a variance of $2.75 up to $5.45, that is a different story. But the worst that happens is a complaint might be filed, and if a complaint were filed, I want to reiterate, there are no penalties in connection with the filing of the complaint nor the Federal Reserve Board ruling in your favor. They just would tell the bank it is overcharging.

Mr. BUMPERS. Senator, you say you used to be a banker. I used to be a trial lawyer. When you say you cannot conceive of people filing complaints on this, I can conceive of everybody filing a complaint if, for example, they charge 10 cents more for a check than the Federal Reserve Board had recommended for their particular area.

Mr. METZENBAUM. Why would they do that? Why would anybody want to file a complaint? I was also a trial lawyer and also had the idea of class actions and all that. What would be the percentage, talking about nickels and dimes at the very best?

Mr. BUMPERS. Why would you have a complaint procedure in here if nobody is going to file one?

Mr. METZENBAUM. Let us assume the bank charges $8, and the local check cashing outfit, the commercial operation is charging $7.50. Then you have to come to the conclusion that that seems to be a pretty high fee to be charging for a $200 check.

We can understand the private operator doing it but why is the local bank doing it? So you might very well want to file a complaint with the Federal Reserve Board and say would you check into this for me.

Mr. BUMPERS. Just for the sake of making my point, if the Senator will just concede to me, as a devil's advocate, that a bank might be subjected, under the Senator's proposal, to thousands of complaints if they choose not to accept the Federal Reserve Board's recommendation on this, to say nothing of all the work they are going to have to do to determine whether all the people who apply for this right are filing legitimate or fraudulent applications, the Senator is talking about a very significant financial burden. I come from a State with very few big banks. I would say that 90 percent of the banks in my State are considered to be country banks. They are not flush. They do not make the money they used to make.

I know one of the things that troubles me about this, the AARP, I think, strongly favors this amendment.

Mr. METZENBAUM. Very strongly.

Mr. BUMPERS. And, as I say, I think maybe the part dealing with check cashing has some legitimacy. Is this a bill the Senator has introduced here in the Senate?

Mr. METZENBAUM. Yes.

Mr. BUMPERS. It is based on a bill referred to the Banking Committee?

Mr. METZENBAUM. There is no bill. Let me explain.

We have had much stronger language without these provisions about profits and without all the special considerations that are in this bill go through the Senate twice, I think, in the past. We have also taken down the amendment and agreed to hearings on two or three separate occasions.

The chairman of the Banking Committee appeared on this floor this morning and said that the Senator from Ohio has been reasonable, patient, and worked on this for a long period of time. What we have before us now is not my original amendment. What happened was, as we offered my amendment and indicated we were going to offer it, the Senator from Illinois, who is the chairman of the Consumer and Regulatory Affairs portion of the Banking Committee, had conducted hearings and was very fair and attempted to work out a compromise.

He would tell the Senator if he were here on the floor, in spite of his efforts to work out a compromise, he found the banks were adamant in their opposition to having any legislation. But, while he was in the process of doing that he was kind enough to share some of the information that was being talked about with us. It was not a secret. I will not stand here and tell my colleague that all of that that he had in his amendment is in this amendment of mine. But I will tell my colleague that a very substantial portion of it is in it.

That is not to indicate that the Senator from Illinois supports it, although the Senator, the chairman of the committee, does support the amendment, and the manager of the bill supports the amendment. I have tried as hard as I have ever tried on any bill to work out a compromise with the bankers. From day one, I said to the bankers, "Come into my office and let us work it out. I do not want you to get hurt."

I think what we have here is reasonable. The chairman of the Banking Committee said he thought it was reasonable. So did the manager of the bill. So, it is reasonable. We may win or we may lose. But we will not lose because there is not merit and support and substance.

Mr. BUMPERS. Senator, I must say that is like beauty being in the eye of the beholder.

I find this proposal, No. 1, to be a very long, 22-page amendment to this bill. I must confess to the Senator that I was troubled by it. I am not locked in either way. I am not likely to vote with the Senator from Ohio on this, I must tell the Senator now. One of the reasons is because this is a very complicated amendment. I daresay there are very few people in the Senate who know what the fine print in this amendment is. I think that we probably elucidated more of that in the last 30 minutes than has been brought out here before.

(Mr. LIEBERMAN assumed the chair.)

Mr. METZENBAUM. I say to my colleague that the reason it is so long is not because the Senator from Ohio wanted to make it tougher. The reason it is so long is because we attempted to moderate the provisions along the lines we thought would be more acceptable to the banking industry.

The Senator has my word that that is exactly the reason. I do not like long amendments or long bills. I think they ought to be simple to read, and I think this is quite easily understood.

But the reason why we have so much verbiage is because we did, in fact, purloin, steal, take from whatever the Senator from Illinois had in his amendment—and I will not say to the Senator it is his amendment because he did not offer it. But we thought that some of the ideas that he was kicking around had a lot of merit in it.

He will tell you that he is still opposed to the amendment and I respect him for that. But the fact is I could live with an amendment that would be one page long. But we tried in all of these provisions to be more reasonable so that the banking industry might possibly accept it. We know that they will not.

We do not want to hurt the small banks nor the large banks. We do want to hurt one group of people in this country, I will be very candid with the Senator. We want to hurt those fine, beautiful looking buildings that I see in all parts of the country wherever I go that have great big signs saying "Check Cashing" because we know who paid for those beautiful new buildings. They used to be little dumpy ones. Now they are beautiful buildings. The people who are paying for them are poor people. They are not rich people. They are senior citizens. They are people who cannot afford to pay the fees they are being charged. That is all we are trying to do.

We do not have anything more on our agenda than that. That is the reason the AARP is sending around this blackboard to every Senator saying "Have the banks forgotten their ABC's?—accessibility, basic banking, and cashing of Government checks."

Mr. BUMPERS. The people who do check cashing, what percentage of the checks are personal and what percentage are Government?

Mr. METZENBAUM. I do not know, but I would be willing to bet that an overwhelming majority of the checks they are chasing are either Government checks or payroll checks.

Mr. BUMPERS. The answer is that you actually do not know.

Mr. METZEBAUM. I actually do not know. But I say a great many of them are payroll checks. This bill does not require the banks to cash payroll checks. That is not in this. These are only Government checks to which this amendment addresses. I doubt many of those places cash individual checks unless they have a long record with the individual.

Mr. BUMPERS. I would venture a guess that almost every bank in my State will cash somebody's Social Security check upon proper identification.

Mr. METZENBAUM. I am sorry, I did not hear?

Mr. BUMPERS. I would guess—I may get nailed on this—the large majority of banks in my State would cash

somebody's Social Security check upon proper identification.

Mr. METZENABUM. That may be so in Arkansas. I do not believe that is the fact across the country.

Mr. BUMPERS. Does the Senator know what percentage of banks in the country have a policy of not cashing a Government check?

Mr. METZENBAUM. According to AARP, they say in a national survey conducted by the Consumer Federation of America, only 25 percent of all banks offer basic banking or lifeline accounts. Some banks refuse to cash Government checks for nonaccount holders. Other will cash checks for their own account holders, only if they have the funds on deposit to cover the check.

Mr. BUMPERS. The sum might be 20 or might be 20,000. That is not a very definitive figure. I am just curious because I do not believe there are many banks in this country that will refuse to cash for a fee a Social Security check that has U.S. Treasury on the top of it.

Mr. METZENBAUM. I say to my colleague, I have a lot of respect for him, but I say to him that I think I am quite accurate in saying that an overwhelming majority of banks in this country do not cash Social Security checks if you just walk in and ask to cash it. I think what they expect you to do is deposit it, open an account, let it sit until it clears, and then let you draw against it.

I am quite certain that you cannot just walk in and cash a Social Security check at the overwhelming majority of the banks in this country. I know in the big cities, I am certain, that is the case.

Mr. BUMPERS. But that is just a guess on the Senator's part.

Mr. FORD. Will the two Senators allow me to join this colloquy——

Mr. BUMPERS. I will be happy to and will be glad to yield to the Senator from Kentucky.

Mr. FORD. Without the Senator losing his right to the floor.

The argument, as I understand it, there is part 1 and part 2 to this bill. Part 1 does not seem to bother too many people. But most of the Senator's questions have been directed at part 2. I think part 1 has merit, and part 2 begins to give me heartburn.

Is there any way we might divide this and get the one part out and vote on the other part? Or does the Senator want both parts?

Mr. BUMPERS. Let me say at this point, as I have gone further in this colloquy with the Senator from Ohio and as I looked over this 22-page amendment, I am not sure I am prepared to vote even on the first part of it now without knowing more about it.

The thrust of what he is trying to do in the first part, that is, require banks to cash Government checks upon proper identification, I think has merit. There, again, if you ask the banker how he feels about that, his immediate response is like any good lawyer: What is proper identification?

If some guy comes in there and he looks like he has been homeless and has a scruffy beard and obviously has not had a bath in 2 weeks, a banker would probably be a little reluctant to take his identification.

On the other hand, if it is somebody who is 70 years old, obviously on Social Security, who presents a driver's license and maybe a credit card or two, a banker probably would not be hesitant about cashing the check.

But there is an awful lot of paperwork involved. There would be a tremendous burden on the banks.

I respect the Senator from Ohio and he is tying to help a group of people in this country that needs help. I share his concern about that. But I am concerned about a banking amendment of this complexity being offered on a housing bill.

I daresay there are not 10 people in this body who have read this amendment and tried to ferret out how complicated it can be and how expensive it can be.

Has there been a vote on this in the Banking Committee?

Mr. MATZENBAUM. The answer is we have not had a vote.

I want to give an answer to the Senator's earlier question. In 1988, the Consumer Federation of America survey found that of 191 financial institutions located primarily near urban areas, some 29 percent cashed Government checks for nondepositors.

In an earlier study by the Association of Community Organizations for Reform Now, 12 percent of 344 financial institutions cashed Government checks for nondepositors. That survey was made in 1986.

Mr. FORD. Let me get back with my distinguished friend here.

Eighty percent of banks in my State do that and charge $1 or $2. That is all they charge. They are doing it now. No one is forcing them by law to do it. They recognize the need and are very free and open about doing it. They do have concerns about identification.

When you begin to mandate things and you get into Government operation and the paperwork that is involved and you begin to go into that arena, we have heard: "Get them off our back and out of our pocket." That is putting them back on our back and back in our pocket again.

I am very concerned that we are going to damage some of the banks that are freely cashing checks now for $1 or $2. That is 80 percent of the banks in my State.

I called, as you have, because I have not had a chance to look at the 22 pages; I have not had a chance to read this and to digest it and get a report back from my State. I understood the distinguished Senator from Arkansas to say he called several bankers to try to find out from them how this would affect them. So we are here now going on and on and on with a nongermane amendment that none of us have read.

The idea is good, particularly the first part of it. On the second part of it, since the Senator from Arkansas has now gotten into all 22 pages, he has reluctance about the whole amendment. I am beginning to have the same concerns.

I would be perfectly willing to divide it and go for the first part and then look at the second part later on on some other bill. Otherwise, I think there is going to be a great deal of talk before this amendment is disposed of.

Mr. METZENBAUM. If the Senator from Arkansas has the floor, will he be good enough to yield to me for the purpose of dividing the amendment?

Mr. BUMPERS. That is fine.

Mr. METZENBAUM. I ask the amendment be divided.

The PRESIDING OFFICER. Does the Senator from Arkansas yield the floor?

Mr. BUMPERS. Parliamentary inquiry. Can the Parliamentarian tell me how it will be divided?

I am looking at an amendment here that has a title, "Check Cashing." Just a moment.

Mr. METZENBAUM. There are two different titles, if I may suggest.

Mr. BUMPERS. On page 13 there is a title, "Banking Services." Are those the two titles?

Mr. METZENBAUM. Yes.

Mr. BUMPERS. I find, Mr. President, that title I is 12 pages long, dealing with cashing checks. I have not read that. Let me ask a parliamentary inquiry on this. Is unanimous consent required to divide the issue?

Mr. METZENBAUM. No.

The PRESIDING OFFICER. The answer is that unanimous consent is not required to seek division, but the Senator who is asking for the division must have the floor to do so.

Mr. METZENBAUM. I thought the Senator from Arkansas had yielded to me for that purpose.

Mr. BUMPERS. I did, Mr. President. I did yield to the Senator for that purpose.

Mr. METZENBAUM. So I ask the Chair to divide.

The PRESIDING OFFICER. Is there objection to yielding of the floor by the Senator from Arkansas?

Mr. BUMPERS. Is it subject to objection, Mr. President?

The PRESIDING OFFICER. It does take consent to yield the floor for the purpose of dividing the amendment.

Mr. FORD. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, it was my suggestion that we divide it. The distinguished Senator from Arkansas is trying to develop some knowledge for all of us on this amendment, which is really a bill. If he is not comfortable with yielding the floor to the Senator for that purpose, which he has already done, I will be more than pleased to object and give the Senator an opportunity then to continue the colloquy with the Senator from Ohio.

Mr. METZENBAUM. Let me just make a parliamentary inquiry. Is it not the fact the Senator from Arkansas did yield the floor to me, that I then made the request? I think that is all I need to do, to make the request that it be divided and that the Chair then would just rule on that. It is my understanding it is an absolute right that the Senator from Ohio has.

The PRESIDING OFFICER. The Senator's question is in order. Senators have the right to yield the floor for the purpose of asking a question. Yielding the floor for any other purpose requires consent.

Mr. FORD. If the Senator from Arkansas wishes for me to object, I will.

Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. BUMPERS. Mr. President, let me say, just before I yield to the distinguished Republican leader, it is with considerable reluctance on my part that this objection has been made. This is a very serious matter. I think it ought to be considered further by the committee and, as I say, divided. If we can come up with anything even close to acceptable, particularly to bankers in my State, on this cashing of Social Security checks, I will be more than happy to do that. I know that is a problem for the elderly. It is a problem for working people, too. I will be happy to support the Senator from Ohio on this.

Mr. METZENBAUM. Will the Senator from Arkansas yield for a question?

Mr. BUMPERS. For what purpose? For a question?

Mr. METZENBAUM. A question.

Mr. BUMPERS. Yes.

Mr. METZENBAUM. If the Senator from Arkansas had been here for the last 5 hours, I think he would have understood that this is not a new issue. I have gone to the committee, as this man will tell you. I have gone to them time and time again; when Senator Proxmire was chairman of the Banking Committee, I offered the amendment. They asked me not to go forward with it, to go to a hearing in committee. I have gone to the hearings in the committee. I have been as patient as I have ever been on any subject in my life.

I am preparing to go to a vote. If I get knocked down, fine; that is the name of the game around here. You win or lose based on whether you get a majority of the votes. But to now have the Senator say that he would like to see it go to a hearing to me is just incredible. I cannot understand how he can ask that question, or maybe he does not understand we have been to hearings.

I have pulled down the amendment not once but I think three times. Twice this amendment has passed on the floor of the Senate and been in the bill. Once it went to conference and was knocked out in conference. Once it was put in a bill and the bill itself never went anywhere. But it had nothing to do with this amendment.

Mr. DIXON. Mr. President, I ask my colleague to yield so I could possibly shed a little light on the hearings aspect of this.

Mr. BUMPERS. I yield for that purpose.

Mr. DIXON. Mr. President, for the purpose of trying to clarify everything that has transpired here, let me simply explain this. The Senator from Ohio, toward the very end of the debate on FIRREA, offered amendments on the same subjects as he has now. This amendment is substantially different but the idea is the same.

At that time, in those discussions, the distinguished chairman of the Banking Committee, Senator RIEGLE, asked me as chairman of the Consumer and Regulatory Affairs Subcommittee to hold hearings, which I agreed to do.

As a consequence of that understanding, I held a series of hearings—more than one. I do not know how many. Senator METZENBAUM was there. He testified extensively. Consumer groups, a good number of them testified. Banking groups, large and small, testified.

Therefore, we tried to take the bill of the Senator from Ohio and modify it in such a way it would be acceptable at least for the members of the subcommittee to recommend to the whole committee for a markup. The Chair may be surprised to know that we used the basic idea of the consumer law adopted in Connecticut, and on the basis of that law we crafted and distributed in the subcommittee, for all Members, Democrats and Republicans, to look at. What we fundamentally attempted was to recognize this problem, to see that banks were adequately compensated, to protect them against fraud and a variety of other things, and to recognize that they were not eleemosynary institutions but profit houses and that there might be some meat out there.

To make a long story short, we were not successful in crafting a bill we could get sufficient consensus upon even in the subcommittee to take it back to the whole committee for a markup. I so reported to the Chair. I so reported to my friend from Ohio. I said we cannot do this now because we cannot get a consensus to bring anything out of committee with a substantial amount of support, so how could we do well on the floor? That is the sum and substance of it.

The amendment of the Senator from Ohio is—I do not want to say substantially different—appreciably different from what we had suggested. But it is, in my humble view, some improvement over what he had originally suggested, at least from the perception of the banking industry in this country.

Now, let me simply say this, in conclusion. I am not going to vote for the amendment of the Senator at this time because I do not believe it belongs on this housing bill. But I say to my colleagues in the Senate that we are ultimately going to go to a powers bill in the Banking Committee. I feel confident about that—we have had a lot of hearings this year. There is a great stir in the banking community in this country saying we are not internationally competitive; we need to do something.

I do not know and I do not promise, but I suspect that when we go to a banking powers bill—similar to the Proxmire Modrnization Act we passed 94 to 2 or something like that in the Senate—sometime next year, this whole question will arise again and it may very well, with modification, become incorporated into such a powers bill. When you are given some powers you can suggest some adjustment in the industry.

But I do not promise it. The only thing I say in conclusion, in fairness to the Senator from Ohio, is this. There have been a lot of hearings on this bill. This bill has been before us a lot. It is not new. There have been a lot of hearings.

I would not want to suggest to my colleagues, "Do not do this because there have not been hearings." We have had plenty of hearings, and everybody has vented their spleen. It is up to the Senate now to decide. I will vote no, but in large measure because it is on the wrong bill.

I do not say I am absolutely opposed to ever doing anything in this area. I do not say that. I do not think the committee bill is so bad, and my friend from Connecticut has in fact suggested to me some in the banking industry think it is satisfactory.

So I am not here to say there is no solution. I am here to say in deference to my friend from Ohio that he seeks an answer here to a problem that is pretty complex. We have not yet found the solution. Maybe there is one.

I am not prepared to support the Senator today, but in fairness, I want to say he has been on this subject a pretty long time.

Mr. DOLE. Mr. President, will the Senator from Arkansas yield without losing his right to the floor?

Mr. BUMPERS. I yield for that purpose.

Mr. DOLE. Mr. President, I, as probably a lot of other Senators, have had a lot of calls today from a lot of people in our States, primarily bankers. But I am particularly interested in what happens in the small communities.

I had a conversation with a banker in my hometown of Russell, KS. That is not an urban area; we are working on it, but it is not happening very fast. But they tell me that they already cash Government checks for nondepositors, provide special no-interest checking accounts for small depositors and special noncharge services for senior citizens. Maybe that is an exception.

I think probably in some of the urban areas the Senator from Ohio is probably precisely right. But they object to the additional bookkeeping.

It reminds me of the debate we had on withholding on interest and dividend income. The big banks did not seem to have much of a problem, but the small banks kept telling us—and they were very effective in doing it, because we repealed that after we passed it—that it was recordkeeping requiring staff time, maybe additional staff. And in a small bank like the banks in my hometown, that makes a difference, particularly when they are already providing the services without any cost to the senior citizens.

So I am not familiar with the amendment, obviously not as familiar as the Senator from Ohio. But it may be that it might be something that we want to set aside for awhile to see if we cannot have some resolution of it.

Mr. President, I thank my colleague from Arkansas.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I have been listening to the Senator from Ohio. He still would like to have the amendment, and has suggested we might set it aside say until 6 p.m., at which time he would ask for a division, which would be his right when he gains the floor.

But are we going to try to finish this bill, tonight, I ask the distinguished floor manager?

Mr. D'AMATO. I believe that it is the hope, to at least finish. And from what the leader has indicated, we are going to be here all day tomorrow, well into the evening. So it is his intention to attempt to finish this bill.

We are ready to take amendments. But I do not think in good conscience I can say we are gong to finish this evening.

Mr. BUMPERS. I wonder if the Senator from Ohio would be willing to—instead of setting it aside until 6 o'clock, and since we are going to be on the bill all day tomorrow—set it aside to a time certain tomorrow?

Mr. METZENBAUM. Certainly.

Mr. BUMPERS. Until 11 a.m., or whatever time would be suitable?

Mr. METZENBAUM. The Senator from Kansas, the Republican leader, indicated he had some concerns about recordkeeping. The Senator from Arkansas has indicated he has some concerns about those who are already providing the services, and why they have to be required to have an additional obligation.

Under those circumstances, I am agreeable to setting it aside. Would 11 a.m. be agreeable to the managers?

Mr. CRANSTON. We are having the veto override tomorrow on the Hatch Act. At 11:45, when that is over, we will be back on this bill.

Mr. BUMPERS. How about this being the first order of business following the first rollcall vote after 11:30?

Mr. D'AMATO. Mr. President, I indicated earlier I wanted to attempt to get a record vote up or down. I thought that would be fair to the Senate. There has been some objection that has been raised with respect to that.

I have indicated, and I have withheld my motion to table for a period of time, it is my intention to make the motion to table so we can continue on the bill. I had hoped that we could dispose of this.

I want to say that it is no fault of the Senator from Ohio. He has asked for a vote expeditiously. I do not want anybody to indicate that he has held this bill up. But I do believe that we have a number of amendments, and when the debate is completed—and I think we have heard a thorough debate as to how we have come to this point at this time—I will be making that motion.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas has the floor.

Mr. BUMPERS. Mr. President, let me plead with the distinguished floor manager, my good friend from New York, not to make that motion, and to give us an opportunity. I am only suggesting that we sit down, some of us who are concerned about this, and work on part I. I have no intention of voting for title II of this bill.

I can say it is much too complex, too burdensome, and too expensive. Everybody agrees that the first part has some merit. I still have concerns about it. But I do not want to vote on it right now.

I think I understand where the Senator from New York is coming from. He probably wants the bill made more acceptable. I understand that. But I think there is enough merit in it that the Senator ought to allow us to set this aside to see if we can work something out and vote on it tomorrow.

Mr. D'AMATO. Might I suggest in response to the inquiry of my good friend from Arkansas, this Senator would certainly not be opposed to an amendment, as he has suggested, being put up at any time. As a matter of fact, we encourage our colleagues who have indicated they have amendments to come forth with them.

So I do not see what we would gain. I think we see what the votes are, and get an idea. I believe that the votes are going to be pretty strongly opposed to going forward with this amendment.

I think we have some business to do, and I would like to get voting on this, without tying us to a time certain, given the fact that we have the Hatch Act coming up tomorrow, given the time we are not going to be able to return to the bill. I would hate to find ourselves back here with a procedural logjam, with us having to move.

By the way, I think I have a statement from the White House as it relates to Senator GORE's underlying amendment that will dispose of that. I would like to get to that to dispose of that amendment.

Mr. BUMPERS. Mr. President, I yield the floor.

Mr. METZENBAUM. Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. D'AMATO. Mr. President, what is the status of the pending business?

Amendment No. 2039 was withdrawn.

The PRESIDING OFFICER. The pending amendment is the amendment introduced by the Senator from Tennessee.

AMENDMENT NO. 2037

Mr. D'AMATO. Mr. President, at this point in time, I am pleased to announce that negotiations have brought us to a point where the administration informed me that they will accept Senator GORE's amendment. But I have to take the opportunity to say that we will be taking a closer look at the provision about the White House Conference on Homeless in conference.

We believe that Senator GORE understands that there are certain requirements that we will be looking to accomplish, certain language changes. That is the intention of this Senator and, therefore, with the agreement and cooperation of the manager, I will say that at this point we have no objection, and I am prepared to accept the Gore amendment as it is, again, with the understanding that in conference we think that there is some work that has to be done—we hope that we can achieve it—with the purpose and the objective of moving the bill.

Mr. CRANSTON. Mr. President, I say that that is fine, and I am delighted that that is worked out. I hope that the accommodation and compromise and negotiation of that matter are symptomatic of the other matters that we are negotiating.

Mr. D'AMATO. If there is no objection, I urge adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee.

The amendment (No. 2037) was agreed to.

Mr. CRANSTON. I have to reconsider the vote.

Mr. D'AMATO. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The pending question now is the amendment introduced by the Senator from New York [Mr. D'AMATO].

Mr. D'AMATO. I ask unanimous consent to lay the amendment aside for consideration of a package of amendments which the distinguished Senator from California has to offer.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2047

Mr. CRANSTON. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California [Mr. CRANSTON] proposes an amendment numbered 2047.

Mr. CRANSTON. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Page 483, strike line 6 through line 15 and insert the following:

"(b) AUTHORIZATION TO PROVIDE ASSISTANCE.—The Secretary is authorized to provide assistance in the form of grants to adapt eligible housing for the elderly so that such housing better accommodates the physical requirements and service needs of eligible residents. The Secretary may determine the amount of individual grants that can be used for meals and supportive services. Assistance under this section shall be made available only to owners that demonstrate, to the satisfaction of the Secretary, that the assistance is necessary for the provision of qualifying supportive services that will receive long-term support from sources other than this Act.".

Page 490, strike line 8 through line 25 and insert the following:

"(1) ESTABLISHMENT OF PROFESSIONAL ASSESSMENT COMMITTEE.—(A) Each owner shall establish a professional assessment committee composed of at least three persons, each of who, is a qualified medical professional or other health or social services professional competent to appraise the functional abilities of frail elderly persons in relation to the performance of daily living.".

Page 491, normal activities line 19, insert the following new sentence: The Secretary may set a ceiling for the total fees paid by residents.".

Page 492, after line 2, insert the following new subsection:

"(g) MEAL SERVICES.—Supportive services assisted under this section may include meal service. Meal service shall adequately meet at least one-third of the daily nutritional needs of eligible project residents as follows:

"(1) FOOD STAMPS AND AGRICULTURAL COMMODITIES.—In the event meal services were provided as part of a service program under this section.

"Such program—

"(A) shall—

"(i) apply for approval as a retail food store under section 9 of the Food Stamp Act of 1977 (42 U.S.C. 2018); and

"(ii) if approved under such section, accept coupons (as defined in section 3(e) of such Act) as payment from individuals to whom such meal services are provided; and

"(B) shall request, and use to provide such meal services, agricultural commodities made available without charge by the Secretary of Agriculture.

"(2) PREFERENCE FOR NUTRITIONAL PROVIDERS.—In contracting for or otherwise providing for meal services under this paragraph, each supportive services program shall give preference to any provider of meal services who—

"(A) receives assistance under title III of the Older Americans Act of 1965; or

"(B) has experienced, according to standards as the Secretary shall require, in providing meal services in a housing project under the Congregate Housing Services Act of 1978 or any other program for supportive services.

"(h) MINIMUM REQUIREMENTS FOR MEALS AND SUPPORTIVE SERVICES.—Meals and supportive services provided under this section must meet such requirements for quality and individuals' rights as are published or developed by the Secretary. The Secretary shall consult with the Secretary of the Department of Health and Human Services in developing such requirements. Such requirements shall include a process for receiving and responding to resident's appeals.".

Page 492, strike line 3 and insert the following:

"(i) REPORTS.—".

Page 492, strike line 9 through line 15 and insert the following:

"(2) ANNUAL REPORT TO THE CONGRESS.—The Secretary shall submit to Congress, not less than annually for each fiscal year for which assistance is provided for supportive sevices under this section, a report containing the following information:

"(A) A statement of the number of eligible residents served under such programs and the types of services provided to such resident.

"(B) A statement of the percentage of the total number of residents in each project receiving assistance under this section that received supportive services.

"(C) A statement of the number of deinstitutionalized individuals served under programs.

"(D) A statement of any new resources for providing services that have been developed on the State or local level.

"(E) The cost to States and projects of providing services.

"(F) A description of how effective the services are at meeting the needs of project residents, local governments and housing sponsors, and State governments.

"(G) A statement of the total amount of fees for supportive services collected from residents in eligible projects assisted under this section.

"(H) A description of the reasons for termination of services provided to eligible project residents.

"(I) A statement of the number of persons who previously received supportive services under a supportive services program assisted under this section who have since been institutionalized.

"(J) A description of the manner in which supportive services were provided in eligible housing projects located in the poorest areas (with respect to median area income) and that were the most isolated (with respect to access to services) in each State.

"(K) Any other information that the Secretary concerned considers helpful to the Congress in evaluation of the effectiveness of this section.

"(j) STUDY COMPARING THE TWO APPROACHES TO SERVICES TO THE ELDERLY UNDER THIS TITLE.—The Secretary shall provide a study comparing the two approaches to services to the elderly under this title. Such a study should acquire data both before and after the intervention of services and follow the effectiveness of congregate versus scattered site services provision over a period of at least 2 years. Included in the study should be at least—

"(1) the relative costs of the two services approaches;

"(2) the quality of the services and their effectiveness in promoting independence;

"(3) the satisfaction of participants in the program; and

"(4) the relative success in meeting other objectives, such as preservation or marketing troubled projects."

Page 492, strike line 16 and insert the following:

"(k) RESERVE FUND.—The Secretary may reserve not".

Page 492, strike line 22 and insert the following:

"(l) MISCELLANEOUS PROVISIONS.—".

Page 493, strike line 25 and insert the following:

"(m) DEFINITIONS.—For the purpose of this section—".

Page 496, line 17, strike the term "and".

Page 496, line 17, insert before the semicolon the following: "and (F) personal emergency response systems."

At the appropriate place, insert the following new section:

SEC. . HOUSING ASSISTANCE TO PREVENT UNNECESSARY FOSTER CARE PLACEMENT.

(a) UNITED STATES HOUSING ACTS.—

(1) OF 1937.—Section 3(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)) is amended by adding at the end thereof the following new sentence: "The temporary absence of a child from the home due to placement in foster care shall not be considered in considering family composition and family size.".

(2) OF 1949.—Section 501(b)(3) of the Housing Act of 1949 (42 U.S.C. 1471(a)(3)) is amended by adding at the end thereof the following new sentence: "The temporary absence of a child from the home due to placement in foster care shall not be considered in considering family composition and family size.".

Mr. CRANSTON. The amendment I offer at this stage contains several provisions suggested to me and to Senator D'AMATO by two colleagues, Sena-

tors PRYOR and KOHL. As managers of the bill, we have considered each of these provisions and believe they will enhance the bill that is now before us. We are now offering them as one package amendment. I will briefly describe the provision included in the committee amendment.

The amendment submitted by Senator PRYOR would make several modest improvements to the Project Retrofit program contained under section 602 of the bill.

The amendment submitted by Senator KOHL would assure that families whose children are placed in foster care would not be penalized under the general rules governing tenant selection in HUD and Farmers Home housing.

Mr. President, I believe these are all sound amendments that will enhance the bill. I hope they will be accepted promptly by my colleagues without objection.

Mr. D'AMATO. Mr. President, I am pleased to approve the amendments. I think they make good sense, and we are pleased to accept them on this side.

Mr. KOHL. Mr. President, I would like to thank the distinguished Housing Subcommittee chairman and ranking minority member, Senators CRANSTON and D'AMATO, for accepting this amendment in the leadership package.

My amendment is simple and straightforward. It would remove a technical barrier to the reunification of families with children in foster care. At present, when a child is place temporarily in foster care, local housing authorities may discount that child when determining family size and composition. Such a determination can modify or terminate a family's eligibility for housing assistance. In turn, this may adversely affect a family's ability to qualify for reunification. To correct this, my amendment asserts that the temporary absence of a child from the home due to placement in foster care shall not be considered in determining family size and composition.

Mr. President, we know that homelessness and inadequate housing may be significant factors in the initial placement of children in foster care. This amendment does not address such serious root causes. It does, however, remove a technical barrier preventing the discharge of some children from foster care back to their families. By removing this bureaucratic roadblock, my amendment takes a small but important first step toward promoting family reunification.

The PRESIDING OFFICER. Is there further debate? The question is on agreeing to the amendment of the Senator from California.

The amendment (No. 2047) was agreed to.

Mr. CRANSTON. I move to reconsider the vote.

Mr. D'AMATO. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CRANSTON. Mr. President, two Senators have indicated that they would be ready with amendments and are not on the floor at the moment. I urge Senator HATFIELD and Senator BRYAN to come, if they can, so we can proceed on their amendments, which we are ready to consider.

Mr. D'AMATO. Mr. President, I am willing to yield the floor for the purpose of addressing other amendments. I believe the pending business at the desk would now be the FHA proposal which I proposed on behalf of myself and Senator HEINZ.

The PRESIDING OFFICER. The Senator is correct. The pending business is the amendment introduced by the Senator from New York.

Mr. D'AMATO. Mr. President, I do intend to relinquish the floor when and if a colleague, who has an amendment which he is ready to offer to the bill, comes forward.

Let me attempt to touch on a few points of why this FHA reform package is necessary. Some may say it is tough. The fact of the matter is that there are two areas of reform which go beyond that which the administration and Secretary Kemp have initially offered and spoke to us about in our Banking Committee on June 6. Since that time, I suggest, a situation that we talked about, the problems in the real estate industry have not been alleviated. If anything, we see a greater danger to the fiscal and underlying problems dealing with real estate, banks, and the FHA insurance fund.

This amendment would increase the cash downpayment required under the FHA program. How much? Two percent on the first $25,000. So we are talking about an additional $500. Price Waterhouse in its proposal for FHA reform, says that one of the underlying problems is insufficient downpayment and that, very closely attached to the risk problem, falls within the area of a 90- to 95-percent mortgage. We are not at 95 percent, we are nowhere near 90 percent. We are saying at least get it up to 95 percent. I think that is insufficient. I really believe that 95 percent is minimal, that $500 is minimal; but it may stop the erosion that we see, because today the U.S. taxpayer, depending upon exactly how many FHA mortgages are closed, and they probably close in the area of some 30,000, we lost 30,000 multiplied by anywhere from $200 to $700. That is what Price Waterhouse indicates, that is, each mortgage that we are taking today is losing.

Each day that goes by, every FHA mortgage made we lose today for the taxpayers of America $200 to $700. That is a low figure. I think that if you figure in the fullness of time, given the deterioration in the real estate market, we will find it is much greater. When they foreclose and put it up for sale and, given the S&L debacle and all the other foreclosures that have taken place, we are going to find they are losing more than $200 to $700, maybe $2,000 to $7,000 for each home. That does not come from any study, but it certainly comes from a recognition in seeing the real estate market deteriorate in my community in Long Island and throughout the length and breadth of the east coast; and I suggest in the Southwest areas it is no different, and in some of the areas in California we are hearing the same kind of situation.

It does not make sense for us to continue a policy of financial ruin. Then we are going to have taxpayers coming and saying, why did you guys not do something? Who are we protecting? We are not protecting the poor homeowner. Are we protecting mortgage mills which make these mortgages that should not be making them? I think that might be. It might be promoting home ownership, home ownership today, and we take it away from you next year and exacerbate the problem. I think that is a terrible price to pay.

The second thing specifically and important that we do in this area is to say that your closing costs cannot be put into the mortgage. You have to pay your closing costs.

Those are the two big differnces and, by the way, Secretary Kemp did move to address that by saying that no more than one-third could be financed outside. In other words, a person could come up with a third. We say you have to come up with all of it.

Is this going to make the FHA sound, solvent? I cannot say that it will. But I can say that at the very least it will reduce the losses that we absolutely are guaranteed to incur from this point on or from the point of adoption of this legislation on.

It makes no sense to see the low-income home buyers lulled into a false sense of security and thereafter have their hopes and dreams dashed by that foreclosure taking place.

I believe that this is a sensible package and, if anything, it does not go far enough. If anything, if sound prudent lending policies in the private sector say you have to come up with at least 10 percent, I do not know how many banks are making 10 percent mortgages today, where a person comes in with 10 percent down in order to get a mortgage. I think we have a difficult time being able to justify only a 5-percent downpayment. I did not ask for 10. My inclination is to say that that down payment should be closer to 10. That might have a chilling impact on home buying in certain areas and, by the way, it might also benefit those

very same people who we say we are trying to help by not entrapping them into a circumstance of certain fiscal calamaties that are going to befall them and their families.

I am not pushing it to the 10 percent, but this Senator will hold firm and will look for a vote for FHA reform that has no less a requirement, no less a requirement than full funding of closing costs, of the insurance costs up front, not folded into the mortgage, and a minimum of 5 percent down. I think for me to do anything less than that would be a betrayal of the taxpayers of this country and certainly to those people who are going to be induced to purchase homes who really do not have the financial wherewithal to do that and who are not going to be buying a dream but really be taking over a nightmare. That is what we have seen take place far too long.

At some point I am going to ask that the GAO conduct a study as it relates to the mortgage lenders who avail themselves of FHA. I am sure that the vast majority number of them are honest and prudent and look to see there are reasonable standards that are made. But for those, that small percentage, who do not and who just run mills and just do not really care whether or not that lender is going to be able to make those payments a year from now or 2 years from now, we have to see they are put out of business. The best way is to identify them and their operation, and see to it that there is necessary reform in that area. In that way we really protect FHA, we protect the taxpayer, and we protect most of all those who want an opportunity and a chance at home ownership.

Mr. President, I intend to state more on this. I know Senator HEINZ, who is my cosponsor, is coming down to the floor to speak to this amendment. And at a certain point if we are not able to reach a compromise, and I know the manager of the bill, Senator CRANSTON, and his people are attempting to work out a package, I would say that for my point of view this is minimum. I do not know how I could, in good conscience, compromise anything less than what we call for. There might be additional provisions and safeguards that I certainly would be ready to include in the package. Until and unless we can reach a satisfactory agreement, this Senator is ready to call for a vote on this.

I hope that we can reach a compromise. I would like this package to be accepted, to be quite candid. I cannot see how and why there could be any bona fide objection to what I think are very reasonable and modest improvements as it relates to bringing about precaution, safety, and soundness of FHA programs as it relates to single-family homes.

I see a colleague on the floor. I do not know if he wants or has an amendment to introduce. I see the manager.

I will yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. CRANSTON. I understand, may I say to my comanager, that Senator BRYAN is on the way to the floor. He has an amendment to offer. We will take that up.

DIALOG WITH THE PLO

Mr. CRANSTON. Mr. President, the minority leader, Senator DOLE, spoke a wee bit ago about the President's announcement regarding the PLO. I would like to make a brief comment on that.

I know the Senator from Connecticut [Mr. LIEBERMAN], who is presiding over the Senate now, made a very strong and, I think, a very constructive statement on the matter earlier today.

The President has decided to suspend the administration's dialog with the PLO pending an adequate response from that group with regard to recent acts of terrorism. I think that was a very sound and correct step. I have been skeptical about the so-called dialog from the start and about the commitments elicited from Yasser Arafat that allowed the dialog to commence, including the supposed renunciation of terrorism by Arafat and the PLO.

Arafat's failure now to denounce the May 30 attempted terrorist attack off the coast of Tel Aviv, launched by the Palestine Liberation Front, an arm of the PLO, and Arafat's unwillingness to discipline Abu Abbas for this despicable act certainly call into very great question the PLO's renunciation of terrorism. They call into question the very basis of the dialog.

We cannot proceed with the dialog when it is premised on empty words. What sort of a dialog do we then have? Indeed actions speak louder than words. Our policy is not to negotiate with terrorists, and that should remain our policy.

The President has given the PLO an opportunity to act forcefully in making its position in regard to terrorism clear. They have not done so. The ball is now in their court. Until we see not only words but deeds by the PLO, I encourage the administration to hold to this policy announced today and to seek to work with a newly installed Israeli Government, to press forward with efforts to engage representatives of the Palestinian community who are not committed to a policy of terrorism and who can demonstrate the kind of leadership needed to pursue a genuine peace.

It seems to me that that is the direction that our country should now undertake.

The PRESIDING OFFICER. The Senator from New York [Mr. D'AMATO].

Mr. DOLE. Mr. President, I ask unanimous consent that I might be permitted to proceed for 3 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUSPENSION OF DIALOG WITH THE PLO

Mr. DOLE. Mr. President, I want to comment on what the President stated today at 3 o'clock.

Mr. President, probably everyone knows the White House today announced that we have suspended our dialog with the PLO.

In my view, the President has made the right decision—and made it in the right way: After exploring all the options, and giving the PLO a reasonable period in which to give us an acceptable response to the terrorist attack undertaken by one of the PLO's constituent groups.

I believe the dialog—while never what we hoped for—did have some positive impact on the peace process. But we have made it clear again and again: We do not negotiate with terrorists, or those who support or condone terrorism. We agreed to the dialog in the first place only after the PLO condemned and renounced terrorism.

So the President really had no choice.

I do not think anyone takes any great joy in this decision. The fact is—terrorism will remain a tragic problem in the Middle East, and a real threat to U.S. interests, until the root political and security issues of the region are satisfactorily addressed. That takes dialog—negotiations—involving all the important players.

In the long run, it is in everyone's interest—ours, Israel's, the Arab States' and the Palestinians'—to participate in such dialog.

I might say, I tried to make that clear to some of the leaders in some of the Arab countries—to get Arafat to denounce this act of terrorism so we can continue to try to get a dialog started in the Mideast.

But in the short run, it is impossible when any of the parties quite literally tries to hold a gun to the head of the other parties, through the use of terrorism.

The ball is in the PLO's court.

It must unequivocally condemn the recent terrorist attack. It must discipline those responsible starting with Abu Abbas.

Those are our conditions—justifiable conditions—necessary conditions.

I hope the PLO will move quickly to meet them. And I hope that all of the other parties in the region will also do

what is necessary to get their own houses in order, so that real dialog can begin, leading to real and lasting peace.

DIALOG WITH THE PLO

Mr. D'AMATO. Mr. President, I strongly applaud President Bush in his call to the PLO to renounce not only terrorism but specifically Abu Abbas and the terrorist attack that he brought about April 30 of this year.

We in the United States have to be clear in our message, that we are not going to have a dual program and those people who sponsor state terrorism are people with whom we are not going to do business; that there is no place for state-sponsored terrorism or terrorism sponsored by the PLO or anybody else.

In saying that we unmask Mr. Arafat and the PLO for what they are. While they talk about peace on one hand, they cannot be condoning terrorist raids. When they talk about their great strength and ability to bring together the Arab world and live in peaceful recognition of Israel's rights, you cannot be saying we do not have the ability or power to control the group who operates within us.

So I applaud the President. I say he is right. I say that the PLO not only must renounce, but begin to live the practice of nonbelligerence and, yes, they should bring Abu Abbas to justice.

It is not enough to say he did something terrible, it is wrong, we do not support him. We have heard too much in the way of lip service in the past. Now is the time to see deeds. Thank you, Mr. President.

I yield the floor.

NATIONAL AFFORDABLE HOUSING ACT

The Senate continued with consideration of the bill.

The PRESIDING OFFICER. The Senator from Oregon [Mr. HATFIELD].

AMENDMENT NO. 2048

(Purpose: To exempt volunteer programs from Davis-Bacon Act requirements)

Mr. HATFIELD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD] proposes an amendment numbered 2048.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following:

SEC. . EXEMPTION FROM DAVIS-BACON ACT REQUIREMENTS OF VOLUNTEERS UNDER HOUSING PROGRAMS.

(a) COMMUNITY DEVELOPMENT BLOCK GRANT.—Section 110 of the Housing and Community Development Act of 1974 (42 U.S.C. 5310) is amended—

(1) by inserting "(a)" after "SEC. 110."; and

(2) by adding at the end the following new subsection:

"(b) Subsection (a) and the provisions of the Davis-Bacon Act shall not apply to any volunteer laborers or mechanics engaged in any construction, rehabilitation, or maintenance financed in whole or in part with assistance received under this title.".

(b) PUBLIC HOUSING AND SECTION 8 ASSISTANCE.—Section 12 of the United States Housing Act of 1937 (42 U.S.C. 1437j) is amended—

(1) by inserting "(a)" after "SEC. 12."; and

(2) by adding at the end the following new subsection:

"(b) Subsection (a), the provisions relating to wages (pursuant to subsection (a)) in any contract for loans, contributions, sale, or lease pursuant to this Act, and the provisions of the Davis-Bacon Act shall not apply to any volunteer laborers or mechanics engaged in any construction, rehabilitation, or maintenance of any lower income housing project under any such contract.".

On page 477, line 14, strike "may" and insert "shall".

Mr. HATFIELD. Mr. President, this is an amendment that has been cleared on both sides of the aisle. It is an amendment relating to a very unique situation. We had a community action program in Portland, OR, which was building an antipoverty center. A local Kiwanis Club contributed 190 hours of free, voluntary labor to build this antipoverty center. Lo and behold, later the HUD agency and the Labor Department determined that those volunteers should have been paid under Davis-Bacon and that that could have been up to, estimated, $3,000; that they could not volunteer their labor, make a contribution for the needs of the poor, as this antipoverty center was to serve that group of people.

I do not think anybody ever intended that the Davis-Bacon Act should apply requiring payment for voluntary services for community needs. I have checked with the lobby as far as the labor lobby is concerned and I have been told by three members of organized labor they have no problem with this, no objection to this.

As I say, what it does is basically exempt voluntary—and I emphasize "voluntary"—labor from a required payment justified by so-called interpretation of the Davis-Bacon Act.

Mr. D'AMATO. Mr. President, I think that the amendment of the Senator shows just how preposterous some of the legislative strangleholds have become in the area of housing. And this certainly is one. This certainly was well beyond the scope and the intention of the authors of this legislation to keep youngsters from working in a voluntary program and to say, "No, no, you are outside of the area and the ambit and you must charge. You have to be paid."

I know the manager of the bill applauds and I certainly applaud the distinguished Senator from Oregon [Mr. HATFIELD] for coming forward with this legislation.

Indeed, if I might be permitted and aside, I was initially of the thought that an amendment that had been offered earlier dealing with waiving of the Davis-Bacon as it related to people who lived in low-income projects should have been supported, except that it went beyond; in other words, it went well beyond. But this certainly makes sense.

I commend the Senator from Oregon. Because, I will tell you, sometimes it is very easy for Senators to take the big picture and to forget what is taking place back home on the local battlefront when these groups, these voluntary agencies, are working day in and day out, and they hit these walls, the bureaucratic walls.

Certainly there is no one who is more distinguished in the area of recognizing the larger picture than Senator HATFIELD. But it is also refreshing and gratifying to see a colleague who has not become so lost in those lofty programs that he has not taken time out to come to the floor to fight for the little guy, for the people back home. Not only will this legislation make a difference for this group, but undoubtedly it will go a long way toward helping others who are attempting to make and provide a better quality of life. I applaud the Senator publicly for this legislation and for his efforts in this area.

Mr. HATFIELD. I thank the Senator.

Mr. CRANSTON. Mr. President, this amendment is perfectly acceptable to our side. I will join in urging its adoption.

I would like to make one point. The critical distinction between this amendment and the Nickles amendment that I moved to table and was tabled is that this amendment covers work performed by true volunteers, that is people who have chosen of their own volition to provide their services free of charge. Under the earlier amendment offered by Senator NICKLES, the workers who would be affected were not volunteers but people who were trying to earn a living and support their families by performing construction work. The Nickles amendment would have allowed their employers to pay them substandard wages regardless of whether they wanted to be paid more or not. That is the reason that some of us who opposed, I guess many of us who opposed the Nickles amendment, will support the Hatfield amendment.

Mr. HATFIELD. I thank the Senator.

Mr. President, I might add that this experience in Portland has been also experienced in other parts of the country. And this is in the House version, this particular amendment that I am offering, offered by Representative BARTLETT. I thank the Senator from New York for his kind remarks and the Senator from California for his explanatory and kind remarks as well.

Mr. President, I ask for the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

If there be no further debate, the question is on agreeing to the amendment of the Senator from Oregon.

The amendment (No. 2048) was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2042

The PRESIDING OFFICER. The pending amendment is amendment No. 2042 offered by the Senator from New York [Mr. D'AMATO].

THE FLAG PROTECTION ACT OF 1989

Mr. AKAKA. Mr. President, I was disappointed by the Supreme Court's decision to overturn the Flag Protection Act of 1989. I voted for the Flag Protection Act, because I am firmly against burning our American flag and I think the Court was wrong in its decision. As one who served in our Nation's military during World War II, I find it repulsive that some may defile the American flag. My stomach turns at the mere thought of burning our American flag. However, if it means that we must restrict the constitutional freedom of speech in order to punish flag burners, then I will oppose such a constitutional amendment. For 200 years, the Bill of Rights has never been changed or amended. I am not convinced that the unfortunate acts of a few misguided individuals warrant our meddling with the guaranteed freedom of speech. That would be a victory for those who would weaken our Nation.

In a matter as serious as amending our Constitution, we should be guided by the light of reason, not the heat of political passion. We should not tamper with our Constitution for political gain.

I condemn the desecration of our Nation's flag, but I believe that this symbol of our Nation is strong enough to endure the misguided actions of the few who would abuse it. We should promote respect for the American flag through education and instilling pride in citizenship, not by weakening the Constitution for which it stands.

The true measure of the strength of our Nation lies not only in the force of our military or devotion to our banner, but also in our willingness to educate our children, feed the hungry, and care for the elderly. Rather than devoting our energies to symbols of the Nation, we should deal with the reality of poverty, hunger, and illness that weaken the fiber of our country.

Mr. President, I will vote against the proposal to amend our Constitution, and I urge my colleagues to join me in opposing the measure.

NATIONAL AFFORDABLE HOUSING ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 2042

The PRESIDING OFFICER. The pending question is amendment 2042 by Senator D'AMATO from New York.

The Chair recognizes the Senator from Missouri [Mr. BOND].

Mr. CRANSTON. Will the Senator yield to me for just one moment? I would like to comment on Senator AKAKA's speech.

The PRESIDING OFFICER. The Senator from California is recognized.

SENATOR AKAKA'S SPEECH ON THE FLAG

Mr. CRANSTON. I want to welcome the speech made by Senator AKAKA on the constitutional amendment related to the flag. It is one of the first speeches made on the Senate floor by Senator AKAKA. I think he will not be able to make a much finer one no matter how long he stays in the U.S. Senate. It is a courageous speech that he made on a very important subject.

We must not start amending the Bill of Rights without great and careful thought. To amend the Bill of Rights in order to prevent flag-burning in a way that I think jeopardizes the freedom of speech and the liberties of our country that the flag represents would be very, very unwise.

I thank the Senator for his statement.

I yield the floor back to the Senator from Missouri.

Mr. BOND. Mr. President, I ask unanimous consent to be permitted to proceed as in morning business for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE PLO

Mr. BOND. Mr. President, earlier today, President Bush announced a suspension of talks with the PLO.

Given Yasser Arafat's failure to live up to his commitments to condemn terrorist acts and to expel Abu Abbas, who has taken credit for the attempted May 30 attack on Tel Aviv—the President really had no other option.

When the United States began talks with the PLO 18 months ago, our Government made it clear that those talks were contingent on commitments by Arafat to recognize the State of Israel. To renounce terrorist attacks and to take steps to condemn terrorist acts.

Many times over the past 18 months Arafat has failed to live up to these commitments and, to my dismay, the administration has chosen to look the other way. The May 30 attack, however, was too blatant to avoid. The attack was launched against Tel Aviv's hotel district and was clearly aimed at killing civilians. In addition, Abu Abbas, leader of a mainstream PLO faction and a member of the PLO executive council, proudly took credit for the attack.

Despite his December 1988 commitments and despite the clear violation of those commitments, Arafat refused to act to condemn the May 30 attack or to expel or censure Abbas.

Now President Bush has taken the proper step of suspending the talks until Arafat lives up to his commitments. I applaud the President for this action.

There is little to be gained by pursuing these talks. Instead, we should pursue other more promising avenues toward peace in the Middle East.

NATIONAL AFFORDABLE HOUSING ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nevada [Mr. BRYAN].

Mr. BRYAN. Mr. President, I ask unanimous consent the pending amendment be set aside for the purpose of offering an amendment at this time.

The PRESIDING OFFICER. Is there objection?

The Senator from New York.

Mr. D'AMATO. Mr. President, I do not often make objections but I think the Senator from Nevada is going to be putting forth legislation which is, again, outside the scope of the bill. Again, there is probably no greater offender of legislation on appropriations than the Senator from New York. So I understand, not only the impulses but the absolute necessity a Senator feels and has to carry the issues that are important to him.

But I am going to ask if the Senator would not withhold so we could get an opportunity, because this is the first time my staffers on the Banking Committee, as it relates to those areas dealing with securities, have had an opportunity to see this amendment.

Second, I would like the Senator to know my general feeling is to be supportive of the legislative initiatives he has undertaken and that we have discussed prior on the Banking Committee—at least our staffs have discussed them. They have indicated to me that the legislation and these initiatives are sound, make sense, and hopefully will keep honest institutions honest, and, hopefully, keep an unsuspecting public from believing they are buying an instrument that has the full faith and credit of the Federal Government behind it and winds up costing taxpayers money, and, in addition, costing the bondholders, those people who buy these instruments, a fortune, their life savings in certain cases.

I believe that was the area in which the Senator from Nevada was moving. But there have been, certainly, changes to that initial legislative approach. If we could have some time to have our staffs look at this, I might very well be in a position on a substantive matter to be able to say substantively, I can support this.

So I ask if the Senator could not withhold on that, let our staffers look at this to see if we can reconcile this?

Again, my initial inclination is to be very supportive of the underlying proposition the Senator has advanced heretofore but this is somewhat modified.

The PRESIDING OFFICER. Does the Senator withhold his request?

Mr. BRYAN. Mr. President, if I may be able to respond to my friend and colleague with whom I am honored to serve on the Banking Committee, I think the Senator's request is a reasonable one and I accede to it. For the record though I want to be sure the Senator understands there was not intent on my part to blindside the floor leadership, either the majority or minority. Last evening I had placed in the Congressional Record a copy of the proposed amendment. I can assure the Senator that I also have provided copies.

I had colloquy with the respective majority and minority staffs. The Senator correctly characterizes the thrust of this amendment, which will simply say a depository institution ought not to be permitted to sell junk bonds on its premises, for the reasons which the Senator indirectly alluded to; that is, what depositors believe when they come in and see a logo like this, "The FDIC, each depositor is insured for $100,000"; or the new "safe" logo which I notice the Senator is familiar with. It says "Deposits federally insured to $100,000. Backed by the full faith and credit of the United States Government." That certainly gives the impression to the depositor that, indeed, the instruments—in this case junk bonds that are sold—are similarly covered. It is that practice I seek to prohibit.

But the request of the Senator is a very reasonable one. I have enjoyed a great personal working relationship with him. I assure the Senator it is my intent to offer this amendment but to give him the time he and his staff need, overnight, to look at this.

Mr. D'AMATO. Mr. President, that is more than reasonable. I might suggest to my friend and colleague from Nevada, we might be able to do this before this evening is out and before the hour. If this legislation and the changes that have been suggested are not at variance with that which initially we had an opportunity to look at and which my staff has reported a great enthusiasm for, as have others, that this makes sound sense. We do not want people believing they are buying instruments that have the full faith and credit of the United States behind them when they do not. That is certainly legislation this Senator would not be opposed to. I believe we can clear it with the Banking Committee and I certainly would be willing to move forward on it.

Mr. BRYAN. If I could assure my friend and colleague, indeed, having heard his comments offered frequently during the course of our discussions on the Banking Committee, my belief—I should not speak for my colleague and am not intending to speak for the Senator—but I think he will be able to be supportive of this. We have addressed some of the concerns that were initially raised. So this amendment is modified slightly, but not in principle, from the original legislation that was offered and was referred to the Banking Committee.

Hopefully, we can resolve that, and I look forward engaging in a colloquy with the Senator and his staff.

Mr. D'AMATO. Mr. President, I know there are a number of other Senators looking to offer amendments, but at this time I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. BRYAN). Without objection, it is so ordered. The Senator may proceed.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that I be allowed to proceed as in morning business for no longer than 4 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

SUSPENDING THE DIALOG WITH THE PLO

Mr. LIEBERMAN. Mr. President, I rise to join those of my colleagues who have offered praise and appreciation to President Bush for his announcement this afternoon that the United States is suspending the dialog with the PLO. This is not a day of joy; it is a day of sadness, because the hopes that were raised in December 1988 when Mr. Yasser Arafat accepted the conditions that the United States had set down for 13 years before have been put out, have been quenched, have been annihilated in the residue of an attempted terrorist raid on a beach in Israel and a refusal of Mr. Arafat to renounce that raid and to take steps to punish the individual Abu Abbas who, by his own acclamation, carried out that raid.

Mr. President, the President of the United States, in my opinion, had no choice but to suspend the dialog. That was the request that was made by the resolution introduced by my colleague, the Senator from Florida, Mr. MACK, and I, and joined by Senator LAUTENBERG of New Jersey, Senator GRASSLEY of Iowa, and a large number of other Senators on a bipartisan basis.

It seems to me that in suspending the dialog today, President Bush has sent two clear messages, not just to the PLO, not just to others in the Middle East, but to the world. The first is that when you make a promise to the United States of America, as Mr. Arafat did in December 1988, and then you go ahead and break that promise, the United States simply will not continue to do business as usual with you. An agreement is an agreement. A contract is a contract. When one party breaks that contract, the other party has no recourse but to do so as well.

The second message the President's suspension of the dialog today sends to the world is that the United States remains steadfast in its war against terrorism. How could we, by our own act, say that we will not negotiate with terrorists yet still continue to sit down at the table with the head of an organization, one of whose executive committee members has taken credit for an attempted terrorist raid on a civilian population? The targets of that raid were primarily citizens of Israel on a beach in Tel Aviv on a holiday.

But turning our face away from that action and continuing this dialog, contrary to the promises that were exchanged, would have sent a larger message to terrorists and that is, their actions will be tolerated; the United States does not have the will or the conviction to stand by its policy of renouncing terrorism.

Two weeks ago, it was citizens of Israel on a beach in Tel Aviv who were threatened, but if the President did not take the action he has taken today, on some dark day in the future it will be American citizens traveling abroad, it will be American citizens perhaps even here in the United

States who would be the target of terrorists. So I think the President has done what was wise and what was necessary.

I know that there are those who will say the cause of peace cannot be advanced in the Middle East if there is not a dialog. I worry that that is the case. But the cause of peace could not be advanced if the dialog had continued in the face of this terrorist action because it would have sent the message to Mr. Abbas and others who would commit terrorist acts that they can do so and not suffer the consequences.

Mr. President, a dialog between the United States and the PLO, in my opinion, can be constructive in the Middle East and help us toward the peace we all desire. That dialog was technically suspended by President Bush today, but the cause of the suspension was not President Bush and the United States; the cause of the suspension was Mr. Abbas, who masterminded the raid, Colonel Qadhafi who supported it, and Mr. Arafat who refused to denounce it.

That dialog is now suspended; it is not terminated and it can be begun again in a moment if Mr. Arafat would only do what he promised to do in Geneva in December 1988, what common sense suggests he do today, and what the cause of peace in the Middle East requires.

The President's action today says that though we will do everything we can to pursue peace, we also are committed to doing everything we can to maintain the rule of law and order in the world. As much as we desire peace, we will not pursue it so absolutely that we abandon our belief in a world in which law and order and civility deserve some respect.

Mr. President, I thank the President of the United States for his action. I am sure it will enjoy the widest bipartisan support from the Senate, the Congress, and the people of America generally. Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. D'AMATO. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CAMPAIGN FINANCE REFORM

Mr. DIXON. Mr. President, as I have stated many times on this floor, I strongly believe that the only way to achieve meaningful campaign finance reform is to impose effective spending limits. With that in mind, I am deeply troubled by a recent development in the House of Representatives.

The House Republican leadership last week introduced a series of bills to serve as their position on campaign finance reform, and for that I applaud them. Included among these bills, however, is a measure which would invalidate a real breakthrough on campaign finance reform. This legislation would effectively prohibit States from imposing responsible, voluntary spending limits for candidates to Federal office.

Minnesota recently passed a new law that will establish a system of voluntary spending limits and State public financing for candidates to the U.S. Senate and House of Representatives, backed up with State-provided public financing designed to help make those limits stick. The Minnesota spending caps, in my opinion, are more than reasonably high at $3.4 million for Senate candidates and $425,000 for House candidates. Yet a member of their congressional delegation has proposed prohibiting all contribution and spending by States in elections for Federal office, effectively gutting the Minnesota plan, and the House Republican leadership plan—unbelievably—includes this antireform measure.

In New Hampshire, much more strict spending limits have been imposed, and I'm happy to say that 5 Senate candidates and 11 House candidates have already agreed to honor them.

So now that our State legislatures have begun to effectively address an issue that we are seemingly unable and unwilling to address, House Members from the other side of the aisle have introduced legislation that effectively sends a message that not only is Congress unable to enact its own reform, it is actively antireform and will try to prevent meaningful change.

Mr. President, this is one Senator who thinks we absolutely must have reform, and that there is no meaningful reform without spending limits. I therefore applaud the Minnesota action. It is the kind of thing we should be encouraging, instead of stomping on, as the House Republicans are attempting to do.

It is an outrage that we have failed to enact any meaningful campaign finance reform, while the enormous amounts of money raised and spent in congressional campaigns continue to increase. It is an outrage that Members of Congress must devote such an enormous amount of their time to fundraising while the important public business for which our constituents sent us here goes begging for our attention.

It is an outrage, Mr. President, that Republicans, who have traditionally and continually portrayed themselves as the "great protectors" of State's rights, are now actively attempting to muzzle their friends in our State legislatures. At a time when two Republican Senate candidates in New Hampshire have agreed to abide by voluntary spending limits imposed by their States, it is truly discouraging to see Members of their party in the House of Representatives wishing to preempt their worthy efforts.

Mr. President, let me take this opportunity to again congratulate those States that have successfully cut through the politics of this issue to implement effective campaign spending limits, as well as those candidates from both parties who have agreed to abide by them. If we in Congress are unable to act on similar legislation, it is my sincere hope that we will see more State legislatures devise and implement campaign reform that puts an end to the money chase by imposing strict expenditure limitations.

I hope that my own State of Illinois will join with Minnesota and New Hampshire by imposing spending limits on candidates for Federal office, and let me state now that I would gladly abide by whatever limits the Illinois Legislature saw fit to enact.

In the last decade, several attempts have been made in Congress to enact meaningful reform to our system of campaign financing, only to die in partisan squabbles. But our failure to act on an issue of such importance to the integrity of our electoral system is no reason to punish the State governments that have found the courage to do so. I sincerely hope my colleagues in the House will reconsider their actions and withdraw their proposal.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. D'AMATO. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL AFFORDABLE HOUSING ACT

The Senate continued with the consideration of the bill.

Mr. D'AMATO. Mr. President, negotiations are presently being conducted between the administration and my colleagues on the other side of the aisle. I believe we have a mixed review or at least a mixed package to report on.

In a number of areas we have already made substantial headway. That has resulted in amendments being accepted by the managers of the bill. We have seen some controversial legisla-

tion, which appears to be controversial, which has been compromised. By way of illustration, I suggest one of those areas would be the legislation of the Senator from Tennessee, Senator GORE, which initially drew some opposition from the administration, but we were able to compromise that. We will look to see if we can work out any differences that we may have in conference.

In several of the areas, like new construction and targeting, substantial headway has been made. I am not going to suggest to the negotiators now—I do not know if they or any of their staffs are listening—that in the area of new construction and targeting we should take a look to see if we cannot compromise this area because we are pretty close. It seems to me we do not need a situation which will not inure to the benefit of the people who are looking for these new programs if we cannot resolve them.

So it is my hope that those issues can be resolved and finalized.

There are several areas in which we have made little headway. No. 1, HOPE funding. HOPE funding is that package which the administration and Secretary Kemp have advanced, and I believe it calls for some $1.89 billion of funding over a 3-year period of time. There has been little progress made in resolving that problem. To date, I believe $435 million has been put on the table to fund the administration's program.

Mr. President, it is not realistic to believe that we are going to have a housing bill unless we address the inadequacy of the funding for that program. It is not going to happen. All of the work and all of the effort, 2½-plus years, and all of the good programs are going to go for naught unless we recognize that the administration should step forward, and in the program area of HOPE, particularly as it relates to home ownership opportunities for people in public housing, an opportunity to purchase their own homes. Unless they see some movement by the Congress to fund this and instead see new programs, their program will be left out with inadequate funding, and, Mr. President, it is going to be vetoed.

I do not come to the floor at a quarter to 6 in the evening after being here all day to say this lightly. I would like to see us make the progress necessary. This is not a game of chicken. We have worked through and continue to work through. I have a letter from the Secretary that was sent to the manager of the bill in which he points out that the HOPE Program is one of those areas that has yet to be resolved and indicates that there will be no bill really, or certainly a Presidential veto, unless we can deal with that.

That veto is going to be sustained. That would be a sad day that we have our President of the United States being forced to veto the bill because that area of housing which the administration said they want to deal with, they want this new program, they want home ownership opportunities, is put to the side. I think that would be a terrible mistake.

A 15-percent cap on section 8, that cap—there are some of my colleagues including the administration, who feel very strongly that they do not want all new construction, that a local community should have the right to say that, yes, you can have construction but certainly there should be a cap on that, that rental assistance in the form of section 8 or vouchers should be an integral part of the program. By eliminating that cap, then we are saying you can have an all new construction program. That has to be resolved. I think it can be resolved.

The cap in the present situation under present law is 15 percent. That means that basically you can only have 15 percent new construction. It means that all of the section 8 certifcates could be turned into a construction program if we eliminate that cap. That is unacceptable.

Rental assistance as an eligible activity under the HOP Program—this is an important area of concern, and a basic policy question that the administration raises. It says that there should be an element of eligibility for rental assistance so that a local community can engage in that rather than have all new construction.

Those are three of the areas that the administration has outlined. I indicated from the very inception that my concern, in addition to these which I state on behalf of the administration, also was the FHA problem.

We have a crisis, Mr. President. It is a crisis. Today the taxpayers were assaulted once again, not just from the failing S&L's, as that continues, but as it relates to the mortgages that were made that were not made under actuarially sound bases for the FHA fund; that a good number of them are destined to be foreclosed, unnecessarily, because people did not come to the table with the proper downpayment, because there were not the proper requirements made.

That is going to result in a twofold indignity: First, the homeowner who finds himself foreclosed; and second, to the taxpayer. We have to address that.

We say we are making progress, and we have made some. But these are four areas. I will go over it again. The HOPE funding, the 15-percent cap on section 8, rental assistance as an eligible activity under HOP, and the FHA reforms. We have to deal with these. And let me say again: If we do not have adequate funding for HOPE, the President is going to veto this bill. If we do not have a cap on section 8, the administration is going to be recommended by OMB and by the Secretary's office to veto. And I have no doubt that that is going to take place, unless we lift that cap. The rental assistance as an eligible activity under HOP is something that the administration feels very strongly about. And the FHA reforms are something that both the Secretary and the administration feel are absolutely essential.

All of the other amendments that I have heard of that colleagues are going to offer—and I believe we are talking about seven or eight on our side, and there may be more, I think a number of them can be accepted. I do not see any other impediments. But these four areas are real, and they are real impediments.

I hope that we will begin to address them. We have all day tomorrow; but we really do not have all day tomorrow, because I understand we are coming in, and the first order will be, as it relates to the Presidential override, the attempt to override his veto on the Hatch Act. So that is going to be important and will take some time. That means we will not get to the bill until about 11:45. That is optimistic, because you know there are always request that come from the leadership and requests that come from our colleagues. But the better part of the morning certainly will be over before we can get to the bill.

Notwithstanding that, this Senator would encourage his colleagues to come to the floor with their amendments so we can dispose of them, or raise whatever objections there are, and try to deal with them.

First and foremost, we have to deal with these four fundamental problems. I say, Mr. President, as it relates to FHA, the pending business, I am going to be pressing. Unless we can make a resolve of this, I do not intend to just continue to bring in other matters and let it dangle out there. We have all this evening, and we have all tomorrow in which to conduct whatever negotiations are necessary. I am going to urge upon the staffs and the administration to do that. Indeed, if the administration and OMB are willing to sign off on something lesser, I am not going to be the one person to stand in the way of doing that. I will vote against anything that is less than that, but I am not going to state to this body that I will be responsible for bringing down an entire bill.

I would argue against making further concessions, because I think that the proposals that I have submitted are indeed very modest. I think we have to get this process going. I think we can make some headway, and the area of the HOPE funding is something we have to deal with. I do not think that we are going to accomplish anyone's purposes by going through

this, passing a bill, only to have it vetoed, and that veto is assured, unless we can come to a determination on the HOPE funding. I think that would be a shame. I am not suggesting if we are looking to come to a compromise that it has to be $1.85 billion, but I am suggesting that $435 million is not adequate.

Mr. CRANSTON. Will the Senator yield on that point?

Mr. D'AMATO. Certainly.

Mr. CRANSTON. I appreciate the remarks of the Senator from New York, who is floor managing the bill with me for the Republican side. I appreciate his remarks about not sinking the bill over any particular view of his own. I feel, of course, the same way. We do each want to work out a bill we feel will work and we can be proud of when we are finished.

On the funding as a principal issue, in the meeting Monday morning that some of us had with Mr. Darman and Mr. Kemp, they made plain that if we worked out, satisfactorily, new construction targeting and FHA, that the pricetag would not be a hang up. That is presuming it is within the ballpark of what the Senate bill, the House bill and the budget bills passed by both bodies cover, which is a figure in the low 3 billions. I gathered that that would not be the hang up if we worked out the other matters. I hope we can, and I think we are making progress.

Mr. D'AMATO. I have been given to understand again that it is more the policy questions. That does not mean that there is a sign off on a $3 billion figure, but certainly that the policy questions, as the Senator from California has indicated and has touched on, are absolutely important and must be resolved.

In addition thereto, though, and as part of that, is the question of the division of those funds as it relates to HOPE. That really is a very integral part. As distinguished from the HOP Program—I know we have people HOPping and HOPEing, and people say, are they talking about HOP and HOPE—HOPE is the program as relates to home ownership opportunities for those who are now renting, those who are in projects and those who have section 8 certificates, those who would like an opportunity for home ownership.

The question is how much do we fund that, to what extent do we fund that? If we fund it at a level close enough to the targets which the administration has asked for, then I think we have an opportunity to solve some of the other problems and we are going to have a bill. If we do not deal with that, then I suggest we are wasting a great deal of time, because all of the good legislative reforms that have been suggested, all of the amendments that have been accepted are going to be in vain, because we are going to get a Presidential veto, and that is my point.

Then, again, I want to conclude that I have not yet seen any areas—and I am willing, and my staff is certainly willing, to work with staff as it relates to those areas of dispute, as it relates to the FHA reforms we put up. I want to reiterate that 5 percent down is flirting with danger. We take this from 3 to 5 percent, that FHA figure for downpayment.

I do not think it is sufficient, but I am not kidding myself. I do not think I can get sufficient votes to raise it more. We are kidding the people and the public. But 3 percent is absolutely horrendous. Then when you take the closing costs and wrap them into the mortgage and do not have people put them up, it is another disservice.

If we want to guarantee failure, we continue doing business as usual or just at margin and tinker with it. We have to do something. Sure, it is going to be painful; sure, it is not going to be nice. Sure, some of the mortgage brokers are predicting in the millions. I cannot think of a mortgage broker who is going to be upset by us saying you have to put 5 percent down.

I really cannot. But I can see the mills that operate that do not care whether people can pay or not being upset about that because they are not worried about their clientele. They are worried about their own pocketbook. That is all they are worried about.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. D'AMATO. I yield.

Mr. CRANSTON. We are ready with two amendments, I believe.

Mr. D'AMATO. Certainly.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. WIRTH. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2049

Mr. WIRTH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. WIRTH] proposes an amendment numbered 2049.

Mr. WIRTH. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the appropriate place, insert the following:

REPORT TO CONGRESS.—Before the end of the 60-day period beginning on the date of the enactment of the National Affordable Housing Act the Department of Housing and Urban Development shall submit to the Congress a report containing a description of the strategy and action plan developed to assist in the disposition of foreclosed properties in the HUD stock, paying particular attention to those properties which have been in the HUD inventory for more than 12 months. HUD will solicit recommendations from state and local governments, nonprofit organizations, housing finance authorities, and community housing development organizations in its preparation of the report.

The report shall contain, without limitation, provisions regarding mechanisms to facilitate units of local government, nonprofit organizations, housing finance authorities, and community housing development organizations efforts to work with eligible families to purchase these homes. The report shall also include, without limitation, recommendations for innovative approaches for (i) evaluation of the rehabilitation costs of the properties necessary to achieve the minimum standards, (ii) involving non-Federal entities in the sale and rehabilitation of the properties and (iii) providing the means to make the older stock readily attainable. Further, the report shall also include, without limitation, proposals directed toward very low-income, low-income, and moderate-income families, who seek to be first time home buyers, and the assistance the aforementioned entities may provide to foster purchase.

Mr. WIRTH. Mr. President, the focus of this amendment is to attempt to speed up the process at HUD whereby we decide on how we can dispose of the literally thousands, and thousands, and thousands of FHA foreclosed properties. We have in Denver, CO, alone more than 6,000 FHA foreclosed properties, and more than 2,000 of those have been in the FHA inventory for more than a year, well over a year.

We all know what happens to a property at a time when there is nobody living there. That property deteriorates. It runs into all kinds of problems. The taxpayer, on the other hand, is carrying that property, and HUD is holding on to it; it is not being disposed of.

We have the distinguished occupant of the Chair, the Presiding Officer who is familiar with all the words we have heard from HUD about the fact they are going to tell us how many of these properties there are. We have asked them to do so. They have not yet been able to determine nationwide how many they are. But we know there are probably hundreds of thousands of these properties. We know that they are costing a great deal of money.

We know that they are deteriorating but we do not have from HUD a determination as to what they are going to do. Secretary Kemp clearly has his hands full with all the other problems of the HUD scandal. We realize that.

What we ought to do is to energize the Department to develop a plan and report to us on what HUD plans to do with these properties and how they would dispose of them.

What concerns me particularly is the fact that we, the taxpayers of this country, own all of this property, on the one hand, which is not occupied, while, on the other hand, we have a significant housing problem, shelter problem, in the country of tens of thousands of families who are without any shelter whatsoever; and third, we have public housing agencies that are out there requesting money from their constituencies to purchase more housing.

It does not seem to me to make a lot of sense that we have a lot of housing here, a lot of shelterless people here, and public housing agencies here requesting money to buy housing. We have to get all this together, and it seems to me that is HUD's responsibility.

What this amendment does is a very simple process to say we asked you for it; we have not been able to get that to happen out of the hearing process. Let us require it within a 60-day period of time when HUD told us they are going to get back to us. Give us your action plan as to how you are going to go about disposing of all this property, working particularly with family home ownership, low-income families, and with public housing authorities.

It would be my hope that we could include this amendment in the legislation. I have worked with the committee staff. I know that this is all right, I believe, with the majority side. We have been working it through on the other side as well. I would hope we could include this amendment in the legislation.

The PRESIDING OFFICER. The Senator from California [Mr. CRANSTON] is recognized.

Mr. CRANSTON. Mr. President, the opinion of the Senator from Colorado is valuable. He has been a major player on virtually all the issues in this bill. He has been focusing on matters like the one that his amendment relates to. There certainly is a problem with property that has been taken over by the Government not being disposed of in places of distress, like some parts of Colorado and other States in this country.

The amendment is a fine one. It can be very, very helpful and we are delighted to support it.

The PRESIDING OFFICER. The Senator from New York [Mr. D'AMATO].

Mr. D'AMATO. Mr. President, I commend the Senator from that great State of Colorado. Not only in his region but also in other areas, there are real questions as to the method of disposition, et cetera, of what can and should not be done.

I think it could be constructive and instructive to all of us as to what procedures can and should be used to attempt to minimize the time delays and maximize the return to the taxpayer as opposed to the kinds of situations we have heard about.

So I commend him. I think it is good. I think it is constructive. We support it from this side and have no objection.

The PRESIDING OFFICER. Is there further debate on the amendment of the Senator from Colorado?

If there be no further debate, the question is on agreeing to the amendment of the Senator from Colorado.

The amendment (No. 2049) was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote.

Mr. D'AMATO. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WIRTH. I thank the managers of the bill, and I yield the floor.

The PRESIDING OFFICER. The senior Senator from New York [Mr. MOYNIHAN] is recognized.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2050

(Purpose: To require a study)

Mr. MOYNIHAN. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN] proposes an amendment numbered 2050.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 600, between lines 5 and 6, insert the following:

(d) REPORT.—

(1) IN GENERAL.—Within 180 days after the date of enactment of this Act, the Secretary shall transmit to the Congress a report on the operation and efficiency of the Buffalo Municipal Housing Authority ("the Authority"), using, among other criteria, the performance indicators listed in section 6(j)(1) of the United States Housing Act of 1937, and giving special attention to the Authority's desegregation program and to the vacancy rate.

(2) SPECIFIC RECOMMENDATIONS.—For purposes of the report required by paragraph (1), the Secretary may specifically determine whether to—

(A) petition for the appointment of a receiver for the Authority under the provisions of section 6(j)(3) of the United States Housing Act of 1937, or

(B) reduce operating subsidies for the Authority under the provisions of section 9 of the United States Housing Act of 1937.

Mr. MOYNIHAN. Mr. President, this amendment concerns the Buffalo Municipal Housing Authority, which is one of the oldest in the Nation. It began in 1934 as a State project, at the time the States were using Federal moneys to begin this kind of program. It is today a mixed project of State housing and Federal housing, with an authority in the city appointed by city officials to manage it.

I know my distinguished colleague, who is so ably handling this epic legislation—would agree with me that the housing authority is not working. It has been allowed to become, in effect, a segregated institution.

The issue was first joined in 1937 in quite an extraordinary five-part series in the Buffalo News by Mr. James Heaney, who established what is not now in dispute, that of the 27 distinct housing projects, 9 were almost exclusively of majority occupancy, by at least 92 percent, and the other half were almost exclusively minority, by at least 90 percent.

What we have in effect is segregated public housing, so much so that our most able and committed Secretary of Housing and Urban Development, Jack Kemp, on April 25, 1989, found that the authority was in violation of title VI of the Civil Rights Act of 1964. Title VI states that no person in the United States shall on the ground of race, color, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

The Secretary and the Department of Housing are committed to doing what they can and must under law. But the housing authority is, to say the least, resisting the change that is required under law.

On a recent Saturday I held a hearing in the Federal Courthouse in Buffalo on this matter with the fullest cooperation from the community and the city council. The President of the city council was there and testified. Occupants testified. Community agencies testified. The executive director of the housing authority, Mr. President, I am sorry to say, declined to appear, in an almost willful act of, shall I put it, indifference to the questions that were being raised.

I do not suggest bad faith, nothing of the kind. But it presented again an image of an authority that is not responsive in the way we would hope it should be to problems clearly in contravention of law.

At that hearing, on June 9 Mr. John Ols of the General Accounting Office, which at our request is looking into the matter, reported in a preliminary finding that he had found a 28-percent vacancy rate in the housing authority buildings. That is four times the national average. That is very close to nine times the rate, the 3-percent rate,

that the Department of Housing and Urban Development would like to see.

The GAO witnesses at our hearing pointed out inexplicable practices. For example, when an apartment becomes vacant it is immediately boarded up, using red plywood on the windows and doors. With so high a vacancy rate, more than a quarter, approaching a third, you begin to sense this place has been abandoned. It could be very attractive housing. It could be very good housing. It is not.

And so this amendment simply asks that the Secretary of Housing and Urban Development, within 180 days, should transmit to the Congress a report on this situation, which he and his Department are now very much involved in, and that among the recommendations he may make—is a determination whether to petition for the appointment of a receiver for the authority under the provisions of section 6(j)(3) of the Housing Act of 1937 as we are amending it.

I can say, Mr. President, that Secretary Kemp knows that this amendment is being offered. He has no objection. He has not seen the actual text, but we are acting in good faith with each other and he shares this concern. He was a most distinguished representative from Buffalo, from the area just outside the city, and he is more than familiar with this situation. He has already, in fact, found the authority in violation of title VI.

In that spirit of trying to get this housing authority working in a city that wants to see it working, I offer the amendment. I understand that my distinguished friend, the comanager of the legislation, who is doing such an extraordinary able job in this management, is willing to accept the amendment and that my friend from California is as well.

I ask unanimous consent that a chronology of events be printed in the RECORD.

There being no objection, the chronology was ordered to be printed in the RECORD, as follows:

CHRONOLOGY

The Buffalo Municipal Housing Authority has 8,900 tenants in 5,437 units in 27 developments. As of this April, 28 percent of the units were vacant. HUD's goal for housing authorities is a 3 percent vacancy rate, and the national average is 7.5 percent. There are approximately 3,000 people on the waiting list.

In July, 1987 the Buffalo News began a five-part series which found that nine projects occupied mostly by families were at least 90 percent minority, and another nine projects, all housing seniors, were at least 92 percent white. Minorities accounted for 71 percent of the overall population. On July 24, 1987 HUD ordered the Authority to eliminate its project preference system.

On April 25, 1989, Secretary Kemp announced that the Authority was in violation of Title VI, which states that "No person in the United States shall on the ground of race, color, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance." The placement system had caused segregated housing. Negotiations began with the Authority over a new placement system and remedies and incentives to integrate the projects.

On December 4, 1989 the Buffalo League of Public Housing Tenants filed suit against HUD, the Authority, the City, and the agencies administering the local Section 8 rental assistance program, charging that they have forced minority tenants to live in substandard, segregated, inner city housing.

On May 1, 1990 HUD and the Authority announced the final version of the newest placement system and desegregation program. There was immediate concern that the incentives for tenants to transfer between developments, and for new applicants to integrate a development, are not adequate, and that the funding for the incentives (new appliances, child care and social programs in magnet developments) is not sufficient. On June 9, Senator Moynihan held his second hearing in Buffalo. HUD's assistant secretary for fair housing, the Mayor, and the executive director of the Authority did not appear.

On June 9 John Ols of the General Accounting Office testified that "practices that allowed tenants to choose the development in which they preferred to live have left the Authority with highly segregated housing," that "The incentives to encourage desegregation are likely to go to the developments where they are least needed," and that "The 28 percent vacancy rate, four times the national average, is caused largely by tenant placement procedures that restricted filling vacancies in larger developments, as well as by modernization work and the undesirable locations and physical conditions of housing developments."

Mr. D'AMATO. Mr. President, let me commend Senator MOYNIHAN, the senior Senator from New York. Because, indeed, as I made reference not just but several hours ago to the senior Senator from Oregon, oftentimes Senators are accused of having lofty pursuits. Indeed, we should. In matter of peace, matters of chemical weapons, matters of interrelationships with other countries, certainly no one takes a step ahead of the distinguished Senator from New York in terms of his stewardship in these areas.

But by the same token, it is oftentimes lost on us the day-in and day-out work that sometimes is tough, is confrontational, does not make friends, but it has to be addressed. And Senator MOYNIHAN is no stranger to undertaking those difficult tasks as he does in attempting to confront the problem that existed and persisted in the city of Buffalo.

I am proud to join with him in his efforts and his undertaking to attempt to ameliorate the situation that should not be allowed to just continue to fester, to do the business of the people. Let me commend the Senator for not only coming forth on this occasion at this time with this particular piece of legislation, but for his continuing interest in this situation, in the plight of the housing, and, more particularly, the people of Buffalo as it relates to this situation.

So we are pleased to accept it. And I am pleased to support this amendment that my distinguished senior Senator offers today.

Mr. CRANSTON. Mr. President, I am delighted to find the two Senators from New York in agreement on this matter. I commend and thank Senator MOYNIHAN for his persistence on this issue—persistence that characterizes his role on many, many matters, always accompanied by wisdom.

The housing bill itself, in its present form now before us, takes a hard look at the serious management problems which have arisen in a small number of public housing authorities. This amendment is totally consistent with the bill and we are very glad to accept it.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the amendment offered by the senior Senator from New York.

The amendment (No. 2050) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MOYNIHAN. Mr. President, may I thank the able managers who have been so courteous in this regard, and have been so indefatigable in this legislation. It is the third year, is it not? And it may not be the last.

Mr. D'AMATO. Mr. President, I do not know if there are any other amendments. I kind of doubt that we are going to be taking any others. I ask of my distinguished colleague and manager of the bill if he knows of any that are ready to move this evening.

Mr. CRANSTON. Will the Senator yield for one moment?

Mr. D'AMATO. Certainly.

Mr. CRANSTON. Just in order to expedite affairs tomorrow morning, I ask Senator MCCONNELL if he would be willing to be the first order of business when we are ready. He said he would. So I ask unanimous consent that when we take up the housing bill again tomorrow, after the vote on the Hatch Act, that the amendment to be offered by the Senator from Kentucky, Senator MCCONNELL, be the order of business.

The PRESIDING OFFICER (Mr. KERREY). Is there objection?

Mr. D'AMATO. Mr. President, reserving the right to object, and I am not going to object. I would like to again make an appeal to my friend and colleague that we take up the FHA proposal after we dispose of the amendment of Senator MCCONNELL. I am not going to put that forth as a

unanimous consent at this point in time. I think the managers should have all the flexibility possible.

But I do not want it to languish on in through the day. This is not something that is new. This is something that is important and this is something that this Senator and the administration are committed to. So I certainly will not object to that, but I want to make it known now, so that it does not come as a surprise at some point in time, I will object and say we have to decide this issue. If we cannot accept the FHA proposal, then we are going to have to vote on it.

Mr. CRANSTON. We are negotiating on the FHA matter with the administration. I hope that will obviate the necessity for separate proposals like the Senator's, like mine, and like other people may have. We may be able to come together on a common ground.

Mr. D'AMATO. I hope we can.

Mr. President, I have no objection.

The PRESIDING OFFICER. If there is no objection, it is so ordered.

Mr. D'AMATO. Mr. President, let me say again to those who do our work so ably, nobly and without any recognition, the staffs—they are the ones we yell at, they are the ones we say, "Where is it, and how come you do not know?", they are the ones that really carry the work—we thank you for the tremendous work that you have done in getting us to this point. We thank you for the willingness to advance the causes for those who you represent in as professional a manner as you do.

But let me give you an admonition, if I might. We have to make some progress as it relates to the three or four difficult areas I spelled out. The 15 percent cap on section 8. I make an appeal not only to staff but I make an appeal to all concerned. What we now have is a reservation. That reservation really says that on section 8 certificates only 15 percent can be used for building. It is basically a rental assistance program. Only 15 percent can be used for new construction. So the developers do not get in there and do their business, which is not always the best for the community.

That cap has been, in this legislation, totally removed. So when we go from saying only 15 percent can be construction to everything can be construction, certainly there should be some basis upon which there is compromise that can be achieved. When we go from a limit of 15 to 100 percent possibility and say so, it has to be 100 percent, that is not going to lend itself to compromise.

That is an area we have that is a very real problem with the administration, and there will be a veto.

So, again, if we want a bill we are going to have to be able to move on that.

Senators might say restricting it, saying there can only be new construction for 15 percent of the total dollars that come into this project on section 8, that is unrealistic. Local communities should have more. What if they want to do 18 percent or 20 percent or 25 percent? And I will not go higher. This is a hypothetical. You cannot come in and say we are negotiating in good faith here and say no, it has to be my way, and now we have taken off all restrictions and every single penny can go into new construction.

That is where we are. It does not make sense to me to have worked so hard, to have spent all this time, all these hours, not just today and yesterday but for all these months, to get hung up on a situation like that.

I am going to bring it up again tomorrow and I will continue to bring it up and I am not going to sit down and begin to negotiate what the percentage should be, whether it should be 18 percent, 20 percent, 50 percent, 60 percent, but I am telling my colleagues it has to be some cap, otherwise we are wasting our time; the bill is going to be vetoed. That is not smart.

We should not play chicken because when we get into this business of chicken we go down to the 11th hour, we get into these amendments that are not germane, killer amendments and so forth. To date we have been able to keep pretty good control as it relates to everybody's sensibilities, recognizing all our rights, not putting up these amendments that would really do violence to the bill and be its death knell.

So I again suggest to staff and all of us on both sides, if we are really serious trying to deal with this bill, let us look at this HOPE funding. We cannot say no to the administration, "We are not going to give you any of your funding." Let us look at the administration's objection as it relates to taking off the cap for new construction because, as my colleague from California has indicated, the dollars can be worked out if some of these other programs can be dealt with, some of the underlying problems the administration has expressed.

Mr. President, I yield the floor.

Mr. KERRY. Mr. President, earlier today the Senate passed the Kennedy-Domenici homelessness amendment to the Cranston housing package. I was pleased to be a cosponsor of this important measure. I want to thank Senators KENNEDY and DOMENICI for supporting the inclusion of language, at my request, giving special consideration to the needs of homeless veterans. I am also pleased that Senator CRANSTON has agreed to work closely with me to move on legislation directly aimed at ameliorating homelessness among veterans.

Veterans compose a sizable portion, approximately 30 percent, of the homeless population in this Nation. To address the desperate needs of homeless veterans I introduced the Comprehensive Services for Homeless Veterans Act of 1990, as a companion measure to the bill introduced by Congressman JOSEPH KENNEDY in the House.

Through negotiations on the Kennedy-Domenici amendment, we have succeeded in including language in the amendment that directs special attention to the needs of homeless veterans, and support for the organizations that have demonstrated effectiveness in providing services to these vets. This is an important first step in the fight to draw attention and resources to the plight of veterans nationwide who are sleeping on park benches, suffering from traumatic stress, nervous disorders, addictions, and alienation.

The situation of homeless veterans in my own State of Massachusetts is also severe. For example, of the estimated 3,400 homeless persons in Boston, 1,000 are veterans.

We have a unique responsibility to serve and assist veterans because in our Nation's time of need they served us all. As a Vietnam veteran I will continue to exercise my special responsibilities to speak up for, and fight on behalf of all of our veterans. We have made some significant progress today. I look forward to more progress in the very near future.

Mr. PRYOR. Mr. President, it is with pleasure that I rise to express my strong support for S. 566, the National Affordable Housing Act. This important legislation is the culmination of several years of outstanding effort by our distinguished colleagues—the chairman and ranking member of the Subcommittee on Housing and Urban Affairs of the Banking Committee. Over the past 3 years, through the leadership of Senator CRANSTON, Senator D'AMATO, and other members of their subcommittee, an innovative, thoughtful, and cost-effective approach to reforming and reinvigorating our Nation's housing policy has been crafted and presented to us.

Moreover, Mr. President, this legislation is symbolic as well as substantive. It symbolizes the end of a very troubling decade that saw the near decimation of Federal support for housing the Nation's poor. During the Reagan years, budget authority for federally assisted housing was slashed by nearly 80 percent. With few exceptions, virtually all new construction was ended.

The principal program for new construction that remains is the section 202 Program for the elderly and disabled. And, to put that in context, section 202 was reduced steadily from funding for over 20,000 units at the close of the Carter administration to 8,261 units in fiscal year 1990. Of these, 6,196 units are for the elderly and 2,065 for the disabled. In light of

our rapidly growing elderly population, 8,261 new units is a very small dent in the need for housing our low-income elderly citizens.

We are not in a position to turn back to the construction levels of earlier years—our severe budgetary woes preclude that possibility. We are in a position, however, to reverse the poverty of spirit and promise that characterized the 1980's with regard to housing those of limited means. The National Affordable Housing Act will do just that.

Mr. President, there is a lot to this legislation: it would forge a strong partnership between the States, local government, the private sector, and the Federal Government. States and localities would be given greater flexibility and leverage in establishing and implementing 5-year housing strategies to ensure an increased supply of affordable housing. To accomplish this, the housing opportunity partnership, or HOP, would provide the vehicle for financing innovative approaches to low-income housing. There would be, however, strong Federal oversight—to ensure there is no repeat of the outrageous abuses of power for personal gain that occurred under HUD during the past decade.

In addition to HOP, another major element of S. 566 is the administration's HOPE initiative, incorporated into this legislation, which would transfer ownership of assisted housing to low-income tenants. S. 566 places a heavy—and critically needed—emphasis on preserving the low-income units the Federal Government has invested in. This legislation provides a permanent solution to the thorny and sensitive problem of the loss of units when private owners of assisted housing consider or opt to convert the property to other uses, such as condominiums or higher income tenants. One important approach would be ensuring that residents, nonprofits, and public agencies be given first priority in acquiring such properties and to provide Federal subsidies in the acquisition of units that would otherwise be lost to low-income Americans.

Mr. President, these provisions, and many others in S. 566, are essential to and consistent with the Federal goal of "a decent home and suitable living environment for every American family" as originally established in the Housing Act of 1949.

There is another major element of S. 566, however, that addresses a problem that was not envisioned in 1949—the phenomenon referred to as "aging in place." As tenants of assisted housing have grown older—"aged in place"—they often become more frail and less independent. In time, many of these individuals, in the absence of various services, such as home-delivered meals and help with personal care needs, are forced to leave their residences, typically to go into a nursing home. This problem has grown in significance over the past few years, and the so-called graying of America ensures that it will become increasingly more important in the years to come.

Title VI of S. 566, "Housing for Persons With Special Needs," addresses the problem of enabling elderly and disabled tenants of assisted housing to remain in place despite limitations in their ability to maintain a fully independent life. In other words, these are people who with modest forms of supportive services or with appropriate modifications to their apartments, such as handrails or grab bars, can continue to live in the setting they consider home.

This component of the National Affordable Housing Act is modeled after the small but highly successful Congregate Housing Services Program [CHSP], that has been administered by HUD since 1978. Started as a small demonstration, CHSP proved conclusively that frail elderly and disabled residents of assisted housing can continue to live independently and avoid institutionalization if provided modest forms of supportive services.

Despite efforts by the Reagan administration to terminate CHSP and its 60 or so sites around the country, Congress made it a permanent program in the Housing and Community Development Act of 1987. While CHSP was kept alive, funds were not adequate to allow for any expansion. In fact, there have been no new CHSP sites since 1983. S. 566 would preserve the existing CHSP sites and would provide additional means for assisted housing sites to assist disabled and frail elderly tenants to stay in their residences.

Mr. President, I am pleased to say that Senator CRANSTON and Senator D'AMATO have agreed to accept an amendment of mine to strengthen the supportive services provisions in section 602 of title VI, otherwise known as Project Retrofit. My amendment makes several modest, but I believe important, modifications to the Project Retrofit section.

The supportive services element of the housing bill represent an important source of home-based long-term care services for those who are frail and disabled. As chairman of the Special Committee on Aging, and as a member of the Pepper Commission which earlier this year made a series of recommendations as to how we should establish a comprehensive long-term care program for the Nation's elderly and disabled, I am keenly aware of what is necessary to establish long-term care services.

In drafting this amendment, I wanted to be sure that it reflected some of the creative and important provisions that have been adopted in H.R. 1180, the House companion bill, based upon an amendment by Congressman BRUCE VENTO and Congresswoman MARILYN LLOYD. Ms. LLOYD chairs the Select Committee on Aging's Subcommittee on Housing and Consumer Affairs and Mr. VENTO is a member of that subcommittee.

For many who are frail, their ability to prepare meals and, consequently, to eat nutritiously, becomes quite limited. I believe the implications of such limitations are obvious. For example, the amendment highlights the importance of nutritious meals as part of the supportive services package. Meals that are provided must adequately meet at least one-third of the daily nutritional needs of eligible project residents. Those agencies that provide nutrition services under the Older Americans Act [OAA] and others with experience in providing meal services in a CHSP or other congregate housing site, would have preference in preparing meals under Project Retrofit. In addition, the amendment would ease the ability of tenants to use food stamps and to enable congregate housing sites to use agricultural commodities.

My amendment also addresses the need to ensure that services provided to tenants of assisted housing are of good quality. The HUD Secretary would be directed to establish requirements for quality and individual rights in the provision of services, including meals. In developing such standards, the Secretary of HUD must consult with the Secretary of the Department of Health and Human Services, which has experience in developing and implementing measures governing quality and individual rights in health and long-term care settings.

Assisted housing owners would be permitted to charge residents fees for services provided. Such fees must be reasonable and not exceed the cost of providing the service. To ensure this, however, the amendment provides the Secretary of HUD with the authority to set an overall ceiling on the total amount that residents can be asked to pay-out-pocket.

Mr. President, I will briefly summarize the details of the other aspects of my amendment. The amendment: gives the HUD Secretary the authority to determine the amount of individual Project Retrofit grants that can be used for meals and supportive services; clarifies that assessments of residents to determine their level of impairment and services needs can be done by qualified health or social services personnel as well as by medical professionals; includes personal emergency response systems as a service that may be provided; specifies the information that HUD must provide in an annual report to Congress on supportive services; and requires a study

of the quality and costs of the approaches used to provide services to residents.

Mr. President, there are two other elements of S. 566 that I would like to comment on. First, the legislation includes very important improvements in the section 202 program for the elderly and disabled. Over the past decade, section 202 has been slashed in terms of funding but also in terms of administrative requirements. Over the past few years, section 202's impeccable record of accomplishments has been diminished by such things as limiting common space and requirements for efficiencies which have made 202 units difficult to market. This legislation provides much-needed commonsense improvements concerning this program.

I also wanted to commend Senators CRANSTON, D'AMATO, and other members of the committee, including Senator SANFORD, for their fine effort in improving housing programs for the rural poor under the Farmers Home Administration. As a Senator who represents a rural State, I know too well the difficulties many rural Americans face in obtaining and maintaining decent housing. The FmHA has a major role to play in this effort and S. 566 will help a great deal.

Mr. President, we need S. 566—it is a badly needed piece of legislation. It clearly does not go as far as most of us would want. The past decade has been witness to a debilitating reduction in our ability to house those in need. This modest legislation will not make up for lost ground and new need. But, it is a major step in the right direction.

For example, as important as the Project Retrofit provisions, including the supportive services component, are, we must recognize how limited they are. A $50 million authorization level represents but a drop in the bucket compared to the need. Yet, of course, the economics of 1990 make it difficult to do any more at this time. Nonetheless, we should be eager to take the steps that we can. If we can get Project Retrofit in place and build upon the success of the CHSP, we can keep some elderly and disabled tenants out of nursing homes and other settings unnecessary and inappropriate to their needs. We can establish a solid foundation that we can steadily build upon in the coming years.

Mr. President, the National Affordable Housing Act is an opportunity to substantially reverse the malaise and destruction in Federal assistance for the housing of low-income Americans. I urge my colleagues to join in ensuring overwhelming support for this legislation.

ORDER OF BUSINESS

Mr. MITCHELL. Mr. President, I have had the opportunity to discuss the pending legislation with the managers and I am advised there are no further amendments that would require a rollcall vote that are in order this evening.

It had been my hope originally that this bill could be disposed of in 3 days of legislative action including Monday. We have now had 3 days and of course we have not completed action on the bill. It is my hope we will be able to do so tomorrow. Therefore, Senators should be on notice that tomorrow we will stay in session hopefully to complete action on this bill and, in any event, it will be a very long session tomorrow evening. Senators should be aware of that.

No requests for windows or times to be exempt from votes will be considered. We will not be getting on this bill until just before noon because we have 2 hours set aside tomorrow morning for debate and voting on the Hatch Act veto override. So when we get to this bill shortly before noon, I understand there is at least a potential of several amendments to be offered. Senators should be prepared tomorrow evening for a very lengthy session, into the night and perhaps into the morning, as we attempt to complete action on this very important measure.

As all Senators know, we have a number of other very important and pressing matters awaiting action after this.

I thank the managers for their patience so far. We have now had 3 days on the bill. There were no votes on Monday and no votes after approximately 6:30 last evening or this evening. So that Senators can be aware and make their plans accordingly for tomorrow: I anticipate there will be a lengthy session well into the evening with such votes as are required to move forward on the bill. Of course, were we to unexpectedly complete action at an early hour, why, that would not be necessary. I hope that is the case, but I have not been given any reason to believe that from my discussions with the managers.

Mr. President, I thank the managers for their courtesy and I yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. I thank the majority leader very much for his comments. We will do our best to wrap the bill up tomorrow at a not too late hour, but I suspect we will have to work our way into the late evening. I am delighted the majority leader looks upon this as a very important bill and I know there are other measures that must be dealt with, too. We will do our best to expedite action on it.

MORNING BUSINESS

Mr. CRANSTON. Mr. President, I ask unanimous consent there be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELF-DETERMINATION FOR PUERTO RICO

Mr. MITCHELL. Mr. President, last year the Governor of Puerto Rico, Rafael Hernandez Colon, pledged to seek for the people of Puerto Rico the right to self-determination concerning the future political status of their island.

This right would be exercised through a referendum on the island among the three choices: The current Commonwealth relationship, with enhancements; statehood; or independence.

Governor Hernandez Colon's party endorses enhanced Commonwealth. Leaders of the other local parties, which endorse statehood and indendence, respectively, supported his call for a referendum, as did President Bush and the distinguished chairman and ranking member of the Senate Committee on Energy and Natural Resources. A bill, S. 712, providing for a referendum has been reported by that Committee and referred to the Senate Finance Committee.

If this critical exercise in self-determination is to be meaningful, it must be conducted without any effort by the U.S. Government—either the administration or the Congress—to influence the result.

In their consideration of this matter, both Senator JOHNSTON and Senator MCCLURE have maintained neutral as to the merits of any of the options while working to craft comprehensive and clear legislation authorizing the plebiscite.

I was therefore greatly disturbed to learn that two senior White House staff members traveled to Puerto Rico last month to campaign for statehood, and that they undertook this campaign activity for explicit partisan political objectives.

According to news accounts, these two staffers—Mr. Andrew Card and Mr. Charles Untermeyer—appeared in Puerto Rico before pro-statehood rallies and local Republican fundraisers.

Mr. Card predicted that the statehood option would win the plebiscite. Mr. Untermeyer said the purpose of his trip was to "reaffirm President Bush's commitment to statehood." Mr. Untermeyer promised to convey the message that there is a real Republican Party in Puerto Rico which, "when statehood comes, will elect Republican Representatives and Senators." He identified the statehood

option with having "democracy reach Puerto Rico."

Mr. Untermeyer is the official White House liaison to the Congress and to Federal agencies with respect to the complex issues presented by the pending plebiscite legislation.

Mr. President, democracy in Puerto Rico means letting the people decide their own future. If that process is to have public support, the people in Puerto Rico must have confidence that the referendum process will be undertaken in a manner that is fair and not tilted toward any status option to the detriment of the others. That is the goal of S. 712.

With this trip, it can only be inferred by the people of Puerto Rico that the White House has not only taken sides in the referendum, but is openly campaigning in an effort to manipulate the result for partisan political advantage.

This conduct is an insult to the people of Puerto Rico. It demeans and threatens this historic process which affords our country an opportunity to reaffirm the principles of democratic governance and self-determination.

I call on the White House to adopt a position of strict neutrality on this matter henceforth.

MESSAGES FROM THE HOUSE

At 2:26 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House of Representatives having proceeded to reconsider the bill (H.R. 20) to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes, returned by the President of the United States with his objections, to the House of Representatives, in which it originated it was, *Resolved*, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

The message also announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 264. Joint resolution to commemorate the 50th anniversary of the National Sheriffs' Association.

The message further announced that the House has passed the bill (S. 1824) to reauthorize the Education of the Handicapped Act, and for other purposes, with amendments, in which it requests the concurrence of the Senate.

MEASURES REFERRED

The following bill was taken from the calendar, and referred to the Committee on Energy and Natural Resources:

H.R. 2567. An act entitled: "Reclamation Projects Authorization and Adjustment Act."

ENROLLED BILL AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, June 20, 1990, he had presented to the President of the United States the following enrolled bill and joint resolutions:

S. 286. An act to establish Petroglyph National Monument and Pecos National Historical Park in the State of New Mexico, and for other purposes;

S.J. Res. 245. Joint resolution designating July 3, 1990, as "Idaho Centennial Day"; and

S.J. Res. 246. Joint resolution calling upon the United Nations to repeal General Assembly Resolution 3379.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PELL:

S. 2758. A bill to provide for additional membership on the Library of Congress Trust Fund, and for other purposes; to the Committee on Rules and Administration.

By Mr. BREAUX (for himself and Mr. LOTT):

S. 2759. A bill to authorize appropriations for fiscal year 1991 for the Federal Maritime Commission, and for other purposes; to the Committee on Commerce, Science, and Transportation.

S. 2760. A bill to authorize appropriations for fiscal year 1991 for the Maritime Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. D'AMATO:

S. 2761. A bill to deem certain interests to be reasonably incidental to the operation of a gas utility company for the purpose of the Public Utility Holding Company Act of 1965; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. HATFIELD (for himself and Mr. GORTON):

S. 2762. A bill to facilitate the implementation of National Forest land and resource management plans and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. SIMON (for himself and Mr. DIXON):

S. 2763. A bill to improve judicial enforcement in savings and loan fraud cases; to the Committee on the Judiciary.

By Mr. CRANSTON:

S. 2764. A bill to amend the Fair Credit Reporting Act to protect consumers from the use of inaccurate credit information and the misuse of credit information, to amend the Consumer Credit Protection Act to prevent consumer abuse repair organizations, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DECONCINI:

S. Res. 301. A resolution condemning the violence in Romania; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BREAUX (for himself and Mr. LOTT):

S. 2759. A bill to authorize appropriations for fiscal year 1991 for the Federal Maritime Commission, and for other purposes; to the Committee on Commerce, Science, and Transportation.

FEDERAL MARITIME COMMISSION AUTHORIZATION

● Mr. BREAUX. Mr. President, I am introducing a bill today to authorize the appropriations for the Federal Maritime Commission [FMC] for fiscal year 1991. The bill simply authorizes $15,894,000 to be used for the functions of the FMC. This is the same amount requested by the President in his budget request. I realize that there may be other issues that are not addressed by this bill that have been considered by the House. Those, and other issues, will be the subject of hearing before the Merchant Marine Subcommittee of the Commerce Committee this afternoon on reauthorization of MarAd.●

By Mr. BREAUX (for himself and Mr. LOTT):

S. 2760. A bill to authorize appropriations for fiscal year 1991 for the Maritime Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

MARITIME ADMINISTRATION AUTHORIZATION

● Mr. BREAUX. Mr. President, it is with pleasure that I introduce legislation today to authorize the Maritime Administration [MarAd] within the Department of Transportation. The bill authorizes a total appropriation for MarAd in the amount of $557,887,000, the same amount requested in the President's budget request. The budget is divided into five basic categories: operating differential subsidy; manpower, education, and training; operating programs; national security support capabilities; and ready reserve force.

The bill that I am introducing today simply authorizes funding for the essential programs at MarAd. I am aware that there are other issues that may be appropriate to include in this reauthorization that are not reflected in this bill. I intend to explore those issues at a hearing on MarAd reauthorization today before the Merchant Marine Subcommittee of the Commerce Committee.●

By Mr. D'AMATO:

S. 2761. A bill to deem certain interests to be reasonably incidental to the

operation of a gas utility company for the purpose of the Public Utility Holding Company Act of 1935; to the Committee on Banking, Housing and Urban Affairs.

GAS RELATED ACTIVITIES ACT

● Mr. D'AMATO. Mr. President, I rise today to introduce the Gas Related Activities Act.

The Gas Related Activities Act is a very simple, straightforward bill. It would allow the three gas companies currently registered under the Public Utilities Holding Company Act [PUHCA], Columbia Gas System, Inc., Consolidated Natural Gas Co., and the National Fuel Gas Co., to participate on an equal footing with other gas companies in developing new markets.

By way of background, the three registered gas companies are integrated gas holding companies. They own subsidiaries engaged in all phases of the gas business. They explore for and produce natural gas. They also own local distribution companies which act as utilities selling gas to end-users—residential, commercial, and industrial—at retail. They are registered under PUHCA because they are holding companies which own gas utility subsidiaries. It is important to note that there are many other gas companies which are similarly organized, but which are exempt from PUHCA for a variety of reasons.

Under section 11(b)(1) of PUHCA, the three companies may only engage in activities necessary or appropriate to the operation of their gas utility operations. This has sometimes been called the "functional relationship" test, that is, their activities must be functionally related to the sale of natural gas at retail. For example, the companies have been permitted to build pipelines to transport gas, explore for and produce gas, and so forth, but they would not be permitted to buy drug stores or other businesses not functionally related to selling natural gas. My legislation does not change that aspect of PUHCA. The activities of the three companies, under my bill, would still be confined to gas-related activities.

The natural gas industry has undergone enormous changes in the last 10 years. The Federal Energy Regulatory Commission [FERC] has opened access to pipelines so that end-users of natural gas may contract directly with producers while the pipelines serve as common carriers. State public utility commissions have sought to pass the benefits of a newly competitive gas market to consumers by requiring local distribution companies, the local gas utilities, to purchase the cheapest gas they can find within the bounds of prudence rather than relying on historical suppliers.

New competition within the gas market has led to decreased prices for natural gas and to enormous savings for consumers.

Unfortunately, the Securities and Exchange Commission, which has responsibility for enforcing PUHCA, has recently interpreted the law to require that the three registered gas companies must direct their non-utility activities—exploration and production, pipeline transmission, storage, marketing, and other such activities—primarily for the benefit of their utilities, the local distribution companies. The SEC staff has asserted that the test to determine whether non-utility functions are directed primarily for the benefit of utility functions is a "bright line" 50 percent test. For example, the SEC staff interpretation would require that 50 percent of the gas flowing through one of the registered company's pipelines must flow to one of that company's subsidiary local distribution companies. At the same time, FERC policies and State public utility commission policies are pushing local distribution companies to aggressively seek the cheapest supplies possible while maintaining reliable service.

The SEC interpretation of PUHCA is in conflict with FERC and State efforts to bring the benefits of competition to consumers and does not recognize the dramatic changes that are still occurring in the natural gas industry.

Last winter's nationwide cold snap, which caused shortages of fuel oil and propane, and resulting dramatic price flyups, emphatically demonstrated the need to improve gas deliverability in the Northeast and Midwest. The three registered gas companies happen to be three of six companies geographically situated to move quickly to develop new gas markets in this region. Consumers in my State as well as other States in the Northeast and Midwest will directly benefit from these expanded gas markets. Greater gas availability will also mean more competition and lower prices for consumers.

Under the SEC's interpretation of PUHCA, however, it is unlikely that these companies will be able to play a role in bringing gas supplies to a region that needs them. It makes no sense to arbitrarily block half of the potential entrants to a new market, thereby denying consumers the benefit of increased competition.

The Gas Related Activities Act simply would declare that activities related to the production, transmission, and marketing of gas, and similar activities, for the purposes of PUHCA, are reasonably incidental or economically necessary or appropriate to the operation of gas utilities. That's all, nothing more. It affects only the so-called "functional relationship" test of section 11(b)(1) of the act. It specifically leaves in place all other sections of PUHCA with the following unambiguous language, "nothing herein shall be construed to affect the applicability of any other provisions of the Public Utility Holding Company Act to the acquisition or retention of any such interest by any such company."

Having discussed the scope of my legislation, I think it is appropriate, in order to avoid confusion, to distinguish the Gas Related Activities Act from other, larger PUHCA-related issues. My legislation is not related in any way, shape or form, to proposals for allowing utilities and others to exempt subsidiaries which generate electricity for wholesale distribution from PUHCA. In fact, the Gas Related Activities Act has nothing whatever to do with the generation of electricity. Nor is the Gas Related Activities Act a special exemption from PUHCA, rather, it is designed to correct an ambiguity in PUHCA, an ambiguity which did not become apparent until the forces of competition exerted themselves in the natural gas market.

In February of this year, the National Association of Regulatory Utility Commissioners [NARUC], adopted a resolution supportive of this legislation. The resolution found, among other things, that: "Restrictions on functionally related activities of the registered gas companies place them at a competitive disadvantage and are contrary to the best interests of their customers" and that: "Restrictions on gas-related activities could prevent the registered gas companies from expanding their pipeline systems or from participating in joint ventures with other gas systems to expand pipeline service to areas of the country where enhanced transportation capability is necessary * * *" In view of these findings, NARUC resolved, unanimously, that Congress be called upon to enact this legislation "to clarify PUHCA to secure the benefit of competition among gas systems for natural gas customers."

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD immediately following these remarks. I also ask unanimous consent that a copy of the NARUC resolution be printed in the RECORD immediately following my remarks. I further ask that an analysis of the need for the Gas Related Activities Act and a point paper regarding the Gas Related Activities Act potential benefit to consumers due to increased competition be printed in the RECORD.

I urge my colleagues to join me in cosponsoring this bill. We need to move quickly to prevent a duplication of last winter's skyrocketing fuel prices. Passing the Gas Related Activities Act is one simple, prudent, and noncontroversial step toward doing that.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2671

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the acquisition or retention by a company, registered under the Public Utility Holding Company Act of 1935 solely by reason of direct or indirect ownership of voting securities of one or more gas utility companies, or by any subsidiary company of such registered company, of any interest in any natural gas company as defined under the Natural Gas Act (15 U.S.C. 717(a) et seq.) or in any company organized to engage or participate in activities related to the supply of natural gas (including exploration, development, production, manufacture, storage, transportation, marketing, or other similar activities related to the supply of natural or manufactured gas) shall be deemed, for the purpose of section 11(b)(1) of the Public Utility Holding Company Act of 1935, to be reasonably incidental or economically necessary or appropriate to the operation of the gas utility companies. Nothing in this section shall be construed to affect the applicability of any other provision of the Public Utility Holding Company Act to the acquisition or retention of any such interest by any such company.

Analysis of the need for the Gas Related Activities Act

The Columbia Gas System, Consolidated Natural Gas Company and National Fuel Gas Company are the only three natural gas holding companies registered under the Public Utility Holding Company Act of 1935 (PUHCA or the Act). The Gas Related Activities Act would effect a change in PUHCA, as interpreted by the Securities and Exchange Commission (SEC), to eliminate a potential restraint on these three companies' participation in gas related activities while retaining all other safeguards available under the Act.

This analysis addresses three questions: Why is the Gas Related Activities Act needed? What would the Gas Related Activities Act accomplish? What safeguards for consumers would remain in place if the Gas Related Activities Act is adopted?

What would the Gas Related Activities Act accomplish?

One of the goals of PUHCA was to prevent the growth and extension of holding companies which bear "no relation to economy of management and operation or the integration and coordination of related operating properties." (Section 1(b)(4) of PUHCA). The legislative history indicates that the concern being addressed in 1935 was with the acquisition by utility holding companies of "(w)hole strings of companies with no particular relation to, and often essentially unconnected with, units in an existing system . . ." defeating "the principle of building up a system as an integrated and economic whole, which might bring actual benefits to its component parts from related operations and unified management." (*Report of the National Power Policy Committee with Respect to the Treatment of Holding Companies,* House Doc. No. 137, 74th Cong., 1st Sess., March 12, 1935 at p. 5).

This principle was reflected in the Act's requirement that the activities of a registered system be restricted to the operation of an integrated utility and such other businesses as are "reasonably incidental or economically necessary or appropriate" to the operations of the utility system.[1] (PUHCA sec. 11(b)). The SEC has interpreted the section 11(b) "reasonably incidental or economically necessary or appropriate" language (sometimes called the "functional relationship" test) to require that any proposed non-utility activity be primarily for the benefit of the affiliated local distribution companies (LDCs). Recently, the SEC staff has developed a source of revenue test to assure the existence of the benefit—at least 50 percent of the revenues of a non-utility activity must be derived from affiliated LDCs.

The Gas Related Activities Act would stipulate that gas-related activities are functionally related to gas distribution business regardless of whether affiliated versus non-affiliated transactions are proponderant. The legislation would recognize that production, transportation, storage and other gas-related activities are part of the economic whole which an integrated gas system comprises. An existing unnecessary and burdensome administrative barrier to serving new and growing consumer demand would be eliminated.

Why is the Gas Related Activities Act needed?

In the forefront of changes in the natural gas industry, many state commissions have encouraged LDCs to wean themselves from their traditional pipeline suppliers and develop a diversified portfolio of suppliers. LDCs affilated with the three gas utility holding company systems (the Systems) have pursued this course. To hold down prices by maintaining a high load factor, pipelines affiliated with the three Systems must also diversify by increasing sales and/or transportation for others in order to offset the lost sales and transportation to LDC affiliates. At the same time, some other LDCs, not affiliated with the Systems, are seeking the services of the Systems' pipelines in order to themselves diversify their portfolios of suppliers. However, increased System service to other customers results in an inconsistency with PUHCA as interpreted by the SEC.

In addition, Federal Energy Regulatory Commission (FERC) open access and other policies designed to promote competition within the gas industry are in conflict with the current application of PUHCA to the Systems.

Under the current interpretation of PUHCA, the "functionally related" test can severely restrict the ability of the Systems' pipelines to reduce costs and thus remain competitive. For example, SEC staff recently informally advised Consolidated that its participation in the Iroquois pipeline project would not be permissible under the Act if no Consolidated LDC would be directly served by the Iroquois pipeline even though existing nonaffiliated customers will be directly served. The record cold of December, 1989, in the Northeast graphically illustrates the need for increased pipeline capacity in that region. The proposed legislation to clarify PUHCA is necessary in order to ensure that Columbia, Consolidated and National Fuel—three of the six pipelines geographically situated to serve the Northeast—are not precluded from offering their services to meet increasing Northeast demand for natural gas.

In addition, the three registered gas Systems, through economies of integration, offer consumers some of the lowest rates in the regions they serve. In order to continue providing their low-cost service, the three Systems must maintain a high load factor and thereby spread fixed costs over a greater number of customers. This will not be possible if their affiliated pipelines are not permitted to sell or transport gas to growing numbers of customers not affiliated with the Systems.

What safeguards for consumers would remain in place if the Gas Related Activities Act is adopted?

Because the Gas Related Activities Act would clarify only the application of the functional relationship test, consistent with the original intent of the Act, and would affect no other provision of PUHCA, the SEC would retain its authority to determine whether a gas-related activity would be detrimental to the public interest or to the interest of investors or consumers or to the proper functioning of a gas holding company system. If a detriment is found, the SEC would continue to have all of its existing authority either to deny a proposed transaction or to prescribe the terms and conditions under which it may go forward. The Gas Related Activities Act would not affect the existing right of regulators, consumer representatives, potential competitors or others potentially affected, to intervene in SEC proceedings to challenge a proposed transaction by registered gas holding Systems.

Also, the SEC would retain its authority to restrict or prohibit activities which are not related to the operations of the integrated natural gas Systems.

In summary, the Gas Related Activities Act will remove arbitrary and unnecessary barriers which inhibit the Systems' ability to operate efficiently in the natural gas business. System LDCs—and their customers—will reap the benefits of affiliation with viable, competitive gas holding company systems.

THE GAS RELATED ACTIVITIES ACT WOULD BENEFIT CONSUMERS BY FACILITATING COMPETITION

Only three integrated natural gas systems are now registered under PUHCA.

The Columbia, Consolidated, and National Fuel Gas systems are registered gas holding companies (registered companies) under the Public Utility Holding Company Act (PUHCA). They serve approximately 12 affiliated local distribution companies (LDCs) and over 100 nonaffiliated LDCs in the Middle Atlantic and Northeast Regions, and are sources of gas for over 10 million customers.

PUHCA, as interpreted by the SEC, unduly limits the registered companies.

By reason of the definition in Section 2(4) of PUHCA, a gas "utility" system includes *only affiliated* operations. The natural gas production, transmission and storage units, and all the other segments of an integrated natural gas system which are not affiliated LDCs, are considered "nonutility" businesses.[1] Under PUHCA, a registered compa-

[1] Section 2(a)(4) of PUHCA defines a "gas utility company as any company which owns or operates facilities used for distribution at retail of natural or manufactured gas for heat, light or power. Compare this with the expansive definition of an "electric utility" as any company which owns or operates any facility used for generation, transmission or distribution of electric energy for sale. PUHCA Section 2(a)(3).

[1] This differs from PUHCA's more expansive "electric utility" definition, which includes the generation, transmission and all distribution of electricity.

ny may not acquire any interest in a new non- utility business unless the business bears a "functional relationship" to the operation of the *utility* system. Under the SEC's current interpretation of the functional relationship test, these "nonutility" businesses must be primarily directed to benefiting a registered company's affiliated LDCs, which limits pipeline, production or marketing activities that do not primarily serve affiliated LDCs.

PUHCA's provision, as applied by the SEC, conflicts with the trend in FERC- and PUC-directed energy policy.

Traditionally, the affiliated LDCs have dealt primarily with their own system's gas transmission, production and marketing subsidiaries; thus, these nonutility businesses did primarily serve affiliated LDCs. Now, however, FERC and State regulators seek to have affiliated LDCs increase their reliance on nonaffiliated sources of gas, thereby enhancing security of supply and, through increased competition, achieving savings for consumers. Furthermore, under FERC open access policies, regulated transmission companies must provide service on a nondiscriminatory first-come-first-serve basis, regardless of affiliation. These regulatory policies are causing a loss of historical load, which should be offset through expansion to serve new nonaffiliated customers seeking to expand their own sources of supply. The SEC's policies, however, limit the ability of the registered companies to respond appropriately.

The proposed clarifying legislation would permit the registered companies to compete on an equal basis with other gas companies.

The three registered gas companies need the same kind of flexibility for their transmission, production and marketing units as that enjoyed by competing gas companies. This ability to compete with other pipelines effectively would benefit LDCs and their customers, thereby reducing unit costs for all customers. Unless this legislation is passed, the registered companies face years of seeking a change in SEC interpretations through the administrative and judicial process, during which time the companies' ability to respond to new market needs and to compete effectively will be severely restricted. Indeed, the registered gas systems are three of the six companies poised to expand pipeline capacity in the Northeast, and would be prohibited from doing so under the current SEC interpretation of PUHCA.

A legislative clarification is needed.

The Gas Related Activities Act (GRAA) would correct the inconsistency that now exists between Federal and State regulatory policies and the SEC's interpretation of PUHCA, but otherwise would not alter the SEC's jurisdiction to deny authority for a proposed activity if it is not in the interest of investors or consumers or the public interest. GRAA would merely clarify that transmission, gas production, marketing, storage and other gas related businesses of the registered companies are "functionally related" to the gas utility businesses, regardless of the level of transactions with affiliates. Substantive provisions giving the SEC jurisdiction over proposed new business activities would remain unchanged.

NARUC has called upon Congress to enact GRAA.

During the 1990 Winter Meeting, the Gas, the Electric and the Executive Committees of the National Association of Regulatory Utility Commissioners (NARUC) called upon Congress to enact GRAA, "to secure the benefit of competition among gas systems for natural gas consumers."

RESOLUTION REGARDING FEDERAL LEGISLATION TO CLARIFY THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935 CONCERNING FUNCTIONALLY RELATED GAS ACTIVITIES OF REGISTERED GAS HOLDING COMPANIES

Whereas, Only three of the integrated natural gas systems remain registered as holding companies under the Public Utility Holding Company Act of 1935 (hereinafter referred to as PUHCA), namely, the Columbia Gas System, Inc., Consolidated Natural Gas Company, and National Fuel Gas Company (hereinafter referred to as the registered gas companies); and

Whereas, The operations functionally related to local distribution, including transmission of natural gas, exploration for natural gas, development and production of natural gas, manufacture of gas, storage of natural gas, and marketing and supply of natural gas are deemed by PUHCA to be "nonultity business"; and

Whereas, Recent interpretations of PUHCA, primarily developed in the context of the electric industry, where generation and transmission are utility functions, limit "non-ultility businesses" of registered companies to those activities primarily benefiting affiliated utilities; and

Whereas, Application of this interpretation to gas systems could limit the activities of gas systems to those primarily serving affiliated local distribution companies, without regard to the benefits such activities confer upon non-affiliated local distribution companies, many of which are major, long-term customers of the registered gas companies and others of which are potential customers in areas without sufficient pipeline capacity, particularly in the northeastern United States; and

Whereas, The deregulation of wellhead prices together with the regulatory changes which have occurred during the 1980's have encouraged a beneficial competitive restructuring of the gas industry; and

Whereas, State regulators have encouraged local distribution companies, including those local distribution companies affiliated with the registered gas companies, to diversify their gas supply procurement by interconnecting with and obtaining gas via competing pipelines and directly from gas producers; and

Whereas, Federal regulators have opened access to the registered gas companies transmission facilities, thereby substantially increasing non-affiliated transactions; and

Whereas, Restrictions on functionally related activities of the registered gas companies place them at a competitive disadvantage and are contrary to the best interests of their customers; and

Whereas, Restrictions on gas related activities could prevent the registered gas companies from expanding their pipeline systems or from participating in joint ventures with other gas systems to expand pipeline service to areas of the country where enhanced transportation capability is necessary; now therefore, be it

Resolved, that the Executive Committee of the National Association of Regulatory Utility Commissioners (NARUC), assembled at its 1990 Winter Committee Meeting in Washington, D.C., calls upon the Congress to enact legislation, in the form of the draft legislation below, to clarify PUHCA to secure the benefit of competition among gas systems for natural gas consumers.

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the acquisition or retention by a company, registered under the Public Utility Holding Company Act of 1935 solely by reason of direct or indirect ownership of voting securities of one or more gas utility companies, or by any subsidiary company of such registered company, of any interest in any natural gas company as defined under the Natural Gas Act (15 U.S.C. Sec. 717(a) *et. seq.*) or in any company organized to engage or participate in activities related to the supply of natural gas (including exploration, development, production, manufacture, storage, transportation, marketing or other similar activities related to the supply of natural or manufactured gas) shall be deemed, for the purposes of Section 11(b)(1) of said Act, to be reasonably incidental or economically necessary or appropriate to the operation of said gas utility companies. Nothing herein shall be construed to affect the applicability of any other provisions of the Public Utility Holding Company Act to the acquisition or retention of any such interest by any such company."

(Sponsored by the Committee on Gas. Adopted February 28, 1990. Founded in 1889, the NARUC is a quasi-governmental, nonprofit organization whose members include regulatory bodies of the fifty States, the District of Columbia, Puerto Rico and the Virgin Islands. Designed to serve the public interest by seeking to improve the quality and effectiveness of government regulation of carriers and utilities, its members play a crucial role in shaping the profile and substance of public regulation in America today.)●

By Mr. HATFIELD (for himself and Mr. GORTON):

S. 2762. A bill to facilitate the implementation of National Forest land and resource management plans, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

NATIONAL FOREST PLAN IMPLEMENTATION ACT

● Mr. HATFIELD. Mr. President, last July, as the Senate debated the fiscal year 1990 Interior appropriations bill, several Senators from different regions of the country and I discussed problems associated with the management of our national forests. Both the discussion, and our subsequent approval of short-term measures to facilitate this management, were precipitated by a management crisis caused by litigation which had sweeping effects on timber management programs in my region. This litigation emerged out of a fundamental disagreement about how best to manage our national forests between two basic sectors of the public, the timber industry and the environmental community.

Simply put, the disagreement reflected two perspectives of the same issue: How to provide a stable commodity flow while simultaneously protecting the ecology of the resource base from which the commodities flow.

At the end of that discussion, the Senate agreed on what I described as a "short-term, 14-month holding pattern

solution in an effort to try to bring the parties together to resolve the issues in a long-term manner that does not necessitate the coming to the floor each year on an appropriations measure to try to put another band-aid on a very, very serious matter."

More importantly, our discussion concluded with a commitment by myself and several of my Senate colleagues to endeavor to forge a longer-term resolution of national forest management problems predicated on at least three primary elements:

First, finding broader areas of agreement among the disputing parties;

Second, setting national forest timber sales levels that would not exceed the level that is sustainable given the need to protect other, nontimber, forest resource values; and

Third, focusing our effort to reach this solution through our authorizing committees.

My colleague from Idaho, Senator McCLURE, my colleague from Vermont, Senator LEAHY, my colleagues from Washington, Senator ADAMS, and Senator GORTON, as well as several other Senators, agreed that we needed time to take a new and fresh look at these forest management issues. We also concurred that forest management problems are not unique to the national forests of the Pacific Northwest, and that we must address those problems experienced in the National Forest System nationwide.

We ended our discussions on the floor of the Senate last July with a strong and renewed commitment to:

First, work together toward a long-term solution to the problems we identified;

Second, hold hearings on the full range of forest management issues; and

Third, try to reaffirm a stable program for the balanced management of our national forests.

Our agreement last July came at an historic watershed in the management of our National Forest System. The National Forest Management Act of 1976 [NFMA] was enacted almost 14 years ago. Many of my colleagues recall the attention the Congress gave to establishing priorities for national forest management then. Congress had not revisited these issues in such detail until the July 1989 discussion.

The forest planning process mandated by the 1976 statute is nearly completed. The Forest Service informs us that of the 123 plans to be completed, 101 are final, and the remainder are in draft form, undergoing various stages of public review and revision by the agency. Fifty-eight plans have cleared all appeals and litigation, which leaves 580 appeals and lawsuits pending on the rest. The Forest Service also tells us that more than 1 million people have participated in the NFMA planning process—one of the largest public participation efforts ever undertaken by any Federal agency.

But as we learned in July, the conflict over the future of the national forests has not abated. If anything, controversy is increasing as the Forest Service shifts its focus from planning to on-the-ground management of the forests. Thus, I believe our commitment to resolve these conflicts and move forward in this area is both warranted and timely. National forest management policy stands at a critical historical juncture. We must now look beyond the present results of the NFMA planning process to chart a path for the 1990's and into the 21st century.

What have we done since July 1989?

As national forest management policy has gained increased regional, indeed, even national, attention, the Congress has amassed an inpressive oversight record. Over 100 witnesses have testified before committees of the Senate and the House of Representatives, in 10 separate hearings involving 5 committees and covering a wide range of generic and specific national forest management concerns.

In the Senate, we have made progress on our commitment with a number of hearings since last fall. Specifically, the Senate Energy and Natural Resources Committee and the Senate Agriculture Committee held an unusual joint hearing on October 25, 1989. We received testimony on the central issue of whether the national forest planning process is a satisfactory vehicle for the Forest Service to meet its mandate to manage the renewable resources of the national forest system through multiple-use and sustained yield management. In addition to the Forest Service, industry representatives and the environmental community provided testimony. We also heard from distinguished academicians who have studied the national forest planning process.

The October 25, 1989 hearing was extremely useful in better defining the nature of both the problems we face and the opportunities available for their solution. The hearing was attended by more than a dozen members of both committees. This demonstrates the strong interest on the part of our Senate colleagues in producing the king of long-term solution that we envisioned last July.

The most important message from the October hearing was a plea from witnesses and committee members alike that there be some finality to the planning process; that planning controversies be brought to an end; and that management proceed on the basis of completed plans without continuous interruption by appeal and litigation.

The Chief of the Forest Service, in particular, drew a "clear distinction * * * between: (1) The planning process under NFMA; and (2) the implementation of the resulting plans under the requirements of NFMA and other laws." He found the Agency's planning efforts to be basically sound but expressed concern about the roadblocks being thrown in the way of implementing forest plans and asked for Congressional guidance on plan implementation issues.

The Agriculture Subcommittee on Conservation and Forestry has also been extremely active in oversight of that national forest system. The subcommittee Chairman, Senator FOWLER, held a comprehensive hearing on sustaining forest resources last summer as we were working on the interim appropriations measure. This hearing resulted in an extensive record on the role of the national forests relative to world resources needs. Senator FOWLER followed with a field hearing in October in Atlanta focusing on national forest roads and biological diversity concerns from the standpoint of the national forests in the Southeast.

More recently, the Senate Judiciary Committee held hearings on February 22 on a proposal by my colleague from Oregon, Senator PACKWOOD, to streamline judicial review of forest plans and related activities. Senator PACKWOOD's bill, the Land Management Review Act of 1989 (S. 1436), would:

First, require legal challenges of national forest plans to be filed in the U.S. Court of Appeals, thus eliminating the district court level review;

Second, tighten up the timeframe for challenges to forest plans and individual Forest Service actions; and

Third, require that a party challenging a Forest Service decision resolve all available administrative remedies before resorting to bringing an action in Federal court.

As always, my colleague has offered the Senate a very thoughtful proposal that goes to the heart of some of the problems that the joint Senate Agriculture and Energy and Natural Resources Committees hearing uncovered. These problems were discussed in considerable detail at the February 22 hearing chaired by Senator HEFLIN, the chairman of the Courts and Administrative Practice Subcommittee. Senator PACKWOOD's proposal deserves serious consideration for inclusion as part of the long-term solution that we committed last July to work toward.

It is worthy to note that, at the February 22 hearing, S. 1436 was generally supported by the administration witnesses who offered testimony. The bill was also supported by the Administrative Conference of the United States—a quasigovernmental entity which makes recommendations for the more efficient operation of our Federal court system. In addition, the Senate Judiciary Committee heard proposals from both industry and the

environmental community for amendments and modifications to S. 1436. These concerns would apply to any measure designed to modify administrative appeal and judicial review procedures associated with forest plans or other Forest Service decisions.

Most important, the Judiciary Committee heard compelling testimony indicating that the situation will get worse rather than better. A General Accounting Office study released last fall and conducted at Senator BAUCUS' request, shows that administrative appeals of Forest Service decisions have risen sharply in the last 3 years. As these appeals reach the judicial system, the burden on the judiciary and decisionmaking delays will only become worse.

Finally, Mr. President, a third Senate hearing was held by the Energy and Natural Resources Committee just 2 weeks ago, on May 23. Beyond the procedural problems, this hearing focused on very specific components of the issue as it relates to region 6: Old growth forest management and the spotted owl.

Although the issues I have discussed up to now have had both regional and national implications, the issue of old growth forest management and protection of the spotted owl are unique to Oregon, Washington, and northern California.

Last fall, in response to direction from the Directors of the Forest Service, the Bureau of Land Management, the National Park Service, and the U.S. Fish and Wildlife Service, an interagency committee of scientists was created to evaluate the existing body of knowledge about the spotted owl. They were also charged with proposing a conservation plan for the owl based upon that information. The committee was chaired by one of this Nation's most eminent wildlife biologists, Dr. Jack Ward Thomas, and has thus become known as the Thomas Committee.

In early April, the Interagency Scientific Committee [ISC], or the Thomas Committee, released its proposed conservation plan. Subsequently, the Forest Service and the BLM conducted an evaluation of the economic and social implications of the Thomas Committee's proposed plan. In Oregon alone, it was estimated that 1.2 billion board feet, $610 million dollars in revenues, and 15,400 jobs would be lost by adoption of the Thomas Committee's plan as recommended.

Because of the implications of this plan, I requested a hearing before the Public Lands Subcommittee of the Senate Energy and Natural Resources Committee. My friend and colleague from Arkansas, the Public Lands Subcommittee chairman, Senator BUMPERS, readily granted this request. The hearing on the Thomas Committee's recommended spotted owl conservation plan and its implications was held on May 23.

Mr. President, I want to also mention the fine work of the other body in reviewing the current situation and identifying opportunities for a long-term resolution of our national forest planning and management issues. The Forests, Family Farms, and Energy Subcommittee of the House Agriculture Committee, chaired by Congressman VOLKMER of Missouri, with the able participation of my colleagues, from Oregon and Washington, Mr. BOB SMITH and Mr. MORRISON, has been very active.

Chairman VOLKMER has presided over a series of four hearings, and cochaired a fifth with Congressman VENTO of the House Interior Committee's National Parks and Public Lands Subcommittee, beginning last fall and extending through this spring. During these hearings, my House colleagues have reviewed virtually all of the specific elements and issues involved in national forest management. Among other things, these hearings have examined:

First, the status of national forest plans;

Second, the timber harvesting systems and nontimber resource management on the national forests;

Third, timber sale economics and the timber sale information reporting system;

Fourth, the national forest timber supply outlook and issues associated with sustained yield management; and

Fifth, the details and implications of the Thomas Committee report.

During these hearings the committee heard from scores of witnesses, including representatives from the administration; other Members of Congress; the timber industry; the environmental community; a wide variety of respected academicians; and citizens interested in, and dependent upon, national forest management. These witnesses represented interests from California, the Pacific Northwest, the Lake States, the Northeast, the Southeast, and the Rocky Mountain States. It is clear that any efforts made in the House of Representatives to resolve our forest management problems will be built upon a strong, broad-based foundation of information provided by the diligent work of the subcommittees' chairmen and members.

Mr. President, the groups that have the greatest interest in the management of our national forests have also contributed positively toward building a base of understanding for the development of a long-term solution. In addition to testifying at the hearings I have just reviewed, several groups have put forth proposals for moving forward this year to set the management goals for the National Forest System.

In January, the Wilderness Society proposed a "Plan of Action for Washington, Oregon, and northern California." Their five-point plan would:

First, protect old growth forests and their biological diversity;

Second, reduce Federal timber sales by 40 percent in the Pacific Northwest region;

Third, reduce log exports and increased value-added manufacturing by taxing the export of raw logs from all ownerships;

Fourth, improve forest management on highly productive private lands by preferential tax rates and increased funding for the Forest Service's State and Private Forestry Program; and

Fifth, assist Pacific Northwest communities which are dependent upon Federal timber sales by providing Federal financial aid to diversify their local economics and continue to educate local citizens.

The Wilderness Society proposal is comprehensive, with 22 pages of discussion of the proposal and extensive footnotes. I commend it to my colleagues as one approach for resolving the issues most prevalent in the Pacific Northwest. The Audubon Society issued a proposal the same day that is very similar in nature to that offered by the Wilderness Society. I would ask unanimous consent to include both proposals in their entirety at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AUDUBON UNVEILS 1990 ANCIENT FOREST PROTECTION CAMPAIGN

WASHINGTON, D.C.—Thursday, January 11, 1990—The National Audubon Society today unveiled plans for a greatly intensified campaign in 1990 to protect the severely endangered ancient forests of the Pacific Northwest.

"We're tired of fighting rear guard actions with the Forest Service just to save the scraps of the Northwest forests," said Brock Evans, Audubon's Vice President for National Issues. "Now that a new session of Congress is about to start, we intend to join with our allies and move forward with positive legislation which will not only protect our ancient forests, but also force our public agencies to start practicing real forestry that no longer destroys the land and causes the ugly clearcuts we see everywhere."

Mr. Evans outlined the major elements of Audubon's 1990 campaign:

An 18-month ban on logging in all ancient forest stands on federal lands in Washington, Oregon, and Northern California.

A requirement that the U.S. Forest Service speed up and complete its on-going inventory "to give us all the best possible information about how much of this scarce and vanishing resource is left."

Establishment of a blue-ribbon scientific panel to make recommendations for protection of buffer strips and corridors connecting various tracts of ancient forests which have been heavily fragmented by past logging practices.

An "Allowable Sales Quantity" level for Region 6 (Oregon and Washington) from

the national forests, of less than 2 billion board feet per year—a drop from previous past levels, which Audubon believes are responsible for severe overcutting of public forests.

Enactment of an Endangered Ecosystems Act, which requires the Secretary of Interior to survey the public forests and to take immediate steps to protect and preserve all "endangered ecosystems" before they are further compromised.

An "Ancient Forest Restoration Program," mandating strict "new forestry" practices on the part of the federal agencies, for all areas to be logged in the future, so they will be rehabilitated and "no longer managed as tree plantations for the timber industry."

Full support for bills now in Congress to ban log exports from federal lands and to permit individual states to decide how much shall be exported from state lands. Enactment of a tax on raw log exports from private lands to encourage local manufacturing and to return additional funds to local governments.

A comprehensive package of economic assistance to timber-dependent communities in areas adjacent to National Forests. "The workers in these small communities, who were often lured there to log the ancient forest by government promises, should not be penalized by the government's past failures to protest its ancient forest."

"We will work very hard with all forest conservation advocates to secure appropriate funding to help these small communities accelerate their inevitable transition into a second growth economy—however, instead of waiting until the ancient forests are liquidated, we can help them make the transition now, and still have big trees left for the rest of us to enjoy," said Mr. Evans.

Basic elements of the new campaign were hammered out at a conference of Audubon grassroots chapter activists and experts in Eugene, Oregon last November. The concepts were fleshed out into a proposed legislative package now in the final stages of preparation and coordination with other members of the 100-organization member Ancient Forest Alliance.

"For five years now we have pleaded with the Forest Service to half its destructive practice of selling off the nation's last heritage of giant ancient trees; and we've gotten almost nowhere," he added. "We've gone to court and stopped individual timber sales, but then timber interests and their friends in Congress rush through legislation to overturn our injunctions and continue the destruction," he added. "We've gone to the appropriations communities of the Congress for help—but they are dominated by Members who mainly seem interested in servicing the timber industry."

"We hope to cooperate and promote, with all the other members of the Ancient Forest Alliance, a truly unified and comprehensive program to unite the American people behind the cause of saving their last ancient forests, and rescuing them from the clutches of the timber industry," said Mr. Evans.

For more information, please contract:

Brock Evans: (509) 529-8809 or (509) 525-0054.

Jim Pissot in Audubons Washington D.C. office: (202) 547-9009.

Tom Shoemaker in Audubon's Olympia, Washington office: (206) 786-7020.

Lynn Herring at the Portland Audubon Society: (503) 635-8030.

TRANSITION

Purpose: To restrict log exports. To assist timber-dependent communities to diversify their industrial base and the timber industry to make the transition to second-growth timber.

Restrict log exports

Congress closes loopholes that allow for substitution of federal logs by log exporters. 220 million board feet could thereby be added to the domestic annual timber supply (Forest Service estimates for 1987 and 1988). Additional log substitution is probably going unreported. The Packwood/DeFazio bills before Congress will prohibit direct and third-party substitution. Penalties in the current bills are weak and should be increased to ensure compliance.

Restrict export of logs from both state and private lands. The DeFazio/Packwood bills in Congress would allow states to restrain log export from state lands. Voters in Oregon last year overwhelmingly approved a referendum to restrict state log exports.

Tax log exports. Domestic mills will have a greater ability to outbid foreign log buyers. Tax receipts can be used for economic assistance and to purchase timber lands to add to the federal and state timber base. Log exports from acquired lands will be prohibited.

Assist affected communities to diversify their economies

Congress increases Economic Development Administration. Small Business Administration, and Forest Service funds that support economic diversification. State governments target communities for state investments: research centers, tourism promotion, college branch campuses, etc. Develop environmentally sound public works projects to provide jobs during the transition: highway reconstruction, visitor centers, etc. Washington's Governor Gardner is proposing such initiatives. Funds for these programs can come from log export taxes or from general revenues.

State and federal governments provide extended unemployment benefits and worker retraining programs to help affected citizens prepare for a more diverse economy.

Assist affected segments of the timber industry

Provide technical and financial assistance to small lumber mills to retool for second-growth timber. Provide incentives to retool for higher value-added products (yielding more jobs per log).

State trusts can market finished wood products abroad, contracting with small domestic mills to manufacture these products.

CONSERVATION

Purpose: To ensure that true long-term sustainable forestry that retrains biological diversity is practiced on all ownerships. Reduce the federal timber sales level to allow for preservation of ancient forests and better forest management on lands not preserved.

Reduce federal sales

Timber sales must be reduced to an amount consistent with preservation and conservation goals. The Sierra Club estimates that the annual sales level (net merchantable) on Washington and Oregon national forests must be lowered to between 2.0 and 2.9 billion board feet to accomplish this. For comparison, the actual average cut level was 3.7 billion board feet (net) between 1979 and 1988.

Improve timber management on lands not preserved

Congress increases funding for the Forest Service's State and Private Forestry program to provide grants and technical assistance to nonindustrial forest owners. This program can help achieve sustainable harvest from these private lands and help implement "new forestry."

Acquire corporate timber lands to add to federal and state timber base; management would be improved and put on a sustained-yield basis. Expand national forest boundaries if necessary.

Congress increases funding for studies of "new forestry" techniques to improve long-term sustainability of forest practices. Direct Forest Service and BLM to implement new practices within five years.

Maintain the Northwest's timber base

Acquire corporate lands to add to federal forests. Purchase private lands to add to state forests in urban fringe areas. These areas should be managed as greenbelts and to produce logs that may not be exported. Washington Commissioner of Public Lands Brian Boyle has proposed such a program to add to State Forest Board lands.

Example: Earmarking $100 million per year for timber land acquisitions at $2000/acre could add 200 million board feet to the annual public timber supply by the end of a decade.

Provide tax incentives for non-industrial forest owners to keep lands in timber production (e.g., Morrison-Wyden bill). Land use planning can also create incentives to keep forest lands from being developed.

Example: Bringing into timber production just ten percent (about 280,000 acres) of non-industrial forest lands in Washington and Oregon could add 100 million board feet to annual timber supply.

PRESERVATION

Purpose: To permanently preserve the virgin forests of the Pacific Northwest and the unique ecosystem of which they are a part.

Federal Lands (U.S. Forest Service and BLM)

The U.S. Congress designates large areas of interconnected virgin ancient forest to be permanently preserved, where no logging or new road building is to be allowed. Other uses may be allowed but must be consistent with the main purpose of preservation of the ancient forest.

Land areas to be preserved are based on maps and include all large blocks of ancient forest, along with connecting corridors of intact forest to allow for migration of wildlife. Both young and old natural forests must be included to ensure that all elements of the native ecosystem remain intact.

Preserved areas are protected under several classifications, as appropiate: national park additions, wilderness additions, ecological preserves, and wild and scenic rivers (in Washington). A preserve system is created across all national forest and BLM lands in Washington, Oregon, and northern California. Congress protects additional, more fragmented, ancient forest areas temporarily for further study.

Congress provides Land and Water Conservation funds to purchase ancient forests on private inholdings within Federal forests. These are places like Noisy Creek in the North Cascades; ancient pine forests adjacent to the Alpine Lakes Wilderness; rain forest on Lake Quinault, in Olympic National Park.

Other public lands

States purchase ancient forests from trust lands for preservation as state parks or conservation areas. Priority is given to the larger remaining ancient forest blocks and those areas that augment the federal preserve system. For example, carry through the recommendations of the Washington State Commission on Old Growth Alternatives to preserve critical areas of state-owned ancient forest on the western Olympic Peninsula. Pass state bond issues to purchase wildlife habitat and recreational lands.

Where it will facilitate better land management, encourage land and timber exchanges between the federal government and land owners who agree to preserve acquired ancient forests. Seattle's Cedar River Watershed is an example.

Elements of the northwest timber industry and communities dependent on the industry are facing a transition to a second growth economy either sooner, when we still have ancient forests to preserve, or later, when the ancient forests and the species dependent on them are only a memory. But a number of programs can be created to assist in this transition and to introduce the impact on affected communities.

ANCIENT FOREST PROTECTION: A PLAN OF ACTION FOR WASHINGTON, OREGON, AND NORTHERN CALIFORNIA

(Prepared by the Wilderness Society, January 1990)

INTRODUCTION

The federal forestlands are among our most diverse and valuable public treasures and should be managed primarily for the special attributes private lands do not provide. These natural attributes include ancient forest stands, recreation, scenic beauty, wilderness, fish and wildlife, pristine waters, and a wealth of untapped scientific information. Most important, federal lands serve as this country's principal reservoir of biological diversity, the underpinning of life on Earth.

The vast ancient forests that once blanketed the Pacific Northwest and northern California are rapidly being reduced to small fragments that cannot support sufficient diversity of plant and animal life. Virtually all remaining ancient forest is on federal lands. We must protect these ancient forests to assure for future generations that species diversity and other forest values will not be lost.

At the same time, the timber industry is making the transition to greater emphasis on value-added manufacturing using second-growth timber from private lands. Federal, state, and local governments must help rural timber communities diversify their economies.

To resolve the ancient forest conflict, The Wilderness Society proposes a five-point plan as follows:

(1) Protect ancient forests and their biological diversity.

(2) Reduce federal timber sales.

(3) Reduce log exports and increase value-added manufacturing.

(4) Improve forest management on highly productive lands.

(5) Diversify rural economies.

PROTECT ANCIENT FORESTS AND THEIR BIOLOGICAL DIVERSITY

To protect ancient forests and their biological diversity, The Wilderness Society recommends that:

Congress require the Forest Service and Bureau of Land Management (BLM), as an interim measure, to refrain from timber sales and roadbuilding in unfragmented ancient forest stands of 200 acres or more, all low elevation ancient forest stands, and all suitable northern spotted owl habitat.

The northern spotted owl be listed as a threatened or endangered species.

Alternative forestry practices be adopted on all managed lands to buffer ancient forests and to maintain and restore important ecological characteristics of natural forest.

Congress designate an Ancient Forest Reserve System by January 1, 1993, to protect all ecologically important old growth and unfragmented natural forest stands with a significant old-growth component.

Congress establish an Ancient Forest Scientific Committee to direct the agencies in designation of Ancient Forest Reserve lands, oversee a continuing ancient forest research program, and assure compliance with interim timber sale guidelines.

REDUCE FEDERAL TIMBER SALES

In order to protect the remaining ancient forests and to maintain biological diversity in the Pacific Northwest, federal timber sales must be substantially reduced from planned levels. The table below summarizes sustainable timber sale levels for federal lands in Washington, Oregon, and northern California, compared to sale levels in current Forest Service and BLM management plans.

These sustainable annual timber sale levels are based partly on The Wilderness Society's most recent inventory of old growth in western Washington and Oregon. This is the only old-growth inventory that applies the Forest Service's scientific definition of Douglas-fir old growth. All calculations of sustainable levels are preliminary pending completion of inventory and mapping work.

COMPARISON OF PLANNED AND SUSTAINABLE TIMBER VOLUMES ON FEDERAL LANDS IN THE PACIFIC NORTHWEST

[In billion board feet per year]

	Planned sale volume [1]	Sustainable sale volume	Reduction (precent)
Oregon and Washington National forests:			
Westside	2.5	1.4	44
Eastside	1.5	0.9	40
Subtotal	4.0	2.3	43
Northern California National forests	0.6	0.4	33
Western Oregon BLM	1.1	0.8	27
Total	5.7	3.5	39

[1] Derived from Forest Service and BLM management plans.

REDUCE LOG EXPORTS AND INCREASE VALUE-ADDED MANUFACTURING

Over the past ten years, the volume of raw log exports in the Pacific Northwest has increased 40 percent—from 2.6 billion board feet in 1980 to 3.7 billion board feet in 1989. Reducing the volume of log exports will help solve the short-term problem of tight timber supplies in the Pacific Northwest. Furthermore, increasing the production of manufactured wood products—an option that has not been fully utilized in the region—has the potential to add jobs and contribute to a prosperous, sustainable forest products industry.

In order to compensate for the reduction in federal timber supply from ancient forest protection and to encourage more value-added manufacturing in the Pacific Northwest. The Wilderness Society recommends that Congress:

Close loopholes that permit substitution of federal timber by private companies that export their own logs, make the ban on export of raw logs from federal lands permanent, and extend the ban to timber species not currently covered.

Authorize and encourage the states to impose an export tax on raw logs at least equal to the premium paid for export logs.

Establish an Education and Economic Development Trust Fund for the use of states that enact an export tax on raw logs. Trust fund assets would be generated through the export tax and reallocated to states based on their deposits into the fund. Fifty percent of the reallocation shall be used to fund local education needs according to the state's plan for education. The remaining fifty percent could be used to fund economic diversification, job training, industry modernization and secondary manufacturing development.

Provide an investment tax credit and allow accelerated depreciation for capital investments in new facilities to produce export grades of lumber, or secondary wood products such as laminated beams, doors, furniture, and the like.

IMPROVE FOREST MANAGEMENT ON HIGHLY PRODUCTIVE LANDS

Private lands could assume an increased share of the demand for timber in the Pacific Northwest. The Wilderness Society advocates a shift to those lands for future timber supplies. Privately owned forestlands in Washington, Oregon, and northern California are significantly more productive than the federal forests. As an example, the Forest Service classifies 63 percent of the private lands in the highest productivity classes compared with just 27 percent of the national forest land. These private lands are capable of increased timber production, especially the 18 percent of the land base held by individuals, farmers, and institutional investors.

To improve forest management on highly productive private lands, The Wilderness Society recommends that Congress:

Reinstate the preferential tax rate for long term capital gains income derived from the sale of timber.

Direct the Internal Revenue Service to allow forest landowners to deduct forest management expenses in the year in which they are incurred.

Provide increased funding to the Forest Service State and Private Forestry Program for technical assistance programs to assit private owners in planning for sustainable timber management.

Urge the states to regulate forest practices and to adopt land use and zoning standards that discourage conversion of forest land to non-forest uses.

Support public purchase of forest lands to assure their continued availability for forest management and to prevent conversion to non-forest uses.

DIVERSIFY RURAL ECONOMIES

Communities that depend primarily on logging and mills for their economic well-being face serious difficulties. Technological change and mechanization means fewer timber jobs and when downturns occur in the timber industry large-scale unemployment, out-migration, and reduced tax reveneus for schools and other community services are region-wide problems.

The most effective economic diversification strategy is to provide local people with the skills and institutiosn needed to capitalize on the region's unique virgin forests and

natural attractions. To achieve this goal, The Wilderness Society recommends that:

State governments support the appointment of local community leadership task forces to develop short-term and long-term goals for transition of the local economy.

Federal and state investments be increased for overall education needs of all citizens.

Congress increase funding for the Departments of Agriculture, Commerce, and Health and Human Services to encourage economic diversification through rural development initiatives.

Tax credits be given to employers who provide retraining and reemployment assistance in economically distressed areas.

Technical assistance, extension who provide retraining and reemployemnt assistance in economically distressed areas.

Technical assistance, extension education and government-subsidized loans be given to small and medium-size companies that locate in economically distressed areas.

A national commission be formed to examine the equity and social impacts of the existing federal payments to state and local governments and to recommend measures to target federal funds to forest-dependent communities independent of gross timber receipts.

ANCIENT FOREST PROTECTION: BACKGROUND INFORMATION

(Prepared by the Wilderness Society, January 1990)

PROTECT ANCIENT FORESTS AND THEIR BIOLOGICAL DIVERSITY

To ensure survival of ancient forest resources, the federal government must adopt both interim and long-term protection measures. Congress should begin by directing the Forest Service to protect all large stands of unfragmented ancient forest, all low elevation ancient forest, and all suitable northern spotted owl habitat from logging, roadbuilding, and salvage. In addition, all federal management of commercial forests should require ecologically sensitive forest practices that maintain and restore biological and geographical linkages between remaining ancient forest stands.

Interim action should be followed by designation of Ancient Forest Reserve lands to be protected permanently from logging, roadbuilding, and salvage. These reserved lands should include all ancient forest stands that meet the ecological definitions of old growth as well as a natural forests with a significant old growth component.

A. Immediately direct the Forest Service and BLM to protect ecologically significant ancient forest, including large unfragmented stands and all low elevation stands.

Congress recognized the importance of large unfragmented blocks of ancient forest in Interior appropriations legislation for fiscal year 1990. (Nevertheless, there still will be substantial logging in these areas in order to meet timber targets.) For fiscal year 1991, Congress require the Forest Service and Bureau of Land Management (BLM), as an interim measure, to refrain from timber sales and roadbuilding in unfragmented ancient forest stands of 200 acres or more, all low elevation ancient forest stands, and all suitable northern spotted owl habitat.[1]

While few unfragmented stands remain at lower elevations, those stands that remain harbor the richest diversity of forest life. They are the reservoirs of ecological communities that once dominated the Pacific Northwest. With proper management of the surrounding forests, these stands could be the "seeds" for restoring some of the biological diversity we have lost in the last 150 years.

No single lower elevation limit can be applied to the entire Pacific Northwest. Climate varies considerably from northern California to northern Washington, as does the elevation range included in various national forests. Some forests contain very little low elevation land, while others contain much more. The Wilderness Society has developed forest-by-forest low elevation limits below which even small ancient forest stands should not be cut (Appendix A). On the six westside national forests for which detailed inventory data are available, the average amount of low elevation old growth is less than three percent of total forest land.

Congress also should direct the Forest Service and the BLM to accelerate ongoing work to develop old growth definitions for all Northwest and northern California forest types, and to complete vegetative inventory and mapping of all Northwest and northern California forests. An Old Growth Definition Core Team is developing old growth definitions for Oregon and Washington national forests, scheduled for completion in December 1990. Computerized maps now being generated for all forests, based on vegetative characteristic rather than a single "definition," will permit identification of all stands that meet whatever criteria ultimately are selected.[2] Completion of these maps should be of the highest priority.

B. Protects spotted owl habitat.

While protecting all large unfragmented blocks and all low elevation ancient forest is necessary to maintain an enduring ancient forest ecosystem, it is not sufficient to ensure the long-term survival of the northern spotted owl, widely recognized as an indicator of the health of the ancient forest ecosystem. Many scientists believe that any significant logging of the owl's habitat will soon lead to extinction of the subspecies.

The federal agencies have filed to develop plans for long-term survival of the owl, as required by law. The Forest Service spotted owl management plan has been successfuly challenged in court and is undergoing review at Congress' direction. The BLM spotted owl plan has been found to be in violation of federal laws. In part due to the inadequacy of these plans, the U.S. Fish and Wildlife Service (FWS) proposed on April 25, 1989, to list the spotted owl as a threatened species under the Endangered Species Act.

The FWS should list the owl as threatened or endangered and prepare a recovery plan without delay. To ensure that no irreversible actions are taken before the Forest Service and BLM develop legally valid management plans, or recovery planning process is complete, no logging, roadbuilding, or salvage of suitable spotted owl habitat should be permitted on national forest or BLM lands.[3]

C. Accelerate the rate of change to alternative forestry practices.

Protecting the remaining ancient forest may not be sufficient to sustain a viable ancient forest ecosystem in a landscape of clearcuts, burned lands, and monoculture tree farms. Continuation of past forest practices will perpetuate fragmentation of the landscape and isolation of ancient forest stands.

Alternative silvicultural practices applied to forests that are now 30 to 150 years old may substantially accelerate development of attributes associated with old-growth forests, such as widely spaced large trees, multi-aged and multistoried stands, snags, logs, and a diverse understory. Habitat conditions on second-growth landscapes could be significantly improved, allowing for the movement of wildlife between ancient forest reserves, thus reducing isolation. At the same time, commercial timber production could continue on these lands.

The Forest Service and BLM should accelerate the change to practices that maintain, to the greatest extent possible, the ecological characteristics of natural stands on managed lands. These include:

Landscape planning to assure corridors and dispersion zones between remaining mature and old-growth stands;

Retention of significant numbers of large live trees (10-20 percent of the biomass) through several cutting cycles;

Retention of standing snags and downed logs, and creation of these components from live trees in young forests;

Retention of buffer zones of natural forest at least 200 yards wide around ancient forest stands and along streams;

Uneven-Aged management, and rotations of 250-400 yards for some stands;

Logging practices that minimize the need for new road construction, such as helicopter and skyline logging.

In addition, the agencies should initiate forest restoration projects on cutover lands, where past practices and inattention have led to resource degradation. Restoration projects include intensive reforestation on denuded sites, thinning operations, and erosion control and repair work.

D. Designate an Ancient Forest Reserve system that protects all ecological old growth and unfragmented natural forest stands with a significant old growth component.

Not later than January 1, 1993, the interim protection guidelines should be replaced by designation of an Ancient Forest Reserve system. The objective of the reserve system is to maintain in perpetuity a viable ancient forest ecosystem and its associated biological diversity across the landscape of the Pacific Northwest and northern California.

The reserve system should include all ancient forest that meets the ecological definitions of old growth and is not so fragmented as to be of negligible ecological value. Low elevation old-growth stands should be included regardless of size. Because ancient

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[1] For interim planning for westside Oregon and Washington and northern California forests, the agencies should use the definitions of old growth in "Forest Service Research Note PNW-447" (except for the down woody debris components which is being revised and is not measurable from the air). For eastside forests the agencies should use the definitions in the "Pacific Northwest Regional Guide."

[2] The Wilderness Society is preparing such maps for several of the major forests.

[3] For the purpose of interim protection, suitable habitat should be determined according to the definitions in the Forest Service's December 8, 1988 "Record of Decision for the Amendment to the Pacific Northwest Regional Guide." However, these definitions could be improved. Definitions of suitable habitat may need to be refined in light of the landscape matrix in particular regions of the Pacific Northwest or in light of the needs of particular pairs of owls.

forests already have been severely reduced and fragmented, it is also necessary to protect natural forest stands with a significant old growth component. Younger natural forest is both the buffer for ancient forest and the replacement for stands that are lost due to natural events such as fire and windstorms.

E. Establish an Ancient Forest Scientific Committee.

An Ancient Forest Scientific Committee, modelled after the Interagency Scientific Committee that is now reviewing the Forest Service spotted owl management plan, should direct the agencies in identifying lands to be included in the Ancient Forest Reserve system. The Committee should work with the agencies and with interested members of the public who have identified ancient forest areas meeting the standards for reserve lands.

Other functions of the Committee would be to assure compliance with interim guidelines by reviewing timber sales, and to oversee an ongoing program of ancient forest research. The research program will enable the Committee to evaluate on a periodic basis whether the reserve system is adequate to maintain such ecological values as species diversity and water quality. Boundaries may be adjusted periodically to better meet the objectives of the reserve system.

Appendix A: Low Elevation Old-Growth Forests in the Pacific Northwest

Following are elevation levels for each Pacific Northwest national forest and BLM lands below which all stands of old-growth forest should be preserved, regardless of size. Elevation levels are based on The Wilderness Society's analysis of old-growth inventory data and topographical maps.

National forest and elevation above sea level

	Feet
Siuslaw	1,000
BLM lands	1,000
Olympic	1,500
Siskiyou	1,500
Mt. Baker-Snoqualmie	2,000
Gifford Pinchot	2,000
Mt. Hood	2,000
Six Rivers	2,000
Klamath	2,000
Shasta Trinity	3,000
Willamette	3,000
Umpqua	3,000
Colville	3,500
Okanogan	3,500
Wenatchee	3,500
Rogue River	4,000
Umatilla	4,500
Wallowa-Whitman	4,500
Deschutes	5,000
Winema	5,000
Ochoco	5,000
Malheur	5,000
Fremont	6,000

REDUCE FEDERAL TIMBER SALES

Historically, the Forest Service and BLM have pursued a policy of liquidating the remaining stands of ancient forests. Shifting the agencies' timber sale programs to protect ancient forests and maintain biological diversity will require a substantial decline in sale levels. For example, current Forest Service management plans for Region 6—Oregon and Washington—propose a region-wide timber sale level of 4.0 billion board feet (bbf). In 1989, Congress reduced the Region 6 timber sale target to an annual average of 3.85 bbf for FY1989 and 1990. However, we estimate that the sustainable annual sale level for Region 6 is no more than 2.3 bbf, or 43 percent less than currently planned. Similar reductions will be required on other federal lands in the Northwest.

The Wilderness Society's sustainable timber sale levels are based on three primary environmental objectives: (1) protect all ancient forests, (2) protect all suitable habitat for the northern spotted owl, and (3) adopt more ecologically sound silvicultural practices on managed forests. Wherever possible, we began with the most recent inventory data on old-growth forests and owl habitat to determine the timber land base. For purposes of this analysis, no land was removed from the timber base for other reasons such as additions to wilderness or national parks. Projected sustained-yield output levels were calculated using the best available information from the Forest Service and BLM. We adjusted those levels to take into account reduced yields on managed lands resulting from application of alternative silvicultural practices and less intensive management.

A. National Forests in Western Washington and Oregon.

For eight of the nine national forests in western Washington and Oregon, we used a five-step procedure. First, acres, of unprotected old growth were estimated for each national forest and were subtracted from the amount of suitable timber land identified in the forest plans. Inventory data for estimating the amount of unprotected old growth on eight national forests were compiled by The Wilderness Society, using the Forest Service's scientific definition of Douglas-fir old growth.

Second, acres of unprotected owl habitat not included in the old-growth inventory were estimated for six national forests and were subtracted from the suitable timber base. The Wilderness Society's inventory data were used to estimate unprotected spotted owl habitat, applying the definitions and specific criteria in the Forest Service's Record of Decision for its spotted owl management plan. No additional spotted owl habitat was removed from the timber bases of the national forests for which the Wilderness Society does not yet have inventory data on spotted owl habitat. The total reductions in timber land base for the eight national forests are as follows:

National forest	Planned timber base (acres)	Modified timber base
Mt. Baker-Snoqualmie	445,000	353,000
Olympic	408,000	309,000
Gifford Pinchot	762,000	680,000
Mt. Hood	514,000	368,000
Willamette	858,000	720,000
Siskiyou	510,000	450,000
Umpqua	626,000	528,000
Rogue River	336,000	274,000
Total	4,497,000	3,682,000

Thus, protection of old growth and suitable spotted owl habitat on the eight national forests reduces the timber base by approximately 18 percent.

Third, a tentative sustainable timber output level for the eight national forests was estimated based on their modified suitable timber bases and applying Forest Service yield assumptions. Because of the relatively high volume of timber in the acreage removed from the suitable timber base, it is not realistic to assume that the change in sale level would be directly proportional to the change in suitable timber land. Instead, we assumed that the relationship between sale level and suitable timber land would be comparable to the relationships calculated by the Forest Service in its supplemental environmental impact statement (SEIS) on northern spotted owl management guidelines. The relationship for two alternatives in the SEIS are shown below:

SEIS alternative	Percent reduction in timber base	Percent reduction in sale level
M	10	14
L	25	47

Assuming a straight-line relationship between these alternatives, an 18 percent reduction in timber land would reduce the sale level by about 30 percent. Since the relationship between suitable lands and sale level varies significantly among the forests, a specific sale level cannot be assigned to any particular forest based on this analysis.

Fourth, the timber sale level was reduced by 10 percent to estimate the impact of applying alternative silvicultural practices to maintain and restore ecological values on managed lands. The reduction is consistent with informal estimates by leading researchers in alternative silviculture.

Finally, the timber sale level was reduced an additional 10 percent to correct timber yield assumptions in the forest plans. Assumed increases in yield due to fertilization, planting of "genetically improved" seedlings, and other intensive management practices typically account for 30 to 40 percent of the planned sale level. Such practices may be appropriate on highly productive private tree farms, but they can seriously diminish overall biological diversity and therefore should be used only sparingly on national forests.

The sustainable sale level for the Siuslaw National Forest in the Oregon Coast Range is based on somewhat different objectives and methodology, in recognition of that forest's exceptional resources characteristics and concerns. The Siuslaw contains a much smaller proportion of old growth and spotted owl habitat than other westside national forests. On the other hand, a significant amount of the Siuslaw, particularly in the Mapleton Ranger District, consists of landslide-prone soils which pose a major threat to salmon and steelhead trout habitat. Thus, the sustainable sale level for the Siuslaw is the same as the allowable sale quantity for the management alternative in the draft forest plan environmental impact statement that preserves all old growth, designates 2,200-acre spotted owl areas, and protects all lands within high risk landtypes.

B. National Forests in Eastern Washington, Eastern Oregon, and Northern California.

Currently there are no reliable inventory data on old-growth forests or spotted owl habitat east of the Cascades and in northern California. Moreover, there are no accepted ecological and structural criteria for old growth in either area. Thus, it was necessary to estimate biologically sustainable timber sale levels through analysis of management alternatives presented in the forest plan environmental impact statements for each national forest. The tentative sustainable timber sale level for each national forest is the same as the allowable sale quantity for the management alternative that gives primary emphasis to protection of old growth. Sale levels were reduced by 5 percent to correct timber yield assumptions

based on intensive management practices such as planting "genetically improved" seedlings.

The Forest Service still has not issued a draft management plan for the Klamath National Forest in northern California, partly due to severe forest fires in 1987. Therefore, the sustainable sale level for this national forest was calculated by reducing the current sale level by the average reduction for the other two California forests. Sustainable timber sale volumes in northern California may have to be readjusted once old-growth forest and spotted owl habitat inventory data is developed and the full long-term impact of the 1987 fires on timber inventories is assessed in forest plans.

C. Bureau of Land Management Lands in Western Oregon.

No reliable inventory is available for the old-growth forests on BLM lands in western Oregon. Nor are there alternative management plans that indicate the effect that protecting old growth would have on timber sale levels.

The best information currently available on the relationship between old-growth protection and timber sale levels was generated in 1988 during litigation over northern spotted owl protection on BLM lands. In its court documents BLM stated that protecting all trees 200 years or older that lie within a 2.1 mile radius of 450 known spotted owl sites would reduce the suitable timber base by 165,400 acres and reduce the annual allowable cut by 153 million board feet. We reduced that sale level an additional 10 percent based on application of alternative silvicultural practices on managed lands.

REDUCE LOG EXPORTS AND INCREASE VALUE-ADDED MANUFACTURING

In 1988, about 3.7 billion board feet (bbf) of unprocessed softwood raw logs were exported from Oregon and Washington ports. If restrictions on log exports caused one-half of this timber volume to be processed in Northwest mills, the additional timber supply would compensate for most of the reduction in federal timber sales necessary to protect the remaining ancient forests in Oregon and Washington. The employment impacts of a substantial reduction in the federal sale level would be greatly reduced.

The volume of raw logs exported from the Northwest has risen 40 percent since 1980, from 2.6 bbf to 3.7 bbf. Timber cut levels, however, have remained relatively constant since the 1950's. Almost a quarter of the annual cut is now exported as raw logs.

Foreign buyers currently pay 40 percent more for raw logs than domestic manufacturers are able to pay. Consequently, foreign market demand for raw log exports has been crowding domestic manufacturers out of the marketplace.

Domestic manufacturers have become increasingly reliant on federal timber to compensate for the volumne lost to export. Since export of raw logs, from federal lands has been prohibited since 1973, foreign buyers do not compete with domestic manufacturers for federal timber.

The best short-term opportunity to relieve pressure for timber supply from federal lands and to increase the supply available for domestic manufacturing is to reduce the volume of raw log exports. This step also will encourage increased manufacture of wood products, an option that has not been fully utilized and would contribute to a sustainable forest industry.

Value-added manufacturing opportunities are available primarily in two areas: finished product exports and secondary manufacturing. The industry's transition from dependency on large-diameter old-growth timber to smaller, younger growth has weakened the industry's competitive position in the domestic market for finished lumber and wood products. To maintain employment and remain competitive, the industry will need to seek additional markets for its products. One important growth market is the Pacific Rim. In the long term, export of finished products can replace much of the reduction in export of raw logs.

The secondary products industry includes engineered products such as laminated beams, furniture, cabinets, and many millwork products. The Pacific Northwest produces far less than its share of these products. Long-term opportunities in these product areas are also good.

In order to minimize economic dislocation resulting from protection of ancient forest and encourage more value-added manufacturing, Congress should take the following steps:

A. Close loopholes in the current law that permit substitution of federal timber by private companies that export their own logs; make the ban on export of federal timber permanent; and extend the ban to species currently not covered.

The export of most species of timber from federal lands west of the 100th meridian has been banned since 1973. The federal ban also provides that companies that export their own private timber cannot buy federal timber. However, certain timber companies have been allowed to buy federal timber up to an assigned volume and export the same volume from private lands. This "substitution" exemption should be eliminated from the federal export ban.

Moreover, the federal ban has been imposed by a rider in the annual Interior appropriations bill and must be renewed each year. Congress should pass a separate law banning the export of all commercial timber species from federal lands, including Port Orford cedar and hardwood species.

B. Authorize and encourage the states to impose an export tax on raw logs at least equal to the premium paid on export logs.

A tax on the export of raw logs from state and private lands is likely to reduce the amount of timber exported. A tax at least equal to the premium paid for export logs, currently 40 percent, would greatly reduce the incentive to export without banning all raw log exports.

Although the U.S. Constitution prohibits the federal government from imposing export taxes, the states are not limited in this regard. In a recent legal analysis of options for regulating log exports, the Congressional Research Service (CRS) concluded that an export tax on unprocessed logs, imposed by the states but with revenue deposited in the federal treasury, would be consistent with both the federal Constitution and international trade agreement.[1] The U.S. Constitution specifically provides that a state may impose duties on its exports with the consent of Congress. Further, the General Agreement on Tariffs and Trade (GATT), which governs international trade relations between the United States and other member nations, does not restrict export taxes.

In fact, of the various options examined by CRS—log export bans and taxes on federal, state, and private lands—an export tax on unprocessed logs from private lands would appear to pose the least potential legal difficulty. Any outright ban on log exports could raise serious questions about compliance with GATT. And while an export tax on timber exported from state and private lands probably would not violate the U.S. Constitution or GATT, the Washington State Constitution may bar a state-imposed tax on timber sold from state trust lands. If so, Washington State lands could be exempted from the tax. Since approximately 70 percent of the logs exported from Oregon and Washington are cut on private lands, the tax still would target the primary source of log exports.

While Congress probably cannot require the state governments of Washington and Oregon to impose an export tax, Congress can and should encourage them to do so by creating an incentive to impose a tax. For instance, the amount of federal payments to states in lieu of property taxes on federal timberland could be tied to the imposition of an export tax, as could the allowable cut on federal lands within the state.

C. Establish an Education and Economic Development Trust Fund for the use of states that enact an export tax on raw logs.

Trust fund assets would be generated through the export tax and reallocated to states based on their deposits into the Fund. Fifty percent of the reallocation shall be used to fund local education needs according to the state's plan for education. The remaining fifty percent could be used to fund economic diversification, job training, industry modernization and secondary manufacturing development.

D. Provide an investment tax credit and allow accelerated depreciation for capital projects that will aid the timber industry in transition.

In addition to revenue generated from a log export tax, investment tax credits and accelerated depreciation may also be used to aid in the transition. Liberal use of these vehicles will encourage the industry to convert old facilities and build new plants for the manufacture of export grades of lumber and wood products and for the production of secondary wood products such as laminated beams, door, and furniture.

IMPROVE FOREST MANAGEMENT ON HIGHLY PRODUCTIVE LANDS

Private forest lands in the Pacific Northwest account for more than 43 percent of the total commercial forest land in the region and contribute just over 56 percent of timber cut. State and other non-federal lands represent another 13 percent of the region's commercial forests. These lands are substantially more productive timber growing lands than the federal forests in the region. For example, the Forest Service classifies 63 percent of the private lands in the highest productivity classes, compared with just 27 percent of the national forest lands.

The private lands are capable of increased timber production, particularly the 18 percent of the lands that are held by individuals, farmers, and institutional investors. These lands, collectively called the non-industrial private forests, are some of the best timber-growing lands in the Northwest. They are also the most under-utilized. As of 1986, non-industrial owners supplied just 5 percent of the total timber cut in Washington and Oregon, and cut only 36 percent of the timber grown annually on their lands.

A variety of barriers serve as practical limitations to increasing timber supplies from the non-industrial lands. Some of the more

[1] Regulation of timber Exports: Options, November 6, 1989.

important financial barriers include concern for liquidity, the long-term nature of forestry investments, and high level of risk and uncertainty. Many owners also need technical information and marketing assistance.

Another major concern is conversion of commercial forest land to non-forest uses. Conversion to vacation property, shopping malls, and year-round homes is pervasive. Oregon and Washington lost 600,000 acres of private forest land to conversion from 1977 to 1987, according to the Forest Service's 1989 RPA Assessment. Over the next 50 years, the Washington Department of Natural Resources predicts the loss of a half million acres of private and state lands from forest production. Particularly vulnerable are forest lands intermingled with non-forest development, a category which makes up 40 percent of Washington's non-industrial timberland.

To address these problems Congress should:

A. Reinstate a preferential tax rate for capital gains derived from the sale of timber.

Prior to the Tax Reform Act of 1986, income from the sale of timber was taxed at a substantially lower rate than was ordinary income, in recognition of the long-term nature of the timber investment. The capital gains tax preference for non-industrial timberland owners who have held the land for at least 5 years should be reinstated.

B. Allow non-industrial landowners to deduct forest management expenses in the year incurred.

Forest management expenses such as site preparation, reforestation, and fertilization must be capitalized under current tax laws. The long-term nature of the forestry investment makes this provision a significant limitation on the non-industrial owner. Allowing such expenses to be deducted from current year income would encourage investment in long-term capital projects by the non-industrial owner.

C. Improve technical assistance to landowners.

There are a variety of programs at the federal and state level which could provide technical forestry and marketing assistance to private landowners. However, since 1980, funding for these programs has been substantially reduced. Beginning in fiscal 1991, Congress should fund the State and Private Forestry program of the Forest Service at levels that are at least consistent with the 1990 RPA Program.

D. Urge the states to adopt land use and zoning standards that discourage conversion of forest land to non-forest uses.

Oregon's land-use planning system, adopted in 1973, provides a model that generally has worked well. Lands zoned as forest are assessed and taxed exclusively for that use; e.g., sewer extensions are not billable but fire protection is.

E. Support public purchase of forest land to assure continued use as timberland.

Washington's Commissioner of Public Lands has proposed a $20 million program for the state to buy forest land to be kept in timber production. Prices are high for lands with mature standing timber, but when timber is sold the value will be returned to taxpayers. Long-range timber supplies may be ensured at lower initial cost by purchase of land recently logged. The state would be responsible for ensuring regeneration and silvicultural mangement of these lands.

DIVERSIFY RURAL ECONOMIES

Rural communities in the Pacific Northwest, dependent on the forest products industry, face a precarious future—regardless of the level of timber cut on federal land. Massive modernization investments during the 1980's, coupled with the relative competitive disadvantage of the timber industry in Washington and Oregon, have caused industry employment to decline sharply at the same time as production of both finished products and log exports have risen to new highs. These changes within the timber industry have occurred in rural economies that are traditionally dependent on a single industry for their economic well being. The result has been large scale out-migration, reductions of local government services, and continuation of recessionary conditions long after the general economy has turned around.

Economic stability and future economic growth are dependent on diversification of rural economies. Yet, many of these rural areas lack the basic resources—capital, educational, and institutional—necessary to begin diversification. Traditionally, agencies such as the Forest Service have approached community stability through maintaining high timber cut levels, often creating greater instability by fostering long-term dependency on the timber industry. County payments by the Forest Service and BLM, by virtue of their dependency of widely fluctuating timber receipts, contribute to difficulties in providing stable funding for schools and roads. The most effective diversification strategy is to provide rural communities with the basic infrastructure to capitalize on their competitive strengths, including proximity to ancient forests and natural attractions.

Local leadership is critical to the success of rural economic diversification. Opportunities and solutions need to be identified and promoted by local government officials, business leaders, and other citizens. However, federal and state governments can support local diversification in several ways. For example, The Wilderness Society recommends the following.

A. Support by state governments for appointment of local community leadership task forces to develop short and long-term goals for the transition of the local economy. The Community Economic Development program in Oregon is an example of such a program.

B. Federal and state investments be increased for overall education needs of all citizens.

C. Increased funding for the Departments of Agriculture, Commerce, and Health and Human Services to encourage economic diversification through rural development initiatives.

D. Tax credits for employers who provide retraining and reemployment assistance in economically distressed areas.

E. Technical assistance, extension education, and government-subsidized loans for small and medium-size companies that locate in economically distressed areas.

F. Creation of a national commission to examine the equity and social impacts of the existing federal payments to state and local governments and to recommend measures to target federal funds to forest-dependent communities independent of gross timber receipts.

Mr. HATFIELD. Mr. President, on February 21, the Sierra Club offered its vision of how to manage the national forests of the Pacific Northwest by announcing a "major ancient forest protection and log export control campaign." The Sierra Club proposal would:

First, permanently preserve old growth forests on Federal lands in an interconnecting network comprised of large areas of old growth forest tied together with forest migration corridors;

Second, substantially reduce Federal timber sales in the Pacific Northwest to a level somewhat lower than that recommended by the Wilderness Society or the Audubon Society;

Third, restrict log exports from private and State lands; and

Fourth, assist communities to diversify their economy and help affected forest products industry employees with the transition into new areas of employment.

This very detailed explanation provides another approach to the management of the Pacific Northwest national forests and I commend it to my colleagues for their consideration.

Earlier this spring, the forest products industry organization in the Pacific Northwest, the Northwest Forest Resource Council [NFRC], outlined its program for managing the national forests of the Pacific Northwest. The NFRC provided us with a five-point plan which would maintain a stable Forest Service timber sale program over the next 5 years. The NFRC plan offers the following:

First, maintain an interim timber sale level equivalent to the average harvest over the past 3 years;

Second, require a complete inventory of northern spotted owls and their habitat, and the preparation of an economic analysis of the impact of a potential listing of the spotted owl under the Endangered Species Act, while deferring a listing decision for 5 years until the inventory and other research are complete;

Third, require the Forest Service to review all present land set-asides to determine which could be modified to offset the adverse impacts of the designation of critical habitat;

Fourth, place all Federal timber receipts, after the county share, into an intensive timber management fund to develop increased yields per acre on the national forest; and

Fifth, require the Forest Service to examine all environmental effects, including international, of reducing Federal timber supply in complying with the National Environmental Policy Act [NEPA].

The NFRC proposal is yet another suggested approach to dealing with these forest management problems in the Pacific Northwest. I commend it to those of my colleagues interested in reviewing a very different suggestion to those outlined by the Wilderness Society, Audubon Society, and the Sierra Club. I ask unanimous consent

to include the NFRC proposal in its entirety at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NORTHWEST FOREST RESOURCE COUNCIL POLICIES FOR FEDERAL LAND MANAGEMENT

We urge Congress to recognize its historic commitment to the timber processing communities of the Northwest to maintain a harvestable national forest acreage base that will sustain traditional, predictable and historical average annual sales levels. The Northwest Forest Resource Council believes that establishing a reasonable federal timber supply level in balance with other public forest benefits and concerns will require congressional direction in the following areas:

FEDERAL TIMBER SUPPLY

Congress should establish and maintain a stable and sustainable federal timber sale program as prescribed in existing management plans for the 19 National Forests in the Pacific Northwest. An adequate land base must be maintained to allow the forest products industry and dependent communities to prosper. We believe that this goal is achievable while protecting water quality, wildlife and fisheries, recreation and scenic values and truly unique areas, these harvest levels should reflect the industry's current manufacturing capacity, the present employment base and the economic vitality of the Pacific Northwest.

BALANCED LAND ALLOCATIONS

To address the increased pressure on the public forest resources, as well as perceived changes in public desires, Congress should require that all land base allocations including congressional withdrawals (Wilderness, Wild & Scenic Rivers, etc.,) as well as discretionary agency decisions (Forest Plans, Spotted Owl Habitat areas, Old Growth, etc.,) be revised and adjusted to assure that all output goals and resource demands can be met in the most efficient manner possible. The goal of this proposal is that no further net loss of any commercial forest land, commodity outputs, or reductions in funding for schools, counties or roads should occur. An appropriate starting point is the true release of all the roadless areas as mandated in the 1984 Wilderness Act and the reversal and prevention of illegal administrative creation of quasi-wilderness areas by the Forest Service.

NORTHERN SPOTTED OWL

We recommend that a thorough inventory of Northern Spotted Owl and its habitat on all public and private lands, including wilderness areas, national parks and other lands where logging is currently prohibited, be completed and analyzed prior to a final listing decision under the Endangered Species Act. We also believe that a social and economic impact analysis should be completed prior to a listing decision and its findings given equal consideration with the habitat requirements of the owl. We further propose that a formal act verification hearing be held as part of the listing decision process. If it is determined after this detailed inventory, review and analysis that the owl should be listed, the US Fish & Wildlife Service must specifically designate the owl's critical habitat. We recommend that agencies create and maintain owl habitat through management rather than preservation.

OLD GROWTH INVENTORY

We recommend that an on-site old growth inventory be completed prior to any new congressionally designated withdrawals or preserves. The inventory should describe all currently existing and potential old growth on all federal lands, including administrative or legislatively withdrawn areas such as Wilderness, National Parks, Wild & Scenic rivers, Research Natural areas, etc. A series of definitions for all old growth forest types must be developed and used in the inventory process.

NEW PERSPECTIVES IN FORESTRY

Funds must be allocated to scientific and professional research programs that will thoroughly investigate and develop new and creative ways to manage our forests that more fully encompass the concepts of landscape ecology, biological diversity and resource trade-offs while still providing for wildlife habitat, recreation opportunities and commodity production. The purpose of this research is to enlarge the federal land base available for managing the commercial timber resource and other multiple uses.

RECREATION INITIATIVE

Much of the vast acreage of public forest land is unavailable for recreation due to a lack of adequate access. Congress should allocate funds to upgrade existing road systems to enhance casual travel. Trail construction and maintenance needs to be funded substantially higher to provide additional outdoor experiences. Increasing demand for developed and destination type recreation opportunities should be met by construction of new facilities and improving existing developments. Forest land managers need to substantially increase the public interpretive and information service provided to better explain forest management activities. Undeveloped and primitive wilderness areas preclude the majority of Americans from enjoying recreational opportunities.

PROVIDE STABLE FUNDING FOR AGENCIES, COUNTIES AND SCHOOLS

The appropriations process for the federal land managing agencies should be reviewed and revised to provide that the revenues generated from the activities on the public lands are automatically reinvested into resource maintenance, protection and enhancement programs, as well as into research, cooperative efforts and recreation opportunities. Tree planting and other silvicutural activities should not be subject to the annual appropriation process. Congress should provide adequate funds to enable federal agencies to intensively manage the productive land base for maximum sustained yield.

PROTECT LEGAL RIGHTS

We recommend that Congress limit the point at which federal forest management decisions can be challenged through administrative appeals and judicial proceedings. The appropriate time to challenge management decisions is at the forest plan level where a thorough analysis of resource impacts and alternatives are considered. Recent court rulings demonstrate that challenges to project level decisions in most situations are actually challenges to the forest management plan. Once a forest plan is finalized, project activity should not be subject to obstructionist tactics.

INTERNATIONAL TRADE

The Administration must encourage our international trading partners to eliminate their protective trade barriers on forest products. Congress should make permanent the ban on exporting logs from federal lands.

PRODUCTIVITY IMPROVEMENTS

Congress must direct its attention to providing funds and direction to the federal land management agencies to achieve silviculturally sound management of those lands left for timber production to fully utilize those lands to produce the wood for our nation's many forest products.

Mr. HATFIELD. So what, Mr. President, are we to make of this mass of information?

The data provided to the Congress through the extensive hearings held since last year and the proposals offered by the diverse groups interested in management of the national forests lead me to three general conclusions.

First, it appears from the testimony that we have heard and the nature of our discussions last July, that the problems we face are not limited to the national forests in the Pacific Northwest. Rather, they are national in scope. Many of the specific issues debated in the Pacific Northwest are being experienced in other regions as well. Additionally, as the planning in those regions has advanced further than in my region, they are experiencing problems that have not yet arisen in the national forests of Oregon, Washington, and northern California. While not detracting from the proposals I have just described, I do wish to note that all of them are limited in scope to just region 6. Therefore, they do not provide the broad basis necessary for Congress to fashion a long-term solution to the numerous management issues confronting the entire National Forest System.

Second, all four of the proposals that I described are substantive in orientation. They would determine the substantive outcome of the present conflicts over the management of the National Forest System. They represent positions on either side of the spectrum about how the national forests should be managed, clearly reflecting the interests of the specific interest groups offering the proposals. While it is useful to know the views of these interest groups, constraining our opinions to those provided by two sectors of the public is simply too restrictive. Decisions about the management of our national forests must be made upon an even broader basis, one which reflects as well as possible the requirements of all our people.

In contrast to this focus on substantive outcomes, a good deal of the testimony provided to the Senate and House committees highlighted procedural problems with the national forest management system. I believe, therefore, it is possible to address several of the major problems through procedural changes in the way national forest decisions are made.

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Moreover, a procedural approach may offer the best opportunity to fashion a workable, balanced solution to the present conflict. While Congress should not shrink from deciding the substance of forest management issues if that is what is required, we established a national forest planning process in 1976 which envisioned that substantive issues would be addressed and resolved at the local level through the development of individual land and resource management plans for each forest. I still believe that only in the most critical circumstances should the Congress substitute its own substantive planning and management decisions for those shaped on the forests by professionals with input from affected and knowledgeable citizens. In the end, the system works best when we have provided them with standards to prospectively guide their decisions.

Indeed, the preponderance of testimony since last July and the result of the forest planning process to date demonstrates that there are great differences over the preferred outcome for national forest management direction. Nevertheless, there are at least some areas of agreement in improving the process through which national forest plans are drafted, revised, and amended, as well as the fashion in which they are implemented on a day-to-day basis.

Third, much of the testimony addressing potential improvement in the forest planning process pointed toward the need for additional congressional direction to resolve problems with forest plan implementation. Put simply, the National Forest Management Act is very good at setting direction for planning; it is not nearly as helpful in letting the public (not to mention the Forest Service) know how to implement and manage once the plans are completed.

For example, we heard considerable testimony from both the Forest Service and from academicians such as Dr. Dennis LeMaster of Purdue University and Dr. Alaric Sample from the Conservation Foundation, that the NFMA planning process is "basically sound" and "should not be scrapped" by Congress. However, we also heard testimony that the planning process—while basically sound—is not arriving at forest plan decisions that are easily implemented. Several witnesses agreed that the Congress has not provided sufficient direction to the Forest Service to allow forest plan implementation.

These concerns were raised by both environmental groups and by the forest products industry and fell into two categories. First, there was considerable concern that budget constraints confound forest plan implementation. The budgets that Congress has provided the Forest Service have not, for a variety of reasons, allowed the full implementation of all national forest management programs, particularly those programs which govern noncommodity resource values. Second, industry groups and others have raised the concern that actions to implement forest plans are being derailed by continued appeals and litigation, even after appeals and litigation over the formation of the plan guiding those actions have been concluded. Numerous parties have argued for Congress to protect the right of administrative appeal and judicial review while concurrently providing a mechanism to bring closure to national forest management decisionmaking so that plans, once completed, can be implemented.

Based upon these conclusions, the various interest group proposals, and the hearing record, I believe we can now work to develop a mid-course correction for the NFMA planning and management process. We can build upon the results achieved to date and bring a greater degree of certainty to the implementation of the forest plans. Clearly, not all of the information is in. It never will be. Other proposals will surface in the near future. The Forest Service is presently completing an analysis of the National Forest Management Act planning process. The results of this analysis—already in part to the Congress in the form of testimony by the academicians involved—should also be given the closest scrutiny as we move ahead.

I believe that the information base available to us now allows us to begin to work diligently and sincerely toward a solution. We must begin if we are to obviate the need for additional action in the Appropriations Committees later this year before the expiration of section 318 of the 1990 Interior Appropriations Act. I call upon my colleagues—from every region—to join me in the effort to develop a legislative resolution to these national forest management problems.

To initiate this process, Mr. President, I now lay before the Senate draft legislation, the National Forest Plan Implementation Act of 1990, which is the beginning of the effort to find that solution. I ask that the bill and a section-by-section analysis be printed in the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2762

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Forest Plan Implementation Act of 1990."

SEC. 2. FINDINGS.

The Congress finds as follows:

(a) The National Forest Management Act was enacted in 1976 in order to assure orderly and environmentally sensitive planning, with substantial public involvement, for the multiple use of national forest resources in a stable and predictable manner;

(b) Numerous forest land and resource management plans are uncompleted although the Act's deadline for plan completion was September 30, 1985;

(c) Some completed land and resource management plans in controversial areas have not been successfully implemented;

(d) Changes in policy made outside the planning process have resulted in the constructive amendment of completed land and resource management plans without adherence to procedures for plan amendment required by the Act and regulation;

(e) The volume of administrative appeals and litigation challenging the completion and implementation of land and resource management plans is far greater than the Congress contemplated when the Act was passed;

(f) The administrative appeals and litigation have substantially delayed the preparation of land and resource management plans and have frustrated, and at times paralyzed, plan implementation and forest management actions;

(g) On several occasions the Congress has been compelled to enact emergency provisions to alleviate forest management problems in various national forests caused by plan preparation and plan implementation appeals and litigation;

(h) Professional forest management decisions are better made by forest professionals, as intended under the Act, than through the litigation process;

(i) Additional conditions governing the implementation, amendment and revision of land and resource management plans are necessary to achieve the stability and certainty in national forest mangement intended by the Act, and to avoid the environmental impacts and community social and economic dislocation that result from instability and uncertainty in forest management;

(j) The national forest planning process has ignored the global environmental importance of forest products, whose raw material is renewable and whose energy requirements for production are less than those of alternative materials; and

(k) The inability to implement national forest plans has resulted in negative domestic environmental impacts. Failure of implementation has caused timber shortages and consequent higher prices for wood products. That, in turn, has increased use of environmentally inferior wood substitutes such as plastics, steel and aluminum.

TITLE I—AMENDING AND REVISING PLANS

SEC. 101. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding a new paragraph (e)(3) as follows:

"(3) maintain to the maximum extent feasible the stability of any community economically dependent upon a unit of the National Forest System, and shall prepare in the course of any forest plan amendment or revision undertaken after the date of enactment of this paragraph an analysis for each such community that: (i) examines the impacts of planning alternatives on the community, its revenues and budget, the level and quality of its public services, the employment and income of its residents, and its social conditions; (ii) explains how resource allocations for the planning alternatives would comport with or differ from historic community expectations; and (iii) describes how those impacts were considered

in selecting a preferred alternative. For purposes of this Act, "community" means a county, borough, incorporated or unincorporated town or village, township, or other local government unit of general jurisdiction or powers recognized by the state in which it is located. The Secretary, in consultation with the Secretaries of Commerce and Labor, shall define by regulation the term "community economically dependent upon a unit of the National Forest System" as used in this paragraph."

SEC. 102. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by renumbering paragraph (f)(5) as (f)(6) and inserting a new paragraph (f)(5) as follows:

"(5) no longer have force and effect unless amended within three years of the effective date of any significant amendment to regional guidance, as defined in subsection (g)(5) of this Act, to conform with that amendment. Any regional guidance amendment directly or indirectly reducing an annual commodity output under a plan by more than one per centum in comparison to the average output of the commodity from the forest for the five fiscal years preceding the year in which the amendment is adopted shall be considered significant under this subsection."

SEC. 103. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding a new paragraph (f)(7) as follows:

"(7) be subject to the following additional provisions concerning amendment and revision:

"(A) Any change in a plan that is required by a court order or designation of a threatened or endangered species or other action under the Endangered Species Act, or that is directly or indirectly proposed by means of an allegation of new information, shall be made only pursuant to paragraphs (4) or (6) of this subsection.

"(B) When a plan amendment or revision process is initiated pursuant to paragraph (A), the Secretary shall consider and discuss in decision and environmental analysis documentation other land use or management changes that, in combination with the required change, would be appropriate to maintain overall plan balance and meet other plan goals and outputs."

SEC. 104. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding a new paragraph (g)(4) as follows:

"(4) specifying that in the presentation of alternative plans for each forest, the Secretary shall analyze the fully allocated cost including foregone revenues, expressed as a user fee or cost-per-beneficiary, of each noncommodity output proposed by each alternative."

SEC. 105. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding a new paragraph (g)(5) as follows:

"(5) providing procedures for the adoption of, and specifying the role, if any, of regional guidance and minimum management requirements in the planning process, including the following definitions and requirements:

"(A) 'Regional guidance' is any regional directive that provides standards and guidelines for addressing major issues and management concerns at the Forest Service regional level to facilitate forest planning. The issuance of regional guidance is discretionary.

"(B) A 'minimum management requirement' is any directive adopted at the regional or forest level that guides the development, analysis, approval, implementation, monitoring or evaluation of land and resource management plans. The issuance of minimum management requirements is discretionary except where required by this Act.

"(C) The Secretary shall provide for public participation comparable to that required by subsection (d) of this section in the development of any regional guidance or minimum management requirement.

"(D) A minimum management to achieve a level of timber sales based on goals developed pursuant to Section 4 of this Act (16 U.S.C. 1602) shall be established for each unit of the National Forest System."

SEC. 106. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by inserting "(1)" at the start of the first paragraph following the title of subsection (i) and adding to subsection (i) a new paragraph (2) as follows:

"(2) The Secretary shall certify in writing as a part of the decision on each implementing action that such decision does not preclude achieving plan outputs. The Secretary shall regularly monitor forest management and forest outputs to ensure that a plan is not constructively changed through a pattern of implementing actions or failures to take implementing action that is inconsistent with the plan. If the Secretary finds the plan has so changed, he shall direct that corrective implementing actions be undertaken to restore plan consistency or that the plan be amended."

SEC. 107. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by changing the period at the end of subsection (j) to a colon and adding the following: *"Provided,* That to maintain the stability of communities economically dependent on a national forest, the Secretary shall delay through annual phase-in the full implementation of any portion of a plan, plan amendment or plan revision as may be required to assure that no reduction in any commodity output under the plan, plan amendment or plan revision is greater than two and one-half per centum per year in comparison to the average output of the commodity from the forest for the five fiscal years preceding the year in which the plan, plan amendment or plan revision is adopted (as measured by volume offered for lease or sale)."

TITLE II—STATUS OF PLANS

SEC. 201. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by inserting "(1)" at the start of the first paragraph following the title of subsection (c) and adding to subsection (c) a new paragraph (2) as follows:

"(2) When a unit of the National Forest System is subject to a land and resource management plan developed in accordance with this Act, such unit shall be managed under the most recent finally adopted initial, amended or revised version of that plan. If at any time a finally adopted version of a plan or portion thereof is enjoined by court order from operation or ceases to have force and effect under subsection (f)(5) of this Act, the management of the unit shall continue under the immediately previous final version of that plan or relevant portion thereof, which shall not be subject to challenge or injunction except as provided in this section."

TITLE III—IMPLEMENTATION OF PLANS

SEC. 301. Section 6 of the National Foreset Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding at the end thereof of a new subsection (n) as follows:

"(n) ADMINISTRATIVE APPEALS AND PETITIONS.—

"(1) Administrative appeal of a land and resource management plan, regional guidance or other document adopted by the Secretary pursuant to this section, or of an implementing action under a land and resource management plan, shall be in accordance with rules promulgated by the Secretary and with the following additional provisions. Standing to appeal such a plan, guidance or document shall be available only to persons who have submitted written or oral comment in the Secretary's initial preparation, amendment or revision of the plan, guidance or document being appealed.

"(2)(A) If a person believes, based on new information, that a land and resource management plan must be amended or revised, the person shall petition to the Secretary for such amendment, revision or change. Petitions shall be filed in accordance with regulations adopted by the Secretary. The Secretary may provide for further administrative review of the initial decision on the petition.

"(B) For purposes of this section, 'new information' means information related to the plan or to an implementing action under the plan that was not known to and considered by the Secretary in the preparation of the plan, plan amendment, or plan revision.

"(3) No administrative stay pending appeal or petition filed under this subsection shall extend beyond, or be imposed after, the regulatory deadline for a final decision on the appeal or the petition notwithstanding whether such final decision has been issued.

"(4) Failure by the Secretary to issue a final decision on appeal or petition by the prescribed regulatory deadline, not including any extensions thereto that may be granted by the Secretary, shall be deemed to be a denial of the appeal or petition for purposes of this section."

SEC. 302. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding at the end thereof a new subsection (o) as follows:

"(o) JUDICIAL REVIEW OF LAND AND RESOURCE MANAGEMENT PLANS.—Suits to challenge a land and resource management plan, or an amendment or revision thereto, adopted by the Secretary pursuant to this section, or a decision by the Secretary not to amend or revise such a plan, shall be filed in the United States court of appeals for the circuit in which the national forest which is the subject of the plan is located. Such court shall have jurisdiction to hear and determine any suit brought as provided in this subsection, subject to the terms and restrictions of this subsection.

"(1) Standing to obtain review shall be available only to persons who have—

"(A) submitted written or oral comment as provided by this Act in the Secretary's initial preparation, amendment or revision of the plan, and

"(B) exhausted their administrative remedies.

"(2) Any suit must be filed not more than 90 days after the final decision of the Secretary on the relevant administrative appeal of the plan. The plan or any portion thereof, as finally adopted, shall not thereafter be reviewable as a part of any other action under this Act or any other law.

"(3) A suit under this subsection shall not allege or rely upon new information as de-

fined in subsection (n)(2)(B) of this Act unless the party has petitioned the Secretary pursuant to subsection (n)(2)(A) of this Act, the Secretary has denied the petition, and the party has exhausted any administrative appeal rights concerning that denial.

"(4) The record upon review shall be limited to the administrative record compiled in accordance with this Act, and to such additional written evidence as the court shall permit."

SEC. 303. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding at the end thereof a new subsection (p) as follows:

"(p) JUDICIAL REVIEW OF DOCUMENTS ESTABLISHING POLICIES IMPACTING ON FOREST PLANS.—Issuance of (i) regional guidance or other document that establishes minimum management requirements in the forests within a Forest Service region, or (ii) a minimum management requirement for a particular forest, shall be considered a final agency action. Suits to challenge such guidance, document or requirement shall be filed in the United States court of appeals for the circuit in which the national forest which is the subject of the plan is located. Such court shall have jurisdiction to hear and determine any suit brought as provided in this subsection, subject to the terms and restrictions of this subsection.

"(1) Standing to obtain review shall be available only to persons who have—

"(A) submitted written or oral comment as provided by this act in the Secretary's initial preparation, amendment or revision of the guidance, document or requirement if notice and opportunity for public comment was provided, and

"(B) exhausted their administrative remedies.

"(2) Any suit must be filed not more than 60 days after the final decision of the Secretary on any administrative appeal of the guidance, document or requirement. The guidance, document or requirement, or any portion thereof, as finally adopted shall not thereafter be reviewable as a part of any other action under this Act or any other provision of law or regulation in existence at the conclusion of such 60-day period.

"(3) The record upon review shall be limited to the administrative record compiled in accordance with this act, and to such additional written evidence as the court shall permit."

SEC. 304. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding at the end thereof of a new subsection (q) as follows:

"(q) JUDICIAL REVIEW OF ACTION IMPLEMENTING A LAND AND RESOURCE MANAGEMENT PLAN.—Suits to challenge an action implementing a land and resource management plan adopted, amended or revised by the Secretary pursuant to this section shall be filed in the United States district court for the district in which the implementing action will occur. Such court shall have jurisdiction to hear and determine any suit brought as provided in this subsection, subject to the terms and restrictions of this subsection.

"(1) Standing to obtain review shall be available only to persons who have—

"(A) submitted written or oral comment in the Secretary's development of the challenged implementing action if notice and opportunity for public comment was provided, and

"(B) exhausted their administrative remedies.

"(2) Any suit must be filed not more than 30 days after the final decision of the Secretary on any administrative appeal of the action.

"(3) A suit under this subsection shall not allege or rely upon new information as defined in subsection (n)(3)(B) of this Act.

"(4) The record upon review shall be limited to the administrative record compiled in accordance with this Act, and to such additional written evidence as the court shall permit.

"(5) Any action found to be not inconsistent with the plan it implements is valid."

SEC. 305. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding at the end thereof a new subsection (r) as follows:

"(r) DEADLINES AND PROCEDURES.—

"(1) No restraining order, preliminary injunction or injunction pending appeal shall be issued by any court of the United States with respect to a land and resource management plan, regional guidance or other document that establishes minimum management requirements, or implementing action that is the subject of subsection (o), (p) or (q) respectively.

"(2) The affected agency shall take no irreversible action to implement a decision being challenged under this section for the number of days specified below after the date of filing of a suit to challenge, or of filing a notice to appeal or writ of certiorari following the decision on a suit to challenge.

"(A) A land and resource management plan that is the subject of subsection (o), 180 days.

"(B) Regional guidance or other document that is the subject of subsection (p), 120 days.

"(C) An implementing action that is the subject of subsection (q), 60 days: *Provided, however,* That the period shall be 30 days in the case of an action to offer or award salvage timber or in the case of such other action that is determined by the Secretary to be an emergency action.

"(3) A suit governed by this section or any appeal of the decision on such suit shall be assigned for hearing at the earliest possible date and shall take precedence over all other matters pending on the docket of the court at that time except for criminal cases.

"(4) The court shall render its final decison relative to any suit governed by this section or appeal of decision on such suit within the number of days specified in paragraph (3)(A-C) from the date such suit or appeal is filed, unless the court determines that a longer period of time is required to satisfy the requirements of the United States Constitution."

SEC. 306. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding at the end thereof a new subsection (s) as follows:

"(s) TIERING OF ENVIRONMENTAL DOCUMENTATION.—

"(1) Where documentation pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969 is required on an action implementing a land and resource management plan, such documentation shall be tiered to the final environmental impact statement, as amended or supplemented, on the plan. The documentation on the action shall incorporate by reference the relevant analysis of the final environmental impact statement, including cumulative impact analysis, and shall focus on any site-specific or project-specific environmental consequences which are required to be analyzed and have not been analyzed, or which are substantially different from or greater than the general environmental consequences which have been analyzed in the final environmental impact statement.

"(2) An environmental assessment, as defined by the Council on Environmental Quality, shall be the most comprehensive level of environmental documentation required for an action implementing a plan except when the Secretary, in his discretion, determines that the nature or scope of potential environmental consequences of an implementing action is substantially different from or greater than the nature or scope of the consequences considered in the final environmental impact statement for the plan."

SEC. 307. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding at the end thereof a new subsection (t) as follows:

"(t) ACHIEVEMENT OF ALLOWABLE SALE QUANTITY.—

"(1) Where a particular land area is identified in a land and resource management plan as contributing to the allowable sale quantity of timber, no management action shall preclude the achievement, on a decadal basis, of the allowable sale quantity designated for that particular area.

"(2) The Secretary shall offer, on a decadal basis, the full allowable sale quantity of timber specified in each land and resource management plan. Not less than 30 per centum of the decadal annual sale quantity shall be awarded in any three consecutive years."

SEC. 308. Section 8 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1606), is amended by inserting the following after the first sentence of subsection (b):

"Commencing with the fiscal budget for the year ending September 30, 1992, such requests shall include as an appendix to the budget a statement of what funds would be required to achieve 100 per centum of annual outputs specified for each forest in its respective land and resource management plan."

SECTION-BY-SECTION ANALYSIS NATIONAL FOREST PLAN IMPLEMENTATION ACT OF 1990

Section 1. Short title.

Establishes "National Forest Plan Implementation Act of 1990" as the short title for this Act.

Section 2. Findings.

This section presents 11 paragraphs of Congressional findings that are the rationale for the Act. These findings show that planning and plan implementation required by the National Forest Management Act of 1976 (NFMA) have become mired in complexity and litigation, that additional requirements are needed to permit the process to move ahead as contemplated by Congress, that the planning process has ignored global environmental developments, and that inability to implement forest plans has negative domestic environmental effects.

TITLE I. AMENDING AND REVISING PLANS

Sections in this title impose additional requirements for amending and revising forest plans. Section 101-106 each adds a paragraph to an existing subsection of Section 6 of NFMA (16 U.S.C. 1604); section 107 adds a proviso to an existing subsection.

Sec. 101. (New NFMA paragraph 16 U.S.C. 1604(e)(3)).

This section requires the Secretary to assure that plans maintain, to the maximum extent feasible, the stability of any

community economically dependent on a national forest. For plans amended or revised after the date of enactment of the Act, the Secretary must prepare an analysis for each such community that examines a number of social and economic factors, and must disclose how that analysis was taken into account in selecting a preferred plan alternative. "Community" is defined.

Sec. 102. (New NFMA paragraph 16 U.S.C. 1604(f)(5); present paragraph (f)(5) becomes (f)(6)).

Paragraph (5) requires that when a significant amendment is made to regional guidance, forest plans governed by that guidance must be amended within three years to conform to the amended guidance. If a plan is not amended to conform within three years of the effective date of the guidance amendment, then the plan no longer has force and effect. Any amendment to regional guidance that requires an annual commodity output under a plan by more than one percent in comparison to the preceding five-year annual average output is considered significant for purposes of this subsection.

Sec. 103. (New NFMA paragraph 16 U.S.C. 1604(f)(7)).

Paragraph (7)(A) requires that any change in a plan required or proposed by court order, allegation of new information, designation of a threatened or endangered species, or other action under the Endangered Species Act can only occur through the public involvement process. This is intended to prevent the agency from making effective changes in a plan through policy directive.

Paragraph (B) provides that when a plan change is required or proposed by court order, allegation of new information, designation of a threatened or endangered species, or other action under the Endangered Species Act, the agency, in order to maintain overall balance in a plan, must consider other land use changes beyond what is the focus of the order, allegation or designation. If, for example, the spotted owl were designated as threatened, the agency would have to consider not only what to do with owl habitat, but also whether non-owl habitat that is set aside could be traded with owl habitat in order to maintain other outputs while still satisfying the owl designation.

Sec. 104. (New NFMA paragraph 16 U.S.C. 1604(g)(4)).

This section requires the Secretary to analyze the fully allocated cost of each noncommodity output proposed by each plan alternative. This is intended to provide the agency, the Congress, and the public a more informed basis for weighing alternatives.

Sec. 105. (New NFMA paragraph 16 U.S.C. 1604(g)(5)).

This section imposes additional requirements for minimum management requirements and regional guidance.

Paragraphs (A) and (B) define regional guidance and minimum management requirements.

Paragraph (C) requires public participation through notice and hearing in the development of any regional guidance or minimum management requirement.

Paragraph (D) requires the Secretary to establish a minimum management requirement for timber production in each forest based on Resources Planning Act goals.

Sec. 106. (New NFMA paragraph 16 U.S.C. 1604(i)(2)).

This paragraph requires the Secretary to certify as a part of each implementing action decision that the decision does not preclude achieving projected plan outputs. The Secretary also must regularly monitor forest management and plan outputs to ensure that a plan is not effectively changed through a pattern of implementing actions that is inconsistent with the original plan. If such a pattern evolves, the Secretary must take corrective action or amend the plan.

Sec. 107. (Proviso at the end of 16 U.S.C. 1604(j)).

This provision requires the Secretary to implement gradually, rather than immediately, any element of a plan that has the effect of reducing an annual commodity output by more than 2½ percent as compared to the preceding five year average. This is intended to provide a phase-in of any substantial commodity output reductions.

For example, if a plan called for a 10 percent commodity reduction from the previous five-year average, that reduction could be reached no faster than 2½ percentage points per year (four years in this example).

TITLE II. STATUS OF PLANS

This title clarifies the status of plans if a final plan is enjoined by a court.

Sec. 201. (New NFMA paragraph 16 U.S.C. 1604(c)(2)).

This section provides that once management of a forest has begun under an NFMA forest plan, management shall continue under the most recent finally adopted version of that plan. If a finally adopted version of the plan is enjoined by court order from implementation, or ceases to have force and effect because it has not been amended to comport with regional guidance, management shall continue under the immediately previous final version of the plan for that forest. This is intended to assure that a forest plan is always in place.

TITLE III. IMPLEMENTATION OF PLANS

Sections under this title affect the ability of the Forest Service to implement plans. Sections 301-307 add a new series of subsections (n)-(t) to Section 6 of NFMA (16 U.S.C. 1604). Section 308 adds a sentence to Section 8 of NFMA (16 U.S.C. 1606).

Sec. 301. (New NFMA paragraph 16 U.S.C. 1604(n)).

This section sets limitations on administrative appeals that are in addition to the agency's appeals regulations.

Paragraph (1) limits standing to appeal a plan, guidance or other document adopted pursuant to this section to parties who submitted written or oral comment in the development, amendment, or revision of the plan, guidance, or document.

Paragraph (2) provides that an administrative stay of a plan, guidance, document, or action cannot extend beyond, or be imposed after, the regulatory deadline for a final appeal decision, even if the decision has not actually been issued.

Paragraph (3) provides that failure by the Secretary to issue an appeal decision within the regulatory time limit, not including any extensions, shall be deemed a denial of the appeal for purposes of this section. That would permit the appellant to go to court, again expediting the review process.

Sec. 302. (New NFMA paragraph 16 U.S.C. 1604(o)).

This section requires that suits challenging a final land and resource management plan be filed in the U.S. court of appeals for the circuit in which the national forest which is the subject of the plan is located, gives that court authority to deal with those suits, and prohibits review of a plan as part of any other action. The object is to expedite judicial review. It also sets additional expediting requirements for such suits and their handling.

Paragraph (1) grants standing to challenge a plan only to parties who participated through written or oral comment in the planning process and who have exhausted their administrative remedies. This is intended to cause issues to be raised at the earliest point, when the agency can most easily respond to input and concerns.

Paragraph (2) requires any suit challenging a plan to be filed within 90 days after the final administrative appeal decision. If there is no administrative appeal, then there cannot be a court challenge, since the party would not have exhausted its administrative remedies.

Paragraph (3) prohibits alleging or relying upon "new information" as a basis for challenging a plan unless: the party has petitioned the Secretary to amend or review the plan on the basis of that information; the Secretary has denied the petition; and the party has exhausted its administrative and judicial appeal rights concerning that denial.

"New information" is defined as information related to the plan that was not known to and considered by the agency in the preparation of the plan. This paragraph is intended to direct all "new information" claims to the regular plan amendment process, where they can be considered in an orderly fashion.

Paragraph (4) limits the record on review to the administrative record compiled by the agency, plus such additional written information as the court permits.

Sec. 303 (New NFMA paragraph 16 U.S.C. 1604(p)).

This section requires that suits challenging regional guidance and other document establishing a minimum management requirement for a region or forest be filed in the U.S. court of appeals for the circuit in which the national forest which is the subject of the plan is located, gives that court authority to deal with those suits, and prohibits review of a plan as part of any other section. This procedure and rationale is like that in section 302. The section also sets additional expediting requirements for such suits and their handling.

Paragraph (1) grants through written or oral comment in the development of the regional guidance or other document containing the MMR (if there was notice and opportunity to participate) and who have exhausted their administrative remedies. This is intended to cause issues to be raised at the earliest point, when the agency can most easily respond.

Paragraph (2) requires any court challenge to an MMR to be filed within 60 days after the final administrative appeal decision. If there is no administrative appeal, then there can't be a court challenge, since the party would not have exhausted its administrative remedies.

Paragraph (3) limits the record on review to the administrative record compiled by the agency, plus such additional written information as the court permits.

Sec. 304. (New NFMA paragraph 16 U.S.C. 1604(q)).

This section requires that suits challenging an action implementing a final plan be filed in the U.S. district court for the district in which the implementing action will take place. The section also sets expediting requirements for such suits and their handling.

Paragraph (1) grants standing to challenge an implementing action only to parties who participated through written or oral comment in the development of the implementing action (if there was notice and opportunity to participate) and have exhausted their administrative remedies.

Paragraph (2) requires any court challenge to an implementing action to be filed within 30 days after the final administrative appeal decision. If there is no administrative appeal, then there cannot be a court challenge, since the party would not have exhausted its administrative remedies.

Paragraph (3) prohibits alleging or relying upon "new information" as a basis for challenge to an implementing action unless the party has petitioned the Secretary to amend or review the plan on the basis of that information, the Secretary has denied the petition, and the party has exhausted its administrative appeal rights concerning that denial. "New information" is defined as information related to the plan that was not known to and considered by the agency in the preparation of the plan. This paragraph, like paragraph (3) of section 401 (16 U.S.C. 1604(n)(5)), is intended to direct all "new information" claims to the regular plan amendment process, where they can be considered in an orderly fashion.

Paragraph (4) limits the record on review to the administrative record compiled by the agency, plus such additional written information as the court permits.

Paragraph (5) provides that any action found by a court to be not inconsistent with the plan it implements is valid. This is intended to prevent relitigation at the implementing action level of the same issues covered in litigation over a plan.

Sec. 305. (New NFMA paragraph 16 U.S.C. 1604(r)).

This section establishes deadlines and procedures for the suits and appeals of decisions in such suits that are the subject of section 302-304 (new NFMA paragraphs 16 U.S.C. 1604(o-q)). These provisions are similar to the judicial review procedures enacted in section 318 of the Interior Appropriations Act for FY 1990 (P.L. 101-123), except that the deadlines are generally less stringent.

Paragraph (1) bars issuance of a restraining order or preliminary injunction with respect to a forest plan, regional guidance or MMR, or action implementing a plan.

Paragraph (2) provides for an automatic stay of a plan, guidance, or action for a fixed period following filing of a suit or appeal of decision in such a suit. This automatic stay is in lieu of the restraining order or preliminary injunction barred by paragraph (1). It is intended to provide the time period for an expedited decision on the merits and to conserve the judicial resources that would otherwise first be diverted to considering a restraining order or preliminary injunction request. The automatic stay for a plan challenge is 180 days and for a guide challenge 120 days. It is 60 days for an implementing action, except that it is 30 days for a salvage timber sale or other emergency action as determined by the Secretary.

Paragraph (3) gives such suits and appeals priority over all other court proceedings except criminal cases.

Paragraph (4) requires the court to render a final decision within the same time frame as the automatic stay, unless the court determines that a longer period is necessary to satisfy constitutional requirements.

Sec. 306. (New NFMA paragraph 16 U.S.C. 1604(s)).

This section is intended to curb relitigation of the same issues at each stage of environmental documentation and decisionmaking.

Paragraph (1) requires that any environmental documentation required for an action implementing a plan be tiered to the final environmental impact statement for the plan. Action documentation is to incorporate by reference the relevant analysis of the EIS and is to focus on site-specific or project-specific enviornmental consequences not sufficiently analyzed in the EIS, or which are substantially different from or greater than the general environmental consequences analyzed in the EIS.

Paragraph (2) provides that an environmental assessment is the most comprehensive level of environmental documentation required for an action implementing a plan unless the Secretary, in his or her discretion, determines that the nature or scope of potential environmental consequences of the action is substantially different from or greater than considered in the EIS.

Sec. 307. (New NFMA paragraph 16 U.S.C. 1604(t)).

This section is intended to assure sales of the allowable sale quantity (ASQ) of timber on a forest-by-forest basis.

Paragraph (1) provides that where a land area is identified in a plan as contributing to the ASQ, no management action will preclude achieving, on a 10-year (decadal) basis, the designated ASQ for that area.

Paragraph (2) requires the Secretary to award, on a 10-year basis, the full ASQ specified in each plan. In order to avoid too erratic a sales pattern within the 10-year ASQ period, not less than 30 percent of the 10-year goal must be awarded in any three consecutive years. For example, a forest could fall below its average annual ASQ for one or two years, but would have to make up the shortfall by the end of the third year.

Sec. 308. (Insert in existing NFMA paragraph 16 U.S.C. 1606(b)).

This section requires the Administration's budget request for each year beginning with FY 1992 to include a statement of what level of funds would be required to achieve 100 percent of the outputs specified in each forest plan.

Mr. HATFIELD. Mr. President, the documents I have just included in the RECORD provide a detailed summary of my draft bill, and I will not repeat those details here. I would offer, however, a short summary of the four basic principles which guide this first piece of legislation.

First, there must be greater certainty for everyone in the implementation of final national forest management plans where all plan appeals and other challenges have been brought and resolved. Once a plan is in place, there is simply no reason to allow those who still oppose it to place continuing impediments to its implementation solely to prolong the controversy. In this regard, I believe that the concepts offered by Senator PACKWOOD in S. 1436 warrant serious consideration in a comprehensive proposal designed to ensure implementation of final forest plans.

For example, parties to appeals or judicial actions challenging forest planning decisions or implementation measures should be required to participate in the development of those decisions before they appeal or litigate. I also agree with Senator PACKWOOD that we should put some reasonable side-boards on administrative stays and injunctive remedies issued during appeals of forest planning and plan implementation decisions. Finally, I believe that we should provide direction along the lines suggested in S. 1436 to:

Limit the review record on appeal to the Agency's administrative record;

Provide the Forest Service some guidance on how to deal with new information that dictates changes to forest plans; and

Begin to narrow the standard of review for challenges of activities that are conducted subsequent to an approved final forest plan where all appeals and lawsuits have been resolved.

We also should provide explicit direction to the Forest Service to provide us with budget submissions that include a statement of the funding needs required to achieve 100 percent of all outputs specified in each forest plan. This information is absolutely essential if we are to have a better understanding of how our budgetary and appropriations decisions affect the implementation of forest plans. I can speak from personal experience, Mr. President, as a former chairman and as the current ranking Republican on the Senate Appropriations Committee that this insight would be extremely helpful to ensure that all resources are treated fairly in forest plan implementation.

Second, I believe that we should begin to develop some of the general standards and guidelines that will shape the next round of forest plan amendments or revisions. This is necessary to adequately reflect the fact that, as was once said, "the only constant in life is change." In fact, new information does come to our attention—constantly. For the sake of the resource and for the sake of ensuring public confidence in the plans and the decisions which led to the plans, we must incorporate new information where appropriate to assure the best management of the public resource.

The standards which have governed the first round of forest plans under NFMA reflect a congressional review that occurred in 1976—14 years ago. Those standards are a snapshot of the public concerns associated with national forest management almost a decade-and-a-half ago. They do not necessarily reflect the information or the issues which drive the debate today. Therefore, it is time to develop the standards that will guide the Forest Service as it begins the next round of plans, and to direct the management of our national forests during the 1990's and into the 21st century.

For example, the Forest Service should be required to analyze how a plan amendment or revision affects the social and economic fabric of communities dependent upon the national forests for their economic and, in many cases, social livelihoods. We should assure that, to the maximum extent feasible, plan amendments or revisions will not destabilize these communities. It is also important that, as part of plan amendment or revision processes considered because of new information or in response to judicial action, the Forest Service also examine other land use changes that would maintain the overall balance of management of the resources as established in the original plan. Finally, it is critical on lands identified in a forest plan as contributing to the achievement of a particular resource output—be it timber, recreation, water quality, riparian protection and enhancement, or wildlife protection—that no management action be taken that would preclude the achievement of that resource management goal without a plan amendment. If such an action must be taken, it should be done with full public participation and with the full consideration of alternatives to offset the impact of the necessary change.

The development of new standards and guidelines to prospectively govern the next round of forest planning will go far toward addressing the substantive concerns that we heard without superimposing our judgment on that of the land management professionals and local participants in the planning process. It is now Congress' responsibility to step forward and provide clear direction as to how the national forests will be managed from here onward as a means of stopping the quibbling over congressional direction now 14 years old.

Third, I believe it is important that we create a mechanism for the stable implementation of plans where the final forest plans will result in either dramatic increases or decreases in a particular resource output to which local communities have become dependent. As I have said many times—here on this floor, at home in Oregon, and elsewhere around the Nation—if changes are to be made, we simply cannot eliminate a community's economic foundation and hope something else will magically come along to take its place.

Therefore, I propose a procedure for phasing in forest plan decisions where those decisions are a dramatic departure from the way the national forests have been managed in the past. Of course, it is imperative that any such system must be consistent with the capabilities of the resources on a particular national forest. I will work to assure that the system I propose can meet this standard.

There are some cynics who proclaim the Government does not owe our communities such consideration. But the principles I have just outlined are born of the view that, as an historical fact, the Federal Government made a conscious policy decision to offer public timber for harvest to meet growing national requirements. This policy was set with the understanding that business decisions—which require a long lead time to make wisely—would be made which linked the management of the national forests to the viability of those businesses and the communities that grew with them.

This does not mean that the Federal Government owes these businesses and communities a set volume of timber forever. In the extant situation, the forest planning process, which I have followed closely together with my colleagues and Governor Goldschmidt, clearly indicates that to meet the integrated multiple-use, sustained-yield mandates established by Congress while still protecting all other amenity values, the allowable sale quantity in my region will have to decline during the next decade. I continue to adhere to these fundamental management principles, and simply will not tolerate the mismanagement of our national forests for any reason.

Unfortunately, we cannot guarantee stability with each and every Federal decision for each and every community dependent upon Federal natural resources. Rather, we must, to the maximum extent possible, recognize that "stability" is a function of "predictability." While we cannot guarantee stability, we do owe the men, women, and children whose livelihoods rely upon those resources a process which provides predictability in public resource management. In a State such as Oregon, where over 50 percent of our land base is publicly owned; where over 77,000 men and women are directly employed by the forest products industry; where another 144,000 are indirectly affected by the health of the industry; where over $200 million in local county revenues are derived from national forest receipts for our schools, our children, and our roads; and where over 70 communities are timber-dependent, I regard predictability as an entitlement for our people.

I mentioned earlier four principles guiding my thinking about the long-term forest management solution. I believe there are some present conflicts which are so fundamental to the shape of the debate that Congress will inevitably need to intervene and give substantive direction so that a final outcome can be reached at the end of the forest planning debate.

One track of those discussions deals with log export controls. While some view the establishment of log export controls as one way to address dwindling timber supply, it is inherently a regional trade and economic issue. Senate and House conferees working on the Caribbean Basin Initiative have come to an agreement on the question of export controls for publicly owned timber. I applaud this work, and was pleased to contribute my own views to the discussion. I am fairly certain legislation containing the log export control provisions may be approved by Congress soon and will be signed into law by the President this year.

Ultimately, however, if we are serious about addressing log exports as a means of contributing to the domestic timber supply base, we must come to grips about what to do with private log exports. The facts are clear: Of the 3.6 billion board feet of timber exported every year from my region, 2.9 billion board feet—78.4 percent—are private logs exported by their owners. Various proposals have been suggested to invoke provisions of the Export Administration Act to declare a domestic timber supply shortage and ban most, if not all, private log exports. While the law clearly allows this action, I am concerned that the proclivity which leads the public to litigate virtually every forest planning decision would similarly lead private timber owners to litigate such a ban. I suspect the motivation for such challenges would be a response to the negative, "we-can't-trust-you-to-manage-your-own-lands-properly" view embodied in such a ban. I am advised by lawyers familiar with the Export Administration Act, as well as by some of the private owners who would be affected by such a ban, that protracted litigation is the sure outcome of any Federal ban on private exports.

Instead, I am interested in taking a proactive approach which achieves the same goal we seek while avoiding the problems a negatively premised limit would create. I propose establishing favorable capital gains treatment for these private landowners so that there is a positive incentive to keep privately produced logs in the domestic market. I believe this proposal, coupled with capital gains revisions supported by my colleagues and the administration, would stand an excellent chance of enactment soon and would therefore have an immediate effect on our domestic timber supplies.

In discussing the Thomas committee's work, I have touched on the second facet of our national forest management difficulties: old growth forests. No one who has stood in a real old growth forest can fail to be moved by the majesty of God's creation. And considerable rhetoric to the contrary notwithstanding, I have been responsible for protecting more of that resource than any elected official in the history of my State. I will admit, however, that at the time I sponsored wilderness legislation, or legislation to

protect our many scenic areas, or legislation to protect our most valuable rivers, I was not thinking of my efforts in terms of old growth protection. For in fact, Mr. President, old growth forest management, as a separate issue, was not identifiable as a separate issue until only 5 years ago. Granted, there were some forest biologists who did research on old growth forests. And there were some interested members of the public who were concerned, and remain concerned to this day, about the condition of certain areas on our national forests because of their older conditions and characteristics. Frankly, Mr. President, I was thinking of these areas as roadless areas, since that was, at the time, how we described the geographic locations people were interested in. When Congress added 853,000 acres of Oregon's national forest lands to the national wilderness system in 1984—bringing Oregon's wilderness total to 2.1 million acres—we were protecting areas which were included in a national inventory of roadless areas.

Today, because of constant research, we know more about our national forests. And we have learned that there are certain additional areas which were not protected through the National Wilderness Act that are intrinsically important because of their inherent biological and other characteristics. Because of these inherent biological values, Congress must examine anew how best to protect these values without debilitating entire communities, indeed, an entire region of the Nation. We must acknowledge that old growth forests are an important forest value which, particularly where biological significance can be determined, must be protected.

This issue must be coupled where possible with the ongoing dilemma of the spotted owl. The U.S. Fish and Wildlife Service is on the verge of making a recommendation to the Secretary of the Interior about whether the spotted owl should be listed as a threatened or endangered species. If the owl is listed, it will be because the Secretary determined, after careful consideration of all available biological information, that the habitat of the owl is being diminished at such a rate as to pose a threat to the future, basic viability of the owl.

Mr. President, this issue is a critical one. In one sense, it tests whether we mean what we say when we speak of trying to preserve species from extinction. But it is also important from the standpoint of the effect of our efforts on our fellow human beings. I have always believed in sound stewardship of our natural resources, but we cannot ignore the fact that human beings are an integral part of our ecology as much as any plant, animal, or fish.

In the past, we have invoked the provisions of the Endangered Species Act to avoid effects on species associated with specific projects, such as a dam, a building, or other such effort. For the first time, however, we are now applying the act on a regional basis. We are proposing to curtail a significant amount of an entire Federal program to avoid negative impacts on spotted owls.

Does this mean we should override the Endangered Species Act? I submit the answer to that question is "no." I continue to reject the either/or scenario, which, I suggest, is simply a phony issue and reflects a failure to seize the initiative to merge uses in such a way as to achieve true, integrated multiple-use management. I believe we can work within the framework of the Endangered Species Act, if in fact the owl is listed, to protect the owl and protect our people. In the end, as we work within the framework of the act, we must move forward to address and resolve basic philosophical differences which lead disputants to establishing the either/or scenario. In fact, Mr. President, we must do this since there are approximately 17 other listed species in Oregon and Washington, and some have suggested there may be as many as 192 other animals and plants which are likely candidates for listing. Without establishing an overall management approach under the framework of the act, all subsequent actions would be taken on a candidate-by-candidate basis, leading to prolonged confusion and uncertainty. I think most of my colleagues would agree that this option is as phony as a $3 bill, and is, in fact, no option at all.

I believe we must evaluate how best to protect our various natural and human resources by using all the tools at our disposal. We must build upon the research done by such distinguished scientists as Dr. Jerry Franklin to reinforce the concept that management for the purpose of obtaining, in the words of the first Chief of the Forest Service, Gifford Pinchot, "the greatest good for the greatest number for the longest period of time" is still an appropriate and desirable concept.

Dr. Franklin, together with his team of associate researchers, has developed a theory of forest management known as "New Perspectives in Forestry." This body of research shows that old growth forests are teeming with life in a way we never understood before. Dr. Franklin's research also indicates that it is desirable to retain as much of the native complexity of a forest stand as possible during the timber production. To do this, some larger trees are left standing and coarse and woody debris, previously completely removed after timber harvesting, is left on the forest floor to restore structure and other elements to the managed area. Wildlife trees are retained. In increasing circumstances, new forestry practices are being adopted in such areas as the Willamette, Siskiyou, Mt. Hood, and Rogue River National Forests. Where appropriate, we should continue the application of this research so long as the hypotheses which led to the establishment of the management practice are determined to be valid. And where possible, we must continue to merge sound management with basic amenity protection goals.

I am reviewing old growth management alternatives which will achieve these goals. However, Mr. President, because at the current time the issue of old growth forest protection is so intimately connected with the question of spotted owl protection, and since I do not wish to intervene with the listing decision process established by the Endangered Species Act, I intend to withhold any initial suggestions about how to address the old growth forest protection issue until after the listing decision is made. After that time, when we know what the Fish and Wildlife Service has proposed, I will return to this floor with my suggestions.

In the meantime, I am requesting the assistance of my colleagues to establish a long-term, stabilizing solution to this vexing problem. In the words of President Kennedy, "I do not shrink from this challenge—I welcome it." And working together in good faith with a common purpose, I have every confidence we will achieve that goal.●

By Mr. SIMON (for himself and Mr. DIXON):

S. 2763. A bill to improve judicial enforcement in savings and loan fraud cases; to the Committee on the Judiciary.

SAVINGS AND LOAN ANTI-FRAUD ENFORCEMENT ACT

● Mr. SIMON. Mr. President, I rise today to introduce, along with my good friend Senator ALAN DIXON of Illinois, legislation to ensure that directors and officers of savings and loans who commit fraud are brought to justice and the assets they have stolen are returned to those they have defrauded, the American taxpayers.

Like many of my colleagues, I am frustrated by the foot dragging of the Attorney General in prosecuting the wheelers and dealers behind the savings and loan mess. William Seidman, head of the Resolution Trust Corporation, estimates that criminal fraud is involved in 60 percent of the failed savings and loans institutions, half of them failing, in large part, because of that fraud.

In the face of the rising tide of the S&L bailout, the administration has been slow to promote and carry out effective law enforcement. The FBI has received more than 20,000 financial in-

stitution cases and cannot address them because it doesn't have enough agents. Of these, 1,000 involve fraud in amounts exceeding $100,000 per case and over 200 involve million-dollar fraud allegations. In my own State of Illinois, the bailout bill gave the Chicago division of the FBI four special agents to handle S&L fraud and the U.S. Attorney's Office for the Northern District three attorneys. Clearly, we have to do more.

Senator DIXON and I are among a group of 20 Senators who have already introduced legislation to create an 11th Assistant Attorney General position within the Justice Department that will coordinate and marshal efforts locally to prosecute financial institutions fraud. While this is an important step, it doesn't go far enough.

The bill I am introducing today will authorize private parties to bring fraudulent savings and loan directors and officers and others into court and make them pay. If the administration can't bring these scoundrels to justice, then I think we should give American citizens a chance.

My legislation permits private parties who have information about fraud or other wrongdoing to go to the Department of Justice, inform it of what they know and ask the Attorney General to take action. If the Department of Justice does not act, the private party can sue on behalf of the American people. If the individual wins, he or she gets a share of the court's award.

Another provision in my bill helps ensure that the millions of dollars stolen will not be stashed away in foreign banks out of the reach of the law. This provision allows the Government attorneys charged with recovering the stolen money to freeze the assets of defendants in financial institution fraud cases. This will significantly improve the ability of Government attorneys to bring to justice those parties who perpetrated fraud on the American people and to recover the stolen assets.

The final provision in my bill, to authorize the seizure of ill-gotten assets, also toughens the enforcement of savings and loan fraud. This provision gives the Attorney General the power through the civil forfeiture process to seize assets that are derived from financial institution fraud.

Mr. President, if the Attorney General is not willing to put in the resources to see that justice is done, then it is up to us and the American people. My legislation will give this power to private parties. Together, we will make sure those who stole money from the American taxpayer are brought to justice. The American people want it. Justice demands it.●

By Mr. CRANSTON:

S. 2764. A bill to amend the Fair Credit Reporting Act to protect consumers from the use of inaccurate credit information and the misuse of credit information, to amend the Consumer Credit Protection Act to prevent consumer abuse by credit repair organizations, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

CONSUMER CREDIT PROTECTION AMENDMENTS

Mr. CRANSTON. Mr. President, I am pleased to introduce today a bill that was developed under the leadership of my colleague on the House side—RICK LEHMAN of California—who chairs the House Banking Committee's Subcommittee on Consumer Affairs. This is important legislation to update the 20-year-old Fair Credit Reporting Act in response to the massive changes in information technology and business credit needs and to increase consumer awareness about the credit reporting process and their rights in this process.

The Fair Credit Reporting Act was originally crafted to carefully balance the availability of accurate credit information for business purposes against an individual's right to privacy. Since its enactment, the importance of credit to consumers in our society has grown incredibly. Our lifestyles have become increasingly dependent upon our access to credit—for travel, education, household goals, health care, and home ownership. At the same time, advances in computer technology enable the credit reporting industry to store and transfer much more information on a consumer's credit history.

In recent years, concerns have been raised about the privacy and security of this consumer credit information, the accuracy and relevancy of information in a consumer credit report, the difficulty of removing inaccurate information from a credit report, and the long delay to get disputed information reinvestigated.

These consumer reports may contain information on a consumer's employment, address, and bill-paying history; they may also contain information unrelated to credit such as medical history. Although consumer reports may only be accessed by those with a legitimate business need, some businesses have begun to prescreen these supposedly confidential consumer reports from marketing purposes.

Many consumers are unaware of the volume and nature of information collected on them and the degree of access businesses have to this information. This bill attempts to develop better informed consumers by insuring greater access to one's credit files and entitling consumers to request one free report per year. And it requires that consumers be informed of their rights under the law.

The bill simplifies the process of getting inaccurate information investigated and removed from a report. It gives the consumer the opportunity to determine whether they will allow their report to be released for unsolicited purposes. The bill requires that consumers be notified when the contents of their consumer report was the basis of rejection for a consumer's credit or rental application. The bill also establishes standards for credit repair organizations and prohibits certain activities.

The Fair Credit Reporting Act has been amended only once in its 20-year history. Evidence is overwhelming that the time is upon us to address pressing consumer concerns. This legislation makes sound refinements to the Fair Credit Reporting Act to insure that the laws initial purposes are met in these changing times.

Mr. President, I ask unanimous consent that the text of the bill and a section-by-section analysis be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2764

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Consumer Credit Protection Amendments of 1990".

TITLE I—FAIR CREDIT REPORTING AMENDMENTS

SEC. 101. DEFINITION OF ADVERSE ACTION.

Section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a) is amended by adding at the end the following new subsection:

"(j) ADVERSE ACTION.—For purposes of this title, the term 'adverse action'—

"(1) has the meaning given to such term in section 701(d)(6) of title VII of this Act; and

"(2) includes—

"(A) any denial of insurance for personal, family, or household purposes;

"(B) any denial of employment of any consumer;

"(C) any increase in any charge for, or any reduction in the amount of, insurance for personal, family, or household purposes; and

"(D) any action or determination which—

"(i) is taken or made in connection with an application which was made by, or any transaction which was initiated by, any consumer; and

"(ii) is adverse to the interest of the consumer.".

SEC. 102. AMENDMENTS RELATING TO PERMISSIBLE PURPOSES OF CONSUMER REPORTS.

Section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b) is amended—

(1) by striking "A consumer reporting agency" and inserting "(a) IN GENERAL.—Subject to subsection (b), any consumer reporting agency";

(2) in subparagraphs (A), (C), (D), and (E) of paragraph (3) of subsection (a) (as so designated by paragraph (1) of this section) by striking "information in connection with"

and inserting "information only in connection with";

(3) in paragraph (3)(B) of subsection (a) (as so designated by paragraph (1) of this section) by striking "information for" and inserting "information only for";

(4) in paragraph (3)(E) of subsection (a) (as so designated by paragraph (1) of this section), by inserting before the period the following: "including a review of any consumer's application for the rental of a dwelling or for check cashing privileges"; and

(5) by adding at the end the following new subsection:

"(b) DISCLOSURES RELATING TO CREDIT AND BUSINESS TRANSACTIONS NOT INITIATED BY THE CONSUMER.—No consumer reporting agency may furnish a consumer report or other information relating to any consumer pursuant to subparagraph (A) or (E) of subsection (a)(3) to any person referred to in such subsection in connection with any credit or business transaction which is not initiated by the consumer unless—

"(1) the consumer authorizes the agency directly to provide such report or other information to such person; or

"(2) the consumer—

"(A) has received notice that information from the consumer's file may be used in connection with any credit or business transaction which is not initiated by the consumer;

"(B) has had an opportunity to notify, directly or indirectly, the agency that the consumer does not consent to the use of information from the consumer's file in connection with any credit or business transaction which is not initiated by the consumer; and

"(C) has not notified the agency, directly or indirectly, of such lack of consent.".

SEC. 103. AMENDMENTS RELATING TO OBSOLETE INFORMATION.

(a) REDUCTION IN TIME PERIOD FOR CERTAIN CONSUMER BANKRUPTCY CASES.—Section 605(a)(1) of the Fair Credit Reporting Act (15 U.S.C. 1681c(a)(1)) is amended to read as follows:

"(1) Any case arising under—

"(A) title 11, United States Code (other than chapter 13 of such title) or the Bankruptcy Act which, from the date of entry of the order for relief or the date of the adjudication, as the case may be, antedates the report by more than 10 years; or

"(B) chapter 13 of title 11, United States Code, which, from the date of entry of the order for relief or the date of the adjudication, as the case may be, antedates the report by more than 7 years.".

(b) GRADUATED PERIODS FOR INFORMATION RELATING TO OVERDUE PAYMENTS.—

(1) IN GENERAL.—Section 605(a) of the Fair Credit Reporting Act (15 U.S.C. 1681a(a)) is amended by redesignating paragraph (6) as paragraph (7) and by inserting after paragraph (5) the following new paragraph:

"(6) Information relating to overdue payments as follows:

"(A) Payments which were not more than 30 days overdue on the date of payment and were made more than 3 years before the date of the report.

"(B) Payments which were more than 30 days but not more than 60 days overdue on the date of payment and were made more than 4 years before the date of the report.

"(C) Payments which were more than 60 days but not more than 90 days overdue on the date of payment and were made more than 5 years before the date of the report.".

(2) TECHNICAL AMENDMENT.—Paragraph (7) of section 605(a) of the Fair Credit Reporting Act (15 U.S.C. 1681a(a)) (as redesignated by paragraph (1) of this subsection) is amended—

(A) by striking "other"; and

(B) by inserting "which is not described in any other paragraph of this subsection and" after "information".

(c) REPEAL OF EXEMPTIONS.—Section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c) is amended by striking subsection (b).

SEC. 104. AMENDMENTS RELATING TO COMPLIANCE PROCEDURES.

(a) DISCLOSURE OF CONSUMER REPORTS BY USERS.—Section 607 of the Fair Credit Reporting Act (15 U.S.C. 1681e) is amended by adding at the end the following new subsection:

"(c) DISCLOSURE OF CONSUMER REPORTS BY USERS ALLOWED.—No consumer reporting agency may prohibit any user of any consumer report furnished by such agency on any consumer from disclosing the contents of such report to such consumer.".

(b) PROCEDURES TO ENSURE ACCURACY OF REPORTS.—Section 607(b) of the Fair Credit Reporting Act (15 U.S.C. 1681e(b)) is amended—

(1) by striking "(b) Whenever a consumer reporting agency" and inserting "(b) ACCURACY OF REPORTS.—

"(1) IN GENERAL.—Whenever a consumer reporting agency"; and

(2) by adding at the end the following new paragraph:

"(2) RECORDS OF PROCEDURES REQUIRED.—Each consumer reporting agency shall—

"(A) maintain detailed records of the procedures established and followed pursuant to paragraph (1); and

"(B) make such records available upon the request of any person.".

(c) RECORD OF PURPOSES CERTIFIED BY USERS OF REPORTS.—Section 607 of the Fair Credit Reporting Act (15 U.S.C. 1681e) is amended by inserting after subsection (c) (as added by subsection (a) of this section) the following new subsection:

"(d) RECORD OF PURPOSES CERTIFIED BY USERS OF REPORTS.—Each consumer reporting agency shall—

"(1) maintain a detailed record of the certified purpose for which any consumer report on any consumer, or any other information relating to any consumer, is requested by any person; and

"(2) make such records available upon the request of any person.".

(d) AVAILABILITY OF INFORMATION CONCERNING CONSUMER REPORTING AGENCIES.—Section 607 of the Fair Credit Reporting Act (15 U.S.C. 1681e) is amended by inserting after subsection (d) (as added by subsection (c) of this section) the following new subsection:

"(e) AVAILABILITY OF INFORMATION CONCERNING CONSUMER REPORTING AGENCIES.—Upon the request of any person, any consumer reporting agency shall disclose the following information in a clear and conspicuous manner in a single document:

"(1) The name of the consumer reporting agency and, if applicable, any trade name under which such agency conducts any business as a consumer reporting agency.

"(2) The address and telephone number (including any toll-free telephone number) of the agency.

"(3) The name of each principal officer of the agency, including the name of the consumer representative or liaison of the agency.

"(4) The States in which the agency conducts any business as a consumer reporting agency.

"(5) The date on which the agency was established or incorporated or otherwise commenced to engage in business as a consumer reporting agency (if such date is later than the date of establishment or incorporation).

"(6) A description of—

"(A) the types of consumer information regularly included in consumer reports furnished by the agency; and

"(B) the purposes for which such reports are generally requested and used by the persons to whom the reports are furnished.".

SEC. 105. AMENDMENTS RELATING TO CONSUMER DISCLOSURES.

(a) DISCLOSURES REQUIRED TO BE IN WRITING.—Section 609(a) of the Fair Credit Reporting Act (15 U.S.C. 1681g(a)) is amended by inserting "in writing" after "clearly and accurately disclose".

(b) ALL INFORMATION IN CONSUMER'S FILE REQUIRED TO BE DISCLOSED.—Section 609(a)(1) of the Fair Credit Reporting Act (15 U.S.C. 1681g(a)(1)) is amended to read as follows:

"(1) All information in the consumer's file at the time of the request.".

(c) MORE DETAILED INFORMATION CONCERNING RECIPIENTS OF REPORTS REQUIRED.—Section 609(a) of the Fair Credit Reporting Act (15 U.S.C. 1681g(a)) is amended by adding at the end the following new paragraph:

"(4) Detailed identification of any person who had access to any information contained in the consumer's file (including any recipient referred to in paragraph (3) in connection with the consumer) including—

"(A) the name of the person and, if applicable, any trade name (written in full) under which such person conducts any business; and

"(B) the city and State in which the person's headquarters or main place of business is located".

(d) SUMMARY OF RIGHTS AND REMEDIES REQUIRED TO BE INCLUDED WITH ANY DISCLOSURE.—

(1) IN GENERAL.—Section 609 of the Fair Credit Reporting Act (15 U.S.C. 1681g) is amended by adding at the end the following new subsection:

"(c) SUMMARY OF RIGHTS AND REMEDIES REQUIRED TO BE INCLUDED WITH ANY DISCLOSURE.—

"(1) IN GENERAL.—Any disclosure by any consumer reporting agency to any consumer pursuant to subsection (a) shall include a written and readily understandable summary of all rights and remedies the consumer has under this title.

"(2) FORM OF SUMMARY OF RIGHTS AND REMEDIES.—For purposes of this subsection, sections 606(a)(1)(B), 611(e)(2), 611(e)(3), 613(1), 615(a)(4), and 622(a)(2)(D) of this title, and section 405(b)(1) of title IV, the Federal Trade Commission (after consultation with each Federal agency referred to in section 621(b)) shall prescribe, by regulation, the form and content of any summary of the rights and remedies of consumers under this title.

"(3) SPECIFIC ITEMS REQUIRED TO BE INCLUDED.—The regulations prescribed under paragraph (2) shall require that any summary of the rights and remedies of consumers under this title shall include—

"(A) a brief description of this title and all rights and remedies of consumers under this title;

"(B) an explanation of how the consumer may best exercise the rights and remedies guaranteed under this title; and

"(C) a list of all Federal agencies responsible for enforcing any provision of this title,

the address and any appropriate phone number of each such agency, and a brief description of the responsibilities of each such agency (under this title) in a form that will assist the consumer in selecting the appropriate agency under any given circumstance.".

(2) TECHNICAL AND CONFORMING AMENDMENTS.—

(A) Section 606(a)(1)(B) of the Fair Credit Reporting Act (15 U.S.C. 1681d(a)(1)(B)) is amended by inserting "and the written summary of the rights and remedies of the consumer prepared pursuant to section 609(c)" before the semicolon.

(B) Section 613(1) of the Fair Credit Reporting Act (15 U.S.C. 1681k(1)) is amended by inserting "and the written summary of the rights and remedies of the consumer prepared pursuant to section 609(c)" before the semicolon.

SEC. 106. AMENDMENTS RELATING TO PROCEDURES IN CASE OF THE DISPUTED ACCURACY OF ANY INFORMATION IN A CONSUMER'S FILE.

(a) FIXED PERIOD FOR REINVESTIGATIONS ESTABLISHED.—The 1st sentence of section 611(a) of the Fair Credit Reporting Act (15 U.S.C. 1681i(a)) is amended by inserting "(which, except as provided in subsection (f) of this section, shall not exceed 30 days)" after "reasonable period of time".

(b) RECORDS OF PROCEDURES AND REPORTS TO CONSUMERS IN CONNECTION WITH REINVESTIGATIONS.—Section 611 of the Fair Credit Reporting Act (15 U.S.C. 1681i) is amended by adding at the end the following new subsection:

"(e) RECORDS OF PROCEDURES AND NOTICES TO CONSUMERS.—

"(1) RECORDS OF PROCEDURES REQUIRED.—Each consumer reporting agency shall—

"(A) maintain detailed records of the procedures established and followed in conducting reinvestigations pursuant to subsection (a), including the standard used to determine whether any dispute filed by any consumer is frivolous or irrelevant; and

"(B) make such records available upon the request of any person.

"(2) NOTICE UPON DETERMINATION THAT A DISPUTE IS FRIVOLOUS OR IRRELEVANT.—

"(A) NOTICE REQUIRED.—If any consumer reporting agency determines that any statement of any dispute filed with such agency by any consumer is frivolous or irrelevant, the agency shall promptly send a written notice of such determination to the consumer.

"(B) CONTENTS OF NOTICE.—Any notice sent by any consumer reporting agency to any consumer pursuant to subparagraph (A) shall—

"(i) identify any specific reason relied on by the agency in making the determination referred to in such subparagraph;

"(ii) contain a statement that, because of such determination, the agency will not continue to reinvestigate the accuracy or completeness of the information disputed by the consumer; and

"(iii) contain the written summary of the rights and remedies of the consumer prepared pursuant to section 609(c).

"(3) NOTICE UPON COMPLETION OF REINVESTIGATION.—

"(A) NOTICE REQUIRED.—Before the end of the 30-day period beginning on the date any consumer reporting agency completes any reinvestigation pursuant to subsection (a) of any dispute by any consumer, the agency shall send a written notice of the results of such reinvestigation to the consumer.

"(B) CONTENTS OF NOTICE.—Any notice sent by any consumer reporting agency to any consumer pursuant to subparagraph (A) shall—

"(i) describe, if applicable, the information in the consumer's file which was corrected, added, or deleted as a result of the reinvestigation referred to in such subparagraph; and

"(ii) contain the written summary of the rights and remedies of the consumer prepared pursuant to section 609(c).".

(c) PROVISIONS APPLICABLE TO REINVESTIGATIONS WHICH CANNOT REASONABLY BE COMPLETED WITHIN 30 DAYS.—Section 611 of the Fair Credit Reporting Act (15 U.S.C. 1681i) is amended by inserting after subsection (e) (as added by subsection (b) of this section) the following new subsection:

"(f) PROVISIONS APPLICABLE TO REINVESTIGATIONS WHICH CANNOT REASONABLY BE COMPLETED WITHIN 30 DAYS.—If any consumer reporting agency determines that any reinvestigation pursuant to subsection (a) of any dispute by any consumer cannot be completed within 30 days despite reasonable efforts by such agency—

"(1) the agency shall promptly send the consumer an interim written notice containing—

"(A) a statement that the reinvestigation cannot be completed within 30 days;

"(B) the reasons for the failure to complete the reinvestigation;

"(C) the agency's estimate of the date by which the reinvestigation will be complete; and

"(D) a statement that the consumer will receive a written notice of the results of the reinvestigation pursuant to section 609(e)(3); and

"(2) the agency may take such additional time as may be necessary, using reasonable efforts, to complete the reinvestigation, subject to regulations which the Federal Trade Commission shall prescribe.".

(d) INCLUSION OF CONSUMER STATEMENT IN CONSUMER'S FILE REQUIRED.—

(1) IN GENERAL.—Section 611(c) of the Fair Credit Reporting Act (15 U.S.C. 1681i(c)) is amended by striking "either the consumer's statement" and all that follows through the period and inserting "the consumer's statement.".

(2) TECHNICAL AND CONFORMING AMENDMENTS.—

(A) Section 611(b) of the Fair Credit Reporting Act (15 U.S.C. 1681i(b)) is amended by striking "summary" and inserting "statement".

(B) Section 611(d) of the Fair Credit Reporting Act (15 U.S.C. 1681i(d)) is amended by striking ", codification, or summary".

(e) NOTICE TO PRIOR RECIPIENTS OF INCOMPLETE OR INACCURATE REPORTS.—

(1) IN GENERAL.—Section 611(d) of the Fair Credit Reporting Act (15 U.S.C. 1681i(d)) is amended by striking "six months" and inserting "1 year".

(2) TECHNICAL AND CONFORMING AMENDMENT.—Section 609(a)(3)(B) of the Fair Credit Reporting Act (15 U.S.C. 1681g(a)(3)(B)) is amended by striking "six-month" and inserting "1-year".

SEC. 107. AMENDMENTS RELATING TO CHARGES.

(a) LIMITATION ON CHARGES FOR CERTAIN CONSUMER DISCLOSURES.—Section 612 of the Fair Credit Reporting Act (15 U.S.C. 1681j) is amended—

(1) by striking "reasonable charge on" and inserting "reasonable charge (not to exceed $8) on"; and

(2) by striking "prior to making disclosure; and for furnishing notifications, statements," and all that follows through the end of the sentence (in which such term appears) and inserting "before making the disclosure.".

(b) FREE CONSUMER REPORT ANNUALLY UPON REQUEST OF CONSUMER.—Section 612 of the Fair Credit Reporting Act (15 U.S.C. 1681j) is amended by adding at the end the following new subsection:

"(c) FREE CONSUMER REPORT ANNUALLY UPON REQUEST OF CONSUMER.—Upon the request of any consumer, any consumer reporting agency shall make all disclosures pursuant to section 609 without charge to such consumer at least once each calendar year.".

(c) OTHER CHARGES PROHIBITED.—Section 612 of the Fair Credit Reporting Act (15 U.S.C. 1681j) is amended by inserting after subsection (c) (as added by subsection (b) of this section) the following new subsection:

"(d) ALL OTHER CHARGES PROHIBITED.—Except as provided in subsection (b), no charge may be imposed on any consumer by any consumer reporting agency.".

(d) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The 1st sentence of section 612 of the Fair Credit Reporting Act (15 U.S.C. 1681j) is amended—

(A) by striking "A consumer reporting agency shall" and inserting the following:

"(a) FREE CONSUMER REPORT AFTER ADVERSE NOTICE TO CONSUMER.—Any consumer reporting agency shall"; and

(B) by striking "and furnish all consumer reports pursuant to section 611(d)".

(2) Section 612 of the Fair Credit Reporting Act (15 U.S.C. 1681j) is amended by striking "section 609 or 611(d). Otherwise, the consumer reporting agency" and inserting "section 609.

"(b) REASONABLE CHARGES ALLOWED FOR CERTAIN CONSUMER DISCLOSURES.—Except as provided in subsections (a) and (c), any consumer reporting agency".

SEC. 108. AMENDMENTS RELATING TO PUBLIC RECORD INFORMATION.

Section 613(1) of the Fair Credit Reporting Act (15 U.S.C. 1681k(1)) is amended by striking "together with" and inserting "the specific source of the information (including the name of the particular court, if applicable), the date on which such information became public, and".

SEC. 109. AMENDMENTS RELATING TO DUTIES OF USERS OF CONSUMER REPORTS.

Subsection (a) of section 615 of the Fair Credit Reporting Act (15 U.S.C. 1681m) is amended to read as follows:

"(a) DUTIES OF USERS TAKING ADVERSE ACTIONS ON THE BASIS OF CONSUMER REPORTS.—If any person which obtains a consumer report on any consumer from any consumer reporting agency takes any adverse action (with respect to such consumer) which is based, in whole or in part, on any information contained in such report, such person shall—

"(1) provide written notice of the adverse action to the consumer;

"(2) provide the consumer with the name and address of the consumer reporting agency which furnished the report to such person;

"(3) provide the consumer with the name and address of each of the 3 largest consumer reporting agencies; and

"(4) provide the written summary of the rights and remedies of the consumer prepared pursuant to section 609(c).".

SEC. 110. AMENDMENTS RELATING TO CIVIL LIABILITY.

(a) WILLFUL NONCOMPLIANCE.—Section 616 of the Fair Credit Reporting Act (12 U.S.C.

1681n) is amended by inserting ", person who furnishes information to any consumer reporting agency," after "consumer reporting agency".

(b) NEGLIGENT NONCOMPLIANCE.—Section 617 of the Fair Credit Reporting Act (12 U.S.C. 1681o) is amended by inserting ", person who furnishes information to any consumer reporting agency," after "consumer reporting agency".

SEC. 111. AMENDMENTS RELATING TO ADMINISTRATIVE ENFORCEMENT.

(a) ENFORCEMENT AUTHORITY.—The 2d sentence of section 621(a) of the Fair Credit Reporting Act (15 U.S.C. 1681s(a)) is amended—

(1) by striking "Act and shall be subject to enforcement by the Federal Trade Commission under section 5(b) thereof with respect to any consumer reporting agency or person subject to enforcement by the Federal Trade Commission pursuant to this subsection, irrespective" and inserting "Act. All functions and powers of the Federal Trade Commission under the Federal Trade Commission Act shall be available to the Commission to enforce compliance with this title by any person subject to enforcement by the Federal Trade Commission pursuant to this subsection, irrespective"; and

(2) by inserting ", including the power to enforce the provisions of this title in the same manner as if the violation had been a violation of any Federal Trade Commission trade regulation rule" before the period.

(b) REGULATIONS AND CONGRESSIONAL OVERSIGHT.—Section 621 of the Fair Credit Reporting Act (15 U.S.C. 1681s) is amended by adding at the end the following new subsections:

"(d) REGULATIONS.—

"(1) IN GENERAL.—The Federal Trade Commission (after consultation with each Federal agency referred to in subsection (b)) shall prescribe such regulations, after notice and opportunity for comment, as may be appropriate to carry out the requirements of this title and prevent evasions of any provision of this title.

"(2) REGULATIONS BY AGENCIES OTHER THAN THE COMMISSION.—The authority of the Federal Trade Commission to prescribe regulations under paragraph (1) shall not be construed as impairing the authority of any agency referred to in subsection (b) to prescribe regulations regarding such agency's own procedures in enforcing compliance with the requirements of this title and the regulations prescribed by the Commission under such paragraph.

"(e) CONGRESSIONAL OVERSIGHT.—The Federal Trade Commission shall submit an annual report to the Congress containing—

"(1) a description of the number and type of complaints received by consumers during the preceding year relating to activities within the scope of this title;

"(2) any recommendation for legislative or administrative action with respect to fair credit reporting and recordkeeping which the Commission may determine to be appropriate; and

"(3) a description of any new development in the field of consumer reporting and recordkeeping.".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 621(b) of the Fair Credit Reporting Act (15 U.S.C. 1681s(b)) is amended—

(A) by inserting "and any regulation prescribed by the Federal Trade Commission under subsection (d)" after "the requirements imposed under this title"; and

(B) by inserting ", persons who furnish information to consumer reporting agencies," after "consumer reporting agencies".

(2) Section 621(c) of the Fair Credit Reporting Act (15 U.S.C. 1681s(c)) is amended—

(A) in the 1st sentence, by inserting "or any regulation prescribed by the Federal Trade Commission under subsection (d)" after "any requirement imposed under this title"; and

(B) in the 2d sentence, by inserting "or any regulation prescribed by the Federal Trade Commission under subsection (d)," after "any requirement imposed under this title".

SEC. 112. AMENDMENTS RELATING TO RESPONSIBILITIES OF PERSONS WHO FURNISH INFORMATION TO CONSUMER REPORTING AGENCIES.

(a) IN GENERAL.—The Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) is amended by redesignating section 622 as section 623 and inserting after section 621 the following new section:

"SEC. 622. RESPONSIBILITIES OF PERSONS WHO FURNISH INFORMATION TO CONSUMER REPORTING AGENCIES.

"(a) NOTICE OF INFORMATION FURNISHED TO CONSUMER REPORTING AGENCIES.—

"(1) NOTICE REQUIRED.—In the case of any person who, in the usual course of conducting any business (including the rental of residential property), regularly furnishes information about any consumer to any consumer reporting agency, such person shall give notice of such fact in writing to the consumer before providing any information about such consumer to any consumer reporting agency.

"(2) CONTENTS OF NOTICE.—Any written notice provided to any consumer by any person pursuant to paragraph (1) shall contain the following information:

"(A) A description of the type of information which may be furnished to any consumer reporting agency.

"(B) A description of the times at which or the circumstances under which any information is furnished to any consumer reporting agency.

"(C) A statement that the consumer should promptly notify such person if the consumer finds any incomplete or inaccurate information contained in any periodic statement or other document provided to the consumer by such person in order to prevent the incomplete or inaccurate information from being furnished to any consumer reporting agency.

"(D) The written summary of the rights and remedies of the consumer prepared pursuant to section 609(c).

"(b) PROCEDURES TO ENSURE MAXIMUM POSSIBLE ACCURACY OF INFORMATION FURNISHED TO CONSUMER REPORTING AGENCIES.—

"(1) IN GENERAL.—Whenever any person, in the course of conducting any business (including the rental of residential property), furnishes any information about any consumer to any consumer reporting agency, such person shall follow reasonable procedures to assure the maximum possible accuracy of such information.

"(2) RECORDS OF PROCEDURES REQUIRED.—Each person referred to in paragraph (1) shall—

"(A) maintain detailed records of the procedures established and followed pursuant to such paragraph; and

"(B) make such records available upon the request of any person.".

(b) CLERICAL AMENDMENT.—The table of sections for title VI of the Consumer Credit Protection Act is amended by redesignating the item relating to section 622 as section 623 and inserting after the item relating to section 621 the following new item:

"622. Responsibilities of persons who furnish information to consumer reporting agencies.".

SEC. 113. EFFECTIVE DATE.

(a) EFFECTIVE DATE.—The amendments made by this Act shall take effect at the end of the 180-day period beginning on the date of the enactment of this Act.

(b) PENALTY PROVISIONS.—The amendments made by section 110 shall apply with respect to violations committed after the effective date of such amendments.

(c) REGULATORY AUTHORITY.—Notwithstanding subsection (a), the authority of the Federal Trade Commission and any Federal agency referred to in section 621(b) of the Fair Credit Reporting Act to prescribe regulations which are required under any amendment made by this title or which may be appropriate to implement the amendments made by this title shall become effective on the date of the enactment of this Act.

TITLE II—CREDIT REPAIR ORGANIZATIONS

SEC. 201. REGULATION OF CREDIT REPAIR ORGANIZATIONS.

Title IV of the Consumer Credit Protection Act (15 U.S.C. 1601 et seq.) is amended to read as follows:

"TITLE IV—CREDIT REPAIR ORGANIZATIONS

"Sec.
"401. Short title.
"402. Findings and purpose.
"403. Definitions.
"404. Prohibited practices by credit repair organizations.
"405. Disclosures.
"406. Credit repair organizations contracts.
"407. Right to cancel contract.
"408. Noncompliance with this title.
"409. Civil liability.
"410. Jurisdiction of courts: limitation of actions.
"411. Administrative enforcement.
"412. Relation to State law.

"§ 401. Short title

"This title may be cited as the 'Credit Repair Organizations Act'.

"§ 402. Findings and purpose

"(a) The Congress makes the following findings:

"(1) Consumers have a vital interest in establishing and maintaining their creditworthiness and credit standing in order to obtain and use credit. As a result, consumers who have experienced credit problems may seek assistance from credit repair organizations which offer to improve the credit standing of such consumers.

"(2) Certain advertising and business practices of some companies engaged in the business of credit repair services have worked a financial hardship upon consumers, particularly those of limited economic means and who are inexperienced in credit matters.

"(b) The purposes of this title are to provide prospective buyers of the services of credit repair organizations with the information necessary to make an informed decision regarding the purchase of those services, and to protect the public from unfair or deceptive advertising and business practices by credit repair organizations.

"§ 403. Definitions

"As used in this title—

"(a) the term 'person' means any individual, partnership, corporation, trust, estate, cooperative, association, or other entity;

"(b) the term 'consumer' means an individual;

"(c) the adjective 'consumer', used with reference to a credit transaction, characterizes the transaction as one in which the party to whom credit is offered or extended is a natural person, and the money, property, or services which are the subject of the transaction are primarily for personal, family, or household purposes; and

"(d) the term 'credit repair organization' means any person, who, with respect to the extension of consumer credit by others, sells, provides or performs, or represents that he can or will sell, provide or perform, in return for the payment of money or other valuable consideration, a service for the express or implied purpose of improving a consumer's credit record, credit history, or credit rating; obtaining an extension of consumer credit for a consumer; or providing advice or assistance to a consumer with regard to a consumer's credit record, credit history or credit rating.

The term 'credit repair organization' does not include—

"(1) a depository institution whose deposits are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration Board, or, a depository institution chartered by a State;

"(2) any nonprofit organization exempt from taxation under section 501(c)(3) of the Internal Revenue Code;

"(3) a licensed real estate broker acting within the course and scope of that license;

"(4) a licensed attorney at law rendering services within the course and scope of that license;

"(5) any broker-dealer registered with the Securities and Exchange Commission or the Commodity Futures Trading Commission acting within the scope of the Securities and Exchange Commission or the Commodity Futures Trading Commission regulations;

"(6) any consumer reporting agency as defined in title IV of this Act, acting within the course and scope of that title; or

"(7) any debt collector as defined in title VIII of this Act, acting within the course and scope of that title; and

"(e) the term 'extension of credit' means the right to defer payment of debt or to incur debt and defer its payment offered or granted primarily for personal, family, or household purposes.

"§ 404. Prohibited practices by credit repair organizations

"A credit repair organization, its employees and agents shall not—

"(a) charge or receive any money or other valuable consideration prior to completion of the services the credit repair organization has agreed to perform for the consumer, unless the credit repair organization has obtained a surety bond of $50,000 issued by a surety company admitted to do business in the State in which the credit repair organization is doing business;

"(b) charge or receive any money or other valuable consideration solely for referral of the consumer to a retail seller who will or may extend credit to the consumer if the credit which is or will be extended to the buyer is upon substantially the same terms as those available to the general public;

"(c) make, counsel, or advise any consumer to make any statement that is untrue or misleading or that should be known by the exercise of reasonable care to be untrue or misleading, to a credit reporting agency or to any person who has extended credit to a consumer or to whom a consumer is applying for an extension of credit with respect to the consumer's creditworthiness, credit standing, or credit capacity; and

"(d) make or use any untrue or misleading representations of the services of a credit repair organization or engage, directly or indirectly, in any act, practice, or course of business that operates or would operate as fraud or deception upon any person in connection with the offer or sale of the services of a credit repair organization.

"§ 405. Disclosures

"(a) Before the execution of a contract or agreement between a consumer and a credit repair organization or before the receipt by the credit repair organization of any money or other valuable consideration, whichever occurs first, the credit repair organization shall provide the consumer with a written statement that clearly and conspicuously discloses to the consumer all the information required by subsection (b) to the extent applicable.

"(b) The statement required by subsection (a) shall include—

"(1) a complete and accurate statement of the consumer's right to review any file on the consumer maintained by any consumer reporting agency, as provided under title IV of this Act, including a statement that the consumer may review his or her consumer reporting agency file at no charge if a request is made to the consumer reporting agency within thirty days after receiving notice that credit has been denied, the approximate price the consumer will be charged by the consumer reporting agency to review the information contained in his or her consumer reporting agency file, and a complete and accurate statement of the consumer's right to dispute the completeness or accuracy of any item contained in any file on the consumer maintained by any consumer reporting agency;

"(2) a complete and detailed description of the services to be performed by the credit repair organization for the consumer and the total amount the consumer will have to pay, or become obligated to pay, for the services; and

"(3) a statement of the consumer's right to proceed against any bond required under section 404 and the name and address of the surety company that issued the bond.

"(c) A credit repair organization shall retain evidence of compliance with this title for two years after the date disclosures are required to be made or action is required to be taken.

"§ 406. Credit repair organizations contracts

"(a) Each contract between a consumer and a credit repair organization for the purchase of the services of the credit repair organization shall be in writing, dated, signed by the consumer, and include—

"(1) the terms and conditions of payment, including the total of all payments to be made by the consumer, whether to the credit repair organization or to some other person;

"(2) a full and detailed description of the services to be performed by the credit repair organization for the consumer, including all guarantees and all promises of full or partial refunds, and the estimated date by which the services are to be performed, or estimated length of time for performing the services;

"(3) the credit repair organization's name and principal business address; and

"(4) a conspicuous statement in bold face type, in immediate proximity to the space reserved for the consumer's signature on the contract: 'You, the buyer, may cancel this contract at any time prior to midnight of the third day after the date of the transaction. See the attached notice of cancellation form for an explanation of this right.'.

"§ 407. Right to cancel contract

"(a) The consumer shall have the right to cancel any contract with a credit repair organization until midnight of the third business day following the consummation of the transaction, or the delivery of the information and cancellation forms required under this section together with a statement containing the material disclosures required under this title, whichever is later, by notifying the credit repair organization of his intention to do so.

"(b) Each contract shall be accompanied by a completed form in duplicate, captioned 'Notice of Cancellation', that shall contain in bold face type the following statement written in the same language used in the contract:

"You may cancel this contract, without any penalty or obligation within three business days from the date the contract is signed.

"If you cancel, any payment made by you under this contract will be returned within ten days following receipt by the seller of your cancellation notice.

"To cancel this contract, mail or deliver a signed dated copy of this cancellation notice, or any other written notice to (name of credit repair organization) at (address of credit repair organization) not later than midnight (date)

I hereby cancel this transaction,

(date)

(purchaser's signature).

"(c) The credit repair organization shall give to the consumer a copy of the completed contract and all other documents the credit repair organization requires the consumer to sign at the time they are signed.

"§ 408. Noncompliance with this title

"(a) Any waiver by a consumer of the protections of this title is void. Any attempt by a credit repair organization to have a buyer waive rights given by this title is a violation of this title.

"(b) Any contract for services which does not comply with the applicable provisions of this title shall be void and unenforceable as contrary to public policy.

"§ 409. Civil liability

"(a) Any credit repair organization which fails to comply with any provision of this title with respect to any person is liable to that person in an amount equal to the sum of—

"(1) any actual damages sustained by such person as a result of such failure, but in no case less than the amount paid by the person to the credit repair organization;

"(2)(A) in the case of any action by an individual such additional amounts as the court may allow; or

"(B) in the case of a class action, (i) such amount for each named plaintiff as could be recovered under subparagraph (A), and (ii) such amount as the court may allow for all other class members, without regard to a minimum individual recovery; and

"(3) in the case of any successful action to enforce the foregoing liability, the costs of the action, together with a reasonable attorney's fees as determined by the court.

"(b) In determining the amount of liability in any action under subsection (a), the court shall consider, among other relevant factors—

"(1) in any individual action under subsection (a)(2)(A), the frequency and persistence of noncompliance by the credit repair organization, the nature of such noncompliance, and the extent to which such noncompliance was intentional; or

"(2) in any class action under subsection (a)(2)(B), the frequency and persistence of noncompliance by the credit repair organization, the nature of such noncompliance, the number of persons adversely affected, and the extent to which the credit repair organization's noncompliance was intentional.

"§ 410. Jurisdiction of courts: limitation of actions

"An action to enforce any liability created under this Act may be brought in any appropriate United States district court without regard to the amount in controversy, or in any other court of competent jurisdiction, within two years from the date on which the liability arises, except that where a defendant has materially and willfully misrepresented any information required under this Act to be disclosed to an individual and the information so misrepresented is material to the establishment of the defendant's liability to that individual under this Act, the action may be brought at any time within two years after discovery by the individual of the misrepresentation.

"§ 411. Administrative enforcement

"Compliance with the requirements imposed under this title shall be enforced under the Federal Trade Commission Act by the Federal Trade Commission with respect to credit repair organizations. For the purpose of the exercise by the Federal Trade Commission of its functions and powers under the Federal Trade Commission Act, a violation of any requirement or prohibition imposed under this title shall constitute an unfair or deceptive act or practice in commerce in violation of section 5(a) of the Federal Trade Commission Act and shall be subject to enforcement by the Federal Trade Commission under section 5(b) thereof with respect to credit repair organization subject to enforcement by the Federal Trade Commission pursuant to this subsection, irrespective of whether that person is engaged in commerce or meets any other jurisdictional tests in the Federal Trade Commission Act. The Federal Trade Commission shall have such procedural, investigative, and enforcement powers, including the power to issue rules in enforcing compliance with the requirements imposed under this title and to require the filing of reports, the production of documents, and the appearance of witnesses as though the applicable terms and conditions of the Federal Trade Commission Act were part of this title. Any person violating any of the provisions of this title shall be subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act as though the applicable terms and provisions thereof were part of this title.

"§ 412. Relation to State law

"This title does not annul, alter, affect, or exempt any person subject to the provisions of this title from complying with the laws of any State except to the extent that those laws are inconsistent with any provision of this title, and then only to the extent of the inconsistency.".

SEC. 202. EFFECTIVE DATE.

The amendment made by section 201 shall take effect at the end of the 90-day period beginning on the date of the enactment of this Act.

CONSUMER CREDIT PROTECTION AMENDMENTS OF 1990

INTRODUCTION

The bill has two titles. Title I would amend the Fair Credit Reporting Act (FCRA). Title II incorporates H.R. 56, the Credit Repair Organizations Act, in its entirety. A brief overview of both titles follows.

BRIEF OVERVIEW OF MAJOR PROVISIONS IN TITLE I

1. Prescreening disclosure [section 102]

A new paragraph would be added that would prohibit reporting agencies from providing information without the consumer's express permission in connection with a transaction not initiated by the consumer (such as when a consumer's file is used for prescreening purposes) unless two requirements are met.

The first requirement is that the consumer must have had notice that information from his or her file may be used in connection with transactions the consumer has not initiated. Second, the consumer must have had an opportunity to register lack of consent to such use and failed to so register.

Current law contains no reference to prescreening. In terms of when a reporting agency may furnish a report, no distinction is made between furnishing a report in connection with a transaction initiated by the consumer or furnishing one for the purpose of soliciting the consumer for a transaction. Rather, the current law states that reports may be furnished in connection with credit or business transactions "involving" the consumer.

2. Reporting of negative information [section 103(b)]

The current law's rule allowing negative credit information to be reported for seven years (except for bankruptcy which is reportable for ten years) would be modified so that shorter periods would apply to overdue payments information. For example, the fact that a certain payment on an account was thirty days late would be reportable only for three years, not the standard seven.

3. Written disclosure to consumer of all information in file [section 105(a) and (b)]

The bill would amend the current law so that a consumer would have the right to access all information in the consumer's reporting agency file and to receive the copy in writing.

Current law mandates that a reporting agency provide only the "nature and substance" of information in the file, and does not require that this disclosure be in writing.

4. Summary of consumer rights and remedies [section 105(d)]

A new paragraph would be added to require that every time a consumer receives a disclosure mandated by the FCRA, the consumer must also be given a written summary of all consumer rights and remedies guaranteed by the FCRA. The form and content of this summary would be prescribed by the Federal Trade Commission (FTC) in consultation with other federal agencies although the bill specifies certain information that must be included.

There is no requirement in the present law that consumers be notified of their rights under the law except as to specific rights arising in certain limited situations.

5. Time limit on reinvestigations [section 106(a) and (f)]

The bill would amend the current law's requirement that a reinvestigation of disputed report information take place within a "reasonable" time by setting a thirty day time limit on reinvestigations. An exception would be available if a reporting agency, after reasonable efforts, is unable to complete the reinvestigation and meets certain requirements including notifying the consumer of the delay.

6. Disclosures related to reinvestigations [section 106(b)]

New notices to consumers relating to reinvestigations would be added. Under current laws, there is no requirement that a consumer be notified once a reinvestigation is completed, nor must a consumer be notified when a reporting agency refuses to conduct a reinvestigation.

The bill would require a written notice to the consumer in both instances. The notice that would be required upon completion of a reinvestigation would have to include a description of information corrected, added, or deleted as a result of the reinvestigation. The notice required when a reporting agency refuses the consumer's request to reinvestigate would have to include the agency's specific reason for the refusal.

7. Charges for reports [section 107(a), (b) and (c)]

Several new provisions would be added related to charges. First, section 107(b) of the bill would add a new provision that would give consumers the right to receive, upon request, one free copy of their report annually. Current law allows a free report upon request only when a user takes certain adverse actions based on information in a report. (The right created by the bill would be for a report in addition to any report(s) requested subsequent to adverse action.)

Second, section 107(a) of the bill would limit the amount consumer reporting agencies could charge consumers for additional copies of their report to $8. This is the same limit that is currently part of California law. Under current law, reporting agencies are allowed to impose "reasonable" charges on consumers for providing copies of reports.

Third, section 107(c) would prohibit any charges to consumers beyond those allowed for furnishing reports. Current law contains prohibitions on certain specified charges.

8. Circumstances triggering notice by user of report [sections 109 and 101]

Under present law a user of a consumer report is required to notify a consumer that a report was used when the user takes adverse action with regard to the consumer based on information in a report. The notice must give the consumer the name and address of the reporting agency that furnished the report. However, this notice is required only in connection with certain adverse actions. For example, while the notice is required when a user refuses to grant a consumer's credit application, the notice requirement is not triggered when a user refuses to grant a consumer's rental application.

The bill would expand the notice requirement so that the notice would be required whenever a user takes any adverse action based on information in a consumer report. The bill would create a new definition—"adverse action"—to accomplish this purpose.

9. Implementing regulations and report to Congress [section 111(b)]

The bill would provide authority so that regulations would be issued to implement the FCRA. Currently there are no regulations because no federal agency has authority to issue regulations. The bill would grant the authority to the FTC as the agency already empowered with greatest administrative responsibility under the law.

In addition, the bill would direct the FTC to submit an annual report to Congress detailing consumer reporting complaints and industry developments in the previous year and offering legislative recommendations related to consumer reporting, if appropriate. No reporting requirement exists in present law.

10. New requirements for persons who furnish information to reporting agencies [section 112]

A new section would be added to the law so that persons who routinely furnish reporting agencies with the information that is used in consumer reports would have responsibilities under the FCRA. An example of persons likely to be covered by these provisions would be creditors with whom the consumer maintains an account.

The first requirement that would apply to persons who furnish information to reporting agencies would be that such persons must give notice to a consumer before providing information on that consumer to any reporting agency. The notice would have to include a description of the kinds of information that the person may furnish and what would trigger the furnishing of that information. The notice would also have to include a reminder to the consumer to promptly indicate any inaccuracies in his or her monthly statement in order to avoid inaccuracies surfacing in a consumer report. In addition, the consumer would have to be given the same written summary of consumer rights and remedies that the bill would require be included with any other disclosure mandated by the FCRA.

Persons who furnish information to reporting agencies would also be required to follow reasonable procedures to assure the maximum possible accuracy of the information they furnish, as is required of consumer reporting agencies under current law. Records of these procedures would have to be maintained.

BRIEF OVERVIEW OF PROVISIONS IN TITLE II

1. Prohibited practices [section 201-sec. 401]

No federal law presently regulates credit repair organizations. The bill would define credit repair organizations as persons who offer for-profit assistance to consumers in improving their credit histories or ratings or in obtaining credit. The bill would prohibit such persons from requiring advance payment for services unless the organizations posted a surety bond. In addition, misleading statements about services would be prohibited, and counseling consumers to mislead reporting agencies or creditors would be prohibited as well.

2. Disclosures to consumers [section 201-sec. 405]

The bill would mandate that credit report organizations make several disclosures to consumers before contracting or accepting payment for services. The required disclosures include: a description of relevant FCRA-guaranteed rights; a description of services to be performed and their cost; and, a statement of the consumer's right to proceed against any required surety bond.

3. Contracts with consumers [section 201-sec. 406]

The bill would require that any contract for service between a credit repair organization and a consumer must contain the following: the terms and conditions of payment; a description of services to be performed; the name and address of the credit repair organization; and a statement that the consumer has three days to cancel the contract and get a full refund.

ADDITIONAL COSPONSORS

S. 15

At the request of Mr. CRANSTON, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 15, a bill to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes.

S. 160

At the request of Mr. THURMOND, the names of the Senator from Illinois [Mr. DIXON] and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of S. 160, a bill to require the construction of a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces who served in World War II and to commemorate United States participation in that conflict.

S. 720

At the request of Mr. BOREN, the names of the Senator from New Mexico [Mr. BINGAMAN] and the Senator from Maryland [Mr. SARBANES] were added as cosponsors of S. 720, a bill to amend the Internal Revenue Code of 1986 to extend and modify the targeted jobs credit, and for other purposes.

S. 1273

At the request of Mr. BOREN, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsors of S. 1273, a bill to amend the Internal Revenue Code of 1986 with respect to treatment by cooperatives of gains or losses from sale of certain assets.

S. 1349

At the request of Mr. CHAFEE, his name was added as a cosponsor of S. 1349, a bill to amend the Internal Revenue Code of 1986 to exclude small transactions and to make certain clarifications relating to broker reporting requirements.

S. 1676

At the request of Mr. PELL, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 1676, a bill to strengthen the teaching profession, and for other purposes.

S. 2025

At the request of Mr. HEINZ, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 2025, a bill to amend the Internal Revenue Code of 1986 to make permanent certain expiring tax provisions.

S. 2041

At the request of Mr. SYMMS, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 2041, a bill to amend title XVIII of the Social Security Act to provide uniform national conversion factors for services of certified registered nurse anesthetists.

S. 2071

At the request of Mr. PACKWOOD, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 2071, a bill to amend the Internal Revenue Code of 1986 to provide incentives for savings and investments in order to stimulate economic growth.

S. 2128

At the request of Mr. KERRY, the name of the Senator from West Virginia [Mr. ROCKEFELLER] and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 2128, a bill to direct the Secretary of Veterans Affairs to establish and maintain a comprehensive services program for homeless veterans.

S. 2150

At the request of Mr. SYMMS, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 2150, a bill to set aside a fair proportion of the Highway Trust Fund moneys for use in constructing and maintaining off-highway recreational trails.

S. 2152

At the request of Mr. MCCONNELL, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 2152, a bill to provide for international negotiations to achieve agreement on regulation of certain precursor and essential chemicals critical to the manufacture and trafficking of illicit narcotics.

S. 2176

At the request of Mr. LIEBERMAN, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 2176, a bill to provide better enforcement of the environmental laws of the United States, and for other purposes.

S. 2246

At the request of Mr. BRADLEY, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 2246, a bill to amend title XVIII of the Social Security Act to provide improved medicare home health benefits, and for other purposes.

S. 2307

At the request of Mr. RIEGLE, the names of the Senator from Washington [Mr. ADAMS] and the Senator from New York [Mr. MOYNIHAN] was added as cosponsors of S. 2307, a bill to require the Secretary of Health and Human Services to provide intensive

outreach and other services and protections to homeless individuals.

S. 2317

At the request of Mr. MCCONNELL, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 2317, a bill to require Federal, State, and local law enforcement agencies to report all cases of missing persons under age 18 to the National Crime Information Center of the Department of Justice.

S. 2385

At the request of Mr. DOMENICI, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 2385, a bill to establish the National Forest Foundation.

S. 2413

At the request of Mr. KERRY, the names of the Senator from Virginia [Mr. ROBB] and the Senator from Georgia [Mr. FOWLER] were added as cosponsors of S. 2413, a bill to make eligibility standards for the award of the Purple Heart currently in effect applicable to members of the Armed Forces of the United States who were taken prisoner or taken captive by a hostile foreign government or its agents or a hostile force before April 15, 1962, and for other purposes.

S. 2426

At the request of Mr. LEAHY, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 2426, a bill to authorize the President to designate a private nonprofit foundations as eligible to receive funds for the purpose of promoting community tree planting and cultivation projects, to authorize the Secretary of Agriculture to establish a rural tree planting program and a community tree planting program, and for other purposes.

S. 2462

At the request of Mr. WIRTH, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Washington [Mr. GORTON], the Senator from Maryland [Ms. MIKULSKI], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of S. 2462, a bill to amend the Solid Waste Disposal Act to require produces and importers of tires to recycle a certain percentage of scrap tires each year, to require the Administrator of the Environmental Protection Agency to establish a recycling credit system for carrying out such recycling requirement, to establish a management and tracking system for such tires, and for other purposes.

S. 2559

At the request of Mr. KOHL, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 2559, a bill to provide for a comprehensive approach to drug abuse prevention and treatment, and for other purposes.

S. 2563

At the request of Mr. ROTH, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 2563, a bill to impose a moratorium on the fishing and possession of Atlantic striped bass—Morone Saxatilis—within waters under the jurisdiction of the United States.

S. 2568

At the request of Mr. BIDEN, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of S. 2568, a bill to establish the Counter-Narcotics Technology Assessment Center within the Office of National Drug Control Policy, and for other purposes.

S. 2600

At the request of Mr. KENNEDY, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 2600, a bill to combat homelessness through the establishment of housing-based family support centers, through the provisions of housing-based services to elderly individuals with chronic and debilitating illnesses and conditions, through the provision of residence-based outpatient mental health services, and through the use of grants for the improvement of community development corporations, and for other purposes.

S. 2712

At the request of Mr. WIRTH, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of S. 2712, a bill to establish a Financial Services Crime Division in the Department of Justice.

S. 2744

At the request of Mr. KASTEN, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 2744, a bill to amend the Internal Revenue Code of 1986 to provide for a maximum long-term capital gains rate of 15 percent and indexing of certain capital assets, and for other purposes.

S. 2753

At the request of Mr. HARKIN, the names of the Senator from Connecticut [Mr. DODD], the Senator from Kansas [Mr. DOLE], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 2753, a bill to reauthorize the Developmental Disabilities Assistance and Bill of Rights Act.

SENATE JOINT RESOLUTION 276

At the request of Mr. LIEBERMAN, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of Senate Joint Resolution 276, a joint resolution designating the week beginning July 22, 1990, as "Lyme Disease Awareness Week."

SENATE JOINT RESOLUTION 277

At the request of Mr. LUGAR, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of Senate Joint Resolution 277, a joint resolution designating October 6, 1990, as "German-American Day."

SENATE JOINT RESOLUTION 279

At the request of Mr. SPECTER, the names of the Senator from New York [Mr. D'AMATO], the Senator from Rhode Island [Mr. PELL], the Senator from Vermont [Mr. JEFFORDS] and the Senator from Utah [Mr. GARN] were added as cosponsors of Senate Joint Resolution 279, a joint resolution to designate the week of September 16, 1990, through September 22, 1990, as "National Rehabilitation Week."

SENATE JOINT RESOLUTION 282

At the request of Mr. WILSON, the names of the Senator from Maine [Mr. COHEN] and the Senator from Missouri [Mr. DANFORTH] were added as cosponsors of Senate Joint Resolution 282, a joint resolution to designate the decade beginning January 1, 1990, as the "Decade of the Child."

SENATE JOINT RESOLUTION 290

At the request of Mr. ARMSTRONG, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of Senate Joint Resolution 290, a joint resolution to designate the week of July 22, 1990, through July 28, 1990, as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War.

SENATE JOINT RESOLUTION 292

At the request of Mr. PELL, the names of the Senator from California [Mr. CRANSTON] and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of Senate Joint Resolution 292, a joint resolution to designate the year 1991 as the "Year of the Lifetime Reader."

SENATE JOINT RESOLUTION 298

At the request of Mr. THURMOND, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of Senate Joint Resolution 298, a joint resolution to provide for the erection of a memorial in the Arlington National Cemetery to honor U.S. combat glider pilots of World War II.

SENATE JOINT RESOLUTION 305

At the request of Mr. THURMOND, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of Senate Joint Resolution 305, a joint resolution to designate the month of September 1990, as "National Awareness Month of Children with Cancer."

SENATE JOINT RESOLUTION 310

At the request of Mr. CRANSTON, the names of the Senator from Virginia [Mr. ROBB], the Senator from Ohio [Mr. GLENN], the Senator from Alabama [Mr. HEFLIN], the Senator from Tennessee [Mr. GORE], the Senator from Utah [Mr. GARN], the Senator from Idaho [Mr. MCCLURE], and the Senator from Washington [Mr. GORTON] were added as cosponsors of Senate Joint Resolution 310, a joint

resolution to designate June 25, 1990, as "Korean War Remembrance Day."

SENATE JOINT RESOLUTION 329

At the request of Mr. KASTEN, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of Senate Joint Resolution 329, a joint resolution to designate the week of June 17, 1990, through June 23, 1990, as "National Week to Commemorate the Victims of the Famine in Ukraine, 1932-1933," and to commemorate the Ukrainian famine of 1932-33 and the policies of Russification to suppress Ukrainian identity.

SENATE JOINT RESOLUTION 336

At the request of Mr. LEVIN, the names of the Senator from North Carolina [Mr. SANFORD], the Senator from Vermont [Mr. JEFFORDS], and the Senator from Kentucky [Mr. FORD] were added as cosponsors of Senate Joint Resolution 336, a joint resolution designating the week in 1990 which coincides with the first visit of Nelson Mandela to the United States after his release from prison in South Africa as "South African Freedom Week."

SENATE CONCURRENT RESOLUTION 123

At the request of Mr. PELL, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of Senate Concurrent Resolution 123, a concurrent resolution to encourage State governments, local governments, and local educational agencies to adopt a comprehensive curricular program which provides elementary and secondary students with a thorough knowledge of the history and principles of the Constitution and the Bill of Rights and which fosters civic competence and civic responsibility.

SENATE CONCURRENT RESOLUTION 126

At the request of Mr. PELL, the names of the Senator from Hawaii [Mr. AKAKA] and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of Senate Concurrent Resolution 126, a concurrent resolution calling for a U.S. policy of promoting the continuation, for a minimum of an additional 10 years, of the International Whaling Commission's moratorium on the commercial killing of whales, and otherwise expressing the sense of the Congress with respect to conserving and protecting the world's whale population.

SENATE CONCURRENT RESOLUTION 134

At the request of Mr. D'AMATO, his name was added as a cosponsor of Senate Concurrent Resolution 134, a concurrent resolution expressing the sense of Congress concerning a 1991 White House Conference on Aging.

SENATE RESOLUTION 298

At the request of Mr. WIRTH, the names of the Senator from North Carolina [Mr. SANFORD] and the Senator from Georgia [Mr. FOWLER] were added as cosponsors of Senate Resolution 298, a resolution to express the sense of the Senate that efforts to investigate and prosecute financial institution crimes should be fully funded.

SENATE RESOLUTION 301—CONDEMNING THE VIOLENCE IN ROMANIA

Mr. DECONCINI submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 301

Whereas the movement toward greater democracy in Romania last December was achieved through a bloody revolution against the brutally repressive regime led by the dictator Nicolae Ceaucescu instead of through the non-violent means in other Eastern European countries;

Whereas the election campaign leading up to the May 20 elections in Romania was marred by reports of politically motivated attacks against opposition party supporters and continued government control of the mass media;

Whereas the decision by the government headed by Ion Iliescu to call in coal miner vigilantes to assist the government in clearing the University Square of political opponents resulted in an excessive use of force against anti-government demonstrators calls into questoin the Romanian government's commitment to democracy and freedom of speech;

Whereas the violence used by the coal miners in support of the National Salvation Front resulted in the injury and death of many Romanians is contrary to democratic principles and reform;

And, whereas these troubling events in Romania serve as a vivid reminder that the movement toward true democracy is a long and difficult process requiring great guidance and vigilance on the part of the Western democracies as well as the continued efforts and support of the democratic forces within Romania: Therefore, be it

Resolved, That it is the sense of the Senate that:

(1) The Government of the United States and the governments of other democratic nations should deplore and condemn the use of violence to suppress the peaceful public demonstration in Romania;

(2) the President of the United States should urge the Romanian government to:

Open a genuine dialogue with representatives of opposition parties and independent groups and pledge that they will be safe from further acts of violence;

Demonstrate a good faith effort toward true democratic reform by repairing the damage to the opposition party headquarters and to the offices of independent political groups;

Bring to justice those individuals responsible for instigating and encouraging the violent acts of June 13, and 14, 1990;

Ensure due process for those individuals detained during the recent demonstrations;

Permit the reopening of opposition and independent newspapers and provide opposition parties access to state television broadcasting; and

Cease threats against those who represent or support opposition parties and independent groups;

(3) the United States government should postpone granting any official aid to the Romanian government except for purely humanitarian purposes until the Romanian government demonstrates a solid commitment to move toward the establishment of a truly democratic system of government, including taking the measures mentioned above; and

(4) the United States government should postpone negotiations of any bilateral trade or commercial agreements between the United States and Romania until steps such as those already enumerated above are taken by the Romanian government.

● Mr. DECONCINI. Mr. President, one of the more extraordinary aspects of the changes in Eastern Europe is that they were largely brought about by nonviolent revolution. In country after country 40 years of totalitarian rule and violent repression were swept away by peaceful marches and demonstrations. And perhaps just as remarkable is the fact that these revolutions have remained nonviolent. With at best only distant memories of democratic traditions, these countries have held elections that have thrown out the remnants of the former regime and begun the difficult process of dismantling the structures of a Communist state.

The principal exception to this peaceful process has been Romania. Held in the grip of one of the world's most ruthless dictatorships, the Romanian people had to rise up against the sinister forces of Nicolae Ceausescu's securitate secret police. The aftermath of this bloody revolution remains fraught with violence and ambiguity.

Today the United States Ambassador to Romania is boycotting the inauguration of Romania's new premier, Ion Iliescu. This is a strong and appropriate symbol of the deep concern the United States has placed on last week's violence. On June 13 and 14th, we witnessed the bloodiest confrontations in Bucharest since the December revolution. It appears that the violence was touched off by a government decision to clear demonstrators from the capital city's university square. In the confusion which ensued, the police used truncheons and cattle prods to clear the already dwindling crowd. Later, some anti-Communist demonstrators retaliated by torching buses, burning the police headquarters, and storming a government television station. The government finally put down the riots with soldiers armed with automatic weapons and with workers called from the factories by the government to put down what it termed "a Fascist rebellion."

It is as a result of these events that I am introducing a resolution today condemning the use of violence in Romania. My resolution urges the Bush administration to take certain steps to suspend all further assistance, except for humanitarian assistance, to Romania until it has taken concrete steps demonstrating its commitment to genuine democracy and freedom of speech.

The recent violence is not the only warning sign that all is not well with the Romanian revolution. Romania's election was marred by politically motivated attacks against opposition party supporters and continued government control of the mass media. The campaign was also inhibited by reported acts of intimidation by the remnants of the internal spying organization, the securitate. The excessive reaction by the government to Tuesday's demonstrations calls into question its commitment to democracy and the toleration of political dissent. The Romanian people have come too far to allow backsliding toward the horrors of the past. Also, Mr. Iliescu must be cautioned that a victory achieved through the support of a majority vote does not justify persecution of a minority, including a minority that might have expressed opposition to the government.

The troubles of Romania are a reminder to those in the West that have come to expect a rapid, unvarying progress toward peace and democracy in Eastern Europe. In this delicate time of transition the United States and other democratic countries must voice their objections to actions, such as those taken by the Romanian Government the other day, that harken back to the days of repression and tyranny. Certainly, no government can count on the assistance of the west unless it lives up to its promises of freedom and democracy.

In the end, no society can take its liberty for granted. The events in Bucharest underscore that the west must remain vigilant if democratic institutions can be expected to flourish in fields newly reclaimed from tyranny.

Mr. President, I ask unanimous consent that an editorial from Sunday's Washington Post entitled "Romania's Stalinists" printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 17, 1990]

ROMANIA'S STALINISTS

Romania's revolution, so far, has failed. The savage fighting last December overthrew the Ceausescu dictatorship but replaced it with a regime led by longtime Communists, who are now reverting to Stalinist habits. The use of miners as strong-arm squads to clear the streets of Bucharest last week is unpleasantly reminiscent of the staged demonstrations and street violence that accompanied the original Communist seizure of power in 1945. Same party, same methods.

The interim government under Ion Iliescu gave the opposition a good deal less than an even break in the election last month, and it's not surprising that Iliescu & Co. won. But even with that unpromising beginning, the voting could have begun genuine progress toward democracy. A little tolerance for dissent would have sufficed. Instead, the new government is now reverting to the politics of repression and intimidation.

This latest episode began with the demonstrators who had been camped in a square in Bucharest since late April to demand the removal of former Communist officials from the government. That would have included Mr. Iliescu. He allowed the demonstration to continue while the city was full of foreign observers who were there for the election and its immediate aftermath. But on Wednesday before dawn the police descended on the demonstrators, arrested them and swept the square clean.

That brought an outpouring of the opposition, who, to free their friends, sacked and burned the police headquarters. On Thursday the government retaliated, not with troops—possibly because it doesn't trust them—but with thousands of miners armed with ax handles, who had been told that fascists were trying to take over the country. The miners seem to have had the benefit of professional direction. It looks very much as though some of the former Securitate, the secret police force that served the late Mr. Ceausescu, have found new employment with the Iliescu regime.

If these are the terms on which Mr. Iliescu intends to run his country, he will sacrifice any possibility of Western cooperation and support. Yesterday's government communique announcing an investigation into the violence, with its reference to "certain excesses," may have been made with that in mind. It would be painful to deny aid to a country with a standard of living as miserably low as Romania's and in which the great majority of people have already endured many years of suffering. But at a time when there is vast need in Eastern European countries that have genuinely embraced democracy, there will be nothing to spare for Europe's last Stalinists. If there are grounds for hope, they lie in the possibility that the Romanian revolution is not yet quite over.●

AMENDMENTS SUBMITTED

NATIONAL HOUSING ACT

GORE AMENDMENT NO. 2037

Mr. GORE proposed an amendment to the bill (S. 566) to authorize a new corporation to support State and local strategies for achieving more affordable housing; to increase homeownership; and for other purposes, as follows:

At the end of the committee amendment, insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "White House Conference on Homelessness Act".

SEC. 2. AUTHORIZATION OF CONFERENCE.

(a) IN GENERAL.—The President shall call and conduct a National White House Conference on Homelessness (hereinafter referred to as the "Conference") within 18 months of the date of enactment of this Act, to carry out the purposes described in section 3 of this Act. The Conference shall be preceded by State and regional conferences with at least one such conference being held in each State and the District of Columbia.

(b) PRIOR STATE AND REGIONAL CONFERENCES.—Participants in the Conference and other interested individuals and organizations are authorized to conduct conferences and other activities at the State and regional levels prior to the date of the Conference, subject to the approval of the Executive Director of the Interagency Council on the Homeless, and shall direct such conferences and activities toward the consideration of the purposes of the Conference described in section 3 of this Act in order to prepare for the Conference.

SEC. 3. PURPOSES OF CONFERENCE.

The purposes of the Conference shall be—

(1) to increase public awareness of homelessness;

(2) to identify the problems of homeless individuals;

(3) to examine the status of homeless individuals:

(4) to assemble individuals involved in policies and programs related to the homeless:

(5) to develop such specific and comprehensive recommendations for executive and legislative action as may be appropriate to address the problem of homelessness.

(6) to review the existing laws and regulations related to public policy regarding the homeless.

SEC. 4. CONFERENCE PARTICIPANTS.

(a) IN GENERAL.—In order to carry out the purposes specified in section 3 of this Act, the Conference shall bring together individuals concerned with issues and programs, both public and private, relating to homelessness. No person involved in providing services to, or advocacy for, homeless individuals may be denied admission to any State or regional conference, nor may any fee or charge be imposed on any attendee except a registration fee of not to exceed $10.

(b) SELECTION.—Delegates, including alternates, to the National Conference shall be elected by participants at the State conferences. In addition—

(1) each Governor may appoint one delegate and one alternate:

(2) each Member of the United States House of Representatives, including each Delegate, and each Member of the United States Senate may appoint one delegate and one alternate:

(3) the President may appoint 100 delegates and up to 30 alternates:

(4) each organization enumerated in section 301(b) of the Stewart B. McKinney Homeless Assistance Act may appoint one delegate and one alternate; and

(5) each mayor of a city with a population of 175,000 or more, according to the latest available census, may appoint one delegate and one alternate.

Only individuals involved in providing services to or advocacy for, homeless individuals shall be eligible for appointment pursuant to this subsection.

SEC. 5. PLANNING AND ADMINISTRATION OF CONFERENCE.

(a) FEDERAL SUPPORT.—All Federal departments, agencies, and instrumentalities are authorized and directed to provide such support and assistance as may be necessary to facilitate the planning and administration of the Conference.

(b) EXECUTIVE DIRECTOR OF INTERAGENCY COUNCIL.—In carrying out the provisions of this Act, the Executive Director of the Interagency Council on the Homeless—

(1) shall provide such assistance as may be necessary for the organization and conduct of conferences at the State and regional levels as authorized under section 2(b) of this Act:

(2) is authorized to enter into contracts with public agencies, private organizations, and academic institutions to carry out the provisions of this Act; and

(3) shall assist in carrying out the provisions of this Act by preparing and providing background materials for use by participants in the Conference, as well as by participants in State and regional conferences.

(c) NONREIMBURSEMENT.—Each participant in the Conference shall be responsible for his or her expenses related to attending the Conference and shall not be reimbursed either from funds appropriated pursuant to this Act or the Stewart B. McKinney Homeless Assistance Act.

(d) STAFF.—(1) The President is authorized to appoint and compensate an executive director and such other directors and personnel for the Conference as he may deem advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(2) Upon request by the executive director, the heads of the executive and military departments are authorized to detail employees to work with the executive director in planning and administering the Conference without regard to the provisions of section 3341 of title 5, United States Code.

SEC. 6. REPORTS REQUIRED.

Not more than 6 months after the date on which the National Conference is convened a final report of the Conference shall be submitted to the Pesident and the Congress. The report shall include the findings and recommendations of the Conference as well as proposals for any legislative action necessary to implement the recommendations of the Conference. The final report of the Conference shall be available to the public.

SEC. 7. FOLLOWUP ACTIONS.

The Interagency Council on the Homeless shall include in its annual report to the President and the Congress the status and implementation of the findings and recommendations of the Conference.

SEC. 8. AVAILABILITY OF FUNDS.

(a) AUTHORIZATION.—There are hereby authorized to be appropriated $6 million for fiscal year 1991 to carry out the provisions of this Act and they shall remain available until expended. New spending authority or authority to enter contracts as provided in this Act shall be effective only to such extent and in such amounts as are provided in advance in appropriation Acts.

(b) LIMITATION: DISPOSITION OF UNEXPENDED BALANCES.—No funds appropriated to the Interagency Council on the Homeless shall be made available to carry out the provisions of this Act other than funds appropriated specifically for the purpose of conducting the Conference. Any funds remaining unexpended at the termination of the Conference shall be returned to the Treasury of the United States and credited as miscellaneous receipts.

Notwithstanding any other provision of this Act, each authorization of appropriations contained in a provision of this Act (other than a provision of this subtitle) shall be reduced by an amount that bears the same ratio to—

(1) $6,000,000 for a fiscal year 1991 authorization.

KENNEDY (AND OTHERS) AMENDMENT NO. 2038

Mr. KENNEDY (for himself, Mr. DOMENICI, Mr. DODD, Mr. HATFIELD, Mr. CRANSTON, Mr. JEFFORDS, Mr. ADAMS, Mr. INOUYE, Mr. LIEBERMAN, Mr. DURENBERGER, Mr. HARKIN, Mr. BURDICK, Mr. CONRAD, Mr. MOYNIHAN, Mr. SIMON, Ms. MIKULSKI, Mr. SARBANES, Mr. KERRY, Mr. PELL, Mr. GORE, Mr. AKAKA, Mr. FOWLER, Mr. BOREN, Mr. LAUTENBERG, Mr. BRADLEY, Mr. RIEGLE, Mr. GRAHAM, Mr. BINGAMAN, and Mr. D'AMATO) proposed an amendment to the bill S. 566, supra, as follows:

At the appropriate place, insert the following new title:

TITLE ____—PROVISION OF COMPREHENSIVE SERVICES TO FAMILIES AND INDIVIDUALS WITH SPECIAL NEEDS

SEC. ____01. SHORT TITLE.

This title may be cited as the "Homelessness Prevention and Community Revitalization Act of 1990".

SEC. ____02. PURPOSE.

It is the purpose of this title—

(1) help create safe, positive environments for families, children and individuals in low income housing and neighborhoods;

(2) reduce homelessness and institutionalization by making permanent housing accessible and hospitable to low income families, homeless veterans, frail elderly and individuals of special needs; and

(3) prevent additional homelessness by providing on-site social services and case management to families and individuals who are at risk of homelessness due to income level, illness, mental illness or lack of social and economic support networks.

Subtitle A—Family Support Centers

SEC. ____11. DEFINITIONS.

As used in this subtitle:

(1) ADVISORY COUNCIL.—The term "advisory council" means the advisory council established under section ____12(d)(2)(K).

(2) ELIGIBLE AGENCY.—The term "eligible agency" means State or local agencies, a Head Start agency, any community-based organization including an organization officially designated as a community action agency under section 210 of the Economic Opportunity Act of 1984 (42 U.S.C. 2790), public housing agencies as defined in section 3(b)(6) of the United States Housing Act of 1937, State Housing Finance Agencies, and in addition includes an institution of higher education, a public hospital, a community development corporation, a community health center, and other public or private nonprofit agency or organization specializing in delivering housing or social services.

(3) FAMILY CASE MANAGERS.—The term "family case managers" means advisers operating under the provisions of section ____16.

(4) GOVERNMENTALLY SUBSIDIZED HOUSING.—The term "governmentally subsidized housing" means any rental housing that is assisted under any Federal, State or local program (including a tax credit or tax exempt financing program) and that serves a population that predominately consists of very low income families or individuals.

(5) HOMELESS.—The term "homeless" has the same meaning given such term in the subsections (a) and (c) of section 103 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302(a) and (c)).

(6) INTENSIVE AND COMPREHENSIVE SUPPORTIVE SERVICES.—The term "intensive and comprehensive supportive services" means—

(A) in the case of services provided to infants, children and youth, infant and child primary and health services designed to enhance the physical, social, emotional, educational and intellectual development of such infants and children and that shall include, where appropriate, screening and referral services, child care services, early childhood development programs, early intervention services for children with, or at-risk of developmental delays, drop-out prevention services, after-school activities, job readiness services, education and support services for youth (including basic skills and literacy services), and nutritional services;

(B) in the case of services provided to parents and other family members, services designed to better enable parents and other family members to contribute to their child's healthy development and that shall include, where appropriate, substance abuse education, counseling and treatment or referral for treatment, employment counseling and job training as appropriate, life-skills training and personal financial counseling, education including basic skills and literacy services, parenting classes, health care and mental health services, peer counseling and crisis intervention services; and

(C) in the case of services provided by family case managers, needs assessment and support in accessing and maintaining appropriate public assistance and social services, referral for substance abuse counseling and treatment or referral for treatment, family violence counseling services, violence counseling and peer support services, family advocacy services, and housing assistance activities including emergency rental or mortgage assistance payments, housing counseling and eviction or foreclosure prevention assistance.

(7) LOW INCOME.—The term 'low income' when applied to families or individuals means a family or individual income that does not exceed 80 percent of the median income for an individual or family in the area, as determined by the Secretary of Housing and Urban Development, except that such Secretary may establish income ceilings that are higher or lower than 80 percent of the median for the area on the basis of a finding by such Secretary that such variations are necessary because of prevailing levels of construction costs or unusually high or low individual or family incomes.

(8) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services.

(9) VERY LOW INCOME.—The term 'very low income' when applied to families or individuals means a family or individual income that does not exceed 50 percent of the median income for an individual or family in the area, as determined by the Secretary, except that the Secretary may establish income ceilings that are higher or lower than 50 percent of the median for the area on the basis of a finding by the Secretary that such variations are necessary because of unusually high or low individual or family incomes.

SEC. ____12. GENERAL GRANTS FOR THE PROVISION OF SERVICES.

(a) AUTHORITY.—The Secretary is authorized to make grants to eligible agencies in rural and urban areas to pay the Federal share of the cost of programs designed to encourage the provision of intensive and

comprehensive supportive services that will enhance the physical, social, emotional, educational, and intellectual development of low-income families, especially those very low-income families who were previously homeless and who are currently residing in governmentally subsidized housing or who are at risk of becoming homeless.

(b) AGREEMENTS WITH ELIGIBLE AGENCIES.—The Secretary shall enter into contracts, agreements, or other arrangements with eligible agencies to carry out the provisions of this section.

(c) CONSIDERATIONS BY SECRETARY.—In carrying out the provisions of this section, the Secretary shall consider—

(1) the capacity of the eligible agency to administer the comprehensive program for which assistance is sought;

(2) the proximity of the agencies and facilities associated with the program to the low-income families to be served by the program or the ability of the agency to provide offsite services;

(3) the ability of the eligible agency to coordinate its activities with State and local public agencies (such as agencies responsible for education, employment and training, health and mental health services, substance abuse services, social services, child care, nutrition, income assistance, and other relevant services), with public or private non-profit agencies and organizations that provide assistance to homeless families, and with appropriate nonprofit private organizations involved in the delivery of eligible support services;

(4) the management and accounting skills of the eligible agency;

(5) the ability of the eligible agency to use the appropriate Federal, State, and local programs in carrying out the program; and

(6) the involvement of project participants and community representatives in the planning and operation of the program.

(d) REQUIREMENTS.—

(1) IN GENERAL.—Each eligible agency desiring to receive a grant under this section shall—

(A) if a planning grant application has been approved for such agency under section ___13(b), have such application on file with the Secretary;

(B) have experience in providing or arranging for the provision of services such as those required under this section; and

(C) submit an application at such time in such manner and containing or accompanied by such information, including the information required under paragraph (2), as the Secretary shall reasonably require.

(2) APPLICATION.—Each application submitted under paragraph (1)(C) shall—

(A) identify the population and geographic location to be served by the program;

(B) provide assurances that services are closely related to the identifiable needs of the target population;

(C) provide assurances that each program will provide directly or arrange for the provision of intensive and comprehensive supportive services;

(D) identify the referral providers, agencies, and organizations that the program will use;

(E) describe the method of furnishing services at offsite locations, if appropriate;

(F) describe the extent to which the eligible agency, through its program, will coordinate and expand existing services as well as provide services not available in the area to be served by the program;

(G) describe how the program will relate to the State and local agencies providing assistance to homeless families, or providing health, nutritional, job training, education, social, substance abuse, and income maintenance services;

(H) provide assurances that the eligible agency will pay the non-Federal share of the cost of the application for which assistance is sought from non-Federal sources;

(I) collect and provide data on groups of individuals and geographic areas served, including types of services to be furnished, estimated cost of providing comprehensive services on an average per user basis, types and nature of conditions and needs identified and treated, and such other information as the Secretary requires;

(J) describe the manner in which the applicant will implement the requirement of section ___14;

(K) provide for the establishment of an advisory council that shall provide policy and programming guidance to the eligible agency, that shall consist of not more than 15 members that shall include—

(i) prospective participants in the program,

(ii) representatives of local private industry;

(iii) individuals with expertise in the services the program intends to offer;

(iv) representatives of the community in which the program will be located;

(v) representatives of local government social service providers;

(vi) representatives of local law enforcement agencies; and

(vii) representatives of the local public housing agency, where appropriate;

(L) describe plans for evaluating the impact of the program;

(M) include such additional assurances, including submitting necessary reports, as the Secretary may reasonably require;

(N) contain an assurance that if the applicant intends to assess fees for services provided with assistance under this section, such fees shall be nominal in relation to the financial situation of the recipient of such services; and

(O) contain an assurance that amounts received under a grant awarded under this section shall be used to supplement not supplant Federal, State and local funds currently utilized to provide services of the type described in this section.

(e) FAMILY SUPPORT CENTER.—Each program that receives assistance under this section shall establish at least one family support center that shall operate out, or in the immediate vicinity, of governmentally subsidized housing. Such centers shall be the primary location for the administration of the programs and the provision of services under this subtitle.

SEC. ___13. PLANNING GRANTS.

(a) IN GENERAL.—The Secretary is authorized to make planning grants to eligible agencies to enable such entities to develop and submit plans and applications for grants under section ___12.

(b) APPLICATION.—Each eligible agency desiring to receive a planning grant under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary shall reasonably require. Each such application shall—

(1) describe the capacity of the eligible agency to provide or ensure the availability of the intensive and comprehensive supportive services pursuant to this subtitle;

(2) describe the low-income families to be served by the program including the number to be served and information on the population and geographic location to be served;

(3) describe how the needs of individuals identified under paragraph (2) will be met by the program;

(4) describe the intensive and comprehensive supportive services that program planners intend to address in the development of the plan;

(5) describe the manner in which the program will be operated together with the involvement of other community groups and public agencies;

(6) specify the agencies that are intended to be contacted and the activities to be coordinated during the planning phase;

(7) contain assurances that the applicant will establish a planning phase advisory council, that may become the council required under section ___12(d)(2)(K)), that shall include—

(A) prospective participants in the program,

(B) individuals with expertise in the services the program intends to offer;

(C) representatives of the community in which the program will be located;

(D) representatives of local government social service providers;

(E) representatives of local law enforcement agencies; and

(F) representatives of local public housing agencies;

(8) describe the capacity of the eligible agency to raise the non-Federal share of the costs of the program and such other information as the Secretary may reasonable require;

(9) contain an assurance that the agency will use funds received under this section to prepare a plan as described in this subsection and submit such plan in an application for a grant under section ___12; and

(10) contain an assurance that amounts received under a grant awarded under this section shall be used to supplement not supplant Federal, State and local funds currently utilized to provide services of the type described in this section.

(c) ADMINISTRATIVE PROVISIONS.—

(1) TERM OF GRANT.—No planning grant may be for a period longer than 1 year.

(2) MAXIMUM NUMBER OF GRANTS.—Not more than 20 planning grants may be made under this subsection.

(3) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to those applications that demonstrate that the applicant would not have the financial resources available to prepare a plan and application for a grant under section ___12 unless such applicant receives a grant under this section.

(d) MAXIMUM AMOUNT OF GRANT.—No grant awarded under this section to a single eligible agency may exceed $50,000.

SEC. ___14. TRAINING AND RETENTION.

The Secretary shall require that agencies that receive a grant under section ___12 use not less than 5 percent of such grant to improve the retention and effectiveness of staff and volunteers through appropriate service delivery training programs.

SEC. ___15. AMOUNTS OF GRANTS.

(a) IN GENERAL.—The Secretary shall pay to an eligible agency having an application approved under section ___12 the Federal share of the cost of the activities described in the application.

(b) FEDERAL SHARE.—The Federal share shall be 80 percent for each fiscal year.

(c) NON-FEDERAL SHARE.—

(1) IN GENERAL.—The non-Federal share of payments under this section may be in cash or in kind fairly evaluated, including equipment or services.

(2) PRIVATE CONTRIBUTIONS.—Of the non-Federal share, 25 percent of such amount shall be provided through contributions from private entities.

(d) PAYMENTS.—Payments under this subtitle may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

(e) EQUITABLE CONSIDERATION OF RURAL AREAS.—The Secretary shall ensure that an equitable number of grants are awarded to eligible agencies in rural areas.

SEC. ___16. FAMILY CASE MANAGERS.

(a) REQUIREMENT.—Each program that receives a grant under section ___12 shall employ, subject to subsection (e), an appropriate number of individuals with expertise in the provision of intensive and comprehensive supportive services to serve as family case managers for the program.

(b) NEEDS ASSESSMENT.—Each low-income family that desires to receive services from a program that receives assistance under this subtitle shall be assessed by a family case manager on such family's initial visit to such program as to their need for services.

(c) CONTINUING FUNCTIONS.—Family case managers shall formulate a plan based on a needs assessment for each family. Such case manager shall carry out such plan, and remain available to provide such family with counseling and services, including school advocacy services, to enable such family to become self-sufficient. In carrying out such plan the case manager shall conduct monitoring, tracking, and follow-up activities.

(d) SPECIAL SERVICES.—Case managers shall provide comprehensive services as required under the application submitted under section ___12, that places special emphasis on services relating to substance abuse and domestic violence.

(e) LIMITATION.—No family crisis adviser shall carry a caseload of in excess of 20 families.

SEC. ___17. EVALUATIONS.

(a) IN GENERAL.—The Secretary shall require that programs that receive assistance under this subtitle be evaluated, by a third party with expertise in the types of services to be provided under this subtitle, on an annual basis.

(b) MATTER TO BE EVALUATED.—Evaluations conducted under subsection (a) shall examine the efficacy of programs receiving assistance under this subtitle in—

(1) enhancing the living conditions in low income housing and in neighborhoods;

(2) improving the physical, social, emotional, educational, and intellectual development of low income children and families served by the program;

(3) increasing the self-sufficiency of families served by the program; and

(4) such other factors that the Secretary may reasonably require.

(c) INFORMATION.—Each eligible agency receiving a grant under this subtitle shall furnish information requested by evaluators in order to carry out this section.

(d) RESULTS.—The results of such evaluations shall be provided to the eligible agencies conducting the programs to enable such agencies to improve such programs.

SEC. ___18. REPORT.

Not later than October 1, of each fiscal year, the Secretary shall prepare and submit, to the Committees on Education and Labor, and Banking of the House of Representatives and the Committees on Labor and Human Resources, and Banking of the Senate, a report—

(1) concerning the evaluations required under section ___17, together with such recommendations, as the Secretary considers appropriate; and

(2) describing any alternative sources of funding utilized or available for the provision of services of the type described in this subtitle.

SEC. ___19. CONSTRUCTION.

Nothing in this subtitle shall be construed to modify the Federal selection preferences described in section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) or the authorized policies and procedures of governmental housing authorities operating under annual assistance contracts pursuant to such Act with respect to admissions, tenant selection and evictions.

SEC. ___20. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this subtitle, $100,000,000 for fiscal year 1991, and such sums as may be necessary in each of the fiscal years 1992 through 1995.

Subtitle B—Provision of Services to Elderly Individuals and Individuals with Chronic and Debilitating Illnesses and Conditions

SEC. ___31. ESTABLISHMENT OF PROGRAM.

Title III of the Public Health Service Act (42 U.S.C. 241 et seq.) is amended by adding at the end thereof the following new part:

"PART L—PROVISION OF SERVICES TO FRAIL ELDERLY INDIVIDUALS AND INDIVIDUALS WITH CHRONIC AND DEBILITATING ILLNESSES AND CONDITIONS

"SEC. 399B. DEFINITIONS.

"As used in this part:

"(1) ADVISORY COUNCIL.—The term "advisory council" means the advisory council established under section 399C(d)(2)(K).

"(2) ELIGIBLE AGENCY.—The term 'eligible agency' means any community-based organization, State or local agency, community health center, public or private non-profit agency or other institution that will provide or arrange for the provision of appropriate comprehensive services to frail elderly or seriously ill individuals.

"(3) FRAIL ELDERLY.—The term 'frail elderly' has the same meaning given such term in section 602.

"(4) GOVERNMENTALLY SUBSIDIZED HOUSING.—The term 'governmentally subsidized housing' means any rental housing that is assisted under any Federal, State or local program (including a tax credit or tax exempt financing program) and that serves a population that predominately consists of low income families or individuals.

"(5) HOMELESS.—The term 'homeless' has the same meaning given such term in subsection (a) and (c) of section 103 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302 (a) and (c)).

"(6) LOW INCOME.—The term 'low income' when applied to families or individuals means a family or individual income that does not exceed 80 percent of the median income for an individual or family in the area, as determined by the Secretary of Housing and Urban Development, except that such Secretary may establish income ceilings that are higher or lower than 80 percent of the median for the area on the basis of a finding by such Secretary that such variations are necessary because of prevailing levels of construction costs or unusually high or low individual or family incomes.

"(7) VERY LOW INCOME.—The term 'very low income' when applied to families or individuals means a family or individual income that does not exceed 50 percent of the median income for an individual or family in the area, as determined by the Secretary of Housing and Urban Development, except that such Secretary may establish income ceilings that are higher or lower than 50 percent of the median for the area on the basis of a finding by such Secretary that such variations are necessary because of unusually high or low individual or family incomes.

"SEC. 399C. GENERAL GRANTS FOR THE PROVISION OF SERVICES.

"(a) AUTHORITY.—The Secretary is authorized to make grants to eligible agencies to pay the Federal share of the cost of programs designed to encourage the provision of eligible services to low-income elderly or low-income seriously ill individuals, especially those very low income elderly or seriously ill individuals who were previously homeless or who are at risk of becoming homeless or at risk of institutionalization.

"(b) AGREEMENTS WITH ELIGIBLE AGENCIES.—The Secretary shall enter into contracts, agreements, or other arrangements with eligible agencies to carry out the provisions of this section.

"(c) CONSIDERATIONS BY SECRETARY.—In carrying out the provisions of this section, the Secretary shall consider—

"(1) the capacity of the eligible agency to administer the comprehensive program for which assistance is sought;

"(2) the proximity of the agencies and facilities associated with the program to the low-income individuals to be served by the program, or the ability of the agency to provide offsite services;

"(3) the ability of the eligible agency to coordinate its activities with State and local public agencies (such as agencies responsible for health and mental health services, social services, nutrition, and other relevant services), with public or private non-profit agencies providing assistance to homeless individuals and with appropriate nonprofit private organizations involved in the delivery of eligible support services;

"(4) the management and accounting skills of the eligible agency;

"(5) the ability of the eligible agency to use the appropriate Federal, State, and local programs in carrying out the program;

"(6) the involvement of program participants and community representatives in the planning and operation of the program; and

"(7) the demonstrated or potential effectiveness of the eligible agency in serving the populations or subpopulations intended to be served under this section.

"(d) REQUIREMENTS.—

"(1) IN GENERAL.—Each eligible agency desiring to receive a grant under this section shall submit an application at such time in such manner and containing or accompanied by such information, including the information required under paragraph (2), as the Secretary shall reasonably require.

"(2) APPLICATION.—Each application submitted under paragraph (1) shall—

"(A) identify the population and geographic location to be served by the program;

"(B) provide assurances that services are closely related to the identifiable needs of the target population;

"(C) provide assurances that each program will provide directly or arrange for the provision of eligible services of the type described in section 399D;

"(D) identify the referral providers, agencies, and organizations that the program will use;

"(E) describe the method of furnishing services at offsite locations, if appropriate;

"(F) describe the extent to which the eligible agency, through its program, will coordinate and expand existing services as well as provide services not available in the area to be served by the program;

"(G) describe how the program will relate to the State and local agencies providing health, nutritional, social, and income maintenance services;

"(H) provide assurances that the eligible agency will pay the non-Federal share of the cost of the application for which assistance is sought from non-Federal sources;

"(I) collect and provide data on groups of individuals and geographic areas served, including types of services to be furnished, estimated cost of providing comprehensive services on an average per user basis, types and nature of conditions and needs identified and treated, and such other information as the Secretary requires;

"(J) describe the manner in which the applicant will implement the requirement of section 399F;

"(K) provide for the establishment of an advisory council that shall provide policy and programming guidance to the eligible agency, that shall include—

"(i) prospective participants in the program,

"(ii) individuals with expertise in the services the program intends to offer;

"(iii) representatives of the community in which the program will be located;

"(iv) representatives of local government social service providers;

"(v) community based organizations with a history of providing service to participants;

"(vi) representatives of local public housing agencies, where appropriate; and

"(vii) representatives of local health care professions;

"(L) describe plans for evaluating the impact of the program;

"(M) include such additional assurances, including submitting necessary reports, as the Secretary may reasonably require;

"(N) contain an assurance that if the applicant intends to assess fees for services provided with assistance under this section, such fees shall be nominal in relation to the financial situation of the recipient of such services; and

"(O) contain an assurance that amounts received under a grant awarded under this section shall be used to supplement not supplant Federal, State and local funds currently utilized to provide services of the type described in this section.

"(e) HOME HEALTH SERVICE PROGRAM.—Each recipient that receives assistance under this section shall establish at least one home health service program that shall operate out of, or in the immediate vicinity of, governmentally subsidized housing. Such programs shall be the primary location for the administration of the programs and the provision of services under this part. Such programs may operate out of existing family support centers.

"SEC. 399D. PLANNING GRANTS.

"(a) IN GENERAL.—The Secretary is authorized to make planning grants to eligible agencies to enable such entities to develop and submit plans and applications for grants under section 399C.

"(b) APPLICATION.—Each eligible agency desiring to receive a planning grant under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary shall reasonably require, including—

"(1) a description of the capacity of the eligible agency to provide or ensure the availability of services pursuant to this part;

"(2) a description of the low-income frail elderly or low-income seriously ill individuals to be served by the program including the number to be served and information on the population and geographic location to be served;

"(3) a description of the needs of individuals identified under paragraph (2) that will be met by the program;

"(4) a description of the services that program planners intend to address in the development of the plan;

"(5) a description of the manner in which the program will be operated together with the involvement of other community groups and public agencies;

"(6) a specification of the agencies that are intended to be contacted and the activities to be coordinated during the planning phase;

"(7) assurances that the applicant will establish a planning phase advisory council, that may become the council required under section 399C(d)(2)(K), that shall include—

"(A) prospective participants in the program,

"(B) individuals with expertise in the services the program intends to offer;

"(C) representatives of the community in which the program will be located;

"(D) representatives of local government social service providers;

"(E) representatives of local public housing agencies, where appropriate;

"(8) a description of the capacity of the eligible agency to raise the non-Federal share of the costs of the program and such other information as the Secretary may reasonably require;

"(9) an assurance that the agency will use funds received under this section to prepare a plan as described in this subsection and submit such plan in an application for a grant under section 399C; and

"(10) an assurance that amounts received under a grant awarded under this section shall be used to supplement not supplant State and local funds currently utilized to provide services of the type described in this section.

"(c) ADMINISTRATIVE PROVISIONS.—

"(1) TERM OF GRANT.—No planning grant may be for a period longer than 1 year.

"(2) MAXIMUM NUMBER OF GRANTS.—Not more than 20 planning grants may be made under this section.

"(3) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to those applications that demonstrate that the applicant would not have the financial resources available to prepare a plan and application for a grant under section 399C unless such applicant receives a grant under this section.

"(d) MAXIMUM AMOUNT OF GRANT.—No grant awarded under this section to a single eligible agency may exceed $50,000.

"SEC. 399E. ELIGIBLE SERVICES.

"(a) IN GENERAL.—Grants awarded under this part shall be used to provide services of the type described in subsection (b) to low-income frail elderly or low income seriously ill individuals.

"(b) SERVICES.—Agencies receiving grants under this part shall use such grants to provide comprehensive services, in accordance with the service plan, that shall include, where appropriate—

"(1) 24-hours nursing supervision services;

"(2) case management services;

"(3) home health care services;

"(4) homemaker services;

"(5) meal provision services;

"(6) attendant services;

"(7) volunteer visiting services;

"(8) adult day care services;

"(9) treatment for substance abuse;

"(10) hospice services;

"(11) post hospitalization respite care services;

"(12) transportation services;

"(13) assistance in accessing and maintaining appropriate public assistance;

"(14) housing assistance activities, including emergency rental or mortgage assistance payments, housing counseling, and eviction or foreclosure prevention assistance;

"(15) mental health services; and

"(16) any other services determined appropriate by the Secretary.

"(c) COORDINATION.—Programs that receive assistance under this part shall be coordinated with a local hospital or community health center that regularly provides emergency medical care services.

"(d) SET-ASIDE FOR ELDERLY.—The Secretary shall require that at least 20 percent of the grants made under this part shall be set-aside for the provision of subsidized housing-based services to elderly individuals, especially those very low income elderly individuals who were previously homeless or who are risk of becoming homeless or at risk of institutionalization.

"SEC. 399F. TRAINING AND RETENTION.

"The Secretary shall require that agencies that receive a grant under section 399C use not less than 5 percent of such grant to improve the retention and effectiveness of staff and volunteers through appropriate service delivery training programs.

"SEC. 399G. AMOUNTS OF GRANTS.

"(a) IN GENERAL.—The Secretary shall pay to eligible agencies having applications approved under sections 399C the Federal share of the cost of the activities described in the application.

"(b) FEDERAL SHARE.—The Federal share shall be 80 percent for each fiscal year.

"(c) NON-FEDERAL SHARE.—

"(1) IN GENERAL.—The non-Federal share of payments under this section may be in cash or in kind fairly evaluated, including equipment or services.

"(2) CASH.—At least 25 percent of the non-Federal share under paragraph (1) shall be in the form of cash.

"(d) PAYMENTS.—Payments under this part may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

"(e) EQUITABLE CONSIDERATION OF RURAL AREAS.—The Secretary shall ensure that an equitable number of grants are awarded to eligible agencies in rural areas.

"SEC. 399H. EVALUATIONS.

"(a) IN GENERAL.—The Secretary shall require that programs that receive assistance under this part are evaluated, by a third party with expertise in the types of services to be provided under this part, on an annual basis.

"(b) MATTER TO BE EVALUATED.—Evaluations conducted under subsection (a) shall examine the efficacy of programs receiving assistance under this part in—

"(1) enhancing the living conditions for low income frail elderly and seriously ill individuals;

"(2) improving the opportunity for individuals served by the program to live independently and to avoid institutionalization; and

"(3) such other factors that the Secretary may reasonably require.

"(c) INFORMATION.—Each eligible agency receiving a grant under this part shall furnish information requested by evaluators in order to carry out this section.

"(d) RESULTS.—The results of such evaluations shall be provided to the eligible agencies conducting the programs to enable such agencies to improve such programs.

"SEC. 399I. REPORT.

"Not later than October 1, of each fiscal year, the Secretary shall prepare and submit, to the Committees on Education and Labor, and Banking of the House of Representatives and the Committees on Labor and Human Resources, and Banking of the Senate, a report—

"(1) concerning the evaluations required under section 399H, together with such recommendations, including recommendations for legislation, as the Secretary considers appropriate; and

"(2) describing any alternative sources of funding utilized or available for the provision of services of the type described in this part.

"SEC. 399J. CONSTRUCTION.

"Nothing in this part shall be construed to modify the Federal selection preferences described in section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) or the authorized policies and procedures of governmental housing authorities operating under annual assistance contracts pursuant to such Act with respect to admissions, tenant selection and evictions.

"SEC. 399K. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part, $100,000,000 for fiscal year 1991, and such sums as may be necessary in each of the fiscal years 1992 through 1995.".

Subtitle C—Projects to Aid the Transition from Homelessness

SEC. ___41. PROJECTS TO AID THE TRANSITION FROM HOMELESSNESS.

Part C of title V of the Public Health Service Act (42 U.S.C. 290cc et seq.) is amended to read as follows:

"PART C—PROJECTS TO AID THE TRANSITION FROM HOMELESSNESS".

"SEC. 521. SHORT TITLE.

"This part may be cited as the 'Projects to Aid the Transition from Homelessness (PATH) Act of 1990'.

"SEC. 522. DEFINITIONS.

"As used in this part:

"(1) ELIGIBLE ENTITY.—The term 'eligible entity' means a State, a metropolitan city, or an urban county.

"(2) ELIGIBLE HOMELESS INDIVIDUAL.—The term 'eligible homeless individual' means an individual, including a veteran, who is—

"(A) afflicted with serious mental illness, alcoholism, substance abuse or a combination thereof; and

"(B) homeless or at imminent risk of becoming homeless.

"(3) METROPOLITAN CITY.—The term 'metropolitan city' has the same meaning given such term in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302).

"(4) SERVICE PROVIDER.—The term 'service provider' includes any general purpose unit of local government, a city, county, town, township, parish, village or combination thereof, a public or private non-profit agency including a veterans' community based service provider, or a community based organization.

"(5) STATE.—The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Federated States of Micronesia and Palau.

"(6) URBAN COUNTY.—The term 'urban county' has the same meaning given such term in section 102 of the Housing and Community Development Act of 1974.

"SEC. 523. ALLOTMENT.

"(a) IN GENERAL.—The Secretary shall utilize amounts appropriated under section 532 in each fiscal year, to make an allotment to metropolitan cities, urban counties, and States (for distribution to service providers in the States) in the same manner as the Secretary of Housing and Urban Development makes allocations under section 106 of the Housing and Community Development Act of 1974 (42 U.S.C. 5306), except that the Secretary shall—

"(1) substitute 50 percent for 70 percent in subsection (a) of such section 106; and

"(2) substitute 50 percent for 30 percent in subsection (d) of such section 106.

"(b) SPECIAL RULES.—

"(1) IN GENERAL.—If, under the allotment provisions applicable under this part, any city or urban county would receive an allotment of less than 0.05 percent of the amounts appropriated to carry out this part for any fiscal year, such amount shall instead be reallotted to the State, except that any metropolitan city that is located in a State that does not have counties as local governments, that has a population greater than 40,000 but less than 50,000 as used in determining the fiscal year 1987 community development block grant program allocation, and that was allocated in excess of $1,000,000 in community development block grant funds in fiscal year 1987, shall receive directly the amount allotted to such city under subsection (a).

"(2) MINIMUM.—Notwithstanding any other provision of law, the total amount allotted to each State under this part, including amounts allotted to each eligible entity within the State, shall not be less than—

"(A) $500,000; or

"(B) the amount of the allotment such State received pursuant to this part in fiscal year 1990 plus 30 percent of such allotment.

"(3) RATABLE REDUCTION.—The Secretary shall ratably reduce the allotments made pursuant to subsection (a) in order to carry out the provisions of this subsection.

"(c) ALLOTMENTS TO TERRITORIES.—In addition to the other allotments required in this section, the Secretary shall (for amounts appropriated under section 532) make allotments under this subtitle to the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Federated States of Micronesia and Palau, and any other territory or possession of the United States, in accordance with an allotment formula established by the Secretary, but in no case shall the total amount allotted to all of the territories and possessions exceed 2 percent of the total amount appropriated under section 532.

"(d) REMAINING AMOUNTS.—The Secretary may allocate any unclaimed or remaining funds to eligible entities determined by the Secretary to be in need of additional assistance.

"(e) REQUIREMENT OF NON-FEDERAL CONTRIBUTIONS.—

"(1) IN GENERAL.—The Secretary shall not make an allotment under this part to an eligible entity unless such entity agrees to make available, directly or through donations from public or private entities, non-Federal contributions toward such costs in an amount equal to not less than $1 for each $3 of Federal funds provided under the allotment.

"(2) DETERMINATION OF AMOUNT.—Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Except as provided in paragraph (3), amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, shall not be included in determining the amount of such non-Federal contributions.

"(3) SPECIAL RULE.—Funds received pursuant to section 106 of the Housing and Community Development Act of 1974, and the value of any property, buildings, or housing received and fairly evaluated may be included in determining the amount of such non-Federal contributions.

"(4) WAIVER.—The Secretary may waive the requirements of paragraph (1) for metropolitan cities and urban counties which are unable to provide such matching funds.

"(5) PARTICIPATING LOCALITIES.—Each State receiving an allotment under this part shall not require participating localities to provide non-Federal contributions in excess of the non-Federal contributions described in paragraph (1).

"SEC. 524. ALLOTMENT APPLICATION.

"(a) REQUIREMENT.—

"(1) IN GENERAL.—Each eligible entity desiring an allotment under section 523 shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require.

"(2) APPLICATION PERIOD.—The Secretary shall provide for a 90 day period during which applications may be submitted pursuant to paragraph (1).

"(b) CONTENTS.—Each application submitted pursuant to subsection (a) shall—

"(1) describe the activities and services for which the allotment is sought;

"(2) identify existing programs providing services and housing to eligible homeless individuals and identify gaps in the delivery systems of such programs;

"(3) include a plan for providing services and housing to eligible homeless individuals that shall—

"(A) describe the coordinated and comprehensive means of providing services and housing to homeless individuals; and

"(B) include documentation that suitable housing for eligible homeless individuals will accompany the provision of services to such individuals;

"(4) describe the source of the non-Federal contributions described in section 523;

"(5) contain assurances that the non-Federal contributions described in section 523 will be available at the beginning of the grant period;

"(6) describe any voucher system that may be used to carry out this part; and

"(7) contain such other information or assurances as the Secretary may reasonably require.

"SEC. 525. REQUIREMENT OF SUBMISSION OF DESCRIPTION OF INTENDED USE OF GRANT FUNDS.

"(a) IN GENERAL.—The Secretary shall not make an allotment under section 523 to an eligible entity for any fiscal year unless—

"(1) the eligible entity submits to the Secretary a description of the intended use for the fiscal year of the amounts for which the eligible entity is applying pursuant to such section;

"(2) such description identifies the geographic areas within the eligible entity in which the greatest numbers of homeless individuals with a need for mental health, substance abuse, and housing services are located;

"(3) such description provides information relating to the programs and activities to be supported and services to be provided, including information relating to coordinating such programs and activities with any similar programs and activities of public and private entities; and

"(4) the eligible entity agrees that such description will be revised throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the eligible entity pursuant to section 523.

"(b) OPPORTUNITY FOR PUBLIC COMMENT.—The Secretary shall not make an allotment under section 523 to an eligible entity for a fiscal year unless the eligible entity agrees that, in developing and carrying out the description required in subsection (a), the eligible entity will provide public notice with respect to the description (including any revisions) and such opportunities as may be necessary to provide interested persons, such as family members, consumers, and mental health, substance abuse, and housing agencies, an opportunity to present comments and recommendations with respect to the description.

"(c) RELATIONSHIP TO STATE COMPREHENSIVE MENTAL HEATH SERVICES PLAN.—

"(1) IN GENERAL.—The Secretary shall not make an allotment under section 523 to an eligible entity unless the services to be provided pursuant to the description required in subsection (a) are consistent with the State comprehensive mental health services plan required in subpart 2 of part B of title XIX.

"(2) SPECIAL RULE.—The Secretary shall not make an allotment under section 523 to an eligible entity unless the services to be provided pursuant to the description required in subsection (a) have been considered in the preparation of, have been included in, and are consistent with, the State comprehensive mental health services plan referred to in paragraph (1).

"SEC. 526. USE OF ALLOTMENT.

"(a) USE OF ALLOTMENT.—

"(1) IN GENERAL.—Each eligible entity receiving an allotment under section 523 shall use such allotment to pay the Federal share of awarding grants to or entering into contracts with service providers to enable such service providers to provide comprehensive services and allowable housing assistance to homeless individuals in accordance with the provisions of this part.

"(2) SPECIAL CONSIDERATION.—Each eligible entity receiving an allotment under section 523 shall give special consideration to the provision of services to homeless veterans who are otherwise eligible for services under this subtitle. In providing such services to homeless veterans, such eligible entities shall give priority to service providers with a demonstrated effectiveness in serving homeless veterans.

"(3) FEDERAL SHARE.—The Federal share shall be 75 percent.

"(4) SPECIAL RULE.—Each eligible entity receiving an allotment under section 523 shall use at least two-thirds of such allotment to assist eligible homeless individuals who have—

"(A) a primary diagnosis of a serious mental illness; or

"(B) a diagnosis involving a serious mental illness and substance abuse.

"(5) COORDINATION.—Each eligible entity receiving an allotment under section 523 shall only make grants pursuant to paragraph (1) to service providers that have the capacity to meet or coordinate the comprehensive services and housing needs of eligible homeless individuals, including referral services. Such capacity includes contractual arrangements and viable referral plans among service providers of mental health, substance abuse, or housing services so that the comprehensive needs of individuals who are both mentally ill and substance abusers are met.

"(6) ADMINISTRATIVE EXPENSES.—Notwithstanding the provisions of this subsection, each eligible entity receiving an allotment pursuant to section 523 may reserve not to exceed 4 percent of such allotment for administrative expenses.

"(b) SPECIAL RULES.—Each eligible entity receiving an allotment under section 523 shall not award a grant to a service provider that—

"(1) has a policy of excluding individuals from mental health services due to the existence or suspicion of substance abuse; and

"(2) has a policy of excluding individuals from substance abuse services due to the existence or suspicion of mental illness.

"(c) SUPPLEMENTATION.—Each eligible entity receiving an allotment under section 523 shall only use such funds to supplement and not supplant Federal, State and local government funds currently utilized to provide services of the type described in this part.

"SEC. 527. LOCAL APPLICATION.

"Each service provider desiring a grant pursuant to section 526(a) shall submit an application to the appropriate eligible entity at such time, in such manner and accompanied by such information as the eligible entity may reasonable require.

"SEC. 528. LOCAL USE OF GRANT FUNDS.

"(a) SERVICES.—Grants awarded pursuant to section 526(a) shall be used to provide either on-site or off-site services to eligible homeless individuals, including homeless veterans. Such services shall include—

"(1) outreach and engagement services;

"(2) screening and diagnostic treatment services;

"(3) habilitation and rehabilitation;

"(4) community mental health services;

"(5) alcohol or drug treatment services;

"(6) staff training, including the training of individuals who work in shelters, mental health clinics, substance abuse programs, and other sites where homeless individuals require services;

"(7) case management services, including—

"(A) preparing a plan for the provision of community mental health services to the eligible homeless individual involved, and reviewing such plan not less than once every 3 months;

"(B) providing assistance in obtaining and coordinating social and maintenance services for the eligible homeless individual, including services relating to daily living activities, personal financial planning, transportation services, and habilitation and rehabilitation services, prevocational and vocational services, and housing services;

"(C) providing assistance to the eligible homeless individual in obtaining income support services, including housing assistance, food stamps, and supplemental security income benefits;

"(D) referring the eligible homeless individual for such other services as may be appropriate; and

"(E) providing representative payee services in accordance with section 1631(a)(2) of the Social Security Act if the eligible homeless individual is receiving aid under title XVI of such Act and if the applicant is designated by the Secretary to provide such services;

"(8) supportive and supervisory services in residential settings;

"(9) referral to primary health services;

"(10) referral to job training and education programs; and

"(11) referral to other relevant service or housing programs.

"(b) HOUSING.—Not to exceed 20 percent of amounts received under a grant awarded pursuant to section 526(a) may be used for—

"(1) minor renovation, expansion, and repair;

"(2) planning;

"(3) technical assistance in applying for housing assistance;

"(4) improving the coordination of housing services;

"(5) security deposits;

"(6) the costs associated with matching eligible homeless individuals with appropriate housing situations; and

"(7) one time rental payments to prevent eviction.

"(c) LIMITATIONS.—Grants awarded pursuant to section 526(a) shall not be used—

"(1) to support emergency shelters or construction of housing facilities;

"(2) for inpatient psychiatric treatment costs or inpatient substance abuse treatment costs; and

"(3) to make cash payments to intended recipients of mental health, substance abuse, or housing services.

"SEC. 529. COORDINATION.

"(a) IN GENERAL.—The Secretary shall provide for coordination among eligible entities of housing and service strategies used in carrying out the provisions of this part.

"(b) INFORMATION.—In carrying out the provisions of subsection (a) the Secretary shall make available to eligible entities—

"(1) the information contained in the application and plan submitted pursuant to section 524; and

"(2) the annual report described in section 531.

"SEC. 530. TECHNICAL ASSISTANCE.

"The Secretary, through the National Institute of Mental Health, the National Institute of Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse, may provide technical assistance to eligible entities in developing planning and operating programs in accordance with the provisions of this part.

"SEC. 531. REQUIREMENT OF REPORTS BY STATES.

"(a) IN GENERAL.—The Secretary shall not make allotments under section 523 to an eligible entity unless such eligible entity agrees to prepare and submit to the Secre-

tary an annual report in such form and containing such information as the Secretary determines (after consultation with the Comptroller General of the United States, the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse) to be necessary for—

"(1) securing a record and a description of the purposes for which amounts received under section 523 were expended and of the recipients of such amounts; and

"(2) determining whether such amounts were expended in accordance with the provisions of this part.

"(b) AVAILABILITY TO PUBLIC OF REPORTS.—The Secretary shall not make allotments under section 523 to an eligible entity unless such eligible entity agrees to make copies of the reports described in subsection (a) available for public inspection.

"(c) EVALUATIONS BY COMPTROLLER GENERAL.—The Comptroller General of the United States in cooperation with the National Institute of Mental Health, shall evaluate at least once every 3 years the expenditures of grants under this part by eligible entities in order to ensure that expenditures are consistent with the provisions of this part, and shall include in such evaluation recommendations regarding changes needed in program design or operation.

"SEC. 532. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $150,000,000 for each of the fiscal years 1991 through 1995 to carry out this part.".

Subtitle D—Community Development Corporation Improvement Grants

SEC. ___51. COMMUNITY DEVELOPMENT CORPORATION IMPROVEMENT GRANTS.

Part 4 of subchapter A of the Community Economic Development Act of 1981 (42 U.S.C. 9814 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 634. COMMUNITY DEVELOPMENT CORPORATION IMPROVEMENT GRANTS.

"(a) PURPOSE.—It is the purpose of this section to provide assistance to community development corporations to upgrade the management and operating capacity of such corporations and to enhance the resources available to enable such corporations to increase their community economic development activities.

"(b) SKILL ENHANCEMENT GRANTS.—

"(1) IN GENERAL.—The Secretary of Health and Human Services shall make grants to community development corporations to enable such corporations to attain or enhance the business management and development skills of the individuals that manage such corporations to enable such corporations to seek the public and private resources necessary to develop low-income housing and to develop community economic development projects.

"(2) USE OF FUNDS.—Grantees may use funds obtained under this section—

"(A) to purchase training and technical assistance from agencies or institutions that have experience in the construction, development and management of low-income housing or experience in community economic development; or

"(B) to purchase such assistance from other highly successful community development corporations.

"(c) OPERATING GRANTS.—

"(1) IN GENERAL.—The Secretary of Health and Human Services shall make grants to community development corporations to enable such corporations to support an administrative capability for planning, developing, constructing and managing low-income housing, and for other community economic development projects.

"(2) USE OF FUNDS.—Of amounts made available in any fiscal year for operating grants under this subsection, the Secretary of Health and Human Services shall use—

"(A) 40 percent of such amounts to assist in starting up community development corporations; and

"(B) 60 percent of such amounts to assist established community development corporations.

"(3) TERMS AND CONDITIONS.—Assistance provided through operating grants under this subsection shall be of sufficient size and duration, including multiyear grants where appropriate, to enable a community development corporation receiving such assistance to have an appreciable impact on the area or areas to be served.

"(d) GRANTS FOR COMMUNITY DEVELOPMENT CORPORATION EQUITY ACCOUNTS.—

"(1) IN GENERAL.—The Secretary of Health and Human Services shall make grants to any nongovernmental, nonprofit entity that is principally involved with the development, construction or management of low-income housing, or to community development corporations, to enable such entities to establish and maintain equity accounts with which such corporations may plan, develop, construct and manage low-income housing.

"(2) TERMS AND CONDITIONS.—Assistance provided through equity account grants under this subsection shall be of sufficient size and duration, including multiyear grants where appropriate, to enable a community development corporation receiving such assistance to have an appreciable impact on the area or areas to be served.

"(e) APPLICATIONS.—Community development corporations that desire to receive assistance under this section shall prepare and submit, to the Secretary of Health and Human Services, an application at such time, in such form, and containing such information as the Secretary shall reasonably require. Such Secretary shall not require project-specific information for applications for assistance under subsections (b), (c) and (d).

"(f) EQUITABLE CONSIDERATION OF RURAL AREAS.—The Secretary shall ensure that an equitable number of grants are awarded to eligible agencies in rural areas.

"(g) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated to carry out this section, $50,000,000 for fiscal year 1991, and such sums as may be necessary in each of the fiscal years 1992 through 1995.

"(2) USE.—The Secretary of Health and Human Services shall use—

"(A) 20 percent of the amounts appropriated under paragraph (1) in each fiscal year to make grants under subsection (b);

"(B) 30 percent of the amounts appropriated under paragraph (1) in each fiscal year to make grants under subsection (c); and

"(C) 50 percent of the amounts appropriated under paragraph (1) in each fiscal year to make grants under subsection (d).

"(3) AVAILABILITY.—Amounts appropriated under paragraph (1) shall remain available until expended.

"(h) DEFINITION.—As used in this section, the term 'community development corporation' means a nonprofit entity of the type described in this section and that meets the resident control and governing body requirements of 42 U.S.C. 9807(a)(1).".

Subtitle E—Public Housing Gateway

SEC. ___61. SHORT TITLE.

This subtitle may be cited as the "Public Housing Gateway Act of 1990".

SEC. ___62. STATEMENT OF PURPOSE.

The purpose of this subtitle is to establish programs, through public housing agencies, to increase the abilities and self-sufficiency of young residents of public housing, increase the prospects for employment of young residents of public housing, and end generational dependency on public assistance in public housing, through—

(1) the provision of literacy training, training in basic and employment skills, and support services through the public housing agencies; and

(2) the employment of residents of public housing and of professional staff to perform outreach services, including identification of and assistance to residents who could prosper from education and training programs.

SEC. ___63. GRANT PROGRAM.

(a) IN GENERAL.—The Secretary of Labor may make grants under this subtitle to public housing agencies for the utilization of public housing in the provision of training and services to economically disadvantaged residents of public housing through gateway programs.

(b) SELECTION OF GRANT RECIPIENTS.—The Secretary shall select public housing agencies to receive grants under subsection (a) and may select only public housing agencies that meet the following requirements:

(1) PROVISION OF FACILITIES.—The public housing agency shall agree to make available suitable facilities in the public housing projects administered by the public housing agency, or any facilities provided by a State or local governmental agency or any private organization or person, for the provision of training and services under this subtitle.

(2) NEED AND CAPABILITY TO PROVIDE SERVICES.—The public housing agency shall demonstrate to the Secretary the need and ability to provide the training and services described in section ___64(a) to individuals qualified to receive the training and services under section ___65.

(3) PROVISION OF SERVICES TO QUALIFIED INDIVIDUALS.—The public housing agency shall demonstrate to the Secretary that any training and services to be provided under this subtitle will be provided only to individuals qualified to receive the training and services under section ___65.

(4) PROVISION OF SERVICES TO YOUNG FAMILIES.—The public housing agency shall demonstrate to the Secretary that the training and services to be provided under this subtitle will be provided to residents of public housing projects where a significant number of young families receiving public assistance reside.

(5) COOPERATION WITH PRIVATE, NON-PROFIT ORGANIZATIONS, OR COMMUNITY BASED ORGANIZATIONS.—The public housing agency shall demonstrate to the Secretary the ability to create cooperative working relationships with private organizations, non-profit organizations, or community based organizations that are to provide training and services under this subtitle and are located in the same community as the public housing agency.

(c) APPLICATIONS FOR GRANTS.—

(1) IN GENERAL.—The Secretary shall prescribe the form and procedures for public housing agencies to make applications for grants under this section.

(2) PRIORITY.—The Secretary shall give priority to applications that demonstrate

significant cooperation and coordination with existing private organizations, nonprofit organizations, or community based organizations.

SEC. ___64. GATEWAY PROGRAM ESTABLISHED UNDER GRANT PROGRAM.

(a) MANDATORY TRAINING AND SERVICES.—Any public housing agency that receives a grant under section ___63 shall use the grant to establish a gateway program to make available to individuals eligible under section ___65 all of the following training and services, subject to the limitations of section ___65:

(1) INFORMATION.—The provision of information designed to make individuals aware of training, employment, education, counseling or the provision of services offered by the public housing agency, including the training and services available under this subtitle.

(2) LITERACY TRAINING.—Literacy training and bilingual training.

(3) BASIC SKILLS TRAINING.—Remedial education and training in basic skills.

(4) DEVELOPMENT OF WORK HABITS.—Development of good work habits and other personal management skills to enable individuals to obtain and retain employment.

(5) CHILD CARE.—Child care services provided free of charge to facilitate the participation of individuals in other training and services provided under this section. The child care services shall be designed, to the extent practicable, to employ and train economically disadvantaged residents of the public housing project involved, and shall include—

(A) services to provide daytime care for the child dependents who do not attend school and adult dependents of eligible individuals;

(B) services to provide care after school hours for the child dependents of eligible individuals; and

(C) irregular, periodic, and evening care for the child dependents of eligible individuals scheduled to allow the eligible individuals to participate in the training and services provided under this section.

(b) PERMISSIVE TRAINING AND SERVICES.—Public housing agencies that receive grants under section ___63 may make available as part of their gateway programs to individuals qualified under section ___65 literacy training, training in basic and employment skills, and support services, in addition to the training and services described in subsection (a) and subject to the limitations of section ___65, including the following:

(1) EMPLOYMENT ASSISTANCE.—Assistance in acquiring employment.

(2) EMPLOYMENT COUNSELING.—Employment counseling and vocational exploration services.

(3) DEVELOPMENT OF JOBS.—Development of employment positions.

(4) PRIVATE JOB TRAINING.—The provision of training in occupations for which demand is increasing and training in the course of employment, by private employers or organizations.

(5) OTHER FEDERAL EMPLOYMENT TRAINING OR SERVICES.—Training or services coordinated with other Federal employment-related activities.

(6) HIGH SCHOOL EDUCATION.—Assistance in the attainment of certificates of high school equivalency.

(7) COMPUTER SKILLS TRAINING.—Training in computer skills for use in education, skills training, and employment preparation.

(8) TRAINING IN APPLICATION OF SKILLS.—Services to help individuals receiving training and educational assistance to utilize their acquired skills in the competitive employment market.

(9) TRANSITIONAL ACTIVITIES.—Activities designed to provide transition from education to employment.

(10) DRUG PREVENTION SERVICES.—Services to assist individuals with drug prevention, drug counseling, and drug education programs.

(11) SUPPORT SERVICES.—Support services, including child care services in addition to the services described in subsection (a)(5) and transportation to training and services not held in public housing projects.

SEC. ___65. LIMITATIONS ON GATEWAY PROGRAMS.

(a) ELIGIBILITY IN GENERAL.—Public housing agencies receiving grants under this subtitle shall limit participation in training and services provided under gateway programs to individuals who meet the following requirements:

(1) RESIDENCY.—The individual shall be a resident of public housing.

(2) AGE.—The individual shall be not more than 25 years of age.

(3) ECONOMIC DISADVANTAGE.—The individual shall be economically disadvantaged.

(4) EDUCATIONAL DISADVANTAGE.—The individual shall—

(A) have encountered barriers to employment because of a deficiency in a basic skill; or

(B) if over 16 years of age or beyond the age of compulsory school attendance under State law, not have a certificate of graduation from a school providing secondary education and not have achieved an equivalent level of education.

(b) LIMITATIONS ON CHILD CARE SERVICES.—

(1) ELIGIBILITY.—Public housing agencies receiving grants under this subtitle shall limit the provision of child care services under section ___64(a)(5) to the following individuals:

(A) PARTICIPANTS UNDER GATEWAY PROGRAMS.—Individuals who are participating in training or services under a gateway program (not including the provision of support services), during the participation of the individual in the training or services.

(B) UNEMPLOYED FORMER PARTICIPANTS UNDER GATEWAY PROGRAMS.—Individuals who have successfully completed participation in training or services under a gateway program (not including the provision of support services) and who are not employed, during a period in which the individual searches for employment after the completion of the training or services, as follows:

(i) COMMENCEMENT.—The period shall begin on the completion of the training or services by the individual.

(ii) TERMINATION.—The period shall end on whichever of the following occurs first:

(I) The expiration of the 3-month period after the completion of the training or services by the individual.

(II) The commencement of the employment of the individual in a position not funded by grants made under this subtitle.

(C) EMPLOYED FORMER PARTICIPANTS UNDER GATEWAY PROGRAMS.—Individuals who have successfully completed training or services under a gateway program (not including the provision of support services) and who are employed in a position not funded by grants made under this subtitle, during the 12-month period that begins with commencement of the employment of the individual.

(2) COMPLIANCE WITH STATE AND LOCAL LAWS.—A public housing agency that provides child care services under this subtitle shall ensure that the child care complies with applicable State and local laws.

(c) LIMITATIONS ON SUPPORT SERVICES.—An individual may receive support services under this subtitle after the individual terminates any participation in training or services under a gateway program (not including the provision of support services) only if the individual has completed the training or services. An individual may not receive support services later than 18 months after the completion of the training or services by the individual.

(d) LIMITATION ON NONRESIDENT PERSONNEL.—A public housing agency receiving a grant made under this subtitle shall attempt to employ in positions relating to the administration and delivery of training and services under gateway programs residents of the public housing project involved whenever qualified residents are available.

SEC. ___66. EFFECT OF GATEWAY PROGRAMS.

(a) NONCONSIDERATION AS INCOME FOR PARTICIPATING INDIVIDUALS.—The earnings of and benefits to any individual resulting from participation in training and services under a gateway program shall not be considered as income for the purposes of determining eligibility for or the amount of public assistance or determining a limitation on the amount of rent paid by the individual during the following periods:

(1) PERIOD OF PARTICIPATION UNDER GATEWAY PROGRAM.—The period during which the individual participates in training or services under a gateway program (not including the provision of support services).

(2) EMPLOYMENT PERIOD.—If the individual participating in training or services under a gateway program (not including the provision of support services) successfully completes the training or services, a single period, not to exceed 18 months, as follows:

(A) COMMENCEMENT.—The period shall begin on the commencement of employment of the individual in the first position acquired by the individual after completion of the training or services that is not funded by a grant under this subtitle.

(B) TERMINATION.—The period shall end on whichever of the following occurs first—

(i) the expiration of the 18-month period following the commencement of the period described in subparagraph (A); or

(ii) the individual ceases to continue employment without good cause, as the Secretary shall determine.

(b) PUBLIC HOUSING OPERATING ASSISTANCE.—The use of the facilities of a public housing agency receiving a grant under this subtitle in the provision of training or services under a gateway program shall have no effect on the amount of assistance provided to the public housing agency under section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g).

SEC. ___67. REVIEW AND SANCTIONS.

(a) REVIEW.—The Secretary shall review at least annually the compliance of the public housing agencies receiving grants under this subtitle with the provisions of this subtitle.

(b) SANCTIONS FOR NONCOMPLIANCE.—Whenever the Secretary determines on the record after opportunity for a hearing that a public housing agency has failed to comply substantially with the provisions of this subtitle, the Secretary shall notify the public housing agency that no further grant payments will be made to the public housing agency under this subtitle until the public housing agency demonstrates, to the satisfaction of the Secretary, that the

public housing agency will comply. Until the public housing agency demonstrates as required by this subsection, the Secretary shall not make further grant payments to the public housing agency under this subtitle.

SEC. ___68. REPORTS.

The Secretary shall transmit annually to the President and to the appropriate Committees of Congress a report containing a detailed statement of the activities of the public housing agencies receiving grants under this subtitle and the recommendations for any action the Secretary considers appropriate. Such reports shall include an evaluation of the effectiveness of such activities in enhancing the employability of residents of public housing.

SEC. ___69. DEFINITIONS.

As used in this subtitle:

(1) BASIC SKILLS.—The term "basic skills" means the rudimentary skills necessary for an individual to function in daily living, including literacy, arithmetic skills, and problem-solving.

(2) ECONOMICALLY DISADVANTAGED.—The term "economically disadvantaged" has the meaning given such term in section 4(8) of the Job Training Partnership Act (29 U.S.C. 1503(8)).

(3) GATEWAY PROGRAM.—The term "gateway program" means a program for the provision of training and services described in section ___64 established by a public housing agency under a grant made by the Secretary under this subtitle.

(4) LITERACY.—The term "literacy" means the knowledge and skills necessary to communicate, including reading, writing, speaking, and listening normally associated with the ability to function at a level greater than the 8th grade level.

(5) OFFICER.—The term "officer" has the meaning given the term in section 2104 of title 5, United States Code.

(6) PUBLIC ASSISTANCE.—The term "public assistance" means cash payments, credits, or other assistance or benefits provided to individuals or families under Federal law.

(7) PUBLIC HOUSING.—The term "public housing" has the meaning given such term in section 3(b)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(1)).

(8) PUBLIC HOUSING AGENCY.—The term "public housing agency" has the meaning given such term in section 3(b)(6) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(6)).

(9) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(10) SUPPORT SERVICES.—The term "support services" means services to facilitate the participation of residents of public housing in training and services under gateway programs. The term includes child care services under section ___64(a)(5) and services under section ___64(b)(10).

SEC. ___70. REGULATIONS.

The Secretary shall promulgate regulations necessary to carry out this subtitle.

SEC. ___71. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this subtitle $50,000,000 for each of the fiscal year 1991 through 1995. Any amount appropriated under this section shall remain available until expended.

Subtitle F—Homeless Youth Demonstration Projects

SEC. ___81. SHORT TITLE.

This subtitle may be cited as the "Homeless Youth Demonstration Project Act of 1990".

SEC. ___82. DEMONSTRATION PROJECTS.

Subtitle E of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11472 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 763. DEMONSTRATION PROJECTS.

"(a) DEFINITIONS.—As used in this section:

"(1) HOMELESS YOUTH.—The term 'homeless youth' means an individual who is 21 years of age or younger, is in need of services, and lacks a permanent place of shelter that provides appropriate supervision and care for such individual or who resides in a group home on a temporary basis.

"(2) SECRETARY.—The term 'Secretary' means the Secretary of Health and Human Services.

"(b) DEMONSTRATION PROJECTS.—

"(1) IN GENERAL.—The Secretary shall establish not to exceed three demonstration projects that are designed to assist private and public agencies and organizations in working together to provide a network of comprehensive services, including medical, mental health, health, legal, social, outreach, and emergency services, to homeless youth.

"(2) GRANTS.—

"(A) IN GENERAL.—The Secretary shall award grants to not to exceed three private, nonprofit organizations with demonstrated success in providing direct services to homeless youth, in subcontracting for such services, and in coordinating the provision of such services with other agencies, as referred to in paragraph (1).

"(B) LOCATION.—In awarding grants under subparagraph (A), the Secretary shall select organizations that are located in urban areas with a high concentration of out-of-city, out-of-county, and out-of-State homeless youth.

"(C) ABILITY TO PROVIDE SERVICES.—To be eligible for a grant under subparagraph (A), an organization shall demonstrate to the Secretary the ability of such organization, or another competent organization with which such organization has a subcontract, to provide a comprehensive network of each of the services described in paragraph (1).

"(D) PREFERENCE.—In awarding grants under subparagraph (A), the Secretary shall give preference to organizations that would involve a network of public and private agencies in the delivery of services to homeless youth.

"(3) EVALUATION OF DEMONSTRATION PROJECTS.—

"(A) IN GENERAL.—The Secretary shall monitor each demonstration project established under paragraph (1) to determine whether such project is complying with the requirements of this section.

"(B) INDEPENDENT EVALUATOR.—

"(i) IN GENERAL.—The Secretary shall contract with an independent evaluator to evaluate the process and outcome of each demonstration project established under paragraph (1), and to make suggestions for the implementation of other similar demonstration projects in other areas of the country.

"(ii) STABILITY OF HOMELESS YOUTH.—The independent evaluator referred to in clause (i) shall assess the stability of homeless youth that are served by a demonstration project established under paragraph (1) after such youth are either reunited with family or settled in a stable environment.

"(4) ELIGIBLE YOUTH.—

"(A) IN GENERAL.—Except as provided for in subparagraph (B), an individual wishing to receive services under this section shall be not more than 21 years of age.

"(B) EXCEPTION.—The Secretary may grant waivers to provide services under this section to individuals who are 22 through 24 years of age for not more than 10 percent of the funds awarded for grants under paragraph (2).

"(5) LENGTH OF DEMONSTRATION PROJECTS.—Each of the demonstration projects established under paragraph (1) shall not exceed a period of 3 years.

"(6) AUTHORIZATION OF APPROPRIATION.—

"(A) IN GENERAL.—There is authorized to be appropriated to carry out this section $2,500,000 for each of the fiscal years 1991, 1992, and 1993.

"(B) INDEPENDENT EVALUATOR.—Of the amounts authorized to be appropriated under subparagraph (A), not to exceed $500,000 shall be utilized for the contract referred to in paragraph (3)(B).".

Subtitle G—Plan for Cooperation

SEC. ___91. PLAN FOR COOPERATION.

(a) IN GENERAL.—Not later than the date on which regulations necessary to carry out subtitle A of this title, part L of title III of the Public Health Service Act (as added by subtitle B), part C of title V of the Public Health Service Act (as amended by subtitle C), section 634 of the Community Economic Development Act of 1981 (as added under subtitle D), or subtitle E are issued, the Secretary of Health and Human Services, the Secretary of Labor, the Secretary of Veterans Affairs, and the Secretary of Housing and Urban Development shall prepare and submit, to the Committees on Education and Labor, and Banking of the House of Representatives and the Committees on Labor and Human Resources, and Banking of the Senate, a plan concerning the programs to be carried out under such subtitle, parts, and section.

(b) CONTENTS.—The plan prepared under subsection (a) shall—

(1) describe the method in which the Secretary of Health and Human Services, the Secretary of Labor, the Secretary of Veterans Affairs, and the Secretary of Housing and Urban Development shall consult with one another in implementing and administering the programs described in subsection (a) and coordinate the implementation of such programs with other relevant programs and Acts (including the programs established under the Stewart B. McKinney Homeless Assistance Act, or the amendments made by such Act, and under Federal housing Acts);

(2) contain an assurance that such Secretaries will consult with one another on an ongoing and continuous basis in such implementation; and

(3) contain procedures, developed by the Secretary of Housing and Urban Development, for granting priority in the provision of construction, rehabilitation or renovation assistance by such Secretary, to applicants that receive grants under the subtitle, parts, and section referred to in subsection (a).

METZENBAUM (AND HATFIELD) AMENDMENT NO. 2039

Mr. METZENBAUM (for himself and Mr. HATFIELD) proposed an amendment to the bill S. 566, supra, as follows:

At the end of the pending amendment add the following:

TITLE ___—CHECK CASHING

SEC. ___01. SHORT TITLE.

This title may be cited as the "Government Check Cashing Act of 1990".

SEC. ___02. DEFINITIONS.

For purposes of this title—

(1) FEDERAL DEPOSITORY INSTITUTIONS REGULATORY AGENCY.—The term "Federal depository institutions regulatory agency" means—

(A) the Comptroller of the Currency with respect to national banks;

(B) the Board with respect to member banks of the Federal Reserve System (other than national banks);

(C) the Board of Directors of the Federal Deposit Insurance Corporation with respect to federally insured depository institutions described in clause (i), (ii), or (iii) of section 19(b)(1)(A) of the Federal Reserve Act (other than national banks and member banks of the Federal Reserve System);

(D) the Director of the Office of Thrift Supervision with respect to federally insured depository institutions described in clause (v) or (vi) of section 19(b)(1)(A) of the Federal Reserve Act; and

(E) the National Credit Union Administration Board with respect to federally insured depository institutions described in clause (iv) of section 19(b)(1)(A) of the Federal Reserve Act.

(2) BOARD.—The term "Board" means the Board of Governors of the Federal Reserve System.

(3) DEPOSITORY INSTITUTION.—The term "depository institution" means any federally insured depository institution described in clauses (i) through (vi) of section 19(b)(1)(A) of the Federal Reserve Act.

(4) GOVERNMENT CHECK DEFINED.—The term "government check" means any check except for procurement or tax refund checks, which was issued by—

(A) the United States, any State, or any agency of the United States; or

(B) any agency of the State in which the check is presented for cashing purposes (in connection with a government check cashing service), any local unit of local government of such State, or any agency of any such unit of local government.

(5) GOVERNMENT CHECK CASHING RELATIONSHIP.—The term "government check cashing relationship" means a relationship between an individual and a depository institution under which a government check cashing service is provided pursuant to section 3(b) of this Act.

(6) STATE.—The term "State" has the meaning given to such term in section 3(a) of the Federal Deposit Insurance Act.

(7) TRANSACTION ACCOUNT.—The term "transaction account" has the meaning given such term by section 19(b)(1)(C) of the Federal Reserve Act.

SEC. ___03. GOVERNMENT CHECK CASHING SERVICES.

(a) REQUIREMENT TO OFFER SERVICES.—Each depository institution shall offer a government check cashing service that meets the requirements of this section.

(b) TERMS AND CONDITIONS OF SERVICE.—A government check cashing service offered by a depository institution meets the requirements of this section if the service—

(1) is available to individuals for the purpose of cashing government checks in the amount of $1,500 or less ($2,000 or less if the funds have been direct deposited) when the individual presenting the check (or seeking to withdraw funds which have been directly deposited) is the individual to whom the check has been issued;

(2) does not require any other relationship with such depository institution;

(3) does not require the individual to meet any prerequisite which would discriminate against low-income individuals in order to use such service;

(4) has a check cashing fee, if such a fee is assessed, which does not exceed the real and demonstrable costs of providing such service (including fraud losses) plus a modest profit not to exceed 10 percent of such costs. The depository institution shall base such fee on actual time studies and actual net processing cost studies performed either by the depository institution or the Federal Reserve Board pursuant to section ____ of this Act. The Board shall perform actual time and net processing cost studies in each of its regions, with, at minimum, one cost study per one major population area and one in a rural area in each region. The Board will provide the results of such studies to serve as models to institutions in that region, and any institution using such model will be exempt from the complaint section;

(5) allows the customer to designate at least 3 offices of such depository institution (or fewer if the depository institution does not have 3 offices) at which such customer may cash government checks; and

(6) allows the customer to cash government checks upon the presentation of—

(A) a copy of the registration provided in accordance with subsection (d); and

(B) an identification card in the form described in subsection (d)(2)(D) of this section.

(c) EXCEPTION.—A depository institution is not required to provide a government check cashing service under this title to any individual who—

(1) has a transaction account at any other depository institution,

(2) has a government check cashing relationship at any other depository institution, or

(3) has committed or has attempted to commit fraud against a depository institution.

(d) REGISTRATION REQUIREMENTS.—

(1) IN GENERAL.—A depository institution that requires a customer to register in order to use the government check cashing service shall take such action as may be necessary to establish a customer registration program.

(2) MINIMUM REQUIREMENTS.—The program under paragraph (1) shall provide for the following:

(A) Each depository institution shall provide for registration in all of its deposit taking offices staffed by individuals employed by such depository institution.

(B) A depository institution may require an applicant for a government check cashing relationship to submit an application containing the application date, and the name, address, date of birth, and handwritten signature of the applicant, or government issued identification number.

(C) At the time of service registration, an applicant may be required by the depository institution to sign a document in which he or she states whether he or she has or has applied for any transaction account or other government check cashing service.

(D) At the time of service registration, an applicant may be required to present an identification card which includes the signature and a photograph of such customer.

(E) The applicant shall be provided a copy of the completed service registration evidencing the fact that the registration has been received and filed with the depository institution within 20 days of such filing.

(F) A depository institution may not require a registration fee.

(3) REJECTION FOR INTENTIONAL MATERIAL MISREPRESENTATION.—If the depository institution has reason to believe that an applicant has made an intentional material misrepresentation in his or her application for a government check cashing relationship, the depository institution may reject such applicant's registration.

(e) INFORMATION ON SERVICE.—Upon request by any individual, a depository institution shall provide such individual with a written summary describing the government check cashing service offered by such depository institution.

(f) SPECIAL RULE FOR CREDIT UNIONS.—Any credit union which, in the ordinary course of business, cashes checks for members shall cash any government check in an amount of $1,500 or less for any member without charge if the member presenting the check is the individual to whom the check has been issued.

(g) SPECIAL RULE FOR CERTAIN DEPOSITORY INSTITUTIONS.—A depository institution, other than a credit union, which does not cash checks for customers, shall not be required to provide government check cashing services pursuant to this Act.

(h) PREVENTION OF FRAUD LOSSES.—A depository institution is not required to cash a check under this section if—

(1) the check is clearly fraudulent; or

(2) the individual presenting the check is clearly misrepresenting his or her identity.

SEC. ___04. POSTING OF NOTICES.

(a) NOTICE REQUIRED.—Each depository institution shall post a conspicuous notice in the appropriate area of each location where deposits are accepted that informs customers and potential customers that government check cashing services are available pursuant to this title.

(b) CONTENTS OF NOTICE.—Any notice required under subsection (a) shall clearly explain the material features and limitations of government check cashing services, so that customers can reasonably be expected to understand the terms of the service offered.

SEC. ___05. ADMINISTRATIVE ENFORCEMENT.

(a) ADMINISTRATIVE ENFORCEMENT.—Compliance with the requirements imposed under this title shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act—

(A) by the Comptroller of the Currency with respect to national banks;

(B) by the Board with respect to member banks of the Federal Reserve System (other than a national bank); and

(C) by the Board of Directors of the Federal Deposit Insurance Corporation with respect to banks the deposits of which are insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System);

(2) section 5(d) of the Home Owners' Loan Act, by the Director of the Office of Thrift Supervision with respect to any depository institution which is subject to such section; and

(3) the Federal Credit Union Act, by the National Credit Union Administration Board with respect to any insured credit union.

(b) ADDITIONAL ENFORCEMENT POWERS.—

(1) VIOLATION OF THIS TITLE TREATED AS VIOLATION OF OTHER ACTS.—For purposes of the exercise by any Federal depository institutions regulatory agency of any such agency's powers under any Act referred to in

subsection (a), a violation of a requirement imposed under this title shall be deemed to be a violation of a requirement imposed under that Act.

(2) ENFORCEMENT AUTHORITY UNDER OTHER ACTS.—In addition to any Federal depository institutions regulatory agency's powers under any provision of law referred to in subsection (a), each such agency may exercise, for purposes of enforcing compliance with any requirement imposed under this Act, any other authority conferred on such agency by any other law.

(c) INVESTIGATION AND REPORT.—A Federal depository institutions regulatory agency that receives a complaint regarding a possible violation of this Act shall conduct an investigation of such complaint as such agency deems necessary, "Where the complaint is verified as accurate shall carry out proper enforcement procedures according to the powers of this Act, and shall provide the results of such investigation in writing to the individual filing such complaint, the depository institution investigated, the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

SEC. ___06. OTHER RELIEF.

Upon application by an aggrieved party, the appropriate United States district court or any other court of competent jurisdiction may grant such equitable and declaratory relief as is necessary to enforce the requirements imposed under this Act.

SEC. ___07. REPORTS.

(a) TREASURY REPORT.—Not later than one year after the date of enactment of this Act, the Secretary of the Treasury shall transmit to Congress a report examining the feasibility of staggering payment of Social Security and other benefit checks so that payments do not all occur on the first and fifteenth of the month.

(b) GAO STUDY AND REPORT.—

(1) STUDY.—No later than 6 months after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study to determine the feasibility of utilizing the United States Postal Service as an additional provider of government check cashing services. In addition, the Comptroller General shall conduct a study examining current practices of check cashing outlets, as they impact customers, including fee and practices, as well as the potential need for Federal or State regulation.

(2) REPORT.—Not later than the date which is 1 year after the date of enactment of this Act, the Comptroller General shall provide Congress with a report regarding the results of the study described in paragraph (1) along with any recommendations for legislative or administrative action that should be taken to address the check cashing needs of low-income individuals.

SEC. ___08. EFFECTIVE DATE.

This title shall take effect on the expiration of the date which is 180 days after the date of enactment of this Act.

TITLE ___—BASIC BANKING SERVICES

SEC. ___01. SHORT TITLE.

This title may be cited as the "Basic Financial Services Account Act of 1990".

SEC. ___02. DEFINITIONS.

For purposes of this title—

(1) APPROPRIATE FEDERAL DEPOSITORY INSTITUTIONS REGULATORY AGENCY.—The term "appropriate Federal depository institutions regulatory banking agency" means—

(A) the Comptroller of the Currency with respect to national banks;

(B) the Board with respect to member banks of the Federal Reserve System (other than national banks);

(C) the Board of Directors of the Federal Deposit Insurance Corporation with respect to depository institutions described in clause (i), (ii), or (iii) of section 19(b)(1)(A) of the Federal Reserve Act (other than national banks and member banks of the Federal Reserve System);

(D) the Director of the Office of Thrift Supervision with respect to depository institutions described in clause (v) or (vi) of section 19(b)(1)(A) of such Act; and

(E) the National Credit Union Administration Board with respect to depository institutions described in clause (iv) of section 19(b)(1)(A) of such Act.

(2) BOARD.—The term "Board" means the Board of Governors of the Federal Reserve System.

(3) DEPOSITORY INSTITUTION.—The term "depository institution" means any depository institution described in clauses (i) through (vi) of section 19(b)(1)(A) of the Federal Reserve Act.

(4) STATE.—The term "State" has the meaning given to such term in section 3(a) of the Federal Deposit Insurance Act.

(5) TRANSACTION ACCOUNT.—The term "transaction account" has the meaning given such term by section 19(b)(1)(C) of the Federal Reserve Act.

SEC. ___03. BASIC FINANCIAL SERVICES ACCOUNT.

(a) BASIC FINANCIAL SERVICES ACCOUNT REQUIRED.—Each depository institution shall offer a basic financial services account which—

(1) is designed to meet the basic banking needs of low and moderate income persons and families; and

(2) meets the requirements of this section.

(b) ACCOUNT REGISTRATION.—

(1) IN GENERAL.—The basic financial services account under subsection (a) shall be offered as follows:

(A) Each depository institution shall offer the basic financial services account at all of its offices staffed by individuals employed by such depository institution.

(B) A depository institution may require an applicant for a basic financial services account to submit an application containing the application date, and the name, address, date of birth, and handwritten signature of the applicant, or a government issued identification number.

(C) At the time an account is opened, an applicant may be required to present an identification card that includes the signature and a photograph of such applicant.

(2) ELIGIBILITY.—A depository institution is not required to offer a basic financial services account to an individual who has committed or attempted to commit fraud against a depository institution.

(3) REJECTION FOR INTENTIONAL MATERIAL MISREPRESENTATION.—If the depository institution has reason to believe that an applicant has made an intentional material misrepresentation in his or her application for a basic financial services account, the depository institution may reject such application.

(c) TERMS AND CONDITIONS OF ACCOUNTS.—A basic financial services account offered by a depository institution meets the requirement of this section if such account—

(1) does not require any other account relationship with such depository institution;

(2) does not require the individual to meet any prerequisite which would discriminate against low-income individuals in order to use such account;

(3) does not have a minimum opening balance requirement of more than $25, a minimum balance requirement of more than $1, or an average monthly balance of more than $1,500;

(4) has fees and service charges that do not exceed the real and demonstrable costs of providing the account and accompanying services, plus a modest profit not to exceed 10 percent of such costs. The depository institution shall base such fees and service charges upon actual time studies and actual net processing cost studies performed either by the depository institution or the Federal Reserve Board. The Board shall perform actual time and net processing cost studies in each of its regions, with, at minimum, one cost study per one major population area and one in a rural area in each region. The Board will provide the results of such studies to serve as models to institutions in that region, and any institution using such model will be exempt from the complaint section;

(5) permits not less than 10 withdrawals per month including withdrawals described in paragraph (6), whether by check, share draft, negotiable order of withdrawal, or other means;

(6) permits checks, share drafts, negotiable orders of withdrawal, or similar instruments to be drawn on the account for purposes of making payments or other transfers to third parties;

(7) has a requirement that the depository institution will provide the account holder with—

(A) a detailed monthly statement listing all transactions for the month involved; or

(B) a passbook in which the depository institution enters all transactions for such account;

(8) does not require the account holder to use direct deposit services, automated teller machines, or other nonteller services for such purpose, but this paragraph does not prohibit a cost-based discount in fees when such services are used; and

(9) may be closed upon notice to the account holder by reason of the occurrence of—

(A) overdrafts with respect to his or her account on 3 separate and distinct occasions within any 6-month period; or

(B) fraudulent activity involving the account.

(e) INFORMATION ON ACCOUNTS.—Upon request of any individual, a depository institution shall provide such individual with a written summary describing the basic financial services account offered by such depository institution.

(f) SPECIAL RULE FOR CREDIT UNIONS.—A credit union which does not offer share draft accounts to members shall not be required to offer a basic financial services account pursuant to this title. Any credit union required to offer a basic financial services account shall be required to offer such account to members.

(g) SPECIAL RULE FOR CERTAIN DEPOSITORY INSTITUTIONS.—A depository institution, other than a credit union, which does not in the ordinary course of business offer transaction accounts to the general public, shall not be required to provide a basic financial services account pursuant to this title.

SEC. ___04. POSTING OF NOTICES.

(a) NOTICE REQUIRED.—Each depository institution shall post a conspicuous notice in the appropriate area of each location where deposits are accepted that informs individ-

uals that basic financial services accounts which provide basic transaction services are available pursuant to this title.

(b) CONTENTS OF NOTICE.—Any notice required under subsection (a) shall clearly explain the material features and limitations of basic financial services accounts, including basic transaction services, so that individuals may reasonably be expected to understand the terms of the account offered.

SEC. ___05. ADMINISTRATIVE ENFORCEMENT.

(a) ADMINISTRATIVE ENFORCEMENT.—Compliance with the requirements imposed under this title shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act—

(A) by the Comptroller of the Currency with respect to national banks;

(B) by the Board with respect to member banks of the Federal Reserve System (other than national banks); and

(C) by the Board of Directors of the Federal Deposit Insurance Corporation with respect to depository institutions insured by the Federal Deposit Insurance Corporation (other than national banks and member banks of the Federal Reserve System);

(2) section 5(d) of the Home Owners' Loan Act, by the Director of the Office of Thrift Supervision with respect to any depository institution which is subject to such section; and

(3) the Federal Credit Union Act, by the National Credit Union Administration Board with respect to any insured credit union.

(b) ADDITIONAL ENFORCEMENT POWERS.—

(1) VIOLATION OF THIS TITLE TREATED AS VIOLATION OF OTHER ACTS.—For purposes of the exercise by any Federal depository institutions regulatory agency of any of such agency's powers under any Act referred to in subsection (a), a violation of a requirement imposed under this title shall be deemed to be a violation of a requirement imposed under that Act.

(2) ENFORCEMENT AUTHORITY UNDER OTHER ACTS.—In addition to any Federal depository institutions regulatory agency's powers under any provision of law referred to in subsection (a), each such agency may exercise, for purposes of enforcing compliance with any requirement imposed under this title, any other authority conferred on such agency by any other law.

(c) INVESTIGATION AND REPORT.—A Federal depository institutions regulatory agency that receives a complaint regarding a possible violation of this title shall conduct an investigation of such complaint, "Where the complaint is verified as accurate shall carry out proper enforcement procedures according to the powers of this Act, and" as such agency deems necessary, and shall provide the results of such investigation in writing to the individual filing such complaint, the depository institution investigated, the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

SEC. ___06. OTHER RELIEF.

Upon application by an aggrieved party, the appropriate United States district court or any other court of competent jurisdiction may grant such equitable and declaratory relief as is necessary to enforce the requirements imposed under this Act.

SEC. ___07. EFFECTIVE DATE.

This title shall take effect on the expiration of the date which is 180 days after the date of the enactment of this Act.

CRANSTON (AND OTHERS) AMENDMENT NO. 2040

Mr. CRANSTON (for himself, Mr. D'AMATO, Mr. DASCHLE, Mr. INOUYE, Mr. BURDICK, Mr. CONRAD, Mr. MCCAIN, Mr. STEVENS, Mr. BINJAMAN, and Mr. REID) proposed an amendment to the bill S. 566, supra, as follows:

On page 282, line 18, after "tribes" insert "not less than".

On page 525, line 1, in subsection (a), insert ", Indian tribes," after "States.".

On page 531, between lines 3 and 4, insert the following:

"(19) The terms 'Indian tribe' and 'Indian housing authority' have the same meanings as in section 3 of the United States Housing Act of 1937.

On page 526, line 13, insert after the comma the following: "Indian tribe, Indian housing authority or"

On page 539, line 14, after the term "grantee" the following: ", Indian tribe, Indian housing authority".

On page 621, line 8, strike "$179,170,000" and insert "$233,700,000".

On page 621, line 9, strike "$186,337,000" and insert "$243,048,000".

On page 621, line 10, strike "$193,700,000" and insert '$252,770,000".

On page 621, between lines 10 and 11, inset the following:

SEC. 743. WAIVER OF MATCHING FUNDS REQUIREMENTS IN INDIAN HOUSING PROGRAMS.

(a) AUTHORIZATION OF WAIVER.—For any housing program that provides assistance through any Indian housing authority, the Secretary of Housing and Urban Development may provide assistance under such program in any fiscal year notwithstanding any other provision of law that requires the Indian housing authority to provide amounts to match or supplement the amounts provided under such program, if the Indian housing authority has not received amounts for such fiscal year under title I of the Housing and Community Development Act of 1974.

(b) EXTENT OF WAIVER.—The authority under subsection (a) to provide assistance notwithstanding requirements regarding matching or supplemental amounts shall be effective only to the extent provided by the Secretary, which shall not extend beyond the fiscal yar in which the waiver is made or beyond the receipt of any amounts by an Indian housing authority under title I of the Housing and Community Development Act of 1974.

(c) DEFINITION OF HOUSING PROGRAM.—For purposes of this section, the term "housing program" means a program under the administration of the Secretary of Housing and Urban Development or the Secretary of Agriculture (through the Administrator of the Farmers Home Administration) that provide assistance in the form of contracts, grants, loans, cooperative agreements, or any other form of assistance (including the insurance or guarantee of a loan, mortgage, or pool of mortgage) for housing.

SEC. 745. ELIGIBILITY OF INDIAN MUTUAL HELP HOUSING FOR COMPREHENSIVE IMPROVEMENT ASSISTANCE.

Section 202(b) of the United States Housing Act of 1937 (42 U.S.C. 1437bb(b)) is amended—

(1) by striking "The Secretary" and inserting the following:

"(1) IN GENERAL.—The Secretary", and

(2) by adding at the end the following new paragraph:

"(2) ELIGIBILITY FOR CIAP.—Notwithstanding the provisions of section 14(c), the Secretary may provide assistance under section 14 for the housing projects under this section for the purposes under section 14.".

SEC. 746. ADJUSTMENT IN AUTHORIZATION LEVELS.

Notwithstanding any other provision of this Act, each authorization of appropriations contained in a provision of this Act (other than a provision of this subtitle) shall be reduced by an amount that bears the same ratio to—

(1) $54,530,000 for a fiscal year 1991 authorization;

(2) $56,711,000 for a fiscal year 1992 authorization;

(3) $58,980,000 for a fiscal year 1993 authorization;

as the amount authorized by such provision bears to the total amount authorized by this Act.

At the end of title X, add the following:

SEC. . The Secretary of Housing and Urban Development shall conduct a study of ways in which State and local pension funds can be used to finance construction of low- and moderate-income housing. Not later than 90 days after the date of enactment of this Act, the Secretary shall transmit to the Congress a report on the result of such study.

On page 480, between lines 13 and 14, insert the following new paragraph:

"(3) NONMETROPOLITAN ALLOCATION.—Not less than 20 per centum of the funds made available under this subtitle shall be allocated by the Secretary on a national basis for nonmetropolitan areas.".

At the end of title VIII, add the following:

"SEC. . SET-ASIDE OF RURAL RENTAL HOUSING FUNDS.

"Section 515 of the Housing Act of 1949, is amended by adding at the end thereof the following new subsection:

"(u) SET-ASIDE OF RURAL RENTAL HOUSING FUNDS.—

"(1) AUTHORITY.—Not less than seven per centum of the funds available for loans authorized under this section in Fiscal Year 1991, and not less than eight per centum of the funds available for loans authorized under this section in Fiscal Year 1992, and not less than ten per centum of the funds available for loans authorized under this section in Fiscal Year 1993 shall be set aside for eligible entitites as specified in subsection (a).

"(2) EXCEPTION.—Funds not obligated by a reasonable date established by the Secretary shall be subject to year-end pooling procedures established by the Secretary.

On page 623, line 21, delete "innovative".

Deletes line 20-25 on page 625, and lines 1 and 2 on page 626.

On line 4, page 626, delete "(G)" and insert in lieu therof

On page 622, line 5, delete "suffer" and insert in lieu thereof, "suffers".

On line 9, page 626, delete "housing".

On line 12, page 626, delete "housing".

On line 10, page 626, add after the word "project": "or projects".

On line 22, page 621, delete "1989" and insert in lieu thereof: "1990".

On line 13, page 623, add after "federally assisted" the following: ", low income".

Delete line 11, page 624, and insert in lieu thereof the following: "of the housing administered or owned by the applicant for which the application is being submitted."

Delete line 16 and 17 on page 624, and insert in lieu thereof the following: "administered or owned by the applicant for which the application is being submitted."

On line 21, page 624, delete the second reference to "management".

On line 23, page 626, add after the first "and" the following: "the".

On lines 24 and 25 of page 626, delete "anticrime activities of the applicant" and insert in lieu thereof the following: "the activities proposed to be funded under the application".

(a) On line 6, page 626, insert after "CRITERIA.—" the following: "Except as provided by subsections (c) and (d),"

(b) On line 6, page 626, delete "The" and insert in lieu thereof the following: "the".

D'AMATO AMENDMENT NO. 2041

Mr. CRANSTON (for Mr. D'AMATO) proposed an amendment to the bill S. 566, supra, as follows:

At the appropriate place, insert the following:

"It is the sense of the Senate that:

"That the Mutual Mortgage Insurance Fund of the Federal Housing Administration, which has lost $5 billion in value since 1980, is seriously at risk should the real estate economy of the country falter; and

"The country's experience with the savings and loan industry demonstrates that unforeseen economic forces can seriously impact the Federal Treasury; and

"All measures should be taken by the Federal Government to forestall further decline in the health of the FHA Fund.".

D'AMATO (AND HEINZ) AMENDMENT NO. 2042

Mr. D'AMATO (for himself and Mr. HEINZ) proposed an amendment to the bill S. 566, supra, as follows:

In lieu of the matter proposed to be inserted, insert the following:

SEC. . ACTUARIAL SOUNDNESS FOR THE MUTUAL MORTGAGE INSURANCE FUND.

Section 205 of the National Housing Act is amended by adding at the end the following:

"(e)(1) The Secretary shall ensure that the Mutual Mortgage Insurance Fund attains—

"(A) a capital ratio of at least 1.25 percent not later than 18 months after the date of enactment of this subsection,

"(B) a capital ratio of at least 1.50 percent not later than 3 years after the date of enactment of this subsection,

"(C) a capital ratio of at least 1.75 percent not later than 5 years after the date of enactment of this subsection, and

"(D) a capital ratio of at least 2.00 percent not later than 7 years after the date of enactment of this subsection.

If the Secretary determines that the Fund does not have the capital ratio required under this subsection at any time, the Secretary shall report to the Congress on the financial status of the Fund, advise the Congress of any administrative measures being taken to attain and maintain the capital ratio required at the time of the Secretary's determination, and make any legislative recommendations that the Secretary deems appropriate.

"(2) Beginning 2 years after the date of enactment of this subsection, the Secretary shall report annually to the Congress on the financial status of the Mutual Mortgage Insurance Fund.

"(3) For purposes of this subsection—

"(A) the term 'capital' means the total governmental equity of the Mutual Mortgage Insurance Fund, as determined by the Secretary under the annual audit required by section 538 of this Act;

"(B) the term 'capital ratio' means the ratio of capital to unamortized insurance-in-force; and

"(C) the term 'unamortized insurance-in-force' means the Secretary's estimate of the remaining obligation on outstanding mortgages which are obligations of the Mutual Mortgage Insurance Fund.

"(f) The Secretary shall conduct an annual actuarial study of the Mutual Mortgage Insurance Fund.".

SEC. . FHA SINGLE-FAMILY MORTGAGE INSURANCE LIMITS.

Section 203(b)(2) of the National Housing Act is amended by striking out "(A) 150 percent (185 percent during fiscal year 1990)" and inserting in lieu thereof "(A) 185 percent".

SEC. . PROHIBITION ON DISTRIBUTABLE SHARES.

Section 205(c) of the National Housing Act is amended by inserting before the period at the end the following: ": *Provided further*, That the Secretary shall not distribute any such share with regard to any mortgage executed on or after January 1, 1991".

SEC. . RISK-BASED PERIODIC MORTGAGE INSURANCE PREMIUM.

Section 203(c) of the National Housing Act is amended by adding the following at the end thereof: "Notwithstanding any limit on the amount of a premium charge under this subsection and the provisions of the previous sentence, the Secretary may require payment of an additional premium charge for the insurance of any mortgage that is secured by a one- to four-family dwelling and is an obligation of the Mutual Mortgage Insurance Fund, as determined by the Secretary to be consistent with sound actuarial practice and taking into account high loan-to-value ratios. Such determination shall be in accordance with the findings of the annual actuarial study of the Mutual Mortgage Insurance Fund required under section 205(f). The additional premium charge shall be payable on a periodic basis, and may not exceed an amount equivalent to one-half of 1 percent per year of the amount of the principal obligation of the mortgage outstanding at any time, without taking into account delinquent payments or prepayments, and may be required (A) for up to 15 years if the initial loan-to-value ratio of the mortgage is greater than 95 percent, (B) for up to 10 years if the initial loan-to-value ratio is equal to or less than 95 percent but equal to or greater than 93 percent, and (C) for up to 4 years if the initial loan-to-value ratio is less than 93 percent but greater than or equal to 90 percent. The Secretary shall not require payment of an additional premium charge where the initial loan-to-value ratio of the mortgage is less than 90 percent. For purposes of this paragraph, the premium charge shall not be included in the determination of the initial loan-to-value ratio of the mortgage.".

SEC. . MORTGAGEE NET WORTH.

Section 203 of the National Housing Act is amended by adding at the end the following:

"(t) Any direct endorsement lender which acts in the capacity of a mortgagee, as defined in section 201(b) of this title, must maintain adequate net worth in order to be eligible to enter into mortgage contracts which qualify for insurance under this title in an amount equal to not less than 1 percent of the total dollar amount of contracts that are written by the lender and insured under this title.".

SEC. 204. (a) Effective 18 months after enactment of this legislation, section 203(b) of the National Housing Act (12 U.S.C. 1709(b)(2)), is amended "the sum of (i) 97 per centum of $25,000" and inserting in lieu thereof the following: "95 per centum"; and, at line 19, deleting the comma following the word "insurance" and inserting a period in lieu thereof; and deleting at lines 19 and 20 the following: "and (ii) 95 per centum of such value in excess of $25,000"; and deleting at lines 23 through 28 the following: "If the mortgage to be insured under this section covers property on which there is located a one- to four-family residence to be occupied as the principal residence of the owner, and the appraised value of the property, as of the date the mortgage is accepted for insurance, does not exceed 97 percent of such principal obligation may be in an amount not to exceed 97 percent of such appraised value."

(b) Within one year of enactment of this Act, the Secretary shall report to the Congress upon the results of a study which will determine the impact of paragraph (a) upon home ownership and study alternative methods for reducing defaults on FHA mortgage loans.

SEC. 205. Section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)), is amended by adding at the end thereof the following sentence: "The FHA insured mortgage amount shall not include any monies used for payment of closing costs. 'Closing costs' include any costs other than the principal of the loan and any mortgage insurance premium charged by the Federal Housing Administration."

COASTAL ZONE IMPROVEMENT ACT

KERRY (AND OTHERS) AMENDMENT NO. 2043

(Ordered referred to the Committee on Commerce, Science, and Transportation.)

Mr. KERRY (for himself, Mr. STEVENS, Mr. HOLLINGS, Mr. PACKWOOD, Mr. INOUYE, Mr. GRAHAM, Mr. CRANSTON, Mr. AKAKA, Mr. LAUTENBERG, Mr. GORE, AND Mr. ADAMS) submitted an amendment intended to be proposed by them to the bill (S. 1189) to amend the Coastal Zone Management Act of 1972 to require State coastal zone management agencies to prepare and submit for the approval of the Secretary of Commerce plans for the improvement of coastal zone water quality, and for other purposes, as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1: This Act may be cited as the "Coastal Zone Improvement Act of 1990".

FINDINGS AND PURPOSES OF THIS ACT

SEC. 2. (a) Congress finds and declares the following:

(1) Our oceans, coastal waters, and estuaries constitute a unique resource. The condition of the water quality in and around the coastal areas is significantly declining. Growing human pressures on the coastal ecosystem will continue to degrade this re-

source until adequate actions and policies are implemented.

(2) Almost one-half of our total population now lives in coastal areas. By 2010, the coastal population will have grown from 80 million in 1960 and 127 million people, an increase of approximately 60 percent, and population density in coastal counties will be among the highest in the Nation.

(3) Marine resources contribute to the Nation's economic stability. Commercial and recreational fishery activities support an industry with an estimated value of $12 billion a year.

(4) Wetlands play a vital role in sustaining the coastal economy and environment. Wetlands support and nourish fishery and marine resources. They also protect the Nation's shores from storm and wave damage. Coastal wetlands contribute an estimated $5 billion to the production of fish and shellfish in the United States coastal waters. Yet, 50 percent of the Nation's coastal wetlands have been destroyed, and more are likely to decline in the near future.

(5) Nonpoint source pollution is increasingly recognized as a significant factor in coastal water degradation. In urban areas, storm water and combined sewer overflow are links to major coastal problems, and in rural areas, run-off from agriculture activities may add to coastal pollution.

(6) Coastal planning and development control measures are essential to protect coastal water quality, which is subject to continued ongoing stresses. Currently, not enough is being done to manage and protect our coastal resources.

(7) Global warming results from the accumulation of man-made gases, released into the atmosphere from such activities as the burning of fossil fuels, leveling of forests, and the production of chlorofluorocarbons, which trap solar heat in the atmosphere and raise temperatures worldwide. Global warming could result in a one meter or more global sea level rise by 2050 resulting from ocean expansion, the melting of snow and ice, and the gradual melting of the polar ice cap. Sea level rise will result in the loss of natural resources such as beaches, dunes, estuaries, and wetlands, and will contribute to the salinization of drinking water supplies. Sea level rise will arise resulting in damage to properties, infrastructures, and public works. There is a growing need to plan for sea level rise.

(8) There is a clear link between coastal water quality and land use activities along the shore. State management programs under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.) are among the best tools for protecting coastal resources and must play a larger role, particularly in improving coastal zone water quality.

(9) All coastal States should have coastal zone management programs in place that conform to the Coastal Zone Management Act of 1972, as amended by this Act.

(b) It is the purpose of Congress in this Act to enhance the effectiveness of the Coastal Zone Management Act of 1972 by increasing our understanding of the coastal environment and expanding the ability of State coastal zone management programs to address coastal environmental problems.

TITLE I—AMENDMENTS TO COASTAL ZONE MANAGEMENT ACT OF 1972

FINDINGS AND POLICY

SEC. 101. (a)(1) Sec. 302(d) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1451(d)) is amended by inserting "habitat areas of the" immediately before "coastal zone".

(2) Section 302(f) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1451(f)) is amended by inserting "exclusive economic zone," immediately after "territorial sea,".

(3) Section 302 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1451) is amended by adding at the end of following new subsections:

* * * that can only be served by the active participation of coastal states in all Federal programs affecting such resources and by the development of state ocean resource management plans as part of their federally approved coastal zone management programs.".

(b)(1) Section 303(2) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1452(2)) is amended—

(A) by striking "full consideration" and inserting in lieu thereof "priority consideration"; and

(B) by striking "as well as the needs for" and inserting in lieu thereof "while allowing compatible".

(2) Section 303(2)(B) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1452(2)(B)) is amended by striking "of subsidence" and inserting in lieu thereof the following: "likely to be affected by or vulnerable to sea level rise from global warming, land subsidence,".

(3) Section 303(2) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1452(2)), as amended by paragraph (1), is amended—

(A) by redesignating subpargraphs (C) through (I) as subparagraphs (D) through (J), respectively; and

(B) by inserting immediately after subparagraph (B) the following new subparagraph:

"(C) the management of coastal development to improve, protect, and restore the quality of coastal waters, and to prevent the impairment of natural resources and existing uses of those waters,".

(4) Section 303(2) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1452(2)), as amended by paragraphs (1) and (3), is further amended—

(A) by striking "and" at the end of subparagraph (I), as so redesignated by paragraph (3);

(B) by striking the semicolon in subparagraph (J), as so redesignated by paragraph (3), and inserting in lieu thereof a comma; and

(C) by adding at the end the following new subparagraph:

"(K) the study, development, and implementation of management plans for addressing the adverse effects upon the coastal zone of land subsidence and of sea level rise from global warming anticipated over the next 50 years in those coastal states likely to be affected by land subsidence and sea level rise; and".

(5) Section 303(3) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1452(3)) is amended by inserting "including those areas likely to be affected by land subsidence, sea level rise, or fluctuating water levels of the Great Lakes," immediately after "hazardous areas,".

(6) Section 303 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1452) is amended by striking "and" at the end of paragraph (3); by striking the period at the end of paragraph (4) and inserting in lieu thereof a semicolon; and by adding at the end the following new paragraphs:

"(5) to encourage coordination and cooperation with and among the appropriate Federal, state, and local agencies, and international organizations where appropriate, in collection, analysis, synthesis, and dissemination of coastal management information, research results, and technical assistance, to support state and Federal regulation of land use practices affecting the coastal and ocean resources of the United States; and

"(6) to respond to changing circumstances affecting the coastal environment and coastal resource management by encouraging states to focus management planning activities on emerging issues such as planning for ocean uses seaward of the coastal zone but potentially affecting the coastal zone.".

DEFINITIONS

SEC. 102.(a) The third sentence of section 304(1) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453(1)) is amended—

(1) by striking "only"; and

(2) by inserting ", and to control those geographical areas which are likely to be affected by or vulnerable to sea level rise from global warming" immediately before the period at the end.

(b) Section 304 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453) is amended by inserting immediately after paragraph (5) the following new paragraphs:

"(5A) The term 'coastal wetland' means an area or group of hydrologically related areas that are—

"(A) within the coastal zone of any coastal state; and

"(B) inundated or saturated by surface or ground water at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions.

The term includes swamps, marshes, bogs, mud flats, and vegetated shallows.

"(5B) The term 'critical coastal area' means an area identified, on the basis of geological, hydrological, and ecological factors and proximity to sensitive coastal waters, wetlands, and habitats, to be an area for which there is a significant likelihood that any new or expanded land use will have an adverse effect on coastal waters, either directly or through cumulative or secondary effects, unless appropriate land use management measures are employed.".

(c) Section 304(10) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453(10)) is amended by striking all after "means" and inserting in lieu thereof 'a use, activity, or project conducted on shorelines within the coastal zone.".

(d) Section 304(18) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453(18)) is amended by striking all after "means" and inserting in lieu thereof "a use, activity, or project conducted in or on waters within the coastal zone.".

(e) Section 304 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453) is amended by adding at the end the following new paragraph:

MANAGEMENT PROGRAM DEVELOPMENT GRANTS

SEC. 103. Section 305 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1454) is amended to read as follows:

"MANAGEMENT PROGRAM DEVELOPMENT GRANTS

"SEC. 305.(a) in fiscal years 1991, 1992, and 1993, the Secretary may make a grant annually to any coastal state without an approved program if the coastal state demonstrates to the satisfaction of the Secretary that the grant will be used to develop a management program consistent with the requirements set forth in section 306. The amount of any such grant shall not exceed

$200,000 in any fiscal year, and shall require state matching funds according to a four-to-one ratio of Federal-to-state contributions. After an initial grant is made to a coastal state pursuant to this subsection, no subsequent grant shall be made to that coastal state pursuant to this subsection unless the Secretary finds that the coastal state is satisfactorily developing its management program. No coastal state is eligible to receive more than two grants pursuant to this subsection.

"(b) Any coastal state which has completed the development of its management program shall submit such program to the Secretary for review and approval pursuant to section 306.".

ADMINISTRATIVE GRANTS

SEC. 104.(a) Section 306 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455) is amended to read as follows:

"ADMINISTRATIVE GRANTS

"SEC. 306. (a) The Secretary may make grants to any coastal state for the purpose of administering that state's management program, if the state matches any such grant according to the following ratios of Federal-to-state contributions for the applicable fiscal year:

"(1) For those states for which programs were approved prior to enactment of the Coastal Zone Improvement Act of 1990, one to one for any fiscal year.

"(2) For programs approved after enactment of the Coastal Zone Improvement Act of 1990, 4 to one for the first fiscal year, 2.3 to one for the second fiscal year, 1.5 to one for the third fiscal year, and one to one for each fiscal year thereafter.

"(b) The Secretary may make a grant to a coastal state under subsection (a) only if the Secretary finds that the management program of the coastal state meets all applicable requirements of this title and has been approved in accordance with subsection (d).

"(c) Grants under this section shall be allocated to coastal states with approved programs based on rules and regulations promulgated by the Secretary which shall take into account the extent and nature of the shoreline and area covered by the program, population of the area, and other relevant factors. The Secretary shall establish, after consulting with the coastal states, maximum and minimum grants for any fiscal year to promote equity between coastal states and effective coastal management.

"(d) Before approving a management program submitted by a coastal state, the Secretary shall find the following:

"(1) The state has developed and adopted a management program for its coastal zone in accordance with rules and regulations promulgated by the Secretary, after notice, and with the opportunity of full participation by relevant Federal agencies, state agencies, local governments, regional organizations, port authorities, and other interested parties and individuals, public and private, which is adequate to carry out the purposes of this title and is consistent with the policy declared in section 303.

"(2) The management program includes each of the following required program elements:

"(A) An identification of the boundaries of the coastal zone subject to the management program.

"(B) A definition of what shall constitute permissible land uses and water uses within the coastal zone which have a direct and significant impact on the coastal waters.

"(C) An inventory and designation of areas of particular concern within the coastal zone.

"(D) An identification of the means by which the state proposes to exert control over the land uses and water uses referred to in subparagraph (B), including a listing of relevant state constitutional provisions, laws, regulations and judicial decisions.

"(E) Broad guidelines on priorities of uses in particular areas, including specifically those uses of lowest priority.

"(F) A description of the organizational structure proposed to implement such management program, including the responsibilities and interrelationships of local, areawide, state, regional, and interstate agencies in the management process.

"(G) A definition of the term 'beach' and a planning process for the protection of, and access to, public beaches and other public coastal areas of environmental, recreational, historical, esthetic, ecological, or cultural value.

"(H) A planning process for energy facilities likely to be located in, or which may significantly affect, the coastal zone, including a process for anticipating the management of the impacts resulting from such facilities.

"(I) A planning process for assessing the effects of, and studying and evaluating ways to control, or lessen the impact of, shoreline erosion, and to restore areas adversely affected by such erosion.

"(3) The state has—

"(A) coordinated its program with local, areawide, and interstate plans applicable to areas within the coastal zone—

"(i) existing on January 1 of the year in which the state's management program is submitted to the Secretary; and

"(ii) which have been developed by a local government, an areawide agency, a regional agency, or an interstate agency; and

"(B) established an effective mechanism for continuing consultation and coordination between the management agency designated pursuant to paragraph (6) and with local governments, interstate agencies, regional agencies, and areawide agencies within the coastal zone to assure the full participation of those local governments and agencies in carrying out the purposes of this title; except that the Secretary shall not find any mechanism to be effective for purposes of this subparagraph unless it requires that—

"(i) the management agency, before implementing any management program decision which would conflict with any local zoning ordinance, decision, or other action, shall send a notice of the management program decision to any local government whose zoning authority is affected;

"(ii) within the 30-day period commencing on the date of receipt of the notice, the local government may submit to the management agency written comments on the management program decision, and any recommendation for alternatives; and

"(iii) the management agency, if any comments are submitted to it within the 30-day period by any local government—

"(I) shall consider the comments;

"(II) may, in its discretion, hold a public hearing on the comments; and

"(III) may not take any action within the 30-day period to implement the management program decision.

"(4) The state has held public hearings in the development of the management program.

"(5) The management program and any changes thereto have been reviewed and approved by the Governor of the state.

"(6) The Governor of the state has designated a single state agency to receive and administer grants for implementing the management program.

"(7) The state is organized to implement the management program.

"(8) The management program provides for adequate consideration of the national interest involved in planning for, and managing the coastal zone, including the siting of facilities such as energy facilities which are of greater than local significance. In the case of energy facilities, the Secretary shall find that the state has given consideration to any applicable national or interstate energy plan or program.

"(9) The management program includes procedures whereby specific areas may be designated for the purpose of preserving or restoring them for their conservation, recreational, ecological, historical, or esthetic values.

"(10) The state, acting through its chosen agency or agencies (including local governments, areawide agencies, regional agencies, or interstate agencies) has authority for the management of the coastal zone in accordance with the management program. Such authority shall include power—

"(A) to administer land use and water use regulations to control development to ensure compliance with the management program, and to resolve conflicts among competing uses; and

"(B) to acquire fee simple and less than fee simple interests in land, waters, and other property through condemnation or other means when necessary to achieve conformance with the management program.

"(11) The management program provides for any one or a combination of the following general techniques for control of land uses and water uses within the coastal zone:

"(A) State establishment of criteria and standards for local implementation, subject to administrative review and enforcement.

"(B) Direct state land and water use planning and regulation.

"(C) State administrative review for consistency with the management program of all development plans, projects, or land and water use regulations, including exceptions and variances thereto, proposed by any state or local authority or private developer, with power to approve or disapprove after public notice and an opportunity for hearings.

"(12) The management program contains a method of assuring that local land use and water use regulations within the coastal zone do not unreasonably restrict or exclude land uses and water uses of regional benefit.

"(13) The management program provides for—

"(A) the inventory and designation of areas that contain one or more coastal resources of national significance; and

"(B) specific and enforceable standards to protect such resources.

"(14) The management program provides for public participation in permitting processes, consistency determinations, and other similar decisions.

"(e) A coastal state may amend or modify a management program which it has submitted and which has been approved by the Secretary under this section, subject to the following conditions:

"(1) The state shall promptly notify the Secretary of any proposed amendment, modification, or other program change and submit it for the Secretary's approval. The Secretary may suspend all or part of any grant made under this section pending state

submission of the proposed amendments, modification, or other program change.

"(2) Within 30 days after the date the Secretary receives any proposed amendment, the Secretary shall notify the state whether the Secretary approves or disapproves the amendment, or whether the Secretary finds it is necessary to extend the review of the proposed amendment for a period not to exceed 120 days after the date the Secretary received the proposed amendment. The Secretary may extend this period only as necessary to meet the requirements of the National Environmental Policy Act (42 U.S.C. 4321 et seq.). If the Secretary does not notify the coastal state that the Secretary approves or disapproves the amendment within that period, then the amendment shall be conclusively presumed as approved.

"(3)(A) Except as provided in subparagraph (B), a coastal state may not implement any amendment, modification, or other change as part of its approved management program unless the amendment, modification, or other change is approved by the Secretary under this subsection.

"(B) The Secretary, after determining on a preliminary basis, that an amendment, modification, or other change which has been submitted for approval under this subsection is likely to meet the program approval standards in this section, may permit the state to expend funds awarded under this section to begin implementing the proposed amendment, modification, or change. This preliminary approval shall not extend for more than six months and may not be renewed.".

(b) Each State which submits a management program for approval under section 306 of the Coastal Zone Management Act of 1972, as amended by this Act (including a State which submitted a program before the date of enactment of this Act), shall demonstrate to the Secretary compliance with the public participation requirement of section 306(d)(14) of the Act by not later than three years after such date of enactment.

MANAGING LAND USES THAT AFFECT COASTAL WATERS

SEC. 105. (a) The Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.) is amended by inserting immediately after section 306A the following new section:

"MANAGING LAND USES THAT AFFECT COASTAL WATERS

"SEC. 306B. (a)(1) Not later than three years after the effective date of this section, the management agency designated pursuant to section 306(d)(6) by each coastal state for which a management program has been approved pursuant to section 306 shall prepare and submit to the Secretary a coastal water quality protection program (hereafter in this section referred to as the 'protection program') for approval pursuant to this section. The purpose of the protection program shall be to develop and implement coastal land use management measures for land-based sources of nonpoint source pollution, working in close conjunction with other state and local authorities.

"(2) The protection program shall be developed, submitted, and implemented in conjunction with state and local water quality authorities. The protection program shall be integrated with the state's coastal water quality program under title III of the Federal Water Pollution Control Act as it relates to coastal waters, and shall be compatible and coordinated with the programs developed pursuant to sections 208, 303, 304, 319, 320, and 420(p) of that Act (33 U.S.C. 1288, 1313, 1314, 1329, 1330, and 1342(p)).

"(b) The Secretary shall approve a protection program under this section if it provides for the following:

"(1) The identification of, and a continuing process for identifying, land uses which, individually or cumulatively, may cause or contribute significantly to a degradation of—

"(A) those coastal waters where there is a failure to attain or maintain applicable water quality standards or protect designated uses, as determined by the state pursuant to its water quality planning processes;

"(B) those coastal waters that are threatened by reasonably foreseeable increases in pollution loadings from new or expanding sources; or

"(C) water bodies of significant resource value, which shall include such water bodies as—

"(i) areas adjacent to national or state parks, wildlife refuges;

"(ii) national estuarine research reserves and national marine sanctuaries;

"(iii) waters adjacent to units of the coastal barrier resources system;

"(iv) shellfish harvesting areas or fish spawning areas of particular state or local importance; or

"(v) those waters already classified by the state as outstanding resource waters.

"(2) The identification of, and a continuing process for identifying, critical coastal areas within which any new land uses or substantial expansion of existing land uses will be subject to the land use management measures that are determined necessary by the coastal management agency, in cooperation with the state water quality authorities and other state or local authorities, as appropriate, to protect and restore coastal water quality and designated uses.

"(3)(A) The implementation and continuing revision from time to time of land use management measures applicable to the land uses and areas identified pursuant to paragraphs (1) and (2) that the coastal management agency, working in conjunction with the state water quality authorities and other state and local authorities determines are necessary to achieve applicable water quality standards and protect designated uses.

"(B) Coastal land use management measures under this paragraph may include among other measures, the use of—

"(i) buffer strips;

"(ii) setbacks;

"(iii) density restrictions;

"(iv) techniques for identifying and protecting critical coastal areas and habitats;

"(v) soil erosion and sedimentation control and other best management practices; and

"(vi) siting and design criteria for water uses, including marinas.

"(4) The provision of technical and financial assistance to local governments and the public for implementing the measures referred to in paragraph (3), including assistance in developing ordinances and regulation, technical guidance, and modeling to predict and assess the effectiveness of such measures, training, financial incentives, demonstration projects, and other innovations to protect coastal water quality and designated uses.

"(5) Opportunities for public participation in all aspects of the protection program, including the use of public notices and opportunities for comment, nomination procedures, public hearings, technical and financial assistance, public education, and other means and measures.

"(6) The establishment of mechanisms to improve coordination among state agencies and between state and local officials responsible for land use programs and permitting, water quality permitting and enforcement, habitat protection, and public health and safety, through the use of joint project review, interagency certifications, memoranda of agreements, and other mechanisms.

"(7) Modification of the boundaries of the state coastal zone as the coastal management agency determines is necessary to manage the land uses identified pursuant to paragraph (1).

"(c)(1) A proposed protection program shall constitute an amendment of the state's management program, and the submission and approval of the proposed protection program shall be governed by the procedures established by section 306(e).

"(2) If the Secretary finds that a coastal state has failed to submit an approvable protection program as required by this section, the Secretary shall withhold a portion of grants otherwise available to such state under section 306 of this Act as follows:

"(i) 10 percent after three years following the date of the enactment of this section;

"(ii) 15 percent after four years following such date of the enactment;

"(iii) 20 percent after five years following such date of the enactment;

"(iv) 30 percent after six years following such date of the enactment and thereafter.

The Secretary shall make amounts withheld under this paragraph available to states having protection programs approved under this section.

"(d) The Secretary shall provide technical assistance to coastal states and local governments in developing and implementing protection programs under this section. Such assistance shall include—

"(1) methods for assessing water quality impacts associated with coastal land uses;

"(2) methods for assessing the cumulative water quality effects of coastal development;

"(3) maintaining and from time to time revising an inventory of model ordinances, and providing other assistance to coastal state and local governments in identifying, developing, and implementing pollution control measures;

"(4) methods to predict and assess the effects of coastal land use management measures on coastal water quality and designated uses; and

"(5) information acquired through the National Status and Trends Program and other coastal monitoring activities.

"(e) The Secretary shall provide grants to each coastal state to assist in fulfilling the requirements of this section if the coastal state matches any such grant according to a four-to-one ratio of Federal-to-state contribution. Funds available for implementing this section shall be allocated according to the regulations issued under section 306(c), except that the Secretary may retain up to 33 percent of any such funds to assist those states which the Secretary finds are making exemplary progress in complying with the requirements of this section or have extreme needs with respect to coastal water quality.".

(b) Within 180 days after the date of enactment of this Act, the Secretary shall issue guidelines for coastal States to follow in developing a program under section 306B of the Coastal Zone Management Act of 1972, as amended by this Act. Within 18 months after such date of enactment, the Secretary shall promulgate regulations gov-

erning the receipt, review, and approval of the programs under such section.

COASTAL ZONE MANAGEMENT CONSISTENCY

SEC. 106. Section 307(c)(1) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1456(c)(1)) is amended to read as follows:

"(c)(1) Each Federal agency activity within or outside the coastal zone that affects any land or water use or natural resource of the coastal zone or that leads to such effects shall be carried out in a manner which is consistent to the maximum extent practicable with approved state management programs. A Federal agency activity shall be subject to this paragraph unless it is subject to paragraph (2) or (3).".

COASTAL ZONE ENHANCEMENT GRANTS

SEC. 107. Section 309 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1456b) is amended to read as follows:

"COASTAL ZONE ENHANCEMENT GRANTS

"SEC. 309. (a) For purposes of this section, the term 'coastal zone enhancement objective' means any of the following six objectives:

"(1) Ensuring that there is no net loss of coastal wetlands.

"(2) Preventing or significantly reducing threats to life and destruction of property by eliminating development and redevelopment in high-hazard areas, managing development in other hazard areas, and anticipating and managing the effects of potential sea level rise.

"(3) Attaining increased opportunities for public access, taking into account current and future public access needs, to coastal areas of recreational, historical, aesthetic, ecological, or cultural value.

"(4) Reducing marine debris entering the Nation's coastal and ocean environment by managing uses and activities that contribute to the entry of such debris.

"(5) Enhancing fishery management activities by—

"(A) increased coordination and cooperation with interstate fishery commissions and Regional Fishery Management Councils; and

"(B) development and adoption of procedures to control the cumulative impacts of coastal development of fisheries production and habitat.

"(6) Preparing and implementing special area management plans for important coastal areas.

"(b) Subject to the limitations and goals established in this section, the Secretary may make grants to coastal states to provide funding for development, submission for Federal approval, and implementation of program changes that support attainment of one or more coastal zone enhancement objectives.

"(c)(1)(A) During fiscal years ending before October 1, 1995, a coastal state may be awarded funding under this section for purposes of developing and submitting for Federal approval program changes to incorporate coastal zone enhancement objectives into the state's management program.

"(B) For fiscal years ending before October 1, 1993, up to 100 percent of amounts awarded to the state under this section may be used for development and submission of such program changes.

"(C) For fiscal years ending after September 30, 1993, and before October 1, 1995, up to 50 percent of amounts awarded to the state under this section may be used for development and submission of such program changes.

"(2) Any funds awarded to a state under this section that are not used for development and submission of program changes to incorporate coastal zone enhancement objectives into a state's approved management program shall be used exclusively for implementation of one or more coastal zone enhancement objectives.

"(d) The Secretary shall evaluate and rank state proposals for funding under this section, and make funding awards based on those proposals, taking into account the criteria established by the Secretary under subsection (e). The Secretary shall ensure that funding decisions under this section take into consideration the fiscal and technical needs of proposing states and the overall merit of each proposal in terms of benefits to the public.

"(e) Within 12 months following the date of enactment of this section, and consistent with the notice and participation requirements established in section 317, the Secretary shall promulgate regulations concerning coastal zone enhancement grants that establish—

"(1) specific and detailed criteria that must be addressed by a coastal state (including the state's priority needs for improvement as identified by the Secretary after careful consultation with the state) as part of the state's development and implementation of coastal zone enhancement objectives;

"(2) administrative or procedural rules or requirements as necessary to facilitate the development and implementation of such objectives by coastal states; and

"(3) other funding award criteria as are necessary or appropriate to ensure that evaluations of proposals, and decisions to award funding, under this section are based on objective standards applied fairly and equitably to those proposals.

"(f) A state shall not be required to contribute any portion of the cost of any proposal for which funding is awarded under this section.

"(g) Beginning in fiscal year 1991, up to 20 percent of the amounts appropriated to implement sections 306 and 306A of this title shall be retained by the Secretary for use in implementing this section, up to a maximum of $10,000,000 annually.

"(h) If the Secretary finds that the state is not undertaking the actions committed to under the terms of the grant, the Secretary shall suspend the state's eligibility for further funding under this section for at least one year.".

TECHNICAL ASSISTANCE

SEC. 108. The Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.) is amended by inserting immediately after section 309 the following new section:

"TECHNICAL ASSISTANCE

"SEC. 310. (a) The Secretary shall conduct a program of technical assistance and management-oriented research necessary to support the development and implementation of state coastal managment program amendments under sections 306B and 309, and appropriate to the furtherance of international cooperative efforts and technical assistance in coastal zone management. Each department, agency, and instrumentality of the executive branch of the Federal Government may assist the Secretary, on a reimbursable basis or otherwise, in carrying out the purposes of this section, including the furnishing of information to the extent permitted by law, the transfer of personnel with their consent and without prejudice to their position and rating, and the performance of any research, study, and technical assistance which does not interfere with the performance of the primary duties of such department, agency, or instrumentality. The Secretary may enter into contracts or other arrangements with any qualified person for the purposes of carrying out this subsection.

"(b)(1) The Secretary shall provide for the coordination of technical assistance, studies, and research activities under this section with any other such activities that are conducted by or subject to the authority of the Secretary.

"(2) The Secretary shall make the results of research and studies conducted pursuant to this section available to coastal states in the form of technical assistance publications, workshops, or other means appropriate.

"(3) The Secretary shall consult with coastal states on a regular basis regarding the development and implementation of the program established by this section.".

COASTAL ZONE MANAGEMENT REVIEW

SEC. 109. Subsection (b) of section 312 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1458) is amended to read as follows:

"(b) In evaluating a coastal state's performance, the Secretary shall conduct the evaluation in an open and public manner, and provide full opportunity for public participation, including holding public meetings in the state being evaluated and providing opportunities for the submission of written and oral comments by the public. The Secretary shall provide the public with at least 45 days' notice of such public meetings by placing a notice in the Federal Register, by publication of timely notices in newspapers of general circulation within the state being evaluated, and by communications with persons and organizations known to be interested in the evaluation. Each evaluation shall be prepared in report form and shall include written responses to the written comments received during the evaluation process. The final report of the evaluation shall be completed within 120 days after the last public meeting held in the state being evaluated. Copies of the evaluation shall be immediately provided to all persons and organizations participating in the evaluation process.".

(b) subsection (c) of section 312 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1458(c)) is amended to read as follows:

"(c)(1) The Secretary may suspend payment of any portion of financial assistance extended to any coastal state under this title, and may withdraw any unexpended portion of such assistance, if the Secretary determines that the coastal state is failing to adhere to (A) the management program or a state plan developed to manage a national estuarine reserve established under section 315 of this Act, or a portion of the program or plan approved by the Secretary, or (B) the terms of any grant or cooperative agreement funded under this title.

"(2) Financial assistance may not be suspended under paragraph (1) unless the Secretary provides the Governor of the coastal state with—

"(A) written specifications and a schedule for the actions that should be taken by the State in order that such suspension of financial assistance may be withdrawn; and

"(B) written specifications directing how those funds from the suspended financial assistance shall be expended by the coastal

state to take the actions referred to in subparagraph (A).

"(3) The suspension of financial assistance may not last for less than six months or more than thirty-six months after the date of suspension.".

(c) Section 312(d) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1458(d)) is amended to read as follows:

"(d) The Secretary shall withdraw approval of the management program of any coastal state and shall withdraw financial assistance available to that state under this title as well as any unexpended portion of such assistance, if the Secretary determines that the coastal state has failed to take the actions referred to in subsection (c)(2)(A).".

(d) Subsection (f) of section 312 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1458) is repealed.

NATIONAL ESTUARINE RESEARCH RESERVE SYSTEM

SEC. 110. (a) The heading for section 315 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1461) is amended by striking "RESERVE RESEARCH" and inserting in lieu thereof "RESEARCH RESERVE".

(b) Section 315(e)(3)(A) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1461(e)(3)(A)) is amended by striking "$4,000,000" and inserting in lieu thereof "$5,000,000".

(c) Section 315(e)(3)(B) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1461(e)(3)(B)) is amended—

(1) by striking "50 per centum" and inserting in lieu thereof "70 per centum"; and

(2) by inserting immediately before the period at the end the following: "; except that the amount of the financial assistance provided under paragraph (1)(A)(iii) may be up to 100 per centum of any costs for activities that benefit the entire System".

(d) Section 315(e)(3) of the Coastal Zone Management Act of 1972 (15 U.S.C. 1461(e)) is amended by striking "of subsection (e)" each place it appears.

AUTHORIZATION OF APPROPRIATIONS

SEC. 111. Section 318(a) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1464) is amended by striking all after "Secretary—" and inserting in lieu thereof the following:

"(1) such sums, not to exceed $750,000 for each of the fiscal years occurring during the period beginning October 1, 1990, and ending September 30, 1993, as may be necessary for grants under section 305, to remain available until expended;

"(2) such sums, not to exceed $42,000,000 for the fiscal year ending September 30, 1991, $45,890,000 for the fiscal year ending September 30, 1992, $50,870,000 for the fiscal year ending September 30, 1993, $54,930,000 for the fiscal year ending September 30, 1994, and $60,090,000 for the fiscal year ending September 30, 1995, as may be necessary for grants under sections 306, 306A, and 309, to remain available until expended;

"(3) such sums, not to exceed $10,000,000 for the fiscal year ending September 30, 1991, $15,000,000 for the fiscal year ending September 30, 1992, $20,000,000 for the fiscal year ending September 30, 1993, $25,000,000 for the fiscal year ending September 30, 1994, and $30,000,000 for the fiscal year ending September 30, 1995, as may be necessary for grants under section 306B, to remain available until expended;

"(4) such sums, not to exceed $6,000,000 for the fiscal year ending September 30, 1991, $6,270,000 for the fiscal year ending September 30, 1992, $6,552,000 for the fiscal year ending September 30, 1993, $6,847,000 for the fiscal year ending September 30, 1994, and $7,155,000 for the fiscal year ending September 30, 1995, as may be necessary for grants under section 315, to remain available until expended; and

"(5) such sums, not to exceed $10,000,000 for each of the fiscal years occurring during the period beginning October 1, 1990, and ending September 30, 1995, as may be necessary for activities under section 310 and for administrative expenses incident to the administration of this title; except that expenditures for such administrative expenses shall not exceed $5,000,000 in any such fiscal year.".

(b) The amendment made by subsection (a) shall take effect on October 1, 1990.

CONFORMING AMENDMENTS

SEC. 112. (a) Section 306(b)(1) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455a(b)(1)) is amended by striking "306(c)(9)" and inserting in lieu thereof "306(d)(9)".

(b) Section 306(a) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1458(a)) is amended by striking "through (I)" and inserting in lieu thereof "through (K)".

OFFICE OF COASTAL ZONE MANAGEMENT

SEC. 113. (a)(1) There is established in the National Oceanic and Atmospheric Administration of the Department of Commerce an Office of Ocean and Coastal Zone Management (hereafter in this section referred to as the "Office"), which shall succeed the Office of Ocean and Coastal Resource Management within the National Oceanic and Atmospheric Administration.

(2) The head of the Office shall be the Assistant Administrator for Ocean and Coastal Zone Management, who shall be appointed by the Secretary of Commerce, subject to the approval of the President, and compensated at the rate prescribed for level V of the Executive Schedule pay rates.

(3) The Office shall have responsibility for—

(A) all functions exercised under the Coastal Zone Management Act of 1972 (16 U.S.C. 1415 et seq.), as well as related laws dealing directly with coastal zone management, to the extent those functions are vested by law in the National Oceanic and Atmospheric Administration or its Administrator, or vested by law in the Department of Commerce or its Secretary and administered through the National Oceanic and Atmospheric Administration;

(B) all other functions under the responsibility of the Office of Ocean and Coastal Resource Management within the National Oceanic and Atmospheric Administration as of the date of enactment of this Act; and

(C) such resource management functions as may be assigned by the Secretary of Commerce, by the Administrator of the National Oceanic and Atmospheric Administration, or by legislation.

(b) Section 3516 of title 5, United States Code, is amended by inserting "Ocean and" immediately before "Coastal Zone Management".

TITLE II—INTERNATIONAL COOPERATION IN COASTAL ZONE MANAGEMENT

FINDINGS AND PURPOSE

SEC. 201. (a) The Congress finds that

(1) the trend toward rapid growth in the development of coastal areas is being experienced worldwide;

(2) technical assistance to nations which have limited experience in coastal management should be an integral part of foreign policy;

(3) the nearly 20-year experience with comprehensive coastal zone management in the United States constitutes a valuable technical capability which should be incorporated into appropriate foreign assistance programs; and

(4) in view of growing international concern over the potential for global warming and sea level rise, experience in coastal management should be an important component of our national effort in response to global warming.

(b) The purpose of this title is to express a sense of the Congress to encourage cooperation between the Secretary of Commerce and the Secretary of State to develop a program of technical assistance in coastal zone management, particularly with regard to strategies for response to sea level rise and natural hazards such as hurricanes, typhoons, and tsunami. Further, it is the sense of the Congress that coastal zone management should be an acknowledged component of an internatioanl convention of global climate change.

SENSE OF CONGRESS

SEC. 202. (a) It is the sense of the Congress that the Secretary of Commerce and the Secretary of State should cooperate to develop a program of technical assistance to developing nations with regard to coastal zone management. In particular, this program should address issues of increasing concern relating to the potential for global climate change, including—

(1) sea level rise;

(2) increased frequency and severity of large-scale oceanic and coastal storms and other catastrophic events; and

(3) the need for adequate buffers to allow natural systems to respond to changes in climate and sea level.

(b) It is the sense of the Congress that coastal zone management should be an integral component of ongoing negotiations by the Intergovernmental Panel on Climate Change. The Secretary of Commerce and the Secretary of State are encouraged to cooperate in initiating discussions with other nations to include coastal zone management as part of an international convention on global climate change.

(c) The Secretary of Commerce and the Secretary of State shall report to the Congress on the implementation of this title within six months after the date of the enactment of this Act, and periodically thereafter.

Mr. KERRY. Mr. President, I rise today to introduce an amendment in the nature of a substitute to S. 1189, The Coastal Zone Improvement Act. I am pleased to offer this amendment which reauthorizes programs under the Coastal Zone Management Act due to expire this year. This amendment has much support, it is cosponsored by an array of Senators from coastal States: Senators STEVENS, HOLLINGS, PACKWOOD, INOUYE, GRAHAM, CRANSTON, AKAKA, LAUTENBERG, GORE, AND ADAMS.

Originally introduced last year, S. 1189 and the Coastal Zone Management Act have been the subject of two hearings before the Commerce Committee. During those hearings we received testimony from NOAA and the

EPA, as well as environmentalists, representatives of fisheries, and State program directors on how to improve the Coastal Zone Management Program. The hearings focused on the Federal implementation of the Coastal Zone Management Act and a number of other reauthorization issues.

In 1972 Congress recognizing the increasing threats to the Nation's 100,000 miles of coastline passed the Coastal Zone Management Act which established a unique Federal/State partnership to protect our coastal resources and manage activities affecting the coastal areas.

With July Fourth approaching and the beach season under way, we are faced with a sense of urgency because of the calamity that will occur if we fail to act to preserve our valuable coastal resources. Once again we find our coastal waters on the front page of every newspaper in the country. Last week the *Bermuda Star,* a cruise ship dumped 7,500 gallons of oil into Buzzards Bay in Massachusetts. Today from another incident, the Coast Guard is offloading 1.2 million gallons of oil from a grounded barge also in Buzzards Bay. Last week the Norwegian tanker the *Mega Borg* dumped 3.9 million gallons of oil off the coast of Galveston and workers are standing by waiting for the 30-mile slick to come ashore, and just days before that the *B.T. Nautilus* poured 250,000 gallons of oil into a New Jersey harbor.

Our oceans, coastal waters, estuaries and wetlands have come under extreme stress. The need for improved coastal protection in our coastal areas is obvious. In Massachusetts for example, almost 18,000 acres of shellfishing waters in Buzzards Bay were recently closed due to pollution, costing up to $17 million. Our coastal regions are under siege from a number of manmade problems such as oilspills, development, urban and agricultural runoff, beach pollution and the like.

In order to come to grips with the myriad problems facing our coastal areas, we have to strengthen the CZMA, Clean Water Act, and the Marine Protection, Research and Sanctuaries Act to address such issues as nonpoint source pollution, wetlands preservation, and Federal activities such as off-shore oil and gas leasing which effect the coastal zone.

The primary tool the CZMA Program has in dealing with coastal water quality is through its ability to manage land use activities. The legislation we are introducing today ensures a stronger link between State water quality agencies, State CZMA programs and the Federal water quality programs.

The amendment also clarifies that States have the ability to review Federal activities that affect their coastal zone. It provides States with a measure of control over Federal activities such as oil and gas leasing which affect their coastal zone.

In addition, the bill addresses problems associated with global warming which is caused by excessive releases of manmade gases into our atmosphere from the burning of fossil fuels, deforestation and the production of chlorofluorocarbons which is estimated to cause sea levels to rise up to one meter by the year 2050. This amendment encourages States to take the necessary precautions to prepare for such rise.

And to protect wetlands the spawning grounds to our fisheries the legislation provides grants to States to develop wetland protection programs.

The legislation establishes a new set of coastal enhancement grants which States can apply for to improve coastal programs in the following six areas: wetlands protection, hazard prevention, public access, marine debris, fishery management cooperation, and special area management planning. This will give State's the opportunity to address coastal problems unique to their State.

Last, the amendment establishes within NOAA a new Assistant Administrator for Ocean and Coastal Zone Management who shall be responsible for the current function of the Office of Ocean and Coastal Resource Management as well as other related laws dealing directly with coastal zone.

Mr. President the need to pass this legislation is critical. A recent study for the United Nations by the group on the Scientific Aspects of Marine Pollution reported that coastal pollution is on the rise globally. Population growth, land use activities, and manmade problems are responsible for this trend. This study shows the clear link between coastal water quality and land use. It highlights the fact that coastal planning and development control measures are essential to our coastal protection. Mr. President, the extent of our coastal problems goes far beyond our existing laws. Old solutions will not do. New approaches like those set out in this bill, educational efforts, and enlightened lifestyles will offer us some of the answers. Now is the time for Congress to focus its attention on an environmental threat of historical unprecedented proportions—the destruction of our coastline and the fouling of our oceans and coastal waters.

Mr. President I ask unanimous consent that the summary of the amendment be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

COASTAL ZONE IMPROVEMENT ACT OF 1990—SUMMARY

Section 1 sets forth the short title of the bill, the "Coastal Zone Improvement Act of 1990."

Section 2 finds and declares that the purpose of the Act is to enhance the effectiveness of the Coastal Zone Management Act (CZMA) by expanding the states' ability to address environmental problems.

TITLE I—AMENDMENTS TO THE COASTAL ZONE MANAGEMENT ACT

Section 101 amends the CZMA section 302, "Congressional Findings," and section 303, "Congressional Declaration of Policy" by adding language declaring that:

Habitat areas of the coastal zone are part of the coastal zone;

Expanding demands are being made on the exclusive economic zone and states should develop ocean resource plans;

Coastal states must plan for subsidence, sea level rise, and fluctuating water levels;

Priority consideration be given for ecological, cultural, historic, and aesthetic values while allowing compatible economic development;

Coastal programs should manage coastal development to improve, protect and restore the quality of coastal waters;

Special area management plans should include areas likely to be affected by land subsidence or sea level rise;

State, Federal and international cooperation is encouraged in the area of coastal management information and technical assistance;

States are encouraged to plan for emerging issues such as ocean uses seaward of the coastal zone.

Section 102 amends section 304 of the CZMA as follows:

304(1)—deletes the word "only" and adds "and to control those geographic areas which are likely to be affected by or vulnerable to sea level rise from global warming";

304(5)A NEW—defines "coastal wetlands";

304(5)B NEW—defines "critical coastal area";

304(10)—deletes all after "means" and inserts "a use, activity, or project conducted on shorelines within the coastal zone";

Section 103 amends section 305 of the CZMA to allow funds to be expended for development of state coastal management programs for three additional years. States not currently in the coastal program may get up to two years of annual grants, not to exceed $200,000, in order to complete coastal programs. The Secretary of Commerce must find that the state is making satisfactory progress on the program in order to receive second year awards.

Section 104 amends section 306 of the CZMA by stating that any new programs developed under section 305 after enactment will require state match of 4:1 for year one, 2.3:1 for year two, 1.5:1 for year three and 1:1 for all following years. The section incorporates program approval standards and requirements from section 305(b) and 306 (c), (d), and (e) into a new subsection 306(d). A new public participation requirement is added whereby each state program must demonstrate the opportunity for public input in the permitting processes, consistency determinations, and other decisions within three years of enactment. Subsection (e) allows the Secretary to fund, on a preliminary basis, a program amendment prior to approval.

Section 105 amends section 306 of the CZMA to add a new section 306B. This new section requires the coastal states within three years to submit to the Secretary a coastal water quality protection program. Three years are allowed to complete the protection program; after that time up to

30% of a state's 306 funds are reduced if states fail to meet the requirement.

Subsection (b) requires the protection program to identify land uses contributing to degradation of coastal waters, critical coastal areas, and appropriate land use management measures to protect coastal water quality and designated uses. The program must provide for technical assistance to local governments, public participation, administrative coordination between state and local agencies, and modification of state coastal zone boundaries if necessary.

Subsection (d) requires the Secretary to administer a program of technical assistance to the states. Subsection (e) provides for grants to the states to complete these requirements. The Secretary is required to issue guidelines and regulations for this section.

Section 106 amends Section 307 of the CZMA. Section 307(c) (1) provides that—

Each Federal agency activity within or outside the coastal zone that affects any land or water use or natural resource of the coastal zone or that leads to such effects shall be carried out in a manner which is consistent to the maximum extent practicable with approved state management programs. A Federal agency activity shall be subject to this paragraph unless it is subject to section 307 (2) or (3).

This responds directly to the U.S. Supreme Court in *Interior* v. *California* which held that OCS oil and gas lease sales are not subject to the consistency provisions of the CZMA. The new provision clarifies that any Federal agency activity, regardless of its location, is subject to Section 307 if the natural resources, land uses, or water uses in the coastal zone are affected.

Section 107 amends Section 309 of the CZMA to provide for coastal zone enhancement grants. Grants are to be made to the coastal states in order to improve the coastal programs in six areas; wetlands protection, hazard prevention, public access, marine debris, fishery management cooperation, and special area management planning. Grants are to provide funds for development of coastal program changes, submission for Federal approval and implementation of these changes that support the enhancement objectives.

Section 108 establishes a new section 310 of the CZMA which requires the Secretary to conduct a program of technical assistance and management-oriented research to support the development and implemenation of state coastal mangement program amendments under section 306B and section 309. It requires the Secretary to coordinate all activities under this section and to make the results available to the states. The coastal states will be consulted regularly during the development and implementation of the technical assistance program.

Section 109 modifies section 312 of the CZMA by specifying the public participation activities to be undertaken during the evaluation of the state coastal management programs. This includes a 45 day notice of any public meetings conducted during the evaluation. The final report of the evaluation is to be completed within 120 days of the last public meeting held in the state to be evaluated.

The section also provides for suspension and withdrawal of financial assistance to a state which is found not to be adhering to its management program, to a plan developed to manage a estuarine reserve under section 315, or to the terms of any grant or cooperative funding agreement. The section specifies the procedures to be followed before suspension of financial assistance, including notification of the Govenor of the state. A suspension under this section shall be for not less than 6 months nor more than 36 months.

Section 110 modifies section 315 of the CZMA to change the name of the National Estuarine *Reserve Research* System to the National Estuarine *Research Reserve* System. The section increases the financial assistance for land or water acquisition for any one estuarine research reserve from $4,000,000 to $5,000,000 or 50% of the total costs, whichever amount is less. The section increases the Federal share of the costs for managing a reserve and constructing facilities, and for conducting educational or interpretive activities from 50% to 70%. Activities which benefit the entire Reserve System may be federally funded up to 100%.

Section 111 authorizes appropriations for the Act for FY 1991 through FY 1995.

Section 113 establishes within NOAA an Assistant Administrator for Ocean and Coastal Zone Management who shall be responsible for the current function of the Office of Ocean and Coastal Resource Management as well as other related laws dealing directly with coastal zone management and vested by law in NOAA, its Administrator, or the Department of Commerce or its Secretary. The Assistant Administrator shall also be responsible for other resource management functions as assigned by the Secretary, the Administrator, or by legislation.

TITLE II—INTERNATIONAL COOPERATION IN COASTAL ZONE MANAGEMENT

Section 201 contains Congressional findings relative to the value of the United States experience in coastal management and the need to share this experience with the international community.

Section 202 expresses the sense of the Congress that the Secretary of Commerce and the Secretary of State should cooperate to develop a program of technical assistance to developing nations with regard to coastal zone management. This program should focus particularly on the issues related to potential climate change including sea level rise, increasing frequency and severity of storms, and the need for buffers to allow natural systems to adapt to changes in climate and sea level.

The section also expresses the sense of Congress that coastal zone management be an integral part of ongoing negotiations by the Intergovernmental Panel on Climate Changes. It encourages the Secretary of Commerce and the Secretary of State to initiate discussions with other nations to include coastal management as part of an international convention on global climate change. The section requires the Secretaries to report to the Congress on the implementation of this Title in 6 months after enactment, and periodically thereafter.

NATIONAL HOUSING ACT

BOSCHWITZ AMENDMENT NO. 2044

(Ordered to lie on the table.)

Mr. BOSCHWITZ submitted an amendment intended to be proposed by him to the bill S. 566, supra, as follows:

At the end of the bill, add the following:

TITLE ____—HOUSING OPPORTUNITY ZONES

SEC. ___01. SHORT TITLE.

This title may be cited as the "Housing Opportunity Zones Act of 1990".

SEC. ___02. DEFINITIONS.

As used in this title—

(1) The term "barrier" means any requirement promulgated by the legislative or executive body of any State or local governmental entity that inhibits the production in the eligible jurisdiction of housing that is affordable to lower-, moderate-, and middle-income families.

(2) The term "city" means a city, as defined in section 102 of the Housing and Community Development Act of 1974.

(3) The term "eligible jurisdiction" means a city that has a population of 50,000 or more, or an urban county, that received a formula allocation of rental rehabilitation grants under section 17(b)(1) of the United States Housing Act of 1937 for the fiscal year immediately preceding the fiscal year in which Housing Opportunity Zones and Barrier Removal Plans are designated and approved, respectively.

(4) The term "Housing Opportunity Zone" means a geographic area designated by the Secretary that—

(A) has significant amounts of vacant land or vacant buildings that have potential for development or redevelopment for housing affordable to lower-, moderate-, and middle-income families;

(B) has continuous boundaries and covers the entire area within these boundaries; and

(C) covers an area that is less than coterminous with, but wholly within, the boundaries of the eligible jurisdiction.

(5) The term "lower-income family" means a family or individual whose income does not exceed 80 percent of the median income of the area involved, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings that are higher or lower than 80 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes. Moderate-income family shall mean a family or individual whose income exceeds 80 percent, but does not exceed 95 percent, of the median income for the area involved, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings that are higher or lower than 95 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes. Middle-income family shall mean a family or individual whose income exceeds 95 percent, but does not exceed 115 percent, of the median income for the area involved, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings that are higher or lower than 115 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes. For purposes of such terms, the area involved shall be determined in the same manner as such area is determined for purposes of assistance under section 8 of the United States Housing Act of 1937.

(6) The term "Secretary" means the Secretary of Housing and Urban Development.

(7) The term "urban county" means an urban county, as defined in section 102 of the Housing and Community Development Act of 1974.

SEC. ___03. BASIC AUTHORITY AND PURPOSE.

(a) AUTHORITY AND PURPOSE.—The Secretary is authorized to designate Housing Opportunity Zones and approve Barrier Removal Plans for cities and urban counties, as provided by and in accordance with this title, for the purpose of encouraging these jurisdictions to remove legislative and administrative barriers to the production of new and substantially rehabilitated housing that is affordable to lower-, moderate-, and middle-income families.

(b) NOTICE.—The Secretary shall establish standards to implement the provisions of this title by notice published in the Federal Register not later than 120 days after the date of enactment of this title.

(c) RELATED ASSISTANCE.—The Secretary is authorized to promulgate or revise any insurance, guarantee, or financial or other assistance program or administrative requirement or regulation of the Secretary that is not required by law, in support of Barrier Removal Plans and Housing Opportunity Zones. To the extent such promulgation or revision relates only to actions that pertain to such Zones or such Plans, the Secretary may take such action by notice published in the Federal Register.

SEC. ___04. HOUSING OPPORTUNITY ZONES.

(a) DESIGNATION.—The Secretary shall designate not more than 50 Housing Opportunity Zones. All Zone designations shall be made at one time. The Secretary shall make Zone designations for those eligible jurisdictions that, in the Secretary's discretion, as reflected in the applications, have the best chances of achieving the purposes of this title, except that the Secretary also shall have discretion to attain geographic diversity in making Zone designations.

(b) APPLICATIONS.—Each Zone designation shall be made on the basis of an application from an eligible jurisdiction. Each application for designation of a Housing Opportunity Zone shall specify—

(1) the location, boundaries, and character of the proposed Zone, including any maps or other supporting material that the Secretary deems appropriate;

(2) the actions that the applicant will take during the term of the designation to remove particular barriers within the Zone, including the applicant's timetable for taking the actions;

(3) a plan for the production of housing affordable to lower-, moderate-, and middle-income families, respectively, in the Zone, which plan shall include a description of the quantities and types of housing to be produced and a timetable for their production;

(4) a clear delineation of the relationship between barriers to be removed and the housing to be produced, including the effect of removing the barriers on reducing the price of housing;

(5) actions that an applicant shall take to emphasize homeownership opportunities for lower-, moderate-, and middle-income families;

(6) any other local support for Zone activities, including commitments of financial or technical assistance from public and private entities and persons, including (but not limited to) such resources derived from community development block grants and programs of State assistance, donations of land, buildings, and other resources, and the abatement of relevant taxes, fees, and charges; and

(7) such other information as the Secretary shall require.

(c) HIGHER INCOME AREAS.—In the case of an eligible jurisdiction having a median family income higher than the median family income for the metropolitan statistical area in which it is located, the application for designation of a Housing Opportunity Zone shall particularly emphasize producing housing to meet the needs of lower-income families.

SEC. ___05. SELECTION OF HOUSING OPPORTUNITY ZONES.

The Secretary shall designate Housing Opportunity Zones on the basis of a national competition, using the following selection criteria:

(1) The extent to which the Zone has substantial potential for accommodating the production of housing.

(2) The extent to which housing produced in the Zone will be affordable to lower-, moderate-, or middle-income families.

(3) The extent to which the removal of the barriers specified in the application will have a substantial effect lowering the cost of housing.

(4) The extent to which the application emphasizes homeownership opportunities.

(5) The extent to which the applicant's proposed barrier removals and housing activities are capable of accomplishment within the period of the Zone designation.

(6) The extent of any other local support for Zone activities.

(7) Such other factors as the Secretary may require.

SEC. ___06. BARRIER REMOVAL PLANS.

The Secretary may approve Barrier Removal Plans submitted by eligible jurisdictions. All such approvals shall be made at one time, when the Housing Opportunity Zones are designated under this title. Eligible jurisdictions may apply both for Housing Opportunity Zone designation and Barrier Removal Plan approval, but may not be approved for both. Plans shall apply to the entire jurisdiction for which application is made, and shall identify the barriers to affordable housing for lower-, moderate-, and middle-income families; describe the steps that the locality intends to take to remove the barriers; and set forth a timetable for achieving such steps. The Secretary shall specify in the notice referred to in section ___03(b) such minimum standards for the approval of Plans as the Secretary deems appropriate.

SEC. ___07. TERM AND REVOCATION OF HOUSING OPPORTUNITY ZONE DESIGNATIONS AND BARRIER REMOVAL PLAN APPROVALS.

(a) TERM OF APPROVAL OR DESIGNATION.—The approval of any Barrier Removal Plan and the designation of any Housing Opportunity Zone shall be effective for a term that shall not exceed 3 years.

(b) REVIEW AND REVOCATION.—At least annually, the Secretary shall review the progress of each jurisdiction with a designated Zone or an approved Plan in undertaking the actions specified in its application. If, in the Secretary's sole judgment, the jurisdiction is not making substantial progress in achieving the purposes of this title, the Secretary may revoke the approval of the Barrier Removal Plan or the designation of the Housing Opportunity Zone.

(c) OBLIGATION UNDER RELATED PROGRAMS.—(1) The revocation of a Plan approval or Zone designation under this title shall not affect obligations under any other law except to the extent that there is documentary evidence that the Secretary made such obligation subject to the continuation without revocation of the approval or designation.

(2) For a period of one year after the approval or designation ceases to be effective, the Secretary shall have the authority to accord to the jurisdiction that has had a designated Zone the benefits of sections 203(b)(2)(iv) and 203(k)(6) of the National Housing Act.

SEC. ___08. REPORTS.

(a) ANNUAL PERFORMANCE REPORTS.—The Secretary may require each jurisdiction that has an approved Barrier Removal Plan or a designated Housing Opportunity Zone, to make annual performance reports, in support of the Secretary's responsibility to conduct progress reviews, and otherwise.

(b) FINAL REPORTS.—Each jurisdiction that has an approved Barrier Removal Plan or a designated Housing Opportunity Zone shall submit a final report to the Secretary, in such form as the Secretary requires, within 6 months after the Plan approval or Zone designation ceases to be effective.

(c) REPORT TO CONGRESS.—The Secretary shall evaluate the programs under this title, and report conclusions and make recommendations to the Congress within 5 years following the date of the original designations and approvals.

SEC. ___09. RENTAL REHABILITATION GRANT BONUS.

Section 17(b)(2) of the United States Housing Act of 1937 is amended by adding at the end the following:

"(C) The Secretary is authorized to increase by 5 percent for an approved Barrier Removal Plan, or 10 percent for a designated Housing Opportunity Zone, the amount allocated and otherwise adjusted under this subsection for any jurisdiction that has an approved Plan or a designated Zone, respectively, under the Housing Opportunity Zones Act of 1990.".

SEC. ___10. CDBG LOW- AND MODERATE-INCOME BENEFIT IN HOUSING OPPORTUNITY ZONES.

Section 104(b)(3) of the Housing and Community Development Act of 1974 is amended by—

(1) striking out "and (B)" and inserting in lieu thereof the following: "(B) if the grantee is a severely distressed unit of local government and conducts an activity in a designated Housing Opportunity Zone under the Act of 1990, to the extent so conducted, the activity will be deemed to principally benefit low- and moderate-income persons; for purposes of construing the immediately preceding clause, severely distressed unit of local government, means a unit of general local government—

"(i) for which a major disaster is declared, in accordance with the Robert T. Stafford Disaster Relief and Emergency Assistance Act, and that meets such other standards as the Secretary may determine, or

"(ii) that meets the standards established by the Secretary for determining severe distress, which standards shall be based upon measures of the lack of capacity of units of general local government to meet the needs of low- and moderate-income persons with their own resources; and (C)".

SEC. ___11. REUSE OF URBAN RENEWAL LAND IN HOUSING OPPORTUNITY ZONES.

The Secretary is authorized to modify or waive any term or condition for the benefit of the Secretary, or the United States, regarding the use or disposition of urban renewal project land, any part of which is located in a Housing Opportunity Zone, in-

cluding payment of disposition proceeds to the Secretary, under a closeout grant made pursuant to section 106(i) of the Housing Act of 1949 or section 103(b) of the Housing and Community Development Act of 1974, if such action may assist in the carrying out of any activity in such Zone.

SEC. ___12. URBAN HOMESTEADING PREFERENCE.

Section 810 of the Housing and Community Development Act of 1974 is amended by adding at the end thereof a new subsection, as follows:

"(m)(1) In selecting urban homesteading programs for approval under subsection (b), the Secretary shall give preference to any unit of general local government that includes a designated Housing Opportunity Zone under the Housing and Opportunity Zones Act of 1990.

"(2) In allocating money for reimbursement under subsection (g), the Secretary shall give preference to making reimbursements for properties that are requested by units of general local government that include a designated Housing Opportunity Zone.".

SEC. ___13. SINGLE FAMILY MORTGAGE INSURANCE IN HOUSING OPPORTUNITY ZONES.

(a) MORTGAGE INSURANCE.—The last sentence of paragraph (2) of section 203(b) of the National Housing Act is amended by striking out "or" immediately before "(iii)" and inserting immediately before the final period the following: ", or (iv) the dwelling is located in a designated Housing Opportunity Zone under the Housing Opportunity Zones Act of 1990".

(b) REGULATIONS.—Section 203(k) of the National Housing Act is amended by adding a new paragraph at the end thereof as follows:

"(6)(A) The Secretary is authorized to promulgate regulations that shall, in addition to other purposes under this Act, promote the rehabilitation of housing for lower-, moderate-, and middle-income families (as defined in the Housing Opportunity Zones Act of 1990) in Housing Opportunity Zones designated under such Act.

"(B) The regulations under this paragraph may provide for the Secretary—

"(i) to delegate to a public agency the authority under this subsection to prescribe and implement standards and procedures that shall be in accord with this section and approved by the Secretary, for credit reviews, rehabilitation activities, and other eligibility requirements; and

"(ii) to share the insurance risk with a public agency, through indemnification, coinsurance, or other means the Secretary finds to be appropriate.

"(C) Any action taken by a public agency pursuant to the delegated authority shall be subject to review by the Secretary.".

SEC. ___14. APPLICABILITY OF RELOCATION ENVIRONMENTAL REVIEW, AND RELATED LAWS.

Neither the approval of a Barrier Removal Plan nor the designation of a Housing Opportunity Zone under this title shall be deemed to constitute—

(1) acquisition of real property or displacement of any person under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;

(2) a Federal action or proposal under the National Environmental Policy Act of 1969; or

(3) an action, event, program, project, or undertaking that would invoke the applicability of any procedural duties that would otherwise arise from a Federal environmental or historic preservation law, Executive order, or regulation.

NICKLES (AND OTHERS) AMENDMENT NO. 2045

Mr. NICKLES (for himself, Mr. BOREN, Mr. COHEN, Mrs. KASSEBAUM, Mr. GORTON, Mr. MCCONNELL, and Mr. HELMS) proposed an amendment to the bill S. 566, supra, as follows:

At the appropriate place, insert the following:

SEC. . RESIDENT WORKERS.

Section 12 of the United States Housing Act of 1937 is amended by adding the following: "The provisions of this section shall not apply to wages paid to a mechanic or laborer who is a tenant of a public housing project or of housing assisted under section 8 for work performed on any such housing."

BOSCHWITZ AMENDMENT NO. 2046

(Ordered to lie on the table.)

Mr. BOSCHWITZ submitted an amendment intended to be proposed by him to the bill S. 566, supra, as follows:

At the end of title X, add the following:

SEC. 10—. HOME OWNERSHIP THROUGH IRA DISTRIBUTIONS.

(a) IN GENERAL.—Paragraph (2) of section 72(t) of the Internal Revenue Code of 1986 (relating to exceptions to 10-percent additional tax on early distributions from qualified retirement plans) is amended—

(1) by striking "paragraphs (3) and (4)" and inserting "paragraphs (3), (4), and (6)(E)", and

(2) by adding at the end thereof the following new subparagraph:

"(E) DISTRIBUTION FROM INDIVIDUAL RETIREMENT PLAN FOR FIRST HOME PURCHASE.—A distribution from an individual retirement plan with respect to which the requirements of paragraph (6) are met."

(b) REQUIREMENTS APPLICABLE TO DISTRIBUTIONS.—Section 72(t) of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new paragraph:

"(6) REQUIREMENTS APPLICABLE TO FIRST HOME PURCHASE DISTRIBUTIONS.—For purposes of paragraph (2)(E)—

"(A) IN GENERAL.—The requirements of this paragraph are met with respect to a distribution if—

"(i) DOLLAR LIMIT.—The amount of the distribution does not exceed the excess (if any) of—

"(I) $10,000, over

"(II) the sum of the distributions to which paragraph (2)(E) previously applied with respect to the individual who is the owner of the individual retirement plan.

"(ii) USE OF DISTRIBUTION.—The distribution—

"(I) is made to or on behalf of a qualified first home purchaser,

"(II) is applied within 60 days of the date of distribution to the purchase or construction of a principal residence of such purchaser, and

"(III) is repaid as a contribution to the individual retirement plan as provided in section 408(d)(3)(a)(i) by the first home purchaser within 5 taxable years after the end of the taxable year in which such date of distribution occurs.

"(iii) LIMITATION ON ACQUISITION COST.—The cost of acquiring or constructing the principal residence described in clause (ii) does not exceed the amount determined by the Secretary to be 110 percent of the median home price for the geographic market in which such residence is located.

"(iv) ELIGIBLE PLANS.—The distribution is not made from an individual retirement plan which—

"(I) is an inherited individual retirement plan (within the meaning of section 408(d)(3)(C)(ii)), or

"(II) received at any time before such distribution a rollover contribution described in section 402(a)(5), 402(a)(7), 403(a)(4), or 403(b)(8).

"(B) QUALIFIED FIRST HOME PURCHASER.—

"(i) IN GENERAL.—For purposes of this paragraph, the term 'qualified first home purchaser' means the individual who is the owner of the individual retirement plan (or the spouse, child, stepchild, or grandchild of the owner of such plan) if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence at any time during the 3-year period ending on the day before the date of the distribution.

"(ii) DETERMINATION OF RELATIONSHIPS.—Section 152(b)(2) shall apply in determining whether any of the relationships specified in clause (i) exists.

"(C) SPECIAL RULE WHERE DELAY IN ACQUISITION.—If any distribution from an individual retirement plan fails to meet the requirements of subparagraph (A) solely by reason of a delay or cancellation of the purchase or construction of the residence, the amount of the distribution may be contributed to such individual retirement plan as provided in section 408(d)(3)(A)(i).

"(D) TREATMENT OF CERTAIN CONTRIBUTIONS.—In the case of any contribution described in subparagraph (A)(ii)(III) or (C)—

"(i) section 408(d)(3)(B) shall not be applied in such contribution, and

"(ii) such amount shall not be taken into account—

"(I) in determining whether section 408(d)(3)(A)(i) applies to any other amount, or

"(II) for purposes of subclause (II) of subparagraph (A)(i).

"(E) PENALTY IMPOSED IN CASE OF NONREPAYMENT.—If any portion of the distribution is not repaid as required under subparagraph (A)(ii)(III), the taxpayer's tax for the 1st taxable year following the period of repayment described in such subparagraph shall be increased by an amount equal to 10 percent of the portion of the distribution repayment remaining unpaid.

"(F) PRINCIPAL RESIDENCE.—For purposes of this paragraph, the term 'principal residence' has the meaning given such term by section 1034.

"(G) OWNER.—For purposes of this paragraph, the term 'owner' means, with respect to any individual retirement plan, the individual with respect to whom such plan was established."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 1990.

CRANSTON AMENDMENT NO. 2047

Mr. CRANSTON proposed an amendment to the bill S. 566, supra, as follows:

Page 483, strike line 6 through line 15 and insert the following:

"(b) AUTHORIZATION TO PROVIDE ASSISTANCE.—The Secretary is authorized to provide assistance in the form of grants to adapt eligible housing for the elderly so that such housing better accommodates the physical requirements and service needs of eligible residents. The Secretary may determine the amount of individual grants that can be used for meals and supportive services. Assistance under this section shall be made available only to owners that demonstrate, to the satisfaction of the Secretary, that the assistance is necessary for the provision of qualifying supportive services that will receive long-term support from sources other than this Act.".

Page 490, strike line 8 through line 25 and insert the following:

"(1) ESTABLISHMENT OF PROFESSIONAL ASSESSMENT COMMITTEE.—(A) Each owner shall establish a professional assessment committee composed of at least three persons, each of whom, is a qualified medical professional or other health or social services professional competent to appraise the functional abilities of frail elderly persons in relation to the performance of daily living.".

Page 491, normal activities line 19, insert the following new sentence: The Secretary may set a ceiling for the total fees paid by residents.".

Page 492, after line 2, insert the following new subsection:

"(g) MEAL SERVICES.—Supportive services assisted under this section may include meal service. Meal service shall adequately meet at least one-third of the daily nutritional needs of eligible project residents as follows:

"(1) FOOD STAMPS AND AGRICULTURAL COMMODITIES.—In the event meal services are provided as part of a service program under this section.

"Such program—

"(A) shall—

"(i) apply for approval as a retail food store under section 9 of the Food Stamp Act of 1977 (42 U.S.C. 2018); and

"(ii) if approved under such section, accept coupons (as defined in section 3(e) of such Act) as payment from individuals to whom such meal services are provided; and

"(B) shall request, and use to provide such meal services, agricultural commodities made available without charge by the Secretary of Agriculture.

"(2) PREFERENCE FOR NUTRITIONAL PROVIDERS.—In contracting for or otherwise providing for meal services under this paragraph, each supportive services program shall give preference to any provider of meal services who—

"(A) receives assistance under title III of the Older Americans Act of 1965; or

"(B) has experience, according to standards as the Secretary shall require, in providing meal services in a housing project under the Congregate Housing Services Act of 1978 or any other program for supportive services.

"(h) MINIMUM REQUIREMENTS FOR MEALS AND SUPPORTIVE SERVICES.—Meals and supportive services provided under this section must meet such requirements for quality and individuals' rights as are published or developed by the Secretary. The Secretary shall consult with the Secretary of the Department of Health and Human Services in developing such requirements. Such requirements shall include a process for receiving and responding to resident's appeals.".

Page 492, strike line 3 and insert the following:

"(i) REPORTS.—".

Page 492, strike line 9 through line 15 and insert the following:

"(2) ANNUAL REPORT TO THE CONGRESS.—The Secretary shall submit to Congress, not less than annually for each fiscal year for which assistance is provided for supportive services under this section, a report containing the following information:

"(A) A statement of the number of eligible residents served under such programs and the types of services provided to such resident.

"(B) A statement of the percentage of the total number of residents in each project receiving assistance under this section that received supportive services.

"(C) A statement of the number of deinstitutionalized individuals served under programs.

"(D) A statement of any new resources for providing services that have been developed on the State or local level.

"(E) The cost to States and projects of providing services.

"(F) A description of how effective the services are at meeting the needs of project residents, local governments and housing sponsors, and State governments.

"(G) A statement of the total amount of fees for supportive services collected from residents in eligible projects assisted under this section.

"(H) A description of the reasons for termination of services provided to eligible project residents.

"(I) A statement of the number of persons who previously received supportive services under a supportive services program assisted under this section who have since been institutionalized.

"(J) A description of the manner in which supportive services were provided in eligible housing projects located in the poorest areas (with respect to median area income) and that were the most isolated (with respect to access to services) in each State.

"(K) Any other information that the Secretary concerned considers helpful to the Congress in evaluation of the effectiveness of this section.

"(J) STUDY COMPARING THE TWO APPROACHES TO SERVICES TO THE ELDERLY UNDER THIS TITLE.—The Secretary shall provide a study comparing the two approaches to services to the elderly under this title. Such a study should acquire data both before and after the intervention of services and follow the effectiveness of congregate versus scattered site services provision over a period of at least 2 years. Included in the study should be at least—

"(1) the relative costs of the two services approaches;

"(2) the quality of the services and their effectiveness in promoting independence;

"(3) the satisfaction of participants in the program; and

"(4) the relative success in meeting other objectives, such as preservation or marketing troubled projects."

Page 492, strike line 16 and insert the following:

"(k) RESERVE FUND.—The Secretary may reserve not".

Page 492, strike line 22 and insert the following:

"(1) MISCELLANEOUS PROVISIONS.—".

Page 493, strike line 25 and insert the following:

"(m) DEFINITIONS.—For the purpose of this section—".

Page 496, line 17, strike the term "and".

Page 496, line 17, insert before the semicolon the following: "and (F) personal emergency response systems."

At the appropriate place, insert the following new section:

SEC. . HOUSING ASSISTANCE TO PREVENT UNNECESSARY FOSTER CARE PLACEMENT.

(a) UNITED STATES HOUSING ACTS.—

(1) OF 1937.—Section 3(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)) is amended by adding at the end thereof the following new sentence: "The temporary absence of a child from the home due to placement in foster care shall not be considered in considering family composition and family size.".

(2) OF 1949.—Section 501(b)(3) of the Housing Act of 1949 (42 U.S.C. 1471(a)(3)) is amended by adding at the end thereof the following new sentence: "The temporary absence of a child from the home due to placement in foster care shall not be considered in considering family composition and family size.".

HATFIELD AMENDMENT NO. 2048

Mr. HATFIELD proposed an amendment to the bill S. 566, supra, as follows:

At the appropriate place in the bill, add the following:

SEC. . EXEMPTION FROM DAVIS-BACON ACT REQUIREMENTS OF VOLUNTEERS UNDER HOUSING PROGRAMS.

(a) COMMUNITY DEVELOPMENT BLOCK GRANT.—Section 110 of the Housing and Community Development Act of 1974 (42 U.S.C. 5310) is amended—

(1) by inserting "(a)" after "SEC. 110."; and

(2) by adding at the end the following new subsection:

"(b) Subsection (a) and the provisions of the Davis-Bacon Act shall not apply to any volunteer laborers or mechanics engaged in any construction, rehabilitation, or maintenance financed in whole or in part with assistance received under this title.".

(b) PUBLIC HOUSING AND SECTION 8 ASSISTANCE.—Section 12 of the United States Housing Act of 1937 (42 U.S.C. 1437j) is amended—

(1) by inserting "(a)" after "SEC. 12."; and

(2) by adding at the end the following new subsection:

"(b) Subsection (a), the provisions relating to wages (pursuant to subsection (a)) in any contract for loans, contributions, sale, or lease pursuant to this Act, and the provisions of the Davis-Bacon Act shall not apply to any volunteer laborers or mechanics engaged in any construction, rehabilitation, or maintenance of any lower income housing project under any such contract.".

On page 477, line 14, strike "may" and insert "shall".

WIRTH AMENDMENT NO. 2049

Mr. WIRTH proposed an amendment to the bill S. 566, supra, as follows:

In the appropriate place, insert the following:

Report to Congress. Before the end of the 60-day period beginning on the date of the enactment of the National Affordable Housing Act the Department of Housing and Urban Development shall submit to the Congress a report containing a description of the strategy and action plan developed to assist in the disposition of foreclosed properties in the HUD stock, paying particular attention to those properties which have been in the HUD inventory for more than 12 months. HUD will solicit recommendations from State and local governments,

nonprofit organizations, housing finance authorities, and community housing development organizations in its preparation of the report.

The report shall contain, without limitations, provisions regarding mechanism to facilitate units of local government, nonprofit organizations, housing finance authorities, and community housing development organizations efforts to work with eligible families to purchase these homes. The report shall also include, without limitation, recommendations for innovative approaches for (i) evaluation of the rehabilitation costs of the properties necessary to achieve the minimum standards, (ii) involving non-Federal entities in the sale and rehabilitation of the properties and (iii) providing the means to make the older stock readily attainable.

Further, the report shall also include, without limitation, proposals directed toward very-low income, low-income and moderate-income families, who seek to be first time homebuyers, and the assistance the aforementioned entities may provide to foster purchase.

MOYNIHAN AMENDMENT NO. 2050

Mr. MOYNIHAN proposed an amendment to the bill S. 566, supra, as follows:

On page 600, between lines 5 and 6, insert the following:

(d) REPORT.—

(1) IN GENERAL.—Within 180 days after the date of enactment of this Act, the Secretary shall transmit to the Congress a report on the operation and efficiency of the Buffalo Municipal Housing Authority ("the Authority"), using, among other criteria, the performance indicators listed in section 6(j)(1) of the United States Housing Act of 1937, and giving special attention to the Authority's desegregation program and to the vacancy rate.

(2) SPECIFIC RECOMMENDATIONS.—For purposes of the report required by paragraph (1), the Secretary may specifically determine whether to—

(A) petition for the appointment of a receiver for the Authority under the provision of section 6(j)(3) of the United States Housing Act of 1937, or

(B) reduce operating subsidies for the Authority under the provision of section 9 of the United States Housing Act of 1937.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate, Wednesday, June 20, 1990, at 1:30 p.m. to conduct a hearing on S. 814, a bill to provide for the minting and circulation of $1 coins.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC FORCES AND NUCLEAR DETERRENCE

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Forces and Nuclear Deterrence of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, June 20, 1990, at 2 p.m. to receive testimony of the strategic defense initiative in review of S. 2171 the DOD Authorization Act for fiscal year 1991.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on June 20, 1990, at 10 a.m. to hold a meeting on the President's decision to renew most-favored-nation [MFN] trade status to China.

The PRESIDING OFFICER. Without objection, it is so ordered.

FULL COMMITTEE OF THE COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. CRANSTON. Mr. President, I ask unanimous consent that the full committee of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., June 20, 1990 for a business meeting to conduct calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on June 20 at 9:30 a.m., and 2 p.m. and on June 21 at 9:30 a.m. and 2:30 p.m., to hold a business meeting on the 1990 farm bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TOXIC SUBSTANCES, ENVIRONMENTAL OVERSIGHT, RESEARCH AND DEVELOPMENT

Mr. CRANSTON. Mr. President, I ask unanimous consent that the subcommittee on Toxic Substances, Environmental Oversight, Research and Development, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Wednesday, June 20, beginning at 10 a.m., to conduct a hearing to consider environmental issues relating to Avtex Fibers, Inc., in Front Royal, VA.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERMANENT SUBCOMMITTEE ON INVESTIGATION

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, June 20, 1990, to hold a hearing on health care costs and revenue recovery firms.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, June 20, 1990, at 9:30 a.m., to hold a hearing on violence against women.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MANPOWER AND PERSONNEL

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Subcommittee on Manpower and Personnel of the Committee on Armed Services be authorized to meet in open session on Wednesday, June 20, 1990, at 9:30 a.m., to receive testimony on involuntary separation pay and other compensation and transition benefit proposals in review of S. 2171, the Department of Defense Authorization Act for fiscal year 1991; and S. 2663 a bill to provide increased and special benefits to individuals involuntarily separated from the Armed Forces.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate, Wednesday, June 20, 1990, at 10 a.m., to conduct an oversight hearing to examine financial service developments in Europe, Canada, and Japan in the context of considering measures to modernize America's financial services industry.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS SUBCOMMITTEE

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Communications Subcommittee, on the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on June 20, 1990, at 9 a.m. on S. 1974, the Television Decoder Circuitory Act of 1989.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Merchant Marine Subcommittee, of the Committee on Commerce, Science and Transportation, be authorized to meet during the session of the Senate on June 20, 1990, at 2 p.m. on fiscal year 1991 Maritime Administration and Federal Maritime Commission authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

STOCK-INDEX JURISDICTION

● Mr. LEAHY. Mr. President, the Washington Post reported last week that the 19-member New York Stock Exchange panel on "Market Volatility and Investor Confidence," headed by General Motors Chairman Roger Smith, gave an unmistakable endorsement to efforts by the Securities and Exhange Commission to wrestle jurisdiction over stock-index futures away from the Commodity Futures Trading Commission. I have two comments on this:

First, if true, it would be no surprise. Stock-index futures are a rich catch; the New York stock exchanges and securities brokerage firms would love to get their hands on the hundreds of millions of dollars in annual fees associated with this business in Chicago. The contest is as predictable as two cities fighting over an NFL expansion franchise, or State politicians fighting over the location of interstate highway exits.

But second, and more important, the statement is wrong.

The stock exchange's panel rejected a key premise underlying the SEC's jurisdiction claim. After a 6-month, in-depth study, the panel found no evidence that shifting jurisdiction will prevent another crash in the stock market.

According the the stock exchange:

The panel found that market fluctuations are inevitable; there is no way to prevent major news events or changes in market sentiment from moving markets sometimes by significant amounts. However, markets seem well-equipped to handle such moves.

The panel did recommend that a single regulator should be responsible for stocks and derivative instruments—not necesarily the SEC—but it emphasized that this step was designed solely to improve investor perceptions of stability, not to prevent future stock crashes. "The panel found no evidence that a single regulator would affect volatility," the stock exchange said, "but a majority of the panel believes that the consolidation of regulatory authority would improve investor confidence."

Certainly, the panel's report does not favor of stripping jurisdiction away from the Commodity Futures Trading Commission in a way that would weaken regulation of other markets. Nor did the panel suggest a critical need for action. "[T]he markets are essentially sound and stable," Roger Smith explained on releasing the report. "One of the panel's principal findings was the inaccurate information concerning trading practices and strategies has helped create mistrust of activities that are, in fact, inevitable and desirable features of the modern financial markets," he said.

I congratulate Roger Smith on the excellent work of his panel. Every Senator who is still undecided in the debate on stock-index futures jurisdiction should read this report to see just how weak the administration's case really is.

In contrast to the New York Stock Exchange's carefully balanced conclusions, the New York Times last week printed an interview with SEC Chairman Richard Breeden where Mr. Breeden repeated the very argument rejected by the stock exchange panel: that stock-index futures cause stock market crashes. This time, Chairman Breeden argued that "vast differences of leverage" existed between stock-index futures and securities and that this was a principal cause of financial risk during the October 1987 and 1989 market breaks. Breeden stated that he, as SEC Chairman, would never permit this situation.

The simple fact is that leverage on SEC-regulated securities-option markets generally is far greater than that on CFTC-regulated stock-index futures, and the SEC has done nothing to stop it.

As recently as last Thursday, June 14, 1990, a speculator could buy an SEC-regulated option on the Standard & Poor 100 index to sell 34,550 dollars' worth of stock for $118.75 or one-third of 1 percent of the value of the underlying stock. That is 99⅔ percent leverage. By contrast, traders on the CFTC-regulated stock-index futures markets must post margins of about 11 percent for speculators or 5 percent for maintenance and commercial hedgers.

Even at their lowest levels prior to the 1987 and 1989 crashes, speculative futures margins never approached the 99-plus-percent leverage available to SEC-regulated option traders.

Even more disturbing, the SEC-regulated Chicago Board Options Exchange rules set on mimimum margins for specialists or marketmakers. Rather, CBOE rule 12.3 allows marketmakers to carry positions on any margin basis acceptable to their clearing firms.

This loose provision may have seriously worsened the October 13, 1989, crash. The SEC's own report on that event shows that CBOE marketmakers were major sellers of futures contracts during the periods of sharpest downward volatility that day—perhaps as a result of inadequate CBOE margin rules. During 3 critical 10-minute periods, CBOE marketmakers represented 14.24 percent, 18.47 percent, and 17.82 percent of the selling pressure. The CBOE itself was forced to halt trading in SEC regulated options at 3:16 p.m. and never reopened that day.

If Chairman Breeden is so convinced that high leverage is a central risk to market stability, why has he not insisted that CBOE change these rules? Why did the SEC not examine these rules in its report on the October 13, 1989 crash?

The plain fact is that no study to date by the SEC, the Federal Reserve Board, or anyone else has found that margin levels cause stock market crashes.

The SEC and the Department of the Treasury have been talking for months about the supposed need to transfer jurisdiction to the SEC. I welcome the opportunity to debate their proposal on the Senate floor where I am confident that the arguments against its passage will be compelling. Let's stop the delays and vote the proposal up or down.

Mr. President, I ask to have printed in the RECORD a summary of the report of the New York Stock Exchange panel on "Market Volatility and Investor Confidence," and an interview with SEC Chairman Richard Breeden from the June 12, 1990, New York Times.

The summary follows:

PANEL RECOMMENDS INITIATIVES AIMED AT REDUCING VOLATILITY, ENHANCING INVESTOR CONFIDENCE

FINDINGS REFLECT CONSENSUS OF BROAD RANGE OF MARKET PARTICIPANTS

NEW YORK, June 12.—The Market Volatility and Investor Confidence Panel today released the results of its six-month, broad-based study of sharp movements in stock prices and their effect on investors' confidence in the market.

The panel's recommendations and findings were announced by panel chairman Roger B. Smith, chairman and CEO of General Motors, and New York Stock Exchange chairman and CEO John J. Phelan Jr.

The recommendations involve establishing coordinated circuit-breakers across markets; easing restrictions on stock buy-backs and hedging by market-makers; educating the public about program trading; introducing new products to protect individual investors; improving surveillance for intermarket trading abuses; and consolidating market regulation.

MARKETS ARE ESSENTIALLY SOUND, BUT THERE IS ROOM FOR IMPROVEMENT

"After six months of extensive deliberations and consultation with experts in business, government and academia, we found that the markets are essentially stable and sound, and that they are not "tilted" against the individual investor. There is, however, ample room for improvement, particularly in increasing public understanding of markets and how they have changed in recent years," said Mr. Smith.

He continued, "One of the panel's principal findings was that inaccurate information concerning trading practices and strategies has helped create mistrust of activities that are, in fact, inevitable and desirable features of the operation of modern financial markets.

"While our recommendations will not guarantee an end to stock market volatility, we believe that they will provide some promise of reducing it. More importantly, they are likely to improve investor confidence in U.S. equity and equity derivative markets."

Mr. Smith noted that there was not unanimous agreement on all the recommenda-

tions, but said, "The panel agreed to resolve what disputes there were in favor of what's best for the markets, rather than individual interests."

REPORT REFLECTS BROAD SPECTRUM OF PARTICIPANTS

"Roger Smith and the other members of the panel have put an enormous amount of time and effort into this report, and I thank them for their extraordinary work," said Mr. Phelan. "The objectivity and thoroughness of the report reflects the broad spectrum of participants who contributed to it, including representatives of the individual and institutional investor communities, listed companies, NYSE member firms and stock and futures exchanges."

"The panel has given the NYSE board of directors and the Exchange's management a wide range of initiatives to review. Their report will be the foundation of much discussion in the coming months among all those interested in the future of U.S. securities markets," said Mr. Phelan.

"Financial markets have undergone a sea of change in the last 20 years. Many portfolio managers have adopted new techniques, taking advantage of high-speed communications and computer systems. Program trading is one of a number of such activities," added Mr. Phelan. "These strategies, however, must be properly balanced with other market interests. The panel's report is a major step toward ensuring that balance."

EIGHT RECOMMENDATIONS OUTLINED

The recommendations include:

Coordinated, mandatory circuit breakers should be established across all domestic markets to halt trading in times of market stress. Trading would be halted for one hour if the Dow Jones Industrial Average moves up or down 100 points from the previous day's close. If the DJIA moved 200 points from the previous day's close, trading would halt for 90 minutes, 300 points, 120 minutes; and 400 points, 120 minutes.

To enhance liquidity in times of market stress, the SEC should ease existing constraints on the ability of corporations to repurchase their own common stock.

Other steps should be considered to increase liquidity, such as removing obstacles that interfere with the ability of market makers to hedge their positions, encouraging the use of limit orders and improving credit arrangements on bank holidays.

The exchanges and market professionals should work with the media to educate the public on program trading, index arbitrage and program trading's exclusion from the uptick rule.

New products should be developed to enable individual investors to protect themselves from the extremes of intraday price swings. Such products would guarantee order execution at an average price over the day, in response to investors' concern about their ability to get "fair price execution."

The exchanges and their regulators should strive to improve their capabilities to detect intermarket trading abuses. In particular, this would involve improving the quality of the audit trails of all markets.

Regulatory authority over the U.S. equity and equity derivative markets should be consolidated under one federal agency. The panel found no evidence that a single regulator would affect volatility, but a majority of the panel believes that the consolidation of regulatory authority would improve investor confidence.

While recognizing that margins for securities should be higher than on broad-based equity index futures, a majority of the panel believes margin requirements for U.S. equity and equity derivative instruments should be set by the exchanges with government oversight consolidated in one federal agency.

MARKETS REMAIN EFFECTIVE FOR RAISING CAPITAL, MANAGING WEALTH

The panel found that U.S. financial markets have changed in fundamental ways during the past 20 years, but are not less effective as tools for raising capital or managing wealth. Key changes include the rise of institutional investing, the development of index derivative products and the increased trading of portfolios of stocks.

Between 1950 and 1988, total assets of domestic institutional investors rose from $89.6 billion to $3.776 trillion. In 1950, 10 percent of institutional assets were in equities, compared with 30 percent in 1988.

Among private pension funds alone, equity assets grew from 10 percent of NYSE market value in 1970 to over 20 percent in 1988, reflecting the fact that millions of individuals now participate in the stock market largely indirectly, through institutions.

Although there are no exact statistics on the extent of indexing, analysts estimate that between $200 billion and $300 billion—or about 30 percent—of institutional assets are held in portfolios that replicate or mirror a market index.

MARKETS ARE WELL-EQUIPPED TO HANDLE FLUCTUATIONS

The panel found that market fluctuations are inevitable; there is no way to prevent major news events or changes in market sentiment from moving markets, sometimes by significant amounts. However, markets seem well-equipped to handle such moves.

It also determined that standard measures of volatility do not suggest that U.S. equity market volatility has increased, but that several days with big price changes—most notably in October 1987 and more recently in October 1989—have generated concern among investors.

In general, the panel found that equity market volatility and program trading are not the primary concern of individual investors, who are more concerned about whether today's markets are operated fairly and honestly. However, the belief that program trading has diminished the fairness of markets reduces investor confidence.

As it reviewed trading strategies, the panel determined that arbitrage is a natural feature of the linkage between the equity and equity derivative markets and is not, in itself, undesirable. In addition, the U.S. equity and equity derivative markets are linked to markets in the rest of the world, making the consequences of restricting trading practices less predictable than in the past.

CRITERIA FOR RECOMMENDATIONS OUTLINED

The panel used three criteria in making its recommendations: that the initiatives should decrease market volatility and/or increase investor confidence without altering the fundamental free market character of U.S. equity markets; that they should maintain or improve the global competitiveness of U.S. financial markets; and that they should protect and enhance the ability of businesses to raise equity capital and provide an effective, fair and efficient place for investors.

Mr. Phelan said the NYSE's board of directors would review the report and consider the panel's recommendations.●

WHITE HOUSE CONFERENCE ON AGING

● Mr. D'AMATO. Mr. President, I rise today to cosponsor Senate Concurrent Resolution 134 calling for a White House Conference on Aging in America. I am pleased to join my colleague from Pennsylvania, Senator HEINZ, in supporting this effort to address the growing array of concerns facing our Nation's elderly population.

In December 1987, the President was authorized to call for a White House Conference on Aging in 1991. The time has come to begin preparations for this important event. This conference will provide an arena in which representatives of the Federal, State and local governments, public and private organizations, experts in the field of aging, and especially older persons themselves, can engage in a nonpartisan dialog on both the contributions and the problems of the elderly.

As our Nation's elderly population grows in the coming years, issues of health, housing, income security, and social services will become increasingly important—and increasingly complex. This conference can help us to better understand these difficult issues, and to develop more effective strategies for maintaining and improving the general welfare of the elderly population.

I encourage my colleagues to join me in supporting this important resolution, and in calling for immediate action on the 1991 White House Conference.●

INCAE

Mr. GRAHAM. Mr. President, the parable of "Teaching a Man to Fish" rather than feeding him fish has never been more relevant. I am impressed with the benefits of Congress' small investment in one of Central America's leading business institutions. INCAE [the Central American Institute of Business Administration], is a multinational, private, nonprofit graduate and management school dedicated to teaching, research, and technical assistance in Latin America. As an advocate for free enterprise as at least one solution to our emerging democracies in the developing world, I recommend increased attention to economic assistance which will teach interested small business men and women simple business skills. Having been recognized by leaders throughout Central America as an important force behind the economic and social improvements in the region, INCAE should be encouraged to continue its mission.

I stress to my congressional colleagues how such a small investment in an institution like INCAE gives us a major return on our investment for years to come. INCAE's role is to enhance business expertise and governmental managerial skills; both are es-

sential to future stable economic leadership. On the macrolevel, INCAE is strengthening Central America's competitive position in a world economy, building bridges between government, the private sector, and other interests. On the microlevel, INCAE is working with interested business men and women to assist them in building small and medium size companies; at the same time INCAE is working with various governments to upgrade management skills.

The need to build cooperative efforts in the region is critical and INCAE is playing a key role in that regard.

The Central American situation has never before required more urgent attention. With increasing competition in world markets, Central America's fragile economies based on traditional products such a bananas and coffee are threatened. Central America's economies require new strategies The region's new but fragile democracies have the ability to survive, but are directly dependent upon the ability to advance on economic fronts. The economic future of Central America is a real and meaningful challenge to all of us.

Continued structural adjustment is required if we are to develop the required changes. In the fragile democracies to our south, success is a function of people understanding the process, having confidence in government to manage it, and being able to track plans against results. Emphasis on improving competition with each of our Central American neighbors means finding flexible market niches, developing nontraditional exports, and building new and cooperative efforts to strengthening struggling economies. Resources are scarce but desperately needed for economic growth of the region.

I am concerned that our focus on this region may be fading. It is apparent that international focus has shifted to the business, economic and dramatic social changes taking place in the Soviet Union and Eastern Europe. This change has been exciting for all of us. But, we should not shift our focus from our neighbors in Central America.

I hope all of you will support INCAE and its efforts to improve the economies of Central America. Training business students today will guarantee economic and social stability for Central America tomorrow.●

CAPE MAY MUSIC FESTIVAL

● Mr. LAUTENBERG. Mr. President, the Cape May Music Festival which has brightened Cape May since June 2 will be coming to a close June 24. Sponsored by the Mid Atlantic Center for the Arts, in association with the Cape May Institute, the festival has been made possible in part by the New Jersey State Council on the Arts/Department of State. Concerts have been performed at various Cape May locations.

The idea of the festival was developed in 1988 by residents interested in promoting their historic town as a cultural location. Their purpose was to increase the national year-round visibility of Cape May as a cultural environment, as well as encouraging increased tourism.

The New York Chamber Ensemble, which performs original concerts in Alice Tully Hall at Lincoln Center has been featured in this season's festival. The ensemble is a collaboration of two of America's finest chamber music groups; the Chester String Quartet and the Hexagon Piano and Wind Sextet. Also featured in the festival is the Composers of Guild of New Jersey. The guild is among the most prominent American groups fostering the acceptance of new music by American composers.

The festival has enhanced the cultural quality of life in southern New Jersey and promoted the charm of this historic Victorian town. A jewel of the New Jersey shore for tourism and arts, this season's music festival helps to establish this historic resort town as a year-round cultural destination for visitors and vacationers.

As Cape May celebrates this significent cultural event, I congratulate all those who made this successful summer music festival possible.●

CAMPAIGN REFORM

● Mr. DANFORTH. Mr. President, the issue of campaign reform is an important piece of unfinished business for the 101st Congress. I have stated many times my belief that the fundamental problem with political campaigns today concerns the role of television advertising in our political process. Most voters receive the bulk of their information about political candidates from television in the form of 30-second commercials, and most candidates spend the bulk of their campaign funds to buy these ads.

Unfortunately, it is difficult to convey anything of substance in 30 seconds. It is, however, the perfect amount of time for launching an attack on one's opponent. The 30-second attack ad has become the be-all and end-all of political campaigns. Having the right TV consultant and the right amount of TV time for 30-second attack ads can determine the outcome of a campaign. Political campaigns have become battles of media consultants devising negative commercials.

We must take steps to discourage the use of negative television commercials. I have offered a proposal to promote greater candidate accountability for campaign advertisements, as well as a proposal to encourage the running of longer television spots in which candidates could spend more time discussing substantive issues.

Today, however, I would like to focus on the third of my proposals for campaign reform—reducing the cost of television air time for candidates. The skyrocketing cost of television air time is forcing Senate candidates to devote as such as 60 percent of their funds for television alone. The costs of running the insidious, yet essential, 30-second commercials distort the campaign process. They require candidates to spend more and more time raising money, leaving less time devoted to the issues that affect the direction we will take as a country.

Under the Communications Act, political candidates are entitled to the "lowest unit charge" for broadcast time. This provision was enacted almost 20 years ago to help control the burgeoning cost of political campaigns by ensuring that candidates receive all discounts afforded commercial advertisers. Over time, however, a loophole has developed in the lowest unit charge provision which some broadcasters have used to charge candidates rates several times higher than those charged to commercial advertisers. Using this loophole, some broadcasters have established different rates for nonpreemptible advertising spots, which are purchased primarily by candidates, and preemptible spots, which commercial advertisers usually purchase.

The Federal Communications Commission recently issued a notice of apparent liability against an Indianapolis television station for using this loophole to overcharge political candidates for broadcast time. According to the FCC, the station offered commercial advertisers three classes of rates for spots: An immediately preemptible rate, a preemptible with 7 days notice rate, and a nonpreemptible fixed rate. Candidates, on the other hand, were offered only two classes of time: an immediately preemptible rate significantly lower than the immediately preemptible rate offered to commercial advertisers, and a nonpreemptible fixed rate, which was the same rate as the preemptible with notice rate offered to commercial advertisers.

Mr. President, the rates offered by the television station to candidates might appear more favorable than the rates offered to commercial advertisers. The FCC said, however, that the effect of this rate structure was to force candidates to purchase more expensive fixed rate time while commercial advertisers purchased less expensive preemptible time. The system worked this way: Preemptible spots purchases by candidates were unlikely to run because they would have been preempted or "bumped" by spots

bought by commercial advertisers at their preemptible rate. Commercial advertisers' preemptible spots were unlikely to be bumped unless other advertisers were willing to pay even higher rates. Therefore, for candidates to have the same assurance that their spots would be run that commercial advertisers had at preemptible rates, candidates were constrained to buy higher priced fixed time.

I commend the FCC for its vigilance in enforcing the lowest unit charge requirement of the Communications Act. Nevertheless, this case demonstrates that the existing statute is flawed and must be reformed. So long as broadcasting stations may discriminate between different classes of time, there is the opportunity for abuse. To guarantee that political candidates are actually charged no more than commercial advertisers, candidates must be able to buy nonpreemptible spots at the lowest unit rate offered to commercial advertisers, without regard to such classifications as preemptible and nonpreemptible.

The Senate Commerce Committee has reported legislation that amends the Communications Act to accomplish this reform. It is a simple bill that makes only a few changes in the existing statute to ensure that the lowest unit charge provision of the Communications Act achieves its original intent of providing candidates with the lowest advertising rates offered to commercial advertisers. I believe that it is the single most important reform the Senate can undertake if it is serious about controlling the cost of campaigns.

Mr. President, I ask that the full text of the FCC's notice of apparent liability appear at this point in the RECORD.

The text of the notice follows:

FEDERAL COMMUNICATIONS COMMISSION,
Washington, DC, April 25, 1990.

Re Atlin Communications, Inc. Former Licensee of WXIN(TV) Indianapolis, IN.

DAVID E. HENDERSON,
President, Outlet Communications, Inc., Providence, RI.

DEAR MR. HENDERSON: This letter constitutes a Notice of Apparent Liability for a forfeiture pursuant to Section 503(b) of the Communications Act of 1934, as amended [47 U.S.C. Section 503(b)], under authority delegated to the Chief of the Mass Media Bureau by Section 0.283 of the Commission's rules (47 C.F.R. Section 0.283). The Video Services Division recently granted the application of Atlin Communications, Inc., for assignment of WXIN's license to Chase Broadcasting of Indianapolis, Inc. (BALCT-891006KE). The assignment was granted, subject to the condition that Atlin and Outlet Communications, Inc., Atlin's parent corporation, comply, jointly and severally, with any action taken by this Commission pursuant to this investigation.

On April 24, 1989, the Commission initiated an inquiry concerning WXIN's sale of time to political candidates during the 1988 elections. The inquiry was based on remarks made by your then-General Sales Manager, Raymond Hunt, which were quoted in the April/May issue of INTV Journal. Because those remarks appeared to be inconsistent with the "Lowest unit charge" requirement of Section 315(b) of the Communications Act [47 U.S.C. Section 315(b)] and Section 73.1940(b) of our rules [47 C.F.R. Section 73.1940(b)], we asked for WXIN's comments regarding its compliance with the requirement. We also requested WXIN's political file.

We received WXIN's response and its political file, including the 1988 rate cards, on May 30, 1989. WXIN explained that it offered two diferent classes of time to political candidates, non-preemptible "Fixed Rate" and immediately preemptible "Lowest Unit Rate," and that WXIN arrived at these political rates by using the normal rate card, available to commercial advertisers, as a basis. WXIN further stated that most of the candidates requested fixed rate spots to ensure that their announcements were broadcast. Mr. Hunt, in his affidavit which was submitted with the response, stated that WXIN sold political advertising in accordance with the law and that he was "quoted out of context" in the *INTV Journal* article. WXIN also attested that it handled political advertising in a proper manner, except for a few instances. WXIN explained that a review of the station's political file indicated that some candidates were "inadvertently charged more than the lowest prevailing rate" for certain programs. According to WXIN, all of the listed political broadcasts were non-preemptible fixed position spots which aired within the 60-day period preceding the November 8, 1988, election. Specifically, WXIN listed the following eight political announcements and explained that the overcharges were being refunded to the candidates:

Candidate and date of advertisement	Time of broadcast	Length: seconds	Rate charged	Lowest unit charge	Excess refunded
John Muntz:					
10/22/88 SA	10 pm—11 pm	30	$575	$500	$75
10/22/88 SA	11 pm—12:30 am.	30	350	300	50
10/23/88 SU	9 am—12 noon.	30	270	230	40
10/30/88 SU	9 am—12 noon.	60	540	460	80
11/06/88 SU	9 am—12 noon.	60	540	460	80
Total gross refund to John Mutz.					325
Evan Bayh:					
10/30/88 SU	7 pm—10:30 pm.	30	$1,000	$725	$275
10/29/88 SA	7 pm—8 pm	30	1,025	1,000	25
11/05/88 SA	7 pm—8 pm	30	1,025	1,000	25
Total gross refund to Evan Bayh.					$325

ON August 30, 1989, WXIN responded to our further inquiry dated July 25, 1989. WXIN included the commercial invoices which we requested and a statement by Mr. Hunt concerning the discrepancies appearing on WXIN fourth quarter 1988 Political Rate Card.

Section 315(b) of the Act provides:

(b) The charges made for the use of any broadcasting station by any person who is a legally qualified candidate for any public office in connection with his campaign for nomination for election, or election, to such office shall not exceed—

(1) during the forty-five days preceding the date of a primary or primary runoff election and during the sixty days preceding the date of a general or special election in which such person is a candidate, the lowest unit charge of the station for the same class and amount of time for the same period; and

(2) at any other time, the charges made for comparable use of such station by other users thereof.

See also 47 C.F.R. Section 73.1940(b). "Lowest unit charge" means the lowest advertising rate offered or sold by the station for a particular *class, amount of time* and *period* or program. It also means that a candidate is entitled to all discount privileges offered by the station to commercial advertisers, including any volume discount offered even if the candidate buys only one spot. When a candidate buys advertising time outside the pre-election periods, the charges may not exceed those made for comparable use of the station by other advertisers. Additionally, Section 73.1940(c) of the rules [47 C.F.R. Section 73.1940(c)] states in part: In making time available to candidates for public office, no licensee shall make any discrimination between candidates in practices, regulations, facilities, or services for or in connection with the service rendered pursuant to this part, or make or give any preference to any candidate for public office or subject any such candidate to any prejudice or disadvantage. . . .

The Commission's review of WXIN's responses, the contents of WXIN's political file, and the additional documents it has provided reveal 14 apparent violations of Section 315(b) of the Act and Section 73.1940 of the rules in that WXIN failed to afford legally qualified candidates the station's lowest unit charge or charged some candidates more for the same use of the station than other candidates for the same class and length of spot in the same period of time [Section 73.1940(b)]. In addition to the eight lowest unit charge violations which WXIN acknowledges in its response, it appears that WXIN overcharged candidates on six other occasions, four involving the lowest unit charge provision and two involving the Commission's rule against discrimination [Section 73.1940(c)].

The additional four apparent violations involving the lowest unit charge provision occurred during the 45-day period before the May 3, 1989, primary. Your political file indicates that John Mutz, Republican candidate for Governor, purchased announcements in excess of the lowest unit charge, as follows:

CANDIDATE JOHN MUTZ

Date of advertisement	Time of broadcast	Length: seconds	Rate charged	Lowest unit charge	Excess charged
4/25/88 MO	8 pm—10 pm	30	$425	$375	$50
4/27/88 WE	8 pm—10 pm	30	425	375	50
4/28/88 TH	8 pm—10 pm	30	425	375	50
5/03/88 TU	8 pm—10 pm	60	850	750	100
Overcharges to John Mutz.					250

The lowest rate sold by WXIN for a 30-second non-preemptible fixed rate announcement during the Monday through Friday WXIN 8 O'Clock Movie was apparently $375. It appears from the above excerpt that Mr. Mutz was not afforded the lowest unit charge for three 30-second announcements and one 60-second announcement (two times the 30-second rate), in vio-

lation of Section 315(b) of the Act and Section 73.1940(b) of the rules.

The two apparent violations of the no-discrimination rule occurred before the 60-day pre-election period and thus, the lowest unit charge provision does not apply. The political file indicates that Mr. Bayh, the Democratic candidate for governor, was charged more than his Republican opponent, Mr. Mutz, for the same class, length and period of time on the following two occasions:

Candidate	Date of advertisement	Time of broadcast	Length: seconds	Rate charged	Excess charged
John Mutz	8/29/88 MO	9 pm—11 pm.	30	$270	0
	9/02/88 FR	9 pm—11 pm.	30	270	0
Evan Bayh	8/29/88 MO	9 pm—11 pm.	30	325	$55
	9/02/88 FR	9 pm—11 pm.	30	325	55
Overcharges to Evan Bayh.					110

The purpose of this rule against discrimination is to afford competing candidates equal treatment in the use of broadcast facilities, including practices related to the availability and purchase of advertisements. By affording Mr. Mutz a lower advertising rate than Mr. Bayh for the same 30-second non-preemptible announcements during the same program, it appears that WXIN discriminated against Mr. Bayh in a manner that clearly could cause "prejudice or disadvantage," in violation of Section 73.1940(c) of the rules. *See Midnight Sun Broadcasters, Inc.*, 40 RR 2d 660 (B/c Bur. 1977); *WPRY Radio Broadcasters, Inc.*, 40 FCC 2d 1183, 1193 (1973).

Regarding your statement that the eight overcharges discovered by the station were being refunded to the candidates, a licensee's intent to make restitution for lowest unit charge violations has not dissuaded the Commission from imposing forfeitures. *KAYS, Inc.*, 43 FCC 2d 1183 (1973); *De La Hunt Broadcasting Corp.*, 51 RR 2d 1189 (1982). The Commission has clearly stated that corrective action subsequent to notification of a possible violation does not relieve a licensee of its liability. *See Executive Broadcasting Corporation*, 3 FCC 2d 699 (1966). Here, WXIN's refunds to the political candidates overcharged were made only after a Commission inquiry had begun. The lowest unit charge provision was intended to permit wider use of broadcasting stations by candidates for public office by decreasing the cost of air time. Charging more than the lowest unit charge and making restitution after election day does not remedy the harm done to the candidates.

To summarize, it appears that WXIN charged candidates for public office more than the lowest unit charge on 12 occasions and discriminated against a candidate on 2 occasions during the 1988 primary and general election seasons. As indicated by information in WXIN's responses and refund letters, it appears that the station has refunded the eight overcharges it discovered, a gross amount of $650 worth of overcharges for political spot time. An examination of the six additional apparent violations reveals that WXIN has made additional overcharges of $360 ($250 to John Mutz and $110 to Evan Bayh).

You are directed to take appropriate action to rebate all such overcharges to the affected candidates, if you have not already done so. You are requested to advise the Commission within twenty (20) days of the date of this letter of the actions you have taken in this regard.

As stated above, we have reviewed WXIN's Political and Commercial Rate Cards for the fourth quarter of 1988, and the commercial invoices WXIN submitted. The commercial advertisers were apparently offered three classes of rates for spots, an immediately preemptible, a preemptible with seven days notice, and a non-preemptible fixed rate, whereas candidates were offered only two classes, an immediately preemptible rate, significantly lower than the immediately preemptible rate offered to commercial advertisers, and a non-preemptible fixed rate which, except for three programs, was the same rate as the preemptible with notice rate offered to commercial advertisers. We believe that your adherence to the political rate card constitutes a violation of the lowest unit provision of Section 315(b) of the Act and Section 73.1940(b) of the rules. That provision entitles candidates to all discount privileges, including the right to buy all classes or categories of preemptible spots (e.g., preemptible spots with notice, immediately preemptible spots, and run of schedule spots), which the broadcaster offers to commercial advertisers. *Hernstadt v. FCC*, 677 F.2d 893 (D.C. Cir. 1981); *see also Public Notice on Lowest Unit Charge*, 4 FCC Red 3823 (1988); *WHDH, Inc.*, 23 FCC 2d 763 (1967). Specifically, the violation results from your failure to include on the political rate card the higher, immediately preemptible rate that was offered to commercial advertisers. If candidates had purchased the preemptible spots available to them at the published political rate, such spots were not likely to run, since they would have been preempted or "bumped" by the higher preemptible rates offered to commercial advertisers. Although candidates are entitled to these preemptible spots which are more likely to run, WXIN's political rate card apparently constrained candidates to purchase fixed time at higher rates in order to have the assurance of running that commercial advertisers had at lower preemptible rates. The information you submitted indicates that WXIN sold over 350 political spots to four legally qualified candidates and one major party committee during the time the Political Rate Card was in effect (October 3 to November 8, 1988) and in all instances, political spots ran only at the fixed rates. An analysis of the information you submitted regarding commercial advertisers indicates that they apparently ran at the preemptible rates. Thus, it appears that WXIN willfully circumvented Section 315(b) of the Act and Section 73.1940(b) of the rules during that period of time.

Based on the foregoing, it appears that WXIN willfully and repeatedly violated Section 315(b) of the Communications Act and Section 73.1940 of the Commission's rules by overcharging candidates on the 14 occasions cited and by failing to make available to candidates all discount privileges for all classes of spots otherwise offered to commercial advertisers. Accordingly, pursuant to Section 503(b) of the Communications Act, you are hereby advised of your apparent liability for a forfeiture of ten thousand dollars ($10,000) for your apparent violations of 47 U.S.C. Section 315(b) and 47 C.F.R. Section 73.1940 in the manner and on the dates described above. The amount specified was reached after consideration of the factors set forth in 47 U.S.C. Section 503(b)(2).

In regard to this forfeiture proceeding, you may take any of the actions set forth in Section 1.80 of the Commission's rules (47 C.F.R. Section 1.80), as summarized in the attachment to this letter. Any comments relating to your ability to pay should include financial items as set forth in the attachment.

Federal Communications Commission.

ROY STEWART,
Chief, Mass Media Bureau.●

RUSSELL KENNY: NATIONAL MULTIPLE SCLEROSIS SOCIETY'S RECIPIENT OF THE NATIONAL FATHER OF THE YEAR AWARD

● Mr. LAUTENBERG. Mr. President, on June 28, Russell Kenny of Columbus, NJ, will be honored by the White House as the National Multiple Sclerosis Society's Father of the Year. Fatherhood is one of the most fulfilling roles in a man's life; all of the joys and hardships involved in parenthood are well known to most of us. When a parent is suddenly confronted with a handicap or disease, however, a new dimension is added to an already daunting challenge.

Mr. President, at the age of 31, Mr. Kenny, a teacher, livestock farmer, husband, and father, discovered he had MS. He realized that his life as the father of two children, Russell and Stephanie, would never be the same. Instead of succumbing to depression, Mr. Kenny refused to allow the disease to ruin his life. He and his wife Ann explained to their children that "life doesn't end just because you have a problem."

Kenny was determined to live his life with as little interruption as possible. Although physically restricted, Kenny continues to involve himself in the lives of his children and the day-to-day operations of the family farm. Kenny's illness has brought the family even closer. Today, both children are active advocates for the rights of the disabled.

As well as being a positive influence within his own family, Kenny has also touched the lives of many other children. As a teacher of agriculture and animal sciences at North Burlington High School in New Jersey, Kenny has brought MS awareness to his pupils through their penny-a-vote contests. In this program, students, along with other voters, pledge a penny per vote in the elections of their team representative to the Athletes versus MS All-Star Team. Winners receive trophies and meet famous athletes. Since 1983, Kenny and his students have raised close to $50,000 to fight multiple sclerosis.

Kenny further maintains his involvement in the community by bringing busloads of students and their families to the Super Cities Walk, and serving as adviser to the Future Farmers of America. In an effort to repay him for his years of dedication, the

FFA club raised money to purchase a scooter to help him move more easily around the school.

Already the recipient of numerous awards, Kenny was also nominated by his school to be an honorary National Honor Society member in 1989.

Mr. President, as the citizens of Columbus, members of the National Multiple Sclerosis Society, and President Bush gather June 28 to honor Russell Kenny, I join them, and all Americans, in recognizing this very special Father of the Year.●

CHANGING WORLD MARKETPLACE

● Mr. WARNER. Mr. President, amid continuing concerns about the ability of our Nation to compete in a rapidly changing world marketplace, I am delighted to draw the attention of my colleagues to an exciting new project that clearly demonstrates what can be accomplished through public and private sector cooperation.

My distinguished colleague, the chairman of the Senate Small Business Committee, Mr. BUMPERS, and I have been pleased to serve as cochairmen of the Unisphere 1990 Honorary Advisory Committee. Unisphere is a highly innovative program launched by the U.S. Small Business Administration in April a year ago to assist small minority and nonminority firms find overseas business opportunities in the areas of telecommunications, automatic data processing, and medical technology. U.S. firms were screened to insure that they had the innovative capacity, resources, and commitment to do international business. At the same time, contacts were established with foreign governments and firms in Europe, North Africa, the Middle East, India, and the Far East. International interest in Unisphere was quite strong. The world is well aware—even though we here in the United States may be slow to recognize it—that our high technology small business sector is extremely dynamic and resourceful.

Unisphere served as a vehicle to help U.S. and international firms identify joint ventures, teaming arrangements, licensing opportunities, product sales, and other ventures. I am pleased to report that through hard work and careful attention to vital detail, it worked.

Between April 20 and 25, 125 firms from the United States and abroad came together at an Exposition and Conference at the Crystal City Hyatt Regency in Arlington, VA. Unisphere coordinators had put many of these firms in touch with each other prior to the event, so that representatives of these firms arrived on the scene with a definite business agenda. The costs of this effort were shared by SBA, the participants and a number of private sector sponsors including the Commonwealth of Virginia, Amerind; Chi Associates; Ernst & Young; Maden-Tech; Mitchell Systems; Network Solutions; Oppenheimer, Wolff & Donnelly; QSOFT; Sovran Bank; and U.S. Sprint. It is also significant that the U.S. Commerce Department provided effective program support in a number of vital areas through its Foreign and Commercial Service and through the Minority Business Development Agency.

The results were indeed impressive. Three U.S. firms announced during the event that they had entered into agreements with international participants in Unisphere. One of these agreements can be cited to illustrate the benefits of this type of effort to U.S. trade. It involves a memorandum of understanding between two Virginia firms—Ventures Based Institute of Richmond and Security Dynamics of Williamsburg—and a West German firm, Elekluft. Under this agreement, Elekluft plans to market an innovative security software product developed by the United States firms to the West German market. It is my understanding that numerous additional transactions are now being negotiated among other Unisphere participants.

The practical orientation and results of this kind are most impressive. We in the United States have spent far too much time decrying our competitiveness problems, and far too little identifying practical strategies for capitalizing on our considerable economic strengths—especially those in the small business sector.

Unisphere 1990 is a practical example of what can and should be done to expand U.S. trade. The sad fact is that far too few U.S. small businesses are actively involved in—or even considering—the international market. Many simply assume that their expansion and growth can come from our large home market. But in an increasingly integrated world marketplace—especially in high tech where competition can come from almost anywhere—this is a seriously flawed assumption that must be corrected.

Senator BUMPERS and I join in an enthusiastic commendation of the SBA for its innovative efforts to address this important problem through Unisphere 1990. In particular we would like to express our appreciation to the two individuals at SBA who were directly responsible for the development and coordination of this program: Mitchell Crusto, Associate Deputy Administrator for Finance, Investment and Procurement; Erline Patrick, SBA's Associate Administrator for Minority Small Business and Capital Ownership Development; and Delmas Johnson, Director of the Office of Management and Technical Assistance. We salute their diligence and imagination in developing an innovative new approach that worked. We also commend Ken Bolton, Director of the Minority Business Development Agency, and Susan Schwab, Director General of the US&FC at Commerce, for the support their agencies provided. Finally, we would like to pay tribute to the private sector leaders who contributed so much to Unisphere's success: Unisphere's project director, Allen Paul; John Marshall of Network Solutions, who chaired the project steering committee; and Bob Kolodney of Klimek, Kolodney and Castle who chaired the program committee.

Unisphere is a practical example of what can and should be done on an ongoing basis to assist our small firms compete internationally. I would encourage the Small Business Administration and the Commerce Department to continue and expand this practical program.

America can compete more effectively—especially if we approach this vital challenge with a sense of cooperation and determination to capitalize on the considerable strengths of our small business sector.●

REFERRAL OF A BILL—H.R. 2567

Mr. CRANSTON. Mr. President, I ask unanimous consent that Calendar No. 638, H.R. 2567, the Reclamation Projects Authorization and Adjustments Act of 1990 be referred to the Senate Committee on Energy and Natural Resources.

The PRESIDING OFFICER. Without objection, it is so ordered.

CHANGE IN CONFEREES—S. 2240

Mr. CRANSTON. Mr. President, I ask unanimous consent Senator DURENBERGER replace Senator COATS as a conferee to S. 2240, the Ryan White AIDS Prevention Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 94-201, appoints Juris K. Ubans, of Maine, to the Board of Trustees of the American Folklife Center, vice Dr. Marta Weigle, resigned.

ORDERS FOR TOMORROW

RECESS UNTIL 9 A.M.; RESERVATION OF LEADER TIME; RESERVATION OF TIME FOR MR. BOREN; MORNING BUSINESS

Mr. CRANSTON. Mr. President, I ask unanimous consent that when the Senate recesses today, it stand in recess until 9 a.m. tomorrow; that the time for the two leaders be reserved for their use later in the day; that Senator BOREN be recognized for up to 15 minutes to speak in morning business; and that following Senator BOREN, there be a period for morning business until 9:30 a.m., with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9 A.M. TOMORROW

Mr. CRANSTON. Mr. President, if there be no further business, I now ask unanimous consent the Senate stand in recess under the previous order until 9 a.m., Thursday, June 21.

There being no objection, the Senate, at 6:32 p.m., recessed until Thursday, June 21, 1990, at 9 a.m.

HOUSE OF REPRESENTATIVES—*Wednesday, June 20, 1990*

The House met at 10 a.m.

Rev. Dr. B. Ross Morrison, First Baptist Church of Wheaton, Wheaton, MD, offered the following prayer:

Eternal God, in these early moments of this day we pause to thank You for the many Members of the House of Representatives, for their staff and for their families as together they bear the day-to-day burdens of office. As they commit their considerable skills to the common good of the people, grant them wisdom, strength, and patience for the many decisions to be made. Almighty God, continue to guide that the events of this legislative body might bring to the 1990's a decade of fulfillment and hope. Give resolute mind and spirit that the final results might reflect Your favor and to the best of human effort meet the needs of society.

In Your holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. McEWEN. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. McEWEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 281, nays 121, not voting 30, as follows:

[Roll No. 183]

YEAS—281

Ackerman	Berman	Byron
Anderson	Bevill	Callahan
Andrews	Bilbray	Campbell (CO)
Annunzio	Bonior	Carper
Anthony	Borski	Carr
Applegate	Bosco	Chapman
Archer	Boucher	Clarke
Aspin	Boxer	Clement
Atkins	Brennan	Coleman (TX)
Bartlett	Brooks	Collins
Bateman	Broomfield	Combest
Bates	Browder	Condit
Beilenson	Brown (CA)	Conte
Bennett	Bruce	Cooper
Costello	Kennedy	Rinaldo
Coyne	Kennelly	Ritter
Darden	Kildee	Robinson
Davis	Kleczka	Roe
de la Garza	Kolter	Rose
DeFazio	Kostmayer	Rostenkowski
Dellums	LaFalce	Roth
Derrick	Lancaster	Rowland (CT)
Dicks	Lantos	Rowland (GA)
Dingell	Laughlin	Roybal
Donnelly	Leath (TX)	Russo
Dorgan (ND)	Lehman (CA)	Sabo
Downey	Lehman (FL)	Saiki
Durbin	Lent	Sangmeister
Dwyer	Levin (MI)	Sarpalius
Dymally	Levine (CA)	Savage
Early	Lewis (GA)	Sawyer
Eckart	Lipinski	Scheuer
Edwards (CA)	Livingston	Schiff
Emerson	Lloyd	Schneider
English	Long	Schulze
Erdreich	Lowey (NY)	Schumer
Espy	Luken, Thomas	Sharp
Evans	Manton	Shaw
Fascell	Markey	Shumway
Fazio	Martinez	Shuster
Feighan	Matsui	Sisisky
Fish	Mavroules	Skaggs
Flake	Mazzoli	Skeen
Flippo	McCloskey	Skelton
Foglietta	McCrery	Slattery
Ford (MI)	McCurdy	Slaughter (NY)
Ford (TN)	McDade	Smith (FL)
Frank	McDermott	Smith (IA)
Frost	McEwen	Smith (NE)
Gaydos	McMillen (MD)	Smith (NJ)
Gejdenson	McNulty	Smith (VT)
Gephardt	Mfume	Solarz
Geren	Miller (CA)	Spence
Gibbons	Mineta	Spratt
Gillmor	Moakley	Staggers
Gilman	Mollohan	Stallings
Glickman	Montgomery	Stark
Gonzalez	Moody	Stenholm
Gordon	Morrison (WA)	Stokes
Gradison	Mrazek	Studds
Grant	Murtha	Swift
Gray	Myers	Synar
Green	Nagle	Tallon
Guarini	Natcher	Tanner
Gunderson	Neal (MA)	Tauzin
Hall (OH)	Nowak	Taylor
Hamilton	Oakar	Thomas (GA)
Hammerschmidt	Oberstar	Torres
Harris	Obey	Torricelli
Hatcher	Olin	Towns
Hayes (IL)	Ortiz	Traficant
Hayes (LA)	Owens (UT)	Traxler
Hefner	Packard	Udall
Hertel	Pallone	Unsoeld
Hoagland	Panetta	Valentine
Hochbrueckner	Parker	Vander Jagt
Horton	Patterson	Vento
Houghton	Payne (VA)	Visclosky
Hoyer	Pease	Volkmer
Hubbard	Pelosi	Walgren
Huckaby	Penny	Walsh
Hughes	Perkins	Watkins
Hutto	Petri	Waxman
Jenkins	Pickett	Weiss
Johnson (CT)	Pickle	Weldon
Johnson (SD)	Porter	Wheat
Johnston	Poshard	Whitten
Jones (GA)	Price	Wise
Jones (NC)	Pursell	Wolpe
Jontz	Quillen	Wyden
Kanjorski	Rahall	Wylie
Kaptur	Ravenel	Yates
Kasich	Ray	Yatron
Kastenmeier	Richardson	

NAYS—121

Armey	Barton	Bilirakis
Baker	Bentley	Bliley
Ballenger	Bereuter	Boehlert
Brown (CO)	Holloway	Ridge
Buechner	Hopkins	Roberts
Bunning	Hunter	Rogers
Burton	Hyde	Rohrabacher
Campbell (CA)	Inhofe	Ros-Lehtinen
Chandler	Ireland	Roukema
Clay	Jacobs	Saxton
Clinger	James	Schaefer
Coble	Kolbe	Schroeder
Coleman (MO)	Kyl	Schuette
Coughlin	Lagomarsino	Sensenbrenner
Courter	Leach (IA)	Shays
Cox	Lewis (CA)	Sikorski
Craig	Lewis (FL)	Slaughter (VA)
Crane	Lightfoot	Smith (TX)
Dannemeyer	Lowery (CA)	Smith, Denny (OR)
DeLay	Lukens, Donald	Smith, Robert (NH)
DeWine	Machtley	Smith, Robert (OR)
Dickinson	Madigan	Snowe
Dornan (CA)	Marlenee	Solomon
Douglas	Martin (IL)	Stangeland
Dreier	Martin (NY)	Stearns
Duncan	McCandless	Stump
Fawell	McCollum	Sundquist
Fields	McGrath	Tauke
Gallegly	Meyers	Thomas (CA)
Gallo	Michel	Thomas (WY)
Gekas	Miller (OH)	Upton
Gingrich	Miller (WA)	Walker
Goodling	Molinari	Weber
Goss	Moorhead	Whittaker
Grandy	Morella	Wolf
Hancock	Murphy	Young (AK)
Hansen	Oxley	Young (FL)
Hastert	Parris	
Hefley	Pashayan	
Henry	Paxon	
Herger	Regula	
Hiler	Rhodes	

NOT VOTING—30

Alexander	Dyson	Nelson
AuCoin	Edwards (OK)	Nielson
Barnard	Engel	Owens (NY)
Boggs	Frenzel	Payne (NJ)
Bryant	Hall (TX)	Rangel
Bustamante	Hawkins	Serrano
Cardin	McHugh	Vucanovich
Conyers	McMillan (NC)	Washington
Crockett	Morrison (CT)	Williams
Dixon	Neal (NC)	Wilson

□ 1023

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Chair will recognize the gentleman from Indiana [Mr. HILER] to lead us in the Pledge of Allegiance.

Mr. HILER led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate having proceeded to reconsider the bill (H.R. 2364) entitled "An Act to amend the Rail Passenger

Service Act to authorize appropriations for the National Railroad Passenger Corporation, and for other purposes," returned by the President of the United States with his objections, to the House of Representatives, in which it originated, and passed by the House of Representatives on reconsideration of the same, it was resolved that the said bill do not pass, two-thirds of the Senators present not having voted in the affirmative.

The message also announced that the Senate had passed a bill and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 670. An act to recognize the organization known as the Retired Enlisted Association, Inc.;

S.J. Res. 248. Joint resolution to designate the month of September 1990 as "International Visitors' Month";

S.J. Res. 256. Joint resolution to designate the week of October 7, 1990, through October 13, 1990, as "Mental Illness Awareness Week";

S.J. Res. 278. Joint resolution designating July 19, 1990, as "Flight Attendant Safety Professionals' Day";

S.J. Res. 281. Joint resolution to designate September 13, 1990, as "National D.A.R.E. Day";

S.J. Res. 285. Joint resolution to designate the period commencing September 9, 1990, and ending on September 15, 1990, as "National Historically Black Colleges Week";

S.J. Res. 289. Joint resolution to designate October 1990 as "Polish American Heritage Month";

S.J. Res. 290. Joint resolution to designate the week of July 22, 1990, through July 28, 1990, as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War";

S.J. Res. 296. Joint resolution designating August 7, 1990, as "National Neighborhood Crime Watch Day";

S.J. Res. 299. Joint resolution to designate the period October 1, 1990, through October 1, 1991, as the "Year of the Wetlands";

S.J. Res. 300. Joint resolution to designate September 1990 as "Jewish Community Center Month";

S.J. Res. 301. Joint resolution designating October 1990 as "National Breast Cancer Awareness Month";

S.J. Res. 304. Joint resolution to designate October 17, 1990, as "National Drug-Free Schools and Communities Education and Awareness Day";

S.J. Res. 308. Joint resolution to designate the month of June 1990, as "National Huntington's Disease Awareness Month";

S.J. Res. 312. Joint resolution designating the week of November 12, 1990, through November 18, 1990, as "National Critical Care Awareness Week";

S.J. Res. 316. Joint resolution to designate the second Sunday in October of 1990 as "National Children's Day";

S.J. Res. 317. Joint resolution to designate the week of October 14, 1990, through October 20, 1990, as "National Radon Action Week";

S.J. Res. 320. Joint resolution designating July 2, 1990, as "National Literacy Day";

S.J. Res. 321. Joint resolution to designate the week of August 19 through 25, 1990, as "National Agricultural Research Week";

S.J. Res. 331. Joint resolution to designate the week of September 23 through 29, 1990, as "Religious Freedom Week"; and

S.J. Res. 333. Joint resolution to designate the week of September 30, 1990, through October 6, 1990, as "National Job Skills Week".

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mrs. UNSOELD). The Chair will take 10 Members on each side for 1-minute speeches.

THE REVEREND B. ROSS MORRISON

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, I am extremely pleased that Rev. B. Ross Morrison, pastor of the First Baptist Church of Wheaton, MD, in my district, was able to conduct this morning's opening prayer. I am very pleased to have Reverend Morrison with us, not only because he is an articulate, caring, and inspiring man, but also because this year marks a very important time in his life.

Reverend Morrison will soon be retiring after 40 years, four decades, of service as the founding pastor of the First Baptist Church of Wheaton, MD. During these years, Reverend Morrison has succeeded in building a thriving, close-knit parish counting more than 850 area members. With the help and support of his wife, Louise, Reverend Morrison has been an active community and civic leader, lending his time and efforts to many area causes. In the early 1950's, he initiated the daily opening prayer at the Montgomery County Council meetings, a tradition he has carried out to this day.

Reverend Morrison, a proud father and grandfather, will be dearly missed by his parishioners. Those of us in Montgomery County who have come to know him hope that he will continue in his civic activities.

We wish the Reverend the very best as he embarks on this new stage in his life. We thank him for coming to conduct today's opening prayer.

You know, there are four pleasures to be enjoyed in life by great men and great women, the pleasures of learning, loving, creating, and serving. Reverend Morrison has made these pleasures operate in his life. We wish him well.

QUESTIONS ABOUT THE S&L CRISIS

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Madam Speaker, this morning's newspaper has the following story, and let me read it verbatim:

A former savings and loan regulator testified under oath yesterday that officials in Washington ordered him to wait for two months in 1988—until after Election Day—before closing a failing Colorado thrift where President Bush's son Neil had been a director.

Mr. Mowbray, who was subpoenaed to testify by the committee after he refused to appear voluntarily, said he cannot remember who at the federal thrift regulatory agency in Washington placed the telephone call giving the order.

Mr. Mowbray submitted a formal recommendation that Silverado be placed into receivership one day after George Bush was elected president, and the thrift was seized by federal regulators on Dec. 9, 1988.

One question is asked by this article. There are 10,000 questions about fraud and misdeeds and waste and abuse in the S&L industry. The question we ask is why no action is taken by the Justice Department to investigate? Are they afraid to investigate this sort of thing? We are talking about hundreds of billions of dollars of American taxpayers' money wasted and thousands and thousands of cases of fraud in this country. We want action. We do not want foot dragging to continue at the Justice Department.

□ 1030

ANOTHER DOSE OF REALITY IN THE DISTRICT OF COLUMBIA

(Mr. PARRIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PARRIS. Madam Speaker, here we go again. This past Saturday we got yet another dose of reality and the need to protect ourselves from the policies of the government of the District of Columbia and its Department of Corrections.

Seven years ago, Donald Shelton was convicted of armed robbery and drug possession in the District of Columbia and was sentenced to 40 years in prison. In December, simply because the calendar said he was eligible for parole consideration, he was transferred to a community halfway house in the city. Despite the fact he was denied parole for cause in March of this year, he remained at the halfway house.

This past Friday, 7 years after being sentenced to 40 years in jail, and 3 months after being denied parole, this violent criminal was released on a weekend furlough to walk the streets. At 1 o'clock Saturday, Shelton, whom the District of Columbia considered not to be a threat to the community, walked into a Bethesda jewelry store brandishing a .38 revolver. In what I view to be an act of self-defense of life

and property, the storeowner shot and killed both Shelton and his accomplice.

Now, the ultimate irony is that Maryland is preferring charges against the storeowner. If the District would go after its criminals with the same fervor that Maryland shows in going after victims, then this entire metropolitan area would be a much safer place in which to live.

If an individual is sentenced to 40 years in prison, has just been denied parole, most intelligent and law abiding citizens in this Nation would naturally expect that that person would have been behind bars—not walking the streets of the Nation's Capital with a .38 revolver. But then again, this is the District of Columbia.

CRITICISMS OF S&L CRISIS HIT HOME

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Madam Speaker, I guess those of us who have been criticizing the President's handling of the S&L crisis have finally hit home and hit home hard.

For months our pleas to the President to take charge and start steering the rudderless S&L ship went unheeded. In fact, we have heard more from the President about broccoli than about the S&L crisis which is, after all, only the greatest financial debacle since the Great Depression, and all of a sudden yesterday the President's spokesperson acknowledged that, indeed, there was a problem. But he seems to think that the problem is that people would deign to criticize the President.

In this administration, of course, the fact that you criticize the administration and they get very upset with their thin skins is not surprising. If one supports the Bill of Rights, they will question your patriotism, and, now, if you question their leadership on the S&L cleanup, they question your integrity.

Madam Speaker, it is about time the White House stopped frantically lashing out at individuals and started talking about solutions. Today the administration will propose cutting entitlements like Social Security to pay for the burgeoning S&L mess. As the President knows, paying for the S&L mess from entitlements like Social Security, because of the S&L crisis, will cost him far more politically than the gain by ad hominem attacks.

It is about time the White House stopped the name calling, rolled up its sleeves and started working on a solution.

WELCOME TO NELSON MANDELA

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Madam Speaker, I would like to join in extending the welcome that New Yorkers will, in just a little while, with their ticker-tape parade for South African leader Nelson Mandela.

There is no doubt about the fact that this man has suffered for decades having been in prison in South Africa, and he clearly is a symbol for people throughout the world of those struggling for freedom and opportunity. He embarks on an eight-city tour throughout the United States, and he will be in Los Angeles in the not-too-distant future.

I very much join with other Americans in welcoming this individual who has been, as I say, a clear symbol to many people throughout the world.

WHITE HOUSE HAS FINALLY HIT THE TARGET

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI. Madam Speaker, the White House has finally hit the target. They have termed the S&L debacle the result of a decade of mismanagement and abuse. They could not be more right. But the problem with this target is that it is firmly pinned on George Bush's own back, because during that decade it was George Bush who headed the task force on financial services deregulation, while the S&L industry headed into insolvency.

He watched while Treasury Secretary Regan pushed for deregulation at any cost, while James Baker, as Treasury Secretary, dragged his feet for 5 years without offering a solution, while David Stockman, Director of OMB, blocked the hiring of badly needed S&L examiners.

Indeed, now we learn that it was that administration that asked that the Silverado S&L be kept open at a cost of millions of dollars to the taxpayers while George Bush's election stayed on track. All this from a President who now fails to prosecute those who stole the savings of the American people.

Madam Speaker, this President will learn a lesson: If you are engaging in exchange of fire, make sure you have got cover.

TIME FOR ACTION ON THE NOTCH ISSUE IS NOW

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Madam Speaker, last evening under a special order, some of our colleagues called attention to an issue that has been ignored for all too long, the notch issue. I compliment them on their coherent and articulate discussion of the issue.

We in the Government have an obligation to defend the rights of seniors who have devoted their lives to building this Nation. Seniors born in the notch years are no less deserving of our concern.

The time for Congress to act on the notch issue is now. In fact, it is long overdue. It is an issue everyone understands. It is an issue we must debate and schedule for a vote.

CONSERVATION PROVISIONS OF H.R. 3950

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Madam Speaker, last Wednesday the House Committee on Agriculture adopted a wide-ranging package of conservation and environmental protection measures as part of the 1990 farm bill we will bring to the House floor in July. I am proud to say this is probably the most forward looking and ambitious effort the committee has ever put forward to protect our natural resources in the history of farm legislation.

The 1985 farm bill initiated several programs to protect farm resources by curbing soil erosion, limiting the destruction of wetlands, and minimizing crop production on sensitive lands.

The Food and Agricultural Resources Act of 1990—the 1990 farm bill—builds upon the success of the 1985 act by strengthening and broadening agriculture's commitment to protect our natural heritage.

The provisions in our bill set reasonable standards for the protection of our valuable wetlands. USDA is directed to map agricultural wetlands to help farmers know what areas to protect. Producers are afforded the option of mitigating wetland losses by reestablishing wetlands of equal value to those affected by agriculture.

In addition, USDA is directed to weigh the effects of a wetland loss in penalizing farmers and authorized to reduce a portion of a producer's farm program benefits for inadvertent wetland coversions, rather than threatening a complete cutoff of support.

Our conservation proposal places a strong emphasis on the protection of ground water and surface water from possible pollution caused by agricultural practices. The committee package includes innovative incentive programs and long-term easement options to encourage farmers to protect water quality, wetlands, wildlife habitat, and

to voluntarily adopt environmentally sound farming practices.

We continue the very successful conservation reserve program and redirect its focus to the enrollment of environmentally sensititive lands.

In addition, we establish an innovative wetland and environmental easement program to promote the permanent protection of wetlands and other environmentally sensitive areas. A 2.5-million-acre National Agricultural Wetlands Reserve would serve as the foundation for a network of permanently protected wetlands nationwide.

We also establish an Office of Environmental Quality in USDA to monitor the impacts of agricultural programs on the environment and coordinate efforts to improve environmental quality.

This is a conservation and environmental package that is good for agriculture and good for the environment. It would not have been possible without the support of our Nation's leading agricultural and environmental organizations for its key provisions. I deeply appreciate their help and support in developing this final product.

Madam Speaker, I commend all my committee colleagues for their contributions to the development of this package of conservation and environmental measures during several intense weeks of negotiations.

This is sound and realistic legislation that Members of the House who share our concern about the environment and agriculture can strongly support.

BRING CONSTITUTIONAL AMENDMENT UP UNDER REGULAR ORDER

(Mr. SENSENBRENNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SENSENBRENNER. Madam Speaker, my Democratic friends have been accusing President Bush, Senator DOLE, the gentleman from Georgia [Mr. GINGRICH], and others who support a constitutional amendment to protect the flag from desecration of playing politics with the American flag. Well, what is happening in this House shows that the Democratic majority is playing politics with the serious business of amending the U.S. Constitution.

We are informed that notwithstanding the rules of the House the constitutional amendment regarding flag desecration will be coming up before us tomorrow. The constitutional amendment was not on the printed schedule announced by the Democratic majority last week. The committee report will not be ready until Friday, and the 3-day rule for layover of bills will not be adhered to, because all of these will be waived by the Committee on Rules.

Madam Speaker, it seems to me that if one wants to accuse one side of playing politics, they ought to keep their trousers and their skirts clean, and by bringing this matter up prematurely and waiving the rules of the House that are designed to give due deliberation to important measures coming before this House makes a mockery of the procedures that they adopted on the first day of the session when they adopted the House rules.

I would ask that this matter lay over and come up under the regular order next week. That way we would be doing justice to the rules of the House and not playing politics.

PLAYING POLITICS WITH THE COURTS OF THIS COUNTRY

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Madam Speaker, the Government said that Mayor Barry was not targeted, and he must be held accountable for his use of drugs. Madam Speaker, I am not here today defending Mayor Barry, but I say here today that if Mayor Barry, a powerful black mayor, was a friend of the Republican Party and the President, he would not be on trial today. He would have probably been appointed to the President's task force.

Let us tell it like it is. On the other hand, take Timothy Ryan, please, someone take Ryan. He admitted using cocaine, and the President put him in charge of the savings and loan bailout.

□ 1040

Well, look here, folks. The Russian comic said it the best. What a country. Jimmy Bakker and Zsa Zsa Gabor will do more jail time than all the Republicans busted in the Iran-Contra affair and the savings and loan ripoff. It doesn't pay to be a Democrat, and I am saying the Republicans are playing politics with the courts of this country.

QUESTIONS FOR MR. MANDELA

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Madam Speaker, when Nelson Mandela arrives in the United States today, he will receive a hero's welcome. Many of the accolades he will receive are well deserved. Much of what he has done I support.

However, there are many, many questions that need to be answered by Mr. Mandela for America and the entire world.

For instance, why Mr. Mandela, have you embraced Yasser Arafat when the PLO continues to engage in terrorism?

Why, Mr. Mandela, did you call Fidel Castro a tower of strength for human rights when he was recently condemned by the U.N. Human Rights Commission?

Why, Mr. Mandela, did you call Mu'ammar Qadhafi a comrade in arms? When most world leaders consider him a terrorist?

Why, Mr. Mandela, are you still calling for nationalization when communism and socialism have been completely discredited throughout the world?

And why, Mr. Mandela, will you not renounce the use of violence?

These questions need to be answered Mr. Mandela, for South Africa, America, and the world.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mrs. UNSOELD). The Chair will remind all Members that they should address the Chair in 1-minutes and not other persons.

FLAG AMENDMENT NOT A MATTER OF POLITICS, BUT A MATTER OF NATIONAL HONOR

(Mr. VOLKMER asked and was given permission to address the House of 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Madam Speaker, I want to urge my colleagues who are opposed to a flag burning amendment to think for a moment about the citizens we represent, those Americans who honor the flag and who want to preserve its dignity.

Think about those American veterans who shed their blood in battles around the world for the freedoms represented by our flag.

Think, too, about those servicemen and women who came back from battle, but with Old Glory draped over their coffins.

Think for a moment about thousands of immigrants who come to America every year, who leave their family, their friends, everything behind them, just so they can live and work and worship under the star spangled banner.

And last, but certainly not least, think for a moment about the patriotic, dedicated Americans, including those in my Missouri district, who revere and honor the flag because they know that it is the right thing to do.

It is not a matter of politics. It is a matter of national honor. We need to vote in favor of the constitutional amendment to protect the flag.

FAA MUST MEET ITS RESPONSIBILITIES

(Mr. LEWIS of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Florida. Madam Speaker, yesterday I received the National Transportation Safety Board's safety recommendations relating to the July 19, 1989, crash of the United Airlines DC-10 in Sioux City that killed 112 people.

A crack in an engine fan that started from what the NTSB said was of detectable size for almost 20 years caused that crash. The NTSB concluded all inspection technologies utilized to detect such cracks were inadequate.

In other words, the accident was preventable, the crack should have been detected for 20 years, and current procedures to detect other such cracks are insufficient.

The FAA's response to all this is they will study the NTSB's findings and recommendations. That is not acceptable.

I have written the Administrator of the Federal Aviation Administration urging him to enact the NTSB proposals now.

We passed legislation out of this House to give FAA the tools to do their job, and that is to protect America's flying public. The FAA has again revealed its inability to implement change. I urge you to help me in getting the FAA to meet its responsibilities.

CONSTITUTION IS WORTHY OF PROTECTION

(Mr. FLAKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FLAKE. Madam Speaker, today we come when once again the hysteria about the flag is being created throughout this land. I believe that every American understands what the flag stands for, understands that it is the greatest symbol of freedom in the whole universe. But I do not think that one's litmus test about the flag or its suggestion of whether one is in favor of our democracy, one's loyalty to this country, ought to be measured on the basis of whether or not they accept the flag amendment or whether they protect the rights of the Constitution.

The flag is indeed a worthy symbol, worthy of protection, but the Constitution is more so, because it represents the principles on which this Nation is built, the principles on which this Nation stands.

Madam Speaker, I would advise Members not to tamper with the Constitution.

SAVINGS AND LOAN INVESTIGATION MUST BE BIPARTISAN

(Mr. SMITH of Vermont asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Vermont. Madam Speaker, as I sat and listened to the remarks this morning, I detected an aroma, and it is not the sweet smell of success. It is a far less attractive odor of demagoguery on an issue that is going to affect every man, woman, and child in this country, and that issue is the S&L crisis, bailout, and scandal.

Madam Speaker, there is plenty of blame for everybody on this issue. The people outside our beltway do not want to see Democrats trying to succeed at the expense of Republicans, or Republicans at the expense of Democrats, or the Congress at the expense of the administration, or the administration at the expense of the Congress. They want to get the record straight. They want the crooks who broke the law to go to jail, whether they held office here, whether they were staff members here, whether they were members of the administration or of former administrations.

I have introduced House Resolution 407 to help set that record straight, and over 200 Members have now signed it. The resolution asks for a special prosecutor to investigate congressional and Federal involvement in the S&L scandal—to get that kind of a fair process and accounting for the people of this country.

The resolution must do two things: One, it must be bipartisan, and it is; and two, it must and would, include this Congress so that the public has an investigation they can trust that covers all branches of publicly appointed and elected officials in the Government.

LEGISLATION TO CREATE A FINANCIAL SERVICES CRIME DIVISION IN JUSTICE DEPARTMENT

(Mr. KLECZKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLECZKA. Madam Speaker, last year, when the administration forwarded its savings and loan recovery bill to Congress, President Bush said: never again.

It now looks like we've arrived in Never-Never land.

Treasury Secretary Brady told the House Banking Committee last week that the $50 billion the administration requested and that Congress provided last year was not enough.

The administration now says we will need closer to $130 billion.

Before Congress authorizes another nickel to clean up this mess, we must make sure that those who helped create it are brought to justice.

I am today introducing, along with 15 Members of this House, legislation to create a financial services crime division within the Department of Justice.

Headed by an Assistant Attorney General, this division would spearhead and coordinate all financial institution investigations.

The bill authorizes the establishment of necessary field offices, to be known as Financial Services Crime Strike Forces.

Finally, the measure requires coordination of antifraud efforts among the Federal regulatory agencies and sets detailed reporting requirements to the Congress.

The administration's response to the savings and loan crisis thus far has been relatively simple: "Just add more money."

We have to do better.

When it comes to those in the financial industry who broke the law, we must have a new response: "Lock them up."

PROPOSED AMENDMENT TO THE CONSTITUTION REQUIRING A BALANCED FEDERAL BUDGET

(Mr. SLAUGHTER of Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLAUGHTER of Virginia. Madam Speaker, I am supporting a proposed constitutional amendment to require the Congress to maintain a balanced Federal budget. As an original cosponsor of the balanced budget amendment and a signer of the discharge petition, I am pleased that yesterday the petition gained its 218th signature, thereby forcing the proposed amendment to the House floor for a vote.

Like most Americans, I believe budget deficit reduction should be one of the highest priorities of the Congress. The Congress has demonstrated its unwillingness to deal effectively with the deficit, thereby adding to the national debt and creating a burden for our economy and future generations. A balanced budget amendment would require Congress to operate like responsibile families and businesses. That is, Congress would not spend more than we can afford without being accountable for the spending. I urge my colleagues to support the balanced budget amendment.

□ 1050

IS FLAG WRAPPING HURTING OUR CHILDREN?

(Mr. WISE asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. WISE. Madam Speaker, tomorrow I will vote on the flag amendment. The vote is scheduled and I will do what I have to do.

But while the White House is urging a flag amendment I would rather be voting on this: Exactly 1 ounce of baby cereal.

Rising food prices across the Nation have meant cutbacks in the Women's, Infants, and Children's Program. In West Virginia alone, 2,000 children will be terminated from the program. Some States have eliminated all cheese vouchers for young children, others are cutting back the cereal allotment to less than 1 ounce a day, exactly what is in this bag in my hand.

To everyone who has an infant, would you limit your young son or daughter to what is in this bag a day? If you do not have enough infant cereal, then what, feed them crackers?

One-third of the children in this Nation qualify for these vital nutritional supplements. This is the emergency, that our nutritionally disadvantaged kids are to exist with these types of meager rations.

But after the flag amendment is voted on tomorrow, thousands of our children will still be hungry. The White House has not made this a priority and has not rushed an appropriation request.

Madam Speaker, I have to say that flag burning is offensive, but even more, is flag wrapping hurting our children?

KEEPING THE S&L CRISIS IN PERSPECTIVE

(Mr. WALKER asked and was given permission to address the house for 1 minute.)

Mr. WALKER. Madam Speaker, I hope we can keep the matter of the S&L crisis in perspective, and to try to keep it in perspective I offer a couple of minor limericks.

There once was a Democrat named Jim
Who had an election to win.
He said, what the hell
Let's loot an S&L
And blame the GOP for the sin.

There once was a Democrat named Tony
Who needed some quick campaign money
He said, what the hell
Let's loot an S&L
And the country won't know that it's phony.

There once was a Democratic named Freddy
His chairmanship made him quite heady
He said, what the hell
Let's loot an S&L
I've got their credit card always ready.

OHIO BEARS UNFAIR SHARE OF S&L BAILOUT BURDEN

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Madam Speaker, I would like to go on record this morning in defense of the taxpayers of my State of Ohio. They are being asked to bear too great a share of the Bush savings and loan bailout.

Our citizens are being asked to take millions of their tax dollars to pay for collapsing institutions in other parts of the country. In fact, last year Ohio was just 1 of 17 States with a positive net income for its thrift industry in that year. Our assessments are higher and we are being asked to bear the brunt of collapse in other parts of this country.

I would like to place on the record also that there are over 8,000 bank fraud cases pending at the U.S. attorneys' offices or local FBI offices across this country. Over half of these are major bank fraud cases, and they are not being prosecuted because of a lack of adequate investigatory resources and prosecutors in our own Justice Department.

In 1989 the Justice Department filled only half of the job slots for FBI agents, less than half of the slots for assistant U.S. attorneys. Is it any wonder that the people of my State are being asked to pay for what our own Justice Department is not doing in terms of prosecutions?

It is not the Congress' job to prosecute the thrift crooks. That is up to the Attorney General and the Justice Department. Why do they not get on with the job?

PUSHING FOR A QUICK VOTE ON THE FLAG AMENDMENT

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Madam Speaker, I served for 10 years on the Veterans' Affairs Committee before switching to the Rules Committee last year, and in all of those 10 years we did everything we could not to be political in the Veterans' Affairs Committee.

But Madam Speaker, I am absolutely appalled at what is happening in the Rules Committee this afternoon because you, Madam Speaker, and the Democrat caucus, are ordering the Democrat members of the Rules Committee to force a constitutional amendment out on the floor tomorrow, breaking the rules of this House that we cherish so much.

Madam Speaker, that is wrong. What you are doing deliberately is gagging 10 million veterans throughout this Nation from being able to mobilize and contact Members of this House individually to put off the vote until next Tuesday.

Madam Speaker, that is wrong. I have not uttered one word of politics on this flag burning amendment, not just one, but I swear, I just cannot understand why you cannot be receptive to the veterans of this Nation when you are kowtowing to the "ilk-like" Communist Youth Brigade to allow them to trample and desecrate our American flag.

Mrs. BOXER. Madam Speaker, I ask that the gentleman's words be taken down. Madam Speaker, I ask that the gentleman's words be taken down about kowtowing to the Communists. I ask that the gentleman's words be taken down.

Mr. SOLOMON. If the gentlewoman will yield, I did not accuse anyone of that. I said ilk like.

Mrs. BOXER. Madam Speaker, I address myself to the Speaker and I ask that the gentleman's words be taken down.

The SPEAKER pro tempore (Mrs. UNSOELD). Does the gentleman from New York ask to modify his words?

Mr. SOLOMON. I do not, Madam Speaker,

The SPEAKER pro tempore. Then the gentleman will desist and the Clerk will report the words.

□ 1100

Mr. SOLOMON. Madam Speaker, trying to recall the exact remarks, I would like to say that if there is some question about my remarks impugning the motives or the integrity of the Speaker, that I would ask that those portions of the remarks, "kowtowing to the Communist Youth Brigade" directly to the Speaker, I would ask that those remarks be stricken from the RECORD. Those remarks only.

The SPEAKER pro tempore (Mrs. UNSOELD). Is there objection to the request of the gentleman from New York?

Mr. SOLOMON. Madam Speaker, I certainly would not want to impugn the motives of our Speaker who I respect.

Mrs. BOXER. Madam Speaker, reserving the right to object, I would like the gentleman's words read back to this body that he made on the floor right now, if it is possible.

The SPEAKER pro tempore. The Clerk will report the words objected to.

The Clerk read as follows:

Mr. SOLOMON. But I swear I just cannot understand why you cannot be receptive to the veterans of this Nation when you are kowtowing to the ilk like Communist Youth Brigade to allow them to trample and desecrate our American Flag.

Mr. SOLOMON. Madam Speaker, please repeat the words. I did not hear them.

The SPEAKER pro tempore. The Clerk will report the words again.

The Clerk read as follows:

Mr. SOLOMON. But I swear I just cannot understand why you cannot be receptive to the veterans of this Nation when you are kowtowing to the ilk like Communist Youth

Brigade to allow them to trample and desecrate our American Flag.

Mrs. BOXER. Madam Speaker, I would like to make a point that the gentleman says "When you are kowtowing to the Communist Youth Brigade." and I am asking that these words——

Mr. WALKER. Regular order.

Mrs. BOXER. Madam Speaker, I reserve the right to object. I ask that the whole 1 minute—

Mr. WALKER. Regular order, Madam Speaker.

Mrs. BOXER. Madam Speaker, I cannnot hear the Speaker.

The SPEAKER pro tempore. The gentlewoman may not comment on the words where regular order is demanded.

Is there objection to the request of the gentleman from New York?

Mrs. BOXER. Madam Speaker, yes, I would ask that the gentleman's words, the entire 1 minute, be read.

The SPEAKER pro tempore. The words were read.

Mrs. BOXER. Was that the entire 1 minute?

The SPEAKER pro tempore. The portion of objected to was read.

Mrs. BOXER. If the gentleman——

Mr. SCHUMER. Madam Speaker, reserving the right to object, I think what is in question here is who the "you" is referring to.

Mr. WALKER. Madam Speaker, what unanimous consent is pending?

Mr. SCHUMER. Reserving the right to object, and to explain my reservation, if I might.

Mr. WALKER. Regular order, Madam Speaker.

The SPEAKER pro tempore. The question is, Is there objection to the request of the gentleman from New York [Mr. SOLOMON] for the withdrawal of the words?

Mr. SCHUMER. Reserving the right to object.

Mr. WALKER. Regular order.

The SPEAKER pro tempore. Regular order has been demanded. Does the gentleman object?

Mr. SCHUMER. I object.

Mrs. BOXER. Parliamentary inquiry.

The SPEAKER pro tempore. The gentlewoman will state her inquiry.

Mrs. BOXER. Will the gentleman from New York object to removing—this is a parliamentary inquiry, and this is regular order. The question is, Will the gentleman from New York objecting to the removal of these words, what is the status, vis-a-vis the gentleman from New York? Is he permitted to continue to address the House if there is objection to his words?

The SPEAKER pro tempore. After the Chair rules, then the House must decide whether he can proceed.

Mrs. BOXER. Then the Chair will rule on the gentleman's words, if they were in order or not at this point?

The SPEAKER pro tempore. The Chair must first rule.

Mrs. BOXER. That is fine.

The SPEAKER pro tempore. Does the gentleman from New York [Mr. SCHUMER] insist on his objection?

Mr. SCHUMER. Madam Speaker, I insist on my objection.

The SPEAKER pro tempore. Then the Chair is prepared to rule.

Under the precedent, I will read from Canon's procedure.

It is not in order in debate to speak disrespectfully of the Speaker or to use words insulting to or unduly critical of him or calculated to be offensive, or to reflect on him personally or officially.

The gentleman's words are therefore out of order, and without objection will be stricken from the RECORD.

There was no objection.

Mr. SOLOMON. Madam Speaker, I ask unanimous consent to be allowed to proceed in order.

The SPEAKER pro tempore. Is there objection that the gentleman from New York, may proceed in order?

There was no objection.

Mr. WEISS. Madam Speaker, reserving the right to object.

The SPEAKER pro tempore. The gentleman's 1 minute has expired.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will announce that under the unanimous-consent agreement the gentleman from New York, may proceed in order later today.

Mrs. BOXER. Madam Speaker, reserving the right to object.

Mr. WALKER. There is no objection before the House. Regular order.

Mrs. BOXER. Reserving the right to object.

The SPEAKER pro tempore. There is no further reservation at this point.

Mrs. BOXER. Thank you, Madam Speaker.

FEDERAL EMPLOYEES' POLITICAL ACTIVITIES ACT OF 1989—VETO MESSAGE OF THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore. The unfinished business is the further consideration of the veto message of the President of the United States on the bill (H.R. 20) to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes.

The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

The gentleman from Michigan [Mr. FORD] is recognized for 1 hour.

Mr. FORD of Michigan. Madam Speaker, I yield 30 minutes for purposes of debate only to the gentleman from New York [Mr. GILMAN] and pending that, I yield myself such time as I may consume.

Madam Speaker, I would like to thank in advance of the further proceedings the members of my committee, both on the Democrat and Republican side, for the fine spirit of cooperation they have shown in working on this legislation over several years.

The House has worked its will on this legislation several times. I had fully hoped by this time to take the well and deliver a speech of praise and thanks to the President for signing this law, because when it passed the House most recently by a vote of more than 4 to 1, I thought that it was very clear that, since the overwhelming majority of both political parties had expressed their will in support of this legislation, the people at the White House would take cognizance of that. I am saddened by the President's veto message, not just because it constitutes a rejection of this legislation passed by both bodies of the Congress, but because in the reasons expressed to support the veto it becomes a very clear that whoever was advising the President in this matter really does not understand the Hatch Act, does not understand its history, does not understand how it is used and not used at the present time.

It leaves one with the impression that there is an active enforcement of the Hatch Act going on at all times. Checking back to the year 1980 we find that we average 3 complaints per year, with a workforce of almost 3 million people, which does not indicate that we are going to change very much in terms of the workload that goes on now as the result of the existing Hatch Act.

In spite of the misconceptions that may be out there, the bill that is before Members is not the bill as it passed the House originally. It is the bill as it passed the Senate after concessions were made to the President, presumably through his representatives, and concessions were made to Members of the President's party, and we then acceded to those concessions by taking up and passing the Senate-passed language. We did not insist on the House-passed language, which in the view of most Members on the committee would have been preferable. We decided to go along in the spirit of trying to extend a gesture of accommodation toward the White House.

I know that the President himself, in my opinion, is not properly represented in the language of the veto

message because that is not the George Bush that served in the House with Members. It is not the George Bush that I have watched over the years and have respected for his respect for Federal workers.

It might be observed when we look at some of the rhetoric in the veto message that it was more designed as a political instrument than as a historical document, and to suggest as it does that any appointment to Federal service is inherently inconsistent with the exercise of political rights in this country is patent nonsense. I can well imagine the screams of horror that would emanate from the other end of the street if we were to suggest, for example, that all the President's appointees to the Federal positions in the Federal Government who are not now covered by the Hatch Act, and not now protected by the Hatch Act, should be. I can imagine the screams and hollers we, in fact, took the veto message word for word and said if political activity is inconsistent with proper public service then no one who is appointed to any position in the Federal Government ought to do that.

□ 1110

Madam Speaker, they would recognize immediately that it was ludicrous and outrageous and that the President would not be able to get people to accept appointments to important positions in this government if, as a condition to accepting that appointment, they had to give up their civil rights to participate in the political process.

I cannot believe that this veto came from our President personally. He has lived in and visited too many countries where people have no political rights to allow his administration to act to suppress similar rights here.

In his veto message the President expressed a fear that our proposed changes in the Hatch Act would cause the politicization of Federal workers in their workplace. He says he's concerned that we'll return to the practices of half a century ago if our Hatch Act reforms were to become law.

Let me assure our President—and my fellow Members, that we will never go back to those days. In this new Hatch Act reform package, we have built in safeguards to prevent the Federal work force from becoming politically pliable. Employees will still get and hold their jobs on merit, not on connections and loyalty litmus tests. Intimidation, coercion—and certain forms of contributions will not be allowed. In fact, tougher penalties for violations of our new guidelines will ensure that the Federal civil service remains free of political manipulation and that Federal workers continue to serve the public in an impartial and fair manner.

The point is, Madam Speaker, times have changed—and the reasons for the Hatch Act have changed. When it was first signed into law, less than one-third of the Federal work force of 950,000 was covered by a classified merit system. Today the Federal work force is three times larger, and 79 percent of that work force is covered by a well-entrenched merit system that protects both employees and the public from influence and abuse.

The White House has overlooked these protections in its zeal to send up another veto. As far as their claims that our reforms will allow coercion—the Whistleblower Protection Act guards against coercion. As far as their claim that the Supreme Court of the United States has twice ruled the Hatch Act constitutional—that is true. But this is the same interpretation the Court gave to "separate but equal" until 1954. To their claims that the current law allows some political activity, I say it does not allow enough! Federal workers—unlike all other workers or their neighbors for that matter cannot legally take part in the most routine political activities such as displaying yard signs, stuffing envelopes, sending a check, or displaying a bumper sticker. These are building blocks from which freedom is built.

What is wrong with Federal workers—within guidelines—having some political rights? How can we—this very week—talk about saving the Bill of Rights and its guarantee of individual freedom—when we are shutting off 3 million Americans from exercising their personal freedom to take part in politics?

Madam Speaker, if we do not override this veto today—and if these Hatch Act improvements are not signed into law, then we are merely offering another reason for people not to work for the Federal Government. Already, they're behind in pay, below in benefits, with more and more employees walking out the door everyday. Maybe, just maybe, if we let them have a say in the political decisions of which they are the first to feel the effects, they might stick around for a while, and they might begin to think that Government work is still the desirable profession that it used to be.

Finally, after all the reasons to override the administration's veto are given, let me offer this one in the form of a question. Would you ask someone, anyone to give up some of their individual rights to work for you? If the answer is "no," then you should vote to override this unjustified veto, and give our Federal workers some of the basic, fundamental rights that the rest of us enjoy.

Madam Speaker, I ask that the editorial from the Washington Post which appeared yesterday be printed in the RECORD at this point.

[From the Washington Post, June 19, 1990]

THE HATCH ACT VETO

To achieve its laudable goal of an apolitical federal work force, the Hatch Act goes too far—much farther than it has to—in restricting political activity and expression by federal employees. Congress was right in voting to liberalize it; President Bush was wrong to veto the liberalization bill; and Congress should now vote to override the veto.

There are more than enough votes to do this in the House, which passed the bill last year by 297 to 90. The Senate is the problem. The 67 votes that the bill got there—54 Democrats and 13 Republicans—are barely the two-thirds required, and the betting is that the president can easily pick one off. It would be a shame.

Mr. Bush says in his veto message that there is "no real need" and has been no "grass-roots clamor" to relax the existing law. The implication is that if only a relatively few people are making a stir, as they are here, it becomes somehow legitimate to withhold the right of full expression; only if more were unhappy would their objection have to be met. But the First Amendment is terrain where the minority needs to be taken very seriously. It is important that some employees feel constrained. The balancing question then becomes: How great is the danger from which these constraints, themselves dangerous in an open society, are meant to protect us?

The president says that the bill would present a serious threat of "repoliticizing the federal work force," that its "obvious result" would be "unstated but enormous pressure to participate in partisan political activity" to the detriment of the "the impartial . . . conduct of government business." Not so. Employees could still not run for partisan office, and could take active part in partisan activities only off the job. Coercion of subordinates would be banned under the bill, as it is under current law. The president objects that "the more subtle forms of coercion are almost impossible to regulate." But if so they are equally impossible of regulation now.

Both sides exaggerate the likely consequences of this bill. The federal employee unions that mainly want it and the Republicans who mainly don't both imagine federal employees being converted into a political phalanx. We doubt it. Our own sense is that feds are indistinguishable from the rest of the society. The Supreme Court has said that the Hatch Act is constitutional, but that doesn't mean it's right. The proposed legislation contains protections enough; current law is too broad an infringement on the most important kind of speech. The Senate ought to surprise its critics and hold firm.

Madam Speaker, I reserve the balance of my time.

Mr. GILMAN. Madam Speaker, I yield myself such time as I may consume.Madam Speaker, I commend our distinguished chairman the gentleman from Michigan [Mr. FORD], the gentleman from Missouri [Mr. CLAY], the gentleman from New York [Mr. HORTON], and our predecessor, the gentleman from Missouri Mr. Taylor, for the long-term continuing efforts on behalf of Hatch Act reform.

This House does not casually propose to override a veto of the President. Our requests to negotiate in good faith on the issue of Federal employee political involvement, were met with a Presidential veto. H.R. 20 is not a radical measure which proposes to politicize the civil service. On the contrary, it simply allows Federal and postal employees, on their own time and on their own choosing, to become politically active in community and national affairs.

While a welcome liberalization of the present law, this reform measure at the same time retains significant restrictions on employees. Unlike other citizens, Federal and postal employees are prohibited from running for office. Any solicitations in which they may be involved are strictly curtailed.

However, these steps were still not satisfactory to reform opponents

seemingly bent on denying basic first amendment freedoms to a large segment of our Nation's work force. Presently, the Committee on Post Office and Civil Service is involved in negotiations with the administration concerning restructuring of the Federal pay system. Part and parcel to this discussion are ways to make Federal employment more attractive. I find it ironic that while we are developing ways to make Federal employment more attractive, this administration wants to discourage community involvement and service on the part of Federal and postal workers.

What is even more surprising is the defense of the current law by Hatch Act reform opponents. In numerous hearings before the House and Senate, Federal employees testified as to the confusion surrounding permissible activities. Despite an abundance of rulings interpreting the Hatch Act, Federal and potal workers simply do not know what they can or cannot do.

The problem is that the current law incorporates more than 3,000 administrative decisions rendered prior to 1940 by the former Civil Service Commission. Many of these rulings date back to the 19th century and are confusing if not contradictory. Compounding this clouded statutory history is the fact that practically each request of the Office of Special Counsel to make a ruling regarding a specific activity lends itself to arbitrary and capricious enforcement.

Supporters of the current Hatch Act claim that it has worked well over the years and that it affects only Federal and postal workers who seek to become active in partisan politics. Consequently, claim reform opponents, there is no real need to relax the existing law.

Such reasoning is inherently flawed. The need for legislative reform is not dependent on the number of people it affects. The fact that current law "chills" political activity on the part of a limited number of employees is enough to warrant congressional reform.

The first amendment was not designed to accommodate only the views on a majority. Exempting specific segments of the population from the Bill of Rights protections of free speech and association undermines our basic notions of these fundamental rights.

H.R. 20 imposes no affirmative duties on employees to become politically active. The legislation specifically protects employees in their choice to participate or not participate in partisan politics. Clearly, retention of the current law negatively affects the quality of participation in the political process.

While the Supreme Court has ruled the Hatch Act passes constitutional muster, it has never said that it should not be reformed nor amended. H.R. 20 addresses a fundamental flaw in our treatment of Federal workers and I welcome its enactment as a long overdue development in this body's treatment of Federal and postal employees. Accordingly, I urge all of my colleagues to support this measure and affirmatively support this effort to override the veto of the President in enacting H.R. 20 into law.

Madam Speaker, I reserve the balance of my time.

Mr. FORD of Michigan. Madam Speaker, I yield 7 minutes to the gentleman from Missouri [Mr. CLAY], the principal sponsor of this legislation year after year after year.

Mr. CLAY. Madam Speaker, I rise in opposition to the President's veto of H.R. 20 and ask my colleagues to vote to override. This legislation has been carefully crafted to extend first amendment rights to Government workers without placing in jeopardy the efficiency of our work force. It provides that Federal and postal employees may actively engage in politics on their own time, the same as other citizens. It ensures that those in supervisory positions who use their authority to interfere in the free expression of political views will be dealt with like all others who violate the law. In short, this bill strengthens the safeguards against coercion that were the basis for enactment of the Hatch Act in 1939. The President was in error in vetoing this bill.

The question before us is simple, clear—are Federal workers entitled to full rights of citizenship or shall we continue to treat them as political eunuchs precluded by law from exercising a meaningful voice in determining their representatives?

Madam Speaker, this is not a partisan issue. Two-thirds of the Senate and 334 Members of the House, including a majority of my Republican colleagues, have voted in support of this bill.

Despite this overwhelming, bipartisan expression of concern, the President, in his veto message, said that "no real need to repeal the existing Hatch Act has been demonstrated." A casual review of the horrendous restrictions the Hatch Act places upon what should be legitimate activities of Federal and postal employees demonstrates the fallacy of such a statement.

Under current law, the right of the Federal work force is limited to the right to cast a vote. As the President, himself, states in his veto message, and I quote, "forms of active participation on behalf of partisan political causes and candidates are barred," end quote.

Stated another way, American citizens who have the misfortune to work for the Federal Government have no more right to choose their representatives than citizens of the Soviet Union or Communist China. Their right, like those of people of Russia and China, is the hollow right to choose among candidates that have already been selected for them by others.

The casting of a vote is the very last step in the political process. Political freedom encompasses much more. It is the right to host political teas and house parties. It is the right to ring one's neighbor's doorbell on behalf of a candidate or a political party. It is the right to stuff envelopes, to man telephone banks, to speak and vote in local, regional, and State political caucuses. In short, it is the very essence of the right of free speech and the right to assemble. It is the right to petition the Government for a redress of grievances and, if dissatisfied with the response, to effectively work to replace those who misrepresent your views.

This Nation was founded upon the premise that all men are created equal, that they are endowed by their creator with certain inalienable rights, that to secure these rights, Governments are instituted among men, deriving their just powers from the consent of the governed.

Madam Speaker, the Bush administration eloquently articulates that principle when speaking on the subject of political freedom in Eastern Europe. He has affirmed the right of Polish citizens to speak freely; has encouraged the right of East Germans to peaceably assemble; and has defended the right of Hungarians to petition their Government for a redress for grievances.

The inconsistency lies in the fact that the supports these freedoms for Eastern Europeans while opposing them for 3 million Americans. I urge my colleagues to join me today in assuring that Federal employees shall have a meaningful right to participate in the political process and the full protection of the first amendment. I urge my colleagues to vote to override the President's veto and support enactment of H.R. 20.

I yield back balance of time.

□ 1120

Mr. GILMAN. Madam Speaker, I yield 5 minutes to the gentleman from New York [Mr. HORTON], a senior member of our committee and a longtime supporter of Hatch Act reform.

Mr. HORTON. Madam Speaker, I rise in strong support of H.R. 20. I do so with deep regret that the administration chose to veto this important, long-overdue Hatch Act reform measure. As I indicated in my statement on the floor last week, there has never been a more balanced vehicle than H.R. 20 to allow greater political participation by Federal employees outside the workplace, and to ensure no political activity in the workplace. This legislation was drafted in a bipartisan manner. It received bipartisan

support in both Houses of Congress, and I heartily endorse its passage in this attempt to override the President's veto.

As the principal Republican cosponsor of H.R. 20, I simply cannot understand some of the arguments being leveled against this bill. If the concern is that we will politicize the Federal work force, then H.R. 20, with its criminal penalties and defined grievance procedures, is stricter than current law on prohibiting politics in the workplace.

If the concern is Federal employees soliciting the public for political contributions, then H.R. 20 addresses this through a strict prohibition against such solicitations.

If the concern is the pressure some Federal employees might feel if solicited by other Federal employees to contribute to political candidates or causes, then H.R. 20 addresses this concern two ways: First, there can be no solicitation by Federal employees of their subordinates; second, solicitations can be made only by and between employees of the same Federal labor organization. And, again, only outside the workplace.

If the concern is Federal employees running for partisan public office, then H.R. 20 addresses this concern, too. No Federal employees can run for partisan public office. It is just that simple.

Reference has been made by a number of Members, and by the President, on how effective the Hatch Act has been. I agree. The Hatch Act has been effective. But it is in need of reform. The civil service today is a far different animal from the civil service of the 1930's. Then it was largely a patronage work force struggling to incorporate the professionalism it currently enjoys. For all practical purposes, there was no professional civil service in 1939. In the late 1930's, Federal employees not working for political candidates all too often did risk their continued employment.

Clearly, the Hatch Act was important in the successful development of today's professional civil service. Equally important was the merit-based hiring procedures that now govern employment with the Federal Government. Together, the Hatch Act and merit-based hiring not only were essential foundations upon which our current civil service was built, but they remain necessary foundations for its continuance.

We proponents of H.R. 20 recognize the importance of the Hatch Act and of its contribution to development of a professional civil service. We also recognize that times change, that needs change. The prohibition against political activity in the workplace is as necessary today as it always has been. The rule is simple and clear: No political activity in the workplace whatsoever. That premise is preserved, indeed strengthened, in H.R. 20.

The prohibition that says Federal employees cannot participate in partisan political activity outside the workplace needs to be revisited. H.R. 20 revisits that component of Hatch Act law in a measured and responsible way, a way that recognizes that 3 million Americans are entitled to the same opportunity as every other American to participate in politics, while at the same time balances the political participation rights of these employees with the legitimate objective of maintaining public confidence in a professional civil service. Through the restrictions it places on the ability of Federal employees to solicit contributions, to run for partisan public office and others, H.R. 20 responsibly draws a new line between allowed and unallowed political activity. The new line reflects the needs not only of the Federal work force of the 1990's, but of the principles of our Government in general.

If the President's veto stands, we go back to the old ways—ambiguity, uncertainty, and overall confusion of the present law, and even though it is 1990, our Federal employees will still be second-class citizens.

Madam Speaker, I urge all Members of the House to support passage of H.R. 20 in this override attempt.

□ 1130

Mr. FORD of Michigan. Madam Speaker, I yield 3 minutes to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Madam Speaker, I thank the gentleman for yielding me this time.

Madam Speaker, I rise to support the motion to override the President's veto on the Hatch Act revisions, and I wish to thank the leadership, the dedication, the commitment of the gentleman from Michigan, the gentleman from Missouri, the gentleman from New York, and all members of the committee who have over time revisited this issue. I think we voted on it here in the House a number of times.

The Federal employees that I know are educated, productive, and patriotic, and they deserve the same freedoms and rights as all Americans to participate in the political process.

When I first came to Congress, then Richard Nixon was President, and he ran against the so-called Federal bureaucracy, it was explained, on the theory that most members of the civil service were Democrats. It may be, as a practical political reason, that the Republicans were justified in opposing reforms to the Hatch Act, but, of course, since that time, 18 of the 22 years that I have served in Congress, the so-called bureaucracy has been managed by Republican administrations. I would expect, while there is no way to measure it, that most of those appointed during that period of time have been Republicans rather than Democrats.

Regardless of whether they are Republicans or Democrats, they are all Americans, and they deserve the same rights as the rest of us to vote, to participate, and to become a part of the political process. It is only in so doing that all are first-class Americans.

I hope that all of my colleagues today join in a resounding vote to override the President's veto in order to make our Federal employees first-class citizens of this first-class Nation.

Mr. GILMAN. Madam Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. RIDGE], another member of the Committee on Post Office and Civil Service who has worked diligently on this measure.

Mr. RIDGE. Madam Speaker, with some regret, I urge my colleagues to override the President's veto of H.R. 20, the Hatch Act reform amendments. I regret the fact that this vote is necessary, but I absolutely do not regret my support of H.R. 20.

For many years, we have heard our efforts referred to as "Hatch Act Repeal." Nothing—I repeat—nothing could be further from the truth. The values Congress sought to protect in the 1930's are the same values we preserve today. We will never tolerate coercion of or by our Nation's work force. The reforms in H.R. 20 preserve that mandate. Federal employees would still be prohibited from soliciting political contributions from the general public and those who are not members of the same political organization.

Yet, the Hatch Act enacted in the 1930's does not meet the needs of today's work force. Since that time, the domestic, economic, and political environment has changed. Our Government, almost a $1.4 trillion, relies on these men and women to provide the services that are important or essential to every single American. Our Nation's workers have proven themselves worthy of our trust and respect.

Since its enactment, the Hatch Act has proven to be confusing and unfair. The act has produced more than 3,000 regulatory rulings and decisions—many of which are conflicting! These decisions are mostly unpublished and leave employees without guidance or a clear knowledge of prohibited activities. Just how confusing are these regulations? One allows employees to place a 15 by 30 inch political sign on a car, but forbids the employee from placing it in his or her yard.

Our Nation took a great chance when it preserved the rights of all people to participate in political activities. Organized employees in the private sector do not run rampant through the workplace treading on

the rights of others. Laws protect private sector employees just as they will continue to protect public sector employees.

Will IRS employees frighten us into political contributions or positions? Frankly, I would be more frightened if my dentist were supporting my opponent in the next election!

I urge my colleagues to override the President's veto of H.R. 20 and give our civil servants the basic political rights they deserve as fellow Americans.

Mr. FORD of Michigan. Madam Speaker, I yield 5 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER], a member of the committee.

Mrs. SCHROEDER. Madam Speaker, it is ironic that while the Soviet Union and other Communist countries are expanding the rights of citizens to participate in the political process, the President of the United States has muzzled American citizens.

Our Nation's most precious right is freedom of speech. That right is being denied to 3 million American citizens. It is time to recognize the inequity in this law.

The current law is an anachronism. It makes as much sense as locking people in their homes to protect them from thugs.

H.R. 20 is a thoughtful, realistic bill, which provides Federal and postal employees with the right to fully participate in the political process while off duty. It also strengthens the safeguards against coercion and partronage.

It is disturbing that while the rest of the world is moving to expand the rights of its citizens, we still restrict Federal employees from participating in the political process.

Our country is founded on the belief that each citizen has an equal right to participate in the political process.

Don't let America become a second class democracy. Override the President's veto of the Hatch Act reform legislation.

□ 1140

Mr. GILMAN. Madam Speaker, I am pleased to yield 5 minutes to the gentleman from Virginia [Mr. Wolf].

Mr. WOLF. Madam Speaker, I rise in strong support of the President's veto. Let me cover a couple of the issues.

One, reasonable men and women can differ on this issue, clearly. Probably there ought to be some changes in the Hatch Act, but not these changes. I think the committee in the Hatch Act should make changes allowing Federal employees to run for State and local offices. I think the GAO should be asked to check with Federal employees to see what they want before we actually repeal the Hatch Act, as we are doing today.

Madam Speaker, we have outstanding civil servants. We have the best in the world. We want to keep them that way.

We have had a lot of arguments, and I am not going to go back through all the arguments that I have previously made. Let me just make two.

One, it has been said that times have changed. Times have changed. But the factors that make the Hatch Act necessary have not changed. Human nature has not changed, and the abuses that prompted passage of the Hatch Act in 1939 are still possible today.

We have not witnessed such abuses precisely because the Hatch Act has let Federal employees know that they cannot be coerced into political participation. The fact that the size of the Federal work force has tripled since 1939 makes the Hatch Act even more needed today.

Madam Speaker, I will close with this following comment. I received a letter from a constituent after the Hatch Act passed the Congress about a week ago. Let me read excerpts from that letter:

DEAR CONGRESSMAN WOLF: As a former Federal employee and charter member of the Senior Executive Service (now retired), I am quite familiar with the working environment that prevails at the interface between agency officials who are political appointees and their immediate subordinates who are career Federal employees. The Hatch Act's restrictions on partisan political activity are indeed an important protection for the latter.

That is the key word, a "protection" for the latter.

There are all kinds of subtle and not-so-subtle ways that pressure could be applied to engage in partisan activity should those restrictions be loosened.

Liberalizing the Hatch Act will set up new cross-currents of dissension within Federal agencies and installations, and will certainly do nothing to improve the efficiency of Government operations. I believe it is vital that the public's confidence in an impartial, nonpartisan Federal service not be shaken, and I strongly urge that you follow through on your excellent comments by voting to sustain the President's expected veto of this unwise legislation.

We need the Hatch Act's protections. The Federal employees need this so that political pressure will not be brought on them, so they will not be forced to do things that they do not want to do.

Madam Speaker, my closing comment is that whatever is permitted will be what is expected. We have the finest civil service in the world. The best people in this country are in the Federal service. Let us keep it that way.

I strongly urge Members who are undecided on this issue to vote to support the President's veto.

Madam Speaker, as I said, I commend the committee. There are some changes that have to be made. I think they ought to allow Federal employees to run for State and local offices and other changes like that. But this bill is not the bill to support, and I urge support of the President's veto.

Mr. FORD of Michigan. Madam Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. SIKORSKI], the chairman of the Subcommittee on Civil Service of the Committee on Post Office and Civil Service, with primary responsibility for this legislation.

Mr. SIKORSKI. Madam Speaker, in the last week, we have heard a lot from opponents of this legislation saying that this modest reform would unleash a veritable Pandora's box of evils. They have come from two groups, the first one saying that Federal employees would change overnight from a group of 3 million hardworking, dedicated employees, to 3 million goblins and ghosts subtly armtwisting and coercing other Federal employees to vote for the right party or the right candidate.

This parade of horribles is not only absurd, it is insulting to our Nation's civil servants.

Now, the other group is more benign, but just as insulting. They say, "Don't get me wrong, some of my best friends are civil servants. In fact, some of my best constituents, 4,000 or 5,000 or 50,000 of them, are civil servants. I just don't think they need civil rights. They are better off right at home on our little Federal plantation." They're wrong.

We all want our Nation's public servants to be experienced, talented, patriotic, and hardworking. We want the 3 million civil servants who run a $1.5 trillion business to serve the interests of the taxpayers, tirelessly, selflessly, and ethically—yet we do not want to give them a basic constitutional right to participate if they so desire in the democratic system which they help maintain.

These are the same Americans we entrust to protect our environment, deliver our mail, pave our streets, send grandma's Social Security check, and preserve our natural and cultural resources for our kids and our grandkids. They are our next door neighbors, our friends, and even family members. They deserve our trust in this very modest right to participate.

Now, the Berlin Wall, the dismantling of the Iron Curtain, democracy in Poland, Czechoslovakia, Lithuania, Romania, Nicaragua, doing the perestroika thing in the Soviet Union, are not irrelevant to the debate here. While democracy breaks out around the world, the Bush administration cannot even support modest democratic process for our own citizens.

Some administration people have said they are opposed to this because they worry about politicizing Federal

employees in the Federal work force. If that is your big concern—politics—look in the mirror. Over the last dozen years, the number of political appointees in the Federal work force has increased almost 60 percent. If you are concerned about politics in the work force, quit appointing those ambassadors who simply gave $100,000 to the Republican Committee, and quit appointing all those political, noncompetitive positions in the administration.

Mr. GILMAN. Madam Speaker, I am pleased to yield 3 minutes to the gentlewoman from Maryland [Mrs. MORELLA], a member of the Committee on Post Office and Civil Service, who has been active in support of Hatch Act reform.

Mrs. MORELLA. Madam Speaker, I want to thank the gentleman from New York [Mr. GILMAN] for his leadership on this issue, as well as the gentleman from Michigan [Mr. FORD], the chairman of our committee, and those on the Committee on Post Office and Civil Service who have worked in a bipartisan fashion over the years to draft a compromise that would reform this anachronistic Hatch Act.

Indeed, my view of the Hatch Act is well-known, as are the views of most Members in this Chamber. We have had an opportunity to articulate them through the years.

The question is how can we deprive 3 million Americans the opportunity to be full-fledged citizens? I trust the people who make America run. I do not believe that they will abuse the privilege and responsibility that will come through the revision of the Hatch Act.

Though we had been warned in advance that the President would veto the measure that passed so overwhelmingly in this House and in the Senate, it certainly was a disappointment to learn last Friday that H.R. 20 had, in fact, been vetoed.

Madam Speaker, H.R. 20 does not repeal the Hatch Act. It does, however, streamline the procedures and the regulations. It clears up the ambiguities and the vagueness surrounding partisan political involvement by Federal employees.

□ 1150

It clarifies some 3,000 ambiguous, contradictory regulations. The vetoed measure does not lessen any of the current protections afforded by present law. In fact, the bill is more stringent than the existing Hatch Act on aspects dealing with political contributions.

Madam Speaker, we have heard all of the arguments for and against the Hatch Act. I will not repeat them. However, I would like to read excerpts from a letter sent to the President of the United States by a recent college graduate who is my constituent, who is considering a career choice.

Excerpting, he writes:

I am a 21-year-old recent college graduate who is currently considering a career choice. I majored in American government and graduated with honors. Since I am unsure of the type of employment that I would most enjoy, I wanted to work full time in one field and volunteer part time in another. My first thought was to work for the Federal Government and begin a career as a civil servant. At the same time, I would volunteer in a local campaign and determine if a political job would be of interest to me. But, as you know, the Hatch Act prevents Federal Government employees from participating in partisan politics which means that I could not take part in both jobs. Therefore, I am now compelled to look into employment with private industry when my real desire is public service work.

Mr. President, surely I am not the only person who will cease looking at the Federal Government as a career because the limits imposed by the Hatch Act are too severe for a young man who wants all his options to remain open.

It goes on very articulately to comment on the need to revise the Hatch Act. There is no doubt that revision of the Hatch Act would assist recruitment and retention of talented and dedicated civil servants.

Madam Speaker, I hope this Congress will allow our Federal employees to have the rights and responsibilities of citizenship by overriding the veto of H.R. 20.

Mr. FORD of Michigan. Madam Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. HAYES], a member of the committee.

Mr. HAYES of Illinois. Madam Speaker, I rise to express my support for the passage of the veto override of the Senate amendments to the Hatch Act reform legislation. As an original sponsor of the House bill, I feel strongly about restoring Federal workers their right to participate in the political process.

For me, this issue is merely a first amendment issue—the amendment which guarantees to all citizens of the United States the right to political participation. Since 1939, Federal workers' rights in this area have been severely restricted.

As a Member of Congress that represents a substantial number of Federal workers and as a member of the Committee on Post Office and Civil Service, I am proud to stand today in support of legislation which seeks to bring us all closer to true political freedom—especially for those postal and Federal employees who have been treated as second-class citizens for the last 50 years.

I am strongly compelled to support an override of the President's veto today, and I encourage my colleagues support as well.

Finally, in closing, I would like to commend my chairman of the full Post Office and Civil Service Committee, the gentleman from Michigan [Mr. FORD] and the subcommittee chairman, the gentleman from Missouri [Mr. CLAY] for their diligent work on this very important measure. I would ask that my colleagues on both sides of the aisle approach this in a nonpartisan fashion and vote for the override of the President's veto.

Mr. GILMAN. Madam Speaker, I am pleased to yield 2½ minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Madam Speaker, I rise in strong support of the President's veto. As one who voted in favor of the House bill. I oppose the Senate compromise strongly because it denies Federal employees the one opportunity they seemed to all want as they came through my office and exposes them to the very pressures they truly fear.

This bill is a hollow victory. Why shouldn't a VA benefit administrator serve on his or her school board? Why shouldn't the mailman who delivers mail in, for example, Hartford be allowed to help govern New Britain, or Burlington, or whatever town he lives in?

In this bill, we deny Federal employees the right to run for local office, which, after elections are over, involve a lot of relatively nonpartisan business, while we allow them to run for purely partisan offices, in which the public interest is secondary to the partisan contest. How ironic that Federal employee can be a State party chairman but not serve his community or family by running for the school board.

I was willing to vote to risk the possibility of inappropriate coercion of Federal employees to gain for them the right to run for local office. I am not willing to so vote, just to gain them access to partisan political activity. We forget that coercion is real and public employees are tremendously vulnerable to it. That partisan exploitation of public employees caused the passage of the Hatch Act and it is alive and well today.

Just last week in Hartford, accusations of exploitation of city workers by council members—covered by our State's "baby Hatch Act"—filled the front pages of our newspapers. Breaking the "ring" of exploitation of public employees took the State's attorney general years of investigation in my home town. The kind of coercion Federal employees fear is all too possible.

What will prevent a Federal "Hatched" employee from saying to another Hatched employee, just after 5 o'clock: "Hope to see you tonight at Nancy Johnson's headquarters, fundraiser, or whatever." And who will be able to prove that not showing up at such events year after year played a

role in one not receiving promotions merited?

Exploitation, coercion, are subtle. To be much more vulnerable without gaining full local political rights, including the simple right to run for the school board, is a hollow victory. This Hatch Act is not reform but a sellout. Let's start over and listen to the Federal employees themselves.

Mr. FORD of Michigan. Madam Speaker, I reserve the balance of my time to close debate.

Mr. GILMAN. Madam Speaker, I am pleased to yield 4 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Madam Speaker, I thank the gentleman for yielding the time.

Madam Speaker, we have heard a lot today about how this bill is carefully crafted and how well it is going to work, and how many hearings have been held about this bill. Let me suggest that there are some major problems in this bill that no one seems to have very much of an answer for that I think makes the President's position very credible.

For example, one of the things we are told that the Federal employees are not going to be able to do is to solicit any money, except within their employee labor organizations. Yet, we are also told that they can hold official positions in political parties. Let me tell Members about that. That means that some guy goes out and gets elected as State chairman in Pennsylvania, and as a Federal employee he will not be able to write any fundraising letters to raise money for the party because that would be soliciting beyond his employee labor organization. He would not even be able to attend the fundraising dinner in the State because that would be soliciting money from the employees, or for the overall organization outside the employee organization. He would not be able to, if he were elected county chairman, write the letter asking for money for the county party.

□ 1200

So really what you are saying to the Federal employees is you may well have given them the right but the fact is they will be rendered impotent by this particular bill.

It is no victory for the employees.

I am not certain it was even thought through that in giving them political offices you are at the same time saying they really cannot do the job.

Second, it says in the bill what they can do is actively engage in partisan political campaigns in the public media.

Now what that means is they have said in the law you cannot put your name on the screen with the office underneath it, you cannot say, "Joe Schmo, U.S. Attorney," on it. But you can go on television under this bill and say, if you are somebody who is well known in the community for being the head of the FBI office or the head of the nuclear regulatory agency, or something like that, you can go on television and say, "Hi, I am Joe Schmo, you all know who I am and I think you ought to vote on law enforcement issues based upon what I think about this candidate." There is absolutely no prohibition on that. There is no prohibition, for example, when we had the Three Mile Island incident up in my area and a Federal employee came up there and became very well known, was in the headlines everyday helping us through the Three Mile Island crisis. He could literally go on television and say, "Hello, my name is so-and-so, and I think you ought to vote on nuclear safety based upon my opinion of this congressional candidate."

I am telling you that engages these people in very, very heavy partisan activity which goes beyond the scope of their jobs and is going to undermine the system. And that is exactly what the President said in his statement to the House.

I read what the President had to say. The President says:

> H.R. 20 would effectively repeal the Hatch Act's essential provisions on partisan political activity by Federal civil servants. It also would convert the present rule that partisan politicking by Federal civil servants is prohibited, into a presumption that such partisan campaigning should be encouraged.

Now, that is what we have attempted to prohibit ever since 1939 when the bulwark of protection for Federal civil servants became the Hatch Act.

What we are doing is undermining that very, very effectively and very efficiently with this bill. I think it is terribly wrong for us.

Mr. GILMAN. Madam Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from New York if he is going to give me time, but we have very limited time here and Mr. HORTON would not yield to me.

Mr. GILMAN. I would be pleased to yield additional time to the gentleman.

Mr. WALKER. OK, I will be glad to yield.

Mr. GILMAN. Madam Speaker, I thank the gentleman for yielding.

Madam Speaker, the gentleman raised the issue about Joe, whatever his name is, using his influence in his own area.

Mr. WALKER. Sure.

Mr. GILMAN. Let me recite a provision under section 7323, "political activity authorized; prohibitions."

The SPEAKER pro tempore (Mrs. UNSOELD). The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

Mr. GILMAN. Madam Speaker, I yield an additional minute to the gentleman from Pennsylvania [Mr. WALKER].

The SPEAKER pro tempore. The gentleman from Pennsylvania Mr. WALKER] is recognized for an additional minute.

Mr. GILMAN. Madam Speaker, under section 7323, entitled "Political Activity Authorized; Prohibitions," subdivision 1 states as a prohibition, "Use his official authority or influence for the purpose of interfering with or affecting the result of an election."

Mr. WALKER. Reclaiming my time, there is nothing in what I said where they would use their official title. I said specifically all he has to do is go on television and say, "I am famous because of the position that I hold." He could say it by saying, "You all know who I am." At that point he has not used his title in any way. It is not superimposed on the screen. He is simply someone who is on television as a personal endorsement for a particular candidate.

And yet it will send a very, very clear message to people that this is somebody who is making a statement based upon his knowledge. I will say that that is precisely the kind of thing that I thought we had hoped to avoid ever since 1939 and now some 50 years later we are beginning to unravel. And I think it is a shame.

Mr. FORD of Michigan. Madam Speaker, I yield 1 minute to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFFICANT. Madam Speaker, I thank the gentleman for yielding.

Madam Speaker, the law says that Americans can burn the flag but Federal workers cannot engage in politics.

Now, look, we are not here performing brain surgery today. Federal workers are second-class citizens deemed that way by Congress. And since Selma, AL, no American is supposed to have been pushed and relegated to the back of the bus. And Federal workers, ladies and gentlemen, are Americans.

I do not think that we endanger our Nation by allowing our Federal workers to become part of the mainstream, citizens first class.

The President did not veto the Hatch Act; the President vetoed the Bill of Rights, if you think about it. And I am saying that a Federal worker has the same rights as everybody else and Congress should stand like a bulldog and look the President in the eye on this issue.

Mr. GILMAN. Madam Speaker, I yield myself as much time as I may consume.

Madam Speaker, I urge all of our colleagues to join our committee in overriding this Presidential veto. H.R. 20 reforming the Hatch Act is sensible, long overdue legislation addressing a serious flaw in the way we treat Federal workers. The present Hatch Act is clearly indefensible for its vague, arbi-

trary, and conflicting rulings. The legislation before us today is a sound alternative to the present law and clearly gives needed direction to our Federal and postal workers with regard to the permissible extent of political activities.

H.R. 20 is a straightforward measure. It prohibits political activities on the job, while involvement in politics after work hours is permitted. Employee solicitations are strictly proscribed except where the employees are members of the same employee organization.

Contrast this clear and concise statutory language with that of the current Hatch Act. Current law incorporates more than 3,000 administrative rulings, some of which date back to the 19th century. A compilation of these rulings wasn't even readily available until just a few years ago. Once an employee has a question, he or she must contact the Office of Special Counsel. By the time the Special Counsel makes a determination regarding the questioned activity, it is usually too late for the employee to engage or not to engage in the questioned conduct.

Under H.R. 20, employees readily may determine what they can or cannot do. This straightforward approach stands in stark contrast with the clouded and vague statory restrictions of the present law.

Madam Speaker, H.R. 20 gives Congress the opportunity to restore full first amendment freedoms to our Nations' Federal and postal workers. Rank and file workers deserve this opportunity to be treated as full citizens with the corresponding rights and responsibilities. Accordingly, I urge all of our colleagues to join in supporting Federal workers by overriding the veto before us today.

Mr. FORD of Michigan. Madam Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. I thank the distinguished chairman and ranking member for yielding this time, and I rise in very strong support of this legislation and for an aye vote to pass this legislation notwithstanding the President's veto.

The President was simply wrong. The President has lived in three States. He has lived in Connecticut, he has lived in Texas, and he lives in Maine. None of those States has a Hatch Act. None of those States says that their employees are less than full participants in democracy, and in not one of those States has the attorney general of any of those States ever, ever received a complaint from State employees that were being intimidated because of the lack of civil service Hatch-like protection.

We see democracy breaking out all over central Europe. We glory in the fact that individuals in those central European nations are now being told that they are fully equal with every other citizen, whether or not they are members of parties, and that they can fully participate in the democratic process.

PAT SCHROEDER wrote to every attorney general in the United States and asked them, in those laboratories of democracy, "Do you have any problem?" And without fail, they responded, "No."

1939 was a different era. 1939 was a time when there were far less protections for our employees. This legislation keeps fully intact the protections for every Federal employee against intimidation by Federal executives or politicians.

As one who represents 65,000 of those Federal employees and who does not want to see them in any way intimidated or coerced, I can say that my full experience as a member of the Maryland Senate for 12 years, where there is no Hatch Act, was that I never received, heard of, nor saw a single complaint.

□ 1210

Madam Speaker, I strongly urge a yes on the override.

Mr. FORD of Michigan. Madam Speaker, I yield myself the remaining 1 minute.

Madam Speaker, people have talked about 50 years ago, and I would like to just recall for Members what was accepted 50 years ago that we would reject out of hand now.

Separate but equal was the law of the land 50 years ago, and no person lifted an eyebrow about the fact that there was a school here for white children and a school here for black children. It took years later for citizens to grow out of that terrible period. We certainly have learned something since the great civil rights struggles. We had in 1939 a totally segregated military in this country. We had in 1939 a totally segregated military that became integrated 10 years later when we needed it to rebuild fast, and did not have enough white soldiers to do it. We very quickly learned that we had to have integrated military to fight in Korea. That is the first time that we really did it.

Now, 50 years ago poll taxes were an accepted way to keep some people from voting, and intelligence tests and other phony tests. Yes, 50 years ago women were not considered to be smart enough to set on criminal juries in many of our States. The courts let them get away with that. Fifty years ago, if a married woman became pregnant during a school year, nobody batted an eyelash when her contract was canceled for becoming a mother. Things have changed in 50 years.

Madam Speaker, in 1939, Congress passed, and the President signed, legislation intended to root out a pervasive evil, viewed by many as corrupting the Federal civil service.

The Sheppard Committee, a special investigating committee in the Senate, confirmed allegations of scandalous political manipulation of Federal relief appropriations and political intimidation and extortion of relief workers in New Deal programs, principally the WPA, in the 1936 and 1938 primary and general elections.

WPA project foremen vied with each other to see which could bleed relief workers the most for political contributions. On election day, supervisors lorded over workers and admonished them to "vote the straight ticket or the voter need not come to work in the morning."

As the title of the 1939 act stated, its intent was to prevent pernicious political activities. Floor debate defiend these political activities as those which were malicious, wicked, baneful, deadly, destructive, evil, harmful hurtful, injurious, mischievous, noxious, perverting, and ruinous.

Despite the fact that Federal law in 1939 already prohibited the scandalous activities described, and despite the fact that a number of the scoundrels were tried and convicted of this political extortion, the 76th Congress took part in an exercise in legislative overkill—an unfortunate custom to which some in this body continue to adhere.

Fifty years ago, opponents of the Hatch Act argued that the measure which was rushed to the floor was the product of expedience, passing the Senate with little debate and without a dissenting vote. Looking back, the critics were probably right. Congress need not have gone to such lengths—abridging the political freedom of Federal workers—to achieve its desired goal. It may have taken 50 years, but I think the measure which is about to become law finally gets it right. The new Hatch Act will outlaw the types of pernicious political activity witnessed in the 1930's and strengthen sanctions against those abuses while at the same time preserving the political liberties which have kept this great country free.

Madam Speaker, in the 1939 floor debate, Mr. Springer of Indiana offered these words:

The right to vote and to vote as a free man without intimidation, coercion, threats, or restraint—and to vote as the dictates of his or her own conscience may direct—is an American right. That right is coupled with the right of citizenship, and it is the inherent right extended to every citizen of our Nation, who is otherwise qualified to exercise that right.

Mr. Hobbs of Alabama went on to say:

The foundation stone of this Government is the free and untrammeled exercise by free men in our democracy of their right to participate in their Government. The mere fact that a man may be in public office does not divest him of his citizenship. The mere fact that in a few instances, in a few States there have been abuses of that right does not make participation in government pernicious political activity.

Madam Speaker, some of the statements I have referred to were offered in support of political freedom, yet in support of passage of the Hatch Act in 1939.

Now, 50 years later, let us heed those words—again in support of political freedom, but this time in support of Hatch Act reform.

Madam Speaker, I ask unanimous consent that the gentleman on both sides be recognized for 1 minute a piece.

The SPEAKER pro tempore (Mrs. UNSOELD). Is there objection to the request of the gentleman from Michigan.

There was no objection.

Mr. WALKER. Madam Speaker, I ask the two gentleman standing be able to put unanimous-consent requests in the RECORD, and the gentlewoman from Ohio.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. All Members may put their statements into the RECORD.

Mr. MILLER of Washington. Madam Speaker, the original Hatch Act tried to take politics out of civil service—not take civil servants out of politics.

By overriding the President's veto today we strengthen the Hatch Act's original purpose. Politics on the job is more tightly controlled. For example, for the first time there will be criminal penalties for political coercion by supervisors. At the same time, our civil servants will no longer be muzzled after work. For example, they will be allowed to participate in precinct meetings.

This bill restores the original intent of the Hatch Act. It protects our Federal employees and the taxpayer by banning politics from the workplace. At the same time, it removes the muzzle from employees when they act on their own time.

Mr. FAZIO. Madam Speaker, I rise today in strong support of overriding the President's veto of the Hatch Act reform bill. I guess we now know that President Bush's talk of a kinder, gentler nation was just that—talk. First, he voted the minimum wage bill, next he voted the Eastern Airlines dispute resolution bill, and in his latest attack on working Americans, President Bush has vetoed the Hatch Act reform bill.

As everyone in this Chamber knows, Federal employees are currently denied certain rights that evey other citizen of the United States enjoys—namely, the right to participate fully in our electoral process. H.R. 20 would lift prohibitions on Federal employees' political participation that were imposed over 50 years ago with enactment of the Hatch Act. The bill restores their rights to partake voluntarily, without fear or coercion, as private citizens in the political process of this Nation.

At the same time, however, this legislation fully recognizes the need to maintain a professional, nonpartisan Federal work force. H.R. 20 strictly prohibits Federal employees from undertaking political activities while on the job. Moreover, this bill would impose fines and prison sentences on supervisors and coworkers who attempt to coerce an employee into making political contributions or performing political activities. The fines would be up to a maximum of $5,000 and the prison term could be as much as 3 years.

Madam Speaker, how long can we endure the President's bias against working Americans? How long can we let the President deny Federal employees the full rights of their American citizenship?

Today, we have the opportunity to correct this injustice. If we really want a kinder and gentler nation, we can start by overriding the President's veto of H.R. 20.

Mr. FAUNTROY. Madam Speaker, I strongly urge my colleagues to override the unwise and ill-considered veto by President Bush of the Federal Employees' Political Activities Act, H.R. 20 as amended. This worthy legislation vetoed by President Bush seeks to amend the Hatch Act of 1939, by extirpating the anachronistic prohibitions placed by the Hatch Act on the political rights of Government employees.

In 1939, the Hatch Act was enacted into law. Since that time, Federal and postal employees have been barred from running for public or party office at any level. Federal and Postal workers have also been prevented from participating in partisan political campaigns on a free and voluntary basis. They have been unable to campaign for candidates in partisan elections, even contests at the State and local levels. Under the Hatch Act, Federal and postal employees have been denied first amendment rights to make campaign speeches, distribute materials, or collect campaign contributions in any partisan campaign.

The Hatch Act which originally intended to correct alleged abuses of the merit system at a time of expansion within the Federal bureaucracy is obsolete and in need of reform. The environment that led to the enactment of the Hatch Act 51 years ago does not obtain now. The Federal Government responding to growth in our population and a much more complex and interdependent national and global situation has tripled in size. Today, 3 million of our citizens serving in the Federal Government are denied their political rights. Today, we have a well-established merit system that guards against the kickbacks and coercion that led to the enactment of the Hatch Act.

Additionally, the Hatch Act is unworkable and has consequently been administered in a most arbitrary, confusing, and undefined manner. Rather than protecting Federal workers, the Hatch Act has become a vehicle for intimidation and fear, chilling even the most elementary act of democratic participation, voting. Cases have been reported of Federal workers fearing to vote lest they be found in violation of the law.

The Federal Employees' Act opens the way for Federal and postal employees to regain their first amendment rights and their ability to participate in our Nation's democratic processes. With the override, Federal and postal employees would regain the right to participate voluntarily in political activities without fear of reprisal or penalty.

Mr. Speaker, the Federal Employees' Act as amended provides ample protection against abuse and safeguards the national interest in the integrity of the merit system and the impartial administration of the functions of Government. Partisan political activity would be strictly prohibited by Federal and postal employees while on the job. Additionally, there are stringent provisions against any activity by a Federal or postal employee designed to intimidate or improperly influence a colleague or the public in the exercise of the right to freely engage in political activity. This legislation has specific and sufficient provisions to enjoin abuse and official coercion.

As a cosponsor of this bipartisan legislation and as a Member representing a large number of Federal and postal employees who want their democratic rights restored, I urge my colleagues to override the veto of H.R. 20 as amended.

Ms. PELOSI. Madam Speaker, I rise today in support of overriding the President's veto of H.R. 20, the Federal Employees Political Activities Act. H.R. 20 guarantees one of the most fundamental rights accorded American citizens: the right to participate in the political process of our country.

The President insists that H.R. 20 will result in a politicized Federal Bureaucracy. Mr. Speaker, I must disagree. Over three quarters of the Federal work force is covered by a proven merit system. And if a Federal employee violates the merits system and pressures their coworkers or subordinates to support a particular political candidate or party by offering job-related rewards or penalties, H.R. 20 provides effective safeguards by punishing violators with dismissals, fines and jail terms.

Mr. Speaker, H.R. 20 is not an issue of the integrity of the Federal Government. It is an issue of basic political freedom. It would establish once and for all that political rights will not be denied on the basis of profession, just as they are not denied by virtue of race, sex or ethnic origin.

Federal employees deserve the freedom of participating freely and openly in the decisions which affect their welfare. I urge my colleagues to override the President's veto of H.R. 20. Thank you.

Mr. FORD of Michigan. Madam Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution, this vote must determine by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 327, nays 93, not voting 12, as follows:

[Roll No. 184]

YEAS—327

Ackerman	Bosco	Clinger
Alexander	Boucher	Coleman (TX)
Anderson	Boxer	Collins
Andrews	Brennan	Condit
Annunzio	Brooks	Conte
Anthony	Browder	Conyers
Applegate	Brown (CA)	Cooper
Aspin	Bruce	Costello
Atkins	Bryant	Coughlin
AuCoin	Buechner	Coyne
Barnard	Burton	Craig
Bates	Bustamante	Crockett
Bentley	Byron	Darden
Bereuter	Campbell (CA)	Davis
Berman	Campbell (CO)	de la Garza
Bevill	Cardin	DeFazio
Bilbray	Carper	Dellums
Bilirakis	Carr	Derrick
Bliley	Chandler	DeWine
Boehlert	Chapman	Dicks
Boggs	Clarke	Dingell
Bonior	Clay	Dixon
Borski	Clement	Donnelly

Dorgan (ND)	Laughlin	Roe
Douglas	Leath (TX)	Ros-Lehtinen
Downey	Lehman (CA)	Rose
Duncan	Lehman (FL)	Rostenkowski
Durbin	Lent	Rowland (CT)
Dwyer	Levin (MI)	Rowland (GA)
Dymally	Levine (CA)	Roybal
Dyson	Lewis (GA)	Russo
Early	Lipinski	Sabo
Edwards (CA)	Livingston	Saiki
Emerson	Lloyd	Sangmeister
Engel	Long	Sarpalius
English	Lowery (CA)	Savage
Erdreich	Lowey (NY)	Sawyer
Espy	Luken, Thomas	Saxton
Evans	Machtley	Schaefer
Fascell	Manton	Scheuer
Fazio	Markey	Schneider
Feighan	Martin (NY)	Schroeder
Fish	Martinez	Schuette
Flake	Matsui	Schumer
Flippo	Mavroules	Sharp
Ford (MI)	Mazzoli	Shays
Ford (TN)	McCloskey	Shuster
Frank	McCurdy	Sikorski
Frost	McDade	Sisisky
Gallo	McDermott	Skaggs
Gaydos	McGrath	Skelton
Gejdenson	McHugh	Slattery
Gephardt	McMillen (MD)	Slaughter (NY)
Geren	McNulty	Smith (FL)
Gibbons	Mfume	Smith (IA)
Gilman	Michel	Smith (NJ)
Glickman	Miller (CA)	Smith (VT)
Gonzalez	Miller (WA)	Solarz
Goodling	Mineta	Solomon
Gordon	Moakley	Spence
Goss	Molinari	Spratt
Grandy	Mollohan	Stallings
Grant	Montgomery	Stark
Gray	Moody	Stenholm
Green	Morella	Stokes
Guarini	Morrison (CT)	Studds
Gunderson	Morrison (WA)	Sundquist
Hall (OH)	Mrazek	Swift
Hamilton	Murphy	Synar
Hammerschmidt	Murtha	Tallon
Hancock	Myers	Tanner
Harris	Nagle	Tauke
Hastert	Natcher	Tauzin
Hatcher	Neal (MA)	Taylor
Hawkins	Neal (NC)	Thomas (CA)
Hayes (IL)	Nielson	Thomas (GA)
Hayes (LA)	Nowak	Thomas (WY)
Hefner	Oakar	Torres
Hertel	Oberstar	Torricelli
Hoagland	Obey	Towns
Hochbrueckner	Olin	Traficant
Holloway	Ortiz	Traxler
Horton	Owens (UT)	Udall
Houghton	Pallone	Unsoeld
Hoyer	Panetta	Upton
Hubbard	Parker	Valentine
Huckaby	Parris	Vander Jagt
Hughes	Pashayan	Vento
Hutto	Patterson	Visclosky
Jacobs	Payne (VA)	Volkmer
Jenkins	Pease	Vucanovich
Johnson (SD)	Pelosi	Walgren
Johnston	Penny	Walsh
Jones (GA)	Perkins	Washington
Jones (NC)	Petri	Watkins
Jontz	Pickett	Waxman
Kanjorski	Pickle	Weiss
Kaptur	Poshard	Weldon
Kasich	Price	Wheat
Kastenmeier	Pursell	Whitten
Kennelly	Quillen	Williams
Kildee	Rahall	Wilson
Kleczka	Ravenel	Wise
Kolbe	Regula	Wolpe
Kolter	Rhodes	Wyden
Kostmayer	Richardson	Yates
LaFalce	Ridge	Yatron
Lancaster	Rinaldo	Young (AK)
Lantos	Robinson	Young (FL)

NAYS—93

Archer	Beilenson	Coleman (MO)
Armey	Bennett	Combest
Baker	Broomfield	Courter
Ballenger	Brown (CO)	Cox
Bartlett	Bunning	Crane
Barton	Callahan	Dannemeyer
Bateman	Coble	DeLay
Dickinson	Kyl	Roukema
Dornan (CA)	Lagomarsino	Schiff
Dreier	Leach (IA)	Schulze
Edwards (OK)	Lewis (CA)	Sensenbrenner
Fawell	Lewis (FL)	Shaw
Fields	Lightfoot	Shumway
Foglietta	Lukens, Donald	Skeen
Frenzel	Madigan	Slaughter (VA)
Gallegly	Marlenee	Smith (NE)
Gekas	McCandless	Smith (TX)
Gillmor	McCollum	Smith, Denny (OR)
Gingrich	McCrery	Smith, Robert (NH)
Gradison	McEwen	Smith, Robert (OR)
Hansen	Meyers	Snowe
Hefley	Miller (OH)	Stangeland
Henry	Moorhead	Stearns
Herger	Oxley	Stump
Hiler	Packard	Walker
Hopkins	Paxon	Weber
Hunter	Porter	Whittaker
Hyde	Ritter	Wolf
Inhofe	Roberts	Wylie
Ireland	Rogers	
James	Rohrabacher	
Johnson (CT)	Roth	

NOT VOTING—12

Eckart	McMillan (NC)	Rangel
Hall (TX)	Nelson	Ray
Kennedy	Owens (NY)	Serrano
Martin (IL)	Payne (NJ)	Staggers

□ 1237

So, two-thirds having voted in favor thereof, the bill was passed, the objections of the President to the contrary notwithstanding.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The Clerk will notify the Senate of the action of the House.

GENERAL LEAVE

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on the veto message just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

WITHDRAWAL OF MOTION TO INSTRUCT CONFEREES ON H.R. 3, EARLY CHILDHOOD EDUCATION AND DEVELOPMENT ACT OF 1990

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Madam Speaker, this was the time set for me to introduce a motion to instruct the conferees on the child care bill, to eliminate from its consideration the unfortunate language that would have revived section 89. After we went through that tumult and shouting last fall to successfully repeal and eliminate that animal, somehow it crept back into consideration through the child care bill.

We now have assurances from within that language that we so fear is going to be naturally eliminated from consideration by the conferees, so the whole issue becomes moot and I will not have to enter my motion to instruct. So with that, I inform my colleagues that section 89 will no longer bother us. It will be eliminated from consideration by the conference committee and I need not burden Members with another vote to instruct the conferees to that end.

MOTION TO INSTRUCT CONFEREES ON H.R. 3, EARLY CHILDHOOD EDUCATION AND DEVELOPMENT ACT OF 1990

Mr. BROWN of Colorado. Madam Speaker, I offer a motion to instruct conferees, pursuant to rule XXVIII, clause 1(c), notice of which was given yesterday.

The SPEAKER pro tempore. The Clerk will report the motion.

□ 1240

The Clerk read as follows:

Mr. BROWN of Colorado moves that the managers on the part of the House at the conference on the disagreeing votes of the two houses on the Senate amendment to the bill (H.R. 3) to authorize appropriations to expand Head Start programs and programs carried out under the Elementary and Secondary Education Act of 1965 to include child care services, and for other purposes be instructed to agree to sections 301, 302, 303, and 304 of the Senate amendment, with the following amendments:

Page 175 of the Senate amendment, strike lines 12 through 17 and insert the following:

"(D) Notwithstanding any other provision of this subsection, the exempt amount which is applicable to an individual who has attained retirement age (as defined in section 216(l)) before the close of the taxable year involved—

"(i) shall be the exempt amount which would (but for this clause) be determined under this paragraph for each month of any taxable year ending after 1990 and before 1992, plus $80, and

"(ii) shall be the exempt amount which would (but for this clause) be determined for each month of any taxable year ending after 1991 and before 1993, plus $10.".

Page 176 of the Senate amendment, beginning on line 8, strike "December 31, 1989" and insert "December 31, 1995".

Page 177 of the Senate amendment, strike line 17 and all that follows through line 2 on page 178 and insert the following:

(a) IN GENERAL.—Subparagraph (B) of section 202(j)(4) of the Social Security Act (42 U.S.C. 402(j)(4)) is amended—

(1) by striking clauses (i) and (iv); and

(2) by redesignating clauses (ii), (iii), and (v) as clauses (i), (ii), and (iii), respectively.

The SPEAKER pro tempore (Mrs. UNSOELD). The gentleman from Colorado [Mr. BROWN] will be recognized for 30 minutes, and the gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Colorado [Mr. BROWN].

Mr. BROWN of Colorado. Madam Speaker, I yield 1 minute to the gentleman from Kentucky [Mr. MAZZOLI].

(By unanimous consent, Mr. MAZZOLI was allowed to speak out of order.)

ANNOUNCEMENT OF PASSING OF HON. CHARLES P. FARNSLEY

Mr. MAZZOLI. Madam Speaker, I thank the gentleman for yielding me this time to convey the sad news to my colleagues in the House of the death of a former Member. Former Congressman Charles P. Farnsley of the city of Louisville, my predecessor by two Members in the Third District seat, died last night.

Mr. Farnsley was the mayor of the city of Louisville from 1948 through 1953, and garnered national headlines for innovative leadership. He was a Member of the 89th Congress, retired, went back home, continued his work in book publishing and activities in city planning.

At a later time in the congressional session, I will ask for a special order so that all of us who knew Charlie Farnsley and those of you who served with him will be able to convey your condolences to his survivors, his two daughters, Sally and Ann, and his three sons, Alex, Burrel, and Douglas. This is a loss to the city and to the country.

Mr. BROWN of Colorado. Madam Speaker, I thank the gentleman from Kentucky.

Madam Speaker, this particular instruction deals with the child care conference but deals only with Social Security issues.

It is a proposal that strikes a balance, strikes a compromise, between the House position and the Senate position. It is a proposal that is a moderate one. It is a small step, but we believe it is an important step for the senior citizens of this country.

Let me emphasize several things. One, it is revenue neutral. That is, the amount it proposes to spend in outlays is balanced with the amount that it raises. Two, it has no effect at all on child care. It is wholly contained within the Social Security trust fund. It in no way endangers, limits, restricts funds available for child care. We think that is an important part of this measure.

What does it do? It does two basic things. One, it increases the threshold that seniors can earn before the penalty, the Social Security earnings penalty, is imposed on them. As all of our Members recall, those above 65 and below 70, if they earn money above the threshold amount and receive Social Security benefits, they come to a point where they face a devastating penalty for having worked. This is in addition to all other taxes.

What we propose to do is change that earnings penalty only on the first $5,000 above the threshold from $1 for every $3 earned to $1 for every $4 earned, and the second portion of it is to increase the threshold in two stages by $1,200. This very small change will make an enormous difference for those working poor who are senior citizens who will then have a chance to earn a little more money before that heavy penalty is imposed on them.

The higher threshold is phased in over 2 years, and the change in the tax rate for the first $5,000 above the threshold is not made effective for 5 years. It is done that way so it does not have a fiscal impact because of this problem.

I must say I would like to have that change done immediately, but unfortunately, from the revenue side, we do not have the revenue to offset it, so it is delayed for 5 years.

Madam Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. PAYNE].

Mr. PAYNE of Virginia. Madam Speaker, I rise in support of Mr. BROWN's motion to instruct conferees. Today by reducing the Social Security earnings penalty, we have the opportunity to make some needed progress in Social Security reform.

When the Social Security Program was begun in the 1930's, one of the reasons for creating it was that the benefits under Social Security would coax older workers out of the labor force. This would free up jobs for younger people—a needed policy in the high unemployment years following the Great Depression. However, we no longer have high unemployment. Instead, we have near full employment and there are labor shortages in many areas of the country. Our demographics suggest this will be true for many years to come. Thus, we need to encourage, not discourage, older workers into working. Older workers are one of our country's greatest assets. Reducing the Social Security earnings penalty would give senior citizens the signal that their work is valued.

Second, I'm sure many of you have heard of instances where a retiree would ask to be paid in cash for his work. These earnings may not be reported, and thereby be taxed. If we relaxed the restrictions on the earnings test, it would encourage these people to report their income. Taxes on this income would create more revenue for the Government in the form of income taxes and more money for the Social Security system. Therefore, this policy may not be just revenue neutral, but potentially revenue positive for the Federal Treasury.

Liberalization of the Social Security earnings test would be a good policy for senior citizens, for employers, and for a competitive America. I encourage my colleagues to support this motion.

Mr. ROSTENKOWSKI. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in opposition to the motion.

The motion before us would instruct the conferees on H.R. 3 to accept the Senate provision liberalizing the Social Security retirement test. This instruction would increase Federal spending over the next 5 years by nearly $1½ billion.

When I first learned of this motion, I was concerned that its supporters were going to ask the conferees to take that amount of money away from poor children and their families. I am pleased to discover that it is not true. The authors have, however, asked the conferees to cut Social Security benefits for some beneficiaries in order to increase them for others.

And which Social Security beneficiaries would see an increased in their Social Security checks as a result of this change? The answer is simple: a few, relatively well-to-do senior citizens between the ages of 65 and 69. Less than 3 percent of the elderly would receive the entire $1.4 billion in additional Social Security benefits. Of that 3 percent, two-thirds have family incomes in excess of $37,000.

Some of my colleagues argue that this change in the retirement test won't cost a dime. They assert that an increase in the retirement test would entice so many retired people back to work, that the provision would pay for itself. And they have a study to prove it. The difficulty is that no reputable economist—from Congress, the administration, or academia—believes that this study is supported by the facts.

The authors of this motion argue that they have a way of paying for a portion of these increased benefits with cuts that don't hurt anyone. Ladies and gentlemen, there is no free lunch. Under this motion, benefits would be taken away from beneficiaries in the short term in order to save money during the 5-year budget period. Then they would be returned to these individuals in the future, beyond the budget estimation period.

Madam Speaker, the President and the Congress are facing some very hard choices this year about where and how to reduce the deficit. We are facing a sequestration in excess of $100 billion. The budget summit may be forced to make some difficult choices with respect to entitlements.

That is why I find it ironic that here on the floor today we are being asked to expand the largest of our Federal entitlement programs. Some of the strongest advocates of cuts in entitlements are here today asking for an increase in benefits of several billion dollars.

Madam Speaker, if the House is genuinely interested in improving Social Security benefits, there are better and more equitable ways to do so. Two come readily to mind: Improving benefits for the poorest Social Security beneficiaries—widows over the age of 85; and eliminating some glaring inequities in the law affecting disabled widows.

Since 1983, the Congress has acted with great prudence with respect to the Social Security Program. It has enacted neither dramatic increases in benefits nor large reductions. I believe that we should continue to exercise such caution.

The reason that we have worked so hard over so many months to bring H.R. 3 to the floor of the House is to keep our promise to the country to provide day care for needy children. It would be unfortunate if we forgot that we are here to provide help to children who might otherwise be left alone because their parents have to work to support their families. I do not believe that a child care conference is the place to make a change of over a billion dollars in the Social Security retirement program.

Madam Speaker, the Subcommittee on Social Security of the Ways and Means Committee has passed a package of provisions which makes a modest increase in the Social Security retirement test. I support that increase. That package also includes a much-needed improvement in benefits for disabled widows. I strongly suggest that we should not act hastily today to make changes in Social Security benefits without considering the full range of options for improving benefits and financing those changes.

For that reason, Madam Speaker, I urge my colleagues to vote against the motion to instruct.

□ 1250

Mr. BROWN of Colorado. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, the gentleman from Illinois [Mr. ROSTENKOWSKI] has made a valid point about the fact that this will over the time period suggested increase benefits by over $1 billion. That is correct. The net impact though is a slight plus for the Social Security fund. The offsets are contained in measures this House has looked at before. Specifically, one of the measures of funding the biggest comes from elimination of two types of reduced retroactive benefits.

A similar provision was passed by this House in the 1989 Reconciliation Budget Act. It was approved on May 2, 1990, in the Social Security Subcommittee markup of the proposal. That revenue source has been endorsed by the National Committee to Preserve Social Security and Medicare in the 1989 Senate legislation.

So the revenue sources on this more than balance, more than offset, the increased benefits that come out, and in fact leave the Social Security fund with a slight $13 million increase.

Madam Speaker, I yield 4 minutes to the gentleman from Illinois [Mr. HASTERT], who has shown great leadership on this issue by sponsoring legislation to repeal the Social Security earnings penalty.

Mr. HASTERT. Madam Speaker, I would like to thank my colleague from Colorado [Mr. BROWN] for offering the motion to instruct the conferees on the Early Childhood Development Act regarding the Social Security earnings test. The Brown motion supports raising the earnings limit from $9,360 to $10,560.

The 231 Members of this body have cosponsored my legislation to repeal the Social Security earnings test and end the injustice being done against our Nation's older workers. Seniors from across the Nation have been in constant contact with my office wanting to see the earnings test eliminated. They are frustrated, like I am, with the slow, tedious process of getting legislation passed.

While I support the Brown motion, I want more. Seniors from Oceanside CA, to Portland, ME, who have been writing and calling my office deserve more. They deserve complete repeal of the Social Security earnings test. They are tired of having two-thirds or more of their gross income taken away by the Federal Government. They are tired of being taxed at a rate twice what Donald Trump pays.

Seniors want to work; some need to work. Small businesses across the country and larger corporations, such as Sears, Chevron, Days Inn, McDonalds, and Travelers Insurance, want these seniors to work. In fact, they desperately need the senior's experience and dependability in their work force. Today's labor force is shrinking. No longer do we need to push seniors out of the work force and into the rockingchair.

If my bill, H.R. 2460, with its 231 cosponsors could be brought to the floor for a vote, I am confident that we could resolve this issue. I support Mr. BROWN's efforts to increase the earnings limit by $1,200 dollars, but it is only a small step in the right direction. Let us next concentrate our efforts on total repeal of the Social Security earnings test.

[From Success Magazine, June 1990]

PAYING PEOPLE NOT TO WORK—UNCLE SAM IS DESTROYING YOUR WORK FORCE

(By Walter E. Williams)

Every employer knows that the quality of workers entering the market is declining. Most workers don't have the skills they need to do an adequate job at your company. I'm not talking high-tech skills like computer programming and drafting. I'm referring to "skills" like making change, writing a memo, or coming to work on time.

While you struggle to find ways to locate and entice reliable and skilled employees, what are your representatives in Congress doing? Driving those people out of the workplace and into rocking chairs all across America. Congress seems to be on a campaign to get the elderly to retire and to stay retired. To this dubious end, Congress is using that set of laws and taxes we call Social Security.

Once upon a time, people worked well into their old age. Before 1933, when Congress passed the Social Security Act, almost 65 percent of men aged 60 or over had jobs. Today, men's life expectancy has zoomed from 59 to about 74, and 60-year-old men are healthier than they ever have been. But for some reason, only 32 percent of them work. Among men 65 and over, 16 percent work, most of the other 84 percent have no disability that prevents them from working.

These people aren't lazy. And they aren't simply being lured into leisure with Social Security payments. They're being chased out of the workplace by heavy-handed, discriminatory taxes on their earnings. In 1989, if someone over 65 had the nerve to earn more than $8,800, his retirement benefits were docked 50 cents for every dollar he made. If he was middle income, this penalty, plus the regular taxes on his earnings, easily brought his marginal tax rate up to 102 percent.

The elderly are old, but they are not stupid. A 102 percent tax rate makes earning money unattractive, if you have to report it to the IRS. According to a report by the National Center for Policy Analysis in Dallas called, "Paying People Not to Work," if the Social Security earnings penalty were eliminated, at least 700,000 retires would reenter the job market. Their contribution would raise the GNP by at least $10.3 billion.

Why is Uncle Sam subsidizing idleness and punishing work? Because Congress cherishes quaint myths about the elderly—that thy are penniless and unable to fend for themselves, and that they need to be protected from the likes of you. The facts suggest otherwise.

Elderly people are economically, powerful, on average: They make up only 12 percent of the population—yet they own over 60 percent of the capital assets in the U.S. if we include pension funds. Three-fourths of them own their houses—and 83 percent of that number have clear title. They get 50 cents of each dollar the federal government spends on entitlements, each of their households get an average of $12,000 a year from Uncle Sam. But don't think that money is their sole support: A full 65 percent of their earnings come from savings.

DRIVING OUT THE GOOD

While the political rhetoric resounds from Capital Hill on gearing up to meet international competition, Congress encourages some of the most skilled and experienced workers to leave their jobs, and slaps heavy penalties on those who return. At the other end of the age spectrum, our schools are turning out workers with low skills, bad attitudes, and unwarranted expectations.

This year, we're hitting working Americans with a 14 percent increase in the Social Security tax; we still have taxes (such as capital gains) and laws that discriminate against entrepreneurship; we're threatening America's employers with monstrous mandatory health-care and day-care costs. One is tempted to think our Far East and European competitors have hired undercover agents to influence Congress to pass measures that sap our strength.

The best starting point for our country, if we want to reinvigorate our work force, is to heave the Social Security earnings penalty onto the ash heap of history with other bankrupt ideas. We'd have hundreds of

thousands of workers ready, able, and willing to start work the next day.

PAYING PEOPLE NOT TO WORK: THE ECONOMIC COST OF THE SOCIAL SECURITY RETIREMENT EARNINGS LIMIT

(By Aldona Robbins and Gary Robbins)

EXECUTIVE SUMMARY

Our nation's senior citizens represent a rich pool of talent and ability that is largely untapped. This vast resource of valuable human capital has the potential to add billions of dollars to our annual output of goods and services; provide new, earnings-related tax revenues for federal, state, and local governments; and strengthen the competitive position of the U.S. economy in the international marketplace.

One reason why so many of the elderly have abandoned the workplace is that the federal government has imposed extraordinarily high marginal tax rates on wages they earn.

For middle-income elderly workers, federal taxes take at least 75 cents out of each additional dollar of wage income.

In some cases, the marginal tax rate reaches 102 percent, and elderly workers lost $1.02 for each $1 of earnings.

Of the various taxes on the wage income of the elderly, the most draconian is the Social Security retirement earnings penalty. Because of this tax, elderly workers currently lost 50 cents in Social Security benefits for each $1 of earnings—a marginal tax rate of 50 percent. Yet this tax is self-defeating. It raises no additional net revenue for the federal government and imposes a large cost on the U.S. economy. Based on a conservative estimate:

If the retirement earnings penalty were eliminated, at least 700,000 elderly retirees would enter the labor market.

As a result, our annual output of goods and services would increase by at least $15.4 billion.

Government revenue would increase by $4.9 billion, more than offsetting the additional Social Security benefits that would be paid.

One argument against the complete elimination of the retirement earnings penalty is that it would obligate the federal government to pay Social Security benefits to high-income elderly individuals who are willing to continue working whether or not they receive the benefits. For these workers, elimination of the earnings penalty would cause the federal government to lose funds (in the form of Social Security benefit payments) and get nothing in return. Yet if the only objective were to reduce the federal deficit, Congress is passing up the opportunity for a free lunch.

In 1990, elderly workers will be allowed to earn as much as $9,360 (the earnings limit) without loss of Social Security benefits.

If this earnings limit were doubled, tripled, or even quadrupled, the federal government would receive considerably more in new work-related tax revenues than it would lose in increased Social Security benefits payments.

If the earnings limit were increased to $39,360 the federal deficit could be reduced by $3.2 billion.

Mr. JACOBS. Madam Speaker, I yield myself such time as I may consume.

I should observe that if we move forward on this particular proposal, we will simultaneously move backward on the effort to reduce Federal spending. The retirement test was not put into the law to keep seniors out of the work force. The retirement test was put into the law to determine whether a person under the Social Security system is or is not retired. There is nothing in the Social Security law that says senior citizens cannot work.

□ 1300

There is something in the Social Security law and it has been there since its origin that says senior citizens cannot work and pretend at the same time that they are retired.

Through the years the retirement test was real, which really is the definition of part-time work. The retirement test has, as they say, been liberalized. Right now it is even indexed to float right up with inflation like a float valve in a carburetor or like a float valve in a carburetor used to be, and we have even increased the retirement test in real dollars and, in fact, the Committee on Ways and Means is in the process of increasing it in real dollars even as we speak.

However, it is a more modest increase than the one proposed by the gentleman from Colorado. Why? Because the money that the gentleman proposes to use, the cuts in the Social Security program the gentleman from Colorado proposes to use to make the increases in the retirement test have already been identified by the subcommittee on Social Security; namely, the repeal of the so-called retroactive benefits. That repeal and that savings has already been identified as the proper money to pay for a liberalization for those women who are widows over 85 years of age, referred to by Chairman ROSTENKOWSKI.

Let me tell Members something about them. They do not have $37,000 a year in income. Indeed, they are among the most poverty-stricken and most helpless individuals in our society. These women over 85 years of age, widows on Social Security are the ones the horrow stories are told about who are forced to eat dog food, probably Alpo, I guess, but nonetheless dog food. They are the ones who do not have enough money to have shelter in the winter time. They are at the vanguard of the shame of this Nation.

So in order to liberalize the retirement test even more than the subcommittee voted to liberalize the retirement test, this proposal will jerk the rug out from under what little relief in the budget we could find for those who are over 85.

If we unhook Social Security from the Gramm-Rudman, as we surely ought to do because it is a separate trust fund, it has its own income, it has its own obligations, we ought not pretend, and Lyndon Johnson started it and every President and Congress since have taken advantage of the subterfuge, we ought not pretend that the money taken in by Social Security is in fact money available to by bubble gum or bombs or whatever else the Government chooses to buy, because it is not. It is a fakery. Everybody in the country knows it is a fakery, and it has nothing to do with this.

If we unhook the Social Security trust fund from the Gramm-Rudman legislation, then we could talk about a more generous increase in the retirement test definition of part-time work, and I would favor that. But as long as it remains under the contraints of Gramm-Rudman, the choice here today is very simple, as Chairman ROSTENKOWSKI said, liberalize the test for people who are relatively well off under Social Security and wipe out what little relief we could give those women 85 years and older, or retain the benefit enhancement for those people who are destitute and await a more sensible moment when Gramm-Rudman and Social Security are divorced because they never should have been married.

Mr. BROWN of Colorado. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, let me just say that my subcommittee chairman I think expresses valid concerns about disabled widows. I want to pledge to him my willingness to work with him on the disabled widows' problem. I think it is a valid cause, and we ought to work on it, and we ought to get legislation that provides relief.

I think the pertinent point here though is, unfortunately, the disabled widow question is not in the conference, and the earnings penalty is, and that is why we have chosen to address the earnings penalty at the conference level.

Mr. JACOBS. Madam Speaker, will the gentleman yield?

Mr. BROWN of Colorado. I yield to the gentleman from Indiana.

Mr. JACOBS. What the gentleman says is exactly right. It is the identical payment though in both cases; namely, repealing the retroactive benefit. If we spend it here it will no longer be available to spend to help the disabled widows. That is all I was saying.

Mr. BROWN of Colorado. I wanted to make it clear that we are happy to work with the gentleman in finding funds for that.

As the gentleman knows, we cut back the Senate proposal in this area dramatically, and I feel comfortable that there are ample funds available. We are only dealing with two exceptions in this area, and I feel comfortable that we will be able to find revenues in that area, and I pledge to the gentleman that we will work with him.

Mr. JACOBS. If the gentleman can find it, I will be all for it. But find it

first, and do not take it away from the old and disabled.

Mr. BROWN of Colorado. Another point worth addressing here is that the senior citizens impacted here are the ones at the threshold levels. The threshold level next year will be $9,960 a year, and anyone who thinks that someone who earns $9,900 a year is the idle rich in today's world has another thought coming. I must tell Members this deals with impoverished senior citizens who find themselves in a 70-percent tax bracket. This tax is an incredible burden on those of very modest means. It is not dealing with the rich. It is focused on those of moderate means who have to work and need to work and find themselves with an unbelievable tax burden.

Madam Speaker, I yield one-half minute to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Madam Speaker, I thank the gentleman for yielding. I want to commend the gentleman from Colorado [Mr. BROWN] for focusing attention on the long overdue need to revise the earnings penalty or earnings limitation on Social Security beneficiaries. A number of us in the House and in the Senate have joined together calling for the outright repeal of this limitation, and while I certainly want to see the repeal, this is a step in the right direction and I hope my colleagues will support this proposition.

Both the prior Social Security Director, Dorcas Hardy, and the existing Director, Wendell King, have endorsed a complete reform of the earnings limitation, an I urge my colleagues to support the motion.

Mr. BROWN of Colorado. Madam Speaker, may I inquire how much time remains on our side?

The SPEAKER pro tempore (Mrs. UNSOELD). The gentleman from Colorado [Mr. BROWN] has 16½ minutes remaining, and the gentleman from Indiana [Mr. JACOBS] has 20 minutes remaining.

Mr. DOWNEY. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, a couple of things strike me about this. First of all, this is probably something we should do, and I think the gentleman from Colorado has made some pretty good points about it.

If I had my druthers, I would use this money to expand title V of the Older Americans Act which goes specifically to the old, elderly who perform public service at minimum wage rates and sometimes a little higher. If we use the money that way we would probably be able to get it into the hands of people who are working and who need more money. So I think that there are better ways to spend the money than this.

My second concern has to do with is this the place to be dealing with the Social Security earnings test, and clearly it is not. We are dealing with a child care piece of legislation, and one can make the argument, and I think effectively, that money that we spend to raise the earnings limitation might not get spent on child care, or could be used, for instance, to expand the earned income tax credit or the other aspects of the child care program.

It is in the Senate bill. The reason the Senate has it there is because they have unfortunately no rules and operate in their 19th century ways of allowing things to appear on bills that have nothing to do with the bills that they are working on, a curious way of doing business but one nonetheless that they have been happy with for 200 years. Fortunately we do not do that. But we are not in the position of having to address this essential non sequitur on a child care bill, and I would urge my colleagues who will, in the face of the support of the AARP and the senior groups who would live to see this disappear, would support it, to recognize that it is not a question so much of opposition from this side, but really a question of is this the place to do it, is it the best way to spend the money, and can we afford to be as lavish.

My friend from New York said that he would like to basically do away with the earnings limitation altogether for Social Security. That costs $26 billion. That is a lot of money. It also changes the very nature of the Social Security system away from a partial pension retirement system to an annuity. It was never meant to be an annuity. We certainly cannot afford to completely abolish the earnings test, and frankly I do not think we can afford to do some of the things the gentleman has recommended we do.

Madam Speaker, I reserve the remainder of my time.

Mr. BROWN of Colorado. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, let me add my hearty concurrence with the gentleman from New York's observation about the Senate rules. If anything, he has been too kind in his assessment of their procedures over there.

I might vote though that with regard to this issue of penalizing our senior citizens from working, we have not had a floor vote on that subject since the year 1977, and 13 years is not too long to wait to bring the subject up. It seems to me more than reasonable that we try to address it here.

□ 1310

Madam Speaker, I yield 1 minute to the gentleman from Florida [Mr. STEARNS].

Mr. STEARNS. Madam Speaker, I just wanted to echo the comments of my colleague from Colorado that there is no other way for us to get this before the House floor.

While I respect my colleague from New York and his point of view, I believe it is appropriate to do this under the child care piece of legislation. I would remind him of course that not since 1977 have we had an apportunity to get a House floor vote on the repeal of the Social Security earnings test. I would also point out that we have had to move it from $8,500 to $9,360 and from there to $10,560, that is, incrementally and how we want to move it further.

I just submit that the record has shown that it has not hindered our total revenue income. I think this gradual measure that we are voting on today should be accepted by the House. I hope my colleagues will vote for it.

Mr. DOWNEY. Madam Speaker, I yield such time as he may consume to the chairman of the Committee on the Budget, the gentleman from California [Mr. PANETTA], on whose shoulders lies the awesome responsibility of dealing with the problem of the budget.

Mr. PANETTA. Madam Speaker, this is obviously a proposal that I think a large majority of Members support, including myself. Looking at it, because it does involve the whole question of earnings limitations and whether or not we ought to make it more adaptable to the reality of what faces senior citizens in our society, but I think you have to in the context of what we are doing both in the budget summit as well as with regard to the threat of sequestration this year, you have to ask two very important questions: No. 1 how you pay for it; No. 2, how does it relate to the other issues which the summit is now confronting?

On the question of how you pay for it, although I think there is an effort here to try to fund the cost of this, which could run as high as, as I understand it, from $1.4 to $2.5 billion over 5 years, what is done here is an approach that reduces other benefits over a period of 5 years and then restores those benefits after the fifth year. So, in effect, while you might cover some of the initial costs by the fifth year as you restore those benefits, you now are looking at a problem where you have provided not only continuing benefits but you are also having to pay for an earnings limitation, and the reality is it is going to add to the deficit in the outyears. This proposal does not fully pay for this provision, and I think all Members need to be aware of that.

Second, with regard to what confronts the summit, and I think that confronts all of us this year, is the prospect of a sequestration that could be in the vicinity of anywhere from $100 to $180 billion, depending on

what is considered by OMB at that point.

If we face any level of sequestration, it clearly is going to impact on programs that affect senior citizens. I am not sure you are serving the interests of anyone by pretending to provide benefits on the one hand and taking them from senior citizens on the other.

The other point is: Even if we approach some kind of comprehensive package, and I hope we do, in the summit it clearly is going to involve some reductions on the domestic side, including entitlement programs. And if we do that, then surely ought we not to wait until the summit has arrived at those agreements before deciding whether or not we are going to, in a false way really, promise additional benefits that may not actually come true?

So I guess for all those reasons, while I join in the concerns that are registered here, I think this is the wrong place at the wrong time to consider this issue, that we indeed ought to wait until the summit completes its work before we decide we are going to make false promises to senior citizens in this country.

Mr. BROWN of Colorado. Madam Speaker, will the gentleman yield?

Mr. PANETTA. I yield to the gentleman from Colorado.

Mr. BROWN of Colorado. Madam Speaker, I thank the gentleman for yielding.

Madam Speaker, my understanding from the Congressional Budget Office was that this more than pays for itself, that it was 100 percent paid for and came up with a $13 million surplus in the bill.

Mr. PANETTA. I understand that is not the case. While you pay for it in the first 5 years as you restore the benefits that you have reduced in order to pay for it, you suddenly then have a situation where you are increasing the deficit by virtue of providing these benefits. That is my concern. I understand that this is on the lump-sum computation issue which the gentleman would revise over a period of the first 5 years in order to provide the additional funds. You then restore it, and it is at that point you are talking about deficit spending in order to pay for this benefit.

Mr. BROWN of Colorado. Let me assure the gentleman I submitted the proposal to the Congressional Budget Office, and they in writing have assured us that 100 percent of it is paid for in a full 5-year budget cycle. As a matter of fact, there is a very small increase in net revenue.

Mr. PANETTA. We are not connecting here. I do not disagree with the gentleman on the first 5 years. Beyond the first 5 years you have done nothing to pay for this.

Mr. BROWN of Colorado. My understanding, if I could say to the gentleman, my understanding is the only picture we have been asked to look at by the CBO is the 5-year proposal. In the 10 years I have been here, we have never had a projection that has gone beyond that level.

I think it is not irresponsible to suggest that we ought to look beyond that level. I think the gentleman's foresight is commendable. But at least in the framework we were aware the gentleman is interested in, it more than pays for itself.

Mr. SLATTERY. Madam Speaker, will the gentleman yield?

Mr. PANETTA. I yield to the gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. I thank the gentleman for yielding.

Madam Speaker, I think in question also is the sum $363 million, which is related to the disabled widows provisions that we heard the chairman of the Committee on Ways and Means talk about earlier. The point he made is that we have designated $363 million, the committee has, envisioning we are going to deal with this very urgent problem with disabled widows.

You are claiming that same $363 million to help pay for part of the $1.4 billion cost that you envision by changing the income limits.

Mr. BROWN of Colorado. Let me assure the gentleman the disabled widows are not a part of this bill. They have no relationship to it.

Let me pledge to the gentleman there are ample resources in the Social Security trust fund, many of them much larger money, as suggested by the Senate, to deal with that issue. I want the gentleman to know that I share his concern about it. I think we will work that out. I will favor it.

But let me suggest also that is not part of the bill that is before the conference committee. That is the reason why it was impossible to address.

The SPEAKER pro tempore (Mrs. UNSOELD). The gentleman from Colorado [Mr. BROWN] has 14½ minutes remaining, and the gentleman from New York [Mr. DOWNEY] has 11 minutes remaining.

Mr. BROWN of Colorado. Madam Speaker, I yield 1 minute to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Madam Speaker, I support this motion and commend the gentleman from Colorado for bringing it up. I would prefer total repeal. I am a cosponsor of that legislation.

This is a move in the right direction for two reasons: No. 1, it would increase revenues, as the debate shows, not only directly to the Social Security System but to the Federal Treasury, in increased income tax revenues.

No. 2, it is the fair and the right thing to do.

We are today wasting a lot of the talent of older Americans who are not able to work as much as they would like.

I urge my colleagues to join in support of this motion.

Mr. DOWNEY. Madam Speaker, I yield myself such time as I may consume.

The gentleman from California just said that based on some study or some statistic that the repeal of the earnings test would be a net gain to the Treasury. Is that the point the gentleman made? That is completely incorrect. It is a $26 billion loss to the Treasury, $26 billion.

At least, let us try to work from the same factual basis.

Mr. BROWN of Colorado. Madam Speaker, will the gentleman yield?

Mr. DOWNEY. I yield to the gentleman from Colorado.

Mr. BROWN of Colorado. I thank the gentleman for yielding.

Madam Speaker, the communication we had from the budget office says that there is a $13 million net gain over the 5-year cycle.

Mr. DOWNEY. The gentleman from California is referring to the Brown motion? I apologize to the gentleman. I thought he was talking about the earnings test itself.

Madam Speaker, I yield 2 minutes to the gentleman from Kansas.

Mr. SLATTERY. Madam Speaker, I thank the gentleman for yielding.

Madam Speaker, I recognize what we are talking about here today is really almost a meaningless instruction to a conference committee. I think we need to keep that in mind. But I hope also that we keep in mind that leadership is about making choices. The fact of the matter is when we deal with the Social Security problem, we have to recognize that we have some very urgent needs, and I think the Committee on Ways and Means has recognized that one of the urgent areas is this whole question of disabled widows. We have a minimum amount of money to spend and we have an enormous deficit problem, as the chairman has described, and others have repeatedly described, before this body.

□ 1350

We have to sometimes say, look, we will deal with disabled widows and we will pay for that by terminating some of the retroactive benefits that are currently available. We are making choices. To come along now and liberalize significantly the whole income qualification issue is, in my opinion, not just justified at this point, especially in light of the fact that we do not know how much it will cost.

I would point out that if we assume that this $1.4 billion benefit increase that we are talking about is going to

be paid for by the changes that the gentleman from Colorado is talking about, what that is going to do is in effect tell the Committee on Ways and Means that they have to find another $373 million someplace else to deal with the widow problem.

All I am saying, we do not have those kind of resources now, especially in light of what is going on across the Rotunda with the economic summit. So we have to make some hard choices. The bottom line is, let Members wait until we know what this will cost. This is the wrong place for Members to be making horseback opinion about an issue of enormous cost like this.

I urge my colleagues, and I know that this is probably going to pass overwhelmingly, but I urge my colleagues to be cautious in terms of what kind of recommendations we are making to the conference committee.

Mr. BROWN of Colorado. Madam Speaker, I yield myself such time as I may consume.

Let me commend the gentleman from Kansas for his thoughtful concern, but let me suggest, for example, the Senate already signed off on several hundred million in offsets in revenue which we did not use for the measure because we scaled back their proposals for liberalization.

However, there are significant revenue sources available for his concerns that have already been approved by the Senate, and I think are clearly available when we get to a conference.

Mr. SLATTERY. Madam Speaker, will the gentleman yield?

Mr. BROWN of Colorado. I yield to the gentleman from Kansas.

Mr. SLATTERY. Madam Speaker, I would point out to the gentleman, this year, I assume the gentleman realizes we did liberalize the income qualifications, so today senior citizens can earn $3 instead of $2, and have that offset by $1.

Mr. BROWN of Colorado. My understanding is that measure was taken in 1983.

Mr. SLATTERY. That is correct, but it went into effect this year for the first time, so this year those senior citizens are realizing for the first time significant revenue in this area.

Mr. BROWN of Colorado. Madam Speaker, I thank the gentleman for an important point.

Madam Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Madam Speaker, I rise in support of the gentleman from Colorado's motion. I ask for unanimous consent to revise and extend my remarks.

Madam Speaker, the earnings penalty has resulted in some extraordinary tax rates for working senior citizens. Marginal tax rates for working seniors with modest Social Security and pension can reach more than 90 percent. A senior in the 28-percent tax bracket faces, in addition to the 28-percent Federal income tax, a 7.65-percent FICA tax, 11.69-percent Social Security benefit tax, 9.92-percent Medicare surtax and the 33-percent earnings penalty, for a total of 90.26-percent marginal tax rate, excluding State and local taxes.

The tragedy is that this tax is imposed at a time when seniors need their money the most. Living expenses are on the rise for seniors, particularly health care. Yet, we still have this earnings test based on the obsolete idea that seniors working means young people are out of jobs. In a labor short economy, particularly when the skills and wisdom honed over a lifetime, are available. Seniors can add a lot to the economic vitality of our Nation.

I applaud any effort, as embodied in the motion to instruct, to raise the earnings limit. However, raising the limit by only a small amount, we do only a small amount of good. While I support the efforts to totally eliminate the earnings test, I have also introduced H.R. 4904, the Senior Citizens' Tax Fairness Act as a compromise. H.R. 4904 would raise the earnings limit to $39,360, where, according to a joint study done by the National Center for Policy Analysis and the Institute for Policy Innovation, Federal tax revenues would be maximized at some $3.2 billion.

Right now, a senior, without any private pension, working a full time job, earning only $5 an hour will face a marginal Federal tax rate of 56 percent—15 percent Federal income tax, 7.65 percent FICA tax and 33 percent earnings penalty. This does not include State taxes. By raising the limit to $39,360, we help the hard-working middle class senior earn a decent living past age 65. Why deny seniors that decent living. We help the salesman who earns $30,000 a year, as well as the factory worker who earns $10 an hour, and the unskilled laborer who earns $250 a week. By helping them we contribute to filling the needs in our labor force and we raise new tax revenues to boot. We give back seniors the dignity they deserve. In what has increasingly been a throw away society, we can ill afford to throw away seniors' skills and talents.

Unlike the 1930's, when the Social Security System was enacted, today, age 65 is not old. In fact, life expectancy in the late 1930's was 62 years, and the retirement age was 65. People were expected to expire before they retired. Today, the average life expectancy is over 72 years and growing. But even more important is the fact that if you reach 65 today, the average life expectancy is 17 more years.

Let's face it, the good news is that Americans are living longer and we are living healthier longer. It is about time we recognize these facts and stop taxing our productive seniors out of the work force.

The SPEAKER pro tempore (Mrs. UNSOELD). The gentleman from New York [Mr. DOWNEY] has 8 minutes remaining, and the gentleman from Colorado [Mr. BROWN] has 9½ minutes remaining.

Mr. DOWNEY. Madam Speaker, I would make one other point. Again, notwithstanding the merits of this issue, the issue of how it comes up in the context is inescapable. One of the things that is true about the child care proposal, both the Stenholm-Shaw substitute which President Bush supported, and the bill that ultimately prevailed here in the House, is that we do not have the money to pay for it, all of it. We are still going to be, in one case, $3 billion short over 5 years, and if we prevail ultimately, and the larger bill is passed, $7 billion short. Therefore, it is not unreasonable to suggest that the money that we are intending here to expand the earnings retirement will necessarily reduce the size of the child care bill.

Now, I know that that is not anything that anyone wants to confront directly because it means a difficult choice between generations. As the gentleman from Pennsylvania talked about before, the earnings limitation does extract a very high marginal tax rate on a senior who is working. No Member wants that. However, by the same token, we also want to make sure that someone who is struggling to raise a family has the opportunity to do so in the environment of a healthy child-care setting that we maximize the size of the earned income tax credit or title XX.

When President Kennedy said "The power to budget is the power to choose," we are choosing today, we are choosing to increase in earnings retirement for seniors, which will help them, which they deserve, but there will be a cost, and the cost will be that there will be less money for child care, less money for the earned income tax credit, and ultimately, less in the way of people who raise their children to do so with the help of the National Government. That is a lamentable choice that we have to make. By offering this motion to instruct, it is one that we have to confront. We need to understand the facts as we confront them.

Madam Speaker, I reserve the balance of my time.

Mr. BROWN of Colorado. Madam Speaker, let me clarify a matter that I exchanged in a discourse with the gentleman from Kansas.

I indicated an interest in working with the other side on developing revenue for the disability program that has been suggested. While that is not

in the conference, I think it is a noble purpose, and I want to reiterate that pledge. However, what I would clarify if I could. I suggested the Senate might have signed off on a procedure recalculating benefits. We have indeed. There is additional revenue there that I think can be achieved in that area, but that was not included in their original proposal.

However, it is an area, I would repeat, I am interested in working on, and I think can be a source of additional funding to deal with the disability problems in which I did not state that clearly before. I wanted to put that into the RECORD.

Madam Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES. Madam Speaker, I think we need to deal with two erroneous notions that are complicating this debate. The first is the notion that repealing or revising the earnings limitation in some fashion is designed only to assist the elderly wealthy.

□ 1330

We are talking about earned income, money you get from working, we are not talking about pensions, we are not talking about interest, we are not talking about coupons, and we are not talking about all the things the wealthy elderly enjoy; we are talking about the people who are working and limits on the amount they can earn.

The second erroneous notion and the more perplexing one is the question of cost. As each of us knows, 235 Members of the House have signed legislation to drastically revise the earnings limitation and perhaps even to repeal it. But the question of the cost is a perplexing one, and it is one of great concern. Our advisers, the Congressional Budget Office and the Office of Management and Budget, calculate the cost to the Treasury in a very primitive way. Then calculate the amount of increased benefits, they multiply it by the number of beneficiaries, and they then multiply that by five, which is the 5-year test period, and they come up with $27 billion.

The gentleman from New York [Mr. DOWNEY] is exactly right. That is what CBO says this will cost. But, CBO refuses to take into account anything else that is going to happen other than increased benefits. They refuse to take into account the fact that these people who are working will be earning more money, will be paying in more income taxes, will be paying in more FICA taxes, will be paying more in unemployment taxes, and will be producing for the economy. They insist on what is called a static model to come up with their $27 billion, and they refuse to consider the dynamics.

A dynamic analysis of this situation produces the result of 700,000 more people in the work force and produces a net gain to the Treasury of $3.2 billion. I would suggest that in considering something like this, it is to our benefit not to assume that only benefits will be paid and nothing else will happen. This is a first step toward our ultimate goal of repeal.

Madam Speaker, we frequently hear it said that half a loaf is better than no loaf at all. Well, this is not even half a loaf; this is just a slice, but let us just take the slice. The 235 cosponsors of the bill of the gentleman from Illinois [Mr. HASTERT] ought to join us today in instructing the conferees to agree with the Senate amendment and get this slice.

Mr. BROWN of Colorado. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, if I might, I would just make one point that I think is appropriate for the debate at this point. The Senate version has $430 million more spent over 5 years in terms of increased outlays in the Social Security fund in this area than they have revenue coming in. One could make the charge that the Senate version does reduce our ability to fund the child care because of that $430 million deficiency.

These instructions propose a compromise where we eliminate that entire $430 million deficiency and replace it with a $13 million surplus, which helps child care dramatically. I think that is an important point in looking at the equity of the debate here.

Madam Speaker, I yield 1 minute to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Madam Speaker, I thank the gentleman for yielding time to me.

Madam Speaker, let me just say that it is unfortunate that we have to address this very important issue in this way. We should take free-standing legislation and look forward to raising or eliminating the earnings cap on our senior citizens.

The point I think we need to focus on is the contingent that to do so would lose money for the Treasury and we can ill afford that loss. Let me say that the Institute for Policy Innovation, with a contract study by Gary and L. Donna Robbins has demonstrated that if we vacate the practice of static analysis and use dynamic analysis that accounts for the revenue that will be generated from these folks who are at work producing, we could raise this earnings limitation up to $39,000 and generate a net of $3.2 billion to the Government's coffers by having done so. At the same time we would save these precious resources and the experience and ability of our senior citizens. We would allow them the dignity of continuing to work if they choose, and we would not commit age discrimination against our working older Americans.

Mr. BROWN of Colorado. Madam Speaker, I yield 1 minute to the gentleman from Florida [Mr. BILIRAKIS].

Mr. BILIRAKIS. Madam Speaker, I thank the gentleman from Colorado for yielding time to me, and I commend the gentleman from Illinois [Mr. HASTERT] again for this legislation which he introduced and which has so many cosponsors.

I certainly do not mean to malign the gentleman from New York because I know of his concern for our elderly in so many areas around the country, but I honestly cannot imagine what the problem is here.

Obviously money would be the problem, but it has been shown that there would be a net gain to the Treasury of $3.2 billion. If that is something to be disputed, fine, but I do not see that there is anything disputing that fact.

Insofar as our elderly needing to work, that age 65 that was chosen so many years ago was just an arbitrary figure, and we know darned well many of these people can continue to work, want to continue to work, and need to continue to work because of their financial circumstances, and they have so much to add to our economy and so much to add to us in terms of knowledge and in terms of past experience.

Mr. DOWNEY. Madam Speaker, I yield myself 4 minutes.

Madam Speaker, I want to respond to what has been said.

My friend, the gentleman from Florida [Mr. BILIRAKIS], whose district I have had the pleasure of visiting, makes a point, and I do not want to refute it, but I want to make one additional point, the same point I made at the outset of my remarks, in terms of employment of the elderly and a bang for the buck.

The Subcommittee on Human Services of the Select Committee on Aging, which I chair, has responsibility for title 5 of the Older Americans Act, which is basically one of the senior employment programs, and I can assure my colleagues that if we could increase the seniors program by $1.3 billion over the next 5 years, we would be able to put a lot of elderly to work who would love to go to work and who would never even reach the threshold on the earnings test, and they would be employed in a battery of things we want them to be employed in already. There we would get more than just a bang for our buck, because the elderly would be going to work in things like the Foster Parents Grant Program, they would go to work providing home health services, and they would go to work in other elderly care centers. They do things that we need to have done, things that they want to do and that they do well. That is how, if we are going to spend money to put the

elderly to work, we should be spending this money. That is No. 1.

Another point I would make is that most of the studies have told us that when we marginally increase the earnings test, as we are going to instruct the conferees to do here, we really do not get that many more people back into the workplace. What we have done is relieve the burden of taxation from people who have already decided to work. I think it is fair to say that people retire for yriad reasons. They are not sitting at home waiting for Congress to change the earnings test so they can go to work. These people have decided to work for whatever reason, and by changing the earnings test, all we are doing here is essentially—and I am not necessarily saying that is completely bad—rewarding a lot of folks who have decided to work already, and we are doing so at a fairly great expense.

Mr. HASTERT. Madam Speaker, will the gentleman yield?

Mr. DOWNEY. I am happy to yield to the gentleman from Illinois.

Mr. HASTERT. Madam Speaker, the point is that we have shaved in such slight degrees of increases that we really do not have the dynamics to give people a mass impetus to get back into the work force or to continue working. I mean we have raised it with $100, $150, or $250, and it is not really dynamic enough to really tell.

Mr. DOWNEY. No. I can see the gentleman's point. And the gentleman from Arizona [Mr. RHODES] also made an excellent point, that it costs us money to do this, notwithstanding the limits of a static model that CBO uses.

All I would ask the gentleman to look at and ask my colleagues who are genuinely concerned about the elderly to support is that they reexamine title 5 of the Elderly Americans Act and see what that does. In Pinellas County, it works enormously well. The gentleman from Florida [Mr. BILIRAKIS] will tell us that the problems they face there are problems that we are going to face as a nation, and one thing we need to do is look at the elderly as an employment resource. I just think there are better ways to do it with this amount of money than that.

The gentleman makes a good point. Maybe it we doubled or tripled the earnings test, if we had the money to do it, that would have some effect.

Mr. HASTERT. Madam Speaker, if the gentleman will yield further, maybe we ought to take the earnings test off entirely and use the $3.2 billion to fund that seniors program.

□ 1340

Mr. DOWNEY. Madam Speaker, if we took the earnings test off. We would still have to deal with the unpleasantness of this $26 billion static loss that the CBO suggests would be there staring us in the face.

Mr. HASTERT. Madam Speaker, will the gentleman continue to yield?

Mr. DOWNEY. I yield to the gentleman fom Illinois.

Mr. HASTERT. However, Madam Speaker, those are numbers, and there is another dynamic to deal with those.

MR. DOWNEY. Madam Speaker, I reserve the balance of my time.

Mr. BROWN of Colorado. Madam Speaker, I yield 1½ minutes to the gentleman from Idaho [Mr. CRAIG].

Mr. CRAIG. Madam Speaker, I join with my colleague, the gentleman from Colorado [Mr. BROWN], in support of instructing the conferees on H.R. 3.

Madam Speaker, we have heard some interesting and relatively elusive arguments here this afternoon of why aging Americans ought not be allowed to continue to work in this society.

First of all, Madam Speaker, I do not believe that 62 and 65 years of age in 1990 is elderly, and yet the definitions of our laws that were passed years and years ago, now no longer recognize medical science, or the energy or vitality of our aging population, are simply out of step.

This instruction, this move in the right direction, simply begins to recognize that we have a phenomenally productive citizenry out there that deserve to have the opportunity not to be penalized, but to be allowed to continue to work productively in society. That is really what the issue is all about.

Madam Speaker, we heard the chairman of the Committee on the Budget, the gentleman from California [Mr. PANETTA], actually come and in a circular way admit that the revenues, the reserves and the Social Security trust funds were, in fact, masking over the deficit.

Madam Speaker, we heard the chairman of the Committee on the Budget in so many words admit that the reserves and the trust funds were masking over the deficit and being used for other purposes. That is why some of us believe in taking the trust fund off budget and why we really do believe that we ought to take the earnings limitation test off altogether. That is at issue.

Madam Speaker, it is a step in the right direction. We ought to recognize that aging Americans remain productive and will become increasingly productive in the decade of the nineties and beyond, and we ought not penalize them with old law that is simply now out of step with modern society.

Mr. BROWN of Colorado. Madam Speaker, today we offer a resolution with the support of Jimmy Roosevelt. He backed it. It is a resolution that I believe Claude Pepper would be memorialized by. It is a cause that he supported of eliminating this earning penalty.

What we are talking about are instructions to the conferees for a reasonable compromise. The Senate has suggested spending $430 million more than they bring in with their adjustment. This brings it back to a neutral position, or actually a slight increase. They suggested changing the penalty and having it instituted immediately. We suggest that penalty be changed, but delay it 5 years.

So, Madam Speaker, what we have is a reasonable compromise, but it is indeed a step forward for the senior citizens of this country.

What we say to them is, "Penalizing you from working is not in our game plan. We want to encourage you and reward you for contributing to this country and making it a stronger, more productive, more creative society."

Madam Speaker, we think that enormous penalty that our senior citizens face at a time in their lives when they need help the most is wrong, and this measure, although it is modest, does help out those senior citizens. It is something, I believe, Claude Pepper would have been proud of.

Mr. GILMAN. Madam Speaker, I would like to take this opportunity to voice my support for the motion to instruct conferees to accept the Senate amendments to liberalize the Social Security earnings test.

The Senate amendment would raise the 1990 earnings threshold by $1,200 and would provide that for the next $5,000 in earnings, benefits would be reduced by $1 for every $4 earned.

Although I would rather see a complete repeal of that archaic earnings test, I wholeheartedly support this initiative since it represents one step closer toward the repeal of the earnings test.

Additionally, I have introduced a bill, H.R. 4241, which eliminates the earnings test for Social Security beneficiaries over the age of 65. This legislation will also raise the cap on outside earnings for those Social Security beneficiaries between the ages of 62 and 65.

Under current law, Social Security beneficiaries under the age of 70 who are employed or self-employed receive their full benefits unless their earnings exceed the annual earnings limitation. My bill eliminates the earnings test for senior citizens over the age of 65, and raises the present limitation on exempt income from $6,840 to $8,949 for senior citizens between the ages of 62 and 65.

Currently senior citizens over the age of 65 lose $1 for every $3 which they earn over the income cap. While this is an improvement over the previous $1 for $2 reduction—a reduction that those seniors under the age of 65 are still subject—the reduction translates into a draconian tax penalty of 33 percent for our Nation's seniors. A tax rate that our seniors are little able to afford.

One needs only to consider the aggregate tax rate for seniors to see the unfairness of the earnings test. For example, a senior over the age of 65 earning a modest amount just over the earnings cap is subject to the earn-

ings test 33 percent marginal tax. When the income and Social Security taxes that seniors pay are added, the total tax bill can reach 60 percent of a senior's earnings. That is not just a tax—it is a penalty.

Our Nation's senior citizens are skilled, knowledgeable, reliable, and eager to work, at the same time that our Nation is experiencing a shortage of workers in many industries; shortages which seniors can readily alleviate. Furthermore, allowing seniors to return to work would reduce not increase the Federal budget deficit.

The Social Security earnings test originated with the creation of the Social Security system in 1935. Its purpose was to remove older workers from the labor force in order to create jobs for the young.

However, today's labor situation is significantly different from the industrial society of the early 20th century. In particular, our seniors are able to and do meet the increasing demand for service oriented workers, and they enjoy working.

Allowing seniors to return to the work force provides many benefits to our Nation such as increased tax revenues, while at the same time alleviating the depression and loneliness that often accompanies the later years in an individual's life.

And, most importantly, a study conducted by the institute for policy innovation and the national center for policy analysis reveals that the revenue-maximizing point for the earnings test occurs at nearly $40,000, generating a net Federal revenue of $3.2 billion.

With a majority of the Members of Congress currently in favor of changing the earnings test, we have the opportunity and the moral obligation to help our Nation's seniors.

Accordingly, Madam Speaker, I urge my colleagues to rise in support of this motion to instruct conferees.

Mr. MATSUI. Madam Speaker, I am voting today against the motion to instruct the House conferees on H.R. 3 to accept the Senate language to liberalize the Social Security earnings test. I am not opposed to loosening the earnings limit for seniors; in fact in the past I have supported such moves. However, child care legislation is not the place to include such an expansion.

The House and Senate conferees on the child care bill are faced with limited Federal dollars to pay for services that are needed by millions of American children. We should not pit young against old in the fight for Federal dollars to pay for these programs. I believe by including this liberalization of the earnings test in H.R. 3, we are doing just that—pitting children against senior citizens.

Represenatative BROWN would pay for this expansion of the earnings limit by taking money the Ways and Means Committee would have spent to improve benefits for disabled widows under Social Security. This group of individuals, who are among the poorest Social Security beneficiaries, can ill afford to subsidize this expansion.

Finally, the Social Security Subcommittee has already approved this year a liberalization of the Social Security earnings test. I believe this is the correct place to broaden these benefits, where Members can conduct a thorough consideration of the issue.

The Brown amendment proposes to do a laudable thing, but his motion is in the wrong place and at the wrong time. I urge my colleagues to oppose the Brown motion.

Mr. BALLENGER. Madam Speaker, I rise in support of the Brown motion to instruct conferees on the child care bill.

The Brown motion would instruct the House conferees to accept Senate language to increase the Social Security earnings test for working seniors aged 65 to 69. Members would be supporting an increase in the limit from the current $9,360 to $10,560 over a 2-year period, and a reduction in the ratio of benefits lost due to earnings from the current $1 for every $3 to $1 for every $4 for the first $5,000 over the earnings limit. I want to emphasize that this motion would be revenue neutral, and would not effect child care dollars included in H.R. 3.

Last year, more than 1 million people had their Social Security checks reduced because of this test, while another million lost benefits entirely. In addiction, labor economists estimate that the test deters another 1 million from working full time.

The test is unfair. It is unfair to senior citizens who lose needed income, and to America at large because we lose some of our most experienced talented and dependable workers. I urge my colleagues to take advantage of this opportunity to provide our senior citizens with the option to continue to be productive, without being penalized financially for doing so. Vote "yes" on the Brown motion to instruct.

Mr. DOWNEY. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. UNSOELD). Without objection, the previous question is ordered on the motion to instruct.

There is no objection.

The SPEAKER pro tempore. The question is on the motion to instruct by the gentleman from Colorado [Mr. BROWN].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BROWN of Colorado. Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point or order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 384, nays 36, not voting 12, as follows:

[Roll No. 185]

YEAS—384

Ackerman	Bartlett	Bonior
Alexander	Barton	Borski
Anderson	Bates	Bosco
Annunzio	Bennett	Boucher
Anthony	Bentley	Boxer
Applegate	Bereuter	Brennan
Archer	Berman	Brooks
Armey	Bevill	Broomfield
Atkins	Bilbray	Browder
AuCoin	Bilirakis	Brown (CA)
Baker	Bliley	Brown (CO)
Ballenger	Boehlert	Bruce
Barnard	Boggs	Bryant
Buechner	Harris	Molinari
Bunning	Hastert	Mollohan
Burton	Hatcher	Montgomery
Bustamante	Hawkins	Moorhead
Byron	Hayes (IL)	Morella
Callahan	Hayes (LA)	Morrison (CT)
Campbell (CA)	Hefley	Morrison (WA)
Carper	Hefner	Mrazek
Carr	Henry	Murphy
Chandler	Herger	Murtha
Chapman	Hertel	Myers
Clarke	Hiler	Nagle
Clement	Hoagland	Natcher
Clinger	Hochbrueckner	Neal (MA)
Coble	Holloway	Neal (NC)
Coleman (MO)	Hopkins	Nielson
Coleman (TX)	Horton	Nowak
Collins	Houghton	Oakar
Combest	Hubbard	Oberstar
Condit	Huckaby	Obey
Conte	Hughes	Ortiz
Conyers	Hunter	Owens (UT)
Cooper	Hutto	Oxley
Costello	Hyde	Packard
Coughlin	Inhofe	Pallone
Courter	Ireland	Parker
Cox	James	Parris
Craig	Jenkins	Pashayan
Crane	Johnson (CT)	Patterson
Crockett	Johnson (SD)	Paxon
Dannemeyer	Johnston	Payne (VA)
Darden	Jones (GA)	Pelosi
Davis	Jones (NC)	Penny
de la Garza	Jontz	Perkins
DeFazio	Kanjorski	Petri
DeLay	Kaptur	Pickett
Derrick	Kasich	Porter
DeWine	Kastenmeier	Poshard
Dickinson	Kennedy	Price
Dicks	Kildee	Pursell
Dixon	Kleczka	Quillen
Donnelly	Kolbe	Rahall
Dorgan (ND)	Kolter	Ravenel
Dornan (CA)	Kostmayer	Ray
Douglas	Kyl	Regula
Dreier	LaFalce	Rhodes
Duncan	Lagomarsino	Richardson
Durbin	Lancaster	Ridge
Dwyer	Lantos	Rinaldo
Dyson	Laughlin	Ritter
Edwards (OK)	Leach (IA)	Roberts
Emerson	Lehman (CA)	Robinson
Engel	Lehman (FL)	Roe
English	Lent	Rogers
Erdreich	Levine (CA)	Rohrabacher
Espy	Lewis (CA)	Ros-Lehtinen
Evans	Lewis (FL)	Rose
Fascell	Lewis (GA)	Roth
Fawell	Lightfoot	Roukema
Fazio	Lipinski	Rowland (CT)
Feighan	Livingston	Rowland (GA)
Fields	Lloyd	Roybal
Fish	Long	Russo
Flake	Lowery (CA)	Saiki
Flippo	Lowey (NY)	Sangmeister
Foglietta	Luken, Thomas	Sarpalius
Ford (MI)	Lukens, Donald	Savage
Frank	Machtley	Sawyer
Frenzel	Madigan	Saxton
Frost	Manton	Schaefer
Gallegly	Markey	Schiff
Gallo	Marlenee	Schneider
Gaydos	Martin (IL)	Schroeder
Gejdenson	Martin (NY)	Schuette
Gekas	Martinez	Schulze
Geren	Mavroules	Schumer
Gibbons	Mazzoli	Sensenbrenner
Gillmor	McCandless	Sharp
Gilman	McCloskey	Shaw
Gingrich	McCollum	Shays
Glickman	McCrery	Shumway
Gonzalez	McCurdy	Shuster
Goodling	McDade	Sikorski
Gordon	McDermott	Sisisky
Goss	McEwen	Skaggs
Gradison	McGrath	Skeen
Grandy	McHugh	Skelton
Grant	McMillen (MD)	Slaughter (NY)
Green	McNulty	Slaughter (VA)
Guarini	Meyers	Smith (FL)
Gunderson	Michel	Smith (IA)
Hall (OH)	Miller (CA)	Smith (NE)
Hamilton	Miller (OH)	Smith (NJ)
Hammerschmidt	Miller (WA)	Smith (TX)
Hancock	Mineta	Smith (VT)
Hansen	Moakley	

Smith, Denny (OR)	Swift	Walsh
Smith, Robert (NH)	Synar	Watkins
Smith, Robert (OR)	Tallon	Waxman
Snowe	Tanner	Weber
Solarz	Tauke	Weiss
Solomon	Tauzin	Weldon
Spence	Taylor	Wheat
Spratt	Thomas (CA)	Whittaker
Staggers	Thomas (GA)	Williams
Stallings	Thomas (WY)	Wilson
Stangeland	Torres	Wise
Stark	Towns	Wolf
Stearns	Traficant	Wolpe
Stenholm	Traxler	Wyden
Stokes	Upton	Wylie
Studds	Valentine	Yates
Stump	Vander Jagt	Yatron
Sundquist	Volkmer	Young (AK)
	Vucanovich	Young (FL)
	Walgren	
	Walker	

NAYS—36

Andrews	Ford (TN)	Pease
Aspin	Gephardt	Pickle
Bateman	Gray	Rostenkowski
Beilenson	Hoyer	Sabo
Cardin	Jacobs	Scheuer
Coyne	Kennelly	Slattery
Dellums	Levin (MI)	Torricelli
Dingell	Matsui	Udall
Downey	Mfume	Unsoeld
Dymally	Moody	Vento
Early	Olin	Visclosky
Edwards (CA)	Panetta	Whitten

NOT VOTING—12

Campbell (CO)	Leath (TX)	Payne (NJ)
Clay	McMillan (NC)	Rangel
Eckart	Nelson	Serrano
Hall (TX)	Owens (NY)	Washington

□ 1406

Messrs. UDALL, GRAY, and SCHEUER changed their vote from "yea" to "nay."

Mr. PERKINS, Mr. STARK, Mrs. BOGGS, and Mr. YATES changed their vote from "nay" to "yea."

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BROWN of Colorado. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the motion to instruct conferees just agreed to.

The SPEAKER pro tempore (Mrs. UNSOELD). Is there objection to the request of the gentleman from Colorado?

There was no objection.

MOTION TO INSTRUCT CONFEREES ON H.R. 3, EARLY CHILDHOOD EDUCATION AND DEVELOPMENT ACT OF 1990

Mr. GOODLING. Madam Speaker, I offer a motion to instruct conferees on H.R. 3, the Early Childhood Education and Development Act of 1990.

The Clerk read as follows:

Mr. GOODLING moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 3 be instructed to reject the new "Act for Better Child Care" grant program proposed in the Senate amendment.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. GOODLING] will be recognized for 30 minutes, and a Member in opposition will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Madam Speaker, I yield 15 minutes of my time to the gentleman from New York [Mr. DOWNEY], and I ask unanimous consent that he be allowed to control that time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GOODLING. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, yesterday afternoon, the House and Senate conferees tentatively completed the portion of the child care conference dealing with titles I, II, IV, and V of the House bill and the Senate's ABC bill. In their final agreement, it appears that the House conferees will accept the Senate's ABC title.

Having sat through the conference meetings for the past 2 weeks, it appears that some of the Members of the House have forgotten that May 9, they voted not to accept the ABC provisions contained in the Senate bill. If you remember, the vote at that time was 411 "yeas" and 1 "present."

□ 1410

It would not be fair to say that the conference did not make some improvements in the Senate's ABC bill. They dropped some mandated councils and moved around some percentages, but essentially the provisions are still the same. Yes, they even changed the name to the Child Care Block Grant, but that does not fool anyone.

The motion to instruct today is the same that was offered by Mr. ARCHER on May 9 of this year. It is very straightforward: reject the ABC bill. By that we mean a new categorical grant program that requires new bureaucracies, new standards, and divides up the funds into different pots for required uses.

If it was not enough that the House rejected the ABC approach once on the House floor already, a letter I received from Governor Sununu yesterday should underline the need to move away from the ABC approach. I ask the better be inserted in the RECORD.

What I am trying to say in this motion to instruct is, let's move away from this ABC approach. The President has said that he will accept a real child care block grant. We need to get the key Members from all the relevant committees back together, get the White House to sit down with us, and write a bill that everyone can live with. The alternative is potential gridlock, and the possibility of a child care bill being written in the context of a budget agreement with none of us, majority and minority, involved.

I hope you will join me in sending this clear message to the H.R. 3 conferees, "the work is not over, you have not followed the House's direction, let's get a bill that can be signed into law, funded, and implemented this year."

THE WHITE HOUSE,
Washington, DC, June 19, 1990.

Hon. WILLIAM F. GOODLING,
U.S. House of Representatives, 2236 Rayburn House Office Building, Washington, DC.

DEAR BILL: As you work with other members of the Labor Committees to craft a conference agreement on the grant provisions of child care legislation, I wanted to share with you the details of what the Administration considers to be in the best interest of America's children. I am pleased that some of the conferees are interested in crafting a bill that the President can sign. Unfortunately, the actions taken thus far by the Conference Committee would result in a bill that is clearly unacceptable to the President.

I remind you that the President has made clear his commitment to veto a child care bill that does not meet his basic criteria.

The President's views on child care were made clear during the campaign and have remained constant throughout the 17 months of the Administration. Although the President is willing to compromise on details, he remains committed to four basic principles: that parents should be given maximum discretion and choice; that any legislation should increase and not decrease the range of child care options available; that legislation should not discriminate against working families in which one parent stays at home to care for the children; and that given scarce resources, additional funds should be focused on those in need. The positions outlined below are consistent with the views expressed by many in Congress and with the principles that the President was elected to uphold.

The President strongly prefers a tax credit approach to child care policy. The Administration bill did not include a grant component. In the spirit of compromise, however, he is willing to accept a carefully crafted grant program. If there is to be a grant component of the bill, the President's preference would be for a "clean" earmarked increase in the Title XX Social Services Block Grant program. By "clean" I mean that the bill should not contain any federal standards, model or otherwise, nor should it require the States to establish standards. Further, the bill should not discriminate against sectarian providers. No constraints should be placed on the flexibility these providers now have to hire individuals whose beliefs comport with the teachings of the sponsoring organization.

To maximize parental discretion and choice, vouchers must be made available to allow parents freely to choose their child care providers. Parents must not be limited to choosing only from among state-selected providers. Voucher recipients must receive essentially the same level of assistance as the beneficiaries of direct subsidies. Further, States should not restrict the type of

caregiver that a parent may choose with the voucher.

As a second choice, the President would be willing to accept a "clean" block grant under the jurisdiction of the Labor Committees that is consistent with the guidelines stated above. It is important that such a grant allow States the flexibility to allocate dollars among services and other child care related activities as they believe appropriate.

Under the block grant program described above, we would view school-based care as an acceptable purpose for which States might use grant funds, provided that sectarian providers be allowed to compete and participate on an equal basis. However, a stand-alone grant program for school-based care, such as Title II of H.R. 3, is unacceptable. As the Statement of Administration Policy issued prior to floor consideration of H.R. 3 made clear, this stand-alone grant is administered only through public school systems, making it impossible for a parent to choose religiously-based care. Inclusion of Title II constitutes a significant violation of parental choice and would cause the President's senior advisors to recommend that the bill be vetoed.

Title I of the House bill significantly changes the scope, eligibility, and priorities of the successful Head Start program. We strongly prefer that any changes in Head Start be included in the pending reauthorization bill. H.R. 3 contemplates two significant changes in Head Start: it would extend eligibility for non-poor children, and provide for wrap-around child care. Every dollar put into these services is a dollar that is not available to serve more poor children under the existing program. The Congress has not provided sufficient funding for all poor children to have the Head Start experience. We should not divert resources away from the highest priority group. The President, therefore, strongly opposes inclusion of Title I of H.R. 3 in a conference agreement.

The President continues to believe that, even if properly constructed, grant programs represent a second-best approach to meeting the needs of America's families. A tax credit would be fairer, more efficient, more easily administered, and would provide greater assurance that all needy families will benefit. Thus, the resources of any child care legislation must predominantly be devoted to tax credits focused primarily on low income working families.

Finally, it is essential that any child care legislation be funded within the framework of budget negotiations now taking place between the Administration and Congress. In our view, the overall cost of child care legislation, both the grant and tax credit components, should not exceed $15 billion over the 5 fiscal years FY '91—FY '95.

It is important to reiterate that the size and scope of the legislation is a matter of serious concern to the President. A bill which is not in keeping with these budget parameters would cause his advisors to recommend a veto. In fact, should any child care bill arrive on the President's desk prior to a bipartisan agreement paying for the legislation, his advisors would recommend that the bill be vetoed. Similarly, any inclusion of any of individual items mentioned above: the stand-alone school-based provision (Title II of H.R. 3), the establishment of standards, the discrimination against sectarian care, or the inclusion of prescriptive language in a "Child Care Block Grant" would prompt recommendation of a veto. Further, the President's advisors will consider the incremental effect of all the objectionable provisions that the conferees may include, along with the degree to which the legislation is in keeping with the President's principles, in deciding whether or not to recommend that he sign the bill.

I am grateful for your efforts and those of your colleagues who support the President's principles. I hope the Conference can produce a piece of legislation that the President can sign, and of which we can all be proud. We have an opportunity to enact child care legislation that allows America's working families to meet their child care needs with maximum choice.

Sincerely,

JOHN H. SUNUNU,
Chief of Staff.

The SPEAKER pro tempore (Mrs. UNSOELD). Does the gentleman from California [Mr. HAWKINS] wish to control 30 minutes?

Mr. HAWKINS. Madam Speaker, I wish to control the time.

The SPEAKER pro tempore. The gentleman from California [Mr. HAWKINS] will be recognized for 30 minutes of debate.

Mr. HAWKINS. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I do not think we should speculate on the motives of what will happen in the future without any particular evidence to suggest that people would not act other than in good faith and uphold the instructions and mandates of the House.

The conference under our leadership has met on three occasions. We have discussed a new broad grant proposal that is basically not ABC. Therefore, I support the motion of the gentleman from Pennsylvania [Mr. GOODLING], the ranking minority member, and urge Members to do so.

Madam Speaker, I reserve the balance of my time.

Mr. DOWNEY. Madam Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. ROSTENKOWSKI], the chairman of the Committee on Ways and Means.

Mr. ROSTENKOWSKI. Madam Speaker, the House made clear its views on the ABC bill a month ago when we voted to instruct conferees to reject the Senate ABC grant program. It wasn't a matter of great controversy; it seemed there could be no question about what the House intended: Not a single House Member voted against that motion. The House went to conference with a strong position against the ABC approach.

Apparently, the message wasn't quite as clear as I thought. Yesterday, in the Education and Labor portion of the child care conference, the House conferees ignored the House instruction and accepted the Senate ABC grant program with a few cosmetic changes and a new name. My message today is simple: The President will not sign this agreement into law. I will not support it nor will a majority of the Members of the House. We prefer to deliver child care through the existing title XX block grant and tax credits.

I urge my colleagues to vote for the motion to instruct and send the conferees back to work on a compromise that we can support.

Mr. GOODLING. Madam Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. TAUKE], who has been very active from day one in trying to put together a good child care bill.

Mr. TAUKE. Madam Speaker, I want to take a few moments just to acquaint Members with some of the circumstances which cause us to bring this motion to the floor of the House.

First, understand that we have toiled long and hard on child care legislation. We have worked hard to attempt to develop a consensus on that legislation. Yet when we got to the conference committee, instead of working toward consensus, there was instead an effort to simply ignore what appeared to be the clear instructions of the House of Representatives, and move to take the ABC section of the Senate bill.

Understand that in the conference agreement there are many provisions that are ABC provisions which the House has clearly rejected. First, there is a State Advisory Committee on Child Care. Second, we retain Federal recommended standards for child care. Third, the agreement requires there be federally mandated standard setting for child care in certain categories.

Fourth, there would be a child care standards improvement grant program. Fifth, there would be a national study on child care standards. Sixth, there is mandated uniformity of standards application.

Seventh, there are mandated training requirements for child care workers. The eighth provision from ABC is Federal Advisory Committee on Child Care. Ninth, there is a provision that discriminates against families where one of the parents stays at home, something the House clearly spoke on, both when we considered the issue and since.

Tenth, there are mandated announced and unannounced inspections of center and family-based child care programs. Eleventh, States may not reduce standards or regulations without explicit permission from the Government. Twelfth, only providers who are licensed or regulated by the State may receive funds.

Madam Speaker, those are a dozen provisions that are in the legislation that come from the ABC bill that had been rejected by the House of Representatives. I think we need to understand that if we are to stand by our position that we should move away from ABC toward a different kind of system for delivering these services, that we have to again instruct the con-

ferees to look at a little different approach, an approach that will allow us to get consensus here in the House, get a signature from the President, and pass a law that will actually improve the availability and quality of child care in this Nation.

Mr. DOWNEY. Madam Speaker, I yield myself such time as I may consume.

The gentleman from Pennsylvania [Mr. GOODLING] I think has laid it out pretty carefully. On May 9 the House instructed the conferees, 411 to nothing, and we do not do a lot of 400 to nothing votes around here, not to do an ABC. Now, what the Committee on Education and Labor has done is adopted a basic rope-a-dope strategy with respect to instructions by the full House of Representatives. Do not oppose the instruction, just ignore it.

That I think we do with some peril. A couple of things come to mind. One, all along we have realized that this is goint to be a very difficult conference. Different because the Senate has passed an entirely different version than the House has passed, and ultimately there is going to have to be some compromise between the Committees on Education and Labor in both the House and the Senate, and in the Committee on Ways and Means and in the Committee on Finance. In this mix is going to be the President of the United States.

Now, I have said this before. I did not vote for George Bush, but the American people did. One of the things the Democrats have to understand, as painful as it is for us, is that in making social policy, the country is probably a little bit more conservative by virtue of the fact it has elected a Republican President than I would like it to be, or that the majority here in the House might want it to be.

That notwithstanding, we have to recognize the President's legitimate objections to the child care bill. I happen to believe that we can work these objections out.

I hope this does not hurt his reputation, but I have had the good fortune of getting to know John Sununu well, and have found him to be eminently reasonable and fair to deal with. Quite apart from the public image of this man, he is interested in seeing the bill come to the White House and securing a signature.

Democrats have much more to gain by seeing a child care bill that is acceptable to all parties emerge from the House of Representatives and the Senate and be signed by the President, than to send him consciously a bill we know he will veto and run the risk that we will not have any child care in this session of Congress, and possibly for another 20 years. That is not a risk we want to run.

What we need to do is get the leadership of both parties together, to recognize the objection the President has made, to recognize the strong feelings that many of us have about what constitutes quality child care, and forge a compromise.

□ 1420

Now we are not going to do that by doing what we did yesterday in the education and labor subconference. There the Education and Labor Committte in the House along with the Education and Labor Committee in the Senate worked out a deal that resurrected for the House's purposes ABC. They called it something different. That is not the way that we are going to resolve this problem, and I would urge my colleagues as they sort through this very difficult process of legislating on social questions to recognize that it is difficult and time consuming, all of that, but it is also a process of compromise.

We are simply not going to be able to force through the House of Representatives something that the House has rejected by an overwhelming majority one time, will again today, and rather than continue this exercise of instruct and ignoring instruction, I suggest we get on with the business, pass the Goodling motion, reaffirm our support for the approach that the House passed, and get this out of conference while most of us are still relatively young.

Madam Speaker, I reserve the balance of my time.

Mr. GOODLING. Madam Speaker, I yield 3 minutes to the gentleman from Florida [Mr. SHAW] another staunch advocate of child care.

Mr. SHAW. Madam Speaker, I thank the gentleman from Pennsylvania for yielding me the time and compliment him for the instructions that are put before the House.

I think it is important for us to recognize exactly what we are doing and the posture that the conference process is going through at this particular time. If ever a conference was setup in the wrong way between the House and the Senate as far as the conferees are concerned, this is it. It is like the old story that we know about the blind men examining the elephant from different perspectives, one examining the tusks and the nose, another examining the tail and the other examining the side, and then trying to come up with a description of what this animal is like. By putting the conferees coming from such different approaches and having the conferences stacked in such a way so that one of them was sure to collapse in front of the Senate provisions was absolutely I think one of the poorest judgments that the leadership of this House has ever had, because what we are doing, and let us look at what we are talking about, we are not talking about a little, insignificant bill. This child care bill that came out of the House of Representatives dollar wise is the biggest piece of legislation that will come out of the 101st Congress that has any chance at all of being passed. Also, it is a very important piece of legislation for a very large part of the population.

To take this bill that came out of the House, that had a price tag over 5 years of somewhere around $19 billion, and then put on top of it about $9 billion from ABC, what we are doing or what the conferees are leading us toward is increasing the funding on this by some 50 percent, putting in new provisions, new regulations, and believe me, once we put them in they will never go away. This is something we just totally cannot afford.

The House ended up with a very good project. It voted on the bill. The bill passed the House with a sweeping vote. The bill is certainly workable to come into a form and be shaped so that the President will sign it.

I can tell Members that anybody who thinks that we should build this thing up so that the President can veto it and that he would look bad by vetoing it, if we get this thing up around $25 or $30 billion, I will guarantee that the President will be the biggest hero in this town for having vetoed it because of the summit that is going on and because of the increased budgetary pressures that we are going through right now.

The House passed a good bill. The vote should really be to sustain the House position. The vote on this particular provision for instructing the conferees with regard to ABC is crucial. The provisions must not be agreed to, and the House position must be sustained.

I strongly urge all of my colleagues who really believe in the child care provision and want it to become law to vote with the gentleman from Pennsylvania and vote yes on the motion to instruct conferees.

Mr. DOWNEY. Madam Speaker, I yield 2 minutes to the distinguished gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Madam Speaker, there have been many issues involved and considerable controversy during all of the child care debate. The many Members of this body have many different ideas on what the proper and necessary role of the Federal Government in child care should be.

In one area, however, the House has spoken with a very strong and almost united voice. During the last motion to instruct House conferees on H.R. 3, this body said, in no uncertain terms, that we expect our conferees to represent us in that conference. In that motion, we clearly underscored our support for using the title XX social services block grant as the funding mechanism for child care funds. We

clearly instructed our conferees to firmly reject the Senate's "ABC" approach to child care.

I have been disturbed to learn that these instructions have been taken so lightly by a minority of this body, but a majority of our conferees to the child care conference. While we all know that a motion to instruct is not binding, we also know that when a motion was so absolutely supported as this one was, it should not be treated cavalierly.

This motion today again tells our conferees what we expect of them. It tells them that we expect them to represent the will of the House and work for the title XX funding of child care.

I regret the need for this second motion to instruct, but I urge all of my colleagues to once again make it clear in a very loud, strong voice, through this vote, what we expect of our conferees.

Mr. DOWNEY. Madam Speaker, I yield 3 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Madam Speaker, I would hope that the House would vote for the motion to instruct. I think that we are on the verge of bringing back to the House the most important piece of child legislation that this House has addressed and the Congress has addressed in the last 10 years. But we cannot do it under the current structure. We cannot do it under the agreement that was reached yesterday between the Education and Labor Committee and the Senate Health and Human Resources Committee because to do that simply ignores the will of the House.

It ignores the fact that this House determined that they were not going to vote on the ABC bill. It ignores the fact that the amendment offered by the gentleman from Texas [Mr. STENHOLM] that almost succeeded in this House did not have an ABC in it, and it ignores the fact that the bill that we reported from the House had the Ways and Means Committee substitute, the title XX provisions that were to provide the grant program. And I think to try to believe that we are going to bring back now a renamed ABC bill to the House of Representatives is just simply to engage either in veto politics or the simple failure of that bill on the floor of the House of Representatives.

So we ought to pass this motion to instruct. The conferees ought to clearly understand that ABC is not on the table with respect to the House conferees, and that if we have to realign the conferees so that the jurisdiction of title XX meets the title III provisions in the Senate bill, then so be it. That is how it is going to have to be worked out.

But under the current situation we now have we cannot arrive at a satisfactory and a successful conclusion to the child care deliberations. This is a simple vote. It simply says to now follow the will of the House, to follow the will of the House that the House has voted overwhelmingly to impose on itself and on its conferees time and again, and let us get on with providing child care to this Nation's children and to their families.

Mr. FRENZEL. Madam Speaker, I rise in support of Mr. GOODLING's motion to instruct conferees to reject the ABC grant program offered by the Senate as an amendment to the House bill.

I begin by calling your attention to the astounding number and cost of the provisions before the day care conferees. Begin just with the day care grant programs. There are a total of seven separate authorizations for grant programs in the Senate and House bills. The total cost over 5 years of these provisions is $18.1 billion.

In addition to these grant provisions, there are three new tax programs in the Senate bill with a 5-year cost of $10.6 billion. The House bill also contains new tax provisions, different than those in the Senate bill, that cost $18.5 billion.

If House and Senate conferees approved all these grant and tax programs, the total cost to the Treasury would be $47.2 billion over 5 years.

No one believes that even this open-handed Congress will spend this much money.

So the day care conferees must do something difficult, almost unique, for Members of Congress—they must reduce these costs. The most straightforward way to do so is by eliminating some of the $42 billion in grant and tax benefits.

I was stunned last month when the House had the good sense to instruct its conferees unanimously to do precisely this. We voted to tell our conferees to drop the Senate's ABC bill. Following this instruction would have reduced by one the number of grant programs, and by about $9 billion the outlays authorized by the bill. This modest step would have still left the conference a long way from a day care bill that could be enacted, but it would have been a very important step in the right direction.

Instead, our conferees in the Education and Labor conference accepted the Senate's ABC bill. They simply defied the wise and modest House instruction to drop the ABC bill. They moved us a huge step toward a bill that the House cannot accept and therefore that cannot become law.

Since conferees from the Education and Labor Committee have not responded to House instructions, I would offer some advice to conferees from the Ways and Means and Finance Committees. Do not support the monstrosity approved yesterday by the Education and Labor Committee conferees. There is still time in this session for Congress to pass a reasonable child care bill that contains an increase in the earned income tax credit and a block grant program for States to address supply and quality issues.

But if we are to pass a bill this session, someone better figure out a way to get this matter out of the hands of the Education and Labor Committee. Even more to the point, someone had better figure out a way to reduce the size and cost of this bill. Today we can help by passing the Goodling motion.

Mr. GOODLING. Madam Speaker, I yield back the balance of my time.

Mr. HAWKINS. Madam Speaker, I yield back the balance of my time.

Mr. DOWNEY. Madam Speaker, I yield back the balance of my time.

Mr. GOODLING. Madam Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore (Mrs. UNSOELD). The question is on the motion to instruct offered by the gentleman from Pennsylvania [Mr. GOODLING].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GOODLING. Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were yeas 416, nays 0, not voting 16, as follows:

[Roll No. 186]

YEAS—416

Ackerman	Carper	Edwards (CA)
Alexander	Carr	Edwards (OK)
Anderson	Chandler	Emerson
Andrews	Chapman	Engel
Annunzio	Clarke	English
Anthony	Clay	Erdreich
Applegate	Clement	Espy
Archer	Clinger	Evans
Armey	Coble	Fascell
Aspin	Coleman (MO)	Fawell
Atkins	Coleman (TX)	Fazio
AuCoin	Collins	Feighan
Baker	Combest	Fields
Ballenger	Condit	Fish
Bartlett	Conte	Flake
Barton	Conyers	Flippo
Bateman	Cooper	Foglietta
Bates	Costello	Ford (MI)
Beilenson	Coughlin	Ford (TN)
Bennett	Courter	Frank
Bentley	Cox	Frenzel
Bereuter	Coyne	Frost
Berman	Craig	Gallegly
Bevill	Crane	Gallo
Bilbray	Crockett	Gaydos
Bilirakis	Dannemeyer	Gejdenson
Bliley	Darden	Gekas
Boehlert	Davis	Gephardt
Boggs	de la Garza	Geren
Bonior	DeFazio	Gibbons
Borski	DeLay	Gillmor
Bosco	Dellums	Gilman
Boucher	Derrick	Glickman
Boxer	DeWine	Gonzalez
Brennan	Dickinson	Goodling
Brooks	Dicks	Gordon
Broomfield	Dingell	Goss
Browder	Dixon	Gradison
Brown (CA)	Donnelly	Grandy
Brown (CO)	Dorgan (ND)	Grant
Bruce	Dornan (CA)	Green
Bryant	Douglas	Guarini
Buechner	Downey	Gunderson
Bunning	Dreier	Hall (OH)
Burton	Duncan	Hamilton
Bustamante	Durbin	Hammerschmidt
Byron	Dwyer	Hancock
Callahan	Dymally	Hansen
Campbell (CA)	Dyson	Harris
Cardin	Early	Hastert

Hatcher	McMillen (MD)	Schuette
Hawkins	McNulty	Schulze
Hayes (IL)	Meyers	Schumer
Hayes (LA)	Mfume	Sensenbrenner
Hefley	Miller (CA)	Sharp
Hefner	Miller (OH)	Shaw
Henry	Miller (WA)	Shays
Herger	Mineta	Shumway
Hertel	Moakley	Shuster
Hiler	Molinari	Sikorski
Hoagland	Mollohan	Sisisky
Hochbrueckner	Montgomery	Skaggs
Holloway	Moody	Skeen
Hopkins	Moorhead	Skelton
Horton	Morella	Slattery
Houghton	Morrison (CT)	Slaughter (NY)
Hoyer	Morrison (WA)	Slaughter (VA)
Hubbard	Mrazek	Smith (FL)
Huckaby	Murphy	Smith (IA)
Hughes	Murtha	Smith (NE)
Hunter	Myers	Smith (NJ)
Hutto	Nagle	Smith (TX)
Hyde	Natcher	Smith (VT)
Inhofe	Neal (MA)	Smith, Denny (OR)
Ireland	Neal (NC)	
Jacobs	Nielson	Smith, Robert (NH)
James	Nowak	
Jenkins	Oakar	Smith, Robert (OR)
Johnson (CT)	Oberstar	
Johnson (SD)	Obey	Snowe
Johnston	Olin	Solarz
Jones (GA)	Ortiz	Solomon
Jones (NC)	Owens (UT)	Spence
Jontz	Oxley	Spratt
Kanjorski	Packard	Stallings
Kaptur	Pallone	Stangeland
Kasich	Panetta	Stark
Kastenmeier	Parker	Stearns
Kennedy	Parris	Stenholm
Kennelly	Pashayan	Stokes
Kildee	Patterson	Studds
Kleczka	Paxon	Stump
Kolbe	Payne (VA)	Sundquist
Kolter	Pease	Swift
Kostmayer	Pelosi	Synar
Kyl	Penny	Tallon
Lagomarsino	Perkins	Tanner
Lancaster	Petri	Tauke
Lantos	Pickett	Tauzin
Laughlin	Pickle	Taylor
Leach (IA)	Porter	Thomas (CA)
Leath (TX)	Poshard	Thomas (GA)
Lehman (CA)	Price	Thomas (WY)
Lehman (FL)	Pursell	Torres
Lent	Quillen	Torricelli
Levin (MI)	Rahall	Towns
Levine (CA)	Ravenel	Traficant
Lewis (CA)	Ray	Traxler
Lewis (FL)	Regula	Udall
Lewis (GA)	Rhodes	Unsoeld
Lightfoot	Richardson	Upton
Lipinski	Ridge	Valentine
Livingston	Rinaldo	Vander Jagt
Lloyd	Ritter	Vento
Long	Roberts	Visclosky
Lowery (CA)	Robinson	Volkmer
Lowey (NY)	Roe	Vucanovich
Luken, Thomas	Rogers	Walgren
Lukens, Donald	Rohrabacher	Walker
Machtley	Ros-Lehtinen	Walsh
Madigan	Rose	Watkins
Manton	Rostenkowski	Waxman
Markey	Roth	Weber
Marlenee	Roukema	Weiss
Martin (IL)	Rowland (CT)	Weldon
Martin (NY)	Rowland (GA)	Wheat
Martinez	Roybal	Whittaker
Matsui	Russo	Whitten
Mavroules	Sabo	Williams
Mazzoli	Saiki	Wilson
McCandless	Sangmeister	Wise
McCloskey	Sarpalius	Wolf
McCollum	Savage	Wolpe
McCrery	Sawyer	Wyden
McCurdy	Saxton	Wylie
McDade	Schaefer	Yates
McDermott	Scheuer	Yatron
McEwen	Schiff	Young (AK)
McGrath	Schneider	Young (FL)
McHugh	Schroeder	

NAYS—0

NOT VOTING—16

Barnard	Eckart	Gray
Campbell (CO)	Gingrich	Hall (TX)
LaFalce	Owens (NY)	Staggers
McMillan (NC)	Payne (NJ)	Washington
Michel	Rangel	
Nelson	Serrano	

□ 1553

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GOODLING. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the motion to instruct just agreed to.

The SPEAKER pro tempore (Mrs. UNSOELD). Is there objection to the request of the gentleman from Pennsylvania?

There being no objection.

GENERAL LEAVE

Mr. SMITH of Iowa. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 5021, Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1991, and that I may be permitted to include tabulations, charts, and other extraneous materials.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1991

Mr. SMITH of Iowa. Madam Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5021) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1991, and for other purposes; and pending that motion, Madam Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Kentucky [Mr. ROGERS] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

□ 1455

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for consideration of the bill, H.R. 5021, with Mr. BROWN of California in the Chair.

The Clerk read the title of the bill.

By unanimous consent, the bill was considered as having been read the first time.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Iowa [Mr. SMITH] will be recognized for 30 minutes, and the gentleman from Kentucky [Mr. ROGERS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this bill contains $10,515,916,000 for authorized programs. It does not contain the $8,897,298,000 which will be needed to fund the unauthorized programs that we anticipate will be funded when we come back from the conference with the Senate. The Members will find a list of those unauthorized programs on page 6 of the report, and there are quite a number of them.

Between the authorized and the reserve for the unauthorized, we have allocated all the outlay money we have under the subcommittee's 302(b) allocation. We are within the 302(b) allocation for this bill.

I might point out also that within this bill there is $685-plus million to assist State and local governments.

The money in the bill also includes funding for the Census Bureau. However, there is a big reduction for the Census Bureau, which is due primarily to the completion of the 1990 decennial census.

There is also a substantial amount of money in the bill for the war on drugs. However, I do hasten to point out that most of this increase is required to annualize the increase we put into the fiscal year 1990 bill. In other words, some of the 1990 increases were not for the full year, and agencies will have to pay for the full year in 1991.

We did reserve within our 302(b) allocation some money over and above the budget request for prisons which is currently unauthorized.

As far as the NOAA programs are concerned, the administration always leaves out a substantial number of NOAA projects that Members agree are needed. On both sides of the aisle we agree they are good projects, but they are left out by the administration as a way of pretending to balance the budget.

□ 1500

However, Mr. Chairman, we have made up for any increases we put in there by reducing something else in the bill.

The costs for contributions to international organizations includes enough to pay 20 percent of the arrearages. At this rate it will take 5 years to pay the arrearages. That complys with the recommended outlay rate requested by the administration.

Mr. Chairman, this bill also includes the money for 28 agencies and commissions, and they are listed in the report, and I do not need to repeat them here.

Mr. Chairman, this is the best we could do within our 302(b) allocation. We are within the 302(b) allocation. I think it is as good a bill as we can have under the circumstances, and I highly recommend it to all of the Members.

Mr. Chairman, I reserve the balance of my time.

Mr. ROGERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is a bill we should support. My compliments go out to the gentleman from Iowa [Mr. SMITH], the chairman of our subcommittee, and to all the members of the subcommittee for their suggestions, very hard work on a very complex bill.

Members should know that this bill is a tough one to write. First, the sheer variety of the programs and responsibilities is a challenge. The Justice Department and the judiciary together carry the lion's share of our antidrug and violent crime battles, S&L investigations and prosecutions. Then there is State, unheralded, but essential to fund if the United States is to effectively engage our friends and foes, and of course Commerce, hustling exports overseas in one office and plotting against zebra mussels in the Great Lakes in another.

Mr. Chairman, this subcommittee has the tall order of sifting through this great variety, this great assortment, culling the most important items and hoping they please the majority of this body and the administration.

Second, our task is complicated by the fact that many of the bill's programs are unauthorized for fiscal year 1991, and the bill leaves those items out of the appropriation. Almost all of the Justice Department has not been authorized in fact for a decade now. Most of Commerce is not authorized, such as the U.S. and Foreign Commercial Service and several other agencies with daunting tasks: the FCC, the SEC, the Legal Services Corporation, the U.S. Trade Representative. All are unauthorized at the moment.

By virtue of that approach, the bill is well below our subcommittee's funding allocation and last year's levels, providing a total of $10.5 billion for programs authorized for next year. We have reserved the balance of our 302(b) allocation, those yet to be authorized programs, until we have a conference with the Senate. No doubt they will appropriate for every item in the bill.

While we have funded just over half the bill, I am satisfied with the choices we have made so far.

There is money in the bill to wrap up the current decennial census. We have also included money requested to set up a national trade data bank mandated in the 1988 Trade Act, and we include funds to improve the quality of foreign trade statistics, both little noticed, but important attempts to give American business an international edge.

In the International Trade Administration we put in every penny requested to monitor imports and handle antidumping and countervailing duty cases. Reviews of these cases are climbing, and the Trade Act has made them more complex, so the full amount is in the bill.

Warnings and forecasts will continue through the efforts of our National Weather Service, upon which millions of us rely.

The two major areas are funded in the Justice Department, the U.S. Marshals Service, which gets its full request, and the justice assistance programs. This includes antidrug and law enforcement grants to every member State and towns requested by our President and the drug czar that focus funds to our local streets and neighborhoods where the byproducts of our drug problems are so pronounced.

The bill increases, by 25 percent, funds to house pretrial prisoners in cells around the country. As we have beefed up our Justice Department in the past years, the numbers of arrests and trials have skyrocketed. These needs are proof positive that our war against drugs is producing results.

The impact is just as severe on our Federal courts, which by and large receive their full request in this bill. The judiciary could easily be overwhelmed if the increases are not provided. Prosecution of criminal cases, of course, is the driving factor. At the current rate, over one-third of criminal cases next year will be drug related, 35 percent, Mr. Chairman.

The courts did seek to have last year's sequester restored to their accounts, but the subcommittee decided that they should have to live by the same Gramm-Rudman limits like most everyone else, not exempt because of low-income reasons from Gramm-Rudman, so the money was not placed back in the judiciary accounts to cover the sequestration of last year.

For the State Department the subcommittee has taken no action on the Moscow Embassy. No authorization exists, so there was nothing for us to act upon.

Finally, as the festival of democracy takes place around the world, our bill goes the extra mile for the cornerstone of our public diplomacy, the U.S. Information Agency, and I commend our chairman for his foresight, which I share, in funding USIA above the request for the obvious reasons, historical, strategic, and commercial. We need to be in Europe, Latin America, Africa, and Asia more than ever. The winds of democracy, which cut its swath over our globe have only made the diplomatic map more complex. These fledgling democracies need our help, and they cannot wait. With exchanges, the VOA, and WorldNet and its other programs, USIA is the one instrument that can carry out the Marshall plan of the 1990's.

Mr. Chairman, this bill is clean as a hound's tooth, not a line of legislation in it. It is fiscally responsible. It makes spending choices which I believe our Members can be comfortable in supporting.

Now we wanted to include more money in this bill, the subcommittee did, for the S&L investigations, prosecutions, and the like, as the administration had requested, but since the Committee on the Judiciary has failed to authorize the Justice Department for almost 10 years now, we did not think we had the authority. But since the markup of our bill we have discovered the extraordinary authorization that exists in the FIRREA Act for up to $75 million for each of 3 years, including 1991. Not as much as the administration is requesting, but at least a good start, and so we will be offering, the chairman and myself jointly, an amendment to the bill to appropriate $75 million for further S&L investigations and prosecutions. It is not as much as the administration wants, but at least it is a start. We cannot offer more until the Committee on the Judiciary of the House decides to give us the authority. So, that bipartisan amendment will be offered, and I hope Members will support it on both sides of the aisle.

Mr. Chairman, I urge support of this bill. I think it is a good one, as best as we could offer under the circumstances, and I urge our Members to support it.

Mr. Chairman, I reserve the balance of my time.

Mr. SMITH of Iowa. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, I rise in support of this bill.

Under the leadership of our subcommittee chairman, Mr. SMITH, and ranking Republican member, Mr. ROGERS, and the able assistance of the subcommittee staff, I believe that all in all we have brought a good bill to you for consideration.

It is not the best bill that could have been brought to you. But, then, we could not bring that bill because 46 percent of the funding which should be in this proposal has not been authorized. That is not an unfamiliar situation for the subcommittee and committee. How to responsibly respond to national needs in the absence of regular authorizing law is a question we have faced for a number of years; a dozen in one instance.

For example, there is no authorization for all, or parts of, the Economic Development Administration, the Minority Business Development Agency, the National Oceanic and Atmospheric Administration, the Federal Bureau of Investigation, the Drug Enforcement Administration, the Immigration and Naturalization Service, the Federal Communications Commission, the Federal Trade Commission, and the International Trade Commission.

The committee has reserved budget authority to be used in funding these unauthorized programs. We hope this can be used during the House/Senate conference to address some of the urgent national needs with which we would have dealt had the regular authorization been in place.

In particular, I hope that it can be used to respond to critical needs in the areas of economic development, international trade and law enforcement.

And, there is one part of the bill on which I want to focus attention at this time. The subcommittee and committee have recommended appropriations of $400 million for carrying out the Antidrug Abuse Grant Program supporting action at the State, regional and local levels.

The $400 million is the maximum amount for this purpose authorized by the Anti-Drug Abuse Act of 1988.

We provided the full funding because we believe there are no battles facing the Nation that are more worth winning than the war against drugs. It is a war America must win to protect young Americans, senior Americans, all Americans.

This grant program has already provided funding, through formula and discretionary grants, to some outstanding community based antidrug abuse ventures around the Nation. It is the committee's understanding that there are many innovative antidrug projects being developed by local law enforcement groups and community organizations.

Programs which have received support under this program include the National Citizens Crime Prevention Campaign, the Drug Abuse Resistance Education [DARE] Program, the Organized Crime Narcotics Program which backs regional organized crime task forces in order to encourage Federal, State, and local cooperation.

The DARE Program, for instance, carries out an important drug demand reduction role. It helps students learn to say "No"—and make it stick—to persons who try to lure them into the dead end habit of illegal drug abuse.

And, this Antidrug Abuse Program has resources that have made it possible for some law enforcement groups in such areas as Arkansas' First Congressional District to set up joint task forces to battle illegal drug activity.

These programs, along with those aimed at assisting local schools to help young people steer a clear course away from the trap of drug abuse, which are financed under another appropriations bill our committee will bring to this House, are major weapons in our war against drugs.

To be noted is the fact that while the cold war is over, it has ended, funding for some of the agencies is based upon the ideology of the 1950's.

I realize that it is difficult to change the way that Government does things, but the Department of Defense is itself reviewing the threat to our internal and our national security, and it is time to begin a review of that so-called threat by other agencies that were established and have been funded for the purpose of fighting external threats, such as communism.

Therefore, I will offer an amendment at the appropriate place to begin that dialog and to begin the process of debating the future and the use of such agencies as Television Marti and possibly Radio Marti, which bureaucracies exist for the purpose of broadcasting anti-Communist propaganda.

We all know the scourge of drugs in our country, illegal drugs, brings to our country a greater threat than does communism which has been proclaimed to be dead by virtually all observers.

In other appropriation bills that will be coming to the floor at a later time under other subcommittees there are appropriations that I would like to mention at this time that need to be addressed in the area of drug enforcement because urban areas receive almost all of the drug treatment and education funds available through the Alcohol, Drug Abuse and Mental Health Administration. Virtually none of those funds go to nonmetropolitan areas, to rural areas which have drug problems, the same as do our urban areas.

Finally, I believe that we need to develop an after school program in high drug use areas so that our children who have little to do or do not want to go home after school can have available to them drug abuse education and drug abuse entertainment type programs that would occupy their time and to keep them off the streets and away from the temptation of drugs.

Again, those funds are to be appropriated by other bills, but I wanted to make mention of them now under this appropriation bill, because I think we need to keep the entire drug abuse subject in focus.

The total funding for programs included in this bill is lower than the President's request and lower than the fiscal year 1990 level. It follows the tradition, established by Congresses during the last 45 years. Records show that in that time Congresses have appropriated a total of $173.5 billion less than Presidents have requested be appropriated during that period of time. In each of 39 of the years of the 1945 through 1989 period, the money provided in appropriations bills has been less than requested by the sitting President.

That is a record I believe that the Appropriations Committee needs to make reference to, and at the conclusion of the debate I have a table which I will ask to be included as an extraneous part of my remarks at this point in the RECORD.

REGULAR ANNUAL, SUPPLEMENTAL, AND DEFICIENCY APPROPRIATIONS BILLS COMPARISON OF ADMINISTRATION BUDGET REQUESTS AND APPROPRIATIONS ENACTED

Calendar year	Administration budget requests	Appropriations enacted	Difference [under −] [over +]
1945	$62,453,310,868	$61,042,345,331	−$1,410,965,537
1946	30,051,109,870	28,459,502,172	−1,591,607,698
1947	33,367,507,923	30,130,762,141	−3,236,745,782
1948	35,409,550,523	32,699,846,731	−2,709,703,792
1949	39,545,529,108	37,825,026,214	−1,720,502,894
1950	54,316,658,423	52,427,926,629	−1,888,731,794
1951	96,340,781,110	91,059,713,307	−5,281,067,803
1952	83,964,877,176	75,355,434,201	−8,609,442,975
1953	66,568,694,353	54,539,342,491	−12,029,351,862
1954	50,257,490,985	47,642,131,205	−2,615,359,780
1955	55,044,333,729	53,124,821,215	−1,919,512,514
1956	60,892,420,237	60,647,917,590	−244,502,647
1957	64,638,110,610	59,589,731,631	−5,048,378,979
1958	73,272,859,573	72,653,476,248	−619,383,325
1959	74,859,472,045	72,977,957,952	−1,881,514,093
1960	73,845,974,490	73,634,335,992	−211,638,498
1961	91,597,448,053	86,606,487,273	−4,990,960,780
1962	96,803,292,115	92,260,154,659	−4,543,137,456
1963	98,904,155,136	92,432,923,132	−6,471,232,004
1964	98,297,358,556	94,162,918,996	−4,134,439,560
1965	109,448,074,896	107,037,566,896	−2,410,508,000
1966	131,164,926,586	130,281,568,480	−883,358,106
1967	147,804,557,929	141,872,346,664	−5,932,211,265
1968	147,908,612,996	133,339,868,734	−14,568,744,262
1969	142,701,346,215	134,431,463,135	−8,269,883,080
1970	147,765,358,434	144,273,528,504	−3,491,829,930
1971	167,874,624,937	165,225,661,865	−2,648,963,072
1972	185,431,804,552	178,960,106,864	−6,471,697,688
1973	177,959,504,255	174,901,434,304	−3,058,069,951
1974	213,667,190,007	204,012,311,514	−9,554,878,493
1975	267,224,774,434	259,852,322,212	−7,372,452,222
1976	282,142,432,093	282,536,694,665	+394,262,572
1977	364,867,240,174	354,025,780,783	−10,841,459,391
1978	348,506,124,701	337,859,466,730	−10,646,657,971
1979	388,311,676,432	379,244,865,439	−9,066,810,993
1980	446,690,302,845	441,290,587,343	−5,399,715,502
1981	541,827,827,909	544,457,423,541	+2,629,595,632
1982	507,740,133,484	514,832,375,371	+7,092,241,887
1983	542,956,052,209	551,620,505,328	+8,664,453,119
1984	576,343,258,980	559,151,835,986	−17,191,422,994
1985	588,698,503,939	583,446,885,087	−5,251,618,852
1986	590,345,199,494	577,279,102,494	−13,066,097,000
1987	618,268,048,956	614,526,518,150	−3,741,530,806
1988	621,250,663,756	625,967,372,769	+4,716,709,013
1989	652,138,432,359	666,211,680,769	+14,073,248,410
Total	10,249,467,607,455	10,075,912,028,737	−173,555,578,718

Source: Prepared by House Committee on Appropriations.

Mr. ROGERS. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. KOLBE], a very hard-working member of our subcommittee.

Mr. KOLBE. Mr. Chairman, I want to congratulate and thank both the chairman of the subcommittee, the gentleman from Iowa [Mr. SMITH] and the vice chairman, the gentleman

from Kentucky [Mr. ROGERS] for the very hard work they have done, along with their staffs. They have done an outstanding job of putting this bill together and bringing it to us today.

Mr. Chairman, I rise in support of this bill today, but I rise with a mixed message. Today we bring to this floor a good and responsible appropriations measure; we also bring this measure without a budget resolution and in the face of ongoing budget summit negotiations. I have some problem with this.

Mr. Chairman, I think everyone in this Chamber would agree that the summit negotiators should finish their work and bring to the Congress a realistic budget resolution. They should do this soon, before we get too far along in this process. Unfortunately, I think many of us are also beginning to fear this will never happen, and that we must get busy if we plan to have appropriations completed before our scheduled adjournment.

We shouldn't only look with frustration to the budget summit, though. Once again, other committees in this body have failed to complete significant authorizations.

As in years past, this bill does not provide funding for programs that are unauthorized, but holds funds in reserve for these programs. A quick rundown of the unauthorized programs shows how we have failed to complete even our most basic chores. Congress has failed to provide authorization for: the FCC, the FTC, the International Trade Commission, the USTR, the SEC, the Minority Business Development Administration, the National Institute of Standards and Technology, the FBI, the DEA, the INS, and the Federal Prison System. I don't know how we plan to win the war on drugs without those last four.

As extensive as this list is, it is an incomplete list of what remains unauthorized. Still, it paints a dramatic picture of our failure to meet day-to-day obligations in this body.

Having expressed the frustrations I have with the breakdown of the system, both the budget process and authorizing process, I support this bill. Although we should have a budget resolution in place before going forward with any appropriations measures, I'm pleased with the action taken by the committee and the House to place some limit on these measures.

In bringing this bill, this subcommittee has done a good job. H.R. 5021 stays within the 302(b) allocations approved as parameters for appropriations measures. Additionally, this bill contains important increases for programs in our jurisdiction, particularly those related to continued efforts to fight drugs.

H.R. 5021 provides increased resources for important Commerce Department programs that are so important to continued U.S. competitiveness. The bill includes more funds for economic and statistical analysis to maintain and improve economic data so important to our businesses. I wish I could say it includes increased funds for more foreign commercial service officers, but this is one of the critical programs that remains unauthorized.

And, as I mentioned earlier, the subcommittee again this year devotes significant resources to the war on drugs. For the Department of Justice, the bill provides $1.7 billion, $79.8 million more than the President's request, and $489.7 million more than fiscal year 1990. Much of this increase is attributable to continued efforts to fight the war on drugs.

In addition, in response to Member concerns, we are adding $75 million for the Justice Department—the full authorization level—for prosecution of savings and loan cases.

In providing these increases, the bill is also fair. It treats the judiciary in the same manner as other agencies by not restoring sequestration and providing equal treatment with other branches.

The bill is not perfect. It still does not provide a resolution of the Moscow embassy issue, an issue I would like to see resolved. I'm sure many of you have particular interests that you would like to see treated differently.

On balance, however, this is a good bill. I urge my colleagues to support it.

Mr. SMITH of Iowa. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. BROOKS].

□ 1520

Mr. BROOKS. Mr. Chairman, I rise in support of H.R. 5021, the fiscal year 1991 appropriations bill for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies. I commend Chairman SMITH and the other members of the Appropriations Committee for crafting a thoughtful and comprehensive bill. We all know how increasingly difficult it has become to properly fund essential Government programs and activities under the severe budget constraints we are facing. Additionally, every year we are presented with extraordinary demands for funding to meet new or expanding crises involving drugs, the S&L scandals, natural disasters, and epidemics.

Ironically, the loudest calls for increased spending often come from the same people who refuse to raise the money to pay for it. It is nice to have it both ways—but it is fiscally and, in my view, ethically irresponsible to think that can happen. Chairman SMITH and the members of the Appropriations Committee, on the other hand, must face these problems head on every year without using "smoke and mirrors" and somehow find a way to make it all work. In my view, they deserve our full support and appreciation.

Mr. Chairman, I have a comment and a question I would direct to my friend, the gentleman from Iowa.

It is my understanding that H.R. 5021 contains $1,688,459,000 in new budget authority for authorized programs of the Department of Justice. However, due to the absence of enacted authorization for appropriations, the bill does not contain any funds for several Department of Justice accounts, including the Federal Bureau of Investigation, the Drug Enforcement Administration, the Immigration and Naturalization Service, and the Federal Prison System.

As the gentleman knows, on June 12, 1990, the Judiciary Committee ordered reported H.R. 4315, the Department of Justice Appropriations Authorization Act, Fiscal Year 1991. The bill authorizes $7,414,995,000 to carry out specific activities of the Department, including $110 million for bank and financial prosecutions being carried out under last year's savings and loans bailout bill. This amount doubles the funding requested by the administration for S&L prosecutions. The bill also contains, among other things, funding cuts for a Department automation program called Project Eagle and the Office of Legal Counsel and increased funding for antitrust enforcement.

I believe that these and the other provisions contained in H.R. 4315 provide useful guidance and direction to the Justice Department. My question is: Will the Appropriations Committee use the specific authorization levels and funding restrictions identified in the Judiciary Committee's bill as guidance during conference with the Senate on this matter?

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I am happy to yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I appreciate the gentleman's comments, and certainly we want, and we always try on this subject, to work with authorizing committees.

I think it would be a mistake for us at this time to try to determine the exact level of appropriations for every account in the Justice Department without having the benefit of the guidance we can receive from the gentleman's authorization bill. Even if it is not enacted, if he brings it out here on the floor and the floor works its will, then it will provide some guidance to us. I would hope that on these various matters in the Justice account we will not try to determine in final form the amount of money for each one today, because those accounts are not authorized, and we are hoping to get guidance from the gentleman from

Texas when he brings his bill out, and I assume that will be very soon.

Mr. BROOKS. The bill is out of committee, and I hope it will be very useful to the gentleman.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I am happy to yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, does the chairman of the Committee on the Judiciary expect the full House will be able to take up his bill reasonably soon?

Mr. BROOKS. Reclaiming my time, I am hopeful that they can. It has been out of committee since June 12.

Mr. ROGERS. If the gentleman will yield further, has there been any indication of when the bill would be brought to the floor?

Mr. BROOKS. I do not know when the Speaker and the majority leader and the minority leader, the gentleman from Illinois [Mr. MICHEL], have agreed to bring it up, but I think that they will, and as soon as possible from my standpoint.

Mr. ROGERS. As the ranking member of the Appropriations Subcommittee, we really need the gentleman's bill. We need the bill passed in the House so we can truly be guided by what is in there.

Mr. BROOKS. Mr. Chairman, I understand; I want to have that as much as possible.

Mr. ROGERS. Mr. Chairman, we have been having to authorize and appropriate now for almost 10 years.

Mr. BROOKS. I understand that.

Mr. ROGERS. I thank the chairman.

Mr. BROOKS. Mr. Chairman, I thank the chairman very much for his gracious response.

Mr. ROGERS. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. REGULA], a very hard-working member of our subcommittee.

Mr. REGULA. Mr. Chairman, my colleagues, I thank the gentleman for yielding me this time.

Mr. Chairman, the subject of the bill has been well covered by the previous speakers, therefore I have just a couple of things I would highlight.

This is an important bill, because it deals with something that is of very great concern to our constituents, namely, law enforcement, a judicial system that treats people fairly, a program of dealing with the drug problem, and the development of our economy.

I was interested in responses to my recent questionaire when I had my constituents list the most serious national problem, that first, was that of drugs, and second, was budget. I think we have tried to address, both of these concerns in this bill.

Certainly in a sense the provisions to deal with the drug problem are important and, likewise, we have tried to have a responsible bill in terms of expenditures.

There are a couple of things I would highlight along that line. One is, of course, in the juvenile justice system, we provide money for that, a recognition that here is an area that needs attention, and if we hope to avoid future problems, we need to work with the juvenile programs.

Another area of success, I believe, has been the USIA. A lot of different agencies and people take credit for what happened in Eastern Europe, but, in my opinion, at least, the reaching out of the various programs to carry the message of democracy and truth in news reporting across the Iron Curtain certainly had a tremendous impact on the events of Eastern Europe. The fact that they were able to get accurate news and could get a better understanding of what was happening helped to trigger the chain reaction that has brought about the abandonment of communism by many of these nations, and the program of the information agencies funded in this bill has been a very important element. We cannot stop at this point. We recognize, again, that this is perhaps one of the most cost-effective ways of carrying our message and, therefore, we do provide some increase for the information program.

In the Great Lakes area, one of the critical problems that is developing is that of the zebra mussels. This is a form of organism that attaches itself to boats, fouls up intake pipes for municipal water systems as well as the intakes for some of the utility industries. It is a growing problem, and we do provide money for research on the zebra mussel, and ways to deal with the continued expansion of this organism.

There is money for export promotion. Again, one of the serious problems confronting the United States is the balance of payments. Our Commerce Department works hard at promoting exports, and I hope that the funding that we have in here will continue that program.

The Small Business Administration: I think one of the rather exciting things that the SBA is doing, more than just providing help to small businesses in a financial way, is the promotion of what is called SCORE. SCORE is a program that is organized by SBA that attracts retired business people who are willing to give of their time without compensation other than perhaps expenses and mileage, to help fledgling businesses. It has been very effective in the northern Ohio area.

There has been an expansion of the SCORE programs under the leadership of SBA, and certainly for the would-be entrepreneur, it is an enormous help to have the counsel, the experience, the wisdom of those who have been successful in the business world. These are the kinds of self-help programs that are important and are funded through the SBA package that is part of this bill.

I recommend to my colleagues that they support this legislation. The committee has worked hard under the leadership of the chairman, the gentleman from Iowa [Mr. SMITH], to ensure that what we have by way of programs will be cost-effective, that they will reach out in promoting the quality of life in this Nation of ours, and to continue the promotion of a growing economy.

We hear a lot of discussion about the budget and the budget deficits, but the real key to the future is that the United States must have a continued growth in the economy if we hope to address those problems.

□ 1530

Mr. SMITH of Iowa. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Chairman, I rise to speak particularly about an amendment that I know will be offered. I am speaking on general debate because I will not be able to be here during the amendment. That amendment is very simply an amendment that will raise the amount of money that can be spent on S&L prosecutions from $50 million to $75 million.

I want to thank the gentleman from Iowa [Mr. SMITH], the chairman of the committee, and the gentleman from Kentucky [Mr. ROGERS], the ranking member of the committee, for introducing this amendment.

I rise in strong support of the amendment because its message is very clear, and that is that Congress will no longer accept the administration's lack of interest in prosecuting S&L crooks.

Mr. Chairman, I find it amazing that in fiscal year 1990, the Department of Justice and the Office of Management and Budget, I cannot figure out exactly who it is, refused to take over $25 million authorized in the Congress for S&L prosecutions. It did not need it, it said it could not use it, even though there are 21,000 unreferred cases festering at the Department of Justice.

It is no wonder the American people believe the crooks are getting away with it. How can they have any trust in the White House when it is willing to spend $500 million on a single Stealth bomber, and not willing to spend $25 million to put the criminals behind bars?

The numbers tell the story quite clearly. Only 202 of the 425 agents requested by the FBI have been allocated. Only 118 of the 231 attorneys requested by the U.S. attorney's office have been allocated.

These figures came up at a hearing of my subcommittee, the Subcommit-

tee on Criminal Justice of the Committee on the Judiciary. Most telling of all, over 230 of the cases that have been left languishing involve amounts of over $1 million or more.

This amendment says we are going to demand that the administration take these crimes as seriously as do the Congress and the American people. Watching the White House turn down this money rightfully leads the public to one simple conclusion, that this administration is unwilling to go whole hog to prosecute S&L crimes.

Well, that is not true in the Congress. This is a bipartisan amendment. The gentleman from Vermont [Mr. SMITH] had offered something on a special prosecutor. Both sides of the aisle are clamoring for things to be done. It is our fervent hope that there will be things done.

Mr. Chairman, we have a long way to go. This is one step of many that are desperately needed. There is only one Federal agency that can prosecute these crimes and only one White House that can insist that it do so. This amendment simply demands those commitments.

Mr. Chairman, again I want to thank the gentleman from Iowa [Mr. SMITH] and the gentleman from Kentucky [Mr. ROGERS] for offering this amendment. I had a similar amendment, but I am happy to be part of theirs.

Mr. ROGERS. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. PARRIS], a member of the Committee on Banking, Finance and Urban Affairs.

Mr. PARRIS. Mr. Chairman, I rise very much in support of the amendment that was just addressed by the gentleman from New York [Mr. SCHUMER] in regard to the additional appropriations for enforcement activities in the financial institutions area of the Department of Justice.

The question is, has there been an adequate enforcement of the criminal aspects of the financial circumstances that face the Congress and the people of the United States, and the answer is no, there has not.

The question is, are there enough persons in the Justice Department, in the particular section of the Justice Department, to pursue the fraud and mismanagement that has occurred, and the answer is no, there is not.

The question is, should there be, and the answer is, of course.

Nobody, not any Member of this body on either side of the aisle, can condone or accept the fraud, mismanagement, and activities of many of those who are in management capacities in federally insured savings and loan institutions around this Nation. So all of us support this.

Mr. Chairman, the thing that I am hoping we can avoid at all costs is a partisan division on the question of bringing the wrongdoers to the bars of justice.

The suggestion somehow that the administration is not sensitive about the criminality of these activities is simply ludicrous. The slightly disingenuous argument by some Members around here is that we should have done something. Well, where were these people that are now so incensed 4 and 5 years ago? Where were they in 1985 when this Member got the GAO report that said there is trouble in River City? I did not hear some Members who are now so terribly concerned about pursuing justice stand up and say, that is right, folks.

So, those of us who live in glass houses, let us not start throwing bricks at others of us in this glass house. My name is not Jean Dixon and I am not a prophet, and people who look in crystal balls eat a lot of crushed glass. People who live in glass houses get it all over them once in a while.

So let us not be too hasty to take the President of the United States to task because he in some way has avoided his obligations. Let us not indict the Attorney General of the United States because somehow he does not care in what I think is a grossly unfair publication just issued about 21,000 people that are somehow supposed to be pursued.

Well, where are they? Where are the facts? In the first sentence of this document, which is the Democratic caucus report dated June 18, 1990, it says, "There is no need to pick over the bones of the savings and loan scandal. We know what happened."

You are right we do. So do we. We know what happened to the gentleman from Texas, Mr. Wright, and we know what happened to the gentleman from California, Mr. Coelho, and we know what happened to the chairman of the Banking Committee, a Democrat named Freddie St Germain. We remember some of those things, and I hope we will not have to remember too often or too long exactly what all of that brought to some of us and to the people of this country.

So I suggest to Members that it is time that we join together in support of this bipartisan amendment, and that we do in fact bring the persons who are guilty of mismanagement and fraud and misconduct to the bar of justice. We can do that in part by supporting this amendment. It is a good one.

Mr. Chairman, I support and congratulate the gentleman from Ohio [Mr. SMITH] and the gentleman from Kentucky [Mr. ROGERS] in their efforts in this regard. I would be one of those who hopes that we could do this job for less money than we have to. But whatever amount of money it takes to make the justice that we all so dearly desire, whatever that takes, is what we should be for, and this is most certainly a step in the right direction.

Mr. SMITH of Iowa. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. TRAXLER].

Mr. TRAXLER. Mr. Chairman, I want to extend my deep appreciation to the gentleman from Iowa [Mr. SMITH] and the distinguished gentleman from Kentucky [Mr. ROGERS] for inserting in their bill adequate sums of money to provide for the continued control and abatement of the lamprey eel in the Great Lakes. While this may sound like a mundane subject, it is of terrible importance to those of us that border the Great Lakes that enjoy that fishery and recognize it as a terribly important commercial endeavor and recreational endeavor and a tourist attraction.

We have some of the very finest game fish in the world there, our coho salmon, our whitefish, our trout, lake trout, and pickerel, walleye, superb game fish, that are very fine eating and compare most favorably with the very best of the salt water fish. Perhaps for many of us, if you consider the lake perch, the yellow belly, we consider that one of the finest eating fish anywhere on this planet.

So the importance of this control and eradication money cannot be underestimated. On behalf of my Great Lakes colleagues, we would like to extend our sincere and deep appreciation to the chairman, the gentleman from Iowa [Mr. SMITH], and the distinguished gentleman from Kentucky [Mr. ROGERS], the ranking minority member, for their concern and appreciation for our problem. We thank you from the bottom of our hearts.

□ 1540

Mr. SMITH of Iowa. I thank the gentleman.

Mr. ROGERS. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding time to me. I just want to make certain that the record is clear on a couple of things that have been raised already about the S&L crisis.

I certainly agree with the speakers who have come before us who suggest that the bipartisan amendment to be offered by the gentleman from Iowa [Mr. SMITH] and the gentleman from Kentucky [Mr. ROGERS] heads down the right road and gets us some of the money we need in order to pursue this problem. But I think it is important for the Houses to understand that they are somewhat limited in what they are able to do here.

I personally congratulate the gentleman from Iowa [Mr. SMITH] for refusing to bring to the floor appropriations for things that are not author-

ized. I think that is an entirely appropriate stance.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield.

Mr. WALKER. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I want to point out on this particular matter we are talking about that we did not realize at the time we marked up the bill that the $75 million was authorized. In fact, we were told by the Justice Department that there was no authorization. Since then we have determined that there was an authorization. Otherwise funding at the authorized level would have been in the bill.

Mr. WALKER. I thank the gentleman and I understand that, and the gentleman from Iowa is to be congratulated. He is trying to do the job here. But the fact remains that there is an upward limit of $75 million that can be appropriated now based upon the authorization. That is as high as you can go. There are probably many including in the authorization and in their budget, as I understand it, who would like to go higher than that figure. But there is a limit in the authorization.

I will yield to the gentleman from Kentucky. Is that not correct, that the administration would like more, but in this bill you could not do that because there is not an authorization in place that allows you to go above the $75 million that was in the bill that we passed with regard to the savings and loan?

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Kentucky.

Mr. ROGERS. The gentleman is correct. The administration requested $117 million for the investigations of the S&L frauds for 1991. As the chairman has pointed out, after markup we discovered that there was some authorization in the FIRREA Act that we passed last year, $75 million for each of 3 years including 1991. So after markup we discovered that, and so that is the reason the chairman is offering the amendment he is and I am joining in. That is the extent of the authorization that we can spend.

Mr. WALKER. I thank the gentleman.

Mr. ROGERS. The administration wants more, but we cannot give it.

Mr. WALKER. I just want to point out the need for the authorizing committees to get their work done and come out here so that we are not put in this kind of position.

As I understand it, last year, and this would have been for fiscal 1989, as an example, the administration wanted some additional money to begin this investigation of the savings and loans. Congress, in the supplemental, was not able to provide that money, in part again because authorizations were not in place. But also we decided as a part of what we eliminated through some amendments on the floor to take out the money that the administration wanted to get as an advance on their movement on the S&L crisis. Am I not correct on that?

Mr. ROGERS. If the gentleman will yield, that is essentially correct. In the 1989 supplemental the administration requested $36.8 million. That initially was put in the supplemental bill, and then there came a time during that process, if the gentleman recalls back last May or so I think, when we had to cut an amount out of the supplemental bill, and when that was done that took out, among other things, the $36.8 million the administration requested for S&L prosecutions. So the gentleman is correct.

Mr. WALKER. As I understand it, you made it up later on; you gave them the money later on as a part of the regular appropriations process to keep going on the thing, but the fact is that the advance that they would have gotten to begin these prosecutions earlier was lost as a result of Congress's inability to act in a timely fashion. Is that not an appropriate conclusion?

Mr. ROGERS. That is essentially correct. We could have used the money earlier on.

Mr. WALKER. Sure.

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am happy to yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Chairman, I deeply appreciate the gentleman yielding and just want to clear up that I am the chairman of the subcommittee that wrote this legislation, and when we received the bill from the White House the bill had in it $50 million for authorization. We added the $25 million authorization. I hear the figure of $117 million and I do not know where it comes from.

Mr. WALKER. I will tell the gentleman.

Mr. ANNUNZIO. It was never referred to my Subcommittee on Financial Institutions.

Mr. WALKER. The gentleman from Illinois I think misunderstands the chronology. He is correct, and we are using his $75 million authorization to appropriate at the levels that are in this bill. But in the new budget request the administration has asked for $117 million to pursue the investigations, but that money is not authorized at the present time, so this committee cannot give them the money they want.

Mr. ANNUNZIO. I appreciate the statement by the gentleman from Pennsylvania, but I want the record to show that that never came, the authorization never came to the chairman of the subcommittee.

Mr. WALKER. But the appropriate place for it to be done would be in the Judiciary Committee, not in the gentleman from Illinois' committee.

Mr. ANNUNZIO. I thank the gentleman.

Mr. SMITH of Iowa. Mr. Chairman, I had hoped that we would not have the debate both on this and on the amendment.

Mr. Chairman, I yield 1 minute to the gentleman from Delaware [Mr. CARPER].

Mr. CARPER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, let me just follow up the point the gentleman from Illinois [Mr. ANNUNZIO] was making.

In August of last year the FIRREA bill, the S&L bill was approved by the House, approved by the Senate, signed by the President and authorized $75 million to be used to hire prosecutors, investigators, FBI agents, and judges to go after the crooks who stole, literally stole this money from the taxpayers. An amount of $75 million was authorized.

The administration requested an appropriation of $50 million, and $50 million was subsequently appropriated by the Congress, and I think the record should reflect that.

I thank the gentleman for yielding time to me.

Mr. SMITH of Iowa. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. Bosco].

Mr. BOSCO. Mr. Chairman, I want to commend the chairman and the Appropriations Committee for the measure before us and to give everyone in the Congress at least one good reason to vote for it.

Between the years 1940 and 1976, over 47,000 steel drums of radioactive waste were disposed of right near the Golden Gate Bridge at the Ferallon Islands near San Francisco, CA. These drums contain the most toxic waste known to man. Cesium and plutonium are now leaking, and our Government has no idea what effect they have not only on the aquatic life but what danger they pose to human beings.

The measure before us provides $500,000 to be used by the National Atmospheric and Oceanic Administration to study this waste, including how we can clean it up. I think most Americans would be shocked to find that 47,000 steel drums of the most toxic waste imaginable lay right near the Golden Gate Bridge in San Francisco. I am hopeful that within a year we will have the information we need to help us in cleaning up this toxic waste dump, and I want to thank the committee for this opportunity to give us a chance to do a favor not only for the people of San Francisco but the people of the country as a whole.

Mr. ROGERS. Mr. Chairman, I yield 2 minutes to the gentleman from New

York [Mr. HORTON], the ranking member of the Government Operations Committee.

Mr. HORTON. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in strong support of H.R. 5021 and congratulate the gentleman from Iowa [Mr. SMITH] for bringing this bill to the floor. I also thank the gentleman from Kentucky [Mr. ROGERS] for his contributions to the legislation.

President Bush has requested an increase in funding of $10.161 million for fiscal year 1991 for the International Trade Administration. Of this increase, $10.125 million is for additional funds for the U.S. and Foreign Commerical Service. As the primary Government agency for export promotion, this body serves one of the most important functions of our Government, and its importance increases every day. Although the U.S. and Foreign Commercial Service operates 68 offices throughout the United States and 127 offices overseas, its resources are far less than every major industrial power competing with the United States in the international marketplace.

The increase requested will help to provide American firms with additional services in increasingly important markets such as Asia, Eastern Europe, and the emerging European Economic Community. Specifically, the increased funding will provide for much-needed additional staffing in offices located in these critical markets. Additionally, increased funds will help implement final improvements to the commercial information management system, a computerized network that would improve the efficiency and flow of critical information between export promotion offices here and overseas.

At a time when our trade deficit has reached such colossal proportions, export promotions ought to be the paramount concern of the International Trade Administration and receive the fullest support and commitment from our Nation's Government. The arm Congress created to promote our export agenda is the U.S. and Foreign Commercial Service and it is up to us to make sure it has the resources to carry out its mandate. The additional funding requested in this bill is modest, yet the return of this investment will multiply many times the sum in benefits to American businesses and to our Nation's economy. It is with deep earnestness, therefore, that I ask you to join me in support of legislation to give the full level of funding requested for the International Trade Administration.

Again, I thank the chairman for his leadership on this vital issue.

□ 1550

Mr. ROGERS. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, we all as Members know that our committees and our offices only operate when we have good staff with us. We have a staff member on our subcommittee who is leaving us at the end of this month, in fact.

I want to take this brief opportunity to recognize a member of the Republican committee staff from our subcommittee, Jim Fairchild, who spent many years in service to this subcommittee, to the committee, and to this great body.

Jim is retiring at the end of this month, and his good work and especially his good humor will be missed by all of us, and also the very competent work that Jim Fairchild has given to America. We thank him for that, and, Jim, we wish you well.

Mr. SMITH of Iowa. Mr. Chairman, I yield myself such time as I may consume.

I want to join in the comments concerning Mr. Fairchild. I also served with his mentor, the gentleman from Kansas, Mr. Shriver. I have known him all those years. He certainly has been a valuable member of the committee's minority staff.

Our staff works well together. I want to congratulate all the staff and thank all of the staff for the work they have done on this bill.

Mr. SCHEUER Mr. Chairman, I rise in support of the Commerce-Justice-State-Judiciary appropriations bill (H.R. 5021).

I am particularly gratified to see that the committee has provided funds for the continuing operations of the current Landsat satellites. We, in this House, are all too aware of the tortured history of this program.

Last year we had the bizarre spectacle of the Department of Commerce threatening to turn off two functioning satellites (Landsats 4 and 5). Again, this year the Department of Commerce did not request funding for these operating satellites. The Department of Commerce now claims, without any empirical evidence, that these satellites are about to fail and, therefore, require no funds.

Mr. Chairman, I am advised that a technical analysis indicates that these satellites will be functioning in the next fiscal year, and that Landsat 5 is likely to continue to function well beyond fiscal year 1992.

I find it particularly troublesome that NOAA is proclaiming, without technical basis, that Landsats 4 and 5 will not continue to function into the next fiscal year. I suggest that NOAA official should consider long and hard the fact that these satellites launched in 1982 and 1984, cost the U.S. taxpayer approximately $300 million each and had design lives of only 3 years.

The fact that these satellites are operating well beyond their projected lives, at a cost approximately one-half of funds NOAA needed when it managed the program, should be cause for celebration of a unique technological achievement and cost-reduction program. NOAA would do well to apply this success to its Geostationary Operational Environmental Satellite [GOES] Program, rather than wish for demise of our functioning remote sensing system.

I would like to express my appreciation to the distinguished chairman and the members of his subcommittee for their continued support for the Landsat Program.

Ms. PELOSI. Mr. Chairman. I rise today in strong support of the Smith amendment to H.R. 5021, the Commerce, Justice, State Departments appropriations bill. This important amendment would increase by $75 million the appropriation for the Justice Department for the investigation and prosecution of savings and loan fraud.

The American people are frustrated with the lack of progress in the investigation and prosecution of the crooks who looted and defrauded the savings and loan industry. With the estimate for the bill for bailing out the savings and loans mounting to close to one-half trillion dollars, with the estimated cost to each man, woman, and child in this country of $2,000 to pay this bill, the foot-dragging by the administration in prosecuting the crooks responsible for this mess is absolutely inexcusable.

Millions of Americans are struggling to make ends meet while the savings and loan crooks still live as high flyers without any fear of prosecution or spending time in jail. People who ransacked savings and loans and the Federal Savings and Loan Insurance Corporation are still flying in their personal jets, sailing in their gold-plated yachts, and enjoying their multimillion-dollar art collections while hard-working Americans are hard-pressed to provide housing, health care, and education to their children. Something is clearly wrong here.

Our esteemed colleague, Chairman ROSTENKOWSKI, delivered a tough and realistic message on Monday to the U.S. conference of mayors. In his speech, he stated, "those of you who are hoping that your cities will be the beneficiaries of the peace dividend will be disappointed. The peace dividend—and quite a bit more—has already been invested in our savings and loans." Across the country, the American people are bearing the brunt for the savings and loan crisis, while the savings and loan crooks are reaping the reward of their fraudulent and illegal practices.

Last year, when Congress passed the savings and loan bill, it authorized $75 million for the investigation and prosecution of savings and loan fraud. The President never requested the funding for this full amount. Oddly enough, the Justice Department opposes full funding for the necessary prosecutions. So far, the Justice Department has not yet acted expeditiously on over 2,300 savings and loan criminal cases and has not yet responded at all to more than 21,000 referrals and complaints. This lack of action is outrageous.

Hundreds or even thousands of savings and loan crooks may walk away from their crimes with their pockets full of taxpayers' money. Today, by passing this amendment, we can provide more resources necessary to stop this from happening. I urge my colleagues to support this amendment to help put behind bars the people who broke the trust of the American people and who now stand to break their backs.

Mr. HALL of Ohio. Mr. Chairman, I rise in support of H.R. 5021. First, I wish to commend the chairman of the Subcommittee on Commerce, Justice, State, and Judiciary for his work on this bill.

I would like to focus on the importance of the support given to the United Nations and its member agencies. With a contribution to International Organizations and Conferences of $787,605,000, the committee has provided sufficient funds for us to begin to support critical U.N. agencies in an adequate manner.

In particular, I would note that this level will permit the administration to provide an adequate amount of money to the Food and Agriculture Organization of the United Nations [FAO]. The United States must provide at least $65 million to this organization prior to the end of this calendar year or lose its right to vote in the FAO. Among the important activities implemented by the FAO are the global early warning system, which allows us to detect the coming of a famine long before it actually arrives. The FAO performs a wide variety of critical activities which help millions of people around the world.

I urge the administration to supply the full $65 million to the FAO in a timely manner, and I urge all Members to support this legislation.

Mr. SLATTERY. Mr. Chairman, I rise in support of H.R. 5021. This bill includes funding for many important and necessary programs.

I am especially pleased that the committee is responding to the world changing events that we have witnessed in Eastern Europe. In its funding for the U.S. Information Agency [USIA], the bill focuses on the critical need to now, more than ever, promote educational and cultural exchange programs with these countries which are eager to learn about how democracies work.

This bill replaces most of the cold war programs with new programs which aid Eastern European countries in adopting and implementing democratic processes of government and establishes private enterprise business, including both family farming and nonagricultural enterprises.

Specifically, H.R. 5021 includes a total of $1.5 million under private sector programs within the USIA for training programs for local government officials, scholars, and business leaders in the emerging democracies in Poland, Hungary, Czechoslovakia, Romania, and East Germany.

These funds would be used for training officials and leaders from these countries in the United States, providing U.S. experts to those countries and developing and distributing instructional materials in several program areas, including local government, government administration, economics, business administration, and the role of the free press.

In the committee report accompanying the bill the committee highlights the excellent work already underway in this area by the University of Kansas and directs the USIA to quickly consider their proposal for establishing an institute for economic pluralism and democracy which would directly assist many of the emerging democracies.

The Kansas University Institute will be a formal administrative and support structure that will organize short-term training and consultancy programs for leaders in business and government, especially those at the local and regional level. The type of program proposed by the University of Kansas offers excellent potential for fostering the growth of democratic institutions and economic pluralism in developing democracies.

If we are serious about supporting the emerging democracies, we must follow up on our commitment to them by supporting important programs such as this one which are included in the bill. I urge my colleagues to support this bill.

Mr. FAZIO. Mr. Chairman, I rise in strong support of H.R. 5021, the fiscal year 1991 Appropriations bill for the Departments of Commerce, Justice, State, the Judiciary, and related agencies.

First, I would like to commend the chairman of the subcommittee, Congressman NEIL SMITH, for his diligent efforts on behalf of this legislation. I know all too well the fiscal constraints facing my colleague each year as he drafts this bill. I would also like to compliment the ranking member of the subcommittee, Congressman HAROLD ROGERS, for his outstanding efforts, and the subcommittee staff, for their tireless work in bringing this bill to the floor today.

This legislation contains funding for many critical programs, a number of which are especially important to my constituents. For example, the legislation includes $1,457,000 for the Commission on Agricultural Workers. This Commission was established by the Immigration Reform and Control Act [IRCA] and has a specific mandate to review the impact of the legalization program and the special agricultural worker provisions of the IRCA. The Commission will report its finding and recommendations to Congress on November 1, 1991. The policy made as a result of the Commission's review will have a profound impact on the working conditions of this country's agricultural labor force.

A second item of importance contained in the bill is the continued funding of the Fruit Frost Agricultural Weather Forecast Program. The Fruit Frost Agricultural Weather Forecast Program employs highly trained agricultural meteorologists, who closely monitor weather patterns which could be potentially devastating to sensitive crops. The information gathered is used to make site-specific forecasts for crop growers within their region. As farmers in California rely very heavily upon this program, this is an extremely important program.

One provision which I hope will be embraced in the conference with the Senate is the continuance of the current prohibition on the Federal Trade Commission's involvement in marketing orders as it has been in previous years—section 20 of the FTC's last authorization in 1980. The continuance of this policy is extremely important and I hope it will be maintained.

Again, I would like to thank the chairman and members of the subcommittee for their tireless work on this bill.

Mr. SAWYER. Mr. Chairman, I want to draw the attention of my colleagues to the funding in H.R. 5021 for the Census Bureau and programs to improve the quality of our Federal statistical system.

H.R. 5021 appropriates $245.8 million for completion of 1990 census acivities. While the operational phase of the census will be nearly complete, the Bureau must ensure timely processing, analysis, and publication of census data.

Serious operational difficulties continue to plague the census. Nonresponse follow-up interviews are proceeding slowly in many areas, and the Bureau will not complete this phase on schedule in a significant portion of the country. In some areas, the Census Bureau has counted only one third of the housing units that did not respond by mail. Adequate funding is necessary to ensure the successful completion of both data collection and dissemination activities.

The President's request also includes $11.7 million in program enhancements to improve the accuracy of Federal economic and demographic statistics. I applaud the committee for funding these long overdue improvements.

There is widespread agreement that our Federal statistical system is not keeping pace with the fundamental economic and demographic changes taking place in our Nation. The Bureau's ability to collect data on manufacturing, retail and foreign trade, service industries, and other key sectors of the economy, has suffered in recent years due to a lack of adequate resources. I believe that the initiatives proposed in the President's budget are a small, but necessary, step toward a more accurate statistical system.

I wholeheartedly support the Appropriation Committee's decision to fund the Commerce Department's program to improve demographic surveys. When one considers the fundamental role of statistics in government and business decisions involving billions of dollars, this appropriation is a very small investment to ensure their accuracy.

Mr. RANGEL. Mr. Chairman, I am pleased to support H.R. 5021, Departments of Commerce, Justice, and State, the judiciary, and related agencies appropriations bill, fiscal year 1991. As chairman of the Select Committee on Narcotics Abuse and Control, I am particularly interested in the provisions of the bill which provide funding for antidrug programs. The bill appropriates $1.7 billion for Justice Department programs authorized for 1991, including a number of important antidrug efforts. This amount is nearly $80 million more than requested and about $100 million over the amount CBO estimates to be necessary to continue the programs at current services. The bill does not, however, provide funds for the Drug Enforcement Administration, the FBI, the Organized Crime Drug Enforcement Task Force Program, the INS, the Federal Prison System and other Justice components with important drug law enforcement responsibilities because of the lack of enacted authorizations. These programs will have to be dealt with later in the year. The Appropriations Committee has reserved $6.8 billion for this purpose, about $500 million over the CBO current services estimates for the programs.

H.R. 5021 appropriates $400,000,000, the full amount that is currently authorized, for the Anti-Drug Abuse Grant Program for fiscal year 1991. This amount is $92,000,000 less than

the amount requested by the administration. The Appropriations Committee has reserved $92,000,000 for the unathorized portion of the drug grant program within its section 302 budget authority.

Despite the promulgation of two National Drug Control Strategies by the Bush administration, drug abuse continues to ruin the lives of many Americans and to pose a grave threat to America's national security. Turf battles among competing drug distribution networks make portions of many American cities unsafe in which to live, work, and play.

Police departments are often outmanned, and outgunned by drug traffickers who are continuously upgrading their firepower. Dealers glamorize drug use and recruit youngsters into a life of crime, using the lure of quick, easy money. Cocaine is destroying the family unit in American inner cities.

As Narcotics Committee Chairman and as the Representative of a large urban constituency, I am very concerned about whether cities have the necessary financial resources to mount an effective counterattack against drug dealers. The legislation authorizing the antidrug enforcement grant program, which I helped to write in the Anti-Drug Abuse Act of 1986, was intended to make funds available to cities and States to meet their highest priority drug enforcement needs. All of these funds, however, have been channeled through the States. Too often, the funds have been delayed in reaching the local level, and the legitimate needs of cities have not been adequately reflected in State plans and the allocation of funds to local governments.

The real battle zone in the war on drugs is in the streets of our cities where local law enforcement officials are the front line troops. I will soon introduce legislation to substantially augment funding for the antidrug enforcement grant program and to make such funding available directly to cities.

Asset forfeiture has been one of the most effective tools employed to date in the war against drugs. H.R. 5021 appropriates $100,000,000 for the Assets Forfeiture Fund for fiscal year 1991, an increase of $1,055,000 over post-sequester amounts for fiscal year 1990. Money generated through asset forfeiture would be used for payment of awards for information, retrofitting of seized conveyances, and purchase of evidence.

Finally, H.R. 5021 also appropriates substantial increases, as requested, for support of U.S. prisoners and for the U.S. Marshals Service. These increases are necessary to meet increased workloads caused by the war on drugs and initiatives against violent crime.

In summary, H.R. 5021 makes an important contribution to our Nation's continuing battle against illegal drugs. I intend to vote for its passage, and I urge my colleagues who are concerned about drug abuse to do the same.

Mr. SMITH of Iowa. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

The Clerk will read.

The Clerk read as follows:

H.R. 5021

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1991, and for other purposes, namely:

TITLE I—DEPARTMENT OF COMMERCE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the general administration of the Department of Commerce provided for by law, $29,854,000.

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. App. 1-11 as amended by Public Law 100-504), $14,600,000.

BUREAU OF THE CENSUS

SALARIES AND EXPENSES

For expenses necessary for collecting, compiling, analyzing, preparing, and publishing statistics, provided for by law, $112,863,000.

PERIODIC CENSUSES AND PROGRAMS

For expenses necessary to collect and publish statistics for periodic censuses and programs provided for by law, $310,904,000.

ECONOMIC AND STATISTICAL ANALYSIS

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, of economic and statistical analysis programs of the Department of Commerce, $38,456,000.

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For grants under the Trade Adjustment Assistance Program, as authorized by 19 U.S.C. 2024, $14,400,000.

SALARIES AND EXPENSES

For necessary expenses of administering the economic development assistance programs as provided for by law, $27,018,000.

INTERNATIONAL TRADE ADMINISTRATION

OPERATIONS AND ADMINISTRATION

For necessary expenses for import administration activities of the Department of Commerce provided for by law, $24,421,000.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

For necessary expenses of activities authorized by law for the National Oceanic and Atmospheric Administration, including acquisition, maintenance, operation, and hire of aircraft; 439 commissioned officers on the active list; as authorized by 31 U.S.C. 1343 and 1344; construction of facilities, including initial equipment as authorized by 33 U.S.C. 883i; and alteration, modernization, and relocation of facilities as authorized by 33 U.S.C. 883i; $1,037,465,000.

FISHING VESSEL AND GEAR DAMAGE FUND

For carrying out the provisions of section 3 of Public Law 95-376, not to exceed $1,202,000, to be derived from receipts collected pursuant to 22 U.S.C. 1980(b) and (f).

FISHERMEN'S CONTINGENCY FUND

For carrying out the provisions of title IV of Public Law 95-372, not to exceed $1,000,000, to be derived from receipts collected pursuant to that Act.

FOREIGN FISHING OBSERVER FUND

For expenses necessary to carry out the provisions of the Atlantic Tunas Convention Act of 1975, as amended (Public Law 96-339), the Magnuson Fishery Conservation and Management Act of 1976, as amended (Public Law 94-265), and the American Fisheries Promotion Act (Public Law 96-561), there are appropriated from the fees imposed under the foreign fishery observer program authorized by these Acts, not to exceed $1,997,000.

PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Patent and Trademark Office provided for by law, $109,807,000 and, in addition, such fees as shall be collected pursuant to 15 U.S.C. 1113 and 35 U.S.C. 41 and 376.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

PUBLIC TELECOMMUNICATIONS FACILITIES, PLANNING AND CONSTRUCTION

For grants authorized by section 392 of the Communications Act of 1934, as amended, $20,833,000, to remain available until expended as authorized by section 391 of said Act, as amended: *Provided,* That not to exceed $1,500,000 shall be available for program administration as authorized by section 391 of the Communications Act of 1934, as amended.

GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

SEC. 101. During the current fiscal year, applicable appropriations and funds made available to the Department of Commerce by this Act shall be available for the activities specified in the Act of October 26, 1949 (15 U.S.C. 1514), to the extent and in the manner prescribed by said Act.

SEC. 102. During the current fiscal year, appropriations made available to the Department of Commerce by this Act for salaries and expenses shall be available for hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344; services as authorized by 5 U.S.C. 3109; and uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902).

This title may be cited as the "Department of Commerce Appropriations Act, 1991".

Mr. SMITH Of Iowa (during the reading). Mr. Chairman, I ask unanimous consent that title I be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. Are there any points of order against title I?

If not, are there any amendments to title I?

The Clerk will read.

The Clerk read as follows:

TITLE II—DEPARTMENT OF JUSTICE

AMENDMENT OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Iowa: On page 6, following line 3, insert the following:

FINANCIAL INSTITUTION INVESTIGATIONS, PROSECUTIONS AND CIVIL PROCEEDINGS

SALARIES AND EXPENSES

For necessary expenses of the Department of Justice, $65,000,000 for investigations and prosecutions involving financial institutions, as authorized by section 966(a)(1) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (Public Law 101-73), and $10,000,000 for civil proceedings involving financial institutions, as authorized by section 966(a)(2) of said Act.

Mr. SMITH of Iowa. Mr. Chairman, I just want to repeat the facts on this.

Mr. Chairman, I offer this amendment on behalf of myself and Mr. ROGERS.

Mr. Chairman, I have been contacted by a good many members of the Committee on Banking, Finance and Urban Affairs, the gentleman from Illinois [Mr. ANNUNZIO], the gentleman from Delaware [Mr. CARPER], the gentleman from New York [Mr. SCHUMER]; from the Committee on Appropriations, the gentleman from Illinois [Mr. YATES], from the Committee on the Judiciary, the gentleman from Texas [Mr. BROOKS], the gentleman from Georgia [Mr. BARNARD], and several others.

I know there have been several Republican Members who have had different measures on this matter. So I think the amendment is pretty well agreed to.

But I want to point out that the reason it was not in the bill, this amount of money, was because we were told by the Justice Department that there was no authorization for any funds for savings and loan fraud.

Now we have found out that there is an authorization for $75 million. It would have been in the bill if we had known at the time the committee met to consider this matter.

The request from the Department for all financial institutions investigations and prosecutions is a total of $117.6 million. I point that out because, of that amount, $86.5 million is for the FBI. That is the biggest part of it.

We are into the investigation stage on most of these cases. A lot of investigation has to be done. Some of those investigations involve banks in Switzerland in Luxembourg, and all over the world.

The amount for prosecutions by U.S. Attorneys, by comparison, is about a fourth of the amount for the FBI $21.6 million; for the criminal division, $4.8 million; and for the tax and civil division, $4.5 million.

Those figures, however, will change radically next year and the year after as the investigations are completed and the cases go into the prosecution stage.

So that is going to change things quite radically. I hope we do not try to determine here today on the floor exactly how much is needed for each account within the Justice Department because we cannot. That is going to have to be done in the authorizing bill when it comes out on the floor. Even if it has not been passed into law by the time we come out of conference on this bill, we will use the authorizing bill as guidance.

I expect by the time we get out of conference, we will probably appropriate more than is requested. But at this point there is $75 million that is included in this amendment to the bill because that is all that is authorized at this point.

So I ask for support of the $75 million.

Mr. ROGERS. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

I want to thank my chairman, the gentleman from Iowa [Mr. SMITH], for offering this amendment in which I join wholeheartedly. I think the whole body will support us on this. Let me take just a brief moment or two to tell why this amendment is necessary.

We pretty well debated the matter up until now, and I hope to hold down the amount of time we devote to it now. But as the chairman has indicated, when we marked up our bill we were under the understanding from the Justice Department and everyone else that there was no authorization for the Justice Department. Of course, we did not appropriate for any unauthorized programs in our bill, regardless of what it was.

After markup, we were informed that the FIRREA Act, which has passed the House last year, provided $75 million authorized for each 3 years, including 1991.

It was then that the chairman and I and others decided that we would seek by way of this amendment to appropriate to the extent that we can, under the law, and that is the $75 million that is in the FIRREA bill for 1991.

The administration has requested $117 million. I am sorry we do not have the authority to provide it in the Congress.

The Committee on the Judiciary and the House have not yet acted to give us the authority.

So the amendment would give the savings and loan prosecution investigations all the money for 1991 that we are authorized to give. I hope everyone will support the Smith-Rogers amendment.

Now, where are we now? I know all of us would wish that every one of the crooks involved were behind bars this instant. Unfortunately, it is going to take a trifle longer than that instant. They have been working on these cases for a long time.

In fact, in 1986, there were 202 investigations going on in that year. It has gone to 530 by 1990. There are over 7,000 pending cases in the S&L situation, all criminal cases. Three thousand of them involve institutions with losses over $100,000, which is called a major investigation.

The cases against failed institutions number over 530. That is an increase of 248 over 1987.

□ 1600

The work has been going on for a long number of years, even while we were not passing our oversight bills of the Justice Department in the Congress, they were nevertheless investigating these cases way back then. The number of indictments increased from 1,800 in 1985 to 2,700 in 1989, a 50-percent increase in those 4 years. The total convictions in these types of cases increase from 1,350 in 1985 to 2,160 in 1989, an increase of 60 percent. That is total convictions in the S&L cases. Convictions in major cases grew from 1984 and 1985, to almost 800 last year, a total of 3,300 in those 4 years.

In 1989, there were court-ordered restitutions for cases over $100,000 losses; restitutions totaled $334 million. That is a $200 million increase over the previous year of 1989.

I add this because there is a lot of work going on. There are dozens of teams all over the world. In fact, lawyers, accountants, financial consultants, CPA's, and the like under the direction of the FBI that are working day and night around the world on these cases. In fact, of the 1,500 Justice personnel authorized last year, about 1,200 have been hired and are now on the job, and they are moving to the total of 1,500 as fast as they can go.

We only passed the supplemental late last year, like November, and they have had a very short time to beef up. We are told there are now 1,000 FBI agents, 149 U.S. attorneys, 52 from the Criminal Division, and 7 so far from the Tax Division doing nothing but investigating the savings and loan cases. I wanted to mention that because work is preceeding not as quickly as we all would like, but maybe things can speed up.

Mr. BROOKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by my friend from Iowa, NEAL SMITH. This amendment will provide a much-needed increase in the funding for bank and financial prosecutions being carried out by the Justice Department under last year's savings and loan bailout bill.

I am sure that all of us have been made aware of the deep concern our constituents have over the S&L scandal. There is a growing feeling in this country that not enough is being done to investigate and prosecute those who have fraudulently ripped off the savings and loan industry. This thievery

will cost everyone of us—every man, woman and child—thousands of dollars and threatens the financial security of our entire Nation. There is no doubt that these people deserve the maximum punishment allowable under the law.

Most Americans want action taken at a faster pace than the administration is proceeding. The President's budget request for fiscal year 1991 contained approximately $55 million for S&L prosecutions. Chairman SMITH's amendment would raise this funding level to $75 million which is the amount previously authorized by Congress under last year's S&L bailout bill. While more funds may eventually be needed, it is my understanding that we are constrained by House rules to the statutorily authorized amount provided in the bailout bill.

I would like to point out that the Judiciary Committee has ordered reported a Justice Department authorization bill for fiscal year 1991 which contains $100 million for S&L prosecutions. As I have indicated to Chairman SMITH, I would hope that this and other funding authorizations and limitations will be used as guidance in the upcoming conference with the Senate. As such, it is still possible that the $110 million level may be incorporated into the conference agreement and voted upon by the full House and Senate.

In any case, Chairman SMITH's amendment is a good first step in providing increased funding for S&L prosecutions and I urge my colleagues to support this important measure.

Mr. SMITH of Texas. Mr. Chairman, I move to strike the requisite number of words.

The rising cost of the savings and loan bailout, estimated to eventually cost over $300 billion, makes it an issue of special concern.

Attorney General Richard Thornburgh recently estimated that up to 30 percent of the failures in the S&L industry could be blamed on fraud.

The criminals who used S&L's for their own personal gain should be tracked down, yet few of the 21,000 possible savings and loan crimes referred to the Justice Department have been prosecuted.

This amendment will appropriate the total $75 million authorized to be spent for the investigation and prosecution of S&L fraud.

It is a good start, but we should go even farther.

Although a Justice Department authorization bill has not seen passed yet this year, the Judiciary Committee unanimously approved an amendment to the Justice Department authorization bill that would authorize $110 million for investigation and prosecution of financial institutions covered by the Financial Institutions Reform, Recovery and Enforcement Act [FIRREA].

The 30 percent of the thrift bailout the Attorney General estimates is due to fraud will cost the taxpayers at least $100 billion over the next 40 years.

The least we can do is provide the funds to prosecute the people who stole this money.

Prosecuting S&L criminals will not reduce the cost of the bailout, but it will show the citizens paying for it that those who stole billions of dollars will be brought to justice.

The taxpayers deserve nothing less.

I urge my colleagues to support this amendment.

Mr. ANNUNZIO. Mr. Chairman, I move to strike the requisite number of words.

I rise in strong support of the amendment. The American people want the savings and loan crooks in jail. Today, we can help put the crooks there and take away their loot.

I want to commend the gentleman from Iowa [Mr. SMITH], the subcommittee chairman, the gentleman from Kentucky [Mr. ROGERS], the gentleman from Delaware [Mr. CARPER], and the gentleman from New York [Mr. SCHUMER], for we had planned to offer similar amendments, but I am delighted to relinquish my particular authorship to the subcommittee chairman.

The amendment will appropriate the full $75 million authorized for the investigation and prosecution of savings and loan fraud by last year's savings and loan bill, FIRREA.

The sum of $65 million will go to investigate, and prosecute the savings and loan crooks. The other $10 million will be used for civil actions to recover funds from the crooks.

The Justice Department has repeatedly claimed that it does not need the money to go after the crooks. I want to know how it plans to chase Ferrari-driving crooks without the necessary funds—on pogo sticks?

The numbers bear out the slow pace of investigation and prosecution. Only 47 people have been prosecuted in connection with savings and loan crimes, even though there are over 21,000 criminal referrals for financial institution fraud at the Justice Department.

With the costliest financial fraud ever, we must allocate the resources for war on these crooks.

We are in the midst of the worst financial debacle in the history of our Nation. The total cost of the savings and loan crisis may be $500 billion or more, and the taxpayer has received a 40-year sentence to pay for it. The American people will have to work that long to pay off the bonds that have been issued to pay for the savings and loan losses. The American people want the S&L crooks investigated, prosecuted, fined, and jailed.

Every day that passes without energetic investigation increases the chances of the S&L crooks escaping prosecution and prison. The crooks are laughing their way to the bank in their luxury cars and yachts.

It's bad that the costs of this disaster are being passed to future generations. It's a disgrace that the Justice Department is refusing the resources to prosecute the criminals who are responsible for this mess.

The U.S. attorney for eastern Texas, testifying about trying to get his Justice Department superiors to beef up his staff, said: "I begged. I pleaded. I called them nasty names." Even in the center of the savings and loan crisis, there aren't enough prosecutors to do the job. Unbelievably, the Justice Department refuses to hire more.

We cannot permit these crooks to get away with the crimes they have committed. We must pursue these law breakers relentlessly. A person robbing a savings and loan with a threatening note would be prosecuted and sentenced to years in prison. Yet, the white-collar thief stealing millions with his fraudulent note, is allowed to enjoy his mansion.

□ 1610

Mr. Chairman, with this amendment, we send a message to the administration. We will not tolerate inaction any longer. We want all S&L criminals put in jail.

Thousands of cases are not being investigated for lack of resources. Hundreds or thousands of S&L crooks may get away with their crimes unless we act.

Mr. Chairman, I am mad as hell at this situation. I will not stand by while white collar criminals steal, even if the Justice Department is willing to look the other way. I intend to fight these criminals to the end, and I will not rest until they are punished.

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent that debate on this amendment and all amendments thereto be limited to 10 minutes on each side.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

Mr. CARPER. Mr. Chairman, reserving the right to object, that only gives us 10 minutes.

Mr. SMITH of Iowa. Mr. Chairman, if the gentleman will yield, I see only 2 more Members besides myself here, and I do not intend to take much time myself. I am trying to accommodate everybody, and I thought we had all agreed.

Mr. ROGERS. Mr. Chairman, reserving the right to object, do I understand the request is to limit the debate to 10 minutes per side on this amendment and all amendments thereto?

Mr. SMITH of Iowa. Yes. Mr. Chairman, if the gentleman will yield, I had three Members who wanted about 3

minutes apiece, so that would accommodate them.

Mr. CARPER. Mr. Chairman, reserving the right to object, I wonder if the gentleman would make that 15 minutes per side.

Mr. SMITH of Iowa. Mr. Chairman, we might just as well not do it at all if we would have 15 minutes on each side. We have got to leave here at 6 o'clock, and we are spending all our time on one amendment that is not even controversial.

Mr. Chairman, I renew my request. If the Members do not want to do it, we can forget it.

The CHAIRMAN. The gentleman from Iowa [Mr. SMITH] renews his request.

Is there objection to the request of the gentleman from Iowa?

Mr. McCOLLUM. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. WALKER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I think it is a good amendment. I think it starts us down the road toward having a full-blown investigation of the type we can all support, and I am particularly pleased by the statement of the chairman of the subcommittee and the ranking Republican on the subcommittee with regard to the situation we now face and how the money is being allocated, because it is very clear from their statements that we are now in the investigation phase. I appreciate them clarifying for us just exactly what is going on here, because it is clear that there has been a ramping up of the personnel needed to conduct the investigation, and that later on the priorities will change as we go to the indictment and prosecution for the moneys. That certainly is the intent for the direction that the Justice Department should head in.

I must say that I am somewhat disappointed at what has taken place over the last few days on the House floor in terms of 1-minute speeches and to a lesser extent, but also somewhat noticeably, in some of the speeches that have taken place here today which is attempting to say that the administration is to blame for somehow dragging its feet on the investigation.

I do not think that is the case. I think it is clear they are attempting to do the work. I find particularly unfortunate a document that came out of the Democratic caucus in which it says on one of the pages that the Bush batting average is not good, that they have only done 1 out of 21,000 cases.

I think the gentleman from Kentucky [Mr. ROGERS] has clarified the fact that there are literally thousands of cases that Justice is now pursuing, but they are doing them in a way where we have a chance perhaps of getting some real indictments and some real prosecutions and putting people behind bars rather than simply going for an early batting average to please the political whims on Capitol Hill.

Mr. Chairman, I will put this particular document in the RECORD, and at the same time I will also include in the RECORD a chronology of how we got where we are, because I think again it is important for us to understand that beginning back in 1980, and going all the way through to 1989, there was a series of events that took place here that brought us to the present circumstance. I will put those documents in the RECORD in parallel so that we can begin to understand the nature of the events before us.

This amendment offered on a bipartisan basis takes the partisanship out of what is really needed to be done, and that is getting the money necessary to the Justice Department so that they can do the full-blown investigation that all of us want to have handled by them. It is absolutely essential that those who stole from the American people be jailed, and that their ill-gotten gains be taken away from them. That is the process that needs to be pursued. We ought not to politicize that process. We ought to make certain that in the spirit of good government all of us support the movement in that direction.

The documents referred to follow:

DEMOCRATIC CAUCUS,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, June 18, 1990.

DEAR DEMOCRATIC COLLEAGUE: This week's Democratic Message to the American people focuses our attention on the Bush administration's lack of leadership in cleaning up the S&L mess.

As Democrats, we share the growing concern of our working families about the ever-escalating amount of tax dollars the Administration estimates it needs to bail-out insolvent S&L's. In the past several months, the President's top advisors have more than doubled the estimate they intend to apply to the bailout, and then cautioned that even these projections were soft. Yet rather than putting a stop to this hemorrhaging, the Bush administration is continuing to allow hundreds of failed savings and loans to remain open—further compounding the costs of the S&L bailout by billions of dollars.

It is the costs unseen that truly alarm and dismay America's working families. Our youngest working families are now confronting the first effects of this fiasco when they apply—and are denied—their first home mortgage. And our children will bear the brunt of the President's foot-dragging well into the next century. The schools that will go unbuilt, the bridges that will go unrepaired, and the educations that will go unfunded are the real toll of Bush mismanagement.

I have attached an excellent package on the S&L bailout, which includes S&L facts and Democratic talking points, prepared by DNC Research. I hope that it is helpful as you talk with your colleagues and constituents this week, and in the weeks ahead.

With warmest personal regards, I am
Sincerely yours,

STENY H. HOYER.

TALKING POINTS ON THE S&L ISSUE

1. There is no need to pick over the bones of the S&L scandal—we know what happened. What we need to do is fix the S&L mess.

2. Bush is foot-dragging on the S&L clean-up and is already repeating the costly mistakes made by the Reagan Administration. The result is a doubling in taxpayer cleanup costs to $500 billion—in just 7 months.

3. Bush supports hiding the costs of the S&L bailout from taxpayers by keeping it "off-budget" and out-of-sight. Democrats, it must be remembered, supported "truth-in-budgeting" on the Bush bailout last year by margins of 181-67 in the House and by 47-6 in the Senate.

4. Public discontent with President Bush's mishandling of the S&L bailout is growing. The mid-February Harris Poll which gave President Bush a 70 percent approval rating also found that 60 percent of Americans disapproved of his plan to bailout the S&Ls.

HEY GEORGE, HOW MUCH WILL IT COST?

Every time you look the other way, it seems like the Bush Administration is revising its projects on how much Bush's S&L bailout will cost U.S. taxpayers.

In August, 1989, Bush declared that it would cost taxpayers $166 billion to make sure "these problems will never happen again." (Weekly Compilation of Presidential Documents, 8/89)

In March, 1990, the Bush bailout squad quietly requested an additional $100 billion in "working capital" from the U.S. Treasury to finance new S&L bailouts in 1990 (WSJ, 3/6/90).

In May, 1990, the Bush Administration admitted the bailout will cost over $300 billion in the years ahead—double the amount predicted by Bush just 7 months ago (WP, 5/24/90). That same month, the General Accounting Office estimates that the bailout will cost a little bit more—between $325 and $500 billion.

On June 14, 1990, Administration officials warned that this latest estimate was as perishable as sour cream on a hot summer day. Treasury Secretary Nicholas Brady explained that the Administration was "in the midst" of calculating how much money the Administration would need. (NYT, 6/15/90.)

Federal Reserve Chairman Greenspan put it another way: "the size of this hole is astronomical." (NYT, 6/15/90.)

Bush's S&L black hole: just how much will it cost?

YOU TOO CAN OWN AN S&L

Desperate for working cash to bailout additional S&L's, the RTC is selling off control of S&L deposits at firesale prices—to corporate raiders like Ronald Perelman.

On March 15, 1990, the Resolution Trust Corporation (RTC) actually gave North Carolina National Bank $700,000 to take Bankers S&L of Galveston and its $104 million in deposits off the agency's hands (RTC Releases).

Three other S&L's—with $154 million in deposits—have been sold for the price of a new Buick Le Sabre automobile (RTC Releases).

S&L buyers are being allowed to pick over the assets of acquired thrifts for months—creamskimming the best assets and returning unwanted, worthless properties to the U.S. taxpayer.

Asset buyers are paying the U.S. taxpayer an average of 60 cents on the dollar for the properties they do want (Southern Finance Project).

And who are getting these "bargain basement" deals? People like corporate raider Ronald Perelman, who was recently awarded the $2 billion San Antonio Savings Association for just $10 million (RTC).

ISN'T THIS TAKING KINDER AND GENTLER A BIT TOO FAR?

U.S. taxpayers may be a bit surprised to find out that President Bush isn't just paying off insured deposit holders—under the Bush bailout, everybody in line is getting paid off.

Unless something is done, the Bush Administration is planning to pay off millions—perhaps billions—in uninsured S&L deposits and liabilities (RTC, Southern Finance Project).

So far, the RTC has already paid out $50 million to investors whose accounts were above the $100,000 insured limit (RTC).

And because the Reagan and Bush Administrations dragged their feet on closing down failing S&L's, U.S. taxpayers may be forced to pay off some $26 billion in mortgage-backed bonds issued by S&L's during the late 1980s (Business Week, 4/23/90).

Most of these bonds were issued by high-flying S&L's who had no business being in business—but investors flocked to buy these high-interest bonds because they knew that the federal taxpayer would ultimately foot the bill.

The added cost of President Bush's "generosity" to uninsured investors will be enormous—driving up the cost of the bailout by as much as 33 percent.

1 OUT OF 21,000 IS NOT A GOOD BATTING AVERAGE

The Don Dixon indictment last week was a long overdue first step in bringing S&L thieves to justice.

Unfortunately, the Justice Department is still dragging its feet on more than 21,000 S&L fraud and embezzlement cases (Washington Post, 3/27/90).

Maybe this isn't surprising given that George Bush decided to spend only $50 million of the $75 million appropriated by Congress for the S&L crimes. Mr. President, what's the holdup?

One out of 21,000 is not an unacceptable batting average when it comes to recovering stolen taxpayer funds.

DON'T LET HISTORY REPEAT ITSELF: CLOSE'EM DOWN NOW

Ignoring the lessons of the 1980s, the Bush Administration is allowing hundreds of failed S&L's to remain open—compounding the costs of the S&L bailout by billions of dollars.

700 More Failing S&Ls: Are They Being Ignored?

In May 23 testimony to Congress, Treasury Secretary Nicholas Brady understated the true size of the S&L problem, saying that at most 1,000 thrifts will have to close down.

By contrast, the non-partisan Congressional Budget Office predicts that as many as 700 additional thrifts will need to be shut down—at an additional cost to taxpayers of up to $100 billion (NYT, 6/14/90).

The Costs of Ostrich Mentality

Losses at insolvent thrifts ignored by the Bush Administration will soar because thrift owners, having nothing to lose, often gamble taxpayer funds on risky new investments to try and recoup their losses. These thrifts stay open by paying interest on deposits not from any profits on investments, but from new deposits lured in by excessively high interest rates. And who guarantees these new deposits? Why taxpayers, of course.

Mr. President what are you waiting for? Take your head out of the sand and learn the lessons of the past. Stop the S&L bleeding today.

ATTACHMENT II

Minimum Funds Needed to Resolve The Savings and Loan Crisis

[All amounts in billions]

Estimate based on OMB's July 1989 funding summaries:	
FSLIC assistance transactions	$56
RTC resolutions	50
REFCORP interest expense	69
Financing Corporation (FICO) interest expense	31
Establish Savings Association Insurance Fund (SAIF)	9
Post-RTC resolutions	24
Non-RTC administration and other	9
Subtotal—Direct funding needs	248
Lost tax revenues from FSLIC transactions	9
Total based on OMB's July 1989 estimates	[1] 257
Additional funds needed for:	
FSLIC assistance transactions	12
RTC resolutions	13
RTC administrative expenses	10
Interest on RTC working capital	28
Additional REFCORP interest expense	5
Subtotal	[2] 68
Minimum funds needed	325

[1] This estimate is based on OMB's estimates of the funds needed during fiscal years 1989 through 1999. However, funds will be needed in later years to pay interest on REFCORP and FICO bonds. OMB assumed that they would issue 30-year bonds. Therefore, our estimate included the entire amount of interest that would be incurred over the 30-year life of the bonds.

[2] These additional funds will be needed over different periods of time. Most of the funds ($63 billion) will be needed before the end of fiscal year 1999. The additional interest is primarily due to an extra 10 years of interest because REFCORP issued 40-year bonds instead of 30-year bonds.

Source: OMB July 1989 funding summaries and information from FSLIC, FDIC, RTC, and REFCORP.

CHRONOLOGY OF THE FSLIC RECAPITALIZATION—1985 TO 1988

1980

3-27-80: Conference Report on the Depository Institutions Deregulation and Monetary Control Act of 1980 passes House Floor and raises deposit insurance to $100,000.

3-28-80: Conference Report passes Senate on voice vote with Sen. Cranston speaking in favor of raising the deposit insurance limits.

1982

5-20-82: The House considers the Net Worth Guarantee Act which is the House version of what ends up being the Garn-St Germain Act. Wylie Subst. fails 155-209.

9-24-82: Senate passes its version of Net Worth Guarantee Act and asks for a Conference.

9-30-82: Senate passes Conference Report on voice vote.

10-1-82: House passes Conference Report on Garn-St Germain Act by voice vote.

FSLIC Recapitalization

1985

1-3-85: Rep. Wylie introduces the Depository Institutions Act (H.R. 15) giving Federal Bank and S&L regulators increased authority to prohibit activities that are speculative or pose a serious risk of loss to the insurance funds. That bill also gave the Federal regulators the authority to require S&Ls to submit and adhere to a plan to increase this capital and limited the use of brokered funds by undercapitalized institutions.

3-21-85: Rep. Wylie, along with Rep. St Germain introduces H.R. 1680, legislation containing deposit insurance reforms for thrifts. These include higher capital levels for S&Ls, risk related premiums, and possible co-insurance or private insurance for thrifts.

5-8-85: Rep. Wylie introduces, along with Rep. St Germain H.R. 2444, legislation to limit the powers of state chartered thrifts.

6-12-85: Full Committee approves H.R. 20, legislation that gives FSLIC rule making authority to prohibit any business activity of a state chartered institution that is detrimental to savings account holders. H.R. 20 never makes it to the floor.

9-11-85: Rep. Wylie states at a Banking Committee hearing that "the regulators have admonished Congress to act promptly on a variety of pending issues, including reform of our deposit insurance system."

9-11-85: Wall Street Journal reports that Chairman St Germain had a top aide call the regulators to urge certain action for a Florida thrift that would financially benefit St. Germain.

10-17-85: Rep. Wylie tells Ed Gray, FHLBB chief, at a hearing that "we do have problems vis-a-vis the FSLIC and I am concerned as you are that we try to resolve the problem."

Rep. Wylie also requests legal memorandum to clarify that FHLBB does have authority to levy 1% assessment on the industry.

10-18-85: Rep. Parris asks the GAO to report on the condition of the FSLIC.

10-29-85: Rep. Wylie states on the House floor (H. 9309) "I and others on the Banking Committee, and as a matter of fact, every member of Congress needs to take action to assure that our system of deposit insurance is safe and sound, especially as it refers to FSLIC."

1986

2-5-86: House Ethics Committee agrees to investigate the St Germain allegations.

2-12-86: The GAO estimates the FSLIC may need as mujch as a $22.5 billion recapitalization.

2-27-86: The Administration's Economic Policy Council approves a recapitalization plan for $15-$20 billion of new funding for the FSLIC to cover up to $30 billion of case resolution costs over three to five years (the full Administration plan).

3-5-86: Rep. Wylie states at a Banking Committee hearing that "deposit insurance and the condition of depository institutions must necessarily be of utmost concern to us."

3-12-86: Under Secretary Gould testifies before the House Banking Subcommittee on Financial Institutions in support of the Administration plan.

Rep. Wylie questions Ed Gray, FHLBB chief, on the industry's share of the bailout.

3-12-86: The U.S. League's board of directors adopts an FSLIC recapitalization plan with less funding.

3-20-86: Under Secretary Gould testifies before the House Banking Subcommittee on Financial Institutions on the problems within the thrift industry and the need to enhance the FSLIC's resources.

4-29-86: Rep. Wylie, along with Rep. St Germain, introduces H.R. 4701, the Administration's plan giving the regulators emergency acquisition tools.

5-6-86: The U.S. League testifies before the House Banking Subcommittee on Financial Institutions that only $8-$15 billion is necessary to resolve cases.

5-7-86: Rep. Wylie states at a Banking Subcommittee Hearing that "banking regulators must have adequate tools to deal with emergency situations quickly and effectively."

5-8-86: Under Secretary Gould testifies before the House Banking Subcommittee on Financial Institutions in support of the full Administration plan and its three-pronged strategy to revitalize FSLIC and thrifts. Gould states that "this plan can supply up to $25 to $30 billion to FSLIC over the next five to six years."

5-8-86: Rep. Wylie states that "on this critical issue, there does not seem to be any disagreement about the need for action."

5-15-86: St Germain appears at a fundraiser for Republican George Wortley, a member of the Ethics Committee. It is highly unusual for a Democrat to appears at a fundraiser for a Republican.

5-22-86: H.R. 4907, the Administration's FSLIC plan, is introduced by Reps. Wylie and St Germain, providing the full $15 billion from industry resources.

6-6-86: Under Secretary Gould writes Chairman St Germain, urging the Committee to avoid amendments that would restrict the use of FSLIC resources to resolve insolvent thrift cases.

6-11-86: Chairman St Germain cancels Subcommittee mark up of H.R. 4907.

6-12-86: Chairman St Germain cancels Subcommittee mark up of H.R. 4907.

6-19-86: Chairman St Germain cancels Subcommittee mark up of H.R. 4907.

6-24-86: Chairman St Germain cancels Subcommittee mark up of H.R. 4907.

7-17-86: The House Banking Subcommittee on Financial Institutions reports H.R. 4907, the full Administration plan. Rep. Wylie supports the full funding plan.

7-21-86: A GAO letter to Chairman St Germain warns that the problem could be larger.

7-28-86: The U.S. League urges a "pay-as-you-go" plan in a letter to the House Banking Committee.

7-30-86: Rep. Wylie joined by 15 Committee Republicans sends a letter to Chairman St Germain requesting a full Committee mark up of H.R. 4907, the FSLIC recap bill.

7-31-86: Chairman St Germain responds in a letter to Rep. Wylie with concerns over nonbank banks.

8-1-86: Rep. Wylie again writes to Chairman St Germain requesting a full Committee mark up of H.R. 4907.

8-13-86: Senator Garn drops all of the banking provisions from S. 2592, other than the full Administration plan and two other emergency provisions.

8-13-86: The Senate Banking Committee reports a stripped-down banking bill (including the full Administration plan concerning the FSLIC) and assigns a new number to it, S. 2752.

9-2-86: Jim Wright meets Craig Hall, a real estate developer in Dallas, for the first time. Hall complains about treatment from the regulators during his impending bankruptcy. Wright phones St Germain on the issue the same day.

9-15-86: House Majority Leader Jim Wright meets with Ed Gray and accuses him of being too hard on Texas thrifts. Three other Texas Congressman are present.

9-17-86: Ed Gray writes St Germain stating that FSLIC recapitalization is urgent, FSLIC primary reserves have dropped to $2.5 billion and 252 thrifts are in trouble.

9-18-86: Jim Wright calls Ed Gray on behalf of Craig Hall, a Dallas real estate developer, about problems he was having with the FHLBB.

9-19-86: Chairman St Germain introduces a new bill, H.R. 5565, which includes not only the Administration's FSLIC plan, but also a housing and other extraneous titles.

9-23-86: Chairman St Germain introduces another new omnibus bill, H.R. 5576, which includes the Administration plan, the housing title, and other extraneous titles.

9-23-86: The House Banking Committee reports the new bill, H.R. 5576, with the recapitalization plan and other extraneous titles, after dropping the provisions on nonbank banks.

9-26-86: According to the Congressional Record, H.R. 5576 is placed on the suspension calendar to be voted on by the House on Monday.

9-29-86: H.R. 5576, as passed by the Banking Committee, is pulled from the suspension calendar. It is widely known and reported that Rep. Jim Wright pulled it from the suspension calendar. (Inside Job, p. 213)

9-29-86: Ed Gray makes a key decision to help Craig Hall, by bringing in a new staff person to help with Hall's bankruptcy problems.

10-1-86: Speaker Wright blocks House consideration of H.R. 5576 because of concerns over Texas thrifts, according to the Wall Street Journal.

10-3-86: Gray and Wright meet again. Wright expresses his fears that the recap money will be used to crack down on Texas thrift operators. (Inside Job, p. 214)

10-7-86: Chairmen Gray, Volcker, and Seidman urge Congress to pass a clean FSLIC recapitalization bill.

10-7-86: The House passes H.R. 5576 by voice vote under suspension of the rules.

10-16-86: The U.S. League urges Congress to pass the full Administration plan before adjournment.

10-10-86: Jim Wright writes to Ed Gray to complain about inappropriate actions by regulators. (Inside Job, p. 214)

10-16-86: Chairman St Germain urges House Appropriations Committee Chairman Whitten in a letter to oppose a possible Senate attempt to attach the FSLIC recapitalization bill (S. 2752) to the continuing resolution.

10-16-86: Floor time for S. 2752 is denied because of the controversial nonbank bank title, according to an article in the American Banker.

10-16-86: Senator Proxmire states that the FSLIC can wait, because the nonbank issue is more important, according to an article in the *American Banker.*

10-17-86: Senator Proxmire agrees to withdraw the nonbank bank amendment, but a new provision restricting thrift direct investment is added to the FSLIC bill; Senator Garn agrees.

10-18-86: A new bill, S. 2443, which contains the full Administration plan plus other emergency provisions, passes the Senate hours before adjournment Sine Die. (The direct investment provision was dropped after objections by other Senators.) The House does not consider it, however, even though it was the very last matter discussed before the end of the 99th Congress.

10-18-86: Chairman St Germain issues a statement accusing the Senate of killing the recapitalization bill by making substantial changes in the consumer, housing, and regulatory titles during the final hours of the Congressional session.

10-21-86: Jim Wright lunches with many thrift executives in Ft. Worth, Texas.

10-28-86: Jim Wright calls Ed Gray again to urge Gray to meet with Tom Gaubert, a former Treasurer of the DCCC, and now owner of Independent American Savings. Gaubert later admits that he urged Wright not to pass the FSLIC recapitalization while Gray was in office. (Inside Job, p. 218)

10-20-86: (Approximately) Wright calls Gray again, this time on behalf of Don Dixon, owner of Vernon S&L. Dixon had let his yacht "High Spirits" be used eleven times for Democratic fundraising efforts.

1987

1-6-87: H.R. 27, the full Administration plan, is introduced by Reps. St Germain and Wylie (with $15 billion in new funding).

1-6-87: S. 45, the full Administration plan, is introduced by Senators Proxmire and Garn (with $15 billion in new funding).

1-22-87: Under Secretary Gould testifies before the House Banking Committee in support of a clean FSLIC bill. Rep. Barnard questions Ed Gray about the treatment of Vernon Savings, at the request of the Speaker. Vernon is owned by Don Dixon.

1-29-87: Now Speaker Jim Wright meets with Rep. St Germain and other Democrats on the Banking Committee. After this meeting, St Germain cancels Subcommittee markup of FSLIC bill. (Regardies, 1987)

2-2-87: Ed Gray appoints an independent counsel to assess the merit of allegations by Tom Gaubert, Wright's friend. This is an unprecedented action.

2-3-87: Chairman St Germain cancels the February 3 Subcommittee markup of H.R. 27.

2-10-87: Bill Black and other officials from the FHLBB meet with Jim Wright. Wright complains to Black that he was misled by Ed Gray with respect to actions being taken against Vernon. Wright begins vendetta against Bill Black.

2-10-87: Chairman St Germain cancels markup of H.R. 27.

3-2-87: Treasury Secretary James A. Baker III writes to Senator Proxmire urging that the full Administration plan be put into a clean bill.

3-3-87: The GAO testifies before the House Banking Subcommittee on Financial Institutions that the full Administration plan represents the minimum necessary and that the FSLIC is insolvent.

3-3-87: House Financial Institutions Subcommittee holds two days of hearings with Texas thrift executives and regulators. Speaker Wright requested these hearings.

3-6-87: In a letter to the GAO, the U.S. League accuses Treasury of typing to "frighten" Congress into passing a "bloated" plan.

3-9-87: FHLBB Chairman Gray writes Senator Garn that the FSLIC is more insolvent than the GAO reported.

3-10-87: Secretary Baker addresses the National Council of Savings Institutions on the need for the full Administration plan.

3-10-87: In a letter to Chairman St Germain, the GAO defends its position against the U.S. League's attack.

3-10-87: A plan providing only $7.5 billion in new funding for the FSLIC (S. 45) is reported out of the Senate Banking Committee together with numerous, extraneous provisions.

3-10-87: Chairman St Germain cancels the Subcommittee markup of H.R. 27.

3-18-87: The GAO defends its position in a letter to the U.S. League.

3-19-87: Wright appears at a Democratic Caucus speaking for forbearance in the FSLIC bill.

3-20-87: Vernon S&L, owned by Don Dixon is placed in receivership (effectively closed) by the FSLIC. 96% of Vernon's loans are delinquent.

3-23-87: Secretary Baker writes to the members of the Senate urging support for the full Administration plan.

3-25-87: Secretary Baker writes to Senator Garn urging passage of the full Administration plan.

3-25-87: Under Secretary Gould writes to the members of the Senate urging passage of the full Administration plan.

3-27-87: The Senate passes S. 790, which contains a plan providing only $7.5 billion in new FSLIC funding and other extraneous and controversial amendments in the Competitive Equality Banking Act.

3-31-87: The House Banking Subcommittee on Financial Institutions reports the full Administration plan, 41-1. Rep. Wylie supports the full $15 billion plan in the "Carper amendment." Wylie states that $5 billion is "inadequate in the short term and that we will need to continue to tread water." The Carper amendment passes 23-20 with all Republicans but 3 voting for it.

4-1-87: The House Banking Committee reverses the Subcommittee vote and reports a plan providing only $5 billion in new FSLIC funding, 45-5. Rep. Wylie opposes the $5 billion plan as embodied in the Neal amendment. Rep. Wylie states that the $15 billion is "absolutely essential" and that "anything less is inadequate." All Republicans vote against the Neal amendment, except for Shumway, Dreier and McCollum. Rep. Kaptur (D-OH) switches her vote, providing the margin of victory for the smaller recap plan. Rep. Barnard passes. The Carper/Wylie amendment to raise the amount to $11 billion is defeated 26-24.

4-9-87: Ethics Committee releases report on St Germain finding some violations of House rules, with respect to reporting trips from S&L's.

4-20-87: Secretary Baker writes Senator Garn opposing the $5 billion plan and calls for the quick passage of the full Administration plan

4-27-87: FSLIC sues Don Dixon and Vernon.

4-28-87: The FHL Bank presidents write to Chairman St Germain and express their opposition to the $5 billion plan.

4-28-87: Reps. Wright and St Germain issue a joint statement calling for a compromise plan that includes the full $15 billion in new funding and forbearance provisions.

5-4-87: Secretary Baker writes Reps. St Germain and Wylie supporting the full Administration plan.

5-4-87: Rep. Wylie writes to the GAO requesting the latest estimates of the FSLIC insolvency. The GAO replies in a letter dated that the FSLIC is at least $6 billion in deficit.

5-5-87: H.R. 27 passes the House. The St Germain-Wylie amendment to restore the full $15 billion in funding was defeated, 258 nays to 153 yeas (Roll No. 83). Rep. Wylie supported the St Germain amendment. Rep. Wylie states that the $5 billion plan is "obsolete." "Adoption of an inadequate plan virtually ensures that the recapitalization plan will fail and that . . . taxpayer money would have to be used to bail out the fund."

Tony Coehlo actively supports the $5 billion. Coehlo was Democratic Whip at the time, and Chairman of the Democratic Congressional Campaign Committee. Coehlo had urged Wright to help Don Dixon.

6-1-87: The Administration issues a policy statement urging adoption of the full Administration plan.

6-9-87: Chairman St Germain excuses FHLBB General Counsel Bill Black from testifying and cancels the subcommittee hearing on problems in the thrift industry.

6-11-87: House appoints conferees.

6-22-87: Secretary Baker urges the conferees in a letter to pass a responsibly funded recapitalization bill.

6-23-87: Conferees meet, but come to no resolution.

7-1-87: Conferees approve a plan providing for only $8.5 billion in new funding.

7-29-87: Secretary Baker's continuing negotiations with the conferees increase the package to $10.8 billion. The conference rejects the $5 billion House plan and $7.5 billion Senate plan.

9-29-87: Danny Wall, the incoming FHLBB Chairman meets with Jim Wright. Wright wants to know if Bill Black has been fired. In fact, Black is now General Counsel of the San Francisco Home Loan Bank.

8-3-87: The House passes the Conference Report on H.R. 27, providing $10.8 billion for FSLIC (382-12 Roll No. 294). Rep. Wylie supports passage, stating that "the situation has become even more critical over the last 6 months. We need to move forward on this legislation."

8-5-87: The Senate passes the $10.8 billion plan.

8-10-87: President Reagan signs the $10.8 billion plan into law (Public Law 100-86).

11-20-87: Danny Wall's staff receives calls from Jim Wright's staff demanding that Bill Black be fired.

1988

2-9-88: Rep. Wylie with Rep. Doug Barnard introduces Enhanced Enforcement Act of 1989. He states that "it is particularly important that regulators have the ability to combat malfeasance and misfeasance at financial institutions. This legislation does this."

6-30-88: Rep. Wylie, along with Rep. Annunzio introduces legislation to let thrifts sell their Freddie Mac stock. This would allow thrifts to increase their capital by almost $1 billion. Freddie Mac lifts this restriction by regulation.

9-8-88: Under Secretary Gould testifies before the House Banking Committee urging Congress to increase the FSLIC recapitalization to its full $15 billion.

9-30-88: Under Secretary Gould writes Chairman St Germain that Treasury stands ready to work with Congress on a new legislative package to assist FSLIC.

9-30-88: The House Banking Committee passes Rep. Parris' (R-Va.) legislation to create a national commission on FSLIC, H.R. 5407 by a vote of 45 to 2.

10-5-88: The full Banking Committee marks-up H.R. 5432, legislation authorizing an increase in the recapitalization by $5 billion. Rep. Wylie supports the additional amount, he states "I will vote to increase the recap amount." The bill passes 29 to 22. Rep. Wylie votes against final passage because of extraneous amendments that would tie the hands of regulators doing thrift deals in the Southwest.

10-4-88: Rep. Wylie states on the House floor, regarding H.R. 5407, "I feel strongly that we need to take this action to ensure that action to resolve the crisis facing the FSLIC is taken in a timely fashion." "This legislation will be instrumental in maintaining a clear focus on the FSLIC crisis after the 100th Congress adjourns his month."

10-6-88: Statement of Administration Policy supports the additional amount for FSLIC.

10-6-88: The House of Representatives passes H.R. 5407, the National Thrift Commission bill by a vote of 395-21.

10-11-88: FHLBB Chairman Wall writes Rep. LaFalce expressing its support for the additional funds for FSLIC.

10-12-88: The House Rules Committee meets to consider H.R. 5432, and votes against sending it to the floor.

1989

1-4-89: House Banking holds first hearing in 101st Congress.

2-6-89: President announces plan; requests action within 45 days.

2-22-89: S. 413 introduced.

3-6-89: H.R. 1278 introduced.

4-6-89: House Banking Subcommittee Markup.

4-11-89: House Banking Subcommittee Markup.

4-12-89: House Banking Subcommittee Markup.

4-13-89: House Banking Subcommittee Markup concluded; bill reported to Full committee.

Senate Banking marks up and reports S. 774 (new bill number) 21/0.

4-17-89: Senate floor debate on S. 774.

4-18-89: Senate floor debate on S. 774.

4-19-89: Senate floor debate on S. 774 on a vote of 91/8.

4-26-89: Full House Banking Markup.

4-27-89: Full House Banking Markup.

5-1-89: Full House Banking Markup.

5-2-89: Full House Banking Markup concluded and bill ordered reported. Sequentially referred to Ways and Means, Judiciary and Rules.

5-16-89: Banking Committee report filed (Report 101-54, Part 1).

5-18-89: Ways and Means Markup to confirm decisions made at meetings on May 9 and 10.

5-22-89: Ways and Means report filed (Report 101-54, Part 2).

6-1-89: Banking Committee files supplemental report (Report 101-54, Part 3). Rules Committee files report (Report 101-54, Part 4). Judiciary files report (Report 101-54, Part 5).

6-2-89: Committee on Government Operations files report (Report 101-54, Part 7).

6-8-89: Banking Committee files supplemental report (Report 101-54, Part 7).

6-14-89: Floor consideration of Rule and general debate on H.R. 1278).

6-15-89: House passes H.R. 1278 by a vote of 320/97.

6-22-89: First meeting of Senate-House Conference in Capitol (3:00 p.m.).

7-11-89: Conference meets 2128 RHOB (2:00 p.m.-8:35 p.m.)

7-13-89: Conference meets 2128 RHOB (2:40 p.m.-8:05 p.m.)

7-14-89: Conference meets 2128 RHOB (10:00 a.m.-1:10 p.m.)

7-17-89: House Banking Committee holds closed caucus (2:00 p.m.-5:00 p.m.)

7-18-89: Conference meets 2128 RHOB (9:50 a.m.-11:55 p.m.)

7-26-89: Conference meets 2128 RHOB (9:20 a.m.-11:40 p.m.)

7-27-89: Conference meets 2128 RHOB (10:15 a.m.-9:07 p.m.)

8-1-89: Conference report filed in House (10.00 p.m.)

8-2-89: Rules Committee grants rule for floor consideration waiving all points of order.

8-3-89: House agrees to conference report on a vote of 221/139. Senate fails to waive Gramm-Rudman-Hollings on a vote of 54/46 (⅗ths votes needed to waive) and requests new conference. Conference reconvenes 2128 RHOB (8:30 p.m. to 12:00 a.m.)

8-4-89: Senate agreed to conference report on a division (17/7).

8-5-89: House agrees to conference report on a vote of 201/175 (12:15 a.m.)

8-9-89: President signs bill in Rose Garden ceremony (10:45 a.m.)

BIOGRAPHY

Baker, Jim: Secretary of the Treasury from 1985 through 1988.

Coelho, Tony: A member of the Democratic leadership, as Majority Whip. He was also Chairman of the DCCC, the Democrats fundraising arm. Had close ties to both Don Dixon and Tom Gaubert. Later resigned from the House after he had bought junk bonds on credit from Columbia S&L in California.

Dixon, Don: Owner of Vernon S&L in Texas. He sought help from Wright and Coehlo for his problems with the FHLBB. Dixon was the quintessential high flying thrift executive. He had planes and yachts. He once took a two week eating trip through Europe, at one point running up $34,000 on his American Express card in one month. Dixon allowed his yacht, the "High Spirits" to be used 11 times during 1985 and 1986 to raise money for the Democratic Congressional Campaign Committee (DCCC).

Gaubert, Tom: Owner of Independent American S&L. He was the Treasurer of the DCCC. Additionally, he raised $100,000 from thrift executives to help Rep. Jim Chapman (D-Tx.) win a special election in March 1985. He sought help from Wright for his troubles with the FHLBB.

Gould, George: Under Secretary of the Treasury for Finance during the thrift crisis.

Hall, Craig: Dallas real estate developer who sought help from Jim Wright over his problems with the FSLIC.

Garn, Jake: Senator, and Chairman of the Senate Banking Committee in 1986, later Ranking Republican in 1987 and 1988.

Gray, Ed: Chairman of the Federal Home Loan Bank Board from 1983 until 1987

Proxmire, William: Ranking Democrat on the Senate Banking Committee in 1986 and Chairman during 1987 and 1988.

St Germain, Ferdinand: Chairman of the House Banking Committee during the FSLIC crisis. Was defeated for re-election in 1988.

U.S. League of Savings Institutions: Largest trade association for the savings and loan industry.

Wall, Danny: Chairman of the Federal Home Loan Bank Board from July 1987 through March 1989.

Wright, Jim: House Majority Leader in 1985-86. Speaker of the House during 1987-88.

Wylie, Chalmers: Ranking Republican on the House Banking Committee.

Mr. CARPER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I want to express my gratitude to the chairman of the subcommittee and the ranking Republican member of the subcommittee, as well as to the gentleman from Illinois [Mr. ANNUNZIO], the gentleman from New York [Mr. SCHUMER], and others who have joined us in this collective effort to try to insure that some justice is finally meted out to people who more than deserve that justice.

I want to take just a moment and talk about how we got into this mess in the first place. It is worth taking a few minutes to again review that. There are probably five major factors for the S&L collapse that we have seen.

One of those is coupling deregulation and broad new powers and activities for thrifts with desupervision, and while we were giving those thrifts brand new powers, many of them State-chartered thrifts we found at the same time that we had fewer examiners and fewer supervisors looking over the shoulders of the thrifts as they exercised their new powers.

We also increased the deposit insurance from $40,000 per account to something like $100,000 per account. That raised the exposure of the FSLIC. We had insufficient capital requirements for those who owned and operated the thrifts. They had too little money of their own at risk in the activities of those thrifts. If the thrifts failed, it was no skin off the back of the owners. Who would pay the losses? The FSLIC and ultimately the taxpayers.

The fourth factor was this: The thrifts in the industry were simply underpaying their insurance payments into the FSLIC. Given the risks of the investments and given the risks of their operation, the insurance payments were grossly underpaid.

And the last factor was that of the drop in oil prices and the drop of land values, particularly in the oil patch.

Those are the principal five factors. The biggest of those, as far as I am concerned, is desupervision, the total inadequate supervision we had of the thrift industry for almost the last decade.

When are we going to address the problem? In the legislation that has been alluded to, the so-called S&L bill adopted last year by the Congress, we tried to address the supervision. We said we were going to have adequate supervision and we were going to pay our supervisors and we were going to have enough of them to do the job that needs to be done. We said we were going to require the owners of the thrifts to put up real money, real capital, not smoke and mirrors, not play money but real money at risk, so in case the S&Ls do fail, they would eat the losses, not the taxpayers and not the insurance fund.

We said we were going to triple the new rates paid by the S&Ls. We said we were going to triple their insurance rates. We said we were going to make them pay some real money into the insurance fund and we said we were going to begin looking at the way we insure our deposits and try to decide by the end of this year or early next year whether we should overhaul and reform the way we insure our deposits.

The last thing we said in that bill we passed last year is that we want to authorize $75 million to go after the crooks who fraudently and through mismanagement and through criminal misconduct led us to this mess. So $75 million was authorized. Regrettably, only $50 million was requested by the administration. Regrettably, only $50 million was appropriated.

The Banking Committee on which I serve held hearings in April in Texas to find out just how the prosecutions are going, and almost 9 months after we passed the S&L bill we find now that we have too few investigators, too few FBI agents, and too few judges to do the job that needs to be done. We are spending roughly two-thirds of what we need to spend.

I will use a baseball analogy. Imagine, if you will, that we are playing the toughest team on our schedule. These S&L crooks are smart. They have good lawyers. They know how to hide their assets all over the world, and it is like we are playing the best team on our schedule and we are putting six players out on the field and they are winning. And who is losing? The taxpayers are losing. Today we do something about it.

Justice delayed is justice denied. Sometimes in this institution we throw money at problems. In this instance that is not the case. We are throwing money at a problem so that the Justice Department can throw some crooks into jail.

Again, Mr. Chairman, I commend the gentlemen who are offering this amendment on behalf of a number of us, and I urge its adoption overwhelmingly.

□ 1620

Mr. McCOLLUM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this proposal. The amendment is very important.

Mr. Chairman, I have two hats I wear, one of them as a member of the Committee on Banking, Finance and Urban Affairs, one of them as a member of the Committee on the Judiciary, and I have seen the unfolding of this savings and loan crisis, and I certainly have seen the issues that

have been brought forth here today and discussed at some length with regard to the needs of the Justice Department to prosecute the fraud cases.

There is no doubt. There is plenty of fraud that has been involved in the savings and loan issue. However, Mr. Chairman, I must comment, with all due respect to my colleagues and some of the other comments that have been made, that fraud was not at all a primary cause of the problems we have in the S&L crisis. Some of the litany that has gone on here earlier, including what the gentleman from Delaware [Mr. CARPER] said, were basically true. We have lots and lots of different reasons why we got into this crisis and different fingers to blame, to point around for the blame.

However, Mr. Chairman, the bottom line is that fraud was not a major cause. However in the process of the unfolding of all of this there certainly are a bunch of crooks out there who took advantage of this situation, and some of the most celebrated things that have reached the public attention have been those things that concerned those savings and loans where some of the biggest of these crooks were.

So, Mr. Chairman, I join, I very strongly join, those who want to see more resources, more prosecution and more opportunity to put these guys behind bars where they ought to be and where they ought to stay.

However, Mr. Chairman, in the process of debate over this, which has gone on for some time and I am sure will continue; that is, debate over the fraud issue, there have been a lot of folks pointing the finger at the Justice Department and the administration. I think unfairly.

The fact of the matter is that the Justice Department requested $36 million for special purposes of investigating fraud and bringing these kinds of cases as early as March 1989. It did not get any of that request filled until it got $50 million in December, following that appropriation that was discussed here earlier this afternoon. It is certainly wanting more money and happy to have it. As was discussed by the members of the Appropriations Subcommittee out here today, all they can give right now is what is authorized.

Granted, Mr. Chairman, the Committee on the Judiciary, on which I serve, has authorized more of the authorization and still has not gotten it to the floor. The point is that the Justice Department itself is not to be put on the flogging board for not requesting the resources. We are not quick enough to respond in many cases in giving them those resources.

Now, what have they done with what they have received? I think it is interesting and rather remarkable that the most significant prosecuting arm the Justice Department has is the Dallas special task force prosecuting major financial institution fraud. That was setup in 1987, a long time before we got around to the S&L crisis as it is now. As of June 15, 1990, this task force, the Justice Department had put in place back in 1987, had brought criminal charges against 77 persons and obtained 52 convictions, 40 of which involved savings and loan institutions. I think that is a very positive thing. At the present time the Dallas task force currently has 42 separate savings and loan institutions and 560 individuals under investigation. That is the location of the heart of the largest portion of the problem in the savings and loan crisis.

Mr. Chairman, all of us know the Southwest was the largest-hit area because of its economic problems and the area where most of these fraud cases arise.

One other point: Many people have talked about referrals and accused the Justice Department of not acting appropriately and promptly on cases referred by the regulators to them, and they are coming in mountainous numbers, and they do need more staff to dig into them, and that is all part of this money that we are putting out today and that I, and I guess everybody else here, supports.

The fact though is that referrals are misleading in figures and numbers when they are used as data. Most of them consist of suspicious cases. The cases that are sent over are not made. There is no certainty there is any crime ever been committed. Eighty-five percent of those referrals, the Justice Department has discovered, are under $25,000 in amount, and most of those are under $1,000 and involve teller clerk embezzlement cases which are relatively minor on the scope of things and do not involve the major fraud cases that we are focused on and that the savings and loan crisis has focused public attention on.

My bottom line is simply to put in perspective what is happening and what is not happening. We need to get these resources out there. The Justice Department wants them. They can put them to good use, but fingerpointing in this area about who has done what or not is not the answer to the question.

Mr. Chairman, the issue before us is to get them the resources, let them do the job. They have done, quite frankly, a very good job up to now and have not gotten all the credit they should for it. We need to give them the resources to do a better job and to put the crooks in jail that should go to jail.

Ms. OAKAR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Iowa [Mr. SMITH].

Mr. Chairman, I rise in support of this amendment to the appropriation bill to give the full Committee on Banking, Finance and Urban Affairs authorization which was passed in August 1989, the FIRREA bill, that authorized $75 million, $65 million for criminal investigation and prosecution, and $10 million for investigations of civil violations, and I, with all due respect, beg to differ with the previous speaker, the gentleman from Florida [Mr. MCCOLLUM], my good friend, because I do think that, while we had economic downturns in certain regions of the country, the fact is at all the hearings that we have had and so forth fraud was one of the major reasons for this crisis; fraud, abuse, mismanagement, a lack of proper supervision. But certainly fraud is right up there. Otherwise the full Committee on Banking, Finance and Urban Affairs and the Committee on the Judiciary in concurrence with the Committee on the Judiciary would not have authorized a special fund.

Mr. Chairman, we are not talking just about the regular banking issues that the Justice Department involved itself with. We are talking about additional funding of $75 million to look at all these various violations.

Mr. Chairman, I want to just give to my colleagues the magnitude of this problem, and, as everyone knows, the Federal banking regulators have already recommended; I mean, if fraud and criminality were not part of the reason for this terrible crisis, I do not know what is, but the Federal banking regulators have recommended to the Justice Department 21,000 cases, 21,000 cases of potential criminal activity of S&L officials to the Justice Department for further investigation.

Yes, we can debate whether or not they ask for enough money and so on. The point is we want them to have the resources to do the job, and that is what this debate and this issue is all about.

Let me give some of the S&L facts and figures in terms of the 21,000 cases and other cases that relate to this gross abuse of funds.

The Treasury Department estimates that the S&L problem will ultimately cost taxpayers between $80 and $132 billion. Taxpayers want to know what is being done about the 21,000 criminal cases the regulators have brought to the attention of the Justice Department. We asked GAO for a special study. They estimated that the total cost of the thrift problem and crisis may eventually reach $325 billion over 33 years, but it could go up to $500 billion.

The RTC, the Resolution Trust Corporation, that was set up to dispose of these inept and inadequate institutions, has seized assets already of approximately 390 institutions whose

assets total approximately $177 billion.

Mr. Chairman, the question that has been asked is: Is this the financial Vietnam of the 1990's?

Another point is that over 32,000 real estate properties, about 90 percent of them are residential as of last January and have been seized, and examples include golf courses and resorts and so forth.

Mr. Chairman, let me just tell my colleagues, "If you don't think fraud and abuse is involved in this scandal, take a look at yesterday's testimony."

Mr. Chairman, we had testimony before the full Committee on Banking, Finance and Urban Affairs in which we were looking at the Silverado S&L in Denver, CO. I would like my colleagues to take a look at the compensation that was given to these individuals in 1986. This was after an exam by the Federal regulators in which they said that this bank was practically inauditable because of the fat loans that were given to individuals that had various relationships with board members. The examiners discovered that the chairman of the board, Mr. Weiss, the vice chairman, Mr. Lewis, the vice chairman, Mr. Vanterpool, received bonuses. This was in addition to their salaries. This is after the auditors told them that they were in big trouble. They received bonuses of $724,000, $347,000, and $359,000 respectively.

□ 1630

The total compensation from Silverado for these individuals, these characters, was $1.3 million. As we speak, Mr. Chairman we have individuals who are getting these grandiose expenses. Once the institution has failed, they still get these parachutes and these pensions that give them all kinds of excesses and bonuses.

Mr. Chairman, there is fraud and abuse. The least we should do is insist that the Justice Department do its job. We are giving them the tools to do it. Let us get on with the show and prosecute wherever it is appropriate, but let us not let the taxpayer have the full burden of this terrible excess in this terrible crisis.

The CHAIRMAN. The time of the gentlewoman from Ohio has expired.

(At the request of Mr. HYDE, and by unanimous consent, Ms. OAKAR was allowed to proceed for 1 additional minute.)

Mr. HYDE. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I am happy to yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I just want to make the remark to my friend who is right on all fours in her comments that the special independent counsel who has been prosecuting the Iran-Contra defendants, I am informed has spent upwards of $28 million and he has nailed Poindexter and he has nailed Oliver North, but we are spending that kind of money to get two, and I understand there have been some other lesser defendants that have plead guilty, I just wonder if $75 million is going to even open the door on 21,000 cases. I think we ought to look at it in that perspective, unless perhaps the independent counsel has been a little profligate in spending money, which I do not for a minute hint.

Ms. OAKAR. Mr. Chairman, if I could reclaim my time, I know the gentleman served on the Iran-Contra Committee, I could not agree with the gentleman more. That is why I was somewhat disappointed when we have been told, anyway, really to me it is not an issue whether or not they asked for enough. The point is they need the tools to work with and we authorized $75 million. Apparently they wanted $55 million. Maybe it has to be more, and it probably does, but I think that we would be penny-wise and pound-foolish if we did not give them the money that they need in an effort to bring to justice these 21,000 cases.

The CHAIRMAN. The time of the gentlewoman from Ohio has again expired.

(At the request of Mr. HYDE, and by unanimous consent, Ms. OAKAR was allowed to proceed for an additional 30 seconds.)

Mr. HYDE. Mr. Chairman, will the gentlewoman yield further?

Ms. OAKAR. Only if I get the last word.

Mr. HYDE. I am informed that the Justice Department has asked for $117 million and we are still nickel and diming. That is what bothers me.

Ms. OAKAR. Mr. Chairman, if I can reclaim my time——

Mr. HYDE. That I got for the gentlewoman, surely.

Ms. OAKAR. I am concerned about FIRREA and the authorization of the Banking Committee. We asked that they be authorized to have $75 million apparently for this particular activity, the FIRREA issue. They wanted $55 million. Let us give them what they need to get the job done.

Mr. ROTH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am in strong support of this amendment. I have been sitting through these hearings that we have had in the Banking Committee for a long time.

I remember back in 1988, we appeared before the Rules Committee and said that now is the time for us to address the issue, but no one would listen.

Now finally we do have people's attention. In our last hearing we have been told there are some 17,000 cases of fraud before the Justice Department and it is time for us to act.

The head of the FBI, Mr. Sessions, has said there are 1,300 of these cases that have to be investigated and have to be brought to justice.

We were told by no less a figure than Mr. Seidman, who certainly knows all these statistics, that 6 out of 10 cases of insolvent savings and loans were due to fraud, and that is why this is such an important amendment and one that we have to address.

I think we have to ask the question, who is looking out for the American taxpayer? People are asking about those who have to go to prisons because of the insolvency of the savings and loans, but we have to ask ourselves the question, who is looking out for the taxpayer?

Now we are told it is going to be between $80 billion and $130 billion. That is only the principle. We are not considering the interest. That is going to come up to some half billion dollars as we have been told so frequently.

We have closed to this point some 423 savings and loans. We are told that another 400 will have to be closed shortly, to 600. In the last hearing we were told that as many as 1,700 savings and loans may well have to be closed.

I think the time for action is not only now, but is long overdue and we have to address this issue now.

The American people again have to have trust and confidence that the Government is going to do something. Up to this point the Government has not done anything to close down and to find the people who have perpetrated this fraud. That is why I think this amendment is so important. Not only do we need this amendment to put extra millions of dollars to convict the people who have perpetrated this fraud, but we have to go one step further. We have to make sure that this does not happen again. That is why we have to send a strong signal and a strong impetus to address this issue. That is why this amendment is so important.

I am not saying that throwing money at it is going to be the only solution. We have to have the Attorney General come before the Congress to tell us why more action has not been taken up to this point. I think that is why so many people in the Congress are frustrated. We have spent a lot of money, yes, but we have not seen many results, and I think that it is extremely important that we have the Attorney General appear before the Congress to tell us why not more action has been taken up to this point.

I know the Chairman is anxious to move on with the debate.

Mr. SMITH of Iowa. Mr. Chairman, I rise to see if we can get any kind of an agreement. We have not heard one new thing in the last half-hour, not one new thing. We have got until 6 o'clock to get out of here and we have three more amendments. It is not

right, if you have got to discuss this and you think you have to have a long-winded discussion, get a special order. You do not have to do it and hold up this bill until next week. We are trying to pass an appropriations bill that contains some things that are very important to a lot of people.

Now, how many more Members want to speak on this amendment? What can we do about limiting debate?

Mr. ROGERS. Mr. Chairman, may I say to the gentleman, what about 8 minutes apiece on each side?

Mr. SMITH of Iowa. That is more than we need, but if that is the best we can do, I ask unanimous consent to limit debate on this amendment and all amendments thereto to 8 minutes on each side.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. The Chair will allow 8 minutes on each side for this amendment and all amendments thereto.

Mr. SMITH of Iowa. Mr. Chairman, I will not take any more time. We can divide it among the rest.

The CHAIRMAN. The Chair would suggest that the gentleman from Iowa [Mr. SMITH] and the gentleman from Kentucky [Mr. ROGERS] allocate the 8 minutes on each side.

Mr. SMITH of Iowa. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. MCMILLEN].

Mr. MCMILLEN of Maryland. Mr. Chairman, I thank the gentleman for yielding this time to me.

I want to rise in support of the amendment of the gentleman from Iowa [Mr. SMITH], and commend the work of the gentleman from Delaware [Mr. CARPER], the gentleman from Illinois [Mr. ANNUNZIO], and the gentleman from New York [Mr. SCHUMER], in appropriating the full $75 million for investigation and prosecution of fraud in the S&L's.

I think it is very important that we understand that we declare our national priorities by our budget allocations. Not having this additional $28 million is saying to the citizens of this country that this is not the highest priority.

If you look at what the Stanford Law Review has recently estimated the true cost of this bailout in the future, they are estimating over $1 trillion for 40 years. That is in large part due to the bureaucratic delays, a lot of the inactivity regarding the sale of assets.

The bottom line on this, if this is going to cost an extra trillion dollars over 40 years, is it not rather trivial for us to be debating another $20 million to fully prosecute the people who have committed fraud and abuse from the taxpayers of this country?

Earlier this year when we had hearings in the Banking Committee in Dallas, TX, more resources are needed.

When we passed FIRREA, which is a good bill supported by the President, many of us had grave concerns about the execution of the provisions of the bill once it was passed, whether the Justice Department would be truly vigilant in the prosecution of the fraud, whether the RTC would be guilty of bureaucratic paralysis, as we now find it to be.

□ 1640

The bottom line is that we need this extra $20 million. We need more money. We need to be as aggressive as possible in the prosecution of fraud in the S&L's.

Mr. Chairman, I urge the adoption of this amendment.

Mr. ROGERS. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, what has prompted me to take some time in this debate is my opinion that the other side is doing everything it can to cast the administration, and particularly the Justice Department, in a mode of not caring about or not doing anything about the S&L fiasco. That is just not the case.

The very first appearance that the Attorney General made before the Committee on the Judiciary under the new administration was one in which he specified the plans that he had as the Attorney General for the prosecution of the S&L cases. The very first thing that the President of the United States did in his overall program which he brought to the Congress was his program for the S&L's which included prosecution of the cases involving fraud and the requests for money and the requests for U.S. attorneys, and all of the programs that have come up since have been staunch evidence of the fact that this administration and the Justice Department are fully intent on making sure that the S&L fraud convicts are put into jail and made liable for restoring those stolen goods.

This brings me to the next point, that there are others of us, many of us, who are working on other facets of this S&L crisis. We need the cooperation of everyone to complete it. We have legislation in that will make sure that those who are convicted of S&L fraud will not evade restitution by filing bankruptcy which is a distinct possibility. We have legislation now lodged which we invite cosponsorship on that would prevent that if the S&L people are convicted as we know they will be.

Mr. SMITH of Iowa. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. KLECZKA].

Mr. KLECZKA. Mr. Chairman, I rise in strong support of this amendment to fund the Justice Department antifraud efforts in the financial institution area at the full amount authorized by the Financial Institutions Reform, Recovery and Enforcement Act.

Why the administration has refused to request the full $75 million in funding is a mystery.

On April 12, FBI Director William S. Sessions told the House Banking Committee that his agency could use more funds to strengthen fraud investigations.

The House Government Operations Committee, in a review of 1989 FBI division teletypes relating to requests for increased staff to combat financial fraud, found that certain FBI divisions with fraud and embezzlement cases asked for help but received nothing—no prosecutors, no agents, no support staff.

These included FBI divisions based in Richmond, St. Louis, San Diego, Pittsburgh, and Knoxville. Other divisions which received increased but inadequate funds included Chicago, which had 300 pending investigations, Dallas, Houston, New Orleans, San Antonio, Miami, Boston, and Newark.

Members should know that the $75 million this amendment would appropriate to prosecute financial institution wrongdoers is less than half the $177 million the FDIC and the now-defunct FSLIC paid to outside counsel last year in fees to litigate civil claims.

Nearly 2 months ago, I sent a letter to Attorney General Thornburgh asking that the administration request the full $75 million in funds authorized by FIRREA for investigation and prosecution. To date, I have received no response.

If the administration refuses to act, Congress must.

I urge support for the amendment.

Mr. YATES. Mr. Chairman, I am delighted that my dear friend from Iowa, NEAL SMITH, has offered this amendment. It is the exact amendment I had planned to add to the bill at this point, and I give it my most enthusiastic support.

The domestic economic and regulatory tragedy known as the savings and loan crisis is becoming more severe as each day passes and with this amendment, we provide funds for a comprehensive and forceful effort by the various agencies of the Justice Department. All of us—the Congress, the administration, and the courts—have a responsibility to see that the assortment of manipulators, crooks, fools, and operators who destroyed the savings industry are brought to justice. The public is right to demand action on this and the administration must provide greater awareness and greater priority to its effort to achieve justice.

Mr. VENTO. Mr. Chairman, I rise in strong support of H.R. 5021, particularly in support of the bipartisan amendment to appropriate $75 million to fully investigate and prosecute criminal wrongdoing that precipitated the savings and loan crisis.

When Congress approved the S&L bailout law, we provided the Bush administration with all the tools they requested for dealing with cleaning up the S&L's. Included in this comprehensive legislation were proposals to increase the amount of private investor funds that savings and loans had to have on hand; restrictions on the activities that these institutions could engage in; and strong civil and criminal penalties against those who mismanaged or committed fraud in running these failed institutions.

But no matter how strong or perfect a law is written, Congress and the American people are still dependent on the administration to implement, execute, and enforce the law. Unfortunately the track record of the administration has been hit and miss on this law thus far. Frankly, the administration has not hit the ground running on implementing the new FIRREA law. Nowhere is that more evident than in the failure of the Justice Department to go aggressively after the S&L wrongdoing. Despite the fact that Congress authorized $75 million in the S&L bailout bill to investigate and prosecute savings and loan fraud, the administration has not sought full funding nor are they seeking more qualified personnel to investigate these complex white-collar crimes. The clock is ticking, the statute of limitations will run out and the American taxpayer will be left holding the bag while the civil and criminal wrongdoing will not be addressed by the Department of Justice.

The specific $75 million appropriation which will be included in this bill is a very important addition. Not only are we providing the Justice Department with the funds that are so desperately needed but we are also sending the Bush administration, the American people, and the S&L crooks a strong message. Congress will not tolerate fraud in our financial institutions. We expected the Justice Department to make the prosecution of such wrongdoing a top priority when we acted last summer and today.

The American public is being saddled with a $130 billion bailout bill and they should not have insult added to injury by a complacent Bush administration Justice Department which is faltering in the pursuit of S&L wrongdoing.

Ms. LONG. Mr. Chairman, I rise today in support of the amendment to appropriate $75 million to the Justice Department to investigate and prosecute fraud and other crimes at savings and loan institutions.

If the S&L fiasco did not present such a grave threat to the economic stability of the United States, it might actually seem humorous—like a grade B horror film with an endless cycle of sequels. First, the American public learned of the financial mess caused by that frightful combination of irresponsible S&L operators and government negligence. Next, the Nation was shocked by the budget-busting bailout bill passed last year. Then, like that quintessential B movie monster, The Blob, cost estimates for the bailout have bloated from a mere $73 billion to as much as half a trillion dollars. Now, in the most recent episode, the public is being treated to another tale of government negligence—the lethargic pursuit of S&L criminals.

Mr. Chairman, the Justice Department is currently investigating more than 2,300 S&L fraud and embezzlement cases. But only one person has been indicted to date. Moreover, several thousand complaints and referrals are being ignored.

The problem is a lack of funds. The Justice Department simply does not have enough resources to pay for all of the investigation and legal work related to the monstrous mess.

The savings and loan recovery program enacted by Congress last year authorizes $75 million for this work during fiscal year 1991. It is imperative that the full amount now be appropriated to the Justice Department. Mr. Chairman, in order to see justice done, in order to prevent the same abuses from being repeated again, and in order to recoup a portion of the bailout bill which is being handed to American taxpayers, we must pursue those who are responsible for the S&L scandal.

And, Mr. Speaker, the next time the U.S. Government faces a serious problem, let us hope that it will act with more decisiveness and with adequate cost information. In Hollywood, sequels to horror films may earn a great deal at the box office; but in Washington, sequels to horrible scandals only drain the Treasury.

Mr. ROGERS. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. SMITH of Iowa. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. SMITH].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ROGERS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 420, noes 1, not voting 11, as follows:

[Roll No. 187]

AYES—420

Ackerman	Bevill	Callahan	Coyne	Hoyer	Myers
Alexander	Bilbray	Campbell (CA)	Craig	Hubbard	Nagle
Anderson	Bilirakis	Cardin	Crockett	Huckaby	Natcher
Andrews	Bliley	Carper	Dannemeyer	Hughes	Neal (MA)
Annunzio	Boehlert	Carr	Darden	Hunter	Neal (NC)
Anthony	Boggs	Chandler	Davis	Hutto	Nielson
Applegate	Bonior	Chapman	de la Garza	Hyde	Nowak
Archer	Borski	Clarke	DeFazio	Inhofe	Oakar
Armey	Bosco	Clay	DeLay	Ireland	Oberstar
Aspin	Boucher	Clement	Dellums	Jacobs	Obey
Atkins	Boxer	Clinger	Derrick	James	Olin
AuCoin	Brennan	Coble	DeWine	Jenkins	Ortiz
Baker	Brooks	Coleman (MO)	Dickinson	Johnson (CT)	Owens (NY)
Ballenger	Broomfield	Coleman (TX)	Dicks	Johnson (SD)	Owens (UT)
Barnard	Browder	Collins	Dingell	Johnston	Oxley
Bartlett	Brown (CA)	Combest	Dixon	Jones (GA)	Packard
Barton	Brown (CO)	Condit	Donnelly	Jones (NC)	Pallone
Bateman	Bruce	Conte	Dorgan (ND)	Jontz	Panetta
Bates	Bryant	Conyers	Dornan (CA)	Kanjorski	Parker
Beilenson	Buechner	Cooper	Douglas	Kaptur	Parris
Bennett	Bunning	Costello	Downey	Kasich	Patterson
Bentley	Burton	Coughlin	Dreier	Kastenmeier	Paxon
Bereuter	Bustamante	Courter	Duncan	Kennedy	Payne (VA)
Berman	Byron	Cox	Durbin	Kennelly	Pease
			Dwyer	Kildee	Pelosi
			Dymally	Kleczka	Penny
			Dyson	Kolbe	Perkins
			Early	Kolter	Petri
			Edwards (CA)	Kostmayer	Pickett
			Edwards (OK)	Kyl	Pickle
			Emerson	LaFalce	Porter
			Engel	Lagomarsino	Poshard
			English	Lancaster	Price
			Erdreich	Lantos	Pursell
			Espy	Laughlin	Quillen
			Evans	Leach (IA)	Rahall
			Fascell	Leath (TX)	Ravenel
			Fawell	Lehman (CA)	Ray
			Fazio	Lehman (FL)	Regula
			Feighan	Lent	Rhodes
			Fields	Levin (MI)	Richardson
			Fish	Levine (CA)	Ridge
			Flake	Lewis (CA)	Rinaldo
			Flippo	Lewis (FL)	Ritter
			Foglietta	Lewis (GA)	Roberts
			Ford (MI)	Lightfoot	Robinson
			Ford (TN)	Lipinski	Roe
			Frank	Livingston	Rogers
			Frenzel	Lloyd	Rohrabacher
			Frost	Long	Ros-Lehtinen
			Gallegly	Lowery (CA)	Rose
			Gallo	Lowey (NY)	Rostenkowski
			Gaydos	Luken, Thomas	Roth
			Gejdenson	Lukens, Donald	Roukema
			Gekas	Machtley	Rowland (CT)
			Gephardt	Madigan	Rowland (GA)
			Geren	Manton	Roybal
			Gibbons	Markey	Russo
			Gillmor	Marlenee	Sabo
			Gilman	Martin (IL)	Saiki
			Gingrich	Martin (NY)	Sangmeister
			Glickman	Martinez	Sarpalius
			Gonzalez	Matsui	Savage
			Goodling	Mavroules	Sawyer
			Gordon	Mazzoli	Saxton
			Goss	McCandless	Schaefer
			Gradison	McCloskey	Scheuer
			Grandy	McCollum	Schiff
			Grant	McCrery	Schneider
			Gray	McCurdy	Schroeder
			Green	McDade	Schuette
			Guarini	McDermott	Schulze
			Gunderson	McEwen	Schumer
			Hall (OH)	McGrath	Sensenbrenner
			Hamilton	McHugh	Sharp
			Hammerschmidt	McMillen (MD)	Shaw
			Hancock	McNulty	Shays
			Hansen	Meyers	Shumway
			Harris	Mfume	Shuster
			Hastert	Michel	Sikorski
			Hatcher	Miller (CA)	Sisisky
			Hawkins	Miller (OH)	Skeen
			Hayes (IL)	Miller (WA)	Skelton
			Hayes (LA)	Mineta	Slattery
			Hefley	Moakley	Slaughter (NY)
			Hefner	Molinari	Slaughter (VA)
			Henry	Mollohan	Smith (FL)
			Herger	Montgomery	Smith (IA)
			Hertel	Moody	Smith (NE)
			Hiler	Moorhead	Smith (NJ)
			Hoagland	Morella	Smith (TX)
			Hochbrueckner	Morrison (CT)	Smith (VT)
			Holloway	Morrison (WA)	Smith, Denny (OR)
			Hopkins	Mrazek	
			Horton	Murphy	Smith, Robert (NH)
			Houghton	Murtha	

Smith, Robert (OR)	Tauke	Walker
Snowe	Tauzin	Walsh
Solarz	Taylor	Watkins
Solomon	Thomas (CA)	Waxman
Spence	Thomas (GA)	Weber
Spratt	Thomas (WY)	Weiss
Staggers	Torres	Weldon
Stallings	Torricelli	Wheat
Stangeland	Towns	Whittaker
Stark	Traficant	Whitten
Stearns	Traxler	Williams
Stenholm	Udall	Wilson
Stokes	Unsoeld	Wise
Studds	Upton	Wolf
Stump	Valentine	Wolpe
Sundquist	Vander Jagt	Wyden
Swift	Vento	Wylie
Synar	Visclosky	Yates
Tallon	Volkmer	Yatron
Tanner	Vucanovich	Young (AK)
	Walgren	Young (FL)

NOES—1

Crane

NOT VOTING—11

Campbell (CO)	Nelson	Serrano
Eckart	Pashayan	Skaggs
Hall (TX)	Payne (NJ)	Washington
McMillan (NC)	Rangel	

□ 1707

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. SKAGGS. Mr. Chairman, I was in the Chamber and did not succeed in registering my vote on the last amendment. I wish the RECORD to show that had I voted I would have supported the amendment.

PERSONAL EXPLANATION

Mr. PASHAYAN. Mr. Chairman, on rollcall vote No. 187, on the Smith amendment, I was in the Chamber attempting and intending to vote aye. The computer does not indicate my vote. My vote was aye on that amendment.

Mr. DYMALLY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of H.R. 5021, the Commerce, Justice, State, Judiciary appropriations for fiscal year 1991. I would like to commend the distinghished chairman of the subcommittee, Mr. NEAL SMITH, for the hard work he has put into the bill. While the authorization bill for the National Institute on Standards and Technology will be voted on tomorrow, there is no appropriations for any of the provisions within it. Nonetheless I would like to bring to the attention of the chairman and the members of the committee, a small program of $250,000 annually for fiscal year 1990, 1991, 1992 to establish a pilot program to assist with product standards for developing countries. This provision, currently authorized, is so far funded by private sources. This provision received the support of all the members of the authorizing committee. Mr. Chairman, almost 3 years ago, I brought this issue to the attention of the House because of its tremendous impact on our exports, and preserving and even creating more American jobs. For $250,000 annually for 3 years in matching funds, the Appropriations Committee can protect America's interest in preserving and expanding our export markets. The impact of this program on California alone is approximately $347 million in exports to the Gulf Cooperation Council nations of Saudi Arabia, Kuwait, Bahrain, Oman, and the United Arab Emirates. In California alone, more than 10,000 jobs depend on this small program. However, nationally, about $5.7 billion in exports to these GCC countries are affected by this program which in turn means that 165,000 jobs are at stake here.

Mr. Chairman, I would like to enter into the RECORD, a cable which just arrived from our Embassy in Riyadh showing the importance, of this program which started only 3 months ago, and has already shown its effectiveness in protecting our exports to the region. This program is endorsed by the National Institute of Standards and Technology and by the private sector. Hopefully it would herald further cooperation to protect our national interest.

[From Forbes magazine, Apr. 17, 1989]

WHO SETS THE STANDARDS?

(By John R. Hayes)

General Electric's business in Saudi Arabia has been threatened since early last year, when a container of gas turbine parts was held at the port of Dammam. The hang-up? One oil heater didn't conform to new Saudi electrical standards. Customs officials have also stopped shipments of goods from Clorox and Westinghouse. Eventually storage and shipping penalties caused so much screaming and arm-waving that the Saudis declared a moratorium on enforcing their new rules, but product standards remain a threat to U.S. exporters.

Were GE and Clorox shipping shoddy goods to Saudi Arabia? No such thing. Product standards deal not so much with quality but with uniformity in size, materials and performance. So what happened?

Simply, the U.S. companies let themselves be outflanked. Japan, the U.K., Germany and France have sent teams of standards professionals to Riyadh to advise the Saudi Arabian Standards Organization [saso] on its 16-year-old project to develop product standards. SASO expects to write 42,000 standards, covering everything from the shelf life of lamb to the color of ground wires in air conditioners. Not surprisingly, our competitors argue for standards that favor their own manufacturers.

A U.S. representative could argue differently, but there isn't one around. Every six months or so the Saudis renew an invitation to the U.S. government to send a U.S. standards expert to Riyadh. SASO even offered to pick up housing, office and local transportation expenses if the Commerce Department would recruit someone. Overruling his staff, former Secretary William Verity, citing the expense, passed up the invitation once again last spring.

Much is at stake. The U.S. used to dominate trade with Saudi Arabia. But since 1982 U.S. exports have slipped from 21% to 15% of total Saudi imports. Today Japan has the biggest piece of the market.

Since other countries in the Persian Gulf—Bahrain, Kuwait, Oman, Qatar, and the United Arab Emirates, all members of the Gulf Cooperation Council—will adopt Saudi standards as they are written, an additional $1.5 billion of U.S. exports is at risk.

The Persian Gulf isn't the only area of the world where product standards have trade implications, or where the U.S. competitors have been quick to react. Consider Brazil, for example, which imports some $17 billion worth of goods. The library at the national standards clearinghouse contains about 70 shelf-feet of German product standards, *in Portuguese.* A gift from a German construction company, these volumes have become the principal reference for standards development in Brazil. U.S. standards are represented by one shelf of 5-to-20-year-old copies of assorted trade association publications.

In India, where $40 billion will be spent on telecommunications equipment in the next decade, Europeans have spent over $16 million equipping a laboratory outside New Delhi to certify that locally made electronic components meet European specifications. The thinking: If India can sell components to Europe for use in European-built transponders, satellites and computers, it will earn the hard currency it needs to buy the finished products from Europe.

Japan's Ministry of International Trade & Industry currently has technical experts working abroad on five nations' standards program. MITI has also brought standards personnel from 28 developing countries back to Japan, expenses paid, for lanugage and technical training.

Why can't the U.S. counter the influence of the Japanese and the Germans? There is no central cleainghouse for product standards in the U.S. as there is in most other countries. The government is not involved. Insead, some 400 private and public groups develop standards for the various industries. And these groups haven't shown much interest in foreign standards.

So far the lone effort to protect trade with Saudi Arabia comes from legislation introduced by Congressman Mervyn Dymally (D. Calif.). The law, enacted last fall, directs Commerce to accept the Saudi invitation—and similar invitations from other trading partners—but to get the funding from private business.

That may prove more easily said than done. A group called the American/Saudi Roundtable is heading the fundraising effort, but things are not going will. Seems that the Roundtable's letters keep getting forwarded to the Corporate Philanthropy Office. So far the outfit has collected two sincere letters of support, from the U.S. Chamber of Commerce and the National Association of Manufacturers, but only about $85,000 in hard cash. That's one-third of what's needed to fund U.S. involvement for one year. A similar effort by German industry raised $5 million in 20 days.

Old habits die hard. For generations, U.S. business had its own huge market to sell to and simply didn't think much about exporting. Listen to Robert Toth, an American standards consultant to the World Bank: "American exporters still have a take-it-or-leave-it approach to their products," he says. "They say, 'We produced it to the UL standard. If it's good enough for the U.S., it's good enough for you.' " Faced with that attitide, a lot of foreign buyers are leaving U.S. goods alone.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For expenses of the Department of Justice associated with processing cases under the National Childhood Vaccine Injury Act of 1986, not to exceed $1,500,000 to be appropriated from the Vaccine Injury Compensation Trust Fund, as authorized by section 6601 of the Omnibus Budget Reconciliation Act of 1989.

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

For necessary expenses of the United States Marshals Service; including acquisition, lease, maintenace, and operation of vehicles and aircraft; $285,529,000 as authoirzed in Public Law 100-690 (102 Stat. 4513).

SUPPORT OF UNITED STATES PRISONERS

For support of United States prisoners in non-Federal institutions, $193,034,000 as authorized in 18 U.S.C. 4013.

ASSETS FORFEITURE FUND

For expenses authorized by 28 U.S.C. 524(c)(1)(A)(ii), (B), (C), (F), and (G) as amended, $100,000,000 to be derived from the Department of Justice Assets Forfeiture Fund.

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

For grants, contracts, cooperative agreements, and other assistance authorized by title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, and the Missing Children's Assistance Act, as amended by the Anti-Drug Abuse Act of 1988, including salaries and expenses in connection therewith, $92,321,000, to remain available until expended as authorized by section 6093 of Public Law 100-690 (102 Stat. 4339-4340).

In addition, for grants, contracts, cooperative agreements, and other assistance authorized by parts D and E of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, for the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs, including salaries and expenses in connection therewith, $400,000,000 to remain available until expended as authorized by section 6093 of Public Law 100-690 (102 Stat. 4339-4340).

In addition, for grants, contracts, cooperative agreements, and other assistance authorized by title II of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, including salaries and expenses in connection therewith, $78,000,000, to remain available until expended as authorized by section 261(a), part D, of said Act (42 U.S.C. 5671(a)), of which $5,000,000 is for expenses authorized by part D of title II of said Act.

In addition, $5,000,000 for the purpose of reimbursement to States for costs of incarcerating illegal aliens and certain Cuban Nationals as authorized by section 501 of the Immigration Reform and Control Act of 1986 (Public Law 99-603).

PUBLIC SAFETY OFFICERS BENEFITS

For payments authorized by part L of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796), as amended, $26,075,000, to remain available until expended as authorized by section 6093 of Public Law 100-690 (102 Stat. 4339-4340).

This title may be cited as the "Department of Justice Appropriations Act, 1991".

□ 1710

Mr. SMITH of Iowa (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of title II be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. Are there any points of order against title II?

Are there any amendments to title II?

If not, the Clerk will read.

The Clerk read as follows:

TITLE III—DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

SALARIES AND EXPENSES

For necessary expenses of the Department of State and the Foreign Service, not otherwise provided for, including obligations of the United States abroad pursuant to treaties and expenses authorized by section 9 of the Act of August 31, 1964, as amended (31 U.S.C. 3721), and section 2 of the State Department Basic Authorities Act of 1956, as amended (22 U.S.C. 2669); representation to certain international organizations in which the United States participates pursuant to treaties, ratified pursuant to the advice and consent of the Senate, or specific Acts of Congress; acquisition by exchange or purchase of passenger motor vehicles as authorized by 31 U.S.C. 1343, 40 U.S.C. 481(c) and 22 U.S.C. 2674, $1,872,279,000, and in addition not to exceed $250,000 in registration fees collected pursuant to section 38 of the Arms Export Control Act, as amended, may be used in accordance with section 45 of the State Department Basic Authorities Act of 1956 (section 118 of Public Law 101-246), and in addition not to exceed $500,000 in fees from other executive agencies for lease or use of facilities located at the International Center in accordance with section 4 of the International Center Act (Public Law 90-553) (as amended by section 120 of Public Law 101-246).

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. App. 1-11 as amended by Public Law 100-504), $21,840,000.

REPRESENTATION ALLOWANCES

For representation allowances as authorized by section 905 of the Foreign Service Act of 1980, as amended (22 U.S.C. 4085), $4,600,000.

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

For expenses, not otherwise provided, to enable the Secretary of State to provide for extraordinary protective services in accordance with the provisions of section 214 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4314), and to provide for the protection of foreign missions in accordance with the provisions of 3 U.S.C. 208, $9,100,000.

ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD

For necessary expenses for carrying out the Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 292-300), and the Diplomatic Security Construction Program as authorized by title IV of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 (22 U.S.C. 4851), $227,656,000, to remain available until expended as authorized by 22 U.S.C. 2696(c): *Provided*, That none of the funds appropriated in this paragraph shall be available for acquisition of furniture and furnishings and generators for other departments and agencies.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

For expenses necessary to enable the Secretary of State to meet unforeseen emergencies arising in the Diplomatic and Consular Service pursuant to the requirement of 31 U.S.C. 3526(e), $4,888,000, to remain available until expended as authorized by 22 U.S.C. 2696(c).

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

For necessary expenses to carry out the Taiwan Relations Act, Public Law 96-8 (93 Stat. 14), $11,752,000.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the Foreign Service Retirement and Disability Fund, as authorized by law, $108,576,000.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties ratified pursuant to the advice and consent of the Senate, or specific Acts of Congress, $787,605,000: *Provided*, That none of the funds appropriated in this paragraph shall be available for a United States contribution to an international organization for the United States share of interest costs made known to the United States Government by such organization for loans incurred on or after October 1, 1984, through external borrowings.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

For payments, not otherwise provided for, by the United States for expenses of the United Nations peacekeeping forces, as authorized by law, $115,000,000.

INTERNATIONAL CONFERENCES AND CONTINGENCIES

For necessary expenses authorized by section 5 of the State Department Basic Authorities Act of 1956, contributions for the United States share of general expenses of international organizations and representation to such organizations as provided for by 22 U.S.C. 2656 and 2672 and personal services without regard to civil service and classification laws as authorized by 5 U.S.C. 5102, $7,300,000, to remain available until expended as authorized by 22 U.S.C. 2696(c), of which not to exceed $200,000 may be expended for representation as authorized by 22 U.S.C. 4085.

INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for, to meet obligations of the United States arising under treaties, or specific Acts of Congress, as follows:

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

For necessary expenses for the United States Section of the International Boundary and Water Commission, United States

and Mexico, and to comply with laws applicable to the United States Section, as follows:

SALARIES AND EXPENSES

For salaries and expenses, not otherwise provided for, $10,500,000.

CONSTRUCTION

For detailed plan preparation and construction of authorized projects, $10,000,000, to remain available until expended as authorized by 22 U.S.C. 2696(c).

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for, $4,400,000; for the International Joint Commission and the International Boundary Commission, as authorized by treaties between the United States and Canada or Great Britain.

INTERNATIONAL FISHERIES COMMISSIONS

For necessary expenses for international fisheries commissions, not otherwise provided for, as authorized by law, $11,440,000.

OTHER

UNITED STATES BILATERAL SCIENCE AND TECHNOLOGY AGREEMENTS

For necessary expenses, not otherwise provided, for Bilateral Science and Technology Agreements, as authorized by section 403 of Public Law 101-179 and section 105 of Public Law 101-246, $5,000,000, to remain available until expended as authorized by 22 U.S.C. 2696(c).

PAYMENT TO THE ASIA FOUNDATION

For a grant to the Asia Foundation, as authorized by section 501 of Public Law 101-246, $13,978,000, to remain available until expended as authorized by 22 U.S.C. 2696(c).

SOVIET-EAST EUROPEAN RESEARCH AND TRAINING

For expenses, not otherwise provided for, to enable the Secretary of State to carry out the provisions of title VIII of Public Law 98-164, $4,784,000.

FISHERMEN'S PROTECTIVE FUND

For expenses necessary to carry out the provisions of the Fishermen's Protective Act of 1967, as amended, $500,000.

GENERAL PROVISIONS—DEPARTMENT OF STATE

SEC. 301. Funds appropriated under this title shall be available, except as otherwise provided, for allowances and differentials as authorized by subchapter 59 of 5 U.S.C.; for services as authorized by 5 U.S.C. 3109; and hire of passenger transportation pursuant to 31 U.S.C 1343(b).

This title may be cited as the "Department of State Appropriations Act, 1991".

Mr. SMITH of Iowa (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. Are there any points of order against title III?

Are there any amendments to title III?

If not, the Clerk will read.

The Clerk read as follows:

TITLE IV—THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

SALARIES AND EXPENSES

For expenses necessary for the operation of the Supreme Court, as required by law, excluding care of the building and grounds, including purchase or hire, driving, maintenance and operation of an automobile for the Chief Justice, not to exceed $10,000 for the purpose of transporting Associate Justices, and hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344, $18,807,000.

CARE OF THE BUILDING AND GROUNDS

For such expenditures as may be necessary to enable the Architect of the Capitol to carry out the duties imposed upon him by the Act approved May 7, 1934 (40 U.S.C. 13a-13b), $3,453,000.

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

SALARIES AND EXPENSES

For salaries of the chief judge, judges, and other officers and employees, and for necessary expenses of the court, as authorized by law, $9,590,000.

UNITED STATES COURT OF INTERNATIONAL TRADE

SALARIES AND EXPENSES

For salaries of the chief judge and eight judges, salaries of the officers and employees of the court, services as authorized by 5 U.S.C. 3109, and necessary expenses of the court, as authorized by law, $8,721,000.

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES AND EXPENSES

For the salaries of circuit and district judges (including judges of the territorial courts of the United States), justices and judges retired from office or from regular active service, judges of the Claims Court, bankruptcy judges, magistrates, and all other officers and employees of the Federal Judiciary not otherwise specifically provided for, and necessary expenses of the courts, as authorized by law, $1,575,320,000; and for expenses of the Claims Court associated with processing cases under the National Childhood Vaccine Injury Act of 1986, not to exceed $1,500,000 to be appropriated from the Vaccine Injury Compensation Trust Fund, as authorized by section 6601 of the Omnibus Budget Reconciliation Act of 1989.

DEFENDER SERVICES

For the operation of Federal Public Defender and Community Defender organizations, the compensation and reimbursement of expenses of attorneys appointed to represent persons under the Criminal Justice Act of 1964, as amended, the compensation and reimbursement of expenses of persons furnishing investigative, expert and other services under the Criminal Justice Act (18 U.S.C. 3006A(e)), the compensation of attorneys appointed to represent jurors in civil actions for the protection of their employment, as authorized by 28 U.S.C. 1875(d), $137,569,000 to remain available until expended as authorized by 18 U.S.C. 3006A(i).

FEES OF JURORS AND COMMISSIONERS

For fees and expenses of jurors as authorized by 28 U.S.C. 1871 and 1876; compensation of jury commissioners as authorized by 28 U.S.C. 1863; and compensation of commissioners appointed in condemnation cases pursuant to rule 71A(h) of the Federal Rules of Civil Procedure (28 U.S.C. Appendix Rule 71A(h)); $57,997,000.

COURT SECURITY

For necessary expenses, not otherwise provided for, incident to the procurement, installation, and maintenance of security equipment and protective services for the United States Courts in courtrooms and adjacent areas, including building ingress-egress control, inspection of packages, directed security patrols, and other similar activities as authorized by section 1010 of the Judicial Improvement and Access to Justice Act (Public Law 100-702); $71,261,000.

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SALARIES AND EXPENSES

For necessary expenses of the Administrative Office of the United States Courts as authorized by law, including travel as authorized by 31 U.S.C. 1345, hire of a passenger motor vehicle as authorized by 31 U.S.C. 1343(b), $37,712,000.

FEDERAL JUDICIAL CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Judicial Center, as authorized by Public Law 90-219, $13,918,000.

JUDICIAL RETIREMENT FUNDS

PAYMENT TO JUDICIAL OFFICERS' RETIREMENT AND JUDICIAL SURVIVORS' ANNUITY FUNDS

For payment to the Judicial Officers' Retirement Fund as authorized by Public Law 100-659, and to the Judicial Survivors Annuity Fund, as authorized by Public Law 99-336, $5,000,000.

UNITED STATES SENTENCING COMMISSION

SALARIES AND EXPENSES

For the salaries and expenses necessary to carry out the provisions of chapter 58 of title 28, United States Code, $8,422,000.

GENERAL PROVISIONS—THE JUDICIARY

SEC. 401. Appropriations and authorizations made in this title which are available for salaries and expenses shall be available for services as authorized by 5 U.S.C. 3109.

This title may be cited as "The Judiciary Appropriations Act, 1991".

Mr. SMITH of Iowa (during the reading). Mr. Chairman, I ask unanimous consent that title IV be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. Are there any points of order against title IV?

Are there any amendments to title IV?

If not, the Clerk will read.

The Clerk read as follows:

TITLE V—RELATED AGENCIES

ADVISORY COMMISSION ON CONFERENCES IN OCEAN SHIPPING

SALARIES AND EXPENSES

For necessary expenses of the Advisory Commission on Conferences in Ocean Shipping, including services as authorized by section 18(d) of Public Law 98-237, $200,000.

ARMS CONTROL AND DISARMAMENT AGENCY

ARMS CONTROL AND DISARMAMENT ACTIVITIES

For necessary expenses, not otherwise provided for, for arms control and disarmament activities, including not to exceed $55,000 for official reception and representation expenses, authorized by the Act of

September 26, 1961, as amended (22 U.S.C. 2551 et seq.), $30,000,000.

BOARD FOR INTERNATIONAL BROADCASTING

GRANTS AND EXPENSES

For expenses of the Board for International Broadcasting, including grants to Radio Free Europe/Radio Liberty, Incorporated as authorized by the Board for International Broadcasting Act of 1973, as amended (22 U.S.C. 2871-2883), $192,586,000 of which not to exceed $52,000 may be made available for official reception and representation expenses as authorized by section 304(a)(8) of the Board for International Broadcasting Act of 1973, as amended.

CHRISTOPHER COLUMBUS QUINCENTENARY JUBILEE COMMISSION

SALARIES AND EXPENSES

For the necessary expenses of the Christopher Columbus Quincentenary Jubilee Commission as authorized by Public Law 98-375, $214,000, to remain available until December 31, 1993 as authorized by section 11(b) of said Act, as amended by section 8 of Public Law 100-94.

COMMISSION ON AGRICULTURAL WORKERS

SALARIES AND EXPENSES

For necessary expenses of the Commission on Agricultural Workers as authorized by section 304 of Public Law 99-603 (100 Stat. 3431-3434), $1,457,000.

COMMISSION ON THE BICENTENNIAL OF THE UNITED STATES CONSTITUTION

SALARIES AND EXPENSES

For necessary expenses of the Commission on the Bicentennial of the United States Constitution as authorized by Public Law 98-101 (97 Stat. 719-723), $14,973,000, of which $4,699,000 is for carrying out the provisions of Public Law 99-194, including $3,299,000 for implementation of the National Bicentennial Competition on the Constitution and the Bill of Rights and $1,400,000 for educational programs about the Constitution and the Bill of Rights below the university level as authorized by such Act.

COMMISSION ON CIVIL RIGHTS

SALARIES AND EXPENSES

For necessary expenses of the Commission on Civil Rights, including hire of passenger motor vehicles, $6,075,000, of which $2,000,000 is for regional offices and $700,000 is for civil rights monitoring activities authorized by section 5 of Public Law 98-183: *Provided*, That not to exceed $20,000 may be used to employ consultants: *Provided further*, That none of the funds appropriated in this paragraph shall be used to employ in excess of four full-time individuals under Schedule C of the Excepted Service exclusive of one special assistant for each Commissioner: *Provided further*, That none of the funds appropriated in this paragraph shall be used to reimburse Commissioners for more than 75 billable days, with the exception of the Chairman who is permitted 125 billable days.

COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD

SALARIES AND EXPENSES

For expenses for the Commission for the Preservation of America's Heritage Abroad, $200,000 as authorized by Public Law 99-83, section 1303.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SALARIES AND EXPENSES

For necessary expenses of the Commission on Security and Cooperation in Europe, as authorized by Public Law 94-304, $991,000, to remain available until expended as authorized by section 3 of Public Law 99-7.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Equal Employment Opportunity Commission as authorized by title VII of the Civil Rights Act of 1964, as amended (29 U.S.C. 206(d) and 621-634), including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles as authorized by 31 U.S.C. 1343(b); not to exceed $20,000,000 for payments to State and local enforcement agencies for services to the Commission pursuant to title VII of the Civil Rights Act, as amended, and sections 6 and 14 of the Age Discrimination in Employment Act; $194,500,000.

FEDERAL MARITIME COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Maritime Commission as authorized by section 201(d) of the Merchant Marine Act of 1936, as amended (46 U.S.C. App. 1111), including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles as authorized by 31 U.S.C. 1343(b); and uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-02; $15,894,000.

JAPAN-UNITED STATES FRIENDSHIP COMMISSION

JAPAN-UNITED STATES FRIENDSHIP TRUST FUND

For expenses of the Japan-United States Friendship Commission as authorized by Public Law 94-118, as amended, from the interest earned on the Japan-United States Friendship Trust Fund, $1,250,000; and an amount of Japanese currency not to exceed the equivalent of $1,544,000 based on exchange rates at the time of payment of such amounts as authorized by Public Law 94-118.

MARINE MAMMAL COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Marine Mammal Commission as authorized by title II of Public Law 92-522, as amended, $1,003,000.

MARTIN LUTHER KING, JR. FEDERAL HOLIDAY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Martin Luther King, Jr. Federal Holiday Commission, as authorized by Public Law 98-399, as amended, $300,000.

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, of the Small Business Administration as authorized by Public Law 100-590, including hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344, $248,500,000 of which $56,000,000 is for grants for Small Business Development Centers as authorized by section 21 of the Small Business Act, as amended: *Provided*, That not more than $350,000 of this amount shall be available to pay the expenses of the National Small Business Development Center Advisory Board and to reimburse centers for participating in evaluations as provided in section 20(a) of such Act, and to maintain a clearinghouse as provided in section 21(g)(2) of such Act: *Provided further*, That none of the funds appropriated or made available by this Act to the Small Business Administration shall be used to adopt, implement, or enforce any rule or regulation with respect to the Small Business Development Center program authorized by section 21 of the Small Business Act, as amended (15 U.S.C. 648), nor may any of such funds be used to impose any restrictions, conditions or limitations on such program whether by standard operating procedure, audit guidelines or otherwise, unless such restrictions, conditions or limitations were in effect on October 1, 1987: *Provided further*, That none of the funds appropriated for the Small Business Administration under this Act may be used to impose any new or increased loan guaranty fee or debenture guaranty fee: *Provided further*, That none of the funds appropriated for the Small Business Administration under this Act may be used to impose any new or increased user fee or management assistance fee. In addition, $107,160,000 for disaster loan-making activities, including loan servicing, shall be transferred to this appropriation from the "Disaster Loan Fund" as authorized by Public Law 100-590.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. App. 1-11 as amended by Public Law 100-504), $9,000,000.

BUSINESS LOAN AND INVESTMENT FUND

For additional capital for the "Business Loan and Investment Fund", $86,000,000, to remain available without fiscal year limitation as authorized by 15 U.S.C. 631 note; and for additional capital for new direct loan obligations to be incurred by the "Business Loan and Investment Fund", $71,000,000, to remain available without fiscal year limitation as authorized by 15 U.S.C. 631 note: *Provided*, That no funds appropriated under this Act may be used to sell direct loans which are held by the Small Business Administration or any loan guaranty or debenture guaranty made by the Small Business Administration under the authority contained in the Small Business Investment Act of 1958, and which was held by the Federal Financing Bank on September 30, 1987.

SURETY BOND GUARANTEES REVOLVING FUND

For additional capital for the "Surety Bond Guarantees Revolving Fund", authorized by the Small Business Investment Act, as amended, $10,200,000, to remain available without fiscal year limitation as authorized by 15 U.S.C. 631 note.

POLLUTION CONTROL EQUIPMENT CONTRACT GUARANTEE REVOLVING FUND

For additional capital for the "Pollution control equipment contract guarantee revolving fund" authorized by the Small Business Investment Act, as amended, $13,000,000, to remain available without fiscal year limitation as authorized by 15 U.S.C. 631 note.

STATE JUSTICE INSTITUTE

SALARIES AND EXPENSES

For necessary expenses of the State Justice Institute, as authorized by The State Justice Institute Authorization Act of 1988 (Public Law 100-690 (102 Stat. 4466-4467)), $14,000,000.

UNITED STATES INFORMATION AGENCY

SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary to enable the United States Information Agency, as authorized by the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et

seq.), the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1431 et seq.) and Reorganization Plan No. 2 of 1977 (91 Stat. 1636), to carry out international communication, educational and cultural activities; and to carry out related activities authorized by law, including employment, without regard to civil service and classification laws, of persons on a temporary basis (not to exceed $700,000, of this appropriation), as authorized by 22 U.S.C. 1471, expenses authorized by the Foreign Service Act of 1980 (22 U.S.C. 3901 et seq.), living quarters as authorized by 5 U.S.C. 5912, and allowances as authorized by 5 U.S.C. 5921-5928, and entertainment, including official receptions, within the United States, not to exceed $20,000 as authorized by 22 U.S.C. 1474(3); $648,188,000: *Provided*, That not to exceed $1,210,000 may be used for representation abroad as authorized by 22 U.S.C. 1452 and 4085: *Provided further*, That not to exceed $15,377,000 of the amounts allocated by the United States Information Agency to carry out section 102(a)(3) of the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2455(a)), shall remain available until expended: *Provided further*, That not to exceed $500,000 shall remain available until expended as authorized by 22 U.S.C. 1477b(a), for expenses (including those authorized by the Foreign Service Act of 1980) and equipment necessary for maintenance and operation of data processing and administrative services as authorized by 31 U.S.C. 1535-1536: *Provided further*, That not to exceed $6,000,000, to remain available until expended, may be credited to this appropriation from fees or other payments received from or in connection with English teaching, library, motion pictures, television, and publication programs as authorized by section 810 of the United States Information and Educational Exchange Act of 1948, as amended.

OFFICE OF THE INSPECTOR GENERAL

For salaries and expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. App. 1-11 as amended by Public Law 100-504), $4,123,000.

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

For expenses of Fulbright, International Visitor, Humphrey Fellowship, Private Sector, and Congress-Bundestag Exchange Programs, as authorized by the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq.), and Reorganization Plan No. 2 of 1977 (91 Stat. 1636), $167,000,000.

RADIO CONSTRUCTION

For an additional amount for the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception as authorized by 22 U.S.C. 1471, $96,557,000, to remain available until expended as authorized by 22 U.S.C. 1477b(a).

BROADCASTING TO CUBA

For expenses necessary to enable the United States Information Agency to carry out the Radio Broadcasting to Cuba Act (providing for the Radio Marti Program or Cuba Service of the Voice of America), including the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception as authorized by 22 U.S.C. 1471, and for expenses necessary to enable the United States Information Agency to carry out activities as authorized by the Television Broadcasting to Cuba Act (part D, title II of Public Law 101-246), $29,208,000, to remain available until expended as authorized by 22 U.S.C. 1477b(a).

Mr. SMITH of Iowa (during the reading). Mr. Chairman, I ask unanimous consent that title V be considered as read, printed in the RECORD, and open to amendment at any point over to and through line 3, page 30.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. Are there any points of order against title V to and through line 3 on page 30.

Are there any amendments to that portion of title V?

AMENDMENT OFFERED BY MR. ALEXANDER

Mr. ALEXANDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ALEXANDER: Page 30, line 2, strike "$29,208,000" and insert "$21,208,000".

Mr. ALEXANDER. Mr. Chairman, the amendment which I offer simply proposes to strike one-half of the funds, or 58 million, from the operating budget of TV Marti. I have here in support of my amendment a letter from Ted Snyder, who is the immediate past president of the National Association of Broadcasters, an Arkansas broadcaster who operates KARN, which serves more than 100 radio stations, and he says, "I urge you to remove any appropriation for TV Marti. Any need there may have been is past and no longer exists."

Mr. Chairman, I have another letter, which I will except, from the National Association of Broadcasters, which says, "The National Association of Broadcasters [NAB] on behalf of thousands of local radio and television broadcasters strongly supports your amendment."

Mr. Chairman and Members of this body, it is difficult, I realize, for government to change its way of doing things overnight. This bill, however, is clinging to the cold war. We all know that communism has been defeated by capitalism and democracy. But like communism it is still an imminent threat to the national security of the United States.

This budget, this appropriation bill proposes to appropriate millions and millions of dollars in order to cling to the cold war ideology that has built up over the years.

With types of cold war spending like this, it is impossible to justify in a post-cold war era. We cannot reverse the cold war momentum overnight. After all, hundreds of agencies and a huge bureaucracy have been built up over 40 years, billions of dollars continue to be spent in order to fight communism when we all know communism has failed.

It has been described as the grand failure of the 20th century.

But I believe that it is time to start. We cannot continue to operate a government in complete ignorance that no changes have taken place in the world since the falling down of the Berlin Wall and since the collapse of the Communist satellite states in Eastern Europe.

Indeed, the reversal, itself, of the Soviet Union continues to embrace the capitalist ways of the Untied States and the Western World. This amendment would take a soft approach toward dismantling some of the cold war bureaucracy, only offering to cut one-half of the money for TV Marti. I think that it is virtually unanimous among the broadcast industry that TV Marti is wasteful spending. The money that is saved by support of this amendment could be used to reduce the deficit or it could be used to fight the war on drugs.

The scourge of illegal drugs in America is far more greater threat to our security than the so-called threat of communism against our Nation and national security.

TV Marti is an unneeded cold war activity. According to the National Association of Broadcasters, it is ineffective because the Cubans can easily jam TV Marti, which costs us millions of dollars, by simply financing a small jamming device which costs them about $20,000 to operate.

Furthermore, the fact of TV Marti promotes interference with U.S. AM radio broadcast stations as far west as Salt Lake City and as far north as Minneapolis, MN.

Mr. Chairman, I urge my colleagues to support this amendment, to begin the dialog of dismantling some of the cold war agencies that are costing us millions of dollars with a simple step of reducing funding for TV Marti by one-half.

The CHAIRMAN. The time of the gentleman from Arkansas [Mr. ALEXANDER] has expired.

(On request of Mr. DORGAN of North Dakota and by unanimous consent, Mr. ALEXANDER was allowed to proceed for 3 additional minutes.)

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. I thank the gentleman for yielding. I want to thank the gentleman for the statement he has made. I have on previous occasions spoken on the floor in opposition to both TV Marti and Radio Marti. It seems to me that this is out of step with what is happening these days in the world. It is certainly out of step with our budgetary situa-

tion here in Congress. And the presumption, I guess, is that if they can broadcast enough truth into Cuba, that somehow we will attract the Cubans to a different way of life.

The Cubans understand what is here in America. It seems to me they full well understand through commercial radio broadcasting, through a range of other devices, that they would like what we have in most cases.

□ 1720

I just think that the amount of money we spend for this kind of activity just does not make any sense at all these days. I think the gentleman has brought to the floor an amendment that we should be supporting. First, it saves us money, and second, it recognizes a new reality and discards something we do not need.

Mr. Chairman, I commend my colleague, the gentleman from Arkansas [Mr. ALEXANDER]. I hope my colleagues will pay attention to what he is saying. Let us shut some of these things down. Let us save some money. When we are spending money on things that are not necessary, let us decide to stop and start over. We have plenty of needs here at home. We have lots of things we need to do here in this country, and with $8 million there are lots of places where we can use that money here for the benefit of the American people.

Again, Mr. Chairman, I commend the gentleman from Arkansas, and I intend to support and vote for his amendment.

Mr. ALEXANDER. Mr. Chairman, I thank the gentleman from North Dakota [Mr. DORGAN] for his support.

Ms. ROS-LEHTINEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the timing for this amendment is terrible.

The 90-day trial period given to TV Marti will expire on June 25, at which time the President will have 30 days to issue a report and recommendation as to whether or not to continue the program.

According to the results of an independent study of TV Marti's signal strengths, over 273,000 or 28 percent of the Cuban households in the primary targets area for TV Marti appear to be able to receive TV Marti on an occasional basis. This study was based on interviews obtained primarily from Cuban tourists, 66 percent, but it also included emigrees, 12 percent, political refugees, 20 percent, and other recent arrivals from Cuba.

This information clearly shows that the TV Marti program is not only technically feasible, but that its delivery system, despite Fidel Castro's aggressive efforts to jam the signal, is successful.

Many of us will encourage the President to support this worthwhile program, which has opened up the eyes of thousands of Cuban people by broadcasting the first uncensored images to my native Cuba. The TV Marti broadcasts in tandem with broadcasts from Radio Marti, will work to dispel the misinformation and outright lies which Fidel Castro has perpetuated to insulate the Cuban people from the changes occurring throughout the world.

With totalitarian governments falling from across the globe, the spirit of freedom and democracy has triumphed. In East Germany, Poland, Czechoslovakia, Hungary, Nicaragua, and other regions throughout the world, the chains of oppression have been broken. The time has now come for Cuba.

The analysis and interpretation of the survey data on TV Marti was prepared by Schulman, Ronca, and Bucuvalas, an independent survey research organization, which has extensive experience in conducting audience measurement studies for both government and the media.

The major findings of that survey prove that 81 percent of those interviewed from the primary target area of TV Marti report that they have tried to tune in to TV Marti.

The study further shows that the interest in TV Marti is stronger and more consistent than the interference. They continue to try to tune in to TV Marti broadcasts and often succeed despite reception difficulties.

The main finding of the study is that 28 percent of the households do tune in to TV Marti. The reception rate for TV Marti is highest in Havana and somewhat lower in the surrounding provinces.

Using Cuban census estimates of the approximate number of households in these areas, the survey finds that an overwhelming number of households are trying to receive the signal. There can truly be little doubt that the Cuban people want and need TV Marti.

A 50-percent reduction, which is what is proposed in the TV Marti appropriation, would amount actually to a $10 million reduction from the requirement as expressed by the agency's fiscal year 1991 request. This would be a crippling blow to the TV Marti Program, and specifically it would mean that TV Marti would be forced to eliminate testing and first-stage development of alternate broadcast methods which are designed to overcome jamming and increase the operating profile of the system, and it would also eliminate the construction of the new studio.

Mr. Chairman, I encourage a loud "no" vote on this amendment.

Mr. FASCELL. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, this is not slow death, and the logic that was submitted by the proponent of the amendment also escapes me.

Now, what is being suggested by those who say, "Let's cut $8 million out of the request of the administration"—and actually it is $10 million—is that we do not need TV Marti, so let us phase it out slowly.

As the previous speaker has pointed out, we are just about finished with the test period, at which point the President will decide on the technical aspects of this issue and decide whether or not to go forward. We think the technical aspects have been more than fully satisfied. As a matter of fact, this transmitter and antenna that is airborne weighs perhaps less than a thousand pounds. It is good technology, and it will be improved. I have a feeling that the President will find the efforts successful and will recommend that we go forward with the broadcasting. I do not know, but we will find that out very shortly. If it is not successful, of course, the money will not be spent.

But if we start taking the money away on the theory that we need to phase this out, then we will really slow up the project, and it has been held up enough already.

Let us examine the whys and wherefores of this. There is not a single Member in the room right now, in the middle of a campaign, who would cut his communication budget by 50 percent. I do not think the proponent would do that. I know that I do not intend to do that. I am going to keep communicating with whoever is out there, in the hope of getting my message across so I will have a chance of doing whatever it is I want to do.

Now, if what was suggested here was that we had broadcasts going directly to Moscow, I would say, well maybe we can take a chance and not broadcast. I am not really for that either. I commend the subcommittee for increasing the money in USIA, because the United States needs to keep communicating all around the world. It has little to do with ideology, although I admit that ideology gets in the way of all these issues.

But the fact is that there is a very substantial reason for doing what it is that we are doing. We believe first and principally in the effort to communicate freely across borders and allow people to receive information which they do not get now. The cold war may be over in the mind of the gentleman who is the proponent of this amendment, but it is not over as far as Castro is concerned. He is even censoring and stopping communication from Moscow. So as far as he is concerned, he is in another world, and that may be all right; that is his prerogative. But we in the United States, a free

people, have recognized the value of ideas, and we know that what brought the Berlin Wall down was the constancy of our commitment to values. People all over the world respect the values of the American system and the American people. They can rely on what we say. When we broadcast, they listen. We need to do this on radio, we need to do it on television, we need to do it in print, and we need to do it person to person.

If we want to end the elements of the cold war, continuing to broadcast is the way to do it, not by stopping. The people of Cuba for the first time, through Radio Marti and TV Marti, are getting information about what is going on in the world, which is to their benefit.

What happens to Castro in the process is an element for the people in that country to make the decision, and we have seen that decision all over, in Eastern Europe and other places. And that may very well take place in Cuba. Personally, I hope so.

□ 1730

I think Castro is an outcast leader with the wrong concepts about what is going on in the world and a disaster for his people, but that is a different subject. The subject is whether the United States ought to stick with its commitment to broadcast and communicate to the peoples of the world regardless of who they are and continue to do so on the concept that we will tell the truth, that people can rely on what we say. They will then have a reference point against which to make their own judgments.

I cannot think of anything more important, other than providing food to starving people, than to provide the intellectual knowledge and the facts of what is going on in the world to people who need that for their own benefit.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Chairman, may I ask the gentleman, is it not true that the Voice of America and private broadcast stations in Miami are broadcast and their signals are received in Havana and throughout Cuba?

Mr. FASCELL. Mr. Chairman, I say to the gentleman from Arkansas [Mr. ALEXANDER] that there are some stations that are powerful enough, whose signal can be received. That is another issue entirely.

Mr. BROOMFIELD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I merely want to take this opportunity to associate myself with the fine remarks that the gentleman from Florida [Mr. FASCELL] has made regarding this amendment. I cannot think of a single thing that would be worse at this particular time than to cut this program by 50 percent.

I just want to compliment the gentleman from Florida very strongly on the importance of this program. It is a new program. We have made a commitment and I think it would be ill-advised to reduce it at this time.

Mr. Chairman, a 50-percent reduction in funding levels would force TV Marti to eliminate testing and first-stage development of broadcast methods designed to overcome jamming. It would force TV Marti to reduce the news program from a 30-minute segment and a 15-minute segment to a single 15-minute program repeated several times. Finally, it would eliminate the construction of a news studio, compelling TV Marti to continue to use leased facilities which would soon cost more than the construction of its own facility.

Despite the collapse of communism in Eastern Europe, Castro still clings to power in Cuba. Basic political rights, such as the right of free speech and a free media, are currently denied by Cuba's Communist government, and have been for 30 years.

Radio Free Europe and the Voice of America played an important role in bringing news and information to the peoples of Eastern Europe during the historic events of 1989. Through the efforts of these organizations, the people of Eastern Europe were able to learn the truth about the failure of communism and the success of democracy and the free market.

TV Marti was created to be a surrogate free television station, to be a source of objective news and information for the Cuban people. TV Marti can play an important role in the ultimate collapse of Communist rule in Cuba, similar to the one played by Radio Free Europe in Eastern Europe.

TV Marti enjoys the fierce opposition of the Castro regime, which is trying to jam its broadcasts. That should be reason enough for us to support it. Let's not gut the program's ability to function effectively. For the sake of the cause of freedom in Cuba, we must keep full funding for TV Marti.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, I agree with that. Signals are signals, and this is one that is also very important by what we say or what we do not say; but it would be a mistake for us now to stop talking because we think all the problems have been solved. All the problems have not been solved. We need to be talking twice as hard.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will only take a minute. I rise in support of the amendment. We have had this in our committee a number of times.

The evidence is very inconclusive that we are getting any results. I think the radio programs work, but the TV is questionable. The testing has been done at night. There is no evidence that anybody has received the TV broadcast, and in these times of tight budgets I do not think it is a wise expenditure of our funds. We should emphasize, if anything, the radio.

Furthermore, it creates problems for our own broadcasters because of the ability of Castro to jam these programs, and in the process, as the National Association of Broadcasters pointed out, it creates a difficulty for the domestic programs.

Keep in mind that in Cuba there is no FCC that limits the amount of wattage that they can put out, so they can build a capability at very low cost for jamming this type of activity. I think it is an unwise expenditure of our funds for what we get back.

Certainly if we are going to emphasize anything, it should be in the field of radio programs to the Cubans, rather than TV. The evidence is very inconclusive that this has any impact at all.

Mr. SWIFT. Mr. Chairman, will the gentleman yeild?

Mr. REGULA. I yield to the gentleman from Washington.

Mr. SWIFT. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I think this is an issue in which the debate can get overheated very easily on both sides. I think there is no question but what there is reason to believe that we should send propaganda into Cuba. The human rights conditions in Cuba alone are sufficient to justify that.

The question is whether we need to be spending the kind of money that is being considered here in order to accomplish that goal.

Radio Marti came along, and it has been forgotten that it did not replace nothing. It replaced the Voice of America that was already sending things in there, but we decided to reconfigure it to give the Cuban-American community in this country greater input into what Radio Marti did.

Radio Marti is successful. I do not know how much more successful it is than it would have been with continuing the Voice of America broadcast, but it is successful.

Now the idea is that we have got to have pictures. The fact is that we do not have a reliable TV signal into Cuba, some sections of Havana at about $18 million a year.

So on the one hand to suggest the cold war is completely over and we need to pay no attention to Castro is overheated. On the other hand, to assume that TV Marti is going to be the thing that is going to topple Castro is an exaggeration as well.

If we have any consideration for doing what needs to be done by way of sending appropriate propaganda into Cuba at a cost-effective rate, the gentleman is exactly correct that we are going that with Radio Marti and we do

not need the luxury of adding pictures to it in order to get the job done.

Mr. REGULA. Mr. Chairman, I thank the gentleman for his comments.

Mr. CROCKETT. Mr. Chairman, I move to strike the requisite number of words.

I rise in support of the Alexander amendment to reduce by half—from $16 million to $8 million—the appropriation for TV Marti.

The amendment does not go far enough. I would have preferred an amendment to delete the funds entirely. But at least, under this amendment, we would do less damage.

Here are just some of the reasons it does not make sense to spend on TV Marti $16 million that are badly needed elsewhere.

First, TV Marti is illegal under international law. There are no international channels reserved for this purpose. All available channels in any country are under the control of that country and are reserved for use according to that country's licensing procedures. By broadcasting television signals to Cuba from a satellite tethered outside Cuba, we are interfering with Cuban TV broadcasting. We are signatory to international agreements which prohibit that.

Second, TV Marti is a bad foreign policy blunder. Its purpose is not to get information about the United States to Cuba. If that were what we wanted, we would let Americans travel to Cuba.

TV Marti's purpose is to offend the Cuban Government. We tried a similar tactic before, with Radio Marti. President Castro retaliated, as he said he would, and the result was the suspension of an immigration agreement that we and Castro's opponents wanted. I am still trying to figure out why that made sense.

Now President Castro has promised retaliation again, if we launch TV Marti. Why do we want to goad him to act against us?

Third, this appropriation goes against the procedures we placed in our own law for determining whether to begin this program. Under the law, TV Marti is undergoing feasibility studies. Only after the President reports that the program has proven feasible is he to request funds to actually place the program in operation.

Such a report has not been issued. And, obviously, TV Marti is not proving feasible. The Cuban Government is jamming the signal, just as it said it would. The signal is not being received. So why should we appropriate these funds for a program that is not working?

Mr. Chairman, I suspect there is no one Member of this body who cannot think of a much better use for these funds. I can think of many such uses.

But as we consider this appropriation, I am particularly reminded of all the times I have been told by the administration that there is no money to assist the transition to democracy in Haiti; no money for aid to friendly democracies in the Caribbean; no money to increase even by a little bit the minuscule amount of aid that we give to sub-Saharan Africa.

We would get so much more foreign policy benefit—our national interests would be so much better served—by using these funds to aid our friends, than by this attempt to tweak Castro's beard for our own political benefit here at home.

We should not spend any of this money. If we must, let us at least spend only half of it, and do only half the damage.

I urge my colleagues to support the Alexander amendment.

□ 1740

Mr. SMITH of Iowa. Mr. Chairman, I am wondering, and I do not know if it is possible or not, because this is an important amendment. We spent an hour on one that was not controversial, so I can understand that people object, but I wonder if there is a possibility of getting a limitation on this amendment, say, all debate on this amendment and amendments thereto close in 15 minutes?

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SMITH of Iowa. Mr. Chairman, I ask unanimous consent that the gentleman from Florida [Mr. SMITH] receive my allotted time.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. The Chair will allot 1 minute, 20 seconds to each Member standing at the time the unanimous-consent request was agreed to.

The Chair recognizes the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Chairman, I rise in strong opposition to the gentleman's amendment to delete funding for TV Marti.

The cold war may be over vis-a-vis the United States and the Soviet Union. It's not over vis-a-vis Cuba.

At the very time that Castro is facing enormous pressure both at home and in international opinion, it would be short-sighted and counterproductive to our interests for the United States to help Castro by reducing the pressure on him.

Anyone who has followed the events in Eastern Europe knows the tremendous contribution made by Western broadcasting beaming news and information to the formerly captive peoples of Europe. Whether through Radio Free Europe, Radio Liberty, The Voice of America or any of the other free world broadcasting channels, the link to freedom and liberty for the repressed peoples living behind the Iron Curtain served to help them ultimately break the chains of totalitarian communism. Many of those people have told me exactly that.

Instructive is not that although many of us, including me, thought the hardest people to turn around against their Communist dictators would be the young who lived their whole lives under Communist propaganda and indoctrination, it is in many cases, particularly Czechoslovakia, those young people who led the revolt.

Why? Because they did have access to outside radio and TV.

Radio Marti and TV Marti are playing the very same roles in Cuba. We must not make it easier for Castro to preserve his stranglehold over the Cuban people. Only a few short weeks ago, this body overwhelmingly condemned the human rights performance of Fidel Castro. It would be contradictory to that to lessen the pressure on his regime.

Those who argue that as long as Castro is jamming TV Marti or Radio Marti it makes them useless miss the point. It is precisely because TV Marti and Radio Marti represent a threat to Castro that he feels compelled to jam them. If they were not a threat, he wouldn't waste his scarce resources on expensive jamming procedures. The fact that he has to divert precious funds from other needed projects to carry out the jamming of TV Marti only adds to the effectiveness of TV Marti as a peace-time weapon against Castro. Cubans may be uninformed; they are not stupid; the very fact that there is jamming means Castro doesn't want them to see it.

The results of recent surveys of Cuban public opinion, based on samples of Cuban tourists, emigres and political refugees, demonstrates that interest in TV Marti in Cuba is strong. In spite of the jamming of the TV signal, the survey indicates that those trying to tune into TV Marti continue to do so and that they often succeed despite reception interference.

Jamming by Castro is no argument for eliminating TV Marti. It is an argument in favor of keeping it. And the success of international broadcasting in Eastern Europe only serves to confirm there is an important role for our radio and TV broadcasts to Cuba.

We must support TV Marti, not eliminate it. I urge my colleagues to defeat this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. MCCURDY].

Mr. MCCURDY. Mr. Chairman, I rise in opposition to the amendment

offered by the gentleman from Arkansas.

At a moment when the United States is encouraging the expansion of democratic ideas, an amendment to reduce funding for TV Marti strikes me as ill-timed and ill-conceived.

This is particularly true given the nature of the Castro regime. Around the world, Mr. Chairman, people are seeking ways to open their governments, their economies, and their societies to the democratic alternative. From Moscow to Managua, from Prague to Pretoria, we are fortunate enough to witness the unloading of totalitarian regimes and the gradual movement toward free markets and open societies.

There are, however, a few holdouts against this democratic trend. The most notorious in the Western Hemisphere is at the heart of this debate today. Fidel Castro has been open about only one thing: His absolute rejection of the reforms we see taking place in the rest of the Communist world. Because of this aging tyrant, Cuba remains a Stalinist island of repression, and the people of Cuba continue to experience a 30-year nightmare.

None of this, however, means that the United States should simply turn its eye away from this tragedy 90 miles from our coast. On the contrary, Mr. Chairman, I believe we should remain committed to the proposition that the people of Cuba, just as the people of Poland, China, and East Germany, have an inalienable right to determine their own destiny. We should support those who seek to liberate Cuba from Castro's iron grip, and one important way to offer that support is through our fundings for TV Marti and Radio Marti.

For a relatively small amount of money, the United States can provide the people of Cuba with information about what is happening in the world that they would otherwise be denied. Radio Free Europe and Radio Liberty were vital to the hopes of those in Eastern Europe who are now gaining their freedom. TV Marti and Radio Marti can be a similar source of inspiration for the people of Cuba.

Mr. Chairman, I oppose this amendment, and I urge my colleagues to do so as well.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, I rise in opposition to the Alexander amendment to slash funding for TV Marti.

I do not think the assertion by the gentleman from Arkansas [Mr. ALEXANDER] that the cold war is over or that we are in a post-cold war era applies in any way whatsoever to Cuba. Poland, yes; Czechoslovakia, yes; the U.S.S.R., we certainly hope so; Cuba, absolutely not.

Members will recall that as recently as May 15 we condemned almost unanimously in this body Castro's human rights abuses and the mistreatment of members of the U.N. Working Group, people who met with that group, to bring forward information concerning abuses in that country.

I would also point out to my friends' attention to read Americas Watch March 1990, report, which says, and I quote,

> Fidel Castro's regime, now in its fourth decade in power, has clearly made a political decision to punish any form of dissent. By imprisoning those who attempt to hold their government accountable for violating basic civil and political rights, the Cuban government has tried to obscure its poor record and defend its practices as a strictly internal matter.
>
> The possibility of condemnation by the U.N. in 1987 and 1988 unquestionably yielded some positive results. The Cuban government opened its prisons to inspections by international organizations, it released a few hundred political prisoners, and tolerated independent activity by its own citizens. The 1989 U.N. vote ending significant scrutiny has produced a reversion to Cuba's prior abusive and intolerant ways.
>
> Cuba's human rights practices are sharply at odds with international standards. Cuban laws that curtail basic rights enumerated in the Universal Declaration of Human Rights—freedom of expression, association, assembly and movement, and the rights of privacy and due process—remain in force. There are no legal institutions independent of the government and the governing Communist Party that could ensure respect for such rights. There are no free press, no opposition political parties, no independent judiciary, no independent labor unions, and no legally recognized human rights organizations. All Cubans are affected by the absence of such institutions. Cuban prisons continue to hold several hundred political prisoners serving sentences for crimes such as attempting to leave the country illegally (although legal emigration is often delayed or denied on political grounds) or attempting to stage a demonstration. Many recently-arrested activists have been held for months without trial and several have been re-sentenced, for apparently political reasons, while in prison. In the last six months, the Cuban government has banned two Soviet publications, expelled a Czech journalist, and arrested dissidents from the Union of Communist Youths.

Mr. Chairman, I urge that this amendment be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CARR].

Mr. CARR. Mr. Chairman, I want to rise and associate myself with the remarks of the gentleman from Washington [Mr. SWIFT] in support of the gentleman from Arkansas [Mr. ALEXANDER].

I would like to make one procedural point. All of us come over here on the House floor, and as we are looking about to make a final decision on how we are going to vote, we like to ask what is the committee position on this particular amendment. I think it is important to clear up one small fact. The reason that we are here on the floor and that the gentleman from Arkansas [Mr. ALEXANDER], a member of the subcommittee, is moving this particular amendment, is out of our deep respect and admiration for our chairman, the gentleman from Iowa [Mr. SMITH], and for our chairman, the gentleman from Florida [Mr. FASCELL].

The fact of the matter is we had enough votes in the subcommittee to pass the Alexander amendment and, thus, the committee position here is in support of the Alexander amendment.

So when the Members are coming over, those who might be looking at closed-circuit television, when they come over to the House floor, they ought to know that the committee that is bringing this bill to the floor, that is bringing this bill to them, is actually in favor of the Alexander amendment.

□ 1750

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, I think that I can speak for the Committee on Foreign Affairs. We may not be the committee that brought this amendment to the floor or this bill to the floor, but I will bet you that the majority of the Committee on Foreign Affairs is against this amendment. So those Members who may be paying attention, I do not think the Committee on Foreign Affairs is for this.

The chairman of the committee, the gentleman from Florida [Mr. FASCELL], spoke against it. That point should be made very, very clear.

This is the worst possible time to bring this kind of amendment to the floor. First of all, the pressure on Castro is very great because the Communist regimes around the world are collapsing, and the pressure should be kept on him and it should be strong.

The people in Cuba have been suffering under the tyranny of Fidel Castro for a long time, and we need to do everything we can to help eliminate that pressure on them. Radio Marti is a great morale booster for the people of Cuba. Eighty-five percent of the people in Cuba listen to Radio Marti, and TV Marti can do even more.

Finally, we have heard Members say on the floor today that they may do something to interrupt the TV communication in our country. I would just like to ask this question: If a terrorist threatens the United States of America, should we back down? I think not. I think if they threaten this kind of action, we should stand up to Fidel Castro and any Communist dictator in the world that would threaten such action.

Lincoln said, let the people know the facts and the country will be saved. I say the same thing about Cuba. Let the people of Cuba know the facts of what is going on around the world, and they will be saved as well.

The CHAIRMAN. The Chair recognizes the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Speaker, I have great respect for the foreign policy expertise of the gentleman from Arkansas [Mr. ALEXANDER]. He has been to Cuba. I respect his views on foreign policy deeply. But I think this amendment is wrong, and there are five reasons why I think this amendment would be untimely.

First of all, a 50-percent reduction for TV Marti would strangle TV Marti to the point where it would be totally ineffective to deliver any kind of relevant programming.

Second, for over 40 years we have broadcast into jammed environments, in Eastern Europe, in the Soviet Union, and today we are seeing the wisdom of that decision. We should continue broadcasting TV Marti for this reason.

Third, TV Marti has been a technical success. Members of the Committee on Foreign Affairs have spoken, as well as members of the Committee on Appropriations. I am on the Committee on Energy and Commerce that deals with communications issues. What we have here is a situation where the FCC has monitored the tests of TV Marti and has not detected any interference caused by the TV Marti signal. It is delivering a strong signal into the primary targeted areas of Cuba.

Fourth, a recent independent audience survey concluded that the people of Cuba want to watch TV Marti. This would be a wrong amendment.

PROPOSED CUT IN TV MARTI APPROPRIATION

TV Marti is a technical success: the FCC has monitored the tests of TV Marti and has not detected any interference caused by the TV Marti signal, delivering a strong signal into the primary target area of Cuba. (Havana, Matanzas and Pinar del Rio Provinces).

TV Marti Audience and Jamming: Fidel Castro has devoted a great deal of resources to try to jam the TV Marti signal, a recent study completed by independent contractors for USIA concluded that in spite of the jamming, 81 percent of the households in the primary target area have tried to tune in TV Marti, 28 percent of the households in the primary target area are able to receive TV Marti, that translates to approximately 273,000 households, the interest in TV Marti, at least among the sample, is stronger and more consistent than the jamming.

A 50 percent reduction in funding would cripple the start up of TV Marti, eliminate the development of methods to overcome the jamming, force the continued lease of news studio facilities (the cost of leasing will soon cost more than construction of their own facility), reduce program procurement and make greater use of reruns and less fresh and relevant material, reduce news programming, forgo flight control improvements at Cudjoe Key Air Force Station, and under funding will assure program mediocrity which will adversely effect the ability of TV Marti to build an audience in Cuba.

Why should we broadcast TV Marti if Castro is jamming the signal? For forty years we broadcasted Voice of America, Radio Free Europe and Radio Liberty into jammed environments and are now seeing the wisdom of that decision. Castro is not only trying to jam Radio and TV Marti but he is censoring news from the Soviet Union, Eastern Europe and elsewhere in Latin America. It has long been USG policy to broadcast into countries that do not permit the free flow of ideas and information.

PROPOSED CUT IN RADIO MARTI APPROPRIATION

A 50% cut in Radio Marti's appropriation for FY 1991 would be devastating to the Cuba broadcasting program. It would lead to an immediate reduction in broadcast hours, staffing, and program quality, sending a powerful message of despair to the Cuban people.

Despite jamming, Radio Marti is one of the most successful broadcast services of the Voice of America. Independent surveys show that Radio Marti reaches upwards of 85% of the Cuban people on a regular basis. It is by far the most popular and trusted source of information in Cuba.

Radio Marti adheres to the standards of the Voice of America, requiring accuracy, balance, and objectivity in programming. In addition, it has a special obligation to inform the people of Cuba about events in their own country—something denied to them by their own government for more than three decades.

The impact of a major budget cut would be severe:

24 hour a day broadcasts would have to be reduced. Radio Marti would be forced to retreat to smaller schedule than when the station first went on the air in 1985.

Radio Marti's research arm, which has become one of the premier sources of information about Cuban politics and society, would be curtailed. Focus groups and panels would be impossible.

News coverage from foreign bureaus and stringers would be virtually eliminated

Repeat programming would increase.

Important audience research surveys conducted by independent research firms would be virtually eliminated.

Purchase of a back-up frequency to counter Cuban jamming would be cancelled. Technical maintenance projects would be deferred.

The Miami office, which provides important programming and research support, would be scaled back to bare necessities.

It would be foolish and shortsighted to cut a program that has been acknowledged as successful by supporters and detractors alike. Even the Cuban Government recognizes the enormous popularity and importance of Radio Marti. When railing against reforms in the Soviet Union, Fidel Castro recently described the glasnost-era Moscow News as "more subversive than Radio Marti."

At a time when democracy and freedom are triumphant and Fidel Castro's Cuba stands alone as a bulwark of communism, Radio Marti is a beacon of hope and an intellectual lifeline that cannot be ignored by Castro or the Cuban people.

IMPACT OF 50 PERCENT REDUCTION IN FY 91 APPROPRIATION FOR TV MARTI

A 50 percent reduction in the TV Marti appropriation for TV Marti would amount to a $10 million reduction from the requirement as expressed in our FY 91 request. This would be a crippling blow to the TV Marti program. Specifically, TV Marti would be forced to:

Eliminate testing and first stage development of alternative broadcasting methods designed to help overcome jamming and increase the operating profile of the system ($1,500).

Eliminate construction of News studio. This would force the program to continue to use leased facilities which would very soon cost more than construction of our own facility. ($2,300).

Reduce program procurement and make greater use of reruns and less fresh and entertaining materials ($1,000).

Delay initiation of long lead time procurement such as a replacement aerostat and backup antenna. This entails substantial risk to the program. Should something happen to damage the aerostat or antenna the program would of necessity be off the air for up to 18 months. ($1,500).

Reduce News program from a 30 minute segment and a 15 minute segment to a single 15 minute program repeated several times throughout the program. Reduce production quality to less than major market quality. ($2,500).

Forgo flight control improvements at Cudjoe Key Air Force Station. (Would require Air Force concurrence) ($1,200).

IN SUPPORT OF RADIO AND TV MARTI

The Gentleman's amendment to this bill today is both ill-timed and ill-conceived. From the Soviet Union to South Africa, from Nicaragua to Eastern Europe, the wind of freedom and democracy can be seen throughout the world. Almost everywhere, that is, except Cuba.

The Castro regime has clearly taken the opposite path. Communism and repression clearly remain the norm today in Cuba. Ever since the United Nations Human Rights Commission severely criticized the Castro regime for human rights abuses, Castro has clamped down on human rights activists and dissidents even further. In Cuba today, a person is thrown into prison without a trial for simply criticizing the regime in public.

Castro has openly rejected the economic and political reforms of Eastern Europe. He recently claimed he would rather die a socialist than enact capitalist reforms. Furthermore, he claimed that Cuba is more democratic than the U.S. because Cubans vote in larger percentages for communist delegate committees. The man is clearly the last communist and totalitarian dictator left in our hemisphere.

In 1984, both Democrats and Republicans in this body overwhelmingly approved plans for a special radio broadcasting program to Cuba. For the first time in over 25 years, the Cuban people heard *new*, uncensored and realistic news from the free world. Radio Marti has been and still is today a clear success story. Emigrant and in-country surveys show that over 90% of the Cuban people listen to Radio Marti on a regular basis. This audience is higher proportionally for Radio Marti than any other United States Information Agency Program overseas.

In order to technologically upgrade the successful Radio Marti program, both Congress and the Administration strongly supported a test of a Television Marti program for 90 days in FY 1990. This testing period was to determine if it was electronically feasible without causing any problems to U.S. broadcasters.

I am pleased to say that the TV Marti testing period has proven that the program can work beyond our expectations.

A. First, the signal coming from Cudjoe Air Force Base in Key West has worked much stronger than we anticipated. A recent survey released by an independent research company of Cuban emigres and visitors shows that 28% of the households in the targetted area have received TV Marti.

Where would Eastern Europe be if the U.S. had not maintained and increased the level of funding for Radio Free Europe and Radio Liberty? Would these nations be free today if we stopped the broadcasts due to jamming and threats? I highly doubt it. For these nations, as in Cuba today, radio broadcasts from the U.S. are their hope for democracy and the future. Even though Radio Marti is being jammed now for the first time, Cubans still get it regularly on short wave radio.

B. Second, the TV Marti signal has not caused any problems for Florida or U.S. Broadcasters. There has been no interference caused by the signal to Cuba. Furthermore, there has been no retaliatory jamming from the Castro regime. The law requires the FCC to continuously monitor Cuban interference. The FCC has reported they have not found or received any level of increased interference since the TV Marti tests began.

C. Third, this Congress unanimously approved last year $16 million for TV Marti for both FY 1990 and 1991. The money that hasn't been spent on the program is already being reprogrammed. Over $4.6 million of the TV Marti funds will be used for the U.S. to participate in the Spain 1992 celebrations.

So, why should any Member support this amendment? The TV Marti and Radio Marti programs are working, Cubans are anxiously and desperately trying to receive these U.S. programs, no interference has occurred and money that can't be used is being reprogrammed for important programs.

Last month, Congressman MARKEY and over 150 Members sent a letter to Fidel Castro asking him to hold free elections for the first time in over 30 years and release all political prisoners. We need to maintain the pressure on this last communist dictator in our own backyard. Castro's economy is in horrible shape and the Soviets are even telling him they will be reducing their support.

Radio and TV Marti are crucial vehicles to promoting freedom and hope in Cuba. Let us remember our 40 year commitment to bringing about democracy in Eastern Europe. Don't cut back on the only two sources of freedom for the Cuban people. I urge you to vote against the Alexander amendments.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. Goss].

Mr. GOSS. Mr. Chairman, I rise in strong opposition to the gentleman from Arkansas' amendments to reduce funding of TV Marti. At a time when the Communist bloc is crumbling throughout the world, Fidel Castro's Cuba remains one of the last bastions of Stalinism. In recent months, Castro has become increasingly isolated from even some of his former Communist allies.

The events throughout the world show that communism cannot withstand the force of ideas when the people of these nations see the scenes and hear the voice of freedom, it becomes a matter of time before these Communist systems collapse. Now is not the time to reduce the message of freedom to the Cuban people. If anything, we should be stepping up the pressure on Castro. For a collapse of his repressive regime would not only be a triumph for the Cuban people, it would help lead to peace in El Salvador, Angola, and other areas where Castro has exported his revolution by militarily supporting his fellow Communists.

A 50-percent reduction in the TV Marti appropriation would amount to a $10 million reduction from the requirement as expressed in our fiscal year 1991 request. This would be a crippling blow to the Radio and TV Marti program. Specifically, TV Marti would be forced to:

Eliminate testing and first stage development of alternative broadcasting methods designed to help overcome jamming and increase the operating profile of the system: $1,500;

Eliminate construction of news studios. This would force the program to continue to use leased facilities which would very soon cost more than construction of our own facility: $2,300;

Reduce programming and procurement and make greater use of reruns and less fresh and entertaining materials: $1,000;

Delay initiating of long lead time procurement such as a replacement aerostate and backup antenna. This entails substantial risk to the program. Should something happen to damage the aerostat or antenna the program would, of necessity, be off the air for up to 18 months: $1,500;

Reduce news program from a 30-minute segment and a 15-minute segment to a single 15-minute program repeated several times thoughout the program. Reduce production quality to less than major market quality: $2,500; and

Forgo flight control improvements at Cudjoe Key Air Force Station which would require Air Force concurrence: $1,200.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, I rise in strong support of the Alexander amendment to reduce the level of funding for TV Marti broadcasts to Cuba.

I agree with those who believe that the people of Cuba would greatly benefit from exposure to television broadcasts about the democratic revolutions sweeping the world. But Mr. Chairman, so long as the Cuban Government can jam these broadcasts for a fraction of the cost of producing them, TV Marti will continue to be a waste of money.

Surely there are more worthy uses of our tax dollars than spending millions on TV broadcasts that no one can watch.

Furthermore, some respected legal opinion in this country suggests that TV Marti violates international law and interferes with the sovereignty of the Government of Cuba.

Regardless of the question of legality, however, TV Marti is simply not a cost-effective way to spread the ideas of democracy and freedom to Cuba. Low-cost jamming by the Cuban Government has already made a mockery of our efforts so far. But it's not too late to save the American taxpayers from throwing more money down the drain.

I urge my colleagues who are concerned about fiscal responsibility and cost-effective foreign policy to support the Alexander amendment.

The CHAIRMAN. Does the gentleman from Kentucky [Mr. ROGERS] desire to take a minute and a half to conclude debate on his side?

Mr. ROGERS. Mr. Chairman, I yield that time back.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Chairman, you know, this is really an exercise that the House ought to go through periodically, because it is an exercise in micromanagement that is important because it has broader ramifications. The real question here today is not whether we are going to cut $8 million out of the budget. That is an ancillary question.

The question is, is the United States going to continue to stand for democracy, the way we have, and to honor the tradition that has in fact proven most successful in Eastern Europe? The validation of the VOA, Radio Free Europe, Radio Liberty. That is what we are asking ourselves today.

If you vote for the amendment of the gentleman from Arkansas [Mr. ALEXANDER], you will vote to basically gut a program that follows in the tradition that has produced democracy in Eastern Europe.

The question is, will you deny the words of freedom to the people of Cuba, because the gentleman from Arkansas [Mr. ALEXANDER] thinks it is too expensive? There is nothing more expensive than denying the capability of understanding freedom, justice, and democracy, to an island 90 miles off our coast.

This $16 million is small change indeed to be able to get rid of Castro. Radio Marti worked, it worked wonderfully well, and if you speak to any of the Cuban refugees who have come here since the advent of that station, they will tell you that it was an important and continues to be a very important part of their aspiration for freedom.

TV Marti is the follow-on. TV Marti works, it is available. Do not vote

against it. Vote against this amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Arkansas [Mr. ALEXANDER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BROOMFIELD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 111, noes 306, not voting 15, as follows:

[Roll No. 188]

AYES—111

Alexander	Gray	Panetta
Anderson	Hawkins	Pease
Atkins	Hayes (IL)	Penny
AuCoin	Hertel	Perkins
Beilenson	Hochbrueckner	Poshard
Bonior	Hughes	Quillen
Bosco	Jacobs	Rahall
Brennan	Jones (NC)	Regula
Brown (CA)	Jontz	Roybal
Bruce	Kanjorski	Russo
Bustamante	Kasich	Sabo
Byron	Kastenmeier	Savage
Carr	Kennedy	Sawyer
Clay	Kennelly	Scheuer
Clement	Kildee	Schroeder
Collins	Lewis (GA)	Sharp
Condit	Long	Shuster
Conyers	Markey	Sikorski
Costello	McCloskey	Skaggs
Crockett	McDermott	Slaughter (NY)
DeFazio	McHugh	Staggers
Dellums	Mfume	Stark
Dorgan (ND)	Miller (CA)	Stokes
Downey	Miller (OH)	Studds
Durbin	Mineta	Swift
Dymally	Mollohan	Synar
Early	Morella	Tauke
Edwards (CA)	Morrison (CT)	Torres
Evans	Mrazek	Towns
Fazio	Murphy	Unsoeld
Flake	Nagle	Vento
Ford (TN)	Natcher	Waxman
Frank	Neal (NC)	Weiss
Frenzel	Oberstar	Williams
Gaydos	Obey	Wolpe
Glickman	Olin	Wyden
Gonzalez	Owens (NY)	Yates

NOES—306

Ackerman	Bryant	Dickinson
Andrews	Buechner	Dicks
Annunzio	Bunning	Dingell
Applegate	Burton	Dixon
Archer	Callahan	Donnelly
Armey	Campbell (CA)	Dornan (CA)
Aspin	Cardin	Douglas
Baker	Carper	Dreier
Ballenger	Chandler	Duncan
Barnard	Chapman	Dwyer
Bartlett	Clarke	Dyson
Barton	Clinger	Edwards (OK)
Bateman	Coble	Emerson
Bates	Coleman (MO)	Engel
Bennett	Coleman (TX)	English
Bentley	Combest	Erdreich
Bereuter	Conte	Espy
Berman	Cooper	Fascell
Bevill	Coughlin	Fawell
Bilbray	Courter	Feighan
Bilirakis	Cox	Fields
Bliley	Coyne	Fish
Boehlert	Craig	Flippo
Boggs	Crane	Foglietta
Borski	Dannemeyer	Frost
Boucher	Darden	Gallegly
Boxer	Davis	Gallo
Brooks	de la Garza	Gejdenson
Broomfield	DeLay	Gekas
Browder	Derrick	Gephardt
Brown (CO)	DeWine	Geren
Gibbons	Madigan	Saxton
Gillmor	Manton	Schaefer
Gilman	Marlenee	Schiff
Gingrich	Martin (IL)	Schneider
Goodling	Martin (NY)	Schuette
Gordon	Martinez	Schulze
Goss	Matsui	Sensenbrenner
Gradison	Mavroules	Shaw
Grandy	Mazzoli	Shays
Grant	McCandless	Shumway
Green	McCollum	Sisisky
Guarini	McCrery	Skeen
Gunderson	McCurdy	Skelton
Hamilton	McDade	Slattery
Hammerschmidt	McEwen	Slaughter (VA)
Hancock	McGrath	Smith (FL)
Hansen	McMillen (MD)	Smith (IA)
Harris	McNulty	Smith (NE)
Hastert	Meyers	Smith (NJ)
Hatcher	Michel	Smith (TX)
Hayes (LA)	Miller (WA)	Smith (VT)
Hefley	Moakley	Smith, Denny (OR)
Hefner	Molinari	Smith, Robert (NH)
Henry	Montgomery	Smith, Robert (OR)
Herger	Moody	Snowe
Hiler	Moorhead	Solarz
Hoagland	Morrison (WA)	Solomon
Holloway	Murtha	Spence
Hopkins	Myers	Spratt
Horton	Neal (MA)	Stallings
Houghton	Nielson	Stangeland
Hoyer	Nowak	Stearns
Hubbard	Oakar	Stenholm
Hunter	Ortiz	Stump
Hutto	Owens (UT)	Sundquist
Hyde	Oxley	Tallon
Inhofe	Packard	Tanner
Ireland	Pallone	Tauzin
James	Parker	Taylor
Jenkins	Parris	Thomas (CA)
Johnson (CT)	Pashayan	Thomas (GA)
Johnson (SD)	Patterson	Thomas (WY)
Johnston	Paxon	Torricelli
Jones (GA)	Payne (VA)	Traficant
Kaptur	Pelosi	Traxler
Kolbe	Petri	Udall
Kolter	Pickett	Upton
Kostmayer	Pickle	Valentine
Kyl	Porter	Vander Jagt
LaFalce	Price	Visclosky
Lagomarsino	Pursell	Volkmer
Lancaster	Ravenel	Vucanovich
Lantos	Ray	Walgren
Laughlin	Rhodes	Walker
Leach (IA)	Richardson	Walsh
Leath (TX)	Ridge	Washington
Lehman (CA)	Rinaldo	Watkins
Lehman (FL)	Ritter	Weber
Lent	Roberts	Weldon
Levin (MI)	Roe	Wheat
Levine (CA)	Rogers	Whittaker
Lewis (CA)	Rohrabacher	Whitten
Lewis (FL)	Ros-Lehtinen	Wilson
Lightfoot	Rose	Wise
Lipinski	Rostenkowski	Wolf
Livingston	Roth	Wylie
Lloyd	Roukema	Yatron
Lowery (CA)	Rowland (CT)	Young (AK)
Lowey (NY)	Rowland (GA)	Young (FL)
Luken, Thomas	Saiki	
Lukens, Donald	Sangmeister	
Machtley	Sarpalius	

NOT VOTING—15

Anthony	Hall (TX)	Payne (NJ)
Campbell (CO)	Huckaby	Rangel
Eckart	Kleczka	Robinson
Ford (MI)	McMillan (NC)	Schumer
Hall (OH)	Nelson	Serrano

□ 1816

The Clerk announced the following pair:

On this vote:

Mr. Anthony for, with Mr. Robinson against.

Messrs. GEJDENSON, YATRON, and WHITTEN changed their vote from "aye" to "no."

Mr. STAGGERS changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

EAST-WEST CENTER

To enable the Director of the United States Information Agency to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960 (22 U.S.C. 2054-2057), by grant to the Center for Cultural and Technical Interchange Between East and West in the State of Hawaii, $20,000,000: *Provided*, That none of the funds appropriated herein shall be used to pay any salary, or to enter into any contract providing for the payment thereof, in excess of the rate authorized for GS-18 of the Classification Act of 1949, as amended.

NATIONAL ENDOWMENT FOR DEMOCRACY

For grants made by the United States Information Agency to the National Endowment for Democracy as authorized by the National Endowment for Democracy Act, $25,000,000.

TITLE VI—GENERAL PROVISIONS

SEC. 601. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. 602. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 603. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

Mr. SMITH of Iowa. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose: and the Speaker pro tempore (Mr. HUTTO) having assumed the Chair, Mr. BROWN of California, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5021) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1991, and for other purposes, had come to no resolution thereon.

Mr. SERRANO. Mr. Speaker, had I been present, I would have voted in the following manner: Rollcall No. 183, approval of the Journal, "yea;" rollcall No. 184, the Hatch Act amendment veto, "yea;" rollcall No. 185, the Brown of Colorado amendment on instructing the conferees on H.R. 3, "yea;" rollcall No. 186, the Goodling amendment to instruct House conferees on H.R. 3 to reject the new "Act for Better Child Care" Grant Program as proposed in the Senate amendment, "yea;" rollcall No. 187, the Smith of Iowa amendment to investigte and prosecute fraud at savings

and loans institutions, "yea;"and rollcall No. 188, the Alexander amendment to reduce funds for television broadcasting to Cuba-TV Marti, "nay."

PERSONAL EXPLANATION

Mr. NELSON of Florida. Mr. Speaker, had I been present, I would have voted "aye" on rollcall No. 183, No. 184, No. 185, No. 186, and No. 187 and "nay" on rollcall No. 188.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 350, CONSTITUTIONAL AMENDMENT PROHIBITING PHYSICAL DESECRATION OF THE FLAG OF THE UNITED STATES

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 101-548) on the resolution (H. Res. 417) providing for the consideration of the joint resolution (H.J. Res. 350) proposing an amendment to the Constitution of the United States authorizing the Congress and the States to prohibit the physical desecration of the flag of the United States, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PERSONAL EXPLANATION

Mr. KENNEDY. Mr. Speaker, on rollcall No. 184 today I was in the Chamber and attempted to record my vote. Had I been recorded I would have voted aye.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 4641

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent that my name be removed from H.R. 4641. I also ask unanimous consent that the attached letter from Amnesty International be included in my remarks.

The letter referred to follows:

OFFICIAL POSITION OF AMNESTY INTERNATIONAL USA ON HR-4641

Amnesty International USA has been receiving a number of inquires about its position on the bill recently introduced into the House by Congressman Dan Burton (R-Indiana). Congressman Burton's bill, HR-4641, would cut off all non-humanitarian aid to India if it continues to refuse access to human rights organizations such as Amnesty International. It has been pointed out to us that our original letter on this matter has been construed in different ways.

Amnesty International never supports or opposes the imposition of sanctions in response to human rights violations being committed by any government. Nor does Amnesty International ever support or oppose sanctions being imposed on countries that refuse access to Amnesty.

Amnesty International played no role and was not consulted in the drafting of Congressman Burton's bill; we take no position on the bill. We shall continue to seek access to India, including the Punjab and Kashmir, to monitor the human rights situation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE JOINT RESOLUTION 330 AND HOUSE JOINT RESOLUTION 305

Mr. TANNER. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of House Joint Resolution 330 and House Joint Resolution 305.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE JOINT RESOLUTION 350

Mr. POSHARD. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of House Joint Resolution 350.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

VACATION OF SPECIAL ORDER AND REQUEST FOR SPECIAL ORDER

Mr. INHOFE. Mr. Speaker, I ask unanimous consent that the special order granted to the gentleman from California [Mr. LOWERY] for today be vacated and that the gentleman from Texas [Mr. ARMEY] may be permitted to take his time in the slot of the gentleman from California [Mr. LOWERY].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

□ 1815

REPUBLICAN CULPABILITY

(Mr. KENNEDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY. Mr. Speaker, the Bush administration apparently believes that, when it comes to defending the Republicans over the S&L crisis, the best defense is a good offense. Yesterday, we saw the old Bush campaign tactics at work—vague threats and unsubstantiated allegations against a few Democrats. Shades of Willie Horton.

But baseless partisan broadsides can't hide the facts. And the facts paint a crystal clear picture: the crisis was caused largely by a decade of Republican administration. Let's not forget that, when Congress and the American people were crying out for an accurate estimate on how much the bailout would cost, it was Republican administration officials who repeatedly low-balled the numbers. When the time came to decide who should pay for this mess, it was a Republican administration that was all too willing to stick a trillion dollar tab on the working people of America, rather than the wealthy and powerful who made millions playing Russian roulette with taxpayer dollars. And when sleezy thrift owners should have been put out of business, it was Republican-appointed regulators who gave them a wink and a nod. Even today, when the Justice Department ought to be applying a full-court press on the crooks, it's doing a dance with them. There are over 21,000 complaints of wrongdoing that are just sitting at Justice gathering dust. Meanwhile, the administration says it only needs $50 million of the $75 million Congress gave it last year to fight S&L crimes.

Mr. Speaker, the Democrats aren't completely blameless. But the S&L crisis is not a completely bipartisan affair, either. It's time the American people realize that, when it comes to fighting white-collar crime, the administrations of the last decade would rather play patty-cake than hardball.

DEMOCRATS AND THE SAVINGS AND LOAN CRISIS

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, I just wanted to answer the distinguished gentleman from Massachusetts and suggest that the distinguished gentleman from Massachusetts should take up a reading list.

Mr. Speaker, he could start with the 1,200-page Ethics Committee report on Fernand St Germain, which tells how the Banking Committee chairman was involved with banks and savings and loans. He could then proceed to the several-hundred-page report by Phelan on Jim Wright. He could then read "Honest Graft," which is a description of how Tony Coelho and Jim Wright were involved with savings and loans.

There is a wide range. If Democrats want to start the savings and loans game, I think we can read into the RECORD more than enough evidence about the Democrat Speaker of the House, the Democratic whip, the Democratic Banking Committee chairman, and then I would ask my Democratic colleagues: Do they think Mr. CRANSTON should resign as their party's whip in the Senate? Do they think Mr. RIEGLE should resign as their party's chairman of Banking in the Senate?

I think we can easily start talking about savings and loans if that is the game that they want to start.

CAREER TRAINING SCHOOLS

The SPEAKER pro tempore (Mr. HUTTO). Under a previous order of the House, the gentleman from Pennsylvania [Mr. GAYDOS] is recognized for 5 minutes.

Mr. GAYDOS. Mr. Speaker, while we have heard quite a bit about the schools in the career training sector of our higher education community, we have not heard much at all about the students who deliberately choose career schools as their vehicles for success. Today, I would like to again take a few minutes to tell you about these students.

Statistics show that students attending career training schools are most likely to be female, older, minority, financially independent of their parents, and all too often, poor.

We know that: 78 percent of all career school students are female; 46 percent of career school students are more than 25 years old, and 25 percent of these are older than 30; 40 percent of career school students are minorities—compared to 25 percent of the students in community colleges and 19 percent in 4-year colleges; 54 percent of career school students are financially independent of their parents—compared to 38 percent of all postsecondary students; 47 percent of career school students have incomes below $11,000 per year; and only 26 percent of career school students have incomes greater than $23,000 per year.

Thus, we can safely assume that many of these students are single parents, minority women, and hard-working people who only want to learn the exact skills they need to get a good job and become productive tax-paying members of our society. These are the very students most in need of our help to break the bonds of poverty that are all too frequently handed down from generation to generation.

I'd like to tell you of just two career school graduates, both women, who have taken the initiative, worked hard, and have become successes.

Shirley Grissom is a single mother. She worked evenings as a bartender to support her two children until she decided that she wanted something better for her family.

She enrolled in Akers Computerized Learning Center in College Park, GA, and, shortly after beginning the word-processing program, began working at the school as a part-time receptionist while continuing to pursue her studies and raise her children.

Ms. Grissom graduated from the program at the top of her class and was valedictorian. She even returned as guest speaker for the school's 1989 commencement exercises.

Today, Ms. Grissom is a secretary for a legal firm in Atlanta and is earning more than $20,000 a year.

Wanda Murphy is another success story. After completing the Alliance Truck Driving Program in Wythville, VA, she was hired by the Fulton Carrier Co. in Stephens City, VA.

Since she has worked for the carrier company, Ms. Murphy has been recognized for her hard work by her employer and by her coworkers.

In 1987, she received a 1-year Safe Driving Award. The following year, she received a 2-year Safe Driving Award and a 250,000-mile Safe Driving Award.

Also, in 1987, Ms. Murphy was selected by her peers as the top achiever for the company. To be eligible for this award, candidates must have no accidents, no speeding tickets, no disciplinary actions, and no worker compensation injuries with lost time.

I'm sure these two Americans weren't thinking about saving taxpayers money when they decided to attend career training schools, but that is exactly what they have done.

A 1989 report by Shearson-Lehman-Hutton says that taxpayers save $17,938 per student per year for each and every American who finishes a training program and gets a job earning $15,000.

Further, according to a report from the National Association of State Scholarships and Grant Programs, for every 1 year of education in a private career school, taxpayers save as much as $2,975 compared to the cost of educating a student in a 4-year college for the same period and $1,119 compared to the cost of educating a student in a community college for a similar time period.

Career training not only helps ease the pocketbooks of our Nation's taxpayers, it enables students to reach their goals and change their lives for the better.

The two students I talked about today have joined the ranks of the millions of successful career training school graduates. I take my hat off to all of these hard-working Americans—and to the schools that successfully educated them.

Keep up the good work.

□ 1830

THE FLAG PROTECTION ACT OF 1990

The SPEAKER pro tempore (Mr. HUTTO). Under a previous order of the House, the gentleman from New Hampshire [Mr. DOUGLAS] is recognized for 5 minutes.

Mr. DOUGLAS. Mr. Speaker, I have in my possession the latest attempt by the liberals on the other side of the aisle to cover themselves in protecting the flag while making sure it can still be burned. Tonight we are getting copies of the Flag Protection Act of 1990.

As Yogi Berra would say, this is déjà vu all over again. We went through this last year with the Flag Protection Act of 1989, and it was ruled unconstitutional. Tomorrow we are going to be voting on the constitutional amendment, which is the only way to properly protect the flag.

What this bill that the other side is going to be pushing will do is make it legal to burn the flag unless you can prove that you had the intent to provoke imminent violence. So as long as your intent was not to provoke violence, even if violence occurs, you are home free. You can go to a VFW hall, you can go to a Fourth of July parade, and it is OK to burn the flag unless the Government can prove that you intended to provoke violence.

This act repeats what is already in the Federal law; namely, that you cannot take Federal property or a Federal flag from a Federal building and burn it or destroy it. That is already in the law, and the Supreme Court of the United States reaffirmed that in United States versus Eichman, and I will quote as follows:

> The Seattle appellees were also charged with causing willful injury to federal property in violation of 18 U.S.C. sections 1361 and 1362. This charge remains pending before the District Court, and nothing in today's decision affects the constitutionality of this prosecution.

So part of their bill is a joke because it says what the Federal law already provides, namely, that you cannot take Federal flags from a Federal building and destroy, burn, or damage them. Their bill is transparent in its attempt. It permits flag burning because it makes it appear you are going to get a $250,000 fine if you involve yourself in the latest Flag Protection Act. That is ridiculous.

The judge in the case of the United States versus William Carey, which is a case that upheld a situation in which there was violence involved in a flag-burning incident, fined a guy $25.

This is just posturing. To say that some kid who burns the flag is going to get a quarter-million-dollar fine, as if he could pay it, is more posturing, because they do not want to do the right thing; they do not want to restore the Bill of Rights to its proper channel where it has been for 199 years where you have freedom of speech, you have freedom to protest, but you cannot just burn the flag.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. DOUGLAS. I am glad to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I was fascinated by this when I got hold of a copy of this document, because it is clear that they have changed the language substantially from anything we have had in the bill thus far. It looks to me as though if you had a red and white striped cake, you would not be able to cut it under this bill.

Mr. DOUGLAS. Well, apparently that is so, because it says, "A flag or

any part thereof." So if you had a cake with nothing but stripes on it that are red and white, the gentleman is correct.

Mr. WALKER. It seems to me, from the language, that it could be a cake.

Mr. DOUGLAS. It could be a cake. The problem is—and I think the gentleman knows this—that this bill has never had a hearing. We have never had testimony on this bill. One of the reasons we make stupid mistakes in this building is that we run around at the last minute and try to block a kick by cooking up a statute that the Judiciary Committee never saw, never heard of, and never had any testimony on, but somebody says, "Oh, I want to be able to say I voted for something while I vote against properly protecting the flag."

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. DOUGLAS. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I think the gentleman makes an excellent point, because if this had been subject to hearings, at the very least the language on the definition would have been cleaned up. Someone would have seen to that immediately and would have cleaned it up immediately, and we would have had the kind of bill on the floor that at least was clean and did not have just absolutely stupid flaws in it.

So I would have to agree with the gentleman. In that instance, it makes absolutely no sense in terms of what they have come up with and in terms of the language.

Mr. DOUGLAS. Mr. Speaker, I certainly hope the Cooper-Wyden Flag Burner Protection Act, which is really what it is, gets voted down tomorrow because this is a very, very fragile fig leaf. It is a figment of someone's imagination. It is also a typical attempt at avoiding the core issue, and I certainly hope everybody takes a good look at this latest two-page attempt at hiding from the real situation, which is if you want to protect against flag burning, you should vote for the constitutional amendment.

AN EXPLANATION OF THE FLAG PROTECTION ACT OF 1990

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. COOPER] is recognized for 5 minutes.

Mr. COOPER. Mr. Speaker, I think that my friend, the gentleman from New Hampshire, is certainly a better lawyer and a better jurist than his remarks on the floor tonight would indicate. The gentleman well knows that in his proposal to pass a constitutional amendment, it will take time, considerable time, for 38 States to ratify that amendment. The estimate is between 2 and 3 years. That will leave the flag of the United States completely unprotected for a 2- to 3-year period under his proposal.

Our proposal, H.R. 5091, is the only bill, as I understand it, that has been introduced in this House on either side of the aisle, to protect the flag in that interim period. I think most Members of this body feel very strongly about the flag. We believe in the flag, we revere the flag, and we want to see it protected against protestors.

Many of us do have legitimate differences over whether we should be tampering with the Bill of Rights in our attempt to protect the flag. I feel the recent Supreme Court decision in the United States versus Eichman practically invites this body to draft another statute. If you look at footnote 5 of that decision, you will see, for example that they almost urge the Congress to protect at least flags owned by the United States, flags such as those that fly over post offices or over this very Capitol building.

Mr. DOUGLAS. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I did not ask the gentleman to yield to me, and I only have 5 minutes at my disposal.

Mr. Speaker, I would like to urge Members of goodwill on both sides to support this bill. I should tell the gentleman that our proposal got a very favorable response from his side of the aisle in the Rules Committee today. I also have several Republican cosponsors of my measure. I would ask that Members of goodwill on both sides of this issue, this important constitutional issue, realize that whether or not they are for or against the constitutional amendment, they need to be doing something to protect the flag in 1990, 1991, and in 1992, because the gentleman's proposal, as fine as it is, does nothing to protect the flag until about 1993 or 1994. That may be soon enough for the gentleman, but I feel it is not soon enough for most of the Members of this body.

Our proposal uses a completely different constitutional approach than that tried in the previous flag protection law. That approach has been ruled unconstitutional by a narrow 5 to 4 majority of the Supreme Court. We need one more vote on the Supreme Court in order to have a statute upheld as unconstitutional.

We feel that our statute, which is, by the way, strongly endorsed by the solicitor general of the Reagan administration, Charles Freid, and by Bruce Fine, a legal scholar with the Heritage Foundation and formally with the Reagan administration, as well as other legal scholars. Our approach uses the Brandenburg or the Ohio approach against incitement to violence. It also uses an approach based on property rights, as suggested by the Supreme Court in United States versus Eichman.

We feel that this approach will gain at least that additional fifth vote on the Supreme Court that we were lacking in the last decision. As I say, I feel that Members of goodwill on both sides of this aisle may want to engage in heated debates on the pros and cons of the constitutional amendment, but surely we can all agree that we want to protect our flag this year and next year and next year. The gentleman's proposal, as fine as it is, does nothing to protect the great flag of the United States until about 1993 or 1994, whenever 38 States of our country ratify his amendment.

So I would urge Members on both side of the this House, on both sides of this issue, to take a close look at this proposal. It was introduced today. It is H.R. 5091. I am the lead sponsor, along with my colleague, the gentleman from Oregon [Mr. WYDEN] and the gentleman from Virginia [Mr. BOUCHER]. We have tried to craft a very careful and constitutional statute to protect the flag of the United States.

THE FLAG PROTECTION ACT OF 1990

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. WYDEN] is recognized for 5 minutes.

Mr. WYDEN. Mr. Speaker, I think the gentleman from Tennessee [Mr. COOPER] has summed up the flag protection statute very well. I think that all of us in this body feel very well. I think that all of us in this body feel very, very strongly about registering our disapproval of those who desecrate the flag, but it is important that we do it in a way that does not throw the Bill of Rights into the trashcan. I believe that Justice Brennan summed it up very well in his opinion when he said that the first amendment was the bedrock constitutional right. And what is so stongly evident, as I have been listening to our friends on the other side is that Bruce Fine, perhaps the premier constitutional scholar in this country, has sent us a letter saying that our legislation "is constitutionally irreproachable and splendidly tailored."

We have worked hard to try to find scholars with a conservative persuasion and we have worked hard to try to find scholars with a liberal persuasion, and what I would like to do in the brief time I am allowed to speak is to focus on this issue.

Mr. DOUGLAS. Mr. Speaker, will the gentleman yield?

Mr. WYDEN. I cannot yield. I only have 5 minutes.

Mr. DOUGLAS. I would be glad to agree to an additional 5 minutes for the gentleman, by unanimous consent, if he would yield.

The SPEAKER pro tempore. The gentleman chooses not to yield.

Mr. WYDEN. Mr. Speaker, I would just like to focus in the brief time I am allowed to speak on this provision with respect to imminent violence, because that is the heart of our legislation, and the provision that really allows us to go after the conduct that is so offensive to millions of Americans.

Under our proposal, if someone burns the flag in their living room by themselves, we are not going to approve it, but that is their private business, and it would not be proscribed conduct under our legislation. But if they burn it next to a Veterans Day parade or next to a picnic, the evidence clearly indicates that is designed to spark a confrontation. The purpose of it is to cause conflict, and I would just say to my colleagues that we should recognize what the flag-burning people have been up to over the last few months. They are not interested in private torchings of our flag in their homes; they get no visability, they get no attention for their cause. What they are interested in is provoking conflict and provoking confrontation.

□ 1845

Mr. Speaker, I believe that the heart of our flag protection statute, the part that I focused on, as those of us who coauthored this legislation came together, is that provision, because I believe that over the last few months the pattern of activity by flag burners has been solely designed to get on the news, be part of the media, generate confrontation, and generate conflict.

Some have said that the Supreme Court has indicated that no flag burning statute would be held constitutional. I think it is quite clear that they have left a small window in which a properly drawn narrow statute could find a constitutional space. Scholars of a conservative persuasion, of a liberal persuasion believe that our proposal has found just such a space.

I believe that if a Member tomorrow wants to vote for quick and strong protection for our flag, wants to vote for a proposal that allows us to protect the flag that we revere without jeopardizing the underyling values of the Constitution, our proposal gives the Member just that opportunity.

We have to remember that when the flag burners go forward with their activities, they are not just putting a match to a piece of cloth. In effect, they are going after ideas that they do not happen to agree with, that our flag does embody. So their activity is speech, and speech is protected under the first amendment, but certainly under a statute, a properly drawn statute, we can get the vast bulk of activity that we have seen by the flag burners of the last few months designed to provoke violence, and I hope our colleagues will support the statute tomorrow.

INTRODUCTION OF LEGISLATION TO ESTABLISH A FINANCIAL SERVICES CRIME DIVISION IN THE DEPARTMENT OF JUSTICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. KLECZKA] is recognized for 5 minutes.

Mr. KLECZKA. Mr. Speaker, I today introduced, along with 15 Members of this House, a bill to establish a special division within the Department of Justice to seek out, investigate, and prosecute those who flouted the laws in the savings and loan industry.

After a multibillion commitment of Federal funds following the FSLIC collapse, taxpayers rightfully expect a vigorous, coordinated effort to bring to justice those who broke the law and helped make necessary the biggest bailout in our history.

It now appears that taxpayers have even greater cause for concern. In testimony before the House Banking Committee last week, Treasury Secretary Brady said that the $50 billion the administration requested for the FSLIC bailout last year will not be enough. The administration now says the cost will be closer to $130 billion, possibly higher. When financing costs are included, the bailout may cost $325 to $500 billion.

The focus of the administration's efforts on this matter thus far has been "spend additional funds." As the administration prepares to ask Congress for still more money, it should heed to the message I have been hearing from my constituents: "Lock them up."

The record thus far is not encouraging. As most of my colleagues are aware, a startling number of Federal financial institution fraud and embezzlement cases appear to be gathering dust.

A recent study by the Government Operations Committee found that FBI divisions and U.S. attorney offices engaged in financial institution fraud and embezzlement cases are clearly understaffed. Those entities, in 1989, requested 224 more FBI agent positions, 113 more assistant U.S. attorney positions, and 142 more support staff positions than were eventually allocated.

The basis for these requests was especially disturbing. The Government Operations Committee found 2,237 inactive or unaddressed fraud and embezzlement cases, including 1,300 major cases. In his Banking Committee testimony last week, Secretary Brady indicated there are now more than 17,000 financial institution fraud and embezzlement cases pending.

The legislation I introduce today, sponsored by Senator BOB GRAHAM, of Florida, in the other body, would establish within the Justice Department a unit which makes maximum use of existing investigative and prosecutorial expertise in the financial institution area.

As Banking Committee hearings on the Lincoln, Silverado, and Centrust savings and loans have shown, the financial dealings of the highfliers were especially complex. Bringing to justice those involved will require a well-trained, specialized group of employees who are part of a high-priority, coordinated Federal effort.

That is the purpose of this bill. It establishes a Financial Services Crime Division in the Department of Justice. Headed by an Assistant Attorney General, this office would spearhead and coordinate all Federal financial institution investigations and prosecutions.

The bill authorizes the establishment of necessary field offices, which shall be known as Financial Services Crime Strike Forces, and requires coordination of such activities with the FBI, the Resolution Trust Corporation, the FDIC, Office of Thrift Supervision, the Comptroller of the Currency, the Federal Reserve, and the Securities and Exchange Commission.

The Division is required to make twice yearly reports to the Congress on institutions in which fraud or insider abuse has been detected, on Federal enforcement actions, on claims for monetary damages sought, and settlements obtained, and on any indictments, guilty pleas, or verdicts obtained. Finally, the Divisions must report on the resources used in pursuit of such actions.

The reporting provisions in this legislation are especially important. As things now stand, criminal referrals to the FBI and the U.S. attorney can fall through the cracks all too easily. Enactment of this legislation will send a signal that the American people want action on financial fraud prosecutions, and that the Congress is watching.

I urge my colleagues to join me as a cosponsor of this measure.

At this point, I ask unanimous consent to include in the RECORD the text of the legislation.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT OF FINANCIAL SERVICES CRIME DIVISION.

There is established within the Department of Justice, the Financial Services Crime Division.

SEC. 2. ASSISTANT ATTORNEY GENERAL FOR FINANCIAL SERVICES CRIME.

(a) ASSISTANT ATTORNEY GENERAL.—There shall be at the head of the Financial Services Crime Division established by this Act, an Assistant Attorney General of the Department of Justice for the Financial Services Crime Division, who shall—

(1) be appointed by the President, by and with the advise and consent of the Senate;

(2) report directly to the Attorney General of the United States; and

(3) be responsible for ensuring that—

(A) all investigations and prosecutions are coordinated within the Department of Justice to provide the greatest use of civil proceedings and forfeitures to attack the financial resources of those who have committed fraud or engaged in other criminal activity in or against the financial services industry; and

(B) all investigations and prosecutions are coordinated within the Department of Justice to ensure that adequate resources are made available in connection with criminal investigations and prosecution of fraud and other criminal activity in the financial services industry.

(b) COMPENSATION.—(1) Section 5315 of title 5, United States Code, is amended by striking "Assistant Attorneys General (10)." and inserting "Assistant Attorneys General (11).".

(2) The Assistant Attorney General of the Financial Services Crime Division shall be paid at the basic pay payable for level IV of the Executive Schedule.

SEC. 3. DEPUTY ASSISTANT ATTORNEY GENERAL.

(a) ESTABLISHMENT.—There is established the position of Deputy Assistant Attorney General of the Financial Services Crime Division, who shall report directly and be responsible to the Assistant Attorney General of the Financial Services Crime Division.

(b) COMPENSATION.—The Deputy Assistant Attorney General of the Financial Services Crime Division shall be paid at the rate of basic pay payable for level V of the Executive Schedule.

SEC. 4. ADMINISTRATIVE OFFICE OF THE DIVISION: PERSONNEL.

There shall be established within the Financial Services Crime Division such sections, offices, and personnel as the Attorney General shall deem appropriate to maintain or increase the level of enforcement activities in the area of fraud and other criminal activity in and against the financial services industry.

SEC. 5. COORDINATION AND ENHANCEMENT OF FIELD ACTIVITIES.

(a) STRIKE FORCES.—The Attorney General shall establish such number of field offices as shall be necessary to carry out the purposes of this Act. All such field offices of the Division shall be known as the Financial Services Crime Strike Forces.

(b) COORDINATION WITH AGENCIES.—In investigating and prosecuting crime in the financial services industry, the Division shall coordinate its activities with appropriate officials of the Federal Bureau of Investigation, the Resolution Trust Corporation, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, the Office of Comptroller of the Currency, the Federal Reserve Board, and the Securities Exchange Commission.

SEC. 6. REPORTS.

(a) IN GENERAL.—(1) The Division shall compile and collect data concerning—

(A) the nature and quantity of investigations, prosecutions, and enforcement proceedings in progress;

(B) the nature and quantity of such matters closed, settled, or litigated to conclusion; and

(C) the outcomes achieved, including fines and penalties levied, prison sentences imposed, and damages recovered.

(2) The Division shall make the raw data collected available to any committee of Congress or congressional agency.

(3) The Division shall analyze and report to the Senate Banking, Housing, and Urban Affairs Committee and the House Banking, Finance and Urban Affairs Committee semiannually on the data described in paragraph (1), and its own coordination activities with the agencies identified in section 5(b).

(b) SPECIFICS OF REPORT.—The report required by this section shall identify, with respect to the activities of the Division and its sections and offices—

(1) the institutions in whcih evidence of significant fraud or insider abuse has been detected;

(2) the Federal administrative enforcement actions brought against parties;

(3) the claims for monetary damages or other relief sought, and any settlements or judgments against parties;

(4) indictments, guilty pleas, or verdicts obtained against parties; and

(5) the resources allocated in pursuit of such claims, actions, settl ements, indictments, or verdicts.

SEC. 7 APPROPRIATIONS.

There is hereby authorized to be appropriated such sums as shall be necessary to carry out the purposes of this Act.

TRIBUTE TO GEORGE B. HARTZOG, JR.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. UDALL] is recognizd for 5 minutes.

Mr. UDALL. Mr. Speaker, yesterday, George B. Hartzog, Jr., received the Henry M. Jackson Award for Distinguished Public Service.

George Hartzog, formerly the Director of the National Park Service, was a career public servant who provided excellent leadership for one of the Nation's most popular agencies—the National Park Service.

It has been my pleasure to have worked with him over the years and I join his family, his colleagues, and his friends in extending my sincere congratulations.

Mr. Speaker, in accepting this award, George Hartzog acknowledged that he was receiving it on behalf of his family and in the name of his colaborers in the National Park Service. Because his remarks were so appropriate, I commend them to my collegues.

REMARKS OF GEORGE B. HARTZOG, JR., IN ACCEPTING THE HENRY M. JACKSON AWARD FOR DISTINGUISHED PUBLIC SERVICE

I am the luckiest, most grateful man alive.

Forty-three years ago this month I was fortunate to marry the prettiest girl in Massachusetts. Many times I have acknowledged that was the smartest thing I ever did. One of my former NPS colleagues volunteered "it was the only smart thing I ever did." I won't argue with that. We have been blessed with three magnificent children: two are Methodist preachers and the other is in the public service of the Congress.

Politics, the medium in which the people transact their common business, is honorable and indispensible to the survival of democratic government. The practitioners are the elected and appointed political leadership of the Republic and the career service. All of them—politicians and bureaucrats—are public servants. They interface on the "fire line" where political policy meets program execution. Each is essential to the success of the other; it is a disaster to the public interest when either believes otherwise.

In the name of the people, they minister to the suffering, defend our freedom, rescue the environment, protect the public health, explore the universe, maintain public order and perform myriads of other tasks essential to our well-being as a society.

Forty-four years ago I became an employee of the Department of the Interior. There I spent twenty-seven of the happiest, most fulfilling and hardest working years of my life. It was there that my bride, our children and I were privileged to live and work among the most talented, creative and dedicated people I have ever known. It was there that I had "the best job in the world"—Director of the NPS. With happy hearts all of us toiled to fulfill the role of government as defined by President Lincoln—doing for the people that which they cannot do for themselves. We tried not only to manage parks better but also to keep them continuously relevant to the changing needs of society. That, to me, is the essence of public service. And, I would gladly do it all again.

I have never known a greater Exemplar of public service than the man whose memory we honor today. Scoop Jackson's dedicated life in service to others inspired people around the world. He was a towering rock of integrity; a courageous visionary who could challenge you to walk with him along unchartered paths in search of the public interest; and, a companion in whom the wellsprings of friendship and good fellowship never ran dry.

Early in my childhood I read a statement hanging on the walls of a country doctor's office, saying

"It is well to have money and the things that money can buy, but

"It is well to check up once in a while to see whether you have lost the things that money can't buy."

To young people in search of a career, I recommend the public service. I promise you a lifetime of challenging labor and the assurance that, in the end, you can say with pride and satisfaction—I have the things of life that money can't buy.

This is the happiest day of my life. With humility, I accept this award on behalf of my family and in the name of my co-laborers in the National Park Service. Thank you very much.

STOP FLAG BURNING WITH THE CONSTITUTIONAL AMENDMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, I thank my colleagues for giving me this opportunity, and I will try not to take the 5 minutes.

Mr. Speaker, I have great respect for the gentleman from Oregon who just talked and the gentleman from Tennessee, but I am concerned about this statute that they have introduced in that I think it does affect our amendment that will be coming up tomorrow under a rule if it is adopted. I think it does weaken the position of the constitutional amendment, and if we really want to stop flag burning, we have got to vote for this constitutional amendment tomorrow. This statute will not do it.

As pointed out by my colleagues on the other side of the aisle, there is a problem with it. I am afraid, as the gentleman from Tennessee [Mr. COOPER] told me, it was drawn up last night, and there are some glaring, not mistakes, but there are things that really need correcting on it, and I am afraid it will cause flag burning. I am worried about it.

I asked the gentleman from Tennessee if he would vote for my amendment I would consider voting for his statute. He said no, he could not do that. I understand his position. But

certainly I am taking a good, hard look at the statute.

I think it is a surprise to me that the Committee on Rules came out and gave the opportunity to, in effect, weaken the amendment vote. At this time I hope that this statute would not be voted upon and that we would have a chance to stop flag burning. The only way to do it is the amendment route.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I am happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, did I understand the gentleman to say that his understanding was that this bill was just written last night?

Mr. MONTGOMERY. The gentleman from Tennessee [Mr. COOPER] is a personal friend of mine. I am not sure; in fun, we were talking about it, and I would rather not make that statement. It was a personal conversation, and I am not even sure I am quoting him right.

Mr. WALKER. I thank the gentleman. We do have information that it was only introduced at 12:30 this afternoon, which was the first time that anybody has seen any language. Most of us did not get ahold of copies of it until about 3 or 4 o'clock this afternoon was the first time that we saw it on our side of the aisle.

I understand that they say that they have the Solicitor General who sent them a letter. The mails must work pretty well for the Solicitor General under the Reagan administration to have gotten a piece of mail in here since 12:30 this afternoon.

But my concern is that when we have shown it to some lawyers, the lawyers have already said that there are some really major flaws in the way that it is drafted and, of course, the procedure under which they are going to bring it to the floor tomorrow will allow no amendments, will allow none of the flaws to be corrected in it. It will allow only 1 hour of debate, so that after 1 hour of debate, the only legislative history that will exist on this bill will be the 1 hour of debate plus the 10 minutes that we have had here on the House floor tonight. That is not a way to legislate, and particularly when what we are doing is taking a serious step that they claim is going to protect the flag.

I mean, that is a terrible way to legislate, and I really do appreciate the gentleman's concerns.

Mr. MONTGOMERY. Reclaiming my time, I thank the gentleman for his comments.

But I really think if some of my colleagues are looking for a way to get around the amendment route that this statute is not the way to go. The only way to stop this flag burning is we have got to vote for the amendment tomorrow. If we do not, as the gentleman from Tennessee [Mr. COOPER] said, we might be delayed for another 3 years, but I think certainly if we defeat the amendment and that we will offer a vote for the statute, we will delay it longer than 3 years.

POINT OF PERSONAL PRIVILEGE

Mr. WILLIAMS. Mr. Speaker, I rise to a question of personal privilege based upon a full-page ad which appeared in today's Washington Post.

The SPEAKER pro tempore (Mr. HUTTO). The Chair is aware of the newspaper advertisement.

The Chair recognizes the gentleman from Montana [Mr. WILLIAMS] for 1 hour.

Mr. WILLIAMS. Mr. Speaker, I thank the Chair.

My colleagues, this full-page newspaper ad ran this morning in the Washington Post, paid for by a group called the Christian Coalition and signed by the president of the Christian Coalition, Rev. Pat Robertson. He addressed it to the Congress of the United States.

Let me read part of it:

Ladies and Gentlemen: You are being asked to appropriate funds taken from the American taxpayers in order to continue the National Endowment For the Arts.

In recent years the NEA has used funds provided by you to pay for exhibitions of paintings and photographs.

And then in this ad, Reverend Robertson goes on to describe some of the paintings and photographs that he believes were funded by the National Endowment for the Arts.

He then continues:

You could choose to fund the NEA while refusing public funding for obscenity and attacks on religion. But the radical left wants you to give legitimacy to pornography and homosexuality. So you are beig asked to vote like sheep for $175,000,000 with no strings attached.

Of course, when you vote, you may not have any risk.

We may not be able to give out 100,000 copies of the Mapplethorpe and Serrano "art" to registered voters in your district.

There may be more homosexuals and pedophiles in your district than there are roman Catholics and Baptists. You may find that the working folks in your district want you to use their money to teach their sons how to sodomize one another.

You may find that the Roman Catholics in your district want their money spent on pictures of the pope soaked in urine but maybe not.

There is one way to find out.

Vote for the NEA appropriation just like Pat Williams, John Frohnmayer, and the gay and lesbian task force want.

And make my day.

Sincerely,

PAT ROBERTSON.

Let me first describe the situation with regard to whether or not the National Endowment for the Arts in fact funded what Pat Robertson accuses John Frohnmayer and myself, PAT WILLIAMS, and others of apparently being for.

Did the National Endowment for the Arts fund the artist who showed two naked men engaged in a certain sex act? No. The National Endowment for the Arts gave money to the University Galleries at Illinois State University, and they decided to support an exhibition which had, as part of it, that display.

Did the National Endowment for the Arts fund an artist to take a photograph of little children in the nude? Mapplethorpe? No. Mapplethorpe received no funding from the NEA for the controversial works, any of the controversial works in question. Robert Mapplethorpe never received a nickel for that from the NEA. Rather, the Institution of Contemporary Art at the University of Pennsylvania received some funding from the NEA, and they supported an exhibition of 120 photographs by Mr. Mapplethorpe, and among them were some photographs that some find objectionable.

In each instance mentioned in this full-page newspaper ad, the NEA did not fund the art. Rather, they gave an exhibition grant to galleries and museums in the United States, and peers, local people, decided to show certain exhibitions which contain what are to some offensive works.

The signer of this ad, Rev. Pat Robertson, operates the Christian Broadcasting Network not far from here in Virginia Beach, VA. From that carefully designed stage, television set, Pat Robertson is televised into millions of Americans' homes.

If one visits down there, one, I suppose, expects to find a real church with flesh-and-blood people, a congregation of real people. But you do not find that. Instead, one finds electronic hardware, rows of buttons and switches and controls, no rows of pews; rows of computers, not live people; but people's names on a computer printout.

It suddenly occurs to you that there is no one here. This Reverend Robertson, this Yale lawyer, has no live flock. He has satellites. He has uplink and downlink. He has memory banks. He has an airless control room, but his church, his ministry, is flickering shadows and lines on a TV set, and with this array of modern electronic capability, Pat Robertson tries to mold America to his religious image.

With it, he attempted to become President of the United States. His electronic techniques are new age, but his methods are old. He employs fear, intimidation, manipulation, misunderstanding, hostility, exploitation. Pat Robertson, in the long, shameful tradition of rightwing extremism, uses code words to encourage and inflame

hatreds, words like feminist, lesbian, secular humanists, Communists.

Pat Robertson reaches into the dark side of human responses and plays on our emotions. He attempts through television to inflame the masses just as other rightwingers before him have attempted to do it from their soap box, and with it, he attempted again to become President of the United States.

This full-page newspaper ad looks like other devices that Pat Robertson uses to preach his intimidation and fear. With this ad, he attempts to intimidate the Congress and to put fear in us. By playing on the frustration of the American people, Pat Robertson seeks to create anger and hostility. Pat Robertson is a propagandist. Americans make reluctant propagandists. The Reverend Robertson has no reluctance. He uses the technique of extreme rightwing demagogs of which he is America's finest.

□ 1900

Under the guise of news programming, Pat Robertson spins a web of political terrorism. Pat Robertson, like most demagogs, looks benign enough. He looks like a cherub, wide-eyed, chipmunk cheeks. One media wag said of Pat Robertson, Pat looks like Howdy-Doody grown old, but Pat Robertson is not a sawdust head. Never one to miss a good fundraising opportunity, his televangelist and rejected Presidential candidate last October established a new organization, apparently to save Americans from themselves. He calls it the Christian Coalition. It is the group that paid for this ad, and he says its purpose now, currently, is to fight congressional funding of pornography and blasphemy in order to enable Mr. Robertson to, as he says, lift high once again the banner of freedom.

Citizens who receive his mailings are asked to send him $10 a month, $120 a year, and those who choose to invest their hard-earned $120 get an official membership card, a lapel pin which they "can begin wearing immediately to civic and political meetings as a way of identifying others who are concerned about the moral decadence that has invaded the heart of America." And they get two subscriptions to Mr. Robertson's fanciful newsletters.

Reverend Robertson's goal in this undertaking is to abolish the National Endowment for the Arts, that agency established by this Congress a quarter of a century ago which has brought to the American people not pornography and blasphemy, but arts education programs in schools all across this country, Pulitzer Prize, Emmy and Oscar winning theater, the Vietnam War Memorial, local orchestras and dance companies, American folk art, many of the wonderful things we see on public television, 85,000 funded projects in nearly every city, town, and rural area of our Nation.

Mr. Robertson fails to explain in this ad how abolishing all of this will lift high once again the banner of freedom.

Mr. INHOFE. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. Not just yet.

Mr. INHOFE. May I make a parliamentary inquiry?

The SPEAKER pro tempore (Mr. HUTTO). Will the gentleman from Montana [Mr. WILLIAMS] yield for a parliamentary inquiry?

Mr. WILLIAMS. Is the choice mine as to whether or not to yield for a parliamentary inquiry, Mr. Speaker?

The SPEAKER pro tempore. The gentleman from Wyoming chooses not to yield.

Mr. WILLIAMS. As I was saying, the Reverend Robertson fails to explain to us how abolishing all of these wonderful things done now, and which will be done in the future by the National Endowment for the Arts is going to lift high his banner of freedom, and he does not explain his need for dues either. By the way, Pat Robertson is asking for that $120 a year is asking for 174 times as much money as each American spends individually to fund the National Endowment for the Arts.

He claims to be upset about some of the images which have been introduced or shown by the NEA grant recipients, and I have pointed out how he does not like those images today. But those artists were not funded by the NEA. Local people decided that those exhibitions shall be shown.

And then in what I think is one of the most brazen and intimidating attempts that I have ever seen, he challenges the Members of Congress to either vote against the National Endowment for the Arts or incur his wrath and be portrayed, along with me and others, as pornographers.

Having failed in his bid to become President of the United States, he now moves to control this legislative branch and bend us to his will with a slap in the face to every citizen who loves and believes in our country and our way of life. He implies in his advertisement that Federal funds spent by the NEA are used to teach the sons of working class Americans how to sodomize one another. That is the Reverend Robertson saying that.

How is it that a self-proclaimed national religious leader could be so blatantly misleading? How is it that he could show such little faith in our people and the values that they hold in their hearts, and homes, and inculcate in their children? How can he imply that we are all so weak and so corrupt as a nation that a few pictures will drive our chidlren to unnatural acts? It makes one want to offer a prayer of thanks that his ambitions were thwarted in 1988 by now President George Bush.

I hope every American hears Mr. Robertson's words. He is calling us and he is calling them morally bankrupt. We are ill, he says, and he is a self-designated doctor. Send him money and he will make you well, this demagogue, he will protect you from yourself.

I hope every Member of Congress pays attention to what Pat Robertson is saying. It is scornful, deceitful, and it is a reflection of the level to which the most virulent opponents of the arts endowment have taken this debate.

But as bad as it is, it is probably just the beginning of what Pat Robertson has in mind.

Let me close by assuring my colleagues that whether they agree or disagree with the words that Pat Robertson has printed here, we would all hold that he has the right to do so just as he had the right in 1981 to say about war with the Soviet Union, "I think war with the Soviet Union is inevitable if I read bible prophecy properly." That man would have been President.

Here is what he thinks about the media and the American political process: "Satan is a strong man and Satan has taken charge of the media and much of America and of the political process." He would have been President.

About the public schools Pat Robertson said in 1981: "The public schools are actually agencies for the promotion of another religion which is the humanist religion. The state," he said in 1984, "steadily is attempting to do something that few states other than the Nazis and the Soviets have attempted to do; namely, to take the children away from their parents and to educate them in a philosophy that is amoral, anti-Christian and humanistic, and to show them a collectivist philosophy that will ultimately lead toward Marxism, Socialism and a Communist type of ideology."

About the Supreme Court Pat Robertson has said in 1986, "All that is needed today to change it," referring to the size of the Supreme Court, "is a simple majority of the Congress and a 'sign-into-law' by the President. And we would suddenly have 11 Supreme Court Justices instead of 9, and possibly with a 6-5 majority of people who cared for the original intent of the framers, we could change the whole thing. It's that simple."

And then in the following year, speaking in St. Louis, Pat Robertson asked his audience to pray for the death of members of the Supreme Court.

He has a solution to the national debt, which plagues us all, and here it is, May of 1982 Pat Robertson said, "The debt is what the problem

is * * * and every 50 years, God said 'let's declare a Year of Jubilee, cancel all the debts and get on with it.' "

And then in July of that same year he said about the debt this: "God's way is every 50 years to have a Jubilee and cancel all the debts * * * that is the only way to solve the recession and national debt."

Pat Robertson would tell us what to do, and he would have done it had enough Americans tragically agreed from the White House and the Oval Office.

He says about working mothers in January of 1983, and by the way, 70 percent of America's mothers work now, and the vast majority of them have to, he said this about those good women:

Unless mothers, especially in our society, are willing to give up the so-called immediate quest for self-identity, and are willing to submerge themselves, if you will, into the good of the family unit, and ultimately the good of all society, we are going to find terrible problems * * *.

Finally, when asked why he was running for the Presidency, and if he was going to run for President, Pat Robertson recounted this which happened in 1985:

Last night at about 7 o'clock, the newscaster said we are going to have winds of 100 miles an hour. There is a very good possibility the storm surge, or what have you, might well hit Virginia Beach, we were talking about eight or nine feet of storm surge, we were talking about the possibility maybe of it hitting during high tide.

He was referring to what later became known as Hurricane Gloria.

Continuing with Reverend Robertson's quote:

And we gathered our staff together because it was kind of like desperation. We needed to pray and we did pray; our staff prayed and we began to believe God. At 9 o'clock last night, something unusual happened. The storm in a sense broke off and moved again into the eastern area and went past the Norfolk, VA area which is right in this area. And the center was off. Now, yes, we got a few winds back in here at 50 to 60 miles an hour but do you call that a tropical storm. It wasn't anything serious and it was a miracle.

He was later asked, Reverend Robertson, how important was that event with regard to Hurricane Gloria in his crystallizing process, and they are referring to him running for President, and Pat Robertson said:

Well, it was extremely important because I felt, interestingly enough, that if I couldn't move a hurricane, I could hardly move a nation. I know that's a strange thing for anybody to say and there's hardly anybody else who would feel the same way but it was very important to the faith of many people. We had at least a million people praying about it. We had our entire staff at CBN praying about it.

Then the questioner said if the hurricane had "come ashore, would you have seen that as a signal from the Lord not to 'go for it' "? Reverend Robertson said, "Absolutely, I would have done a Sherman," meaning he would not have run or accepted had he been elected.

Pat Robertson ran for President because he believes he diverted Hurricane Gloria. That is the same Pat Robertson telling you how to vote, folks

Look, Jim Bakker has been unmasked, Jimmy Swaggart has been unmasked. They were the same type. Do not let those people's policies run this country. Do not let full-page ads in this newspaper of the Washington Post or in your own hometown newspaper scare you off. Do not cower in front of these people.

Do you remember as a kid or even as an adult as you walked down a street and an angry dog comes out of the yard, you cannot out-run them. If you go into full flight that dog will catch you and it will bite you. If you stand and turn and say no, and walk quietly away, that dog may follow you a while, you may hear some low growls from him, but that dog will expect that you are tougher than it is, that you know something it does not know.

□ 1950

Do not run from the likes of Pat Robertson, because you cannot outrun him. But you can outthink him, you can be more patient than he is.

You can be tougher.

So in our love for freedom, let us ignore these demogag among us.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 4496

Mr. SCHUETTE. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 4496.

The SPEAKER pro tempore (Mr. HUTTO). Is there objection to the request of the gentleman from Michigan?

There was no objection.

ALL-NIGHT CRIMEWATCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. COUGHLIN] is recognized for 60 minutes.

GENERAL LEAVE

Mr. COUGHLIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the substance of my special order tonight.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. COUGHLIN. Mr. Speaker, the purpose of this special order is to provide an all-night watch to dramatize the importance of crime and drugs. We will discuss legislative proposals related to these issues and we will report on crimes which have happened this evening.

I want to begin my remarks this evening by paraphrasing the great Roman statesman Cicero. In his great work, "The Republic," Cicero likened Rome to a majestic painting, handed down from generation to generation. Cicero warned that the colors on that painting, if they were not refreshed, would fade with each successive generation. These national colors could be refreshed, he said, when legislators of each generation passed wise laws. If the legislators failed to act, civil society would deteriorate into disrepair.

Mr. Speaker, the colors on our national painting are beginning to fade—violent crime and drugs continue to ravage our communities—and we in the Congress have not fulfilled our obligation to act.

President Bush has indeed asked Congress to enact legislation to deal with these important issues. Today, we mark the 1-year anniversary of the transmittal of President Bush's violent crime legislation. Despite specific public requests for action by the President, that legislation has not yet left the Judiciary Committee. The President has also transmitted two pieces of legislation related to the National Drug Control Strategy. Of the five drug provisions transmitted last September, only two have become law. Action is also needed on a major anti-drug legislation transmitted by the President this May.

As House Republicans, we also have responded to the President's concerns. Last Thursday, we introduced the "Violent Crime and Drug Control Act of 1990." It incorporates all of the Presidential legislation that I have mentioned, plus several major initiatives added by House Republicans. This legislation, incorporating the tough spirit of the Republican strategy on crime and drugs, will be the topic of our discussions tonight.

Republican Members intend to stay here throughout the night. We are going to talk about our ideas and our plans. At the top of each hour we plan to report the instances of crimes which have happened this very night in our districts and throughout the country.

We have heard loud and clear from our constituents—they are sick and tired of crime and drugs in their neighborhoods. They are acting themselves—chasing drug dealers from their neighborhoods, watching out for each others children, working with the police. Now, they expect action from the public officials in Washington.

It is imperative that the Congress catch up with the people on this issue. It is imperative that we catch up with the President. We need to act quickly on crime and drug legislation.

I would like now to yield to some of my colleagues, who will talk about the Republican approach to crime and drugs.

Let me then yield first to the distinguished former ranking Member, the vice chairman of the Select Committee on Narcotics Abuse and Control, the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I commend the gentleman from Pennsylvania [Mr. COUGHLIN] for arranging the time for this special order on drugs and crime. I am pleased to participate in today's special order on drugs and crime, and to lend my voice to the growing number of Americans who are appalled with the extensiveness of drugs and crime throughout the Nation. I am deeply concerned and my constituents are irate with regard to rising crime rates, climbing drug addiction rates, and the associated trends of violence which have impinged upon the personal liberties of all law abiding citizens.

Our Founding Fathers, in declaring the formation of our Nation, proclaimed

> We hold these truths to be self-evident, that all men are created equal, that they are endowed by their creator with certain inalienable rights, that among these are life, liberty and the pursuit of happiness—that to secure these rights, governments are instituted among men * * *

Mr. Speaker, crime and drugs have reached such epidemic proportions in our society, in our inner cities and our rural areas alike, that our Nation cannot even guarantee those most basic principles on which it was founded, "the assurance of those inalienable rights of: life, liberty and the pursuit of happiness."

Our citizens are living in fear. They fear even walking down the street and they are worried about our children becoming enslaved by drugs. More than half of all seniors in high school (54 percent) report using illicit drugs. And that is 54 percent of the children who stay in school, and does not even take into account the high abuse rate, among school dropouts.

As cochairman of the International Task Force on Narcotics, I have had the hapless opportunity to observe the narcotics problems in other nations. I regret to report that the grass is not any greener elsewhere.

In response to the worldwide cocaine epidemic, in April of this year, Prime Minister Margaret Thatcher called for a "world ministerial drug summit", during which Mrs. Thatcher asserted that "the days when you could draw a useful distinction between producer and consumer countries is over. Now there is scarcely a country in Europe, Asia or Africa that does not experience some demand for drugs * * * we should not underestimate the scale of the problem. In some parts of the world drugs have become a fundamental part of the economy. There are groups, not just the drug barons, but farmers and middle men who do not want us to succeed. They are determined to go on pouring drugs on to the world market."

Unfortunately, Mrs. Thatcher's remarks are frighteningly accurate. The longer we delay before coming up with a serious strong anticrime, antidrug measure, the more entrenched the drug lords, and farmers and dealers become. Colombia, a nation embroiled in a drug war and virtually held hostage by the ruthless drug traffickers is a glaring example of the results of the lack of timely, effective action against the drug criminals. An international effort is a necessity, but how can the United States advocate strong international cooperation, when we ourselves have been so soft on crime, soft on drugs.

In the same appearance at the World Ministerial Drugs Summit Mrs. Thatcher stated, "we have all read and been dismayed by cocaine's devastating effect on a generation of Americans."

The United States is recognized as a leading superpower. Our Nation's efforts to combat illicit narcotics should be the quintessential model for the world. Unfortunately we have had years of experience with the drug problem, we have a relatively tight border control, and a strong law enforcement sector, why then, is the U.S. held up as the paragon of a drug infused Nation and not as a victorious drug-combatant.

Over the past year we have started to provide significant resources to our war against drugs—over $10 billion—enabling us to more effectively conduct a five battlefront war on narcotics traffickers and abusers, by way of eradication in the drug producing areas; by way of interdiction in the arteries of distribution; by way of beefing up local law enforcement; by way of educating our young people of the dangers of drug use; and by way of treating and rehabilitating the victims of drug abuse. But much more still remains to be done, and what we are doing must be more effectively implemented.

How long will it take before we in the Congress will fulfill its responsibility to guarantee life and liberty and get tough on crime, get tough on drug traffickers and drug users?

The time to get tough on our Nation's drug problem is long overdue. What we need now—this year—is to enact a comprehensive anti-crime, anti-drug act, H.R. 5055, the House Republican crime/drug bill.

H.R. 5055 provides:

A statewide treatment plan

User accountability

Drug paraphernalia restrictions

Greater interdiction authority

Funding drug war by way of drug war bonds

Increased penalties for firearm offenses

Death penalty for violent crimes and drug trafficking offenses.

Criminal justice reform

Enhanced penalties for narcotics related corruption.

Equitable transfer of seized assets.

And drug testing programs

It's just the kind of medicine we need to cure our Nation's ills.

I thank the gentleman for yielding.

Mr. COUGHLIN. Mr. Speaker, I thank my colleague from New York. He has devoted a great part of his life to combatting crime and drugs. He has been certainly an international leader in the fight against drugs. We welcome his statement.

Let me then yield to my friend and classmate, the very distinguished vice chairman of the full Committee on the Judiciary of the House of Representatives, the gentleman from New York [Mr. FISH].

Mr. FISH. First I want to commend the gentleman from Pennsylvania [Mr. COUGHLIN], for giving us all the opportunity to talk to the American people about this enormously important subject.

Mr. Speaker, as the ranking Republican on the House Judiciary Committee, I rise in strong support of legislation that would implement the Bush administration's National Drug Control Strategy and at the same time would address the serious problem of violent crime in our society.

I was proud to cosponsor this bill, the Violent Crime and Drug Control Act of 1990 (H.R. 5055). The legislation will make drug rehabilitation programs more effective. In addition, it deals with user accountability, drug interdiction and international narcotics control. It proposes a number of improvements in our criminal justice system, including habeas corpus reform, reform of the exclusionary rule, strengthening laws dealing with public corruption and the protection of witnesses, jurors, and court officers.

The bill requires the States to develop Statewide Treatment Plans, including testing as an element of treatment. Further, the States are prohibited from diverting block grant moneys for nontreatment programs. Expanded drug testing programs would be established within both the Federal and State criminal justice systems. For those found guilty of drug trafficking or drug possession, the bill calls for the loss of Federal benefits.

H.R. 5055 also increases penalties for firearms violations. It expedites the procedures for the deportation of criminal aliens. Importantly, this legislation provides civil penalties and asset forefeiture for violators of drug paraphernalia laws.

Finally, the legislation contains the very innovative proposal of my good friend and colleague of California [Mr. LEWIS] with respect to Drug War Bonds and key debt collection legislation is also included in this proposal.

Mr. Speaker, plain and simple, it's time for Congress to deal with violent crime and drugs. They are priority issues for our constituents—the American public.

Statistics document that violent crimes—murder, robbery, forcible rape and aggravated assault—continue to increase at a rate of 5 percent a year. Crime is up in urban areas, suburban areas and rural areas.

The drug crisis is similarly documented with ominous statistics. The number of adult arrests for drug possession have increased by over 100 percent in the last 10 years. Lastly, arrests for the sale and manufacture of drugs have increased nearly 200 percent in that same 10-year period.

I don't have to convince anyone that there is a close correlation between increased drug use and serious, violent crime in our society. Congress has moved ahead in the past when there is a national consensus. There is a genuine national consensus here and enactment of the Violent Crime and Drug Control bill is the appropriate response.

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Mr. COUGHLIN. Mr. Speaker, I thank the distinguished vice chairman of the full Judiciary Committee.

So much of a part of this package is indeed in the committee of which the gentleman is the ranking member. We hope that we will be able to move it, and we are grateful for the gentleman's efforts and his cosponsorship and the work he has done over the many years we have served together in the Congress. At one time I sat right behind the gentleman in the Judiciary Committee, and I have always admired his work. I thank the gentleman for his contribution tonight.

Mr. FISH. Mr. Speaker, I thank the gentleman from Pennsylvania [Mr. COUGHLIN].

Mr. COUGHLIN. Mr. Speaker, let me yield now to the distinguished vice chairman of the Subcommittee on Crime of the Judiciary Committee, and a member of our Republican leadership, one of the members who crafted the crime package and crafted the previous drug bills that have been passed by this House, my distinguished friend, the gentleman from Florida [Mr. MCCOLLUM].

Mr. MCCOLLUM. Mr. Speaker, I thank the gentleman very much for yielding to me. The gentleman is certainly doing a wonderful job of leading the charge this year for this crime legislation that we need. It has been long overdue.

I thought for a moment that in the time the gentleman was yielding to me I would put some things in a little historical perspective. Next week it appears that my Crime Subcommittee will begin the process, and perhaps even complete it in the subcommittee, of marking up the crime legislation that this House will consider, at least the bulk of it, the part that comes through the Judiciary Committee.

I think that it is a tribute to my subcommittee chairman, the gentleman from New Jersey [Mr. HUGHES], that he has always been open-minded about these matters and has pressed forward with the legislation and the legislative product when he has been given the opportunity. That has not always been the case with respect to some of the leadership of his party, and it has taken a lot of effort on the part of Republicans over the years to bring many of these issues to the point where they are ripe, to the point where we could get them passed, even though that needed to be done a long time ago.

I would like for a moment to describe how I see and how I think most Americans see the inextricable interwinding of the question of violent crime and drugs and then look back for a moment as we build up to the legislation we have introduced and to the markups that are coming in order to understand what our legislation and the Republican proposals are going to mean in the context of all that.

In my home State of Florida last year, in 1989, there were 88,869 arrests for drug offenses. There were 145,473 violent crimes committed, and that includes murders, forceable sex offenses, robbery, and aggravated assault. Of these, 1,405 were murders, and there was $1,211,339,210 in total value in stolen property, in crimes that we have documented in the State of Florida in the year 1989. Virtually a very high precentage—I started to say, virtually all, but we do not want to say that willy-nilly—a very high percentage of law enforcement officials tell us that nearly all this criminal activity was drug-related, that the violent crimes, the stolen property was all in connection with getting the opportunity to either make a profit in the drug business or in order to get the drugs themselves for use.

I think it is long past time that we have gotten into the laws once again meaningful deterrence and know what punishment is all about, and into the laws we have, there are some things on the book that deal with use and simple possession of drugs and narcotics to discourage people from actually using them in addition to rehabilitation and reeducation that we have long advocated and all of us have agreed on.

As we look back not too far away, we can see why some of these problems have gotten to the point where they are now, where criminals do not really believe that when they commit these crimes, they are going to be punished, or if they are, they are going to delay the carrying out of their sentences, and somehow they are going to get off the hook or something will happen and it is worth the risk, or whatever. And if we look first of all at the philosophy behind punishment for crime, we see historically there are 3 basic reasons for punishment.

One of them is rehabilitation, and certainly we all want to rehabilitate when we can, although that has become a big debating point, whether we can rehabilitate anybody who is more than a simple first-time juvenile offender. But where we can, we all want to do that.

Number two is retribution, and I will be the first to say that in any modern society and, for that matter, in any society retribution in especially death cases is exceedingly important to take out of the system and to allow families and to allow those involved in society to have a way to take out their grief and their strong feelings, as I think they should, as a part of punishment on those who have committed really heinous crimes.

But the third basic thrust of punishment historically, and the one most of us think of, is deterrence. The problem with laws in the United States over the last 25 to 50 years has been the failure of our system to deter crime. There are those criminologists who say we cannot do it. The thing they are really saying is that statistics show we have not been doing it. It is not that we cannot do it; it is that our laws have not been in the fashion that would allow those who would be criminals and who commit premeditated crimes that are not crimes of passion but crimes where they know in advance what they are doing and they are calculated and they plan to do it for monetary gain or for some personal aggrandizement, we do not have anything on the books that really deters them.

Let us go back to 1972. The Ferman versus Georgia decision in the United States Supreme Court decided that the procedures in virtually all jurisdictions of the United States for capital punishment were unconstitutional. That is the procedures, not the capital punishment itself. Most of the States long ago recognized all they could do was correct a little procedure here and there and the death penalties would once again be constitutionally valid, and we have seen that happen. But for the many crimes on the Federal books, for the death penalty, we to this day still have not put in the procedural corrections necessary to resolve that problem. Republicans have been trying to do that ever since that decision in 1972, almost 20 years ago. This

bill that we are producing on the floor that the Republicans drafted this time is the latest effort, one of the key cornerstones in the legislation that the gentleman from Pennsylvania started to describe, and that we will be talking about tonight. That is the effort to make those laws conform to the constitutional safeguards that say we can have a death penalty for murder of prison guards, for killing certain public officials, and for things that Americans always thought the death penalty should be applied to at the Federal level, all the things we have never been able to do. We have never been able to get that kind of provision out of the House Judiciary Committee over the years and get a vote on the floor of the House. Maybe this year will be different.

We come to 1984 when Republicans were fed up with the procedures that year, because we could not get an omnibus crime reform package through this body. We could not get it out of committee, we could not get it to the floor, we could not get it voted on. The Senate had done its job, but we could not do it. It had been years in the making, specificially trying to get reform in the area of sentencing, to get determinant sentencing, to end the process where you have parole, where people get out of jail, in other words, to have truth in sentencing—a very important part of the reforms necessary to have deterrence in criminal law.

The reforms that were involved in that include asset forfeiture laws, mandatory penalties for using violence in crimes, and several other things. The way that worked in the end was that we did get that passed. We got it passed because one of our Members on the big omnibus reconciliation bill got up on the floor of the House at the 11th hour, just before we went out on recess, and in a motion to recomit with instructions on that bill, we Republicans placed this entire omnibus crime package in the omnibus budget reconciliation bill, and we got a vote on the floor. Of course, our colleagues on both sides voted to pass it. If it had not been for the Republican initiative in preparing this legislation and in taking it to the floor in that way, it would never have happened and we would still be behind the eight ball in all of that.

We come down then through a couple more terms to 1988. After a valiant effort in 1986 that got the money laundering act through that was largely a Republican initiative, we passed a major drug bill in 1988. That drug came about because Republicans in this House spent hours and hours and days and days in back rooms here working on ideas that could be used to deter the use of drugs and to come up with new concepts that would help us winning the war against drug dealers.

We wound up with a magnificent product that then Vice President George Bush, now President Bush, came down here on and went to a private conference with and endorsed with us. That bill in large measure was what was enacted into law as the Anti-Drug Abuse Act of 1988. It did have user accountability provisions in it for the first time. It did have the death penalty for murders in drug-related offenses, and it had an anti-pornography feature to it. Those were the Republican initiatives.

Now we come to this bill at this time, and here we are again leading the charge. There has been no major initiative in the House by Members on the other side of the aisle up to this point. I do not doubt their sincerity, and I think next week my colleagues on both sides of the aisle will begin the process and will indeed shape a good bill, but a lot of that bill—in fact, I would venture to say 90 percent of whatever the product is, that we come out of this body with in a few weeks—will be based upon the initiative that is being discussed tonight that the Republicans put together.

A lot of it is historical. A lot of it goes way back. It is things like the death penalty procedures that need to be corrected and that have not been corrected for years. It is things like the exclusionary rule that would allow evidence more easily to be put into a court trial, the one that our fellow colleague, Dan Lungren, offered in that 1984 amendment that passed, that he tried to get accomplished back then but was thwarted and could not. It was things like restricting the opportunity for constant appeals from convictions that go on forever to keep from the carrying out of the death sentence, and a lot of other sentencings. It was things like that that we Republicans have been trying to do. Maybe finally, because of the crisis and the war on drugs and the violent crime crisis in America, we will get this accomplished to get the tools to our prosecutors and to get the tools to those who need them, to get some common sense back into our criminal laws again. And in addition to that, there were things that were taken out in the conferences in the Senate in our bill the last time, such as user accountability in the drug war. Those will be back on the floor again to make mandatory the loss of benefits to those who use drugs. To make these provisions very tough in this bill, and I think a very important part of it, it says that states will be unable to get grants for justice assistance unless they pass, as our bill proposes, a law in their State that requires the loss of driving privileges, a driver's license, for at least 6 months for the very first offense in a case of simple possession of drugs.

I will not go on further, because many other of our colleagues want a chance to speak on this in our special order time. I do want to say that the gentleman from Pennsylvania (Mr. COUGLIN) is doing a marvelous job in helping to kick off these special orders. I simply want to say that we have been in forefront as Republicans, wanting to put common sense back in our criminal laws and into winning this war on drugs by putting some kind of tough provisions like deterrence into those laws and making it meaningful so that people will not continue to use drugs and will not want to continue to traffic and abuse our children with drugs and commit violent crimes.

Mr. Speaker, I thank the gentleman for yielding.

Mr. COUGHLIN. Mr. Speaker, the gentleman has made a number of very important points. One of the most important points he made is that if we can get this legislation before this House of Representatives, we can bet that Members will vote for it and pass it. The problem has always been that we cannot get a vote. If we can get a vote on this legislation, I feel very confident in my heart that we will be able to pass the legislation. It is supported overwhelmingly by the American people, and it is just a question of getting a vote.

Mr. McCOLLUM. Mr. Speaker, if the gentleman will yield further, that is a very good point, because historically the problem has not been that we did not have a majority of our colleagues on our side. It is that the powers that be in the structure on the other side of the aisle, the other party, the Democrat Party, have not allowed many of these out for a vote on the floor because they knew they would pass. But they disagreed with it. It is that liberal contingent that controls that party that has been a big problem in law enforcement in this Nation for years and years, and hopefully we will overcome it this time.

Mr. COUGHLIN. But a little knot of people should not be able to control what this House does.

Mr. McCOLLUM. The gentelman is absolutely right. His point is well made.

Mr. COUGHLIN. Mr. Speaker, I thank the gentleman for his leadership over the years. It has been absolutely tremendous in this area. He has more expertise than all of us put together in the field of crime. We really appreciate that very, very much.

Mr. Speaker, let me now yield to my colleague, the distinguished gentleman from Virginia [Mr. PARRIS], who also serves as a member of the select committee and who also is the ranking member of the Committee on the District of Columbia. I know that with the problems of drugs in the District of Columbia, that is a very weighty re-

sponsibility, and I commend him for taking on that responsibility.

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Mr. PARRIS. Mr. Speaker, I thank the gentleman very much.

Mr. Speaker, on a marble tablet in this historic Chamber on the wall immediately behind me as I speak, it is written, "Let us develop the resources of our land, call forth its powers, build up its institutions, promote all its great interests and see whether we also in our day and generation may not perform something worthy to be remembered." That was a quote from Daniel Webster.

I believe that what we are about here tonight, and the matter that we are discussing is worthy of remembrance, and I want to thank the gentleman from Pennsylvania, the leader of our committee, for his dedication and his hard work and for his leadership and for permitting me to be a part of this proceeding this evening.

As a Member serving on the House Select Committee on Narcotics Abuse and Control, I am pleased to join my colleagues in tonight's—all-night—special order to call attention to America's violent crime and drug problem, and to commend the administration's efforts as we recognize the 1-year anniversary of the introduction of the President's omnibus crime bill.

We are all too familiar with what seems to be an ever-increasing number of drug related crimes both across our Nation, and more specifically, in the District of Columbia—our Nation's Capital. I have the privilege of serving as the vice chairman of the District of Columbia Committee. And, as the representative for a congressional district in northern Virginia which is geographically separated from Washington, DC, by little more than the width of the Potomac River and the 14th Street Bridge, I am keenly aware of the threat of drug trafficking and the overflow of D.C.'s drug related crimes to the surrounding suburban neighborhoods.

I would like to take the next few minutes to share, both with America's constituents who are watching these proceedings and my colleagues in the House who have been diligently working to combat the drug problem, what I have learned and what I have been working on with regard to this issue.

According to the Department of Justice, from 1980 to 1988, Federal drug convictions jumped by over 160 percent, and the number of drug offenders sentenced to prison rose by nearly 180 percent.

On the surface, while it is somewhat comforting that our efforts to control crime and drug abuse have resulted in the increase of thousands of arrests and convictions; it is, equally disturbing, however, that drug use and drug related violence continues unabated and is eroding the very fabric of America's inner-cities and the family unit.

We have heard much testimony from numerous officials and experts on this issue, and there is an overall consensus, that drug abuse and violent crime revolves around the vicious cycle of economic disparity and the decline of the social structure of America's inner-city poor and underprivileged.

When we consider the issue of inner-city violence, a story comes to mind that I recall reading last year in the New York Post. This story focused on a Bronx youth, a neighborhood crusader in the fight against drugs, who was killed with a meat cleaver when he chased two crack smokers from his apartment house. According to the reports, this young, black, inner-city male was attempting to bar two other men intending to smoke crack cocaine from entering another tenant's apartment.

Because this young crusader, and countless others have paid for their acts of courage with their very lives, I have to ask, what kind of message is this sending to those who would not only "say no to drugs" but who would stand up to drug lords and local thugs attempting to spread this infection to our youth and to society?

Last year, in my district, Alexandria Police Corporal Charles Hill was shot to death during a confrontation in a public housing complex by an escapee from a D.C. Department of Corrections halfway house. In fact, statistics indicate that Alexandria ranked fourth in the Commonwealth of Virginia with a violent crime rate of nearly 727 per 100,000, and Arlington ranked 12th with 489 per 100,000; many of these crimes were drug related and committed by persons under age 25.

In February 1989, an officer of the Prince William County Police told a Washington Post reporter, it was "unnerving" that suspected drug dealers had been staking out the local police station looking for informants, and that several of these drug suspects had been seen jotting down license numbers of dozens of unmarked patrol cars—actions which were later followed up with threats to kill police officers.

It is simply unbelievable that here in our backyards, in the suburbs 30 to 50 miles outside Washington, in neighborhood communities which have been noted for their historic colonial homes and numerous historic battle sites, there is an ominous presence of a growing drug trade. For over 3 years in a row now, Washington, DC, has remained the murder capital of the country, with figures indicating that approximately 44 out of every 1,000 people in the District of Columbia are regular users of cocaine. D.C.'s high school dropout rate is over 44 percent, and the number of infants, women, and children who have fallen subject to drug addiction is rapidly increasing.

How then, when we look at this grave situation and see America's inner-city youth turning to drug trade because they are unable to read and write and compete in an increasingly technologically oriented society, how then, when we see parents who are uninterested and unable to impart the values of hard work, commitment, and dedication to basic family fundamentals, do we stop this snowball and downward spiral?

The President and the Republican Party have launched a campaign to combat violent crime and drug abuse. The President's proposal focuses on a four-part program that would strengthen current laws, enhance enforcement and apprehension of criminals, facilitate prosecutions and expand Federal prison capacity.

In addition, the President's package contains many other important provisions which I support. These include: increasing the effectiveness of rehabilitation programs, increasing the authority for drug interdiction efforts, increasing user accountability, improving criminal justice reforms, and proposing new vehicles to counter money laundering and assist in asset forfeiture.

I was pleased to see that, attached to this proposal is language from legislation, H.R. 3489, which I introduced in October to increase existing penalties against anyone who would use minors in the sale or distribution of drugs. The case of an Arlington man charged with using children as young as 11 years old to sell drugs clearly demonstrates that although the drug problem stems from the inner cities, suburban communities are hardly immune. My legislation, and this bill, would include a separate and sequential crime punishable by a long jail term without the possiblity of parole, for those who are found guilty of using our young people in the crime of using or distributing drugs. I urge its adoption.

Up to this point, the President's proposal and Republican initiatives have been stalled in various committees of the Congress and have been virtually ignored. I am hopeful that tonight's special order, and the recognition of the 1 year anniversary of the President's crime proposal and related Republican drug strategies, will call some attention to the need for swift congressional action before we adjourn the 101st Congress. I will be working hard toward this end and I would urge my colleagues to lend their support in that effort.

Mr. COUGHLIN. Mr. Speaker, I thank my colleague for his contribution. He has been one of the most diligent and brilliant members of the Select Committee on Narcotics Abuse and Control, one who has spent a

great deal of time on this matter, and his reports of actual incidents from his district and from this community are things that are shocking, should be shocking, and should make this Congress act.

I was just handed a note that said that just tonight, just tonight, the United States Coast Guard reports that 20 kilos of cocaine had been seized off a foreign-registered boat in the Caribbean, and that 25 more kilos of cocaine were found in the water off the coast of Key West, probably the result of an interrupted drug deal. That just happened tonight. Now, this is just one night out of many.

The gentleman has reported on other nights, and I appreciate his assistance, his contribution and all of his very hard work.

Mr. PARRIS. Mr. Speaker, I thank the gentleman.

Mr. COUGHLIN. Mr. Speaker, let me then yield to another senior member of the Select Committee on Narcotics Abuse and Control, the gentleman from Ohio [Mr. OXLEY].

Mr. OXLEY. Mr. Speaker, I thank the gentleman for yielding.

First, let me say that all of us are in the gentleman's debt for his leadership for what he has done with the Select Committee on Narcotics, and we appreciate that greatly.

The problems that we have in our respective districts may be different in terms of the crime. The gentleman so eloquently talked about Alexandria, a relatively large city, and I know the gentleman from Pennsylvania represents a suburban area near Philadelphia, and I happen to represent, I guess, a somewhat rural district. But it seems that the incidences of crime never seem to take any particular favorite route, whether it be inner city, suburban, or rural.

As I sat listening to my friend from Virginia talk about the crimes that had occurred in Alexandria, some of which I remember watching on television and reading about in the newspaper, I could not help but think about some of the shocking things that have happened in our what we consider, I guess, reasonably peaceful district.

I am reminded particularly of a company in my district, as a matter of fact, an international company, but it has a plant in my district. That is Whirlpool Corp.

Whirlpool Corp. was concerned about drug abuse among its employees. They were not certain exactly how vast it was, but they knew that something was going on. They hired undercover detectives to work as employees at Whirlpool for several months, and ended up indicting and convicting several, I think over 25, individuals working on the line that had been selling and had been abusing drugs in the workplace.

So just when one thinks that things are not too bad, they come upon a revelation like that that really shakes them to the foundation, because they realize that these kinds of problems that we like to ascribe to inner cities are happening throughout our country, and people are becoming more and more aware of that.

That is why I am particularly pleased today, as we celebrate a 1-year anniversary of sorts of the bill that the President sent up, that we recognize that the longer we tarry and the longer we wait, the more problems we are going to see in the criminal area.

I want to focus on a couple of issues in the President's bill that I think deserve some recognition. User accountability is something we tried very hard, as the gentleman knows, in 1988 to make part of that bill and were unsuccessful, but we are back again, because it seems to me user accountability when created and written properly has a great deterrent effect particularly on casual users, and to make these casual users understand that they are part of the problem and that we want to make them part of the solution. To that end, we have had the strong user accountability sections.

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It says, for example, that if you are on a federally funded student loan or federally guaranteed student loan that you would lose that Federal loan if you were convicted of drug abuse or selling of drugs.

You would also potentially lose your driver's license at the State level for the same kind of offense. I find particularly among young people the threat of losing their wheels, if you will, presents as much of a deterrent perhaps as a hardened criminal that might have to face some hard time in jail. So that deterrence is very effective, it seems to me, among some of our youthful offenders.

The other area is an area that I have been most interested in, and that is increasing the penalties for the use of semiautomatic weapons, what I consider to be crime control and not gun control, and that says that when we have a crime committed with a semiautomatic weapon that that weapon and the misuse of that weapon will be treated exactly like a misuse of a machine gun. That is, 30 years for a first offense and for a second offense it would be a life sentence without possibility of parole. That to me sends an eloquent and strong message to those who would consciously pick up a semiautomatic weapon and use it in anger against another individual, that they will face the consequences of that act.

I do not think there is a Member of this House of Representatives that could in good conscience vote against that kind of proposal that I am talking about, and that is why I guess some of us are so frustrated with the leadership of this body on the other side of the aisle, the party that controls this House of Representatives, that they will not have an opportunity to work the will of the people. That is what we are really here for, is to work our will and the people's will.

So I ask, in conclusion, that the people who are watching this tonight and who are concerned about crime and are concerned about drug abuse take some time to write to your Member of Congress, or to call the district office and to make him aware that you are concerned about it, and about what appears to be a tide of criminal activity in this country. If those people out there see something on television that concerns them about a crime that was committed, and they read in their daily newspapers as they always do about heinous crimes that are committed, they should make their elected representative know that they are concerned about it and they want that individual to do something about it and not to give them some kind of a lame excuse such as we cannot get the bill out of the committee, or the Speaker is not interested in moving the bill, that in fact they are personally concerned about it and they will be watching how that representative votes. I think with that kind of support and the kind of leadership that my friend from Pennsylvania and others on our committee have provided that we can in fact win the day. We can in fact represent what the people really want, and that is strong deterrence in the Federal statute. We will give them that kind of deterrence that they want.

Again I thank the gentleman from Pennsylvania for his strong leadership.

Mr. COUGHLIN. I thank the gentleman. He also serves as a member of the committee that has one of the incomplete portions of the President's drug legislation, the treatment portion of it, and that also is very critical. He has been a very, very helpful member of the Select Committee on Narcotics Abuse and Control I know, and I am grateful to him for being here this evening.

Mr. Speaker, I yield to the gentleman from Florida [Mr. BILIRAKIS], another member of the Select Committee on Narcotics Abuse and Control who had some of the most fascinating hearings that we have had in his district earlier this year.

Mr. LEWIS of Florida. Mr. Speaker, I thank the gentleman for yielding.

I would like to thank LARRY COUGHLIN and my other colleagues responsible for holding this all-night special order to draw the attention necessary to get people involved in the war on crime and drugs.

Crime and drugs are always the top concerns in constituent surveys of the 12th District. What we are doing here tonight is articulating concerns that are felt nationwide, and we are focusing on the efforts of the fine people who serve on the front lines of the war on drugs and crime and our police officers.

Every day, our police officers put their lives on the line in defense of the lives and property of our citizens. We should all commend them on their difficult, often thankless, work.

Recent crimes reported by Palm Beach County Sheriff's office include:

Last weekend, a multiagency unit that includes Sheriff's officers and officers from 7 local jurisdictions made 113 felony arrests in a sting operation on crack users and dealers.

In one night in Lake Worth, FL, 71 crack users were arrested. Three days later at the same site, 21 more were arrested. While the users are in custody, the sheriff will confer with the State's attorney to get them to inform on their suppliers.

I understand this effort has been very successful.

While these brave individuals man the front lines, we in Congress must do everything possible to back them up and give them the help they need.

Besides the obvious help we can give such as more funding for local law enforcement efforts, we can also help by taking the fight against drugs to other fronts, to keep drugs from reaching our shores in the first place.

As a member of the Select Committee on Narcotics, I stress the need to fight the war on drugs on all fronts. One front to which we should direct more effort is trade.

I have introduced legislation to outline the ongoing responsibility of the U.S. Trade Representative to incorporate the issue of illgal narcotics trade as an important component of our trade policy.

My legislation has been incorporated into the Republican drug and crime package introduced by our leader, BOB MICHEL. Countries that harbor narcotics producers and exporters are engaging in unfair trade practices and they must be held accountable.

We should no longer allow beneficial trade relations with drug-producing countries that make no effort to reduce drug trafficking. The Trade Representative must bring this issue to the table in all trade negotiations.

She must make it clear that we will punish those countries that do not try to curb drug production and exporting and we will do all we can to help strengthen the legitimate sectors of the economies of countries that try to stop the drug trade.

This idea has gained broad, bipartisan support and I am pleased that it is part of our Republican crime and drug package.

I would also like to address the treatment front of the drug war.

The Substance Abuse Awareness Program commonly known as SAAP—is a successful project implemented by Richard Wille, Palm Beach County Sheriff. This program stresses treatment and rehabilitation of drug-addicted criminals.

It is an in-house program now in county jails for low-risk, nonviolent offenders serving sentences of 30 days or longer.

Palm Beach County Sheriff's office is in the process of establishing a SAAP farm, the first facility of its kind.

It will be a correctional facility dedicated to substance abuse treatment and rehabilitation. Sheriff Wille's idea has attracted a great deal of support and enthusiasm.

The program would include aftercare and case management services to help those leaving the farm find services and resources for continued treatment and rehabilitation.

Sheriff Wille hopes to reduce recidivism by 70 percent to make prisons less of a revolving door for repeat offenders.

Other treatment programs include DATA [the Drug Abuse Treatment Association] in West Palm Beach, Gratitude House, a home for addicted women, and Growing Together in Lake Worth.

Innovative programs like these will ultimately win the war on drugs.

So will the conscientious teachers and administrators in the public and private schools across Florida that work so hard to teach our children the dangers of drugs and alcohol.

There is one other thing that I would like to bring out to the gentleman from Pennsylvania, and he has been there too, and that is we have to rehabilitate and educate our young mothers so that we eliminate the need for cocaine babies. I held one just a short time ago and it died 3 days later. That young child deserves a better shot at life than something like that.

So anyone who is listening to this special order tonight, we need a commitment from 200 million Americans that they want to eliminate or reduce drugs in our society. In order to do that, we need their commitment.

I again commend the gentleman from Pennsylvania for his work, and thank him very much for yielding me this time.

Mr. COUGHLIN. Mr. Speaker, I thank my colleague for his important contribution and for arranging hearings in Florida which were indeed most productive.

Mr. Speaker, I have about 6 more minutes I think, so let me yield to the gentleman from Oklahoma [Mr. INHOFE], a member of the Select Committee.

Mr. INHOFE. Mr. Speaker, I thank the gentleman from Pennsylvania very much. If he will permit, I believe the next special order is by the gentlewoman from Connecticut, Mrs. NANCY JOHNSON, and she has agreed to delay hers for about 10 minutes in order to give us additional time to get to two or three more speakers, if there is no objection at this time, and I will make that request.

I thank the gentleman and I thank Congresswoman JOHNSON.

Mr. Speaker, I hope that people were paying attention when the gentleman from Florida brought up a very good point. He said that it appears that those issues that the American people really want end up getting bottled up in a committee where no one can ever get on record. That is a very profound thing, a very unjust thing that is happening in this country.

The interesting thing about that is that it is being bottled up in the Judiciary Committee. Tonight we are celebrating the first anniversary of the President's crime bill that has been bottled up in the Judiciary Committee for a year. Only yesterday were we able to get our 218th signature on a discharge petition to get a balanced budget amendment out of the Judiciary Committee, and that is what we had to do to get that out since they refused to give it a hearing.

I think the gentleman from Florida is right, and of course the gentleman from Pennsylvania concurred in that observation.

The gentleman from Ohio was talking about and devoted a lot of his time to punishment as a deterrent to crime. I hope the people understand that there are many Members of this body who do not believe that punishment is a deterrent to crime.

Included in the bills that are being bottled up are such things as minimum sentences without parole. I can recall, I will tell the gentleman from Pennsylvania, back when I was mayor of one of the major cities in America, Tulsa, OK, that we found out that time that 72 percent of the serious crimes committed in this country were committed by people who had already been incarcerated and had been turned loose. In other words, and they used as an excuse overcrowded jails and other things, but when I was mayor of Tulsa they were trying to get us to turn people loose and instead of that I put them on work crews, so they were working out in the public as opposed to being in jails, since they were crowded. They were criticizing me for that and they called it "Inhofe's chain gang." Yet it was very successful, and to this day, 10 years later, they are still doing it.

I was quite upset and shocked when I heard the statement made by Chairman JACK BROOKS of the Judiciary

Committee when he said: "There are more violent crime acts proposed in Congress than there are violent crimes committed in the United States."

We have heard from people from both coasts, we have heard from people mostly from the East Coast talking about crime. I am from Oklahoma. That is frontier, middle America. Let me assure Members that the crime rate has steadily been going up there. I have the current statistics.

The statistics in 1989 were that crime in all was up 14 percent. There were 36 homicides, 336 rapes, 1,416 robberies and 4,984 aggravated assaults, and this is up for the year 1990. So the chairman of the Judiciary Committee is dead wrong when he says there are more bills introduced on crime than there are crimes committed. In fact, by our last count, there may only be eight crime bills introduced dealing directly with violent crimes.

Mr. Speaker, I am honored to serve on the drug committee, and when I have town hall meetings, and I think I probably have more town hall meetings than any other Member of Congress, I never have a town hall meeting where someone does not come up and say, "We want to do something about crime and drugs." They use it interchangeably, they do not talk about drugs, and they do not talk about crimes, they talk about crime and drugs. I think this is very appropriate.

I was pleased to be a part of an effort by the drug committee that went down and met with the Andean Parliament. The fact is that the five South American countries that comprise the Andean Parliament, Colombia, Bolivia, Peru, Venezuela, and Equador are the five countries where 100 percent of the cocaine that is used in this country comes from. The coca leaf is grown primarily in Bolivia and Peru, and with our chemicals, shipped there from this country, it is made in the laboratories in Colombia into cocaine as we know it here.

We went down and we talked to them about that. We talked about crop substitution. We talked about the other problems that exist in Southeast Asia, Burma, and Laos primarily, where they grow the poppy products that end up in ice or crystallized methamphetamines as we know it in this country, the other major problem the young prople are inflicted with here in this country, and we are trying to go into those countries and to show them that they will not destroy their economy and that we can have a crop substitution program.

Then we have our fast boat operation down in florida to interdict the drugs coming into this country.

But the President has made an observation that I think is very profound and very accurate, and that is we must keep the pressure on there. We have to keep burning the crops, we have to keep on with the crop substitution programs, we have to keep the interdiction programs going.

But the war on drugs, hence the war on crime, will not be won in South America, in Southeast Asia or in the Caribbean. It will have to be won at home with the preventive programs.

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The SPEAKER pro tempore (Mr. LEWIS of Georgia). Under a previous order of the House, the gentleman from Texas [Mr. WASHINGTON] is recognized for 60 minutes.

[Mr. WASHINGTON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

ALL-NIGHT CRIMEWATCH

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut [Mrs. JOHNSON] is recognized for 60 minutes.

GENERAL LEAVE

Mrs. JOHNSON of Connecticut. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Connecticut?

There was no objection.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. INHOFE].

Mr. INHOFE. I thank the gentlewoman for yielding.

This will just take a few more moments. I believe when the President came out and recognized that some $1.2 billion should be allowed to fund the prevention programs is a recognition that the war on drugs would have to be won at home. In my district in Tulsa, OK, we have three of the most successful programs: Our Operation Aware program, our DARE program, a program put together by a private school, Montecasino, which is recognized as one of the 12 in the Nation. That is where the drug war will have to be won. I would hope we would be able to get these bills out of the Committee on the Judiciary. I recognize it is not going to be done until we have a loud voice from the people.

Again I thank the gentlewoman for yielding.

Mrs. JOHNSON of Connecticut. Before yielding to my colleague, the gentleman from Texas, who has joined us this evening, and others who have joined us both for the proceding hour of special order and this special order for which I have signed up, I would just like to remind people what we are doing here tonight.

Crime is a major problem in America. Crime is destroying our personal security and our sense of confidence in the neighborhoods in which we live.

Crime is endangering us personally. The drugs associated with crime are driving our statistics through the roof. Not only we but our children's lives are now at stake.

The purpose of this special order is to help the people of America focus with the Republican Members of the House of Representatives on crime as the destructive force in our lives that it is and through focusing together on crime and through learning what we here in the Congress have done in past years to strengthen the laws of the Nation against drugs and crime and what we need yet to do; the ideas that we have in the hopper, to use this, the first anniversary of the introduction of the President's anticrime and antidrug program to focus America's attention on the fact that Republicans in the House are committed to strengthening our laws against crime, to strengthening our hand against drugs and by so doing to restore to America in the neighborhoods of our towns and cities the personal security and confidence that she and her children deserve. And, by focusing on this first anniversary of the introduction of the President's anticrime bill, we hope to send a message loud and clear that doing nothing accomplishes nothing, that to ignore the President's ideas and the other new thoughts that we will bring to the floor tonight about what can be done to make a change, to stop crime, to reverse the progress of drugs in our society, by doing nothing, we accomplish nothing.

We believe the people want us to do something. We know we have got the ideas.

So I am pleased to yield to the gentleman from Texas, from the preceding hour, to make his comments on this very important issue.

Mr. SMITH of Texas. Mr. Speaker, I very much thank the gentlewoman from Connecticut for doing so. I want to express my personal appreciation to her for her leadership on the issue of fighting crime and fighting the illegal use of drugs. Furthermore, my predecessor at this particular desk, my friend, the gentleman from Oklahoma [Mr. INHOFE], had a particularly astute set of remarks with which I would like to associate myself.

Mr. Speaker, it is with mixed feelings that I rise to take part in tonight's special order on the problem of crime in America.

I am glad we are taking this opportunity to discuss and focus on one of the most pressing and critical issues facing the Nation. However, this special order marks the 1 year anniversary of the introduction of the President's crime package.

For over a year, the House has hesitated to act on this issue, despite the fact that the American people consider violent crime and drug abuse to be two of the most serious problems plaguing our Nation, and ones that should receive top priority from Congress.

In 1989, our country's crime rate rose again for the 5th straight year in a row. This rise was fueled in large part by illicit drugs. The crime rate is closely linked to the drug problem, and we must confront these crises as one.

The administration's anti-crime legislation contains many needed law enforcement improvements such as increased Federal prison construction, added law-enforcement agents and prosecutors, exclusionary rule and habeas corpus reforms, and increased criminal penalties.

These proposed changes address the many needs that we will focus on during the course of the evening.

I'd like to take mention several provisions included in the administration supported anticrime and drug legislation that are particularly critical to the high intensity drug trafficking areas such as the border regions.

One provision will grant general arrest authority to Immigration and Naturalization Service officers. This change will have a very positive effect on our drug and crime interdiction efforts at the border.

Along our border, INS officers are often the only law enforcement presence in the areas where drug trafficking is greatest.

Narcotics trafficking often involves criminal aliens who profit from organizing illegal narcotic enterprises. As a result of enforcing immigration laws, INS officers increasingly encounter other criminal violations.

For instance, INS officers seized over 20,000 pounds of cocaine—10 times the amount seized only 3 years ago—and arrested over 12,000 people for violations of non-immigration laws in fiscal year 1989.

But in many of these cases, they have no more authority to arrest the criminal than any other citizen. In fact, the Federal courts have challenged the law enforcement authority of INS officers, including their use of criminal search warrants.

Many of the seizures and arrests INS officers perform have to be done by means of a citizen's arrest. INS officers are not afraid to detain criminals, but they do so at their own risk and are individually subject to potential civil tort liability.

By giving general arrest authority to INS officers, we will add vital resources to the war on drugs and crime at no additional expense, better utilize already trained personnel, and address the new realities the INS faces from drug cartels and organized crime.

I'd also like to express my support for the administration's proposal to streamline the deportation of criminal aliens.

About 72,000 aliens are arrested on felony drug charges every year, but only about 6,000 criminal aliens were deported in fiscal year 1988.

In the Federal prison system alone, more than 20 percent of the population is made up of aliens who are deportable as a result of criminal convictions.

The Violent Crime and Drug Control Act of 1990, which implements the President's crime package, provides for increased resources devoted to the deportation of criminal aliens. I wholeheartedly support this proposal and other improvements that will make our system of deporting aliens more efficient.

I would also like to note that the high concentration of drug crimes in the border regions has severely impacted the Federal court systems in these areas.

The Federal judiciary in the State of Texas has been overwhelmed. Statistics show that the overload in drug case filings has put Texas judges under the greatest workload anywhere in the United States.

The Southern and Western Districts in Texas rank first and second in the Nation among courts with the greatest volume of drug-related cases. Judges in these two districts have caseloads 300 to 400 percent above the national average.

Since 1987, the Western District has witnessed a 46 percent increase in the number of felony drug defendants before its judges. The Western District now ranks number one in the Nation in having the highest number of criminal case filings among all 94 Federal district courts.

Congress has not created any new Federal judgeships since 1984, despite the fact that in recent years Federal courts have witnessed an explosion in the number of criminal cases filed, particularly those related to drug felonies.

The Federal courts are a critical link in the chain of our law enforcement system.

As we continue to devote more resources and manpower to our drug enforcement and interdiction efforts, the strain on the Federal courts will only increase.

Again, I appreciate this opportunity to discuss some of the important crime issues we face, and look forward to the rest of the evening's discussion.

Mrs. JOHNSON of Connecticut. I thank the gentleman from Texas for his participation.

Mr. Speaker, as the gentleman from Pennsylvania [Mr. RITTER] prepares himself, let me remind you that as we have stood here tonight and go about our work today, in New Britain two arrests were made for sale and possession of narcotics near an elementary school. A young man 18 years old was severely beaten by two drugdealers who thought he was reporting on them to police. A drug bust was accomplished in Florida, $33,000 was seized on a Greyhound bus this afternoon. A homicide in New York City, a homicide in Houston, and so it goes.

I yield to my colleague, the gentleman from Pennsylvania, [Mr. RITTER].

Mr. RITTER. Mr. Speaker, I want to thank the gentlewoman from Connecticut for her leadership in this area and also thank Representative LARRY COUGHLIN, my fellow Pennsylvanian and ranking member on the Select Committee on Narcotics Abuse and Control, for yielding time to me and giving me a chance to take part in tonight's all-night special order.

Mr. RITTER. Mr. Speaker, I want to thank the gentlelady from Connecticut for her leadership in this area and also thank Representative LARRY COUGHLIN, my fellow Pennsylvanian and ranking member on the Select Committee on Narcotics Abuse and Control, for yielding time to me and giving me a chance to take part in tonight's all-night special order.

My colleagues, the inaction on the President's comprehensive crime control bill is simply appalling. At midnight tonight the Democratic leadership of Congress must face the fact that it has sat on the President's plan for 1 year, for no good reason. I hope that tonight's all-night special order will help draw the American people's attention to the fact that the drug and crime problem is not being addressed the way it should be. Much of the President's plan has been stalled right here in the Congress by partisan politics. But the American people want action and will not stand for partisan politics impeding the war on drugs.

Tonight, I hope the congressional leadership will realize the need to pass the President's antidrug and anticrime proposals. This needs to be done now.

That is why, last week, Representatives MICHEL and COUGHLIN introduced H.R. 5505, the Violent Crime and Drug Control Act, which unites us in common effort with President Bush. We need to pass this bill because the American people demand a comprehensive and coordinated plan to fight crime and drugs in our Nation. This is what President Bush's National Drug Control Strategy and Comprehensive Violent Crime Control, Antidrug Act are all about.

Other Members have called attention to the features of this act. Let me mention a few which I think are particularly important: expansion of drug testing; expansion of user accountability to squash the demand; expansion of the international antidrug effort;

making the death penalty real, not something that is always indefinitely delayed; crime control measures that give our police departments a chance against organized criminals in this war on drugs; and then improvements in the criminal justice system to expedite procedures, to deport convicted criminal aliens and to fund the war on drugs.

There are too many cases where police have their hands tied behind their backs, they are fighting the war on drugs with one hand. As a Nation, we have one hand tied behind our back. Is this a real war with such conditions?

There is a unique idea in H.R. 5055 of drug war bonds to bring needed resources into our local communities such as Allentown, Bethlehem, and Easton in the Lehigh Valley.

Representative COUGHLIN has devoted part of his hour along with Mrs. JOHNSON of Connecticut to defining the drug problem in America. Well, defining the drug and crime problem was made easier for me when just last week, last Friday, I went undercover to look at the problem in one of the communities in my own district, with Dectective Walter Howell and Vice Officer Steve Mazzeo from the police department of the city of Easton. I saw firsthand how the drug and crime problem permeates all corners of America's communities.

I saw housing projects infested with drug users and drug dealers, and I saw other neighborhoods where drug houses, were known to be and where drug deals are known to be made, and in other communities, not just housing projects. I saw young people, young teenagers who are known to be dealing in drugs.

The police have a very difficult time, however, in bringing them to justice. Drugs have become a real problem in my district in Pennsylvania's Lehigh Valley.

Lehigh Valley is geographically situated at the crossroads between New York City and Philadelphia. We have recently completed a major superhighway into New York City I-78, and we are suffering large increases in the number of drug suppliers coming from those two cities.

Let me give the Members an example of the problem in the cities in my district. From 1981 to 1988, drug-related offenses increased 232 percent in the city of Allentown, 90 percent in the city of Bethlehem, and 88 percent in the city of Easton. The drug problem in my district is growing, and crime and violence are growing with it. Seventy percent of the inmates in the prisons of the Lehigh Valley are there because of drug convictions, and 76 percent of the inmates in Lehigh Valley prisons committed their crimes while under the influence of drugs and alcohol.

The drug problem in my district is increasing exponentially. In 1988 there were 400 drug-related arrests in Allentown. One year later, in 1989, it had increased over threefold to 1,300 drug-related arrests.

I met with Allentown Police Chief Wayne Stephens, along with Easton's Police Chief Skip Fairchild and the representative of Bethlehem's chief, Tom Murphy. They met recently with me in my office to call attention to the problem, and together we are trying to get more DEA agents and more Federal money budgeted to fight drugs and crime locally. But we cannot do it without the bipartisan cooperation of this Congress.

I say to my colleagues that we need to hit this problem hard, and we need to hit it fast. Drugs and crime are taking their toll all across America. Enactment of the President's plan, H.R. 5505, will be an important step in dealing with the crime and drug problem. I urge my colleagues to push forward on this important matter.

The President's bill and our package is modest. I personally believe it is not even enough. I would go a step further. I would engage in the kind of procedures that are outlined in the Gramm-Gingrich bill, H.R. 4079, which would declare a 5-year national crime and drug emergency in America.

When I talked to my constituents and when I talk to the police and when I talk to community leaders and I ask them, "Do you believe there is a war on drugs?" They say, "Come on. Come on. What war?"

Historically, when America fought its wars successfully, we declared a national emergency and did what we had to do to fight and win the war. In Gramm-Gingrich, convicted drug offenders would be required to serve full terms, be it in Federal prisons or, if there is not space available, as it seems there is very limited space, in temporary facilities, perhaps in exmilitary bases, detention camps, barracks, tents, whatever it takes to keep these people off the streets. That is what our constituents want, to get these drug offenders off the streets.

We must provide personal security to our citizens, to our young people, and to our seniors, particularly in America's urban areas.

There are other key features of Gramm-Gingrich which encompass expedited court procedures to unravel the backlog, but my point is that if it is war, let us fight it as a war. If we are going to declare war, let us do what is necessary to conduct that war. An excellent first step is H.R. 5505. It is the President's anticrime and antidrug package delayed by the Democratic leadership for 1 year as of midnight.

Mr. Speaker, the time has come to move forward.

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Mrs. JOHNSON of Connecticut. Mr. Speaker, I appreciate the comments of the gentleman from Pennsylvania [Mr. RITTER]. He, as the gentleman from Texas before him, focused in part on the enormous increase in the inmate population, and yet at the same time a public sense that somehow we are not battling drugs as if it were really a war on drugs or a war on crime.

Mr. RITTER. Mr. Speaker, the gentlewoman makes an excellent point. Although there are people incarcerated in these neighborhoods—and we all know where those neighborhoods are, and it is not just bad neighborhoods, it is some other neighborhoods as well—we know who the drugdealers are. We know many of them. We know where the stash houses are. We just do not have the tools to go and get them and put them away.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I think there is another tool we are missing, and that is one of the reasons I am here tonight. One of the tools in the new legislation to which the gentleman referred is the power to use imprisoned drugdealers, imprisoned pushers, to come back and provide labor in the communities whose children they were willing to destroy. And it is that ability to use that prison population to clean up parts, to help restore dilapidated housing so we can create low-cost living places for families, so we can do some of the things communities need to be done and they cannot pay the labor costs for doing them. That kind of an idea is alive and is in the bill the President introduced and in the Gramm-Gingrich introduced bill, and in other legislation that has been produced.

But those are bottled up. So we cannot release and focus the energy of even those who would destroy our children by pushing drugs on them, to clean up our neighborhoods, to rehabilitate the very street corners that they desecrated as drugdealers.

So it is that kind of an idea as a transition into the concept of treatment that I want to move to now, because in this hour of our series of special orders we do want to talk a little bit about treatment, and in my mind we will never make progress on treatment until some of those drugpushers that went off to jail come back on the same neighborhood streets, clearly jailbirds, clearly criminals, doing whatever that neighborhood council wants them to do to better the neighborhood.

So, Mr. Speaker, I would like to yield to my colleague, the gentleman from Connecticut [Mr. ROWLAND], an esteemed friend, a member of the Intelligence Committee and a committed activist on this issue.

Mr. ROWLAND of Connecticut. Mr. Speaker, I want to thank the gentlewoman from our great State for yielding at this time and also for taking a leadership role on this issue and managing this hour of our all-night special orders. It is a pleasure to participate and join with our colleagues in highlighting to our friends across the Nation the importance of this issue. It is generally assumed that a Republican plan would focus on tough laws, tough penalties, the death sentence, and more law enforcement, but the Republican plan also takes a very compassionate approach to drug treatment.

I would like to hit just a few highlights of the drug treatment priorities, first and foremost increasing, increasing Federal funds for treatment in order to expand the number of treatment slots and the range of treatment methods available. We have heard horror stories around the Nation and around our own States about the lack of treatment slots for those who want and seek treatment. We need greater State, local and individual achievement programs for accountability and for effectiveness. We want to improve coordination among all the facilities so we do not have duplication. We want to improve coordination with employment agencies and other facilities, social and health, to make sure that people coming off of drugs will have better economic opportunities and a place to go once they get off drugs. We want to increase funding for outreach programs and early treatment for expectant mothers, a very high risk group of people.

We want to explore ways to increase the civil commitment as a means to bring more drug-dependent persons into the system. We need to get into the neighborhoods and find those who need and want treatment. We need to develop methods of treatment for cocaine and crack dependency and cocaine in combination with other substances, and we need to find individuals with both psychiatric and drug problems and alcohol problems.

The use of drugs in our society has become a national epidemic. I think we all know that. It has spared no town or no region. This epidemic has also significantly contributed to our crime problem, as we have highlighted it this evening. We are now finding at an alarming rate people arrested for felonies and misdemeanor charges are usually under the influence of drugs or alcohol at the time of the arrest.

According to a study done in our own State, based on over 200 individuals arrested, 61 percent of those arrested were committing a violent crime and were also under the influence of alcohol or drugs. In addition, 71 percent of those charged with a misdemeanor were found to be under the influence, and of those questioned over 50 percent believe that their drug use contributed to their arrest and their crime.

Additional data from our home State, as reported in the Uniform Crime Report, illustrates that from 1987 to 1988 the number of state-wide drug arrests increased by over 33 percent. It is not secret that our society pays an extremely high price for substance abuse. These include social costs such as the loss of legitimate work and the criminal justice system costs, police, courts, corrections, probation, parole, treatment costs, private crime prevention and other less tangible costs due to the fear of crime and the suffering of victims.

An important facet in addressing our current drug and crime crisis is to improve the availability of our substance abuse programs. Treatment programs, whether they are residential, halfway houses or outpatient homes, have proven to be very, very effective in reducing alcohol and drug abuse and criminal activity. It is also much more cost effective to treat an individual in a treatment facility, as opposed to a correctional facility.

I observed firsthand just a short while ago the success of the drug treatment facilities in my own district in Newtown, CT. The APT Foundation presently conducts two treatment facilities and two programs. They serve only 78 clients with 2 programs. These include one 12-month program for adults. It is referred to as DAYTOP. And there is ALPHA program, which is for adolescents.

I had the privilege of addressing the graduates of the ALPHA House Program last year. It was a wonderful experience. There were 8 or 9 young people that were graduating away from drugs and into a drug-free environment. I cannot tell you the emotional feeling I had as I talked to these young people and they saw for the first time in a long time the opportunity to reach out and the opportunity to become involved again with their families, the opportunity to be part of society and part of the environment they have long waited for.

At the same time I was dismayed to learn that because of long waiting lists in programs such as ALPHA House, many other substance abusers across our State and many other States in this country cannot receive similar help. I believe that in order to reduce these crime figures we have talked about and that we are going to hear more about this entire evening, we are going to have to make sure we can reach out to these individuals and offer them programs. We have to act on this legislation before us this evening. We have got to talk about this and get the American people to act.

I am pleased to be a cosponsor of our legislation, the Violent Crime and Drug Control Act. An important aspect of this legislation regarding treatment programs requires States to develop, implement, and submit a State-wide drug treatment plan. One action that must be taken by States is to refer the treatment of drug users to these facilities. A number of programs address these problems by monitoring the users' progress, often with a random urinalysis. Sometimes they have negative reinforcement purposes. They apply the carrot and the stick approach to instill in the addict the sense that he is accountable for his condition and has responsibility for changing it. Sanctions can be used, anything from the denial of methadone or transfer to a more structured program, the loss of a job, weekend passes, visiting rights, and residential programs. Positive incentives can also be used, like granting privileges and making sure there are leisure activities and a decreased frequency of testing or treatment. Expanding the capacity of the treatment system will not in itself cause those who are users to change their minds.

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For that we need to expand and intensify measures which persuade, encourage, and, if necessary, require addicts to seek treatment. States should consider expanding the use of civil commitment whereby addicts convicted of criminal offenses are sent by the courts to treatment facilities in lieu of incarceration, and research indicates that voluntary and involuntary programs do equally well.

We have heard a little bit this evening about some of the crime statistics in some of our districts and some of our States. I took a random sample of 1 month in this past year, the month of May, and out of the 25 cities and towns that I happen to represent, I took a look at just a handful, and obviously we know the statistics: 70 percent of all crimes are due to drugs, and in the month of May in a few towns that were under 25,000 people, in the town of Naugatuck, for example, over 117 crimes were committed in that 1 month. In Ansonia, 61 crimes were committed in that 1 month. In Waterbury, my hometown, 1,102 crimes were committed in the month of May. In Meriden, under 150,000 people, 290 crimes were commited in 1 month. In Seymour, a small town in my district, 26 crimes were committed in 1 month.

I then broke down to 1 week, and in Cheshire, for example, 10 crimes were committed in the week of June 10 to 16. In Danbury, eight crimes were committed. In Meriden, 69 crimes were committed.

I then took that week and broke it down to 1 day, June 14. In Wolcott, a very small suburban town, three

crimes were committed. In Waterbury, 31 crimes were committed in that 1 day. In Meriden, 14 crimes were committed. And just over the past few hours and throughout this afternoon, in Seymour, two assaults and two arrests have taken place, one larceny arrest took place in Seymour, and in Cheshire, just an hour and a half ago, there were four arrests for stolen cars, and in Wolcott, just this afternoon, one arrest for larceny and one arrest for trespassing.

I believe that if the American people and our colleagues in the Congress on both sides of the aisle looked at these statistics, take a few moments, not only to look at the record that we are compiling this evening but to look at their own cities and towns and look in their own neighborhoods; my family and I were victimized in the last few years twice where we had literally everything stolen from our homes.

We know, from walking and talking with the police, that many of those crimes were committed because of drug use.

It is a pleasure to join with my colleagues here today to focus attention on the need for action to address the current crime and drug dilemma that we are facing. It is my hope and expectation that our combined efforts will provide the necessary tools for Congress to take further action on this vital matter.

The people of our Nation deserve nothing less, and I want to thank my friend and colleague from our great State for yielding me this time. I look forward to listening to the rest of our full-night special order to highlight the seriousness of this issue.

Mrs. JOHNSON of Connecticut. I thank my colleague from Connecticut.

I partricularly thank him for focusing on treatment and what it means in the lives of our children and of our addicts and in crime reduction and its prominent place in the Republican proposals.

Indeed, few are aware that in the President's proposal he has authored a 68-percent increase in treatment funds. It does matter what Congress does. It matters because it either provides more or less money for treatment. It matters because last year when we appropriated money we separated out some prevention money from treatment money, so not only are we increasing money but we are helping States to allocate their resources in such a way as to prevent the drug problem from growing and thereby reduce the crime associated with it.

In my district, I am proud to say that some of those treatment efforts now are strongly on their feet. At the Wheeler Clinic, an outstanding outpatient facility in my district, they have now a well-established outpatient drug abuse treatment program. It has a success rate of about 68 percent. They find the key factors in successful drug treatment are early intervention, getting at people before they have been addicted for years and years and years, support for those in outpatient treatment from those that they work with or their families or their community, and the staying power in the program.

We are beginning to know what works. We know that DARE, the State police program that educates children about drugs and how to say no, is working. Not only is it helping kids deal with the problem of drugs, it is teaching them about the positive role of authority in our community. So we know some of the things that are working.

What brings me to the floor here tonight is that we know some other things that might work, but we need the law. We need the authority to make some new opportunities possible.

One of the proposals that the President suggested were some demonstration grants for treatment campuses. My State is going to close a 400-bed cancer hospital. The State owns the 127 acres the facility is on. What a marvelous opportunity to create a healthy, integrated treatment facility. Think what you could do with crack babies if you combine two new ideas in the Republican proposals, demonstration grants for treatment campuses, and the civil commitment provision so you could get mothers that were pregnant, that were doing drugs, and you could get the civil authority to commit them to a really solid residential treatment facility that had the kind of capacity that we need in our cities that are desperately plagued with crime.

We are not here tonight just to complain that the Democratic majority in the Congress refused to move on the President's crime package. We are here to complain that the Democratic majority in the House refuses to move to deal with the most pressing problem facing the people of America, the thing that is destroying our children, the thing that is destroying the community in its most constructive sense. I just want to say, because I do not think it can be said too often, if we cannot bring those bills forward, we cannot argue the case for treatment campuses. We cannot argue the case for civil commitment and for those other treatment assists that are contained in this new legislation.

With that, I would like to yield, with great pleasure, to my colleague from Rhode Island, one of the outstanding new Member of Congress.

Mr. MACHTLEY. Mr. Speaker, I thank the gentlewoman very much.

Mr. Speaker, I would like to commend the gentlewoman from Connecticut for her very articulate words here this evening and for her efforts as a leader in dealing with the issue of crime and drugs and for coordinating this special hour.

I would also like to commend my colleagues on the Republican side of the House who have agreed to spend the time, the necessary time this evening, to deal with this important issue.

You do not have to be a Rhodes Scholar to figure out that crime is the No. 1 issue in this country. As this diagram points out, which was at the table, the crime clock, one violent crime is committed in this country every 20 seconds. In my State, every poll which I have seen, crime and drugs are the No. 1 issue.

Today, while we were here trying to pass laws, in one of my cities, five larcenies occurred with arrests. In another city there was an arrest on a police officer based on an assault. In a third city, two stolen cars and arrests. Crime is unfortunately taking over our cities. It is becoming a way of life for too many people, and there is an inextricable link between crime and drugs.

As we stand here tonight talking about crime and drugs, I expect on the eve before the flag amendment is discussed tomorrow, we are going to hear the majority party say that this issue ought not to be discussed, the amendment on the flag, because we have too many important issues to discuss.

Let it be recorded that the Republican Party is willing to discuss those other issues as well as the flag amendment, and let it be recorded that we do not control the agenda but that the Democratic majority controls it, and that the Republican minority, hopefully someday the majority, would in fact spend the night to bring this issue to the forefront.

The gentlewoman has discussed treatment, and nothing is more important as I view how we are going to approach drugs than the treatment process. We can deal with the interdiction of drugs. We can deal with the prosecution of drugs. But until we really begin to get serious about dealing with treatment and prevention of drugs, we are not going to decrease the demand in this country.

Very recently the Harvard School of Public Health conducted an exhaustive study of Rhode Island to determine what was the extent of drugs use and abuse in the State and how were we dealing with the treatment. I would like to discuss some of those very important conclusions which were arrived at, because I think they are an example of what is occurring in this country.

We have about 1 million people in our State. This study found that 82,000 residents had either used or abused drugs, nonmedical drugs, within the last year, about 8 percent of our population. Over 25 percent of our adolescents had used or abused, and these are controlled drugs, during the past year. These are the teenagers,

the leaders of our society in the future.

At present the Rhode Island drug treatment system is serving only 29 percent of the abusers who were represented in the survey. We have Caritas House and some other fine facilities, as you have in Connecticut, and as other States have. The unfortunate tragedy is they are too few in number to deal with the magnitude of abusers in this country.

Over 70 percent of those in the survey who said and admitted that they had abused or used drugs failed to seek treatment because there were no treatment facilities available.

In order to treat a mere 20 percent of the alcohol abusers in our State, we would need an additional 14,000 spaces for alcohol treatment.

These statistics, I think, are startling, and I think they are representative of what one would see in most other States.

Congress cannot delay its review of these statistics and its efforts to get good treatment facilities interlinked with good prosecution.

As I view it, they are inextricably linked.

I would like to draw one other important issue, and that is that I believe the abuse of alcohol is as much an abuse of a drug as the abuse of crack and cocaine, and from the advisory committee which I have established in my State, they tell me that teenagers who abuse alcohol early are almost exponentially going to be viewed as a target for drug abusers.

We must, in fact, deal with alcohol as we deal with controlled substances if we are going to be serious about how we control drugs and how we control crime.

With the implementation of a drug treatment program, I believe that we can begin to really deal with the prosecution. Until we have a drug treatment program, a drug prevention program which is dealing with young people and which is willing to deal with abusers, we are merely going to drive those who use the drugs underground. We must have, at the same time we are willing to use the heavy hammer to enforce laws, we must have the soft hand to treat those who need treatment, and who want to be helped.

I think that it is time that the leadership in this body on a bipartisan manner stand up and say that we are going to deal with the drug issue, we are going to deal with the criminal issue, and we are also going to deal with the human issue.

The families who have been torn apart by the abuse of crack and drugs, the families which have lost members as a result of automobile accidents due to either drugs or alcohol abuse, the families who really want help but just cannot get help, they are not going to get help unless the Federal Government, represented by this body of distinguished people, decides that it is time to get bills passed which will provide the coordination, the money, and the leadership.

We see, in fact, in Washington that there are some 40 different agencies dealing with drugs. In this congressional body, we have 70 committees which are trying to deal with drugs. It is no wonder that we do not have a coordinated program. We cannot even coordinate our own House.

I would like to thank the distinguished gentlewoman from Connecticut for talking about treatment. I think it is important.

I would like to commend my colleagues for spending their time this evening on working on this issue. Until this country knows that we are willing to take the streets back from criminals, until the people who need help understand that this Government is willing to help them, I do not think we are going to get a very good handle on crime. I do not think we are going to send the right message, and I think it is time the people of this country understand that this Congress is as concerned about drugs and crime as any issue in the country that we are dealing with.

Mrs. JOHNSON of Connecticut. I thank the gentleman from Rhode Island [Mr. MACHTLEY].

While we have been talking just in this last half hour, several men entered a low-income housing project in Stamford, CT, brandishing weapons, reportedly looking for a drug dealer, probably a rival dirty dealer. The suspects are at large, and as we speak, the police are in hot pursuit.

At this time I would like to yield to my colleague, the gentleman from Indiana [Mr. HILER].

□ 2100

Mr. HILER. I thank the gentlewoman for yielding. Those are certainly alarming statistics she has just mentioned.

This evening in my home district in northern Indiana just within the last 24 hours in my hometown of LaPorte, IN, there was an arson that occurred. There was a resulting arrest and injuries to firefighters. In Mishawaka, another community in my district in the last 12 hours there were two assaults and one domestic violence and stabbing incident.

In Elkhart this evening, just minutes before the call came in, a coke bust occurred, and in just this last week in my district, in a couple of communities in South Bend and St. Joseph County there have been 3 murders, 9 robberies, a forceable rape, 15 aggravated assaults. This is occurring day after day after day throughout America in the big cities, in the small communities and in the rural areas.

We know the national statistics. They are alarming.

Violent crimes occur in this country on the average of one every 20 seconds: aggravated assaults occur about once every 35 seconds, forced rape about once every 6 minutes, and murder once every 25 minutes. In fact, between 1988 and 1989 alone, the overall incident of violent crimes in this country increased by 5 percent.

Clearly, it's no secret we have a serious crime problem in this country. The district that I represent in northern Indiana is made up largely of small- and medium-sized towns and rural communities. While we do not have the volume of crime to contend with that perhaps Los Angeles, Chicago, Detroit, or even Washington, DC, would have, the crime problem is nevertheless severe and hard felt in our communities. Only recently, an 11-year-old boy from South Bend, IN, was hit in the abdomen by a stray bullet from what appears to have been a drug-related shootout in a nearby park. The boy, who, fortunately, was recently released from the hospital, was walking to this grandmother's house at the time of the shooting.

The problem of substance abuse, and the crime and violence often associated with the drug trade, pervades every segment of our society. What particularly concerns me, both as a parent and as a Member of Congress, is the impact drug use and drug-related crime have on our Nation's most precious resource, our children. We have passed two major antidrug bills over the past 4 years to fight this menace, and only last year approved the largest antidrug budget in this Nation's history. For next year, President Bush has proposed increasing the Federal commitment even higher. Clearly, more dollars help, but we need to go much further.

Last week I added my name to the list of original cosponsors of the Violent Crime and Drug Control Act of 1990, H.R. 5055, which is made up of several provisions of the President's crime bill, as well as provisions to implement the drug czar's national drug control strategy. What is disturbing, Madam Chairman, is that fact that the President sent his anticrime legislation to Congress last year, and while we continue to be confronted by a major crime and drug problem throughout the country, Congress has done nothing to act on it. True, this legislation may not represent the end-all solution to the problem of crime and drugs in America, but its passage will vastly improve the abilities of our criminal justice system to deal effectively with drug offenders and criminals in general, as well as offer straightforward improvements to our Nation's drug treatment system.

When examining the area of substance abuse treatment, the problems in Indiana are not unlike those in other parts of the country. Treatment beds remain empty in commercial substance abuse facilities because many insurance policies will not cover the high costs involved with treating an addict. At the same time, programs supported by State and Federal funds are beset by a lack of space and long waiting periods for admissions. Lifehouse, a not-for-profit substance abuse treatment facility in my district which serves addicts that are without adequate insurance, recently reported having a waiting period as long as 3 to 4 months for treatment services.

What's worse, there is a lack of halfway houses in the area, making the road to recovery from chemical addiction even more difficult and increasing the chances of a relapse. A recent article in a local newspaper indicated that of the 118 addicts who had completed treatment at Lifehouse as of May 19, over half had been through an addiction treatment program once before.

Statewide, Indiana's State-supported residential treatment facilities have enough beds to serve 425 adults, 83 youths and 71 detoxification patients. There are also additional beds available in facilities like hospitals that offer inpatient treatment. In addition, the system is capable of serving some 14,000 people on an out-patient basis. However, like Lifehouse, most facilities throughout the State have waiting lists, ranging from a few weeks to several months.

Clearly, the Federal Government and the State need to put more resources into treatment and rehabilitation to assist those individuals who want and need treatment for substance abuse. The President has proposed major funding increases for Federal programs geared toward both drug treatment and prevention, but as we all know, more dollars are only part of the answer.

We need accountability from the Nation's treatment system, and that's one reason why passage of the Violent Crime and Drug Control Act is so important. The measure would foster and promote such accountability, requiring States to establish statewide treatment plans as a condition for the receipt of Federal treatment dollars. The plans would not only offer a blueprint for expanding the availability of treatment services within the State, but would require needed assessments of existing programs to identify and direct funding toward those which are the most effective, ensuring that taxpayer moneys are utilized in the best manner possible.

We also need more accountability from those individuals seeking help in kicking their addiction at the public's expense. We are all familier with the term "user accountability", holding Federal benefits from those convicted of drug-related offenses. Indiana is currently working on a proposal to cut off welfare benefits from those individuals who refuse to undergo drug treatment, and instead direct those benefits to a "protective payee" to ensure that other members of the family particularly the children, are not penalized.

This abuser accountability initiative, which is currently under review by the Indiana Department of Human Services, will ensure that taxpayer dollars are not being used to subsidize someone's drug habit.

As I think you would agree, our best approach to the drug problem in this country is a multifacted one, a strategy which attacks the problem on all fronts; law enforcement, interdiction, treatment, and education. I would like to close by focusing attention on one particular program which falls in the prevention category that I helped to get started in my district. The CHOICES Program, which stands for Community Health Organizations Intervention Counseling Education Services, is a communitywide coalition of human service agencies dedicated to reducing the incidence and adverse affects of substance abuse among high risk youth in the community.

The program acts as a clearinghouse for State and Federal drug prevention resources, providing minigrants to local agencies, schools, and other organizations who might otherwise not be eligible for funding from State and Federal sources. CHOICES currently funds programs to provide drug education and prevention services for school dropouts, student assistance programs, peer support activities, recreational programs, child abuse services, and programs for juvenile delinquents and the children of substance abusers. There are about 10 programs in the community of Elkhart, IN, currently receiving funding from the CHOICES Program, providing services to nearly 4,000 high-risk youth.

CHOICES is a prime example of how our local communities can adopt innovative and effective substance abuse prevention services for young people at high risk of drug use. As we all know, the war on drugs is being fought every day in communities across the country, and perhaps the key ingredient to our success is the active involvement of each and every community in the drug effort. CHOICES has proven to be an effective partner in this effort in one such community in America.

In closing, Mr. Speaker, I would encourage the leadership in this House to act and act now on this comprehensive drug and crime package that our distinguished minority leader has introduced. The American people are sick and tired of the crime and violence which has taken hold in our streets. Congress ought not to remain a passive onlooker, watching from the sidelines, but rather take a decisive and aggressive stand to fight drugs and crime. We certainly won't do away with the problem overnight, but a committed, ongoing effort on our part will help to ensure that future generations of Americans can live a life free of the dispair of illegal drugs.

I applaud the gentlewoman from Connecticut [Mrs. JOHNSON] for her efforts in organizing this special order this evening.

Mrs. JOHNSON of Connecticut. I thank the gentleman from Indiana very much. I am glad he mentioned his State's work in the area of welfare benefits and the eligiblity of people for public subsidies if they refuse drug treatment or refuse to take the responsibility as parents to kick the habit and care for their kids. It is that kind of controversial idea that is also in the new Republican approaches to treatment, and it is one of the reasons why we have had a hard time getting the bill to the floor.

As we have only a few short minutes left, let me yield to my colleague, the gentleman from Tennessee [Mr. SUNDQUIST].

Mr. SUNDQUIST. I thank the gentlewoman from Connecticut, my friend, for yielding. I have had the opportunity to serve on four committees with her, and it is a privilege. I have always been grateful for her insight, if you will, knowledge, and her sensitivity to these issues, and her toughness on these issues. So I want to thank you for allowing me to take some of your time and congratulate you on what you have brought forward.

It is my understanding that the number here, 202-224-3121 at the Capitol can be called by people around the country to report crimes that are occurring because this is the 1-year anniversary of the President's introduction of his crime bill, and nothing has happened on that, and we want Americans to know that we are concerned on this side of the aisle and that we think that something ought to happen.

Let me put that number right here because I think it is important for people to know.

We have had a call I think from somebody in Chicago who said that he is going to keep his line open so that he can report on various crimes that are occurring.

A while ago someone offered a comment at our expense—he remarked that there are more crime bills than crime. I only wish that were true.

In my hometown of Memphis, TN:

The number of drug arrests has more than doubled over the past 3 years, from 3,700 to 7,200, and this year's arrest total is running ahead of last year's record pace.

The Shelby County Sheriff's office reports an additional 3,700 drug arrests last year—7 times as many as in 1987.

Not only are more people using drugs, they are using harder drugs—cocaine and crack, instead of marijuana; 80 percent of those incarcerated in the Shelby County jail are there for drug-related crimes.

But those are just the cold statistics. Look behind the numbers and you'll see real-life tragedies:

A 9-year-old girl killed in her front yard after getting caught in the crossfire between two drug dealers.

Crack houses in Memphis operated by children as young as 11 years of age.

Drug dealers and buyers alike using children as shields as they transact business. Just 2 weeks ago, a Shelby County man was arrested while making a crack buy, while his wife and two infant children sat beside him in the car.

If there are a lot of crime bills before Congress it is because crime and drug-related crime especially, are a serious concern to our constituents—both rural and urban.

I have put out a survey every year since I came to Congress in 1983, and this year, for the second time in a row, my constituents said that drug-related crime and violence is the most pressing problem in America.

More pressing than the Federal budget deficit;

More pressing than the savings and loan crisis;

More pressing than the changing nature of East-West relations;

More pressing than health care, education, and protecting the environment.

Americans want us to tackle the problem. That's one reason I became a cosponsor of the Violent Crime and Drug Control Act.

I certainly support what my colleagues have stressed this evening about the need for drug treatment programs. The fact is, drug addicts are responsible for much of our crime, and they tend to be repeat offenders. It is in our interest to see that they get treatment.

But I think that, instead of waiting for people to become addicts and then investing $20,000 per person to try and straighten them out, we would do better to work on ways of preventing people from using drugs in the first place. Every drug addict began as an experimenter or as a casual user. Those are the people we need to start dealing with—while they still have some sense and some self-control.

Drug users aren't victims. They are the people who create the demand that the drug lords service.

No matter how successful we are at eradication, at interdiction at our borders, at jailing the pushers and the smugglers, the fact remains, as long as Americans have a multibillion-dollar appetite for drugs, someone will take whatever risks are involved with servicing that demand.

That's why I believe we have to work on the demand side, and that means holding users accountable. It's time to say that drug users are creating a problem for society, and it is time to hold them accountable for what they do to themselves and for what they are doing to us.

Education is fine.

"Just say no" programs are fine.

Treatment and rehabilitation for those who seek help are fine.

But they aren't enough. To keep people away from drugs while they still have their senses about them, we need some powerful disincentives.

Disincentives like mandatory civil fines, proportional to the user's income and assets. Mandatory suspension of eligibility for a wide range of Federal benefits—like student loans and grants, government mortgages and business loans, academic and artistic grants, Federal licenses and permits.

Every time we catch someone using drugs something unpleasant should occur. Users are not victims. It's time we stopped feeling sorry for the athletes and actors, the young professionals, the role models who abuse drugs and walk away without sanction.

True, people who become addicted aren't going to be moved by user penalties. That's not the point. The point is, a lot of people who aren't yet addicted—recreational users seeking the weekend high—are going to pause and weigh the cost, and a lot of them will decide that the brief high they get from drugs isn't worth the price society demands they pay.

And when that happens, we'll start to see a decline in the demand for drugs, and we'll start to really win this war on drugs.

Few things in this world are as moving as the wonder in a child's eyes. Those of you who are parents know what I mean.

But the eyes of too many of our children are growing cloudy and distant. Drugs can kill physically, but first, they kill dreams, they kill promise, they kill families, and they kill the future.

We cannot remain the greatest nation on Earth if we fail to take seriously the scourge of illegal drugs. Let's exact a price from the users and pushers.

□ 2115

Mr. Speaker, on the next special order they will be discussing rural areas. I represent rural areas as well as an urban area. I can tell you crime is serious in both areas. So I think overlapping from one special order to the other I can do that and feel comfortable about it because I do have urban and rural constituents.

Mrs. JOHNSON of Connecticut. I thank the gentleman for his remarks.

Mr. Speaker, in closing, I want to commend the gentleman for recognizing the courage of our police, and I would like to recognize the courage of some of our teenagers in leading the charge for drug-free graduations. That takes courage, too.

ALL-NIGHT CRIMEWATCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. BALLENGER] is recognized for 60 minutes.

GENERAL LEAVE

Mr. BALLENGER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject matter of my special order this evening.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BALLENGER. Mr. Speaker, I would just like to say that the group for this next hour represents the rural areas of the United States, and we are going to speak about those and the crime problems we have at the present time. But before I go any further, I would like to tell the audience that the crimewatch phone number is area code 202-224-3121. We hope that people will call in and report, people from all over the United States watching this, we hope that you will call in.

The SPEAKER pro tempore. The Speaker would like to caution all Members to address your comments to the Speaker and not to the audience.

Mr. BALLENGER. I thank the Speaker.

Now, Mr. Speaker, if I may, I would like to yield to another country boy from Florida, my good friend, the Congressman from Florida, BILL GRANT.

Mr. GRANT. I thank the gentleman for yielding and for taking this special order and giving us the time, those of us who represent rural America, to say that the problem of drugs and crime is not restricted to urban America. In fact, crime has no schedule nor does it know any geographical boundaries.

Just a few moments ago I talked to the police department in Tallahassee, FL, Leon County. Already tonight since 3 o'clock they have had several aggravated assault charges levied; they made arrests for crack cocaine. had a variety of violent-type crime. I talked earlier today with my good friend, the sheriff of Jackson County, FL, over in Marianna, FL, and Johnny McDaniel, the sheriff who, incidentally, took me on a drug bust about 3 years ago, my first and only one, where I felt the terrible agony of going through lying on the ground waiting for criminals to

come into a crack house, in this case it was a coke house, where we found cocaine stashed in kilos, and had dogs outside and boobytraps arranged, with guns involved. It was a frightening experience.

The things that these local law enforcement officials go through every day of their lives, every day of their lives, putting their lives on the line to make our lives safer. In Jackson County, I talked to Sheriff McDaniel. In 1989, in this small county in rural northern Florida, Jackson County had 13 murders, the highest in the State per capita. They had three double homicides in Jackson County. One of the perpetrators of the double murders was sentenced to die June 8 for the October 1 slaying of his wife and an acquaintance of the family. A 14-year-old son had to watch while his father killed his mother and her friend. At least one of the double murders can be linked to drugs or related crimes.

They had a drug raid in Jackson County in March; $12,000 in cash and $4,000 worth of crack cocaine. They were running the drug ring out of a subsidized housing project. Over in Columbia County, on the other side of my district, in Lake City, my good friend Tom Trammell, who is sheriff there, told me in 1984 he had 8,400 patrol calls, 8,400 patrol calls which means somebody needs a deputy. Just 5 years later, that was increased to 18,968 patrol calls. In this year, 1990, they are averaging 2,500 calls per month in this rural county, where 30,000 people or 40,000 people, they are averaging that many calls a month just for assistance of a deputy. They have over a thousand cases per month for just eight investigators, eight investigators in that sheriff's department. They average 116 burglaries a month, 85 percent of which are related to crack cocaine.

You can buy crack cocaine behind the Jiffy store; you can buy it on a railroad track; you can buy it in the nice neighborhoods; and you can buy it in the bad neighborhoods.

My friend, Sheriff Ted Glass, down in Levy County, in the town of Williston, population 2,400. They had a random drive-by shooting where one person died instantly and another died later. They have had complaints of automatic firearms being shot. On one occasion they had 80 rounds, in this little county of rural America, they had 80 rounds of ammunition from an automatic weapon. But they never could find the weapon. The people killed plus the people arrested sold drugs and dealt in drugs.

Then down in Cedar Key, population 800. They had a complete drug bust in Cedar Key, of all places, where they netted $500,000 in property, $40,000 in boats and $35,000 in trucks and automobiles.

Then up in Chiefland, the county seat, they broke up an ice lab, of all things, methamphetamine, of all things, and three people were arrested in the small town of Chiefland, FL. Eighty-seven percent of the breaking and entering is directly related to crack cocaine. Ted told me.

Then down in Madison County, Sheriff Joe Peavy, my friend told me the awful, awful tragedy. They had a female rural mail carrier in Madison County choked to death with her own mail pouch for the purpose of stealing money for drugs. The man was sentenced to death for the crime.

In Hanson, in Madison County, an even smaller town in Madison County, a convenience store owner was shot and killed for $12.50. The killer used the money to buy crack cocaine. He got a 30-year jail sentence.

In Gilchrist County, Sheriff Jim Floyd, in the town of Trenton, three women executed a man they were all dating; they dumped his body in an adjoining county. Six years ago a man killed his live-in girlfriend and buried her body in the back of his house. A man shot and killed his ex-wife.

In Fanning Springs, down in Suwannee River, just 2 nights ago, a place burned mysteriously which had been previously closed by the sheriff's department because of 11 arrests for selling crack cocaine. Thirty days ago, at a place called the Santa Fe Saloon, they arrested 10 people for selling crack cocaine.

There were 75 drug arrests in this small north Flordia county, Gilchrist County, 75 drugs arrests in the last year, 90 juveniles arrested for drugs, 63 sex crimes against children, and 2 rapes. This is rural America, rural Americas. A good place to grow up. This is what we all thought, a good place to grow up. But it is bad for crime. It makes me sick to my stomach to hear people say flippantly. "We have more crime bills in Congress than we have crimes committed." I am telling you if people get off their duffs and get out in rural America and see where real people live and where real people suffer, they would understand that that is not the case. These are people suffering, whose lives are disrupted, who are being killed, whose families are being torn apart. And they have the audacity to sit here and say that we have more crime bills than we have crime. That is bunk, and I resent it. And I am glad to be a part of this effort to draw attention to the fact that we have crime in America and we at least on this side of the aisle are going to get tough about crime. I thank the gentleman from North Carolina for yielding.

Mr. BALLENGER. I thank the gentleman from Florida [Mr. GRANT] for delivering a wonderful batch of statistics to prove that the problems that we have in the country today are not big-city problems alone. After hearing his statistics and hearing the words again. I would like to repeat what he said: Who can believe the words that the head of the Committee on the Judiciary made that there are more crime bills than there are crimes and we need to go on.

Mr. Speaker, I have joined my colleagues tonight for this all-night special order to highlight the fact that the President's crime package, introduced 1 year ago, June 21, 1989, is languishing in the Judiciary Committee. For 1 year, 365 days from the date it was introduced, no action has been taken on the legislation. How many violent crimes have been committed during the last 365 days?

Well, statistics show that violent crime has increased during the last year. Murders are up 4 percent; forcible rapes up 5 percent; robberies up 7 percent; aggravated assault up 5 percent. Last year, more than 25 percent of all U.S. households experienced a theft or burglary or had a member who was raped, robbed, or assaulted. Out of roughly 93 million American households, more than 23 million households were victims of violent crime.

Think about it for a moment, Mr. Speaker. One in four households fell victim to violent crime. This means you could walk down your street—that is if it's still safe to do so—and know that roughly every fourth home you pass has been touched by violent crime. One in four households. That's a scary statistic, but not half as scary as being raped or assaulted.

It makes me angry to know that the President's crime bill, if passed, might have prevented some of these crimes. And yet no action has been taken on it. In fact, the chairman of the Judiciary Committee, which has jurisdiction over crime legislation, had the gaul to say that more crime bills had been introduced into Congress than there were crimes committed across America. Can you believe it? Violent crime is up across America, in urban and rural areas; one in four Americans fell victim to violent crime, and the chairman of the Judiciary Committee thinks it is not a serious problem. Crime in America, whether drug-related or not, is serious and this Congress should be taking steps to deal with this increasing problem.

Tonight, Mr. Speaker, my colleagues and I hope to demonstrate that violent crime is being committed across this country even as we are on the floor of the House this evening. We have established a nationwide crime watch to report crime as it happens to demonstrate that there is a problem and that we need to deal with it.

Violent crime occurs every 20 seconds; a robbery occurs every 60 seconds; aggravated assault every 75

seconds; a rape every 6 minutes; and a murder occurs every 25 minutes.

Is it true that violent crime occurs only in our cities? Well, as someone from a mainly rural area, I can tell you this is not true. Crime is on the rise in rural America as well.

Statistics show that many people, old and young, are relocating to the rural United States. Many of these Americans have tired of big-city life and its pressures and have opted for what they consider the good life in smaller cities and more rural areas. Many retired people have come into the rural areas of my district, which is composed of six and a half counties just east of the Blue Ridge Mountains in North Carolina. They expect, I think, a better life, relatively free of the crime that plagues many larger cities. While the rural crime may not be what it is in the big cities, violent crime is on the rise in rural Ameria. Last year, violent crime in rural America rose by more than 3 percent.

Forcible rapes were up 9 percent; aggravated assaults were up 3 percent; and robberies were up 2 percent.

Crimes are committed every day in rural America. The once relative tranquility of rural America is being broken by the sounds of police sirens and ambulances.

One case in my district, in rural Watauga County, shocked and outraged the citizens of Watauga County and the students of Appalachian State University located in Boone. Mr. Speaker, before I describe this case, I want to thank Sheriff Red Lyons and his staff for their assistance with this information. They do a fine job keeping the citizens of Watauga County safe. But as this case illustrates, a violent crime can occur anywhere—even in rural America—and our local law enforcement officials need more Federal assistance if they are to successfully combat this growing threat.

On September 24, 1989, Jeni Gray, a 27-year-old writer who had attended Appalachian State University, disappeared after taking an early morning walk in Boone, NC. Miss Gray was missing until October 9, 1989, when her nude body was found in a remote area in Watauga County. After an autopsy had been completed on her partially decomposed body, it was learned that she had been sexually assaulted, raped, beaten, and finally chocked to death with her own bra and sweater.

On September 29, 1989, Leigh Cooper, a 19-year-old coed from the university was piked up at gun point while jogging in Boone. She was taken to the same remote area where Miss Gray's body was later found. While being sexually assaulted, Miss Coopers attacker told her how he had kidnapped, assaulted, and eventually killed Miss Gray by hitting her about the head and body with a club and finally strangling her with her bra and sweater while standing on her back.

By the grace of God, Miss Cooper managed to escape from her attacker and notified the Watauga County Sheriff's Department. Later, Miss Cooper identified her assailant and he was arrested on charges of kidnapping, sexual assault, and murder. After a lengthy trial, the assailant, Mr. Daniel Brian Lee, was found guilty of murder and sentenced to death. In addition he was sentenced to four life sentences plus 27 years for the sexual offenses and kidnappings.

This case is grissly and sad—and it happens every day in the United States. Again, let me remind you someone is murdered in our country every 25 minutes.

We need the President's crime package and we need it now.

□ 2130

Mr. Speaker, if I may, I would now like to yield to my friend, the gentleman from Iowa [Mr. GRANDY], who is also from a rural district.

Mr. GRANDY. Mr. Speaker, I thank my friend, the gentleman from North Carolina, for yielding and for being a fellow traveler in rural America in trying to highlight our afront in the war on drugs, one that is little known and I think underappreciated and one that I certainly did not fully appreciate myself before I returned home to western Iowa, to northwestern Iowa specifically. I think, like a lot of Americans, I thought that drugs are located in the big cities, most specifically in areas where I think we presume sin predominates. My bias was particularly affected by the fact that I had come out of a community and an industry that is known for excesses for drug abuse and crime-related drugs, and in my old line or work I had seen not acquaintances but friends, close personal friends, basically put their whole up their nose and destroy themselves, their careers, their lives, their families, their children, and their ability to have children.

But when I returned home, I assumed that, well, I am back in Iowa now; this kind of thing does not happen, and we do not have to worry about violent crime and drugs in Sioux City or Mason City, IA, and certainly not in the smaller rural communities. Yet, after being in this body for 3 years and after having been out there for close to 6 years, I have to concur with a letter I got from the U.S. attorney from the Northern District of Ohio and which he sent me in August of last year in response to some concerns I have. This is what he said to me in this letter:

DEAR CONGRESSMAN GRANDY: The frontline in the war on drugs is no longer restricted to metropolitan areas or border states. It is along the streets of Cedar Rapids, Dubuque, Sioux City, Waterloo, and small towns, in the district where drug traffic culminates at the point of purchase. It has spread to the rural areas which offer seclusion to trafficking rings in private locations for clandestine drug manufacturing laboratories.

I have learned that one of those areas where trafficking culminates, in other words, one of the prime distribution points in the upper Midwest, happens to be my hometown of Sioux City, IA. Who would think that would be a center or mecca for drug distribution and transport? But it has become so because, as my friend, the gentleman from North Carolina, said earlier, and as I have discovered and as many people who have moved to the Midwest have discovered, a lot of people who are in the drug business moved to the Midwest for the same reasons—quality of life, safe neighborhoods, clear air, low crime, and, of course, along with low crime, low police surveillance.

So Iowa, of all places, has become a source supplier of methamphetamine, an area for designer drugs to be manufactured and distributed. And it is a cunning way this is done. It is almost ingenious.

If you make methamphetamine, you have to deal with certain odors that are easily detectable by the authorities. If you are in a metropolitan area, obviously with the proliferation of police and drug agents in an area the size of Sioux City, with the combined regional area of South Dakota and Nebraska, the population probably totals about 100,000, and you are going to be detected. Law enforcement officials have done a good job of closing down the temporary methamphetamine plants that exist in that community.

But if you move out to the rural communities and you take over an abandoned hog house or a barn and you produce these drugs, who is to know? The county sheriff has a couple of deputies. He may not be on that particular blacktop for a day or two. That is enough time to make the product and transport it by a motorcycle gang to the various interstates that connect the cities of the upper Midwest. It is an ingenious flourishing transportation, drug-related problem, and more and more of my small towns are beginning to realize they are right in the middle of it.

Last year I had a conference, and I invited mayors and city council officials and executives and various community leaders to come to Washington and spend a day or two talking about problems that relate to their communities and how they might be able to access more Federal services in smaller rural communities. I am talking about areas roughly the size that the gentleman from Florida [Mr. GRANT] was talking about earlier. Where I come from, 2,500 people is a big town. That is probably the county seat.

But these mayors and these councilmen and all these officials that came to Washington had on their agenda not economic development, not the farm bill, not most of the economic and growth-related subjects they talked about in the past; they wanted to talk about drugs, because all of a sudden they were aware that they were living in the middle of a problem and they did not know what to do about it. Even a city the size of Souix City does not know what to do about it. This is a community, as I said earlier, of 100,000 which probably, in terms of the law enforcement jurisdiction, translates to about 250,000, and it has to share one drug enforcement agent for all of northwestern Iowa with all of eastern South Dakota. So we get one DEA agent half a day a week from Souix Falls. That is an area that is clearly underserviced. That is an area that is tired of waiting for Congress to move on a drug package.

In the President's package, there are resources to provide more DEA agents for rural America. Why are these people important? Because at this point we have done everything we can do with our own local volunteer resources, with our own local law enforcement, with whatever money we can carve out from the State. We are absolutely at our limit, and we done a good job.

The city of Souix City has raised over a couple of million dollars to provide a volunteer effort, not just for one State but for three. Souix City happens to be at the nexus of three States. That is pretty good for commerce but lousy for law enforcement, because you have three county attorneys, you have three sheriffs, and you have three law enforcement officials, and none of them can be deputized by a Federal official to perform the cross boundary law enforcement that must take place in an area like this, because you do not have the Federal coordination and we do not have a program by which we can circumvent State funding mechanisms and go straight to the Federal Government and get the money we need for this unique area.

We can get drug money, but it has to go to Des Moines first, then to the capital of South Dakota, Pierre, and to the capital of Nebraska, Lincoln, and then maybe we will get a small share of the pie.

The problem here is that the waiting game has got to end, and we are, as I am sure the gentleman from North Carolina [Mr. BALLENGER] and the gentleman from Florida [Mr. GRANT] in his community and every other Member who will get up and talk about rural America will attest, doing everything we can to creatively combat this problem and avail ourselves of as many community resources as we possibly can. As a matter of fact, one of the most productive things I have been able to do is bring deputy drug policy director, Judge Reggie Walton, out through my community to talk, not just to drug enforcement officials but to students, to kids, and to average people about what they might be able to do in terms of organizing their communities a little further. He went to our chemical dependency center and talked to the kids who are in the halfway houses, and he tried to counsel them as best he could. This, by the way, is a gentleman who has not been a judge his whole life; he is a gentleman who came from a rural community but who knows a little something about substance abuse because he has been a judge in the District of Columbia and he knows about the penalties, judicial or merely psychological, for substance abuse. And I have got to say that this was a wonderful presentation. He had people on the edge of their seats angry about drugs.

But we are at about the limit of our anger. What we need now is some action in this body for this country, and what the folks in rural America want is a crime bill, not a gun control bill, not something that is a political vehicle designed to embarrass one party or one president or one group of individuals, but something that actually builds on their own ingenuity. Unfortunately, we have been denied that option because Congress has not seen fit in the last year to do anything about the drug problem other than just talk.

So tonight we talk again. We talk all night long. We have a crime watch number over here for you to call.

□ 2145

I hope some of you call up and get damn angry about what is not happening, and I hope a lot of people from smaller communities who maybe are having their first brush with drugs in their neighborhood and with crime related to drugs in their neighborhood will call up and say, "OK, nice special order. Thank you very much. Now, how about a bill? How about a little something?" That is what I hope this evening accomplishes. That is why I want to thank my friend from North Carolina [Mr. BALLENGER], who represents an area not unlike mine, and all of the night sentinels that will stand here and try and salute their own communities and their own sheriffs for everything they are doing. It makes a difference.

In my community of Mason City, IA, the other end of my district, a community of 30,000, they have not had any Federal resources, but they have managed to put together a drug task force in northern Iowa that is second to none in the State. I know because my office and the post office in Mason City are just down the corridor from this undercover drug bust team, and they are so good I even thought once, when I did not know who they were, of calling up the superintendent and having them evicted.

The fact of the matter is their resources are strained. There is only so much they can do.

Mason City was the first city in Iowa to start a DARE program, but it is going to be one of the only cities to keep that program going unless we can build on those resources.

Again, I thank all of my colleagues who are participating tonight. I hope rural America is taking some time to listen to this, and I hope they are calling in, because we need their support in this battle.

Mr. BALLENGER. Mr. Speaker, I would like to thank my friend from Iowa for his insight and special description of problems that appear in open country like Iowa. Being a mountain boy, I am not sure, but, you know, one of the strange things that has happened in North Carolina just in my lifetime, and just in the last period of time, North Carolina used to be the center of bootleg liquor; it was the bootleg liquor capital of the United States, and then, as everybody knows, we developed into what was the tobacco capital. We now grow more tobacco than any other State in the Union. But the surprising part is that is not longer our largest crop, our most viable crop. It turns out now that marijuana is a larger crop in North Carolina than tobacco. It is a little bit embarrassing for me to be able to say that, but I think we might as well tell the truth about it.

I would now like to, if I may, welcome my friend from Florida, a freshman Member, the gentleman from Florida [Mr. STEARNS], who is going to give us a few words about his section of the country and his problems.

Mr. STEARNS. Mr. Speaker, I want to thank my colleague from North Carolina. I am honored to participate in this speaking for getting the President's crime bill on the House floor.

As the gentleman pointed out, it has been a year, and as Republicans, we find it very difficult at times to get things on the House floor.

I want to give my colleague from North Carolina an example. On April 18 of this year, a group of us tried to get on the House floor the crime bill of the President. At that point it was tied up 9 months. We tried to get it on the House floor, and as the gentleman may remember, through a procedure of defeating the previous question. We argued and argued about this, and we tried to make a point to the American public that many bills can be brought here quickly, but this one of paramount importance seems to be tied up in committee.

Mr. Speaker, I would just like to reiterate what I said on April 18, back

then: "By defeating the previous question, we would have an opportunity to bring the President's proposal to the floor." At that point it was only 9 months; it was 9 months tied up. "It seems like on an important issue like crime and drugs we should be able to get this matter on the House floor for the country's sake." Three months later we are making this argument, a group of us here the next hour and all night long.

If anyone is listening to my speech and would like a copy of some of the things I am talking about, I hope they will write me. I will be very happy to send them to them.

But I want to point out that my colleague, as a freshman who came here, Larkin Smith, who died in an airplane crash, was one of the leading advocates of crime legislation and on drugs, and he pointed out over and over again, Mr. Speaker, drug jurisdiction in the House of Representatives is gone awry. We have 17 full committees. We have 36 subcommittees with jurisdiction over illegal drug issues. Of course, now, this is just on the House floor. We have the Senate side, too. It is just a maze. We need reform in this area, too, to restructure it so we can act more quickly and efficiently.

I bring that to the Members' attention, Mr. Speaker, because Larkin Smith, the able Congressman who is deceased, came here with that idea to reform and to bring about change here in the House, and I think we should continue that message tonight. I wanted to make that point.

Mr. Speaker, we hear over and over again talk about reforming the exclusionary rule. I want to briefly, for the American public, for Mr. Speaker and the Members here, talk about the exclusionary rule to tell what it is and why we need reform.

The President's package has reform in this area of the exclusionary rule. The fourth amendment requires that only on probable cause may search warrants be issued specifying the place to be searched and the evidence sought. However, until 1914, even evidence illegally seized could be used in a criminal trial. That year the Supreme Court ruled otherwise, and in 1961, extended the Federal exclusionary rule to the States. Mr. Speaker, the consequences have been appalling.

The Bureau of Justice statistics and National Institute of Justice estimated that in 1983 up to 55,000 serious criminal cases are dropped annually thanks to this exclusionary rule. These released criminals are free to prey on innocent people again. Half of those let loose on the exclusionary rule grounds have been rearrested within 2 years.

Mr. Speaker, I point out that this bill addresses this important fact, and we need to bring it on the House floor.

Let me give an example of how this works. In 1964, for example, a 14-year-old girl was brutally murdered in New Hampshire. Finding that the bullet had come from a rifle of the prime suspect, the police went to the State attorney general, who under then existing law was authorized to issue search warrants. With this warrant, they found further incriminating evidence, and the suspect was tried and convicted. Seven years later, seven years later, however, the U.S. Supreme Court reversed this conviction on grounds that the Attorney General, as a prosecutor, was not a neutral judicial party. Since his search warrant was invalid, and I repeat, his search warrant was invalid, the incriminating evidence from the search had to be thrown out, too.

Here, police erred due to good-faith obedience to existing law, but as Supreme Court Justice Benjamin Cardozo had once noted, the criminal is to go free because the constable has blundered.

I think there is case after case of this. Mr. Speaker, I come from, again, rural America where I have small towns much like my colleague from North Carolina and, again, I hear from the police people, the chiefs, the sheriffs down there, how frustrating it is.

Again, I would like to thank my colleague for allowing me to speak.

Much of the information I got came from Robert Bidinotto's article in the 1989 Freeman magazine, and if anybody would like it, and he goes on, they can send me a postcard, and I will be glad to send it.

I want to thank my colleague from North Carolina for allowing me to address the House.

Mr. BALLENGER. Mr. Speaker, I would like to also thank my colleague from Florida [Mr. STEARNS] who, I think, did a good job explaining some of the difficulties that arise in the court system and also the many difficulties we have here in the House bringing bills to the floor that we feel are important.

As we all know, drug trafficking and drug arrests are common place in big cities such as New York and Los Angeles. However, as drug dealers expand their operations no area of the country is safe, as Mr. GRANDY explained, and I would like to explain about North Carolina, from the drug trafficking and the violence that goes along with drugs, not even remote rural areas.

It may surprise some to learn that in my home State of North Carolina, tobacco is no longer the State's biggest money crop. Marijuana has now replaced it.

Illegal drugs and drug dealers are everywhere. I would like to share with you a case that clearly shows this point. Before I go any further, I would like to thank Catawba County Sheriff David Huffman and his staff. They were very helpful in providing the following information to me.

Near my hometown of Hickory, NC, which is about an hour northwest of Charlotte, we have a lovely neighboring town of Conover, Mat has about 2,000 to 3,000 citizens in it, a relatively small Southern town with delightful people.

A few years ago, the Catawba County Sheriff's Department received a tip that a Mr. Juan Carlos Iriate was a major drug dealer in western North Carolina.

Mr. Iriate, it turns out, was a horse farmer from the country of Colombia, where everybody knows most of the cocaine comes from, and at the time we did not suspect anything. But he came up and he built one of the nicest horse farms you have ever seen. It turned out later, we found out, that he used those horses in his method of smuggling cocaine into this country. But anyhow, we found out he was a major drug dealer in western North Carolina.

After setting up a careful sting operation in conjunction with the State bureau of investigation's, local law enforcement officials made a series of relatively small cocaine purchases from the drug dealer.

As the investigation grew in size, the U.S. Customs Service and U.S. Drug Enforcement Agency became involved.

After months of work, the investigation turned up more than 8 million dollars' worth of cocaine and a drug network that started in Colombia, South America, and ran through Florida, Alabama, and North Carolina.

I have brought with me photographs to illustrate how the dealers transported the cocaine.

Mr. Speaker, I have brought with me photographs to illustrate how the dealers transported their cocaine. This is the trunk of a car where they cut the tank. They removed the tank for the gasoline, and they cut a panel in the bottom of it, and this is the cocaine in the back end of that car. This is the way they smuggled throughout that State.

Sheriff Huffman and his staff did an excellent job in this case. However, it only makes me more aware that there are other drug traffickers in my home county yet to be arrested. It is hard to believe that in rural North Carolina, cocaine trafficking goes on, but the sad fact is that it does and we need to put a stop to it.

Mr. Speaker, I would like to add one more story that was told to me by Sheriff Huffman by this drug dealer. He said he loved Catawba County. He loved the city of Hickory in which I live, because they could get rid of $250,000 worth of cocaine any weekend they wanted to. I was kind of shocked by the whole thing, and I said to the sheriff, "Where in the world in

my hometown of Hickory, NC, can you get rid of $250,000 worth of cocaine on a weekend?" And he said, "It may embarrass you to know this, but out there in that country club area where you live, the yuppie doctors and the yuppie lawyers are the ones that buy this thing."

It is very embarrassing to me, and I would hope somewhere along the line in passing the law that we are about to pass or that I hope we are going to pass that we will do something to make it difficult for the users. We are already making it difficult on the smugglers and the people that sell it, but the rich folks that can afford to buy it and do not have to worry about going to jail, I hope we can do something in passing laws along that line.

I now yield to a fellow Congressman from Missouri, the gentleman from Missouri [Mr. HANCOCK], and see what he has to tell us about this.

Mr. HANCOCK. Mr. Speaker, I thank the gentleman from North Carolina. It is a pleasure for me to be here and to have the opportunity to participate in these special orders.

Mr. Speaker, I rise tonight to commemorate the 1-year anniversary of the introduction of the President's comprehensive crime control bill and to lend my support to H.R. 5055, the Violent Crime and Drug Control Act of 1990.

It is time for Congress to act and follow the leadership of President Bush. Congress must follow the President's lead and intensify pressure on all fronts of the criminal justice issue, drug testing for safety sensitive jobs, tougher sentences, and new provisions governing the death penalty, which are all necessities to deter people from committing violent crimes.

The Federal Government must ensure adequate protection for our citizens and guarantee that, once found guilty, the criminals are not again released into society to rape, pillage, and murder again.

The rights of the victims must outweigh the rights of the criminal. This calls for stiffer mandatory penalties for violent crime and swift implementation of sentences.

We must act immediately to stem the tide of increasing violent crime in America.

My constituents, the residents of the Seventh District of Missouri, overwhelmingly support stronger penalties for criminals and drug-related crimes. Congress must take responsibility to protect the rights and safety of the American people.

This bill is a step in the right direction.

You know, I get a little emotional, and I hope that the Speaker will forgive me, but in my judgment, Mr. Speaker, the American people are absolutely losing their freedoms. When we talk about the main function of government actually is to protect the citizen's life, liberty, and property, and when you think about the situation that existed, say, 40 or 50 years ago when it was safe for a young girl to walk across the college campuses without fear of being molested, when they could leave, and they maybe had a job someplace on the campus, they could leave and walk from their job to their dormitory, this is the No. 1 function of government is to protect the citizen's life, liberty, and property against criminal acts of other people, sometimes even including the criminal acts of government, because sometimes maybe we get carried away once in a while.

When you think about "The Star Spangled Banner," we stand up, put our hand on our heart and sing "The Star Spangled Banner," and that song ends with, "The land of the free and the home of the brave." The home of the brave does not mean that you have got to be brave to go outside of your house at night. It means that we live in a free land.

There are a lot of people here in Washington, DC, and when I first came up here, I could not sleep. I am from rural America. I could not sleep because of the sirens going up and down the streets. I have been up here a great big year and a half now, and when I go home, I almost have to have a tape recorder playing some sounds so I can sleep at home. Something has to be done. The law-abiding citizens are losing their freedoms because of the failure of governments.

□ 2200

The No. 1 function of government is to protect the citizens' life, liberty and property against criminal acts of others. I happened to be in my business, prior to the time I came to Congress, in the security equipment business. Why should our citizens pay their taxes and then have to buy burglar alarms to protect their lives and property? Government is not fulfilling its function in this area. The people of this country need a government at the State and local level to take action, to put the drug dealers away and keep them away.

I do not know at what level within even government drugs have reached, but I do know that we have to do something. We have to at least let the American people know the drug dealers that are preying upon our children all over this country, that we have to do something about it, and this is what I fear, that it is possible that one of these days somebody is going to say I am going to take the law into my own hands, if the Government is not going to get rid of them then we are going to get rid of them. This possibility I think definitely exists. I have heard statements made to that effect. We are losing our freedom. We must take action.

The President introduced his crime bill a year ago. It is time that we did something to prove to the American people that we in the U.S. Congress are not going to continue to tolerate the crimes, the drug dealing that is going on all over the United States, but especially here in the Nation's Capital.

I appreciate the time and congratulations to the gentleman from North Carolina and all of the Members who are participating in this special order. I hope that the public will call in, and I hope that a lot of people will recognize that their very freedoms are dependent, freedoms from crimes and criminals are dependent upon demanding that Congress act.

I thank the gentleman.

Mr. BALLENGER. Mr. Speaker, I would like to thank the gentleman from Missouri. Now one of our leaders of the Republican Party here in Congress has what I consider a very brilliant idea, and I would like to, if I may, turn it over the gentleman from California, Mr. JERRY LEWIS.

Mr. LEWIS of California. Mr. Speaker, I thank my friend from North Carolina for yielding to me and for his efforts tonight and throughout the years in calling attention to the growing problem of crime and drugs. We are holding this special order to do more than just point out that there is a drug and crime problem in this country. We also want to make it clear that there are proposals here in the House that can make a difference. Many of my colleagues, both Republican and Democrat, join me in considering Drug Bonds part of that difference.

Let me begin, Mr. Speaker, by taking you back to another time, another war: World War II. America was at the peak of her powers during World War II. We had the bomb. No one else did. We emerged from the war strong enough to rebuild not only ourselves, but most of Europe as well. I think there are lessons to be learned from World War II about solving today's problems, including the problem of drug abuse. That is why I've introduced a bill in Congress, H.R. 2972, the Drug War Bond Act of 1989, patterned after the successful War Bond program of World War II.

After the war began in Europe in 1939, the United States began making its own war preparations. When the Roosevelt administration began looking for a way to both mobilize the American people and raise money, FDR decided to issue a "Defense" savings bond—the series E—early in 1941. When the Japanese bombed Pearl Harbor the "Defense" Bond became the "War" Bond and sales soared. From May 1941 through December 1945 $54 billion worth of War Savings

Bonds were issued. This gave more than 85 million American War Bond owners the knowledge that they too had helped win the war overseas.

There was a tremendous mobilization of the American people during the time War Bonds were sold. Beyond those who actually purchased bonds, milions of volunteers and contributors helped promote bond sales:

Department store owners urged customers to accept change in War Stamps which were collected in booklets and then redeemed for bonds;

Radio networks had a "Radio Bond Day" where top entertainment stars urged listeners to buy more bonds. Many stars also made personal appearances in numerous cities promoting bond sales;

A Schools at War Program was put into effect, promoting stamp and bond purchases in schools. Each school was urged to "buy a jeep" through the money provided from their purchases for the war effort. More than 90,000 jeeps were "purchased" this way; and

The Nation's first payroll deduction plan was created so that bonds could automatically be purchased each month by American workers.

Mr. Speaker, the drug crisis in this country is the single greatest threat to our society since World War II affecting the lives of all Americans. As in World War II, I am convinced that the War on Drugs will not be won until we mobilize the American public. There are many, many people who feel helpless and frustrated by the lack of opportunity to contribute personality to this effort. Politicians in Washington paying lip service to the drug issue year after year is not the answer. The drug war must be fought in our homes, our schools, our neighborhoods and communities across the country.

In a 1941 memo, the Secretary of the Treasury laid out the goals of War Savings Bonds: To give people a sense of the magnitude of the effort needed to win the war by "transforming people from being mere observers into becoming active participants." This is the goal of the "Drug War Bonds Act of 1989," H.R. 2972, which I've introduced in the 101st Congress.

H.R. 2972 provides for the issuance of a new savings bond and stamp, with the proceeds from their sale being used to help fight the War on Drugs. In its present form, the Drug War Bond Act would require the Treasury Department to issue up to $4 billion worth of Drug War Savings Bonds over a 3-year period. The money received from bond sales would be sent to a special trust fund. This helps insure that the money is spent for the War on Drugs, and not detoured to some other account.

The President, after consulting the drug czar, would have the discretion to spend the funds on a variety of anti-drug efforts, including education, treatment, and enhanced law enforcement. A stamp program, similar to the World War II model, would also be developed so that kids would once again be involved. After all, their future is again at stake.

I'd like to take a moment to mention more about this stamp program because I think it's vital to our overall effort. Indeed, there is much promise in promoting Drug War Savings Bonds among students. Schools could once again promote bond sales by making available special drug war stamp books. Students could be encouraged to buy war bonds stamps for as little as a quarter to save in stamp books that, when completed, could be redeemed for a Drug War Savings Bond. Because teachers suffer from the impact of drugs in the classroom, they too, could play a role in encouraging students to become actively involved in the program. I ask, Mr. Speaker, isn't it better to interest students in fighting drug abuse and saving for their future in the second grade, before they are hooked by crack in the sixth grade? The money, of course, is less important than the lesson: some things—like fighting drug abuse—are worth the investment of our time and effort.

A funny thing happens when people invest their time, effort and money in something: they start to feel that they have a stake in its success. Then, they start looking for ways to get involved in reaching the goal of their investment. This is an important part of the psychology behind Drug War Savings Bonds.

As in World War II, we envision involving large numbers of adults and children in this country in promoting Drug War Bonds. Adding to the success of the World War II War Bond program were actors and sports figures as well as millions of contributors and volunteers who promoted bond sales. That effort could be duplicated to help fight the War on Drugs.

Many celebrities have already announced their support for Drug War Savings Bonds including Dennis Franz (of "Nasty Boys"), Richard Dean Anderson ("MacGyver"), Gerald MacRaney ("Major Dad"), Arthur Ashe, Nancy Reagan, Muhammad Ali, and Michele Lee ("Knotts Landing"). A host of private volunteer organizations such as the Entertainment Industries Council, the National Federation Target Program, the Elks, the Knights of Columbus, Save America's Youth, the National Beer Wholesaler's Association, and the YMCA, among others, have provided their support and pledged their best efforts to help implement the Drug War Bond Program. Most of these individuals and organizations testified on behalf of drug bonds before a Ways and Means Committee hearing this past April.

This level of support shows, at a minimum, that there are private resources available that would be a great complement to the efforts currently underway at the State, local, and Federal Government levels.

Today's budgetary climate is different from the 1940's. When you owe money, people want to know how you're going to pay it back. Unlike the earlier war bond program H.R. 2972 includes various revenue raising provisions. They include contributions from income tax refunds and the investment of part of the bond money, in order to help repay the bondholders when they redeem their bonds for cash some 12 years down the road.

Mr. Speaker, my colleagues know that the concept of Drug War Savings Bonds was first put into legislative language here in the House. The Senate has moved quickly to embrace this approach. As I introduced the Drug War Bond Act in the House, Senator PETE WILSON introduced the same bill in the Senate. His leadership, and the leadership of Senator BOB GRAHAM, led to a similar drug bond bill passing the Senate as an amendment to S. 1711. There are some differences between their bill and ours as to its financing and specific approach. While I support my Senate colleagues and their leadership wholeheartedly, the House, I believe, should have its own version to bring to conference.

This is a bipartisan bill. We have many supporters in Congress, both Republicans and Democrats. In fact, 255 House members have cosponsored the bill, including members of both the Republican and Democrat leadership. The drug issue has seen enough partisan wrangling. It's time to take the politics out of the drug debate and mobilize the American public. Let's carry our World War II analogy a step farther. Can you imagine the Republicans and Democrats fighting each other politically here at home while our soldiers fought the enemy abroad? People would have been outraged. So should they be today when politicians try to make political hay out of this issue.

President Bush was right on target in his address to the American people recently when he said, "There is no match for a united America, a determined America, an angry America." We're not there yet. As someone who was actively involved in the 1986 and 1988 omnibus drugs bills, I know that, while both these efforts were important, they were not enough. There are many of us in Congress and across this country who believe that the lessons of history, made current through Drug War Savings Bonds, can help us unite and defeat this latest and greatest threat to our way of life.

Mr. BALLENGER. I thank the gentleman from California. If I may, I

would like to yield to my good friend, the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding to me and appreciate him taking this time.

I just want to take a moment. I want first to thank my good friend from Rhode Island, Ms. CLAUDINE SCHNEIDER, for letting me take this moment.

Later on this evening we are going to be talking about what we might do under the law to protect the rights of victims of crime. But I would like to take a moment to just remind us about a story that appeared in today's Fort Worth Star Telegram about a young lady, Amy Lynn Thatcher, a 14-year-old child. As you can see, she is a pretty child. She must have had a bright future, very optimistic. On September 15 she was abducted and murdered. Three months after the President's crime bill was submitted to this Congress, this child was taken from the street and murdered.

Here we have a picture of her family, still mourning their loss with T-shirts saying: "We will not forget Amy." The family has a lot of strong feelings about what should be the rights of victims and victims' families, and what should be the kind of punishment that is doled out for people who would do this kind of brutal thing. I think we ought to take a moment now and remind that family and remind the other people in the Fort Worth area whose hearts have been broken over this episode that we are not going to forget Amy Lynn Thatcher. We are going to stand with the Thatcher family, and we are going to insist that the President's crime bill be moved, that we get tough, we take back the streets and that our youngsters and our grandchildren can walk to school safely, and we do not have to fear them falling to the same fate of Amy Lynn Thatcher.

I thank the gentleman for yielding.

Mr. BALLENGER. I thank the gentleman from Texas for bringing us this news, although it is very sad news, about what has occurred in Texas, and what might have been solved, what might not have happended had the bill been passed.

If I may, I would like to turn the podium over next to the next Senator from Rhode Island, CLAUDINE SCHNEIDER.

□ 2215

Ms. SCHNEIDER. I am going to be very brief. I thank the gentleman for yielding to me.

I want to chat a little bit about the changing nature of crime and the changing nature of drug use. I want to share with my colleagues that the United States Attorney for Rhode Island, Lincoln Almond, says that in 1980 his office's caseload was approximately 10 percent drug-related crimes. Today, between 60 to 70 percent of his caseload is drug-related. Last year, Rhode Island's Governor's annual report on serious crime reported that the number of drug arrests had risen by 76 percent since 1980. This problem is particularly acute in Providence County, where drug arrests have risen by 148 percent between 1980 and 1988. So statewide violent crimes have risen by 12 percent, homicide by 27 percent, and assaults by 22 percent.

So I would like to yield to my colleague for a moment to allow him to elaborate a little bit more on our purpose here this evening so that we may share with the Nation our initiative.

Mr. GUNDERSON. I appreciate the gentleman yielding. I would like the country to know this is a crimewatch, it is an all-night crimewatch. We are going to be here all night trying to record the intensity and severity of the crime and drug problem throughout this country.

As a result of that, anyone anywhere wherever a crime or a drug bust or anything similarly related could be improved if the Congress of the United States would move the crime and drug legislation that is sitting in committee, we want you to call us and tell us about what that criminal action was in your particular area. Call (202) 224-3121.

Simply call us. We would like to hear from you.

Ms. SCHNEIDER. I thank the gentleman very kindly for that political announcement. Now I would like to share a little further about the changing nature of drug use because we really are fighting two battles against drugs, and there is good news and bad news. We do seem to be winning one and losing the other.

We are winning one battle and losing the other. We are winning the casual drug use, but we have seen over the last 30 days that people using illicit drugs is down by 37 percent. The current cocaine use has gone down by 50 percent. Unfortunately, we are losing the battle against crack and violent drug crime because the frequent cocaine users is up by 33 percent in 3 years. So the real question is what can we do now. Clearly, it is a matter when we can address the courts. The Providence Journal, a newspaper in my own State, recently shared information that a woman was arrested with nearly 3,000 packets of heroin. She was convicted on three different counts of possessing more than an ounce of heroin with intent to deliver and third on conspiracy. These charges were punishable by up to 110 years and a $500,000 fine. Despite the fact that the law calls for a minimum sentence of 10 years in prison, the judge gave her a fully suspended sentence of 10 years. She will not serve 1 day in prison.

A year ago, the President sent his crime initiative to Congress. There are two small examples of some of these initiatives that we can be moving on here. Increase in the prevalence of drug crimes that involve firearms is quite significant. Congress should impose stricter penalties on those who commit a drug crime while in possession of a firearm and prohibit those convicted of a drug felony or misdemeanor from purchasing a firearm.

Second, crimes against the elderly, particularly in my own State of Rhode Island, are on the increase. Congress should enact legislation to guarantee that those who commit violent crimes against the elderly serve at least half of the minimum sentence.

Needless to say, President Bush is showing leadership in requesting larger Federal resources for the drug war. This drug war cannot be fought only in the halls of Congress and only by the Federal Government. Clearly, we have to involve families, schools, communities, neighborhoods, and understanding that when we are all in this together it is only through all of us working together that we will be successful in ending the drug trafficking and in ending the crime that is so very prevalent in our Nation today.

So I thank my colleague for his leadership.

The SPEAKER pro tempore (Mr. WOLPE). The Chair would like to caution participants in this evening's special orders that they may not address directly the television audience, they must address the Chair with their remarks.

SUPPORT THE AMERICAN FLAG BY SUPPORTING THE BILL OF RIGHTS

The SPEAKER pro tempore (Mr. WOLPE). Under a previous order of the House, the gentleman from Illinois [Mr. POSHARD] is recognized for 60 minutes.

Mr. POSHARD. Mr. Speaker, last year, in an honest decision of the heart, I signed on as a cosponsor of the constitutional amendment for criminalizing the desecration of the American flag. I have struggled with this issue for nearly a year.

I have studied the arguments before the Supreme Court in both the original flag case, Texas versus Johnson and United States versus Eichman, the decision overturning the statute Congress passed after Johnson. I have gone back and read earlier decisions of the Supreme Court that have rendered the same decision on flag burning such as Street versus New York in 1968, and a case related to this issue, Board of Education versus Barnett in 1943.

I have been careful to debate with my colleagues and my staff both the

majority and the dissenting opinions of each case before the court. I have read many times the Government's position before the Court on this issue, wanting to make sure that I am not missing even the smallest points being debated.

This past weekend my family and I went back to Philadelphia, to Independence Hall and Congress Hall. I sat there where the Declaration of Independence and the Constitution had been written and approved by the Continental Congress—trying to go back to our roots, to remember what America really stood for, even before there was a flag.

I heard the young tour guide tell our group in the Hall of Congress that those early Americans were so afraid of government domination of their lives that they demanded a Bill of Rights, and would never have approved the Constitution without it.

And I remembered teaching my children in the classroom the same thing several years ago. These early Americans had experienced Government oppresson in a way we shall never know, and they said to the framers of the Constitution, "Add a Bill of Rights and make it the Supreme law of the land, so we do not have to worry about government ruling our lives again."

We traveled from Philadelphia to Gettysburg, and I walked over that great battlefield and I remembered Lincoln's words, that this Nation was "conceived in Liberty" and he wondered aloud how long a nation "so conceived" could endure. He went on to say that from those "honored dead we take increased devotion toward that cause for which they gave the last full measure of devotion."

And what was that cause? He did not mention the flag, even though I am certain that he revered the flag as all of us do. What he mentioned was a "new birth of freedom" for this Nation, and that freedom was reaffirm the belief of our forefathers a hundred years before that "this Government of the people, by the people, and for the people, would not perish from the earth."

I have spent a year struggling with this issue and I am convinced that the Supreme Court made the right decision. I believe I was wrong. I honestly believe, after searching my heart, that any act of the Government that has the effect of commanding respect for the flag by not allowing disrespect, even though that disrespect is only one way among many which could be utilized as protest, is wrong.

I appreciate the dissenting opinion of the Court that disrespect for the flag may endanger the overall sense of national unity that the flag symbolizes. However, Justice Jackson wrote words especially relevant here in Board of Education versus Barnett in 1943.

He said, and I quote:

The case is made difficult not because the principles of its decision are obscure but because the flag involved is our own. Nevertheless, we apply the limitations of the Constitution with no fear that freedom to be intellectually and spiritually diverse or even contrary will disintegrate the social organization. Freedom to differ is not limited to things that do not matter much. That would be a mere shadow of freedom. The test of its substance is the right to differ as to things that touch the heart of the existing order. If there is any fixed star in our constitutional constellation, it is that no official, high or petty, can prescribe what shall be orthodox in politics, nationalism, religion, or other matters of opinion or force citizens to confess by word or act their faith therein. If there are any circumstances which permit an exception, they do not occur to us.

It should be the purpose of the flag, as it is the Constitution, to invite respect and love, but not to command it, because that violates the free will of the individual, and love and respect not freely given cannot be real. It is only the insecure that demands and commands love. That is why dictators all over the world must have armies to keep them in power. But do their people really love a government which demands their respect at the point of a gun? Have the events in Eastern Europe the last few years taught us nothing?

America is secure, not because we have an army to defend the government, but because we have a constitution, a bill of rights, to defend the people against the Government.

We will remain secure, not by supporting the free will of the people, regardless of what national or political purpose we believe that serves, but by allowing the free will of every single citizen to love or not to love.

If a country is big enough to say to its people, "I love you and I want you to love me but I give you the right not to if that's what you choose. I'm never going to stand over you with a machinegun in my hand and force you to care for me, even though it is your care that I need. You are free, to love or not to love, to care or not to care, to respect or not to respect."

If a country is that big in its heart, that secure in its being, that loving in its respect to its own people, what choice do you think the people are going to make, to love or not to love?

We have nothing to fear. Neither America nor the flag is in any danger, as long as the precious bill of rights, which gives both their meaning and purpose, stays as it has for the past 200 years, unamended. Listen to the words of the first amendment one more time. Congress shall make no law abridging the freedom of speech.

I have agonized over this decision. I'm convinced it's the right one, but it was not easy to reach. But for as long as I have been a public servant I have been able to say that I voted for what I believed was right. And now I can say that about the flag amendment.

One thing that helped me arrive at this decision was sitting down with a pad of paper and a pen and letting my thoughts roll out. If this helps anyone else reach a decision on this matter that's fine, if it doesn't, it at least helps me explain why I've decided what I have.

I call this piece of prose "Family Matters."

FAMILY MATTERS

Glenn?
Yes?
It's God.
Yes?
Still struggling?
Yes.
What's the problem?

The problem is I'm nearly 45 years old, and I'm still filled with questions about purpose and meaning and who you are. Who are you anyway?

I'm love. Unconditional love.

Who am I?

You're the object of my love. I created you because I needed you. Love must have others upon which to lavish itself. It creates only that it may love more and I love all of my creation.

What's my purpose for being then?

To learn to love unconditionally. To learn to love me and others in the same way I love you.

Why should I have to learn that? You're God. Why didn't you just create me in such a way that I loved you automatically?

Because love cannot be commanded. How can I be sure you really love me, or your neighbor, if you have no choice? I created you to be free, free to choose, because it is only in your freedom that you can truly learn to love.

But what if I choose not to love you?

That is the risk love takes. It is always the hope of love that the one upon whom love spends itself will freely choose to return that love. But in any case, it can never demand love be returned.

What will you do then if I choose not to love you?

I will continue to love you. I will wait. I will trust. Love never fails.

Glenn?
Yes.
It's Thomas.
Yes?

You walked over to my memorial last night.

Yes.
Why?

Because I'm struggling with a decision on a constitutional amendment to alter the Bill of Rights, and I needed some help.

What's the problem?

Some people burned our flag and the country's upset. The President and several members of Congress want to forbid the practice.

What do you want to do?

I don't know. I'm torn. I'm a history teacher. I've taught the Bill of Rights and the Constitution to hundreds of young people. I've emphasized the importance of those freedoms that you and others penned in that precious document. I've told those children that these freedoms cannot be compromised. But now we have this issue with the flag. I love the flag. It symbolizes all those freedoms the Bill of Rights guarantees. Couldn't we make just this one ex-

ception? Couldn't we forbid just this one way of dissent? Couldn't we pass just this one amendment?

Would you be willing to pass a second constitutional amendment forbidding the burning of the Bill of Rights?

No, that's not an issue. Nobody thinks about the Bill of Rights. We see the flag a hundred times a day. It's so visible.

You mean the symbol has become greater in the mind of the people than the substance behind the symbol? How did that happen? You were a teacher, not to mention a state senator and now a congressman.

Well, what do I do now.

Maybe you start teaching again, as a Congressman. And trust the people to understand. Its the only way to insure that you leave your children no less freedom than we left you.

Dad.

Yes.

I hate this place.

Why?

For lots of reasons. Your stupid rules that say I have to be in by midnight. You won't buy me a car. I'm sick of church every week and its silly activities. There's a lot more, I * * *.

But we feel those things are best for you. It's only because we love you that * * *.

Well, I don't love you. Right now I don't love you at all. As soon as I'm eighteen I'm out of here.

Glenn?

Yes?

What do we do?

We remember the proverb, "Bring up a child in the way he should go and when he is old he will not depart from it."

Yes.

We love. We wait. We trust.

Are you sure?

I have decided * * * I am sure. I am sure the American people love this country enough to be able to look past the surface nature of this debate and examine its real meaning. The American people * * * given the chance * * * will show they love this country * * * and there is no need to force them to do it by changing the very document that insures our freedom and invites that love.

Freedom.

That's what we're all about. As we watch events unfold in Eastern Europe we thrill at the vision of freedom coming to people who for so long have been oppressed.

We also have watched in horror as freedom was oppressed in China not more than a year ago. At the same time we debate our freedom, we see people dying in the streets for it in other countries.

My 16-year-old daughter, Kristen, watched what happened in Tiananmen Square. She wrote this poem to express her feelings:

TIANANMEN

(By Kristen Poshard, 1999)

I saw him stand there
He was quite aware of the iron beasts in front of him
Fear of their growling voices and hollow trunks never crossed his mind
Only the fear of never living his own life
He was like David battling a thousand Goliaths but with no stone
But the beasts turned because of their fear of him
Maybe it was the interior of the iron
The machines inside had a slight sense of wrong
So the beasts turned
But the man challenged again
And the beasts turned again
The man, so overwhelmed with hatred for the beasts and passion for peace
Lept upon the leader of the pack
Not to gain media coverage
But to gain life.

From now own whenever I need to remember what we're all about here in Congress and as American citizens, whenever I need guidance on a tough issue, whenever I need a touchstone to find out what I'm here for * * * I'm going to remember my daughter's poem.

We have our own tanks to stand up to now. We had a bill of rights before we had a flag. Let's protect them both by defeating this constitution amendment.

□ 2230

GENERAL LEAVE

Mr. WALKER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on this special order.

The SPEAKER pro tempore (Mr. WOLPE). Is there objection to the request of the gentleman from Pennsylvania.

There was no objection.

ALL-NIGHT CRIMEWATCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 60 minutes.

Mr. WALKER. Mr. Speaker, we have begun this evening the process of talking about crime in America, the problems caused by the drugs and crime that are sweeping the country, the fears of the American people, that their communities are being consumed by this plague, and our hopes that this Congress will act to do something to begin to solve the problem. Many Members find frustrating the fact that a year ago today the President of the United States sent to Capitol Hill a bill aimed at dealing with the problem of violent crime and drugs, and that bill still languishes in committee in the Congress. We have not seen the same kind of legislative action on crime and drugs that we have seen on other issues.

Let me give Members a brief example. Last night a bill on the flag was written. It was introduced in the House today. It will be on the floor for debate tomorrow. When the leadership of Congress wants to act, it can act quickly and write a bill overnight, introduce it one day and have it on the floor the next. But when it comes to crime and drugs, the President of the United States sends a bill to Congress a year ago, and we have yet to act. The interesting thing is, these two examples are the very same committee. The Committee on the Judiciary has jurisdiction over both of those.

Do we know why they are not acting on crime and drugs? Well, a couple of weeks back, when we tried to force action on the crime and drug issue on the floor, the chairman of the Committee on the Judiciary came to the floor and explained why we should not act, and one of the things that he said in the course of that particular day's remarks was this: There are more crime bills than we have crimes.

Well, one of the themes of tonight is to ask whether that is really true. Do we have more crime bills that we have crimes? Or is it as we believe that we have many, many crimes in many, many communities across the country, and that crime is something that is feared by nearly every American. In this crime watch this evening, we are attempting to say to the American people, "We understand your concern and we want you to participate with us in telling us what is going on in the country." Mr. Speaker, what we have done is we have suggested to America that they can call and share the fact that crimes are taking place in their community, share with Members this evening, and that is beginning to happen.

It is my understanding that there are hundreds of calls coming in to Capitol Hill by people who want to participate with the Crime Watch and want to tell Members that they fear crime or they know crimes are taking place. In my own district, I have already heard from the Manheim Township Police who are telling me about burglaries that have taken place. Earlier an assault took place. There is shoplifting. There are burglaries of businesses, and so that there are crimes taking place even in a place in my district where the crime statistics are among the lowest in the United States.

□ 2245

The Lancaster Police Department and the Lebanon Police Department are also participating in helping keep me informed about what is happening tonight in my own district, and we are beginning to see all across the country that this is truly a problem. In this particular segment of our crime watch this evening, we want to talk a little bit about drugs and how we ought to go about dealing with the drug problem as it affects America.

One of the places where we can have some effect on drugs is by having workplaces that are free from drugs, demanding that our workplaces be places where people can go and be assured that the person beside them is not on drugs, that the products being made are not being made by the people who are under the influence of drugs.

Some of my colleagues have agreed to join me to discuss this subject this evening, and I am very happy to yield first to the gentleman from Virginia [Mr. BLILEY], who I know, for example, as a drug-free workplace policy in effect in his own congressional office.

Mr. BLILEY. Mr. Speaker, I thank the gentleman from Pennsylvania for yielding.

Mr. Speaker, I am sorry that we have to be here tonight. I am sorry because the President sent us a good package 1 year ago, and we have yet, as has been pointed out by speaker after speaker tonight, to have had any action on that package. We have just heard through reports of many crimes in many districts while we have been here tonight. In that time I have had a report from my own city of Richmond that there have been two forceable rapes, that there have been three street robberies, that there have been seven break-ins and enterings of homes and businesses tonight, that there have been three or four assaults, and there has been an average of some 570 home break-ins per month in my district.

The chiefs of police of the three jurisdictions that I represent, the city of Richmond and the counties of Henrico and Chesterfield in Virginia, tell us that 80 percent of all the crimes that are committed are drug related.

As we have just heard through the reports from my district, and across the United States, crime is running rampant. For last year, major, violent crime was up 6 percent in the city which I represent, Richmond, VA. There were more murders last year in Chesterfield County, VA, also part of my constituency, than in the past 5 years. But the most terrible, and unsettling of all these crimes, are the crimes committed against the young and the innocent.

BOARDER BABIES AND CHILD ABUSE

Some babies are brought into this world hooked on drugs. This is a crime in itself. Babies of drug addicted mothers are born with the odds stacked against them already. Usually from underprivileged, low-income families, they are asked to carry a heavy load. These babies born to crack-addicted mothers, these so-called "boarder babies" need all the help we can give them. The number of babies born exposed to illegal substances is not known; however, an estimate of crack-exposed babies is as high as 50,000. Combined with babies exposed to all other drugs this number reaches upward to 375,000 per year.

Currently there is no standard practice that hospitals can use to identify these infants at birth. Most hospitals routinely test these newborns for genetic disorders and certain communicable diseases without the permission of the mother, but testing for the presence of drugs is a more complicated matter: Should parental consent be necessary, or should hospitals have to rely upon self-reporting by the mother, even though this is often unreliable?

A bill that I have introduced, H.R. 4847, would establish, in the program of block grants under the Public Health Service Act, a requirement regarding health care for infants with congenital conditions caused by the substance abuse of their mothers.

Children born disabled due to maternal substance abuse can only benefit from early detection and the rapid application of appropriate therapies and services designed to meet their special needs. H.R. 4847 would require the States to establish procedures to test infants born to drug abusers, so that the appropriate treatment is provided as soon as possible. This is vital. This will identify both the innocent newborn and his mother so that they can both receive the treatment that they so desperately need and deserve.

Experts agree. Haynes Rice, director of Howard University Hospital says "This bill is very much needed to provide Federal leadership and coordination necessary to ensure that States make a timely response to the health and welfare needs of these tiny victims of the crack cocaine epidemic sweeping our country."

Both mothers and health care providers are protected by this bill, as well. A clear medical determination that the mother is abusing drugs or alcohol is necessary prior to the testing of the infant. Furthermore, the health care provider is provided immunity from civil or criminal liability for the administering of these tests.

Now let's be clear about this bill. It is not a bill that aims to jail pregnant women. This bill does not aim to take babies from their mothers. It aims to allow an opportunity for substance abusing mothers to confront their addictions, and along with medical and social welfare officials, decide upon what is best for her new-born baby.

I take great pride in the fact that H.R. 4847 has been included in title I, section 105 of H.R. 5055, the House Republican Leadership's Violent Crime and Drug Control Act of 1990. This legislation is based upon the President's Comprehensive Violent Crime Control Act and what was sent to Congress on how to implement the national drug control strategy by Director William Bennett. The President sent his bill to Congress 1 year ago—the Democrat leadership has yet to hold even a hearing.

And let's not forget about the children of substance-addicted parents. Hundreds of thousands of children every year are seriously abused by a parent who is dependent on one or a number of substances. Hundreds of thousands. Drug dependency is the primary factor in the increase in child abuse. We must make sure to fully fund the Emergency Grants for Child Protective Services Program to alleviate the needless cases of abuse and death.

DRUGS AND OUR CHILDREN

Just because you are born in a family that is fortunate not to have any substance abuse problems doesn't mean that you are free and clear of this drug scourge. What about the savages who prey upon our youngsters on their way to and from school, trying to peddle drugs? Our children are at constant risk in today's society. Although we parents care so much, we can't protect our children at all times. We can tell them the difference between right and wrong, we can tell them what drugs will do to them, we can tell them to "Just Say No" to drugs and alcohol, but we just can't be with them all the time to protect them.

Many parents want to believe that their children will be safe if they've been brought up well and counseled as to what drugs will do to them. But did you know that just last year nearly 20 percent of our youths between the ages of 12 and 17 had tried crack, marijuana, or any other illicit drug? Out of these children, roughly half had used in the past month. These aren't small numbers that we're dealing with here, we're talking about over 4 million kids. We must do two things to stop this: We have to make the penalty for selling drugs, especially to children, so severe that it will act as a deterrent. We want these criminals to think twice before poisoning this Nation's youth. Second, we must invest in education and community programs to reinforce the evils of drugs in our society. We must socialize our youngsters, from their very early years, as to the ills of illegal drugs.

I support Congressman NEWT GINGRICH's National Drug and Crime Emergency Act, H.R. 4079. Under this bill, of which I am a cosponsor, those convicted of selling to persons under the age of 21 will receive a mandatory sentence of at least 10 years without parole. The same goes for employing someone who is under 18 years of age in trafficking: 10 year sentence without parole. We need to send the message that when you sell drugs to our children we're going to put you away for a very long time.

Furthermore, our schools must be places that our children can go and not have to worry about the threats of drug using and selling. Our teachers and administrators must be supported in instilling antidrug attitudes in our children. Our communities must mobilize in a coordinated plan of attack. The initiative for such action rests with the individual citizen, the local civic organization, the parent groups, the local governments. It's up to each and every one of us to win this war on

drugs. We must stand tall against this drug scourge. Our babies and children are counting on us to win this battle for them.

THE DRUG PROBLEM ESCALATES

Increased drug use and an increase in crime go hand in hand. You cannot successfully isolate one from the other. Everyone who uses drugs, everyone who sells drugs and everyone who looks the other way is responsible for the drug problem that is plaguing our country and threatening the infrastructure of our cities.

Each one of us pays for the cost of drug addiction. President Bush has said that "drugs are sapping our strength as a nation." America must pull together to conquer this drug and crime wave. The war on drugs and crime cannot be won on any single front alone; it must be waged everywhere by Federal, State, and local governments, by families, by individuals, and in the workplace.

COSTS OF EMPLOYEE DRUG USE

The drug epidemic has found its way into the workplace. For many years drug use and job performance were seen as separate issues. Today, however, both private and public employers are distressed about the high costs of employee drug use. The use of drugs by workers has been linked to decreased worker productivity; more health problems which generate higher employer insurance premiums; higher rates of absenteeism; increased number of job-related accidents; and a higher rate of on-the-job crime as drug users may steal from their employer to support their drug habit.

One study conducted by North Carolina's Research Triangle Institute estimated the productivity losses due to drug abuse as equal to $33 billion in 1983. And we all know that the drug problem has only gotten worse in the last 7 years.

PRIVATE BUSINESS AND PUBLIC POLICY RESPOND TO THE DRUG PROBLEM

In response to the escalating problem, many employers are taking steps to eliminate drug use at their places of business. A growing number of companies are using drug testing programs, with safeguards to guarantee accuracy and confidentiality, to identify applicants and employees who use drugs. Drug testing in the workplace, private and public, deters workers from using drugs, and therefore reduces demand.

Last year, Congress passed legislation to insure that any "department, agency, or instrumentality of the United States," and all Federal contractors and grantees receiving appropriated funds maintain in good faith a written drug-free workplace policy. This legislation implicitly requires each Member's staff to be drug free. If Congress is going to pass laws requiring drug testing in the workplace, we need to make sure that first our own staffs practice what we preach.

Executive Order 12564, issued September 15, 1986, continues to require random drug testing for all Federal employees in sensitive positions. Under the executive order, the Department of Justice is responsible for providing legal assistance to the agencies and for responding to suits brought in connection with drug testing of Federal employees.

DRUG TESTING PROGRAMS

The Bureau of Labor Statistics [BLS] conducted a survey of 7,500 private nonagricultural businesses in the summer of 1988. The survey found that 20 percent of private employees work for an employer with some sort of drug testing program.

The survey results also indicated that large employers are much more likely to conduct drug testing or have an employee assistance program than are small employers: 43 percent of businesses with more than 1,000 employees had drug testing programs compared with only 2 percent of businesses with less than 50 employees.

The BLS survey also found that employers are more likely to conduct drug tests on job applicants than current employees; and job applicants are more likely to test positive than current employees.

A recent Gallup Poll indicates that 97 percent of the employees surveyed said drug testing at work is appropriate under some circumstances and 86 percent believe that some form of testing helps deter drug use.

Those who are opposed to drug testing contest that it is an unconstitutional invasion of privacy. My question for them is this: Which is more important, my right to ride in a train or in an airplane and arrive safely at my destination, or a drug user's right to privacy in order to cover up his or her drug habit? If an employee doesn't want to be tested, that is the employee's right, but then that employee must be willing to be transferred out of his or her position or risk being fired to protect that right. We must protect innocent persons from becoming victims of drug-related negligence.

STANDARDS FOR DRUG TESTING

For those who argue that drug tests are inaccurate, I have cosponsored bipartisan legislation to regulate Federal certification standards for laboratories engaged in drug testing. Most experts agree that when drug tests are properly administered, using the best technology and with effective chain of custody, controls are highly accurate.

TESTING EMPLOYEES IN SENSITIVE POSITIONS—RAILROAD EMPLOYEES

It is particularly important to test employees in sensitive positions whose job performance affects public health and safety, such as in the transportation area. The clear danger to public safety presented by drug and alcohol use on the railroads has been demonstrated by numerous accidents.

During the 13-month period from January 1987 through January 1988, the Nation's railroads experienced 41 accidents in which one or more employees tested positive for alcohol or drugs. Alcohol or drug use by one or more employees was detected in over 25 percent of those accidents.

We all remember the horrible tragedy near Chase, MD, that occurred on January 4, 1987. A Conrail train ran through three red stop signals into the path of a fully loaded Amtrak passenger train which was traveling at 120 miles per hour. The collision killed 16 people on the Amtrak train, injured 174, and caused $16.5 million in property damage. Both the engineer and brakeman on the Conrail locomotive tested positive for marijuana; the brakeman also tested positive for PCP.

On April 6, 1988, a Metro-North commuter train stopped near Mt. Vernon, NY, was struck in the rear by another Metro-North commuter train. The striking train's engineer was killed and two crew members on the struck train were injured. Of the 10 rail employees tested, 5 tested positive for drugs.

Believing that the number of tragic occurrences such as these could be lowered substantially by employee drug testing, I cosponsored the Railroad Drug Abuse Prevention Act of 1989 to provide for drug and alcohol testing for railroad employees.

WHAT THE ADMINISTRATION IS DOING ABOUT THE PROBLEM

The problem extends beyond transportation-related jobs and government jobs. The administration has pledged to support and encourage private sector efforts to rid the workplace of drugs. To encourage more States to promote comprehensive, consistent drug free workplace programs, the administration is developing model State legislation. At least 20 States have already enacted legislation regarding drug-free workplaces.

EMPLOYEES NEED ASSISTANCE IN BEATING THEIR DRUG DEPENDENCY

Employee assistance programs [EAP's] are a major part of successful drug-free workplace efforts. Companies of all sizes and types have instituted these programs. They can save money for the employer through early voluntary identification of drug-using employees; fewer replacement costs, due to loss of experienced workers; and improved morale. Some experts have stated that for every dollar invested in an EAP, an employer will save from $5 to $16. The average annual cost of such programs ranges from $12 to $20 per employee.

Executive Order 12564 requires that the agencies refer any Federal employee found to be using illegal drugs to an employee assistance program.

REMEDIES FOR POSITIVE DRUG TESTS

Of course upon the first offense or first positive drug test an employee should be offered help in overcoming his or her drug addiction. Treatment is an integral part of any effort to eliminate drugs from the workplace.

Once a Federal agency employee receives an initial confirmed positive test result, the agency has a range of disciplinary actions it may take.

The actions available to the agencies are: reprimanding the employee in writing; placing the employee in an enforced leave status; suspending the employee for a set number of days; suspending the employee until such time as he or she successfully completes counseling or rehabilitation; removing the employee from Federal service for: confirmed illicit use of an illegal drug; refusal to take a drug test authorized by Executive Order 12564; refusal to obtain or successfully complete counseling or rehabilitation as required by the executive order; or once having completed counseling or rehabilitaton, failing to refrain from illegal drug use.

Separating an employee from the Federal service is mandatory upon a second confirmed finding of illegal drug use.

EMPLOYERS CAN'T DO IT ALONE

Even the best antidrug programs are made better still when they are supported by schools, churches, neighborhoods, and families. Government policies can do only so much. What they can provide is the basic protection and resources and moral leadership by holding up standards of right and wrong conduct. Government can reinforce the view that drug use is wrong by enforcing laws against illegal drugs and crafting policies to fight them.

Mr. WALKER. Mr. Speaker, I thank the gentleman for his very fine statement, I hope the cards he read off in terms of the crimes that have been committed in his district will be given to our staff here so we can include them on our chart. We have a chart here showing the crimes that have been reported to us since we started this special order just a couple of hours ago.

It is disturbing to understand what is happening in America. Just look at this—robbery, assault, homicide, homicide, arson, drug bust, homicide, attempted robbery, homicide, rape. The problem is clear when we begin to understand the extent of it. These are just what is being reported tonight. This is just when people call this number, (202) 224-3121 and tell us what is happening in the country just tonight. It is a disturbing picture, and yet Congress does not act.

We have a crime and drug bill that has sat in a committee for a year, and nothing has been done. We are saying here tonight that we need to act. The time to act is now. We cannot allow these statistics to continue to go up night after night, day after day, and not act in the Congress.

Mr. Speaker, let me yield to my colleague, the gentleman from Texas [Mr. BARTON], one of the Members who has also been a leader in the fight to try to bring the crime and drug package to the House floor for action. I yield to the gentleman to make whatever remarks he might have.

Mr. BARTON of Texas. Mr. Speaker, I thank my good friend, the gentleman from Pennsylvania for yielding.

Mr. Speaker, I would like to commend the gentleman from Pennsylvania for the leadership he has exhibited in this effort to create a drug-free workplace for the U.S. Congress and all facilities that receive Federal funds. He has been very instrumental in moving that language in the 100th Congress, the centennial Congress.

I have several things I want to comment on tonight. I would like to talk about some activities I have undertaken in my congressional office to create a drug-free workplace for my staff and myself. I will talk about some things I have tried to do in my district to create a drug-free congressional district, and I will end up by commenting on an amendment I plan to offer in the upcoming drug bill to try to create a drug-free congressional district, and I will end up by commenting on an amendment I plan to offer in the upcoming drug bill to try to create a drug-free atmosphere in the U.S. Congress.

Mr. WALKER. Mr. Speaker, I might just interrupt the gentleman for a moment. He has led by example on the issue, and I, among others, appreciate all that he has done by setting an example and by assuring us that his own practices are such that he can speak with force on this issue. It is much appreciated by the gentleman's constituents and by the country.

Mr. BARTON of Texas. Mr. Speaker, I appreciate that compliment.

As the gentleman has indicated, the President did present his drug and crime package not quite a year ago from tonight. I think this is the actual 1-year anniversary that it has not been acted upon.

I want to focus now on the retail level in trying to create a real war against drugs. This was brought home to me this morning. I had a visit from a classroom student from my congressional district, a recent graduate of a high school in my district. We were talking about various things. I asked her about the drug situation in her high school. She said that there had recently been several drug busts in her high school, but that the drug kingpin, the No. 1 dealer, had not been touched. Because in that particular county we now have a drug task force of law enforcement officers who are trying to root out the drug problem, I was able to go to the telephone, pick up the telephone, and call the task force chairman, a police officer, and within 15 minutes arrangements were made to investigate this particular individual.

But we do have a drug problem, and it is a problem we are going to have to make a personal commitment in our everyday life to try to solve. I have done several things to try to make that commitment real. I might tell you a little bit about the congressional district that have the honor to represent.

I represent the Sixth District of Texas. It starts in Fort Worth, TX, and goes down between the Brazos and the Trinity Rivers, all the way to the suburbs of Houston, TX. It takes in a total of 14 counties, with population centers like college station, Cleburne, Corsicana, my home town of Ennis, Waxahachie, Granbury, and Alvarado.

In my congressional district I have done several things. First of all, in my office I have created a drug-testing policy. Every member of my congressional staff and myself must submit to a drug test on a random basis. This drug test is paid for out of personal funds from my own pocket. It is conducted by a reputable drug-testing firm under the auspices of the Oneida drug testing rules and regulations. All test results are reviewed by a medical officer. If that officer has reason to suspect that the test is not accurate, there is a retest. If, and only if, the drug test is positive and I have been informed about that, we counsel with the individuals and give them an opportunity to engage in counseling and rehabilitation programs on a very confidential basis.

□ 2300

So, Mr. Speaker, the first thing that I have done to try to create a drug-free environment is to have a drug testing policy in my own congressional office. Second thing that I have done down in the congressional district is I have created a position of a drug-free antidrug coordinator. This person's job, full time, is to work with school officials, law enforcement officials, civic officials.

Mr. WALKER. Mr. Speaker, reclaiming my time here just for a moment, I do want to make a point before the gentleman from Texas [Mr. BARTON] goes on to his drug coordinator about the fact he has a policy which is working and is fundamental to his office operation right now.

There is a requirement, as the gentleman from Texas [Mr. BARTON] well knows, for all Members to have drug-free workplace policies in their offices.

Mr. BARTON of Texas. The gentleman from Pennsylvania is correct.

Mr. WALKER. And as the gentleman knows, we have passed a law that

says that Congress has to have a policy.

Mr. Speaker, it does not have to be a policy as broad ranging as what the gentleman from Texas [Mr. BARTON] has implemented. I do not know that there is anybody that is a peer of the gentleman in terms of the comprehensive program that he has put in place in his office, but the fact is they have to have a policy.

One of the more disturbing things in the Congress right now is that only a handful of Members, a relative handful, have enacted drug-free workplace policies in their offices in compliance with the law.

Mr. BARTON of Texas. Unfortunately, Mr. Speaker, the gentleman from Pennsylvania [Mr. WALKER] is correct.

Mr. WALKER. Yes, it is less than a hundred by our count. Now it is very hard to get that count, but less than a hundred by our count of the Members of Congress are complying with the drug-free workplace law.

Mr. Speaker, I find that kind of disturbing. Maybe that is another reason why we cannot get action on a tough drug bill is because Members of Congress cannot even bring themselves to obey the law as it applies to them.

That is certainly not true of the gentleman from Texas [Mr. BARTON], and I say that he has done the work, and I would like him to now go on and explain further what is going on in his district in terms of broadening the approach even beyond his own office.

Mr. BARTON of Texas. Mr. Speaker, I appreciate the comments of the gentleman from Pennsylvania [Mr. WALKER].

Mr. Speaker, I have created this special position of antidrug coordinator. This individual's job is to do nothing but full time in the congressional district work with any interested citizens group, any interested individual, any interested organization in the education against drugs, the prevention of drugs, the rehabilitation of drug abusers. This individual travels around the district and has been doing so for the last year.

Mr. Speaker, I have also created advisory committees in each of my 14 counties. These advisory committees have each met at least once on the antidrug policy.

I have done numerous town meetings. I speak at least once a week with high school students, civic groups, about the drug problem.

What are the results of all these activities? It is one thing to do these things, but what have we done?

First, Mr. Speaker, let us talk about education, but, before I do that, I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, since the gentleman from Texas [Mr. BARTON] is at a stopping place, I want to yield to the gentleman from Wisconsin [Mr. GUNDERSON] who is really coordinating the activities tonight and who, I think, has some disturbing new reports coming in from around the country about the extent to which this country's crime problem is plaguing us yet this evening, and I will be happy to yield to the gentleman from Wisconsin to bring to us the statistics that are coming directly to us.

Mr. GUNDERSON. Mr. Speaker, I appreciate the gentleman from Pennsylvania [Mr. WALKER] yielding, and, Mr. Speaker, we have already tonight announced nine different homicides that we are aware of that have occurred someplace in this country. Unfortunately I am taking this moment to announce that at 5:44 tonight in Brooklyn, NY, there was another homicide. At 9:30 p.m. tonight in Cleveland an elderly woman was killed. And in Chicago earlier this afternoon an 18-year-old young man was fatally shot in the head by two unidentified men in front of a liquor store.

Mr. Speaker, that means that we are aware of already 12 people we know of which have been called in, reported to us, that have been killed in this country while we do nothing about crime and drugs.

Mr. WALKER. Mr. Speaker, I thank the gentleman from Wisconsin [Mr. GUNDERSON] for that most disturbing report. It does help make the point, and I would remind my colleagues again of the words of the chairman of the Committee on the Judiciary, the man who has control over crime legislation, who told us just a few weeks ago that there are more crime bills than there are crimes.

Mr. Speaker, I think that the experience this evening indicates that there are a lot more crimes than there are crime bills and, in particular, there is need to act on one crime bill that might help us take action against all of these crimes that are being reported here this evening. So, I would hope that the American people will begin to see the need for this Congress to act on crime.

Now, Mr. Speaker, I will be glad to yield back to the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Speaker, as I was indicating earlier, I would like to talk now about some of the results, the real world, retail-level results, against the war on drugs. These are not expensive programs. These are not exotic programs. These are common sense approaches that any community in this country can take, if they want to.

Let us talk in the education area. There is a program called DARE created by the Los Angeles Police Department. Uniformed officers go into public schools or private schools, normally in the elementary schools, third, fourth, or fifth grade. Two weeks ago in my district there was one DARE program in existence in the city of Corsicana. Today we have DARE programs in existence in the school systems of Corsicana, TX, Groesbeck, TX, Mexia, TX, Fairfield, TX, Wortham, TX, and Cleveland, TX.

Now I will talk about another education program called SANE. Students at the high school and junior high school in my home town of Ennis, TX, wanted to create a drug-free group; that is, as a condition of being a part of the group, they would voluntarily submit to a random drug test. If they passed that test, if they tested negative, merchants in the Ennis area would give them discounts on various goods and services in their stores and shops. We went to the hospital in Ennis, the Baylor Medical Center, got them to agree to do the drug testing free of charge because of the success of this program, and now in Ennis High School and Ennis Junior High School there are 350 students involved. Eleven other high schools in my congressional district have started similar programs, high schools in Fort Worth Southwest, Forth Worth Arlington Heights, Burleson, TX, Cleburne, TX, Keene, TX, Godley, TX, Joshua, TX, Alvarado, TX, Grandview, TX, Conroe High School in Conroe, TX, and Conroe McCollugh in the Woodlands.

Talk about a rural county in my district: Limestone County 2 years ago. The citizens there created what they call the Limestone County war against drugs. To date they have raised over $50,000. They have an annual march against drugs where the citizens in Mexia and Groesbeck march out to an historic fort between the two cities called Fort Parker, rally, raise money in that walk. They have worked with Crimestoppers, raised another $15,000, and because of that the incidence of drug abuse in Limestone County is down significantly. Because of the success of the Limestone County war against drugs we now have the Freestone County war against drugs.

In Granbury, TX, the Granbury High School has created a drug-free graduation ceremony where there is an all-night, after-graduation party for their seniors in a drug-free environment. Local merchants donate prizes, gifts. They show movies, have a swimming party. The success of the Granbury High School drug-free graduation exercise has led to the city of Fairfield and Fairfield High School doing a similar exercise. Also at Granbury High School they have created a pro group, which is a counselling group. Students volunteer to be trained as counsellors once a week on Friday. The students that have been trained as counsellors meet in the auditorium or the gymnasium, and any student who has a problem can go and

is given 30 minutes or an hour to talk about their problems.

Mr. Speaker, I want to talk a little bit briefly about law enforcement.

Three years ago in the Sixth Congressional District there was one specific antidrug task force, the Tarrant County task force, which I was able to help be funded in 1985, my first year in Congress. Today in 13 of the 14 counties there are specific antidrug task forces set up. A total of over $4 million has been obtained through Federal funds as a result of the Antidrug Act of 1988. These task forces have arrested hundreds of drug dealers. They have busted hundreds of drug labs. They are really making a difference in the war against drugs.

Talk about rehabilitation and prevention just for a second. One of my first antidrug meetings that I held was an advisory meeting in Bryant College Station in Texas. As a result of that meeting, Texas A&M decided to create the Institute for National Drug Abatement Research. This institute is part of a Texas engineering experiment station. They have been set up and are now involved in drug program and policy evaluations, technical and hardware evaluations, applied research and demonstration projects to test new and existing technologies in the war against drugs. They are serving as a clearinghouse for the collection of data and the dissemination of data in the war against drugs, and they are coordinating regional and national forums to fight the war against drugs.

The last thing that I want to talk about is the issue of drug testing. I have a poll here from the Washington Post dated December 14, 1989. This is a Gallup poll in which they ask whether the respondents think that drug testing is a good idea or bad idea. They ask that for each of a hundred different occupations. Airline pilots: 94 percent said it was a good idea in safety-sensitive jobs, 93 percent, transportation workers, 93 percent, truck drivers, 91 percent, health care workers, 86 percent, construction workers, 81 percent, utility workers, 81 percent, factory workers, 73 percent. In our own occupation 69 percent said drug testing was a good idea.

Mr. Speaker, why am I talking about drug testing? Two weeks ago I held a town meeting in Corsicana, TX. At the end of the meeting a gentleman stood up, said that he was an airline pilot for a major airline, and he had to submit to a drug test. He said that he did not mind this, but he felt that, if he submitted to a drug test, that the U.S. Congress should also submit to a drug test. I pointed out to him that in my congressional office I had a mandatory drug testing policy, that I myself was involved in that, I paid for it and that I submitted to it. He said, "Well, that's fine, but what about the rest of the U.S. Congress?"

Mr. Speaker, my initial reaction was to say, "Well, that may not be realistic because each Congressman is elected by constituents in his or her congressional district, and it is really a matter of what they feel they should be doing to fight the war against drugs, and I don't know that we could actually mandate a drug testing policy for each Member of Congress."

However, Mr. Speaker, the more I thought about it, the more I thought it was worth looking into. I came back, I researched it with various officials, members of the staff of the U.S. Congress, and I have come to the conclusion that, if we want to really fight the war against drugs, if we are serious about the war against drugs, there is no reason we cannot have a drug testing policy for Members of the U.S. Congress.

Mr. WALKER. Mr. Speaker, if the gentleman from Texas [Mr. BARTON] will yield on that point, it does seem to me though that we have got a bit of a problem. As I am informed on the subject, the gentleman from Texas [Mr. BARTON] has to pay for the drug testing that goes on in his office out of his own pocket.

Mr. BARTON of Texas. Mr. Speaker, the gentleman from Pennsylvania [Mr. WALKER] is correct.

Mr. WALKER. Because we are not allowed to use the official accounts of Congress in order to have drug testing, because there is a specific ruling in Congress saying that that is not something that we can decide, as a matter of policy, to do with the expense moneys that are allocated to us; is that not correct?

Mr. BARTON of Texas. The gentleman from Pennsylvania [Mr. WALKER] is correct. Under the current interpretation of the House Administration, the chairman of the Committee on House Administration, but that is an interpretation that has never been tested, so to speak, and I think that we could easily, if we had to, change the rules of the House or enact specific legislation to change that.

Mr. WALKER. But it seems to me that once again it reflects the attitude in the Congress, and the attitude in the Congress is to talk a lot about what we are going to do on crime and drugs, but to do very little ourselves in order to implement policies that have real impact and particularly to implement policies that have impact on us.

Mr. Speaker, I think that the gentleman from Texas [Mr. BARTON] probably has hit something very important here when he suggests that as a way of leading by example that we ought to have a revision of present policies in this regard.

Mr. UPTON. Mr. Speaker, will the gentleman yield?

Mr. WALKER. Mr. Speaker, I yield to the gentleman from Michigan.

Mr. UPTON. Mr. Speaker, as I recall, the gentleman from Pennsylvania [Mr. WALKER] was successful in orchestrating the provisions now that all Members of Congress in their offices have to have a drug policy.

Is that not correct?

Mr. WALKER. Mr. Speaker, the gentleman from Michigan [Mr. UPTON] is right. As we said before, there is a mandate in law that we have to have a drug-free workplace policy in our congressional offices at the present time. We made the point that an awful lot of Members of Congress have specifically decided to ignore that mandate, and at the present time we count less than 100 Members of Congress who are complying with the law, and I would suggest that out across America that many people might want to begin to ask their Congressmen what they are doing with regard to implementing the law in their office. Do they at least have a policy?

Mr. Speaker, I know, when the press has checked with some Members on this, the Members have said, "No, I don't have a policy, I don't intend to have one, I don't care what the law says. I'm not going to do it."

□ 2315

You know, the rest of America does not have that option. The rest of America, when faced with the law, has to comply with the law. In Congress we seem to think in many of these things we are above the law.

I would suggest that some of that attitude may be the reason why crime and drugs are spreading across the country. Not only do we not act on the bills to try to do something about America, about the American problem, we cannot even bring ourselves to obey the laws as they apply to us.

I think it is a serious problem.

Mr. Speaker, I yield to the gentleman from Texas.

Mr. BARTON of Texas. As a consequence of my constituents' questioning in Corsicana, and as a result of the study that I have given this issue in the last several weeks, it is my intention at the appropriate time to offer an amendment on the floor of the House that would require random drug testing of all Members of Congress. I have the amendment drafted. We are revising it to make sure we adhere to all the appropriate policy safeguards. But I plan to go to the Committee on Rules when the antidrug or crime package comes up and submit the amendment to the Committee on Rules and ask that it be submitted in the RECORD so that I can offer it on the floor.

Mr. WALKER. I also have an amendment that will be offered in the near future when the appropriations bill comes to the floor for legislative

appropriations this year. I intend to offer an amendment that will bring Congress into compliance with the Drug-Free Work Place Act that this Congress passed a couple of years ago. It appears clear that we cannot act under the present law, that we have a lot of noncompliance, and so I am going to make the various officers of the House responsible for seeing to it that you have compliance with the Drug-Free Work Place Act that the rest of America has to follow.

I am going to make the Speaker of the House responsible for the Members; I am going to make the Clerk of the House responsible for the independent officers, I am going to make the Auditor General responsible for the GAO, the Librarian of Congress responsible for the Library of Congress.

In other words, we are going to have some specific people who now have the mandate of assuring that people comply with the provisions of the Drug-Free Work Place Act.

It is going to be interesting to see how Congress responds to the gentleman's initiative and to my initiative because my guess is when it really begins to bite there is going to be a good deal of dissension around here as to whether or not we really want to be in the forefront of the fight against drugs.

Mr. Speaker, I yield to the gentleman from Texas.

Mr. BARTON of Texas. If I may just conclude, it is my heartfelt belief that we can make a difference in the war against drugs, that each individual Member of Congress can make a difference here in Washington, that we can make a difference in our congressional districts, in our hometowns, if we will make a personal commitment to become involved at what I call the retail level.

The activities that I have enunciated in my brief remarks this evening are all activities that have not taken large amounts of money, they have not taken tremendous efforts to organize and initiate, but they have taken individuals and groups making decisions in their own spheres of influence to become involved. I really believe that in the 6th District of Texas we are making a difference, we are beginning to turn the tide against the war on drugs and that if all the Members of Congress, both political parties, will work together with the American people, we can win this war.

Mr. WALKER. Let me again congratulate the gentleman from Texas for leading by example because I think he is correct that if someone if willing to take the kind of stand that sets an example, that that does make a difference in individual communities and for the country as a whole.

I would again, Mr. Speaker, remind the American people that the purpose of this particular special order is to suggest that there are solutions to the drug problem, there are solutions to the crime problem, that there are ways of dealing with these if only Congress will act. But at the present time, Congress has not acted. So the scourge of crime continues to plague America. We know about the scourge of crime because there are people calling from all over the country to (202) 224-3121, telling us about the crimes taking place in their communities as we are on the floor this evening talking about the problem. We have had reports of crime after crime.

These charts are beginning to fill up as people report crimes from across the country, serious crimes. There are some who may think that, well, because you, Congress, are doing this, this is some kind of aberration, that that really is not a true picture of crime in America. I would remind us that violent crime in America is a real fact of life, that the preliminary figures from the National Crime Survey show that in 1989 there were an estimated 5,933,000 violent crime victimizations in the United States, that 1 in every 30 persons aged 12 or older was a victim of violent crime in 1989.

According to the Bureau of Justice statistics, the chance of being in a violent crime is greater than that of being hurt in a traffic accident, that violent crimes of murder, forcible rape, robbery, aggravated assault increased 5 percent between 1988 and 1989, robberies were up 7 percent, murders increased 4 percent in that same period, and aggravated assault 9 percent.

What we are seeing here tonight is not isolated, it is a real case of America being swept by crime every evening, this evening being no exception.

I have just been handed more cards, more crimes being reported from across the country: A drug bust in Chicago, a bank robbery in Baltimore, aggravated sexual assault in Chicago, homicide in Manhattan, more crimes coming in from around the country telling us that truly the problem is out there and is being felt by the American people this evening.

I yield to another leader in the fight to do something about crime and drugs in our society, the gentleman from Washington [Mr. CHANDLER].

Mr. CHANDLER. I would like to thank the gentleman for yielding.

Mr. Speaker, if I could, I would like to take the next few minutes to talk about drugs, and I would say drug and alcohol use in the work place, the effect that that has and what the American people can do about it.

I also want to compliment the gentleman in the well [Mr. WALKER] for his leadership, especially here in the Congress, dealing with this question of drugs, alcohol, both being abused by people at work and the problems that that creates.

Nationally the cost of drug abuse to employers in just five areas, decreased productivity, increased accidents, absenteeism, medical claims and employee theft, cost $60 billion annually.

Now, that of course includes both drugs and alcohol. Now, a very interesting statistic that I have found: The Department of Labor estimates that 70 percent of those who use illegal drugs are employed, either employed full-time or part-time, but nevertheless employed.

I can say with some considerable certainty that drugs are a problem here on Capitol Hill. Alcohol is most certainly a problem here on Capitol Hill and, tragically, it is a problem among the Members of this institution.

I would like to say on the positive side of that, however, that great progress is being made and much credit is deserved, and has been earned, by the Clerk of the House, Donnald Anderson. Mr. Anderson, as he deals with employees of this institutions, found that he needed a mechanism to deal with the extraordinary numbers of people who were showing up with employment-related problems of both drug and alcohol abuse.

Through his leadership, the House of Representatives of the U.S. Congress is adopting an employee assistance program, actually has adopted the employee assistance program and is now in the process of implementing that program.

I think this presents the Congress, it presents Mr. Anderson, all of us as Members, with an extraordinary challenge dealing—the gentleman in the well, Mr. WALKER, me, the gentleman from Wisconsin [Mr. GUNDERSON], the Speaker tonight—all of us as individual employers, it presents to us the challenge of how do we deal with our own employees, with ourselves, in trying to make sure that drugs and alcohol are not addictive substances for either us or our employees.

I also want to say that our Secretary of Labor, Elizabeth Dole, has provided considerable leadership in this regard and in response to requests for studies of drugs and alcohol, the problems presented by those substances in the work place, she has issued a report, and though I will not go into great detail about it tonight, I would like to submit for the RECORD at this point a letter she wrote to me recently, detailing this study and her findings.

The text of the letter is as follows:

U.S. DEPARTMENT OF LABOR,
SECRETARY OF LABOR,
Washington, DC, June 20, 1990.

Hon. ROD CHANDLER,
U.S. House of Representatives,
Washington, DC.

DEAR ROD: I want to commend you and your colleagues on your creative and dedicated efforts here tonight, and all you have

done to bring the war on drugs into America's workplace. Your longstanding commitment, which joined together the issues of substance abuse and the workplace, helped initiate the Department of Labor's current efforts to stop the crippling effects that substance abuse has on America's workers in factories, construction sites, executive offices, and other worksites.

Like you, I am deeply committed to ridding our nation's workplaces from the poison of drugs. It is no secret that employees who abuse substances, whether legally with alcohol or illegally with other drugs, harm themselves. However, substance abusers also harm their co-workers, friends and families in a myriad of ways—financially, emotionally and sometimes even physically.

At a time when our companies have to compete in a global economy, employers must be concerned when studies show that drug users produce less, miss work more, injure themselves or someone else more often, and file workers' compensation claims more frequently than other workers.

The Department of Labor believes that our nation's employers have a key role in fighting substance abuse. An estimated 70 percent of those who use illegal drugs are employed either full or part-time. Jobs provide substance abusers with income to support their habits and all too often serve as their primary source of illegal drugs. Only when faced with the threat of losing their jobs will many substance abusers finally face up to their problems and agree to seek help.

Given the importance of the workplace in the war on drugs and the impact that substance abuse has in the workplace, we at the Department of Labor believe that every employer—large or small—has a role to play in fighting substance abuse and making the workplace safer and more productive.

It is widely believed that the most effective way to combat workplace substance abuse is through a comprehensive approach. The Department of Labor supports such comprehensive programs, which include the following elements:

1. *A Written Substance Abuse Policy*—A written "no use" policy reflects the strong commitment of the employer to a workplace free of illegal drugs and other substance abuse. The policy should clearly outline disciplinary actions management will take in response to workplace substance abuse. Every employee should be informed of this policy and the consequences of failure to comply, as well as the assistance available to those seeking help.

2. *An Employee Education and Awareness Program*—A program of employee education and awareness focuses on the specific dangers of substance abuse. The training builds on the company's substance abuse policy, explaining why the policy was developed and highlighting the dangers of substance abuse on the job. Such training also helps nonabusers understand the problems of addiction and abuse and how the problems of others affect them.

3. *Supervisory Training Program*—Managers need specialized training to help them deal with employees abusing or suspected of abusing substances in the workplace. Supervisors must know that ignoring or denying a problem is harmful to both the employee and the company. Management must fully understand corporate policies for responding to these situations in order to implement them.

4. *An Employee Assistance Program*—An Employee Assistance Program (EAP) or access to one through a consortium, is an important element of a comprehensive program. An EAP is a program that assists workers who have any number of personal problems, including substance abuse, in obtaining counseling and treatment. EAP professionals are knowledgeable about the employees' health benefits coverage for substance abuse treatment, as well as the private resources available to help troubled employees.

5. *Drug Testing, As Appropriate*—While drug testing is a highly controversial subject, there is a growing consensus that drug testing in the workplace can be an important component of a comprehensive substance abuse program, particularly when the health and safety of others may be at risk. It should be emphasized that drug testing is *not* a solution in itself; it should be made part of a larger anti-drug program in order to be effective.

A comprehensive program makes good business sense—decreased substance abuse will have a positive impact on productivity, safety, absenteeism, and benefit costs. This type of program is a *humanistic* way to meet the needs of both the employer and employee. If the employee is a substance abuser, he or she *needs help.* If the workplace is to function at maximum efficiency, it must be free of substance abuse.

The Department of Labor believes that every workplace in the country needs to address this problem adopting a comprehensive program. We recognize that a goal of 100 percent coverage is an "ideal" and that some employers may have to implement a substance abuse program on an incremental basis. Yet, the Department of Labor believes that recognition of this problem in the workplace as well as actions taken by employers are essential to ensure safe and productive jobs for our nation's workers.

Sincerely,

ELIZABETH DOLE.

Mr. CHANDLER. Mr. Speaker, I would like to suggest that what she has proposed is already, much of it, common knowledge, already in practice by private businesses in the country. But the ideas are sound. They will work here in the Congress of the United States, they will work for a large employer, for a medium size or small employer. They are the following: As the gentleman from Pennsylvania has proposed for the House—and I have to check to see if I have a written policy on this subject, and I hope I do—a written substance abuse policy so that people know what the requirements are.

Mr. WALKER. Mr. Speaker, I have a list in front of me for the people who have reported they do in fact have policies, and I assure the gentleman he is one of them.

Mr. CHANDLER. I thank the gentleman. I was hoping that I would be. I was sure that I would be, but I could not say with total assurance.

The second point, after the policy, and this is so your employees understand what the deal is, what the rule is, what happens if there is a problem, second, an employee education and awareness program so that your employees understand what is addiction, how does it come about, how do you spot it both in yourself and in your colleagues.

Next, a supervisory training program. I think if we could get the 435 Members in this Congress to sit down with whoever the expert is that our Clerk hires, and listen for half a day to learn how they can identify the symptoms of drug and alcohol abuse in their employees, we would have a tremendously positive result in that alone. And that will work also, as the gentleman knows, in his district in Pennsylvania, in mine, with big employers, with small employers.

Then an employee assistance program. What this is is where you bring an employee in, there are problems of attendance, behavioral problems, people with problems with respect to efficiency. For example, in the State of Washington, a report estimates that a worker who is addicted to drugs or alcohol works at about 67 percent of their potential, at best. So that is how much you are losing. You are going to notice that, especially if it declines over a period of time.

So, with the employee assistance program, you identify the individual and direct them then to an appropriate professional who then identifies the problem, if it is drugs or alcohol, and he gets treatment.

And then drug testing, as appropriate. I think the gentleman from Texas has a very interesting idea. If he wants to start it on a voluntary basis, I think that would be fine. I would certainly be glad to volunteer.

I think one thing that we as people who are looked to as leaders should be more than willing to do, if we are going to come out here and give speeches about crime and drugs, then we most certainly ought to be willing to demonstrate that we are not part of the problem. So I think that is something that he suggested that we ought certainly to pursue.

Finally, the point I want to make is about safety in the workplace and drugs and alcohol.

Clearly, time after time, report and report, we have seen where, predictably, the use of drugs, the use of alcohol, many times in combination with one another, the effects on the individual create a tremendous safety problem both from the individual using the substance, but also for those with whom they work.

□ 2330

I think that crane accident in San Francisco not long ago is a classic example of a tragedy that can occur when people use drugs on the job. That concludes my remarks.

Mr. WALKER. Mr. Speaker, I thank the gentleman for his remarks. I think they have been most useful and most informative. What they go to is the real issue that drugs are a problem in

America of great proportion, and that as a result they are impacting people where they live, where they work, where the play, in every venue people are finding an impact of drugs. People are afraid to send their children to school for fear they will find a drug dealer somewhere on the way to school. People are afraid that the worker next to them in a dangerous job may be on drugs or alcohol and cost them their life or an injury. People live in fear of this problem. The statistics bear that out.

Mr. CHANDLER. Mr. Speaker, if the gentleman will continue to yield, earlier my colleague, the gentleman from Tennessee [Mr. SUNDQUIST], talked about the notion that when people use drugs something bad ought to happen. People look like you and me who have jobs like you and me are drug addicts and alcoholics, and have not done anything about it yet, oftentimes until someone stops being what is called an enabler. Or in other words, says, "That is it, we are going to put up with no more of this." It might be a mother, wife, friend, a priest, minister, anybody, or a colleague, until they say "This is it, we will not put up with it anymore," it oftentimes just continues to go on.

Mr. WALKER. And we hear from people, some people, who claim that the fear of Americans about this problem is kind of a nonsense sort of fear. Yet the statistics are very clear that people have every reason to be afraid.

The number of estimated adult arrests for drug possession reported by State and local police between 1980 and 1988, increased 107 percent in that 8-year period of time. The estimated number of adult arrests for the sale and manufacture of drugs reported by State and local police between 1980 and 1988 increased 180 percent. The people out there selling and manufacturing it and so on, it is going up enormously in that period of time. Illegal drug use among seniors in high school, in 1988, within the last 12 months they were asked whether or not they have used marijuana, 33 percent said within that last year they had used marijuana. Cocaine, 8 percent of high school seniors reported within the last year they had used cocaine. Within a 30-day period, 18 percent of high school seniors reported they had used marijuana within the last 30 days. And 3 percent had used cocaine within the last 30 days. These are our children.

Mr. CHANDLER. If the gentleman will continue to yield, the most common illegal drug those kids use is alcohol. Wait a minute, that is a legal drug—not for those kids, unless they are 21.

Mr. WALKER. The gentleman is correct. I do not happen to have that statistic here, but that is another major problem that we certainly face. I certainly thank the gentleman for his contribution here this evening. It has been very helpful and very useful.

I yield to the gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Speaker, the gentleman has been asking people to call in with their reports of crimes that are being committed as this special order is going forth tonight. There have been many reports of crimes around the country which I might just offer to the gentleman here for a second so that he can put them up on the board by him.

Shootings, for example, five people shot in Detroit before 4 a.m. and 6 p.m. today. Burglary, this was in the District of Columbia in Southwest, DC, two people involved in a burglary. Assault, in Southeast, District of Columbia, two arrests, one injury at about 9:30 this evening. Robbery in western North Carolina which was drug related, which many of the crimes that have been reported to Members tonight are. This drug-related crime in our country is one of the reasons that we have submitted this violent crime and drug bill, and why the President's bill related to both drugs and violent crime. Of course, that is the purpose for trying to bring these crimes to people's attention tonight and to our colleagues' attention, because it has been over 1 year since the President's drug and crime bill has been sent to the Congress, and yet our colleagues on the other side, the leadership have failed to bring that bill to the floor here so we can act.

Mr. WALKER. The gentleman brings Members disturbing information of more crimes being reported here tonight as people call in to 202-224-3121 to tell Members what is happening across America. Already in the course of this special order we have nearly filled two charts. In a few moments we will have to go to putting cards over tops of cards of crimes that have been reported from all the way across America. This is a disaster for the American people.

What has Congress done in the face of the disaster? For 1 year we have had Congress sitting on the bill that the President sent to Congress to try to get Congress to act responsibly on the problem. For 1 year Congress has held the bill hostage, refusing to bring to the floor this comprehensive program to deal with the crime and drug problem. That is very disturbing.

As I pointed out when the special order began, if we really want to act on something and if we really think there is a political necessity to act, we can act very quickly. The same committee that has held this hostage has managed within the last 24 hours to write a bill one evening, introduce it today, and it will be acted on on the floor tomorrow. They can do that when it comes to finding some way to provide cover for people on the flag amendment, but when it comes to dealing with crime for 1 year the President's bill languishes in the committee.

Mr. KYL. If the gentleman will continue to yield, my understanding is there is something like 133 bills that have been introduced and pending in just one committee here in the House of Representatives all dealing with the subject of crime and drugs, and that none of those bills have been brought to the floor, so it is not just the President's bill but other bills also languishing.

Mr. WALKER. Remember what the Committee on the Judiciary chairman said, there are more crime bills than crimes. I think we are proving tonight that is not the case. There are far more crimes than crime bills, but we would like to get action on at least one of the crime bills, at least one of the major crime bills ought to come to the House floor to act on so we can do something about the dozens and dozens of crimes that can be reported from all over the country in a matter of a few short hours.

Mr. DREIER of California. Mr. Speaker, if the gentleman will yield, I congratulate the gentleman and other colleagues for participating in what certainly has been a very historic evening, especially in light of the fact that the gentleman has been able to bring in these reports of these horrendous crimes which as we stand here are taking place. I wonder if the gentleman might care to speculate as to why it is that our distinguished colleagues on the other side of the aisle have made what appears to be concerted effort to block the kinds of criminal code reform measures which we in the different measures which we have offered as legislation have put forward.

Mr. WALKER. Mr. Speaker, I wish I could offer the gentleman an explanation because it puzzles me and it disturbs me, but I do not have a good explanation.

Mr. DREIER of California. If the gentleman will continue to yield, it seems to me that maybe it is because of a great deal of concern that exists for the rights of the criminals and we, of course, do not want to in any way impinge upon due process or the rights of assumption of innocence until proven guilty beyond a shadow of a doubt, but I cannot help but wonder over and above these two particular issues which I guess could be raised as concerns, why it is our colleagues would not want Members to be able to effectively consider legislation like this, especially in light of this litany of things that have been been reported here on the floor.

Mr. WALKER. Part of the reason for this special order, as the gentleman knows, is to say we ought to be concerned about the victims out there,

not just the rights of the criminals, but the victims, the people who are the statistics coming across here. The gentleman is probably aware of the figure, but it is astounding to me that if you are a black male in this country, the chances of your being killed, being a murder victim, are 1 in 30. Out of every 30 black males in this country, 1 of them will be a murder victim. That is a frightening statistic. Think of the magnitude of that statistics, and we have to be concerned about that kind of situation in America.

Mr. DREIER of California. If the gentleman will continue to yield, I have been grasping to try and figure out why? Is it concern for the criminal or concern for the lack of due process? But in fact, we address those issues in the many different pieces of legislation which we have brought forward, so like the gentleman, I am hard pressed to understand why it is that we see those on the other side of the aisle blocking our attempts to move legislation forward.

GENERAL LEAVE

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on the subject of this special order.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ALL-NIGHT CRIMEWATCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. ARMEY] is recognized for 60 minutes.

Mr. ARMEY. Mr. Speaker, before I return to the subject for which we are taking these special orders, let me make a few observations about what we are doing here tonight. Obviously, the legislative business of the House has been terminated sometime ago and we have been doing a series of special orders. We will continue to do so, apparently, through the night. It is not my practice to take such orders because, quite frankly, I feel that for the most part they are an imposition on a good many people, particularly the staff. I would like to take just a moment to acknowledge that as we do these special orders tonight we will have a great many staff that will work long hours, having worked all day today, will work again through the night and tomorrow, and particularly the stenographers and the typists downstairs. I understand there are eight of each, and they rotate, give their fingers a rest. But at the same time they will be here and they will work long and hard here.

Now, for me to take part in a special order that imposes that much burden on so many people, I obviously have to have a subject matter for which I consider there is a reason for concern. The fact is, over a year ago the President of the United States submitted his major crime bill to the Congress. The fact is, the President understood that we are losing the streets of America to the dangerous ciminals that would prey on our children in a variety of ways, prey on our lives, and on all citizens, and we must take these streets back. In order to do so, we must have a tough crime bill.

It is true that in addition to the President's crime bill submitted over a year ago that there have been at least 110 other crime bills. That is a reflection of how serious some of the Members think the problems are and how much something must be done. These bills are all referred to a committee of the House, and we have not yet taken up and seriously considered on the floor of this House any serious crime bill—not the President, not any of the other 110. The chairman of the committee of jurisdiction has cavalierly said that there are more crime bills than there are crimes. I am afraid that is not true. One hundred and eleven crime bills resting in the jurisdiction of that committee, not taken under consideration during this year. Just during the time in which we have been holding these special orders, since the close of congressional business until now, there has been across this Nation 1,080 violent crimes, 617 aggravated assaults, 360 robberies, 60 rapes, and 14 murders. All of these crimes have multiple victims, and I think that is a point we ought to stress.

It is not just the principal victim that suffers when a crime is committed. Take the 14 murders. How many families are left distraught, brokenhearted, not able to understand? Rape is a vicious crime, a crime that should be punished quickly and severely. That victim will share that victim status with others.

Mr. WALKER. Mr. Speaker, if the gentleman will yield on that point, I think the statistics are right.

Since the gentleman mentions rape, it is one of the most horrendous of all crimes, and we know now, based on the statistics we have before Members, that 1 out of every 12 women will be the victim of a completed or an attempted rape under the trends that are current. One out of 12. That means that out of every 12 women on the street, 1 of those women is going to be the victim of a completed or attempted rape. We have rapes on the board here tonight that have been called in from around the country so that we know that is happening as we speak here this evening.

□ 2345

I have got to tell the gentleman that I think it is time that we pay attention to those people who have been victimized by crime.

Mr. ARMEY. Mr. Speaker, the gentleman is absolutely right.

This is a point at which I would like to focus this hour's discussion on the victims of these crimes, the innocent people who go about their daily business, who care for their families, their relatives, and their children, and all too often the children themselves must have their rights protected under the law.

Mr. UPTON. Mr. Speaker, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Michigan.

Mr. UPTON. Mr. Speaker, as I was coming over to the floor, I learned what the gentleman's topic is, the victims of crime, and I am going to be taking an hour immediately after this. I have been checking with my law enforcement agents in southern Michigan, and I heard of just an outrageous crime that was conducted over the weekend in one of the counties in my district. I talked to the deputy undersheriff just a few hours ago.

We had a women who was raped and left for dead, and the fellow who did it apparently bit her nipple off and just left her there. Thank goodness, they found her. I hope that she survives. It is not clear that she will. They found the alleged person. He is under arrest, and he is under a $200,000 bond. Right now he is sitting in one of my county jails.

The gentleman talked about victims of crime and what this means. Obviously this means a great deal to her, and hopefully she will survive. But also it means a great deal to her family and to her friends. This occurred in a town that does not even have a traffic light. It is in rural America. I do not think, quite frankly, that they have a four-way stop in this town where I was just a couple of weeks in fact for one of my town meetings.

These crimes are occurring across the country, not only in urban cities and in the District of Columbia where we have a police scanner in our Republican Cloakroom, but we have them in small towns as well. These are heinous crimes, and the victims need to be protected.

I think this is an hour well spent as we talk about some of the victims that obviously will remain nameless across the country.

Mr. ARMEY. Mr. Speaker, I thank the gentleman. Of course, the gruesomeness of the crimes are almost unspeakable.

Mr. UPTON. They are. I even hesitated to say what it was. The deputy sheriff told me that, and it is just outrageous.

Mr. ARMEY. Yet we have turned a deaf ear to the crimes against these victims, failing to see that they be given justice. We are all too quick to see the need to give mercy to the perpetrators of the crimes, and while in the very act of our zealousness to extend that mercifulness, we deny justice to the victims of the crimes and, even more importantly, to those potential victims that can avoid the tragedy if we have the will to pass laws that will tell the criminal, "You will be apprehended, you will be tried, you will be convicted, and you will be punished. This is a deterrence of the violence you perpetrated against other people." That saves people the grief of being the victim.

Mr. Speaker, I see that my good friend, the gentleman from California [Mr. DREIER], is here. I know that the gentleman from California has spent a good deal of time preparing some comments, and I yield to him at this time.

Mr. DREIER of California. Mr. Speaker, I thank my friend for yielding.

I would like to ask whether the gentleman would first yield to our friend, the gentleman from Wisconsin, who I know has some interesting information to convey to our colleagues.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for his courtesy.

Mr. GUNDERSON. The courtesy was not extended to the gentleman from Texas; it was extended to the gentleman from Wisconsin.

Mr. ARMEY. On behalf of the gentleman from Wisconsin, I thank the gentleman from California [Mr. DREIER] for his courtesy, and I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Speaker, I am deeply appreciative to both gentlemen.

I wish that I could report some good news, but as the gentlemen know, a number of people have called into us at this crime watch number tonight, (202) 224-3121.

It is no secret that I come from a rural district in western Wisconsin, and earlier this evening there was, believe it or not, a child molestation case that was finally dealt with by local authorities in a very rural county in my particular district. Also unfortunately, there was a wife who was the victim of a domestic violence beating in another community in my district. Both of these were in rural areas.

These are kinds of things that are coming to us under this phone call-in system. Unfortunately, we get these reports, and it gets back to the issue that we are told that perhaps there are more crime bills than crimes. But I think we have already proven that is not the case.

I also want to assure the gentleman that these are all rural cases, but let me be very personal for a second and tell the Members about a couple of urban cases right here in Washington dealing with my own congressional staff. Not one but two of the female members of my staff in the last few months have been mugged in broad daylight right here in our Nation's Capital, one unfortunately on her way to work one morning, and the other walking out of a store. That gives us an idea of the kind of crime problems that are prevailing.

We talk about victimization. What this really means is that unfortunately too many people today are now living in an aura of fear because we are unwilling to do what is necessary to deal with crimes and drugs here in the Congress of the United States.

Mr. Speaker, I appreciate the gentleman's yielding.

Mr. ARMEY. Mr. Speaker, I appreciate the gentleman's making that point. We have seen our staffs feel threatened. We know that members of our staffs are sometimes reluctant to even travel home through the streets of Washington. I am reminded that just in the past 2 weeks a Member of Congress, Congressman STUDDS from Massachusetts, walking home minding his own business, was severely mugged and beaten, apparently just for the heck of it, not with a reason, not with a motive for robbery, but just out of pure meanness, on the streets of Washington, DC, in a very prominent part of town. So one has to address the question raised by the President in his speech the other night. Will we or will we not take these streets back and make them safe to be walked on by the people of this country.

Mr. Speaker, let me again yield to the gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Speaker, I thank my friend for yielding, and again I congratulate him for his fine work.

The gentleman from Pennsylvania [Mr. WALKER] and I were talking a few minutes ago about why it is that our colleagues on the other side of the aisle would try to prevent us from bringing to the floor a bill or going through the committee process with this simple language in these different bills designed to focus attention, as the gentleman from Texas well says, on the victim rather than simply on the criminal. I could not help but think then when I heard the exchange between the gentleman from Wisconsin and the gentleman from Texas that we here in the District of Columbia, talking about our colleagues and staff members who have been victimized by these crimes, are living in what is clearly the murder capital of the world. We constantly hear that term used to describe our Nation's Capital.

When I think about that, it seems to me it is even more incomprehensible that the leadership on the other side of the aisle who pre-empt our attempts to bring this legislation forward. The gentleman has specifically discussed the fact that we want to do everything we can to insure the rights of the victim, because it is very tragic how people are victimized, and unfortunately our attention is focused on the criminal and it seems that our concerns are focused on the rights of the criminal rather than those of the innocent victims.

That happens all over, and people are moving out of neighborhoods because they have been victimized.

But, Mr. Speaker, I cannot help but think about a very tragic situation which relates specifically to the committee assignment which I have. I serve on the Banking Committee, and on that Banking Committee we have a subcommittee called the Subcommittee on Housing. On that subcommittee we deal with an issue which is of great concern to everyone, and that is trying to assure that affordable housing is made available to people. We are trying to streamline that process to make sure that we do not have people living in substandard housing in the United States.

One of the things we found, as one of the greatest tragedies which came to my attention was last year we saw a member of the Alexandria police force gunned down by a drug trafficker who was in a public housing unit in Alexandria, VA.

I introduced legislation following in the footsteps of our very able Secretary of Housing and Urban Development, Jack Kemp, our former colleague here, who looked at the fact that we had drug trafficking going on in public housing, and as the gentleman from Texas said, the thrust of this special order in this hour is to talk about the innocent people who are victimized by these criminal and drug traffickers. Nowhere is it worse than in public housing.

Let me just briefly talk about the fact that in these public housing units we see people who would desperately want to move, but because of the lack of financial resources, they are unable to move, so they are the innocent victims of living in these housing units, and they are victimized by these drug dealers.

So what we tragically have in this country is a situation where we not only are allowing these illicit drugs to come into this country and be criminally spread around the country, but we in fact are seeing the U.S. taxpayer tragically subsidizing their activity. Why? This was the most incredible statistic I could ever be given as it relates to the facts: I was told that it was actually easier to evict someone from a public housing unit because they had a blaring stereo unit than it was to evict a drug dealer in a public housing unit. In fact, the whole process of

trying to bring about prosecution has been a game, as it often is with criminals going through the State and the Federal process.

Secretary Kemp has been very wise in recognizing the concern for the victim. He has attempted, when due process is there at the State level and the grievance procedures are in place, to waive the very onerous and complex Federal grievance procedure which is simply stacked on top of the already existing State grievance procedure which is in place. He did this in an attempt to ensure that we would be able to kick these drug dealers out of public housing units, recognize the rights of those victims, and at the same time make sure that the American taxpayer was not directly subsidizing this kind of criminal and drug-peddling activity.

Tragically, Mr. Speaker, we have seen Members on the other side of the aisle try to make the grievance procedure even more complex than it is today, making it more difficult than it presently is under the constraints which Jack Kemp, the Secretary of Housing and Urban Development has in place. They are trying to make it even more complex, making it easier to keep that drug trafficker in public housing.

Not everyone on the other side of the aisle is doing this, and I do not believe in any way that Members on the other side of the aisle are trying to promote drug trafficking in public housing, but I will say this: Secretary Kemp has done an extraordinarily able job of insuring that we would streamline the process to make sure that we get these drug peddlers out of public housing units, and barriers have been established by Members of this Congress. I think that is a very fortunate situation. It is one that is going to be difficult for us to deal with.

While we have the stack of legislation that has been put forward here, included in that stack, I am sure, is legislation I have offered to try to streamline the process of getting these drug dealers out of public housing. That in itself will play a role in addressing the main concern which my friend, the gentleman from Texas, raises so very ably, and that is, let us look at the victim, not just the criminal.

Mr. ARMEY. Madam Speaker, I thank the gentleman for his comments.

I am familiar, of course, with the work of my friend, the gentleman from California, on this subject of public housing. He shares with the Secretary of Public Housing and Urban Development, Mr. Kemp, the idea that these public housing units, even though they are owned by the Government are homes to families. The Secretary and the gentleman from California [Mr. DREIER]—and I count myself in their company—are saying that it is not enough to concentrate our attention on taking the streets of America back and allowing the people to be safe on the streets, but at least in public housing where families should be safe we have to take the public housing units back so people can be safe in their homes.

I applaud the Secretary for his efforts to simply say that we will not tolerate violent crime and the handling of drugs in public housing. He is thinking about the residents. He is thinking about justice for the residents; he is not thinking about the rights of the criminal. The criminal who in fact would trespass against the rights of others, according to the Secretary, should fend for himself, and we should place our primary occupation of our resources, our time, and our counsel on protecting the rights of the ordinary men and women of America who want to make a home for their children.

□ 2400

Madam Speaker, I might just mention that I had my heart broken one day in conversation with a little 8-year-old girl who lived in public housing who told me that she and her brothers were afraid to go out and play because there were bad people out there. She was still innocent enough, bless her, that she did not know, nor understand, what these bad people would do. But she had been warned, and I think, unfortunately, necessarily so. She and her brother had to stick close to where her mother's watchful eye could cover them at all times because there would be people there who would do harm to these children.

Madam Speaker, these are the kinds of trespasses that we hope to address with tough crime legislation that is not being moved in this Congress, and I think the American people have a right to ask, "Why not? Why do we not move this legislation? What is the committee of jurisdiction doing with its time? Why can't we get something going that protects the rights of American citizens?"

Mr. WALKER. Madam Speaker, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Madam Speaker, I am asking the gentleman from Texas [Mr. ARMEY] to yield so that we might report that again from across America we are hearing about the scourge of crime that is plaguing the country this evening as we speak, and I just want to report some of the new information that we have with regard to crimes taking place across America.

A homicide in Chicago, an armed robbery in Orange County, FL, a gang-related kidnapping in Chicago, a murder in Detroit, MI, a gun fight in Chicago. A burglary in progress, police at the scene; I do not have a specific place on that. Another gang fight that is taking place in Chicago. Shots fired in Chicago. A gang fight taking place in Chicago. Another gang fight taking place in Chicago. Shots fired in Chicago. A battery case in progress in Chicago. A family fight taking place in Chicago. Shots fired again in Chicago on the North Side. An auto theft taking place in Chicago. A battery in the same city. A burglary with shots fired in Chicago. A rape taking place in Washington, DC. A hit and run taking place in Washington, DC and a shooting with no arrests in Washington, DC.

Madam Speaker, these are all things that are happening as we speak here in some of our cities across the country, a very disturbing pattern, and I might say to the gentleman from Texas [Mr. ARMEY] that it is kind of interesting to me. I was just doing some statistics here. One of the things on the crime clock beside the gentleman from Texas [Mr. ARMEY] there is that there is one murder every 25 minutes, and that sounds like it cannot be true. Many people think there is no way in America that we can have a murder every 25 minutes, and yet we have been here, and it is just after midnight in the eastern daylight saving zone, and we have been talking for just approximately 5 hours in this series of special orders. During this time, with this system we have of people calling our 800 number, this rather imperfect system, we have averaged about one homicide every 25 minutes which has been reported to us across the country in that time.

Mr. GUNDERSON. It is 120.

Mr. WALKER. Well, it is an absolutely galling statistic that that is happening in this country and that this Congress will not act, and I say, "You know, when you see us, we are now going to have to put these cards on top of other cards on those charts down there of just the crimes that have been reported to us this evening in this most imperfect system that we have."

Madam Speaker, I thank the gentleman from Texas [Mr. ARMEY] for yielding.

Mr. ARMEY. Madam Speaker, I thank the gentleman from Pennsylvania [Mr. WALKER] for his observations.

I would like to, Madam Speaker, if I might, with the indulgence of my colleagues that have participated with me in this hour, I would like to see if we could agree that we could dedicate this hour's dialog to the memory of Amy Lynn Thatcher, and to her family, her mother and father, Mary and Terry, and her two siblings, Damon, 10, and Ellen 11. Let me, if I can, tell the story.

Madam Speaker, I remember all the events, only too tragically, and I am remembering that it is 1 year since the President submitted his crime bill. Within 3 months of that period of time, some 9 months ago, on September 15, Amy Lynn Thatcher, a 14-year-old girl, was abducted on her way to school. Now we do not know for sure how that happened. I do not at least. I remember the notices that went up in our community around Fort Worth, TX, that this young girl, who had just turned up missing, and then the search, and then, of course, the tragic discovery that Amy Lynn had not only been abducted, but she had been brutally murdered.

I say to my colleagues, "Can you imagine?" I have five children. They are all grown now. My youngest is a college boy, just went away this past fall, and I have gone through that worry, as all we parents have, day in and day out where we did not want them out of our watchful eye, and yet we know that we have to allow the youngsters to go, come and go, learn to live in a world that, unhappily, is more hostile than we prefer, and we take our chances.

Here is a family that had to deal with the fact that their Amy Lynn did not come home. They have to try to understand what happened to their previous little girl, what was in the mind of this person who so brutally stole their child off the street and took her life.

Madam Speaker, the months went by, and the perpetrator of the crime was apprehended, the trial was held, and in the course of the trial, out of a sense of duty, I suppose, to the rights of the perpetrator, his family was allowed to come in to the trial and testify with respect to his character. And I am sure that his family was going through a terrible tribulation and terrible pain, realizing that their son and brother was charged with and could possibly be convicted of a brutal murder of this kind. And families will love children and siblings and rise to their defense, as well they should. And this family was allowed to come before the jury and testify as to their knowledge of the character of their son and their brother. And while that was done, in the interest of mercy, in the interest of justice for the perpetrator of the crime, the family of Amy Lynn Thatcher was not allowed to testify in that court room regarding their daughter and their sister and what a precious person she was in their family.

Again I think justice for the victims of the crime was overlooked in the court's zeal to protect the rights of the perpetrator of the crime. Amy Lynn's rights were taken away without due process. The rights of her mother and her father, the rights of her brother and sister, were taken away without due process, in callous and mysterious disregard for her right to come and go from school in safety and security.

Now the case was completed, and, quite frankly, the verdict was guilty, and the penalty was life. The person who abducted Amy Lynn Thatcher and brutally murdered her denied those parents the right to see their precious child grow to adulthood, the right of those brothers to enjoy what we do with our siblings, our older sister. That person will be eligible for parole in 15 years.

Madam Speaker, we have here a picture of Amy Lynn. As I recall, the first picture I saw was last September 15 when it came over the airwaves as we were in the community still hopefully thinking this child might be found. And then we have a picture of the family today, after the verdict was in. Each of these people in this family sitting with pictures of their daughter and their sister on their T-shirt and with a slogan over the picture that says, "We will remember Amy Lynn Thatcher."

Now, the family has gone through a bitter ordeal. They have had many hours of counseling. They have had to change homes because they could not bear to continue living in that home where they had so many memories of Amy Lynn. They worked very hard to overcome their anger and their frustration and to try to channel that in productive ways.

Madam Speaker, Mr. Thatcher, Terry, has some suggestions. I would like to just talk about his suggestions, what can be done according to this victim within the context of due process, perhaps, that might give the victims some greater sense that the processes by which convictions, trials, judgments, will be made, I think, responsive to the hardships suffered by the victims. He has some suggestions.

Madam Speaker, he suggests that perhaps we should have jury panels that are made up of more professionally trained people, people that can understand what he calls the mumbo jumbo that goes on in courts.

Now I know that is a rash suggestion, but there is a certain sense in it, and it is worth considering. I am not saying we should pass every recommendation ever brought before this Congress, but we owe it to these victims to consider the recommendations.

But then he has some other suggestions, some suggestions that I will tell my colleagues will be found in the 111 bills designed to get tough on criminals to deter the perpetration of violent crimes by one person against another that have not been taken up by the committee, that are not being given consideration, and I will tell my colleagues that these suggestions from Terry Thatcher are embodied in that legislation, and we are not considering them. And these are suggestions that there should be mandatory sentences which take the punishment decision out of the jury's hands.

He also said he would involve a push for passage of a law creating a new sentence for convicted murderers, life without parole. The person that killed Amy Lynn Thatcher can be parolled in 15 years.

Now what does that mean? Let me tell my colleagues what it means. On this same day, in this same paper, with reference to another crime, we have a gentleman and his wife who have admitted the brutal, and in ways too graphic to describe on this floor, so take my word for it, the brutal, graphic murder of four people, the man and his wife brutally murdered, two men and two women on two separate occasions, and they have been apprehended, and they are trying to try them in the venue in which these brutal murders took place, and because of the public uproar over the light sentence that had just been handed down in those courts to the person who brutally murdered Amy Lynn Thatcher, they are not able to impanel a jury. People are calling in and saying that they refuse to serve on the jury because they will not accept the kind of public response once the verdict was handed down, and a sentence was levied, that has been lavished on the jury in the Amy Lynn Thatcher case. So, here we have a case where these two people who have committed this brutal murder have gone through an enormous process of a change in venue and a movement of this case away from that jurisdiction to protect their rights because we cannot impanel a jury since the public is so outraged over the light sentence given to this person that denied Mary, and Terry, and Damon and Ellen Thatcher the pleasure, the comfort, of living through their life and watching their beloved daughter and sister grow to adulthood and carry on their life.

Madam Speaker, these are the kinds of things we have to think about when we start defining the conditions by which we will pay regard to the rights of the victim, and certainly we must not be callous in our regard to the rights, the legitimate rights for due process that we cherish so.

□ 0015

We cannot go overboard seeking mercy for people who have demonstrated their lack of it, in disregard for justice to those whose rights have been denied in the most clearly definitive way, as we have seen in the case of Amy Lynn Thatcher and these four victims of this other perpetrator.

Madam Speaker, I yield to the gentleman from California.

Mr. DREIER of California. I thank the gentleman for yielding. I cannot help but think of a comment that he

made just a few minutes ago as concerns the innocent victims, when he was talking about the innocent victims at the outset of his hour. He talked about the victims other than those who are actually impacted by the crime itself, but the ripple effect that it has.

It was not until just a few minutes ago when I stepped back into the cloakroom that I recalled—I am almost embarrassed that it took me this long to think about it, but all of a sudden it hit me—just last Friday afternoon, when I was in Los Angeles, I went to tour a plant, the Genisco plant, Genisco Technology. I went to tour the plant. The president of the company was a classmate of mine in school. He said, "We are very pleased to have you here. This is an operation which has built computers for the Trident submarine." They are proud of their work there.

They are now going through the transition from the defense industry to the commercial side. There are a lot of industries in California faced with a great many problems.

Well, this friend of mine, Phil Friedman, the head of Genisco, looked to me and said, "Today we are going through a very difficult time." I thought he was going to be talking about something to do with the industry. He said, "Well, a husband and wife work here, they have worked here for 20 years, together. We just got the news a day or two before that their young 18-year-old son was driving along the Pacific Coast Highway, and he was with another two friends, and for no reason whatsoever, no provocation at all, he was shot and killed."

Now, nothing happened, it was not a case of the kinds of freeway shootings that we have here over the past couple of years in Los Angeles, where someone cuts off a driver, makes an obscene gesture at someone. Absolutely nothing of the kind took place, as was attested to by the other two passengers in the automobile. But this young boy, 18 years old, who was the son of this husband and wife team of Mr. and Mrs. Jon Jones, who worked at Genisco Technology, was shot and killed. And again, for no reason whatsoever.

So the gentleman said at the outset of the hour that we should think of those other victims.

There are today over 300 employees at Genisco Technology, and he said the ripple that this shooting sent through all of the families in this company has been amazing.

So the victims are all of the friends, the acquaintances, the associates of those who are the direct victims.

That is why the gentleman is absolutely right in the statement that he just made, there is no doubt whatsoever that we absolutely have to focus attention on the perpetrator and the criminal rather than trying to coddle them.

We have got to recognize that concern, that sympathy needs to be focused on these victims, on this very sad day, 2 or 3 days after that had taken place in this country.

Then, when I left there, I got the news just the next day, this past Saturday, that a mother and daughter, for no reason whatsoever, in Walnut, CA, the Greig family, Melitta and Rose Greig, were killed. She worked as a secretary at St. Martha's Church in West Covina, CA.

She got a call; one of the priests at the church said on the news that she left and she said she would be right back. They found her and her 23-year-old daughter several hours later. The husband found them when he came home, bludgeoned to death and stuffed into the trunk of the car in their garage. This is a very nice neighborhood in Walnut, CA.

They were brutally beaten for apparently no reason at all. We are still waiting for the information to come out.

I could not help but think of these two circumstances. People here were talking about reports that were coming out this evening, and it was not until I went back to the cloakroom—and the reason I say that is that some of this stuff goes over our heads—I never thought, this evening when I was walking over here from my office, never thought that I would mention these two situations that hit me last week. I was thinking on my way over what it was I was going to say. But it was not these two incidents.

I was reminded of these horrible tragedies that took place in the Los Angeles area in just these past 2 weeks.

Mr. ARMEY. I thank the gentleman for his comments.

Madam Speaker, I would like to make an observation before I yield to the gentleman from New York.

One of the things that makes us all victims, we had a situation like this in a little town of Louisville, TX. A lad, who would have graduated from high school the next week, driving down the road, for no reason at all was shot through the window of his pickup truck, hospitalized. Luckily, he will survive. The thing that I think is so frightening to all of us, makes us all victims, is it could be me or my children.

Now I want to make an observation: My wife is a psychologist by trade, and we talk about this very complex subject matter. I do not mean to be a psychologist. I am somewhat familiar with the thinking going on in this field.

The fact is we do have sociopaths, psychopaths, people who commit the most heinous, violent crimes for no apparent reason. Particularly, you see that in child abuse and spouse abuse cases.

The fact is there are cases where although we might understand that the individual that commits this violence is not capable of doing otherwise and perhaps deserves a certain compassion and understanding, that person must be taken off the street and kept separate from people who would be their victims.

Irrespective of how much we want to be enlightened, how much we want to understand, the law put a shield between that person with this overwhelming complusion to commit violence to other people, particularly children, and those victims that we would have.

It is not enough to be enlightened, it is not enough to understand the psychology of the matter. But the obligation that our community has and should carry out through the law is to the people who, without our due responsibility, will be the victims of the violence.

That must be our first obligation.

Madam Speaker, I yield to the gentleman from New York.

Mr. GREEN. I thank the gentleman for yielding to me.

Let me simply report on the problem as I see it in my district, and the relationship between drugs and crime there is obvious and overwhelming.

There have been many who have said the buying of drugs, the drug traffic involves victimless crime. That is plainly not the case in my district. We had one very clear example several years ago when, as a result of complaints from local elected officials, including me, Mayor Koch increased the amount of police on the Lower East Side, which had become a real drug supermarket, not just for the immediate neighbors but for the whole metropolitan New York area. You could see people coming in their cars from New Jersey and Connecticut, making buys there.

The moment there was a street police presence, that reduced this crime, not just the drug selling which went down, but you started to see the burglary rate and the crime rate go down not only in that precinct but in the surrounding precincts.

I think that relationship should be very much understood as we discuss the crime problem.

In that respect, I do think it is a matter of concern that we are not providing treatment for all those who seek treatment, those addicts. I readily recognize the fact that we do not have a perfect treatment for drug addiction. The recidivism rate is unfortunately very high. When people do decide they want to be off drugs and walk into a clinic to be told to come back in 2 months or 3 months or 6 months is a terrible thing. The fact of the matter

is they are probably not going to return. This is the moment when they have decided, "I can do it now." Maybe they are right or maybe they are wrong, but if we do not offer them the treatment—and we are not offering the treatment—and we do tell them to come back in 2, 3, or 6 months, we are obviously aggravating the drug problem and the crime problem.

I know this will not be a sentiment that is agreed to by a lot of my colleagues, but, yes, we ought to put sociopaths where they cannot be killing people. We also ought not be selling guns to sociopaths. We really ought to have some system where a person who wants to buy guns can be checked up on to make sure he is not a sociopath, not a habitual criminal, not someone recently out of the mental institution. So that guns can only be owned by people who can use them responsibly.

So I really do think we need some sort of a cooling-off period or some sort of communications system so that people cannot walk into a gunstore and walk out with guns and ammunition with no check on whether they are sociopaths, mental cases, or habitual criminals.

We have heard talk about people being randomly shot on highways by people with guns. Obviously some sort of effective gun control, gun licensing legislation ought to be addressed by this Congress so that we keep guns out of the hands of those who are sociopaths, those who are mentally ill, those who are habitual criminals.

I thank the gentleman for yielding.

Mr. ARMEY. I thank the gentleman for his comments.

I might say obviously the gentleman and I have somewhat different points of view on this whole business of gun control. I think we can relate it back to the concern we have here, because we do not have difficulty in this body getting legislation under consideration in this process, through the committees, onto the floor for debate and discussion on gun control. I think it is a healthy process and we ought to do it.

Mr. GREEN. I would agree. We have had votes on gun control. Unfortunately, they come out the wrong way, from my point of view. But the gentleman is right, when we get the bills on the floor, we do have a chance to vote.

Mr. ARMEY. That is right. It is good for the process that we air out our differences and we have our votes.

We are going back to the fact that we have 111 crime bills that have been submitted to the committee and not one of them has come through the committee.

We need some balance here, we really do.

The gentleman's point of view regarding the terrible trials that drugs have afflicted in his part of the world, New York City, complicates that; one sort of breeds on top of the other. There is no doubt about it, we need to be very diligent in our enforcement, our interdiction and our treatment of people.

The gentleman is absolutely right, to tell an addict to come back in about 3 months is useless.

Mr. GREEN. I thank the gentleman.

Mr. ARMEY. I thank the gentleman, and I yield, Madam Speaker, to the gentleman from Louisiana [Mr. HOLLOWAY].

Mr. HOLLOWAY. I thank the gentleman for yielding. Really, basically, what I would like to ask is what is the answer for our country today, what direction do we go in? We do not care for life like we used to. There is something missing in our society.

Is it the family? Is it the closeness of the families? The gentleman earlier made statements about families having the right to defend, or thinking their children are innocent of things. I think sometimes that is our greatest problem in this country in many ways is the fact that families are not willing to accept the fact that their children are on drugs or have murdered someone or are out being hoodlums, breaking into stores, doing things that lead to these greater crimes.

I would like to have a few of the gentleman's thoughts on where do we go in the future in this country? Do we keep drifting the way we are drifting? Or do we somewhere sometime say we have got to be tough on the criminal and give the victim some rights again?

Mr. ARMEY. Madam Speaker, to a large extent I think it is a very intangible and elusive thing. I am fond of pointing out that this very contemporary enlightened concept called social responsibility is a euphemism for no personal responsibility.

A generation or two ago in America people, individually, singularly, you and I, people were held accountable for their actions, within the family, within the school, within the community. Today we are all very quick to rush to this contemporary intellectual concept that if a person commits a crime against another person, somehow society has let the person committing the crime down, that they have been the victim.

□ 0030

Therefore, they were sort of compelled beyond their reason or their self-control to do meanness to somebody else. Now, the fact of the matter is in the final analysis, and the psychology profession today will tell Members this, we do not really begin to help a client in therapy until we can compel that client to take personal responsibility for their actions and their circumstances. When we hold people personally responsible and accountable, and that is what the law should do in these kinds of cases, then in fact people begin to understand that if I commit this act, this transgression against this person, that there is a system in place by which I will be detected, apprehended, and be punished. Now, that is a deterrent to aberrant behavior. Very simply. But moms and dads understand that. We understand it very well that if we do not tell our youngsters, yes, if you try this or that we will find out, and if we do we will restrict your privileges. They will not change their aberrant behavior.

So, I am an old college professor. I have to 'fess right up to that, but in some regard I think the problem is we have too much book learning going on, too much sophistication going on, not enough of the rules that your parents and my parents, and more importantly, our grandparents understood, that we are perfectly capable, intelligent, able-bodied people, and we are, therefore, a person that should be and can be held personally accountable for your own actions. If we cannot do that with criminals through the courts it cannot be done.

Mr. HOLLOWAY. Madam Speaker, if the gentleman will yield, I would like to go back a second and say another word to say that I appreciate what we are doing in this country, with a mother that I see in airports or I see on planes with, or I see them tell a kid "No," and grab them up and they run around. They let them go again. Right away, they are afraid to even hit them on the butt with their hand. I think our country has come to this point, and I am the person that when we speak about we have too much learning, I am one of the less learned persons, probably with the least college background than all, but I come from the old school, to believe that we teach a kid he starts running a red light, he will lead on and on and on. If we do not have respect for the law in this country, I am afraid we do not have respect. I think our law enforcement is the same as a mother. They have to take the guy in and turn him loose, and he beats them back to the hometown in a rural area like where I live.

I think somewhere in the country we can do it in laws, but a lot has to come from the home, the family, the individual. We can pass laws forever, but if we do not give the law enforcement officers the right to enforce the laws and give our judges who can give unparolable sentences, and start cutting the cost of putting a person in prison or jail and have an opportunity to put these people away, I believe capital punishment is a deterrent to crime, but not the way we do it today, where we give them 10 years of appeals and appeals and appeals. They deserve the fairness of their civil rights, but I think it becomes a point of where we should try them quickly and put them

to death if they deserve the death penalty.

Many people, a couple of Members have read about it, in my opinion, deserve the death penalty.

Mr. ARMEY. Let me relate a story. A few years ago I read an autobiography of a professional criminal. It was rather colorful. He described having been apprehended, convicted, and imprisoned in Sweden in comparison with being apprehended, convicted, and imprisoned in France. In Sweden the conditions under which he was imprisoned were quite comfortable, very clean, very comfortable, very warm, very hygienic, and in France the conditions by comparison were deplorable. They were crowded. They were not comfortable in any way. They were dirty. He was mistreated.

The fellow made a very astute observation. He said, "The one thing I learned from that experience, I would never again commit a crime in France." He was perfectly happy to go back to Sweden and commit all the crimes he wanted to because they would treat him with a lot of deference, a lot of respect, and pay a lot of regard to his rights and comforts. But in France, they said, "If you commit a crime, you pay for that and the price of committing a crime in France is discomfort." He clearly decided that in France he was going to be as law-abiding as he could be. In Sweden he was a patent criminal.

Mr. HUNTER. Madam Speaker, if the gentleman will yield, I will try to make this quick.

First, I would like to announce our Crimewatch No. 202-224-3121, has resulted in 2 citizens calling in capital crimes, one a murder in Anderson, IN. Another attempted rape, a murder, and a robbery in Macon, GA.

Let me say to my friend, the gentleman from Texas, that I think he hit on a very important aspect of our criminal system just a few minutes ago when we talked about the fact that our justice system and the punitive system, the incarceration, is devoted toward rehabilitation and punishment, but not necessarily toward shielding the person that committed the crime or shielding the innocent citizen from the person who committed the crime. The result is that we take a violent person who has a tendency to kill people or hurt people badly and be put out in the community in our neighborhood, stationed near where our children walk to school or go to the playground, and no consideration has been given in shortening his particular sentence, to the violence of his acts, or the importance of shielding the civilian population, the helpless population, from this person. The two standards that we use are punishment and rehabilitation. If we think we have given enough punishment to somebody by keeping them in for a couple of years and enough rehabilitation, we put them back out, and I think the importance of the special order was driven home to me this morning as I took the Metro in from Fairfax County and picked up the Washington Times.

I read about a person, a pedophile who had killed a young boy 2½ years ago, been convicted of it, and was back on the streets and murdered another young man using a stun gun just a few weeks ago. It hit me very strongly that here, once again, the justice system has taken somebody who has taken the life of another person, and has placed him back in the community where little boys were driving their dirt bikes and bicycles home from school, where he could abduct another one and take that person out and kill him.

We do need to change the system that we have, and we also need to go to the accountability that the gentleman talked about. In the old days in the West in some places, if a person stole a horse, it was a capital offense. We might say that that is very severe. But if we steal, a horse was stolen in a situation where a person has come in from town, come into town from a homestead and maybe has a sick wife and kids and maybe lost his horse, that could be death to the penalty, so transportation and having a horse was an important thing to the security of families. Because of that, we placed a very high punishment on the taking of a horse which seems a fairly severe thing.

Today we have people who take the lives of other people and there is no swift accountability to the community, to the family, and to the area in which that crime took place. We judge the person under this vague notion of societal punishment and rehabilitation, and somehow we leave that swift and sure aspect of punishment that used to be the standard of American justice.

Mr. GUNDERSON. Madam Speaker, if the gentleman will yield, our friend from California was reporting a couple of cases under Crimewatch that was reported in here, and I wanted to add a disturbing element to a report. The report that came in the Crimewatch for a Member from Macon, GA. Listen to this: It was a gentleman who called in to report that his sister was a victim of an attempted rape. She was then murdered, and she was a victim of burglary. He has been so moved by this presentation tonight that he wanted Members to know about it, and he wanted Members to share that with our colleagues here in the Congress, to understand the real need to move on some anticrime legislation in the House.

If there is any kind of tribute that can be given to any person, hopefully something we can do here will be a testimony to this gentleman who called in on our phone number. I wanted all Members to know the circumstances not only as dreary and sad as they are, the victim, his sister, both this gentleman who made this call on behalf of his sister.

Mr. ARMEY. Madam Speaker, I know my time has just about completed, and let me end my hour by saying that once again I would hope that we could all agree to dedicate this hour to the memory of Amy Lynn Thatcher and to the ongoing work of her mother and father, Mary and Terry Thatcher, and her two brothers, Damion and Alan, and tell the Thatchers that we, too, by virtue of our best efforts to move legislation forward that will protect our young people as they walk to and from school will not forget Amy Lynn.

Mr. LIGHTFOOT. Madam Speaker, I am pleased to take time tonight to discuss an aspect of crime and the use of drugs that is often overlooked in the debate on crime and drugs—and that is the victims. Even though I represent a part of the country that has a lower crime rate than the rest of much of the country, there are many, too many, in my district who know what it is to be a victim of crime or to watch a loved one suffer because of crime. Such as the family of an 87-year-old man in my district who died 3 months after he had been brutally beaten in 1988. The loved ones of this gentleman will never forget the pain and suffering of this man who was their neighbor, friend, and family member. I regret to say that crimes such as theft, vandalism, assault, and even the most brutal crimes such as child abuse, rape, and murder are not unfamiliar in my district. In many parts of my district, which is largely rural in nature, people are afraid to leave their front doors unlocked or to go out at night. These are the same concerns felt by people who live in urban areas.

So often we focus on the reasons why the perpetrators of crime commit illegal acts and how they can be punished and/or rehabilitated. No one disputes that we need to direct attention to these subjects. But what about the victims? Surely they deserve our attention, too. But, in my view, this does not happen often enough. I know that often the strains of poverty, abuse, and neglect lead an individual to commit crimes against society. I want to see these individuals not just punished for their crimes. But rehabilitated so that they may become productive citizens. I want to see greater focus on and effort made to resolve the problems that lead to crime. Those who have been subjected to cruel circumstances that lead them to commit criminal acts are deserving of our sympathy, but the victims are no less deserving and in my view, in some cases, the victims are more deserving. While an act of crime may be only a few moments in duration, the pain and hurt of that memory can last the victim a lifetime. For example, rape victims commonly relive the trauma of the rape throughout their lives.

Additionally, rape victims are often subjected to questions and comments that suggest they are responsible for an act that is a pure manifestation of random violence. In too many

other instances, victims of other crimes are subjected to a judicial system that is insensitive to and unaware of their needs. Too often in society, good intentions don't result in actions that really alleviate the suffering of the victim.

Let us not forget that so many times crime has more than one victim—those who suffer directly and indirectly. Crime leaves innocent loved ones left behind to try to comprehend their loss. Or, those who care for the victim must struggle to help victims cope with the trauma, and injury, physical, and psychological, that result from crime. It is time for our Nation to address the needs of crime victims. Their agony, fear, scars, and pain need just as much of our attention as those who commit criminal acts. I am hopeful that tonight's discussion will lead to such a reality. I urge all Members to look into the effects of crime on victims and take the time to participate in a bipartisan manner, in a discussion of what we can do as a nation to alleviate the suffering of crime victims and then take the steps to reach that goal.

[From the Washington Post, July 28, 1989]

WHAT ABOUT SYMPATHY FOR THE VICTIM?

(By Jim Lightfoot)

I was very distraught and a bit confused as to why The Post devoted 20 column inches of its op-ed page to "The Execution of Ronnie Dunkins" [July 22].

It's regrettable the writer of the column, Dale Aukerman, lost an "irreplaceable" friend in the person of Ronnie Dunkins when Mr. Dunkins recently was executed for murder in Alabama. I wonder if Mr. Aukerman feels any regret that four young children lost their mother when Mr. Dunkins and a friend stabbed her to death.

As a result of that crime, the victim, Lynn McCurry, becomes another statistic, nothing more than a photo on the walls and a memory in the hearts of those she left behind. The perpetrator, meanwhile, becomes the subject of a sympathetic op-ed article in the widely read and respected Post. Judging from the content and tone of the article, one wonders who the victim was in the case. Thank goodness we have The Post to provide some illumination.

So Mr. Dunkins was represented in his defense, possibly inadequately, by a "scared young lawyer" appointed by the court. I wonder if Mr. Dunkins' attorney was half as scared as his victim was as she was being stabbed 66 times. Perhaps fear is all relative.

The emphasis on criminals' rights and concerns over those of their victims is a disturbing perversion of right and wrong. Crime and punishment are sometimes issues clouded by shades of gray, and the Dunkins case may be an example. Yet there can be little doubt that in this case, the punishment certainly fit the crime. Our sympathies properly lie with the victim of this crime, not her killers. Unfortunately, the column failed to make that distinction.

Any society that places a higher premium upon and devotes more attention to the life and death of its criminals rather than its victims is a society in grave jeopardy of completely losing its moral compass. Any media outlet demonstrating similar priorities, as The Post apparently has, is not only lost, it is deserving of contempt.

GENERAL LEAVE

Mr. UPTON. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on this special order.

The SPEAKER pro tempore (Mrs. UNSOELD). Is there objection to the request of the gentleman from Washington.

There was no objection.

ALL-NIGHT CRIMEWATCH

The SPEAKER pro tempore (Mrs. UNSOELD). Under a previous order of the House, the gentleman from Michigan [Mr. UPTON] is recognized for 60 minutes.

Mr. UPTON. Madam Speaker, I am very distressed not only with crimes in my district over the last couple of days, but I was just out in the Republican Cloakroom where there is a police scanner. There have been three assaults in the District of Columbia within the last half hour. I have been given a number of crimes that have been called in yet just within the last couple of hours. A small girl, young woman, was raped by 10 men in Chicago this evening at 9:18. We have a high-speed chase returning fire in Los Angeles at 10:25. We have a gang war between the Crips and the Bloods. These are two Los Angeles gangs trying to expand in the Chicago area. Those calls have all come in just recently, a little bit earlier this evening.

This evening in Van Buren County, a county in my district, and I represent a rural district, it is sort of between Chicago and Detroit. I brought a map of Michigan. We can see this orange line that travels between Chicago and Detroit that is Interstate I-94. I cannot tell Members the number of crimes that happen throughout my district because it happens to be along this corridor. Many people from Detroit as well as Chicago are finding the rural areas a fun place to go to commit a number of crimes.

In Van Buren County this evening, the harassment of innocent people by a local gang. One gang member is already serving time for a murder in connection with drugs. There has been an assault, malicious destruction of property. In my home town of Barry County this evening shots have been fired where drugs allegedly were being sold. Police are on their way. In Alcona County this evening, two breaking and enterings, domestic assault. I talked about an earlier rape this evening, in one of my comments before, discussions with regard to victims.

We had another rape in Alcona County, a 6-year-old child. We had an armed robbery at a McDonald's. The Canine Corps is after them. We hope we find them yet this evening. Kalamazoo County, two drug sales have been reported, three assaults, three thefts from stores, a larceny, and yes, another rape, a young juvenile was raped at gunpoint, Kalamazoo County just this evening.

I was going through my newspapers this afternoon, and they come in a few days late. We do not get them the same day delivery. The front page of the Kalamazoo Gazette, Kalamazoo Police report three rapes in a week. That is the front page headline, right underneath the masthead. It is sort of interesting, "Dick Tracy Opens" is right above it. A little bit ironic.

Madam Speaker, I rise tonight with many of my distinguished colleagues to talk about crime and drugs. Public safety in this country is a very broad topic which touches on many aspects of everyday efforts, whether one lives in urban or rural areas. The people of this country deserve to be protected from crime and drugs. Public safety must be protected. We need to move on the President's crime bill.

All law enforcement issues are a matter of public safety. Public safety today and tonight are being jeopardized by the onslaught of drugs and crimes in the country. Crimes not only that I have described here, yet by many other members this evening. Between 1988 and 1989, violent crimes of murder, forcible rape, robbery and aggravated assault increased by 5 percent. Murder has increased by 4 percent, robbery by 7 percent. Aggravated assault increased by another 5 percent. Every person's public safety is being compromised by crime and drugs, whether they live in urban, subsurban, or rural areas. All areas have experienced increases in crime.

The statistics that my colleagues and I are producing this evening are just one night's work for criminals around the country and exemplify the breach in public safety that is occurring in every part of the Nation.

□ 0045

For example, between 1988 and 1989, urban violent crime increased by 6 percent, suburban violent crime increased by 5 percent, and rural violent crime increased by 3 percent. And while on the subject of rural crime, I would like to take a look at public safety in rural areas.

Just last week I was visiting with one of my sheriffs, Paul Parrish, in Cass County. I talked to Cal Rosema, one of my sheriffs in Van Buren County, and Nick Jewell in Barrien, and Bob Scraw in Allegan. And the list can go on and on.

Rural areas are being discriminated against in Federal funding and for law enforcement in drug prevention. This discrimination is based on apparently an inaccurate notion that urban areas are more prone to crime than rural

areas. Many people here in Washington think that rural areas are peaceful oases, immune to big city problems like crime and drugs. That is not so, and those notions are misguided.

As I said earlier, overall, violent crime in rural America rose by more than 3 percent, forcible rapes were up 9 percent, and there were two just this evening that I am told of in my district. Aggravated assaults are up 3 percent, and robberies are up 3 percent. My district in southwestern Michigan and south central Michigan is mostly rural, and it is definitely true that we have a crime and drug problem there.

Here are some of the examples: In 1987, North America's largest operating illegal drug production facility was busted by law enforcement officials in one of my rural townships. Drug traffickers from Costa Rica, Colombia, and Venezuela were arrested and convicted, along with a local businessman. This at the time was the largest drug bust in all of North America, and it happened in a town with less than two traffic lights.

One of the rural counties in my district is Michigan's top hog-producing county, with twice as many hogs as people. But hogs are not the top agricultural product in the county; marijuana is.

Madam Speaker, last year a team of State troopers and sheriffs, aided by two National Guard helicopters, in one bust alone, chopped down 400 marijuana plants on one farm. In 1 year, police were able to find more than 13,500 plants. The police have estimated that once it was chopped up, each plant was worth more than $1,000.

Since it is virtually impossible to find marijuana crops when they are hidden among the corn crops, the police rely on outside tips from citizens. In fact, the State police have set up a 24-hour toll-free number for the reporting of tips, and that is 1-800-235-HEMP. That also stands for "Help Eliminate Marijuana Planting." That is a Michigan toll-free number.

There is a small rural city of less than 15,000 people in my district that has really been infiltrated by crime and drugs. Its location, between Chicago and Detroit right along I-94, makes it a natural stomping ground for drug lords to peddle their goods. The town sits right on I-94, and drug lords from Chicago and Detroit have enlisted area youths to participate in gang warfare to protect their turf. I am even told semiautomatic gunfire can happen from time to time at night driving through that city.

In 1989 alone there were more than 14,000 complaints to the police department in regard to crimes. That is more than one call per resident. Ten percent of those calls were drug-related. There were nine homicides. Four were drug-related. In 1989 there was a 100-percent increase in homicides, as compared to 1988.

I went back there 1 week and I got a little crime report for the week in terms of what happened in this town of less than 14,000. On Monday last week, tensions seemed to be mounting as gangs of kids were out of school for the summer, and gang violence seemed imminent as drug pushers from Chicago and Detroit were leading gangs of youths to gain control of the turf.

On Tuesday, five area police departments were called to control riotous crowds at a hospital after four men were stabbed in gang violence and were being treated at the hospital. Shots were fired. Earlier in the week, similar angry crowds of 400 to 500 had to be dispursed by area police.

On Wednesday of last week, another stabbing occurred as massive bands of kids roamed the streets. Police cars sent into the violent areas to dispurse the crowds were showered with bottles and bricks. Two innocent bystanders had their cars severely damaged by bricks and bottles as they attempted to drive through town.

On Thursday, tensions continued to mount.

The rest of the week was relatively quiet, but still there were a couple of drug-related stabbings and assaults that continued through the weekend.

Unfortunately, violence in this small town is sometimes said to be commonplace. According to a county drug enforcement officer, this town has turned into a gang war zone as a result of drug trafficking.

Last week there was an 18-year-old young man who was the victim of a drive-by shooting while walking home from a school event. This innocent young man was the unfortunate recipient of a bullet shot by one gang member and intended for another. They were fighting indeed over turf.

The young man was paralyzed from the neck down, and the community has raised money to help this young man's family in paying the enormous hospital bills.

One case that is particularly disturbing occurred as a result of drugs. The case involves a man who was shot to death because of some drug-related incident. The man's body was driven out of the city in the middle of the night and dropped in the middle of the night at a main intersection, the only intersection probably of this small rural town. It only has a blinker light. Midnight passers-by drove over the body, thinking it was some of type of animal. It was not until a school bus full of young children stopped to check it out that they found out it was the body of a murdered man.

Those are only a few examples of how public safety is being destroyed by crime and drugs.

Those are some of the examples of crime and drugs in rural America, right in Michigan's 4th District. The people of Michigan's 4th District deserve to be protected from the bad apples that are threatening their security. We must act on the President's crime initiative, and rural America must not be overlooked. We need to get tough on crime now, and contrary to what some might think, crime does happen in rural America, just as we know it happens in a big city like Washington.

Madam Speaker, we demand action on the President's plan. We have wasted a whole year now.

Madam Speaker, I yield to the gentleman from California [Mr. DREIER].

Mr. DREIER of California. Madam Speaker, I thank my friend for yielding, and I congratulate him on giving his report on the developments in the 4th District of Michigan.

I think it is very important for the people who are here in what we have described as the murder capital of the world, Washington, DC, to be aware of the fact that these kinds of things not only occur in the major metropolitan areas such as the Los Angeles area which I represent, but also in the 4th District of Michigan. And it is a great tragedy.

I would like to take a few minutes, since the gentleman raised specifically the issue of drugs, to talk, if I might, for just a few minutes about our Andean initiative, in which we are trying to have a policy established in the United States whereby we specifically deal with the problems that exist in the Andean nations, which is the center from which we are seeing this tremendous production of drugs. I am referring specifically, of course, to Peru and Colombia, and when we see the kinds of activities which have come up, it is very clear to me that we have got to take bold and dynamic steps.

There are a number of people who have worked very diligently on this issue—our friend, Andy Messing and a very good friend of mine, Bruce Hazelwood, who happens to have worked specifically in the Upper Wyega Valley in Peru, trying to interdict this flow of drugs.

One of the challenges we so often face in this country in dealing with our neighbors in Latin America who are responsible for many of these drugs which have been flowing into the 4th District of Michigan, into southern California, and into the District of Columbia and other cities throughout the United States is the fact that they constantly say to us, "Until you in the United States of America deal with the demand side, there is no way in the world we are going to bring an end to this flow."

Those of us who regularly talk about the existence of markets and how great the marketplace is find that we

create a tremendous market for these illicit drugs which are flowing into different parts of the country. I want to tell the Members that Mr. Messing and Mr. Hazelwood have worked together to put together a very good package, Madam Speaker, which is designed to provide recommendations, and I think, in looking through those, that we found that the key objectives of our actions in the Andean region are to strengthen the political will and the capabilities of those host nations to increase the effectiveness of counter-cocaine activities and to inflict significant damage to the operations of the trafficking organizations. We know how strong that cartel is in the Andean region.

Actually, before we embark on an initiative, one thing that is very important for us to do is to clarify our exact goals here and determine exactly where the operations and responsibilities lie. We also have to get our own house in order when it comes to the production itself here in the United States.

One of the things we need to do is expand our attack on the domestic marijuana eradication programs right here in the United States.

We also have to apply strong diplomatic pressure on the international community to increase the support for anti-drug efforts, and one of the things that needs to be recognized again specifically, as we deal with the Andean region, Madam Speaker, is the eradication goal. Coca can only grow in the hot, humid lowlands of the Andean region, between 1,000 and 6,000 feet. Coca is not at all difficult to spot from the air, and the area can usually be targeted for crop substitution and coca eradication efforts.

I think if we can do that, we can really go a long way toward moving in the direction of elimination of this flow.

One of the things that needs to be done is we need to expand the testing for the use of tebuthyrone, which is a chemical substance that is specifically to be used and can be used to fight the cultivation of drugs in that region. We should also draw upon the resources of our people with experience in our missions in the lesser developed countries. By that I mean employees of our Government today who are there and who have gained a great deal of experience in this area. We are not yet tapping those resources to deal with the problem.

We also need to insure that U.S. moneys, in dealing with the drug eradication programs, specifically in the Andean region, are expended appropriately. One of the things we found is tremendous mismanagement of U.S. funds, as we have with a wide range of other programs, and unfortunately again, in the case of the Andean region, that is no exception.

I think that any strategy we have must insure that emphasis is placed on the Andean region and then here in the United States on local community participation. One of the other things we found is that we can create certain trade incentives in the Andean region which will encourage crop substitution. One of the most gratifying things we have is support from Governor Martinez of Florida, who has indicated support for our trade incentives for crop substitution in the region, even though it will compete with the citrus industry in Florida, and in fact it will have deleterious effect on some of the people in the citrus industry in my State. But I think it is something we need to consider very carefully, because if we couple drug eradication efforts in the Andean nations along with programs that will decrease the demand in the United States, there is no doubt in my mind whatsoever that the 4th District of Michigan will receive a diminution in that crime problem which, as we well know, is in large part due to this illicit drug trafficking. I think it can have a salutary effect all across the board.

It is going to be a challenge, and I would like to congratulate my friends, Messrs. Hazelwood and Messing, for working as diligently as they have over the past several months and years in putting together this very important package of recommendations as to how we can deal with the nations.

Madam Speaker, I congratulate my friend, the gentleman from Michigan for his work in the area.

□ 0100

Mr. UPTON. Madam Speaker, I thank the gentleman from California [Mr. DREIER] for coming over at such a late hour, 1 o'clock in the morning now in Washington, DC, and, as I have looked at it, he made a very good point with regard to the Andean nations, but, as I see things with regard to the drug war, and that is exactly what it is, it really is like a three-legged stool, and, unless we have an equal emphasis on the producing countries, as well as the using countries, user countries, like certainly the United States is, and without the appropriate focus on education that has to begin quite early; without all three of those, without an emphasis on all three, a three-legged stool, it will topple over.

Madam Speaker, we have to work very hard with regard to that, and I yield to the gentleman from Wisconsin [Mr. GUNDERSON] who has some more reports, I believe, that have been phoned in this evening.

Mr. GUNDERSON. Madam Speaker, the gentleman from Michigan [Mr. UPTON] is right. I say to my colleagues that through this crimewatch phone number unfortunately a number of more crimes have been reported in Detroit. At 10:30 tonight there was a gang-related battery that was reported. Sometime after 10 o'clock there was a robbery in Chicago. Again in Chicago, sometime after 10, there was a cross-fire between two gangs that was reported. In Chicago at 9:30 tonight, aggravated battery was reported. In Chicago tonight at about 10:25 there was again a gang fight. Police were unable to respond simply because all of their police were already out on some other call, and this will give my colleagues an idea of the magnitude of the crimes that are occurring. There was also in Chicago a number of shots fired in a gang fight. Unfortunately we do not have any more details of this one except we do have some information about the expected gang, that the average age is 31 years old, and the average time each member of the gang has spent in a penitentiary is 11 years. So, Madam Speaker, it indicates to my colleagues the extent of some of the serious crimes that are occurring during this night around the country.

As our crime clock indicates, one crime is indicated every 2 seconds, one violent every 20 seconds, one murder every 25 seconds, one rape every 6 minutes, one robbery every minute, one aggravated assault every 35 seconds.

My colleagues, we have a problem. Let us hope we can get some momentum to get something done.

Mr. UPTON. Madam Speaker, I appreciate the comments of the gentleman from Wisconsin [Mr. GUNDERSON], and I yield to the gentleman from Illinois [Mr. HASTERT].

Mr. HASTERT. Madam Speaker, I thank the gentleman from Michigan [Mr. UPTON], my colleague, for helping put on this program and, really, display and debate about a problem that plagues this country and has plagued it for a long time. But all of a sudden it has come to endemic proportions, and certainly the Fourth District in Michigan is well served by his endeavor and hard work in this area.

Madam Speaker, I represent the 14th District in Illinois. We talked about the crimes in Chicago. My district begins approximately 35 miles west of the great city of Chicago and stretches to 100 miles west and about 130 miles north and south, so I have a real mixture of Illinois. I have suburbs, I have the great corn and bean farmlands of central Illinois, and I have the industrial cities of Aurora and Elgin, and the old Fox River cities of Geneva, and St. Charles, and Batavia, and the Illinois Valley of Ottawa, and LaSalle, Peru, IL, and Streator, IL, and the great agriculture and university town of de Kalb. It is a real mix. We have universities, we have industrial towns, we have suburbs like Wheaton, and Naperville and West Chicago, IL, and certainly the types of mixes of crimes that we have had are

different because we have suburbs, and we have old large cities.

However, Madam Speaker, the thing is that those crimes where they were in the country counties of Kendall County or de Kalb County, the crimes have increased, and we have seen a rise, a consistent rise, in those types of crimes, child abuse, robbery, white collar crime, and we need to be able to start to get a handle on it.

What is the cost? We can go back to our families, we can go back to our religious principles. Do we need to go back to what basically our forefathers believed in, that there is a freedom, that there is a need for individuals to be responsible, a need for families to pass on values from generation to generation? Yeah, that is part of it. That is part of the problem that we need to address and part of the disintegration sometimes in the American family.

Madam Speaker, maybe we are beginning to reach those results, but in my district drug related incidents are up throughout the whole district. Crimes are a problem in even the smallest communities, and I have communities of less than 1,000 residents. Aurora, IL, which is really one of the jewel cities along the Fox Valley, is proud of the fact that they solve 30 percent of the reported crimes that they have in that city, certainly better than the national average of 21 percent. Our police cannot do better than 21 percent because we tend to be tying their hands.

If my colleagues look at the courts, if they look at the procedures, if they look at the ability for the attorneys, and States attorneys and prosecutors to be able to take a criminal to justice, to take him to apprehend him, to take him to court and to be able to prosecute him and incarcerate him, that whole trail is riddled with issues that the Congress and the legislatures have brought out literally stumbling blocks to enable taking those people out of society once they create those crimes, and even incarcerating them, and keeping them and protecting them from society, and we need to look at that.

Madam Speaker, that is why the President's crime package is so important. It is important because it helps people, it helps the law enforcement agencies, it helps people help themselves to take criminals and bring them along from apprehension, to prosecution, to incarceration, and it is something that is very, very important.

As my colleagues know, one of the things that we see from the days that I was back in the Illinois legislature, Madam Speaker, is we had to deal with a huge increase in crime, but especially in residential burglary, and it was at a time that drugs were really coming on strong, and all of a sudden senior citizens were not safe in their homes anymore. Of course against the hue and cry of trial lawyers we were able to pass a piece of legislation out of the judiciary committee in the Illinois General Assembly, and it was my bill, and I was the sponsor of it, to impose mandatory sentences on people who were involved in residential burglaries. All the great criminal experts said, "Well, you can't put a mandatory sentence on anything. The judges have to be able to have discretion."

We said, "No, the people in this State, this part of the State of Illinois, they said they demanded when people's homes were invaded, when their privacy was invaded, that they demanded that they wanted tough sentencing," and we did.

Madam Speaker, over the years we saw a leveling off and then a gradual drop in residential burglaries. It works. And so, yes, we need tougher penalties, but we need to take the shackles off our people who prosecute, who apprehend and take those people who are known criminals out of society and to incarcerate them and so it protects society.

As my colleagues know, it is unfortunate. My tenure in the Illinois Assembly in the 6 years I was there we were not very proud to say that we built 7 prisons, 7 medium-sized prisons, about 800 population per prison, and we did not build 1 university. That is not a proud thing to say. But the people of the State of Illinois said that it was time that we took the people who we apprehended and convicted and put them away, separated from society, took them out of society so that they did not recycle back or be retread back every 3 months or 4 months.

Certainly that is a heavy tax burden and a tax burden that no citizen really wants to have to spend money for, but, if that is the solution to the problem, they are ready to spend those dollars.

Madam Speaker, just the other day there was an article which came out in the Elgin Daily Courier, one of the papers in my district, and it talked about another type of danger dealing with drugs, and it talked about the undercover police who really live on the edge of danger day in and day out, and it really centered on a story done by Krister Kennedy who covered the undercover North Central Narcotics Task Force that covers the areas in Elgin, St. Charles, Aurora, Crystal Lake, IL, and it certainly covers Kane, Kendall, DeKalb, and McHenry Counties and their live as an undercover agent who day in and day out lives a life of danger because he has to live on the streets, he has to make the drug deals, he has to deal with people who are desperate and are dealing in drugs, some who are users, some who are greedy and profit takers, and most all of them carry weapons and carry guns, and they are willing to use that gun, if they have to, to protect their lives. But he finds that there is a common element, and the reason that they can con these people, literally con the cons themselves, is that there is an element of greed, that these people are willing to do anything to take those dollars.

Now those people who are committed to taking drugs themselves are desperate people. They are dealing with these drugs because of the dependence, because of the need. But others who do not take drugs and sell drugs are on the other hand very, very greedy people. I mean they are willing to come down and be lured into a situation where they can be apprehended because they are willing to let money move and take away protection, and they are willing to make that hugh profit, and in the end it is their demise.

So, certainly we have these brave guys who go under cover, that do this work, that try to stop the drug agents that we have in this country from plying their trade, and it is certainly an admirable position, but it is a very dangerous position, and we ask ourselves why.

Madam Speaker, why do we have to have undercover agents? Why do we have to have people risk their lives? Why do we have to build 7 or 8, 800-population prisons over a period of 5 to 6 years in a State of a little over 11 million people? It is because we have had this terrible devastation of drugs that has come into our communities, and we tend to point our fingers and say, "Well, it's the fault of those guys in South America," or, "It's the fault of the drug lords," or, "It's the fault of those banks and those financial institutions that launder drugs." But is it?

Madam Speaker, where is the problem? We tend to look at that and say that there is this huge supply out there, and we need to cut off the supply, and we need to apprehend those people who are bringing these things in, but there are two other sides to this. There is the demand side, as well as the supply side, and the demand side starts at home. It starts with education, and, as I made my calls to police and to agents, to prosecutors, to States attorneys in my district and talked to them about this issue, it came up that, as my colleagues know, we cannot do a lot, and we can spend a lot of money trying to cut off that supply, but so much of the problem is right here at home.

Madam Speaker, it is a demand problem. It is a problem where we must start educating our kids at home. We must educate our kids at school. It is the idea of church and community taking interest in children and young adults, and that is where we have to fight the problem as well, and that gets touchy because Americans all of a sudden do not want to take individual responsibility sometimes for the huge

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drug problem that we have had in this country.

However, Madam Speaker, if we are ever going to solve it, we have to have those tools that certainly are in the President's crime package, but we also need the input, and the interest and the commitment of every American, of every community, of every church, of every school that we can start to understand and do the job of education so that we can cut off the demand side, and, if we are successful in doing that, then we can start to control the supply side.

So, Madam Speaker, it is a problem that does not have any really easy answers, whether it is in the 14th District of Illinois, whether it is in San Diego in California, or certainly in the Fourth District in Michigan, and I certainly think that the gentleman from Michigan [Mr. UPTON] in putting on and taking an hour out of the middle of the early morning hours to bring this issue to the American people is certainly an important effort. I commend him.

Mr. UPTON. Madam Speaker, I thank the gentleman from Illinois [Mr. HASTERT] and yield to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Madam Speaker, I thank the gentleman from Michigan [Mr. UPTON], and I want to commend the gentleman for his statement and the gentleman from Illinois [Mr. HASTERT] for taking time out here in the middle of the night, and there are a lot of other things that they could be doing.

Mr. UPTON. We have been waiting all night to speak. We have got about 50 Members in the Cloakroom, I think, just about or thereabouts that are going to be out here during the 12 hours or so of this special order, and we really have been waiting all night long to come and talk about something that the American taxpayer and the American constituent has been waiting a whole year for, and that is to try and get this Bush anticrime plan out of the committee and here on the floor where we can debate it with 435 Members, versus 50 or so Members that are spending an hour of their time this evening talking about something that is long overdue, and I am sorry for interrupting.

Mr. HUNTER. Madam Speaker, I thank the gentleman from Michigan [Mr. UPTON] for his statement, and I am glad that the gentleman was able to elbow his way to the front of the crowd so that he could come down here and give this hour. But it is a sacrifice, and I want to make sure that that is noticed.

Let me just say that since we have been having this special order; it is now 1:15 in the morning, the statistics for violent crime in fact are ahead of what they were last year, but, if we follow simply the statistics that occurred last year, since we have been talking on this special order, just tonight, over 1,440 violent crimes have taken place tonight. That includes an average of 823 aggravated assaults, 480 robberies, 80 rapes, and 19 murders.

□ 0115

Nineteen murders since we started talking a few hours ago. I want to talk very briefly to the gentleman's statement about victims and the gentleman from Illinois' statement about the necessity of eveybody becoming involved—not just Members of Congress and not just officers of the governments, whether Federal, State, or local, and the statistics, I notice, when I heard the gentleman say that everyone has to become involved, parents and teachers and community leaders, I looked at the statistics for real victims of crimes in San Diego. Many of those victims are babies who are drug addicts. Last year in San Diego, according to Children's Hospital, 4,000 babies were born with major amounts of alcohol or drugs in their systems.

That means that 1 out of every 10 pregnant women in San Diego abuses alcohol or drugs according to Childrens' Hospital. These babies that survive the pregnancy, many may suffer permanent brain damage, have great difficulties through life, and a number of experts say that the lifetime cost to treat a baby whose mom abused alcohol or narcotics during pregnancy may be up a little bit around on an average, around $400,000.

So the points are that while we have had just since we have been talking, 1,260 violent crimes, if the statistics are following last year since we have been talking tonight, including 17 murders, there have been literally thousands and thousands of other crimes, and those are the crimes of taking narcotics that ultimately are ingested by your baby if a person is pregnant, resulting in again, thousands and thousands of new victims of crimes. Those are the babies that are born addicted to narcotics.

Therefore, I want to thank both gentlemen for reminding Members that this problem is not going to be solved just working the demand side or the supply side. That is, stopping drugs from coming in and interdicting them and prosecuting people that are moving narcotics, but also demand side, the people that ingest the drug, that buy the drug that creates the narcotics. We have to work both sides. This Congress has to address crime bills that are put forward by the one guy who was elected by all citizens, the President of the United States, and we have been neglectful of that duty.

I think the gentleman made the point very well, did I understand correctly the President's bill has been here for roughly a year?

Mr. UPTON. Now, this evening, not that we have passed the 12 o'clock threshold because it is 1:20, the bill now is exactly 1 year since it has been proposed.

Mr. HUNTER. So, it has been 1 year, and just since we have been talking, it's the statistics of last year, since we have been talking tonight, 1,260 violent crimes have taken place, have been perpetrated on innocent victims, our constituents, the American people. It has been 365 of those, 1,260 crimes, that is only for a period of 6 hours. So realy, 2,500 crimes, 365 days fo 2,500 violent crimes per day, taken place since the President sent the bill down.

Mr. UPTON. To report on some of the violent crimes, the gentleman from Illinois has heard a couple of reports in his district yesterday.

Mr. HASTERT. Madam Speaker, just as we speak here this evening, in one town in my district in Elgin, IL, a fine community, far western suburb of the big city of Chicago, probably about 40 miles west of the city in the Fox River Valley, just tonight 6 thefts and 2 burglaries.

The statistics, certainly in our area for the major cities that we have, Aurora, Elgin, De Kalb and Ottawa, and in Aurora, murders are up 25 percent. Last week, in a gang-related instance, 6 people were murdered on a street corner at one time. Robberies are up 16 percent. Many of those drug-related robberies. Aggravated batteries are up by 10 percent, but burglaries are down by 26 percent, and more theft is down by 15 percent partly because of some tough laws we passed in Illinois covering those issues.

One good note in Aurora, they are solving 30 percent of the crimes, well over the national average of only 21 percent of the crimes that are committed are ever solved—21 percent. That means that the average criminal can almost go and commit 5 crimes before he ever comes into the risk area of being apprehended. In Elgin, drug arrests are up by 5 percent, major incidents are up by 51 percent. De Kalb, drug offenses, 31 in 1989. Criminal sexual assaults up, 17 in 1989. These figures are trailing for 1990. In Ottawa, IL, a town of the Illinois Valley are, batteries are up by 85 percent.

When the gentleman from California talks about the President's drug bill, the simplicity of that, the four points that we have to look at, first of all, the bill basically says that government must protect its systems and the property of the citizens who live in this country. Americans have the right to live in a society in which they feel free, safe, and secure.

Another point is those who commit violent criminal offenses in this country must be held accountable for their actions. It is time that we afford that

right to the American citizen. Those people who are the law-abiding salt of this Earth. Third, criminal justice systems must provide for swift and certain apprehension, prosecution, incarceration of those who break the law. That trails what I said before that has to take what we need to take away those stumbling blocks for the people in the justice system and the people in the prosecutional system and those people who wear the badges and uniforms out there and try to apprehend the criminals and finally the criminal justice system will be enhanced, through better cooperation, through better State and local and law enforcement authorities, and the sheriffs and police chiefs and I talk to need to have good information. We need to have good information from Federal law enforcement agencies, and need to have good information, and we break down the tiers from the separate law enforcement agencies.

There is a problem. As long as that problem exists, we are going to have crime, and it is a crime in this country to bottle up a package of laws, of legislation that starts to try and answer the problem. We have been faced with this criminal salt in this body for the last year. Each time that we break through that and we take this piece of legislation and deal with it in a prompt and judicious manner.

Mr. UPTON. Madam Speaker, I thank the gentleman for reminding Members of the four goals of the President's bill. It was very good.

I also want to comment briefly on the gentleman from California's remark, the percentage of the babies that were born in San Diego. In fact, are victims of alcohol, of drug abuse. Those numbers are certainly very sad to all Members, and we have talked a little bit about some of the victims here this evening. I would hate to think about the family with the 6-year-old girl that was raped in one of my counties this evening, in terms of the feelings that will have to be shared and the burden and the thoughts that she will have the rest of her life, but we also—the babies, as the gentleman indicated, the percentage in San Diego, I remember reading statistics only last year talking about the AIDS babies. I think it was 5 percent of all the babies born in Newark have AIDS. I think 3 percent in Miami. It is just awful, awful statistics, and certainly those are victims of crimes as well. It is just awful to even think of those statistics.

I wanted to say one thing, and I will yield the balance of my time, but one of the things that the crime bill offers today, the provision which allows the Department of Transportation to drug test transportation workers in sensitive jobs in which public safety directly rests. I know a little bit earlier the gentleman from Pennsylvania [Mr. WALKER] and the gentleman from Texas [Mr. BARTON] talked a little bit about drug testing in Congress and the need for it, and the Barton amendment which he will offer at some point in the future which will mandate Members of Congress to be tested for drugs. But we also have to think about the Department of Transportation and drug safety. Such provisions in the President's bill would allow for random drug testing of transportation workers, an idea that many believe is the most effective deterrent for drugs in the transportation industry. I know when I have gone back and talked to my transportation workers, truck company owners, et cetera, they all feel that random drug testing would be very important as they begin the hiring, and look over the personal records of the folks that they employ.

I support random drug testing for drunk drivers to help deter against such crimes, and the position is supported by the American Trucking Association. The random drug testing idea passed the Senate, not once or twice, but seven times, and the House has not yet considered such valuable legislation either really in committee or here on the floor.

Illegal drugs are a major factor in accident involving trucks, and they are available widely at truck stops. The crime bill offered by the President does have provisions to greatly stiffen penalties for drug trafficking at truck stops and rest areas.

In closing, not only are those ideas important, but many of the others we have talked about over the last hour. I just wanted to say thanks to the folks that have made my remarks possible, certainly my staff, but as well as the agencies that have been so helpful over the last 2 years, but particularly in reporting the number of crimes, Detective Sergeant Marschke and Sergeant Johnson, and the Sheriff in Allegan County, and the Deputy Chief Grisby in Kalamazoo County and others that made the phones ring, to let Members know that, yes, there are crimes in rural America. They are just as important as those urban areas, and we cannot allow this to continue. We need action on the President's crime bill, and we need action very soon.

Mr. GALLO. Madam Speaker, when President Bush introduced his comprehensive crime control bill 1 year ago, the American people had every right to expect quick and certain action on this vitally important bill. The specter of increasing violent crime, and the ever-growing drug crisis demand the attention of this House.

Sadly, the President's proposal languishes in the Judiciary Committee. While the leadership of this House keeps this bill locked up in committee, law enforcement agents around the Nation are being denied the tools they need to lock up criminals and put an end to the rising crime wave which is sweeping the Nation.

This hour is dedicated to a special discussion of public safety issues. In the forefront of guaranteeing the public safety are the dedicated men and women who serve in law enforcement. Their job is not an easy one; their lives are often difficult. They serve and protect with a commitment to their neighbors which goes beyond merely doing a job. Every time they begin their shift they put their lives on the line. Because of their service you and I are able to go about our daily business confident that they are there if we need them.

These men and women deserve every protection that we can give them when they leave the safety of their homes to do their jobs in the uncertain streets of America. I have proposed a bill, H.R. 3342, which would amend the Controlled Substance Act to provide a mandatory death penalty for the killing of law-enforcement officers in connection with drug-related offenses.

My bill is consistent with President Bush's call for a mandatory Federal death sentence in this very specific circumstance and is vitally needed to protect all law enforcement officials involved in Federal drug-related investigations.

In February 1989, an agent of the Federal Drug Enforcement Administration was brutally murdered while involved in an investigation. Agent Everett Hatcher lived in my district; his widow and young children still do. In my meetings with Mrs. Hatcher since that tragic day, I have seen the pain, bravely borne, which afflicts the loved ones of a murdered law enforcement officer. She knows that her husband died to make our communities safe for our children. Yet, because of the vicious act of a cold-blooded murderer, Everett Hatcher will not be there for his own children.

Justice demands that this House do what it can to deter such murders in the future, and to deliver a full measure of justice to those who will nevertheless commit such acts. President Bush's comprehensive bill will, among other things, give our law enforcement officials much needed tools to aid them in their efforts to preserve the public safety.

I call upon the leadership of this House to hasten the course of the President's comprehensive crime control bill. Every day we wait is a day lost in the battle against crime. It is a battle which will only be tougher to win, the longer we wait.

Mrs. VUCANOVICH. Madam Speaker, I rise in strong support of H.R. 5055, the Violent Crime and Drug Control Act, a common effort with President Bush to combat the wave of violent and drug-related crime plaguing our country. The President has forged ahead on this cancer that is eroding our country's body by providing strong leadership and sound policies. It is high time that the Congress act on his proposals. For this reason, several of my distinguished colleagues and I have become original cosponsors of H.R. 5055, which is a positive first step toward ridding our country of this horrible increasing trend of heinous crime.

It used to be that only our larger cities were terrorized constantly by violent and drug-related crime. But today, this plague has crept into our rural communities and is becoming a greater threat every day. In some of the key areas of my district in Nevada alone, the numbers are astounding. In the past week, we had

448 reported violent crimes, 302 reported drug-related crimes. Just yesterday, in north Las Vegas, 7 violent crimes and 32 drug-related crimes were reported. Again, these figures cover only a small portion of my district.

In an April 1989 article in the Washington Post regarding crack cocaine and its rising threat to small towns, some startling points were made. I quote:

The drug has turned big cities into war zones pitting gun-toting teenagers against each other in a deadly competition for the underclass clientele. But it isn't just a ghetto problem anymore. The small towns that may have escaped the costly cocaine habit are now prime targets for crack dealers. To join the crack crowd, all one needs is $10.

Mr. Speaker, I fear not only for large cities and urban areas, but also for more rural States like Nevada. In a State that has a population of approximately 1 million, last year, 1,807 people in State prisons were there due to violent crimes; 1,018 due to drug-related crimes. Thirty-three percent of the crimes committed in our State were violent crimes; 19 percent were drug related. That accounts for over 50 percent of crimes committed in the State. In 1988, the rates of drug abuse violations per 100,000 population in Nevada was 1,134.

Nevada is only a small example of the horrible threat violent and drug-related crimes have thrust upon our people. Last year, out of the roughly 93 million American households, more than 23 million households were victims of a violent crime. This means that one in four households fell victim to violent crimes. Violent crimes occur all day, every day. A violent crime occurs every 20 seconds; a robbery occurs in our country every 60 seconds; an act of aggravated assault occurs every 75 seconds; a rape occurs every 6 minutes; and a murder occurs every 25 minutes.

It is high time that Congress take violent crime and the control of illegal drugs more seriously. Even though Congress passed a drug bill in 1988, several of the programs have never been funded. Violent crime, often drug related, overwhelms the capabilities of local law enforcement. Despite this, a comprehensive violent crime bill languishes in committees, both in the House and in the Senate.

In an effort to get the process moving, I have cosponsored H.R. 5055. This bill stresses drug abuse treatment along with user accountability. It toughens penalties and improves drug interdiction. It's going to take tough measures to rid our country of this wave of drug-related violent crime.

Congress must start to take the war on drugs as seriously as those in neighborhoods across America who must live with its deadly effects.

GENERAL LEAVE

Mr. KYL. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on the subject of the special order.

The SPEAKER pro tempore (Mrs. UNSOELD). Is there objection to the request of the gentleman from Arizona.

There was no objection.

THE ALL-NIGHT CRIMEWATCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. KYL] is recognized for 60 minutes.

Mr. KYL. Madam Speaker, tonight has been very instructive for me. I would like to begin my portion of this special order by reflecting on the first obligation of government. The first obligation of government is to provide for the security of the citizens of the country, first security from external threats which we do through our defense. Secondly, security of the citizens of this country to be safe from threat from crime.

It is unfortunately true that throughout this country, this very night as we have been seeing, citizens all over the country are exposed to crime and are suffering the effects of that crime. Americans are afraid to go outside. They are afraid to open their door to a stranger.

I just heard of an example of Americans who go jogging with the pockets of their jogging shorts turned inside out to suggest to any would-be attacker that there is no reason to try to stop and rob them. That may be humorous, but Madam Speaker, some of the crimes we have heard about tonight are extremely serious, sad, and frightening crimes against American people.

Frankly, my eyes have been opened tonight. I tend to scan the newspaper in the morning and see the headlines about crimes that have been committed, and quickly put them out of my mind to go to other matters. However, in listening to some of the reports of crimes that have been coming in here tonight, I have been deeply saddened and shocked in reading the newspaper clips from my home State of just the last couple of days, the kind of things that have been occurring and getting reports tonight of crimes that have been committed in my State. I have to think again seriously about how we are not fulfilling our responsibility to our constitutents to help keep them secure and safe.

One of the reasons that we are doing this special order this evening, all night long, is to try to focus attention of the members that we have not brought to the floor of this House important crime legislation when we understand what is happening out there, and we can see that every day delay involves harm to literally hundreds and thousands of American people.

□ 0130

Let me give my colleagues some examples of what we have seen here tonight, the shocking story of the rape of the 16-year-old girl that our colleague from Michigan just spoke to us about, and our colleague from Wisconsin reported earlier this evening on the man who called up here tonight to the House of Representatives to report the attempted rape of his sister who was assaulted and later died. Because he felt so strongly about the need to do something, he called tonight to report that to us.

Madam Speaker, I would like to report that just in the last couple of hours some crimes have been reported to me by the city of Phoenix, AZ, Police Department, and I specifically thank Sergeant Kevin Robinson and Officer Leo Spollopollus of the Phoenix Police Department. Phoenix, though the ninth largest city in the country, has a relatively good crime record, and yet here are some of the crimes that have been reported just this evening.

Here is an assault at 8:35, a wife beating, armed robbery at 9:10, domestic violence and assault/armed robbery at 8:30. A theft at 7:09. There was a burglary of a church, Madam Speaker. An assault at 7 p.m. tonight, an assault of a passenger on a bus with a weapon. A drug overdose at 7 o'clock. Armed robbery at 7:08 at gunpoint. A drug bust, two cocaine seizures which were in progress just a little bit earlier this evening. Sexual assault attempted at 8:05. Another wife beating at approximately 8:05. A drug bust at about 8 o'clock this evening in Phoenix. Another wife beating at about 8:35. An armed robbery at about 8:30 in Phoenix. A sexual assault at about 8:25. This at 9:25, just a few minutes ago Phoenix time: a rape. Three assaults reported at about 9:35. A shooting at about 9:30. Here are four additional assaults reported at 5 minutes until 10 and an armed robbery at about 9:25.

Madam Speaker, these crimes are being committed literally as we speak, and I would like to read just a few excerpts from some articles from the primary newspaper in the Phoenix area. The headline is: "Eleven-State Gang Sweep Results in 174 Arrests," and it reports that Federal agents arrested more than 170 alleged members of the Los Angeles-based Crips and Bloods street gangs during a 2-day sweep in 11 States which included Arizona. They go on to point out the important role, by the way, that our military is performing by indicating that the Air Force supplied transport planes to ferry Federal agents to points across the country to make these arrests. They talk about the pounds of cocaine seized and all of the other things that came from that important sweep.

And this is from the June 14 Arizona Republic. A Phoenix couple was arrested for operating a methamphetamine distribution point from their residence, and the Department of Alcohol, Tobacco and Firearms seized marijuana, and methamphetamines and $18,000 in currency. Thirty-two firearms were seized as well.

Madam Speaker, here is one in today's paper that just saddened me greatly. The headline is: "Rape victim pleas ignored by three dozen at Phoenix park," and the story is of a young lady who, despite her cries for help, was raped notwithstanding the fact that approximately three dozen people were in the area where she was and refused to come to her help even though they could hear her cries. She was separated by force from her companion by one of two men. One of the men held her companion at bay, and the other one repeatedly raped her.

Here is another headline in today's paper. A Phoenix man is arrested in the strangling of a woman, a 20-year-old woman whose partially nude body was found in a field.

Another story of drugs, stolen goods, a sting operation which was successful, and then a story that has at least a little bit of a good news twist to it, Madam Speaker. This is the story about a lady who keeps a .357 caliber handgun by her bed, and she has a simple motto. She says, "It's my life or theirs."

Now let us stop and pause for a moment. When citizens have to take literally the law into their own hands to protect themselves with these kinds of dangerous weapons, our Government is failing them, and this is a report of this 59-year-old lady who was forced to put that motto to the test when she shot a burglar who broke into her mobile home. It was the second time in as many months that she had fired her gun to fend off a burglar. She remains on guard. The burglar got away, but in this particular situation she actually fired the weapon, and she wounded the burglar who was later captured.

As I said, Madam Speaker, it is a sad day when the Government cannot protect our citizens and they are required to have weapons like this in their homes to protect themselves.

Here is another story in the same paper: "Defendant guilty of abducting girl still awaits trial." Madam Speaker, "still awaiting trial" becomes a recurrent theme because we do not have the resources to get people to trial, and it is the story of a South Carolina man that kidnaped and is accused of having murdered a 7-year-old girl who was then found in the desert. The report shows that he had no emotions as the clerk read the verdict, but the mother and the wife were crying.

Another story. Headline: "45 lawmen kept at bay by a gunman. Man shoots ex-girl-friend twice, kills self."

Madam Speaker, I would like to conclude by just two last stories, and this is again from yesterday's paper. A 64-year-old woman was preyed upon, and she was in a store. She was beaten and wounded significantly. And then a headline: "Editor admits rape, slaying of two ex-students." He was a school teacher who admitted to raping and killing two of his former students. The bodies of the two young girls were found. They had been raped and beaten to death with stones. "It was horrible," said one of the police spokesmen. "The girls had been violated many times and left to die," and the report goes on with the shocking details of this crime.

Madam Speaker, I am not going to read the details of that. I think that the point that I would like to make is this: We tend to forget. I have not focused on these headlines, I did not really read them with the care when I first saw them and I did earlier this evening, and it has been brought home to me very, very seriously tonight that we have a responsibility that we are not executing as Members of the legislative body for the United States of America. The President has sent a bill to us a year ago today on violent crime and drugs which we have not acted upon, and, as a result, many of us have cosponsored legislation just last week to try to deal with the situation as best we can, incorporating many of the provisions of the President's previous bill and some additional provisions as well.

Madam Speaker, let me just tell my colleagues a couple of the things that these proposals would do. One would provide new death penalty provisions for violent crimes such as those that I have reported upon here tonight. Another would increase the penalties for firearms violations which were involved in many of the crimes which I reported on here tonight. There are a couple of specific reforms in the court system. One is called habeas corpus reform, and essentially what that does is to say that a criminal does not get two bites at the apple. After they have had all their trial, and appeals and so on through one of the court systems, let us say the State court system, they do not get a second bite at the apple. Finally, the exclusionary reform which says that evidence which is otherwise admissible shall not be excluded if it is obtained in good faith by the police officers.

Madam Speaker, there is so much talk about here tonight. There are so many different things that we need to do to begin to attack this problem that there just is not enough time. But I know that some of my colleagues would like to discuss some additional aspects of this, and I would like to afford them the opportunity to do so.

One of my colleagues from Albuquerque, NM, has been a prosecutor for his professional life up to the time that he came to the Congress almost 2 years ago. He knows what it is like to have to deal with these violent crimes, to try to bring these people to justice and the problems that result from inaction by people who have the responsibility, and I yield to the gentleman from New Mexico [Mr. SCHIFF], who is from Albuquerque, to discuss from his experience the problems that we are facing here tonight.

□ 0145

Mr. SCHIFF. Madam Speaker, I thank the gentleman very much for yielding to me.

Madam Speaker, before coming to Congress I was a career prosecutor. I served as district attorney in Bernalillo County in the Albuquerque area for 8 years. Before that I was an assistant district attorney for 4½ years. Before that, assistant city attorney for 2 years, and also was defense counsel for 2 years, so I have seen that side of the aisle so to speak.

I saw, along with my staff and along with the police agencies, the headlines that have been read here all night tonight, literally day in and day out for many, many years. I have come to the conclusion after seeing the effect of crime, especially violent crime on people, regardless whether the people were young or old, men or women or any aspect of their background, seeing the terrific impact it had on them.

I have come to the conclusion that the most important service of government is to protect its people, for the very simple reason that we cannot solve our other pressing problems if people are not free to come and go safely and are not free to be safe even in their own homes.

A couple quick examples. Education. We all want to improve the educational system and bring it into the 21st century, but children cannot learn if they are being molested, if they are being abused, if they are being neglected.

The economy. We all know we have to plan for transitions in our economy from a military-based economy in certain parts of our country to a non-military-based economy, but we cannot have economic prosperity if people's businesses are robbed at gunpoint, people's homes are being broken into.

Infrastructure is a word we hear often in the Congress. We need to improve our highways and our roads, but it does not matter how good our highways are if our citizens are run down by drunk drivers as they drive along them. We have an obligation to do something about all this.

I would like to touch briefly, because I know there are other colleagues waiting to address the House tonight, I would like to touch briefly on three different areas. The first is, I think it is suitable to offer a reminder that although we are here tonight marking 1 year since the President's anticrime package was introduced into the Congress, the fact that it has not been heard yet on the floor of the House of Representatives, but still the overwhelming majority of the kinds of cases we are hearing about tonight will not be tried in Federal court. They will be tried in the State courts, and because they are going to be tried in State courts I think those citizens watching us tonight wanting to join us in the fight against crime should consider writing in addition to us, which they are welcome to do and which they should do, they should contact their Governors and their State representatives and their State senators.

I would suggest that they ask for two things. No. 1, ask for a specific plan. How do you, my Governor, how do you, my State representative, how do you, my State senator, plan to fight crime, as a majority of the cases still go through the State court, and do you commit to adequate funding of programs that you support from prevention to prosecution?

Madam Speaker, to have funds allowed with no plan is wasteful. Money is just going to be thrown away, but to have a plan with no funds means there will be no action. We cannot say to people who use drugs illegally that we want you to step foward and come in for treatment and rejoin the rest of society if those treatment facilities are not available, and we cannot say that we are going to prosecute and raise the penalties of those criminals who do not if the prisons are too full and the prosecutors and courts are too overloaded. That is meaningless.

So I recommend that we not forget that State officials are still and ought to be a very important part of this process.

The second of the three areas I wish to address is that I had the privilege of serving as the vice chairman of the Republican Research Task Force on Crime. In doing so, I have been studying penal institutions. There is, of course, a great deal to study there. I want to emphasize that penal institutions are not everything in law enforcement and law enforcement is not everything in fighting crime. Prevention is, of course, the ultimate answer.

In studying penal institutions, there are two areas I wish to bring up tonight because I think they are not well-publicized, but I think they cause a great number of problems, a great amount of threat to our society. The first is in the area of juvenile law, juvenile being defined as under 18 years old in most jurisdictions. Our committee has proposed that a juvenile convicted, and I stress the word convicted, who is at least 15 years old and who is convicted of murder in the first degree or murder in the second degree or forcible rape or armed robbery or aggravated battery, that is a shooting or stabbing, or aggravated assault, that is an attempt to do a shooting or a stabbing, or kidnaping, be allowed to be treated as an adult, and upon conviction sentenced in the discretion of the judge to an adult facility.

According to our research, if this were the law in the United States, it would change the law in 29 States. In other words, 29 States at a minimum do not allow a 15-year-old to be treated as an adult for at least one of those crimes, and in many States it is an older juvenile with more than one of those crimes.

Now, the point I am getting at is not in the area of weighing the idea of punishing for crime versus wanting to keep a juvenile within the juvenile system. I understand that weighing, and I understand there are people with different views and each case is different. I am talking about allowing a transfer. Twenty-nine States do not even allow a transfer for certain juveniles for certain of those violent crimes. In other words, in certain States a 15- or 16-year-old can commit an armed robbery or rape and cannot under any circumstances be treated as an adult. This means the maximum that juvenile will face is a few months in reform school in any State I am familiar with and they are going to be right back out on the streets free to do it again.

A second area of the penal system I want to talk about is good time credit. Good time credit is an amount that is earned within an institution, often set at a maximum limit by the State legislature, which can be earned by someone who has been convicted and in the discretion of the judge sentenced to a penitentiary. Good time credit goes as high in this country as 50 percent of the sentence, which means that the convict can serve only one-half of his or her sentence and then be released to the streets.

Now, of course, a certain amount of good time credit is beneficial. I believe that. I think most people do. We want to encourage positive behavior, but good time credit of 50 percent of a sentence or anywhere near that is not to encourage positive behavior. It is there for one reason. It is there to make life easier for the administrator of the penitentiary. It is giving candy to the baby to keep the baby from crying.

It must be remembered that criminals are in prison not for how they behaved in prison, but for how they behaved out of prison, and a system which is created to turn them loose as quickly as possible is going to have terrible effects on the public at large, and yet that is what we have in many of our States.

Third and finally, I want to come to the Federal role. We are the Congress. We have the Federal responsibility and the Federal responsibility is immense.

I want to cover three different areas very briefly. No. 1, we set the penalties and we are responsible for the enforcement of Federal crimes, including Federal violent crimes.

Second, we have an increasing responsibility in the area of drug interdiction and drug prosecution. It is obvious that the sale of drugs is on a national and international network. We cannot expect States and local governments to be taking the lead in terms of handling this problem. We have to do it from here.

Third, the Federal rules, especially our court rules, referred to my colleague, the gentleman from Arizona, a moment ago, often affects State courts. The various rules set down at the Federal level govern oftentimes how the state courts can function with their having the majority of cases. We can affect those Federal rules.

So those are examples of why it is important for the Federal Government to act.

I want to conclude by saying that I believe it is important that we bring the President's anticrime package to the floor of the House as soon as possible, not just because I support the President's anticrime package, but I think it would mean that we start discussing and debating everyone's ideas on fighting crime. I would welcome not only the President's proposals for the administration, but ideas from my colleagues on my side of the aisle and ideas from my colleagues on the other side of the aisle. I think nobody has a monopoly on good ideas, but we need to get this to the House floor to be discussed, and in the course of that discussion the public which follows us through the media or directly even through the C-SPAN here might learn a great deal that they may not realize exists as the situation today.

One example. About an hour ago in a colloquy between my colleague, the gentleman from Texas, and my colleague, the gentleman from New York [Mr. GREEN], stated that he thought as a partial solution to crime we should pass laws, a cooling off period, so that we insure that sociopaths do not have guns, so that we insure that somebody who has just been released from a mental institution is not able to just go in and buy a weapon.

I certainly understand his motivation and I sympathize with it, but I think in the discussion it will be shown to the public that no such communication or recordkeeping exists in our country. In other words, there is no central place where anyone for any

amount of time can go and find out who has just been released from a mental institution. We could have a cooling off period for 70 years, and it would not make any difference. We cannot get the information at the present time.

I do welcome all the discussion, and I do urge my colleagues on both sides of the aisle to support bringing the President's package, along with their other proposals, to the House floor as soon as possible.

Mr. KYL. Madam Speaker, I would like to compliment our colleague, the gentleman from New Mexico [Mr. SCHIFF] again. We rely upon him a lot for his knowledge and experience and judgment in this area because of his career as a prosecutor and he brings a great deal to this debate and will in the future as well.

The gentleman spoke about interdiction. There are a couple of our colleagues who have significant interests and experience in that area as well. One of them is a member of the Armed Services Committee with me who is knowledgeable on this subject.

Madam Speaker, I yield to the gentleman from Louisiana [Mr. MCCRERY].

Mr. MCCRERY. Madam Speaker, before I begin my remarks about the efforts of the military in the interdiction of drugs at our borders in keeping with the flow tonight of reporting crimes, we have heard tonight about numerous crimes being committed this evening in Chicago, Los Angeles, and some larger cities around the country.

I represent Shreveport, LA, which is a medium-sized city. Just a little while ago I called the Shreveport Police Department and asked for a report of crimes that they were following in the Shreveport area. Just in a 2-hour span tonight, from 10 o'clock to midnight Eastern Daylight Time, they reported four reports of random shots being fired, one armed robbery, one burglary, one aggravated assault, and one drug bust, just in a 2-hour span, and that in a medium-sized city in this country.

The problem is not just in the big cities. It is in our rural areas, it is in our medium-sized cities like Shreveport.

We know that much of the crime being committed in Shreveport and in Arizona and in Chicago is directly related to the drug problem. There is a demand for drugs in this country. The demand for those drugs leads people to commit crimes to get the money to purchase those drugs.

One way that we are trying to fight the drug problem and beat the drug problem is to make it much more difficult for those drugs to ever get into our country. In an effort to make our interdiction efforts more effective, the Congress has demanded that the military get involved in this drug war, and in fact we passed legislation in the last couple years insisting that the military use a part of its budget to fight the drug battle at our borders.

After being on the Investigation Subcommittee of the Armed Services Committee and having had an opportunity to explore what is being done by the military, I am happy to report that the military over the last couple of years has become quite active in the drug war and is having some effect.

I participated just recently with the Investigation Subcommittee in a trip out to El Paso and San Diego and up to Alameda, CA, and talked with various members of our military from the Army, Air Force, Coast Guard, the California National Guard, and also officials with the Drug Enforcement Administration, the Customs Service, Defense Intelligence Agency, and the Immigration and Naturalization Service, including the Border Patrol. We got a good view of what is going on at our southwest borders, particularly in terms of the use of the National Guard and in terms of the use of certain military assets in connection with the drug interdiction effort.

I would like to share with my colleagues now excerpts from the report that our subcommittee filed following that examination. I want to make three points.

First, we are winning the air war against the drug lords. That should soon be history, but the drug flood is not slowing. It is shifting from the air to the ground. We have forced the drug industry to look for new routes and new methods. We must similarly shift our focus to the new threat or risk falling behind in the drug war.

Second, Mexico becomes the key to the next chapter in the drug war, the battle over our land borders.

We cannot succeed, and in fact we will fall behind the power curve if Mexico is not enlisted on our side in this war.

Third, we must pledge ourselves to avoid the body count syndrome. The media loves statistics on seizures, but that really proves nothing. If air interdiction fails totally or succeeds beyond our wildest imagination, the result either way will be a drop in seizures.

Now, let me expand upon these three points. First, we are winning the air war against the drug lords. Let us take that in conjunction with the second point, that Mexico needs to become involved in the next chapter; that is, the ground war with the drug lords. For all practical purposes, we have now won the air war against the drug smugglers. That is not apparent to the public or to most public officials, most of whem still perceive that America faces an airborne invasions of narcotics, but it is important that this misperception be corrected before we make the error of committing too many resources to a battle that has already been won to the neglect of the new and far more serious challenge that the narcotics industry is now mounting against us.

The drug traffickers used air transport to enter U.S. territory for years because it was cheap, easy, swift, and convenient. The Coast Guard and Customs Service struggled for years with inadequate resources to control our airways. The military was focused on tracking high altitude, high speed incursions of our borders; that is, they were looking for Soviet bombers.

By flying low and slow, the drug traffickers avoided the military detection net.

In the mid-1980's the Nation began to take back control of the airways in the United States. The primary focus was at first on the Florida region, the southeast region, and the Caribbean; aerostats—radar looking down attached to ballons, looking down for low-flying aircraft—were put around Florida.

□ 0200

Radar aircraft, the smaller P-3's and the giant 3-A AWAC's began patrolling the skies over the Caribbean. Now, there were many holes in this network, and there were many news articles appearing pointing out the flaws in the systems. It could not and did not field all our borders. It nabbed only a minority of the aircraft carrying drugs into the United States. But the point that was widely missed was that it scared pilots enough to discourage them from flying those routes.

The solution for the drug industry was really very easy though. The pilots just began flying further west. Instead of attacking the heavily defended Florida frontier, they flew over Mexican territory and across the land border into the United States. And they are still doing that.

Half the land border, the New Mexico-Arizona-California stretch, is now covered by aerostats. Few drug aircraft try to penetrate that half of the border any more. But the Texas-Mexico border remains uncovered by aerostats and the drug planes continue to plough that route.

Soon, however, the entire border will be covered by those aerostat balloons. But they are not perfect. They have proven to be a fair weather friend. They must be brought to ground in high winds. Significant problems have plagued the contractor trying to get the bugs out of the aerostats plan for the Texas border.

The radar planes are expensive to operate, but they can plug the holes in the aerostat net, if and when the planes are available.

There is much critical to be said about the air interdiction effort, but it is not the drug smugglers who are saying anything critical. Instead, they

are assuming it is only a matter of time before the system is debugged and the air interdiction efforts hurt too much.

We firmly believe that the drug smugglers' analysis is correct. The air interdiction effort does not have to be 100 percent air tight to drive drug planes away from our borders, any more than the Royal Air Force had to knock every last German bomber out of the skies in order to win the Battle of Britain.

Some of those working in the air interdiction effort feel experience is showing that only a handful of apprehensions are required before the drug industry shifts. In fact, it is shifting already from the air to the ground.

The aerostats, P-3 airborne radar, and the 3-A AWAC's aircraft are all detecting aircraft coming out of Colombia, flying north over Mexico, and then landing on fields and roadways north of Mexico just shy of the American border. From there drugs are sometimes hand carried across the border. More often though, they are placed in vehicles, of all sizes, all descriptions and then dispatched to the dozens of legal crossings, where they vitually are lost among all the vehicles that cross the border.

At the busiest post, San Ysidro, CA, 13 million vehicles annually pass over that legal crossing at the border. The challenge for the Nation is no longer to close the airways. That is a battle nearing its closing stages. But a new battle looms. Today's challenge, and it is a far more difficult one, is to police the land border.

How can we go about doing that? First, we need to recognize that we never had much luck closing the land border to illegal aliens in this country. Yet it is much easier to find a 150-pound illegal alien hiking north than it is to find a ton of cocaine that is divided into packages of a few pounds a piece, each of which is secreted in a tomato can, packed among cans of real tomatoes that are crated and carried aboard a 35-foot trailer truck.

Simply stated, the chief threat to our national security in the 1990's may well come from hoards of red tomato cans, rather than hoards of red Communists.

Mr. HUNTER. Will the gentleman yield?

Mr. McCRERY. I will be glad to yield.

Mr. HUNTER. I thank the gentleman for yielding. I want to thank him for his analysis of the trends in the drug war along the border. I agree generally that the aircraft traffic is down considerably, although I did manage to observe a few planes coming across illegally when we made a test a couple of weeks ago.

There had been a few problems, like some of the balloons getting loose, but generally the traffic has been airborne into northern Mexico, and then land-carried across the international border.

Let me just say that I think the most startling statistic in America today is that along the entire 2,000-mile border between San Diego and Brownsville, TX; that is, the entire land border of the United States to the south, we have right now, as we are speaking—if this is the best night the Border Patrol ever had in their history—less than 200 people for that 2,000-mile land border are on the border right now. That is one border patrolman for every 10 miles.

Outside of the ports of entry, the Border Patrol is the only American agency that protects that border against the cocaine flow that is coming into the United States.

I thank the gentleman for yielding.

Mr. McCRERY. I thank the gentleman for his comments. They are very well taken. We do not have enough agents in the Border Patrol, with the INS, to effectively patrol our border.

I want to add, though, that the National Guard in California is being used very effectively, as it is in other States. But particularly along the Southwest border, the National Guard is supplementing the efforts of the Border Patrol very effectively. It is not only good in terms of our interdiction efforts for drugs, but we are also learning that it is also good military training for those members of the National Guard who participate in those activities.

So I want to congratulate the National Guard for their efforts in helping the military, in helping the Border Patrol patrol our borders and make it more expensive to get those drugs into this country.

Mr. KYL. I wonder if I could just interrupt my colleague for a moment to remind people who may be viewing our proceedings this evening that they can call our Crime Watch at area code 202-224-3121. I will repeat that number. If they would like to report crimes that are occurring right now so that we can help to distribute the information about these crimes, they can call us here in the House of Representatives. That number again is area code 202-224-3121.

I wonder if I might interrupt my colleague for just another moment, since he is speaking about the problems of interdicting the drugs on the land, to ask one of our other colleagues to interject a story here which I know he is intimately familiar with involving the interdiction of drugs below the land.

My colleague from Arizona, JIM KOLBE, who has become quite an expert in our relationships with Mexico, and whose congressional district borders the country of Mexico, has a great deal of experience in dealing with this drug problem at the border, and has a very interesting story of a recent event that occurred in his congressional district at the Mexico-Arizona border.

I would like to yield to my colleague JIM KOLBE.

Mr. KOLBE. I thank my colleague for yielding. Mr. Speaker, I want to commend my colleagues tonight for participating in this event, this special order, to talk about the need for a good bill on crime.

We have such a package in the House Judiciary Committee now, and we hope that we will be able to celebrate a year from now an anniversary when we have this legislation enacted into law, and not have to hold another such session as tonight to lament the fact that we do not have legislation to the floor of the House of Representatives.

I was listening with interest to my colleague from Louisiana describe the events along the border and our success. I think his points are well taken, that we are making some real progress in that area.

I want to take just a few moments if I might to give you a verbal tour, if you will, a verbal tour of what has become known as the Narco Tunnel between Douglas, AZ, and Agua Prieta.

This is a story with a point, and the point is the sophistication of the enemy we are up against.

As the gentleman from Louisiana described our success in the air war and our success along the ground, we are finding that this enemy is becoming infinitely more sophisticated in the way they are going about attacking us and trying to get drugs into this country. So there are some lessons that I think that we need to learn from this.

First, let me just give you a little bit of the setting. Douglas, AZ, is a small community of about 10,000 on the border with our sister state of Sonora. Across the border is the town of Agua Prieta, much larger, close to 100,000 people.

These are communities that have traditionally been involved in the copper industry, the smelting industry, the maquilla industry, which is our twin plant, agriculture, tourism, and—tragically and unfortunately in recent years—increasingly involved in drug trafficking across the border.

It is a vast border. This is an area that sits about nearly 5,000 feet altitude in a wide open valley. It is very flat lands there. It is 60 miles from the nearest interstate inside the United States, but connected by good roads to it.

A few months ago an individual from Guadalajara, a Mexican attorney by the name of Camarena, came to Agua Prieta, bought a house there, or actually bought a lot on which he proceeded to build the house, and at the same

time bought directly across the border, although the house had been put in the title of one name, directly across the border he bought a large operation really, a sand and gravel operation, an ongoing business in Douglas, AZ, and it included a few acres next to it that was not occupied, had no buildings on it.

At the same time he was building this house under somebody else's name on the Mexican side of the border, about 200 yards, just about 600 feet separation across the border, he proceeded on this 4 acres of land there to build a hardware store up front, and in the back a large warehouse to keep the supplies for the hardware store.

Of course, as we now know, the hardware store and the warehouse never were intended for that. The sand and gravel operation was nothing but a cover for the whole operation.

I guess our first clue ought to have been that the hardware store was built, the building itself was built last October, and here it was this last May and they still were not open for business. They were still gathering their supples and getting ready to open for business.

About last November or December an individual came into the Customs investigative chief detective's office in Phoenix and said that he had information, he had heard that there was a tunnel somewhere in the Douglas-Agua Prieta area, connecting the United States and the Mexican side of the border.

He did not have a lot of other specific information, but he did have other information that made it very clear this was a reliable source.

There had been rumors for many months about the existence of a tunnel. A small town like that, lots of things go around. Everybody had been talking. Even I in some of my visits down there had heard this kind of nebulous rumor, that there was some kind of a tunnel across the border. But nobody had any information.

This, however, was better information than they had ever had before, and they began to look along the border through aerial photographs in the Douglas-Agua Prieta area, to try to determine where this might have been located.

This is a small town, wide open town, not real dense right along the border, so there were not a lot of places where there were buildings that close together on both sides of the border.

So it was fairly easy to limit it and to say these are the possible places that it might be located. But they could not really determine where that might be without a piece of equipment.

There is a very sophisticated piece of equipment that the Department of Defense, the Army, has developed in the Vietnam war, in order to locate tunnels.

The Customs Department decided they now had enough information that they wanted to get that piece of equipment down to the border. The problem then became getting approval from the Defense Department to bring that piece of equipment to the border.

Today's Los Angeles Times tells the story of the tragic and unfortunate lack of cooperation. I will come back to that at the end in terms of the lessons that I think we need to learn on this.

But it took 6 weeks, 6 weeks, for the Department of Defense to approve letting that piece of equipment be used on the border and brought down to the border to locate that tunnel.

How many tons of cocaine might have come through this tunnel during that time? We don't even have any idea what might have happened.

But this decision to use this piece of equipment went all the way to the Chiefs of Staff, and went even beyond that. Gen. Colin Powell could not finally approve it, it had to go to Secretary Cheney before there could be final approval to use this piece of equipment. So it was 6 weeks before it was brought to the border, hidden in a van, going along the border. They could then identify where there was indeed a tunnel underneath.

That was the information they needed. They then were able to put surveilliance on both sides, on houses on both sides of the border. There was no activity for a while, but then in early May there were four dry runs of a truck going from this warehouse on the American side up to Phoenix, to the Phoenix area, and then on the fifth run it was filled with more than a ton of cocaine. A flatbed truck, so it was not suspicious. It was going empty to Phoenix, coming back with supplies for the hardware store and the warehouse.

□ 0215

Underneath the concealed bed of the flat truck, flatbed truck, was indeed a ton of cocaine. That was seized when it got to Phoenix because of this problem that occurred. They actually seized it before they wanted to. The seizure of the truck gave them a tip or tied it back to this Douglas location, and they had to move more quickly than they wanted in going after the tunnel.

But 4 days later they were able to do a raid against the tunnel and were able to locate it. One interesting sidelight to all this is that when they went before the magistrate to get the search warrant, they were initially denied the search warrant by the magistrate who said the 14-page request for a search warrant had too much probable cause in it. He turned it down because there was too much probable cause in the search warrant. They were able to get before another local county judge and get the search that evening and were able to make the raid.

Now, on to the actual visual tour, if I could take another couple of minutes, because I was down there, and I want to tell Members what I found. We go into a long warehouse. There is, as we would find in any kind of a warehouse, standard drains, except that this, instead of a 2-by-2 drain, was a 2-by-4 drain with a grate over it, and a concrete box that gathers the water with the drain leading out of that period. But at the bottom of this concrete box was actually a hinge, though no way to tell it, there was a jackhammer—we are on the United States side of the border—a jackhammer and dropped below, and there were bolts that were kept in the bottom of the floor of this drain, collecting place, and when we took the bolt out, the whole bottom out of it dropped out and we were in a chamber down below so we could only enter from the Mexican side.

In other words, there was no access to this place from the U.S. side of the border. Once into this chamber, we were in a fairly large chamber, maybe 5 feet by 10 feet, and at one side of that is a tunnel or shaft that goes down 30 feet with a ladder going down 30 feet, and a pully where they could lift the stuff out of there. On the U.S. side it was about 30 feet deep to the bottom of the tunnel. Down to the bottom they were in a very sophisticated tunnel, and I am talking about a tunnel complete with utilities, air circulation, with electricity in it, and with a whole system for flooding and deflooding very quickly, so they could try to avoid being spotted by the sophisticated equipment. I will come back to that in a moment.

The tunnel was built from the Mexican side at the time that he built the house over on his side. He first excavated for a pool that took out a lot of earth, and they decided to fill the pool back in and filled it in with earth out of building the tunnel. Actually, the location for the location for the Mexican side was in the recreation house room that had been built on as an attachment to this very large and beautiful house he built right along the border on the Mexican side there.

The tunnel was about 5 feet high, completed with forms and blown concrete, so it has complete concrete. It has a concrete floor to it. As I said, it is lighted. It has ventilation. It has water, and all the necessary utilities for it. There is a trolley truck with rubber wheels, and side wheels that can bounce it off the side of the tunnel to carry the cocaine, approximately somewhere between 250 and 500 pounds could be moved at a time on one of the dollies going through to

the other side, and then lift up into this chamber, and from there into the warehouse. From there into the truck. Then the truck takes off the next day for Phoenix. The most fascinating part of all this over at the beginning of the tunnel on the Mexican side where when we follow the tunnel through and come out, as they did initially, they have not come through from the United States side. The Mexican authorities were in the house on the Mexican side trying to find the location where it would be entered from there, and they could not find anything. They were digging in the backyard to no avail. The Americans said we know, we have measured, we know it comes out in this room, but there was no way to tell. This room had a concrete floor, 12-inch thick concrete floor on it, and they started throwing switches that they found on the walls there, and sure enough, as they were standing, all of a sudden the entire floor started to lift up and underneath the floor is an immense hydraulic lift that lifts the entire floor, and in the middle is a pool table. Not a bad thing to have in the middle of the table in the recreation room, and the whole floor lifts up a total of 10 feet, so we can go into a large chamber where they stored several tons of cocaine. From there, go on to the Mexican side to the tunnel and back up into the United States side.

On the Mexican side, it is 40 feet deep, so we have the drainage of the water from one end to the other. There is a pump there, and they built a huge underground storage tank in the back yard so they kept enough water to flood the tunnel, the entire tunnel can be drained or flooded in the course of about 3 minutes time, so that in the event they think they were about to be spotted, they can fill it with water and avoid the possible location being found and the tunnel found there.

All this would suggest to me that we are talking about a very, very sophisticated operation. One of the lessons, I think that we want to learn from this is first of all, as the gentleman from Louisiana suggested, even as we succeed in doing better with air interdiction, even as we succeed in doing better along the border with the kinds of effort we make to stop it as it comes across the border, we are talking about an enemy that would constantly seek new ways, and we have to be sophisticated and looking for new ways to stop the interdiction.

The second thing is a very serious nature. They estimated they spent somewhere betweeen $1.5 and $2 million on building the tunnel—nothing compared to bringing a ton of cocaine across, but that they would go to the effort of buying the house, buying the business, getting established in the community, building the tunnel, doing all this suggests to me they are very, very serious about this.

A few months ago, before this was discovered about a year ago, there was a murder of 14 Mexican nationals. The bodies were found dumped into a well. The same weekend, 5 more were killed in Tucson, AZ. We now know or are quite sure all 19 were murdered as a part of—they were workers on this tunnel. They were murdered to keep them quiet. We are talking about a very sophisticated dangerous enemy.

The second point, we must be doing something right, and coming across the border, if they are going to this effort to try to come under the border.

The third point is for all of our talk about better cooperation with the military, we have a long way to go. We are not getting the kind of cooperation, mostly rhetoric. We are not getting the cooperation we need if we will use the resources the military has in this effort, we have to do a lot better.

Madam Speaker, I appreciate the gentleman yielding to me for a chance to share the story of this very important tunnel. We are looking for another one now. They have reason to believe there is a second tunnel.

Mr. KYL. Madam Speaker, I appreciate the gentleman's comments. I think it is a fascinating story with some good news and some bad news, but lessons to be learned. I apreciate his contribution to the special order.

Madam Speaker, I know the gentleman from Louisiana [Mr. McCRERY], has had a couple of concluding comments.

Mr. McCRERY. Madam Speaker, all of my comments tonight have been with respect to interdiction of drugs entering into this country, which is a very important part of the drug war.

However, I do not want to mislead my colleagues with my dwelling on this part of the battle. The other side of the equation is the demand side of the equation. It is every bit as important, if not more important. The President's crime control package that he had introduced in the Congress is critical, I think, in meeting or helping to meet the demand side of that equation that we must address. But in conclusion, on the interdiction side, I talked about the next phase of our battle after we won the air war, being the land battle, trying to stop the drugs from coming across physically, by land, by truck, by vehicle, and tomato cans to do an effective job of stopping that process we are going to need better participation by the Mexican Government. That may mean that we might have to help finance more Mexican task forces in the northern part of Mexico. We ought to do that. We ought to talk with the Mexican Government to try to arrange that.

The second thing that we will have to do in order to win this phase of the drug battle is to invest more money in research and development of methods to detect drugs in those sealed containers as they come across, not only the Mexican border now, but when we effectively stop that, coming across from Europe or from Canada across our other borders. Those are the areas that I think we are doing well, that we need work on yet, in terms of interdicting the drugs at our borders.

Madam Speaker, I thank the gentleman for allowing me time to talk about those things tonight.

Mr. KYL. Madam Speaker, I thank my colleague from the Committee on Armed Services for enlightening Members on areas in the drug interdiction.

Let me summarize our part of the special order tonight by pointing out we have been discussing crimes that are occurring all over this country tonight as we speak, as a means of causing attention on the fact that we have to get serious about the war on drugs and violent crime.

One way of doing that is to use this special order to call attention to being focused on the problem so that the bills that have been introduced, sent to Members by the President, and introduced by our colleagues here will actually receive a hearing in the House of Representatives, so we can make some of these improvements in the law and address some of the problem that have been discussed here tonight. We have a long way to go in the area of interdiction, and many things need to be accomplished. It is time for the U.S. Congress to get on with our part of fighting this drug war.

GENERAL LEAVE

Mr. HUNTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on the subject of the special order.

The SPEAKER pro tempore (Mr. POSHARD). Is there objection to the request of the gentleman from California?

There was no objection.

ALL-NIGHT CRIMEWATCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. HUNTER] is recognized for 60 minutes.

Mr. HUNTER. Mr. Speaker, let me start off by yielding to the distinguished gentleman from Louisiana [Mr. HOLLOWAY], who had a few very pertinent remarks to make a few hours earlier.

Mr. HOLLOWAY. Mr. Speaker, I will try to make my statement as brief as possible. I would like to just probably be a little tougher, a little more

to the point where I feel we have to go.

It has to be frustrating for George Bush to be in the position he is in, to feel like he knows what some of the answers are to our problems, to deal with the Congress he deals with, to be able to get nothing out of committee at this point. I guess the one thing that the President has going for him is the fact that he does have the right to make judicial appointments, thank God for that.

I want to say that I do not think we will ever win this war unless we change our country, unless we change what we do, how we do it, what we do within the judicial system of this country. I want to make a statement, and I will summarize it because I am sure it is not precisely what the judge said, but as we know, Judge Reggie Walton is the assistant czar, traveled to my district a few months ago, made the statements of some of the crimes going on in Washington, and I think his statement was that, "We must have a fair and just punishment for the crimes that are credited."

I think Judge Walton, being a very distinguished former judge of the District of Columbia here, has seen some of the greatest crimes and hideous crimes there could be to take place, and I think he has made comment to me about a woman who was tortured, beaten, wrapped up in a rug and tried to be burned, and finally she was killed. The person committing the crime could only get 15 years under D.C. law. Within that 15 years, he could be out on parole within a short period of time.

I think the only answer that we ever have to the crime problem in this country is if we ever get tough again, and willing to do the things that it takes to win the war. I think sometimes, and I was speaking with one of the Capitol Hill policemen today going back across the street, and he was saying he was off last week when we were taking up the Dannemeyer amendment on the bill, and he said they had just recently had a drug addict right down the street who had been passed out and had needles in his hand. Not actually in him, but in his hand. They had to try to save this guy, and not knowing anything about him.

□ 0230

We do not have the ability, or we do not have the laws, we do not have the people willing to make people. Once they are tested, he said that the worst part about it was they have to be tested every 6 months. The criminals do not ever have to be tested. There is nothing about it, the law, that requires them to be tested. There is no way of knowing who has the diseases, who is a carrier of AIDS and other diseases that can come from that. But I feel personally, and I am sure that some agree; most probably do not with me, because I am sure in the minority here, and I am probably a minority in a minority, but I basically believe that the only way we will ever win the war is to take the users off the streets. The only way we will take them off the streets is if we put them in jail.

Now we do not have enough jails to hold all of them. I think sometimes we have judges who try to tell us how good we have to be to them, how much we have to offer them. I agree that we have to not violate their civil rights. I feel that we have to feed them, clothe them, keep them warm, see that they are cared for medically, but I do not think we have to put them in a country club setting like we do in this country today. I got to believe there is an Army base that we can use. I have got to believe we can put them in fences, as far as I am concerned, put them in tents, put them in the desert, put a few in Alaska. We might even take a few in the swamps of Louisiana. But do not give them a country club setting that we are offering. Do not give them 2 months, or 2 years or 6 years and turn them loose. Give them an unparolable sentence. We will not need the jails before long.

Mr. HUNTER. I think the gentleman from Louisiana [Mr. HOLLOWAY] made a great point here because one of the real bottlenecks in the criminal system, no matter what type of sentences we pass, is our ability to house people, and right now, because we have very high standards of living for criminals, and we do have in many cases something like going to college when we send them to prison, and we spend an average in this country of $55,000 per year per prisoner, and the taxpayers are paying an enormous amount of money subsidizing the rehabilitation, rest, and relaxation in many cases, of people who could be doing with a little less standard of living.

I yield to the gentleman from Texas [Mr. FIELDS].

Mr. FIELDS. It is my understanding that under the bill that we are trying to move tonight to bring to the attention of the American people, the President's crime package, it calls for 24,000 new Federal prison beds so that we can put people in jail, so that we can incarcerate those people, so that we can take them off of the streets. That is 24,000 more than we have now.

Now I tend to agree with the gentleman. I personally do not think we ought to put them in beds and prisons. I think we ought to put them in tents, and I think the tents should be holey, and I think in States like Texas and Louisiana we should not give them mosquito repellent, and I think they ought to be cold in the winter and hot in the summer. I think the food ought to be terrible and that the punishment actually means something.

However I think it is important to point out that the President realizes there is a need to incarcerate and in his particular piece of legislation has 24,000 beds.

Mr. HOLLOWAY. And I do very much support that legislation, regaining my time to say that, but I recently attended the opening of a detention center in my district, in Oakdale, LA, a beautiful facility. There is no criminal alien citizen in this country that probably would not be happy to go to this detention center rather than go back to Haiti, or to Cuba or wherever it may be.

So, I am simply saying that we do need more cells. We need all types of prison cells, but we need to use everything that is available to us.

We recently executed Dalton Praison in Louisiana, a very nationally known criminal who had killed a State trooper, was handled through the judicial system for almost 10 years. They finally ruled or said that his plea was that he had the mentality of a 14-year-old. To me there are very few 14-year-olds in this country that do not realize it is wrong to kill a State trooper, and to me that is the biggest fallacy we have in this country with capital punishment and the other punishment. We allow them to go through a process of appeals that is endless. We allow them to be retried for any reason almost, and I say to the American people, to the victims of crimes, "If we don't get tough, if we don't give the victim more rights than we are giving the criminal, if we don't go back to some of the basics of family morality in this country, to the fact that that we try to teach our children what's right and what's wrong, I don't know where we'll go as a country."

I worry abut my four children as they grow old. Not too many years ago I did not need to lock my house. I drove down the street, and I would never worry about locking a car. But today I worry about that as a person going down the streets of Washington, as well as the rural areas of Louisiana, and I do worry in the future what happens to my four children. What will America be like 50 years from today if we do not move legislation such as we have available to us, if we do not appoint tough, conservative judges to fulfill the judicial system of this country, if we do not do what is right and if we do not try to teach again our citizens what is right and teach them to obey the law.

I appreciate very much the time, how many efforts in my district have gone on trying to educate our children toward drug abuse, toward the abuses of that, and I just want to mention in closing a couple of them that is going on. No. 1, we have a group in St.

Landry Parish in my district of somewhere between 5,000 and 8,000 members, PADD, Parents Against Drug Dealers, a parish of about 75,000 people that is fantastic to see this grassroots going on. We also have a school program in St. John Parish by Sheriff Lloyd Johnson. The parish area students systematically eliminating drugs, and one other one I want to mention is one that came to Washington just last week, Pointe Coupee Catholic Elementary School. It was recognized by the Federal Department of Education and President Bush just last week for their efforts for educating drugs.

So, there are many ways, and we do have to educate, but I do not know if education will win this war today. I think we have to get tough. I think we have to do very much what we spoke about here, and that is to give them a tough place to live, give them unparolable sentences and go from there.

Mr. HUNTER. I thank the gentleman from Louisiana [Mr. HOLLOWAY] for that eloquent statement, and I want to yield to the gentleman from Texas [Mr. FIELDS], my friend.

Mr. FIELDS. I appreciate the gentleman from California [Mr. HUNTER] for yielding, and I know people across America must be wondering why are we, as Republican Members of the House, here on the floor of the Congress at 2:35 a.m. eastern daylight time. Why are we staying up all night in this vigil? And the answer is very simple, and that is to get the attention of the American people.

Mr. HUNTER. If I can reclaim my time for 1 minute, the gentleman from Texas [Mr. FIELDS], however, has probably been staying up to this time every night since he has a new baby, and he is trying to train the rest of us to take on the same type of hours.

Mr. FIELDS. I say to the gentleman from California [Mr. HUNTER], "I'm concerned about that little 6-month-old daughter and what her future is, but I think it's very important at this particular hour we try to grab the attention of the American public to let them know that a very important piece of legislation, the President's crime bill, is locked up, is bottled, in a committee that is controlled by the Democrats, that they are not willing to move this particular piece of legislation."

In fact, I did not believe the statement that I read that is attributed to the chairman of that particular committee, the gentleman from Texas [Mr. BROOKS], from my home State of Texas, and he said, "There are more crime bills in the House than there are crimes in the country."

As my colleagues know, that is at a time when Texas is really the entry point for so much or so many of the drugs that we see entering the United States, and particularly Houston, TX. The south Florida task force was so successful, something that was headed up by then Vice President Bush, and now Houston has become the entry point, and I would just call to the attention of the gentleman from Texas [Mr. BROOKS] and to other Democrat Members that in the last 24 hours in Houston, TX, and these statistics have come from Houston police officers associations, their president, Mark Clark, and I have to say to the gentleman and to my colleagues that these are people who are on the front lines each and every day, people who are certainly not paid for the services they render to our particular area, but in the last 24 hours these people have faced 130 burglary calls, 179 auto theft calls, 36 robbery calls, 19 shootings, 8 rapes since midnight, and while I was on the phone there were 73 other calls waiting, waiting for a response from the Houston Police Department.

My colleagues, when someone says that there are more crime bills in the House than there are crimes in the country, all someone needs to do is travel a few miles and go to Houston, TX, and that someone is the chairman of the Committee on the Judiciary. In fact, this year one of those officers was murdered. He stopped on a routine traffic accident, Officer Boswell, and obviously drugs were involved. He pulled this individual over, and that individual killed Officer Boswell, leaving a wife and a family.

Now to me that family is the ultimate victim. As my colleagues know, too many times we place the emphasis on the person who commits the crime. I think there ought to be emphasis on those people who are affected by crimes, like Officer Boswell's family, and I think it is important to point out that in the President's crime package, as I understand, that person who killed Officer Boswell, if it was a Fedeal offense, and more than likely it was since drugs were involved, that that person would be subject to a Federal death penalty.

I think it is very important to have this particular piece of legislation, and tonight I asked the officer that I talked with, "What do you think needs to be done?"

He said, "We need to reform our Federal judiciary because all we have is an attorney seminar. It's a revolving door," and he related to me that by the time they finish filing their report that they are required to do after each criminal episode, the criminal is already back on the street.

So, I asked this particular officer. "What do you think needs to be done by someone who says there are more criminal bills than there are criminal acts?"

He said, "All I would suggest is that you bring that particular Congressman to downtown Houston, TX, and let them go on the front lines with us for 23 hours."

Now some people may think this is an isolated situation with the Houston Police Department. I also talked with Sergeant Blair who worked for Constable Dick Moore, Precinct No. 4 in Harris County. Dick Moore and his staff does an excellent job, but in the last 23 hours there have been 222 calls just in Precinct 4, burglaries, criminal mischief, auto thefts, and I asked him, "How would you respond to a Congressman who says there are more crime bills in the House than there are crimes in the country?"

The officer's response was that that person obviously is not on the streets. That person does not understand that crime is increasing. But it is a real problem in our neighborhoods.

The Precinct 4 that I am talking about has quiet suburban neighborhoods, and at this particular area protecting people.

Then I called the city Humble, my hometown, and talked to our police department, and I asked, "What has happened in the last 24 hours in this small suburban city?" Forty calls. Within those 40 calls there have been four auto thefts. There have been several petty thefts. And, to be quite honest, there is a problem, and the problem is growing, and something needs to be done, and I will say that we have some Federal officials that are actually trying to do what is in the President's package, and I know the gentleman is aware that one aspect of the President's package is to improve the coordination of Federal, State, and local authorities in an offense against America's most violent criminals.

Let me share one personal situation. We have a fine immigration director in Houston, Juan Para. Recently I had one of our local police departments come to me and say that they were having a very difficult problem identifying aliens who were selling drugs. They were given an alias, and then perhaps they were given another name, and it was very difficult to find out really the identity of the person that had been arrested, and they related to me that they had arrested one individual under one alias, and later they found out that this person was wanted for murder in New York City.

So, I asked the immigration director to come in and meet with this local police department, and in the spirit of Federal, State, and local cooperation the immigration director said, "We will be glad to work with the local police department," and it is gratifying to report that now anytime there is an arrest and the identify of the person is suspect, the immigration department immediately responds to that local police department, gives identification, and we are not taking off of the streets people who are not

American citizens, but have come from Colombia in a circuitous route. They have come from Caribbean island nations and have come to America for no other purpose than to smuggle and sell drugs.

□ 0245

I think it is very enlightening to know that we have got some Federal officials who are already trying to carry out the spirit of what the President wants to do in this particular crime package.

I want to salute Mr. Para and his immigration staff for doing that.

One last aspect that I want to touch upon in addressing this overall problem is something that is not in the President's crime bill, but it is a constitutional amendment that I have introduced for 10 years now. It is a constitutional amendment that would limit Federal judges to 10 years. Personally, I think Federal judges ought to be elected like judges in Texas, or I think they ought to be subject to recall.

I think that we now have aberration in our constitutional system, something that was not intended by our forefathers, where people who are appointed for life make law. They do not interpret law. They are in essence judicial legislators.

What we have seen in regard to criminal law, we have seen the rights of criminals expanded in derogation of the rights of law-abiding citizens. It is very difficult to make an arrest today or to make a seizure or to do a search without violating some constitutional protection that has been written into law through judicial interpretation and judicial action, primarily by our Federal judges.

I think people who affect our lives through some type of act such as this judicial legislation ought to be subject to the will of the American people. Certainly we are out of balance.

At this particular time I feel it is incumbent that we give more rights to the victims and it is certainly out of balance in protecting the rights of criminals.

Mr. Speaker, I want to say to the gentleman how much I appreciate him putting forward this special order tonight. I hope that people listening in Texas will call the number that has been given several times to let us know how they are affected by crimes on this very night so that we can report to the full House in the morning.

I appreciate the gentleman taking this time and giving us the opportunity to do such.

Mr. HUNTER. Mr. Speaker, let me thank my friend for making his statement and for doing the research that he did, because it is precisely at the grass roots level, asking our constituents to call the Crimewatch number and talk to us, that I think is giving such a profound effect to this special order tonight.

Mr. FIELDS. Mr. Speaker, if the gentleman will yield further, maybe we ought to give that number one more time. We are asking people to call tonight 202-224-3121 and let the U.S. Congress know how you as a victim have been affected by crime.

I think it is important for all Americans to write to their Congressmen and let their Congressmen know that they feel that it is important that the President's crime package be moved this year, that we take the steps to make it tougher on criminals.

Mr. HUNTER. Mr. Speaker, I thank the gentleman so much. The gentleman is a good personal friend of mine. We spend quite a bit of time together. I know he has that new baby and is very concerned about the world that his new baby is going to live in and grow up in. I know he speaks from the heart concerning this issue tonight. I want to thank the gentleman from Texas [Mr. FIELDS] for making a very profound statement.

Mr. Speaker, I yield to my friend, the gentleman from Ohio [Mr. MCEWEN] who has also participated with us tonight and is up with us in the wee hours of 10 until 3 in the morning.

The SPEAKER pro tempore (Mr. POSHARD). The gentleman will suspend.

The Chair must again remind all Members that it is not in order in debate to direct remarks to the television audience.

Mr. MCEWEN. Mr. Speaker, I thank the gentleman for yielding me.

I certainly share the gentleman's response to the information shared with us by our colleague, the gentleman from Texas, and indeed for focusing our attention on our purpose here tonight, and that is very simply that we believe, as most Americans feel, that crime and drugs are two issues that are the responsibility and the proper purview of the Federal Government, that we can and should do something about it.

It is highly improper to have the leadership of the Congress of the United States so distinterested in solving what is obviously a concern to the American people.

When my colleagues tonight came to Washington at the beginning of this decade, we remember what the concerns were. We had the highest inflation and interest rates since the Civil War. So when people were losing their homes and interest rates were so high that one could not put a crop in the field or they could not keep a floor plan at an auto dealership and people were losing their jobs at the rate of 50,000 a week, we saw that the main concerns facing them were survival, whether or not a farmer could keep his land. So we saw unemployment and inflation and interest rates as major concerns.

We remember the Carter policy of taxing and regulating the production of energy. So if you wanted to purchase a gallon of gasoline, you had to make sure that your license plate coincided with the proper date, and if you sat in line long enough and if you got there before it closed, you were able to get a tank of gasoline.

I remember in March of 1981 when the President decontrolled the price of energy at the wellhead and within 24 hours gas lines disappeared and filling stations began to be opened again.

So we saw that inflation and interest rates and energy production and the other issues began to fade, until now in the latter part of the 1980's the average senior citizen, the average worker, is now vitally concerned with what? The right to personal peace and the right to safety, which is a very genuine responsibility of government to provide for that.

There is not a person here at this moment who would walk outside of this room unescorted and walk 10 blocks in any direction. That to a Nation such as ours is a disgrace. There is no reason for it. It is because of a change of philosophy and idea that somehow we should not enforce and not implement what the American people are asking for, which is a strong crime package.

The President has proposed it. Hearings have been held on behalf of the Department of Justice throughout the country and those law enforcement officials and government officials throughout our country were able to contribute. It has been on the docket now for some 4 or 5 years. It has been refined and refined.

We remember our colleague, the gentleman from California [Mr. LUNGREN] who had a major role in trying to get it out of the Judiciary Committee, and yet the Judiciary Committee seems more concerned about not bringing this protection of the American people to the floor than they are in protecting our citizenry.

I just would like to give an example of the dilemma that arises when we somehow or another refuse to enforce what common sense requires that we enforce, and that is that a person who violates the law should be punished. I think of what I just heard of in Japan where there is a requirement that criminals upon exit from the criminal justice system have to be able to read and write. So what they give is remedial reading lessons so that the people are able to hold a job when they leave, and if they do not meet that criteria, their sentence is extended.

Just this past week in a prison in may congressional district, a Southern Ohio correctional facility, there was a volunteer, a teacher who did some

work in the prison there. She was 32 years old and had been working there since 1984 in the correctional facility trying to help the prisoners. It appears she went into the restroom, was followed in there by one of the inmates who proceed to slit her throat with a piece of metal.

During the time, no action was taken because they claimed they thought perhaps there was a hostage situation, so they waited and finally came in and discovered that she was dead.

According to VanDyke, the prisoner was treated at the hospital as a precautionary measure. Indeed it was said, inmates said that Mr. Vaughn who was the suspect in this killing, was brought from inside the prison. Officials appeared more concerned about protecting the immate than doing something about the teacher, the 32-year-old teacher who lay dead on the floor.

Mr. FIELDS. Mr. Speaker, will the gentleman yield?

Mr. McEWEN. I am happy to yield to the gentleman from Texas.

Mr. FIELDS. Let me ask the gentleman, in the Ohio prison system, do the prisoners work? Is there a requirement for work?

Mr. McEWEN. I would say to my colleague, the gentleman from Texas, I appreciate the gentleman raising the question.

No, they do not. I served on the Prison Inspection Commission as a member of the State legislature, in which it was our responsibility to visit each one of the prisons at least once during the year. I served on that commission for over 4 years.

The idea somehow or another, many of these prisons are very old and you can see where the farms were and where they used to farm, and you can see where the shops were, where they used to learn the skills, and you can see where the things, 50, 60, 70 years ago in which they worked with their hands and developed these various skills, but now we are above all that, so we do not do any of those.

Mr. FIELDS. Mr. Speaker, if the gentleman will yield further, I just want to point out that we have the same situation in Texas, that it is really up to the prisoner if he or she wants to work. You see the same thing. You see the farms. You see the shops where they were trained that are idle.

I think the average American asks himself the same question that I ask myself. Where is the punishment? Good food, nice place to go to sleep at night, magazines, TV. Where is the punishment and where is the rehabilitation?

I think it is just a glaring example of how our system has become skewed.

I personally believe, I know from hearing from people in my congressional district, people want justice. They want to see us get back to reality and have a system that truly is a criminal justice system.

So anyway, I appreciate the gentleman making that point.

Mr. McEWEN. Mr. Speaker, I think the gentleman makes a perfect point.

I would just like to proceed with this article that appeared 2 days ago in the Portsmouth Times in which it says that Victor Tovine said that after Taylor was killed, there was a lockdown. This young teacher was murdered. There was a lockdown. The inmates were prohibited from the dining area for awhile. The inmates were shocked when they were fed in their cells, Tovine said. They think this is some kind of a day care center. They have it better here than on the streets. Tovine said that inmates when they have reached parole choose to stay in the facility rather than to be released.

You know, common sense tells us that when we are talking about having to increase taxes, and one need not go to great lengths driving down any highway to see the work that needs to be done, the highways that need to be repaired, the roads that need to be fixed, the guardrails that need to be repaired, and here are able-bodied people who are being housed on a rotating basis because of the inability to keep them for anywhere close to the amount of time to which they were assigned, literally throwing them out on the street because there is more right behind them.

The criminal justice system is in complete disarray. The Justice Department of the United States and the President of the United States and the majority in this Congress are willing to do something to correct it, and yet we have the majority leadership of the House of Representatives who refuse to even hear the bill. That is why we are here tonight.

We think that these people who have murdered and who are rapists and who are violent criminals can and should be forced to do at least what the average American head of the household does every day, and that is they should be told to get up, they should be forced to go to work and "no workee, no eatee."

This is not any sophisticated system that we can expect them to endure.

As I pointed out, I have some degree of experience in this. In many cases this is just simply a lack of discipline.

For example, we would go through and every one of the inmates seemed to have some elaborate medical problem, in which they had, for example, the need for a salt-free diet. So they would stand there in a special line to get their salt-free diet, which, of course, all the dietitians have to approve and the doctors have to check every three days to make sure, and the judges have all the inspectors coming in to make sure, and they go through and they get their salt-free diet. They pick up their trays and they go over and sit down and pick up the salt shaker and do what they want to do and load it up, or a fellow, I interviewed one fellow in a hearing room I remember one time. He had a sugar problem. He was supposed to be denied sugar. As he was sitting there talking, he had three Hershey bars stuck in his pocket.

The problem is these people in many cases are undisciplined. That is why we need a system that houses and takes care of them so that they do not rape and murder and pillage as is going on at this very moment in city after city across our country.

□ 0300

We have a system to do that. We want to do it. We are being denied the right to do it by the structure of the House of Representatives, and we are frustrated that we have to come here at 3 o'clock at night to express it, because under the rules of the House we are denied virtually any other system.

Mr. FIELDS. Will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from Texas.

Mr. FIELDS. I appreciate the gentleman yielding. I have been serving with him now for 10 years. The gentleman from California [Mr. HUNTER] has been with us for 10 years. We all entered together.

Let me just ask, after your eloquent statement, because the average person would want to know, why won't the Democratic leadership allow this bill to come forward? How would you answer that?

Mr. McEWEN. You know, I am at a loss. I would say to my colleague from Texas, there is a value system with which I am not familiar.

My children were watching television last night and were watching one of the old programs of "Bewitched," one of the late 1970's program, in which she is, of course, a witch, and she can do these various things.

She had made one of the neighbors into a statue. She said, "You know, he was stoned every night anyway. I figured I would make him into a stone."

I thought to myself this whole idea of the Hollywood leftist syndrome, whereby we laugh at drugs and we laugh at crime, and the values of respect for human property and for human life and for honesty and integrity, seemingly just don't come through as I feel that they should.

I am at a loss to say why in my polling of my questionnaire that goes out each spring from my congressional office, the No. 1 issue in rural Appalachia and Midwestern America for the last 2 years, No. 1, has been crime and drugs.

I mentioned about when you clean up inflation and the interest rate and create 7 out of 10 jobs created on this planet, get America moving again, these things are going to come to the top. The American people are crying out for it. We see it all over. And we see the Congress unable to act.

I do not have an explanation. I would appreciate the gentleman's help.

Mr. FIELDS. Well, if you ask me, I would say I think first of all it is because we on the Republican side believe that punishment is a deterrent, and that is why we need stronger laws.

Also, I think on the Republican side of the aisle we make a decision on victims of society. It seems like on the Democratic side of the aisle they are concerned that the victims of society are those poor crminals, that we ought to feel sorry for them, we ought to coddle them. We ought to forgive what they do and all the terrible acts that are perpetrated on average Americans.

I think the distincition that we make on victims of society are the true victims, the people who have the crimes perpetrated. We tend to want to help those people. We want to help them by making our laws stronger so that there is a deterrent.

I think it is a sad commentary that we are not given the ability to at least allow the President's piece of legislation to see the legislative light of day on the floor of the House of Representatives. At least let it come forward and let us debate it on its merits. If it loses, then so be it. But at least the American people can see who voted and how they voted.

I think that is the reason this is bottled up in committee, that if it does come out, the American people through their representatives will have the opportunity to speak.

Mr. McEWEN. I think the gentleman is absolutely correct. The simple answer is not sophisticated at all. We either control crime or crime controls us. Either we decide that we will take control of our cities and our neighborhoods, or the criminal element will determine whether or not our wives can walk unescorted to the car, whether or not we can leave valuables in the car, which neighborhoods we can live in, where we can travel or not travel at night. And it is progressively getting worse. The American people are asking for it to be done.

As was quoted by the gentleman from Texas, it is just laughed off by the people in control.

You know, we have been here now for a decade. Something that is so extremely frustrating to those of us that have been here is the unwillingness or inability of many Americans to understand how this system works. That is, the people on this side of the aisle are never permitted, never allowed, to chair a committee or to hold a gavel.

Most people do not know that. That is why Jimmy Carter was successful in 1978 in pointing his finger at Gerald Ford when he said, "Mr. Ford, you were in Congress for 25 years. Why didn't you do something about it?"

Ninety-nine percent of all Americans never understood that Gerald Ford, 25 years in Congress, was never once permitted to ever pick up a gavel, ever, because he had a tragic flaw—that he was a member of a political party which has been denied leadership in this Congress for a mere 58 out of the last 62 years.

So they control whether or not bills like this come to the floor. Every chairman of every committee is of the same political party. He decides what bills are heard. When bills like this go against their political philosophy, and when the President supports it and we support it and the American people support it, it does not even get a hearing.

So we are forced to come down here under the watchful eye of one of our dear colleagues on the other side of the aisle, and he endures our rantings and ravings at all hours of the night, because we are denied under the rules of the House the right to hold a single hearing on any product. We are denied the right to call a witness. We are denied the right to move a bill at any juncture.

The longest one-party rule in the history of the world has been 73 consecutive years in the Soviet Union, followed second by 61 consecutive years of the Institution Revolutionary Party in Mexico, followed third by the one-party rule of the House of Representatives here. The longest in the history of Government.

So we feel that the American people can and should be heard. We think that these bills should be brought to the floor. As the gentleman from Texas has just said, let the world see how they stand. If they want to vote against this, then that is their right. But why hide? Why hide behind the rules? They control all of the levers, so they just do not bring these issues to the floor at all.

We are here to say to the American people that given our option, we would have legislation to the floor that would create a sufficient number of beds for people that are violent criminals that would be off the street. We would establish a system whereby they would be rehabilitated, which means they would be forced to do the things that the average working person does on a daily basis. They would be taught to perform public service, taught skills, taught literacy. As a reward for that they would then be considered paroled, and not until.

These are the kinds of things we would like to see in a crime package, so people could once again feel safe in this country.

It is unfair. It is a disgrace. Those of us that come from rural America have to listen to those that are visiting Washington about how frightened they are.

I just had three FFA members not more than 10 hours ago standing on the steps of the Capitol. They said, you know, my parents made sure that we carried a knife in our pocket. We wanted to make sure if we go through the metal detectors, will it be detected. Because two of them said their fathers did not want them walking the streets of Washington, DC, without some sort of protection.

What kind of America is that? Why is it that there are those that are unwilling to do something about it?

The Marion Barrys, you can go through the list of major cities, and it is the same sort of political philosophy that dominates the city halls of these major cities that have done a disgrace to the values that America stands for around the world.

We are here to denounce it. We are here to say boldly we do not believe this is the way the system should be run. We believe it can be done better.

If we had the gavel for just 6 months, we would change a whole lot of things around here. Short of that, we are dependent upon pleading with the American people to use their access, to write to the Congress of the United States and to call the Congress of the United States and say to their individual Representatives and their individual Senators, why do you not agree with President Bush? Why do you not agree with the justice crime package, that will permit us again to feel free and safe in our country?

It can be done. I remember when they said you will never get inflation down, you will never bring interest rates down. You will have gasoline lines forever.

I remember the doom and gloom. You remember all of Jerry Brown, that we had entered an era of limits and we are over the hill. America is in a decline.

That is nonsense. The only problem with America is its leadership. When you have correct leadership on economics, you can create jobs. When you have correct leadership in defense, you can create a strong defense. When you have correct leadership on international policy. America can be strong again around the world. If you have a correct policy on crime and justice, then we can make our streets safe again.

All we are asking is the tools with which to do it. We have the vehicle, now we want the access. We are pleading with the leadership, we are pleading with the Speaker, we are pleading with the majority, we are pleading

with the chairmen of all the committees. Why not cut us a break? Why not cut America a break? Why not give us a chance? We have shown you the way, we have done the work. All we want is a proper hearing. Won't you please give America an opportunity to do what they are asking and pleading for.

Mr. HUNTER. I thank the gentleman for his very eloquent statement. Both gentlemen, the gentleman from Ohio and the gentleman from Texas, has really described the situation well.

I want to talk for just a minute about the United States border, the land border between the United States and Mexico, and with particular reflection on the situation in the drug war right now and the flow of cocaine across the land border between the United States and Mexico.

We have been contacting and talking to our Border Patrol men tonight, which is the only agency outside of the port of entry between the drug smugglers of Central America and the children in my State of California.

Tonight there have been two robberies at knife point on the border. The border has become a no man's land. Also, two smugglers crossed the border in vehicles. The smugglers managed to get back across to the other side of the border. The two vehicles were seized.

These were vehicles that rammed across the border in places other than the ports of entry. We are not talking about vehicles on the highway, but vehicles that ram across, sometime laden with cocaine, sometimes with other contraband.

Let me tell my friends what we have on the border really is a no man's land. In 1989, just in the border area of San Diego County, which is from the ocean to about 15 or 20 miles inland, in 1989 we had 5 murders, 2 reported rapes, and 52 reported robberies.

The San Diego Police Department estimates that only 5 to 10 percent of the crimes are ever reported at the border.

In 6 months this year, just half a year, we have had 7 murders, 4 reported rapes, 60 reported robberies.

A lot of people have talked about this drug war in the context of the United States versus Mexico. That is not the case. A lot of folks have made a political football of the attempts by American authorities in many cases to interdict narcotics coming across the border. That is not the case. It should not be the case.

The no man's land that has been created on the international border and the resultant robberies and rapes, those crimes and actions have been taken against citizens of Mexico to the largest extent.

Let me give you a couple of examples. In 1990 homicides by border bandits, you had on February 25 at 8:25 p.m. on the south levee of the Tijuana River a Mr. Matta, 21 years old, was stabbed and robbed. On March 12, 11:20 p.m. at the south levee again, a 13-year-old Hispanic male from Mexico was shot.

On April 15, 2:18 p.m., north of the border, Carlos Serrano was shot and robbed. April 23, 9:20 p.m., 40 feet north of the border, Miguel Consanto, 21 years old, robbed and shot attempting to break up a robbery by border bandits.

So for politicians on both sides of the border who want to continue to maintain a no man's land by not feeling they would offend the other side of the border if they place law enforcement units along the border, as these people toast each other in the Embassies, we have in fact a shooting war taking place, which is resulting in a lot of deaths. Most of the people who are being killed are citizens of Mexico.

Now let me talk just for a minute about what is happening with the cocaine flow across the border. Then I want to yield to my colleagues who are following with a special order very shortly.

In the entire land border between the United States and Mexico, which is about 2,000 miles long, running from San Diego to Brownsville, TX, we have one agency which is in charge of interdicting people who are smuggling, whether they are smuggling illegal aliens across the border or some other type of contraband or narcotics. That agency is the Border Patrol.

Now, in California, which has about a 150-mile border with Mexico, you have about 600 Border Patrol men who are assigned to the force.

□ 0315

About 400 of those Border Patrolmen show up on any given day because of vacations and time off. We have 400 Border Patrolmen showing up on any given day. Out of those people we have large segments of that Border Patrol pool of personnel attached to interior checkpoints on Highway 5 going to L.A. many miles north of the border. Highway 15 going up to Escondido. As a result, at any given time, in fact as we talk here at 3:15 a.m. in Washington, DC, if this is the best night the Border Patrol ever had in terms of their people showing up on the entire 150-mile land border between the United States and Mexico that comprises the California-Mexican border from San Diego to Yuma, we have less than 50 agents right now on that 150-mile border, or roughly one man to evey 3 miles.

Now, as a result of that, the situation that the gentleman from Louisiana [Mr. MCCRERY] described earlier is, in fact, taking place. The situation he described is this: We have major shipments of cocaine coming out of Colombia, being flown into northern airfields in Mexico, and large transshipments largely on the backs of people carrying knapsacks full of cocaine, coming across the border in large quantities. We have basically 12 smugglers alleys in the southwestern border, and I have smugglers alleys depicted on the map, starting with Tijuana, San Diego, to the Far West. A large metropolitan area, and then Brownsville, Matamoros, in Texas, and Mexico to the east of the land border.

What we are talking about here is a smugglers alley where we have a large metropolitan area on both sides of the border. The reason the smugglers need a metropolitan area is because it is easier to have a logistical base and get lost in the crowd, whether people or traffic, once they get their contraband, their cocaine, across the border. So we have 12 smugglers alleys, everywhere there is a large metropolitan area, like El Paso-Juarez, and Mexicali. We could stop a large part of this land-transported cocaine if we did a couple of things.

One thing we have to do is have enough people forward-deployed on the border to actually form some type of perimeter. We are not talking of people holding hands across the border but talking about the capability of having perhaps a mobile patrol unit that is a four-wheel drive vehicle with a couple of agents, every couple of hundred yards on these 10 to 15 mile smugglers alleys. For example, with the dedication of 400 people or so, and with the help of the National Guard and other agencies to give logistical help, we could actually have the perimeter across smugglers alleys between San Diego and Tijuana, which is about 15 miles wide. This is not something that takes a rocket scientist to lay out, but the idea of having the Border Patrol enter into a true patrol of the border, establishing a perimeter with four-wheel drive vehicles with good communication, and with good illumination. We have to have the lights. Most of the crimes I have read off here and most of the smuggling crimes with respect to cocaine take place in the dark of the night. We need to have illumination, and we could supply illumination with help from the active guard.

We have to have excellent communication with your other agencies. We could do that. We are going to dedicate a larger segment of the 600,000 manned National Guard, and if we did that and utilized them on the Southwest border to support the Border Patrol, the Drug Enforcement Agency and Customs, we could, in fact, make a very large dent on the smuggling traffic across the land border of the United States. That is a point that I wanted to bring out, and simply to report that since June 1, we have had

over 20,000—that is this June, just the last 3 weeks or so—we have had over 20,000 illegal aliens arrested just in the San Diego sector of the international border. That means with that number of people coming across we have large amounts of cocaine right now flowing into the metropolitan areas of southern California. We have had 30 assaults on Border Patrol agents in the last 18 days, 2 illegal aliens killed, and 1 wounded in robberies near the border, and 3 additional alien robberies reported, and 2 border bandits arrested, one local resident assaulted by people wielding clubs on the international border, and we had 121 vehicles drive through the border fence, including 1 in which a smuggling vehicle rammed a stationary Border Patrol vehicle.

So, neither country is doing the other a favor by maintaining a lack of law enforcement along the international border and allowing this no-man's land to exist. I would offer that neither the United States or Mexico controls the international border at this time. The international land border between the United States and Mexico is controlled by the drug lords of Central America.

Mr. McEWEN. Mr. Speaker, if the gentleman will continue to yield, I appreciate what the gentleman said, emphasizing the fact that there are men and women every hour of every day specifically right now in the middle of the night along our border, walking the streets of our cities, placing their lives on the line in order to enforce the laws of the United States, and we have the technology and we have the resources, and we have the potential to improve the laws to make their job better.

If that is what we are trying to do, and I appreciate the gentleman emphasizing how many are at risk daily.

The final point to make, because I wish to submit for the RECORD the articles I read about the young lady that was recently murdered in the prison facility in my district just last Thursday, and point out one sentence in the article: "The inmate that murdered this young teacher was serving a life sentence for aggravated murder with consecutive sentences for aggravated arson and attempt to commit an offense, an attempted murder."

What we are saying is that we believe in the death penalty for those who are unrehabilitatible, those who are murderers, and we believe that those in our prison system should be performing some service for society and the taxpayers should receive some benefits from housing them at three to four times the annual cost of what we are paying the prison guards. This is convoluted, it is unfair. It is unfair, and we are here to speak out against it.

Mr. HUNTER. The gentleman made a great point. We are paying in excess of $55,000 per year per inmate on the average in the incarceration system in the United States.

That is, we are spending more money per prisoner than the average American family makes. If we could knock that cost down by 4, doing some of the rest, relaxation and education and quality of life for those prisoners, we could save taxpayer dollars, keep more around longer.

Mr. McEWEN. If the gentleman will continue to yield, many of these are able-bodied people that would benefit from the regimentation that comes from being forced to get up in the morning and to go to work and to perform a task, and at the end of a few years would have a skill, and would have the routine that a taxpayer of America must endure on a daily basis.

I say, put them to work. It will be good for them. It will be good for America.

EMPLOYEES, RESIDENTS: PRISON UNDERSTAFFED, POORLY MANAGED

(By Laura Pyle)

LUCASVILLE.—Concern about staffing levels and the murder of a teacher erupted into informational picketing this morning at the Southern Ohio Correctional Facility.

More than 100 people including off-duty prison employees and area residents marched in an informational picket in front of the prison to inform the public of conditions within the prison walls. Organizers said the picketing was expected to extend to 6 p.m. and may even continue through Wednesday.

"We're understaffed and the management doesn't run the place right," said Johnny Kimbler, a correctional officer for 17 years, who added that about 20 guards recently have been assaulted.

Often, females are left by themselves "and eight to 10 inmates are around the females all the time," Kimbler said.

Teacher Beverly Taylor was killed Thursday morning in a restroom at the prison when her throat was cut.

Inmates are displaying signs saying "A pig is next" and "A state patrolman is next," according to the officer.

He said when inmate Eddie Vaughn, the suspect in Taylor's killing, was brought from inside the prison, officials appeared more concerned about protecting the inmate than doing something about Taylor.

"If the taxpayers knew how this place was run, they'd really be upset," Kimbler said. "This has been boiling for six months. A lot of people work in the prison's task force and instead of talking to us, they take the inmates' word."

A prison task force has been investigating reports of racial tensions and white supremacy groups at the prison.

Cell blocks especially need more staffing, he said, and ever since unit management was implemented, there have been more problems in the blocks.

"If you're living in a 4-by-6 area with two bunks, a sink and a commode, the quarters are close," he said. "The administration forces blacks and whites together. Most incidents inside the fence are black and black or white and white."

Kimbler said the administration tends to ignore the problems and that the public needs to know about this.

"We don't have any control over incidents. We don't get any backing from anybody, from the director on down," he said. "I'd say 75 percent of the people locked in there will never see the sidewalk."

George Adkins, a correctional officer for three years, said the state spends $28,000 a year to keep an inmate, and expects an officer to work for $17,500.

"I've been assaulted twice in six weeks," he said. "They're trying to racially balance, and it's just not working. It's just causing tension.

Adkins said some inmates who attend college classes at SOCF are doing so just to get out of their cell and into air conditioned classrooms or to roam the halls.

"It's stress every day," he said. "If we had more personnel, you'd feel much better."

Victor Tovine, a guard for more than three years, agreed. After Taylor was killed and a lockdown was enforced throughout the facility, the inmates were prohibited from the dining area.

"The inmates were shocked when we fed them in their cells," Tovine said. "They think it's Chillicothe or some kind of day care center. They have it better in here than on the streets."

Tovine said some inmates have reached parole and chose to stay at the facility rather than be released.

"And we have to keep them," he insisted.

Mary Antonara, whose mother as a guard, also showed up to support the picketers. She said the inmates should be treated like prisoners instead of hotel guests. She also said the picketing should help make the public and prison administration aware of the problem.

"It's pretty sad that someone had to die for someone to do somthing," she said.

OFFICIALS DON'T KNOW WHY SOCF TEACHER KILLED

(By Laura Pyle)

LUCASVILLE.—A teacher apparently killed by a Southern Ohio Correctional Facility inmate Thursday morning has been identified as Beverly Shoemaker Taylor, 32, of 2428 Dorman Drive.

Taylor, who began teaching at the correctional facility in November 1984, worked in the prison's learning center. She taught inmates on an elementary education level.

Inmate Eddie G. Vaughn, 48, of Kent, a student in the learning center followed Taylor into a restroom and cut her throat with a piece of metal, according to Mary Helen Van Dyke, public information officer with the Ohio Department of Rehabilitation and Corrections.

According to an article in the Columbus Dispatch, Terry Morris, SOCF warden, said Vaughn "gave the impression he was holding Taylor hostage."

SOCF's hostage negotiations team was called in to the learning center and when the guards realized what had happened to Taylor, the prisoner was subdued, the article said.

Van Dyke said the team was summoned because they really didn't know what was going on after the inmate apparently followed Taylor into the restroom, and called the term "hostage situation" a loose one.

"It didn't go into a hostage situation," she said.

Taylor was taken to the prison infirmary at 9:50 a.m. Thursday, where she was pro-

nounced dead. Vaughn has been taken into isolation, Van Dyke said, and no motive for the murder has been established.

He was taken to University Hospital in Columbus at 6:50 p.m. Thursday, treated and was released at 12:27 a.m., according to a hospital spokesman. The spokesman would not elaborate on the reason for or extent of the prisoner's injuries.

According to Van Dyke, the prisoner was treated at the hospital "as a precautionary measure, to make sure he was checked over by an outside physician."

Van Dyke said when Vaughn came out of the restroom after the act was committed, he "didn't just walk out" and that he had to be restrained.

He was taken to an isolation unit at Ross Correctional Institution in Chillicothe, and Van Dyke said she didn't know how long he would remain there.

Because of the routine use of force to control the prisoner and the homicide, the Ohio Highway Patrol is assisting SOCF in the investigation.

Corrections officials still are trying to determine exactly what weapons was used. Van Dyke said it definitely was homemade and not easily recognizable.

Vaughn arrived at the Lucasville facility in November 1984 after entering the prison system at a Chillocothe institution in October.

He is serving a life sentence for aggravated murder with consecutive sentences for aggravated arson, an attempt to commit an offense and attempted murder.

Taylor is survived by her husband, Kevin Taylor. Funeral arrangements are pending at Brant Funeral Home in Portsmouth.

Mr. HUNTER. Mr. Speaker, I yield to the real czar in law enforcement, the gentleman from the State of Florida [Mr. Goss].

Mr. GOSS. Mr. Speaker, I wanted to briefly point out beyond our illuminating remarks about the land border of Mexico, many statistics that exist about the rest of the problem in the South Florida and Gulf of Mexico waters, the 800,000 pounds a year of cocaine coming through in private boats and commerical containers in shipping and in aircraft and even new and ingenious methods to disguise, hide, conceal, and smuggle dope in, which taxes our facilities there, equally as your facilities are taxes on the border.

I think that when we combine those two entry points, we see the magnitude of the problem and why we have to do better than we are doing.

Mr. HUNTER. I thank the gentleman and look forward to discussing the initiative with him in an hour or so.

GENERAL LEAVE

Mr. SMITH of Vermont. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on this special order.

The SPEAKER pro tempore (Mr. POSHARD). Is there objection to the request of the gentleman from Vermont?

There was no objection.

ALL-NIGHT CRIME WATCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont [Mr. SMITH] is recognized for 60 minutes.

Mr. SMITH of Vermont. Mr. Speaker, as one of the speakers mentioned, sometime ago, although we see crime as an urban phenomenon, unfortunately, I know the Speaker knows how many of the rest of the Members from rural America know it is not only a rural phenomenon, but also domestic phenomena.

I am sorry to report we have further evidence over our phones tonight. This from my State of Vermont, of the kind of violent crime that happens on a sporadic but regular basis in this country. This from Bolton, VT, reported by the Vermont State Police, the Colchester Barracks manslaughter case, aggravated assault, resulting in a death today here in Vermont.

On a personal note, before I begin with my particular subject, I feel it is important to tell the Speaker and Members assembled here of a call that we received just a few moments ago from a man by the name of Richard Buckman from Gulfport, MS, a former staff member of our former now deceased colleague, Mr. Larkin Smith, from Mississippi, who called in to say that if Larkin were with Members today he would be supporting Members, and indeed, if Larkin Smith were here today, he would be here standing where I am standing and where others have stood, and others will stand, shoulder to shoulder, talking about the problem of drugs and crime in this country.

It was Larkin Smith as a freshman Member of this body last year who began the conversation with a series of speeches on the floor of the House entitled "The Drug Maze," and it was Larkin Smith who identified just exactly how Byzantine convoluted the process was, if, in fact, he wanted to get a piece of legislation passed in this body that would do something about drugs and crime in this country.

Mr. Speaker, my focus today is going to be on children, and for the next hour we will talk about America's children. I will be joined by several Members who are going to fill out the subject of children and crime in this country. This is a Congress, specifically the 101st Congress, where we have discussed issues regarding children a great deal. We have discussed education. I am a member of the Education and Labor Committee. We talk about the quality of our schools. We talk about the resources, the human resources that this country will need in the 21st century if it will survive as the leading country, and indeed the leading democracy, and a beacon of freedom in our world.

We talked for hours, indeed, days about the need for a national child-care policy, what kind of a child-care policy we would want, and we have done the same with programs such as special education, the Americans with Disabilities Act, program after program after program where the fundamental assumption behind these pieces of legislation is that if we do not succeed in bringing every young person in this country to their full capacity as adults, that in fact, this society cannot continue its leadership role in the world. The fact of the matter is, Mr. Speaker, that all of these bills, all the bills that we talk about, assume that when kids come to school, when kids come to this society, they are ready to learn, they are ready to grow, they are ready to take their place as adults in society.

Unfortunately, Mr. Speaker, increasing amounts of devastating evidence tell Members that that simply is not true.

Let me give just a few pieces of data, and then I want to read from an article, a recent article from the Atlantic Monthly, that makes the point far better than I do. I will talk about Vermont, then a little bit about the country.

Consider this, this is the issue of child abuse in Vermont: In Vermont, violent crimes have dropped by 5 percent in the last year which is remarkable and a sign of hope. However, the bad news is that child abuse and neglect increased by 5 percent, total number of reported incidents rose 8 percent to 1,728. The number of abuse victims and families affected exceed 3,000.

□ 0330

Types of abuse, sexual abuse. Over all, sexual abuse had the greatest number of victims, 749, an increase of 11 percent. The victims were predominately teenage females, 68 percent. Males age 4 through 9 were the second most likely victims. Those committing sexual abuse crimes were almost always relatives or almost always male. Of the victims, 40 percent came from single-parent families, and 42 percent received ANFC benefits. Child neglect cases reported rose 25 percent from 1989 and affected over 500 children. Talk about child neglect in Vermont, we are talking about denial of shelter, food, abandonment and the threat of physical harm. The most frequent abuser in this category of neglect are women in their twenties and thirties, and of these over 70 percent received ANFC benefits.

In the country, in California, now considered this country's leading social indicator, arrest rates for bur-

glary, theft, arson, and robbery are higher among juveniles than among adults. Nationally between 1983 and 1988 the number of minors arrested for murder increased by 31 percent despite a decrease in the population for that age group, and the number of 14-year-olds and under arrested for murder increased 28 percent. Correspondingly, the group greatest at risk from teenage murders are obviously other teenagers. The number of minors killed in 1988 exceeded 2,000.

Among blacks the problem is even greater as the homicide rate for black minors increased by over 50 percent, and listen to this, Mr. Speaker.

In a Baltimore school, teenagers were questioned about violent crimes. Twenty-four percent had witnessed a murder, 72 percent knew someone who had been killed, and on average they had been the victims of some type of violence almost two times.

Mr. Speaker, for anybody to say that we have more crime bills than we have crimes in the face of the violence that young people in this one school in Baltimore, MD, have seen and been subjected to, or witnessed or have known of one way or the other is simply an outrageous statement for people to make.

My proposition to my colleagues and as my colleagues and I proceed through the better part of the next hour simply is that the No. 1 children's issue in this country must be by definition security issues, crime issues, the aura of violence within which literally hundreds or thousands, if not millions, of American youth are growing. I would like to read just briefly before yielding to my distinguished colleague from Missouri [Mr. BEUCHNER] from an article in a recent Atlantic Monthly called, "Growing Up Scared" by Karl Zinsmeister because the case is made in this article in a far more articulate way than I can muster on my own as to why we, as a Congress, those of us who are here tonight, those of us who profess to care about crime and profess to care about children need to understand that children who come out of homes and lives where their own personal security is at stake and at risk every day are children who are inherently damaged more often than not, and that is a damage that this society simply cannot afford to sustain.

Then Zinsmeister writes,"

> Crime does not wash over all Americans equally. It especially terrorizes the weakest and most vulnerable among us. Three quarters of America's 64 million children live in metropolitan areas, a fifth live in low-income households, at least a tenth come home after school to a house containing no adult, and all are physically immature and incompletely formed in character. These are the people who suffer most when law and order decay. Children need order. Aside from love and sustenance, there is nothing they need more than order.
>
> Law enforcement is often presented as a conservative issue, but today there is a powerful bleeding-heart justification for getting tough on crime: to protect child welfare. Physical safety and psychological security are the foundations—the essential preconditions—for a child's health, education, and overall development. A good school, an accessible doctor, a rich library, a 15 percent increases in the Head Start budget—these are of little use to a child sharing an apartment with his mother's abusive, violent, drug-selling boyfriend, or to a child who fears the very sidewalks, or to one who cannot find a safe haven even in the classroom. In failing to insulate our children from criminal activity, we are jeopardizing the future of millions of American youngsters.
>
> Yet none of the established children's-defense organizations has emphasized public order as an issue of supreme importance to the young. Why have those who claim to speak in behalf of children made no outcry for tougher laws, no-nonsense sentencing, more police officers, more prisons, safer schools, and less drugs? Why have they initiated no campaign for putting the full weight of public protection on the side of babies and schoolchildren, instead of on the side of mothers who poison their own offspring with crack, and gang members who bring guns into classrooms?

Mr. Speaker, those are the questions that we are going to try to address tonight, the questions of crime in the streets, the questions of crime in schools and the impact that the crime in those situations has on the young people of this country.

One final story, and then I will be ready to yield to the distinguished Member from Missouri. I serve on the Select Committee on Children, Youth and Families. A number of months ago, Mr. Speaker, we had a hearing in which we had five young people from the crack-infested neighborhoods of the District of Columbia, and the one thing that these five young men and women had in common is that they had survived somehow. They had survived somehow and were going to college the next year or were honor students and had plans to go to college, and there was one young woman whom I questioned because I was so impressed with her attitude. These are children that were describing, I think, the American equivalent of Dante's hell. They literally had to fight their way to school, they had to fight to stay in school, they had to be extraordinarily strong in their inner beings in order to sustain the kind of quality and effort it took in order to be outstanding students. And I asked this young woman; her name was Tanya, at the end of her testimony if there was one thing that she could change, if there was one thing she could change at the end of a week, what might it be, and she thought for a minute and said, "Well, Congressman SMITH, if I could change one thing, I would try to be stronger. There's not enough rebellion in my heart. I don't have the strength to push these crack dealers out of the way and say, 'Get out of my way. I want the opportunity that this country has to give. I want the opportunity that this school has to give. Get out of my way, crack dealers. Get out of my way, people who don't want me to get the opportunity that there is that this country has to offer me.' I don't have enough rebellion in my heart."

Mr. Speaker, I thought, My God. The opportunity that so many Americans take for granted, and frankly so many of us in my great State of Vermont take for granted, the right to walk to school unimpeded, learn without physical danger in the classroom, come from a home where in fact sustenance and love is there whether you have one parent or two, and this young woman was saying that her greatest concern was that she did not have enough rebellion in her heart to rebel in favor of the system, in favor of opportunity, in favor of her future and the future that we promised her.

I think what we are doing here tonight in this hour, and all night, is saying to young men and women like Tanya all over this country that we are going to help them. We are going to have some rebellion in our hearts to make sure that this system of opportunity works for them.

Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Speaker, I appreciate very much the gentleman yielding.

Mr. Speaker, as my colleagues are aware, people all night long have called us on the crimewatch number. Unfortunately I have three more cases to report that were all called in. One from California was a stolen vehicle. Another one from Fort Wayne, IN, was an assault that was a beating and a drug-related assault. And a third was gun shots, and gangs with guns and, obviously, injuries in Chicago, and obviously that one occurred early this morning.

Mr. Speaker, these are three more cases to indicate and add once again to the concern about there are more crime bills than there are crimes which just is not true. We are having a large number of cases reported to us to indicate the real need.

I also need to point out that a wife of a policeman called to indicate that part of the problem in fighting crime, especially for those men and women in uniform in this country, is frankly the depression that they go through, most importantly after they have been involved in trying to apprehend someone as a result of a violent criminal act only to find that on some technicality or some other basis that case is thrown out from court, and we lose the war on crime partly when the Congress does not pass legislation. We lose

it partly when we do not give the tools to our law enforcement authorities, and we lose it partly—frankly even the personal reactions and the depression in those kinds of actions that do occur. These are the human concerns of people across this country who are moved, who want this Congress to act, and I appreciate the gentleman yielding for this opportunity to share those thoughts with him.

Mr. SMITH of Vermont. Mr. Speaker, I thank the gentleman from Wisconsin [Mr. GUNDERSON].

It is indeed sobering, but I think it is important and illustrative to the people who are watching and listening to this debate for us to have had the foresight to have people calling in with a running commentary on what it is like on the streets of urban and rural America tonight as we speak when it comes to crime.

Now I yield to the distinguished Member, the gentleman from Missouri [Mr. BUECHNER].

Mr. BUECHNER. Mr. Speaker, I thank the gentleman from Vermont [Mr. SMITH], and I think we all owe a debt of gratitude to him for his dedication on this issue, and I know he comes by it from his background as an educator and, as we talk about our children at risk, it is such an integral part of what America is crying out to have remedied. He talks about children wanting to have a safe place throughout their day, not just in school, not just on the way to school, but at home so that they are away from violence, which is the only environment in which people can truly learn. But unfortunately that violent atmosphere is out there.

I just received a report from my congressional district in my city of St. Charles tonight as this special order has been going on. One shooting ruled a homicide. One assault. Two narcotics violations. Mr. Speaker, St. Charles is not the city of St. Louis. It is a beautiful old city located on the banks of the Missouri River, the first capital of the State of Missouri where Lewis and Clark visited. If one were to drive through it, they would say, "What a pastoral place," and yet the violence that strikes everywhere in this Nation because of crime exists in those cities.

I did a 1-hour call-in show for a St. Louis radio station before I came on here, Mr. Speaker, and the moderator, Jim White, asked young people to call in and talk about what they are afraid of. And what was interesting is that I think about 13 children called in, and I say children. They ranged everywhere from 13 years of age, and there was one 27-year-old who wanted to talk about back when he was in school, but basically they were teenagers, and, Mr. Speaker, some of them came from your side of the river. They came from Cahokia, IL, from Collinsville, IL. They came from St. Charles and St. Louis County, St. Louis City. The most striking thing was what they said they feared for were their friends. They did not fear for themselves. They feared for their friends or their brothers and their sisters.

So, Mr. Speaker, somewhere the great American sharing still exists, and the criticism that these children had was very poignant. They criticized the parents of their friends who knew that their children were doing drugs or alcohol and did not do anything about it. They criticized their friends who would do drugs and let their younger brothers and sisters see them and even occasionally let them do it, that the dealers that they knew were out there threatening not only them, but their brothers and sisters, little brothers and sisters. Julie from Collinsville: alcohol in school. Kids bring it in in Coke cans and thermos bottles. Their older brothers and sisters do cocaine, and the kids, they do not try to turn them on, but make it a part of life. They say it makes them feel good. Nick in St. Charles: steroids. He says it still is the thing that the football players talk about. They know where they can get it. Doctors will let them have it. Shannon, 19, St. Louis County: She knew of a teacher who was using drugs, and she said, "How can the children have the confidence that the administration will protect them, will give them this safe environment that the gentleman from Vermont [Mr. SMITH] talked about, that if there is a teacher in the school doing drugs, how do you expect the administration to have any validity in dealing with the children that do it? Gloria from Jennings: She says she goes to a school on the bus and sees kids nodding off in the morning on the bus. People brag about using drugs. Craig, 27, from St. Louis County said that kids in his grade school used to bring joints in sandwich bags, and he said it is interesting. He works a late shift. He watches a little TV while he works. He says the commercial that say, "Just say no," are on late at night, not when kids are watching TV, and what is the purpose of having a TV ad at 1 o'clock in the morning. Those children, if they are watching that show, are probably already beyond the pale. Jerrod, 17, St. Charles: A major drug bust took place in his junior high last week, and he says, "What do they talk about in school? Dating."

□ 0345

He said the administration does not want to deal with the issue of drugs because it will infer that they have a problem with drugs, or that it is too serious, too difficult, too emotionally charged to deal with.

So what are they doing, Mr. Speaker? They are talking about dating.

Jarrett said, "Listen, we all have problems with dating, but the big problem facing my generation is drugs. Let's face up to it and do something with it."

I am stunned as I look at what I just picked up in the paper in the St. Louis metropolitan area in the last week. There was a bust that took place in Creve Coeur in my district in downtown St. Louis, where Cripts and Bloods, gang members from Los Angeles gangs, were arrested as part of a national drug trafficking ring.

So we have this poison that has managed to work its way up from the big cities on the coast and the drug havens and working its way into the heartlands of the United States.

You turn around and you take a look at various problems with juveniles. A lead article in the St. Louis Post Dispatch talked about the 15,000 court cases handled by the St. Louis County Juvenile Court dealing with adult type offenses, murder, forcible rape, vandalism, drug violations, as well as juvenile offenses we normally think about, truancy and curfew violations.

More children are committing more serious crimes. From 1984 to 1989, cases of assault committed by juveniles in St. Louis County went up 100 percent.

Peer pressure, inadequate parental supervision, contribute to the statistics.

An average of 72 teens are held every day in the St. Louis County Detention Center. The juveniles have committed various serious crimes, many of them sexually oriented. Most of them had drug or alcohol as a part and parcel of that criminal behavior.

In St. Louis County during a 12-month period there were 4,870 DWI arrests, 2,465 narcotics arrests. In St. Charles County, it was 853 DWI and 327 narcotics arrests.

This is a part of our life and we need to do something about it. We need to have a crime bill.

On this show that I did, Mr. Speaker, some of these kids said, "Thank you, Congressman, for listening to us. Thank you for listening to us."

I would ask the Judiciary Committee, are you listening to those kids? Are you listening to us?

Mr. Speaker, it is imperative that we deal as a Congress with this drug issue, with this crime issue, because America has been calling to us. They have either called because they are afraid or because of their reactions. Whether you are a perpetrator or a victim or you are about to be a victim, there is one message that comes out, and it is a message that says you must act, and this Congress must act.

Before I yield back to my good friend, I just want to say that a Nation that has 2 percent of the world's population and consumes 65 percent of the drugs obviously must take the lead in

changing world patterns. We can change the world. We have changed the world. We have changed the world in technology. We have changed the world in medicine. We have changed the world in warfare. We can change the world in eliminating crime, but we must take the initiative, and this place is the place to do it.

I have a little visual that is down there next to the gentleman from Vermont. It is from one of the two coordinated police groups called the NEGADA. It has been a useful enforcement group. It is a coalition of various Missouri law departments that coordinate their efforts in law enforcement against drugs.

This is only a portion of suburbia, and yet if you take a look at the various types of drugs, each indicated by a different colored pen, all the way from heroin, marijuana, up to the new thing called Crystal or Ice, we have all those different types of crimes and they are trying to work together to utilize their money efficiently to try not to have duplicative undercover agents, for instance.

It is interesting. They say that in a municipality if you have an undercover agent, after a few weeks it is obvious that that individual is no longer usable, but if you can put them in another part of the county they become very usable, so they have gone together.

The thing that I am most proud of, so that we do not have nothing but a downside, is a program that is going on in many districts of the United States, called DARE. That is a program that puts the uniformed police officers into grade schools to teach the children about the harm that drug use can cause. They consider this program in turning these children as the most successful weapon in the war on drugs.

But what is needed, Mr. Speaker, is for us to change the world. We are a great Nation. We can change the world, but a great Nation is led by a great deliberative body, and that is this body.

The time is not to deliberate. The time is to act.

I thank my good friend, the gentleman from Vermont, once again for his efforts on behalf of not only the children of this Nation, but all its citizens.

Mr. SMITH of Vermont. Mr. Speaker, I thank the gentleman from Missouri.

I think what the gentleman is saying, as I prepare to yield to the distinguished gentleman from Kentucky [Mr. BUNNING], what the gentleman from Missouri is saying really is that we are losing two times with every young child whose personal security in the home and in the street and on the way to school we fail to protect or provide for.

One, we are losing in terms of money. Just plain and simple, we are losing in terms of the cost of law enforcement, for punishment, the cost to the courts; but more importantly, we are also losing their contribution to this society. It is an incalculable lost opportunity. You cannot put a dollar figure on it.

Yet every time we bring a crack baby into this world whose mother is unable to love him or her, basically what we are doing is getting ready to lose twice; one out of the financial side of the ledger, and the second time out of the human side of the ledger.

Mr. Speaker, I yield to the distinguished gentleman from Kentucky [Mr. BUNNING].

Mr. BUNNING. Mr. Speaker, I thank the gentleman from Vermont for yielding to me.

There is no doubt that these are the best of times and the worst of times for America's young people.

Our youth are growing up in America enjoying the economic benefits of the longest peacetime expansion in our history. They are watching peace and freedom break out all over the world. They live in an information age when we see it as it happens.

Yet, the world to many young Americans revolves around an illegal trade that breaks the spirit along with the body. They are growing up believing in a truth that is leading them down a road of damnation and despair.

Listen to the statistics that are being given here tonight and you will truly see that we are in the middle of a war.

It is a war for our children.

It is a war on the same scale as any military campaign we have ever fought.

We are spending a lot of money fighting.

We are passing a lot of laws.

Yet, our young people are dying.

And what is the scariest is that they are not going overseas to some foreign land. They are dying on our own soil.

Yes, like every war, the war on drugs has its innocent victims. They are our children.

Children born into innocence and forced to live the life of a cruel habit.

I am a father of 9 and a grandfather of 16 and I have trouble dealing with this thought everyday. That young babies are being born addicted to crack cocaine or that out there in some city is a potential scientist or civic leader that is growing up looking at his parents rot away on some sickening chemical that controls their life and I wonder what we are losing.

How cruel a trick it would be if the young girl who could find the cure for AIDS is out there living in a crack house destined to a life in her parent's image.

But the battle is not lost yet. There are people out there in our cities who are refusing to surrender our children to the streets and like any other war, this one too has its heroes.

And like in most instances they do not even recognize their own heroism.

We can find them in our own midst. Heroes trying to make a better life for the children.

Take Jack Kemp, for instance. Last year, only hours before a HUD press conference on how he planned to rid housing projects of drugs, he saw a story on "CNN Headline News" about a young boy in Harlem, NY.

That young boy wanted to play baseball something fierce.

He told his dad that he wanted to play ball and his parents made a pact with him. If he studied real hard and practiced piano, they would start a baseball program. The news story went on to point out that the youngster kept his end of the bargain and so did his parents and today we have baseball in Harlem.

Kemp was so moved by the story that he changed what was an eight-point program against drugs into a nine-point program.

That very day, he started a program in housing projects that would use sports to combat drugs.

As you might imagine, Jack and I both grew up playing sports. From organized baseball and football to playing pickup games of basketball on the street, we played almost daily. One thing we have not forgotten, sports can build some great features in young people. And by encouraging this positive development, we can help our kids avoid some of the tragic consequences of drug abuse.

Sports can build self-esteem.

It can build character.

And it can give a young person some self-worth.

So in August of last year, Jack Kemp initiated a program called youth sports clubs to combat drugs at public housing sites. The program is a matching funds grant to aid in establishing youth sports clubs at public housing sites with identified drug problems.

Last year, Secretary Kemp received 273 applications and awarded $2.4 million to 100 organizations for youth sports clubs.

Last week, I visited a housing project in Covington, KY, to take a look at one of these programs. At the Ida Spence housing project, I saw this amazing grant in action.

My part was not too tough. Oneita Perry of the Covington Housing Authority let me throw up a couple of jump balls in a basketball tournament.

Now, I am not here to tell you that this one basketball tournament or this one grant will change the world. But I will tell you this.

I saw something that day I will not soon forget.

I saw children with gleams in their eyes with the sheer bliss of fun sparkling from their very being.

And I will tell you something, friends. It was a heck of a lot prettier than thinking about those same kids on a street corner somewhere smoking crack.

An editorial supporting the program by the Kentucky Post entitled "Standing Up for Sports" pointed out that "in this era of big business sports, it is too easy to forget why we encourage our children to compete on teams—swimming, volleyball, soccer, or any of the others.

"Self-esteem, team work, discipline, the thrill of triumph, and the disappointment of defeat are all among the invaluable lessons of sports that prepare us for life."

The editorial concluded by saying "play ball kids and have the time of your life."

And there are other groups out there doing the same thing.

Groups dedicated to giving our young people some sense of worth and dignity. Groups filled with the heroes of the drug wars.

One such organization is the National Youth Sports Coaches Association, a nonprofit group out of West Palm Beach, FL.

The NYSCA was created in 1981 by a sports visionary named Fred Engh to help improve sports for over 20 million young people under the age of 16.

Better sports for children is the NYSCA's mission and it is open to all volunteer coaches working with kids.

The "Say Yes to Better Sports for Kids" Program is the group's major effort to make sports a positive, fun experience for all children. This program has been developed with the assistance of the Office for Substance Abuse and Prevention and the Drug Enforcement Administration to help coaches and parents understand the key role they play in steering children away from the dangers of drugs.

In 1988, I had the great honor of being the honorary chairman of a portion of the "say yes" campaign that is having a great impact on children and their attitude toward drugs.

In 1988, the National Youth Sports Coaches Association brought together about 40 of the Nation's top experts on children and behavior to develop standards for kids participation in youth sports. I am putting all of those standards into the RECORD, but I want to share two of them with you now.

Standard No. 3—Parents must encourage a drug and alcohol free environment for their children.

Standard No. 11—Parents as coaches, fans, and league administrators must be drug and alcohol free at all times.

Now, I am sure you're saying that these are well and good, but what real use are they. Well the NYSCA went beyond the standards and actually designed a plan for implementing these standards and today they are being implemented through local chapters of the NYSCA, local chapters of the PTA, local "say yes" clubs, and a whole list of other organizations including the National Recreation and Parks Association. Some cities have even made the program mandatory if a group is going to use city facilities.

The NYSCA is one of those organizations that takes the problems of drug abuse and our children down to a personal level and says, "You can do something about the problem."

The heroes are men like Rev. Willie Barbour at his First Baptist Church on Ninith Street in Covington, KY, who at services tonight is telling young people to turn on to Jesus and away from some chemical.

Our war heroes are the young people in Oldham County High School who are working with each other in a program called Youth-to-Youth and People in Jefferson County, KY, where a group of citizens formed "Drug Free J-Town" to rid the streets of drugs.

And they are men like Lt. Bob Douglas of the Erlanger Police Department who works in the DARE Program and spends all week going around to grade schools making a lasting impression on young children before it's too late.

And Rosemary Fisher is a hero. Her involvement in the war against drugs in Campbell County is unparalleled. Red Ribbon Day in northern Kentucky, where children wore ribbons to show they were drug free, was a success in large part because of her efforts.

The heroes are in the churches, the Jaycees, the Lions Club, and the Rotary. They are businessmen and laborers, housewifes, and homebuilders.

And most of all the heroes are the police on the street. Those brave men and women who put it on the line every day to fight this war. Recently, in fact, I got the opportunity to reward them for their heroism.

In the Omnibus Crime Bill of 1984, we changed the law about the seizure of drug money and allowed local law enforcement authorities to share in the allocation of that money in a share proportionate to the work they do in the drug investigation.

Last month I got to give out checks that were the fruit of drug investigations.

We did a very commonsense thing from a policy standpoint. We allocated the resources of the drug trade to be used by those fighting the war on drugs on the streets.

More importantly, after the law enforcement agencies get this money, their budgeting authorities are prohibited from reducing their budget proportionately. City council cannot say "You got extra money, so you don't need any more."

These funds were purely off the top, additional money for the war on drugs in northern Kentucky and Greater Cincinnati.

Taking money from the lawbreakers and giving it to the lawmakers is a wise policy decision.

At antidrug rallies across the Nation people are saying "Up With Hope" and "Nope to Dope." The checks we gave out are just one way Congress has said "thanks."

But I do say to those law enforcement officers watching tonight, we understand that the Federal funding of the war on drugs on the local level must not stop with these checks. We need more money going to you on the street. We need to give you the tools or suffer the consequences.

All of the folks I mentioned tonight are heroes and they all have one common message.

That message is simply. Damn it you cannot have our children anymore.

Mr. Speaker, I insert for the RECORD the following:

NATIONAL STANDARDS FOR YOUTH SPORTS

These standards are endorsed and supported by 26 National Agencies and Organizations:

Standard No. 1—Proper sports environment: Parents must consider and carefully choose the proper sports environment for their child, including the appropriate age and development for participation, the type of sport, the rules in the sport, the age range of the participants, and the proper level of physical and emotional stress.

Standard No. 2—Programs based on the well-being of children: Parents must select youth sports programs that are developed and organized to enhance the emotional, physical, social, and educational well-being of children.

Standard No. 3—Drug and alcohol-free environment: Parents must encourage a drug and alcohol-free environment for their children.

Standard No. 4—Part of child's life: Parents must recognize that youth sports are only a small part of a child's life.

Standard No. 5—Training: Parents must insist that coaches are trained and certified.

Standard No. 6—Parents' active role: Parents must make a serious effort to take an active role in the youth sports experience of their child providing positive support as a spectator, coach, league administrator and/or caring parent.

Standard No. 7—Positive role models: Parents must be a positive role model exhibiting sportsmanlike behavior at games, practices, and home, while also giving positive reinforcement to their child and support to their child's coaches.

Standard No. 8—Parental commitment: Parents must demonstrate their commitment to their child's youth sports experience by annually signing a parental code of ethics.

Standard No. 9—Safe-playing situations: Parents must insist on safe-playing facilities, healthful playing situations and proper first-aid applications, should the need arise.

Standard No. 10—Equal play opportunity: Parents, coaches, and league administrators must provide equal sports play opportunity for all youth regardless of race, creed, sex, economic status or ability.

Standard No. 11—Drug and alcohol-free adults: Parents must be drug and alcohol-free at youth league sporting events.

STANDING UP FOR SPORTS

What's more American than baseball? Than doubleheaders and Little League games and the World Series?

But in this era of big business sports, it is too easy to forget why we encourage our children to compete on teams—swimming, volleyball, soccer or any of the others.

Self-esteem, team work, discipline, the thrill of triumph and the disappointment of defeat are all among the invaluable lessons of sports that prepare us for life.

And that's what makes so important the efforts of U.S. Rep. Jim Bunning and three other congressmen who are lobbying the nation's sporting goods manufacturers to help fund sports programs in the nation's housing projects.

Bunning, a former major league pitcher with Hall of Fame credentials, and three other former professional athletes—Rep. Tom McMillen, D-Md.; Rep. Morris K. Udall, D-Utah; and Sen. Bill Bradley, D-N.J.—are working to assist a program begun by U.S. Housing Secretary Jack Kemp, a former quarterback for the Buffalo Bills.

Kemp launched the sports programs for federal housing projects last August, aimed in part to help keep youth from getting involved in drugs. The grants Bunning and the others are seeking are needed to match federal grants. A housing authority receives $25,000 if it can find a matching donation.

The Covington Housing Authority received matching money from the city and plans to start basketball, football, softball and soccer leagues for children 6 to 16 in Ida Spence, Jacob Price and Latonia Terrace.

Three former athletes—Tom Thacker, Ron Simpkins and Dicky Beal—are pitching in.

Play ball, kids. And have the time of your life!

□ 0400

Mr. SMITH of Vermont. Mr. Speaker, I thank the distinguished Member from Kentucky [Mr. BUNNING]. He makes the point so very, very well and articulately. If in fact anybody, after listening to his presentation, can continue to say that we have more crime bills in this country than we have crime, then they simply do not have the capacity to sort information accurately.

This problem is a problem to us every day that requires urgent, immediate action by this Congress. I thank the gentleman for his role in helping us fill out the picture of just how desperate life can be for too many American children. It is time we give meaning to the words that our children are our future, and we cannot waste them any more.

I would now like to recognize the distinguished Member from Florida [Mr. Goss] for a presentation.

Mr. GOSS. Mr. Speaker, I thank my distinguished colleague from Vermont, and I am very happy that we have focused on this particular subject. I have some statistics that indicate down in the district that I represent in South Florida, that juvenile crime is up seven times over what is was in 1989. The crime is more violent and it is more often drug-related. These are very significant and sad facts.

I have seen drug abuse victims, what they go through down there. I have seen the various approaches we have tried. I have seen the crack baby. Nothing is attractive. No part of it is attractive.

The best treatment, the best rehab programs, and there are some good ones and some awfully good soldiers out there working, it is still painful. Withdrawal hurts. Behavior modification hurts. Rebuilding self-respect, motivation for a full life, all that is a long way back.

The best way to do it is not to start it. The preventive programs I think are the ones that offer the most hope, and the creative, innovative programs.

Several colleagues have spoken tonight about DARE. I was fortunate recently to be a graduation speaker of sorts at a very special class of young students, elementary school students, in a city of my district, who were just completing the DARE Program, Drug Abuse Resistance Education.

Little youngsters were learning to respect law enforcement, learning to understand how to cope with peer pressure, learning to be prepared for the problems that are out there in the world with decisionmaking skills being taught to them and understanding what the alternatives are to drug use.

I think the DARE Program is a preventive program that has got a good record in a lot of places apparently, and it is helping out as a long-term approach to solving this problem.

It is not enough. It needs help. That is one of the reasons we are here tonight.

I want to mention another one just briefly and bring it to your attention. We have recently had a breakthrough in another of our cities down in Fort Myers, FL, where, thanks to the hard work and creative energy of a very visionary mayor, Wilbur Smith, we have a program called STARS, Success Through Academic and Recreational Support.

This particular program is geared to at-risk children, young people who might fall through the system's cracks if they did not get some special attention.

This program, I think, has done a spectacular job of challenging our youngsters to keep them off drugs through a series of very innovative public and private community partnerships, primarily aimed at athletics and recreational activities, but understanding that there are choices, and that with a little bit of direction in that area, with community involvement and family involvement, that there is an excellent chance for those folks to go ahead and grow up and have a better life, and we may even say a normal life, even though they are starting off in an at-risk condition.

I particularly wanted to mention this tonight, because I understand Mayor Smith was recently honored by the National Conference of Mayors for his work in this particular project. It is one that offers hope for other communities, and I think may be a model.

I wanted to bring that to your attention and congratulate you for addressing this subject tonight, because of all the hurt that there is in this terrible scourge of drug abuse, it is the youngsters to me that are the ones that are hurt the worst.

Mr. SMITH of Vermont. Mr. Speaker, I thank the distinguished Member from Florida. As I prepare to yield back the balance of my time, Mr. Speaker, and then for you to yield to the Member from Florida, I think in summing up the message of the past hour it is really very simple. As with the children of our country, it is the same as it is with the adults of our country. There are more crimes than there are crime bills, and in fact there is a crime need for this Congress to finally wake up, smell the coffee, understand that our future is at risk, and to pass the President's crime package.

What we are describing here tonight, whether we are talking about a housing project in Kennedy or the streets in southern Florida, the streets of Philadelphia or Baltimore, or schools any place in this country, is not a soap opera. I think oftentimes we are so used to seeing so many staged acts of violence on television, we are bombarded in the electronic and print media with stories of violence, that somehow we think it is all just a surreal, but a bad dream.

What we are hearing tonight from my colleagues here is that it is far worse than just a surreal bad dream. There are literally millions, as many as potentially 30 percent of the 65 million children in this country, and that is the margin numerically in terms of human potential, in terms of contribution, in terms of earning power, in terms of civic responsibility. Those 15 to 18 million children are the difference between this society surviving as we understand it and prospering and extending itself in new ways in the 21st century, or simply stagnating and dying. It is not a soap opera. It is real life, real time, real agony for our children.

□ 0415

Real agony for our children. The time that we understood that crime against children, that the personal security of our schoolchildren and our youngsters at home, if left unchecked, if left untreated by significant crime legislation and the President's crime bill, is absolutely the right place to

start. If we do not act, crime against children is a direct threat to our national security in the 21st century.

GENERAL LEAVE

Mr. GOSS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on this special order.

The SPEAKER pro tempore (Mr. EVANS). Is there objection to the request of the gentleman from Florida?

There was no objection.

ALL-NIGHT CRIMEWATCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. Goss] is recognized for 60 minutes.

Mr. GOSS. Mr. Speaker, in conversations with law enforcement personnel, sheriffs, States' attorneys, police chiefs, in the past few weeks, we are seeing an alarming statistic which we know to be there, confirmed, and that is, we are having too much violent crime, we are having too much drug-related crime, and we have to do a better job of coping with these factors in our life.

A very recent survey in Florida showed that four or five top concerns among residents were crime-related. Specifically, 92 percent of the people surveyed mentioned illegal drugs were a major problem; 85 percent mentioned overcrowding in jails as a major problem; 81 percent mentioned keeping criminals off the streets as a major problem; 76 percent mentioned combating crime as a necessity, where we are not doing enough.

Frankly, what we are talking about is our quality of life, and what we are also talking about is our pocketbooks. In two counties I represent, down in the Sarasota area, I understand that the crime rate has doubled in the last 5 years, and the law enforcement personnel there say it is mostly because of crack cocaine. I ask, Mr. Speaker, remember that word "cocaine."

In Sarasota, Manatee County, on the west coast of Florida, one-half of the crime cases alone are crack-related, said one person in the State's attorney's office in a recent conversation, that if we got rid of crack cocaine, we would cut our crime rate in half.

The insidiousness, the pervasiveness of this is hard to describe. In one of the major cities down in southwest Florida, a man was recently arrested for giving Snoopy stickers to elementary school kids. These were laced with acid. Kids who licked these would be on an acid trip. We have a case in Fort Myers involving two juveniles arguing over drugs. One shot at the other. The bullet hit a passing car driven by a pregnant woman. The bullet hit and killed the fetus.

We have a gang called the Grand Theft Gang, trying to be a role model gang, a group of kids that goes around and steals cars to get money for drugs. Of course, in Florida we all have something called "spring break," and that is something that brings all types of drugs and all types of problems with it.

Of the eight murders we had so far in one of our major counties in the district, four were drug-related. Of the four attempted murders, one was drug-related so far this year. In Sarasota, another major county in southwest Florida, we had 329 drug-related offenses so far this year, and 38 alone in the month of May. I do not have statistics for June, but as we have been sampling in the last 24 hours in the county of Sarasota, we had three resident burglaries, five business burglaries, one larceny, 21 petty larcenies, a drug case, one stolen car, and if any person really wants to know whether this is serious or not, unfortunately, we have the distinction in southwest Florida of having the only Drug Enforcement Agency headquarters that has been bombed and blown up in this country so far. I hope it is the only one that is.

These pictures photographically show, Mr. Speaker, the damage that is done, the total disregard for property, life, law enforcement, the things that somebody expects government to take care of. Why we are here tonight is because we are not taking care of it well enough. I could go on.

I think we have seen violent death touch our citizens, our law enforcement personnel in southwest Florida, and southwest Florida honestly is regarded as one of our truly tropical paradises in our country. If this is happening there, it is happening everywhere, despite the fact that we have wonderful law enforcement personnel doing the best they can do.

When we talk of the costs, it is not only measured in life and effect on our use and effect on the quality of life, it is also measured in dollar costs. In Sarasota County in the past decade law enforcement costs have quadrupled. In another sizable county in the district in the past decade, the local sheriff department's budget has quintupled. Yes, we had growth in the area, but the real culprit is drug-related crime. That is the villain. We have to do better on that. We have to have the Federal program, and that brings me to the point of this particular segment of the discussion on violent crime, drug crime, and how we are doing with it.

When we look at the kinds of problems I have described in the tropical paradise I represent, we have to remember the source, remember cocaine, that word I used. What we see at home is the last thing in a very long and deadly chain of drug production, trafficking, and supply.

The Andean nations we speak of, and when we speak of the Andean Initiative, are Peru, Bolivia, and Colombia. That is where coca grows. That is where it is turned into cocaine. That is the source. Peru is the leading producer of coca, and it is estimated that 120,000 hectares are under cultivation, with about 2½ acres per hectare, which is over a quarter million acres under cultivation. Seventy-five percent of coca leaves are growing in the Upper Huallaga Valley in Peru. Fifty percent of all the cocaine that comes into the United States that gets into the bodies of our citizens and our youngsters comes from the Upper Huallaga Valley of Peru.

Bolivia is the world's second largest producer of coca, estimated at 53,000 hectares of cultivation, a maximum yield of 266 metric tons of cocaine. Colombia processes and distributes 80 percent of the world's cocaine supply. Combined, those three nations make up virtually all the worldwide production of cocaine, the drug that is responsible for so much of the tragedy in the United States today.

I have a map, Mr. Speaker, which I have brought which depicts how the traffic flows on this, and I recognize my colleague, the gentleman from Vermont [Mr. SMITH], and the gentleman from New York [Mr. PAXON]. I think we are fortunate that they are here, and I will yield some time to them because they have been in the Andean nations recently, and they have seen what is going on, and perhaps my good friend from Vermont [Mr. SMITH] would depict a little bit of his experience and relate it to Members.

Mr. GUNDERSON. Mr. Speaker, if the gentleman will yield, I think we are aware throughout the night people have been calling our Crime Watch number here at the Capitol, 202-224-3121, to give Members an idea of the magnitude of those types of calls that have come in. Unfortunately, I now have to report two more incidences, one coming from Tennessee, a small town.

Listen to this: a rape, a 20-year-old raped, a young girl. He was let out on bail or on bond the same day, and he then raped another woman. That was reported to Members this morning. Likewise, earlier this morning from Illinois, an armed robbery. These two incidences, this rape and this armed robbery mean that as, during the course of this special order, we now have had 170 different crimes that have been called in on the Crime Watch number thus far throughout the night, to this Crimewatch number at 202-224-3121. Now, 170 different in-

cidences of major crimes have been called in to Members.

Mr. DOUGLAS. Mr. Speaker, if the gentleman will yield, was it not the chairman of the Committee on the Judiciary, the gentleman from Texas [Mr. BROOKS] who indicated that, in fact, we have more crime bills than crimes in this country?

Mr. GUNDERSON. That is correct, and obviously, what that means is that we have something like 111 crime bills that have been introduced by Democrats and Republicans this year, most referred to the Committee on the Judiciary. We now have already reported, and it is obviously 4:30 a.m., there on the east coast. That means it is 1:30 on the west coast. We already have the 170 crimes we know that have been reported—a small example of the number nationwide.

Mr. SMITH of Vermont. Mr. Speaker, if the gentleman will continue to yield, last January I had in many regards one of the most significant experiences of my life when I traveled to Colombia and Peru with my colleagues, the gentleman from Michigan [Mr. SCHUETTE] and the gentleman from New York [Mr. PAXON]. It was our intention to trace the chain of drugs from their cultivation to their marketing, to their transportation and into this country. The maps that the gentleman has displayed in the well of the House accurately depict the major routes of trade.

Now, I think what I would like to do as briefly as I can is tell Members the way it works, and almost extraordinary danger in lethal nature of this particular trade. The beginning Key West where we looked at the integrated service, integrated team approach to try to work on interdiction in the waters of the Gulf of Mexico and the Caribbean. There is a program that is working very well that is coordinated and integrated with the Governments of Colombia and now Panama, and I think many Members understand that the change in government in Panama especially has had a profound and positive impact on this country's ability to effectively interdict the transshipment of drugs and other narcotics into this country from the south because of the fact that the Noriega government refused ever to give permission for the American Navy to board Panamanian-flagged ships and without that permission on the high seas, ships from the company of flag could not be boarded, and we have a very standard practice, in fact, routine practice, dominant practice of Cuban crews on Panamanian-flagged ships, carrying cocaine, grown in Peru, processed in Peru, transshipped to Colombia, marketed in Colombia, and put on the boats and airdrops into the Caribbean or Gulf of Mexico, but eventually on boats that we have absolutely no legal right to stop to search or to seize, because the Government of Panama, which was in this game up to their armpits, financially, was unwilling to allow Members to do that. That is all changed, I am happy to say, and we had a major and positive development over the next few months in the Gulf of Mexico and the Caribbean in terms of interdicting the shipments of drugs.

The bottom line of this, and we heard this from the soon to be former President of Colombia, President Barcos, as well as from peasants in the Upper Huallaga Valley where the gentleman from New York [Mr. PAXON] and the gentleman from Michigan [Mr. SCHUETTE] spent an entire day. The bottom line is that in Peru it is an economic problem. Nothing is simple, but I will put it to Members simply. In Peru, the problem is economic. They have tens of thousands of upland farmers who can make more growing coca and processing it, and then having it transshipped to the Medellin cartel, and there is another more business like and less violent cartel in Colombia.

□ 0430

They can simply make more doing that than they can doing anything else, and one of our efforts, which is a frustrating and difficult one, but I believe an important one, as well as the Government of Peru wants us there and wants us helping in trying to curtail cocaine production and in turning the economy in the Indian foothills to one more positive, more positive cultivation. The situation gets positively deadly, however, when one understands that it is the Sendero Luminoso or the Shining Path guerrillas who in fact are the grease that make this particular engine run. They are an unholy alliance of the coca growers and the Medellin cartel. They are funded essentially indirectly, but essentially, by American cocaine dollars. This is the most violent group of guerrilla revolutionaries in the world. They rival the Khmer Rouge in Cambodia, and they make hundreds of thousands of dollars arranging for the pickups of processed cocaine in Peru.

We then move up the chain with the help of the Sendero Luminoso whose profits we add to every day with our cocaine consumption and ability to enforce the law and the inability to have a law structure and legal structure in this country that will allow us to enforce drug abuse to Colombia.

In Colombia, as President Barco said, the problem is really a political and marketing one. The reason they are at war in Colombia is because they believe they are in a civil war in Colombia for the future of constitutional government. Many Americans regrettably do not understand the deep and rich traditions of Napoleonic law, of a legal system of constitutional Government in Colombia and many other South American countries.

President Barco, who I believe to be one of the bravest people that I have ever had the privilege of spending time with, understood all too well that the Medellin cartel is a group of marketers. They in effect want to take the country over so that they can, in fact, run their business. Mr. Speaker, the issue is fundamentally a political issue and a marketing issue, but it is not the kind of gut economic issue that one sees in Peru where literally tens of thousands of people, their livelihood depends on the growing of coca, so the nature of the problem changes in Colombia. It does not get any better at all, but by now you have had a hand off from poor peasants, to violent Maoist guerrillas, to smooth operating cartel members in Colombia who then transship to ships sometimes going to the west of Central America, as the map shows, up to the west coast, lower Baja and into California, and at other times coming across the Gulf of Mexico into Texas, Louisiana and that extraordinary coastline there, and other times coming up to the east of Cuba through the Bahamas and the West Indies and up then to the eastern coast. Sometimes they will fly in small planes all the way up to off the coast of Maine and drop it off up there.

But the bottom line is it is an integrated program. It is integrated economically. It is integrated logistically, and it operates from 8,000 feet, 9,000 feet, 10,000 feet up in the Peruvian Andes in the Upper Huallaga Valley, all the way up to the streets of Miami, New York, Montpelier, VT, and Chattanooga, TN.

The economics of it are what I want to leave my colleagues with because what we heard at every step in this drug chain was people looking us in the eye and saying gently most of the time, but very firmly all the time, "If we didn't have Americans, affluent Americans, willing to pay good yankee money for this stuff, there wouldn't be any market for it at all."

The price is changed all the time, and I do not want to absolutely vouch for the numbers I am going to give my colleagues, but they were numbers that were given to us by people who were watching and trying to do something about the trade. The price, the value, escalates someplace like the exponential, $100 to the farmer in Peru, to the farmer in Peru $1,000 as it crosses the border into Colombia, $10,000 for a packet when it comes onto the street for sale in New York. The value bluntly is not added in Peru where it is grown. The value of this poison is added on the streets of America where adults and children alike have the money and the intent to buy it and pay for it. We in the end oper-

ate at the receiving end of this, of the drug chain, but in fact as a society, both in terms of our ability to enforce the law, to have laws that are worth enforcing, strengthening the hands of law enforcement officers in the street, but also the all important, as has been mentioned, educational programs, rehabilitation programs, programs that people understand the totally negative consequences of a life of crime or a life of crime and drugs.

Mr. Speaker, we simply have to stop the demand in this country if we are ever, ever going to put an end to the trail of death, destruction, pain and despair that the gentleman from Michigan [Mr. SCHUETTE], the gentleman from New York [Mr. PAXON], and I witnessed from the middle of South America to the streets of America.

Mr. GOSS. Mr. Speaker, I thank the gentleman from Vermont [Mr. SMITH], my distinguished colleague, for sharing that very personal and important experience with us and pointing out the other end of the link. The source to the user and everything in between is what we are after when we talk about combating the drugs, meeting it in the frontlines, talking about the Andean initiative, which is the frontlines for source, and I think that the points the gentleman has made bring home the connection, what we are trying to say. We have to win this war the whole way, and we still have to work the consumer in, too.

Mr. Speaker, I am very pleased to yield to the gentleman from New York [Mr. PAXON] who is with us and who was also on that extraordinary expedition which the gentleman from Vermont [Mr. SMITH] took, and the gentleman from New York shared with us some photograph he took, which for the edification of the Members I ask be displayed and that we have got a couple here that I think might be appropriate and very germane to telling us all about it, about the Upper Huallaga Valley, and how this all really works and how conditions are up there. I would appreciate if the gentleman would share some of that with us tonight.

Mr. PAXON. Mr. Speaker, I commend the gentleman from Florida [Mr. Goss] for his initiative this morning, and I am pleased to join my colleague, the gentleman from Vermont [Mr. SMITH] who, along with the gentleman from Michigan [Mr. SCHUETTE], who was the leader of our delegation, the three of us had the opportunity to travel to this faraway region of the world, and, as the gentleman from Vermont said, the most fascinating, important and in many ways disturbing moments of my life to travel to a region in the Upper Huallaga Valley, the Amazon type jungle rain forest five times the size of my home county where Buffalo is located. I think a statistic was mentioned earlier that about 50 percent of the coca comes from that area.

Mr. SMITH of Vermont. Mr. Speaker, the numbers are 75 percent, but I think our margin of error is 60 to 80 percent.

Mr. PAXON. Mr. Speaker, as I understand, half of the production of this region.

That first photograph that we have there shows an experience that the gentleman from Vermont [Mr. SMITH] and I witnessed where the coca is harvested in that jungle out in remote areas. We traveled to an area called Santa Lucia in the Upper Huallaga Valley, an airbase built with American dollars. It was a $10 million investment, and many Americans talk about using our dollars overseas. We used those dollars to go into that jungle in that Upper Huallaga Valley right in the photograph here, used those dollars to build this very rudimentary airbase and a very small base camp, and we were there that day when that base camp was dedicated at Santa Lucia, and we asked some questions, and we had the opportunity to go out in this jungle area surrounding the airbase where a small cocaine lab had been confiscated. And the amazing thing about that drug base was that we put in a $10 million investment, and something on the order of 50, I believe at the time we were there, cocaine labs like the one we picture here had been destroyed. Hundreds of kilos of coke, coca base, had been confiscated or destroyed. The value of that ultimately cocaine on the streets of this country, as the gentleman from Vermont [Mr. SMITH] was describing, is worth billions of dollars.

So, Mr. Speaker, we have destroyed airbases, airstrips, coca base which becomes cocaine ultimately, and of course the drug laboratories in the jungles, so we have saved the people of this country from the damage from that cocaine pipeline of death of billions of dollars of product by that $10 million investment.

But what even struck me more and struck the three of us as we were there was the tenacity and the dedication of those men and women who went up to that remote area to not only build the base No. 1 facing those guerrillas as a major force, and the drug dealers against them, and people were murdered while building this base, but in addition the tenacity and the dedication of our DEA agents who risk their very lives to go into that jungle and also the Peruvian police who also travel up to that region to join in this joint effort.

So, Mr. Speaker, we were amazed, surprised, I think encouraged as a result of our visit ultimately because of what we saw both at that base and throughout that region in that area.

If I may, I would like to just make another point, if I could, and I appreciate the chance to do so. While I was in Colombia I got a call from a radio station back in Buffalo, a reporter who had been a friend of mine for quite a while who broke the news to me that while we were in Colombia, something important happened in Buffalo, and I have here a headline from the Buffalo News, and that headline points out that this is from January 19. "Cocaine Ring Probe Shows Cartel's Right Influence." While we were in Colombia, ironically the largest cocaine ringing the history of the city of Buffalo had been smashed through joint efforts of our local police and Federal authorities. Twenty-eight suspects had been arrested, and that cocaine ring had pumped over 200 kilos worth $50 million of cocaine into our community over a period of months. And the radio reporter asked me a question.

Mr. Speaker, she said, "Were you surprised, because people in Buffalo were surprised when they read that the cocaine they had seized was stamped with the Medellin cartel's trademark," and was I surprised?

And I will quote my good friend and our U.S. attorney, Dennis Vaco, who said some people may think that drug lords activity does not reach Buffalo since Colombia is thousands of miles away. This investigation is proof positive. We do not have that insulation. Many of my constituents, and I think many of us have been—some have had the feeling of security. They were far away from Central or South America. We are not. The cocaine that is pictured, the coca is those pictures, ends up as cocaine and ends up as product on the streets of western New York. The path is absolutely indisputable, from Peru, to Colombia, ultimately to New York City, and in this case to western New York. But I think even more surprising in many ways is that there is not just one path of that pipeline of death. We have seen it in our region in recent reports issued by our Federal agencies that I hold here right now proving again undeniably and irrefutably the link between the highlands of Peru and my community via Canada. We have had border seizures increase dramatically in recent months crossing between southern Ontario and western New York. There are four border crossings, bridges, between our region and southern Canada. At the Rainbow Bridge, in Niagara Falls, a 56-percent increase in the past year in seizures at that border crossing. At the Peace Bridge connecting Buffalo and Fort Erie, 18 percent increase in seizures of narcotics. At the Lewiston-Queenston Bridge, 13 percent, and at the Whirlpool Bridge, 13 percent; 381 narcotics seizures on those four border crossings in a period of—in an area of about 30 miles, 25 miles long, in the past year. That is

amazing and again undeniably showing the link between those South American jungles and our community.

One last point: The people talk about our isolation and our being away from the mainstream of narcotics trafficking and away from that cocaine pipeline of death. Again, turning to the Buffalo News headline which occurred just after I returned, after the gentleman from Vermont [Mr. SMITH] and I returned from that region, "Deadly L.A. gang believed active here."

Mr. Speaker, the gentleman from California [Mr. ROHRABACHER], my good friend, will be with us shortly, and he can tell my colleagues in depth about the gang, the Crips, one of the most deadly gangs, drive-by shootings, 20,000 members in the Los Angeles area. Our agents have arrested six members of the Crips gang moving into western New York to establish their network, again expanding to middle America, and, when I say middle America, geographically we are toward the middle of the country, and demographically we are an average sized community in the heartland of America.

□ 1445

We are not insulated from that cocaine pipeline of death that we saw down there in Peru and Colombia.

So my point today is twofold. First of all, to say that I believe we are making progress as we work for cooperation in places like Peru and Colombia, countries that show incredible determination and strength in this war on drugs.

Second, when it comes to my communities, Rochester, NY, where Jamaican gangs have dramatically increased their activities, in some cases $1 million a day in the city of Rochester being sold, crack and cocaine from Jamaican gang activities in that region, to my smaller rural communities.

I have many articles here. Thirty-three arrested and rounded up by various drug tests. I was there in the Wyoming County in my district, Cattaraugus County and other communities, to the city of Buffalo. That pipeline of death runs absolutely from the jungle highlands of Peru to my community in western New York.

I hope that tonight we can focus attention on that part of our package that talks about the need for tighter controls and more activity in the Andean region.

Again, I commend the gentleman from Florida [Mr. Goss] for his efforts and for bringing this information to light.

Mr. GOSS. Mr. Speaker, I certainly thank the gentleman from New York [Mr. PAXON] for sharing that with us. That is very illuminating and I think underscores the point that there is a connection and all our colleagues need to know it. When we start talking about the mountains in these faraway countries and what is going on in terms of our quality of life and the cost in terms of dollars and the cost of life to our law enforcement personnel, the connection is direct.

Sadly enough, it seems the better we do down in my part of the world, the more we seem to be sending the business to the gentleman, but I hope the gentleman is catching them as fast as we are catching them and that is one of the reasons we are here tonight to make sure that we have the wherewithal to catch them, and when we do, to make sure they do not go out and do it again.

On this line, Mr. Speaker, I think it is very beneficial for us to have the local experience, and I am pleased to see my colleague, the gentleman from New Hampshire [Mr. DOUGLAS], who I know in his previous incarnation on the bench had some real firsthand experience. I think that would be very much worth sharing.

Mr. Speaker, I yield to the gentleman from New Hampshire [Mr. DOUGLAS] to share with us how the Andean initiative exemplifies itself in the gentleman's great State of New Hampshire.

Mr. DOUGLAS. Well, if I may, Mr. Speaker, I appreciate the opportunity to join the gentleman here.

The distinguished gentleman from Florida has outlined well, I think, the overall situation. What I did want to do is first mention the phone number that is in front of me, 202-224-3121. That is a phone number that if you call and ask for the Republican cloakroom, the reason you would call is to report a crime, something that has happened in your area, no matter where you are in the country, because some folks on the other side of the aisle seem to feel that we have more crime bills than crime in this country. I think that is obviously absurd. We have 111 different crime bills.

I happen to serve on the Crime Subcommittee of the Judiciary Committee, and we are yet to begin marking up the President's crime package, the President's crime and drug package, and by marking up I mean we sit down and go through the bills and try to finalize the language so that we can report the bills back to the floor of the House.

So we do not have an excess of crime bills. We have an excess of crime in this country.

I hope that soon the members of my committee, the Judiciary Committee and the Crime Subcommittee, will get moving with some strong initiatives in this area.

One thing I wanted to do in addition to mentioning the number is to outline a few points in the President's drug control strategy that are related to the Andean initiative, the International Narcotics Control Chapter of the administration's legislative package contains a 5-year $2.2 billion policy program for Colombia, Bolivia, and Peru. There are three main goals that are part of this initiative.

First, to strengthen the political will and institutional capability of the host countries, those three countries, to attack the cocaine trade.

Second, to increase the effectiveness of military and law enforcement activities against the cocaine industry in those countries.

Finally, to inflict significant damage on the trafficking organizations which operate within the three countries by disrupting and dismantling their operations and elements of greatest value to them.

Now, the administration has requested $422 million this year to implement narcotics-related law enforcement and economic and military assistance to Colombia, Bolivia, and Peru. Out of that amount, about half will be spent on alternative income and crop substitution programs, balance of payments support, and other economic development activities.

In addition, the President announced last November an Andean trade initiative to help create economic alternatives to drug trafficking.

Now, there is some good news. I know my distinguished colleague, the gentleman from New York [Mr. PAXON] and the gentleman from Vermont [Mr. SMITH] have been down to this part of the world. They have seen it firsthand. I have not had that opportunity, but I do know that the Office of Drug Control Policy has some progress that is being made, and I would like to report that, because I know most of the time we hear the bad news, and we do not always get the good news.

What is happening is that for the first time in 10 years the wholesale price of cocaine is rising sharply. Lower purity levels are also being found in major wholesaling areas across the United States, and especially in our two major cities of New York, and Los Angeles.

What this tells us is that with the price going up and quality going down, there is a squeeze on supply. They are thinning out the supply. They are not getting it in here in the quantities they used to.

On June 14, just a few days ago, the New York Times reported that wholesale cocaine prices in New York and Los Angeles "have jumped by more than 40 percent since December."

According to the Drug Enforcement Administration, the downward national trend in the purity of cocaine continued during the first 3 months of 1990.

This information does not necessarily establish a clear trend, but the signs at least are positive, and that is one of the reasons the President has committed approximately $2.2 billion to the Andean government's fight against the drug problem over the next 5 years.

First of all, President Bush met with the three Andean Presidents of Columbia, Bolivia, and Peru on February 15, 1990, in Cartagena, Colombia, to forge an antidrug cartel, and unprecedented partnership with our source country allies.

Record low prices for cocoa leaf at the farm gate in parts of Bolivia and Peru are now being reported. Analysts attribute this sustained decline in the price of cocoa leaf to Columbian law enforcement efforts, at least in part.

In Bolivia, there is a much increased voluntary eradication by farmers seeking opportunities in legal activities.

During 1989, approximately 200 metric tons of cocaine, about a quarter of what was estimated to be produced in the Andes, was seized by the United States and other governments, including Mexico and Colombia.

During 1989, the Mexican Government seized 34 metric tons of cocaine and arrested major drug traffickers, including Felix Gallardo.

In May of this year, the Colombia military raided a narcotics area using United States-provided military equipment and seized 18 tons of cocaine. That is tons. That is a lot of supply. That is one of the reasons why this effort at cutting into the supply is leading to the increase in the street price of 40 percent and a decrease in the quality and purity, because there is a squeeze on the supply side.

Of course, unfortunately, like anything else in commerce, this is an industry. It operates on the laws of supply and demand. If the supply is being squeezed, the price will go up and the purity of the product will go down, so this is part of the effort as we discuss this in these few hours remaining. This is part of the effort and it ties right back to the source in the Andes.

So there is progress that is occurring. There are good incidents that are beginning to happen in those countries.

It is obvious that we also have to have some military assistance, because that is another component of a larger program of economic assistance to help strengthen the governments and the law enforcementcapabilities of these Andean nations.

Mr. GOSS. Mr. Speaker, I am very, very pleased that the gentleman has provided us the good news of this program, which is basically a new program just getting started. I think the gentleman hit the highlights very well, remembering that this is a $2 billion program over 5 years, this Andean initiative.

I can add a little further piece of good news.

Mr. DOUGLAS. All right.

Mr. GOSS. That is that in our meeting today, I guess it was yesterday at this point, with Assistant Secretary of State for International Narcotic Matters, Mel Levitsky, we asked the direct question, are we seeing any results yet? Is it too soon?

While he did not want to get too specific, he said, yes, I think we are getting to them finally and we are beginning to see some signals that what we are doing is working.

In addition to what the gentleman has said, that is good news and plenty of justification to move forward now with the crime and drug fighting package that we have been talking about and get it moving so that we can take this little beginning and build it into momentum and get on with this job.

I thank the gentleman very much for his remarks. They are extremely timely. I think that is as current a review as I can imagine of the good things that have happened.

This has not been easy. Much of what goes on down in the upper valley there and in Bolivia and some of the other areas and, of course, Colombia we read about every day throughout the country, is extremely dangerous.

I think we are very fortunate to have tonight among our colleagues with us the gentlewoman from Florida, my good friend [Ms. ROS-LEHTINEN], who knows perhaps the Hispanic community from a different perspective than I do and can perhaps tell us a little bit about the real danger of the Shining Path, the Senderos, and just how complicated it is to work and what binds they have on the people we are trying to influence in Peru and the campesinos and get them to do other things besides grow cocoa leaves.

Ms. ROS-LEHTINEN. Mr. Speaker, I thank the gentleman very much for yielding to me.

Mr. Speaker, I would like to commend my colleagues for their excellent comments on the Andean initiative, and especially my fellow Floridian, the gentleman from Florida [Mr. Goss] for his hard work in organizing this special order on violent crime and drugs and our aspect of it, which is going to highlight the Andean initiative and President Bush's work in pushing this program through.

Crime and drugs have long been recognized as the most serious and detrimental problem facing America today. We have seen our society torn apart by these evils. We have witnessed the destruction of families all across our Nation. Our children have been murdered and terrorized by drug dealers, many of whom are mere children themselves.

Our initial response to the drug problem was to prosecute more drug dealers, to plead with our children to just say no, and to declare that America was at war with drugs. We have watched and worked and persevered, but the war has been worsening and our children keep dying.

The time has come to attack the problem at its root, to cut out its heart. It is time to continue fighting in the battlefield on the streets of America but also move it to the jungles of Peru, Bolivia, and Colombia.

President Bush's Andean initiative is a 5-year, $2.2 billion international cocaine control strategy targeting these countries and eliminating America's drug problem at the source. The goals of strengthening the capabilities of their governments and increasing the participation and effectiveness of the military and law enforcement in these countries are substantial. These goals, however, can be met.

As we begin to fight in the Andean region, we must remember our enemies and the way in which they operate. These are not street corner dealers or schoolyard pushers; these are organized guerrillas who have military capabilities and power. As an example, I would like to cite the Sendero Luminoso in Peru.

Peru produces over 50 percent of all cocaine which reaches the streets of America. Over 75 percent of all coca cultivated in Peru is grown in the Upper Huallaga Valley where the Sendero Luminoso is active and strong. The ultimate goal of this organization is to activate an armed peasant uprising to overthrow the current constitutional government. Meanwhile, they are known to be violent terrorists with a long history of death and destruction.

Among their extensive list of crimes: They have bombed the U.S. Embassy in Lima twice; they have murdered several Peruvian officials and slaughtered countless peasants who have formed self-defense forces in helpless attempts to fight back.

The money for their forces, of course, comes from drug trafficking and the Andean initiative will increase the military assistance to fight the Sendero Luminoso from $2.6 million in fiscal year 1989 to $39.9 million in fiscal year 1991.

This is the effort that will help save our children, our families and our America.

In Bolivia, the problem is equally disturbing. The State Department reports that Bolivia grew enough coca leaf during 1989 to produce over 260 metric tons of cocaine. They produce 30 percent of the cocaine consumed by Americans. I wonder how many destroyed lives those tons translate into.

Although Bolivia is not known for its elaborate drug and guerrilla insur-

gencies, they too have committed heinous crimes against innocent people—all in the name of drugs. Through the Andean initiative, military assistance will be increased for Bolivia from $5.8 million in fiscal year 1989 to $40.9 million in fiscal year 1991. I wonder how many lives saved those dollars translate into.

The drug cartels in Colombia have received worldwide attention. The cartel in Medellin is more infamous than many oppressive governments and have become more powerful than many militaries. I do not need to elaborate on the impact of the Medellin drug cartel. We are all well aware of the danger this group poses to our country. In order to combat them and other military-outfitted groups, the Colombian Government stands to receive $60.5 million in military assistance in fiscal year 1991.

It has become apparent that the cocaine problem has grown so tremendously and the cartels are so well armed, local military assistance is crucial to the efforts of local law enforcement agencies.

It is imperative that I mention the present U.S. military effort includes no support for the creation of comprehensive Andean military establishments. The involvement of U.S. military personnel and organizations is limited to training and includes no operational or advisory role.

Military assistance is also contingent upon human rights performance, which is also a provision for economic assistance as well. The protection of human rights is a primary element of all individual and unit counter-narcotics training conducted by U.S. military instructors.

This legislative package is not about the destruction of these countries, but about the destruction of an economic commodity. The creation of new economic commodities is essential for the existence of a sovereign Peru, Bolivia, and Colombia.

By offering trade incentives and alternate motivations for production, we will undoubtedly help these countries free themselves from the confines of an illegal, worldwide trade.

Saving lives and families is the American initiative. Assisting Peru, Bolivia, and Colombia in building legal market economies is the Andean initiative.

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Mr. GOSS. I thank the gentlewoman from Florida [Ms. ROS-LEHTINEN] for a very, very cogent and persuasive depiction of just what it is we are up against, how sincere we have to be, and how immediate we have to be in responding to the threat that you have outlined. I think you have done very, very well indeed, and I thank you.

We have a sense of frustration that we understand the problem, we are coping with the problem, but through a unique aspect to this problem that I think I would like to go back and yield a moment or two to, as our time is rapidly expiring, to my colleague from New Hampshire [Mr. DOUGLAS]. Because of his experience on the bench in New Hampshire, he has seen an aspect of this problem that is to me one of the most frustrating, dealing with the fact that we have the producers down in the Andeans, and it works its way up here through the networks we have talked about, causing the problems we have talked about. Yet when we get it into the court system, we seem to have a problem.

I wonder if you would share with us briefly a thought or two on that.

Mr. DOUGLAS. One of the problems is that if you get from the Andes something that appears to be this, and this is not cocaine, it is sugar in a little bit of plastic, I don't want anyone to get nervous, but this is the type of thing that we see in our courtrooms across America every day.

Someone is arrested. Somehow, either in a car search or a speeding ticket, a riding event, somehow the police officer sees or notices or is involved in a search. This type of an object comes out of somebody's pocket, comes to be found on their person somewhere, or on their car seat, and ends up, of course, as the key piece of evidence in court.

Now, the catch is this: If the police officer at 3 in the morning does not conduct the search with the absolute 100-percent correct constitutional guidelines, there is a rule of evidence called the exclusionary rule that would say while this is good evidence, it is cocaine, it should be introduced so that the 12 citizens of the jury can hear the case, it will be kept out of evidence unless that police officer conducted the search with a degree of perfection which must be 100 percent. Not 90 percent, not 80 percent, but he has got to have, he or she, done everything right on the money.

One of the problems is that we can interdict the supply, we can seize the drug down there. Some of it is still going to come in. But the problem is when it comes into this country and we make an arrest, how do we get it into evidence?

That is why the gentleman from New Jersey [Mr. COURTER], and I, last March a year ago introduced H.R. 1239, which has been incorporated since then in the President's drug and crime package. It is a very simple bill. It would say if the police officer makes that search in good faith, but maybe did not dot every "i" or cross every "t," we would permit that evidence, which is very, very good evidence. It is contraband, it is the drug involved. If it is tested out as the drug, we would allow that evidence into our courtrooms across the country.

This is one of the things that I hope the Crime Subcommittee on which I serve will be able to deal with when we take up the President's crime and drug initiative. Because to say to a police officer that you have to be perfect, you cannot even make a marginal mistake, I think is unfair.

I felt that way back in 1982. I enjoy the rare opportunity, and then I will cease, to quote myself when I was a judge on the New Hampshire Supreme Court 8 years ago in a case involving 260 stolen firearms.

I pointed out at the time that not even a judge in the position of an officer on the beat or on patrol could give instantaneous legal advice that would be sure to stand State and Federal judicial scrutiny years down the road, as that seizure wound its way through the appeal process.

Back in 1971 the Supreme Court decided Coolidge versus New Hampshire. In that opinion the U.S. Supreme Court said how the police of Manchester, NH, could have been expected to know that the Constitution requires more of them than they had done when the members of the U.S. Supreme Court, after studying the matter for more than 5 months, had such great difficulty in deciding the matter, is beyond comprehension. Expecting our police to perform analyses at 3 a.m. on a street corner that are beyond our own capabilities as judges is absurd, illogical, and harmful to the practical administration of justice.

So I do hope as we look at the Andes, we also look to our courtrooms. Because what comes from the Andes ends up as evidence in our courtrooms. All too often it is suppressed, it is kept away from the jury because of this inflexible rule called the exclusionary rule.

I would close by saying that Justice Cardoza years ago on the U.S. Supreme Court I think summed it up very well. He said the criminal goes free because the constable has blundered. I don't think that it is a proper or fair way to administer our system of justice.

I thank the gentleman for allowing me this additional time.

Mr. GOSS. I think that extra illumination into the problem is extremely important for all of our colleagues, and I greatly appreciate you sharing it for us in such a forthright way. It is very clear to me that there is a remedy, and I hope we get on with it.

I would like to thank my colleagues who have joined us in this hour. I have received information that this very evening in my own district, while we have been here, we have had a car theft, a couple of batteries, and seven or eight burglaries. Remember, I serve a district that is truly a tropical para-

dise. It is a wonderful place to live with a great quality of life, but that is entirely too much crime. If communities such as southwest Florida are having those experiences, I am afraid that the statistics we see before us as we have had the Crimewatch go on tonight, are all too revealing, and that we have our work cut out for us.

As a Nation we are cooperating with the Andean nations in the Andean initiative. The Andean initiative is the President's centerpiece for fighting the cocaine problem at its source. The President earned many macho points for going to Cartagena. We are off to a great start.

There is one final point I would like to make, Mr. Speaker, before I yield back whatever time I have left, and it is this: In these Andean nations we are talking about, we have new governments. These are new governments who have many things to cope with. We have a very strong interest in making sure they understand that it is critical to their well-being, as well as to our well-being, to come to grips with this very pressing problem.

You can be sure these new governments are watching to see what type of commitment the U.S. Congress has to fighting drug-related crime and violent crime. If we fail to meet that commitment and to show those new governments that we are serious, we cannot very well expect them to be serious either.

With those words, I thank you, and I yield back.

Mr. LAGOMARSINO. Mr. Speaker, I am pleased to join this special order on the Andean initiative and commend the gentleman from Florida [Mr. GOSS] for his own initiative and leadership on this issue.

Some have said that our primary goal in Latin America is no longer that of seeking peace and democracy but is now that of seeking an end to illicit drug production and international narcotics trafficking. I hope that is correct. No one must underestimate the overwhelming threat the narcotics trade poses not only for the security interests of the United States but also for the cause of peace and democracy in Latin America.

Quite frankly, I believe we cannot hope to see democracy survive under the kind of threat represented by the narco-terrorist organizations operating in Colombia and Peru. If those threats are not met in those two countries, then it would be only a matter of time before the rest of our hemisphere would be under direct siege.

As it is now, we have seen the impact the narcotics trade has had on other nations in the hemisphere both directly and indirectly. But, it is appropriate that the focus of our attention be concentrated on the Andean nations. That is where the greatest threat currently originates, and it is where we have the best opportunity to do something about it with the cooperation of the host governments in the Andean nations.

Certainly, the administration under the leadership of President Bush has demonstrated its unwavering commitment to eradicate the terrible plague the drug problem represents. President Bush literally laid his life on the line to demonstrate his commitment when he attended the Cartagena summit in February. He ignored the threats on his life, attended the summit and pledged continued U.S. support for the Andean governments in their fight against narco-traffickers. He also repeated the U.S. commitment to continue fighting on the domestic front to help end the demand component of the equation.

U.S. support for military assistance to the Andean countries is a reflection of our concern that regular law enforcement authorities do not have the capabilities in the Andean countries to meet the highly organized and highly militarized threat posed by the narco-traffickers. Those drug cartels operating in the Andean countries have military organizations, equipment, and training that in some cases exceed the law enforcement abilities of the host government. U.S. support is intended to help bolster the host government response to the threat, it is not intended to replace it. No matter how much the United States wants to help, if the host Andean governments have not made a total commitment to fighting a war on drugs, then the United States cannot do it for them.

I believe the administration's strategy for fighing drug trafficking through its Andean initiative is an appropriate, measured approach in cooperation with our close, valued allies in the region.

It is vital that we support our President's commitment to do everything we can to wipe out the drug problem. It is a war, and if we are not prepared to respond to the threat that the narco-traffickers pose with their military capabilities then I think the American people will not believe we are serious about fighting the drug war.

It's a tough fight, and we have to be tough in response.

Again, I thank the gentleman for his leadership in calling to the attention of my colleagues the serious nature of the drug problem and for focusing on the administration's Andean initiative. I look forward to continuing to work with him on attacking the drug menace.

ALL-NIGHT CRIMEWATCH

The SPEAKER pro tempore (Mr. EVANS). Under a previous order of the House, the gentlewoman from New York [Ms. MOLINARI] is recognized for 60 minutes.

Ms. MOLINARI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of my special order on drugs and violent crime.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. MOLINARI. Mr. Speaker, as we have heard this evening, while it is an unfortunate reality that impact of drugs and violent crime have spared no corner of our world, few areas have been harder desimated by this deadly duo than our big cities. America's urban centers of commerce, culture, and fashion also now bear the tragic title of gateway to the gruesome where drug deals go down by the second as do innocent victims caught in the violent crossfire of turf establishment. A study of 179 New York murders in 1988 found that 56 percent of them involved drugs, and most of those began in business disputes—dealers trying to protect their turf or intimidate competitors. No one is ever really safe from the addict in search of money for the next buy and everyone feels the economic well-being drain from our cities as we spend our future to survive today.

Mr. Speaker, the problems threatening my city of New York are staggering. I will speak during this hour about the unending climb in drug-related deaths in the Big Apple and I will mourn with you over those who live and are called Crack Babies.

About 5 people are murdered each day in New York City. According to a June 16 New York Times article,

> The record for a 24-hour period was set on July 9, 1988 when over 20 people were murdered. The latest police figures show 325 homicides in the first 2 months of this year, an increase of 30 percent from the same period last year, when we ended with a record number of 1,905 murders. And the incidents of summer time violence have yet to be added to this dismal tally.

The Times article continues,

> In New York City, the police roster of daily homicides is inevitably a cold and impersonal toll of death. At times, murder has no date or location and is little more than an anonymous clue. At 2 p.m. Thursday, along the Hudson river half a mile north of the George Washington Bridge, the police recovered a left foot that they said belonged to a man. The entry on the police blotter reads: no weapons, no arrests, investigation continuing.

Mr. Speaker, New York is not alone in the fight to understand our climate of crime. In 1988, 20,680 Americans were slain—one killing every 25 minutes. The city of Miami seems to echo forever from the gunfire of competing kingpins. I yield to the gentlewoman from Florida to speak more on this situation.

□ 0515

Mr. Speaker, I yield to the gentlewoman from Florida [Ms. ROS-LEHTINEN].

Ms. ROS-LEHTINEN. Mr. Speaker, I'd like to congratulate my colleague from New York for the leadership she has shown in Urban Drug War. As all my fellow citizens know, the No. 1 problem that confronts our Nation today is the consumption of illegal drugs. I would like to speak on how it affects the level of crime in urban areas like Miami, Dade County, FL.

The evils of drug consumption is not only negatively affecting the health and personal safety of our citizens, but it is also threatening the security of our Nation. Consequently, we must begin to control crime rather than allowing crime to control us. My fellow citizens, the time has come to fight violent crime and drugs!

Recent crime statistics furnished by the national and local law enforcement agencies clearly show that there is a correlation between the rise of violent crimes and drug use. The number of adults arrested in the United States for possession of illegal drugs was about 400,000 in 1980. In 1988, this number increased to almost 800,000. Therefore, the estimated number of adults arrests for drug prossession reported by the State and local police from 1980 to 1988 increased by 107 percent. In addition, there were almost 300,000 adults arrested for the sale/manufacture of drugs in 1988 as compared to 103,000 arrests in 1980. This shows an increase of 180 percent in the number of adults arrested for the sale and manufacture of drugs in our communities. It should not come as a surprise then the fact that the violent crimes of murder, forcibly rape, robbery, and aggravated assault increased 5 percent from 1980 to 1989.

My fellow citizens, these statistics don't lie. The simultaneous rise of violent crimes and drug abuse cannot be interpreted as a mere coincidence. Drug consumption has become a plague which encourages, supports, and maintains the livelihood of the most heartless criminal elements of our society: drug traffickers. As elected representatives, we have a duty to hold accountable the drug consumers, who hiding behind the artificial curtain of victims, are trying to legitimize their actions.

Drug users should not be viewed as victims. To do so, will send the message to our children, law abiding citizens, and law enforcement community that their efforts and sacrifices in the fight against drugs have been meaningless. Our present public campaign for a drug free America would be interpreted as nothing more than an ironic farce. This is so because drug users make a viable choice when they use drugs. To look the other way, and interpret this deliberate choice as a mere character flaw or uncontrollable disease, is counterproductive and dangerous.

Our society is already paying the high price of our reluctance to hold drug users accountable for their lawless actions. We, as a civilized society, must be able to guarantee our citizens a violent free environment where children will be raised admiring and respecting the principles of law and order. Principles which are so vital to our domestic tranquility.

Dade County, like many other counties and cities around this great Nation of ours, bear the scars of drug consumption. Our once peaceful and family oriented streets have become battle zones, where law abiding citizens are constantly exposed to the fear of becoming one more casualty in the war on drugs. The concept of law and order has been momentarily replaced by a "survival of the fittest" syndrome where only those who are well-armed may survive. This may be attributed to Dade County's geographical location which offers easy access to waterways connecting South Florida with the Caribbean. The invevitable question is: How much more do we have to endure before we recognize the reality of drug use?

To illustrate the effect that drugs have on Dade County's crime rate, let me list to you statistics that represent offenses in my community:

DADE COUNTY PUBLIC SAFETY DEPARTMENT DATA ASSISTANCE BUREAU

	1989 Unicorp. and Dade County	1989 Miami	1989 total
Murder	275	132	407
Rape/forcible sex	1,426	416	1,842
Robbery	11,678	7,289	18,967
Aggravated assault	14,095	6,387	20,482
Burglaries	44,082	15,350	59,432
Larceny (theft)	91,363	31,268	122,631
Motor vehicle theft	28,567	9,342	37,909
Manslaughter	11	10	21
Arson	399	173	572
Kidnapping	350	142	492
Simple assault	17,634	3,945	21,579
Drug sales	1,453	754	2,207
Drug possession	6,462	5,664	12,126
Bribery	4	6	10
Embezzlement	635	113	748
Fraud	3,884	798	4,682

Note: Simple assault means no weapons or no hospital stay.

1990 Unicorp. only

Murder	88
Rape/forcible sex	433
Robbery	2,624
Aggravated assault	3,449
Burglaries	10,218

Mr. Speaker, just this morning, just a few hours ago in Dade County, two males were arrested with 190 grams of cocaine. Also, just a few minutes ago in the city of Miami, a man brought in from Panama with stomach pains was found to have 50 or 60 grams of packages of coke in his stomach, and was taken to a hospital in Miami.

1990 Unincorp. only

Larceny (theft)	19,248
Motor vehicle theft	6,059
Manslaughter	11
Arson	145
Kidnapping	60
Simple assault	4,187
Drug possession/sales	1,591
Bribery	4
Embezzlement	122
Fraud	1,095

It is important to note that there could be multiple victims to each of these offenses. These numbers represent a serious increase in violent crimes as compared to previous years. This is a fact that we must deal with.

The same drug users who ask for our sympathy are nothing more than marketers of violence. Their most simple purchase is responsible for that 5 percent increase in violent crimes which I mentioned earlier. In addition, drug users are polluting our future.

This is shown by 1988 statistics showing that 33 percent of high school seniors used marijuana. In addition, 8 percent of high school seniors used cocaine within the last 12 months. Moreover, gang-related activities aimed at inciting ethnic rivalry and violence are now also on the rise in Dade County. Subsequently, our communities have become the real victims of drug users because our streets are now hostage to those who are willing to offer the price of human lives to satisfy their drug addiction.

Ms. MOLINARI. Mr. Speaker, I thank the gentlewoman from Florida for her insightful, and yes, extremely frightening statistics that she shared with Members. It underscores your testimony right there, just the challenge we are facing as a nation and especially as Representatives of the larger urban areas, and hopefully, it will underscore why we are doing this all night here in the U.S. Congress, in attempting to urge our colleagues to move on a very important crime package.

Mr. Speaker, perhaps the biggest victims are the littlest sufferers—the crack babies. The imapct of these tragic victims has yet to be felt upon the big cities.

As the New York Post revealed in a heart wrenching four part series—"the city is about to suffer another crippling blow from crack: the emergence of tens of thousands of the physically and mentally impaired children of crack-using mothers." By the year 2000, the Federal Government estimates there could be anywhere from 1 to 4 million crack-exposed children in the United States. As many as 100,000 may be living in New York City. Currently, at least 3,000 crack babies are born in New York City every year. But, it may be closer to 10,000 a year because hospitals do not test every newborn for drugs and most mothers do not admit their drug use. We do not know about thousands of crack babies and we will not until they are old enough to go to school.

The majority of the crack kids will be difficult to educate, some will be impossible to control and the fiscal strain will be even greater on our schools, hospitals, social service agencies and jails. The expense to taxpayers will be astronomical. A Federal study indicates that it could cost $220,000 per child to provide medical care, foster care, and special education in a crack-impaired child's first 5 years.

Sadly, or maybe not, up to 50 percent of the crack babies will end up in foster care. The projected pricetag for New York City's foster care system is $1.1 billion—double that of 3 years ago.

Our special education system as we know it today will not be able to handle the problems these children will bring into the schools. We need to find these children now so we can get them to programs such as Head Start otherwise they will cripple our school system.

According to a recent study by the National Center for State Courts, crack-exposed children are more than twice as likely to commit crimes as children without learning disorders. Unless, we find these children and give them the proper attention they need they will probably end up in jail.

Unfortunately, the same crack-using mother is having another baby every 7 to 9 months. We are in a race against time to find these children because there are thousands out there who have not been identified, otherwise they will be a greater burden to our cities later.

Mother Clare of the Hale House calls them "the ruined generation". The New York Post called them "the children of the Damned, Heartbreak babies". Frightingly, we will never find all the crack babies and experts give them virtually no chance of making it without intensive therapy long before kindergarten. Some never make it to see 5. Potter's Field at Riker's Island is the sad and cold repository for these children who die before they know the world and before the world knows their name.

As you can see from this shocking picture, the innocent victims of crack are stacked up in tiny coffins—identified not with a name or a headstone but with a number in a mass grave.

OMINOUS START FOR BABY BORN ON PARTY NIGHT

(By Ann V. Bollinger and Ransdell Pierson)

The sickening, chemical smell of crack still hung in the air of Dinah's bedroom when the midwife stumbled in.

She was in no condition to deliver a baby. She was drunk.

But for Dinah, a tall 22-year-old with the chiseled features of a model, there was no choice. Her baby had chosen a party night to come into the world.

Like most Fridays, Dinah and her boyfriend had cashed their paychecks, scored some crack and invited her uncle and cousins over.

They smoked later into the night, refilling their glass pipe over and over until the white rocks were gone.

By the time everyone had crashed, empty vials were scattered like confetti throughout the cramped, three-room apartment in the Parkchester section of The Bronx.

Only Dinah, eight months pregnant, was awake. She was in pain and beginning to bleed.

She was scared—but too high to even think about calling 911.

Instead, she woke her uncle, who ran to the front door and shouted: "She's gonna have the baby!"

"My niece came running up from downstairs," said Dinah. "She was high, too. She ran to get the lady underneath who delivers babies."

The bedroom was chaos. Dinah's relatives, all stung out, hovered over her, shouting conflicting orders.

Dinah remembers this:

Her own mother, after an evening of shooting cocaine, had died during childbirth.

Now her own baby's head was coming out—and no one was straight enough to know what to do.

Minutes passed, and the head was still just there, the body not moving.

"What's the matter?" she cried to her boyfriend.

Frantic and screaming, Dinah propped herself up and looked down.

"All I saw was a green head. That was not the color a baby should be."

"Pull the baby out!" someone yelled. And her boyfriend did just that.

Then the midwife took over.

"The drunk lady untangled the body," said Dinah. "I saw the expression on her face: something was wrong.

"I asked the drunk lady, 'What's the matter?' and she said, 'This baby's not breathing.'"

Only when the baby tried to breath—and the boyfriend saw bubbles—did he realize the amniotic sac was still over her face, and he pulled it off.

The 6-pound newborne, named Marsha, was taken to a hospital.

□ 0530

Mr. Speaker, this is not an isolated story that we grapple with in our major cities and in areas throughout this country.

Mr. Speaker, I now yield to the gentleman from Louisiana [Mr. LIVINGSTON] to tell us his stories.

Mr. LIVINGSTON. Mr. Speaker, I want to thank the gentlewoman from New York [Ms. MOLINARI] for yielding to me, and I want to congratulate her on her very moving story and her moving speech.

Likewise, the gentlewoman from Florida [Ms. ROS-LEHTINEN] pointed out the horrors of crime and drug abuse in our major cities.

Mr. Speaker, I come from the city of New Orleans, and we have problems there just like in every major city, and the stories, such as those described by the gentlewoman from New York [Ms. MOLINARI] happen unfortunately all too frequently all around this country.

Ms. MOLINARI. They do.

Mr. LIVINGSTON. While I am at it, I would like to congratulate the Republican leadership for putting this on, for highlighting these momentous problems, and I would also like to thank the Speaker and the staff for staying up all night and making great sacrifices in order to allow us to put this, and I hate to call it a show, on the road, but it is that. It is just like a telethon that raises money for people who need it.

Frankly, there are thousands, tens of thousands, hundreds of thousands, perhaps even millions of people who are dependent upon this Congress finding solution to this horrible, horrible problem. In New Orleans I am pleased to say that over this last evening there were no murders. I cannot say that there were not any rapes. We will find that out probably in the days to come. Burglaries; yes, there have been burglaries. There have been other problems, but arrests at 10 and 11 in the evening last night: A man was arrested with 26 pieces of crack cocaine at 11:07. Another person was arrested in downtown New Orleans with significant amounts of cocaine. At 12:10 another person was arrested at Gordon and Newcart Streets with a small amount of cocaine, and the stories go on and on.

Cocaine, drugs, crime are endemic in our major cities, and I have to say that these problems should have screamed out. It should have challenged this House and our Senate on the other side to take emergency action many, many years ago. We have passed one crime bill after another, but for some reason there has been a reluctance to really hit the problem on the head.

The Democrats control the House of Representatives. The Democrats control the Senate. And I think it should be acknowledged that frankly most major big cities are likewise controlled by Democrats. And over the years they have offered great promises for the big cities and the problems of the cities.

We had the Great Society under the Johnson administration which offered everything and produced absolutely nothing, and I think it is significant that since the Great Society was passed, families have been broken apart, people increasing in numbers have become dependent upon the welfare society, and they have lost respect for themselves. They have lost responsibility for themselves. As families break apart, and as they become less and less well educated, as they have acquired fewer incentives to help themselves and their families and been responsible for their communities, they have lost jobs. Employment has just gone down the tubes within the inner cities. There has been an increase in homelessness, and of course the drug addiction and the crime have skyrocketed.

I think, not to draw any unfair analogies, but we are seeing that planned societies in Russia and in Eastern Europe do not work, and they do not work in our inner cities any more than they do in Russia and Eastern Europe. Planned societies are a failure, and we cannot absolve people of responsibility for themselves.

So, it seems to me that it is incredibly important to pass the President's

crime package and start arriving at ways to resolve responsibility in the human being to stand up and take care of himself, to stop being dependent on drugs, stop being dependent on the Government to solve all these problems, stop waiting for the welfare checks, get out and get a job, and feed his family and acquire responsibility. Go back to the churches and understand the fundamental values that not only made this country great over the last 200 years, but have obviously triumphed over the collapsed values of the planned societies of Russia and Eastern Europe.

Cities are the manifestation of the corruption that those planned societies have wrought. The bureaucracies are overwhelming, and they have stifled initiative. The cities have become harbors for gangs which sell drugs, and thrive and even profit on murder, and rape, and mayhem, and together the problems have evolved so that our populace within the inner city, the people who really want to take care of themselves, the people who want to be free from their enslavement, have become so overwhelmed that they really do not have any choice but to succumb.

Mr. Speaker, I was a criminal prosecutor for 6 years out of the 9 that I practiced law, and I saw some pretty rough horror stories, not nearly as rough, I might say, as some described by the gentlewoman from New York [Ms. MOLINARI], but I remember specifically one young man who was in my office about 15 to 20 years ago, and he had been an addict, and he had gotten himself off of his addiction to whatever it was, heroin, I guess, at the time, and he said, "You know, I grew up in a good family. I love my mother, and I love my father." He said, "In fact, my daddy was the light of my life, and I was the light of his. My dad fought in the Korean war." He said, "He wasn't a rich man. He worked very, very hard for his money. He worked at hard labor, but he took care of his family, and he raised us kids to have pride in ourselves," but he said, "Somewhere along the line, because of my friends and my associates, I got addicted to drugs," and he said, "Once I got hooked on drugs, nothing seemed to matter," and he said, "As much as I loved my daddy, I had to support my habit," and he said, "I would try not to go home." He said he would go out, and he learned to steal and learned any way he could to get the money to get the drugs he had to have to feed his habit. He said, "My daddy had worked very, very hard and saved up, and he had this television that must have cost him around $450 to $500," and that was 20 years ago, so we are talking about a pretty significantly sized TV and an expensive one. His dad was very proud, and he liked nothing more than to sit around with his family, and have a beer, and look at the tube, and he made sacrifices for that TV. And he said, "One day I couldn't stand it anymore, and I walked into that house when dad wasn't around, and I grabbed that television, and took it out on the street and sold it for 50 bucks, and I got a shot," and he said, "I knew what I did," and he said, "I'm ashamed."

Another man; I call him Adam, and I remember him well. He was an informer, black man, self-taught, well educated, read lots and lots of books. But he had become an addict again as a young kid, enslaved by the drug trade, and he went a few years and realized he was going to die, he was going to ruin his life, and, if he did not break apart from it on his own, that there was going to be no help for him. He was in hell, he was going to hell. And so he went cold turkey on his own, busted apart from the habit and determined that he was going to make the guys that had created that hell for him pay for their sins. And so he cooperated with the drug authorities. He was a wonderful witness, an eloquent guy, intelligent as he could possibly be. And just a nice guy, just a fellow you really enjoyed sitting down and talking with.

Christmas morning, about 1973, he went to his mother's for Christmas dinner, but he never got there. They found Adam on the dump face up with about seven slugs in him.

Mr. Speaker, that is the kind of story that happens daily, not just on Christmas. It is not exempt from any single holiday. It is every day of the year.

When are we going to wake up? When are we going to make people understand that drugs kill, they maim, they take no prisoners?

Mr. Speaker, I think our policemen on the street deserve a tremendous pat on the back for the job they are doing, but the bureaucracies are not paying the policemen what they deserve. They are not funding the number of policemen that we need on the street, and without the benefits of that cop on the beat on every block like we used to have in the past generations there is rampant drug trade, not only at night, such as I indicate in New Orleans, but in broad daylight.

Mr. Speaker, we had a TV reporter a couple of years ago walk around with a camera into certain neighborhoods at 3 o'clock in the afternoon and take pictures of transactions going down, and he was standing 4 feet from them.

It has got to stop somewhere, but it is not stopping with the laws on the books, or even the enforcement of the pushers. We have got to go after the folks that make the stuff down in the Latin countries and throughout the rest of the world. That is part of it. We have got to go after the pushers on the street in our cities and throughout this country. That is a part of it. We have got to educate our kids and our people, our populace, that drugs are an abomination and present them with no alternatives other than hell on Earth.

However, Mr. Speaker, we have also got to go after the users. We have got to find ways. We have got to provide for the judges, and the prosecutors and the prisons. We have got to find the money to show people that, if they choose this stuff, they are going to pay in one way or another. Confiscate their automobiles and make sure that, if they do it once, they lose property. If they do it twice, they lose their liberty and go away for a while to dry out, and hopefully they will overcome this terrible system.

We have got to stop the carnage, and, if we do not, a free society cannot survive.

Mr. Speaker, I thank the gentlewoman from New York [Ms. MOLINARI], and I thank all of the people who have played a part in bringing this whole operation to pass. I think it is extraordinarily important, and I urge the leadership of this House and the other body to pass the President's crime package. It is important, not for us who sometimes can get away from the carnage, but for the babies, and the children, and the older folks and the average person in that inner city who suffers the most.

Ms. MOLINARI. Mr. Speaker, I thank the gentleman from Louisiana [Mr. LIVINGSTON] for his very insightful analysis of the problem. I would like to particularly acknowledge that I know in my city and in cities throughout this Nation it is unfortunately happening that there is a reduction of our police as we see an increase in our crimes, and certainly that is sending out a terrible message to the criminal and less than comforting to the average citizen who tries, as the gentleman from Louisiana [Mr. LIVINGSTON] so eloquently pointed out, to survive day to day. I know that I have a colleague here from New York State who shares the same level of frustration as I do, and I would like to yield to the gentleman from New York [Mr. PAXON] to help elucidate the problems in New York State as he sees it, and I thank him very much for his participation.

Mr. GUNDERSON. Mr. Speaker, will the gentlewoman yield?

Ms. MOLINARI. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Speaker, I appreciate the gentlewoman from New York [Ms. MOLINARI] yielding very much so that we might continue to report to our colleagues about the reports that are coming in to us on our crimewatch phone number which is of course 202-224-3121. A number of different calls are coming in. One was from rural Oklahoma, or fairly rural, at least suburban. Shots were fired in

a housing project, gang-related, at midnight Oklahoma time. An assault in Pennsylvania, Worktown, PA, early this morning. Here in the District of Columbia, a shooting at 2:50 a.m., and we had a rape, and thankfully there was an arrest in a Missouri town earlier this morning as well.

□ 0545

To our knowledge, these four with those that have been provided thus far indicate that we are someplace between 185 and 200 different specific crimes that have been called in throughout the night.

I think more importantly as we calculate, there are something like probably 300 or more phone calls of different kinds where people have called in with some kind of concern or question, many different actual worries, so we will continue this for some time and if you have been made aware as the morning begins to occur in your particular area, let us know, because the whole focus of this effort is to make sure that the people here in the Congress of the United States are aware that yes, indeed, there is a need for some anticrime and antidrug legislation.

I appreciate the gentleman and the distinguished gentlewoman yielding to me.

Ms. MOLINARI. Mr. Speaker, I yield to the gentleman from New York [Mr. PAXON].

Mr. PAXON. Mr. Speaker, I thank the gentleman for that unfortunate update, more crime statistics from around the country.

I would like to thank my colleague from New York [Ms. MOLINARI] for yielding to me. I would like to take this opportunity to commend her. She not only has done a great job in organizing this part of our program, but in addition throughout her long and distinguished career in the city council and now in the Congress of the United States has been a leader in the effort to bring about more sanity through a stronger and more directed effort against the criminal element that is so pervasive, unfortunately, in our great Empire State of New York.

Ms. MOLINARI. Mr. Speaker, I thank the gentleman for his kind comments.

Mr. PAXON. Mr. Speaker, when it comes to murder, the most violent of crimes, the headlines, unfortunately, tell the story. These are a collection of headlines from around the State, more specifically from around my region in western New York of recent very heinous crimes and murders, every one representing more tragedy inflicted upon a community and on families in our region, some of the most violent crimes, some of the most tragic murders in our area's most recent history. These headlines tell the story of families destroyed, of lives destroyed, of premeditated murder carried out in many cases the worst of the criminal element.

In addition to these headlines, although they are less personal, the statistics also tell the story. Today's Buffalo Evening News in its headlines points out that there has been a 30-percent increase in murders in the city of Buffalo in the past 5 years. They also tie many of these murders and other crimes to the drug trade, which we talked about earlier this evening.

The statistics again, although cold and impersonal, also point out to us how very serious the murder rate and the murder problem is across New York State. From 1940 to 1965, that was the last year we had capital punishment in New York State, there were 12,652 murders in the 26-year period. Yet in the years 1966 to 1974, in 9 years there were 13,914 murders, 1,000 more than occurred in the 26-year period prior to the abolition of capital punishment.

Then again in the period 1975 to 1987 there were 25,528 murders in 13 years. Again that is more than double the amount of murders committed in half the number of years prior to the abolition of capital punishment.

This year alone we estimate, unfortunately, in New York State that there will be over 2,245 murders in our State, that since the abolition of capital punishment in 1965 almost 4 times as many murders have been committed in New York, in the succeeding 23 years since capital punishment was abolished, than in the 23 years before, 4 times the number of murders.

In my view, and I know you share that view, there is a direct causative link between the abolition of capital punishment in the Empire State of New York and the increase in the murder rate.

We need the death penalty. The provisions in the Violent Drug and Control Act, the death penalty provisions, do two things: First, to restore a sense of justice to our criminal justice system, and second, to send a message that society will not tolerate those who cross the ultimate line of taking another human life.

Our legislation establishes the death penalty for three specific crimes: major drug trafficking, attempted murder to obstruct the investigation or prosecution of a drug crime, committing a drug felony that results in a death.

Again, we believe very strongly that the establishment of the death penalty at this Federal level for these three statutes makes sense for this country at a time of spiraling increases in the murder rate, it makes sense for America.

I also want to digress a bit and talk about our Empire State of New York, because if it makes sense for America to establish that line, that we believe strongly we will not tolerate the murder of another human being in our society, we will not allow the person who commits that premeditated act to remain in the society, I think it also makes sense in our Empire State of New York, and I do not think we can separate crime at the Federal level from the State level.

Eighty percent of New Yorkers, more than 80 percent agree with that assessment, because for year in and year out the statistics are clear. Over 80 percent of the people in our district believe it is time to have the death penalty in New York.

As a member of the State legislature for 6 years, I had the opportunity to vote to establish capital punishment.

My major gripe, unfortunately, was that we have a Governor who does not share that view, who does not understand the needs and concerns of 80 percent of the people of our State, and once again the headlines, unfortunately, tell the story: "Cop's Widow Blasts Cuomo Death Veto. Cuomo Again Vetoes Death Penalty Bill," and on and on. The headlines tell the story. Throughout his tenure as Governor, Mario Cuomo has refused to join with the people of our State in support of the reinstitution of capital punishment.

As I pointed out from these statistics, since capital punishment was abolished in our State the murder rate has risen dramatically, yet the Governor refuses to join with the majority of New Yorkers.

I would like to refer to one particularly heinous crime that I believe underscores the need for capital punishment in New York and also underscores why we need the Violent Crime and Drug Control Act to restore our sense and our system of law and order in this country.

Arthur Shawcross is a 44-year-old Watertown, NY, native and an accused serial killer. Shawcross was arrested for breaking into a store in 1963, for aasaulting a teenager in 1965 and again for arson in 1969. He was sentenced to Attica State Prison, located in my congressional district, and was released on parole in 1971. In 1972, Shawcross raped and murdered 8-year-old Karen Ann Hill and then murdered 10-year-old Jack Blake of Watertown, NY, while on parole for the previous conviction.

He was convicted for a term of up to 25 years in the Greenhaven State Prison. He was described by parole documents as a psychosexual maniac, "for whom prison walls could not be erected thick enough."

Nonetheless, in spite of that assessment and after serving less than 15 years in prison, Shawcross was released on parole in April 1987 by Governor Cuomo's hand-picked and hand-appointed parole board.

Now, in my view, he should never have been released in the first place, and if there ever was someone who deserved to face capital punishment for those murders of those two children, it was Arthur Shawcross, but unfortunately, there is more, because after Mario Cuomo's parole board released him in 1987, he moved nearby to my district in Rochester, NY, after he was run out by outraged citizens from Binghamton and Delhi, NY. Since his arrival in Rochester, a total of 14 local women have been murdered and their bodies dumped in remote areas around Rochester.

Shawcross has been charged with 11 of these murders and is currently awaiting his September trial in a Monroe County jail without bail.

Again, if ever there was an example why New York State needs the death penalty and we need to establish it in our legislation to establish that important line, this man, Shawcross, is the example. This case and what it says about our laws and our criminal justice system is also a clear and compelling reason why the citizens of my community and our Nation need our Violent Crime Act.

Unfortunately, there is an addendum to the Shawcross murder tale. In the months since this horror unfolded and the people of western New York and our entire State have been just absolutely outraged, Governor Cuomo has not acted to change New York's parole system, which everyone agrees is a disgrace. As a result, each and every day the Cuomo administration, through his hand-picked and appointed parole board, is turning out on to our streets, the streets of our cities, our towns, and our villages, more and more potential Arthur Shawcrosses and more and more potential death and violence.

I believe it is time to recognize the tidal wave of murder that is sweeping our communities, our States and our Nations. Our legislation does that. It establishes three important categories of Federal level drug-related crimes to establish the death penalty.

I hope that we can do what New York unfortunately because of Governor Cuomo's veto cannot, and that is to establish that line and establish it now.

Before I finish, I would like to just read several paragraphs from what I think is one of the most timely pieces that I have read from Wednesday's Daily Messenger in Canadaigua, NY, a small city of some 5,000-plus people in my district. I am quoting from the Daily Messenger, an editorial entitled, "Violence in America."

Violence sadly seems to be as American as apple pie. Each year at least 1.5 million violent crimes are committed in the United States, including more than 20,000 murders, a higher death toll than the Soviets suffered during their 9-year war in Afghanistan. A war is also being waged in America and there is little indication that a kinder, gentler Nation, is at the bottom. Of course, they are referring to America's proclivity for violence.

In conclusion, the Daily Messenger Canadaigua says:

It is imperative that we dedicate ourselves to addressing the problem of runaway violence before our country is dragged down further by such intolerable internecine behavior.

The Daily Messenger says it well. It is time for our Drug Control and Violent Crime Act and it is time for it now.

I want to thank the gentlewoman from Staten Island, NY, for yielding to me.

Ms. MOLINARI. Mr. Speaker, I thank the gentleman from New York for sharing his insights on the problem, in particular in our State of New York. While there certainly is no single solution to the problems that we face as a Nation with regard to drugs and violent crime, clearly, and I am grateful to the gentleman for pointing it out, the death penalty is one positive step in the right direction in terms of restraining those criminals and sending an important message to the rest of the our State.

I am also particularly grateful for the example the gentleman gave, because our Governor, as the gentleman correctly pointed out, who continuously vetoes and becomes the only person to stop the realization of the death penalty in New York State, constantly says to the people of New York State that you will be protected by a thoughtful parole system. Clearly, that is not in place. He is responsible for it and we are all in jeopardy for as long as that situation prevails. I thank the gentleman for his time and for bringing that to our attention.

We now shift coats, because there are unfortunately problems of violent crime which know no boundary.

I yield to my colleague, the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Speaker, since we began tonight, and using 1988 averages, there have been 2,160 violent crimes in the United States of America. Of those, there were 1,235 aggravated assaults, 720 robberies, 120 rapes, and 29 murders.

These are not just statistics. These are figures that talk about crime and incidents that are happening to real people.

A few days ago in Los Angeles near my district detectives were arresting a 21-year-old male suspect suspected of several homicides when he intentionally rammed the police vehicle and threatened the detectives with a loaded 9mm handgun. A firefight then occurred and the suspect was wounded.

In La Palma, CA, a few days ago in my district there was a residential rape and robbery. The suspect knocked on the front door of the victim's residence and pretended to be delivering a package. When the door was opened by the victim, the suspect forced his way into the house and raped the woman. Police are still looking for this man who victimized this woman.

□ 0600

Again, just a few days ago in Huntington Beach, a man under the influence of drugs attacked another man with a machete and a gun. In Huntington Beach a cook at a local restaurant was attacked with a knife after a suspect was kicked out for abnormal behavior. Then in Westminster, just a few days ago, there was an assault and battery. Then in Westminster, two people were kidnaped. Also in Westminister, there was an assault and battery on a police officer.

Finally, just a day ago, a 19-year-old female in Huntington Beach was abducted by a person with a gun and taken to a park, where luckily she escaped her kidnapers.

These are stories of things that happened in cities around America, and these are not just happening, as they say, to statistics. These are happening to human beings who have families, people who we care about as their representatives, but people who have loved ones whose lives are changed when they are taken from them.

Mr. Speaker, I'd like to tell you a story about a 9-year-old girl from Orange County, CA. She had shiny blond hair, wide brown eyes, and she loved to read, draw, fish, play nintendo, and eat pizza. Unfortunately, Autumn Wallace will never get a chance to grow up and fulfill her potential. Last week, while waiting alone for her mother to come home from work, she was stabbed to death by a burglar. Her older sister found her, face down, in a pool of blood in the bathroom.

She noticed something else—the burglars took the TV, VCR, and microwave oven among other things. They valued these electronic appliances more than this little girl's life.

It not only can happen in neighborhoods around America and to our own children, it is happening in neighborhoods around America, to everyone's children, just as it happened to Autumn. Autumn Wallace is an example of how violent crimes touch us every day.

In 1986, there were over 34 million crimes reported in America, but only 220,000 criminals were convicted and sent to prison. That is a little over one-half of one percent. That, Mr. Speaker, is criminal.

The statistics are frightening. There is a violent crime every 20 seconds. There is a murder every 25 minutes.

One rape occurs every 6 minutes. An aggravated assault occurs every 35 seconds. Yet the Democrats bottle up President Bush's anticrime package for a whole year. I cannot help but wonder how many violent crimes would have been prevented if Democrats had just allowed us to act * * * might Autumn's fate have been different * * *? Perhaps "America's most wanted" should profile the Democratic leadership as accessories to violent crimes.

We must retake our neighborhoods. If criminals are going to declare war on our children, we have to start fighting back. Using delaying tactics to run away from President Bush's bill and the crime issue shows just how committed the Democrats are to winning the war against crime.

The Republican leadership is taking the lead in the war on crime and drugs. President Bush's bill provides strong leadership and sound policies in this fight, and Congressmen GINGRICH and Senator GRAMM have introduced the Drug and Crime Emergency Act.

If the Democrats really believe we have an emergency situation on our hands, they will bring the President's crime bill up under an open rule. If it takes a full week to deal with all the amendments that would be offered, so be it. This is the only way we can enable the House of Representatives to deal fully with these fundamental concerns.

All of us today, that is why we are here. That is why we have spent the evening and the morning hours with the American people, sharing our concern for crime and their lives and their safety, but also notifying them that there is an option and an alternative that is not being given a chance.

Mr. Speaker, for decades conservatives have argued for strong national security to protect the lives, liberties, and property of all Americans from external threats. Americans displayed the wisdom and strength of character to confront the expansionist policies of the Soviet Union. The United States, and most of Eastern Europe, is now reaping the benefits of our investment—our policies have brought the Soviet empire to their knees.

In the same way we must commit ourselves to a long-term policy to rollback the criminal element in our society. We face an internal threat aimed at destroying the personal security of all Americans. That internal threat is crime and drugs.

We should and we can declare war and win that war against crime and drugs, but we must get on with the fight, and the Democrats must quit trying to bottle up legislation that will help in this fight simply for political reasons.

Mr. Speaker, if we continue to let criminals roam the street and refuse to put them in prison, we are turning our constituents into prisoners—prisoners of fear. The time has come to act. Mr. Speaker, bring the President's crime bill to the floor. One year should be time enough to act. For the sake of our Nation, for the sake of our communities, for the sake of our families, let's pass the President's bill and the Pesident's bill should be brought to the floor.

Let me finish my presentation by noting that this is not a problem with our police departments. This is not a problem with our law enforcers. In fact, the police are doing their job. The criminal justice system is what is broken and needs fixing.

We heard earlier about the exclusionary rule. CHUCK DOUGLAS, our colleague from New Hampshire, a former judge, described how the exclusionary rule is being used not to protect the innocent, but to protect the guilty and to prevent us from doing our job and getting the criminal element and putting them behind bars before they can attack our honest citizens.

What we need to do is fix a system that is broken. Today if someone's family, if a member of any of our families would be killed in a violent crime, the chances are likely that that person who committed that crime had already been arrested at least once, if not on several occasions, for other violent crimes. But that same person would be out on the street committing other crimes.

I happen to believe that this suggests to us that the police are doing their job. The police are doing their job, but the criminal justice system is broken. Once the police have arrested these violent criminals, nothing—well, nothing effective—is being done to prevent them from committing further crimes.

Finally, I would also like to suggest that what we need also is deterrence to drug use as well as enforcement, as well as interdiction. I have proposed a piece of legislation in this body that would let us have an opportunity to provide leadership for America in deterring drug use. I have suggested that we in this body should be able to use our office expenses to drug test ourselves and drug test our staffs as a way of indicating our own commitment to a drug-free America. Yet that piece of legislation that I have introduced has been bottled up in committee.

The committees are controlled by the other party, which has prevented a vote on this issue on the floor. A ranking member of the opposite party suggested that if this bill got to the floor, that it would be passed overwhelmingly. Yet the people in this body who should wring their hands about the crime running rampant in America, refuse to permit a piece of legislation that would demonstrate their own commitment to a drug-free America to come to the floor.

What Congress has done is exempted itself from the war on drugs and a drug-free America. Crime in America so often is a reflection of this attitude of a lack of responsibility, as our colleagues have suggested, and this lack of responsibility flows from an attitude that the individual himself is not responsible for his own actions. That really reflects a fundamental difference in the approaches that different people from different parties take in terms of controlling crime.

The Republican Party believes that we should be controlling the criminals and not the honest citizens. This is a way to bring down crime. It is reflected, this fundamental difference, is the fact that some people in this body call for gun control, which is aimed at taking guns away from honest citizens, while others suggest that the death penalty, which is aimed at criminals who have committed heinous crimes and murders against their fellow citizens, that the death penalty is not a punishment that should be brought to use in protecting the citizens of our country.

I suggest that America get back and recognize the fundamental principle that people have to be accountable for their actions. When we make the criminals again accountable for the deeds that they have done and punish them for those deeds, we will indeed have crime under control again in America.

I think the first step we can take in this direction, and a positive step that we can take at this moment in this body, is to demand that the President's anticrime bill be brought to the floor and that we be given a chance to vote on this piece of legislation that is based on this fundamental principle of responsibility for one's actions, and a bill that will protect the lives and property of the American citizens and try to get the crime epidemic under control.

Ms. MOLINARI. I thank the gentleman from California for providing us and sharing with us and certainly demonstrating his level of frustration and putting it into correct focus as to where we can move from here and where some of the many solutions lie on the floor of the House of this Congress.

As a final wrap-up, I would like to yield the balance of my time to my colleague from Texas.

Mr. BARTLETT. I thank the gentlewoman for yielding and picking up on the conclusion of what the gentleman from California said. There is one additional thought that needs to be placed into the mix, and it was a thought that was summed up as best I have ever read it by a psychologist named Stanton Samenal in a book entitled "Inside the Criminal Mind." It really does reflect an approach to

criminal justice and law enforcement and the protection of victims that is dramatically needed in this body, in Congress, and in criminal justice laws that need to be passed.

The thought is, to quote Mr. Samenal, that criminals cause crime, not bad neighborhoods, not inadequate parents, not bad television, not bad schools, not drugs, not unemployment, and not poverty.

The fact is that we should fight poverty because it is bad and it hurts people anyway. Drugs are bad and they hurt people. We are against unemployment and that hurts people. But most poor people are not criminals. Most poor people in this society are victims of criminals. Most illiterate persons are honest, hardworking citizens, who are victims of criminals, and not criminals.

So as we look at the criminal justice legislation, we ought to keep in mind that it is criminals that cause crime and criminal justice has to be aimed at deterring those criminals.

Ms. MOLINARI. I thank the gentleman from Texas. If I may, Mr. Speaker, I just want to wrap up by thanking all of my colleagues from major cities for sharing their stories, analysis, and anger. The problems of all of America are historically magnified in our cities. When we are speaking in terms of drugs and violent crimes, however, this magnification is realized in death, decay, and urban blight.

□ 0615

This fight is occurring in virtually all of our major cities, and, if we do not wake up in Congress and lawmakers at all levels continue to assume the cavalier, do-nothing attitude and fail to act, New York City, all of our cities, will be graveyards for the helpless and the hopeless. I pray we act in time, Mr. Speaker.

ALL-NIGHT CRIMEWATCH

The SPEAKER pro tempore (Mr. PICKETT). Under a previous order of the House, the gentleman from Texas [Mr. BARTLETT] is recognized for 60 minutes.

GENERAL LEAVE

Mr. BARTLETT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BARTLETT. Mr. Speaker, I rise to continue the necessary and essential debate in this Congress that is occurring on this all-night special order tonight but has not yet occurred on any of the committees in Congress or on the floor of the House of Congress. The fact is that the criminal justice legislation that would deter violent crime in this society has languished in this Congress and in previous Congresses for far too long.

I want to begin, as we begin about 6 o'clock in the morning, I want to begin where we started last night at 6 o'clock last night, and that is as a reminder that the significance of this date is that 1 year ago yesterday President Bush sent to Congress a criminal justice reform bill that would in fact have saved some lives over the last 12 months had Congress enacted it, had Congress considered criminal justice legislation, and had Congress begun to consider a crime bill. We are going to talk during this special order a good deal about accountability, a good deal about holding criminals accountable for their own actions, but I think we ought to remind ourselves that the first thing that we need to do is to hold ourselves, to hold our elected officials, accountable for our lack of action.

Now, Mr. Speaker, I have asked my district director, who is in Dallas, in the Dallas area, to contact the Dallas Police Department, which she has done, and to work all night, which she has done, with the Dallas Police Department attempting to chronicle and to describe some real live incidents that hurt and abused real live victims of crime in one city in America. She has done that working at it since at about 6 o'clock yesterday evening. She has reviewed just in the last 18 hours—she has personally reviewed 76 cases of violent crime against individuals in Dallas, TX, alone. That includes all types of criminal incidents, some more violent than others, but all of them hurting people and with real live victims, and she reports to me this morning that in fact she has only scratched the surface in the number of criminal actions that have occurred over the course of the last 18 hours. She has traveled on two different, ridden in two different, squad cars in two different parts of the city. She did that between 8 last night and 12 midnight. She reports that the police have told her that in their opinion of the cases she has reviewed some 75 percent of them are drug related, and I would remind us that the bill that President Bush sent and the bill that the gentleman from Pennsylvania [Mr. COUGHLIN] has submitted, that we are waiting for action by the Committee on the Judiciary, in fact links violent crime and the use of illegal drugs in this society because in fact they are linked on the streets.

Mr. Speaker, we can pretend that it is not so, and we can make up all kinds of other comments, and excuses and reasons about poverty and unemployment, but we do not from the streets that illegal drugs and violent crime are linked and are related on the streets, and they are related in terms of the criminals that are hurt.

Let me describe to my colleagues briefly some of the incidents that Mrs. Johnson did see, either personally witnessed or has reviewed the reports, and I want to remind my colleagues that these are incidents that have happened since 6 o'clock last night. She did not go to the police files, or to the newspapers or to some kind of a quantity statistical index and try to pull out the most egregious events that happened in the last year and to go and try to find stories that have happened to victims over the last year or the last week. We just went down to the police station last night at 6 o'clock, and rode in different squad cars, and sat since 1 o'clock this morning with the dispatcher listening to the reports of the crime that came in on her beat, and she visited, among other things, and in the squad cars they visited and raided two separate crack houses. The crack houses were not difficult to identify. The police car would enter the street. The eyes, typically juveniles, posed on the street would yell the word "headache," and everyone involved in drug dealing would run away.

Mr. Speaker, at one of these houses police seized a duffle bag filled with crack. They confiscated $1,000 in $10 bills from a 10-year-old. This officer told Ms. Johnson that 10 years ago they arrested suspects aged 18 to 8, and now the suspects are aged 7 to 17. Juveniles are used on purpose because of their shorter sentences. The fact is that these juveniles are recruited, and sometimes forceably recruited, into criminal activities by these drug gangs who oftentimes force the juveniles into their service.

Yesterday, and just again relating some of the incidents that have occurred in one city alone in America, just since 6 o'clock, since yesterday afternoon, yesterday afternoon at 5 o'clock a suspect was driving a pickup truck at a high speed, and he shot a passenger riding in the cab of another pickup truck next to him hitting him with his gun in both kneecaps. Police anticipate that it was a drug deal that was involved. Later on this evening, at 12:20 a.m., shortly after midnight, a complainant was waiting outside his girl friend's apartment, building 4, when a suspect appeared and threatened him with a baseball bat, beat him severely, and chased him down to the street to a phone booth where he called the police. Three teeth were knocked out, and 11 were loosened. At 11:43 p.m. there was a shooting at an apartment complex. No details are yet available. At 4:35 p.m. yesterday afternoon, three people were in their apartment when a suspect knocked on the door, and they opened it. The suspect began cursing. He drew a large knife

and stabbed one individual in the left side of his back and on his hand. The complainant is hospitalized in critical condition with paralysis on his left side. The suspect fled and is still at large. At 1:45 p.m. yesterday afternoon, the middle of the afternoon, the suspect came, arrived at a used car dealer and pretended to be interested in purchasing a car. He went in the dealer's office with the dealer, produced a gun, held the gun on him and forced the car dealer to surrender his cash. No arrest has yet been made. Yesterday afternoon, right after noon, p.m., right outside my district office, incidentally where my own office is located, an individual intentionally rammed another person's car. The complainant tried to get away by driving faster. The suspect followed him and kept ramming his car until the complainant lost control completely. The car spun around, overturned three times and went down an embankment, overturned again, traveled 200 feet until finally coming to a stop. The passenger who was—one of the passengers, the complainant's 7-year-old nephew, was thrown from the car and died in the hospital from multiple head trauma. At 12:35 p.m. a 31-year-old male was arrested on R.O. Thornton Freeway. He is now being held on murder charges.

Mr. Speaker, my point of citing all of these incidents almost at random is to remind us that we have an epidemic, that very real individuals in this country are being hurt and abused, and in this case murdered every single day, every single hour, and they are real, and that the American people are looking to their political leaders for help, for leadership, for some action and no more excuses for real legislation that would make a difference to begin to put some of this—to begin to deter this crime and to provide some protection.

Mr. Speaker, I yield to the gentleman from Louisiana [Mr. LIVINGSTON], my friend.

Mr. LIVINGSTON. Mr. Speaker, I appreciate the gentleman from Texas [Mr. BARTLETT], my friend, yielding to me, and, as he has eloquently pointed out, crime touches all of us. It touches the poor, and the elderly and the helpless in the inner city. But it also touches the suburbs.

As my colleagues know, so many people think, well, they are making a few bucks, and they are immune to this sort of thing. Just the other day a very prominent American in New York got held up at gunpoint in her apartment.

I might say that a fellow from New Orleans that I have known for some 20 years; a kinder, more decent person one could never find that Israel Trussman. Now Israel Trussman owned a few pieces of property, lived in a quiet neighborhood in a section called Lakeview in New Orleans and was walking in front of his house after work, just strolling along, got about half a block from his house at about 5 o'clock in the afternoon, and some fellow drove up, demanded money from him. He was in his shorts and T-shirt, and he kind of put his wallet back on his dresser when he came home from work. He did not have any money, and they just shot him, and they killed him, and his family grieves today, and to this day nobody has been arrested, no suspects because they get away clean, and that just goes on and on.

I have a good friend who is a photographer in town in the city of New Orleans who a few years ago lost his son who went to a bar at about 7 or 8 in the evening, had a date, guy rides by on a bicycle, a 12-year-old kid, steals the girl's purse, and the guy takes about four steps, yells at the kid, the kid turns around and unloads on him with a .38 caliber pistol. Those stories unfortunately are far too frequent. Nobody again is immune.

Just here in Annandale, VA, there is a lady, and I will call her Mrs. Lee. She is a Chinese lady, but Mrs. Lee was home. The rest of her family were out. She was cleaning her house at about 7 o'clock in the evening, and five members of a Vietnamese gang burst into her house unannounced. It actually was a Sunday night, very peaceful. The neighborhood was as peaceful as one could ever imagine. But they burst in on her, they tied her up, they gagged her, threatened her. Luckily none of her family came home. She was worried to death that her son might come home, and she was absolutely convinced that, had he been home, they would have killed him. But luckily no one came home, and, after stealing all of the valuables that they could find in her household, they departed, and, although roughed up, she was very, very fortunate to have survived that attack.

Mr. Speaker, crime affects every walk of life, every human being in this country, every family, in one way or another either directly or tangentially. In the meantime bills languish right here in this House and are left unattended and unpassed without intentions by the leadership, the Democratic leadership, of this House of Representatives. Presumably the same thing happens in the Senate, but they will have to answer for themselves.

Mr. Speaker, the Democrats control the Senate as well, but I would point out that I think the gentleman from Texas [Mr. BARTLETT] has a stack in his hands, and I have a stack here of approximately 111 bills filed by Republicans and Democrats to address this incredible crime issue and try to alleviate the oppression of crime on the victims throughout America and every walk of life, and yet the bills sit in committee unpassed, unattended to, and without any success whatsoever. Mr. Speaker, I see the gentleman from Texas [Mr. BARTLETT] has a stack in his hands. Perhaps he would like to tell us what he has there.

Mr. BARTLETT. Mr. Speaker, the gentleman from Louisiana [Mr. LIVINGSTON] is correct. The fact is we in Congress know what it is that we ought to do, but legislation is languishing and has been for some time as we pretend that somehow Congress has no role in this entire thing. I have a stack in my hand. I just sent to the document room late yesterday afternoon, to the U.S. House of Representatives official document room, and just asked for a list of the bills that have been filed and introduced affecting drugs and violent crime. There have been, as the gentleman from Louisiana [Mr. LIVINGSTON] said, there have been 111 of them. All of them referred to the Committee on the Judiciary, some to the Committee on the Judiciary and to other committees, and the one thing, two things they have in common is first is that these bills, 111 of them, would help. These bills would help, and some are better than others. Some would help more than others. Some would take on child pornography, some would take on drugs on the crime committee with the firearms. Some would take on habeas corpus. But each one of them has an approach that would provide some additional protection for victims so that perhaps this 7-year-old child that was killed yesterday afternoon outside of my district office, incidentally, would not have been killed, and the second thing they all have in common is they are all sitting there. None of them have moved. None have been marked up. None have a chance for amendment. None of them come to the floor. None have been considered. The only thing we hear about these bills is that somehow Congress cannot, or should not or is not doing anything at all.

I would say to the gentleman from Louisiana [Mr. LIVINGSTON] that in just looking at the bills at random, H.R. 3417 by Mr. GREEN of New York which provides penalties for persons who use children for pornography. DORNAN of California, H.R. 579 to protect victims of child abuse. H.R. 3322 by OXLEY of Ohio to enhance penalties for possession or use of a short-barrel shotgun or semi-automatic during a violent crime.

□ 0630

H.R. 2086, by LOWERY of California, penalties for kidnaping of children.

House Concurrent Resolution 27, by CRANE of Illinois, expressing the sense of the Congress that Americans should be allowed the right to bear arms as stated in the second amendment.

H.R. 3918, DENNY SMITH of Oregon, the death penalty, and other amendments to current criminal laws for violent crime.

There are 111 of them. We have not heard of any of them.

President Bush sent a major omnibus reform 1 year ago.

The gentleman from Pennsylvania [Mr. COUGHLIN] has introduced legislation, 111 different pieces of legislation, Republicans and Democrats alike, simply continues the language in committee.

Mr. Speaker, I yield to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. Mr. Speaker, I thank the gentleman for yielding to me, and I echo his remarks. There are lots of people who are dying out there in America needlessly. If Congress would get off its backside and if the leadership of this House and of the Senate would simply start passing some of these bills, we might save a few lives.

The gentleman has read off a number of Republican bills, but this is not a Republican-Democrat issue in terms of bills filed, because the gentleman from Illinois [Mr. RUSSO] has introduced a bill for mandatory penalties for firearms offenses.

The gentleman from South Dakota [Mr. JOHNSON] would give funds to the States for a boot camp project to demonstrate alternatives for persons convicted of nonviolent offenses.

The gentleman from West Virginia [Mr. WISE] sets procedures so that the States' law enforcement may purchase certain equipment for purposes of drug enforcement.

The gentleman from Florida [Mr. FASCELL] would provide mandatory minimum sentences for illegal manufacture or distribution of certain specific types of drugs, and so on and on.

The gentleman from New Jersey [Mr. HUGHES] would amend the forfeiture funds and provide technical, administrative, and clarifying amendments to assist law enforcement to do its job.

Altogether, there are many, many bills. These are Democratic bills. The gentleman read off the Republican bills, totally some 111 bills which are going nowhere, are sitting in committee.

One prominent Member of this body joked, he said, "My goodness, there are more bills than crimes." I do not think this is a joking matter.

I think if you look up at that board and listen to the Members who have come before this body today and this last evening and talked about the heinous offenses that are going on at this very moment throughout these last hours and every minute of every hour of every day as time progresses throughout this great country of ours, you have to understand that this is no joking matter. We have people who are suffering and that suffering can be alleviated if only this legislative body and this Democratic leadership will do its job.

Mr. BARTLETT. Mr. Speaker, I think the gentleman is correct. The fact is one could say there may be one group of Congressmen in this body who are more abused than Republicans, who have introduced crime bills that will never see the light of day or be considered, and that is because Republicans, at least, could say we are in the minority and so the majority of Democrats may not want to consider these bills, but there is another group that is even worse, and that is the Democrat Congressmen who have introduced crime bills, because their bills are sitting there also. They should feel even more abused.

But the real people who are abused by the process are the American people, or the man who was driving down the LBJ Freeway and had his 7-year-old nephew killed by a criminal ramming his car, or the three people who opened up their apartment door and found themselves confronted by a knife-wielding attempted murderer, or others who are victims every day in every way in every city and in every county and in every part of America in some part because Congress and public officials have failed to do their jobs.

I yield to the gentleman from Pennsylvania [Mr. GOODLING], who is the ranking Republican on the Education and Labor Committee, on which I serve.

Mr. GOODLING. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I am not concerned about Rome burning while the Congress fiddles. I am concerned about cities and towns all across this Nation disintegrating because there is little leadership provided to do something about the crime statistics that are growing constantly.

About a year ago a lovely couple from my State of Pennsylvania visited me in my office here in Washington. They had just gone through a horrible time in their lives because their daughter had been murdered in her own dormitory room on a college campus, also in Pennsylvania. They were spending this past year crossing this country time and again pleading with State legislatures to do something on the State level to enact a crime awareness bill.

They then said that since they were not getting too far, although many States have now become involved, they need a national law. They pleaded with me to introduce one here in the Congress of the United States. Fortunately, we were able to put together a piece of legislation that we hope will help answer the questions that parents and children all over this country are asking. Hopefully, it will have some effect in preventing crimes from happening, but I realize in our committee we do not have the jurisdiction to pass out of committee a tough anti-crime bill. There are other committees in the Congress of the United States that have that power.

While we were putting together this piece of legislation, we were studying statistics, statistics that I did not realize existed until this family came and asked me to get involved. The statistics read as follows:

An article in Black Issues in Higher Education estimates there are 6,000 rapes every year on college campuses. It is believed this number is very low because many rapes are never reported.

I might add that two young ladies who were victims of crime and victims of rape came before our committee and testified. They had the courage to do that. They apparently had more courage than we have in the Congress of the United States.

It says that these testaments are probably very low because probably only 10 percent of the rapes are reported—6,000 were reported, and that may be only 10 percent.

A University of Arizona study found that one in four women is the victim of a rape or attempted rape every six months.

A three-year survey conducted by MS Magazine and the National Institute on Mental health found the use of drugs and alcohol to be especially prominent in cases of rape and sexual harassment. They surveyed more than 6,100 undergraduates and found that 75% of the men and 5% of the women had been drinking or taking drugs before the attack.

USA Today (10/4/88) reported there had been 80 gang rapes on college campuses over a three year period. This information came from the Project on the Status and Education of Women. Ninety percent of the gang rapes occurred at parties where heavy drinking took place.

In a recent study on Victimization performed by the Towson State University's Center for the Study and Prevention of Campus Violence for NIJ, the typical victim was most often a white female, a litle over 21 years of age, who worked, owned a car.

In the same study, it was found the perpetrator to be a white male under the age of 19 who was a resident of the campus, a fraternity member, a member of an athletic team, who used alcohol and other drugs.

USA Today did their own poll for a series of articles of campus crime. They found one in every four college students becomes the victim of a crime on campus. Between January, 1987 and September, 1988, there were 31 murders, 1,800 armed robberies and 13,000 physical assaults on college campuses.

As I indicated, we did report out a bill. We did pass that bill in the House of Representatives, but again it is a bill dealing with awareness. We in the Committee on Education and Labor do not have the jurisdiction, do not have the power to present a bill to the Congress of the United States that would get tough on crime, get tough on those who perpetrate crimes.

So we would plead with those committees who have that jurisdiction, not only the President's bill, but others that are waiting for action, to provide the kind of leadership that the American people expect of Members of the Congress of the United States.

So I thank the gentleman from Texas for taking this special order and for yielding me some time to talk about college campus crimes, crimes that we very seldom ever hear about, crimes that most people think do not happen.

Most people send their young folks off to college believing that this is a safe haven, only to discover that it is not at all, and only to discover that colleges and universities hide these statistics, rather than get tough about what causes these statistics. They do that because they are in a competitive market to attract students and that is more important to them, apparently, than to really do something about crime on their campuses, to enforce drinking and drug laws.

So again I would call upon those who have the jurisdiction to bring forth tough crime legislation, to do that, to live up to the responsibility they have to provide that kind of leadership to the people of the United States.

Mr. BARTLETT. Mr. Speaker, I thank the gentleman for his eloquence and his comments.

I yield to the gentlewoman from New York [Ms. MOLINARI], a new Member of Congress, but who already has made quite an impact on this body.

Ms. MOLINARI. Mr. Speaker, I thank the gentleman for yielding to me and for bringing us together for another hour.

There seems to be a growing feeling throughout the Members who have come forth and testified for the last 12 hours wondering how much more the American public is going to tolerate. That is what this is really all about. How much more are they going to take before they say to the U.S. Congress, "Let's stop talking and let's start acting."

The trouble is the American public tolerates a hell of a lot. We have talked tonight about a lot of the problems of being in the wrong place at the wrong time if someone on crack wants your money, wants to rape you, wants to do something because you are at that spot.

But what about the phenomenon that is taking place now through the mindless use of crack that is creating a whole new group of victims. We are calling them mushrooms now, people who just happen to be in the way of a stray bullet.

Most of the victims do know their slayers, unfortunately, in society, but the tragedy of our time is exemplified by the death of innocent bystanders, drug kingpins who have such disregard for human life now that they spray bullets on a neighborhood to fight for the market share in the drug business or just to send a message of fear.

On Saturday night here in Washington, DC, three gunmen sprayed bullets on an apartment complex near Union Station while children were playing outside. Fortunately, no one was killed, but one man was shot in the face and seriously injured, and the message of fear was reinforced again and the threat of crime and drugs on our streets was once again reinforced.

Mushrooms, people who pop up unexpectedly in the line of fire. In March of 1988 a 19-year-old woman using a pay phone in the Bronx was killed by a stray bullet.

In April of 1988 four men armed with machineguns sprayed a crowded Brooklyn intersection with more than 30 bullets, killing two men.

A doctor recently died in a Bronx apartment house standing at a window from a bullet ricocheting off a parking lot.

The fear of streets and violent crimes rules life for many living in drug infested neighborhoods and these neighborhoods are multiplying every day. At night gun fire is a common sound all over America, and all one can do is stay inside or run out of the way.

I want to read just a little excerpt from a story in U.S. News and World Report that talks about the Millers. The Millers are an average family who thought that they had taken all that they could take. Then they started to see all these incidents of mushrooms happening, people popping up in the wrong place at the wrong time.

Mr. Miller said, "I used to send my son out after dark to pick up a bottle of milk at the nearby store. Now not only will I not ask him to go out, but I would not go out unnecessarily myself."

□ 0645

At the same time, and this is the real cancer in America right now, at the same time, he fears for his family's safety, Miller worries that he and his family and friends are becoming dangerously indifferent to the violence that surrounds them. And why should they not?

Obviously, Congress has become the same.

The height of it, Mr. Miller says, was about 3 months ago, "When I saw a man dead with a bullet wound in his head. I remember how I used to feel if I say a dead animal in the road or something, I could not eat. But this just sort of struck me as routine, like I almost expected to see it."

That is where we are in America today. We expect to see it.

I am grateful to the leadership of this House. I am grateful to the gentleman from Texas for yielding time so that we can finally send a message to America that this Congress expects to stop it, that with action upon the President's crime bill, with the recognition from our colleagues on the other side of the Chamber, the American people, while they are waking up this morning and turning on their TV sets, will also serve to wake up our Democratic colleagues and say that we will not tolerate it any more, we will not be the mushrooms, we will not be the indifferent people, we will not allow our sons and daughters to be the next victims; we demand too much out of this country, and certainly and hopefully they will expert more from this Congress.

I thank the gentleman.

Mr. BARTLETT. I thank the gentlewoman for her time and her comments.

I would like to yield at this time to the minority whip, the mastermind behind this special order and the one who continues to call to the attention of Congress and the American people that Congress is languishing and is doing nothing at all while America is being killed and raped and assaulted and robbed as victims of violent crime, and yet Congress continues to fiddle while America burns.

I yield to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Let me thank the gentleman from Texas for yielding.

I also want to thank the gentleman from Wisconsin [Mr. GUNDERSON], whose work organized this entire night of speeches, and the gentlewoman from New York [Ms. MOLINARI] and the gentleman from Pennsylvania [Mr. COUGHLIN], who, as the ranking Republican on the Narcotics Committee, has been a very active leader in helping make this night an important one.

I want to remind our colleagues that this all began when a number of us were trying to get the Democratic chairman of the Committee on the Judiciary to report the President's crime and drug bill, and he made the comment on the House floor that there are more crime bills than there are crimes, and we decided to prove in one night that, in fact, there are tragically too many crimes in America.

During the course of tonight, over 200 crimes have actually been reported to this House from around the country, a very small percentage of the total that were committed, but, for example, in the Atlanta area last night between 9:30 and 10 o'clock, police cornered a lone gunman near Rocks Point Plaza in Atlanta. Luckily the man surrendered without causing injury to anyone. In Stockbridge, GA, a lone man walked into a bank yesterday

afternoon and threatened to detonate a hand-held bomb. The man escaped with an undetermined amount of money and is still at large. In Clayton County, Chief Ronny Clackem reports nine thefts and one burglary during the night. In Paulding County, the Sheriff, Perry Grogan reported on five burglaries taking place. We have had two reports of shootings in the early morning hours in Atlanta. A gang driving in a Cadillac and dressed in the all-black style of the Red Dog Squads took shots at the Superior Club in Northwest Atlanta around 2 a.m. No injuries were reported. There was also a shooting in an Atlanta housing project this morning around 3 o'clock, and we do not have the official police report details yet.

In the last few days, just let me report what has been happening in the Atlanta area.

The Atlanta Police Department has released the crime figures for the first 4 months of this year. From January through April of 1990, Atlanta was the scene of: 82 murders, 198 rapes, 2,768 cases of aggravated assault, 5,229 burglaries, and many other crimes, including thousands of incidents of robbery, larceny, and auto theft. Many of these crimes turn out to be drug-related.

Let me just report on some of the crimes which have occurred in the past week or so:

Last Thursday, a 22-year-old woman in southeast Atlanta was charged with murder and drug possession after shooting a man who tried to steal her car. The man died Wednesday of a gunshot wound to his head.

A 40-year-old man in Woodstock, GA, admitted last Friday that he was paid $5,000 and one pound of cocaine to torture and murder a Cherokee County couple. The contract was taken out because the couple had allegedly stolen drugs and money, and the victim wanted to pay them back.

Suspects are still being brought in for the gang-killing of two teen-agers and a young man in my district in south Fulton County. The murders were carried out execution-style by a gang known as the "robbery crew" because they made a living by robbing drug dealers of their fortunes. Five suspects have been arrested so far. Two of the suspects are teen-agers, and all of them under arrest are already on probation, parole, or under supervision by the juvenile court.

A 47-year-old man in Rome, GA, was picked up just 9 days after being released on parole. In 1978, this man had been sentenced to life in prison for the shotgun murder of his father-in-law. After serving only 12 years and 4 months, he was released on parole, and 9 days later he assaulted a girlfriend, pointing a shotgun at her and threatening to kill her.

A 30-year-old Forsyth County man was charged with aggravated assault after he shot and wounded his roommate during an argument last Friday.

In my district in College Park, a 29-year-old man was recently charged after breaking into his girlfriend's apartment and beating and raping her.

A rape in Marietta, GA, last Monday may be one in a string of serial rapes in the Atlanta area. Three women and two 15-year-old girls have been raped in the area since late May. All five victims have given police a similar description of their attacker, and all were threatened at knife-point.

Last Thursday, a drug bust uncovered a drug and bribery scandal in the Fulton County prison system. Arrested during the bust were an investigator for the county defender's office, two work supervisors of the Bellwood County work camp and two former guards of the Bellwood camp. The investigation leading to this bust uncovered evidence of drugs being smuggled into the camp and bribes being paid so that inmates could have sex outside the camp when they were supposed to be working.

Just yesterday, two young men were arrested in southwest Atlanta and charged with drug trafficking. Police confiscated 92 hits of heroin and 30 hits of cocaine during the bust.

The Atlanta Journal Constitution even reports that burglaries in churches are on the rise. In one recent weekend four churches in the Atlanta area were hit by burglars. According to police, the thieves are looking mainly for cash, office equipment, and electronics. The Cameron Street Christian Church recently had a $900 P.A. system stolen. The Shrine of the Immaculate Conception no longer keeps it doors open 24 hours a day as it used to. In many downtown churches you have to ring a bell to be let in.

Mr. Speaker, when people can no longer go to their churches to pray because crime has gotten so out of hand, I would suggest that this emergency threatens the very existence of our society. As my friend, the gentleman from Pennsylvania, commented at the beginning of this vigil, our national portrait is losing its color. It is now up to Congress to repaint that portrait by passing wise laws and so ensuring the existence of our society.

When we have the kind of callous attitude that the Democratic chairman of the Committee on the Judiciary exhibited in refusing to report out the President's crime and drug bill, a bill which I might point out has been locked up in the Committee on the Judiciary for 1 year as of this morning, 1 year ago today, the President of the United States had his bill introduced by Congressman BOB MICHEL, and the Democrats have had a year to report that bill. Nothing has been done on it, and it has a human consequence. This is not just the kind of thing you see in a movie. These are not just stick figures or animated figures. This is not Dick Tracy or Miami Vice. These are real human beings, I know this, because one of them is a volunteer who has been working on my campaign, Wanda Tschudy, who has been a constant victim of Congress' inaction on crime.

Wanda and her husband worked hard, saved their money, and were able to build their own house in Jonesboro, GA.

During a 15-year period, Wanda and her husband have been the victims of 23 separate incidents of burglary or theft—more than one break-in for every year that they lived in their home. The most recent incident was in February of this year. Wanda's husband walked into their home and discovered a young man ransacking the bedroom in search of their valuables.

Mr. Tschudy chased the burglar out and was able to apprehend him. As it turns out, the man had been on probation after committing similar crimes in the past. In fact, in every incident where a suspect was apprehended in relation to a crime at the Tschudy's, that suspect had been on parole or on probation.

The Tschudy's have spent hundreds of dollars on security systems for their home. In addition to these expenses and the great losses incurred from 23 thefts in 15 years, the Tschudys are now unable to obtain theft insurance. After making two claims on their insurance company, they are no longer able to be insured against theft, so all of their losses have come directly out of pocket.

Mr. Speaker, I think the experience of Wanda Tschudy in my own home town illustrates an emergency of crisis proportions that we are also experiencing on a national level.

Just last night in Clayton County—where Wanda Tschudy lives—there were eight thefts and one incident of burglary. I certainly hope none of them were at the Tschudy's house. They have suffered enough, and so have the American people.

Mr. Speaker, let me say this in conclusion: crime has gotten bad enough in America that 53 percent of the American people actively take steps to change their lives to avoid being victimized. Think about that, 53 percent of the people of this country actively take steps to avoid becoming victims of crime on a daily basis.

Clearly we are failing to provide the personal security which was implicit in the Constitution. We have not provided for the common welfare in the most basic sense.

I would hope that after this evening's effort and this mornings's effort, having spent all night trying to bring to the American people, trying to bring to the Congress, just how serious the crime and drug problem are

that we will now get the Democratic leadership to commit that they will bring a bill to the floor which will give the Congress a chance to pass the President's crime and drug package and to pass an improved version.

I very much appreciate the gentleman from Texas yielding me this time, because I think that this is an opportunity for the American people to realize that if they will call their Congressman and their Senator, if they will be as involved in getting Congress to pay attention as they are involved in having to try to avoid crime, that maybe we can get the Democratic leadership to agree to schedule the crime and drug bill.

Mr. BARTLETT. I thank the gentleman for his time and leadership on this issue and would note that the gentleman from Georgia, along with Senator GRAMM of my State in the Senate, has introduced one of the most far-reaching and progressive criminal justice bills that has been introduced this entire session. It provides for both user accountability, and a certainty of incarceration, and a certainty of punishment, and a variety of other changes that will, in fact, protect victims of a crime in this country. I thank him for his leadership on that.

The gentleman cited some real incidents that have happened in Atlanta and in Georgia in his district just overnight.

I cited some other ones that happened in Dallas overnight. I cited earlier that, when I started this special order, that my district director had chronicled and made a list of and had described 76 different index crimes that had occurred in Dallas alone in the last 18 hours, and I noted that that 76, that that is not all the crimes that occurred. It is just all that she was able to make a list of and to make a description of.

Since I have started this special order, I have received in about the time that the gentlewoman from New York City was reporting on the phenomenon of mushrooms, that is, innocent bystanders, I received a report from Dallas that the police report came in that at 11:40 last night a young woman was standing outside her apartment building in Dallas, TX, minding her own business. Two men down the way apparently were having an argument over drugs. The argument resulted in one man running away from the other. The one who was standing then turned and pulled out a pistol and shot at the one who was running, missed the other involved in drug dealing, but hit the woman with the gun, with the gunshot, and wounded her and sent her to the hospital. Both men fled the scene, and they have not been apprehended. That was a mushroom in Dallas standing minding her own business.

That report came in as the gentlewoman from New York [Ms. MOLINARI] was describing the phenomenon.

The fact is that we can do something about it. We cannot, I think, by passing laws eliminate all crimes, every single crime forever, but we can pass some laws that will make a difference, that will change behavior in this country and that will hold criminals accountable for their own actions and that will make some progress.

I want to note that one of the things that individuals can do is to call for this Crimewatch, to call the House office, the U.S. House of Representatives operator, area code 202-224-3121, for two things, first, to report crimes that have occurred recently, either overnight in your hometown or in the last week in your hometown and, secondly, to demand that your Congressman demand action by Congress, and after this special order is over, I think I would urge, and the rest of us, and the rest in this special order would urge, that you call your Congressman or Congresswoman tomorrow to demand to know what he or she is doing to move this bill out of committee.

At this time I would like to yield to the gentleman who started this, the gentleman from Pennsylvania [Mr. COUGHLIN], who started this special order last night, because he has introduced the legislation that it is my hope will begin to move forward, that will provide some protection for victims against crime in this country, the gentleman from Pennsylvania [Mr. COUGHLIN].

Mr. COUGHLIN. I thank the gentleman from Texas.

I would just like to call attention to two parts of the President's program that I did not have a chance to discuss earlier this evening.

One involves treatment. The President's proposed legislation would require States to have comprehensive treatment plans. Let me tell everyone why this is important. My wife, in addition to working full time, works and does volunteer work at Children's Hospital here in Washington, DC.

The number of crack babies and the number of boarder babies that are there because their parents cannot take care of them because their parents are drug addicts is absolutely heart-rending. It is heart-rending.

We go to New York as the Select Committee on Narcotics Abuse and Control and hold hearings on treatment there. What did we find? We find there are treatment slots available, but they vary all over the lot in terms of the quality of the treatment.

For example, at one methadone treatment center in New York that we talked about and had testimony about, they gave the methadone to the clients to take home. They did not administer the methadone at the treatment center. They gave it to them to take home.

□ 0700

When they walked out of the treatment center, the first thing they did was sold the methadone, because the methadone itself is a narcotic.

The people at the treatment center said, when we asked them what we can do to help you, they said, "Get the drug dealers off the streets right outside the treatment center."

In order to confirm that indeed the patients at the treatment center are staying clean of drugs, they are requiring them to bring in urine samples. The urine samples, however, were not taken at the center. They could bring them in from home. That hardly is very conclusive proof that you have been clean and have not been using drugs at these treatment centers.

In Florida, the gentleman from Mr. LEWIS' territory, we held hearings down there. We had testimony about one woman who had delivered her seventh crack baby. Her seventh crack baby. Nothing required her to undertake a treatment program. Nothing.

So the President's program requiring States to have treatment plans, indeed requiring the States to have some kind of civil commitment perhaps of those who are delivering crack babies time after time after time, has been languishing in the committee.

These are facts. These are real things. That treatment plan is still not acted upon by this Congress. That is a crime in itself. It is a crime that we have not done something to provide for adequate treatment for the mothers, for the people who are addicts, for people who cry out for treatment.

It is not that there are not slots out there. The GAO tells us the slots are there. But the quality of the slots varies all over the lot.

What the President's legislation would do would provide some accountability in those slots so that we would have better treatment programs.

Let me touch on a second subject, if I may, for just a moment, and that is the President's Andean Initiative.

The big problem today and the drug of choice is indeed cocaine. The coca leaf and cocaine is produced in only three countries in the world, only three, in Peru, in Bolivia, and in Colombia.

Most of the refining of that coca leaf into coca paste and into cocaine hydrochloride is done in laboratories in Colombia. Those laboratories are easy to identify. They emit a lot of heat because it takes a lot of heat to produce cocaine hydrochloride from the coca leaf.

They can even be identified by satellite imagery. What the President has proposed is to try to give the governments of Colombia and Peru and Bo-

livia the aircraft, the communications equipment, the night vision equipment, and the ability to get at those laboratories which are the choke point of the cocaine trade.

We were down in Colombia last December. If you want to see fear on the faces of people, you only have to look at the faces of the people of Colombia. They never know when they are going to be blown up. Their FBI building, just like our FBI building down the street here, was demolished by tons of explosives set off right outside of that.

They have lost their Chief Justice of their Supreme Court. They have lost nine other Justices of their Supreme Court. They have lost their chief law enforcement officers. They are all victims of the drug cartels in Colombia.

Yes, the legislation to allow us to provide the law enforcement assistance to Colombia, to provide waivers of the requirements that we have in our laws, to allow us to give that assistance to Colombia and to Peru and Bolivia, is still bottled up in committee. We need to do something to allow the brave people of Colombia, President Barco, who has risked his own life to provide a war against the drug dealers in Colombia, and his newly elected successor, they deserve our help, deserve the help of this Congress and this country, to try to cope with those drug dealers who have fear in the eyes of every Colombian.

I thank the gentleman for the time to qualify those two things.

Mr. BARTLETT. I thank the gentleman for his leadership. The gentleman is saying that the Colombians are taking action in their own country to fight the war on drugs, but the Congress of the United States is doing nothing at all.

The gentleman is saying that had we acted in the course of last year, then the drug factories in the Andes could already be closed down.

I understand what the gentleman is saying. I respect his leadership for that. It is painful to know that officials in Colombia are risking their lives, while officials in this country seem to be playing politics with the issue.

Mr. Speaker, I yield to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Speaker, I would like to pick up on that point of playing politics. It is more than just a coincidence, I am sure, that every even year finally we get a crime bill or a drug bill, if you may, through this House of Representatives.

But it is also I think more than just a coincidence that every even year happens to be an election year. I am confident that pressure will grow, public opinion will grow, and the leadership will all of a sudden realize, close to the election in November, that there is indeed a crime problem out there, there is indeed a drug problem out there, and the people are clamoring and depending upon us in this House of Representatives to represent them and pass the necessary legislation that is going to wipe out the drugs.

Mr. COUGHLIN is absolutely correct. We know where those laboratories are. They are bottled up in a very small geographic area that is quite containable throughout the world. We do have in place a Colombian Government that does want to get rid of this problem.

But I would say, and I think it is very important for us to realize, that the Colombian Government and the Colombian people are becoming weary of doing this thing alone. They are now beginning to question the resolve of the United States Government to indeed get rid of the drug problem within that area.

It is a very difficult problem. The longer we wait, the more difficult it is going to be.

From a question of just keeping in place a democracy, there is a tremendous amount of pressure on those governments from those people that are raising the coca leaf down in particularly Bolivia and Peru to allow them to go ahead and continue the production of this.

The longer it goes, the more of a tradition is going to set in, and it is going to be in place, to the point where we are going to have to almost use our own military, which might not be a bad idea, but this may become the only resolution to the problem and the only way we can really cut it off.

I would like to comment on one other thing that the gentleman spoke of, and that is the question of quality care, in delivering quality care. At one of our meetings where the gentleman from Pennsylvania was present, it was brought out, in fact I believe that you brought out the question that reading an employment ad, it said, "Wanted, drug counselors. No experience necessary."

Our bill does indeed address that problem. It does address the problem of educating and training drug counselors.

If we were to open up endless funds for drug treatment facilities right here this morning in this Chamber, there would still be a problem in supplying it with trained personnel that knew how to handle the situation.

The drug bill addresses that. Also, it addresses a very important problem, and that is that the people are receiving the type of care that they indeed need through screening. This is provided for in the bill.

People today are receiving the treatment of any type of facility that they happen to walk into, and different facilities are needed for different drug dependencies. This becomes exceedingly important.

I would hope that at a very early date, in addressing this problem, that the House would recognize that, yes, there is a crisis out there, but the crisis is not one so much as people standing in line, some of them, and many of them are in the wrong line to begin with.

If we have a screening process so people are sent to the treatment facilities which can actually deliver the help to them that is necessary, that would be a great step forward.

There is urgency here. The house is on fire. We sit here in this House fat and happy and do not supply the people and the law enforcement out there with the proper tools to go forward. The President's bill does address this, the bill that we are trying to move does address this, and we desperately need the committees of Congress to wake up and do the right thing by bringing about the necessary legislation and bringing it to the floor at the earliest possible date.

Mr. BARTLETT. I thank the gentleman for his leadership on this issue also.

At this time I have 5 additional minutes left. I have additional incidents that are now being reported in from Dallas that have occurred since I started taking this special order at 6:15 this morning, in the last 55 minutes.

What I am going to do at this time is yield to the gentlewoman from Illinois [Mrs. MARTIN], compile those incidents, and then come back on the next special order for the first 5 minutes in order to report on those.

I yield the balance of my time to the gentlewoman from Illinois.

Mrs. MARTIN of Illinois. Mr. Speaker, in listening to the gentleman from Texas, the gentleman from Pennsylvania, and the gentleman from Florida, I think it is all useful. But I am here on a slightly different part of this entire problem.

Over the past several hours my colleagues have touched on many elements contributing to the tragedy of drug abuse and drug-related violence in our Nation. I'd like to take a few minutes to talk about a generally less visible part of the problem but a part of the problem nonetheless.

When we think of battling drug abuse and drug traffickers, the first things that come to mind are generally not the purveyors of glass pipes or other contraptions referred to generally as "drug paraphernalia," or the publishers of so-called "counter cultural" magazines.

No one, after all, has ever overdosed on a crack pipe or financed a private army out of profits from the sale of drug paraphernalia or the sale of a modest number of magazines. Our attention is more easily brought to focus on the tragedy of lives wasted, the horrors of a crack house, or the crimes

of violence that are all part and parcel of the drug culture.

The issues are related, however, in the same way that small battles are related to big battles in the winning of wars. Getting drug paraphernalia—and publicity on how to use it—out of our Nation's commerce is one of the small battles that, if won, will get us a little closer to victory in the war on drugs.

As colleagues have pointed out last night and earlier this morning, the battle against drugs is no less a battle for the hearts and minds of our Nation's youth than it is a battle against drug traffickers and profiteers. Education and ideas are tools in the war on drugs to the same extent as treatment centers, police patrols, and prison cells.

What kind of message does it send, what kind of idea does it convey, when young people in our Nation's cities and suburbs see drugs and drug paraphernalia advertised and offered for sale in normal commerce? It sends the message that drugs are OK, that drugs are routine. It sends, in short, the wrong message.

Well, a lot of wrong messages are in fact being sent. They result both from moral lapses in corporate board rooms and law enforcement lapses in America's cities and towns.

As an illustration of the former, I've brought with me this morning a few samples of what can be picked up at a well-stocked newstand or magazine shop. It comes out of a magazine called High Times: "The All Amerikan Farmer"—refer to poster; "Seven Steps to Happiness"—refer to poster; "The Making of an Aerial Smuggler"—essentially a "how to" story for budding drug traffickers, refer to magazine story.

The simple fact that publications like this are out there isn't what I find so frustrating or appalling. It wouldn't surprise me to find that a small group of individuals somewhere out in this large country was publishing a magazine like this one.

What I find appalling, rather, is that this magazine isn't the product of some fringe or cult organization. It's the product—through a subsidiary relationship—of corporate America. This piece of garbage's lineage runs all the way to Wall Street. I regret to add that the magazine's circulation is handled out of a small town in my own district. It's legal—the editor does, after all, caution readers that all advertising and advertised products are void where prohibited—but it's not right.

Responsibility for promoting the use of illegal drugs through legal commercial channels isn't just a problem involving big guys, hiding behind the law, however. Its also a problem involving little guys willing to go beyond the law, the guys who run the head shops or who sell pipes and papers out of the corner candy store.

At the beginning of this decade, a report prepared for the Drug Enforcement Administration suggested that sales of drug paraphernalia, including the kind of things showcased in magazines like High Times, were as high as $3 billion annually.

Last year, I introduced legislation which would tighten the law banning such commerce. What I found when having that legislation drafted was that a great deal of the commerce in drug paraphernalia was already illegal. The heart of the problem, in other words isn't in the law but in law enforcement.

Now, it had been my intention to bring with me today some of the items I'm referring to. It was my intention to present them as a means of demonstrating the ease with which they could be purchased in the middle of one of America's great cities—Chicago. As you can see, I'm empty handed. It wasn't as easy as I thought.

The reason it wasn't as easy as I thought can, I think, be summed up in three words: Father George Clements. For a long time Father Clements fought the battle to put pressure on head shop owners and paraphernalia peddlers alone. His intention, he said, was to heighten the contradiction in a society which says that it's legitimate to buy and sell drug paraphernalia, but illegal to take drugs.

With members of his parish from the Holy Angels Church, Father Clements went out into his south side community and confronted shop owners. Many of them got the message: Over 400 Chicago shopkeepers have taken drug paraphernalia off their shelves voluntarily. The police and district attorney's office also got the message: Efforts to enforce the law have taken on a little life.

My Chicago scouts found paranoia instead of paraphernalia. It would have been a lot easier to get a copy of High Times.

I don't want to leave anyone with the impression that the paraphernalia problem is solved. It isn't. Just a few days ago you could have found Father Clements in downtown Chicago protesting a district court decision not to convict a store owner who had sold a glass crack pipe to a 14-year-old. I do think, however, that there's a message here that's worth communicating.

The message is that people can make a difference, provided that they care and that they want to. Father Clements is making a difference in Chicago. Community leaders and concerned citizens all across America can and in many cases are making a difference. It's a message that I hope will reach the publishers of magazines like High Times.

□ 0715

There is change occurring here and it has to do not with my bill, but with three words, two words really, because that is how it should be. It is a man. It is an individual, Father Clements of Chicago, who with members of his community is closing down these shops, a community saying they will not tolerate this. That is what we are talking about today. We are talking about every individual getting involved. We are talking about stopping the violence. We are talking about communities rising up.

You can make a difference. We can put trash like this out of business and the trash that is destroying our cities and towns and, yes, one person, the one person watching can make a difference, and one of the people making a difference is the gentleman from Texas, and I thank the gentleman.

The SPEAKER pro tempore (Mr. PICKETT). The Chair again reminds all Members that it is not in order in debate to direct remarks to the television audience.

ALL-NIGHT CRIMEWATCH

The SPEAKER pro tempore (Mr. PICKETT). Under a previous order of the House, the gentleman from Wisconsin [Mr. GUNDERSON] is recognized for 60 minutes.

GENERAL LEAVE

Mr. GUNDERSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. GUNDERSON. Mr. Speaker, let me begin by yielding to my colleague, the gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Mr. Speaker, I thank the gentleman for yielding to me.

I want to close up the subject of my special order over the last hour with one additional bit of news.

Since I started this special order at 6:15 this morning, I had additional reports of incidents from the Dallas Police Department on additional violent crime.

The first report came in of a robbery that was committed at 2:30 a.m. at the Albertson Grocery Store, robbed at gunpoint. The suspect entered the checkout line and pulled out a pistol on the cashier, demanded money, and then had the cashier run to the back of the store and then fled. He has not been apprehended.

A convenience store, aggravated robbery, the suspect walked into the store at 3:40 a.m. The clerk recognized him as the same man who had robbed the store on June 18—2 days ago. The suspect took the money and started to leave. The clerk attempted to block the exit, but the suspect pulled out a large knife, so the clerk decided to let him leave.

One last one that occurred just approximately an hour ago, we believe. We still have just sketchy details. A 32-year-old male was shot with a pistol in a fight. The victim was pronounced dead at the scene.

I raise these incidents, Mr. Speaker, and I say to the gentleman from Wisconsin, only with the purpose of demonstrating that they are not unusual. This was a random night in which I just simply monitored the police radio in one city in America, and incident after incident of victims who were just standing there and who were shot or robbed or otherwise abused.

I very much appreciate the willingness of my district director, Betty Johnson, to stay up all night, riding in two squad cars and sitting with the dispatcher and describing some of these reports.

I appreciate the deputy chief of the police department, Chief Toliver, who set up the ability to get this information. And Jackie MacArthur, supervisor of communications division.

Squad car No. 1 of the southeast division of Dallas, with Corporal Barnes, and squad No. 2 of the central division with Officer Mullins and Officer Long. These are the men and women who are on the front lines who are doing their part to try to enforce criminal justice and to protect victims in this country. It seems to me that Congress ought to start doing its part.

Mr. GUNDERSON. Mr. Speaker, I appreciate the gentleman's remarks. Those are just a number of incidents that have been reported to us through our Crimewatch at the Capitol, at 202-224-3121.

The SPEAKER pro tempore (Mr. PICKETT). The gentleman will suspend.

The Chair reminds the Members once again that it is not in order in debate to direct remarks to the television audience.

Mr. GUNDERSON. Mr. Speaker, I was not directing remarks to the television audience. I was simply indicating that there is a Crimewatch phone number.

The SPEAKER pro tempore. The Chair simply reminds the Members to please observe the rules.

Mr. GUNDERSON. I appreciate that, Mr. Speaker.

Based on the averages that have been used in 1988 and based on the amount of time that we have been in this special order tonight, I thought everyone would be interested to know that we have probably during these hours across this country witnessed 2,520 violent crimes, 1,441 aggravated assaults, 840 robberies, 140 rapes, and 34 murders. That is why we need crime legislation.

With that, I yield to the gentlewoman from Maine [Ms. SNOWE].

Ms. SNOWE. Mr. Speaker, I want to thank the gentleman for yielding to me and commend him for putting this discussion together on drug education, and I want to commend all my colleagues for being involved in this 24-hour special order to emphasize the critical nature of the drug problem in this country. I am pleased to be a part of this discussion. I am not pleased, on the other hand, with the unwillingness of Congress to bring up the anticrime legislation that was introduced by the President 1 year ago. I think it indicates again that Congress is not willing to face up to some of the serious problems facing this country today.

Mr. Speaker, I would like to begin this morning by first commending my colleague from Wisconsin [Mr. GUNDERSON] for putting together this discussion on drug education. Perhaps no other component of the war against drugs and substance abuse is as essential as is education, so I appreciate having this opportunity here today.

Mr. Speaker, some Members of this House might not think of Maine as the kind of place that would have a drug problem. In its fresh, pristine condition, with an exemplary quality of life, Maine would scarcely seem likely to share a problem with cities like Los Angeles, New York City, or the District of Columbia.

I wish that were the case. Sadly, the scourge of drug and alcohol abuse has been swallowing up the youth of Maine, leaving behind shattered lives and horribly squandered futures. This is perhaps the first lesson that had to be learned in the drug education effort: Location and traditional lifestyle would not make any State immune from the problem.

Nearly as many rural youth have used drugs by graduation day.

A baseline assessment of Maine elementary and secondary school students last year bore out this sad fact. Some 26 percent of Maine high school seniors, for example, had used marijuana within the past month. Twenty-four percent of elementary school students felt that there was a drug and alcohol problem within their schools. That's a quarter of the elementary school students.

Further, 62 percent of Maine's junior high school students and 84 percent of high schoolers felt that drugs and alcohol were problems at their schools.

It is no wonder, then, that 93 percent of my State's school administrators feel that drug and alcohol abuse is having a negative impact on the education of Maine's children.

These numbers, while illustrative, tell only part of the story. Real lives are being ruined—the lives of young individuals who can be crushed by chemical dependency. Just last month, the Advertiser Democrat newspaper, in Norway, ME, published a special supplement on addiction awareness. It is an outstanding publication—a real eye opener, as well as a highly useful information source.

One article tells of three different 14-year-olds in Oxford Hills, a quiet and hardworking rural town in Western Maine. Mark's father had first given him alcohol at age 2. By age 8, he was smoking pot and doing acid. Before going off to junior high in the mornings, he'd down some Jim Beam with a friend, and stuff a variety of drugs in his pocket. Mark entered a detox/rehab program earlier this year, because he was sick of throwing up blood, and had developed an ulcer.

The cases of the other two youths are just as harrowing. What all of these points make clear is that we, in Maine, have a critical task at hand: to teach our entire population about the pitfalls of drug and alcohol abuse, and eventually to reduce the demand for drugs in Maine.

Standing at the centerpiece of our State's drug education is a statewide strategy entitled "The Maine Approach." This is State government's primary response to drug and alcohol prevention and education, coordinated by the Department of Educational and Cultural Services.

It involves recruiting, developing and training local school and community volunteers, and then helping those teams to assess local needs and implement a comprehensive prevention program.

These teams then lead community efforts in a wide range of areas, including education and awareness efforts, creating a positive school climate, conducting support groups for students K through 12, offering an alcohol and drug curriculum, and a host of other initiatives.

I'm pleased to be able to report that The Maine Approach has been found to be an effective school and community response. A Boston University assessment of the program found that "most communities across the country are where Maine was a decade ago * * *. The careful and comprehensive implementation of [it] makes it a significant approach which deserves national visibility."

In addition, many schools in Maine have developed innovative and effective programs of their own to promote drug and alcohol education. Several of these were recently cited by the 1990 Maine Drug-Free School Recognition Program, and I'd like to mention a couple of them.

One, for example, is the Junior High Helpers Program at Lincoln Academy in Union, ME. High school students go out to five school district junior high schools and work in leadership groups for seventh and eighth graders. They are able to raise the level of awareness of drugs and related problems among students by providing an open, warm, and confidential atmosphere.

Mount Blue Junior High School in my district, has had success with its student assistance team. Meeting once a week, the team includes representatives from the school and community, and is based on the recognition that no person or department could meet the needs of all at-risk students.

Through the team, Mount Blue has seen a strong number of students receive assistance, a high level of continued support and involvement of parents, and a decrease in the number of student detentions and suspensions. A similar intervention process at Mount Blue School has experienced positive results as well.

Yarmouth Junior/Senior High School has a strong initiative in its freshman awareness program. Every incoming freshman joins 8 to 10 other students with their assigned adviser, and meets daily from the start of the school year until the 4-day freshman awareness program in March.

With the cohesiveness that these groups create, the students are better able to deal with the drug and alcohol information presented during the awareness program. And the program is enhanced by having juniors serve as cofacilitators.

You'll notice that some of these programs, and other effective ones as well, utilize students as models or helpers. There is one motivating fact behind this practice: A survey of Maine students found that 80 percent of them would speak with a friend as a resource for a drug or alcohol problem. The next closest resource was parents, cited by just 54 percent of the students.

I would suggest that this statistic reinforces the overwhelming need for effective drug education. If students are turning to other students for advice, we must do everything possible to ensure that all students have accurate, useful information. While they might not be the resource adults would prefer for children to use, we can't afford to ignore this reality of student life.

The State of Maine has also seen an expansion of the DARE Program, and it has been making progress as well. DARE is based upon a premise that, I believe, applies on a wide basis to an individual's life choices. As a Bangor Daily News describes it, DARE starts from the idea "that all decisions have consequences, for which the decisionmaker takes full responsibility."

I raise this to suggest that the notion of responsibility for actions is a key lesson that we adults must learn in the drug and alcohol abuse education process. Adults, particularly parents, are often unknowing yet powerful role models for children. The message our behavior carries on alcohol and drugs is a lesson that the youth of our Nation receive quite clearly: Thus, that message had better be one of responsible handling of alcohol and rejection of drugs.

When we see 36 percent of Maine children wishing that a parent would stop drinking, or 32 percent believing that a parent has an alcohol problem, we are seeing a significant number of adults not living up to their responsibility to their children. The glimmer of hope to be taken here, however, is that the education process is working to the point that the children realize that problems exist, and wish to see corrective action taken.

Finally, in the State of Maine, we have one of the most successful law enforcement programs in the country, it is called BIDE, the Bureau of Intergovernmental Drug Enforcement, which is a model for the rest of the Nation for Federal, State, and local law enforcement officials to stem the tide of drugs. They have doubled the arrests last year and are more than 75 percent of the way toward doubling the number of arrests this year. We know that education is more of a long-term problem. That is why in the meantime it is absolutely essential to strengthen our law enforcement officials and the laws to give them the tools by which they can curb this drug problem nationwide in all our communities and schools, and it takes an interfacing effort to be successful.

So again, I want to thank the gentleman from Wisconsin for giving me the opportunity to say a few words on this important issue of drug education.

Mr. Speaker, I would like to make one more general point about drug education. The United States had a serious drug problem in the late 19th and early 20th centuries—and there are several parallels to our current situation. Opium, heroin, and other drugs were widely used and little feared. With the introduction of cocaine, however, there was a rapid acceleration in the destruction of individuals and families, especially in the middle class.

Once people began learning what the drug actually could do, public sentiment turned against useage. This education and public opinion process preceded enactment of tough narcotics laws.

Unfortunately, in the 1930's, school drug education programs were eliminated * * *. The idea being that with the problem licked, even mentioning drugs would rekindle interest. One magazine described last year that "as effectively as removing the central span from a railroad trestle, this policy cut the transmission of information about the dangers of drugs from one generation to the next. It contributed to two successive generations' growing up totally ignorant of drugs and ripe for the revolution of the sixties."

Or, as a prominent drug historian said, "History suggests that ignorance is not bliss. It is only the illusion of bliss."

Mr. Speaker, I believe that underscores the importance of the drug education efforts underway in the State of Maine and around the Nation. And, I believe, it underscores the importance of the special order taken by the gentleman from Wisconsin, so I am indebted to him for this chance to participate.

Mr. GUNDERSON. Mr. Speaker, I really appreciate the gentlewoman's remarks and participation.

Mr. Speaker, I yield to one of my colleagues, the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Speaker, I thank my colleague, the gentleman from Wisconsin, for yielding to me. I appreciate it a good deal.

There are Members and staff who have been up many hours working on this, and I want to say congratulations and thanks to them for their dedication and their efforts, and to the Speaker, it must have been a long night for the Speaker.

On June 21, 1989, is when the President introduced his drug legislation, his drug and crime bill, and it is 1 year today. We have not had action on the floor. I think it is important for us to point that out to make our views known and to move forward.

However, I do not think that just a tough law is going to be enough. I feel that we have to ask ourselves, what more can society do to correct this problem.

Basically, as I see it, we have to ask ourselves what motivates people, and basically what motivates people is the pain-pleasure principle. As long as people using drugs feel they are getting more pleasure out of drugs than pain, they are going to continue to use drugs. So it is important for us to pass this legislation and it is also important for us to teach in the schools that drugs are death, that drugs destroy lives, that drugs ruin a person mentally and physically, and if you have enough drug users you kill your society, so we have to translate drugs into death.

I know the Speaker has said a number of times here that we have to address the issue before us, and I am going to do that, but I want to point out that no matter how many laws we pass, the American people are going to have to make the decision. When

every American uses 5 lines, we are going to destroy this problem, and not before, and the lines are:

I am only one, but I am one. I can't do everything, but I can do something. What I can do I ought to do and what I ought to do, by the grace of God I shall do.

When every American says that, then we are going to win this war on drugs, and not before.

□ 0730

This Government does not belong to us here in Congress. This Government does not belong to President Bush. This Government does not belong to big business. This Government does not belong to big labor, this Government belongs to the American people who are involved, and we want to underline those words, who are involved.

So if the American people are as outraged about the drug situation in this country as some of us are in the Congress, then on election day, November 6, they should vote against those people who are soft on drug users. They should vote against those people who refuse to bring legislation up. That is the real secret, and I think that that is also a message that we have to bring to the American people.

I appreciate this opportunity to address two of the most important problems facing our Nation, drugs and crime.

The new Violent Crime and Drug Control Act, which most of us, all of us, are original or cosponsors of, will help fight the problems that we have been talking about here for more than 12 hours.

In recent years, we have made many attempts to do something about drugs and crime, and we have had some successes in the area of drug abuse. Earlier this year, the House passed legislation to crack down on money launderers. The Anti-Money Laundering Act makes banks, savings and loans, credit unions, face the same penalties as drug pushers for knowingly laundering drug kingpin money.

The drug pushers have two hurdles, first, to sell the drugs. That is not much of a hurdle today. And second, to clean up their ill-gotten gains. So we are moving ahead in both of these directions.

In 1988, Congress passed the International Narcotics Control Act. This bill formed a multinational force to conduct operations against international illegal drug smuggling, but it is not only Congress that has taken up the fight against drug abuse.

I think that people across the land have answered the call to just say "no" to drugs. Yet, despite our efforts to combat drugs, and we still have a huge national problem. In some areas of our country, children cannot play in the park since the playgrounds have been taken over by the drug pushers. That cannot be tolerated.

I have received countless letters from constituents begging for the Federal Government to step in in an effort to fight drugs. Residents in my district who respond to my annual questionnaire this year overhwelmingly supported what we are trying to do here in this special order. you should see some of these questionnaires received, over 20,000 questionnaires. A majority of them talked about crime and drugs. "We have to have stricter penalties for drugs, and the people have to have more responsibility for their actions. Drugs should not be tolerated. If the kids are educated to the disease of drugs, that certainly would help."

Drugs are at the root of most of our country's problems. More crime, higher Government spending stem from the drug problem, and we could go on and on and on.

So the American people, I think, of course, realize the problem, and they are expecting us to act, and we are frustrated because we, in the minority, cannot act to address this problem.

Congress must do more to get rid of our national drug abuse. The Violent Crime and Drug Control Act will help accomplish that national goal. This bill makes the important point that drug users must beheld accountable for their actions.

If that were the case, then we would go a long way also toward resolving this problem.

Drugs are not a victimless crime. Users create not only a lot of crimes but many other problems.

Also, I want to stress two more points, that the role models, the athletes, the successful business people, the celebrities, yes, politicians have to set a good example in this area, and I think that the criminals have to be punished. Our criminals are not being punished today.

Right here in the District of Columbia recently, a couple of thugs ordered a pizza. It was delivered to a vacant house. The thugs killed the young man. The thugs were apprehended, and inside of 24 hours one of the thugs was out on the street on $75,000 bail. I mean, what kind of justice is that? The people were so enraged that they called a press conference and said, "Is this justice in America?"

The following day here in Maryland a patrolman picked up a couple of people for speeding. He got out of the car. The two people shot and killed him. They were out on bail in New York.

What kind of criminal justice system do we have in America?

That is why I say if the American people are truly incensed about what is going on in the streets, on November 6, let us take these people out of public office that are not addressing this issue. I think that is one of the messages we want to get across.

Yes, this is going to be resolved when the American people get involved and take their Government back again.

I am only one, but I am one. I cannot do everything, but I can do something, and what I can do, I ought to do, and what I ought to do, by the grace of God, I shall do, and if that is the spirit and the dedication the American people bring to this endeavor, we will resolve this problem.

Thank you for yielding.

Mr. GUNDERSON. I appreciate the gentleman's participation and his comments.

When we organized this special order to promote the need for crime and drug legislation in this session of Congress, obviously it was organized around the first anniversary of the President's bill being submitted to the Congress. At the same time, we did send out a "Dear Colleague" to every Member of the Congress, Democratic and Republican, inviting them to participate, to have this be a bipartisan special order for sensitivity and for promotion of legislation, whatever their legislation may or may not be.

Within that context, we now do have one of our colleagues from New Jersey who has obviously been very involved in this from a legislative perspective, and I am delighted he has come to participate.

I yield to the gentleman from New Jersey [Mr. HUGHES].

Mr. HUGHES. I thank the gentleman for yielding.

I have a great deal of admiration and respect for the distinguished gentleman from Wisconsin. He is a valued member of this committee and, frankly, I think that the effort to focus on crime and drugs, and you cannot talk about crime without talking about drugs today, is a healthy one.

I will tell the Members what disturbs me. I will say this to my colleague, that there has been so much misrepresentation about the status of the crime bill and particularly the involvement of the Democrats that it just troubles me.

I had no intention really of coming to the floor to take issue, because this was portrayed as a basically Republican show, and in spite of the Dear Colleague. That is fine.

Frankly, the Democrats will have their press conference, hopefully, next week, and, frankly, the only way we have ever passed crime legislation in the Congress is in a bipartisan fashion.

I have been privileged for 10 years to chair the Subcommittee on Crime, and much of the crime package has been referred to my Subcommittee on Crime, and, in fact, about 2 months ago.

However, it was delayed because we were waiting, first of all, for the balance of the crime package, particular-

ly those dealing with capital punishment from the White House. That just came in just a few weeks ago. We were awaiting the submission by the Department of Justice, and that held us up. We asked for that, the rest of the crime package, months ago, and it was not submitted, because there was a tremendous division apparently within the Department of Justice as to what offenses should receive capital punishment because of a battle that raged over whether or not we can impose capital punishment, for instance, in those instances involving drugs, substantial quantities of drugs, where a life was not taken.

So the Justice Department has held us up. That is the executive branch of the Government. That is the White House. That is not the Congress.

Second, unfortunately, the chairman of the full committee, as my distinguished colleague knows, the gentleman from Texas [Mr. BROOKS], was gravely ill for a number of months, and as a result, he is the one, as the gentleman knows, who refers matters to subcommittees, and as my colleague from Florida [Mr. SHAW] knows, who is a very able member of the Subcommittee on Crime and has been for a number of years, we have a number of committees that have jurisdiction. The Subcommittee on Crime does not have jurisdiction, for instance, over the exclusionary rule. That is another subcommittee of the House Committee on the Judiciary.

The subcommittee does not have jurisdiction over habeas corpus.

I would be very happy to yield, but let me just take my 5 minutes, and I will be very happy to yield to questions, and then we can engage in some dialog.

My colleague knows that we have passed three major comprehensive crime bills in the last few years. Every election we seem to have a crime bill. We have another one this year. We have passed some very substantial legislation that the Subcommittee on Crime has worked on for a number of years.

My colleague, the gentleman from Florida [Mr. SHAW], was in the Congress when Hal Sawyer was the ranking Republican, and we devolved, I think, one of the most significant pieces of legislation, the State and Local Assistance Act, which we could never get funded because the Reagan administration was opposed to State and local assistance. It has only been since the Bush administration has taken over that we have realistically funded programs that assist local departments. I am talking about police departments that are overwhelmed. It is State departments, local departments that prosecute 95 percent of the street crime, and much of that is drug-related today.

It was only in 1988 that we were able to realistically fund that, and I believe in this budget submission we have $600 million. We sought $800 million for that program, because that is where we need to commit resources. It was our subcommittee, in a bipartisan fashion, that we wrote things like money laundering, and the forfeiture statute was written in our subcommittee. The gentleman from Florida helped write the statute. I was the prime author of the statute. We wrote it, and it has become a significant tool. That was in a bipartisan fashion.

There was not this sniping about whether the Democrats are moving on it or not moving on it. That is the way we accomplish legislation anywhere. If you are going to engage in sniping, we accomplish nothing. We need bipartisanship.

Finally, now, with regard to the crime package that you spent all night talking about, your leadership has known that we were going to mark up the crime package in mid- to late-June, before the July 4 recess.

It is interesting we have a caucus of the full committee today, the full subcommittee today, to outline the parameters of a bill that we have developed. We have been taking testimony for the better part of 6 months.

The major problem that we have had, and we have had to grapple with, is what goes into our capital punishment statute, because that was declared unconstitutional a number of years ago, because we did not have the bifurcated trial as the Supreme Court requires, and because we could not agree on the substance of offenses that go into the capital punishment statute.

We have taken much testimony in the last few months on that issue alone.

We have brought constitutional scholars in, and Members on your side of the aisle come in and testify, as have Democratic Members. We have law enforcement agencies in, the Department of Justice has testified, and we have taken a lot of time, as we should, when we are talking about rewriting a brandnew capital punishment statute.

We have also taken a lot of testimony on a whole host of other issues that the President did not have in his crime package that cry out for relief.

For instance, one of the major problems we have in this country is prison overcrowding. The President has not begun to deal with that.

Has the gentleman been to a Federal prison lately? I am asking the gentleman from Wisconsin.

Mr. GUNDERSON. Have I been to a Federal prison?

Mr. HUGHES. Yes.

Mr. GUNDERSON. Not lately, no.

Mr. HUGHES. I have, and a lot of them are in relatively good shape in the federal system even though we are about 170 percent of capacity in the federal system. In the State system we are overwhelmed. That is where we need to deal with the problem is in the State systems.

The administration proposal does not deal with the State systems, but the Subcommittee on Crime is going to do that, because we are developing a brandnew initiative that will attempt to use the Federal enclaves, the military bases that we are deestablishing and using them around the country as model programs to develop intermediate sanctions.

We have not begun to deal with the steroid problem in this country. There are no provisions in the administration bill to deal with the steroid problem.

So the long and the short of it is, look, we can talk about it, but if you really want to pass crime legislation, it is not by staying up all night taking shots at Democrats, the Democratic leadership when, in fact, the Republican leadership has known for at least a month and a half that the crime bill was going to be marked up, that is, reported out of the subcommittee and get it out of the full committee, you know, in mid-June.

I heard a police chief, and if the gentleman would give me 1 more minute——

Mr. GUNDERSON. No, I want to respond to some of the things the gentleman said, because I think it is important. I do not know who advised the gentleman that we have spent all night taking shots.

I have to tell the gentleman that anybody who listened all night, and I have been here all night, would quickly recognize that the purpose of this special order was to promote the need for crime legislation. We have talked about crimes occurring across this country.

I think there is a legitimate concern, and the gentleman has to agree with a number of us on this side of the aisle, that if the committee, the subcommittee, is going to mark up between now and the Fourth of July, it is legitimate, a legitimate question, when does the full committee mark up and when do we get it on the floor, and do we have a chance of getting this passed yet this year.

The only partisan statement that I know of that has been made during the entire special order is the statement that, where we have echoed the words of the chairman of the full Committee on the Judiciary, who said there are more crime bills than there are crimes. We think that that statement does not represent the body politic of either party in this Congress, and that has caused us to try to create momentum.

We are trying to be helpful to pass a bipartisan crime bill, not to say no.

□ 0745

Mr. HUGHES. Can I just respond to that. I was going to go to Spanish. I take Spanish 3 days a week. I don't generally try to cut Spanish. But I was shaving this morning, a little while ago, and almost cut myself when I heard the minority leader, Mr. GINGRICH of Georgia, yes, on the "Today Show".

And when you talk about taking shots, Mr. GINGRICH took a lot of shots at the Democratic leadership, and was very unfair, because on the Today Show was a police officer that they interviewed. Of course, I realize that Mr. GINGRICH has nothing to do with what the police officer was saying, but the police officer got the impression we were not addressing one of his major concerns, guns.

Now, I want to tell my colleague from Wisconsin that leadership has asked me not to put guns of any kind in the crime package, because Republicans oppose the assault weapon bill. We have already reported out the assault weapon bill. I have not heard anything about that. It is out of committee, ready for floor action.

Mr. GUNDERSON. Can we get it scheduled?

Mr. HUGHES. It is to be scheduled. I am asking for a rule. But frankly, your leadership did not want to see the assault weapon bill as part of it.

I want to admit, neither did my leadership want the assault weapon bill as part of the crime package. Neither the Democrats nor the Republicans wanted that as part of the crime package. And that is the one thing, you ask the average police officer what they want, they want to deal with that and with the waiting period.

Now, in addition, next week we are going to mark up the Brady bill. I am going to honor the request that we keep it separate, that is the 7-day waiting period, which the White House opposes, and the assault weapon bill, which the White House opposes, and also even the gun provisions that are in the crime package which deal with feeding devices. You know those devices that enable you to get 25 shots off in a matter of seconds. Now the administration wants to take that out of the crime package.

Mr. GUNDERSON. I want to reclaim my time. I appreciate the gentleman's remarks. This is exactly the kind of discussion we have had all night, that we want to continue having.

Now I do yield to my colleague from Wisconsin.

Mr. ROTH. I thank the gentleman for yielding to me because I cut my comments short so that we could have other people speak.

I just want to ask a question: This package has been introduced over a year now, exactly a year.

Mr. HUGHES. No, no. The package has been amended. If the gentleman would just listen, I waited until about just a few weeks ago to get the balance of the package dealing with capital punishment. We have been taking testimony.

Mr. ROTH. I will take back the balance of my time. I have a question. It has been around here for a year or longer. I mean, you have been in Congress for more than a year. You are one of the great lawyers here in the Congress.

Now, I am curious, if you are so concerned about drugs and crime, and I know you are, you said the Justice Department has not done their work, Brooks was ill and so on. I mean, you are one of the great leaders in Congress.

If this is such a great problem, and you believe it is, why don't you exemplify some leadership and go with it?

Mr. HUGHES. The gentleman's question presumes we haven't been. The gentleman does not serve on the Judiciary Committee, so he does not know, and I will forgive that. Ask the Republican member of my committee, the ranking Republican.

Get Mr. MCCOLLUM out here. He can tell you what we have been doing. He knows.

Mr. ROTH. I will take back the balance of my time. I have the time.

Mr. GUNDERSON. At this time I want to reclaim my time and yield to the gentleman from Florida.

Mr. SHAW. I would like to address the issue that the very able chairman of the Crime Subcommittee addressed. I might say to you, Mr. HUGHES, that if all of the chairmen in the Judiciary Committee were as active as you have been in your particular committee, we would not have been spending the night our here.

There are aspects of that bill that are absolutely bottled up and are not getting hearings, but they are not in your subcommittee. They are in other subcommittees. I will not ask you to address that, but that is the major problem.

You brought about and talked about some bills such as money laundering. Those are some great successes of this Congress. Those are some very high water marks in the history of this Congress. Because it is absolutely true when we use the committee process, when we move a bill along, when we do have extensive hearings, we come up with a much better quality product than we get, than when we all get together in a room and craft a bill real quick before an election, as we have done I think over the last 4 years.

So that is the problem. What you are saying is absolutely correct. We have passed much great legislation. We moved a lot of it along. Your name is on a great deal of it, and that is in the highest tradition of this Congress.

But what we are complaining about mainly are things that are not within your jurisdiction, except in the full committee. It has to go over the hurdles of the subcommittees to get to us and to get to you and the full committee, and that really is wherein the problem lies.

That is. The gentleman will have to recognize that much of the crime legislation that should have ordinarily gone through the committee process, did not, because the Judiciary Committee has become known as the devil's triangle of legislation. It is a deep hole in which bills flow in and very few come out.

But there is some great legislation in there, outside of the Crime Subcommittee which you chair, which just simply is not getting the hearings that you have very ably held within your jurisdiction, and have not moved.

That really is the problem. I think you are very courageous to be here and to defend the committee, but I would like to acknowledge the great participation that you have had in moving these bills and the great work that you have done. But that simply does not carry across the breadth of the entire committee, unfortunately. Unfortunately, we only in election years have the opportunity to come in to the House and get a significant crime bill or drug and crime package passed by the House.

Now, the President's package is really coming down in two tiers. The crime package, which has been before us for a year, and then the drug package, which has just recently been unveiled, which we quite hopefully will have hearings this year, will become law this year, and that the House will be able to work its will on it.

Mr. HUGHES. Will the gentleman yield?

Mr. GUNDERSON. Let me allow the gentleman from New Jersey to respond.

Mr. HUGHES. I want to say to my distinguished colleague from Florida, whom I love, the distinguished gentleman was a member of our subcommittee for years, and a major contributor. And he knows that in addition to having some subcommittee chairmen and others on both sides of the aisle that are opposed to some provisions, like the exclusionary rule, and the habeas corpus reform legislation, both of which I support. I support a good faith exemption, have worked for it for years, as the gentleman knows. We also have had resistance from the Republican administrations.

The gentleman and I worked against the Department of Defense a few years ago to modify the posse comitatus law so that we could bring the military into the drug battle.

Who fought that? It was the Reagan White House that fought that. We did it in spite of their opposition.

So the resistance I say comes from a lot of different quarters. And frankly I would say to my colleague, one of the problems we had in our subcommittee with crime legislation has not just been Democrats, but Republicans. The resistance to any kind of gun legislation has come from mostly Republicans. Not Democrats.

So, you know, we have had to navigate a lot of land mines. It was the Republicans basically that opposed the assault weapon bill last week in full committee.

It has been both sides. We have had problems. We have brought great legislation to the floor in spite of that, and it has not been an overnight trip in bringing legislation to the floor.

As you know, we worked on the chemical tracking bill, which is the newest dynamite tool. We have given to law enforcement the ability to track chemicals used basically in processing drugs. We did that. It took us a year and a half to develop that statute, to work out the wrinkles in it, and to bring it to the floor and to pass it. It is signed into law, and it has been implemented. We are making busts every month now under that new law. So we are doing those things in a bipartisan fashion.

Mr. GUNDERSON. Let me reclaim my time so I might yield to my colleague from Wisconsin. I am trying to play the referee here.

Mr. PETRI. I would like to thank the gentleman from Wisconsin for yielding, and I would like to thank all of those who have participated in organizing this special order.

I would just observe that while there is a lot of talk about Republican bipartisan effort and so forth, I cannot think of a single Republican committee chairman, a single Republican subcommittee chairman, in the last 35 years, that has held up a single crime bill.

The only people that schedule legislation around here are committee chairmen and subcommittee chairmen. There has not been a single Republican committee chairman or subcommittee chairman in the last 35 years in this Congress. If there has, I would like to know who he is and what his name is, and we will get rid of him at a Republican caucus. There has not been one.

The agenda of this Congress has been set entirely, 100 percent, by committee chairmen and subcommittee chairmen of one party for 35 years.

And, you know, this is not just the last year there have been problems. In 1984, in my congressional district, I represent the Oxford Prison. We had a murder at the Oxford Prison. A young man, a prison guard named Boyd Spikerman, was assassinated by an inmate who was in for committing murder in the course of robbing a gas station down in Florida. Their prisons were so full, he ended up at Oxford in Wisconsin.

Well, he wanted to join a society, something called the Aryan Society. And to belong to that society you had to kill a member of a minority group or a prison guard.

So he leaned up and slit the throat of this guard. He killed him. He said, "It is too bad it had to be poor Boyd. He was a nice guy." But he valued membership in this society more than the life of another human being, of a prison guard.

The head of the union, and you can imagine how the women that worked at that prison felt, came to me and said what can I do? I don't even want to work for the Federal Government any more.

I said, well, come on out. I will do what I can. We introduced legislation in 1984 to provide that in the case where a person is convicted for life for murder, and then in prison commits a murder on a guard or a fellow inmate, they could face the possibility, after a jury trial, of the death penalty.

Mike Grotevan, who is head of the National Prison Guards Union, came out and testified for this. I testified in favor of it. It was not acted upon in the Judiciary Committee or subcommittee.

I introduced it in the next Congress. It still has not been acted upon. This has been 6 years. It seems to me something like this really should be acted on, and I hope it finally will be, because we know human nature. If we do not have an orderly legal framework in which we can deal with situations like this, I think there is going to be enormous temptation for the men and women in self-protection who work in our prison systems to in effect take the law into their own hands. And that is not fair or good for orderly administration of our criminal system. It does no good for any of the people involved.

So I certainly hope that as we move forward with this legislation, that we do what we can to finally address the plea of Mike Grotevan and his fellow Federal employees, hardworking civil servants in dangerous jobs in our prisons, that they addressed to this Congress, to the Judiciary Committee of this House, back in 1984.

Mr. GUNDERSON. Let me allow the gentleman from New Jersey to respond.

Mr. HUGHES. I do not even know where the gentleman's legislation was referred to. But I can tell the gentleman that I have been privileged to have two ranking Republicans in the 10 years or so that I have chaired the subcommittee, Hauser of Michigan for about 4 years, and then since then BILL MCCOLLUM of Florida. And they are both very able lawyers, and we have got a lot accomplished.

We have, as you know, thousands of pieces of legislation that are introduced, and we sit down at the beginning of the session, that is the ranking Republican and myself, and we endeavor to determine just exactly where we are going to focus attention.

Obviously you have to become focused. Otherwise you get nothing accomplished. You have to find out what the administration wants to move through the Congress in that 2-year period. You have to find out what the other body wants to move through the Congress. Then you develop an agenda.

We have done that together. Today we have a press conference. BILL MCCOLLUM, and myself, and RICK BOUCHER on RICO reform that we have been working on for about a year and a half. We have finally arrived at a piece of legislation that enjoys widespread support that the Congress has been wrestling with for 6 years.

That did not occur overnight. It occurred in a bipartisan fashion.

So the suggestion that the subcommittee chair are all Democrats, while true, that is just the process. But I do not think you have heard any complaints about the manner in which the Crime Subcommittee, and that is what we are talking about here today, basically the minority has any complaints about the manner in which we attempted, in an even-handed fashion, in a bipartisan fashion, to report out important legislation.

Because crime is not a Republican or Democratic issue. Frankly, those of you who are trying to make it that, I think unfortunately do yourselves and the country a disservice.

Mr. GUNDERSON. If I may reclaim my time, I think it was said earlier here by Mr. SHAW from Florida that we hold you in the highest regard. We wish we had similar cooperation from some others, frankly.

We earlier in the evening actually discussed all 111 bills, Democrat and Republican authored, that were introduced. We simply read them off and talked about what was before the House.

Let me now yield to the distinguished minority whip.

Mr. GINGRICH. Let me explain to the gentleman from New Jersey, whom I think may well run a relatively bipartisan subcommittee, but there is a tendency on the part of Democrats to forget how much power they have, how biased the staff structure is, how biased the office space is, how biased the calendar is, and then be shocked when Republicans ever mention partisanship.

The fact is all too often the Congress means Democratic Party leadership. The Democratic Party leadership

legitimately has the power to schedule, the power to decide.

Now, it has been, as of this morning, 1 year since President Bush sent up his package. One year. The Democratic leadership refused to promise on the floor of the House, I asked on a number of occasions during discussions on scheduling, on the calendar, they have refused to promise that they would report the bill out in a timely manner to ensure passage of the bill into law.

One of our concerns is we finally get something passed in the House fairly late in the year, we get something passed in the Senate late in the year, and oh, gee, it happens to end up in conference.

But let me carry it a stage further. We were trying to get the chairman of your full committee to stipulate when would he bring a bill to the floor. Not just get it out of subcommittee, not just get it out of full committee, but get it through the Rules Committee and scheduled by the Speaker. And that is when he said on the floor of the House that there are more crime bills than there are crimes. That is a statement, I guess, of his frustration.

□ 0800

You described this orderly, reasonable, bipartisan approach. People sit down and they talk things through, and they make decisions, and they focus.

First of all, I will be glad to chat later on with the gentleman about the Gramm-Gingrich bill, a bill that Senator GRAMM and I have introduced which is probably the toughest anti-crime legislation in the Congress today. We would love to have hearings scheduled and a markup.

But let me give an example of why Republican take a huge grain of salt not just to the gentleman's statement, and again I respect you very much as a subcomnmittee chairman, but the whole process of Democratic Party leadership. We are going to take up today a flag bill which is a liberal fig leaf, which to the best of my knowledge was written on Tuesday, has never been in committee, has never had hearings, had no committee markup, and its entire legislative history is two 5-minute special orders yesterday, and we are told that there is some bipartisan process at stake here. I mean the fact is that when the Democratic leadership wants to schedule something it can, and if the Democratic leadership wanted to report out five crime bills next Tuesday they would, they can bring anything to the floor any time they want to, and today is the first anniversary of President George Bush's bill being introduced by BOB MICHEL. After all the talk about pleasant bipartisanship, the fact is the Democratic Party can schedule this stuff any time it wants to, and as of today, as the second ranking member of the Republican leadership, I do not have any assurance from your leadership that we are going to pass a crime bill before we go home. I have the assurance that we will look at one on the floor of the House, but I was very specific. I asked your majority leader very specifically: "Can you assure me we will pass a bill before adjournment?" He said, "Frankly, I can't."

So I don't think it's at all accurate to suggest your leadership suggests or understands that a bill will be passed.

Mr. HUGHES. If the gentleman will yield to me, come on I say to the gentleman from Georgia. Do you think once we develop a crime bill in this Congress that anybody is going to vote against a crime bill? Come on. I mean the gentleman has been around here a long time.

This is an election year. The gentleman is well aware of that. I mean that is one of the reasons why we are taking shots at the Democrats this special order.

Since we want to talk about the flag bill, let me just tell you about another angle in the flag bill that disturbs me.

Mr. GINGRICH. Can I just say one thing just for 1 second. I agree with you. If we could get the Speaker to commit to schedule the bill, get initial passage and we could get a commitment from the Speaker that the bill will come out of conference and come to the floor before we adjourn this fall, I agree with you, the bill will pass. But the power to schedule is the power to kill, and we do not yet have a commitment, to the best of my knowledge.

Mr. HUGHES. The Speaker has said ad nauseum that we will have a crime package on the floor.

Mr. GUNDERSON. When?

Mr. HUGHES. The chairman of the Judiciary Committee has indicated we will have a crime package on the floor. I talked with the minority leader, Mr. MICHEL, about a month and one half ago. I indicated to him that the entire crime package now, just about a month and a half ago or 2 months ago, was referred to my subcommittee on crime to act as the coordinator, to get all of the pieces together, and that I expected to mark up the crime package in mid to late June in subcommittee, and we were on track. As a matter of fact, the gentleman from Georgia knows that today we have a caucus of the full subcommittee on the crime package, and that we have markup scheduled all next week in accordance with what we indicated a month and one half ago.

Mr. GINGRICH. And when would it come to the floor?

Mr. HUGHES. It is going to come to the floor as soon as it goes to the full committee, which should not take long. And I would presume that it will enjoy priority, as it always has. I mean, the leadership has never had complaints about the Speaker in that regard.

Mr. GUNDERSON. This is our concern. I know and you know that we have the farm bill, we have the rest of the appropriations bills, we have the education reform bill all scheduled for the first part of July when we come back.

Mr. HUGHES. What has held us up, and I will say it again, what has held us up has been the Department of Justice could not make up their mind relative to capital punishment. We waited for the Department of Justice to give us the final provisions of the crime package because there was no consensus within the Department of Justice on that aspect of the crime package.

Mr. GUNDERSON. But the administration's position on the flag bill has not affected the way that issue has been handled at all. I think we have to be careful when we rely on the administration and when we do not, in fairness.

Let me yield to my colleagues from Iowa, [Mr. GRANDY] who has been so patient to participate in this.

Mr. GRANDY. Mr. Speaker, I thank the gentleman for yielding. I want to thank the gentleman from New Jersey for helping us close out this debate in a very spirited manner. It is nice to have a counterpoint, quite honestly, and you bring up some points that I think deserve to be reiterated.

We take all night in this body because we do not control this place during the day. We suffer at the discretion of the Rules Committee. We wait to be recognized, and the gentleman understands that, and I can appreciate that. But we also take this time to highlight philosophical differences.

The gentleman from New Jersey, chairman of the Crime Subcommittee, does have a major interest in gun control law. The gentleman from Georgia [Mr. GINGRICH] has a major interest in crime control law. The gentleman from Georgia has introduced a bill that puts penalties on those criminals that perpetrate crimes with guns, not the guns themselves, crimes with guns. That is an important philosophical difference between the gentleman from New Jersey [Mr. HUGHES] and his side and the gentleman from Georgia [Mr. GINGRICH] and his side. I side with the gentleman from Georgia [Mr. GINGRICH] on this particular matter.

But, unfortunately, this particular side of the aisle does not get a chance to make that point unless we stay up all night and talk about it. So consequently, I am appreciative that the gentleman from New Jersey has come here and debated with us.

But the bottom line is the only reason we are standing here at what is

now 5 after 8, having been here for over 12 hours now, is because this is about the only time we get to have a full, complete discussion, not complete, not legislation, just the discussion. And I am not a member of the Judiciary Committee. I am not a lawyer. If God is good, I will never be a lawyer.

But I will say this: Anybody who works in this Congress, who serves on any committee, at some point is going to get a piece of crime and drug action, because it is splintered out to so many committees that it usually never comes back to the committee as a whole because it goes to too many little nooks and crannies in this place.

The gentleman from Wisconsin [Mr. GUNDERSON], the gentleman from Wisconsin [Mr. PETRI], the gentleman from Missouri [Mr. COLEMAN], the gentleman from Pennsylvania [Mr. GOODLING], all Members who serve on the Education and Labor Committee with me can recall that in 1988 when the Education and Labor Committee was considering the Anti-Drug Abuse Act of 1988 we discussed in our committee whether or not we should deny Pell grants to those students that were habitual drug users, that had been convicted twice, not once but twice of using drugs, whether or not they should be denied their Federal benefits. This was a debate, Republicans and Democrats disagreed on this, and I am sure the gentleman from Wisconsin remembers that debate when we sat in committee and argued whether or not there should be some user accountability in Pell grants.

That is why we take the floor tonight, because there is a difference, because we believe in the rights of the victims, not necessarily the rights of the criminals. Quite honestly, criminal rights have taken preeminence in legislation that has passed out of this Congress in recent years.

Consequently, when we talk about crime we mean crimes, we do not mean gun control, and that is the reason we take the floor.

So I join all of my colleagues in expressing frustration not necessarily with Mr. HUGHES and the chairman of the crime subcommittee, but with all of the committee that get one little crumb of this enormous problem, and then Members of the minority that have to fight for tiny little crumbs just to have a say in this matter, just to talk about whether or not we can enhance victim rights through crime.

I was going to take some time during the special order to talk about Secretary of Education Cavazos' statement before the Select Committee on Narcotic Abuse and Control, but we have touched these matters on and off with Mr. HUGHES and his appearance here today, and I think that was probably more productive than anything I could add.

Let me before yielding back add just one note. The part of the United States that I come from, the upper Midwest, a network of small towns and midsize cities, has, with very little help from the Federal Government, created a variety of innovative programs to fight crime. In Sioux City we have a "Report a Pusher Program," and in addition to our Crime Stoppers hotline, drug-related calls have increased 233 percent in the last year due to citizen participation.

We have a program called ADAPP, the Alcohol, Drug Awareness Prevention Program, designed for first-time drug and alcohol offenders, this is usually kids, to help them without going into a juvenile detention center to perhaps do nothing to correct a substance abuse problem before it happens.

There is a new program called Folklore, and this is not quite as quaint as it sounds. Folk, in gang terminology, means gang. Folklore is an identification of gang practices and procedures which unfortunately a committee of Sioux City, IA, now has to adopt because we have gangs that are living in our community.

As I mentioned last night, Mason City has a D.A.R.E. Program which was the first in the State and now has 1,500 kids involved. There is a new program in Iowa called Operation Snowball, a program that is designed to help kids in schools, focusing on leadership development to empower youth to lead drug-free lives, and this permeates all the way through elementary and secondary grades all the way up to, if you can believe it, this Operation Snowball cap, which deals with senior citizens.

America is doing something. America is busy. America is involved. I would hope that this body could at least rise to the level of expertise and accomplishment that our constituents are.

On that note, I yield back to my friend, the gentleman from Wisconsin.

Mr. GUNDERSON. I appreciate very much the gentleman's fine and eloquent remarks.

I yield to my colleague, the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Speaker, I thank the gentleman for yielding.

Briefly, I would say crime is rampant. Drugs are sold everywhere, yet we come to the floor of Congress and there is nothing but bickering for 1 year. We have had this bill over a year and nothing happens. No wonder the American people are turned off. I am turned off too. I think we need a good housecleaning.

For 36 years we have had the same power people in power. It is about time that we make some changes, and I hope the American people are as frustrated as I am and start cleaning up and making the changes. We have to start doing that now.

Mr. GUNDERSON. I appreciate the gentleman's remarks. It is indeed time to fight violent crime and drugs. Nothing less than our personal security is at stake. Contrary to the statements made by the Judiciary Committee chairman, there are more violent crimes than crime bills.

It was a year ago today that the President's crime control legislation was introduced. We believe that it is time for this Congress to act if we are going to enact it into law yet this year. We must begin to control crime rather than having crime control us.

With that, Mr. Speaker, I yield back the balance of my time.

GENERAL LEAVE

Mr. SHAW. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

ALL-NIGHT CRIMEWATCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. SHAW] is recognized for 60 minutes.

Mr. SHAW. Mr. Speaker, I yield to my colleague, the gentleman from Florida [Mr. IRELAND].

Mr. IRELAND. Mr. Speaker, I thank my colleague from Florida for yielding and want to join him and others in congratulating those who have taken time all through the night, well past 12 hours to discuss this important program.

Some of my colleagues tonight have spoken about what has happened in their districts. I have had calls in from two of the principal counties in my district. In Polk County, FL, just in this short time during the evening there has been a sexual battery on a 13-year-old female, an aggravated battery, another sexual battery as well as an assault with a firearm, and I understand that these are just the major of the crimes committed.

In Manatee, FL, there has been in this period of time at least one rape that has been reported, and in one very rather bizarre case, the police have found a stolen vehicle in which they found guns, knives, and drug paraphernalia. As the owner of the car came to claim the car, I understand that his son turned the father in as a drug dealer, further proof of the tragedy that touches everyone in the drug and crime business in America.

That is going on in every district around America as we speak tonight.

Drug addiction and abuse—and the

violent crime associated with the illegal drug trade—have reached epidemic proportions in this country. Drugs and drug-related crimes continue to top the list of major problems facing our communities. Yet, the Democratic leadership has failed to act on the President's—or, literally any other—proposal to address this national scourge.

This is not some vague, amorphous, victimless problem. It has reached epidemic proportions, ruthlessly threatening to claim our children and our neighborhoods, as in the many examples we see here tonight.

Virtually all Americans—including thousands of constituents who have written to me or visited me—agree that drugs and crime are two of the most dangerous threats our country is facing. I certainly feel that it is time to stop drug-related crime in this country. And I know that our local law enforcement people and our business and community leaders have known for some time that more help was needed.

The Violent Crime and Drug Control Act of 1990 would provide that help. It stands in stark contrast to the failed policies and as-yet-to-materialize new proposals of Democratic leadership. These failed, bureaucratic approaches ignore some very basic facts:

The criminal justice system and this is a fact, frequently gives more breaks to the criminals than it does to the victims of crime;

Drug users are not held responsible for their actions; and

Prison overcrowding is causing criminals to go free despite hefty prison sentences. In 1985, 63 percent of State inmates in early release programs were rearrested for serious crimes.

Now I know that my colleagues and their constituents are fed up with this situation. They are tired of a system in which criminals go free and law-abiding citizens are afraid to walk the streets of their own neighborhoods. They want something done about the problem—something that will make a difference.

But these people aren't just looking for a handout from the Federal Government. The citizens of Florida's 10th district are doing their part—in our schools, our homes and our communities—to enforce a policy of zero tolerance when it comes to drug abuse and crimes associated with the illegal drug trade.

Mr. Speaker, there are many programs in my community that are producing results. Three of the schools in my community, one from Lake Wales, one from Frostproof, and one from Haines City have come to be honored at the Rose Garden at the White House because they have produced drug-free schools. In addition to that, organizations like Tropicana, so well known to all of us around the country, have done an excellent job in producing a drug-free workplace, and then helping spread that drug-free workplace throughout their community and throughout Florida.

Local officials, like county commissioner Ernie Caldwell in Polk County, FL, have found innovative ways to bring together law enforcement and other county agencies to retake neighborhoods that have been taken over by drug lords, and make those neighborhoods free again of crime and drug abuse.

But these people need help. They need help from the Federal Government. They need us to pass a drug and crime bill that has been languishing in these halls for so long. What they need from the Federal Government is support and incentives to encourage and stimulate programs that have been proven to work in their communities. They need the help from the States in developing treatment plans for those who have succumbed to drugs but want to again live healthy, productive lives.

They need the Federal Government to get tough on drugs within the criminal justice system by establishing an expanded drug-testing program within Federal and State criminal justice systems;

They need to have the Federal Government get tough on criminals by mandating the loss of Federal benefits for persons convicted of drug trafficking or possession;

They need to see the Federal Government waive foreign-assistance restrictions to make it easier for the United States to provide assistance to nations attempting to combat illegal drug activities within their borders;

They need to know that drug kingpins will not be free to kill again, thanks to new death penalty provisions for violent crimes and trafficking offenses;

They need to have the Federal Government get tough with drug traffickers by allowing local authorities to revoke the registration of a boat or aircraft involved in drug smuggling; and

They need to know that they can help to finance these efforts by buying drug war bonds, the proceeds of which will go to combat drug abuse and violent crime.

They need to know users when caught, will be penalized—like losing their drivers license.

They need to know, in other words, that the Federal Government is an active participant in the very same fight that they wage in their businesses and communities every day against illegal drugs.

Enacting the Violent Drug and Crime Act of 1990 would send that message loud and clear. We have the opportunity through this legislation to banish once and for all the failed, bureaucratic excuses of the past. We have the obligation—to our families, our businesses, and our communities—to take strong, direct action against drugs and drug-related crimes.

Our communities as we have heard tonight are literally showing us the way. We only need to follow their lead. The Violent Drug and Crime Act could be a powerful first step. It calls for simple, basic measures that have been proven effective. Coupled with local community efforts around the country, we know that this is an approach that will work.

Mr. Speaker, I would urge the Democratic leadership to reflect on a year of inaction and move these votes forward.

I thank the gentleman for yielding.

Mr. SHAW. I thank the gentleman for his most excellent statement which I think quite clearly reflects the sentiment not only of the 10th Congressional District in the State of Florida, but the sentiment of all straight-thinking people all across the country. They are acting and they are wishing that we would act here on their behalf as their Representatives.

As we come to the closing few minutes of this special order and this proceeding that has gone all night, I would like to direct attention for one moment to the boards to my left on which we see any number of crimes clearly outlined and described by title that have been placed here during the night. These are crimes that have been committed throughout the night. But for one moment I think it is necessary for us to reflect upon the most heinous crime of all that is being committed every minute of our lives, and that is the crime of assault on the unborn, the cocaine babies.

When a cocaine-addicted baby is born in Washington, DC, Fort Lauderdale, FL, or New York, you do not dial 911. They do not show up on statistics, but they are being robbed of their entire lives.

I saw a baby that small at Broward General Hospital some years ago when I was looking through the neonatal unit, and the baby died right before me. The nurse described a tattoo on the mother's arm as being larger than the baby itself, and the tattoo read "Cocaine."

The addiction of cocaine is not only wiping out a generation of Americans today, but it is wiping out the future of Americans in the form of the unborn. The damage to the brains and bodies that is being inflicted upon the unborn is absolutely unacceptable in a society such as we have today, and it is perhaps the saddest of all crimes, and it is the crime that does go unreported.

Before we close out this marathon

session I think it is only right to thank the various Democrats who have assumed the Chair tonight and stayed with the Republicans, primarily the Republicans in this special order. I would like to thank the gentleman from New Jersey [Mr. HUGHES] for coming down and speaking to some of the charges that have been made.

I would like to thank the staff, the clerks, the court reporters who have taken down our every word to put together what will be a voluminous CONGRESSIONAL RECORD.

But I think this is a most important exercise, and I most of all want to thank and recognize the tremendous leadership that has been exhibited by the gentleman from Georgia [Mr. GINGRICH], the gentleman from Pennsylvania [Mr. WALKER], the gentleman from Wisconsin [Mr. GUNDERSON], those people who have formulated this special order and those people who also have stuck with it throughout the night and have stayed through the wee hours of the morning to see that program go forward.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. SHAW. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding and want to join with him in expressing our thanks to all of the staff of the House who were with us throughout the night as we did this special order, the Members who came and occupied the Chair so that the special order could go forward, the staff that helped immensely in preparing this, took the phone calls from around the country, and all of those who participated. We do owe them a vote of gratitude on all of this, and I appreciate the gentleman making the point. I also wanted to add my thanks.

Mr. SHAW. We do have a deep debt of gratitude to those who kept the lights burning throughout the night here on the floor of the House of Representatives.

Recognizing their need for about maybe a half an hour or an hour's rest before the House reconvenes at 10 o'clock this morning, it now being 8:30, I yield back the balance of my time.

Mr. BATES. Mr. Speaker, crimes are directly related to the drug problem which haunts our home and work environments. I am deeply concerned about this problem. In San Diego County alone, we presently have over 180,000 drug and alcohol abusers. In San Diego, we need an estimated $14 million for drug rehabilitation programs. Only $9 million have been appropriated.

We have to make these programs a priority. We are having difficulties in regulating gun legislation and allocating prison space. Many of our encounters have become extremely dangerous and we are working hard in trying to combat these problems with proper legislation.

In my district, I have joined forces with the city of San Diego and the police department to supervise the City-Heights area where there is a high rate of drug-related crimes such as robberies, assaults, and prostitution. As a team, we have been working to push the California Division of Highways to continue construction of Interstate 15. As a result of the delays, drug dealers have set up meth labs and crack houses in nearby vacant houses. This problem will only be remedied when CalTrans continues with the construction. If the City-Heights project is successful, it will serve as a model for my entire district.

San Diego is in a state of emergency and we have alerted the President and Director William Bennett. We have asked that San Diego be designated as a high-intensity drug trafficking area. An allocation of funds would help deal with these problems which are infesting our lives on a daily basis.

Drug education and rehabilitation programs are also necessary to help us deal with the rising crime rate. It is a problem which will not go away until every one of us works together in trying to do something about it.

Mr. BROOKS. Mr. Speaker, the Judiciary Committee has held over 30 days of legislative and oversight hearings during this Congress on crime issues and legislative proposals. Based on this record, the committee will consider a comprehensive anti-crime legislative package that will fight back at the criminal element in our society. The package includes provisions ranging from expanding the number of crimes for which a Federal death penalty may be imposed to closing loopholes in the bankruptcy law that currently permit individuals to avoid paying drunk driving judgments and restitution for other crimes.

The Crime Subcommittee, chaired by Congressman WILLIAM J. HUGHES, of New Jersey, has scheduled a markup on major elements of the anti-crime package on Tuesday, June 26. It is my hope that we can move this legislative package through the committee, the House, and the Congress quickly in a bipartisan fashion. However, media stunts such as the Republicans' all-night special order raise a serious question about whether they are sincerely interested in passing workable and effective legislation, or whether their only interest is in political grandstanding. Their conduct over the next several weeks should provide an answer to that question. I hope that they will cooperate in a responsible manner.

Mr. SCHULZE. Mr. Speaker, in my hand is a copy of the Spring-Summer 1990 issue of the internation journal of the W.K. Kellogg Foundation. The featured article is entitled "Strong Communities Can Fight Gangs and Drugs."

The cover picture could not be more accurate or blunt in portraying the dilemma facing our Nation's youth. As you can see, the picture is that of a handsome and clean-cut young boy—nothing unusual or problematic about that. The dilemma, however, is found in his hands. In the right hand, he holds a stack of school books, not unlike the books we were fortunate enough to carry and study as children. In the left, he holds an equally impressive stack of gold jewelry and a 1-inch thick wad of cash, some of the well-known spoils of the illicit drug trade.

Clearly, in the jewelry and money, embodied is the notion that trafficking drugs, or dealing and pushing drugs, is the easiest and fastest way to acquire all the belongings you ever dreamed of owning—and all before your 20th birthday.

In the stack of books, unfortunately, the message doesn't seem to be quite as glamorous or appealing. In fact, to a youngster or any person interested in turning over a quick profit, the cumbersome pile of books offers very little.

I am deeply concerned that presently, and perhaps into the foreseeable future, the pile of books doesn't stand a chance against the pile of jewels and cash. In fact, more and more people, particularly our Nation's youth, are being drawn into drug trafficking because of the enormous amounts of money to be made from illegal narcotics.

In this regard, I'd like to share with you a couple excerpts from this article, which, for the record, was authorized by Dr. Carl Spencer Taylor, director of criminal justice programs at Jackson Community College in Michigan. Dr. Taylor is also an adjunct professor in the School of Criminal Justice at Michigan State University. His specialty is studying the relationship between gangs, drugs and violent crime.

On the issue of drugs as big business, Dr. Taylor says that—and I quote: "Historically, most youth gangs have been users, consumers of drugs. Today, they have moved on to a more potent substance: Money—an addictive commodity for which gangs are willing to kill. While gangs used to fight over turf, many now have organized to become part of the commercialization of the drug trade."

On the matter of combating drugs, Dr. Taylor points to the value of an effective criminal justice system, and contends that to reduce crime by controlling drug traffic requires strong support from law enforcement and from the community at large.

He also notes that—quote—"It is particularly important to have residents willing to identify drug users and dealers, and a solid system must in place to protect such witnesses. The Government also should be allowed to confiscate the assets of gangs, their associates, and drug users." "This is crucial," Dr. Taylor says. "Without money, these individuals have no power."

I have introduced a proposal, H.R. 3346—known as the Bounty Hunter Act—to reverse the key role that greed plays in attracting what could be the future leaders of this Nation into the drug trade. I am proud that many of our colleagues participating in this special order have joined me as cosponsors of this measure.

Under bounty hunter, if you turn in a drug pusher, you get half the value of the pusher's tainted luxuries acquired with illegal profits. These luxuries can include huge yachts, fast cars, sleek jets, mansions fit for kings and queens, the finest jewelry drug money can buy and, of course, cash.

We have all seen the television shows—such as Miami Vice—depicting the opulent lifestyles of drug kingpins, and the maniacal obsession each one has with his material possessions. By giving half of what these possessions are worth to the informants who turn in the kingpins, we tip the scales against those who pursue the drug trade out of raw greed.

An informant might be somebody actually involved in the drug trade, but who has never faced conviction for such activities. Or, it could also be a completely innocent observer who can't avoid knowing who the dealers are because they conduct their odious trade in clear view of the whole neighborhood. Also, this observer may have had the life of a loved one claimed by the violence associated with drugs.

Currently, would-be informants have little incentive to do the right thing and turn in vicious drug dealers terrorizing our Nation's streets and neighborhoods—urban, suburban and rural. The lure of the big money to be made by getting drawn into the drug trade is simply too strong.

It's time to show the innocent observers I referred to—those who want to do what is right—that their courage in going against the tide of drug abuse is going to be duly recognized, and amply rewarded. I believe we can win the war on drugs—or at least take significant strides in this direction, by providing the needed incentive for informants to come forward.

Let me help define "incentive." In 1989, Department of Justice statistics show that over $580 million worth of cash, property, and investments seized from drug dealers was forfeited over to the U.S. Government as a result of those dealers' convictions; 580 million dollars' worth. Just imagine how much is still out there for would-be informants to split.

It would be wonderful to entice drug dealers to turn in one another—and all because of the very same greed that got them into the drug trade in the first place. If they know they can profit from eliminating their drug boss, pushers will start informing on their dealers, and dealers on their suppliers.

The bounty hunter proposal would also establish an incentive award to the States, either for rewarding those informers whose drug-dealing victims are prosecuted under State law, or to spread the word in their locales that if you help sweep the streets clean of drugs, you will profit.

In further defining the problem of drugs, and analyzing the roles played by money and greed, you simply don't paint a complete picture until you have examined the importance of money laundering.

According to the August 3, 1989, report by the Attorney General to the President on drug trafficking, the term "Money Laundering" refers, in its broadest sense, to all activities designed to conceal the existence, nature, and final disposition of funds gained through illicit activities. The fact that most drug transactions are carried out exclusively in cash makes the money laundering process an indispensable component in drug trafficking activities.

If there is any confusion as to why effective money laundering efforts are such an integral part of the drug trafficker's success, consider this: The Select Committee on Narcotics Abuse and Control estimates that the value of the underground economy generated in the United States by the illicit drug trade is somewhere between $100 and $110 billion each year—$100 to $110 billion. Make no mistake about it. That is big, big business.

At the heart of the money laundering practice is the $100 bill, the favorite currency of drug dealers. In fact, it is no surprise that the young boy on the cover of the publication I held up earlier is holding a wad of $100 bills.

One hundred dollar bills account for approximately 50 percent of all laundered money outside the United States, and a substantial portion of the well over $100 billion laundered from drug transactions. Cash—especially large bills—is the drug dealer's favority resource. It is easy to carry, and easy to exchange. If we can locate these large caches of bills, we will locate many of our drug dealers.

Having said this, it would seem to make sense that the U.S. Treasury should retire all existing $100 bills, and replace them with new notes. Of course, to minimize the inconvenience to the ordinary citizen—who doesn't deal drugs—a reasonable period of time would be allowed so the exchange of old bills for new ones could be made.

Such a program would severely disrupt the dealings and money laundering tactics of drug traffickers, and would effectively force drug dealers into an extremely uncomfortable, no-win situation. Why is this? Because, if a dealer tries to exchange his bills—likely to total in the tens or hundreds of thousands of dollars—he faces tax evasion charges. This is because all banks are required under Federal law to report to the IRS the details of any cash deposit of over $5,000.

If the dealer becomes afraid to exchange his bills, then he ends up a loser because, while all law-abiding citizens had already exchanged their $100 bills, he would still be holding the old ones. In other words, his old bills would no longer be deemed legal tender, and they would be clearly branded as such.

Given the fact that the Treasury will shortly be replacing large bills in an effort to protect our currency from advances in counterfeiting techniques, there could not be a better time to implement the $100 bill idea.

However, this concept—as is also the case with bounty hunter, and other resolutions to be discussed by my Republican colleagues during this special order—would demand a rock-solid partnershp between good, law-abiding citizens and the local, State and Federal Government and law-enforcement community.

If Congress can create the incentive for individual citizens—and citizens standing together as unified communities—to become involved at all levels, we can begin to win the war against drugs.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. RANGEL (at the request of Mr. GEPHARDT), for today and June 21, on account of official business.

Mr. SERRANO (at the request of Mr. GEPHARDT), for today and June 21, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. INHOFE) to revise and extend their remarks and include extraneous material:)

Mr. MCEWEN, for 60 minutes, on June 21.

Mr. DOUGLAS, for 5 minutes, today.

Mr. SHAW, for 60 minutes, today.

Mr. ROTH, for 60 minutes, today.

Mr. LEWIS of Florida, for 60 minutes each day, on June 26 and 27.

(The following Members (at the request of Mr. POSHARD) to revise and extend their remarks and include extraneous material:)

Mr. COOPER, for 5 minutes, today.

Mr. WYDEN, for 5 minutes, today.

Mr. KLECZKA, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. UDALL, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. MONTGOMERY, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SCHEUER during general debate on H.R. 5021 in the Committee of the Whole today.

Mr. YATES prior to the vote on the Smith of Iowa amendment in the Committee of the Whole today.

(The following Members (at the request of Mr. INHOFE) and to include extraneous material:)

Mr. SAXTON.

Mr. RHODES in two instances.

Mr. GILMAN in three instances.

Mr. BROOMFIELD.

Mr. MACHTLEY.

Mr. SCHEUTTE.

Mr. SOLOMON.

Mr. TAUKE.

Mr. MICHEL.

Mr. WYLIE.

(The following Members (at the request of Mr. POSHARD) and to include extraneous material:)

Mr. RANGEL.

Mr. DOWNEY.

Mr. PENNY.

Mr. MCCLOSKEY.

Mr. MARTINEZ.

Mr. TALLON.

Mr. CLEMENT.

Mr. RICHARDSON.

Mr. MILLER of California.

Mr. FASCELL.

Mr. WEISS.

Mr. PANETTA.

Mr. KOSTMAYER in two instances.

Mr. DONNELLY.

Mr. MORRISON of Connecticut.

Mr. KILDEE.

Mr. SWIFT.

Mr. RAHALL.

Mr. LEVINE of California.

Mr. FORD of Tennessee.
Mr. SLATTERY.
Mr. SKELTON.
Mr. ENGEL.
Mr. HARRIS.
Mr. ERDREICH.
Mr. ECKART.
Mr. BONIOR.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 670. An act to recognize the organization known as the Retired Enlisted Association, Incorporated; to the Committee on the Judiciary.

S.J. Res. 248. Joint resolution to designate the month of September 1990 as "International Visitors Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 256. Joint resolution to designate the week of October 7, 1990, through October 13, 1990, as "Mental Illness Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 278. Joint resolution designating July 19, 1990, as "Flight Attendant Safety Professionals' Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 281. Joint resolution to designate September 13, 1990, as "National D.A.R.E. Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 285. Joint resolution to designate the period commencing September 9, 1990, and ending September 15, 1990, as "National Historically Black Colleges Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 289. Joint resolution to designate October 1990 as "Polish American Heritage Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 290. Joint resolution to designate the week of July 22, 1990, through July 28, 1990, as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War"; to the Committee on Post Office and Civil Service.

S.J. Res. 296. Joint resolution designating August 7, 1990, as "National Neighborhood Crime Watch Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 299. Joint resolution to designate the period October 1, 1990, through October 1, 1991, as the "Year of the Wetlands"; to the Committee on Post Office and Civil Service.

S.J. Res. 300. Joint resolution to designate September 1990 as "Jewish Community Center Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 301. Joint resolution designating October 1990 as "National Breast Cancer Awareness Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 304. Joint resolution to designate October 17, 1990, as "National Drug-Free Schools and Communities Education and Awareness Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 308. Joint resolution to designate the month of June 1990, as "National Huntington's Disease Awareness Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 312. Joint resolution designating the week of November 12, 1990, through November 18, 1990, as "National Critical Care Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 316. Joint resolution to designate the second Sunday in October of 1990 as "National Children's Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 317. Joint resolution to designate the week of October 14, 1990, through October 20, 1990, as "National Radon Action Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 320. Joint resolution designating July 2, 1990, as "National Literacy Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 321. Joint resolution to designate the week of August 19 through 25, 1990, as "National Agricultural Research Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 331. Joint resolution to designate the week of September 23 through 29, 1990, as "Religious Freedom Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 333. Joint resolution to designate the week of September 30, 1990, through October 6, 1990, as "National Job Skills Week"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. WALKER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 27 minutes a.m.) the House adjourned until today, Thursday, June 21, 1990, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3421. A letter from the Assistant Secretary of Defense, transmitting the strategic and critical materials report during the period October 1988 through March 1989, pursuant to 50 U.S.C. 98h-2(a); to the Committee on Armed Services.

3422. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled, "Review of Sludge Disposition at the Blue Plains Wastewater Treatment Plant," pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

3423. A letter from the Secretary of Energy, transmitting the quarterly report on the strategic petroleum reserve during the period January 1, 1990, through March 31, 1990, pursuant to 42 U.S.C. 6245(b); to the Committee on Energy and Commerce.

3424. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to enhance Medicare managed care activities; jointly, to the Committees on Ways and Means and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs.

H.R. 544. A bill to amend the Mineral Leasing Act of Acquired Lands to establish a State Fish and Wildlife Assistance Fund, and for other purposes; with an amendment (Rept. 101-546, Pt 1). Ordered to be printed.

Mr. UDALL: Committee on Interior and Insular Affairs.

S. 319. An act to effect an exchange of lands between the United States Forest Service and the Salt Lake City Corporation within the State of Utah and for other purposes; with an amendment (Rept. 101-547, Pt. 1). Ordered to be printed.

Mr. BONIOR: Committee on Rules.

H. Res. 417. Providing for the consideration of H.J. Res. 350, a joint resolution proposing an amendment to the Constitution of the United States authorizing the Congress and the States to prohibit the physical desecration of the flag of the United States (Rept. 101-548). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GILMAN:

H.R. 5089. A bill to provide that a Federal annuitant or former member of a uniformed service who is appointed to serve as a temporary civilian employee at a military installation which has been designated for closure shall be exempt from the provisions of title 5, United States Code, relating to offset from pay and other benefits, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. RHODES:

H.R. 5090. A bill to amend the Internal Revenue Code of 1986 and the Social Security Act to provide comprehensive incentives for the provision of long-term care; jointly to the Committees on Ways and Means, Banking, Finance and Urban Affairs, and Energy and Commerce.

By Mr. COOPER (for himself, Mr. BOUCHER, Mr. WYDEN, Mr. PASHAYAN, Mr. BRYANT, Mr. PETRI, Mr. HOUGHTON, Mr. LAFALCE, Mr. TORRICELLI, Mr. MCMILLEN of Maryland, Mr. CARPER, Mr. FORD of Tennessee, Mr. MCCURDY, Mr. DORGAN of North Dakota, and Mr. CLEMENT):

H.R. 5901. A bill to provide for protection of the flag of the United States; to the Committee on the Judiciary.

By Mr. YOUNG of Alaska:

H.R. 5092. A bill to provide for the study of whether Alaska Native residents in certain Alaska communities have been afforded just and equitable treatment for the settlement of their aboriginal claims consistent with the intent, purpose, and promise of the Alaska Native Claims Settlement Act; to the Committee on Interior and Insular Affairs.

By Mr. MONTGOMERY:

H.R. 5093. A bill to amend title 38, United States Code, to codify and reorganize the provisions of law relating to the creation of the new Department of Veterans Affairs, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. AUCOIN (for himself, Mr. MORRISON of Washington, and Mr. ROBERT F. SMITH):

H.R. 5094. A bill to facilitate the implementation of national forest land and re-

source management plans and for other purposes; to the Committee on Agriculture.

By Mr. CARR:

H.R. 5095. A bill to amend the Immigration and Nationality Act to provide for loss of nationality and deportation for those who willfully and maliciously destroy or mutilate the flag of the United States; to the Committee on the Judiciary.

By Mr. CRANE:

H.R. 5096. A bill to amend the Public Health Service Act to establish the maximum contaminant level for the chemical trichloroethylene; to the Committee on Energy and Commerce.

By Mr. DONNELLY (for himself and Mr. PICKLE):

H.R. 5097. A bill to direct the Secretary of Health and Human Services to phase in the update to the area wage index used to determine the amount of payment made to a hospital under part A of the Medicare Program for the operating costs of inpatient hospital services for inpatient hospital discharges occurring during fiscal year 1991, and for other purposes; to the Committee on Ways and Means.

By Mr. ECKART (for himself, Mr. BONIOR, Mr. GEPHARDT, Mr. RIDGE, Mr. OBEY, Mrs. BOXER, Mr. SMITH of Florida, Mr. WISE, Mr. FROST, Mr. DURBIN, Mr. DORGAN of North Dakota, Mr. NAGLE, Mr. HAYES of Louisiana, Mr. HARRIS, Mr. MARKEY, Mr. GLICKMAN, Mr. AUCOIN, Mr. HOYER, Mr. MCMILLEN of Maryland, Mr. PANETTA, Mr. SLATTERY, Mr. WEBER, and Mr. GORDON):

H.R. 5098. A bill to amend title 18, United States Code, to give the Secret Service jurisdiction to assist in investigating certain financial crimes arising from the savings and loan crisis; to the Committee on the Judiciary.

By Mr. HOCHBRUECKNER:

H.R. 5099. A bill to require the Secretary of Transportation to request the National Academy of Sciences to report to the Secretary and the Congress regarding the use of, and risks associated with, electronic and microprocessor systems in automobiles; to the Committee on Energy and Commerce.

By Mr. KENNEDY (for himself and Mr. KILDEE):

H.R. 5100. A bill to combat homelessness through the establishment of housing-based family support centers, through the provision of housing-based services to elderly individuals and individuals with chronic and debilitating illnesses and conditions, through the provision of residence-based outpatient mental health services, through the use of grants for the improvement of community development corporations, and through the provision of comprehensive services to homeless veterans, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs, Energy and Commerce, and Veterans' Affairs.

By Mr. KLECZKA (for himself, Mr. RAHALL, Mr. JONTZ, Mr. KASTENMEIER, Mr. SLATTERY, Mr. CROCKETT, Mr. PALLONE, Mr. BRYANT, Mr. GLICKMAN, Mr. NELSON of Florida, Mrs. COLLINS, Mr. KANJORSKI, Mr. TOWNS, Mr. SCHEUER, Mr. HOCHBRUECKNER, Mr. ERDREICH, and Mr. DURBIN):

H.R. 5101. A bill to establish a Financial Services Crime Division in the Department of Justice; to the Committee on the Judiciary.

By Mr. TAUKE:

H.R. 5102. A bill to amend the Communications Act of 1934 to permit the Federal Communications Commission to accept voluntary service for the processing of amateur radio applications; to the Committee on Energy and Commerce.

By Mr. TAUKE (for himself, Mrs. JOHNSON of Connecticut, and Mrs. SAIKI):

H.R. 5103. A bill to amend title II of the Social Security Act to provide that the combined earnings of a husband and wife during the period of their marriage shall be divided and shared between them for benefit purposes if they become divorced and they both elect such division and sharing; to the Committee on Ways and Means.

By Mr. TAUKE (for himself, Mrs. JOHNSON of Connecticut, Mrs. SAIKI, and Mr. RINALDO):

H.R. 5104. A bill to amend title II of the Social Security Act to provide that, in recognition of the need to provide for child care or care for chronically dependent relatives, additional years may be disregarded in determining average annual earnings on which benefit amounts are based; to the Committee on Ways and Means.

H.R. 5105. A bill to amend title II of the Social Security Act to reduce from 60 to 55 the age at which an individual who is otherwise eligible may be paid widow's or widower's insurance benefits, to provide benefits for disabled widows and widowers without regard to age, and to repeal rules providing for actuarial reduction of widow's and widower's insurance benefits; to the Committee on Ways and Means.

By Mr. WASHINGTON:

H.R. 5106. A bill to amend the professional and graduate institution program under part B of title III of the Higher Education Act of 1965 to add certain additional institutions, and for other purposes; to the Committee on Education and Labor.

By Mr. GILMAN (for himself and Mr. ROSE):

H.J. Res. 607. Joint resolution regarding the extension of most-favored-nation treatment to the People's Republic of China; to the Committee on Ways and Means.

By Mr. MARTINEZ (for himself, Mr. ANNUNZIO, Mr. APPLEGATE, Mr. ARCHER, Mr. BATEMAN, Mrs. BENTLEY, Mr. BEVILL, Mr. BLAZ, Mr. BLILEY, Mr. BORSKI, Mr. BOSCO, Mr. BOUCHER, Mrs. BOXER, Mr. BUSTAMANTE, Mr. CLAY, Mr. CLEMENT, Mr. COLEMAN of Texas, Mrs. COLLINS, Mr. CONYERS, Mr. COSTELLO, Mr. CROCKETT, Mr. DE LA GARZA, Mr. DELLUMS, Mr. DE LUGO, Mr. DIXON, Mr. DONNELLY, Mr. DYMALLY, Mr. DWYER of New Jersey, Mr. EMERSON, Mr. ENGEL, Mr. ESPY, Mr. EVANS, Mr. FALEOMAVAEGA, Mr. FAUNTROY, Mr. FAWELL, Mr. FAZIO, Mr. FLAKE, Mr. FLIPPO, Mr. FOGLIETTA, Mr. FORD of Tennessee, Mr. FUSTER, Mr. GEJDENSON, Mr. GILMAN, Mr. GONZALEZ, Mr. GORDON, Mr. GRANDY, Mr. GREEN, Mr. GUARINI, Mr. HATCHER, Mr. HAYES of Illinois, Mr. HAYES of Louisiana, Mr. HEFNER, Mr. HORTON, Mr. HYDE, Mr. JACOBS, Mrs. JOHNSON of Connecticut, Mr. JONTZ, Ms. KAPTUR, Mr. KASTENMEIER, Mr. KOLTER, Mr. LANCASTER, Mr. LANTOS, Mr. LEHMAN of California, Mr. LEHMAN of Florida, Mr. LEWIS of Georgia, Mr. LIPINSKI, Ms. LONG, Mr. THOMAS A. LUKEN, Mr. MCCLOSKEY, Mr. MCDADE, Mr. MCDERMOTT, Mr. MCEWEN, Mr. MAVROULES, Mrs. MARTIN of Illinois, Mr. MILLER of Ohio, Mr. MILLER of California, Mr. MOAKLEY, Mr. MOLLOHAN, Mr. MURPHY, Mr. NATCHER, Mr. NIELSON of Utah, Ms. OAKAR, Mr. OWENS of New York, Mr. OWENS of Utah, Mr. PALLONE, Mr. PANETTA, Mr. PAXON, Mr. PAYNE of New Jersey, Mr. PAYNE of Virginia, Ms. PELOSI, Mr. PERKINS, Mr. POSHARD, Mr. QUILLEN, Mr. RAHALL, Mr. RANGEL, Mr. RAVENEL, Mr. ROYBAL, Mr. SABO, Mrs. SAIKI, Mr. SANGMEISTER, Mr. SAVAGE, Mr. SAWYER, Mr. SCHEUER, Mr. SCHUETTE, Mr. SHAYS, Mr. SISISKY, Mr. SKELTON, Ms. SLAUGHTER of New York, Mr. SMITH of Florida, Mr. SMITH of Vermont, Ms. SNOWE, Mr. SOLARZ, Mr. SPENCE, Mr. SPRATT, Mr. STAGGERS, Mr. STOKES, Mr. STUDDS, Mr. TAUKE, Mr. TAUZIN, Mr. TALLON, Mr. TOWNS, Mr. TRAFICANT, Mr. TRAXLER, Mrs. UNSOELD, Mr. VALENTINE, Mr. VENTO, Mr. WALSH, Mr. WAXMAN, Mr. WEISS, and Mr. YOUNG of Alaska):

H.J. Res. 608. Joint resolution to designate the week of September 31, 1990 through October 6, 1990, as "National Job Skills Week"; to the Committee on Post Office and Civil Service.

By Mr. PANETTA:

H.J. Res. 609. Joint resolution designating October 20, 1990, as "Leyte Landing Day"; to the Committee on Post Office and Civil Service.

By Mr. SMITH of Florida:

H.J. Res. 610. Joint resolution designating October 1990 as "Ending Hunger Month"; to the Committee on Post Office and Civil Service.

By Mr. BENNETT:

H. Con. Res. 342. Concurrent resolution providing a sense of the Congress that the peace dividend shall be used only to balance the Federal budget and to reduce the national debt; jointly, to the Committees on Ways and Means and Government Operations.

By Mr. PENNY (for himself, Mr. DURBIN, Mr. BATES, Ms. SCHNEIDER, Mr. CHANDLER, Ms. PELOSI, Mr. OBERSTAR, Mr. PEASE, Mr. HARRIS, Mr. STARK, Mr. WALGREN, Mrs. COLLINS, Mr. WHITTAKER, Mr. LAFALCE, Mr. ANDREWS, Mr. WAXMAN, and Mr. NEAL of Massachusetts):

H. Res. 418. Resolution regulating smoking in public areas in office buildings of the House of Representatives; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

442. The SPEAKER presented a memorial of the Senate of the Commonwealth of Pennsylvania, relative to benefits, services and entitlement programs for disabled veterans; to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. TANNER:

H.R. 5107. A bill for the relief of Ruth C. Ward; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 84: Mr. FORD of Tennessee, Mr. GILMAN, and Mr. YATRON.

H.R. 220: Mr. YATRON.

H.R. 633: Mr. MCCANDLESS.

H.R. 844: Mr. WELDON.

H.R. 990: Mr. BOUCHER and Mr. VALENTINE.

H.R. 1163: Mr. RAHALL, Mr. NELSON of Florida, Ms. LONG, Mr. HORTON, Mr. BRUCE, Mr. LANCASTER, and Ms. KAPTUR.

H.R. 1287: Mr. ARMEY, and Mr. COX.

H.R. 1466: Mr. GILLMOR.

H.R. 1515: Mr. GILLMOR.

H.R. 1693: Mr. FORD of Tennessee and Mr. FISH.

H.R. 1699: Mr. CLEMENT, Mr. PALLONE, Mr. HAYES of Louisiana, Mr. ANTHONY, Mr. JACOBS, Mr. LAGOMARSINO, Mr. YOUNG of Florida, Mr. HYDE, Ms. LONG, Mr. BENNETT, Mr. WEBER, Mr. TAYLOR, Mr. MCCRERY, Mr. CONDIT, Mr. CHAPMAN, Mr. PETRI, Mr. CARDIN, Mr. KANJORSKI, Mr. SWIFT, Mr. SMITH of New Hampshire, Mr. TANNER, Mr. LIGHTFOOT, Mr. CRAIG, and Mr. DORGAN of North Dakota.

H.R. 1875: Mr. DERRICK, Mr. DOUGLAS, Mr. HARRIS, Mr. SKELTON, and Mr. TALLON.

H.R. 2121: Mr. PAYNE of New Jersey, Mr. KENNEDY, Mr. COX, and Mr. DOUGLAS.

H.R. 2360: Mr. POSHARD, Mr. SPENCE, and Mr. MILLER of Washington.

H.R. 2437: Mr. HEFNER, Mr. SERRANO, Ms. MOLINARI, Mr. TRAXLER, Mr. FLAKE, and Mr. MCNULTY.

H.R. 2460: Mr. BILBRAY.

H.R. 2505: Mr. CONDIT.

H.R. 2596: Mr. BUECHNER.

H.R. 2649: Mr. SMITH of New Jersey.

H.R. 2853: Mr. STUDDS, Mr. SOLARZ, and Mr. BOSCO.

H.R. 3321: Mr. BUNNING.

H.R. 3498: Mrs. UNSOELD, Mr. SUNDQUIST, Mr. SKEEN, Mr. STUDDS, and Mr. SAXTON.

H.R. 3622: Mr. DELAY.

H.R. 3623: Mr. DELAY.

H.R. 3699: Mr. JONES of Georgia, Mr. DELLUMS, and Mr. VALENTINE.

H.R. 3711: Mr. ERDREICH.

H.R. 3734: Mr. FAZIO.

H.R. 3772: Mr. HUGHES.

H.R. 3817: Mr. LEWIS of Georgia.

H.R. 3880: Mr. MAZZOLI, Mr. OWENS of New York, Mr. FASCELL, and Mr. GILLMOR.

H.R. 3914: Mr. MOODY and Mr. GILLMOR.

H.R. 3935: Mr. DIXON, Mr. WOLF, Mr. ROE, Ms. MOLINARI, Mr. FASCELL, and Mr. DICKS.

H.R. 3986: Mr. DICKS, Mr. MORRISON of Connecticut, Mr. RITTER, Mrs. SAIKI, Mr. DIXON, Mr. DREIER of California, and Mr. LEWIS of Georgia.

H.R. 4096: Mr. SMITH of Florida and Mr. DIXON.

H.R. 4100: Mr. SAXTON.

H.R. 4219: Mr. GORDON, Mr. FAUNTROY, Mr. FASCELL, Mr. NEAL of North Carolina, Mr. PENNY, Mr. FRANK, Mr. DORGAN of North Dakota, Mr. EVANS, Mr. BUSTAMANTE, Mr. KOSTMAYER, Mr. ACKERMAN, Mr. EDWARDS of California, Mr. SLATTERY, Mr. MORRISON of Connecticut, Ms. PELOSI, Mr. ANNUNZIO, Mr. STUDDS, Mr. STOKES, Mr. LANTOS, Mr. PAYNE of New Jersey, Mr. FAZIO, and Mr. LEWIS of Georgia.

H.R. 4225: Mr. CLAY.

H.R. 4229: Mr. RANGEL.

H.R. 4361: Ms. ROS-LEHTINEN.

H.R. 4429: Mr. LEWIS of California and Mr. STUMP.

H.R. 4488: Mr. COX.

H.R. 4548: Mr. MARTINEZ, Mr. TOWNS, and Mr. FRANK.

H.R. 4565: Mr. BUSTAMANTE, Mr. INHOFE, Mr. SUNDQUIST, Mr. HAYES of Louisiana, Mr. SANGMEISTER, Mr. SLATTERY, Mr. OWENS of Utah, and Mr. OLIN.

H.R. 4641: Mr. LEWIS of Georgia.

H.R. 4675: Mr. ANDREWS, Mr. POSHARD, and Mr. THOMAS of Wyoming.

H.R. 4715: Mr. LANCASTER, Mr. WISE, Mr. FAUNTROY, Mrs. COLLINS, Mr. JONTZ, and Mr. HOCHBRUECKNER.

H.R. 4759: Mr. ROHRABACHER, Mr. DANNEMEYER, Mr. DORNAN of California, Mr. HANCOCK, Mr. ARMEY, and Mr. SHUMWAY.

H.R. 4776: Ms. KAPTUR, Mr. WISE, and Mr. TOWNS.

H.R. 4814: Mr. JAMES.

H.R. 4816: Mr. WOLPE.

H.R. 4853: Mr. GALLEGLY, Mr. HANSEN, Mr. NIELSON of Utah, Mr. THOMAS of California, and Mr. SHUMWAY.

H.R. 4868: Mr. SHAW and Mrs. BOXER.

H.R. 4898: Mr. EDWARDS of California, Mr. DYSON, Mr. BERMAN, Mr. MCNULTY, Mr. PENNY, Mr. HENRY, Mr. GRANT, Mr. RAHALL, Mr. CARDIN, Mr. SAWYER, Mr. KOLTER, Ms. PELOSI, Mr. MOLLOHAN, Mr. ARMEY, Mr. JOHNSON of South Dakota, Mr. CROCKETT, Mr. FRANK, and Mr. FORD of Tennessee.

H.R. 4903: Mr. SHARP, Mr. ROE, Mr. DORNAN of California, Mr. DOWNEY, Mr. SOLARZ, Mr. STUDDS, and Mr. FAZIO.

H.R. 4904: Mr. DUNCAN, Mr. VALENTINE, Mr. NIELSON of Utah, Mr. JAMES, and Mr. COX.

H.R. 4958: Ms. OAKAR.

H.R 4962: Mrs. MARTIN of Illinois, Mr. FLAKE, Mr. BUSTAMANTE, Mr. SKAGGS, Mr. SYNAR, Mr. DWYER of New Jersey, Mr. COYNE, Mr. MCCLOSKEY, Mr. LEHMAN of Florida, Mr. IRELAND, Mr. SERRANO, Mr. BUNNING, Mr. BLAZ, Mr. BROWN of Colorado, Mr. HERGER, Mr. STARK, Mr. BROWDER, Mr. CHAPMAN, Mr. MURPHY, Mrs. COLLINS, Mr. HEFNER, Mr. ROSE, Mr. DE LUGO, Mr. YATRON, Mr. HOLLOWAY, Mr. LEVINE of California, Mr. JAMES, Mr. SHARP, Mr. ENGEL, Mr. GALLEGLY, Mrs. SCHROEDER, Mr. BURTON of Indiana, Mr. CONYERS, Mr. SPENCE, Mr. MAVROULES, Mr. VOLKMER, Mr. HERTEL, Mr. LENT, Mr. GORDON, Mr. HASTERT, Mr. NIELSON of Utah, Mr. COUGHLIN, Mr. OXLEY, Mr. KENNEDY, Mr. GREEN, Mr. GUARINI, Mr. FORD of Tennessee, Mr. SCHAEFER, Mr. MCDADE, Mr. MCGRATH, Mr. BROOKS, Mr. SMITH of Vermont, Mr. GRANT, Mr. THOMAS of Wyoming, Mr. SAWYER, Mr. WAXMAN, Mr. DOUGLAS, Mr. OWENS of New York, Mr. SOLARZ, and Mr. POSHARD.

H.R. 4972: Mr. HYDE and Mr. STOKES.

H.R. 4977: Mr. WISE, Mrs. COLLINS, Mr. GORDON, and Mr. FOGLIETTA.

H.R. 4990: Mrs. COLLINS, Mr. MARTINEZ, Mrs. BOXER, Mr. PENNY, Mrs. KENNELLY, Mr. HOCHBRUECKNER, Mr. SMITH of New Jersey, Mr. CLEMENT, and Mr. LANTOS.

H.R. 5028: Mr. LEWIS of California.

H.R. 5054: Mr. PARRIS, Mr. HORTON, Mr. MADIGAN, Mr. FAUNTROY, Mr. MORRISON of Connecticut, Mr. AUCOIN, and Mrs. VUCANOVICH.

H.R. 5060: Mr. FISH.

H.R. 5088: Mr. LAGOMARSINO and Mr. FUSTER.

H.J. Res. 350: Mr. GEREN, Mr. HAMMERSCHMIDT, and Mr. BENNETT.

H.J. Res. 409: Mr. DANNEMEYER, and Mr. HUGHES.

H.J. Res. 431: Mr. YATRON, Ms. MOLINARI, and Mr. CONYERS.

H.J. Res. 439: Mr. FASCELL, Ms. KAPTUR, Mr. SCHULZE, Mr. CROCKETT, and Mr. EVANS.

H.J. Res. 443: Mr. RAHALL, Mr. FOGLIETTA, Mr. LEWIS of California, Mr. LEVINE of California, Mr. HERTEL, Mrs. BOXER, Mr. BUSTAMANTE, Mr. HARRIS, Mr. BOUCHER, Mr. SMITH of New Jersey, Mr. WEBER, Mr. SPENCE, Mr. LANCASTER, Mr. EARLY, and Mr. DYMALLY.

H.J. Res. 502: Mr. BOSCO, Mr. KLECZKA, Mr. DE LA GARZA, Ms. MOLINARI, Mr. BATEMAN, Mr. DIXON, Mr. DANNEMEYER, Mrs. MARTIN of Illinois, Mr. MURPHY, Mr. CONYERS, Mr. COUGHLIN, Mr. SANGMEISTER, Mr. JENKINS, Mr. ORTIZ, and Mr. KENNEDY.

H.J. Res. 507: Mr. HATCHER, Mr. DICKS, Mr. HUTTO, and Mrs. COLLINS.

H.J. Res. 515: Mr. APPLEGATE, Mr. AUCOIN, Mr. ASPIN, Mr. BARTLETT, Mr. BILIRAKIS, Mr. BLILEY, Mr. BENNETT, Mr. BERMAN, Mrs. BOXER, Mr. BUSTAMANTE, Mr. BORSKI, Mr. CLEMENT, Mrs. COLLINS, Mr. CONYERS, Mr. CROCKETT, Mr. DELLUMS, Mr. DYMALLY, Mr. DYSON, Mr. DE LA GARZA, Mr. DWYER of New Jersey, Mr. EMERSON, Mr. ERDREICH, Mr. EVANS, Mr. ENGEL, Mr. FALEOMAVAEGA, Mr. FAZIO, Mr. FUSTER, Mr. GEREN, Mr. HAWKINS, Mr. HARRIS, Mr. HAYES of Louisiana, Mr. JONTZ, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. KENNEDY, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LANCASTER, Mr. LEWIS of Georgia, Mr. MANTON, Mr. MAVROULES, Mr. MCCOLLUM, Mr. MCDERMOTT, Mr. MCNULTY, Mrs. MEYERS of Kansas, Mr. MFUME, Mr. MILLER of California, Mr. MOAKLEY, Mr. MURPHY, Mr. PALLONE, Mr. PANETTA, Ms. PELOSI, Mr. RANGEL, Mr. ROE, Mr. SAVAGE, Mr. SKELTON, Mr. SPENCE, Mr. SPRATT, Mr. TOWNS, Mr. WALSH, Mr. YATES, and Mr. HERTEL.

H.J. Res. 519: Mr. WHITTAKER, Mr. SWIFT, Mr. NELSON of Florida.

H.J. Res. 521: Mr. BILIRAKIS, Mr. SMITH of New Hampshire, Mr. BROWN of Colorado, Mr. BUECHNER, Mr. DURBIN, and Mr. FAWELL.

H.J. Res. 528: Mr. YATES, Mr. MARTINEZ, Mr. SKEEN, Mr. SERRANO, Mr. ROBERT F. SMITH, Mr. CROCKETT, Mr. PARRIS, Mr. KASICH, Mr. LAGOMARSINO, Mr. JONTZ, and Mr. CLINGER.

H.J. Res. 543: Mr. GEREN.

H.J. Res. 565: Mr. HAMMERSCHMIDT, Mr. GRANT, Mr. SERRANO, Mr. CARPER, Mr. BENNETT, Mr. DAVIS, Mr. CONYERS, Mr. FALEOMAVAEGA, Mr. HUGHES, Mr. KASICH, Mr. BUSTAMANTE, Mrs. MEYERS of Kansas, Mr. FAZIO, Mr. THOMAS of Wyoming, Mr. PARRIS, and Mr. EVANS.

H.J. Res. 588: Mr. ALEXANDER, Mr. ANDERSON, Mr. APPLEGATE, Mr. AUCOIN, Mr. BERMAN, Mr. BLAZ, Mr. BLILEY, Mrs. BOGGS, Mr. BORSKI, Mr. BRENNAN, Mr. BROWN of California, Mr. CLEMENT, Mr. COOPER, Mr. COSTELLO, Mr. COYNE, Mr. DE LA GARZA, Mr. DICKS, Mr. DONNELLY, Mr. DORGAN of North Dakota, Mr. DOWNEY, Mr. DYSON, Mr. EDWARDS of California, Mr. EVANS, Mr. FAWELL, Mr. FAZIO, Mr. FEIGHAN, Mr. FISH, Mr. GILMAN, Mr. GRANT, Mr. GREEN, Mr. HALL of Ohio, Mr. HAYES of Louisiana, Mr. INHOFE, Mr. IRELAND, Ms. KAPTUR, Mrs. KENNELLY, Mr. KOSTMAYER, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. LIPINSKI, Mrs. LOWEY of New York, Mr. MCCLOSKEY, Mr. MCHUGH, Mr. MACHTLEY, Mr. MARTINEZ, Mr. MAVROULES, Mrs. MEYERS of Kansas, Mr. MORRISON of Connecticut, Mr. MURPHY, Mr. NATCHER, Mr. OLIN, Mr. ORTIZ, Mr. OWENS of Utah, Mr. PANETTA, Mr. PERKINS, Mr. POSHARD, Mr. REGULA, Mr. RINALDO, Mr. ROSE, Mr. ROYBAL, Mr. RUSSO, Mr. SANGMEISTER, Mr. SAWYER, Mr. SCHEUER, Mr. SERRANO, Mr. SLAUGHTER of Virginia, Mr. SMITH of Florida, Mr. SOLARZ, Mr. SPRATT, Mr. STUDDS, Mr. SYNAR, Mr. THOMAS of Georgia, Mr. TORRES,

Mr. TRAFICANT, Mr. VENTO, Mr. WALGREN, Mr. WEISS, Mr. WISE, Mr. WOLPE, Mr. WYDEN, Mr. VISCLOSKY, and Mr. ECKART.

H.J. Res. 598: Mr. WOLPE, Mr. PARKER, Mr. JONTZ, and Mr. MADIGAN.

H. Con. Res. 128: Mr. KOLTER.

H. Con. Res. 291: Mr. DICKS, Mr. TORRICELLI, Mr. SAXTON, Mr. BATEMAN, and Mr. SCHAEFER.

H. Con. Res. 315: Mr. SCHAEFER, Mr. BATEMAN, Mr. NcNULTY, Mr. JONES of North Carolina, Mr. DE LUGO, Mrs. LLOYD, Mr. EDWARDS of California, Mr. STUDDS, Mr. SABO, Mr. NEAL of North Carolina, Mr. WILSON, Mr. MARLENEE, Mr. PRICE, AND Mrs. JOHNSON of Connecticut.

H. Con. Res. 330: Mr. SKEEN, Mrs. MARTIN of Illinois, Mr. GINGRICH, and Mr. NIELSON of Utah.

H. Con. Res. 333: Mr. MCCLOSKEY, Mr. GEREN, of Texas Mr. MONTGOMERY, Mr. MURPHY, Mr. LAGOMARSINO, and Mr. PENNY.

H. Res. 134: Mr. ROGERS, Mr. STANGELAND, Mr. SOLOMON, Mr. HUBBARD, Mr. THOMAS of Georgia, Mr. JOHNSON of South Dakota, Mr. DANNEMEYER, Mr. KOLTER, Mr. GRANT, Mr. HATCHER, Mr. BORSKI, Mr. RINALDO, and Mr. TOWNS.

H. Res. 390: Mr. EVANS, Mr. VALENTINE, Mr. MRAZEK, Ms. SLAUGHTER of New York, Mr. BEVILL, and Mr. PALLONE.

H. Res. 407: Mr. COX, Mr. RINALDO, Mr. TAYLOR, Mr. SCHAEFER, Mr. MYERS of Indiana, Ms. KAPTUR, Mr. DE LA GARZA, Mrs. BYRON, Mr. DYSON, Mr. COLEMAN of Missouri, Mr. FALEOMAVAEGA, Mr. DELAY, Mr. RHODES, Mr. PERKINS, Mr. LIVINGSTON, Mr. MCCANDLESS, Mr. HAYES of Louisiana, Mr. BEILENSON, Mr. CONTE, Mr. CHANDLER, Mr. GRANT, Mr. POSHARD, Mr. HUBBARD, Mr. HUGHES, and Mr. BARNARD.

H. Res. 414: Mr. ALEXANDER, Mr. APPLEGATE, Mrs. BENTLEY, Mr. BILBRAY, Mr. CONTE, Mr. CROCKETT, Mr. EVANS, Mr. FLAKE, Mr. GRANT, Mr. JONES of North Carolina, Mr. KOSTMAYER, Mr. LANCASTER, Ms. LONG, Mr. MCDADE, Mr. PALLONE, Ms. PELOSI, Ms. SLAUGHTER of New York, and Mr. WALGREN.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 4496: Mr. SCHUETTE.

H.R. 4641: Mr. KENNEDY.

H.J. Res. 305: Mr. TANNER.

H.J. Res. 330: Mr. TANNER.

H.J. Res. 350: Mr. POSHARD.

EXTENSIONS OF REMARKS

BROOMFIELD PRAISES BUSH ON PLO DECISION

HON. Wm. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. BROOMFIELD. Mr. Speaker, the decision by President Bush to suspend talks with the PLO was the only one he could have made under the circumstances.

Yasser Arafat could have made a clear and specific denunciation of the PLO assault on the Israeli beach. He could have taken action to remove Abu al-Abbas from the PLO's executive committee. He chose to do neither. America must let Arafat know that the PLO can't talk peace and wage war at the same time.

The United States has made it clear to the PLO from the outset that it had no intention of negotiating with a terrorist organization and that it would enter talks only if the PLO gave assurances that it would denounce terrorism both in word and in deed.

When the PLO violated the terms of this agreement, the United States had no choice but to temporarily suspend the talks. Above all, we owe it to our friends in Israel. They must have confidence that the United States is a friend in fair weather and foul, and that it does not take its commitments lightly.

The United States also owes it to the American people, especially the relatives and friends of the many Americans who have died in terrorist attacks in recent years. They must know that the United States has no intention of treating lightly the threat of terrorism and the heartache that follows in its wake.

President Bush could have directed more severe sanctions. Yet I believe he was wise to suspend rather than terminate the talks. Arafat should be given some incentive to get rid of the obstacles that stand in the way of further talks. He should know that the United States is still willing to cooperate in the search for peace, but not under the barrel of a gun.

CARIBBEAN DRUG MONEY LAUNDERING CONFERENCE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. RANGEL. Mr. Speaker, I have the pleasure to report to my fellow colleagues that the Caribbean Drug Money Laundering Conference in Aruba has just successfully been completed. Under the leadership of Prime Minister Nelson O. Oduber, 22 nations, including the United States, participated in the 3-day conference. It is wonderful to see Aruba and Prime Minister Oduber take the lead in this international battle.

The conferees agreed to present 61 recommendations, and scheduled two additional meetings before the end of the year. In addition, they plan to produce two reports before the year is out: One on the availability of the present resources and the resources that will be needed in the future, and a country-by-country report on the effectiveness of the implementation of the 61 recommendations.

In the end, conferences such as these, led by such outstanding people as Nelson Oduber, spearhead the battle against not only international drug money laundering, but also international narcotics trafficking.

Mr. Speaker, I would like once again to commend the conference, and on its behalf, I have entered into the RECORD the "Deliberations and Recommendations of the Caribbean Drug Money Laundering Conference."

DELIBERATIONS AND RECOMMENDATIONS OF THE CONFERENCE

The Conference acknowledged that money laundering is an international problem affecting individual countries and that to combat this problem requires an international approach involving cooperation among all countries.

The Conference recognized and appreciated that the principles laid down in the 40 recommendations of the G-15 Financial Action Task Force on money laundering and the following 21 complementary recommendations developed by the experts are designed to address the money laundering problem.

ANTI-MONEY LAUNDERING AUTHORITY.

1. Adequate resources need to be dedicated to fighting money laundering and other drug related financial crimes. In countries where experience in combating money laundering and other drug related financial crimes is limited, there need to be competent authorities which specialize in money laundering investigations and prosecutions and related forfeiture actions, advise financial institutions and regulatory authorities on anti-money laundering measures, and receive and evaluate suspicious transaction information from financial institutions and regulators and currency reports, if required, to be filed by individuals or institutions.

CRIME OF MONEY LAUNDERING

2. Consistent with recommendation 5 of the Financial Action Task Force and recognizing that the objectives of combating money laundering are shared by the members of this Conference, each country in determining for itself what crimes ought to constitute predicate offences, should be fully aware of the practical evidentiary complications which may arise if money laundering is made an offence only with respect to certain very specific predicate offences.

3. In accordance with the Vienna Convention, each country should, subject to its constitutional principles and the basic concepts of its legal system, criminalize conspiracy or association to engage in, and aiding and abetting drug trafficking, money laundering and other serious drug-related offences and subject such activities to stringent criminal sanctions.

4. When criminalizing money laundering, the national legislature should consider:

a. whether money laundering should only qualify as an offence in cases where the offender actually knew that he was dealing with funds derived from crime or whether it should also qualify as an offence in cases where the offender ought to have known that this was the case;

b. whether it should be relevant that the predicate offence may have been committed outside the territorial jurisdiction of the country where the laundering occurred;

c. whether it is sufficient to criminalize the laundering of illegally obtained funds, or whether other property which may serve as a means of payment should also be covered.

5. Where it is not otherwise a crime, countries should consider enacting statutes which criminalize the knowing payment, receipt or transfer, or attempted payment, receipt or transfer of property known to represent the proceeds of drug trafficking or money laundering, where the recipient of the property is a public official, political candidate, or political party. In countries where it is already a crime, countries should consider the imposition of enhanced punishment or other sanctions, such as forfeiture of office.

ATTORNEY-CLIENT PRIVILEGE

6. The fact that a person acting as a financial advisor or nominee is an attorney, should not in and of itself be sufficient reason for such person to invoke an attorney-client privilege.

CONFISCATION

7. Confiscation measures should provide for the authority to seize, freeze and confiscate, at the request of a foreign state, property in the jurisdiction in which such property is located regardless of whether the owner of the property or any persons who committed the offence making the property subject to confiscation are present or have ever been present within the jurisdiction.

8. Countries should provide for the possibility of confiscating any property which represents assets which have been directly or indirectly derived from drug offences or related money laundering offenses (property confiscation), and may also provide for a system of pecuniary sanctions based on an assessment of the value of assets which have been directly or indirectly derived from such offenses. In the latter case, the pecuniary sanctions concerned might be recoverable from any asset of the convicted person which may be available (value confiscation).

9. Confiscation measures may provide that all or part of any property confiscated be transferred directly for use by competent authorities, or be sold and the proceeds of such sales deposited into a fund dedicated to the use by competent authorities in anti-narcotics and anti-money laundering efforts.

10. Confiscation measures should also apply to narcotic drugs and psychotropic substances, precursor and essential chemicals, equipment and materials used or destined for the illicit manufacture, prepara-

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

tion, distribution and use of narcotic drugs and psychotropic substances.

DISPOSITION OF CONFISCATED CHEMICALS AND PROPERTY

11. Serious problems may arise for some countries concerning the final disposition of precursor and essential chemicals, equipment or materials once confiscated, and which were originally produced elsewhere. Countries should work cooperatively with a view towards seeking appropriate solutions to such problems.

ADMINISTRATIVE AUTHORITIES

12. In order to implement effectively the recommendations of the Financial Action Task Force, each country should have a system that provides for bank and other financial institutions supervision, including:

(1) licensing of all banks, including offices, branches, and agencies of foreign banks whether or not they take deposits or otherwise do business in the country (so-called offshore shell banks), and

(2) the periodic examination of institutions by authorities to ensure that the institutions have adequate anti-money laundering programs in place and are following the implementation of other recommendations of the Financial Action Task Force.

Similarly, in order to implement the recommendations of the Financial Action Task Force, there needs to be effective regulation, including licensing and examination, of institutions and businesses such as securities brokers and dealers, bureaux de change and casinos, which offer services that make them vulnerable to money laundering.

13. Countries need to ensure that there are adequate border procedures for inspecting merchandise and carriers, including private aircraft, to detect illegal drug and currency shipments.

RECORDKEEPING

14. In order to ensure implementation of the recommendations of the Financial Action Task Force, countries should apply appropriate administrative, civil or criminal sanctions to financial institutions which fail to maintain records for the required retention period. Financial institution supervisory authorities must take special care to ensure that adequate records are being maintained.

CURRENCY REPORTING

15. Countries should consider the feasibility and utility of a system which requires the reporting of large amounts of currency over a certain specified amount received by businesses other than financial institutions either in one transaction or in a series of related financial transactions. These reports would be analysed routinely by competent authorities in the same manner as any currency report filed by financial institutions. Large cash purchases of property and services such as real estate and aircraft are frequently made by drug traffickers and money launderers and, consequently, are of similar interest to law enforcement. Civil and criminal sanctions would apply to businesses and persons who fail to file or falsely file reports or structure transactions with the intent to evade the reporting requirements.

ADMINISTRATIVE COOPERATION

16. In furtherance of recommendation 30 of the Financial Action Task Force, Information acquired about international currency flows should be shared internationally and disseminated, if possible through the services of appropriate international or regional organizations, or on existing international networks. Special agreements may also be concluded for this purpose.

INTERNATIONAL COOPERATION

17. Efforts should be made to encourage the use of the Organization of American States (OAS) for the elaboration of regional international Conventions on cooperation in criminal matters. Initiatives entrusted to the OAS might include the drafting of a multilateral Convention on mutual legal assistance in criminal matters for the countries of the region and, similarly, the drafting of a Convention on confiscation of the proceeds from crime.

18. Member States of the OAS should consider signing the OAS Convention on Extradition, concluded at Caracas on February 25, 1981.

19. Each country should endeavor to ensure that its laws and other measures regarding drug trafficking and money laundering, and bank regulation as it pertains to money laundering, are to the greatest extent possible as effective as the laws and other measures of all other countries in the region.

TRAINING AND ASSISTANCE

20. As a follow-up, there should be regular meetings among competent judicial, law enforcement and supervisory authorities of the countries of the Caribbean and Central American region in order to discuss experiences in the fight against drug money laundering and emerging trends and techniques.

21. In order to enable countries with small economies and limited resources to develop appropriate drug money laundering prevention programs, other countries should consider widening the scope of their international technical assistance programs, and to pay particular attention to the need of training and otherwise strengthening the quality and preserving the integrity of judicial, legal and law enforcement systems.

CONCLUSION

The delegates agreed either to refer the 40 recommendations of the G-15 Financial Action Task Force on money laundering, as well as the 21 recommendations listed in this Report to their respective governments for consideration with a view toward implementation or to recommend the acceptance and implementation thereof to the extent that they have not already done so.

The Conference acknowledged that the implementation of some of the recommendations might entail for countries with small economies the employment of human and financial resources beyond their actual capability. In order to determine the extent of such resource requirements, it was suggested that a needs survey should be conducted in each country and the findings thereof centrally collected with the Chairman of the Aruba Drug Money Laundering Conference by 30 September 1990 for joint consideration and the design of an appropriate program of action.

It was further agreed by the delegates that each country would report on the decision of their respective governments regarding the 40 recommendations of the G-15 Financial Action Task Force on money laundering, as well as the 21 recommendations listed in this Report to the Chairman of the Aruba Drug Money Laundering Conference by 31 December 1990.

A TRIBUTE TO CHRISTY JONES

HON. MIKE PARKER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. PARKER. Mr. Speaker, I rise today before the U.S. House of Representatives to pay special tribute to Christy Jones. Christy is a student at Franklin County Vocational School in Meadville, MS, and is the daughter of Mr. and Mrs. Jimmie Jones.

For the 1989-90 school year she served as the State reporter for the Future Business Leaders of America Club. Christy also won first place in the Miss Future Business Leader Event. This event is designed to provide recognition to outstanding Future Business Leaders of America members who demonstrate leadership qualities, evidence of knowledge, and skills essential for successful careers in business.

It is with great pleasure that I honor and salute Christy for her outstanding leadership qualities. I urge young people to follow the example set by Christy.

BASE CLOSURE RETIREE-EMPLOYEE IMPROVEMENT ACT, 1990

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. GILMAN. Mr. Speaker, today I am introducing H.R. 5089, legislation designed to address several problems created by the closure of Department of Defense military installations. When the 100th Congress enacted legislation authorizing a commission to designate specific bases for closure, it did not intend to jeopardize the mission and the purpose of those bases while they were still in operation. In many instances, the bases targeted by the commission are several years away from closure. Yet, once a base is targeted, vacancies arise because a limited number of employees are willing to relocate or commit themselves to an installation scheduled to close. Ultimately, the mission of such installation suffers.

One solution to this problem is to exempt from the dual compensation requirements Federal and military retirees who return to work for these installations on a temporary basis until the installation is formally closed. Under current law, a retiree's annuity is offset against his or her salary should an annuitant return to work for the Federal Government. Consequently, most retirees are reluctant to return to work for the Federal Government.

Many of these bases are located in areas with large populations of Federal retirees. Pursuant to this legislative initiative, the Department of Defense could hire these retirees on a temporary basis thus saving some portion of the normal work year cost expended for permanent employees. As these retirees would come from the local area, permanent change of station costs could be avoided. Likewise, there would be no cost to move, retrain or

separate the employee when the installation closes.

This legislation is intended strictly to help those targeted installations carry out their respective missions until closure is complete. The head of each installation seeking this limited authority must designate in writing that the slated installation is suffering a serious recruitment or retention problem.

In addition to the problems associated with the closure of military installations, my legislation addresses the larger question regarding the aging of the general workforce and problems and solutions to the resulting issues. Section 2 of the legislation directs the Office of Personnel Management to conduct a study regarding any ongoing or recurring employment shortages and whether these problems could be alleviated by enlisting the temporary services of retired Federal civilian or military personnel.

Mr. Speaker, I share my colleagues' concerns regarding the disruption of employees' lives and the welfare of the communities affected by these base closures. Enactment of this initiative represents one step which this Congress can undertake in addressing the varying problems associated with the closure of military installations.

H.R. 5089

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXEMPTIONS.

(a) APPLICABILITY.—This section applies to service preformed, pursuant to a temporary appointment made on or after the date of the enactment of this Act, in any civilian position—

(1) which is within a military installation which has been designated for closure under title II of the Defense Authorization Amendments and Base Closure and Realignment Act (102 Stat. 2627 and following); and

(2) which has been designated (or which is within a class or category of positions which has been designated by the head of the installation involved, in writing, as one with respect to which authority under this section is needed in order to meet a serious recruitment or retention problem.

(b) REEMPLOYED ANNUITANTS.—(1)(A) A reemployed annuitant shall be exempt from section 8344 or 8468 of title 5, United States Code, as applicable, with respect to any service described in subsection (a).

(B) Subparagraph (A) shall not apply to any annuitant who, immediately before first beginning to perform any service described in subsection (a), was receiving pay which was being reduced under either of the provisions referred to in such subsection.

(C) Nothing in this paragraph shall cause a reemployed annuitant to be treated as an acitve employee for proposes of chapter 83 or 84 of title 5, United States Code.

(2) Notwithstanding any other provision of law, an individual may not, while exempted under paragraph (1) from the provisions of law referred to in such paragraph, be paid at a rate which exceeds the maximum rate of basic pay then currently payable for GS-12 of the General Schedule.

(c) RECIPIENTS OF RETIRED OR RETAINER PAY.—(1)(A) the Retired or retainer pay of any former member of a uniformed service shall be exempt from section 5532 of title 5, United States Code, with respect to any service described in subsection (a).

(B) Subparagraph (A) shall not apply to any former member of a uniformed service if, immediately before first beginning to perform any service described in subsection (a), the retired or retainer pay of such former member was being reduced under such section 5532 (or would have been so reduced, but for subsection (d)(2) of such section).

(2) Notwithstanding any other provision of law, an individual may not, while exempted under paragraph (1) from the provisions of law referred to in such pargraph, be paid at a rate which exceeds the maximum rate of basic pay then currently payable for GS-12 of the General Schedule.

(d) REPORTS TO CONGRESS.—The Secretary of Defense shall submit a written report to the Congress annually concerning the extent to which authority under this section was exercised during the period covered by the report. Each report under this subsection shall include—

(1) the total number of positions with respect to which any authority under subsection (a) or (b), respectively, was in effect during any portion of the year;

(2) the title and grade or pay level for each such position; and

(3) such other information as the Secretary of Defense considers appropriate with respect to this section's operation during the period involved.

(e) DEFINITIONS.—For purposes of this section—

(1) the term "annuitant" means an annuitant within the meaning of section 8331(9) or 8401(2) of title 5, United States Code;

(2) the term "retired or retainer pay" has the meaning given such term by section 5531(3) of such title;

(3) the term "uniformed services" has the meaning given such term by section 2101(3) of such title;

(4) the term "active employee" means an employee within the meaning of section 8331(1) or 8401(11) of such title;

(5) the term "military installation" has the meaning given such term by section 209(6) of the Defense Authorization Amendments and Base Closure and Realignment Act (102 Stat. 2634); and

(6) the term "former member of a uniformed service" includes a member of a uniformed service.

SEC. 2. STUDY AND REPORTING REQUIREMENTS.

(a) IN GENERAL.—The Office of Personnel Management shall study and report to Congress, in writing, on whether any ongoing or recurring shortages of Government employees could be alleviated by enlisting the temporary services of retired Federal civilian or military personnel.

(b) SPECIFICS.—The Office shall particularly examine—

(1) whether there are any particular occupations or areas of expertise with respect to which the Government is experiencing significant recruitment or retention problems, but which could be alleviated through the temporary services of retired Federal civilian or military personnel;

(2) why the services of such retired personnel might be especially appropriate in certain circumstances, such as in the event of a natural disaster or other situation requiring immediate Government action;

(3) how successful previous efforts by the Government have been in seeking to secure the temporary services of retired Federal civilian or military personnel; and

(4) whether existing incentives should be continued or modified and whether any new incentives should be offered in order to redress the problems associated with securing temporary services of such retired personnel.

PENNSYLVANIA NEWSPAPER WINS PULITZER

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. KOSTMAYER. Mr. Speaker, I want to call to the attention of my colleagues the seventh of ten editorials written by Tom Hylton of the Pottstown Mercury in Pottstown, PA.

These editorials on the subject of farmland preservation won this year's Pulitzer Prize for editorial writing, and I commend them to my colleagues.

BOND ISSUE IS ESSENTIAL TO PROTECT CHESTER COUNTY'S FUTURE

The Chester County commissioners have placed a non-binding referendum on the November 7 ballot asking if $50 million in bonds should be issued during the next four years to preserve farmland and open space.

The Mercury wholeheartedly endorses the bond issue. We urge every resident to vote yes on the question, which the commissioners are using to gauge public support for conserving open space.

Each day this week, we will discuss a different aspect of the bond proposal. We hope to show why it is vitally important, not only to the future of Chester County, but to all of southeastern Pennsylvania.

The referendum is crucial for two reasons:

First, the bond money is desperately needed to preserve open land against the unprecedented tide of development that has been engulfing Chester County in the last three years.

Second, the referendum itself is a watershed event.

If the people vote overwhelmingly in favor of the bond issue, it will clearly signal a change in public attitude about the management of our most precious natural resource—our land.

It will give our elected officials confidence to explore changes in the tragically misguided land-use policies that have ravaged southeastern Pennsylvania for three decades.

If we act in time, perhaps the magnificent countryside—some of the richest farmland in the world—can be saved for future generations. Perhaps we will temper development, accommodating growth without needlessly diminishing open space.

But if the referendum fails—or passes only by a narrow margin—then Chester County will be doomed to the same congestion that strangles much of metropolitan America.

Although we are squarely in the center of the densely populated corridor between Washington and New York, the suburbanization of Chester County is not inevitable.

There are ways for the millions to live in harmony with farms and woodlands. The English, the Belgians, the Dutch, and the Germans have been doing it for years. We can adapt their methods to our needs; we need only the will to do so.

Time is of the essence. Political reality says it will take years to change Pennsylvania's antiquated land-development laws to

allow Chester County to control its own destiny.

We don't have those years to wait. We must begin immediately to protect our most endangered land before it's too late.

The bond issue is the crucial first step.

A CONGRESSIONAL SALUTE TO MARIE FLYNN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. ANDERSON. Mr. Speaker, today I rise to pay tribute to Marie Flynn for her distinctive contribution to her hometown community of Lakewood, CA. On June 27 Marie will be recognized by the Lakewood Chamber fo Commerce for her outstanding service to the chamber and community.

Marie has been an active member of the Lakewood Chamber of Commerce Board of Directors for 5 years. On the board she has served as chairman of the membership committee and cochairman of the Table Top Trade Show, Golf Committee, Auction Committee, and on the Chili Cook-off for 2 years. In addition she has sponsored the Miss Lakewood beauty contest for 4 years. Presently she is somehow finding the time to also be president of the American Heart Association's Lakewood branch.

Marie and her husband, Lou, have four children and six grandchildren. In addition to her outstanding record of community leadership and model homelife, she has managed to run her own full-time business as well. She has had a successful 32-year career in the travel industry, the last 9 spent in Lakewood. We are all glad of that. She became an immediate hit with the community by initiating the Lakewood Community Cruise 5 years ago which has been taken by over 2,000 Lakewood residents.

Marie Flynn has been an example of energy and commitment to all members of the Lakewood community. My wife, Lee, joins me in extending a congressional salute to her today for her outstanding record of achievement.

NATIONAL JOB SKILLS WEEK 1990

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. MARTINEZ. Mr. Speaker, I rise today to introduce a resolution designating the week of September 30, 1990 through October 6, 1990, as "National Job Skills Week." I am happy to note that for the fifth straight year, Senator GORE is introducing identical legislation in the Senate.

The point of this resolution is straight forward and bipartisan. Economic competition among nations is increasing and for America to meet this challenge, its work force must become more highly skilled. Republicans and Democrats agree that to keep our Nation competitive, our businesses need workers who have strong literacy and training.

Labor Secretary, Elizabeth Dole, says we are becoming a society where jobs increasingly go to only those workers with the skills required by the new, highly competitive, information based economy. She says "many of—today's—workers don't have the basic skills they need to function in the jobs available now, much less the jobs of the future."

This "skills gap" she says, already costs businesses "billions of dollars in lost productivity, absenteeism, poor product quality, and loss of time." But even more importantly, Secretary Dole urges that "we must act now if we are to avoid the haunting possibility of a permanent underclass of 'unemployables', concentrated in poor, inner city neighborhoods afflicted by drugs and crime, and isolated from the Nation's economic and social mainstream."

I agree wholeheartedly with those comments by Secretary Dole. We need only look around us to see that a head-on collision is coming. Robotics use increases, while America's math decrease. Nine million Americans go unemployed, while business begs for highly skilled workers. Clearly, if we are to remain competitive as a nation, then we must have a force that is competitive.

"National Job Skills Week" focuses attention on the need for a skilled work force, as well as efforts by businesses and government to provide it. The week will highlight the many and varied efforts made by community organizations, public interest groups, community activists, academicians, the media and others in tackling this important issue on a continuous basis. For without a foundation of basic skills, there is no hope of effectively using the technology today and tomorrow. I urge each of my colleagues to join with me, and 130 original cosponsors, in passing this resolution for the fith year in a row.

The following is a list of this years original cosponsors:

COSPONSORS OF NATIONAL JOB SKILLS WEEK 1990

1. Hon. Frank Annunzio.
2. Hon. Doug Applegate.
3. Hon. Bill Archer.
4. Hon. Herbert Bateman.
5. Hon. Helen Bentley.
6. Hon. Tom Bevill.
7. Hon. Ben Blaz.
8. Hon. Thomas Bliley.
9. Hon. Robert Borski.
10. Hon. Douglas Bosco.
11. Hon. Rick Boucher.
12. Hon. Barbara Boxer.
13. Hon. Albert Bustamante.
14. Hon. William Clay.
15. Hon. Bob Clement.
16. Hon. Ronald Coleman.
17. Hon. Cardiss Collins.
18. Hon. John Conyers.
19. Hon. Jerry Costello.
20. Hon. George Crockett.
21. Hon. "Kika" de la Garza.
22. Hon. Ron Dellums.
23. Hon. Ron de Lugo.
24. Hon. Julian Dixon.
25. Hon. Brian Donnelly.
26. Hon. Mervyn Dymally.
27. Hon. Bernard Dwyer.
28. Hon. Bill Emerson.
29. Hon. Eliot Engel.
30. Hon. Mike Espy.
31. Hon. Lane Evans.
32. Hon. Eni Faleomavaega.
33. Hon. Walter Fauntroy.
34. Hon. Harris Fawell.
35. Hon. Vic Fazio.
36. Hon. Floyd Flake.
37. Hon. Ronnie Flippo.
38. Hon. Thomas Foglietta.
39. Hon. Harold Ford.
40. Hon. Jaime B. Fuster.
41. Hon. Sam Gejdensen.
42. Hon. Benjamin Gilman.
43. Hon. Henry Gonzalez.
44. Hon. Bart Gordon.
45. Hon. Fred Grandy.
46. Hon. Bill Green.
47. Hon. Frank Guarini.
48. Hon. Charles Hatcher.
49. Hon. Charles Hayes.
50. Hon. James Hayes.
51. Hon. Bill Hefner.
52. Hon. Frank Horton.
53. Hon. Henry Hyde.
54. Hon. Andy Jacobs.
55. Hon. Nancy Johnson.
56. Hon. Jim Jontz.
57. Hon. Marcy Kaptur.
58. Hon. Robert Kastenmeier.
59. Hon. Joe Kolter.
60. Hon. Martin Lancaster.
61. Hon. Tom Lantos.
62. Hon. Richard Lehman.
63. Hon. William Lehman.
64. Hon. John Lewis.
65. Hon. William Lipinski.
66. Hon. Jill Long.
67. Hon. Thomas Luken.
68. Hon. Frank McCloskey.
69. Hon. Joseph McDade.
70. Hon. Jim McDermott.
71. Hon. Bob McEwen.
72. Hon. Nicholas Mavroules.
73. Hon. Lynn Martin.
74. Hon. Clarence Miller.
75. Hon. George Miller.
76. Hon. Joseph Moakley.
77. Hon. Alan Mollohan.
78. Hon. Austin Murphy.
79. Hon. William Natcher.
80. Hon. Howard Nielson.
81. Hon. Mary Rose Oakar.
82. Hon. Major Owens.
83. Hon. Wayne Owens.
84. Hon. Frank Pallone.
85. Hon. Leon Panetta.
86. Hon. Bill Paxon.
87. Hon. Donald Payne.
88. Hon. Lewis Payne.
89. Hon. Nancy Pelosi.
90. Hon. Carl Perkins.
91. Hon. Glen Poshard.
92. Hon. Bob Powers.
93. Hon. James Quillen.
94. Hon. Nick Joe Rahall.
95. Hon. Charles Rangel.
96. Hon. Arthur Ravenel.
97. Hon. Edward Roybal.
98. Hon. Martin Sabo.
99. Hon. Patricia Saiki.
100. Hon. George Sangmeister.
101. Hon. Gus Savage.
102. Hon. Thomas Sawyer.
103. Hon. James Scheuer.
104. Hon. Bill Schuette.
105. Hon. Christopher Shays.
106. Hon. Norman Sisisky.
107. Hon. Ike Skelton.
108. Hon. Louise Slaughter.
109. Hon. Larry Smith.
110. Hon. Peter Smith.
111. Hon. Olympia Snowe.
112. Hon. Stephen Solarz.
113. Hon. Floyd Spence.
114. Hon. John Spratt.
115. Hon. Harley Staggers.
116. Hon. Louis Stokes.

117. Hon. Gerry Studds.
118. Hon. Thomas Tauke.
119. Hon. Billy Tauzin.
120. Hon. Robin Tallon.
121. Hon. Edolphus Towns.
122. Hon. James Trafficant.
123. Hon. Bob Traxler.
124. Hon. Jolene Unsoeld.
125. Hon. Tim Valentine.
126. Hon. Bruce Vento.
127. Hon. James Walsh.
128. Hon. Henry Waxman.
129. Hon. Ted Weiss.
130. Hon. Don Young.

IN MEMORY OF DAN TURNER

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Ms. PELOSI. Mr. Speaker, on Friday, June 22, San Francisco will formally mourn the passing of Dan Turner, a man of courage and compassion who dedicated himself to alleviating the suffering of others. Such is the mark of a great man—San Francisco will long miss him because Dan Turner was a talented person who loved and served people.

Dan Turner was born on December 5, 1947 in Bloomington, IL. He was the third son and fourth child of Frank and Rosaire Turner. For the first 15 years of his life, he lived in Bloomington's Hotel Rogers, where his father was the manager. He and his siblings helped out as bellboys. Protected from poverty, crime, and social tensions, Dan later called the Hotel Rogers his "island of security."

The Turner family moved to Sheboygan, WI, where Dan's father managed another hotel. Dan starred in his high school play "Brigadoon" and was voted "most talented in the class."

Dan attended Fairfield University in Connecticut and received his B.A. in 1969. He also spent one year at Exeter College in England.

In 1966, Dan went to Malawi, Africa as a Peace Corps volunteer. Dan also worked as a VISTA volunteer teaching high school in a remote black town in Alabama. He wrote a musical called "Cottonmouth" which was performed at several black schools there and which received rave reviews in the national press.

In 1973, Dan moved to San Francisco, where he wrote a play called "The Victorians," a novel called "The Curve of Science's Bubble," and a series of skits. He founded a gay theater group called "The Earnest Players."

Dan later wrote two musicals—"No Mince Pies" and "Cinderella Two," and he wrote and directed a third called "Comeback." He also wrote short stories and skits and he directed several plays including "Beneath the Surface" and "Beer and Rhubarb Pie."

Dan was diagnosed with Kaposi's sarcoma in February 1982. He was one of Dr. Paul Volberding's first two patients at the San Francisco General Hospital's new "KS" clinic. Dan was regarded as the miracle survivor and a source of hope for many thousands of people.

Dan's dedication to the community was enormous. He was a founding member of the San Francisco AIDS Foundation, people with AIDS, and the AIDS switchboard. Indeed the AIDS switchboard grew primarily out of Dan's inability to answer the more than 20 calls a day he was receiving from people with AIDS and their relatives, who called him at all hours of the day and night.

Dan accepted literally hundreds of invitations to speak before people with AIDS, doctors, scientists, students, and all others who were interested. He visited hundreds of AIDS patients in hosptials. He went to over a hundred funerals of friends who had died from AIDS.

On May 23, 1990, Dan was awarded the "AIDS Hero of the Year" by people with AIDS and the mobilization against AIDS at the candlelight ceremony in front of San Francisco's City Hall—an acknowledgement of his long service to this cause.

Mr. Speaker, San Francisco has lost too many people to AIDS. The loss of Dan Turner is especially poignant, for his dedication to helping others with the disease set an example which is difficult to match. As we mourn Dan's death, all of us will celebrate his life which touched profoundly so many lives in our city.

RIK YOSHIZAWA: A WAR HERO

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. DYMALLY. Mr. Speaker, I rise today to recognize the ongoing efforts of one of my constituents and fellow members of the American Legion, the world's largest and oldest veteran organization with over 3 million members. Korean War veteran Rik Yoshizawa, of Carson, CA, is participating in a cross-country bicycle tour to benefit the International Korean War Veterans Memorial.

The retired Yoshizawa, along with fellow Korea war veteran Gordon Greene of Lincoln, Nebraska, began their 3,000 mile trek in Washington, DC on May 7. Better known as the "38th Parallel Revisited," the tour will roughly follow the 38th parallel and is scheduled to conclude on Sunday, June 24 at the Memorial Site in San Pedro, California.

Yoshizawa and Greene, both in their sixties, have pledged to make the entire 3,000 mile trip, being joined at all stages of the trip by other veterans as they cross the country. Yoshizawa was a member of the 24th Infantry Division, the first U.S. Division to see action in the war. Greene survived an epic battle fought in the Chosin Reservoir in North Korea. Both veterans are members of the American Legion represent America at its best: Americans who risked their lives in the service of their country still willing to serve the public interest.

An American of Japanese decent, Yoshizawa was born on April 29, 1930 in East Los Angeles where he attended grammar school. During World War II, 11 year old Rik and his family, along with 120,000 Americans of Japanese ancestry living on the west coast, were evacuated and confined in American style concentration camps. He and his family spent 26 months in Manzanar, CA, an internment camp. When the ban was lifted permitting internees to relocate anywhere but the west coast, Yoshizawa's family chose to start a new life in New York City. This painful episode did not discourage Rik Yoshizawa as did many other Americans of Japanese ancestry to honorably serve their country.

In 1946, after returning to Los Angeles, he enlisted in the U.S. Army and after basic training at Ford Ord, he was sent to SBAS school at Forth Winfield Scott, California. His next transfer took him overseas where he was assigned to the 24th Infantry Division Headquarters at Kokura, Japan. At the outbreak of the Korean war on June 25, 1950, his division was put on alert. Six days later he flew to Korea with the 24th Infantry Advance. Yoshizawa spent 11½ years in Korea and was twice wounded. He spent 33 days aboard a Danish hospital ship where he underwent surgery on his 21st birthday. Today, Rik is a member of American Legion Post Eight, the oldest post in Los Angeles.

Highlighting observances of the 40th anniversary of the Korean war, the purpose of the trip is to raise funds and increase public awareness for the $5 million International Korean War Veterans Memorial, which will salute the men and women from 22 nations who served and died under the United Nations banner to preserve freedom in South Korea. Yoshizawa is doing this in remembrance of the "forgotten men of the forgotten war 40 years later."

Mr. Speaker, it is with great pleasure that I congratulate Rik Yoshizawa for his outstanding efforts. He truly represents the spirit of all veterans of the forgotten war who are finally being recognized by the Nation. I wish him success on the rest of his tour.

ATTACK ON ISRAEL REVEALS LIBYA'S CONTINUING ROLE IN TERRORISM

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. BROOMFIELD. Mr. Speaker, the recent terrorist attack on Israel clearly shows that Libya is still deeply involved in supporting and promoting international terrorism. Without the assistance of countries such as Libya, terrorist operations of this nature could not occur. America and its allies must continue to cooperate in isolating Libya, denying that government access to sensitive materials, and ensuring that Colonel Qadhafi pays a high price for playing with fire.

Despite his slick public relations efforts designed to create a moderate image for himself, Colonel Qadhafi is still supporting international terrorism and continues to threaten countries that oppose him and his policies. The recent abortive terrorist attack on Israel is a classic example of how Libya actively supports terrorist groups. The members of the Palestinian Liberation Front [PLF] who carried out the attack were trained for the operation in Libya and were taken to a predetermined location in the Mediterranean in a Libyan boat. They were accompanied to the launching

point by a Libyan liaison officer. The mother ship reportedly returned to Libya after launching the speedboats used in the raid. The Libyan role in planning and executing this operation was extensive. Libyan military personnel supplied the ships, weapons, training and most of the crew of the vessel from which the attack speedboats were launched.

One of the two boats intercepted by Israel military units was captured offshore north of Tel Aviv, while another landed on a deserted beach south of the city. Four of the attackers were killed and twelve were arrested. No Israelis were hurt in the unsuccessful seaborne attack.

A few days prior to the raid, Colonel Qadhafi allegedly allowed the head of the PLF, Mohammed Abbas, also known as Abul Abbas, to visit the terrorist group at their Libyan training base. Qadhafi also allowed Abul Ez, the deputy to Abul Abbas, to board the mother ship that carried the speedboats toward the Israeli coast. Abul Abbas is the head of the PLF, one of the six major factions under the PLO, and is also one of the 15 members of the PLO's Executive Committee. Prior to this recent attack on Israel, Abul Abbas was the mastermind of the 1985 hijacking of the *Achille Lauro* cruise liner in which wheelchair-bound Leon Klinghoffer, an American citizen, was shot and dumped overboard.

In addition to training and equipping terrorist groups, the Libyan leader also shelters terrorists. He recently released from house arrest the infamous Abu Nidal, head of the radical Fatah-Revolutionary Council or Abu Nidal Organization [ANO]. Last year, Abu Nidal had decimated his own terrorist group when he ordered the execution of more than 150 followers in Libya. Recent reports reveal that Abu Nidal is rebuilding his organization and is again capable of mounting international operations. In the past, the Fatah-Revolutionary Council was responsible for the massacres at the Rome and Vienna airports in 1985 and a bloody attack on a synagogue in Istanbul in which 21 Jewish worshippers died.

Libya has also supported non-Arab terrorist groups. In 1985 and 1986, the Irish Republican Army [IRA] took delivery of nearly 120 tons of arms and explosives from Libya, including a ton of Semtex explosive and 12 SAM-7 surface-to-air missiles. Some of those weapons and explosives have been used by the IRA in terrorist attacks in the United Kingdom and in other European countries. Italy's Red Brigades [BR] terrorist organization has also received Libyan help.

Last year, the irresponsible Colonel shocked the world when he completed construction of the Rabta chemical facility. That plant is capable of manufacturing nerve and mustard gases that can be used in both military and terrorist operations. Equally disturbing is a report that Libya has tested an inflight refueling system that will increase the range of Libyan fighter bombers. Now, the Colonel can launch chemical weapons attacks against distant targets. Of great concern is the fact that Europeans assisted in developing the plant and the refueling system.

Last week, a West German businessman, Juergen Hippenstiel-Imhausen, who was accused of helping to build a chemical weapons plant in Libya, testified that he was involved in the Rabta project, but didn't know the factory would make chemicals for arms. He claimed that although he was suspicious that the project would be in conflict with West Germany's export laws, he failed to investigate the true purpose of the plant for fear of losing the lucrative contract. West German prosecutors, government and security officials have proof that the Libyan plant was built to produce poison gas, and not pharmaceuticals. The West German businessman was responsible for overall management of the project, and his company delivered production plans and equipment for the plant.

The recent attack on Israel clearly reveals that terrorists need equipment, training and a support base from which they can launch their operations. Libya, Syria and other terrorist-supporting states provide such facilities. The United States and its allies should politically and economically isolate these pariah states that condone and support mindless terrorism, and should make them pay a high price for rendering assistance to international criminals. The Western World should also ensure that sensitive materials and equipment are not provided to terrorist-supporting states. America and its allies must ensure that our export control laws are obeyed and that stiff criminal penalties are given to violators of those controls. We must work together to combat international terrorism in all its forms. Through international cooperation we can shut down Colonel Quahafi's training camps and end his involvement in terrorism.

A TRIBUTE TO HEATHER WOODCOCK

HON. MIKE PARKER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. PARKER. Mr. Speaker, I rise today to celebrate the leadership and hope of our future's leadership through Meadville, MI's Heather Woodcock. Daughter of Mr. and Mrs. Vance Woodcock and a Junior at Franklin High School, Ms. Woodcock is the elected State Reporter for the 1990-91 school session for Franklin County's Vocational Center.

The duties and responsibilities of this position will sharpen this young woman's talents and skills through photography and slide presentation at the State conference. Her new position also requires her responsibility in preparing and mailing the State newsletter twice during the year.

Honoring accomplishments in our young adults is key to the future of leadership of the United States. Heather Woodcock, a representative of this young leadership in Meadville, MI, provides optimism in our viewing of the future of the Nation.

SIX-MONTH EXTENSION FOR MOST-FAVORED-NATION STATUS FOR THE PEOPLE'S REPUBLIC OF CHINA

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. GILMAN. Mr. Speaker, today I am introducing House Joint Resolution 607, legislation which would provide a conditional extension of most-favored-nation status [MFN] for the People's Republic of China [PRC] that would last for 6 months.

As you know, over the past year, Chinese and Tibetans have valiantly sought to achieve freedom and democracy for their nations. Their efforts were met with ruthless repression by the central government and human rights conditions deteriorated sharply. The lifting of martial law was only a cosmetic development, done in the hope of receiving MFN from the United States.

According to Business Week, the Wall Street Journal, the New York Times, and other authoritative sources, the authorities in Beijing have recentralized foreign trade, banking, credit, production planning, material allocation, and other important elements of the economy. Beijing has also closed down between 1 to 3 million private and semiprivate enterprises. Accordingly, an unconditional extension of MFN status would only serve to subsidize the recentralization of the PRC's economy. Therefore, wholly state run enterprises and the repressive central government have the most to gain from MFN.

My legislation proposes granting MFN to China for 6 months until certain conditions are met. In order for MFN to be renewed the PRC must release political and religious prisoners, allow human rights organizations into the PRC and Tibet, and curtail harassment of Chinese students and interference with the mainland Voice of America [VOA] broadcasts. In addition, authorities in Beijing must enter into negotiations with the Dalai Lama in order to reach a fair and reasonable settlement of the conflict in Tibet.

At a time of limited resources as our Nation seeks to assist the emerging democracies of Eastern Europe, our $6.2 billion trade deficit with the PRC could be put to better use. It makes no sense to subsidize the recentralization of the PRC's economy and the hardliners in Beijing who continue to repress the democratic forces in the PRC and the freedom fighters of Tibet.

Accordingly, I urge my colleagues to cosponsor House Joint Resolution 607 and I insert the full bill at this point in the RECORD:

H.J. RES. 607

Whereas authorities in the People's Republic of China ("PRC") have recentralized foreign trade, banking, credit, production planning, pricing policy, material allocation and other important elements of the economy;

Whereas authoritative sources state that one to three million private and semiprivate enterprises in the PRC have been forced to close by the central authorities;

Whereas the unconditional extension of nondiscriminatory treatment would subsidize the recentralization of the PRC economy;

Whereas it has been reported that the PRC is considering the sale of chemicals to Libya which can be used to make poison gas;

Whereas the central authorities have embarked on a campaign to purge the reformist elements in numerous governmental ministries;

Whereas over the past year, Chinese and Tibetans have valiantly tried to achieve greater freedoms and democracy and their efforts have been met with extreme brutality by the government;

Whereas conciliatory relations with the PRC has not resulted in improvements in the human rights situation;

Whereas the lifting of martial law in Beijing and Lhasa was a cosmetic development;

Whereas the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of the PRC would legitimize the current totalitarian leadership and its repressive policies;

Whereas there is no freedom of emigration from the PRC and Tibet.

Whereas there are 42,000 students from the PRC studying in the United States, only 3 are from Tibet;

Whereas Chinese authorities have continued to arrest, sentence, and execute dissidents in China and Tibet, despite the extension of nondiscriminatory treatment of China by President Bush last year;

Whereas a limited extension of nondiscriminatory treatment would apply pressure upon the Government of the PRC to reform its economic and human rights policies: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That if nondiscriminatory treatment is extended to the People's Republic of China for a 12-month period pursuant to the recommendation of the President that was submitted to Congress on May 24, 1990, then, notwithstanding any other provision of law, such treatment shall expire on the first day of the 7th month of such 12-month period unless the President certifies to the Congress before such first day that he has determined that—

(1) the Government of the People's Republic of China has, with respect to human rights—

(A) released all demonstrators and dissidents imprisoned in China and Tibet because of their political or religious views and publicly disclosed their names,

(B) granted permission for international human rights groups to investigate human rights conditions within China and Tibet, including visiting prisons to account for political prisoners in China and Tibet,

(C) ended the intimidation and harassment, in the United States, China, and Tibet, of students and others who are involved in, or sympathetic to, the pro-democracy demonstrations of 1989; and

(D) ended interference with the free exchange of information, including interference with mail and Voice of America broadcasts to China, and

(2) the Government of the People's Republic of China is engaging in active and constructive negotiations regarding Tibet with representatives of the Dalai Lama in order to reach a fair and reasonable settlement of the conflict in Tibet; and

(3) there is freedom of emigration from China and Tibet.

DESTRUCTION OF TROPICAL FORESTS IS ON THE RISE

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. KOSTMAYER. Mr. Speaker, I read some alarming news the other day that could have some very serious implications for the global environment. The destruction of tropical forests is occurring faster than scientists had previously thought. According to a recently released report by the World Research Institute the loss of tropical forests was nearly 50 percent greater than the last global estimate made by the United Nations in 1980.

The report was prepared in collaboration with the United Nations and is based on remote sensing data from National Oceanic and Atmospheric Administration and Landsat satellites. It states that in recent years, 40 to 50 million acres of tropical forest, an area the size of Washington State, have vanished. The trees are cut for timber and to clear land for agricultural use. Remaining soil is often unfit to support new growth thus making regeneration of the forests almost impossible.

Deforestation, the report points out, is exacerbated in part by population pressures, poverty, and debt. These are three areas in which, I think, the United States could lend considerable support to developing countries. By redirecting our aid to address these growing problems we will not only assist other nations, but also protect our own future.

The loss of the tropical forests has very serious implications for everyone in the global community. Not only is the effect of their destruction on global warming well documented, but the forests are also home to thousands of plant and animal species whose benefits to man have yet to be explored.

The following article, "Loss of Tropical Forests Is Found Much Worse Than Was Thought," published June 8 in the New York Times, summarizes the conclusions of the World Resources Institute's report and discusses the implications of massive deforestation. We should seriously consider the issues the article raises and work with the governments of these countries to reverse this destructive trend.

LOSS OF TROPICAL FORESTS IS FOUND MUCH WORSE THAN WAS THOUGHT

(By Philip Shabecoff)

WASHINGTON, June 7.—Tropical forests, which play a vital role in regulating the global climate, are disappearing much more rapidly than previously estimated, an international research group said today.

Each year recently, 40 million to 50 million acres of tropical forests, an area the size of Washington State, has been vanishing as trees are cut for timber and to clear land for agriculture and other development, the World Resources Institute said in a report. The group said 1.9 billion acres of tropical forest remained.

The report, "World Resources 1990-91," prepared in collaboration with the United Nations, was described by its authors as the first comprehensive estimate in a decade of tropical-forest losses around the world.

The rate of loss, measured in most countries in 1987, was nearly 50 percent greater than the last global estimate, prepared by the United Nations Food and Agricultural Organization in 1980, according to the institute.

"We were startled to uncover this rate of global deforestation," said James Gustave Speth, president of the institute, a Washington-based research and policy organization. "We were saying we were losing the forests at an acre a second, but it is much closer to an acre and a half a second."

The disappearance of tropical forests is regarded by environmental experts as one of the most serious global environmental problems. Through photosynthesis, the forests absorb huge quantities of carbon dioxide, the most important of the gases that are accumulating in the atmosphere. Many scientists believe that carbon dioxide, if not kept in check, will cause a significant warming of the earth in the next century, through a process known as the greenhouse effect.

The report on forests was based on remote sensing data from National Oceanic and Atmospheric Administration and Landsat satellites that was orginally analyzed by each of the affected tropical countries. Dr. Allen L. Hammond, editor in chief of "World Resources 1990-91," said at a news conference here that for most of the countries the satellite data covered 1987, but for Brazil it covered 1988, since newer data were available for that country.

RATE SLOWS IN BRAZIL

He said the estimates of actual forest loss were "very conservative," and that the actually losses probably were considerably higher.

The group's report said that in nine major tropical countries, the estimates of total annual losses of tropical-forest acreage were about four times as high as estimates from the years 1981 to 1985. The nine countries were Brazil, India, Indonesia, Vietnam, Thailand, the Philippines, Costa Rica, Cameroon and Myanmar (formerly Burma). Dr. Hammond said, however, that in Brazil, the rate of deforestation declined in 1988 from 1987, largely because the levels from the latter year were the highest on record for that country.

As the tropical forests shrink, their capacity to absorb carbon dioxide declines, thereby hastening the onset and increasing the magnitude of the warming phenomenon. Moreover, as the vegetation from the cut forests decays or is burned, it emits more carban dioxide into the atmosphere.

The tropical forests also contain the largest and most diverse populations of plant and animal species of any habitat in the world. As the forests vanish, so do many of these species, many before they ever have been discovered, named and analyzed for possible use by human beings.

Tropical forests generally have infertile soil because most of the nutrients are in the vegetation, not the soil. Thus, when these forests are cleared they tend to regenerate very slowly, if at all.

AN UNPARALLELED TRAGEDY

"Tropical deforestation is an unparalleled tragedy," said Mr. Speth. "If we don't reverse the trend soon, it will be too late."

Senator Patrick Leahy, Democrat of Vermont and chairman of the Senate Agriculture Committee, said in a statement: "This is the first reliable data we've had on tropical deforestation in 10 years. A situation we knew was bleak is now shown to be truly horrendous."

The World Resources report was prepared in collaboration with the United Nations

Environment Program and the United Nations Development Program. Joan Martin Brown, special adviser to the executive director of the United Nations Environment Program, said at the news conference that her organization did not have its own capacity to do the kind of research contained in the report. She said the information would be "very important" as the international community moves to respond to the global environmental threats.

Since preagricultural times, the report said, the world has lost about one-fifth of all its forests, from more than 12 billion acres to under 10 billion acres. In the past, most of the losses were in the temperate forests of Europe, Asia and North America. In recent years, however, it is the tropical forests of the developing countries of Latin America, Asia and Africa that have been disappearing most rapidly.

FORESTS WITHOUT TREES

Brazil, with the largest remaining tropical forest area, is also experiencing the worst losses—between 12.5 million and 22.5 million acres a year, the report found. Myanamar is losing 1.7 million acres a year, more than 500 times the 1980 estimate by the Food and Agricultural Organization.

India, according to the data, is losing its forests at a rate of 3.7 million acres a year. Large areas legally designated as forest land "are already virtually treeless," the report said.

Indonesia is losing 2.2 million acres a year, and Costa Rica 300,000 acres, both substantially more than the 1980 estimate.

The problem of deforestation in developing countries "has been exacerbated by government economic, land tenure and agricultural policies as well as population pressures, poverty and debt," the report said. It added that the rapidly increasing populations in developing countries will put even more pressure on the forests.

The World Resources report also contains a new index of countries that are the greatest net contributors to the atmosphere of carbon dioxide, chlorofluorocarbons and methane, the major gases contributing to global warming.

SURPRISES ON LIST

The United States and the Soviet Union are the first and second-largest net producers of these greenhouse gases, the report found. It added that if the European Community were considered a single country, it would rank second behind the United States.

But the next three countries on the index, surprisingly, were developing nations, Brazil, China and India.

It has been widely believed that the industrialized countries are the main producers of greenhouse gases. But the research group found that the developing countries already account for 45 percent of emissions of these gases, and that their contribution is likely to rise sharply as they consume more energy for industrial development.

While there is still scientific uncertainty about the timing and magnitude of global warming, Mr. Speth said, the overwhelming scientific consensus is that "the risks of global climate change are very real and it would be very shortsighted to conclude otherwise."

"The conclusion of the great bulk of credible scientists is that enough is known to act now" to deal with global warming, said Mr. Speth, who was chairman of the Council on Environmental Quality in the Carter Administration. "It is our view that it is already late."

A CONGRESSIONAL SALUTE TO LYNDA L. CARTER

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. ANDERSON. Mr. Speaker, today I rise to pay tribute to a woman who has made an outstanding contribution to her community. Lynda Carter has set an example for community service in her hometown of Lakewood, CA for all to emulate.

A second generation California native, Lynda has resided in Lakewood since 1957. She has taken an active role in the life of the city her entire life. Today when she isn't hard at work as the general manager of Pacific Building Services, she is laboring in the service of her community as the 46th president of the Lakewood Chamber of Commerce.

Lynda brought a wealth of experience in city governance and community service to the job. She contributed in shaping the city's growth as a member of the Lakewood Community Development Block Grant Advisory Committee. She also gave significant assistance to city law enforcement as a two-time chairman of the Lakewood Community Safety Commission, of which she is still a member. Somehow she also finds the time to be a member of Friends of the Lakewood Libraries and the Lakewood Beautiful Advisory Committee.

Today Lynda Carter is being recognized for her continuing commitment to bettering the life of the citizens of Lakewood. My wife, Lee, joins me in extending a congressional salute to her for her record of community service.

A TRIBUTE TO JOSEPHINE SALGADO

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. DYMALLY. Mr. Speaker, I would like to extend a warm birthday wish to a very special lady, Ms. Josephine Salgado. She will turn 80 this month.

Josephine Salgado was born in La Puente, CA on June 22, 1910. She attended and graduated from Puente Union High School. She is the widow of Frank Salgado, who died in December 1974.

Josephine and Frank were active in the Los Angeles County Foster Care Program for over 20 years. They graciously provided a home to more than a dozen foster children; who, incidentally, still refer to her as "Mom" and their children call her "Grandma." For the past 15 years she has ben an active member of the United Friends Senior Citizens Club at Salazar Park in Los Angeles.

Josephine's hobbies include reading, travelling, and watching the soaps on Channel 7.

Josephine and Frank also raised two daughters, Helen Salgado and Diane Sandoval, as well as two nieces, Mary Louise Saldana and Amanda Ruiz. Josephine has one granddaughter, Michele Sandoval, who is currently attending Loyola Marymount University.

A TRIBUTE TO ROBERTO SUAREZ

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Ms. ROS-LEHTINEN. Mr. Speaker, I wish to recognize the achievements of Mr. Roberto Suarez, a man who has dedicated his life to the principles of journalism and to providing the public with news and information.

Mr. Suarez is a man who exemplifies the American dream. Having arrived in the United States with $5 in his pocket, his first job as a $1.56-an-hour bundler in the mail room of the Miami Herald. On July 1, Mr. Suarez will assume the leadership of the Miami Herald Publishing Co. by becoming its president.

Leadership is a quality at which Mr. Suarez excels, having been former president of the Knight Publishing Co. which owns the Charlotte Observer of North Carolina.

Currently, Mr. Suarez is the publisher of El Nuevo Herald, a Spanish-language newspaper based in Miami, which he helped organize. During his tenure at El Neuvo Herald, Mr. Suarez witnessed the daily circulation of the paper grow to 102,289 and 118,799 on Sundays.

Mr. Suarez will continue to serve as the publisher of El Nuevo Herald in addition to his duties as president of the Miami Herald Publishing Co. As president of the Miami Herald, he will be responsible for all the business operations, including circulation, advertising, production, and personnel.

Mr. Speaker, I commend Mr. Suarez for his accomplishments in the field of journalism and the success he has found in this wonderful country. I hope that others will find his story an inspiration on which to write their own.

CLEAN INDOOR AIR ACT

HON. TIMOTHY J. PENNY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. PENNY. Mr. Speaker, today, along with my colleagues Representatives DURBIN, BATES, SCHNEIDER, CHANDLER, PELOSI, OBERSTAR, PEASE, HARRIS, STARK, WALGREN, COLLINS, WHITTAKER, LAFALCE, ANDREWS, WAXMAN, and NEAL of Massachusetts, I am introducing the U.S. House of Representatives Clean Indoor Air Act, legislation intended to regulate smoking in the public areas of the House office buildings. In May of this year, the Environmental Protection Agency announced a draft report regarding passive smoking deaths in the United States. It suggests that passive smoking causes nearly 3,800 deaths each year in this country.

According to a General Services Administration policy, "numerous studies have concluded that smoking adversely affects the health and well-being of those persons 'passively' exposed to tobacco smoke." But the legislation is for everyone, smokers and nonsmokers alike. Everyone working in and visiting the

House office buildings should be able to enjoy a smoke-free environment for their health and comfort. Many State agencies and private businesses have smoking policies in place to protect all individuals' breathing space. The State of Minnesota is one of the leaders in establishing smoking policy.

Mr. Speaker, if law mandated by Congress disallows smoking on all domestic flights, the House of Representatives should continue to provide an example by limiting smoking in public areas in buildings controlled by the House of Representatives. The goal here is clean, breathable air. The House of Representatives is not just another workplace, it is the people's workplace and a smoke-free environment is in the people's best interest. I am also pleased to have support for this legislation from the Coalition on Smoking OR Health, a coalition which includes the American Lung Association, the American Heart Association, and the American Cancer Society. I urge my colleagues to give this legislation serious consideration. Mr. Speaker, I ask that the text of my legislation and the letter of support from the coalition be included at this point:

H. RES. —

Resolved,

SECTION 1. SHORT TITLE.

This resolution may be cited as the "House of Representatives Clean Indoor Air Act".

SEC. 2. REGULATION OF SMOKING IN PUBLIC AREAS IN HOUSE OFFICE BUILDINGS.

(a) GENERAL RULE.—Except as provided in subsection (b), an individual may not possess a lit tobacco product in any public areas within a House office building.

(b) EXCEPTION.—The House Office Building Commissions may allow the possessions of lit tobacco products in designated areas, but must take such actions as are necessary to limit the exposure of individuals in areas described in subsection (a) to second hand smoke.

(c) ENFORCEMENT.—A Capitol police officer who witnesses an individual violating subsection (a) shall inform the individual of the violation and request that the individual extinguish the tobacco proudct in the nearest proper receptacle. If the individual refuses the request, the officer shall escort the individual out of the building.

SEC. 3. PUBLIC AWARNESS.

The Architect of the Capitol shall take such measures as are necessary to make Representatives, officers and employees of the House of Representives, and the public aware of the provisions of section 2. These measures shall include the posting of signs in conspicuous places in public areas describing the regulation and the penalty and the areas where the regulation does not apply.

SEC. 4. SMOKING CESSATION ASSISTANCE STUDY.

The Clerk of the House of Representatives shall conduct a study, and report to the Committee on House Administration, on the feasibility of offering a smoking cessation assistance program for Representatives and officers and employees of the House. The study shall include the cost such a program would entail. The report shall be submitted within 90 days after the date of the approval of this resolution.

SEC. 5. DEFINITIONS.

As used in this resolution—

(1) the term "House office building" means the west wing of the Capitol building and any building of the House of Representatives under the control and direction of the House Office Building Commission; and

(2) the term "public area" means a hallway, entrance, public restroom, eating facility, elevator, or stairway or escalator located in a House office building, including tunnels and subways connecting such buildings.

SEC. 6. EFFECTIVE DATE.

This resolution shall be effective 30 days after the date of its approval.

COALITION ON SMOKING OR HEALTH,
Washington, DC, June 20, 1990.

Hon. TIMOTHY J. PENNY,
U.S. House of Representatives,
Washington, DC.

DEAR CONGRESSMAN PENNY: On behalf of the Coalition on Smoking OR Health, comprised of the American Lung Association, the American Cancer Society and the American Heart Association, we write to commend the introduction of your legislation to restrict smoking in Congressional office buildings. If enacted, your measure would provide both an immediate and long-term health benefit to members of the public who visit the House of Representatives, as well as those who are employed and serve there.

Legislation designed to protect the health of non-smokers in Congressional buildings makes sense for at least two reasons. First, studies show conclusively that environmental tobacco smoke kills several thousands of our citizens each year, and disables and causes discomfort for many more. Second, a significant majority of Americans favor restricting smoking in the work place and in public places. According to a Gallup poll commissioned by the American Lung Association and released in August 1989, two-thirds of adult Americans believe that smoking should be prohibited in the work place with special areas set aside for those who wish to smoke. Fully nine out of ten of those surveyed believed that smoking should be restricted in places of employment.

Health considerations support your legislation. The American people increasingly desire sensible restrictions on smoking in public places and the work place. We commend you for introducing this pro-health measure.

Sincerely,

FRAN DU MELLE,
Chairperson, Coalition on Smoking OR Health, Director of Government Relations, American Lung Association.

SCOTT D. BALLIN,
Legislative Counsel and Vice President for Public Affairs, American Heart Association.

JOHN H. MADIGAN, JR.,
Assisant Vice President for Public Affairs, American Cancer Society.

IN THE AGE OF INFORMATION COLUMBIA UNIVERSITY MAKES PRIMITIVE DECISIONS

HON. MAJOR OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. OWENS of New York. Mr. Speaker, Columbia University in New York recently made a decision which I find to be in poor judgment in terms of its significance for the university, for the city of New York, and for the educational preparedness of our entire Nation. The board of trustees of Columbia University has decided to close its school of library services. They are planning to discard a longstanding tradition of excellence in preparing librarians for their chosen profession and of indispensable interaction with the library systems of New York City and the educational systems of both Columbia and the city.

The president of the American Library Association, Ms. Patricia Berger, and I recently wrote a letter to the editors of the New York Times and the Chronicle of Higher Education expressing our dismay over Columbia University's plans for this school. I submit the text of this letter for the RECORD:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, June 18, 1990.

The EDITOR,
The New York Times, New York, NY.
The EDITOR,
The Chronicle of Higher Education, Washington, DC.

DEAR EDITORS: We were dismayed to learn of the Columbia University Trustees' decision to close out the School of Library Service and put the School's faculty and its heritage on the block (*NYT*, June 6; *Chronicle*, June 13). Having reviewed all of the documentation made available to us, including Provost Cole's May 21 letter to President Sovern, it is our opinion that the decision to close the School (a) first, ignores all objective documentation which would argue for a different decision and second, stifles meaningful communication from or with the School's faculty and students; (b) is not supported by the elaborate rationalizations set out in the Provost's letter to the President of Columbia; (c) derives from an unhealthy, myopic concern about the one-time costs which would accrue were the School moved from the Butler Library; (d) raises serious racist and sexist issues, in that the Trustees voted to oust a segment of the University headed by the University's only African-American Dean who directs the graduate education of a predominately female student body, one which does not, and may never, produce wealthy University alumni in large numbers.

Unfortunately for both the University and its Trustees, the Provost's letter to the President is replete with inaccuracies based on pre-1985 data. Where oh where is the vaunted scholarship and careful research extolled in that same letter? The Provost wrote after he had received both the results of his own Review Committee and the Report of the University's Comptroller. This latter Report describes a 5-year financial trend analysis of the School and ranks it in the middle range of the University's 19 schools.

What is even more disturbing to us, and should be disturbing to Columbia's faculty, students and alumni as well, is the Provost's view of the University as an elitist, inward-looking institution, one concerned primarily with its perceived stature, an institution which has decided to offer narrowing but highly lucrative curricula to a limited circle of students with the potential to become or to remain well-heeled. Columbia is, after all, a tax-exempt institution which is supported by the services of the city of New York. Yet, nowhere in the Provost's letter does one find references to service, to leadership or to responsibility, nor is there any mention of the University's obligation to serve the city of New York or this nation and its citi-

zens. The Provost's own Committee on Academic Quality has expressed the view that the Butler Library is "perhaps the University's central academic resource beyond its vital core of faculty and students." Good, but how is it Columbia feels no obligation to provide graduate education for those librarians and information scientists who will be needed in the future to direct and to staff the libraries and information centers of our great research institutions as well as our public libraries?

In our opinion, the rationalizations of the Provost are more appropriate for a statement to the Board of Directors of an insolvent Savings and Loan Association than for a statement to an academic community. Their thrust could more easily justify the closing of a business school than a school of library science. We believe dishonest palaver about the mission of a "great research university" has been used to camouflage base, philistine motives.

A monumental lack of imagination and knowledge is exposed by this set of pronouncements, because within the discipline of library and information science there are numerous research challenges to meet admirably. These include the study of artificial intelligence, the computerization of knowledge, the synthesis of knowledge within language groups and cultures, the transfer of knowledge among different language groups and cultures, and the more efficient and effective dissemination of knowledge and information. Unfortunately, in this instance the vision and foresight of Columbia's decision-makers is limited—they have voted to obliterate a major university nerve center, one with rapidly escalating value in our emerging, information dependent global society.

South of Columbia University, but still in the Borough of Manhattan, the New York Public Library provides a daily reminder of our cultural heritage and of the role our libraries have played in making us a nation of individuals who are both literate and educated. Like its counterparts in other urban centers, at the turn of the century the New York Public Library extended its service as the "People's University" to the newly-arrived immigrants from Europe, helping to educate them to American values and ease their assimilation into American society. It was these new citizens who bore and educated those generations of men and women who became our leaders of yesterday and even today. Librarians, not libraries, were the major catalysts for this transformation. One can speculate with a fair degree of certainty that one or more of Columbia's present Trustees can trace her or his success to parents and to grandparents who became prospering citizens thanks to the help of the librarians at NYPL. Two magnificent lions guard the doors of this "People's University." Today, remembering that the fight song of Columbia University is, "Roar Lions, Roar!," these noble animals would, if they could, bow their heads in shame and sorrow.

Sincerely yours,

MAJOR R. OWENS,
Member of Congress,
12th District, New York.

PATRICIA W. BERGER,
President, American Library Association.

A TRIBUTE TO MISS LEANN SMITH

HON. MIKE PARKER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. PARKER. Mr. Speaker, I rise today in recognition of an outstanding young lady, Miss LeAnn Smith, who finished first in the southern district of Mississippi's competition in machine transcription. She went on to capture the State title for machine transcription. Her credentials of being well prepared in the production of all types of letters, memoranda, tabulations, and reports enabled her to achieve this goal in preparation of her career in the field.

LeAnn recently finished Franklin High School in Meadville, MS, and intends to enter the work force in the fall. LeAnn's parents are Mr. and Mrs. Buddy Smith. Her efforts and achievements are to be admired by her peers and I encourage other young people to strive for the same type of accomplishments.

Mr. Speaker, at this time, I ask that my colleagues join me in saluting LeAnn Smith for her outstanding achievements.

A CONGRESSIONAL SALUTE TO NICK G. PARRAS UPON HIS RETIREMENT

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to an outstanding educator who has spent the past 38 years serving public education. Nick G. Parras will be honored upon his retirement as superintendent of the Redondo Beach City Schools on Friday, June 22, 1990. This occasion gives me the opportunity to express my sincere appreciation for his many years of service to the Redondo Beach community.

Throughout his nearly four decades of service in public education, whether he served as a teacher, principal, or superintendent, he has placed his students first. It was apparent that he possessed a gift for teaching when at Hillcrest School, his first job, student demand for his classes was overwhelming. He went on to spread his gift for educating as an assistant principal at both Hillcrest School and Washington School. In addition, he served as a business manager; deputy superintendent, administrative services, acting superintendent of schools and superintendent of schools. His long list of educational employment is complemented by his long list of credentials. He currently holds a general elementary life diploma, a general secondary life diploma, a general elementary school administration life diploma, and a general administration life diploma. As you can see, Mr. Speaker, his list of educational contributions is both long and distinguished.

Nick Parras has not limited his educational involvement to schools and classrooms, he has also been involved with numerous professional and community organizations. Some of these organizations include CASBO, ASCA Region XIV, Centinela/South Bay School Insurance Authority, Los Angeles County Joint Educational Transit and South Bay School Trustees and Administrators Association. In the area of community involvement, he has participated in the Redondo Beach Round Table, the Redondo Beach Salvation Army Board of Directors and the Redondo Beach Coordinating Council. As a teacher, administrator, and concerned and involved citizen in the South Bay community, Nick Parras is irreplaceable.

After 38 years as an educator, I can say that he will be greatly missed. However, even though Nick is retiring as an educator, I know he is not retiring from educating. My wife, Lee, joins me in extending our congratulations to this hardworking and caring man. He is truly a remarkable individual who has devoted his talents and energies to provide a better way of life for the people of Redondo Beach. His wife, Roberta, and their children, Gregg, Nicola, Chrisanne, all the best in the years to come.

THE RAINBOW LOBBY AND THE KU KLUX KLAN

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. DYMALLY. Mr. Speaker, in the few weeks I have brought to the attention of my colleagues and the American people, information exposing the true nature of an organization calling itself the Rainbow Lobby. Today, I would like to submit to the record evidence of the involvement of Nancy Ross, executive director of the Rainbow Lobby, her fellow cult members and the Ku Klux Klan, so that we can understand that the Rainbow Lobby which claims concern for African Americans, is nothing but another deceptive front organization designed to confuse the movement by attacking African leaders in order to pose as the true leader of African Americans. These opportunistic cult members of the Rainbow Lobby and other front organizations, stop at nothing in order to enhance the interest of their leader and cult. In the process, by using the word "Rainbow" they deceptively raise funds from African Americans and other decent Americans by confusing the public with Rev. Jesse Jackson's Rainbow Coalition.

This so-called Rainbow Lobby is but one of many front organizations established by cult leader Fred Newman, who along with his core followers, were members of the Lyndon Larouche organization at a time when Larouche's followers were on a rampage intimidating and physically beating up Leftist and union organizers during the infamous operation Mop-Up in 1974.

Cult leader Fred Newman and other Newmanites, like Nancy Ross, executive director of the Rainbow Lobby, claim that they separated from Lyndon LaRouche in August 26, 1974, by way of a letter addressed to the "membership of the International Caucus of Labor Committees" Lyndon LaRouche's orga-

nization. However, their unsophisticated opportunism led them to a coalition with groups like the Ku Klux Klan. It is important to note that the names of cult leader Fred Newman appear on a letter as well as 38 of his followers, including Nancy Ross, Cathy Sadell, Cathy Salit, Hazel Daren, Harry Kresky, Eunice Stronger, Gail Elberg, and Sema Foxx. All familiar names to experts on this political cult. Currently most of these masquerade as leaders of different front organizations such as the Rainbow Lobby, the New Alliance Party, the U.S.-Congo Friendship Committee, and so forth.

The Newmanites formed a clandestine communist organization called the International Workers Party [IWP] supposedly to represent the true interests of the working class. Less than 2 months after their claimed separation from LaRouche, Fred Newman and his cult, thrust themselves into a coalition with the Ku Klux Klan, in West Virginia, in an attempt to censor school textbooks written by black authors or texts that dealt with the life conditions and culture of African Americans.

The names of Sema Foxx, the IWP Presidential candidate, as well as Nancy Ross, currently executive director of the Rainbow Lobby, appear in press reports and articles showing the support of the IWP for the censorship of textbooks dealing with the black experience. In an April 1990, report by Political Research Associates and Russ Bellant, "the Ku Klux Klan was involved in the protest from the start." According to an affidavit from Rev. James Lewis, former pastor of St. John's Episcopal Church in Charleston, WV, KKK involvement from the outset was clear in two ways. One slogan painted on a building during the protest read: "Get the Nigger Books Out." Two of the three main leaders of the book protest movement were, Rev. Marvin Horan, who was shown in a newspaper photo with Dale Reusch, a fully robed grand dragon of the National Knights of the Ku Klux Klan of Ohio, and Ed Miller, a "self proclaimed Klansman".

For the unfortunate few who are lured to the cult under the guise of progressive politics, hopefully this exposé may help them understand what is the real Rainbow Lobby. It is hoped that this information would help some good meaning activitsts to realize the danger, before they are forced to surrender their assets to the cult. It took many years to expose Lyndon LaRouche and his cult for what they are; it is about time to do the same for Fred Newman, his Rainbow Lobby, and all his other front organizations.

[From the Charleston Daily Mail, Dec. 2, 1974]

RED-BAITING A CRIMINAL OFFENSE

To the Daily Mail:

The International Workers Party demands that the Charleston Daily Mail publish this response to the lies, distortions and innuendoes of "evil communist forces' descending upon Charleston that appeared in a front page article of October 24th by Charles Ferguson. At this crucial period in history, with the depression deepening and more and more workers being laid off, with less food on the shelves at higher prices, and the New Deal democratic congress pushing for liberal fascist legislation reminiscent of the CCC and WPA, red baiting is a criminal act.

One of the blatant lies in Ferguson's article were the statements by Herb Pauley. Not only did Herb Pauley, a politician who in his literature called himself "pro-union" and "pro-workers", lie to Ferguson, but Ferguson after having discussed these lies with me, did not print the truth in his so-called "objective" article. After having seen Pauley's name card at the anti-textbook headquarters in Cabin Creek, IWP organizers decided to meet the Magistrate. I called and arranged an interview with Pauley, and the day of the interview confirmed the time with a man who answered Pauley's phone. When we arrived at the door, Pauley belligerently shouted to us to "get out." We asked, "How come?", thinking he must have made a mistake. He said, "Just get out, I know who you are." We asked who he thought we were, but he refused to answer, and the Constable, in true lackey fashion said, "Get out, or I'll arrest you." Herb Pauley has no intention of serving the working people. He has no concern about discussing or doing anything about the pressing economic and political situation confronting working people—including the voters of Kanawha County.

As far as Alice Moore self-righteously stating she didn't meet with us when finding out who we were, she ought to check out the scriptures because IWP organizers never contacted her.

Lewis insinuated that IWP organizers lied about setting up a meeting between himself and Horan in Cabin Creek. Obviously, if we did lie Horan and Lewis would never have agreed to meet with two communists the following day at a restaurant in Charleston. Why then did they meet with us? They met with us because they trusted us and were moved by our seriousness. We talked at length about the present world situation, the collapse of capitalism and the move towards fascism by the international capitalist class. We talked about layoffs, the depression, expansion of production under socialism, and about the textbooks. We proposed the establishment of a workers committee, which both Horan and Lewis supported, to decide which books our children should be reading—a proposal to be taken all the more seriously as the school book controversy continues with disputed books returning to the schools.

For the few days that IWP organizers were in Charleston, both Horan and Lewis worked from their humanity. What happened? It's frightening to be taken seriously. It's frightening to talk about taking on the responsibility of being one of the few human beings who will lead working people in this time of shrinking production and collapsing economy.

One of Lewis' many misreadings of reality was exemplified in his remark that he and Horan "were united in our views that outsiders are not needed", and "we're brothers in Christ". This anti-Christian comment, seeing others as dangerous "outsiders", serves to isolate West Virginians from the human race. The crime is not of "outsiders" (Lewis, by the way, is from Baltimore) coming in to investigate reality, but in Lewis' fantasy-based comments and in Ferguson's writing of red scare articles. Talk of hidden communists in Charleston and of "outsiders" can only work to destroy the only viable solution to this collapsing economy, working people taking on the responsibility for running this economy.—Nancy Ross, International Workers Party, New York City, N.Y.

NANCY ROSS

Nancy Ross, spokesperson for the Communist International Workers Party, is the same Nancy Ross who is executive director of the Rainbow Lobby.

Nancy Ross, who is a follower of cult leader Fred Newman, is also affiliated with the Ku Klux Klan in their campaign to burn books written by African American authors.

This same Nancy Ross has now become the quotable darling of the Washington Post reporters. See CONGRESSIONAL RECORD, May 17, 1990, page E1567 and the Washington Post, May 23, 1990, page A21.

[From the Charleston Gazette, Nov. 5, 1974]

SOCIALIST CANDIDATES SUPPORTING PROTESTERS

(By Martha Smith)

Candidates for the U.S. presidency and vice presidency representing the socialist International Workers party have aligned themselves with the antitext movement in Kanawha County.

Sema Foxx, presidential candidate, and her running mate Lew Hart said Monday they are against the controversial texts because they prevent people from learning about communism.

The two asserted that one textbook section on rules of revolution was designed to stimulate anti-Communist response. Hart added: "There is a tremendous amount of anti-Communist organizing going on. People don't have an understanding of what communism is. Fascists are annihilating the working class, while communists are trying to meet the needs of the class.

"In the book issue, it seems a decent education no longer is possible. These books (the controversial texts) are the kinds of books that fascists spend enormous energy on to keep people from learning what communism is."

Hart said he believes the textbook controversy is a class issue, instigated by fascists who want to set working people against each other.

Ms. Foxx explained the international Workers party (IWP), headquartered in New York City, is about two months old but traces its roots back six year to a metropolitan community health organization. She said members of the health group joined with leftist organizations, then were affiliated with the National Caucus of Labor Committees.

The caucus, she said, "had identified who the correct enemy (of the working class) is—Rockefeller of the international ruling class.

Since breaking with the caucus two months ago, the IWP has mounted a campaign for the presidency by laying blame for the country's economic crisis on the capitalist system, represented by Nelson Rockefeller, vice president designate.

Organizers for the IWP, which has a total membership of 66 persons, have campaigned among blue-collar workers in Vermont, Massachusetts, New York, Washington, D.C., Atlanta and Louisville. Ms. Foxx and Hart presided at a party rally in front of the Kanawha County Public Library at noon Monday. About a dozen persons attended.

The International Workers party platform is based on a "death of capitalism" philosophy which maintains that the world will be destroyed unless working people unite and build a socialist society.

"The IWP is building an organization of working people to fight the depression." Ms. Foxx said. "We are living at a time when

the human race can be destroyed." She said the party, which supports the anticipated coal miners' strike as an "international issue", technically is prohibited from working within union ranks.

"There is a clause written in the United Mine Workers constitution which says communists can't organize within the union," Ms. Foxx said. "This is a denial of our right as communists to organize."

She said the IWP will support the miners nonetheless because the strike is an international issue. "The miners are making demands of the bosses." she said, "which hits the crux of international economic crisis. The demands made by miners are the demands of the working people throughout the world."

[From the Charleston Gazette, Nov. 6, 1974]

EXTREMISTS, LEFT AND RIGHT, APPEAR TO VIE FOR CENTER STAGE IN TEXT FEUD

(By Kay Michael)

Right and left wing extremists in the nation appear to be vying for center stage in the Kanawha County textbook controversy.

Earlier this week, representatives of the International Workers Party visited Charleston and cast their lot with protesters on grounds that the books are the kind of material "that fascists spend enormous energy on to keep people from learning what communism is."

Their arrival in the county followed visits by champions of assorted conservative causes who claimed the adoption is part of a Communistic conspiracy to undermine the beliefs of young people.

A husband-wife team, Mel and Norma Gabler of Longview, Texas, encouraged protesters to carry on their boycott during a meeting at Watt Powell Park when the anti-book movement was in its infancy.

They spent their time traveling through the nation speaking against books similar to those adopted in Kanawha County.

James McKenna, a lawyer for the Heritage Foundation Inc., was in the county briefly to encourage protesters in their efforts. The Washington-based foundation was established to protect the U.S. Constitution from socialist elements.

The Liberty Bell, a magazine published in Reedy, W. Va., carried a news story in the October issue describing McKenna's work in restoring children to their parents in a New Mexico case. The children were removed from their parents because they were withheld from school in protest of sex education classes.

Liberty Bell is published by the American Opinion Bookstore. The issue containing the McKenna story also featured a piece on Secretary of State Henry Kissinger's exploits as a Soviet agent and an advertisement for a John Birch Society lecture at Spencer High School.

The Rev. Ezra Graley, a leader of the Kanawha County boycott, also ran an ad in that issue soliciting contributions on behalf of Concerned Parents.

Recently, the bookstore printed as a public service a circular containing material that reportedly can be found in the new textbook adoption. Again, sympathetic persons were asked to mail contributions to Graley at 108 River Ave., Nitro.

Labor-oriented material has been dispatched through the mail to organizations supporting union men.

Under the heading of Guardians of Traditional Education, the literature solicits funds to combat "child seducing agents" and to prepare coal miners for a lengthy strike.

The letter, signed by Joan Masters, Legislative research chairman of the Landover Hill, Md. organization, claims the organization has been "in close communication with Mrs. Alice Moore, school board member; the Rev. Harold Graley, a spokesman for the miners; and Mr. Henry Thaxton, head of the American Christian Parents group, and each has assured us any funds received will be used for a common objective—to eliminate the controversial materials from the schools and to help the miners and their families during this crucial period."

Probably the most colorful out-of-towner to involve himself in the dispute, however, is Robert Dornan of Los Angeles.

Dornan, who appeared on the television series "Twelve O'Clock High" and claims to have founded the prisoner of war bracelet movement, has promised to help protesters articulate their opposition to the textbooks.

He represents an organization known as Citizens for Decency Through Law. But he has said he doesn't believe the books are pornographic or obscene. Still, he claims they represent the views of "a thick slice" of the population who support abortion, legalization of marijuana, forced busing, and pornography.

REMARKS OF IRWIN LERNER ON A DRUG-FREE WORKPLACE

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. SAXTON. Mr. Speaker, I rise today to bring to the attention of my colleagues in the House a speech of great relevance to the war on drugs.

Mr. Irwin Lerner, president and chief executive officer of Hoffmann-La Roche, Inc., recently addressed the National Conference on State and Local Drug Policy, hosted by the Director of the Office of National Drug Control Policy, William Bennett.

Mr. Lerner outlines a program dubbed "Corporate Initiatives for a Drug-Free Workplace." Through this program, LaRoche has involved over 700 companies from a cross-section of American industries in an effort to fight the war on drugs in the workplace.

I commend Mr. Lerner on his action in this regard and urge my colleagues to take the time to read his remarks:

REMARKS OF IRWIN LERNER

Thank you, Dr. Walsh. Good morning everyone. I'm delighted to be here with all of you. I would like to thank Dr. Bennett and the Office of National Drug Control Policy for inviting me to speak on this critical issue to a distinguished audience who must confront its grim manifestations on virtually a daily basis.

If you take away anything from what I'm about to say, make it this: in a relatively short period of time, corporate America has shown that it is far from powerless when it comes to fighting the war on illicit drugs—a lot of what we have learned comes from the experiences of the public sector. I truly believe that corporate America has the means, the power and the will to make drug free workplaces a reality by working together, sharing knowledge and best practices. In this way, we can and have made a measurable impact on the demand side of the social equation and a positive impact on the productivity side of the competitive equation.

Hoffmann-La Roche is not unlike many companies across the country. We spend a great deal of time and effort working to build, maintain and enhance a corporate culture that encourages innovation, pride, honesty, teamwork and commitment, among other things.

These key factors for success in the business environment are all too easily destroyed by drug abuse. Illicit drugs have infiltrated our factories, our stores, our offices and our executive suites. They cause decreased productivity and increased absenteeism, accidents, illness, theft and violence, all of which you have heard about before. But maybe it's a subject about which we can't hear enough.

I strongly believe that those of us who head corporations, large and small, have a responsibility to all of our employees, be they in the private or public sector, to provide a safe place to work. We have a responsibility to our customers and, not so incidentally, our competitive survival to ensure the highest quality products and services. We also have a responsibility to ourselves and our society. Our obligation is to provide a drug-free environment for our employees, to educate employees about the consequences of drug abuse to themselves or their coworkers, their families and their company, and to provide appropriate assistance to employees who need it.

For more than a decade at Hoffmann-La Roche, we have tried to build and foster such an environment through the creation and continuous implementation of what we are convinced is a comprehensive, fair and reasonable substance abuse policy. We have also taken a major step beyond working to ensure our own corporate environment is drug free by creating a program called Corporate Initiatives for a Drug Free Workplace.

When I was asked to discuss private sector initiatives, the reason, I believe, is the Corporate Initiatives Program because it's an excellent example of how corporate America has marshaled its energy, creative talents and financial resources to assist the Government in fighting drug abuse in an area that we know best—the workplace.

As a health care company known primarily for the research, development, and marketing of prescription pharmaceuticals and diagnostic tests and services, Roche recognized a unique opportunity to play a leadership role in helping to motivate the private sector to establish meaningful approaches to dealing with the problem of illicit drug use in the workplace.

Corporate Initiatives was created in direct response to former President Reagan's State of the Union Address in February 1988 in which he urged stepped-up efforts to deal with the problem. The idea behind the program was to step forward and seek high level acceptance and identity among corporate leaders that yes, drug abuse is a problem in our society and in our workplaces as well. And yes, companies have a responsibility to their employees, their customers and their communities to do something about this critical social, economic and health issue.

Our current administration has also expressed its clear view that American business has a critical role in the national strategy to curb the use of illegal drugs. President Bush has told us that everyone counts and has cited every employer who bans

drugs from the workplace first among the list of those who can make a difference. If we have learned one thing since we launched Corporate Initiatives for a Drug Free Workplace, it is that business is up to the challenge.

The specific goal of Corporate Initiatives has been, and remains, to work with a cross-section of corporations nationwide along with Federal and State Governments to enable and enhance the efforts of corporate America to realize a drug free workplace. Corporate Initiatives represents an excellent, productive partnership between Government and the private sector.

As one private business, we could never take on this program alone without the input, direction and support of other key players. In particular, we sought and received high-level government involvement through the administration, the national Institute on Drug Abuse, the U.S. Chamber of Commerce and the Drug Enforcement Administration. Their advice and counsel on successes and shortcomings of current private sector programs were invaluable in the formation of a coalition now represented by more than 700 companies from a cross-section of industries both large and small.

So with the premise of seeking to motivate industries across the country to take action in recognizing and dealing with drug abuse as a workplace problem, I asked my peers in corporate America to join with me in forming this national, private-sector initiative. I am gratified, and continue to be extremely encouraged, by the reception I received when I initially wrote to them about this unique and challenging program and opportunity.

Within a matter of only a few weeks of my initial correspondence, we received letters and telephone calls from over 200 companies telling us that they were willing and enthusiastic about supporting such a national voluntary program. Most of these people certainly did not know me. They acted instead as concerned business leaders.

Our first major project was to sponsor a national conference for corporate executives on helping to create drug-free workplaces. Held in June 1988 in Washington, DC. It was attended by more than 300 human resources, law and public affairs executives; National and State Government officials, and the news media. It was truly the first time that corporate leaders were gathered in one room to learn, to share their experiences and explore new ways to develop comprehensive drug abuse programs.

In addition, several participants called the conference a "water-shed" event and said it was perhaps an historical turning point for our Nation. More modestly put, we obviously met a need and hit the ground running. We haven't stopped.

After our Washington National Conference, we initiated a series of regional events. We have hosted conferences in San Francisco and Chicago, both well attended and received. And, I'd like to extend an invitation at this time to those representatives from the South to attend our next conference. It is scheduled for June 4 and will be held in Atlanta. We are inviting corporate executives and public officials from Southern States to join us.

I believe our conferences are unique in several ways. Perhaps most important is that we don't just talk about the issue of substance abuse in the workplace, we help business people do something about it. We accomplish this by providing the most up-to-date information on the legal, legislative, regulatory, and science and technology issues businesses of all types and sizes need to know as they seek to develop and enhance substance abuse programs. We also hear from companies who have real world experience with implementing programs and learn everything from the "how and why" they started their programs to program results, and, if they had to do it all over again, what they would do differently. This type of practical advice, and sharing of experiences is invaluable to all of us.

Through a series of ongoing communications, such as letters I continue to send to corporate leaders around the country, we have been able to maintain the momentum of our program.

In addition to our conferences, we have also created other tools for businesses to use in developing and implementing comprehensive drug abuse programs in their workplaces. With the help of representatives from the public sector, as well as our partners in private industry, we prepared an extensive, 250-or so page workbook with step-by-step guidelines on designing a substance abuse program. We also created a newsletter, "drug free workplace initiatives," which provides useful and practical information on this national issue and is sent to more than 30,000 corporations, and Federal and State legislators and regulators.

In addition, we have funded, and continue to fund, several research projects to collect information on current corporate drug abuse policies and programs. In 1988, we commissioned the Gallup organization to conduct research on employers then-current drug testing policies and programs. At that time, research indicated that 28 percent of the Nation's largest companies use drug testing as one means for curbing drug abuse in the workplace.

Most of these large companies began drug testing to protect their on-the-job safety records or to reduce the number of accidents that were occurring at their workplaces. More than one quarter of these same companies with drug testing programs also said they have observed better quality job candidates as a result of announcing and implementing their program. And, heartening news, 26 percent of all companies without any such programs said thay they had plans to create them.

Another of our studies was completed last November and I can report some even further positive findings to you. We surveyed the several hundred companies that have pledged their support to the corporate initiatives program. They told us about the successes of their programs, including employees who voluntarily are seeking help with personal drug problems. They told us that they are now seeing even fewer job applicants who are testing positive for illicit drugs.

Indeed, half of the companies—49 percent—said that they have observed employees bringing their drug problems to counselors. And nearly as many companies—43 percent—have noticed a decline in the number of preemployment positive drug tests.

A quarter of these companies said they are seeing a better quality of job candidates as a result of having a workplace drug abuse program.

It is truly encouraging to see companies reporting such progress, particularly since many of the drug abuse programs have only recently been put in place. For example, more than a third of the companies—39 percent—with employee drug education programs began their programs only last year.

Yet two-thirds of the companies with drug abuse programs described them as successful. And three-quarters of the companies with employee assistance programs that deal with drug abuse described their EAPS as successful. These are very encouraging results indeed.

A third study we have underway will review the effects of the use of illicit drugs in the workplace. Effects such as on the health consequences to on-the-job substance abusers, performance detriments, prevalence of drug use and tangible costs of having someone who abuses drugs working for you will be reported in this document. What can be considered perhaps the most extensive bibliography on all of these topics will be compiled, which will be completed in time for our June 4 Southern States Conference, at which time we will be releasing the results.

Now that I've tried to briefly summarize the corporate initiatives program, I'd like to tell you what we have learned and what still needs to be done.

We have certainly learned that corporate America is concerned about this critical issue and is taking action? The variety of innovative substance abuse policies and programs being put in place is impressive. Companies are becoming increasingly sophisticated in putting together programs that are strong in prevention, detection and rehabilitation.

Yet, even as companies gain experience and increasing success with the comprehensive substance abuse policies they implement, we cannot afford to become complacent. Each program moves this country closer to the goal of eradicating drug abuse. We're not just talking, we're acting and we must continue to act.

We have also found that corporations want to make their substance abuse policies fair and reasonable, educational and not punitive. They realize that their employees are their best asset and truly want to help if an employee is abusing drugs. But even with the best of intentions, employers are faced with the fact that there is a shortage of treatment centers. Increased drug prevention, education and testing programs in the public and private sectors may fail if treatment facilities are not available to cure drug-addicted individuals. As part of their corporate social responsibility, all employers should seek ways to provide financial support along with the Government for the creation of additional treatment resources.

We also need to find more ways to assist those employing smaller workforces to mount effective anti-drug efforts. Those small to mid-sized employers need resources to help their own efforts. I know Mr. Korssjoen will be speaking next about Washington State's drug free business initiatives, so I don't want to steal his thunder. But I would like to say that through the corporate initiatives program, we have had the opportunity to work with several States to help them develop just such programs.

As an example, the Greater Miami Chamber of Commerce launched BAD—Business Against Drugs—within the last year or so. It is considered the first time that smaller businesses have had the chance to economically organize a comprehensive substance abuse program and send an anti-drug and alcohol abuse message to their employees. Partners in this program can also purchase services such as preemployment testing through the program at a discount rate—this is ideal for smaller businesses.

Florida Gov. Bob Martinez has proclaimed the BAD campaign a model program for the State. The Idea for the BAD program jelled when Tom Van Etten, a founder of BAD and senior vice president at Sunbank, Miami, FL, attended our June 1988 National Conference. He says he was enlightened, especially by the presentations by the larger companies, and at the same time encouraged—he learned that south Florida was not alone in their drug and crime problem. This is a wonderful example, in part at least, of the multiplier effect of our national and regional conferences and achieves one of our primary goals.

We need more State-endorsed programs like the BAD campaign. I'm sure Mr. Korssjoen will tell us of some ways we can accomplish this.

There is also a need to concentrate on assisting so-called "white collar" industries in catching up to the substantial programs in place in the manufacturing side of the corporate establishment. I just reviewed a summary on corporate drug testing programs sponsored by the conference board. Their report found that 55 percent of 681 companies surveyed actively test new job applicants and employees or are about to do so. Firms most likely to have testing programs are those in manufacturing, construction, mining, public utilities, and transportation.

About half of the hesitant firms who don't currently have a program are in so-called white collar industries, like insurance and financial service businesses. As one company I know of who found out a certain white collar company did not do drug testing said "if our employees abused drugs and are found out, where do you think they go to work? At your company." I think we have all learned too much to say, and believe, the old saying "not in my workplace." No place is safe from the consequences of drug abuse.

I might add that companies who have substance abuse policies already in place are continuously looking for ways in which they can be improved upon. They want to find ways to ensure that their workplaces are truly drug free. At Roche, we are revisiting our current policy to include random drug testing of employees who work in safety sentitive positions. We will begin by testing all of our company officers. In addition, consistent with a safe workplace and to guarantee the integrity of the products and services we deliver, we are developing a vendor certification program to ensure that our vendors as well have a drug free workplace.

We have also found that currently there are a number of conflicting Federal and State regulations and laws which are causing confusion among employers and hindering their efforts to establish and maintain a drug-free workplace.

Examples include the Department of Defense regulations for Federal contractors; the Department of Transportation's regulations for public/private employers, and the drug-free workplace provisions for Federal contractors which are part of the Omnibus Anti-Drug Act of 1988. In addition, employer's compliance with certain provisions of these regulations are now preempted by some State laws.

Policy and legislative approaches need to be developed to ensure consistent and workable regulations and laws to help employers ensure a drug-free workplace.

Another possible idea: There are many concerned individuals in all of our States whose talents we could utilize to further extend the reach of all of our anti-drug abuse messages.

For example, we all know how advertising plays a significant role in our society. Few of us would dispute its force or its power.

Since the inception of the Corporate Initiatives Program, we've had the opportunity to work closely with a very talented group of people, the media-advertising Partnership for a Drug-Free America.

The Partnership for a Drug-Free America was launched in 1987 as a coalition to combat illegal drug use. It utilizes the donated skills and talents of some of the best and brightest creative minds in the American consumer advertising industry. These people are selflessly volunteering their time to develop campaigns to unsell illegal drugs. They have built a coalition of unprecedented scale to combat illicit drug use through print and broadcast advertising, the space and time for which is made available on a pro bono basis.

More than 250 advertising agencies, most major media, commercial producers and suppliers, research industries and unions, have worked together in this private-sector effort to change the public's attitudes toward illegal drugs. They have donated hundreds of millions of dollars in services, materials and advertising space. Over the past year, extensive research indicates that the media-advertising partnership's efforts have been met with marked success.

The partnership's talents and creative energies are truly making a difference. Wouldn't it be wonderful if other campaigns like the partnership could be started within each of our States?

Corporate efforts to halt drug abuse in the workplace are truly being recognized as vital to the effort to fight drug abuse in society as a whole. There is no debate that one of the most effective weapons in the war on drugs is the paycheck. There can no longer be any doubt among employers that workplace substance abuse programs are needed.

But I can't stress enough that we need everyone's involvement. During the past 2 years, our corporate initiatives team back in New Jersey has had the opportunity to work with several State Governors and their staffs, local drug enforcement administration offices, and, most recently, the Federal Bureau of Investigation in developing State initiatives on drug abuse. At this time, I would like to extend Roche's assistance to any of you who would like to create similar programs like corporate initiatives. It is obvious we are a stronger force by working together on this issue and by pooling our resources, particularly at the community and State levels. I encourage each of you to organize your local businesses to take an active role with you in this regard.

With this kind of teamwork, we are changing attitudes about substance abuse. We are telling employees that illicit drug use in the workplace will not be tolerated. We hold the paycheck and we are making decisions that the person receiving that paycheck has an obligation to us—the employers—to their coworkers and to our customers and clients to come to work free from the influence of illicit drugs. We are demanding drug-free workplaces and we are getting them through the spread of comprehensive drug abuse education, detection and rehabilitation efforts.

As the CEO of a corporation that wants to do something about drug abuse and as a concerned parent and private citizen, I am confident that by working together, we will make drug free workplaces a reality.

Thank you.

A CONGRESSIONAL SALUTE TO PATRICK J. BARBANES

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. ANDERSON. Mr. Speaker, today I rise to pay tribute to a man who has served his community with distinction. On June 27, Patrick J. Barbanes will be recognized by the Lakewood, California Chamber of Commerce for his outstanding contribution both to its members and the city at large.

Patrick has resided in Lakewood since 1985 with his wife Margaret. Together they are raising two beautiful children, Sophia and Sunshine. When he leaves his happy home for work, however, Patrick heads into a very busy day.

Patrick's business is to let us know just a little more about the opportunities out there which await all of us. He was the founding partner of Teledate, the first automated pay per call telephone dating service. Patrick is on the cutting edge of information services. Currently, as the owner of the Tucker Group, he utilizes the latest telecommunications technologies to help his client advertise their own unique products and services. Not content with working for others full time, though, Patrick's company also produces the 'Homebuyer's Hotline," a recorded listing of Lakewood Open Houses and information for prospective Lakewood home buyers.

Patrick donated his promotional expertise to the Lakewood Chamber of Commerce, taking a central role in the chamber's 1989 membership drive. He is the presiding chairman of the Lakewood Chamber committee for the 1990 Pan Am Festival and has been a member of the auction committee for the first annual "Luck O' The Irish Auction." In addition to his tireless promotion of the chamber and its good works, he writes a monthly column, "Interactive: Focus On Communications" for the Lakewood Community News.

The Lakewood Chamber of Commerce is grateful for the contributions Patrick Barbanes has made to the life of the city both as a businessman and a community leader. My wife, Lee, joins me in extending a congressional salute to him today.

JEFFERSON COUNTY QUESTIONNAIRE RESPONDENTS OFFER SOUND ADVICE

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. ERDREICH. Mr. Speaker, almost 8,000 residents of Jefferson County, AL, responded to my 1990 congressional questionnaire. Their opinions are an important gauge for me as I go about the task of representing the Sixth District of Alabama in Congress, and I would like to share their sound views with my colleagues in the House.

Of the almost 8,000 who responded, more than one-third, 34 percent, felt that deficit reduction was the most important issue facing Congress and the administration. The split was almost even among respondents on the best way to reduce the budget deficit, with 37 percent favoring reducing Federal spending across the board, and 38 percent supporting a freeze on Federal spending across the board, except for Social Security.

Fourteen percent felt that protection of American jobs from unfair foreign competition was the most important issue. And an overwhelming 71 percent favored adopting policies to limit imports from countries that compete unfairly with U.S. goods, even if it means higher consumer prices.

Enhancing the quality of education and training tied with strenthening antidrug and crime enforcement efforts at 13 percent as most important, followed by improving protection of the environment at 12 percent.

The split was also almost even among respondents when asked about spending levels for domestic and defense spending, with 55 percent saying the Government was spending too much on domestic spending, and 57 percent saying the Government was spending too much on defense spending. Notably, 39 percent of respondents felt that any money resulting from reductions in defense spending should be put toward reducing the budget deficit.

When asked about family medical leave, 61 percent favored a plan that would allow a specified amount of unpaid leave from work for family emergencies, with a guarantee of the same job upon return.

I hope my colleagues in Congress will take the opinions of my questionnaire respondents under serious advisement. The views of my constituents in Jefferson County are good commonsense advice for Congress to follow, and I thank the almost 8,000 people across Jefferson County who took the time to respond.

Following are the questions included in my 1990 congressional questionnaire, and the response percentages:

Congressman Ben Erdreich's results of 1990 congressional questionnaire

	Percent
1. Congress and the Administration face a broad range of issues in 1990. Rank the following in order of importance to you, with "1" being most important, and "8" being least important.	
a. Protect American jobs from unfair foreign competition	14
b. Strengthen programs that help families	8
c. Negotiate further arms reductions with the Soviet Union	4
d. Improve protection of the environment	12
e. Reduce the deficit	34
f. Encourage and expand economic growth	8
g. Enhance the quality of education and training	13
h. Strengthen anti-drug and crime enforcement efforts	13
2. Do you favor strengthening environmental protection laws even if it means additional costs to consumers?	
a. Yes	72
b. No	26
3. Do you think the current level of Federal domestic spending is:	
a. About right?	21
b. Too much?	55
c. Too little?	20
4. Do you think the current level of defense spending is:	
a. About right?	33
b. Too much?	57
c. Too little?	8
5. Which of the following do you think is the best way to reduce the Federal budget deficit? (Choose one)	
a. Reduce Federal spending across-the-board	37
b. Freeze Federal spending across-the-board, except for Social Security	38
c. Reduce Federal spending across-the-board and increase taxes	7
d. Freeze Federal spending across-the-board, except for Social Security, and increase taxes	14
6. If reductions in defense spending were made, choose *one* of the following on which you feel most of the money should be spent.	
a. Improve public education and the schools	16
b. Help the homeless	5
c. Improve health care	8
d. Help fight illegal drugs and crime	10
e. Improve the Social Security system	6
f. Reduce the budget deficit	39
g. Reduce taxes	6
h. Protect the environment	7
7. Do you favor a family medical leave plan which would allow a specified amount of unpaid leave from work for family emergencies, and guarantee the same job upon return?	
a. Yes	61
b. No	36
8. Do you favor adopting policies to limit imports from countries that compete unfairly with U.S. goods, even if it means higher consumer prices?	
a. Yes	71
b. No	26

Note: Total response percentages on some questions do not equal 100 percent because all respondents did not answer all of the questions.

THE NORTHERN SPOTTED OWL

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. SWIFT. Mr. Speaker, my district is anxiously awaiting the Fish and Wildlife Service's decision to list the northern spotted owl as threatened, or endangered. Such a listing and the management plan to implement this decision will have severe consequences. Today and in the future I will be sharing with you letters and newspaper articles that I believe give an accurate picture of the significant repercussion this decision will have on the people of the Second Congressional District of Washington.

PORT ANGELES BOARD OF REALTORS,
Port Angeles, WA, June 13, 1990.

Congressman AL SWIFT,
Longworth House Office Building, Washington, DC.

DEAR CONGRESSMAN SWIFT: We are extemely concerned about the way this nation is dealing with decisions regarding the use of our natural resources. Clearly, our country is reaching towards a higher environmental awareness and thus our public policies and laws reflect these changes. We support all efforts to wisely conserve and at times preserve those areas and resources which are considered especially vital, precious, and/or endangered. But we are experiencing that in our current zeal for environmental protection we are refusing to take opportunity cost into account and are heading into a socioeconomic disaster of unprecedented proportions.

The Pacific Northwest timber industry is a vital link in the health of the region's economic base. Just as our environment has an ecosystem which is reaching for balance, so does our socioeconomic process. The health of the timber industry is important for the infrastructure in every level of government, for the thousands of direct and indirect jobs, for the consumer in the marketplace, and ultimately in our nation being able to afford higher environmental values.

So far we have done little to prepare for the realities implementing the Jack Ward Thomas scientific committee's Northern Spotted Owl Conservation recommendations will cause if adopted. People who may be affected are justifiably angry, scared, and completely disillusioned with a political system gone awry.

What will the counties in the Pacific Northwest do to find a substitute for revenue suddenly stopped from lost timber receipts? Will businesses be compensated for a drastic change in public policy? Do people understand that current diversification/relocation programs do not fit the needs of people losing their businesses? What happens to businesses completely shut down through public policy? What happens to property values for owners in depressed rural towns? We could go on but we are laboring the obvious. The opportunity costs are high and we in the region have no answer to mitigate these costs.

If this nation decides it does not need a Northwest timber industry because of environmental concerns, so be it. But we implore you, how can we deal with the impacts so that we alleviate the human suffering and disaster? If we make choices like this again, it can never be done in such a vacuum that this episode is repeated. To treat people like this will be the death of the environmental movement in the end because it is systematically leaving out those humans most affected by the decisions.

What we have created is a whole population of people who are, unfortunately, increasingly militant in their dislike of the environmental movement and in those who support the movement. It didn't have to be this way and we must assure it never happens again. Environmental concerns are too important to allow this kind of schism to develop because of poor public policy management.

This country's leaders must immediately start Congressional hearings to address the consequences of considering widespread preservation of lands currently being used

for commodity purposes. We are creating a strange paradox in our society: we are on the one hand saying man is not a part of nature and is detrimental to her ecosystem yet we know that man is a part of nature and is inextricably linked to the resources the earth provides for man's survival. We must be careful in applying quasireligious philosophies which ignore practical realities however uncomfortable this may seem in the scope of current political winds. Let's rationally lay out all the respective costs and benefits and then make our decisions with appropriate mitigations to assure equity and compensation.

Sincerely,

DARRELL PETERSEN,
President, Port Angeles Board of Realtors.

INTRODUCTION OF A BILL TO COMMEMORATE LEYTE LANDING DAY

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. PANETTA. Mr. Speaker, I rise today to introduce a joint resolution to designate October 20, 1990 as "Leyte Landing Day." This will mark the 46th anniversary of the Allied Forces' return to Leyte in the Philippines to fulfill a national promise and liberate the Philippine people from Japan. Gen. Douglas MacArthur led 420 transports carrying 165,000 men of the U.S. Sixth Army and 157 warships manned by 50,000 sailors who fought at Red Beach and represented the largest operation yet conducted in the Pacific War. Through the combined efforts of the Philippine Scouts and the Allies the Japanese forces were defeated and the direction of World War II changed.

The events which occurred at Leyte between 1944 and 1945 have not received much-deserved recognition. The Leyte landing was as important in the events of World War II as were the events at Normandy on D-Day, but I am sure you will agree the recognition of these two events has not been comparable. The Philippine Scouts fought bravely alongside the United States Army to defend the vital military and strategic American bases in the Pacific.

In the past the Leyte landing has been commemorated by ceremonies in various parts of the country including California. However, I believe it is time for national recognition of this important event in U.S. history. The dedication and sacrifice endured by these men during World War II should not be forgotten. I urge my colleagues to support this legislation to designate a day for national observance of the return to Leyte.

H.J. Res. 609

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas October 20, 1990, marks the 46th anniversary of the landing of allied forces on Leyte Island in the Philippines;

Whereas the courageous return of the allies to the Philippines fulfilled a solemn national promise to liberate the Philippine people from the Japanese empire;

Whereas 420 transports and 157 warships carried 165,000 men of the United States Sixth Army and 50,000 sailors to fight at Red Beach, the largest operation conducted in the Pacific War; and

Whereas the combined efforts of Philippine Scouts and allied forces resulted in the eventual defeat of the Japanese forces and changed the direction of the war in the Pacific: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 20, 1990, is designated as "Leyte Landing Day," and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the day with appropriate ceremonies and activities.

INTRODUCTION OF LEGISLATION CONCERNING THE HOSPITAL WAGE INDEX

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. DONNELLY. Mr. Speaker, I am introducing legislation today, along with my colleague from Texas, Mr. PICKLE, concerning the area wage index used to adjust payments to hospitals under Medicare's prospective payment system. This legislation is being introduced in the spirit of compromise, and I am pleased that Mr. PICKLE, a distinguished member of the Committee on Ways and Means, has agreed to join me as an original sponsor of this measure.

Mr. Speaker, the area wage index is the most important adjustment under the prospective payment system. Hospital wages are the largest component of their costs, estimated to represent 71 percent of total costs. The current wage adjustment has not been updated since 1984, and it in no way reflects the true hospital labor market.

Unfortunately, since relative wages in the economy have shifted over the past 6 years, there will be wide swings in payments when a new wage index is implemented. The Department of Health and Human Services attempted to limit those swings in regulations published on May 9. Those regulations, among other provisions, will implement a new wage index based upon more recent data.

In general, the new wage index will increase payments to hospitals on the east and west coasts of the country, and will decrease payments to hospitals in the central United States. Our legislation is an attempt to limit the wide swings in payments in all areas of the country in the interests of fairness and compromise. This transition to the new wage index is a 1-year transition only, and is done in a budget-neutral manner.

Let me say, Mr. Speaker, that I introduce this legislation as a Representative from a State that is one of the biggest winners in the country. Although I would prefer to see the new wage index implemented immediately, I am concerned that such a rigid approach would create needless division among America's hospitals. Doing so could result in a legislative solution which challenges the very integrity of the prospective payment system, something that I would be reluctant to see as a member of the Committee on Ways and Means, which has jurisdiction over the Medicare program.

Mr. Speaker, I plan to work in the coming weeks to see that the Committee on Ways and Means adopts this compromise proposal. I urge all of my colleagues to support this legislation, and ask that a technical description of the proposal be printed in the RECORD at this point.

PRESENT LAW

The Medicare Program generally reimburses hospitals on the basis of a prospective payment system. The average standardized amount paid to PPS hospitals is subject to many adjustments, including a wage adjustment. The Department of Health and Human Services publishes an area wage index which measures relative wages which hospitals pay to their workers. The current index is based upon a survey of hospital wages conducted in 1984.

The Omnibus Budget Reconciliation Act of 1987 directed the Secretary to conduct a new survey of wages and to implement the new wage index by October 1, 1990 (Pub. L. 100-203, § 4004). The Omnibus Budget Reconciliation Act of 1989 required the Secretary to update the index again and implement the new index by October 1, 1993, and annually thereafter (Pub. L. 101-239), § 6003(h)(6)). The updates are to be implemented in a budget-neutral fashion.

On May 9, 1990, the Secretary published a new wage index pursuant to the OBRA '87 provisions, based upon a survey conducted in 1988. The new wage index is published at 55 Fed. Reg. 19496-19502 (May 9, 1990). The proposed regulation also contains a transition to the new wage index, by limiting the "swings" in payments to 10%, plus one-half of the excess, for fiscal year 1991.

EXPLANATION OF PROPOSAL

Under the bill, an alternative to the Secretary's transition to the new wage index is provided. For discharges occurring during fiscal year 1991, the wage index applicable to a hospital would be the sum of 75% of the new wage index (without regard to the Department's transition rule) and 25% of the current wage index applicable to a hospital (i.e., based upon the 1984 survey). The sponsors intend that, for purposes of the 25% portion of the blend, the 1984 survey is applied after any adjustments which may later occur.

For discharges occurring during fiscal year 1992, the wage index applicable to a hospital would be the index published on May 9, 1990 (without regard to the transition rule). As under present law, the 75/25 blend would be applied in a budget-neutral manner.

Finally, the legislation moves forward the date on which the Secretary is to publish a new index. Thus, under the bill, a new index is to be implemented on October 1, 1992.

MAKE NO MISTAKE, THE DEMOCRATIC STRATEGY TO KILL THE FLAG AMENDMENT WILL BACKFIRE IN NOVEMBER

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. SOLOMON. Mr. Speaker, there is a large percentage of the American public who are going to resent that the Democratic leaders have attempted to kill the constitutional amendment to protect the American flag by rushing it through the House.

After the way the leadership in the House handled this issue Democrats across the country should no longer be confused about the large number of people in the South, West and Midwest who are leaving their party.

The majority of voters are not going to forget about the American flag by November. Make no mistake. The 10 million Americans who are members of our Nation's veterans' organizations and military associations strongly favor a constitutional amendment protecting the American flag.

The American Legion: "A Gallup Poll recently concluded that 73% of the American people support a constitutional amendment and the same percentage of American people do not believe such an amendment would jeopardize their freedom of speech. The 3 million wartime members of the American Legion are asking Congress to send to the states a constitutional amendment to protect our flag."

Veterans of Foreign Wars: "The 2.8 million members of the Veterans of Foreign Wars believe that the only ironclad way to protect our flag is through a constitutional amendment. The American people must decide once and for all if their flag is to be protected. A constitutional amendment takes the issue directly to the American people for their decision."

Reserve Officers Association: "Many thousands of Americans have given their lives to preserve the freedom of our country and defend this standard. Adding a constitutional amendment to preclude flag descration would not denigrate the First Amendment but would protect a symbol which is critical to the very fabric of our nation."

Disabled American Veterans: "As an organization of 1.2 million veterans, disabled in the wartime service of our country, we believe that a constitutional prohibition against desecration of the American flag will not conflict with the right of freedom of speech.

Non-Commissioned Officers Association: "For more than 200 years, the Constitution has protected the citizens of the United States. Next year by this time, it should also protect the American flag."

AMVETS: "Our 1 million members were called upon to defend this treasured symbol. Many lost their lives so that the American flag could continue to fly over a free nation. We support a constitutional amendment to protect the American flag."

The Military Coalition: "The Military Coalition, a consortium of military associations representing more than 1.4 million members plus their families, respectfully request that you vote in favor of the constitutional amendment."

Paralyzed Veterans of America: "The PVA supports and promotes congressional approval of an amendment to the United States Constitution which will make it unlawful to desecrate the flag of the United States of America."

Retired Officers Association: "Our request to you is straightforward. Allow the state legislatures to decide democratically whether or not the Constitution should be amended to preserve the flag as a symbol of national pride and patriotism. Only by allowing the people of this nation to speak on this issue can we be sure the Constitution expresses their will."

Fleet Reserve Association: "Over one million Americans have given their lives in war to make sure that the flag of the United States continues to fly over this country. If they were alive today, they certainly would not want the symbol that they fought and died for to be burned or trampled."

BURNING THE FLAG IS NOT AN EXPRESSION OF SPEECH, IT'S A PHYSICAL ASSAULT

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. WYLIE. Mr. Speaker, as you are well aware, the recent Supreme Court ruled that flag burning is protected as an expression of freedom of speech under the first amendment.

To me, there is a difference between saying something abusive about the flag, although I would object to that too, and burning it which is not just talk, but a physical assault. I think the Supreme Court could have made a distinction between speech and an act of destruction of the flag as discussed in a recent George Will column.

Last Sunday, the Columbus Dispatch ran the following editorial in support of a constitutional amendment to protect the flag. This piece expresses far more eloquently than I the need for this amendment. May I recommend it to our colleagues to review before the upcoming vote on this important issue.

PROTECTING THE FLAG

A few days before Memorial Day, a Columbus serviceman's widow went to the cemetery and placed a small flag on her husband's grave. When she returned, the flag was gone. To the widow, this petty theft was somehow more than that.

Try as they may, pragmatists struggle to convince most Americans that the flag of the United States is merely a symbol, a piece of colored cloth.

Freedom-loving citizens salute the flag, sing and pledge their allegiance to it. And, right or wrong, they revere it as something more than just a symbol.

Mothers, fathers, wives, sons, daughters, brothers and sisters mourn the loss of loved ones returned to them from foreign wars in flag-draped caskets. After taps are played and guns fired in salute, the flag is folded and presented to the widow or mother. Must these moments and the heavy emotional toll they exact be somehow discredited by the single radical act of flag desecration?

This is the same flag that Marines raised atop Mt. Suribachi on Iwo Jima, during World War II; the same flag the Apollo 11 astronauts planted on the lunar landscape in 1969.

The flag of the United States, inextricably representative of "the republic for which it stands," may nonetheless be soiled, ripped apart and burned as a gesture of free expression, the nation's highest court has decreed.

It is clear now: No law drafted at the local, state or federal level can protect Old Glory from being defaced or destroyed as an act of free speech, though the destructive act need not involve the utterance of a single word.

Granted, the misguided acts of relatively few individuals who court the camera's eye and the exhibitionist's reward truly never can detract from the flag that has flown as an enduring reminder of the nation's triumphs and tragedies.

The lawyers and legal scholars will argue that the alternative to tolerating abuse of the flag as a form of free expression is to visit greater harm on the Constitution by amending it. Critics of a protection amendment will say revering the flag at the expense of the freedoms it represents does it a greater disservice than those who would desecrate it.

Elected officials, rarely successful at solving the nation's big problems, are scampering for the easy victory that a flag-protection amendment to the Constitution will provide them.

But any decision to protect the flag by amending the Constitution should be made in the national interest, not to enhance the reputations or re-election opportunities of politicians.

At this point, there is no evidence that a narrowly focused amendment with the expressed, specific and exclusive intent of protecting the flag would devalue the Constitution or mortgage the Bill of Rights.

The complicated process of constitutional amendment, requiring ratification by both Houses of Congress and 38 state legislatures, ensures that successful amendments will be few.

And, it is important to note, the flag-protection amendment under consideration in Congress would in no way inhibit free speech per se. Those who would curse the banner as a wretched rag more deserving of rebuke than respect would be free to do so with impunity.

It is unfortunate the courts could find no legal basis for statutory protection of the flag. Still, there is no reason to believe a minor amendment to the Constitution would leave the document vulnerable to wholesale change or damaging precedent.

There is only one flag of the United States and only one briefly worded set of limits is needed to ensure that those who defile it, for whatever reason, will be held accountable.

That is a small tribute owed the men and women who gave their lives to preserve the liberty the Stars and Stripes have come to represent.

THE AEROSPACE CORP. OBSERVES 30TH ANNIVERSARY

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. LEVINE of California. Mr. Speaker, I would like to take this opportunity to commend the Aerospace Corp. for 30 years of dedicated service to this country and, more specifically, to the U.S. Air Force. Aerospace has participated in the development and de-

ployment of nearly every military satellite and launch vehicle system developed by the Air Force. In recent years, Aerospace was a principle player in the recovery programs for the space shuttle and the Titan following the launch disasters which left the U.S. Space Program crippled. Today, it supports not only the space launch vehicle programs, but communications, navigation and weather satellite programs, network control systems, defense surveillance programs, architectural planning and technology development, and general engineering support for Air Force space systems.

In the late 1950's, the Congress concluded that it was improper for a profit-oriented company to fulfill a ballistic missile system engineering advisory role and suggested that a new nonprofit corporation be formed. In June, 1960, the Aerospace Corp. was born and 3 years later, it was designated a Federal Contract Research Center by the Department of Defense. Today, its 4,300 employees provide virtually all of its technical expertise under a contract to the Space Systems Division of the Air Force Systems Command.

The Aerospace Corp. functions much like an architect-engineer. Like the architect who analyzes the designs but doesn't actually build the house, Aerospace assists Systems Command in creating the space systems components of our national defense. Aerospace studies the requirements of a proposed new space system, such as a communications satellite, and suggests options to the Air Force. When a conceptual design is chosen by the Air Force, plans for designs and tests are drawn. Schedules and standards are prepared, and specifications and work statements are defined. The company also monitors contractor performance and helps both the Air Force and the contractor resolve technical problems. It continues to assist during final testing and actual operation of the space system. Aerospace does not manufacture a product, contract for systems, subsystems or hardware, participate in the Government's selection of contractors, nor direct any other contractor. It therefore has only an objective viewpoint to defend when providing its analyses and serves as a rudder of stability and impartiality in the resolution of subsystem imbalances.

Its 4,300 employees are the key to 30 years of success at Aerospace. They are highly qualified, enterprising, dedicated people working for the betterment of the public interest. Some 2,600 are members of the technical staff, principally engineers and scientists, who average 21 years of technical experience. Two in three hold advanced degrees and one in four a doctorate. The technical professionals are assisted by skilled support personnel providing technical, administrative, secretarial, and maintenance services. The most telling fact regarding the Aerospace staff, however, is that in the coming weeks, nearly 100 Aerospace employees will be recognized for 30 years of dedication to the company. Nearly one in four of the employees have been with the company for 20 or more years.

Total quality management, or TQM, is in many organizations a mere catch phrase without definition. Not at Aerospace. Corporate management has participated in training sessions educating the staff on the principals of TQM, but it doesn't stop with learning about TQM. Managers are taught to apply it and to teach it to those working for them. From the President to all organizational levels this is a company committed to quality, and with good reason. One small mistake in verifying the readiness for launch, and a billion dollars or more could literally go up in smoke.

Verifying readiness for launch is the single greatest responsibility of the company. Though space flight can never be risk free, Aerospace endeavors to provide the highest possible level of knowledge, judgment, objectivity, and attention to critical detail in every step of the process from program initiation through termination of space operations. The success list is long:

Defense Satellite Communications Systems II and III, Fleet Satellite Communications System, NATO III, Defense Meteorological Satellite Program, NAVSTAR Global Positioning System, Air Force Satellite Control Network, Consolidated Space Test Center, Consolidated Space Operations Center, Automated Remote Tracking Stations, Space Based Wide Area Surveillance System, Boost Surveillance and Tracking System, Space Surveillance and Tracking System, space based interceptor, strategic defense initiative, Titan 34D and Titan IV, and the space shuttle.

I know the company is especially pleased with its success of the Global Positioning System satellites which are currently being put into orbit. These NAVSTAR satellites will, when all are in orbit in 1992, enable a commander to pinpoint his location to within 25 meters. Furthermore, dozens of private companies are making receivers available for civilian use. In addition to providing launch and operational support, Aerospace provided the Air Force with "work-arounds" which have substantially extended the 5-year life span. In fact, two of the satellites have now been flying for more than 11 years.

The Aerospace record of 30 years of achievement is one of which we can all be duly proud. As the coming years bring declines in defense spending, it will be teams such as The Aerospace Corp. that will provide the direction necessary to maintain America's national security and leadership in the space industry.

Again, Mr. Speaker, I congratulate The Aerospace Corp. for its 30 years of technical accomplishment. I am honored to have the privilege of representing so fine an organization and I look forward to another 30 years of excellence from this vital national resource.

RICK PRENDERGAST

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. MICHEL. Mr. Speaker, the many friends and admirers of Richard Prendergast were shocked to learn that he died suddenly, on Monday, June 18, 1990, at age 44.

Nowhere, aside from his immediate family, was the loss felt more deeply than among those of us in the House who were fortunate enough to have worked closely with Rick.

He was administrative assistant to our former colleague, Marjorie Holt, and, later, special assistant to the Assistant Secretary for Legislative Affairs at the Department of the Treasury. Ultimately, in 1984, he became Special Assistant to the President for Legislative Affairs at the White House.

In each position, he was a public servant of great skills with an understanding of our complex processes and—so essential in the positions of great trust he graced—an ability to deal with a wide variety of people on a personal basis, with a sense of humor and in a warm and friendly manner.

It is one of the facts of public life that so much of the hard work of representative government is carried on in quiet and often unsung ways, by men and women unknown to the public. Their faces rarely if ever appear on the TV screens, and their names are known only to those who really understand the difficulties of making democracy work. Rick Prendergast was one of those quiet heroes of democracy.

Marge Holt has said of Rick:

He was a wonderful young man. He was certainly a tower of strength to me. I recently spoke to him and he seemed happier than he had ever been. He ran my campaign and taught me everything about politics.

That sums up what Rick Prendergast was all about. For a few years Rick was with us as part of our Hill family and as an important part of the executive branch, helping us to get tough jobs done. Now, suddenly, tragically, he is gone. We will miss him.

Our sympathies and our condolences go to his wife, Marlene, his daughter, Rachel, and to his mother and father and brothers and sister.

SOCIAL SECURITY EQUITY ACT OF 1990

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. TAUKE. Mr. Speaker, today Mrs. JOHNSON, Mr. RINALDO, and I are introducing legislation to resolve several unfair Social Security policies that reduce retirement income security for women. During a recent hearing of the Select Committee on Aging's Subcommittee on Retirement Income and Employment, I heard compelling evidence that the Social Security System penalizes women for making tough work and family decisions. In addition, witnesses testified to the gaps in coverage for widows and divorced spouses. This legislative package would improve benefit protection for women.

The Social Security System is over 50 years old. When the program was originally implemented, the vast majority of American families consisted of an employed father, stay-at-home mother and children. While the program has been amended, expanded, and improved over the years, Social Security has never caught up with the fundamental changes which have oc-

curred in the American family and in the workplace.

WORK AND FAMILY

Over the past 20 years, women have entered the work force in record numbers. Today, more than 50 percent of the American work force is women. Balancing work and family responsibilities puts tremendous pressure on working women. In fact, the average working woman spends more than 11 years out of the work force for family responsibilities. Unbeknownst to most women, sporadic labor force participation makes a big difference to future retirement income. Each year out of the work force adds a zero year to a woman's Social Security earnings record—the more zeros, the more downward pressure on future Social Security benefits.

According to a report issued by the Older Women's League, retirement benefits for a woman with $15,000 average annual income over a 35-year period would vary significantly, depending upon her work force attachment. A woman who has no zero years and retires at age 65 would receive a benefit of $606 per month. If this same woman spent 12 years outside the work force and retired early, age 65, her benefits would only be $524 per month. Work and family responsibilities wiped out almost 14 percent of her reitrement benefits.

WIDOWS' GAP

Social Security will provide reduced benefits for widows age 60 and older. Thousands of older women are widowed in their mid to late-sixties. According to the 1980 census, 122,000 women were widowed between the ages of 55 and 59. Many older women have limited work histories or no work histories at all. Early widowhood can threaten the financial security of widows and their families.

Disabled widows find themselves in an even more precarious situation. A disabled widow must not only meet the age 50 requirement but also a stricter definition of disability than insured workers. Young disabled women who become widows are quite vulnerable to the loss of income.

DIVORCED WOMEN

During the subcommittee hearing, two women testified to the impact of divorce on their future retirement income security. One woman had been married for 23 years and spent 14 of those years raising two sons. When she and her husband decided to divorce, her primary concern was for her sons: She fought for the family home. Little did she know that her efforts to secure the family home would wipe out virtually all of her future retirement income resources—no rights to life insurance, pensions, IRA's, CD's, et cetera.

Additionally, Social Security will provide a divorced spouse a maximum 50-percent benefit at age 62. A divorced spouse who never remarries will only receive a higher benefit if her former husband dies—she can claim widows' benefits.

As the public witnesses to the subcommittee hearing suggest, many divorced spouses make significant contributions to the family and never earn Social Security credit for their efforts. More importantly, they never realize the impact divorce can have on their future retirment income security.

The legislation that we are intoducing today will address these inequities in the Social Security System:

Provide 5 dropout years; and 5 additional dropout years for caregiving;

Reduce the age 55 requirement for widows benefits; and eliminate the age 50 requirement for disabled widows; and

Allow voluntary earnings sharing as a part of a divorce settlement.

I believe that each of these provisions would substantially improve Social Security coverage and benefit protection for American women.

TRIBUTE TO THE CHOCTAW ADVOCATE

HON. CLAUDE HARRIS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. HARRIS. Mr. Speaker, today I would like to pay tribute to a newspaper that has become an institution in Alabama over the past 100 years. The Choctaw Advocate was founded on June 11, 1890, by county resident Charles E. McCall. The initial 1,000 copies were distributed free to promote the fledgling paper and encourage advertisers. The regular rate of $1 per year was either accepted in cash or exchanged for firewood, sugar, or other commodities.

As well as running the Advocate, Charles McCall taught school, practiced law, and held many public offices in the Alabama and Choctaw County governments. He wanted his paper to promote his belief in democracy and to keep the people informed.

In 1892, the name of the paper changed to the Choctaw Alliance when McCall sold it to local members of the Populist Party. It was sold again in 1901, when it resumed the name Advocate. The paper has changed hands many times since then but it has always been owned locally. In 1969, a local corporation took over and is still running the paper today.

The Choctaw Advocate has progressed from casting type in hot lead to desktop publishing with a MacIntosh computer and laser printer. It currently has a circulation of 4,400 and averages a weekly readership of 15,400. Throughout its century of existence, the paper has chronicled local announcements and events concerning residents of Choctaw County, as well as hard news of national importance. The Advocate won nine awards for excellence in the Alabama Press Association's 1990 Better Newspaper Contest, and has earned a reputation for fairness, accuracy, and dedication to its readers.

The current staff worked diligently putting together the special centennial edition. I would like to commend the efforts of Editor Tommy Campbell, Nell Ezell, John Windham, Kathy Windham, Sharon Shepard, Cynthia Dukes, and Charlie Smith. This newspaper has been, in the words of Editor Tommy Campbell, "both a mirror and a conscience for the people of Choctaw County." It has certainly been successful in upholding the ideals set by founder Charles McCall, who stated in his first editorial, "The development of the resources of Choctaw County and the advancement of the material interests of her people will always be the foremost object of the Advocate."

THE COMPREHENSIVE LONG-TERM CARE INCENTIVE ACT

HON. JOHN J. RHODES III

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. RHODES. Mr. Speaker, today I am introducing H.R. 5090, the Comprehensive Long-Term Care Incentive Act of 1990, which promotes a private-public partnership to stimulate the long-term care insurance market.

The national debate over long-term care is moving toward center stage, propelled by the escalating costs faced by growing numbers of older Americans. They and their baby boomer children fear becoming destitute and demoralized by a disabling illness.

My legislation responds to the near-universal desire of the frail and chronically ill people to remain in familiar surroundings, with control over their lives, whenever possible. This bill shifts the institutional bias of Medicare and Medicaid, as well as private long-term care policies, by providing coverage and incentives for utilizing home and community-based care.

Planning ahead for the possible expenses of chronic care must become a customary rite of aging. Long-term care policy requires incentives and options to succeed, unlike the short-sighted Medicare Catastsrophic Coverage Act of 1988. Congress needs to take action, but more thoughtful action this time around.

I urge my colleagues to join me in support of this important legislation.

COMPREHENSIVE LONG-TERM CARE INCENTIVE ACT OF 1990

Title-By-Title Description

TITLE I. TAX TREATMENT OF LONG-TERM CARE (LTC) INSURANCE PLANS

Treatment of LTC Insurance

A. Amends the Internal Revenue Code (IRC) to treat qualified LTC insurance as accident and health insurance for purposes of tax deductions on individual income tax returns.

B. Allows employers under the IRC to offer employees qualified LTC insurance as a tax-free fringe benefit. The employer contribution would be deductible.

C. Excludes from gross income amounts withdrawn from Individual Retirement Accounts (IRAs) or 401(k) Plans for purposes of purchasing qualified LTC insurance.

D. Allows the non-taxable exchange of life insurance policies for qualified LTC insurance.

Employer Funding of Medical Benefits

A. Encourages companies to establish health benefit accounts for retirees and their spouses and dependents. Provides a tax deduction for the employer's contribution to the accounts.

B. Defines funded reserve accounts and vesting requirements to qualify for tax deduction of premiums paid, including special rules (excise tax) on allocated assets not used to provide retiree health benefits.

Reverse Mortgage Insurance for Older Americans

A. Amends the National Housing Act to allow reverse mortgages and sale-leaseback arrangements, whereby homeowners could convert their equity interest for purposes of purchasing qualified LTC insurance.

Income Tax Credits

A. Provides a $2,000 refundable credit for custodial care of certain dependents in the taxpayer's home.

B. Allows a taxpayer to receive a refundable credit for expenses for LTC services provided to certain independent persons requiring such care. This is a credit against tax imposed in the amount equal to 25% of the qualified LTC expenses, not exceeding $2,000, but only permitted for those below 150% of the poverty level.

TITLE II. LONG-TERM CARE BENEFITS AND RELATED SERVICES

Part One: Expansion of Medicare Benefits

Subtitle: Medicare Provisions

A. Medicare Coverage of Screening of Mammography.

B. In-home Respite Care for Certain Chronically Dependent Individuals—provides up to 80 hours per year of services to relieve those caring for homebound Medicare beneficiaries.

C. Extends Home Health Services—clarifies that "intermittent" home health care by Medicare may mean care provided 7 days per week for up to 33 consecutive days.

D. Expands the Hospice Benefit—permits unlimited hospice care for terminally ill patients if a physician recertified that the patient remains terminally ill after the existing 210-day limit is exhausted.

E. Reimburses Home Intravenous Drug Therapy Services with prior physician approval and under a designated fee schedule.

F. Coverage of Colon-Rectal Screening Examinations.

Part Two: Medigap Insurance

A. Medigap Fraud and Abuse Protections—increases civil penalties from $5,000 to $25,000 for issuing duplicative policies.

B. Establishment of a Medigap toll-free consumer "Hotline" through a state grant program.

Subtitle B: Medicaid LTC Insurance Demonstration Projects

A. The Secretary of Health and Human Services shall provide for a demonstration project and the necessary accompanying waivers for any requesting State to allow individuals with income and resources above the Medicaid eligibility to receive LTC benefits under State's plan by purchasing an approved LTC insurance policy.

B. The State shall provide assurances that its demonstration project for LTC services will not exceed the estimated average per capita and aggregate expenditures in absence of the waiver from the federal requirements.

C. The State will continue to provide LTC services for those entitled to Medicaid benefits prior to the State obtaining the waiver, and implementing the demonstration project.

D. The State's plan must meet standards at least as stringent as those set forth in the January 1990 Long-Term Care Insurance Model Regulation of the National Association of Insurance Commissioners (NAIC) and for the duration of 5 years.

TITLE III. FEDERAL NATIONAL LONG-TERM CARE INSURANCE CORPORATION

A. The Secretary of Health and Human Services shall authorize the incorporation of the Federal LTC Reinsurance Corporation, which will have a Board of Directors consisting of nine persons, three appointed by the President of the United States, and six elected annually by the stockholders.

B. The Corporation shall provide for the reinsurance of insurance companies for extraordinary loss in the payment of benefits for qualified LTC insurance. Exempts the Corporation from State regulation and tax liability for the purposes of stimulating the private LTC insurance market. The Corporation shall terminate after 10 years.

WELFARE REFORM CAN SUCCEED

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. DOWNEY. Mr. Speaker, before the ink was dry on the Family Support Act of 1988, the pundits began to explain why welfare reform would fail. Although the bill contained a substantial Job Opportunities and Basic Skills [JOBS] Program and other provisions to help welfare recipients become self-sufficient, the critics said it was not enough.

They complained that the bill would force welfare recipients to search for jobs futilely, or to work off their benefits in demeaning, low-wage, dead-end jobs. Some said the program would not address the formidable barriers to work that welfare mothers face: the need for child care and health insurance coverage; the lack of self-confidence; the unfamiliarity with the workplace and standards of behavior; and the often chaotic homelives.

Despite this chorus of dissent, 32 States have set up JOBS programs already, and we expect the remainder to follow by the end of September of this year. The States have emphasized education and training for those who are severely disadvantaged in the labor market, and the transitional child care and health insurance coverage families need to support themselves. For those who are ready, the program will emphasize job search and work. Unlike past efforts, the JOBS Program will concentrate on those most likely to become long-term welfare recipients. Our aim is to help them become self-sufficient before they fall into the trap of dependence.

President Bush has spoken a 1,000 points of light shining brightly in every city and town in our great land. I want to tell you that I saw at least 100 points of light shining in classrooms in San Diego County when the Subcommittee on Human Resources visited there recently. These lights had been dimmed by childhoods of poverty and in some cases, abuse and neglect. But their batteries were recharged by the enthusiasm of dedicated individuals in government, education, business, and I might add, by some tax revenue wisely invested in their future independence from welfare.

To find out more about what States are doing, we visited a job club, a program in which welfare recipients look for jobs together under the tutelage of a professional. As we entered the hallway leading to two classrooms, the walls were lined with stars on which the first names of successful participants had been printed along with the entry wage of the jobs they had obtained. Most paid around $5.50 per hour, an amount that could lift a mother and a child above the poverty level.

When we talked with the job club participants, some admitted that they had not wanted to participate in the program initially; others had volunteered enthusiastically. Some were frustrated by the seeming lack of an automatic match of employers with their skills, but others pointed to the self-confidence they had gained through résumé writing and practice interviewing.

We moved on to an educational site where we observed welfare recipients working on programmed learning diskettes at personal computers. Most were preparing for high school equivalency exams. On average it has taken only 3½ months before they can pass the test. Again these individuals were gaining self-confidence and learning how to use modern office equipment.

The most heart-warming experience of the trip, however, was the testimony of two program participants, an adult mother of three who has worked her way off welfare and a teenaged mom who aims to do the same. In both cases, these woman felt trapped by a welfare system that seemed to offer no hope for independence. Their worst fears were that their children would be trapped along with them.

The adult mother of three has been off welfare since 1987. Today she works as a senior administrative clerk for the high school district and earns over $19,000 per year. Through a training program after which JOBS was modeled, she not only learned job skills, but also child-rearing skills. She took a greater interest in her own prospects and the futures of her children. As she learned, she began helping her children with their homework. The television was turned off, and their grades went up. Her middle child, who had been misbehaving in school, was recommended for testing and turned out to be gifted.

The 17-year-old mother has a long way to go. She is still in foster care, and she has a 2-year-old child. However, her teachers say she is a good student, and she was elected vice president of her senior class. With a little additional course work this summer, she will graduate from high school.

Certainly, we saw many good examples in the county of San Diego, but problems remain. Many States say the seemingly modest participation requirements in the bill, requiring at least 20 percent of the nonexempt welfare recipients to participate in JOBS by 1995, are impossible to meet because of the rigid way in which the administration has defined participation. The States say this will drive them to put welfare recipients into low-cost, time-intensive activities with little payoff just to meet the participation requirements. This alone could fulfill the critics' prophecy. If so, we will be watching closely.

Will welfare reform succeed? I don't think we can answer this question for now. What we do know is that work will become more rewarding. The minimum wage just increased to $3.80 per hour, and it will rise to $4.25 per hour on April 1, 1991. Transitional child care

and health insurance began on April 1, and I hope a child care bill offering additional work incentives will become law this year. Congress also is working on making health insurance available to the 35 million persons who have none. These are the human capital investments that will lead us to greater productivity and economic growth. Welfare reform was the first step; let's give it a chance.

WATCH OUT FOR SIREN SONGS ABOUT THE POSTAL SERVICE

HON. FRANK McCLOSKEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. McCLOSKEY. Mr. Speaker, once again the administration is seeking to use the Postal Service to mask the size of the deficit. In effect, OMB is seeking higher postal rates as a revenue enhancement.

Last year Congress, after a 2-year effort, placed the Postal Service off-budget. That legislation enjoyed overwhelming support in both Houses and sent a strong message that the Postal Service should not be used as a cash cow for purposes of deficit reductions. Our action emphasized that money collected for one purpose—postage—could not be used for another purpose—reducing the Federal budget deficit.

But now the budgeteers in the Office of Management and Budget are at it again. They are singing siren songs about the Postal Service owing the U.S. Treasury still more. The Postal Service, they wail, is just not paying its fair share. The Postal Service, they intone, receives hidden subsidies. Were the situation not so serious, it would be laughable. But it is no joke: Since everything is on the table at the budget summit, there is a real danger that the summiteers might be tempted by the siren song.

Well, Mr. Speaker, it is time we stopped our ears up with wax. Make no mistake: listening to the siren song will put the Postal Service on the rocks.

Doesn't this sound familiar? It should, as this is the same issue we have faced several times in the recent years. Remember the Omnibus Budget reconciliation Act of 1987 and its effect on the Postal Service? That legislation reduced Postal Service expenditures by $1.245 billion in the name of reducing the Federal budget deficit. The 1987 act—like the siren songs we hear now—interfered in postal operations in ways which were seriously at odds with the intent of the Postal Reorganization Act.

Most of us are familiar with the dire effects the Omnibus Budget Reconciliation Act of 1987 had on the Postal Service. Mandated reductions in the Postal Service's operating budget forced a focus on short-term savings at the expense of long-term gains and triggered reductions in service which were felt by customers. The same problems would recur if we listen to the siren songs.

Let's go back 20 years ago this summer. A crises in the handling of the Nation's mail system prompted Congress and the President to do away with the old Post Office Department and create the U.S. Postal Service. Our intention could not have been more clear. While we gave it the mission of "binding the Nation together through the personal, educational, literary, and business correspondence of the people," we also mandated a more businesslike organization that raised its own revenues. We recognized it could not get there overnight, so we planned a transition period.

That transition ended long ago: the last time the Postal Service requested an appropriation to cover public service costs was 1982. It has met its requirement to break even. Since fiscal year 1976, the Postal Service has operated within two-tenths of 1 percent of balancing revenues and expenses. That record of paying its own way was one reason why we took the Postal Service off-budget last year.

Throughout the 1980's, as budgetary pressures became more intense, we looked to the Postal Service to see if the taxpayers were bearing costs which were properly the responsibility of the postal ratepayers. Many raised questions about the alleged hidden Federal subsidies for postal annuitant health and retirement benefits. In 1985 and 1989 budget reconciliation acts, those issues were addressed.

For example, in the current fiscal year the Postal Service will pay more than $239 million in additional annuitant health costs and civil service retirement system cost-of-living allowances. The formulas used to calculate these costs reflect agreement that it would be grossly unfair to saddle current ratepayers with retirement and health costs of former postal employees, many of whom served much of all of their careers before the creation of the Postal Service. Not only is this in the full spirit of our intention in creating an independent Postal Service free of past debts, it is sound public policy.

Those of us with responsibility for postal oversight thought we had put the issue of hidden subsidies to rest. We thought we had demonstrated to the budgeteers that an equitable means of determining the Postal Service's full share of annuitant health and cost-of-living allowances had been determined.

But that did not stop the President from proposing in his fiscal year 1991 budget some of the tired reforms that Congress has repeatedly rejected. In his budget message, the President indicated those reforms would be forthcoming in the form of proposed legislation. That proposal has not arrived, and I know why: the legislation would not stand a chance if examined on its merits.

But now that the need for budgetary savings is more acute, those reforms have become siren songs tempting those who are looking for easy ways out of our current fiscal situation. The budgeteers at the Office of Management and Budget think they can sing sweet songs about hiddent subsidies and get us to believe them.

Mr. Speaker, the Postal Service has not caused our deficit problem. It has, in fact, contributed more than its fair share to solving it. We should stop looking for easy answers to our fiscal problems. Most of all, we should stop treating the Postal Service like a handy piggy bank to be raided because we have failed to get our own house in order.

A YOUNG AMERICAN SAYS "DON'T BURN OUR FLAG"

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. CLEMENT. Mr. Speaker, I rise today to share with my colleagues the thoughts of a 22-year-old intern who is working in my congressional office here in Washington this summer.

The young man's name is Orville Lee Vaughn III. Lee has strong beliefs that it is wrong to burn the American flag and he supports an amendment to our Constitution to prohibit flag burning.

Lee wrote an essay about this issue. I submit his work today for inclusion in the CONGRESSIONAL RECORD.

I am a 22-year-old college student from Nashville, Tennessee. I never fought in a war or served my country until I recently began working for a Member of Congress.

Today I'd like to address the issue of flag burning. It is my belief that an amendment should be added to the Constitution to prohibit flag burning.

When examining this issue, I believe there is more to consider than freedom of expression. What about the millions of Americans who have fought for our country? What about the soldiers who gave their lives on foreign soil because they were proud of America?

Imagine those brave soldiers returning home only to see the flag burned. Those who serve in the military today, and those who served before them, deserve to have the flag protected.

I completely agree with Congressman John Linder of Georgia who said, "People like me who have served in the military treat the flag as something other than just another piece of cloth."

And what about common sense? Under current laws we protect mailboxes and even currency . . . but not the American flag. The list goes on and on. In the United States if the flag is not protected from desecration, why should we protect anything else?

Why does our flag fly atop government buildings? Why is it displayed at our schools? The reason is because our flag is the *ultimate* symbol of our Nation.

I can remember about 10 years ago when American citizens were being held hostage in Iran. On television newscasts we saw people burning "old Glory" and chanting, "Death to America!" Now some people want to repeat that scene in our own country. I believe protecting the flag from desecration does not restrict a citizen's ability to freely communicate any idea. I think flag burners often set fire to the "Stars and Stripes" to cause a reaction and not to express an idea. The Good Lord only knows there are many ways to protest against the government. One needs to look no further than the civil rights marches of the 1960's to understand that other effective formats for protest exist. Burning the flag only destroys . . . it does not create.

Senator Howard Heflin of Alabama said it best, "The flag stands for the Republic. They are basically synonymous in that the flag represents our Republic, and we ought not to desecrate it."

It is time to draw the line. Certain methods of expression like flag burning, if one chooses to call it that, should be prohibited.

My grandfather served in the United States Navy. When he died in January 1989, my grandmother gave me the folded flag that draped his coffin. That flag represents a work ethic, pride in America and a set of ideals which reflect everything America means to a true patriot. I will keep that flag for the rest of my life. Someday I will give that flag to my son. Every time I look at that flag I am proud to be Orville Lee Vaughn Sr.'s grandson . . . and proud to be an American. I wonder if the people who are burning our flag would burn the one that covered their grandfather's casket?

JUSTICE, SALVADORAN STYLE

HON. GEO. W. CROCKETT, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. CROCKETT. Mr. Speaker, one of the few things that we all seem to be able to agree upon with respect to El Salvador is that that country does not have a functioning judicial system. Both the Salvadoran and United States Governments have argued for years that the problem stems from a lack of technical assistance, training, forensic equipment, and so forth. As a member of the Foreign Affairs Committee, I have supported requests for assistance to El Salvador under the Administration of Justice Program.

But, as the report of the Speaker's Task Force on El Salvador aptly concludes: "Despite a decade of promises, tens of millions of dollars in U.S. aid and repeated statements that progress is just around the corner, the Salvadoran judicial system remains essentially an oxymoron—neither systematic, nor just."

It is not a lack of laws, or inadequate investigative capabilities that have rendered the judicial system meaningless. It is the impunity with which the Salvadoran security forces kill and then escape prosecution. The trial of Pvt. José Orellana for the killing of a TV journalist is a perfect example. On Wednesday, June 6, just as the jury began deliberating, 30 members of Orellana's military unit, the Arce Battalion, entered the courthouse. The five-member jury shortly declared Orellana innocent of the murder.

In a June 8 AP wire story, President Cristiani acknowledged that "the presence of 30 soldiers * * * might have swayed the jury." Can there be even the slightest doubt that in a country where 75,000 civilians have been killed, mostly by members of the security forces, that the jury interpreted the presence of 30 of the defendant's comrades-in-arms as a direct threat and made their ruling accordingly?

And while President Cristiani acknowledges the problem, does he have the authority to order the military to investigate who gave 30 members of an elite fighting battalion instructions to leave their posts and go to the courthouse?

Until members of the Salvadoran security forces—both officers and enlisted men—are held responsible for crimes against ordinary Salvadorans, and not just those few cases that generate international attention, there will never be a judicial system in El Salvador worthy of the name.

COL. THOMAS KUENNING'S TRIBUTE TO LT. GEORGE WHITEMAN

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. SKELTON. Mr. Speaker, recently, the commanding officer of Whiteman Air Force Base, Col. Thomas Kuenning, spoke at Whiteman's Memorial Day ceremony to remind this Nation of the sacrifices made by so many for so much in defense of our country. I submit his remarks for the RECORD herein so that my colleagues may share this moment of remembrance for 2d. Lt. George Whiteman, who offered the supreme sacrifice to the United States at Pearl Harbor.

REMARKS BY COL. THOMAS KUENNING

Congressman Skelton, Representative Smith, ladies and gentleman, each year, we observe memorial day to remember to solemnly recall the ultimate sacrifice made by the more than one million American service men and women who have given their lives defending and preserving the delicate freedoms citizens of these United States hold so dearly. They served bravely, proudly wearing the American uniform from Lexington, Massachusetts, to San Juan Hill and from the Somme to the Khe Sanh—their sacrifices were quiet, yet powerful offerings to the forces that have molded our nation, forged it in fire, and made it the strongest union of free people on earth. But, the price for our freedom has not been cheap.

Today, we stand before the final resting place of one American who unselfishly, and willingly placed himself in peril doing what he knew was his duty—the second eldest of John and Earlie Whiteman's children, he was born October 12, 1919, just outside town. He grew up around here, and attended the Rolla school of mines. But George Whiteman had the flying bug, as so many youngsters of that day did, so he enlisted in the Air Corps. According to his military record, at "age twenty and one-half years as a draftsman," but he was destined to fly. In November 1940, he graduated from flight school at Brooks Field, Texas, and Second Lieutenant Whiteman, pilot, United States Army Air Corps, was off to serve.

Few Americans would have ever imagined the events that would unfold a little more than a year later. Yes, many expected war, but few expected it to begin so soon or with such a staggering blow as the one that was dealt the morning of December 7, 1941, at Pearl Harbor. George Whiteman was there, assigned to a fighter unit—yes, he was there that Sunday morning—and he did his duty. Realizing the airfield and surrounding area were under attack, he ran to his plane, started it, taxied, took off and was almost immediately shot down by enemy fire—he'd just barely cleared the end of the runway.

As news of the attack got back home in bits and pieces, the shocked nation and families waited for word of their loved one's fate. In a ritual that would become an all too familiar sight around the country over the next three and a half years, a telegram was delivered to the John Whiteman residence here in Sedalia. It read:

1013 PM 7 December
Western Union Telegram

Second Lieutenant George Whiteman killed in action this date stop further information will reach you from War Department Washington sincere sympathy short, Commanding General, Fort Schafter, Territory of Hawaii.

Ladies and gentleman freedom has a price—George Whiteman paid it, as did the million others. And freedom has a color, as we see in our flag it's crimson awash in the blood of those who have given their lives to preserve it. Today, America is at peace. Every soldier prays for peace, but is prepared to go to war and to do his or her duty if called upon. But today, I think we as a nation may be on the brink of taking that peace for granted and we just may take the freedom that accompanies it for granted as well. Let us right here—and right now—resolve in our own hearts and minds, to remember that it's that blood that was shed to keep us strong and keep us free that has made the Berlin Wall crumble. It is that blood that has given the people of Lithuania and Estonia the courage to stand up and demand self-determination—America has been their light of hope. And it's that blood that has made it possible for the once barb-wired borders of Hungary and Czechoslovakia to now teem with freely moving citizens who are getting their first taste of freeedom in almost fifty years! We must remember!

Freedom and democracy, and our way of life, have not been easily attained or maintained, and I can probably safely, although sadly, say that the last bit of American blood has yet to be shed in their defense. We see the world changing very rapidly and I've heard people say "peace is breaking out all over." That's very true to some extent and we all encourage that process, but we must be wary for there still lies a restless foe who is in tumult today stricken with instability, bad government and a people bankrupt of any hope for the future and unfortunately the strategic arsenal bristles with ever-more modern and powerful weapons of mass destruction, even though their self-stated intentions are ones of peace, and harmony. Should we unskeptically take their word for it? No, we cannot. And we cannot afford to let down our guard and allow the sacrifices made by so many over the last 214 years go for naught in a moment of naivety and complacency. We owe it not only to ourselves, our children, and their children but we owe it to the men and women like Second Lieutenant George Whiteman who have gone before and who have given their lives, unselfishly, heroically and quietly. Let us never forget.

May God bless the memory of those who made the ultimate sacrifice, confort their families during this time of remembrance and may God bless and keep this great nation. God bless you.

SUPPORT FOR HATCH ACT REFORM

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. RAY. Mr. Speaker, I was unavoidably detained away from the Capitol and unfortu-

nately missed the vote on the motion to override the President's veto of H.R. 20. Had I been present, I would have voted to override the President's veto.

While I try to support the President when possible and give him the benefit of the doubt when he vetoes legislation, I strongly disagree with his veto of H.R. 20. This measure would provide much-needed reform in the Hatch Act, and in my opinion it is imperative that we enact this legislation.

The Hatch Act is a well-intentioned law which was needed in the late 1930's when it was enacted. However, the Federal work force has changed dramatically since that time, and it is now time to release Federal employees from the shackles of the Hatch Act.

Federal employees deserve the opportunity to become involved in the political process. This reform legislation will allow them do so while at the same time creating strong punishment for those who might abuse this privilege. Under H.R. 20, there is a maximum fine of $5,000 and a prison sentence of up to 3 years for attempts by supervisors or coworkers to coerce an employee into contributing to or performing political activities.

Mr. Speaker, H.R. 20 is a well-balanced reform bill which deserves our support.

INTRODUCING A BILL AUTHORIZING APPROPRIATIONS FOR THE APPALACHIAN HIGHWAY SYSTEM

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. RAHALL. Mr. Speaker, I am pleased to introduce a bill to authorize appropriations for the Appalachian highway system and local access roads serving the Appalachian region.

As many of you know, the Appalachian Regional Commission [ARC] has made tremendous progress in its 25-year existence in broadening the economic base of the 13-State Appalachian region, and has improved the quality of life for over 20 million people who live there.

One of the most important missions of the ARC has been to construct the Appalachian development highway system. Yet in 25 years it has not been completed. This 3,034-mile system, which is designed to provide the basic infrastructure for the continued development of Appalachia, is only two-thirds finished.

It is estimated that it will take until the year 2065 to complete the system given the current funding levels. Given the demonstrated importance of the system to this largely depressed region, and the longstanding commitment by Congress to help the region achieve economic parity with the rest of the Nation, I believe this timeframe is outrageous.

Mr. Speaker, according to a survey conducted by the ARC, more than 81 percent of the 695,000 jobs created in the region between 1980 and 1986 were in the 241 Appalachian counties with a completed Appalachian development or interstate highway. Significantly, in those 241 counties the unemployment rate is 1.5 points lower than in the rest of the region.

In West Virginia today, the only State which lies entirely within the Appalachian region, the State average unemployment rate is still slightly above 7 percent, and in some areas where there was a total dependence on the coal industry, there are no other jobs, and the unemployment rate in these single, small and isolated towns and hamlets can still be read in double digits.

If we could complete the Applachian highway system and local access, or connector roads, so that commerce could occur between and among business, industry, and the available working force, then and only then will we be able to achieve economic parity with the rest of the Nation.

West Virginia has not enjoyed the same warm winds of economic recovery enjoyed by other States in the past few years, because we have no way to connect those rural, isolated towns and hamlets so that business and industry can be encouraged to locate or relocate into those areas.

Mr. Speaker, the bill I am introducing is a companion bill to one introduced by my esteemed West Virginia colleagues, the Honorable ROBERT C. BYRD and the Honorable JOHN D. ROCKEFELLER IV, in the U.S. Senate. It authorizes the Secretary to assist in the construction of an Appalachian highway system and local access roads serving the region.

The bill authorizes $2.36 billion to be appropriated to the Secretary of Transportation for this purpose, out of the highway account of the highway trust fund. These funds are authorized to be appropriated in fiscal year 1992, and to remain available until expended, and the obligation limitations for Federal-aid highway and highway safety construction programs shall not apply.

The Secretary is directed to apportion funds made available under the bill to each State of the Appalachian region on the basis of a percentage equal to the percentage that the State's estimated project costs bear to the total estimated project costs for all States of the region.

My bill calls for the ARC to submit to the Secretary of Transportation a list of the estimated project costs, calculated as of September 30 of this year. Finally, beginning with fiscal year 1993, projects eligible for assistance under section 1 of my bill shall be eligible for funds available under laws applicable to the construction and maintenance of Federal-aid primary highways and subject to the same terms and conditions required by such laws.

Mr. Speaker, 25 years ago, the 13 Appalachian States were designated by statute as the most economically disadvantaged, deprived and unstable of all the States. When you heard the word Appalachia you knew it meant the "poverty pocket" of the richest Nation in the world.

West Virginia has made enormous strides toward economic stability, working to upgrade its schools, its businesses, its homes, its health care delivery system, and its roads in the early years, much of it gained through ARC assistance. But in the decade of the 1980's when the bottom fell out of the coal and steel industries, unemployment rose to more than 17 percent and stayed there for several years.

Since then the West Virginia delegation has worked hard, together and separately, in ways great and small, to shore up our State's economy, to encourage business and industry to relocate there, to boost tourism as a new industry, to train and retrain an available, willing work force for jobs—even though training was often for jobs located outside our State.

With regard to tourism, just think of our hard work, here in Washington and back home, to create a tourist industry, to entice people to some of the most beautiful countryside in the world—the hills of West Virginia—and then imagine trying to move those tourists around once they are there, when there is no system of highways or local access roads that can be used for that purpose.

We in Appalachia are having to stand by helplessly and watch as our young people leave the State in search of a future. For despite our efforts, we have not yet been able to bring in sufficient new industry to create the number of jobs we need to put West Virginians to work. And we are kept from doing it because we are unable to get the attention of Congress long enough to impress upon them the absolute necessity of completing those Appalachian highways and local access roads—so that our people can participate in intrastate commerce, move goods and services and people from one place to another. Things that people outside of Appalachia take for granted.

Mr. Speaker, we don't have until 2065 to complete this highway system. We don't even have 10 years, much less 75 years.

Recent economic surveys and studies show without a doubt that there is a direct link between infrastructure spending and productivity growth.

We need to spend the highway trust fund for its intended purpose, and infrastructure needs are a No. 1priority, with the 13-State Appalachian highway system ranking highest on the infrastructure agenda. We need, from an estimated $19 billion trust fund, $2.36 billion to fund this one, small Appalachia highway system that has been in the making for 25 years.

West Virginia—nor the other Appalachian States—are looking for a handout. They earned their portion of the highway trust fund by paying user fees, gasoline and diesel taxes, the same as the rest of this country.

Who among us today would propose a system of highways, with an estimate that it would take at least 100 years to complete? Twenty-five years ago Congress did just that. Today, our colleagues would shake their heads in amazed perplexity if we suggested such a thing, and they would probably say: If you can wait that long, you probably don't need it anyway. And they would be right.

But, nevertheless, that is what happened 25 years ago—Congress proposed to construct a system of highways within a region designated by statute as being the most needy in the entire country, only to tell them today, those poor and impoverished people who live there, that they will have to wait another 75 years for its completion.

That is what we have done. We have estimated completion of the Appalachian highway system by year 2065—another 75 years from

now—for a total of 100 years for its completion.

When can the children of Appalachia begin to think of staying at home when they complete their schooling, instead of heading across the nearest State line in search of a job? In another 75 years, that's when.

Mr. Chairman, as a Member of Congress I am often asked to vote for special programs for special populations. There are native Americans, and native Hawaiians, and Native Alaskans. There are special programs for blacks, Hispanics, displaced homemakers and dislocated workers in general. There are special population programs for the disabled, and for women.

I vote for those programs, Mr. Speaker, and I do it with a glad heart. Knowing it will cost huge sums of money, I vote for them anyway for I know it will only be a drop in the bucket compared to their real needs.

Has the time come, Mr. Speaker, for us to create a special population program for Appalachians? Men, women, and children who live in the poverty pocket of the richest Nation in the world?

It is time for Congress to stop viewing Appalachian States as just a region outlined on the map, embracing 13 states and 298 counties. Let us change those statistics into living, breathing people. Men, women, children, infants—living in Appalachia, are dependent upon the good offices of this Congress to bring them quite literally into the mainstream of society. Now.

There are parents in Appalachia who want to raise their children to be well educated and strong, and they want those children to stay to live and work at home—not in some other State that isn't home.

For every mile of road you envision along the Appalachian highway system, envision as well the porch-lit homes of the people who live there.

Envision the children in the schoolyard, old enough to dream, but not yet old enough to know there is no future for them without this highway system connecting them with the rest of the Nation.

When you envision the Appalachian highway system, envision a loving, God-fearing people attending their community churches, a place where families gather out of doors for a Sunday dinner with neighbors and friends.

Appalachia is not just an area outlined on the map of the United States. Appalachia is a place just like your town, peopled by real human beings who have the same hopes and the same needs, as you do.

Appalachia doesn't have another 75 years to wait for a simple highway system designed to put them in touch with each other, and with the rest of the country. They want, they need, to be given a chance to lead themselves out of that poverty pocket, into the world of work, a world where there is equity of choice for young and old alike, and a world of equal opportunity to lead productive lives.

I urge my colleagues to support the bill I have introduced today. You may do so by calling me, or my staff, at 225–3452.

1990 FARM BILL

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. SCHUETTE. Mr. Speaker, the House Agriculture Committee, of which I am a member, adopted a farm bill that I believe is fair and equitable given the difficult circumstances the committee had to work with during the deliberations. The hard work of those involved, particularly Chairman DE LA GARZA and Ranking Member MADIGAN, should be commended.

The Food Security Act of 1985 was landmark legislation when it was enacted into law just 5 years ago. Agriculture was in need of change to meet the new and pressing demands on the industry during the mid-1980's. With exports dwindling, market prices falling, farmers losing their livelihood, and the tremendous grain surpluses mounting, agriculture was in turmoil. The antidote was the Food Security Act of 1985. By 1990 agriculture Credit Commodity Corporation cash outlays for Federal farm programs is estimated to drop to $8.1 billion from an all time high of $25.8 billion in 1986. The success of this legislation in reversing the downward trends with which agriculture was confronted could not be more evident than in the subsequent reduction of Government expenditures for commodity programs.

As the 1990 farm bill was finished in the early hours of June 14, 1990, agriculture will start the 1990's building on the successes of the Food Security Act of 1985. The new farm bill will enable producers to adjust to changing food-market demands and take steps to expand America's farm exports. Ensuring our producers that they will lead American agriculture into a productive and flourishing 21st century is the point we all, as Members of Congress, must keep in mind. American farmers continually prove they have the ability to produce more food and can do it more efficiently than any other farmer anywhere in the world. The bill is definitely a triumph for farmers in my State of Michigan and America.

Mr. Speaker, I hope that my fellow colleagues will support the 1990 farm bill (H.R. 3950) as reported out of the House Agriculture Committee. America's future lies with those who produce the food and fiber we need to survive as a strong and energetic country.

IN HONOR OF FRANK A. ADAMO, JR.

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. ENGEL. Mr. Speaker, it is with great pleasure and admiration that I rise today to pay tribute to Frank A. Adamo, Jr., who is to be honored by the Yonkers, NY-based Congress of Italian American Organizations [CIAO] on Friday, June 22, 1990. Mr. Adamo has distinguished himself as a tireless and devoted worker for the Yonkers community. Through his dedication to his family, church, community, and business, Mr. Adamo has served as an exemplary member of the city of Yonkers.

Frank A. Adamo, Jr., is a longtime resident of Yonkers. He attended Yonkers public schools and received a bachelor's degree from New York University and a master's degree from Columbia University Teachers College. A dedicated public servant for over 30 years, Mr. Adamo has achieved a distinguished record in both public and community service.

First elected to the Yonkers Common Council in 1963, he was reelected to four consecutive terms by unprecedented pluralities. His tenure as a city councilman was distinguished by his election by his colleagues to the posts of majority leader and vice mayor. At that time, Mr. Adamo was the youngest vice mayor serving a city in the United States. He has also distinguished himself with his long tenure as majority leader.

Frank Adamo has remained active in poltical affairs up to the present. In addition to serving his community in various functions, he has worked on the national level and, most recently, he was invited to the White House in 1987 by former President Reagan to participate in a conference dealing with U.S.-Latin American policy.

Presently, Frank Adamo serves as 12th grade dean of students at Saunders High School. Mr. Adamo's dedication to education is exemplified by his service in numerous capacities with the Yonkers Board of Education for more than 30 years.

Mr. Adamo's involvement in his community is evident also in his wide and varied business background. He is the sole proprietor of Adam Bennett Associates, the exclusive caterer at the Italian City Club. He also served as a member and elected official of local 178, Hotel and Restaurant Employees Union.

Frank Adamo has achieved a lifelong record of service to his community. His dedication to organizations as an officer or member include: Immediate past president/delegate, Congress of Italian American Organizations [CIAO]; UNICO delegate; member, Enrico Fermi Scholarship Fund; member, Coalition of Italian-American Organizations; Sons of Italy; Columbia Republican League; past vice president, Yonkers League for Retarded Children; parade chairman, 1965 Columbus Day Celebration Committee; chairman, Ninth Ward Heart Committee; general chairman, Yonkers Heart Fund; Rauso Post, AMVETS; NYS Coaches Association; East Yonkers Rotary Club; Kimball Crest Taxpayers Association. Most recently, Mr. Adamo chaired the Westchester Italian Heritage Day celebration for 3 years and is a member of the Tri-State Italian American Congress.

And yet with all his dedication and service to others, Frank Adamo has never forgot or neglected his family, his wife, Patricia, and his two children, Laura Louise and Frank III.

Mr. Speaker, I am proud to join in paying tribute to this exceptional man. Frank Adamo is one of those outstanding few who truly make a difference in society. We owe him a great deal for the service and dedication he

has given to the Yonkers community. I extend my best wishes to him on this special occasion.

ARTHUR S. FLEMMING, A TRIBUTE TO HIS DECADES OF PUBLIC SERVICE

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. ROYBAL. Mr. Speaker, I have the distinct privilege of paying tribute to a man who continues to honor the tradition of the great public servants of this Nation. Arthur S. Flemming has served as Secretary of the Department of Health, Education, and Welfare, Chairman of the Civil Rights Commission, Commissioner of Aging, and in many other capacities of our Government. Not only has he been a dear friend, but a wise counsel to the Select Committee on Aging. This month he is celebrating his 85th birthday.

Many of our existing programs asserting the rights of older Americans were implemented during Dr. Flemming's tenure at the Commission on Aging. However, he is much more than a pioneer of the rights of older Americans. He is a champion of the rights of all Americans. He is the outspoken advocate of Social Security beneficiaries, and the defender of Americans subject to discrimination or violations of civil rights. Always, he challenges the Nation to find its conscience and eradicate the discrepancies existing in our tattered health and long-term care system.

It is this latter struggle for which I know Dr. Flemming best. His vision of health and long-term care protection comes from his many years of service and compassion for people at risk. While he has worked to improve the protection offered by Medicare and Medicaid, he has never lost sight of the major task which remains undone. He will not rest until this Nation provides health insurance and long-term care to every American.

Mr. Speaker, there are few who can match the dedication to public service of Arthur Flemming. On the occasion of his 85th birthday, I commend him for his unwavering commitment to Americans of all ages. Happy birthday to a true friend of mine and all Americans.

TRIBUTE TO FIRST CONGREGATIONAL CHRISTIAN CHURCH

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. BONIOR. Mr. Speaker, I rise today to pay tribute to an outstanding institution, First Congregational Christian Church in Memphis, MI. The church will celebrate its 150th anniversary on Sunday, June 24, 1990.

On June 24, 1840, a small group of Christians who believed in the broad principles of Congregationalism ceased from their labors in the middle of the week and assembled themselves at the home of Araunah Gilbert. The church historical record states, "like the landing of the pilgrim fathers, they invoked the blessing of God on their undertaking." Thus, the First Congregational Christian Church in Memphis was born.

Rev. Charles Kellog of Andover Seminary came among the people, labored among them and became the first paster of his church on November 1, 1841. He stayed until November 1, 1846, at which time the church was losing support amongst its members. In the fall of 1847, Rev. O.C. Thompson of St. Clair, MI visited and labored to rekindle the commitment and enthusiasm of the chuch members. Thus, it is said, Rev. O.C. Thompson was the savior of this church.

During the years of 1853 and 1854, strenous efforts were made to secure stone, timber and lumber to build a new church. On January 4, 1855, the church was dedicated. The church officially became known as the Congregational Church of Memphis on June 11, 1855.

A fire eventually burned this church to the ground on February 21, 1944. A new church was built and completed at the same location in 1945. Although the membership is small, whenever there is a need for something special, they always bind together in true spiritual cooperation.

As the record of the church stated at the church's 50th anniversary, "Our ancesters were human and being human, they made mistakes, but infinitesimally small do their faults appear when measured by their faith and fortitude, and we of the present and future generations will do well to emulate their noble example." These words still ring true 100 years later as we celebrate the 150th anniversary of the First Congregational Christian Church in Memphis.

HONORING LOUIS ROJAS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. RICHARDSON. Mr. Speaker, as the Nation celebrated Father's Day this past Sunday, there is one New Mexican who truly deserves to be honored with a day for himself. He is Louis Rojas, father of six and sheriff of Los Alamos County, NM.

Born in Beaumont, TX, 76 years ago, Mr. Rojas moved to Los Alamos in 1947. Eight years later, he ran for sheriff of Los Alamos County and won. Ever since 1956, he has served as sheriff for 4 years, taken 2 years off because he can't succeed himself, then run and won again.

Sheriff Rojas and his wife, Pat, of 48 years, raised six beautiful children. They sent all six of their kids to college. Luis graduated from Notre Dame and has a Ph.D. from Johns Hopkins. Rick graduated from Harvard and has an advanced degree from the University of Denver. Tom graduated from the University of New Mexico. Chelo graduated from Radcliffe. Christy is studying in San Diego and Joe Patrick is scheduled to graduate from New Mexico State in December.

Sheriff Rojas was recently asked by a newspaper columnist the secret for raising a successful family.

Be good to your kids and your wife. That's what life's all about. I taught all the kids to work and respect. I buddied up with all of 'em. I took them along when I picked up prisoners. I took them traveling. We went to sheriff's conventions.

I urge my colleagues to join me in recognizing and honoring Louis Rojas on this Father's Day 1990. Sheriff Rojas is an outstanding father who has not only served his wife and children with love, admiration, and respect, but has served the public with equal vigor and determination.

CONGRATULATING DR. FREDERICK F. CHIEN ON HIS APPOINTMENT AS FOREIGN MINISTER

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. FASCELL. Mr. Speaker, I'd like to take this opportunity to congratulate an old friend on his appointment as Foreign Minister in Taiwan. Fred Chien served as representative to the United States for the Coordination Council for North American Affairs, where he served with distinction for a number of years here in Washington. Most recently he has served as the Chairman of the Council of Economic Planning and Development. As a matter of fact, it was just 2 short years ago that many of us stood here to wish Fred Chien bon voyage as he headed back to his country to assume that position. During his time in Washington, those of us who had the good fortune to know and work with Dr. Chien saw United States-Taiwan relations grow and prosper in all areas. As the economic miracle was continuing in full swing back home, Freddy Chien made sure that the Congress was kept fully informed about all events in Taiwan, and was always ready to discuss fully and frankly any areas of concern which we might have had. It was this kind of leadership, in the style that was Fred's own, which many of us knew would take Dr. Chien home eventually, to serve his country in other capacities.

Now, I stand here to extend to Fred, from all of his friends in the Congress, our sincere congratulations upon his appointment as the new Foreign Minister of the Republic of China. We all know that the Ministry is in his more than capable hands, and that the relationship enjoyed by our two countries will continue to be one of mutual respect and interdependence.

Congratulations, Minister Chien.

THE SAVINGS AND LOAN ACCOUNTABILITY AND MANAGEMENT REFORM ACT—SLAMRA

HON. DENNIS E. ECKART

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. ECKART. Mr. Speaker, insider abuse and fraud were major contributors to the savings and loan debacle. The U.S. Attorney

General estimates that between 25 and 30 percent of the S&L failures are due to criminal activity by thrift officers.

I am introducing SLAMRA, the Savings and Loan Accountability and Management Reform Act—legislation to give the Secret Service authority to investigate fraud committed by savings and loans operators and other criminals in the financial services industry. It amends title 18 of the United States Code, section 3056.

The Secret Service will commit 100 agents immediately upon passage of this legislation, with an additional 200 to follow. It requires no further expenditures—it merely reallocates our manpower resources to the areas of greatest importance.

We should arrest and punish those responsible for the failure and subsequent Government bailout of the S&L industry, now estimated to cost in the hundreds of billions of dollars or $2,000 for each person in this country.

The Federal Bureau of Investigation is overloaded with cases and backlogged. According to a March 1990 FBI survey, there were 2,327 fraud and embezzlement cases which had not been addressed due to lack of personnel. Of these, about 1,300 cases involved at least $100,000. Additionally, the agency has received at least 20,000 referrals involving fraud.

SLAMRA would increase our manpower on S&L crimes by 50 percent. The FBI currently has 600 agents working on fraud cases.

The Secret Service has a historical link with financial institutions. Although most visible in its role of protecting the President and Vice President, the agency was originally created as a bureau within the Department of the Treasury to suppress the counterfeiting of U.S. monetary instruments. Since then, Congress has expanded its jurisdiction to include offenses relating to Government obligations and securities, credit/debit card fraud, computer fraud, false identification, and electronic funds transfers.

SLAMRA is a companion legislation to S. 2721, which Senator LIEBERMAN introduced in the Senate on June 8.

We need to start clamping down on these criminals and put them in the SLAMR, before the statute of limitations runs out. I hope you will join me in cosponsoring this needed legislation.

A TRIBUTE TO CARLOS AND RITA MORALES

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. WEISS. Mr. Speaker, I rise today to pay tribute to Carlos Morales, executive director of Lincoln Square Neighborhood Center, and his wife Rita Morales, its program director, who will retire after years of exemplary service to the center and the Westside community. The center has flourished under their leadership and its members and their families have thrived, gaining strength and stability under their guidance.

Carlos Morales received a masters degree in social work from the Fordham School of Social Work 50 years ago. His early experience working with street gangs in Brooklyn and East Harlem gave him insight into the needs of young people and an understanding of the components that make up the fabric of a community.

When he came to the Lincoln Square Neighborhood Center in 1962, Carlos augmented the services it offered to attract the economically disadvantaged and the middle class so that everyone from toddlers to senior citizens could find programs that would meet their needs.

His wife, Rita Morales, who started as a volunteer, has been program director for the past 10 years, supervising social services and cultural and educational activities for children, teens, adults, and seniors.

This remarkably talented husband and wife team has served Westsiders in an astonishing range of ages, occupations, talents, and origins. They have brought together an economic and social mix of people whose lives have been enriched by each other. Carlos and Rita Morales have linked these diverse groups so that this kind of coexistence has become not only a reality, but also a pleasure for all of us.

Mr. Speaker, I ask my colleagues to please join me in saluting these dedicated and outstanding community leaders.

PRESIDENT DUARTE'S HEALTH CARE COSTS

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. TALLON. Mr. Speaker, I would like to draw my colleague's attention to a small yet significant item of budgetary concern. Thanks to the thorough observation of my constituent, Mr. William Rasins of Myrtle Beach, SC, I have learned that our Government paid for the entire medical coverage of former Salvadoran President José Napolean Duarte.

Mr. Rasins has followed this issue since President Duarte first began his cancer treatment at Walter Reed hospital. While President Duarte was still alive, the Army informed both me and Mr. Rasins that the "treating facility will recover the full cost of care from the individual concerned or his or her government."

Now, after a followup inquiry, we have learned from both the State Department and the Department of the Army, that the United States covered the full cost of the care for President Duarte. I quote from the letter from the Army:

When medical care is provided to foreign nationals who are otherwise ineligible for care in military treatment facilities, it is normally provided on a reimburseable basis. However, when the medical care is expected to contribute to the public interest, such charges may be waived. In the specific case of President Duarte, the White House directed that the care be provided without regard to reimbursement. Accordingly, all actions to seek reimbursement were suspended.

Now, I would be the first to praise President Duarte for his commitment to peace and reconciliation in his country. President Duarte was a bright light in a troubled region whose time on earth was cut short by a dreadful disease and, for that, all people who love democracy have lost a true champion. In this sense, I am glad that the United States was able to provide the care for him that he could not receive in his own country.

However, I do not believe the United States had an obligation to pay for that care. The U.S. Government can't even afford health care for it's own. More importantly, we can't even afford adequate health care for our own champions of democracy—our veterans, who have fought for and protected our American way of life. Our budget deficit is what is supposedly keeping us from giving our veterans the proper care they have earned.

After looking at the President Duarte situation, it is apparent that our administration has misplaced priorities. The time, effort, and money spent in working through the redtape of not requiring payment for President Duarte could have been time, effort, and money used for our own citizens.

TRIBUTE TO FRED K. ROBINSON

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. MATSUI. Mr. Speaker, I rise today to pay special tribute to an outstanding citizen of the Sacramento community, Mr. Fred K. Robinson. Mr. Robinson has served the North Sacramento School District for 75 years and I am pleased to announce that the Sacramento District Administration Building has recently been renamed in his honor.

Mr. Robinson has displayed a lifelong commitment to the education field and the community, serving as a teacher, principal, and a superintendent. Mr. Robinson began his teaching career at Hagginwood Elementary School in 1932. In 1940, he went on to take an administrative position as principal at American River School, now Dos Rios, and in 1944, became the first attendance supervisor/principal of McClellan School, now Castori, on McClellan Air Force Base. And finally, in 1945, Mr. Robinson was appointed the fourth superintendent of the North Sacramento School District; holding the position for 22 years.

Mr. Robinson has made numerous contributions to our community's educational system, and his efforts and accomplishments are to be commended. Mr. Speaker, on behalf of all my colleagues and those who value a high quality of education for our Nation, I pay honor to the tireless efforts of Mr. Fred Robinson. It is most fitting that the District Administration Building is renamed, in his honor, as the Fred K. Robinson Administrative Center. I would like to personally thank him for his contributions to the community and our city's school system, and wish him much success in his future endeavors.

MR. KILDEE PAYS TRIBUTE TO WARTIME NURSES

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. KILDEE. Mr. Speaker, it is with great pride that I bring to the attention of Congress the "Veterans' Tribute to Honor Wartime Nurses." This event will take place September 13 through 16, 1990, at the Hyatt Regency Hotel in Dearborn, MI.

The tribute is the first event ever held in honor of those thousands of nurses who so valiantly served Armed Forces across the world over the last 136 years. These brave women left their homes and security behind to tend the wounds of soldiers fighting for the glory of their nations. Over 1,700 nurses representing nursing corps from the United States, Canada, England, Poland, New Zealand, France, and Germany are expected to attend.

The event was planned by Mr. Richard C. Reichard, a past recipient of the Patriot of the Year Award given by the Military Order of the Purple Heart. Inspired by the lack of recognition that military nurses have traditionally received, Mr. Reichard realized that it was time for the Veterans' Administration to appreciate the effect that military nurses have had in shaping the history of the world. With a committee, Mr. Reichard has spent the last 2 years designing the "Veterans' Tribute to Honor Wartime Nurses" to be a time in which veterans from around the globe can finally thank the women whose efforts led many soldiers to arrive safely home.

Special guests at the veterans' tribute will be retired Air Force Nurse Corps Brig. Gen. Claire M. Garecht, retired Army Nurse Corps Brig. Gen. Hazel Johnson Brown, and retired rear admiral of the Navy Nurse Corps Frances Shey Buckley. Highlights of the event will include a parade of the various international nursing corps, a memorial service for all of the Allied Nations Forces, and an awards ceremony hosted by the national commander of the Purple Heart, Mr. Eugene E. Brown. Serving as a focal point for the veterans' tribute will be the original nurses' registry from the First Army Nurses' Corps, led by Florence Nightingale in the Crimean War.

The "Veterans' Tribute to Honor Military Nurses" will be a time to share memories and exchange mementoes from a period of life that these women will never forget. The tears they shed, the grief they experienced, and the strength they showed in helping to preserve the world we now live in forever ensures the significance of military nurses in the annals of history. It is fitting that the world will finally pay tribute to a group of people whose very existence led many of our men home to freedom.

CONGRESSMAN MACHTLEY'S AWARD FOR PROVIDENCE HEBREW DAY SCHOOL

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Abigail Borisute, of Providence, RI, this year's recipient of the Congressman Ronald K. Machtley Academic and Leadership Excellence Award for the Providence Hebrew Day School, in Providence, RI.

This award is presented to the student, chosen by the Providence Hebrew Day School, who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Abigail has certainly met these criteria while at Providence Hebrew Day School. She is a member of the National Honor Society and has been president of the girls' student council. In addition, Abigail is a peer tutor at her school and has won the New York State Regents Scholarship.

I commend Abigail for her outstanding achievements and wish her all the best in her future endeavors.

A TRIBUTE TO ELAINE AND JOHN PARKER

HON. PETER SMITH

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. SMITH of Vermont. Mr. Speaker, it is with great pleasure and pride that I rise today before my colleagues in Congress and ask them to join me in honoring two outstanding young citizens of Vermont: 11-year-old Elaine Winslow Stone Parker and her 6-year-old brother, John Parker.

Elaine and John are two talented Vermont children whose initiative and ambition are an inspiration to all. Their ideas have created a patented invention called the "Ice Star," a device designed to fit inside a glass to prevent ice cubes from falling forward to the edge while drinking.

It is always a great pleasure to see such enterprising young minds at work and children so creative. It is my hope that their perserverance and dedication will influence other children into initiating their own ideas. They have become role models for other children.

Children are the future of our country, and it is children such as the Parkers who will ensure continuation of the high standards we set for ourselves and our great Nation. These truly talented individuals are able to improve the quality of life for all Americans by continuing to challenge themselves.

Knowing that Elaine and John are contributing to society at such an early age is comforting in a time when many of our young people lack the initiative or interest for such projects. I am confident that the Parkers will be successful in all of their future endeavors, educationally and professionally, and I commend them on their accomplishments.

Mr. Speaker, I would like to ask my colleagues to join me in wishing Elaine and John our very best sentiments for luck with their invention and success in the future.

CONGRESSMAN SOLOMON PRESENTS TERRORISM REPORT TO NORTH ATLANTIC ASSEMBLY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. GILMAN. Mr. Speaker, Congressman GERALD B.H. SOLOMON recently presented a comprehensive study on terrorism and drugs to the North Atlantic Assembly. As Special Rapporteur at a recent assembly meeting in Paris, he highlighted the key points in his information document about the potential impact of the Single European Act on increasing terrorism and drug trafficking in Europe and the future movement of terrorists and drugs from the continent to the United States.

I want to commend the Congressman for his interest in this vital topic and I share his concerns about the impact which a borderless Europe might have on terrorism and drug trafficking both in Europe and the United States. America and our European allies have been victimized both by international terrorism and by the scourage of drugs and we should encourage the EEC to develop a mechanism for formal consultations on these vital security issues that are of mutual concern to both the Community and the U.S. International cooperation is essential in our shared goal of fighting terrorism and drugs and the Solomon report highlights the importance of working together with the EEC as it crafts its future strategy for countering both terrorists and drug traffickers.

I commend the Solomon report entitled "The Impact of 1992 on Terrorism and the Movement of Drugs in Europe and U.S.C Concerns" to my colleagues in the Congress.

[North Atlantic Assembly, May 1990]

THE IMPACT OF 1992 ON TERRORISM AND THE MOVEMENT OF DRUGS IN EUROPE AND U.S. CONCERNS

(Gerald Solomon, Special Rapporteur)

I. INTRODUCTION

1. Europe's well publicized march towards a single economic market in 1992 and a borderless Europe has created concerns in the United States about the potential impact of the Single European Communities (EEC) as well as the movement of terrorists and drugs from Europe to the United States. The fight against terrorism and narcotics has captured the attention of the American public and Congress, and legitimate questions are being raised about what security controls European nations will maintain in the post-1992 period.

2. The United States and Europe face similar challenges in trying to track and reduce the movement of terrorists, drug traffickers and criminals. The US Government should continue to monitor carefully this evolving 1992 security structure. Ameri-

ca's European allies should also develop a mechanism for formal consultation on these vital security issues that are of mutual concern to both the Community and the United States. Although a borderless Europe will not become a reality in January 1992, the process is underway. Expanded US-EEC cooperation and exchange of information on the EEC's emerging security order will benefit both America and the Community in our shared goal of fighting terrorism and drugs and of cooperating on other law enforcement issues.

3. Because of common Atlantic interests to combat this threat, it was agreed by the Political Committee at the 35th Annual Session in Rome to produce a Special Report. This document represents a US perspective. For the 36th Annual Session in London, Mr. Bruce George, Chairman of the Political Committee, will contribute a European perspective. A joint text will then be debated in London.

II. INTERNATIONAL TERRORISM

4. It is important that members of the NATO Alliance keep in mind that terrorism knows no borders and respects no passports—just as it respects no human life. During the past decade in Western Europe, there have been 1,843 international terrorist attacks.

5. In any given year, international terrorist attacks affect the citizens and property of about 80 nations. Sometimes the terrorists deliberately focus their attack on one nationality. In most cases, they are not very discriminating. Grenade fragments do not check a persons passport before tearing into their flesh.

6. Citizens of about 20 nations were flying on Pan Am 103 when a terrorist bomb destroyed it over Scotland in 1988. A similar number of nations were represented aboard the *Achille Lauro* when it was hijacked in 1985. Citizens from half a dozen countries or more are likely to be at an airline ticket counter, a sidewalk cafe, or aboard any given airliner in Europe.

7. The terrorists themselves often travel several countries. Although the Pan Am case is still under investigation, press reports have indicated that the investigators have been pursuing leads in countries from Sweden to Cyprus. It is likely that the terrorists also spent time in West Germany. In other major terrorist operations, such as the attacks on the Rome and Vienna airports in 1985 and the Greek ferry boat *City of Poros*, the terrorists have also moved across international borders to inflict their damage. In numerous cases, Middle Eastern terrorists have travelled into Western Europe through airports or other facilities in Eastern Europe, or they travelled from Lebanon via Cyprus. The terrorists are not always Middle Easterners carrying on their conflict in Europe. Europe has its own share of tensions. In 1989, ETA, the Basque Fatherland, and Liberty terrorist group detonated a bomb in front of the Spanish Embassy in The Hague, badly injuring five residents of the host country. Over the years, West Germany's Red Army Faction has conducted a number of terrorist operations in other European countries that resulted in the killing and wounding of police in both the Netherlands and along the Swiss-German border.

8. Americans in Europe are not insulated from this threat. These attacks affect us too. In those attacks during the past decade in Western Europe, the United States was involved in 583, or nearly *one third* of the incidents. The cycles ebb and flow from year to year, and there has been some recent reduction in the attacks in Western Europe, but we cannot be sure that we will enjoy a long-term respite. This could be jsut a temporary lull in terrorist activity.

9. America's involvement in Europe is deeper than the statistics of terrorist attacks. Europe is where most Americans have their cultural roots. It is a major destination for tourists and businessmen. US diplomats and troops are also assigned to Europe. Large numbers of Americans are in Europe at any given time. At the same time, the European countries have their own interests in this American presence. Hunderds of millions of dollars were lost in the wake of the 1985 attacks on TWA 847 and the *Achille Lauro* cruise ship and not just by the airline and passenger liner industries. Those who sold food and other supplies to the passenger liners, the hotels, and others who depend so heavily on the tourist trade were also victims, in a broader sense, of the major terrorist attacks.

III. INTERNATIONAL NARCOTICS TRAFFICKING

10. EEC 1992 also has serious implications not only for terrorists activities, but for narcotics trafficking in Europe. International drug syndicates are now increasing their operations in Europe. The Latin American drug organizations see the US drug market as being saturated. Europe is viewed as a lucrative area for cocaine sales. In addition to the obvious impact of cartel activity on drug abuse and crime in the EEC, the drug syndicates will establish a firm foothold in Europe and maintain their enterprises throughout that region well into the future. Already, wholesale prices for cocaine are estimated to be four times higher in Europe than in the United States. Ideal growing conditions and civil unrest in drug producing areas have produced record levels of opium yields in Southeast and Southwest Asia. Already, US officials have seen increasingly sophisticated smuggling techniques in Europe with drugs destined for the EEC and North America.

IV. IMPACT ON THE UNITED STATES

11. Americans are also interested in the planned security controls in a borderless Europe for other reasons that are closer to home. Terrorists who move around Europe without being apprehended can more easily cover their tracks and travel to the United States where they can plan and execute their operations. Although America has experienced minimal domestic terrorist activity, the US Government must remain vigilant to this distinct possibility. Many terrorism experts suggest that foreign terrorism in the United States can be expected in the future. Opium from Lebanon's Bekaa Valley that is headed for the United States will surely arrive in New York if the EEC's anti-narcotics efforts are lessened. Drug abuse is already serious enough to be classified as a national security problem.

V. ORIGINS OF THE CONCEPT OF A BORDERLESS EUROPE

12. For American readers of this document, it is helpful to know something about the genesis of the concept of a Europe without borders. Europeans have been considering removing border controls for many years. The European Economic Community was established with the purpose of creating a single market for the harmonious development of economic activities. One of the goals of the member states is the removal of obstacles to the free movement of persons, services, and capital throughout the Community. The Single European Act of 1987 provides the necessary political impetus and the legal framework to achieve a truly unified market by 1992. The 12 member states of the EEC are clearly past the point of no return in their march toward 1992.

13. The removal of physical barriers is seen as an essential part of having a truly borderless Europe. This will require the removal of immigration controls and customs checks that currently mark Europe's existing internal frontiers. At present, EEC nationals are stopped at frontiers for immigration and tax checks. Police or immigration officials screen travellers to determine if their passports or identity cards are in order for immigration and security purposes. The customs staff check to determine if travellers owe money to tax authorities for the goods they have with them. Police controls at existing internal frontiers vary depending on where a traveller makes a crossing from one country to another, or by what form of transportation a visitor enters another country. Terrorists and criminals continue to be apprehended at these internal frontier checkpoints.

14. The movement of goods will also be affected in a future borderless Europe. Frontier checks perform a valuable function in meeting the administrative, fiscal, health and other needs which they are designed to serve in checking the flow of products or stopping the flow of contraband, including illegal substances, throughout Europe.

VI. TOWARD THE FUTURE

15. How will the movement by terrorists, criminals, drug traffickers and drugs themselves be monitored and checked in a post-1992 Europe without these internal controls?

16. A number of EEC organizations, including numerous committees and many working groups, are working on the multitude of security and related issues associated with the EEC 1992. In addition to terrorism and drugs, the groups are discussing a panoply of technical issues to include the co-ordination of visa policies, immigration problems, extradition, international crime, co-operation between criminal justice authorities, and improved controls at external frontiers.

17. The Trevi Group was created in 1977 and comprises the Interior and Justice Ministers and police chiefs of the 12 EEC member states. Trevi is responsible for coordinating co-operation among police and intelligence agencies of the EEC and it focuses on crime, terrorism, and narcotics interdiction. The group is the lead entity on EEC terrorism concerns. The United States is an invited observer at the Trevi meetings.

18. The European Political Co-operation (EPC) effort promotes a common foreign policy among member nations. The EPC has a working group studying terrorism and judicial co-operation along with issues of border controls.

19. The Ad Hoc Immigration Group is reviewing both the policy and the mechanical aspects of eliminating frontiers in the EEC.

20. The Internal Market Council is devising measures needed to bring about the 1992 single market.

21. The EEC Commission, being the EEC's executive secretariat, will be responsible for drafting the legislation that will make a borderless Europe a reality.

22. The Pompidou Group is composed of 19 countries within the Council of Europe. The Group deals with transnational drug trafficking issues.

23. The Schengen Group: In 1984, the European Council issued a declaration on the abolition of police and customs formalities concerning the movement of persons and goods across the frontiers. Germany and France signed an initial agreement in 1984, with the Benelux countries joining in 1985, that was designed to remove gradually the controls at their common frontiers by January 1990. The Schengen Agreement contains both short-term and long-term measures and concerns itself with the issue of drugs, firearms and ammunition, mutual judicial assistance, frontier controls, frontier surveillance, visas, rules on stays by aliens, and the asylum question. The Agreement was designed to speed up the removal of controls throughout the Community and was seen as an initial effort to test the feasibility of removing border controls.

24. Although the Schengen Agreement is technically complete, there is a political hold on it. There is concern on the part of some member countries about the unchecked movement of Eastern Europeans and third country nationals into their countries if the German border issue is not resolved. The key element in the Schengen principle is that open borders between Schenger countries require strict control on the outer borders of the Schengen area. A future united Germany would be required to guarantee the outer border of the Schengen area.

25. The Schengen Group agreed that although border posts did not have to be eliminated, the free passage of citizens of Schengen countries across frontiers would be honored. The Group also prepared a list of 59 "risky countries" for which the Schengen countries all require visas. Regarding the "hot pursuit" of fleeing criminals two options were agreed. A country may permit police from other Schengen countries to cross its border to pursue and arrest criminals, but only within an area near the border. The other option permits police from other Schengen states to pursue felons anywhere in its territory. The member states agreed to maintain their current laws concerning the movement of arms and illicit narcotics with great reliance placed upon enhanced police co-operation and information exchange to apprehend traffickers.

26. At this point, the Schengen approach appears to be workable once the German border question is resolved. Only time will tell if the agreements made among the Schengen countries will withstand the test of time and provide free movement to the citiens of the member states while protecting the security interest of the Schengen countries. The understanding arrived at in forming the Schengen approach to a borderless Europe may serve as a model for the entire EEC in the future.

27. The Rhodes Group is composed of EEC states and is responsible for managing issues relating to the impact of the 1992 single market on the border control issue. The Group deals with the many commissions that are responsible for resolving this complex issue. American officials have conveyed to the Rhodes Group their concerns about the single market decision and its impact on the movement of terrorists and narcotics not only throughout the EEC, but to the United States as well. The U.S. Government stressed the importance of working together with the Rhodes Group to approach common problems and better enhance co-operation between the EEC and the United States on the vital issues of counter-terrorism and counter-narcotics. The United States has made overtures to EEC countries to establish a more comprehensive mechanism to deal with drug-related issues. To date, however, little progress has been made on this initiative.

28. As the numerous EEC commissions and organizations—some of which have not been mentioned here—have carefully studied the many challenging aspects of EEC 1992, there apears to be a consensus building that a complete Europe will become a reality not in 1992, but somewhat later. There is also a general agreement that the control of terrorists, criminals and drug traffickers, as well as other problems, are exceedingly complex and will only be resolved by employing special control meaures.

VII. COMPENSATORY MEASURES

29. During recent discussions among EEC member countries about 1992, the EEC interlocutors agreed on a series of compensatory measures to accompany the EEC's planned elimination of internal borders. To avoid the movement of terrorists, drug traffickers, illegal aliens and other undersirables into and within the EEC after 1992, these measures are now being discussed:

Establish common visa policies among EEC counties including a list of countries whose nationals must present visas to enter the EEC.

Strengthen security at outer borders of the EEC; e.g., develop a common lookout list, data exchange, common automated systems and common vocabulary.

Set standards for extradition.

Develop closer liaison between law enforcement officials; develop training programs, exchanges and technical cooperation, e.g., on fraudulent documents.

Reach agreement on criteria for asylum to deter asylum "shoppers".

Develop a common approach to illegal immigration, combat "coyotes", remove illegals.

Enhance judicial co-operation despite different legal systems (Roman versus Common Law).

Under the Naples Convention, improve customs services co-operation.

Develop policy on financial flows.

Encourage member countries to adhere to basic international agreements, e.g., the Vienna Convention on Drugs.

Consider binational police brigades for hot pursuit in border areas.

At Foreign Ministry and Interior Ministry political level, study the terrorist phenomenon, its evolution, geographic location and various groupings.

Study and cooperate on other types of crime which are international in nature, e.g., organized crime and drug trafficking.

In some countries, e.g., the Netherlands, local police will have to become more involved in alien matters.

30. The Community will continue to review these compensatory measures and will eventually adopt directives that are designed to ensure that additional controls will be available to offset the increased risks created by the movement of terrorist and drug traffickers when the EEC fully implements its single market program. Given the international nature of terrorism and drug trafficking, EEC-US cooperation in planning a strategy for the future to combat these common threats to citizens on both sides of the Atlantic is both prudent and necessary.

VIII. COMMON INTERESTS

31. Americans and Europeans all have an interest in what happens in Europe as it moves to comply with the single market program calling for the elimination of internal border controls. When this borderless Community becomes a reality, people and goods will be able to flow freely within the EEC. There are of course many advantages to this. We in Congress can appreciate the advantages of this visionary goal, being conscious of the divisions and barriers between the thirteen newly independent American states during the period of weak confederation before adoption of our Constitution which prohibited such barriers between the states.

32. There are also risks and challenges presented by the new freedom to travel within the EEC. The modern world also has its own set of problems and they include international drug traffickers, criminals and terrorists. They too will find it easier to travel and it will be a challenge to try to find ways to make it more difficult for them to penetrate the outer borders of the EEC and to control their movements when they attempt to operate within the borders of the Community.

33. As a Member of Congress committed to the fight against international terrorism and illicit substances, I remain concerned about the impact that a borderless Europe in 1992, or later, will have upon our common ability to combat international terrorism and illicit narcotics. I suggest these questions for each EEC member state:

How will the Community enforce its visa, immigration and asylum policies? This will impact on how terrorists can legally enter and move within the EEC.

How does the EEC standardize external Community border controls? This will affect the ability of terrorists and drug traffickers to gain illegal entry into the EEC.

How does the EEC develop a common extradition policy? This will determine whether terrorists and drug traffickers can be effectively prosecuted and sentenced for their crimes.

How does the EEC enact uniform laws procedures on crime, gun control, money laundering and the right of "hot pursuit" into another country's jurisdiction? This will determine how terrorists and drug traffickers can be intercepted.

How does the EEC integrate and internationalize national law enforcement/intelligence agencies and systematize information exchange? This will determine how the EEC can effectively monitor the movement of terrorists and drug traffickers to intercept them and prosecute them.

The EEC's performance on these issues will also impact on America's ability to combat international terrorism and drug trafficking.

IX. THE OUTER BORDERS

34. There is some concern in the US Government about aspects of the EEC's plan to strengthen security controls greatly at the outer borders of the Community. International counter-terrorism cooperation depends upon the ability of allied countries to monitor professionally movement of terrorists across borders. It is well known that some of the nations that will protect the EEC's external borders are less than efficient from a security point of view in performing counter-terrorism and counter-narcotics duties. It can be assumed that terrorists and traffickers will attempt to penetrate the EEC's outer borders at the weakest points. Should these borders be breached, the Community could be faced with a serious terrorist threat, or a terrorist could use

the security failure to find his way to the United States. A drug trafficker can inflict equal pain on the societies of both the EEC and the United States with successful deliveries of illicit substances.

35. A possible remedy to this potential problem would be enhanced security training for those countries seen to be weak in applying border control procedures, or the imposition of an EEC requirement that all outer border countries implement a series of upgraded security practices for border control and that a Community-wide security compliance inspection program be established.

36. There is also concern about the newly emerging democracies in Eastern Europe and how the EEC, in the process of strengthening its outer borders, will deal with those countries in conducting outer frontier checks. Although many of those states are becoming pro-Western in their policies and have already begun to distance themselves from terrorism, some of those nations provided various forms of indirect backing to nations known to be state supporters of terrorism. A few of these countries provided travel facilities and hospitality for terrorists. In previous years, Middle Eastern terrorists would fly from that region into certain Eastern European capitals to avoid the tighter security checks and suspicions they might encounter if they flew in directly from Beirut or Damascus to a Western European capital. Caution and tighter security on the part of the EEC outer border countries in dealing with travellers coming from Eastern Europe would be prudent at this time.

37. More should also be done in the area of counter-narcotics. Recognizing the benefits of free movement of commerce and citizens, international drug traffickers, not unlike the terrorists, will search out and exploit the path of least resistance into the EEC. A single country with limited customs enforcement capabilities can negatively impact other member countries. As the EEC moves toward making the simple market a reality, some type of co-operative effort to upgrade weak customs services should be pursued. Increased intergovernmental cooperation in the war against drugs is essential if the Community's external frontiers are to be strengthened.

38. To sustain counter-narcotics efforts in controlling drug trafficking, drug organizations must be attacked at the top levels. This can be accomplished by making a commitment to long-term investigations using modern enforcement techniques. EEC members can best confront the drug groups by undertaking money-laundering investigations, employing controlled delivery techniques, monitoring precursor chemicals, targeting major traffickers, staging cross-border surveillance, and disseminating information on EEC-wide trafficking trends and forecasts. EEC member states will be more effective in their war on illegal substances if they enhance the Community's collective ability to conduct complex investigations directed at major trafficking organizations.

X. CONCLUSION

39. The decisions made by the EEC concerning the control of terrorists, drug traffickers and criminals in the Community of 1992 will have a direct impact on Americans both in Europe and in the United States. There are definite counter-terrorism and counter-narcotics ramifications for the United States as various EEC commissions draw up the future security and border control strategy of a united Europe. Since both the EEC and the United States face the scourges of terrorism and narcotics abuse, a serious effort should be undertaken to develop a mechanism for consulting with the United States on what will be the new security order in Europe and, in particular, what will be done to counter both drug traffickers and terrorists, common threats to both Americans and Europeans. European decisions on how to confront these challenges will have a direct bearing on how the United States deals with each of them as well. Europeans should also have the benefit of having American input into their thinking about a future European security system.

40. It has often been said that international co-operation is an essential element in winning the war against drugs and terrorists. The U.S. Government is looking forward to expanding its existing ties with the EEC organizations now shaping the border control aspects of EEC 1992 and to work closely with the Community planners who are crafting the Community's future strategy for countering both terrorists and drug traffickers. In the past, America and Europe worked closely together in keeping the peace, confronting Communism and bringing about the political sea change that the world is witnessing today. New threats have now emerged. I believe that terrorism and drug trafficking can also be eliminated through enhanced co-operation in resolving these common problems.

THE FAMILY PRESENTATION ACT OF 1990

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1990

Mr. MILLER of California. Mr. Speaker, I have introduced with Congressman TOM DOWNEY of New York legislation that will both dramatically improve the lives of children in foster care and promote stronger families.

The Family Preservation Act of 1990 is grounded in the knowledge that we have gained in the last 10 years about what it takes to protect children and to preserve and reunify families in crisis. And it targets those children and abandoned boarder babies who are victims of the AIDS and drug epidemic.

A decade ago, the Congress passed the Adoption Assistance and Child Welfare Act of 1980, which I authored. The goal of that legislation was to reduce the necessity and duration of foster care placements by expanding preventive reunification services to children and their families.

That law also established procedural protections for children in the foster care system, including a case plan and case review system, to keep children from languishing in foster care. For those children who could not return home, we created an adoption assistance program that has placed thousands of children in permanent homes.

The law we passed a decade ago is a good law; its principles are sound. But what we didn't know then—and couldn't have predicted—was the impact of the drug and AIDS epidemics, the dramatic increase in abuse and neglect reports, the rise in child poverty, and the shocking increase in homelessness among families that defines what happened to the child welfare system during the 1980's.

These crises were compounded by the massive cuts in essential, safety net child welfare and housing programs prompted by the Reagan administration. And just as our foster care reforms were getting underway, the Reagan administration sought to repeal the law and cut support for prevention efforts. When the Congress wouldn't let that happen, the Department effectively repealed the law through indifferent enforcement: State plans went unreviewed, and few audits were conducted.

The result is a system of State sponsored child abuse and neglect.

Hundreds of thousands of children once again are entering care, many with far more serious problems than when we passed the 1980 law. Agencies are overwhelmed; due process guarantees are forgotten; and children languish without families, without services and without a future.

The Family Preservation Act of 1990 responds to the social and economic crises that are casting hundreds of thousands of children, and our social services system itself, into peril. This bill is the product of hours and hours of deliberations, including joint hearings between the Ways and Means Committee and the Select Committee on Children, Youth, and Families, which I chair. We heard extensively from advocates, foster parents and children, State and local welfare agency staff, and the judiciary.

A 12-year-old former foster child, told the select committee that he'd had so many different placements that he couldn't remember them all.

One mother reported having to place her child in foster care to get him the services he so badly needed.

And a social worker told of children sleeping on office desks because there were no appropriate placements.

This bill will help eliminate the bureaucratic barriers to helping children and their families. It will provide States with an urgently needed increase in services and added flexibility to serve better those children and families in their care.

The Downey-Miller bill follows through on our earlier promise to serve children and families through preventive efforts. We have spent too much on bureaucracy and too little on delivering services. Our intent is to reach children and families in crisis earlier, and to provide services that fit their needs and can prevent their entry into the child welfare system. We know that family preservation programs that provide these services save both families and dollars.

By establishing a child welfare entitlement in title IV-B, and increasing title XX funding, the Family Preservation Act of 1990 will provide States with the financial resources to implement the pre-placement preventive services, reunification services, and aftercare services that can reduce the need for costly foster placements.

This legislation includes several demonstration programs giving States more flexibility in implementing innovative child welfare practices. One, developed by Congresswoman

NANCY JOHNSON, will permit the Secretary to waive administrative and programmatic barriers that now prevent States from better serving more children and their families. Another targets our most vulnerable children—the boarder babies who are abandoned in hospitals—and encourages States to develop innovative procedures to secure them permanent homes within 6 months.

This legislation also requires greater accountability for children sent to placements in other States. We have all read with horror the news reports of foster care children who have died while in these out-of-State placements, which often have far lower standards than those in the child's home State. The most recent death was of a teenager from the District of Columbia who died in a program in Texas of "asphyxiation due to compression of the neck." We must ensure that these children, who are placed so far from their homes and their families, are monitored and protected while in State care.

The Family Preservation Act of 1990 takes us a long way toward fulfilling our promise to vulnerable children and their families that we made a decade ago. I look forward to working with Chairman DOWNEY and the Ways and Means Committee to celebrate the 10-year anniversary of the enactment of our foster care and adoption law with this important expansion and improvement of that program.

Mr. Speaker, the need for action is undeniably clear. I have included for our colleagues the forward and findings of a report prepared by the Select Committee on Children, Youth, and Families that demonstrates the magnitude of the child welfare crisis and the promise offered by family preservation programs. I have also included a brief summary of the Family Preservation Act of 1990.

NO PLACE TO CALL HOME: DISCARDED CHILDREN IN AMERICA

(A Report of the Select Committee on Children, Youth, and Families U.S. House of Representatives, November 1989)

FOREWORD

Nearly a decade ago, Congress enacted legislation to guarantee support for children in troubled families. This support would take place first in their homes and in their communities. If removing children from their homes became necessary, Congress assured them high quality services with the hope of reestablishing them later with their families. If reunification were not possible, the law included a commitment to find them permanent homes.

The Select Committee on Children, Youth, and Families set out to determine if this goal is being met. Through a series of hearings, some held jointly with the Committee on Ways and Means, we sought answers to many questions:

Are there fewer unnecessary placements of children out of their homes?

When children must be placed, are there more effective permanent placements than there were ten years ago?

Are children receiving quality services when they are entrusted to the child welfare system?

Can troubled children and families rely on human services agencies to help them cope with the host of new and complex problems which threaten their stability?

In answering these questions, the Committee focused on the wide range of services that children and families need. These services are not the responsibility of one agency, but fall under the purview of several different systems, particularly child welfare, juvenile justice and mental health. We recognized, along with experts and program administrators, that regardless of how children enter these systems, they share common problems. Thus, our hearings, and this report, focus on how children fare in all three service systems.

Our findings are alarming.

Over and over again, witnesses describe agencies in crisis, and services that are failing families and children. The promise extended almost ten years ago has not been kept, and children are paying the price of this failure.

Chief among our findings is that today's social and economic conditions are hurting large numbers of American families in ways that our current child welfare, mental health and juvenile justice systems were not created and are ill-prepared to address. Mounting child poverty and rapid increases in child abuse reports are major contributors to the dramatic increase in placement of children outside their families. It is also impossible to ignore the devastating impact that drug and alcohol abuse are having on families, propelling children into out-of-home care at an escalating rate.

While there is little doubt that economic and social trends are fueling a collapse in children's services, we found extraordinary failings in these systems that remain within our capacity to control. Federal oversight and funding are weak to nonexistent. There are too few resources in these service systems to meet the increasingly complex needs of children. Too many of the services which do exist are uncoordinated, inefficient, and ultimately ineffective, as administrators themselves attest.

Not only have these deficiencies given rise to inadequate and potentially dangerous situations jeopardizing hundreds of thousands of children, but in too many instances, they waste money in the process. Additional burdens created by unanticipated social conditions do not relieve child services administrators and workers of their responsibility and accountability for the children and families in their charge.

This is a report "from the front" which compiles the best and most recent information available. It draws not only on expert testimony, but on the voices of parents and children themselves. In addition, because national data on children in substitute care continue to be inadequate, this analysis draws on new survey data collected by the Select Committee, and on the most up-to-date independent, university, foundation and government-sponsored research.

Our investigation has revealed some promising policies, innovative strategies and effective programs. Family preservation programs, which first came to the committee's attention during its 1986 study of child abuse,[1] and which provide intensive in-home services to families at imminent risk of having a child removed from home, continue to demonstrate success in keeping families together and saving public resources as well. And several states and localities are beginning to establish effective interagency responses to at-risk children and families.

As our witnesses repeatedly recommended, a bolder and more sustained redesign and redirection of services for children and families are essential. Service delivery can never keep pace with the escalating problems amply documented in this report unless they are geared to earlier, and more comprehensive, responses to families and children in need.

Our hope is that this report spurs action to fulfill the commitment made a decade ago. This will require federal leadership and oversight, as well as persistent action at the federal, state, and local levels, to reverse the assault on vulnerable children and troubled families, and to forge the opportunities and protections to which every child in our nation should be entitled.

George Miller, Chairman, William Lehman, Patricia Schroeder, Lindy (Mrs. Hale) Boggs, Matthew F. McHugh, Ted Weiss, Beryl Anthony, Jr., Barbara Boxer, Sander M. Levin, Bruce A. Morrison, J. Roy Rowland, Gerry Sikorski, Alan Wheat, Matthew G. Martinez, Lane Evans, Richard J. Durbin, David E. Skaggs, Bill Sarpalius.

FINDINGS

1. More Children Placed Outside of Their Homes

Dramatic increases in the numbers of children placed outside their homes have occurred during the decade of the 1980s, and are continuing to occur in the child welfare, juvenile justice and mental health systems:

Nearly 500,000 children are currently estimated in out-of-home placement. If current trends continue, by 1995, that population is projected to increase by an estimated 73.4% to more than 840,000 children.

In the child welfare system, the number of children in foster care has risen by an estimated 23% between 1985 and 1988 in contrast to a 9% decline between 1980 and 1985, according to new data collected by the Select Committee on Children, Youth, and Families.

There were an estimated 340,300 children in foster care in 1988, compared to 276,300 in 1985.

In California, which has one in five of the nation's children in foster care, the number of foster children increased by 44% during that period; in Michigan by 34%; in New York by 29%; and in Illinois by 19%. By contrast, in New Jersey and North Carolina, the number of foster children declined by 5% and 7% respectively.

In the juvenile justice system, the number of youth held in public and private juvenile facilities in 1987 had increased by 27% since 1979, 10% between 1985–87 alone. There were 91,646 juveniles in custody in 1987, compared with 83,402 in 1985 and 71,922 in 1979. In 1987, 353 juveniles per 100,000 were in custody compared with 313 per 100,000 in 1985 and 251 per 100,000 in 1979, a 41% increase in custody rates during this decade.

In the mental health system, there was a 60% increase in the number of children under 18 in care as inpatients in hospitals, in residential treatment centers or in other residential care settings between 1983 and 1986. At the end of 1986, 54,716 children were in care, compared with 34,068 in 1983.

2. More Children Experience Repeat Placements

Between 1983 and 1985, the number of children placed in foster care more than once nearly doubled, from 16% to 30%.

[1] Abused Children in America: Victims of Official Neglect. A Report of the Select Committee on Children, Youth, and Families. U.S. House of Representatives. March 1987.

There has been no significant progress in reducing the average length of stay of children in foster care. In 1985, the percentage of children in care more than 2 years stood at 39%, relatively unchanged from 1983.

3. Younger Children Entering Out-of-Home Placement At Increasing Rate

In 1988, a greater proportion—42%—of the children who entered foster care were under six years old, compared with those who entered in 1985 (37%), according to a Select Committee survey.

In Missouri, nearly one out of every two children entering the Division of Family Services placement system is between birth and six years of age.

4. Minority Children Disproportionately Represented

While the majority of children in foster care is white, in 1985, minority children comprised 41% of the children in foster care; by 1988, that proportion is estimated to have increased to approximatley 46%—more than twice the proportion of minority children in the nation's child population.

The median length of stay for black children in care is one-third longer than the national median, according to a recent study of 1,000 black children in care.

5. Drug and Alcohol Abuse Contribute Substantially to Increased Out-of-Home Placements

The number of infants born drug-exposed—an estimated 375,000 nationwide in 1988—has nearly quadrupled in the last three years in hospitals across the country. Many of these children are abandoned or neglected, often becoming "boarder babies" in hospitals, or foster children.

State and local child services systems report the serious impact of substance abuse on their caseloads:

New York: In 1988, crack use was identified in nearly 9,000 cases of child neglect, over three times the number of such cases in 1986;

District of Columbia: more than 80% of the reported cases of child abuse and neglect involved substance abuse;

Florida: 33% of all reported cases of child abuse were substance-abuse-related;

California: up to 60% of drug-exposed infants have been placed in foster care;

Illinois: the number of infants requiring placement out of home for substance-abuse-related reasons totalled 1,223 in 1988, a 132% increase over 1987.

6. Other Deteriorating Social Conditions Jeopardize Child Safety, Fuel Child Placement Explosion

Between 1981-1988, reports of abused or neglected children rose 82%, reaching 2.2 million. In 1988, deaths from child abuse exceeded 1,200—more than a 36% increase since 1985.

The U.S. Conference of Mayors reports an 18% increase in requests for shelter by homeless families between 1987 and 1988. Many cities cannot accommodate homeless families with children, resulting in family break-up and the entry of children into substitute care. Homelessness was a factor in over 40% of the placements into foster care in New Jersey in 1986, and in 18% of the placements, it was the sole precipitating cause of placement.

7. Child Services Systems Overwhelmed

An estimated 70-80% of emotionally disturbed children get inappropriate mental health services or no services at all.

Foster family homes—for decades the mainstay of out-of-home care resources—are far too few to meet the demand. In California between 1986 and 1988, the number of foster family homes increased by 11%, while the number of foster children increased by 28%.

Excessive caseloads overburden the systems' ability to provide minimal care and appropriate services.

In Los Angeles, the average foster care worker caseload in 1988 was between 75 and 78 children.

In California, juvenile probation officers carried average caseloads of between 65 and 80.

In large urban areas, one judge may hear as many as 100 abuse and neglect proceedings a day.

As of September 1989, the District of Columbia's child welfare system had not completed investigations on a reported backlog of more than 700 cases involving some 1,200 children.

In 1985, adoption was the goal for approximately 36,000 of the 276,300 children in foster care; more than 16,000 were awaiting adoption; and 79% of them had been waiting more than six months.

8. Failures of Federal Leadership, Funding and Oversight Impede Effective Services for Children and Families in Crisis

Despite soaring increases in the number of children in state care, federal funding has not kept pace:

Funding for child welfare services that provide prevention and reunification support has not yet reached the 1980 authorized level of $226 million.

While the number of youth in juvenile facilities increased 27% between 1979 and 1987, funding for the federal Juvenile Justice and Delinquency Prevention Act has declined from $100 million in 1979 to $70 million in 1981, to $66.7 million 1989.

Despite new data demonstrating that millions of children need mental health services, the principal federal support for mental health services, the Alcohol, Drug Abuse and Mental Health Block Grant, provided $503 million in FY 1989, $17 million less than the sum of the categorical programs prior to consolidation into the Block Grant in 1981. There is no separate funding for children's mental health services, and only since 1988 has 10% of the mental health share of the Block Grant been set aside for community-based mental health services for seriously disturbed children and youth.

Federal reimbursements to the states under Title IV-E of the Social Security Act (foster care maintenance program) have grown from $546.2 million in 1985 to $891 million in 1988. States have expanded permanency planning services and claimed federal funds more thoroughly under federal law and regulations to serve an estimated 122,949 children who were in IV-E foster care in 1988, up 17% from 1981, and up 13% from 1985. While states have utilized changes in definitions to claim additional federal support, the definitions in the law do not provide for precise accounting about the use of these monies.

Funding mechanisms create disincentives to keeping families together and maintaining children in the community. For example:

Open-ended federal matching funding is provided to the states for expenditures under the title IV-E foster care maintenance program at an average of 53% of eligible costs; only very limited funding is available for placement prevention and family preservation.

In Minnesota, the mandatory mental health and chemical dependency health insurance laws provide financial incentives favoring inpatient over outpatient care.

Weak federal monitoring and oversight have undermined implementation of protections and services under P.L. 96-272, the Adoption Assistance and Child Welfare Act of 1980. The Department of Health and Human Services (DHHS) fails to monitor the requirement to make "reasonable efforts" to prevent the need for placement and to make it possible for a child to return home, and fails to assess whether states' Title IV-B child welfare services programs are adequate to meet the needs of the children and families served. The Office of Juvenile Justice and Delinquency prevention conducts little monitoring of state activity under the juvenile justice law.

There are no complete and accurate national data on children in publicly-funded substitute care. This seriously compromises planning and service delivery by the states and the federal government.

9. Prevention and Early Intervention Programs Show Great Program Benefits and Cost Effectiveness.

Family preservation programs which provide intensive in-home services to families risk of having a child removed have demonstrated success:

In family preservation programs in Washington and Utah, 68% of children who received services remained in their own homes or with relatives. By contrast, 69% of children who did not receive services were placed out-of-home.

Only 2% of the families served under Maryland's Intensive Family Services' program required out-of-home placement, at an estimated cost saving of $6,174 in averted foster costs per child.

In Virginia's family preservation effort, only 7% of participating families during 1986 experienced placement; 69% showed improved family functioning; the intervention cost $1,214 per child compared with $11,173 for foster care and $22,025 for residential care.

Administrators, providers and advocates agree that future help for children must reverse current funding patterns, provide earlier support for both children and their families, and forge a comprehensive service system that responds to individual needs.

SUMMARY OF THE FAMILY PRESERVATION ACT OF 1990, JUNE 13, 1990

I. IMPROVEMENTS IN CHILD WELFARE SERVICES

Converts the title IV-B child welfare services program from an authorization to a capped entitlement.

Mandates the following statewide services to children and families: preplacement preventive, family preservation, reunification and aftercare services.

Reserves 30 percent of the title IV-B funds for incentive grants to serve families in crisis due to substance abuse and sets aside a portion of title IV-B funds for grants to State courts to improve child welfare procedures.

II. IMPROVEMENTS IN FOSTER CARE AND ADOPTION ASSISTANCE

Requires States to reevaluate their foster care benefit levels every three years.

Requires that the dispositional hearing to determine the final status of the child occur within 12 months of placement, rather than the current 18 months.

Sorts out foster care administrative costs, identifying those expenses related to child placement services and limiting increases in true administrative costs to inflation.

Authorizes respite care for foster parents, extends title IV-E foster care eligibility to abandoned children and children who experience disrupted adoptions, and limits out-of-state foster care placements.

III. OTHER SERVICE IMPROVEMENTS AND DEMONSTRATIONS

Mandates the AFDC emergency assistance program in all States, requiring services to prevent homelessness.

Increases funding for the title XX social services block grant to $3.1 billion by fiscal year 1993.

Encourages State demonstration projects that reduce foster care placements by providing preventive services, develop innovative staff recruitment and training activities, reduce the number of boarder babies, and expedite permanent placement decisions for children. Also evaluates the effect of family preservation services and foster parent retention and training efforts.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, June 21, 1990, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 22

9:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1991 for foreign assistance, focusing on U.S. military assistance.
SD-138

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on S. 2398 and S. 2399, bills to authorize funds for the United States National Senior Sports Organization of Chesterfield, Missouri, to register "National Senior Olympics" as a trademark.
SR-253

10:00 a.m.
Judiciary
Immigration and Refugee Affairs Subcommittee
To hold hearings on S. 1629, to impose civil liability on anyone who, under the authority of a foreign nation, subjects any alien or United States citizen to torture or extrajudicial killing.
SD-226

JUNE 26

9:00 a.m.
Appropriations
Foreign Operations Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1991 for foreign assistance programs.
Room to be announced
Finance
Business meeting, to mark up S. 712, to provide for a referendum that would enable Puerto Rican residents to choose among becoming a State, an independent Republic, or remaining a Commonwealth.
SD-215

9:30 a.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings on the Department of Energy's uranium enrichment enterprise and the independent financial assessment prepared by Smith Barney, Harris Upham and Company.
SD-366

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 2464, to establish the Red Rock Canyon National Conservation Area in Nevada, S. 2475, to provide for the acquisition and addition of the William Johnson House to the Natchez National Historical Park in Mississippi, S. 2555, to designate a segment of the Lower Merced River in California as a component of the National Wild and Scenic Rivers System, S. 2612, to establish a commission to determine the feasibility of designating the Mississippi River as a national heritage corridor, and S. 2669, to provide for increases in appropriation ceilings for land acquisition and development in certain units of the National Park System.
SD-366
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on S. 1772, to prohibit State lotteries from misappropriating professional sports service marks.
SD-430

2:30 p.m.
Appropriations
Foreign Operations Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1991 for foreign assistance programs.
Room to be announced
Armed Services
Closed briefing, on classified intelligence matters relating to the Soviet Union, and to discuss consideration of S. 2171, the Department of Defense Authorization Act.
SR-222
Judiciary
To hold hearings on S. 2648, to revise title 28 of the United States Code to provide for civil justice expense and delay reduction plans and to authorize funds for additional judicial positions for the courts of appeals and district courts of the United States.
SD-226

JUNE 27

9:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

9:30 a.m.
Environment and Public Works
Toxic Substances, Environmental Oversight, Research and Development Subcommittee
To hold hearings on S. 2593, and S. 2637, bills to reduce the amount of lead contamination in the environment.
SH-216
Governmental Affairs
To resume hearings on S. 1978, to establish the Department of Industry and Technology as an executive department, to establish the Interagency Export Enhancement Committee within the Office of the President, and to transfer the National Oceanic and Atmospheric Administration to the Environmental Protection Agency.
SD-342

10:00 a.m.
Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253
Foreign Relations
European Affairs Subcommittee
To hold hearings to examine conventional arms talks and European security.
SD-419

2:00 p.m.
Finance
Energy and Agricultural Taxation Subcommittee
Taxation and Debt Management Subcommittee
To hold joint hearings on proposed legislation to prevent abuses in determining estate and gift tax values.
SD-215

JUNE 28

9:30 a.m.
Small Business
To hold hearings on the impact of social security payroll taxes on small businesses.
SR-428A
Veterans' Affairs
Business meeting, to consider pending legislation relating to veterans compensation and health-care benefits.
SR-418

10:00 a.m.
Finance
To hold hearings to examine the effects of drug abuse on infants, young children, and their mothers, and to review services provided under the Maternal and Child Health Block Grant, Medicaid, foster care, and other Federal programs.
SD-215

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 2273, to encourage economic development of mineral

deposits in the Greens Creek area of the Admiralty Island National Monument in Alaska by granting the Sealaska Corporation the subsurface estate.

SD-366

Foreign Relations
Terrorism, Narcotics and International Operations Subcommittee
Western Hemisphere and Peace Corps Affairs Subcommittee
To hold joint hearings on proposed U.S. military training for Peru.

SD-419

2:30 p.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1991 for the Department of the Interior.

S-128, Capitol

JULY 11

10:00 a.m.
Judiciary
Constitution Subcommittee
To hold joint hearings with the House Committee on the Judiciary's Subcommittee on Courts, Intellectual Property, and the Administration of Justice on S. 2370, to revise Federal copyright law to apply the fair use doctrine to all copyrighted work, whether published or unpublished.

SD-226

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings to review the status of the human genome project of the Department of Energy and the National Institute of Health

SD-366

JULY 12

9:30 a.m.
Select on Indian Affairs
To hold hearings to examine protective services for Indian children, focusing on alcohol and substance abuse programs.

SR-485

2:00 p.m.
Agriculture, Nutrition, and Forestry
Agricultural Research and General Legislation Subcommittee
To hold hearings on the U.S.-Canada open border trade agreement, focusing on meat and poultry.

SR-328A

JULY 26

9:30 a.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings on the current operations and future mission of the Department of Energy's national laboratories, focusing on ongoing programs at the laboratories and potential new and enhanced programs, and math and science initiatives that could utilize the expertise of the national laboratories.

SD-366

POSTPONEMENTS

JUNE 21

9:30 a.m.
Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings to review the effectiveness of the Program Fraud Civil Remedies Act.

SD-342

JUNE 22

2:00 p.m.
Agriculture, Nutrition, and Forestry
Agricultural Research and General Legislation Subcommittee
To hold hearings to review the U.S.-Canada open border agreement, focusing on meat and poultry.

SR-332

JUNE 27

9:30 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings to examine the Federal Trade Commission's (FTC) international antitrust jurisdiction over foreign companies.

SR-253